

Main economic events

- OJSC “Almalyk MMC” will pay out dividends for 2004**
 General meeting of shareholders of OJSC “Almalyk MMC”, sole producer of copper and zinc in Uzbekistan, made a decision to pay dividends for 2004 in amount of 5.57% for common and 30% for preferred stock.
- Number of subscribers of “Uzdunrobita” reached 430 000**
 Number of subscribers of the largest mobile service provider in Uzbekistan – “Uzdunrobita” – grew by 7.4% in July.
- Another auction on sale of non-ferrous metals took place**
 During the exchange auction on sale of non-ferrous metals that was held on 10th August, there was recorded a demand for copper and aluminum alloy.
- Turnover of Uzbek Commodity Exchange reached 365.5B soum**
 The total turnover of Uzbek Commodity Exchange was 1.6 times lower in comparable period of 2004.
- Products of farmers are not left unsold**
 Only during this year farmers produced more than 70% of corn, received by state grain-collecting centers.

Main macroeconomic indicators of Uzbekistan (2000-2004)

Indicators	2000	2001	2002	2003	2004
GDP, trln. soum	3.25	4.92	7.45	9.84	12.2
Real GDP growth, %	3.8	4.2	4.0	4.4	7.7
State budget execution, % to GDP (-def./+prof.)	-1.0	-1.0	-0.8	-0.4	-0.4
Foreign trade turnover, billion USD	6.2	6.3	5.7	6.7	8.7
Inflation (CPI), %	-	-	-	3.8	3.7

Source: State Statistics Committee, Avesta Research

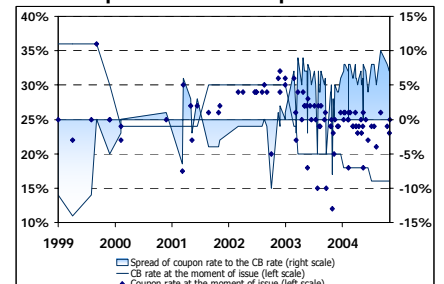
Official exchange rate of the CB RU to major world currencies (USZ)

	09.08.2005	02.08.2005	Chg./%
1 USD	1127.03	1124.85	+0.19 ↑
1 EUR	1389.97	1370.40	+1.43 ↑
1 GBP	1999.46	1981.65	+0.90 ↑
10 JPY	100.22	100.29	-0.07 ↓
1 RUR	39.66	39.28	+0.97 ↑

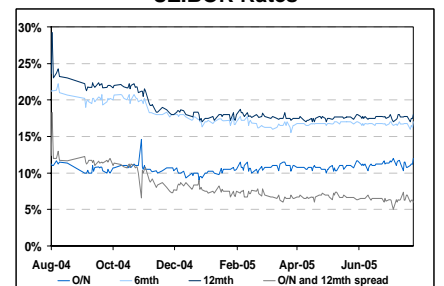
Key interest rates in national currency as of 11.08.2005 (in % per annum)

Refinancing rate of CB RU	16.00
UZIBOR (12 months)	18.00
AWACRI	23.29
CBCAP* (UZS)	199.80
CBCAP* (USD)	173.56

Corporate Bond Coupon Rates



UZIBOR Rates



Sources: Avesta Research. Central Bank of RU. Uzbekistan Banking Association

Today

Coupon payments on corporate bonds:

JV «Uzmedcotton »-2 (200M UZS)

3rd coupon payment

- coupon rate – CB + 5%

- amount of coupon payment – 10.5M soum

Upcoming events calendar

August 13: Payment of 4th coupon of 1st CB issue of SE “Stamford Capital, Inc-Tashkent” is expected.

August 14: Payment of 6th coupon of 2nd CB issue of “Business-Vestnik Vostoka” is expected

August 15: Payment of 4th coupon of 2nd CB issue of OJSC “Almalyk MMC” is expected.

August 15: Payment of 2nd coupon of 2nd CB issue of LLC “Nuron Savdo” is expected.

August 15- 18: Exhibition «Made in Uzbekistan» will be held in Uzexpocentre, Tashkent.

OJSC “Almalyk MMC” will pay out dividends for 2004

General meeting of shareholders of OJSC “Almalyk MMC”, sole producer of copper and zinc in Uzbekistan, made a decision to pay dividends for 2004 in amount of 5.57% for common and 30% for preferred stock with nominal value of 1 000 soum, states the company in republican press.

By the results of 2003 the dividends made up 4.2% for common and 30% for preferred stock. According to audited balance, approved by general meeting of shareholders, net income of OJSC “Almalyk MMC” in 2004 reached 68.2B soum. It was reported earlier that net income of the enterprise in 2003 made up 42,9B soum. According to the enterprise, in 2004 copper production increased by 12.5%, gold – 47.3% and silver – 65% compared to the period of 2001.

At present time the statutory capital of OJSC “Almalyk MMC” comprises 89,687B soum and is split into 2 242 175 preferred and 87 444 809 common shares with nominal value of 1 000 soum each.

In the beginning of 2004 shareholders of AMMC made a decision to increase statutory capital of the enterprise by 28.5% up to 89,687B soum at the expense of additional issue in the amount of 19,92B soum. In the structure of statutory capital, besides 97.5% of stock owned by government, 2.5% belongs to the working personnel.

It was reported earlier that Uzbek government postponed the privatization of AMMC until 2007, as it was concluded that it was necessary to retain control over several strategic enterprises, especially AMMC.

Number of subscribers of “Uzdunrobita” reached 430 000

Number of subscribers of the largest mobile service provider in Uzbekistan – “Uzdunrobita” – grew by 7.4% in July, informs agency “Uzreport.com”.

According to Russian company “Mobile Telesystems” (MTS), the largest shareholder of “Uzdunrobita”, the number of subscribers of Uzbek mobile service provider grew by 30 000 (+7.4%) and reached 430 000.

On 31st July 2005, consolidated subscribers’ base of MTS, the largest mobile service provider in Russia and CIS countries, reached 46,37M. Only during July of this year subscribers’ base of MTS increased by 2,3M, out of which 1,65M fell at Russia.

Uzdunrobita owns licenses for rendering services in GSM and DAMPS/AMPS standards, which are valid until 2006. Last year MTS purchased 74% of “Uzdunrobita” for \$121M.

Another auction on sale of non-ferrous metals took place

During the exchange auction on sale of non-ferrous metals that was held on 10th August there was recorded a large demand for copper and aluminum alloy AB87. In total during the auction 15 tonnes of cathode copper (the seller – “AMMC”) have been sold at the price of 4 238 760 soum per tonne and 12 tonnes of rolled wire copper (the seller – “Uzvtortsvetmet”) at the price of 4 407 814 soum per ton, thus both positions were sold at the starting price.

Besides, four tonnes of aluminum alloy AB 87 have been sold on auction (there were no buyers to this position on the last auction) at price 839 958 soum per tonne.

Turnover of Uzbek Commodity Exchange reached 365.5B soum

The total turnover of Uzbek Commodity Exchange was 1.6 times lower in comparable period of 2004, informs information-analytical service of *Uzbek Commodity Exchange*. The rise in turnover, in general, was reached due to the variety of assortment of high-quality production put on sale and increase in volume.

Additional income of the producers of high-liquid products, formed by the difference between starting and market prices of goods, the total sum of which made up 26.9B soum. It exceeds the figure for the same period of 2005 almost by 5 times. The representatives of small enterprises and private sectors accomplished trade operations at Uzbek Commodity Exchange for the amount of more than 230B soum in analyzed period. This figure exceeded the turnover for the same period of last year by 1.7 times.

Products of farmers are not left unsold

According to the resolution of Cabinet of Ministers “On measures for accelerating development of farmer units in 2005-2007” as of 24th December 2004, almost 700 shirkat units were liquidated due to the fact of their unprofitability. There will be farmer units established on the basis of liquidated shirkat units, is reported on the website of national agency “UzA”.

Only during this year farmers produced more than 70% of corn, received by state grain-collecting centers. There are 3 Mt of corn are left at the disposal of farmer units.

Contact information

Avesta Investment Group (CJSC)

License of CSM for Investment advisor №1012

Address: 25, Amir Temur str., 700000,
Tashkent, Uzbekistan Republic

Tel: +998 (71) 132-6202, 134-1383

Tel/fax: +998 (71) 132-6203

E-mail: info@avestagroup.com

Internet: <http://www.avesta.uz>

Depository Avesta Trust (LLC)

License of CSM for Securities custodian №1053, registry holder №1054 and nominal securities holder №1055

tel: +998 (71) 134-1283

tel/fax: +998 (71) 132-6203

E-mail: trust@avestagroup.com

Internet: <http://trust.avestagroup.com>

Avesta Research

E-mail: research@avestagroup.com

Internet: <http://research.avestagroup.com>

The information and opinions in this report were prepared by Avesta Investment Group or one of its affiliates (collectively "Avesta"). The information herein is believed by Avesta to be reliable and has been obtained from public sources believed to be reliable, but Avesta makes no representation as to the accuracy or completeness of such information. Important Information Regarding Our Independence. The research analysts responsible for the preparation of this report receive compensation that is based upon, among other factors, Avesta's overall revenues. Avesta may engage in securities transactions in a manner inconsistent with this research report and with respect to securities covered by this report, will sell to or buy from customers on a principal basis. Disclosures of conflicts of interest, if any, are discussed at the end of the text of this report or on the Avesta Investment Group's website at <http://www.avestagroup.com>. Opinions, estimates and projections in this report constitute the current judgement of the author as of the date of this report. They do not necessarily reflect the opinions of Avesta and are subject to change without notice. Avesta has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. Prices and availability of financial instruments also are subject to change without notice. This report is provided for informational purposes only. It is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The financial instruments discussed in this report may not be suitable for all investors and investors must make their own investment decisions using their own independent advisors as they believe necessary and based upon their specific financial situations and investment objectives. If a financial instrument is denominated in a currency other than an investor's currency, a change in exchange rates may adversely affect the price or value of, or the income derived from, the financial instrument, and such investor effectively assumes currency risk. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Furthermore, past performance is not necessarily indicative of future results. Unless governing law provides otherwise, all transactions should be executed in the investor's home jurisdiction. Additional information relative to securities, other financial products or issuers discussed in this report is available upon request. This report may not be reproduced, distributed or published by any person for any purpose without Avesta prior written consent. Please cite source when quoting. Copyright 2004-2005 Avesta Investment Group