

Main economic events

- UBA launches Interbank Trade System**
 ITS is the organizer of OTC trades and clearing service.
- Net profit of Ipoteka bank made up 2.12B soum**
 In April shareholders also confirmed forecast figures for the year 2005, according to which, the bank's net profit will amount to 3,5B soum.
- Paxtabank's net profit has risen to 7.13B soum**
 Net profit of Paxtabank, the 4th biggest Uzbek bank rose by 28,7% in the period of Jan-Aug 2005 as compared with the same period in 2004.
- "UVT INSHURANS" became first in premium collection**
 By the amount of the collected insurance premiums SJSIC «Uzagrosugurta» и NEIIC «Uzbekinvest» took 2nd and 3rd places respectively.

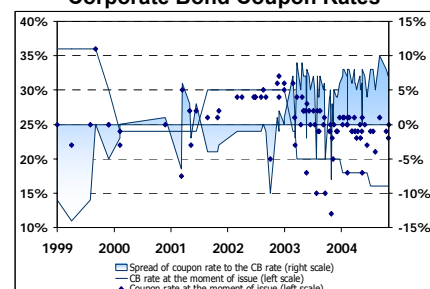
Official exchange rate of the CB RU to major world currencies (USZ)

	13.09.2005	06.09.2005	Chg./%
1 USD	1136.58	1134.41	+0.19 ↑
1 EUR	1401.97	1426.41	-1.71 ↓
1 GBP	2086.08	2095.71	-0.46 ↓
10 JPY	103.78	103.98	-0.19 ↓
1 RUR	40.23	40.08	+0.37 ↑

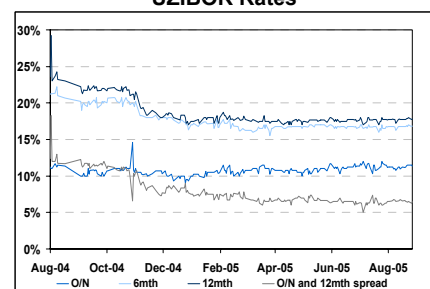
Key interest rates in national currency as of 13.09.2005 (in % per annum)

Refinancing rate of CB RU	16.00
UZIBOR (12 months)	17.80
AWACRI	23.24
CBCAP* (UZS)	195.09
CBCAP* (USD)	168.62

Corporate Bond Coupon Rates



UZIBOR Rates



Main macroeconomic indicators of Uzbekistan (2000-2004)

Indicators	2002	2003	2004	2004 1Q	2005 1Q
GDP, trln. soum	7.45	9.84	12.2	2.1	2.5
Real GDP growth, %	4.0	4.4	7.7	4.8	4.8
State budget execution, % to GDP (-def./+prof.)	-0.8	-0.4	-0.4	4.0	1.9
Foreign trade turnover, billion USD	5.7	6.7	8.7	2.1	2.3
Inflation (CPI), %	-	3.8	3.7	1.1	2.2

Source: State Statistics Committee, Avesta Research

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

Today

LLC "Poli-Pro" (500M soum)
4th coupon payment
 - coupon rate – CB+6%
 - amount of coupon payment – 27,5M soum

JV LLC "Unifam Co. LTD" (300M soum)
2nd coupon payment
 - coupon rate – 26%
 - amount of coupon payment – 19,5M soum

Upcoming events calendar

- September 16:** Payment of 6th coupon of 3rd CB issue of JV "Coscom"
- September 16:** Payment of 6th coupon of the 3rd CB issue of LLC "Favorit-Intel" is expected
- September 17:** Payment of 8th coupon and redemption of the 1st CB issue of "Biznes Vestnik Vostoka"
- September 17:** Payment of the 7th coupon of 1st CB issue of JV OJSC "Qoxiz" is expected.
- September 20-22:** 6th Uzbek International Exhibition "Telecommunications and Information Technologies" will be held.

UBA launches Interbank Trade System

As "UzA" reports, the new structure – Interbank Trading System (ITS) under Uzbekistan Banking Association – was created in the security market.

ITS is the organizer of over-the-counter trades and clearing service. Recently it obtained a license from Center for Securities Market and signed an agreement with State central depository. The special feature of the new system is that it is supposed to ensure competitive advantages and effective functioning. Actually, ITS works as an alternative to Republican Stock Exchange.

Access to sale is given without requiring investment intermediary license, preliminary deposition of money is not required, all information is transmitted electronically, issuers have the opportunity to sell and buy their securities on their own, deal settlements take place at the same day, information on trades and deals disclosed and tariffs do not depend on the deal volume.

ITS allows to make primary corporate bonds placement during few trade sessions and with minimal costs.

Net profit of Ipoteka bank made up 2.12B soum

Net profit of Ipoteka bank, Uzbekistan 5th biggest bank, which has been working since April, 2005, amounted to 2.12 bln. soum on September 1, reports "Prime-Tass" with reference to the bank's authorities.

Bank's net assets were 276.39 bln. soum (+8.9% since beginning of the year), including credit portfolio – 144.12 bln. soum (+14.5%), liabilities – 243.852 bln. soum (10.8%), capital – 32.535 bln. soum (-3,3%).

In April shareholders also confirmed forecast figures for the year 2005, according to which, the bank's net profit will be up to 3.5 bln. UZS, assets – 417.1 bln. UZS, including profit yielding assets – 298.4 bln. UZS, liabilities – 380.3 bln. UZS, capital – 36.7 bln. UZS.

At the present moment, bank's shareholders equity is 9.345 bln. soum (8.069M of common and 1.276M of preferred stock with face value of 1 000 soum each). Bank's structure consists of 30 branches, 93 mini-banks, 545 saving-banks and 109 exchange offices. The bank's clients include 32.5 thousand of legal entities and 241.2 thousand individuals.

Paxtabank's net profit has risen to 7.13B soum

Net profit of Pahtabank, the 4th biggest commercial bank in Uzbekistan, rose by 28.7% in the period of January-August, 2005 as compared with the same period in 2004 and amounted to 7.13B soum, reports "Prime-Tass" with reference to the bank's authorities.

The bank's assets were 500.59 bln. UZS (growth by 2.1 times), credit investments – 409.08 bln. UZS (growth by 2.6 times), liabilities – 445.75 bln. UZS (by 2,4 times), capital – up to 55.27 bln. UZS (+7,7%).

In early July this year the bank began placement of the next, 10th security issue for total amount of 500M soum (500K of common stock with 1 000 soum face value each) through the bank's cash desks and in the equity market.

At the moment the bank's shareholders equity is 12.578 bln. soum and consists of 12.428 common and 150 thousand preferred stock with face value of 1 000 soum each, which are held by 76,7 thousand shareholders, 53,4 thousand of which are individuals.

The bank's clientele consists of 243 thousand legal entities and individuals. The bank works through 13 regional offices, 183 branches and 229 mini-banks all over the Republic.

"UVT INSHURANS" became first in premium collection

As "Uzreport.com" reported, "UVT Inshurans" took a leading position in collection of insurance premiums in the insurance market of Uzbekistan in the 1st half of the current year.

According to State Insurance Inspection under the Ministry of Finance, second and third places belong to SJSIC "Uzagrosugurta" and NEIIC "Uzbekinvest" respectively.

As was stated earlier, all Uzbek insurance companies collected insurance premiums for total amount of 21.7B soum in the period of Jan-June of 2005, which is 24% more compared to the same period of 2004. The contribution to this growth was mainly made by private insurance companies, whereas the share of state-owned companies was 40%.

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