

### Main economic events

- 294.1 thousand new jobs created in the 1<sup>st</sup> half of 2005**  
 According to State Statistics Committee, in January-June, 2005 total labor force increased by 2.8% in Uzbekistan to 14 268.2 thousand people, or 54.7% of permanent population of the country.
- The number of cellular subscribers grew up to 900 thousand**  
 In the first 9 months of 2005 industry enterprises rendered services for 310 bln. soum including 278.2 bln. soum in the sphere of information-communication technology.
- UzDaewooAuto became completely Uzbek**  
 After the acquisition of shares, management of "Autosanoat" is expected to start negotiations with potential investors.
- Djizak region surpassed the cotton collection plan**  
 According to "Uzpakhtasanoat" association, more than 3M 200Kt of raw cotton has already been collected from the fields, 90-95% of which are categorized as the first and second class.
- The growth in the sale of consumer goods exceeded 8%**  
 Consumer goods of almost 2.58B soum were sold to the population of Uzbekistan in January-June, 2005.

### Main macroeconomic indicators of Uzbekistan (2000-2005)

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

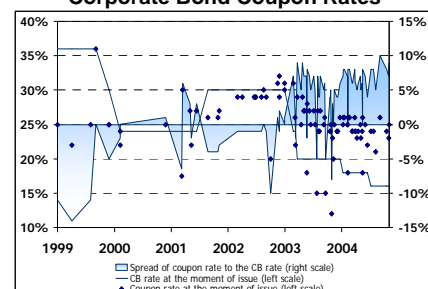
### Official exchange rate of the CB RU to major world currencies (USZ)

	04.10.2005	27.09.2005	Chg./%
1 USD	1141.35	1140.00	+0.12 ↑
1 EUR	1363.80	1372.22	-0.61 ↓
1 GBP	2005.81	2022.59	-0.83 ↓
10 JPY	100.06	101.52	-1.44 ↓
1 RUR	40.00	40.10	-0.25 ↓

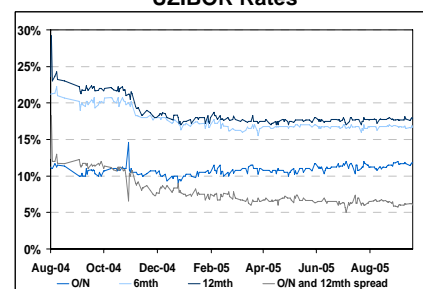
### Key interest rates in national currency as of 06.10.2005 (in % per annum)

Refinancing rate of CB RU	16.00
UZIBOR (12 months)	17.80
AWACRI	23.25
CBCAP* (UZS)	201.29
CBCAP* (USD)	172.66

### Corporate Bond Coupon Rates



### UZIBOR Rates



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

### Today

Coupon payments are not expected

### Upcoming events calendar

**October 7:** Payment of the 1<sup>st</sup> coupon of the 2<sup>nd</sup> CB issue of LLC "Joni M" is expected.

**October 10 – 11:** International Uzbek Cotton Fair will be held in Tashkent.

**October 12:** Payment of 1<sup>st</sup> coupon of the 1<sup>st</sup> CB issue of JSC "Uzbektelecom" is expected.

**October 12:** payment of 3<sup>rd</sup> coupon of the 1<sup>st</sup> CB issue of JV LLC "Tanner Ltd" is expected.

## **294.1 thousand new jobs were created in the 1<sup>st</sup> half of 2005**

According to State Statistics Committee 220.5 thousand people applied for job placement assistance to employment agencies in Jan-June, 2005, which is by 3.3% or 7.6 thousand less than in the period of 2004.

171.7 thousand citizens were provided by a job, which is 3.2% more than in the same period of the last year. 51.1% of those placed in a job are individuals aged 16-30. Of the total number of citizens searching for a job registered in the agencies 38.1 thousand are declared unemployed at the end of June, 2005.

In Jan-June, 2005, according to the preliminary data of the Ministry of Labor and Social Protect of Population, within the frames of the Program "Employment", 294.1 thousand of new jobs were created in the Republic, from which 53.9% were created in the enterprises and organizations including 40.1% jobs created in small enterprises (without farming sector), 23.1% - in farming, and 23% in the private sector.

72.3% of new jobs were created in the rural area (212.7 thousand jobs). Total number of labor resources in Jan-June of 2005, according to State Statistics Committee, increased by 2.8% as compared with the 1<sup>st</sup> half of 2004 and was 14 268.2 thousand people or 54.7 % of the permanent population of the country.

## **The number of cellular subscribers grew up to 900 thousand**

As "UZA" reports, the meeting of the Complex on the information systems and telecommunications issues took place in the Cabinet of Ministers, where the industry development for the last 9 months was discussed.

In the first 9 months of 2005 industry enterprises rendered services for 310B UZS incl. 278.2B UZS of services in the sphere of ICT (134.6% increase as compared with the same period in 2004), in the mass media and press – for 31.8B UZS (111.5% increase). \$55.3M of direct foreign investments were adopted.

The number of cellular subscribers totaled to 900 thousand. This figure doubled as compared with 2004. The analysis of this market functioning shows that mobile industry is developing faster than the fixed-line telephony, which corresponds to the world tendencies.

## **UzDaewooAuto became completely Uzbek**

Uzbek side bought the stake of the Korean automobile company Daewoo Motor in the JV "UzDaewooAuto", as "RBC" reports with the reference to the company source. The information concerning the cost of the deal is not disclosed. After the acquisition of stocks, management of "Autosanoat" is expected to start negotiations with potential investors and foreign automobile companies on assembly of the new car models.

During the first 7 months of 2005 UzDaewooAuto increased its production by 75.5% as compared with the same period in 2004 – up to 61.4K automobiles. During the period JV produced 36 594 of Daewoo Nexia, 14 729 of Daewoo Matiz, 8 597 of Daewoo Damas and assembled 1 490 of Daewoo Lacetti.

In the 9 months of 2005 39 733 cars were sold by UzDaewooAuto in Russia. A year earlier 26 493 of such cars were sold in Russia. In 2005 UzDaewooAuto plans to produce about 110.5 thousand cars, of which 56.9 thousand produced for export. The equity capital of the company is \$200M. Joint venture owns the automobile plant in Andijan region with the capacity 200 thousand cars per year.

## **Djizak region surpassed the cotton collection plan**

Having sent 234t of cotton to the receiving points, Djizak region workers went beyond the planned contract.

It is necessary to mention that in October 10-11 the 1<sup>st</sup> International Uzbek Cotton Fair will take place in Tashkent (UzexpoCenter), where, according to the specialists' forecast, the contracts on the purchase of 100-150 kt of cotton fiber will be signed.

According to "Uzpakhtasanoat" association, more than 3M 200 kt of raw cotton has already been collected from the fields, 90-95% of which are categorized as the first and second class. From this amount 170 kt of cotton fiber has already been produced, of which 100 kt are stockpiled and ready for the Fair auctions. No less than 1.250 Mt of the cotton fiber is expected to be produced in Uzbekistan during the current year.

## **The growth in the sale of consumer goods exceeded 8%**

According to State Statistics Committee, consumer goods for almost 2.58 bln soum were sold to the population of Uzbekistan in Jan-June of 2005, which is by 8.1% more than in the same period of 2004.

Consumer goods turnover growth rate of June, 2005 was 106.8% versus June, 2004; the absolute volume of the turnover reached 454.3 bln. soum. Turnover of the peasants, clothes and specialized markets increased by 4.6% as compared with Jan-June 2004 and amounted to 73.5% of the total volume of consumer goods sales. The turnover of the informal sector (clothes and specialized markets) was 696.3 bln. soum or 104.8% of the last year. Peasant markets turnover amounted to 1.2 bln. soum.

## Contact information

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### **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](mailto:info@avestagroup.com)

**Internet:** <http://www.avestagroup.com>

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### **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](mailto:trust@avestagroup.com)

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

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### **Avesta Research**

**E-mail:** [research@avestagroup.com](mailto:research@avestagroup.com)

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

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