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The Chinese company has purchased the specified share holding at group of shareholders of the post operator in the secondary market through the tenders at stock exchange "Toshkent".

- Rate of State duty for telecommunication businesses has been decreased**

The president of Uzbekistan has reduced the size of state duties on licensing small businesses in countryside in sphere of telecommunications.

- Swiss company WPT has opened its own production line in Uzbekistan**

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- Comments on trading results at UzSE «Toshkent»**

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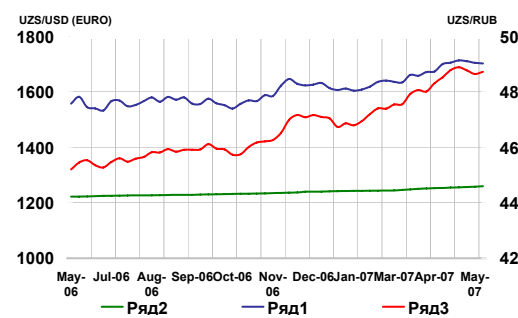
Official exchange rate of the CB RU to major world currencies (UZS)

| | 29.05.2007 | 22.05.2007 | Chg./% |
|--------|------------|------------|--------|
| 1 USD | 1260.27 | 1259.35 | +0.11↑ |
| 1 EUR | 1695.82 | 1701.89 | -0.14↓ |
| 1 GBP | 2500.75 | 2486.46 | -0.38↓ |
| 10 JPY | 103.62 | 103.87 | -0.77↓ |
| 1 RUR | 48.63 | 48.72 | +0.16↑ |

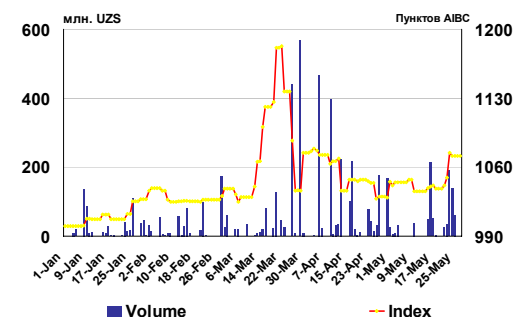
Key interest rates in national currency (in % per annum)

| | 04.05.2007 | Chg in 3 months |
|-------------------------|------------|-----------------|
| CBU rate | 14,00 | -2% |
| UZIBOR (12 мес.) | 14,00 | +1,37% |
| AWACRI | 21,74 | -4.6% |
| AIBC | 1044,815 | +0,13% |

Dynamics of exchange rates for 52 weeks



AIBC dynamic



The main macroeconomic indicators of Uzbekistan for 2002-2006.

| indicator | 2002 | 2003 | 2004 | 2005 | 2006 |
|--|------|------|------|------|------|
| GDP, trill. UZS | 7,45 | 9,84 | 12,2 | 15,2 | 20.8 |
| Real GDP growth % | 4,0 | 4,4 | 7,7 | 7 | 7.3 |
| State budget execution % to GDP (-deficit./+surplus.) | -0,8 | -0,4 | -0,4 | +0,1 | -- |
| Foreign trade turnover, billions of USD | 5,7 | 6,7 | 8,7 | 9,5 | 10.7 |
| Inflation (CPI), % | - | 3,8 | 3,7 | 7,8 | 6.8 |

Source: State Committee of Statistics of RUz, Avesta Research

Today

Upcoming events calendar

No events are expected

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Chinese Finex has purchased 9,4% shares of «Uzbekiston Pochtasi»

Chinese Finex Ltd has purchased 9,44% shares of JSC "Uzbekiston Pochtasi", the national operator of post services in Uzbekistan, for 1,07 million US dollar and has increased its share at the enterprise up to 34,8%, informs an internet site of "Prime-TASS".

The Chinese company has purchased the specified share holding at group of shareholders of the post operator in the secondary market through the tenders at stock exchange "Toshkent". In the beginning of the year, Chinese Finex Ltd has purchased 25,4% of state assets of JSC "Uzbekiston Pochtasi" in cost 4,1 million US dollar during carrying out of the international tender on sale of state assets of the company.

Rate of State duty for telecommunication businesses has been decreased

The president of Uzbekistan has reduced the size of state duties on licensing small businesses in countryside in sphere of telecommunications.

In Uzbekistan the sizes of state duties on licensing for the right of realization of activity in sphere of telecommunications to subjects of small business in countryside has been decreased, according to the decision of the president of Uzbekistan of Islam Karimov. This decision is reflected in the decree of the president, informs agency *prime-tass*.

The size of the state duty on licensing for realization of activity on operation and rendering of services of local networks of telecommunications, and also rendering services of networks of data transmission by items of collective using is established at a rate of 1 minimal wages; rendering inter-city service networks - 5 minimal wages, rendering services of the international networks - 10 minimal salaries (At the moment the size of the minimal salary in Uzbekistan makes 12 420 UZS).

At simultaneous reception of licenses for the right of realization of activity on rendering inter-city communication services and local networks of telecommunications in a countryside, licensing for rendering the second type of services will be made without payment of a State Tax. The same rule is applied for simultaneous reception of licenses, including services of the international telecommunications, payment of the duty.

According to normative documents to small businesses of sphere of telecommunications in Uzbekistan in a countryside realization of activity on operation of local networks in capacity more than 2048 numbers are not allowed.

Uzbek agency of communication and information (UzACI) have informed that the given measure is accepted with a view of activation of penetration IT-technologies in a countryside and will allow to increase volume of rendered services of communication and information, including services of information centres-resource, in 2,5 times to 2010. According to results of 2006, the volume of services of communication in Uzbekistan has grown on 55% up to 622,5 billion UZS.

In sphere of telecommunications in Uzbekistan, activity on designing, construction, operation and rendering of services of telecommunications are subject to licensing: local networks (the state duty at a rate of 85 minimal salaries); inter-city networks (430 minimal wages); the international networks (1900 minimal wages); networks of cellular communication (1 400 000 minimal wages); networks of a personal radiocall (135 minimal wages); networks of data transmission (200 minimal wages); networks of distribution of telebroadcasts (340 minimal wages).

Competitors of licenses can have licenses on several networks of telecommunications depending on carried out works, and also on some types of activity (designing, construction, operation and rendering of services).

Licenses for designing, construction, operation and rendering of services local, междугородных, the international networks, networks of mobile radio telephone communication, a personal radiocall stand out for the term of from 5 till 15 years.

Licenses for designing, construction, operation and rendering of services of networks of data transmission, networks of distribution of telebroadcasts stand out for the period of 5 years.

For the 1st of January 2006, 143 legal entities had a licence in Uzbekistan on realization of activity in the field of local networks, 41 – inter-city networks, 21-international networks, 8 - a personal radiocall, 11 - cellular communication, 40 - mobile radio telephone communication, 444 - networks of data transmission, 88 - distributions of telebroadcasts.

Swiss company WPT has opened its own production line in Uzbekistan

Swiss company WPT (Wheels Production and Trade, is engaged in manufacture of steel disks for motor cars) has organized its own production process on manufacturing riggings in total cost nearby 1,2 million US dollar on the basis of its plant CJSC "EvraziyaTAPO-Disk" (Fergana), informs an internet site "*bir.uz*".

The manufacturing product of new division of WPT will be used under construction factory of LLC "Eurodisk" (Kingisepp, Leningrad region), investments in which have made nearby 50 million dollars.

The company WPT includes factories of the joint venture Joint-Stock Company "EvraziyaTAPO-Disk" (which capacity allows to produce more than 1,2 million disks per year) and under construction LLC "Eurodisk" (prospective capacity - 2,2 million disks per year).

With input in build LLC "Eurodisk" (start is planned for autumn 2007) capacity of the enterprises of holding WPT will make about 3,5 million steel wheels per year.

Comments on trading results at UzSE «Toshkent»

According to trading results carried on 5th of June, 2007 at UzSE "Toshkent", the total volume of trades has made 354 972 754 UZS. Transactions with 250 284 units of shares of 9 issuers have been carried out.

The leader on volume of the tenders became - "Kukonmash" - four transactions for a total sum 270.7 million UZS (171 401 units of shares at the price which exceeded its face value in 15.80 times) has been concluded with the shares of the company. The second place has borrowed - "Pakhtabank" - 12 transactions for a total sum 63 million UZS (63 789 units of shares at nominal price) has been concluded.

Trading results at UzSE «Toshkent» for 05.06.2007

| Issuer | Region | Sector | Max. Price of transac., UZS/USD | Number of shares | Amount of transaction, UZS | Price / nominal |
|--|-----------------|--------------------|---------------------------------|------------------|----------------------------|-----------------|
| Kukonmash | Ferghana | Cotton and textile | 1 580 | 171 401 | 270 727 880 | 15,80 |
| Pakhtabank | Tashkent | Bank | 1 000 | 63 789 | 63 789 000 | 1,00 |
| Chimen tamirlash mehanika zavodi | Fergha | Energy sector | 1 184 | 6 435 | 7 619 040 | 1,00 |
| Ipoteka bank | Tashkent | Bank | 1 010 | 4 602 | 4 658 725 | 1,01 |
| Uzpromstroybank | Tashkent | Bank | 1 800 | 2 262 | 4 071 600 | 1,20 |
| Uztransgaz | Tashkent | Energy sector | 3 200 | 1 152 | 3 686 400 | 3,20 |
| 80-sonli Olmalik avtokorhonasi | Tashkent region | Transport | 600 | 628 | 376 800 | 1,00 |
| Kashkadaryopakhtasanoat HA birlashmasi | Kashkadarya | Cotton and textile | 6 140 | 5 | 30 700 | 1,23 |
| Bobur | Andijon | Light industr | 1 260 | 10 | 12 600 | 1,91 |
| Итого: | | | | 250 284 | 354 972 745 | |

Source: UzSE «Toshkent», Calculations by: Avesta Research

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