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 The project is already approved by the president of the country H.E. Islam Karimov.
- Privileges for insurance market**
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- Comments on trading results at UzSE «Toshkent»**
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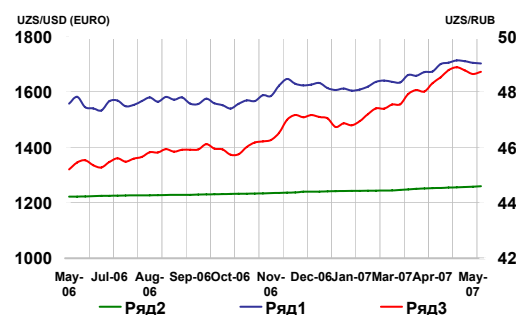
Official exchange rate of the CB RU to major world currencies (UZS)

	10.07.2007	03.07.2007	Chg./%
1 USD	1266.05	1265.49	+0.04↑
1 EUR	1721.19	1702.72	+1.08↑
1 GBP	2549.70	2531.36	+0.72↑
10 JPY	103.19	102.67	+0.51↑
1 RUR	49.25	49.00	+0.51↑

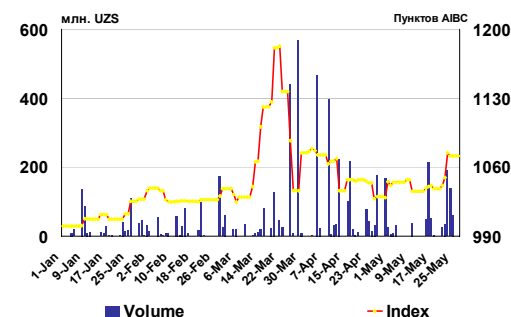
Key interest rates in national currency (in % per annum)

	16.07.2007	Change in 3 months
CBU rate	14,00	-2%
UZIBOR (12 m.)	14,00	+1,37%
AWACRI	21,74	-4.6%
AIBC	1026,75	-2,94%

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

Quotations of share prices at exchange list of UzSE «Toshkent» for 16.07.2007

Issuer	Price of last transaction (UZS)	Change (%)	Issuer	Price of last transaction (UZS)	Change (%)
Uzsanoatqurilishbanki	1 875,0	-1,10%	Xamkor Bank	100,0	0%
Galla Bank	100,0	0%	Ipak Yuli Bank	100,0	-0,5%
Ipoteka Bank	1 010,1	-1,03%	Kapital bank	10 300,0	0%
Pakhta Bank	1 000,0	-1,05%	Aloka bank	100,0	0%

Today

Upcoming events calendar

No events expected

TAPAC will supply "Uzbekistan Airways" 6 airplanes

SJSC "Tashkent aviation production association named after V.Chkalov" (SJSC "TAPAC") within the period 2007-2009 will supply National Airline Company of Uzbekistan (NAC) "Uzbekistan Airways" six passenger planes IL-114-100, informs IA "*press-uz.info*".

The contract on purchase of four passenger planes IL-114-100 in cost nearby USD50 million has been signed in April of current year, and will be financed due to means of Fund of reconstruction and development of Uzbekistan, the credit of National bank of Uzbekistan and own means of "Uzbekistan Airways".

According to development plan of airline company, up to the end of 2009, planes IL-114-100 will completely replace park of planes of the Soviet manufacture JAK-40, which is being used for middle main line flights of "Uzbekistan Airways".

Park NAC "Uzbekistan Airways" totals 16 planes of the western manufacture. In particular, 10 Boeing (five 767-300 and five 757-200), three air buses A-310, and three middle main line RJ-85, and also 27 planes of the Soviet manufacture. At the same time planes of the western manufacture carried out 73,3% of all passenger transportations.

The Uzbek airline company carries out flights to 22 cities of the countries of the Europe, America, the Near East, Asia, in 21 city of the CIS countries and in 12 directions of local airlines.

According to results of 2006, the company has increased transportation of passengers by 1.6% in comparison with 2005 up to 1,693 million people, while the volume of freight traffic was reduced by 16% to 18,1 thousand tons.

***The comment:** Conclusion of the given contract, and also recent arrangements with the Russian aviabuilders in occasion of occurrence TAPAC in structure "Incorporated aviabuilding corporation", should raise attractiveness of the company for potential investors. In case of realization of the given agreements, the minimal volume of turnover of TAPAC for the next 2-3 years will make not less than USD150 million.*

Jisong Korea Industrial will construct luxury business center in Tashkent

By end of 2007, in the center of Tashkent construction of luxurious business-complex by a total area over 70 hectares will be started, informs IA "*press-uz.info*".

Inhabited quarter "Almazar" ("Apple garden"), mainly private building is located in elite area of city centre, approximately 500 meters from a complex of the device of the president of Uzbekistan.

These territories are allocated to joint Uzbek-Korean building enterprise Jisong Korea Industrial. The corresponding decision has been taken in November, 2006 by mayor of Tashkent. Luxurious business-complex will be named "New city". Its construction is planned to be finished approximately by 2012.

High-altitude business-complex will include buildings of banks, hotels, and business centers, representations of the foreign companies, numerous vacation spots and huge lake with park. The project is already approved by the president of the country H.E. Islam Karimov.

According to provisional calculations, the construction of a complex and its preliminary arrangement will be invested about USD470 million. However, this is only the initial amount. Business-complex is planned to be equipped with the best design building companies of the world.

For realization of the project, it is planned to move more than 2800 families to other parts of Tashkent. The Uzbek-Korean joint venture Jisong Korea Industrial has already allocated above USD40 million for these purposes. According to approximate calculations, the project of "New city" has payback ratio not less than 10 years.

***The comment:** construction of a similar business-center in the center of the capital can appear rather favourable from the point of view of a constant rise in prices on the real estate and rent in Tashkent. However, there is still an excess of the supply over demand for the luxurious real estate in Tashkent, in particular on dear office real estate that can make problems with fillability of the complex. The positive factor can become active occurrence of the foreign companies on the market of the country that can increase the demand. Apparently from the presented figures, on one family it is already allocated more than USD14 thousand, that at market prices for the real estate in this area financing or granting of significant privileges for purchase of habitation for moved families.*

Privileges for insurance market

According to the Decision of the President of Uzbekistan "About measures on the further reforming and development of insurance market", the insurants have been given privileges on insurance of property and life insurance, informs internet site "uza.uz".

According to the document, the amount of insurance premium, paid by the legal person under the contract of insurance of property and long-term life insurance of the worker, are subtracted from the cumulative income and are not a subject to the taxation at calculation of the profit tax.

As the amount of insurance premium paid by the legal person under the contract of long-term life insurance for the worker, is not considered as the assessed income of the physical person. The basis, entitling the use of established tax privileges is the insurance policy.

Uzbekistan had accepted the State program of development of the insurance market of republic for the period 2007 - 2010. It is expected that the realization of the program will allow to increase volume of insurance services in 3 times, insurance reserves of insurers more than in 2,5 times, the cumulative capital of the insurance companies - more than in 2 times, quantity of kinds of insurance services - in 2 times to the beginning of 2011.

The comment: In the last year insurers of Uzbekistan have collected UZ\$48,5 billion insurance premiums and had paid insurance indemnification in UZ\$6,2 billion. Thus, POP ratio has made in total on the market about 13%. Among leaders it is possible to see three state companies - UNIC "Uzbekinvest", SJSIC "Uzagrosugurta" and SJSIC "Kafolat" which is planned to privatize till 2010, and also joint venture IC "SIG" and UVT Insurance which are actively struggling for the third place according to amount of collected premiums. Sharp growth of share of UNIC is caused by greater contract on insurance of the oil-extracting equipment and the deposits developed by "LUKOIL", nevertheless, for the last years, the tendency to decrease in a share of a state company in the market was outlined. Changes in structure should be expected by the end of year when "SIG" will receive significant volume of premiums from main client NHC "Uzbekistan Airways" for insurance of an aircraft depot of the company. The greatest relative growth has achieved by "Kapital Sugurta", increased the share in the market in 3 times.

	1 quarter of 2006	1 quarter of 2007
Uzbekinvest	23,0	43,0↑
Uzagrosugurta	21,0	15,2↓
Standard Insurance Group	12,5	4,7↓
UVT Inshurans	19,6	14,5↓
Kafolat	7,4	5,2↓
Alskom	1,3	1,2↓
Asia Inshurans	1,9	3,9↑
Kapital Sugurta	0,7	2,1↑
Transinshuranse	0,3	1,4↑
Asko-Vostok	0,6	1,3↑

Comments on trading results at UzSE «Toshkent»

According to trading results carried on out 16th of July, 2007 at UzSE "Toshkent", the total volume of trades amounted to UZ\$20 185 164. Transactions with 19 467 units of shares from 6 issuers have been carried out.

The leader in volume of the tenders became - "Pakhta-bank" - 2 transactions with national currency for total amount of UZ\$12.6 million (12 565 units of shares at a price which exceeded nominal value by 1.01 times) has been concluded with the shares of the bank. In second place "Namangan tuman MTP" - one transaction for a total amount of UZ\$3 million (3000 units of shares at nominal value) has been concluded.

Trading results at UzSE «Toshkent» for 16.07.2007

Issuer	Region	Sector	Max. Price of transac., UZ\$/USD	Number of shares	Amount of transaction, UZ\$	Price / nominal
Pakhta-bank	Tashkent	Bank	1 009	12 565	12 678 085	1,01
Namangan tuman MTP	Namangan	Agriculture	1 000	3 000	3 000 000	1,00
Toshkentdonmahsulot	Tashkent	Food industry	1	3 000	2 278 890	7,60
Kvarts	Ferghana	Construction	5 100	228	1 162 800	2,21
Uzpromstroybank	Tashkent	Bank	2 000	475	950 000	1,33
Foykon	Tashkent	Finance	300	196	58 800	3,00
Eggar	Karakalpakstan	Food industry	18 863	3	56 589	5,13
Total:				19 467	20 185 164	

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

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