

Uzbekistan Daily

THE REVIEW OF MAIN ECONOMIC EVENTS

- GDP of Uzbekistan in first half of 2007 has increased by 9.7%**
 For the first half of current year, the rate of inflation has not exceeded forecasted parameters and has made 2.7%.
- Uzbekistan going to privatize NBU in autumn 2007**
 At the present moment, the project of the governmental order has been prepared as well as all issues regarding this.
- NBU has been granted with «A» class rating estimation**
 NBU became the first bank of the republic which has been granted by foreign rating agency with high level of credit rating.

Business update

20 July, 2007

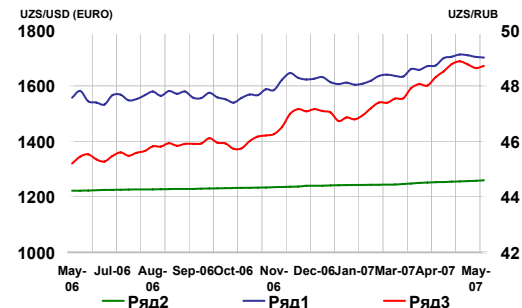
Official exchange rate of the CB RU to major world currencies (UZS)

| | 17.07.2007 | 10.07.2007 | Изм./% |
|--------|------------|------------|--------|
| 1 USD | 1266.52 | 1266.05 | +0.52↑ |
| 1 EUR | 1735.20 | 1721.19 | +0.81↑ |
| 1 GBP | 2561.13 | 2549.70 | +0.11↑ |
| 10 JPY | 103.25 | 103.19 | +0.06↑ |
| 1 RUR | 49.42 | 49.25 | +0.17↑ |

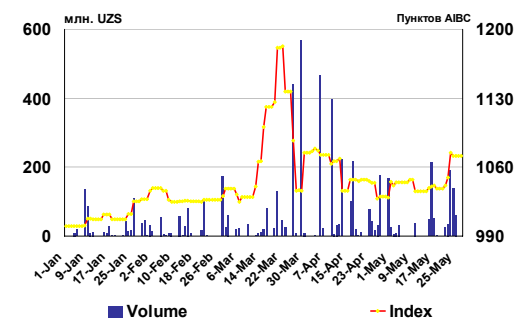
Key interest rates in national currency (in % per annum)

| | 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 17.07.2007

| 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

GDP of Uzbekistan in first half of 2007 has increased by 9.7%

For the first half of current year, the rate of inflation has not exceeded forecasted parameters and has made 2.7%, while the state budget has been executed with 1.9% surplus to gross national product informs IA "*press-uz.info*".

Manufacture of industrial output has increased by 11.6%, while manufacture of consumer goods has increased by 19%, agricultural products by 5.5%. The volume of civil work has grown by 20.5%, paid services - by 25.1%, retail commodity turnover - by 16.8%.

Foreign trade turnover has increased in comparison with the similar period of the last year by 26.3%, including export of production has grown by 39%. The basic part of exported production - 70% is not raw material export. The positive trade balance in amount of USD1.7 billion has been observed.

High rates of growth of the mastered investments – 140.2% by corresponding period of the last year are provided. Mastered foreign investments have grown in 1.9 times, from which about 85% of their all volume are direct investments.

In the first half of 2007, it is created 314.8 thousand new workplaces, including in sphere of services and service - more than 75 thousand and due to organization of in-home work - 40,2 thousand. Real incomes of the population have grown by 21.3%.

Uzbekistan going to privatize NBU in autumn 2007

Uzbekistan is going to privatize the largest bank of the republic - National Bank of Foreign Economic Relations (NBU) by autumn 2007.

At the present moment, the project of the governmental order has been prepared as well as all issues regarding this. It is expected that the document will be accepted within the nearest 2 months. According to the project of the decision, 51% shares of the bank will be kept by the state. The government of Uzbekistan planned to lead privatization of NBU in 2005-2006, having sold 49% shares to foreign investors. In the summer of the last year, the government has postponed terms of privatization of NBU till 2009, planning to lead in 2006-2008 privatization of the bank and preselling preparation with the purpose of improvement of its investment attractiveness.

The State National Bank of Foreign Economic Relations has been created in 1991. Up to 2003, the bank executed functions of the agent of the government in the international financial markets, while now, these functions of the banks are removed from it, and it operates as universal commercial bank. In 2006 the bank has increased its assets by 3.8% - up to UZS3 trillion 75.2 billion. Shareholders' equity of the banks for the beginning of current year has made UZS540.64 billion, having increased for a year by 4.6%.

NBU has been granted with «A» class rating estimation

Rating agency "Expert RA" has granted National Bank of Foreign Economic Relations of the Republic of Uzbekistan "A" class credit rating meaning high level of reliability. Thus, NBU became the first bank of the republic which has been granted by foreign rating agency with high level of credit rating, informs IA "*press-uz.info*".

In the last year, the number of clients of the bank has increased by 18% in comparison with the similar period of 2005 and has made more than 1.3 million.

NBU keeps its leading position in the market of crediting. The volume of credit portfolio of the bank for the 1st of July of this year has made UZS2 015,9 billion, including credits mainly directed on development of priority branches of the economy. Besides, bank is developing mortgage, consumer and other types of crediting. In the first half of this year, NBU has provided credits for UZS195 billion and USD103.2 million, that by 26 and 84% more in comparison with the similar period of the last year.

Activities of NBU in the international financial markets are also developing. The bank has already established correspondent relations with more than 600 banks from 75 countries of the world. NBU completely and in due time provides repayment of all obligations to foreign partners.

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