

- Uzbekistan is going to sell shares of Uz-Daewoo**  
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- Accommodation of state securities at UzSE «Toshkent»**  
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- Uzbekistan: coal mining**  
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- Modernization of fat-and-oil industry**  
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- Comments on trading results at UzSE «Toshkent»**  
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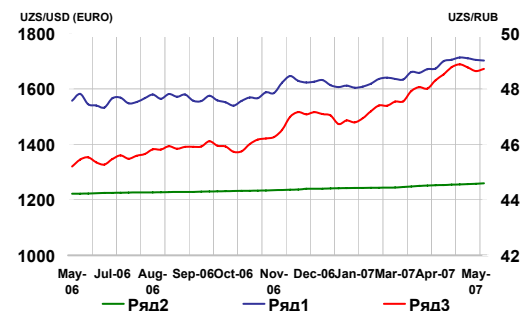
#### Official exchange rate of the CB RU to major world currencies (UZS)

	24.07.2007	17.07.2007	Chg./%
1 USD	1267.01	1266.52	+0.04↑
1 EUR	1748.35	1735.20	+0.76↑
1 GBP	2592.05	2561.13	+1.21↑
10 JPY	103.95	103.25	+0.68↑
1 RUR	49.77	49.42	+0.71↑

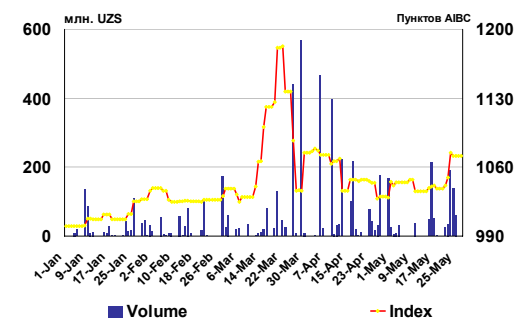
#### Key interest rates in national currency (in % per annum)

	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 24.07.2007

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

## Uzbekistan is going to sell shares of Uz-Daewoo

The government of Uzbekistan has excluded «Uzmetkombinat» and national air carrier «Uzbekistan Airways» from privatization program. On the other hand, automobile manufacturing plants «Uz-Daewoo Auto», «Samavto» and Kungradsky a soda factory have been included into the program, informs internet site "vz.ru".

In total, by 2011 it is planned to privatize 1 432 enterprises, the state control (51% of shares) is supposed to be kept in 45 companies (earlier - 37), while quantity of enterprises controllable by the state companies and the state branch associations will be reduced from 55 to 29.

"The golden action" for the state, concerning cotton proceeding and fat-and-oil industry enterprises and JSC Tashkent tractor plant has been introduced.

The list of new program of privatization does not include «Uzmetkombinat» - the unique enterprise in the country on release of steel hire, and national airline company «Uzbekistan Airways».

Automobile plants «Uz-Daewoo Auto» and LLC «Samavto» on the other hand, are included into this list, in which it is planned to sell on 50% of shares, and also Kungrad soda factory where on sale will expose 74% of shares of the enterprise.

For 2007-2010, the government of Uzbekistan is measured completely sell out all enterprises of electro technical branch and agricultural machinery. Sale of a state block of shares will be carried out also in Samarkand chemical plant, Fergana furan manufacturing plant, and Kokand super phosphate factory.

Former plans of the government to sell 49% shares of the national operator of communication «Uzbektelekom» (the state will reserve 45%), 51% shares of second-largest bank «Asaka» in the country and 51% shares of Tashkent aircraft factory «TAPAC» have not changed. Plan of privatization also includes 994 average and small enterprises.

## Accommodation of state securities at UzSE «Toshkent»

Auction on accommodation of the state intermediate term exchequer obligations of release 26005UMFSF (release on July 18, 2007 maturity date on July 15, 2009, term of reference - 728 days) took place on July 18, 2007 at the Uzbek republican currency stock exchange, inform internet site "cbonds.info".

The volume of release declared by the Ministry of Finance of the Republic of Uzbekistan has made UZ\$1 billion. The declared interest rate - 6,00% annual.

Applications on the auction have been submitted in price range from 100,70% up to 101,30% to face value of state securities. The general volume of submitted competitive and not competitive applications has made UZ\$1 186 783 000 to face value.

The minimal price of satisfied competitive applications according to the decision of the Ministry of Finance of Uzbekistan has made 101,30% to face value. Profitableness of release on this price has made - 5,38% annual. Competitive applications are satisfied on the general volume UZ\$394 000 000 to face value.

In total, the state intermediate term exchequer obligations have been realized for total amount of UZ\$394 000 000 to face value.

## Uzbekistan: coal mining

Uzbekistan in January-June period of 2007 has increased a coal mining up to 1,691 million tons, that by 3,9% more than the similar period of 2006, informs IA "press-uz.info".

For instance, extraction of brown coal in the country has increased by 5% - up to 1,645 million tons. According to JSC "Uzbekugol" and JSC "Apartak", which are developing a deposit of brown coal Angren (Tashkent region), have extracted 1,526 million tons (more by 3,5%) and 119,3 thousand tons (more by 30,2%) for six months of 2007.

Extraction of coal in Uzbekistan is being carried out at three deposits: Angren, Shargun and Baysun deposits. Coal, extracted in the republic basically being mined by open way, only insignificant part of extraction is conducted by underground method.

Angren deposit is the largest in Uzbekistan - the reconnoitered stocks of coal of this deposit makes 1,9 billion tons. Angren and Apartak stations operate in this deposit where extraction goes in open way, as well as one of mines with underground mining and station "Podzemgaz". Working off of layers in this station is being carried out by way of underground gasification with reception of combustible gas. Capacity of station "Podzemgaz" makes 365 million cubic meter of gas per year.

## Modernization of fat-and-oil industry

Uzbekistan, in 2007-2011 period will carry out program of modernization and technical re-equipment of enterprises of fat-and-oil industry in cost nearby USD40 million. One of the most fast-growing branches of economy of the republic has serious industrial potential, informs IA "*press-uz.info*". The Head of the state approved the program of modernization, technical and technological re-equipment of 21 enterprises of this branch in the nearest five years.

Projects will be financed from own means of the enterprises in amount of nearby UZS25 billion, and by direct foreign investments in amount of UZS16,2 billion, including UZS12,6 billion due to investment obligations at realization of state shares at fat-and-oil enterprises, and also credits of Uzbek banks - UZS6,86 billion.

Within the framework of specified projects, it is planned to carry out reconstruction and technical re-equipment of operating lines of manufactures - deodorizations of oil, lines of packaging of finished goods on the basis of PAT-TECHNOLOGIES. The program also provides development of own raw-material base of creameries due to cultivation of non-conventional types of olive cultures of not cotton origin, and also the organization of new manufacture of oil for increasing resources of fatty raw material.

As a result of realization of this investment program, by 2011 growth of manufacture in comparison with 2006 is predicted as follows: vegetative refined oil by 11,6% - up to 283,7 thousand tons, including the packaged oil - in 3,3 times - up to 76 thousand the tons, deodorized - in 6 times - up to 74 thousand tons, margarine - in 1,5 times - up to 32,2 thousand tons. At the same time, the share of packaged production will be increased from 10% up to 35%. As a result of realization of the given program, the volume of production is planned to increase in 1,3 times - up to UZS292,7 billion, volume of export - in 1,5 times - up to USD27 million.

Total capacity of enterprises of branch makes 440 thousand tons of vegetable oil and 52,4 thousand tons of margarine per year. The enterprises of branch have an opportunity to process annually from above 3 million tons of olive seeds. Uzbekistan is 3<sup>rd</sup> country among CIS states on manufacturing vegetable oil after Russia and Ukraine.

Foreign investments have already been attracted in fat-and-oil and food-processing industries of Uzbekistan. Within 2003-2004 periods, foreign investors have been realized 19-65% of share holdings of five oil-and-fat enterprises by total cost nearby USD9 million, with total amount of investments nearby USD10 million.

Uzbekistan has considerable resources for processing agricultural production and development of food-processing industry. Besides, many enterprises of association for last years have mastered production, non-conventional for branch: drying oils, varnishes for wooden surfaces, antifreeze, a brake liquid for cars, technical casein, mineral water and confectionery products.

Processing of olive raw material of not cotton origin is becoming more and more popular in the republic. The branch program on cultivation of olive cultures has been approved, according to which in this year crops of sunflower, soybeans and soflora will be considerably increased. Agricultural enterprises located in the South of Uzbekistan for the first time will be engaged in cultivation of olive. As experiment, it is planned to prepare about 230 hectares.

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

According to trading results carried on out 24<sup>th</sup> of July, 2007 at UzSE "Toshkent", the total volume of trades amounted to UZS215 026 748. Transactions with 99 341 units of shares from 13 issuers have been carried out.

The leader in volume of the tenders became - "Uzqishloqhujalikmashlizing" - two transactions with national currency for total amount of UZS189 million (92 470 units of shares at price which has exceeded its nominal value by 1.03 times) has been concluded with the shares of the company. In second place "Ahangaranshifer" - one transaction for a total amount of UZS10 million (527 units of shares at price which has exceeded its nominal value by 20 times) has been concluded.

**Trading results at UzSE «Toshkent» for 24.07.2007**

Issuer	Region	Sector	Max. Price of transac., UZS/USD	Number of shares	Amount of transaction, UZS	Price / nominal
Uzqishloqhujalikmashlizing	Tashkent reg.	Finance	2050	92470	189 563 500	<b>1,03</b>
Ahangaranshifer	Tashkent reg.	Construction	20000	527	10 540 000	<b>20,00</b>
Mustaqil Uzbekistonning 5 yilligi	Tashkent reg.	Cotton and textile	\$8.00	977,00	9 899 511	<b>6,32</b>
Margilon non	Ferghana	Food industry	3450	350	1 207 500	<b>1,21</b>
Eggar	Karakalpakstan	Food industry	13262	88	1 167 140	<b>3,60</b>
Kvarts	Ferghana	Construction	5100	163	831 300	<b>2,21</b>
Chirchiqnon	Tashkent reg.	Food industry	150	4126	623 600	<b>1,00</b>
Uzelektromontaj	Tashkent reg.	Construction	5000	68	340 000	<b>1,00</b>
Khorazm ipagi	Khorazm	Cotton and textile	5468,35	57	311 696	<b>1,00</b>
Turonbank	Tashkent reg.	Bank	1000	300	300 000	<b>1,00</b>
<b>Total:</b>				<b>99 341</b>	<b>215 026 748</b>	

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

## Contact information

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### **Avesta Investment Group (CJSC)**

License of CSM for Investment advisor №1012

**Legal Address:** 25, Amir Temur str., 100000  
Tashkent, Uzbekistan Republic  
**Postal address:** 107a, Amir Temur str., 100084  
Tashkent, Uzbekistan Republic  
**Tel:** +998 (71) 138-5750  
**Tel/fax:** +998 (71) 138-5751  
**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) 132-2841  
**Tel/fax:** +998 (71) 138-5751  
**E-mail:** [trust@avestagroup.com](mailto:trust@avestagroup.com)  
**Internet:** <http://trust.avestagroup.com>

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### **Brokerage house Avesta Securities™ (Avesta Sekurities LLC)**

License of CSM for Securities №1133

**Tel:** +998 (71) 132-6202  
**Tel/fax:** +998 (71) 138-5751  
**E-mail:** [securities@avestagroup.com](mailto:securities@avestagroup.com)

---

### **Avesta Research**

**Tel:** +998 (71) 138-5750  
**Tel/Fax:** +998 (71) 138-5751  
**E-mail:** [research@avestagroup.com](mailto:research@avestagroup.com)  
**Internet:** <http://research.avestagroup.com>

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