

- **«Neftgaztadqiqot» and «Gazenergoservis» are displayed for sale**
Companies, ready to offer the greatest price for the above-stated share holdings and ready to take the greatest volume of investment obligations proceeding from investment needs of the given enterprises will use an advantage.
- **It is planned to introduce national individual rating estimation of banks**
aggregate capital of banks of the republic has increased in comparison with the same period of the last year by 21,4%.
- **191 state enterprises have been privatized in the 1st half of 2007**
Moreover, 20 share holdings of the enterprises of chemical, transport, building, oil-and-gas branches are exposed for sale.
- **Comments on trading results at UzSE «Toshkent»**
According to trading results carried on out 16th of August, 2007 at UzSE "Toshkent", the total volume of trades amounted to UZS86 197 604.

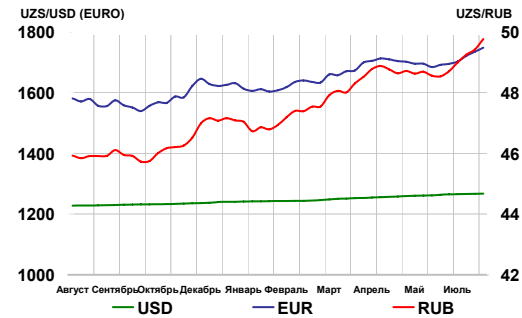
Official exchange rate of the CB RU to major world currencies (UZS)

	14.08.2007	07.08.2007	chg./%
1 USD	1270.03	1269.08	+0,07%↑
1 EUR	1748.70	1734.83	+0,80%↑
1 GBP	2578.80	2574.07	+0,18%↑
10 JPY	107.11	106.94	+0,16%↑
1 RUR	49.88	49.64	+0,48%↑

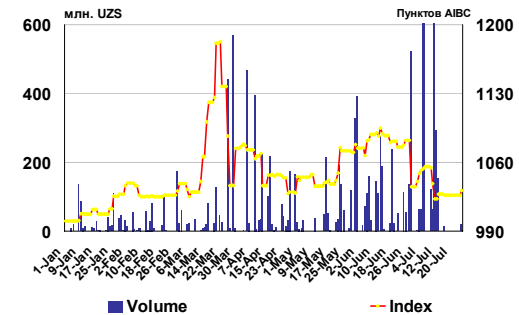
Key interest rates in national currency (in % per annum)

	13.08.2007	Change in 3 months
CBU rate	14,00	-2%
UZIBOR (12 m.)	14,00	+1,37%
AIBC	1083,547	-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	1П07
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	9,7
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	2,7

Source: State Committee of Statistics of the Republic of Uzbekistan

Quotations of share prices at exchange list of UzSE «Toshkent» for 15.08.2007

Issuer	Price of last transaction (UZS)	Change (%)	Issuer	Price of last transaction (UZS)	Change (%)
Uzsanoatqurilishbanki	2 000,0	0%	Xamkor Bank	100,0	0%
Galla Bank	100,0	0%	Ipak Yuli Bank	100,0	0%
Ipoteka Bank	1 000,0	0%	Kapital bank	10 000,0	0%
Pakhta Bank	1 100,0	+10%	Aloka bank	100,0	0%

«Neftgazitadqiqot» and «Gazenergoservis» are displayed for sale

State commission on carrying out tenders on selling state properties to foreign investors, according to the Decision of the President of Uzbekistan PP-672 from 20.07.2007, declares about carrying out bidding on realization of 25% shares holding of JSC "Neftgazitadqiqot" and 48% share holding of JSC "Gazenergoservis". 2 747 pieces of common registered shares of "NEFTGAZITADQIQOT" that makes 25% of all shares emitted by the enterprise are to be up for. The starting price of a share holding makes not less than USD110 thousand. Investment needs of the enterprise make USD940 thousand. JSC "NEFTGAZITADQIQOT" is located in Bukhara region of the republic. The enterprise had been put into operation in 1974. The main direction of activity of the enterprise is carrying out operatively-research works directed on the further perfection of technology of extraction, preparation and transport of gas, oil, a condensate of oil and elementary sulfur, informs internet site of SPC "gki.uz".

Also, 19 850 pieces of common registered shares of JSC "GAZENERGOSERVIS" that makes 48% of all shares emitted by the enterprise has been offered for sale. Starting price of a share holding is not less than USD260 000. Investment needs of the enterprise make not less than USD500 thousand. JSC "GAZENERGOSERVIS" is located in Tashkent. The enterprise had been put into operation in 1971. The basic direction of activity of the enterprise is carrying out works on installation, reconstruction, adjustment and repairment of technological equipment of gas processing enterprises of oil-and-gas branch of the republic.

Companies, ready to offer the greatest price for the above-stated share holdings and ready to take the greatest volume of investment obligations proceeding from investment needs of the given enterprises will use an advantage.

It is planned to introduce national individual rating estimation of banks

As a result of consecutive measures on deepening and expansion of reforms, in the first half of 2007 positive changes have been reached. In particular, aggregate capital of banks of the republic has increased in comparison with the same period of the last year by 21,4%. Besides, with a view of maintenance of execution of Presidential Decision "About measures on further increase of capitalization of banks and activation of their participation in investment processes on modernization of economy", up to the end of 2007, shares on UZS230 billion will be issued, that will allow to increase a level of capitalization of banks in 1,4 times. Now, share of financing of investment projects in key economic branches of economy has reached almost 65%, informs internet site "bankir.uz".

In particular, in the first half of 2007, the volume of the credits allocated to real sector of the economy in comparison with the same period of the last year has grown by 41,4%, including financing of investment projects has increased by 75%. Loans, provided for supporting small business and individual businessmen have grown in comparison with the same period of the last year by 64,1%, while volume of loans provided for dehqan and farms of the republic have increased by 69%.

For increasing level of capitalization of banks further as well as institutional strengthenings of corporate management adequating to modern international standards and rules of law, increasing transparency of activity of commercial banks for their clients, investors and partners, it is planned to introduce national individual rating estimation of banks, and also assignment to banks and financial institutions of the international rating of credit status is stipulated.

191 state enterprises have been privatized in the 1st half of 2007

From the beginning of 2007, huge works on realization of privatizations in the country have been made, as a result of which following have been reached in the first half of 2007: 67 references of investors are received, meetings, with representatives of 27 delegations from countries such as Austria, France, Russia, Kazakhstan, Korea, Turkey, Spain have taken place. These meetings allow to plan conditions of forthcoming contracts and to increase interests of foreign companies. So, according to results of last year's negotiations, in the first half-year of 2007 Spanish MAXAM Corp. S.A.U. has purchased share holding of JSC "Elektrhimprom"; 191 object from the program of privatization instead of planned 169 have been realized; 173 objects have been realized through exchange, competitive and auction tenders; 10 objects have been realized at zero redemption cost by territorial competitive commissions; state assets in 8 large enterprises and objects have been realized.

Moreover, 20 share holdings of the enterprises of chemical, transport, building, oil-and-gas branches are exposed for sale; Total receipts of means have made UZS50,8 billion. UZS3,2 billion have been directed to state budget, the Central bank has been transferred USD24,47 million; 122 contracts with foreign investors with acceptance of liabilities for sum USD211,72 million and UZS12,87 billion have been concluded.

Comments on trading results at UzSE «Toshkent»

According to trading results carried on out 16th of August, 2007 at UzSE "Toshkent", the total volume of trades amounted to UZS86 197 604. Transactions with 84 031 units of shares from 11 issuers have been carried out.

The leader in volume of the tenders became - "Turon-bank" - one transaction for total amount of UZS66 million (66 000 units of shares at nominal value) has been concluded with the shares of the bank. In second place "55-avtokorhona" - one transaction for a total amount of UZS12.2 million (9 905 units of shares at price which has exceeded its nominal value by 1.05 times) has been concluded.

Trading results at UzSE «Toshkent» for 16.08.2007

Issuer	Region	Sector	Max. Price of transac., UZS/USD	Number of shares	Amount of transaction, UZS	Price / nominal
Turon bank	Tashkent	Bank	1 000	66 000	66 000 000	1,00
55-avtokorhona	Ferghana	Transport	1 240	9 905	12 282 200	1,05
Kvarts	Ferghana	Construction	5 100	929	4 737 900	2,21
Olmospakhtamash	Namangan	Machine building	380	5 646	2 145 480	1,04
Uzneftemahsulot	Tashkent	Energy sector	2 250	130	292 500	2,25
Sirdaryo viloyat qishloqhujalikkimyo	Sirdarya	Chemical Industry	1 314	206	270 684	1,31
Eg-moy ta'minot	Tashkent	Food industry	1 250	200	250 000	1,00
Halq parvarlik	Tashkent	Finance	130	1 000	130 000	1,30
Uzulgurjisavdo	Tashkent	Trade	10 000	7	70 000	1,00
Korasuv paypok tukish fabrikasi	Andijan	Light industry	2 710	4	10 840	2,70
Total:				84 031	86 197 604	

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

Contact information

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

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

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

Avesta Research

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

The information and opinions in this report were prepared by Avesta Investment Group or one of its affiliates (collectively "Avesta"). The information herein is believed by Avesta to be reliable and has been obtained from public sources believed to be reliable, but Avesta makes no representation as to the accuracy or completeness of such information. Important Information Regarding Our Independence. The research analysts responsible for the preparation of this report receive compensation that is based upon, among other factors, Avesta's overall revenues. Avesta may engage in securities transactions in a manner inconsistent with this research report and with respect to securities covered by this report, will sell to or buy from customers on a principal basis. Disclosures of conflicts of interest, if any, are discussed at the end of the text of this report or on the Avesta Investment Group's website at <http://www.avestagroup.com>. Opinions, estimates and projections in this report constitute the current judgement of the author as of the date of this report. They do not necessarily reflect the opinions of Avesta and are subject to change without notice. Avesta has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. Prices and availability of financial instruments also are subject to change without notice. This report is provided for informational purposes only. It is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The financial instruments discussed in this report may not be suitable for all investors and investors must make their own investment decisions using their own independent advisors as they believe necessary and based upon their specific financial situations and investment objectives. If a financial instrument is denominated in a currency other than an investor's currency, a change in exchange rates may adversely affect the price or value of, or the income derived from, the financial instrument, and such investor effectively assumes currency risk. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Furthermore, past performance is not necessarily indicative of future results. Unless governing law provides otherwise, all transactions should be executed in the investor's home jurisdiction. Additional information relative to securities, other financial products or issuers discussed in this report is available upon request. This report may not be reproduced, distributed or published by any person for any purpose without Avesta prior written consent. Please cite source when quoting. Copyright 2004-2005 Avesta Investment Group

© 2003-2007 CJSC «Avesta Investment Group».