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- Size of pension payments has been increased in Uzbekistan**  
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- Share of small business in GDP of Uzbekistan has made 45%**  
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- Uzbekistan will introduce new rules on laws about OICL**  
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- Comments on trading results at UzSE «Toshkent»**  
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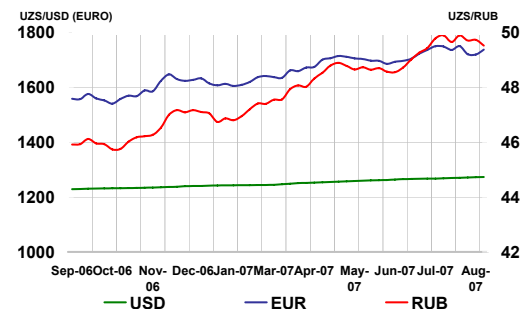
#### Official exchange rate of the CB RU to major world currencies (UZS)

	18.09.2007	11.09.2007	chg./%
1 USD	1274,31	1273,45	0,07%↑
1 EUR	1764,05	1735,84	1,63%↑
1 GBP	2583,94	2569,19	0,57%↑
10 JPY	111,72	110,13	1,44%↑
1 RUR	49,99	49,68	0,62%↑

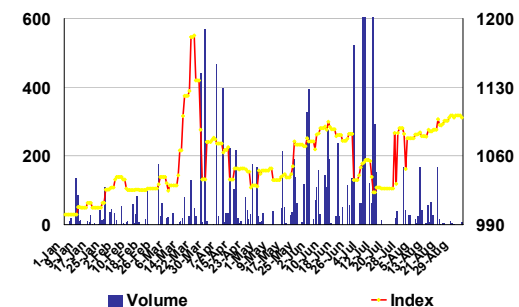
#### Key interest rates in national currency (in % per annum)

	18.09.2007	Change in 3 months
CBU rate	14,00	-2%
UZIBOR (12 m.)	14,00	+1,37%
AIBC	1110,018	+2,67%

#### Dynamics of exchange rates for 52 weeks



#### AIBC dynamic



#### The main macroeconomic indicators of Uzbekistan for 2002-2007.

indicator	2002	2003	2004	2005	2006	1H07
GDP, trill. UZS	7,45	9,84	12,2	15,2	20,8	10.1
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	6.6
Inflation (CPI). %	-	3.8	3.7	7.8	6.8	2.7

#### Quotations of share prices at exchange list of UzSE «Toshkent» for 14.09.2007

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	10 500,0	0%
Pakhta Bank	1 000,00	0%	Aloka bank	117,00	0%

**Uzbekistan; date of presidential elections has been identified**

Presidential elections of Uzbekistan will take place on 23<sup>rd</sup> of December 2007. Such decision has been accepted on Tuesday by the Central Electoral Commission of the Republic of Uzbekistan, informs IA "*press-uz.info*".

At session of the Central Electoral Commission, issues question on announcement of the beginning of election campaign on presidential elections of Uzbekistan has been considered and the corresponding decision has been accepted. As informs the Central Electoral Committee, presidential campaign in the country will be officially announced on 21<sup>st</sup> of September 2007.

**Size of pension payments has been increased in Uzbekistan**

The size of pensions in Uzbekistan will be increased by \$12,5. The corresponding order about increasing pension payments has been signed by the president of the republic H.E. Islam Karimov, the state broadcasting company "Jahon" informs.

The sum of increase has made one minimal salary. The charges, connected with increasing social payments will be compensated from a unappropriated pension fund. Predictably, \$16 million is required to increase pensions in this year.

**Share of small business in GDP of Uzbekistan has made 45%**

The president of Uzbekistan H.E. Islam Karimov in his report, presented in joint meeting of Oliy Majlis, Cabinet of Ministers and Presidential machinery, devoted to Independence Day of Republic, has specially noted that the share of private business in gross national product of Uzbekistan is substantially increasing and has exceeded 45%. According to the president: "Private sector is becoming leading power of Uzbekistan's economy as well as the main source of necessary products and services and major source of incomes of population", informs internet site «*uza.uz*».

One of the main strategic directions of carrying out economic reforms in the republic is to reach the share of small and private business in GDP of the country to 50-52%.

With the purpose of increasing the share of small and private business in industrial production and strengthening market mechanisms, Uzbekistan had adopted a number of decrees focused on simplifying fiscal and credit policies in respect to this sector of economy, mechanisms on getting main funds and necessary materials, to decrease sharply interference of state and controlling bodies to financial and economic activities of enterprises and finally further development of legal protection system of companies.

As a result of implementation of these decrees, number of small business enterprises in Uzbekistan has reached about 350 thousand. About 69% of total labor force of the republic is employed by this sector of the economy. About 95% of gross agricultural production, 50% of total construction activities and more than 50% of chargeable services on population are provided by this sector.

**Uzbekistan will introduce new rules on laws about OICL**

According to a bill, Cabinet of the Republic of Uzbekistan has been given a right to establish size of insurance amount on obligatory insurance of a civil liability of owners of vehicles; the size of the base insurance tariff. Preliminarily, it is offered to establish the size of the base insurance tariff, depending on type of a vehicle and region of its operation, in a range from 0,15% up to 2% from the insurance amount; the insurance amount on obligatory insurance of an autocivil liability in an equivalent \$3 thousand with an establishment of the limiting sizes of the insurance sums for compensation of the harm caused to physical and-or legal persons: \$1200 - for compensation of the harm to property; \$1800 - for compensation of harm of a life and to health, including with a fatal outcome. The minimal size of the insurance amount by this type of insurance on the post Soviet countries makes \$3000 in an equivalent, internet site informs "*forInsurance.com*".

In a bill, it is stipulated creation of Fund on obligatory insurance of responsibility of owners of vehicles, in other words to associate insurers, engaged in obligatory insurance of an autocivil liability, which will function due to deductions of insurers at a rate of up to 2 % from their insurance premium on obligatory insurance of an autocivil liability and carry out protection of the third parties not established insurant-originator of road accident, bankruptcy of the insurer and presence незастрахованного the driver, and also to compensate discounts under the insurance premiums, given to separate categories of citizens.

Uninsured drivers will be exposed to penal sanctions by bodies of the state car inspection with transfer of a part of means in Fund on obligatory insurance of the responsibility of owners of vehicles. Thus, the size of the penalty will be comparable to size of the insurance premium by this type of insurance. So, it will be more favourable to insure and easy to go on the vehicle.

Obligatory insurance of an autocivil liability will be carried out by insurers, minimal charter capital of which makes not less equivalent \$1 million, and having divisions in all regions of the republic (at the present moment, the given criterion is met by seven domestic insurance companies which already provided the given type of insurance services).

At the present moment, according to the decision of the Cabinet of Ministers of the Republic of Uzbekistan dated on 30<sup>th</sup> of December 1994, obligatory insurance of an autocivil liability is being carried out in the republic and according to operating conditions, the maximal volume of insurance payment (at utter annihilation of property and death of the third party) makes 50 minimal wage (an equivalent to \$800).

In the international practice, this parameter is in a range from \$3000 to \$600 thousand and by virtue of the minimal sums of insurance compensation, insurants as a rule, refuse the reference in the insurance companies at approach of road accident.

For 2006, on obligatory insurance of an autocivil liability it has been concluded from above 357 thousand contracts of insurance from which has come into force from above 280 thousand 78% of them, from above UZ\$1,7 billion insurance premiums have been received and unprofitability of the insurance premium has made 1%. At the same time, in a world practice, about 75% of the acted means are spent on insurance compensations.

According to the Ministry of Internal Affairs of the Republic, from 10,8 thousand road accidents which have occurred in 2006 at which was lost from above 2,1 thousand person, in the insurance companies have addressed only in 111 cases (nearly 1%).

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

According to trading results carried on out 18<sup>th</sup> of September 2007 at UzSE "Toshkent", the total volume of trades amounted to UZS990 246 400. Transactions with 5 711 921 units of shares from 12 issuers have been carried out.

The leader in volume of the tenders became - "Gallabank" - one transaction for total amount of UZS636 million (5 536 740 units of shares at price which has exceeded its nominal value by 15%) has been concluded with the shares of the bank. In second place "Uzpromstroybank" - one transaction for a total amount of UZS269 million (134 792 units of shares at nominal value) has been concluded.

**Trading results at UzSE «Toshkent» for 18.09.2007**

Issuer	Region	Sector	Max. Price of transac., UZS/USD	Number of shares	Amount of transaction, UZS	Price / nominal
Gallabank	Tashkent	Bank	115	5 536 740	636 725 100	<b>1,15</b>
Uzpromstroybank	Tashkent	Bank	2 000	134 792	269 584 000	<b>1,00</b>
Uzbekekspertiza	Tashkent	Other	6 875	5 335	36 678 125	<b>1,38</b>
Turkistonbank	Tashkent	Bank	1 000	16 500	16 500 000	<b>1,00</b>
Zavod Simurg	Tashkent	Machine building	2 255	6 765	15 255 075	<b>4,51</b>
Ipotekabank	Tashkent	Bank	1 150	11 000	12 550 000	<b>1,15</b>
Kvarts	Ferghana	Construction	5 100	416	2 121 600	<b>2,21</b>
Ta'mirshunoslik	Tashkent	Construction	10 000	51	510 000	<b>10,00</b>
Uzgeoburneftegazqazib chiqarish	Tashkent	Energy sector	3 000	38	114 000	<b>3,00</b>
Uzneftgazqazibchiqarish	Tashkent	Energy sector	2 000	50	100 000	<b>2,00</b>
<b>Итого</b>				<b>5 711 921</b>	<b>990 246 400</b>	

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

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