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- Information about cellular communication operators of Uzbekistan**  
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- Comments on trading results at UzSE «Toshkent»**  
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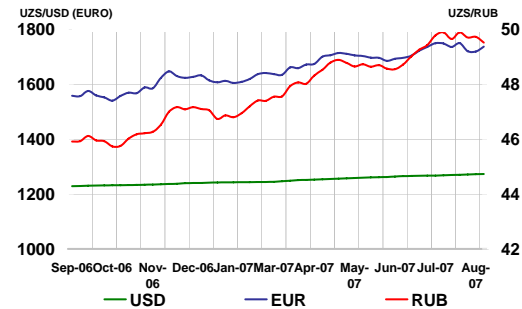
#### Official exchange rate of the CB RU to major world currencies (UZS)

	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%↑

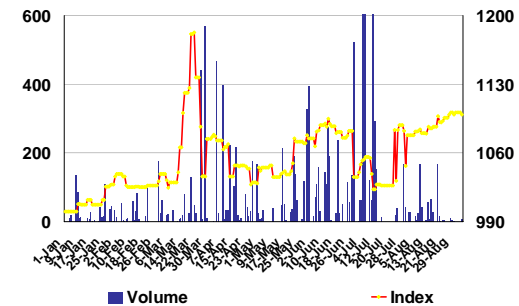
#### Key interest rates in national currency (in % per annum)

	19.09.2007	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 19.09.2007

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%

## **ADB: Forecast of GDP growth in Asian countries**

The Asian Development Bank (ADB) has raised the forecast of economic growth in a number of CIS countries in 2007 and 2008, informs agency "Bloomberg".

The economy of Azerbaijan, according to ADB's forecast will grow in this year by 27%, instead of 25% as it was supposed earlier. The bank expects that in 2008, the increase in gross domestic product of this country will make 20%, though earlier it predicted to grow by 17%. The forecast of growth of GDP of Armenia for 2007 will increase up to 11% from 10% whereas for 2008 it is left at a former level in 9%.

Concerning Kazakhstan, the forecast of rise of gross domestic product for 2007 is changed from 8,6% to 9%, and for 2008 - is left on a mark in 8,9%. The economy of Kyrgyzstan will grow in 2007 by 6% (4% was expected earlier) and in 2008 by 7% (against earlier estimation in 5%). The forecast across Tajikistan for current year is left at a former level - 7,5%, and raised up to 8% from 7,1% for 2008. Turkmenistan will increase its GDP both in this, and in following year by 10 % (figures in 8,5% earlier were given).

Uzbekistan, predictably will achieve growth of economy by 8% (instead of 7,4%) in 2007 and by 7,5% (instead of 7,1%) - in 2008. Inflation in the country is expected at a level of 10%.

As a whole across Asia (except for Japan), the bank expects growth of economy in this year by 8,3% against the previous forecast in 7,6%, and in the following year (2008) - by 8,2% against 7,7%. Growth in China will reach in 2007 11,2%, and in 2008 - 10,8%. In the previous report, there figures were 10% and 9,8% respectively. For India, the forecast is raised from 8% up to 8,5% for this year and from 8,3% up to 8,5% - in following.

## **Production and export of cotton in Uzbekistan**

Manufacture of a clap-fiber in Uzbekistan in 2007 will make nearby 1 million tons, Minister of foreign economic relations, investments and trade of the republic Elyor Ganiev has informed.

In Uzbekistan, the sizes of areas allocated for cultivation of a clap makes nearby 1,4 million hectares. It is expected that the volume of manufacture of the Uzbek cotton fiber in 2007 will make nearby 1 million tons. Realization of the investment program on development of textile branch will allow increasing volumes of internal consumption of a cotton fiber up to 50% in nearest two years, from a made clap that will lead to reduction of its export.

During 2007-2008 periods, consumption of a cotton fiber is expected to be 300 thousand tons and accordingly reduction of volumes of export to 750-800 thousand tons.

The optimal proportions to which Uzbekistan aspires is to provide processing of a made clap (about 50%) in Uzbekistan and to export about 50% or hardly less than 50% on foreign markets. That is, Uzbekistan will adhere to approximately such proportion.

Uzbekistan takes the sixth place in the world according to volume of manufacture of a cotton fiber and the second place on its export. Annually, Uzbekistan produces 3,5 million tons of a clap-raw and 1-1,2 million tons of a cotton fiber. Over 75% of the developed clap-fiber is shipped on export. The basic countries-consumers of the Uzbek clap are Iran, Russia, Bangladesh, republic Korea and Vietnam. During the Last years, export of a clap from Uzbekistan to China is growing also.

You can get more detailed information about tendencies of the world market of a clap under the reference:

http: // [www.avestagroup.uz/lib/research/textile\\_conference07r.pdf](http://www.avestagroup.uz/lib/research/textile_conference07r.pdf)

## **SJSCB «ASAKA»: increasing charter capital**

The assembly of shareholders JSCB "Asaka" has made a decision to direct 40% of profit of the bank for 2006 (UZS1 105,3 million) on increasing charter capital of the bank by issuing additional shares with their proportional distribution among shareholders. 60% of profit of the bank is directed to reserve fund of a general purpose. As a vernal auditor of bank, according to results of 2007 is appointed rice Water House Coopers, with the limiting size of payment \$100 thousand.

JSCBB "ASAKA" is created in 1995. Originally, the basic direction of activity of the Bank was development and support of motor industry and perfection of its infrastructure. Result of activity of the bank in the given branch was the construction of several large factories on manufacturing accessories for production of cars at factory joint venture "UzDaewooAuto" which before being delivered from abroad.

For today, the field of activity of the bank has considerably extended, in other words investments of the bank in such branches as result have substantially grown. These branches include pharmaceutical, light industry, food-processing industry, construction, transport, tourism, telecommunication and other spheres of a national economy.

According to results of 2006, shareholders' equity of the bank has made UZS166 billion, while the net profit for 2006 in comparison with 2005 has increased approximately in 5 times and has reached UZS5,4 billion. Charter capital of the bank at the present moment equal to UZS39,5 billion and it is consists of 395 thousand shares.

### JSC «Alokabank» will increase its charter capital by 6 times

Shareholders of JSCB "Alokabank", basic direction of activity of which is crediting the enterprises of communication and telecommunications, at extraordinary assembly have made a decision on increasing charter capital of the bank in 6,25 times - up to UZS50 billion, informs internet site "*news.kkb.kz*".

Charter capital is planned to increase until 2010 due to additional issue of shares for UZS42 billion in view of 14<sup>th</sup> issue of shares for UZS6 billion, lead in the end of August. In total, it is planned to place 420 million securities up to 2010. Volumes and terms of release of subsequent issues, and also quantity of additional ordinary and preference shares will be certain later, after full accommodation of securities of 14<sup>th</sup> release. At the present moment, the bank places its 14<sup>th</sup> additional issue of shares on UZS6 billion sum with the purpose of increasing charter capital of the bank in 1,75 times - up to UZS14 billion. On the open subscription, 57,6 million ordinary and 2,4 million preference shares with face-value UZS100 each is being placed.

At the present moment, charter capital of Alokabank makes UZS8 billion and it is divided into 77,4 million ordinary and 2,6 million preference shares with face value UZS100 each. Shares of the bank are owned by 3,3 thousand shareholders. The largest shareholders of bank are the Uzbek agency of communication and information and the national operator of communication JSC "Uzbektelekom" by 10% of shares both. "Alokabank" is created in 1995. The structure of bank consists of 12 branches in Tashkent and the regional centers of the republic, 23 mini-banks and 35 savings banks. In 2006, audited assets of the bank calculated under the international standards of the financial reporting (ISFR) have grown by 45% - up to UZS51,21 billion while a credit portfolio of the bank has risen by 50,9%, up to UZS22,85 billion, liabilities has increased by 43,2%, up to UZS42,912 billion. Net profit of the bank in the last year has decreased in 2,6 times - to UZS280,415 million.

### Information about cellular communication operators of Uzbekistan

According to research conducted by Russian consulting company ACM-Consulting, the user's base of the operator of cellular communication "MTS-Uzbekistan" for August 2007, has grown by 148 831 person, having reached a mark in 2 182 457 subscribers, while the quantity of users of "Beeline" in territory of Uzbekistan has raised on 136 873 person, having made 1 466 151 subscribers.

The consolidated user's base of "MTS" and "Vimpelcom" for the end of August 2007, make 79 675 802 and 60 476 787 respectively. The share of their Uzbek divisions makes 2,74% and 2,42% respectively. According to parameters, on the end of July 2007, the share of "MTS-Uzbekistan" in the consolidated user's base of "MTS" made 2,59%, and a share of "Beeline" in "Vimpelcom" - 2,23%.

For August, the general growth of subscribers in Uzbekistan has made 314 thousand or 7,9%, share of "MTS" and "Vimpelcom" is 83% in general growth. In total, from the beginning of 2007, the growth has made 1,55 million subscribers or about 57%. The level of penetration of cellular communication in the republic has increased from 10,2% up to 16,1%. For 1<sup>st</sup> of January 2007, it was totaled 2,7 million subscribers of networks of cellular mobile communication in Uzbekistan.

The provisional share of the market, belonging to MTS makes about 50%, while "Vimpelcom" has approximately 30% of market share. The rest of market shares are divided among companies Coscom, Perfectum Mobile and Uzbektelecom Mobile.

### Subscribers' base of MTS and VimPelKom

Company	01.09.2007	Share, %	Growth in person	Growth in %	01.08.2007	Share, %
MTS, including	79 675 802	100,00%	1 139 329	1,45%	78 536 473	100,00%
Russia	53 671 064	67,36%	798 241	1,51%	52 872 823	67,32%
Moscow	12 408 303	15,57%	247 714	2,04%	12 160 589	15,48%
Ukraine (UMC)	19 940 252	25,03%	109 521	0,55%	19 830 731	25,25%
MTS-Uzbekistan	2 182 457	2,74%	148 831	7,32%	2 033 626	2,59%
Turkmenistan	270 046	0,34%	18 250	7,25%	251 796	0,32%
Belorusia	3 611 983	4,53%	64 486	1,82%	3 547 497	4,52%
VimPelKom, including	60 476 787	100,00%	883 002	1,48%	59 593 785	100,00%
Russia	50 365 190	83,28%	592 326	1,19%	49 772 864	83,52%
Moscow	10 358 894	17,13%	7 378	0,07%	10 351 516	17,37%
Kazakhstan (KaR-Tel)	5 220 226	8,63%	227 348	4,55%	4 992 878	8,38%
Ukraine (WellCOM)	2 595 665	4,29%	-112 068	-4,14%	2 707 733	4,54%
Tadjikistan	268 603	0,44%	25 991	10,71%	242 612	0,41%
Uzbekistan	1 466 151	2,42%	136 873	10,30%	1 329 278	2,23%
Armenia (Armentel)	536 958	0,89%	7 312	1,38%	529 646	0,89%
Georgia	23 994	0,04%	5 220	27,80%	18 774	0,03%

Source: ACM-Consulting, Calculations by: Avesta Research

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

According to trading results carried on out 19<sup>th</sup> of September 2007 at UzSE "Toshkent", the total volume of trades amounted to UZS46 254 585. Transactions with 56 399 units of shares from 8 issuers have been carried out.

The leader in volume of the tenders became - "Gazalkent firmasi" - one transaction for total amount of UZS27.7 million (27 781 units of shares at nominal value) has been concluded with the shares of the company. In second place "Angren ATP" - one transaction for a total amount of UZS15.2 million (25 277 units of shares at price which has exceeded its nominal value by 21%) has been concluded.

**Trading results at UzSE «Toshkent» for 19.09.2007**

Issuer	Region	Sector	Max. Price of transac., UZS/USD	Number of shares	Amount of transaction, UZS	Price / nominal
Gazalkent firmasi	Tashkent reg.	Finance	1 000	27 781	27 781 000	<b>1,00</b>
Angren ATP	Tashkent reg.	Transport	605	25 277	15 292 585	<b>1,21</b>
Qishloqhujalikkimyo	Andijan	Chemical industry	1 000	1 571	1 571 000	<b>1,00</b>
Uzneftmahsulot	Tashkent	Energy sector	2 250	440	990 000	<b>2,25</b>
Uzmetkombinat	Tashkent reg.	Metallurgy	14 000	20	280 000	<b>17,5</b>
Uzbektelekom	Tashkent	Communication	2 000	110	220 000	<b>2,00</b>
Kumkurgon-invest	Surkhandarya	Finance	100	1 200	120 000	<b>1,00</b>
<b>Total:</b>				<b>56 399</b>	<b>46 254 585</b>	

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

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