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- **GAZPROM agrees on 2008 gas price with Uzbekistan**
- **Replenishment of urban transport**
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- **The Central Bank of Uzbekistan: repayment of Treasury obligations**
Repayment amount is 1.4 bln UZS.
- **RSE "Toshkent"**
Consolidated sales volume at RSE "Toshkent" was 248 mln UZS.

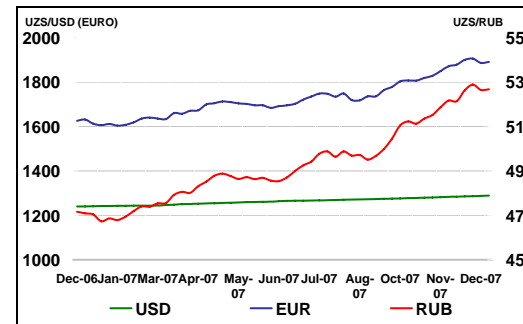
Official exchange rate of the CB RU to major world currencies (UZS)

	25.12.2007	18.12.2007	chg./%
1 USD	1290,00	1288,74	0,10%↑
1 EUR	1856,83	1890,97	-1,81%↓
1 GBP	2587,87	2629,67	-1,59%↓
10 JPY	113,99	115,45	-1,26%↓
1 RUR	52,28	52,68	-0,76%↓

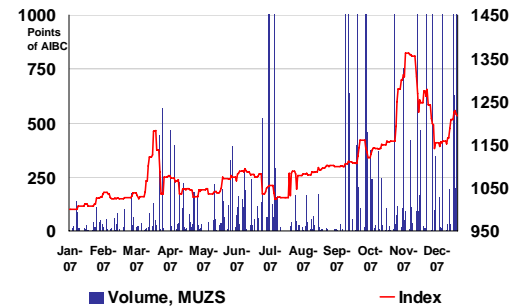
Key interest rates in national currency (in % per annum)

	28.12.2007	Change in 3 months
CBU rate	14,00	0%
UZIBOR (12 m.)	13,50	
AWACRI	18,52	-4,55%
AIBC	1173,692	+1,10%

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	--	+1.9
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 15.10.2007

Issuer	Price of last transaction (UZS)	Change (%)	Issuer	Price of last transaction (UZS)	Change (%)
Uzsanoatqurilishbanki	2 500,0	-4%	Xamkor Bank	100,0	0%
Galla Bank	110,0	0%	Ipak Yuli Bank	100,0	0%
Ipoteka Bank	1 100,00	0%	Kapital bank	10 500,0	0%
Pakhta Bank	1 050,00	0%	Aloka bank	154,00	0%
Turonbank	1001,00	1,00%	Trastbank	1 000.00	0%

Moody's assigns Ba3/NP/E+ ratings to National Bank of Uzbekistan

Moody's Investors Service has assigned the following global-scale ratings to the National Bank for Foreign Economic Activity of the Republic of Uzbekistan ("NBU"): a bank financial strength rating ("BFSR") of E+, long-term and short-term local currency deposit ratings of Ba3/Not Prime and long-term and short-term foreign currency deposit ratings of B3/Not Prime, the ratings agency said in a statement on Thursday.

All ratings carry a stable outlook.

According to Moody's, NBU's ratings reflect the bank's strong franchise value within the context of Uzbekistan, where the bank has a dominant share in terms of assets, capital and loans (40%, 46% and 44% of the banking sector totals, respectively), as well as the bank's utmost importance for the Uzbek economy given its major role in attracting and conducting foreign investments to the country and servicing foreign trade operations. At the same time, NBU's ratings are constrained by the bank's currently low profitability and cost-efficiency, the low diversification of its funding base and a degree of uncertainty relating to the bank's asset quality, as well as its corporate governance and risk management practices, which are currently at the process of development. NBU's deposit ratings are underpinned by Moody's expectation that support from the Uzbek government to NBU in the event of need would be very likely, since failure to render such support would result in a serious distress to the payment and financial systems of the country, the statement says.

Given the geographic concentration of NBU's business to the domestic market and its ownership by and close links with the Government of Uzbekistan, the bank's deposit ratings are largely dependent upon the stance and conditions of Uzbekistan's operating and economic environment.

According to Moody's, an upgrade of NBU's BFSR might be possible if the bank were to materially improve the major factors that are currently constraining its rating -- specifically, if it continues to enhance its corporate governance and risk management practices, demonstrates a sustained trend of improving profitability that does not significantly increase the bank's risk profile, in addition to notable improvements in asset quality and a decrease in borrower concentration. Moody's does not, however, consider that such qualitative improvements are realizable in the near term. Positive developments in Uzbekistan's operating and economic environment could also exert positive pressure on NBU's local and foreign currency deposit ratings.

Conversely, a material deterioration in the quality of NBU's loan portfolio, increase in borrower concentration, as well as a worsening of the bank's capital adequacy level would be very likely to result in a downgrade of the bank's BFSR.

"NBU's global local currency deposit rating could also be downgraded if any new developments were to change Moody's current perception of the probability of systemic support for the bank from the government of Uzbekistan" added Olga Ulyanova, a Moody's Assistant Vice-President/Analyst. "Such developments might include, inter alia, a material change in NBU's ownership structure, failure of the government to make, when needed, additional capital injections to the bank, as well as reduced government commitment as a result of political decisions".

Headquartered in Tashkent, Uzbekistan, NBU reported in YE2006 IFRS total assets of \$2.48 billion, total capital of \$436 million and net income of \$2 million.

The bank is 100% controlled by the Uzbek government and to a large extent serves as a vehicle in implementing state investment and economic policies, acting as an agent of the government in financing large-scale projects of national importance for Uzbekistan. The Uzbek government has declared its plans to sell up to 49% of the bank's shares in the following two years.

Gazprom agrees on 2008 gas price with Uzbekistan

Russia's Gazprom monopoly completed the talks with Uzbekistan on Thursday on natural gas purchasing terms and transit in 2008, the company said.

Gas transportation tariff has been agreed and a corresponding supplement to the mid-term agreement was signed. The price for Uzbek gas has been agreed, but not disclosed. The company only said it was in compliance with the terms of the regional market. Gazprom spokesman Sergei Kupriyanov told Prime-Tass "exact terms of the contract are confidential. We can only say that Gazprom is buying gas in all countries of Central Asia on competitive terms."

Also on Thursday Uzbekistan's President Islam Karimov approved the creation of a 221.5 million USD joint venture for the production of liquefied natural gas (LNG) by Russia's Sroytransgaz and Uzbekistan's Uzbekneftegaz, a spokesman for Uzbekneftegaz said, Kazinform quotes Itar-Tass. The presidential approval paves the way for the signing of an agreement between the companies, Prime-Tass quoted the spokesman as saying.

Sroytransgaz and Uzbekneftegaz plan to sign an agreement on the creation of the joint venture in January-March 2008, according to earlier reports. The joint venture will produce LNG at the Mubarek Gas Processing Plant.

Stroytransgaz will contribute \$110 million for the construction, Uzbekneftegaz will provide \$45.5 million, Uzbekistan's Fund for Reconstruction and Development will provide \$35.5 million and an unspecified Chinese bank will lend \$30 million, Uktam Umarov, director of the Mubarek Gas Processing Plant, said earlier.

Stroytransgaz and Uzbekneftegaz will own the joint venture on a parity basis. When the joint venture reaches its projected capacity, it will process 12 billion cubic meters of natural gas annually and produce 270,000 tons of LNG and 70,000 tons of gas condensate.

Replenishment of urban transport

The khokimiyat of Tashkent is considering the possibility of replenishing urban transportation fleet with electrical traction, Uzbekistan Today informs.

At the present moment, mobile electrical transport fleet of Tashkent consists of 100 trolleybuses and 70 tram-cars. "Tashelektrotrans", operating and managing electrical transport in the capital of Uzbekistan, the khokimiyat of Tashkent and number of companies reached an agreement to deliver transport with electrical traction in the near future. In particular, Ust-Katavskiy wagon works plans to deliver 30 tram-cars to the capital city. Today, 8 wagons are already being used in street routes.

Russian OJSC "Trolza" plans to replenish trolleybus fleet of the capital city with 50 new vehicles in the next year. The agreement was reached during Russian National Fair which was recently held. In the near future, 5 trolleybuses will be brought to the capital city for services testing.

In 1998, OJSC "Trolza" and "Tashelektrotrans" established JV "Trolza-remservis" which was supposed to be the basis for assembling trolleybuses of the Russian enterprise. However, due to problems with financing the project assembling was stopped in the next year. During this period there were assembled 15 units.

At the present moment, the JV is specializing in conducting major repairs of Tashkent trolleybus fleet, totaling 100 trolleybuses including 70 vehicles of Czech CKD Shkoda and 30 ZiU-9 vehicles of OJSC "Trolza". Last time trolleybuses for Tashkent were purchased in 1994 – Czech CKD Shkoda delivered 100 trolleybuses at the cost of about 18 mln USD.

Considerable modernization of urban electrical transport allows improving ecological situation in Tashkent significantly. With less costly conveyance of passengers by means of urban electrical transport as compared to buses will allow decreasing pressure on the budget and increasing economic efficiency of transport operation.

Earlier it was announced that FSUE "Ust-Katavskiy wagon works" would deliver 30 tram-cars at the total cost of 7.5 mln USD. The contract is financed with funds of the khokimiyat of Tashkent and own funds of SC "Tashelektrotrans".

Passenger traffic in Tashkent by the results of 2006 increased by 9.6% up to 984.7 mln men. At the same time, share of electrical transport in total transportation is 10.1%.

The Central Bank of Uzbekistan: repayment of Treasury obligations

The Central Bank of Uzbekistan announced the repayment of 1.4 bln UZS state medium-term Treasury obligations to take place on January 2, 2008, banker.uz informs.

In addition, the bank announced an auction for state medium-term treasury obligations to take place on January 2, 2008, maturity period of the new issue will be 2 years. Amount issued is 1.4 bln UZS. Interest rate is 6% annual.

Potential buyers: commercial banks and legal entities – residents of the Republic of Uzbekistan. Maximum size of uncompetitive bid is 20% of competitive bid volume of each dealer. Maximum volume each dealer can purchase should not exceed 40% of the whole issue.

Comments on trade results at RSE "Toshkent"

On December 28, 2007 consolidated sales volume at RSE "Toshkent" was 248 mln UZS. 184 432 share of 14 issuers were traded during the day.

Leader in sales volume was "UzPSB" – 168.6 mln UZS. There were sold 78 thousand shares for national currency. The selling price was 2 161 UZS per share, which is 44% more than par value. Behind the follower was "Zavod Simurg" – 30 mln UZS. The biggest increase of price over par value was on shares of "Furkat tumani Ishonch" – 5.77 times.

TOP-10. Trading results at RSE "Toshkent" (28.12.2007)

Emitter	Region	Sector	Max price, Soum/\$	Number of shares, units	Volume, Soum	P/NBV
UzPSB	Tashkent city	Bank	2 161	78 028	168 662 700	1,44
Zavod Simurg	Tashkent city	Machine building	1 290	24 015	30 979 350	2,58
Pakhta bank	Tashkent city	Bank	1 050	16 408	16 922 650	1,05
Toshkent univermagi	Tashkent city	Retail sales	800	13 321	10 656 800	1,78
Kuva tum. MTP	Ferghana	APK	1 050	7 097	7 451 850	1,05

Turakurgon MTP	Namangan	APK	1 000	4 542	4 542 000	1,00
Termezskaaya ptitsefabrika	Surkhandarya	Food	1 883	1 640	3 088 120	3,77
Kvarts	Ferghana	Construction	5 100	573	2 922 300	2,21
Trastbank	Tashkent city	Bank	1 000	1 410	1 410 000	1,00
Furkat tumani Ishonch	Ferghana	Light industry	6 000	146	876 000	5,77
Total:				148 432	248 576 095	

Source: RSE «Toshkent», Calculations: Avesta Investment Group

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