

- Credit from World Bank**

The World Bank Board of Directors approved a US\$68 million IDA credit for the second phase of the Uzbekistan Rural Enterprise Support Project. (Source: *worldbank.org*)

- Lukoil to increase natural gas production in Uzbekistan**

In Uzbekistan, Lukoil plans to eventually attain an annual natural gas production level of 14-15 bln cubic meters. (Source: *vesti.ru*)

- “Vimm-Bill-Dann Toshkent” to reach full production capacity**

From December 2008, FC LLC Vimm Bill Dann Toshkent will start to operate at its full production capacity. (Source: *rosbalt.ru*)

- South Korea's POSDATA will supply Mobile WiMAX equipment**

South Korea's POSDATA has announced that they have been selected to supply Mobile WiMAX equipment to a telecommunication provider in Uzbekistan (Source: *cellular-news.com*)

- Comments on the results of trades in RSE “Toshkent”**

On June 17 2008, turnover on the RSE “Toshkent” amounted to appx. 156 mln UZS.

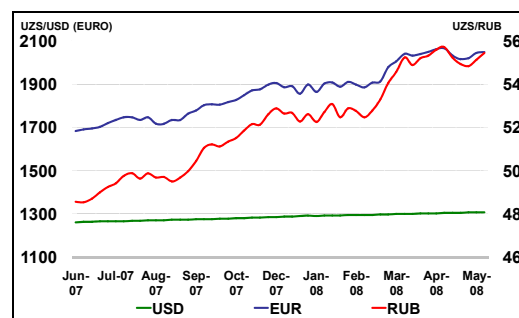
#### Official exchange rates of CB to the main international currencies (sum)

	17.06.2008	10.06.2008	Δ3m./%
1 USD	1 309,38	1 308,77	0,05%↑
1 EUR	2 035,69	2 027,94	0,38%↑
1 GBP	2 565,60	2 565,97	-0,01%↓
10 JPY	122,49	124,28	-1,44%↓
1 RUR	55,46	55,08	0,69%↑

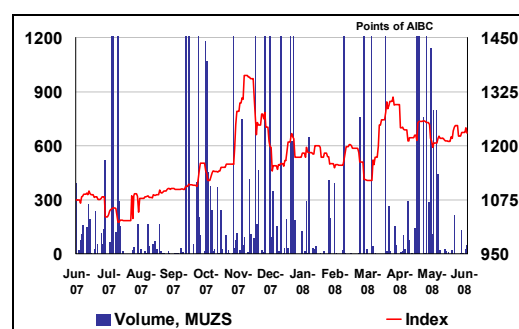
#### Main interest rates in national currency (in % annual)

	17.06.2008	3-months change
Rate of CB RU	14,00	0%
UZIBOR (12 months)	13,90	0%
AWACRI	17,61	-0,91%
AIBC	1243,300	11,09%

#### Dynamics of the change in the exchange rate of international currencies to sum



#### Dynamics of AIBC index



#### Main macroeconomic figures of Uzbekistan for 2004-2007

Figures	2002	2003	2004	2005	2006	2007
GDP, trillion sum	7,45	9,8	12,2	15,2	20,8	28,2
Real GDP growth, %	4,0	4,4	7,7	7	7,3	9,5
Administration of the state budget, to GDP	-0,8	-0,4	-0,4	+0,1	-0,5	1,1
Foreign trade turnover, bill. USD	5,7	6,7	8,7	9,5	10,7	14,2
Inflation, %	-	3,8	3,7	7,8	6,8	6,8

Source: State Committee on Statistics of RU, Avesta Investment Group

### Event Calendar

- June 27:** Annual meeting of shareholders of OJSC «Uzbektelecom»
- June 27:** Annual meeting of shareholders of OJSC «Kizilkumcement»
- June 27:** Annual meeting of shareholders of OJSC «Yo`lrefrans»
- June 28:** Annual meeting of shareholders of JV OJSC «Alskom»
- June 30:** Annual meeting of shareholders of JSC «O`zneftgazqazibchigarish»
- June 30:** Annual meeting of shareholders of SJSC «TAPOiCh»

### **Credit from World Bank**

The World Bank Board of Directors approved, on 12th June 2008, a US\$68 million IDA credit for the second phase of the Uzbekistan Rural Enterprise Support Project (RESP II). The Project will assist the newly independent farmers to increase the productivity and financial and environmental sustainability of agriculture and the profitability of agribusiness. (Source: *worldbank.org*)

The proposed RESP II follows and builds upon the experience and success of RESP I which supported farmers in 5 pilot districts through the privatization and restructuring of farming and associated agribusiness activities. The RESP II will scale up the support to about 90 districts in seven regions so as to increase yields and to improve access to agricultural mechanization and business advisory services. It will also increase the farmers' access to non government sources of finance.

### **Lukoil to increase natural gas production in Uzbekistan**

Russian oil giant Lukoil plans to increase production of hydrocarbons abroad by some 20% to 170 thsd barrels per day. (Source: *vesti.ru*)

According to the information released by the head of department for investment analysis & investor relations, rise in production will be mostly secured as result of Lukoil's ongoing project in Uzbekistan's Kandym-Hauzak-Shady. If project goes as planned, projected 2009 production level of natural gas in Uzbekistan will amount to 3 bln cubic meters.

Lukoil will keep increasing its production capacity of natural gas in Uzbekistan, and plans to eventually attain annual production level of 14-15 bln cubic meters.

### **FC LLC "Vimm-Bill-Dann Toshkent" to reach full production capacity**

According to the information provided by the managing director of FC LLC Vimm Bill Dann Toshkent, from December 2008 FC LLC Vimm Bill Dann Toshkent will start to operate at its full production capacity, as a result of an expansion of its assortment of goods – mainly attributable to introduction of "Lyubimiy sad" juice range. (Source: *Rosbalt.ru*)

At present, the company produces two lines of goods – dairy products and juices. The company has taken a course towards expansion of its range of dairy products, which today is represented by 29 varieties under three brands. Volume of daily milk supply to its Tashkent milk factory stands at approximately 50 tonnes. The company plans to introduce production line for sterilized milk, under which case milk would remain fresh for much longer than currently possible. Also, at the end of this summer the company plans to start production of a juice range, under the brand of "Lyubimiy sad", and also other juice based products.

According to the information provided by the association "Uzguhshtanoat", in April 2004 JSC "Vimm-Bill-Dann Producty Pitaniya" acquired a 76.98% stake in Tashkent milk factory for a sum of US\$130 thsd, and in January 2004, Uzbek government granted the factory tax and customs benefits. Upon attaining full production capacity, the factory will process up to 150 tonnes of milk daily. Total amount of committed investments by Vimm-Bill-Dann in this project amount to US\$7.3 mln, with US\$1.5 mln from this sum going towards repayment of its debts.

### **South Korea's POSDATA will supply Mobile WiMAX equipment**

South Korea's POSDATA has announced that they have been selected to supply Mobile WiMAX equipment to Super-iMAX, a telecommunication provider in Uzbekistan. Last October, KT Corporation acquired Super-iMAX to launch wireless internet and broadband services with 2.3GHz spectrum in the Uzbekistan region. Super-iMAX will begin offering Mobile WiMAX services in September 2008 and aims to expand their services nationwide. (Source: *cellular-news.com*)

POSDATA will provide Mobile WiMAX base stations, ASN-gateways, network management systems, as well as terminals for service subscribers. The system is based on 2.3GHz profile 1B and includes the latest Wave 2 technology, which supports Multiple-Input and Multiple-Output (MIMO) technology.

The deployment of the newly developed Mobile WiMAX network in Uzbekistan is a collaborative effort between POSDATA and KT Corporation.

"We are very excited about this win in Uzbekistan, it means a lot to us," said Mr. Byung-Chang Yoo, CEO of POSDATA. He added that "POSDATA is entering the Central Asian markets for the first time and this reinforces our position as a global leader in Mobile WiMAX technology."

### **Comments on the results of trades in RSE «Toshkent»**

On June 17 2008, total turnover on the RSE "Toshkent" amounted to 156 mln UZS. Shares of "Ohalik-lomann-parranda" was the most actively traded stock by value, with turnover during today's trading session amounting to appx. 45 mln. UZS. Stocks of "Toshkentdonmahsulot" were traded in foreign currency (USD), with turnover amounting to 1 308 USD, or 1.7 mln UZS.

**Closing results on RSE«Toshkent» for 17.06.2008**

Issuer	Region	Sector	Max. deal price, UZS/\$	Volume	Value
Ohalik-lomann-parranda	Samarkand	Agriculture	6 000	7 563	45 378 000
Farghona sanoat va hujalik qurilish	Fergana	Constructions & materials	6 500	5 883	38 239 500
Ohangaronshifer	Tashkent reg.	Constructions & materials	20 000	1 757	35 140 000
Ipoteka-bank	Tashkent	Banking	1 050	19 954	20 510 550
Fargona naslli parranda	Fergana	Agriculture	10 000	780	7 800 000
UzPSB	Tashkent	Banking	2 500	1 880	4 679 450
Toshkentdonmahsulot	Tashkent	Food	\$0,60	2 180	1 712 669
Ko'k terak	Tashkent reg.	Other	1 050	1 010	1 060 500
Toshkent lok-buyok zavodi	Tashkent	Chemical	1 000	698	698 000
O`zbektelekom	Tashkent	Telecom	2 000	160	320 000
Трастбанк г.Ташкент	Tashkent	Banking	1 000	164	164 000
Sovplastital	Tashkent	Light industry	1 000	119	119 000
Uchqurgondonmahsulot	Namangan	Food	5 630	10	56 300
Trastbank	Tashkent	Banking	1 000	45	45 000
Kishlokhujalikkimyo	Kashkadarya	Chemical	2 025	6	12 150
<b>Total:</b>					<b>155 935 119</b>

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

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