

- Macroeconomic results of the first half year**

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- President of Uzbekistan has received the Japanese minister of finance**

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- OJSC «Namangantextil» will increase Balsam Wool processing**

In the next seven years industrial capacity of OJSC «Namangantextil» will increase 4,5 times, notes «press-uz.info»

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

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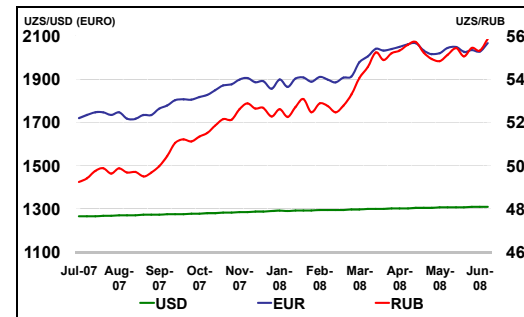
#### Official exchange rates of CB to the main international currencies (sum)

	22.07.2008	15.07.2008	Изм./%
1 USD	1 314,43	1,313.44	0,08↑
1 EUR	2 086,00	2,089.16	0,15↓
1 GBP	2 622,42	2,608.62	0,53↑
10 JPY	123,14	123.41	0,22↓
1 RUR	56,67	56.20	0,84↑

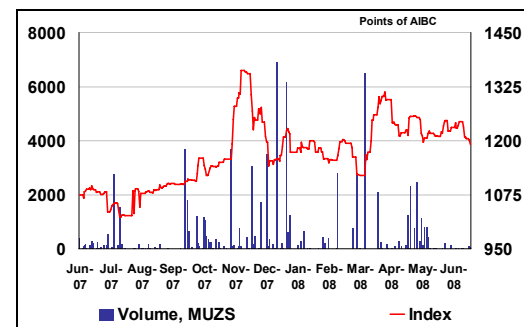
#### Main interest rates in national currency (in % annual)

	21.07.2008	3-months change
Rate of CB RU	14,00	0%
UZIBOR (12 months)	14,00	0%
AWACRI	17,61	-0,91%
AIBC	1290,878	+6,60%

#### 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

**July 24:** Extraordinary meeting of shareholders of JSC «Toshkentdonmahsulot»

**July 30:** Extraordinary meeting of shareholders of JSC «Maxam-Chirchik»

**August 4:** Extraordinary meeting of shareholders of JSC «Zarbdor Elevator»

## Macroeconomic results of the first half year

During the first half year of 2008 increase in gross domestic product (GDP) of Uzbekistan made 9,3%, in the volumes of industrial production - 12,2%, in production of consumer goods - 16,6%. For the first six months of 2008 agriculture has increased by 5,4%, retail turnover by - 14,4%, paid services by - 18,9%, informs *«gzt.uz»*

Measures taken in order to realize Investment program, program on localization of production, modernization and technical re-equipment of the most important branches of economy have provided growth of investment by 19,8%, including foreign direct investment by 29,4%. 185 new industrial units are put into operation, including following textile enterprises: «Asaka textil», «Surkhontex», «Navbakhortex», «Rishtan textile» and others. The share of small business in GDP has reached 40,2% against 38,1% in corresponding period of 2007.

372,1 thousand new working places including 130,2 thousand in services sector, and 132,6 thousand due to out-work have been created during the reported period of time.

## President of Uzbekistan has received Japanese minister of finance

President of the Republic of Uzbekistan Islam Karimov has received Japanese minister of Finance Fukushima Nukagu on July 18 in Oksaroy residency. The two representatives of governments have discussed matters on bilateral relations, writes *«uza.uz»*.

Uzbek-Japanese relations are developing in the manner of joint announcement of Friendship, strategic partnership and cooperation, signed in 2002. Uzbek-Japanese and Japanese-Uzbek committees on economic cooperation had been created in 1994. There are representative offices of Japanese International Cooperation Agency (JICA) and Japanese Outboard Trade Organization (JETRO) functioning in Tashkent.

During the period, since diplomatic relations had been established, Japan has invested about 2 billion USD into Uzbek economy. Particularly, within the limits of «Official help to development» Japanese government has given 910m USD, and 820m USD through commercial credits of Japanese International Cooperation Bank (JIBC) for development of heating-energetic complex and textile industry in Uzbekistan. There are more than 10 large projects being realized with participation of Japanese investment in Uzbekistan. The example of such projects could be the buses, lorries, lifting cranes of «Isuzu» brand produced by Samarkand car factory.

Representative offices of 22 large Japanese corporations such as «Misui», «Mitsubishi», «Nishe Ivai» are present in Uzbekistan. A number of joint corporations are operating in the sector of machinery, light industry, foreign and local commerce, transportation service, and tourism.

## OJSC «Namangantextil» will increase Balsam Wool processing

It is planned to increase the production capacity OJSC «Namangantextil» that specializes in Balsam Wool processing in Namangan, 4,5 times in the next 7 years, informs *«press-uz.info»*

Korean Hain Tex Co Ltd that has purchased the company in the beginning of the year as the result of selection trades, will invest into modernization and expansion of production of OJSC «Namangantextil» 34m USD, in order to realize the project on increasing production capacity of the enterprise.

Namangan textile center (former center of silk textile) was put into operation in 1967 and was the largest silk producing enterprise in Uzbekistan. In 1998 the company was re-oriented into Balsam Wool production. At present time, planned capacity of OJSC «Namangantextil» makes 6,3 thousand tons of yarn, 12,3m pm of factory and 28,5m pm ready cloth, 352 thousand pm none woven cloth. However, due to lack of funds the capacity of enterprise could not be fully used.

In the last two years, many foreign investors have purchased assets of Uzbek textile enterprises for the total of more than 280m USD. Particularly, Indian Spentex Industries has purchased «Tashkent Toytepa textile» LLC textile enterprise for 81m USD that includes two factories on cotton-spinning. Korean Daewoo International has purchased «Fergana textil» LLC textile enterprise for 68m USD. In the beginning of 2007 Turkish Mimatas Tekstil has purchased assets of JV «Aim Textile» LLC in Andijan costing 48m USD.

Besides, two enterprises with the volume of investment of 184m USD have been created on the basis of OJSC «Bukharatex» with participation of «DAEWOO International» (Korean) and FC «Sayiman Holding» (Turkey).

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

On July 21 of 2008 the turnover of the stock exchange made almost 120m sum. Maximum volume of exchanges was observed on the shares of «Kizilkumcement» - the sum of the exchanges made about 106m sum. Part of the shares of «Kizilkumcement» was sold for hard currency. Shares of «Kishlokkhujalikkimyo» (Surkhandarya region) were sold for hard currency as well. The total turnover on the shares sold for hard currency made about 23 thousand USD or 30m sum.

**Results of the exchanges at RSE «Toshkent» for 21.07.2008**

Issuer	Type	Region	Sector	Max. Price of the deals, UZS/\$	Qty of the shares, units	Volume, sum
Kizilkumcement	Ordinary	Navoi	Construction	90	1 028	105 895 632
Kishlokkhujalikkimyo	Ordinary	Surkhandarya	Chemistry	2	3 921	10 299 996
Turon-bank	Premium	Tashkent city	Bank	1 050	3 000	3 150 000
Tong	Ordinary	Tashkent city	Textile	3 265	69	225 285
Makhsuspolimer	Ordinary	Tashkent city	Industry	1 000	162	162 000
Delta qurmah	Ordinary	Tashkent city	Construction	4 176	33	137 808
Podemnik	Ordinary	Tashkent city	Construction	432	298	128 736
Uzkabel	Ordinary	Tashkent city	Industry	1 500	15	22 500
Kurgontepa don mahsulotlari	Ordinary	Andijan	Food	3 825	3	11 475
<b>Total:</b>						<b>526 021 497</b>

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

## Contact Information

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### **Avesta Investment Group (CJSC)**

License of CSM for Investment advisor №1012

**Legal Address:** 25 Amir Temur str., 100000

Tashkent, Uzbekistan

**Postal address:** 36 Navoi str., 100011

Tashkent, Uzbekistan

**Tel:** +998 (71) 144-3363, 144-3685

**Tel/fax:** +998 (71) 144-3667

**E-mail:** [info@avestagroup.com](mailto:info@avestagroup.com)

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

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### **Depository Avesta Trust (LLC)**

License of CSM for Securities custodian №1053, registry holder №1054 and nominal securities holder №1055

**Postal address:** 36 Navoi str., 100011

Tashkent, Uzbekistan Republic

**Tel:** +998 (71) 144-3685

**Tel/fax:** +998 (71) 144-3667

**E-mail:** [trust@avestagroup.com](mailto:trust@avestagroup.com)

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

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### **Brokerage house Avesta Securities™ (Avesta Sekurities LLC)**

License of CSM for Securities №1133

**Tel:** +998 (71) 132-6202

**Tel/fax:** +998 (71) 144-3667

**E-mail:** [securities@avestagroup.com](mailto:securities@avestagroup.com)

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