

- Demand for cotton in the local market increases**

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- A special route for special equipment**

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

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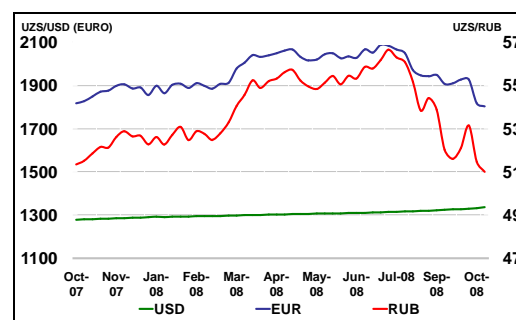
Official exchange rates of CB to the main international currencies (sum)

	14.10.2008	07.10.2008	Chg./%
1 USD	1 336,53	1 333,29	0,24↑
1 EUR	1 804,45	1 818,61	0,78↓
1 GBP	2 272,50	2 351,26	3,35↓
10 JPY	133,79	127,78	4,70↑
1 RUR	51,00	51,48	0,93↓

Main interest rates in national currency (in % annual)

	14.10.2008	3-months change
Rate of CB RU	14,00	0%
UZIBOR (12 months)	13,50	0%
AWACRI	17,61	0%
AIBC	1 202,6	-2,19%

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

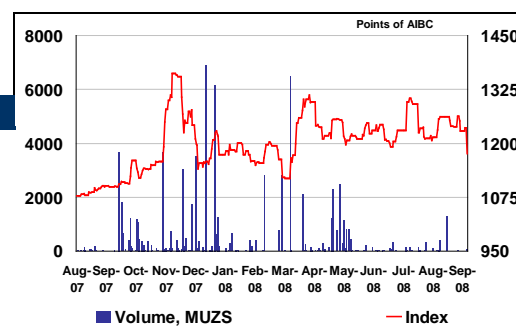


Main macroeconomic figures of Uzbekistan for 2004-2007

Figures	2002	2003	2004	2005	2006	2007	1H 2008
GDP, trillion sum	7,45	9,8	12,2	15,2	20,8	28,2	13,6
Real GDP growth, %	4,0	4,4	7,7	7	7,3	9,5	9,3
Administration of the state budget, to GDP	-0,8	-0,4	-0,4	+0,1	-0,5	1,1	1,9
Foreign trade turnover, bill. USD	5,7	6,7	8,7	9,5	10,7	14,2	9,8
Inflation, %	-	3,8	3,7	7,8	6,8	6,8	-

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

Dynamics of AIBC index



Events Calendar

- October 15:** Uzbek international exhibition «Textile Expo Uzbekistan 2008»
- October 27:** Special meeting of the shareholders of OJSC «Makhsus tajriba avtokorkhona»
- November 5:** Special meeting of the shareholders of OJSC «Ammofos»
- November 6:** Special meeting of the shareholders of OJSC «STM»

Demand for cotton in the local market increases

Uzbekistan plans to shorten the amount of cotton to be exported in the season of 2008/2009 to 700 thousand tons comparing to 800 thousand tons in the last season by increasing the volumes of local processing, *«gazeta.uz»* reports.

According to the MIESIT, local consumption of cotton has made about 280 ths tons in the season of 2007/2008. Considering the average yield and the fact that actual volume of fields is going to remain, it is expected that the cotton production in 2008 will make about 1m tons.

In accordance with the data provided by International Cotton Advisory Committee (ICAC), cotton production worldwide will decrease by 6% in the season of 2008/2009 in comparison with the corresponding figures for the last season to 24,7m tons, thus, becoming the lowest rate for the last five years.. Worldwide consumption of cotton will decrease by less amounts, only by 1% to 26m tons. As a result, it is expected that, world resources will decrease by 11% reaching 10,8m tons, which is the lowest rate for the last seven years.

A program on modernization and technical re-equipment of textile industry of the country for the years 2008-2012 and the total cost of 615m USD has been designed. It is planned to increase cotton processing up to 510 ths tons, as well as, raising cotton yarn production up to 407 ths tons and cotton fabric production up to 320m sq. meters during realization of 79 projects.

Since the beginning of 1990-s more than 50 projects have been realized in textile industry with participation of foreign investments of more than 1 bln USD. Present capacities of textile industry of Uzbekistan are able to process 300 ths tons of Balsam Wool and to produce 250 ths tons of yarn and 480m meters of cotton fabric.

According to *«Uzbekyengilsanoat»* 22 investment projects for the total cost of 158m USD are planned to be implemented in textile industry of Uzbekistan in 2008. All the projects are directed to organization of cotton processing and production of cotton yarn, fabric, stockinet, and ready goods. 23 textile enterprises for the total of 83,6m USD were put into operation in the country in 2007.

Balsam wool production in Uzbekistan has decreased by 3,9% down to 1,125m tons in 2007 comparatively to 2006. Last year Uzbekistan had increased raw cotton harvest in comparison with 2006 by 3,2% up to 3,715m tons. Forecasted harvest of 2008 makes about 3,6m tons.

A Special route for special equipment

Orenburg company *«Shturman»* has created a JV *«Shturman-servis»* in Tashkent on production of special superstructure for large-capacity lorries and dumpers, *«gazeta.uz»* informs.

The JV created on parity basis with Uzbek OJSC *«Geoltekhkomplekt»* will be specializing on setting superstructures on chassis for lorries *«KamAZ»*, *«Ural»*, as well as of Chinese producers.

In 2009 the JV is planning to assemble up to 200 units of lorry equipment of two types. Superstructures will be assembled on demand of large scale civil engineering and road building companies, and of oil processing industry. Coercive ministries and municipal economy also have a great demand for superstructure.

There will be a service centre that will not only provide warranty and after warranty service, but will also be holding overhaul reconditioning of heavy-duty haulers will be operating in Uzbekistan.

Firstly, the JV will be practicing assembling using spare parts and components supplied from Russia. However, it is planned to start producing those components and spare parts on the basis of Uzbek enterprises.

Director of trade-production unit *«Shturman»* Anatoliy Faraaontov has noted that, the most demanded products at the heavy haul market of Uzbekistan are still dumper equipments, and production of superstructures for them is considered to be one of the most profitable and perspective operations. The JV plans to assembly superstructure for lorries produced at *«Samarkandskiy avtomobilniy zavod»* LLC (*«SamAvto»*). From May of the present year *«SamAvto»* has started large-subassembly of heavy dumpers and Isuzu prime movers within the framework of the contract signed with Japanese Itochu Corp.

Trade-production unit *«Shturman»* LLC was created in July of 2006. The enterprise specializes in production of superstructures on basis of the chases of the cars *«KamAZ»*, *«Ural»* and trailers of more than 20 types, as well as in auto cars sales.

Comments on the results of trades in RSE «Toshkent»

On October 14 of 2008 the turnover of the stock exchange made almost 4m sum. 16 exchanges on the shares of 5 companies went through exchanges at RSE *«Toshkent»*. 13 of the exchanges were implemented for national currency on the ordinary shares of 5 companies, and one exchange on the premium shares of 1 company for the total of 2,64m sum. 7 of them were held on the shares of OJSC *«Delta kurmah»*. However, the largest amount of sales was implemented on the shares of OJSC *«Algoritm»* for 732 ths sum. Ordinary and premium shares of OJSC *«ATP-152»* went through one exchange each. It should also be noted, that the shares of JSCMB *«Ipoteka-bank»* have participated in 3 exchanges for the total of 624 ths sum. Sharp increase took place in the prices of the shares of the bank 2 weeks ago (1700 sum for a share). Average weighted price of those shares for this year makes 1149 sum for a share. Their prices had a downward slope, the next 3 exchanges were held for their prices of 1006 sum for a share. All the above mentioned have negatively

effected the index of banking capitalization (AIBC) calculated by Avesta Investment Group. The index has lost 27 points after yesterday's increase by 7 points and now it makes 1202,6 points.

2 more exchanges were held for hard currency for the total of 1 ths USD (1,4m sum). Both of them were implemented with the participation of premium shares of JSC «Uztransgaz». Ordinary shares of this company have also participated in one exchange for national currency of 540 ths sum.

Total turnover at RSE «Toshkent» since the beginning of 2008 has reached 96,088 billion sum. Turnover at RSE «Toshkent» during September made 15,709 billion sum.

Results of the exchanges at RSE «Toshkent» for 14.10.2008

Issuer	Type	Region	Sector	Max. Price of the deals, UZS/\$	Qty of the shares, units	Volume, sum
JSC «Uztransgaz»	Ord.	Tashkent city	Energy	\$4,25	241	1 368 941
OJSC «Algoritm»	Ord.	Tashkent city	Engineering	1 000	732	732 000
JSCMB «Ipoteka-bank»	Ord.	Tashkent city	Bank	1 000	624	624 000
OJSC «Delta-kurmah»	Ord.	Tashkent city	Mining	4 176	146	609 696
JSC «Uztransgaz»	Ord.	Tashkent city	Energy	6 000	90	540 000
OJSC «ATP-152»	Ord.	Andijan	Transportation	4 500	25	112 500
OJSC «ATP-152»	Prem.	Andijan	Transportation	4 500	4	18 000
Total:						4 005 137

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

General statistics of the market at RSE «Toshkent» since the beginning of 2008

	January	February	March	April	May	June	July	August
Total turnover (m. shares)	10,2	15,4	13,1	11,7	45,3	12,4	7,8	17
Total turnover (b. sum)	3,3	9,1	16,0	7,8	13,5	16,0	7,8	4,8
Average daily turnover (thousand shares)	537	734	688	534	2 158	592,6	370	810
Average daily turnover (m. sum)	175	433	844	353	643	761	370	199
The volume of primary distribution (m. sum)	918,5	2 121	8 857	2 008	5 068	4 139	0	1 603
Turnover in national currency (m. sum)	3 214	8 125	15 450	7 508	9 743	7 200	4 104	3 724
Turnover in USD (m. sum in equivalent)	120	961	594	264	3 760	8 783	3 663	458

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

Shares of the sectors at the exchange market from the beginning of 2008

Sector	January	February	March	April	May	June	July	August
Services	64%	72%	90%	72%	61%	40%	33%	52%
Industry	26%	16%	9%	19%	26%	59%	64%	35%
Agriculture	9%	12%	1%	8%	12%	1%	2%	6%
Other	1%	4%	0%	1%	1%	0%	1%	8%

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

Top -10 according to the turnover volume at the RSE «Toshkent» since the beginning of 2008

Company	Turnover volume, m sum		Last price, sum	Average price, sum	% of the charter capital	% of the volume for the year	Dividends in 2007, sum	
	Year	Month					sum	% of the nom.
Pakhta bank	14 588	1,6	1 000	1 058	29,1%	15,9%	160	16,0%
Kvartz	9 249	0,0	\$90,05	101 018	2 760,9%	10,1%	0	0,0%
Kizilkumcement	6 729	0,0	\$95	116 352	4,0%	7,3%	5 950	7,4%
Ipotekabank	6 645	4,0	1 000	1 050	9,8%	7,2%	120	12,0%
Alokabank	3 966	0,0	120	120	11,7%	4,3%	11	11,0%
Kapital sugurta	3 924	0,0	250	235	98,1%	4,3%	0	0,0%
Suvmash	2 976	0,0	\$42,47	\$42,47	262,7%	3,3%	2 534	25,3%
Kredit-standard	2 404	0,0	\$282,78	\$282,78	21,4%	2,6%	0	0,0%
Khamkorbank	2 304	1,5	130	103	21,8%	2,5%	400	400,0%
UzKKhMLizing	2 142	0,0	\$2	2 098	22,9%	2,3%	-	-

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

Main indicators for the year 2008, billion sum

	Last figures	A month ago	2007
Cumulative turnover of RSE	96,09	85,27	110,21
Cumulative turnover of ESNET	6,15	5,75	12,94
AWACRI, %	17,91	17,51	18,52
Refinancing rate of CB RUz, %	14,00	14,00	14,00
AIBC, units	1 202	1 228	1 079,94
Total assets of the banks	11 097,00	11 097,00	9 106,70
Total capital of the banks	1 657,00	1 657,00	1 349,60
Average price of property, \$/sq.m	814,00	785,00	727,00
Lease of offices, \$/sq.m	9,40	11,40	9,90
Trade volumes at the SEN	0,263	2,00	78,70
Exchanges amount at the SEN, thn.	0,08	0,3	9,70

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

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