

- Deadline for accepting tender offers on the sales of state property has been prolonged**
 SPC has again prolonged the deadline for accepting tender offers on the sales of a number of units to the foreign investors, including 35,55% shares of OJSC «Uzbekugol», the largest coal producer in the country, reported on the web site of SPC.
- CNPC has created a JV with «Uzbekneftegaz» in Fergana Valley**
 NHC «Uzbekneftegaz» and Chinese national oil-and-gas corporation (CNPC) have signed a constituent document and the regulations of the JV «Mingbulakneft», says the web site of NHC «Uzbekneftegaz».
- Uzbekistan has sold cotton for almost 1 bln USD**
 During the forth international cotton fair in Tashkent Uzbekistan has signed contracts on the export of 950 ths tons of cotton, «gazeta.uz» informs.
- JV «Asia Trans Terminal» is expanding the capacity of its terminal**
 Russian Far East transportation group (RFETG) has invested 3m USD into expansion of the terminal in Tashkent, «gazeta.uz» reports.
- Comments on the results of trades in RSE «Toshkent»**
 On October 16, 2008 the turnover of the stock exchange made more than 114m sum.

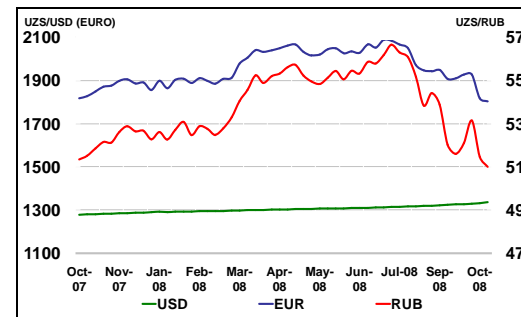
Official exchange rates of CB to the main international currencies (sum)

	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↓

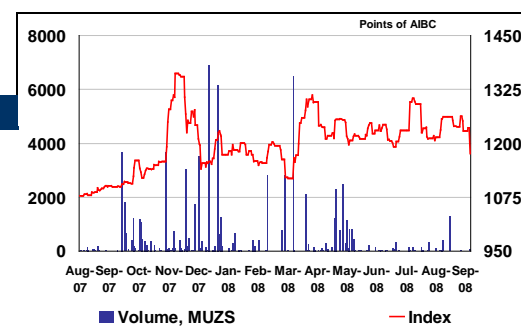
Main interest rates in national currency (in % annual)

	16.10.2008	3-months change
Rate of CB RU	14,00	0%
UZIBOR (12 months)	13,50	0%
AWACRI	17,61	0%
AIBC	1 201,2	-7,34%

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	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

Events Calendar

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

Deadline for accepting tender offers on the sales of state property has been prolonged

State property committee (SPC) of Uzbekistan has again prolonged the deadline for accepting tender offers on the sales of a number of units to the foreign investors, including 35,55% shares of OJSC «Uzbekugol», the largest coal producer in the country, reported on the web site of SPC.

The deadline has been prolonged till November 10 of 2008.

Starting price of the shares of OJSC «Uzbekugol» has not changed and it is 30,58m USD. The priority during the selection will be given to those candidates who are ready to invest the largest amount of funds for the share holding and to take the greatest volume of the investment responsibilities with the consideration of the enterprise needs that are estimated to be at least 232m USD.

The tender on the sales of shares of «Uzbekugol» for the first time was announced in April of 2007. After that it has been already prolonged several times, due to the absence of competitive offers.

«Uzbekugol» is holding industrial designing of Angren lignite field (Tashkent region) that has explored reserves of 1,9 bln tons.

Charter capital of «Uzbekugol» makes 29,421 bln sum. 86,55% of the company's shares belong to the state, 5% to the labor collective, and 8,45% to minority shareholders.

Besides this shares the deadline for accepting tender offers on the sales of 50% shares of OJSC «Uzpakhtamash» with the starting price of almost 6,6m USD and the minimum investment responsibilities of 5,5m USD; on 47% shares of OJSC «Kokand spirt» with the starting price of almost 8,2m USD and the minimum investment responsibilities of 3,0m USD; 100% shares of «Markaziy» hotel complex with the starting price of almost 40,2 m USD and the minimum investment responsibilities of 25,3m USD; 100% shares of OJSC «Samarkandkimyo» with the starting price of almost 20,5 m USD and the minimum investment responsibilities of 7,3 млн. долл. США.

CNPC has created a JV with «Uzbekneftegaz» in Fergana valley

A constituent document and the regulations of the JV «Mingbulakneft» have been signed by NHC «Uzbekneftegaz» and Chinese National oil-and-gas company (CNPC), with the aim of additional exploration and development of Mingbulak field in Namangan region, the web site of NHC «Uzbekneftegaz» reports.

Founders of the JV are OJSC «Andijanneft» (is a part of JSC «Uzneftegazdobicha», subsidiary of «Uzneftegaz») and Chinese national oil-and-gas exploration and processing corporation (CNODC). The joint venture is being created on parity basis.

In April of 2007 an agreement on the main conditions of partnership on the joint additional exploration and processing Mingbulak field was signed between NHC «Uzbekneftegaz» and CNPC. And in May of 2008 an agreement on the conditions of creating a JV was signed.

In August of current year a protocol «On partnership for increasing extraction level at the fields of Fergana» has been signed between CNPC and «Uzbekneftegaz». The document foresees participation of the Chinese party in additional processing of about 200 oil fields with a long term usage. The parties plan to create several JVs for processing low debit fields, and increasing their productivity several two or three times.

Mingbulok field was discovered in 1992 and it is considered to be a low debit unit. Uzbek parties plan to implement Chinese practice in processing low debit fields situated in Fergana oil-and-gas region. There are more than 500 small fields with the debits of 1-2 tons of raw oil a day in the country.

The projects is planned to be financed due to the means of Chinese banks attracted by CNPC without the guarantees of Uzbek government.

Experts estimate an average investment into additional exploration and processing of one low debit field to be about 30m USD.

Uzbekistan has sold cotton for almost 1 bln USD

During the forth international cotton fair in Tashkent Uzbekistan has signed contracts on the export of 950 ths tons of cotton, «gazeta.uz» informs.

Direct export agreements were compiled for the harvest of 2008-2009, besides, part of the cotton was contracted at the exchange market of Uzbek commodity and raw materials.

Main consumers of cotton are firms from Bangladesh, India, China, South Korea, United Arab Emirates, Pakistan, and Russia.

First time a similar fair was held in October of 2005. Then contracts on the sales of more than 1,1m tons of cotton, including more than 400 ths tons of harvest of the year 2005 and 600 ths tons of the harvest of 2006-2007 were concluded. In 2006 1,7m tons of cotton, including 600 ths tons of the harvest of 2006-2007, and the rest from the forward of the years 2007-2008 were contracted. Last year 600 ths tons of the harvest of 2007 was sold.

3,5m tons of raw cotton and 1-1,2m tons of Balsam wool is produced in Uzbekistan annually. About 75% of the produced Balsam wool is exported.

JV «Asia Trans Terminal» is expanding the capacity of their terminal

Russian Far East transportation group (RFETG) has invested 3m USD into expansion of the terminal in Tashkent, «gazeta.uz» reports.

Investment funds have been directed to the construction of the second terminal and to consumption of technological and transportation equipment on the basis of the JV «Asia Trans Terminal».

During the expansion of the terminal with the total area of 45 thousand square km, its capacity was increased from 400 containers in 20 feet equivalent (TEU) up to 1200 TEU at simultaneous storing.

As the result of expansion, RFETG plans to transfer through Tashkent terminal up to 12 ths TEU in 2008 against 2500 TEU in 2007.

RFETG owns 51% shares of JV «Asia Trans Terminal» created in 2006 with the aim of providing services of terminal processing for large scale containers. Founder of the JV from the Uzbek party is OJSC «Uzjeldorcontainer».

«Uzjeldorcontainer» is a part State joint stock rail-way company «Uzbekiston temir yullari» and it specialized in providing export import services and transfer of transit cargo.

RFETG is one of the largest rail-way operators of Russia, it occupies the leading positions in processing containers sent from Korean and China to Russia and European countries through Trans-Siberia trunk.

Comments on the results of trades in RSE «Toshkent»

On October 16 of 2008 the turnover of the stock exchange made more than 114m sum. 33 exchanges on the shares of 6 companies and 2 banks went through exchanges at RSE «Toshkent». All the exchanges were carried on the national currency, 29 of them for ordinary shares of 6 companies and 2 banks, and another 4 on premium shares of 1 company and 2 banks. The maximum volume of the sales took place on the shares of «Bulungurning mevasi» - 56,8m sum. The greatest quantity of exchanges took place on the shares of OJSC «Algoritm», they made 15. Ordinary shares of JSCB «Pakhta-bank» and POJSSB «Trastbank» took place in 3 exchanges for the total cost of 1,5m sum, and its premium shares in the same number of exchanges for the total of 221 ths sum.

The participation of the shares of JSC «Uzbektelecom» in today's exchanges is very significant. Three exchanges on the shares of the company, including 2 exchanges on the ordinary shares for the total of 35,1m sum 3400-3450 sum each, and one exchange on premium shares for the total of 6m sum 2000 sum for a share were implemented. Nominal price of both type of the shares make 1000 sum.

Total turnover at RSE «Toshkent» since the beginning of 2008 has reached 96,235 billion sum. Turnover at RSE «Toshkent» during September made 15,709 billion sum.

Results of the exchanges at RSE «Toshkent» for 16.10.2008

Issuer	Type	Region	Sector	Max. Price of the deals, UZS/\$	Qty of the shares, units	Volume, sum
JSC «Bulungurning mevasi»	Ord.	Samarkand	Food	1 495	37 963	56 754 685
JSC «Uzbektelecom»	Ord.	Tashkent city	Telecommunication	3 450	10 300	35 095 000
OJSC «Jizzakhdonmahsulotlari»	Ord.	Djizakh	Food	310,74	41 265	12 822 686
JSC «Uzbektelecom»	Prem.	Tashkent city	Telecommunication	2 000	3 007	6 014 000
OJSC «Algoritm»	Ord.	Tashkent city	Food	1 000	1 426	1 426 000
POJSSB «Trastbank»	Ord.	Tashkent city	Bank	1 000	1 283	1 283 000
OSJC «Uzkommunissiklitamir»	Ord.	Tashkent city	Energy	1 000	369	369 000
JSB «Pakhta-bank»	Ord.	Tashkent city	Bank	1 000	209	209 000
JSB «Pakhta-bank»	Prem.	Tashkent city	Bank	1 000	175	175 000
POJSSB «Trastbank»	Prem.	Tashkent city	Bank	1 000	46	46 000
OJSC «Uzbekkumir»	Ord.	Tashkent city	Energy	11 530	1	11 530
Total:						114 205 901

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	2,0	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	6 647	5,7	1 530	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	96,24	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	1 201	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

Contact Information

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) 244-3363, 244-3685

Tel/fax: +998 (71) 244-3667

E-mail: info@avestagroup.com

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

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

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

Brokerage house Avesta Securities™ (Avesta Sekurities LLC)

License of CSM for Securities №1133

Tel: +998 (71) 132-6202

Tel/fax: +998 (71) 244-3667

E-mail: securities@avestagroup.com