

- **Half of the insurers have not fulfilled their licensed requirements on MTPLI**

According to «12.uz», from October 22 of 2008 the ministry of finance has stopped licensing in the sphere of compulsory insurance of civil liability of transportation means' owners of 9 insurers.

- **NMC has started working in Biox technology**

Navoi mining center (NMC) has started processing gold sulphide ores at Kokpatas field (Central Kyzilkums) on Biox technology, «gazeta.uz» writes.

- **Transportation corridor will connect Uzbekistan with Iran**

Chairman of «Uzbekiston temir yullari» administration Achilboy Ramatov has held negotiations in Tehran with the executive director of «Iranskiye jelezniye dorogi» Khasan Ziyari, «gazeta.uz» informs.

- **Re-styling of OJSCB «Credit-Standart»**

OJSCB «Credit-Standart» is about to become an international class bank and is re-styling in accordance with the new development strategy, the web site of the bank informs.

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

On October 30, 2008 the turnover of the stock exchange made more than 27,9 mln sum.

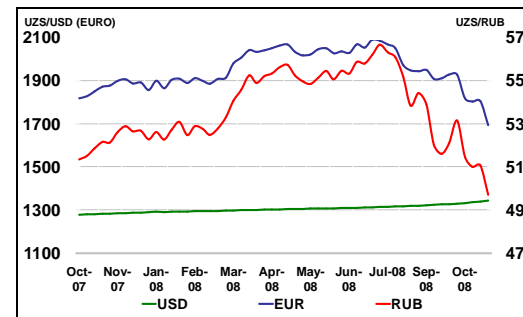
Official exchange rates of CB to the main international currencies (sum)

| | 28.10.2008 | 21.10.2008 | Chg./% |
|--------|------------|------------|--------|
| 1 USD | 1 345,43 | 1 340,81 | 0,34↑ |
| 1 EUR | 1 694,70 | 1 806,21 | 6,17↓ |
| 1 GBP | 2 118,11 | 2 326,57 | 8,96↓ |
| 10 JPY | 143,16 | 131,75 | 8,66↑ |
| 1 RUR | 49,72 | 51,08 | 2,66↓ |

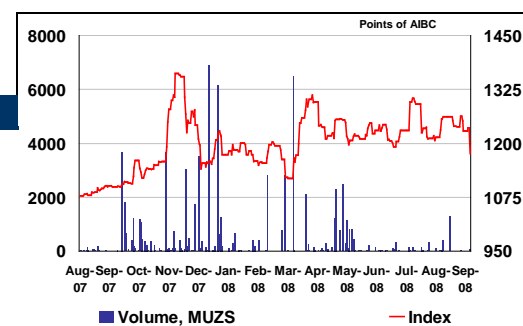
Main interest rates in national currency (in % annual)

| | 30.10.2008 | 3-months change |
|--------------------|------------|-----------------|
| Rate of CB RU | 14,00 | 0% |
| UZIBOR (12 months) | 13,75 | 0% |
| AWACRI | 17,61 | 0% |
| AIBC | 1 264,6 | +2,41% |

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

- November 5:** Special meeting of the shareholders of OJSC «Ammofos»
- November 6:** Special meeting of the shareholders of OJSC «STM»
- November 14:** Special meeting of the shareholders of OJSC «Kuvasaycement»
- November 21:** General meeting of the shareholders of OJSC «Delta Qurmah»

Half of the insurers could not fulfill their MTPLI license requirements

According to «12.uz», operation of the licenses of following insurers in compulsory insurance of civil liability of transportation owners have been stopped by Ministry of Finance from October 22 of 2008 on the basis of insurers' requests: OJSC IA «Madad», OJSC «Osioy Temir Yullari», IC «Toshkent Sugurta» LLC, Subsidiary IC «Alliance Insurance», JV IC «Fotis Sugurta», «Transinsurance Plyus» LLC, CJSC JV IC «UzAIG», SIC «Garant Insurance Group», OJSC «Finance Sugurta».

It is noted that, in case the insurers provide the operational conditions required by license, Ministry of Finance will consider licensing of insurers on compulsory licensing of civil liability of transportation means' owners.

On October 22 of 2008 the law of the Republic of Uzbekistan «On compulsory insurance of civil liability of transportation means' owners» has come to force.

As it was announced earlier, 14 out of 18 insurance companies that have a license in providing compulsory insurance, have compiled an agreement on membership with the Fund of guaranteeing payments on compulsory insurance of civil liability of transportation means' owners.

According to the Ministry of Finance of Uzbekistan, within the framework of fulfillment of above mentioned law nine companies NCEII «Uzbekinvest», SJSIC «Uzagrosugurta», SJSIC «Kafolat», IIC «Ishonch», OJSC JV «Alscom», JV IC «Asia Insurance» LLC, CJSC «Alfa Invest», OJSC «Kapital Sugurta», and CJSC «Universal Sugurta» are operating – in the sphere of providing compulsory insurance of civil liability of transportation means' owners.

NMC has started operating in Biox technology

Navoi mining center (NMC) has started processing gold sulphide ores at Kokpatas field (Central Kyzilkums) on Biox technology, «gazeta.uz» writes.

The first mill unit on sulphide ore has been put into operation, and production of gold containing naval concentrate with its further biological processing has been started. Thereby, first gold from sulphide ores of the field has been extracted at HMP-3 (hydrometallurgy plant-3) in Uchkuduk. Before NMC did now have the technology and production capacity for processing gold containing sulphide ores and was processing only oxidized ores.

The center has an agreement with South African Biomin on usage of the license on technology of biological oxidized lixiviation Biox for processing gold sulphide ores of Kokpaas and Daugistau fields.

By the end of 2008 NMC plans to put into operation the shops on lixiviation at HMP-3 with the projected capacity of 3 mln tons of mineral a year (the minerals from Kokpatas will be delivered to gold extracting plant), and in 2009 the second line of them with the capacity of 2 mln tons of mineral (Daugistau will be involved into processing). The first line will be put into operation gradually, by starting four modules.

Construction of the shops is held by subunits of NMC, supply and assembling of technological equipment is fulfilled by German Engineering Dobersek GmbH. As it is expected, with the full operation of the lixiviation shop gold production at HMP-3 will double.

In 2004 NMC has started construction of gold extracting unit at Kokpatas and Daugistau. The complex includes lixiviation show on the base of HMP-3 and mining enterprises. Aggregate cost of the project is estimated to be 150 mln USD. Financing of the project is carried by own means of NMC and credit resources of foreign banks.

NMC is one of the largest gold producers in Central Asia. The center is fully owned by the state. Main gold ore of the center is Muruntau field (Central Kizilkum) that is being processed since 1967.

The center includes two gold extracting plants: HMP-2 in Zarafshan and HMP-3 in Uchkuduk. The new gold extracting plant that will be holding sulphide ores processing should become the second line of HMP-3.

Transportation corridor will connect Uzbekistan with Iran

Chairman of «Uzbekiston temir yullari» administration Achilboy Ramatov has held negotiations in Tehran with the executive director of «Iranskiye jelezniye dorogi» Khasan Ziyari, «gazeta.uz» informs.

The greatest significance at the negotiations was given to the matters on expanding mutual partnership in the field of railway transportation. The parties have agreed on creation of private transportation companies that will be engaged in transit railway traffic.

An agreement on joint investments into the project of railway transportation corridor that will be connecting the roads of Uzbekistan and Iran through Afghanistan has also been achieved.

Restyling of OJSCB «Credit-Standart»

OJSCB «Credit-Standart» is about to become an international class bank and is re-styling in accordance with the new development strategy, the web site of the bank informs.

Open joint-stock commercial bank «Credit-Standart» has announced about starting the process of restyling its corporate identity. The restyling campaign is being accompanied by changing the logo of the bank. The new image will be promoted during 6 month from the day of starting restyling through different advertisement carriers.

OJSCB «Credit-Standart» was created on August 16 of 2003 with the charter capital of 1,3 bln sum. The parent office of the bank is situated in Tashkent. Assets of the bank in the beginning of the year made 218 bln sum. On September 30 of 2008 the share capital of the bank reached 29,4 bln sum.

The bank is considered to be among average size Uzbek banks. British particularized magazine «The Banker» that issues annual rating of the best banks of the world, has awarded «Credit-Standart» the rating of «The best bank of Uzbekistan–2006». In 2008, the bank has received the rating of «The best bank of Uzbekistan - 2007» of «Global Finance» magazine.

In October of 2008 «Credit-Standart» has received the rating of international rating agency Moody's Investors Service.

Comments on the results of trades in RSE «Toshkent»

Total turnover of the stock exchange on October 30 of 2008 made more than 27,9m sum. 11 exchanges on the shares of 7 companies and 1 bank went through exchanges at RSE «Toshkent». All the exchanges were held for national currency on ordinary shares.

The greatest amount of sales were held on ordinary shares of OJSC «Mastona» - 17,7 mln sum, during 2 exchanges. 17 707 ordinary shares of the company participated in exchanges. However, this amount makes only 3,48% of the issued shares.

Besides, 4 exchanges on ordinary shares of 3 more representatives of food industry: JV «Okhalik-Lomann-Parranda», OJSC «Fargona naslli parranda» and OJSC «Yeggar». 586 shares of JV «Okhalik-Lomann-parranda» were traded for 4,34 mln sum during 2 exchanges. It should be noted that these shares were traded for the same price of 8250 sum for a share a day before.

Today's total of the exchanges on the shares of JV «Okhalik-Lomann-parranda» made the second greatest amount. It surpasses the next issuer OJSCB «Turonbank», whose total exchange made 4,23 mln sum, only by very little. It should be noted that the shares of the bank, that are included into official exchange rating were traded for the price of 1025 sum for a share (increase of 2,5%).

Total turnover at RSE «Toshkent» since the beginning of 2008 has reached 96,933 billion sum. Turnover at RSE «Toshkent» during September had made 15,709 billion sum.

Results of the exchanges at RSE «Toshkent» for 30.10.2008

| Issuer | Type | Region | Sector | Max. Price of the deals, UZS/\$ | Qty of the shares, units | % of the charter capital | Volume, sum |
|-------------------------------|------|----------------|--------------|---------------------------------|--------------------------|--------------------------|-------------------|
| OJSC «Mastona» | Ord. | Fergana | Food | 1 000 | 17 707 | 3,48% | 17 707 000 |
| JV «Okhalik-Lomann-Parranda» | Ord. | Samarkand | Food | 8 250 | 586 | 0,07% | 4 339 500 |
| OJSCB «Turonbank» | Ord. | Tashkent city | Bank | 1 025 | 4 186 | 0,03% | 4 290 650 |
| JV «Okhalik-Lomann-Parranda» | Ord. | Fergana | Food | 10 000 | 71 | 0,075% | 710 000 |
| OJSC FC «Zamon-Plyus-Sarmoya» | Ord. | Tashkent city | Finance | 100 | 4 622 | 0,02% | 462 200 |
| OJSC «Kuvasaycement» | Ord. | Fergana | Construction | 16 000 | 21 | 0,004% | 336 000 |
| PIF «Olim-F» | Ord. | Tashkent city | Finance | 100 | 350 | 0,032% | 35 000 |
| OJSC «Yoggar» | Ord. | Karakalpakstan | Food | 25 940 | 1 | 0,002% | 25 940 |
| Total: | | | | | | | 27 906 290 |

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 | September |
|---|---------|----------|--------|-------|-------|-------|-------|--------|-----------|
| Total turnover (m. shares) | 10,2 | 15,4 | 13,1 | 11,7 | 45,3 | 12,4 | 7,8 | 17 | 1,7 |
| Total turnover (b. sum) | 3,3 | 9,1 | 16,0 | 7,8 | 13,5 | 16,0 | 7,8 | 4,8 | 15,7 |
| Average daily turnover (thousand shares) | 537 | 734 | 688 | 534 | 2 158 | 592,6 | 370 | 810 | 81 |
| Average daily turnover (m. sum) | 175 | 433 | 844 | 353 | 643 | 761 | 370 | 199 | 748 |
| The volume of primary distribution (m. sum) | 918,5 | 2 121 | 8 857 | 2 008 | 5 068 | 4 139 | 0 | 1 603 | 1 965 |
| Turnover in national currency (m. sum) | 3 214 | 8 125 | 15 450 | 7 508 | 9 743 | 7 200 | 4 104 | 3 724 | 5 579 |
| Turnover in USD (m. sum in equivalent) | 120 | 961 | 594 | 264 | 3 760 | 8 783 | 3 663 | 458 | 10 130 |

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 | September |
|----------|---------|----------|-------|-------|-----|------|------|--------|-----------|
| Services | 64% | 72% | 90% | 72% | 61% | 40% | 33% | 52% | 12,2% |

| | | | | | | | | | |
|-------------|-----|-----|----|-----|-----|-----|-----|-----|------|
| Industry | 26% | 16% | 9% | 19% | 26% | 59% | 64% | 35% | 86,6 |
| Agriculture | 9% | 12% | 1% | 8% | 12% | 1% | 2% | 6% | 0% |
| Other | 1% | 4% | 0% | 1% | 1% | 0% | 1% | 8% | 1% |

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 | 14 590 | 18,1 | 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 | 6 646 | 5,6 | 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% |
| Suv mash | 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 | 2 350 | 46,6 | 131 | 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 | 96,93 | 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 | 1 264 | 1 228 | 1 079,94 |
| Total assets of the banks | 11 798,00 | 11 097,00 | 9 106,70 |
| Total capital of the banks | 1 760,00 | 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 | 2,77 | 2,00 | 78,70 |
| Exchanges amount at the SEN, thn. | 0,27 | 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