

- Additional funds for essential projects**
 Reconstruction and Development Fund of Uzbekistan will open financing several investment projects for the total of 874,7 mln USD, «gazeta.uz» writes.
- The share of the small-scale business in GDP has reached 45,3%**
 During the first 9 months of current year 29,8 thousand small-scale enterprises were created in Uzbekistan, «gazeta.uz» reports in accordance with the information provided by State de-monopolization committee.
- The number of joint stock companies has declined**
 At the end of October 2008 there were 1 851 joint stock companies functioning in Uzbekistan with the total charter capital of 4,298 trln sum, «bankir.uz» informs.
- ADB can help in improving water supply in Surkhandarya**
 ADB will allocate the credits for the total of 30 mln USD for improving drinking water supply of Surkhandarya, «gazeta.uz» says referring to the press-release of the bank.
- The population of Uzbekistan has grown by 356 ths**
 The resident population of Uzbekistan as on October 1 has made 27,4 mln people, which is by 355,5 ths or 1,3% more than in the beginning of the year, «gazeta.uz» informs.
- Almalyk Mining will make its own zinc in 2010**
 In 2010 Almalyk Mining will build a polymetallic ore mining and processing enterprise for the total of about 100 mln USD, «gazeta.uz» informs.
- Results of the 9M JSCB InFinBank and PO JSSB «Trastbank»**
 According to the outcomes of the 9 months of 2008 assets of PO JSCB InFinBank and PO JSCCB «Trastbank» made 10,956 bln sum, and 220,27 bln sum correspondingly, «bankir.uz» reports.
- Comments on the results of trades in RSE «Toshkent»**
 On November 4, 2008 the turnover of the stock exchange made 35,5 mln sum.

Main macroeconomic figures of Uzbekistan for 2004-2007

Figures	2002	2003	2004	2005	2006	2007	9M 2008
GDP, trillion sum	7,45	9,8	12,2	15,2	20,8	28,2	24,7
Real GDP growth, %	4,0	4,4	7,7	7	7,3	9,5	9,4
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	15,7
Inflation, %	-	3,8	3,7	7,8	6,8	6,8	4,5

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 15:** Special meeting of the shareholders of OJSC «Ipak Yuli»
- November 21:** General meeting of the shareholders of OJSC «Delta Qurmah»
- November 27:** Special meeting of the shareholders of OJSC «Republic Stock Exchange «Toshkent»

Daily Update

November 4, 2008

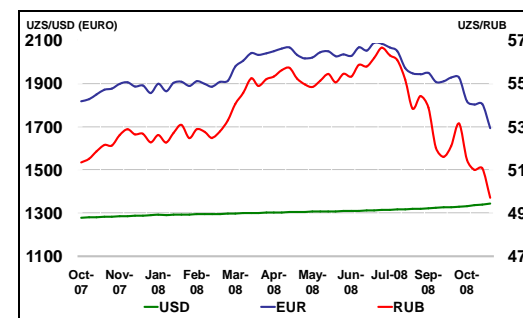
Official exchange rates of CB to the main international currencies (sum)

	04.11.2008	28.10.2008	Chg./%
1 USD	1 350,26	1 345,43	0,36↑
1 EUR	1 734,95	1 694,70	2,38↑
1 GBP	2 194,98	2 118,11	3,63↑
10 JPY	136,17	143,16	4,88↓
1 RUR	49,86	49,72	0,28↑

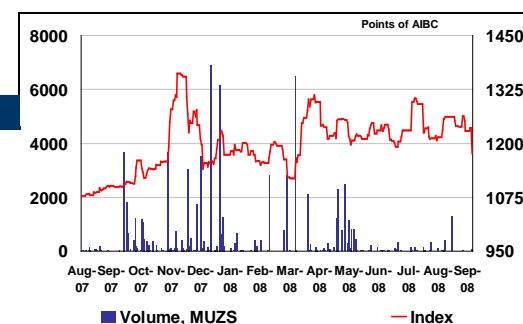
Main interest rates in national currency (in % annual)

	04.11.2008	3-months change
Rate of CB RU	14,00	0%
UZIBOR (12 months)	13,75	0%
AWACRI	17,61	0%
AIBC	1 340,5	+10,75%

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



Dynamics of AIBC index



Additional funds for essential projects

The fund of reconstruction and development of Uzbekistan is going to open financing of several investment projects for the total of 874,7 mln USD next year, *«gazeta.uz»* writes.

In accordance with the state investment program for the next year, address program of seven investment projects that are going to be implemented in 2009 with application of the funds of reconstruction and development fund of Uzbekistan have been approved. In particular, projects on energy, oil-and-gas and chemistry, engineering sectors of economy, and transportation infrastructure are among those projects.

The volume of the funds directed to the realization of the new projects is going to make 562,2 mln USD. It is planned to attract 172,5 mln USD of that amount from the reconstruction and development fund, 242,5 mln USD from the own means of the enterprises, and 147,2 mln USD of the credits of local and foreign banks.

National holding company «Uzbekneftegaz» will start the project on expanding the production of liquefied gas at Mubarek GPP for the total of 221,6 mln USD, and on construction of «Akhangaran-Pungan» main gas-pipeline at the Northern East of the country for the total of 493 mln USD within the framework of the program.

In the electricity energy sector in 2009 SJSC «Uzbekenergo» plans to start realization of the project on construction of VL 500 kWt «Guzar-Surkhan» in the South of the country for the cost of 128,4mln USD.

In the sector of engineering the fund plans to finance a project on setting up power drive production on basis of Tashkent tractor plant for the total of 23,5 mln USD.

Besides all the above, projects on the second and third stages of modernization of international airport at Navaiy city for 63,1 mln USD have also been included into the program.

The fund of reconstruction and development of Uzbekistan has been created in May of 2006 in accordance with the presidential order. Its founders are Ministry of Finance and 5 largest commercial banks of the country: National bank of foreign economic activities, «Asaka-bank», Uzpromstroybank, «Pakhta-bank» and «Ipoteka-bank».

According to the governmental decision international and foreign funds and investors interested in realization (co-financing) of the most important projects for them on the territory of Uzbekistan can become cofounders of the fund by including representatives of those financial institutions into the board of managing the fund.

The fund was created with the aim of realization of the projects on modernization and technical re-equipment of basic sectors of economy, reaching dynamic, stable and balanced social-economical development of the country, and holding an effective structural and investment policy.

The share of small-scale enterprises in GDP reached 45,3%

During the first nine months of current year 29,8 ths enterprises of small-scale business have been created in Uzbekistan, *«gazeta.uz»* reports referring to the information provided by State de-monopolization committee.

303,4 ths work places were created in the sector of small-scale business and private entrepreneurship in January-September.

Most of the small-scale enterprises (more than 12 ths) were created in agriculture and forestry. 7359 new small-scale enterprises were created in the sphere of trade and public catering, 3649 in industry, 2136 in construction, and 1113 in transportation and communication.

Total number of registered small scale enterprises made about 436,3 ths, which is by 4% more than the figure for the corresponding period of 2007. About 400 ths of the total small scale enterprises are functioning at the moment

The share of the small-scale business in GDP of the country has increased up to 45,3% against 43,1% in the same period of the last year.

Total amount of joint stock companies has declined

At the end of October of 2008 there were 1 851 joint stock companies operating in the Republic of Uzbekistan with their joint charter capital of 4,298 trln sum, *«bankir.uz»* reports.

Total capitalization of the exchange market (of the corporate sector) at the nominal price makes 3,21 bln USD. A year earlier there were only 1 935 joint stock companies in the country with the joint charter capital of 3,11 trln sum.

ADB will help to improve water supply in Surkhandarya

The Asian Development Bank (ADB) is lending \$30 million to help Uzbekistan provide clean water supply and sanitation services to the southern region of Surkhandarya, *«gazeta.uz»* reports referring to the press release of the bank.

The Multi-Donor Trust Fund, under the Water Financing Partnership Facility administered by ADB, will allot an additional \$1.5 million grant to the project, while Uzbekistan will set aside \$8.5 million to complete funding. The Trust Fund is contributed by the governments of Australia, Austria, and Norway.

The project will improve the health and living conditions of 340,000 people in the province by providing them safe and reliable water supply and sanitation services by 2020. Water leakage will also be brought down to less than 40% from the current estimate of over 60%. At the moment water supply network covers about 76% of the population at this southern part of Uzbekistan.

Population of Uzbekistan has increased by 356 ths

As on October 1 the number of permanent residents of Uzbekistan made 27,4 mln people, which is by 355,5 ths (1,3%) more than the figure of the last year, «gazeta.uz» says.

According to the State committee on statistics, natural increase of population has made 379 ths people since the beginning of the year 270,7 ths (71,4%) of which fall on the share of villages. Provisional balance of migration during the nine months made 23,4 ths people against negative 45,8 ths during the corresponding period of 2007.

The number of births during January-September made 484,4 ths, which is by 30,1 ths (6,6%) more than during the same period of the last year. Birth coefficient has increased from 22,6 to 23,7 pro mil.

Birth rate has grown in all the regions but Fergana and Kharezm. Significant increase in the birth rate can be observed in Andijan (from 22,4 up to 25,2 pro mil), Kashkadarya (from 23,2 up to 24,9), Namangan (from 23,0 up to 24,7), Samarkand (from 23,9 up to 25,5), and Surkhandaray (from 23,7 up to 25,5) regions. The lowest birth rate remains in Tashkent 19,2 pro mil.

According to State Statistics Committee there were 172,9 marriages and 12,1 ths divorces registered during the nine months. On the share of 1000 people falls 8,4 marriages and 0,6 divorces against 8,5 and 0,7 correspondingly in the same period of 2007.

Almalyk Mining will make its own zinc in 2010

In 2010 Almalyk Mining will build a polymetallic ore mining and processing enterprise for the total of about 100 mln USD, «gazeta.uz» informs.

The center plans to put the processing plant with the capacity of producing 500 ths tons of ore annually into operation in 2010, and to construct an underground mine at «Khandiza» field of Kashkadarya region. According to the center, the production capacity of the plant can reach up to 5000 tons of copper concentrate and 60 ths tons of leaden concentrate annually.

The project of the mining and smelting center also foresees construction of lead concentrating plant on processing 500 ths tons of ore and reconstruction of the mine at «Uch-Kulach» field of Djizakh region. Production capacity of lead concentrating plant that will be put into operation at the end of 2010 will be comparable with the production volumes of the concentrating plant at «Khandaza» field.

According to the estimates of Almalyk Mining specialists, realization of the project will enable the center to provide 50% of zinc production with their own raw materials. At the moment zinc production at Almalyk Mining with the projected capacity of 125 ths tons is fully operating in accordance with the tolling scheme from Russia.

Financing of the project is being carried due to the means of Almalyk Mining and the credit of Reconstruction and development fund of Uzbekistan for the total of 11 mln USD. TEB of the project have been prepared with the assistance of Russian «Mekhanobr engineering» institution (Saint Petersburg).

In August of 2006 by his decree the president of Uzbekistan has awarded Almalyk Mining with a right to process «Khandiza» polymetallic field.

The JORC classification resources of the field make 14,4 mln tons of ore while carrying 134 g/t of silver, 7,24 g/t of zinc, 3,5 g/t of lead, 0,86 g/t of copper, and 0,38 g/t of gold. At the same time the ore contains selenium, cadmium, and indium.

OJSC «Almalyk Mining», the largest copper producer in Central Asia, has a license for processing copper-molybdenum and lead-zinc mines in Tashkent region.

The enterprise produces purified copper (cathodes), including the supply of copper concentrate on tolling basis by processing scraps, metallic zinc, and other production. 90% of silver and 20% of gold production in the country falls on the share of AMSC.

Outcomes of the 9 months of PO JSCB InFinBank and PO JSSB «Trastbank»

According to the results of the nine months of 2008 assets of PO JSCB InFinBank have made 10,956 bln sum, 41,3% of this amount are credits given to the real sector of the economy for the total of 4,525 bln sum, «bankir.uz» says.

Investments of the bank made 362,7 mln sum. Investments of the population made 280,5 mln sum, in other words, 5% of the total amount of deposits that have reached 5,588 bln sum by the end of the nine months.

Assets of PO JSSB «Trastbank» have grown by 84,65 bln sum and reached 220,27 bln sum in 2008. 23,5% of the amount is contributed by the credit portfolio that has increased from 20,89 bln sum up to 51,82 bln sum. Investments have exceeded 1 bln sum.

Deposits to the population have increased from 3,5 bln sum in 2007 up to 5,8 bln sum according to the results of the 9 months of 2008. Total deposits of the bank according to the results of the 9 months made 150,45 bln sum.

Charter capital of «Trastbank» has increased by 1,28 bln sum and made 4,7 bln sum.

Comments on the results of trades in RSE «Toshkent»

Total turnover of the stock exchange on November 4 of 2008 made 35,5 m sum. 7 exchanges on the shares of 2 companies and 1 bank went through exchanges at RSE «Toshkent». All the exchanges were held for national currency on ordinary shares of the companies and premium shares of the bank.

Greatest amount of the sales was registered on the shares of OJSC «Birjaservismarkaz» 35,2 mln sum. The amount was obtained during 4 exchanges. 3523 ordinary shares of the company participated at the exchanges. This amount makes only 2,52% of the total number of shares issued.

It should be noted that a day before the market was a lot more active. The volume of exchanges made 1,689 bln sum that was provided by 2 exchanges at the primary market on the ordinary shares of OJSC «Malika» for the total amount of 1,62 bln sum. 44 714 shares of the enterprise for have participated in those 2 exchanges with the price of 36 230 sum for a share. The total amount collected by the company during the sales of those shares is significant, considering that the nominal prices of them were only 495 sum. Besides, the highest price for a share of OJSC «Malika» made 2303 sum for a share at the secondary market.

At the same time currency exchange pad has also demonstrated high activity. 2 exchanges on the shares of OJSC «Bekabadsment» and JSC «Uzbektelecom» for the total of 42,4 ths USD or 57,2 mln sum were held for hard currency.

Total turnover at RSE «Toshkent» since the beginning of 2008 has reached 98,671 billion sum.

Results of the exchanges at RSE «Toshkent» for 4.11.2008

Issuer	Type	Region	Sector	Max. Price of the deals, UZ/\$	Qty of the shares, units	% of the charter capital	Volume, sum
OJSC «Birjaservismarkaz»	Ord.	Tashkent city	Finance	10 000	3 523	2,52%	35 230 000
OJSC «Uzelectromontaj»	Ord.	Tashkent city	Construction	5 000	27	0,19%	135 000
OJSCB «UzPSB»	Prem.	Tashkent city	Banking	2 500	46	0,0001%	115 000
Total:							35 480 000

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	98,67	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	1 340	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	2,75	2,00	78,70
Exchanges amount at the SEN, thn.	0,26	0,3	9,70

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

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