

- «Navoi» airport management is transferred to Korean Air**
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- World bank will help to enhance water supply**
 2009 Uzbekistan will attract World Bank loan in the amount of 88 mln USD in order to improve water supply in the Syrdarya region, writes «gazeta.uz».
- Comments on the results of trades in RSE «Toshkent»**
 On December 10, 2008 the turnover of the stock exchange made more than 256 mln sum.

Daily Update

December 10, 2008

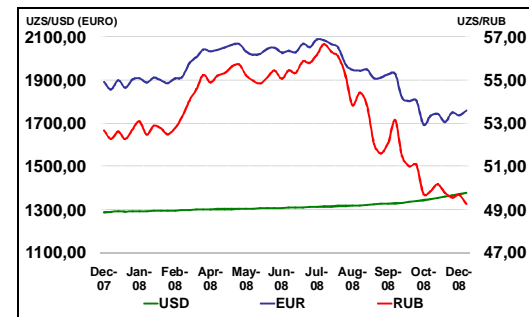
Official exchange rates of CB to the main international currencies (sum)

	02.12.2008	25.11.2008	Chg./%
1 USD	1 371,80	1 366,60	0,38↑
1 EUR	1 737,80	1 751,02	0,75↓
1 GBP	2 101,19	2 083,79	0,84↑
10 JPY	143,96	143,61	0,24↑
1 RUR	49,69	49,57	0,24↑

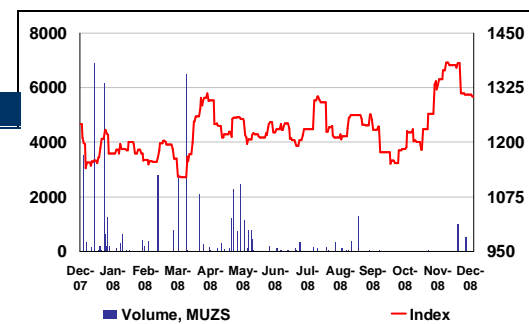
Main interest rates in national currency (in % annual)

	10.12.2008	3-months change
Rate of CB RU	14,00	0%
UZIBOR (12 months)	13,75	0%
AWACRI	17,61	0%
AIBC	1 305,3	+4,26%

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	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

International «Navoi» airport management is transferred to Korean Air

On Tuesday 9 December the national airline «Uzbekistan havo YULLARI» and Korean Air have signed an agreement on transfer of the management of the international airport in the city of Navoi, said «12.uz». The agreement was signed in Tashkent. From the Uzbek side it was signed by the head of NAC «Uzbekistan havo YULLARI» Valeriy Tyan, from Korean - the Korean Air president Lee Jong-hee. According to the document, Korean air carrier will manage the airport in the city for the creation of an international inter-modal logistics center there. Korean Air will manage the entire structure of the airport, as well as tariff policy, logistics and the junction of routes, including road and rail.

Goods from Southeast Asia and Central Asian countries will be accumulated At the Navoi airport, which is located at the intersection of air routes from Asia to Europe for their further shipment to Europe, as well as goods from Europe for their transfer to Asia.

It is still difficult to say how much cargo is forecasted to be carried through the airport. In addition to those goods to be transported in the direction of South-East Asia - Europe - South-East Asia, volumes will also depend on the amount of cargo to be transported from Uzbekistan and other countries in the region as a whole. Representatives of NAC «Uzbekistan havo YULLARI» have already held talks with Uzbek farmers to send such products to Korea. On Tuesday as part of creating a logistics center at the airport, Korean Hanjing Group, which includes Korean Air, Uzbekistan and Central Asia Trans signed a framework agreement on establishing the JV «Hanzhing Uzbekistan» to provide freight forwarding services for the delivery of goods by road to the airport of Navoi.

The airport in Navoi was built in 1962. In 2004-2007, it was reconstructed and today, according to Tyan, it can receive all types of aircrafts. Cooperation between NAC «Uzbekistan havo YULLARI» and the airline «Korean Air» regulated by air services agreement, signed on 6 June 1994 by the Governments of Uzbekistan and the Republic of Korea. An agreement on mutual recognition of passenger and cargo transportation documents («Interline») was signed with «Korean Air» on 21 May 1994 and in 1999 another special prorated agreement was compiled.

Negotiations between the Government of the Republic of Uzbekistan and the management of «Korean Air» with the participation of NAC «Uzbekistan havo YULLARI» on discussion of cooperation in the development of «Navoi» airport took place on 6-8 November 2007 in Tashkent. As a result of those negotiations, President of «Korean Air» airline has invited the national airline of Uzbekistan to join the «Sky Team» alliance and took the initiative to sponsor and lobby for the interests of «Uzbekistan Airways» when joining the alliance. Today, an alliance that controls 35 per cent of the market for passenger and freight traffic in the world, includes 11 member airlines - alliance members («Korean Air», «KLM», «Air France», «Al-Italia», «CSA», «Aeroflot», «Delta», «NorthWest», «Continental», «Aeromexico», «China Southern Airlines») and 3 associate members («Air Europa», «Kenya Airways», «Copa Airlines»).

1-round of talks between NAK «Uzbekistan havo YULLARI» and a delegation from the alliance «SkyTeam» were held on 23-24 July 2008. Targets to be met in order to meet the standards of the alliance were set before the Uzbek delegation. After the implementation of the relevant requirements, national airline will conclude an agreement on commitment to the alliance, confirming the full entry into the family of «Sky Team».

World Bank will help to enhance the water supply

In 2009 Uzbekistan will attract World Bank loan in the amount of 88 mln USD in order to improve water supply in the Syrdarya region, writes «gazeta.uz». Uzbekistan and the bank have been working together in the water sector for several years already. Under the recently endorsed strategy on facilitating Uzbekistan the government has requested further financial support for five new projects, including projects in Syrdarya region. The project, the total value of which has not yet been determined, will include the construction of inter-economic sluices and distribution networks that will link the villages in six districts of the region.

Under the project the Government of Uzbekistan and the World Bank have signed a grant agreement amounting to 935 ths USD. Funds are provided by the Japanese Government for preparation of a feasibility study project, as well as providing advice on engineering issues

According to the Uzbek side, the loan agreement is to be signed during the third quarter of 2009. Borrowings will be attracted within the framework of the strategy approved by the World Bank on financial assistance to Uzbekistan for 2008-2010.

The strategy is a plan for financial assistance from the World Bank Group in two to three government investment projects totaling 90-100 mln USD annually in the spheres of reclamation, the environment, improving the quality of public services and social protection.

Loans will be funded by the International Development Association (member of the WB) for a period of 40 years, including a 10-year grace period, at a rate of 0.75% per annum. In addition to borrowing, assistance of the WB group includes the provision of advice in above mentioned areas.

Uzbekistan became a member of the World Bank in 1995. WB supports the country's structural reforms, including privatization, financial sector development, agricultural modernization and improvement of social infrastructure. Since 1995, the World Bank has provided loans to Uzbekistan totaling to 722 mln USD to implement 14 projects.

Comments on the results of trades in RSE «Toshkent»

Turnover at the exchange market on 10 Dec, 2008 amounted to more than 256 mln sum. 10 transactions on the implementation of the shares 5 companies and 1 bank have gone through exchanges at RSE «Tashkent». Only two of these transactions were registered with the participation of preferred shares of 2 companies.

The greatest amount of sales took place on ordinary shares of JSCB «Kapitalbank» for 250 mln sum, the amount was registered in 1 transaction and it took place in the primary market. 25 000 ordinary shares or 1.92% of the total number of shares issued by the bank were involved in the transaction, they were traded for a nominal price of 10 ths sum per share.

The next largest amount of sales was registered for ordinary shares of OJSC «Mastona» for nearly 5 mln sum, that amount was registered in 1 transaction. The transaction involved 4 958 ordinary shares or 0.98% of the total number of shares issued by the issuer at a price of 1 000 sum each.

Total turnover at RSE «Toshkent» since the beginning of 2008 has reached 107,730 bln sum. Total turnover at RSE «Toshkent» for November made 5,919 bln sum.

Results of the exchanges at RSE «Toshkent» for 10.12.2008

Issuer	Type	Region	Sector	Max. Price of the deals, UZS/\$	Qty of the shares, units	% of the charter capital	Volume, sum
JSCB «Kapitalbank»	Ord.	Tashkent city	Bank	10 000	25 000	1,92%	250 000 000
OJSC «Mastona»	Ord.	Fergana	Food	1 000	4 958	0,98%	4 958 000
OJSC «Kurtontepa don mahsulotlari»	Ord.	Andijan	Food	1 000	837	0,36%	837 000
OJSC «ATP-Shokhrukh»	Ord.	Tashkent city	Transportation	1 800	179	0,27%	322 200
OJSC «Fargona tuman MTP»	Ord.	Fergana	Transportation	1 995	60	0,14%	119 700
OJSC «Delta Qurmah»	Ord.	Tashkent city	Construction	4 176	26	0,004%	108 576
OJSC «ATP-Shokhrukh»	Prem.	Tashkent city	Transportation	1 800	40	0,06%	72 000
OJSC «Kurgontepa don mahsulotlari»	Prem.	Andijan	Food	1 000	9	0,004%	9 000
Total:							256 306 776

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

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

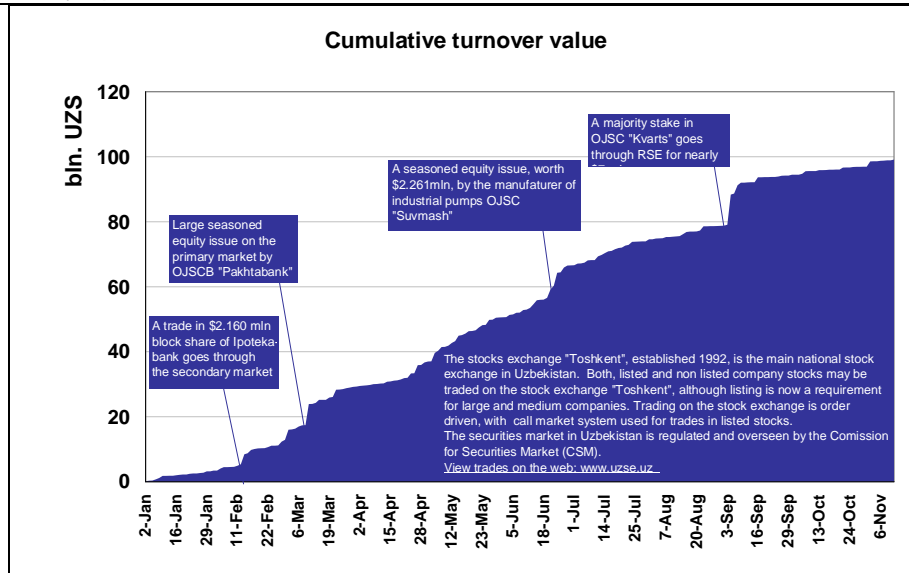
	January	February	March	April	May	June	July	August	September
Total turnover (m. shares)	10,2	15,4	13,1	11,7	45,3	12,4	7,8	17	1,7
Total turnover (b. sum)	3,3	9,1	16,0	7,8	13,5	16,0	7,8	4,8	15,7
Average daily turnover (thousand shares)	537	734	688	534	2 158	592,6	370	810	81
Average daily turnover (m. sum)	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	0,0	1 050	1 058	29,1%	15,9%	160	16,0%
Kvartz	9 255	0,4	12 700	100 968	2760,9%	10,1%	0	0,0%
Kizilkumcement	6 729	0,0	\$95	116 354	4,0%	7,3%	5 950	7,4%
Ipotekabank	6 647	0,0	1 460	1 072	9,8%	7,2%	120	12,0%
Kapital sugurta	4 578	0,0	218	235	98,1%	4,3%	0	0,0%
Malika	4 364	2 662,6	48 412	25 893	94,2%	-	-	-
Alokabank	3 967	0,9	100	120	11,7%	4,3%	11	11,0%
Gallabank	3 099	526,8	240	165	2.75%	-	-	-
Kapitalbank	2 994	250,0	10 000	10 049	21.0%	-	-	-
Suv mash	2 976	0,0	\$42,47	\$42,47	262,7%	3,3%	2 534	25,3%

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	107,730	96,95	110,21
Cumulative turnover of ESNET	6,38	6,15	12,94
AWACRI, %	17,91	17,51	18,52
Refinancing rate of CB RUZ, %	14,00	14,00	14,00
AIBC, units	1 311,6	1 264, 0	1 079,94
Total assets of the banks	11 798,00	11 798,00	9 106,70
Total capital of the banks	1 760,00	1 760,00	1 349,60
Average price of property, \$/sq.m	814,00	814,00	727,00
Lease of offices, \$/sq.m	9,40	9,40	9,90
Trade volumes at the SEN	0,46	2,75	78,70
Exchanges amount at the SEN, thn.	0,15	0,26	9,70

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

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