AVESTA INVESTMENT GROUP

Uzbekistan Weekly

BiWeekly Review
September 16 – 27, 2024

OVERVIEW OF THE TASHKENT STOCK EXCHANGE

Company	Ticker	Sectors	Trading volume (UZS)	Number of transactions	Closing price (UZS)	Weekly %	Share in total turnover
Xalq Bank	XKBK	Bank	1,837,000,000,000	1	1,000	0.00%	96.45%
Uzbekistan Mortgage Refinancing Company	IQMK5E	Bank	50,000,000,000	1	1,000,000	0.00%	2.63%
Aria Insurance	ARST	Insurance	12,659,240,000	1	2,877.1	0.00%	0.66%
Uzbek Commodity Exchange	URTS	Service	1,196,259,760	667	15,898	-0.64%	0.06%
Universal bank	UNVB	Bank	863,032,102	51	8,000	-17.70%	0.05%
Maxsuselektrtarmoqqurilish	METQ	Telecommunications	541,146,664	1	13,051	0.00%	0.03%
Uzparavtotrans	UPAT	Transportation	443,224,836	1	85,137	0.00%	0.02%
Orgres	ORGS	Energy sector	397,086,299	1	32,685	0.00%	0.02%
Biznes Finans bonds	BFMT3V2	Microfinance	141,170,591	61	100,000	0.00%	0.01%
Imkon Finans bonds	IFMT4	Microfinance	135,999,975	31	1,000,000.00	17.23%	0.01%
	Others		1,311,107,878	14,217			0.07%
	Total		**1,904,688,268,105**	**15,033**			**100.00%**

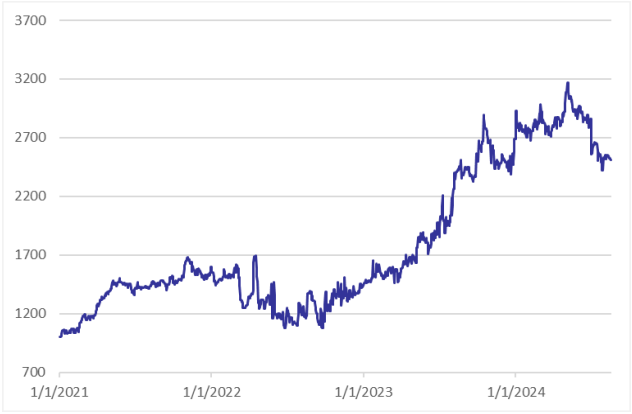
Throughout the period, trading volume on the Tashkent Stock Exchange reached 1.9trln UZS. The total number of securities traded stood at 87, nine more than the previous period.

This period was dominated by multiple transactions related to restructuring processes and M&A activities that significantly contributed to the overall trading volume. A transaction involving XKBK shares alone accounted for 96.4% of the turnover, amounting to 1.8trln UZS at 1,000 UZS per share. The next deal was with the debut green bonds of Uzbekistan Mortgage Refinancing Company (IQMK5E) for 50bln UZS with a five-year maturity and expected return of 18%. The third largest deal involved the newly listed shares of Aria Insurance (ARTS) for 12.7bln at 2,877.1 UZS per share. Additionally, two M&A deals took place with ORGS for 397.1bln UZS at 32,684.69 UZS per share and OCBK for 120.7bln UZS at 1,000 UZS, linked to the Chairman of the Board, Mr. Tursunov Iskandar, raising his equity stake to 99.2%. Some trades involving UNVB shares are also connected to the Chairman of the Supervisory Board, Mr. Irchaev Anvar, increasing his stake in the company up to 9.08% with a deal for 249.2bln UZS at 8,000 UZS per share. Moreover, METQ and UPAT transactions together amounted to 984.4mln.

URTS remained one of the most actively traded liquid stocks, with transactions nearing 1.2bln UZS during the period. This volume was largely driven by the ongoing SPO announcement of the company, with more than 85% of the volume contributed after the announcement of the SPO starting from September 26th. Notably, bonds made it to the top 10 by volume list despite the predominance of M&A deals during this period.

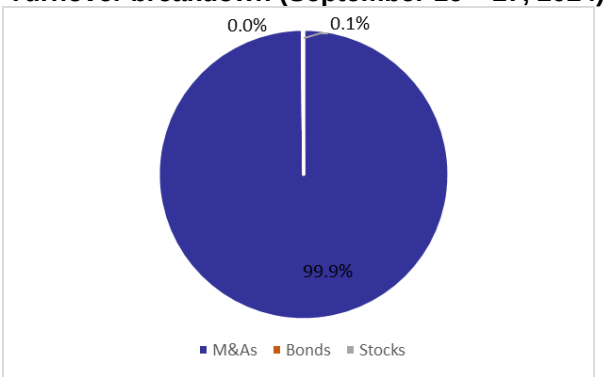
Due to the prevalence of M&A deals during this period, closing prices of most securities remained unchanged. Among the remaining stocks, only IFMT4 saw an increase in its closing price by 17.2%, while UNVB (-17.7%) and URTS (-0.64%) experienced price declines. AVEX decreased by 2.9% during these two weeks.

AVEX Index



9/27/2024		Daily %	3M %	Yearly %
AWACRI	20.63%	0.00%	-0.38%	-1.09%
AVEX	2,565.9	0.55%	-9.67%	8.47%
USD/UZS	12,736.5	-0.17%	1.24%	4.44%
EUR/UZS	14,193.5	-0.52%	5.55%	9.84%
RUB/UZS	137.6	-0.33%	-4.94%	8.63%

Turnover breakdown (September 16 – 27, 2024)



Weekly News:

ECONOMICS

- EBRD forecasts lower GDP growth for the region and decreased its forecast for Uzbekistan's economy growth rate in 2024 from 6.5% to 6%, while the forecast for 2025 remains at 6%;
- President met with representative of Franklin Templeton to discuss development of the National Investment Fund;
- New railroad will be built from Tashkent to Samarkand and Bukhara. Existing line is overcrowded and do not provide opportunities to increase the number of touristic trains without hurting the freight turnover;
- Uzbekistan plans to increase the export of construction materials up to $1bln;
- Wolt is launching operations in Uzbekistan;
- ADB improves the GDP forecast for Uzbekistan from 5.5% to 6% in 2024 and from 5.6 to 6.2% in 2025;
- AstraZeneca to improve access to innovative medications in Uzbekistan;
- 5mln tourists arrived to Uzbekistan in 8M2024, resulting in 16.7% increase comparing to a last year;
- Part of the road in the Tashkent region from Bektemir to Charvak might be converted into a toll road;
- Ministry of Economy and Finance held a meeting with representatives of the Oman Investment Agency;
- Uzbekistan's gas imports from Russia and Turkmenistan increased 5.7 times and reached $1.15bln in 8M2024;
- Uzbekistan to access high-precision signal of the Russian Global Navigation Satellite System (GLONASS);
- China Datang to construct a 263MW photovoltaic power plant for $150mln in the Tashkent region;
- Foreign trade turnover in 8M2024 increased by 6.6% and amounted to $42.7bln including a 7.4% increase in imports, up to $25.4bln and a 5.5% increase in exports up to $17.3bln;
- Korzinka retail chain attracted $25mln from DEG for the construction of the new distribution center;
- ADB approved a $300mln microfinance sector development program;
- Imported electric power from Uzbekistan to Afghanistan is back up to 300 MW;
- Navoi Mining JSC (NGMK) to invest $450mln in renewable energy including a 500MW solar power plant;
- S&P assigned Akfa Aluminium LLC B+/B long- and short-term issuer credit rating with Stable outlook;
- Chinese Jin Ming to invest $250mln in recycling of waste for electricity generation in Andijan region;
- NAPP registered OTP Bank as the participant of special legal regime "Regulatory Sandbox" of the capital market of Uzbekistan.

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