AVESTA INVESTMENT GROUP

Uzbekistan Weekly

BiWeekly Review
Nov 25 – Dec 06, 2024

OVERVIEW OF THE TASHKENT STOCK EXCHANGE

Company	Ticker	Sectors	Trading volume (UZS)	Number of transactions	Closing price (UZS)	Weekly %	Share in total turnover
Biznes Rivojlantirish banki	BRBN	Bank	600,000,702,985	167	75.03	-7.37%	50.71%
Garant Bank	OGIN	Bank	228,943,331,346	168	214.98	8.03%	19.35%
Uztemiryulkonteyner	UTYK	Transportation	200,058,554,302	9	400,000	42.86%	16.91%
Mikrokreditbank	MCBA	Bank	90,001,525,012	116	700	16.67%	7.61%
Uzbekistan Mortgage Refining Company	IQMK3V4	Bank	30,171,780,900	1	1,000,000	0.00%	2.55%
Universal bank	UNVB	Bank	26,381,072,146	33	8,800	-2.22%	2.23%
Biznes Center Samarkand	BCSK	Service	3,522,293,498	1	835,062.47	0.00%	0.30%
Uzbek Commodity Exchange	URTS	Service	1,412,191,495	2,347	3,385	9.91%	0.12%
Uzmetkombinat	UZMK	Metallurgy	395,808,191	354	4,250	18.06%	0.03%
Chilonzor item trading center	CBSK	Service	332,672,457	335	2.42	3.42%	0.03%
	Others		1,899,069,831	8,571			0.16%
	Total		**1,183,119,002,164**	**12,102**			**100.00%**

Throughout the period, trading volume on the Tashkent Stock Exchange reached 1.2trln UZS. The total number of securities traded stood at 79, seven higher than the previous period.

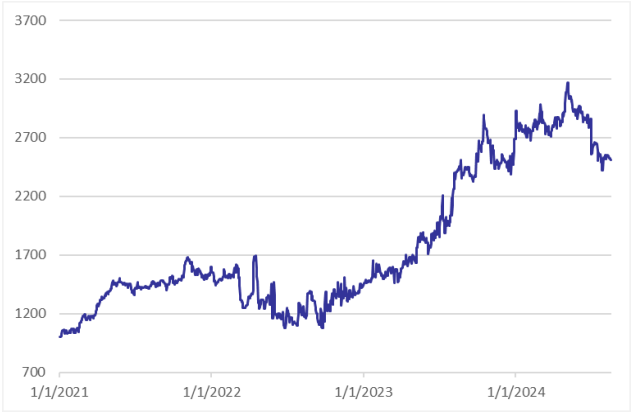
Several significant M&A transactions occurred in this period. BRBN accounted for half of the turnover, with a deal involving the transfer of a 10.5% equity stake in the company to UFRD and MoEF for 1.6trln UZS. Of this amount, 600bln was transferred in this period at 119.25 UZS per share. The proceeds from this deal will be used to refinance microloans allocated to support small businesses. OGIN also conducted transactions worth 228.9bln UZS, likely related to the issuance of additional shares among existing shareholders and their allocation.

UTYK represented 17% of the trading volume on the stock exchange this time. A transaction worth 200bln at 169,751 UZS per share was executed as part of the privatization of a 35% stake in the company, which was transferred to Cotton Logistics LLC. At the privatization price, UTYK was valued at x3.9 P/E and x1 P/B ratios, with dividend yields of 35.6% for 2021FY and 43.5% for 2022FY.

In terms of price movements, UTYK (+42.9%), UZMK (+18.1%) and MCBA (+18.7%) saw the highest increases in their closing prices, while BRBN (-7.4%) and UNVB (-2.2%) experienced a decline.

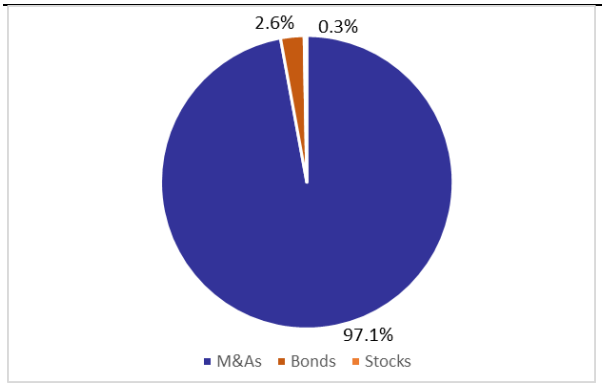
Over the two weeks, AVEX experienced an increase of 0.8%.

AVEX Index



12/6/2024		Daily %	3M %	Yearly %
AWACRI	20.50%	0.00%	-0.60%	-3.78%
AVEX	2,206.0	-1.92%	-12.13%	-11.88%
USD/UZS	12,837.1	0.19%	1.02%	4.46%
EUR/UZS	13,516.2	0.44%	-4.14%	1.53%
RUB/UZS	124.6	1.65%	-11.59%	-7.12%

Turnover breakdown (Nov 25 – Dec 06, 2024)



Weekly News:

ECONOMICS

- Tashkent Stock Exchange to integrate its IT infrastructure with Bloomberg;
- Chinese Eximbank to open a regional office in Tashkent. The bank financed more than 50 projects in Uzbekistan for over $3bln;
- Average local currency retail deposit rate reached 22.1% (+0.1%) in October;
- Exports of oilseeds, vegetable oil and fats from Uzbekistan increased in 10M2024, while supplies of grains and processed products decreased;
- Draft of state budget for 2025 had been published. Forecasted GDP growth is 6% with inflation projected at 7%. Budget deficit is expected to reach $45.1bln (36.7% of GDP;
- According to Central Bank, in 10M2024, remittance volume reached $12.6bln, a 34% y-o-y increase. Russia accounted for 78% of the total remittance volume. Money transfers from the US increased by 37%, South Korea by 71%, the UK by 76% and the EU by 41%;
- Uzbekistan plans to build carbon-free data processing center with Saudi companies;
- Banking NPL in October reached 4.2%, including 4.1% for state-owned banks and 4.4% for private;
- GIZ to allocate 9mln EUR to support creation of green master plans and their implementation;
- Chinese Sinoma EC International to build a 300MW solar power plant and 75MW electricity storage systems in Navoi region;
- Uzbekistan and China agree on 30-day visa-free entry for citizens;
- Inflation in November reached 0.93% or 10.02% y-o-y;
- OPEC Fund for International Development to provide $30mln to Ipak Yuli JSICB (IPKY) to support MSMEs business. It is a first transaction of the fund with private bank in Uzbekistan;
- Export of natural and liquefied gas from Kyrgyzstan to Uzbekistan increased by 5.3 times in 9M2024;
- S&P affirmed Uzbekistan's sovereign credit rating at BB- with Stable outlook.
- S&P assigned Navoi Uranium JSC BB- rating with Stable outlook;
- Fitch downgraded Kafolat Insurance JSC's (ex. KFLT) outlook to Negative, affirmed at B+ level;
- Fitch withdraws UzAgroSugurta Insurance JSC's (UZAS) rating due to the insufficient information provided by the company;
- ACWA Power will get contractual priority for the development of up to 2GWh of standalone battery energy storage system (BESS) projects in Uzbekistan;
- Uzbekistan finalized the WTO ascension negotiations with China and Philippines.;
- Chinese Eximbank will finance $220mln project of reconstruction of irrigation channels. CITIC construction and China CAMC Engineering will be attracted as a contractors to the project.

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