AVESTA INVESTMENT GROUP

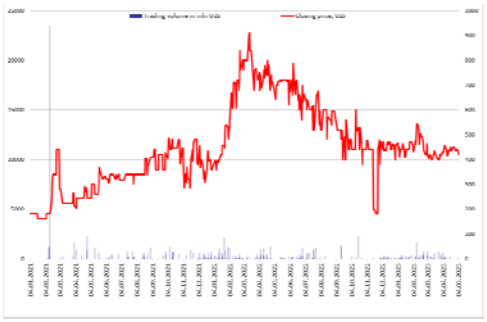
Uzbekistan Weekly

Weekly Review
May 1-5, 2023

OVERVIEW OF THE TASHKENT STOCK EXCHANGE

Ticker	Sectors	Sum, UZS	Num. of deals	Closing price, UZS	Change. %	% of turnover
UNVB	Bank	8 085 096 000	8	5 500	0,00%	64,33%
UNPL	Insurance	1 885 818 463	127	2	0,00%	15,00%
UZMK	Metallurgy	570 029 864	163	8 699	0,22%	4,54%
HMKB	Bank	452 739 354	2 958	117	6,97%	3,60%
BUPD	Food industry	355 708 383	1	13 137	0,00%	2,83%
URTS	Service	248 639 381	390	20 200	0,48%	1,98%
BFTM3	Bank	171 376 739	3	1 015 534	0,15%	1,36%
KVTS	Glass	112 070 934	172	2 850	-4,36%	0,89%
JIPL	Construction materials	100 839 594	97	3 600	16,13%	0,80%
UZM1	Metallurgy	78 627 160	165	2 202	-4,26%	0,63%
Others		507 989 605	5 504			4,04%
Total		**12 568 935 478**	**9 588**			**100,00%**

DORI price and volume dynamics



Compared to the end of April, the first five-day of May turned out to be more active in terms of both trading volume – more 12.5bln UZS (3.3 times more) and the number of deals – 9,588 (+55.2%), although it did not have M&A transactions. The Top-10 provided 96% of the stock exchange's total turnover.

The largest transaction registered with UNVB in the amount of about 8bln UZS at a price 5,500 UZS. This is followed by active trading with UNPL and UZMK.

	05.05.2023	Change in 1D, %	Change in 3M, %	Change in 1Y, %
AWACRI	20,47%	0,00%	-3,85%	5,52%
USD/UZS	11 445,0	-0,13%	1,13%	2,54%
EUR/UZS	12 652,5	0,00%	2,29%	7,16%
RUB/UZS	146,2	1,09%	-9,20%	-7,22%

Weekly News:

ECONOMICS

- Uzbekistan contracted four new power stations: - Sejin G&E Co.Ltd to build a $55mln landfill gas station with 16MW capacity; - China Gezhouba Group Overseas Investment to invest $1bln into two 500MW capacity solar-power stations in Bukhara and Kashkadarya; - Cengiz Enerji to construct 400MW power-station in Jizzakh for $300mln;
- By 2030 Uzbekistan may face a 25% deficit of water. Water-saving initiatives may be valued for $10bln – overview of the discussion during the Tashkent investment Forum 2023;
- Inflation in April reached 0.82% or 11% y-o-y;
- President signed the Law On state debt – maximal rate is limited at 60% of the GDP size;
- The average NPL ratio in the banking system decreased to 3.5% as of the end of 1Q2023, including 3.9% for state-owned banks and 1.9% for private banks;
- KfW to provide 45mln EUR loan for 12 years with 5 years grace period and 5.5mln grant funding to support digitalization of healthcare sector;
- KfW to provide a $130mln EUR loan and 70mln EUR grant funds to support water supply and sewer systems modernizations in Surkhandarya and Fergana regions;
- Central Bank kept the key rate at 14%;
- Amount of deposits of the population in the banking system in UZS increased by 50% y-o-y, while the overall dollarization rate of deposits decreased down to 30.6% and loan portfolio of the banks down to 44.3%.

BUSINESS

- Agrobank JSCB (AGBA) signed the 50mln EUR contracts with Kreditanstalt für Wiederaufbau (30mln) and Commerzbank;
- Landesbank Hessen-Thüringen to provide $30mln to Asakabank JSCB;
- The number of new residents in Tashkent IT-park increased by 2.5 times in 1Q2023 an export level reached $57mln;
- NBU signed the 100mln EUR loan agreement with Landesbank Baden-Württemberg (LBBW);
- Following the approval by Kazakh regulator, the Eurasian Bank got the approval by the Central Bank of Uzbekistan to open a subsidiary in Uzbekistan;
- Almalyk Mining JSC (AGMK) signed the pack of contracts worth 1.45bln EUR with German companies during the President's state visit. These agreements include funding from KfW IPEX, productional and supply contracts with Falk-Porsche-Technik GmbH, Menzel, Fiberpipe, GP Günter Papenburg AG, Anlagenbau and Maschinentechnik GmbH, Aurubis AG and others;
- NBU signed the 130mln EUR loan agreement with Deutsche Bank AG;
- AGMK increased copper production by 0.8% to the planned indicators despite the energy shortage in January in Uzbekistan;
- KfW IPEX to provide 25mln EUR loan to Asakabank JSCB;
- Siemens Energy to supply the gas turbines for Thermal Power Stations JSC for 72mln EUR;
- Large trading malls may fix the rent prices in long-term contracts in foreign currency, which is prohibited for other projects. The definition is set for projects with more than $200mln in investments and 70,000 sqm GLA. According to the mass media, the only project in Uzbekistan that may fit these requirements is Tashkent City Mall, expected to be the largest mall in Central Asia;
- Beeline Uzbekistan's revenue in 1Q2023 increased by 19.9% mostly due to the higher growth in the number of 4G users and proceeds from data traffic. The customer base increased by 11.5% up to 11.4mln, including 5.7mln of data users (+21.6%);
- Central Bank announced that the loan issued by Aloqabank JSCB (ALKB) to finance purchase of the office building where their headquarters are located, as well as the real estate transaction itself were cancelled.

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