AVESTA INVESTMENT GROUP

Uzbekistan Weekly

Weekly Review
July 31 – August 11, 2023

OVERVIEW OF THE TASHKENT STOCK EXCHANGE

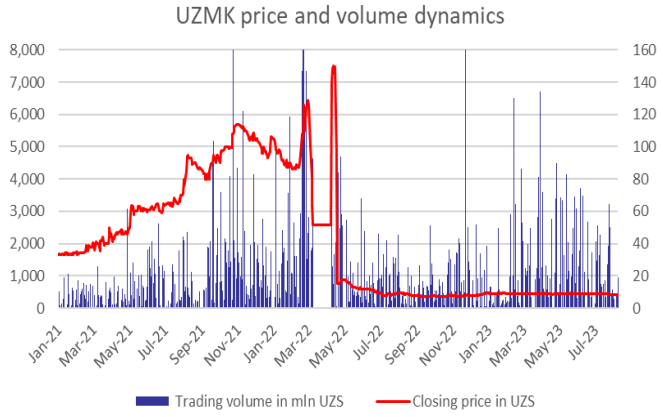
Company name	Ticker	Sectors	Sum, UZS	Numb. of deals	Closing price, UZS	Change, %	% of turnover
Ravnaq-bank JSCB	RBQB	Bank	157,338,506,950	16	1,380	38.00%	94.31%
KAFOLAT Insurance Company JSC	KFLT	Insurance	5,540,275,564	261	134	1.52%	3.32%
QashPi JSC	QAPI	Automotive Industry	1,252,697,390	1	400	0.00%	0.75%
Uzbek Commodity Exchange JSC	URTS	Service	497,923,968	449	18,000	-5.01%	0.30%
Uzmetkombinat JSC	UZMK	Metallurgy	391,156,974	445	8,049	-5.29%	0.23%
UzAuto Motors JSC	UZMT	Automotive Industry	268,498,981	81	69,000	-1.43%	0.16%
Hamkorbank JSCB	HMKB	Bank	229,912,432	1,444	162	-4.71%	0.14%
Toshkent yog'-moy kombinati JSC	TYMK	Fat and oil industry	171,504,000	56	24,000	0.00%	0.10%
Bekobodsement JSC	BECM	Cement	154,741,502	10	25,000	16.28%	0.09%
Uzmetkombinat JSC pref	UZM1	Metallurgy	136,759,656	221	2,345	-0.21%	0.08%
	Others		840,574,507	13,723			0.50%
	Total		**166,822,551,925**	**16,707**			**100.00%**

During the given period, the trading volume of Tashkent Stock Exchange reached an impressive amount of almost 167bln, which is 16.6 times higher than the trading volume of the previous period. The stock exchange observed active trading in a diverse range of 81 (-1) types of securities. However, it is important to highlight that a single transaction involving RBQB accounted for a staggering 94.3% of the total turnover on the exchange.

In line with the published information, Mr. Iskandar Tursunov, the Chairman of the bank, increased his equity stake in the bank up to 88.62% (+17.67% to last week's transaction).

Interestingly, following RBQB, KFLT emerged as the next top security contributing to the total turnover, with a notable contribution of 3.32%. Additionally, it experienced a 1.52% increase in price and closed at 134 UZS.But the main transaction volume registered at the NEGO-board at a much lower price with a signifucant equity stake.

It is worth mentioning that BECM witnessed a significant 16.28% increase in its closing price over the past two weeks.



	8/11/2023	Change in 1D in %	Change in 3M in %	Change in 1Y in %
AWACRI	20.47%	0.00%	0.00%	7.80%
AVEX	2,409.26	-0.08%	30.20%	100.80%
USD/UZS	11,647.8	3.50%	5.43%	10.74%
EUR/UZS	12,733.4	3.89%	6.05%	19.32%
RUB/UZS	124.4	3.15%	-17.54%	-31.36%

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Weekly News:

ECONOMICS

- Uzbekistan exported $90.4 million worth of polyethylene in 1H2023.
- Uzbekistan and Singapore plan to create an investment company for $500 million.
- The expenditures of the state budget of Uzbekistan exceeded its revenues by 29 tln UZS ($2.5 bln). The deficit was almost 6.2%.
- Uzbekistan is interested in having its own vessels in the Caspian Sea, which would contribute to the growth of transportation along the Trans-Caspian route.
- Uzbekistan's gold and foreign exchange reserves have been declining for the fourth month in a row.
- More than 3 million foreign tourists have visited Uzbekistan in the first six months of the current year.
- The US dollar exchange rate set by the Central Bank of Uzbekistan, following a sharp increase in banks, updated the historical maximum and reached 12,075 UZS (depreciating by 3.5%).
- Competition Development Committee: consent has been given to ZOODUZ HOLDING LIMITED to acquire 99.99% of the authorized capital of ORIENTSWISS TASHKENT LLC.
- SQBN has raised $100 million for "green" projects.
- Russian Sokol to build new repair facility for drilling engines in Uzbekistan.
- The National Bank became a broker on the stock exchange.
- The Chinese company will create a logistics hub in the Navoi FEZ. It is also planned to organize a joint free economic zone in Navoi region.
- Average banking NPL decreased to 3.4% by the end of 1H2023, including 3.1% for retail loans and 3.5% for corporate borrowings.
- Total $630mln projects planned for the development of touristic projects, including new skiing resorts, water parks, hotels, etc.

BUSINESS

- Alibaba center to open in Namangan.
- NephroPlus, one of the successful PPP project operators in Uzbekistan, launched its fourth and one of the largest in the World dialysis clinic in Tashkent.
- Cengiz Holding plans to implement projects worth $5 bln in Uzbekistan. A Turkish company has started building another 500 MW power plant in the Jizzakh region.
- A Paynet Crypto - Paynet subsidiary obtained one of the first crypto-shop licenses.
- Andijan-based Sino International launched the production of Nike running shoes for the Central Asian and Pakistan regions.
- Magnum Cash & Carry agreed on 100% acquisition of Carrefour supermarkets in Uzbekistan, operated by Majid Al Futtaim LLC Uzbekistan. Magnum already operates a few own supermarkets in Tashkent.
- Uzum Tezkor and iiko (restaurant automation company) have announced a strategic partnership in Uzbekistan.
- Uzmetkombinat JSC (UZMK) announced the attraction of $100mln direct non-collateralized non-guaranteed loan from the London office of Citibank.
- Hayot Bank JSCB announced the establishment of Hayot Ijara LLC subsidiary - most likely a microfinance/BNPL subsidiary for non-collateralized lending based on Islamic banking principles;
- USD/UZS FX rate increased today by 3.5% and hit a record 12,075.03 UZS. The Central Bank commented on the significant depreciation of the main trading partners' currencies (RUB, KZT, TRY) and decreased volume of remittances.
- PowerChina to build 400MW capacity PV-power station in Andijan region.
- Turkish Esan to implement lead metal mining project at the Uchkulach field.

Overview:

- KDB Bank Uzbekistan has successfully registered the issue of common shares in the amount of 405.1 bln UZS ($34.6 mln);
- JSC "Solutions Lab" (SOLA) increases the authorized capital by 800 mln UZS;
- "Ferganaazot" JSC received a listing in the "Standard" category of the stock quotation list of the RSE "Toshkent" from August 9 of this year;
- Mr.Sarvar Fayziev sold his 52.15% equity share in Ravnaqbank JSCB (RBQB) to the bank's CEO Mr.Iskandar Tursunov, who consolidated 72.05% of the equity. Later Mr.Tursunov increased his share to 88.62%;
- Universalbank JSC (UNVB) approved the capitalization of retained profits for 150bln UZS;
- Supervisory Board of Uzbekcoal JSC (UZIR) recommended distributing 250 UZS dividends per ordinary and preferred share;
- Madad Invest Bank JSC approved and capitalization of the retained earnings for 50bln UZS into new shares;
- KDB Bank Uzbekistan JSC allocated 2.29trln UZS and 2.2trln UZS into the interbank loans with JPMORGAN CHASE BANK;
- UzRTSB JSC (URTS) allocated 100bln deposit at 18% interest with Trastbank JSCB (TRSB);
- Kapital Sugurta JSC (KASU) investing 10bln UZS into the shares of Anorbank JSC;
- Hamkorbank JSCB (HMKB) approved (capitalization of retained earnings for 215bln UZS and will distribute 2 bonus shares per one existing. Distribution will be made according to the register closing by the 10th day after the state registration of the prospectus of issue;
- Dori-Darmon JSC (DORI) announced the liquidation and acquisition of its subsidiary Sirdarya regional Dori Darmon LLC;
- Mr.Muxıtdınov Xamıdulla Nurıtdınovich became the owner of a 25% stake in Apex Bank JSCB worth 30bln. UZS;

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