AVESTA INVESTMENT GROUP

Uzbekistan Weekly

BiWeekly Review
September 18 – 29, 2023

OVERVIEW OF THE TASHKENT STOCK EXCHANGE

Company	Ticker	Sectors	Trading volume (UZS)	Number of transactions	Close price (UZS)	Weekly %	Share in total turnover
Ravnaq-bank JSCB	RBQB	Bank	8,308,679,776	52	4,801	20.03%	62.48%
Hamkorbank JSCB	HMKB	Bank	1,505,600,978	715	60	20.00%	11.32%
ELEKTRQISHLOQQURILISH JSC	EQQU	Consutruction materials	896,721,854	60	369,000	0.00%	6.74%
Uzmetkombinat JSC	UZMK	Metallurgy	498,209,891	401	7,250	-0.70%	3.75%
Andijon tajriba-sinov zavodi JSC	ATSZ	Mechanical engineering	392,468,077	4	11,203	-6.64%	2.95%
Biokimyo JSC	BIOK	Chemical industry	255,039,006	33	34,999	0.00%	1.92%
Uzbek Commodity Exchange JSC	URTS	Service	188,175,738	351	18,200	-1.36%	1.41%
UzAuto Motors JSC	UZMT	Automotive Industry	182,696,091	91	70,000	-1.41%	1.37%
Xo'jaobod texnologik transport boshqarmasi JSC	XTTB	Mechanical engineering	128,018,571	1	3,295.15	0.00%	0.96%
Uzbekko'mir JSC	UZIR	Mining industry	103,229,555	43	24,390	2.48%	0.78%
	Others		840,179,228	17,549			6.32%
	Total		**13,299,018,764**	**19,300**			**100.00%**

Over the course of the past two weeks, the trading volume on the Tashkent Stock Exchange reached approximately 13.3bln UZS, which was nearly 5 times higher compared to the previous period. A total of 87 types (+6) of securities were traded, with the top 10 accounting for nearly 94% of the stock exchange's total turnover.

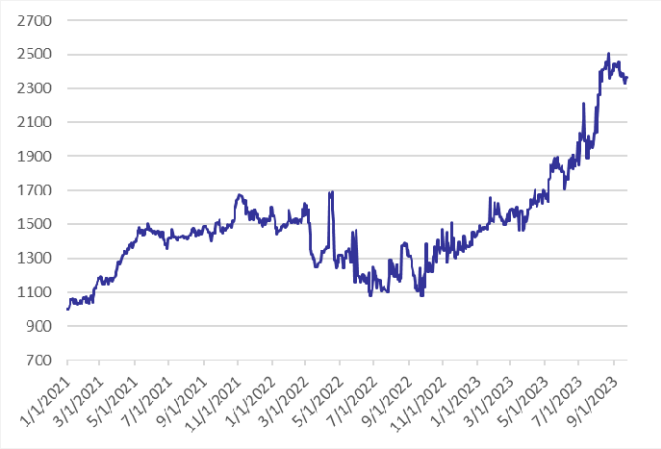
The largest transaction among the traded securities was recorded by RBQB, representing over half (62.5%) of the total trading volume. This surge was attributed to the announcement that Mr. Iskandar Tursunov, the Chairman of the bank, had increased his equity stake in RBQB to 89.7% after publishing a purchase offer to minorities. HMKB followed with 11.32%, while EQQU contributed around 6.74%.

It's worth noting that the transactions related to XTTB and ATSZ are made as a part of the privatization process when investors are purchasing shares in installments. Shares placed at prices of 13,144.94 and 16,242.98 UZS per share.

Among the top 10 most traded securities, RBQB and HMKB exhibited the highest growth in stock prices over the past two weeks, both increasing by 20%. UZIR followed with a 2.48% increase in their closing price. Conversely, ATSZ faced a decline of 6.64%, reaching 11,203 UZS.

AVEX increased by 5% during the last two weeks.

AVEX Index



9/29/2023		Daily %	3M %	Yearly %
AWACRI	20.47%	0.00%	0.00%	7.80%
AVEX	2,502.22	-2.44%	26.61%	120.71%
USD/UZS	12,175.1	-0.07%	5.98%	10.68%
EUR/UZS	12,831.3	-0.26%	2.50%	20.20%
RUB/UZS	125.4	-0.67%	-7.63%	-34.61%

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Weekly News:

ECONOMICS

- 1.1mln people in Uzbekistan will get centralized access to water in 2023;
- Record high prices for table grapes in Uzbekistan continue to rise;
- Uzbekistan to exceed 100,000 tons of watermelon exports for the first time;
- Uzbekistan to put into operation 10 modern TPPs in the next 5 years;
- UNWTO general assembly in 2023 to be held in Samarkand;
- Italy to invest $1.5 million to open a leather and shoe technology center in Uzbekistan;
- ADB improved the GDP growth forecast for 2023-2024 years from 5% to 5.5%;
- EBRD forecasting 6.5% GDP growth rate for 2023-2024 years;
- Uzbekistan plans to increase fruits and vegetable exports to Russia by up to $1bln.;
- Maersk launching weekly intermodal connection to deliver goods from the EU, US, and Far East to Uzbekistan through Georgian port Poti, Azerbaijani Baku, and Kazakh Aktau;
- Budget deficit reached 40trln UZS for the eight months;
- IFC to help Uzbekistan to improve investment legislation;
- Israel to trade agricultural technologies for wheat from Uzbekistan;
- Uzbekistan to increase production of gold, silver, uranium and copper by 2030;
- 4 more photovoltaic power plants are to be built in the Fergana region. China's Dongfeng has agreed to establish an electric bus manufacturing company in the region;
- Amirsoy resorts to invest 40mln EUR into infrastructure;
- Uzbekistan is a large uranium producer with ongoing expansion of production capacities and could benefit from higher uranium prices.

BUSINESS

- ICBS Standard plans to launch payments in UZS and participate in local state debt securities market;
- Air Products to invest $10bln in Uzbekistan;
- 75% stake in Uzcard transferred to IMC-Capital. Recently company was privatized and owned by 4 individuals;
- EBRD to provide a $10mln loan to finance PPP projects documentation;
- Korean Sebine Technology may participate in aluminum raw materials extraction from the kaolin project;
- Retail energy tariffs are subsidized for almost $1bln annually;
- Visa announced the opening of an office in Uzbekistan;
- Japanese Hanwa will install solar panels in Uzbekistan. The company received $200 thousand of subsidies for the introduction of alternative energy in the country;
- ADB and FAR will provide $275 million for the modernization of the energy sector;
- BCG plans to create a single service center for banks in Uzbekistan;
- Russian Rudgormash plans to increase exposure to Uzbekistan market;
- FAW Jiefang Automobile launched production of trailers in Andijan;
- Korean TG Holding investing $35mln into the first stage of leather products facility in Uzbekistan;
- Shaanxi Xiangsheng Industrial Group considering construction of 500MW capacity solar power station in Fergana;
- CEO of BYD met with President and signed the agreement with UzAutoSanoat to establish productional facility for 50k cars a year capacity with possible extension to 300k cars.

Overview:

- Mortgage Refinancing Company JSC issuing 140bln UZS corporate bonds with 3 years maturity and 19% interest rate, which will be placed to Qishloq Qurilish Bank (KKBN), Turonbank (TNBN), UzPSB (SQBN), Mikrokreditbank (MCBA), Kapitalbank (KPBA) and Xalqbank;
- Urganch yog-moy JSC (UGYM) to attract 80bln loan from NBU for 18 months;
- UzAuto Motors JSC (UZAM) signed the 1.22trln UZS ($100mln) contact on construction of a new metal press workshop;
- Mr.Yoldashev Miminjon Shokirjonovich purchased 25.09% equity stake in Madad Investm Bank JSCB;
- Mr.Tursunov Iskandar Baxtinurovich increased his share in Ravnaqbank JSCB (RQBQ) up to 89.7%;
- Ziraat Bank Uzbekistan JSCB registered 67.8bln UZS additional share issue; The first stage of partial privatization of 35% of shares of Uztemiryulcontainer JSC started;
- Mr. Muminjon Yuldashev increased his stake in "Madad Invest Bank" JSCB up to 25.09%;
- JSC "Samarqandkimyo" was converted to an LLC based on the decision of the sole shareholder;
- JSCB "Agrobank" issued additional common shares worth 350 bln UZS;
- Uzbekenergotaimir JSC signed the $60mln contract with GE Global Parts and Products for modernization of power plans. Total assets of the company according to 1H2023 report was about $43.5mln, equity $7.6mln.;
- More than $1 billion a year is spent on energy subsidies, the Ministry of Energy estimates;
- Banks from Uzbekistan allowed to foreign exchange trading of Russia.

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