AVESTA INVESTMENT GROUP

Uzbekistan Weekly

BiWeekly Review

October 30 – November 10, 2023

OVERVIEW OF THE TASHKENT STOCK EXCHANGE

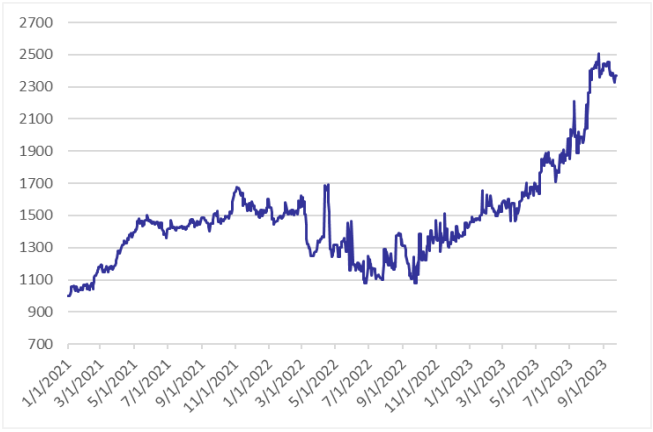
Company	Ticker	Sectors	Trading volume (UZS)	Number of transactions	Closing price (UZS)	Weekly %	Share in total turnover
UzAuto Motors	UZMT	Automotive industry	2,626,440,325	77	69,884	1.28%	22.05%
Yog'gar	YGGR	Fat and oil industry	2,200,021,736	1	1,260	0.00%	18.47%
Urganch Sharob	UGSR	Alcohol industry	1,900,042,648	1	600	0.00%	15.95%
Elektroqishloqqurilish	EQQU	Consutruction materials	898,298,000	7	369,000	0.00%	7.54%
Biznes Finans	BFMT3V2	Bank	830,741,319	33	100,887.67	-0.94%	6.97%
Imkon Finans	IMKF3	Bank	744,964,600	14	999,100	-0.09%	6.25%
Andijon tajriba-sinov zavodi	ATSZ	Mechanical engineering	720,682,020	12	11,200	-6.67%	6.05%
Uzbek Commodity Exchange	URTS	Service	539,787,323	399	17,300	-0.57%	4.53%
Hamkorbank	HMKB	Bank	292,326,422	1,049	52	-25.71%	2.45%
Uzmetkombinat	UZMK	Metallurgy	250,541,638	417	6,350	-5.20%	2.10%
	Others		906,619,137	14,795			7.61%
	Total		**11,910,465,169**	**16,805**			**100.00%**

During the trading period, the Tashkent Stock Exchange experienced a trading volume of 11.91bln UZS, which was 1.8 times higher than the previous two weeks. A total of 83 types of securities were traded, which was nine less.

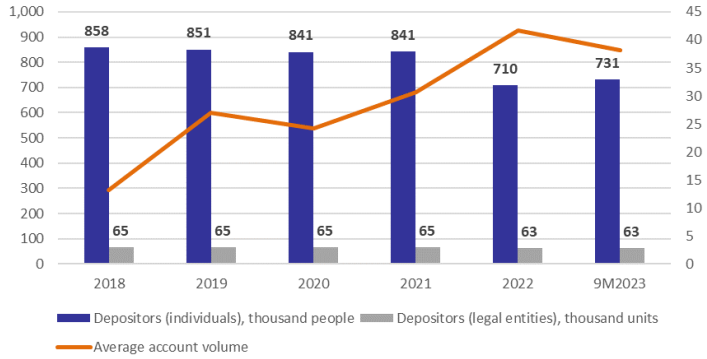
The majority of the trading volume was contributed by UZMT, accounting for 22%. YGGR represented 18.5% of the volume, driven by a privatization deal worth 2.2bln UZS for 9,270.08 UZS per share, marking the first transaction since the listing of YGGR on the stock exchange in 2020. UGSR made up 15.9% of the volume through a single transaction worth 2.12bln UZS which is a part of privatization process, with shares priced at 4,298 UZS per share.

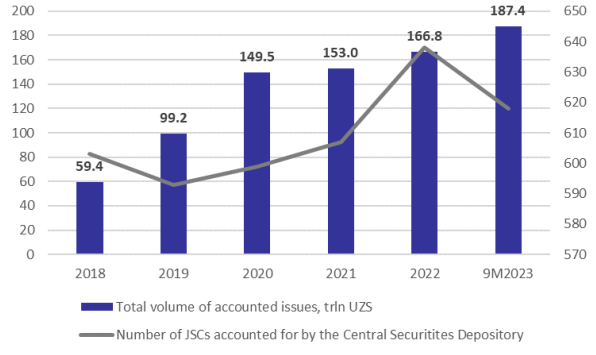
HMKB's closing price decreased by 25.71%. Other stocks in the top 10 list also saw a downward trend in their stock prices, except for UZMT, whose price increased by 1.28%. AVEX decreased by 6.9% during the two weeks.

AVEX Index



11/10/2023		Daily %	3M %	Yearly %
AWACRI	20.89%	0.00%	2.02%	-1.90%
AVEX	2,435.62	-4.78%	1.00%	75.14%
USD/UZS	12,288.0	-0.07%	5.32%	10.02%
EUR/UZS	13,145.8	0.01%	2.63%	17.16%
RUB/UZS	133.7	0.14%	11.40%	-26.85%





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Weekly News:

ECONOMICS

- During 1H2023 the state debt increased by $2.3bln reaching $31.5bln only through a local market borrowings.
- Uzbekistan Central Bank is among TOP-5 gold buyers in 3Q2023;
- Foreign reserves increased from $31 to $32.9bln, including $0.9bln in gold, while the physical amount decreased by 0.3mln ounces.
- Eight intergovernmental agreements were signed during the state visit of President Macron to Samarkand;
- The China-Kyrgyzstan-Uzbekistan railway will be built but remains short of a few billion dollars;
- One of the priorities for electricity sector development will be the improvement of the grid to decrease losses from 12% to 8% by 2026;
- Gazprom considering projects in oil and gas supply, production, and transportation, as well as in the field of geological exploration and production of hydrocarbons in Uzbekistan;
- Inflation in October reached 1.04% or 8.98% y-o-y;
- Qatar and Uzbekistan intend to implement projects in the energy sector, metallurgy, textile industry, animal husbandry, etc.
- Real income of population increased by 3.5% in 9M2023;
- $180mln attracted into geological survey projects in 2023;
- The Central Bank made currency interventions for $2bln during the 3Q2023;
- The government plans to separate the regional drinking water supply and sewer systems into JSCs and privatize these companies;
- Uzbekistan exported $411.7mln worth of gas in 9M2023, which is 47.2% less than in 9M2022. In September, the export of natural gas amounted to $ 33.8mln.
- Solar panel imports to Uzbekistan increased by more than 20 times in 9M2023. The total value of imported panels amounted to $427.1k and 98.3% of it came from China.
- Textile export reached $2.3bln in 9M2023.

BUSINESS

- VEON announces the launch of digital operator OQ in Uzbekistan;
- UzPost (Uzbekistan Pochtasi JSC) launching a 24-hour last-mile delivery service across Uzbekistan;
- Gazprom considering projects in oil and gas supply, production, and transportation, as well as in the field of geological exploration and production of hydrocarbons in Uzbekistan;
- Turkish Aksa Energy will build a thermal power plant in Kashkadarya for $250mln. 400 MW power plant is planned to be launched by the end of 2024.
- UzAuto Motors JSC (UZMT) resumed sales for the main models - about 20k contracts were sold within a few hours. Previously in August and October company sold 51k contracts in one day and 28k in a few hours. Currently contracting for basic models is not available due to the overloaded productional capacities;
- Kazakh retailer Magnum plans to open 10 supermarkets in Uzbekistan in addition to 7 existing;

Overview:

- Fitch withdraws rating from Uzagroleasing JSC (UZAL) following a missed interest payment on local currency bonds;
- Fitch assigns Uzkimyosanoat JSC (state-owned chemical industry holding) a first-time BB- rating with a Stable outlook;
- ADB to provide $50mln convertible loan to UzSQB JSCB (SQBN).

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