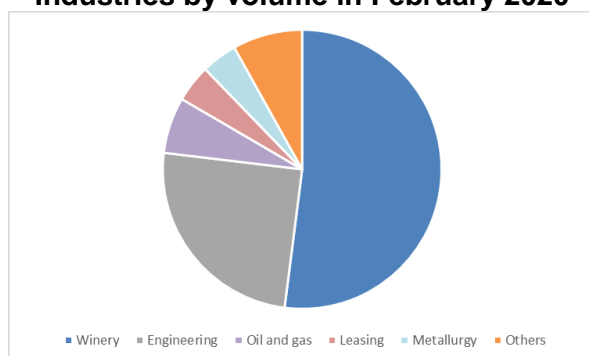


Commentary on trading on the RSE "Toshkent": February 2021

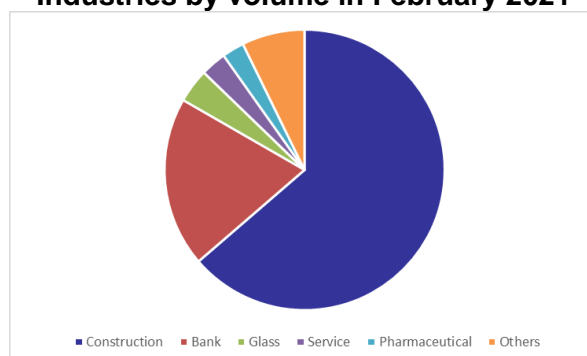
Total volume of trade at RSE "Toshkent" in February 2021 reached 40.6 billion UZS by 74.6% more than the same period of 2020. Structure of trade in terms of industries has changes significantly: turnover in winery and engineering industries decreased by 15 and 72 times while banking and construction increased significantly.

Total market capitalization of all listed companies reached about 47.9 trillion UZS, which is by 6.8% less than the end of January 2021. Decrease of market capitalization was due to delisted 10 large companies as trading activity of these companies did not meet requirements of RSE. Market free-float by our estimation equaled to 3.4 trillion UZS.

Industries by volume in February 2020



Industries by volume in February 2021



Source: RSE Toshkent, Calculations: Avesta Investment Group

As it can be seen from the graph above, the main increase occurred in banking and construction. Share of the banking sector increased due to three transactions with KPBA1, while construction sector is due to issued bonds by LLC "First Developing Group" in the amount of 5.1 billion UZS and privatization of UQEQ (in 3 deals) in the amount of 20.6 billion UZS.

Top 10 issuers with the highest trading volume for February 2021

	Sectors	Sum, UZS	Num. of deals	Avg. price, UZS	% of turnover	% of equity	Mcap (bln. UZS)	Change, %
UQEQ	Construction	20,573,434,247	3	50,382.8	50.69%	36.02%	47.4	400.00%
KPBA1	Bank	7,086,440,400	3	28,154.1	17.46%	0.89%	326.0	1.50%
FDGR1	Construction	5,125,000,000	168	3,919.2	12.63%			0.00%
KV RTS	Glass	1,589,520,589	574	1,000,000.0	3.92%	0.53%	304.0	-0.79%
DORI	Pharmaceuticals	1,039,747,440	36	3,115.4	2.56%	1.15%	220.7	174.81%
UZMK	Metallurgy	822,793,926	209	5,448.3	2.03%	0.05%	1,650.2	11.76%
TOOS	Service	782,628,615	1	34,738.6	1.93%	7.43%	10.5	81.00%
QZSM	Cement	683,756,620	553	543.0	1.68%	0.04%	2,067.5	23.20%
SRVI	Winery	499,794,000	4	4,328.4	1.23%	19.50%	2.6	0.00%
HITB	Bank	441,556,925	1	1,062.8	1.09%	0.38%	116.4	0.00%
Others		1,939,299,744	2,802	1,565	4.78%			
Total		40,583,972,505	4,354		100.00%			

Source: RSE Toshkent, Calculations: Avesta Investment Group

The table above depicts top 10 entities by volume of trade in February which concentrate about 95.2% of total turnover - prices for most of them increased significantly.

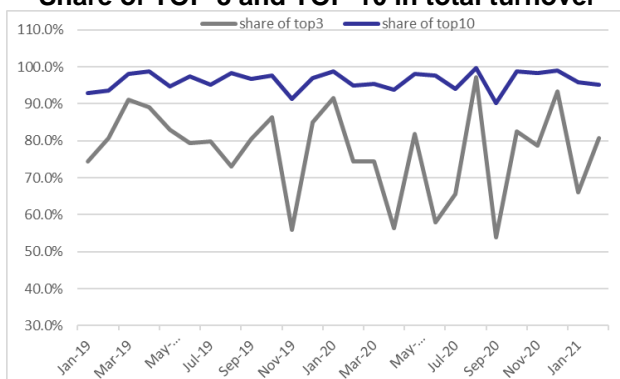
TOP-10 issuers with the highest number of deals in February 2021

	Sector	Sum, UZS	Num. of deals	Avg.price, UZS	% of deals	% of equity	Mcap (bln. UZS)	Change, %
KVTS	Glass	1,589,520,589	574	3,115.4	13.18%	0.53%	304.0	-0.79%
QZSM	Cement	683,756,620	553	4,328.4	12.70%	0.04%	2,067.5	23.20%
HMKB	Bank	132,427,737	534	34.6	12.26%	0.02%	773.0	-5.64%
SQBN	Bank	25,134,898	420	14.4	9.65%	0.00%	3,619.6	-1.00%
URTS	Service	407,800,593	406	9,669.8	9.32%	0.06%	967.0	55.42%
IPTB	Bank	16,274,434	380	0.8	8.73%	0.00%	2,276.9	-7.06%
UZMK	Metallurgy	822,793,926	209	34,738.6	4.80%	0.05%	1,650.2	11.76%
FDGR1	Construction	5,125,000,000	168	1,000,000.0	3.86%			0.00%
KUMZ	Engineering	73,270,417	153	879.8	3.51%	0.37%	20.1	2.27%
UNSU	Insurance	2,905,186	109	9.7	2.50%	0.00%	60,011.3	1804.76%
Others		31,705,088,106	848		19.48%			
Total		40,583,972,505	4,354		100.00%			

Source: RSE Tashkent, Calculations: Avesta Investment Group

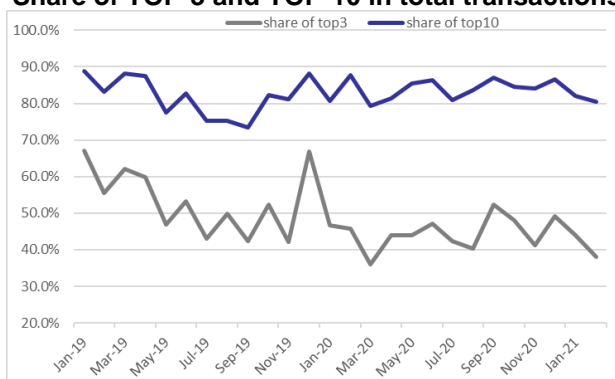
The second table depicts top ten securities by number of deals on the RSE in February 2021. Here KVTS is the leaders with 574 or 13.2% of total number of deals. Other active securities such as QZSM and HMKB have 553 and 534 deals respectively. These three companies concentrate more than 38.1% of all operations at RSE in February, while the whole top ten accounts to 80.5%.

Share of TOP-3 and TOP-10 in total turnover



Source: RSE Tashkent, Calculations: Avesta Investment Group

Share of TOP-3 and TOP-10 in total transactions



The charts above show share of TOP-3 and TOP-10 entities in turnover and transactions in 2019-2021. Market is highly concentrated by turnover – 10 largest positions consolidate 90% of turnover, while the share of three largest positions, which is usually represented by 1-10 deals each not decreasing below 50% (average 77%). This confirms the thesis about low supply of securities on the market and lack of regular free-float activity, while any privatization or pre-negotiated transaction sufficiently larger, than other market transactions.

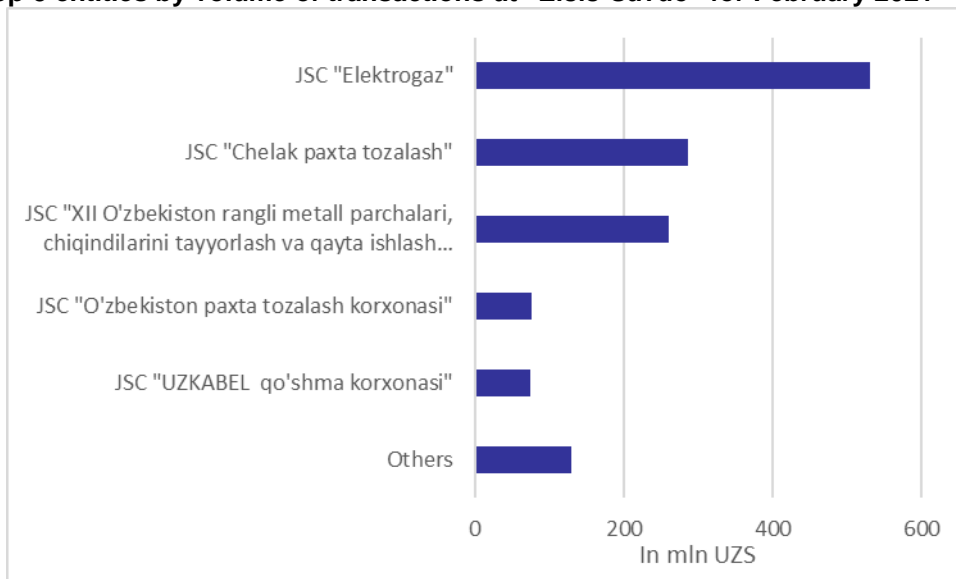
On the other side, share of TOP-3 in transactions decreased from 67 to 38%, even the share of TOP-10 is also highly sufficient at the level of 80% - there are few names on the market with continuous daily trading and stable demand and supply on the market.

Elsis Savdo

Total volume of trades which took place at OTC platform Elsis Savdo in February 2021 amounted 1.4 bln. UZS which is by 4.7 times more than the same period of 2020.

Also, it should be noted that top 5 issuers cover 90.5% of total turnover of the platform where total number of issuers participated at trades amounted 19. Total number of transactions equaled to 156.

Top-5 entities by volume of transactions at “Elsis-Savdo” for February 2021



Source: OTC platform “Elsis-Savdo”, Calculations: Avesta Investment Group

According to the Central Securities Depository of the Republic of Uzbekistan, as of March 1, 2021, the number of joint-stock companies is 599 (did not changed).

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