

Weekly Market Overview

22-26.06.2020



News summary

Last trading week news

- \$300 million for modernization of the Ferghana Oil Refinery. The plant is to produce AI-92, AI-95 and DT Euro-5
- Loans to Uzbek banks: Ipoteka-bank JSCMB to received \$35 million in UZS from IFC for support and transformation, Uzpromstroybank JSCB receives \$40 million from the EBRD for lending to SMEs
- Senate approves a bill authorizing the bonds issuance by LLCs
- JV Coca-Cola Ichimligi Uzbekistaniston Ltd is announced to be privatized. SATA prepares the joint venture for privatization through open bidding
- The Cabinet of Ministers approved roadmap for reduced shadow economy
- ADB Board of Directors Approves \$500 Million to mitigate the effects of the coronavirus pandemic
- The unemployment rate has increased by 5-6% – from 9.3% to 14-15%, - Nozim Husanov, the Minister of Employment and Labor Relations
- New IMF forecast: economic growth for 2020 to decrease by 1.9% to 4.9%
- Andrei Filatov's Altmax Holding Ltd. is to build a new thermal power plant in Uzbekistan.
- Uzbekistan's foreign debt grew by \$700 million during Q1 and amounted to \$25.1 billion.

Trades results on Toshkent RSE

Statistics 22-26.06.2020 Toshkent RSE

Volume of trades*

UZS 27 582 392 658 ▲ +51,3%*

Number of deals*

678 ▼ -9,5%*

Number of securities

5 083 301 529 ▲ +66,7%*

Number of issuers

28 ▼ -7

Top-3 by number of deals

UZMK 120 (17,78%)

HMKB 106 (15,70%)

KVTS 98 (14,52%)

Top-3 by volume of trades**

AABK1 9,88 billion UZS (79,94%)

FRDD 1,75 billion UZS (14,19%)

UZMK 0,22 billion UZS (1,74%)

From the beginning of the month /HMKB/ gets to the Top-3 securities by number of deals. /UZMK/ and /KVTS/ get to the Top-3 by the results of the past trading week.

Weekly price change:

- UZMK ▼ -2,00%

- HMKB ▼ -5,58%

- KVTS ▼ -3,33%

*Data compared to the previous trading week

**Excluding deals on Nego Board

Listing on Toshkent RSE

Securities included into category «P» of the stock stock quotation list*

/UGSY/

JSC «Yuggazstroy»

State share for sale: 51,18%

Sale rule: the whole block in one lot

As of June 26, the stock quotation list includes 113 JSCs

Category:

A

Number of JSCs: 5

Category:

B

Number of JSCs: 14

Category:

C

Number of JSCs: 61

Category:

P

Number of JSCs: 32

*Category «P» of an exchange quotation list includes state shares and securities that have been listed, put up for exchange trading by decision of the President of the Republic of Uzbekistan and / or the Cabinet of Ministers of the Republic of Uzbekistan (if the issuer and its securities were not previously included in the " A "or" B "or" C " category).

LLCs Bonds

On June 19, 2020, the Senate of the Oliy Majlis of the Republic of Uzbekistan approved a bill authorizing the issuance of LLC bonds. Previously, corporate bonds could be issued only by Joint Stock Companies and banks provided to comply with a number of requirements. Significant easing of requirements and norms, as well as the introduction of new opportunities for LLCs, will create an alternative to bank loans in the form of corporate bonds.

According to statistics, from 2010 to 2018, the number of corporate bonds in circulation decreased from 41 to 17 units, and their volumes from 512 billion to 198 billion UZS, which is only 0.2% of the amount of issued shares.

For comparison, in Uzbekistan, 602 companies operate in the form of a Joint Stock Company versus 148 thousand Limited Liability Companies. A number of LLCs have a preferential investment attractiveness compared to some JSCs. The approval of this bill may be the impetus for the restoration of the corporate debt market in the country.

Some mandatory requirements for the issue of corporate bonds have been canceled, including a restriction on the equity capital of the company and a requirement on collateral. The requirements for three-year positive financial statements and ratings were eased.

At the same time, permission to issue LLC bonds will be subject to the requirements, which include an external audit, compliance with financial statements, disclosures, etc.

Nego Board and bonds

As during the previous trading week, the last trading week of June had a number of major transactions recorded in the Nego Board negotiation auction section:

- 1 deal with 7,25 million common shares (66.62% of the total number of shares) of JSC "Alskom" worth 10,15 billion UZS
- 1 deal with 2,21 billion preferred shares of JSC "Kapital Sug'urta" in the total amount of 2,21 billion UZS and 1 deal with 2,86 common shares worth 2,86 billion UZS.

Thus, the volume of deals concluded in the Nego Board section amounted to 15.22 billion UZS or more than 55% of the total trading volume over the past trading week.

- Moreover, there were concluded 15 deals with 9.48 thousand corporate bonds of JSCB "Asia Alliance Bank" totalling 9.88 billion UZS.

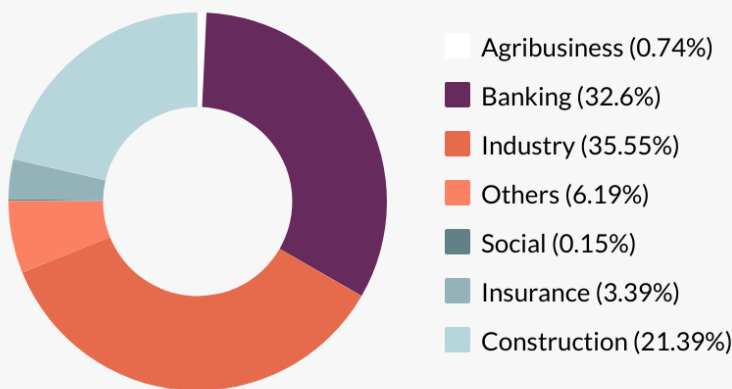
- Bonds of JSCB "Asia Alliance Bank":

- par value: 1 000 000 UZS
- Coupon rate: refinancing rate +4%
- paid quarterly
- maturity: 1 year (05.03.2021)

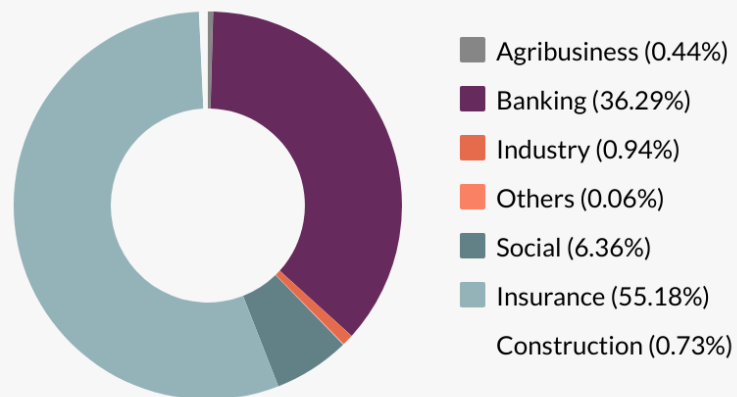
Industries

Overview of deals by industry

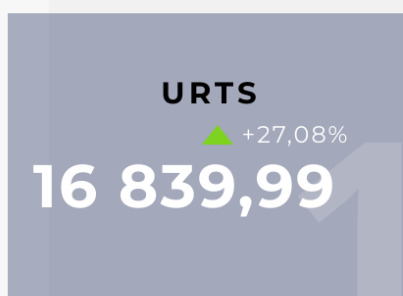
Number of deals



Volume of trades



Top Weekly Growth



- Opened: 13 251,01
- Closed: 16 839,99
- Low: 13 251,01
- High: 19 400,00
- VWAP: 15 128,12

The opening price on Monday, June 22, was 13,251.01 UZS. Closing on Friday took place at a price of 16,839.99 UZS per common share. The trading volume for the trading week amounted to 15.91 million UZS. The number of deals was 41, the number of traded securities was 1 052. The price maximum for the week was 19,400 UZS, the minimum was 13,251.01 UZS. The weighted average price at the end of the trading week is 15 128.12 UZS.

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This material is provided for informational purposes only and must not be considered as an appeal for concluding deals in the securities market and specifically for their purchase or sale of specified securities.



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