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FEDERATION OF EURO-ASIAN STOCK EXCHANGES ANNUAL REPORT JUNE 2010

*15th year*



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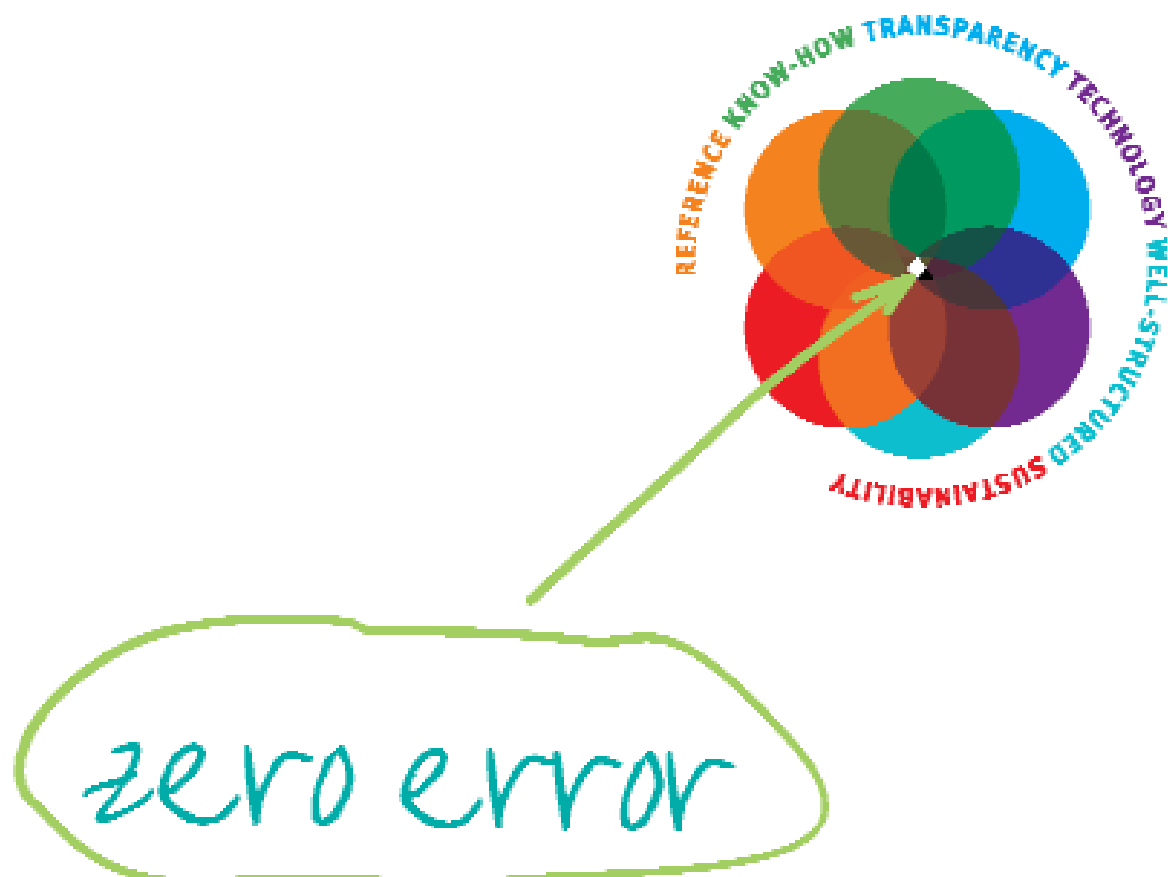
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**Designed by:** Tayburn Kurumsal

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**Established on 16 May 1995, the Federation of Euro-Asian Stock Exchanges (FEAS) today has 33 members and 12 affiliate members in 29 countries.**

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## MEMBERS

Abu Dhabi Securities Exchange  
Amman Stock Exchange  
Bahrain Stock Exchange  
Baku Interbank Currency Exchange  
Baku Stock Exchange  
Banja Luka Stock Exchange  
Belarusian Currency and Stock Exchange  
Belgrade Stock Exchange  
Bucharest Stock Exchange  
Bulgarian Stock Exchange  
Egyptian Exchange  
Georgian Stock Exchange  
Iraq Stock Exchange  
Istanbul Gold Exchange  
Istanbul Stock Exchange  
Karachi Stock Exchange  
Kazakhstan Stock Exchange  
Kyrgyz Stock Exchange  
Lahore Stock Exchange  
Macedonian Stock Exchange  
Moldova Stock Exchange  
Mongolian Stock Exchange  
Montenegro Stock Exchange  
Muscat Securities Market  
NASDAQ OMX Armenia  
Palestine Securities Exchange  
Sarajevo Stock Exchange  
State Commodity & Raw Materials Exchange of Turkmenistan  
Tehran Stock Exchange  
Tirana Stock Exchange  
"Toshkent" Republican Stock Exchange  
Ukrainian Stock Exchange  
Zagreb Stock Exchange

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## AFFILIATE MEMBERS

Association of Certified Capital Market Professionals (ACCOMP), Jordan  
Central Registry Agency Inc.  
Central Securities Depository of Iran  
Macedonian Central Securities Depository  
Misr for Clearing, Settlement & Central Depository  
MSM Brokers Association, Oman  
National Depository Center of Azerbaijan  
Securities and Exchange Brokers Association of Iran (SEBA)  
Securities Depository Center (SDC) of Jordan  
Takasbank - ISE Settlement and Custody Bank, Inc.  
Tehran Securities Exchange Technology Management Company (TSETMC)  
The Association of Capital Market Intermediary Institutions of Turkey (TSPAKB)

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES

**Huseyin Erkan**

President of FEAS & Chairman and  
CEO of the Istanbul Stock Exchange

**The future outlook for our markets seems to depict that our member markets continue to provide competitive and viable financing options to both public and private sectors.**

After the most severe global recession for decades, most of the economists now expect a sustained recovery in the global economy. In fact, some major economies have exited from recession in the second and third quarter of 2009 by burst of global monetary and fiscal stimuli. After contracting by 2.1% in 2009, global real GDP is forecasted to expand by 3.2% in 2010. Within this context, another significant expectation is the differential in economic growth between developed (2.1%) and emerging economies (5.7%). Yet, conservative recovery forecasts still reflect concerns about credit availability and the medium-term fiscal outlook in the developed countries. As regards to the average GDP-weighted public-debt-to-GDP ratio in developed markets and emerging markets, it is obvious that many developed countries have moved into uncharted territory over the past couple of years. While the emerging countries' public debt stock climbed to around 44% of GDP in 2009 from just 35% in 2006, the developed countries debt ratio skyrocketed from less than 80% to around 95% of GDP.

Even though developed countries felt the burden of the crisis most heavily in 2008, the domino effect of the crisis on the developing markets of FEAS were felt in 2009. During 2009, the FEAS region's financial markets have performed in excess of world markets when you compare the performance of the FEAS Index to that of the Dow Jones World Index (i.e. 52% vs. 30% increase respectively). While the market capitalization of the FEAS region has increased by 35% in 2009, the average daily trading volume is down by 15.3%. (We have included a special section after the FEAS pages that review the growth of our markets over the past 15th years.)

On the verge of completing the fifteenth year of its operations, the FEAS accomplished some noteworthy achievements such as implementation of the Dow Jones FEAS Indexes and production of the FEAS movie. The FEAS Index is the first benchmark to measure the performance of companies across the Euro-Asian region. It covers 95% of the free-float market capitalization of each country in the respective index. Actually, three indexes were launched on June 2009, one composite, and two regional sub-indices. The Indices are designed to underlie index-linked

investment products such as funds and structured products. The FEAS Composite Index currently includes 375 stocks from 12 of the 33 member exchanges, including Abu Dhabi, Amman, Bahrain, Belgrade, Bulgaria, Istanbul, Karachi, Macedonia, Muscat, Sarajevo and Zagreb. Our aim is to launch an investable blue chip index in the forthcoming years.

During 2009, the FEAS jointly hosted with its members three meetings and conferences. These were the Executive Committee Meeting and Working Committee Meeting held in Minsk, Belarus in June; the 15th FEAS General Assembly Meeting and Executive Committee Meeting held in Budva, Montenegro, together with the Exchange Traded Products Conference hosted by STOXX in September; furthermore in October a meeting of the Post Trade Affiliate Members of FEAS was held in Antalya, Turkey. Besides these meetings, the FEAS Secretariat continues to pursue activities that will promote the growth of member stock exchanges operations such as bilateral visits, workshops and seminars held by the FEAS Training Center, and the joint ISE/FEAS projects with international associations and organizations such as the UNPRI, World Federation of Exchanges (WFE) and other International Organizations.

Our renewed commitment to the revised FEAS 5-year strategic plan is also designed to achieve the objectives as specified in the mission statement of the Federation and to get a more vital role in the global market environment. During the next five years, our focus will be more on promoting "corporate governance", facilitating timely disclosure, encouraging convergence among FEAS Members, promoting mechanisms for reliable, transparent and uninterrupted securities trading and settlement, creating greater recognition and visibility for the region's securities and investment opportunities, encouraging the listing of "investment grade" securities in the respective home markets of the Region, encouraging foreign investor participation in Member Markets, promoting linkages among the Region's intermediaries, data vendors, settlement and custody institutions, exchanges; and also encouraging cooperation among Region's Regulators, promoting and encouraging research activities and training for FEAS Members and their

personnel and assisting FEAS Members to increase financial literacy through public awareness.

I would like to take this opportunity to extend my heartfelt thanks for their contributions to Bloomberg, Central Registry Agency, Finans Asset Management, Garanti Asset Management, IS Investment, Muscat Securities Market, NASDAQ OMX, Takasbank, Tayburn Kurumsal and The Association of Capital Market Intermediary Institutions of Turkey for making this publication possible. We hope that you will take a moment to visit our contributor section in the FEAS website at [www.feas.org](http://www.feas.org) and read their articles in the following pages.

The future outlook for our markets seems to depict that our member markets continue to provide competitive and viable financing options to both government and private sectors, while enhancing operations through technology and expanding the services offered to market participants. We surely continue to focus on the areas of increased transparency through investing in infrastructure and developing regulations to promote stronger environmental social governance. The efforts of all our Task Force Members will surely play a vital role in achieving our objectives through their commitment and hard work and the Secretariat for maintaining our cohesive organization. As we close our 15th year, we look to the future with a renewed sense of purpose and a detailed strategy for achieving our goals.



## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Aril Seren**  
Secretary General of FEAS

**On May 16, 1995, the draft charter and the name of the federation as “Federation of Euro Asian Stock Exchanges” or “FEAS” in short, were adopted by acclamation.**

## HISTORY OF FEAS

### Chapter I. HOW IT WAS BORN

It was the autumn of 1992;

The Soviet Union had been disintegrating during the last 20 months. So was Yugoslavia. Eastern European Communist Regimes had been topping and giving way to more liberal and Nationalist governments.

I was then in Mexico City for the occasion of the General Assembly of FIBV, the International Federation of Stock Exchanges. The Istanbul Stock Exchange was being voted to become the next member of FIBV. I was representing the ISE there. I was curious about the success of FIBV as an institution and wanted to see how the members co-operated. I saw a lot of camaraderie and discussion of common issues, especially among the European and Latin American members, each group belonging to a Regional Federation. During 1991 and 1992, we saw stock exchanges being established throughout the ex-Soviet, newly independent Republics of Eastern Europe, Caucasus and Central Asia. Also the old stock exchanges of Ex Yugoslav Republics and ex-iron curtain countries were being revitalized.

They all needed new knowledge on how to establish, organize and operate stock exchanges in the new environment of financing of the capitalist institutions. I remember asking myself, if bringing

together these newly established exchanges within a regional federation would achieve the necessary sharing of knowledge and experience and enable further development with less mistakes along the way.

At the next meeting of FIBV, I noticed that the European Federation would not take in the East European Exchanges. It was the Federation of European Union members and its charter did not allow membership to non EU countries' exchanges. I also noticed that exchanges of the Middle East and Indian subcontinent did not belong to either FIBV or a regional federation of their own.

I had some personal friends and contacts among the Euro Asian Exchanges through International meetings and institutions. While I was considering what sort of co-operation among these exchanges would be most beneficial to all, a lady paid me a visit in Istanbul, who had been doing some work in Central Asian republics on behalf of the US. Her work was coming to an end and she wanted to find out if there would be any form of working together in the Euro Asian Region. She was Rosalind Marshall.

Together, we drafted a charter for a Regional Federation of Stock Exchanges and sent it to a number of friends and colleagues, inviting them to comment on the draft and to join others within such a federation. I received positive responses with comments on the draft from eleven exchanges. The late chairman of ISE,

Tuncay Artun, offered to host them in Istanbul, during the opening ceremony of the new premises of ISE during mid 1995.

Those Exchanges were located at; Armenia, Bulgaria, Croatia, Iran, Israel, Jordan, Kazakhstan, Pakistan, Slovakia, Slovenia, Turkmenistan, Turkey. The 12 Exchanges convened at the New Building of ISE on May 16, 1995, in conjunction with the opening ceremony. Tuncay Artun chaired this first meeting where the draft charter and the name of the federation as “Federation of Euro Asian Stock Exchanges” or “FEAS” in short, were adopted by acclamation. All founding members of the new federation became members of the Executive Committee, Tuncay Artun was elected as the president and I was appointed by the meeting as the Secretary General. I, in turn, appointed Rosalind Marshall as the Assistant Secretary General. The Prime Minister of Turkey, who was attending the ceremonies, paid a visit to meeting hall to congratulate the founding of FEAS. Following the completion of the paperwork for the founding procedure, the Government of Turkey ratified the Federation as “Special International Institution” established in Turkey; Istanbul as its headquarters.

The Federation started its work on 17 May 1995 at a designated part of the ISE building where the FEAS office and FEAS Meeting Hall were provided free-of-charge for FEAS.

**FEDERATION OF EURO-ASIAN STOCK EXCHANGES****THE FEAS ALBUM OF THE PAST 15 YEARS**

Founding Meeting May 1995 Istanbul, Turkey. Sitting in the middle Ms. Tansu Ciller, Prime Minister of Turkey



Founding Meeting May 1995 Istanbul, Turkey. Front row on the 15th left Mr. Tuncay Artun, President & CEO, Istanbul Stock Exchange



1st General Assembly, October 1995, Istanbul, Turkey. 6th left on the front row Mr. Tuncay Artun, President & CEO, Istanbul Stock Exchange

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



2nd General Assembly, October 1996  
Isfahan, Iran. 4th left on the front row  
Mr. Asadollah Amiraslani, Chairman,  
Tehran Stock Exchange



3rd General Assembly, October 1997  
Karachi, Pakistan. 2nd left on the top row  
Mr. Khawaya Hamad Saeed, President,  
Lahore Stock Exchange



4th General Assembly, October 1998,  
Istanbul, Turkey. On the left front Mr. Aril  
Seren, Secretary General, FEAS



## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



5th General Assembly, October 1999, Amman, Jordan. First left Mr. Jalil Tarif, CEO, Amman Stock Exchange



6th General Assembly, September 2000 Ohrid, Macedonia. 2nd left on the top Mr. Nikola Gruevski, Chairman, Securities Exchange Commission



7th General Assembly, Istanbul, Turkey. Sitting in the middle Mr. Osman Birsen, President & CEO, Istanbul Stock Exchange

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



8th General Assembly, September 2002  
Kiev, Ukraine. 1st on the left front  
Mr. Valentin Oskolsky, Chairman,  
Ukrainian Stock Exchange



9th General Assembly, September 2003,  
Sofia, Bulgaria. 3rd from the front left  
Ms. Bistra Ilkova, CEO, Bulgarian Stock  
Exchange



10th General Assembly, September 2004,  
Novigrad, Croatia. First eight on the top  
row Mr. Marinko Papuga, CEO, Zagreb  
Stock Exchange

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



11th General Assembly, September 2005  
Shiraz, Iran



12th General Assembly, November 2006,  
Sharm El Sheikh, Egypt. 6th on the front  
right, Mr. Maged Shawky, Chairman,  
Egyptian Exchange



13th General Assembly, September 2007,  
Belgrade, Serbia. 2nd on the left front  
Ms. Gordana Dostanic, Managing Director,  
Belgrade Stock Exchange



## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



14th General Assembly, November 2008  
Abu Dhabi, UAE. 4th from the left on the  
front row, Mr. Nadee Azar, Working  
Committee Chair FEAS, Amman Stock  
Exchange. 5th Mr. Huseyin Erkan  
President & CEO, Istanbul Stock  
Exchange. 7th Mr. Ahmed Salih  
Al-Marhoan, Director General Muscat  
Securities Market



15th General Assembly, September 2009,  
Budva, Montenegro. 5th from the left  
Mrs. Dejena Suskavcevic M.A, CEO,  
Montenegro Stock Exchange



#### 2010, the FEAS Team

from left to right:  
Ege Adalioglu, Assistant Secretary General  
Aril Seren, Secretary General  
Susan Gogus, Assistant Secretary General  
Aydan Bal, Coordinator

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES

## 15TH ANNIVERSARY CONGRATULATIONS MESSAGES



**Jalil Tarif**  
CEO, Amman Stock Exchange

In 1995 the idea was born, few exchanges met together with ambitious and incisive vision to create a regional club. At that moment we have had faith that this Federation will grow up. We were confident that this would represent the first step and many steps will follow. Now, as were hoping, the Federation became one of the most active gatherings in the world and its members became 45 representing major exchanges in the region. We will continue expanding this Federation with the same momentum that we had.



**Bakhtiyar Azizov**  
CEO NDC Azerbaijan

Dear friends!

We sincerely congratulate you on the significant event - the 15th anniversary of the foundation of your organization! Owing to purposefulness and high professionalism FEAS invariably achieves successes. It's been 15 years that your organization has been creating fair, effective and transparent market conditions for the trading between its members. We wish you successes, prosperity, fruitful work and look forward to our continuous cooperation!



**Armen Melikyan**  
CEO, NASDAQ OMX Armenia

I would like to send my warmest and most affectionate wishes to the Federation, its great management and staff on the occasion of the FEAS 15th anniversary.

Being a member since 2002, we have always felt strongly about the unifying role of the Federation and its mission to support the creation of fair, efficient, and transparent marketplaces in FEAS member countries. At all times, we witnessed the Federation's untiring efforts to bring the region's capital market institutions together, providing a forum for sharing challenges faced, exchanging solutions and experiences, and identifying and exploring new areas of partnership. In a global world, where international and, specifically, regional cooperation makes increasing sense pushing past obstacles for opportunities, I see a growing role for the Federation and – on behalf of NASDAQ OMX Armenia – pledge our full support to FEAS' future initiatives and undertakings. I am also more than confident that under the current dynamic management and with the excellent team that FEAS has built over these years, there is no goal that is impossible to reach.

I wish FEAS many more happy anniversaries in the future and many existing and new members to share the celebrations!



**Osman Sarac**  
CEO & President – Istanbul Gold Exchange

As it is 15-year celebration of FEAS, is much more than an anniversary - it is a celebration of a time-honored commitment for cooperation and convergence of the Exchanges and Organizations as a globally recognized regional institution. FEAS is growing with its member Exchanges which are serving to millions of investors in the region. As Istanbul Gold Exchange we are honored to be a member of this large family and we will be contributing to achieve the objectives of the Federation and will be creating linkage among different investment opportunities in the competitive global market environment. FEAS will reach larger influence on market environment with the achievement of the objectives and convergence among members with long term plans.



**Ahmad Aweidah**  
CEO, Palestine Securities Exchange

Ever since being members at the FEAS, we witnessed active interaction, coordination, communication, and exchange of experiences and expertise among Euro-Asian Stock Exchange members; this could have never been achieved without the FEAS commitment and high dedication to serve its members. We believe the year 2010 will witness more and more successes and accomplishments for the FEAS in many perspectives.

Thank you FEAS for your continuous dedication.

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Samir Jaradat**  
CEO, Securities Depository Center  
(SDC) of Jordan

Since the Securities Depository Center of Jordan became a member in the FEAS, we perceived the tremendous efforts presented for the benefit of its members; through creating transparent market environment, establishing an appropriate technical infrastructure for enhancing linkages among members for cross-border trading. In addition to its major role in the investor education and ensuring a solid legal framework. We hope that FEAS continue making contributions to furthering enhancements for the above fields.



**Dr. Corneliu Dodu**  
President, Moldova Stock Exchange

In connection with the celebration of FEAS 15th year anniversary we congratulate all the members and wish them success and prosperity. Taking into account the past stages and accumulated experience during the existence of FEAS, we hope that the future opens new opportunities, allowing to set new goals for further development of the FEAS.



**Ahmed Saleh Al-Marhoon**  
Director General, Muscat Securities  
Market

We at Muscat Securities Market congratulate FEAS members on the occasion of the 15th Anniversary.

During the past 15 years, the FEAS witnessed significant progress in all dimensions. Today the number of FEAS members reached 43 representing exchanges from various continents with exchanges having vast experience and able to pass the same to other members.

As matter of fact, the diversity of FEAS group made the organization remarkably unique in addressing issues that benefit less experienced exchanges through different learning programs which the Federation offers to its members.

I would like to thank the President of FEAS, Mr. Huseyin ERKAN, for his excellent leadership, commitment and service to the Federation.

We also extend our gratitude to FEAS secretariat for their continual assistance and efforts towards strengthening the relations between FEAS members.



**Gordana Dostanic, CEO**  
Belgrade Stock Exchange

Though Belgrade SE was not a member of the FEAS right from the very beginning in 1995, we have been an active member of the association for the last 6 years. Since its creation the FEAS has grown into a professionally and globally recognized organization which stretches from Adriatic Sea to China.

Past 6 years would have been much more demanding and time consuming without the constant support we receive from the Federation. The core principles in the heart of the FEAS focused on discovering and applying best practices have eased our journey down the road of the stock market development. During this time we have had an opportunity to meet and work with some incredible people, share experiences and problems with our peers, and of course visit some beautiful new places.

Perseverance, efforts and dedication to promoting the Euro-Asian region and specially to maintaining close ties with its members makes us proud to be a member of the FEAS.

We wish to congratulate the FEAS on its 15th anniversary. At the same time, we would like to take this opportunity to express our thanks for the many years of close cooperation we all have enjoyed.

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Kadyrzhan Damitov**  
President, Kazakhstan Stock Exchange

Federation of Euro-Asian Stock Exchanges (FEAS) is a legitimate and important mechanism for exchange of ideas, experience and information among the members that represent the markets of Eurasia. FEAS created an environment of trust and impartiality among the member exchanges and encouraged closer collaboration.

Since inception, the organization remained true to its mission of developing fair, efficient and transparent market environments among FEAS members. Being a part of FEAS is extremely important to Kazakhstan Stock Exchange as it opens up the door to many interesting international initiatives and allows to exchange ideas with other members.

FEAS provides a forum for discussion of vitally important issues and helps to voice the concerns of the Euro-Asian exchanges internationally. Thanks to the hard work of this organization, the member exchanges were able to promote themselves among international investment community and continuously disclose information about their developments.

FEAS is located in Istanbul - the meeting point of Europe and Asia and the home of Turkey's capital market and Istanbul Stock Exchange. Thus, referring to FEAS, it is important to note the enormous contribution of Istanbul Stock Exchange into the creation and development of this organization. It takes tremendous efforts to support the work of the association of such large and diverse region.

On behalf of Kazakhstan Stock Exchange I would like to congratulate FEAS on the occasion of its 15th Anniversary and wish further success in all its endeavors!



**Dr. Yakup Ergincan**  
CEO, Central Registry Agency Inc.

As a platform that initiates long-term cooperation and promotes a continuing relationship between stock exchanges, market infrastructures and intermediary institutions FEAS played a significant role in supporting the development of the regional capital markets in the last 15 years.

CRA is an affiliate member of the association since 2006 and in such a short time we benefited greatly from our collaborations with other members. Establishing bilateral links between institutions will help all parties in developing efficient post-trade infrastructures that serve settlement participants and investors alike.

As a member of the FEAS Affiliate Task Force we are determined to contribute to joint efforts by bringing our expertise and technological know-how in post-trade industry and improve the level of post-trade services at both national and international level.

In addition to working groups, FEAS organizations such as the bilateral exchange program, joint seminars and training programs are not only useful but necessary for the member institutions to keep up pace with the rapidly changing global financial environment. We would like to thank the management and staff of the general secretariat, and all member organizations for their hard work and cooperation in helping us reach that goal.



**Hassan Ghalibaf Asl**  
CEO & President, Tehran Stock Exchange

FEAS Secretariat,

I am specially pleased to have the honor of sending my greetings to all those who have contributed during the past years for establishing and developing FEAS.

For Tehran Stock Exchange, as a co-founder of the federation, it is particularly gratifying to observe FEAS as an increasingly more significant entity in the international capital market.

We should all feel happy to be a member of Exchanges, whose stabilizing role during the recent financial crisis was appreciated; however, as more efforts were asked to increase transparency and to diminish needless complexities, the essential contribution of all members will help us conduct the region's capital flow into valuable investments opportunities globally.

On behalf of all TSE's staff, I congratulate FEAS 15th year anniversary.

Best regards,



## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Thomas Krantz**  
**WFE Secretary General**

In 2010, two exchange federations will be celebrating important anniversaries, a point well worth noting. The World Federation of Exchanges (WFE) will celebrate its 50th anniversary, while the Federation of Euro Asian Stock Exchanges (FEAS) will celebrate its 15th anniversary.

The two sister exchange federations have a great deal in common, as well as their separate, distinct missions.

The World Federation of Exchanges mission is categorized under 4 headings:

- Quality: promote market standards and reliable statistics
- Advocacy: working with policy-makers, regulators and government organizations for fair, transparent and efficient markets
- Networking: bringing together exchange experts to improve markets
- Development: helping newer, smaller exchanges to meet WFE standards.

In achieving the objectives of its mission, WFE collaborates with seven regional federations. These regional federations have similar objectives, but given the nature of economics and geography, much of their work remains specific and local. That is the great advantage of the system.

FEAS is the Federation for Euro Asian Exchanges. WFE has maintained close collaboration with FEAS since its founding. The FEAS Secretariat has made extensive use of WFE materials, adjusting and reapplying them in very appropriate ways for the region in which it operates, and so continuously working with WFE to achieve its objectives. Special emphasis has been put on the development of the member exchanges to meet the WFE standards. Frequent training opportunities facilitated by FEAS through the meetings, publications, bilateral visits financed by FEAS, and collaboration on task forces, have enabled the member exchanges to achieve high standards in the operation of regulated, public markets.

WFE workshops, committee meetings, and the annual meeting, geared towards networking among exchanges and capital markets experts, have been open to members of regional federations, and all professional documentation outside the governance of WFE has been sent for dissemination by the FEAS secretariat.

In support of good corporate governance and responsible investment, WFE has participated in the working of regional federations, among which FEAS had a prominent role. The alignment of work is probably clearest in the standardization of market statistics, which could not have been achieved without the collaboration between WFE and the regional federations.

In summary, if WFE is the central core of industry information for exchanges, the common base to all, the regional federations extend the reach of this information base far beyond what the WFE could do on its own. Together, the groupings of exchange federations create a broad and deep interaction that is so vital for a healthy and prosperous exchange industry across the world.

Today I congratulate the WFE's sister federation, FEAS, on the occasion of this anniversary. The work it has accomplished has enabled exchange managers to work far better across the region on behalf of developing savings for national investment, and FEAS itself has also created solid personal ties among these persons. That, too, advances the spread of knowledge quite efficiently. These are real achievements to note. I have every reason to expect that these achievements will continue to be more profound going forward.

To all FEAS exchanges, the WFE Secretariat extends its cordial regards.

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Aftab Ahmad Chaudhry**  
**Secretary General**  
**South Asian Federation of Exchanges**

It is heartening to note that the Federation of Euro-Asian Stock Exchanges (FEAS) is celebrating 15th anniversary of its foundation. The journey of 15 years has been quite remarkable for the Federation and it has grown from strength to strength during all these years. It is quite good to know that FEAS has now been transformed into a vibrant organization providing a platform for enhanced co-operation, mutual consultations and sharing of experiences amongst a large number of its member stock exchanges.

The regional bodies of the exchanges enable their members to build network effect with the other exchanges and enable them to leverage their potential, domain knowledge and experience to help attract foreign investments and unlock the potential of their individual and combined markets. After the recent spell of global recession and economic meltdown, greater cooperation amongst the markets is now, more than ever, the need of the hour and it has become imperative to draw from the strengths of the diversified and efficient markets so as to achieve the common goal of the integration of the markets and a unified system of market regulation. As the challenge before all nations is to restructure and reshape their markets to be more competitive, broad-based, and relevant to their domestic economies, therefore the bodies like FEAS can play a very active role in connecting these disparate markets and help achieve the sort of harmonization which results in the broadening of the investment options for the investors.

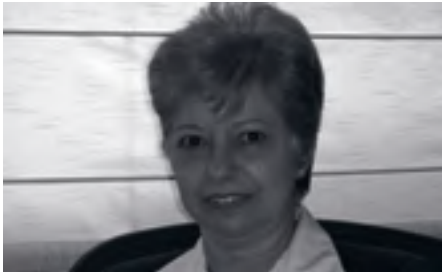
Financial markets in FEAS region are experiencing intense growth and diversity. Some of the fast growing emerging and frontier markets are located in this region besides having one of the most dynamic and enterprising professional community well conversant with the nuances of trading, technology and operations. FEAS exchanges, besides having led in the creation of new markets and financial products, have also introduced several rounds of reforms in the recent period, which have given a big boost to the growth of the financial services industry. There is a major spurt in the region in terms of institutions, intermediaries and investors each reinforcing with one another-making FEAS region as one of the most vibrant regions that is further poised for attracting huge interest from the international investors.

Whereas over the years, the FEAS has become an important institution for the promotion of cross border cooperation in the exchange industry, and for developing a strategy for mutual cooperation amongst its constituent exchanges, however for the next phase of growth, it is critical that FEAS reaches out to other sister organizations of exchanges such as the South Asian Federation of Exchanges (SAFE) so as to discuss the ways of promoting inter regional cooperation. As the wave of consolidation has already made many major exchanges to tie up with some prominent regional exchanges of the World, so the mutual cooperation between FEAS and SAFE may also lead to some further inter regional linking up of the businesses of some of our member exchanges. While it may take some time to happen, but at the least the spirit of cooperation can certainly lead us to improve and standardize the operations

of our respective exchange industries. The closer interaction may also enable us to learn from the experiences of each other and implement the best practices for the industry practitioners such as the intermediaries, the broker dealers, and the security analysts etc. Furthermore, both the sister organizations can also work towards the development of the exchange industry specific human resource by instituting programs for bilateral training & study visits to each other's member exchanges. SAFE is very keen to boost such a cooperation to ensure that both FEAS and SAFE are positioned to reap the benefits of our combined synergies. Towards this end, SAFE has already proposed the signing of a MoU between our Federations so as to kick start the process of cooperation between us. Furthermore, SAFE is also willing to extend an "Affiliate Body" status to FEAS so that FEAS members can participate in the events and programs organized by SAFE, which are the best vehicles to promote cooperation and goodwill between our Federations and our respective Members. SAFE would keenly look forward to further development in this regard.

At the end, I once again congratulate FEAS for completing 15 years of its purposeful existence and wish it the best during the times ahead.

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Elvira Maria Schamann**  
**Secretary General**  
**FIAB**

The Ibero-American Federation of Exchanges- FIAB joins with joy the 15<sup>o</sup> Anniversary of FEAS, and congratulates all FEAS directors, management and staff for the success they reached in such a short time.

We have seen FEAS' constant growth since its first years, in order to become today a regional organization that clearly fulfils its objectives, reaching 29 countries, and which represents, in the international arena, exchanges and securities institutions from such an important geographic, economic and cultural area.

The mission that regional Federations have within their own geographic zones towards their members, extends internationally in many diverse fields –standardization of statistics methodology, standardization of market best practices, corporate governance, etc- and the cooperation among them, as well as with the World Federation of Exchanges, has become extremely relevant.

In this sense, FIAB and FEAS have set a tradition of cooperation since long time ago. Not only the exchange of information –statistics and news- has been regular through the internet, but also the Secretaries General of both organizations have had the opportunity to attend several meetings organized by their Federations, as well as by the WFE, and update personally their Federation's work in progress.

Worth mentioning this last year was the participation of FEAS Secretary General, Mr. Aril Seren, in the FIAB Annual Meeting held in Lima, jointly with the WFE Emerging Markets Conference. Mr Seren joined as panelist for the session "Developing markets experience in the crisis environment; a focus on post-crisis projects and markets growth" and presented a very comprehensive and interesting report on FEAS members reaction to the crisis and their prospects.

With special emphasis, post crisis opportunities and challenges for emerging securities markets will certainly be reflected in the Federations agendas and strategic priorities. That is why we hope that the cooperation among FIAB and FEAS will go on, even with more weight, in the future.

Finally, we wish FEAS success continuing, both regionally and internationally, in the years to come and, once more, we extend to the sister Federation our congratulations for the excellent work done all along this first 15th FEAS Anniversary.

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Emin S. Catana, Ph.D.**  
**Chairman**  
**FEAS Affiliate Members Task Force**

**President and CEO**  
**Takasbank**

It is my pleasure to congratulate the 15th anniversary of the foundation of Federation of Euro-Asian Stock Exchanges (FEAS). After 15 years of remarkable success, FEAS was transformed from a stock exchanges federation into a mutual cooperation platform embracing all capital market institutions operating in the FEAS region. The success of FEAS in years is the evidence of the good timing for the establishment of FEAS. Today, FEAS became a momentous regional association by increasing the number of its members as well as by enlarging its area.

In the course of time, through its activities, FEAS links with the industry from around the region and works closely with the post-trade institutions which are the integral parts of the securities markets as much as stock exchanges. Then, the FEAS membership included the post trade institutions as its affiliate members.

The crucial element for providing a safe and efficient clearing and settlement system is to create an environment where regulatory and technical infra-structure is mostly consistent for the market players at international level. As a result, all local capital markets have to re-structure and re-shape their infra-structure in order to achieve harmonization among markets and hence, increase cross-border trading volume. Organizations like FEAS play a very crucial role in helping to achieve the level of harmonization needed for local capital markets. This level of harmonization is tried to be achieved through the studies made in meetings. The inclusion of post trade institutions to FEAS family should be expected to

complement all the hard work that the Stock Exchanges have endeavored to accomplish, since the inception of this organization, for the sake of FEAS markets. This initiative brought enriched expertise and knowledge into FEAS, in the areas of clearing, settlement and custody, which are key components of organized securities markets. As providing an efficient and productive working platform and better understanding the needs and goals of affiliate members, a task force was formed. Consequently, Takasbank assumed the convenorship of Affiliate Members Task Force (TF) which started studying issues that will create added value to FEAS markets.

Contribution of FEAS to the securities industry in the region and to its members consists of the harmonization of rules and regulations among the members' markets as well as the exchange of know-how and information relating to the securities organizations. I am pleased to say that, affiliate members, as active and respected participants of the International Securities Industry, are always excited and ready to exchange views and ideas on securities services with their peers at FEAS and to share the experience and knowledge that have been accumulated in their markets and in the international markets.

With the cooperation of the Affiliate Task Force Members and the FEAS Secretariat prepared three leaflets named "Global Recommendations and Standards on Clearing and Settlement Issues", "International Corporate Governance Principals for Clearing and Settlement Institutions & CSDs Recommendations and Best Practices" and "Business Continuity and Disaster Recovery Standards and Best Practices for post-trade institutions" and distributed them to all TF members in the TF meetings.

Looking at the history of FEAS, it is clear that FEAS and its membership have made a significant contribution to the efforts of harmonization of the securities transactions in the FEAS region. Implementation of the internationally accepted standards and recommendations in order to reduce the causes of fragmentation and inefficiencies based in market practice/regulatory requirements, tax procedures and issues of legal certainty as well as central counter party practice and evaluation of the principles of "European Code of Conduct" were some of the topics that were studied in TF meetings. Within the context of studying on the adoption of international standards already used in the securities markets worldwide to the FEAS region and developing compliance with European markets, FEAS Affiliate Task Force maintains its studies on the latest developments in the post-trade service industry.

As per date, the Affiliate Members Task Force realized remarkable contributions for improving the post trade services in FEAS region, but in a world getting closer to global integration in financial areas, industry's needs are both increasing and also changing day by day. So, continuous efforts and contributions should be more actively maintained in order to assist in the mission of the FEAS for future development and promotion of the individual securities markets.

Having enjoyed the honor of being a member of the FEAS family, we shall endeavor to take this excellent relationship further ahead. Takasbank sincerely wishes to continue the good and fruitful relationship it has enjoyed with FEAS in the future.

I reiterate my sincere greetings to FEAS for completion of 15 years of operation and wish every success for the coming years.



## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**E. Nevzat Oztangut**  
Chairman, The Association of Capital Market Intermediary Institutions of Turkey

I would like to extend my sincere congratulations for the 15th anniversary of FEAS, for successfully bringing together exchanges, post trade institutions and brokers' associations of the Euro-Asian region.

Since its inception in 1995, the Federation of Euro-Asian Stock Exchanges has played a key role in the development of the region's capital markets through its various training programs, which we are proud to have supported. These training programs provided us with a deep understanding of each other's markets and further strengthened the partnership between neighbouring markets.

I am confident that FEAS will continue to provide the high level of commitment it has already demonstrated to develop the capital markets of its members.



**Panteley Karassimeonov,**  
Director "International Affairs & Communications"  
Bulgarian Stock Exchange

"I had my first contacts with FEAS in 1997, when I took up the job of International Affairs Director at the Bulgarian Stock Exchange. This was the beginning of a long and lasting relationship between me and a whole lot of people from the Secretariat and the member exchanges. Looking back now I must say that our exchange gained a lot from its membership in FEAS, especially at a time when our capital market was pretty young and inexperienced.

But apart from the serious work that we accomplished in the organization, there were always very pleasant and memorable moments at our gatherings. Every year a different exchange was hosting the FEAS annual assembly meetings and that gave us the opportunity not only to get to know each other better, but to also get acquainted with new countries and their traditions. I will always remember the wonderful moments I experienced in Turkey, Macedonia, Jordan, Ukraine, Croatia, Romania, Georgia, Serbia, Egypt... I am truly sorry that I missed for one reason or another some of the meetings held in distant capitals in Asia and the Middle East.

What is very valuable to me is that throughout all these past years I made so many friends from different countries, whom I am sure I can always rely on for some good advice or information. This is what makes FEAS such a unique, cross-cultural organization. I use the opportunity to thank all the staff at the Secretariat for their efforts to coordinate the interests of so many member exchanges and to assist us on many different occasions."



**Osman Birsen**  
The President of the Federation of Euro-Asian Stock Exchanges  
(1997-2007)

Since the beginning of the 1980's, liberalization, globalization and the widespread use of advanced telecommunication technology have allowed the world to change at much faster pace as compared to the previous century. The increased access to facilities created by the internet has in effect caused the world to shrink; this as a result has brought about a broader playing field and tougher competition in all areas. Inevitably through these changes stock exchanges have had to transform and grow their business models and operating practices. In order to cope with this new environment, some exchanges have chosen to merge and some others have looked for geographical integration and cooperation as a means for survival. The Istanbul Stock Exchange has carried out its international relations in line with the world trends and worked to enhance cooperation among the emerging exchanges in the Euro-Asian area as a founder and strong supporter of the Federation of Euro-Asian Stock Exchanges.

During my chairmanship in both the Istanbul Stock Exchange and the Federation of Euro-Asian Stock Exchanges I have placed the upmost importance on international cooperation. During my 10 year tenure we have tried to develop the Federation by increasing the number of its members and more importantly, by fostering relations among the member exchanges and their managers to create a real family atmosphere which in turn, encourages collaboration amongst the Federation's members. I am very proud to see that the members of FEAS still share the same views and the excitement to bear the responsibility in improving the Federation along the same principles today.

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008

*MOVING AHEAD WITH TIME ...*



سوق مسقط للأوراق المالية  
Muscat Securities Market

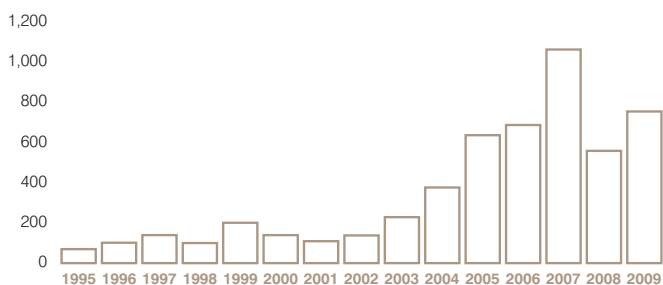
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## FEDERATION OF EURO-ASIAN STOCK EXCHANGES

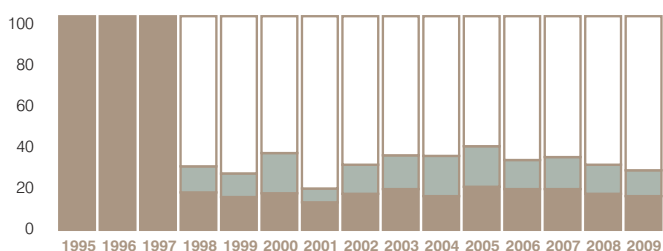
## 15-YEAR HIGHLIGHTS

## STATISTICAL COMPARISON 1995-2009

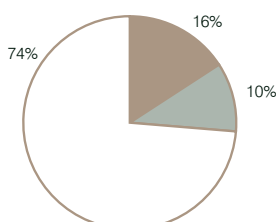
Category	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
# Companies Traded	4,075	5,074	6,210	8,849	10,318	9,794	7,300	7,319	7,653	8,003	8,348	8,232	9,498	11,298	10,261
Market Capitalization (US\$ Millions)	69,779	101,804	139,714	100,183	201,341	139,593	109,411	138,160	229,310	377,280	638,041	688,867	1,065,337	559,951	756,337
Total Volume (US\$ Millions-Stocks)	65,876	52,518	80,869	92,706	126,595	240,426	103,877	117,698	209,328	273,616	467,903	505,149	615,733	562,160	480,548
Total Volume (# Shares Millions-Stocks)	311	402	939	2,273	5,874	11,141	23,974	34,012	59,229	69,760	309,084	225,759	444,847	452,446	643,071
Average Daily Volume (US\$ Millions-Stocks)	269	215	325	376	531	977	422	470	850	1,102	1,846	2,048	2,478	2,269	1,922
Average Daily Volume (# Shares Millions-Stocks)	1,242	1,631	3,730	9,170	24,884	45,289	96,674	134,974	240,773	280,408	1,587	925	2,390	2,307	3,196
Total Volume (US\$ Millions-Bonds)	Historical Data not Available			68,449	83,918	263,005	47,147	90,141	170,925	314,833	429,311	377,387	478,518	453,592	330,879
Total Volume (# Millions-Bonds)				1	1	61	4,627	9,785	45,351	101,094	116,592	176,631	314,275	222,225	131,256
Average Daily Volume (US\$ Millions-Bonds)				277	343	1,048	193	358	684	1,258	1,696	1,511	1,911	1,820	1,319
Average Daily Volume (# Millions-Bonds)				0	0	0	19	39	181	401	466	712	1,258	893	527
Total Volume (US\$ Millions-Other)				373,077	589,582	886,957	630,320	486,363	711,623	1,101,717	1,403,074	1,818,102	2,102,672	2,284,445	2,075,692
Total Volume (# Millions-Other)				0	1	230	202	1,000	1,895	1,982	1,835	1,991	4,131	4,143	8,454
Average Daily Volume (US\$ Millions-Other)				1,492	2,377	3,534	2,511	1,929	2,846	4,372	5,526	7,249	8,354	9,146	8,247
Average Daily Volume (# Millions-Other)				0	0	1	1	4	8	8	7	8	17	17	34

1995-2009 MARKET CAPITALIZATION  
(US\$ millions)1995-2009 TRADED COMPANIES  
(US\$ millions)1995-2009 VOLUME BY TYPE  
(US\$ millions)

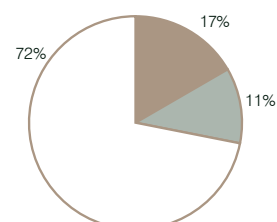
Stocks Bonds Other

1999 TOTAL VOLUME  
(US\$ millions)

Stocks Bonds Other

2009 TOTAL VOLUME  
(US\$ millions)

Stocks Bonds Other

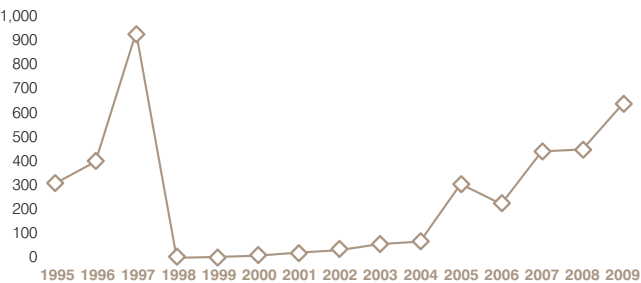


FEDERATION OF EURO-ASIAN STOCK EXCHANGES

TOTAL VALUE OF SHARE TRADING  
(US\$ millions)



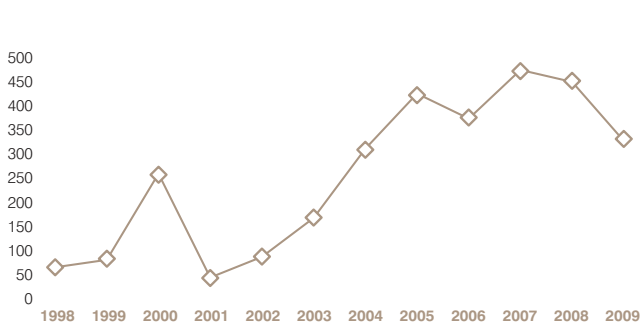
TOTAL NUMBER OF TRADES IN EQUITY SHARES  
(millions)



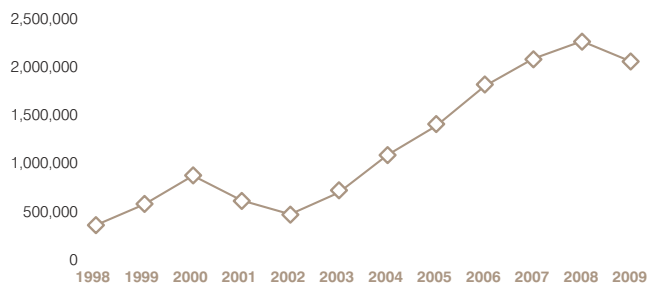
NUMBER OF TRADES VS. AVG DAILY TRADING VALUE  
(US\$ millions)



TOTAL VALUE OF BOND TRADING  
(US\$ millions)



TOTAL VALUE OTHER TRADING  
(US\$ millions)





## FEDERATION OF EURO-ASIAN STOCK EXCHANGES

### ORGANIZATION

The Federation of Euro-Asian Stock Exchanges (FEAS) was established with its Head Quarters in Istanbul on 16 May 1995, with 12 founding members and has grown to 33 members and 12 affiliate members in 29 countries as a not-for-profit organization. Membership in the Federation is open to Exchanges in Europe and Asia and Affiliate Membership is open to the Post Trade Institutions and Dealer Associations of Member Exchanges.

The Governing Body of FEAS is the General Assembly, comprised of all 33 members plus 12 affiliate members, which meets once annually in a member country to discuss major issues concerning the operations of FEAS and in order to decide upon changes in the Charter and by laws, its annual budget and to approve its activity and Financial Reports as well as the Independent Auditors' Report. The Executive Committee, made up of 13 members, is responsible for the development of Federation policies, making major administrative decisions, as mandated by the General Assembly, approving the content and scope of tasks assigned to the Working Committee, and making recommendations to the General Assembly.

The administration of the Federation is entrusted to the Secretary General, who is appointed by the General Assembly and whose office is situated at the Headquarters of the Federation. Secretary General is directly under the authority of the President.

### PHILOSOPHY

#### MISSION STATEMENT

The mission of FEAS is to help create fair, efficient and transparent market environments among FEAS members and their operating regions.

FEAS aims to minimize barriers to trade through the adoption of best practices for listing trading and settlement and by promoting linkages among members for cross-border trading.

In accordance with the Mission Statement, 5-year Strategic Objectives are set up to systematically approach compliance with the long term mission of the Federation. These objectives are:

**Objective I:** Promote good "corporate governance" for exchanges, brokerage companies and listed companies. Facilitate timely disclosure of material events to achieve transparency through effective dissemination of information.

**Objective II:** Encourage convergence among FEAS Members in their: listing requirements, trading rules technical infrastructure and settlement cycle.

**Objective III:** Promote mechanisms for reliable, transparent and uninterrupted securities trading and settlement.

**Objective IV:** Create greater recognition and visibility for the region's securities and investment opportunities both locally and internationally.

**Objective V:** Encourage the listing of "investment grade" securities in the respective Home markets of the Region.

**Objective VI:** Encourage foreign investor participation in Member Markets.

**Objective VII:** Promote linkages among the Region's: intermediaries, data vendors, settlement and custody institutions, exchanges; and also encourage cooperation among Region's Regulators.

**Objective VIII:** Promote and encourage research activities and training for FEAS Members and their personnel.

**Objective IX:** Assist Members of FEAS to increase financial literacy through public awareness.

### DEVELOPMENT AND MARKETING OF THE REGION

This section highlights the activities of the Task Forces during 2009 while providing a summary of continuing programs.

#### BILATERAL INITIATIVES PROGRAM

The Federation supports a fully funded Bilateral visits Program to facilitate, on a bilateral basis, the reciprocal visits of personnel of FEAS members with each other for the purpose of exchange of, information and experience on specific topics of interest to both parties. Almost all Federation members have now participated in this program, which is to continue during 2010. During 2009, 15 bilateral visits were approved and have been completed.

#### WORKING COMMITTEE

During the Working Committee Meeting that was held in Minsk, Belarus on June 5-6, 2009 reports were given by the task forces including Media, Regional Indices, Market Principles and Corporate Governance, Affiliate Members, FEAS Data Center. Updates were also provided by the Secretariat on the status of the FEAS Publications Report, Revenue and Expense Analysis, Bilateral visits, Draft Financial Report and the 2009 Calendar of Events. Second Working Committee meeting was held in November in Montenegro, prior to the General Assembly. Reports were given by the task forces including Media, Regional Indices, Market Principles and Corporate Governance, Affiliate Members, FEAS Data Center. Updates were also provided by the Secretariat on the status of the FEAS Publications Report, Revenue and Expense Analysis, Bilateral visits, Draft Financial Report and the 2010 Calendar of Events.

#### Task Forces

This section highlights the activities of the Task Forces during 2009 while providing a summary of continuing programs

### CONTACT INFORMATION

As seen in the photo (from left to right)

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Website [www.feas.org](http://www.feas.org)



## FEDERATION OF EURO-ASIAN STOCK EXCHANGES

In 2005, decision was taken to combine the two working committees into one and to form, 8 Task Forces to carry out the mandates given by the Executive Committee. Since then, some Task Forces have completed the tasks assigned to them and some new task forces were formed, the existing Task Forces are listed below:

### **Task Force 0404 – Media (Led by Muscat Securities Market)**

Following the Media Relations Task Force meeting held on prior to the General Assembly in Budva, Montenegro on September 24, the TF participants agreed on the following issues;

1. Journalists from the member countries will be invited to be present at the FEAS meetings to cover the events in local media. The aim is to increase awareness for the Federation and the hosting exchange. In line with that, a Marketing Exhibition will be organized, with a co-host during the General Assembly Meetings in Istanbul for the 15th Year Anniversary of FEAS.
2. A workshop for Media Relations took place in January 2010, in Istanbul.
3. Muscat Securities Market Forum was held in Muscat in November 2009
4. A FEAS movie was produced by the FEAS Secretariat based on the EC decision for the production company.
5. The Task Force will continue with its work in accordance with the 2010 Activity Plan as approved at the General Assembly Meeting in Montenegro.
6. Muscat Securities Market Projects on encouraging the more advanced members of FEAS to partner with less developed exchanges within FEAS to help foster their growth through the experience and resources of the more advanced exchanges.

### **Task Force 0406 – Regional Indices (Led by Tehran Stock Exchange)**

As part of the Marketing plan for the FEAS Region, and following approval by General Assembly, The FEAS Dow Jones Index Agreement was signed in October, 2007. Three indexes were launched in June of 2009; a composite, and two regional sub-indexes. The Dow Jones FEAS Indexes are designed to underlie index-linked investment products such as funds and structured products. Dow Jones FEAS Composite Index currently includes a number of component stocks of 11 of the 33 member exchanges of the Federation of Euro-Asian Stock Exchanges.

### **Task Force 0412 – Environmental and Social Corporate Governance (Led by Bucharest Stock Exchange)**

All members of FEAS, place a strong emphasis on good Corporate Governance. A task force was created to provide a vehicle for members to update the information contained in the Corporate Governance section of the Rule Book and to inform all member stock exchanges of international regulations and practices regarding corporate governance which are gaining importance for a better valuation of stocks. At the same time, the issue of good Corporate Governance for Stock Exchanges has become important as Stock

Exchanges are changing from Mutual Entities into For-profit Companies. The Bucharest Stock Exchange hosted a conference on Corporate Governance in June of 2005 and FEAS jointly hosted roundtable meetings with the OECD on February 15-16, 2006.

The Belgrade Stock Exchange, in partnership with the IFC, published a Corporate Governance Manual in 2007.

FEAS Secretariat has conducted a survey and a glossary and the draft was discussed during the Working Committee in Baku. Half of the members have filled out the survey and the report was discussed General Assembly.

Bucharest Stock Exchange has been appointed as the new leader of the Corporate Governance Task Force at the General Assembly in Abu Dhabi.

FEAS Secretariat held a workshop on Environmental and Corporate Governance on January 2010 for the members where members discussed ideas on CG processes with experts.

Also FEAS Secretariat co-organized a seminar with UNPRI in January 2010, where the host of the seminar Istanbul Stock Exchange became one of the signatories of UNPRI.

### **Task Force 0501 – Affiliate Members (Led by ISE Settlement and Custody Bank, Takasbank)**

The fourth meeting of the Affiliate Task Force was held on October 21, 22, 2009 in Antalya, Turkey.

### **Task Force 0502 – Technology (Led by Istanbul Stock Exchange)**

The database has been upgraded to allow more space to add additional FEAS members in addition to the capability to upload corporate actions of the participating exchanges. The FDC will be instrumental in the development of the FEAS Index and promotion of members' daily trading data. This year additional member exchanges will be implementing a feed into the FEAS Data Center from their respective exchanges.

### **Task Force 0504 – Research and Development (Led by the Istanbul Stock Exchange)**

This task force brings members together to work on joint research projects of general interest for FEAS members that will consolidate their experiences and knowledge. This Task Force has recently conducted a study and a presentation on a model of Linkages between FEAS Member Exchanges, at FEAS Working Committee prior to the General Assembly in Montenegro.

### **Training Center Project**

In accordance with the decision taken at the FEAS General Assembly, FEAS established a FEAS Training Center in Istanbul at the Istanbul Stock Exchange FEAS Headquarters facilities. It is designed to provide members with

educational opportunities and training programs for their personnel. The primary goal of the FEAS Training Center, with the FEAS Training Program, is to provide FEAS Members with a wide range of educational and training options with emphasis on Exchange management whereby the Exchange Personnel will have the opportunity to receive training in line with their interests and motives. Other target groups for training are Companies and Media and the Personnel of listed. In line with the Media Task force goal, the Media members and the personnel of the stock exchanges will benefit from Media Trainings in Muscat and in Istanbul.

In November 2007, MSM Stock Exchange held a gathering in Muscat where all topics on Media have been discussed and exhibited. In July 7-8, 2008 the FEAS Media Relations Workshop for FEAS members was held in Istanbul where they have discussed "How to interact with Media during times of crises". Several members and speakers from Turkish and Egyptian Media talked about the current global crisis and its effects. Also, a training program will be designed in 2009 where the first topic will be based on private equity and investment of venture capital.

On January 19-21, 2010, FEAS Media Relations Workshop and GEAS Environmental and Corporate Governance Workshop were held in Istanbul for FEAS members. Several members and experts discussed the different Media Tools and the new era of the Environmental Corporate Governance.

### **2009 Mandates:**

- a. Continuation of Task Force Activities
  - i. Media Task Force
    1. Training
    2. Exhibition
  - ii. FEAS Index
    1. Investable Index
  - iii. Environmental Social and Corporate Governance
    1. Training
  - iv. Affiliate Members
    1. Conference
    2. Business Continuity Study for CSD Affiliate Members
  - v. FDC Implementation (Technology)
    1. Further implementation of FDC
    2. Development of Corporate Actions website
  - vi. Research and Development
    1. Closer coordination with members on regional approach
  - vii. Rules and Regulation
    1. Revision of FEAS Rulebook
    2. Conference for CEOs of Exchanges and Regulators
  - viii. Blue Chip Listing
    1. Survey and Report
    2. Training on Listing of Blue Chips
- b. GEMS Training
- c. FEAS Publications
- d. Bilateral Program
- e. FEAS Movie
- f. New Products/Marketing Conference
- g. Sponsor's Conference

## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



## FEAS MEETINGS DURING 2009

**WORKING COMMITTEE MEETING 5-6 MAY 2009 – MINSK, BELARUS**

The first working committee meeting of 2009 was held in Minsk, Belarus on the 5-6th May, 2009 at the invitation of the Belarus Currency and Stock Exchange. The Working Committee focused on issues mandated by the General Assembly in 2008 and The Secretariat prepared a report for participants to discuss.

**15TH GENERAL ASSEMBLY MEETING – SEPTEMBER 29, 2009 – BUDVA, MONTENEGRO**

The 15th Annual General Assembly of FEAS was held in Budva, Montenegro on September 29, hosted by the Montenegro Stock Exchange. The Media Task Force Meeting and the Research Task Force Meetings were held prior to the 19th Executive Committee meeting and a Working Committee meeting were also held prior to the General Assembly.

Main topics that were discussed and decided upon at the 15th GA are;

1. The 2008 Audited Financial Statements approved
2. Auditors for 2009 Appointed and Auditor's Fee Approved
3. The 2010 Dues Schedule approved
4. The 2010 Budget approved
5. Charter Amendments approved
6. 2008 Activity Report approved
7. 2010 Activity Plan approved
8. Membership Applications approved
  - a. Association of Certified Capital Market Professionals (ACCOMP) Jordan (Affiliate)
  - b. Muscat Securities Market Brokers Association Oman (Affiliate)
  - c. The Association of Capital Market Institutions of Turkey (TSPAKB) – Turkey (Affiliate)
  - d. Securities and Exchange Brokers Association (SEBA) – Iran (Affiliate)
9. 5 Year Strategic Plan approved
10. Revised Mission Statement approved
11. 2010 Calendar approved
12. Working Committee Mandates approved (see above)

## PUBLICATIONS &amp; INFORMATION

**FEAS Library:**

The Library can be accessed through the Publications drop down menu on the main page at [www.feas.org](http://www.feas.org) or through this link <http://www.feas.org/Library.cfm>. The FEAS Library is open to experts and organizations with financial market related material. If you would like to make a submission to the FEAS Library, please send your electronic files and links to the FEAS secretariat at [secretariat@feas.org](mailto:secretariat@feas.org).

**FEAS Year Book (FEAS BOOK) & Quarterly Magazines (INTERFEAS):**

This publication of annual activities of the Federation and information on its members, began in 1997 and is available electronically on the website: <http://www.feas.org/Publications.cfm?Get=Yearbook&Top=Pubs>.

**FEAS Website:**

The FEAS website was re-launched in March 2010 and can be found at [www.feas.org](http://www.feas.org). The new site contains a new home page with the FEAS movie, dedicated pages to the FEAS Indexes a more concentrated emphasis on FEAS member data with profile pages (including statistics, holidays, market policies and practices and direct links to their sites), Excel downloads for all statistical data and cross member comparisons on policies, practices and statistical data, and a News Center with headlines from member markets.

**Newsletter:**

A monthly publication which includes general secretariat news, statistical stock, bond and other volume comparisons on monthly, year-to-date and prior period bases, in addition to market cap, currency, number of companies traded and index statistics. Quarterly supplemental publications include quarterly statistical analysis, press releases of FEAS members and headlines of FEAS activities. Archived copies of the newsletter can be found on our website

<http://www.feas.org/Publications.cfm?Get=Newsletter&Top=Pubs>.

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[www.tspakb.org.tr](http://www.tspakb.org.tr)



## FEDERATION OF EURO-ASIAN STOCK EXCHANGES



**Aril Seren**  
Secretary General of FEAS

**As of December 2009, the number of traded companies in FEAS member markets reached a regional total of 10,261, and market capitalization reached US\$ 756,336.7 million showing an increase of US\$ 196,385.7 million or 35.1% over 2008.**

**2009 MARKET ACTIVITY IN THE REGION**

The FEAS Region contains 33 member exchanges and 12 affiliate members (represented by clearing and settlement institutions) in 29 countries.

As of December 2009, the number of traded companies in FEAS member markets reached a regional total of 10,261, and market capitalization reached US\$ 756,336.7 million showing an increase of US\$ 196,385.7 million or 35.1% over 2008. The FEAS region over the last 5 years has grown consistently with a break in that pattern in 2008 due to the global crisis. We can see that the effects of the crises were more strongly felt in 2009 as compared to 2008. Despite this fact we can see growth in volumes in share trading and the Other category.

\*The 5-year statistical comparison shows that markets are providing stronger listings with greater transparency, and that market forces continue to push toward issuer quality versus material privatization quantity. The trading volumes in the stock segment continued to grow over the last 5 years with a 42.1% increase in 2009 in terms of number of shares traded. The Bonds segment displayed by year-end 2009 relative weakness in both dollar and absolute volume terms among the three trading segments (Stocks, Bonds, Other) showing a -27.1% decrease in the dollar trading volume and a -40.9% decrease in volume in numerical terms as compared to 2008. Turnover in the Other segment is also reflecting the current economic woes that are being experienced around the world but to a lesser degree with an

9.1% decrease from the same period last year. The regional figures show a shift in trading from Stocks to Bonds and Other, the "Other" trading segment continues to be ranked first as the most popular trading segment within the region. Other volume is made up by such instruments as t-bills, currency, repo/reverse repo and derivatives.

In addition, the development in the FEAS markets can be seen through results in the adjusted annualized return on member indices.

\* For individual member statistics, please go to the Member Profile sections in the following pages

**2010 CALENDAR OF MEETINGS****FEAS 3rd Media Relations Workshop**

Date: 19-20 January 2010  
Host: FEAS  
Place: FEAS TC, Istanbul

**FEAS Corporate Governance Workshop**

Date: 21 January 2010  
Host: FEAS  
Place: FEAS TC, Istanbul

**FEAS UNPRI Conference**

Date: 22 January 2010  
Host: Istanbul Stock Exchange  
Place: Istanbul Stock Exchange

**11th Annual Conference of the Macedonian Stock Exchange**

Date: 29 April-1 May 2010  
Host: Macedonian Stock Exchange  
Place: Ohrid, Macedonia

**Int'l Conference on Global Regulations**

Date: 11 May 2010  
Host: TSPAKB  
Place: Istanbul, Turkey

**FEAS Working Committee Meeting, 20th Executive Committee Meeting and Seminar**

Date: 19-20 May 2010  
Host: Amman Stock Exchange  
Place: Amman, Jordan

**FEAS Training Data Management Strategy**

Date: 21 May 2010  
Host: FEAS/Amman Stock Exchange  
Place: Amman, Jordan

**Banja Luka Annual Conference**

Date: May 2010  
Host: Banja Luka SE  
Place: Banja Luka, Bosnia

**SASE 5th Annual Conference**

Date: October 2010  
Host: Sarajevo SE  
Place: Sarajevo, Bosnia

**Zagreb 20th Annual Conference**

Date: October 2010  
Host: Zagreb SE  
Place: Novigrad, Croatia

**FEAS Working Committee Meeting**

Date: 7 December 2010  
Host: Zagreb SE  
Place: Istanbul, Turkey

**FEAS 21th Executive Committee Meeting**

Date: 8 December 2010  
Host: Istanbul Stock Exchange  
Place: Istanbul, Turkey

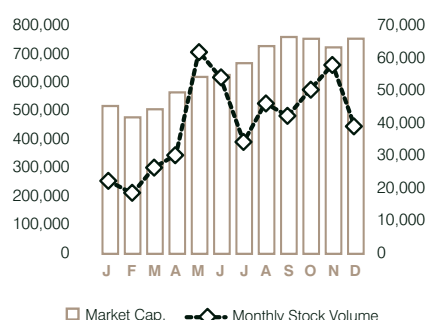
**FEAS 16th Annual General Assembly**

Date: 8 December 2010  
Host: Istanbul Stock Exchange  
Place: Istanbul, Turkey

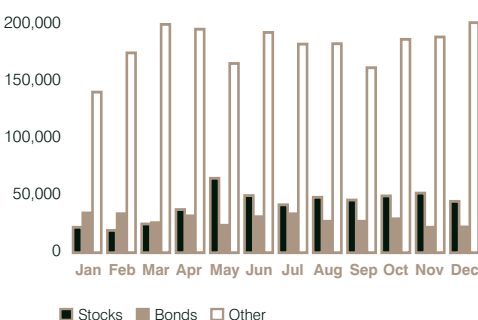
**Int'l Conference hosted by ISE in conjunction with FEAS Exhibit and 15th Anniversary Celebrations**

Date: 9-10 December 2010  
Place: Istanbul, Turkey

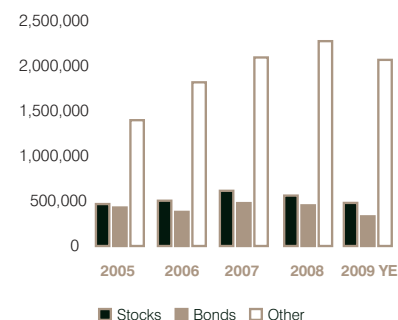
**FEAS REGION  
2009-MARKET CAPITALIZATION  
VS STOCK VOLUME**  
(US\$ millions)



**FEAS REGION  
2009-MONTHLY VOLUME**  
(US\$ millions)



**FEAS REGION  
5-YEAR VOLUME COMPARISON**  
(US\$ millions)





## FEDERATION OF EURO-ASIAN STOCK EXCHANGES

## CONSOLIDATED FEAS MEMBERS 2009 STATISTICS

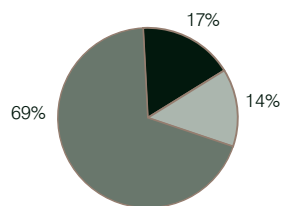
	STOCKS				BONDS				OTHER				Market Capitalization (US\$ millions)
	Total Volume (US\$ millions)	Average Daily Volume (US\$ millions)	Total Volume (# millions)	Average Daily Volume (# millions)	Total Volume (US\$ millions)	Average Daily Volume (US\$ millions)	Total Volume (# millions)	Average Daily Volume (# millions)	Total Volume (US\$ millions)	Average Daily Volume (US\$ millions)	Total Volume (# millions)	Average Daily Volume (# millions)	
Jan-09	21,248.62	1,037.80	33,280.94	2,088.20	33,190.45	1,636.27	12,343.95	649.68	134,222.04	6,449.01	475.79	25.03	519,742.26
Feb-09	18,659.72	21,624.41	43,681.54	3,139.85	32,550.46	1,627.75	13,702.21	685.14	167,009.76	8,350.49	597.00	29.85	479,844.36
Mar-09	24,004.94	1,104.30	50,048.56	2,923.78	25,113.92	1,236.69	8,888.10	442.68	190,809.47	8,747.20	703.14	32.00	508,279.35
Apr-09	36,058.80	1,720.50	74,359.20	5,272.82	30,815.37	1,483.88	8,104.17	368.62	186,805.60	8,879.06	911.29	45.59	567,605.88
May-09	62,219.83	3,128.77	50,295.22	2,892.28	22,935.53	1,207.69	1,277.12	67.07	158,172.75	8,321.75	1,104.26	52.87	621,982.46
Jun-09	47,733.10	2,181.04	44,547.23	2,200.57	30,097.64	1,368.95	26,140.99	1,189.98	184,099.73	8,369.36	850.93	38.68	628,819.36
Jul-09	40,050.37	7,594.53	70,903.46	4,282.27	32,493.85	1,425.07	15,622.67	710.05	174,346.39	7,607.57	554.61	27.49	670,289.58
Aug-09	46,327.48	2,192.52	47,657.92	2,543.83	26,285.44	1,406.74	6,437.02	321.72	174,684.31	8,345.74	450.27	20.49	730,302.47
Sep-09	44,024.18	2,246.59	51,654.22	3,283.84	26,259.99	1,303.64	7,406.97	336.76	154,613.69	7,686.26	449.75	23.66	762,308.75
Oct-09	47,464.75	2,266.39	52,535.96	2,970.38	28,355.21	1,380.64	12,978.93	591.37	178,333.45	8,474.14	471.05	23.55	756,063.07
Nov-09	49,831.49	2,553.85	80,773.61	4,031.85	21,265.36	1,112.28	7,103.11	354.33	180,300.27	9,421.92	1,090.82	54.40	725,837.93
Dec-09	42,924.80	3,355.79	43,332.74	2,408.41	21,516.17	948.52	11,250.79	535.27	192,295.00	8,411.63	795.43	34.74	756,336.65
Total	480,548.07	4,250.54	643,070.60	3,169.84	330,879.40	1,344.84	131,256.03	521.06	2,075,692.47	8,255.34	8,454.36	34.03	

## STATISTICAL COMPARISON 2004 THRU YE 2009 / FEAS REGION

	STATISTICS					2009 YE % CHANGE OVER			
	2005	2006	2007	2008	2009 YE	2008	2007	2006	2005
# Companies Traded	8,348	9,057	9,498	11,298	10,261	-9.2%	8.0%	13.3%	22.9%
Market Capitalization (US\$ Millions)	638,040.9	690,454.7	1,065,337.3	559,951.0	756,336.7	35.1%	-29.0%	9.5%	18.5%
Total Volume (US\$ Millions-Stocks)	467,902.8	505,163.7	615,732.9	562,159.6	480,548.1	-14.5%	-22.0%	-4.9%	2.7%
Total Volume (# Shares Millions-Stocks)	309,083.6	225,759.2	444,847.4	452,445.8	643,070.6	42.1%	44.6%	184.8%	108.1%
Average Daily Volume (US\$ Millions-Stocks)	1,846.2	2,047.4	2,478.0	2,269.1	1,921.8	-15.3%	-22.4%	-6.1%	4.1%
Average Daily Volume (# Shares Millions-Stocks)	1,586.8	915.7	2,389.5	2,306.7	3,196.3	38.6%	33.8%	249.0%	101.4%
Total Volume (US\$ Millions-Bonds)	429,310.8	380,662.4	478,517.5	453,592.0	330,879.4	-27.1%	-30.9%	-13.1%	-22.9%
Total Volume (# Shares Millions-Bonds)	116,592.2	176,705.0	314,274.6	222,225.0	131,256.0	-40.9%	-58.2%	-25.7%	12.6%
Average Daily Volume (US\$ Millions-Bonds)	1,695.8	1,523.5	1,911.5	1,819.7	1,319.1	-27.5%	-31.0%	-13.4%	-22.2%
Average Daily Volume (# Millions-Bonds)	466.2	711.9	1,257.7	892.6	527.3	-40.9%	-58.1%	-25.9%	13.1%
Total Volume (US\$ Millions-Other)	1,403,074.3	1,825,351.1	2,102,671.9	2,284,445.1	2,075,692.5	-9.1%	-1.3%	13.7%	47.9%
Total Volume (# Millions-Other)	1,835.0	1,919.9	4,131.1	4,142.5	8,454.4	104.1%	104.6%	340.3%	360.7%
Average Daily Volume (US\$ Millions-Other)	5,525.9	7,277.6	8,354.1	9,146.2	8,247.4	-9.8%	-1.3%	13.3%	49.2%
Average Daily Volume (# Millions-Other)	7.44	8.12	17.04	17.23	34.09	97.9%	100.1%	319.8%	358.5%

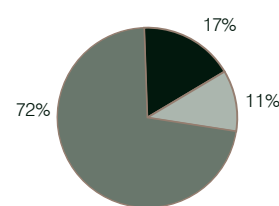
## 2008-FEAS REGION VOLUME BY TYPE

Stocks
  Bonds
  Other



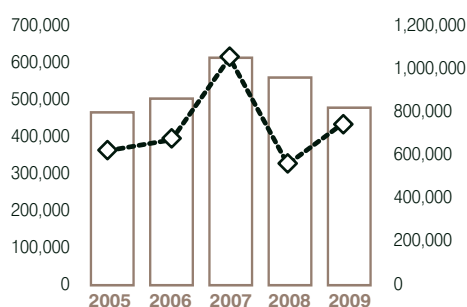
## 2009-FEAS REGION VOLUME BY TYPE

Stocks
  Bonds
  Other

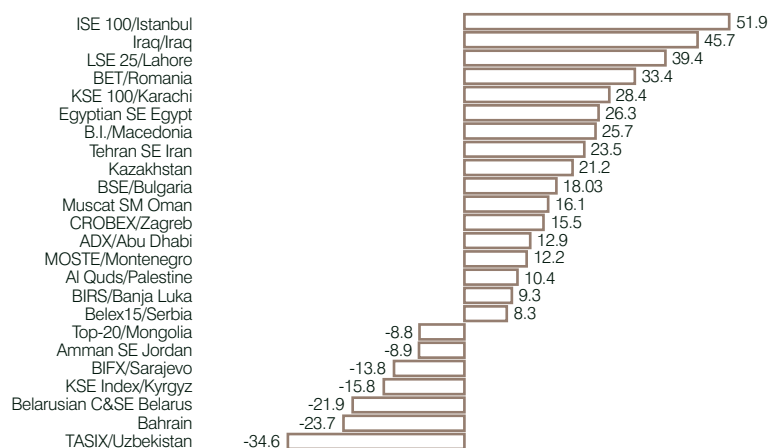


## NUMBER OF COMPANIES TRADED VS MARKET CAPITALIZATION (US\$ millions)

Market Cap
 
◆
 Companies Traded



## 2009-ANNUALIZED RETURN ON INDEX



Indices are adjusted for currency fluctuations.  
 (Formula:  $1 + (\text{return}) = ((1 + \% \text{chg. index}) / (1 + \% \text{chg. currency}))$ )

# NEW HORIZONS



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## NASDAQ OMX

**Stellan Råberg**

Head of Advisory Services, NASDAQ OMX

**In the future, the need for transparency, liquidity and efficiency in the world's power markets can be met by open, electronic marketplaces for trading and clearing.**

In the future, the need for transparency, liquidity and efficiency in the world's power markets can be met by open, electronic marketplaces for trading and clearing.

There are many benefits to establishing an open power market. The main ones include increasing overall market efficiency by creating clear price signals, and promoting investment in additional production capacity by creating a market to attract domestic and international capital.

Open power markets already exist in some geographies, most notably in the Nordic countries of Finland, Sweden, Denmark and Norway where Nord Pool ASA, recently acquired by NASDAQ OMX, has been operating since the early 1990s.

The Nordic financial power exchange is now a part of NASDAQ OMX Commodities, which offers global commodities trading and clearing services. The NASDAQ OMX Nordic power market now counts more than 385 members in 22 countries, and its operations serve a wide range of energy producers, consumers and financial institutions. NASDAQ OMX Commodities also offers trading in Dutch and German power derivatives and has been part of starting a new physical power market, N2EX, in the United Kingdom.

### The Nordic experience

The underlying Nordic physical market, operated by Nord Pool Spot, accounts for over 60 percent of the total value of the Nordic region's power consumption. A key benefit of the Nordic power market is that it enables each country to assist each other when additional electricity supplies are required. If one country is unable to satisfy demand from its own output, it can import the necessary power from a neighbor.

The common Nordic market primarily involves electricity generation from such resources as water, nuclear energy and coal. Since the generating modes differ and are distributed differently in the various countries, the need for additional power will vary from country to country and at different times.

Well functioning power markets, such as the Nordic, generally tend to ensure that electricity gets generated wherever the cost of generation is lowest at any time of the day. Increases in demand are balanced against more expensive modes of generation. In socio-economic terms, this provides a clear indication of the cost society would have to bear to incorporate new output in the system. Where commercial considerations are concerned, generators will receive a good indication of where the break-even point lies

for developing new generating capacity. The Nordic's physical market also helps to ensure that power supply and demand are balanced right up to one hour before the time of consumption.

Risks associated with changes in physical market prices can normally be managed through a financial market for energy related derivatives products. A buyer or seller of power may be able to reduce the risk of future price changes by selling or buying the cost of future electricity to or from other players with the ability and willingness to accept these price risks. Players may thereby have the opportunity to change their risk exposure and to hedge the price of future output or consumption.

With the acquisition of Nord Pool ASA, NASDAQ OMX Commodities is now the largest and most liquid energy exchange in Europe. NASDAQ OMX Commodities also includes a clearing house for all products traded at the energy exchange, making it the world leader in cleared power volumes.



## The U.K. experience

The U.K. power market is almost as large as the Nordic countries combined, yet has suffered from a lack of transparency and liquidity. Volumes have failed to increase in spite of the general surge in other commodities trading, and new entrants have tended to avoid the market.

Britain's Futures and Options Association (FOA) chose the combination of Nord Pool Spot and NASDAQ OMX Commodities to establish the new U.K. power market, N2EX, based on the companies' vast experience from Nordic physical and financial electricity trading and the proven systems expertise of NASDAQ OMX in international power derivatives and clearing services.

## FEAS region

Other markets are learning from the Nordic experience. NASDAQ OMX Advisory Services has incorporated the former Nord Pool Consulting group, which provides strategic and management consulting services within the power business worldwide. The group has been involved in projects in more than 65 countries and has conducted more than 20 major studies since 2002 including projects in FEAS member nations Albania, Bosnia and Herzegovina, Bulgaria, Croatia, India, Kazakhstan, Romania, Serbia, Turkey and the Former Yugoslavian Republic of Macedonia and Montenegro.

NASDAQ OMX also offers a wide range of system solutions for global energy markets. The core commodities market system, CONDICO, combines full functionality with a low total cost of ownership and is the perfect solution for marketplaces that want to keep technology investments in line with growth. There are also other system solutions available to handle more high intensity markets with special needs. Besides the Nordic and U.K. energy markets, NASDAQ OMX technology today powers energy markets in India, Poland, Romania and Southern Africa.

Building on the success in the Nordic region, NASDAQ OMX Advisory Services offers a wide range of services to the power industry. As an example, we recently completed studies on developing regional wholesale electricity markets in both South East (SEE) and Central East (CEE) Europe. We recently participated in a stakeholder workshop in the CEE region to provide high level design and business recommendations, and we will work with several of the countries as they take the initiatives to the next level.

In the SEE study, the proposed first step is for Bulgaria, Romania and Serbia to establish national power exchanges and a regional day-ahead auction market linking the countries' electricity prices with implicit auctions. Other SEE countries will join as they are ready.

While each region is unique, there are similarities. Member countries within each region want to meet European Union requirements to maintain a market-based method for buying and selling electricity. Each needs price transparency in order to attract investors. And, while the individual countries want to maintain a national power infrastructure, their markets are generally not large enough to generate needed competition.

In addition to creating competition, regional cooperation reduces the risk of fragmentation, creates diversity of power supply, potentially lowers costs, increases security of supply, and promotes more efficient utilization of generation capacity. By interconnecting a larger system, pricing stabilizes, reducing the risks for investors. So, in the long run, regional cooperation should also attract new investors to the region.

All Advisory Services power industry clients are directly or indirectly involved in restructuring power markets and may include authorities, system operators, marketplace operators, marketplace participants, R&D institutes, banks, investors and system vendors. All recognize the need for transparency, liquidity and efficiency in the world's power markets and the need for open, electronic marketplaces for trading and clearing.

## Advisory Services for the power industry

NASDAQ OMX Advisory Services provides strategic and operational guidance to exchange industry clients around the globe.

NASDAQ OMX Advisory Services partners with its clients and often gets involved in the very early stages of market development. Core offerings to the power industry include:

- **Feasibility studies:** Experts assess critical issues prior to development of a competitive power market or within an already existing market.
- **Infrastructure and market design:** Help design and develop an entire power market including roles, responsibilities and interfaces, ending with a complete framework for the market including regulations.
- **IT implementation:** Ensure the successful specification, selection and implementation of required IT software and systems.
- **Training:** Update and advance clients' in-house competence in power market concepts and improve market participants' skills via interactive training.
- **Market simulation:** Computer-based price formation analysis and evaluations of price level and power flow in a competitive physical delivery market using the SAPRI market simulator.

For additional information, please go to [nasdaqomx.com/commodities](http://nasdaqomx.com/commodities).

## CONTACT INFORMATION

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FEAS Members:

Bloomberg is delighted to mark the 15<sup>th</sup> Anniversary of FEAS with contribution to this year's FEAS Book. Following the turmoil of the global markets in recent years, investors continue to look to emerging markets to generate return and Bloomberg provides the most comprehensive analysis of trading performance, company fundamentals and other valuable financial data for 22 of the FEAS markets.

Offering live trading data for each of the electronically traded FEAS markets, Bloomberg will continue to expand content and hopes to work with FEAS Exchanges so that each of the 33 markets is equally represented in terms of data dissemination to an international audience.

In addition to live and end-of-day traded prices, Bloomberg provides an entire suite of up-to-the-minute financial data on the individual markets: company fundamentals; corporate actions; analyst recommendations; shareholding data; bond prospectuses; management profiles. Thanks to the co operation of FEAS Stock Exchanges and other financial entities, the 22 markets are represented on the Bloomberg terminal to the degree that the investor can compare each market's underlying financial data against any other more established market globally, in the most granular and standardized way possible.

Bloomberg would wish to extend the collaboration with FEAS exchanges in the year ahead. Opportunities exist to work together on seminars, financial product launches and to capitalize on Bloomberg's global media network of TV, Radio and magazine. As FEAS itself remarks, the 33 markets offer investment opportunities not yet fully discovered, and Bloomberg offers an ideal channel to increase international awareness and investor participation in these markets.

Yours sincerely  
Nick Ogbourne  
Bloomberg  
Exchange Business Management

## IS INVESTMENT



**İlhami Koc**  
General Manager

### IS Investment provides a wide array of financial services to local and foreign investors.

With a distinctive role in the development of the capital markets, IS Investment was established in 1996 as the investment banking arm of İsbank Group. IS Investment provides a wide array of financial services to local and foreign investors, including Corporate Finance, Investment Advisory, Asset Management, Brokerage and Research.

IS Investment has equity stakes in Camis Investment, IS Asset Management, IS Private Equity, IS Investment Trust, Turkish Derivatives Exchange and Maxis Securities Ltd, a full subsidiary of IS Investment in London.

With its largest individual and institutional customer base, IS Investment has eight branches in Ankara, Izmir, Istanbul (Akaretler, Kalamis, Levent, Maslak, Yenikoy, Yesilkoy) and two representative offices in Almaty-Kazakhstan and Istanbul-Suadiye. IS Investment announced its investors the decision to open a new branch in Bursa.

IS Investment has a strong and widespread distribution network through the agency of more than 1,000 İsbank branches.

IS Investment, representing approximately 40% of the sector with its US\$ 1.6 billion asset size, has reached US\$ 45.8 consolidated net income by the end of 2009. As the only public investment house (listed on the Istanbul Stock Exchange, ISE), IS Investment (ISMEN) is also the only investment house rated and was granted with a credit rating of 'AAA(tur)' with Stable Outlook by Fitch Ratings in December 2009.

IS Investment represents a large and commanding presence in the Turkish investment market, reflected in its transaction volumes, ranking first not only in the ISE Stock Market since 2003, but also in the Turkish Derivatives Exchange (TurkDEX), since the foundation of the market in 2005. IS Investment also leads the Securities L/B Market.

IS Investment also provides a wide range of corporate finance services including Public Offerings, Mergers & Acquisitions, Private Sector Advisory, Project Finance Advisory and Private Equity Advisory. The Company, which acted as the lead manager in 63 Public Offerings between 1988 and 2010, is the leader in the public offerings market in Turkey in terms of both deal size and number of transactions. Since 2000, IS Investment has completed 71 M&A transactions – a number rendering the Company as the leading investment bank as per the M&A league rankings.

Also known with its pioneer role and innovative reputation in the sector with new products and market tools; IS Investment has established the first hedge fund in Turkey, in November 2008. Besides, IS Investment is the first financial institution in Turkey applied for the establishment of warrants in September 2009.

#### Full Range of Investment Banking Services

Brokerage  
Investment Advisory  
Asset Management  
Corporate Finance: IPOs, M&As, Strategic Planning  
Research

#### Widest Client Base

Largest domestic network – more than 1000 İsbank branches are our agent  
4,300 high-net-worth individuals  
560 corporate clients  
420 foreign institutional clients

#### Largest assets under management

TRY 6.7 bn mainly through subsidiary Is Asset Management

#### Volume Leader

#1 in Stock Market  
#2 in Bonds Market\*  
#1 in Derivatives – TurkDEX  
#1 in Eurobond Transactions\*  
\*among brokerage houses

#### Shareholders Equity

TL 223.6 million

#### Only Listed Investment House in ISE

Went public in May 2007 with Mcap US\$ 250 million

#### Only Brokerage House with Credit Rating

National Long-Term AAA (Tur) / Stable Outlook by Fitch Ratings

#### FACTS AND FIGURES

<b>Date of Establishment</b>	December 18th, 1996
<b>Registered Capital</b>	TL 300 Million / US\$ 201 million
<b>Issued Capital</b>	TL 119.4 Million / US\$ 80 million
<b>Shareholders' Equity</b>	TL 334 Million / US\$ 224 million
<b>Assets (as of end of 2009)</b>	TL 2.5 Billion / US\$ 1.6 billion
<b>Free-Float</b>	27.87%
<b>Branches</b>	Akaretler, Ankara, Izmir, Kalamis, Maslak, Yenikoy, Yesilkoy

<b>Representative Office</b>	Levent, Suadiye (Istanbul), Almaty (Kazakhstan)
<b>Agents</b>	More than 1,000 İsbank branches

<b>Ownership Structure</b>	
İsbank	65.65%
Is Factoring	2.43%
Is Leasing	2.43%
Sisecam	1.45%
Camis Investment Holding	0.17%
Free Float	27.87%

<b>Subsidiaries*</b>	<b>IS Investment's Share</b>
Maxis Securities Limited	100.00%
Camis Investment	99.79%
IS Asset Management	70.00%
IS Investment Trust	29.12%
IS Private Equity	29.00%
TurkDEX	6.00%

\* Subsidiaries in which IS Investment has more than 5% shares. IS Investment has also shares in Growing Enterprise Market Automatic Quotation, Is REIT, ISE Settlement and Custody Bank Inc. and Yatirim Finansman Securities.

Since its establishment, IS Investment's international capital markets division continues to provide direct access to financial markets around the globe and professional assistance through which our clients have a better scope of investment products for achieving a diversified portfolio.

The latest liquidity crisis that crippled the economies around the World, once again highlighted the importance of diversification. While the World's biggest economies have been pushed deep into the arms of recession, the biggest and most prominent financial firms had disclosed holdings in problematic mortgage backed securities, which stunned the World markets as there is no safe ground among the companies that are a vital part of the economic system. However, the ongoing excessive measures that the major Central Banks took in order to lessen the severity of this worldwide crisis, created an unprecedented rally in the financial markets during 2009. With the help of its extensive global markets coverage by a team of professionals, IS Investment's client were fortunate enough to be positioned in the right place and the right time.

IS Investment has been investing heavily on improving our product mix in order to satisfy the needs and spread out the single country

risks of our customers. As the latest liquidity crisis put the international capital markets to the foreground of investor's attentions, IS Investment has already had an ever increasing activity in these markets. IS Investment has direct market access capabilities through the major equity exchanges around the world and also has execution facilities to emerging markets like in Middle East and CIS region. In equity markets, our activities are not only limited to secondary market trading as we also provide means for our customers to participate in primary issues all around the world and chance to invest in equity options rather than directly in cash markets. In fixed income markets, with a volume reaching almost US\$ 3 billion in 2009, IS Investment was rated as the top financial firm among the other Turkish financial institutions based on transactions booked outside the exchange. Not only, as IS Investment, we concentrate purely on Turkish Eurobonds, but also focus heavily on high grade credits as well as credits from emerging market economies like Kazakhstan, Brazil, Russia and interact with more than hundred counterparties around the World. Latest being the Bank Pozitif's 2014 maturity Eurobond issue, the syndication parts that we have taken on the Eurobond issues listed below demonstrate our commitment and willingness to be a more active player in these markets as a Turkish institution.

As the financial crisis have created roller-coaster rides in the World markets, adding to the ways of diversification, the opportunities that keep on knocking increased the needs for exchange-listed derivative instruments. In order to facilitate our clients' needs for these leveraged instruments, IS Investment launched Trade Master International in the beginning of 2008, which is giving execution capabilities to our investors for investing on their own in major equity markets and more importantly in futures markets like CBOT and CME.

Rating ourselves by far as the top Turkish institution in international capital markets, not only IS Investment will work on improving its abilities in organized exchanges around the World, but also will pursue to provide access to opportunities in emerging economies to its clients whom IS Investment made believe the importance of diversification with a little kick in it.

## In 2009

- ISE Stock Market leader, with US\$ 49.3 billion trading volume and 7.9% market share.
- TurkDEX Market leader with US\$ 56.9 billion trading volume and 13.2% market share.
- ISE Securities L/B Market Leader with US\$ 1.1 billion trading volume and 37.8% market share.
- #2 in ISE Bonds&Bills Market among brokerage houses with US\$ 11.1 billion transaction volume and 12.9 % market share.
- ISE Turkish Eurobonds Market leader among brokerage houses, with US\$ 0.5 billion trading volume and 0.9% market share.

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## CENTRAL REGISTRY AGENCY INC.



**Dr. Yakup Ergincan**  
CEO

## CRA is the Central Securities Depository of Turkey for dematerialised capital market instruments that are traded in Turkish capital markets.

Central Registry Agency Inc. (CRA) is the Central Securities Depository of Turkey for dematerialised capital market instruments - equities, mutual funds, exchange traded funds, corporate bonds, commercial papers and bank bonds- that are traded in Turkish capital markets.

CRA was established in accordance with the Turkish Capital Markets Law in 2001, and it became fully operational on November 28, 2005 -the date when all equity certificates traded at the Istanbul Stock Exchange became dematerialised. Between April 2005 and March 2006, all mutual fund certificates were dematerialised at the CRA platform. In August 2006, after approximately 5 years, first corporate bond in Turkish Capital Markets was issued through CRA.

All transactions regarding dematerialised capital market instruments, such as opening of investor accounts, transfer of securities for settlements, transfer of securities as collaterals, corporate actions, legal operations and reporting, are conducted by CRA participants via the central registry software, CDS, a proprietary software developed in-house.

CRA also acts as the securities agent for on-exchange settlements of equities traded at the ISE and real time settlements of equities for Securities Lending and Borrowing facility of Takasbank.

Issuers as participants of CRA, can benefit from all custody services for non-floating shares. CRA also offers a full range of corporate action facilities including rights issues, interest and dividend distributions, stock splits, conversions and mergers enabling issuers to deliver new securities and cash to investors.

Investor services are a key element of our business. As such, we provide account information and market statistics to investors via our WebInvestors portal, e-CAS, SMS, IVR and call center. We also provide shareholder services for general meetings.

CRA manages and represents the Investor Protection Fund, a crucial tool in constituting investor confidence in Turkey. Our tasks involve, conducting all the formalities on behalf of the Fund according to the applicable regulatory provisions and implementing liquidation formalities of intermediary institutions, which are subject to administrative liquidation per the Capital Markets Board of Turkey (CMB) resolution.

CRA continues to increase the variety of its products and services. Since the end of the dematerialisation process for physical equities and mutual funds CRA has been working to extend the range of assets held in its electronic book-keeping system. We are also working on joint projects with our partners which will bring about necessary improvements to the Turkish capital market infrastructure in order to conform to international sector standards in technology and custody services.

As a member institution, CRA has been actively participating in various working projects and information sharing networks within international industry associations such as the Association of European Central Securities Depositories (ECSDA) and the International Securities Services Association (ISSA). Our experts closely monitor the harmonisation efforts in the European post-trade sector and the ongoing post-crisis standard setting at global level.

Furthermore, as an affiliate member of the Federation of Euro-Asian Stock Exchanges (FEAS) our depository contributes to the development of capital markets in the region by bringing our expertise and technological know-how into various collaborations with regard to the regional post-trade industry.

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## FINANS ASSET MANAGEMENT



**C. Ozgur Guneri**  
Executive President

### Finans Asset Management offers investors to get exposure to Turkey through a wide variety of innovative products.

Turkish economy has proved to be one of the fastest recovering economies following a sharp deterioration in major economic indicators in 2009 driven by the worst global turmoil since the World War II. Solid financial institutions, economic and social reforms which took effect since the beginning of the decade, significant experience of the Turkish business community in crises management, relatively stronger public balance sheet have all played role to some extent in the economic upturn.

Turkish banking sector has remained profitable throughout the crisis. With its strong capital base, the banking industry in Turkey continued to provide jobs, support the vital functions of the economy and facilitate financial markets to continue to remain healthy. Turkey is expected to benefit more from healthy financial sector through a rapid recovery and create the infrastructure towards long-term sustainable growth of the economy.

Turkey is believed to be one of the key growth drivers of economy not only in its region but globally as well. Turkey's encouraging demographics, rapid urbanization, unsaturated consumer markets, favourable socio and economic indicators and increasing impact on regional politics well position Turkey to make a leap forward in terms of secular development. For this reason, local and foreign investors are increasingly trying to develop strategies to benefit from excellent prospects of Turkey

through direct and portfolio investments. Along with changes of expectations on a global scale, investors investing in Turkey look forward to new products that will enable them to benefit from bright prospects of the country.

Finans Asset Management continues to focus on offering the widest range of financial products and plans to offer new products for local and foreign investors. Exchange traded funds have been a major tool for investors to invest directly to the performance of Turkish equities or fixed income assets. Finans Asset Management currently offers six exchange traded funds which track the performance of Turkish equities and fixed income with different strategies.

Investors' needs and expectations have been changing rapidly following the unpleasant memories of the recent global crises. Investors now seek for financial products which offer flexibility, transparency, ease of transaction. Changing investor needs have already started shaping the future of financial products. Finans Asset Management, the issuer of many innovative financial products in Turkey and Emerging Europe for the first time, will continue to play a significant role to shape the future of financial products in Turkey.

Award winning exchange Traded Funds offered by Finans Asset Management continues to attract high foreign investor interest with many

advantages such as diversification, core holding, flexibility, continuous pricing, transparency, ease of transaction and ease of operations.

As a part of its strategy, Finans Asset Management issued the first exchange traded fund (ETF) based on Istanbul Stock Exchange (ISE) Index. Based on ISE National 30 Index, IST30 ETF has been listed on the Istanbul Stock Exchange since April 2009. IST30 is the first ETF in Turkey that offers cash market and futures market simultaneously. Finans Asset Management is currently working on the first multi market ETF in Turkey. The first joint index developed by the Istanbul Stock Exchange, Greece-Turkey 30 Index will be used as the basis for GT 30 Greece-Turkey ETF. Diverse sector breakdown of GT30 will offer investors to invest in a basket of stocks and gain exposure to various sectors such as telecoms, shipping, retail, and refinery.

In addition to Exchange Traded Funds, Finans Asset Management also offers capital protected funds, actively managed funds with various strategies and the first fund of funds in Turkish market.

Finans Asset Management believes in creating value for investors through transparent and efficient products which enables investors capturing the performance of rapidly growing Turkish market in the most efficient way.

#### Exchange Traded Funds Managed By Finans Asset Management

ETF Ticker	ETF Name	Underlying Index	Index Provider	ETF Type	Issue Date	Website
DJIST	Dow Jones Istanbul 20 ETF	Dow Jones Turkey Titans 20	Dow Jones Indexes	Equity	January 2005	www.djist.com
NFIST	Non-Financial Istanbul 20 ETF	Non-Financial Istanbul 20	Dow Jones Indexes	Equity	December 2005	www.nfist.com
BNKTR	Turkey Large Cap Banks ETF	Turkey Large Cap Banks	Dow Jones Indexes	Equity	August 2009	www.bnktr.com
IST30	IST30 ISE 30 ETF	ISE National 30	Istanbul Stock Exchange	Equity	April 2009	www.ist30.com
GLDTR	GOLDIST Istanbul Gold ETF	Gold International Spot Price	-	Commodity	September 2006	www.gldtr.com
FBIST	FBIST Istanbul Bond ETF	FTSE Turkish Lira Government Bond	FTSE Limited	Fixed Income	October 2007	www.fbist.com.tr
GT30	GT30 Greece Turkey ETF	Greece-Turkey GT-30	Stoxx	Equity	In Progress	www.gt-30.com

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# Tayburn Kurumsal congratulates FEAS on its 15th anniversary.

creative ideas, solutions that work

Tayburn Kurumsal, a member of Tayburn Group (Scotland), provides an extensive range of high added value corporate communication products in the areas of

- Reporting and investor relations
- Specialized editorial services
- Marketing products
- Branding
- Web and electronic products



TAYBURN  
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Istanbul - Edinburgh - Manchester

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## TAYBURN KURUMSAL



**Ediz Usman**  
Partner & Client Relations Director

## The privilege of serving our clients is what shapes our mission...

Tayburn Kurumsal provides a complete line of creative, integrated corporate communication products and services tailored according to its clients' needs.

### Tayburn Group

With 31 years of experience in international as well as European markets, Tayburn is the biggest corporate communication company in Scotland and one of the top-10 in the United Kingdom. It has been 16 years since we began blending Tayburn's know-how with our own knowledge of the local market and putting them to work in the service of clients. For more than a decade we have developed and offered productive, high-quality, and creative solutions for some of Turkey's leading companies in the areas of annual reports, branding, design, new media, advertising, and marketing.

Thanks to our expert team, to the knowledge and experience acquired on our own and through Tayburn, to our customer focus, and to our innovative and creative approach to service, we are today Turkey's most sought-after service provider in the corporate communication segment. Our service area as Tayburn Kurumsal is not limited to Turkey. Because of our world-class know-how and quality of service, we are also called upon by clients operating in Europe and in neighboring countries. Our own technological infrastructure makes it easy for us to provide such clients with fast, comprehensive service too.

### Professional approach to business

One notion defines the reason for our existence and our mission: Enable our clients to establish and maintain accurate, sustainable, and high-yield communication with their target audiences by means of our high added value products and services.

With our professional approach to business, our national and international market knowledge, and our global experience in corporate communication we transform this mission into reality for our clients.

Since the day we commenced operations, we have been doing business and taking pride in the knowledge that we have been consistently successful in the face of Turkey's rapidly changing and developing market conditions and, what's even more important, that we have been providing solutions that precisely serve our clients' needs.

### Reporting and investor relations:

#### Printed and online corporate reporting and communicating with investors...

Our activities in the area of reporting and investor relations consist of the turnkey design and delivery of:

- Annual reports
- Sustainability reports
- COP reports
- Investor relations products
- Road show presentations

as well as similar products and services that enable our clients to establish and maintain timely, precise, uninterrupted, and transparent communication with investors, shareholders, creditors, business partners, customers, employees, and the society at large.

#### High added value services in investor relations

Underlying all investor relations is the need to communicate corporate information accurately and clearly to investors, shareholders, creditors, employees, business partners, and society at large. Speed and transparency are of the utmost importance in investor relations today. It is vitally important for publicly-held companies to keep abreast and quickly comply with the requirements of national and international regulations (Capital Markets Board, Sarbanes Oxley, NYSE, LSE, etc). Providing truthful information at the right time and in a format that is easy to understand and to access heads the list of the objectives of everyone involved in investor relations in today's world. Tayburn Kurumsal offers clients in Turkey all the products and services that they need in the area of investor relations.

### Copywriting and editing services:

#### Conveying your message clearly to the right audience...

Tayburn prepares and edits text in Turkish and other languages to ensure that its clients' messages are conveyed to their target audiences clearly and effectively. We provide high added value corporate communication services in the following languages: Turkish, English, French, German, Italian, Spanish, Russian, Chinese, and Arabic. Other languages are also available on request.

### Branding:

#### High-profile corporate and consumer brands...

In the areas of creating, developing, defining and maintaining standards for our clients' corporate and consumer brands, our brand-related activities consist of:

- Designing logos and emblems
- Developing corporate identities from A to Z
- Launching and relaunching brands
- Consultancy services

### Marketing:

#### Satisfying marketing needs in the product/service-consumer cycle...

Our activities under the heading of marketing consist of a providing all the advertising, promotional, and corporate communication products and services that our clients may need such as:

- Advertising campaigns
- Corporate information films
- Web-based solutions
- Brochures
- Information kits
- Electronic presentations

### Web and electronic products:

#### Realistic expectations, feasible goals

Tayburn Kurumsal is dedicated to the creation of web-based communication solutions that are highly functional, robust, and audience-specific.

The knowledge and experience that Tayburn Kurumsal has built up over the years is put to work to develop whatever web-based products and services its clients might need. Regarding the ability to combine creativity with workable solutions as the bedrock of all web-based services, Tayburn Kurumsal comes up with solutions ranging from corporate portals to investor relations websites and from e-commerce applications to web-based annual reports and advertising / publicity campaigns.

Well aware that internet design demands a thoroughly specialized understanding and approach, Tayburn Kurumsal makes sure that it is equipped with all of the resources and competencies that may be required to satisfy a client's every need.

## CONTACT INFORMATION

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KURUMSAL

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## GARANTI ASSET MANAGEMENT



**Gur Cagdas**  
General Manager

### Providing a unique service with high added value to investors, Garanti Asset Management has won acclaim at national and international platforms.

Garanti Portfoy (Garanti Asset Management) a subsidiary (100%) of Türkiye Garanti Bankası A.Ş. (Garanti Bank); was founded as the first asset management company of Turkey in 1997. The Company holds asset management and investment consultancy authorization certificates and serves domestic and foreign corporate and individual investors as its target group. Garanti Asset Management serves in the following business lines: Mutual Funds Management, Pension Funds Management, Discretionary Portfolio Management and Alternative Investments.

Garanti Asset Management built its investment philosophy on the following grounds: to manage customer assets in the most effective manner possible; to ensure sustainable asset growth; to reflect investor demands to portfolio structures in the swiftest and most appropriate manner and to keep continuous control over risk levels. The success of Garanti Asset Management's investment policy lies in systematically researching various investment instruments, effective decision-making processes, and subjecting all investment decisions to disciplined and persistent risk management.

Providing a unique service with high added value to investors with 61 professional staff, Garanti Asset Management has won acclaim at national and international platforms, thanks to its effective business approach and robust brand image.

Garanti Asset Management's decision-making process is composed of two basic steps: determination of asset allocation and selection of assets.

The determination of asset allocation is the first step in the decision-making process at Garanti Asset Management. The General Manager and Deputy General Managers are briefed on targets and expectations during the weekly meetings of the Strategy Committee. Scenarios are analyzed by the committee to determine the returns expected for each investment instrument; alternative scenarios are considered and debated in detail to decide on the best relative weights for investment vehicles. The results of the strategies are followed and their impacts on performance are reviewed during a daily morning meeting. Garanti Asset Management also obtains consultancy support from third parties before the Strategy Committee within the framework of the circumstances of the day.

Selection Process is the second step of the decision-making procedure at Garanti Asset Management. In the selection of fixed income instruments, decisions taken at the Strategy Committee, which take account of macroeconomic data and expectations are applied to the portfolios by the initiatives of related coordinators and fund managers.

The selection of equities is coordinated by the Equity Selection Committee. This committee, comprised of investment analysts and equity fund/portfolio managers, evaluates related research reports in a comprehensive manner and initiates the equity selection process with correct market timing. At the end of the committee meeting, model portfolios are designed and asset allocations are determined by evaluating return potentials of equities.

In addition to ordinary committee meetings, Garanti Asset Management closely monitors immediate developments on economic and political platforms. Within this framework, the Company may make immediate adjustments in investment decisions, which it swiftly applies to the portfolios.

Garanti Asset Management employs effective and active risk management mechanisms which encompass all investment processes. As part of its pre-defined risk control mechanisms, the Company continuously monitors the expected returns and maximum sustainable losses for all investment instruments. In other words, at Garanti Asset Management, the yield and loss potential of each investment is known in advance.

Garanti Asset Management employs two different resources in its market risk management activities,:

- The Management Information System (MIS) reporting is one of the techniques utilized by Garanti Asset Management in the field of risk management. MIS reporting, which is highly precious in terms of summarizing all of the corporation's risks, is simple, brief and exclusive. Data fed into the system designed by Rasyonet is submitted over infrastructure supplied by Garanti Technology.
- The risk management product developed with Rasyonet allows assessment of market risks, as well as the liquidity risk.

Garanti Asset Management boasts its perfect distribution channel. We are effectively using the distribution channel which we developed with our main shareholder, Garanti Bank. We are highly ambitious in this segment. We boast the best practice in Turkey while proactively and continuously taking part and working in the field in collaboration with Garanti Bank.

Garanti Asset Management continues to press ahead with its assertion of being the best and the most effective provider of services in the Turkish asset management industry and moved ahead with its partnership, and also as the first company of the sector through realizing new projects and products.

The Capital Guaranteed Fund, the Principal Protected Fund and Hedge Fund were all key steps taken in 2009 within our synergic cooperation with Garanti Bank. Having offered guaranteed and protecting funds to the market just at the right point in the conjuncture, Garanti Bank became one of the leading issuers in this field through the robust cooperation developed with our company.

At a time when change has gained pace and is effectively experience, we as a team are extremely proud to present Garanti Asset Management as a shining example of performance and sustainability.

As our 13-year past offers an insight to the history of the collective investment instruments industry in our country, growth and performance that we have shown is in view as a real example of sustainability.

The "İstanbul Fund", a hedge fund founded by Garanti Bank, which is managed by Garanti Asset Management, was registered to the Capital Markets Board in April 2009. Managing Turkey's largest hedge fund will present an exciting expansion for Garanti Asset Management.

The fund addresses a segment of qualified investors seeking high returns by taking high risks. These funds primarily aim at those institutions and individuals with large scale portfolios in Turkey.

The İstanbul Fund, with its maximum leverage rate of 3, invests in various money and capital market instruments including, but not limited to, fixed income securities, government bonds, equities, private sector bonds, forward exchange contracts and loan derivatives.

Turkish Asset Management market reached TL 40.1 billion, realizing 30.6% growth in 2009. Garanti Asset Management's AUM size grew by 34.0% to TL 6.3 billion, increasing market share to 15.8% from 15.4% in the same period.

While total size of mutual funds nominally increased by 27.0% and rise to TL 30.1 billion, Garanti reached TL 4.5 billion by 29.8% increase in 2009.

Individual pension funds have notched up strong growth in 2009. Total volume of funds collected in the Individual Pension System (IPS) increased by 42% year-on-year to TL 9.1 billion (from TRY 6.4 billion in 2008). In the same period, the number of Individual Pension System investors rose from 1,745,354 to 1,991,000.

Garanti Asset Management maintained its growth in pension funds and reached TL 1.30 billion size with 14.3% market share in 2009.

As the new legislation concerning Pension System took effect, the expectation of a transfer of savings kept at foundations and funds to the individual pension system and arrangements regarding vesting conditions will stimulate the corporate market, while contributing to the minimization of the crisis-related negative impacts. This is expected to stimulate the growth trend.

Garanti Asset Management's business volume was realized as TRY 456 million in 2009, commanding a market share of 14.2% in Discretionary Asset Management.

The Company's proactive marketing activities and consistently high levels of customer satisfaction kept Garanti Asset Management effective in the management of individual and corporate private portfolios. By the end of 2009, a total of 36 individual customers and 18 corporate customers were using Garanti Asset Management's private asset management services.

We would define the forthcoming period, with the economic recovery set to get underway after 2010, as a period of improvement. In this period, investors swiftly heading to collective investment instruments along with the falls we expect in interest rates in particular, in addition to the sector's strengthening infrastructure, to set the stage for strong growth for our sector and Garanti Asset Management.

In the upcoming period, Garanti Asset Management will demonstrate maximum effort to take its pioneering and indispensable position in the sector forward, thanks to its perfect structuring, competent team and vision. We have full confidence that our investors' custom will continue to evolve into long-term relationships.

Projections indicate that the asset management industry will grow rapidly in the upcoming period. As the array of financial products on offer increases, short-term instruments will no longer be attractive and significant changes will take place in investors' preferences and behavior as the Turkish capital markets develop.

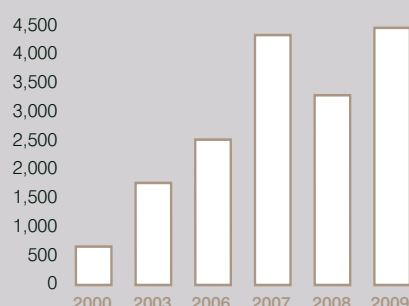
In line with its target of being among the first 3 participants of the sector on the basis of

- performance
- volume
- profitability

Garanti Asset Management is committed to being the service provider to benefit most from the prospective economic recovery and period of growth from 2010, based on its corporate structure which fully complies with modern asset management practices, as well as its superior abilities. Garanti Asset Management, which works to the competition benchmark built within capital markets in order to produce ever growing value to all of its stakeholders, will continue to manage change and ensure a sustainable performance.

Although the growth rate of Turkish investment funds market slowed down slightly by the recent financial crisis, it hasn't been affected as dramatically as developed countries. Owing to the relatively high yields in treasury bills and high interest rates in Turkish money market, Turkish investors preferred time deposits and fixed income products over more riskier asset classes such as equities and structured products. Alternative investment instruments showed a slower progress due to this persistent high interest rate environment. However, together with the real interest rates coming down, crowding-out effect of the Turkish treasury has been diminishing over the markets and investors' risk perception has begun to change in favor of more riskier asset classes. Investment fund industry and new investment instruments are expected to get more attention in the forthcoming period. Moreover, with the growth in the market and diversification in the investment instruments in Turkey, it's also been expected that Turkish asset management companies will start to expand abroad. The recent position of the European fund market is considered as an opportunity for the Turkish companies.

#### GARANTI ASSET MANAGEMENT TOTAL AUM (US\$ millions)



#### FACTS AND FIGURES

Date of Establishment	June 5th, 1997	
Ownership Structure	Garanti Bank	100%
Total Assets Under Management (AUM)	US\$4.2 billion	#3
Mutual Funds	US\$3.0 billion	#3
Pension Funds	US\$900 million	#4
Discretionary Asset Management	US\$304 million	#4

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## ABU DHABI SECURITIES EXCHANGE



**Rashed AL Baloushi**  
Deputy Chief Executive

**The market capitalization of companies listed at the ADX at the end of 2009 was US\$ 80.2 billion AED 295 billion with an increase of 17%.**

At the end of 2009 the Abu Dhabi Securities Exchange (ADX) had 67 companies listed, whereas, the number of listed companies at the end of 2008 was 65. The index increased from 2390.01 in 2008 to 2743.61 in 2009.

The value of trading decreased from US\$ 63.1 billion (AED 231.9 billion) in 2008 compared to US\$ 19 billion (AED 69.9 billion) in 2009, an decrease of 70%. Moreover, the daily average value of trading in 2009 decreased to US\$ 76.2 million (AED

280 million) compared to US\$ 256 million (AED 940 million) in 2008. In 2009 there were 250 trading days compared to 247 days in the previous year.

The number of shares traded in 2009 decreased to 37.6 billion shares compared to 49.9 billion shares traded over the previous year 2008, a decrease of 25%. Moreover, the daily average of traded shares also decreased to 150 million shares compared with 202 million shares in 2008.

The number of executed trades declined to 744,697 trades compared to 1,126,373 trades in 2008, a decrease of -34%.

The market capitalization of companies listed at the ADX at the end of 2009 was US\$ 80.2 billion AED 295 billion with an increase of 17%.

### HISTORY AND DEVELOPMENT

ADX was established on November 15, 2000, as the official stock exchange of Abu Dhabi, and throughout this relatively brief history, the exchange was able to achieve remarkable growth in tandem with the robust economic performance of the emirate of Abu Dhabi during the past decade.

ADX serves the domestic cash equity market with 67 listed companies and a market capitalization of AED 294.57 billion (US\$ 80.26 billion) as on December 31, 2009.

On March 25, 2010, ADX launched the first Exchange Traded Funds (ETFs) trading platform in the GCC region. The exchange was ranked as the second best government entity in Abu Dhabi in terms of e-services and solutions.

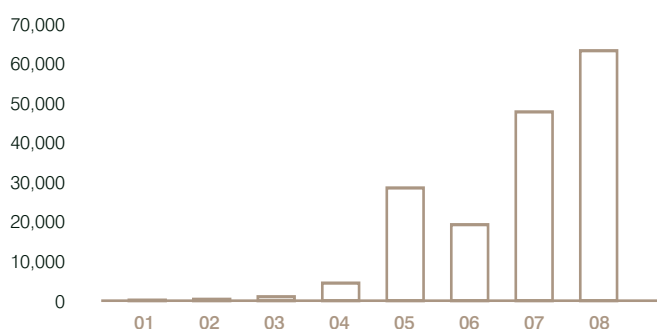
ADX has custody agreements with major international financial institutions including HSBC, Standard Chartered Bank, Deutsche Bank and Citi.

### FUTURE OUTLOOK

In 2010 ADX will:

- Increase institutional participation
- Attract more foreign investors
- Enhance the quality of market intermediation
- Strengthen the equity and debt markets
- Develop some new indices including investor confidence and satisfaction
- Develop internal processes and technology
- Invest in the social infrastructure
- Develop human resources and;
- Promote the implementation of international best practices

### TRADING VOLUME (US\$ millions)



## ABU DHABI SECURITIES EXCHANGE

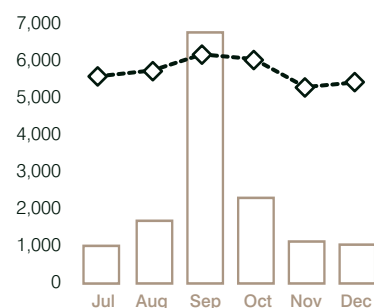
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	1,020.10	48.58	2,321.80	110.56
Aug-09	1,696.21	77.10	3,345.97	152.09
Sep-09	6,795.26	357.65	3,099.49	163.13
Oct-09	2,316.59	110.31	4,185.14	199.29
Nov-09	1,135.21	56.76	1,707.45	85.37
Dec-09	1,050.63	50.03	1,812.68	86.32
<b>TOTAL</b>	<b>14,013.99</b>	<b>116.74</b>	<b>16,472.53</b>	<b>132.79</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

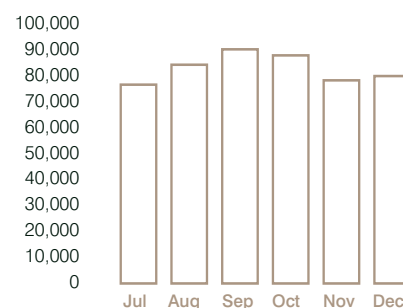
	Market Capitalization (US\$ millions)	Index
Jul-09	76,872.66	2,800.81
Aug-09	84,576.64	2,897.18
Sep-09	90,537.87	3,124.22
Oct-09	88,201.32	3,023.00
Nov-09	78,546.30	2,668.23
Dec-09	80,199.08	2,743.61

MONTHLY STOCK VOLUME VS INDEX (US\$ millions)

□ Stocks    ◆ Index



MONTHLY MARKET CAPITALIZATION (US\$ millions)



## CONTACT INFORMATION

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## ABU DHABI SECURITIES EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Political Outlook

The outlook for the domestic political scene is stable, and the president, Sheikh Khalifa bin Zayed al-Nahyan, will maintain the UAE's relatively liberal social and economic policies, as well as its pro-Western foreign policy stance.

The UAE's foreign policy will continue to be based on its close strategic relations with the West. These ties have been strengthened by a series of bilateral agreements with the US, the UK and France (which has recently opened a military base in the UAE). The UAE has also signed a major arms deal with the US. However, it will have to balance these relationships against its interest in maintaining good relations with Iran. The risk of a US military conflict with Iran remains of particular concern given the UAE's role as the region's services hub. The UAE's geographical proximity to Iran, where it has extensive commercial interests, makes it vulnerable to any conflict there. Dubai in particular will be anxious to maintain good relations with the Islamic Republic. The UAE's withdrawal from the planned Gulf Co-operation Council (GCC) monetary union may strain relations with Saudi Arabia. Indeed, in a forewarning of worsening relations, Saudi Arabia has revived its objection to the UAE's demarcation of its common border in some official documents.

#### Economic performance

It is estimated that the federal public finances will have registered a small deficit in 2009 on the back of lower international oil prices and oil production cuts. The budget balance will move into surplus again in 2010-11.

Real GDP is expected to have shrunk by 3.5% in 2009—owing to OPEC oil production cuts and a sharp slowdown in construction activity. Growth will resume in 2010-11, averaging 4.1%, as domestic demand picks up.

In 2010 oil prices (dated Brent Blend) will rise to US\$75/barrel, from US\$62/b in 2009, as key economies, such as the US and China, return to growth. Weakening demand in 2011 in the US will lead oil prices to fall to US\$70/b.

Inflation will have fallen in 2009, to an average of just 1.5%, on the back of a steep contraction in demand. It will rise again to 4.8% in 2010 and 7.5% in 2011 owing to the economic recovery and a rise in imported inflation.

The current-account surplus will widen in 2010-11, after narrowing sharply in 2009. Rising oil output and higher non-oil export earnings will boost the trade surplus, despite an increase in imports as domestic demand picks up.

Because of the global financial crisis, economic policy in the first part of the forecast period will concentrate on restoring confidence in the UAE economy—particularly the financial and real estate sectors—with a focus on Dubai, which has suffered a blow to its reputation following its recent request that creditors of Dubai World, a quasi-state company, accept a "standstill" on debt-service payments. Policy will also focus on pressing ahead with economic diversification in Abu Dhabi, including stepping up infrastructure spending (to the tune of some US\$ 1trn according to the government there) to tackle the strain caused by the rapid economic expansion of recent years. The authorities may also introduce new laws to attempt to stimulate both domestic and foreign investment in the private sector. However, such laws have been at the draft stage for some time and are facing domestic opposition.

Data from the Central Bank of the UAE put real GDP growth at 7.4% in 2008, with nominal GDP growth of 23.2%, below our previous estimate of 27.4%. The numbers from the Central Bank

indicate that a slowdown was already under way in the latter part of 2008, and consequently, there was less momentum going into 2009. During 2009 the global recession has been hitting the UAE hard, leading to a sharp reduction in construction activity, especially in Dubai. This comes in addition to OPEC-mandated cuts in oil production, which have been affecting Abu Dhabi's output for most of the year, weak growth in investment and almost no expansion in services. However, economic activity appears to be picking up strongly in the fourth quarter. Moreover, it is expected that the UAE to increase its oil production slightly towards the end of the year.

Inflation has fallen substantially since the beginning of 2009, with the inflation rate in the first half of 2009 averaging 3.4%. Inflation is expected to have averaged just 1.5% in 2009, as economic activity has been weak and housing supply has increased.

The UAE dirham's peg to the dollar (at Dh3.673:US\$1) is expected to remain in place in 2010-11. The recovery of the dollar since mid-2008 has made it even less likely that the peg—which the UAE has maintained since independence in 1971—will be broken or the currency revalued. The Central Bank remains committed to the existing system.

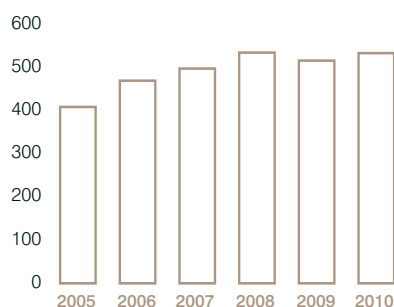
Export earnings were around US\$239bn in 2008. Lower oil prices, cuts in crude production and a steep decline in demand in the UAE's export markets will have caused export earnings to drop by around 27% in 2009. Import spending will also have declined in 2009, although by less than exports, leaving an estimated trade surplus of US\$30bn.\*

\* The Economic Intelligence Unit, November 2009

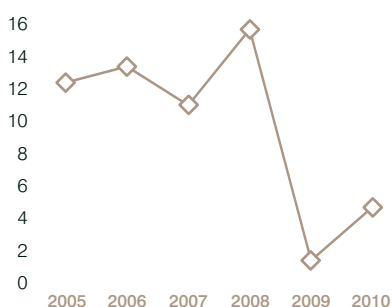
#### Key Information Contacts

Abu Dhabi Chamber of Commerce and Industry [www.abudhabichamber.ae](http://www.abudhabichamber.ae)  
Central Bank of UAE [www.centralbank.ae](http://www.centralbank.ae)  
Abu Dhabi Department of Planning and Economy [www.adepconomy.ae](http://www.adepconomy.ae)

**REAL GDP**  
(AED millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



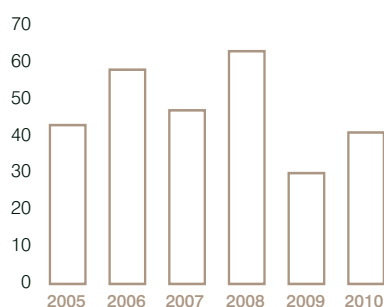
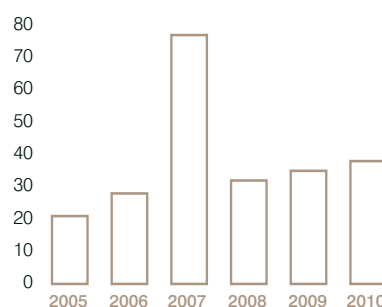
## ABU DHABI SECURITIES EXCHANGE

## UAE ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	134 (a)	160 (a)	174 (a)	191 (a)	187 (a)	196 (b)
Real GDP mil AED	409,218	470,214	498,302	535,354	516,741 (a)	534,119 (b)
Real private consumption mil AED	n/a	n/a	n/a	n/a	n/a	n/a
Real government consumption mil AED	n/a	n/a	n/a	n/a	n/a	n/a
Real gross fixed investment mil AED	n/a	n/a	n/a	n/a	n/a	n/a
Real stockbuilding mil AED	n/a	n/a	n/a	n/a	n/a	n/a
Real exports of G&S mil AED	n/a	n/a	n/a	n/a	n/a	n/a
Real imports of G&S mil AED	n/a	n/a	n/a	n/a	n/a	n/a
Real domestic demand mil AED	n/a	n/a	n/a	n/a	n/a	n/a
Real GDP at factor cost mil AED	409,218	470,214	498,302	535,354	516,741 (a)	534,119 (b)
Real agriculture mil AED	8,720	8,298	8,235	8,252	8,417 (a)	8,501 (b)
Real industry mil AED	252,456	303,453	324,264	355,613	333,920 (a)	348,074 (b)
Real manufacturing mil AED	57,263	61,926	63,718	66,582	69,911 (a)	71,379 (b)
Real services mil AED	148,042	158,463	165,803	171,489	174,404 (a)	177,544 (b)
Gross national savings rate (%) %	39.7	40.7	43.3	42.6 (a)	33.2 (a)	36.9 (b)
Gross national savings/investment %	202.2	204.9	128.2	126.0	100.8 (a)	114.0 (b)
Budget balance (% of GDP) %	7.8	11.3 (a)	10.3 (a)	13.6 (a)	-0.4 (a)	3.0 (b)
Consumer prices (% change pa; av) %	12.5 (a)	13.5 (a)	11.1 (a)	15.8 (a)	1.5 (a)	4.8 (b)
Exchange rate LCU:US\$ (av) AED/US\$	3.6725	3.6725	3.6725	3.6725	3.6730 (a)	3.6730 (b)
Lending interest rate (%) %	7.2	7.9	8.0	7.8 (a)	5.9 (a)	5.6 (b)
Stock of domestic credit mil AED	283,200	399,456	570,194	851,927	920,081 (a)	1,030,491 (b)
Domestic credit growth (%) %	46.2	41.1	42.7	49.4	8.0 (a)	12.0 (b)
Deposit interest rate (%) %	2.9	4.4	4.3	3.5 (a)	3.7 (a)	2.6 (b)
Population million	4.6 (a)	4.9 (a)	5.3 (a)	5.6	5.5	5.6 (b)
GDP per head (\$ at PPP) US\$	29,170 (a)	32,410 (a)	32,990 (a)	33,890 (a)	34,200 (a)	35,160 (b)
Current account balance/GDP %	20.1	20.8	9.5	8.8	0.3 (a)	4.5 (b)
International reserves bil US\$	21	28	77	32	35 (a)	38 (b)
Trade balance bil US\$	43	58	47	63	30 (a)	41 (b)
Foreign-exchange reserves bil US\$	21	28	77	32	35 (a)	38 (b)
Total foreign debt bil US\$	56 (a)	79 (a)	110 (a)	135 (a)	129 (a)	130 (b)
Public medium & long-term bil US\$	33 (a)	53 (a)	75 (a)	90 (a)	100 (a)	100 (b)
Private medium & long-term bil US\$	0	0 (a)	0 (a)	0	0 (a)	0 (b)
IMF debt bil US\$	0	0	0	0	0	0 (b)
Short term bil US\$	23 (a)	25 (a)	36 (a)	45 (a)	29 (a)	30 (b)
Net debt bil US\$	35 (a)	51 (a)	33 (a)	103 (a)	94 (a)	92 (b)
Export credits bil US\$	2	3 (a)	4 (a)	5	4 (a)	4 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)INTERNATIONAL RESERVES  
(US\$ millions)



## AMMAN STOCK EXCHANGE



**Jalil Tarif**  
Chief Executive Officer

## The Amman Stock Exchange maintained stable performance despite the effects of the global financial crisis.

The Amman Stock Exchange (ASE) has managed to pass the year 2009 with a stable performance despite the effects of the global financial crisis. The crisis which continued to affect many of the financial markets and economies worldwide affected mainly the trading value in the ASE, however the foreign investors' ownership in the ASE market capitalization kept its high level which reflects the investors' confidence in the Jordanian capital market.

The Amman Stock Exchange, launched the new version of the electronic trading system NSC V900 in March 2009, the new version entailed introducing comprehensive changes to all the components of the electronic infrastructure of the Stock Exchange as well as the other capital market institutions. Under the new version, new phases as well as new features were added to the trading phases and features, which are meant to increase the efficiency of the trading. This project is considered a major leap for the concerned institutions and it crowns two-years of persistent efforts started by the Jordan Securities Commission (JSC), the ASE and the Securities Depository Center SDC.

The ASE has launched a new version of the website. The new website is enhanced with a fresh, new design, architecture, navigation and branding. The new design is dynamic and will increase interaction with the user, which will help to create a smooth experience.

Within the framework of the ASE's objectives of developing trading techniques, Amman Stock Exchange has finished the preparations necessary to launch the Internet Trading service, which will give the opportunity for a larger number of investors and interested people to be engaged in securities trading. In this regard, the ASE has entered into effect the Internet Trading Directives which will regulate the securities trading on the Internet.

The ASE is working on with the new project to complete the Jordan National Financial Center of which His Majesty King Abdullah II laid the foundation stone. This center will contain the ASE, the Securities Depository Center, brokers' offices, banks' offices, Investor's Gallery, in addition to a specialized institute for teaching investment and finance related subjects.

On the level of regional and international cooperation, the ASE has signed MoUs with a number of parties; mainly the Egyptian, Romanian and Greece stock exchanges, in addition to the Financial Services Volunteers Corps (FSVC), which will present the capital market institutions with services in fields of investment and securities industry.

As for the performance, the ASE Free Float Weighted Price Index at the end of the year 2009 stood at 2534 points compared with 2758 at the end of 2008 with a decrease of 8%. The trading value during 2009 reached US\$ 13.6 billion with a decrease of 52% compared to the year 2008. The number of transactions decreased by 22% reaching 3.0 million, where the number of shares traded increased by 11% compared with 2008 reaching 6.0 billion shares. The ASE market capitalization reached US\$31.8 billion by the end of 2009 with a decrease of 11% over the end of 2008 representing 150% of the GDP.

## HISTORY AND DEVELOPMENT

The Amman Stock Exchange (ASE) was established in March 1999 as a non-profit, private institution with administrative and financial autonomy. It is authorized to function as an exchange for the trading of securities. The Exchange is governed by a seven-member board of directors. A Chief Executive Officer oversees day-to-day responsibilities and reports to the board. The ASE membership is comprised of Jordan's 70 brokerage firms.

The history of securities trading in Jordan traces its origins back to the 1930s. In 1976, the Amman Financial Market was established to create a regulated trading market. More recently, as part of Jordan's move to upgrade its capital market, a Securities Law was enacted in 1997 separating the supervisory and legislative roles from those of exchange operations. As a result, the Jordan Securities Commission (JSC) was created in the year 1997, the ASE and the Securities Depository Center (SDC) were established in 1999. The JSC supervises the issuance of and trading in securities and monitors and regulates the market. The SDC oversees clearing and settlement and maintains ownership records.

To provide a transparent and efficient market, the ASE implemented internationally recognized directives regarding market divisions and listing

criteria. It also adopted procedures for improving regulatory effectiveness.

The ASE is charged with:

- Providing companies with means of raising capital by listing on the ASE,
- Encouraging an active market in listed securities based on the effective determination of prices and fair and transparent trading,
- Providing modern and effective facilities and equipment for trading, recording the trades and dissemination of prices,
- Monitoring and regulating trading, in coordination with the JSC as necessary, to ensure compliance with the law, a fair market and investor protection,
- Setting out and enforcing a professional code of ethics among its member directors and staff,
- Ensuring the provision of timely and accurate information of issuers to the market and disseminating market information to the public.

On March 26th 2000, the ASE launched an automated order-driven Electronic Trading System. The system is in compliance with international standards and takes into account the G-30 recommendations. This system also offers brokers immediate access to stock prices and orders and enables members to trade remotely.

On May 2006, The ASE has activated a new version of the electronic trading system (NSC

V2+), which comes as part of the efforts to meet the increasing needs of the Jordanian capital market and in order to raise the capacity of the current electronic trading system to accommodate the increase in the daily trading volume.

On March 22th 2009, The ASE launched the new version of the electronic trading system NSC V900, this project is considered a quantum leap for the concerned institutions as the electronic trading system have now become linked with the SDC systems and the JSC new monitoring systems. The new version will help develop the trading process at the ASE and enhance the capacity of the electronic trading system.

## FUTURE OUTLOOK

The Amman Stock Exchange will embark on a number of key projects that will ensure maintaining the lead that the ASE has amongst Arab and regional stock exchanges. These projects can be summarized as follows:

- Continue the construction works of the Jordan National Financial Center.
- Continue upgrading of the technical infrastructure.
- Introduce Internet trading.
- Launching new financial instruments.

## AMMAN STOCK EXCHANGE

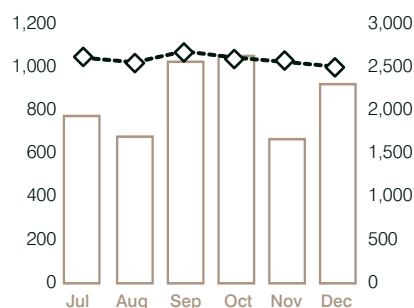
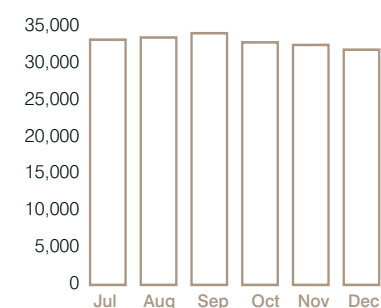
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	776.30	35.29	367.82	16.72
Aug-09	680.42	30.93	373.87	16.99
Sep-09	1,028.00	57.11	575.17	31.95
Oct-09	1,054.92	50.23	485.24	23.11
Nov-09	668.84	35.20	360.69	18.98
Dec-09	923.91	42.00	530.42	24.11
<b>TOTAL</b>	<b>5,132.39</b>	<b>41.79</b>	<b>2,693.22</b>	<b>21.98</b>
<b>Bonds</b>				
Jul-09	0.22	0.01	0.00	0.00
Aug-09	0.29	0.01	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.87	0.04	0.00	0.00
<b>TOTAL</b>	<b>1.37</b>	<b>0.02</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

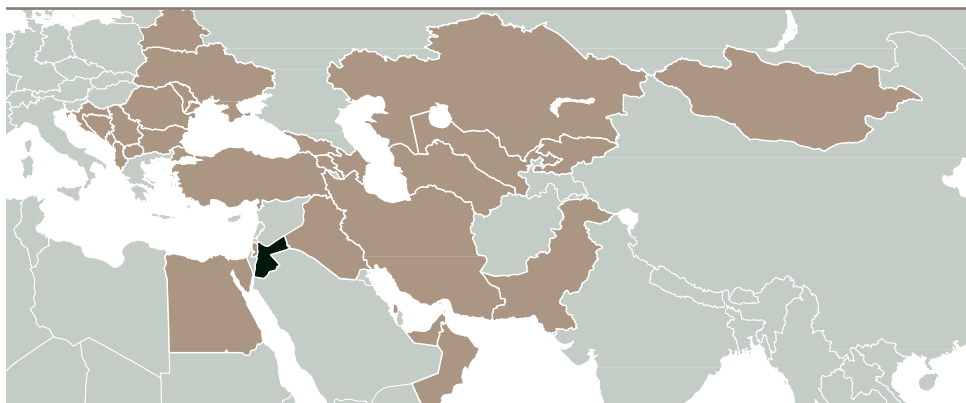
	Market Capitalization (US\$ millions)	Index
Jul-09	33,188.53	2,618.79
Aug-09	33,485.83	2,564.50
Sep-09	34,065.46	2,688.20
Oct-09	32,825.43	2,615.89
Nov-09	32,477.70	2,583.49
Dec-09	31,835.10	2,533.50

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◆ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## AMMAN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Outlook for 2010-11

Power in Jordan will remain firmly in the hands of the king, Abdullah II, who is expected to retain the loyal support of the army and the security services.

The cabinet will prioritise economic reform and stability over political liberalisation. An election is scheduled for late 2011, but parliament should remain conservative and tribally dominated, and thus generally pliant.

The government is set to keep a tight rein on spending in 2010-11, in an effort to bring the fiscal deficit down to a more manageable level. However, with revenue growth sluggish, the deficit will remain large.

Although it will recover over the forecast period, real GDP growth is likely to remain below the highs of 2004-08, as the economy struggles because of weak public spending growth and the end of the construction boom.

Headline average inflation will rise sharply in 2010, but, once the declines in commodity prices of early 2009 fall out of the year-on-year comparison, we expect price growth to fall, to an average of 2.5% in 2011.

**DOMESTIC POLITICS:** King Abdullah is expected to remain in power throughout the forecast period and beyond, supported by his loyal, well-trained and effective armed forces. In July the king appointed his eldest son, Prince Hussein, as crown prince, banishing any residual doubts there may have been about the succession. (The position had been vacant since 2004, when King Abdullah removed the title from his half-brother, Hamzah.) Nevertheless, threats to stability will persist, with periodic outbursts of Islamist violence possible, although these are most likely to be the result of actions of aggrieved individuals (rather than organised groups), and the general threat to security is relatively low. An election is due in late 2011, but the EIU expects parliament to remain conservative and tribally dominated, and thus generally pliant (albeit resistant to economic reform). The only coherent parliamentary opposition, the Islamic Action Front, will remain beset by factional infighting, which, should it participate in the election, will undermine its chances of a strong showing. On the whole, however, domestic political machinations will remain subordinate to the more immediate problems associated with Israeli-Palestinian violence and the fallout from the global economic recession.

**INTERNATIONAL RELATIONS:** Jordan's pro-Western orientation will remain the cornerstone of the king's foreign policy, complemented by a policy of maintaining good relations with all Middle Eastern states in order to prevent regional tensions from having a negative effect on the country. Jordan's ties with the US have been buttressed by the increased attention given to the Israeli-Palestinian conflict by the US president, Barack Obama, but the failure of his efforts to revive the peace process may lead Jordan

to increasingly criticise US tactics—in particular regarding the US's perceived bias in favour of Israel. Meanwhile, ties with Iraq will continue to improve, as commercial links between the two countries deepen, although Jordan will be wary of any resurgence in violence in Iraq as the US troop drawdown progresses. However, in reality, although the king may have a sympathetic ear in the White House, Jordan's direct influence on the myriad conflicts and rivalries that afflict the region will be limited, given the leadership's unwillingness to jeopardise its peace treaty with Israel and its reliance on the US (and Saudi Arabia) for financial aid.

**POLICY TRENDS:** Government policy will continue to focus on shielding the population from the impact of the economic downturn, forcing the government to delay the introduction of a host of economic reforms. (For example, the National Investment Strategy appears to have been postponed.) The government is planning to overhaul the tax system, including by introducing a 12% flat tax for nearly all corporations and a simpler, two-tier income tax for individuals, although gaining parliamentary approval will be challenging (and the fiscal cost of these measures raises questions about affordability). Nevertheless, if passed, such changes, together with a scheme to streamline the tariff system, could boost Jordan's attractiveness to foreign investors. Because of its heavy reliance on tourism and financial services, and because of the recent property boom, Jordan is especially vulnerable to the global economic slowdown. Mindful of this, the government front-loaded capital spending in the first half of 2009, although, given the fragile state of the public finances, it will be forced to rein in spending growth considerably from 2010.

**INTERNATIONAL ASSUMPTIONS:** We estimate that world GDP (at purchasing power parity rates) will have contracted by an estimated 1.3% in 2009, as the deep recession in the EU and the US has dragged down global growth, and expect it to expand only weakly over the forecast period, by 3.2% in 2010 and 3.4% in 2011, led by non-OECD states. We forecast that the average price of dated Brent Blend will decline in 2011, as a number of OECD economies, including the US, experience a slowdown that year, from US\$74/barrel in 2010 to US\$70/b.

**ECONOMIC GROWTH:** Although it will recover over the forecast period, real GDP growth in Jordan is likely to remain far below the highs it reached in 2004-08, as the economy struggles in the face of weak government spending growth and the ending of the construction boom. Although a number of leading indicators, including the industrial price index, have picked up lately, the ongoing slowdown in the domestic financial sector will gradually spread across the broader economy. In addition, having surged in recent years (as the Gulf Arab states have channelled some of their oil wealth into the country), inward foreign direct investment will almost certainly decline as many Arab investors scale back their investment plans. The difficult global economic situation is also

likely to depress consumer confidence, although the effect of this will dissipate in the latter stages of the forecast period. Exports will be restrained by sluggish growth in the US, but this should be partly offset by fast-rising demand for Jordanian goods from neighbouring Iraq. Meanwhile, the gradual softening of domestic demand will restrain import growth. Overall, we expect economic expansion to remain at around 3% in 2010, before rising slightly in 2011, to 3.7%, as a number of Jordan's export markets begin to strengthen and domestic construction activity picks up again.

**INFLATION:** We expect the year-on-year inflation rate to be volatile over the forecast period, although this will largely reflect the sharp variations in the consumer price index in 2008-09 (owing to swings in commodity prices), rather than any shifting price fundamentals within Jordan. Consumer prices have fallen back since the start of 2009, reflecting lower international oil and food prices, as well as the strengthening US dollar. However, with these currency and commodity trends likely to reverse during 2010, we expect inflation to rise from an estimated average rate of just 0.1% in 2009 to 5.5% in 2010. However, by end-2010, as the decreases in commodity prices fall out of the year-on-year comparison, we forecast that year-on-year price growth will be just 1.1%. In 2011 we expect average inflation to remain low, at 2.5%, as oil prices fall slightly and interest rates begin to rise.

**EXCHANGE RATES:** The Central Bank of Jordan is committed to the maintenance of the Jordanian dinar's peg to the dollar, despite the associated lack of monetary flexibility and the recent weakening of the US currency. The peg has instilled monetary confidence and has not substantially harmed competitiveness (perhaps because the US is Jordan's largest single export market). As a result, we expect the CBJ to maintain the peg at JD0.709:US\$1 in 2010-11. We also believe that the stock of international reserves (including gold), which has surged in recent months, will be sufficient to offset any pressure on the currency stemming from short-term liquidity problems or negative political developments.

**EXTERNAL SECTOR:** We expect Jordan's current-account deficit to narrow slowly over the forecast period, as a widening of the non-merchandise surplus offsets increases in the trade deficit. Having declined by an estimated 19% in 2009, to US\$12.1bn, the import bill is set to grow by around 7% a year in 2010-11, as global commodity prices and domestic demand begin to recover. Exports, meanwhile, will grow by an annual average of over 8%, reaching US\$7.9bn in 2011, as recovering demand in Asia, and increased re-export trade with Iraq, makes up for sluggish demand in the US. Nevertheless, the trade deficit is forecast to widen from an estimated US\$5.5bn (26.6% of GDP) in 2009 to US\$5.8bn 2010-11.\*

\*Information provided by Amman Stock Exchange

#### Key Information Contacts

Jordan Securities Commission [www.jsc.gov.jo](http://www.jsc.gov.jo)  
Securities Depository Center [www.sdc.com.jo](http://www.sdc.com.jo)  
Jordan Investment Board [www.jordaninvestment.com](http://www.jordaninvestment.com)  
Arab Monetary Fund [www.amf.org.ae](http://www.amf.org.ae)

Ministry of Finance [www.mof.gov.jo](http://www.mof.gov.jo)  
Central Bank of Jordan (CBJ) [www.cbj.gov.jo](http://www.cbj.gov.jo)  
National Information Center [www.nic.gov.jo](http://www.nic.gov.jo)  
Department of Statistics [www.dos.gov.jo](http://www.dos.gov.jo)

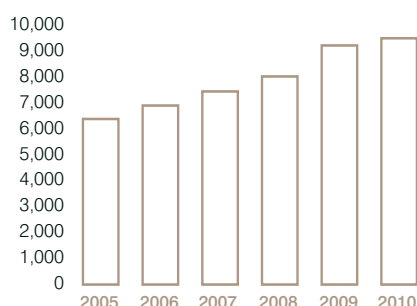
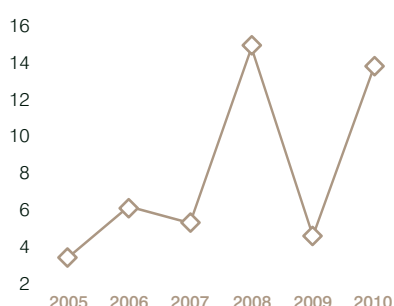
## AMMAN STOCK EXCHANGE

## JORDAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	24.25	26.9	30.8	33.8	32 (a)	33 (b)
Real GDP mil JOD	6,403.9	6,923.9	7,468.4	8,047.6	9,246 (a)	9,524 (b)
Real private consumption mil JOD	7,679 (a)	7,792 (a)	7,220 (a)	7,495 (a)	7,697 (a)	7,889 (b)
Real government consumption mil JOD	1,170 (a)	1,234 (a)	1,317 (a)	1,395 (a)	1,430 (a)	1,458 (b)
Real gross fixed investment mil JOD	1,830 (a)	2,031 (a)	2,214 (a)	2,383 (a)	2,371 (a)	2,394 (b)
Real stockbuilding mil JOD	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Real exports of G&S mil JOD	2,995 (a)	3,411 (a)	3,586 (a)	4,363 (a)	5,022 (a)	5,077 (b)
Real imports of G&S mil JOD	7,310 (a)	7,568 (a)	8,580 (a)	9,341 (a)	7,273 (a)	7,295 (b)
Real domestic demand mil JOD	9,456 (a)	10,128 (a)	10,751 (a)	11,272 (a)	11,497 (a)	11,742 (b)
Real GDP at factor cost mil JOD	6,392	6,920	7,349	7,743 (a)	7,962 (a)	8,200 (b)
Real agriculture mil JOD	247	279	284	279 (a)	281 (a)	291 (b)
Real industry mil JOD	1,932	2,104	2,208	2,314 (a)	2,383 (a)	2,446 (b)
Real manufacturing mil JOD	1,272	1,399	1,459	1,532 (a)	1,578 (a)	1,625 (b)
Real services mil JOD	4,213	4,538	4,858	5,149 (a)	5,299 (a)	5,463 (b)
Gross national savings rate (%) %	16.6 (a)	21.6 (a)	19.5 (a)	25.9 (a)	29.9 (a)	30.1 (b)
Gross national savings/investment %	48.8	67.0 (a)	52.5 (a)	68.9 (a)	82.9 (a)	85.1 (b)
Budget balance (% of GDP) %	-5.2	-4.1	-4.9	-2.2 (a)	-11.4 (a)	-10.3 (b)
Consumer prices (% change pa; av) %	3.5	6.3	4.7	13.9	0.1 (a)	5.5 (b)
Exchange rate LCU:US\$ (av) JOD/US\$	0.7090	0.7090	0.7090	0.7090	0.7090 (a)	0.7090 (b)
Lending interest rate (%) %	8.1	8.6	8.9	9.5	9.4 (a)	8.9 (b)
Stock of domestic credit mil JOD	9,795	11,644	13,869	17,304	17,823 (a)	19,035 (b)
Domestic credit growth (%) %	33.5	18.9	19.1	24.8	3.0 (a)	6.8 (b)
Deposit interest rate (%) %	2.9	4.6	5.5	5.5	4.8 (a)	5.0 (b)
Population million	5.6	5.8	5.9	6.1	6.3 (a)	6.4 (b)
GDP per head (\$ at PPP) US\$	4,431	4,805 (a)	5,382 (a)	5,783 (a)	5,110 (a)	5,170 (b)
Current account balance/GDP %	-16.9	-10.5	-16.5	-10.8 (a)	-6.2 (a)	-5.2 (b)
International reserves bil US\$	5	6	7	8	11 (a)	12 (b)
Trade balance bil US\$	-5	-5	-6	-7	-6 (a)	-6 (b)
Foreign-exchange reserves bil US\$	5	7	8	9	11 (a)	11 (b)
Total foreign debt bil US\$	7	7	7	5	7 (a)	7 (b)
Public medium & long-term bil US\$	7	7	7	6	6 (a)	6 (b)
Private medium & long-term bil US\$	0	0	0	0	0 (a)	0 (b)
IMF debt bil US\$	0	0	0	0	0 (a)	0 (b)
Short term bil US\$	1	1	1	1	1 (a)	1 (b)
Net debt bil US\$	2	1	0	-2 (a)	-5 (a)	-5 (b)
Export credits bil US\$	2	3 (a)	4 (a)	5	5 (a)	6 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

REAL GDP  
(JOD millions)CONSUMER PRICES (% CHANGE PA; AV)  
(%)



## BAHRAIN STOCK EXCHANGE



**Rasheed Mohammed Al-Maraj**  
Chairman

### During 2008, BSE implemented its strategic plan in which it upgraded its technical capabilities, allowing the Exchange to launch its online trading service to brokers.

The global financial crisis that began with the mortgage crisis in the U.S. has severely affected the performance of bourses and financial markets worldwide, triggering sharp declines in indices compared to the gains recorded in the previous years.

The indices of GCC and Arab financial markets along with Bahrain Stock Exchange were apparently affected by the crisis to reflect the interrelation between financial markets worldwide.

The performance of Bahrain All Share Index in 2008 was not any different than the other indices of bourses, Arab and financial markets. The index posted negative growth of 34.52% during 2008 compared to 2007 although the trading activity was unprecedented in terms of the value and volume of shares traded, and the number of transactions executed throughout the year.

During 2008, BSE implemented its strategic plan that was approved in 2007 in which it upgraded its technical capabilities, allowing the Exchange to launch its online trading service to brokers. Moreover, BSE developed the Exchange's Settlement and Central Depository services with the aim of facilitating investors' transactions and allowing them to perform most of their transactions through the Exchange's website. In implementing BSE's strategy,

BSE in cooperation with the Central Bank of Bahrain listed several mutual funds on the Exchange during the year.

Shaikh Salman bin Hamad Al Khalifa, Deputy Supreme Commander and Chairman of the Economic Board (EDB), honored the signing ceremony held in Singapore by his presence, where a consultancy agreement between BSE and Singapore Exchange (SGX) was signed. The MoU mainly aims to foster a closer relationship and develop channels of information exchange in the areas of operations, regulatory framework, and the equities products traded on the respective markets.

In addition, BSE has taken a strategic move towards developing the Exchange by signing a consultancy agreement with Singapore Exchange (SGX). According to this consultancy agreement, SGX will provide detailed recommendations to BSE for the purpose of enhancing BSE's competitiveness both regionally and internationally.

In regards to BSE's relocation to Bahrain Financial Harbor, the project's manager has been appointed and BSE's offices are near completion. The Exchange is expected to fully commence its operations and provide its services from its new premises in the second half of 2009.

BSE's financial results for the year 2008, as included in the budget of this report, showed that the Exchange has reported positive results for its third consecutive year. It recorded a surplus of BD 1,284,338 compared with BD 901,334 in 2007, posting a growth of 42.49%. The accumulated surplus also increased to reach BD 3,950,112 compared to BD 2,665,774 in 2007 recording a growth of 48.17%.

On behalf of the members of the Board of Directors of BSE and BSE's staff, I would like to express my thanks and gratitude to His Majesty King Hamad bin Isa bin Salman Al Khalifa, King of the Kingdom of Bahrain and His Highness Shaikh Khalifa bin Salman Al Khalifa, the Prime Minister, and His Highness Shaikh Salman bin Hamad Al Khalifa, the Crown Prince and Deputy Supreme Commander for their guidance and continuous support of BSE.

I would also like to extend my thanks to the members of BSE's Board of Directors for their efforts in developing the BSE during the previous years. I would also like to thank BSE's management and staff for their hard work during the year, hoping that such efforts will continue to further develop the Exchange.

## HISTORY AND DEVELOPMENT

It was back in 1920 that the first branch of a commercial bank, Standard Chartered Bank, formerly known as Eastern Bank, opened its doors in Bahrain, the first to do so in the region in order to facilitate the business community at that time. By 1957, Bahrain had its first public shareholding company—the National Bank of Bahrain. However, it was not until the late 1970s and early 1980s that Bahrain realized there was a growing need for an organized stock market, due to the growth provided by the oil price boom in the region.

As a result, the Government, in cooperation with the International Finance Corporation (IFC), prepared a feasibility study highlighting the importance of establishing an official stock market in Bahrain. In 1987, Bahrain Stock Exchange was established following the issuance of Amiri Decree No. 4, and officially commenced operations on 17th June 1989.

## FUTURE OUTLOOK

In the year 2009, the BSE will continue its efforts to attract more local, regional, and international mutual funds despite the global financial crisis. The BSE will also seek more cooperation with stock exchanges worldwide, with the aim of exchanging information and expertise. The BSE will also continue to attract more listed companies, both local and international.

## BAHRAIN STOCK EXCHANGE

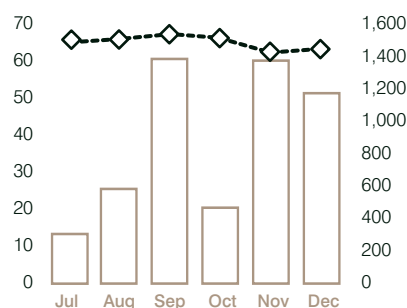
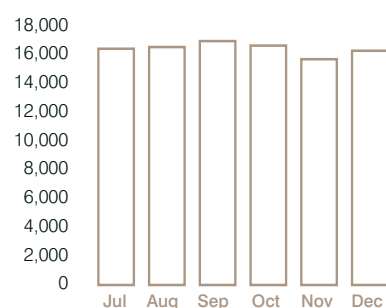
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	13.45	0.61	25.76	1.17
Aug-09	25.62	1.17	47.01	2.17
Sep-09	60.81	3.20	108.48	5.71
Oct-09	20.54	0.98	40.13	1.91
Nov-09	60.35	3.02	72.56	3.63
Dec-09	51.53	3.03	64.78	3.81
<b>TOTAL</b>	<b>232.29</b>	<b>2.00</b>	<b>358.72</b>	<b>3.06</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

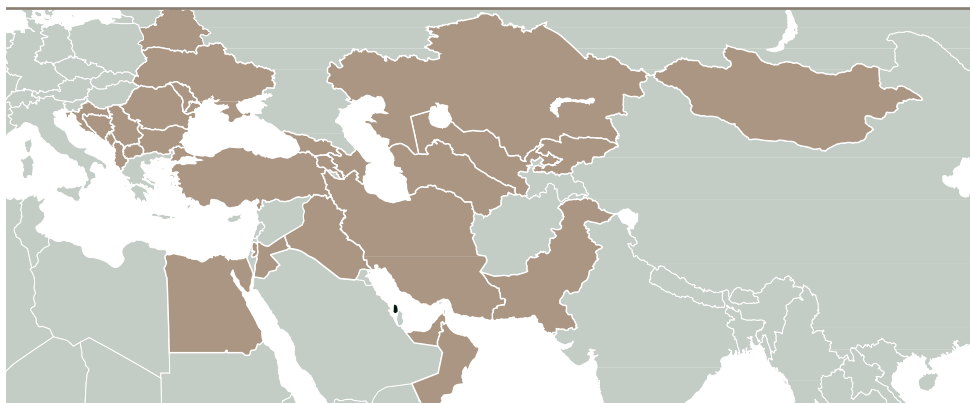
	Market Capitalization (US\$ millions)	Index
Jul-09	16,444.52	1,502.23
Aug-09	16,562.02	1,517.02
Sep-09	16,977.93	1,554.51
Oct-09	16,665.39	1,525.83
Nov-09	15,717.52	1,438.32
Dec-09	16,305.88	1,458.24

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Mr. Ali Mansoor E-mail [info@bahrainstock.com](mailto:info@bahrainstock.com) Website [www.bahrainstock.com](http://www.bahrainstock.com)

## BAHRAIN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Political Outlook

In 2010-11 the rule of the king, Hamad bin Isa al-Khalifa, is expected to remain broadly secure. The weakness of the legislature suggests that no major changes to policy will arise as a result of the 2010 parliamentary election.

There will be underlying tensions over economic inequalities, the halting pace of political liberalisation and perceptions of sectarian discrimination.

The main foreign policy concern will be Iran's (officially civilian) nuclear programme, although Bahrain will seek to maintain cordial ties with Iran.

The central government budget is forecast to record deficits of less than 1% of GDP in both years as spending continues to grow. The fiscal deficits will give more urgency to efforts to develop non-oil government revenue, possibly including value-added tax. Bahrain will continue to take part in efforts to create a Gulf monetary union, despite the UAE's decision.

The US will remain one of Bahrain's key international allies and is expanding the onshore facilities used by the US Navy's Fifth Fleet. The former colonial power, the UK, will also remain an important political ally and business partner, and France is seeking to step up its political and trade relations with Bahrain.

#### Economic performance

Economic policy will remain focused on efforts to attract more foreign investment to Bahrain and improve the local skills base.

These policies are driven by the need to diversify the economy away from oil (as output is declining), stimulate private-sector growth and foreign investment, and address unemployment among nationals.

"Bahrainisation" quotas for employing nationals have not solved the unemployment problem and so the government is pursuing other initiatives, including a 1% levy on salaries to fund an unemployment insurance scheme and a levy on employers for each expatriate they employ, which finances training for nationals. From August 2009, expatriate workers will have greater freedom to change jobs, which should slowly contribute to narrowing the cost gap between them and nationals. The state's ability to upgrade its infrastructure and invest in education will be constrained by the dependence of the public finances on oil revenue.

The price of dated Brent Blend, a benchmark crude, is expected to rise to US\$75/barrel in 2010 but to fall back again to US\$70/b in 2011, with knock-on effects for Bahrain's export earnings and government revenue.

Lower regional growth and a slowdown in foreign investment and trade flows are likely to have reduced economic growth sharply in 2009, to 2.9%. Data for the first half of the year show that total employment has been rising, but unemployment, a lagging indicator, is likely to climb later in 2009 and possibly into 2010. The impact on private consumption will be limited by the likelihood that low-paid expatriate workers, who typically remit much of their earnings overseas, will bear the brunt of job cuts,

however. Government spending is believed to have been a vital support to growth in 2009, especially with consumer credit stagnating. The government is likely to maintain an expansionary fiscal policy in 2010 but to begin to rein in its spending—in real terms—in 2011 as private investment picks up and as it seeks to avoid a persistent budget deficit. Investment will be underpinned by government spending in 2010 but as the global economic recovery continues, foreign investment should rise in 2011, particularly into services sectors that cater to the regional market.. The official consumer price index is widely believed to understate price pressures. The main risks stem from the medium-term trajectory of the US dollar (and thus the Bahraini dinar) against the euro and other world currencies.

Bahrain intends to enter into a currency union with Kuwait, Qatar and Saudi Arabia and to set up a joint monetary council in 2010 as a precursor to a single central bank, a plan ratified by the parliament in November. The introduction of a single currency is likely to take until at least 2013, as the member states pursue convergence on inflation and seek a consensus on the functions of the planned central bank.

The current-account surplus is projected to narrow from 6.3% of GDP in 2010 to 4.2% in 2011, based on our oil price forecasts. Oil price trends will remain the main determinant of the trade balance, with oil accounting for around 80% of export earnings and over half of the import bill.\*

\* The Economist Intelligence Unit Limited, November 2009

#### Key Information Contacts

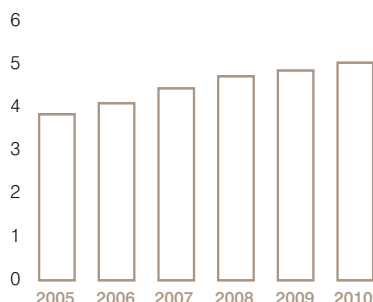
Central Bank of Bahrain <http://www.cbb.gov.bh/cmsrule/bmaindex.jsp>

Ministry of Finance <http://www.mofne.gov.bh/English/eindex.asp>

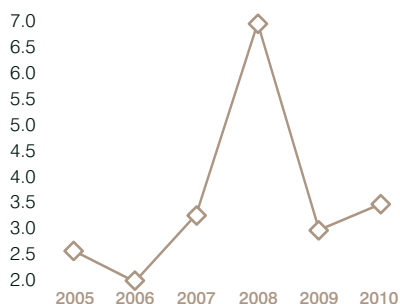
Bahrain Government <http://www.bahrain.gov.bh>

Economic Development Board <http://www.bahrainedb.com>

**REAL GDP**  
(BHD millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



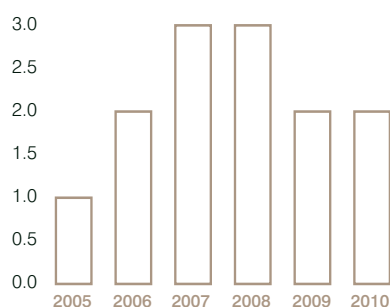
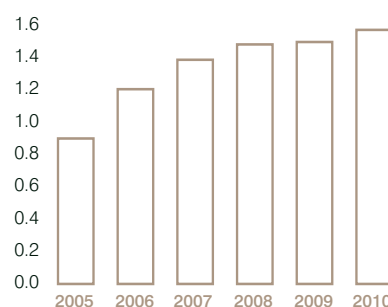
## BAHRAIN STOCK EXCHANGE

## BAHRAIN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	20 (a)	22 (a)	25 (a)	27 (a)	28 (a)	30 (b)
Real GDP mil BHD	3,853	4,109	4,454	4,734	4,869 (a)	5,050 (b)
Real private consumption mil BHD	1,744	1,843	1,890	1,987	2,026 (a)	2,076 (b)
Real government consumption mil BHD	701	720	738	788	883 (a)	913 (b)
Real gross fixed investment mil BHD	919	1,205	1,387	1,482	1,497 (a)	1,572 (b)
Real stockbuilding mil BHD	20	-43	29	29	9	8 (b)
Real exports of G&S mil BHD	3,569	4,195	4,625	5,377	5,565 (a)	5,907 (b)
Real imports of G&S mil BHD	3,099	3,811	4,215	4,928	5,110 (a)	5,427 (b)
Real domestic demand mil BHD	3,383	3,725	4,044	4,285	4,414 (a)	4,570 (b)
Real GDP at factor cost mil BHD	3,799	4,049	4,387	4,664	4,797 (a)	4,976 (b)
Real agriculture mil BHD	13	12	15	15	15 (a)	16 (b)
Real industry mil BHD	2,060	2,192	2,325	2,429	2,466 (a)	2,504 (b)
Real manufacturing mil BHD	576	663	707	758	765 (a)	796 (b)
Real services mil BHD	1,726	1,845	2,048	2,220	2,316 (a)	2,456 (b)
Gross national savings rate (%) %	35.4 (a)	38.2 (a)	42.7 (a)	43.5 (a)	41.3 (a)	41.9 (b)
Gross national savings/investment %	144.7	156.6	158.3	131.0	117.6 (a)	118.0 (b)
Budget balance (% of GDP) %	7.5	4.3	3.1	7.5	-0.8 (a)	-1.2 (b)
Consumer prices (% change pa; av) %	2.6	2.0	3.3	7.0 (a)	3.0 (a)	3.5 (b)
Exchange rate LCU:US\$ (av) BHD/US\$	0.3760	0.3760	0.3760	0.3760	0.3760 (a)	0.3760 (b)
Lending interest rate (%) %	7.9	8.1	8.4	7.9 (a)	8.4 (a)	9.0 (b)
Stock of domestic credit mil BHD	2,512	2,804	3,922	5,540	5,534 (a)	6,364 (b)
Domestic credit growth (%) %	24.4	11.6	39.9	41.3	-0.1 (a)	15.0 (b)
Deposit interest rate (%) %	3.1	4.4	4.5	2.5 (a)	2.1 (a)	3.5 (b)
Population million	0.9	1.0	1.0	1.1 (a)	1.1 (a)	1.2 (b)
GDP per head (\$ at PPP) US\$	22,905	23,344	24,051	24,060 (a)	25,100 (a)	25,390 (b)
Current account balance/GDP %	11.0	13.8	15.7	10.3	6.2 (a)	6.4 (b)
International reserves bil US\$	2	3	4	4	4	4 (b)
Trade balance bil US\$	1	2	3	3	2	2 (b)
Foreign-exchange reserves bil US\$	2	3	4	4	4	4 (b)
Total foreign debt bil US\$	6	8 (a)	8 (a)	10 (a)	11 (a)	11 (b)
Public medium & long-term bil US\$	5	6 (a)	6 (a)	7	7 (a)	8 (b)
Private medium & long-term bil US\$	1	1 (a)	1 (a)	2	2 (a)	2 (b)
IMF debt bil US\$	0	0	0	0	0	0 (b)
Short term bil US\$	1	1 (a)	1 (a)	2	1 (a)	2 (b)
Net debt bil US\$	5	5 (a)	4 (a)	7	7 (a)	7 (b)
Export credits bil US\$	0	0 (a)	0 (a)	0	0 (a)	0 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(BHD millions)



## BAKU INTERBANK CURRENCY EXCHANGE



**Farkhad Amirbekov**  
General Manager

**I assure that dynamical growth of the Azerbaijan economy and development of an exchange infrastructure will promote the further growth of appeal of the financial market of the country.**

The dynamic growth of the Azerbaijan economy increases in the credit ratings and the subsequent arrival of large investors, promoting the further development of the financial infrastructure of the country. Today the BBVB takes a central role in the infrastructure of the Azerbaijan capital market, integrating on a uniform technological platform trading and settlement systems. I am sure that the dynamic growth of the Azerbaijan economy and development of the exchange infrastructure will promote further growth and the appeal of the financial market of the country.

In the near future, BBVB plans to introduce new technological ideas, new financial tools and services for clients. We will continue to work on perfection of a technological infrastructure for the

exchange and a risk control system. The main goal for the exchange innovations is not only the service of currency transactions of banks but also which is very important for us, that the exchange market has begun to play more significant role in the banking system. Therefore I especially would like to allocate such projects, as a start of the market for currency swaps. The main objective in the development of the exchange currency market, consists in increasing its appeal for the expansion of a number of the interconnected tools. We make plans, proceeding from necessity to correspond with the world standards both on technologies and on a spectrum of offered tools and services. For this purpose, all of our perspective projects are subjected to these same standards.

It is obvious that, creation of a uniform exchange centre in the region will provide not only close integration of Azerbaijan into the world market, but also will give stability to the country's financial system. And here, the importance of the exchange market as the infrastructural element in a financial system, consists in the performance of a variety of unique functions, realized by other institutes either impossible, or inconvenient. I sincerely hope that realization of these plans will allow us strengthen our positions, rendering best practices level service to our trade participants. This will lead the BBVB to be the base player in creating a world class regional financial centre.

## HISTORY AND DEVELOPMENT

Central Bank of Azerbaijan and the four biggest state banks of Azerbaijan Republic founded the Baku Interbank Currency Exchange (Baki Banklarasi Valyuta Birjasi- BBVB) on 26 July 1993 and this year it marks a decade from the moment of starting its activities in the financial market. Becoming one of the central financial institutions of the country since the beginning, BBVB is today an original symbol for the economic reforms in public business of Azerbaijan. Using the advanced information technologies, based on successful experience in the creation of the universal trading platforms, BBVB became the largest exchange institute in the Caucasian region, by volumes of trades and number of financial tools.

The objectives of the BBVB are as follows:

- to set up regular exchange trading to carry out currency operations;
- to determine the market exchange rate of the Azerbaijan currency (manat) to foreign currencies;
- to create a mechanism for inter-state settlements;
- to maintain management and information services for currency operations;
- to settle transactions made at the BBVB both in national and foreign currencies;
- to organize and carry out exchange trading and auctions with interbank credits;
- to conduct exchange trading with futures.

## MAJOR HISTORICAL DATES

**18 October 1991** Declaration of Independence of the Azerbaijan Republic

**15 August 1992** Putting in circulation national currency—Manat

**21 June 1993** Establishment of the BBVB

**26 August 1994** Beginning of regular exchange trading in the currency market

**31 March 1995** First credit auction of the National Bank at the BBVB

**20 September 1996** First T-bill auction

**22 January 1997** First exchange trading in the BBVB Stock Department

**5 May 1997** The beginning of preparation of the first rating estimations of banks

**1 July 1997** Creation of the first exchange site

**30 August 1997** Beginning of trading in the Organized Interbank Currency Market (OICM)

**25 September 1997** First trading in the OICM by means of universal trading e-network of the BBVB

**17 December 1997** Corresponding emerging market membership status in WFE

**6 March 1998** Signing in Baku Protocol on cooperation of BBVB with Istanbul Stock Exchange

**2 October 1998** Full member of FEAS (Istanbul)

**24 February 1999** Membership in the Azerbaijan Commercial Chamber (Baku)

**14 December 1999** Membership in the Azerbaijan Commercial Banks Association (Baku)

**20 April 2000** Co-founder and membership in the International Association of CIS Exchanges (Moscow)

**3 July 2001** Signing in Moscow Arrangement on strategic cooperation of BBVB with MICEX (Moscow Interbank Currency Exchange)

**27 March 2002** Start of e-system of trades on Interbank credits—the Organized Interbank Credit Market

**8 July 2002** Creation of the commission on trading limits

**9 July 2002** Start of Bourse E-System of Trades (BEST)

**24 November 2003** Signing in Almaty agreement on mutual cooperation of BBVB with KASE (Kazakhstan Stock Exchange)

**16 June 2004** Signing in Baku agreement on mutual cooperation of BBVB with BSE (Bulgarian Stock Exchange)

**31 August 2004** Registration of index AzerIREI developed by experts BBVB

**16 June 2005** Start of the tool-currency swap in Bourse E-system of trade (BEST)

**1 January 2006** Technical transition of BEST system for using denominated manat

**14 August 2007** Signing in Baku agreement on mutual cooperation of BBVB with TICEX (Tbilisi Interbank Currency Exchange)

**28 February 2008** Signing in Moldova agreement on mutual cooperation of BBVB with MOLDSE (Moldova Stock Exchange)

## FUTURE OUTLOOK

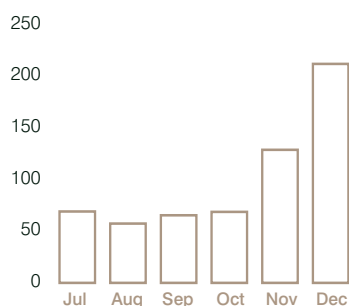
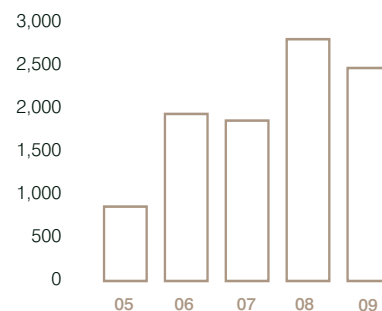
- Development of settlement and clearing services, in particularly software for management of banks trading limits on money and the currency markets;
- Improvement of the risk management system in realization of clearing operations;
- Further increasing professional skills of Exchange's personnel;
- Development of modern corporate governance principles;
- Development of Internet—technologies and e-commerce;
- Intensification of activity in organized interbank money market.

## BAKU INTERBANK CURRENCY EXCHANGE

## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	69.02	3.00	0.07	0.00
Aug-09	57.33	2.73	0.06	0.00
Sep-09	65.35	3.27	0.07	0.00
Oct-09	68.64	3.12	0.07	0.00
Nov-09	128.64	6.77	0.13	0.01
Dec-09	211.70	10.08	0.21	0.01
<b>TOTAL</b>	<b>600.69</b>	<b>4.83</b>	<b>0.60</b>	<b>0.00</b>

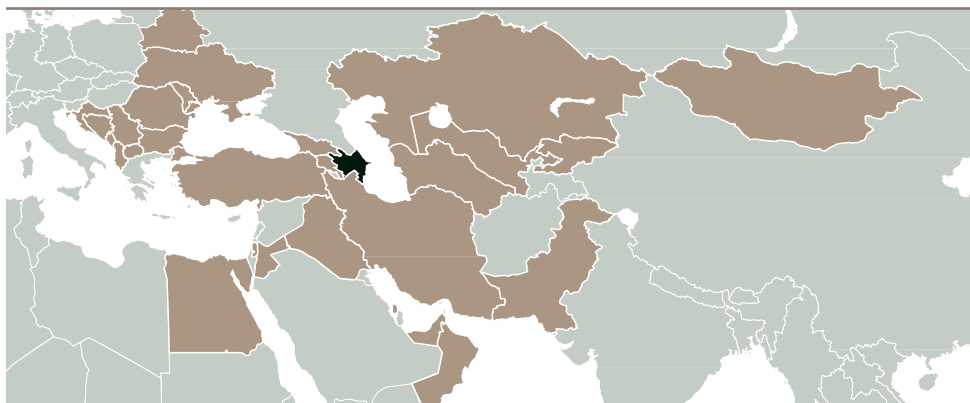
	Market Capitalization (US\$ millions)	Index
Jul-09	n/a	n/a
Aug-09	n/a	n/a
Sep-09	n/a	n/a
Oct-09	n/a	n/a
Nov-09	n/a	n/a
Dec-09	n/a	n/a

MONTHLY OTHER VOLUME  
(US\$ millions)5-YEAR OTHER VOLUME  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Ms. Aynur Bayramli E-mail [aba@bbvb.org](mailto:aba@bbvb.org) Website [www.bbvb.org](http://www.bbvb.org)

# BBVB



\* Please refer to page 58 for the Azerbaijan country report.

## BAKU STOCK EXCHANGE



**Khayal Abdinov**  
Chairman

**The efforts described above all are being done with the belief into the recovery soon to come and positioning ourselves to benefit from it.**

Till the middle of 2008 the world economy was in a growing mode the effects of which were also felt at Baku Stock Exchange, by that time our turnover grew multiple times. But starting with 2009 we sharply felt the effects of the global financial crisis. If in the past the growth was providing substantial quantity of supply, with the crisis both buy and sell sides lowered their appetites, and new risks became apparent. Reaction of the exchange was to reconsider its strategy, and now we more focus on the quality of the issuers and investors than quantity, and reevaluating the risks of the market.

The unveiling events around the world forced us to review our strategy and risks. We started by improving the listing rules; tightening on the requirements on corporate governance and providing more safety mechanisms for minority shareholders. Also in 2009 with the help of major market participants we started the process of reshaping of the local capital market architecture. We will continue this effort this year and possible in 2011. As a part of the same effort, the BSE will further strengthen its corporate structure, continue to modernize IT, and of course will be developing new products. The globalization does not pass us by, and as a result, we are investigating the opportunities of cross and dual listing with the exchanges.

The efforts described above all are being done with the belief into the recovery soon to come and positioning ourselves to benefit from it.

Taking the opportunity, I would like to thank the management and members of FEAS for the continuous support to our exchange and being responsive to the various queries coming from our side.

## HISTORY AND DEVELOPMENT

The establishment of a stock exchange was a necessary step in the creation of a modern stock market in Azerbaijan. Due to its geopolitical location Azerbaijan is an important regional center of business activity. In this respect the availability of a stable and developed securities market plays a substantial role in the raising of investors' confidence in the economy of Azerbaijan and the region.

The shareholders of the BSE are leading Azeri and foreign banks and investment companies. The supreme decision-making authority of the Baku Stock Exchange is the General Shareholders Meeting.

The trading floor of the BSE is equipped with 30 computerized trading stations, 18 of which belong to the shareholders of the Exchange. The other 12 are available for new members.

Legal bodies (banks, investment funds, broker firms) involved in professional activities in the securities market with special license from the State Committee for Securities under the auspices of the President of the Azerbaijan Republic can become members of the BSE.

## FUTURE OUTLOOK

The BSE plans for 2010:

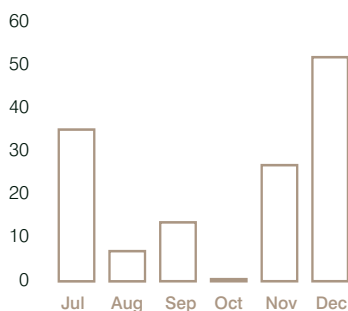
- to strengthen the internal corporate structure;
- to modernize its IT sphere;
- to improve internal risk management mechanisms
- to continue promotion of listing.

## BAKU STOCK EXCHANGE

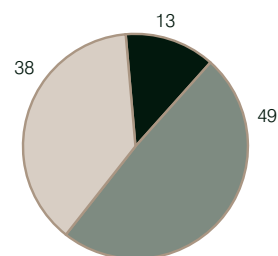
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	35.21	1.76	27.39	1.37
Aug-09	7.00	0.37	0.17	0.01
Sep-09	13.66	0.76	36.26	2.01
Oct-09	0.48	0.02	0.17	0.01
Nov-09	26.93	1.58	23.61	1.39
Dec-09	51.98	2.74	93.80	4.94
<b>TOTAL</b>	<b>135.26</b>	<b>1.21</b>	<b>181.40</b>	<b>1.62</b>
<b>Bonds</b>				
Jul-09	73.08	5.62	0.25	0.02
Aug-09	85.52	6.11	0.08	0.01
Sep-09	84.39	5.27	0.31	0.02
Oct-09	93.23	7.77	0.33	0.03
Nov-09	74.67	6.22	0.29	0.02
Dec-09	91.08	6.07	0.29	0.02
<b>TOTAL</b>	<b>501.97</b>	<b>6.18</b>	<b>1.56</b>	<b>0.02</b>
<b>Other</b>				
Jul-09	91.96	4.00	0.37	0.02
Aug-09	65.22	3.11	0.26	0.01
Sep-09	50.38	2.80	0.20	0.01
Oct-09	78.56	3.57	0.32	0.01
Nov-09	56.54	2.98	0.23	0.01
Dec-09	42.19	2.01	0.17	0.01
<b>TOTAL</b>	<b>384.85</b>	<b>3.08</b>	<b>1.55</b>	<b>0.01</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	n/a	n/a
Aug-09	n/a	n/a
Sep-09	n/a	n/a
Oct-09	n/a	n/a
Nov-09	n/a	n/a
Dec-09	n/a	n/a

MONTHLY STOCK VOLUME  
(US\$ millions)VOLUME BY TYPE  
(%)

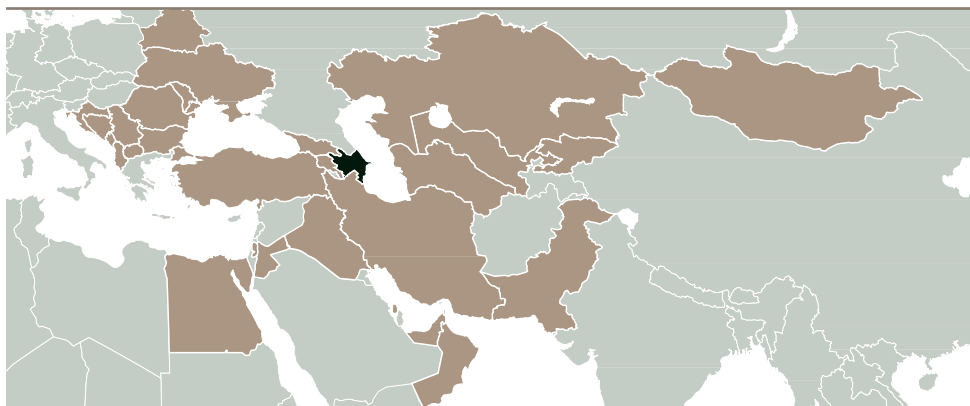
Stocks
  Bonds
  Other



## CONTACT INFORMATION



Contact Name Mr. Kamran Aliyev E-mail [k.aliyev@bse.az](mailto:k.aliyev@bse.az) Website [www.bse.az](http://www.bse.az)





## BAKU STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic Performance

Azerbaijan has experienced the repercussions of the global downturn through weaker oil prices and heightened risk aversion towards emerging markets. In the initial part of our forecast period, commercial banks will continue to face difficulties raising capital abroad, and access to credit for domestic companies and households will be reduced. However, a return to global economic growth in 2010, along with higher oil prices compared with 2009, will increase budget revenue, and the government will also be able to draw on the State Oil Fund of the Republic of Azerbaijan (SOFAZ) to help to fund social spending and infrastructure projects.

Although Azerbaijan has felt the effects of the global economic downturn, with real GDP growth estimated to have slowed from 10.8% in 2008, the effects have been much less severe than in other countries in the east European region. Azerbaijan recorded real GDP growth of 8.3% year on year in January-October 2009, compared with expansion of 12.7% in the year-earlier period, when the global economic downturn had already begun. Higher oil prices in 2010, compared with 2009, and higher external demand for oil will have a positive impact on the outlook for the economy, which is highly dependent on the energy sector. Real GDP growth is forecast to rise to 9.5% in 2010. Lower oil prices in 2011 will weigh on the economic outlook, so that real GDP is forecast to slow moderately, to 9.2%.

Average annual consumer price inflation reached 20.8% in 2008, the fastest rate of growth in prices for more than a decade, but is estimated to have decelerated to around 1.7% in 2009. Weaker domestic demand growth and lower international oil prices have reduced export revenue inflows, lowering inflationary pressures. These factors have been partly offset by increased social spending, as the authorities have sought to alleviate the impact of rising unemployment. Higher fuel and commodity prices—combined with the continuation of higher government spending, increased capital inflows and a rebound in domestic demand—will contribute to a pick-up in the pace of price rises in 2010, to a forecast average of 6.6%. Inflation will fall to 6.4% in 2011 as global energy prices fall moderately.

The manat depreciated slightly against the US dollar in August-October 2008, owing to disruptions to oil exports. The authorities appear to have been supporting the currency, as in the first nine months of 2009 the manat was stable against the US dollar, at around Manat0.8:US\$1, even though oil prices were lower than in 2008. In 2010-11 oil and gas export volumes are expected to rise compared with 2009, but global energy prices will remain considerably lower than in 2008. Nonetheless, a modest increase in export revenue is expected over the forecast period. Spending on imports will pick up in 2010-11 as investors increase capital outlays, albeit at a slower rate than in 2008. In addition, refurbishment of infrastructure will require imports of machinery and equipment, although expenditure on

imported consumer goods will be lower than in recent years, owing to reduced access to credit. Services debits for the hydrocarbons sector, on activities such as consultancy and geological services, will moderate, as foreign investors seek to reduce costs in response to the impact on firm's revenue of the global economic recession in 2009. This will lead to a narrowing of the deficits on the services and income accounts compared with 2008. After falling to an estimated US\$7.2bn in 2009 (equal to 13.4% of GDP), the current-account surplus will rise to around US\$12.3bn in 2010 (19.3% of GDP). A moderate drop in global energy prices in 2011 will weigh on the trade surplus, resulting in a drop of the current-account surplus to around 15.3% of GDP.\*

\* The Economist Intelligence Unit Limited, December 2009

#### Key Information Contacts

National Bank [www.nba.az](http://www.nba.az)  
 State Committee for Securities [www.scs.gov.az](http://www.scs.gov.az)  
 Ministry of Finance [www.maliyye.gov.az](http://www.maliyye.gov.az)  
 National Depository Center [www.mdm.az](http://www.mdm.az)  
 Ministry of Economic Development [www.economy.gov.az](http://www.economy.gov.az)

## BAKU STOCK EXCHANGE

## AZERBAIJAN ECONOMIC CHARTS AND TABLES

Annual data	2007 (a)	Historical averages (%)	2003-07
Population (m)	8.6	Population growth	1.0
GDP (US\$ m; market exchange rate)	29,399	Real GDP growth	21.1
GDP (US\$ m; purchasing power parity)	87,844 (b)	Real domestic demand growth	17.2
GDP per head (US\$; market exchange rate)	3,407	Inflation	8.6
GDP per head (US\$; purchasing power parity)	10,179 (b)	Current-account balance (% of GDP)	-1.6
Exchange rate (av) Manat:US\$	0.858	FDI inflows (% of GDP)	16.0

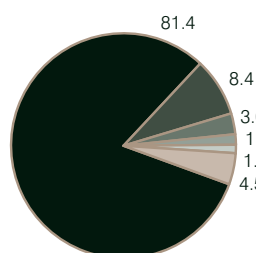
(a) Actual. (b) The Economist Intelligence Unit estimates.

## ECONOMIC FORECAST SUMMARY

	2008	2009	2010	2011	2012	2013
Real GDP growth (%)	13.1	7.8	7.4	6.0	5.8	5.0
Consumer price inflation (av; %)	21.6	16.5	10.2	8.6	7.7	7.5
General government balance (% of GDP)	-2.7	-3.6	-3.4	-2.2	-3.3	-3.9
Current-account balance (% of GDP)	45.9	30.3	29.1	30.2	28.7	24.7
Exchange rate Manat:US\$ (av)	0.82	0.81	0.80	0.79	0.78	0.76
Exchange rate Manat:[euro] (av)	1.23	1.14	1.10	1.06	1.03	1.00

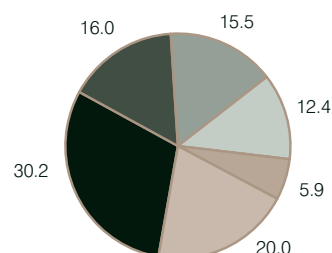
## 2007-PRINCIPAL EXPORTS (%)

Petroleum products   Food products & animals  
 Metals   Chemicals & petrochemicals   Plastics   Other



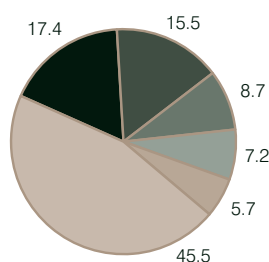
## 2007-PRINCIPAL IMPORTS (%)

Machinery & equipment   Food products  
 Transport equipment   Metals   Chemicals   Other



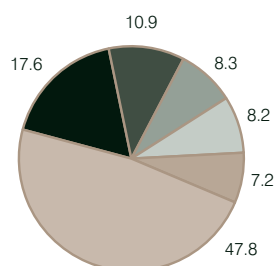
## 2007-MAIN DESTINATIONS OF EXPORTS (%)

Russia   Italy   Turkey  
 Iran   Georgia   Other



## 2007-MAIN ORIGINS OF IMPORTS (%)

Russia   Germany   UK  
 Italy   Turkey   Other



## BANJA LUKA STOCK EXCHANGE



**Milan Bozic**  
CEO

#### Introduction by Director

During 2009, the trading on the Banja Luka Stock Exchange (BLSE) was conducted within the limitations imposed by the global economic crisis. Low liquidity of the stock market is a result of uncertainty regarding its long-term impact on companies' business results. Therefore, the attention of investors has been largely focused on bonds. The total turnover of BAM 180 million was lower by 52% compared to the previous year. The stock exchange index (BIRS) almost fully recovered at the end of the year after the significant decline in the first half of the year, thus ending year with the 3.5% loss.

At the BLSE, we have understood the crisis as an opportunity to look at the real possibilities for the development of the capital market in the Republic of Srpska. Priority goals have been identified in the newly adopted Stock Exchange development strategy whose implementation should create an environment where the BLSE will become a modern service to investors and issuers which is integrated into the regional capital market.

#### Primary Market

At the beginning of the year, the stocks of private company that successfully completed the first IPO in Bosnia and Herzegovina were listed on the BLSE. The significance of this event for the future development of the capital market is greater than it illustrates the amount of issue (BAM 0.86 million). In the six secondary public offerings of shares on the stock exchange has been raised BAM 7.3 million. BAM 17.7 million has been borrowed through the three issues of municipal bonds and another BAM 2.1 million by bonds of a micro-credit institution. Six bonds issued by Brcko District and two bonds issued by the Republic of Srpska for the settlement of old foreign currency savings and war damage in total value of BAM 109 million were listed on the BLSE.

#### New Technologies

The special attention has been given to strengthen the technological basis of the BLSE, through the introduction of the FIX protocol in the stock exchange trading system and development of integrated trading systems for the brokerage

**We have understood the crisis as an opportunity to look at the real possibilities for the development of the capital market in the Republic of Srpska.**

houses based on the FIX protocol. These systems provide a completely new opportunity for investors in terms of ability to monitor in real-time their positions on the stock exchange and to execute transactions. In future, new technologies will be used to connect with other capital markets in the region and for international data distribution.

#### International cooperation

The joint road-shows organized by the stock exchanges from the former Yugoslavia have been the most important international projects in which the BLSE was participated in 2009. At road-shows in Belgrade and Vienna, Telekom Srpske together with 30 companies from six other countries was presented to investors. In cooperation with the Vienna and Sarajevo SE the first investible index that includes shares of companies from the Republic of Srpska and Federation of BiH was created. The index should serve as a basis for creating the first derivatives on the domestic securities by foreign investment institutions. Together with other stock exchanges the first steps were made towards linking markets through brokerage house cooperation within the region. This regional cooperation will be based on the use of advanced technological solutions.

#### Data Distribution

The availability of data on securities listed in the Republic of Srpska has significantly increased after the final implementation of ISINs. Data from the BLSE is available in real-time through ten vendors such as; Thomson Reuters, Bloomberg, SIX Telekurs, TeleTrader Europoint, etc. Significant news in the field of data distribution is related to an agreement with the Vienna SE. According to agreement the Vienna SE undertakes the marketing and distribution of BLSE data in the future as part of data-feed package in which are included data from the Vienna, Budapest, Ljubljana, Prague, Bucharest and Sarajevo SE.

#### Corporate governance

The valuation of securities is in direct correlation with the view that investors have about the quality of corporate governance in the companies. Therefore, the development of corporate

governance will permanently remain one of the most important priorities of the BLSE. Therefore, the BLSE together with the International Finance Corporation (IFC), has created a scorecard; a tool for monitoring the implementation of standards of corporate governance in accordance with the OECD principles. In cooperation with the Athens SE seminars for companies dedicated to the most important aspects of corporate governance listed the official market were organized. However, we believe that the greatest contribution to the development of corporate governance in the Republic of Srpska is our ongoing commitment to the transparency and disclosure of detailed information on companies and investment funds at our web pages. With this approach we managed to position the BLSE in the region as a stock exchange that pays the most attention in providing the investors with sufficient information.

#### Education

Understanding trends in capital markets implies a series of theoretical knowledge and practical disciplines. Therefore, we always point out that the formal education needs to pay greater attention in educating young people in the area of finance. We have not stopped on that, but in cooperation with the Republic of Srpska Pedagogical Institute we have begun a series of educational projects such as; organization of seminars for teachers, publishing a manual for teachers in financial markets, organizing competitions for high school and university students through a virtual stock exchange. The BLSE its understanding of socially responsible behavior showed by creating a specific web application for the practical teaching of accounting that is available to all students of high schools of economics in the Republic of Srpska. At the same time, in cooperation with the Chamber of Commerce we have designed basic and advanced seminars for investors which will be periodically organized in the future.

Profit achieved in a complex business environment is an indicator of stability of operations, is a clear sign that the BLSE can continue to pursue its strategic development objectives.

## HISTORY AND DEVELOPMENT

**15.07.1998** The adoption of the Law on Securities provided the necessary legal framework to establish the capital market of the Republic of Srpska.

**09.05.2001** Eight banks and one company trading in securities signed the Contract that established the Banja Luka Stock Exchange.

**14.03.2002** The first trading session took place.

**20.08.2003** The first auction for state owned capital took a place on the BLSE.

**03.05.2004** BIRS – The Stock Exchange Index of Republic of Srpska established.

**01.08.2004** FIRS - The Investment Fund Index of Republic of Srpska established.

**17.09.2004** Full membership to FEAS.

**01.01.2006** ERS10 - Index of ten companies from Electric Power System of Republic of Srpska was established.

**20.03.2006** Introduction of continuous trading in shares from the Free Market which fulfill the liquidity criteria.

**18-19.05.2006** First International Conference of the BLSE was held.

**29.01.2007** Correspondent membership to WFE.

**22.11.2007** Correspondent membership to FESE.

**24.06.2008** The BLSE real-time data started to be distributed by the Bloomberg.

**09.3.2009** New trading system (BST 2.4) that supports FIX protocol was implemented.

**04.08.2009** The BLSE real-time data available via Thomson Reuters.

## FUTURE OUTLOOK

In 2010 the BLSE plans to:

- Increase the market liquidity
- Increase the quality and quantity of securities offered to investors
- Increase the efficiency of the stock exchange trading system
- Support the primary market development
- International promotion of domestic capital market to foreign investors
- Implement systemic approach to education
- Maintain partnership with capital market institutions and listed companies

## BANJA LUKA STOCK EXCHANGE

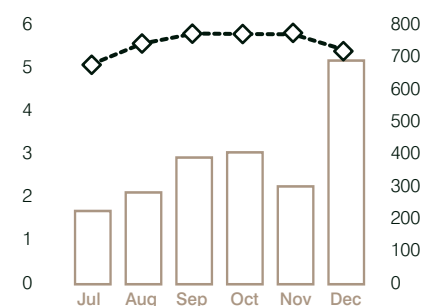
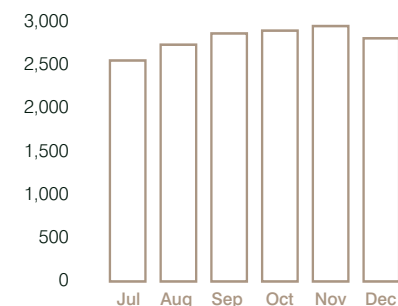
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	1.70	0.07	5.88	0.26
Aug-09	2.13	0.10	5.42	0.26
Sep-09	2.94	0.13	5.73	0.26
Oct-09	3.06	0.14	3.52	0.16
Nov-09	2.27	0.11	6.02	0.29
Dec-09	5.19	0.23	17.21	0.75
<b>TOTAL</b>	<b>17.30</b>	<b>0.13</b>	<b>43.78</b>	<b>0.33</b>
<b>Bonds</b>				
Jul-09	0.96	0.04	3.20	0.14
Aug-09	1.50	0.07	4.67	0.22
Sep-09	2.49	0.11	6.24	0.28
Oct-09	1.65	0.08	4.33	0.20
Nov-09	3.19	0.15	10.00	0.48
Dec-09	5.69	0.25	19.33	0.84
<b>TOTAL</b>	<b>15.49</b>	<b>0.12</b>	<b>47.77</b>	<b>0.36</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	2,563.45	682.87
Aug-09	2,746.69	744.15
Sep-09	2,877.23	776.18
Oct-09	2,909.85	776.50
Nov-09	2,962.72	778.91
Dec-09	2,820.76	728.68

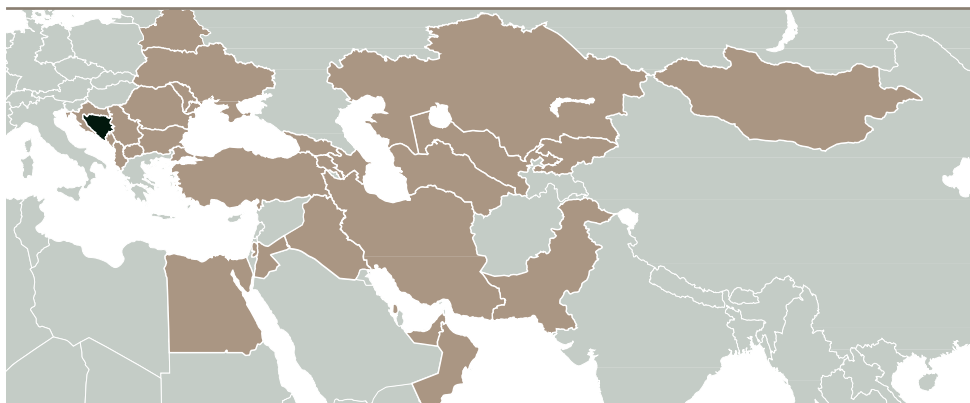
MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Mr. Nebojsa Vukovic E-mail blberza@blic.net Website www.blberza.com





## BANJA LUKA STOCK EXCHANGE

## ECONOMIC AND POLITICAL DEVELOPMENTS

## Economic and Political Environment

The rising political temperature in BiH makes it highly unlikely that the main parties will reach agreement in the near future on the internationally backed reform agenda. The most important element of this is the reform of BiH's constitutional structure, with Bosniak (Bosnian Muslim) leaders pushing for greater centralization, and Bosnian Serbs and Bosnian Croats favoring decentralized structures.

BiH signed a stabilization and association agreement (SAA) with the EU in June. Talks on visa facilitation began recently, but there are doubts as to whether BiH will be granted EU candidate status during the forecast period. BiH's progress in EU integration will depend in part on the pace of reforms and the EU's own appetite for further enlargement following the rejection of the Lisbon treaty by Irish voters in June 2008.

The SAA will set the broad policy framework for the forecast period. The immediate consequence is the reduction or abolition of customs duties on a wide range of imports from the EU, which took effect on July 1st 2008 and will greatly increase competition for local producers in some sectors. The SAA will require the BiH authorities to implement a wide range of reforms affecting business, but there are likely to be further delays during 2009-10 in strengthening policy co-ordination between the entity governments and creating a single economic space in BiH. Developing a single economic space entails liberalizing labor markets and making pension and health benefits transferable across the country.

## Economic Performance

Economic growth in BiH in 2009-10 will be influenced by the demand from the country's main trading partners in the EU and in south-eastern Europe. Growth forecast for the Euro zone in 2009 has gone down to 0.8% (from a previous forecast of 0.9%) following weaker than expected second-quarter GDP data. Rapid expansion elsewhere in south-eastern Europe should boost import demand in several of BiH's main regional export markets. However, overall deceleration in growth of import demand in BiH's top export markets in 2009 is expected. The external picture should improve in 2010 as a consequence of a modest recovery in the Euro zone.

Real GDP growth in 2008 is estimated at 5%. This primarily reflects strong expansion of private consumption, driven by rapid growth in real wages and consumer borrowing. Large energy and road building projects will boost construction in 2009-10, and industry should grow strongly as leading metals producers expand capacity. Private consumption is expected to continue to grow robustly, from a relatively low base, reflecting further growth in bank lending and real wages.

Inflation decelerated to 9.5% year on year in August after rising steadily for more than a year. There are signs that inflationary pressures may have peaked for now, because international oil prices have fallen and food prices are rising less sharply. As expenditure on food, housing and heating accounts for 55% of average household consumption in BiH, prices of these goods and services are the main determinants of inflation. Nonetheless, rapid growth of wages and bank credit, as well as increases in administered prices, will continue to feed inflationary pressures.

Price growth will be only partly held in check by the continued stabilizing influence of the currency board arrangement, and it is estimated that the average inflation in 2008 of 8%. A deceleration of price growth over the forecast period is also expected, reflecting base-period effects and some policy tightening. The marka appears to be considerably overvalued, but the likelihood of a change in the exchange-rate regime over the forecast period is very low. The Central Bank of BiH maintains sufficient reserves to cover the whole of its monetary liabilities, although the recent surge in the current-account deficit has forced the authorities to use some of these to finance the deficit. Despite the large external deficit, a speculative attack on the marka is as unlikely. This is because of the continuing trust in the currency board arrangement by investors, and BiH's low levels of integration with global financial markets.

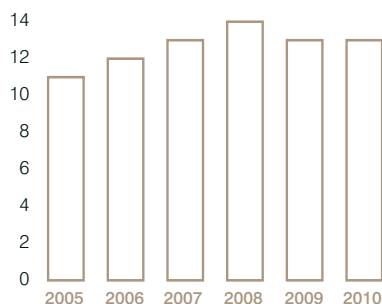
The current-account deficit widened to an estimated 16.1% of GDP in 2008, from 13.5% of GDP in 2007. Import costs will continue to rise rapidly over the forecast period as a result of strong growth in private consumption, high food and oil prices, new investment in industry and infrastructure, and the reduction or abolition of import tariffs on many goods from July 1st under the SAA. Export expansion will be supported by productivity gains stemming from recent investment in heavy industry. However, BiH's export base will remain relatively narrow and vulnerable to swings in international commodity prices, and growth of import demand in BiH's leading export markets is forecast to slow. We forecast average annual current-account deficits equivalent to more than 15% of GDP in 2009-10.\*

\* The Economic Intelligence Unit Ltd., October 2008.

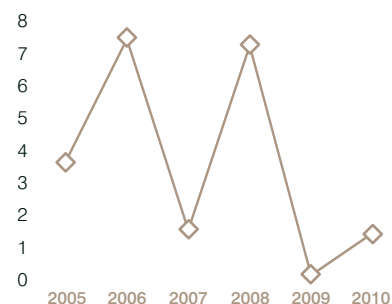
## Key Information Contacts

Ministers Council of Bosnia and Herzegovina [www.vijeceministara.gov.ba](http://www.vijeceministara.gov.ba)  
 Ministry of Foreign Affairs of Bosnia and Herzegovina [www.mvp.gov.ba](http://www.mvp.gov.ba)  
 Republic of Srpska Government [www.vladars.net](http://www.vladars.net)  
 Central Bank of Bosnia and Herzegovina [www.cbbh.ba](http://www.cbbh.ba)  
 Republic of Srpska Securities Commission [www.sec.rs.ba](http://www.sec.rs.ba)  
 Central Registry of Securities of Republic of Srpska [www.crhovrs.org](http://www.crhovrs.org)  
 Foreign Investment Promotion Agency of Bosnia and Herzegovina [www.fipa.gov.ba](http://www.fipa.gov.ba)  
 Directorate of European Integration [www.dei.gov.ba](http://www.dei.gov.ba)

**REAL GDP**  
(BAM millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



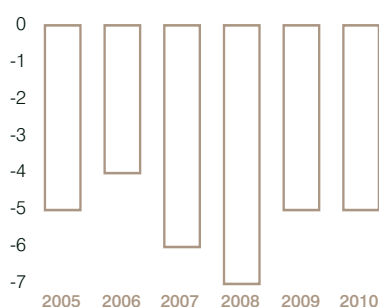
## BANJA LUKA STOCK EXCHANGE

## BOSNIA ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	25 (a)	28 (a)	30 (a)	33 (a)	32 (a)	33 (b)
Real GDP bil BAM	11	12 (a)	13 (a)	14 (a)	13 (a)	13 (b)
Real private consumption mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real government consumption mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real gross fixed investment mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real stockbuilding mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real exports of G&S mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real imports of G&S mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real domestic demand mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real GDP at factor cost mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real agriculture mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real industry mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real manufacturing mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Real services mil BAM	n/a	n/a	n/a	n/a	n/a	n/a
Gross national savings rate (%) %	n/a	n/a	n/a	n/a	n/a	n/a
Gross national savings/investment %	n/a	n/a	n/a	n/a	n/a	n/a
Budget balance (% of GDP) %	0.8	2.2	-0.1	-4.0 (a)	-5.2 (a)	-4.5 (b)
Consumer prices (% change pa; av) %	3.7 (a)	7.5	1.6	7.3 (a)	0.2 (a)	1.5 (b)
Exchange rate LCU:US\$ (av) BAM/US\$	1.5727	1.5576	1.4290	1.3305 (a)	1.4015 (a)	1.3749 (b)
Lending interest rate (%) %	9.6	8.0	7.2	7.0 (a)	8.0 (a)	7.5 (b)
Stock of domestic credit mil BAM	7,462	9,123	11,816	14,457 (a)	14,312 (a)	15,457 (b)
Domestic credit growth (%) %	27.6	22.3	29.5	22.4 (a)	-1.0 (a)	8.0 (b)
Deposit interest rate (%) %	3.6	3.7	3.6	3.5 (a)	3.6 (a)	3.7 (b)
Population million	3.8	3.8	3.8	3.8 (a)	3.8 (a)	3.8 (b)
GDP per head (\$ at PPP) US\$	6,610 (a)	7,300 (a)	8,020 (a)	8,650 (a)	8,490 (a)	8,680 (b)
Current account balance/GDP %	-17.1	-8.0	-10.5 (a)	-14.9 (a)	-8.6 (a)	-7.1 (b)
International reserves bil US\$	3	3	5	4	4 (a)	4 (b)
Trade balance bil US\$	-5	-4	-6	-7	-5 (a)	-5 (b)
Foreign-exchange reserves bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Total foreign debt bil US\$	5	6	6	7 (a)	8 (a)	10 (b)
Public medium & long-term bil US\$	3	3	3	4 (a)	4 (a)	4 (b)
Private medium & long-term bil US\$	2	2	2	2 (a)	2 (a)	3 (b)
IMF debt bil US\$	0	0	0	0 (a)	0 (a)	1 (b)
Short term bil US\$	1	1	2	2 (a)	2 (a)	2 (b)
Net debt bil US\$	3	2	2	4 (a)	5 (a)	6 (b)
Export credits bil US\$	1	1	1	1 (a)	1 (a)	1 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, September 2009.

TRADE BALANCE  
(US\$ billions)

## BELARUSIAN CURRENCY AND STOCK EXCHANGE



**Pavel Tsekhanovich**  
Chairman of the Board

**The mission of the BCSE is to become the main power on the way of reforming the Belarusian organized financial market and to make it the basic source of investments for Belarusian enterprises.**

Established in 1993, the Belarusian Currency and Stock Exchange (BCSE) is a unique trading platform in the country that serves the financial market of Belarus. Today, the BCSE is a stable working organization with constantly growing trade turnovers.

The mission of the BCSE is to become the main power on the way of reforming the Belarusian organized financial market and to make it the basic source of investments for Belarusian enterprises.

### Functions of the BCSE

- Organization of exchange trading in foreign currencies, futures and securities
- Clearing Center in Belarusian settlement clearing system
- Depository functions for corporate securities
- Registration of OTC transactions with corporate securities
- Information Center functions

## HISTORY AND DEVELOPMENT

The BCSE was established on the basis of the state-run Interbank Currency Exchange in December 29, 1998 as a non-profit, public company with administrative and financial autonomy. Having obtained the license to pursue exchange activities and the depository license, the exchange began to organize trading in the main segments of the financial market of Belarus (the currency market, the government securities market, the market of the National Bank's bonds, the corporate securities market, the market of bonds of local loans and the market of bills of exchange).

In 1999, the BCSE developed the first listing criteria to provide a transparent and efficient market. The Exchange is governed by a five-member board of directors. The highest body is the General Meeting of Stockholders, the managerial body is the Supervisory Board (8 members).

The BCSE membership is comprised of 29 banks, 64 brokerage and dealer firms and 5 individuals.

The Interbank Currency Exchange was established 4 March 1993 by 18 leading business banks as a closed-type joint-stock company. Its main task was organizing trading in foreign currencies. On 24 March 1993, first

trades in the Russian ruble were held in the electronic trading system. In 1995, the National Bank of Belarus granted the Interbank Currency Exchange the right to organize the purchase and sale of futures on foreign currency and other financial assets.

On 24 September 1996 the Interbank Currency Exchange was made a subdivision of the National Bank, in which capacity it organized trading in foreign currencies for 2 years. In 1997, the Interbank Currency Exchange was granted the right to organize the secondary market of government securities (except for registered privatization vouchers) and the securities of the National Bank.

First electronic government securities trades were carried out at the Interbank Currency Exchange on 16 January 1998.

The BCSE aims to:

- minimize risks and transaction charges from capital formation in the organized market;
- provide transparency of transactions;
- protect investors' legal rights and their interests;
- implement programs on financial resources formation necessary for their development;
- develop state monetary and credit policy market mechanisms;
- create necessary conditions for effective controlling functioning of the State

## FUTURE OUTLOOK

- Expansion of technological capacity - upgrading the corporate network infrastructure
- Expansion of SED functionality;
- Works on information resources and databases integration based on Oracle WebLogic software;
- Development and upgrade of the Internet-based exchange systems;
- Introduction of new sectors and instruments in different segments of the exchange market;

All the work performed by the BCSE and its future plans are aimed at providing all necessary conditions for civilized financial market functioning in the republic, which is able to protect the interests of all participants and ensure a successful and sustainable development of their business.

## BELARUSIAN CURRENCY AND STOCK EXCHANGE

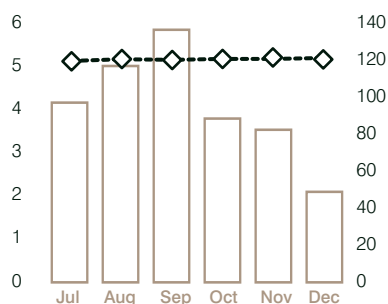
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	4.17	0.19	0.41	0.02
Aug-09	5.02	0.24	1.04	0.05
Sep-09	5.86	0.27	2.90	0.13
Oct-09	3.80	0.17	8.72	0.40
Nov-09	3.54	0.17	2.29	0.11
Dec-09	2.10	0.10	1.35	0.06
<b>TOTAL</b>	<b>24.49</b>	<b>0.19</b>	<b>16.70</b>	<b>0.13</b>
<b>Bonds</b>				
Jul-09	1,338.68	60.85	35.44	1.61
Aug-09	1,384.54	65.93	35.48	1.69
Sep-09	1,556.04	70.73	39.52	1.80
Oct-09	1,382.35	62.83	35.98	1.64
Nov-09	981.24	46.73	21.72	1.03
Dec-09	1,297.91	59.00	30.81	1.40
<b>TOTAL</b>	<b>7,940.76</b>	<b>61.01</b>	<b>198.95</b>	<b>1.53</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

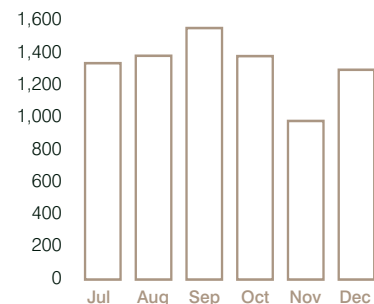
	Market Capitalization (US\$ millions)	Index
Jul-09	n/a	120.78
Aug-09	n/a	120.45
Sep-09	n/a	120.68
Oct-09	n/a	120.81
Nov-09	n/a	120.88
Dec-09	n/a	121.04

MONTHLY STOCK VOLUME (US\$ millions)

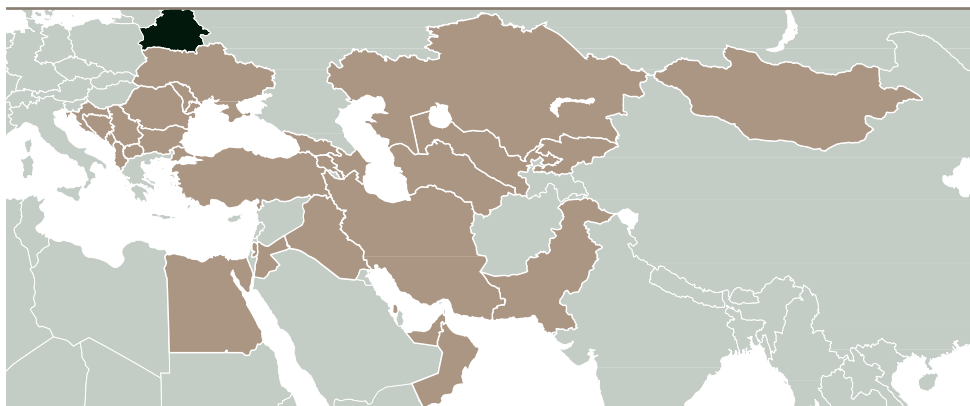
□ Stocks ◇ Index



MONTHLY BOND VOLUME (US\$ millions)



## CONTACT INFORMATION

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## BELARUSIAN CURRENCY AND STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

The president, Alyaksandar Lukashenka, retains tight control over the bureaucracy—including regional administrators, and military, security and law enforcement bodies—and will use this to prevent the emergence of alternative centres of power, and to discourage potential rivals from seriously considering an attempt to dislodge him. Opposition parties will continue to co-ordinate their strategies to some degree, but will still face limits on political participation and expression, and will remain divided along ideological lines. Nevertheless, the economic recession expected in 2009, exacerbated by a deterioration of Belarus's energy terms of trade, brings risks.

Engagement between the Lukashenka regime and the EU and US is likely to continue to increase, in a context of concerns about the threat to Belarusian independence from a resurgent Russia and Mr Lukashenka's desire to attract more Western investment. However, Mr Lukashenka's reluctance to accept the bare minimum of political openness demanded by the EU and the US will limit the improvement in ties with the West, and the process could be subject to reversal if Mr Lukashenka feels that it is not bringing the expected benefits. Belarus will remain closely tied to Russia. Russia's focus on its own commercial interests in relation to Belarus—in particular, the long-standing goal of its oil and gas companies to obtain important distribution and processing assets in Belarus—will continue to strain relations at times. However, the two countries will remain close partners, co-operating in international and military affairs in the coming years.

#### Economic Performance

The government's statist economic model will come under strain in 2009-10 as a result of the impact of the global recession. Belarus agreed a US\$2.5bn 15-month stand-by agreement with the IMF in December 2008. However, the Lukashenka administration derives much of its legitimacy from tight state control over most aspects of the economy and the prioritisation of social goals, such as full employment and equitable income distribution. A wholesale departure from these policies is therefore unlikely, and the government will avoid far-ranging economic restructuring or deregulation, although limited improvements in business regulation are possible.

Russia, Ukraine and the EU, which are Belarus's leading export markets, will experience recession in 2009. Real GDP grew by 10% in 2008. However, the global credit crunch and the fall in export revenue will seriously constrain the authorities' ability to maintain the loose fiscal and credit policies that have previously supported growth. A further rise, on average, in the price of Russian gas will place further strain on the economy.

Inflation decelerated in the final months of 2008, and after a brief spike in the first two months of 2009, under the impact of currency depreciation and gas price rises, has since resumed its downward trend. Average annual inflation will therefore fall from 14.8% in 2008 to 12.1% in 2009 and 10% in 2010.

The rubel was devalued by 20.5% against the US dollar at the beginning of January and has subsequently weakened further, despite interventions by the National Bank of the Republic of Belarus (NBRB, the central bank) on foreign-exchange markets to support the currency.

The trade deficit widened in 2008 and in the first quarter of 2009. Although high export prices supported a strong export performance for much of 2008, imports also rose rapidly, partly because of high energy prices, but also because of rising domestic demand, and have been slower to correct following the collapse of exports from the final quarter of 2008. The current-account deficit in 2008 was 9.4% of GDP and is forecast to narrow to around 6.5% of GDP in 2009. On the one hand, exports will fall owing to recessions in important markets. On the other hand, limited access to external financing will force a marked correction to domestic demand, and imports will therefore fall even more sharply. The deficit will contract in 2010, to 5.5% of GDP, as exports pick up more quickly than imports.\*

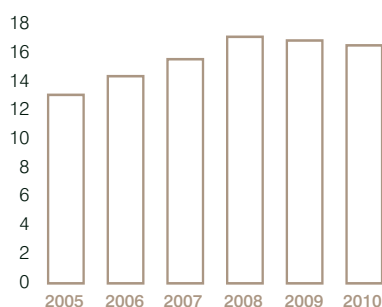
\* The Economist Intelligence Unit Limited, May 2009



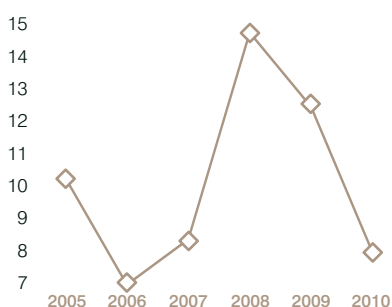
#### Key Information Contacts

President of Belarus [www.president.gov.by/en/](http://www.president.gov.by/en/)  
 Council of Ministers [www.government.by/en/eng\\_news.html](http://www.government.by/en/eng_news.html)  
 Ministry of Foreign Affairs [www.mfa.gov.by/eng/index.php?id=2&d=contacts/links](http://www.mfa.gov.by/eng/index.php?id=2&d=contacts/links)  
 Belarusian Telegraph Agency (National Source of Information) [www.belta.by/en/](http://www.belta.by/en/)

**REAL GDP**  
(BYB millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



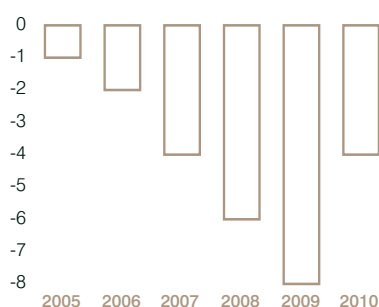
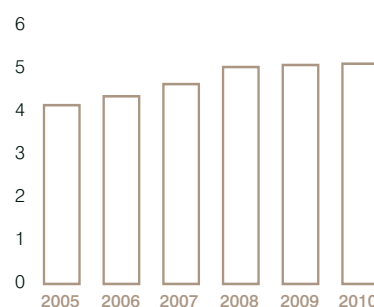
## BELARUSIAN CURRENCY AND STOCK EXCHANGE

## BELARUS ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	84	95	105	118	118 (a)	117 (b)
Real GDP bil BYB	13,119	14,418	15,600	17,160	16,903 (a)	16,565 (b)
Real private consumption bil BYB	9,103	9,556	10,176 (a)	11,045 (a)	11,150 (a)	11,215 (b)
Real government consumption bil BYB	1,824	2,186	2,634 (a)	3,074 (a)	2,540 (a)	2,237 (b)
Real gross fixed investment bil BYB	4,148	4,354	4,637 (a)	5,033 (a)	5,080 (a)	5,110 (b)
Real stockbuilding bil BYB	312	311	364 (a)	329 (a)	335 (a)	343 (b)
Real exports of G&S bil BYB	9,540 (a)	10,332 (a)	11,040 (a)	11,412 (a)	10,418 (a)	10,773 (b)
Real imports of G&S bil BYB	11,244 (a)	12,234 (a)	13,134 (a)	13,642 (a)	12,522 (a)	13,011 (b)
Real domestic demand bil BYB	15,387	16,408	17,811 (a)	19,481 (a)	19,105 (a)	18,905 (b)
Real GDP at factor cost bil BYB	11,224 (a)	12,335 (a)	13,346 (a)	14,681 (a)	14,461 (a)	14,171 (b)
Real agriculture bil BYB	1,435 (a)	1,521 (a)	1,563 (a)	1,680 (a)	1,714 (a)	1,748 (b)
Real industry bil BYB	4,945 (a)	5,504 (a)	5,779 (a)	6,472 (a)	5,954 (a)	5,954 (b)
Real manufacturing bil BYB	n/a	n/a	n/a	n/a	n/a	n/a
Real services bil BYB	4,769 (a)	5,228 (a)	5,911 (a)	6,426 (a)	6,686 (a)	6,368 (b)
Gross national savings rate (%) %	29.9	28.3	26.4 (a)	27.8 (a)	25.5 (a)	37.5 (b)
Gross national savings/investment %	105.1	87.8	79.6	76.2	63.3 (a)	85.6 (b)
Budget balance (% of GDP) %	-0.7	1.4	-0.3 (a)	-1.4 (a)	-2.0 (a)	-2.5 (b)
Consumer prices (% change pa; av) %	10.3	7.0	8.4	14.8 (a)	12.5 (a)	8.0 (b)
Exchange rate LCU:US\$ (av) BYB/US\$	2,154	2,145	2,146	2,136 (a)	2,810 (a)	3,050 (b)
Lending interest rate (%) %	11.4	8.8	8.6 (a)	8.6 (a)	10.5 (a)	9.5 (b)
Stock of domestic credit bil BYB	14,160	21,554	26,149 (a)	40,524 (a)	42,974 (a)	43,821 (b)
Domestic credit growth (%) %	33.5	52.2	21.3 (a)	55.0 (a)	6.0 (a)	2.0 (b)
Deposit interest rate (%) %	9.2	7.7	8.3 (a)	8.5 (a)	10.0 (a)	9.0 (b)
Population million	9.8	9.7	9.7	9.6 (a)	9.6 (a)	9.6 (b)
GDP per head (\$ at PPP) US\$	8,563	9,755	10,884	12,290 (a)	12,310 (a)	12,300 (b)
Current account balance/GDP %	1.4	-3.9	-6.8	-8.7	-14.7 (a)	-6.3 (b)
International reserves bil US\$	1	1	4	3	2 (a)	3 (b)
Trade balance bil US\$	-1	-2	-4	-6	-8 (a)	-4 (b)
Foreign-exchange reserves bil US\$	1	1	4	3	2 (a)	3 (b)
Total foreign debt bil US\$	5	5	9	14 (a)	16 (a)	19 (b)
Public medium & long-term bil US\$	1	1	2	3	3 (a)	3 (b)
Private medium & long-term bil US\$	0	1	1	2	2 (a)	3 (b)
IMF debt bil US\$	0	0	0	0	3 (a)	5 (b)
Short term bil US\$	4	4	6	9	8 (a)	8 (b)
Net debt bil US\$	4	4	6	11 (a)	14 (a)	17 (b)
Export credits bil US\$	0	0	0	0	0 (a)	0 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(BYB millions)

## BELGRADE STOCK EXCHANGE



**Gordana Dostanic**  
Managing Director

The movements at the Belgrade Stock Exchange in 2009 were considerably affected by movements on the global financial market. During the year, the investment activities diminished in terms of the turnover value due to an increased risk aversion. The total turnover at BSE during 2009 amounted to US\$ 636.8m, a fall of 52% compared to the previous year. In the same period, the average daily turnover also recorded a fall of around 52%.

The effects of a significant decline in investment activities at BSE during the last year could not be alleviated due to the lack of a broader range of financial instruments, above all debt instruments, (municipal and corporate bonds) which, as a rule, in the conditions of increased risks, enable an efficient restructuring of investment portfolios for the purpose of minimizing the overall risk investment.

During the first quarter, when the turbulences in the global economy reached a peak, the index

## During 2009, the BSE made intensive efforts to motivate the Exchange members to actively engage in the market-making operations.

describing the movement of the most liquid BSE shares BELEX15 hit its historic low of 347.46 index points. In the same period, the investors started to relax with the first signals that the measures taken by the governments of G20 countries could lead the world economy out of the crisis. The same relaxation, slightly delayed, was also felt at the BSE. Thus, during 2009, BELEX15 recorded an annual rise of 17.44%. On the last day in 2009, the value of this index amounted to 663.77 index points, still far below its base value of 1,000.00 index points.

During 2009, the BSE made intensive efforts to motivate the Exchange members to actively engage, in addition to their usual activities in the securities trading, in the market-making operations, for the purpose of enhancing market liquidity, reducing the risk of an uncontrolled price volatility and successful establishment of prices for less liquid securities. The BSE entered 2009 with only one market maker, but during the year,

recognizing the importance of these activities and seeing the first positive effects on the market, three more members started performing market-making operations.

In order to enable the electronic order routing from the "backoffice" applications of the Exchange members into the BSE trading system, a special module FIXAPI (FIX Application Programming Interface) was developed enabling the automatic transfer of orders from an Exchange member to the BSE trading system BELEXFIX. In the second half of the year, the BSE launched into production its new internet presentation, which has the following advantages over the previous version: it provides easier access to more information, use of new development tools enabling a more efficient development, maintenance and control of performances, modern design, faster web site search, etc.

## HISTORY AND DEVELOPMENT

The Belgrade SE was originally founded in 1894, on November 21, but the first transactions were made in January 1895. The last trading session was held on April 4, 1941. The Stock Exchange was closed in 1953, and again refounded in 1989, as a "Yugoslav Capital Market". In 1992, Belgrade SE officially got its name back. The key events in the history are:

- In September 2002 Republic of Serbia Bonds trading began;
- In March 2004, remote trading was launched;
- In September 2004, Belgrade SE achieved full membership in FEAS;
- In October 2004 continuous trading of stocks has begun;
- In November 2004 the Third International Conference was held. The 110 anniversary of Belgrade SE celebrated;
- In December 2004, BELEXfm index has been launched;
- In February 2005, Belgrade SE became an associate member of FESE;
- In March 2005, BELEX.info service was launched;
- In May 2005 the data distribution via Data Feed has begun;
- In October 2005 the BELEX15 index has been introduced;
- In November 2005 the Fourth International Conference "Preserving Integrity and Efficiency of the Capital Market" was held;
- In January 2006 new website was launched;
- In April 2006 various training courses started;
- In April 2006 MoU signed with the IFC;
- In November 2006 the Fifth International Conference was held;
- In March 2007, SRX index (Serbian Traded Index) launched by the Vienna SE;

- In April 2007, the Belgrade SE launched its new general equity index BELEXline, successor of the BELEXfm;
- In April 2007, first company listed on the premium Listing A – Tigar Corporation from Pirot;
- In June 2007, BELEX 15 Open End - Index Certificate issued and listed at the Frankfurt SE and Stuttgart SE;
- In November 2007, Serbian stocks included in first Balkan Blue-Chip index - DJ STOXX Balkan 50;
- In November 2007, VI International Conference was held;
- In December 2007, 'Discobolos' was rewarded to the Belgrade SE for applying new technologies;
- In December 2007 the Memorandum of Partnership was signed with exchanges from the region;
- In January 2008, ABN AMRO bought a licence for BELEX15
- In April 2008, the new trading system BELEXFIX was launched;
- In September 2008, first closed-end fund shares admitted to trading;
- In November 2008, VII Annual Conference was held;
- In December 2008, first market maker in TIGR shares;
- In May 2009, Third International Roadshow was held in Belgrade;
- In June 2009, three new market makers were introduced to the market;
- In August 2009, new website was launched;
- In September 2009, Luxembourg Foreign Minister Jean Asselborn visited the Belgrade SE;
- In November 2009, SEE Regional Capital Markets Conference was held in Vienna;
- In November 2009, VIII Annual Conference was held;

## FUTURE OUTLOOK

In 2010 the BSE will work on the execution of the following projects:

- Upgrading of all operations, rules and procedures to provide state-of-art service;
- Introduction of the electronic order routing in the BSE trading system, BELEXFIX;
- Launching of modern BSE Disaster recovery site;
- Organization of international roadshows;
- Further development of the existing indexes and indicators;
- Continuous motivation of the best Serbian companies to apply for Official Listing;
- Further development of market segmentation by creating new segments and improving the existing ones;
- Development of sector classification in line with the leading global standards;
- Market liquidity boosting through automation of the market-making function;
- Exploring the possibilities of introducing new instruments into the market;
- Promotion of news on listed companies through direct cooperation with media and news agencies;
- A reduction in the transaction costs and taxes in cooperation with other capital market institutions and state bodies;
- Broadening the network of international data vendors;
- Work on promotion of importance of corporate governance among issuers;
- Educational activities with the existing and new training programs;
- Improvement of media coverage of stock exchange activities;
- Editing and publishing of new editions and publications;
- Work on developing human resources;
- Organization of the annual 9th International Conference in November.

## BELGRADE STOCK EXCHANGE

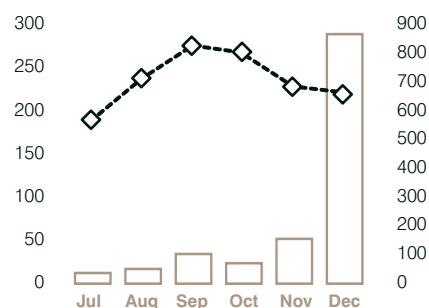
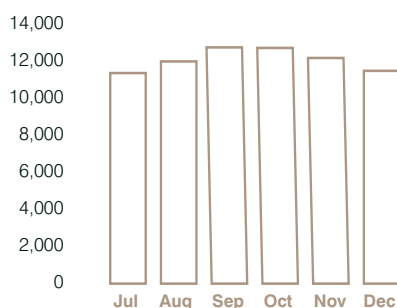
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	12.38	0.54	0.87	0.04
Aug-09	17.07	0.81	0.89	0.04
Sep-09	34.42	1.56	1.25	0.06
Oct-09	23.72	1.08	1.54	0.07
Nov-09	51.96	2.47	1.77	0.08
Dec-09	289.49	12.59	3.49	0.15
<b>TOTAL</b>	<b>429.03</b>	<b>3.18</b>	<b>9.83</b>	<b>0.07</b>
<b>Bonds</b>				
Jul-09	5.28	0.23	4.88	0.21
Aug-09	6.62	0.32	5.49	0.26
Sep-09	4.64	0.21	4.05	0.18
Oct-09	4.68	0.21	3.81	0.17
Nov-09	3.10	0.15	2.47	0.12
Dec-09	5.56	0.24	4.51	0.20
<b>TOTAL</b>	<b>29.88</b>	<b>0.23</b>	<b>25.21</b>	<b>0.19</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	11,400.99	570.25
Aug-09	12,030.30	710.80
Sep-09	12,779.54	825.97
Oct-09	12,749.80	806.19
Nov-09	12,206.77	681.24
Dec-09	11,521.56	663.77

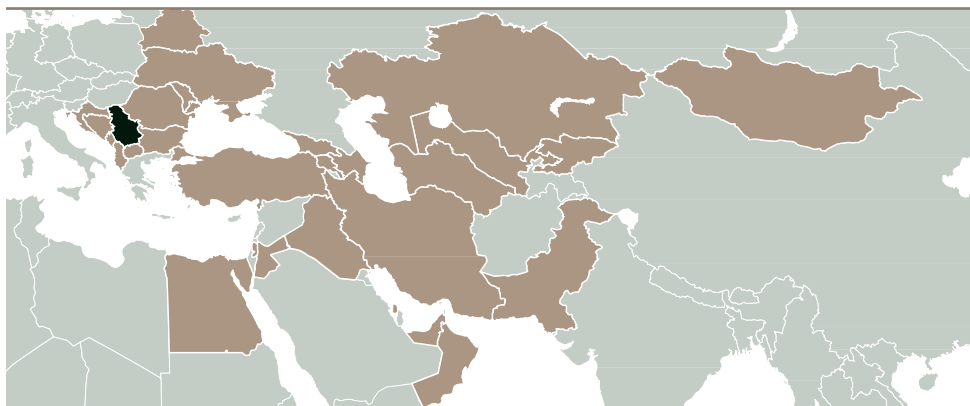
MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## BELGRADE STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

The government—led by For a European Serbia (ZES), an alliance dominated by the pro-EU DS of the president, Boris Tadic—is expected to come under increasing strain as the need for harsher austerity measures to meet budget deficit targets in 2010-11 generates internal dissension and public protest. Pressure on the coalition will also increase as tensions over other issues—such as the greatly modified version of the Vojvodina Statute, giving a large degree of autonomy to Vojvodina province—come to a head. The government has the support of six deputies representing minorities, giving it a slim parliamentary majority, with 128 out of 250 seats. Fear of an early election in which they could lose ground to the opposition will push the government parties towards agreement, however.

The government is committed to EU integration, but progress has been disappointing, prompting Serbia to pursue a multipolar foreign policy that focuses on Russia, China, the US, the Non-Aligned Movement (NAM) and neighbouring countries, as well as on the EU. There has been a breakthrough in one area, however, with the European Commission recommending the lifting, by the end of 2009, of visa restrictions on Serbian citizens travelling in the Schengen area.

#### Economic Performance

The main policy challenge facing the government is how to handle the consequences for Serbia of the global financial and economic crisis. The crisis has had a far-reaching impact on the country, putting the dinar under pressure, causing output to contract, and making access to external finance more difficult and expensive. The government negotiated a stand-by agreement with the IMF in March, securing a EUR3bn (US\$4bn) loan to support the balance of payments. The agreement allowed a larger than planned budget deficit, equal to 3% of GDP, but committed the authorities to significant fiscal tightening, including substantial cuts in public expenditure. Because of a substantial revenue shortfall and above-target current spending, the budget deficit target set in March has become unattainable. The IMF agreed to increase the 2009 deficit target to 4.5% of GDP and the 2010 target to 3.5% in talks during a second review of the stand-by arrangement in late August. The government has proposed the reform of the public administration, entailing job losses and spending cuts, but the measures may be insufficient. The IMF argues that the problem could be resolved through an increase in the rate of value-added tax (VAT) from 18% to at least 19%. Resistance within the government to increasing taxes may be wearing thin, given the lack of options available to it and continuing IMF pressure.

A weak recovery in growth is expected, of 1%, in 2010, following an estimated contraction in real GDP of 4% in 2009. Real GDP declined by 4.1% year on year in the first half of 2009 and by an estimated 2.7% in the third quarter,

and assuming further improvement in the final quarter, there is some upside risk attached to our estimate for 2009. After a feeble recovery in 2010, growth is forecast to rebound to 4% in 2011. There is a considerable downside risk to our baseline forecast, given the danger of further reversals once the upturn gets under way and the possibility that the recovery will not be sustained.

Year-on-year retail price inflation remained stuck at 9.5% year on year in September, but consumer price inflation slowed to 7.3%. A good harvest, the decline in prices of agricultural products and recession-induced falls in the prices of most commodities are expected to bring about a series of positive supply shocks. Additionally, the abrupt economic slowdown and fiscal tightening will depress real incomes, easing demand pressures.

The dinar has stabilised since the signing of the IMF agreement in March. Nevertheless, given the sharp decline in the value of the currency before this, and continuing depreciation, a correction in the exchange rate occurred in 2009, with the dinar depreciating to an estimated RSD93.4:EUR1 and to RSD63.1:US\$1 at end-2009. This implies an average real effective depreciation against a trade-weighted basket of currencies of about 5.7% in 2009. A modest nominal depreciation is expected against the euro in 2010-11 and a fairly stable real effective exchange rate (REER).\*

\* The Economist Intelligence Unit Limited, November 2009

#### Key Information Contacts

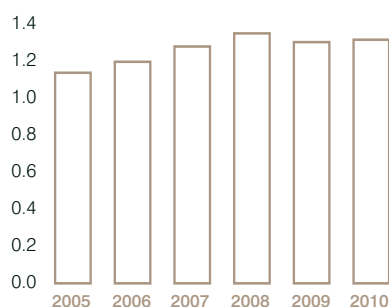
National Bank of Serbia: [www.nbs.rs](http://www.nbs.rs)

Securities and Exchange Commission: [www.sec.gov.rs](http://www.sec.gov.rs)

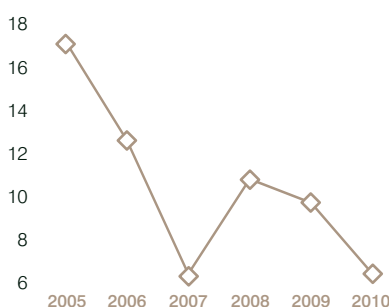
Central Securities Depository and Clearing House: [www.crhov.rs](http://www.crhov.rs)

Ministry of Economy and Regional Development: [www.merr.sr.gov.yu](http://www.merr.sr.gov.yu)

**REAL GDP**  
(RSD millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



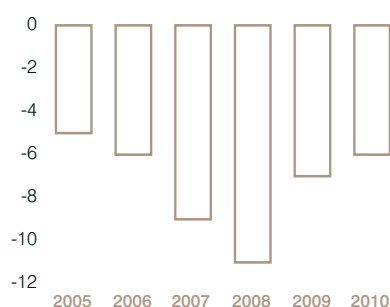
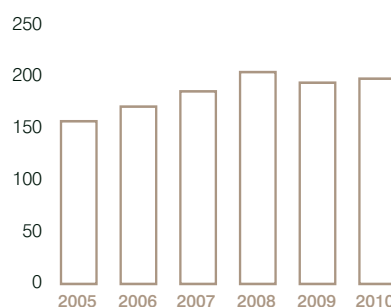
## BELGRADE STOCK EXCHANGE

## ROMANIA ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	64	70	77	82 (a)	81 (a)	83 (b)
Real GDP mil RSD	1,139,986 (a)	1,199,418 (a)	1,282,178 (a)	1,353,219 (a)	1,305,856 (a)	1,318,915 (b)
Real private consumption mil RSD	949,622 (a)	1,016,095 (a)	1,092,302 (a)	1,157,840 (a)	1,123,105 (a)	1,145,567 (b)
Real government consumption mil RSD	216,193 (a)	221,598 (a)	226,030 (a)	228,290 (a)	229,432 (a)	231,726 (b)
Real gross fixed investment mil RSD	157,283 (a)	171,439 (a)	186,183 (a)	204,801 (a)	194,561 (a)	198,452 (b)
Real stockbuilding mil RSD	80,056 (a)	82,846 (a)	100,446 (a)	114,587 (a)	62,397 (a)	55,917 (b)
Real exports of G&S mil RSD	280,206 (a)	296,458 (a)	313,356 (a)	330,277 (a)	303,855 (a)	312,971 (b)
Real imports of G&S mil RSD	543,374 (a)	589,017 (a)	636,139 (a)	682,577 (a)	607,494 (a)	625,718 (b)
Real domestic demand mil RSD	1,403,154 (a)	1,491,978 (a)	1,604,961 (a)	1,705,519 (a)	1,609,495 (a)	1,631,662 (b)
Real GDP at factor cost mil RSD	970,858	1,019,531	1,087,840	1,144,407	1,103,208 (a)	1,114,241 (b)
Real agriculture mil RSD	136,500	136,205	125,577	136,316	139,043 (a)	141,823 (b)
Real industry mil RSD	248,451	261,800	274,953	280,388	257,957 (a)	261,310 (b)
Real manufacturing mil RSD	164,431	173,626	182,039	184,304	171,403 (a)	173,117 (b)
Real services mil RSD	585,907	621,525	687,310	727,703	706,209 (a)	711,107 (b)
Gross national savings rate (%) %	n/a	n/a	n/a	n/a	n/a	n/a
Gross national savings/investment %	n/a	n/a	n/a	n/a	n/a	n/a
Budget balance (% of GDP) %	0.9	-1.5	-1.9	-2.2	-4.5 (a)	-4.2 (b)
Consumer prices (% change pa; av) %	17.3	12.7	6.5	10.9	9.8 (a)	6.5 (b)
Exchange rate LCU:US\$ (av) RSD/US\$	67.2059	66.8170	58.1513	55.8318	67.3287 (a)	66.3148
Lending interest rate (%) %	15.4	18.3	12.6	16.1	14.5 (a)	13.0 (b)
Stock of domestic credit mil RSD	490,465	504,960	722,018	1,073,070	1,169,646 (a)	1,380,183 (b)
Domestic credit growth (%) %	40.7	3.0	43.0	48.6	9.0 (a)	18.0 (b)
Deposit interest rate (%) %	3.5	5.1	4.4	6.0	5.8 (a)	5.4 (b)
Population million	7.4	7.4	7.4	7.3	7.3 (a)	7.3 (b)
GDP per head (\$ at PPP) US\$	8,623	9,412	10,394	11,234	11,040 (a)	11,350 (b)
Current account balance/GDP %	-8.4	-9.4	-15.2	-17.2	-6.6 (a)	-6.3 (b)
International reserves bil US\$	6	12	14	11	13 (a)	14 (b)
Trade balance bil US\$	-5	-6	-9	-11	-7 (a)	-6 (b)
Foreign-exchange reserves bil US\$	6	12	14	11	13 (a)	14 (b)
Total foreign debt bil US\$	16	20	26	30 (a)	29 (a)	31 (b)
Public medium & long-term bil US\$	8	7	8	8	7 (a)	7 (b)
Private medium & long-term bil US\$	5	10	15	19	18 (a)	18 (b)
IMF debt bil US\$	1	0	0	0	2 (a)	3 (b)
Short term bil US\$	2	2	3	3	2 (a)	3 (b)
Net debt bil US\$	10	8	12	19 (a)	16 (a)	17 (b)
Export credits bil US\$	0	0 (a)	0 (a)	0	0 (a)	0 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(RSD millions)

## BUCHAREST STOCK EXCHANGE



**Anca Dumitru**  
CEO

### CEE economies were eventually hit by the international crisis, its effects prevailing during the second half of 2008.

CEE economies were eventually hit by the international crisis, its effects prevailing during the second half of 2008. Despite the fact that the "subprime crisis" was tearing down the financial markets in the USA since 2007, Western Europe showed the first major signs in mid 2008. It fiercely hit the local market during the autumn months of 2008.

With the globalization of the international financial markets and a substantial dependence on international funds, the local stock market began to feel a sharp decline in cash. Hence, the stock prices plunged with percentages hard to imagine a year ago and moreover seemed irrational considering the promising financial results and macroeconomic performance.

This showed the higher connection of the local stock market with the international cash flows and as a result determined extremely low liquidities.

We can say that in 2008 the general financial context at the international level negatively shaped the evolution of the main stock market indicators: the level of indices, market capitalization and turnover, all of which plummeted towards the end of year.

## HISTORY AND DEVELOPMENT

There are more than 125 years since the first trading floor opened its doors in the centre of Bucharest, very close to the National Bank, on the 1st of December 1882. This event followed the first "Law on bourses, mercantile traders and intermediaries" enacted in 1881, following the French model. This bill was the legal framework for the functioning of the stock and mercantile exchanges in Romania.

It developed into a very dynamic exchange due to the companies listed, mainly from sectors like banking, mining, oil, insurance and transport. During the wars, as the entire Romanian economy flourished, the Stock Exchange also recorded its booming period. In 1935 there were 56 shares listed and 77 fixed income securities. After a peak in 1938, the Stock Exchange was closed in 1948, when the new communist regime nationalized all companies.

A new beginning for the Romanian capital market was in 1994 when Romanian Parliament passed the first capital market law, setting up the legal framework for creation of all new capital market institutions.

The Bucharest Stock Exchange was re-established in April 1995, and the first trading day took place on 20 November, same year.

From the beginning, the entire trading process took place from in a dematerialised environment. The most recent regulations are harmonized with the latest EU legislation regarding the capital market.

Institutional changes took place also during its 15 years of operation. Set up in the beginning as a public interest institution, Bucharest Stock Exchange went through a demutualisation process in 2005. The BVB externalised the registry/ clearing functions and the new Central Securities Depository was set up at the beginning of 2007, having the Exchange its main shareholder. Along with the Institute of Corporate Governance, the Central Depository and the newly set up CCP (Central Clearing Counterparty) for the derivatives market and The Compensation Fund, BVB is currently part of the BVB Financial Group.

## FUTURE OUTLOOK

2009 proved to be eventually a better year than expected, as the local stock market performed beyond expectations. Although, it was a volatile market, all BVB indices performed positively during 2009, with even higher performances of the sector indices than the blue-chip index BET. BET recorded a 60% recovery at the end of the year, while the financial services sector index BET-FI rose almost 90% compared to the previous year-end.

Liquidity was the main concern of both market participant but also of the BVB management. The average daily turnover contracted to Euro 5.4 mil from Euro9.3 million in 2008. Therefore, the main objective of the BVB management will be to improve the market liquidity. All efforts are made to attract new companies for listing and to launch new products. In this respect, BVB is having discussions with key players in the ETF markets that are interested in launching these products locally.

With assets worth more than Euro 3 billion, the listing of the Property Fund has been the most awaited event for the last couple of years. The selected fund manager, American company Franklin Templeton, is looking to finalize the Fund listing by the end of 2010.

As the political effervescence was left behind after the elections end, the IMF stand-by agreement is well on track and real signs of economic recovery already exist, BVB believes that 2010 will bring considerable enhancement in the turnover and liquidity at BVB.

What it is to be considered a cornerstone in BVB Exchange's modern history is the decision to list BVB shares on its trading platform. This major event is expected to take place in the first half of 2010.

## BUCHAREST STOCK EXCHANGE

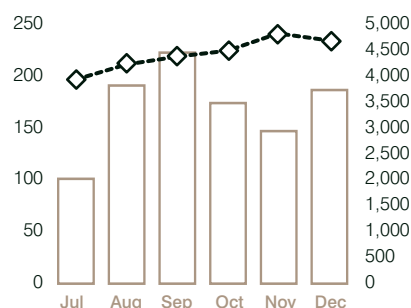
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	101.35	4.41	852.11	37.05
Aug-09	191.56	9.12	1,259.68	59.99
Sep-09	223.34	10.15	1,980.05	90.00
Oct-09	174.59	7.94	1,129.45	51.34
Nov-09	147.48	7.02	734.64	34.98
Dec-09	187.20	11.01	781.77	45.99
<b>TOTAL</b>	<b>1,025.50</b>	<b>8.28</b>	<b>6,737.71</b>	<b>53.22</b>
<b>Bonds</b>				
Jul-09	43.53	2.56	0.31	0.02
Aug-09	27.26	1.70	0.45	0.03
Sep-09	68.11	3.78	0.14	0.01
Oct-09	125.07	6.58	0.38	0.02
Nov-09	4.58	0.27	0.02	0.00
Dec-09	82.30	5.49	0.37	0.02
<b>TOTAL</b>	<b>350.85</b>	<b>3.40</b>	<b>1.66</b>	<b>0.02</b>
<b>Other</b>				
Jul-09	1.32	0.08	0.00	0.00
Aug-09	1.02	0.07	0.00	0.00
Sep-09	6.86	0.40	0.00	0.00
Oct-09	1.81	0.14	0.00	0.00
Nov-09	0.00	0.00	2.34	0.17
Dec-09	4.28	0.29	0.00	0.00
<b>TOTAL</b>	<b>15.29</b>	<b>0.16</b>	<b>2.35</b>	<b>0.03</b>

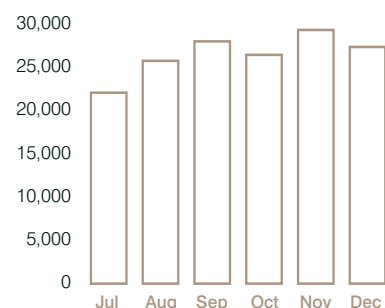
	Market Capitalization (US\$ millions)	Index
Jul-09	22,147.18	3,920.30
Aug-09	25,850.78	4,249.22
Sep-09	28,104.62	4,397.40
Oct-09	26,539.88	4,469.06
Nov-09	29,430.55	4,841.58
Dec-09	27,455.68	4,690.57

MONTHLY STOCK VOLUME VS INDEX (US\$ millions)

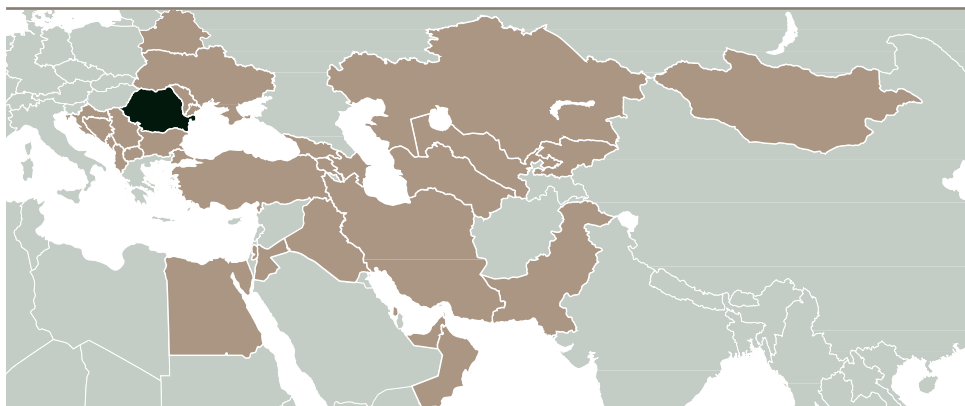
□ Stocks ◇ Index



MONTHLY MARKET CAPITALIZATION (US\$ millions)



## CONTACT INFORMATION

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## BUCHAREST STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

Romania was plunged into a political crisis in October after the Social Democratic Party (SDP) withdrew from the government, leaving a minority Democratic Liberal Party (DLP) administration led by the prime minister, Emil Boc, to face a parliamentary censure motion on October 13th. Mr Boc's government became the first post-communist government in Romania to fall as a result of a successful no-confidence vote in parliament. A new government is unlikely to be formed until after the presidential election in early December.

Romania was a net recipient of EU funding of EUR1.4bn (US\$2.1bn) in 2008, and EU assistance to Romania will play a central role in preventing a sharper economic collapse and stimulating economic recovery. The European Commission's full report on Romania's progress in implementing judicial reform and combating corruption, released on July 22nd, recommended that safeguard clauses, which could have included financial sanctions, should not be implemented, in view of the progress made since the publication of the previous full report in July 2008. The EU is also likely to have been alarmed by the speed with which the current political crisis developed, and by the apparent inability of leading political figures to compromise in order to find a solution.

#### Economic Performance

In 2007-08 the minority NLP government implemented loose fiscal and wage policies at a time of excess aggregate demand, contributing to burgeoning current-account deficits, which were largely financed by inflows of private capital. Consequently, Romania faced structural macroeconomic deficits that were aggravated by the international financial crisis of September 2008. The crisis choked off external finance and hit investor confidence, resulting in an accelerated depreciation of the leu and significant falls on the Bucharest Stock Exchange (BSE).

In March 2009 the new government secured a programme of financial support worth EUR19.5bn from the IMF, the EU, the European Investment Bank (EIB), and the European Bank for Reconstruction and Development (EBRD), to be disbursed over two or three years. It is intended that these credits will be repaid from 2011, largely through improved absorption of EU grant finance.

Only a modest recovery is expected in 2010, with growth forecast at 1%, following an estimated contraction of 7.6% in 2009. Real GDP fell by 7.6% year on year in the first half of 2009. In the second quarter it fell by 8.7% year on year and by 1.1% quarter on quarter—the fourth consecutive quarterly decline. We expect further quarter-on-quarter falls in the third and fourth quarters, as domestic consumption remains depressed. After a slow recovery in 2010, growth is forecast to rebound in 2011, to 4%. There is still a downside risk that the recession will be deeper and more protracted than in our baseline forecast, especially if additional austerity measures are required in 2010-11 to bring budget deficits into line with EU targets.

After slowing to an estimated average of 5.4% in 2009, average consumer price inflation is forecast to decelerate further, to 3.5% in 2010 and to 3.4% in 2011. The depreciation of the leu provided an impetus to inflation in early 2009, but low world oil prices (relative to 2007-08), as well as falling international and domestic demand, exerted downward pressure on prices as the year progressed. Consumer prices rose by 3.2% in January-September 2009, taking the year-on-year rate to 4.9% in September. We estimate that the contraction in domestic demand, and the fall in cost-push inflation from energy and food prices, will bring inflation below the top end of the NBR's target range by the end of 2009. Provided that fiscal and incomes policies are tightened, and that wage growth is curtailed, inflation should fall to 3.8% by the end of 2010, and to around 3.3% by the end of 2011. The main risks to the inflation

forecast are tied to the exchange rate, which may come under further downward pressure, and to the possibility that the rate of value-added tax (VAT) may be raised in 2010.

The leu fell to a historic low of Lei3.4:US\$1 and of Lei4.3:EUR1 in February 2009, despite interventions by the NBR, but rallied after the announcement of multilateral assistance in March. The leu appreciated against both the US dollar and the euro before the political crisis in late 2009, but fell back towards Lei4.3:EUR1 thereafter. The NBR has announced that its interventions in the foreign-exchange market will be "cautious", which could result in increased volatility. Its attempts to mitigate this will be helped by its strengthened foreign-exchange reserves, which reached EUR28.3bn at the end of September. A correction to the exchange rate of the long-overvalued leu was desirable, given worries about declining competitiveness. However, based on estimates of equilibrium exchange rates, it is possible that the leu is still significantly overvalued. The potential problems for Romania's competitiveness are compounded by the fact that other currencies in the region depreciated substantially in 2009.

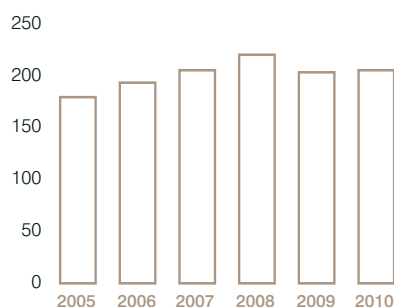
The current-account deficit shrank by 79% year on year in January-August 2009, to EUR2.4bn, mainly because of a 69% contraction of the trade deficit, to EUR3.9bn, and a 61% reduction in the income deficit, as repatriated profits from direct investment declined. However, the current transfers surplus declined by 31% and services recorded a small deficit, compared with a EUR448m (US\$630m) surplus in the year-earlier period. A sharp downward adjustment of the current-account deficit, from 12.4% of GDP in 2008 to around 5% of GDP, is estimated in 2009. Slower lending and wage growth will keep a check on both imports and the trade deficit in 2010-11.\*

\* The Economist Intelligence Unit Limited, November 2009

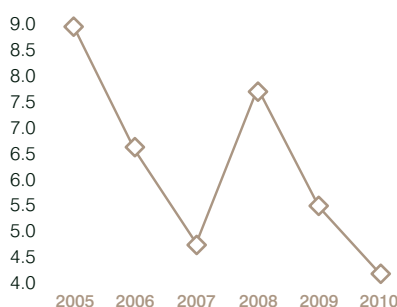
#### Key Information Contacts

National Securities Commission [www.cnvmr.ro](http://www.cnvmr.ro)  
Ministry of Public Finance [www.mfinante.ro](http://www.mfinante.ro)  
National Bank of Romania [www.bnro.ro](http://www.bnro.ro)  
UNOPC [www.unopc.ro](http://www.unopc.ro)  
National Institute of Statistics [www.insse.ro](http://www.insse.ro)  
Romanian capital market [www.kmarket.ro](http://www.kmarket.ro)

**REAL GDP**  
(ROL millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



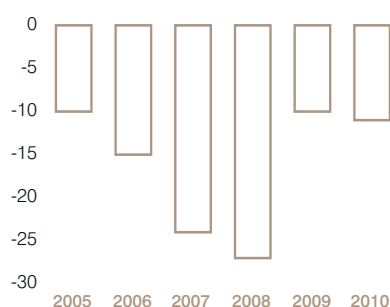
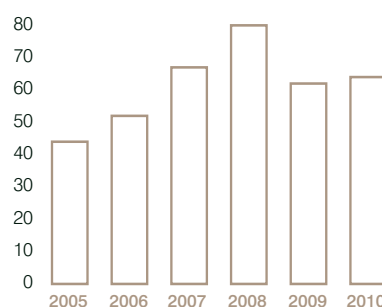
## BUCHAREST STOCK EXCHANGE

## ROMANIA ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	203	226	246	269	253 (a)	259 (b)
Real GDP bil ROL	180	194	206	221	204 (a)	206 (b)
Real private consumption bil ROL	150	167	184	199	174 (a)	175 (b)
Real government consumption bil ROL	11	11	12	12	12 (a)	13 (b)
Real gross fixed investment bil ROL	44	52	67	80	62 (a)	64 (b)
Real stockbuilding bil ROL	3	3	1	3	-1 (a)	1 (b)
Real exports of G&S bil ROL	74	81	88	106	95 (a)	100 (b)
Real imports of G&S bil ROL	99	121	153	180	138 (a)	147 (b)
Real domestic demand bil ROL	207	233	263	294	248 (a)	252 (b)
Real GDP at factor cost bil ROL	44	47	50	54	50 (a)	50 (b)
Real agriculture bil ROL	6	6	5	6	6 (a)	6 (b)
Real industry bil ROL	16	18	20	21	19 (a)	19 (b)
Real manufacturing bil ROL	14	14	15	15	14 (a)	14 (b)
Real services bil ROL	22	23	26	27	25 (a)	25 (b)
Gross national savings rate (%) %	14.6	16.0	17.5	19.0	19.2 (a)	18.9 (b)
Gross national savings/investment %	62.7	60.6	143.9	60.5	81.3 (a)	80.6 (b)
Budget balance (% of GDP) %	-0.8	-1.5	-3.1	-4.8	-7.9 (a)	-5.9 (b)
Consumer prices (% change pa; av) %	9.0	6.6	4.8	7.8	5.5 (a)	4.2 (b)
Exchange rate LCU:US\$ (av) ROL/US\$	2.9137	2.8090	2.4383	2.5189	3.0500 (a)	2.9500 (b)
Lending interest rate (%) %	19.6	14.0	13.3	15.1	17.0 (a)	14.0 (b)
Stock of domestic credit bil ROL	60	83	145	206	243 (a)	288 (b)
Domestic credit growth (%) %	43.7	38.5	74.5	42.6	17.8 (a)	18.5 (b)
Deposit interest rate (%) %	6.4	4.8	6.7	9.6	12.0 (a)	10.0 (b)
Population million	21.6	21.5	21.5	21.5	21.5 (a)	21.4 (b)
GDP per head (\$ at PPP) US\$	9,393	10,485	11,453	12,540	11,790 (a)	12,090 (b)
Current account balance/GDP %	-8.7	-10.4	-13.6	-12.4	-4.4 (a)	-4.6 (b)
International reserves bil US\$	22	30	40	39	45 (a)	49 (b)
Trade balance bil US\$	-10	-15	-24	-27	-10 (a)	-11 (b)
Foreign-exchange reserves bil US\$	20	28	37	37	42 (a)	45 (b)
Total foreign debt bil US\$	39	54	85	98 (a)	114 (a)	121 (b)
Public medium & long-term bil US\$	13	14	15	17 (a)	19 (a)	20 (b)
Private medium & long-term bil US\$	18	23	40	50 (a)	63 (a)	64 (b)
IMF debt bil US\$	0	0	0	0	9	14 (b)
Short term bil US\$	7	17	31	31 (a)	23 (a)	24 (b)
Net debt bil US\$	17	24	45	58 (a)	69 (a)	72 (b)
Export credits bil US\$	0	0	0	0	0 (a)	0 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, September 2009.

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(ROL millions)

## BULGARIAN STOCK EXCHANGE



Ivan Takev  
CEO

### Our Exchange plans also to introduce some additional technological innovations and improvements to our trading system.

In terms of market performance 2009 was probably the worst year for the Bulgarian Stock Exchange in the last decade. The global financial crisis had its hardest impact on Bulgaria in 2008/2009 and as a result our capital market suffered significant losses. Here are some figures illustrating the negative effect of the crisis on a year-to-year basis: the trading turnover decreased by 46%, the trading volume of shares went down by 17% and the number of transactions – by 49%.

Nevertheless, in 2009 we managed to preserve a significant interest among the potential issuer companies and investors in the stock market. We registered 51 new issues for trading on the BSE, 1 of which was an IPO, 15 – secondary listings, 15 – bond issues, 14 – capital increases through rights issues, 4 –

mutual funds and 2 –REIT's. The main index SOFIX showed a more stable performance and gained almost 20% in the same period.

We believe that in 2010 the country will be slowly getting out of the economic recession, which will also have a positive effect on the financial sector, incl. the capital market. We expect a gradual increase in public offerings and new listings, as well as an ongoing process of regaining the investors' trust in the stock market.

As of January 20th 2010 a new management board has been put in place by the general shareholders assembly of the BSE. The new board sees as its main mission for the coming period (1) to improve the trust and communication among the key players and

institutions on the Bulgarian capital market, (2) to help modernize the post-trading services in order to enhance dual listings and launch derivatives trading in the near future and (3) to further improve the image of the BSE in the country and abroad by raising its operational efficiency.

After having been successfully connected to the Deutsche Boerse trading platform XETRA in June 2008, our Exchange plans also to introduce some additional technological innovations and improvements to our trading system, which should make the Bulgarian market even more attractive to the foreign investors, as well as to the local ones.

## HISTORY AND DEVELOPMENT

The first Stock Exchange Act was adopted in 1907 and regulated the structure and operations of stock and commodities exchanges. The Securities, Stock Exchanges & Investment Intermediaries Act was adopted in July 1995, which led to a process of stock exchange consolidation. In July 1997, the present Bulgarian Stock Exchange-Sofia was established. In accordance with the requirements of the new law, a Securities & Stock Exchange Commission was set up.

On 9 October 1997 the Commission officially licensed the BSE-Sofia. The first trading session on the regulated market took place on 21 October 1997. By the end of 1999 there were 32 companies listed on the Official Market and about 1,000 companies admitted for trading on the Free (OTC) Market as a result of the mass privatization program. On 6 December 2001 the Commission officially licensed the BSE-Sofia to organize an Unofficial Market, which replaced the Free Market and set clear rules for regulation of all companies traded on the Exchange.

In December 1999 a new Public Offering of Securities Act was adopted by the Parliament. The law is aimed at providing protection for investors and creating prerequisites for the development of a transparent capital market in

Bulgaria with criteria similar to those of the European Union.

The Securities & Stock Exchange Commission was first renamed the National Securities Commission, but in March 2003 it was replaced by a new supervisory body - the Financial Supervision Commission (FSC). More than just a name change, the move pulled together the regulation of a number of financial (non-banking) sectors under one body. The regulatory changes during the year directly improved conditions for investors and issuers, as well as underlined the government's commitment to encourage wider overall development of the capital markets.

## FUTURE OUTLOOK

Although 2009 was characterized by a certain stabilization of the Bulgarian capital market and the stock prices even registered an increase of around 25%, the overall situation remained extremely volatile. There are certain signs lately that the crisis is slowly coming to an end, which gives many analysts the reason to believe that 2010 will be the year of the recovery.

Despite the difficulties on the market, causing low trading volumes and turnover, lack of new listings and investors' interest, the Bulgarian Stock Exchange followed a pro-active strategy

with the aim of attracting new companies and regaining the investors' trust. This will remain the core policy of the BSE in 2010, while at the same time efforts will also be pursued to develop new services for the members and introduce new instruments on the market. The exchange plans to launch this year a new segment for structured products, mainly warrants and certificates.

The key players on the market welcomed the government's plans to privatize fully or partially through the stock exchange some of the state owned monopolies. Special attention is given to the idea to list stakes of energy producing and energy distributing companies. The overall perception is that such listings will not only boost the liquidity on the market, but attract a substantial amount of foreign investment.

Among the BSE's priorities in 2010 will be to improve the post-trading procedures in close co-operation with the Central Depository in order to facilitate the clearing and settlement of transactions executed by foreign dealers, as well as to promote dual listings.

Co-operation with partner exchanges from FEAS, development of common strategies for attracting global investors will also remain an important part of BSE's activities in 2010.

## BULGARIAN STOCK EXCHANGE

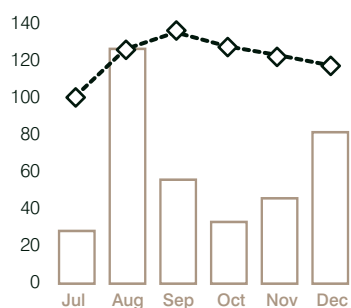
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	28.54	1.24	20.20	0.88
Aug-09	127.11	6.05	141.47	6.74
Sep-09	56.28	2.81	36.10	1.80
Oct-09	33.41	1.52	32.62	1.48
Nov-09	46.21	2.20	32.62	1.55
Dec-09	81.99	4.56	50.41	2.80
<b>TOTAL</b>	<b>373.55</b>	<b>3.06</b>	<b>313.43</b>	<b>2.54</b>
<b>Bonds</b>				
Jul-09	12.79	0.56	0.01	0.00
Aug-09	10.34	0.49	0.01	0.00
Sep-09	10.62	0.53	0.01	0.00
Oct-09	10.19	0.46	0.01	0.00
Nov-09	26.19	1.25	0.02	0.00
Dec-09	9.72	0.54	0.01	0.00
<b>TOTAL</b>	<b>79.85</b>	<b>0.64</b>	<b>0.07</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	4.53	0.20	10.07	0.44
Aug-09	0.89	0.04	4.29	0.20
Sep-09	0.89	0.04	3.87	0.19
Oct-09	0.90	0.04	2.88	0.13
Nov-09	1.07	0.05	6.07	0.29
Dec-09	1.54	0.09	12.11	0.67
<b>TOTAL</b>	<b>9.82</b>	<b>0.08</b>	<b>39.29</b>	<b>0.32</b>

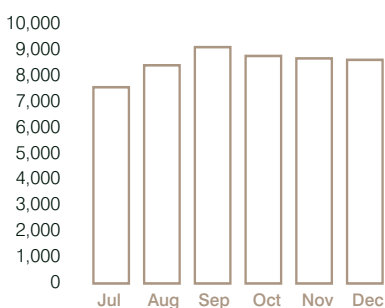
	Market Capitalization (US\$ millions)	Index
Jul-09	7,587.89	356.01
Aug-09	8,436.44	454.00
Sep-09	9,138.00	480.14
Oct-09	8,797.32	457.61
Nov-09	8,703.30	451.76
Dec-09	8,647.19	427.27

MONTHLY STOCK VOLUME VS INDEX (US\$ millions)

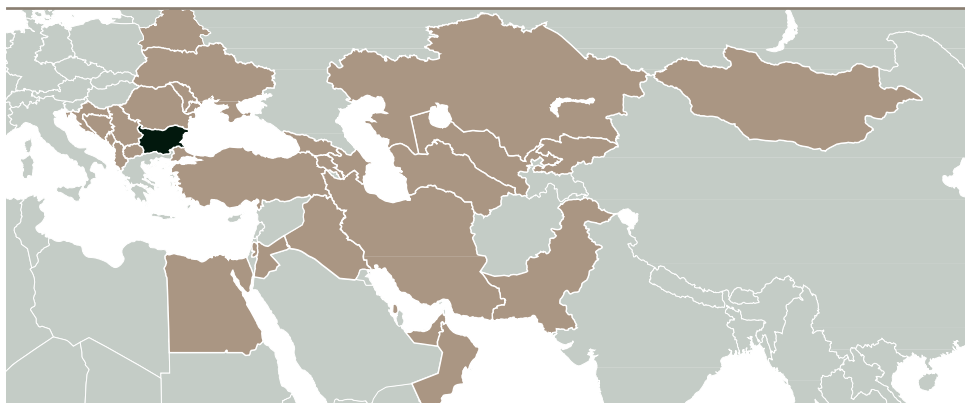
□ Stocks ◇ Index



MONTHLY MARKET CAPITALIZATION (US\$ millions)



## CONTACT INFORMATION

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## BULGARIAN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

In the aftermath of a resounding victory in the parliamentary election in July 2009, the centre-right CEDB has set out to govern alone, despite lacking a majority in parliament (the CEDB won 116 out of 240 seats). This presents some risk to political stability, although the prime minister and CEDB leader, Boiko Borisov—who until the election victory was the mayor of the capital, Sofia—feels that this is the most effective path and hopes that the other centre-right and right-wing parties in parliament.

In 2008 the European Commission took a hard line with Bulgaria regarding EU funds. The suspension and loss of some EU funds has delayed the implementation of several important projects related to infrastructure, institution-building and agricultural development. However, it is also galvanising the authorities to demonstrate greater commitment to the kind of judicial and administrative reforms demanded by the Commission. These reforms, if continued, should deliver more tangible results in the fight against corruption and organised crime.

#### Economic Performance

The recovery in 2010 is expected to be modest, with world growth picking up to 3.2% at PPP exchange rates, and the euro zone economy growing by just 0.8%. The weakness of demand in the EU will continue to curtail Bulgarian exports of goods and services. The average price for dated Brent Blend crude oil to is estimated to have reached US\$62/barrel in 2009, and expect it to rise to US\$75/b in

2010, before slipping to US\$70/b in 2011. The decline in real GDP worsened in the third quarter, to 5.8% year on year, compared with 4.9% year on year in the second quarter and 3.5% in the first quarter. Industrial output and retail trade remain subdued, the construction sector is struggling, and the rise in unemployment has intensified. Real GDP is contracting because of falling domestic demand and the lack of external demand for Bulgarian exports. Private consumption is declining significantly as a result of the poor outlook for jobs and wages, limited availability of borrowing, the repayment of debt, and the negative wealth effect from lower house prices. The scarcity of external finance is leading to an abrupt scaling back of investment activity. Bulgaria's foreign sales are suffering a sharp decline in 2009, but we expect the fall in imports to be greater, which will help the ongoing correction of the large current-account deficit and is allowing trade to make a positive contribution to growth in 2009.

Political commitment to the currency board arrangement remains strong, and the arrangement is expected to stay in place until euro adoption in 2013-14, with the lev fixed to the euro at the rate of Lv1.95583:EUR1. The government will apply for entry into the EU's exchange-rate mechanism (ERM2) in February 2010. Despite a sharp drop in inflation compared with 2008, the real effective exchange rate (REER) of the lev is continuing to appreciate in 2009, owing to the fall in the value of the currencies of many of Bulgaria's trade competitors. At this stage, concerns about competitiveness are not likely to prompt

a move away from the currency board, but additional pressure would arise if Latvia and the other Baltic states were to give up their currency pegs.

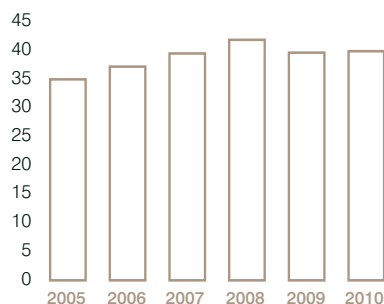
The contraction of the merchandise trade deficit has been the main factor behind the partial correction of the current-account deficit in 2009. The current-account deficit to is expected to turn 10.9% of GDP in 2009 and forecast that it will average 7.7% GDP in 2010-11, down from 25.2% of GDP in 2008. This forecast depends on a sharp contraction in imports—sharp enough to outweigh the estimated contraction in exports in 2009—as incomes fall, consumers become more cautious, and firms import fewer goods for fixed investment in response to the depressed economic outlook and a scarcity of external finance.\*

\* The Economist Intelligence Unit Limited, December 2009

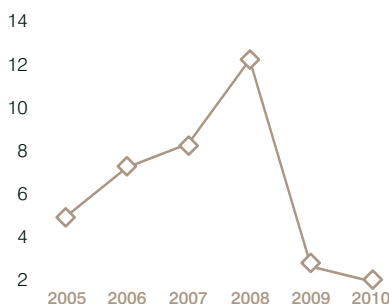
#### Key Information Contacts

Financial Supervision Commission [www.fsc.bg](http://www.fsc.bg)  
Central Depository [www.csd-bg.bg](http://www.csd-bg.bg)  
Bulgarian National Bank [www.bnb.bg](http://www.bnb.bg)  
Invest Bulgaria Agency [www.investbg.government.bg](http://www.investbg.government.bg)  
National Statistical Institute [www.nsi.bg](http://www.nsi.bg)

**REAL GDP**  
(BGL millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)





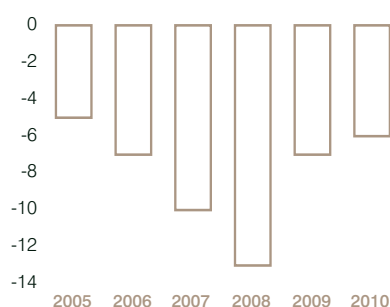
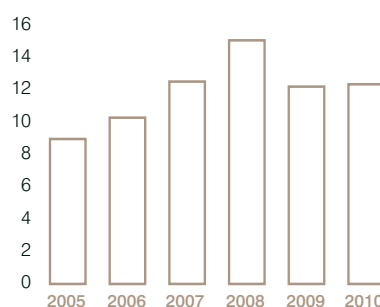
## BULGARIAN STOCK EXCHANGE

## BULGARIA ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	72 (a)	79 (a)	87 (a)	94 (a)	90 (a)	92 (b)
Real GDP mil BGL	34,975	37,186	39,480	41,854	39,618 (a)	39,873 (b)
Real private consumption mil BGL	24,721	27,074	28,509	29,887	27,596 (a)	27,596 (b)
Real government consumption mil BGL	5,814	5,734	5,913	5,914	6,092 (a)	5,909 (b)
Real gross fixed investment mil BGL	8,969	10,288	12,521	15,073	12,209 (a)	12,355 (b)
Real stockbuilding mil BGL	1,718	2,533	3,051	2,589	-200 (a)	-100 (b)
Real exports of G&S mil BGL	23,373	25,415	26,748	27,524	23,279 (a)	23,635 (b)
Real imports of G&S mil BGL	29,865	34,052	37,418	39,246	29,471 (a)	29,636 (b)
Real domestic demand mil BGL	41,222	45,629	49,994	53,462	45,697 (a)	45,760 (b)
Real GDP at factor cost mil BGL	29,809 (a)	31,748 (a)	33,748 (a)	35,807 (a)	33,894 (a)	34,112 (b)
Real agriculture mil BGL	3,341 (a)	3,345 (a)	2,352 (a)	2,930 (a)	2,857 (a)	2,880 (b)
Real industry mil BGL	8,021 (a)	8,308 (a)	9,471 (a)	9,755 (a)	8,390 (a)	8,423 (b)
Real manufacturing mil BGL	n/a	n/a	n/a	n/a	n/a	n/a
Real services mil BGL	18,551 (a)	19,585 (a)	21,054 (a)	22,296 (a)	21,839 (a)	21,995 (b)
Gross national savings rate (%) %	15.7	13.8	14.8 (a)	13.1 (a)	17.6 (a)	20.0 (b)
Gross national savings/investment %	56.1	43.6	40.1	34.2 (a)	61.8 (a)	70.3 (b)
Budget balance (% of GDP) %	3.1	3.5	3.5	3.0 (a)	-0.7 (a)	0.3 (b)
Consumer prices (% change pa; av) %	5.0	7.3	8.4	12.3	2.7 (a)	2.0 (b)
Exchange rate LCU:US\$ (av) BGL/US\$	1.5700	1.5576	1.4290	1.3305	1.4015 (a)	1.3749 (b)
Lending interest rate (%) %	8.7	8.9	10.0	10.9	11.1 (a)	10.9 (b)
Stock of domestic credit mil BGL	18,300	21,090	33,485	44,531 (a)	46,924 (a)	48,908 (b)
Domestic credit growth (%) %	33.0	15.2	58.8	33.0 (a)	5.4 (a)	4.2 (b)
Deposit interest rate (%) %	3.1	3.2	3.7	4.4	6.2 (a)	5.4 (b)
Population million	7.7	7.6	7.6	7.5 (a)	7.5 (a)	7.4 (b)
GDP per head (\$ at PPP) US\$	9,410 (a)	10,390 (a)	11,430 (a)	12,440 (a)	12,020 (a)	12,340 (b)
Current account balance/GDP %	-12.3	-17.9	-22.0	-25.2 (a)	-10.9 (a)	-8.4 (b)
International reserves bil US\$	9	12	18	18	17 (a)	17 (b)
Trade balance bil US\$	-5	-7	-10	-13	-7 (a)	-6 (b)
Foreign-exchange reserves bil US\$	8	11	16	17	16 (a)	16 (b)
Total foreign debt bil US\$	16	21	33	50 (a)	51 (a)	51 (b)
Public medium & long-term bil US\$	5	5	5	5	7 (a)	9 (b)
Private medium & long-term bil US\$	6	8	14	26 (a)	29 (a)	30 (b)
IMF debt bil US\$	1	0	0	0	0	0 (b)
Short term bil US\$	4	8	14	19	15 (a)	12 (b)
Net debt bil US\$	7	9	15	32 (a)	33 (a)	34 (b)
Export credits bil US\$	0	0	0	0	0 (a)	0 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(BGL millions)

## EGYPTIAN EXCHANGE



**Maged Shawky Sourial**  
Chairman

Despite the repercussions of the global financial crisis, the Egyptian market has shown a good performance during 2009. The year has started, though, on a negative note till February, where EGX 30 Index touched one of its lowest levels over the past four years, however it bounced back by 83% from its lowest point in year 2009 to conclude the year with an annual increase of 35%.

EGX has also been able to achieve good trading records in 2009, with a total trading value of LE 448 billion compared to LE 530 billion in the previous year. Meanwhile, the volume traded soared to 37 billion securities in 2009 surging by 43% compared to last year. Likewise, the number of transactions recorded 15 million transactions this year versus 13.5 million in 2008.

The number of listed companies continued to decrease, reaching 306 companies at the end of 2009, down from 373 at the end of 2008, owing to EGX effective policy in enforcing listing, disclosure and corporate governance rules on issuers. The percentage of the total number of traded companies to listed companies reached 94% in 2009, up from 86% in the previous year. Despite the decrease in the number of listed companies, the total market capitalization reached LE 500

**Despite the decrease in the number of listed companies, the total market capitalization reached LE 500 billion this year, surging by 5%.**

billion this year, surging by 5% compared to the last year, representing 48% of GDP.

Moreover, EGX continued its efforts to increase the transparency available in the market. In that respect, EGX launched 2 new price indices; EGX 70 Price Index, that measures the performance of the 70 active companies, after excluding the 30 most active constituent-companies of EGX 30 Index, as well as EGX 100 Price Index, that tracks the performance of the 100 active companies, including both the 30 constituent-companies of EGX 30 Index and the 70 constituent-companies of EGX 70 Index. Both indices, EGX 70 index and EGX 100, soared during 2009 to conclude the year with an increase of 33% and 36%, respectively.

Additionally, EGX launched a new version of its website; [www.egx.com.eg](http://www.egx.com.eg), that includes a wealth of information about EGX indices, issuer information, market data, education corner, international relations and information services, with a better navigation, more user-friendly interface and easier access to information.

With regards to NILEX, the mid and small cap market in the EGX, thirteen financial institutions

were granted the license to be nominated advisors during 2009, raising the number of nominated advisors in NILEX, to 23 financial institutions, which reflects the interest of many financial institutions in the small and medium enterprises. Four companies, operating in different sectors, have got listed on NILEX to conclude 2009 with seven listed companies.

On the international front, EGX is eager to strengthen and maintain strong relations with the regional and international exchanges and associations. During 2009, EGX signed memoranda of Understanding with several Exchanges, namely; Casablanca SE, Shenzhen SE, Amman SE, Libyan Stock Market and the Iraqi SE. The MoUs tackled the areas of mutual cooperation on capital markets' developments including exchange of information, experts, staff and experiences for the respective benefit of the securities markets.

With these developments in the market, I trust that EGX is on the right path to achieve its vision of being a World-Class Egypt-based Exchange: the Premier Capital Market in the Middle East & North Africa Region.

## HISTORY AND DEVELOPMENT

The Egyptian Exchange (EGX), formerly Cairo & Alexandria Stock Exchanges (CASE), dates back to more than 125 years. Operating through two locations, the Alexandria Stock Exchange was officially established in 1883, followed by Cairo Stock Exchange in 1903. In 1997, the Presidential Decree No. 51/1997, re-defined the legal structure of the Exchanges and since then both Exchanges were managed by one Chairman and the same Board of Directors. The two exchanges were very active in the 1940s to the extent that they ranked fifth among the world exchanges. The socialist regime and the nationalization policy in the early 1960s have put both CASE on hold, then in 1991, Egypt's new era of economic reform started. Thus, by 1992, the role of CASE was re-activated, having 656 listed companies on the trading system.

Despite the repercussions of the global financial crisis, the Egyptian market has shown a good performance during 2009 with its main index EGX 30 concluding the year with an annual increase of 35%. On the other hand, EGX has been able to achieve good trading records in 2009, with a total trading value of LE 448 billion compared to LE 530 billion in the previous year. However, the volume traded soared to 37 billion securities in 2009 compared to 26 billion securities in 2008, surging by 43% compared to last year. Likewise, the number of transactions recorded 15 million transactions this year versus 13.5 million in 2008. In its efforts to continue the enhancement of the market activity and transparency, EGX launched 2

new price indices; EGX 70 Price Index, that measures the performance of the 70 active companies, after excluding the 30 most active constituent-companies of EGX 30 Index, as well as EGX 100 Price Index, that tracks the performance of the 100 active companies, including both the 30 constituent-companies of EGX 30 Index and the 70 constituent-companies of EGX 70 Index. Both indices, EGX 70 index and EGX 100, soared during 2009 to conclude the year with an increase of 33% and 36%, respectively.

From another perspective, the Listing and De-listing Rules were amended to ensure further enforcement of corporate governance and to retain and attract quality issuers as well as regulating the trading of EDRs and ETFs.

In its endeavor to keep abreast with technological advancements in order to be the Premier market in the Middle East North African (MENA) Region that best serves its stakeholders, EGX signed an agreement with London SE to connect the 2 markets via FIX connectivity system. This will facilitate capital flow from London to Egypt and vice versa and set EGX as the hub in the Middle East and African region.

Additionally, EGX launched a new version of its website; [www.egx.com.eg](http://www.egx.com.eg), that includes a wealth of information about EGX indices, issuer information, market data, education corner, international relations and information services, with a better navigation, more user-friendly interface and easier access to information.

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These developments are expected to promote the activity of the Egyptian market, which has been perceived as one of the most developed emerging markets during the past years.

## FUTURE OUTLOOK

- Continuous development of the regulatory infrastructure to increase the quality of services and ensure investor protection.
- Increasing the product mix available to investors by listing and trading ETFs, Sukuks and later derivatives, etc.
- Encouraging dual listing of blue chip companies and more investment flows to the market. EGX plans for three road shows covering the US, Far East and the MENA regions.
- Listing selected prominent and fast growing mid and small cap companies on Nilex.
- Continuous enhancement of EGX international relations with stock exchanges around the globe as well as regional and international federations and associations working in the exchange industry.

## EGYPTIAN EXCHANGE

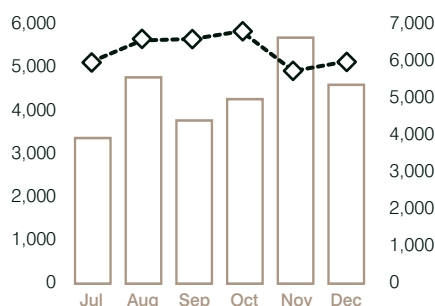
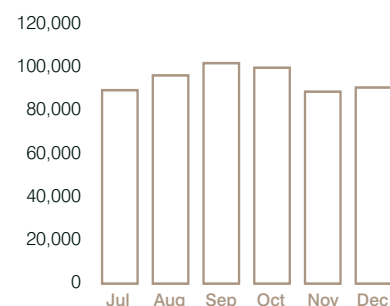
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	3,378.94	168.95	2,133.15	106.66
Aug-09	4,786.46	217.57	2,573.42	116.97
Sep-09	3,786.11	199.27	1,642.32	86.44
Oct-09	4,280.73	214.04	1,873.98	93.70
Nov-09	5,707.87	285.39	1,531.22	76.56
Dec-09	4,613.86	200.60	1,676.25	72.88
<b>TOTAL</b>	<b>26,553.98</b>	<b>214.30</b>	<b>11,430.34</b>	<b>92.20</b>
<b>Bonds</b>				
Jul-09	546.24	27.31	2.97	0.15
Aug-09	1,007.30	45.79	5.46	0.25
Sep-09	455.22	23.96	2.56	0.13
Oct-09	553.38	27.67	2.90	0.15
Nov-09	446.67	22.33	2.45	0.12
Dec-09	600.86	26.12	3.20	0.14
<b>TOTAL</b>	<b>3,609.67</b>	<b>28.86</b>	<b>19.54</b>	<b>0.16</b>
<b>Other</b>				
Jul-09	389.22	19.46	516.30	25.82
Aug-09	350.84	15.95	444.65	20.21
Sep-09	473.34	24.91	445.08	23.43
Oct-09	480.24	24.01	467.68	23.38
Nov-09	14,143.09	707.15	1,003.23	50.16
Dec-09	1,001.61	43.55	632.42	27.50
<b>TOTAL</b>	<b>16,838.34</b>	<b>139.17</b>	<b>3,509.36</b>	<b>28.42</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	89,768.49	6,052.44
Aug-09	96,632.85	6,596.61
Sep-09	102,299.43	6,633.82
Oct-09	100,200.80	6,838.33
Nov-09	89,081.59	5,761.96
Dec-09	91,004.33	6,092.17

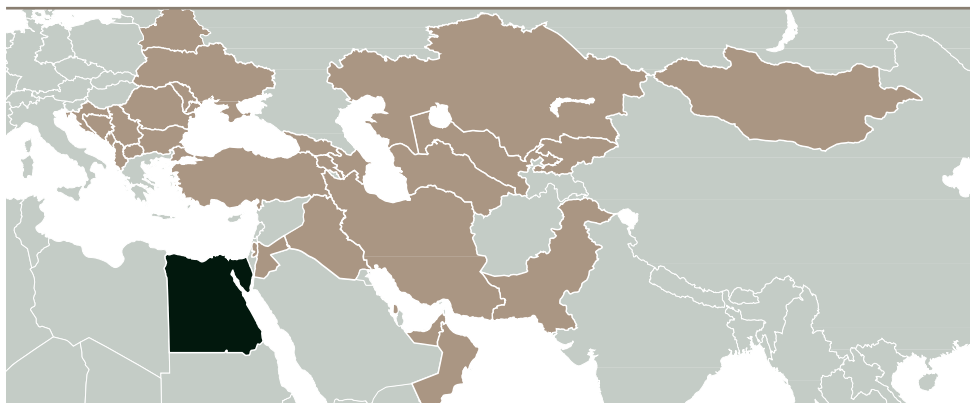
MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◆ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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EGYPTIAN EXCHANGE

ECONOMIC AND POLITICAL DEVELOPMENTS

Besides the minor political tension that has been going on in the region, Egypt has maintained a stable political environment during 2009 that is considered investor friendly.

On the economic front, the Egyptian economy has outbalanced the impact of the global financial crisis throughout year 2009 mainly on the back of the measures undertaken by the Egyptian government, including the US\$ 3 billion subsidy to support the infrastructure projects and to stimulate the economy as well as rising the domestic demand by declining commodity prices. In addition, the country's sound banking system, whereby high risk investments is rejected, have helped to alleviate the effect of the crisis.

Projections were limiting the economic growth rate between 3-4% but the Egyptian economy has grew by 4.7% during fiscal year 2008/2009, recording one of the best growth rates among emerging countries.

Moreover, the Central Bank has reduced the overnight deposit and lending rates six consecutive times during 2009 to reach 8.25% for deposits and 9.75% for lending, which in turn decreased the inflation rate to reach 10% during 2009 down from 18% the previous year.

The FDIs highly surpassed expectations by 27% to record US\$8.1 billion in fiscal year 08/09 highlighting investors' confidence in Egypt's potential. Furthermore, Egypt's Net International Reserves reached US\$ 34.2 billion in December 2009, compared to US\$ 34.1 billion last year.

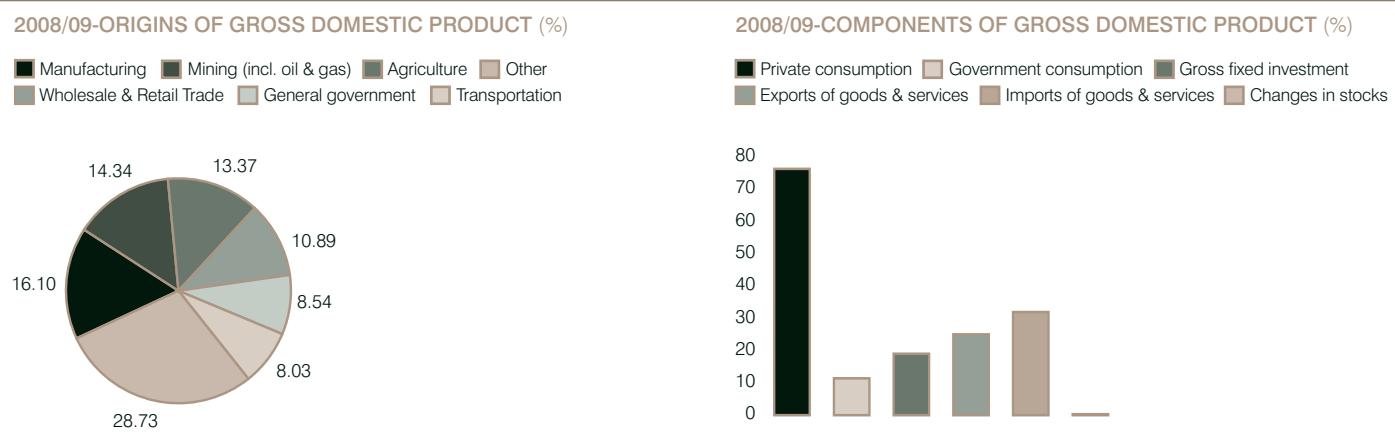
However, like the rest of the world, Egypt faced a fall in international trade and external demand which has negatively affected Egypt's Export, Suez Canal and tourism proceeds, which have collectively materialized a negative Balance of Payments in fiscal year 2008/2009.

Despite exposure to the consequences of global imbalances in international prices and effects of the global financial turmoil during 2008/2009, the Egyptian government managed to remain the budget deficit stabilizing at 6.9%.\*

\* Information provided by EGX

Key Information Contacts

Ministry of Finance [www.mof.gov.eg](http://www.mof.gov.eg)  
Ministry of Investment [www.investment.gov.eg](http://www.investment.gov.eg)  
Central Bank of Egypt [www.cbe.org.eg](http://www.cbe.org.eg)  
Egyptian Financial Supervisory Authority [www.efsa.gov.eg](http://www.efsa.gov.eg)  
Misr for Clearing, Depository and Central Registry [www.mcsd.com.eg](http://www.mcsd.com.eg)  
SMEs Market (NILEX) [www.nilex.egyptse.com](http://www.nilex.egyptse.com)



## EGYPTIAN EXCHANGE

## EGYPT ECONOMIC CHARTS AND TABLES

	2007/2008 (b)	2008/2009 (b)
GDP at market prices (LE bn)	896.5	1,038.6
GDP at market prices (US\$ bn)	163	189
Real GDP growth (%)	7.2	4.7
Consumer price inflation(a,%)	11.7	16.2
Population (a, mn)	77.5	79.1
Exports of goods fob (US\$ m)	29,356	25,169
Imports of goods fob (US\$ m)	-52,771	-50,342
Current-account balance (US\$ m)	888.3	-4,424.3
Foreign-exchange reserves excl gold (a, US\$ m)	34,572	31,310
Total external debt (US\$ bn)	12.3	9.0
Debt-service ratio (% Current Receipts)	3.9	5.3
Exchange rate (a) E£:US\$	5.5	5.5

Actual. (b) Fiscal year data ending June 30th.  
Source: Central Bank of Egypt, CBE)

## 2008/09-PRINCIPAL EXPORTS

(US\$ millions)

Petroleum products (inc. natural gas)	7,009
Crude oil	4,004
Iron ore, steel & products thereof	1,154
Ready-made clothes	608
Aluminum ore	396

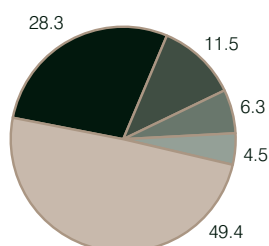
## 2008/09-PRINCIPAL IMPORTS

(US\$ millions)

Petroleum products (inc. natural gas)	4,419
Crude oil	2,613
Iron ore, steel & products thereof	4,538
Ready-made clothes	608
Aluminum ore	402

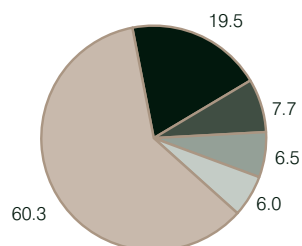
## 2008/09-MAIN DESTINATIONS OF EXPORTS (%)

USA Italy UK  
India Other



## 2008/09-MAIN ORIGINS OF IMPORTS (%)

USA UK Italy  
Germany Other





## GEORGIAN STOCK EXCHANGE



**George Loladze**  
Chairman of the Supervisory Board

**We look with hope on year 2010 and believe that it will become a turning point in development of the Georgian securities market.**

2009 was quite a busy year both with significant events and problems. No surprise, the global financial crises affected Georgian Stock Exchange activities as well. However, despite the sharp decline in trading volumes, GSE stably plays significant role of the only organized securities market in Georgia. Though, the legislative changes of 2008, along with some positive features, stimulated rising of "grey" securities market in Georgia, the large investors and issuers still prefer to operate at the Georgian Stock Exchange.

As mentioned above, 2009 was remarkable by significant events for GSE. First of all, the decision of GSE shareholders on considering strategic partnership options with the world-leading stock exchanges shall be mentioned. This became not just a general line of GSE development strategy but certain practical steps were taken in the direction of NASDAQ-OMX.

Another important event of 2009 for the whole financial sector of Georgia was decision of the Georgian Parliament to move regulation of all

financial services under auspices of the National Bank of Georgia (NBG). We strongly believe that in cooperation with NBG it will be possible to implement significant reforms and innovations at the Georgian capital market.

Based on all the aforementioned, we look with hope on year 2010 and believe that it will become a turning point in development of the Georgian securities market.

## HISTORY AND DEVELOPMENT

Equity securities first appeared in Georgia in 1991 after the declaration of independence that signaled the beginning of market-oriented reforms. A vast majority of the newly established joint-stock companies were owned by a rather small number of private shareholders and trading in these shares was relatively inactive. With the launching of the Mass Privatization Program in 1994, approximately 1,300 state-owned enterprises were organized as joint-stock companies, creating about half a million individual private shareholders. However, during a five-year period (1994-1999), the lack of an appropriate legal framework and organized market infrastructure seriously impeded the secondary trading of these shares and any over-the-counter market activity was nearly nonexistent.

The Georgian Stock Exchange (GSE) was founded in 1999 by a group of Georgian securities market professionals, leading banks, investment and insurance companies. Today it is the only organized securities market in Georgia. Designed and established with the assistance of the United States Agency for International Development (USAID) and operating within the legal framework of corporate and securities laws drafted with the assistance of American and German experts, the GSE can assert that it is designed and operated to comply with "global best practices" and offers an attractive investment environment to foreign investors.

To promote the concept of self-regulation, the GSE membership adopted new rules. After approval of these rules by the National Securities Commission of Georgia, the GSE was officially recognized as a self-regulatory organization (SRO) and received a stock exchange license in January 2000.

The GSE utilizes an automated trading facility. Thousands of securities can be traded by its members from the workstations at the GSE floor or remotely from their offices. The GSE adopted the platform employed by the Russian trading system (RTS) in Moscow. However, RTS - as an excellent informational-communication system - was significantly modified to ensure those

requirements outlined under the GSE trading rules reflected the peculiarities of Georgian securities market.

Official trading at the GSE began in March 2000. The number of companies admitted for trading at the GSE trading system increased gradually and by the end of 2004 reached 277. Practically all of these companies are former state owned and operated companies transformed into joint-stock companies and then privatized. The growing but still low trade volumes reflect the nascent stage of the Georgian capital market and the level of development of the Georgian economy.

In 2002, as a result of active cooperation with the National Securities Commission and the Ministry of State Property Management, the Special Privatization Auctions commenced at the GSE. In 2003 the GSE started trading government securities.

2004, was a landmark year for the GSE, due to the unprecedented increase in basic trading figures compared with previous years, reflecting the overall revitalization of the economy in the wake of the "Rose Revolution" of 2003.

In the end of November, 2006 Bank of Georgia (GSE:BOG), the company listed at the GSE since 2001, concluded successful IPO at the London Stock Exchange Main Market and through issuance of GDRs raised circa US\$160 ml. The bank is the first Georgian company ever and the second bank from the CIS since 1999 listed on the London Stock Exchange.

In 2007 the remote trading system was practically implemented at the GSE and number of brokerage companies started remote trading operations from their offices via internet and VPN technology. Number of trading days increased from two to three days a week.

In 2008 significant amendments were made in Georgian legislation, GSE Charter and Rules ensuring GSE demutualization, stock-exchange membership for various licensed financial institutions, including remote membership for respective foreign entities.

In August 2009 the decision on GSE capital increase was taken by GSE General Meeting of Shareholders with purpose of attraction of NASDAQ-OMX as a strategic partner.

## FUTURE OUTLOOK

Based on the significant interest of a leading European stock exchange operator, as well as of the various financial investors, significant changes in GSE ownership structure is anticipated, entailing, among other, attraction of required investments for further development of the GSE. Also, in 2010 the GSE plans to:

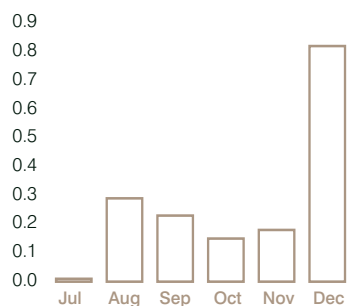
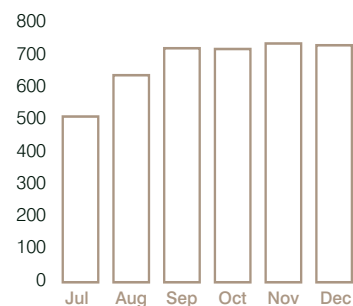
1. Make important changes in its trading system and trading rules so as to increase the efficiency of trading and increase the liquidity of the market:
  - Intensify the trading process. In particular, the trading sessions will be conducted on daily basis and/or time period of the trading sessions will be extended;
  - Further improve remote trading system for brokerage companies;
  - Establish electronic links between securities market participants (stock exchange, central depository, brokerage companies, banks, securities registrars)
  - Increase the efficiency of the government securities trading on the stock exchange;
  - Introduce partially guaranteed trading of securities;
  - Introducing of price quotation both in local and foreign currencies.
2. Launch a new web-site for the GSE, which along with traditional statistics will provide corporate reports database for the companies who are admitted to the trading system. In addition, the creation and publication of a company database will allow companies to publish their annual, semi-annual and current reports which are required by law and thus improve disclosure standards and corporate transparency;
3. Introduce the Georgian Stock Exchange Index.

## GEORGIAN STOCK EXCHANGE

## OFFICIAL 6 MONTH STATISTICS

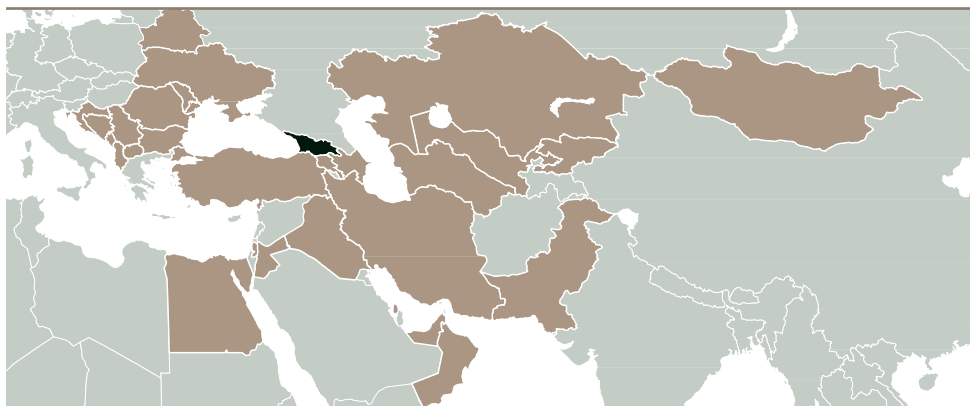
	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	0.01	0.00	0.01	0.00
Aug-09	0.29	0.02	1.55	0.13
Sep-09	0.23	0.02	3.09	0.22
Oct-09	0.15	0.01	1.48	0.12
Nov-09	0.18	0.02	2.77	0.23
Dec-09	0.82	0.06	3.57	0.27
<b>TOTAL</b>	<b>1.68</b>	<b>0.02</b>	<b>12.47</b>	<b>0.16</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	512.79	n/a
Aug-09	640.63	n/a
Sep-09	724.07	n/a
Oct-09	721.72	n/a
Nov-09	738.82	n/a
Dec-09	733.32	n/a

MONTHLY STOCK VOLUME  
(US\$ millions)MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## GEORGIAN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Political Outlook

Despite existing concerns that political process in Georgia may develop in unpredictable manner, fortunately, clear signs of increased stability and inevitability of elections process are in place. Today, practically there is no doubt that for political parties the next three years will be period of preparation to elections (local government - 2010, parliamentary - 2012 and presidential - 2013), election campaigns and the related processes. Hopefully, the pending local government elections in 2010 will take place in normal, constructive atmosphere and put grounds for stable political and economic development of the country.

No doubt, there still remain many political and social problems, first of all related with occupation of 20% of the country (Abkhazia and Tskhinvali region) by Russian military forces and the heaviest burden of about half million refugees from the mentioned regions. However, the likeliness of worsening of the situation is very low, though chances for restoring territorial integrity of the country in 2010 are also very low.

As for the economic situation, according Mr. Edward Gardner, IMF Resident Representative in the country, Georgia's economy is showing tentative signs of turning around, but a full-fledged recovery will depend on a more upbeat global environment and the easing of credit conditions in the country.

Until mid-2008, the Georgian economy was growing rapidly, fueled by high levels of foreign direct investment and strong credit growth. But in August of that year, the armed conflict with Russia over the disputed Tskhinvali region proved a devastating setback for Georgia's economy, prompting the authorities to request a US\$750 million Stand-By Arrangement (SBA) from the IMF and to secure emergency financing from donors totaling US\$4.5 billion for next three years. In the months that followed, Georgia's difficulties were compounded by the impact of the global economic crisis.

However, the country authorities' economic program has been successful in putting a floor on the contraction of economic activity in 2009 and in restoring confidence. On the back of these achievements, the economic recovery that started in the second half of 2009 is expected to continue in 2010, although at a moderate pace. The 2010 economic program is built on a 2 percent real GDP growth projection, and CPI inflation of 5 percent. The containment of public expenditures within the budget envelope approved by parliament should lead to a reduction of the government deficit to 7.4 percent of GDP, down from 9.2 percent in 2009. By contrast, the external current account deficit is projected to widen to 14 percent of GDP, largely on account of a pick up of import growth. With private capital inflows expected to lag behind, IMF financing will help cover the resulting balance of payments gap.

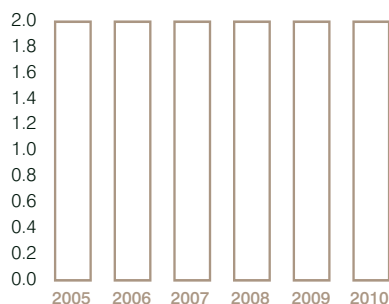
As for the business climate in the country – according Mr. Gardner, it was hurt by the political uncertainty that followed the conflict with Russia and the domestic unrest that followed. That unrest has now subsided, and the fact that foreign direct investment has been growing in the course of 2009 attests to that improvement. When it comes to the legal and institutional business environment, Georgia is very well placed. The country has made remarkable strides over the last few years—the World Bank's Doing Business Index ranks Georgia first in Eastern Europe and Central Asia and first among lower middle-income countries. Georgia has also moved up quickly through the ranks of Transparency International's Corruption Perception Index, and there's a general perception that interactions between the public and the government are now free of corruption. The authorities' structural reform program is now focusing on improving government efficiency and transparency, while continuing the privatization of public sector assets.\*

\* Information provided by GSE.

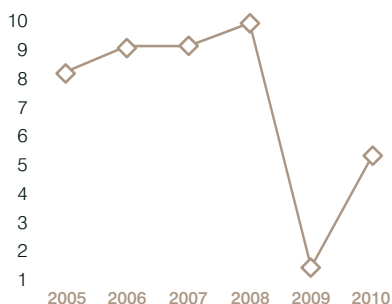
#### Key Information Contacts

National Bank of Georgia [www.nbg.gov.ge](http://www.nbg.gov.ge)  
 Ministry of Finance of Georgia [www.mof.ge](http://www.mof.ge)  
 Financial Monitoring Service of Georgia [www.fms.gov.ge](http://www.fms.gov.ge)  
 Georgian Central Securities Depository [www.gcsd.ge](http://www.gcsd.ge)  
 Georgian Securities Industry Association [www.gsia.ge](http://www.gsia.ge)  
 Georgian Corporate Directors Association [www.gcda.ge](http://www.gcda.ge)

**REAL GDP**  
(GEL millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



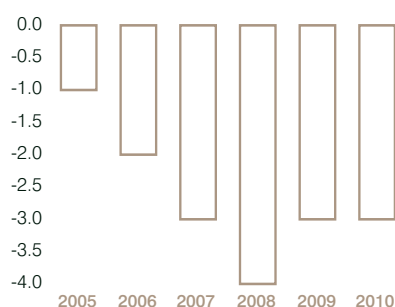
## GEORGIAN STOCK EXCHANGE

## GEORGIA ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	15	17 (a)	20 (a)	21 (a)	20 (a)	21 (b)
Real GDP bil GEL	2	2	2	2	2	2 (b)
Real private consumption bil GEL	2	2 (a)	3 (a)	3	3 (a)	3 (b)
Real government consumption bil GEL	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Real gross fixed investment bil GEL	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Real stockbuilding bil GEL	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Real exports of G&S bil GEL	1	1 (a)	2 (a)	2	1 (a)	2 (b)
Real imports of G&S bil GEL	2	2 (a)	3 (a)	3	3 (a)	3 (b)
Real domestic demand bil GEL	2	3 (a)	3 (a)	3	3 (a)	3 (b)
Real GDP at factor cost bil GEL	7	7	8	8	8	8 (b)
Real agriculture bil GEL	1	1	1	1	1	1 (b)
Real industry bil GEL	2	2	2	2	2	2 (b)
Real manufacturing bil GEL	n/a	n/a	n/a	n/a	n/a	n/a
Real services bil GEL	3	4	4	5	4	4 (b)
Gross national savings rate (%) %	21.5 (a)	14.6 (a)	11.2 (a)	1.7 (a)	8.4 (a)	8.8 (b)
Gross national savings/investment %	64.1	47.5	38.4	15.6	43.4 (a)	45.5 (b)
Budget balance (% of GDP) %	-1.1	-3.0	-4.7	-6.3	-8.9 (a)	-6.3 (b)
Consumer prices (% change pa; av) %	8.3	9.2	9.2	10.0	1.5 (a)	5.4 (b)
Exchange rate LCU:US\$ (av) GEL/US\$	1.8127	1.7804	1.6705	1.4908	1.6708 (a)	1.6575 (b)
Lending interest rate (%) %	21.6	18.8	20.4	21.2	25.2 (a)	22.0 (b)
Stock of domestic credit bil GEL	3	3	5	6	6	7 (b)
Domestic credit growth (%) %	34.4	30.8	62.9	16.9	1.0 (a)	10.2 (b)
Deposit interest rate (%) %	7.6	11.4	9.5	10.4	10.6 (a)	9.7 (b)
Population million	4.3	4.4	4.4	4.4	4.4 (a)	4.4 (b)
GDP per head (\$ at PPP) US\$	3,540	3,930 (a)	4,540 (a)	4,750 (a)	4,540 (a)	4,690 (b)
Current account balance/GDP %	-12.0	-16.2	-19.8	-22.8	-15.3 (a)	-15.1 (b)
International reserves bil US\$	0	1	1	1	1	2 (b)
Trade balance bil US\$	-1	-2	-3	-4	-3 (a)	-3 (b)
Foreign-exchange reserves bil US\$	0	1	1	1	1	2 (b)
Total foreign debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Public medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Private medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
IMF debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Short term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Net debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Export credits bil US\$	n/a	n/a	n/a	n/a	n/a	n/a

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, September 2009.

TRADE BALANCE  
(US\$ billions)

## IRAQ STOCK EXCHANGE



**Taha Ahmed Abdul Salam**  
CEO

Iraq Stock Exchange (ISX) had established and start operations in June 2004. The ISX operates under the oversight of the Iraq Securities Commission (ISC).

The exchange is a self-regulated organization, owned by the members. The ISX is financially and administratively independent from the Iraqi government including the Ministry of Finance. It is organized as a non-profit entity that is owned by its members, namely licensed brokers. It is regulated by the Iraq Securities Commission and follows the operational procedures outlined in its By-laws that are fully compliant with the Iraqi Securities Law.

Iraq Stock Exchange (ISX) introduced a special index in August 2009 after Automation go live which closed in December 2009 at 100 points.

The ISX held approximately 152 sessions in 2009 compared with 139 sessions in 2008. The total trading volume for the year of 2009 reached US\$ 368 million, a increase of 36% when compared with the year 2008. The total traded shares in

**The total trading volume for the year of 2009 reached US\$ 368 million, a increase of 36% when compared with the year 2008.**

2009 were 211 billion shares, a increase of 40% compared with the year 2008. The total numbers of transactions realized in 2009 was 49 thousands. The number of shares traded for non Iraqis was 15 billion shares and the trading volume was US\$ 21.5 million.

The most important event in 2009 was lunch the Automation in Iraq stock exchange for the first time in Iraq, in April 19th 2009, the second things increasing the sessions to five in November 2009.

ISX has organized a number of training courses for brokers and training courses for the IT staff and other ISX employees. These training courses include Automation Trading in ISX and run TWS for the brokers, ELECTRONIC SYSTEMS (Equator & Horizon SYSTEMS).

The ISX publishes a monthly newsletter called the Capital Market. Published in Arabic, the Capital Market covers all financial events which happen within the ISX and the listed companies. The Iraq Stock Exchange publishes its information in the website [www.isx-iq.net](http://www.isx-iq.net).

The ISX has successfully joined FEAS (Federation of Euro-Asia Stock Exchanges), which held its annual meeting in Shiraz on September 21st, 2005. Also, ISX has successfully joined the Union of Arab Stock Exchange in June 2006. and joined the Arab SE Federation in June 2006.

The ISX signed Data Feed Agreement with MUBASHER to distribute the ISX data and accordingly enable its interested subscribers access to the delayed and real-time market information via the Internet, satellites and other communication networks. Mubasher shall disseminate the Data in Arabic and English in real-time or delayed basis through its online and offline network in 2010.

The world financial crises didn't affect the ISX, I believe that because Iraq Stock Exchange is still a small market and we don't work very closely with banks and insurance companies we didn't have credit problems. We at the ISX are doing our best to transform our exchange to meet or exceed the standards in the region.

## HISTORY AND DEVELOPMENT

1. For the period of 1992-2003 the Baghdad Stock Exchange was operating and was well known.

The previous Baghdad Stock Exchange was established by the law No. 24 in 1991. The market was related to the government and it listed (113) different companies, some private and others from the mixed sector. During that period, especially in 2003, the market had gained an annual trading volume exceeding, US\$17.5 million. However, this market was closed by a decision of its Governing Council in March 19, 2003.

2. Establishment of Iraq Stock Exchange  
On 18 of April 2004, the temporary law No. 74 was issued. It gave the authority to establish two important capital development bodies concerning financial sectors, they are:  
A. Iraq Stock Exchange (ISX).  
B. Iraq Security Commission (ISC).

3. Meaning of Iraq Stock Exchange  
The ISX is an entity capital market not related or powered by the government. It is directed by a Board of Governors (BOG) and consists of nine members, representing different economic sectors of investment.

The market is where the investments, exchange stocks, purchasing and selling takes place. It is considered one of the channels in which funds can flow between persons and commissions through different sectors that may help to mobilize and develop financing and financial channels in order to give readiness for different investments.

## FUTURE OUTLOOK

Iraq Stock Exchange official financial investment and trading securities in Iraq, we can identify the following goals for 2010:

1 - Work to Issue the New Securities Law, who worked by the Commission from a number of Board of Commissioners of the Securities Commission and a number of Board of Governors of the Iraqi market for securities and ISX CEO during 2006 and 2007. And the issuance of regulatory instructions that would actively promote investment in the Iraqi Stock Exchange and the creation of mechanisms to patterns of new investment were not to exist in Iraq before.

2 - complete electronic applications for e-trading system and the status of the filing through the application of trading via the Internet and agree on the organization of the mechanisms of the guarantor banks Custodian Banks. And attract new investment patterns that were not valid or allowed for investment activity in the private sector.

3 - on the status of the filing after the completion of the implementation of the plan to register all companies to contribute and to allow circulation electronically. Follow-up of joint stock companies to implement mechanisms to increase capital and capitalization of profits and the distribution of profits through the deposit center in cooperation with the banks for their execution.

4 - broadening the base of the brokerage firms through the implementation of the Help the admission of five brokerage firms annually, beginning in 2010 and follow-up activity to the mediation of the border met the required standards of the Securities Commission.

5 - Encouraging the establishment of joint stock companies with a combined capital of Iraq and Iraqi non-Iraqi, and attract local and foreign investment through the liquid.

6 - Developing active interest in the media after the success of the organization of the Iraqi market for securities, which is broadcast on the screens of the Iraqi satellite channel every Friday.

7- Issue new website for ISX



## IRAQ STOCK EXCHANGE

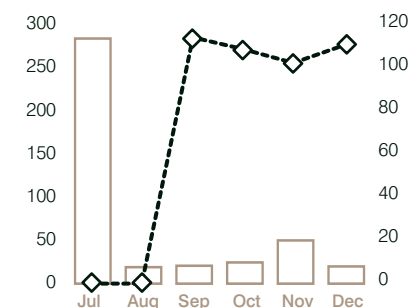
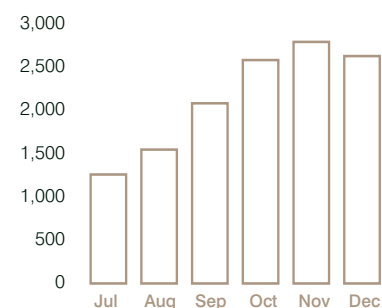
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	284.37	25.85	20,824.39	1,893.13
Aug-09	19.13	1.47	9,657.83	742.91
Sep-09	20.78	2.08	13,092.09	1,309.21
Oct-09	24.64	2.46	15,949.43	1,594.94
Nov-09	50.16	2.51	31,041.17	1,552.06
Dec-09	19.99	1.54	14,074.44	1,082.65
<b>TOTAL</b>	<b>419.07</b>	<b>5.99</b>	<b>104,639.35</b>	<b>1,362.48</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-08	0.00	0.00	0.00	0.00
Aug-08	0.00	0.00	0.00	0.00
Sep-08	0.00	0.00	0.00	0.00
Oct-08	0.00	0.00	0.00	0.00
Nov-08	0.00	0.00	0.00	0.00
Dec-08	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	1,263.90	0
Aug-09	1,552.90	0
Sep-09	2,090.21	113.84
Oct-09	2,591.57	109.08
Nov-09	2,802.27	102.54
Dec-09	2,637.91	110.86

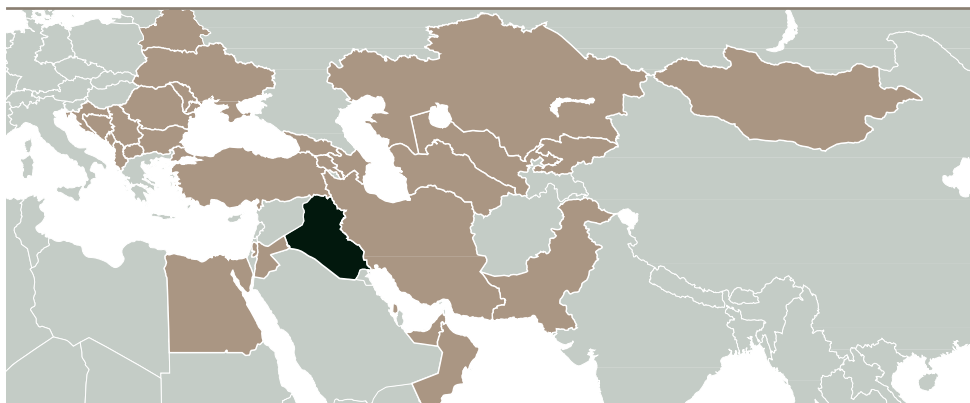
MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Mr. Jimmy Afham Toma E-mail jimmy-afham@yahoo.com Website www.isx-iq.net



## IRAQ STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Outlook for 2010-11

The drawdown of US forces, and the continued weakness of central authority, may allow militia and insurgent groups to re-establish themselves in some areas, although violence is unlikely to return to 2006-07 levels.

There is a growing likelihood of a realignment of Iraqi politics, with the prime minister, Nouri al-Maliki, as head of the State of Law list, set to run against his former allies in the Iraqi National Alliance in the parliamentary election in January 2010.

The role of foreign oil companies will gradually expand, as they are drawn in by the unique opportunity presented by Iraq's massive oil reserves.

The Economist Intelligence Unit expects the fiscal deficit to narrow markedly in 2010-11, to an annual average of US\$4.4bn (equivalent to 4.6% of GDP), compared with an estimated US\$9.5bn in 2009, as oil revenue recovers.

Economic growth is likely to strengthen in 2010-11, as foreign direct investment (FDI) in a range of oil and infrastructure projects picks up, and improving security boosts consumer demand and, in turn, wholesale and retail trade.

Iraq's current account will largely track movements in oil export receipts. Having fallen sharply in 2009, export earnings are forecast to recover strongly in 2010, although earnings growth will be held back in 2011 as oil prices fall.

**DOMESTIC POLITICS:** We expect the political situation in Iraq to remain unstable. Although the gradual drawdown of US forces, and the parliamentary election in January 2010, will be accompanied by intermittent spikes in violence, we do not expect a repeat of the sectarian conflict that engulfed Iraq in 2006 and early 2007. However, much will depend on the future integration of the Sunni-dominated Awakening Councils (many of which include former insurgents) into the state apparatus. The prime minister has been boosted by his Daawa Party's impressive performance in the January 2009 provincial elections, which owed much to his strategy of portraying himself as a nationalist "strong man". However, this approach has led to increased tensions between the central government and the Kurdish parties, which will continue to be aggravated by growing Kurdish impatience at the failure to resolve the status of the northern province of Kirkuk and several other "disputed" areas. Mr Maliki's relations with other Shia leaders are also becoming increasingly tense.

**INTERNATIONAL RELATIONS:** Iraq's foreign policy will be dominated by its efforts to carve out a more independent role for itself, in the wake of the gradual US military withdrawal, while seeking to balance its ties with Iran to the east and its Arab neighbours to the south and west. The US military presence will be reduced to 30,000-50,000 troops by September 2010, as part of the wider drawdown envisaged under the Status of Forces Agreement, which provides a legal framework for a full US

military pull-out by end-2011. In the meantime, Iraq will seek to strengthen ties with its Arab neighbours—a strategy that it hopes will eventually lead to new debt write-offs. However, this process will remain hostage to security developments and political posturing, as demonstrated by Mr Maliki's condemnation of Syria after the Iraqi authorities presented evidence purporting to show that those responsible for a series of bomb attacks in Baghdad in August were based in Syria. Elsewhere, dealings with Iran will remain cautious, although economic ties will continue to strengthen. Although many of Iraq's political leaders maintain close ties to the Islamic Republic, many Iraqis remain wary of Iran (in part because it is widely thought to be arming Iraqi Shia militias), which will dampen enthusiasm for a deeper alliance.

**POLICY TRENDS:** Economic policymaking will be constrained by the weakness of central government control. As a result, the government's primary aim will be to improve project implementation, in part by encouraging greater local participation and cutting bureaucratic constraints. Although progress will remain slow and piecemeal, hindered by vested interests, rampant corruption and the difficult fiscal position, better security should at least allow progress with upgrading basic services, such as electricity and water.

**INTERNATIONAL ASSUMPTIONS:** We estimate that world GDP (at purchasing power parity rates) will have contracted by 1.3% in 2009, as the deep recession in the EU and the US has dragged down global growth, and expect it to expand only weakly, by an average of 3.3%, in 2010-11, led by non-OECD states. We forecast that the average price of dated Brent Blend will decline in 2011, as a number of OECD economies, including the US, experience a slowdown that year, from US\$74/barrel in 2010 to US\$70/b.

**ECONOMIC GROWTH:** Economic growth is forecast to strengthen in 2010-11, having weakened in 2009 in the wake of lower oil prices. The improved security situation should permit a recovery in some of Iraq's more ethnically and religiously homogenous southern and western provinces, leading to greater wholesale and retail trade. In addition, FDI is also set to surge, as work on a number of large oilfield and infrastructure projects gathers speed. The robust economic growth already witnessed in the more stable Kurdistan Regional Government-administered provinces is likely to persist, although some mixed areas in central and eastern Iraq will continue to experience economic stagnation. However, government spending growth is likely to remain relatively slow, which will have a knock-on impact on private consumption (one-third of Iraqi workers are employed by the state). A key area of uncertainty will remain the agricultural sector, which has suffered from two consecutive years of very poor rainfall. Exports will largely track changes in oil production. Having stagnated in 2009, as Iraq's decrepit and deteriorating oil infrastructure held back output growth, oil production will increase over the forecast period. Exports from two fields in Iraqi Kurdistan will increase (assuming difficulties

regarding the participation of a Norwegian oil company, DNO, can be overcome), as will oil production from those fields included in the first oil licensing round. This will lift output to almost 2.8m barrels/day (b/d) in 2011, from under 2.5m b/d in 2009. (We do not, however, expect major production increases from fields operated by international oil companies until 2012.) Import growth will rise markedly, as Iraq relies heavily on imports for both consumer goods and capital inputs. Overall, we expect real GDP growth to rise from an estimated 5.8% in 2009 to an annual average of 6.4% in 2010-11.

**INFLATION:** Consumer price growth has been low since early 2008, as the Central Bank of Iraq (CBI)-overseen appreciation of the dinar, an improvement in the supply of basic items and, more recently, falling global commodity prices have lowered import costs and dampened inflationary expectations. Indeed, fast-falling fuel and transport costs kept Iraq in deflation during most of the first nine months of 2009. However, the government's recent decision to assume control over vegetable imports, and the poor harvest, has recently led to a sharp upturn in prices, and, with the dollar weakening, global commodity prices recovering and, potentially, import tariffs being lifted, we forecast that inflation will average 5.3% in 2010-11, compared with an estimated average of just 1% this year.

**EXCHANGE RATES:** The CBI has overseen a steep appreciation of the dinar over the past two years, as part of its anti-inflation strategy. However, with inflation low and the dollar strengthening, the CBI has kept the dinar steady at ID1,170:US\$1 since January, and we now forecast that this unofficial peg will remain in place over the forecast period. However, with lower oil prices and occasional political shocks likely to cause intermittent downward pressure on the dinar, we expect that the CBI will occasionally have to dip into its substantial stock of foreign reserves to avoid bouts of volatility.

**EXTERNAL SECTOR:** Iraq's current account will largely mirror movements in oil export receipts (which constitute some 98% of total export earnings). Having fallen by an estimated 33% in 2009, export revenue is forecast to recover strongly in 2010, lifted by higher oil prices and production, although earnings growth will be held back in 2011 as oil prices fall. The import bill, meanwhile, is likely to grow robustly, led by rising demand for capital inputs and consumer goods. Nevertheless, we expect the trade surplus to widen markedly in 2010, from an estimated US\$3.4bn (4.6% of GDP) in 2009 to US\$7.3bn, before narrowing to US\$2.6bn in 2011. The non-merchandise deficit will widen steadily over the forecast period, as services debits increase in line with import spending. Overall, the current account, which we estimate will have recorded a small deficit in 2009, is forecast to record a surplus of US\$3.5bn (3.8% of GDP) in 2010, on the back of sharply higher oil earnings. The current account is expected to slip back into deficit in 2011, however, as export growth slows.\*

\* The Economist Intelligence Unit Limited

#### Key Information Contacts

Iraq Association of Securities Dealers: [www.iasd-iq.org](http://www.iasd-iq.org)  
Iraq Central Bank: [www.cbiraq.org](http://www.cbiraq.org)

## IRAQ STOCK EXCHANGE

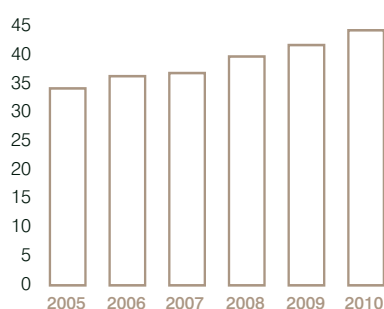
## IRAQ ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	90 (a)	98 (a)	103 (a)	113 (a)	120 (a)	129 (b)
Real GDP mil IQD	34,268 (a)	36,393 (a)	36,939 (a)	39,820 (a)	41,811 (a)	44,382 (b)
Real private consumption mil IQD	n/a	n/a	n/a	n/a	n/a	n/a
Real government consumption mil IQD	n/a	n/a	n/a	n/a	n/a	n/a
Real gross fixed investment mil IQD	n/a	n/a	n/a	n/a	n/a	n/a
Real stockbuilding mil IQD	n/a	n/a	n/a	n/a	n/a	n/a
Real exports of G&S mil IQD	n/a	n/a	n/a	n/a	n/a	n/a
Real imports of G&S mil IQD	n/a	n/a	n/a	n/a	n/a	n/a
Real domestic demand mil IQD	n/a	n/a	n/a	n/a	n/a	n/a
Real GDP at factor cost mil IQD	34,268	36,393 (a)	36,939 (a)	39,820 (a)	41,811 (a)	44,382 (b)
Real agriculture mil IQD	4,320	4,268 (a)	4,366 (a)	3,995 (a)	4,039 (a)	4,241 (b)
Real industry mil IQD	19,605	20,847 (a)	22,254 (a)	24,597 (a)	25,431 (a)	26,664 (b)
Real manufacturing mil IQD	956	937 (a)	939 (a)	948 (a)	1,024 (a)	1,092 (b)
Real services mil IQD	9,387	10,340 (a)	9,380 (a)	10,279 (a)	11,317 (a)	12,385 (b)
Gross national savings rate (%) %	n/a	n/a	n/a	n/a	n/a	n/a
Gross national savings/investment %	n/a	n/a	n/a	n/a	n/a	n/a
Budget balance (% of GDP) %	10.0 (a)	14.1 (a)	11.7 (a)	13.3 (a)	-12.8 (a)	-4.1 (b)
Consumer prices (% change pa; av) %	37.0	53.2	30.7	2.8	-2.3 (a)	6.1 (b)
Exchange rate LCU:US\$ (av) IQD/US\$	1,470	1,466	1,255	1,193	1,170 (a)	1,170 (b)
Lending interest rate (%) %	7.0	16.0	20.0	15.0	7.0 (a)	8.5 (b)
Stock of domestic credit mil IQD	-688	-3,503	-12,345	-25,718	-15,482 (a)	-12,618 (b)
Domestic credit growth (%) %	-118.2	409.3	252.4	108.3	-39.8 (a)	-18.5 (b)
Deposit interest rate (%) %	n/a	n/a	n/a	n/a	n/a	n/a
Population million	28.2	28.9	29.5	30.1	30.7 (a)	31.3 (b)
GDP per head (\$ at PPP) US\$	3,170 (a)	3,400 (a)	3,480 (a)	3,750 (a)	3,910 (a)	4,130 (b)
Current account balance/GDP %	-22.1 (a)	3.0 (a)	22.5 (a)	16.1 (a)	-0.2 (a)	4.5 (b)
International reserves bil US\$	12	19	31	50	45 (a)	46 (b)
Trade balance bil US\$	4	12	23	22 (a)	3 (a)	8 (b)
Foreign-exchange reserves bil US\$	12	19	31	50	45 (a)	46 (b)
Total foreign debt bil US\$	111 (a)	99 (a)	102 (a)	68 (a)	50 (a)	52 (b)
Public medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Private medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
IMF debt bil US\$	0	0	0 (a)	0	1 (a)	1 (b)
Short term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Net debt bil US\$	99 (a)	80 (a)	71 (a)	18 (a)	6 (a)	6 (b)
Export credits bil US\$	n/a	n/a	n/a	n/a	n/a	n/a

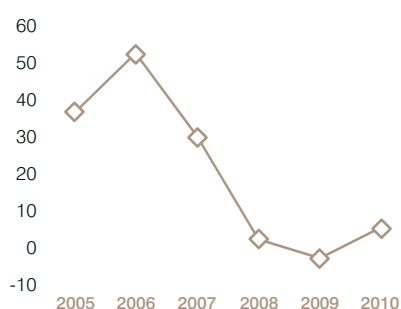
(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

**REAL GDP**  
(IQD millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



## ISTANBUL GOLD EXCHANGE



**Osman SARAC**  
Chairman

Istanbul Gold Exchange targets to stimulate local business and international attention with all other globally competitive enterprises which will provide Turkey to be a central hub for the gold business, due to its strategic position, as it lies in the heart of a major gold trade area, exposed to Middle East, Europe and Gulf States.

In 2009 we have managed technical infrastructural studies as well as market structures and gold backed financial instruments studies. Since 2007 we have been making important steps to integrate international communities.

For the integration of the Exchange to the international markets, there have been important steps since 2007. In March 2008 we have been an associate member to London Bullion Market Association, by May 2008 we have joined World Federation of Diamond Bourses, by February 2010, we are honored to be part of a large family with distinguished members, FEAS as an affiliate member. The Exchange became a member of the Kimberley Process Certification Scheme (KPCS),

## Istanbul Gold Exchange targets to stimulate local business and international attention with all other globally competitive enterprises which will provide Turkey to be a central hub for the gold business.

in August 2007, which aims to curb the flow of conflict diamonds, with 49 participants worldwide. By 2008 and 2009 IGE organized International Gold Summit in corporation with Active Academy to share the experiences of the Turkish and foreign participants in the Jewelry Sector which has been gaining important goals in the recent years.

The Turkish gold Jewelry market has undergone a major revival since the early 1990s with the traditional and long-standing historical affinity for gold jewellery adjusted for modern tastes. Turkey is now the world's fourth largest market for gold jewellery, third largest manufacturing centre and second biggest exporter.

The annual export is estimated at US\$ 2.5-3 billion, part of which is from exports to wholesalers and retailers abroad while the bulk comes from sales to tourists sold in the local market. By 2009, due to the supply of scrap gold to the market, Turkey turned to be an exporter of gold in the market.

As a first spot trading gold exchange in the world, IGE was founded with the principle semi-electronic system trading floor. By 2009, a new screen-based fully electronic trading system has been launched with remote access in order to provide investors 24 hours trading.

Istanbul Gold Exchange is having a role of safeguard for gold funds and gold ETF which is listed in ISE. Over 6.000 kgs of Gold kept in the Exchange on the name of the 21 funds.

For the upcoming years, our target is to establish a secure and organized market condition in Turkey for diamond and precious stones trading. Turkey is launching its first diamond market and aiming to become a regional trading hub for the precious stones. Istanbul Gold Exchange is also working on a project to launch a foreign exchange market, base metals market and Carbon Licenses Market. We aim to see tangible progress on these objectives in 2010.

### General Information

Istanbul Gold Exchange is a state institution which has an autonomous system, for precious metals trading in organized market conditions with time and price priority. Gold prices on the Istanbul Gold Exchange are determined by the market, generally reflecting trends in international prices. Members of Istanbul Gold Exchange are authorized to import gold to Turkey.

### Services Provided

- Spot gold, silver and platinum trading,
- Precious Metals Lending Market transactions,
- Physical settlement of the transactions,
- Depository for the precious metals belonging to mutual funds and gold ETF in Turkey.
- Depository for individual investors.
- Authority for Kimberley Process Certification Scheme for rough diamonds in Turkey.
- Determination of local and international Precious Metals Refineries, whose products can be imported to Turkey and be transacted in the Exchange,

### Brief History

Istanbul Gold Exchange began its operations on July 26, 1995. The Exchange has two types of markets: Precious Metals Market, Precious Metal Lending Market. In markets, standard and non-standard gold, silver and platinum are traded. Spot gold trading started at the opening of the Exchange. Silver and non standard precious metals

started to trade in 1999. Precious Metals Lending Market started its operations in Istanbul Gold Exchange on March 24, 2000 for the purpose of bringing supply and demand into an organized market, lowering the production costs of the jewellery sector and securitization of gold.

Domestic or foreign banks, precious metals companies, currency offices, precious metals producing and marketing companies and precious metals refineries that obtained the membership certificate from the Under-Secretariat of Turkish Treasury and complied with the requirements set forth by the IGE Board of Directors can trade on the exchange. There are 83 members consisting of 22 banks, 32 Foreign Exchange Offices, 21 Precious Metals Brokerage Houses and 21 Precious Metals producing and marketing companies.

### Form of Settlement and Transfers

Through member accounts by Clearing Center and Clearing Bank

### Legal Status

State Institution

### Settlement Period

From T+0 up to T+9

### Regulated by

State Ministry  
Under –Secretariat of Treasury

### Board of Directors: 5 Members

President of the Exchange  
Vakıfbank T.A.O (bank)  
Atasay Kıymetli Madenler A.S. (Precious Metals Brokerage House)  
İstanbul Altın Rafinerisi A.S. (Precious Metals Refinery)  
Yıldız Doviz ve Kıymetli Maden Tic. A.S. (Foreign Exchange Office)

### Memberships to International Organizations

London Bullion Market Association (LBMA)  
World Federation of Diamond Bourses (WFDB)  
Federation of Euro-Asian Stock Exchanges (FEAS)

### Future Outlook

In 2010, IGE intends to:

- To complete the new infrastructure for internet based 24 hours trading,
- Establish the customer based ordering, trading system and mobile trading system
- To open Diamond and Precious Stones Market,
- Establishment and implementation of Base Metals Market in IGE,
- Establishment and implementation of Currency Market in the Exchange,
- Establishment and implementation of Carbon, Rights and Licenses Market in the Exchange,

## ISTANBUL GOLD EXCHANGE

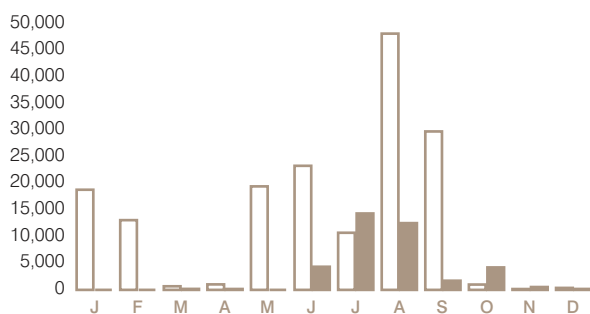
## I. PRECIOUS METALS MARKET

Members	2008	2009	Change (%)
Banks	20	21	1
Precious Metals Brokerage Houses	11	21	10
Foreign Exchange Offices	22	32	10
PM Producing & Marketing Companies	8	8	-
Total	61	82	21

2008-2009 GOLD IMPORT FIGURES

(kg)

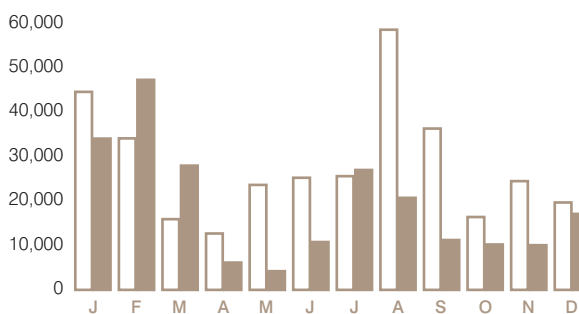
□ 2008 ■ 2009



2008-2009 GOLD TRADING VOLUMES

(kg)

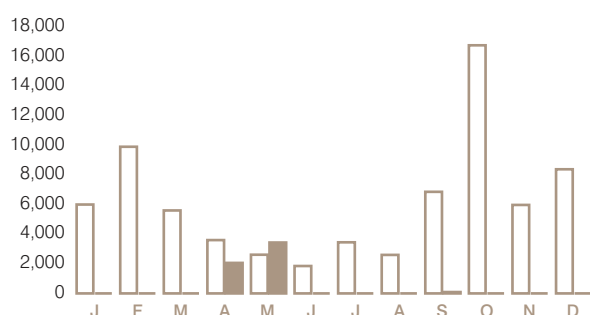
□ 2008 ■ 2009



2008-2009 SILVER IMPORT VOLUME

(kg)

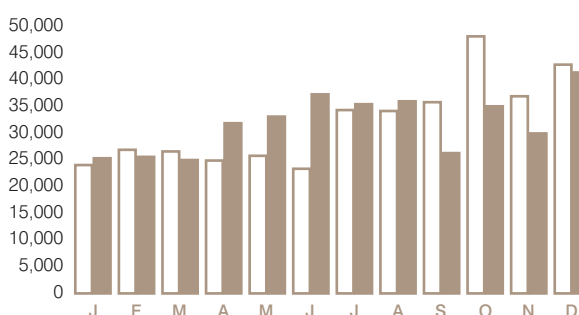
□ 2008 ■ 2009



2008-2009 SILVER TRADING VOLUME

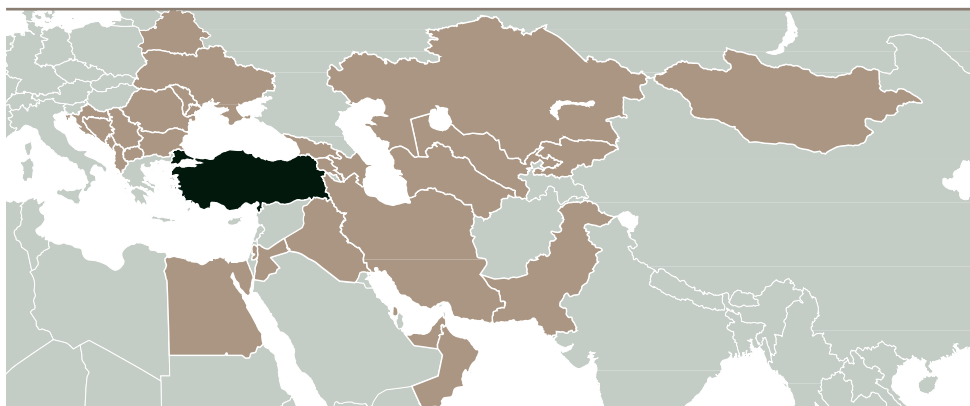
(kg)

□ 2008 ■ 2009



## CONTACT INFORMATION

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\* Please refer to page 96 for the Turkey country report.



## ISTANBUL STOCK EXCHANGE



**Huseyin Erkan**  
Chairman & CEO

**It is worth noting that the ISE ranked third among the world markets in terms of performance on local currency basis.**

Following a period of two years filled with difficulties in the global economy, the worst seems to be over and a global economic recovery is under way. The exceptional steps that were taken by policy makers in both developed and emerging countries after the collapse of Lehman Brothers in September 2008 have gone a long way toward taking the financial markets under control and restoring capital flows to developing countries. The immediate outflow of international capital from developing countries to safe havens in the aftermath of the crisis has more or less reversed itself. As a result, interbank liquidity in dollar markets seems to revert to its pre-crisis range, a large number of emerging-market exchange rates have recovered their pre-crisis levels against the U.S. dollar, equity markets have recovered much of their initial losses, and capital flows to developing countries have resumed. Borrowing costs for emerging market borrowers, although still high, have stabilized over the last few quarters. The real sector recovery is also under way. Global industrial production, although 5 percent below its level compared to a year earlier in October 2009, improved in the third quarter of 2009. On the other hand, in addition to being fragile, the recovery is expected to decelerate

in the second half of 2010 as the effect of fiscal and monetary measures fade. While recovery dominates all sectors, the negative impact of the Dubai World event and the credit rating downgrades of Greece and Mexico at the end of 2009 should not be overlooked. Especially the developments in the Euro zone should be followed closely.

In this atmosphere, the Istanbul Stock Exchange has got its share from the recovery. The ISE 100 Index, the main indicator of the ISE, increased by 101 percent in US\$ terms in 2009, compared to the value at end-2008. It is worth noting that the ISE ranked third among the world markets in terms of performance on local currency basis. The Stock Market total traded value maintained its vivacity, with a total trading volume amounting to US\$ 316 billion for the year as a whole. The average daily traded value stood at US\$ 1.3 billion during the same period. As of end-2009, the market capitalisation of 315 companies traded on the Istanbul Stock Exchange, increased by 97 percent compared to end-2008, reaching US\$ 236 billion. The share of foreign portfolio investors in the free-floating shares of the ISE stood at 67 percent as of end-2009, up from 66 percent as of end-2008.

The average daily trading volume on the ISE Bonds and Bills Market, on the other hand, showed a slight decrease of 12 percent during 2009. During the year, the total trading volume of the Outright Purchases and Sales Market increased by 13 percent to US\$ 270 billion, while the total trading volume of the Repo/Reverse Repo Market decreased by 15 percent to almost US\$ 2 trillion as of end-2009.

Included in the ISE's plans for 2010, is the establishment of the "Emerging Companies Market" with a view to offering new trading opportunities for small and medium sized companies (SMEs). The main purpose that lies behind this initiative is to allow SMEs to have convenient access to the capital markets for their financing needs. Another important initiative that we are taking this year is the organization of the "Initial Public Offering (IPO) Turkey Summit" in Istanbul in May. The Summit will bring together some 1,350 sizeable Turkish companies that are not yet traded on the ISE, as well as the leading companies in the financial circles and we expect this organization to be instrumental in bringing new companies to the ISE.

## HISTORY AND DEVELOPMENT

In 1981, the Capital Market Law was enacted and one year later, the Capital Markets Board was established. In October 1983, the Parliament approved the Regulations for the Establishment and Operations of Securities Exchanges, which paved the way for the establishment of the ISE, formally inaugurated in 1985.

The ISE provides a fair and transparent environment for trading of a wide variety of securities namely, stocks, exchange traded funds, warrants, government bonds, Treasury bills, corporate bonds, money market instruments (repo/reverse repo), foreign securities etc. Currently, there are four markets operating at the ISE; the Stock Market, the Bonds and Bills Market and the Foreign Securities Market and Emerging Companies Market.

In 1989, the foreign exchange regime was amended to allow non-residents to invest in Turkish securities, making the Turkish securities markets open to foreign investors without any restrictions on the repatriation of capital and profits.

The ISE was recognized as a "Designated Offshore Securities Market" by the U.S.

Securities and Exchange Commission in 1993 and was designated as an "appropriate foreign investment market for private and institutional Japanese investors" by the Japan Securities Dealers Association in 1995. Likewise, the ISE has been approved by the Austrian Ministry of Finance as a regulated market in accordance with the regulations of the Austrian Investment Fund Act in 2000. As a result of all these developments, foreign investors now account for a substantial volume of daily trading and hold around 67 percent of the publicly-held stocks in their portfolios amounting to US\$ 55.6 billion, as of end-2009.

The ISE currently owns 32.62% of the ISE Settlement and Custody Bank, 30% of the Central Registry Agency and 18% of the Turkish Derivatives Exchange. On the international level, the ISE has participations in the Kyrgyz Stock Exchange and Baku Stock Exchange with stakes of 24.51% and 5.26%, respectively.

## FUTURE OUTLOOK

- The ISE plans to establish the "Emerging Companies Market" with an aim to offer a different application procedure to small and medium sized companies (SMEs) for trading on the Istanbul Stock Exchange. The idea behind the facilitation of the application

procedures is to give these companies the opportunity to raise funds through public offerings, as a long term and low cost financing alternative. Furthermore, in order to contribute to price formation and liquidity, trading on the Emerging Companies Market, different from the continuous auction system on the Stock Market, will be through a combination of single price method and continuous auction with market maker system. The companies traded on the Market, demonstrating progressive performance in time, will have the opportunity to be transferred to any of the submarkets of the ISE Stock Market.

- As part of its efforts towards increasing the number of public offerings, the ISE will organize "Initial Public Offering (IPO) Turkey Summit" in Istanbul on May 6-7, 2010. The Summit aims to bring together around 1,350 leading Turkish companies that are yet not traded on the Istanbul Stock Exchange and financial intermediaries, audit firms, law firms, consultancy firms, sectorial associations as well as domestic and international private equity funds, investment banks and other institutional investors, which are considered to be important constituents of public offerings.

## ISTANBUL STOCK EXCHANGE

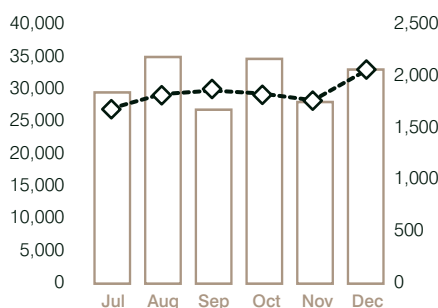
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	29,581.02	1,286.13	18,981.53	825.28
Aug-09	35,060.79	1,669.56	20,599.87	980.95
Sep-09	26,910.20	1,345.51	15,177.86	758.89
Oct-09	34,769.27	1,655.68	18,459.30	879.01
Nov-09	28,096.27	1,478.75	15,523.23	817.02
Dec-09	33,122.00	1,440.09	19,240.69	836.55
<b>TOTAL</b>	<b>187,539.55</b>	<b>1,479.29</b>	<b>107,982.48</b>	<b>849.62</b>
<b>Bonds</b>				
Jul-09	29,079.68	1,264.33	0.045	0.002
Aug-09	22,567.19	1,074.63	0.0333	0.0016
Sep-09	22,963.86	1,148.19	0.0341	0.0017
Oct-09	24,287.11	1,156.53	0.0345	0.0016
Nov-09	18,619.94	980.00	0.0272	0.0014
Dec-09	17,872.77	777.077	0.0255	0.0011
<b>TOTAL</b>	<b>135,390.55</b>	<b>1,066.79</b>	<b>0.20</b>	<b>0.002</b>
<b>Other</b>				
Jul-09	162,807.93	7,078.61	0.0627	0.0027
Aug-09	163,013.62	7,762.55	0.0605	0.0029
Sep-09	143,762.49	7,188.12	0.0544	0.0027
Oct-09	167,632.01	7,982.48	0.0622	0.003
Nov-09	153,852.41	8,097.50	0.0565	0.003
Dec-09	179,375.75	7,798.95	0.0675	0.0029
<b>TOTAL</b>	<b>970,444.21</b>	<b>7,651.37</b>	<b>0.36</b>	<b>0.003</b>

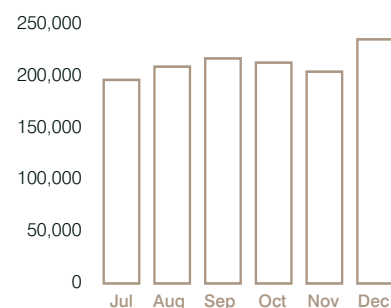
	Market Capitalization (US\$ millions)	Index
Jul-09	196,795.71	1,690.17
Aug-09	209,607.42	1,812.43
Sep-09	217,560.15	1,888.85
Oct-09	213,486.19	1,853.22
Nov-09	204,750.13	1,781.28
Dec-09	235,996.15	2,068.18

MONTHLY STOCK VOLUME VS INDEX (US\$ millions)

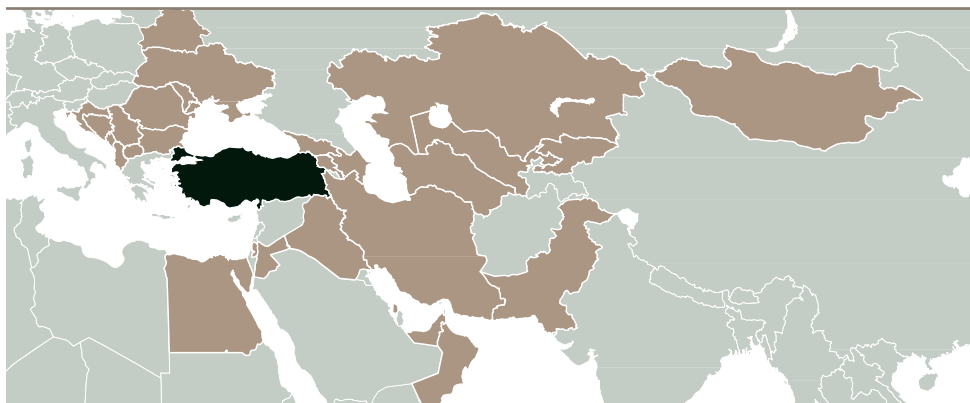
□ Stocks ◇ Index



MONTHLY MARKET CAPITALIZATION (US\$ millions)



## CONTACT INFORMATION

Contact Name Mr. Eralp Polat E-mail [international@imkb.gov.tr](mailto:international@imkb.gov.tr) Website [www.ise.org](http://www.ise.org)

## ISTANBUL STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

The recent subprime mortgage crisis and financial crisis, increasing unemployment increased the threats of a recession in the world economy. The crisis in the world economy has an impact on Turkish economy. But Turkish economy has not been affected by the global crisis severely due to Turkey has improved its macroeconomic situation with a determined fiscal discipline, prudent monetary policy, political stability, social security reform, large privatizations and structural reforms.

Turkey has implemented a range of economic, political and social reforms in an effort to meet EU requirements. The ongoing process of EU accession and the signing of a new stand-by agreement with the IMF covering the period of 2005-2008 have created two strong anchors for increasing Turkey's growth potential and improving a better functioning market economy.

Rehabilitating the business environment, diminishing unrecorded economy, strengthening financial system, promoting communication and information technologies are among the targets of the economy management for the upcoming years in order to lift Turkey onto a significantly higher growth trajectory.

#### Economic Performance

Following the GNP growth rate of 4.6% achieved in 2007, the Turkish economy grew by 3% in the first three quarters of 2008. The consumption expenditure of resident households grew by 3.3% in the same period of 2008. The investment expenditures of the public sector grew by 1.2% and the private sector investment expenditures grew by 0.8% in the same period of 2008.

In the January-November period of 2008, exports and imports reached US\$ 124.3 billion and US\$ 190.5 billion, respectively, exports registering an increase of 27.4% and imports registering an increase of 23.8% compared to the same period of 2007. Accordingly, the rate of imports covered by exports stood at 65.2% as of November 2008.

As of December 2008, the year-on-year consumer price index increased by 10.06% and the year-on-year producer price index increased by 8.11% compared to the same month of the previous year.

The consolidated budget registered a deficit of YTL 4.9 billion as of October 2008 bringing the primary surplus to YTL 38.5 billion. Total revenues increased by 12.7% to YTL 175.8 billion and total expenditures increased by 7.4% to YTL 180.7 billion in the January-October period 2008 compared to the same period of 2007.

The gross privatization revenues in 2008 were recorded as US\$ 6.3 billion. The breakdown of the privatization revenues is as follows; US\$ 2 billion as block sale, US\$ 1.9 billion as public offering and US\$ 2.3 billion as asset sale.

In 2008, the ISE National-100 Index, the main index on the Istanbul Stock Exchange, showed a decrease of 51.6% in YTL terms and 63.2% in US\$ terms as compared to the values at the end of 2008. The stock market yearly total traded value decreased to US\$ 261.3 billion by 13.2% in US\$ terms in 2008 compared to 2007. The average daily traded value of equities stood at US\$ 1.04 billion in 2008.

The market capitalization of 317 ISE traded companies decreased to a level of US\$ 119.7 billion at the end of 2008 from US\$ 290 billion at the end of 2007. Nine ETFs (Exchange Traded Fund) are traded on the ISE ETFs Market in 2008.

The net equity investments within the free float of the ISE traded companies by foreign portfolio investors has been registered at around US\$ 27.5 billion at the end of 2008 representing 67.5% of the total value stocks in custody.

The turnover in public debt securities transacted on the Outright Purchases and Sales Market decreased by 14.2% to US\$ 239.4 billion in 2008 compared to 2007. The Repo/Reverse Repo Market turnover increased by 14.1% to US\$ 2,274 billion in the same period. The average daily traded value in Outright Purchases and Sales Market and the Repo/Reverse Repo Market, stood at US\$ 10 billion at the end of 2008.

In 2008, two companies and one Exchange Traded Fund (ETFs) offered their stocks for the first time to public and started to be traded on the ISE Stock Market. The amount of funds raised by the IPOs of two companies was US\$ 1.9 billion.

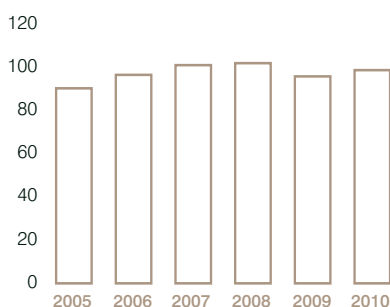
All brokerage houses (104 brokerage houses) have been provided with remote access to the stock market trading system. In 2008, the number of orders sent by members via Ex-API (Express Application Programming Interface) terminals reached 92% of all orders. Trading on the Bonds and Bills Market is already carried out remotely.\*

\* Information provided by the Istanbul Stock Exchange

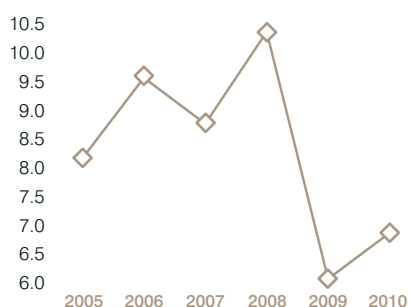
#### Key Information Contacts

Capital Markets Board of Turkey [www.cmb.gov.tr](http://www.cmb.gov.tr)  
 ISE Settlement and Custody Bank Inc. (Takasbank) [www.takasbank.com.tr](http://www.takasbank.com.tr)  
 Central Registry Agency Inc. [www.mkk.com.tr](http://www.mkk.com.tr)  
 The Association of Capital Market Intermediary Institutions of Turkey [www.tspakb.org.tr](http://www.tspakb.org.tr)  
 The Turkish Derivatives Exchange (TurkDEX) [www.turkdex.org.tr](http://www.turkdex.org.tr)

**REAL GDP**  
(TRY millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



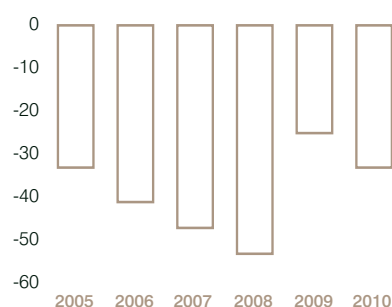
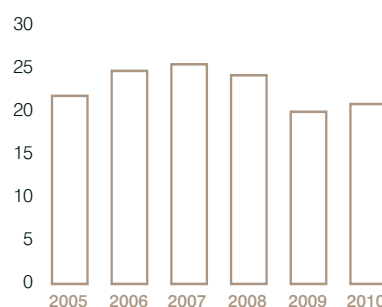
## ISTANBUL STOCK EXCHANGE

## TURKEY ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	747 (a)	825 (a)	888 (a)	915 (a)	872 (a)	912 (b)
Real GDP mil TRY	90,500	96,738	101,255	102,164	96,028 (a)	98,934 (b)
Real private consumption mil TRY	63,787	66,750	70,421	70,379	68,220 (a)	70,000 (b)
Real government consumption mil TRY	8,767	9,506	10,127	10,323	10,529 (a)	10,740 (b)
Real gross fixed investment mil TRY	21,822	24,715	25,481	24,211	19,974 (a)	20,873 (b)
Real stockbuilding mil TRY	-681	-764	-136	185	-2,771 (a)	-1,900 (b)
Real exports of G&S mil TRY	22,095	23,563	25,275	25,852	23,649 (a)	24,814 (b)
Real imports of G&S mil TRY	25,290	27,032	29,914	28,786	23,575 (a)	25,593 (b)
Real domestic demand mil TRY	93,694	100,207	105,893	105,098	95,953 (a)	99,713 (b)
Real GDP at factor cost mil TRY	82,853	88,584	92,619	93,558	87,938 (a)	90,600 (b)
Real agriculture mil TRY	9,571	9,701	9,047	9,368	9,555 (a)	9,650 (b)
Real industry mil TRY	28,930	31,871	33,704	33,463	30,184 (a)	30,395 (b)
Real manufacturing mil TRY	21,250	23,033	24,327	24,510	21,568 (a)	21,676 (b)
Real services mil TRY	44,353	47,012	49,868	50,728	48,200 (a)	50,554 (b)
Gross national savings rate (%) %	20.0	22.0	21.1	21.8	16.6 (a)	16.8 (b)
Gross national savings/investment %	77.1	72.8	72.4	74.1	86.1 (a)	80.7 (b)
Budget balance (% of GDP) %	-1.3	-0.6	-1.6	-1.8	-6.3 (a)	-5.9 (b)
Consumer prices (% change pa; av) %	8.2	9.6	8.8	10.4	6.1 (a)	6.9 (b)
Exchange rate LCU:US\$ (av) TRY/US\$	1.3436	1.4285	1.3029	1.3015	1.5481 (a)	1.4913 (b)
Lending interest rate (%) %	26.0 (a)	28.0 (a)	27.0 (a)	26.5 (a)	21.0 (a)	21.0 (b)
Stock of domestic credit mil TRY	296,092	347,079	415,374	499,431	544,640 (a)	606,214 (b)
Domestic credit growth (%) %	28.1	17.2	19.7	20.2	9.1 (a)	11.3 (b)
Deposit interest rate (%) %	20.4	21.6	22.6	22.9	18.0 (a)	17.8 (b)
Population million	69.7 (a)	70.4 (a)	71.2 (a)	71.9 (a)	72.6 (a)	73.3 (b)
GDP per head (\$ at PPP) US\$	10,730 (a)	11,710 (a)	12,480 (a)	12,730 (a)	12,010 (a)	12,430 (b)
Current account balance/GDP %	-4.6	-6.0	-5.8	-5.7	-2.3 (a)	-3.2 (b)
International reserves bil US\$	52	63	77	74	75 (a)	74 (b)
Trade balance bil US\$	-33	-41	-47	-53	-25 (a)	-33 (b)
Foreign-exchange reserves bil US\$	51	61	73	70	72 (a)	70 (b)
Total foreign debt bil US\$	169	208	251	277 (a)	263 (a)	267 (b)
Public medium & long-term bil US\$	62	67	75	79 (a)	80 (a)	79 (b)
Private medium & long-term bil US\$	56	88	127	139 (a)	134 (a)	128 (b)
IMF debt bil US\$	15	11	7	8	8 (a)	18 (b)
Short term bil US\$	37	42	42	51 (a)	42 (a)	42 (b)
Net debt bil US\$	117	145	175	203 (a)	188 (a)	193 (b)
Export credits bil US\$	9	11 (a)	14 (a)	17 (a)	11 (a)	13 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(TRY millions)

## KARACHI STOCK EXCHANGE



**Adnan Afridi**  
Managing Director

### The KSE 100 index registered a growth of 60% in 2009.

The year 2009 was a year of consolidation and recovery. Pakistan's economic growth rate declined to just over 2% compared to an average growth rate of almost 7% over the 5 year period 2004-08. A weak global economy, high levels of political uncertainty and a poor law and order situation all played a role in the decline in the country's economic activity.

Despite being a slow year, the reduction in inflation, relative macro-stability, strong remittances and gradual monetary easing by the State Bank of Pakistan led to encouraging corporate performance. The capital markets have rebounded albeit with low volumes and their performance remains highly correlated with the political and security situation in the country. The KSE 100 index registered a growth of 60% in 2009

which is especially impressive against the backdrop of militant activity in the country. It is also encouraging to note that companies are once again beginning to show a keen interest in raising capital and towards the end of 2009 a significant increase in IPOs has been witnessed which signals a path to recovery in market activity for the next year.

During 2009, the Karachi Stock Exchange re-introduced Deliverable Futures Contracts and adopted the global FIX protocol allowing Direct Market access for global traders. The Karachi Stock Exchange, also introduced the Debt Market; now trading in corporate bonds is being conducted through the Bonds Automated Trading System (BATs). We are hopeful that with continued support from the State Bank of Pakistan and

active participation from asset management organizations, and banks, this market will be extended to include public debt as well. In line with our commitment to investors we continued to upgrade our risk management capabilities – the KSE introduced Client Level Margining on October 1, 2009. The objective of this mechanism was to bring about a shift from broker level margining to the Client/UIN level margining. All related trading/exposure capital is now available on the basis of UIN wise collateral positions in terms of respective sub-accounts.

Moving forward, we remain committed to enhancing our risk management and surveillance measures to further increase transparency and to ensure a level playing field for all investors.

## HISTORY AND DEVELOPMENT

The KSE is the biggest and most liquid exchange amongst the three exchanges of Pakistan. It came into existence on 18 September 1947. It was later converted and registered as a company limited by guarantee on 10 March 1949. Initially, only five companies were listed with a paid-up capital of Rs. 37 million (US\$ 0.62 million).

The year 2009 was year of consolidation and recovery. The KSE 100 Index registered a growth of 60% and close at 9386.92 points. As of Dec 31, 2009, ordinary shares of 651 companies were listed having listed capital of Rs. 814.48 billion (US\$ 9.66 billion) with the market capitalization of Rs. 2,705.88 billion (US\$ 32.10 billion).

In 1991 the secondary market was opened to foreign investors on an equal basis with local participants. This measure, along with a policy of privatization, has resulted in rapid growth of the market since 1991.

### Management

The KSE has an independent Board of Directors (10 directors) with representation from the Members of the Exchange & from the Corporate Community. Five directors are elected from amongst the 200 members of the Exchange and four non member directors are nominated by Regulator i.e., SECP. The Chairman is elected by Board from amongst non member Directors whereas, Managing Director is ex-officio member of the board KSE is in process of demutualization, it is presently a company limited by guarantee, will be converted into a company limited by shares.

### Automation of the Exchange

KSE has a fully automated trading system with T+2 settlement system whereby all trades settle on the second day after the trade. Internet based trading system was also launched in December, 2004 to provide an additional facility for investors

to enter their orders. KSE has also launched a single exchange-traded market for trading corporate bonds in Pakistan using BATs. KSE's BATs provide live system based, on screen electronic Trading Platform which offer, market participants a transparent and efficient trading system features and facilities crucial for the Debt market Securities Trading. KSE also launched Stock Index Futures Contract. This marks a momentous achievement for the KSE.

Unique Identification Number was introduced to provide a traceable link between every order entered at the trading system of the Exchange. VaR based margining system was also introduced in place of a slab based Risk management system. The new RMS included, amongst others, a new netting regime; a margining system based on Value at Risk (VaR) and Capital Adequacy. KSE has also adopted the FIX protocol (Financial Information Exchange) for both trading and market data. Due to this technology, KSE will be able to attract local, regional and global liquidity by providing KSE members to seamlessly interact with their automated trading platform and offer access to their international trading partners.

## ACCOMPLISHMENTS 2009

- Introduction of Corporate Bonds Automated Trading System
- Data Vending and Launch of Mobile KSE Automated Trading System (mKats)
- Implementation of internationally accepted industry classification Benchmark a jointly developed classification system launched by FTSE Group and Dow Jones Index.

## RISK MANAGEMENT

- Introduction of Client Level Margining Regime
- Restructuring of Net Capital Balance requirement
- Pre-settlement mechanism in Ready & Deliverable Future Contract Market

- Introduction of Exposure Dropout Facility during Trading Hours
- Introduction of Client wise cash deposits allocation against exposure margin and losses
- Change in Penalty requirements on Net Capital Balance Certificate.

The National Clearing & Settlement Company has already been established. The company handles clearing and settlement of three exchanges of the country under one roof. Physical settlement to online real-time book-entry settlement of the securities through Central Depository System has also been introduced to eliminate the opportunities for forgery, fraud and delay in transfer. Transparency of the listed companies has been enhanced with the introduction of quality audits, quarterly financial reports and timely dividend payouts. Corporate governance is also now the part of the KSE's listing regulation.

## FUTURE OUTLOOK

KSE is determined to remain one of the growing investment institutions not only within the country but globally as well.

- Corporatization and Demutualization of stock Exchange: National Assembly has passed the Stock Exchange (Corporatization, Demutualization and Integration) Bill and this will now be tabled in the Senate for its approval and afterward, will be notified in the official Gazette for its promulgation as Stock Exchanges (Corporatization, Demutualization and Integration) Act.

- Introduction of New Products and New Measures: KSE plans to introduce new products into the market, to further cater to the growing needs of its investors and help develop Pakistan's capital markets. KSE will be introducing: Exchange Traded Funds, Sector Based Index, new derivative products.



## KARACHI STOCK EXCHANGE

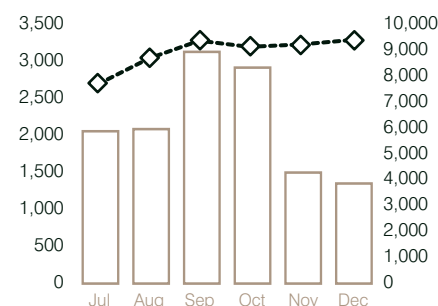
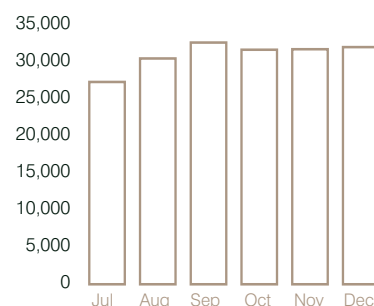
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	2,061.71	89.64	3,944.22	171.49
Aug-09	2,090.59	104.53	3,233.25	161.66
Sep-09	3,135.99	165.05	5,133.08	270.16
Oct-09	2,922.89	132.86	4,959.20	225.42
Nov-09	1,502.60	83.48	2,449.39	136.08
Dec-09	1,354.58	64.50	2,753.11	131.10
<b>TOTAL</b>	<b>13,068.37</b>	<b>106.68</b>	<b>22,472.25</b>	<b>182.65</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	3.28	0.18	0.07	0.00
Dec-09	1.11	0.05	0.02	0.00
<b>TOTAL</b>	<b>4.39</b>	<b>0.04</b>	<b>0.09</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

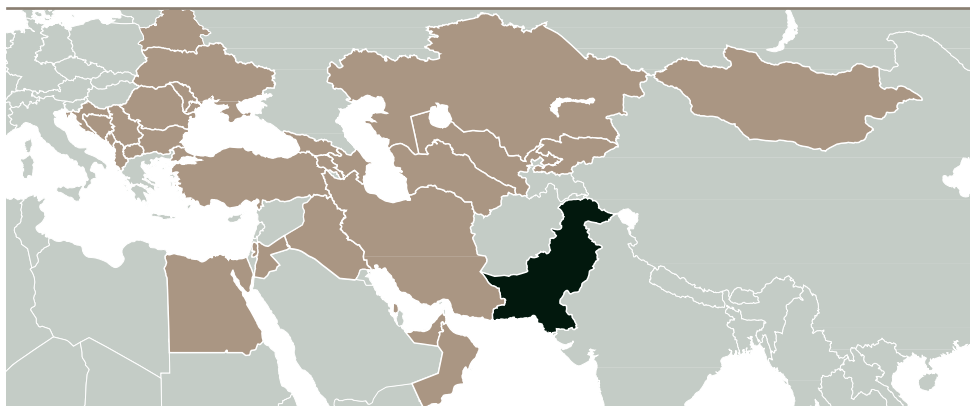
	Market Capitalization (US\$ millions)	Index
Jul-09	27,382.07	7,720.93
Aug-09	30,565.29	8,675.67
Sep-09	32,719.78	9,349.68
Oct-09	31,747.86	9,159.18
Nov-09	31,816.81	9,206.21
Dec-09	32,098.22	9,386.62

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## KARACHI STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Political Outlook

Although the army has reported a number of victories in the course of its new offensive against Tehrik-i-Taliban Pakistan (an alliance of around 13 Pakistan-based militant Islamist groups) in the Federally Administered Tribal Areas (FATA), the medium-term success of the current conflict remains far from assured. There is little chance that the fight against Islamist militancy will be won decisively in the long term, even if broader political stability returns, which is itself unlikely. An uneasy political stability has held since the resolution of a lengthy judicial crisis in March 2009, but tensions between the two main political parties will persist, hampering government effectiveness. National security will remain the most pressing issue on the domestic agenda, but the government's focus is likely to waver.

The US's policy towards Pakistan and Afghanistan encompasses development assistance—exemplified by a new, US\$7.5bn non-military aid bill (military aid and targeted strikes on suspected militants, but the US is still seeking co-operation and accountability from Pakistan. The US was always going to have difficulty in achieving its goal in the region—nullifying Islamist militancy—even if it were to have received unstinting and effective long-term co-operation from the Pakistani government and military, which was in any case unlikely.

Pakistan's macroeconomic environment is more stable than it was in 2008 because of the disbursement of emergency financing from the IMF. The second review of Pakistan's stand-by arrangement with the IMF took place in August 2009; the Fund accepted that Pakistan's economy had continued to

stabilise, but also warned that the macroeconomic outlook for 2009/10 remained difficult and that the external position was subject to considerable downside risks. The government's attempts are believed to improve economic stability will be impeded by the unfavourable international economic environment and by a range of domestic factors. The task of the government and the SBP will be simplified to a degree, in the sense that these institutions have lost a considerable amount of autonomy in economic policymaking as a result of Pakistan's acceptance of IMF assistance.

#### Economic Performance

The weak performance of most countries will be partially offset by continued GDP growth in China and India, but even these economies will suffer from some of the adverse effects of the downturn. Moreover, the downside risks to the global economy remain high.

The global financial crisis has provoked a liquidity crunch in Pakistan. This means that investment, which was previously a crucial driver of economic expansion, is set to grow by just 1.7% in 2009/10, after contracting by 6.5% in 2008/09; this compares with average annual investment growth of 15.7% in the boom years of 2004/05-2006/07. The government's need to contain the fiscal deficit means that public consumption growth also will be significantly curtailed. Private consumption will provide support to the economy, growing by 3% in 2009/10. It is forecasted that real GDP will grow by just 2.4% in 2009/10, below the government's target of 3.3% and just shy of the SBP's projection of 2.5%-3.5%. Economic expansion will accelerate to 3.8% in 2010/11,

driven partly by a resumption of growth in investment as financial constraints ease.

Year-on-year consumer price inflation slowed to 10.1% in September 2009, from 10.7% in August. Although inflation has been on a declining trend since November 2008, it has not fallen nearly as rapidly as in many other Asian countries, and remains high.

Estimated that the Pakistan rupee will average PRs82.9:US\$1 in 2009, representing a nominal depreciation of 15% from its average level in 2008. In 2010-11 the rate of depreciation will moderate to 0.7%. The currency's weakening against the US dollar in 2009 was limited by the improvement in Pakistan's economic fundamentals that resulted from the IMF financing package; the boost to investor confidence from bilateral pledges of aid and assistance; and intervention by the SBP in foreign-exchange markets to limit volatility.

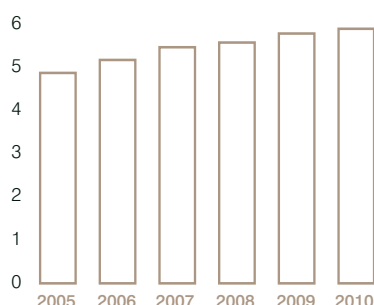
The IMF's emergency financing package forestalled a balance-of-payments crisis in late 2008. The programme that Pakistan must now follow includes traditional austerity measures designed to reduce domestic demand. Therefore estimated that imports will contract sharply in 2009, allowing the trade deficit to narrow to US\$10.1bn this year, from US\$16.8bn in 2008. In 2010-11 import growth will resume, in line with stronger economic expansion and higher oil prices. Export growth will be anaemic, as a broad range of structural factors will impede Pakistan's ability to boost its exports. As a result, the trade deficit will widen again in 2010-11, to an annual average of US\$13.6bn.\*

\* The Economist Intelligence Unit Limited, November 2009

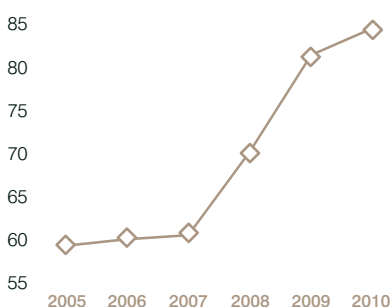
#### Key Information Contacts

Government of Pakistan [www.pak.gov.pk](http://www.pak.gov.pk)  
Ministry of Finance [www.finance.gov.pk](http://www.finance.gov.pk)  
Privatization Commission [www.privatisation.gov.pk](http://www.privatisation.gov.pk)  
State Bank of Pakistan [www.sbp.org.pk](http://www.sbp.org.pk)  
Security and Exchange Commission of Pakistan [www.secp.gov.pk](http://www.secp.gov.pk)

**REAL GDP**  
(PKR millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



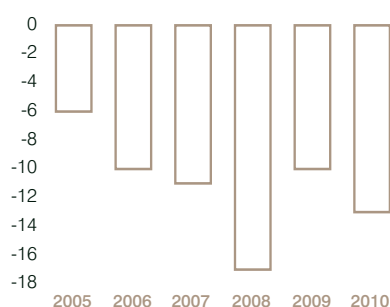
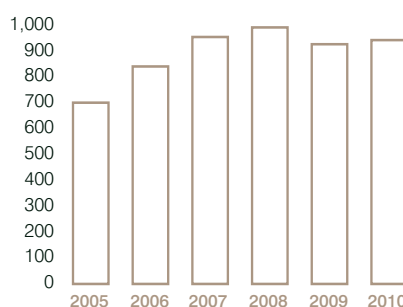
## KARACHI STOCK EXCHANGE

## PAKISTAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	340	373	406	423 (a)	444 (a)	459 (b)
Real GDP bil PKR	4,882	5,183	5,478	5,587	5,796	5,906 (b)
Real private consumption bil PKR	3,671	3,708	3,883	3,832	4,032	4,117 (b)
Real government consumption bil PKR	397	589	532	740	640	664 (b)
Real gross fixed investment bil PKR	701	841	955	992	927	943 (b)
Real stockbuilding bil PKR	79	83	88	92	89	90 (b)
Real exports of G&S bil PKR	879	966	988	935	1,020	1,017 (b)
Real imports of G&S bil PKR	845	1,003	968	1,003	911	925 (b)
Real domestic demand bil PKR	4,848	5,221	5,458	5,655	5,687	5,814 (b)
Real GDP at factor cost bil PKR	4,593	4,860	5,192	5,404	5,512	5,617 (b)
Real agriculture bil PKR	1,027	1,092	1,137	1,149	1,203	1,250 (b)
Real industry bil PKR	1,207	1,257	1,368	1,391	1,341	1,344 (b)
Real manufacturing bil PKR	781	846	919	963	926	935 (b)
Real services bil PKR	2,359	2,512	2,687	2,864	2,968	3,023 (b)
Gross national savings rate (%) %	15.7	16.7	16.7	10.1	17.5 (a)	14.7 (b)
Gross national savings/investment %	82.7	75.9	74.2	52.0	92.4 (a)	82.4 (b)
Budget balance (% of GDP) %	-3.2	-4.2	-4.5	-7.6 (a)	-5.2 (a)	-5.8 (b)
Consumer prices (% change pa; av) %	9.1	7.9	7.6	20.3	13.7 (a)	9.9 (b)
Exchange rate LCU:US\$ (av) PKR/US\$	59.5145	60.2713	60.7385	70.4080	81.6400 (a)	84.7500 (b)
Lending interest rate (%) %	8.2	9.9	10.2 (a)	12.4 (a)	13.3 (a)	12.5 (b)
Stock of domestic credit bil PKR	2,853	3,268	3,982	4,719 (a)	5,340 (a)	6,093 (b)
Domestic credit growth (%) %	23.2	14.5	21.9	18.5 (a)	13.1 (a)	14.1 (b)
Deposit interest rate (%) %	1.9	2.9	4.0 (a)	5.2 (a)	6.0 (a)	4.5 (b)
Population million	165.9	169.5	173.3 (a)	177.3 (a)	181.4 (a)	185.5 (b)
GDP per head (\$ at PPP) US\$	2,051	2,201	2,340 (a)	2,380 (a)	2,450 (a)	2,480 (b)
Current account balance/GDP %	-3.3	-5.3	-5.8	-9.3	-1.4 (a)	-3.2 (b)
International reserves bil US\$	11	13	16	9	15 (a)	16 (b)
Trade balance bil US\$	-6	-10	-11	-17	-10 (a)	-13 (b)
Foreign-exchange reserves bil US\$	10	12	14	7	13 (a)	14 (b)
Total foreign debt bil US\$	33	36	41	46 (a)	51 (a)	56 (b)
Public medium & long-term bil US\$	29	32	36	37 (a)	38 (a)	39 (b)
Private medium & long-term bil US\$	1	1	1	1	1 (a)	1 (b)
IMF debt bil US\$	1	1	1	4	8	12 (b)
Short term bil US\$	1	1	2	4	4 (a)	4 (b)
Net debt bil US\$	22	23	25	37 (a)	36 (a)	39 (b)
Export credits bil US\$	6	8 (a)	8 (a)	11 (a)	9 (a)	10 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009.

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(PKR millions)

## KAZAKHSTAN STOCK EXCHANGE



**Kadyrzhan Damitov**  
President

## KASE strives for fair and efficient market. We work with the regulators to insure clear and comprehensive market rules.

The severe epoch of crisis seems to be ending and the global exchange markets started to feel a warm breeze of recovery. And although the markets are still volatile, the global and local regulators agree that the worst symptoms of the global recession are already behind and hopefully soon the global market will return to its normal stage.

Due to Kazakhstan's integration into global financial community Kazakhstan market situation in 2009 was a reflection of global trends. Tremendous collapses of the external markets worsened the internal problems of the domestic financial market. Under such shock some companies were not able to withhold the pressure and ended up leaving the market. However, such "shock therapy" encouraged mobilization of resources and elaboration of a new and more effective concept of operation.

In addition, growing commodity prices pushed stock prices on KASE up. However, the market was negatively affected by difficult situation in local banking sector, and increasing number of corporate defaults on the corporate debt market, as well as decrease in a number of market participants.

Regardless of this difficult situation on the market Kazakhstan Stock Exchange entered 2010 with relatively small losses. The total turnover in 2009 was over 155 billion (total turnover for 2008 was 210.6 billion). Currency market and repo market represent the greater share of KASE turnover. As of January 1, 2010 we entitle 126 listed companies with 74 listed shares and 89 listed bonds.

KASE strives for fair and efficient market. We operate our own high capacity trading system with full functionality for all financial

instruments. We work with the regulators to insure clear and comprehensive market rules. Currently, we provide access to 84 members representing the entire financial sector of Kazakhstan.

In the nearest future we plan to develop our clearing and settlement system to have a perfect T+N settlement cycle. We also plan to introduce a risk-management system on the REPO transactions market as the first step to complete implementation of the more comprehensive system. Currently, our real-time market data is distributed by Bloomberg and Reuters and we plan to extend such service through other data vendors. We are seriously aimed at obtaining full membership at WFE, improve our market status in FTSE country classification system and further develop cooperation with foreign exchanges.

### HISTORY AND DEVELOPMENT

Founded on November 17, 1993 Kazakhstan Stock Exchange (KASE) is the only Stock Exchange in Kazakhstan. It represents a universal financial market with the following major sectors: foreign currency, government securities, corporate securities, repo and derivatives. KASE is a member of the International Association of Exchanges of the Commonwealth of Independent States, the Federation of Euro-Asian Stock Exchanges, and in 2008 obtained an affiliate status at the World Federation of Exchanges. It continues working actively on establishment of bilateral and multilateral relations with the foreign companies, exchanges and international financial institutions.

KASE is regulated by the Agency for Regulation and Supervision of Financial Markets and Institutions, which among other responsibilities executes the main functions of state control and supervision of the security market. Creation of a Regional Financial Center of Almaty (RFCA) in 2006 opened new opportunities for the Stock Exchange and equity market as a whole. Kazakhstan Stock Exchange was legally determined as an operator of the special trade floor of the Regional Financial Center of Almaty. During the following year, Kazakhstan Stock Exchange elaborated and adopted a new 2007-2010 development strategy, obtained a status of a commercial organization, adopted the Code of Corporate Governance and began the process of additional capitalization.

With 2008 global financial turmoil, KASE revised some of its previous plans and postponed the demutualization of its shares. The stock exchange focused on other issues described in the company's Development Strategy. It completely revised the structure of its web-site making it more

convenient for the users; introduced changes into the trading system; revised the listing rules and categories to reflect changes evolved from the merger of the Main Trading Floor with the RFCA Special Trading Floor. KASE introduced new financial instruments and seriously considers further diversification of the existing range of the financial instruments and services offered by the exchange to its clients.

The stock market in 2009 also reflected global trends. While the first half of the year was rich with events resulting from the global financial crisis – depreciation of local currency, increasing number of corporate defaults on the corporate debt market; relative stabilization of the economy in general and the financial market in particular showed the first positive signs of recovery in the second half of 2009. To respond to increased uncertainty of the market environment, KASE introduced a number of regulatory changes to improve market stability and increase transparency.

### FUTURE OUTLOOK

The global financial crisis challenged market infrastructure around the globe, revealed weaknesses and pushed for changes. Entering 2010 Kazakhstan Stock Exchange Inc. (KASE) is aimed at further strengthening of the market stability and transparency. Improvement of services provided by the exchange to the market participants, launching new attractive markets and developing business infrastructure will remain on our agenda for a foreseeable future.

In 2010 KASE will focus on a post-crisis developments taking into account lessons learned from the crisis. KASE is determined to improve

market safety, regain investor trust and attract more market participants and issuers. In the nearest future we plan to develop our clearing and settlement system that fully responds to the needs of the market participants. We also plan to introduce a solid risk-management system on the REPO transactions market as the first step to a complete implementation of a more comprehensive system.

Moreover, we are aimed at increasing transparency of the market by promoting real-time data feed through global market data vendors, participating in index cooperation projects, further improving the web-site of the stock exchange to make it more user friendly and thus attracting more users. Continuously striving for technological advancement KASE plans to make an assessment of a current state of its technologies and introduce necessary developments that would result in better efficiency and reliability.

KASE expects 2010 to be marked with the occasion of launching a successful derivatives market, which would be a challenging endeavor given that in an after crisis environment most investors returned to a more conservative investment strategy. Nonetheless, Kazakhstani market is ready for more attractive instruments and we hope that derivatives market would be welcomed by most market participants this year.

During the last couple of years KASE remained quite active internationally and in 2010 it will continue its work with its peers, governmental agencies and international organizations to promote development and visibility of the Kazakhstan financial market, as well as its compliance with mutually recognized international norms and standards.

## KAZAKHSTAN STOCK EXCHANGE

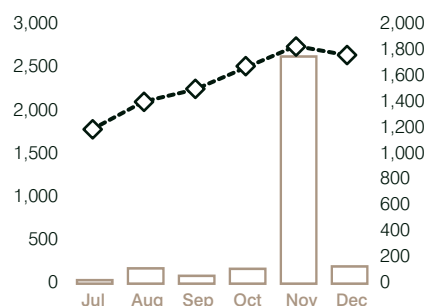
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	40.47	1.84	17.86	0.81
Aug-09	177.52	8.88	20.02	1.00
Sep-09	90.87	4.13	178.45	8.11
Oct-09	172.12	7.82	198.79	9.04
Nov-09	2,635.25	131.76	140.05	7.00
Dec-09	199.97	9.52	67.05	3.19
<b>TOTAL</b>	<b>3,316.19</b>	<b>27.33</b>	<b>622.21</b>	<b>4.86</b>
<b>Bonds</b>				
Jul-09	1,336.70	60.759	15,525.65	705.71
Aug-09	1,173.29	58.6647	6,361.80	318.09
Sep-09	1,039.59	47.2543	7,154.61	325.21
Oct-09	955.338	43.4245	12,627.99	574.00
Nov-09	1,020.00	50.9998	6,747.42	337.37
Dec-09	1,490.71	70.9861	11,036.79	525.56
<b>TOTAL</b>	<b>7,015.63</b>	<b>55.35</b>	<b>59,454.27</b>	<b>464.32</b>
<b>Other</b>				
Jul-09	10,954.66	497.9391	0.00	0.00
Aug-09	11,179.80	558.9898	0.00	0.00
Sep-09	10,136.36	460.7438	0.00	0.00
Oct-09	10,022.15	455.5522	0.00	0.00
Nov-09	12,039.20	601.9598	0.00	0.00
Dec-09	11,499.63	547.6014	0.00	0.00
<b>TOTAL</b>	<b>65,831.79</b>	<b>3,122.79</b>	<b>0.00</b>	<b>0.00</b>

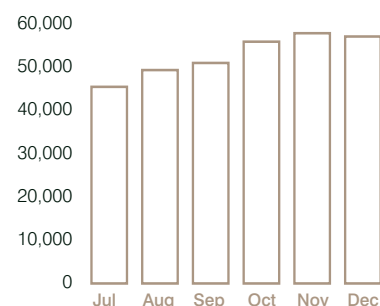
	Market Capitalization (US\$ millions)	Index
Jul-09	45,619.43	1,191.74
Aug-09	49,510.64	1,394.47
Sep-09	51,160.22	1,512.84
Oct-09	56,096.32	1,681.20
Nov-09	58,059.71	1,837.76
Dec-09	57,296.49	1,768.26

MONTHLY STOCK VOLUME VS INDEX (US\$ millions)

□ Stocks ◇ Index

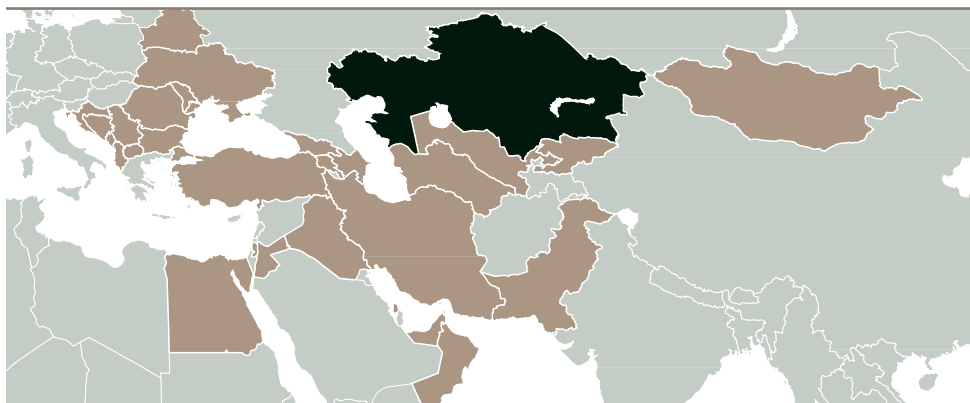


MONTHLY MARKET CAPITALIZATION (US\$ millions)



## CONTACT INFORMATION

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## KAZAKHSTAN STOCK EXCHANGE

## ECONOMIC AND POLITICAL DEVELOPMENTS

**Economic and Political Environment**

Political climate in Kazakhstan remains stable. 2010 is the year of Kazakhstan chairmanship in the Organization for Security and Co-operation in Europe (OSCE). This puts more emphasis on the importance of internal political stability to ensure successful implementation of the country's foreign policy and Kazakhstan's OSCE agenda for 2010 which among other things includes: conflict management measures in Nagorny Karabakh, recovery of Afghanistan, as well as fight against drug-trafficking. Greece and Finland joined Kazakhstan in the Troika of Chairmen of the OSCE. Global political experts believe that Kazakhstan's chairmanship will bring "fresh air" to the organization and hope for positive changes in the international political climate.

Kazakhstan continues its path towards democracy. To guarantee proper functioning of democratic processes in the country thirty legislative amendments were approved. During the next elections of the Lower House of Parliament of Kazakhstan which will take place in 2011, the amended legislation will apply. The amendments simplify the process of registration of foreign observers of the elections process. Freedom of access to information is also thoroughly assessed and in the future sittings some tangible changes are expected. The National Human Rights Action Plan 2009-2012 furthers democratization of the country. By adopting this Plan Kazakhstan emphasizes its commitment to human rights and a stable democratic society.

By improving domestic political stability the Government of Kazakhstan emphasizes the importance of positive investment climate that eliminates potential political risks. In 2009 the government reviewed and revised its

legislation and improved its rating in the World Bank Doing Business rating creating better conditions for foreign and domestic investors. The year of 2010 is when the development of the Customs Union with Russia and Belarus is coming into force. The Union allows free capital movement and opens new markets to foreign and local corporations and investors. The country requires resources for sustainable development and therefore attraction of foreign resources is one of the public policy priorities.

**Economic Performance**

Despite of forecasts in 2009 Kazakhstan Gross Domestic Product (GDP) grew by 1.2% and amounted to KZT15.9 trln (US\$107.3 bn) and turned out to be higher than the government GDP growth prediction of 1%. At the same time the International Monetary Fund (IMF) forecasted decline of Kazakhstan GDP by 2%. In 2009 the industrial production volume grew by 1.7%.

Among significant reasons that positively influenced the economy growth in 2009 were implementation of the large-scale government programs in the banking sector along with small and medium size businesses, and real estate sector support. In order to carry out the program of financial sector stabilization the National Welfare Fund "Samruk-Kazyna" acquired control of two major banks in February.

Regardless of the defaults of the most troubled banks in the first half of 2009, the government measures aimed at the economic and financial sectors stimulation resulted in relative stabilization in the banking sector in the second half of the year.

As a result of price reduction on the main export products of Kazakhstan in the second half of 2008, the export operations volume at the beginning of 2009 considerably declined. In order to support the US dollar rate stability, the National Bank actively intervened in the currency market that resulted in decrease of the gold and foreign currency reserves volume by more than 10% by February from the beginning of the year.

Consequently the National Bank devaluated the local currency Tenge by 25% on February 5 and set the currency rate at KZT150 per US dollar +/- 3%, along with the Russian ruble devaluation of 56%. As a result the net international reserves (NIR) grew by 1.7% and amounted to US\$47.6 bn by the end of the year. In spite of the growth of prices on imported goods the inflation in Kazakhstan reached 6.2% in 2009, compared with 9.5% in 2008.

According to Kazakhstan government forecasts the economy of Kazakhstan will continue its recovery in 2010. The forecasted growth of GDP is in the range of 1.5-2.0% range, and the inflation rate of 6 - 8%. At the same time the targeted currency rate for 2010 is set around KZT150 per US dollar with the possible strengthening trend.\*

\* Information provided by KSE.

**Key Information Contacts**

Financial Institutions' Association of Kazakhstan [www.afk.kz/eng/](http://www.afk.kz/eng/)

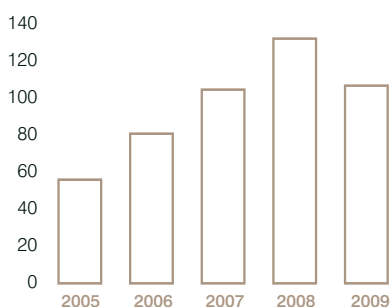
National Bank of Kazakhstan [www.nationalbank.kz](http://www.nationalbank.kz)

Ministry of Finance of the Republic of Kazakhstan [www.minfin.kz](http://www.minfin.kz)

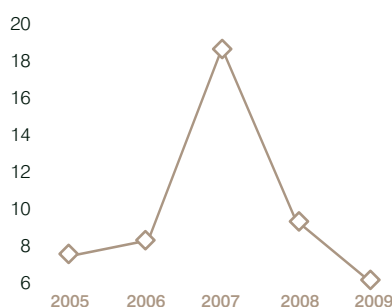
Central Securities Depository [www.csd.kz](http://www.csd.kz)

Kazakhstan Agency for Financial Market and Financial Organizations Regulation and Supervision [www.afn.kz](http://www.afn.kz)

**REAL GDP**  
(US\$ billions)



**INFLATION (CHANGE PA; AV)**  
(%)



## KAZAKHSTAN STOCK EXCHANGE

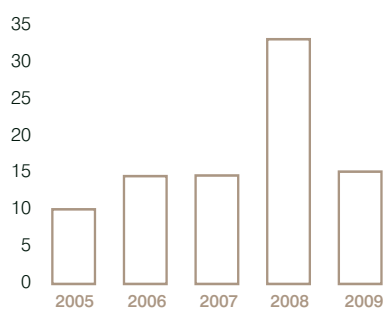
## KAZAKHSTAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009
GDP, bn US\$	56.12	81.01	104.86	132.48	107.02
GDP growth, %*	+9.7	+10.7	+8.9	+3.3	+1.2
Unemployment rate, %	8.1	7.8	7.3	6.6	6.3
Budget balance, in % to GDP	0.6	0.8	-1.7	-2.1	-3.1
Inflation, %	7.6	8.4	18.8	9.5	6.2
US\$/KZT	132.88	126.09	122.55	120.3	147.5
EUR/KZT	165.4	158.3	167.8	177.0	205.7
Net international reserves, bn US\$	7.065	19.123	17.626	19.844	22.653
Gross external debt, bn US\$	43.4	74.0	96.9	108.1	111.3**
Trade balance, bn US\$	10.1	14.59	14.68	33.12	15.2
External payments current account surplus, bn US\$	-1.06	-2.00	-8.23	6.60	-3.93**

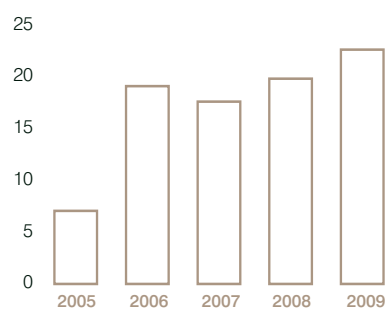
\* - real GDP growth in Kazakhstan tenge

\*\* - the data as of the end of the third quarter of 2009

**TRADE BALANCE**  
(US\$ billions)



**NET INTERNATIONAL RESERVES**  
(US\$ billions)



## KYRGYZ STOCK EXCHANGE



**Aibek Tolubaev**  
President

### In 2009 trading volume of the Kyrgyz Stock Exchange (KSE) has decreased 29.4% in comparison with 2008.

In 2009 trading volume of the Kyrgyz Stock Exchange (KSE) has decreased by 29.4% in comparison with 2008 and the volume totaled 2,95 billion KG Som (about US\$ 66 million). The total quantity of the transactions has decreased by 72.8% represented by 926 transactions.

In listing sector trading volume has increased on 41.3% in comparison with 2008 and totaled 842.8 million KG Som (about US\$ 19,1 million).

In non listing sector trading volume has decreased by 41,2% in comparison with 2008 and totaled 2,1 billion KG Som (about US\$ 46.9 million).

Trading volume of primary market totaled 1,52 billion KG Som (about US\$ 34,7 million), in comparison with volume of 2008 it has increased by 69,0%.

Trading volume of secondary market totaled 1.43 billion KG Som (about US\$ 31,3 million), in comparison with volume of 2008 it has decreased by 56,6%.

## HISTORY AND DEVELOPMENT

The KSE was founded in 1994. The official opening and the first trade in stocks took place in May 1995, while the privatization process was in full swing in our country.

At the initial stage of its existence and up until 2000, the KSE had functioned as a non-profit organization with a total membership of 16. In May 2000 the KSE was transformed into a joint-stock company; simultaneously we acquired one of the largest shareholders and a reliable partner the Istanbul Stock Exchange, which has actively assisted us in improving our activities. In 2001 the Kazakhstan Stock Exchange became a shareholder allowing the KSE to significantly increase its technical software potential. At present the KSE is a closed-type non-profit joint-stock company with 17 shareholders.

A significant contribution has been made by the US Agency on International Development (USAID) for the sake of our continued development. Thanks to the USAID, the KSE has obtained powerful financial support that has allowed our Exchange become independent.

## FUTURE OUTLOOK

Priorities for the KSE in 2010 are:

- Transfer of government treasury bills' circulation of the trade area of KSE
- Circulation of securities of «blue chips»
- Development of corporate equity market and capital formation by domestic companies
- Development of listing and market making
- Development of municipal equity market
- Integration with the cross markets and international exchanges.

## KYRGYZ STOCK EXCHANGE

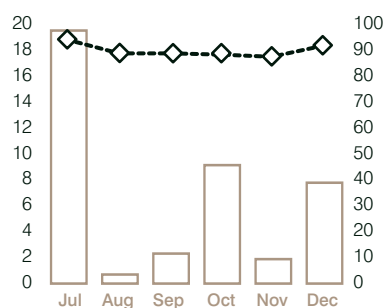
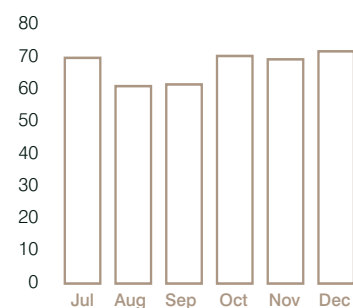
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	19.57	0.85	323.44	14.06
Aug-09	0.70	0.03	5.53	0.28
Sep-09	2.32	0.11	0.05	0.00
Oct-09	9.16	0.42	0.87	0.04
Nov-09	1.89	0.09	0.72	0.03
Dec-09	7.80	0.34	8.03	0.35
<b>TOTAL</b>	<b>41.45</b>	<b>0.31</b>	<b>338.65</b>	<b>2.46</b>
<b>Bonds</b>				
Jul-09	0.18	0.01	0.01	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.02	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.21</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

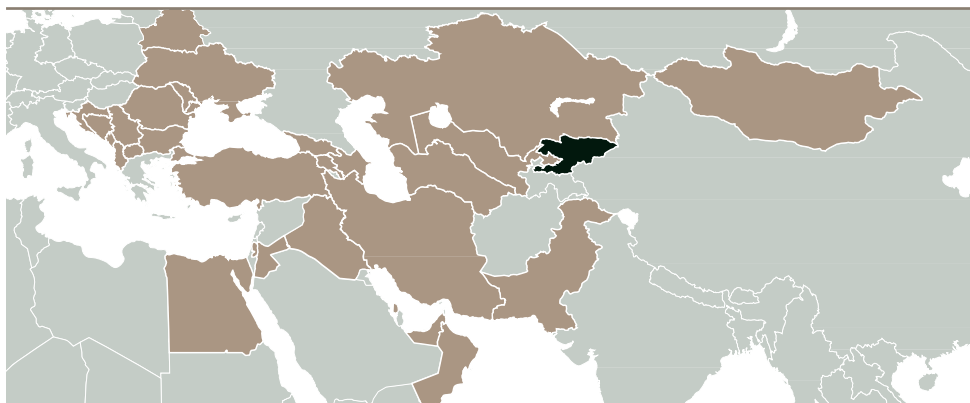
	Market Capitalization (US\$ millions)	Index
Jul-09	69.82	94.67
Aug-09	61.07	89.12
Sep-09	61.60	89.12
Oct-09	70.40	88.32
Nov-09	69.36	87.42
Dec-09	71.84	90.90

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## KYRGYZ STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

It is likely that the president, Kurmanbek Bakiyev, will exploit the administrative resources at his disposal to ensure his re-election in July 2009. Opposition forces have been unable to agree on a unified presidential candidate, making Mr Bakiyev's re-election more likely. The sidelining of the opposition by the presidential administration in the election in 2007—a poll that was criticised by international observers—will continue to cast doubt on the legitimacy of parliament, with the pro-presidential Ak Jol (True Path) party holding almost 80% of the seats. The opposition will attempt to rally the public behind it by concentrating on the resonant issues of harsh economic conditions and controversial privatisations. Public protests on such issues are likely in the context of high inflation and a forecast rapid slowdown in economic growth, and will have an increasing potential to turn violent as economic hardship deepens. However, the government is likely to be able to contain them.

The authorities have tended to try to pursue a multi-vectoral foreign policy—that is, one that seeks to maintain good relations with all the main powers in the region. However, following the announcement of the closure of the US airbase at Manas, Russia has become a much more prominent partner. Although the military base provided the authorities with much-needed revenue, this was dwarfed by a loan package agreed with Russia in February. Nevertheless, ties with the US will not suffer a complete rupture, given that the uncertain security situation in Afghanistan is expected to lead to a certain degree of tolerance on the part of Russia to a US presence in the region, at least in the immediate term.

Policy trends in 2009-10 will be predominantly based on limiting the impact of external economic shocks. The Kyrgyz Republic has developed a policy programme with the IMF, having agreed an 18-month arrangement under the Fund's exogenous shocks facility (ESF). Nevertheless, the goal of meeting the Fund's criteria will have to be balanced against preventing a rise in social instability, particularly in a context in which inflation is still high and a rapid downturn in growth is forecast. The government's medium-term policy emphasis is on cutting inflation, sustaining growth and reducing poverty. Financial support from Russia will enable the government to run larger budget deficits than originally planned in 2009-10.

#### Economic Performance

Expected that the economies of two of the Kyrgyz Republic's most important economic partners, Kazakhstan and Russia, to contract in 2009, given the impact of global financial turbulence and a slowdown in growth worldwide. The two countries are important destinations for Kyrgyz non-gold exports, as well as the main host countries for Kyrgyz migrant labour. In addition, Kazakh banks control a significant proportion of the Kyrgyz banking sector. Prices for oil will fall sharply in 2009, before increasing in 2010. This will help to offset the impact on the Kyrgyz Republic's import bill of a doubling in gas import prices. Prices for other commodities and food are also expected to decline markedly in 2009, before recovering slightly in 2010. The price of gold, the country's main export commodity, is forecast to stabilise in 2009-10.

Real GDP growth slowed from 8.5% in 2007 to 7.6% in 2008. A downturn in the Russian and Kazakh economies will have a knock-on effect on growth in 2009, in terms of reduced

demand for Kyrgyz exports and a fall in inflows of remittances to fund private consumption.

Continuing power shortages and a doubling in the cost of gas imports in 2009 will exert significant upward pressure on prices. It is forecast a sharp fall in international oil prices in 2009, which will ease imported inflationary pressures. Forecast falls of over 25% in average food prices and over 40% in the prices of industrial raw materials will also contribute to a slowdown in Kyrgyz inflation compared with 2008. A slowdown in consumer demand will also curtail price growth for domestically produced goods and for services, although utilities prices are likely to continue to rise. We now forecast average annual inflation at 7.5% in 2009, compared with 24.5% in 2008, and expect further disinflation, to an average of 5.5%, in 2010.

The som saw a sharp reversal in a trend of slow nominal appreciation in September 2008, and has fallen by around 20% since then, as investors withdraw from perceived higher risk in emerging-market currencies. The National Bank of the Kyrgyz Republic (NBKR, the central bank) has been selling foreign-currency reserves to support the som, so that foreign-exchange reserves, which had stood at US\$1.2bn at the end of 2008, had fallen to US\$1.05bn by end-March 2009.

The Kyrgyz Republic has been recalculating its current-account data to take account of unrecorded remittance inflows and shuttle trade re-exports. Until this process is complete, year-on-year comparisons will remain problematic.\*

\* The Economist Intelligence Unit Limited, May 2009

#### Key Information Contacts

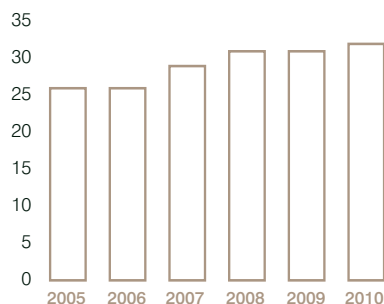
National Bank of the Kyrgyz Republic [www.nbkr.kg](http://www.nbkr.kg)

Ministry of Finance [www.minfin.kg](http://www.minfin.kg)

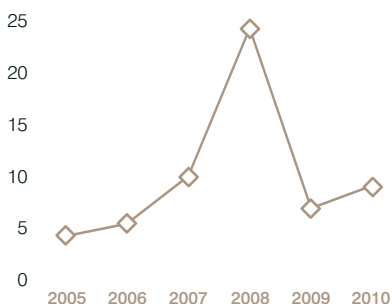
The Service of Supervision and Regulations of Financial Market of Kyrgyz Republic [www.nsc.kg](http://www.nsc.kg)

Ministry of Foreign Trade and Industry of the Kyrgyz Republic [www.mvtp.kg](http://www.mvtp.kg)

**REAL GDP**  
(KGS millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)





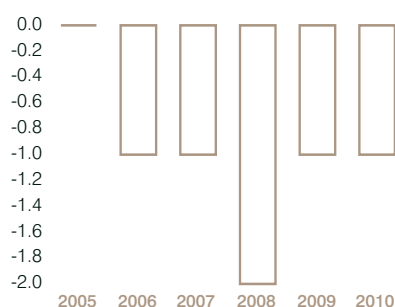
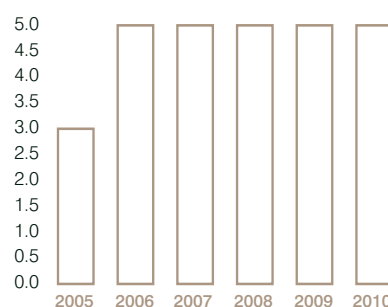
## KYRGYZ STOCK EXCHANGE

## KYRGYZSTAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	9	9 (a)	11 (a)	12 (a)	12 (a)	13 (b)
Real GDP bil KGS	26	26	29	31	31 (a)	32 (b)
Real private consumption bil KGS	20	24	25	29	26 (a)	28 (b)
Real government consumption bil KGS	4	4	4	4	5	5 (b)
Real gross fixed investment bil KGS	3	5	5	5	5	5 (b)
Real stockbuilding bil KGS	0	-0	-1	-3	-1 (a)	-2 (b)
Real exports of G&S bil KGS	6	7	8	10	9	9 (b)
Real imports of G&S bil KGS	8	11	13	15	13 (a)	13 (b)
Real domestic demand bil KGS	28	33	33	35	34 (a)	35 (b)
Real GDP at factor cost bil KGS	24	24	26	28	29 (a)	30 (b)
Real agriculture bil KGS	11	11	11	11	12 (a)	12 (b)
Real industry bil KGS	4	3	4	4	3	3 (b)
Real manufacturing bil KGS	2	2	2	3	2	2 (b)
Real services bil KGS	9	10	11	13	14 (a)	15 (b)
Gross national savings rate (%) %	14.0	13.6	19.7	11.3 (a)	21.5 (a)	20.0 (b)
Gross national savings/investment %	85.1	56.4	74.1	45.7 (a)	100.6 (a)	92.1 (b)
Budget balance (% of GDP) %	0.2	-0.2	0.1	0.8	-0.6 (a)	-0.3 (b)
Consumer prices (% change pa; av) %	4.4	5.6	10.2	24.5	7.1 (a)	9.3 (b)
Exchange rate LCU:US\$ (av) KGS/US\$	41.0118	40.1529	37.3163	36.5746	43.0647 (a)	45.7872 (b)
Lending interest rate (%) %	21.7	23.3	24.6	23.3	22.3 (a)	23.0 (b)
Stock of domestic credit bil KGS	9	13	20	21 (a)	26 (a)	28 (b)
Domestic credit growth (%) %	19.6	39.8	49.8	5.1 (a)	23.9 (a)	9.1 (b)
Deposit interest rate (%) %	5.3	5.8	5.5	5.5	5.5 (a)	4.6 (b)
Population million	5.1	5.2	5.2	5.3 (a)	5.3 (a)	5.3 (b)
GDP per head (\$ at PPP) US\$	1,730 (a)	1,830 (a)	2,020 (a)	2,210 (a)	2,260 (a)	2,350 (b)
Current account balance/GDP %	-2.4	-10.6	-6.9	-13.4 (a)	0.1 (a)	-1.7 (b)
International reserves bil US\$	1	1	1	1	2	1 (b)
Trade balance bil US\$	-0	-1	-1	-2	-1 (a)	-1 (b)
Foreign-exchange reserves bil US\$	1	1	1	1	1	1 (b)
Total foreign debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Public medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Private medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
IMF debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Short term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Net debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Export credits bil US\$	n/a	n/a	n/a	n/a	n/a	n/a

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, September 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(KGS millions)

## LAHORE STOCK EXCHANGE



**Mian Shakeel Aslam**  
CEO/Managing Director

**The Exchange is well positioned in an enabling environment with the cooperation of the regulators to capitalize all available opportunities with its distinct performance to restore the confidence of investors.**

Pakistan has made significant efforts to stay on the course of stabilization and structural reforms against the backdrop of weak external demand and difficult security and political environment. Privatization process was almost redundant and FDI'S were markedly low and the market witnessed unprecedented outflow of the portfolio investments.

LSE witnessed one of its most volatile trading years. LSE-25 Index was 1450.57 points on January 1st and after touches the bottom of 1300.94 points on January 26, 2009 started to increase gradually and touch the height of 3061.57 points on September 24, 2009.

LSE-25 Index is placed at 2893.88 points on December 31, 2009 with market capitalization of US\$ 30.621 billion. The average daily turnover of shares remained 17.128 million shares with an average daily value of shares traded of US\$ 8.189 million. LSE listed 5 new companies 10 Open-end Mutual Funds and 1 Preference Share during the period under review. The Exchange is well positioned in an enabling environment with the cooperation of the regulators to capitalize all available opportunities with its distinct performance to restore the confidence of investors and to tap the potential listing opportunities.

LSE has embarked on the Information Security Management System program and in order to achieve this goal, LSE has established a security organizational structure in its working environment. The emphasis of this project is to keep pace with the technological advancements of the modern era and to improve the security level in its information system.

### HISTORY AND DEVELOPMENT

Lahore Stock Exchange (LSE) was incorporated on 05 October 1970 in Lahore, the provincial capital of Punjab, Pakistan, under the Securities and Exchange Ordinance in 1969, as a company limited by guarantee. The activities of the Exchange have increased in all areas since inception. LSE introduced automated trading in 1996 and became the first fully automated Stock Exchange of Pakistan. LSE has become a key institution in the financial sector of Pakistan and has a membership of 152 brokerage houses. As of December 31, 2009 there were 512 listed companies, having a listed Capital of US\$ 8.988 billion with a market capitalization of US\$ 30.621 billion, besides 42 Open-end Funds and 12 Term Finance Certificates (corporate debt instruments) of companies are also listed at LSE.

The Exchange is fully committed to providing a transparent, efficient, fair and investor friendly environment for the benefit of investors and issuers. The goal is to bring LSE up to international standards in operational, technical, regulatory and quality management areas and to ensure that not only domestic but also foreign investors are attracted to the Exchange for the development of the country.

### FUTURE OUTLOOK

LSE would continue with its efforts to increase its trading volumes through increasing its outreach and collaboration with other exchanges in this regard. It would also continue to look after the interest of all its stakeholders including the investors, issuers and intermediaries as well as fulfill its role as the front-line regulator to make LSE as the exchange of choice for all the participants.

A major challenge lying ahead for the exchange is its demutualization. This will have a major role to play in the overall reformation of the capital markets of Pakistan and through its successful implementation will enhance governance standards, transparency and ultimately investor's confidence. The Demutualization Committee and Management of the exchange through consultation with the SECP will be working tirelessly in its efforts to ensure a swift and timely transition. With LSE's voluntary adoption of the Code of Corporate Governance, its innovative strength in software development and enhancement of its geographical outreach, the new management team is well positioned to capitalize all the available opportunities with its distinct performance.

## LAHORE STOCK EXCHANGE

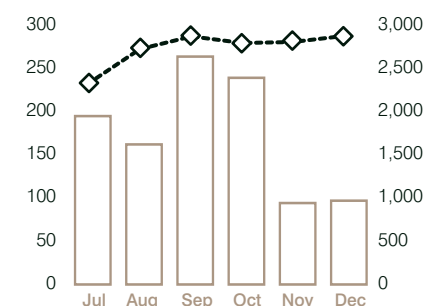
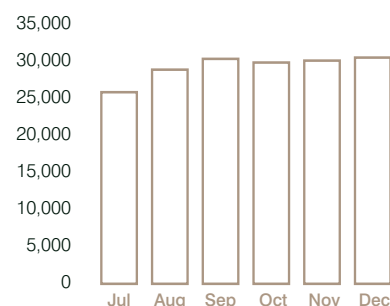
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	195.34	8.49	362.67	15.77
Aug-09	162.48	8.12	272.45	13.62
Sep-09	264.38	13.91	450.81	23.73
Oct-09	239.75	10.90	433.97	19.73
Nov-09	94.47	5.25	168.57	9.37
Dec-09	97.21	4.63	236.11	11.24
<b>TOTAL</b>	<b>1,053.62</b>	<b>8.55</b>	<b>1,924.59</b>	<b>15.58</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

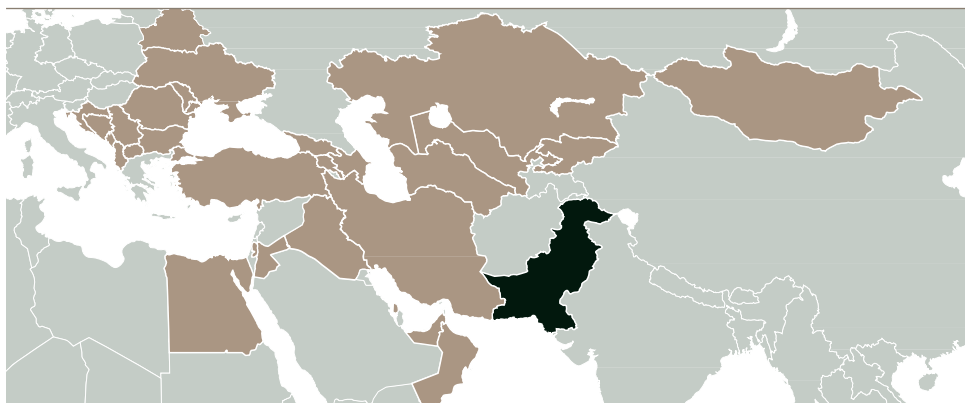
	Market Capitalization (US\$ millions)	Index
Jul-09	25,935.68	2,314.09
Aug-09	28,987.09	2,737.28
Sep-09	30,447.56	2,886.45
Oct-09	29,951.56	2,802.32
Nov-09	30,211.72	2,827.88
Dec-09	30,621.51	2,893.88

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◆ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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\* Please refer to page 100 for the Pakistan country report.

## MACEDONIAN STOCK EXCHANGE



Ivan Steriev  
CEO

### In 2009 the MSE continued to upgrade its operations and rules and procedures to provide improved service to market participants, exchange members and investors.

The repercussions of the world economic crisis continued to affect the Macedonian economy and subsequently the Macedonian capital market in 2009.

The conditions of the Macedonian capital market in 2009 were very complex. The total turnover in 2009 was reduced for 45% comparing with 2008. Even the main MSE index MBI10 registered annual growth of 31% the stock prices were at the level of June 2006. The average daily turnover in the BEST system in December 2009 was around 273,000 euros and was at the same level as on June 2005 and the market capitalization of the listed companies has fallen more than 72% compared to record levels in 2007. The participation of foreigners in the purchase side of the turnover in 2009 was about 15%.

Considering these numbers, we can stress several main characteristics of the events of the Macedonian Stock Exchange in 2009 such

as reduced liquidity in the market, withdrawal or passivity of foreign portfolio investors, change of the market structure in terms of types of investors, making the stock market with a pronounced domination of the local retail investors.

In 2009 the MSE continued to upgrade its operations and rules and procedures to provide improved service to market participants, exchange members and investors. MSE implemented changes in the Listing Rules by which new higher standards for disclosure for the companies on the Exchange Listings were introduced (appointment and publishing an investor's relations person; more precise obligations for announcing the buying/selling of shares by the members of the Management and Supervisory board; the issuers are obliged to publish the Semi Annual Balance, the Annual report and the financial plan for the ongoing period). MSE established a new version of the trading

system based on the new technologies. The new version will support FIX Protocol.

Within the framework of the Memorandum of Partnership signed between the exchanges in Southeast Europe during the 2009 two road shows took place (in Belgrade and in Vienna) where the top issuers and the capital markets from the region were promoted in order to increase the visibility of the regional capital markets and to attract international investors.

In the forthcoming period, the MSE focus will be on the further development of the Macedonian Secondary Market to the extent that it will be comparable to the modern and well organized markets worldwide, as well as on increasing of its attractiveness, by creating mechanisms, procedures and projects that will enhance the quality and the competitiveness of MSE services.

## HISTORY AND DEVELOPMENT

The Macedonian Stock Exchange was founded on September 13, 1995 and commenced trading on March 28, 1996, as a central marketplace for trading in securities and the first organized stock exchange in the history of the Republic of Macedonia. Its mission is to provide attractive, efficient, transparent and secure functioning of the organized secondary securities market in the Republic of Macedonia. For its 13 year history, the Macedonian Stock Exchange has managed to establish a sound market and information infrastructure and a cohesive legal and regulatory framework, as well as solid expertise upon which the functioning of the Macedonian securities market is based.

The MSE was founded as a not-for-profit joint stock company with founding capital of 500,000 Euros. According to the legislation that was in force in 1996 the only eligible founders of the MSE were banks and other financial institutions (saving houses and insurance companies). MSE initially had 19 members: 13 banks, 3 saving houses and 3 insurance companies. Starting from June 20, 2001 (with the amendments of the Securities Law), MSE started to operate on a for-profit basis, with a founding capital of 500,000 EUROS. MSE shareholders may be any legal and private domestic and foreign entity. Shareholdings per

entity are limited up to 10% of the MSE outstanding shares. All MSE members must be licensed for trading in securities by the Macedonian SEC. Only brokers, authorized by the MSE members may trade in securities at MSE. MSE currently has 25 members - 18 brokerage houses and 7 banks. Currently MSE has 35 shareholders (brokerage houses, banks, legal entities and private investors).

## FUTURE OUTLOOK

In the forthcoming period, the MSE focus will be on the further development of the Macedonian Secondary Market to the extent that it will be comparable to the modern and well organized markets worldwide, as well as on increasing of its attractiveness, by creating mechanisms, procedures and projects that will enhance the quality and the competitiveness of MSE services.

The MSE plans for 2010:

- Modernizing the Trading System - introduction of FIX Protocol;
- Attraction of new listings on the Official Market;
- To increase visibility of the Macedonian Stock Exchange by providing more data-feeds to more data vendors;
- Either alone or through various forms of cooperation with other regional exchanges

MSE will be involved in the processes of promotion of its market and issuers and products in order to attract international as well as regional investors.

- Development and promotion of a new Internet Services for investors, financial analysts and financial intermediaries, called BESTNET ANALITICS which contains three modules: Technical Analysis, Fundamental Analysis and My Portfolio;
- MSE will continue to increase the knowledge of capital market participants, institutional as well as retail investors, issuers and media for exchange traded products, trading, transparency, investor protection and corporate governance – creating a special training center.

## MACEDONIAN STOCK EXCHANGE

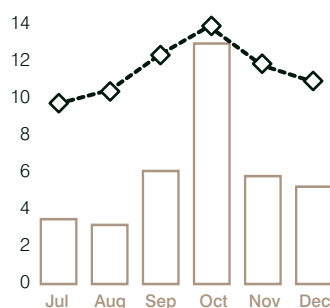
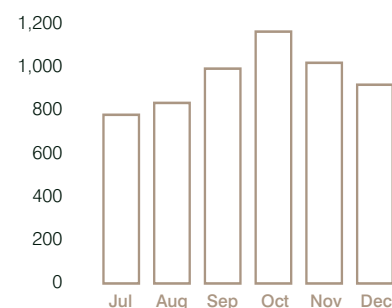
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	3.51	0.15	2.98	0.13
Aug-09	3.20	0.17	0.19	0.01
Sep-09	6.12	0.31	0.27	0.01
Oct-09	13.02	0.65	0.46	0.02
Nov-09	5.84	0.28	0.26	0.01
Dec-09	5.27	0.25	0.32	0.02
<b>TOTAL</b>	<b>36.95</b>	<b>0.30</b>	<b>0.75</b>	<b>0.03</b>
<b>Bonds</b>				
Jul-09	2.19	0.10	1.55	0.07
Aug-09	1.64	0.09	1.41	0.07
Sep-09	2.40	0.12	2.02	0.10
Oct-09	3.41	0.17	2.76	0.14
Nov-09	2.86	0.14	2.26	0.11
Dec-09	0.89	0.04	0.71	0.03
<b>TOTAL</b>	<b>13.38</b>	<b>0.11</b>	<b>10.70</b>	<b>0.09</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	782.67	2,435.36
Aug-09	837.83	2,607.58
Sep-09	996.84	3,101.88
Oct-09	1,168.65	3,497.59
Nov-09	1,023.95	2,964.98
Dec-09	922.20	2,751.88

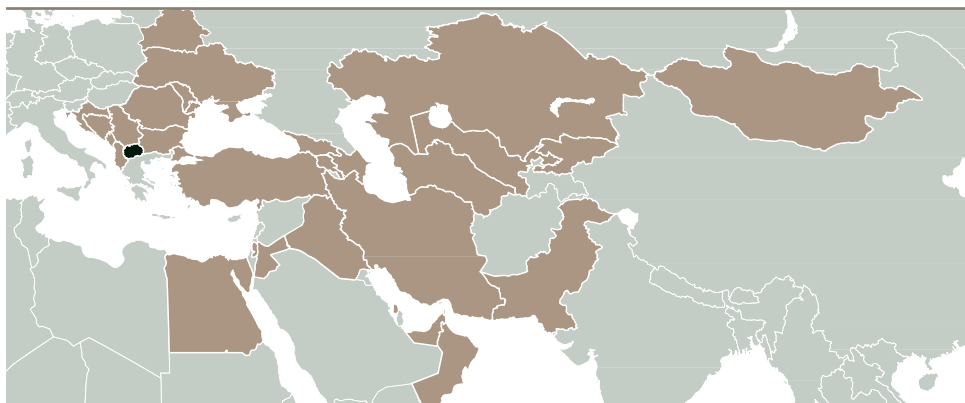
MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks    ◆ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## MACEDONIAN STOCK EXCHANGE

## ECONOMIC AND POLITICAL DEVELOPMENTS

**Economic and Political Environment**

The Internal Macedonian Revolutionary Organisation-Democratic Party of Macedonian National Unity (VMRO-DPMNE) of the prime minister, Nikola Gruevski, is in a strong position following its sweeping victories in the presidential and local authority elections, held in March and April. With its latest triumphs, the party has built on its success in the parliamentary election of June 2008, when it was returned to power with an increased majority. The incumbent president, Gjorge Ivanov, shares Mr Gruevski's conservative, nationalist outlook. It is therefore expected that he will work closely with the prime minister—unlike his predecessor, Branko Crvenkovski, who had frequent disagreements with the head of government.

Relations with Greece are likely to remain in a state of flux following the change of government in Greece, after the opposition Panhellenic Socialist Movement (Pasok) defeated the ruling conservative party, New Democracy, in the election on October 4th. The two countries are in dispute over Macedonia's constitutional name, with Greece arguing that it implies a territorial claim to its own northern province, which bears the same name. Macedonia has been seeking legal redress from the International Court of Justice (ICJ) in The Hague for Greece's decision in 2008 to block its northern neighbour's NATO accession. Greece has until January 20th 2010 to respond to Macedonia's detailed case before the ICJ. The name dispute could also hinder Macedonia's EU integration, despite the European Commission's recommendation, made in October, that the EU should open accession talks with Macedonia, which has been a candidate country since 2005. Macedonia is hoping to get a date from the EU in the next few months for starting its membership negotiations, but Greece may decide to block the opening of the talks, unless a deal is agreed before then over Macedonia's name. The prospects for a

settlement of the dispute may improve with a new government in office in Greece. However, past Pasok governments showed no greater willingness to compromise on this issue than the outgoing conservative administration, and Macedonia may yet have to consider changing its constitutional name in order to remove the last remaining obstacle in the way of starting EU accession talks.

The government has repeatedly said that it does not wish to conclude a successor programme to the three-year stand-by arrangement with the IMF that came to an end in August 2008. The government's reluctance to turn to the Fund is based on its determination to push ahead with tax breaks and capital investment projects to counter the economic downturn. In contrast, the IMF has been urging greater fiscal discipline, in view of Macedonia's external imbalances—although the Fund's latest report, issued in October, has sounded a more positive note, calling for a reduction in the budget deficit only in the medium term. However, the government may yet come under pressure to conclude a new arrangement with the IMF, if the expected improvement in the external balances does not materialise.

**Economic Performance**

Recent data indicate that a recovery may now be under way in Germany and France. However, estimated that the contraction in real GDP in the euro zone will still amount to 4.1% in 2009. This, and a recession of a similar magnitude in Serbia and other important export markets in south-eastern Europe, is having a severe impact on the Macedonian economy. Forecasted that, after a contraction of an estimated 2.2% in real GDP in 2009, the Macedonian economy will return to growth in 2010. However, the rebound to be modest to start with, as growth in private consumption will be limited by the lingering impact of the 2009 recession, including increased unemployment, and government consumption will

be restricted by the need to rein in the budget deficit. Access to credit is also likely to remain difficult, as local subsidiaries of foreign-owned banks continue to be affected by the aftermath of the global financial crisis. A weak recovery in Macedonia's euro area and Balkan export markets is expected to hold back more robust growth until later in the forecast period. We forecast that real GDP will increase by 1% in 2010, before accelerating to 3% growth in 2011.

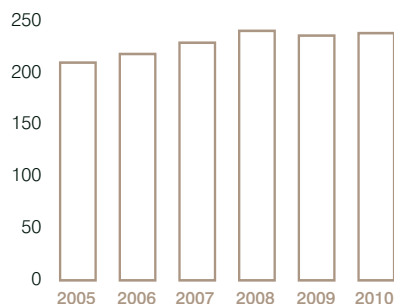
Inflation has fallen sharply since it peaked in mid-2008, and has turned into deflation since June. The rapid deceleration has followed a drop in global oil prices, food price disinflation and, more recently, a decline in domestic demand. The NBRM appears determined to maintain the current exchange-rate regime—under which the denar is informally pegged to the euro—as part of its monetary policy strategy in 2010-11. As an indication of its adherence to the de facto exchange rate, the bank raised its key repo rate from 7% to 9% in March 2009 in order to stabilise the denar. Macedonia has stemmed the recent sharp decline in foreign reserves with more borrowing since mid-2009. However, it may yet need IMF assistance to protect the denar. Estimated that the current-account deficit will contract to the equivalent of 9.7% of GDP in 2009, from a record 13% of GDP in 2008, following weakening domestic demand and low international oil prices. Although international energy and commodity prices will strengthen to some degree in the forecast period, we forecast that the recovery in the euro zone will help to boost Macedonia's exports, and that it will also contribute to a rise in workers' remittances. Import demand is expected to remain sluggish, as private consumption recovers slowly during the forecast period. We forecast that the annual current-account deficits will narrow in 2010-11, averaging the equivalent of 7.7% of GDP.\*

\* The Economist Intelligence Unit Limited, November 2009

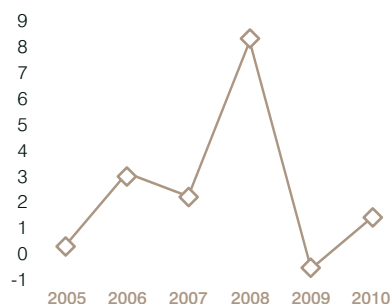
**Key Information Contacts**

Central Securities Depository [www.cdhv.org.mk](http://www.cdhv.org.mk)  
Securities & Exchange Commission [www.sec.gov.mk](http://www.sec.gov.mk)  
National Bank of the Republic of Macedonia [www.nbrm.gov.mk](http://www.nbrm.gov.mk)  
Ministry of Finance [www.fin.gov.mk](http://www.fin.gov.mk)

**REAL GDP**  
(MKD millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



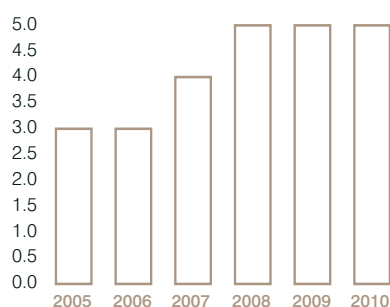
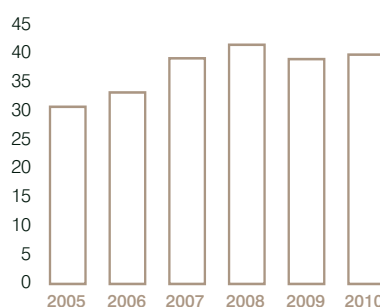
## MACEDONIAN STOCK EXCHANGE

## MACEDONIAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	15	16 (a)	18 (a)	19 (a)	19 (a)	19 (b)
Real GDP mil MKD	210,494	218,817 (a)	229,714 (a)	241,200 (a)	236,617 (a)	238,983 (b)
Real private consumption mil MKD	165,115	174,038 (a)	186,574 (a)	197,395 (a)	195,421 (a)	198,353 (b)
Real government consumption mil MKD	33,878	34,997 (a)	37,132 (a)	37,874 (a)	37,496 (a)	37,571 (b)
Real gross fixed investment mil MKD	30,828	33,323 (a)	39,264 (a)	41,620 (a)	39,123 (a)	39,905 (b)
Real stockbuilding mil MKD	12,813	13,500 (a)	12,599 (a)	19,976 (a)	8,885 (a)	7,845 (b)
Real exports of G&S mil MKD	83,818	91,552 (a)	102,319 (a)	109,993 (a)	100,644 (a)	103,160 (b)
Real imports of G&S mil MKD	115,958	128,593 (a)	148,174 (a)	165,659 (a)	144,951 (a)	147,850 (b)
Real domestic demand mil MKD	242,634	255,858 (a)	275,569 (a)	296,865 (a)	280,925 (a)	283,674 (b)
Real GDP at factor cost mil MKD	177,060	186,452 (a)	196,040 (a)	205,842 (a)	201,931 (a)	203,950 (b)
Real agriculture mil MKD	20,156	20,277 (a)	20,391 (a)	20,701 (a)	20,661 (a)	20,682 (b)
Real industry mil MKD	60,358	62,946 (a)	65,826 (a)	68,511 (a)	68,215 (a)	69,127 (b)
Real manufacturing mil MKD	37,176	37,688 (a)	39,878 (a)	41,462 (a)	41,353 (a)	41,689 (b)
Real services mil MKD	96,546	103,229 (a)	109,823 (a)	116,631 (a)	113,055 (a)	114,141 (b)
Gross national savings rate (%) %	18.0	21.0	19.9 (a)	13.6 (a)	11.5 (a)	13.4 (b)
Gross national savings/investment %	86.9	96.0 (a)	86.1 (a)	51.2 (a)	54.8 (a)	65.0 (b)
Budget balance (% of GDP) %	-0.8	-0.5 (a)	0.3 (a)	-1.0 (a)	-2.6 (a)	-2.2 (b)
Consumer prices (% change pa; av) %	0.4	3.2	2.3	8.3	-0.5 (a)	1.5 (b)
Exchange rate LCU:US\$ (av) MKD/US\$	49.2800	48.8000	44.7300	41.8700	44.0702 (a)	43.2337 (b)
Lending interest rate (%) %	12.1	11.3	10.2	9.7	10.2 (a)	9.9 (b)
Stock of domestic credit mil MKD	57,232	72,912	121,814 (a)	170,143 (a)	173,546 (a)	187,430 (b)
Domestic credit growth (%) %	3.7	27.4	67.1 (a)	39.7 (a)	2.0 (a)	8.0 (b)
Deposit interest rate (%) %	5.2	4.7	4.9	5.9	6.9 (a)	6.8 (b)
Population million	2.0 (a)	2.0 (a)	2.0 (a)	2.1 (a)	2.1 (a)	2.1 (b)
GDP per head (\$ at PPP) US\$	7,350 (a)	7,900 (a)	8,580 (a)	9,190 (a)	9,090 (a)	9,300 (b)
Current account balance/GDP %	-2.7	-0.9	-3.2	-13.0 (a)	-9.5 (a)	-7.2 (b)
International reserves bil US\$	1	2	2	2	2	2 (b)
Trade balance bil US\$	-1	-1	-2	-3 (a)	-2 (a)	-2 (b)
Foreign-exchange reserves bil US\$	1	2	2	2	2 (a)	2 (b)
Total foreign debt bil US\$	3	3	4	5	5 (a)	5 (b)
Public medium & long-term bil US\$	2	2	2	2	2 (a)	2 (b)
Private medium & long-term bil US\$	0	1	1	1	1 (a)	2 (b)
IMF debt bil US\$	0	0	0	0	0 (a)	0 (b)
Short term bil US\$	1	1	1	2	1 (a)	1 (b)
Net debt bil US\$	2	1	1	3	3 (a)	4 (b)
Export credits bil US\$	0	0	0	0	0 (a)	0 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(MKD millions)

## MOLDOVA STOCK EXCHANGE



**Dr. Corneliu Dodu**  
President

### In 2009 the total exchange volume amounted to 13.0 million US\$.

The past year has been difficult not only for our country, but for the entire world community. Financial and economic crisis, as well as the unstable political situation in the country significantly affected both the real and the financial sector. The stock market is no exception and although last year according to the horoscope was the year of the ox, still on the securities market more "bearish atmosphere" prevailed. The stagnation in the market, lack of liquidity, there are more sellers than buyers on the market, and investors waiting better times – these are characteristics of the pass year.

At the end of the year on the Stock Exchange registered 1,019 issuers, of which in Listing - 13 and in non-listing - 1006. There are 22 accredited members of the stock exchange.

In 2009 the total exchange volume amounted to 13.0 million US\$ and, on the background of the past years' indicators, it decreased. Reducing of the stock exchange indicators related to:

- Changing of the price conjuncture (the tendency of prices has declined).

- Reducing of the volume of public offerings, which in 2009 were consequence of the purchase of important packages in previous years.

- Lack of sales of government securities, which in 2008 amounted to almost 50% of exchange volume.

At year-end, the Government approved the Program of stabilization and economic regeneration of the Republic of Moldova for 2009-2011, which presented measures to regenerate the national economy, and respectively the capital market in Moldova.

## HISTORY AND DEVELOPMENT

In 1993 the Law on securities circulation and stock exchanges was enacted and from this point in time the institutional infrastructure of stock market in Moldova began to develop. In December 1994 the non-profit institution, Moldova Stock Exchange was established as joint-stock close company. 34 promoters – the securities market professional participants took part in its establishment. The first transactions were made on June 26, 1995, and this date is accepted as the birthday of the Moldova Stock Exchange.

In June 1998 the Moldova Stock Exchange established the National Securities Depository and a new trading system were integrated with the depository system which allows transactions to be carried out. According to the changes made in the law «On Securities market» which came into effect on January 1, 2008, Moldova Stock Exchange has the right to own up to 75% shares of National Securities Depository.

In April 2000 Moldova Stock Exchange received the status of a self-regulating non-commercial organization. In July 2000 new Moldova Stock Exchange's Regulations were introduced which qualitatively changed the mechanism of transactions.

In July 2007 the Mega regulator – National Commission of Financial Market was created. According to the legislation the Mega regulator regulates and determines state policy of the nonbank financial market.

According to the new requirement of the law «On Securities market» from January 1, 2009, Moldova Stock Exchange is a public company, a for profit organization.

At the present Moldova Stock Exchange is a developing stock market, which continues to cooperate with other stock exchanges and financial organizations. Besides the fact that MSE is a member of FEAS from 1995, in 2008 became the member of International Association of the CIS Exchanges, which has the aim to coordinate the effort on development of organized financial markets in accordance with international standards.

## FUTURE OUTLOOK

The priority directions of the Moldova Stock Exchange for 2010 are:

- Increase the quality and quantity of the services and products (consulting services, diversification the products, introducing new trading instruments).
- Attraction of more companies in listing.
- Development of the IT infrastructure.
- Modernizing the website of the Moldova Stock Exchange.
- Modernizing trading system of the stock exchange.
- Development a new database of issuers registered on the Moldova Stock Exchange.
- Cooperation with regional and international organizations.

## MOLDOVA STOCK EXCHANGE

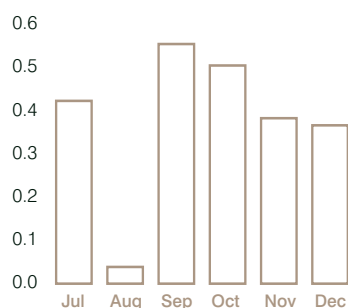
### OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	0.42	0.0193	0.9494	0.0432
Aug-09	0.04	0.002	0.1013	0.0053
Sep-09	0.56	0.0253	0.4239	0.0193
Oct-09	0.51	0.0241	1.2858	0.0612
Nov-09	0.38	0.0183	0.4876	0.0232
Dec-09	0.37	0.016	0.9631	0.0419
<b>TOTAL</b>	<b>2.28</b>	<b>0.02</b>	<b>4.21</b>	<b>0.03</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

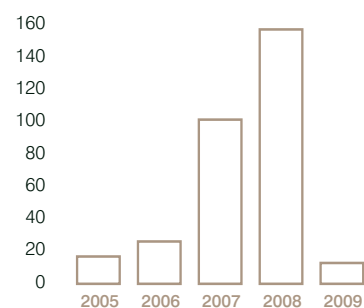
	Market Capitalization* (US\$ millions)	Index
Jul-09	n/a	n/a
Aug-09	n/a	n/a
Sep-09	n/a	n/a
Oct-09	n/a	n/a
Nov-09	n/a	n/a
Dec-09	n/a	n/a

\* MSE recalculated its market cap. data is not available

**MONTHLY STOCK VOLUME**  
(US\$ millions)

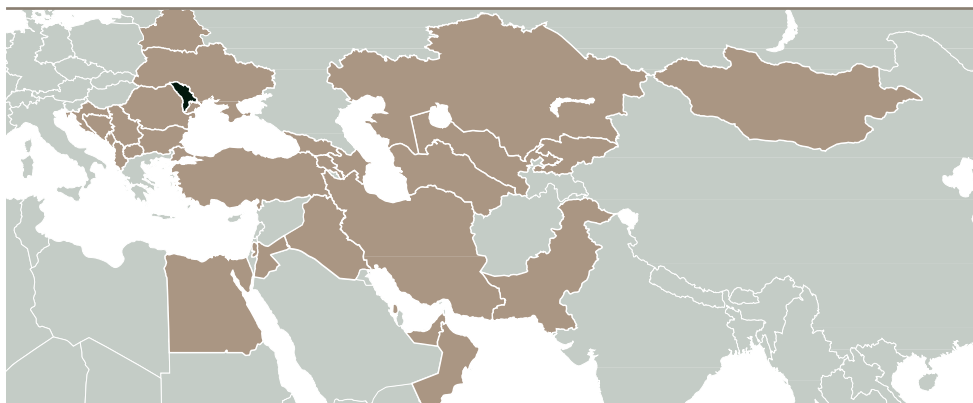


**5-YEAR STOCK VOLUME**  
(US\$ millions)



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## MOLDOVA STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

Total basic policy of 2009 is the cardinal change of power in the country, which has caused essential changes in state policy both internal and external.

The four parties (Liberal Democratic Party, Liberal Party, Democratic Party, and Our Moldova Alliance) founded the Alliance for European Integration. The Alliance for European Integration became the ruling coalition and the communists - opposition. The new governing coalition in Moldova has set European integration as its main priority of foreign policy.

In 2009, in the capital of our country took place CIS summit in which representatives of the new government met with the politicians from neighboring countries. The theme of the summit was the economic crisis and the struggle with its consequences.

The crisis came from abroad, and for the country vulnerable to external shocks, such as the Republic of Moldova, recession economy has become a crucial factor which has caused the change of the economic growth's trend since the end of 2008. But despite the fact that since the second half of 2009 seen the first signs of global economic recovery thanks to the efforts undertaken by world's governments, the beneficial effects of these global trends on the economy of the Republic of Moldova becomes apparent later.

The European Union and Moldova launched officially negotiations on a new Association Agreement. These negotiations reflect the positive evolution of political and economic relations between the EU and Moldova, and the opportunity to widen and deepen cooperation under the Eastern Partnership. The future agreement will deepen the political association and economic integration of Moldova and the EU. These negotiations take place against the background of increasing bilateral trade over the past years and a significant increase of EU assistance to Moldova.

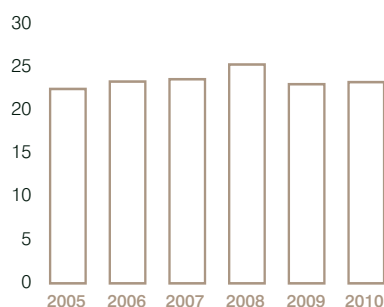
Moldova and International Monetary Fund (IMF) officials have signed an agreement for a loan that will help to cover the budget deficit. Involvement in the national economy of strategic investment, particularly foreign direct investment in sectors characterized by high levels of competitiveness and oriented on export, including through the development of related infrastructure (industrial parks, free economic zones) is one of the priorities established by the Ministry of Economy for 2010. The other priorities are: beginning the process of negotiating a new regime with the EU concerning free trade agreement, the development of a legislative framework for consumer protection and supervision over the market, harmonized with European legislation, improving the system of business regulation, development of credit guarantee schemes for small and medium-sized enterprises, promotion of the small and medium-sized enterprises to provide new opportunities and achievement of a greater ability of the economic system to adapt to the current requirements of a market economy.\*

\* Information provided by Moldova SE.

#### Key Information Contacts

Government of the Republic of Moldova [www.gov.md](http://www.gov.md)  
 Ministry of Economy [www.mec.gov.md](http://www.mec.gov.md)  
 Public Property Agency [www.app.gov.md](http://www.app.gov.md)  
 National Bank of Moldova [www.bnm.org](http://www.bnm.org)  
 National Commission of Financial Market [www.cnpf.md](http://www.cnpf.md)  
 Chamber of Commerce and Industry [www.chamber.md](http://www.chamber.md)  
 National Bureau of Statistics [www.statistica.md](http://www.statistica.md)

**REAL GDP**  
(MDL millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)





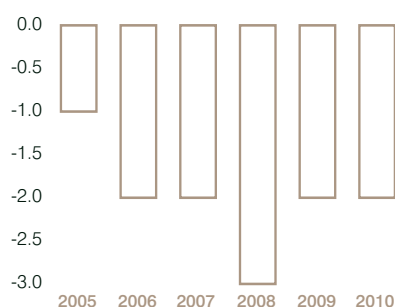
## MOLDOVA STOCK EXCHANGE

## MOLDOVA ECONOMIC CHARTS AND TABLES

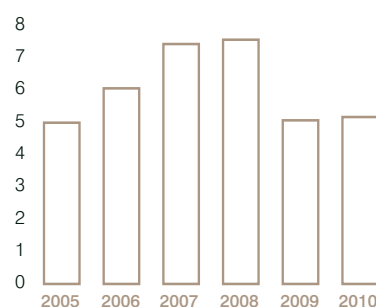
	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	9	9	10	11	10 (a)	74 (b)
Real GDP mil MDL	22,550 (a)	23,408 (a)	23,677 (a)	25,387 (a)	23,100 (a)	23,341 (b)
Real private consumption mil MDL	22,550 (a)	24,315 (a)	25,142 (a)	26,273 (a)	23,252 (a)	23,484 (b)
Real government consumption mil MDL	2,784 (a)	3,036 (a)	3,206 (a)	3,366 (a)	3,400 (a)	3,400 (b)
Real gross fixed investment mil MDL	4,988 (a)	6,051 (a)	7,422 (a)	7,556 (a)	5,062 (a)	5,164 (b)
Real stockbuilding mil MDL	1,581 (a)	1,207 (a)	1,264 (a)	1,050 (a)	1,050 (a)	1,050 (b)
Real exports of G&S mil MDL	16,811 (a)	16,995 (a)	18,611 (a)	17,159 (a)	15,100 (a)	15,478 (b)
Real imports of G&S mil MDL	25,845 (a)	28,195 (a)	31,968 (a)	30,018 (a)	24,765 (a)	25,235 (b)
Real domestic demand mil MDL	31,904 (a)	34,609 (a)	37,034 (a)	38,246 (a)	32,765 (a)	33,098 (b)
Real GDP at factor cost mil MDL	18,088 (a)	18,810 (a)	19,275 (a)	20,679 (a)	18,821 (a)	19,012 (b)
Real agriculture mil MDL	4,965 (a)	5,114 (a)	4,347 (a)	5,086 (a)	5,188 (a)	5,292 (b)
Real industry mil MDL	3,401 (a)	3,265 (a)	3,297 (a)	3,264 (a)	2,612 (a)	2,677 (b)
Real manufacturing mil MDL	n/a	n/a	n/a	n/a	n/a	n/a
Real services mil MDL	9,722 (a)	10,431 (a)	11,631 (a)	12,329 (a)	11,022 (a)	11,044 (b)
Gross national savings rate (%) %	22.5	21.2	23.1	20.6 (a)	17.2 (a)	19.7 (b)
Gross national savings/investment %	73.1	64.7	59.2	55.5 (a)	59.9 (a)	68.1 (b)
Budget balance (% of GDP) %	2.0	-0.3	-0.3	-1.0	-9.0 (a)	-7.0 (b)
Consumer prices (% change pa; av) %	11.9	12.7	12.3	12.8	0.1 (a)	4.0 (b)
Exchange rate LCU:US\$ (av) MDL/US\$	12.5996	13.1311	12.1399	10.3920	11.0508 (a)	11.2542 (b)
Lending interest rate (%) %	19.3	18.1	18.8	21.1	19.0 (a)	15.0 (b)
Stock of domestic credit mil MDL	11,869	15,444	21,463	25,018	26,894 (a)	30,121 (b)
Domestic credit growth (%) %	15.8	30.1	39.0	16.6	7.5 (a)	12.0 (b)
Deposit interest rate (%) %	13.2	11.9	15.0	17.9	16.0 (a)	12.0 (b)
Population million	3.6	3.6	3.6	3.6	3.6 (a)	3.6 (b)
GDP per head (\$ at PPP) US\$	2,362	2,563	2,722	2,988	2,760 (a)	3,220 (b)
Current account balance/GDP %	-8.3	-11.5	-15.9	-16.5	-11.5 (a)	-9.2 (b)
International reserves bil US\$	1	1	1	2	1	2 (b)
Trade balance bil US\$	-1	-2	-2	-3	-2 (a)	-2 (b)
Foreign-exchange reserves bil US\$	1	1	1	2	1	2 (b)
Total foreign debt bil US\$	2	2	3	4	4 (a)	5 (b)
Public medium & long-term bil US\$	1	1	1	1	1 (a)	2 (b)
Private medium & long-term bil US\$	1	1	1	2	2 (a)	2 (b)
IMF debt bil US\$	0	0	0	0	0	0 (b)
Short term bil US\$	1	1	1	1	1 (a)	1 (b)
Net debt bil US\$	1	2	2	2	3 (a)	3 (b)
Export credits bil US\$	0	0	0	0	0 (a)	0 (b)

(a) Estimate (b) Forecast  
Information provided by Moldova SE.

**TRADE BALANCE**  
(US\$ billions)



**REAL GROSS FIXED INVESTMENT**  
(MDL millions)



## MONGOLIAN STOCK EXCHANGE



**Rentson Sodkhuu**  
Chairman and CEO

### Government of Mongolia announced “2010 as a year of business environment renovation”.

Dear readers I would like to express my warm greetings and best wishes to all of you on the 19th anniversary of the securities market and Mongolian Stock Exchange in the Year.

The securities market and the securities industry, which were new phenomenon and first introduced together with democratic transition in the country, thus has demonstrated successful performance during the recent years and continues its way ahead to meet the global standards.

2008-2009 year was the year, where world financial crisis was deepened and hit Mongolian economy hard. Consequences of the crisis are already being felt in the society. It expects to continue in 2010. Even though we were greeting the 2009 with difficulty of crises, we welcomed 2010 with positive increases in major indicators of our capital market and some affirmative news about overcoming crisis.

TOP-20 index that was reaching 11000 point dramatically fell down till 4200 point on March 27 2008. At present it tends to increase and market capitalization of MSE as of 03.15.2010 stood at 823.3 billion tugriks or 580 million US\$.

In 2009, total of 89.9 mln stocks of 131 Joint Stock Companies (JSC) were traded through 255 trading sessions on MSE with total

transactions worth of 23.2 bln MNT. In 2009, 11.2 percent of total trading value was an IPO trading whereas 88.8 percent was a secondary market trading. As of December 2009 the total market capitalization of listed companies reached 620.7 bln MNT indicating an increase of 20.3% or 104.8 bln MNT compared to the same period of previous year.

A year of 2010 has become a starting point for implementing objectives to develop Mongolian capital market as a classical way. By the end of 2009, during the “Capital market-key to development” seminar, Prime Minister of Mongolia criticized that foreign joint stock companies are raising capitals by using Mongolian deposits as collaterals and why we-Mongolians cannot raise capital like them and he obliged relevant organizations to pay attention on this issues and to take an immediate action. I think this action is a start of further development of Mongolian capital market.

Mongolian capital market was first established, since then contribution and efforts of the national professionals, who dedicated themselves to the development of the capital market were not ignored and do not become useless. As a result of our endless efforts, we have seen that Government of Mongolia, which neglected the development of capital market over 10 years, had begun to know the importance of the capital

market and pay attention on it. This is our achievement and I would like to congratulate and express my sincere gratitude to all professionals and participants of Mongolian capital market.

In order to develop Mongolian capital market and bring it at the international standard, issue of infrastructure development has become substantial. We have to do it. Developing infrastructure of Mongolian capital market means a combination of the high quality technologies, which connects all participants in capital market such as issuers, buyers and professional organizations, and trained staffs, who operate those technologies.

Government of Mongolia announced “2010 as a year of business environment renovation” and this year will become the first year where national largest shareholding companies will be established, stock of those companies will be traded at domestic and international capital markets and financial new sources will be created and utilized in Mongolia.

Let's strive together for achieving this purpose. We-Mongolian national professionals of capital market will do their best to boost Mongolian economy.

May Mongolia become a prosperous and developed nation!

## HISTORY AND DEVELOPMENT

Mongolian Stock Exchange was first established by the Government Decree of 18th January 1991. MSE is a state-owned JSC that holds all rights to engage in any legal business activities and is a sole provider of the securities trade related services in Mongolia.

The main duties and functions of MSE are: to list securities of joint stock companies, to facilitate securities trading by ensuring technical and software/hardware safety and reliability, to ensure fair and transparent trading as well as efficient dissemination of securities trading information to the public and to protect general rights and interests of investors.

### Historical timeline

- 1991.01.18** MSE was established by the Government Decree No.22.
- 1992.02.07** Primary market trading started.
- 1994.09.26** Securities law enacted.
- 1994.11.14** Mongolian Securities & Exchange Commission was established
- 1995.08.28** Secondary market trading started.
- 1996.10.25** Government bond trading first started.
- 1998.10.01** MSE joined Federation of Euro-Asian Stock Exchanges (FEAS).
- 2001.06.08** Corporate bond trading started.
- 2002.12.03** MoU on cooperation was signed with Taiwan Stock Exchange
- 2003.03.26** Mongolian Stock Exchange became a Joint Stock Company
- 2004.10.29** First time, a special license of Underwriting Service was issued to Securities Company.
- 2005.01.02** Financial Regulatory Commission of Mongolia was established.
- 2005.03.30** MSE information center was established.
- 2005.09.12** MoU on cooperation was signed with Gre Tai Securities Market.
- 2005.10.31** MSE Training Center was established.
- 2006.01.18** Celebrated 15th anniversary of MSE.
- 2006.06.15** MoU on cooperation was signed with Korea Exchange.
- 2006.07.19** MoU on cooperation was signed with Istanbul Stock Exchange.
- 2008.03.26** Market capitalization has reached its peak of 893.4 bln MNT.
- 2008.04.10** MSE joined the Asia Ocenian Stock Exchanges Federation (AOSEF).
- 2008.04.10** The MoU was signed with Singapore Exchange.
- 2008.05.15** MoU was signed with Tokyo Stock Exchange.
- 2009.03.17** MoU was signed with Moscow Interbank Currency Exchange.

## MONGOLIAN STOCK EXCHANGE

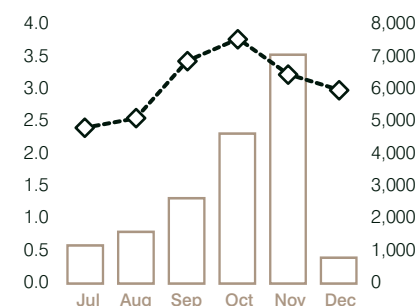
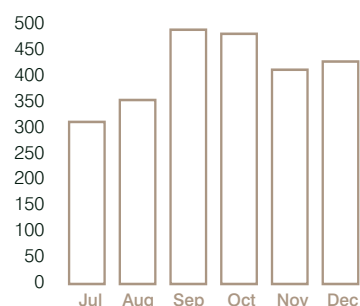
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	0.59	0.03	2.06	0.09
Aug-09	0.80	0.04	2.63	0.13
Sep-09	1.32	0.06	7.18	0.33
Oct-09	2.32	0.11	3.78	0.17
Nov-09	3.54	0.18	23.24	1.16
Dec-09	0.40	0.02	1.13	0.05
<b>TOTAL</b>	<b>8.97</b>	<b>0.07</b>	<b>40.02</b>	<b>0.32</b>
<b>Bonds</b>				
Jul-09	0.03	0.03	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.03</b>	<b>0.03</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

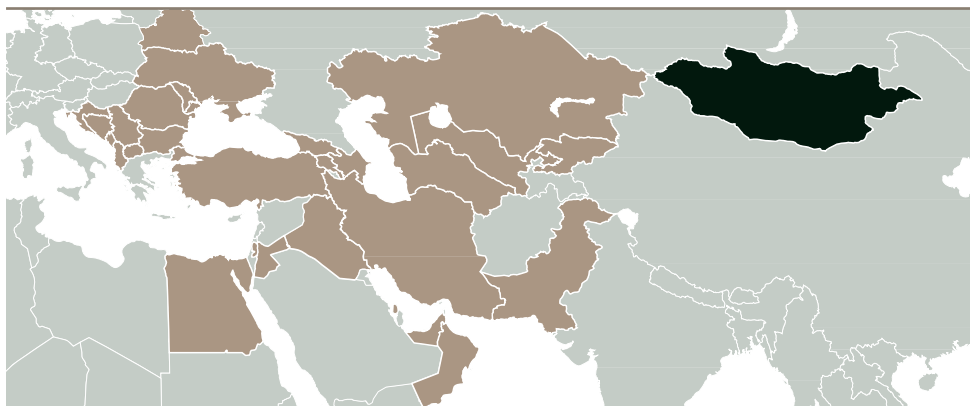
	Market Capitalization (US\$ millions)	Index
Jul-09	313.40	4,780.14
Aug-09	355.78	5,060.98
Sep-09	491.68	6,890.75
Oct-09	483.79	7,557.60
Nov-09	414.31	6,501.97
Dec-09	430.20	6,010.03

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Mr. Temuulel Lkhagva E-mail [temuulel@mse.mn](mailto:temuulel@mse.mn) Website [www.mse.mn](http://www.mse.mn)

## MONGOLIAN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

**GDP real growth accelerated over the 2nd quarter of 2008, reaching 11.3% over the last 12 months.** The main engines of growth were services and agriculture, contributing 4.2 and 3.8 percentage points respectively to GDP growth. Although the direct contribution of mining to economic growth is small or even negative, this remains Mongolia's main foreign exchange earner, with large export revenues from high world metals prices and sustained FDI flowing into the sector over the first half of the year.

**Copper prices fell recently on weak demand,** especially from sagging global construction activity and higher inventories, with prices plunging sharply in early October on concerns about global growth. From August to early October, the total drop exceeded 40%.

Wages and salaries are increasing in all parts of the economy and showed a rapid increase of 69% in the first semester of 2008 (year-on-year), and of 119% over the last 2 years. Public sector wages were increased by 129% over the same period. The share of wages and salaries in household incomes has increased rapidly, from 40% in the 3rd quarter of 2007 to 46% in the 2nd quarter of 2008.

#### General Government budget

For the preliminary result of 2008, total revenue and grants of General Government budget totaled 2,156.4 billion togrogs, total expenditure and net lending 2,462.0 billion togrogs and General Government budget

overall balance was a deficit 305.7 billion togrogs, which were representing 35.2%, 40.2% and 5.0% of the GDP, respectively.

Current revenue of General Government amounted to 2,136.1 billion togrogs and current expenditure 1,749.5 billion togrogs. The budget current balance was a surplus 386.6 billion togrogs.

Compared to 2007, tax revenue increased by 25.7% or 386.6 billion togrogs, taxes on foreign trade increased by 47.2% or 48.4 billion togrogs, excise tax increased by 33.4% or 44.7 billion togrogs and value added tax increased by 33.9% or 90.0 billion togrogs, accordingly.

#### Money, loan

According to the report of the Bank of Mongolia, at the end of December of 2008 money supply (broad money or M2) increased by 4.4% or 99.6 billion togrogs over the November of 2008, reaching 2341.4 billion togrogs and decreased by 2.5% or 59.9 billion togrogs compared to December of 2007.

At the end of November of 2008, the reverse assets reached to US\$ 606.3 million which equals with the import needs of 8.7 weeks or 2.2 months.

The nominal rate of togrog against US dollar is 1,267.51 togrog at the end of December 2008. Compared with December of 2007, rate of togrog weaken by 8.3%.

#### Consumer price index

In December 2008, the national consumer prices increased by 0.04% compared with previous month and by 22.1% from the end of previous year. CPI increase by 22.1% was higher 3.6 times than the objective in the Main Guidelines of Socio-Economic Development of Mongolia for 2008 which CPI shall be kept at 6.0%. Annual average CPI for 2008 was 28.0%, the highest growth over the last decade.

#### External trade

For the preliminary estimates of 2008, total external trade turnover equaled US\$ 6,155.1 million. of which exports US\$ 2,539.3 million and imports US\$ 3,615.8 million. Total external trade balance turned a deficit of US\$ 1,076.5 million. The deficit is increased by US\$ 855.6 million compared with the 2007. External trade deficit has been influenced by the import growth of products and materials of fuels which is 36.3 point higher than export growth. As compared with the 2007, total external trade turnover increased by 49.4%, exports by 30.3% and imports by 66.6% respectively.

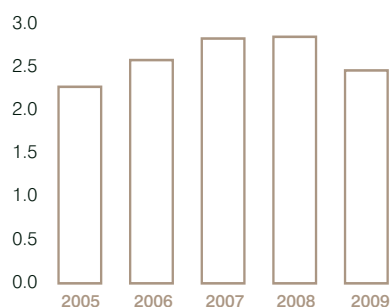
In the Main Guidelines of Socio-Economic Development 2008, there have special goals such as to improve external trade surplus, to raise net official reserves. But the total external trade balance deficit was US\$ 1,076.5 million and it is increased by US\$ 855.6 million or 4.9 times compared with the 2007.\*

\* National Statistical Office ([www.nso.mn](http://www.nso.mn))  
World Bank Country Report  
(<http://go.worldbank.org/D8H9DQNLZ0>)

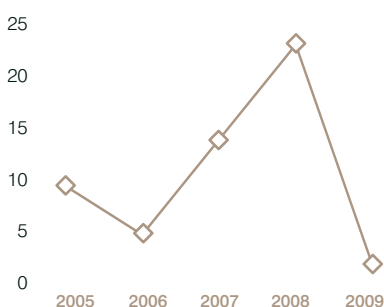
#### Key Information Contacts

Parliament of Mongolia [www.parl.gov.mn](http://www.parl.gov.mn)  
State Property Commission [www.spc.gov.mn](http://www.spc.gov.mn)  
Ministry of Finance [www.mof.pmis.gov.mn](http://www.mof.pmis.gov.mn)  
Financial Regulatory Commission [www.frc.mn](http://www.frc.mn)  
The Central Bank of Mongolia [www.mongolbank.mn](http://www.mongolbank.mn)  
Mongolian Chamber of Commerce & Industry [www.mongolchamber.mn](http://www.mongolchamber.mn)  
National Statistical Office of Mongolia [www.nso.mn](http://www.nso.mn)  
Ministry of Foreign Affairs [www.mfa.gov.mn](http://www.mfa.gov.mn)

**REAL GDP\***  
(MNT millions)



**CONSUMER PRICES (% CHANGE PA; AV)\*\***  
(%)



## MONGOLIAN STOCK EXCHANGE

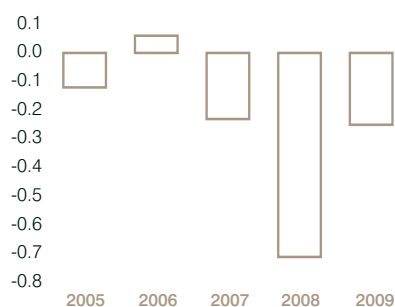
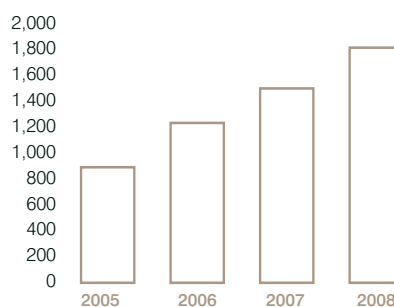
## MONGOLIA ECONOMIC CHARTS AND TABLES

	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	2.28	3.19	3.93	4.75	4.20
Real GDP bil MNT*	2.28	2.59	2.84	2.86	2.47
Budget balance (% of GDP) %	2.64	3.35	2.22	-5.08	-5.43
Consumer prices (% change pa; av) %**	9.54	4.83	14.02	23.2	1.88
Exchange rate LCU:US\$ (av) AMD/US\$	1,205.00	1,179.62	1,169.85	1,166.06	1,437.91
Lending interest rate (%) %	28.30	24.50	19.90	20.40	20.82
Stock of domestic credit bil MNT	859.85	1,223.29	2,056.06	2,635.55	2,655.00
Domestic credit growth (%) %	41.70	42.27	68.08	28.18	0.74
Deposit interest rate (%) %				13.56	12.90
Population million	2,547.8	2,578.6	2,615.0	2,659.3	2,736.8
GDP per head (\$ at PPP) US\$	893.53	1,236.65	1,503.37	1,818.68	
Current account balance/GDP %	3.84	11.67	4.37	-15.20	-9.10
International reserves bil US\$	0.43	0.93	1.20	0.59	1.17
Trade balance bil US\$	-0.12	0.06	-0.23	-0.71	-0.25
Foreign-exchange reserves bil US\$***	0.30	0.69	0.98	0.64	1.15
IMF debt bil US\$	0.04	0.03	0.03	0.02	0.18

\* at 2005 constant prices

\*\*CPI of Ulaanbaatar

\*\*\*NIR

TRADE BALANCE  
(US\$ billions)GDP PER HEAD  
(\$ at PPP) US\$



## MONTENEGRO STOCK EXCHANGE



**Dejana Suskavcevic, MA**  
CEO

**Continuous development of our market is the basis of the future of the MSE, a future in which the MSE strongly believes.**

Actual events that marked the previous year such as the global financial crisis, showed that the strongest economy, at first developed and stable market can be unpredictable and directly affected by unforeseeable repercussions that are progressive, breakneck speed reflect on all branches of the economy including the securities market. The key to success of any activity, in our case, recovery of financial markets lies in the synergy of all stakeholders who participate in it, and synchronized activities restore confidence of domestic and foreign investors. Continued implementation and further development of legislation pursuant EU and developed

markets through further tax relief and benefits for participants in the financial markets, particularly in the area of fund groups (pension and investment funds), the constant promotion of the domestic market as the individual performances, and within region will choose back investors. The period of stagnation stock activity should certainly be used in the further implementation and construction of corporate culture within the company and market introduction of new materials, derivatives and short-term securities, which will be the first and crucial step in the return of foreign investors in our market. The period of recovery is not, and will not be easy and fast, but according to

earlier experience, a proven, that after each rain, the sun again in sight. From this crisis should draw lessons not to repeat mistakes, and take as long as possible with a positive balance. The market will always exist, traders also, long-term or short-term securities, futures options, swaps, market and other material.

Montenegro Stock Exchange will continue to be a locomotive for further development of the Montenegrin securities market, its promoter, and active participant of international integration.

### HISTORY AND DEVELOPMENT

The MSE was set up in June 1993 pursuant to the Act on Money and Capital Markets (1989). The first founding members were the four Montenegrin banks: Montenegrobanka a.d. Podgorica, Pljevaljska banka a.d. Pljevlja, Beranska banka a.d. Berane, Hipotekarna banka a.d. Podgorica, and the Republic of Montenegro, i.e. Montenegrin Agency for Economic Restructuring and Foreign Investments.

During the constitutional meeting held on 7 July 1997, the MSE harmonized its operations with the Exchange through the exchange operations and exchange intermediaries Act. Another three banks and two insurance companies joined the founding-members of the Exchange: Podgoriaka banka a.d. Podgorica, Jugobanka a.d. Podgorica, Niksicka banka a.d. Niksic, Lovcen osiguranje a.d. Podgorica and Swiss osiguranje a.d. Podgorica.

In order to increase its capital share, the MSE issued additional shares, upon the approval of the Federal Commission for Securities and Financial Markets. The shares were subscribed and paid for by several Yugoslav banks, as well as the Federal Government.

In order to comply with The Law on Securities of the Republic of Montenegro, the MSE issued a third issue of shares. The importance of this issue which was sold successfully with 100% subscription was instrumental in the further development of the capital market of Montenegro because with the sale of this issue 10 new shareholders emerged as owners of the MSE from banking sector, insurance companies and private companies from all spheres of economy. As of today, the MSE has 23 shareholders.

The MSE moved to its new premises in the new business district of the city.

### FUTURE OUTLOOK

In 2010, Montenegro Stock Exchange has following Plans:

- To get first short term securities issued by companies;
- To start with implementation of Project involving Derivative securities on Montenegrin stock market;
- To organize the Third Annual Conference,
- To organize several Training Programme related to the Corporate Governance Code, together with IFC;
- Following the Decision of the General Shareholders meeting, the MNSE will merge with another Montenegrin exchange.

## MONTENEGRO STOCK EXCHANGE

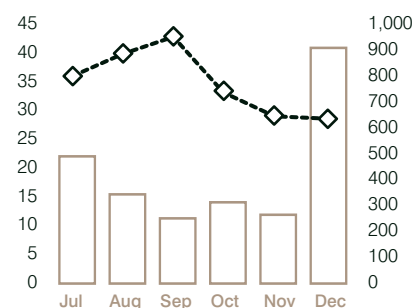
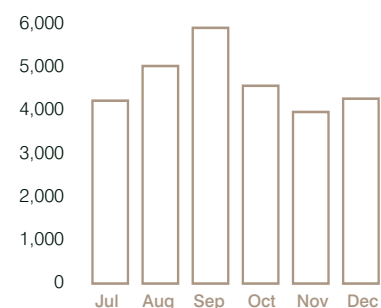
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	22.13	1.05	7.52	0.36
Aug-09	15.52	0.74	14.94	0.71
Sep-09	11.34	0.52	12.65	0.58
Oct-09	14.14	0.64	18.50	0.84
Nov-09	11.97	0.57	6.51	0.31
Dec-09	41.01	1.78	6.70	0.29
<b>TOTAL</b>	<b>116.11</b>	<b>0.88</b>	<b>66.82</b>	<b>0.51</b>
<b>Bonds</b>				
Jul-09	1.29	0.06	1.86	0.09
Aug-09	0.70	0.03	0.89	0.04
Sep-09	2.04	0.09	2.19	0.10
Oct-09	0.36	0.02	0.53	0.02
Nov-09	0.38	0.02	0.42	0.02
Dec-09	0.31	0.01	0.38	0.02
<b>TOTAL</b>	<b>5.08</b>	<b>0.04</b>	<b>6.26</b>	<b>0.05</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	4,242.43	802.59
Aug-09	5,047.28	890.88
Sep-09	5,932.63	948.97
Oct-09	4,588.65	740.34
Nov-09	3,980.67	651.09
Dec-09	4,289.22	638.99

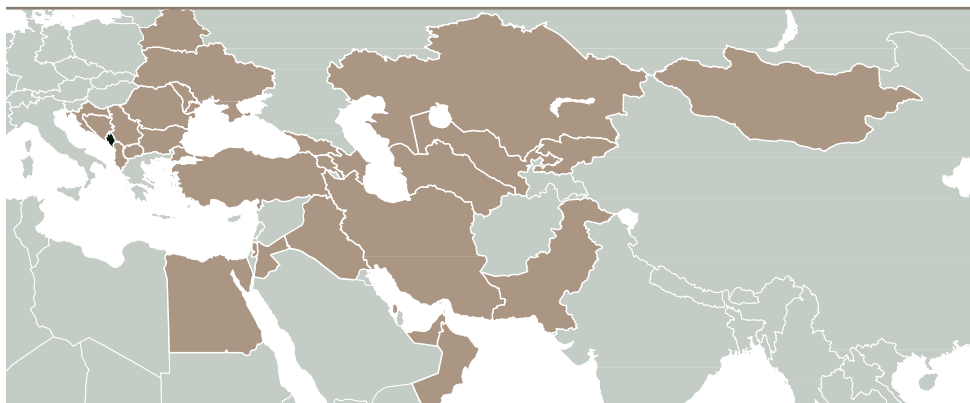
MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## MONTENEGRO STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Political History

On 21 May 2006 Montenegro organised a referendum on independence, in line with the provisions of Article 60 of the Constitutional Charter of Serbia and Montenegro. The modalities for referendum were agreed by political parties following a mediation mission of Mr Miroslav Lajcak, the personal representative of the High Representative for CFSP Javier Solana. The referendum was conducted in line with OSCE and Council of Europe commitments. On 31 May 2006 the Republic Referendum Commission confirmed the results, according to which 55.5% of voters expressed their support for independence. On 3 June 2006 the Montenegrin Parliament adopted the "Declaration of Independence".

Recognising legitimacy of the whole process the EU Council adopted on 12 June 2006 Conclusions where the EU and its Member States decided to develop further their relations with the Republic of Montenegro as a sovereign, independent state.

In the Declaration of Independence, Montenegro confirmed that it applies and adheres to international treaties and agreements to which the State Union of Serbia and Montenegro was a party and which are relevant for Montenegro.

Montenegro started the process of joining international organisations. In June 2006 it became a member of the UN and of the OSCE. In July and August it acceded to a number of organisations including ILO, ITU, ICRC et al. Since May 2007, Montenegro is also a member of the Council of Europe.

Bilateral discussions on settling pending issues between Serbia and Montenegro are being held in a constructive atmosphere and agreements have been reached on key issues, notably on financial assets and membership in IFIs.

Since independence Montenegro has been putting in place the legal and institutional set-up required by its new competences as an independent state. On 19 October 2007 Montenegro adopted a Constitution that is broadly in line with international standards and the recommendations of the Council of Europe and its Venice Commission. The Constitution was adopted by the Parliament with the required qualified majority.

#### Economic situation

Economic growth remained strong in 2008, expanding well above 8% in real terms, boosted by strong inflows of FDI and robust domestic demand. Services, notably tourism, financial intermediation and real estate, remained the main driver of growth, generating some 70% of gross value added (GVA). Around 20% of total growth was attributable to industrial output and construction. On the demand side, consumption remained solid as retail sales grew by around 10% in real terms in 2008. Exports of goods decreased in 2008, reflecting the weak competitiveness of local products but also the volatile international price of aluminium, which accounts for almost half of total exports. FDI inflows combined with a robust domestic demand

induced a widening of the trade deficit to 62% of GDP.

The stagnation on the domestic capital market resulted in a significant outflow of portfolio investments. Overall, the current account deficit widened, driven by a strong inflow of imports while its coverage by net FDI declined, increasing vulnerability to external shocks.

Montenegro unilaterally uses the Euro as legal tender, without participating in the Euro area. Consequently, its monetary policy is limited to operation of liquidity management. To counter the international financial crisis the Montenegrin authorities have taken a series of measures, including higher capital adequacy requirements for domestic banks, an unlimited coverage for deposits insurance as well as a guarantee scheme for intra-banking lending. Public Debt expanded to 33.6% of GDP in 2008, as the share of domestic debt rose in the total.

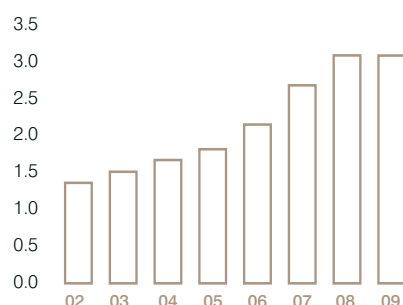
The WTO accession process will require further reforms. To that end the Montenegrin authorities established new centres for metrology, standardisation and intellectual property, which should also serve the purpose of alignment of Montenegro's foreign trade regime and customs policy with the EU requirements.\*

\* Information provided by MSE.

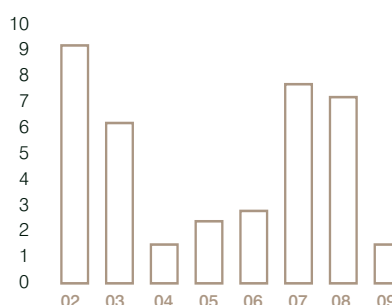
#### Key Information Contacts

Securities Commission of Montenegro [www.scmn.cg.yu](http://www.scmn.cg.yu)  
Central Depository Agency [www.cda.cg.yu](http://www.cda.cg.yu)  
Central Bank of Montenegro [www.cb-cg.org](http://www.cb-cg.org)  
Ministry of Finance [www.ministarstvo-finansija.cg.yu](http://www.ministarstvo-finansija.cg.yu)  
Montenegro Statistical Office [www.monstat.cg.yu](http://www.monstat.cg.yu)

**GDP IN CURRENT PRICES**  
(EUR billions)



**INFLATION**  
(%)



## MONTENEGRO STOCK EXCHANGE

## MONTENEGRO ECONOMIC CHARTS AND TABLES

	2002	2003	2004	2005	2006	2007	2008	2009
GDP in current prices*	1,360.1	1,510.1	1,669.8	1,815.0	2,149.0	2,680.5	3,085.6	3,083.0
Real GDP in mil. EUR	1,319.8	1,394.1	1,577.0	1,739.6	1,970.5	2,378.0	2,866.0	
BDP – real growth, %	1.9	2.5	4.4	4.2	8.6	10.7	6.9	-5.3
Population (000) mid-year assessment	617.1	620.3	622.1	623.3	624.2	626.2	628.8	630.1
GDP-pc	2,208	2,435	2,684	2,912	3,443	4,280	4,908	4,893
Inflation, %**	9.2	6.2	1.5	2.4	2.8	7.7	7.2	1.5
Number of employees***	113,775	111,856	143,485	144,358	150,800	156,408	166,221	174,152
Number of unemployees****	80,582	71,678	64,968	54,457	43,190	34,396	29,535	28,385
Growth of employment (persons) %	-0.3	-1.7	28.3	0.6	4.5	3.7	6.3	4.8
Unemployment rate, %****	30.4	26.7	22.4	18.5	14.7	11.9	10.7	11.4
Number of pensioners*****	88,300	90,778	91,936	92,991	93,569	93,692	97,324	110,545
Average earnings	251	271	303	327	433	497	609	643
Surplus / deficit of the public sector, %BDP*****		-2.40	-1.98	-1.96	2.94	6.65	-0.39	-3.37
							Opsti sistem	Specijalni sistem
Exports of goods and services, current prices, mil. EUR*****	480.97	461.90	701.68	790.41	1,066.36	1,217.47	1,273.37	851.10
Growth rates of exports of goods and services, %*****	24.6	-4.0	51.9	12.6	34.9	14.2	4.6	-20.6
Imports of goods and services, current prices, mil. EUR*****	814.49	709.57	969.94	1,108.53	1,718.59	1,936.66	2,359.89	1,201.10
Growth rates of imports of goods and services, %*****	4.5	-12.9	36.7	14.3	55.0	12.7	21.9	-35.2
Balance of exchange of goods and services, current prices, mil. EUR*****	-333.52	-247.67	-268.26	-318.11	-652.23	-719.19	-1,086.52	-349.61
Balance of exchange of goods and services, % GDP*****	-24.5	-16.4	-16.1	-17.5	-30.4	-26.8	-35.2	-13.1
Current account balance, current prices, mil. EUR*****	-174.99	-102.06	-119.64	-154.05	-531.21	-642.79	-1,005.66	-335.0
Current account balance, % GDP*****	-12.9	-6.8	-7.2	-8.5	-24.7	-24.0	-32.6	-12.5
Gross capital formation, at current prices, mil. EUR*****	198.9	200.8	286.1	326.3	469.8	867.1	1,180.2	883.0
Gross capital formation, % of the GDP*****	14.6	13.3	17.1	18.0	21.9	32.3	38.3	23.8
External debt, mil. EUR	893.6	461.5	488.3	513.3	504.0	462.1	481.7	699.9
External debt, % BDP	65.7	30.6	29.2	28.3	23.5	17.2	15.6	22.7
Net foreign direct investment, current prices, mil. EUR*****		38.7	50.6	380.9	466.7	524.9	567.6	766.7
Net foreign direct investment, % BDP*****		2.6	3.0	21.0	21.7	19.6	18.4	28.7

Source: Monstat, with the GDP at current prices for 2007. Revision but not revised GDP at constant prices and real rates for the year. Data for 2009. year's estimate of the Ministry of Finance of Montenegro.

\*\* Source Monstat: Inflation measured by the cost of living by 2008, and consumer prices for 2009. year - the annual change.

\*\*\* Source: Monstat, since 2004. The applied methodology.

\*\*\*\* Source: Department for employment of Montenegro, data on the number of unemployed is the annual average, and unemployment for the last three years the rate in December for the previous year, data from the National Employment Strategy for the period 2007 - 2010. year.

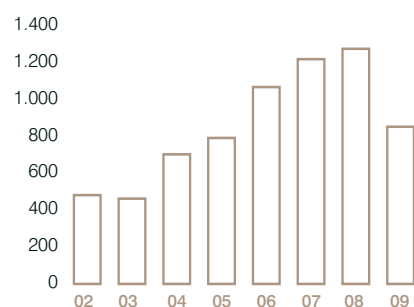
\*\*\*\*\* Data for 2009. refers to the day 30/09/2009.

\*\*\*\*\* Source: Law on the final account of the budget of Montenegro. The information includes the budget of Montenegro with state funds and local government.

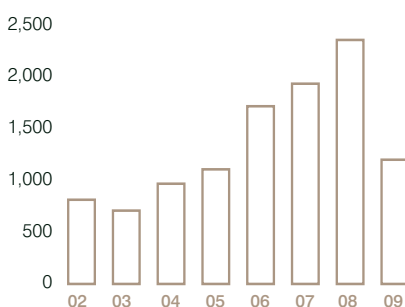
\*\*\*\*\* GDP data for 2009. year relating to the period from January to September, in 2007. of 2008 and the goods are shown by the general system of trade.

\*\*\*\*\* Source: Monstat, data for 2007. year are revised. Data for 2009. year's estimate of the Ministry of Finance of Montenegro.

#### EXPORTS OF GOODS AND SERVICES, CURRENT PRICES (EUR millions)



#### IMPORTS OF GOODS AND SERVICES, CURRENT PRICES (EUR millions)



## MUSCAT SECURITIES MARKET



**Ahmed Saleh Al-Marhoon**  
Director General

**We believe that exchanges that adhere to good governance, greater transparency and greater accountability, are able to foster investors' confidence as well as creating attractive investment environment.**

We are continuously working on developing and operating an efficient and transparent securities market to the best standard expected by our local and foreign investors. We believe that exchanges that adhere to good governance, greater transparency and greater accountability, are able to foster investors' confidence as well as creating attractive investment environment.

We at Muscat Securities Market (MSM), however, have devised a comprehensive road map that enables us to build capacity and promote sustainable capital market development strategy specifically aimed at improving access to the regional and international capital markets.

In view of the above MSM recently revised its legislation with respect to listing, trading and clearance and settlement regulations to enable MSM to cater for what our market demands.

We are endeavoring to strengthen our experience for a more scientifically built stock market.

### HISTORY AND DEVELOPMENT

The Muscat Securities Market passed through two stages; the first started when the exchange first established as independent governmental entity in 1988 up to 1998.

In the beginning of this first stage there were 48 public shareholding companies listed and six brokers; the market cap was around R.O. 414.7 millions (One Rial=2.59781 US\$). However, the government encouraged the establishment of new public companies through various incentives especially in the industrial sector. This resulted in rapid growth in the exchange in terms of the number of stocks listed reaching the peak at the end of 1996 with 97 listed companies. Thus the market cap scored R.O. 1.62 billion during this period.

The second stage from 1998 till today during which the MSM has been re-structured upon the establishment of three independent organs the Capital Market Authority (Regulatory) the MSM for listing and trading and the Muscat Depository Company as a central depository.

Many reformatory measures have been made, administratively, technically and legislatively. In effect the market continued moving progressively.

The MSM 30 Index posted the best performance amongst Arab Capital Markets during the last two successive years 2006 and 2007. It closed higher by 62% to register 9035.48 points. It was the only Gulf index, which did not retract during 2006.

During the last few years the MSM crossed the regional borders to enhance more professionalism in securities industry when it signed an agreement for the issuance of

composite indices with Dow Jones international. The agreement stipulates for the issuance of two indices the first, DJ MSM Composite Index, relates to measuring the performance of listed companies, while the other, DJ MSM Chip Index, relates to the most active companies.

At the regional level the Muscat Securities Market is a member of the Arab Union of Exchanges and participated in several meetings of the Arab, regional conferences, and forums.

At the international level the MSM is an effective member at the Federation of Euro - Asian Stock Exchanges. Our Exchange is now chairing the Task Force Committee for Information and Awareness at FEAS and it hosted the FEAS general Assembly on the year 2006.

The MSM is a correspondent member at the IOSCO and an affiliate member at the WFE and there is an ongoing process for obtaining full membership in this latter international organization.

### FUTURE OUTLOOK

Development of procedures and rules governing the activity of market makers. Updating the MSM regulations and organizational structure. Working to satisfy the requirements of the World Federation of Exchanges for obtaining full membership.

The MSM is currently working to be certified on the following fields:-

- ISO 9001 - Quality Management
- ISO 27001 - Information Security
- BCM 25999 - Business Continuity Plan

Installing new screens in the investors trading hall and a tape ticker for displaying shares prices outside the building.

Continue working with Muscat Depository for the installation of new systems for the Central Depository.

Implementing procedures for updating the electronic trading system and its accessories. Providing Technical Training to manage Linux system, which is used in the operation of new issues of the electronic trading system.

Developing the Market Internet Website. Providing instantaneous news broadcasting service for companies using RSS.

Linking brokerage companies with the MPLS network of Omantel.

Maintaining all the annual reports of the market since inception and until 2009 in (PDF) files for injecting them at MSM website.

Creating a database for Gulf, Arabic, Asian and European exchanges with the reports and conducting comparisons between the stock exchange.

Translating the necessary regulations and organizational structure of the market.

In 2009 were assigned the design work and the establishment of the site for a host of e-commerce is expected to be completed in 2010, and will be marketing the site through various marketing channels.



## MUSCAT SECURITIES MARKET

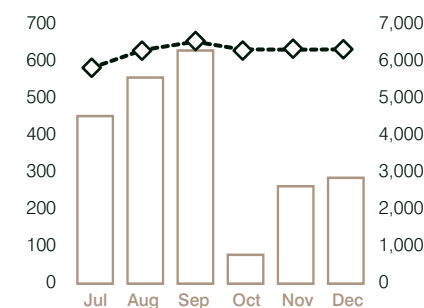
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	453.64	21.60	426.35	20.30
Aug-09	557.90	25.36	562.21	25.56
Sep-09	631.11	37.12	697.68	41.04
Oct-09	78.12	3.72	57.59	2.74
Nov-09	263.67	13.18	246.57	12.33
Dec-09	286.55	15.08	334.94	17.63
<b>TOTAL</b>	<b>2,270.99</b>	<b>19.35</b>	<b>2,325.33</b>	<b>19.93</b>
<b>Bonds</b>				
Jul-09	1.87	0.00	0.73	0.00
Aug-09	0.49	0.00	1.29	0.00
Sep-09	2.49	0.00	0.98	0.00
Oct-09	19.12	0.00	1.31	0.00
Nov-09	7.86	0.39	2.96	0.15
Dec-09	5.58	0.29	2.37	0.12
<b>TOTAL</b>	<b>37.41</b>	<b>0.11</b>	<b>9.63</b>	<b>0.05</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

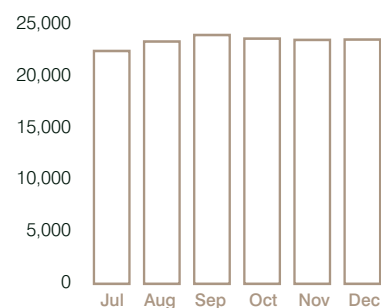
	Market Capitalization (US\$ millions)	Index
Jul-09	22,509.83	5,846.22
Aug-09	23,424.80	6,345.06
Sep-09	24,053.37	6,572.25
Oct-09	23,705.52	6,354.92
Nov-09	23,580.77	6,357.23
Dec-09	23,615.96	6,368.80

MONTHLY STOCK VOLUME VS INDEX (US\$ millions)

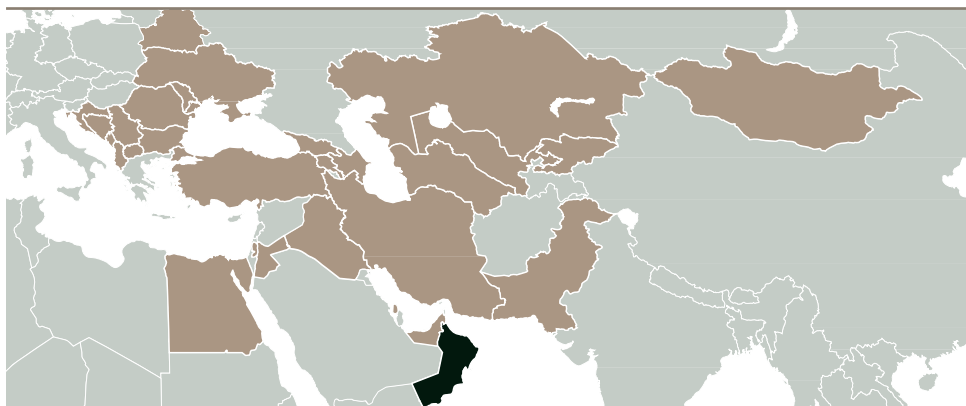
□ Stocks ◇ Index



MONTHLY MARKET CAPITALIZATION (US\$ millions)



## CONTACT INFORMATION

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MUSCAT SECURITIES MARKET

ECONOMIC AND POLITICAL DEVELOPMENTS

Yearbook report

The Omani economy continued to witness robust growth for the five consecutive years in 2008 with its GDP at current market prices rising by 44 percent supported by accelerated activities in both oil and non- oil sectors. In 2008 there was a turnaround in crude oil production which rose by 6.8 percent to 277 million barrels over the previous year. Brisk activities in the petroleum sector not only overshadowed on diversification but also improved its share in GDP to 51.3 percent in 2008 from an average share of 46.3 percent in the previous four years. Non-petroleum activities also recorded a robust growth of 27.2 percent in 2008 as against an average growth of 16.5 percent in the previous four years. Manufacturing sector witnessed an impressive growth of 40.5 percent in 2008 and its share in total GDP was maintained at little over 10 percent. In 2008, value added in the service sector grew at a higher rate of 22.5 percent compared to an average growth of 14.4 percent in the previous four years.

The year 2009 was an exceptionally difficult year with large contraction of world GDP reduction in employment, sharp decline in global trade volumes and above all associated loss of economic welfare for the mankind as a whole. Nevertheless investors were more optimistic as deterioration in economic conditions was less rapid in the more recent period than before or stabilizing in some sectors.

Like many other countries of the region Oman economy has been impacted by the international financial crisis. The slump in oil prices since the last quarter of 2008 and the weak international demand for good will contribute to significant decline in Oman's economic growth.

In view of the adverse international development sustaining high rate of growth the Omani government emerged a major challenging policy in 2009. Although fiscal position will be under pressure, it will not pose a near –term financing problem as the government has accumulated large amount of foreign reserve out of fiscal surpluses during the recent years. The investment stability fund created by the government would support the unexpected downturn in the local stock market.

As for Muscat Securities Market, it is worth mentioning that trading volume reached US\$9.51 billion in 2008 compared with US\$6.91 billion in 2007, thus posting a record and unprecedented increase of 36.1% since its establishment in 1989. Meanwhile, the MSM price index fell from 9035 points at the end of 2007 to the level of 5441 points at the end of 2008, registering a drop of 39%. This is the lowest rate of fall amongst other Gulf financial markets.

The MSM witnessed traded volume of 6,091 billion shares during the year 2009 recording an increase of 37.17% compared with 4,441 billion traded shares as on 2008. During the year 2009 the value of the traded shares was US\$ 5380 billion with a decrease of 37.61% compared with US\$ 9511 billion during the year 2008. The Market capitalization increased in 2009 recording US\$ 23.4 billion compared with US\$15 billion during 2008.

The MSM index rose from 5441.12 points, during 2008, recording 6368 points in 2009 with an increase of 17%. During 2009, the Muscat Securities Market scored the second grade from among the GCC exchanges.\*

\* Information provided by MSM.

Key Information Contacts

Ministry of National Economy [www.moneoman.gov.om](http://www.moneoman.gov.om)  
Capital Market Authority [www.cma-oman.gov.om](http://www.cma-oman.gov.om)  
Oman Chamber of Commerce and Industry [www.cbo-oman.org](http://www.cbo-oman.org)  
Financial Corporation [www.fincorp.org](http://www.fincorp.org)  
National Bank of Oman [www.nbo.co.om](http://www.nbo.co.om)



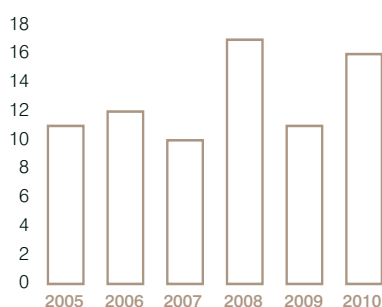
## MUSCAT SECURITIES MARKET

## OMAN ECONOMIC CHARTS AND TABLES

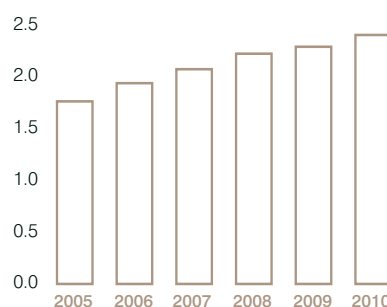
	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	51	57	62 (a)	67 (a)	70 (a)	74 (b)
Real GDP mil OMR	7,081	7,609	8,054 (a)	8,567 (a)	8,799 (a)	9,142 (b)
Real private consumption mil OMR	4,202	5,084	5,465 (a)	5,892 (a)	6,127 (a)	6,409 (b)
Real government consumption mil OMR	2,095	2,182	2,313 (a)	2,459 (a)	2,581 (a)	2,729 (b)
Real gross fixed investment mil OMR	1,765	1,941	2,076 (a)	2,226 (a)	2,293 (a)	2,407 (b)
Real stockbuilding mil OMR	n/a	n/a	n/a	n/a	n/a	n/a
Real exports of G&S mil OMR	2,657	2,633	2,620 (a)	2,646 (a)	2,686 (a)	2,740 (b)
Real imports of G&S mil OMR	3,638	4,231	4,421 (a)	4,655 (a)	4,888 (a)	5,142 (b)
Real domestic demand mil OMR	8,062	9,206	9,854 (a)	10,576 (a)	11,001 (a)	11,545 (b)
Real GDP at factor cost mil OMR	6,957	7,609	8,054 (a)	8,567 (a)	8,799 (a)	9,142 (b)
Real agriculture mil OMR	178	177	181 (a)	184 (a)	186 (a)	189 (b)
Real industry mil OMR	2,765	2,891	2,986 (a)	3,090 (a)	3,194 (a)	3,313 (b)
Real manufacturing mil OMR	572	657	716 (a)	766 (a)	812 (a)	862 (b)
Real services mil OMR	4,013	4,541	4,887 (a)	5,294 (a)	5,419 (a)	5,640 (b)
Gross national savings rate (%) %	38.9	41.9	37.1 (a)	38.8 (a)	32.5 (a)	35.2 (b)
Gross national savings/investment %	175.8	158.0	120.1 (a)	135.2 (a)	103.5 (a)	115.9 (b)
Budget balance (% of GDP) %	2.5	0.3	0.3	1.3 (a)	0.7 (a)	2.2 (b)
Consumer prices (% change pa; av) %	1.2	3.0	5.9	12.5	5.3 (a)	3.0 (b)
Exchange rate LCU:US\$ (av) OMR/US\$	0.3845	0.3845	0.3845	0.3845	0.3845 (a)	0.3845 (b)
Lending interest rate (%) %	7.1	7.4	7.3	7.1	7.2 (a)	7.2 (b)
Stock of domestic credit mil OMR	3,318	3,941	5,273	6,776	7,589 (a)	8,651 (b)
Domestic credit growth (%) %	1.7	18.8	33.8	28.5	12.0 (a)	14.0 (b)
Deposit interest rate (%) %	3.3	4.0	4.1	4.5	4.5 (a)	4.5 (b)
Population million	2.5	2.6	2.7	2.9 (a)	3.0 (a)	3.1 (b)
GDP per head (\$ at PPP) US\$	20,398	22,035	22,560 (a)	23,350 (a)	23,490 (a)	23,860 (b)
Current account balance/GDP %	16.8	15.4	6.2	10.1 (a)	1.1 (a)	4.8 (b)
International reserves bil US\$	4	5	10	12	13 (a)	14 (b)
Trade balance bil US\$	11	12	10	17	11 (a)	16 (b)
Foreign-exchange reserves bil US\$	4	5	10	12	13 (a)	14 (b)
Total foreign debt bil US\$	4	5	6	8	8 (a)	8 (b)
Public medium & long-term bil US\$	1	1	1	1	1 (a)	1 (b)
Private medium & long-term bil US\$	2	2	2	3	3 (a)	3 (b)
IMF debt bil US\$	0	0	0	0	0	0 (b)
Short term bil US\$	2	2	3	4	4 (a)	4 (b)
Net debt bil US\$	-0	-0	-4 (a)	-4 (a)	-5 (a)	-6 (b)
Export credits bil US\$	0	0 (a)	0 (a)	1	0 (a)	1 (b)

(a) Estimate (b) Forecast  
Provided by MSM.

**TRADE BALANCE**  
(US\$ billions)



**REAL GROSS FIXED INVESTMENT**  
(OMR millions)



## NASDAQ OMX ARMENIA



**Armen Melikyan**  
Chief Executive Officer

### 2009 was a challenging but still quite successful year for NASDAQ OMX Armenia.

Bringing difficult times to most businesses across the world, 2009 was a challenging but still quite successful year for NASDAQ OMX Armenia. While trading in equities remained low throughout the year, trading in other exchange markets grew significantly. Thus, corporate bonds, the best performing market of the year, was up 4.7 times to US\$ 27.6 million. Government bonds trading was also active demonstrating growth in value traded of 43% and in the number of trades of 135%, and the repurchase agreements (repo) market showed an activity exceeding US\$ 13 million during its first year after launch in December 2008. Currency trading remained traditionally high at nearly US\$ 1.1 billion.

Even though fears of uncertainty and reduced investor interest did not fade globally throughout the year, 2009 nevertheless saw the first ever IPO in Armenia, carried out by Artsakh HydroPower Plant, which is now listed on NASDAQ OMX Armenia. In addition, during the year the exchange listed four new issues of corporate bonds and expects more to come in 2010. At the year-end exchange market capitalization stood at the equivalent of around US\$ 140 million declining by only 1.7% since the end of 2008 – a relatively good performance considering the lingering effects of the global financial crisis.

Positive were also the developments on NASDAQ OMX Armenia membership side: nine new members were admitted during the year bringing the total number of members to 27.

In 2009, NASDAQ OMX Armenia was also active in organizing many different kinds of events, including seminars, trainings, and study tours. These were targeted to various stakeholder groups – investment companies and banks, listed companies, journalists – and aimed at sharing international expertise and implementing state-of-the-art standards of respective activities in Armenia. General public and especially younger audiences were also in focus, with initiatives promoting awareness about capital markets and their importance in building a strong national economy.

Becoming the full owner of the Central Depository of Armenia in June 2009, NASDAQ OMX Armenia kept concentrating on improving the depository and clearing services – primarily through continued automation and optimization of business processes. The Depository also worked closely with the Government of Armenia to design and prepare the implementation in 2011 of the mandatory fully funded pension system, a cooperation that will continue this year. The

launch of this new second pillar pension system is expected to boost the activity in the capital market promoting the issue of new financial instruments and bringing in institutional investors.

In 2010, as the recovery gets underway both globally and locally, NASDAQ OMX Armenia will continue to be proactive in its relations with the capital market stakeholders. One area of focus will be to introduce new technology for both the exchange and the central depository business, to put in place the foundation for continued growth. There will also be continuous efforts to increase awareness of the capital market in Armenia and support market participants in meeting the awakening demand for quality financial intermediation and capital market services. Through such processes NASDAQ OMX Armenia realizes its primary objective – to maintain a fair and effective marketplace where good companies can raise capital and where investors can make well-informed decisions while being properly protected. Our commitment for 2010 is to continuously and consistently strive to achieve this objective.

## HISTORY AND DEVELOPMENT

NASDAQ OMX Armenia (formerly Armenian Stock Exchange, Armex, renamed on 27 January 2009) is the only stock exchange currently operating in Armenia. Armex was the successor of the Association of Securities Market Participants, which was established in Armenia in 1997, and was initially registered the Securities Commission of the RA on 13 February 2001, as a self-regulatory organization. In November 2007, according to the newly adopted "Law on Securities Market", Armex was reorganized into an open joint stock company.

Until 1 January 2006, Securities Commission of RA was the competent state authority to regulate the activities of capital market including the stock exchange in Armenia. However, with the enactment of a new law introducing unified regulatory authority for the financial market, the regulatory and supervisory powers of the Commission were transferred to the CBA.

Since 15 November 2005, foreign currency trading was introduced on Armex, which proved to be in demand: volumes of FX trading to date greatly exceed those of other instruments. On 14 December 2005, the first publicly traded corporate bonds were listed at Armex, and as of December 2008, 13 bond issues were traded on the stock exchange – most of them having market makers. In early 2008 government bonds trading was launched, as well as status of market-maker for government bonds was introduced. By the end of 2008, Armex introduced new market for REPO (repurchase agreements), as well as a mechanism for manual trades.

NASDAQ OMX Armenia is currently part of the NASDAQ OMX Group. In November 2007 members of CDA and Armex transferred their shares to the CBA, and OMX Group acquired 100% thereof. After in late February 2008, NASDAQ completed its combination with OMX, NASDAQ OMX Armenia became an entity fully owned by NASDAQ OMX. On 5 June 2009, NASDAQ OMX Armenia became the owner of the 100% of the shares of the Central Depository of Armenia.

## FUTURE OUTLOOK

In 2010, NASDAQ OMX Armenia plans to:

- continue improving the technical infrastructure of the stock exchange and the central depository;
- continue expanding the range of services provided to listed companies and trading members;
- carry on with efforts to promote initial public offerings of equities in the Armenian market;
- launch T+3 settlement mechanism, which will enable exchange trading without pre-deposition of securities and cash;
- establish a Guarantee Fund to increase investor protection;
- organize study tours for investment companies and banks to facilitate introduction of international best practices in Armenia;
- conduct study tours and seminars for journalists covering financial market;
- continue efforts towards increasing public awareness of the Armenian securities market.

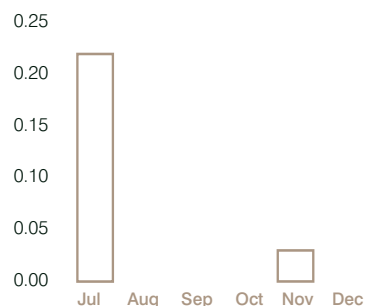
## NASDAQ OMX ARMENIA

## OFFICIAL 6 MONTH STATISTICS

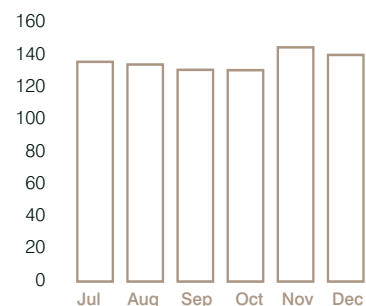
	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	0.22	0.01	0.08	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.03	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.25</b>	<b>0.00</b>	<b>0.08</b>	<b>0.00</b>
<b>Bonds</b>				
Jul-09	0.69	0.03	0.91	0.04
Aug-09	1.74	0.08	1.32	0.06
Sep-09	3.68	0.18	10.28	0.49
Oct-09	6.30	0.29	5.90	0.27
Nov-09	0.75	0.04	0.37	0.02
Dec-09	2.08	0.09	1.05	0.05
<b>TOTAL</b>	<b>15.24</b>	<b>0.12</b>	<b>19.83</b>	<b>0.15</b>
<b>Other</b>				
Jul-09	27.75	1.21	27.74	1.21
Aug-09	15.27	0.73	0.00	0.00
Sep-09	117.88	5.61	0.00	0.00
Oct-09	49.13	2.23	0.00	0.00
Nov-09	79.33	3.78	78.77	3.75
Dec-09	148.31	6.45	148.14	6.44
<b>TOTAL</b>	<b>437.67</b>	<b>3.33</b>	<b>254.64</b>	<b>1.90</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	135.93	n/a
Aug-09	134.28	n/a
Sep-09	131.00	n/a
Oct-09	130.78	n/a
Nov-09	144.90	n/a
Dec-09	140.22	n/a

MONTHLY STOCK VOLUME VS INDEX (US\$ millions)



MONTHLY MARKET CAPITALIZATION (US\$ millions)



## CONTACT INFORMATION

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## NASDAQ OMX ARMENIA

## ECONOMIC AND POLITICAL DEVELOPMENTS

**Political and Economic Performance**

The political scene will remain tense. The new president, Serzh Sarkisian, formed a four-party coalition government and appointed Tigran Sarkisian (no relation) as prime minister. The appointment of the non-party-affiliated and respected Mr Sarkisian (who was formerly chairman of the Central Bank of Armenia) indicates the president's desire to appease his critics and reduce the polarization of the political scene.

Despite strong Western criticism of the conduct of the presidential election, Armenia's aid programs with the US and EU appear only to have been delayed, rather than suspended, as had been threatened. The US had warned that the disbursement of US\$236m from the US Millennium Challenge Account could be terminated altogether in the light of the imposition of the state of emergency in March. However, given the political capital already invested in these programs (in the case of the EU, the European Neighborhood Policy), it seems likely that Armenia will continue to benefit both financially and from technical assistance through participation in these programs.

Economic policy under Serzh Sarkisian will differ little from that of his predecessor, given that Mr Sarkisian has long been at the heart of the political scene. With a respected former Central Bank governor leading the government, prospects for greater progress in tackling corruption within the tax and customs administrations, strengthening the rule of law, and ensuring fair business competition have improved. However, given the close links between political and business circles in Armenia, vested interests will still present an obstacle to more transparent policies.

**Economic Performance**

The global economy is set to slow significantly and the downside risks to the world economic outlook remain elevated. This reflects not just continued problems in the US and European financial sectors, but also higher global inflationary pressures, which are eroding corporate competitiveness, crimping consumers' spending power and casting a shadow over growth prospects in many countries. As well as fluctuations in commodity prices, Armenia's growth prospects would be vulnerable to any downturn in its main export partners, such as Germany and Russia.

A booming construction sector continues to drive economic growth which was 10.3% year on year in the first half of 2008 owing to residential and office development and ongoing improvements to energy and transport infrastructure. The financial services sector is also growing strongly, expanding by 22.8% in January-June 2008, as robust demand for consumer credit supports banking sector activity. With favorable fruit and vegetable harvests contributing to positive growth in the agriculture sector, real GDP growth forecast is of 10% in 2008. The strong base period and real currency appreciation are likely to push growth down to around 7% in 2009.

Year-on-year inflation reached its highest level for a decade in July 2008, of 10.9%. High prices for imports such as wheat and mineral products, together with the rapid expansion of monetary aggregates, will continue to exert pressure on prices. The effect of the appreciating dram on prices has been smaller than expected, owing to the monopoly status of importers of several staple goods. These factors will keep annual average inflation high

in 2008, at around 9%. Falling global food prices should encourage disinflation, to an annual average rate of inflation of around 5.5% in 2009.

The dram has begun to appreciate again against the US dollar, owing both to the US currency's weakness worldwide, and continued robust inflows of overseas remittances and other private transfers. However, a widening current-account deficit will reduce the rate of nominal appreciation compared with 2007. This nominal appreciation, in conjunction with a slightly higher rate of inflation in Armenia than in many of its most important trading partners, will translate into a strong real effective appreciation. Average annual exchange rate of Dram 302.5:US\$1 this year, followed by a rate of Dram 279.7:US\$1 in 2009 is forecasted. The metallurgy, machine-building and mineral products sub-sectors will become increasingly important sources of export revenue. However, growth in import expenditure will continue to outpace that of export earnings. Inflows of remittances, reflected in surpluses in the current transfers and income accounts, will continue to offset some of the effect that the widening trade deficit has on the current account. Nevertheless, the current-account deficit is expected to widen from US\$571m in 2007 to around US\$950m per year in 2008-09.\*

\* The Economic Intelligence Unit Ltd., August 2008.

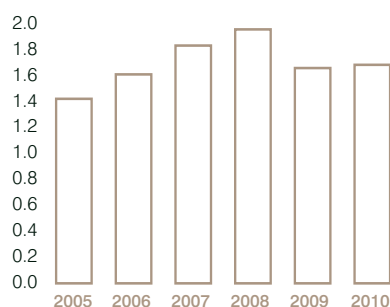
**Key Information Contacts**

NASDAQ OMX [www.nasdaqomx.com](http://www.nasdaqomx.com)

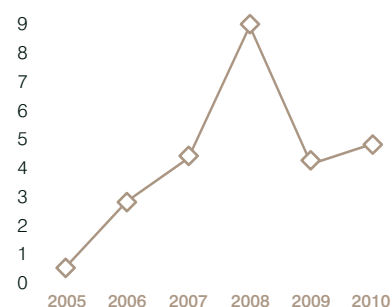
The Central Bank of Armenia [www.cba.am](http://www.cba.am)

The Central Depository of Armenia [www.nasdaqomx.am](http://www.nasdaqomx.am)

**REAL GDP**  
(AMD millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



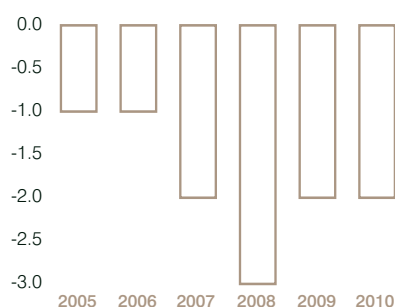
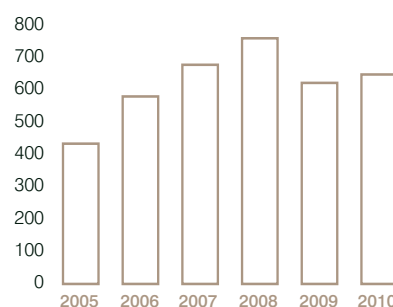
## NASDAQ OMX ARMENIA

## ARMENIAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	13	15	17	19 (a)	16 (a)	17 (b)
Real GDP bil AMD	1,427	1,616	1,839	1,964	1,665 (a)	1,690 (b)
Real private consumption bil AMD	1,109	1,201	1,414	1,585 (a)	1,297 (a)	1,352 (b)
Real government consumption bil AMD	119	135	155	193 (a)	187 (a)	181 (b)
Real gross fixed investment bil AMD	434	580	678	760 (a)	622 (a)	648 (b)
Real stockbuilding bil AMD	-5	3	2	0 (a)	2 (a)	1 (b)
Real exports of G&S bil AMD	499	463	446	416 (a)	279 (a)	297 (b)
Real imports of G&S bil AMD	739	767	867	997 (a)	729 (a)	800 (b)
Real domestic demand bil AMD	1,657	1,917	2,246	2,537 (a)	2,107 (a)	2,183 (b)
Real GDP at factor cost bil AMD	1,302	1,471 (a)	1,649 (a)	1,756 (a)	1,489 (a)	1,512 (b)
Real agriculture bil AMD	381	383 (a)	422 (a)	428 (a)	432 (a)	445 (b)
Real industry bil AMD	506	593 (a)	664 (a)	680 (a)	599 (a)	611 (b)
Real manufacturing bil AMD	258	252 (a)	260 (a)	n/a	n/a	n/a
Real services bil AMD	414	495 (a)	562 (a)	648 (a)	459 (a)	456 (b)
Gross national savings rate (%) %	29.4	34.1	30.8 (a)	28.5 (a)	28.8 (a)	31.2 (b)
Gross national savings/investment %	96.5	94.9	82.8	71.5	72.8 (a)	74.8 (b)
Budget balance (% of GDP) %	-1.9	-1.5	-0.8	-1.2	-5.7 (a)	-5.6 (b)
Consumer prices (% change pa; av) %	0.6	2.9	4.4	9.0	4.2 (a)	4.9 (b)
Exchange rate LCU:US\$ (av) AMD/US\$	457.6883	416.0408	342.0792	305.9692	365.0234 (a)	409.5878 (b)
Lending interest rate (%) %	18.0	16.5	17.5	17.1	19.1 (a)	18.5 (b)
Stock of domestic credit bil AMD	197	214	382	607	517 (a)	543 (b)
Domestic credit growth (%) %	54.6	8.7	78.4	58.9	-15.0 (a)	5.1 (b)
Deposit interest rate (%) %	5.8	5.8	6.3	6.6	8.5 (a)	7.1 (b)
Population million	3.1	3.1	3.1	3.1	3.1 (a)	3.1 (b)
GDP per head (\$ at PPP) US\$	4,104	4,782	5,616	6,110 (a)	5,230 (a)	5,380 (b)
Current account balance/GDP %	-1.1	-1.8	-6.4	-11.4	-10.7 (a)	-10.5 (b)
International reserves bil US\$	1	1	2	1	1	1 (b)
Trade balance bil US\$	-1	-1	-2	-3	-2 (a)	-2 (b)
Foreign-exchange reserves bil US\$	1	1	2	1	1	1 (b)
Total foreign debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Public medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Private medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
IMF debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Short term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Net debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Export credits bil US\$	n/a	n/a	n/a	n/a	n/a	n/a

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, September 2009.

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(AMD millions)

## PALESTINE SECURITIES EXCHANGE



**Ahmad Aweidah**  
CEO

Over more than thirteen years, the PSE has consistently met challenges of a difficult economic and political reality with a high level of commitment to its goals and to the development of an enabling investment environment.

In 2009, the PSE recovered from the impact of the global financial crisis with a good performance relative to other MENA countries: The Al-Quds index increased by 11.62% by the end of the year, ranked the eighth among Arab exchanges in terms of index growth rate. The PSE is financially sound, and well capitalized to maintain a steady business in a volatile world.

The year 2009 witnessed continuous attention by the PSE to strengthening its prominent presence on many levels; The PSE was able to enhance its role locally by reinforcing principles of transparency, investment culture and good

### In 2009, the PSE recovered from the impact of the global financial crisis with a good performance relative to other MENA countries.

governance. In terms of surveillance, the PSE and Palestine Capital Market Authority (PCMA) signed an agreement with Smarts Group of Australia, to utilize Smarts on Line System for instant supervision over securities trading.

The PSE convened the "Third Annual Palestinian Capital Market Forum" in October 2009 discussing the priorities and opportunities of emerging markets post the global financial crisis.

Two companies were listed in 2009. Today, the PSE has 39 listed companies across five main economic sectors; including banking, insurance, investments, industry and services. 30 companies out of 39 achieved profits during 2009 with 100% compliance with disclosure requirements.

The year 2009 also witnessed distinctive developments in terms of the Investor Education Program; The Stock Simulation Program was launched targeting university students in Palestine to educate them on how to invest in the securities market.

The PSE also strengthened its IT infrastructure by implementing a hot disaster recovery backup site with high availability for all Networks, systems and services.

Today we see a locally, regionally and internationally recognized institution that competes with many other stock exchanges with more conducive working environments. Our common values will always be good governance, transparency, efficiency, fairness & equal opportunities.

## HISTORY AND DEVELOPMENT

- **1996:** Established as a private shareholding company to promote investment in Palestine.
- **February 18, 1997:** First trading session.
- **2009:** a well established exchange with turnover in 2009 of US\$ 500,393,398 and a market capitalization of US\$ 2.37 billion.
- **February 2010:** became a public shareholding company responding to principles of transparency and good governance.
- **Listed Companies:** 39 Palestinian companies as of 31/12/2009 across five main sectors: banking, industry, insurance, investment & services.
- **Member Brokerage Firms:** 10 firms as of 31/12/2009 with offices and branches in most of the Palestinian cities.
- **2005:** the Al-Quds Index had increased by 306% compared to 2004, recording the highest amongst the world Stock Exchanges.
- **2006:** Launched the Investor Education Program.
- **E-trading:** Launched in April 2007.
- **In 2009:** the PSE was ranked 33rd amongst International Stock Exchanges and regionally comes 2nd in terms of investor protection.
- **Only equities** are currently traded on the PSE.

## 2009 ACCOMPLISHMENTS

- Convened the Third Annual Palestinian Capital Market Forum in November 2009. The Forum discussed priorities and opportunities of emerging markets post the global financial crisis. The Forum was attended by local, regional & international businessmen, investors and experts, in addition to

the Chairman of IOSCO Emerging Markets Committee, and a Chilean-Palestinian businessmen delegation.

- Organized promotional Road Show to Santiago, Chile in May 2009 to attract new investments to the PSE.
- Listing of two new Companies: Globalcom Telecommunications Company in October 2009 & The Palestine Islamic Bank in July 2009. The PSE now has 39 listed companies on the exchange working in 5 main sectors; banking, investment, services, industry & insurance.
- PSE and Capital Market Authority (CMA) signed an agreement with Smarts Group of Australia, to utilize Smarts on Line System for instant supervision over securities trading.
- Implemented a Hot Backup site and high availability for all Networks and systems and services, in addition to new infrastructure for Technologies and Telecommunications, new Security systems, new trading surveillance system using SMARTS system, the Stock Simulation system.
- Developed new portal and a new Data Dissemination System.
- Run two rounds of Stock Simulation competition in five national universities in Palestine with the participation of 180 students.
- Published five new issues of Souk Al-Mal Magazine (a specialized magazine in capital markets).
- Held the Accredited Broker Course in December 2009 with the participation of 19 employees of member brokerage firms at the PSE.
- Announced the approval on the Arab Investment Group Membership. the PSE has now 10 member brokerage firms.

- Issued the investor number (IN) for shareholders at the PSE.
- Attained a membership of the Association of National Numbering Agenda (ANNA) that qualified the PSE to issue the ISIN (International Securities Identification Number).
- Issued & distributed multiple studies, newsletters and statistical reports.

## FUTURE OUTLOOK

- Develop domestic institutional investors and attract Palestinian Diaspora and foreign capital through local, regional & international road shows to attract new investments to the exchange;
- Reaching an agreed division of labor on regulatory matters between PSE and Capital Market Authority;
- Expand on investor education programs mainly for students at all academic levels.
- Target public shareholding companies to be listed on the PSE.
- Target private shareholding companies to go public and be listed on the PSE.
- Perform all preparations that are needed in terms of managerial and technical requirements for a projected independent Central Security Depository (CSD);
- The PSE will additionally dedicate more effort to the improvement of the legal environment, disclosure, transparency, enhancement of listing rules, and keeping up with the latest developments together with investment awareness, communication and state of the art ICT environment.

## PALESTINE SECURITIES EXCHANGE

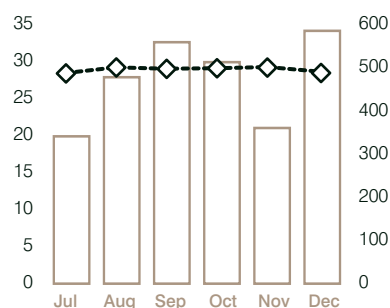
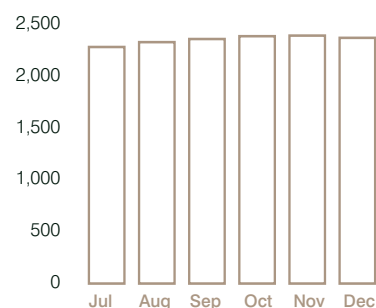
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	19.94	0.95	11.92	0.57
Aug-09	27.94	1.27	12.00	0.55
Sep-09	32.68	1.82	26.90	1.49
Oct-09	29.98	1.43	14.85	0.71
Nov-09	21.07	1.17	8.68	0.48
Dec-09	34.22	1.63	18.66	0.89
<b>TOTAL</b>	<b>165.83</b>	<b>1.38</b>	<b>93.00</b>	<b>0.78</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

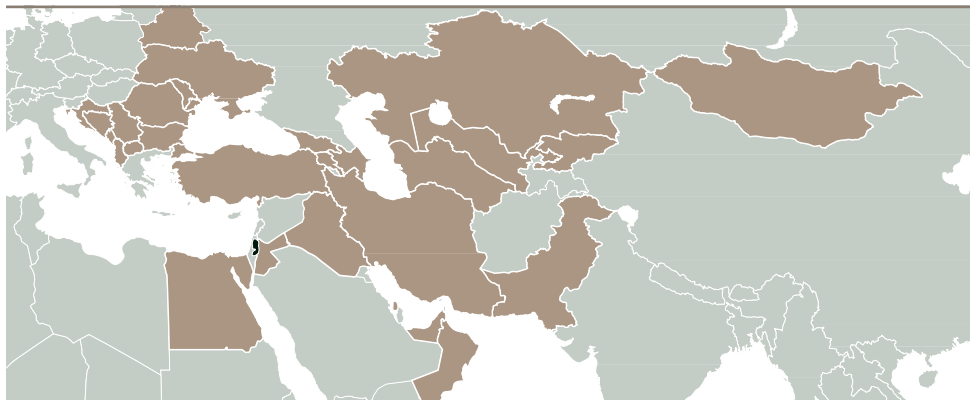
	Market Capitalization US\$ millions	Index
Jul-09	2,286.88	488.77
Aug-09	2,333.74	498.45
Sep-09	2,363.95	498.92
Oct-09	2,391.19	500.18
Nov-09	2,397.05	502.12
Dec-09	2,375.37	493.00

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## PALESTINE SECURITIES EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Political Developments

**Government Reforms:** The PNA has made substantial progress towards improving its fiscal position since 2007. In January 2010, the PNA launched a plan of priority interventions for 2010 comprising 201 projects identified by PNA ministries. They have a total estimated budget of US\$5.5bn. Projects for 2010 require US\$667m. Infrastructure projects account for 67% of the requested funding and include: a railway network, a commercial port, at least one international airport, desalination plants and wastewater treatment facilities.

The PNA has also focused on developing the institutional and legal framework in recent years. A priority has been the comprehensive reform of the tax system. A new income tax law has been adopted and the VAT rate has been reduced.

The Ministry of National Economy is making efforts to develop public-private sector partnership. Regulations in the Palestinian financial markets are also continuing to improve, with, for example, a new 'Code of Corporate Governance' which private sector companies are expected to follow.

Closure obstacles in the West Bank and Gaza Strip numbered 619 in August 2009 (OCHA data). The Gaza Strip is completely isolated with all exists sealed. Two-thirds of the 723.3 km separation wall between Israel and the Palestinian Territories is complete complications in the Palestinian territory.

#### Economic Developments

The Palestinian economy is robust in its capability to function under often harsh conditions. Due to the political situation, however, it has witnessed many ups and downs over the years.

GDP growth averaged 6% per year between 1995 and 2000 (World Bank) but ground to a halt at the Second Intifada. The Palestinian economy rebounds when given the chance and with improved movement and access, GDP forecasts are very positive- the IMF reported that GDP in the West Bank could increase by 7% in 2009. Unfortunately, restrictions in 2009 did not significantly improve so more modest growth is expected.

The contribution of major economic sectors to GDP has varied little over the past year. In Q3 2009, public administration and defence contributed 14% of value added, wholesale and retail trade 10%, manufacturing 10%, transport storage and communications 9%, real estate, renting and businesses services 9%, agriculture and fishing 3% and construction 6%.

**CPI:** Inflation in Palestine is comparable to rates in Western countries and below the MENA region average. It increased by 2.75% between 2008 and 2009.

**Foreign Trade:** has been severely hindered by Israel's control over Palestinian borders. Trade indicators have recovered considerably since 2002. Israel is the main trading partner of the Palestinians.

The PNA has concluded free trade agreements with the European Union, the European Free Trade Association (EFTA), the US, Canada and Turkey.

Total imports were US\$3.8bn in 2008 (up 20% since 2007) and total exports were US\$0.5bn (up 3% since 2007). 72% of imports came from Israel, an increase of 20% since 2007. In 2008, exports to Arab countries, US and EU increased by 38%, 35% and 25% respectively. There were noticeable increases in the export levels of agricultural, food, metal and plastics products.

The trade deficit in 2008 increased to US\$3.2bn, up 27% from 2007. The deficit is covered mainly by external assistance and worker's remittances.

#### Labour Force

Perhaps the greatest asset to the Palestinian economy is its human resources. The level of education is the highest in the region, with the exception of Israel. There is well developed entrepreneurial capacity, good language skills and strong social and economic networks. Local Palestinian demand and labour force are expected to grow over the next decades as more than half of the population is below the age of 18. unemployment in the West Bank has been on a downward trend over the past five years. The unemployment rate for the Third quarter of the year 2009 reached to 25.8% recorded an increase by 16.2% compared with the Second quarter of

the year 2009. The unemployment rate recorded an decrease by 6.18% during the Third quarter 2009 compared with the similar quarter of the previous year 2008. The unemployment rate for the full year 2008 was 26.0% compared with 21.5% in 2007.

#### Impact of the economical situation on the PSE

Despite the political and economical deteriorations, the PSE stands on solid ground, as it is better on both directions; improving the performance of the market, and improving the investment environment in securities market, which enables the PSE to achieve outstanding results in 2009, as Al Quds Index increase by 11.62% compared to 2008.

During 2009 PSE held 246 trading sessions with approximately 89 thousand transactions were executed with a value that goes around US\$ 500 million decreasing by 57.78% compared to 2008. While Al-Quds Index was increased by 11.62 during the same period compared with 2008, all indicators show that at any positive development in the political situation in Palestine will be reflected immediately in the economical circumstances and the PSE.

#### Financial Crisis

The impact of the global financial crisis on the Palestinian economy was fairly limited. Local banks are conservative in regard to foreign activities and the Palestinian mortgage market is very small. The stock market was mildly affected by foreign investors who became reluctant to trade in the PSE. In 2008, the Al-Quds index dropped 16%, which compared well with other Arab markets. Since mid 2009, the Palestinian index has been stable, (around the 500 mark) and by the end of the year, had increased by 11.62%.\*

\* Information provided by PSE.

#### Key Information Contacts

Palestine Capital Market Authority: [www.cma.gov.ps](http://www.cma.gov.ps)  
 Ministry of Finance: [www.mof.gov.ps](http://www.mof.gov.ps)  
 Ministry of National Economy: [www.met.gov.ps](http://www.met.gov.ps)  
 Palestinian Investment Promotion Agency: [www.pipa.gov.ps](http://www.pipa.gov.ps)  
 Palestine Monetary Authority: [www.pma-palestine.org](http://www.pma-palestine.org)  
 Palestinian Central Bureau of Statistics: [www.pcbs.org.ps](http://www.pcbs.org.ps)  
 Palestinian Economic Council for Development and Reconstruction: [www.pecdar.org](http://www.pecdar.org)  
 Palestine Institute for Financial & Banking Studies: [www.pifbs.com](http://www.pifbs.com)  
 Palestine Media Center: [www.palestine-pmc.com](http://www.palestine-pmc.com)  
 Custodian Bank - HSBC Bank Middle East: [www.middleeast.hsbc.com](http://www.middleeast.hsbc.com)  
 Settlement Bank - Arab Bank Palestine: [www.arabbank.ps](http://www.arabbank.ps)



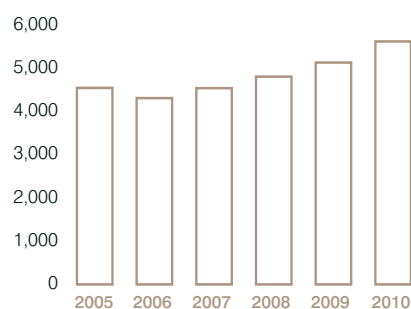
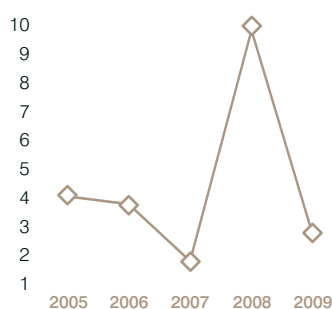
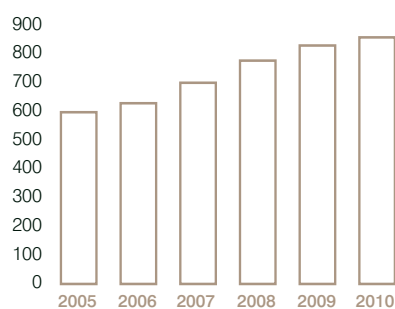
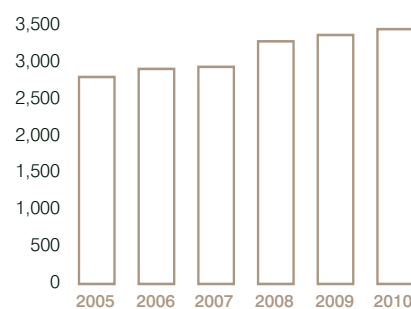
## PALESTINE SECURITIES EXCHANGE

## PALESTINE ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Real GDP bil US\$	4,559.5	4,322.3	4,554.1	4,820.9	5,147.2 (a)	5,636.6 (b)
Real private consumption bil US\$	4,664.2	4,386.5	4,777.10	5,049.1	4,416.8 (a)	4,448.8 (b)
Real government consumption bil US\$	833.3	870.4	892.7	963.4	1,828.9 (a)	1,967.7 (b)
Real exports of G&S bil US\$	597.7	629.0	700.2	777.3	829.9 (a)	858.2 (b)
Real imports of G&S bil US\$	2,801.4	2,910.8	2,938.8	3,284.0	3,369.7 (a)	3,448.8 (b)
Real domestic demand bil US\$	10,626.6	10,115.0	10,327.1	11,251.4	-	-
Real agriculture bil US\$	236.2	240.3	252.2	286.1	-	-
Real industry bil US\$	774.9	648.6	695.6	717.5	-	-
Real manufacturing bil US\$	591.8	505.4	527.8	539.3	-	-
Real services bil US\$	1,047.5	849.3	931.1	1,007.0	-	-
Consumer prices (% change pa; av) %	4.11%	3.84%	1.86%	9.89%	2.75% (a)	-
Current account balance/GDP %	-24.9	-19.8	-8.1	8.8	-	-

Source: Palestinian Central Bureau of Statistics, 2010. National Accounts Statistics, 2005-2010. Ramallah- Palestine.

(a) Estimate (b) Forecast

**REAL GDP**  
(US\$ millions)**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)**REAL EXPORTS OF G&S**  
(US\$ billions)**REAL IMPORTS OF G&S**  
(US\$ billions)

## SARAJEVO STOCK EXCHANGE



**Zlatan Dedic**  
General Manager

**In 2009, we have analyzed all investor's obstacles and started removing them. Above all we wanted to adequately show investors that our capital market is worthy for them and offers substantial returns on their investments.**

In its eight year of operation the Sarajevo Stock Exchange (SASE) has accomplished lower trading results than in previous year. The most illustrative example is the total turnover in 2009 with the amount of 112 million Euros was 54% lower than in 2008.

However in 2009, we have analyzed all investor's obstacles and started removing them. Above all we wanted to adequately show investors that our capital market is worthy for them and offers substantial returns on their investments. The access to the greater number of information was enabled with new data available on new Capital Market of

Federation of Bosnia and Herzegovina web portal, joint project of SASE, Securities Commission and Central Registry. Our openness to investors drew their attention and gave incite and confidence to the capital market in the Federation of Bosnia and Herzegovina.

We had three more IPO done on SASE where it was collected more than 1.82 million Euros. There was one more mutual fund founded in 2009, with several others currently in preparation. Also we expect the pension reform to bring additional demand to the market. We hope that the adoption of the new

Security Market Law will give the market more options for further expansion. One more reason for greater investor's interest in capital market in the Federation of Bosnia and Herzegovina is the announcement for infrastructure projects especially in energy, telecommunication and road construction sectors, and announcement for privatization of companies who are pillars of Bosnian economy. All these factors will ensure past success to continue into 2010 where SASE will again exceed all expectation.

### HISTORY AND DEVELOPMENT

The Sarajevo Stock Exchange (SASE) was founded in September of 2001 by eight brokerage houses and commenced trading on April 12 of 2002. The SASE is a central marketplace for securities trading in the Federation of Bosnia and Herzegovina. The SASE is a joint-stock company which originally had eight founding members.

The SASE currently has 17 members, whose headquarters are spread around the Federation of Bosnia and Herzegovina, the majority being in the capital, Sarajevo. All members of SASE must be licensed for trading in securities by the Securities Commission of the Federation of Bosnia and Herzegovina.

Trading on the SASE is performed electronically through an order driven electronic trading system BTS (Stock Exchange System). BTS is a computer assisted information and trading system, which enables remote entry, modification, halt and removal of orders, automated matching of orders and concluding trades, supervision of orders and trades, as well as survey of information on trading and on listed securities.

At the beginning of 2004, trading at the SASE Official Market started and all 11 Privatization Investment Funds were listed there. The Official Market is a higher level market where only securities that meet special conditions and are approved by the Securities Commission and SASE's addition board can be listed there. Also in 2004, after two years of trading with only call auction trading system, continuous trading has been introduced at the SASE under the name Multi Fixing Trading Schedule (MFTS). Only the most liquid securities on the SASE have been transferred to MFTS. In 2006 another significant milestone was achieved with listings of the first three companies on the SASE Official Market. From the 500 issuers which are listed on the Sarajevo Stock Exchange, currently 14 are on the Official Market. Turnover on SASE has risen substantially, which can be illustrated by the fact that in 2007 it rose up to 961.5 million US\$ - more than in 2005 and 2006 combined. There were 4 mutual funds founded in 2007, and more are currently in preparation. In 2009 as a result of global financial crisis sharp decrease in turnover affected SASE where we finished the year with 153.7 million US\$.

### FUTURE OUTLOOK

In 2009 global financial crisis affected the Sarajevo Stock Exchange where we finished the year with decrease in turnover from 2008. However 2010 promises better results together with accomplishment of greater efficiency and transparency of the Capital Market in the Federation of Bosnia and Herzegovina. SASE future outlook for 2010 includes following activities:

- Issuance of first municipal bonds which would increase trading on the bond market.
- Continue to list strategic companies currently on SASE Free Market to SASE Official Market.
- In cooperation with regional stock exchanges development of South-eastern European Index
- Continuation of privatization of the State owned capital through the Sarajevo Stock Exchange.
- Attract new issuers through Initial Public Offers.
- Increase public and investor relations together with new educational projects.

## SARAJEVO STOCK EXCHANGE

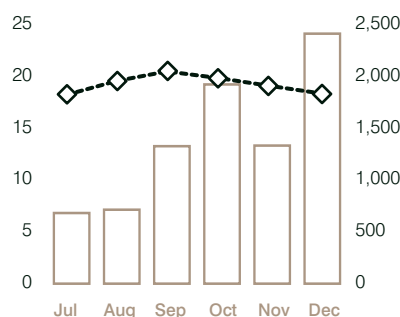
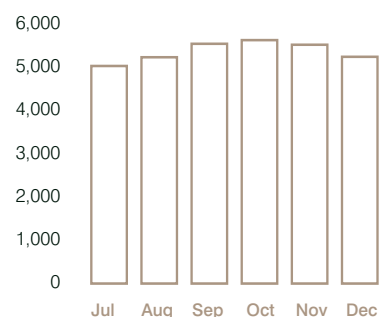
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	6.83	0.30	0.88	0.04
Aug-09	7.15	0.34	0.88	0.04
Sep-09	13.29	0.63	1.35	0.06
Oct-09	19.26	0.92	2.87	0.14
Nov-09	13.35	0.74	1.57	0.09
Dec-09	24.17	1.10	4.98	0.23
<b>TOTAL</b>	<b>84.05</b>	<b>0.67</b>	<b>12.52</b>	<b>0.10</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.01	0.00	0.06	0.00
Dec-09	0.14	0.01	0.82	0.04
<b>TOTAL</b>	<b>0.14</b>	<b>0.00</b>	<b>0.88</b>	<b>0.02</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.41	0.02	0.01	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	2.81	0.13	0.13	0.01
<b>TOTAL</b>	<b>3.22</b>	<b>0.07</b>	<b>0.14</b>	<b>0.00</b>

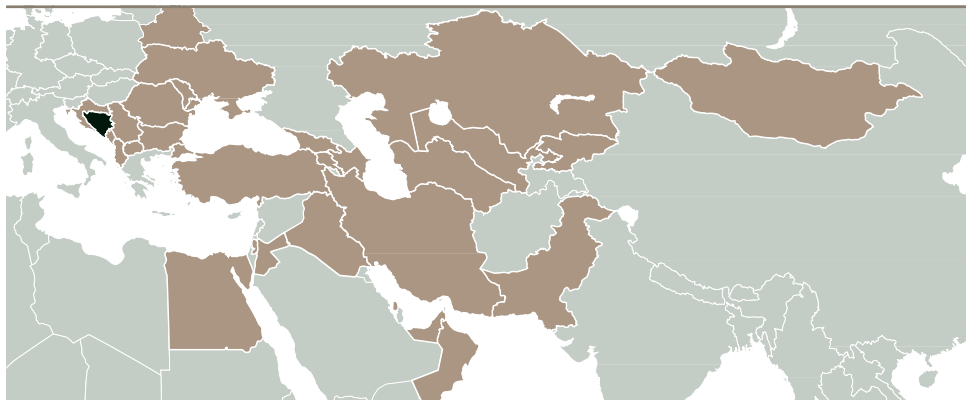
	Market Capitalization (US\$ millions)	Index
Jul-09	5,048.01	1,828.39
Aug-09	5,250.67	1,954.46
Sep-09	5,562.83	2,055.96
Oct-09	5,647.87	1,982.97
Nov-09	5,540.79	1,911.64
Dec-09	5,261.11	1,839.08

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Mr. Goran Kahvedzic E-mail [goran.kahvedzic@sase.ba](mailto:goran.kahvedzic@sase.ba) Website [www.sase.ba](http://www.sase.ba)

\* Please refer to page 62 for the Bosnia and Herzegovina country report.

STATE COMMODITY & RAW MATERIALS EXCHANGE OF **TURKMENISTAN**

**The exchange is one of the most important domestic economic institutions to date and acts as the main body for import and export operations in the country as well as a government regulator.**

**Shaberdi Meredov**  
CEO

**HISTORY AND DEVELOPMENT**

The State Commodity and Raw Materials Exchange of Turkmenistan (SC&RME) was created by decree of the President of Turkmenistan, Saparmurat Turkmenbashi, in 29 July 1994. The Exchange is one of the most important domestic economic institutions to date and acts as the main body for import and export operations in the country as well as a governmental regulator.

There are many indicators of activity regarding the Exchange. During 2004, 1,071 export contracts for the sum of US\$ 677,577.3 thousand were registered. These figures are indicative of the favorable political and economic situation in Turkmenistan, its rich natural resources, and of utmost importance, the reliability and stability of state organizational structures to attract business from all over the world. SC&RME has relationships with more than 45 countries.

Business people from Turkey, Russia, the USA, the UAE, Germany, Great Britain, buy oil products, liquefied gas, cotton fiber, cotton yarn, handmade Turkmen carpets, hides and knitwear from Turkmenistan.

An information and analytical system was created for the SC&RME to enable direct operational control of contract execution as well as for information retrieval. The InfoBase database will be developed to allow the retrieval of world quotations on significant commodities in real time and to facilitate potential marketing outlets for domestic commodity production.

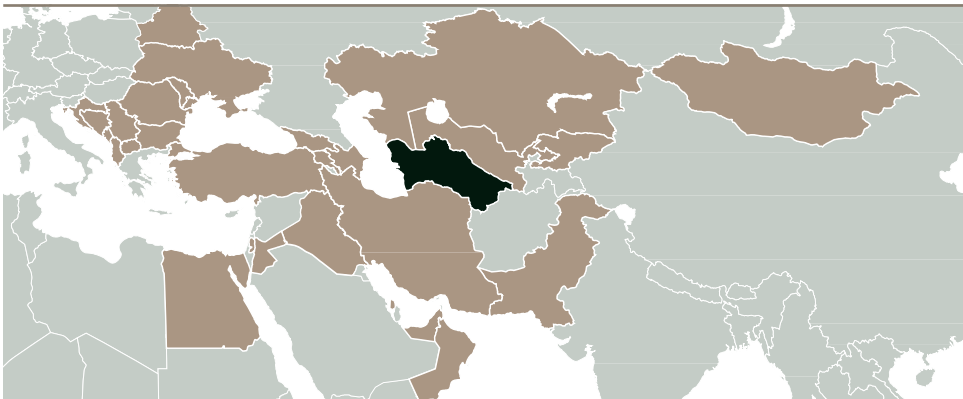
**FUTURE OUTLOOK**

The following plans are currently underway:

- further development of external economic links with foreign trade companies;
- streamlining the uses of PR companies and the services they provide in terms of mass media disclosure;
- expansion of external contacts with international and regional organizations;
- simplification of the contract registration procedure; and
- increasing the level of skill and experience of Exchange staff through interactions between organizations.

**CONTACT INFORMATION**

Contact Name Mr. Shaberdi Meredov E-mail [info@exchange.gov.tm](mailto:info@exchange.gov.tm) Website [www.turkmenbusiness.org](http://www.turkmenbusiness.org)



STATE COMMODITY & RAW MATERIALS EXCHANGE OF **TURKMENISTAN****ECONOMIC AND POLITICAL DEVELOPMENTS****Politic and Economic Environment**

Mr Berdymukhamedov has presided over some modest reforms, taking steps to redress some of the more damaging policies implemented by his predecessor, Saparmurad Niyazov. However, prospects for a fundamental shift towards a more liberal political system seem remote. Reforms are not expected to result in a more transparent or democratic political process. The number of deputies in the Mejlis (parliament) was increased, ostensibly to ensure better representation of the population, but it enjoys no greater authority than its predecessor. Crucial to Mr Berdymukhamedov's survival in office will be rewarding officials and balancing competing interests—ensuring the flow of gas exports, and hence inflows of foreign exchange—which underpin the patronage network. This will require a resolution to the dispute with Russia stemming from the shutdown (due to an explosion in early April) of the main gas export pipeline to Russia, halting most Turkmen gas exports for at least three months, and evolving into a dispute over the price of Turkmen gas exports to Russia. The administration is considering taking Turkmenistan some way along the path followed by Kazakhstan: making the country more welcoming to foreign investment, but keeping political liberalisation to a minimum.

Although Russia will remain Turkmenistan's largest gas export market in 2009-10, it will face growing competition from China, the EU and, potentially, the Middle East. However, with global energy prices set to remain depressed for some time, doubts over the commercial viability of such projects will persist, and will make it more difficult to find the necessary financing, particularly given that many of the EU's larger economies are expected to post negative growth in 2009. For this reason, Russia is expected to remain Turkmenistan's largest gas export market for the foreseeable future. China and Turkmenistan are constructing a gas pipeline that will connect

the two countries. Turkmenistan says that it will be ready to start pumping gas at end-2009, with China eventually expected to import up to 30bn cu metres annually from Turkmenistan along this route. Turkmenistan will also promote closer links with countries in the Middle East, such as Jordan, which will give it further leverage.

**Economic Performance**

The IMF has praised the authorities' "prudent" macroeconomic policies, but the loss of a sizeable part of gas export revenue is likely to be placing serious strains on the budget. Despite Mr Berdymukhamedov's stated willingness to contemplate economic reforms, he has in practice presided over few reformist measures in his two years in office. The state retains a dominant role in all sectors of the economy, and relies on subsidies, price controls, and the free provision of utilities, to keep the economy afloat. State control over the leading economic sectors remains tight, the public finances remain opaque, and monetary policy remains rudimentary. Some policy changes are possible in the hydrocarbons sector; recognising the country's technological and financial limitations in development of the sector, the president has been more receptive to foreign oil and gas companies wishing to invest in the industry. Companies from countries such as Russia and China, having greater experience of operating in Turkmenistan, will be well prepared to work within existing constraints. Serious restrictions on liquidity, especially in 2009, are likely to limit Russian investment. Owing to likely losses to budget revenue from the disruption to gas exports from early April, it is forecast a deficit equivalent to 1% of GDP in 2009, up from our previous forecast of 0.1%. The deficit is expected to decline moderately in 2010, to 0.5% of GDP.

Despite evidence that the global economy is stabilising, the outlook remains extremely subdued.

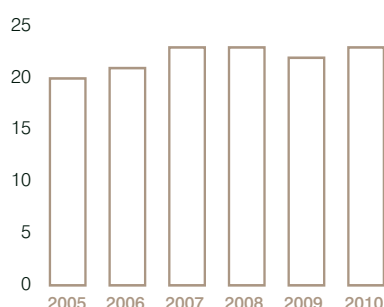
After posting estimated growth of 3% in 2008, the economy is expected to contract by 5% in 2009. Russian investment will be lower than in recent years. Chinese investment into the Turkmen hydrocarbons sector will provide some support for the economy, but investment from other sources will remain minimal. Agricultural output should improve from 2009 owing to the weak base established in 2007-08, but the sector will continue to experience serious difficulties because of the lack of reform.

Estimated inflation in 2008 accelerated to 13% due to large increases in prices of fuel and public transport, as well as higher prices for imported foodstuffs. The rate is expected to accelerate further in 2009, to 15%; although global non-oil commodity prices are forecast to fall, the price of imported goods will be pushed upwards by the devaluation and redenomination of the manat. Base effects should allow consumer price inflation to decelerate to around 12% in 2010.

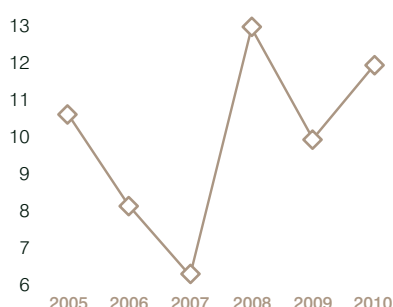
A current-account surplus was estimated at US\$4.7bn in 2008, equivalent to more than 50% of GDP, and is expected to continue to post substantial, although smaller, surpluses throughout the forecast period. Price trends for imports of capital goods are favourable, and the devaluation of the official exchange rate and restrictions on access to foreign exchange, in conjunction with tariff and non-tariff barriers, will keep import growth muted. Export revenue will be lower. Reliance on imported services in sectors such as construction and hydrocarbons will result in moderate growth in services debits. Transit trade will provide only limited services credits, ensuring that the services deficit remains relatively large. Gas exports will keep the overall current account in strong surplus—albeit substantially lower than previously forecast.\*

\* The Economist Intelligence Unit Limited, July 2009

**REAL GDP**  
(TMM millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)





STATE COMMODITY & RAW MATERIALS EXCHANGE OF **TURKMENISTAN****TURKMENISTAN ECONOMIC CHARTS AND TABLES**

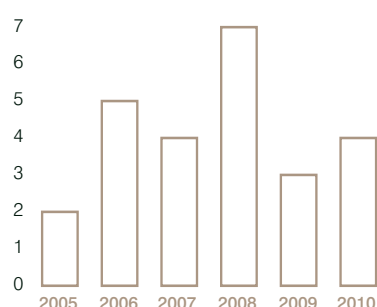
	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	5	6 (a)	7 (a)	7	7 (a)	7 (b)
Real GDP bil TMM	20 (a)	21 (a)	23 (a)	23 (a)	22 (a)	23 (b)
Real private consumption bil TMM	n/a	n/a	n/a	n/a	n/a	n/a
Real government consumption bil TMM	n/a	n/a	n/a	n/a	n/a	n/a
Real gross fixed investment bil TMM	n/a	n/a	n/a	n/a	n/a	n/a
Real stockbuilding bil TMM	n/a	n/a	n/a	n/a	n/a	n/a
Real exports of G&S bil TMM	14 (a)	14 (a)	16 (a)	15 (a)	11 (a)	13 (b)
Real imports of G&S bil TMM	15 (a)	16 (a)	21 (a)	20 (a)	14 (a)	16 (b)
Real domestic demand bil TMM	11 (a)	13 (a)	17 (a)	18 (a)	14 (a)	16 (b)
Real GDP at factor cost bil TMM	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Real agriculture bil TMM	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Real industry bil TMM	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Real manufacturing bil TMM	n/a	n/a	n/a	n/a	n/a	n/a
Real services bil TMM	0	0 (a)	0 (a)	0	0 (a)	0 (b)
Gross national savings rate (%) %	48.2 (a)	60.6 (a)	47.5 (a)	58.8 (a)	22.8 (a)	36.1 (b)
Gross national savings/investment %	166.3 (a)	803.7 (a)	666.1 (a)	-1,309.9 (a)	243.3 (a)	294.1 (b)
Budget balance (% of GDP) %	0.8 (a)	5.3 (a)	3.9 (a)	3.2 (a)	-2.0 (a)	1.0 (b)
Consumer prices (% change pa; av) %	10.7 (a)	8.2 (a)	6.3 (a)	13.0 (a)	10.0 (a)	12.0 (b)
Exchange rate LCU:US\$ (av) TMM/US\$	2.2030 (a)	2.1764 (a)	2.1380 (a)	2.6120 (a)	2.8500 (a)	2.8500 (b)
Lending interest rate (%) %	17.3	17.2 (a)	17.0 (a)	17.0 (a)	15.0 (a)	17.5 (b)
Stock of domestic credit bil TMM	3	3	4	5	5 (a)	6 (b)
Domestic credit growth (%) %	-3.5	-6.7	30.7 (a)	38.9 (a)	-5.2 (a)	15.4 (b)
Deposit interest rate (%) %	8.6	9.0 (a)	11.0 (a)	10.0 (a)	8.0 (a)	9.5 (b)
Population million	4.7	4.7	4.8	4.8 (a)	4.9 (a)	4.9 (b)
GDP per head (\$ at PPP) US\$	1	1 (a)	1 (a)	1 (a)	1 (a)	1 (b)
Current account balance/GDP %	19.2 (a)	53.0 (a)	40.4 (a)	63.3 (a)	13.4 (a)	23.9 (b)
International reserves bil US\$	4	8	13 (a)	14 (a)	9 (a)	11 (b)
Trade balance bil US\$	2	5	4	7	3 (a)	4 (b)
Foreign-exchange reserves bil US\$	4	8	13 (a)	14 (a)	9 (a)	11c
Total foreign debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Public medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Private medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
IMF debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Short term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Net debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Export credits bil US\$	n/a	n/a	n/a	n/a	n/a	n/a

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

**TRADE BALANCE**

(US\$ billions)



## EMIRATES

### Emirates airline flies to more than 100 destinations in over 60 countries with 10,000 cabin crew from 120 countries, speaking 55 languages.

One of the fastest growing airline companies in the world Emirates has been established as the official international airline of the United Arab Emirates just over 20 years ago. Emirates airline flies to more than 100 destinations in over 60 countries with 10,000 cabin crew from 120 countries, speaking 55 languages.



Emirates operates with 147 aircrafts with an average fleet age of 69 months; one of the youngest commercial fleet in skies. In a year where the aviation industry was rocked by the economic downturn, Emirates Airline reported its 22nd year of profit, up 416 percent to close at US\$ 964 million with almost 27.5 million passengers choosing Emirates over other airlines.



Emirates aiming to become one of the largest airlines in the world, fly between Istanbul and Dubai 11 times per week with wide body aircrafts. For European countries, Romania, Macedonia, Bulgaria, Serbia, Montenegro, Bosnia and Herzegovina, Slovenia, Belorussia, Ukraine and Moldavia which still do not have Emirates services, Istanbul acts as a connecting hub where passengers can connect to Emirates services to Dubai and beyond across six continents...

Main elements that make up the Emirates difference, on and off the ground is its service excellence, comfort and superior technology.

#### Comfort of connecting at Dubai Airport

Terminal 3 at Dubai Airport which is dedicated only to Emirates airline, holds the finest waiting lounges for Emirates passengers. The sumptuous First Class Lounge features an extensive selection of international gourmet dishes, a Wine Cellar where you can taste and purchase exclusive labels and Timeless Spa where you can indulge into some luxurious pampering when you most need it.



Business Class lounge designed to meet the demands of discerning customers also provides a soothing and enjoyable ambience. The lounge not only serves a gourmet selection of hot and cold delicacies but also a wide range of signature treatments from Timeless Spa with nominal fees. At the Business Lounge it is also possible to use shower facilities before your flight to freshen up.

When work cannot wait, both of the lounges provide fully-equipped Business Centers with conference rooms, internet enabled-computers, printers, WIFI access and recharging facilities for laptops and mobile phones.



#### Staying connected through your flight

Emirates' inflight system, ice, which is available almost in all of the Emirates aircrafts, allows passengers to stay in touch while flying with live business, news and sport headlines from BBC News. With "ice" it is also possible to phone, SMS or email the world below direct from your seat during flight.



The system also offers a staggering choice of up to 1200 channels of entertainment including 230 movies from around the world which are available in over 20 languages. All Emirates passengers in all classes enjoy the wide selection of entertainment and information on all Emirates flights and on every passenger seat with a personal video screen.

#### Super-jumbo A380 aircraft

The Emirates A380 promises customers in all classes a whole new travel experience. Designed to transport passengers on long-haul journeys in unmatched comfort, the Emirates A380 boasts First Class Shower Spas, a spacious onboard Lounge and private suites.

Emirates, being the first airline to order Airbus A380 aircraft now has 80 Airbus 380 order and looks forward to expanding the list of destinations at more than 100 airports around the world as A380s become ready.

Emirates currently flies to London Heathrow, Toronto, Paris, Jeddah, Bangkok, Seoul, Sydney and Auckland with the super-jumbo aircraft.

For more information:  
[www.emirates.com](http://www.emirates.com)

## TEHRAN STOCK EXCHANGE



**Hassan Ghalibaf**  
CEO

### Despite the widespread financial crisis in the global market, TSE had the IPO of its largest ever listed company, Telecommunication Company of Iran (TCI) in August.

Iranian capital market experienced a flourishing year 2009 in the 41st anniversary of Tehran Stock Exchange (TSE)'s operation, and the trend is expected to continue in 2010.

Ratification of the securities market law in 2005 was a step to develop the Iranian capital market, and the subsequent measures supported the idea. Tehran Stock Exchange Corporation was established in 2006 as a demutualised exchange, aiming to set up a regulated, transparent, efficient and fair market, and to promote investment in securities and increase liquidity.

During the previous years, as stated in the law, the country's capital market has followed the establishing of structures for development and has attempted to provide the required cooperative grounds among all market's participants to create value for direct and indirect stakeholders.

In this fashion, TSE feels committed to grant fair mechanism and enough access for the members and participants to trade securities. Accordingly, escalating market's liquidity was set as one of the main ambitions of TSE.

Great efforts were made during 2009 to increase liquidity. As a result of some studies at the Exchange, price daily fluctuation range was increased for all listed shares and the bigger issuers' base trading volume was cut.

Also, final auction mechanism was proposed to discover the closing price, and single-price auction was introduced as a means to avoid market's fluctuations. Besides, some executive solutions were suggested to the Exchange and Securities High Council, the premier body of the Iranian capital market for approval. Market making directive was reviewed and more incentives were added for more participation.

TSE welcomed new issuers in 2009. Insurance companies and oil and gas extraction industry increased TSE's sectors to 39 and turned the Exchange into one of the most diversified ones. IPOs of three big public banks and insurance companies increased our market capitalization to above US\$ 58 billion at the end of 2009, a 20 percent rise comparing 2008. Trading value, with ten percent increase than 2008, reached the new record of plus US\$ 16.8 billion last year.

Primary studies have been accomplished on diversification of trading products. Stock futures and options are expected to emerge shortly in the Exchange after the software selection is finalized. Moreover, launching stock ETFs, as well as gold-backed ETFs was fully surveyed and the proposed rulings were sent to SEO for approval, the market's regulatory body.

TSE has planned to keep on its growing trend to build the required foundations and change trading rules for more facilitated access to a transparent and fair market, and also will try to benefit the international bodies' technical supports.

## HISTORY AND DEVELOPMENT

Tehran Stock Exchange (TSE) was founded in 1967, by starting with only six listed companies. Since then, the Exchange has experienced considerable changes in the path of development. Today, three years after its demutualization, which took place on 6 December 2006, TSE has gradually demonstrated its potentiality as a leading Exchange in the region and developed into an ever-growing marketplace, including more than three hundred listed companies with a market capitalization of above US\$ 60 billion. The mission is setting the agenda for the change in the Iranian securities markets. TSE must be more than a mere market facilitator and ought to be able to guide industries towards new horizons and greater opportunities, as it is actually doing through the strict regulations and listing standards. TSE is aiming at promoting the Iranian Capital Market to respond to the socio-economic development needs of the nation. The Exchange helps and stimulates industrial, as well as economic growth and development of the country's financial sector. TSE is preparing to maintain a strong and transparent market in order to give

opportunity to the investors to convert their cash into securities at a fair and honest price and vice versa, and is developing to become a highly liquid secondary market for securities to raise funds and win confidence from all stakeholders.

TSE is planning to operate as a world-class marketplace for Iranian securities and derivatives products. It strives to offer issuers access to a wide national marketplace. It must make a contribution to Iran's status as an economy, which intends to open-up to international financial centers. By servicing Iran's substantial long-term demand for capital and exchange services in accordance with international standards and practices, it is believed that TSE has the potential to become one of the pre-eminent Exchanges in the Persian Gulf area.

Privatization, as a priority is both followed by the State and managed by TSE on the one hand, to facilitate the economic reforms, and on the other one, to improve and support the Iranian securities market. In this fashion, among the floated companies since January 2009, shares of some state-owned banks and

insurance companies were traded for the first time in the Exchange.

For the coming year, introducing derivatives is in the agenda.

## FUTURE OUTLOOK

- Continuation of privatization plan and IPOs of state-owned companies
- Increasing liquidity in securities market with a review on trading regulations
- Launching derivatives market and introducing stock futures and options
- Establishing Islamic bonds and products, based on market development act and tax exemption
- Introducing new indices
- Setting up required mechanisms for tracking frauds and claiming against breach of market law
- Creating efficient corporate governance and investor relations frameworks
- Facilitating and expanding market access by means of developing brokerage network, e-trading and DMA

## TEHRAN STOCK EXCHANGE

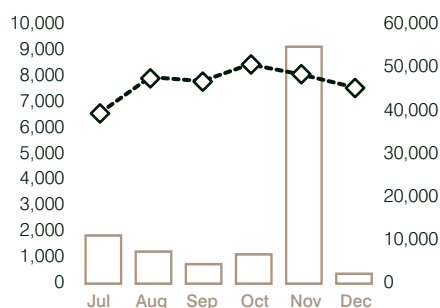
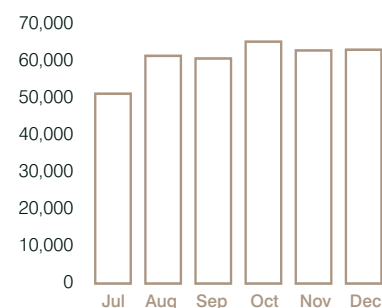
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	1,862.88	98.05	20,256.68	1,066.14
Aug-09	1,239.49	53.89	5,746.93	249.87
Sep-09	753.49	35.88	4,202.53	200.12
Oct-09	1,133.96	56.70	4,669.29	233.46
Nov-09	9,162.29	436.30	26,675.42	1,270.26
Dec-09	382.40	20.13	1,547.39	81.44
<b>TOTAL</b>	<b>14,534.50</b>	<b>116.82</b>	<b>63,098.25</b>	<b>516.88</b>
<b>Bonds</b>				
Jul-09	0.02	0.00	0.00	0.00
Aug-09	0.02	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.04</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	51,392.36	39,732.00
Aug-09	61,640.44	47,554.00
Sep-09	60,921.49	46,934.00
Oct-09	65,479.00	50,785.00
Nov-09	63,101.08	48,680.00
Dec-09	63,298.81	45,598.00

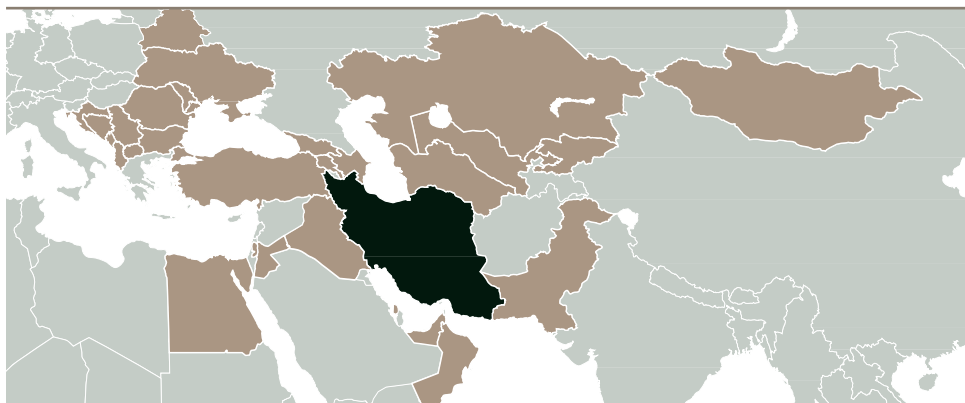
MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

☐ Stocks
 ☒ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Mr. M. E. Jahandoost E-mail [int@tsemail.com](mailto:int@tsemail.com) Website [www.tse.ir](http://www.tse.ir)



## TEHRAN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

The president, Mahmoud Ahmadinejad, who was inaugurated for a second term in August 2009, will continue to implement an unorthodox and populist conservative agenda over the forecast period that appears increasingly at odds with other powerful forces in Iran. In his first term, Mr Ahmadinejad ensured that any opposition to his hardline conservative policies from both within and outside government was dealt with firmly. Such robustness, at the expense of political unity, is expected to continue in his next government.

Despite the hardening of Iran's nuclear stance, its leadership remains sensitive to popular opinion, which appears to want a peaceful resolution of the nuclear dispute. The Iranian administration seems to be testing the diplomatic waters with the US, with which Iran has had an exceptionally difficult relationship since the 1979 Islamic revolution. Following the election of Barack Obama as US president, Iran appears more receptive to the idea of direct diplomatic talks with the US. Despite Mr Obama's apparent willingness to engage with and reach out to the Iranian leadership and people, the depth of animosity between the two countries, and the internal pressures not to concede too much to the other, is likely to mean that there will be only halting progress towards rapprochement.

#### Economic Performance

The new Ahmadinejad government will be under strong economic pressure to encourage foreign investment, after the sharp fall in international oil prices in early 2009 and because of the near impossibility of attracting project financing as a result of sanctions and the global financial meltdown. Lower oil prices mean that Iran can no longer rely on its own resources for the major investments needed to sustain oil production and meet increased domestic demand for gas and electricity. However, the combination of sanctions (imposed in response to Iran's ongoing nuclear

programme) and the drying up of international credit markets means that Iran has few viable alternatives. Owing to its nationalist stance, the government will continue to seek to be self-reliant, favouring local firms where possible, especially in the energy and petrochemicals sectors. Given the concerns over future investment, Iran's oil production capacity target of 5.6m barrels/day (b/d) by 2010, up from an estimated 4m b/d at present, will not be met without outside help. Despite having pushed for and won a significant cut in OPEC output in response to a sharp decline in international oil prices, Iran's domestic economic situation will add pressure on it to maintain its own production levels (which are nevertheless estimated to have declined marginally in 2009) to help to cushion itself against a significant fall in oil prices. If the nuclear dispute worsens markedly—leading to an eventual embargo on Iranian oil exports or an Iranian cessation of output, or worse, military action—the impact on economic policymaking would be severe. Cutbacks in government spending would be required, and the ability of Iranian industries to source capital goods or raw materials from abroad would be disrupted.

Iranian real GDP growth is forecast to strengthen slightly over the forecast period as a result of higher oil prices and rising oil output. We estimate that real GDP growth will have weakened in 2009/10 to just 0.5%, owing to the drop in oil earnings over the year, which will have affected the rate of private consumption and investment growth. Although these trends will be reversed—especially in 2010—THE expected net oil export growth is to be held back by a lack of refining capacity in 2010-11, which is largely a result of political interference and subdued foreign investor interest. This will continue to leave Iran increasingly reliant on fuel imports, which have been rising despite the imposition of petrol rationing in 2007. Despite this, Iranian real GDP is forecast to pick up steadily to 2.9% in

2010/11, and further to 3.5% in 2011/12.

With fiscal policy likely to remain expansionary, albeit not to the extent it was in previous years, concerns over inflation are set to persist in 2010-11. However, with international non-oil commodity prices remaining relatively low over the forecast period, annual inflation is expected to fall quite sharply to an average of 13.8% in 2010 and 12% in 2011. Latest official data show that consumer price growth eased to 13.1% year on year in August 2009—its lowest level for almost three years.

Bank Markazi (the central bank) has hitherto allowed the Iranian rial to weaken in nominal terms in order to support the competitiveness of non-oil exports. The rial will have depreciated on average by around 5% in nominal terms in 2009, with the currency averaging IR9,928:US\$1 for the year.

The decline in oil export revenue will have outstripped the drop in import spending in 2009/10, owing to the sharp fall in average oil prices. Overall, it is forecast that the trade surplus will have shrunk considerably in 2009/10, to US\$13bn, from over US\$31bn in the previous year. However, because of a rise in global oil prices in 2010, the trade surplus is expected to widen, to US\$24bn in 2010/11, before narrowing again in 2011/12, to US\$23bn, as oil prices drop slightly. The non-merchandise deficit is expected to fall a little on average in 2010-11, as income and current transfers surpluses offset an increase in the services deficit. The rise in international oil prices will also have a positive impact on the current-account surplus, which we forecast will widen to over 3% of GDP in 2010/11, from an estimated surplus of just 0.6% of GDP in 2009/10, before narrowing again to 2.7% of GDP in 2011/12.\*

\* The Economist Intelligence Unit Limited, November 2009

#### Key Information Contacts

Tehran Stock Exchange Corporation; <http://www.iranbourse.com>

Securities and Exchange Organization; <http://www.seo.ir>

Iranian Privatization Organization; <http://www.en.ipa.ir>

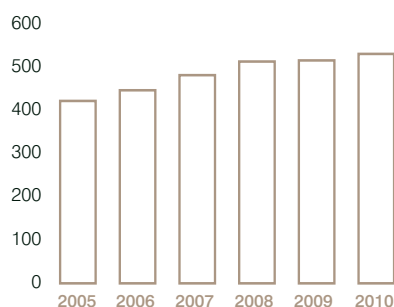
TSE's Technology Management Company; <http://english.tsetmc.com>

Central Bank of the Islamic Republic of Iran; <http://www.cbi.ir>

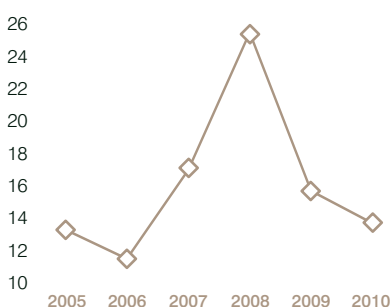
Iranian Chamber of Commerce, Industries and Mines (ICCIM); <http://www.iccim.com>

Organization for Investment, Economic & technical Assistance (OIETA) a division of the Ministry of Finance; <http://www.investiniran.ir>

**REAL GDP**  
(IRR millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)





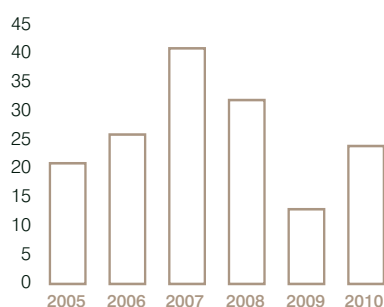
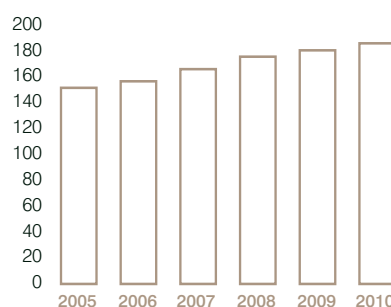
## TEHRAN STOCK EXCHANGE

## IRAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	635	694	769	837 (a)	852 (a)	888 (b)
Real GDP bil IRR	423,208	447,962	483,013	514,611 (a)	517,221 (a)	532,313 (b)
Real private consumption bil IRR	235,816	250,324	273,060	296,270 (a)	305,454 (a)	315,534 (b)
Real government consumption bil IRR	49,644	53,337	51,027	53,578 (a)	55,186 (a)	56,565 (b)
Real gross fixed investment bil IRR	151,685	156,730	166,129	175,764 (a)	180,686 (a)	186,106 (b)
Real stockbuilding bil IRR	8,970 (a)	12,992 (a)	22,203 (a)	25,372 (a)	23,689 (a)	29,255 (b)
Real exports of G&S bil IRR	79,917 (a)	81,515 (a)	86,406 (a)	89,862 (a)	86,268 (a)	86,958 (b)
Real imports of G&S bil IRR	102,824 (a)	106,937 (a)	115,812 (a)	126,236 (a)	134,062 (a)	142,106 (b)
Real domestic demand bil IRR	446,115 (a)	473,383 (a)	512,419 (a)	550,985 (a)	565,015 (a)	587,461 (b)
Real GDP at factor cost bil IRR	420,928	446,880	477,683	508,933 (a)	511,513 (a)	526,439 (b)
Real agriculture bil IRR	59,602	62,386	66,235	68,222 (a)	70,132 (a)	72,938 (b)
Real industry bil IRR	150,119	160,409	173,011	180,796 (a)	188,028 (a)	196,114 (b)
Real manufacturing bil IRR	80,328	88,112	95,782	103,445 (a)	110,168 (a)	118,431 (b)
Real services bil IRR	215,969	230,077	245,758	259,914 (a)	253,353 (a)	257,388 (b)
Gross national savings rate (%) %	40.4 (a)	39.1 (a)	40.5 (a)	35.7 (a)	30.5 (a)	33.2 (b)
Gross national savings/investment %	128.4 (a)	130.7 (a)	141.9 (a)	125.0 (a)	102.2 (a)	111.7 (b)
Budget balance (% of GDP) %	-3.6	-7.2	-3.6	-3.5 (a)	-4.9 (a)	-3.0 (b)
Consumer prices (% change pa; av) %	13.4	11.6	17.1	25.6	15.8 (a)	13.8 (b)
Exchange rate LCU:US\$ (av) IRR/US\$	8,964	9,171	9,281	9,429	9,928 (a)	10,127 (b)
Lending interest rate (%) %	16.2	14.0	12.5	12.0 (a)	12.0 (a)	12.5 (b)
Stock of domestic credit bil IRR	601,340	719,374	1,018,630	1,359,871 (a)	1,706,638 (a)	2,187,910 (b)
Domestic credit growth (%) %	17.0	19.6	41.6	33.5 (a)	25.5 (a)	28.2 (b)
Deposit interest rate (%) %	13.0	11.0	11.5	11.7 (a)	11.7 (a)	11.9 (b)
Population million	70.8	71.6	72.4	73.3	74.2 (a)	75.1 (b)
GDP per head (\$ at PPP) US\$	8,967	9,689	10,619	11,420 (a)	11,490 (a)	11,830 (b)
Current account balance/GDP %	8.8	9.2	11.9	7.1 (a)	0.7 (a)	3.4 (b)
International reserves bil US\$	45 (a)	58 (a)	82 (a)	97 (a)	81 (a)	75 (b)
Trade balance bil US\$	21	26	41	32	13 (a)	24 (b)
Foreign-exchange reserves bil US\$	45 (a)	58 (a)	82 (a)	96 (a)	81 (a)	75 (b)
Total foreign debt bil US\$	21	20	21	21 (a)	19 (a)	18 (b)
Public medium & long-term bil US\$	10	11	11	10 (a)	10 (a)	9 (b)
Private medium & long-term bil US\$	0	0	0	0	0 (a)	0 (b)
IMF debt bil US\$	0	0	0	0	0	0 (b)
Short term bil US\$	11	9	9	11 (a)	9 (a)	10 (b)
Net debt bil US\$	-24	-38	-61	-75 (a)	-62 (a)	-57 (b)
Export credits bil US\$	4	4	4	5	4 (a)	3 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, September 2009.

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(IRR millions)

## TIRANA STOCK EXCHANGE



**Anila Fureraj**  
General Manager

## The development of a reliable and transparent securities market according to international standards will be one of the main tasks of the Tirana Stock Exchange.

The development of a transparent capital market according to international standards, and activation of the capital market as a trading platform for various financial instruments, remains the main objective of the TSE.

During 2009, for the first time in Albania was promoted The Albanian Manual of Corporate Governance. The manual was part of the Program on Corporate Governance in Eastern Europe implemented by IFC, and funded by SECO, in collaboration with Tirana Stock Exchange. The manual sets the stage reference in the field of corporate governance in Albania, being a referent guide for businesses in Albania, for their good corporate

governance. Good governance will mean recognition, observance and enforcement of laws and a culture of high society, governance and management. The manual will help joint stock companies paying particular attention to capital market in Albania, which may offer the latter with new ways of investment.

Activation of the capital market will make businesses understand the benefits that brings this market, will bring increased access to funding, increased performance and transparency of companies, will help their shareholders in their decision making with respect to ownership actions and how they may be using the capital market and trading in securities. Although stock companies are few

in number in our country, compared with other countries in the region, they constitute the dynamic part of Albanian businesses. As such, it is time to request stock companies to follow the principles for good governance of their own, given the separation of ownership from management of the company, the quality of the Board of Directors, the responsibility on stakeholders, and other important related issues. Good corporate governance reinforces the safety, integrity and efficiency of the market, thus making possible the growth and financial stability of the country, and making Albania a country always more attractive to investors.

### HISTORY AND DEVELOPMENT

TSE is the first and the only stock exchange in Albania, established in 1996 originally as a department of Bank of Albania (BoA). The activity at hand, at that time, was the trading of the T-Bills with 12 months-to-maturity, five series of government bonds and privatization vouchers. It also held out the primary auctions for Treasury Bills until August 1st, 1998, than this market moved to Monetary Operations Department, at BoA. In March 2002, TSE was structured as a joint-venture company and a state – owned one, with the only shareholder Minister of Finance (100% of the shares). It's authorized and subscribed Capital is equal to 20,000,000 lek (~EUR163,000) with a no. of shares of 20,000. On 07.13.2007, after several periodical - limited licenses since 2002, the Albanian Financial Authority, granted Tirana Stock Exchange with an infinite validity license. The license empowers TSE "To operate as a securities market for the trading of Government / Corporate Debt Securities and Capital securities" with no time restriction.

#### Market Structure -Trading

TSE is an order-driven "open outcry – call market" which uses a manual trading system with physical presence of licensed commissioners (members) on the trading floor. There is no electronic trading system so far. Securities' prices on the trading sessions are set according to "single price method", while trading is held:

- every Monday and Wednesday, from 10.00 - 12.00, for the official market.
- every Friday for trading in the parallel market.

The eligible tradable instruments are: shares, government papers and corporate bonds. In order to trade, TSE commissioners should be physically presented in the trading sessions. Each trading session is conducted in two rounds. Organized as an auction market, TSE calculates a single price for each tradable instrument, at the end of each trading day.

Clearing and settlement for every type of securities traded at TSE, is done on a net basis within T+3, in full accordance with "Delivery Versus Payment – DVP" principle. Clearing and settlement for transactions executed at TSE is done in cooperation with second tier commercial banks and Albanian Share Registrar for joint-stock company shares.

#### Membership

Up to now, TSE records 4 licensed members, two commercial banks and two private companies, which offer brokerage services for investors.

### FUTURE OUTLOOK

Activating the securities market as a common trading platform for several financial instruments, will be the strategic objective of the TSE. Achievement of such an important goal shall be carried out through:

- Working closely with and assisting in the continuance of domestic top level businesses, TSE members, etc. to make them aware of advantages the securities market may offer them as well as providing these stockholders with necessary information, in order to be listed at TSE,

• Bilateral negotiations with Albanian Government towards the inclusion of TSE in the privatization process of the state-owned enterprises (SOEs). These negotiations will cover identification of potential strategic and non-strategic state owned companies, which can be privatized through IPO,

• Negotiations both with the Albanian Government and the Ministry of Finance towards the assignment of TSE, by Ministry of Finance (MoF), as Government's agent in organizing primary auction for long-term public debt securities,

• Negotiation and cooperation with both, MoF and AFSA towards the compilation of legal and fiscal incentives, which are deemed necessary to encourage private companies to raise their capital through IPOs and TSE listing,

• Performance of a marketing campaign, in full compliance with the marketing program compiled by TSE with a final objective to attract domestic business at exchange listing;

• In cooperation with AFSA, carrying out of a continued public education & information campaign regarding the securities market and advantages that provides its use;

• Improvement of information technology at TSE in order to make it possible to provide the market with an appropriate Electronic Trading System for securities;

• Keeping fruitful cooperation with institutions in the region, regarding the exchange of experiences and staff training, targeting further improvement of human resources capacity within the field of securities market.

## TIRANA STOCK EXCHANGE

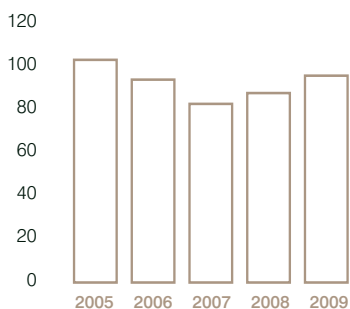
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<b>Stocks</b>				
Jul-09	n/a	n/a	n/a	n/a
Aug-09	n/a	n/a	n/a	n/a
Sep-09	n/a	n/a	n/a	n/a
Oct-09	n/a	n/a	n/a	n/a
Nov-09	n/a	n/a	n/a	n/a
Dec-09	n/a	n/a	n/a	n/a
<b>TOTAL</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Bonds</b>				
Jul-09	n/a	n/a	n/a	n/a
Aug-09	n/a	n/a	n/a	n/a
Sep-09	n/a	n/a	n/a	n/a
Oct-09	n/a	n/a	n/a	n/a
Nov-09	n/a	n/a	n/a	n/a
Dec-09	n/a	n/a	n/a	n/a
<b>TOTAL</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Other</b>				
Jul-09	n/a	n/a	n/a	n/a
Aug-09	n/a	n/a	n/a	n/a
Sep-09	n/a	n/a	n/a	n/a
Oct-09	n/a	n/a	n/a	n/a
Nov-09	n/a	n/a	n/a	n/a
Dec-09	n/a	n/a	n/a	n/a
<b>TOTAL</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

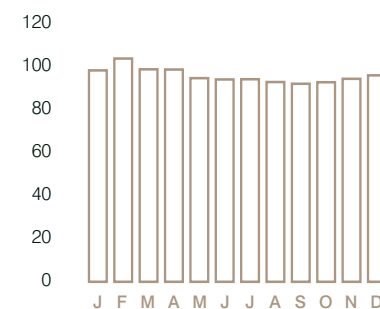
\* The TSE is trading debt instruments only at this time, but there is no volume to-date.

	Market Capitalization (US\$ millions)	Index
Jul-09	n/a	n/a
Aug-09	n/a	n/a
Sep-09	n/a	n/a
Oct-09	n/a	n/a
Nov-09	n/a	n/a
Dec-09	n/a	n/a

5-YEAR CURRENCY EXCHANGE  
(US\$ millions)

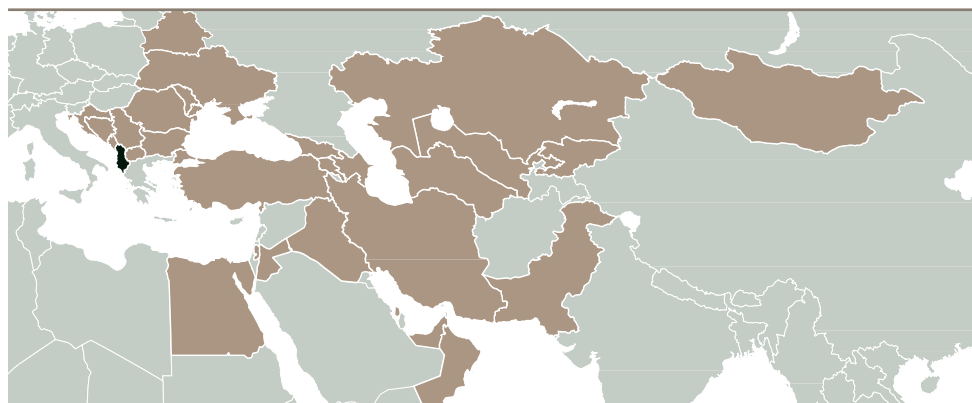


2008-MONTHLY CURRENCY EXCHANGE  
(US\$ millions)



## CONTACT INFORMATION

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TIRANA STOCK EXCHANGE

ECONOMIC AND POLITICAL DEVELOPMENTS

Political Environment

Albania is Parliamentary Republic with 140 deputies (political representatives) elected from sovereign once in four years with general elections. Main powers are legislative and executive. On 28 June 2009 Parliamentary elections were held. After a lengthy counting process Albania's Central Electoral Commission (CEC) confirmed the poll was won by incumbent PM and DP Berisha. Berisha's right-wing 'Alliance for Change' coalition had secured 70 seats in Parliament, while the SP gained 65 seats.

Economic Performance

The development of the Albanian economy has, since the fall of Communism, been fueled primarily by the service and construction industries. Tourism, of late, has played an increasing role in the Albanian economy, and is growing rapidly. Many people are curious to explore a country whose borders were closed to travel for many years.

The country is rich in natural resources including petroleum, natural gas, coal, bauxite, chromium, copper, iron ore, nickel, limestone, salt, timber, and hydro-electric power.

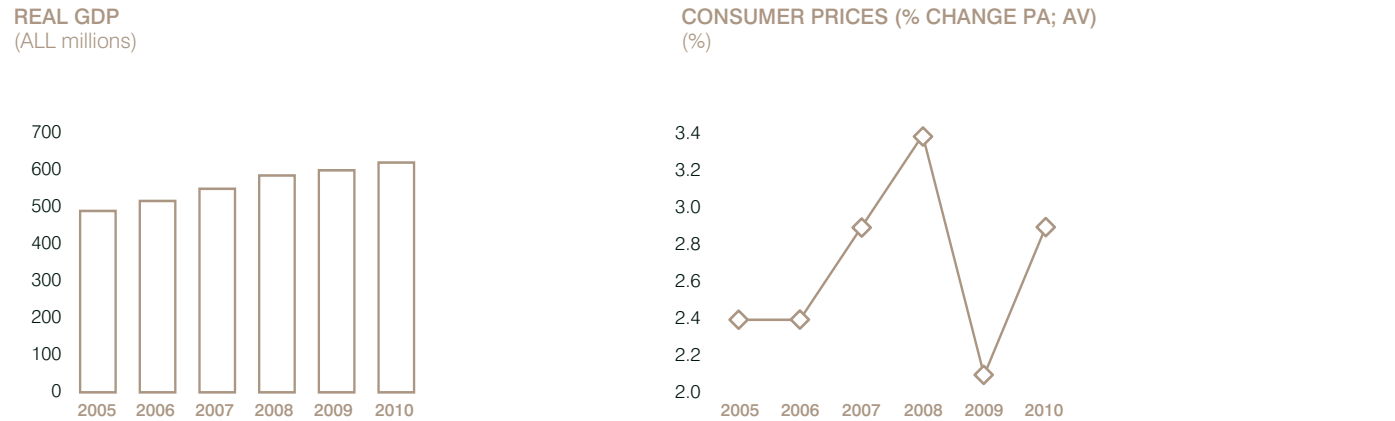
Albania's macroeconomic performance has been impressive since 1998. During the last 8 years the economy has enjoyed virtually uninterrupted rapid growth in a low inflation environment. In recent years the growth rate has averaged close to 6%: the provisional Economic growth over this period took place in a climate of growing macroeconomic equilibrium, evidenced by stable monetary indicators, low and stable inflation rates and the reduction of the budget deficit and public debt. The inflation rate during the past three years has been anchored within the 2% - 4% target range. During this period, the rate of Albania's economic growth has been higher than that of other SE European countries. The Albanian government has approved a flat tax regime of 10%. This move is considered to be

a fiscal revolution for Albania which now allegedly features one of the lowest tax rates in the world. This is believed to be a strong weapon in the fight against the informal sector, a carrot for increased FDI penetration and above all a magic bullet for economic prosperity, to generate double-digit economic growth rates. Investors choosing Albania find that they benefit from 'the Albanian advantage' which comes from investing in a politically stable, fast-growing, low cost, European economy that is today's gateway for European manufacturers into southern Europe.\*

\* Information provided by the Tirana Stock Exchange.

Key Information Contacts

Bank of Albania [www.bankofalbania.org](http://www.bankofalbania.org)  
Ministry of Finance [www.minfin.gov.al](http://www.minfin.gov.al)  
Albanian Institute of Statistics [www.instat.gov.al](http://www.instat.gov.al)  
Albanian Financial Supervisory Authority [www.amf.gov.al](http://www.amf.gov.al)  
Ministry of Economy [www.mete.gov.al](http://www.mete.gov.al)



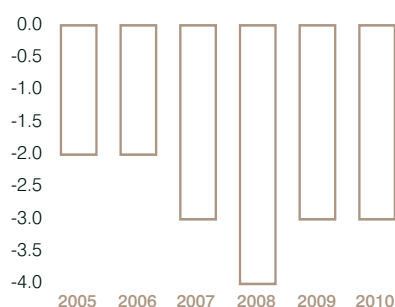
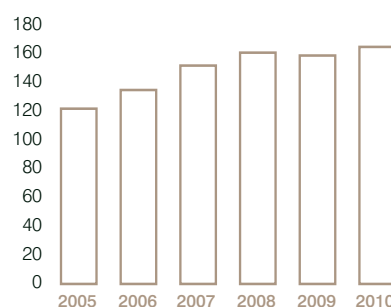
## TIRANA STOCK EXCHANGE

## ALBANIA ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	17	18 (a)	20 (a)	22 (a)	23 (a)	24 (b)
Real GDP bil ALL	491	518 (a)	551 (a)	587 (a)	601 (a)	622 (b)
Real private consumption bil ALL	514	539 (a)	647 (a)	687 (a)	679 (a)	701 (b)
Real government consumption bil ALL	45	47 (a)	49 (a)	58 (a)	63 (a)	64 (b)
Real gross fixed investment bil ALL	122	135 (a)	152 (a)	161 (a)	159 (a)	165 (b)
Real stockbuilding bil ALL	10 (a)	18 (a)	20 (a)	16 (a)	18 (a)	18 (b)
Real exports of G&S bil ALL	163	172 (a)	185 (a)	198 (a)	188 (a)	195 (b)
Real imports of G&S bil ALL	364	392 (a)	503 (a)	533 (a)	506 (a)	522 (b)
Real domestic demand bil ALL	690 (a)	739 (a)	869 (a)	921 (a)	919 (a)	948 (b)
Real GDP at factor cost bil ALL	459	467 (a)	492 (a)	551 (a)	601 (a)	622 (b)
Real agriculture bil ALL	105	108 (a)	108 (a)	111 (a)	113 (a)	115 (b)
Real industry bil ALL	98	100 (a)	104 (a)	107 (a)	103 (a)	106 (b)
Real manufacturing bil ALL	n/a	n/a	n/a	n/a	n/a	n/a
Real services bil ALL	259	491 (a)	518 (a)	551 (a)	601 (a)	622 (b)
Gross national savings rate (%) %	16.8 (a)	17.7 (a)	18.8 (a)	44.5 (a)	19.1 (a)	21.7 (b)
Gross national savings/investment %	71.1	70.7 (a)	62.6 (a)	150.2 (a)	66.2 (a)	74.0 (b)
Budget balance (% of GDP) %	-3.6	-3.2	-3.5	-3.9	-6.4	-4.7 (b)
Consumer prices (% change pa; av) %	2.4	2.4	2.5	2.6	2.8	2.9 (b)
Exchange rate LCU:US\$ (av) ALL/US\$	99.88	98.12	90.51	83.89	94.97	94.2004 (b)
Lending interest rate (%) %	13.1	12.9	14.1	13.0 (a)	12.2 (a)	12.0 (b)
Stock of domestic credit bil ALL	406	488	601	719 (a)	730 (a)	787 (b)
Domestic credit growth (%) %	16.7	20.1	23.0	19.7 (a)	1.5 (a)	7.9 (b)
Deposit interest rate (%) %	5.1	5.2	5.7	6.8 (a)	6.8 (a)	6.5 (b)
Population million	3.2	3.2	3.2	3.3	3.1 (a)	3.2 (b)
GDP per head (\$ at PPP) US\$	5,402	5,870 (a)	6,400 (a)	6,930 (a)	7,180 (a)	7,520 (b)
Current account balance/GDP %	-6.8	-7.2	-8.5	-7.9	-9.8 (a)	-7.6 (b)
International reserves bil US\$	1	2	2	2	2 (a)	2 (b)
Trade balance bil US\$	-2	-2	-3	-4 (a)	-3 (a)	-3 (b)
Foreign-exchange reserves bil US\$	1	2	2	2	2 (a)	2 (b)
Total foreign debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Public medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Private medium & long-term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
IMF debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Short term bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Net debt bil US\$	n/a	n/a	n/a	n/a	n/a	n/a
Export credits bil US\$	n/a	n/a	n/a	n/a	n/a	n/a

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(ALL millions)



## “TOSHKENT” REPUBLICAN STOCK EXCHANGE

**In 2006 the TRSE plans to increase the volume of trade with securities. Most importantly, we will carry out technical modernization of the system of electronic exchange trades.**

**Maximilian Khvan**  
Chairman

As a result of all of the hard work of the staff of the “Toshkent” Republican Stock Exchange (TRSE) in 2005, the TRSE has achieved certain positive results. In year 2005, 5814 transactions with the shares of 643 joint-stock companies and 9 transactions with corporate bonds have been carried out on the trading platforms of the TRSE.

- Trade with corporate bonds accounted for 1%;
- Shares of the privatized state enterprises accounted for 30.5%;
- Shares of the privatized state enterprises obtained by foreign investors for the hard currency accounted for 1.2%;
- IPOs and other additional issued shares of the joint-stock companies for national currency accounted for 4.1%;
- Shares in the secondary market accounted for 38.7%; and
- Shares in the secondary market obtained by foreign investors for hard currency accounted for 24.5% of the total volume.

Although in comparison with the corresponding period of 2004, the trading volume of shares has increased slightly, the trading volume of shares for hard currency has increased 7.4%. Our efforts about the increase of the secondary market have been proving themselves. In the year 2005 trade volume with shares in the secondary market increased 15%.

We expect that the further development of the secondary market will keep this pace. Currently, there are securities of 700 companies in circulation in the secondary market, which should considerably increase the share of securities in the secondary market.

In 2006 the TRSE plans to increase the volume of trade with securities. Most importantly, we will carry out technical modernization of the system of electronic exchange trades:

1. Perfection of the technology of exchange trades:

First, the TRSE will create of a platform for the secondary circulation of shares in the secondary market, working on technology based on simple auction. Second, the TRSE will create a special platform on fulfillment of transactions.

2. Modernization by updating the equipment. The TRSE will complete modernization of equipment in all branches and in the exchange itself.

3. Modernization of trading system of the TRSE.

The TRSE will translate into a new technological platform the whole trading system of the Stock Exchange and create a uniform database. Further the TRSE will endeavor to open facilities for regional broker offices to access the trading system from distance and implement maintenance of a closed network of data transmission for all regional branches.

## HISTORY AND DEVELOPMENT

A stock department was established in 1991, which became a pioneer of Uzbekistan's securities market, and was eventually transformed in 1994 into the “Toshkent” Republican Stock Exchange (TRSE), a closed joint-stock company. The TRSE became an open joint-stock company in 1998. Establishment of the TRSE was closely connected to its market performance and a policy of establishing public joint-stock companies on the basis of privatized government enterprises. Currently, the TRSE has 39 shareholders.

Throughout its development, the TRSE completed a complex infrastructure, a central office in Tashkent, and branches and brokerage offices in all regions nationwide. In 1994, 12 brokerage offices were members of the Exchange and as of the 1 July 2005, this number had increased to 61.

On 1 February 1998, a listing procedure was introduced. On 1 September 1998, shares of the first listed company began trading on the

TRSE. A specialized trading platform, for the purpose of selling shares of privatized enterprises to foreign investors for hard currency, was launched on 1 January 1999.

In 2001, work on Exchange information and electronic trading systems continued. The website [www.uzse.uz](http://www.uzse.uz) started operations in 2001, and today the TRSE continues work on a transition to modern web-technology trading. In addition, the website reflects daily information on IPOs and other JSCs. Investors may follow all the current changes and information on listed companies, share price and amounts standing out.

In 2003 new listing procedures were adopted at the TRSE where the requirements for the official as well as unofficial listing were stated. Currently the four largest companies of Uzbekistan are listed in Class “A” of the official listing.

Founded 12 years ago as Uzbekistan's first stock exchange, the TRSE is actively taking part, always keeping in mind its major role, in the development of the Uzbek capital market.

## FUTURE OUTLOOK

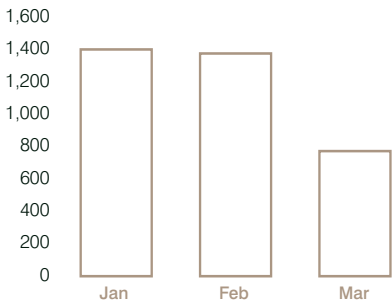
The priority directions of the development of the TRSE in 2006 will become the opening of an additional trade sections on transactions for shares of unlisted companies.

Additionally, the TRSE is planning to change the software system and bring it to standards in accordance with Rules of the Stock Exchange, as well as prepare new, more complex software, in particular:

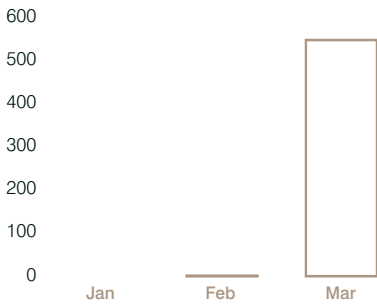
- development of the module on conclusion of turnip-deals, based on technology of continual double auction;
- modernization of software system, based on technologies of the simple auction; and
- full modernization of software system of the TRSE, with transition on new technical platform.

“TOSHKENT” REPUBLICAN STOCK EXCHANGE

TRADING VOLUME  
(UZS millions)



TRADING VOLUME  
(US\$ millions)

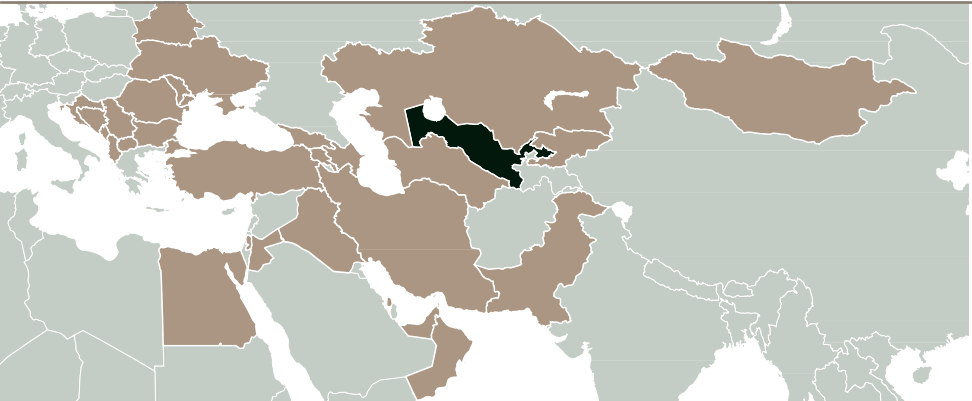


TASIX INDEX 2009



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## “TOSHKENT” REPUBLICAN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### Economic and Political Environment

Mr Karimov dominates the political scene, and there is little prospect of democratisation over the forecast period. Mr Karimov, who was last elected for a seven-year term in December 2007, is expected to maintain a firm grip on power, as there seems to be no co-ordinated opposition to his rule from within the political hierarchy. Furthermore, years of repression have prevented the emergence of an opposition figure capable of challenging him successfully. Most of his opponents are living in exile.

Relations with the US and the EU have improved from a low in 2005, driven by anti-terrorist initiatives, the regional security agenda, the small steps taken by the Uzbek authorities towards tackling human rights concerns, and the desire of some EU states to look for alternative energy sources in Central Asia in order to reduce their reliance on Russia. The EU has dropped its sanctions regime against Uzbekistan, but human rights organisations will continue to press for a tougher stance. The West will continue to have only limited leverage over Uzbekistan in this area, in part because the country does not rely on substantial support from Western multilateral financial institutions, and has limited trade with the region. Most Western investors will remain deterred by the difficult business environment, and Chinese and Russian firms are likely to provide the bulk of any foreign investment. The US is set to become a more prominent partner in anti-terrorism measures, following an agreement to allow US non-munitions supplies to Afghanistan to transit Uzbek territory. Relations with Russia and with Uzbekistan's immediate neighbours in Central Asia will be tense, particularly in view of recent violent incidents on the border with the Kyrgyz Republic and because of Uzbek anger over Kyrgyz agreement to host a second Russian military base, possibly close to the Uzbek border. There is also a serious risk that insurgents in Afghanistan—among them significant numbers of ethnic Uzbeks—could expand their activities to include Uzbekistan. Ongoing disputes over water and energy supplies will also exacerbate tensions between Uzbekistan and its neighbours.

Over the forecast period the government will make greater efforts to support growth in a context of external shocks, by expanding public investment into infrastructure and industry, and by increasing public-sector wages and social payments. Although important advances have been made in some policy areas—notably, Treasury reform, a reduction in the tax burden and increased capitalisation of banks—the pace of structural reform remains slow.

#### Economic Performance

Although Uzbekistan is relatively immune to the turmoil on global financial markets, it is being affected by the global economic slowdown. The chief external factors affecting economic performance are trends in commodity prices. Following an estimated rise of 10% on average in 2009, gold prices are set to rise by 9% in 2010, before falling by 6.5% in 2011. In 2010 demand for cotton will rebound, following the end of the global recession, with prices expected to rise by 15%. The remittance inflows on which many Uzbek households rely will decline, owing to slower economic growth in Russia and Kazakhstan, the main destinations for Uzbek migrant labour.

Official data continue to be highly suspect and internally contradictory, and the authorities' sanguine view of the economy is undermined by the continuing policy emphasis on “anti-crisis measures”. Officially reported growth rates will continue to exaggerate the true rate of economic expansion, and that the authorities will report headline full-year GDP growth rates of close to the official target. The authorities expect real GDP to expand by 7-8% in 2009, and have reported growth of around 8% in the first half of the year—a slowdown compared with the year-earlier period. Growth is forecast to pick up to 8.1% in 2010 and 8.3% in 2011 as export markets recover. The economy will also be assisted by rising investment, mainly funded by government expenditure, as well as by some FDI from China and Russia. Private consumption will suffer from a moderate decline in remittances, but will be sustained by government efforts to increase wages and social payments.

Based on historical inflation figures from the IMF, annual average inflation is expected at 8.6% in 2009. The authorities will continue to attempt to limit inflation by the imposition of price controls on basic foodstuffs and energy. Lower global commodity prices brought down inflation in 2009, but this trend will be reversed in 2010-11. A continuing depreciation of the local currency will also boost imported inflation. Robust money supply growth—as economic growth picks up, and as the government increases wages and benefits further—will also fuel inflation over the forecast period.

The authorities will continue to target a slow pace of nominal depreciation in order to support export competitiveness, particularly in view of weakening demand for Uzbek exports as the Russian and Kazakh economies slow sharply. However, the pace of depreciation will be faster than in recent years. A global weakening of emerging-market currencies against the US dollar since October 2008, owing to greater risk aversion, resulted in an acceleration of the trend of some depreciation. The Uzbek currency was also affected by contagion from the steep falls in the Russian rouble and Kazakh tenge. By end-September 2009 the som had depreciated by 12% since the end of September 2008. Downward pressure on the currency will remain because of lower inflows of foreign exchange from export receipts and remittances.

The current-account surplus is in 2009 at US\$4.6bn, or 15.6% of GDP, smaller than the surplus of US\$6.3bn (22.4% of GDP) recorded in 2008, owing to a downturn in export revenue. The State Statistics Committee reports lower figures for the current account (for example, it reported a surplus of US\$4.1bn in 2008), but uncertainty surrounds official figures for the services account and for inflows on current transfers.\*

\* The Economist Intelligence Unit Limited, November 2009

#### Key Information Contacts

State Property Committee [www.spc.gov.uz](http://www.spc.gov.uz)  
Ministry of Finance [www.mf.uz/eng](http://www.mf.uz/eng)  
National Bank of Uzbekistan <http://eng.nbu.com/about/history/index.php>  
State Central Securities Depository [www.deponet.uz/english.shtml](http://www.deponet.uz/english.shtml)  
Portal of the State Authority [www.gov.uz/en](http://www.gov.uz/en)

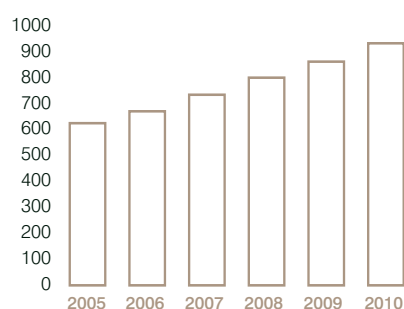
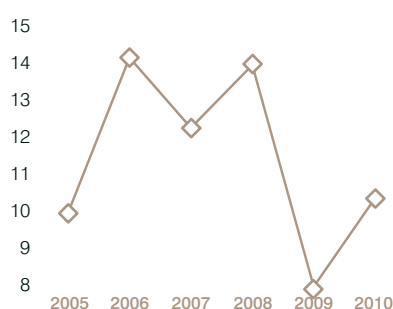
## “TOSHKENT” REPUBLICAN STOCK EXCHANGE

## UZBEKISTAN ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	52	57 (a)	64 (a)	72 (a)	78 (a)	86 (b)
Real GDP mil UZ\$	627	673	737	803	865 (a)	936 (b)
Real private consumption mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real government consumption mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real gross fixed investment mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real stockbuilding mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real exports of G&S mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real imports of G&S mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real domestic demand mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real GDP at factor cost mil UZ\$	3,705,855 (a)	3,976,382 (a)	4,354,139 (a)	4,745,778 (a)	5,115,306 (a)	5,529,625 (b)
Real agriculture mil UZ\$	1,357,299 (a)	1,441,451 (a)	1,529,380 (a)	1,598,202 (a)	1,639,755 (a)	1,697,147 (b)
Real industry mil UZ\$	959,462 (a)	1,063,084 (a)	1,191,717 (a)	1,343,065 (a)	1,459,912 (a)	1,554,806 (b)
Real manufacturing mil UZ\$	n/a	n/a	n/a	n/a	n/a	n/a
Real services mil UZ\$	1,389,094 (a)	1,471,847 (a)	1,633,041 (a)	1,804,511 (a)	2,015,638 (a)	2,277,671 (b)
Gross national savings rate (%) %	n/a	n/a	n/a	n/a	n/a	n/a
Gross national savings/investment %	151.4	172.1	169.3	n/a	n/a	n/a
Budget balance (% of GDP) %	2.8	3.8	2.7	1.5 (a)	-0.5 (a)	-0.3 (b)
Consumer prices (% change pa; av) %	10.0	14.2	12.3	14.0 (a)	8.0 (a)	10.4 (b)
Exchange rate LCU:US\$ (av) UZ\$/US\$	1,113.8881	1,219.5602	1,264.0646	1,320.4498	1,466.7627 (a)	1,545.5393 (b)
Lending interest rate (%) %	n/a	n/a	n/a	n/a	n/a	n/a
Stock of domestic credit mil UZ\$	3,264,584 (a)	4,332,415 (a)	5,853,488 (a)	7,856,318 (a)	10,198,888 (a)	13,144,716 (b)
Domestic credit growth (%) %	46.1 (a)	32.7 (a)	35.1 (a)	34.2 (a)	29.8 (a)	28.9 (b)
Deposit interest rate (%) %	n/a	n/a	n/a	n/a	n/a	n/a
Population million	26.2	26.5	26.9	27.6 (a)	28.1 (a)	28.6 (b)
GDP per head (\$ at PPP) US\$	1,970	2,160 (a)	2,390 (a)	2,600 (a)	2,790 (a)	3,010 (b)
Current account balance/GDP %	13.6	17.2	18.8	22.4 (a)	11.1 (a)	12.5 (b)
International reserves bil US\$	3	4	7	10 (a)	11 (a)	12 (b)
Trade balance bil US\$	1	2	2	3	2 (a)	2 (b)
Foreign-exchange reserves bil US\$	2	3	5	6	7 (a)	9 (b)
Total foreign debt bil US\$	4	4	4	4	4 (a)	4 (b)
Public medium & long-term bil US\$	4	3	3	3	3 (a)	3 (b)
Private medium & long-term bil US\$	1	1	1	1	1 (a)	1 (b)
IMF debt bil US\$	0	0	0	0	0	0 (b)
Short term bil US\$	0	0	0	0	0 (a)	0 (b)
Net debt bil US\$	1	-0	-3	-6 (a)	-7 (a)	-8 (b)
Export credits bil US\$	n/a	n/a	n/a	n/a	n/a	n/a

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

REAL GDP  
(UZ\$ millions)CONSUMER PRICES (% CHANGE PA; AV)  
(%)

## UKRAINIAN STOCK EXCHANGE



**Valentin Oskolsky**  
Chairman of the Board

**The USE activity throughout the year was focused on improvement of trading technology, widening the number of market instruments and supplementing the market information.**

Trading value of the Ukrainian Stock Exchange (USE) in 2007 amounted to US\$ 16.8 million. If we analyze trading structure by market instrument, we can see that trading value for derivatives increased to 15.5% from 0.05% in 2006, but trading value for corporate bonds decreased to 17.3% in 2007 from 53% in 2006. The most traded instrument was state-owned shares.

The USE activity throughout the year was focused on improvement of trading

technology, widening the number of market instruments and supplementing the market information.

The USE also provides educational activity. The USE is a co-founder of the Kiev Slavonic University continued its work with students, through the Securities Chair. Starting from 2002 there has been a Student Stock Exchange at the USE. Every student has an opportunity to become an exchange specialist and then a broker.

Through gaining theoretical and practical knowledge and accumulating experience, students realize the importance of capital markets and can better make their choice of future professions.

It is our belief that the USE has chosen a strategy that will gradually result in transparent, liquid, investment and an attractive capital market.

## HISTORY AND DEVELOPMENT

The USE is a pioneer in the capital market of Ukraine, created according to "Law on Securities and the Stock Exchange", and registered by decision of the Cabinet of Ministers on 29 October 1991. The USE is a closed joint-stock company with an authorized capital divided into 288 ordinary nominal shares belonging to legal entities. In 1997, according to the Law "On State Regulation of Securities Market in Ukraine", the Securities and Stock Market State Commission re-registered the USE. Since June 1998 the USE has been a self-regulated organization. There are 100 registered brokerage companies as USE members. The USE has 3 branches in the largest Ukrainian regions.

The USE is a member of the Coordinating Council for the functioning of securities market charged by the President of Ukraine. It's also a member of the Consulting & Experts Council in the SSMSC, the Ukrainian Chamber of Commerce and Industry, the Academy of Economic Science and the Academy of Engineering Science of Ukraine, the Board of Ukrainian Council on Economic

Education and the Ukrainian Community "Intelligence of the Nation". Chairman of the Board of USE Mr. Valentin Oskolsky is also President of Union of Economists of Ukraine and President of Article Numbering Association "GS1 Ukraine".

The USE has created many educational programs in association with the Kiev Slavonic University.

The official publication, "Hermes", can be found in the daily newspaper "Ukraine-Business".

## FUTURE OUTLOOK

Plans for the USE in 2008 include:

- expansion through the System of Electronic Trading (SELT USE) secondary securities turnover and trading the internal state loan bonds;
- creation of the conditions and basis for formation and development of a derivatives market;
- taking actions to attract new members to operate in SELT USE;

- participation in the privatization processes planned to be implemented by the State Privatization Program and the Law of Ukraine "On State Budget of Ukraine for 2008";
- improvement of technologies for trading State-owned shares of privatized companies;
- promotion for the attraction of direct national and foreign investments to develop strategically important industry companies during the process of its privatization;
- development of the electronic documentation turnover and electronic digital signature according to new Ukrainian legislation;
- development of Exchange information areas, expansion of publishing, scientific, methodical and educational activities in order to prepare specialists for national capital market; and
- strengthening the international cooperation with foreign stock exchanges and international financial organizations.

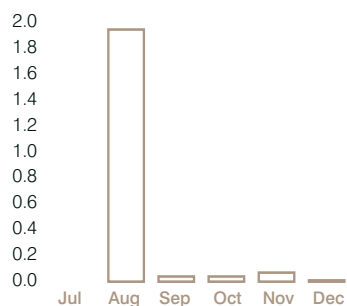
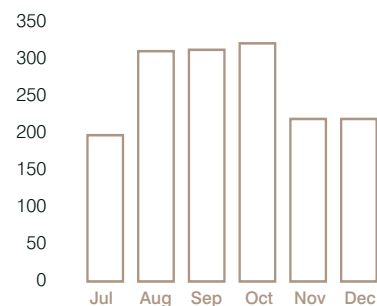


## UKRAINIAN STOCK EXCHANGE

## OFFICIAL 6 MONTH STATISTICS

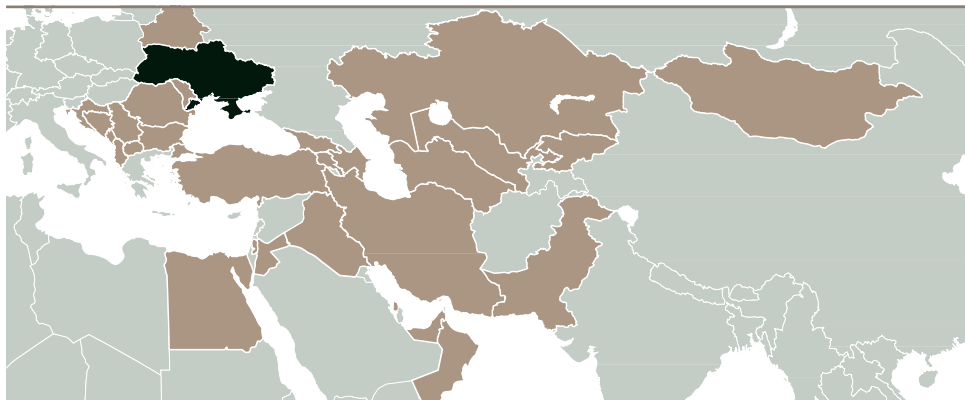
	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	0.00	0.00	0.01	0.01
Aug-09	1.95	0.49	103.68	25.92
Sep-09	0.04	0.01	1.81	0.60
Oct-09	0.04	0.01	1.22	0.41
Nov-09	0.07	0.02	9.26	2.32
Dec-09	0.01	0.00	1.55	0.52
<b>TOTAL</b>	<b>2.11</b>	<b>0.09</b>	<b>117.53</b>	<b>4.96</b>
<b>Bonds</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.00	0.00	0.00	0.00
Sep-09	0.00	0.00	0.00	0.00
Oct-09	0.00	0.00	0.00	0.00
Nov-09	0.01	0.00	0.02	0.00
Dec-09	4.75	1.19	0.01	0.00
<b>TOTAL</b>	<b>4.76</b>	<b>0.59</b>	<b>0.03</b>	<b>0.00</b>

	Market Capitalization (US\$ millions)	Index
Jul-09	197.95	n/a
Aug-09	311.65	n/a
Sep-09	313.53	n/a
Oct-09	322.30	n/a
Nov-09	219.94	n/a
Dec-09	219.94	n/a

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

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## UKRAINIAN STOCK EXCHANGE

### ECONOMIC AND POLITICAL DEVELOPMENTS

#### General Political Environment

On December 26 2004, the so-called Orange Revolution brought President Viktor Yushchenko and his Our Ukraine (NU) party to power in coalition with other liberal democratic parties, in particular the Bloc Yulia Tymoshenko (BYuT) led by Mr. Yushchenko's ally and principal rival Yulia Tymoshenko. Since that time Ukraine has experienced profound political instability characterised by the bitter rivalries within the former Orange forces.

Ukrainian politics are dominated by regional interests including oligarchs who enjoy political and economic power. The 2004 election changed the balance of power in the country by shifting power away from these eastern oligarchs. With Mr. Yushchenko, a more pro-Western leader in place, the government began to tackle corruption, however it has not been entirely successful in these efforts. Reform has been uncoordinated, especially at the level of institutions which has contributed to instability and the present deadlock in Ukrainian politics. The current political climate in Ukraine is one that moves from crisis to crisis. The profoundly vitriolic relationship that has developed over the past four years between President Yushchenko, his allies and close advisors, and PM Tymoshenko and her allies is a key factor behind the current political crisis which closely parallels the country's current economic crisis.

In early April 2007, Mr. Yushchenko issued a presidential decree to dissolve the Rada and force parliamentary elections in mid-May to ostensibly solidify his position. This was initially thwarted by Mr. Yanukovich and members of the Rada allied with the PoR. Elections were held on 30 September 2007 resulting in the PoR being returned with the largest number of seats (175). However, an agreement between NU and the BYuT to form a renewed coalition with their combined 228 seats brought a fractious Tymoshenko-Yushchenko coalition back to power. BYuT was the dominant party in the coalition and Yulia Tymoshenko was returned as PM following a very narrow confirmation vote in the Rada in which several NU deputies failed to back her candidacy. The deep personal animosity between Mr. Yushchenko and Mrs. Tymoshenko bred instability in the coalition and led to policy paralysis. This paralysis led to the collapse of the coalition in mid-September 2008 and the subsequent dissolution of the Rada and calling of snap elections by President Yushchenko. These were put off and a new (though old) coalition of BYuT, NU-NS, and the Volodymyr Lytvyn Bloc with some new cabinet members took office in Dec. 2008. As the global economic crisis took hold in Ukraine the degree of political instability and weak leadership was exposed. The current political situation in Ukraine reveals a country in deep crisis. The seriousness of the economic situation is reflected through the depreciating currency; the IMF's intervention to shore up a collapsing banking sector and provide fiscal support; depressed commodity prices' impact on the steel sector; and anticipated private sector defaults.

#### Investment Environment

The government is committed to attracting foreign investment to Ukraine. Most sectors are fully open to FDI, however some restrictions remain in key sectors including banking and telecoms. There is widespread corruption at all levels of the system, aided and abetted by an unwieldy Soviet-era bureaucracy where vested interests can stifle investment. The risk of FDI being challenged by oligarchic interests and their political allies is a continuing challenge. Given the desire of the government and the political parties to address governance issues there has been conspicuously little attention directed towards regulating investors, thus the investment environment continues to function with little by way of encumbrances. Ukraine acceded to membership in the WTO in February 2008 and is currently negotiating a free trade agreement with the EU; its largest trading partner. Much needed reforms to the judicial system are on hold at present contributing to some deficiencies in the rule of law in Ukraine.\*

\* [http://www.edc.ca/english/docs/gukraine\\_e.pdf](http://www.edc.ca/english/docs/gukraine_e.pdf)

#### Key Information Contacts

Securities and Stock Market State Commission [www.ssmc.gov.ua](http://www.ssmc.gov.ua)

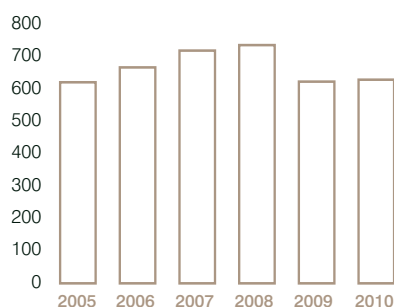
Ministry of Finance [www.minfin.gov.ua](http://www.minfin.gov.ua)

State Property Fund of Ukraine [www.spfu.gov.ua](http://www.spfu.gov.ua)

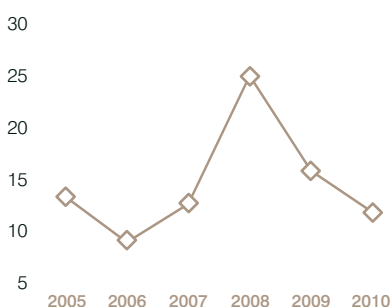
State Committee of Financial Monitoring [www.sdfm.gov.ua](http://www.sdfm.gov.ua)

State Commission for Regulation of Financial Services' Market in Ukraine [www.dfp.gov.ua](http://www.dfp.gov.ua)

**REAL GDP**  
(UAH millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



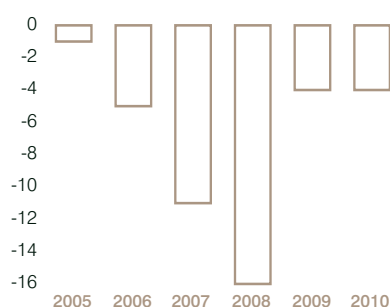
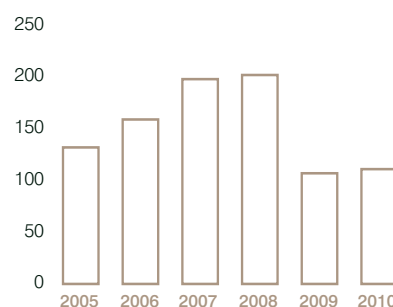
## UKRAINIAN STOCK EXCHANGE

## UKRAINE ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	263	291 (a)	323 (a)	338 (a)	290 (a)	297 (b)
Real GDP bil UAH	622	668	720	737	624 (a)	630 (b)
Real private consumption bil UAH	318	367	430	473	411 (a)	399 (b)
Real government consumption bil UAH	122	127	129	130	131 (a)	132 (b)
Real gross fixed investment bil UAH	132	159	198	202	107 (a)	111 (b)
Real stockbuilding bil UAH	4	1	5	16	-17 (a)	-5 (b)
Real exports of G&S bil UAH	334	315	323	341	276 (a)	286 (b)
Real imports of G&S bil UAH	271	294	364	426	284 (a)	292 (b)
Real domestic demand bil UAH	576	654	762	821	632 (a)	636 (b)
Real GDP at factor cost bil UAH	269	286 (a)	310 (a)	318 (a)	269 (a)	272 (b)
Real agriculture bil UAH	35	36 (a)	34 (a)	38 (a)	39 (a)	40 (b)
Real industry bil UAH	93	99 (a)	110 (a)	104 (a)	79 (a)	81 (b)
Real manufacturing bil UAH	57 (a)	62 (a)	70 (a)	68 (a)	48 (a)	50 (b)
Real services mil UAH	141	151 (a)	167 (a)	176 (a)	152 (a)	151 (b)
Gross national savings rate (%) %	25.6	23.3	24.5 (a)	21.8 (a)	20.2 (a)	21.1 (b)
Gross national savings/investment %	113.0	93.9	86.9	79.5	94.3 (a)	94.7 (b)
Budget balance (% of GDP) %	-1.7	-0.6	-1.1	-1.5	-9.0 (a)	-5.5 (b)
Consumer prices (% change pa; av) %	13.5	9.1	12.8	25.2	16.0 (a)	12.0 (b)
Exchange rate LCU:US\$ (av) UAH/US\$	5.1247	5.0500	5.0500	5.2672	7.7977 (a)	8.0437 (b)
Lending interest rate (%) %	16.2	15.2	13.9	17.5	20.5 (a)	17.0 (b)
Stock of domestic credit mil UAH	146,752	248,631	440,027	778,432	900,347 (a)	979,831 (b)
Domestic credit growth (%) %	34.3	69.4	77.0	76.9	15.7 (a)	8.8 (b)
Deposit interest rate (%) %	8.6	7.6	8.1	9.9	13.5 (a)	12.0 (b)
Population million	46.7	46.5	46.2	46.0	45.7 (a)	45.5 (b)
GDP per head (\$ at PPP) US\$	5,625	6,270 (a)	7,000 (a)	7,360 (a)	6,350 (a)	6,530 (b)
Current account balance/GDP %	2.9	-1.5	-3.7	-7.1	-1.2 (a)	-1.2 (b)
International reserves bil US\$	19	22	32	32	25 (a)	24 (b)
Trade balance bil US\$	-1	-5	-11	-16	-4 (a)	-4 (b)
Foreign-exchange reserves bil US\$	19	22	32	31	25 (a)	23 (b)
Total foreign debt bil US\$	33	50	74	96 (a)	92 (a)	95 (b)
Public medium & long-term bil US\$	10	10	11	12 (a)	12 (a)	12 (b)
Private medium & long-term bil US\$	10	24	40	54 (a)	52 (a)	49 (b)
IMF debt bil US\$	1	1	0	5	11 (a)	16 (b)
Short term bil US\$	12	15	23	26 (a)	17 (a)	18 (b)
Net debt bil US\$	14	28	41	64 (a)	67 (a)	71 (b)
Export credits bil US\$	1	1	1 (a)	1	1 (a)	1 (b)

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(UAH millions)

## ZAGREB STOCK EXCHANGE



**Ivana Gazic**  
General Manager

## Zagreb Stock Exchange remains confident about the ready and efficient response to future challenges.

Despite the demanding trading environment, Zagreb Stock Exchange remains confident about the ready and efficient response to future challenges and will continue its work on implementation of new products and services.

Year 2010 will test the capabilities of market and stock exchange flexibility.

As in 2009, narrowing the targets and carefully selecting priorities to stabilize the system, and regain the investors' confidence are the primary tasks.

### HISTORY AND DEVELOPMENT

The ZSE was incorporated in 1991 as a joint-stock company with 25 commercial banks and insurance companies. From the initial 25 members (brokerage companies), thanks to the trade growth and development the number of members has climbed to some forty-odd active traders today: banks and private brokerage companies, and 43 shareholders. At the very beginning, trading took place at big auctions held at the Exchange head office with all brokers actually physically present and in 1994, an electronic trading system was introduced.

In 2007, the Croatian financial market consolidated as the Varazdin Stock Exchange merged with the Zagreb Stock Exchange. These new circumstances, resulting in a larger number of listed securities and greater trading volume, along with a natural development of the financial market that saw the investment climate improve and gave rise to a stronger interest of all market participants in new financial products, highlighted the need for the implementation of a new system that would be able to meet the needs of the small, but extremely fast-growing Croatian market.

The new trading platform, launched in autumn 2007 after several months of preparations, represents an unprecedented technological enhancement.

#### Zagreb Stock Exchange annual trading report 2009:

Year 2009 was the very challenging for the Croatian capital market and its participants – Zagreb Stock Exchange was also not able to dodge the effects of the global financial market crisis: regular turnover was cut in half regarding the 2008 and the CROBEX index went through drastic oscillations of 90% between his lowest and his highest point (between 1.079 and 2.318 points).

Nevertheless, the prices of the majority of the most liquid stocks where increased (HT +37%, Atalntska plovdba +40%, ADRIS +34,5%, INA

+40%, Atlantic grupa + 47,7% etc.) and the biggest price gainer was JANAF with +117,2%.

There was significant decline in the construction sector (IGH -29%, Dalekovod -15,2%, INGRA -46,8%, Tehnika -24,7%).

The liquidity was consolidated into a small group of stocks - the most liquid stocks (HT, Atlantska, IGH and Dalekovod) altogether gained the bigger turnover than all the other 279 listed stocks.

Despite the difficult capital market conditions, Zagreb Stock Exchange continued to raise the quality of the services and in 2009 had three new listings in the highest quotation, the Official Market.

Also, new index of blue-chip issues, CROBEX10, was launched in September 2009. The new CROBEX10 index provides a set of tools for investors to benchmark the blue-chip companies of the Zagreb Stock Exchange. It also opens potential for the development of innovative investment products, such as index-linked funds and index certificates.

The new CROBEX10 index tracks 10 leading companies at the ZSE in term of free-float market capitalization and liquidity. CROBEX10 components are selected from the CROBEX index.

The Market Making facility was also introduced.

The new Capital Markets Law was introduced in the beginning of 2009 and offered possibilities to restructure the market, introduce the MTF, modify the shareholders structure etc and was generally a step toward the greater harmonization with the European capital markets practice. Following the new Capital Market Law, the new Stock Exchange rules were implemented in July 2009. The new legislative changes introduced new types of market stabilizers and investment tools, facilitated the access to market to any interested party and expanded the supply of instruments, while also raising transparency

standards and the requirements of information quality for the candidates seeking a listing in the prime market.

Despite the demanding trading environment in 2009, Zagreb Stock Exchange remains confident about the ready and efficient response to future challenges.

### FUTURE OUTLOOK

The slow recovery is ahead the global economy but the concern still remains and global investors fear could affect domestic capital market, liquidity and stock prices.

Further policy actions, especially in the financial sector, will be essential to induce the recovery. We anticipate further government action as well as the use of other tools to stimulate growth. Equity market valuations acknowledge the recessionary environment. The consensus view of market participants is that stocks are cheap, but it is possible equity valuations could re-test lows given the pending weakness in future corporate earnings. Positive moments undoubtedly persist but certain risks remain, challenging sustainable market recovery.

The Zagreb Stock Exchange will carefully observe global as well as regional economy and equity market trends and remain in line with market expectations.

Year 2010 will test the capabilities of market and stock exchange flexibility. Narrowing the targets and carefully selecting priorities to stabilize the system, and regain the investors' confidence are the primary tasks.

Trading conditions for the 2010 will probably remain challenging and the economic outlook for 2010 is uncertain but we believe that our leading regional position leaves us well placed for the eventual recovery.

## ZAGREB STOCK EXCHANGE

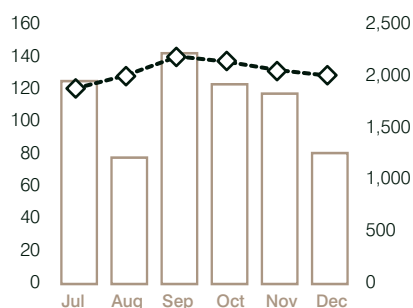
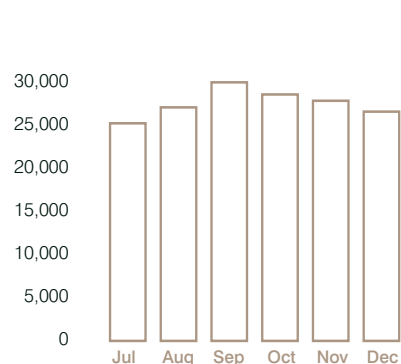
## OFFICIAL 6 MONTH STATISTICS

	US\$ millions		# Shares millions	
	Total Volume	Average Daily Volume	Total Volume	Average Daily Volume
<b>Stocks</b>				
Jul-09	125.55	5.46	2.69	0.12
Aug-09	78.21	3.91	1.77	0.09
Sep-09	142.79	6.49	3.42	0.16
Oct-09	123.58	6.18	2.57	0.13
Nov-09	117.80	5.61	2.83	0.13
Dec-09	81.03	3.68	2.29	0.10
<b>TOTAL</b>	<b>668.96</b>	<b>5.22</b>	<b>15.57</b>	<b>0.12</b>
<b>Bonds</b>				
Jul-09	11.19	0.49	43.22	1.88
Aug-09	9.51	0.48	18.29	0.91
Sep-09	64.25	2.92	184.01	8.36
Oct-09	70.55	3.53	292.50	14.62
Nov-09	70.64	3.36	312.64	14.89
Dec-09	48.29	2.20	154.61	7.03
<b>TOTAL</b>	<b>274.43</b>	<b>2.16</b>	<b>1,005.27</b>	<b>7.95</b>
<b>Other</b>				
Jul-09	0.00	0.00	0.00	0.00
Aug-09	0.34	0.02	0.95	0.05
Sep-09	0.12	0.01	0.48	0.02
Oct-09	0.01	0.00	0.05	0.00
Nov-09	0.00	0.00	0.00	0.00
Dec-09	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.47</b>	<b>0.01</b>	<b>1.47</b>	<b>0.04</b>

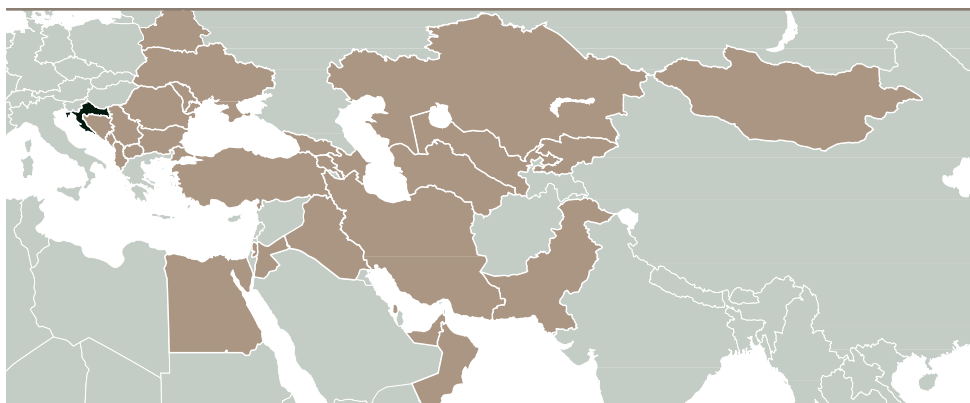
	Market Capitalization (US\$ millions)	Index
Jul-09	25,245.80	1,878.90
Aug-09	27,093.30	2,009.00
Sep-09	29,997.70	2,197.40
Oct-09	28,589.90	2,144.80
Nov-09	27,859.20	2,066.90
Dec-09	26,598.60	2,004.10

MONTHLY STOCK VOLUME VS INDEX  
(US\$ millions)

□ Stocks ◇ Index

MONTHLY MARKET CAPITALIZATION  
(US\$ millions)

## CONTACT INFORMATION

Contact Name Mr. Zeljko Kardum E-mail [zeljko.kardum@zse.hr](mailto:zeljko.kardum@zse.hr) Website [www.zse.hr](http://www.zse.hr)ZAGREBAČKA BURZA  
THE ZAGREB STOCK EXCHANGE



## ZAGREB STOCK EXCHANGE

## ECONOMIC AND POLITICAL DEVELOPMENTS

**Politic and Economic Environment**

The centre-right government led by the HDZ faces serious challenges in 2010-11. The unblocking of the stalled EU accession negotiations is a boost for the government, but it must now make rapid progress with the required reforms for accession, get results in the fight against corruption and organised crime, and implement policies to help the economy to get through the current crisis. In addition, the HDZ faces the challenge of maintaining its direction, following the surprise resignation as prime minister of Ivo Sanader, the party's leader since 2000, in July. Jadranka Kosor has assumed the party leadership and received support from the HDZ's coalition partners. However, the transition has given rise to a degree of discord within the HDZ, and Mrs Kosor's attempts over the coming months to cement her position and support base present some risk to the stability of the government. It is necessary for Mrs Kosor to do this, as the HDZ lags the Social Democratic Party (SDP) in the latest opinion polls, and unless the HDZ can unite and lead an effective government in 2010-11, the SDP will become the favorite to gain the most support in the parliamentary election due in 2011.

Although opinion polls suggest that the Croatian public remain less than enthusiastic about the EU, Croatian politicians will pursue EU membership as their main foreign policy goal. Croatian accession negotiations were held up through most of 2009, owing to the border dispute with Slovenia. However, following a breakthrough in talks, Slovenia removed its de facto block on Croatian accession negotiations in September. Croatia now has a realistic chance of completing negotiations in the first half of 2010. Croatia's EU aspirations also received a massive boost from the Irish "yes" vote to the Lisbon treaty. However, much ground still needs to be covered in accession negotiations, and 2011 is the earliest likely date for EU entry.

Given the broad-based support for EU integration among political parties, the government will continue to adhere to an agenda of EU-mandated reforms. Control of the main economic ministries has helped the HDZ to avert attempts by the alliance of the Croatian Peasants' Party (HSS) and the Croatian Social Liberal Party (HSL) to impede reform. The government will aim to complete the technical phase of the negotiations by the middle of 2010. Owing to the economic downturn, the previous and new HDZ governments have been forced to revise the 2009 budget. The government would still like to introduce further expenditure cuts in the form of reduced salaries to employees of state-owned companies, but is likely to face significant opposition to this. The vexed privatization of the shipyards could yet stretch the government finances further in 2009-10, as well as hold up EU accession and put the government under pressure of social unrest.

In January 2010, opposition Social Democrat Ivo Josipovic, the 52-year-old law professor and classical music composer, has won Croatia's presidential election by a wide margin and succeeds Stipe Mesic after 10 years as president. Although the presidential function is mainly ceremonial with limited powers on foreign policy, defense and the intelligence services, Mr Josipovic has pledged to lead a fight against corruption and to help the government complete EU membership talks this year.

**Economic Performance**

Euro area GDP is estimated to have contracted by 4.1% in 2009, and the recovery in 2010 is still expected to be modest, with world growth picking up to 3.2% at purchasing power parity (PPP) exchange rates (previously forecast at 2.9%) and the euro zone economy growing by just 0.8% (previously 0.5%). The weakness of demand in the EU will continue to curtail Croatian exports of goods and services. We estimate the average price for dated Brent Blend crude oil to reach US\$62/barrel in 2009, rising to US\$74/b in 2010,

before slipping to US\$70/b in 2011, when we expect US growth to dip slightly. We forecast that the US dollar will depreciate mildly in 2010 as risk aversion diminishes.

Real GDP contracted by 6.3% year on year in the second quarter of 2009, after a first-quarter drop of 6.7%. Although this may signal that the recession has stabilised for now, it does not suggest that a speedy recovery is likely. In August and September, data for retail sales and industrial output did not indicate a clear recovery, and credit growth remained minimal. Reflecting a combination of depressed consumption, reduced investment activity and gloomy trading conditions affecting Croatian exports and tourism, we estimate real GDP to have contracted by 5.4% in 2009.

Owing to the drop in international oil prices and the moderation of food prices, together with the sharp contraction in domestic demand, we estimate that average annual inflation is declining to an average of 2.5% in 2009 from 6.1% in 2008. We forecast that inflation will remain low in 2010-11, at an average of 2.5%, as domestic demand remains subdued, wage growth remains limited and oil prices grow only slowly. The Croatian National Bank (CNB, the central bank) is committed to using a stable exchange rate as a nominal anchor for monetary policy. Although the kuna is likely to depreciate slightly against the euro and the US dollar in the final quarter after the end of the tourism season, the currency will not weaken so much as to make imported inflation a significant problem.

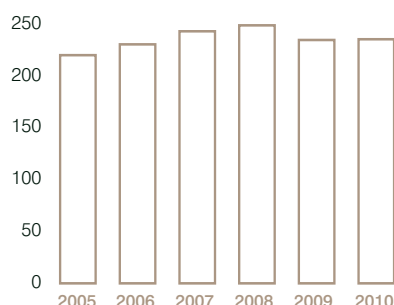
If necessary, the CNB will continue to intervene in the currency market to minimize the volatility of the kuna. The slow recovery in domestic demand in Croatia will allow the current account to continue to correct, owing to limited import growth and stronger tourism revenue. The current-account deficit is expected to moderate to an average of 5.1% in 2010-11.\*

\* The Economist Intelligence Unit Limited, November 2009

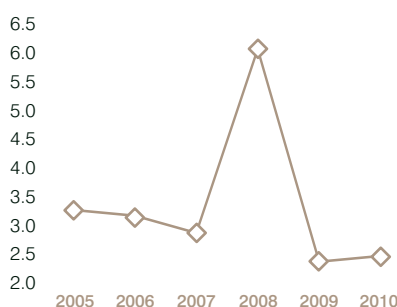
**Key Information Contacts**

Croatian Agency for Supervision of Financial Services [www.hanfa.hr](http://www.hanfa.hr)  
Ministry of Finance [www.mfin.hr](http://www.mfin.hr)  
Croatian Government [www.vlada.hr](http://www.vlada.hr)

**REAL GDP**  
(HRK millions)



**CONSUMER PRICES (% CHANGE PA; AV)**  
(%)



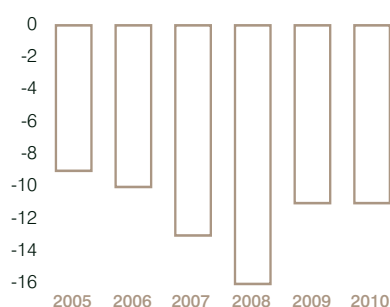
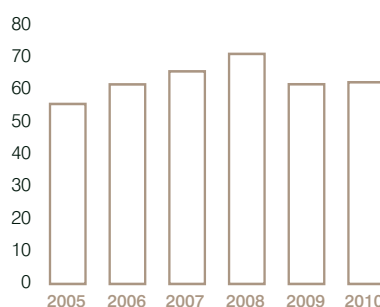
## ZAGREB STOCK EXCHANGE

## CROATIA ECONOMIC CHARTS AND TABLES

	2005	2006	2007	2008	2009	2010
Nominal GDP (US\$ at PPP) bil US\$	67	73	79 (a)	82 (a)	79 (a)	81 (b)
Real GDP mil HRK	220,577	231,032	243,672	249,422 (a)	235,259 (a)	235,972 (b)
Real private consumption mil HRK	141,158	146,061	155,089	156,363 (a)	142,759 (a)	143,045 (b)
Real government consumption mil HRK	41,531	42,429	43,863	44,711 (a)	45,158 (a)	45,158 (b)
Real gross fixed investment mil HRK	55,682	61,736	65,768	71,167 (a)	61,773 (a)	62,391 (b)
Real stockbuilding mil HRK	3,809	4,696	6,584	7,651 (a)	4,400 (a)	4,000 (b)
Real exports of G&S mil HRK	99,638	106,116	110,665	112,592 (a)	95,140 (a)	95,806 (b)
Real imports of G&S mil HRK	121,736	130,760	139,229	144,268 (a)	113,972 (a)	114,428 (b)
Real domestic demand mil HRK	242,180	254,922	271,304	279,892 (a)	254,090 (a)	254,594 (b)
Real GDP at factor cost mil HRK	183,959	192,676	203,218 (a)	208,013 (a)	196,201 (a)	196,796 (b)
Real agriculture mil HRK	13,448	13,706	13,873 (a)	13,945 (a)	13,769 (a)	13,779 (b)
Real industry mil HRK	53,529	55,940	58,178 (a)	59,182 (a)	56,724 (a)	56,850 (b)
Real manufacturing mil HRK	n/a	n/a	n/a	n/a	n/a	n/a
Real services mil HRK	116,982	123,030	131,167 (a)	134,886 (a)	125,707 (a)	126,167 (b)
Gross national savings rate (%) %	21.2	24.5	24.5	21.5 (a)	21.6 (a)	22.2 (b)
Gross national savings/investment %	0.8	0.7	0.7	0.7 (a)	0.8 (a)	0.8 (b)
Budget balance (% of GDP) %	-4.1	-3.0	-2.6	-2.1 (a)	-3.8 (a)	-3.0 (b)
Consumer prices (% change pa; av) %	3.3	3.2	2.9	6.1 (a)	2.4 (a)	2.5 (b)
Exchange rate LCU:US\$ (av) HRK/US\$	5.9492	5.8378	5.3450	4.9138 (a)	5.2693 (a)	5.1590 (b)
Lending interest rate (%) %	11.2	9.9	9.3	10.1 (a)	10.6 (a)	9.6 (b)
Stock of domestic credit mil HRK	169,804	201,953	228,059	256,937 (a)	262,076 (a)	274,684 (b)
Domestic credit growth (%) %	19.1	18.9	12.9	12.7 (a)	2.0 (a)	4.8 (b)
Deposit interest rate (%) %	1.7	1.7	2.3	2.8 (a)	3.1 (a)	2.5 (b)
Population million	4.5	4.5	4.5 (a)	4.5 (a)	4.5 (a)	4.5 (b)
GDP per head (\$ at PPP) US\$	14,942	16,164	17,540 (a)	18,350 (a)	17,610 (a)	17,970 (b)
Current account balance/GDP %	-5.7	-7.5	-8.4	-9.2 (a)	-5.9 (a)	-5.3 (b)
International reserves bil US\$	9	11	14	13 (a)	14 (a)	13 (b)
Trade balance bil US\$	-9	-10	-13	-16 (a)	-11 (a)	-11 (b)
Foreign-exchange reserves bil US\$	9	11	14	13 (a)	14 (a)	13 (b)
Total foreign debt bil US\$	31	38	49	55 (a)	56 (a)	59 (b)
Public medium & long-term bil US\$	10	11	14	16 (a)	16 (a)	18 (b)
Private medium & long-term bil US\$	16	22	29	33 (a)	34 (a)	36 (b)
IMF debt bil US\$	0	0	0	0	0	0 (b)
Short term bil US\$	4	6	5	6	6 (a)	6 (b)
Net debt bil US\$	22	27	35	42 (a)	42 (a)	46 (b)
Export credits bil US\$	1	1	1	1	1	1

(a) Estimate (b) Forecast

The Economist Intelligence Unit Limited, December 2009

TRADE BALANCE  
(US\$ billions)REAL GROSS FIXED INVESTMENT  
(HRK millions)

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## CENTRAL REGISTRY AGENCY INC.

## AFFILIATE MEMBER



**Dr. Yakup Ergincan**  
CEO

The adverse effects of the global financial crisis that heavily hit the world markets by the last quarter of 2008 were mostly felt in last year. We believe that ensuring a trusted post-trade infrastructure will be one of the crucial elements to constitute investor confidence towards a full economic recovery.

Through the crisis capital markets regulators all over the world emphasized the role of safe and secure financial infrastructures to prevent further crisis in the future. It is now widely accepted that countries should review and adapt their infrastructures to reflect the new risk management requirements. CRA's efforts in this framework to implement an information security system at global standards has been awarded with the prestigious ISO/IEC 27001:2005 certification by SGS United Kingdom in 2009.

## Over the past four years since the dematerialization process for equities and mutual funds began CRA has been working to extend the range of assets held in its electronic book-keeping system.

Over the past four years since the dematerialization process for equities and mutual funds began CRA has been working to extend the range of assets held in its electronic book-keeping system. In this regard, the issue of the first dematerialized bank bills was one of the highlights of 2009 for us. Other asset types, including warrants, are expected to be added to the depository held securities this year.

In 1 June 2009 we have finalized the first phase of the SWIFT Integration Project in cooperation with Takasbank which will allow CRA to disseminate corporate action information via SWIFT by ISO compliant messages based on information provided by issuers through our system. This project will take us one step closer to the full automatization of corporate actions processes which will bring dramatic reductions in costs and operational risk.

Aside from managing the Investors Protection Fund investor services that are targeted to minimize any viable risks and/or operational errors has been one of the primary business concentration areas of CRA. To this end, we introduced the new Electronic Customer Alert System (e-CAS 2.0) which will send account movement notifications to investors through SMS and e-mail messages, even without such an investor request. In its later phases the system will prevent specific account activities for unsubscribed investors and restrict some transactions conditional on investor confirmation.

We are looking forward to react to the challenges of a new era in the global financial system and the post-trade industry. We will be working closely with our stakeholders to assist in achieving such an immense goal.

### History and Development

CRA was established in accordance with the Article 10/A of the Turkish Capital Markets Law in 2001 as the central depository for and registrar of dematerialized capital market instruments comprising equities, mutual funds, exchange traded funds, corporate bonds and commercial papers and rights affixed thereon with respect to issuers, intermediary institutions, and beneficial owners.

In November of 2005, all stock certificates traded at the Istanbul Stock Exchange, including the certificates formerly kept at Takasbank (ISE Settlement and Custody Bank), were dematerialized. Between April 2005 and March 2006, all mutual fund certificates were dematerialized on the CRA platform. In August 2006, after approximately 5 years, first corporate bond in Turkish Capital Markets was issued through CRA. In September 2009 first dematerialized bank bills were issued.

All depository operations regarding dematerialized capital market instruments (e.g. opening of investor accounts, corporate actions, securities issues) are conducted by CRA participants via the Central Dematerialization System software, CDS, a proprietary software developed in-house. CRA also acts as the securities agent for on-exchange settlements of equities traded at the ISE and real time DVP settlements of equities for Securities Lending and Borrowing facility of Takasbank through the integrated system with Takasbank.

CRA also manages and represents the Investors Protection Fund, an investor protection scheme against

obligations arising from equities transactions of intermediary institutions and banks for which a liquidation or bankruptcy decision is made by regulatory authorities.

### Form of Securities

Dematerialized.

### Legal Status

Joint stock company.

### Type of Commercial Entity

For-profit, user-owned joint stock company.

### Regulated by

CRA's overall functions are subject to the oversight and approval of the CMB.

### Size of the Investors Protection Fund

US\$ 119 million (as of year end)

### Ownership

30% Istanbul Stock Exchange (ISE)  
64.9% ISE Settlement and Custody Bank (Takasbank)  
5% The Association of Capital Market Intermediary Institutions of Turkey (TSPAKB)  
0.1% Istanbul Gold Exchange (IGE)

### Board of Directors: 7 Members

The Capital Markets Board of Turkey (CMB): 1 (Chairman)  
ISE: 2  
Takasbank: 2  
TSPAKB: 1  
CRA: 1 (CEO of CRA)

### Memberships to International Organizations

European Central Securities Depositories Association (ECSDA)  
International Securities Services Association (ISSA)

### Future Outlook

CRA and Takasbank's integrated SWIFT system went live on 1 June 2009, and has allowed CRA to disseminate corporate action information via SWIFT by ISO compliant messages based on information provided by issuers through the CDS. The service which mainly targets foreign institutional investors is the first phase of Takasbank and CRA's SWIFT integration project.

CRA also finalized a number of projects which improved the level of investor services provided by the depository. CRA's Web Investor page through which investors can get information and apply investor blockages on their securities holdings has been revamped. The new interface now allows investors to get visual data on their portfolios.

Furthermore, CRA's Electronic Customer Alert System (e-CAS), which was developed as a precaution against any errors or misuses concerning investors' securities, has been upgraded last year. The new e-CAS 2.0 will now send account movement notifications through SMS and e-mail messages, even without an investor request, to minimize or remove viable risks.

CRA was also awarded with ISO 27001 information security certification by SGS United Kingdom in 2009.

\* Please refer to page 96 for the Turkey country report.

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## CSDI CENTRAL SECURITIES DEPOSITORY OF IRAN

## AFFILIATE MEMBER



**Alireza Hajinorouzi**  
CEO

**Our objective is to guarantee the security and efficiency of Iran's stock market through developing and improving the settlement procedure of the securities trades via concentrating on increasing the efficiency and reducing the risk and costs.**

### Objectives:

The objectives for which the company is established are:

- 1– Opening and custody of funds/securities accounts related to stock exchange, over the counter market, commodity exchange belonging to brokers, shareholders and other financial institutions, real or legal persons.
- 2– Registration, encoding, custody, clearing and settlement of trade transactions on stock exchange, commodity exchange and other financial tools
- 3– Depositing different kind of securities in company's operating system
- 4– Depositing Pledged securities for real and legal entities and release of the pledge on the beneficiaries demands
- 5– Borrowing, lending and exchange of securities as a mediator
- 6– Providing and performing latest essential information for shareholders and brokers
- 7– Applying suitable electronic systems on clearing and settlements
- 8– Handling corporate actions for joint stock companies including:
  - A– Registration and custody of shareholders' names and records and give necessary services to the issuers of securities
  - B– Prepare and present necessary information to the listed companies and their shareholders
  - C– Holding general meetings for member companies and over the counter (OTC) market companies
  - D– Receiving information about general meetings and informing their investors
  - E– Receiving information about dividend, bonus share, right issues and deliver these information to the shareholders
  - 9– Settlement of funds, Clearing and Depositing of the foreign securities
  - 10– Presenting professional necessary services to stock exchanges, over the counter market, commodity exchange, the issuer of securities, brokers and other market participants
  - 11– Providing necessary authorized financial activities also services, consulting and commercial activities in relation with stock exchange, commodity exchange and over the counter market
  - 12– Cooperating with regional exchanges and related institutions
  - 13– Changing the method of settlement from the current semi mechanized system to a full mechanized, efficient system through using Real Time Gross Settlement (RTGS)
  - 14– Establishing and managing settlement guarantee funds, also accepting the role of CCP
  - 15– Providing warehouses and managing their activities for better performance of commodity exchange services
  - 16– and regulation – Performing other duties which have been or shall be assigned to the company by law

\* Please refer to page 148 for the Iran country report.

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## MACEDONIAN CENTRAL SECURITIES DEPOSITORY (MCSD)

AFFILIATE MEMBER



**Stevan Sapceski**  
Executive Director

**The main goal of MCSD is to help government to keep economic stability, and also to help investors, custodian banks and issuers by providing fast and reliable services.**

Macedonian Central Securities Depository is one of the central links in Capital Market structure, and as such plays a big role in development of Macedonian Capital Market.

Macedonian economy is small and is under big influence of surrounding economies and world economic crisis. The main goal in such environment for Macedonian Central Securities

Depository as one of the main financial institutions is to help government in its efforts to keep economic stability, and also to help investors, custodian banks and issuers by providing fast and reliable services. In year to come, Macedonian Central Securities Depository will focus on ongoing development of new services.

In year 2008, Macedonian Central Securities Depository was helping investors by reducing the cost of settlement of trade transactions by 27% and is hoping that this is good effort in providing a suitable ground to increase market trade volume.

### General Information

The purpose of the Macedonian Central Securities Depository (MCSD) is to establish central securities register comprising all active shares, bonds and other financial instruments in Republic of Macedonia. This will lead to better access and distribution of information about the issuers and securities to:

- Investors
- Foreign investors
- Holders of restrictive rights
- Issuers
- Brokers
- Macedonian Stock Exchange (MSE)
- Pledge Register
- Other authorized institutions in accordance with the law.

### Regulatory Environment

The MCSD is Self Regulatory Organization, under authority of Security Exchange Commission.

### Participants

At present time, there are 22 participants, banks and brokerage houses.

### Services Provided

The MCSD is providing the following services to the participants in the operations, issuers and holders securities:

- recording of the securities in the Depository;
- notification of the issuers and holders of securities about the condition on their accounts;
- clearing and settlement of the liabilities arising from the transactions with securities;
- rendering services connected with the corporate activities;
- other services that arise from the ownership and transactions with securities, arising from the scope of its operations.

### Form of Securities

All securities are registered and dematerialized.

### Depository Procedures

Records are kept in the Depository of the issued securities and ownership positions, rights of the securities holders, the unique identification of the

securities and their holders, possible limitations in the exercise of such rights, rights of third parties connected with the securities and other data referring to such rights, transfer to the securities accounts shall be made and other services connected with keeping records of the securities shall be provided. All securities shall be recorded in the Depository in a procedure, on conditions and in a manner determined with these Rules and with the guidelines of the Depository.

ISIN is allocated to all securities upon their registration in the Depository. ISIN shall contain data on the issuer, rights arising for the holders of those securities and other elements of the securities. The procedure, conditions and manner of allocating ISIN is determined by the guidelines of the Depository.

The securities are recorded in special accounts with the Depository. With the purpose of recording the securities, the Depository is opening accounts for the issuers and holders of the securities.

The opening and closing of the securities accounts, recording, changes and deletion of the ownership positions in the accounts of the securities holders, as well as other actions connected with the changes occurred in the accounts maintained in the Depository are performed by a sole account operator. The manner and procedure of opening and closing an account and the types of accounts with the Depository is prescribed within the guidelines of the Depository.

### Principles of Clearing & Settlement

Main principle of clearing and settlement is delivery versus payment.

### Settlement Cycle

Settlement cycle is usually T+3, but it is possible to settle transactions from T+1, to T+n

### Clearing & Settlement Procedures

- CSD performs the clearing and settlement of the transactions with securities that were concluded on the MSE.
- The clearing and the settlement of the transactions are performed in accordance with the

principle "delivery versus payment", i.e. the transfer of securities related to the transactions with securities is performed through a simultaneous exchange of securities and payment. The settlement is performed on gross basis.

- In MCSD frame the subject of clearing and settlement are all the transactions with securities concluded on the MSE.
- The MCSD performs the clearing and settlement of the transactions with securities based on the data received from the MSE on the trading day. The data received from the MSE contains elements necessary for clearing and settlement of the matched transactions.
- After the MCSD receives the matched trades from the MSE, the transaction is obligatory for both sides included in the stated transaction.
- The transactions received from the MSE are final and cannot be unilaterally canceled by the participant in the clearing (the broker). Only the MCSD is allowed, by request from the MSE and with a special purpose for correction of errors, to perform some changes or to cancel the transactions.
- Before the settlement, the participant in the clearing—the seller, is obliged to provide securities on his/on his client the securities account, and the participant in the clearing—the buyer, is obliged to provide cash on his account for cash settlement for each transaction.

### Macedonian CSD Future Outlook 2009

These are the main issues on which Macedonian CSD will focus during 2009:

### In Progress

- Start of Securities Lending System in practice
- Updating of Business Continuity Plan
- Developing value added services for Issuers of securities
- Maintenance of Government securities
- Developing electronic system for Custodian banks

### Planned

- Distributed system for account holders
- Change of trades processing and pre-clearing
- Change of by-laws and instructions according to change of trade processing

\* Please refer to page 114 for the Macedonian country report.

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## MISR FOR CLEARING, DEPOSITORY &amp; REGISTRY

## AFFILIATE MEMBER



**Mohamed S. Abdel Salam**  
Chairman & Managing Director

## Secure, stable and encouraging investment environment is the goal of MCDR.

MCDR was established at the end of 1994 to complete the infra structure of the Egyptian capital market. In time, MCDR has become the biggest central registry firm among the major and emerging markets in the world. MCDR's staff never spare any efforts to maintain the highest standard of services provided to the Egyptian market. As a result of its qualified performance, MCDR was awarded International Star Award for Quality WQC in the Diamond for the Quality standards commitment applied through MCDR on November 26, 2007 in the Concorde La Fayette in Paris with the ISO in Management

(QC100), the International Gold Star for Quality in Geneva in 2001 for significant contribution to the business world, for high standing and professionalism demonstrated by prestigious performance, B.I.D. (Business Initiative Directions) presented its special recognition award to MCDR. Also MCDR was granted the highest level of efficiency, following the results of an assessment panel of depository companies conducted by JPMorgan-Chase, with a score of 1.25 points on a scale of 1 to 3 where depository that closely resemble the best practice is rated 1, meet some of the requirements but not fully meet the preferred

practice rated 2 and finally depositories that are deficient are rated 3.

The assessment revealed that MCDR has abided by all the rules and high standards set by the SEC in Rule 17f-5 which even have been developed to be more tough by amendments in Rule 17f-7 to secure American foreign investments. Secure, stable and encouraging investment environment is the goal of MCDR. This is never enough as MCDR will proceed its stable steps towards the top of elite depositories.

### Role of the Depository

MCDR is the sole Egyptian CSD providing clearing and settlement services to the Cairo and Alexandria Stock Exchanges (CASE). MCDR operates as both the depository and the clearing house. It is a not for-profit private company owned by the stock exchanges, local banks and its participants. It was incorporated under the Capital Market Law No 95 of 1992, commenced operations in October 1996 and is currently governed by the Depository and Central Registry Law No 93 of 2000. It is regulated by the Capital Markets Authority (CMA).

Use of the central depository in the market for settlement and safekeeping is compulsory by law, where securities in the depository are held in certificated form. Equities are held via book-entry, with certificates immobilized in MCDR's vaults. All securities are treated as fungible and may be transferred or pledged by bookkeeping entry without actual physical delivery.

**MCDR's authorized capital is EGP 250 million issued and paid capital is EGP 140 million.**

#### MCDR Main Activities & Services

1. Clearing and settlement of operations executed at the Egyptian Exchange.
2. Central depository and registry of all listed and unlisted securities
3. Management of securities accounts for custodian banks and issuers.

4. Handling corporate actions (cash and stock dividends etc.) according to the issuers' assemblies' decisions.
5. Management of the Settlement Guarantee Fund to eliminate suspended movements due to brokers' defaults (securities and/or cash).
6. Management of a pledge system for all securities lodged into the central depository.
7. Repatriation of international investors' funds.
8. Customer servicing through the MCDR's front office, the call center, the Internet, the SMS and finally through direct phones or faxes

### Legal Status

Private Joint-Stock Company

### Type of Commercial Entity

Not for-profit company

### Regulated by

Depository and Registry law number 93 of year 2000

### Form of Securities

Immobilized in the book entry form

### Form of Settlement

Net cash settlement, gross securities settlement

### Settlement Dates

- T+0 Same Day Trading Settlement
- T+1 Treasury Bonds
- T+2 Dematerialized securities
- T+4 Physical securities

### Misr for Central Clearing, Depository & Registry - MCDR's achievements through year 2009

- MCDR was granted A+ in Thomas Murray Depository Risks assessments.
- MCDR signed a NDA with Linkup Markets to become a member.
- MCDR signed a MoU with JASDEC Japan for mutual co-operation.
- MCDR was granted ISO 27001 which allows the company to operate an Information Security Management System
- MCDR issued its first Egyptian Depository Receipt
- MCDR was granted the license by Egyptian Financial Supervisory Authority - EFSA to act as a Depository Bank.
- MCDR opened accounts with Clearstream and Eurobank for securities and cash settlements.

\* Please refer to page 82 for the Egypt country report.

## CONTACT INFORMATION

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## NATIONAL DEPOSITORY CENTER OF AZERBAIJAN

## AFFILIATE MEMBER



**Bakhtiyar Azizov**  
Chief Executive Officer

## National Depository Center has gone through significant functional, structural and operational reforms during the 2009.

National Depository Center has gone through significant functional, structural and operational reforms during the 2009. Despite the global economic and financial downturn, NDC not only finished the year with an operating profit, but also put a great emphasis on material and technical advancement of the organization.

The value of the assets kept in custody by the National Depository Centre neared AZN 3.3 bln. At present, NDC serves approximately 1300 issuers, circa 100 000 investors and 10 broker organizations.

In order to ensure proper and transparent registration of the transactions in accordance with internationally accepted principles the NDC started implementing the International Financial Reporting Standards, including international

financial reporting, accounting and auditing standards. Under the market's institutional strengthening strategy, the process of transforming the NDC into the centralized depository for the corporate and public securities is being closely consulted and guided by a number of international experts and institutions, and we constantly work on new projects with them.

Joint projects with the Islamic Development Bank, Turkey's IMKB Takasbank central depository, EU's TACIS Project, World Bank etc are just another illustrative evidence of the above mentioned.

Measures to advance our technology platform undertaken in 2009, as a constituent element of our business processes optimization strategy in registry keeping, depository services

or any other services rendered, were utterly efficacious for protecting investors rights as well as increasing the protection level of kept in custody assets.

One of the ambitious tasks that the NDC sets for itself in 2010 is to start implementing electronic settlement and clearing services of reciprocal obligations between market participants involved into securities trading. This will surely increase not only transactional responsiveness, but also transparency and security of operations.

We believe we can expect an intensive and seminal 2010 ahead and infrastructural advancements will be principal mission and the highest aim for us.

### Brief History

The concept of National Depository System was first introduced in the "State Program of privatization of the state ownership in Azerbaijan Republic 1995-1998". In accordance with the State Program the Depository System was formed for regulated holding of de-/materialized securities, leading of shareholders registers, registration of owners of securities as well as transactions with them and also for rendering all other depository services. In order to advance the Depository System and its regulatory framework, the presidential degrees "On the National Depository System" and "On the Rules on leading of the shareholder's registry of the joint-stock companies created during the privatization of the state firms and specialized check investment funds" were adopted in 1997. The creation of the National Depository Center was stipulated by the provisions of "On the National Depository System" regulations.

On the 18 September, 1997 The National Depository Center was created. The National Property Committee acted as a holder of 100% shares of the National Depository Center. The shares of NDC were then handed over to the State Committee for Securities after its creation in 1999. As a result NDC was newly founded by the State Committee for Securities on the 8 September 1999 and passed the national registration on 17 September 1999. The National Depository Center has a license on depository and registrational activities granted by the State Committee for Securities of the Republic of Azerbaijan.

Since December 22, 2004, the NDC joined the Association of Eurasian Central Securities Depositories (AECS) as a full member. On November 17, 2006 the NDC came into global partnership agreement with the Association of National Numbering Agencies (ANNA) and was appointed as a National Numbering Agency. NDC is also member of International Securities Services Association (ISSA).

According to the regulations "On the National Depository System" the National Depository Center is the state organization, which plays the main role in the National Depository System, engaging the depository activity and carrying records of other depositories that are included in depository system of the country.

### Future Outlook

On the early stages of the stock market development the National Depository Centre carried out the function of keeping registry of shareholders and depositing shares of joint-stock companies formed as a result of the state privatization program. However, nowadays the current condition of the stock market demands infrastructural and systematic advancement of the Depository. Having examined the challenges coming from the today's stock market and analyzed internal capabilities, the NDC has worked out a strategic vision and prepared the itemized action plan for the depository system conversion. The strategic vision of the NDC aims to achieve the following objectives:

- To stimulate institutional development of the NDC by implementing the globally accepted Corporate Governance standards;
- To launch large-scale clearing operations in order to ensure the synchronized securities and funds entitlements settlement;

In order to reach its strategic objectives, the NDC plans to implement the following projects and arrangements:

- To improve the organizational structure of the Depository and to accommodate it to the strategic vision and action plan;
- To implement the highest corporate governance standards;
- To refine internal audit and controlling channels;
- To arrange systematic Risk Analysis and Management approach;
- To re-regulate internal document management procedures;
- To create feasible electronic transmission links with the Baku Stock Exchange;
- To join SWIFT network;
- To implement paperless documentation turnover with the professional participants of the Market;
- To create effective electronic Customers Inquiries Management network.

\* Please refer to page 58 for the Azerbaijani country report.

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**SECURITIES AND EXCHANGE BROKERS ASSOCIATION OF IRAN (SEBA)**

AFFILIATE MEMBER



**Hossein Khezli Kharazi**  
General Secretary

**The Securities and Exchange Brokers Association was registered in April 2007, and subsequently received its operation license from the Securities and Exchange Organization.**

### History and Development

The Securities and Exchange Brokers Association was registered in April 2007, and subsequently received its operation license from the Securities and Exchange Organization.

SEBA's organizational chart includes general assembly, association's council, executive committee and auditor/inspector.

The association is a non-governmental, not for profit entity, which represents Tehran Stock Exchange's members.

### Objectives

1. Assisting the development of a fair, competitive and effective marketplace for securities trading in Iran.
2. Raising SEBA members' credibility among investors.
3. Increasing members' technical knowledge.
4. Improving services and adjusting members' interrelations.

### Main Activities

1. Proposing regulations, and admitting, suspending, as well as annulling memberships.
2. Monitoring members' performances and assessing their activities.
3. Evaluating members' business announcements, in order to prevent any defective and fraudulent information dissemination.
4. Ratification of professional and disciplinary codes and standards for SEBA's members.
5. Helping brokers, dealers and market makers' reconcile their disputes.
6. Facilitating the development of the constant systematic and technical training for the members to increase knowledge and service quality.
7. Performing research studies and publishing magazines and books on the same topics.
8. Holding conferences and training courses for the members and public.

### Outlook 2010

1. Pursuing the bank credits taskforce meetings to fund the brokerage industry.
2. Ongoing monitoring of the brokerage firms' operational risks and designing risk-reduction strategies.
3. Holding at least two virtual courses and maintaining the common training courses.
4. Upholding the professional work groups' studies and activities for brokers rating, issuing certificates, trade and post-trade solutions, commodities Exchange and export ring development, absorbing foreign investment, and raising professional ethical codes.
5. Boosting SEBA's relations with international capital markets' entities, as well as news and information broadcasting agencies.
6. Providing a comprehensive insurance package for the Iranian brokerage industry.
7. Attaching with social responsibilities activities and commitments.

\* Please refer to page 148 for the Iran country report.

### CONTACT INFORMATION

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Phone 0098 21 88524145-6 Fax 0098 21 88525988





## SECURITIES DEPOSITORY CENTER (SDC) OF JORDAN

AFFILIATE MEMBER



**Samir Jaradat**  
Chief Executive Officer

## The Securities Depository Center has made a qualitative leap in the Jordan Capital Market by establishing a national center for registry, depository and clearing and settlement of securities.

As part of Jordan's vision towards establishing a progressive economy and a dynamic investment environment, the Securities Depository Center (SDC) was established as a public utility institution and began operating in 1999. Ever since the SDC became the sole entity empowered the responsibilities of registering, depositing, transferring ownership, safekeeping, and clearing and settlement of securities.

Accordingly, the SDC built Securities Central Operation Registry Processing and Information Online (SCORPIO)<sup>®</sup> system in order to provide various services to investors, its members including public shareholding companies, public issuers, brokers and custodians such services include investor identification and account set up, statement of ownership balance, statements of account, pledging, freezing, online account viewing

The SDC plays a vital role in supporting transparency through an initiative known as "Data For All, Not Just For Sale", from this initiative the SDC provides various services through its website such as the online account viewing, statistical data, members' area and an electronic initial public offering (e-IPO).

### Role of the Depository

The Securities Depository Center of Jordan is a public utility institution established in the Hashemite Kingdom of Jordan by virtue of the Securities Law. The SDC commenced operation in May 1999 and is the only entity in Jordan that is legally empowered to oversee the registration of securities, deposit of securities, transfer of ownership, safekeeping of securities and clearing and settlement of securities transactions.

The SDC is one of the most important institutions in Jordan's capital market as it holds the ownership register of all public shareholding companies where ownership registration is in the beneficial owner name where nominee & street names does not apply.

As a key component in the modernization of the capital market, the SDC implemented a delivery-versus-payment (DVP) settlement protocol. DVP, a globally recommended settlement methodology that ensures the simultaneous delivery of securities against final payment of funds. The ownership is transferred on T+2 and backdated to T, these transfers are final and irrevocable, and financial settlements are currently conducted via the Central Bank of Jordan's Real Time Gross Settlement System (RTGS-JO) which is a central real time, gross final & irrevocable electronic settlement system, using SWIFT instructions to effect transfers with immediate value.

It is worth mentioning that the Tight coupling environment set in March 2009 in the Jordanian Capital Market, introducing linkage between the SDC & the ASE that in turn, organize trading and reduce risks related to trade's transactions that in turn positively reflects on clearing and settlement process at the SDC and reduce risks in the Jordan Capital Market.

The SDC also developed the "Securities Central Operation Registry Processing & Information Online (SCORPIO)" system. SCORPIO, an SDC-designed and implemented system, is bilingual and it provides a complete solution for the registration, deposit and clearing and settlement.

The SDC offers different services to investors in securities including pledging services, providing investors with statements of their securities balances that show the securities owned by them and their distributions among members; in addition to providing investors with the ability to freeze their securities in the central registry.

There are no restrictions on the remittance of investment funds into or out of Jordan, all income & capital gained from investment in Jordan are exempted from tax; this includes cash & stock dividends. However, (5%) applies to interest gained from credit balances.

### Participation Criteria

The SDC's members are public shareholding companies, public issuers, brokers, custodians and any other entity determine by the Board of Commission of JSC.

### Eligible Pledgee

Pledgees are not considered members in that capacity yet. however, it is within the SDC's Plans as soon as the legal framework for it is approved.

### Issuers

Membership is obligatory for public shareholding companies by virtue of the Securities Law.

### Size of Guarantee Fund

JOD 25.8 million (US\$ 36.4 million) as of 31 December, 2009.

### Does the SDC act as a central counter party

No

### Memberships in other International Organizations

The International Organization of Securities Commissions (IOSCO)  
Association of National Numbering Agencies (ANNA)  
Africa & Middle East Depositories Association (AMEDA)  
Federation of Euro-Stock Exchanges (FEAS)  
Union of Arab Stock Exchanges (UASE)  
Central Securities Depositories (CSD10)  
Association of Global Custodian (AGC)  
Thomas Murray (TM)

### Legal Status

Public utility institution

### Type of Commercial Entity

Not for profit

### Regulated by

Jordan Securities Commission

### Form of Securities

Dematerialized no physical certificates being issued in Jordan

### Form of Settlement

Book Entry

### Settlement Cycle

T+2

### Turnaround Trades

Allowed provided the same broker in the same settlement cycle

### Numbering

- ISIN CODES complying with the International Standard ISO-6166
- CFI Code complying with the International Standard ISO-10962

\* Please refer to page 48 for the Jordan country report.

### CONTACT INFORMATION

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**P.O.B.** (212465) Amman 11121 Jordan



مركز إيداع الأوراق المالية  
Securities Depository Center



## TAKASBANK ISE SETTLEMENT AND CUSTODY BANK INC.

## AFFILIATE MEMBER



**Emin Catana**  
President & CEO

## Takasbank has accomplished many innovative projects and created new mechanisms in the year 2009.

Takasbank has accomplished many innovative projects and created new mechanisms in the year 2009 aiming at enhancing market efficiency and upgrading the services provided to the market participants. During the course of the year, although difficulties arising from the sub-prime mortgage crisis increased its pace, Takasbank, with the knowledge of the need for a more reliable and stable technical and operational infra-structure in crisis times, showed remarkable progress in terms of developing the infra-structure underpinning Turkish capital market clearing & settlement systems.

Takasbank, as the convenor of FEAS Affiliate Task Force (TF), organized the fifth meeting of the Task Force (TF) combined with a Workshop and hosted these meetings in Antalya on 22-23 October 2009 together with Central Registry Agency (CRA). In these meetings, TF endeavored to increase the number of members of the FEAS Task Force, thereby to share views, information and provide more harmonization on a wider platform in the FEAS region. Post-trade institutions operating in the FEAS region were invited to be a member of the Task Force in order to create an opportunity to exchange views and experience on the key issues in the industry and respective markets.

Also TF aimed to express the importance of harmonization of clearing, settlement and custody services in cross border transactions in the FEAS region and emphasized the importance of the integrity of post-trade systems through effective business continuity management.

Within this framework, Takasbank, with the cooperation of the Affiliate Task Force Members and FEAS Secretariat prepared the "Business Continuity and Disaster Recovery Standards and Best Practices for Post-Trade Institutions" leaflet and distributed to all FEAS members at the fifth meeting of the TF. It was also underlined that business contingency standards advice international best practice in business continuity of the post-trade institutions. These best practices include creation and implementation of improvements in operational risk management practices, further harmonization of global, legal and regulatory environment and improved business continuity for providers of post-trade services.

In addition to these, a sub-working group was formed under the convenorship of Takasbank. This sub-working group aimed to analyze local infrastructures

for interoperability among the post trade institutions as a vehicle facilitating cross border transactions, to advise on how to minimize the settlement risk of the brokerage houses in cross border transactions as well as to study on the feasibility of establishment of a link-up among the post trade institutions in the FEAS Region.

In 2009, Takasbank and Muscat Depository & Securities Registration Company (MDSRC) signed a Memorandum of Understanding (MoU) in order to establish a mutually beneficial relationship between two institutions. This agreement aims to serve the goal of improving performance and international competitiveness through mutual exchange of information, know-how and training activities.

In order to enhance its international exposure, Takasbank applied to World Federation of Exchanges (WFE) for membership and granted "Associate Membership" during the last quarter of 2009. With this membership, Takasbank aims to gain access to global capital markets and thus, pursue the latest developments for capital markets.

### General Information

Takasbank is incorporated as a non-deposit taking investment bank and is authorized by the Capital Markets Board of Turkey to function as: the Clearing and Settlement Institution for the ISE markets, the Clearing House for the Turkish Derivatives Exchange, the National Numbering Agency of Turkey and the Custodian for the Mutual Funds and Pension Funds incorporated in Turkey.

### Services Provided

- Central clearing and settlement for the organized markets of ISE and Turkish Derivatives Exchange (TurkDEX),
- Cash settlement and transfer facilities (domestic and cross-border),
- Cross-border settlement and custody services,
- Real Time Gross DvP settlement (among brokers and custodians) for equities via integration with SWIFT system
- Takasbank Money Market,
- Securities Lending and Borrowing Market (SLB),
- Cash Credits,
- Allocation of ISIN for securities issued in Turkey

### Brief History

Takasbank started as a department within the Istanbul Stock Exchange (ISE) in 1988, and originally dealt with the provision of settlement services for securities traded by the members of the ISE. In January 1992, the operations of that department were transferred to an independent company, the ISE Settlement and Custody Co. Inc., which was set up under the shareholdership of the ISE and its members. This company was then transformed into a sector-specific bank and renamed Takasbank (ISE Settlement and Custody Bank, Inc.) in 1996.

### Form of Securities

Dematerialized

### Form of Settlement and Transfers:

Book-entry

### Legal Status

Joint stock company

### Settlement Period

Equities: T+2  
Bonds and Bills: T+0  
Derivatives: T+1

### Type of Commercial Entity

Private sector for-profit company

### Does Takasbank Act as a Central Counter Party?

Takasbank acts as a Central Counter Party for TurkDEX, but does not act as a Central Counter Party for ISE markets.

### Regulated by

Capital Markets Board  
Banking Regulation and Supervision Agency  
Central Bank of Turkey.

### Size of Guarantee Fund

(As of December 2009)  
ISE Equities Market: US\$ 35 million  
ISE Bonds and Bills Market: US\$ 42 million

### Ownership

Istanbul Stock Exchange (ISE): 32.63%  
Banks (19): 34.48%  
Brokerage Houses (66): 32.89%

### Board of Directors: 11 Members

Istanbul Stock Exchange: 4

Banks: 3

Brokerage Houses: 2

Capital Markets Board: 1

and the President and CEO of Takasbank.

### Memberships to International Organizations

Association of National Numbering Agency (ANNA)  
International Securities Services Association (ISSA)  
Society for Worldwide Interbank Telecommunications (SWIFT)  
Association of European Central Securities Depositories (ECSDA)  
Federation of Euro-Asian Stock Exchange (FEAS)  
Institute of International Finance (IIF)  
Organization of Islamic Conference (OIC)  
World Federation of Exchanges (WFE)

### Future Outlook

In 2010, Takasbank intends to:

- Continue its efforts to become a Central Counterparty for equities and establish a central collateralization system
- Contribute to the development of international standards for securities and implementing these standards in Turkey.
- Establishment and implementation of Electronic Trading Platform for Commodities Exchange;
- Development and integration of the collateral and risk management software for Turkdex Options market;
- Development of an Electronic Fund Platform to create a larger distribution channel for market participants;
- Development of an Options Market Clearing and Settlement infra-structure;
- Integration of SWIFT and DvP settlement system for Corporate Action transactions.

\* Please refer to page 96 for the Turkey country report.

## CONTACT INFORMATION

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## TEHRAN SECURITIES EXCHANGE TECHNOLOGY MANAGEMENT COMPANY (TSETMC) AFFILIATE MEMBER



**Morteza Khazanedari**  
Managing Director

### The major project for TSETMC is to implement a new trading solution for the Tehran Stock Exchange (TSE) in the year 2008.

TSETMC's activities for the year 2008 are:

The major project at TSETMC is to implement a new trading solution for the Tehran Stock Exchange (TSE) in the year 2008. The trading solution was installed on the purchased hardware in early April 2007. This Solution is due to come online in the winter of 2008 after finalization of internal and external User Acceptance Testing (UAT). TSETMC is also assisting the newly established CSD Iran Company for the implementation of a new post-trade solution. TSETMC has a very close relationship with CSD Iran Company since all of the post-trade activities

were the responsibility of TSETMC before the enactment of the Capital Market Act by the Iranian Parliament in 2005. CSD Iran Company is also an Affiliated Member of FEAS.

During the implementation of the new core trade and post-trade solutions, TSETMC is assisting major brokerage firms in Iran for the implementation of Brokerage Solutions.

The plan is to introduce financial and commodity derivatives markets in TSE and the newly established Iranian Mercantile Exchange (IME) in the near future. TSETMC is supporting the

introduction of these markets and also their trade and post-trade processing. TSETMC is an active member of a consortium with the responsibility to establish the Iranian Petroleum Exchange.

TSETMC is the main contributor in the development and implementation of international standards in Iran. TSETMC is helping the implementation of a DVP Model2 for TSE's equity market. In addition, the new CSD Company would become a CCP of the equity market by 2010. TSETMC is involved with CSD Iran for the provision of needed infrastructure and risk management mechanisms.

#### Other Projects

##### Financial Information Processing of Iran (FIPI)

TSETMC started a new project titled "Financial Information Processing of Iran" (FIPI). The main objective of the project is to establish a Data Warehouse to gather and maintain all important information and data in Iranian financial markets. Stored data and information are processed and delivered via different mediums (such as a website, Decision Support Systems and Standard reports) to various users.

##### Digital Signature Certificate

TSETMC defined a new project with Iranian Commerce Ministry to become a Certified Authorization (CA) body for the Iranian Capital Market. Iranian Ministry of Commerce acts as a root CA in Iran and authorized TSETMC to provide Digital Signature Certificate to capital market's participants. Such certificate has a vital role in electronic commerce as both parties could transact digitally with very high level integrity, privacy, authentication and non-repudiation.

##### General Information

Tehran Stock Exchange Services Company (TSETMC) is a subsidiary of the Securities and Exchange (SEO) of Iran. SEO regulates and oversees the Iranian capital market. TSETMC was established on June 1994 as an independent company owned by Tehran Stock Exchange (TSE) and its members. With the implementation of the new Capital Market Act by the Iranian Parliament, SEO was established and the ownership of TSETMC was transferred to SEO. The TSETMC's main function is to develop, maintain, operate, and promote systems for all stages of the trade-cycle services in Iran.

Specifically, TSETMC is responsible to:

- maintain all hardware and software used for trade and post trade activities
- develop and enhance existing software applications
- provide consultancy and technical advice to main exchanges in Iran
- act as a financial information processor for the Iranian financial market.

#### Services Provided

##### Trading

Maintain Automated Trading System (ATS)  
Disseminate trade and financial information to interested parties

##### Information and Supporting

Provide operational services  
Manage operational risks

##### Others

Provide consultancy  
Manage TSE data centers  
Implement specialized software

##### Brief History

TSETMC started its operation as a subsidiary of the National Informatics Corporation (NIC) of Iran in July 1984. Originally, TSETMC developed, maintained and operated the computerized system of TSE used for trade and post-trade activities. In June 1994, TSETMC was incorporated as an independent company under the ownership of the TSE, its members, and NIC. Currently, Securities and Exchange (SEO) of Iran is the sole owners of TSETMC.

##### Form of Securities

Dematerialized

##### Form of Settlement and Transfers:

Book-entry

##### Legal Status

Private Joint Stock Company

##### Settlement Period

For TSE Markets:  
Equities: T+3  
Corporate Bonds: T+1

##### Type of Commercial Entity

Private sector for-profit company

#### Does TSETMC act as a central counter party?

No.

#### Regulated By

Securities and Exchange Organization of Iran  
(www.seo.ir)

#### Ownership

Owned by the Securities and Exchange Organization (SEO) of Iran

#### Memberships to International Organizations

Affiliate Member of the Federation of Euro-Asian Stock Exchanges (FEAS)

#### Board of Directors: 3 Members

Representatives of the Securities and Exchange (SEO) of Iran

#### Future Outlook

From March 2008 to March 2009, TSETMC intends to:

- Lead the implementation of a new trading solution
- Assist CSD Iran in the implementation of a post-trade solution
- Assist brokerage firms for implementing total brokerage solutions
- Lead efforts for implementation of Straight Through Processing (STP)
- Contribute in the introduction of new instruments
- Assist in the creation of the Iranian Petroleum Exchange
- Perform studies for creation of a Lending and Borrowing market
- Contribute to the development and implementation of international standards
- Initiate studies and efforts to introduce CCP at CSD Iran
- Release the first phase of Financial Information Processing project
- Continuing the Digital Signature Certificate project

\* Please refer to page 148 for the Iran country report.

## CONTACT INFORMATION

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## THE ASSOCIATION OF CAPITAL MARKET INTERMEDIARY INSTITUTIONS OF TURKEY (TSPAKB) AFFILIATE MEMBER



**E. Nevzat Oztangut**  
Chairman

## In Turkey, where the capital markets were not directly affected by the global crisis, efforts to improve the structure of the markets were carried on.

The year 2009 was marked by the financial crisis that evolved into a global recession. In order to prevent the occurrence of similar problems, various studies both on national and international level were conducted. The post crisis era will lead to the restructuring of financial and regulatory landscape across the world.

In Turkey, where the capital markets were not directly affected by the global crisis, efforts to improve the structure of the markets were carried on. In this context, new regulations introducing mortgage backed securities, company and covered warrants were released. Furthermore, regulations regarding existing instruments have been revised in order to facilitate new issues.

Another achievement in 2009, was the announcement of a strategy and action plan for making Istanbul a global financial centre. Our Association was fully engaged in the preparation of the strategy document. Now it is time for all institutions in the market to implement the defined measures. Our Association assumed several

responsibilities, varying from training to assistance in the development of new financial products.

As the Association, we are also involved in the Encouragement of Public Offerings Project, aiming to promote public offerings. We believe that this project will make an important contribution to the development of our industry.

We pursued our endeavours to reduce intermediation costs. For example; Istanbul Stock Exchange and the Turkish Derivatives Exchange generously accepted our proposals and reduced the transaction fees in their relevant markets.

In 2009, we diversified our training programs and started to offer courses in a wider number of cities across Turkey. Nearly 5.000 people have attended our education programs in 2009. On the other hand, the number of registered market professionals at our Association has reached 33.000, while the number of issued licenses reached 19.000.

Our Association serves as the information hub of the industry through our unique statistics and various publications. Besides our monthly and annual reports in Turkish, we have also increased the range of our reports in English.

Moreover, we strengthened our close relations with international organizations through new memberships. In addition to our membership to the Federation of Euro-Asian Stock Exchanges, we also became member of Asia Securities Forum and the International Forum for Investor Education.

Regarding the latter issue, in 2010 our Association plans to conduct a comprehensive financial literacy survey in view of developing an effective investor education program in association with relevant capital market institutions. We are dedicated to continue working for the development of the capital markets in Turkey.

### History and Development

The Association of Capital Market Intermediary Institutions of Turkey has been established in March 2001 as the self-regulatory organization in the Turkish capital markets. 103 brokerage firms and 41 banks that are authorized for capital market operations constitute the members of the Association as of end 2009.

The Association aims to:

- Contribute to the development of capital markets and intermediation activities;
- Facilitate solidarity among its members;
- Safeguard prudent and disciplined conduct of business by its members;
- Prevent unfair competition among members;
- Enhance professional know-how in the sector.

The main functions of the Association are to:

- Establish professional rules and regulations;
- Set safety measures to prevent unfair competition;
- Monitor professional developments, changes in rules and regulations and inform members thereof;
- Evaluate complaints against its members;
- Impose disciplinary action on members, when necessary;
- Assist in the resolution of disputes arising from off-exchange transactions among its members or between its members and investors;
- Appoint arbitrators upon the request of concerned parties;

- Conduct research on Turkish and international capital markets;
- Offer training programs;
- Issue licenses to capital market professionals who are required to pass exams organized by the CMB;
- Keep records of all capital market professionals;
- Cooperate with related foreign institutions.

### Future Outlook

- Between 9-13 May 2010, TSPAKB will host the 23rd Annual General Meeting of the International Council of Securities Associations (ICSA). ICSA represents trade associations and self-regulatory organizations for the securities market from around the globe.
- In cooperation with the Capital Markets Board, TSPAKB aims to hold the exams for the licensing of capital market professionals. Until 2010, the exams were held by the Capital Markets Board, whereas the licenses were issued by the Association.
- TSPAKB aims to conduct a financial literacy survey in order to develop an effective investor education program to assist investors in making financial decisions.
- TSPAKB will continue to contribute to the Encouragement of Public Offerings Project, in cooperation with the Istanbul Stock Exchange and the Union of Chambers and Commodity Exchanges of Turkey.
- TSPAKB will take part in the Istanbul Finance Centre Project, coordinated by the State Planning Organisation.

### Calendar

International Council of Securities Associations' 23rd Annual General Meeting, May 9-13, 2010, Ceylan Intercontinental Hotel, Istanbul

### Legal Status

Not-for-profit association

### Regulated by

Capital Markets Board

### Board of Directors

7 persons chosen amongst members by the General Assembly every two years.

### Memberships to International Organizations

AFIE (Asia Forum for Investor Education): <http://www.afie.asia>  
ASF (Asia Securities Forum): <http://www.asiasecuritiesforum09.com>  
FEAS (Federation of Euro-Asian Stock Exchanges): <http://www.feas.org/>  
ICSA (International Council of Securities Associations): <http://www.icsa.bz>  
IFIE (International Forum for Investor Education): <http://www.ifie.org>  
IOSCO (International Organization of Securities Commissions): <http://www.iosco.org>

\* Please refer to page 96 for the Turkey country report.

## CONTACT INFORMATION

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Phone +90 (212) 280 8567 Fax +90 (212) 280 8589

**TSPAKB** THE ASSOCIATION OF CAPITAL MARKET INTERMEDIARY INSTITUTIONS OF TURKEY



## Abu Dhabi Stock Exchange

Address: P.O. Box 54500 Abu Dhabi, U.A.E. Phone: (2) 627 7777 Fax: (2) 612 8787 E-mail: info@adsm.co.ae

Web Address: www.adx.ae Country Code: 971

Company's Name	City Code	Telephone	Fax	E-mail Address
Abu Dhabi Islamic Bank	9712	634 30 00	6333316	
AABAR Petroleum Co.	9712	626 44 66	626 82 28	
Abu Dhabi Aviation Co.	9712	5758000	5757775	
Abu Dhabi Co For Building Materials (BILDCO)	9712	6455500	6455544	
Abu Dhabi Commercial Bank	9712	6962222	677 64 99	
Abu Dhabi Energy Company (TAQA)	9712	6943662	6943774	
Abu Dhabi National Hotels Co.	9712	4447228	4448495	
Abu Dhabi National Insurance Co. (ADNIC)	9712	6264000	6268600	
Abu Dhabi Ship Bldg (ADSB)	9712	55 10 800	5511067	
Abu Dhabi Takaful	9712	626 27 27	626 07 77	
Al Buhaira National Insurance Co.	9716	568 40 00	574 88 55	
Al Dhafra Insurance Co.	9712	6721444	6729833	
Al-Ain Ahlia Insurance Co.	9712	4459900	4456685	
ALDAR Properties	9712	6964444	6417504	
Al-Khazna Insurance Co.	9712	6767000	6768500	
Al-Wathba National Insurance Co.	9712	6770566	6776628	
Arkan Building Materials	9712	24455888	24455282	
ASMAK	9716	7435727	7432256	
Bank of Sharjah	9716	569 44 11	568 33 77	
Commercial Bank International	9717	2227555	2227444	
Commercial International Bank / Egypt (CIB)	202	747 22 92 / 3	573 15 41	
DANA GAS	9716	556 94 44	55 66 522	
Emirates Driving Company	9712	551 05 44	551 02 27	
Emirates Foodstuff & Mineral Water (Agthia)	9712	4455221	4463644	
Emirates Insurance Co.	9712	6440400	6445227	
Emirates Telecommunications-ETISALAT	9712	6283333	6317000	
Finance House	9712	621 99 99	619 40 99	
First Gulf Bank	9712	681 66 66	681 37 27	
FOODCO Holding Co.	9712	6731000	6732100	
Fujairah Building Industries	9719	2222051	2227314	
Fujairah Cement Industries Co.	9719	222 31 11	222 77 18	
Fujairah National Insurance Co	9719	2233355	2224344	
Fujairah Trade Center	9719	2222661	2226212	
Gulf Cement Company	9717	2668222	2668038	
Gulf Medical Projects Company	9716	561 99 99	561 66 99	
Gulf Pharmaceutical Industries (Juphar)	9717	2461461	2461462	
International Fish Farming Company	9716	743 57 27	743 22 56	
Invest Bank	9716	569 44 40	569 42 12	
National Bank Of Abu Dhabi	9712	611 11 11	627 58 81	
National Bank of Fujairah	9719	202 93 12	222 45 16	
National Bank of Ras Al Khaimah	9717	228 11 27	228 61 06	
National Bank of Umm Al Qiwan	9716	7066666	765 15 25	
National Corporation for Tourism & Hotels	9712	4099777	4099778	
National Marine Dredging Co.	9712	5516000	5516500	
Oasis International Leasing Co.	9712	6273880	6273990	
Oman & Emirates Investment Holding Co.	99682	4489458	4489465	
Palestinian Telecommunication Co. (PALTEL)	9702	2405838	00970 92376227	
Qatar Telecommunication Co. (Q-tel)	974	4400525	4830112	
RAK Co. for White Cement & Construction Materials	9717	2668888	2668866	
RAK National Insurance Co.	9717	227 30 00	228 85 00	
RAK Properties	9717	233 00 04	227 24 44	
Ras Al Khaimah Poultry & Feeding Co.	9717	2462222	246222	
Ras Al-Khaimah Cement Company	9717	2660111	2660006	
Ras Al-Khaimah Ceramics	9717	2445046	2445270	
Sharjah Cement & Industrial Dev. Co.	9716	568 46 81	568 31 71	
Sharjah Insurance Company	9716	568 66 90	568 38 88	
Sharjah Islamic Bank	9716	568 10 00	568 01 01	
Sorouh Real Estate	9712	444 00 06	444 00 66	
Sudanese Telecommunication Co. Ltd	249183	770099	782322	
Umm Al Qiwan Cement Industries	9716	765 55 22	765 55 20	
Union Cement Company	9717	2668166	2668635	
Union Insurance Co.	9716	7466996	7466997	
Union National Bank	9712	674 31 41	6773482	
United Arab Bank	9716	5075500	573 39 13	
United Insurance Co.	9717	2351877	2353250	



## Amman Stock Exchange

Address: P.O. Box 212466, Amman 11121, Jordan Phone: (6) 566 4109 Fax: (6) 566 4071 E-mail: info@ase.com.jo

Web Address: www.exchange.jo Country Code: 962

Company's Name	City Code	Telephone	Fax	E-mail Address
Ahli Brokerage Company	6	5624361	5624362	www.ahli.com
Ajjad for Securities	6	5622269	5622293	-
Al- Shorouq Financial Brokers	6	5695512	5695551	www.alshorouqfb.com
Al Wameedh for Financial Services and Investment	6	5681960	5681030	-
Al- Yasmeen for Securities & Investment	6	5656645	5656334	info@jescoonline.net
Al-Amal Financial Investments Co. LTD.	6	5671485	5667993	-
Al-Arabi Investment Group	6	5526491	5526492	mail@ab-invest.net
Al-Aula Financial Investments	6	5201450	5653564	-
Al-Awael International Securities	6	5633222	-	-
Al-Bilad For Securities And Investment	6	5105900	5105700	-
Aleman Financial Investment	6	5663173	5664988	nidbass@yahoo.com
AlFares Financial Investments	6	5658211	5657724	-
Al-Hekma Financial Services	6	5654046	5654049	info@hekmah-fs.com
AlJazeera for Financial Investments	6	5651611	5651981	-
Al-Mawared For Brokerage	6	5688085	5622405	-
Al-Nadwa For Financial Services and Investment	6	5105213	-	-
AlNour For Financial Investments	6	5666690	5656520	-
Al-Omana'a Portfolio and Investment	6	5549700	5549702	-
Al-Reda For Financial Services	6	5699995	5699995	info@alreda-jordan.com
AlSafwa Financial Investments	6	5201230	5655639	-
Al-Sahm International for Investment & Brokerage	6	5691662	5691665	-
Al-Salam For Financial Investments	6	5820628	5820630	-
Al-Watanieh for Financial Services Co.	6	5663851	5682803	www.watanieh.com.jo
Aman for Securities	6	5662362	5662381	info@amansecurities.jo
Amman Investment & Securities	6	5669689	5672572	-
Arab Co-operation Financial Investment Co.	6	5629300	5629301	alie@abci.com.jo
Arab Falcon Trading Securities	6	5682225	5623118	fifco@joinnet.com.jo
Asia Stock Brokerage	6	5673086	5676030	-
Business Women Trading Securities	6	5828872	5828834	www.al-multaqaa.com
Capital Investments	6	5200330	5692872	-
Delta Financial Investments	6	02/7254664	02/7254660	-
Elite Financial Services	6	5505755	5547878	info@elite-fs.com
Excel For Financial Investment	6	5600923	5675951	-
Experts Financial Services	6	5661608	5663905	-
Friends Financial Investment & Brokerage	6	5639088	5680298	-
Imcan for Financial Services	6	5604222	5601444	info@imcan.jo
Indemaj Financial Services	6	5802930	5685931	-
Industrial Development Bank	6	4642216	4647821	idb@indebank.com.jo
International Brokerage & Financial Markets	6	5503300	5855362	-
International Financial Advisors	6	5690933	5626665	-
International Financial Center	6	5674558	5696720	-
Investment House for Financial Services	6	5685525	5685344	-
Jordan & Gulf Investment	6	5675617	5675617	jgfinance@wanadoo.jo
Jordan Expatriates For Financial Brokerage	6	5653702	5653702	-
Jordan River Financial Investment	6	5560023	5530801	info@jrfic.com
Jordanian Saudi Emirates Financial Investment	6	5620011	5620050	info@jescoonline.net
Ibda' for Financial Investment	6	5662440	5668910	-
National Portfolio Securities	6	5673101	5688793	www.npsc.com.jo
Osool Investment and Financial Services	6	5696377	5696367	-
Samir & Sameh Bros. for Investment	6	5671546	5684476	www.aljabari.com
Sanabel AlKhair for Financial Investments	6	5653046	5653047	-
Selwan Financial Brokers	6	5651546	5651549	selwan@firstnet.com.jo
Shareco Brokerage Co.	6	5673812	5695644	shareco@nets.com.jo
Shares House for Financial Securities	6	5694114	5694114	info@shareshouse.com
Shua'a for Securities Trading and Investments	6	5623006	5623004	-
Societe Generale Jordan - Brokerage	6	5681651	5681251	sgbj@sgbj.com.jo
Sukook Investment & Brokerage	6	5623997	5623998	-
Tadawol For Securities & Financial Services	6	5543200	5543207	www.tadawol.jo
Tanmia Securities Inc.	6	5672460	5683559	www.tanmiainc.com
The Arab Financial Investment	6	5692425	5692423	www.arabinvestco.com
The Bankers for Brokerage and Financial Invest	6	5825380	5827590	-
The Financial Investment Company for Shares and Bonds	6	5671569	5699626	-
Trans Jordan for Financial Services	6	5650287	5672980	money@go.com.jo
Union Financial Brokerage	6	5675558	5606996	union.brokerage@wanadoo.jo
United Arabian Jordanian for Investment and Brokerage Services	6	5671578	5696156	-
United Co. for Financial Investment	6	5679829	5865870	www.ufico.com

**Bahrain Stock Exchange**

**Address:** Hedaya Building 2, Government Avenue, Manama, Block: 305 Kingdom of Bahrain, P.O. Box 3203, **Phone:** (17) 261 260 **Fax:** (17) 256 362  
**E-mail:** info@bahriastock.com **Web Address:** www.bahrainstock.com **Country Code:** 973

Company's Name	City Code	Telephone	Fax	E-mail Address
ABC SECURITIES	17	543149	543758	-
ABDULLA ZAIN AL-ABEDIN	17	246661	246661	-
AHLI UNITED BANK	17	585824	580549	info@ahliunited.com
AL AHLIA SECURITIES	17	207070	250800	-
BBK BROKERAGE SERVICES	17	229993	216164	ecall_ebank@bbkonline.com
GLOBAL INVESTMENT HOUSE	17	210011	210222	www.globalinv.net
GULF SECURITIES	17	272579	258780	-
INDOGULF FINANCIAL SERVICES CO.	17	227778	215231	-
MUBASHER FINANCIAL SERVICES B.S.C	17	556139	556124	-
NASSIR ABBAS KHOSROU	17	270130	271267	-
SECURITIES & INVESTMENTS CO.	17	515000	530603	sico@batelco.com.bh
TAIB SECURITIES CO.	17	549499	531213	taibdirect@taib.com
U.G.B SECURITIES	17	533233	531953	info@ugbbah.com
YOUSIF AL-AJAJI	17	261006	262948	ajaji001@yahoo.com

**Baku Interbank Currency Exchange**

**Address:** 57, Acad H. Aliyev Str., AZ1110 Baku, Azerbaijan **Phone:** (12) 465 6314 **Fax:** (12) 465 6516 **E-mail:** info@bbvb.org  
**Web Address:** www.bbvb.org **Country Code:** 994

Company's Name	City Code	Telephone	Fax	E-mail Address
AFbank	12	499 16 17	499 10 66	afbank@bakinter.net
Amrahbank	12	4978 862	4978 863	amrahbank@azeurotel.com
Anarbank	12	4989 437	4984 235	office@anarbank.baku.az
Aqrarkredit Non Bank Credit Organization	12	4380 530	498 15 17	asb@baku-az.net
Atabank	12	497 34 96	4987 447	atabank@atabank.com
Atlantbank	12	497 69 86	4976 989	atlant@azdata.net
Atra	12	4958 093	4981 274	atrabank@azdata.net
Azal	12	4986 056	4989 701	azalbank@azalbank.az
Azdemiryolbank	12	4402 722	496 09 77	damir@azdemiryolbank.com
Azerbaijan Credit Bank	12	5.982.424	5982427	info@azkreditbank.com
Azerigazbank	12	4975 017	4989 615	agbbank@azeri.com
Azernegliyyatbank	12	493 48 04	4934 804	azernegliyyat@liderkart.com
Azer-Türk Bank	12	4974 316	4983 702	atb@azertyrkbank.biz
Bank Avrasiya ASC	12	598 85 85	598 03 07	info@bankavrasiya.az
Bank of Azerbaijan	12	4980 247	4980 250	office@is-bankasi-azerbaycan.net
Bank of Baku	12	4470 055	498 82 78	root@bankofbaku.com
Birlikbank	12	4416 775	441 61 19	info@birlikbank.baku.az
Capital Investment Bank	12	4934 949	4938 450	cibank@azersun.com
CapitalBank	12	4936 630	4986 605	afig.khudayev@kapitalbank.az
Caucasian Development Bank	12	4973 272	4971 222	office@tdb.baku.az
Debutbank	12	4964 551	4974 560	debutbank@azeronline.com
Deka-Bank	12	4981 157	4981 147	office@dekabank.com
Eurobank	12	4977 455	497 89 07	office@eurobank.az
Gunay Bank	12	4980 456	4981 439	gunaybank@azeri.com
Mugan	12	4983 411	4983 511	bank@mugan.baku.az
NBC Bank	12	5666 856	498 94 77	info@nbcbank.az
Nikoyl	12	4972 972	4973 379	bank@nikoil.az
Open Joint-Stock Society Kovsar	12	4973 034	4973 029	bank@usal.baku.az
Para-Bank	12	4471 000	4930 882	office@parabank.az
PASA Bank ASC	12	496 50 00	496 50 10	office@pashabank.az
Postbank	12	498 69 14	498 33 14	seymur@postbank.org
Rabitabank	12	4926 097	4971 101	rb@rabitabank.com
Respublika	12	498 08 00	498 08 80	info@bankrespublika.az
Royal Bank of Baku	12	498 65 88	498 13 19	info@royalbank.az
Standart Bank	12	4971 070	4980 778	bank@bankstandart.com
Tekhnikabank	12	465 36 13	493 08 41	info@texnikabank.com
The Azerbaijan Bank of Microfinancing	12	493 07 26	493 07 96	bank@mfba.az
The International Bank of the Azerbaijan Republic	12	493 00 91	4989 128	ibar@ibar.az
The National Bank of the Azerbaijan Republic	12	4931 122	4935 541	info@nba.az
Turan	12	497 25 92	4972 577	turanbank@azdata.net
Unibank	12	4982 244	4980 953	bank@unibank.az
United Credit Bank	12	4900 641	490 05 22	ucb@ucb.az
Xalq bank	12	496 81 52	496 81 57	mail@xalqbank.az
Yapi Credit Bank Azerbaijan Ltd.	12	4977 795	4970 276	kocbank@kocbank.com.az
Zaminbank	12	498 81 05	493 41 90	info@zaminbank.az

**Baku Stock Exchange****Address:** 19, Bul-Bul Avenue A31000 Baku, Azerbaijan **Phone:** (12) 498 9820 **Fax:** (12) 493 7793 **E-mail:** k.aliyev@bse.az**Web Address:** www.bse.az **Country Code:** 994

Company's Name	City Code	Telephone	Fax	E-mail Address
«ADB Broker» LLC	12	440-24-29	496-09-77	broker@azerdemiryolbank.com
"Azerbaijan Industrial Bank" OJSC		license temporarily stopped		
«AzerTurkBank» OJSC		license temporarily stopped		
«BoB Broker» LLC	12	447-00-55	498-82-78	ehbabayev@banofbaku.com
«Brokdil-AZ» LLC	12	497-87-00	498-74-47	faig@atabank.com
«Caspian Financial» LLC	12	437-30-14	437-30-15	tkalayev@kazimir.com
"Chelsea Capital" LLC	12	598-25-71		s.intiqam@chelseacapital.az
«International Transaction Systems» LLC	12	436-84-90	436-84-85	murtuzayev.s@gcc.az
«Kapital Partners» LLC		license temporarily stopped		
«Mars Investment» LLC		license temporarily stopped		
«Respublika Invest» LLC	12	598-08-00	598-08-80	teymurt@bankrespublika.az
«Standard Capital» LLC	12	497-55-01	497-55-03	t.gadirli@standardcapital.az
«Tekhnika Capital Management» LLC	12	440-29-61	493-87-11	cafer.ibrahimli@texnikabank.az
«UniCapital» OJSC	12	498-22-44	498-09-53	heydar.ibrahimli@unibank.az
«YapiKredi Invest Azerbaijan» LLC	12	497-77-95	497-02-76	hikmat.cafarov@yapikredi.com.az

**Banja Luka Stock Exchange****Address:** Petra Kocica bb, 78 000 Banja Luka, Bosnia and Herzegovina, **Phone:** (51) 326 040 **Fax:** (51) 326 056 **E-mail:** blberza@blic.net**Web Address:** www.blberza.com **Country Code:** 387

Company's Name	City Code	Telephone	Fax	E-mail Address
Advantis broker a.d. Banja Luka	51	348-900	348-901	tatjana.tomanic@advantisbroker.com
Balkan Investment Bank a.d. Banja Luka	51	245-155	245-069	broker@bib.ba
Bobar Banka a.d. Bijeljina	55	211-552	218-388	ana.mirosavljevic@bobarbanka.com
Eurobroker a.d. Banja Luka	51	310-347	310-348	milana.popadic@eurobroker.ba
Fima a.d. Banja Luka	51	329-200	329-212	stopalovic@fima.ba
Hypo-Alpe-Adria Bank a.d. Banja Luka	51	336-530	336-535	bratoljub.radulovic@hypo-alpe-adria.com
Monet broker a.d. Banja Luka	51	345-600	345-601	draganab@monetbroker.com
NLB Razvojna Banka a.d. Banja Luka	51	226-570	226-571	vladimir.burazor@nlbrazvojnabanka.com
UniCredit Bank a.d. Banja Luka	51	243-392	243-267	unicreditbroker@unicreditgroup.ba
Nova Banka a.d. Banja Luka	51	241-923	241-925	boris.kacavenda@novabanka.com
Pavlovic International Banka a.d. Bijeljina	55	232-300	232-301	office@pavlovic-banka.com
Raiffeisen a.d. Banja Luka	51	231-490	243-491	info@raiffeisencapital.ba
Zepter Broker a.d. Banja Luka	51	233-170	233-180	zepterbroker@teol.net

**Belarusian Currency and Stock Exchange****Address:** 48a, Surganova Str., 220013 Minsk, Belarus **Phone:** (375) 17 209 41 03 **Fax:** (375) 17 209 41 10 **E-mail:** blusson@bcse.by**Web Address:** www.bcse.by **Country Code:** 375

Company's Name	City Code	Telephone	Fax	E-mail Address
ABSOLUTBANK CJSC	375-17	2370702		root@absolutbank.by, www.absolutbank.by
AIGENIS, CJSC	375-17	2054041		info@aigenis.by, www.aigenis.by
AKTSIYA, LTD	375-17	2377891		action2004@tut.by
ALFA INDUSTRIAL CAPITAL, FE	375-17	2066174		elena_b@alpha-invest.com
ALFA PROF-ACTIVE, LTD	375-17	2990084		alfaprof@gin.by
ASTANAEXIMBANK JSC	375-17	2895811		chubkova@aeib.by, www.aeb.by
ATLANT-INVEST, DEPOSITORY	375-0152	721844		
ATOM-BANK JSC	375-17	2198482		info@atombank.by, www.atombank.by
BANK OF RECONVERSION AND DEVELOPMENT JSC	375-17	2035727		catherine@rrb.by, www.rrb.by
BELAGROPROMBANK JSC	375-17	2185777		belapb@belapb.by, www.belapb.by
BELARUSKY NARODNY BANK JSC	375-17	2801663		bnb@tut.by, www.bnb.by
BELARUSSIAN INDUSTRIAL BANK JSC	375-17	2039578		bib@bib.by, www.bib.by
BELGAZPROMBANK JSC	375-17	2067740		bank@bgpb.by, www.belgazprombank.by
BELINVESTBANK JSC	375-17	2892812		info@belinvestbank.by
BELMEZHKOMINVEST, JSC	375-17	2013341		
BELPROMSTROIBANK JSC	375-17	2894606		inbox@bpsb.by, www.bpsb.by
BELROSBANK CJSC	375-17	2897680		mailbox@belrosbank.by

## Belarusian Currency and Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
BELSWISSBANK UNITED STOCK COMPANY	375-17	2066933		info@bsb.by, www.bsb.by
BELVNESHECONOMBANK JSC	375-17	2092944		bonds@bveb.minsk.by, www.bveb.by
BROSTOK, CJSC	375-17	2135859		brostock@solo.by
CAPITAL-ACTIVE, CJSC	375-0232	574357		
DENIM TRADING, UNITARY ENTERPRISE	375-17	236-9549		dima@altdenim.com
DERZHAVAINVEST, JSC	375-17	203-8978		derzhava@telecom.by
GENERAL INVESTMENT SYSTEM CJSC	375-17	294-0353		gsi@aport.ru
GT-BANK (GOLDEN TALER BANK)	375-17	2266298		office@gtbank.by, www.gtbank.net
INTERNATIONAL RESERVE BANK JSC	375-17	2996900		info@irb.by, www.irb.by
INTERTRUSTGROUP, JSC	375-17	2373896		info@it-g.ru
INVALUE, CJSC	375-17	2064611		invalue@invalue.by
ITI-BANK (JOINT-STOCK COMMERCIAL INTERNATIONAL TRADE AND INVESTMENT BANK)	375-17	2006880		office@itibank.by, www.itibank.by
KASKAD-93-INVEST, LTD	375-17	2985768		kaskad-invest@anitex.by
LIDERINVEST, LTD	375-17	2208353		shutko@stock.nsys.by
LOROBANK OJSC	375-17	2996901		lorobank@mail.ru
MINSK TRANSIT BANK JSC	375-17	2132901		bank@mtb.minsk.by, www.mtb.by
MOSCOW-MINSK FOREIGN BANK	375-17	2886301		mmb@mmbank.by, www.mmbank.by
NATIONAL BANK OF THE REPUBLIC OF BELARUS	375-17	2192242		www.nbrb.by
NORTHERN INVESTMENT BANK JSC	375-17	2996621		nordinvest@nib.bn.by
PARITETBANK OJSC	375-17	2883248		info@paritetbank.by, www.paritetbank.by
PRIORBANK JSC	375-17	2899087		info@priorbank.by, www.priorbank.by
PROMREESTR, LTD	375-17	200-0272		
PROMTECHINVESTVEKSEL, UNITARY ENTERPRISE	375-17	2218909		
REESTR, LTD INVESTMENT COMPANY	375-02161	42862		reestr@tut.by
SAVINGS BANK "BELARUSBANK" JSSB	375-17	2188431		info@belarus-bank.by
SLAVNEFTEBANK, CJSC	375-17	2162387		snb@snbank.by, www.snbank.by
SOMBELBANK JSC	375-17	2066569		info@sbb.by, www.sbb.by
SOVMEDIA, UNITARY ENTERPRISE	375-17	2135472		sovmedia@tut.by
STOCK ALIANCE, LTD	375-17	2029647		fondoy_alians@mail.ru
STOCK HOUSE, CJSC	375-17	2949170		
SYNTHESIS INVEST GROUP, LTD	375-17	2112857		dkorn1972@mail.ru
TECHNOBANK OJSC	375-17	2832727		shlyago@tb.by www.tb.by
TRUSTBANK, PRIVATE JSC	375-17	2032467		samson@trustbank.by
TRUST-WEST, LTD	375-0162	203207		trast-zapad@mail.ru
WESTERN STOCK BUREAU, CJSC	375-162	230386		zfb@mail.ru
ZARS, CJSC	375-17	2064611		

## Belgrade Stock Exchange

**Address:** 1, Omladinskih Brigada Street, 11000, Belgrade, Serbia **Phone:** (11) 322 1599 **Fax:** (11) 138 242 **E-mail:** info@belex.co.yu

**Web Address:** www.belex.co.yu **Country Code:** 381

Company's Name	City Code	Telephone	Fax	E-mail Address
AB INVEST	11	323 2977	323 2977	abinvest@eunet.yu
ABC BROKER	11	313-22-85	313-97-66	office@abcbroker.rs
AC-BROKER	11	202 77 00	202 77 00	info@ac-broker.co.yu
AGROBANKA	11	2021-401	2021-152	ljiljanadob@agrobanka.co.yu
ALCO BROKER	11	305 0376	3548 305	abroker@abanka.co.yu
ALFA BROKER	11	311-6276	311-6276	office@serbianstocks.com
ALPHA BANK SRBIJA	11	3023 971	33 42 349	mgostiljac@jubanka.com
AS FINANCIAL CENTER	11	262 2266	262 2266	office@asbroker.co.yu
ATHENA CAPITAL	11	2142-442	2142-332	office@athenacapital.co.yu
ATLAS BROKER	11	3248-405	3248-309	office@centrobroker.co.yu
BANCA INTESA	11	201 1422	201 1297	broker@bancaintesabeograd.com
BANKA POSTANSKA - TEDIONICA	11	3024-329	3376-777	broker@posted.co.yu
BELGRADE INDEPENDENT BROKER	11	322 3227	322 3227	office@bibroker.co.yu
BEO MONET	11	30 36 059	30 33 563	beomonet@ikomline.net
BEOPUBLIKUM BROKERSKA KUCA	11	334 5171	334 5080	publikum@infosky.net
BONITET GRUPA	11	30 678 55	30 678 55	budacash@eunet.yu
BROKER NIS	18	520 377	520 377	brokerni@infosky.net
BROKER POINT	11	262 2439	624 460	office@brokerpoint.co.yu
CACANSKA BANKA	32	320-657	348-146	jtlacinac@cacanskabanka.co.yu
CACANSKI NEZAVISNI BROKERI	32	310-690	341-772	cnbca@sezampro.yu
CAPITAL BROKER	11	3034-775	3230-474	office@capitalbroker.rs
CITADEL SECURITIES	11	328 4036	628 165	office@citadel-securities.com

## Belgrade Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
CITY BROKER	11	3836-913	3836-915	firma@cbroker.co.yu
CONFIDENCE	11	30 89 020	30 89 020	office@confidence.co.yu
CONVEST	21	455 629	450 595	convest@eunet.yu
CREDY BANKA	34	360 685	331 360	m.radojevic@credybanka.com
DANUBE SECURITIES	21	472-82-88	472-82-88	kancelarija@danube-securities.co.yu
DELTA BROKER	11	201 2690	201 2677	broker@deltay.com
DIL BROKER	11	33 47 757	324 5035	dilbroker@ptt.yu
DUNAV STOCKBROKER	11	3223-764	3223-763	dunavstockbroker@dunavstockbroker.com
EAST-WEST INVEST	11	3089 816	3089 429	ewistan@drenik.net
EFG SECURITIES	11	202-31-71	202-31-71	cabinet@efgsec.rs
EMISSION BROKER	11	316 5900	316 5900	emission@beotel.yu
ENERGOBROKER	11	311 5261	311 5312	broker@energobroker.co.yu
EURO FINEKS BROKER	11	309 6920	309 6920	fineks@eunet.yu
EUROBANK EFG STEDIONICA	11	3027-538	3027-587	rada.laketa@eurobankefg.co.yu
FIDELITY BROKER	21	47 23 224	47 23 224	fidelit@eunet.yu
FIMA INTERNATIONAL	11	334 1066	334 0787	office@fimaint.co.yu
FIMAKS BROKER	11	339 8768	339 8915	broker@fimaks.co.yu
FIRST GLOBAL BROKERS	11	32 85 184	3282 398	info@fgb.co.yu
GALENKA BROKER	11	316 2260	219 6572	company@galenikabroker.co.yu
HOLDER BROKER	11	2129-256	2129-256	holder@holder-broker.co.rs
HYPO ALPE-ADRIA-SECURITIES	11	222 6808	222 6896	aleksandar.zinaic@hypo-alpe-adria.co.yu
I2R	11	472-8949	472-8949	i2r@eunet.yu
ILIRIKA INVESTMENTS	11	330 1000	330 1050	info@ilirika.co.yu
IMTEL TRADE	11	301 6822	301 6822	office@imteltrade.com
INTERCAPITAL SECURITIES	11	3111-420	222-31-05	dragan.milin@intercapital.co.yu
INTERCITY BROKER	11	308 3130	308 3150	icb@eunet.yu
INVEST BROKER	11	324 8650	303 5006	investbroker@beotel.yu
ITM MONET	11	361 5929	361 4148	itmmonet@beotel.yu
JORGIC BROKER	11	311 7835	311 7840	jorgicb@ptt.yu
JUBMES BROKER	11	311 0275	311 3851	broker@jubmes.co.yu
KBC SECURITIES	11	2910-696	2910-696	office@kbcsecurities.co.yu
KBK BROKER	11	2434 820	2434 820	kbkbok@eunet.yu
KOMERCIJALNA BANKA	11	324 0911	323 9201	daniilo.vuksanovic@kombank.com
M&V INVESTMENTS	21	6612 788	6612 788	ns@mvi.co.yu
MAKLER INVEST	11	334 5351	334 5351	office@maklerininvest.co.yu
MARFIN BANK	11	330-64-05	330-63-77	broker@marfinbank.rs
MAX-DILL	32	222 277	222 277	office@maxdill.co.yu
MEDIOLANUM INVEST	11	367 0137	367 0137	veljamed@eunet.yu
MERIDIAN INVEST	11	330 5876	330 5908	mebainv@meridian-invest.com
METALS BANKA	21	424 121	524 693	vikovacevic@metals-banka.co.yu
MMK GROUP	18	521 951	521 925	mmkgroup@eunet.yu
MOMENTUM SECURITIES	21	67-28-700	452-895	office@momentum.co.yu
OLIMPIA INVEST	11	301 7200	313 3115	olimpiainvest@yahoo.com
OTP BANKA SRBIJA	21	47 24 464	47 24 464	nenad.miljus@otpbanka.co.yu
PAN-BROKER	11	246 4231	2461 435	pan.brok@net.yu
PLATFORMA	11	362 90 30	362 90 31	platforma@gmail.com
PRIVREDNA BANKA	11	641 874	264 1894	office@pbbad.com
PRIVREDNA BANKA PANCEVO	13	331-361	354-192	stanimirka.stankovic@pbp.co.yu
PROFESSIONAL STOCK BROKER	11	383-75-99	344-69-27	psbroker@yahoo.com
RAIFFEISENBANK	11	220 71 71	220 71 70	aleksandar.malisic@raiffeisenbank.co.yu
SAB MONET	11	382 1002	382 1002	sabmonet@yubc.net
SBD BROKER	24	558 275	554 003	office@sdbroker.co.yu
SINTEZA INVEST GROUP	11	301 8740	3018 749	info@sinteza.net
SOCIETE GENERALE YUGOSLAV BANK	11	311 1515	328 2230	sogeyu@eunet.yu
SUMADIJA BROKER	34	303 011	303 021	sumbrok@eunet.yu
SYNERGY CAPITAL	11	328 4825	262 2784	office@syn-cap.com
TANDEM FINANCIAL	21	425 777	425 777	office@tandemfin.com
TDK BROKER	32	340 610	340 610	tdkbok@yu1.net
TEMA BROKER	21	443 809	472 1640	info@temabroker.co.yu
TEZORO BROKER	11	2632 346	2632 057	office@tezorobroker.co.yu
TRUST BROKER	21	67-921-80	679-21-84	info@trustbroker.co.yu
TRZISTE NOVCA	11	361 2430	361 2286	info@tn.co.yu
UNICREDIT BANK SRBIJA	11	3204-570	3204-693	broker@unicreditbank.co.yu
VOJVODANSKA BANKA	21	488 6731	616 023	broker@voban.co.yu
VOLKSBANK	11	20-17-034	31-32-152	nenad.jevremovic@volksbank.co.yu
WESTERN BALKAN BROKER	11	344-6957	344-5812	office@wbb.co.yu



## Bucharest Stock Exchange

**Address:** 34-36 Carol I Boulevard, 14th Floor, Sector 2, Bucharest, 020922, Romania **Phone:** (21) 307 9502 **Fax:** (21) 307 9519 **E-mail:** bvb@bvb.ro  
**Web Address:** www.bvb.ro **Country Code:** 40

Company's Name	City Code	Telephone	Fax	E-mail Address
ACTINVEST	268	470938	411387	office@actinvest.ro
ACTIVE INTERNATIONAL	21	3076020	3076024	office@active.ro
ALPHA FINANCE ROMANIA	21	2092233	2315332	office@alphafinance.ro
BCR	21	4085592	0372-264829	valerian.ionescu@bcr.ro
BCR SECURITIES	21	2223703	2227404	office@bcrsecurities.ro
BRD Groupe Societe Generale	21	3016100	3016636	comunicare@brd.ro
BT SECURITIES	264	430564	431718 431747	office@btsecurities.ro
BUCURESTI GLOBAL INVEST	21	3873348	3873349	big@bgi.ro
CARPATICA INVEST	269	217781		carpaticainvest@carpaticainvest.ro
CONFIDENT INVEST BUCURESTI	21	3202102	021 3202103	contact@confidentinvest.ro
CREDIT EUROPE BANK (ROMANIA)	21	4064629	3107331	office@crediteurope.ro
DELTA VALORI MOBILIARE	21	3179244	3179250	ssif_delta@shares.ro
DORINVEST		3129970	3129962	dorinvest@dorinvest.ro
EASTERN SECURITIES	021	3140892	021 3140892	office@easternsecurities.ro
EFG EURO BANK SECURITIES SA (CAPITAL SECURITIES)	21	2062300	3167745	office@efgsec.ro
EGNATIA SECURITIES (FOST NETINVEST)		021 3135350	021 3135351	office@egnatia-securities.ro
ELDAINVEST	236	472113	473393	eldainvest@gmail.com
EQUITY INVEST		3117930	3104362	office@equity.ro
ESTINVEST	237	238901	237471	esin@estinest.ro
ETEB A ROMANIA	21	3167153	3167269	invest@eteba.ro
EUROSAVAM	244	0344-401188	0344-401189	eurosavam@ploiesti.rdsnet.ro
FAIRWIND SECURITIES S.A. (S.S.I.F. TAILWIND SECURITIES S.A. fost UNICREDIT SECURITIES)	21	3057777	3030858	office@fairwind.ro
FINACO SECURITIES		6664870	6664870	finacoffice@yahoo.com
GM INVEST	21	3273151	3273155	office@gminvest.ro
GOLDRING	265	269195	269195	goldring@goldring.ro
H B INVEST	268	542500	542503	hbinvest@easynet.ro
HARINVEST	250	733898	733898	office@harinvest.ro
HTI VALORI MOBILIARE	21	3087200	2522483	office@hti.ro
IEBA TRUST	21	3130102	3131595	office@iebatrust.ro
IFB FINWEST	257	281611	281611	office@ifbfinwest.ro
ING BANK	21	2221600	2221401	office@ingbank.ro
INTERCAPITAL INVEST	21	2228731	2228731	office@intercapital.ro
INTERDEALER CAPITAL INVEST	264	433212	432266	office@interdealer.ro
INTERFINBROK CORPORATION	241	639071	547829	office@interfinbrok.ro
INTERVAM	21	3157010	3158222	intervam@intervam.ro
INVEST TRUST	251	415287	417658	office@investtrust.ro
KBC SECURITIES ROMANIA SSIF" SA (FOSTA SWISS)	21	4084200	4084227	office@kbcsecurities.ro
KD CAPITAL INVEST MANAGEMENT	21	6500446	6500448	office@kd-group.ro
MKB Romexterra	21	4051745	4051759	info@romexterra.ro
MUNTENIA GLOBAL INVEST	21	3372279	3370947	office@rainvest.ro
NHL SECURITIES S.S.				
(MAXWELL RAND SECURITIES INTERNATIONAL)	21	3374765	3374767	office@mrsi.ro
NOVA INVEST	261	768875	768870	ssif@nova.ro
OLTENIA GRUP INVEST	251	410502	418215	office@olteniagrup.ro
PRIME TRANSACTION	21	3224614	3215981	office@primet.ro
RAIFFEISEN CAPITAL & INVESTMENT	21	3061233	2300684	office.rci@rzb.ro
RAIFFEISEN CENTROBANK AG		043 1 51520-0	043 1 5134396	office@rcb.at
RBS Bank (Romania) S.A.	21	2020400	3191169	office@rbs.com
ROINVEST BUCOVINA	230	520133	520133	roinvestbucovina@yahoo.com
ROMBELL SECURITIES	21	3110024	3111038	rombell@grivco.ro
ROMCAPITAL	256		490121	office@romcapital.ro
S.S.I.F. PIRAEUS SECURITIES ROMANIA S.A.				
(EUROPEAN SECURITIES)	21	3050370	3050375	office@piraeus-sec.ro
S.S.I.F. VIENNA INVESTMENT TRUST				
(FOST FINANSSECURITIES)	21	2074880	2074897	office@viennainvestment.ro
SC BANK LEUMI ROMANIA SA	21	3120368	3120498	dpc@leumi.ro
SC VALAHIA CAPITAL SA	31	8241572	8241573	valahiaconfirmari@gmail.com
SOCIETATEA DE SERVICII DE INVESTITII FINANCIARE "BROKER"	264	433677	0364 401710	staff@ssifbroker.ro
SOCIETATEA DE SERVICII DE INVESTITII FINANCIARE ROMINTRADE	268	410605	410592	gabriel.marica@onlinebroker.ro

## Bucharest Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
SSIF ESTEURO CAPITAL SA	21	2316882	2316882	office@esteurocapital.ro
SSIF FORTIUS FINANCE SA (EURO INVEST VISION)	21	3107571	3107570	office@fortius.ro
SSIF STK TRADING SA		0264 441554	0264 441554	office@stk.ro
SUPER GOLD INVEST	248	213417	215862	sold@geostar.ro
TARGET CAPITAL	264	444 500	590775	targetcapital@targetcapital.ro
TGH INVESTMENT	232	216562	212744	info@tgh.ro
TRADEVILLE S.A. (VANGUARD)	21	336 93 25	336 92 33	office@tradeville.eu
TRANSILVANIA CAPITAL	266	206440	206442	transilvania.office@rdsbv.ro
TREND	234	519346	519346	ssiftrend@yahoo.com
UNICAPITAL	21	2318992	2318991	office@unicapital.eunet.ro
UniCredit CAIB ROMANIA SECURITIES (fost CA IB SECURITIES)	21	2064680	2064690	calenim@ca-ib.com
VALMOB INTERMEDIA	248	214661	211476	valmob@gic.ro
VENTRUST INVESTMENT(fost IFC INVESTITII)	265	268888	261752	office@ventrust.ro
VOLTINVEST	251	419342		voltinvest@sifolt.ro
WBS ROMANIA		314 56 87	314 56 89	office@wbs.ro
WOOD & COMPANY FINANCIAL SERVICES PRAGA		420 2 220 96 111	420 2 220 96 222	wood@wood.cz

## Bulgarian Stock Exchange

**Address:** 10 Triushi Str. Floor 5, 1303 Sofia, Bulgaria, 1301, Sofia, Bulgaria **Phone:** (2) 937 0937 **Fax:** (2) 937 0946 **E-mail:** bse@bse-sofia.bg

**Web Address:** www.bse-sofia.bg **Country Code:** 359

Company's Name	City Code	Telephone	Fax	E-mail Address
ABS Finance EAD	359 2	917 05 72	917 04 97	abcfinance2009@gmail.com
ABV Investment EOOD	359 2	930 55 20	955 59 25	abvinvest@mnet.bg
Adamant Capital Partners AD	359 2	489 12 75	422 59 93	miroslav.velikov@adamantcapital.eu
Allianz Bank Bulgaria AD	359 2	921 54 80	980 21 02	admin@bank.allianz.bg
Argo Invest AD	359 2	931 03 61	931 03 61	argoinv@mail.bia-bg.com
Astra Investment AD	359 2	801 38 45	801 38 60	d.yordanova@astrainvestment.bg
Aval IN AD	359 2	987 33 60	986 09 11	aval.in@ibn.bg
Balkan Advisory Company IP EAD	359 2	981 35 59	980 39 54	vladimir@bac.bg
Balkan Investment Company AD	359 2	943 92 15	943 47 18	office@balinco.com
Balkan Securities EOOD	359 2	42 111 63	42 111 64	-
BBG Simex - Bulgaria OOD	359 2	980 75 10	980 93 30	bbgsimex@mail.wtcsotia.bg
BenchMark Finance AD	359 2	962 54 81	965 16 52	office@benchmark.bg
Beta Corp AD	359 2	986 55 66	986 55 66	mail@beta-corp.com
BG ProInvest AD	359 2	989 30 02	981 00 48	bgproinvest@mail.bg
BNP Paribas S.A. Sofia Branch	359 2	921 86 40	981 69 91	minevam@bnpdreba.ttm.bg
Bulbrokers EAD	359 2	489 36 40	942 31 20	office@bulbrokers.bg
Bulex Invest AD	359 52	632 416	609 550	bulex@bulex.net
Bulfin Invest AD	359 2	400 11 92	952 11 88	office@bulfininvest.com
Bulgarian American Credit Bank AD	359 2	965 83 58	944 50 10	bacb@bacb.bg
Bulgarian Development Bank	359 2	930 63 33	930 62 61	office@bdbank.bg
Bull Trend Brokerage OOD	359 2	815 56 65	815 56 66	bull_trend@spnet.net
Capital Engineer Project OOD	359 64	800 627	800 637	capital_ip@mail.orbitel.bg
Capital Finance OOD	359 2	981 17 55	980 31 19	capfin@hotmail.com
Capital Markets AD	359 2	933 00 30	933 00 34	capital_markets@netissat.bg
Capman AD	359 2	810 60	810 60 33	mail@capmanbg.com
CEE Securities AD	359 2	489 49 62	-	info@cee-securities.com
Central Cooperative Bank AD	359 2	926 62 88	988 81 07	office@ccbank.bg
CIBANK AD	359 2	939 92 40	981 25 26	legal@hq.eibank.bg
Corporate Commercial Bank AD	359 2	980 93 62	980 89 48	corpbank@corpbank.bg
D Commerce Bank AD	359 2	989 44 44	989 48 48	office@dbank.bg
D.I.S.L. Securities AD	359 2	846 55 91	944 60 14	office@disl-securities.com
Dealing Financial Company AD	359 2	987 02 35	988 26 77	dfco@b-trust.org
DeltaStock AD	359 2	811 50 50	73 99 57	office@deltastock.bg
DSK Bank EAD	359 2	939 12 20	980 64 77	-
DZI Investment AD	359 2	988 21 50	988 21 50	invest@dzi.bg
EFG Securities Bulgaria EAD	359 2	811 66 00	988 81 50	brokerage@efgsec.bg
Elana Trading AD	359 2	810 00 00	810 00 10	info@elana.net
Emporiki Bank Bulgaria AD	359 2	917 17 11	917 11 56	-
Euro Finance AD	359 2	980 56 57	981 14 96	contact@euro-fin.com
Eurobank EFG Bulgaria AD	359 2	816 64 92	983 81 04	pkp@postbank.bg
Eurodealing AD	359 56	846 030	846 030	office@eurodilling.com

## Bulgarian Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
Factory AD	359 2	400 15 00	943 32 89	factory@abv.bg
Fico Invest OOD	359 52	603 519	603 519	front@ficon.bg
Financial House Ever AD	359 2	873 77 24	873 49 26	ever@ever.bg
Financial House FINA-S AD	359 2	818 55 38	955 59 89	martin.apostolov@fina-s.com
First Financial Brokerage House OOD	359 2	810 64 53	810 64 01	ffbh@ffbh.bg
First Investment Bank AD	359 2	910 01 00	980 50 33	invest@fibank.bg
Focal Point Investments AD	359 2	819 91 42	819 93 22	office@focalpoint.bg
ING Bank N.V. Sofia Branch	359 2	917 67 16	917 65 79	asparouhov@ingbank.com
Intercapital Markets AD	359 2	921 05 10	921 05 21	office@intercapital.bg
International Asset Bank AD	359 2	812 02 53	986 28 79	iabank@iabank.bg
Investbank AD	359 2	818 61 12	854 81 99	office@ibank.bg
IP Favorit AD	359 2	981 34 69	981 34 67	favorit@ipfavorit.com
Karoll AD	359 2	981 13 81	986 53 63	office@karoll.bg
KBC Securities N.V. - Bulgaria	359 2	858 33 11	858 33 66	scarlatov@kbcsecurities.bg
KD Securities EAD	359 2	981 01 08	981 01 08	kds.office@kd-group.bg
KM Invest EAD	359 2	963 18 18	963 18 22	kminvest@abv.bg
Mac Cap AD	359 2	951 52 01	954 99 82	-
Makler 2002 AD	359 32	269 931	622 139	makler_plovdiv@abv.bg
Metrik AD	359 2	981 86 00	981 17 58	metrik_bg@yahoo.com
MKB Unionbank AD	359 2	915 33 55	980 23 67	unionbank@unionbank.bg
Municipal Bank AD	359 2	930 01 11	930 02 70	contacts@municipalbank.bg
Naba Invest AD	359 52	699 550	699 553	office@naba.bg
Piraeus Bank Bulgaria AD	359 2	969 07 23	981 85 79	customerservice@piraeusbank.bg
Populiarna Kasa 95 AD	359 32	608 242	608 251	office@popkasa.com
Positiva AD	359 2	846 66 23	846 66 23	office@positiva.biz
Raiffeisen Bank (Bulgaria) EAD	359 2	919 85 101	943 45 28	ibgasni@rbb-sofia.raiffeisen.at
Real Finance AD	359 52	603 828	603 828	real-finance@real-finance.net
Rock Ridge Investment EAD	359 2	962 54 51	962 50 59	r.mladenov.hq@comleague.com
Sofia International Securities AD	359 2	988 63 40	937 98 77	info@sis.bg
Sofia Invest Brokerage /SIB/ AD	359 2	980 44 31	981 72 29	sib@sib.orbitel.bg
Somony Financial Brokerage OOD	359 42	254 197	605 202	somonifb@somonifb.com
Standard Investment AD	359 2	815 98 40	815 98 41	info_office@standardinvestment.bg
Status Invest AD	359 2	946 17 40	946 15 73	contact@status-invest.bg
TBI Invest EAD	359 2	935 06 26	973 50 62	office@tbi-invest.bg
TeximBank AD	359 2	935 93 62	931 12 07	us@teximbank.bg
Tokuda Bank AD	359 2	403 79 00	981 53 78	headoffice@tcebank.com
Tradeville EAD	359 2	962 05 47	988 49 09	pasko.pasev@tradeville.eu
UG Market AD	359 32	625 401	625 402	office@ugmarket.com
UniCredit Bulbank AD	359 2	923 25 96	932 01 30	b.dimitrova@sof.bulbank.bg
United Bulgarian Bank AD	359 2	811 37 53	988 08 11	dimitrova_k@ubb.bg
Varchev Finance EOOD	359 52	631 000	631 000	info@varchev.bg
VIP-7 AD	359 52	631 020	631 020	vip7@mail.orbitel.bg
WOOD & Company Financial Services, a.s.	420 222	096 240	096 222	jan.sykora@wood.cz
Zagora Finacorp AD	359 42	600 203	234 43	zagora98@hotmail.com
Zlaten Lev Brokers OOD	359 2	965 46 50	965 45 51	zlatenlev@online.bg

## Egyptian Exchange

**Address:** 4A, El Sherefeen St., Down Town, Cairo, Egypt **Phone:** (2) 2392 8698 **Fax:** (2) 2392 4214 **E-mail:** Heba.Serafi@egx.com.eg

**Web Address:** www.egx.com.eg **Country Code:** 20

Company's Name	City Code	Telephone	Fax	E-mail Address
Alfa brokerage	2	27735738	27735739	
A.T. Brokerage	2		37493373	
Abo Dhabi Securities Brokerage	2	23913186	23928162	
Agyad Stock Brokers	2	33023735	33030240	agyad@yahoo.com
Al Ahram Stock Exchange Securities Brokers	2	23933543	23906579	ahrambrk@hotmail.com
Al Amalka for Stock Dealing	2	33039151	330441255	alaliaa@mist-net.net
Al Arabia Securities Brokerage	2	23963351	23903315	alamalk@thewayout.net
Al -Etehad Brokerage	2	26718416	22739429	
Al Madina Stock Brokers Company	2	25747570	25747570	
Al Manar for Stock Exchange	2	23961906	23961907	
Al Noran Securities & Brokerage	2	23957664	23957980	
Al Omana Al Mottaheden	3	03/4845089	03/4844712	
Al Rowad for Securities Brokerage	3	37497601	37616166	
Al Shourouk Brokerage	2	25781188	25781166	alshorouk@link.com.eg
Alamalk Stock Brokerage Company	2	03/4839384	03/5458947	

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Company's Name	City Code	Telephone	Fax	E-mail Address
Alexandria Securities Brokerage	2	03/4841021	03/5854831	
Alhelal Alsaudi Securities & Brokerage	2	23959718	23959780	
Alhmd Stock Brokerage	2	26242376	26234176	
Aliaa Brokerage House	2	33386394	37617509	
Aljouhara Alsaudi for Securities & Brokerage	2	35728520	35728520	
Aman for Securities Co.	3	27942885	27943232	amanbrok@yahoo.com
Arab African International Securities	2	27929035	27929033	
Arab Finance	2		33311831	www.arabfinance.com
Arabeya Online Securities	2	24140025	24180666	arabia_brokers@hotmail.com
Bab El-Mlouk for Securities Brokerage	3	03/4859551	03/4859551	Bab_El_Molouq@mist-n
Bankers Group	2	23958381	23958384	Ramzytolba@hotmail.co
Baraka secutities	2	23956111	23921478	baraka@linknet.com
Beltone Arabia Securities	2	27924027	27925884	www.beltonefinancial.com
Beltone Securities Brokerage	2	27924027	27925884	www.beltonefinancial.com
Blom Egypt Securities	2	37617687	37617680	
Brokers Securities	3	03/4838057	03/4838057	brokers_com@yahoo.com
Cairo Capital Securities	2		27974344	
Cairo International for Securities Exchange	2	22879905	22753864	cise@hotmail.com
Cairo National Co. for Securities Negotiation	2	37609367	37609438	cnrs@mist-net.com
Cairo Stock Brokerage Co	2	24322260	24322261	
Capital Securities Brokerage	2	33451502	33451503	csb@gega.net
City Stars for Brokerage	2	22626063	22626076	
City Trade Securities & Brokerage	2	23954691	23912708	
Commercial International Brokerage company (CIBC)	2		33364281	helguindy@cibcegypt.com
Continental for Securities Trading	2	37488697	33369725	continentalforsecuritiestrading@yahoo.com
Correct Line Brokerage Securities & Stock Exchange	2	33380568	37497335	correctline2003@hotmail.com
Counsel	2	27921100	27921300	counselinc@consultant.com
Delta Rasmala Securities	2	35353575	35370570	info@delta-Securities.com
Direct Broker for Securities	2	33047331	33047058	info@d-Securities.com
Dynamic Securities Trading	2	33444919	33038373	
Economic Group	2	33375919	33375860	
Egypt & Middle East Brokerage Company	2		24619993	gfm.01014@mcsd.com.eg
Egypt Brokerage - inertia	2		27481816	
Egypt Stocks Securities and Brokerage	2		33033485	eab1091@hotmail.cim
Egypt Trust Securities	2		23952515	e_trust@hotmail.com
Egyptian Arabian Company (Themar)	2	37625812	37625817	EgSecurities@hotmail.com
Egyptian British for securities brokerage	2	24328444	24309292	egku181@hotmail.com
Egyptian Emirates Brokerage	2	33398524	33398521	
Egyptian Group for Securities	2	27921789	27926601	
Egyptian Kuwaiti Securities	2	25798552	25798554	www.kmefic.co.kw
El Alamia for Brokerage	3	23921890	23931424	alamia-b@internetegypt.com
El Dawlia for Securities Brokerage	3	034844445	34844477	
El Fath Stock Brokers	2	27920373	27946216	
El Giza for Securities Trading	2	35682701	35713179	gizabk@link.net
El Horreya Securities	2	23904940	23952172	horreya105@hotmail.com
El Khair Financial Securities Corporation	2	0100094230	03/4803767	elkhair.comp@maileit
El Khalegya	3	03/5436601	03/5436601	
El Kinanah Brokerage Securities Company	3	23955057	23955046	info_kinanah.com.eg
El Lewaa Stock Brokerage	2	23961644	23951672	www.isbrokerage.com
El Marwa Brokerage	2	25780627	25783855	
El Orouba Securities Brokerage	2	27920338	27920390	
El Tadamoun El Arabi Brokerage Company	2		33385466	
Elkarma Securities Brokerage	2		24173597	gfm.01086@mcsd.com.eg
El-Karnak Stocks Brokerage	3		23901803	
El-Mokattam Securities Brokerage	2	25756946	25756898	
El-Safa Securities Brokerage	2	03/4834030	03/4874030	tadamonar@link.net
Financial Brokerage Group	2	33388859	3338866	www.efg-hermes.com
First Stock Brokerage	2	23955687	23951955	
Fortune Securities	2	33365452	33362373	fortune@link.com.eg
Global Capital Securities	3	22909911	24157313	
Global Investment house	2	03/4848139	03/4848265	
Golden Way Securities	2	23384172	33386533	golden_hand98@hotmail.com
Golden Hand for Securities Brokerage	2	23959796	23924570	goldenway@golden-way.net
Golden Share Securities	2	24183342	24183329	
Grand Investment Securities	2	37495883	37601514	
Guarantee Co. for Brokerage Exchange	2	23926579	23924255	gurantee_1136@yahoo.com

## Egyptian Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
H.A. Brokerage	2		33025181	
HC Brokerage	2	37496009	37496051	hcgroupp@hc-si.com
Helwan Brokerage Co.	2	25577945	25576771	helwan_co@hotmail.com
Hermes Securities Brokerage	2	33388859	33388866	
Honest Brokerage & Book Keeping	2	25190333	25190666	
Horas Stock Brokers	2	25913638	25889410	horas2003_8@hotmail.com
Horizon Securities Brokerage Company	2		25780912	
HSBC Securities Egypt S.A.E	2		25296093/94	Shereenghattass@hsbc.com
Ifa Securities Brokerage	2	33041652	33441177	www.ifaegypt.com
International Brokerage Group	2	25929901	25905195	lbggroup@egyptoline.com
International for Securities	2	24553232	24555273	INT_FOR_SEC@hotmail.com
Jazira Securities Brokerage	2	25780932	25780933	
Leaders Securities	2		33472266	M_saleh2003@yahoo.com
Lepon Securities Brokers	2	25920635	25929072	
Maadi for Stock Dealing	2	37619351	37619351	maadi@mist-net.net
Mahrosa Securities and Trading	3	4868267	4856665	gfm.01051@mcsd.com.eg
Mashreq trade	2	33035673	33035689	
Mediterranean for Brokerage	2	25766859	25767879	
Mega Investment Securities	2	33388635	37488820	
Metro Co. for Book Keeping & Stock Dealing	2	25260446	25260447	info@metroBrokerage.com
Mina Company Stock Exchange Brokers	2	24193134	24172930	
Miracle for Securities	2	23921378	23921378	miracle_Securities@hotmail.com
Mirage Brokerage	2	33026287	33048048	www.miragebrokerage.net
Naeem Brokerage	2	33037677	33469287	www.naeembrokerageegy.com
Namaa Securities Brokerage	2	33381760	38356100	
National Securities	2	33382930	33382950	nasecinfo@gmail.com
New Brent Brokerage	2	33362748	33359046	
Okaz Stockbrokers & Investment Consultants	2	25895321	25891499	okaz@okaz-Stockbrokers.com
Optima Securities Brokerage	2	25784725	25784726	optimabrokrage.com
Osool Esb for Securities Brokerage	2	24139100	24172295	oroba@link.net
Pharaonic Brokerage Company	2		25756655	pharonic_b@hotmail.com
Pharos Securities	2	27393671	27350661	
Pioneers Securities	2		22726554	pioneers_brokers@usa.net
Premiere Securities	2	33369671	37627584	
Prime Securities Brokerage	2	33005650	33054622	prime@primeegypt.com
Prizma Securities	2	37493726	33381810	
Profit Securities Brokerage	2	23903843	23903843	profit_Securities@yahoo.com
Pyramids Capital	2	33368781	33368783	
Regent Securities	2	25296950	25288235	queenq@hotmail.com
Safir for Stock Brokers	2	26395081	26335752	safirnet@inteotch.com
Samba Tadawol Misr Brokerage	2	37481464	37624047	www.Sambatadawol.com
Saudi Egyptian Co. for Securities Brokerage	2	24605577	24605577	
Shuaa Securities	2	24619708	24619708	
Sigma Securities Brokerage	2	33355353	33350066	
Solidaire Securities Brokerage	2	16650	22903115	
Standard for Securities	2	24512537	24552850	www.standardbr.com
Strategic Securities Group	2	33041280	33041290	ssgroup@link.net
Swiss Group	2	24512030	24535805	
Takamol Brokerage Co.	3	4848036	4848036	
Team for Securities Trade	3	4833939	4848926	
The Financial Arabian for Securities Brokerage	3	24525492	24525494	
The Roots Co. for Stock Brokerage	3	23953041	23952799	
Three Way Brokerage	2	27925029	27950213	
Tiba Brokerage & Bookkeeping	2	23905906	23905906	gfm_01116@mesd.com.eg
Top for Brokerage	2	26236941	26236941	www.fabrokerage.com
Trend for Securities	2	23922132	23922407	tiba4@excite.com
Triple A Securities Co.	2	33052140	33052133	TOP_4_Brokerage@yahoo.com
Tropicana for Stock Exchange	2	23950015	23950015	tropicana@mbbox.link.com.eg
Tycoon	2	26908079	26908078	sadany2@yahoo.com
United Brokerage Corporation	2	37744968	35699108	U.B.C@LINK.NET
Universal Securities Brokerage	2	23801162	23801173	
Venex Group	2	29240338	25899330	www.visionmisr.com
Wallstreet Securities Brokerage	2	37487506	37487505	wallstr2000@yahoo.com
Watania Brokers	3	4856162	4844544	
Wathika brokerage	2	27984200	27984228	
Wedian Securities Brokerage	3	23912569	23939235	
Yasmine Brokerage Company	3	4858444	4844216	gfm_01082@mcsd.com.eg



**Georgian Stock Exchange****Address:** 74a Chavchavadze Avenue Tbilisi 0162 Georgia **Phone:** (32) 220 718 **Fax:** (32) 251 876 **E-mail:** info@gse.ge**Web Address:** www.gse.ge **Country Code:** 995

Company's Name	City Code	Telephone	Fax	E-mail Address
AICBERGI	32	914 847		aicbergi@mail.ru
BONA	32	230 074	227 447	bona@orbeli.ge
CARTU BROKER	32	230 021	251 410	cartubroker@cartubank.ge
CAUCASUS CAPITAL GROUP	32	291 457		info@capital.ge
CAUCASUS FINANCIAL SERVICES	32	559 900	559 903	zviad.chachanidze@caucasusfinancial.com
DBL CAPITAL	32	377 724	378 724	archilmgeladze@dblcapiatl.ge
DELPHO	32	330906	330906	
GALT & TAGGART SECURITIES	32	235 800	235 804	ikirtava@galtandtaggart.ge
GEORGIAN INVESTMENT GROUP	32	225 907	225 907	d.aslanishvili@investgroup.ge
GEORGIAN INVESTMENT GROUP	32	914 999	252 815	n.tandashvili@investgroup.ge
GEORGIAN STOCK COMPANY	32	987 109	999 007	forex@vtb.com.ge
KABARJINA	32	250 052		slg73@mail.ru
ODEN	32	294 621		info@gfso.ge
PRIMA BROKER	32	92 15 54	932 710	zura44@rambler.ru
PUBLIC INVESTMENT MANAGEMENT COMPANY	32	555 505	912 269	m.lortkipanidze@peobge.com
TBC BROKER	32	222 537	27 27 33	gtsikaridze@tbcbank.com.ge
TBILINTERCAPITAL	32	433 095		tic@wanex.net

**Iraq Stock Exchange****Address:** P.O. Box, 3607 AlAlwiya, Iraq **Phone:** (790) 148 6733 **Fax:** (1) 717 4461 **E-mail:** info-isx@isx-iq.net**Web Address:** www.isx-iq.net **Country Code:** 964

Company's Name	City Code	Telephone	Fax	E-mail Address
Agricultural Bank		8189083		zera3y_bank@yahoo.com
Ahli United Company		7170057		commerce.iraq@ahliunited.com
Al Ithmar Company		7193010		athmar37@yahoo.com
Al-Abrar Company		7405237		alabrarcom@yahoo.com
Al-Aman Company		7191313		aman_iraqicom@yahoo.com
Al-Aseel Company		7193413		alaseelco500@yahoo.com
Alawael company		7199063		basrah_bank_broker@yahoo.com
Al-Baraka Company		7172008		albaraka310@yahoo.com
Al-Batek Company		7190998		babylon_o_e@yahoo.com
Al-Fawz Company				alfawz_co@yahoo.com
Al-Forat Company		8867171		al.fouratseco@yahoo.com
Al-Hadher Company		7170542		alhatarco@yahoo.com
Al-Hayat Company		7193038		al_hayat_broker_06@yahoo.com
Al-Hikma Company		7185885		alhikmacosh@yahoo.com
Al-Iraq Company		7182136		aliraqco@yahoo.com
Al-Jawhara Company		7182002		jawharabrokerage@yahoo.com
Al-Jazeera Company		7181839		aljazeraco@gmail.com
Al-Karmal Company		7193476		info@isx-karmal.com
Al-Mutahida Company		7188809		almutahida_broker@yahoo.com
Al-Nibras Company		5417146		alnibrasco45@yahoo.com
Al-Qidwa Company		7182240		shahnaz.ahmad@yahoo.com
Al-Rabiee'Company		7180696		info@rabeesecurities.com
Al-Rafidain Bank		7197154		rafidainbank@yahoo.com
Al-Rafidain Company		7190575		alrafidianshares@yahoo.com
Al-Rasheed Bank		8180088		financ_rash@yahoo.com
Al-Sadoon Company		7174052		walidalsadoon2000@yahoo.com
Al-Sharqiya Company		7196472		alsharqiya.broker@gmail.com
Al-Shorja Company		7171313		shorga.com_isx@yahoo.com
Al-Waha Company		7762103		waha20042003@yahoo.com
Atlas Company		7190057		atlaco_atlas@yahoo.com
A-Wafa'a Company		7195768		thabet_1969@yahoo.com
Babil Company		8169331		haitham_saman2005@yahoo.com
Baghdad Company		7188877		shoroq_bankbaghdad@yahoo.co.uk
Baram Al-Khair Company		7173743		farazdaq1010@yahoo.com
Credit company		7191944		mahmoody@nbk.com
DarAl-Salam company		7177703		brokers_daressalam@yahoo.com
Dijila Company		7197159		dijilabrokerage@gmail.com
Economy Free Company		5416828		eatesad.alhor@yahoo.com
Elaf Company		7199593		elif_bank_isx@yahoo.com
Industrial Bank		8172183		n_bank35@yahoo.com
International United Company		7171362		unite_inter_co@yahoo.com

## Iraq Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
Kassab Company		7400284		alkassabcompany@yahoo.com
Kurdistan Company		7192952		bagdad@kurdistanib.com
North Company		7187885		alshimal_broker_co@yahoo.com
Okadh Company		7174394		okadh_brokerage@yahoo.com
Tameam Company		7173169		timiem_ex@yahoo.com
Umal Rabieain Company		8850208		um_alrabeaen_company
Wahat Al-Nakeel Company		7186134		wahatalnkhel@nbirq.com
Warkaa Company		7172828		warka_bank_isx@yahoo.com
Zahrat Alkhalij Company		7760170		gulfbank1@yahoo.com

## Istanbul Stock Exchange

**Address:** IMKB Building, Resitpasa Mah., Tuncay Artun Cad., Emirgan, 34467 Istanbul, Turkey **Phone:** (212) 298 2100 **Fax:** (212) 298 2500

**E-mail:** international@imkb.gov.tr **Web Address:** www.ise.org **Country Code:** 90

Company's Name	City Code	Telephone	Fax
ABN AMRO BANK N.V. MERKEZI AMSTERDAM IST. SB.	212	3594040	3595050
ACAR YATIRIM MENKUL DEGERLER A.S.	212	2162661	2660543
ADABANK A.S.	212	2726420	2726446
ANADOLUBANK A.S.	212	2969811	2965715
ADA MENKUL DEGERLER A.S.	212	3474218	2887863
ANADOLU YATIRIM MENKUL KIYMETLER A.S.	212	3687700	2333318
AKTIF YATIRIM BANKASI A.S.	212	3408000	3408865
AKBANK T.A.S.	212	3855555	2697383
AKDENIZ MENKUL DEGERLER TIC.A.S.	216	3561070	3561076
AK YATIRIM MENKUL DEGERLER A.S.	212	3349494	2491287
ALFA MENKUL DEGERLER A.S.	216	4290807	4290744
ALAN MENKUL DEGERLER A.S.	212	3702222	3702223
ALTAY YATIRIM MENKUL DEGERLER A.S.	212	2295980	2250135
ALTERNATIF YATIRIM A.S.	212	3155800	2313842
ALTERNATIFBANK A.S.	212	3156500	2257615
ATAONLINE MENKUL KIYMETLER A.S.	212	3106060	2590764
ARAP TURK BANKASI A.S.	212	2250500	2249687
ATA YATIRIM MENKUL KIYMETLER A.S.	212	3106200	3106210
ARTI MENKUL KIYMETLER A.S.	216	5672134	5672135
AYBorsa MENKUL DEGERLER TIC.A.S.	212	2200930	2203851
B.A.B. MENKUL DEGERLER TICARETI A.S.	212	5036176	5036176
BAHAR MENKUL DEGERLER TICARETI A.S.	216	3362953	3478980
BGC PARTNERS MENKUL DEGERLER A.S.	212	3394200	3531301
BIZIM MENKUL DEGERLER A.S.	216	5471300	5471397
BASKENT MENKUL DEGERLER VE YATIRIM A.S.	212	2912121	2240700
BIRLESİK FON BANKASI A.S.	212	3401000	3401339
CREDIT AGRICOLE CHEUVREUX MENKUL DEGERLER A.S.	212	3711900	3711901
CALYON YATIRIM BANKASI TURK A.S.	212	3393700	2826301
CAMIS MENKUL DEGERLER A.S.	212	3503002	3505150
CITI MENKUL DEGERLER A.S.	212	3194700	3194799
CITIBANK A.S.	212	2887700	2887760
CENSA MENKUL DEGERLER A.S.	216	5726600	5776868
CREDIT SUISSE ISTANBUL MENKUL DEGERLER A.S.	212	3490400	3490409
DEUTSCHE BANK A.S.	212	3170100	3170105
DEGER MENKUL DEGERLER A.S.	212	3440701	2906491
DELTA MENKUL DEGERLER A.S.	212	3100800	2366567
DEHA MENKUL KIYMETLER A.S.	212	2527190	2527198
DILER YATIRIM BANKASI A.S.	212	2536630	2539454
DENİZ TÜREV MENKUL DEGERLER A.S.	212	3364296	2118316
DENİZBANK A.S.	212	3550800	2672724
DARUMA MENKUL DEGERLER A.S.	212	3706060	3706000
DEUTSCHE SECURITIES MENKUL DEGERLER A.S.	212	3190319	3190399
DUNYA MENKUL DEGERLER A.S.	212	5128434	5272337
DENİZ YATIRIM MENKUL KIYMETLER A.S.	212	2753500	2125412
ECZACIBASI MENKUL DEGERLER A.S.	212	3195999	3195790
EFG ISTANBUL MENKUL DEGERLER A.S.	212	3172727	3172726
EKİNCİLER YATIRIM MENKUL DEG.A.S.	212	2662766	2661607
EKSPRES YATIRIM VE MENKUL DEGERLER A.S.	212	3365100	3365101
ENTEZ MENKUL DEGERLER TICARETI A.S.	216	3477035	3466343
EURO YATIRIM MENKUL DEGERLER A.S.	212	3540700	3562076
ETİ YATIRIM A.S.	212	3213838	2949393

## Istanbul Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax
EUROBANK TEKFEN A.S.	212	3570707	3570808
EVGIN YATIRIM MENKUL DEGERLER TICARETI A.S.	212	2871628	2638875
EGEMEN MENKUL KIYMETLER A.S.	232	4894530	4896130
FINANSBANK A.S.	212	3185000	3185578
FINANS YATIRIM MENKUL DEGERLER A.S.	212	2821700	2822250
FORTIS YATIRIM MENKUL DEGERLER A.S.	212	3580770	3580778
FORTIS BANK A.S.	212	3183838	2725278
GEDIK YATIRIM MENKUL DEGERLER A.S.	216	4530000	4516364
GFC GENERAL FINANS MENKUL DEGERLER A.S.	212	2331010	2968575
ING BANK A.S.	212	3351000	2866100
GLOBAL MENKUL DEGERLER A.S.	212	2445566	2445567
GALATA MENKUL DEGERLER A.S.	212	3933900	2931010
GUNEY MENKUL DEGERLER A.S.	212	4413300	4413388
ING MENKUL DEGERLER A.S.	212	3677000	3677070
GARANTI YATIRIM MENKUL KIYMETLER A.S.	212	3182838	2178470
GSD YATIRIM BANKASI A.S.	216	5879000	4899781
GUVEN MENKUL DEGERLER A.S.	212	2123270	2885038
HAK MENKUL KIYMETLER A.S.	212	2968484	2329823
HEDEF MENKUL DEGERLER A.S.	212	2449079	2445372
HALK YATIRIM MENKUL DEGERLER A.S.	212	3930303	2929946
HSBC BANK A.S.	212	3764000	2674794
HSBC YATIRIM MENKUL DEGERLER A.S.	212	3764600	3362472
INFO YATIRIM A.S.	212	3192600	3248428
IS YATIRIM MENKUL DEGERLER A.S.	212	3502000	3502001
J.P. MORGAN MENKUL DEGERLER A.S.	212	3198500	3198668
KALKINMA YATIRIM MENKUL DEGERLER A.S.	212	2119797	2119798
KAPITAL MENKUL DEGERLER A.S.	212	3300333	3300369
KARE YATIRIM MENKUL DEGERLER A.S.	216	5596000	5596060
K MENKUL KIYMETLER A.S.	212	2756060	2740991
LEHMAN BROTHERS MENKUL DEGERLER A.S.	212	2903795	2903795
MED MENKUL DEGERLER A.S.	212	2745444	2744656
MERRILL LYNCH YATIRIM BANK A.S.	212	3199500	3199511
MERRILL LYNCH MENKUL DEGERLER A.S.	212	3199669	3199512
MILLENNIUM BANK A.S.	212	3063500	2163524
MIRA MENKUL DEGERLER A.S.	212	3623500	3236394
MARBAS MENKUL DEGERLER A.S.	212	2863000	2863050
MEKSA YATIRIM MENKUL DEGERLER A.S.	212	3850900	3441121
MORGAN STANLEY MENKUL DEGERLER A.S.	212	3555858	2754052
METRO YATIRIM MENKUL DEGERLER A.S.	212	3440900	3440913
ULUS MENKUL DEGERLER A.S.	212	2824515	2824808
NUROL MENKUL KIYMETLER A.S.	212	2868000	2868001
NUROL YATIRIM BANKASI A.S.	212	2868000	2868101
ONER MENKUL KIYMETLER A.S.	212	2344062	2259892
ORION INVESTMENT MENKUL DEGERLER A.S.	212	3199800	3441577
OYAK YATIRIM MENKUL DEGERLER A.S.	212	3191200	3510599
PAY MENKUL DEGERLER A.S.	212	2751708	2750185
PIRAMIT MENKUL KIYMETLER A.S.	212	2939500	2939560
POZITIF MENKUL DEGERLER A.S.	216	6813030	6813001
PRIM MENKUL DEGERLER A.S.	212	2838888	2838890
POLEN MENKUL DEGERLER A.S.	212	2525500	2522005
BANKPOZITIF KREDİ VE KALKINMA BANKASI A.S.	216	5382525	5384241
RAYMOND JAMES YATIRIM MENKUL KIY. A.S.	212	3492000	3492001
SEKERBANK T.A.S.	212	3197000	3197079
SEKER YATIRIM MENKUL DEGERLER A.S.	212	3343333	3343334
SANKO MENKUL DEGERLER A.S.	212	4100500	4100505
SOYMEN MENKUL KIYMETLER A.S.	312	4688750	4688101
SOCIETE GENERALE PARIS MRK. FRANSA IST. TR. MRK. SB.	212	2821942	2821844
SARDIS MENKUL DEGERLER A.S.	212	3460991	3460989
STRATEJİ MENKUL DEGERLER A.S.	212	3547900	2884811
STANDARD UNLU MENKUL DEGERLER A.S.	212	3673636	3461040
SAYILGAN MENKUL DEGERLER TICARETI A.S.	212	5204242	5135209
TACIRLER MENKUL DEGERLER A.S.	212	3554646	2820998
TURKISH BANK A.S.	212	2250330	2250353
TURKLAND BANK A.S.	212	3683434	3683535
TEB YATIRIM MENKUL DEGERLER A.S.	216	6364444	6314400
JPMORGAN CHASE BANK MERKEZİ NEW YORK			
ISTANBUL-TURKIYE SB.	212	3198500	3198664

## Istanbul Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax
T.C ZIRAAT BANKASI GEN. MD.SERMAYE PIYASALARI MD.	212	2765960	5843140
TURK EKONOMI BANKASI A.S.	212	2512121	2496568
TEKSTIL BANKASI A.S.	212	3355335	3281328
T.GARANTI BANKASI A.S.	212	3181818	3181880
T.HALK BANKASI A.S.	212	3930600	3930596
T.IHRACAT KREDİ BANKASI A.S. (EXIMBANK A.S.)	312	4171300	4257896
T.I.S BANKASI A.S.	212	3160000	3160900
T.KALKINMA BANKASI A.S.	312	2318400	2313125
TAKSIM YATIRIM A.S.	212	2517116	2497483
TURKISH YATIRIM A.S.	212	3151000	3151001
TEKSTİL MENKUL DEĞERLER A.S.	212	2762727	2762900
TOROS MENKUL KIYMETLER TİCARETİ A.S.	212	2315252	2313849
TERA MENKUL DEĞERLER A.S.	212	3651000	2906995
T.SINAI KALKINMA BANKASI A.S.	212	3345050	3345234
TİCARET MENKUL DEĞERLER A.S.	212	2515121	2514921
T.VAKIFLAR BANKASI T.A.O.	312	4557575	4557690
TAİB YATIRIM MENKUL DEĞERLER A.S.	212	3451191	3451192
UBS MENKUL DEĞERLER A.S.	212	3192000	3192015
UNICREDIT MENKUL DEĞERLER A.S.	212	2834960	2834969
UNICORN CAPITAL MENKUL DEĞERLER A.S.	212	2364141	2363918
VAKIF YATIRIM MENKUL DEĞERLER A.S.	212	3523577	3523620
WESTLB AG MERKEZİ DUSSELDORF İST. MRK. SB.	212	3392500	2830460
YATIRIM FİNANSMAN MENKUL DEĞERLER A.S.	212	3176900	2821550
TAİB YATIRIM BANK A.S.	212	3450711	3450712
YAPI VE KREDİ BANKASI A.S.	212	3397000	3396000
YAPI KREDİ YATIRIM MENKUL DEĞERLER A.S.	212	2801030	3252245
ZIRAAT YATIRIM VE MENKUL DEĞERLER A.S.	212	3669898	2851661

## Karachi Stock Exchange

**Address:** K.S.E. Building, Stock Exchange Rd., Offl. I. Chundrigar Road, Karachi-74000, Pakistan **Phone:** (21) 111-001-122 **Fax:** (21) 241 0825

**E-mail:** info@kse.com.pk **Web Address:** www.kse.com.pk **Country Code:** 92

Company's Name	City Code	Telephone	Fax	E-mail Address
Investment Managers Securities (Private) Ltd.		35303145-49		info@imsecurities.com
A. Sattar Motiwala Securities (Pvt.) Ltd		32446230-31		
A.A.K. Securities (Private) Limited		32419422		
A.H.K.D. Securities (Pvt.) Limited		2412165		
A.H.M. Securities (Private) Limited				
A.I. Securities (Private) Limited		32429277-81		
A.R.Securities (Pvt.) Limited				
AAU Securities (Private) Limited		32412280		
AAZEB Securities (Private) Limited		35670751		
Aba Ali Habib Securities (Private) Limited		32412491		
Abbasi Securities (Private) Limited		32423785		aijaz_abbasi@hotmail.com
Abid Ali Habib Securities (Private) Limited		32428801		abaalihakib@yahoo.com
ACE Securities (Private) Limited		35363439-50		
Adam Securities (Pvt.) Ltd		32420909		
Akbani Securities (SMC-Private) Limited				
AKD Securities Limited				
Akhai Securities (Pvt.) Limited		32418672		
AKY Securities (Private) Limited				shares@akystocks.com
AL Habib Capital Markets (Pvt.) Limited				aftab.munshi@bankalhabib.com
Al-Asar Securities (Pvt.) Limited		32436786		
Alfa Adhi Securities (Pvt.) Ltd.		32422550		info@alfa-tec.com
Alfalah Securities (Private) Limited		32422359		smemon@alfalahsec.com
Al-Hoqani Securities & Investment Corporation (Pvt.) Ltd.				
Ali Husain Rajabali Limited				ahrl@cyber.net.pk
Al-Mal Securities & Services Ltd.		35463271		al-mal@cyber.net.pk
Alpha Beta Capital Markets (Private) Limited		34306878		zk@dcdpk.com
Altaf Adam Securities (Private) Limited				altafadam001@hotmail.com
Amber Haroon Saigol		35670001		amber@saigol.com
Amin Tai Securities (Private) Limited		32429505-12		
Ample Securities (Pvt.) Limited		32446796		
AMZ Securities (Private) Limited		32418491-3		info@amzsecurities.com
Apex Capital Securities (Private) Ltd.		32466912-27		
Arif Habib Limited		32415213-5		ahsl@cyber.net.pk

## Karachi Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
Ashfaq Ashraf Securities (Private) Limited				
Asian Securities Limited		32426649		asian@khi.comsats.net.pk
Atlas Capital Markets (Pvt.) Limited		35866919-20		aibkhi@atlasbank.com.pk
Azee Securities (Private) Limited				goldencapital@mail.com
Aziz Dawood Securities (Private) Limited				
Aziz Fidahusein & Co. (Pvt.) Limited		32410091-4		azizsarfaraz@hotmail.com
B&B Securities (Pvt.) Ltd.				
Bawa Securities (Pvt.) Limited		32418253		mhbawa@cyber.net.pk
Bhayani Securities (Private) Limited		32429774-7		kabsec@cyber.net.pk
BMA Capital Management Limited		111-262-262		
Cassim Investments (Private) Limited		2421626		
Cedar Capital (Private) Limited				
Concordia Securities (Pvt) Ltd.		32424526		
Continental Capital Management (Pvt) Ltd.		32446723		
Creative Capital Securities (Private) Limited		32430843		hanifashraf_creativecapital@yahoo.com
Crosby Securities Pakistan (Private) Limited				
D.J.M. Securities (Pvt.) Limited		32441193-4		
Dalal Securities (Pvt.) Limited		32467054-61		msdalal@cyber.net.pk
Darson Securities (Private) Limited		32470755-65		darson50@hotmail.com
Dattoo Securities (Private) Limited		32419713		sajjad_d@cyber.net.pk
Dawood Equities Limited		32271908		
Dawood Mohammed		32413931		
Durvesh Securities (Private) Limited		32416059		durvesh@cyber.net.pk
Eleven Stars Securities (Private) Limited		32410240		
Elixir Securities Pakistan (Private) Limited		32401021-28		info@elixirsec.com
Escorts Capital Limited				ceo@escortsbank.net
Fairtrade Capital Securities (Private) Limited		32429042-46		
Farooq Abdullah Securities (Private) Limited		35380842		
Fawad Yusuf Securities (Private) Limited		32444554-5		fysec@yahoo.com
FDM Capital Securities (Pvt.) Limited		32214734		info@fdm.com.pk
First Capital Equities Limited		32425698		
First Choice Securities Limited				
First Equity Modaraba		35672815-8		
First National Equities Limited		042-35843721-7		alimalik@fnetrade.com
Fort Securities (Private) Limited				nmuqeet@elixirsec.com
Fortune Securities Limited				info@fortunesecurities.com
Foundation Securities (Private) Limited				info@fs.com.pk
Friendly Securities (Pvt.) Limited		32442174		fsl@sat.net.pk
Gazipura Securities & Services (Pvt.) Limited		32418903		bsgkse@sat.net.pk
Ghani Osman Securities (Private) Limited		32470220-29		
Ghory's Securities (Private) Limited				ghorry@cyber.net.pk
Global Securities Pakistan Limited		32457500		
GMI Capital Securities (Private) Limited		32417628		gmismail-131@yahoo.com
Growth Securities (Private) Limited				
H & H Securities (Private) Limited		34939854		
H. M. Idrees H. Adam		32425001		
H.H.K. Securities (Pvt.) Limited		111-633-633		hhksec@kapadia.com.pk
H.M.Y. Securities (Private) Limited		32419885		
Habib Metropolitan Financial Services Limited				
Haroon Suleman		32412622		
HH Misbah Securities (Private) Limited		32429106		hh_misbahsec@hotmai.com
Hum Securities Limited				
Hussain Ebrahim (LATE)		32417601-5		ahrt@cyber.net.pk
IGI Finex Securities Limited				
Intermarket Securities (Pvt.) Limited				
Invest & Finance Securities Limited				info@investfinance.com.pk
Invest Capital Investmen Bank Limited		111-111-097		research@investcapital.com
Investec Securities Limited, (Under Suspension)		32444428-31		
Invisor Securities (Private) Limited		35611492-5		jawad.ajmad@invisorsec.com
Iqbal Usman Kodvavi Securities (Pvt.)Ltd.		32432911-12		iuksec@hotmail.com
Irfan Mazhar Securities (Pvt.) Limited		32446155-56		
Ismail Iqbal Securities (Pvt.) Ltd.		32470998		info@ismailiqbal.com
J.P. Morgan Pakistan Broking (Private) Ltd.		35610861		
Jahangir Siddiqui & Co. Ltd.				info@jahangirsiddiqui.com
Jan Mohammed A. Latif Nini & Sons (Pvt) Ltd.		32411284-5		tufaily@cyber.net.pk
Javed Omer Vohra & Co. Ltd.		32410849		javcoltd@hotmail.com
Jawed Zakaria Gulabi Securities (Private) Limited		34911110		
JS Global Capital Limited				



## Karachi Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
KAI Securities (Private) Limited		32446581-84		
KASB Securities Limited				kasbho@kasb.com
Khanani Securities (Private) Limited		32421752		azizkhanani1@hotmail.com
Khoja's Capital Management (Pvt) Limited		34326556		
Kosmopolitan Securities (Private) Limited				
Lakhani Securities (Private) Limited		32413741		
Latif Suleman Securities (Private) Limited		32431957		
Live Securities Limited				live@livesecurities.com
M H Securities (Private) Limited				mhak_sec@hotmail.com
M.A.N. Securities (Pvt.) Limited		32410240		
M.B.J. Securities (Pvt.) Limited		32412265		
M.J. Memon Securities (Private) Limited		32436948		ikbalg@cyber.net.pk
M.M. Securities (Private) Limited		35891762		moulvi@cyber.net.pk,pride@cyber.net.pk
M.R.A. Securities (Pvt.) Limited				
MAC Securities (Private) Limited		32446550		mac_securities@yahoo.com
MAK Securities (Private) Limited				info@kapadia.com.pk
Mannoo Capital (Private) Limited		32419393		
MAS Capital Securities (Pvt.) Ltd.				asifsultan@cyber.net.pk
Masons Securities (Pvt.) Limited		32416629		saleem_shakoor@hotmail.com
Mayari Securities (Private) Limited				zms.mayari@gmail.com
Mazhar Hussain Securities (Pvt) Limited		32410456		khisales@mzhsecurities.com
Memon Securities (Private) Limited		32417511		amin_memon@hotmail.com
Merchant Investments (Private) Limited		32417434		afrozmerchant@yahoo.com
Millennium Capital Management (Pvt.) Limited		(051)2802271-75		
Mohammed Tariq Moti		32413024		
Moonaco Securities (Private) Limited				saleem@moonaco.com
Moosa, Noor Mohammed, Shahzada & Co. (Pvt) Ltd.		32441991-3		
Moosani Securities (Pvt) Limited		32400871-5		info@moosani.com
Motiwalla Securities (Pvt.) Ltd.		32401933-35		themotiwalla.com
MSMANIAR Financials (Private) Limited		32427414		
Muhammad Anaf Kapadia Securities (SMC-PVT.) Ltd.		111-633-633		anaf@kapadia.com.pk
Muhammad Ashfaq Hussain Securities (Private) Ltd.		32427814		mahussain@cyber.net.pk
Muhammad Bashir Kasmani Securities (Private) Limited		32411460		
Muhammad Hussain Ismail Securities (Private) Ltd.		32417326		
Muhammad Munir Muhammad Ahmed Khanani Securities (Pvt.) Ltd.		32443434		info@munirkhanani.com
Muhammed Salim Kasmani Securities (Private) Ltd.		32411460		
Multiline Securities (Pvt.) Ltd.		32440192-4		
Munaf Sattar Securities (Private) Limited		32410713-15		ms-hoff@hotmail.com
MYTP Securities (Private) Limited		32416647		
N.U.A. Securities (Private) Limited		32438783		info@ashrafi.com.pk
Nael Capital (Private) Limited				abava@naelcapital.com
Naveed H.M. Idrees		32433830		
Next Capital Limited				
Nini Securities (SMC-PRIVATE) Limited		32411284		
Noman Abid & Company Limited		35221740-43		nomanabid.org.pk
Oriental Securities (Private) Limited		32446741-44		
Orix Investment Bank Pakistan Limited				asif@orixbank.com
Pak Libya Holding Company (Private) Limited		35630638-53		paklibya@paklibya.com.pk
Pak Meezan Securities (Pvt.) Limited				
Pardesi Securities (Private) Limited		32428973-4		
Patel Securities (Private) Limited		32416647		
Pearl Capital Management (Private) Limited				
Pearl Securities Limited		32446651-4		kandlstick@gmail.com
Pervez Ahmed Capital (Private) Limited		042-35759621		
Prime Securities (Pvt.) Limited		32437334-36		
R.F.R. Securities (Private) Limited		32413087		
R.T. Securities (Pvt.) Limited		35343440		
Rafi Securities (Private) Limited				info@rafionline.com
Rah Securities (Private) Limited		32472067-71		
Rayomund Jal H.P. Byramji		32443582		gogo@cyber.net.pk
S. Nasir Hussain				
SAAO Capital (Private) Limited		32466922-26		alisaheed77@hotmail.com
Sakarwala Capital Securities (Pvt.) Ltd.		2411998		sakarwala_stockex@hotmail.com
Salim Sozer Securities (Private) Limited		32411564		salimsozer@hotmail.com
Salman Capital Investments (Pvt.) Limited		32425570		salmanmasujd_fca@yahoo.com
Sattar Chinoy Securities (Pvt.) Limited		32429715		chinoy@gerrys.net
Saya Securities (Private) Limited		32417393		

## Karachi Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
SAZ Capital Securities (Pvt.) Ltd.		32437195		
Schon Capital Markets Limited		32636000 (10 Lines)		
Security Investment Bank Limited		32418410-13		sibl@cyber.net.pk
Seven Star Securities (Private) Limited		32441100		
Shahid Ali Habib Securities (Pvt.) Limited				
Shehzad Chamdia Securities (Pvt.) Limited				info@shehzadchamdia.com.pk
Sherman Securities (Pvt.) Limited		32426002-5		
Siddiq Moti				siddiqmoti@hotmail.com
Smart Investments Capital Management (Pvt.) Ltd.		32214734		smartinvestment@live.com
SNM Securities (Pvt.) Limited				
Standard Capital Securities (Private) Limited		32432367-32430657		scs@cyber.net.pk
Sunrise Capital (Private) Limited		111-786-772		
Surmawala Securities (Private) Limited		32413346		mjs_kse035@hotmail.com
Tariq Vohra Securities (Private) Limited		35805682		
Taurus Securities Limited		32423772		
Tewfiq Mohammed Amin Fikree		32423113		
Time Securities (Pvt.) Limited				timekse@hotmail.com
Topline Securities (Pvt) Ltd.		35303330		
Trade-In-Securities (Private) Limited		32416321		
TS Securities (Private) Limited		32429124-5		tshafiq@cyber.net.pk
United Capital Securities (Pvt.) Limited		34316645		info@unitedcapital.com.pk
WE Financial Services Limited		32429288-9		info@we.com.pk
Y.H. Securities (Pvt.) Limited		32446100		
Z.A. Ghaffar Securities (Private) Limited		32419326		
Zafar Moti Capital Securities (Pvt.) Ltd.		32410307		
ZHV Securities (Private) Limited		32412196		info@zhvsec.com
Zillion Capital Securities (Pvt.) Ltd.				info@mail.zcs.com.pk
Zubeda Abdul Sattar		32422306		

## Kazakhstan Stock Exchange

**Address:** 67 Aiteke bi, 050000, Almaty, Republic of Kazakhstan **Phone:** (327) 272 98 98 **Fax:** (327) 272 09 25 **E-mail:** info@kase.kz, kase@kase.kz

**Web Address:** www.kase.kz **Country Code:** 7

Company's Name	City Code	Telephone	Fax	E-mail Address
ABN AMRO SECURITIES KAZAKHSTAN	727	2581 505	2581 506	
ABS SECURITIES	727	2717 851	2717 851	
ACCUMULATIVE PENSION FUND "GNPF"	727	2503 836	2509 135	gnpf@gnpf.kz
ACCUMULATIVE PENSION FUND KAZAKHMYS	3102	74 42 45	72 33 14	fond@kazmys.kz
ACCUMULATIVE PENSION FUND OF HALYK BANK OF KAZAKHSTAN	727	2397 028	2730 227	npfnbk00k@halykbank.kz
AFC CAPITAL	727	2720 828	2720 827	
AFFILIATED BANK "ABN AMRO BANK KAZAKHSTAN"	727	250 73 02	264 76 27	aabk@kz.abnamro.com
AFFILIATED BANK "ALFA-BANK"	727	292 00 12	250 78 03	infokz@alfabank.kz
AFFILIATED BANK "BANK OF CHINA IN KAZAKHSTAN"	727	258 55 10	258 55 17	boc@itte.kz
AIM CAPITAL	727	2444 333	2444 333	
ALEM MANAGEMENT COMPANY	727	2668 250	2668 248	info@alemkz.kz
ALFA TRUST	727	2915 291	2597 194	alfatrust@alfatrust.kz
ALIBI SECURITIES	727	2694 731	2694 725	asse_o@alibisecurities.kz
ALLIANCE BANK	727	250 03 00	259 67 87	almt@alb.kz
ALMATY FINANCIAL CENTER	727	272 64 80	272 63 50	afc@almatyfc.kz
ALMATY INVESTMENT MANAGEMENT	727	2444 333	2445 153	aim@aim.kz
ALMEX ASSET MANAGEMENT	727	2442 333	2442 441	mail@aam.kz
ASIA BROKER SERVICES	727	2717 851	2717 873	zeinap@bk.kz
ASTANA-FINANCE	7172	592 252	591 051	af@af.kz
ASYL-INVEST	727	2630 415	2630 415	anara@asyl.kz
ATF FINANCE	727	2583 117	2441 410	
ATFBANK	727	258 30 81	258 30 32	info@atfbank.kz
BANK "KASPIYSKIY"	727	250 18 20	250 95 96	office@bc.kz
BANK CENTRECREDIT	727	2584 158	259 86 22	info@centercredit.kz
BANK TURANALEM	727	250 51 24	250 02 24	post@bta.kz
BCC INVEST	727	2443 232	2443 231	info@bcc-invest.kz
BCC SECURITIES	727	2443 232	2443 231	
BROKAGE COMPANY ASTANA-FINANCE	727	2446 046	2596 177	
CAIFC COMPANY	727	3110 137	3110 144	caifc@caifc.kz
CAPITALIST SECURITIES	727	2509 737	2509 739	
CENTRAS FINANCIAL	727	2598 877	2598 877	

## Kazakhstan Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
CENTRAS SECURITIES	727	259 88 77	259 88 87	mail@centras.com
CITIBANK KAZAKHSTAN	727	298 03 91	298 03 99	citybank.kazakhstan@citigroup.com
DB SECURITIS (KAZAKHSTAN)	727	267 10 60	258 16 42	temirlan.omarzhanov@db.com
DELTA BANK	7292	2448 555	2448 557	office@deltabank.kz
DEMIR KAZAKHSTAN BANK	727	250 85 50	250 85 25	demirbank@demirbank.kz
DEVELOPMENT BANK OF KAZAKHSTAN	7172	792 679	792 638	info@kdb.kz
EURASIA CAPITAL	727	3334 020	3334 669	info@ecap.kz
EURASIAN BANK	727	250 86 07	250 86 54	info@eurasian-bank.kz
EXIMBANK KAZAKHSTAN	727	2663 093	2663 910	postmail@eximbank.kz
FINANCE COMPANY GREENWICH CAPITAL MANAGEMENT	727	273 98 20	2735 373	greenwich@tenir.com
FINANCIAL COMPANY ALLIANCE CAPITAL	727	258 24 16	258 24 15	alc@alc.kz
FIRST BROKERAGE HOUSE	727	2717 851	250 61 32	pbd@temirbank.kz
FIRST INVESTMENT	727	258 70 79	258 29 36	fs@fs.kz
GENERAL ASSET MANAGEMENT	727	291 86 13	293 84 83	gam@gam.kz
GLOBAL SECURITIES (KAZAKHSTAN)	727	258 28 88	258 16 61	postmaster@global.almaty.kz
GLOTUR INVEST	727	2980 876	2598 881	
GRANTUM ASSET MANAGEMENT	727	244 57 44	261 12 59	irina.kim@grantum.kz
HALYK CAPITAL	727	2590 260	2590 022	
HALYK FINANCE	727	259 00 28	259 05 93	halykfinance@halykbank.kz
HALYK SAVING BANK OF KAZAKHSTAN	727	2590 350	2590 238	halykbank@halykbank.kz
HOUSE CONSTRUCTION SAVINGS BANK OF KAZAKHSTAN	727	2793 511	272 34 99	duganova_g@hcsbk.kz
IFG KONTINENT	727	2446 929	2446 932	zoom-s@mail.ru
INFORMATIONAL-DISCOUNT CENTRE OF THE PROPERTY AND PRIVATIZATION COMMITTEE OF THE MINISTRY OF FINANCE	717	2320 374	2322 397	broker@gosreestr.kz
INTERNATIONAL BANK "ALMA-ATA"	727	250 73 39	503 749	iba-bank@iba.kz
INVESTMENT FINANCIAL HOUSE "RESMI"	727	266 71 77	266 70 77	rgs@resmi.kz
KAZAKHSTAN FINSERVICE	727	2726 211	2726 001	
KAZAKHSTAN INNOVATIONAL COMMERCIAL BANK	727	292 60 08	292 01 44	mail@kazincombank.kz
KAZAKHSTAN-ZIRAAT INTERNATIONAL BANK	727	250 60 80	250 60 82	kzibank@kzibank.com
KAZEXPORTASTYK-SECURITIES	7142	511 151	548 544	astyk@hotmail.ru
KAZINVESTBANK	727	259 88 59	2598 658	info@kib.kz
KAZKOMERTS INVEST RFCA	727	261 00 00	2443 838	info@kki.kz
KAZKOMMERTS INVEST	727	261 00 00	2443 838	info@kki.kz
KAZKOMMERTS RFCA	727	2588 493	2588 495	
KAZKOMMERTS SECURITIES	727	258 84 93	258 84 95	enquiry@kazks.kz
KAZKOMMERTSBANK	727	258 52 25	2509 507	service@kkb.kz
KAZPOST	727	259 06 43	259 06 47	kazpost@kazpost.kz
KG SECURITIES	7212	410 321	410 332	kgsecurities@nursat.kz
LARIBA-BANK	727	2583 473	249 64 21	lariba@lariba.kz
MAG CAPITAL	727	2445 113	2445 113	
MAG FINANCE	727	3111 018	3111 018	magfinance@mail.ru
MANAGEMENT COMPANY INVESTMENT RESOURCES	727	267 12 89	267 12 90	
MONEY EXPERTS	727	2502 640	2502 013	info@moneyexperts.kz
NATIONAL BANK OF KAZAKHSTAN	727	2596 800	2509 456	securities@nationalbank.kz
NOMAD FINANCE	727	2726 966	2726 966	nomad_finance@mail.kz
NURBANK	727	250 00 00	250 67 03	bank@nurbank.kz
OPEN ACCUMULATIVE PENSION FUND OTAN	727	2503 040	2501 374	info@pf-otan.kz
ORDA CAPITAL	7252	545 236	545236	info_kapital@mail.ru
PENSION ASSETS INVESTMENT MANAGEMENT COMPANY "BAILYK ASSET MANAGEMENT"	727	250 73 81	250 73 82	support@bailyk.kz
PENSION ASSETS INVESTMENT MANAGEMENT COMPANY "PREMIER ASSET MANAGEMENT"	727	2667 177	2667 077	office@kupa.resmi.kz
PENSION ASSETS INVESTMENT MANAGEMENT COMPANY "ZHETUSY"	727	2442 661	2694 347	zhetsu@mail.online.kz
PRIME FINANCIAL SOLUTIONS	727	3111 030	3111 031	info@primefina.kz
RBNT SECURITIES	727	2686 516	2456 242	rbnt@rbnt.kz
REAL-INVEST.KZ	727	295 21 06	295 21 08	postmaster@realinvest.kz
REAL-INVEST RFCA	727	2952 106	2952 108	
RENESSANCE CAPITAL INVESTMENTS KAZAKHSTAN	727	2441 544	2441 545	
RESMI INVESTMENT HOUSE ALMATY	727	2667 177	2667 400	
SENIM-BANK	727	268 10 51	268 18 56	senimbank@itte.kz
SEVEN RIVERS CAPITAL	727	2739 081	2734 978	info@src.kz
SMART GROUP	727	2644 899	2954 375	info@smartgroup.kz
SUBSIDIARY BANK "HSBC BANK KAZAKHSTAN"	727	259 69 70	259 69 02	info@hsbc.kz
TCESNABANK	7172	770 201	770 195	tsb@tsb.kz
TEMIRBANK	727	2587 873	250 77 85	board@temirbank.kz

## Kazakhstan Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
TEXAKABANK	727	250 00 87	250 00 63	post@texakabank.kz
TOP INVEST	727	2378 400	2378 399	sabira@thorinvest.kz
TSESNA CAPITAL	727	2584 865	2584 865	info@tscapital.kz
TURANALEM SECURITIES	727	299 10 50	299 10 25	info@tas.kz
UNICORN IFC	727	2635 757	2635 761	info@unic.kz
VERNY CAPITAL	727	2952 630	2952 637	info@verny-capital.kz
VISOR CAPITAL	727	277 77 17	277 77 18	ssk@visocap.com
VISOR INVESTMENT SOLUTIONS	727	259 88 44	259 88 33	visor@visor.kz
VOSTOK CAPITAL	727	2500 834	2500 834	office@vcapital.kz

## Kyrgyz Stock Exchange

**Address:** 172 Moskovskaya St., 720010 Bishkek, Kyrgyz Republic **Phone:** : (312) 31 14 84 **Fax:** (312) 31 14 83 **E-mail:** kse@kse.kg

**Web Address:** www.kse.kg **Country Code:** 996

Company's Name	City Code	Telephone	Fax	E-mail Address
Aalam	312	48 64 38	48 64 87	kras-vit@rambler.ru
Asko & Co.	312	59 14 07	59 17 42	pansher6666@mail.ru
ATO Finance	312	65 22 34	24 09 22	atofinans@infotel.kg
BBB	312	66 35 07	66 35 07	bbb_123@mail.ru
BNC Finance	312	62 09 47	62 09 49	bnc@bnc.kg
Global Finance	312	47 49 30	62 10 57	global_finance@mail.ru
JS Halyk Bank Kyrgyzstan	312	32 35 99	32 35 98	halykbank@halykbank.kg
KLS Securities	555	61 16 93	61 16 93	
Masterfiber	3133	3 37 47	3 37 47	chuinvest@mail.ru
Niet-Araket	312	91 01 22	91 01 23	naraket@infotel.kg
Orient Capital	312	61 53 99	61 53 99	nurlan@eastcapital.kg
Senti	312	61 45 89	61 00 25	senti@senti.kg

## Lahore Stock Exchange

**Address:** 19, Khayaban-e-Aiwan-e-Iqbal, Lahore-54000, Pakistan **Phone:** (42) 636 8000 **Fax:** (42) 636 8485 **E-mail:** secretary@lahorestock.com

**Web Address:** www.lahorestock.com **Country Code:** 92

Company's Name	City Code	Telephone	Fax	E-mail Address
128 Securities ( Pvt. ) Ltd.	42	35894909	35734501	128@lahorestock.com
Abbasi & Company (Pvt.) Ltd.	42	3732 0707	3628 2727	info@abbasiandcompany.com
Abid Investments (Pvt.) Ltd.	42	35756161-65	3575 3399	
ABM Securities (Pvt.) Ltd.	42	36310555-56	3631 0557	abm_securities@hotmail.com
Adam Securities (Pvt) Ltd.	21	244 4316	243 7380	adamsecurities145@hotmail.com
Adeel Zafar Securities (Pvt ) Ltd.	42	3636 8222	3581 7076	az_063@hotmail.com
Adeel & Nadeem Securities (Pvt) Ltd.	42	35781601-5	3578 1660	ansecurities123@yahoo.com
AFIC Securities (Pvt.) Ltd.	42	36300101-3	3630 0104	sajid717@hotmail.com
Ahmad Kuli Khan Khattak	21	256 3138	256 4458	
Ali Usman Stock Brokerage(Pvt ) Ltd.	42	111-254-254	3636 8884	aliusman@ausbonline.com
Al-Hamad Investment & Securities (Pvt) Ltd.	42	36300277-81	3630 0282	al-hamdivsec@yahoo.com
Allied Bank Limited.	42	3631 1426	3631 1418	
Allied Securities ( Pvt) Ltd.	42	35894525-26	3589 4527	
Altaf Adam Securities ( Pvt. ) Ltd.	21	2429541-43	242 9540	altafadam001@yahoo.com
Al-Haq Securities (Pvt.) Ltd.	42	3636 2010	3636 8782	alhaqsecurities@hotmail.com
Al-Hoqani Securities & Investment Corp (Pvt.) Ltd.	21	2275353-56	227 5357	
AMCAP Securities (Pvt.) Ltd.	42	587 0239	578 7559	info@amcapsecurities.com
Amer Securities (Pvt.) Ltd.	42	36309687-89	3630 9690	amer_sec@live.com
Arif Habib Limited.	21	2415213-15	241 6072	samad.habib@arifhabiblttd.com
Arif Latif	42	36311611-14	3636 0613	ariflatifmlse@hotmail.com
Arif Majid Chaudhry	42	3631 0412	3631 0401	arifmajid@amctrade.com
Dr Arsalan Razaque Securities (SMC-Pvt) Ltd.	42	3588 4071	3588 9315	arslanr@yahoo.com
A. S. Securities (Pvt.) Ltd.	42	36314551-3	3631 4558	as_securities@hotmail.com
Atlas Capital Markets (Pvt ) Ltd.	42	36366170-74	3630 4092	contact@atlascapital.com.pk
BMS Capital ( Pvt.) Ltd.	42	3587 1058	3568 1296	bmscapital@gmail.com
Bright Securities (Pvt.) Ltd.	42	111-253-111	3628 0745	ehsan.ahmad@akdtrade.com
Bridge Securities ( Pvt.) Ltd.	42	36280884-5	628 0886	bridgesecurities@hotmail.com
Capital Vision Securities (Pvt.) Ltd.	42	3637 2456	3636 8466	info@cvs.com.pk
Darson Securities (Pvt.) Ltd.	42	3631 7111	3631 4293	info@darsononline.com
Dosslani's Securities (Pvt.) Ltd.	42	36375046-49	3636 7999	dsbrokerage@msn.com
Equity Master Securities (Pvt.) Ltd.	42	36280875-9	3628 0880	equitymastersec@yahoo.com
Escorts Capital Limited.	42	36371931-34	3637 5950	mailmanager@escortsbank.net

## Lahore Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
F.M. Securities (Pvt.) Ltd.	42	36315135-6	3631 5477	f.m.securities@hotmail.com
Fairway Securities ( Pvt.) Ltd.	42	3587 5940	3587 8941	info@fairway.com.pk
First Punjab Modaraba	42	3591 3602	3591 3615	info@punjabmodaraba.com.pk
First Pakistan Securities Ltd.	42	3631 1375	3584 3730	info@fpsl.com.pk
Financial Harbour (Pvt) Ltd.	42	300843 2358		
Float Securities (Pvt.) Ltd.	21	583 7657	587 6068	float047@gmail.com
Fort Investments (Pvt.) Ltd.	42	5756161-65	575 3399	
Gazipura Securities & Services (Pvt.) Ltd.	21	2418903	242 2893	
GPH Securities (Pvt.) Ltd.	42	36310715-16	3766 2939	
Guardian Securites ( Pvt ) Ltd.	42	35758970-2	3576 3247	info@guardiansecurities.com.pk
Gul Dhami Securities (Pvt.) Ltd.	42	36368401-09		guldhami@hotmail.com
Gulrez Securities (Pvt.) Ltd.	42	36309851-54	3630 9855	gulrezsec@gmail.com
Habib Ullah Sheikh (Pvt.) Ltd.	42	36311383-7	3636 8220	064@lahorestock.com
Haji Abdul Sattar Securities (Pvt.) Ltd.	42	3636 8963	3721 2072	
Hameed Mukhtar Chaudhry	42	36375470-71	3636 9088	
Harvest Smartrend Securities (Pvt.) Ltd.	42	111-800-000	3631 4038	hss101@nexlinks.net.pk
H. Hatim H. Karim	21	9217084-86	921 2374	
H.H. Misbah Securities (Pvt) Ltd.	21	2429103-05	242 6938	hh_misbahsecurities@hotmail.com
Highlink Capital (Pvt.) Ltd.	42	35747820-22	3574 7819	highlinkcapital@hotmail.com
Horizon Securities (SMC-Pvt) Ltd.	42	3571185-89	3577 1191	info@horizonpak.com
H.S.Z. Securities (Pvt.) Ltd.	42	36309439-40	3630 9438	h.s.z_sec@yahoo.com
Humayun Saeed Sheikh	42	35837517	36374615	hsslse143@hotmail.com
Iftikhar Ahmad Malik	42	35716134-36	3571 1530	hisvil@brain.net.pk
Infinite Securities Limited	42	3571 4810	3571 0312	
IGI Finex Securities Ltd.	42	111-234-234	3530 1772	azhar.batla@igi.com.pk
Ilyas Securities (SMC-Pvt) Ltd.	42	111-135-135	3759 0376	
INA Securities (Pvt.) Ltd	42	35756953-54	3571 0604	
Innovative Brokerage (Pvt.) Ltd.	42	35987400-10	3598 7420	
Integrated Equities (Pvt.) Ltd	42	3589 1516	3575 7590	aliwato@yahoo.com
Invest & Finance Securities Ltd.	42	35787732-6	3578 7737	info@investfinance.com.pk
Jamshaid & Hassan Securities (Pvt.) Ltd.	42	36371901-3	3631 0154	jamshaid.hasan@gmail.com
Javed Iqbal Securities (Pvt.) Ltd.	42	36369112-6	3636 9117	javediqbal@jis-lse.com
Javed Ahmed Securities (SMC-Pvt ) Ltd.	42	3575 9621	3571 0312	
K.H.S. Securities (Pvt.) Ltd.	42	3636 8536	3636 8919	info@khssecurities.com
Khalid Javed Securities (Pvt.) Ltd.	42	36307680-83	3636 9143	khushnudgulzar@hotmail.com
Khawaja Securities (Pvt) Ltd.	42	3630 8717	3630 9489	usmankhawaja11@hotmail.com
KSR Stock Brokerage (Pvt.) Ltd.	42	36316611-4	3637 1868	ksr608@hotmail.com
Maan Securities (Pvt.) Ltd.	42	36308000-2	3631 5558	maansecurities@yahoo.com
Malik Hamid Ali Noon	42	3630 1803	3630 1803	m_h_a_noon@hotmail.com
Maximus Securities (Pvt.) Ltd.	42	36315772-4	3630 9216	maximus1_sec@hotmail.com
Mazhar Hussain Securities (Pvt.) Ltd.	42	3627 8787	3631 7329	ashad_lhr2003@yahoo.com
MAHA Securities ( Pvt ) Ltd.	42	36360526-8	36368526	info@mahasecurities.com
MGM Securities (Pvt.) Ltd.	42	36279181-82	3637 2475	mgmsecurities@yahoo.com
Millennium Brokerage(SMC-Pvt) Ltd.	42	36280771-6	3630 8333	milleniumbrokerage@gmail.com
Mian Muhammad Saeed (Deceased)				
Mian Asif Maqbool Sukhera	42	36305663-5	3631 3803	lse002@hotmail.com
Mian Khalid Bashir	42	3576 0379	3576 0376	kaybee@suraj.com
Mian Nusrat-ud-Din	42	36313995-6	3627 9204	rabbana@brain.net.pk
Mian Sajid Masood (Engr.)	42	36313981-84	3631 3985	mcm087@hotmail.com
Mian Shaukat Shafi	42	3568 5231	3568 3662	shaukatshafi@fascom.com
Mian Tajammal Hussain	42	3724 4181	3724 2839	mthlhr@brain.net.pk
Mirza Yasin Mahmood	21	586 9398		
Moosani Securities (Pvt.) Ltd.	21	2400871-75	241 6004	info@moosani.com
Moneyline Securities (Pvt.) Ltd.	42	36279141-43	3627 9144	moneyline_of_lse@hotmail.com
M.R.A Securities (Pvt.) Ltd.	21	241 0136	227 4973	owais@hotmail.com
M.R.Securities ( SMC-Pvt) Ltd.	42	3631 2222	3636 8303	info@mrsecurities.com.pk
MTM Securities (Pvt.) Ltd.	42	36369991-8	3627 9101	info@mtmsecurities.com
Muhammad Amer Riaz	42	3631 0441	3631 3960	Amerriaz676@hotmail.com
Muhammad Ayub Chaudhry	42	3636 8422	3636 9096	mayubch@hotmail.com
Muhammad Iqbal Khawaja	42	3637 6808	3631 5803	
Muhammad Shabbir Malik	42	3766 8188	3766 2303	
Muhammad Javed	21	111-263-263	263 1021	jdkki@hotmail.com
Muhammad Tauqir Malik	42	36311401-4	3636 0438	malik_tauqir@hotmail.com
Mumtaz Enterprises (Pvt.) Ltd.	21	2412145-46	241 6104	mumtaz_ent@cyber.net.pk.
My Securities (Pvt.) Ltd.	21	2212882-89	221 2890	hnhexchange@hotmail.com
Najam Riaz Ghauri	42	3637 5576	3637 1138	info@ggi.com.pk
Nizam Securities (Pvt.) Ltd.	21	453 9059		



## Lahore Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
Nasir Ali Shah Bukhari	42	111-222-000	3587 2640	nasb@kasb.com
Naveed Usman Engr.	42	3576 2494		naveedusman@hotmail.com
Nayyar Sheikh Securities (Pvt.) Ltd.	42	36316117-8	3631 6448	nayyarsecurities@gmail.com
N.H. Securities (Pvt.) Ltd.	42	37235084-87	3723 5083	hcc@orbit.net.pk
Networth Securities Ltd.	42	36307701-4	3630 7705	mail@networth.pk
Orix Leasing Pakistan Ltd.	21	586 1266	583 1634	muhammad.tariq@orixbank.com
Pearl Brokerage (Pvt.) Ltd.	42	3628 0932	3628 0931	145@lahorestock.com
Pervez Ahmed Securities Ltd.	42	3575 9621	3571 0312	
Plus Securities (Pvt.) Ltd.	41	3264 7727	3262 9967	plus@psl.org.pk
Progressive Securities (Pvt.) Ltd.	42	3631 7049	3631 7048	pspl056@yahoo.com
Prudential Securities Ltd.	42	3637 5466	3637 5980	prud.sec@gmail.com
Qasim Mahmood Securities (SMC-Pvt.) Ltd.	42	36372747-50		casseem@lycos.com
Q.F. Securities (Pvt) Ltd.	42	3663 9929	3663 9753	kamranqaiser@live.com
R. F. J. Equity (Pvt.) Ltd.	21	2412265-66	241 6791	shakoo@khi.compol.com
Rahat Securities Ltd.	42	36316208-10	3631 4253	info@rahatonline.com
Reliance Capital (Pvt.) Ltd.	42	35750174	35710972	
R.S. Equities (Pvt.) Ltd.	42	3574 7905	3574 7904	
RUC Securities (Pvt.) Ltd.	42	3668 1792	021-5686424	
Saliha Haroon (Mrs)	42	36311372-74	3631 0245	
SAFE Securities (Pvt.) Ltd.	42	36316719-22	36316719	safesecurities@hotmail.com
Saima Qaiser (Ms)	42	37661041	37660212	
Salman Majeed Securities (SMC-Pvt.) Ltd.	42	36280911	36280915	salmanmajeedsec@hotmail.com
S. D. Mirza Securities (Pvt.) Ltd.	42	3636 8748	3636 9108	sdmirz@hotmail.com
Seema Mubashir (Mrs)	42	37655578-79		
Sethi Securities (SMC-Pvt.) Ltd.	42	3636 5756	3636 8113	sethisecurities@hotmail.com
Shaffi Securities (Pvt.) Ltd.	42	36311458-59	3628 0706	shaffisec201@hotmail.com
Shahid Hassan Awan (Suspended)	42	36316383-5	3631 6389	
Shahid Iqbal	42	3760 4184		
Shahid Nauman Rana (Suspended)				
SME Bank Limited.	51	921 4296	921 7001	info@smebank.org
Shewani Securities (Pvt.) Ltd.	42	3630 7841		
Sheikh Muhammad Iqbal	42	3586 2168		
Sohail Raza Moosani(SMC-Pvt) Ltd.	21	583 5363	241 6004	aamir_hussain@yahoo.com
Sonia Nisar (Ms)				
Stock Master Securities (Pvt.) Ltd.	42	3628 0903	3631 6458	sms@stockmaster.com.pk
Switch Securities (Pvt.) Ltd.	42	3584 3721	3586 0497	info@switch.com.pk
SLAS Securities (SMC-PVT)Ltd.	42	3583 1644		
Syed Sarmad Maqsood (Suspended)				
S. Z. Securities (Pvt.) Ltd.	42	3627 8973	3628 0731	s.z. securities@hotmail.com
Tariq Majid Chaudhry	42	36280806-9	3628 0810	
Techno Fundamental Securities (Pvt.) Ltd.	42	3631 7351	3631 7350	tfs_516@hotmail.com
Trust Capital (Pvt.) Ltd	21	2404714-19	240 4720	info@trustbank.com.pk
Trust Securities & Brokerage Ltd.	42	36373041-43	3637 3040	tsbl@brain.net.pk
Union Securities (Pvt.) Ltd.	42	300429 4942		aiafafu7@hotmail.com
Universal Equities (Pvt.) Ltd.	42	35940320-25	3584 1222	mohammad.sarfraz@universalequities.com
Value Stock Securities (Pvt.) Ltd.	42	111-111-255	3577 0190	kamran@valuestock.pk
Wasi Securities (SMC-Pvt) Ltd.	42	36367935-36	3636 0067	wasi@wasisecurities.com
Yasir Mahmood Securities (Pvt.) Ltd.	42	3631 4141	3631 4488	info@invest.pk
Y.S. Securities & Services (Pvt.) Ltd.	42	3631 5889	3631 0186	info@yssecurities.com
Zafar Moti	21	241 0307	244 6536	zafarmoti@hotmail.com
Zafar Securities (Pvt.) Ltd.	42	35789500-03	3578 9595	info@zafarstocks.com
Zahid Ali Habib	21	2429664-67	2413822	zahid@abaalihabib.com

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Company's Name	City Code	Telephone	Fax	E-mail Address
Alta Vista broker AD Skopje	2	3217-103	3217-103	info@altavistabroker.com.mk
AUCTOR BROKERI AD Skopje	2	3248-980	3246-570	info@auctor.com.mk
BITOLA BROKER AD Bitola	47	258-830	258-840	bbbroker@mt.net.mk
Bro-Dil AD Skopje	2	3298-851	3118-670	info@bro-deal.com.mk
Centralna kooperativna banka AD Skopje	2	3249-360	3249-303	dhv@sileksbanka.com.mk
DELTA BROKER AD Skopje	2	3216 045	3216 046	olivera@deltabroker.com.mk
Dinev Broker AD Skopje	2	3217-617	3217-926	dinevbroker@yahoo.com
EURObroker AD Skopje	2	3215-198	3223-397	eurobroker@mt.net.mk
Eurohaus AD Skopje	2	3217-095	3217-035	info@eurohaus.com.mk
Fersped Broker AD Skopje	2	3219-333	3219-477	broker@fersped.com.mk
IDEJA PLUS BROKER AD Radovis	32	630 633	630 635	info@idejaplus.com.mk
ILIRIKA INVESTMENTS AD Skopje	2	3296-853	3213-785	info@ilirika.com.mk
INOVO BROKER AD Skopje	2	3120-941	3110-950	office@innovobroker.com
INVESTBROKER AD Skopje	2	3110-290	3110-290	investbroker@investbroker.com.mk
Komercijalna banka AD Skopje	2	3218-218	3218-222	kbbroker@kb.com.mk
Moj Broker AD Skopje	2	3221-012	3221-041	info@mojbroker.com.mk
NLB Tutunska broker AD Skopje	2	3290-931	3133-305	tutbrok@mt.net.mk
NOVI TRIGLAV AD Skopje	2	3092-740	3092-741	contact@novitriglav.com
Ohridska Banka AD Ohrid	2	3216 -250	3222-920	igor.razmovski@ob.com.mk
Peon Broker AD Skopje	2	3203-850	3203-842	peonbroker@mt.net.mk
Postel Broker AD Skopje	2	3224-300	3224-300	palevski@postbank.com.mk
Publikum AD Skopje	2	3232-352	3232-353	kontakt@publikum.com.mk
STATER BANKA AD Kumanovo	2	3204-032	3204-039	broker@staterbanka.com.mk
Stopanska Banka AD Skopje	2	3295-405	3295-551	broker@stb.com.mk
TTK Banka Skopje	47	226-360	203- 692	tkbbroker@t-home.mk
Univerzalna Investiciona Banka AD Skopje	2	3286-007	3210-950	zvonko.stankovski@unibank.com.mk
VIP AD Skopje	2	3298-385	3217-160	contact@vipbroker.com.mk

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AD-Manager	22	227-484	278-060	tatianacoltsa@yahoo.com
Banca de Economii	22	244-103	244-731	angela.toderita@bem.md
Banca de Finante si Comert	22	220-080	237-308	kuznetsova_v@fincombank.com
Banca Sociala	22	220-070	220-070	paladi@socbank.md
Broker M-D	22	276-561	258-442	gh.bacaliuc@gmail.com
Brokwest	22	256-017	256-017	brokwest@gmail.com
Daac Prom	22	755-932	746-397	nadea.ganya@daac-prom.com
Daac-Invest	22	220-677	746-397	invest@daac.md
Energbank	22	276-033	544-378	nkorono@office.energbank.com
Eurocreditbank	22	548-827	500-153	igoro@eurocreditbank.md
Eximbank	22	300-140	601-619	info@eximbank.com
Fincom	22	541-917	272-564	mail@fincom.md
Gest-Capital-MF	22	270-965	272-256	gestcapital@rambler.ru
Investprivatbank	22	279-523	540-555	burlea@ipb.md
Iuventus-DS	22	271-337	270-035	stela.lavric@iuventus.md
M-Invest	22	260-463	546-276	m_invest@rambler.ru
Mobiasbanca	22	256-325	541-935	vm@mobiasbanca.md
Moldindconbank	22	576-835	279-195	martino@micb.md
Moldova-Agroinbank	22	220-671	226-162	lungu@maib.md
Oldex	22	270-024	542-966	oldex95@yandex.ru
Passim	22	555-579	522 -049	moscovciuc@rambler.ru
Proajioc	22	507-085	507-085	proajioc@mail.ru
Unibank	22	253-853	220-530	iovu@unibank.md
Val-Invest	22	449-113	449-697	o_roic@list.ru
Victoriabank	22	576-350	233-089	natalia.paraschiv@vb.md

## Mongolian Stock Exchange

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Company's Name	City Code	Telephone	Fax	E-mail Address
ALTAN KHOROMSOG		11-450899		altankhoromsor@yahoo.com
ALTAN SAN		11-311558		info@mongolia-investment.com,
ARGAI BEST		11-327026		argaibest_broker@yahoo.com
ARTA INVEST		70110637		info@arta-invest.mn
BATS		11-326042		bats_bdlc@chinggis.com
BDSEC		11-321763		info@bdsec.mn
BLOOMSBURY SECURITIES		11-356060		info@bloomberg.mn
BULGAN BROKER		11-322708		bulgan_broker@yahoo.com
BUMBAT ALTAI		0143-22166		
CCP		11-331754		info@ccp.com
DARKHAN BROKER		99083719		dar_broker@yahoo.com
DCF		11-328946		dcf@mongol.net
DELGERKHANGAI SECURITIES		55252453		batorgil@dhsecurities.mn
ERDENEST		99116322		erdenest17@yahoo.com
EURASIA CAPITAL MONGOLIA		70130078		oyunbold.gombo@eurasiacm.com
FCX		70163109		contact@fcx.mn
FINANCE LINK GROUP		70117116		chimgee_mhh@yahoo.com
FRONTIER		70119999		
GAULI		70153301		
GENDEX		77224777		gendex@fin.mn
GLOBAL ASSET		11-320889		ckhishigbayar@yahoo.com
GOODSEC		11-331878		goodsec@chinggis.com
KHANSH INVEST		11-325849		hansh_investment@yahoo.com
LIFETIME INVESTMENT		70121418		info@lifetime.mn
LONDON ASIA CAPITAL MONGOLIA		11-312307		
MASDAQ		99881008		masdaq_mongolia@yahoo.com
MERGEN SANAA		11-451626		
MIBG		70111403		
MICC		70112023		
MONET		11-320773		broker@batsinvest.mn
MONGOL SECURITIES		11-462130		mongolsecurities@magic.net
MONKHAN TRADE		70160000		
MONSEC		11-70153090		monsec99@yahoo.com
MWTS		70116030		
NICI		99117970		nici_t@yahoo.com
NORTHERNSEC		11-311062		info@northern-securities.com
SANKHUUGIIN KHUGJIL INVEST		70111335		bolor_eldev@yahoo.com
SANSAR		11-462634		snr04@yahoo.com
TAVAN BOGD		99089224		tavanbogd@mail.mn
TENGRI SECURITIES		70130695		
TTSEC		50055225		buren_jargal@yahoo.com
TULGAT CHANDMANI BAYAN		99193322		tulgatchb@yahoo.com
UNDURKHAAN INVEST		11-318590		undurkan_09@yahoo.com
WORLDKEY		11-330594		worldkey@yahoo.com
ZERGED		11-367609		erdene05@yahoo.com
ZEUS CAPITAL		11-331436		

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Company's Name	City Code	Telephone	Fax	E-mail Address
3M BROKER CO. PODGORICA	81	210 685	210 688	3mbroker@cg.yu
ANGLO BROKER CO. PODGORICA	81	665 695	667 307	officer@anglobroker.com
BASILLEUS BROKER CO. PODGORICA	81	664 310	664 310	basilleusbroker@gmail.com
CG BROKER CO. PODGORICA	81	230 490	230 497	cgbroker@cg.yu
ENERGO BROKER CO. PODGORICA	81	215 230	215 231	enrgobroker@cg.yu
FIRST FINANCIAL BROKER BROKER-DEALER CO. PODGORICA	81	665 780	665 784	ffs@cg.yu
GLOBAL BROKER-DEALER CO. PODGORICA	81	667 280	667 281	info@global-montenegro.com
HOLDER BROKER CO. PODGORICA	81	408 105	408 108	hbroker@cg.yu
HYPO ALPE ADRIA BROKER-DEALER CO. PODGORICA	81	408 691	408 690	broker-dealer@hypo-alpe-adria.cg.yu
IN BROKER CO. NIKSIC	83	200 220	200 221	
INVEST BANKA MONTENEGRO CO. PODGORICA	81	407 900	407 956	info@invest-banka.com
INVEST BROKER CO. PODGORICA	81	210 335	210 335	office@invest-broker.cg.yu
MARKET BROKER CO. BIJELO POLJE	84	430 360	430 363	marketbroker@cg.yu
MB BROKER CO. PODGORICA	81	210 655	210 685	mbbroker@cg.yu
MIK BROKER CO. PODGORICA	81	665 871	665 872	mikbroker@cg.yu
MONETA BROKER - DEALER CO. PODGORICA	81	205 455	205 456	info@moneta.cg.yu
MONTE ADRIA BROKER - DEALER CO. PODGORICA	81	231 305	210 640	montadria@cg.yu
MONTE BROKER CO. BERANE	87	230 514	230 515	montebroker@cg.yu
MV BROKER CO. NIKSIC	83	212 036	212 822	mvbroker@cg.yu
NARODNI BROKER CO. PODGORICA	81	662 622	662 622	
NK BROKER CO. NIKSIC	83	220 044	220 045	nk_broker@cg.yu
NOBL BROKER CO. PODGORICA	81	235 146	235 179	office@noblbroker.cg.yu
NOVE BROKER CO. PODGORICA	81	664 100	667 711	novebroker@cg.yu
ONYX BROKER CO. BUDVA	86	451 816	402 416	onyxbr@cg.yu
PARTNER BROKER CO. PODGORICA	81	232 255	232 266	partnetbroker@cg.yu
PODGORIÄKI BROKER CO. PODGORICA	81	205 365	205 366	pgbroker@cg.yu
SENZAL BROKER CO. PODGORICA	81	238 410	238 390	office@senzal.cg.yu
VIP BROKER CO. PODGORICA	81	205 345	205 346	info@vipbroker.net
WALL STREET BROKER CO. BUDVA	86	455 097	451 004	wsbroker@cg.yu
WORLD BROKER-DEALER CO. PODGORICA	81	667 225	667 226	info@world-broker.eu

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Company's Name	City Code	Telephone	Fax	E-mail Address
AL AMIN SECURITIES	248	13738	15507	al-amin@omantel.net.om
AL MADINA FINANCIAL & INVESTMENT SERVICES	248	10859	10772	madinah@omantel.net.om
AL SHUROOQ SECURITIES	247	89113	88882	sisco@omantel.net.om
BANK MUSCAT	247	80139	98220	aymanj@bankmuscat.com
FINANCIAL CORPORATION	248	116655	16611	fincorp@fincorp.org
FINANCIAL SERVICES	248	17208	17205	finserve@omantel.net.om
GLOBAL FINANCIAL SERVICES	247	00667	00662	gfoman@omantel.net.om
GULF INVESTMENTS SERVICES	247	90614	90612	gisoman@omantel.net.om
INTERNATIONAL FINANCIAL SERVICES	247	95186	95188	intfn@omantel.net.om
NATIONAL BANK OF OMAN	248	11491	98647	nboinvest@nbo.co.om
NATIONAL SECURITIES CO.	245	71340	68737	nscoman@omantel.net.om
OMAN ARAB BANK	247	97428	93953	bataineh@omantel.net.om
Q INVEST	248	15580	17483	qurumfin@omantel.net.om
UNITED SECURITIES	247	88647	88671	info@usoman.com
VISION INVESTMENT SERVICES	248	12860	08088	visoman@omantel.net.om

**NASDAQ OMX Armenia****Address:** 5B M. Mkrtchian Street, Yerevan 375010, Republic of Armenia **Phone:** (10) 543321 **Fax:** (10) 543324 **E-mail:** info@armex.am**Web Address:** www.armex.am **Country Code:** 374

Company's Name	City Code	Telephone	Fax	E-mail Address
"Alphasecurities" LTD	10	358-707	358-707	alfasecurities@mail.ru
"Ameria Invest" CJSC	10	524-040	546-800	ib@ameria.am
"Ameriabank" CJSC	10	561-111	565-958	office@ameriabank.am
"Anelik Bank" CJSC	10	227-206	226-581	anelik@anelik.am
"Ardshininvestbank" CJSC	10	540-404	567-486	office@ashib.am
"Areximbank" CJSC	10	544-387	520-995	info@areximbank.am
"Armenbrok" CJSC	10	538-700	528-986	info@armenbrok.com
"Armenian Development Bank" OJSC	10	591-400	591-405	info@armdb.com
"Armswissbank" CJSC	10	529-593	591-592	info@armswissbank.am
"Artsakhbank" CJSC	71	43-412	71-249	artsakhbank@ktsurf.net
"Capital Asset Management" CJSC	10	501-526	541-528	mail@capital.com.am
"Cascade Investments" CJSC	10	520-432	583-089	info@cascadeinvmnts.com
"Converse Bank" CJSC	10	511-206	511-212	dealing@conversebank.am
"Future Capital Market" LTD	10	273-357	273-357	fcm_company@yahoo.com
"Procredit Bank" CJSC	10	514-867	514-853	info@procreditbank.am
"Prometey Bank" LTD	10	562-036	545-719	info@prometeybank.am
"Renesa" CJSC	10	548-383	548-383	info@renesa.am
"Tonton" LTD	10	584-614	545-477	info@tontoninvest.com
"Unibank" CJSC	10	521-532	567-046	unibank@unibank-armenia.com

**Palestine Securities Exchange****Address:** Al Qasr Bldg., Rafidia, P.O. Box 128, Nablus, Palestine **Phone:** (9) 234 55 55 **Fax:** (9) 234 13 44 **E-mail:** pse@p-s-e.com**Web Address:** www.p-s-e.com **Country Code:** 970 or 972

Company's Name	City Code	Telephone	Fax	E-mail Address
Al-Watanieh Securities Company	2	298 0420	298 7277	watanieh@palnet.com
Al-Wasata Securities Co.	8	288 6050	288 6055	info@alwasata.ps
Global Securities Company	9	238 7880	238 5060	info@gsc.ps
Jordan & Palestine Financial Investment Company	2	298 7778	298 7779	jopfico@palnet.com
Lotus Financial Investments Co.	2	297 1729	297 1727	info@lotus-invest.ps
Nawras for Financial Investments Co.	2	274 6560	274 6570	info@nawras.ps
Sahem Trading & Investments Company	2	296 5710	296 5713	sahem@sahem-inv.com
Target Investment & Securities Company	9	238 6111	238 6119	info@targetinvest.ps
United Securities Company	2	240 3090	240 3091	info@unite.ps

**Sarajevo Stock Exchange****Address:** Djoke Mazalica 4, 71000 Sarajevo, Bosnia and Herzegovina **Phone:** (33) 251 460 **Fax:** (33) 559 460 **E-mail:** contact@sase.ba**Web Address:** www.sase.ba **Country Code:** 387

Company's Name	City Code	Telephone	Fax	E-mail Address
AA Kapital Brokers Bihac	37	228 308	228 309	info@aakapitalbrokers.ba
ASA Brokers	33	77 4777	77 4784	info@asa-brokers.ba
Auctor BH Mostar	36	355 680	355 689	auctor@auctor.ba
AW Broker Sarajevo	33	766 666	766 725	info@aw-broker.ba
Bond Invest Mostar	36	334 140	316 612	bond.invest@tel.net.ba
eBrokers Sarajevo	33	714 370	714 371	info@ebrokers.ba
Eurohaus Sarajevo	33	720 900	710 611	info@eurohaus.ba
FIMA International Sarajevo	33	710 840	710 842	info@fima.ba
General Broker	33	56 5165	56 5166	info@generalbroker.ba
Hypo Alpe Adria Vrijednosnice Sarajevo	33	755 736	755 790	vrijednosnice.bih@hypo-alpe-adria.com
ICM Capital Sarajevo	33	561 600	561 601	info@icm.ba
Kvantum Sarajevo	33	72 1250	72 1251	info@kvantum.ba
Market Bull Sarajevo	33	557 915	557 926	info@marketbull.ba
NBC Sarajevo	33	555 185	555 186	info@nbc-bih.com
Palisaen Sarajevo	33	72 1260	72 1261	info@palisaen.ba
Premium Broker Tuzla	35	362 330	279 434	info@premium-broker.ba
Raiffeisen Brokers Sarajevo	33	296 545	296 553	info@rbr.ba
SEE Investment Solutions Sarajevo	33	275 650	275 651	info@seeinvestments.ba
Unibroker Sarajevo	33	561 660	561 661	info@unibroker.ba
VGT Broker Visoko	32	730 540	730 541	vgt@vgt-broker.com



## Tehran Stock Exchange

**Address:** 228, Hafez Avenue, P.O Box 11355-399, IR-11389 Tehran, Iran **Phone:** (21) 6671 8385 **Fax:** (21) 6671 0111 **E-mail:** Int@tse.ir

**Web Address:** www.tse.ir - www.irbourse.com (Persian Website) **Country Code:** 98

Company's Name	City Code	Telephone	Fax	E-mail Address
Aban	21	88553030	88556080	info@ababroker.com
Ebraz	21	88318884	88313336	info@ebrazbourse.com
Agah	21	88674421	88674526	info@agah.biz
Amin Sahm	21	66726227	88713535	aminsahm@aminsahmbroker.com
Andishe Bartar	21	8872 1100	88711701	info@andishebartar.com
Apadana	21	88732873	88741582	info@apadanabrokering.com
Arg Hooman	21	88736304	88738412	info@argbroker.com
Arman Tadbir Naghshe Jahan	311	6615937	6615973	info@armantadbir.com
Armoon Bourse	21	88718056	88718879	s-ajami@armoonbourse.com
Arya bours	21	88756082	88842470	aryabours@yahoo.com
Arya novin	21	88323530	88303633	
Asel	21	88715847	88701890	f_zamanfar@yahoo.com
Ati saz	21	66748880	66748881	nhianani@yahoo.com
Atieh	21	66716285	66701235	atiehsotockbrokerage@yahoo.com
Badreh Saham	21	88711083	88701256	
Bahman	21	88100434	88724241	info@bahmanbroker.com
Bank Eghtessad novin	21	66743848	66744240	barzani@novinbourse.com
Bank karafarin	21	88061378	22011514	m.amindavar@karafarinbank.com
Bank keshavarzi	21	88705580	88728155	kharazi@agribourse.com
Bank Maskan	21	88720383	88527063	mail@maskanbr.com
Bank Mellat	21	66709995	66709996	mellatbroker@yahoo.com
Bank Melli Iran	21	88707324	88709698	rouhi@bmibourse.com
Bank Pasargad	21	88101723	88101723	Mhaji_teh@yahoo.com
Bank Refah Kargaran	21	88550109	88550109	refahbroker@yahoo.com
Bank Saderat Iran	21	88707107	88726157	saderatbankbroker@yahoo.com
Bank Saman	21	88774669	88774689	info@samanbourse.com
Bank Sanat va madan	21	22925761	22925770	info@sanatomadan.com
Bank Tejarat	21	88702570	88702571	bt_broker@yahoo.com
Bank Towse-e Saderat Iran	21	88701161	88701160	broker@edbi.com
Bazar Saham	21	22254127	22254165	yahyayan@bazarsaham.com
Behgozin	21	66724827	66724827	info@behbroker.com
Behin Pouya	311	6681745	6681745	
Bimeh Iran	21	88973529	8896 4040	bimehbroker@yahoo.co.uk
Borhan Sahand	21	66719253	66724859	
Boursiran	21	88832891	88810329	boorsiran@yahoo.com
Donyaye Khobreh	21	66724001	66724003	dkhobreh@yahoo.com
Donyaye Novin	21	66705889	66705889	
Etminan Sahm	21	66728080	66742381	etminasahm@yahoo.com
Farabi (Omran)	21	88553442	88557278	
Ganjineye Saham	21	66738588	66724916	sadat@ganjinehbourse.com
Golchin	21	66743713		golchinbroker@ganjinehbourse.com
Hafez	21	88729810	88729820	tehran@hafezbourse.com
Imen Bourse	21	66719920	66705292	imenboors1@yahoo.com
Iran Sahm	21	88873236	88797940	iran-sahm@yahoo.com
Isatis Poya	21	66726443		isatispoooya@yahoo.com
Jahan Sahm	21	66726670	66707888	jahan_sahm@yahoo.com
Karamad	21	22012620	22011514	info@karamadbroker.com
Khobregan Saham	21	66738604	66717760	info@khobregan.com
Kaspian Mehr Iranian(Bank Sepah)	21	88726057	88725599	info@sapahbourse.com
Mahak Sahame Sanayeh	21	66725706	66725788	mahaksaham@gmail.com
Mehr Afarin	21	66743900	66725788	mehr_saham@yahoo.com
Meyar Saham	21	66700265	66737679	brijaniyan@meeyarbroker.ir
Mobin Sarmayeh	21	88329528	88329528	
Moein sahm	21	88797973	66716945	moinsahm@yahoo.ir
Mofid	21	81900	66726499	info@mofidbourse.com
Moshaveran Saham	21	88718406	88719814	info@tehranstock.com
Movahedan	21	22224536	22224517	
Nahayat Negar	21	88601766	88601764	f.abdollahzadeh@gmail.com
Noandishan Bazar Sarmayeh	21	88739378	84051111	info@noandishan.com
Novin Investment Bank (Roshd Paydar)	21	88720933	88720935	info@roshdbroker.com

## Tehran Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
Omid Sahm	21	88345220	88345220	omidsahm@yahoo.com
Omran Fars	21	22600388	22004208	
Ordibeheshte Iraniyan	21	88737367	88736260	info@oibroker.com
Pars Gostar Khobre	511	7640806	7638518	info@parsbourse.com
Pars Nemoudgar	21	88042053	88601808	info@parsnem.com
Parsiyan	21	22909117	22909118	info@pim_co.com
Rahbord Sarmayegozari	21	66731087	66732394	info@rahbord-investment.com
Rahnamaye Sarmayegozaran	21	66723355	66726011	rahnambourse@yahoo.com
Razavi	21	88670505	88207135	info@razavibroker.com
Saba Tamin (Kimia sahm)	21	88550662	88550665	info@kimiabroker.com
Saham Barez	21	66731315	66715372	clients@sahambarez.com
Saham Gostaran Sharg	21	66724987	66727235	info@sahamgostaran.com
Saham Pajooohan Shayan	21	66717988	66735361	shayanbroker_co@yahoo.com
Saham Pouya	21	66738142	66724120	pouyabroker@yahoo.com
Sahm Andish	21	66743958	66700524	sahmandish@yahoo.com
Sahm Ashena	21	66716891	66717217	info@abco.ir
Sahm Azin	21	88515748	88741331	sahmazeen@yahoo.com
Sahm Yar	21	88710357	88701631	brk_sahamyar@yahoo.com
Sarmayegozari Melli Iran	21	88784215	88784214	kargozari@nici.ir
Sarmayeh va Danesh	21	66743087	66716428	info@ckbroker.com
Shakhes Saham	21	88797885	88797884	shakhes_saham@yahoo.com
Simabgoon	21	66732888	66718808	info@simabbroker.com
Tadbirgaran Farda	21	88790821	88798734	info@tadbirbroker.com
Tadbirgar Sarmaye	21	88882265	88873381	info@tadbirgar.com
Tahligarane Basir	21	66748990	66748994	
Towse-e Sahand	21	66734189	66725714	sahanddevelopment@iss2000.net
Towse-e Sarmaye Donya	21	66729121	66742104	sinfo@tse-broker.com

## Tirana Stock Exchange

**Address:** Rr. Dora D'Istria, Nr 2, Tirana, Albania **Phone:** (4) 265 058 **Fax:** (4) 271 850 **E-mail:** tseinfo@abcom-al.com

**Web Address:** www.tse.com.al **Country Code:** 355

Company's Name	City Code	Telephone	Fax	E-mail Address
Balkan Group 01	4	272 722		g_ramaj@hotmail.com
Italo-Albanian Bank (BIA)	4	233 966	225 700	biatia@adanet.com.al
Kapital Invest	4	280 201	280202	lirim.muharemi@kapital-invest.eu
National Commercial Bank (BKT)	4	228 743	237 570	info@bkt.com.al
Raiffeisen Bank	4	274 910	227 262	info@raiffeisen.al
Triumf Group	4	256 081	256 081	triumfgrupbk@yahoo.com

## "Toshkent" Republican Stock Exchange

**Address:** 10, Bukhoro St., Tashkent 700047, Republic of Uzbekistan **Phone:** (71) 136 0740 **Fax:** (71) 133 3231 **E-mail:** info@uzse.uz

**Web Address:** www.uzse.uz **Country Code:** 998

Company's Name	City Code	Telephone	Fax	E-mail Address
GALLABANK	71	136 1617	133 4225	
IPOTEKA BANK	71	136 0388	133 3089	
PAKHTABANK	71	173 2551	120 8808	
UZSANOAT QURILISH BANK	71	120 4534	120 4534	

## Ukrainian Stock Exchange

Address: 10 Rylsky Provulok, 01025 Kiev, Ukraine Phone: (44) 279 4158 Fax: (44) 278 5140 E-mail: use@ukrse.kiev.ua

Web Address: www.ukrse.kiev.ua Country Code: 380

Company's Name	City Code	Telephone	Fax	E-mail Address
A.I.S.T. INVEST	44	244 9758	244 9758	
ABSOLUT INVESTMENTS	0322	97 0989	39 5334	jurist@kubok.com.ua
AGENCY FOR SECURITIES "KREDO-INVEST"	61	231 49 09	286 15 51	
AGENCY OF CORPORATE INVESTMENTS	44	2489186	2489160	
AJKO	522	235 583	236 398	
AUTOZAZ BANK	612	172 966	172 961	nva@avtozazbank.com
AVAL BANK	44	290 8888	490 8938	tshovkun@aval.ua
AVEST BROK	057	720 5945	703 4309	
AVTOMOBILNAYA FONDOVAYA COMPANY	57	7140 014	7140 014	konivtsova_ol@ais.com.ua
AYAKS	572	940 951	943 772	ayax1@ua.fm
BANK NRB	44	247 43 22	247 43 23	
BANK OF REGIONAL DEVELOPMENT	44	494 4847	494 4847	krv@brr.com.ua
BRIAR	352	55 00 07	55 00 05	
BROKBUSINESSBANK	44	206 2959	459 6747	bank@bankbb.com
BROKERAGE COMPANY - STOCK MARKETS COMPANY	57	719 41 51	758 79 12	
BROKERAGE COMPANY "STANISLAV D"	342	554 222	554 222	
BROOKS	562	341 877	341 271	bod@fargo.com.ua
BUL-SPRED	472	54 06 85	54 06 85	
CAPITAL MANAGEMENT GROUP	629	343 093	412 853	roman@adk.ru
CAPITAL MARKET	57	7198 021	7198 021	shophul@ais.com.ua
COMMERCIAL BANK "UKRAINIAN FINANCIAL GROUP"	44	251 8380	251 8353	cb@ufg-bank.com.ua
COMMERCIAL BANK "VOLODYMYRSKY"	542	21 54 00	21 54 23	
DEMARK BANK	4622	164 686	178 055	invest@demark.cn.ua
DIKOM	62	337 0773	332 2595	sekretar@dikom.donetsk.ua
EAST-EUROPEAN BANK	44	205 4270	205 4270	tfo@eebank.com.ua
EAST-EUROPEAN INVESTMENT-INNOVATION CO.	44	229 4088	229 4088	ceiik@mail.ru
ELIT-BROCK	57	759 06 91	759 06 91	
ENERGOPROEKT	44	456 3479	456 3479	ua_servic@ua.fm
EUROPEAN BANK	572	282 287	282 006	bank@euro.kharkov.ua
FAGOT	44	451 5698	451 5698	klondik@list.ru
FINKOM TRADING	564	260 905	260 905	kulakov@finfox.com.ua
FINANCE COMERZ	57	757 8335	757 8336	veb@lintec.net.ua
FINANCIAL COMPANY "KUB"	44	296 5228	296 5228	office@kub.com.ua
FINANCIAL COMPANY "STOLICHNYY CAPITAL"	44	235 3243	234 8161	broker-stk@skapital.kiev.ua
FINANCIAL GROUP "FONDOVI TECHNOLOGII"	44	417 20 70	417 20 70	
FINANCOVA COMPANIA "STOCKS"	44	537 43 80	566 93 74	info@stocks.com.ua
FINANSY TA CREDYT BANK	44	490 6870	484 2571	common@fc.kiev.ua
FLAYTON	482	250 202	250 202	kiyanitsa@ukr.net
FONDOVA COMPANIA "DALIZ-FINANCE"	44	285 75 47	285 75 47	
FONDOVA COMPANIA "EKSPERT"	44	455 6853	240 9783	ekspert@zeoz.net
FONDOVA COMPANIA "FAVORIT"	44	458 05 45	458 05 45	favorit@visti.com
FONDOVA COMPANIA "OPTION"	44	486 86 12	455 68 53	
FONDOVA GRUPA	44	462 0325	462 0319	stockgrp@i.kiev.ua
FONDOVA SPILKA	44	538 0979	538 0979	fondova_spilka@ukr.net
FONDOVYY AGENT "AVISTA"	44	501 48 33	501 48 33	
GELIKON	4622	710 15	710 15	
GENERAL INVESTMENT CO.	44	455 6766	464 5961	gic@i.kiev.ua
GENERAL INVESTMENTS	572	282 264	282 266	globalin@utel.net.ua
GOLDEN GATE BUSINESS	44	201 2020	201 2023	inbox@iukr.com.ua
INDEX-STOCKS	571	7578 145	7578 146	promeko@list.ru
INDUSTRIALNO-EXPORTNYY BANK	44	494 1506	494 1506	babich@lindex.com.ua
INVEST TRADE	44	416 7113	416 1559	mail@abiter-pro.org
INVESTMENT COMPANY "STANDARD-INVEST"	44	286 24 73	286 24 73	
ITT INVEST	44	246 6841	277 2112	office@itt-invest.kiev.ua
JEROM SECURITIES	44	206 5450	206 5450	

## Ukrainian Stock Exchange (con't)

Company's Name	City Code	Telephone	Fax	E-mail Address
JOINT-STOCK COMMERSIAL PROMINVEST BANK	44	229 8303	229 1456	piboo@courier.pfts.com
KOMEX SECURITIES	44	220 9588	227 7022	natasha@comex.com.ua
KOMFORT-SECURITIES	44	590 29 52	590 29 50	
KONKORD CAPITAL LTD.	44	207 50 30	207 50 31	
KROK-MT	3422	40 056	76 261	krok-mt@il.if.ua
KYIV-DILER	44	529 24 51	592 84 15	
LEGBANK	44	227 9570	227 9519	vsi@legbank.kiev.ua
LVIVSKI SECURITIES	322	970 668	970 668	safin@utel.net.ua
MAST	057	7140 643	7140 956	yulia@mast.kharkov.ua
MORSKY BANK	692	458 570	458 570	root@ambank.sebapopol.ua
MORTTRANSBANK	482	301 300	301 301	office@mtb.com.ua
MRIYA	44	244 6199	216 6543	postmaster@mriya.com
MRIYA-FINANCE	44	265 0841	265 0841	inna@kcp.kiev.ua
NADRA	44	238 8477	205 3011	info@nadrabank.kiev.ua
NPK INVEST	57	7005 011	7005 012	npkinvest@vlink.kharkov.ua
ONIKS-IVA	3422	311 55	323 20	princom@com.if.ua
PKTB-SECURITIES	44	496 0115	496 0115	fctb@fctb.com.ua
PLANETA BROK LTD.	44	20612 96	206 12 93	
POLIKOMBANK	462(2)	74 895	101 513	fond@poli.com.ua
PRIVATBANK	562	390 718	680 514	slava.derishev@pbank.com.ua
RENESSANS CAPITAL UKRAINE	44	230 9318	230 9319	custodu@comex.kiev.ua
RIELT INVEST GROUP	44	272 42 64	272 42 64	
RIKA-BROKER	44	416 8352	416 8352	rekabroo@courier.pfts.com
RINKOM INVEST	44	544 5647	544 5647	sb@rin.com.ua
SEB BANK	44	238 67 67	234 63 50	
SECURITIES TRADER "EAST-MAKLER"	57(2)	712 1848	219 9761	studik@east.kharkov.ua
SELYANSKA INVESTMENT CO.	44	246 4897	234 6037	sincom00@courier.pfts.com
SEVASTOPOLSKYY DEPOSITORY	692	48 81 56	48 81 56	
SIGMA F&ND	572	141 180	141 188	office@fsigma.kharkov.ua
SIRIUSSECURITIES	532	508 921	508 921	bk_sirius@mail.ru
SOFIYA SECURITIES	44	244 2887	244 2996	sofiaoo@mail.ru
STATE OSCHADNY BANK OF UKRAINE	44	247 8450	247 8515	butko@oschadnybank.com
STOCK	564	260 807	261 561	stock@alba.dp.ua
STOCKTRADER	342(2)	43 033	785 328	strader@ivfukrpack.net
STOIK	57	757 4527	712 3386	stoik@vi.kharkov.ua
STOLICHNA FONDOVA CO.	44	249 3697	249 3697	
SYNTEZ	44	461 7930	228 6400	bmw@syntez.kiev.ua
TAVRIKA BANK	692	2055 983	2055 983	turicheva@tavrika.kiev.ua
TECHNOTERN INVEST	352	229 086	235 579	invest@tehnotern.com.ua
TEKT-BROK	44	201 6391	201 6392	office@tekt.com.ua
TRADEINVEST	44	290 5150	249 3697	
TRANSFERBUTIK	44	272 1748	272 1708	boutigue@skif.com.ua
TRICK LTD.	512	471 991	471 991	
UKRAINIAN BANK FOR RECONSTRUCTION & DEVELOPMENT	44	585 24 28	585 28 42	
UKRAINIAN DEPOSITORY CO.	44	451 4447	451 4447	tamara@urc.kiev.ua
UKRAYINSKA KONZESIYNA COMPANY LTD.	44	244 3222	244 0715	ucc@ucc.kiev.ua
UKRAYINSKI SECURITIES	44	253 6863	206 3022	atucp@atucp.kiev.ua
UKRAYINSKY KOMUNALNY BANK	642	553 529	420 106	layner@ukr.net
UKRAYINSKY PROMYSLOVY BANK	44	537 5154	537 5154	salla@ukrprombank.kiev.ua
UKRINBANK	44	247 2182	247 2134	chuchko@ukrinbank.com
UKRINVEST	352	235 366	239 9777	ukrinvest@ua.fm
UKRSOTSBANK	44	238 3243	269 1307	info@ukrsotsbank.com
UNIVERSAL FONDOVY	44	268 5696	268 5696	kons_office@ukr.net
VABANK	44	490 0662	216 0033	fom@vabank.com.ua
VALENTA INVESTMENTS	44	272 14 86	272 14 86	
VASH VYBOR	652	546 613	546 613	vibor@ip-ua.com
VEST STOCK	312	612 181	619 277	weststock@utel.net.ua
ZDOBUTOKINVEST	44	451 2815	451 2816	dobutok-invest@ukr.net

**Zagreb Stock Exchange****Address:** Ivana Lucica 2a, 10000 Zagreb, Croatia **Phone:** (1) 468 6800 **Fax:** (1) 467 7680 **E-mail:** info@zse.hr**Web Address:** www.zse.hr **Country Code:** 385

Company's Name	City Code	Telephone	Fax	E-mail Address
Abacus brokeri d.d.	1	487 7650	487 7651	abacus@abacus.hr
Agram brokeri d.o.o.	1	5545 556	5545 550	info@agram-brokeri.hr
Antea brokeri d.o.o.	1	231 9715	232 0110	info@antea-brokeri.hr
Auctor d.o.o.	1	4807 600	4807 622	auctor@auctor.hr
Banka Splitsko Dalmatinska d.d.	21	540 280	540 290	brokeri@bsd.hr
Centar Banka d.d.	1	487 7444	488 0375	gamancic@centarbanka.hr
Complete Line d.o.o.	44	523 062	524 116	cl@comlinebrokers.com
Credos d.o.o.	1	236 3431	236 3433	credos@credos.hr
EA Sistem d.o.o.	47	415 890	415 891	ea.sistem@ka.t-com.hr
ERSTE Vrijednosni Papiri d.o.o.	62	37 2811	37 2801	esz-zagreb@erstebank.com
Fima-Vrijednosnice d.o.o.	42	660 961	390 989	trading@fima.com
Finesa Capital d.d.	42	492 940	492 962	brokeri@finesa-capital.hr
Hita Vrijednosnice	1	480 7750	480 7770	hita@hita.hr
Hrvatska postanska banka d.d.	1	488 8222	481 3111	brokeri@hpb.hr
Hypo Alpe Adria Bank d.d.	1	6031 503	603 5110	investment-banking.croatia@hypo-alpe-adria.com
I.C.F. Broker d.o.o.	1	600 5600	600 5601	icfbroker@icf.hr
Ilirika Vrijednosni Papiri d.o.o.	1	480 8021	480 8030	info@ilirika.hr
Interkapital Vrijednosni Papiri d.o.o.	1	482 5850	481 2338	brokeri@intercapital.hr
Istarska kreditna banka d.d.	52	702 340	702 388	klaudija.paljuh@ikb.hr
Karlovacka Banka d.d.	47	614 315	614 316	bruno.lelas@kaba.hr
KD upravljanje imovinom	1	627 4405	627 4408	info@kd-am.hr
Krentschker vrijednosnice d.o.o.	1	2222 504	2222 503	mail@krentschker.hr
Momentum brokeri d.o.o.	1	6396 671	6396 676	trgovanje@momentum-brokeri.hr
Nava banka d.d.	1	3656 777	3656 700	navabanka@navabanka.hr
OTP banka	62	201 707	201 711	kcveljo@otpbanka.hr
Partner banka d.d.	1	460 2361	460 2365	partner@paba.hr
Podravska Banka d.d.	48	655 259	655 261	brokeri@poba.hr
Privredna Banka Zagreb d.d.	1	489 1332	636 0771	brokeri@pbz.hr
Prva Generacija d.o.o.	1	461 2055	461 9761	prva-generacija@prva-generacija.hr
Raiffeisenbank Austria d.d.	1	469 5074	4566 490	brokeri@rba.hr
Rast d.o.o.	42	658 910	658 901	rast@rast.hr
Societe Generale - Splitska Banka d.d.	21	304 621	304 607	brokeri@splitskabanka.hr
Stedbanka d.o.o.	1	630 6650	618 7531	brokeri@stedbanka.hr
To One Brokeri d.d.	1	492 4790	492 4700	brokeri@to-one.com
Trcin Vrijednosnice d.o.o.	1	492 0350	4920 351	trcin-vrijednosnice@trcin-vrijednosnice.hr
Utilis d.o.o.	40	310 114	312 726	utilis@ck.t-com.hr
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