

24 March 2011

Daily review of economic news of Uzbekistan

- ✓ Commercial banks to receive preferences at small business financing
- ✓ Share of small businesses in Uzbekistan's GDP to reach 54% in 2011

Equity Indexes

24-March-2011		Value	Δ	% Δ
DJIA	▲	12,086.00	67.39	0.56%
S&P 500	▲	1,297.54	3.77	0.29%
NASDAQ	▲	2,698.30	14.43	0.54%
FTSE 100	▲	5,832.49	36.61	0.63%
NIKKEI 225	▼	9,435.01	-14.46	-0.15%
Rus. MICEX	▲	1,784.67	14.11	0.80%
Rus. RTS	▲	12,186.10	94.66	0.78%
Ukr. Eq. Index	▲	2,864.89	51.67	1.84%
Kazak. KASE	▼	1,770.42	-0.29	-0.02%
Uzbek. TASIX	●	176	-	-

Source: Bloomberg (17.30 Tashkent time)

Commodity Futures

24-March-2011		Value	Δ	% Δ
Oil Brent Crude Futr (USD/bbl)	●	115.550	0.00	0.00%
Oil WTI Crude Futr (USD/bbl)	▲	106.500	0.75	0.71%
Gas Natural Futr (USD/MMBtu)	▲	4.395	0.06	1.38%
Cotton No.2 Futr (USD/lb)	▼	198.560	-3.31	-1.64%
Gold 100 oz Futr (USD/t oz.)	▲	1440.80	2.80	0.19%
Silver Futr (USD/t oz.)	▲	37.650	0.452	1.22%
Copper Futr (USD/lb)	▲	443.90	1.05	0.24

Source: Bloomberg (17.30 Tashkent time)

Exchange Rates

24 March 2011	UZS
USD	1677.73
EUR	2339.97
GBP	2735,54
JPY	207,23
RUR	59.14

Source: CB. Uz

24 March 2011

Commercial banks to receive preferences at small business financing

Uzbek President Islam Karimov exempted commercial banks from payment of income tax for legal entities from revenues received via issuing loans due to resources of the Special Fund of Preferential Crediting under the banks.

President of Uzbekistan Islam Karimov signed a resolution "On additional measures on increasing crediting of small businesses and private entrepreneurs" on 11 March 2011.

The document was adopted to stimulate developing microfinancing as important tool for developing small and private businesses, increase employment and well-being of population.

In line with the regulation, from 1 April 2011 to 1 January 2016 revenue from commercial banks, received from issuing loans due to resources of the Special Fund of Preferential Crediting under the commercial banks, were exempted from income tax for legal entities.

At the same time, the document said, the exempted resources will be directed to increasing resource base of the Special Fund of Preferential Crediting under the commercial banks.

Source: Uzdaily.com

Share of small businesses in Uzbekistan's GDP to reach 54% in 2011

Uzbekistan is planning to increase share of small business and private entrepreneurship in gross domestic product (GDP) from 52.5% in 2010 to 54% in 2011.

Source: Uzdaily.com

Macro Data Uzbekistan	2008	2009	2010*
Real GDP (current bln USD)	27.9	29.9	35.8
GDP growth rate	9%	7%	7%
CPI (year average)	12.7	12.5	9.5
Current account (bln USD)	3.56	2.20	2.30
Current account (% of GDP)	12.8	7.4	6.41
Exchange rate (year average)	1,323	1,469	1,544
CBUz refinancing rate	0.14	0.14	0.14
Population, mln	28	28	29
Unemployment, %	0.3	0.3	0.3

*Source: Uz. State Committee, IMF, *OCM Estimates*

24 March 2011

©Orient Capital Management LLC, 2009.
All rights reserved.

The information contained herein is based on sources approved by Orient Capital Management as reliable. However, the company will not be held responsible for accuracy and completeness of this information. The information, presented in the review was taken from the following resources: Media, Internet. The review is irrelevant to investment objectives or financial situation of any third parties. The review has been prepared by Orient Capital Management for the purposes of distribution among professional market participants and institutional investors.

Orient Capital Management address:

20, Kalandar str., Mirzo-Ulugbek district, 100170, Tashkent, Uzbekistan

Phone: + 998 71 267 21 40/43/48

Fax: + 998 71 267 21 64

E-mail: info@orientcap.uz

Web: www.orientcap.uz

LLC Orient Capital Management

Successfully started its activity in Uzbekistan in March 2006. Company offers full range of high quality investment banking services to strategic and portfolio investors investing in Central Asian region.

Investment Banking:

Strategic investment advisory services in Uzbekistan, consultancy services on security issues, M&A and fund raising.

Research:

Macro analysis, industry research and company research coverage.

Orient securities:

LLC Orient Securities provides full range of brokerage services in Uzbekistan securities market.

Depository:

LLC Birinchi Banklararo Depositariy (BBD) is the second largest depository institution in Uzbekistan. Orient Capital Management is a co-founder and BBD's strategic partner.

Web: www.bbd.uz

E-mail: bbd@albatros.uz

Phone: +998 71 233 06 52

+998 71 233 29 07