

Daily review

June 6, 2008

Trader's view

During the day RTS floated over t2334-2358 points range. At noon the index started to grow with European indices in expectation the results of Eurozone statistics, but soon it fell down to the lowest value of the day. The worse were Polyus Gold's shares, which went down due to company's refusal to sell portfolio to Onexim group. During the afternoon the oil sector is strengthen. It can be connected with oil price stabilization, and also with the decrease of oil companies' shares, and it also gave a chance to new players to enter the market.

Main news

Comstar's 1Q report.

Comstar's US GAAP report showed the growth in 1Q 2008 by 23.8% – to 54.1 mn USD. Income increased by 27% and formed 417 mn USD.

NWT: IAS annual report.

NWT in 2007 has increased its IAS net income 7.9 times against 2006 – to 10.1 bn RUR, said company's report. Operating activity income increased by 48.4% – to 4.3 bn RUR, the operating income enlarged 6 times, up to 13.3 bn RUR, including new services income by 56%, to 3.3 bn RUR.

Other news

➤ Duma got recommended upon approval of tax initiatives.

State Duma's taxes and budget committee has recommended to accept amendments in 23rd, 24th, 25th and 26th chapters, part two of RF's Tax codex, during the first hearing of Thursday's meeting; the corrections are aimed to implement an innovative scenario for economy development, as well as for expansion of populations' social support.

➤ Rosneft: Capitalization of 200 bn USD – not a limit.

Thursday, Rosneft held an annual meeting of shareholders, during which – company's head Sergei Bogdanchikov announced his ambitious plans of company's development, resuming that the plans should expand company's shareholders value up to 200 bn USD in mid-term.

➤ Rosneft has won an action over the energy company.

Yesterday, Rosneft has won the first action among the energy company suit list in Moscow arbitration court, said Vedompsti paper. The suit concerned voidance of Kubanenergo shareholders' meeting, we its merger to MRSK Uga holding (within the energy company).

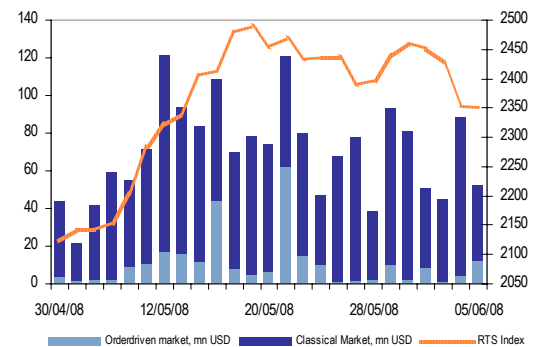
Market estimates

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	2,351.78	-1.71	-0.07	-3.58	9.22	28.96
MICEX Index	1,842.98	0.21	0.01	-3.43	8.77	14.62
USD / RUR	23.68	-0.12	-0.49	-0.15	-0.15	-8.41
EUR / RUR	36.92	0.18	0.48	0.31	0.25	5.79
EUR / USD	1.56	0.02	1.04	0.48	0.39	15.50
Dow Jones Index	12,604.45	213.97	1.73	-0.33	-3.20	-6.40
NASDAQ	2,549.94	46.80	1.87	1.66	2.68	-1.44
FTSE 100	5,995.30	25.20	0.42	-1.20	-3.54	-8.09
Nikkei 225	14,341.12	-94.45	-0.65	1.53	2.08	-20.51
MSCI EM	1,184.50	11.04	0.94	-1.44	-2.54	15.67

Source: Bloomberg, Estimation: Veles Capital

RTS index vs. trade volume



Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	126.88	4.96	4.07	0.62	6.26	76.54
Urals, USD / bbl	122.83	6.13	5.25	1.01	6.39	81.70
Gold, USD / ounce	898.78	-3.88	-0.43	-0.07	0.01	27.23
Palladium, USD / ounce	439.13	1.03	0.23	0.83	-1.10	13.08
Copper, USD / ton	7,815	-60	-0.76	-0.95	-8.27	5.32
Nickel, USD / ton	22,800	5	0.02	2.70	-21.11	-49.89

Source: Bloomberg, Estimation: Veles Capital

Russian share quotes

	Close, USD	Change, USD	Change, %			
			day	week	month	year
UES	-	-	-	-100.00	-100.00	-100.00
VTB	-	0.004	-	-4.63	0.26	-29.55
Polyus-Gold	63.00	-2.000	-3.08	1.29	17.87	55.94
NorNickel	280.50	1.500	0.54	-3.28	2.75	41.60
Rostelecom	-	11.23	-	-0.18	-1.49	27.04
MTS	12.45	-0.010	-0.08	-1.19	2.47	34.23
Sberbank	3.460	-0.040	-1.14	-3.62	1.08	-8.95
LUKOIL	102.90	0.400	0.39	-7.09	14.59	34.86
Gazprom Neft	7.200	-0.150	-2.04	-	20.00	90.98
Surgutneftegas	1.170	0.010	0.86	-0.85	19.75	4.46
Gazprom	14.31	-0.150	-1.04	-6.04	8.33	49.37
Tatneft	7.640	0.110	1.46	-2.68	19.38	71.69
Rosneft	11.550	0.100	0.87	-2.53	18.71	43.84

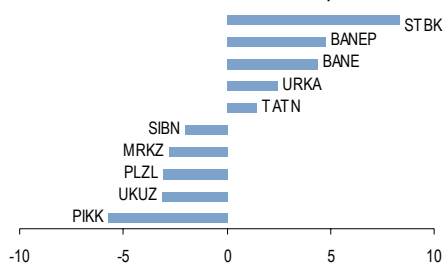
Source: RTS web page, Estimation: Veles Capital

Veles Management MC Unit investment trusts

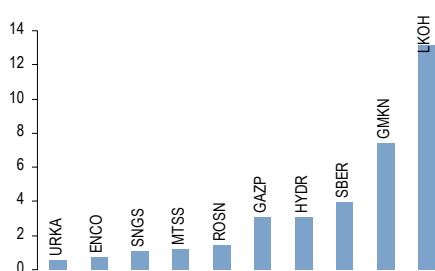
	Net asset value, RUR	Share price, RUR	Change, %			Since interest per annum formation, %
			day	month	year	
VELES Capital	11,182,658	1,197.06	-0.81	6.48	7.77	9.02
VELES Capital - Selected Shares	10,287,000	1,001.48	-1.19	7.09	3.07	0.10
VELES Capital - Bonds	36,216,300	1,009.02	-0.03	0.62	-	2.97

Source: Veles Management MC

Rise and fall leaders, %



Leaders on turnover volumes in RTS, mn USD



RTS index support and resistance levels

	support	resistance
1	2,343.5	2,415.6
2	2,326.1	2,458.5
3	2,300.0	2,493.4

Trader's view

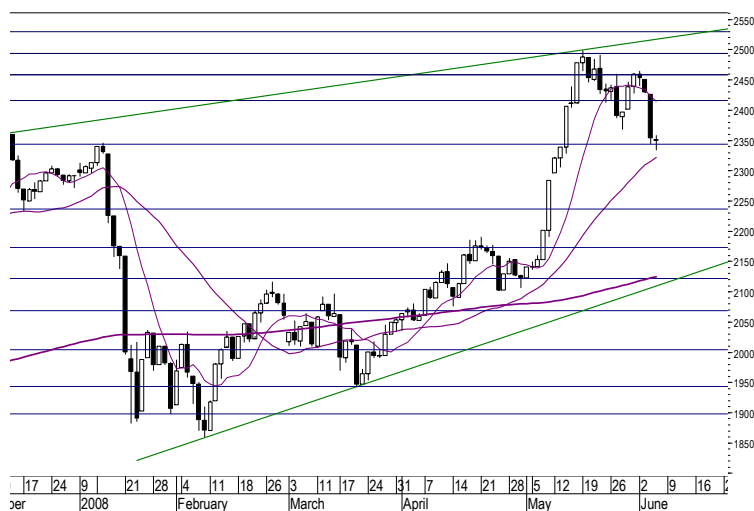
During the day RTS floated over 2334-2358 points range. At noon the index started to grow with European indices in expectation the results of Eurozone statistics, but soon it fell down to the lowest value of the day. The worse were Polyus Gold's shares, which went down due to company's refusal to sell portfolio to Onexim group. During the afternoon the oil sector is strengthen. It can be connected with oil price stabilization, and also with the decrease of oil companies' shares, and it also gave a chance to new players to enter the market.

As the result RTS decreased by 0.07% and formed 2351.78 points. A negative influence have shares of Gazprom (-1.04%), Polyus Gold (-3.08%) and Sberbank (-1.14%). The support to index was provided by Rosneft (+0.87%), Surgutneftegas (+0.86%) and Tatneft (+1.46%).

The classic turnover was low and formed 40.1 mn USD. The turnover leaders were shares of LUKOIL (13.2 mn USD), Norilsknickel (7.4 mn USD) and Sberbank (3.9 mn USD).

We do not exclude that after the 4 days fall of RTS will show a positive dynamics. It can be supported by profitable external factors. Thus, the USA indices DJ and NASDAQ increased by 1.73% and 1.87%. Asian Nikkei and Hang Seng enlarged 1.35% and 1%. Brent oil prices increased almost by 5 USD. Moreover, oil and gas sector could be supported by easier-tax policy, recommended by State Duma. The telecom sector may look very sound, which can positively accept North-West Telecom's report of 2007.

RTS index support and resistance levels



Oil & Gas

Duma got recommended upon approval of tax initiatives.

State Duma's taxes and budget committee has recommended to accept amendments in 23rd, 24th, 25th and 26th chapters, part two of RF's Tax codex, during the first hearing of Thursday's meeting; the corrections are aimed to implement an innovative scenario for economy development, as well as for expansion of populations' social support.

In particular – the amendments foresee improvement of order of recognition for license acquisition expenses during calculation of income tax through cutting recognition term of expenses for acquisition of license for use of underground reserves down to 2 years.

Amendments of chapter 26 intend to sharpen mining tax calculation scale in a way so that tax withdrawal started after 15 USD per barrel, unlike current scale when tax is taken after 9 USD per barrel. In order to do this; the tax-free minimum during mining tax calculation will be raised from 9 to 15 USD per barrel. This measure should support oil industry and stimulate the development of new provinces, use of new technologies for expansion of oil recovery from layers in traditional regions of oil extraction.

According to the vice-minister of finance – Sergei Shatalov, to the second hearing of the bill – government plans to prepare a range of amendments, including those related to provision of “tax holidays” for oil deposits. This standard would be applied to deposits of the Arctic Shelf, Caspian and Azov seas, Yamal peninsula and Nenetsk Autonomous District.

Duma's budget and tax committee had also recommended approving amendments in 182nd and 193rd chapters, part two of RF Tax codex, on differentiation of excise rates of oil products, through cutting excise rates on higher grade oil and indexing excise rates on under-excite goods.

Therefore, we could say that May's offered initiatives by V. Putin's have finally found their reflection in amendments during State Duma's spring's session, just as premier promised. We think that towards the second hearing the government could introduce another range of improvements regarding mining tax rates and its null rates, at the finishing stage of deposit development. We do not exclude that review of export duties formulas is at hand.

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Company profile

Last price, USD	11.550
Market capitalization, mn USD	122,409
Ticker	ROSN
Fair value, USD	11.330
Undervaluation, Overvaluation %	-1.90
Recommendation:	BUY

Oil & Gas
Rosneft
Rosneft: Capitalization of 200 bn USD – not a limit.

Thursday, Rosneft held an annual meeting of shareholders, during which – company's head Sergei Bogdanchikov announced his ambitious plans of company's development, resuming that the plans should expand company's shareholders value up to 200 bn USD in mid-term.

According to Bogdanchikov – Rosneft invests over 9.5 bn USD into production, during 2006. He also said that given funds would be invested into development of Vancor deposit and other deposits in Eastern Siberia, development of Yuganskneftegas, modernization of refineries, rebranding and construction of new gas stations.

Company's VP – Sergei Makarov had announced during the meeting that 10.5 bn RUR out of total set investments of 227.7 bn RUR would be spent on purchase of regional network of gas stations. He also said that 75% of total investments would be spend on extraction and 20% on refining. Capital investments of Yuganskneftegas of 2008 would form 72.5 bn RUR, Vancorneft - 38 bn RUR, Tuapsinsky refinery is set to spend 16.2 bn RUR.

Regarding the long-term projects Bogdanchikov noted that today Rosneft has a priority one task – modernization of company's existing refineries and brining fuel production standards during 2008-2012, preliminary estimates indicate that company would require over 72 bn RUR for this purpose. Bogdanchikov also reminded that company's oil extraction plans of up to 2010 plan on achieving 130 mn tons of extraction and 160 mn tons to 2015, gas extraction should be upped to 20 bn cb m to year 2010 and to 40 bn cb m to year 2015, if access is available to Gazprom's gas transport system.

The result of all given plans, on par with development of effective corporate governance system could be a 200 bn USD worth capitalization of Rosneft. Though, Bogdanchikov also said it should happen in mid-term. And to year 2020 Rosneft should enter a top three of world oil & gas industry, on production and financial results, coupled with capitalization. Do remember that current third place in the world is securely held by Gazprom (352 bn USD). Thus to 2020 company could increase its capitalization 2.9 times out of current levels (122.4 bn USD).

Rosneft's set plans over operating results, we find to be rather possible, under optimal – market average capital investments values. And if current environment of energy carrier market continues through 2009 and tax pressure upon the industry drops – then achieving 200 bn USD capitalization is possible within 2-3 years. We are positive on company's stocks and after publication of 1Q 2008 report by company we plan on revising company's model and target price. The report is expected on June 9th.

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Energy

Rosneft has won an action over the energy company.

Yesterday, Rosneft has won the first action among the energy company suit list in Moscow arbitration court, said Vedomosti paper. The suit concerned voidance of Kubanenergo shareholders' meeting, we its merger to MRSK Uga holding (within the energy company). The court's decision was to recognize the results of meeting as ineffective, announced court's representative. Now defendant – Kubanenergo has 30 days to lodge an appeal. And it will be lodged, said Marina Nagoga the EUS' representative. If the appeal may not be won, EUS's portfolio will change the owner – MRSK holding. And MRSK Uga will have 4 companies in spite of 5.

Under Rosneft's control there are 26.26% shares of Kubanenergo since July 2007 (by Neft-active, the lower-tier subsidiary, which gained the portfolio from UKOS), the reorganization was confirmed in January. Rosneft's prime consideration is that the law violation and the meeting conducting announce in improper way has took place, said manager of Kubanenergo. Rosneft wants to keep its share. "We have development strategy concerning this region", – said Sergey Bogdanchikov the president of Rosneft during an interview to Vedomosti paper.

The news has negative influence on as MRSK Uga, as Kubanenergo. If the MRSK Uga could not win a trial, it will lose one of the largest assets in the region. The fate of minority shareholders of Kubanenergo is uncertain. In any case now they can not win due to companies' merge in the region, it may lead to their shares capitalization growth. It is the second time when Rosneft put a spoke in energy companies' wheels. The first one was when it blocked the additional emission of TGC-11, which can help to attract investments.

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Company profile

Last price, USD	11.500
Market capitalization, mn USD	4,806
Ticker	CMST
Fair value, USD	13.48
Undervaluation, Overvaluation %	17.22
Recommendation:	
BUY	

Telecoms
Comstar
Comstar's 1Q report.

Comstar's US GAAP report showed the growth in 1Q 2008 by 23.8% – to 54.1 mn USD. Income increased by 27% and formed 417 mn USD.

We see Comstar's report as neutral. The company has demonstrated low rates of income growth with the same efficiency. One of the main events in this quarter was the decrease of MGTS' unlimited calling plan. Let us remind you that it is used by more than half of MGTS' physical party subscribers. Due to it the income decreased by 2.6%. It should be mentioned that in ruble equivalent the decrease rate formed 3.9%. The alternative segment in Moscow has also demonstrated decrease – -1.6%. The most considerable income contribution was provided by consolidation of subsidiaries in 1Q.

We see the published report as neutral. We do not change the Comstar's model, estimation and «BUY» recommendation of company's shares.

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Financial estimates of Comstar-UTS by US GAAP, mn USD

	1Q 2007	Ch., %	1Q 2008	1Q 2007	Ch., %	2Q 2007	Ch., %	3Q 2007	Ch., %	4Q 2007	Ch., %	1Q 2008
Income	329	26.8	417	329	15.3	379	-1.9	372	7.9	402	3.9	417
traditional segment	216	17.7	255	216	20.3	260	-5.0	247	5.6	261	-2.6	255
alternative segment	113	44.4	162	113	5.7	119	4.9	125	12.4	140	15.8	162
Comstar-Direct and Comstar-UTS	101	25.0	126	101	6.3	107	5.2	113	13.5	128	-1.6	126
Regions and international business	12	212.9	36	12	0.0	12	1.7	12	2.5	12	200.0	36
Costs	(236)	25.2	(296)	(236)	3.1	(244)	4.5	(254)	14.3	(291)	1.7	(296)
inc. Amortisation	(38)	30.1	(49)	(38)	-0.2	(38)	11.9	(42)	28.0	(54)	-8.9	(49)
Operating income	93	30.8	121	93	46.2	136	-13.2	118	-6.0	111	9.6	121
Operating income margin, %	28.2	0.9	29.1	28.2	7.6	35.8	-4.1	31.6	-4.1	27.6	1.5	29.1
OIBDA	130	30.6	170	130	32.8	173	-7.8	160	3.0	164	3.6	170
OIBDA margin, %	39.6	1.2	40.8	39.6	6.0	45.7	-2.8	42.9	-2.0	40.9	-0.1	40.8
interest payable	(13)	18.4	(15)	(13)	8.2	(14)	-8.9	(13)	n/c	n/d	n/c	(15)
Other non-operating income/expense	22	-5.4	21	22	n/c	(36)	430.8	(190)	n/c	n/d	n/c	21
Profit before tax	102	24.4	127	102	-15.8	86	n/c	(84)	n/c	n/d	n/c	127
Profit before tax margin, %	31.1	-0.6	30.6	31.1	-8.4	22.7	-45.4	Omp.	n/c	n/c	n/c	30.6
Income tax	(27)	4.0	(28)	(27)	33.0	(36)	-15.0	(30)	n/c	n/d	n/c	(28)
Minority interest	(33)	39.7	(45)	(33)	2.6	(33)	n/c	44	n/c	n/d	n/c	(45)
Affiliates income	1	n/c	0	1	n/c	0	n/c	2	n/c	n/d	n/c	0
Net income	44	23.9	54	44	-60.7	17	n/c	(69)	n/c	52	4.4	54
Net income margin, %	13.3	-0.3	13.0	13.3	-8.8	4.5	n/c	Omp.	n/c	12.9	0.1	13.0

Note: the change of percent estimates is given in percent points

Source: company's data; Estimation: Veles Capital

Company profile

Last price, USD	1.2800
Market capitalization, mn USD	1,347
Ticker	SPTL
Fair value, USD	1.5002
Undervaluation, Overvaluation %	17.20
Recommendation:	
HOLD	

Telecoms
NWT
NWT: IAS annual report.

NWT in 2007 has increased its IAS net income 7.9 times against 2006 – to 10.1 bn RUR, said company's report. Operating activity income increased by 48.4% – to 4.3 bn RUR, the operating income enlarged 6 times, up to 13.3 bn RUR, including new services income by 56%, to 3.3 bn RUR.

We see the NWT's report as positive. The result of the year shows company's huge income growth and the efficiency growth. The introduction of the new calling plans for local communication services has led to income growth almost by 23%. The other segments also showed growth: local communication segment increased by 30% due to CPP introduction, the new services income increased by 66% due to broadband access market growth.

Among the outlay accounts the major growth was interconnect payments (+31%). The given growth was provided F2M traffic termination payment introduction, CPP and due to BBA subscribers' internet traffic growth.

Company's net income increased by 8.5 times. The main reason is, as it was with IAS report – the sale of Telecominvest's share, which increased NWT's income. Thus, without regard to the deal, the company has demonstrated good dynamics of financial indices. We are planning to review the model and estimation of NWT's shares.

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NWT's financial IAS results, mn USD

	2006	Ch., % ¹	2007	2H 2006	Ch., % ¹	1H 2007	Ch., % ¹	2H 2007
Providing local telephone communication connections	401.7	22.7	493.1	203.3	18.2	240.3	5.1	252.5
Providing national telephone communication connections	66.0	30.1	85.9	42.0	34.4	56.5	(49.0)	28.8
Communication services provider	132.2	12.6	148.8	70.5	(15.4)	59.7	50.0	89.6
New services	78.2	65.9	129.7	46.1	25.7	58.0	23.8	71.8
Other income	83.0	9.3	90.7	43.4	1.3	44.0	6.3	46.7
Income	761.1	24.6	948.2	405.4	13.1	458.5	6.7	489.4
Salaries	(261.5)	16.7	(305.2)	(140.9)	(3.4)	(136.1)	24.4	(169.4)
Services to russian communication operators	(54.2)	31.0	(71.0)	(36.6)	9.9	(40.2)	(24.3)	(30.5)
Materials, repair	(92.1)	8.9	(100.3)	(55.2)	(18.2)	(45.1)	22.4	(55.3)
Amortisation	(139.1)	28.3	(178.6)	(79.4)	(8.6)	(72.5)	46.8	(106.5)
Other costs	(107.9)	16.4	(125.6)	(53.2)	10.9	(59.0)	12.9	(66.7)
Operating expenses	(654.8)	19.2	(780.6)	(365.4)	(3.4)	(353.1)	21.3	(428.2)
OIBDA	245.4	41.0	346.1	119.4	49.0	177.9	(5.8)	167.6
OIBDA margin, %	32.2	4.3	36.5	29.5	9.4	38.8	-4.6	34.3
Main activity income	106.3	57.6	167.6	40.0	163.3	105.4	(42.0)	61.1
Sales income margin, %	14.0	3.7	17.7	9.9	13.1	23.0	-10.5	12.5
Other non-operating costs	(0.8)	n/c	383.1	(1.7)	n/c	1.6	23,660.7	388.6
Interst expenses, net	(25.4)	22.8	(31.2)	(12.3)	22.9	(15.1)	6.2	(16.0)
Income before tax	80.1	548.6	519.5	26.1	252.7	91.9	371.9	433.7
Income before tax margin, %	10.5	44.3	54.8	6.4	13.6	20.0	68.6	88.6
Income tax expenses	(33.3)	271.9	(123.7)	(17.1)	70.8	(29.2)	227.7	(95.7)
For minority	(0.0)	n/c	0.0	(0.0)	n/c	0.0	n/c	0.0
Net income	46.8	745.2	395.8	9.0	600.6	62.7	439.0	338.0
Net income margin, %	6.2	35.6	41.7	2.2	11.5	13.7	55.4	69.1

¹Change of estimates is provided in percent points

Source: company's data; Estimation: Veles Capital

Trade results

	Ticker	Price, USD	Change, USD	Change, %					Current year, USD		Volume, USD	MCAP, mn USD	Fair price, USD	Potential, %	Recommendation	
				day	week	month	from Jan 1	year	min	max						
Oil and Gas																
	Bashneft	▲ BANE	16.600	0.700	4.40	7.10	28.68	-0.30	33.87	12.860	16.600	65,450	3,202	-	HOLD	
	Bashneft, pref.	▲ BANEP	10.900	0.500	4.81	9.55	17.20	-0.68	26.01	9.100	10.900	126,650	-	-	HOLD	
	Gazprom	▼ GAZP	14.310	-0.150	-1.04	-6.04	8.33	1.56	49.37	11.410	15.650	3,093,770	338,768	16.250	13.56	BUY
	Gazprom Neft	▼ SIBN	7.2000	-0.1500	-2.04	-	20.00	13.39	90.98	5.0000	7.6500	72,000	34,137	6.2560	-13.11	HOLD
	LUKOIL	▲ LKOH	102.900	0.400	0.39	-7.09	14.59	18.28	34.86	64.250	113.200	13,199,714	87,523	138.440	34.54	BUY
	NOVATEK	▲ NVTK	8.4500	0.0500	0.60	-0.88	12.67	12.67	64.08	6.5000	9.1000	17,001	25,657	9.1700	8.52	BUY
	RITEK	- RITK	8.7750	-	-	0.86	10.03	-13.55	-12.25	7.0000	9.9000	-	1,270	-	-	-
	Rosneft	▲ ROSN	11.550	0.100	0.87	-2.53	18.71	20.71	43.84	6.670	12.200	1,399,820	122,409	11.330	-1.90	BUY
	Surgutneftegas	▲ SNGS	1.1700	0.0100	0.86	-0.85	19.75	-5.65	4.46	0.8650	1.2980	1,103,200	46,324	-	-	UNDER REVISION
	Surgutneftegas, pref.	- SNGSP	0.5875	-	-	0.60	21.13	-9.34	-15.16	0.4340	0.6480	-	-	-	-	UNDER REVISION
	Tatneft	▲ TATN	7.6400	0.1100	1.46	-2.68	19.38	26.28	71.69	4.7500	8.0100	226,400	17,180	-	-	HOLD
	Tatneft, pref.	- TATNP	3.6250	-	-	-5.23	2.69	-2.03	42.16	2.7000	3.7500	-	-	-	-	HOLD
	TNK-BP Holding	- tbnp	2.0900	-	-	-2.34	8.29	-6.28	12.37	1.5200	2.2000	38,055	33,874	2.6950	24.16	BUY
	TNK-BP Holding, pref.	- tbnpp	1.6750	-	-	-1.47	0.90	-11.84	-9.83	1.4220	1.8500	-	-	2.3410	39.76	BUY
	Transneft, pref.	- TRNFP	1.500.0	-	-	1.52	20.97	-24.81	0.33	1.215.0	2.007.0	150,000	9,329	2,580.0	72.00	BUY
Energy																
	Bashkirenergo	- BEGY	1.6000	-	-	-9.86	-9.09	-24.53	-21.57	1.5000	2.1000	-	1,746	-	-	-
	Bashkirenergo, pref.	- BEGYP	1.5550	-	-	-	21.48	30.67	19.16	1.1750	1.1750	-	-	-	-	-
	Hidro-WGC	▼ HYDR	0.0890	-0.0013	-1.44	-	15.58	-	-	0.0687	0.0930	3,096,150	17,432	-	-	-
	Irkutskenergo	- IRGZ	1.0000	-	-	-3.85	-14.93	-15.97	3.09	0.9700	1.1510	50,000	4,767	-	-	-
	WGC-1	- OGKA	0.0865	-	-	-1.14	-0.57	-29.67	-	0.0795	0.1225	-	3,862	0.1308	51.21	BUY
	WGC-2	- OGKB	0.0830	-	-	-9.29	-0.24	-46.10	-42.26	0.0825	0.1500	-	2,717	-	-	UNDER REVISION
	WGC-3	- OGKC	0.1112	-	-	-1.11	5.95	-25.96	-34.64	0.1050	0.1450	-	5,283	-	-	UNDER REVISION
	WGC-4	- OGKD	0.0900	-	-	5.88	-	-32.33	-4.20	0.0880	0.1335	-	5,672	0.1020	13.33	HOLD
	WGC-5	- OGKE	0.1075	-	-	-3.15	9.41	-38.64	-25.86	0.0955	0.1795	-	3,802	0.2123	97.49	BUY
	WGC-6	- OGKF	0.0815	-	-	-1.81	-2.98	-35.83	-	0.0782	0.1250	-	2,629	-	-	UNDER REVISION
	UES	- EESR	-	-	-	-	-	-	-	0.8470	1.3400	-	-	1.5688	-	BUY
	UES, pref.	- EESRP	-	-	-	-	-	-	-	0.7600	1.1710	-	-	1.3335	-	BUY
	TGC-1	- TGKA	0.0013	-	-	-0.37	-0.37	3.07	-5.28	0.0012	0.0014	-	5,180	0.0017	26.39	BUY
	TGC-2	- TGKB	0.0010	-	-	1.60	-	-5.00	-14.03	0.0008	0.0012	-	1,053	0.0015	57.89	BUY
	TGC-2, pref.	- TGKBP	0.0007	-	-	-	-	-5.23	4.32	-	-	-	-	0.0011	51.72	BUY
	TGC-3 (Mosenergo)	▼ MSNG	0.1800	-0.0020	-1.10	-3.23	-2.70	-24.37	-19.10	0.1700	0.2460	18,000	7,155	-	-	REDUCE
	TGC-4	- TGKD	0.0010	-	-	2.44	-0.00	-15.32	-4.55	0.0010	0.0012	17,700	1,429	-	-	-
	TGC-4, pref.	- TGKDP	0.0006	-	-	-9.02	-7.50	-22.92	-32.73	0.0005	0.0006	-	-	-	-	-
	TGC-5	▼ TGKE	0.0007	-0.0000	-1.39	-3.40	-4.70	-21.55	-43.87	0.0007	0.0010	2,917	873	0.0012	69.01	BUY
	TGC-6	- TGKF	0.0008	-	-	-11.36	-12.85	-31.88	-26.76	0.0009	0.0012	-	1,006	0.0009	15.38	REDUCE
	TGC-7	- TGKG	0.0875	-	-	1.16	-	-19.72	-	0.0850	0.1095	-	2,623	-	-	-
	TGC-8	- TGKH	0.0016	-	-	4.15	5.16	16.43	65.48	0.0013	0.0016	-	3,360	0.0009	-44.79	SELL
	TGC-9	- TGKI	0.0003	-	-	-14.29	3.12	3.12	17.86	0.0003	0.0003	-	2,582	-	-	-
	TGC-10	- TGKJ	4.5900	-	-	0.99	1.49	12.22	20.79	3.5000	4.5700	-	4,033	-	-	-
	TGC-11	- TGKK	0.0012	-	-	2.68	-15.44	-29.01	-	0.0011	0.0016	-	590	-	-	-
	TGC-12 (Kuzbasenergo)	- KZBE	0.0245	-	-	3.38	-	-10.91	-26.43	0.0250	0.0281	-	1,730	-	-	-
	TGC-13	- TGKM	0.0081	-	-	-0.92	-1.82	-23.34	-24.21	0.0081	0.0102	-	1,289	-	-	-
	TGC-14	- TGKN	0.0003	-	-	-1.54	-7.25	-5.88	-23.81	0.0003	0.0003	-	249	-	-	-
Nonferrous metallurgy																
	BMSK	- bmsk	2.3000	-	-	-2.13	33.33	-6.12	-11.54	1.6850	1.6850	-	12	4.5900	99.57	SPECULATIVE BUY
	BMSK, pref.	- bmskp	2.1500	-	-	-	-	-	-	0.9500	0.9500	-	-	3.4400	60.00	HOLD
	VSMPO	- VSMO	200.00	-	-	-2.68	-8.26	-33.77	-30.80	200.00	314.00	-	2,306	-	-	HOLD
	Norilsk Nickel	▲ GMKN	280.50	1.50	0.54	-3.28	2.75	5.85	41.60	203.00	316.50	7,442,285	53,471	314.68	12.19	BUY
	Safiyanovskaya med	- sfmd	6.0000	-	-	-	-	-35.14	-60.00	6.0000	7.0000	-	12	4.7300	-21.17	SELL
	Sredneuralsky MPZ	- sumz	17.500	-	-	-	6.06	-5.79	-27.84	16.500	18.400	-	88	36.550	108.86	SPECULATIVE BUY
	Uralkhrommed	- uelml	114.55	-	-	-0.39	1.37	0.84	1.82	100.00	121.00	-	581	126.38	10.33	ACCUMULATE
	Ufaleynickel	- ufal	8.3500	-	-	-	3.09	7.74	3.73	7.5000	7.5000	-	225	6.6300	-20.60	REDUCE
	Chelyabinsk Zink Plant	- CHZN	9.45	-	-	-6.90	-7.35	-15.81	-92.81	9.30	12.15	-	512	22.53	138.41	BUY
	Yuzhuralnickel	- unkl	1,000.0	-	-	-0.99	-13.98	-28.57	12.36	1,000.0	1,300.0	50,000	600	463.4	-53.66	ACCUMULATE
	Electrozinc	- eltz	94.50	-	-	-	-	-	-	90.00	110.00	-	133	-	-	-
Ferrous metallurgy (Steel)																
	Ashinsky Metallurgy Plant	- AMEZ	0.6750	-	-	-3.23	-13.46	-28.95	21.68	0.7000	0.9700	-	336	0.9400	39.26	BUY
	Evrast**	▲ EVR	111.500	3.000	2.76	-4.90	3.48	43.87	209.89	62.000	131.250	30,128,660	39,575	103.210	-7.43	ACCUMULATE
	Mechel	- MTLR	45.250	-	-	1.12	4.02	67.59	290.09	20.000	45.800	-	18,836	28.680	-36.62	BUY
	MMC	- MAGN	1.2900	-	-	0.78	-3.01	-0.77	36.87	1.0500	1.4200	-	14,415	1.7530	35.89	BUY
	NLMC	- NLMK	4.6900	-	-	-4.29	-0.21	15.66	68.71	3.4300	5.3000	-	28,108	5.3600	14.29	ACCUMULATE
	Severstal	- CHMF	24.550	-	-	-6.30	-2.23	7.68	84.59	20.000	28.000	-	24,739	27.520	12.10	BUY
	Chelyabinsk Metallurgy Plant	- CHMK	395.00	-	-	-3.66	5.83	7.48	140.12	330.00	450.00	19,750	1,249	-	-	-
	Chusovskoy Metallurgy Plant	- chmz	127.000	-	-	0.79	1.20	10.43	58.26	113.000	124.800	-	296	-	-	-
Precious metals																
	Buryatzoloto	- BRZL	19.775	-	-	2.46	-1.74	9.86	58.20	19.000	22.000	-	139	26.690	34.97	SPECULATIVE BUY
	Lenzoloto	- lnzl	32.750	-	-	0.77	-34.50	-43.04	18.02	40.000	60.000	-	37	34.210	4.46	HOLD
	Poly metal	- PMTL	8.6750	-	-	0.29	6.12	25.36	43.39	7.0000	9.3500	-	2,733	8.2800	-4.55	HOLD
	Polyus-Gold	▼ PLZL	63.000	-2.000	-3.08	1.29	17.87	37.25	55.94	46.500	80.000	316,000	12,010	57.180	-9.24	HOLD
	Susumanzoloto	- sysy	28.000	-	-	-	-	-6.67	-37.78	-	-	-	25	55.270	97.39	ACCUMULATE

Source: RTS website, Bloomberg (* - NASDAQ, ** - LME, rest - RTS) Estimation: Veles Capital

Trade results

	Ticker	Price, USD	Change, USD	Change, %					Current year, USD		Volume, USD	MCAP, mn USD	Fair price, USD	Potential, %	Recommendation	
				day	week	month	from Jan 1	year	min	max						
Coal industry																
	Belon	- BLNG	187.500	-	-	6.84	18.30	99.47	439.57	93.000	185.000	-	2,156	91.610	-51.14	SPECULATIVE BUY
	Vorkutaugol	- voug	181.00	-	-	0.56	0.84	-9.50	-0.19	177.00	244.00	-	610	318.92	76.20	SPECULATIVE BUY
	Vorkutaugol, pref	- vougp	181.00	-	-	0.56	1.12	0.56	10.03	160.00	187.00	-	-	255.14	40.96	SPECULATIVE BUY
	Kuzbassrazrezugol	- kzru	0.8880	-	-	2.66	8.29	106.75	134.92	0.4400	0.9000	-	5,447	0.3800	-57.21	HOLD
	Raspadskaya	- RASP	9.7250	-	-	-2.26	13.74	49.62	337.08	5.4000	10.3000	-	7,593	10.6500	9.51	ACCUMULATE
	Yuzny Kuzbass	▼ UKUZ	140.500	-4.500	-3.10	-5.55	-3.93	160.19	416.54	56.000	158.900	42,300	5,073	50.380	-64.14	REDUCE
Pipe industry																
	Almetievsk Pipe Plant	- atza	13.500	-	-	-	25.58	14.89	14.89	-	-	-	40	-	-	UNDER REVISION
	Vyksa Metallurgy Plant	▼ vsmz	1,650.0	-30.0	-1.79	-4.07	-0.60	-21.99	24.53	1,650.0	2,080.0	16,500	3,106	-	-	UNDER REVISION
	Penvouralsk New Pipe Plant	- PNTZ	31.075	-	-	-0.40	9.04	-0.56	-3.49	28.975	32.200	-	756	-	-	UNDER REVISION
	Seversky Pipe Plant	- SVTZ	12.400	-	-	-3.88	-13.59	-25.08	15.03	12.500	15.800	-	597	15.400	24.19	ACCUMULATE
	Sinarsky Pipe Plant	▼ SNTZ	100.00	-2.00	-1.96	-6.10	-9.09	-28.57	-9.71	100.00	138.50	30,000	630	-	-	UNDER REVISION
	Taganrog Metallurgy Plant	- TAMZ	1.0000	-	-	-	-	-18.96	-19.03	1.0000	1.1000	-	462	1.1300	13.00	HOLD
	TMK	- TRMK	7.9200	-	-	-2.34	-1.00	-27.51	-7.91	7.1000	10.7000	-	6,914	9.3800	18.43	HOLD
	Chelyabinsk Pipe Plant	- CHEP	4.2750	-	-	1.18	-3.93	0.47	6.61	3.8500	4.5500	-	2,019	-	-	UNDER REVISION
Telecommunications																
	Volgatelecom	- NNSI	4.7500	-	-	4.97	4.40	-19.08	-15.56	4.0000	5.9100	-	1,406	6.0110	26.55	BUY
	Volgatelecom, pref.	- NNSIP	2.9000	-	-	-3.33	-7.94	-30.12	-25.83	2.9000	4.1800	145,000	-	4,5083	55.46	BUY
	Vimpelcom*	▲ VIP	33.340	0.750	2.30	-6.82	6.93	-19.86	71.11	28.510	44.390	99,267,904	34,195	30.800	-7.62	HOLD
	Dalsvyaz	- ESPK	4.6900	-	-	-0.74	3.76	-11.51	-1.26	4.4800	5.7000	-	563	7.4457	58.76	BUY
	Dalsvyaz, pref.	- ESPKP	3.6750	-	-	-3.92	-0.81	-17.88	-20.11	3.4000	4.2000	-	-	5.5812	51.87	BUY
	Comstar-UTS	- CMST	11.500	-	-	2.68	21.05	5.17	51.32	10.300	10.500	-	4,806	13.480	17.22	BUY
	MGTS	- MGTS	36.600	-	-	0.55	0.69	0.83	38.24	32.000	34.600	-	3,393	-	-	HOLD
	MGTS, pref.	- MGTSF	29.500	-	-	-8.81	-9.79	-8.24	19.43	28.800	31.300	62,038	-	-	-	HOLD
	MTS	▼ MTSS	12.4500	-0.0100	-0.08	-1.19	2.47	-18.89	34.23	11.8000	15.7000	1,242,500	24,817	16.2900	30.84	BUY
	Rostelecom	- RTKM	11.2300	-	-	-0.18	-1.49	-5.31	27.04	10.4000	12.4400	112,300	8,738	4.1300	-63.22	SELL
	Rostelecom, pref.	- RTKMP	2.2850	-	-	-	3.86	-21.88	-18.54	2.0000	2.8500	-	-	3.1000	35.67	ACCUMULATE
	North-West Telecom	- SPTL	1.2800	-	-	2.94	9.87	-25.58	-26.01	1.1400	1.7000	-	1,347	1.5002	17.20	HOLD
	North-West Telecom, pref.	- SPTLP	0.8750	-	-	-2.56	-17.45	-28.86	-19.91	0.8700	1.2150	-	-	1.1251	28.58	HOLD
	Sibirelecom	▲ ENCO	0.0905	0.0003	0.33	-0.60	1.12	-24.58	-21.98	0.0780	0.1170	723,370	1,315	0.1140	25.97	BUY
	Sibirelecom, pref.	- ENCOF	0.0582	-	-	-2.51	-3.64	-27.64	-26.27	0.0595	0.0670	-	-	0.0855	46.78	BUY
	Uralsvyazinform	- URSI	0.0550	-	-	4.36	11.11	-13.73	-11.65	0.0462	0.0635	-	2,021	0.0573	4.18	BUY
	Uralsvyazinform, pref.	- URSIP	0.0312	-	-	0.81	-3.85	-26.47	-26.90	0.0295	0.0418	-	-	0.0430	37.60	ACCUMULATE
	CenterTelecom	- ESMO	0.6650	-	-	-2.85	-1.85	-28.65	-26.92	0.6500	0.9320	234,500	1,286	1.0357	55.74	ACCUMULATE
	CenterTelecom, pref.	- ESMOP	0.4500	-	-	-10.00	-15.89	-27.71	-18.92	0.4500	0.6375	27,000	-	0.7768	72.62	BUY
	SouthTelecom	▼ KUBN	0.1490	-0.0025	-1.65	-2.77	6.05	-24.75	-26.60	0.1345	0.2020	149,500	543	0.2565	72.15	BUY
	SouthTelecom, pref.	- KUBNP	0.1050	-	-	-6.67	-12.50	-27.46	-24.32	0.1050	0.1450	-	-	0.1848	76.00	BUY
Machinery																
	AvtoVAZ	- AVAZ	1.6250	-	-	-2.99	-8.45	-15.80	46.40	1.7200	1.9500	-	4,690	1.9890	22.40	BUY
	AvtoVAZ, pref.	- AVAZP	0.5500	-	-	-	-4.76	-28.10	10.00	0.5500	0.5550	-	-	1.4910	171.09	BUY
	GAZ	▲ GAZA	185.00	2.00	1.09	0.54	-8.87	8.82	38.06	155.00	210.00	209,800	3,593	192.77	4.20	BUY
	GAZ, pref.	- GAZAP	115.00	-	-	2.22	-4.96	-4.17	15.00	113.00	125.50	-	-	144.58	25.72	BUY
	ZMZ	- ZMZN	4.9250	-	-	-1.99	15.88	64.17	116.48	2.9000	5.0000	-	682	4.4500	-9.64	HOLD
	ZMZ, pref.	- zmnzp	3.3750	-	-	-	1.50	40.62	87.50	2.6000	3.2500	-	-	3.3400	-1.04	HOLD
	Kamaz	- KMAZ	5.9000	-	-	-4.45	-1.67	13.46	81.54	5.6500	7.2500	-	4,173	6.4000	8.47	BUY
	Kirovsky zavod	- KIRZ	53.000	-	-	5.63	5.47	-3.64	94.50	48.000	52.000	-	576	33.290	-37.19	REDUCE
	NefAZ	- nfaZ	44.000	-	-	-4.35	-8.81	22.22	192.36	36.500	50.250	-	354	49.150	11.70	BUY
	Saturn NPO	- satr	0.0870	-	-	-1.42	-1.42	-26.89	-21.97	0.0835	0.1125	-	347	0.1379	58.51	HOLD
	OMZ	- OMZZ	6.8500	-	-	-	-3.18	-12.46	-22.38	7.0000	7.6000	-	243	6.3200	-7.74	SELL
	RSC Energia	- satr	685.00	-	-	-1.79	6.61	38.38	109.32	489.90	705.00	-	770	561.20	-18.07	HOLD
	UAZ	- uaza	0.1325	-	-	1.92	1.92	-4.68	47.22	0.1125	0.1390	-	529	-	-	-
	UAZ, pref.	- uazap	0.0850	-	-	-	16.04	-4.49	58.14	0.0710	0.0890	-	-	-	-	-
	Severstal-Auto	▼ SVAV	64.250	-0.400	-0.62	4.13	4.05	18.98	103.97	49.000	67.300	192,750	2,202	81.330	26.58	BUY
	Power Machines	- SILM	0.2120	-	-	-0.24	-0.93	4.69	21.66	0.1930	0.2220	-	1,846	0.1250	-41.04	SELL
Industry																
	ALNAS	- alnz	0.8000	-	-	-	-11.16	-30.43	-15.79	0.8250	0.8500	-	165	1.3300	66.25	BUY
	Angeromash	- ange	40.500	-	-	-33.06	-47.74	-29.57	20.90	-	-	-	40	79.650	96.67	BUY
	BEPP	- bunz	52.000	-	-	-	-	9.47	-5.45	-	-	-	16	113.840	118.92	BUY
	BEPP, pref.	- bunzp	41.000	-	-	-	-	-1.20	20.59	-	-	-	-	85.380	108.24	BUY
	Mikron	- mikro	11.7750	-	-	-	1.73	16.87	61.30	10.0000	11.3000	-	115	-	-	-
	Sitronics	- SITR	0.1215	-	-	-	-4.89	1.25	-30.17	0.1150	0.1366	-	1,160	0.0854	-29.71	SELL
Chemical industry																
	Azot (Bereznikiy)	- azop	925.00	-	-	-2.12	-1.33	1.93	47.41	875.00	960.00	-	375	1,427.50	54.32	BUY
	Akron	- AKRN	111.50	-	-	1.59	13.20	120.79	385.84	50.70	113.00	-	5,317	130.60	17.13	BUY
	Ammofos	- ammo	240.00	-	-	9.12	16.50	111.45	713.56	100.00	270.00	-	2,165	332.20	38.42	BUY
	Dorogobuzh	- DGBZ	1.2100	-	-	-1.63	5.68	168.89	303.33	0.4550	1.2900	-	3,321	1.1900	-1.65	HOLD
	Dorogobuzh, pref	- DGBZP	0.6055	-	-	-	-0.74	89.22	149.69	0.3200	0.7000	-	-	0.6400	5.70	HOLD
	Kujbyshevazot	▲ kazt	4.7250	0.0750	1.61	9.88	57.50	75.00	158.90	2.3400	4.6000	266,731	1,120	5.7500	21.69	BUY
	Kujbyshevazot, pref	- kaztp	2.0000	-	-	-	29.03	26.98	37.55	1.5000	1.7000	-	-	3.2800	64.00	BUY
	Silvinit	- SILV	1.740.0	-	-	6.42	29.37	97.73	570.52	900.0	1,700.0	-	13,617	1,417.4	-18.54	REDUCE
	Silvinit, pref	- silvp	938.50	-	-	3.13	24.30	44.38	419.94	570.00	922.00	-	-	809.90	-13.70	REDUCE
	Uralkali	▲ URKA	12.400	0.300	2.48	3.16	18.10	58.97	496.15	5.800	12.750	577,580	26,342	14.200	14.52	BUY
Retail Trade																
	Pharmacy Network 36,6	- APTK	44.000	-	-	-1.12	-6.48	-39.73	-53.73	42.500	70.000	-	418	-	-	UNDER REVISION
	GUM	- GUMM	2.7750	-	-	3.35	-0.89	35.37	32.14	1.9700	2.9500	-	166	-	-	UNDER REVISION
	X5 Retail Group**	- FIVE	36.500	-	-	-2.67	4.29	-	28.40	26.960	38.930	4,740,194	7,727	-	-	UNDER REVISION
	Seventh Continent	▼ SCON	27.900	-0.100	-0.36	7.31	15.29	7.72	4.99	22.750	28.500	55,400	2,092	-	-	UNDER REVISION
	TzUM	- TZUM	6.0500	-</												

Trade results

	Ticker	Price, USD	Change, USD	Change, %				Current year, USD		Volume, USD	MCAP, mn USD	Fair price, USD	Potential, %	Recommendation		
				day	week	month	from Jan 1	year	min						max	
Consumer Sector																
	Baltika	- PKBA	43.250	-	-	-1.70	6.79	-10.59	-8.95	42.800	50.000	-	6,876	-	-	UNDER REVISION
	Baltika, pref.	- PKBAP	25.500	-	-	-6.42	-4.23	-23.88	-16.39	25.500	31.000	8,925	-	-	-	UNDER REVISION
	WBD	- WBDF	79.000	-	-	-4.18	-1.71	-12.22	14.00	72.000	93.000	-	3,476	-	-	UNDER REVISION
	Kalina	- KLNA	32.850	-	-	-1.20	2.66	-18.89	-5.60	30.500	39.000	-	320	-	-	UNDER REVISION
	Lebedyansky	- LEKZ	81.500	-	-	-0.61	1.88	-11.41	3.33	80.000	93.500	57,050	1,664	-	-	UNDER REVISION
Transport																
	Aeroflot	▼ AFLT	3.9000	-0.0500	-1.27	-2.86	-9.30	4.00	59.18	3.5000	4.4500	121,501	4,331	4.7100	20.77	BUY
	Primorsk Shipping Corporation	- PRIM	0.4600	-	-	6.36	-33.57	12.20	55.93	0.4200	0.4200	-	366	0.5610	21.96	BUY
	FESCO	- FESH	1.1900	-	-	-7.39	-5.56	8.68	70.85	0.9800	1.3500	-	2,810	1.0500	-11.76	SELL
	Novorossiysk Sea Shipping	- NOMP	3.3250	-	-	1.36	3.91	13.48	52.87	2.9900	3.2500	-	1,438	3.6000	8.27	BUY
	Novorossiysk Sea Shipping, pref.	- NOMPP	1.5050	-	-	0.33	-5.94	-16.39	18.04	1.4700	1.7400	-	-	2.7000	79.40	BUY
Banks																
	VTB	- VTBR	0.0039	-	-	-4.63	0.26	-22.73	-29.55	0.0034	0.0050	195,500	26,291	-	-	-
	Sberbank	▼ SBER	3.4600	-0.0400	-1.14	-3.62	1.08	-18.01	-8.95	3.0350	4.3800	3,992,250	76,856	4.6210	33.55	ACCUMULATE
	Sberbank, pref.	- SBERP	2.1650	-	-	-8.46	2.36	-27.83	-21.27	2.0100	2.9300	-	-	3.4660	60.09	ACCUMULATE
Media & IT																
	RBC	- RBCI	9.1750	-	-	1.94	7.94	-12.20	6.69	8.3500	10.9000	-	1,284	9.8600	7.47	BUY
	CTC Media*	▲ CTCM	27.640	0.360	1.32	2.67	10.56	-8.48	-	24.500	31.750	12,004,677	4,205	32.900	19.03	BUY
Obligaz																
	Altakraigasservice	- akgs	178.50	-	-	-0.83	0.56	55.22	-	105.00	105.00	-	20	339.43	90.16	BUY
	Astrakhanobligaz	- asog	2.0000	-	-	-	-	-25.93	-	2.7000	2.7000	-	8	2.3800	19.00	HOLD
	Belgorodobligaz	- bogz	425.00	-	-	-	-64.95	-15.00	-	700.00	700.00	-	34	3,331.71	683.93	BUY
	Bryanskobligaz	- brog	470.00	-	-	-18.26	-31.64	15.34	60.68	380.00	510.00	2,350	52	1,140.89	142.74	BUY
	Vladimirobligaz	- vlog	925.0	-	-	-	-21.28	-37.39	81.37	1,050.0	1,355.0	-	42	973.7	5.27	HOLD
	Volgogradobligaz	- vlgz	800.00	-	-	-3.03	3.23	23.55	123.78	495.00	805.00	-	68	1,329.23	66.15	BUY
	Voronezhobligaz	- vogz	5.2500	-	-	-	-20.15	33.08	169.23	3.6000	7.0000	-	116	12.8200	144.19	BUY
	Ivanovoobligaz	- ivog	20.000	-	-	-60.00	-60.00	263.64	300.00	-	-	-	8	150.760	653.80	BUY
	Ivanovoobligaz, pref.	- ivogp	26.000	-	-	-	-49.02	-46.39	766.67	-	-	-	-	150.760	479.85	BUY
	Irkutskobligaz	- irog	195.00	-	-	-	-	-	95.00	-	-	-	4	-	-	-
	Kalugaobligaz	- klog	760.00	-	-	-11.63	-8.43	26.67	280.00	-	-	-	23	1,286.95	69.34	BUY
	Karelgaz	- klgz	128.50	-	-	-	0.39	0.78	-14.33	-	-	-	3	324.27	152.35	BUY
	Kirovobligaz	- krog	331.50	-	-	-1.04	0.45	52.41	185.64	-	-	-	33	705.25	112.75	BUY
	Komigaz	- kgaz	32.500	-	-	-	-	-13.33	-7.80	30.000	30.000	-	11	80.440	147.51	BUY
	Komigaz, pref.	- kgazp	15.175	-	-	-0.82	-13.29	-31.02	-25.98	-	-	-	-	60.330	297.56	BUY
	Kostromaobligaz	- koog	518.00	-	-	47.79	10.80	36.32	120.43	331.00	400.00	-	29	935.74	80.64	BUY
	Krasnodarkraigaz	- kgas	15.000	-	-	-	-	141.94	200.00	-	-	-	31	12.110	-19.27	SELL
	Kurganobligaz	- kuog	400.00	-	-	-	-	-38.46	33.33	-	-	-	12	-	-	-
	Kurskobligaz	- krgz	850.00	-	-	-	-9.09	161.54	240.00	700.00	700.00	-	75	1,184.98	39.41	BUY
	Lenobligaz	- leog	2,575.0	-	-	-	-	-0.96	296.15	-	-	-	204	717.7	-72.13	HOLD
	Lipetskobligaz	- lpog	160.00	-	-	-5.88	6.67	28.00	-	-	-	-	19	716.78	347.99	BUY
	Nizhegorodobligaz	- nnog	3.1750	-	-	32.29	31.74	-20.43	22.12	2.3500	4.5000	-	88	1.8700	-41.10	HOLD
	Omskobligaz	- omog	11.500	-	-	-	-	76.92	-	10.000	11.000	-	17	20.130	75.04	BUY
	Omskobligaz, pref.	- omogp	4.5000	-	-	-	-25.00	12.50	-	-	-	-	-	11.5500	156.67	BUY
	Orelobligaz	- orgz	565.00	-	-	-	334.62	50.67	42.14	-	-	-	21	512.18	-9.35	BUY
	Orenburgobligaz	- orog	2,125.0	-	-	-	3.66	120.21	246.94	1,000.0	2,250.0	-	163	2,855.8	34.39	HOLD
	Pensagasifikatsiya	- pgzf	140.00	-	-	-	7.69	-30.00	180.00	-	-	-	5	869.49	521.06	BUY
	Rostovobligaz	- rtbg	737.50	-	-	-1.67	-10.61	22.92	69.54	625.00	900.00	-	99	1,529.82	107.43	BUY
	Rostovobligaz, pref.	- rtbgp	455.00	-	-	-	-5.21	-3.19	33.82	460.00	460.00	-	-	1,529.82	236.22	BUY
	Ryazanobligaz	- rzog	4.7500	-	-	-	5.56	-38.71	-54.11	137.50	-	-	23	5.9200	24.63	HOLD
	Samaragas	- sagz	225.000	-	-	-10.89	-9.18	307.24	328.57	45.500	45.500	-	26	289.840	28.82	BUY
	Saratovobligaz	- srog	15.000	-	-	-25.00	-37.82	84.62	165.49	7.750	25.000	6,075	55	50.010	233.40	BUY
	Sibirgasservice	- sbsg	7.5500	-	-	-	-11.70	-	-26.34	-	-	-	35	-	-	-
	Smolenskobligaz	- smog	150.50	-	-	-1.63	-4.44	71.02	227.17	81.50	185.00	-	60	332.44	120.89	BUY
	Stavropolkraigaz	- stkg	500.00	-	-	-	2.56	-47.64	-	575.00	575.00	-	62	81.59	-83.68	SELL
	Stavropolkraigaz, pref.	- stkgp	325.00	-	-	-	-	-45.83	-	280.00	400.00	-	-	81.59	-74.90	SELL
	Tambovobligaz	- togz	52.000	-	-	-0.95	15.56	48.57	188.89	29.000	50.000	-	45	81.290	56.33	BUY
	Tverobligaz	- tveo	215.00	-	-	-14.00	-14.00	-21.25	40.98	225.00	246.00	-	38	236.31	9.91	HOLD
	Tulaobligaz	- tuog	445.00	-	-	-11.00	-34.07	64.81	256.00	180.00	705.00	-	71	1,106.23	148.59	BUY
	Chitaobligaz	- chog	55.000	-	-	-	-	-	-	-	-	-	4	-	-	-
	Yaroslavlobligaz	- yrog	300.00	-	-	-	5.26	15.38	109.79	-	-	-	21	503.81	67.94	BUY
Services companys																
	Giprospetsgaz	- gsgz	1,455.0	-	-	-	-5.83	-38.09	35.35	1,800.0	1,850.0	-	61	7,463.0	412.92	BUY
	Giprospetsgaz, pref.	- gsgzp	780.00	-	-	-0.01	-10.86	-41.13	-22.00	800.00	800.00	-	-	5,970.00	665.38	BUY
	Spetsgazremstroy	- sgrs	215.00	-	-	-17.31	-18.87	-40.28	-	344.00	425.00	-	107	741.25	244.77	BUY
	Spetsgazremstroy, pref.	- sgrsp	80.00	-	-	-31.91	-38.46	-57.33	-	120.00	255.00	-	-	555.94	594.92	BUY
Services companys																
	Strojpolimerkeramika	- spke	40.000	-	-	-	150.00	158.06	-	-	-	-	75	79.940	99.85	BUY
	Strojpolimerkeramika, pref.	- spkep	8.0000	-	-	-	16.79	-29.52	-	8.0000	8.0000	-	-	27.9800	249.75	BUY

Source: RTS website, Bloomberg (* - NASDAQ, ** - LME, rest - RTS) Estimation: Veles Capital

Quotes of Russian ADR vs. shares in RTS

	ADR Code	RTS Code	Shares in ADR	Stock Market	Last ADR price, USD	Change, USD	Share's price in ADR, USD	Last RTS price, USD	ADR / RTS, %	ADR Change, %	RTS Change, %	ADR trade volume, ths. USD	RTS trade volume, ths. USD
AFK Sistema	SSA LI	AFKS	20,00	London	28.500	-	1.4	1.4	-	-	-	-	-
AFK Sistema	KO71 GR	AFKS	20,00	Frankfurt	35.890	-0.158	1.8	1.4	-	-0.44	-	9	-
Aeroflot	AETG GR	AFLT	100	Frankfurt	394.746	4.246	3.947	3.900	0.01	1.09	-0.01	2	122
Wimm-Bill-Dann	WBD LI	WBDF	1	London	110.000	-	110.000	80.250	-	-	-	255	-
Wimm-Bill-Dann	WBD US	WBDF	1	New York	127.830	4.110	127.830	80.250	-	3.32	-	18,972	-
Wimm-Bill-Dann	WBPA GR	WBDF	1	Frankfurt	126.309	4.685	126.309	80.250	-	3.85	-	3	-
Volgaelcom	NZH GR	NNSI	2	Frankfurt	8.797	0.064	4.399	4.750	-	0.73	-	-	-
Vimpelcom	VIP US	VIMP	1/4	New York	33.340	0.750	666.80	420.00	-	2.30	-	99,268	-
Vimpelcom	VIP GR	VIMP	1/4	Frankfurt	33.150	-0.085	663.00	420.00	-	-0.26	-	33	-
Gazprom	OGZD LI	GAZP	4	London	57.600	0.100	14.400	14.310	0.01	0.17	-0.01	695,769	3,094
Gazprom	OGZPY US	GAZP	4	New York	58.550	1.650	14.638	14.310	-	2.90	-0.01	-	3,094
Gazprom	GAZ GR	GAZP	4	Frankfurt	57.611	-0.047	14.403	14.310	0.01	-0.08	-0.01	2,204	3,094
Golden Telecom	GLDN US	GLDN	1	New York	105.020	-	105.020	-	-	-	-	-	-
Golden Telecom	G77 GR	GLDN	1	Frankfurt	103.873	-	103.873	-	-	-	-	-	-
EvrazHolding	EVR LI	-	1/3	London	111.500	3.000	334.500	-	-	2.76	-	30,129	-
EvrazHolding	HK1A GR	-	1/3	Frankfurt	111.797	2.741	335.391	-	-	2.51	-	28	-
Irkutskenergo	IKSGY US	IRGZ	50	New York	-	-	-	0.900	-	-	-	-	-
Irkutskenergo	IRK GR	IRGZ	50	Frankfurt	-	-	-	0.900	-	-	-	-	-
Kuzbasenergo	KUW GR	KZBE	10	Frankfurt	22.382	-	2.238	2.500	-	-	-	-	-
Lenenergo	LNO GR	LSNG	80	Frankfurt	35.460	-	0.443	1.840	-	-	-	-	-
LUKOIL	LKOD LI	LKOH	1	London	103.000	0.500	103.000	102.900	0.00	0.49	0.00	380,857	13,200
LUKOIL	LUKOY US	LKOH	1	New York	105.250	2.950	105.250	102.900	-	2.88	0.00	-	13,200
LUKOIL	LUK GR	LKOH	1	Frankfurt	104.012	1.293	104.012	102.900	0.01	1.26	0.00	1,277	13,200
MCTN	MOW GR	MGTS	1	Frankfurt	32.698	0.236	32.698	31.500	-	0.73	-	-	-
Mechel	MTL US	MTLR	3	New York	44.470	-	14.823	44.500	-	-	-	-	-
Mechel	FQF GR	MTLR	3	Frankfurt	44.492	-	14.831	44.500	-	-	-	-	-
Mosenergo	AOMD LI	MSNG	100	London	22.000	-	0.220	0.220	-	-	-	-	-
Mosenergo	AOMOY US	MSNG	100	New York	20.500	-	0.205	0.220	-	-	-	-	-
Mosenergo	MRO GR	MSNG	100	Frankfurt	18.062	-0.101	0.181	0.220	-	-0.56	-	14	-
MTS	MBDL LI	MTSS	5	London	-	-	-	12.450	-	-	-0.00	-	1,242
MTS	MBT US	MTSS	5	New York	-	-	-	12.450	-	-	-0.00	-	1,242
MTS	MKY GR	MTSS	5	Frankfurt	84.875	0.166	16.975	12.450	-	0.20	-0.00	-	1,242
Nizhnekamskneftekhim	QAO GR	NKNC	10	Frankfurt	9.265	-0.010	0.926	0.932	-	-0.11	-	-	-
NOVATEK	NVTK LI	NVTK	1/100	London	-	-	-	8.180	-	-	-	-	-
NOVATEK	NVATY US	NVTK	1/100	Frankfurt	-	-	-	8.180	-	-	-	-	-
Norilsk Nickel	MNOD LI	GMKN	1	London	28.000	0.160	28.00	280.50	-0.90	0.57	0.01	186,441	7,442
Norilsk Nickel	NILSY US	GMKN	1	New York	28.800	1.390	28.80	280.50	-	5.07	0.01	-	7,442
Norilsk Nickel	NNIA GR	GMKN	1	Frankfurt	28.183	0.235	28.18	280.50	-0.90	0.84	0.01	304	7,442
UHM	UHM GR	OMZZ	1	Frankfurt	6.586	-0.138	6.586	8.750	-	-2.05	-	-	-
Pyaterochka	FIVE LI	-	1/4	London	36.500	-	146.000	-	-	-	-	4,740	-
UES	UESD LI	EESR	100	London	100.000	-	1.000	1.020	-	-	-	-	-
UES	USERY US	EESR	100	New York	-	-	-	1.020	-	-	-	-	-
UES	UES GR	EESR	100	Frankfurt	97.504	-	0.975	1.020	-	-	-	-	-
Rostelekom	RKMD LI	RTKM	6	London	69.300	-	11.550	11.230	-	-	-0.02	-	112
Rostelekom	ROS US	RTKM	6	New York	-	-	-	11.230	-	-	-0.02	-	112
Rostelekom	RTL GR	RTKM	6	Frankfurt	67.421	0.611	11.237	11.230	0.00	0.91	-0.02	64	112
Seversky pipe plant	SVY GR	SVTZ	10	Frankfurt	127.679	0.923	12.768	14.500	-	0.73	-	-	-
Gazprom Neft	GAZ LI	SIBN	5	London	18.790	-	3.758	4.300	-	-	-	-	-
Gazprom Neft	GZPFY US	SIBN	5	New York	32.250	-	6.450	4.300	-	-	-	-	-
Gazprom Neft	SCF GR	SIBN	5	Frankfurt	37.992	1.604	7.598	4.300	-	4.41	-	71	-
Surgutneftegas	SGGD LI	SNGS	50	London	11.670	0.080	0.233	1.170	-0.80	0.69	0.01	16,774	1,103
Surgutneftegas	SGTZY US	SNGS	50	New York	-	-	-	1.170	-	-	0.01	-	1,103
Surgutneftegas	SGN GR	SNGS	50	Frankfurt	61.927	-	1.239	1.170	-	-	0.01	-	1,103
Tatneft	ATAD LI	TATN	20	London	101.000	-	5.050	7.640	-	-	0.01	-	226
Tatneft	TNT US	TATN	20	New York	-	-	-	7.640	-	-	0.01	-	226
Tatneft	TTFA GR	TATN	20	Frankfurt	96.244	-0.314	4.812	7.640	-0.37	-0.32	0.01	324	226
Tyumenaviatrans	UTARY US	TMAT	100	New York	40.000	-	0.400	0.538	-	-	-	-	-
Tyumenaviatrans	TYV GR	TMAT	100	Frankfurt	66.954	0.484	0.670	0.538	-	0.73	-	-	-
Tsum	THT GR	TZUM	20	Frankfurt	116.780	-3.793	5.839	2.000	-	-3.15	-	-	-
YUKOS	YUK LI	YUKO	4	London	3.950	-	0.988	0.350	-	-	-	-	-
YUKOS	YUKOY US	YUKO	4	New York	-	-	-	0.350	-	-	-	-	-
STC	KUE GR	KUBN	50	Frankfurt	8.229	-	0.165	0.149	-	-	-0.02	-	150

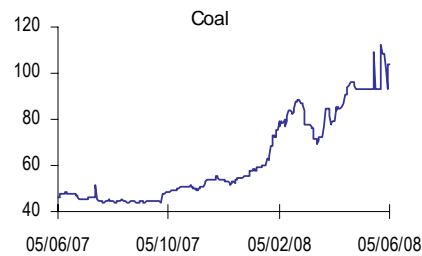
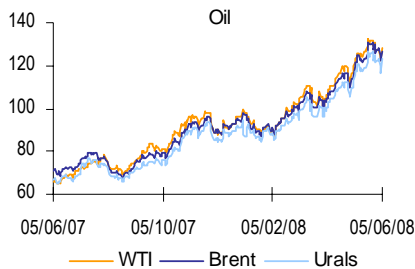
Source: Bloomberg, Estimation: Veles Capital

Commodity markets

Prices of energy carriers

		Close, USD	Change, USD	Change, %					Current year, USD	
				day	week	month	from Jan 1	year	min	max
Light, USD / bbl	▲	127.45	5.44	4.46	0.31	6.01	32.90	82.33	86.75	133.14
Brent, USD / bbl	▲	126.88	4.96	4.07	0.62	6.26	35.14	76.54	85.05	134.63
Urals, USD / bbl	▲	122.83	6.13	5.25	1.01	6.39	34.56	81.70	82.80	127.51
WTI, USD / bbl	▲	127.79	5.49	4.49	0.92	4.88	33.11	93.74	86.47	132.57
Brent-Urals	▼	4.05	-1.17	-22.41	-10.00	2.53	55.17	-5.15	1.66	9.94
Coal, USD / ton	-	103.50	-	-	-4.61	11.59	86.49	124.76	55.50	112.25

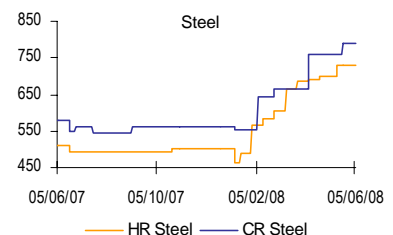
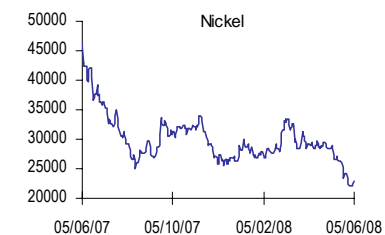
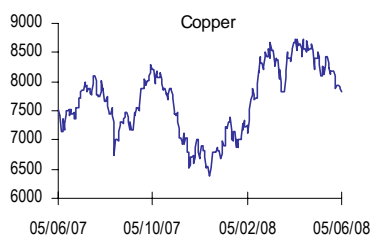
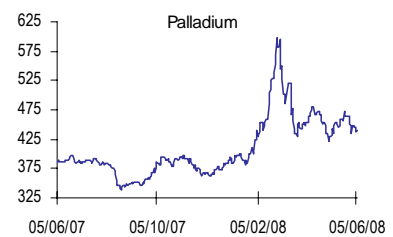
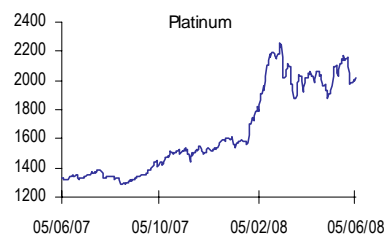
Source: Bloomberg, Estimation: Veles Capital



Prices of metals

		Close, USD	Change, USD	Change, %					Current year, USD	
				day	week	month	from Jan 1	year	min	max
Gold, USD / ounce	▼	898.78	-3.88	-0.43	-0.07	0.01	3.14	27.23	871.38	1,027.52
Silver, USD / ounce	▲	17.61	0.30	1.72	2.95	1.60	13.86	22.07	15.47	21.42
Platinum, USD / ounce	▲	2,013.02	15.04	0.75	1.85	2.35	26.54	51.77	1,540.21	2,257.73
Palladium, USD / ounce	▲	439.13	1.03	0.23	0.83	-1.10	13.01	13.08	380.95	598.39
Aluminum, USD / ton	▲	2,899.00	24.00	0.83	0.66	-2.49	20.34	5.69	2,409.00	3,227.00
Copper, USD / ton	▼	7,815.00	-60.00	-0.76	-0.95	-8.27	17.08	5.32	6,675.00	8,730.00
Nickel, USD / ton	▲	22,800.00	5.00	0.02	2.70	-21.11	-13.31	-49.89	22,100.00	33,400.00
Lead, USD / ton	▼	1,935.00	-66.00	-3.30	-0.87	-24.27	-24.12	-16.05	1,952.00	3,420.00
Tin, USD / ton	▲	21,800.00	450.00	2.11	3.56	-9.82	32.72	56.83	16,025.00	25,300.00
Zink, USD / ton	▼	1,955.00	-30.00	-1.51	-1.51	-14.25	-17.51	-46.80	1,939.00	2,830.00
Titanium, USD / ton	-	5,511.56	-	-	2.04	4.17	23.15	-13.19	4,475.38	5,511.56
HR Steel, USD / ton	-	730.00	-	-	-	4.29	46.00	43.14	465.00	730.00
CR Steel, USD / ton	-	790.00	-	-	-	3.95	41.07	36.21	555.00	790.00

Source: Bloomberg, Estimation: Veles Capital



International indices

Russian indices

		Close, USD	Change, pt.	Change, %					Current year, pt.	
				day	week	month	from Jan 1	year	min	max
RTS Index	▼	2,351.78	-1.71	-0.07	-3.58	9.22	2.67	28.96	1,859.53	2,498.10
MICEX Index	▲	1,842.98	0.21	0.01	-3.43	8.77	-2.43	14.62	1,509.70	1,966.32
Technical RTS Index	▼	3,441.76	-7.42	-0.22	-4.56	9.83	8.96	38.93	2,536.61	3,730.73
MSCI Russia	▲	1,536.95	4.07	0.27	-4.34	8.28	0.04	35.26	1,251.20	1,649.20

Source: Bloomberg, Estimation: Veles Capital

Indices of developed markets

		Close, USD	Change, pt.	Change, %					Current year, pt.	
				day	week	month	from Jan 1	year	min	max
DJ Industrial	USA ▲	12,604.45	213.97	1.73	-0.33	-3.20	-4.98	-6.40	11,634.82	13,279.54
NASDAQ	USA ▲	2,549.94	46.80	1.87	1.66	2.68	-3.86	-1.44	2,155.42	2,661.50
FTSE 100	Great Britain ▲	5,995.30	25.20	0.42	-1.20	-3.54	-7.15	-8.09	5,338.70	6,534.70
Nikkei 225	Japan ▼	14,341.12	-94.45	-0.65	1.53	2.08	-6.31	-20.51	11,691.00	15,413.37
S&P 500	USA ▲	1,404.05	26.85	1.95	0.41	-1.00	-4.38	-7.47	1,256.98	1,471.77
AEX	Netherlands ▲	482.26	3.69	0.77	-0.32	0.33	-6.50	-10.28	401.45	518.27
OMX	Sweden ▼	981.15	-2.36	-0.24	-2.06	-2.54	-9.27	-23.41	875.02	1,081.44
DAX	Germany ▼	6,941.83	-23.60	-0.34	-1.60	-1.07	-13.95	-10.20	6,167.82	8,100.64
MIB 30	Italy ▲	33,589.00	75.00	0.22	-0.71	-3.84	-13.62	-20.77	30,583.00	38,885.00
CAC 40	France ▼	4,907.06	-8.01	-0.16	-1.38	-2.66	-12.59	-17.91	4,416.71	5,665.94
SMI	Switzerland ▲	7,567.23	52.75	0.70	0.34	0.31	-10.81	-18.43	6,769.80	8,571.76
ASX 200	Australia ▼	5,530.10	-54.40	-0.97	-3.14	-3.00	-12.77	-12.73	5,039.60	6,385.70
Bloomberg European 500	▲	355.82	1.99	0.56	-0.89	-2.65	-6.63	-5.09	310.63	386.01

Source: Bloomberg, Estimation: Veles Capital

Indices of emerging markets

		Close, USD	Change, pt.	Change, %					Current year, pt.	
				day	week	month	from Jan 1	year	min	max
MSCI EM	▲	1,184.50	11.04	0.94	-1.44	-2.54	-4.93	15.67	1,011.42	1,252.59
Europe										
ASE	Greece ▲	4,122.91	9.36	0.23	0.76	-2.40	-20.39	-15.40	3,735.47	5,207.44
WSE WIG	Poland ▲	46,100.38	191.67	0.42	-0.96	-3.02	-17.16	-27.43	42,506.24	56,066.82
PFTS	Ukraine ▲	887.67	2.80	0.32	-2.14	-0.84	-24.39	-4.08	824.94	1,208.61
BUX	Hungary ▲	22,296.41	77.41	0.35	-1.85	-3.46	-15.01	-15.92	20,803.64	26,242.90
PX	Czech Republic ▲	1,654.30	6.10	0.37	-1.31	0.63	-8.86	-10.02	1,393.00	1,819.50
TA-100	Israel ▲	1,034.17	8.57	0.84	-0.15	2.52	-11.13	-7.49	882.87	1,167.04
XU 100	Turkey ▲	40,463.96	631.86	1.59	3.52	-5.67	-27.14	-11.77	38,174.27	55,281.66
Asia and Africa										
HSI	Hong Kong ▲	24,255.29	132.04	0.55	-0.53	-7.64	-12.79	16.51	20,572.92	27,853.60
SENSEX	India ▲	15,769.72	254.93	1.64	-3.35	-9.23	-22.32	10.62	14,677.24	21,206.77
JALSH	SAR ▲	31,741.26	260.90	0.83	-0.48	-0.59	9.61	11.22	24,005.35	33,309.82
JCI	Indonesia ▲	2,399.68	37.09	1.57	-1.93	1.17	-12.61	14.14	2,167.65	2,838.48
KOSPI	South Korea ▼	1,832.31	-1.50	-0.08	-0.48	-1.44	-3.42	5.17	1,537.53	1,901.13
SHCOMP	China ▼	3,351.64	-18.27	-0.54	-1.46	-10.23	-36.30	-11.25	2,990.79	5,522.78
America										
MEXBOL	Mexico ▲	31,726.01	277.90	0.88	-0.35	1.61	7.41	0.14	25,282.31	32,292.92
IBOV	Brazil ▲	71,234.88	2,561.74	3.73	-0.78	1.48	11.50	36.86	53,010.96	73,920.38
IPSA	Chile ▲	3,080.14	31.98	1.05	-0.52	4.15	0.93	-6.40	2,369.06	3,113.93
IBVC	Venezuela ▲	35,867.80	515.97	1.46	3.43	-5.70	-5.37	-7.11	33,767.05	41,584.92

Source: Bloomberg, Estimation: Veles Capital

Information disclosure

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The investment recommendations are given based on the evaluation of the company's share yield. The basis for the calculation of the expected company's cost is the evaluation by the discounted cash flows method (DCF). In some estimations the method of comparable coefficients, and also the mixed estimation (by DCF method and by comparable coefficients method) are applied. All recommendations are assigned based on the determined by us the fair cost of the shares within the nearest 12 months.

At the present moment the investment scale of the Investment Company Veles Capital is the following:

BUY – corresponds to the growth potential of the shares within the nearest 12 months by 15% or more.

ACCUMULATE – corresponds to the growth potential of the shares within the nearest 12 months for 5-15%.

HOLD – corresponds to the growth (reduction) potential of the shares within the nearest 12 months from -5% to 5%.

REDUCE – corresponds to the reduction potential of the shares within the nearest 12 months from 15% to 5%.

SELL – corresponds to the reduction potential of the shares within the nearest 12 months by 15% or more.

In some cases the deviations from the evaluation scale given above, based on which the recommendations are assigned, are possible. That fact relates to the high volatility of some securities in particular, and market in the whole, and also to the individual characteristics of one or another issuer.

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