

Daily review

August 14, 2008

Trader's view

The worsening background of external environment, such as the negatively closing primary foreign indices; was propelling Wednesday's trades of Russian market to start through a slight fall. Aside of that – the criticism of US government of Russian government actions over Georgia-Ossetia conflict came up around the lunch break, further worsening the negative trend. Bad statistics of Eurozone pressured Russian stock market as well. Though the stocks to suffer the most were of oil & gas companies and banking sector, due to the outrunning growth of prices throughout last two days.

Main news

NMLK buys John Maneely, a pipe company for 3.53 bn USD.

NMLK has signed an agreement to buy John Maneely, a steel pipe manufacturing company from Carlyle Group and Zekelman family under 3.53 bn USD.

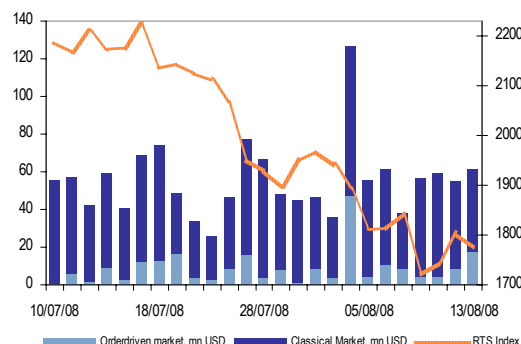
Market estimates

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	1,776.06	-27.76	-1.54	-2.12	-19.56	-7.77
MICEX Index	1,424.44	-24.90	-1.72	0.87	-14.52	-15.05
USD / RUR	24.2232	-0.05	-0.22	2.50	4.62	-4.88
EUR / RUR	36.1398	-0.01	-0.02	-0.88	-1.89	3.75
EUR / USD	1.4919	0.00	0.21	-3.31	-6.22	9.90
Dow Jones Index	11,532.96	-109.51	-0.94	-1.06	4.32	-11.48
NASDAQ	2,428.62	-1.99	-0.08	2.11	9.75	-2.82
FTSE 100	5,448.60	-85.90	-1.55	-0.68	2.80	-11.31
Nikkei 225	13,023.05	-280.55	-2.11	-1.75	0.10	-22.69
MSCI EM	973.88	-8.64	-0.88	-3.78	-6.63	-6.26

Source: Bloomberg, Estimation: Veles Capital

RTS index vs. trade volume



Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	112.61	2.68	2.44	-2.78	-21.53	60.48
Urals, USD / bbl	110.15	2.36	2.19	-3.15	-21.24	61.01
Gold, USD / ounce	847.97	15.18	1.82	-6.28	-15.14	20.39
Palladium, USD / ounce	333.68	14.90	4.67	-8.26	-28.08	-9.92
Copper, USD / ton	7,430	280	3.92	-2.43	-10.27	0.20
Nickel, USD / ton	19,500	1,400	7.73	9.55	-6.02	-28.57

Source: Bloomberg, Estimation: Veles Capital

Russian share quotes

	Close, USD	Change, USD	Change, %			
			day	week	month	year
VTB	0.003	-0.000	-1.52	-0.91	-7.14	-35.00
Polyus-Gold	36.00	-	-	-10.56	-31.10	-12.83
NorNickel	190.50	4,500	2.42	-4.65	-14.19	-8.28
Rostelecom	11.48	-	1.10	-3.57	-5.17	18.91
MTS	11.12	-0.130	-1.16	-1.16	-4.96	9.02
Sberbank	2,670	-0.120	-4.30	-0.74	-14.42	-29.55
LUKOIL	78.10	-3.300	-4.05	-2.98	-16.29	1.43
Gazprom Neft	5,450	-	-2.68	-9.17	-26.10	39.74
Surgutneftegas	0,780	-	-	-7.14	-23.90	-34.73
Gazprom	10.85	-0.320	-2.86	2.84	-17.80	2.65
Tatneft	5,700	-	-	3.26	-20.28	14.92
Rosneft	8,750	-0.200	-2.23	-6.42	-18.60	6.19

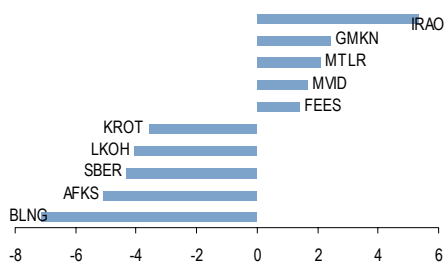
Source: RTS web page, Estimation: Veles Capital

Veles Management MC Unit investment trusts

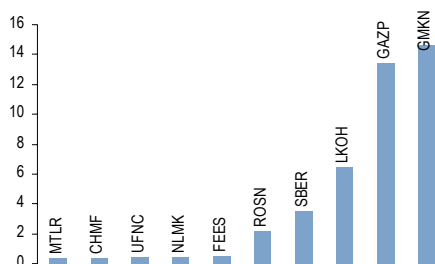
	Net asset value, RUR	Share price, RUR	Change, %			Since interest per annum formation, %
			day	month	year	
VELES Capital	9,512,652	1,004.53	4.40	-9.23	-8.10	0.19
VELES Capital - Selected Shares	8,481,621	788.53	6.11	-12.54	-16.34	-12.19
VELES Capital - Bonds	33,128,090	1,006.46	-0.04	-0.03	-	1.31

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	1,750.8	1,798.1
2	1,706.1	1,818.6
3	1,700.0	1,821.0

Trader's view

The worsening background of external environment, such as the negatively closing primary foreign indices; was propelling Wednesday's trades of Russian market to start through a slight fall. Aside of that – the criticism of US government of Russian government actions over Georgia-Ossetia conflict came up around the lunch break, further worsening the negative trend. Bad statistics of Eurozone pressured Russian stock market as well. Though the stocks to suffer the most were of oil & gas companies and banking sector, due to the outrunning growth of prices throughout last two days.

RTS of the day ended at 1776.06 points, losing -1.54% of value to its prior closing. Top significant negative influence over the indicator has been made by stocks of: Sberbank (-4.3%), LUKOIL (-4.05%) and Gazprom (-2.86%). Slight support for index has been made by securities of: NOVATEK (+6.4%) and Norilsk Nickel (+2.42%).

Wednesday's turnover of classic RTS market totaled 43.8 mn USD. Whilst highest turnover volumes have been achieved by stocks of Norilsk Nickel (14.6 mn USD), Gazprom (13.4 mn USD) and LUKOIL (6.4 mn USD).

It seems as if domestic market had once more retargeted from domestic problems towards external factors. US indices had demonstrated a weak, yet positive dynamics yesterday. Asian markets have closed up at a slight downfall. We think that RTS dynamics – backed by these factors, would be moderate, whereas the opening of trades should undergo under a negative vector.

RTS index support and resistance levels



Company profile

Last price, USD	4.200
Market capitalization, mn USD	25,172
Ticker	NLMK
Fair value, USD	5.750
Undervaluation, Overvaluation %	36.90
Recommendation:	ACCUMULATE

Ferrous metallurgy**NMLK**

NMLK buys John Maneely, a pipe company for 3.53 bn USD.

NMLK has signed an agreement to buy John Maneely, a steel pipe manufacturing company from Carlyle Group and Zekelman family under 3.53 bn USD. The joint statement of NMLK and Carlyle indicates that the parties plan to close a deal in 4Q 2008. John Maneely is the owner of 11 plants, in USA and Canada, with total output more than of 3 mn tons of pipe products per year. Company's revenue over 2008 is estimated near 3 bn USD. According to the results of 12 months, John Maneely shipments totaled 2.1 mn tons of pipes, earning 2.4 bn USD of revenue, with EBITDA achieving 485 mn USD.

The given purchase allows the company to enter a new product market (pipe products market) and strengthen its positions in the USA. Thus, NMLK possesses the assets in the USA, through joint venture with Duferco Group. Regarding the deal price: we do not think that the given purchase is either expensive or cheap for the company. P/S of the deal formed 1.47, P/EBITDA – 7.28. Forecasted P/S forms 1.18. Given ratios comply with the industry average. However, company' revenue is not high enough – EBITDA margin, according to 12 months results, formed 20%, which is 2 times lower than NLMK' revenue. We see the news as positive for company's business and confirmed our "ACCUMULATE" recommendation on company's securities.

Stanislav Fomenko
SFomenko@veles-capital.ru

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	15.550	-	-	-2.81	-15.03	-6.61	8.36	12.860	18.750	-	2.965	-	-	HOLD
	Bashneft, pref.	- BANEP	9.2000	-	-	-4.17	-18.58	-16.17	-4.42	9.1000	12.1000	-	-	-	-	HOLD
	Gazprom	▼ GAZP	10.850	-0.320	-2.86	2.84	-17.80	-23.00	2.65	9.400	15.650	13,429,476	256,858	20.200	86.18	BUY
	Gazprom Neft	- SIBN	5.4500	-	-	-9.17	-26.10	-14.17	39.74	5.0000	8.1000	-	25,840	8.8800	62.94	ACCUMULATE
	LUKOIL	▼ LKOH	78.10	-3.30	-4.05	-2.98	-16.29	-10.23	1.43	64.25	113.20	6,399,387	66,429	138.44	77.26	BUY
	NOVATEK	- NVTK	7.4500	-	-	2.76	-12.87	-0.67	40.57	6.5000	9.1500	-	22,620	12.0500	61.74	BUY
	RITEK	- RITK	7.5250	-	-	-4.44	-11.99	-25.86	-30.96	7.0000	9.9000	-	1,089	-	-	-
	Rosneft	▼ ROSN	8.750	-0.200	-2.23	-6.42	-18.60	-8.55	6.19	6.670	12.200	2,208,400	92,734	14.310	63.54	BUY
	Surgutneftegas	- SNGS	0.7800	-	-	-7.14	-23.90	-37.10	-34.73	0.7250	1.2980	221,624	30,928	-	-	UNDER REVISION
	Surgutneftegas, pref.	- SNGSP	0.3975	-	-	0.63	-18.04	-38.66	-41.97	0.3650	0.6480	-	-	-	-	UNDER REVISION
	Tatneft	- TATN	5.7000	-	-	3.26	-20.28	-5.79	14.92	4.7500	8.0100	-	12,839	8.6868	52.40	BUY
	Tatneft, pref.	- TATNP	2.8500	-	-	-3.39	-17.39	-22.97	1.79	2.7000	3.8300	-	-	4.4480	56.07	BUY
	TNK-BP Holding	- tbnp	1.7300	-	-	-3.89	-16.43	-22.42	-13.17	1.5200	2.2190	23,555	28,040	2.5950	50.00	BUY
	TNK-BP Holding, pref.	- tbnpp	1.3900	-	-	-0.71	-15.24	-26.84	-19.65	1.3300	1.8500	48,550	-	2.3410	68.42	BUY
	Transneft, pref.	- TRNFP	1,130.0	-	-	2.73	-5.04	-43.36	-35.24	960.0	2,007.0	332,000	7,028	2,275.0	101.33	BUY
Energy																
	Bashkirenergo	- BEGY	1.3900	-	-	-6.08	-7.02	-34.43	-32.85	1.3500	2.1000	-	1,506	-	-	-
	Bashkirenergo, pref.	- BEGYP	1.1250	-	-	-	-18.18	-5.46	-11.24	1.0500	1.1750	-	-	-	-	-
	Hydro-WGC	- HYDR	0.0655	-	-	2.34	-1.50	-	-	0.0570	0.0930	-	12,829	-	-	-
	Inter RAO UES	▲ IRAO	0.0006	0.0000	5.36	-9.23	-	-	-	0.0006	0.0008	29,980	765	-	-	-
	Irkutskenergo	- IRGZ	0.6405	-	-	-0.70	-19.43	-46.18	-32.04	0.6600	1.1510	-	3,053	-	-	-
	WGC-1	- OGKA	0.0625	-	-	-11.97	-24.70	-49.19	-	0.0605	0.1225	-	2,790	0.1630	144.80	BUY
	WGC-2	- OGKB	0.0538	-	-	-15.35	-26.92	-65.10	-65.65	0.0535	0.1500	-	1,759	0.2387	344.09	BUY
	WGC-3	- OGKC	0.0734	-	-	-7.74	-20.70	-51.18	-54.16	0.0665	0.1450	-	3,483	0.1651	125.09	ACCUMULATE
	WGC-4	- OGKD	0.0500	-	-	-11.50	-23.08	-62.41	-56.90	0.0510	0.1335	-	3,151	0.1977	295.40	BUY
	WGC-5	- OGKE	0.1025	-	-	-2.38	-14.23	-41.50	-34.08	0.0950	0.1795	-	3,626	0.2046	99.61	BUY
	WGC-6	- OGKF	0.0430	-	-	-12.24	-38.57	-66.14	-70.03	0.0440	0.1250	-	1,387	0.0932	116.74	BUY
	TGC-1	- TGKA	0.0009	-	-	9.20	-33.58	-31.80	-34.80	0.0008	0.0014	-	3,427	0.0020	124.72	BUY
	TGC-2	- TGKB	0.0010	-	-	-1.02	-2.01	-2.50	-6.70	0.0008	0.0012	-	1,430	0.0015	53.85	BUY
	TGC-2, pref.	- TGKBP	0.0006	-	-	-13.79	-18.30	-26.47	-	0.0004	0.0004	-	-	0.0011	76.00	BUY
	TGC-3 (Mosenergo)	- MSNG	0.1188	-	-	-2.66	-22.89	-50.11	-49.47	0.1200	0.2460	-	4,720	-	-	REDUCE
	TGC-4	- TGKD	0.0011	-	-	-3.65	-2.76	-14.92	-	0.0010	0.0012	-	2,046	-	-	-
	TGC-4, pref.	- TGKDP	0.0004	-	-	-	-25.00	-37.50	-46.11	0.0005	0.0006	-	-	-	-	-
	TGC-5	- TGKE	0.0006	-	-	5.26	-18.37	-33.70	-54.55	0.0005	0.0010	6,000	738	0.0012	100.00	BUY
	TGC-6	- TGKF	0.0007	-	-	-2.82	-2.82	-39.74	-38.94	0.0007	0.0012	-	1,283	0.0009	30.43	REDUCE
	TGC-7	- TGKG	0.0652	-	-	-3.33	-12.42	-40.14	-43.87	0.0690	0.1095	-	1,956	-	-	-
	TGC-8	- TGKH	0.0016	-	-	-3.36	-3.66	12.86	26.40	0.0013	0.0017	-	3,257	0.0009	-43.04	SELL
	TGC-9	- TGKI	0.0002	-	-	-8.82	-41.51	-51.56	-42.59	0.0002	0.0003	-	1,213	-	-	-
	TGC-10	- TGKJ	4.3500	-	-	-6.45	-5.43	6.36	-	3.5000	4.6100	-	3,823	-	-	-
	TGC-11	- TGKK	0.0006	-	-	-22.30	-36.81	-64.51	-	0.0006	0.0016	-	295	-	-	-
	TGC-12 (Kuzbasenergo)	- KZBE	0.0120	-	-	-4.38	-47.83	-56.36	-65.01	0.0120	0.0281	-	847	-	-	-
	TGC-13	- TGKM	0.0057	-	-	-5.83	-20.42	-46.53	-49.44	0.0060	0.0102	-	899	-	-	-
	TGC-14	- TGKN	0.0004	-	-	-	-36.51	26.47	14.67	0.0002	0.0003	-	335	-	-	-
	FGC UES	▲ FEES	0.0143	0.0002	1.42	10.00	-	-	-	0.0116	0.0158	516,949	6,812	-	-	-
Nonferrous metallurgy																
	BMSK	- bmsk	2.6750	-	-	-	-28.67	9.18	4.90	1.6850	3.5000	-	14	4.5900	71.59	SPECULATIVE BUY
	BMSK, pref.	- bmskp	1.4500	-	-	-	-14.71	-32.56	-32.56	0.9500	0.9500	-	-	3.4400	137.24	HOLD
	VSMPO	- VSMO	132.50	-	-	-2.75	-3.28	-56.13	-54.07	130.00	314.00	-	1,528	-	-	HOLD
	Norilsk Nickel	▲ GMKN	190.50	4.50	2.42	-4.65	-14.19	-28.11	-8.28	175.00	316.50	14,584,750	36,315	314.68	65.19	BUY
	Safyanovskaya med	- sfmd	5.2500	-	-	-	-12.50	-43.24	-58.00	6.0000	7.0000	-	11	4.7300	-9.90	SELL
	Sredneuralsky MPZ	- sumz	15.000	-	-	-	-1.64	-19.25	-39.39	14.000	18.400	-	76	36.550	143.67	SPECULATIVE BUY
	Uralkhrommet	- uelm	90.00	-	-	-1.64	-15.09	-20.77	-15.61	87.00	121.00	-	456	126.38	40.42	ACCUMULATE
	Ufaleynickel	- ufal	7.0750	-	-	-6.60	-5.92	-8.71	-5.67	7.5000	7.5000	-	190	6.6300	-6.29	REDUCE
	Chelyabinsk Zink Plant	- CHZN	5.3500	-	-	-6.14	-22.46	-52.34	-95.92	5.3500	12.1500	80,250	290	-	-	UNDER REVISION
	Yuzhuralnickel	- unkl	800.0	-	-	14.29	2.43	-42.86	-30.13	700.0	1,300.0	35,375	480	463.4	-42.08	ACCUMULATE
	Electrozinc	- eltz	71.60	-	-	-1.42	-8.94	-	-	75.00	110.00	-	101	-	-	-
Ferrous metallurgy (Steel)																
	Ashinsky Metallurgy Plant	- AMEZ	0.5000	-	-	-8.26	-17.70	-47.37	-14.78	0.5000	0.9700	50,000	249	0.9400	88.00	BUY
	EvrAZ**	▲ EVR	79.900	51.960	185.97	-7.42	-22.99	3.10	96.07	30.850	131.250	84,794,168	28,359	124.760	56.15	ACCUMULATE
	Mechel	▲ MTLR	24.500	0.500	2.08	28.27	-37.50	-9.26	84.56	16.500	45.800	357,242	10,199	43.820	78.86	-
	MMC	- MAGN	0.9400	-	-	-8.29	-29.06	-27.69	-15.88	0.9000	1.4400	89,388	10,504	1.5100	60.64	ACCUMULATE
	NLMC	▲ NLMK	4.2000	0.0500	1.20	2.44	-29.41	3.58	40.94	3.4300	5.6500	414,700	25,172	5.7500	36.90	ACCUMULATE
	Severstal	▲ CHMF	18.650	0.150	0.81	8.43	-16.37	-18.20	17.30	16.000	28.000	374,250	18,794	32.660	75.12	BUY
	Chelyabinsk Metallurgy Plant	- CHMK	342.00	-	-	-4.34	-10.59	-6.94	52.00	313.00	450.00	-	1,081	-	-	-
	Chusovskoy Metallurgy Plant	- chmz	135.000	-	-	-	7.14	-	-	113.000	132.000	-	315	-	-	-
Precious metals																
	Buryatoloto	- BRZL	14.500	-	-	-6.45	-12.12	-19.44	6.62	15.500	22.000	-	102	26.690	84.07	SPECULATIVE BUY
	Lenzoloto	- lnzl	42.250	-	-	-0.59	5.62	-26.52	49.56	40.000	60.000	-	48	34.210	-19.03	HOLD
	Polymetal	- PMTL	7.0000	-	-	-7.28	-12.50	1.16	17.65	7.0000	9.3500	-	2,205	8.2800	18.29	HOLD
	Polyus-Gold	- PLZL	36.000	-	-	-10.56	-31.10	-21.57	-12.83	36.000	80.000	9,144	6,863	57.180	58.83	HOLD
	Susumanzoloto	- sysy	45.750	-	-	-	-2.66	52.50	1.67	-	-	-	41	55.270	20.81	ACCUMULATE
Coal industry																
	Belon	▼ BLNG	175.500	-13.500	-7.14	-2.50	-17.99	86.70	341.51	93.000	240.000	35,550	2,018	91.610	-47.80	SPECULATIVE BUY
	Vorkutaugol	- voug	160.00	-	-	-6.16	-10.49	-20.00	-6.16	165.00	244.00	-	539	318.92	99.32	SPECULATIVE BUY
	Vorkutaugol, pref.	- vougp	160.00	-	-	-6.16	-10.36	-11.11	-	160.00	187.00	-	-	255.14	59.46	SPECULATIVE BUY
	Kuzbassrazrezugol	- kzru	0.6200	-	-	-3.12	-23.93	44.35	69.86	0.4400	0.9000	31,000	3,791	0.3800	-38.71	HOLD
	Raspadskaya	▼ RASP	6.9000	-0.1000	-1.56	1.61	-27.17	-3.08	124.60	5.4000</						

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						
Pipe industry																
	Almetievsk Pipe Plant	- atza	15.000	-	-	11.11	27.66	27.66	-	-	-	45	26.780	78.53	SPECULATIVE BUY	
	Vykasa Metallurgy Plant	- vsmz	1,330.0	-	0.38	-11.30	-37.12	-13.92	1,400.0	2,080.0	-	2,503	2,439.8	83.45	SPECULATIVE BUY	
	Pervouralsk New Pipe Plant	- PNTZ	28.700	-	-1.54	-3.93	-8.16	-2.30	28.000	32.200	12.800	699	42.350	47.56	BUY	
	Seversky Pipe Plant	- SVTZ	10.375	-	-4.82	-1.19	-37.31	-5.25	10.000	15.800	-	499	16.180	55.95	SPECULATIVE BUY	
	Sinarsky Pipe Plant	- SNTZ	77.50	-	-3.12	-8.82	-44.64	-28.80	68.00	138.50	-	488	230.47	197.38	SPECULATIVE BUY	
	Taganrog Metallurgy Plant	- TAMZ	0.7900	-	-	-17.28	-35.98	-31.30	0.8000	1.1000	-	365	1.3200	67.09	SPECULATIVE BUY	
	TMK	- TRMK	7.8500	-	-0.95	-5.99	-28.15	-16.13	7.1000	10.7000	-	6,853	10.0400	27.90	ACCUMULATE	
	Chelyabinsk Pipe Plant	- CHEP	3.8250	-	-3.16	-5.09	-10.11	-10.53	3.8500	4.5500	-	1,807	5.5700	45.62	BUY	
Telecommunications																
	Volgatelecom	- NNSI	3.2500	-	-0.84	-23.66	-44.63	-35.32	3.2000	5.9100	-	970	6.0110	84.95	BUY	
	Volgatelecom, pref.	- NNSIP	2.0855	-	-2.32	-19.71	-49.75	-43.60	2.0000	4.1800	-	-	4.5083	116.17	BUY	
	Vimpelcom*	- VIP	23.020	-	-5.27	-12.77	-44.66	20.84	22.350	120.750	83,331,568	23,610	39.990	73.72	BUY	
	Dalsvyaz	- ESPK	3.4000	-	-4.23	-18.56	-35.85	-29.89	3.2000	5.7000	-	420	7.4457	118.99	BUY	
	Dalsvyaz, pref.	- ESPKP	3.0500	-	-3.17	-6.87	-31.84	-33.84	2.6500	4.2000	-	-	5.5812	82.99	BUY	
	Comstar-UTS	- CMST	8.000	-	-	-33.33	-26.84	-24.53	8.500	11.000	-	3,344	13.480	68.50	BUY	
	MGTS	- MGTS	34.700	-	-	3.27	-4.41	7.60	32.000	34.600	-	3,263	-	-	HOLD	
	MGTS, pref.	- MGTS	30.850	-	-3.59	4.58	-4.04	16.64	27.100	31.300	-	-	-	-	HOLD	
	MTS	▼ MTSS	11.1200	-0.1300	-1.16	-1.16	-4.96	9.02	9.9000	15.7000	111,200	22,166	16.2900	46.49	BUY	
	Rostelecom	- RTKM	11.475	-	-3.57	5.17	-3.25	18.91	10.400	12.440	-	8,750	4.480	60.96	SELL	
	Rostelecom, pref.	- RTKMP	1.6000	-	-8.57	-20.00	-45.30	-41.82	2.0000	2.8500	-	-	3.3600	110.00	BUY	
	North-West Telecom	- SPTL	0.9700	-	4.86	-16.38	-43.60	-39.38	0.9300	1.7000	-	1,012	1.3290	37.01	HOLD	
	North-West Telecom, pref.	- SPTLP	0.6305	-	-4.61	-13.03	-48.74	-44.57	0.6000	1.2150	-	-	0.9967	58.08	ACCUMULATE	
	Sibirtelecom	- ENCO	0.0693	-	-3.48	-18.05	-42.29	-32.44	0.0630	0.1170	-	985	0.1140	64.62	BUY	
	Sibirtelecom, pref.	- ENCOP	0.0392	-	-20.30	-27.98	-51.24	-45.75	0.0450	0.0670	-	-	0.0855	117.83	BUY	
	Uralsvyazinform	▼ URSI	0.0412	-0.0003	-0.63	-9.04	-20.06	-35.42	-31.38	0.0400	0.0635	5,146	1,533	0.0573	39.18	BUY
	Uralsvyazinform, pref.	- URSIP	0.0260	-	-7.47	-15.31	-38.82	-32.90	0.0260	0.0418	-	-	0.0430	65.38	ACCUMULATE	
	CenterTelecom	- ESMO	0.4850	-	-4.43	-23.62	-47.96	-49.21	0.5000	0.9320	-	944	0.9018	85.94	BUY	
	CenterTelecom, pref.	- ESMOP	0.3400	-	-1.45	-10.41	-45.38	-40.27	0.3550	0.6375	-	-	0.6763	98.91	BUY	
	SouthTelecom	- KUBN	0.1150	-	-10.16	-16.97	-41.92	-35.93	0.1200	0.2020	-	420	0.2526	119.65	BUY	
	SouthTelecom, pref.	- KUBNP	0.0815	-	-5.23	-12.13	-43.70	-32.08	0.0810	0.1450	-	-	0.1895	132.52	BUY	
Machinery																
	AvtoVAZ	- AVAZ	0.8750	-	-10.26	-41.86	-54.66	-47.76	1.1000	1.9500	-	1,469	1.6770	91.66	BUY	
	AvtoVAZ, pref.	- AVAZP	0.5500	-	-5.98	-29.03	-28.10	-7.17	0.5500	0.6550	-	-	1.2580	128.73	BUY	
	GAZ	- GAZA	129.50	-	-1.15	-20.31	-23.82	-12.50	120.00	210.00	-	2,502	197.30	52.36	HOLD	
	GAZ, pref.	- GAZAP	71.00	-	-13.15	-25.65	-40.83	-30.73	95.00	125.50	-	-	148.00	108.45	BUY	
	ZMZ	- ZMZN	5.1000	-	-60.31	-8.11	70.00	100.00	2.9000	5.2000	-	702	4.4500	-12.75	HOLD	
	ZMZ, pref.	- zmnz	3.3750	-	-6.90	-12.34	40.62	82.43	2.6000	3.5250	-	-	3.3400	-1.04	HOLD	
	Kamaz	- KMAZ	4.9500	-	0.51	-6.16	-4.81	12.50	5.5500	7.2500	-	3,501	6.4000	29.29	BUY	
	Kirovsky zavod	- KIRZ	44.000	-	-2.22	-16.19	-20.00	28.28	45.000	56.000	-	478	33.290	-24.34	REDUCE	
	NefAZ	- nfaz	33.500	-	-	-17.28	-6.94	108.98	36.500	50.250	-	269	49.150	46.72	BUY	
	Saturn NPO	- satr	0.0700	-	-0.36	-14.63	-41.18	-46.87	0.0750	0.1125	-	279	0.1379	97.00	HOLD	
	OMZ	- OMZZ	6.0000	-	-8.75	-11.44	-23.32	-32.39	6.7500	7.6000	-	213	6.3200	5.33	SELL	
	RSC Energia	- satr	490.00	-	-11.71	-27.94	-	-	489.90	705.00	-	551	641.10	30.84	HOLD	
	UAZ	- uaza	0.1425	-	9.62	-8.06	2.52	37.68	0.1125	0.1500	-	561	-	-	-	
	UAZ, pref.	- uazap	0.0725	-	-19.44	-25.64	-18.54	35.51	0.0710	0.0900	-	-	-	-	-	
	Severstal-Auto	- SVAV	49.000	-	-2.00	-17.09	-9.26	24.05	48.250	67.300	-	1,679	81.330	65.98	BUY	
	Power Machines	- SILM	0.2000	-	-2.44	-4.76	-1.23	5.26	0.1930	0.2220	3,500	1,742	0.1250	-37.50	SELL	
Industry																
	ALNAS	- alnz	0.5450	-	-	-33.94	-52.61	-37.71	0.6500	0.8500	-	113	1.2000	120.18	BUY	
	Angeromash	- ange	35.050	-	-	-	-39.04	-16.55	-	-	-	35	79.650	127.25	BUY	
	BEPP	- bunz	52.000	-	-	-	9.47	-9.57	-	-	-	16	81.000	55.77	BUY	
	BEPP, pref.	- bunzp	41.000	-	-	-	-1.20	-1.20	-	-	-	-	60.700	48.05	BUY	
	Gazenergoservice	- gzes	115.50	-	-	-4.55	-25.00	-39.21	110.00	210.00	-	40	137.00	18.61	ACCUMULATE	
	Mikron	- mkro	10.150	-	-4.29	-13.62	0.74	48.72	10.000	12.250	-	110	-	-	-	
	Orgenergogaz	- oeng	10.400	-	-8.37	-9.96	-27.65	-18.75	10.070	13.510	-	63	25.200	142.31	BUY	
	Sitronics	- SITR	0.1000	-	-2.44	-16.67	-16.67	-27.80	0.1150	0.1366	-	955	0.0854	-14.60	SELL	
	Centrenergogaz	- cegz	4.625.0	-	-0.54	-4.64	115.12	-	3.000.0	5.680.0	-	436	5.693.6	23.10	BUY	
	Centrenergogaz, pref.	- cegzp	1,200.0	-	-	-18.64	-34.25	-	1,100.0	2,200.0	-	-	4,270.2	255.85	BUY	
	Electrogaz	- elgz	670.00	-	-	11.67	-4.29	15.52	550.50	600.00	-	41	895.70	33.69	BUY	
	Electrogaz, pref.	▼ elgzp	130.00	-220.00	-62.86	-14.75	-21.21	-57.38	-35.00	130.00	390.00	6,760	-	671.80	416.77	BUY
Chemical industry																
	Azot (Berezniki)	- azop	925.00	-	-	0.33	1.93	34.55	875.00	960.00	-	375	1,427.50	54.32	BUY	
	Akron	- AKRN	82.50	-	-8.33	-32.93	63.37	239.16	50.70	127.50	82,500	3,934	136.24	65.14	BUY	
	Ammofos	- ammo	125.00	-	8.70	-7.41	10.13	210.17	99.00	270.00	625	1,127	332.20	165.76	BUY	
	Dorogobuzh	- DGBZ	0.8500	-	-5.56	-36.33	88.89	243.43	0.4550	1.4000	-	706	1.1900	40.00	HOLD	
	Dorogobuzh, pref.	- DGBZP	0.6000	-	-14.29	-16.67	87.50	189.16	0.3200	0.7400	-	-	0.6400	6.67	HOLD	
	Kujbyshevazot	- kazt	3.9000	-	4.00	-13.14	44.44	116.67	2.3400	5.0100	-	932	5.7500	47.44	BUY	
	Kujbyshevazot, pref.	- kaztp	2.1500	-	6.17	-1.15	36.51	47.87	1.5000	2.0500	-	-	3.2800	52.56	BUY	
	Silvinit	- SILV	1,370.0	-	-13.29	-34.61	55.68	245.52	900.0	2,275.0	-	12,286	1,417.4	3.46	REDUCE	
	Silvinit, pref.	- silvp	600.00	-	-15.37	-39.39	-7.69	126.42	510.00	1,250.00	6,000	-	809.90	34.98	REDUCE	
	Uralkali	- URKA	9.400	-	-1.57	-32.37	20.51	238.13	5.800	16.050	-	19,969	17.830	89.68	ACCUMULATE	
Retail Trade																
	Pharmacy Network 36,6	- APTK	26.500	-	-13.40	-32.05	-63.70	-68.91	26.000	70.000	53,500	252	-	-	UNDER REVISION	
	GUM	- GUMM	2.6250	-	-0.57	-1.22	28.05	20.14	1.9700	2.9500	-	158	-	-	UNDER REVISION	
	X5 Retail Group**	- FIVE	27.960	-	-5.22	-9.07	-23.40	6.97	26.700	38.930	1,983,068	7,398	-	-	UNDER REVISION	
	Seventh Continent	- SCON	25.930	-	-0.84	-1.59	0.12	2.39	22.750	28.500	-	1,945	-	-	UNDER REVISION	
	TzUM	- TZUM	5.1750	-	-	-3.72	140.70	149.40	2.1200	6.1000	-	464	-	-	UNDER REVISION	

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			
Consumer Sector																		
	Baltika	- PKBA	36.550	-	-	-9.75	-15.73	-24.44	-24.79	42.250	50.000	-	5,867	-	-	UNDER REVISION		
	Baltika, pref.	- PKBAP	26.100	-	-	-5.52	-5.95	-22.09	-18.82	25.500	31.000	-	-	-	-	UNDER REVISION		
	WBD	- WBDF	54.500	-	-	5.31	-17.42	-39.44	-28.29	47.000	93.000	-	2,398	-	-	UNDER REVISION		
	Kalina	- KLNA	25.000	-	-	-7.41	-23.08	-38.27	-41.04	23.000	39.000	-	244	-	-	UNDER REVISION		
	Lebedyansky	- LEKZ	81.250	-	-	0.31	-0.91	-11.68	-17.93	80.000	93.500	-	1,658	-	-	UNDER REVISION		
Transport																		
	Aeroflot	- AFLT	3.0000	-	-	-3.23	-	-20.00	7.14	2.9000	4.4500	-	3,332	4.1700	39.00	HOLD		
	Vostochny Port	- vopt	61.000	-	-	-	-	-12.86	-6.15	-7.58	50.000	70.000	-	160	114.580	87.84	BUY	
	Vostochny Port, pref.	- voptp	80.000	-	-	-	-	-	53.85	39.13	-	-	-	85.930	7.41	ACCUMULATE		
	FESCO	- FESH	1.0250	-	-	-4.21	-8.07	-6.39	34.87	0.9800	1.3500	-	2,420	1.0500	2.44	SELL		
	Murmansk Commercial Seaport	- mscp	1.025.00	-	-	-	-	20.31	-4.61	860.00	1,200.00	-	127	1,305.40	27.36	BUY		
	Murmansk Commercial Seaport, pref.	- mscpp	287.50	-	-	-0.17	-	-8.73	-13.53	271.00	305.00	-	-	979.00	240.52	BUY		
	Novorossiysk Commercial Sea Port	- NMTP	0.1615	-	-	7.67	-15.02	-35.40	-	0.1500	0.2650	-	3,110	0.1990	23.22	ACCUMULATE		
	Novorossiysk Sea Shipping	- NOMP	3.2000	-	-	-4.92	-3.61	9.22	35.88	2.9900	3.4000	-	1,322	3.6000	12.50	BUY		
	Novorossiysk Sea Shipping, pref.	- NOMPP	0.9500	-	-	-9.52	-24.00	-47.22	-28.84	1.1500	1.7400	-	-	2.7000	184.21	BUY		
	FESCO	- PRIM	0.4500	-	-	-	-	-2.28	9.76	30.81	0.4200	0.4200	-	358	0.5610	24.67	BUY	
Banks																		
	VTB	▼ VTBR	0.0032	-0.0001	-1.52	-0.91	-7.14	-35.77	-35.00	0.0031	0.0050	64,600	21,853	-	-	-		
	Sberbank	▼ SBER	2.6700	-0.1200	-4.30	-0.74	-14.42	-36.73	-29.55	2.3300	4.3800	3,539,200	59,187	4.6210	73.07	ACCUMULATE		
	Sberbank, pref.	- SBERP	1.5500	-	-	-6.06	-17.55	-48.33	-44.84	1.4000	2.9300	-	-	3.4660	123.61	ACCUMULATE		
Media & IT																		
	RBC	- RBCI	7.5500	-	-	-1.18	-9.04	-27.75	-13.71	7.3500	10.9000	-	1,057	9.8600	30.60	BUY		
	CTC Media*	- CTCM	22.470	-	-	-	1.40	-25.60	-	21.030	105.040	6,019,957	3,419	32.600	45.08	BUY		
Oblgaz																		
	Altaikraiggaz	- akgs	123.00	-	-	-	-	-19.87	6.96	-58.31	105.00	105.00	-	14	339.43	175.96	BUY	
	Astrakhanobgas	- asog	2.5000	-	-	-	-	-7.41	17.65	2.7000	2.7000	-	10	2.3800	-4.80	HOLD		
	Belgorodobgas	- bogz	600.00	-	-	-	-	20.00	20.00	-	700.00	700.00	-	48	3,331.71	455.28	BUY	
	Bryanskobgas	- brog	440.00	-	-	-0.11	-1.12	7.98	33.74	380.00	510.00	-	48	1,140.89	159.29	BUY		
	Vladimirobgas	- vlog	775.0	-	-	6.90	-4.62	-47.55	34.20	800.0	1,355.0	-	35	973.7	25.64	HOLD		
	Vologradobgas	- vlz	780.00	-	-	-	1.30	20.46	79.31	495.00	805.00	-	67	1,329.23	70.41	BUY		
	Voronezhobgas	- vogz	5.3750	-	-	-1.38	12.92	36.25	186.67	3.6000	7.0000	-	119	12.8200	138.51	BUY		
	Ivanovoobgas	- ivog	20.000	-	-	-	-	263.64	299.20	-	-	-	8	150.760	653.80	BUY		
	Ivanovoobgas, pref.	- ivogp	26.000	-	-	-	-	-46.39	766.67	-	-	-	-	150.760	479.85	BUY		
	Irkutskobgas	- irog	170.00	-	-	-	-	-10.53	-12.82	70.00	-	-	4	-	-			
	Kalugaobgas	- klog	900.00	-	-	-	-	-7.69	50.00	259.28	750.00	800.00	-	27	1,286.95	42.99	BUY	
	Karelgas	- klz	57.00	-	-	-	-	-49.78	-55.29	-55.12	-	-	2	324.27	468.89	BUY		
	Kirovobgas	- krog	311.00	-	-	-	-	-6.33	42.99	63.64	-	-	31	705.25	126.77	BUY		
	Komigaz	- kgaz	32.500	-	-	-	-	-7.14	-13.33	-50.00	30.000	30.000	-	11	80.440	147.51	BUY	
	Komigaz, pref.	- kgazp	7.800	-	-	-	-	-0.32	-48.43	-64.55	-51.25	-	-	60.330	673.46	BUY		
	Kostromaobgas	- koog	397.50	-	-	-	-	-5.92	-9.66	4.61	68.79	331.00	400.00	-	22	935.74	135.41	BUY
	Krasnodarkraigas	- kgas	15.000	-	-	-	-	-	141.94	114.29	-	-	31	12.110	-19.27	SELL		
	Kurganobgas	- kuog	470.00	-	-	-	-	-	-27.69	44.62	-	-	14	-	-			
	Kurskobgas	- krgz	650.00	-	-	-	6.12	100.00	154.90	600.00	700.00	-	57	1,184.98	82.30	BUY		
	Lenobgas	- leog	2,575.0	-	-	-	-	-	-0.96	296.15	650.0	650.0	-	204	717.7	-72.13	HOLD	
	Lipetskobgas	- lpog	160.00	-	-	-	-	-	28.00	33.33	-	-	19	716.78	347.99	BUY		
	Nizhegorodobgas	- nnog	3.2000	-	-	17.43	13.27	-19.80	13.27	2.3500	4.5000	-	89	1.8700	-41.56	HOLD		
	Omskobgas	- omog	9.050	-	-	-	-	-5.48	-5.24	39.23	81.00	11.000	-	13	20.130	122.43	BUY	
	Omskobgas, pref.	- omogp	2.7500	-	-	-	-	-29.49	-37.50	-31.25	-8.33	-	-	11.5500	320.00	BUY		
	Orelobgas	- orgz	442.50	-	-	-	-	-	18.00	195.00	-	-	17	512.18	15.75	BUY		
	Orenburgobgas	- orog	2,200.0	-	-	-	1.15	127.98	189.47	1,000.0	2,250.0	-	169	2,855.8	29.81	HOLD		
	Pensagasifikatsiya	- pgzf	140.00	-	-	-	-	-	-30.00	-6.67	-	-	5	869.49	521.06	BUY		
	Rostovobgas	- rtbg	750.00	-	-	-	-	-1.96	-1.32	25.00	66.67	625.00	900.00	-	100	1,529.82	103.98	BUY
	Rostovobgas, pref.	- rtbgp	435.00	-	-	-	2.35	1.16	-7.45	47.46	400.00	460.00	-	-	1,529.82	251.68	BUY	
	Ryazanobgas	- rzog	5.7500	-	-	-	-	-4.17	-44.44	-65.26	-	-	28	5.9200	2.96	HOLD		
	Samaragas	- sagz	55.500	-	-	-	-	-77.80	0.45	9.90	45.500	45.500	-	6	289.840	422.23	BUY	
	Saratovobgas	- srog	15.000	-	-	-	-	-9.09	-14.29	84.62	189.86	7.750	25.000	-	55	50.010	233.40	BUY
	Sibirgasservice	- sbsg	8.5500	-	-	-	-	21.28	13.25	52.00	-	-	39	-	-			
	Smolenskobgas	- smog	147.50	-	-	-	-	-1.67	-1.01	67.61	210.53	81.50	185.00	-	59	332.44	125.38	BUY
	Stavropolkraigas	- stkg	412.50	-	-	-	-	-2.94	-5.71	-56.81	-	575.00	575.00	-	51	81.59	-80.22	SELL
	Stavropolkraigas, pref.	- stkgp	275.00	-	-	-	-	-15.38	-54.17	-	280.00	400.00	-	-	81.59	-70.33	SELL	
	Tambovobgas	- togz	69.500	-	-	-	-	0.72	98.57	258.71	29.000	59.000	-	60	81.290	16.96	BUY	
	Tverobgas	- tveo	202.50	-	-	-	-	3.85	-25.82	9.46	225.00	246.00	-	36	236.31	16.70	HOLD	
	Tulaobgas	- tuog	456.00	-	-	-	3.17	3.64	68.89	266.19	180.00	705.00	-	72	1,106.23	142.59	BUY	
	Chitaobgas	- chog	125.000	-	-	-	-	85.19	127.27	-	-	-	9	-	-			
	Yaroslavl-obgas	- yrog	320.00	-	-	-	23.08	8.29	23.08	88.24	250.00	260.00	-	22	503.81	57.44	BUY	
Services companys																		
	Giprospekgaz	- gsgz	1,433.5	-	-	-	1.67	6.19	-39.00	7.38	1,100.0	1,850.0	-	59	7,463.0	420.61	BUY	
	Giprospekgaz, pref.	- gsgzp	675.00	-	-	-	-	-1.82	-9.70	-49.06	-15.09	800.00	800.00	-	-	5,970.00	784.44	BUY
	Spetsgazremstroy	- sgrs	173.00	-	-	-	0.29	-5.21	-51.94	-15.61	344.00	425.00	-	90	741.25	328.47	BUY	
	Spetsgazremstroy, pref.	- sgrsp	85.00	-	-	-	-	-10.99	-19.43	-54.67	-41.38	120.00	255.00	-	-	555.94	554.05	BUY
Services companys																		
	Belgorodasbestocement	- belc	201.00	-	-	-	53.44	34.00	402.50	-	-	-	20	588.48	192.78	SPECULATIVE BUY		
	Strojpolimerkeramika	- spke	35.000	-	-	-	-	125.81	128.01	-	-	-	70	79.940	128.40	BUY		
	Strojpolimerkeramika, pref.	- spkep	16.5000	-	-	-	-	45.37	45.37	8.0000	8.0000	-	-	27.9800	69.58	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	33.900	-0.400	1.7	1.1	0.51	-1.17	-0.06	6,471	112
AFK Sistema	KO71 GR	AFKS	20.00	Frankfurt	26.034	0.128	1.3	1.1	-	0.49	-0.06	-	112
Aeroflot	AETG GR	AFLT	100	Frankfurt	304.348	0.101	3.043	3.000	-	0.03	-	-	-
Wimm-Bill-Dann	WBD LI	WBDF	1	London	16.000	-	16.000	47.000	-	-	-	-	-
Wimm-Bill-Dann	WBD US	WBDF	1	New York	80.990	0.170	80.990	47.000	-	0.21	-	19,417	-
Wimm-Bill-Dann	WBPA GR	WBDF	1	Frankfurt	79.966	0.163	79.966	47.000	-	0.20	-	-	-
Volgaelcom	NZH GR	NNSI	2	Frankfurt	5.968	0.012	2.984	3.200	-	0.20	-	-	-
Vimpelcom	VIP US	VIMP	1/4	New York	23.020	-0.420	460.40	420.00	-	-1.79	-	83,332	-
Vimpelcom	VIP GR	VIMP	1/4	Frankfurt	22.811	-1.055	456.22	420.00	-	-4.42	-	25	-
Gazprom	OGZD LI	GAZP	4	London	43.090	-1.380	10.772	10.850	-0.01	-3.10	-0.03	530,579	13,429
Gazprom	OGZPY US	GAZP	4	New York	43.550	-0.600	10.888	10.850	-	-1.36	-0.03	-	13,429
Gazprom	GAZ GR	GAZP	4	Frankfurt	43.265	-1.028	10.816	10.850	-0.00	-2.32	-0.03	2,757	13,429
Golden Telecom	GLDN LI	GLDN	1	New York	105.020	-	105.020	-	-	-	-	-	-
Golden Telecom	GT7 GR	GLDN	1	Frankfurt	103.873	-	103.873	-	-	-	-	-	-
EvrazHolding	EVR LI	-	1/3	London	79.900	1.700	239.700	-	-	2.17	-	84,794	-
EvrazHolding	HK1A GR	-	1/3	Frankfurt	78.176	0.011	234.527	-	-	0.01	-	4	-
Irkutskenergo	IKSGY US	IRGZ	50	New York	-	-	-	0.680	-	-	-	-	-
Irkutskenergo	IRK GR	IRGZ	50	Frankfurt	-	-	-	0.680	-	-	-	-	-
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	78.500	-2.000	78.500	78.100	0.01	-2.48	-0.04	340,257	6,399
LUKOIL	LUKOY US	LKOH	1	New York	79.200	-0.200	79.200	78.100	-	-0.25	-0.04	-	6,399
LUKOIL	LUK GR	LKOH	1	Frankfurt	79.145	-0.806	79.145	78.100	0.01	-1.01	-0.04	591	6,399
MCTN	MOW GR	MGTS	1	Frankfurt	26.854	0.055	26.854	31.500	-	0.20	-	-	-
Mechel	MTL US	MTLR	3	New York	21.220	0.390	7.073	25.750	-0.73	1.87	-0.73	138,296	1,804
Mechel	FQF GR	MTLR	3	Frankfurt	43.353	-1.476	14.451	25.750	-0.44	-3.29	-0.73	2	1,804
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	12.159	0.099	0.122	0.220	-	0.82	-	2	-
MTS	MBDL LI	MTSS	5	London	-	-	-	11.120	-	-	-0.01	-	111
MTS	MBT US	MTSS	5	New York	-	-	-	11.120	-	-	-0.01	-	111
MTS	MKY GR	MTSS	5	Frankfurt	71.910	-0.002	14.382	11.120	0.29	-0.00	-0.01	5	111
Nizhnekamskneftekhim	OAD GR	NKNC	10	Frankfurt	6.535	-0.165	0.653	0.725	-	-2.47	-	2	-
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	19.100	0.400	19.10	190.50	-0.90	2.14	0.02	155,593	14,585
Norilsk Nickel	NILSY US	GMKN	1	New York	19.050	0.520	19.05	190.50	-	2.81	0.02	-	14,585
Norilsk Nickel	NNIA GR	GMKN	1	Frankfurt	19.066	0.367	19.07	190.50	-0.90	1.96	0.02	88	14,585
UHM	UHM GR	OMZZ	1	Frankfurt	5.968	-0.211	5.968	8.750	-	-3.42	-	4	-
Pyaterochka	FIVE LI	-	1/4	London	27.960	0.020	111.840	-	-	0.07	-	1,983	-
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	11.350	-	-	-	-	-
Rostelekom	ROS US	RTKM	6	New York	-	-	-	11.350	-	-	-	-	-
Rostelekom	RTL GR	RTKM	6	Frankfurt	66.748	-0.280	11.125	11.350	-	-0.42	-	58	-
Seversky pipe plant	SVY GR	SVTZ	10	Frankfurt	104.433	0.213	10.443	14.500	-	0.20	-	-	-
Gazprom Neft	GAZ LI	SIBN	5	London	26.500	-0.400	5.300	4.300	-	-1.49	-	3,493	-
Gazprom Neft	GZPFY US	SIBN	5	New York	32.250	-	6.450	4.300	-	-	-	-	-
Gazprom Neft	SCF GR	SIBN	5	Frankfurt	26.959	-0.228	5.392	4.300	-	-0.84	-	158	-
Surgutneftegas	SGGD LI	SNGS	50	London	7.880	-0.100	0.158	0.780	-0.80	-1.25	-	28,716	222
Surgutneftegas	SGTZY US	SNGS	50	New York	-	-	-	0.780	-	-	-	-	222
Surgutneftegas	SGN GR	SNGS	50	Frankfurt	7.982	-0.088	0.160	0.780	-0.80	-1.09	-	45	222
Tatneft	ATAD LI	TATN	20	London	113.750	-1.250	5.688	5.700	-	-1.09	-	9,199	-
Tatneft	TNT US	TATN	20	New York	-	-	-	5.700	-	-	-	-	-
Tatneft	TTFA GR	TATN	20	Frankfurt	96.244	-0.314	4.812	5.700	-	-0.32	-	324	-
Tyumenaviatrans	UTARY US	TMAT	100	New York	40.000	-	0.400	0.538	-	-	-	-	-
Tyumenaviatrans	TYV GR	TMAT	100	Frankfurt	61.168	1.614	0.612	0.538	-	2.71	-	-	-
Tsum	THT GR	TZUM	20	Frankfurt	99.957	1.693	4.998	2.000	-	1.72	-	-	-
STC	KUE GR	KUBN	50	Frankfurt	8.229	0.353	0.165	0.135	-	4.49	-	-	-

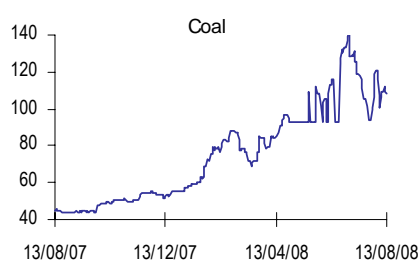
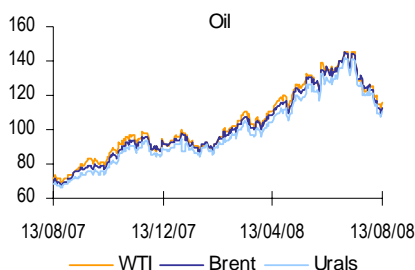
Source: Bloomberg, Estimation: Veles Capital

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	▲ 112.73	2.36	2.14	-3.48	-21.99	17.55	57.71	-0.74	147.59
Brent, USD / bbl	▲ 112.61	2.68	2.44	-2.78	-21.53	19.94	60.48	85.05	147.21
Urals, USD / bbl	▲ 110.15	2.36	2.19	-3.15	-21.24	20.67	61.01	-3.32	142.94
WTI, USD / bbl	▲ 116.00	2.99	2.65	-2.18	-20.10	20.83	60.27	86.47	146.30
Brent-Urals	▲ 2.46	0.32	14.95	17.14	-32.60	-5.75	39.77	1.66	9.94
Coal, USD / ton	▼ 108.75	-0.25	-0.23	8.21	-7.84	95.95	139.80	55.50	142.85

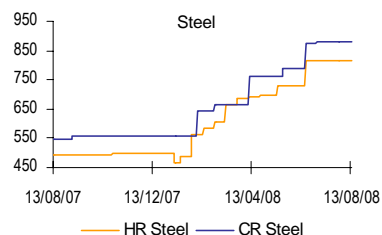
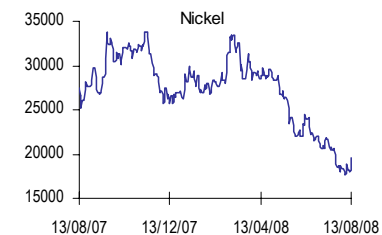
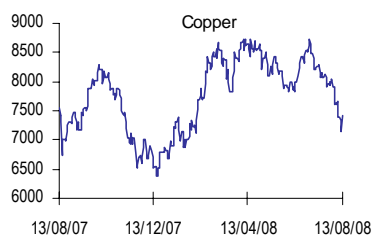
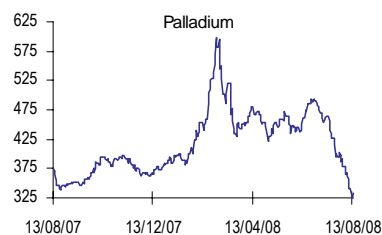
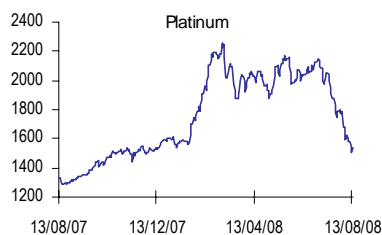
Source: Bloomberg, Estimation: Veles Capital



Prices of metals

	Close, USD	Change, USD	Change, %					Current year, USD	
			day	week	month	from Jan 1	year	min	max
Gold, USD / ounce	▲ 847.97	15.18	1.82	-6.28	-15.14	-2.69	20.39	832.79	1,027.52
Silver, USD / ounce	▲ 15.33	0.42	2.83	-9.89	-21.93	-0.90	14.61	14.91	21.42
Platinum, USD / ounce	▲ 1,539.74	37.63	2.51	-5.55	-24.60	-3.21	16.11	1,502.11	2,257.73
Palladium, USD / ounce	▲ 333.68	14.90	4.67	-8.26	-28.08	-14.13	-9.92	318.78	598.39
Aluminum, USD / ton	▲ 2,810.00	38.00	1.37	-3.30	-15.00	16.65	10.11	2,409.00	3,317.00
Copper, USD / ton	▲ 7,430.00	280.00	3.92	-2.43	-10.27	11.31	0.20	6,675.00	8,730.00
Nickel, USD / ton	▲ 19,500.00	1,400.00	7.73	9.55	-6.02	-25.86	-28.57	17,600.00	33,400.00
Lead, USD / ton	▼ 1,680.00	-60.00	-3.45	-18.64	-14.72	-34.12	-44.19	1,568.00	3,420.00
Tin, USD / ton	▲ 17,800.00	300.00	1.71	-13.06	-23.61	8.37	24.91	16,025.00	25,300.00
Zinc, USD / ton	▲ 1,650.00	35.00	2.17	-6.52	-17.71	-30.38	-49.92	1,615.00	2,830.00
Titanium, USD / ton	- 4,585.62	-	-	-	-2.35	2.46	22.35	4,475.38	5,511.56
HR Steel, USD / ton	- 815.00	-	-	-	-	63.00	64.65	465.00	815.00
CR Steel, USD / ton	- 880.00	-	-	-	-	57.14	61.47	555.00	880.00

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	▼ 1,776.06	-27.76	-1.54	-2.12	-19.56	-22.46	-7.77	1,648.53	2,498.10
MICEX Index	▼ 1,424.44	-24.90	-1.72	0.87	-14.52	-24.59	-15.05	1,282.38	1,966.32
Technical RTS Index	▼ 2,608.42	-52.87	-1.99	-2.09	-19.28	-17.42	-0.76	2,313.34	3,730.73
MSCI Russia	▼ 1,147.97	-24.07	-2.05	-0.43	-18.69	-25.28	-4.82	1,040.85	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 ▼ 11,532.96	-109.51	-0.94	-1.06	4.32	-13.06	-11.48	10,827.71	13,279.54
NASDAQ	USA ▼ 2,428.62	-1.99	-0.08	2.11	9.75	-8.43	-2.82	2,155.42	2,661.50
FTSE 100	Great Britain ▼ 5,448.60	-85.90	-1.55	-0.68	2.80	-15.62	-11.31	5,071.10	6,534.70
Nikkei 225	Japan ▼ 13,023.05	-280.55	-2.11	-1.75	0.10	-14.93	-22.69	11,691.00	15,413.37
S&P 500	USA ▼ 1,285.83	-3.76	-0.29	-0.26	4.68	-12.43	-9.86	1,200.44	1,471.77
AEX	Nederlands ▼ 410.33	-5.23	-1.26	-0.04	3.79	-20.44	-19.29	374.09	518.27
OMX	Sweden ▼ 868.81	-25.19	-2.82	-2.00	5.11	-19.66	-27.22	801.54	1,081.44
DAX	Germany ▼ 6,422.19	-163.68	-2.49	-2.12	3.58	-20.39	-13.51	5,999.32	8,100.64
MIB 30	Italy ▼ 29,399.00	-575.00	-1.92	-0.95	2.15	-24.40	-25.58	27,531.00	38,885.00
CAC 40	France ▼ 4,402.97	-115.51	-2.56	-1.02	6.29	-21.57	-19.63	4,002.87	5,665.94
SMI	Switzerland ▼ 7,193.50	-108.34	-1.48	-0.22	7.76	-15.22	-15.86	6,422.85	8,571.76
ASX 200	Australia ▼ 4,951.60	-102.00	-2.02	-0.35	0.62	-21.90	-16.99	4,758.50	6,385.70
Bloomberg European 500	▼ 203.29	-4.71	-2.26	-1.10	3.41	-46.65	-42.63	189.56	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	▼ 973.88	-8.64	-0.88	-3.78	-6.63	-21.84	-6.26	970.69	1,252.59
Europe									
ASE	Greece ▼ 3,287.93	-57.25	-1.71	-4.39	-0.84	-36.51	-29.88	3,100.71	5,207.44
WSE WIG	Poland ▼ 41,049.76	-408.20	-0.98	-0.93	5.72	-26.23	-30.57	37,371.76	56,066.82
PFTS	Ukraine ▲ 639.49	5.49	0.87	-1.35	-5.54	-45.53	-39.21	610.20	1,208.61
BUX	Hungary ▼ 20,260.25	-495.13	-2.39	-5.79	-0.70	-22.78	-26.29	19,527.81	26,242.90
PX	Czech Republic ▲ 1,448.30	1.80	0.12	-0.77	0.55	-20.21	-18.41	1,372.40	1,819.50
TA-100	Israel ▼ 917.46	-8.20	-0.89	-1.30	0.12	-21.16	-13.40	882.87	1,167.04
XU 100	Turkey ▼ 41,253.85	-207.99	-0.50	-1.95	15.15	-25.72	-17.30	32,645.90	55,281.66
Asia and Africa									
HSI	Hong Kong ▼ 21,293.32	-347.57	-1.61	-2.99	-3.28	-23.44	-3.24	20,572.92	27,853.60
SENSEX	India ▼ 15,093.12	-119.01	-0.78	0.13	13.22	-25.65	0.61	12,514.99	21,206.77
JALSH	SAR ▲ 27,035.65	113.29	0.42	0.34	-2.47	-6.64	-1.22	24,005.35	33,309.82
JCI	Indonesia ▲ 2,063.52	5.94	0.29	-5.65	-8.68	-24.85	-4.85	2,035.59	2,838.48
KOSPI	South Korea ▼ 1,562.72	-14.40	-0.91	-1.01	0.26	-17.63	-14.04	1,488.75	1,901.13
SHCOMP	China ▼ 2,446.30	-10.90	-0.44	-10.04	-15.01	-53.51	-49.80	2,370.74	5,522.78
America									
MEXBOL	Mexico ▲ 26,877.07	240.52	0.90	-1.70	-2.33	-9.00	-6.99	25,282.31	32,292.92
IBOV	Brazil ▲ 54,573.18	70.21	0.13	-5.16	-10.12	-14.58	7.19	53,010.96	73,920.38
IPSA	Chile ▼ 2,884.84	-32.51	-1.11	-3.35	4.14	-5.47	-6.50	2,369.06	3,113.93
IBVC	Venezuela ▲ 39,158.05	44.36	0.11	-1.42	1.93	3.31	-4.54	33,767.05	41,584.92

Source: Bloomberg, Estimation: Veles Capital

Information disclosure

The statement of an analyst and confirmation of the responsibility withdrawal

The given report is prepared by the analyst (-s) of the Investment Company Veles Capital. The given estimations in the present report reflect personal opinion of the analyst (-s). The award of the analysts does not depend, never depended and will not depend upon the specific recommendations or estimations, provided in the present report. The award of the analysts depends upon the general efficiency of the business of the Investment Company Veles Capital, determined by the investment benefit of the company's clients and also upon the incomes from other types of activity of the Investment Company Veles Capital.

The given report, prepared by the Research Department of the Investment Company Veles Capital, is basing on the public information. The present review was prepared independently from other Departments of the Investment Company Veles Capital, and any recommendations and judgments, presented in the given report reflect only the view point of the analyst (-s), participated in making of the present review. Due to that consideration, the Investment Company Veles Capital considers being necessary to state that the analysts and the Company are not responsible for the content of the given report. The analysts of the Investment Company Veles Capital do not take overall responsibility to regularly up-date the information, contained in the present report, and also to announce about all changes, introduced to the present review.

Provided analytical material of the Investment Company Veles Capital could be used only with information aims. The company does not guarantee the completeness and preciousness of provided information in the given report and its reliability, and also is not responsible for direct and indirect losses from using of the given materials. This document cannot serve as a basis for purchase and selling any securities, and cannot also be considered as an offer from the part of the Investment Company Veles Capital. The Investment Company Veles Capital and (or) its subsidiaries along with the staff, directors and analysts of the Investment Company Veles Capital have the right to purchase and sell any securities, mentioned in the given review.

The Investment Company Veles Capital and (or) its subsidiaries can serve as a market-maker or have the liabilities for underwriting of companies' securities, mentioned in the given review, can purchase or sell them for clients, and also make any actions, which do not contradict the Russian law. The Investment Company Veles Capital and (or) its subsidiaries can also be interested in the possibility of providing the companies, mentioned in the present review, with the investments and bank or any other services.

All rights for the given bulletin belong to the Investment Company Veles Capital. The reproduction and/or distribution of the analytical materials of the Investment Company Veles Capital are prohibited without the written permission of the Company. © Veles Capital 2008.

The principle of recommendation assignment

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.

In order to get additional information and specifications please contact the Research Department of the Investment Company Veles Capital.

Research Department*research@veles-capital.ru*

Mikhail Zak
Head of Department
Strategy
MZak@veles-capital.ru

Ivan Manaenko
*Fixed income market,
Macroeconomics*
IManaenko@veles-capital.ru

Ilya Fedotov
Telecommunications
IFedotov@veles-capital.ru

Stanislav Fomenko
Metallurgy
SFomenko@veles-capital.ru

Marina Irkly
Transport, machinery
MIrkly@veles-capital.ru

Oleg Zotikov
Energy
OZotikov@veles-capital.ru

Dmitry Lyutyagin
Oil and gas
DLyutyagin@veles-capital.ru

Oleg Salmanov
Fixed income
OSalmanov@veles-capital.ru

Shawn Gizatulin
Editor/Interpreter
SGizatulin@veles-capital.ru

Sales and Trading Department*sales@veles-capital.ru*

Yury Pavlov
Director (VIP clients)
YPavlov@veles-capital.ru

Sergey Vetoshkin
Corporative Clients
SVetoshkin@veles-capital.ru

Alexander Taran
Trading (Ukraine)
ATaran@veles-capital.com.ua

Strategic Investments Department

Andrey Lee
Head of department
ALee@veles-capital.ru

Assets Management*am@veles-capital.ru*

Beyshen Isaev
Head of Department
BIsaev@veles-capital.ru

Vadim Labed
Investor relations
VLabed@veles-capital.ru

Stanislav Brodsky
Investment products
SBrodsky@veles-capital.ru