

Daily review

August 28, 2008

Trader's view

Wednesday's trades started with sound dynamics. It was achieved due to technical factors (the code reached the lowest level) and positive trends at foreign grounds and commodity markets as well. The morning growth formed 1.8% and exceeded 1600 points. We do not exclude that it was boosted by government's statements, concerning the recognition of South Ossetia and Abkhazia political independence, and also by fearlessness of possible USA's and UN's sanctions towards Russia. However, the growth has no longer taken place: the major part of the day RTS code has floated near 1560 points. A new wave of retracement was caused by European grounds. However, it was not the only factors of code fall. RTS managed to come through the fall at 4 PM and finished the trades with positive value, after 3 days of strong retracement. Among the leader were the shares of oil & gas companies. The reasons are: a growth of oil prices, good forecasts on LUKOIL's and Rosneft's financial report, which will be published on Friday and Monday respectively. The shares added 3% due to these forecasts.

Main events

KAMAZ's IAS 2007 financial report.

According to IAS 2007 report, KAMAZ's consolidated net income increased by 90%, to 7.868 bn RUR vs 2006 results, says company's statement.

Other news

- Gazprom: FAS to distribute free gas transmission capacities.
- CTRP's net income increased by 22% under IAS 2007 report.
- Access exercises put option on Comstar's stocks.
- AvtoVAZ: shopping at automobile market.
- AvtoVAZ shifted terms new model production based on Renault.

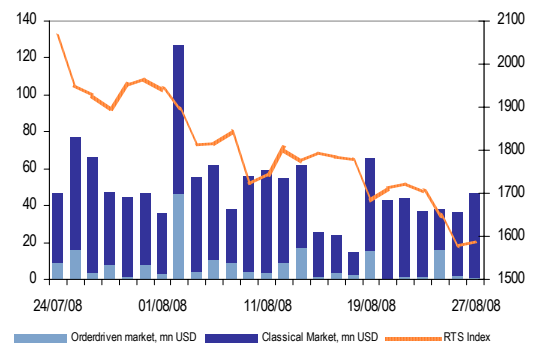
Market estimates

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	▲ 1,589.05	9.93	0.63	-7.26	-17.61	-15.35
MICEX Index	▲ 1,302.58	9.66	0.75	-6.06	-10.55	-20.69
USD / RUR	▼ 24.6577	-0.05	-0.20	0.89	5.69	-3.89
EUR / RUR	▲ 36.1907	0.04	0.11	0.80	-1.54	3.17
EUR / USD	▲ 1.4680	0.00	0.33	-0.07	-6.82	7.67
Dow Jones Index	▲ 11,502.51	89.64	0.79	0.75	3.34	-11.80
NASDAQ	▲ 2,382.46	20.49	0.87	-0.28	5.22	-4.73
FTSE 100	▲ 5,528.10	57.40	1.05	2.91	4.06	-9.41
Nikkei 225	▼ 12,752.96	-25.75	-0.20	-0.77	-4.50	-21.70
MSCI EM	▲ 953.74	15.24	1.62	-0.80	-6.90	-9.20

Source: Bloomberg, Estimation: Veles Capital

RTS index vs. trade volume



Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	▲ 114.02	0.32	0.28	1.89	-8.81	64.08
Urals, USD / bbl	▲ 111.41	1.71	1.56	0.16	-8.94	63.93
Gold, USD / ounce	▲ 847.74	2.13	0.25	1.60	-11.34	21.58
Palladium, USD / ounce	▲ 300.03	6.17	2.10	2.28	-25.27	-13.20
Copper, USD / ton	▲ 7,650	70	0.92	1.80	-4.32	5.15
Nickel, USD / ton	▲ 21,000	970	4.84	5.40	12.00	-24.17

Source: Bloomberg, Estimation: Veles Capital

Russian share quotes

	Close, USD	Change, USD	Change, %			
			day	week	month	year
VTB	▲ 0.003	0.000	1.12	-11.48	-23.94	-42.80
Polyus-Gold	- 29.75	-	-4.03	-17.36	-41.67	-25.62
NorNickel	▼ 194.00	-3,000	-1.52	-1.52	-4.43	-9.77
Rostelecom	▲ 11.25	0.100	0.90	-2.00	-5.06	13.64
MTS	- 9.80	-	-	-13.66	-11.71	-3.92
Sberbank	▼ 2,250	-0.030	-1.32	-12.38	-25.00	-39.39
LUKOIL	▲ 70.90	2.700	3.96	-3.47	-16.00	-5.21
Gazprom Neft	- 4,400	-	-	-18.89	-37.14	19.73
Surgutneftegas	▼ 0.680	-0.010	-1.45	-9.93	-22.69	-46.46
Gazprom	▲ 9.48	0.080	0.85	-6.51	-17.57	-8.67
Tatneft	▼ 5,000	-0.170	-3.29	-8.76	-19.03	2.46
Rosneft	▲ 7,950	0.250	3.25	-4.79	-18.46	-1.12

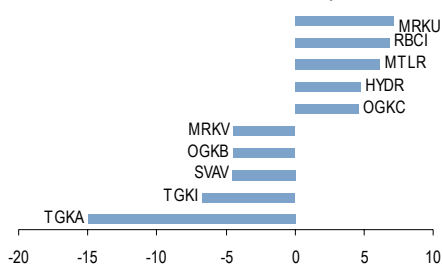
Source: RTS web page, Estimation: Veles Capital

Veles Management MC Unit investment trusts

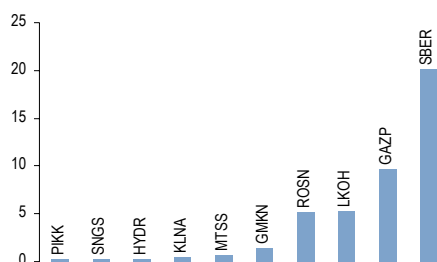
	Net asset value, RUR	Share price, RUR	Change, %			Since interest per annum formation, %
			day	month	year	
VELES Capital	-	908.78	-3.92	-12.71	-15.66	-3.78
VELES Capital - Selected Shares	▼ 7,423,404	690.15	-5.87	-16.67	-25.97	-17.48
VELES Capital - Bonds	▼ 32,949,232	1,001.02	-0.11	-0.61	-	0.19

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	1,560.7	1,600.0
2	1,547.2	1,650.0
3	1,500.0	1,684.4

Trader's view

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According to the results of the day, RTS code increased by +0.63% and formed 1589.05 points. The shares of oil companies – LUKOIL (+3.96%), Rosneft (+3.25%) and Gazprom (+0.85%) have a positive effect on RTS. A negative influence was provided by stocks of TMK (-9.46%), Gazprom Neft (-11.11%) and Sberbank (-1.32%).

Classic market's turnover of RTS has formed 46.5 mn USD. The securities of Sberbank (20.1 mn USD), Gazprom (9.8 mn USD) and LUKOIL (5.3 mn USD) have reached the highest turnovers.

It should be mentioned that today's trades at Russian grounds can demonstrate a positive motion as well. RTS can be supported by shares of LUKOIL, Rosneft and telecoms. Telecom's stocks will be supported by expectations, concerning a growth of tariffs on communications.

RTS index support and resistance levels



Company profile

Last price, USD	9.480
Market capitalization, mn USD	224,425
Ticker	GAZP
Fair value, USD	20.20
Undervaluation, Overvaluation %	113.08
Recommendation:	BUY

Oil & Gas**Gazprom**

Gazprom: FAS to distribute free gas transmission capacities.

Federal Antimonopoly Service of RF has introduced draft regulation to the government "Non-discriminatory access to gas transmission network of RF", FAS' representative reported to Interfax.

FAS' developed regulations specify the requirements, concerning gas transition terms, access to gas transmission network (GTN) and standards of information disclosure. FAS also gave a definition to "free capacities" – all capacities of GTN, excluding the reserved gas transition pipelines for state, municipal, public and social needs under international treaty of RF and long-term export contracts of Gazprom.

Moreover, according developed regulations, Gazprom must grand gas transition applications in proportion to registered volumes. According to the bill, the requests on long-term services (more than a year) of gas transition should be sent to Gazprom not later before than 4 months and not earlier than 5 years before the first transition year; on short-term services (less than a year) – not later than before 45 days and not earlier than 3 months before gas transition.

The project put some restrictions on Gazprom to disclose the information of absolute transition capacity of GTN, availabilities of free capacities, annual gas deliveries, completed contracts, accomplishments of investment projects, annual repair graphs and planned capacity limits.

The given news occurred to be expected, the given project is under discussion for a long period, with several attempts to present it in the government (late 2006). It should be mentioned that its first version was changed. Earlier FAS insisted on providing an access of independent gas producers on the base of auctions. However, the final version includes the volume proportion concept, intended by Gazprom. The only thing changed in the concept of capacities distribution is that Gazprom obliged to discover the volumes of transition, information about long-term contracts, highest transition workload rate of GTN and volumes of capital investments. The project allows independent gas producers to plan its deliveries in the directions with low workload rate and free capacities. It will make future volumes of delivery more predictable and decrease the rate of Gazprom's dictat.

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Company profile

Last price, USD	3.710
Market capitalization, mn USD	1,753
Ticker	CHEP
Fair value, USD	5.570
Undervaluation, Overvaluation %	50.13
Recommendation:	
	BUY

Pipe industry
CTRP

CTRP's net income increased by 22% under IAS 2007 report.

Consolidated net income of CTRP over year 2007 increased by 21.7% and formed 6.55 bn RUR against 2006 results, says company's report. CTRP's consolidated revenue totaled 5.4 bn RUR over year 2006. According to company's consolidated report, short- and long-term credit liabilities 23,810.075 mn RUR. Long-term liabilities formed 4,574.369 mn RUR, short-term – 19,235.706 mn RUR. The total volume of (short- and long-term) liabilities in year 2006 totaled 10,900.825 mn RUR.

Company's investment program for years 2007-2009 will form 1.03 bn EUR. Moreover, on July 1st, 2008 the company directed at investment program 378 mn EUR from total volume. Company's investment program aimed at own steel feed provision, a growth of steel pipes quality, changes the product range (changes in wall thickness and length), capacities development of large-diameter pipes production (1420 mm). The company plans to direct 422.6 mn EUR at construction of electric furnace steelmaking complex (180 mn EUR were already invested), 156.8 mn EUR at construction of finishing production center (113.7 mn EUR already invested), 447.5 mn EUR – at construction of a new large-diameter pipes production (over year 2007 – 1H 2008 the investments formed 84 mn EUR). Over 2H 2008 to 2009 the company plans to invest about 649 mn EUR. Besides the production capacities development, CTRP plans to improve service department, purchase several companies producing pipeline equipment and grid over years 2008-2009. The additional cash assets on this aims will form 500 mn USD.

The company has demonstrated sound financial results. Thus, a growth of income and revenue was boosted by increasing product prices and production rates. However, CTRP's results indicate a slight fall of profitability. Thus, net income margin and operating income margin decreased by 0.7 p.p. and 0.8 p.p. respectively against 2006 results. A fall of company's efficiency can not be characterized as strong. We see the published report as strong and the news itself as low positive for CTRP's business. We revoke our "REDUCE" recommendation on company's securities.

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CTRP's IAS 2007 results

	2006		Change, %		2007	
	mn RUR	mn USD	RUR	USD	mn RUR	mn USD
Sales	60,811	2,312	32.6	43.9	80,664	3,326
Cost	(46,160)	(1,755)	35.7	47.2	(62,660)	(2,584)
Gross income	14,651	557	22.9	33.3	18,004	742
<i>Gross income margin, %</i>	24.1				22.3	
Operating income (EBIT)	8,235	313	24.5	35.0	10,251	423
<i>Operating income margin, %</i>	13.5				12.7	
Income before tax	7,476	284	20.4	30.6	9,002	371
<i>Income before tax margin, %</i>	12.3				11.2	
Net income	5,382	205	21.7	32.0	6,552	270
<i>Net income margin, %</i>	8.9				8.1	

Source: company's data; Estimation: Veles Capital

Company profile

Last price, USD	8.000
Market capitalization, mn USD	3,344
Ticker	CMST
Fair value, USD	13.48
Undervaluation, Overvaluation %	68.50
Recommendation:	BUY

Telecoms

Comstar

Access exercises put option on Comstar's stocks.

Comstar reported that Access Telecommunications Coöperatief U.A. (previous name: 2711 Centerville Coöperatief U.A.) provide notification, concerning its decision to exercise put option for back sale of 46,232,000 common shares of Comstar (optional stake). The stake will be sold in behalf of MGTS Finance S.A. under weighted average price of Comstar's GDR, at the end of trades on London stock exchange over last 90 trading days, excluding the date of notification provision, multiple of optional stake.

We see the news as positive and negative as well for Comstar's stocks. Let us remind you that the given put option was a part of the deal concerning Comstar's purchase of Svyazinvest's 25%+1 shares from Access Industries, conducted late 2006. The optional terms form 2 years after call option exercise. Taking into account the put option, Access Industries can get higher benefits, if exercise option in the moment, when Comstar shares have highest price. Today's situation demonstrates the other results – a price of Comstar's GDR form the lowest level over 1.5 year (lower 7 USD per share), i.e. Access Industries does not see the growth drivers of Comstar's capitalization in short- and mid-term prospect. From the other side the decision of Access Industries to exercise the option now, can be profitable for Comstar – it will have to buy its stocks back under lower prices. According to our estimation, weighted average price of Comstar's GDR over last 90 trading days forms 10 USD. Thus, the company will spend about 462 mn USD.

From our point of view, fundamental securities of Comstar are highly underestimated. However, a negative situation does not allow shares to grow.

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Company profile

Last price, USD	3.950
Market capitalization, mn USD	2,794
Ticker	KMAZ
Fair value, USD	6.400
Undervaluation, Overvaluation %	62.03
Recommendation:	BUY

Machinery
KAMAZ
KAMAZ's IAS 2007 financial report.

According to IAS 2007 financial report, KAMAZ consolidated net income increased by 90%, to 7.868 bn RUR against last year results, company reported.

Company's revenue added 37% and reached 97.229 bn RUR.

Operating income increased more than 2 times, to 10.939 bn RUR, a growth of income before tax formed 94.8%, to 10.965 bn RUR.

KAMAZ's financial report has exceeded our expectations: company's revenue met our forecasts, whereas operating income occurred to be above by 3% and net income dynamics were very significant: 93% vs our expectations (30%). KAMAZ's efficiency demonstrated sound changes as well. Thus, EBITDA margin formed 13.1% vs 10.4% (year 2006), net income margin exceeded 2006 results by 2.2 p.p. and totaled 7.6%. We think that positive financial results were achieved due to profitable market conditions: active development of construction, road building and mining operations. As a result, a demand on KAMAZ's products has increased. For instance, sales rates of company's trucks increased by more than 20%. Moreover, market conditions and leading positions at Russian market allow increasing products prices. We see company's results as positive, but the growth rates of financial results could be lower due to market saturation and rivals' activities.

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KAMAZ's financial 2007 results under IAS report

	2006		Change, %		2007	
	mn RUR	mn USD	RUR	USD	mn RUR	mn USD
Sales	71,012	2,617	36.9	45.4	97,229	3,805
Cost	(57,072)	(2,104)	32.5	40.7	(75,601)	(2,959)
<i>including amortization</i>	<i>(1,955)</i>	<i>(72)</i>	<i>-7.5</i>	<i>-1.8</i>	<i>(1,808)</i>	<i>(71)</i>
Gross income	13,940	514	55.2	64.7	21,628	846
Gross income margin, %	19.6		2.6		22.2	
General and administrative costs	(7,778)	(287)	29.4	37.4	(10,061)	(394)
Other expenses	(730)	(27)	-14.0	-8.7	(628)	(25)
EBITDA	7,387	272	72.6	83.2	12,747	499
EBITDA margin, %	10.4		2.7		13.1	
Operating income	5,432	200	101.4	113.8	10,939	428
Operating income margin, %	7.6		3.6		11.3	
Financial income	527	19	-55.6	-52.9	234	9
Financial expenses	(1,547)	(57)	-41.6	-38.0	(903)	(35)
Other non-operating income	1,216	45	-42.8	-39.3	695	27
Income before tax	5,628	207	94.8	106.9	10,965	429
Income before tax margin, %	7.9		3.4		11.3	
Income tax	(1,488)	(55)	108.1	121.0	(3,097)	(121)
Minority interest	(289)	(11)	52.6	62.0	(441)	(17)
Net income	3,851	142	92.9	104.8	7,427	291
Net income margin, %	5.4		2.2		7.6	

Source: company's data; Estimation: Veles Capital

Company profile

Last price, USD	0.750
Market capitalization, mn USD	1,249
Ticker	AVAZ
Fair value, USD	1.677
Undervaluation, Overvaluation %	123.60
Recommendation:	BUY

Machinery
AvtoVAZ
AvtoVAZ: shopping at automobile market.

AvtoVAZ has decided to purchase IzhAvto, reported Boris Aleshin, the head of the company to Interfax.

According to him, the company plans to buy 100% stake. Answering the question, concerning AvtoVAZ's intentions towards assembling facilities (Kia automobiles) on the territory of IzhAvto, Boris Aleshin said that the company will continue cooperation till it gives income both sides.

Moreover, he noted that AvtoVAZ took a decision to purchase a 25% stake of Asia-Avto (Kazakhstan) with further purchasing of the blocking stake.

Let us remind you that the starting price of IzhAvto, according to AvtoVAZ's estimation, forms 500 mn USD, but IzhAvto can require a benefit for market share and additional capacities. As a result, the final price could increase. The details of the deal were not announced yet. AvtoVAZ plans to use IzhAvto for assembly of new automobiles on the base of Renault or old model range of AvtoVAZ, in order to achieve free capacities at main conveyor for new products. IzhAvto's capacity forms 220 th units per year. The plant conducts a full range of production: assembly, welding, coloring. Regarding to cooperation with Kia: we think that it might be ended after the deal will be made. It can be proved by alliance's plans to produce 1.2 mn automobiles per year. However, of company does not discover the strategy details and the decision concerning the issue will be made latter.

AvtoVAZ announced about purchasing of Asia-Avto several months ago. The deal can form about 70-80 mn USD. Plant's capacity totals 45 th units, but it is planned to reach 120 th units over half a year. We see the news as positive. The purchase looks very cheap in comparison with AvtoVAZ's investment program. The deal concerning IzhAvto purchase was expected. We think that it will have a neutral effect on company's business.

AvtoVAZ shifted terms new model production based on Renault.

AvtoVAZ and Renault will start the joint production of new automobile on November 2011, Boris Aleshin, the president of AvtoVAZ announced to Interfax at Moscow International Automobile Salon 2008.

According to him, the company plans to produce five and seven-seat estates on the base of Renault Logan. The production of crossovers will be launched on February 2012. Its estimated price can form from 12 th USD to 14 th USD, Aleshin noted.

Aleshin also announced that the company plans to direct about 1.5 bn EUR at modernization of facilities during 4 years.

As it was reported earlier, the first automobile of Renault and AvtoVAZ will be produced in year 2010.

Shifted terms of production can have a negative effect on company's sales. The situation at automobile market can change during next 3 years and a demand of today's car models can significantly decrease. We see the news as low negative for AvtoVAZ's securities.

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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	14.900	-	-	2.76	-11.83	-10.51	6.43	12.860	18.750	-	2.854	-	-	HOLD
Bashneft, pref.	- BANEP	9.2000	-	-	-	-12.38	-16.17	-4.91	9.1000	12.1000	-	-	-	-	HOLD
Gazprom	▲ GAZP	9.480	0.080	0.85	-6.51	-17.57	-32.72	-8.67	8.950	15.650	9,754,550	224,425	20.200	113.08	BUY
Gazprom Neft	- SIBN	4.4000	-	-	-18.89	-37.14	-30.71	19.73	5.0000	8.1000	-	20,862	8.8800	101.82	ACCUMULATE
LUKOIL	▲ LKOH	70.90	2.70	3.96	-3.47	-16.00	-18.51	-5.21	64.25	113.20	5,258,562	60,305	138.44	95.26	BUY
NOVATEK	- NVTK	6.9000	-	-	-4.83	-8.61	-8.00	41.25	6.5000	9.1500	-	20,951	12.0500	74.64	BUY
RITEK	- RITK	7.1500	-	-	-4.98	-14.37	-29.56	-34.40	7.0000	9.9000	-	1,035	-	-	-
Rosneft	▲ ROSN	7.950	0.250	3.25	-4.79	-18.46	-16.91	-1.12	6.670	12.200	5,120,038	84,256	14.310	80.00	BUY
Surgutneftegas	▼ SNGS	0.6800	-0.0100	-1.45	-9.93	-22.69	-45.16	-46.46	0.6600	1.2980	236,775	27,143	-	-	UNDER REVISION
Surgutneftegas, pref.	- SNGSP	0.3700	-	-	-6.33	-9.76	-42.90	-42.64	0.3375	0.6480	70,750	-	-	-	UNDER REVISION
Tatneft	▼ TATN	5.0000	-0.1700	-3.29	-8.76	-19.03	-17.36	2.46	4.7500	8.0100	50,000	11,277	8.6868	73.74	BUY
Tatneft, pref.	- TATNP	2.6000	-	-	-8.77	-12.61	-29.73	-4.76	2.6000	3.8300	-	-	4.4480	71.08	BUY
TNK-BP Holding	- tnbp	1.6775	-	-	-2.19	-12.86	-24.78	-13.97	1.5200	2.2190	-	27,168	2.5950	54.69	BUY
TNK-BP Holding, pref.	▼ tnbpp	1.3000	-0.0100	-0.76	-3.70	-11.86	-31.58	-23.08	1.3000	1.8500	13,000	-	2.3410	80.08	BUY
Transneft, pref.	▲ TRNFP	920.0	30.0	3.37	-9.80	-31.85	-53.88	-40.26	890.0	2,007.0	84,640	5,722	2,275.0	147.28	BUY
Energy															
Bashkirenergo	- BEGY	1.3750	-	-	10.00	-6.78	-35.14	-32.10	1.2500	2.1000	-	1,506	-	-	-
Bashkirenergo, pref.	- BEGYP	1.4500	-	-	28.89	26.09	21.85	18.85	1.0500	1.1750	-	-	-	-	-
Hydro-WGC	▲ HYDR	0.0613	0.0028	4.79	-9.19	0.49	-	-	0.0570	0.0930	240,316	12,006	-	-	-
Inter RAO UES	- IRAO	0.0006	-	-	-6.87	-11.59	-	-	0.0006	0.0008	6,100	791	-	-	-
Irkutskenergo	- IRGZ	0.6300	-	-	-9.35	-14.86	-47.06	-30.29	0.6600	1.1510	-	3,003	-	-	-
WGC-1	- OGKA	0.0500	-	-	-15.25	-32.43	-59.35	-	0.0500	0.1225	25,000	2,232	0.1530	206.00	BUY
WGC-2	▼ OGKB	0.0430	-0.0020	-4.44	-17.31	-37.68	-72.08	-70.85	0.0430	0.1500	86,150	1,408	0.2387	455.12	BUY
WGC-3	▲ OGKC	0.0680	0.0030	4.62	-11.11	-22.73	-54.74	-56.13	0.0650	0.1450	34,000	3,229	0.1651	142.79	ACCUMULATE
WGC-4	- OGKD	0.0600	-	-	2.21	-1.23	-54.89	-49.90	0.0510	0.1335	88,250	3,781	0.1977	229.50	BUY
WGC-5	▲ OGKE	0.1035	0.0035	3.50	0.24	-12.29	-40.92	-32.79	0.0950	0.1795	104,548	3,661	0.2046	97.68	BUY
WGC-6	- OGKF	0.0355	-	-	-21.98	-44.53	-72.05	-74.37	0.0440	0.1250	-	1,145	0.0932	162.54	BUY
TGC-1	▼ TGKA	0.0005	-0.0001	-15.00	-32.00	-53.64	-60.92	-59.68	0.0005	0.0014	5,100	1,964	0.0020	292.16	BUY
TGC-2	- TGKB	0.0010	-	-	-1.02	-	-3.00	-4.90	0.0008	0.0012	9,700	1,421	0.0015	54.64	BUY
TGC-2, pref.	- TGKBP	0.0006	-	-	-38.89	-24.14	-28.10	-31.25	0.0004	0.0004	-	-	0.0011	100.00	BUY
TGC-3 (Mosenergo)	- MSNG	0.1076	-	-	-9.27	-17.58	-54.79	-54.12	0.1000	0.2460	-	4,277	-	-	REDUCE
TGC-4	- TGKD	0.0010	-	-	-1.90	-4.63	-16.94	-	0.0010	0.0012	10,300	1,998	-	-	-
TGC-4, pref.	- TGKDP	0.0004	-	-	-	-28.57	-37.50	-38.36	0.0005	0.0006	-	-	-	-	-
TGC-5	- TGKE	0.0005	-	-	-11.97	-20.77	-43.09	-60.98	0.0005	0.0010	-	634	0.0012	133.01	BUY
TGC-6	▼ TGKF	0.0006	-0.0000	-2.99	-9.72	-8.45	-43.23	-38.97	0.0006	0.0012	5,070	1,209	0.0009	38.46	REDUCE
TGC-7	- TGKG	0.0503	-	-	-16.58	-30.69	-53.90	-57.23	0.0550	0.1095	-	1,506	-	-	-
TGC-8	- TGKH	0.0015	-	-	-2.86	-5.26	-9.29	40.37	0.0013	0.0017	15,300	3,154	0.0009	-41.18	SELL
TGC-9	▼ TGKI	0.0001	-0.0000	-6.67	-0.00	-30.00	-56.25	-49.09	0.0001	0.0003	5,012	1,095	-	-	-
TGC-10	- TGKJ	4.5050	-	-	2.39	4.04	10.15	2.39	3.5000	4.6100	-	3,959	-	-	-
TGC-11	- TGKK	0.0006	-	-	-	-22.84	-61.42	-	0.0006	0.0016	-	321	-	-	-
TGC-12 (Kuzbasenergo)	- KZBE	0.0109	-	-	-5.22	-29.68	-60.36	-66.82	0.0112	0.0281	-	770	-	-	-
TGC-13	- TGKM	0.0050	-	-	-11.50	-21.88	-52.68	-52.53	0.0048	0.0102	-	796	-	-	-
TGC-14	- TGKN	0.0004	-	-	-	44.83	23.53	12.00	0.0002	0.0003	-	327	-	-	-
FGC UES	▲ FEES	0.0122	0.0001	0.83	-14.69	3.39	-	-	0.0116	0.0158	111,904	5,811	-	-	-
Nonferrous metallurgy															
BMSK	- bmsk	2.6750	-	-	-0.93	-25.69	9.18	0.94	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	133.50	-	-	-1.48	-3.26	-55.79	-51.89	130.00	314.00	-	1,539	-	-	HOLD
Norilsk Nickel	▼ GMKN	194.00	-3.00	-1.52	-1.52	-4.43	-26.79	-9.77	175.00	316.50	1,406,800	36,982	314.68	62.21	BUY
Safyanovskaya med	- sfmd	5.2500	-	-	-	-10.64	-43.24	-58.00	6.0000	7.0000	-	11	4.7300	-9.90	SELL
Sredneural'sky MPZ	- sumz	11.775	-	-	2.39	-28.64	-36.61	-49.35	14.000	18.400	-	59	36.550	210.40	SPECULATIVE BUY
Uralkhrommet	- uelm	88.25	-	-	-0.84	-14.94	-22.32	-6.61	87.00	121.00	-	448	126.38	43.21	ACCUMULATE
Ufaleynickel	- ufal	4.7550	-	-	-	-37.68	-38.65	-34.68	7.5000	7.5000	-	128	6.6300	39.43	REDUCE
Chelyabinsk Zink Plant	- CHZN	5.2000	-	-	-5.11	-16.47	-53.67	-95.76	5.0000	12.1500	-	282	-	-	UNDER REVISION
Yuzhuralnickel	- unkl	722.5	-	-	-0.34	-9.69	-48.39	-35.49	650.0	1,300.0	-	433	463.4	-35.86	ACCUMULATE
Electrozin	- eltz	64.50	-	-	-9.15	-17.97	-	-	64.50	110.00	5,031	91	-	-	-
Ferrous metallurgy (Steel)															
Ashinsky Metallurgy Plant	- AMEZ	0.5238	-	-	-4.77	-4.77	-44.87	-6.05	0.5000	0.9700	-	261	0.9400	79.47	BUY
EvrAZ**	▲ EVR	67.000	41.000	157.69	-6.16	-27.17	-13.55	36.73	30.850	131.250	46,161,668	23,780	124.760	86.21	ACCUMULATE
Mechel	▲ MTLR	25.000	1.450	6.16	-4.94	-2.91	-7.41	92.31	16.500	45.800	37,500	10,407	43.820	75.28	ACCUMULATE
MMC	- MAGN	0.8950	-	-	-3.76	-16.74	-31.15	-17.13	0.9000	1.4400	-	10,001	1.5900	77.65	ACCUMULATE
NLMC	- NLMK	3.7500	-	-	-6.25	-6.25	-7.52	27.55	3.4300	5.6500	-	22,475	5.7500	53.33	ACCUMULATE
Severstal	▼ CHMF	16.350	-0.500	-2.97	-10.66	-11.86	-28.29	-1.51	16.000	28.000	165,500	16,476	32.660	99.76	BUY
Chelyabinsk Metallurgy Plant	- CHMK	345.00	-	-	0.88	-7.26	-6.12	56.82	313.00	450.00	-	1,091	-	-	-
Chusovskoy Metallurgy Plant	- chmz	134.000	-	-	3.08	-	-	-	113.000	132.000	-	312	-	-	-
Precious metals															
Buryatzoloto	- BRZL	14.500	-	-	-	-4.92	-19.44	3.57	15.500	22.000	-	102	26.690	84.07	SPECULATIVE BUY
Lenzoloto	- lnzl	32.500	-	-	-18.75	-	-43.48	-10.65	40.000	60.000	-	37	34.210	5.26	HOLD
Polymetal	- PMTL	5.6750	-	-	-14.98	-30.58	-17.99	9.66	6.0000	9.3500	-	1,788	8.2800	45.90	HOLD
Polyus-Gold	- PLZL	29.750	-	-	-17.36	-41.67	-35.19	-25.62	31.000	80.000	-	5,671	57.180	92.20	HOLD
Susumanzoloto	- sysy	45.750	-	-	-	-2.66	52.50	1.67	-	-	-	41	55.270	20.81	ACCUMULATE
Coal industry															
Belon	- BLNG	135.000	-	-	-15.62	-23.94	43.62	240.91	93.000	240.000	-	1,552	91.610	-32.14	SPECULATIVE BUY
Vorkutaugol	- voug	165.00	-	-	-	-5.71	-17.50	-2.94	165.00	244.00	-	551	318.92	93.28	SPECULATIVE BUY
Vorkutaugol, pref.	- vougp	160.00	-	-	-	-7.25	-11.11	-	160.00	187.00	-	-	255.14	59.46	SPECULATIVE BUY
Kuzbassrazrezugol	▲ kzru	0.5670	0.0020	0.35	-5.81	-26.84	32.01	63.17	0.4400	0.9000	2,835	3,467	0.3800	-32.98	HOLD
Raspad'skaya	▲ RASP	5.2000	0.1500	2.97	-11.11	-27.17	-20.00	89.09	5.0500	10.3000	156,000	4,060	10.6500	104.81	ACCUMULATE
Yuzny Kuzbass	- UKUZ	72.500	-	-	-5.54	-28.22	34.26	119.70	56.000	158.900	-	2,618	50.380	-	

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	1,350.0	-	-	-	-	-	-	1,400.0	2,080.0	-	2,541	2,439.8	80.73	SPECULATIVE BUY
Pervouralsk New Pipe Plant	- PNTZ	28.600	-	-	-1.21	-1.38	-8.48	-3.38	28.000	32.200	-	696	42.350	48.08	BUY
Seversky Pipe Plant	- SVTZ	10.625	-	-	-	-0.23	-35.80	-2.97	10.000	15.800	-	511	16.180	52.28	SPECULATIVE BUY
Sinarsky Pipe Plant	- SNTZ	77.00	-	-	-	-5.52	-45.00	-29.84	68.00	138.50	-	485	230.47	199.31	SPECULATIVE BUY
Taganrog Metallurgy Plant	- TAMZ	0.7900	-	-	-	-5.95	-35.98	-32.19	0.8000	1.1000	-	365	1.3200	67.09	SPECULATIVE BUY
TMK	- TRMK	6.7000	-	-	-13.27	-12.42	-38.67	-21.41	6.4000	10.7000	121,370	5,849	10.0400	49.85	ACCUMULATE
Chelyabinsk Pipe Plant	- CHEP	3.7100	-	-	-2.37	-6.67	-12.81	-11.67	3.8500	4.5500	-	1,753	5.5700	50.13	BUY
Telecommunications															
Volgatelecom	▼ NNSI	2.7500	-0.0500	-1.79	-14.60	-23.61	-53.15	-41.92	2.7500	5.9100	27,500	846	6.0110	118.58	BUY
Volgatelecom, pref.	- NNSIP	2.0700	-	-	0.98	-11.91	-50.12	-39.65	2.0000	4.1800	-	-	4.5083	117.79	BUY
Vimpelcom*	- VIP	23.120	-	-	-0.30	-5.63	-44.42	-6.51	21.660	120.750	112,113,584	23,712	39.990	72.97	BUY
Dalsvyaz	- ESPK	2.6750	-	-	-21.32	-33.12	-49.53	-43.98	2.4000	5.7000	-	346	7.4457	178.34	BUY
Dalsvyaz, pref.	- ESPKP	2.9000	-	-	-4.92	-11.45	-35.20	-35.23	2.5000	4.2000	-	-	5.5812	92.46	BUY
Comstar-UTS	- CMST	8.000	-	-	-	-33.33	-26.84	-22.52	8.500	11.000	-	3,344	13.480	68.50	BUY
MGTS	- MGTS	20.000	-	-	-32.89	-42.36	-44.90	-38.46	29.000	34.600	-	2,072	-	-	HOLD
MGTS, pref.	- MGTS	29.800	-	-	1.88	1.02	-7.31	12.67	26.200	31.300	-	-	-	-	HOLD
MTS	- MTSS	9.800	-	-	-13.66	-11.71	-36.16	-3.92	9.500	15.700	648,000	19,535	16.290	66.22	BUY
Rostelecom	▲ RTKM	11.250	0.100	0.90	-2.00	-5.06	-5.14	13.64	10.400	12.440	112,500	8,483	4.480	-60.18	SELL
Rostelecom, pref.	- RTKMP	1.1750	-	-	-26.56	-34.72	-59.83	-58.84	2.0000	2.8500	-	-	3.3600	185.96	BUY
North-West Telecom	- SPTL	0.8300	-	-	-11.94	-22.97	-51.74	-44.85	0.8500	1.7000	-	873	1.3290	60.12	HOLD
North-West Telecom, pref.	- SPTLP	0.5650	-	-	-11.75	-19.29	-54.07	-47.69	0.6000	1.2150	-	-	0.9967	76.41	ACCUMULATE
Sibirelecom	▼ ENCO	0.0540	-0.0005	-0.92	-20.88	-31.65	-55.00	-44.47	0.0540	0.1170	21,898	807	0.1140	111.11	BUY
Sibirelecom, pref.	- ENCO	0.0405	-	-	-8.47	-17.35	-49.69	-38.40	0.0450	0.0670	-	-	0.0855	111.11	BUY
Uralsvyazinform	▲ URSI	0.0311	0.0004	1.37	-20.25	-35.37	-51.18	-46.11	0.0307	0.0635	5,290	1,189	0.0573	84.13	BUY
Uralsvyazinform, pref.	- URSIP	0.0235	-	-	-11.32	-21.14	-44.71	-37.75	0.0240	0.0418	-	-	0.0430	82.98	ACCUMULATE
CenterTelecom	- ESMO	0.4250	-	-	-12.37	-22.73	-54.40	-53.30	0.4050	0.9320	-	832	0.9018	112.19	BUY
CenterTelecom, pref.	- ESMOP	0.3075	-	-	-6.82	-12.77	-50.60	-42.79	0.2800	0.6375	-	-	0.6763	119.93	BUY
SouthTelecom	- KUBN	0.0895	-	-	-22.17	-33.95	-54.80	-47.66	0.0900	0.2020	-	345	0.2526	182.23	BUY
SouthTelecom, pref.	- KUBNP	0.0825	-	-	1.23	-11.53	-43.01	-32.10	0.0810	0.1450	-	-	0.1895	129.70	BUY
Machinery															
AvtoVAZ	- AVAZ	0.7500	-	-	-11.76	-38.78	-61.14	-30.72	1.1000	1.9500	-	1,249	1.6770	123.60	BUY
AvtoVAZ, pref.	- AVAZP	0.4500	-	-	-18.18	-34.31	-41.18	-17.43	0.4500	0.6550	-	-	1.2580	179.56	BUY
GAZ	- GAZA	115.50	-	-	-10.81	-21.43	-32.06	-15.38	112.00	210.00	-	2,247	197.30	70.82	HOLD
GAZ, pref.	- GAZAP	74.00	-	-	-6.92	-13.95	-38.33	-25.25	95.00	125.50	-	-	148.00	100.00	BUY
ZMZ	- ZMZN	5.1000	-	-	-	1.86	70.00	101.98	2.9000	5.2000	-	700	4.4500	-12.75	HOLD
ZMZ, pref.	- zmnzp	3.3250	-	-	-	-14.19	38.54	77.33	2.6000	3.5250	-	-	3.3400	0.45	HOLD
Kamaz	- KMAZ	3.9500	-	-	-16.84	-31.00	-24.04	-9.71	4.0000	7.2500	-	2,794	6.4000	62.03	BUY
Kirovsky zavod	- KIRZ	41.500	-	-	-	2.47	-24.55	20.29	43.000	56.000	-	451	33.290	-19.78	REDUCE
NefAZ	- nfaz	33.000	-	-	-1.49	-10.81	-8.33	106.25	25.000	50.250	153,000	265	49.150	48.94	BUY
Saturn NPO	- satr	0.0650	-	-	-6.47	-8.45	-45.38	-49.61	0.0650	0.1125	-	259	0.1379	112.15	HOLD
OMZ	- OMZZ	6.0000	-	-	-	-13.85	-23.32	-27.27	6.7500	7.6000	-	213	6.3200	5.33	SELL
RSC Energia	- satr	452.50	-	-	-4.74	-25.82	-	-	489.90	705.00	-	508	641.10	41.68	HOLD
UAZ	- uaza	0.1375	-	-	-3.51	5.77	-1.08	96.43	0.1125	0.1500	-	536	-	-	-
UAZ, pref.	- uazap	0.0575	-	-	-20.69	-32.51	-35.39	17.35	0.0710	0.0900	-	-	-	-	-
Severstal-Auto	▼ SVAV	42.000	-2.000	-4.55	-12.32	-20.00	-22.22	4.35	42.000	67.300	42,000	1,439	81.330	93.64	BUY
Power Machines	- SILM	0.1990	-	-	-0.50	-5.24	-1.73	7.86	0.1930	0.2220	-	1,733	0.1250	-37.19	SELL
Industry															
ALNAS	- alnz	0.5450	-	-	-	-52.61	-27.33	-	0.6500	0.8500	-	113	1.2000	120.18	BUY
Angeromash	- ange	35.050	-	-	-	-	-39.04	-7.76	-	-	-	35	79.650	127.25	BUY
BEPP	- bunz	49.500	-	-	-4.81	-4.81	4.21	-10.00	-	-	-	15	81.000	63.64	BUY
BEPP, pref.	- bunzp	38.500	-	-	-6.10	-6.10	-7.23	-7.23	-	-	-	-	60.700	57.66	BUY
Gazenergoservice	- gzes	70.50	-	-	-38.96	-41.74	-54.22	-60.28	110.00	210.00	-	24	137.00	94.33	ACCUMULATE
Mikron	- mkro	9.500	-	-	-6.86	-19.49	-5.71	41.79	9.500	12.250	9,500	103	-	-	-
Orgenergogaz	- oeng	9.750	-	-	-2.50	-13.95	-32.17	-23.83	10.000	13.510	-	59	25.200	158.46	BUY
Sitronics	- SITR	0.1025	-	-	-	-12.02	-14.58	-12.02	0.1150	0.1366	-	979	0.0854	-16.68	SELL
Centrenergogaz	- cegz	4.425.0	-	-	-4.32	-7.81	105.81	-	3.000.0	5.680.0	-	416	5.693.6	28.67	BUY
Centrenergogaz, pref.	- cegzp	1,000.0	-	-	-16.67	-9.09	-45.21	-	1,000.0	2,200.0	-	-	4,270.2	327.02	BUY
Electrogaz	- elgz	670.00	-	-	-	34.00	-4.29	73.80	550.50	600.00	-	42	895.70	33.69	BUY
Electrogaz, pref.	- elgzp	165.00	-	-	-	-5.71	-45.90	8.20	130.00	390.00	-	-	671.80	307.15	BUY
Chemical industry															
Azot (Berezniki)	- azop	925.00	-	-	-	0.54	1.93	28.92	875.00	960.00	-	375	1,427.50	54.32	BUY
Akron	- AKRN	66.00	-	-	-18.06	-32.99	30.69	178.48	50.70	127.50	66,000	3,147	136.24	106.42	BUY
Ammofos	▼ ammo	108.50	-1.50	-1.36	-8.48	1.40	-4.41	149.43	99.00	270.00	9,982	979	332.20	206.18	BUY
Dorogobuzh	- DGBZ	0.8250	-	-	-2.94	-22.63	83.33	240.21	0.4550	1.4000	-	689	1.1900	44.24	HOLD
Dorogobuzh, pref.	- DGBZP	0.6100	-	-	-8.96	-14.08	90.62	201.23	0.3200	0.7400	-	-	0.6400	4.92	HOLD
Kujbyshevazot	- kazt	3.2750	-	-	-4.38	-13.82	21.30	87.14	2.3400	5.0100	-	784	5.7500	75.57	BUY
Kujbyshevazot, pref.	- kaztp	1.9500	-	-	-4.88	1.04	23.81	38.89	1.5000	2.0500	-	-	3.2800	68.21	BUY
Silvinit	- SILV	1,150.5	-	-	-3.32	-27.64	30.74	208.45	900.0	2,275.0	-	10,386	1,417.4	23.20	REDUCE
Silvinit, pref.	▼ silvp	530.00	-55.00	-9.40	-12.40	-36.90	-18.46	107.84	510.00	1,250.00	15,900	-	809.90	52.81	REDUCE
Uralkali	- URKA	8.550	-	-	-9.28	-16.99	9.62	210.91	5.800	16.050	-	18,164	17.830	108.54	ACCUMULATE
Retail Trade															
Pharmacy Network 36,6	- APTK	24.950	-	-	-9.27	-29.22	-65.82	-68.62	24.000	70.000	-	237	-	-	UNDER REVISION
GUM	- GUMM	2.5300	-	-	-2.69	1.00	23.41	16.06	1.9700	2.9500	-	152	-	-	UNDER REVISION
X5 Retail Group**	- FIVE	25.700	-	-	-5.17	-11.38	-29.59	-13.86	25.000	38.930	3,367,666	6,800	-	-	UNDER REVISION
Seventh Continent	▲ SCON	25.800	0.400	1.57	-1.15	-1.90	-0.39	3.30	22.750	28.500	12,900	1,935	-	-	UNDER REVISION
TzUM	- TZUM	5.1250	-	-	-0.97	0.49	138.37	155.61	2.1200	6.1000	-	459	-	-	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	35.000	-	-	-1.41	-7.89	-27.65	-25.93	35.500	50.000	-	5,643	-	-	UNDER REVISION		
	Baltika, pref.	-	PKBAP	27.000	-	-	-	3.85	-19.40	-13.60	25.500	31.000	-	-	-	-	UNDER REVISION		
	WBD	-	WBDF	43.450	-	-	-5.75	-25.09	-51.72	-43.57	43.000	93.000	-	1,912	-	-	UNDER REVISION		
	Kalina	▼	KLNA	22.000	-1.000	-4.35	-15.38	-20.00	-45.68	-43.77	22.000	39.000	440,000	215	-	-	UNDER REVISION		
	Lebedyansky	-	LEKZ	82.500	-	-	0.92	0.15	-10.33	-6.25	80.000	93.500	-	1,684	-	-	UNDER REVISION		
Transport																			
	Aeroflot	-	AFLT	2.7250	-	-	-9.17	-10.66	-27.33	-0.18	2.9000	4.4500	-	3,026	4.1700	53.03	HOLD		
	Vostochny Port	-	vopt	61.000	-	-	-	-	-6.15	-7.58	50.000	70.000	-	155	114.580	87.84	BUY		
	Vostochny Port, pref.	-	voptp	67.500	-	-	-	-	-15.62	29.81	65.000	65.000	-	-	85.930	27.30	ACCUMULATE		
	FESCO	-	FESH	0.9875	-	-	-1.25	-7.71	-9.82	29.93	0.9800	1.3500	-	2,331	1.0500	6.33	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.	-	mscsp	282.50	-	-	-1.74	-1.74	-10.32	-17.52	270.00	305.00	-	-	979.00	246.55	BUY		
	Novorossiysk Commercial Sea Port	-	NMTP	0.1475	-	-	-3.28	-18.06	-41.00	-	0.1450	0.2650	-	2,841	0.1990	34.92	ACCUMULATE		
	Novorossiysk Sea Shipping	-	NOMP	3.2955	-	-	3.62	-3.36	12.47	37.60	2.9900	3.4000	-	1,336	3.6000	9.24	BUY		
	Novorossiysk Sea Shipping, pref.	-	NOMPP	0.7800	-	-	-8.24	-35.00	-56.67	-39.53	0.8000	1.7400	-	-	2.7000	246.15	BUY		
	FESCO	-	PRIM	0.4500	-	-	-	-	-2.28	9.76	30.81	0.4200	0.4200	-	358	0.5610	24.67	BUY	
Banks																			
	VTB	▲	VTBR	0.0027	0.0000	1.12	-11.48	-23.94	-46.64	-42.80	0.0026	0.0050	40,850	18,155	-	-	-		
	Sberbank	▼	SBER	2.2500	-0.0300	-1.32	-12.38	-25.00	-46.68	-39.39	2.2000	4.3800	20,117,238	50,071	4.6210	105.38	ACCUMULATE		
	Sberbank, pref.	-	SBERP	1.5000	-	-	-	-	-14.77	-50.00	-44.44	1.4000	2.9300	-	-	3.4660	131.07	ACCUMULATE	
Media & IT																			
	RBC	▲	RBCI	7.0000	0.4500	6.87	-6.04	-7.89	-33.01	-10.26	6.5500	10.9000	35,000	980	9.8600	40.86	BUY		
	CTC Media*	-	CTCM	19.460	-	-	-9.66	-8.60	-35.56	-	18.970	105.040	12,689,377	2,961	32.600	67.52	BUY		
Oblgaz																			
	Altaikraigasservice	-	akgs	122.50	-	-	-	-	-22.22	6.52	-62.31	105.00	105.00	-	14	339.43	177.09	BUY	
	Astrakhanoblgas	-	asog	2.5000	-	-	-	-	-7.41	17.65	2.7000	2.7000	-	10	2.3800	-4.80	HOLD		
	Belgorodoblgas	-	bogz	600.00	-	-	-	-	20.00	-	700.00	700.00	-	48	3,331.71	455.28	BUY		
	Bryanskoblgas	-	brog	450.00	-	-	1.12	3.45	10.43	35.75	380.00	510.00	47,250	49	1,140.89	153.53	BUY		
	Vladimiroblgas	-	vlog	775.0	-	-	-	-	-4.62	-47.55	34.20	800.0	1,355.0	-	35	973.7	25.64	HOLD	
	Volgogradoblgas	-	vlgz	770.00	-	-	-1.91	1.32	18.92	92.50	495.00	805.00	-	66	1,329.23	72.63	BUY		
	Voronezhoblgas	-	vogz	5.3750	-	-	-	-	-0.46	36.25	216.18	3,600.00	7,000.00	-	119	12,820.00	138.51	BUY	
	Ivanovooblgas	-	ivog	20.000	-	-	-	-	263.64	299.20	-	-	-	8	150.760	653.80	BUY		
	Ivanovooblgas, pref.	-	ivogp	26.000	-	-	-	-	-46.39	766.67	-	-	-	-	150.760	479.85	BUY		
	Irkutskoblgas	-	irog	170.00	-	-	-	-	-2.86	-12.82	70.00	-	-	4	-	-	-		
	Kalugaoblgas	-	klog	875.00	-	-	-	-	16.67	45.83	249.30	750.00	800.00	-	26	1,286.95	47.08	BUY	
	Karelgas	-	klgz	50.00	-	-	-10.71	-55.95	-60.78	-60.63	-	-	-	1	324.27	548.54	BUY		
	Kirovoblgas	-	krog	310.00	-	-	-	-	-7.60	42.53	63.11	-	-	31	705.25	127.50	BUY		
	Komigaz	-	kgaz	32.500	-	-	-	-	-7.14	-13.33	-45.83	30.000	30.000	-	11	80.440	147.51	BUY	
	Komigaz, pref.	-	kgazp	7.800	-	-	-	-	-0.32	-64.55	-48.00	-	-	-	60.330	673.46	BUY		
	Kostromaoblgas	-	koog	380.00	-	-	-	-	-13.64	-	61.36	331.00	400.00	-	21	935.74	146.25	BUY	
	Krasnodarkraigas	-	kgas	15.000	-	-	-	-	141.94	114.29	-	-	-	31	12.110	-19.27	SELL		
	Kurganoblgas	-	kuog	470.00	-	-	-	-	-27.69	44.62	-	-	-	14	-	-	-		
	Kurskoblgas	-	krgz	650.00	-	-	-	-	-5.80	100.00	188.89	600.00	700.00	-	57	1,184.98	82.30	BUY	
	Lenoblgas	-	leog	2,575.0	-	-	-	-	-0.96	296.15	650.0	650.0	-	204	717.7	-72.13	HOLD		
	Lipetskoblgas	-	lpog	160.00	-	-	-	-	28.00	52.38	-	-	-	19	716.78	347.99	BUY		
	Nizhegorodoblgas	-	nnog	3.1500	-	-	-1.56	2.44	-21.05	12.50	2,3500	4,5000	-	88	1.8700	-40.63	HOLD		
	Omskoblgas	-	omog	8.000	-	-	-	-	-16.23	23.08	60.00	10.000	11.000	-	12	20.130	151.62	BUY	
	Omskoblgas, pref.	-	omogp	2.7000	-	-	-	-	-38.64	-32.50	-10.00	-	-	-	11.5500	327.78	BUY		
	Oreloblgas	-	orzg	430.50	-	-	-	-	-2.71	-2.71	14.80	187.00	-	16	512.18	18.97	BUY		
	Orenburgoblgas	-	orog	2,150.0	-	-	10.26	-1.15	122.80	216.18	1,000.0	2,250.0	-	165	2,855.8	32.83	HOLD		
	Pensagasifikatsiya	-	pgzf	140.00	-	-	-	-	-30.00	33.33	-	-	-	5	869.49	521.06	BUY		
	Rostovoblgas	-	rtbg	750.00	-	-	-	-	-2.60	25.00	87.50	625.00	900.00	-	100	1,529.82	103.98	BUY	
	Rostovoblgas, pref.	-	rtbgp	435.00	-	-	-	-	1.16	-7.45	50.00	400.00	460.00	-	-	1,529.82	251.68	BUY	
	Ryazanoblgas	-	rzog	5.7500	-	-	-	-	-4.17	-44.44	-65.26	-	-	28	5.9200	2.96	HOLD		
	Samaragas	-	sagz	55.000	-	-	-	-	-0.90	-0.45	8.91	45.500	45.500	-	6	289.840	426.98	BUY	
	Saratovoblgas	-	srog	14.500	-	-	-	-	-3.33	78.46	173.58	7.750	25.000	-	53	50.010	244.90	BUY	
	Sibirgasservice	-	sbsg	8.5500	-	-	-	-	21.28	13.25	52.00	-	-	39	-	-	-		
	Smolenskoblgas	-	smog	148.50	-	-	-	-	2.41	68.75	230.00	81.50	185.00	-	60	332.44	123.87	BUY	
	Stavropolkraigas	-	stkg	412.50	-	-	-	-	-2.94	-56.81	-	575.00	575.00	-	51	81.59	-80.22	SELL	
	Stavropolkraigas, pref.	-	stkgp	275.00	-	-	-	-	-54.17	-	280.00	400.00	-	-	81.59	-70.33	SELL		
	Tambovoblgas	-	tozg	60.500	-	-	-	-	-12.95	2.54	72.86	220.53	29.000	59.000	-	52	81.290	34.36	BUY
	Tveroblgas	-	tveo	202.50	-	-	-	-	2.53	-25.82	12.50	225.00	246.00	-	36	236.31	16.70	HOLD	
	Tulaoblgas	-	tuog	454.50	-	-	-	-	3.06	68.33	264.99	180.00	705.00	-	72	1,106.23	143.39	BUY	
	Chitaoblgas	-	chog	125.000	-	-	-	-	127.27	-	-	-	-	9	-	-	-		
	Yaroslavl-oblgas	-	yrog	327.50	-	-	0.77	9.17	25.96	54.12	250.00	260.00	-	23	503.81	53.84	BUY		
Services companys																			
	Giprospekgaz	-	gsgz	1,433.5	-	-	-	-	2.03	-39.00	28.85	1,100.0	1,850.0	-	59	7,463.0	420.61	BUY	
	Giprospekgaz, pref.	-	gsgzp	625.00	-	-	-	-	-12.89	-52.83	4.17	800.00	800.00	-	-	5,970.00	855.20	BUY	
	Spetsgazremstroy	-	sgrs	144.00	-	-	-	-	-16.52	-20.00	-60.00	344.00	425.00	-	76	741.25	414.76	BUY	
	Spetsgazremstroy, pref.	-	sgrsp	78.00	-	-	6.85	-26.07	-58.40	-46.21	120.00	255.00	-	-	555.94	612.74	BUY		
Services companys																			
	Belgorodasbestocement	-	belc	200.00	-	-	-	-	37.93	400.00	-	-	-	20	588.48	194.24	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	1.2	-	-1.17	-	6,471	-
AFK Sistema	KO71 GR	AFKS	20,00	Frankfurt	23.972	0.488	1.2	1.2	-	2.08	-	4	-
Aeroflot	AETG GR	AFLT	100	Frankfurt	282.159	3.083	2.822	3.000	-	1.10	-	-	-
Wimm-Bill-Dann	WBD LI	WBDF	1	London	16.000	-	16.000	43.000	-	-	-	-	-
Wimm-Bill-Dann	WBD US	WBDF	1	New York	75.730	5.220	75.730	43.000	-	7.40	-	18,388	-
Wimm-Bill-Dann	WBPA GR	WBDF	1	Frankfurt	69.670	-0.388	69.670	43.000	-	-0.55	-	-	-
Volgaelcom	NZH GR	NNSI	2	Frankfurt	5.432	-0.421	2.716	2.750	-	-7.20	-0.02	-	28
Vimpelcom	VIP US	VIMP	1/4	New York	23.120	0.600	462.40	420.00	-	2.66	-	112,114	-
Vimpelcom	VIP GR	VIMP	1/4	Frankfurt	22.680	0.454	453.60	420.00	-	2.04	-	77	-
Gazprom	OGZD LI	GAZP	4	London	38.150	0.750	9.538	9.480	0.01	2.01	0.01	677,386	9,755
Gazprom	OGZPY US	GAZP	4	New York	38.200	0.450	9.550	9.480	-	1.19	0.01	-	9,755
Gazprom	GAZ GR	GAZP	4	Frankfurt	38.241	0.812	9.560	9.480	0.01	2.17	0.01	2,919	9,755
Golden Telecom	GLDN US	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	67.000	2.000	201.000	-	-	3.08	-	46,162	-
EvrazHolding	HK1A GR	-	1/3	Frankfurt	66.059	0.069	198.177	-	-	0.10	-	90	-
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	71.500	2.200	71.500	70.900	0.01	3.17	0.04	413,760	5,746
LUKOIL	LUKOY US	LKOH	1	New York	71.700	1.910	71.700	70.900	-	2.74	0.04	-	5,746
LUKOIL	LUK GR	LKOH	1	Frankfurt	71.417	2.427	71.417	70.900	0.01	3.52	0.04	1,167	5,746
MCTN	MOW GR	MGTS	1	Frankfurt	24.956	-0.650	24.956	31.500	-	-2.54	-	-	-
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	9.762	-0.158	0.098	0.220	-	-1.60	-	23	-
MTS	MBDL LI	MTSS	5	London	-	-	-	9.800	-	-	-	-	648
MTS	MBT US	MTSS	5	New York	-	-	-	9.800	-	-	-	-	648
MTS	MKY GR	MTSS	5	Frankfurt	65.325	1.047	13.065	9.800	0.33	1.63	-	10	648
Nizhnekamskneftekhim	QAO GR	NKNC	10	Frankfurt	6.239	0.020	0.624	0.725	-	0.33	-	0	-
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	19.850	-0.010	19.85	194.00	-0.90	-0.05	-0.02	117,043	1,407
Norilsk Nickel	NILSY US	GMKN	1	New York	19.680	-0.220	19.68	194.00	-	-1.11	-0.02	-	1,407
Norilsk Nickel	NNIA GR	GMKN	1	Frankfurt	19.818	0.138	19.82	194.00	-0.90	0.70	-0.02	152	1,407
UHM	UHM GR	OMZZ	1	Frankfurt	5.872	0.019	5.872	8.750	-	0.33	-	0	-
Pyaterochka	FIVE LI	-	1/4	London	25.700	-0.300	102.800	-	-	-1.15	-	3,368	-
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	-	-	-	-	-
Rostelecom	RKMD LI	RTKM	6	London	69.300	-	11.550	11.250	-	-	0.01	-	112
Rostelecom	ROS US	RTKM	6	New York	-	-	-	11.250	-	-	0.01	-	112
Rostelecom	RTL GR	RTKM	6	Frankfurt	68.408	0.559	11.401	11.250	0.01	0.82	0.01	53	112
Seversky pipe plant	SVY GR	SVTZ	10	Frankfurt	102.758	0.334	10.276	14.500	-	0.33	-	-	-
Gazprom Neft	GAZ LI	SIBN	5	London	23.200	-0.110	4.640	4.300	-	-0.47	-	2,982	-
Gazprom Neft	GZPFY US	SIBN	5	New York	32.250	-	6.450	4.300	-	-	-	-	-
Gazprom Neft	SCF GR	SIBN	5	Frankfurt	23.135	-0.276	4.627	4.300	-	-1.18	-	186	-
Surgutneftegas	SGGD LI	SNGS	50	London	7.000	0.090	0.140	0.680	-0.79	1.30	-0.01	27,112	237
Surgutneftegas	SGTZY US	SNGS	50	New York	-	-	-	0.680	-	-	-0.01	-	237
Surgutneftegas	SGN GR	SNGS	50	Frankfurt	6.973	0.052	0.139	0.680	-0.79	0.75	-0.01	74	237
Tatneft	ATAD LI	TATN	20	London	103.750	1.750	5.188	5.000	0.04	1.72	-0.04	9,335	50
Tatneft	TNT US	TATN	20	New York	-	-	-	5.000	-	-	-0.04	-	50
Tatneft	TTFA GR	TATN	20	Frankfurt	96.244	-0.314	4.812	5.000	-0.04	-0.32	-0.04	324	50
Tyumenaviatrans	UTARY US	TMAT	100	New York	40.000	-	0.400	0.538	-	-	-	-	-
Tyumenaviatrans	TYV GR	TMAT	100	Frankfurt	49.911	0.162	0.499	0.538	-	0.33	-	-	-
Tsum	THT GR	TZUM	20	Frankfurt	99.822	-0.407	4.991	2.000	-	-0.41	-	-	-
STC	KUE GR	KUBN	50	Frankfurt	8.229	0.353	0.165	0.135	-	4.49	-	-	-

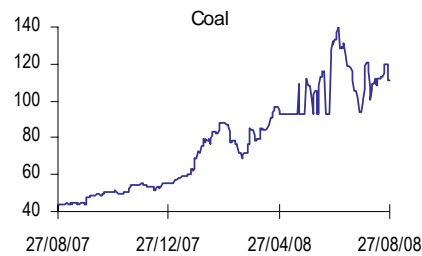
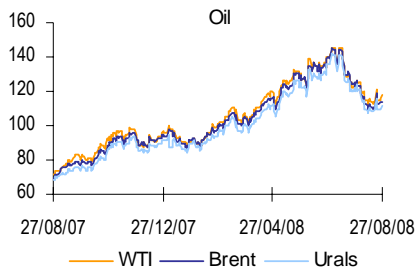
Source: Bloomberg, Estimation: Veles Capital

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	▲ 114.62	1.53	1.35	-0.92	-8.83	19.52	60.24	-0.74	147.59
Brent, USD / bbl	▲ 114.02	0.32	0.28	1.89	-8.81	21.44	64.08	85.05	147.21
Urals, USD / bbl	▲ 111.41	1.71	1.56	0.16	-8.94	22.05	63.93	-3.32	142.94
WTI, USD / bbl	▲ 118.15	1.88	1.62	2.76	-5.28	23.07	64.71	86.47	146.30
Brent-Urals	▼ 2.61	-1.39	-34.75	289.55	-2.97	0.00	70.59	0.67	9.94
Coal, USD / ton	- 111.50	-	-	-1.76	11.50	100.90	151.98	55.50	142.85

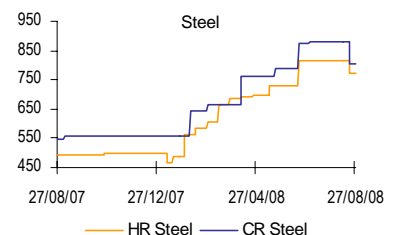
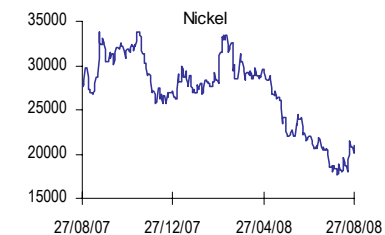
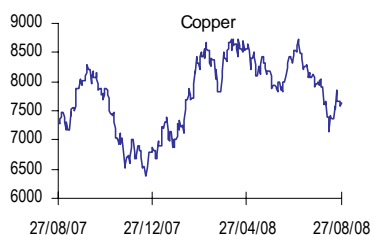
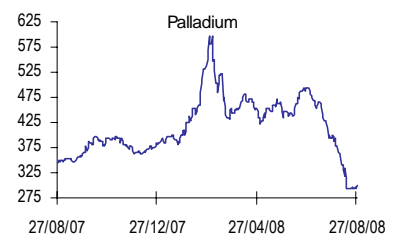
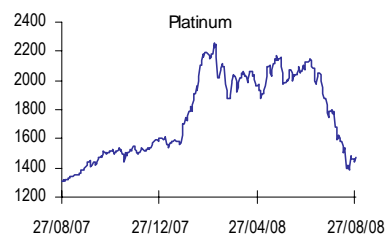
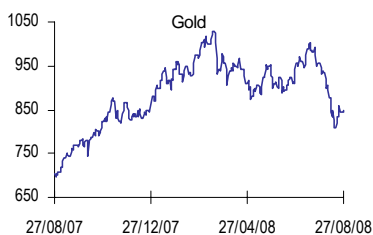
Source: Bloomberg, Estimation: Veles Capital



Prices of metals

	Close, USD	Change, USD	Change, %					Current year, USD	
			day	week	month	from Jan 1	year	min	max
Gold, USD / ounce	▲ 847.74	2.13	0.25	1.60	-11.34	-2.71	21.58	809.52	1,027.52
Silver, USD / ounce	▼ 13.86	-0.10	-0.70	1.91	-23.08	-10.39	11.84	13.09	21.42
Platinum, USD / ounce	▲ 1,468.04	23.90	1.65	4.64	-18.44	-7.72	12.32	1,382.61	2,257.73
Palladium, USD / ounce	▲ 300.03	6.17	2.10	2.28	-25.27	-22.79	-13.20	292.32	598.39
Aluminum, USD / ton	▼ 2,765.00	-3.00	-0.11	0.07	-8.32	14.78	9.46	2,409.00	3,317.00
Copper, USD / ton	▲ 7,650.00	70.00	0.92	1.80	-4.32	14.61	5.15	6,675.00	8,730.00
Nickel, USD / ton	▲ 21,000.00	970.00	4.84	5.40	12.00	-20.15	-24.17	17,600.00	33,400.00
Lead, USD / ton	▲ 2,050.00	195.00	10.51	15.82	-7.66	-19.61	-35.43	1,568.00	3,420.00
Tin, USD / ton	▼ 20,500.00	-200.00	-0.97	-	-8.89	24.81	38.75	16,025.00	25,300.00
Zinc, USD / ton	▲ 1,849.00	60.00	3.35	5.66	-3.95	-21.98	-39.87	1,615.00	2,830.00
Titanium, USD / ton	- 4,144.69	-	-	-	-9.62	-7.39	10.59	4,144.69	5,511.56
HR Steel, USD / ton	- 775.00	-	-	-	-4.91	55.00	56.57	465.00	815.00
CR Steel, USD / ton	- 805.00	-	-	-	-8.52	43.75	47.71	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	▲	1,589.05	9.93	0.63	-7.26	-17.61	-30.62	-15.35	1,547.10	2,498.10
MICEX Index	▲	1,302.58	9.66	0.75	-6.06	-10.55	-31.04	-20.69	1,244.12	1,966.32
Technical RTS Index	▲	2,341.86	20.40	0.88	-6.87	-15.94	-25.86	-8.74	2,214.20	3,730.73
MSCI Russia	▲	1,032.14	10.76	1.05	-6.20	-14.87	-32.82	-12.23	989.60	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 ▲	11,502.51	89.64	0.79	0.75	3.34	-13.29	-11.80	10,827.71	13,279.54
NASDAQ	USA ▲	2,382.46	20.49	0.87	-0.28	5.22	-10.17	-4.73	2,155.42	2,661.50
FTSE 100	Great Britain ▲	5,528.10	57.40	1.05	2.91	4.06	-14.38	-9.41	5,071.10	6,534.70
Nikkei 225	Japan ▼	12,752.96	-25.75	-0.20	-0.77	-4.50	-16.69	-21.70	11,691.00	15,413.37
S&P 500	USA ▲	1,281.66	10.15	0.80	0.56	3.83	-12.71	-10.52	1,200.44	1,471.77
AEX	Nederlands ▲	406.12	2.88	0.71	0.88	3.34	-21.26	-20.06	374.09	518.27
OMX	Sweden ▲	862.93	2.22	0.26	2.43	1.48	-20.21	-26.30	801.54	1,081.44
DAX	Germany ▼	6,321.03	-19.49	-0.31	0.05	-0.47	-21.65	-14.93	5,999.32	8,100.64
MIB 30	Italy ▲	28,823.00	38.00	0.13	-0.30	-1.42	-25.88	-26.77	27,531.00	38,885.00
CAC 40	France ▲	4,373.08	4.53	0.10	0.17	1.12	-22.11	-20.11	4,002.87	5,665.94
SMI	Switzerland ▼	7,086.64	-7.08	-0.10	-0.19	1.69	-16.48	-18.68	6,422.85	8,571.76
ASX 200	Australia ▲	5,011.20	3.70	0.07	1.66	1.81	-20.96	-18.86	4,758.50	6,385.70
Bloomberg European 500	▲	202.70	0.40	0.20	0.72	1.32	-46.81	-42.86	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	▲	953.74	15.24	1.62	-0.80	-6.90	-23.45	-9.20	935.43	1,252.59
Europe										
ASE	Greece ▼	3,243.99	-11.98	-0.37	-2.07	-4.87	-37.36	-32.62	3,100.71	5,207.44
WSE WIG	Poland ▼	39,468.17	-330.83	-0.83	-1.05	-3.45	-29.08	-33.61	37,371.76	56,066.82
PFTS	Ukraine ▼	543.63	-27.24	-4.77	-11.25	-15.11	-53.69	-45.24	543.63	1,208.61
BUX	Hungary ▼	20,200.53	-82.01	-0.40	-0.52	-7.16	-23.00	-24.65	19,527.81	26,242.90
PX	Czech Republic ▲	1,444.00	6.40	0.45	0.28	-0.08	-20.45	-18.60	1,372.40	1,819.50
TA-100	Israel ▼	934.23	-3.67	-0.39	-0.83	-0.48	-19.72	-10.85	882.87	1,167.04
XU 100	Turkey ▼	39,576.03	-521.43	-1.30	-0.57	3.82	-28.74	-17.12	32,645.90	55,281.66
Asia and Africa										
HSI	Hong Kong ▲	21,464.72	408.06	1.94	2.55	-5.39	-22.82	-8.13	20,350.48	27,853.60
SENSEX	India ▼	14,296.79	-185.43	-1.28	-2.60	-0.36	-29.57	-4.17	12,514.99	21,206.77
JALSH	SAR ▲	27,426.59	403.22	1.49	2.36	0.39	-5.29	-0.19	24,005.35	33,309.82
JCI	Indonesia ▲	2,131.06	23.52	1.12	2.96	-6.35	-22.39	-1.32	2,035.59	2,838.48
KOSPI	South Korea ▲	1,493.92	3.67	0.25	-3.04	-6.53	-21.25	-18.33	1,466.46	1,901.13
SHCOMP	China ▼	2,342.15	-7.94	-0.34	-7.18	-19.32	-55.49	-54.91	2,284.58	5,522.78
America										
MEXBOL	Mexico ▲	26,131.35	59.89	0.23	-2.73	-2.25	-11.53	-10.90	25,282.31	32,292.92
IBOV	Brazil ▲	55,519.24	1,160.54	2.13	0.26	-2.37	-13.10	7.50	52,344.56	73,920.38
IPSA	Chile ▲	2,897.83	3.59	0.12	2.59	0.17	-5.05	-9.19	2,369.06	3,113.93
IBVC	Venezuela ▲	39,828.55	6.66	0.02	-0.31	-0.06	5.08	-0.07	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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