

# Daily review

September 22, 2008

## Trader's view

Last Friday Russian exchanges had their trades stopped once again. After a two-day break the securities of Russian issuers have demonstrated an unprecedented growth. Companies' quotes have rocketed in a range of +5-75%. Even though the trades were stopped twice during the day and total trading time formed 3 hours that day. The demand for equities was provoked by the news background and state's support of financial markets. However, the light turnovers indicate that the crisis of trust has not yet been overcome and investors are still afraid of entering into the cheapened stocks. The absolute leader of the day was VTB, the stocks of which added +73.91%.

## Main events

Roscommunenergo is ready to purchase WGC-1 under old terms.

Roscommunenergo is ready to buy WGC-1 under old terms and waiting for purchase permission of Russian Ministry of Energy, told Igor Kozhin, the head of company's directors board to journalists, "Interfax" reported.

## Other news

➤ **LUKOIL not to suffer extraction losses in 2008.**

LUKOIL will keep its oil extraction rate of 2008 at level equal to year 2007, reported oil company's CEO – Vagit Alekperov, cites Interfax.

➤ **Raspadskaya could increase interim dividends about 5 times.**

During the meeting held on September 18<sup>th</sup> Raspadskaya's board of directors recommended shareholders to confirm interim dividends of 6 RUR per share during the upcoming unscheduled meeting in accordance with 9 months 2008 results, says company's statement.

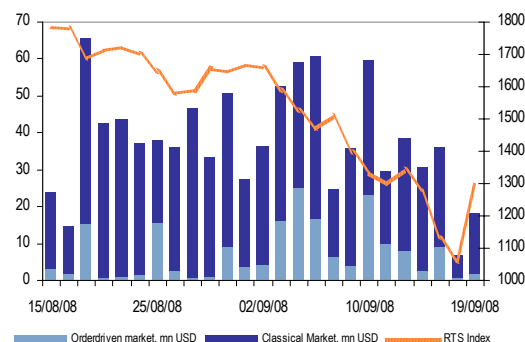
## Market estimates

### Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	▲ 1,295.91	237.07	22.39	-3.42	-24.37	-35.69
MICEX Index	▲ 1,098.95	245.02	28.69	-3.41	-20.74	-35.98
USD / RUR	▲ 25.3526	0.02	0.09	-0.82	3.73	0.66
EUR / RUR	▼ 36.5377	-0.03	-0.08	0.74	1.77	3.76
EUR / USD	▼ 1.4406	-0.00	-0.19	1.53	-1.93	2.34
Dow Jones Index	▲ 11,388.44	368.75	3.35	-0.29	-0.25	-17.28
NASDAQ	▲ 2,273.90	74.80	3.40	0.56	-4.82	-14.33
FTSE 100	▲ 5,311.30	431.30	8.84	-1.95	-1.13	-17.39
Nikkei 225	▲ 11,920.86	431.56	3.76	-2.41	-7.24	-27.37
MSCI EM	▲ 845.56	77.72	10.12	-1.16	-12.06	-26.71

Source: Bloomberg, Estimation: Veles Capital

### RTS index vs. trade volume



### Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	▲ 97.90	4.60	4.93	3.00	-12.51	23.96
Urals, USD / bbl	▲ 97.12	5.02	5.45	2.87	-12.69	28.57
Gold, USD / ounce	▲ 895.39	18.94	2.16	14.34	7.31	16.21
Palladium, USD / ounce	- 242.49	-	-	-4.26	-17.34	-31.92
Copper, USD / ton	▲ 7,060	311	4.61	-0.87	-6.05	-10.52
Nickel, USD / ton	▲ 16,950	200	1.19	-11.95	-14.93	-48.01

Source: Bloomberg, Estimation: Veles Capital

### Russian share quotes

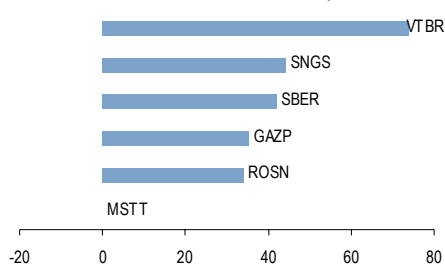
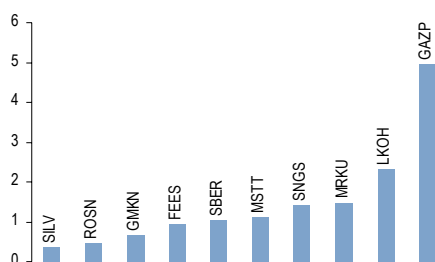
	Close, USD	Change, USD	Change, %			
			day	week	month	year
VTB	▲ 0.002	0.001	73.91	-0.50	-33.33	-56.14
Polyus-Gold	- 16.00	-	-	-43.36	-56.76	-62.53
NorNickel	▲ 134.00	11.000	8.94	4.28	-29.29	-44.19
Rostelecom	- 8.22	-	-	-24.19	-26.56	-19.99
MTS	▲ 8.95	1.950	27.86	-3.24	-18.64	-21.35
Sberbank	▲ 1.760	0.520	41.94	-4.61	-30.98	-57.07
LUKOIL	▲ 70.00	15.000	27.27	6.38	-1.13	-12.50
Gazprom Neft	- 4.000	-	-	6.67	-24.88	1.27
Surgutneftegas	▲ 0.591	0.181	44.15	6.49	-20.14	-53.72
Gazprom	▲ 8.40	2.200	35.48	3.70	-15.56	-23.64
Tatneft	- 4.025	-	-	-4.39	-27.48	-21.08
Rosneft	▲ 7.300	1.850	33.94	1.39	-10.98	-16.67

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	▲ 7,135,493	717.15	0.02	-29.29	-33.74	-11.43
VELES Capital - Selected Shares	▼ 5,274,368	490.36	-0.01	-38.87	-47.84	-27.76
VELES Capital - Bonds	▲ 28,391,101	984.96	0.17	-2.11	-	-2.53

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	1,294.4	1,300.0
2	1,273.38	1,400.0
3	1,230.06	1,453.0

## Trader's view

Last Friday Russian exchanges had their trades stopped once again. After a two-day break the securities of Russian issuers have demonstrated an unprecedented growth. Companies' quotes have rocketed in a range of +5-75%. Even though the trades were stopped twice during the day and total trading time formed 3 hours that day. The demand for equities was provoked by the news background and state's support of financial markets. However, the light turnovers indicate that the crisis of trust has not yet been overcome and investors are still afraid of entering into the cheapened stocks. The absolute leader of the day was VTBR, the stocks of which added +73.91%.

During the last trading session RTS made a never seen before +22.39% hikes and closed at 1295.91 points. The positive influence upon the indicator has been sprayed by Gazprom (+35.48%), LUKOIL (+27.27%) and Sberbank (+41.94%).

The turnover of RTS at Friday has formed 16.4 mn USD. The top turnover leaders of the day were: Gazprom (4.9 mn USD), LUKOIL (2.3 mn USD) and Ural IDGC (1.5 mn USD).

Today we do not exclude a possible further growth. This would be supported by supportive external factors. Primary foreign exchanges have closed up in the green. Almost five USD was added to the price of oil. Note however – the growth could prove negative, due to instability of financial markets.

**RTS index support and resistance levels**


*Company profile*

Last price, USD	70.000
Market capitalization, mn USD	59,539
Ticker	LKOH
Fair value, USD	129.63
Undervaluation, Overvaluation %	85.19
Recommendation:	<b>BUY</b>

**Oil & Gas****LUKOIL**

LUKOIL not to suffer extraction losses in 2008.

LUKOIL will keep its oil extraction rate of 2008 at level equal to year 2007, reported oil company's CEO – Vagit Alekperov, cites Interfax.

According to Alekperov this year company would demonstrate a zero addition in extraction (96.6 mn tons, whereas during the first six months the rate dropped -3.8% versus prior year. He explained this trend by the fact that launch of South Khilchui into exploitation would compensate for the fall of extraction off company's Siberian oil wells.

Company hopes to expand oil extraction rate in 2009, extraction is set to be boosted +1-1.5% through South Khilchui and stabilization of oil extraction at Western Siberia. The gas recovery rate should be increased +3.5-5% next year.

We must point out though – that we have used a reduction of -1.5% in extraction at our model, using slower development and expansion of South Khulchui's oil extraction. For the next year we have intended a +2.5% increase in extraction. But, if we look at average values and compare those values with company's forecast, then in general they would meet. We are positive on intensification of extraction in Timano-Pechora oil province. And we think that company would not take long to enter the designed output of 7.5 mn tons at that region.

Alekperov also said that company plans on reducing the capital investments at a range of projects. In our opinion – these investments would be diverted off the low-efficiency projects at foreign countries shelves. This is done to improve general investment effectiveness.

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**Company profile**

Last price, USD	0.0300
Market capitalization, mn USD	1,339
Ticker	OGKA
Fair value, USD	0.1530
Undervaluation, Overvaluation %	410.00
Recommendation:	<b>BUY</b>

**Energy**
**WGC-1**

Roscommunenergo is ready to purchase WGC-1 under old terms.

Roscommunenergo is ready to buy WGC-1 under old terms and waiting for purchase permission of Russian Ministry of Energy, told Igor Kozhin, the head of company's directors board to journalists, "Interfax" reported.

"The purchase conditions were already settled. We are ready to conduct the deal. Now we are waiting for its (Ministry of Energy – "Interfax") permission", – he said.

Recently there were some rumours indicating that the purchase deal can not be conducted, due to financial crisis.

The plan is to sell additional emission and government's share of the company, owned by FGC (43%) and RusHydro (23%) after UES was shut down, simultaneously.

Anatoly Chubays, former head of UES, said about a signing of one-sided agreement with Roscommunenergo, concerning the sale of WGC-1's shares of 516 USD per 1 kW (0.10 USD per share) in the last day before UES was shut down. According to him, Dubai World will give financial guarantees to the conducted deal. The information concerning the terms of Roscommunenergo and Dubai World cooperation is not open for public. Chubays also announced that the purchase deal of WGC-1 (government's share and additional emission) will form 5.3 bn USD.

If the deal conducts under the price of 0.10 USD per share than the quotes of company's shares will gain 233% premium to the end of trades on Friday. Let us remind you that in accordance with law about JSC, if an investor purchases more than 30% of company's stake, he will have to conduct offering to minority holders, under the price of purchased stake. It makes the investments in WGC-1's securities highly profitable for investors during unstable situation at Russian stock market. However, until the deal conclusion is confirmed, using the news to make such investments brings a lot of risks in the current market situation.

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**Company profile**

Last price, USD	5.400
Market capitalization, mn USD	4,216
Ticker	RASP
Fair value, USD	10.65
Undervaluation, Overvaluation %	97.22
Recommendation:	<b>ACCUMULATE</b>

**Coal industry**
**Raspadskaya**

Raspadskaya could increase interim dividends about 5 times.

During the meeting held on September 18<sup>th</sup> Raspadskaya's board of directors recommended shareholders to confirm interim dividends of 6 RUR per share during the upcoming unscheduled meeting in accordance with 9 months 2008 results, says company's statement. The decision to hold unscheduled shareholders' meeting will be applied after company's financial RAS 9 months 2008 report is published, later in October 2008. Taking into account authorized capital of the company, Raspadskaya can direct 4,684.799 mn RUR on dividends payments.

Let us remind you that 9 months 2007 results indicated that the company's dividends formed 1.25 RUR per share. Thus, a volume of interim dividends could increase 4.8 times, which is sound news, especially on the back of liquidity deficit. It should be mentioned that 80% of company's stake is under the control of Evraz and Raspadskaya in equal measure. Thus, Evraz gains 1.9 bn RUR and the same value goes "in the pockets" of Gennady Kozovoy and Alexander Vagin. Moreover, we think that in the given situation there is no doubt that shareholders will confirm the decision of board of directors. Therefore, we see the given news as positive for company's quotes and confirm "ACCUMULATE" recommendation on Raspadskaya'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							
<b>Oil and Gas</b>																	
	Bashneft	-	BANE	14.500	-	-	19.34	2.84	-12.91	5.65	11.000	18.750	-	2,735	-	-	HOLD
	Bashneft, pref.	-	BANEP	7.7250	-	-	-6.08	-16.03	-29.61	-19.74	7.2000	12.1000	-	-	-	-	HOLD
	Gazprom	▲	GAZP	8.4000	2.2000	35.48	3.70	-15.56	-40.38	-23.64	6.2000	15.6500	4,948,880	198,858	20,2000	140.48	BUY
	Gazprom Neft	-	SIBN	4.0000	-	-	6.67	-24.88	-37.01	1.27	4.6900	8.1000	-	18,965	8.8800	122.00	ACCUMULATE
	LUKOIL	▲	LKOH	70.000	15.000	27.27	6.38	-1.13	-19.54	-12.50	55.000	113.200	2,330,055	59,539	129.630	85.19	BUY
	NOVATEK	-	NVTK	4.6000	-	-	-22.69	-34.75	-38.67	-8.64	5.9000	9.1500	-	13,967	12.0500	161.96	BUY
	RITEK	-	RITK	5.8000	-	-	3.11	-22.92	-42.86	-46.30	6.0000	9.9000	-	840	-	-	-
	Rosneft	▲	ROSN	7.3000	1.8500	33.94	1.39	-10.98	-23.70	-16.67	5.4500	12.2000	465,500	77,367	15.1100	106.99	BUY
	Surgutneftegas	▲	SNGS	0.5910	0.1810	44.15	6.49	-20.14	-52.34	-53.72	0.4100	1.2980	1,421,128	23,425	-	-	UNDER REVISION
	Surgutneftegas, pref.	-	SNGSP	0.3000	-	-	-3.23	-22.58	-53.70	-51.81	0.2100	0.6480	-	-	-	-	UNDER REVISION
	Tatneft	-	TATN	4.0250	-	-	-4.39	-27.48	-33.47	-21.08	3.3000	8.0100	-	9,064	8.6868	115.82	BUY
	Tatneft, pref.	-	TATNP	2.0000	-	-	-7.41	-29.82	-45.95	-27.80	2.0000	3.8300	40,000	-	4.4480	122.40	BUY
	TNK-BP Holding	-	tnbp	1.4400	-	-	-4.32	-15.29	-35.43	-27.46	1.3700	2.2190	56,500	23,382	2.5950	80.21	BUY
	TNK-BP Holding, pref.	-	tnbpb	1.2500	-	-	-10.71	-8.09	-34.21	-27.11	1.3000	1.8500	-	-	2.3410	87.28	BUY
	Transneft, pref.	▲	TRNFP	550.00	130.00	30.95	-15.38	-45.05	-72.43	-67.36	420.00	2,007.00	55,000	3,421	2,275.00	313.64	BUY
<b>Energy</b>																	
	Bashkirenergo	-	BEGY	1.1000	-	-	7.32	-20.86	-48.11	-47.62	0.9500	2.1000	-	1,191	-	-	-
	Bashkirenerpo, pref.	-	BEGYP	0.8750	-	-	-7.85	-22.22	-26.47	-27.69	1.0500	1.1750	-	-	-	-	-
	Hidro-WGC	-	HYDR	0.0345	-	-	-23.33	-46.92	-	-	0.0330	0.0930	54,500	6,757	-	-	-
	Inter RAO UES	-	IRAO	0.0005	-	-	-9.26	-25.76	-	-	0.0004	0.0008	-	635	-	-	-
	Irkutskenergo	-	IRGZ	0.5000	-	-	-23.08	-26.20	-57.98	-45.18	0.5500	1.1510	-	2,383	-	-	-
	WGC-1	-	OGKA	0.0300	-	-	-14.29	-50.00	-75.61	-70.73	0.0340	0.1225	-	1,339	0.1530	410.00	BUY
	WGC-2	-	OGKB	0.0210	-	-	-23.64	-58.58	-86.36	-87.14	0.0210	0.1500	31,934	687	0.2387	1,036.67	BUY
	WGC-3	-	OGKC	0.0320	-	-	-36.00	-57.76	-78.70	-77.30	0.0320	0.1450	16,000	1,520	0.1651	415.94	ACCUMULATE
	WGC-4	-	OGKD	0.0370	-	-	-25.63	-35.93	-72.18	-70.87	0.0420	0.1335	-	2,332	0.1977	434.32	BUY
	WGC-5	-	OGKE	0.0725	-	-	-16.67	-29.61	-58.62	-53.82	0.0710	0.1795	-	2,564	0.2046	182.21	BUY
	WGC-6	-	OGKF	0.0220	-	-	-21.71	-51.65	-82.68	-83.70	0.0200	0.1250	-	710	0.0932	323.64	BUY
	TGC-1	-	TGKA	0.0004	-	-	-	-60.00	-73.18	-73.18	0.0004	0.0014	-	1,348	0.0020	471.43	BUY
	TGC-2	-	TGKB	0.0009	-	-	-1.06	-5.10	-7.00	0.54	0.0008	0.0012	-	1,362	0.0015	61.29	BUY
	TGC-2, pref.	-	TGKBP	0.0005	-	-	-	-44.44	-34.64	-28.57	0.0004	0.0004	-	-	0.0011	120.00	BUY
	TGC-3 (Mosenergo)	-	MSNG	0.0530	-	-	-30.72	-55.31	-77.73	-78.59	0.0530	0.2460	53,748	2,107	-	-	REDUCE
	TGC-4	-	TGKD	0.0009	-	-	-12.81	-15.71	-28.63	-10.61	0.0010	0.0012	-	1,718	-	-	-
	TGC-4, pref.	-	TGKDP	0.0004	-	-	-5.88	-11.11	-44.44	-40.74	0.0005	0.0006	-	-	-	-	-
	TGC-5	-	TGKE	0.0004	-	-	-1.30	-33.33	-58.01	-63.81	0.0003	0.0010	-	467	0.0012	215.79	BUY
	TGC-6	-	TGKF	0.0002	-	-	-57.45	-71.83	-82.53	-80.30	0.0002	0.0012	9,307	372	0.0009	350.00	REDUCE
	TGC-7	-	TGKG	0.0575	-	-	121.15	-7.26	-47.25	-48.20	0.0200	0.1095	-	1,724	-	-	-
	TGC-8	-	TGKH	0.0012	-	-	-3.85	-21.63	-10.71	16.28	0.0013	0.0017	-	2,577	0.0009	-28.00	SELL
	TGC-9	-	TGKI	0.0001	-	-	-5.00	-29.63	-70.31	-62.00	0.0001	0.0003	-	743	-	-	-
	TGC-10	-	TGKJ	4.0000	-	-	-1.11	-9.09	-2.20	-3.61	2.9000	4.6100	-	3,515	-	-	-
	TGC-11	-	TGKK	0.0006	-	-	9.26	-5.60	-63.58	-	0.0006	0.0016	-	303	-	-	-
	TGC-12 (Kuzbasenergo)	-	KZBE	0.0055	-	-	-26.67	-51.33	-80.00	-81.45	0.0075	0.0281	-	388	-	-	-
	TGC-13	-	TGKM	0.0027	-	-	-37.93	-52.63	-74.45	-72.02	0.0030	0.0102	-	430	-	-	-
	TGC-14	-	TGKN	0.0006	-	-	160.87	42.86	76.47	71.43	0.0002	0.0003	-	467	-	-	-
	FGC UES	▲	FEES	0.0068	0.0017	33.33	-24.44	-52.11	-	-	0.0051	0.0158	933,000	3,239	-	-	-
<b>Nonferrous metallurgy</b>																	
	BMSK	-	bmsk	2.0500	-	-	-23.36	-24.07	-16.33	-22.64	1.6850	3.5000	-	11	4.5900	123.90	SPECULATIVE BUY
	BMSK, pref.	-	bmskp	2.0000	-	-	-	17.65	-6.98	-14.89	0.9500	0.9500	-	-	3.4400	72.00	HOLD
	VSMPO	-	VSMO	110.00	-	-	-10.57	-18.52	-63.58	-62.33	115.00	314.00	-	1,268	-	-	HOLD
	Nonisk Nickel	▲	GMKN	134.00	11.00	8.94	4.28	-29.29	-49.43	-44.19	113.00	316.50	650,500	25,544	314.68	134.84	BUY
	Safiyanovskaya med	-	sfnmd	4.0000	-	-	-	-23.81	-56.76	-68.00	4.5000	7.0000	-	8	4.7300	18.25	SELL
	Sredneuralsky MPZ	-	sumz	10.200	-	-	-13.38	-11.30	-45.09	-51.43	14.000	18.400	-	52	36.550	258.33	SPECULATIVE BUY
	Uralkhromed	-	uulm	61.500	-	-	-15.87	-30.90	-45.86	-34.99	69.500	121.000	-	312	126.380	105.50	ACCUMULATE
	Ufaleynickel	-	ufal	4.7550	-	-	-9.43	-33.26	-38.65	-48.59	7.5000	7.5000	-	128	6.6300	39.43	REDUCE
	Chelyabinsk Zink Plant	-	CHZN	4.0000	-	-	-15.79	-25.23	-64.37	-96.70	4.0000	12.1500	-	217	-	-	UNDER REVISION
	Yuzhuralnickel	-	unkl	362.50	-	-	-19.44	-50.00	-74.11	-73.44	450.00	1,300.00	-	217	463.39	27.83	ACCUMULATE
	Electrozinc	-	eltz	35.500	-	-	-40.68	-50.00	-	-	45.690	110.000	-	50	-	-	-
<b>Ferrous metallurgy (Steel)</b>																	
	Ashinsky Metallurgy Plant	-	AMEZ	0.4200	-	-	-16.42	-19.23	-55.79	-31.98	0.4800	0.9700	-	209	0.9400	123.81	BUY
	Evrz**	-	EVR	65.000	-	-	-1.52	-7.14	-16.13	8.88	30.850	131.250	77,675,600	23,070	135.320	108.18	ACCUMULATE
	Mechel	-	MTLR	21.500	-	-	2.14	-17.94	-20.37	29.91	16.500	45.800	-	8,950	43.820	103.81	ACCUMULATE
	MMC	▲	MAGN	0.7200	0.0700	10.77	-8.28	-22.58	-44.62	-35.43	0.6500	1.4400	17,000	8,046	1.5900	120.83	ACCUMULATE
	NLMC	-	NLMK	2.1500	-	-	-24.56	-44.87	-46.98	-34.85	2.1500	5.6500	28,950	12,885	5.7500	167.44	BUY
	Severstal	▲	CHMF	14.000	0.750	5.66	-1.75	-22.22	-38.60	-25.93	12.750	28.000	155,980	14,108	32.660	133.29	BUY
	Chelyabinsk Metallurgy Plant	-	CHMK	270.50	-	-	-6.72	-20.91	-26.39	9.29	313.00	450.00	-	855	-	-	-
	Chusovskoy Metallurgy Plant	-	chmz	87.500	-	-	-27.69	-32.69	-	-	113.000	132.000	-	204	-	-	-
<b>Precious metals</b>																	
	Buryatzoloto	-	BRZL	13.750	-	-	-5.17	-5.17	-23.61	-19.71	10.000	22.000	-	97	26.690	94.11	SPECULATIVE BUY
	Lenzoloto	-	Inzl	45.000	-	-	63.64	12.50	-21.74	20.00	40.000	60.000	-	51	34.210	-23.98	HOLD
	Polymetal	-	PMTL	5.2000	-	-	7.22	-17.46	-24.86	-11.11	5.0000	9.3500	-	1,638	8.2800	59.23	BUY
	Polyus-Gold	-	PLZL	16.000	-	-	-43.36	-56.76	-65.14	-62.53	16.000	80.000	28,800	3,050	57.180	257.38	HOLD
	Susumanzoloto	-	sysy	41.500	-	-	-9.29	-9.29	38.33	18.57	-	-	-	37	55.270	33.18	ACCUMULATE
<b>Coal industry</b>																	
	Belon	-	BLNG	130.000	-	-	-3.70	-21.21	38.30	179.57	93.000	240.000	11,700	1,495	91.610	-29.53	SPECULATIVE BUY
	Vorkutaugol	-	voug	104.50	-	-	-29.15	-36.67	-47.75	-36.86	165.000	244.000	-				

## 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						
<b>Pipe industry</b>															
Almetevsk Pipe Plant	- atza	20.000	-	-	33.33	33.33	70.21	73.91	-	-	-	59	26.780	33.90	SPECULATIVE BUY
Vykasa Metallurgy Plant	- vsmz	992.50	-	-	-5.02	-26.48	-	-	1,000.00	2,080.00	-	1,868	2,439.84	145.83	SPECULATIVE BUY
Pervouralsk New Pipe Plant	- PNTZ	24.500	-	-	-	-15.37	-21.60	-18.87	27.000	32.200	-	596	42.350	72.86	BUY
Seversky Pipe Plant	- SVTZ	8.5000	-	-	47.83	-19.05	-48.64	-20.93	10.0000	15.8000	-	409	16.1800	90.35	SPECULATIVE BUY
Sinarsky Pipe Plant	- SNTZ	45.000	-	-	-14.29	-41.56	-67.86	-58.33	40.000	138.500	-	283	230.470	412.16	SPECULATIVE BUY
Taganrog Metallurgy Plant	- TAMZ	0.6250	-	-	-	-20.89	-49.35	-42.13	0.8000	1.1000	-	289	1.3200	111.20	SPECULATIVE BUY
TMK	- TRMK	5.5500	-	-	5.71	-28.16	-49.20	-43.94	5.5500	10.7000	277,500	4,845	10.0400	80.90	ACCUMULATE
Chelyabinsk Pipe Plant	- CHEP	2.7000	-	-	-1.82	-26.33	-36.55	-35.25	2.7000	4.5500	27,000	1,275	5.5700	106.30	BUY
<b>Telecommunications</b>															
Volgatelecom	- NNSI	1.9000	-	-	-17.39	-40.62	-67.63	-59.23	1.9000	5.9100	19,000	568	6.0110	216.37	BUY
Volgatelecom, pref.	- NNSIP	1.2250	-	-	-7.89	-38.75	-70.48	-64.18	1.3000	4.1800	-	-	4.5083	268.02	BUY
Vimpelcom*	- VIP	23.300	-	-	0.69	-1.35	-43.99	-15.70	17.000	120.750	176,812,016	23,897	35.640	52.96	BUY
Dalsvyaz	- ESPK	1.9000	-	-	-15.93	-44.12	-64.15	-59.49	2.4000	5.7000	-	241	6.6357	249.25	BUY
Dalsvyaz, pref.	- ESPKP	1.9000	-	-	-20.83	-37.70	-57.54	-55.29	1.8000	4.2000	-	-	4.9768	161.94	BUY
Comstar-UTS	- CMST	4.0000	-	-	-	-50.00	-63.42	-65.22	8.5000	11.0000	-	1,672	12.6930	217.32	BUY
MGTS	- MGTS	32.300	-	-	14.84	-6.92	-11.02	0.94	25.250	34.600	-	2,943	-	-	HOLD
MGTS, pref.	- MGTSF	22.850	-	-	-	-35.63	-28.93	-15.53	22.900	31.300	-	-	-	-	HOLD
MTS	▲ MTSS	8.9500	1.9500	27.86	-3.24	-18.64	-41.69	-21.35	7.0000	15.7000	177,750	17,840	16.2900	82.01	BUY
Rostelecom	- RTKM	8.2250	-	-	-24.19	-26.56	-30.65	-19.99	9.5000	12.4400	-	6,200	4.4800	-45.53	SELL
Rostelecom, pref.	- RTKMP	0.8500	-	-	-5.56	-46.88	-70.94	-65.02	0.6900	2.8500	-	-	3.3600	295.29	BUY
North-West Telecom	- SPTL	0.4950	-	-	-17.50	-48.70	-71.22	-65.51	0.6300	1.7000	-	555	1.3503	172.79	BUY
North-West Telecom, pref.	- SPTLP	0.4750	-	-	10.47	-25.81	-61.38	-55.08	0.4300	1.2150	-	-	1.0127	113.20	BUY
Sibirtelcom	- ENCO	0.0400	-	-	-11.11	-41.61	-66.67	-57.89	0.0350	0.1170	-	582	0.1140	185.00	BUY
Sibirtelcom, pref.	- ENCOF	0.0260	-	-	1.96	-41.57	-67.70	-60.00	0.0250	0.0670	-	-	0.0855	228.85	BUY
Uralsvyazinform	- URSI	0.0195	-	-	-15.25	-51.85	-69.41	-66.03	0.0180	0.0635	-	724	0.0459	135.38	BUY
Uralsvyazinform, pref.	- URSIP	0.0120	-	-	-20.00	-53.85	-71.76	-67.48	0.0120	0.0418	-	-	0.0344	186.67	BUY
CenterTelecom	- ESMO	0.2650	-	-	-32.05	-45.36	-71.57	-71.20	0.3500	0.9320	-	523	1.0436	293.81	BUY
CenterTelecom, pref.	- ESMOP	0.2000	-	-	-4.76	-39.39	-67.87	-62.58	0.2000	0.6375	20,000	-	0.7847	292.35	BUY
SouthTelecom	- KUBN	0.0700	-	-	4.48	-39.13	-64.65	-59.42	0.0575	0.2020	-	273	0.2917	316.71	BUY
SouthTelecom, pref.	- KUBNP	0.0675	-	-	7.14	-17.18	-53.37	-41.68	0.0700	0.1450	-	-	0.2188	224.15	BUY
<b>Machinery</b>															
AvtoVAZ	- AVAZ	0.9000	-	-	44.00	5.88	-53.37	-	0.7950	1.9500	-	1,406	1.6770	86.33	BUY
AvtoVAZ, pref.	- AVAZP	0.3400	-	-	-2.86	-38.18	-55.56	-	0.3500	0.6550	-	-	1.2580	270.00	BUY
GAZ	- GAZA	85.000	-	-	-2.30	-35.11	-50.00	-38.36	75.000	210.000	84,300	1,651	197.300	132.12	HOLD
GAZ, pref.	- GAZAP	53.0000	-	-	6.00	-33.33	-55.83	-51.49	95.000	125.500	-	-	148.000	179.25	BUY
ZMZ	- ZMZN	8.500	-	-	78.95	66.67	183.33	233.33	2.900	5.200	-	1,047	4.450	-47.65	HOLD
ZMZ, pref.	- zmnzp	2.3500	-	-	-29.32	-29.32	-2.08	27.72	2.6000	3.5250	-	-	3.3400	42.13	HOLD
Kamaz	- KMAZ	3.2500	-	-	1.56	-32.99	-37.50	-24.86	4.0000	7.2500	-	2,298	5.9800	84.00	BUY
Kirovsky zavod	- KIRZ	38.550	-	-	-9.29	-10.35	-29.91	4.19	40.000	56.000	-	419	33.290	-13.64	REDUCE
NefAZ	- nfaz	26.500	-	-	-10.17	-20.90	-26.39	43.24	25.000	50.250	-	213	45.750	72.64	BUY
Saturn NPO	- satr	0.0385	-	-	-24.51	-44.60	-67.65	-70.21	0.0370	0.1125	-	153	0.1379	258.18	HOLD
OMZ	- OMZZ	6.4000	-	-	6.67	6.67	-18.21	-24.71	5.0000	7.6000	19,200	227	6.3200	-1.25	SELL
RSC Energia	- satr	253.50	-	-	-9.46	-46.63	-	-	250.00	705.00	-	285	641.10	152.90	HOLD
UAZ	- uaza	0.1650	-	-	53.49	15.79	18.71	80.82	0.1125	0.1500	-	639	-	-	-
UAZ, pref.	- uazap	0.0575	-	-	-	-20.69	-35.39	22.34	0.0660	0.0900	-	-	-	-	-
Power Machines	- SILM	0.1775	-	-	-3.01	-11.25	-12.35	-8.62	0.1900	0.2220	-	1,546	0.1250	-29.58	SELL
Severstal-Auto	- SVAV	33.750	-	-	-12.34	-30.59	-37.50	-22.24	34.000	67.300	-	1,157	81.330	140.98	BUY
<b>Industry</b>															
ALNAS	- alnz	0.5450	-	-	-	-	-52.61	-41.08	0.6500	0.8500	-	113	1.2000	120.18	BUY
Angeromash	- ange	40.000	-	-	77.78	14.12	-30.43	6.67	-	-	-	40	79.650	99.12	BUY
BEPP	- bunz	39.500	-	-	-	-24.04	-16.84	-28.18	-	-	-	12	81.000	105.06	BUY
BEPP, pref.	- bunzp	33.500	-	-	-	-18.29	-19.28	-19.28	-	-	-	-	60.700	81.19	BUY
Gazenergoservice	- gzes	72.500	-	-	-3.33	-37.23	-52.92	-61.33	63.000	210.000	-	25	137.000	88.97	ACCUMULATE
Mikron	- mkro	6.2250	-	-	-24.55	-38.97	-38.21	-5.68	9.3000	12.2500	-	68	-	-	-
Orgenergogaz	- oeng	9.5000	-	-	5.56	-8.65	-33.91	-13.83	10.0000	13.5100	-	57	25.2000	165.26	BUY
Sitronics	- SITR	0.0870	-	-	6.10	-15.12	-27.50	-17.92	0.0950	0.1366	-	831	0.0814	-6.44	HOLD
Centrenergogaz	- cegz	4.425.0	-	-	-	-4.32	105.81	-	3,000.0	5,680.0	-	421	5,693.6	28.67	BUY
Centrenergogaz, pref.	- cegzp	1.400.0	-	-	-25.33	16.67	-23.29	-	1,000.0	2,200.0	-	-	4,270.2	205.01	BUY
Electrogaz	- elgz	850.00	-	-	88.89	26.87	21.43	70.00	490.00	600.00	-	53	895.70	5.38	BUY
Electrogaz, pref.	- elgzp	200.00	-	-	21.21	21.21	-34.43	-12.09	130.00	390.00	-	-	671.80	235.90	BUY
<b>Chemical industry</b>															
Azot (Berezniki)	- azop	-	-	-	-	-	-	-	875.00	960.00	-	-	1,427.50	-	BUY
Akron	- AKRN	50.000	-	-	-0.99	-36.51	-0.99	114.50	42.500	127.500	15,000	2,384	136.240	172.48	BUY
Ammofos	- ammo	101.50	-	-	-7.52	-14.38	-10.57	120.65	99.00	270.00	-	915	332.20	227.29	BUY
Dorogobuzh	- DGBZ	0.5750	-	-	4.55	-28.12	27.78	132.32	0.4550	1.4000	-	461	1.1900	106.96	HOLD
Dorogobuzh, pref.	- DGBZP	0.3000	-	-	-39.39	-45.45	-6.25	46.34	0.3000	0.7400	-	-	0.6400	113.33	HOLD
Kujbyshevazot	- kazt	2.7000	-	-	-6.90	-22.86	-	53.41	2.3400	5.0100	-	646	5.7500	112.96	BUY
Kujbyshevazot, pref.	- kaztp	1.7500	-	-	-4.11	-18.60	11.11	25.67	1.5000	2.0500	-	-	3.2800	87.43	BUY
Silvinit	- SILV	700.0	-	-	-22.22	-38.73	-20.45	66.67	700.0	2,275.0	350,000	6,652	1,417.4	102.49	REDUCE
Silvinit, pref.	- silvp	450.00	-	-	-8.63	-23.08	-30.77	59.57	400.00	1,250.00	9,000	-	809.90	79.98	REDUCE
Uraikali	- URKA	7.0000	-	-	3.32	-23.91	-10.26	112.12	5.0000	16.0500	-	14,871	17.8300	154.71	ACCUMULATE
<b>Retail Trade</b>															
Pharmacy Network 36,6	- APTK	12.500	-	-	-41.86	-51.92	-82.88	-83.63	10.000	70.000	-	119	-	-	UNDER REVISION
GUM	- GUMM	1.7000	-	-	-15.00	-34.62	-17.07	-24.44	1.9700	2.9500	-	102	-	-	UNDER REVISION
X5 Retail Group**	- FIVE	23.000	-	-	-2.13	-14.85	-36.99	-27.15	19.530	38.930	4,646,866	6,086	-	-	UNDER REVISION
Seventh Continent	- SCON	24.950	-	-	-0.20	-3.87	-3.67	-0.80	22.750	28.500	-	1,871	-	-	UNDER REVISION
TzUM	- TZUM	4.1000	-	-	-8.89	-20.77	90.70	107.07	2.1200	6.1000	-	368	-	-	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						
<b>Consumer Sector</b>																
	Baltika	- PKBA	21.500	-	-	-35.82	-39.44	-55.56	-54.74	30.000	50.000	-	3,527	-	-	UNDER REVISION
	Baltika, pref.	- PKBAP	21.500	-	-	-7.92	-20.37	-35.82	-30.42	25.500	31.000	-	-	-	-	UNDER REVISION
	WBD	- WBDF	36.000	-	-	-2.17	-21.74	-60.00	-55.83	34.000	93.000	-	1,584	-	-	UNDER REVISION
	Kalina	- KLNA	23.000	-	-	-5.15	-11.54	-43.21	-34.52	22.000	39.000	-	224	-	-	UNDER REVISION
	Lebedyansky	- LEKZ	85.550	-	-	1.85	4.97	-7.01	-3.88	80.000	93.500	-	1,746	-	-	UNDER REVISION
<b>Transport</b>																
	Aeroflot	- AFLT	2.5500	-	-	3.87	-13.56	-32.00	-12.07	2.5000	4.4500	-	2,832	4.1700	63.53	HOLD
	Vostochny Port	- vopt	72.000	-	-	18.03	18.03	10.77	9.09	50.000	70.000	-	189	114.580	59.14	BUY
	Vostochny Port, pref	- voptp	95.000	-	-	40.74	46.15	82.69	65.22	65.000	65.000	-	-	85.930	-9.55	ACCUMULATE
	FESCO	- FESH	0.9250	-	-	-2.63	-10.63	-15.53	3.93	0.9250	1.3500	18,500	2,184	1.0500	13.51	SELL
	Murmansk Commercial Seaport	- mscp	1,025.0	-	-	-	-	20.31	-4.65	860.0	1,200.0	-	126	1,305.4	27.36	BUY
	Murmansk Commercial Seaport, pref	- mscpp	253.50	-	-	-9.46	-11.83	-19.52	-23.40	255.00	305.00	-	-	979.00	286.19	BUY
	Novorossiysk Commercial Sea Port	▲ NMTP	0.1200	0.0300	33.33	4.35	-20.00	-52.00	-	0.0900	0.2650	12,000	2,311	0.1990	65.83	ACCUMULATE
	Novorossiysk Sea Shipping	- NOMP	3.1150	-	-	-0.34	-2.04	6.31	26.88	2.9900	3.4000	-	1,249	3.6000	15.57	BUY
	Novorossiysk Sea Shipping, pref.	- NOMPP	0.6250	-	-	-9.42	-26.47	-65.28	-53.62	0.8000	1.7400	-	-	2.7000	332.00	BUY
	FESCO	- PRIM	0.4500	-	-	-	-2.28	9.76	30.81	0.4200	0.4200	-	358	0.5610	24.67	BUY
<b>Banks</b>																
	VTB	▲ VTBR	0.0020	0.0008	73.91	-0.50	-33.33	-60.47	-56.14	0.0012	0.0050	29,750	13,448	-	-	-
	Sberbank	▲ SBER	1.7600	0.5200	41.94	-4.61	-30.98	-58.29	-57.07	1.2400	4.3800	1,047,000	38,803	4.6210	162.56	ACCUMULATE
	Sberbank, pref.	- SBERP	0.8100	-	-	-13.97	-46.00	-73.00	-70.76	0.6500	2.9300	-	-	3.4660	327.90	ACCUMULATE
<b>Media &amp; IT</b>																
	RBC	- RBCI	5.4500	-	-	-5.79	-28.76	-47.85	-32.51	5.0000	10.9000	75,100	763	9.8600	80.92	BUY
	CTC Media*	- CTCM	16.780	-	-	-1.70	-20.17	-44.44	-	15.180	105.040	20,927,686	2,553	32.600	94.28	BUY
<b>Oblgaz</b>																
	Altaikrasservice	- akgs	20.000	-	-	-77.78	-83.67	-82.61	-88.24	105.000	105.000	-	2	339.430	1,597.15	BUY
	Astrakhanoblgas	- asog	3.0000	-	-	20.00	20.00	11.11	41.18	2.7000	2.7000	-	12	2.3800	-20.67	HOLD
	Belgorodoblgas	- bogz	600.00	-	-	-	-	20.00	-	700.00	700.00	-	48	3,331.71	455.28	BUY
	Bryanskoblgas	- brog	470.00	-	-	-	5.62	15.34	47.10	380.00	510.00	-	52	1,140.89	142.74	BUY
	Vladimiroblgas	- vlog	770.00	-	-	-	-0.65	-47.88	70.17	800.00	1,355.00	-	35	973.74	26.46	HOLD
	Volgogradoblgas	- vlgz	400.00	-	-	-33.33	-49.04	-38.22	-	495.00	805.00	-	34	1,329.23	232.31	BUY
	Voronezhoblgas	- vogz	4.2500	-	-	-12.82	-20.93	7.73	143.55	3.6000	7.0000	-	94	12.8200	201.65	BUY
	Ivanovooblgas	- ivog	5.0000	-	-	-50.00	-75.00	-9.09	-0.20	-	-	-	4	150.7600	2,915.20	BUY
	Ivanovooblgas, pref	- ivogp	26.000	-	-	-	-	-46.39	766.67	-	-	-	-	150.760	479.85	BUY
	Irkutskoblgas	- irog	170.00	-	-	-	-	-12.82	70.00	-	-	-	4	-	-	-
	Kalugaoblgas	- klog	699.00	-	-	-0.14	-22.33	16.50	136.55	650.00	800.00	-	21	1,286.95	84.11	BUY
	Karelgas	- klgz	-	-	-	-	-	-	-	-	-	-	-	324.27	-	BUY
	Kirovoblgas	- krog	262.50	-	-	-12.50	-15.32	-20.69	38.12	-	-	-	26	705.25	168.67	BUY
	Komigaz	- kgaz	100.00	-	-	81.82	207.69	166.67	225.20	30.00	30.00	-	35	80.44	-19.56	BUY
	Komigaz, pref.	- kgazp	7.8000	-	-	-	-	-64.55	-48.00	-	-	-	-	60.3300	673.46	BUY
	Kostromaoblgas	- koog	190.00	-	-	-46.10	-51.28	-50.00	-19.32	331.00	400.00	-	11	935.74	392.49	BUY
	Krasnodarkraigas	- kgas	13.000	-	-	-	-13.33	109.68	85.71	-	-	-	27	12.110	-6.85	SELL
	Kurganoblgas	- kuog	470.00	-	-	-	-	-27.69	44.62	-	-	-	14	-	-	-
	Kurskoblgas	- krgz	800.00	-	-	27.49	23.08	146.15	255.56	500.00	700.00	-	71	1,184.98	48.12	BUY
	Lenoblgas	- leog	4,500.0	-	-	80.00	74.76	73.08	592.31	650.0	650.0	-	356	717.7	-84.05	HOLD
	Lipetskoblgas	- lpog	105.00	-	-	-4.55	-34.38	-16.00	-12.50	-	-	-	12	716.78	582.65	BUY
	Nizhegorodoblgas	- nnog	2.2500	-	-	-14.29	-29.69	-43.61	-19.64	2,3500	4,5000	-	63	1.8700	-16.89	HOLD
	Omskoblgas	- omog	6.500	-	-	7.88	-18.75	-	30.00	10.000	11.000	-	10	20.130	209.69	BUY
	Omskoblgas, pref.	- omogp	2.7000	-	-	-	-	-32.50	-10.00	-	-	-	-	11.5500	327.78	BUY
	Oreloblgas	- orgz	430.00	-	-	-	-2.82	14.67	186.67	-	-	-	16	512.18	19.11	BUY
	Orenburgoblgas	- orog	1,750.0	-	-	-7.89	-19.54	81.35	155.47	1,000.0	2,250.0	-	134	2,855.8	63.19	HOLD
	Pensagasifikatsiya	- pgzf	-	-	-	-	-	-	-	-	-	-	-	869.49	-	BUY
	Rostovoblgas	- rtbg	675.00	-	-	-	-10.00	12.50	61.68	625.00	900.00	-	90	1,529.82	126.64	BUY
	Rostovoblgas, pref.	- rtbgp	410.00	-	-	-	-5.75	-12.77	36.67	400.00	460.00	-	-	1,529.82	273.13	BUY
	Ryazanoblgas	- rzog	5.5000	-	-	-	-4.35	-46.86	77.42	-	-	-	26	5.9200	7.64	HOLD
	Samaragaz	- sagz	97.750	-	-	-0.05	77.73	76.92	93.56	45.500	45.500	-	11	289.840	196.51	BUY
	Saratovoblgas	- srog	13.000	-	-	-	-10.34	60.00	153.66	7.750	25.000	-	48	50.010	284.69	BUY
	Sibirgasservice	- sbsg	8.5500	-	-	-	-	13.25	71.00	-	-	-	39	-	-	-
	Smolenskoblgas	- smog	148.50	-	-	-	-	68.75	212.63	81.50	185.00	-	60	332.44	123.87	BUY
	Stavropolkraigas	- stkg	550.00	-	-	-	33.33	-42.41	-	425.00	575.00	-	66	81.59	-85.17	SELL
	Stavropolkraigas, pref.	- stkgp	250.00	-	-	-9.09	-9.09	-58.33	-	280.00	400.00	-	-	81.59	-67.36	SELL
	Tambovoblgas	- togz	59.500	-	-	-	-14.39	70.00	211.11	29.000	59.000	-	51	81.290	36.62	BUY
	Tveroblgas	- tveo	182.50	-	-	-	-9.88	-33.15	10.61	225.00	246.00	-	33	236.31	29.48	HOLD
	Tulaoblgas	- tuog	350.50	-	-	-7.76	-22.46	29.81	181.47	180.00	705.00	-	56	1,106.23	215.61	BUY
	Chitaoblgas	- chog	125.00	-	-	-	-	127.27	-	-	-	-	9	-	-	-
	Yaroslavlbgas	- yrog	330.00	-	-	-	1.54	26.92	164.00	250.00	260.00	-	23	503.81	52.67	BUY
<b>Services companys</b>																
	Giprospekgaz	- gsgz	950.00	-	-	-	-33.73	-59.57	-9.52	1,100.00	1,850.00	-	39	7,463.00	685.58	BUY
	Giprospekgaz, pref	- gsgzp	425.00	-	-	-4.49	-37.04	-67.92	-32.00	800.00	800.00	-	-	5,970.00	1,304.71	BUY
	Spetsgazremstroy	- sgrs	133.00	-	-	-	-22.90	-63.06	-26.72	344.00	425.00	-	71	741.25	457.33	BUY
	Spetsgazremstroy, pref	- sgrsp	81.000	-	-	45.95	0.62	-56.80	-37.21	120.000	255.000	-	-	555.940	586.35	BUY
<b>Services companys</b>																
	Belgorodasbestocement	- belc	200.00	-	-	-	-	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	16.500	-	-	-	-	45.37	45.37	8.000	8.000	-	-	27.980	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	0.7	-	-1.17	-	6,471	-
AFK Sistema	KO71 GR	AFKS	20,00	Frankfurt	18.943	4.062	0.9	0.7	-	27.30	-	7	-
Aeroflot	AETG GR	AFLT	100	Frankfurt	257.860	53.619	2.579	2.500	-	26.25	-	27	-
Wimm-Bill-Dann	WBD LI	WBDF	1	London	16.000	-	16.000	34.000	-	-	-	88	-
Wimm-Bill-Dann	WBD US	WBDF	1	New York	67.560	-1.010	67.560	34.000	-	-1.47	-	20,024	-
Wimm-Bill-Dann	WBPA GR	WBDF	1	Frankfurt	69.795	5.318	69.795	34.000	-	8.25	-	5	-
Volgaelcom	NZH GR	NNSI	2	Frankfurt	3.745	-0.007	1.873	1.900	-	-0.20	-0.27	-	19
Vimpelcom	VIP US	VIMP	1/4	New York	23.300	-	466.00	420.00	-	-	-	-	-
Vimpelcom	VIP GR	VIMP	1/4	Frankfurt	22.617	-	452.34	420.00	-	-	-	-	-
Gazprom	OGZD LI	GAZP	4	London	32.650	4.510	8.162	8.400	-0.03	16.03	0.21	1,240,727	4,949
Gazprom	OGZPY US	GAZP	4	New York	35.650	7.200	8.912	8.400	-	25.31	0.21	-	4,949
Gazprom	GAZ GR	GAZP	4	Frankfurt	33.133	5.059	8.283	8.400	-0.01	18.02	0.21	11,465	4,949
Golden Telecom	GLDN US	GLDN	1	New York	105.020	-	105.020	-	-	-	-	-	-
Golden Telecom	G77 GR	GLDN	1	Frankfurt	103.873	-	103.873	-	-	-	-	-	-
Evrzholding	EVR LI	-	1/3	London	65.000	15.000	195.000	-	-	30.00	-	77,676	-
Evrzholding	HK1A GR	-	1/3	Frankfurt	62.664	12.795	187.993	-	-	25.66	-	166	-
Irkutskenergo	IKSGY US	IRGZ	50	New York	-	-	-	0.550	-	-	-	-	-
Irkutskenergo	IRK GR	IRGZ	50	Frankfurt	-	-	-	0.550	-	-	-	-	-
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	67.600	10.400	67.600	70.000	-0.03	18.18	0.18	838,401	2,330
LUKOIL	LUKOY US	LKOH	1	New York	75.600	15.600	75.600	70.000	-	26.00	0.18	-	2,330
LUKOIL	LUK GR	LKOH	1	Frankfurt	67.922	10.980	67.922	70.000	-0.03	19.28	0.18	4,025	2,330
MCTN	MOW GR	MGTS	1	Frankfurt	19.448	-0.038	19.448	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	5.690	-	0.057	0.220	-	-	-	-	-
MTS	MBDL LI	MTSS	5	London	-	-	-	8.950	-	-	0.18	-	178
MTS	MBT US	MTSS	5	New York	-	-	-	8.950	-	-	0.18	-	178
MTS	MKY GR	MTSS	5	Frankfurt	65.401	10.422	13.080	8.950	0.46	18.96	0.18	90	178
Nizhnekamskneftekhim	QAO GR	NKNC	10	Frankfurt	4.034	0.281	0.403	0.400	-	7.48	-	8	-
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	13.840	3.190	13.84	134.00	-0.90	29.95	0.08	193,492	650
Norilsk Nickel	NILSY US	GMKN	1	New York	17.700	6.250	17.70	134.00	-	54.59	0.08	-	650
Norilsk Nickel	NNIA GR	GMKN	1	Frankfurt	13.829	2.657	13.83	134.00	-0.90	23.79	0.08	870	650
UHM	UHM GR	OMZZ	1	Frankfurt	5.330	-	5.330	8.750	-	-	-	-	-
Pyaterochka	FIVE LI	-	1/4	London	23.000	-	92.000	-	-	-	-	-	-
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	9.500	-	-	-	-	-
Rostelekom	ROS US	RTKM	6	New York	-	-	-	9.500	-	-	-	-	-
Rostelekom	RTL GR	RTKM	6	Frankfurt	41.949	5.287	6.992	9.500	-	14.42	-	370	-
Seversky pipe plant	SVY GR	SVTZ	10	Frankfurt	97.958	-	9.796	14.500	-	-	-	-	-
Gazprom Neft	GAZ LI	SIBN	5	London	22.000	-	4.400	4.300	-	-	-	-	-
Gazprom Neft	GZPFY US	SIBN	5	New York	32.250	-	6.450	4.300	-	-	-	-	-
Gazprom Neft	SCF GR	SIBN	5	Frankfurt	22.084	-	4.417	4.300	-	-	-	-	-
Surgutneftegas	SGGD LI	SNGS	50	London	5.200	0.800	0.104	0.591	-0.82	18.18	0.23	81,316	1,421
Surgutneftegas	SGTZY US	SNGS	50	New York	-	-	-	0.591	-	-	0.23	-	1,421
Surgutneftegas	SGN GR	SNGS	50	Frankfurt	5.532	0.985	0.111	0.591	-0.81	21.66	0.23	272	1,421
Tatneft	ATAD LI	TATN	20	London	75.000	16.000	3.750	3.300	-	27.12	-	34,800	-
Tatneft	TNT US	TATN	20	New York	-	-	-	3.300	-	-	-	-	-
Tatneft	TTFA GR	TATN	20	Frankfurt	96.244	-0.314	4.812	3.300	-	-0.32	-	324	-
Tyumenaviatrans	UTARY US	TMAT	100	New York	40.000	-	0.400	0.538	-	-	-	-	-
Tyumenaviatrans	TYV GR	TMAT	100	Frankfurt	28.811	-	0.288	0.538	-	-	-	-	-
Tsum	THT GR	TZUM	20	Frankfurt	86.434	7.047	4.322	2.000	-	8.88	-	-	-
STC	KUE GR	KUBN	50	Frankfurt	8.229	0.353	0.165	0.135	-	4.49	-	-	-

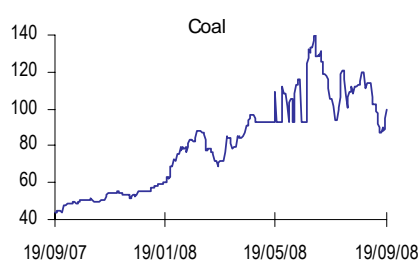
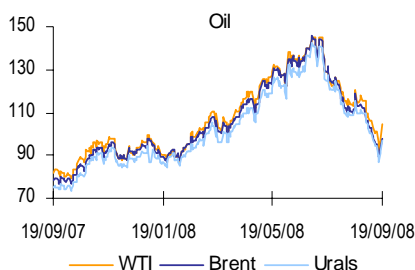
Source: Bloomberg, Estimation: Veles Capital

## 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	▲	99.12	5.02	5.33	4.14	-14.32	3.36	24.96	-0.74	147.59
Brent, USD / bbl	▲	97.90	4.60	4.93	3.00	-12.51	4.27	23.96	85.05	147.21
Urals, USD / bbl	▲	97.12	5.02	5.45	2.87	-12.69	6.40	28.57	-3.32	142.94
WTI, USD / bbl	▲	104.55	6.67	6.81	3.33	-9.07	8.91	25.48	86.47	146.30
Brent-Urals	▼	0.78	-0.42	-35.00	21.88	16.42	-70.11	-77.33	-2.01	9.94
Coal, USD / ton	▲	99.50	5.00	5.29	13.65	-12.33	79.28	124.86	55.50	142.85

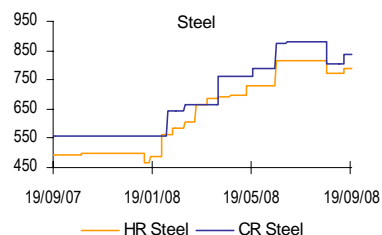
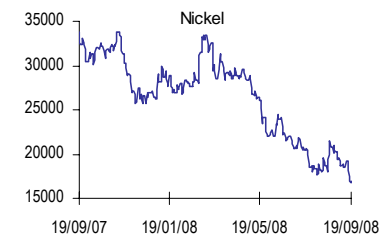
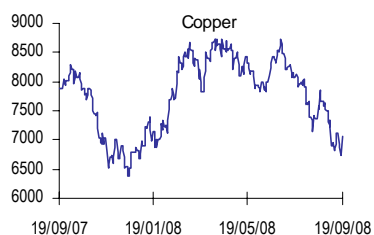
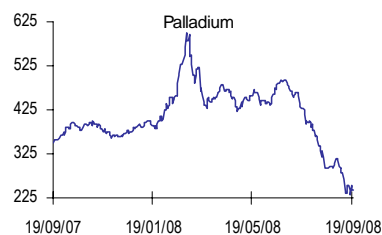
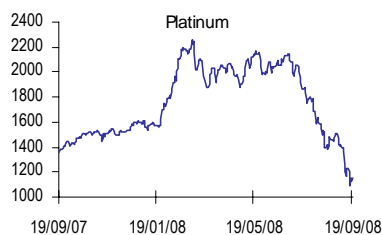
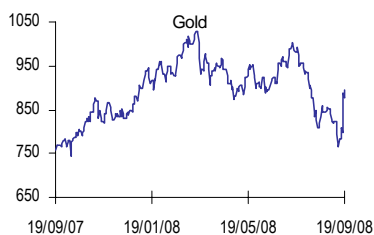
Source: Bloomberg, Estimation: Veles Capital



### Prices of metals

		Close, USD	Change, USD	Change, %					Current year, USD	
				day	week	month	from Jan 1	year	min	max
Gold, USD / ounce	▲	895.39	18.94	2.16	14.34	7.31	2.75	16.21	763.64	1,027.52
Silver, USD / ounce	▲	12.98	0.66	5.32	16.31	-4.52	-16.05	-7.51	10.72	21.42
Platinum, USD / ounce	▲	1,155.31	33.56	2.99	-6.12	-17.65	-27.38	-16.38	1,088.95	2,257.73
Palladium, USD / ounce	-	242.49	-	-	-4.26	-17.34	-37.60	-31.92	231.19	598.39
Aluminum, USD / ton	▲	2,535.00	40.00	1.60	-4.88	-8.25	5.23	3.81	2,409.00	3,317.00
Copper, USD / ton	▲	7,060.00	311.00	4.61	-0.87	-6.05	5.77	-10.52	6,675.00	8,730.00
Nickel, USD / ton	▲	16,950.00	200.00	1.19	-11.95	-14.93	-35.55	-48.01	16,750.00	33,400.00
Lead, USD / ton	▲	1,900.00	95.00	5.26	-2.06	7.34	-25.49	-41.63	1,568.00	3,420.00
Tin, USD / ton	▲	16,950.00	150.00	0.89	-12.85	-17.32	3.20	11.15	16,025.00	25,300.00
Zink, USD / ton	▲	1,779.00	63.00	3.67	-5.67	1.66	-24.94	-38.74	1,615.00	2,830.00
Titanium, USD / ton	-	4,144.69	-	-	-	-	-7.39	27.03	4,144.69	5,511.56
HR Steel, USD / ton	-	790.00	-	-	-	1.94	58.00	59.60	465.00	815.00
CR Steel, USD / ton	-	835.00	-	-	-	3.73	49.11	49.11	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	▲	1,295.91	237.07	22.39	-3.42	-24.37	-43.42	-35.69	1,058.84	2,498.10
MICEX Index	▲	1,098.95	245.02	28.69	-3.41	-20.74	-41.82	-35.98	789.19	1,966.32
Technical RTS Index	▲	1,985.91	444.52	28.84	-0.26	-21.03	-37.13	-28.08	1,405.26	3,730.73
MSCI Russia	▲	887.12	189.12	27.09	0.20	-19.38	-42.26	-30.68	680.83	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 ▲	11,388.44	368.75	3.35	-0.29	-0.25	-14.15	-17.28	10,459.44	13,279.54
NASDAQ	USA ▲	2,273.90	74.80	3.40	0.56	-4.82	-14.27	-14.33	2,070.22	2,661.50
FTSE 100	Great Britain ▲	5,311.30	431.30	8.84	-1.95	-1.13	-17.74	-17.39	4,857.10	6,534.70
Nikkei 225	Japan ▲	11,920.86	431.56	3.76	-2.41	-7.24	-22.13	-27.37	11,301.46	15,413.37
S&P 500	USA ▲	1,255.08	48.57	4.03	0.27	-1.53	-14.53	-17.36	1,133.50	1,471.77
AEX	Netherlands ▲	381.83	30.17	8.58	-4.44	-5.16	-25.97	-29.61	349.76	518.27
OMX	Sweden ▲	851.72	70.19	8.98	0.46	1.10	-21.24	-29.51	772.75	1,081.44
DAX	Germany ▲	6,189.53	326.11	5.56	-0.73	-2.03	-23.28	-19.98	5,812.77	8,100.64
MIB 30	Italy ▲	28,389.00	2,237.00	8.55	-2.00	-1.80	-26.99	-29.66	26,092.00	38,885.00
CAC 40	France ▲	4,324.87	367.01	9.27	-0.18	-0.94	-22.96	-23.98	3,926.82	5,665.94
SMI	Switzerland ▲	7,025.17	401.92	6.07	-2.64	-1.05	-17.20	-21.04	6,422.85	8,571.76
ASX 200	Australia ▲	4,804.10	196.80	4.27	-2.03	-2.54	-24.22	-24.86	4,527.40	6,385.70
Bloomberg European 500	▲	197.28	14.64	8.02	-1.16	-1.97	-48.23	-47.64	182.06	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	▲	845.56	77.72	10.12	-1.16	-12.06	-32.14	-26.71	745.71	1,252.59
<b>Europe</b>										
ASE	Greece ▲	3,209.26	256.45	8.68	3.17	-3.12	-38.03	-35.46	2,881.09	5,207.44
WSE WIG	Poland ▲	38,360.99	1,782.52	4.87	-1.94	-3.83	-31.07	-38.72	35,688.47	56,066.82
PFTS	Ukraine -	347.10	-	-	-20.21	-43.34	-70.43	-64.75	347.10	1,208.61
BUX	Hungary ▲	19,062.34	1,598.32	9.15	-2.90	-6.13	-27.34	-30.19	17,289.35	26,242.90
PX	Czech Republic ▲	1,316.20	138.20	11.73	1.97	-8.60	-27.49	-26.51	1,137.20	1,819.50
TA-100	Israel -	758.28	-	-	-11.91	-19.51	-34.84	-28.41	740.76	1,167.04
XU 100	Turkey ▲	36,370.16	4,153.73	12.89	-1.79	-8.62	-34.51	-32.07	30,971.24	55,281.66
<b>Asia and Africa</b>										
HSI	Hong Kong ▲	19,327.73	1,695.27	9.61	-0.13	-7.66	-30.51	-24.80	16,283.72	27,853.60
SENSEX	India ▲	14,042.32	726.72	5.46	0.30	-4.33	-30.83	-14.10	12,514.99	21,206.77
JALSH	SAR ▲	25,402.11	1,309.37	5.43	-2.88	-5.20	-12.28	-14.85	23,988.99	33,309.82
JCI	Indonesia ▲	1,891.73	104.06	5.82	4.86	-8.60	-31.11	-17.92	1,592.24	2,838.48
KOSPI	South Korea ▲	1,455.78	63.36	4.55	-1.50	-5.51	-23.26	-23.74	1,366.88	1,901.13
SHCOMP	China ▲	2,075.09	179.25	9.46	-0.22	-17.76	-60.56	-62.06	1,802.33	5,522.78
<b>America</b>										
MEXBOL	Mexico ▲	25,701.03	1,123.13	4.57	0.44	-4.33	-12.99	-15.69	23,181.74	32,292.92
IBOV	Brazil ▲	53,055.38	4,632.63	9.57	1.26	-4.19	-16.95	-6.77	45,294.81	73,920.38
IPSA	Chile -	2,688.85	-	-	-4.91	-4.81	-11.89	-16.36	2,369.06	3,113.93
IBVC	Venezuela ▼	38,975.28	-139.92	-0.36	-1.87	-2.44	2.83	2.29	33,767.05	41,584.92

Source: Bloomberg, Estimation: Veles Capital

## Information disclosure

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### 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.

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