

# Daily review

September 26, 2008

## Trader's view

On Thursday a fall of oil prices had a negative effect on Russian stock market. RTS has fallen down below 1300 points and during the day decreased by 30 points. Almost all liquid securities have gone in value, especially the stocks of oil and gas companies, quotes of which decreased by 2-4%. We should mention that WGC-2's shares decreased by more than -15%. We do not exclude that it can be caused by 2 reasons. First of all, news, concerning additional emission, which can blur the share of minority shareholders, can provide a negative effect on company's stocks. Secondly, a fall could be caused by a judgment made during the trial against WGC-2's management. The only exception among fell down blue chips became Norilsk Nickel, which added in value +5.19% on the back of achieved agreements between Prokhorov and Potanin. At the end of Thursday's trades RTS managed to return lost points. It was boosted by the decision of USA Congress, concerning the plans to stabilize situation at finance market and give 700 bn USD to support the liquidity.

## Main events

"Nafta Moskva" offered Potanin to purchase his Polyus Gold's stake.

"Nafta Moskva", headed by Suleyman Kerimov, offered Vladimir Potanin, the head of Interros, to buy his stake in Polyus Gold. According to "Vedomosti" newspaper, the purchase can occur only over next 2 weeks, under the price of about 25 USD per share, i.e. 1.6 bn USD for the whole stake, forming 35%.

International Monetary Fund forecasts capital inflow of 0-15 bn USD late 2008.

Net capital outflow in Russia could take place as far as positions are closed, which were opened on the base of carry trade with a view to RUR could strengthen. Such estimation was provided by Paul Thomson, the head of IMF in Russia during the press conference in central office of "Interfax" on Thursday.

## Other news

- IMF does not see system risks of Russian banking sector.
- Gazprom abandoned the claim against former chief manager of WGC-2, in order to expand the financial claims.

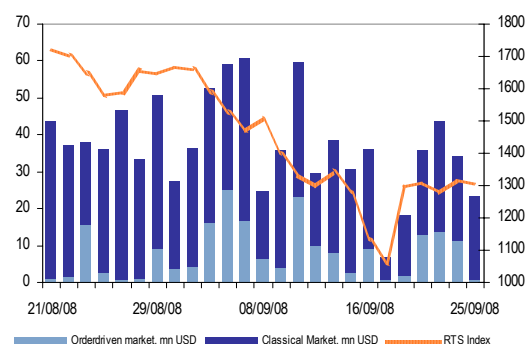
## Market estimates

### Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	1,304.99	-10.44	-0.79	23.25	-17.36	-36.32
MICEX Index	1,095.51	-10.21	-0.92	28.29	-15.27	-37.22
USD / RUR	25.0613	0.06	0.25	-1.06	1.44	0.12
EUR / RUR	36.5690	-0.08	-0.21	0.00	1.16	3.83
EUR / USD	1.4576	-0.01	-0.55	0.98	-0.38	3.22
Dow Jones Index	11,022.06	196.89	1.82	0.02	-3.42	-20.58
NASDAQ	2,186.57	30.89	1.43	-0.57	-7.43	-18.99
FTSE 100	5,197.02	101.45	1.99	6.50	-5.00	-19.21
Nikkei 225	12,006.53	-108.50	-0.90	4.50	-6.04	-26.95
MSCI EM	838.29	6.99	0.84	9.18	-10.68	-29.04

Source: Bloomberg, Estimation: Veles Capital

### RTS index vs. trade volume



### Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	102.85	1.88	1.86	10.24	-9.54	33.83
Urals, USD / bbl	101.55	1.72	1.72	10.26	-7.43	37.04
Gold, USD / ounce	908.54	-3.31	-0.36	3.66	7.44	18.68
Palladium, USD / ounce	248.12	-10.73	-4.15	2.32	-15.57	-30.95
Copper, USD / ton	6,930	20	0.29	2.68	-8.58	-12.72
Nickel, USD / ton	17,075	-125	-0.73	1.94	-14.75	-47.38

Source: Bloomberg, Estimation: Veles Capital

### Russian share quotes

	Close, USD	Change, USD	Change, %			
			day	week	month	year
VTB	0.002	-	-1.17	83.91	-26.05	-55.57
Polyus-Gold	21.65	-	-	-27.83	-36.29	-50.23
NorNickel	142.00	7.000	5.19	15.45	-31.23	-42.28
Rostelecom	7.900	-	-7.06	0.57	-31.30	-24.40
MTS	8.950	-0.100	-1.10	27.86	-15.57	-20.44
Sberbank	1.820	-0.005	-0.27	46.77	-26.82	-53.81
LUKOIL	64.30	-1.500	-2.28	16.91	-10.07	-19.93
Gazprom Neft	4.000	-	-	1.91	-21.57	-
Surgutneftegas	0.560	-0.020	-3.45	36.59	-24.32	-57.51
Gazprom	8.430	-0.170	-1.98	35.97	-13.09	-21.73
Tatneft	4.100	-0.150	-3.53	18.84	-21.53	-24.63
Rosneft	7.350	-0.330	-4.30	34.86	-6.01	-13.22

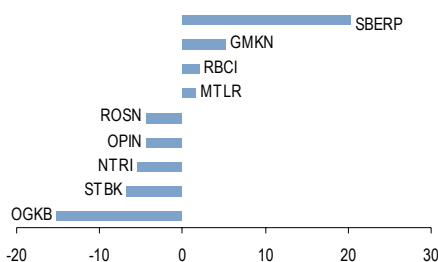
Source: RTS web page, Estimation: Veles Capital

### Veles Management MC Unit investment trusts

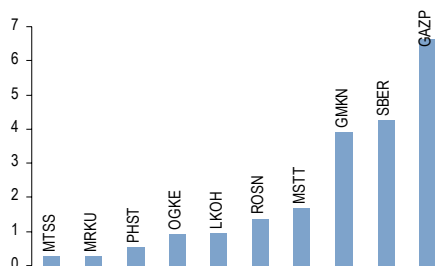
	Net asset value, RUR	Share price, RUR	Change, %			Since interest formation, %
			day	month	year	
VELES Capital	8,171,653	821.29	2.28	-15.30	-25.81	-7.18
VELES Capital - Selected Shares	6,522,181	606.37	3.25	-19.97	-37.73	-21.25
VELES Capital - Bonds	27,424,519	951.43	-1.18	-5.05	-	-7.95

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	1,273.4	1,400.0
2	1,262.8	1,453.0
3	1,200.0	1,500.0

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During the day RTS decreased by -0.79% and formed 1304.99 points. The securities of LUKOIL (-2.28%), Gazprom (-1.98%) and Rosneft (-4.30%) provided a negative influence on RTS, positive influence for the indicator was provided by stocks of Norilsk Nickel (+5.19%) and preferred shares of Sberbank (+20.35%).

Classic market turnover was low and formed 22.6 mn USD. Yesterday's top volumes were achieved with stocks of Gazprom (6.7 mn USD), Sberbank (4.2 mn USD) and Norilsk Nickel (3.9 mn USD).

Expectations of USA Congress' approval of stabilizing program were the reason of positive dynamics of main USA indicators at the beginning of trading session in USA. However, the program was not confirmed, due to republicans' objections. As a result, an agreement was not achieved, investors' activity decreased and at the end of trades, USA indices slightly decreased. DJ increased by +1.82%, NASDAQ (+1.43%), S&P (+1.97%). Asian grounds demonstrated negative dynamics on the back of disagreements in USA government. We expect slightly negative dynamics of trades at the beginning. However, it should be mentioned that FFMS' prohibition, concerning the short positions will be raised today. On the one hand, it can increase the number of transactions and on the other, it could raise volatility and provide a negative influence on RTS, if speculators use this opportunity.

RTS index support and resistance levels



## Economy

International Monetary Fund forecasts capital inflow of 0-15 bn USD late 2008.

Net capital outflow of Russia could continue as far as positions are closed, which were opened on the base of carry trade with a view to RUR could strengthen. Such estimation was provided by Paul Thomson, the head of IMF in Russia during the press conference in central office of "Interfax" on Thursday.

According to him, the current situation, "it will be difficult for banks and companies to refinance external liabilities". In total, the situation of capital flows will be "close to balanced" over the year, Thomson forecasted. His estimation indicates capital inflow, forming 0-15 bn USD at the end of the year.

We can agree with such estimation, because the current situation in banking sector is too complicated to stabilize it now. Another negative factor is some difficulties of USA financial system. However, it related to speculative issue of capital, whereas long-term investments in Russian assets are very attractive. Moreover, if the situation at the sector becomes more complicated over year 2009, there will be a high possibility of capital inflow from abroad.

IMF does not see system risks of Russian banking sector.

IMF does not see system risks of Russian banking sector and thinks that Central Bank can solve all the problems. According to Thomson, Central Bank of RF applied all required measures to stabilize the situation in some banks. Therefore, Thomson does not exclude that similar problems can occur in other banks.

A group of experts conducted a research of Russian financial sector and concluded that, since crisis in year 2004, the system of applied measures in case of crisis is significantly improved and very useful in the current situation. Moreover, the developed deposit insurance system will help to prevent negative impacts of some banks bankruptcy. The head of IMF in Russia also noted that a large number of participants of the banking sector and observers are agree that there too many banks in Russia in comparison with economical system.

According to Thomson, the recall of some commercial banks' licenses is not an outstanding measure, Central Bank makes it very often and in the current situation we expect a large number of recalled licenses. He also noted that Central Bank has already recalled the licenses of some large regional banks and these measures did not lead to panic and negative effects, thanks to deposit insurance system.

To sum up, Thomson said there are not serious problems in Russian banking sector and IMF does not expects that a large number of banks are closed.

We agree with IMF and there are no serious problems in Russian banking sector yet. However, the current situation can occur again, due to short-term liabilities and similar methods. Therefore we do not expect a growth of liabilities terms over next half a year.

*Ivan Manaenko  
IManaenko@veles-capital.ru*

*Company profile*

Last price, USD	21.65
Market capitalization, mn USD	4,127
Ticker	PLZL
Fair value, USD	57.18
Undervaluation, Overvaluation %	164.11
Recommendation:	<b>BUY</b>

**Precious metals****Polyus Gold**

“Nafta Moskva” offered Potanin to purchase his Polyus Gold’s stake.

“Nafta Moskva”, headed by Suleyman Kerimov, offered Vladimir Potanin, the head of Interros, to buy his stake in Polyus Gold. According to “Vedomosti” newspaper, the purchase can occur only over next 2 weeks, under the price of about 25 USD per share, i.e. 1.6 bn USD for the whole stake, forming 35%.

Let us remind you agreement between Prokhorov and Potanin signed several days ago, concerning the division of assets. According to the agreement, Potanin’s share in Polyus Gold’s registered capital will be given to Mikhail Prokhorov. Thus, Kerimov’s offer can bring some difficulties to Prokhorov. However, on the other hand, the situation can be opposite, if Kerimov acts in the interests of Prokhorov and the given deal can give an opportunity to avoid the obligations to conduct the offering, gaining more than 30% of company’s stake. However, the offered price is higher the current quotes, but significantly lower than the fair price. Therefore, Potanin will hardly agree to sell his stake in Polyus Gold. In this case, the agreement with Prokhorov is more attractive deal for Potanin. In total, we see the given news as slightly positive for companies’ securities (short-term possibility of upwards motion for investors (25 USD per share). We increase our “HOLD” recommendation to “BUY” recommendation.

*Stanislav Fomenko*  
*SFomenko@veles-capital.ru*

*Company profile*

Last price, USD	0.0195
Market capitalization, mn USD	638
Ticker	OGKB
Fair value, USD	0.2387
Undervaluation, Overvaluation %	1,124.1
Recommendation:	<b>BUY</b>

**Energy**
**WGC-2**

Gazprom abandoned the claim against former chief manager of WGC-2, in order to expand the financial claims.

On Thursday Moscow Arbitration Court stopped the proceedings under WGC-2's claims against Mikhail Kuzichev, former chief manager of the company, Interfax reported.

Court's representatives said to journalists that this decision was confirmed due to company's withdrawal of claims. Moreover, the court cancelled provisional measures, which were applied earlier, concerning garnishment of accounts.

Earlier reports indicted that the company's claims against M. Kuzichev, formed 494 mn RUR. However, during the proceedings, the sum formed 446.5 mn RUR. M. Kuzichev was fired late on May. According to labor contract, he has had a right to receive "golden parachute" – immediate compensation, forming about 60 mn RUR. He left the company with 16 top-managers and payments of "parachutes" formed about 494 mn RUR. The total payments totaled 557 mn RUR.

However, yesterday "Gazenergoprom-invest", formally unaffiliated with Gazprom, but which has purchased 12.22% of WGC-2's stake for the company in year 2007, filed a claim in the same court against M. Kuzichev, concerning the infliction of losses to the company, "Vedomosti" newspaper reported. The company expanded its claims, announced Maria Frolova, Gazprom's representative. The claim formed the same sum — 446.5 mn RUR, but now it includes codefendants — 13 from 15 fired top-managers. Gazprom's representative reported to "Vedomosti" that almost in all departments, headed by fired managers, during the inspection were found serious derelictions.

The given measures of Gazprom indicate serious intentions to return the money back, paid as bonuses to fired managers. Due to given payments, EBITDA margin of WGC-2 decreased by -2.5 p.p. over 1H 2008 and if the money is returned, it will have a positive influence on WGC-2's business, which is not so sound taking into account huge investment program.

*Oleg Zotikov*  
*OZotikov@veles-capital.ru*

## Trade results

	Ticker	Price, USD	Change, USD	Change, %					Current year, USD		Volume, USD	MCAP, mn USD	Fair price, USD	Potential, %	Recommendation	
				day	week	month	from Jan 1	year	min	max						
<b>Oil and Gas</b>																
	Bashneft	- BANE	12.775	-	-	12.56	-8.75	-23.27	-6.41	11.000	18.750	-	2.408	-	-	HOLD
	Bashneft, pref.	- BANEP	6.7500	-	-	-12.62	-26.63	-38.50	-32.50	7.2000	12.1000	-	-	-	-	HOLD
	Gazprom	▼ GAZP	8.4300	-0.1700	-1.98	35.97	-13.09	-40.17	-21.73	6.2000	15.6500	6,663,892	199,568	20,2000	139.62	BUY
	Gazprom Neft	- SIBN	4.0000	-	-	1.91	-21.57	-37.01	-	4.6900	8.1000	-	18,965	8.8800	122.00	ACCUMULATE
	LUKOIL	▼ LKOH	64.300	-1.500	-2.28	16.91	-10.07	-26.09	-19.93	55.000	113.200	972,623	54,691	129,630	101.60	BUY
	NOVATEK	- NVTK	5.6000	-	-	86.67	-20.57	-25.33	8.95	5.4000	9.1500	-	17,003	12.0500	115.18	BUY
	RITEK	- RITK	5.8000	-	-	-	-17.73	-42.86	-46.05	6.0000	9.9000	-	840	-	-	-
	Rosneft	▼ ROSN	7.3500	-0.3300	-4.30	34.86	-6.01	-23.18	-13.22	5.4500	12.2000	1,387,749	77,897	15,1100	105.58	BUY
	Surgutneftegas	▼ SNGS	0.5600	-0.0200	-3.45	36.59	-24.32	-54.84	-57.51	0.4100	1.2980	111,000	22,232	-	-	UNDER REVISION
	Surgutneftegas, pref.	- SNGSP	0.2890	-	-	37.62	-22.56	-55.40	-51.91	0.2100	0.6480	-	-	-	-	UNDER REVISION
	Tatneft	▼ TATN	4.1000	-0.1500	-3.53	18.84	-21.53	-32.23	-24.63	3.3000	8.0100	41,000	9,228	8,6868	111.87	BUY
	Tatneft, pref.	- TATNP	2.0000	-	-	-1.23	-25.23	-45.95	-30.07	2.0000	3.8300	40,000	-	4,4480	122.40	BUY
	TNK-BP Holding	▼ tnbp	1.4300	-0.0200	-1.38	7.92	-17.34	-35.87	-29.03	1.3700	2.2190	14,300	23,248	2,5950	81.47	BUY
	TNK-BP Holding, pref.	- tnbp	1.3050	-	-	3.98	-1.14	-31.32	-25.00	1.3000	1.8500	-	-	2,3410	79.39	BUY
	Transneft, pref.	- TRNFP	640.00	-	-	52.38	-32.63	-67.92	-61.79	420.00	2,007.00	93,300	3,980	2,275.00	255.47	BUY
<b>Energy</b>																
	Bashkirenergo	- BEGY	0.9400	-	-	-1.05	-31.14	-55.66	-55.24	0.9500	2.1000	-	1,024	-	-	-
	Bashkirenergo, pref.	- BEGYP	0.8750	-	-	-5.41	-39.66	-26.47	-27.69	1.0500	1.1750	-	-	-	-	-
	Hidro-WGC	▼ HYDR	0.0335	-0.0005	-1.47	-18.29	-47.24	-	-	0.0320	0.0930	16,750	6,561	-	-	-
	Inter RAO UES	- IRAO	0.0005	-	-	4.17	-20.63	-	-	0.0004	0.0008	36,850	648	-	-	-
	Irkutskenergo	- IRGZ	0.5550	-	-	0.91	-14.62	-53.36	-39.67	0.5500	1.1510	-	2,646	-	-	-
	WGC-1	- OGKA	0.0275	-	-	-32.93	-50.89	-77.64	-71.65	0.0285	0.1225	-	1,228	0.1530	456.36	BUY
	WGC-2	▼ OGKB	0.0195	-0.0035	-15.22	-7.14	-61.00	-87.34	-87.74	0.0195	0.1500	9,750	638	0.2387	1,124.10	BUY
	WGC-3	- OGKC	0.0280	-	-	7.69	-58.21	-81.36	-80.14	0.0290	0.1450	-	1,330	0.1651	489.64	ACCUMULATE
	WGC-4	- OGKD	0.0425	-	-	14.86	-26.09	-68.05	-66.14	0.0420	0.1335	-	2,678	0.1977	365.18	BUY
	WGC-5	▼ OGKE	0.0685	-0.0015	-2.14	18.10	-32.84	-60.90	-55.95	0.0685	0.1795	936,750	2,423	0.2046	198.69	BUY
	WGC-6	- OGKF	0.0215	-	-	34.38	-51.14	-83.07	-83.80	0.0200	0.1250	-	694	0.0932	333.49	BUY
	TGC-1	- TGKA	0.0002	-	-	-9.09	-64.79	-80.84	-80.54	0.0004	0.0014	-	963	0.0020	700.00	BUY
	TGC-2	- TGKB	0.0009	-	-	-2.72	-9.14	-10.50	-3.24	0.0008	0.0012	-	1,311	0.0015	67.60	BUY
	TGC-2, pref.	- TGKBP	0.0005	-	-	-	-44.44	-34.64	-25.93	0.0004	0.0004	-	-	0.0011	120.00	BUY
	TGC-3 (Mosenergo)	- MSNG	0.0602	-	-	13.68	-45.48	-74.68	-75.61	0.0530	0.2460	-	2,395	-	-	REDUCE
	TGC-4	- TGKD	0.0010	-	-	-3.54	-9.05	-22.98	-6.37	0.0010	0.0012	-	1,851	-	-	-
	TGC-4, pref.	- TGKDP	0.0004	-	-	-	-11.11	-44.44	-38.46	0.0005	0.0006	-	-	-	-	-
	TGC-5	- TGKE	0.0003	-	-	2.00	-54.46	-71.82	-76.06	0.0003	0.0010	-	314	0.0012	370.59	BUY
	TGC-6	- TGKF	0.0004	-	-	75.00	-49.28	-69.43	-65.52	0.0002	0.0012	-	651	0.0009	157.14	REDUCE
	TGC-7	- TGKG	0.0240	-	-	-58.26	-60.00	-77.98	-77.67	0.0200	0.1095	17,698	719	-	-	-
	TGC-8	- TGKH	0.0014	-	-	14.00	-8.65	1.79	30.73	0.0013	0.0017	-	2,938	0.0009	-36.84	SELL
	TGC-9	- TGKI	0.0001	-	-	5.26	-39.39	-68.75	-60.00	0.0001	0.0003	-	782	-	-	-
	TGC-10	- TGKJ	2.2000	-	-	-24.14	-51.17	-46.21	-46.67	2.9000	4.6100	-	1,933	-	-	-
	TGC-11	- TGKK	0.0004	-	-	-36.44	-38.52	-76.85	-	0.0006	0.0016	-	192	-	-	-
	TGC-12 (Kuzbasenergo)	- KZBE	0.0048	-	-	-46.67	-56.36	-82.55	-83.73	0.0045	0.0281	-	339	-	-	-
	TGC-13	- TGKM	0.0031	-	-	55.00	-43.89	-70.66	-68.67	0.0030	0.0102	-	493	-	-	-
	TGC-14	- TGKN	0.0002	-	-	-13.04	-52.38	-41.18	-41.18	0.0002	0.0003	-	156	-	-	-
	FGC UES	- FEES	0.0072	-	-	40.20	-42.80	-	-	0.0051	0.0158	-	3,406	-	-	-
<b>Nonferrous metallurgy</b>																
	BMSK	- bmsk	2.0500	-	-	-	-23.36	-16.33	-22.64	1.6850	3.5000	-	11	4.5900	123.90	SPECULATIVE BUY
	BMSK, pref.	- bmskp	2.0000	-	-	-	37.93	-6.98	-17.53	0.9500	0.9500	-	-	3.4400	72.00	HOLD
	VSMPO	- VSMO	114.00	-	-	-0.22	-16.33	-62.25	-60.59	114.00	314.00	11,400	1,314	-	-	HOLD
	Nonisk Nickel	▲ GMKN	142.00	7.00	5.19	15.45	-31.23	-46.42	-42.28	113.00	316.50	3,903,250	27,069	314.68	121.61	BUY
	Safiyanskaya med	- sfmd	3.0000	-	-	-25.00	-42.86	-67.57	-66.67	3.0000	7.0000	-	6	4.7300	57.67	SELL
	Sredneurskiy MPZ	- sumz	10.500	-	-	-10.64	-10.83	-43.47	-49.41	14.000	18.400	-	53	36.550	248.10	SPECULATIVE BUY
	Uralektromed	- uelm	61.500	-	-	7.89	-30.90	-45.86	-34.61	69.500	121.000	-	312	126.380	105.50	ACCUMULATE
	Ufaleynickel	- ufal	6.0050	-	-	26.29	26.29	-22.52	-35.08	7.5000	7.5000	-	162	6.6300	10.41	REDUCE
	Chelyabinsk Zink Plant	- CHZN	3.5000	-	-	-12.50	-35.78	-68.82	-97.41	3.2500	12.1500	-	190	-	-	UNDER REVISION
	Yuzhuralnickel	- unkl	450.00	-	-	-4.76	-37.72	-67.86	-66.91	450.00	1,300.00	4,500	270	463.39	2.98	ACCUMULATE
	Electrozinc	- eltz	32.900	-	-	-7.32	-53.00	-	-	45.690	110.000	-	46	-	-	-
<b>Ferrous metallurgy (Steel)</b>																
	Ashinsky Metallurgy Plant	- AMEZ	0.3900	-	-	-7.14	-29.41	-58.95	-40.00	0.4800	0.9700	-	194	0.9400	141.03	BUY
	Evrz**	▼ EVR	50.000	-2.500	-4.76	-	-25.37	-35.48	-21.01	30.850	131.250	31,068,164	17,746	135.320	170.64	ACCUMULATE
	Mechel	▲ MTLR	18.500	0.300	1.65	-3.65	-27.59	-31.48	13.85	16.500	45.800	95,478	7,701	43.820	136.86	ACCUMULATE
	MMC	- MAGN	0.6750	-	-	3.85	-30.41	-48.08	-40.79	0.6500	1.4400	-	7,543	1.5900	135.56	ACCUMULATE
	NLMC	- NLMK	2.2000	-	-	-1.12	-43.59	-45.75	-32.72	2.1500	5.6500	-	13,185	5.7500	161.36	BUY
	Severstal	▼ CHMF	12.850	-0.150	-1.15	-3.02	-25.29	-43.64	-35.59	12.750	28.000	129,750	12,949	32.660	154.16	BUY
	Chelyabinsk Metallurgy Plant	- CHMK	265.00	-	-	-7.83	-24.07	-27.89	-	313.00	450.00	-	838	-	-	-
	Chusovskoy Metallurgy Plant	- chmz	70.000	-	-	-	-48.15	-	-	113.000	132.000	-	163	-	-	-
<b>Precious metals</b>																
	Buryatzoloto	- BRZL	13.750	-	-	-	-5.17	-23.61	-19.71	10.000	22.000	-	97	26.690	94.11	SPECULATIVE BUY
	Lenzoloto	- lnzl	30.000	-	-	17.65	-25.00	-47.83	-39.39	40.000	60.000	-	34	34.210	14.03	HOLD
	Polymetal	- PMTL	5.2000	-	-	-	-22.10	-24.86	-17.46	5.0000	9.3500	130,000	1,638	8.2800	59.23	BUY
	Polyus-Gold	- PLZL	21.650	-	-	-27.83	-36.29	-52.83	-50.23	16.000	80.000	-	4,127	57.180	164.11	HOLD
	Susumanzoloto	- sysy	41.500	-	-	-	-9.29	38.33	18.57	-	-	-	37	55.270	33.18	ACCUMULATE
<b>Coal industry</b>																
	Belon	- BLNG	132.500	-	-	23.26	-14.79	40.96	177.49	93.000	240.000	-	1,524	91.610	-30.86	SPECULATIVE BUY
	Vorkutaugol	- voug	139.50	-	-	3.72	-15.45	-30.25	-13.35	165.000	244.000	-	447	318.92	128.62	SPECULATIVE BUY
	Vorkutaugol, pref.	- vougp	115.00	-	-	-8.00	-28.12	-36.11	-26.75	160.00	187.00	-	-	255.14	121.86	SPECULATIVE BUY
	Kuzbassrazrezugol	▼ kzru	0.4400	-0.0300	-6.38	-2.22	-22.74	2.44	25.98	0.3700	0.9000	87,000	2,690	0.3800	-13.64	HOLD

## 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	70.21	73.91	-	-	-	59	26.780	33.90	SPECULATIVE BUY	
Vykasa Metallurgy Plant	- vsmz	1,042.50	-	5.04	-22.78	-	-	1,000.00	2,080.00	-	1,962	2,439.84	134.04	SPECULATIVE BUY	
Pervouralsk New Pipe Plant	- PNTZ	24.500	-	-	-15.37	-21.60	-19.93	27.000	32.200	-	596	42.350	72.86	BUY	
Seversky Pipe Plant	- SVTZ	8.5000	-	47.83	-20.00	-48.64	-23.77	10.0000	15.8000	-	409	16.1800	90.35	SPECULATIVE BUY	
Sinarsky Pipe Plant	- SNTZ	55.000	-	22.22	-28.57	-60.71	-49.77	40.000	138.500	-	346	230.470	319.04	SPECULATIVE BUY	
Taganrog Metallurgy Plant	- TAMZ	0.5750	-	-8.00	-27.22	-53.40	-46.76	0.8000	1.1000	-	266	1.3200	129.57	SPECULATIVE BUY	
TMK	- TRMK	6.0000	-	31.15	-15.49	-45.08	-42.03	5.5500	10.7000	-	5,238	10.0400	67.33	ACCUMULATE	
Chelyabinsk Pipe Plant	- CHEP	3.1000	-	-	-18.42	-27.14	-26.89	2.7000	4.5500	-	1,464	5.5700	79.68	BUY	
<b>Telecommunications</b>															
Volgatelecom	- NNSI	1.7500	-	-	-30.00	-42.62	-70.19	-62.77	1.7500	5.9100	17,500	546	6.0110	243.49	BUY
Volgatelecom, pref.	- NNSIP	1.4150	-	-	-2.41	-37.67	-65.90	-58.14	1.3000	4.1800	-	-	4.5083	218.61	BUY
Vimpelcom*	▲ VIP	21.280	1.340	6.72	-3.54	-7.96	-48.85	-21.30	17.000	120.750	60,936,084	21,825	35.640	67.48	BUY
Dalsvyaz	- ESPK	1.8000	-	-	-28.00	-49.30	-66.04	-61.29	1.7000	5.7000	-	231	6.6357	268.65	BUY
Dalsvyaz, pref.	- ESPKP	1.9000	-	-	-45.71	-36.67	-57.54	-56.92	1.5000	4.2000	-	-	4.9768	161.94	BUY
Comstar-UTS	- CMST	5.5000	-	37.50	-31.25	-49.70	-51.97	8.5000	11.0000	-	2,299	12.6930	130.78	BUY	
MGTS	- MGTS	32.800	-	23.77	-4.37	-9.64	2.50	25.250	34.600	-	2,983	-	-	HOLD	
MGTS, pref.	- MGTSF	22.850	-	-	-23.32	-28.93	-13.77	22.900	31.300	-	-	-	-	HOLD	
MTS	▼ MTSS	8.9500	-0.1000	-1.10	27.86	-15.57	-41.69	-20.44	7.0000	15.7000	277,450	17,840	16.2900	82.01	BUY
Rostelecom	- RTKM	7.9000	-	0.57	-31.30	-33.39	-24.40	7.5000	12.4400	-	5,945	4.4800	-43.29	SELL	
Rostelecom, pref.	- RTKMP	0.7750	-	-	-8.82	-51.56	-73.50	-69.61	0.6900	2.8500	-	-	3.3600	333.55	BUY
North-West Telecom	- SPTL	0.5750	-	16.16	-32.35	-66.57	-59.69	0.5950	1.7000	-	618	1.3503	134.83	BUY	
North-West Telecom, pref.	- SPTLP	0.4450	-	-	-6.32	-34.56	-63.82	-58.41	0.4300	1.2150	-	-	1.0127	127.57	BUY
Sibirtelcom	- ENCO	0.0350	-	-	-21.35	-43.55	-70.83	-62.77	0.0350	0.1170	17,500	526	0.1140	225.71	BUY
Sibirtelcom, pref.	- ENCOF	0.0269	-	-	7.60	-40.88	-66.58	-57.64	0.0250	0.0670	-	-	0.0855	217.84	BUY
Uralsvyazinform	- URSI	0.0190	-	5.56	-45.71	-70.20	-66.84	0.0180	0.0635	11,250	719	0.0459	141.58	BUY	
Uralsvyazinform, pref.	- URSIP	0.0135	-	12.50	-44.90	-68.24	-63.32	0.0120	0.0418	-	-	0.0344	154.81	BUY	
CenterTelecom	- ESMO	0.3250	-	-24.42	-24.42	-65.13	-63.89	0.3500	0.9320	-	631	1.0436	221.11	BUY	
CenterTelecom, pref.	- ESMOP	0.2250	-	-23.73	-31.82	-63.86	-57.39	0.2000	0.6375	-	-	0.7847	248.76	BUY	
SouthTelecom	- KUBN	0.0695	-	9.02	-26.84	-64.90	-60.51	0.0575	0.2020	-	258	0.2917	319.71	BUY	
SouthTelecom, pref.	- KUBNP	0.0532	-	-15.48	-35.49	-63.21	-57.23	0.0600	0.1450	-	-	0.2188	310.89	BUY	
<b>Machinery</b>															
AvtoVAZ	- AVAZ	0.9000	-	-	17.26	-53.37	-	0.7950	1.9500	-	1,393	1.6770	86.33	BUY	
AvtoVAZ, pref.	- AVAZP	0.3100	-	-38.00	-38.00	-59.48	-	0.3500	0.6550	-	-	1.2580	305.81	BUY	
GAZ	- GAZA	78.500	-	18.94	-37.70	-53.82	-43.61	75.000	210.000	-	1,538	197.300	151.34	HOLD	
GAZ, pref.	- GAZAP	58.0000	-	27.47	-25.64	-51.67	-46.91	95.000	125.500	-	-	148.000	155.17	BUY	
ZMZ	- ZMZN	8.500	-	-39.29	66.67	183.33	254.17	2.900	5.200	-	1,058	4.450	-47.65	HOLD	
ZMZ, pref.	- zmnzp	2.6500	-	12.77	-20.30	10.42	29.27	2.6000	3.5250	-	-	3.3400	26.04	HOLD	
Kamaz	- KMAZ	2.9500	-	-26.25	-34.44	-43.27	-31.40	2.5000	7.2500	-	2,086	5.9800	102.71	BUY	
Kirovsky zavod	- KIRZ	47.450	-	23.09	14.34	-13.73	30.00	40.000	56.000	-	516	33.290	-29.84	REDUCE	
NefAZ	- nFAZ	23.500	-	11.90	-28.79	-34.72	24.50	25.000	50.250	-	189	45.750	94.68	BUY	
Saturn NPO	- satr	0.0285	-	-30.91	-58.39	-76.05	-76.54	0.0370	0.1125	-	114	0.1379	383.86	HOLD	
OMZ	- OMZZ	5.5000	-	-	-9.09	-29.71	-35.29	5.0000	7.6000	-	195	6.3200	14.91	SELL	
RSC Energia	- satr	260.00	-	2.56	-43.48	-	-	250.00	705.00	-	292	641.10	146.58	HOLD	
UAZ	- uaza	0.1225	-	-25.76	-14.04	-11.87	33.51	0.1125	0.1500	-	481	-	-	-	
UAZ, pref.	- uazap	0.0600	-	4.35	-17.24	-32.58	20.00	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	
Angermash	- ange	20.500	-	-8.89	-41.51	-64.35	-41.43	-	-	-	20	79.650	288.54	BUY	
BEPP	- bunz	39.500	-	-	-20.20	-16.84	-28.18	-	-	-	12	81.000	105.06	BUY	
BEPP, pref.	- bunzp	33.500	-	-	-12.99	-19.28	-19.28	-	-	-	-	60.700	81.19	BUY	
Gazenergoservice	- gzes	67.500	-	-6.90	-35.71	-56.17	-63.01	45.000	210.000	-	23	137.000	102.96	ACCUMULATE	
Mikron	- mkro	7.6250	-	20.55	-25.25	-24.32	15.53	9.3000	12.2500	-	83	-	-	-	
Orgenergogaz	- oeng	5.9600	-	-23.23	-38.97	-58.61	-45.91	10.0000	13.5100	-	36	25.2000	323.53	BUY	
Sitronics	- SITR	0.0782	-	-10.06	-23.66	-34.79	-31.96	0.0780	0.1366	-	747	0.0814	4.03	HOLD	
Centrenergogaz	- cegz	4.4250	-	-	-4.32	105.81	-	3.0000	5.6800	-	421	5.693.6	28.67	BUY	
Centrenergogaz, pref.	- cegzp	1.4000	-	-	16.67	-23.29	-	1.0000	2.2000	-	-	4.270.2	205.01	BUY	
Electrogaz	- elgz	442.50	-	-47.94	-33.96	-36.79	-21.68	490.00	600.00	-	28	895.70	102.42	BUY	
Electrogaz, pref.	- elgzp	106.00	-	-47.00	-35.76	-65.25	-49.52	130.00	390.00	-	-	671.80	533.77	BUY	
<b>Chemical industry</b>															
Azot (Bereznyky)	- azop	-	-	-	-	-	-	875.00	960.00	-	-	1,427.50	-	BUY	
Akron	- AKRN	46.500	-	26.53	-38.00	-7.92	94.15	42.500	127.500	46,500	2,217	136.240	192.99	BUY	
Ammofos	- ammo	101.50	-	-	-12.54	-10.57	108.21	95.50	270.00	-	915	332.20	227.29	BUY	
Dorogobuzh	- DGBZ	0.5250	-	-8.70	-38.24	16.67	118.75	0.4550	1.4000	-	436	1.1900	126.67	HOLD	
Dorogobuzh, pref.	- DGBZP	0.3750	-	25.00	-44.03	17.19	100.80	0.3000	0.7400	-	-	0.6400	70.67	HOLD	
Kujbyshevazot	- kazt	2.7500	-	1.85	-16.03	1.85	59.88	2.3400	5.0100	-	658	5.7500	109.09	BUY	
Kujbyshevazot, pref.	- kaztp	1.6750	-	-4.29	-16.25	6.35	28.85	1.5000	2.0500	-	-	3.2800	95.82	BUY	
Silvinit	- SILV	675.0	-	-38.64	-42.18	-23.30	56.61	700.0	2,275.0	-	6,456	1,417.4	109.99	REDUCE	
Silvinit, pref.	▼ silvp	450.00	-10.00	-2.17	19.84	-27.13	-30.77	54.11	400.00	1,250.00	49,800	-	809.90	79.98	REDUCE
Uralkali	- URKA	6.8750	-	37.50	-26.00	-11.86	101.32	5.0000	16.0500	-	14,605	17.8300	159.35	ACCUMULATE	
<b>Retail Trade</b>															
Pharmacy Network 36,6	- APTK	13.500	-	35.00	-50.91	-81.51	-82.08	10.000	70.000	-	128	-	-	UNDER REVISION	
GUM	- GUMM	2.1500	-	16.22	-15.69	4.88	-1.15	1.9700	2.9500	-	129	-	-	UNDER REVISION	
X5 Retail Group**	▲ FIVE	21.500	1.000	4.88	5.91	-16.34	-41.10	-32.70	19.530	38.930	4,386,756	5,689	-	UNDER REVISION	
Seventh Continent	- SCON	25.500	-	1.49	-1.16	-1.54	1.80	22.750	28.500	-	1,912	-	-	UNDER REVISION	
TzUM	- TZUM	3.8500	-	-6.10	-25.60	79.07	94.44	2.1200	6.1000	-	345	-	-	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	29.000	-	-	34.88	-18.42	-40.05	-39.52	30.000	50.000	-	4,668	-	-	UNDER REVISION
	Baltika, pref.	- PKBAP	21.750	-	-	1.16	-19.44	-35.07	-29.61	25.500	31.000	-	-	-	-	UNDER REVISION
	WBD	- WBDF	33.500	-	-	-1.47	-26.98	-62.78	-58.90	34.000	93.000	-	1,474	-	-	UNDER REVISION
	Kalina	- KLNA	21.500	-	-	-7.53	-10.42	-46.91	-38.53	22.000	39.000	-	210	-	-	UNDER REVISION
	Lebedyansky	- LEKZ	83.925	-	-	-	2.35	-8.78	-5.70	80.000	93.500	-	1,713	-	-	UNDER REVISION
<b>Transport</b>																
	Aeroflot	- AFLT	2.5250	-	-	9.54	-15.83	-32.67	-15.55	2.5000	4.4500	-	2,804	4.1700	65.15	HOLD
	Vostochny Port	- vopt	72.000	-	-	-	18.03	10.77	9.09	50.000	70.000	-	189	114.580	59.14	BUY
	Vostochny Port, pref.	- voptp	95.000	-	-	-	40.74	82.69	65.22	65.000	65.000	-	-	85.930	-9.55	ACCUMULATE
	FESCO	- FESH	0.9850	-	-	5.07	-2.72	-10.05	5.91	0.9250	1.3500	-	2,326	1.0500	6.60	SELL
	Murmansk Commercial Seaport	- mscp	1,025.0	-	-	-	20.31	-4.65	-8.60	860.0	1,200.0	-	126	1,305.4	27.36	BUY
	Murmansk Commercial Seaport, pref.	- mscpp	265.00	-	-	4.54	-7.83	-15.87	-8.62	255.00	305.00	-	-	979.00	269.43	BUY
	Novorossiysk Commercial Sea Port	- NMTP	0.0900	-	-	-	-40.00	-64.00	-	0.0900	0.2650	27,000	1,733	0.1990	121.11	ACCUMULATE
	Novorossiysk Sea Shipping	- NOMP	2.7500	-	-	-16.03	-12.14	-6.14	11.68	2.9900	3.4000	-	1,165	3.6000	30.91	BUY
	Novorossiysk Sea Shipping, pref.	- NOMPp	1.0500	-	-	68.00	25.00	-41.67	-21.79	0.8000	1.7400	-	-	2.7000	157.14	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	0.0021	-	-	83.91	-26.05	-58.20	-55.57	0.0012	0.0050	-	14,222	-	-	-
	Sberbank	▼ SBER	1.8200	-0.0050	-0.27	46.77	-26.82	-56.87	-53.81	1.2400	4.3800	4,238,150	40,311	4.6210	153.90	ACCUMULATE
	Sberbank, pref.	▲ SBERP	1.0230	0.1730	20.35	57.38	-30.88	-65.90	-62.11	0.6500	2.9300	15,345	-	3.4660	238.81	ACCUMULATE
<b>Media &amp; IT</b>																
	RBC	▲ RBCI	5.0000	0.1000	2.04	-9.09	-32.20	-52.15	-36.71	4.9000	10.9000	25,000	700	9.8600	97.20	BUY
	CTC Media*	▲ CTCM	16.130	0.080	0.50	5.08	-17.11	-46.59	-	15.180	105.040	1,831,708	2,454	32.600	102.11	BUY
<b>Oblgaz</b>																
	Altaikrasservice	- akgs	20.000	-	-	-73.33	-83.67	-82.61	-88.24	105.000	105.000	-	2	339.430	1,597.15	BUY
	Astrakhanoblgas	- asog	1.7500	-	-	-30.00	-30.00	-35.19	-17.65	2.7000	2.7000	-	7	2.3800	36.00	HOLD
	Belgorodoblgas	- bogz	600.00	-	-	-	-	20.00	-	700.00	700.00	-	48	3,331.71	455.28	BUY
	Bryanskoblgas	- brog	470.00	-	-	-	-1.05	15.34	45.74	380.00	510.00	-	52	1,140.89	142.74	BUY
	Vladimiroblgas	- vlog	770.00	-	-	-	-0.65	-47.88	27.80	800.00	1,355.00	-	35	973.74	26.46	HOLD
	Volgogradoblgas	- vlgz	400.00	-	-	-	-49.04	-38.22	11.11	495.00	805.00	-	34	1,329.23	232.31	BUY
	Voronezhoblgas	- vogz	3.2750	-	-	-22.94	-39.07	-16.98	90.96	3.6000	7.0000	-	73	12.8200	291.45	BUY
	Ivanovooblgas	- ivog	5.0000	-	-	-1.96	-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	-	-	-	-22.33	16.50	196.82	650.00	800.00	-	21	1,286.95	84.11	BUY
	Karelgas	- klgz	-	-	-	-	-	-	-	-	-	-	-	324.27	-	BUY
	Kirovoblgas	- krog	275.00	-	-	-3.51	-11.29	26.44	44.70	-	-	-	27	705.25	156.45	BUY
	Komigaz	- kgaz	100.00	-	-	-	207.69	166.67	225.20	30.00	30.00	-	35	80.44	-19.56	BUY
	Komigaz, pref.	- kgazp	7.7625	-	-	-0.48	-0.48	-64.72	-48.25	-	-	-	-	60.3300	677.20	BUY
	Kostromaoblgas	- koog	202.50	-	-	6.58	-46.71	-46.71	-14.01	331.00	400.00	-	11	935.74	362.09	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	450.00	-	-	-28.29	-30.77	38.46	100.00	500.00	700.00	-	40	1,184.98	163.33	BUY
	Lenoblgas	- leog	4,500.0	-	-	-	74.76	73.08	592.31	650.0	650.0	-	356	717.7	-84.05	HOLD
	Lipetskoblgas	- lpog	105.00	-	-	-	-34.38	-16.00	-12.50	-	-	-	12	716.78	582.65	BUY
	Nizhegorodoblgas	- nnog	2.2500	-	-	25.00	-28.57	-43.61	-19.35	2,3500	4,5000	-	63	1.8700	-16.89	HOLD
	Omskoblgas	- omog	6.500	-	-	8.33	-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	-	-	2.94	-11.39	81.35	155.47	1,000.0	2,250.0	-	134	2,855.8	63.19	HOLD
	Pensagasifikatsiya	- pgzf	-	-	-	-	-	-	-	-	-	-	-	869.49	-	BUY
	Rostovoblgas	- rtbg	650.00	-	-	62.30	-13.33	8.33	59.51	625.00	900.00	-	87	1,529.82	135.36	BUY
	Rostovoblgas, pref.	- rtbgp	395.00	-	-	-3.66	-9.20	-15.96	33.90	400.00	460.00	-	-	1,529.82	287.30	BUY
	Ryazanoblgas	- rzog	5.6250	-	-	2.27	-2.17	-45.65	87.50	-	-	-	27	5.9200	5.24	HOLD
	Samaragaz	- sagz	97.750	-	-	-	77.73	76.92	93.56	45.500	45.500	-	11	289.840	196.51	BUY
	Saratovoblgas	- srog	10.000	-	-	-	-31.03	23.08	89.57	7.750	25.000	5,000	37	50.010	400.10	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	265.00	-	-	6.00	-3.64	-55.83	-	280.00	400.00	-	-	81.59	-69.21	SELL
	Tambovoblgas	- togz	59.005	-	-	-0.83	-2.47	68.59	208.52	29.000	59.000	-	51	81.290	37.77	BUY
	Tveroblgas	- tveo	182.50	-	-	-	-9.88	-33.15	4.29	225.00	246.00	-	33	236.31	29.48	HOLD
	Tulaoblgas	- tuog	350.50	-	-	-	-22.88	29.81	181.47	180.00	705.00	-	56	1,106.23	215.61	BUY
	Chitaoblgas	- chog	67.50	-	-	-46.00	-46.00	22.73	-	-	-	-	5	-	-	-
	Yaroslavlbgas	- yrog	305.00	-	-	-7.58	-6.87	17.31	114.04	250.00	260.00	-	21	503.81	65.18	BUY
<b>Services companys</b>																
	Giprospekgaz	- gsgz	975.00	-	-	2.63	-31.98	-58.51	-17.02	1,100.00	1,850.00	-	40	7,463.00	665.44	BUY
	Giprospekgaz, pref.	- gsgzp	425.00	-	-	-	-32.00	-67.92	-35.61	800.00	800.00	-	-	5,970.00	1,304.71	BUY
	Spetsgazremstroy	- sgrs	133.00	-	-	-	-19.88	-63.06	-25.70	344.00	425.00	-	71	741.25	457.33	BUY
	Spetsgazremstroy, pref.	- sgrsp	81.000	-	-	76.09	0.62	-56.80	-35.71	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	18.803	-0.177	0.9	0.7	-	-0.93	-	-	-
Aeroflot	AETG GR	AFLT	100	Frankfurt	260.123	-11.677	2.601	2.500	-	-4.30	-	-	-
Wimm-Bill-Dann	WBD LI	WBDF	1	London	16.000	-	16.000	34.000	-	-	-	-	-
Wimm-Bill-Dann	WBD US	WBDF	1	New York	69.760	4.250	69.760	34.000	-	6.49	-	10,678	-
Wimm-Bill-Dann	WBPA GR	WBDF	1	Frankfurt	63.930	-2.902	63.930	34.000	-	-4.34	-	-	-
Volgaelcom	NZH GR	NNSI	2	Frankfurt	3.644	-0.020	1.822	1.750	-	-0.55	-0.09	-	18
Vimpelcom	VIP US	VIMP	1/4	New York	21.280	1.340	425.60	420.00	-	6.72	-	60,936	-
Vimpelcom	VIP GR	VIMP	1/4	Frankfurt	20.815	0.926	416.29	420.00	-	4.66	-	68	-
Gazprom	OGZD LI	GAZP	4	London	34.500	0.800	8.625	8.430	0.02	2.37	-0.02	442,119	6,664
Gazprom	OGZPY US	GAZP	4	New York	34.500	0.400	8.625	8.430	-	1.17	-0.02	-	6,664
Gazprom	GAZ GR	GAZP	4	Frankfurt	34.910	0.760	8.727	8.430	0.04	2.23	-0.02	2,640	6,664
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	50.000	-2.500	150.000	-	-	-4.76	-	31,068	-
Evrzholding	HK1A GR	-	1/3	Frankfurt	50.652	-0.719	151.955	-	-	-1.40	-	81	-
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	66.000	1.700	66.000	64.300	0.03	2.64	-0.02	219,029	973
LUKOIL	LUKOY US	LKOH	1	New York	66.500	3.050	66.500	64.300	-	4.81	-0.02	-	973
LUKOIL	LUK GR	LKOH	1	Frankfurt	66.321	1.394	66.321	64.300	0.03	2.15	-0.02	1,433	973
MCTN	MOW GR	MGTS	1	Frankfurt	18.949	-0.104	18.949	31.500	-	-0.55	-	-	-
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	5.728	-0.251	0.057	0.220	-	-4.20	-	81	-
MTS	MBDL LI	MTSS	5	London	-	-	-	8.950	-	-	-0.01	-	277
MTS	MBT US	MTSS	5	New York	-	-	-	8.950	-	-	-0.01	-	277
MTS	MKY GR	MTSS	5	Frankfurt	58.231	1.042	11.646	8.950	0.30	1.82	-0.01	2	277
Nizhnekamskneftekhim	QAO GR	NKNC	10	Frankfurt	3.731	-0.314	0.373	0.400	-	-7.75	-	-	-
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	14.800	1.400	14.80	142.00	-0.90	10.45	0.05	73,410	3,903
Norilsk Nickel	NILSY US	GMKN	1	New York	15.000	1.500	15.00	142.00	-	11.11	0.05	-	3,903
Norilsk Nickel	NNIA GR	GMKN	1	Frankfurt	14.795	0.944	14.79	142.00	-0.90	6.82	0.05	174	3,903
UHM	UHM GR	OMZZ	1	Frankfurt	5.102	-0.101	5.102	8.750	-	-1.95	-	2	-
Pyaterochka	FIVE LI	-	1/4	London	21.500	1.000	86.000	-	-	4.88	-	4,387	-
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	8.500	-	-	-	-	-
Rostelekom	ROS US	RTKM	6	New York	-	-	-	8.500	-	-	-	-	-
Rostelekom	RTL GR	RTKM	6	Frankfurt	45.258	-0.938	7.543	8.500	-	-2.03	-	13	-
Seversky pipe plant	SVY GR	SVTZ	10	Frankfurt	102.032	-0.562	10.203	14.500	-	-0.55	-	-	-
Gazprom Neft	GAZ LI	SIBN	5	London	23.250	-1.000	4.650	4.300	-	-4.12	-	5,370	-
Gazprom Neft	GZPFY US	SIBN	5	New York	32.250	-	6.450	4.300	-	-	-	-	-
Gazprom Neft	SCF GR	SIBN	5	Frankfurt	23.686	-0.057	4.737	4.300	-	-0.24	-	159	-
Surgutneftegas	SGGD LI	SNGS	50	London	5.950	0.350	0.119	0.560	-0.79	6.25	-0.04	22,150	111
Surgutneftegas	SGTZY US	SNGS	50	New York	-	-	-	0.560	-	-	-0.04	-	111
Surgutneftegas	SGN GR	SNGS	50	Frankfurt	5.758	0.261	0.115	0.560	-0.79	4.76	-0.04	113	111
Tatneft	ATAD LI	TATN	20	London	89.000	6.000	4.450	4.100	0.09	7.23	-0.04	14,624	41
Tatneft	TNT US	TATN	20	New York	-	-	-	4.100	-	-	-0.04	-	41
Tatneft	TTFA GR	TATN	20	Frankfurt	96.244	-0.314	4.812	4.100	0.17	-0.32	-0.04	324	41
Tyumenaviatrans	UTARY US	TMAT	100	New York	40.000	-	0.400	0.538	-	-	-	-	-
Tyumenaviatrans	TYV GR	TMAT	100	Frankfurt	29.152	-0.161	0.292	0.538	-	-0.55	-	-	-
Tsum	THT GR	TZUM	20	Frankfurt	80.168	-0.441	4.008	2.000	-	-0.55	-	-	-
STC	KUE GR	KUBN	50	Frankfurt	8.229	0.353	0.165	0.135	-	4.49	-	-	-

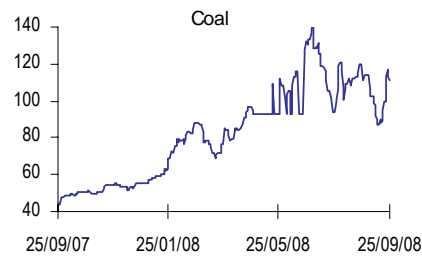
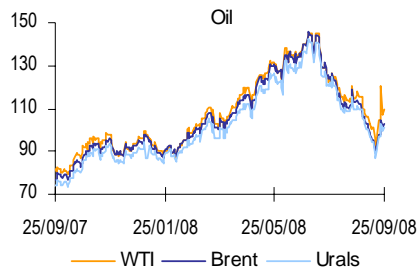
Source: Bloomberg, Estimation: Veles Capital

## 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	▲	103.68	1.77	1.74	10.18	-8.32	8.11	33.51	-0.74	147.59
Brent, USD / bbl	▲	102.85	1.88	1.86	10.24	-9.54	9.54	33.83	85.05	147.21
Urals, USD / bbl	▲	101.55	1.72	1.72	10.26	-7.43	11.25	37.04	-3.32	142.94
WTI, USD / bbl	▲	109.52	2.64	2.47	11.89	-5.81	14.08	36.39	86.47	146.30
Brent-Urals	▲	1.30	0.16	14.04	8.33	-67.50	-50.19	-52.73	-2.01	9.94
Coal, USD / ton	▼	111.35	-1.80	-1.59	17.83	-0.13	100.63	153.07	55.50	142.85

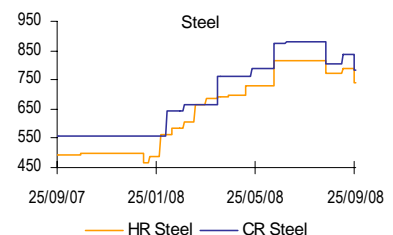
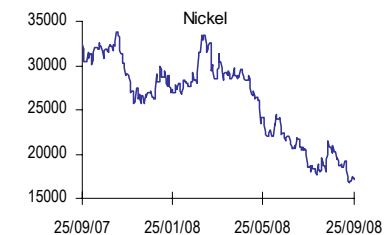
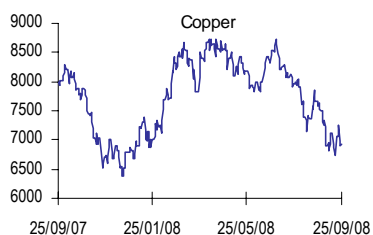
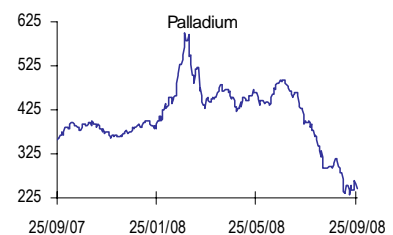
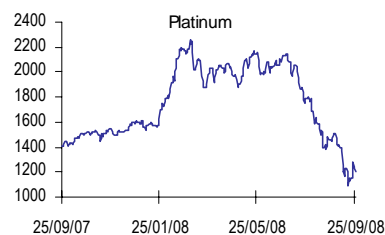
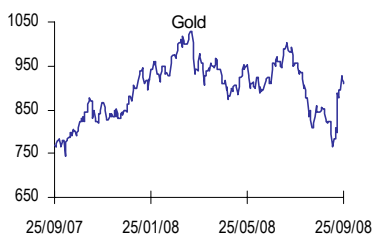
Source: Bloomberg, Estimation: Veles Capital



### Prices of metals

		Close, USD	Change, USD	Change, %					Current year, USD	
				day	week	month	from Jan 1	year	min	max
Gold, USD / ounce	▼	908.54	-3.31	-0.36	3.66	7.44	4.26	18.68	763.64	1,027.52
Silver, USD / ounce	▼	13.65	-0.04	-0.31	10.75	-2.18	-11.73	-3.06	10.72	21.42
Platinum, USD / ounce	▼	1,205.65	-17.29	-1.41	7.48	-16.51	-24.21	-14.05	1,088.95	2,257.73
Palladium, USD / ounce	▼	248.12	-10.73	-4.15	2.32	-15.57	-36.15	-30.95	231.19	598.39
Aluminum, USD / ton	▲	2,509.00	6.00	0.24	0.56	-9.36	4.15	1.66	2,409.00	3,317.00
Copper, USD / ton	▲	6,930.00	20.00	0.29	2.68	-8.58	3.82	-12.72	6,675.00	8,730.00
Nickel, USD / ton	▼	17,075.00	-125.00	-0.73	1.94	-14.75	-35.08	-47.38	16,750.00	33,400.00
Lead, USD / ton	▲	2,015.00	20.00	1.00	11.63	8.63	-20.98	-41.51	1,568.00	3,420.00
Tin, USD / ton	▲	17,600.00	300.00	1.73	4.76	-14.98	7.15	15.22	16,025.00	25,300.00
Zink, USD / ton	▲	1,800.00	10.00	0.56	4.90	0.61	-24.05	-39.70	1,615.00	2,830.00
Titanium, USD / ton	-	3,902.18	-	-	-5.85	-5.85	-12.81	-1.67	3,902.18	5,511.56
HR Steel, USD / ton	-	740.00	-	-	-6.33	-4.52	48.00	49.49	465.00	815.00
CR Steel, USD / ton	-	785.00	-	-	-5.99	-2.48	40.18	40.18	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	▼ 1,304.99	-10.44	-0.79	23.25	-17.36	-43.03	-36.32	1,058.84	2,498.10
MICEX Index	▼ 1,095.51	-10.21	-0.92	28.29	-15.27	-42.00	-37.22	789.19	1,966.32
Technical RTS Index	▼ 2,011.51	-23.22	-1.74	30.50	-13.35	-36.32	-28.86	1,405.26	3,730.73
MSCI Russia	▼ 881.34	-1.44	-0.16	26.27	-13.71	-42.63	-32.26	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 ▲ 11,022.06	196.89	1.82	0.02	-3.42	-16.91	-20.58	10,459.44	13,279.54
NASDAQ	USA ▲ 2,186.57	30.89	1.43	-0.57	-7.43	-17.56	-18.99	2,070.22	2,661.50
FTSE 100	Great Britain ▲ 5,197.02	101.45	1.99	6.50	-5.00	-19.51	-19.21	4,857.10	6,534.70
Nikkei 225	Japan ▼ 12,006.53	-108.50	-0.90	4.50	-6.04	-21.57	-26.95	11,301.46	15,413.37
S&P 500	USA ▲ 1,209.18	23.31	1.97	0.22	-4.90	-17.65	-20.73	1,133.50	1,471.77
AEX	Nederlands ▲ 369.35	8.73	2.42	5.03	-8.40	-28.39	-31.52	349.76	518.27
OMX	Sweden ▲ 836.86	20.16	2.47	7.08	-2.77	-22.62	-30.07	772.75	1,081.44
DAX	Germany ▲ 6,173.03	120.16	1.99	5.28	-2.64	-23.48	-20.90	5,812.77	8,100.64
MIB 30	Italy ▲ 28,007.00	602.00	2.20	7.09	-2.70	-27.97	-30.96	26,092.00	38,885.00
CAC 40	France ▲ 4,226.81	112.27	2.73	6.80	-3.24	-24.71	-25.73	3,926.82	5,665.94
SMI	Switzerland ▲ 6,945.49	165.15	2.44	4.87	-2.09	-18.14	-21.61	6,422.85	8,571.76
ASX 200	Australia ▼ 4,927.40	-54.50	-1.09	6.95	-1.60	-22.28	-23.98	4,527.40	6,385.70
Bloomberg European 500	▲ 192.62	3.61	1.91	5.46	-4.78	-49.45	-49.07	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	▲ 838.29	6.99	0.84	9.18	-10.68	-32.72	-29.04	745.71	1,252.59
<b>Europe</b>									
ASE	Greece ▲ 3,070.40	7.57	0.25	3.98	-5.70	-40.71	-39.84	2,881.09	5,207.44
WSE WIG	Poland ▲ 38,400.15	914.04	2.44	4.98	-3.51	-31.00	-37.29	35,688.47	56,066.82
PFTS	Ukraine ▲ 395.89	2.90	0.74	14.06	-30.65	-66.28	-60.74	347.10	1,208.61
BUX	Hungary ▲ 19,129.73	550.55	2.96	9.54	-5.68	-27.08	-31.31	17,289.35	26,242.90
PX	Czech Republic ▲ 1,300.60	17.50	1.36	10.41	-9.53	-28.35	-28.75	1,137.20	1,819.50
TA-100	Israel ▲ 812.77	20.15	2.54	7.19	-13.34	-30.15	-25.80	740.76	1,167.04
XU 100	Turkey ▲ 36,361.84	1,184.73	3.37	12.87	-9.32	-34.53	-32.97	30,971.24	55,281.66
<b>Asia and Africa</b>									
HSI	Hong Kong ▼ 18,934.43	-27.56	-0.15	7.38	-10.08	-31.92	-28.36	16,283.72	27,853.60
SENSEX	India ▼ 13,547.18	-145.34	-1.06	1.74	-6.46	-33.27	-19.94	12,514.99	21,206.77
JALSH	SAR ▲ 24,936.43	13.09	0.05	3.50	-7.72	-13.89	-16.36	23,988.99	33,309.82
JCI	Indonesia ▼ 1,870.06	-13.49	-0.72	4.61	-11.27	-31.89	-20.79	1,592.24	2,838.48
KOSPI	South Korea ▲ 1,501.63	5.65	0.38	7.84	0.76	-20.85	-21.76	1,366.88	1,901.13
SHCOMP	China ▲ 2,297.50	80.69	3.64	21.19	-2.24	-56.33	-56.96	1,802.33	5,522.78
<b>America</b>									
MEXBOL	Mexico ▲ 25,645.50	701.25	2.81	4.34	-1.63	-13.17	-15.37	23,181.74	32,292.92
IBOV	Brazil ▲ 51,828.46	1,985.47	3.98	7.03	-4.65	-18.87	-13.21	45,294.81	73,920.38
IPSA	Chile ▲ 2,800.58	46.05	1.67	4.16	-3.24	-8.23	-12.23	2,369.06	3,113.93
IBVC	Venezuela ▼ 38,137.75	-435.23	-1.13	-2.50	-4.23	0.62	5.29	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.

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

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**Research Department***research@veles-capital.ru*

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

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

*Ilya Fedotov*  
Telecommunications  
IFedotov@veles-capital.ru

*Stanislav Fomenko*  
Metallurgy  
SFomenko@veles-capital.ru

*Marina Irkly*  
Transport, machinery  
Mirkly@veles-capital.ru

*Oleg Zotikov*  
Energy  
OZotikov@veles-capital.ru

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

*Oleg Salmanov*  
Fixed income  
OSalmanov@veles-capital.ru

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

*Paul Zhuravlyev*  
Interpreter  
PZhuravlov@veles-capital.ru

---

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

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

*Sergey Vetoshkin*  
Corporate Clients  
SVetoshkin@veles-capital.ru

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

---

**Strategic Investments Department**

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

---

**Assets Management***am@veles-capital.ru*

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

*Vadim Labed*  
Investor relations  
VLabed@veles-capital.ru

*Stanislav Brodsky*  
Investment products  
SBrodsky@veles-capital.ru