

Daily results

September 30, 2008

Stocks

Market today. Today Russian stock market had opened through a deep fall, due to crumbling of US market. However, towards day's end the market restored and closed at a slight change, mostly thanks to good news from abroad. Market was topped by stocks of Gazprom, announcing plans on redemption of own debt, stocks of banking sector in general, Sberbank was also quite notable. Below the general market went metallurgy companies, due to fall of metal prices.

Market tomorrow. For now, it is rather hard to forecast what would happen tomorrow. Everybody await the decisions from the US. However, the situation seems rather positive now. The interest may linger on in the banking sector.

Bonds

Market yesterday. The market was non-existent today, everybody were occupied with something else, looking for REPO. Its not like there is no cash, its just nobody would give any. The sole security to witness at least some activity was state bond 4620 to year 2036, the whole activity was related to the upcoming conversion of security into state bond 4663 to year 2011, the auction on these securities should be held tomorrow.

Market tomorrow. It is pretty much impossible to forecast what would happen tomorrow with such a market. However, there is a chance that some cautious bids would appear earlier next month.

No comment

NMTP 1H 2008 IAS-compliant income tripled, to 84.5 mn USD (Interfax)

WGC-5 IAS 1H 2008 income dropped -5%, to 1.13 bn RUR (Interfax)

Bush promised to provide a "financial system bailout plan" for Congress (Interfax)

MICEX prolongs trades to 19.00 (Moscow local time) on all markets starting with September 30th (Interfax)

Exchanges to be stopped if price changes by 5% instead of previous limit of 8% - FFMS (Interfax)

Tomorrow

Moscow Time	Country	Event	Period	Survey	Prior
0:00	US	Domestic Vehicle Sales	SEP	10.1M	10.4M
0:00	US	Total Vehicle Sales	SEP	13.5M	13.7M
0:00	RU	Reserve Fund	SEP	--	\$142.6B
0:00	RU	Wellbeing Fund	SEP	--	\$31.9B
0:00	RU	Weekly CPI Year-to-Date	SEP 29	--	10,20%
0:00	RU	Weekly CPI (WoW)	SEP 29	--	0,20%
1:00	US	ABC Consumer Confidence	SEP 29	-43	-41
3:50	JN	Tankan Lge Manufacturers Index	3Q	-2	5
5:00	CH	PMI Manufacturing	SEP	--	48,4
12:00	EC	PMI Manufacturing	SEP F	45,3	45,3
12:30	UK	PMI Manufacturing	SEP	45	45,9
12:30	UK	Index of Services (3mth/3mth)	JUL	0,10%	0,20%
13:00	EC	Euro-Zone Unemployment Rate	AUG	7,30%	7,30%
13:00	GE	ECB's Trichet Speaks at Panel in Brussels	OCT 1		
15:00	US	MBA Mortgage Applications	SEP 27	--	-10,60%
15:30	US	Challenger Job Cuts YoY	SEP	--	11,70%
16:15	US	ADP Employment Change	SEP	-53K	-33K
18:00	US	ISM Manufacturing	SEP	49,5	49,9
18:00	US	Construction Spending MoM	AUG	-0,50%	-0,60%
18:00	US	ISM Prices Paid	SEP	73	77

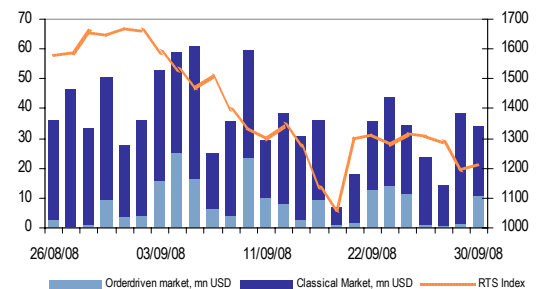
Market data

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	▲ 1,211.84	17.73	1.48	-4.74	-26.38	-40.80
MICEX Index	▲ 1,029.97	10.33	1.01	-3.85	-23.64	-40.58
USD / RUR	▲ 25.5709	0.22	0.87	1.98	3.68	2.82
EUR / RUR	▼ 36.2342	-0.23	-0.64	-1.53	0.35	2.36
EUR / USD	▼ 1.4171	-0.02	-1.57	-3.44	-3.21	-0.41
Dow Jones Index	▲ 10,633.38	267.93	2.58	-2.03	-7.88	-24.52
NASDAQ	▲ 2,032.16	48.43	2.44	-5.63	-14.17	-25.86
FTSE 100	▲ 4,849.28	30.51	0.63	-5.58	-13.97	-25.47
Nikkei 225	▼ 11,259.86	-483.75	-4.12	-6.87	-13.87	-33.16
MSCI EM	- 775.06	-	-	-6.66	-18.95	-36.37

Source: Bloomberg, Estimation: Veles Capital

RTS index vs. trade volume

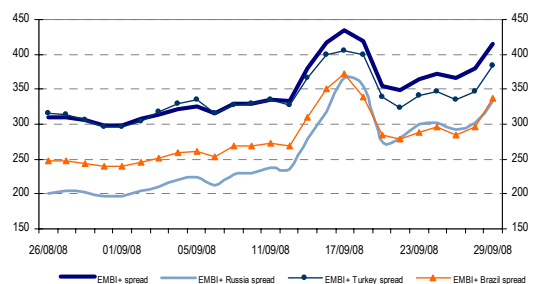


Debt market

	Close	Change, pt.	Change, %			
			day	week	month	year
UST 10	▼ 102.58	-0.89	-0.86	0.94	1.03	0.97
UST 30	▼ 105.27	-1.31	-1.23	3.25	3.97	1.86
German 10	▼ 98.50	-0.24	-0.24	1.67	1.36	2.70
Russia 30	▼ 101.26	-1.00	-0.98	-1.95	-9.25	-9.62
Spread Russia 30	▲ 359.40	4.40	1.24	13.59	87.58	189.14
Turkey 34	▼ 98.42	-1.67	-1.67	-3.44	-7.75	-9.77
Brazil 40	▼ 125.66	-0.05	-0.04	-1.72	-4.91	-6.26
Colombia 37	▼ 100.00	-0.20	-0.20	-4.40	-9.02	-9.30
Venezuela 34	▼ 71.75	-2.68	-3.60	-5.21	-18.41	-31.76

Source: Bloomberg, Estimation: Veles Capital

Emerging markets spread dynamics



Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	▲ 94.62	3.45	3.78	-6.95	-15.50	21.06
Urals, USD / bbl	▲ 92.79	1.64	1.80	-8.24	-15.24	24.72
Gold, USD / ounce	▼ 915.35	-22.61	-2.41	-0.72	7.41	16.65
Palladium, USD / ounce	▼ 205.76	-13.61	-6.21	-19.90	-34.67	-45.38
Copper, USD / ton	- 6.440	-	-	-7.74	-14.25	-20.59
Nickel, USD / ton	- 16,400	-	-	-4.65	-18.91	-46.05

Source: Bloomberg, Estimation: Veles Capital

Information disclosure

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

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

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

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

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

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

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

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

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