

Daily results

March 18, 2009

Stocks

Market today. Majority of shares moved down. The most significant damage was done to the oil sector, which was pulled down by the dropping oil prices. GAZ was positive on the news on restructuring of loan, provided by Sberbank.

Market tomorrow. Evidently, the market is into the wave of correction and might be dropping for several trading sessions.

Bonds

Market today. Trade volume today continued upping at the domestic market. The list of leaders by turnover volumes was headed by loans of Moscow (45th and 47th), which was due to a rather successful placement of 59th issue. Market participants did not forget about the second echelon: Ursi-08, IntegraF-2, Kopeyka-2. At the Russian Eurobond market consumer boom is indicated for another day in a row. Within the past 24 hours the ruble issues added 100-150 b.p. in price. The currency notes were also of great demand.

Market tomorrow. REPO is cheaper than ever – 9-10% annually – and banks' debt to CB is leveling secretly, so the purchases will likely continue.

No comment

NOVATEK's 2008 net profit according to IAS grew by 22.2% to 22.899 bn RUR, sales – by 27.1% to 79.272 bn RUR. (company)

Sales of AvtoVAZ according to RAS by the end of 2008 totaled 160 bn RUR. (company)

In February Aeroflot reduced traffic by 16% (company)

Sberbank is ready to restructure GAZ debt. (Interfax)

WGC-2 does not exclude additional emission for investments in 2012. (Head of company)

RF cellular operators' subscribers' base grew in February by 0.5%. (Interfax)

Tomorrow

Moscow Time	Country	Event	Period	Survey	Prior
2:50	JN	All Industry Activity Index (MoM)	JAN	-2.10%	-2.70%
12:30	UK	M4 Money Supply (MoM)	FEB P	1.40%	2.50%
15:30	US	Initial Jobless Claims	3.15	656K	654K
15:30	US	Continuing Claims	3.8	5325K	5317K
17:00	US	Leading Indicators	FEB	-0.60%	0.40%
17:00	US	Philadelphia Fed.	MAR	-38	-41.3
17:30	US	Fed's Tarullo Testifies on Bank Regulation	3.19		

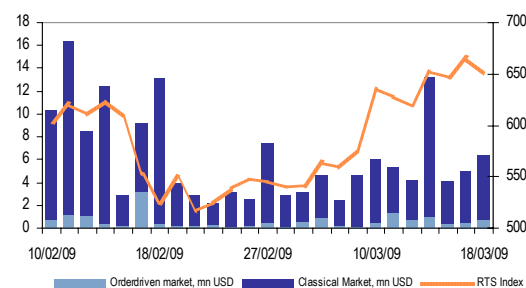
Market results

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	650.62	-14.96	-2.25	3.67	6.78	-67.77
MICEX Index	749.08	-23.36	-3.02	1.37	5.21	-53.41
USD / RUR	34.4303	-0.11	-0.31	-1.82	-2.17	46.62
EUR / RUR	45.2118	0.38	0.85	0.88	0.62	21.87
EUR / USD	1.3124	0.01	1.05	2.66	2.75	-16.94
Dow Jones Index	7,301.24	-94.46	-1.28	5.35	-7.00	-41.08
NASDAQ	1,456.49	-5.62	-0.38	6.19	-5.08	-35.79
FTSE 100	3,794.34	-62.76	-1.63	2.72	-8.23	-32.31
Nikkei 225	7,972.17	23.04	0.29	8.08	2.86	-33.37
MSCI EM	541.92	2.26	0.42	7.80	-2.24	-48.12

Source: market data, estimation: Veles Capital

RTS index vs. trade volume



Debt market

	Close	Change, pt.	Change, %			
			day	week	month	year
UST 10	98.14	0.34	0.35	-0.52	-0.65	-1.98
UST 30	94.89	0.67	0.71	-2.24	-2.06	-5.51
German 10	105.05	-0.11	-0.11	-0.75	-1.27	4.82
Russia 30	91.82	-0.93	-1.01	0.66	1.68	-20.17
Spread Russia 30	603.60	20.10	3.44	-3.28	-6.07	227.51
Turkey 34	88.45	0.26	0.29	4.45	2.72	-15.80
Brazil 40	123.17	0.06	0.05	0.87	0.06	-7.63
Colombia 37	88.68	-0.76	-0.85	0.31	-2.65	-16.32
Venezuela 34	51.48	-0.02	-0.04	1.68	14.57	-46.06

Source: market data, estimation: Veles Capital

Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	45.39	-1.44	-3.07	8.41	7.36	-57.35
Urals, USD / bbl	44.80	-	-	10.67	3.44	-56.28
Gold, USD / ounce	903.47	-22.64	-2.44	-1.65	-4.92	-9.97
Palladium, USD / ounce	196.68	-1.27	-0.64	-1.16	-10.28	-59.99
Copper, USD / ton	3,800	-30	-0.78	2.15	10.79	-52.80
Nickel, USD / ton	10,100	5	0.05	1.66	-2.18	-65.65

Source: market data, 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.

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

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 Labeled
Investor relations
VLabeled@veles-capital.ru

Stanislav Brodsky
Investment products
SBrodsky@veles-capital.ru