

# Daily results

March 25, 2009

## Stocks

**Market today.** The main volume of demand was in the shares of the first echelon. Like yesterday, the shares of Sberbank and Gazprom were most interesting. Sberbank's quotes were warmed up by the statement by Kudrin on Sberbank and VTB should pay off dividends for 2008. Norilsk Nickel was still the subject of selling due to threat of aggression on behalf of the state. Among the remaining shares Uralkaliy and Gazprom Neft should be indicated, which were adding in price due to good corporate news.

**Market tomorrow.** Activity of the players will likely remain the same while the dynamics of the main specter of liquid shares will be various. The focus will once again be on the shares of the first echelon. We do not exclude rally continuation in the shares of Gazprom Neft and Uralkaliy.

## Bonds

**Market today.** Trade activity grew significantly. The main volume of deals was indicated within the A1 list (Mos.obl.-8, MGor-45, MGor-50, VTB-5, VTB-6, Tatfond-4, etc.). Note that while the quotes climb, the participants began changing to the longer term issues due to search for higher yield. At the Russian Eurobond market the situation is similar: short-term currency issues (up to 1 year) are being sold in order to enter longer term issues. But in ruble segment that is almost impossible to be done due to lack of notes and them being mostly short ones. As a result, the prices are slightly overheated and stand pat.

**Market tomorrow.** Activity remains rather high. The credit market is still not operating, which provides debt markets with the necessary support. The situation at the currency markets also provides for investments in ruble assets.

## No comment

*New build houses selling in U.S. in February grew unexpectedly by 4.7% to 337 thousand houses. (Interfax)*

*Net outflow of capital from Russia will form 83 bn USD in 2009, currency reserves will decrease by 88 bn USD. (RF Ministry of Finance)*

*Gazprom will execute the option on 20% of Gazprom Neft on behalf of credits from state banks. (Vedomosti)*

*2008 IAS net profit of WGC-5 added 10.8% and totaled 1.63 bn RUR. (Company's report)*

*AvtoVAZ will raise prices on Lada by 2.5% starting from March 30, 2009. (Interfax)*

*MOMPE reduced net profit by 8% in 4Q 2008, profit grew by 57% in 2008. (Interfax)*

*Moody's reduced rating Fesco to "B3" from "B2", forecast - negative. (Interfax)*

## Tomorrow

Moscow Time	Country	Event	Period	Survey	Prior
10:10	GE	GfK Consumer Confidence Survey	APR	2,5	2,6
12:00	EC	Euro-Zone M3 s.a. 3 mth ave.	FEB	6,30%	7,00%
12:30	UK	Retail Sales (MoM)	FEB	-0,40%	0,70%
15:30	US	GDP QoQ (Annualized)	4Q F	-6,60%	-6,20%
15:30	US	Personal Consumption	4Q	-4,40%	-4,30%
15:30	US	Initial Jobless Claims	22.map	650K	646K
15:30	US	Continuing Claims	15.map	5478K	5473K
17:00	US	Geithner Testifies to House Financial Panel	26.map	-	-

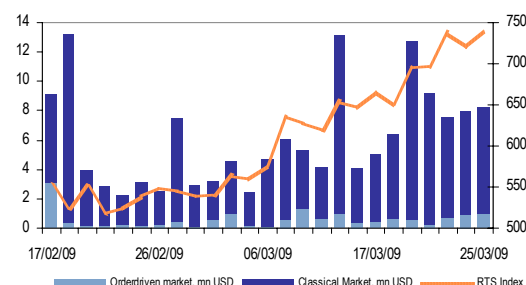
## Market results

### Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	▲ 740.94	19.30	2.67	13.88	43.25	-62.84
MICEX Index	▲ 849.11	33.32	4.08	14.27	34.43	-46.73
USD / RUR	▲ 33.6193	0.18	0.53	-2.38	-6.66	42.09
EUR / RUR	▲ 45.5550	0.41	0.91	0.80	-0.75	23.44
EUR / USD	▲ 1.3550	0.01	0.41	3.28	6.37	-13.12
Dow Jones Index	▲ 7,801.19	141.22	1.84	4.20	9.65	-37.75
NASDAQ	▲ 1,538.66	22.14	1.46	3.18	10.88	-34.27
FTSE 100	▼ 3,907.21	-4.25	-0.11	2.69	1.47	-31.32
Nikkei 225	▼ 8,479.99	-8.31	-0.10	6.37	14.96	-33.47
MSCI EM	▲ 581.51	2.20	0.38	7.31	15.72	-45.79

Source: market data, estimation: Veles Capital

### RTS index vs. trade volume



### Debt market

	Close	Change, pt.	Change, %			
			day	week	month	year
UST 10	▼ 100.23	-0.17	-0.17	-1.61	0.28	0.30
UST 30	▼ 96.69	-0.78	-0.80	-2.72	-3.18	-4.45
German 10	▲ 105.51	0.11	0.10	0.51	-0.90	6.53
Russia 30	▲ 95.06	0.01	0.01	3.14	6.33	-17.46
Spread Russia 30	▼ 564.10	-5.80	-1.02	-12.22	-16.45	213.21
Turkey 34	▼ 92.88	-0.55	-0.59	5.23	9.66	-12.09
Brazil 40	▼ 126.75	-0.10	-0.08	0.00	3.14	-5.39
Colombia 37	▼ 92.04	-0.01	-0.01	0.26	1.56	-13.67
Venezuela 34	▼ 50.73	-0.26	-0.50	-3.35	6.04	-46.50

Source: market data, estimation: Veles Capital

### Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	▼ 50.90	-0.88	-1.70	7.02	27.73	-49.46
Urals, USD / bbl	▼ 48.70	-0.34	-0.69	7.01	23.20	-49.46
Gold, USD / ounce	▲ 938.71	2.93	0.31	-1.46	-6.23	-2.35
Palladium, USD / ounce	▼ 210.85	-0.25	-0.12	4.52	5.18	-54.63
Copper, USD / ton	▼ 3,975	-85	-2.09	4.61	26.19	-49.30
Nickel, USD / ton	▼ 9,750	-100	-1.02	-3.47	2.63	-65.85

Source: market data, estimation: Veles Capital

## Information disclosure

### The statement of an analyst and confirmation of the responsibility withdrawal

The given report is prepared by the analyst (-s) of the Investment Company Veles Capital. The given estimations in the present report reflect personal opinion of the analyst (-s). The award of the analysts does not depend, never depended and will not depend upon the specific recommendations or estimations, provided in the present report. The award of the analysts depends upon the general efficiency of the business of the Investment Company Veles Capital, determined by the investment benefit of the company's clients and also upon the incomes from other types of activity of the Investment Company Veles Capital.

The given report, prepared by the Research Department of the Investment Company Veles Capital, is basing on the public information. The present review was prepared independently from other Departments of the Investment Company Veles Capital, and any recommendations and judgments, presented in the given report reflect only the view point of the analyst (-s), participated in making of the present review. Due to that consideration, the Investment Company Veles Capital considers being necessary to state that the analysts and the Company are not responsible for the content of the given report. The analysts of the Investment Company Veles Capital do not take overall responsibility to regularly up-date the information, contained in the present report, and also to announce about all changes, introduced to the present review.

Provided analytical material of the Investment Company Veles Capital could be used only with information aims. The company does not guarantee the completeness and preciousness of provided information in the given report and its reliability, and also is not responsible for direct and indirect losses from using of the given materials. This document cannot serve as a basis for purchase and selling any securities, and cannot also be considered as an offer from the part of the Investment Company Veles Capital. The Investment Company Veles Capital and (or) its subsidiaries along with the staff, directors and analysts of the Investment Company Veles Capital have the right to purchase and sell any securities, mentioned in the given review.

The Investment Company Veles Capital and (or) its subsidiaries can serve as a market-maker or have the liabilities for underwriting of companies' securities, mentioned in the given review, can purchase or sell them for clients, and also make any actions, which do not contradict the Russian law. The Investment Company Veles Capital and (or) its subsidiaries can also be interested in the possibility of providing the companies, mentioned in the present review, with the investments and bank or any other services.

All rights for the given bulletin belong to the Investment Company Veles Capital. The reproduction and/or distribution of the analytical materials of the Investment Company Veles Capital are prohibited without the written permission of the Company. © Veles Capital 2009.

### 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.

---

**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