

Daily results

April 17, 2009

Stocks

Market today. On Friday growth continued, though on some overheated shares (such as Norilsk Nickel, some energy companies) profit fixation indicated. Nevertheless, demand still was there in some liquid energy shares. Also oil sector representatives were good traded due to price growth of the "black gold".

Market tomorrow. Growth potential in the short-term prospect still exists at the Russian market, however up movement is getting harder due to overheating.

Bonds

Market today. Again the day was a rush. The main intrigue was the placement of Gazprom Neft. Over-subscription was so great that the company upped the loan volume to 20 bn RUR. The note is traded via 101 figure. High demand was on behalf of non-residents. Also Gazprom itself was placed today. The book was closed by 9.25%. Against that background demand was in the long-term notes (2013-2016) from the Lombard, mainly in banks (VTB-16, Gazprom-13, etc.). In the end the yield of those notes reduced to 10% or less. A1 notes are taken from the order book. Looks like the demand of the managing companies. In the second echelon the demand was for Loko-Bank 10 (dollar) – the short-term ruble loan cannot be found on the market, so people are filling the limits by longer issues. OAK grew also after its subsidiary – Irkut – got covered.

Market tomorrow. On Monday the day likely will be positive. However, today down of Gazprom might transfer to other notes. Primarily to Gazprom Neft and bonds of the first echelon. Globally many notes seem to be overbought. Correction is inevitable in the long-term currency notes. However serious drop should be expected by the end of the month.

No comment

Gazprom might up the Eurobond placement volume from 2 to 2.25 bn USD. The company places 10-year Eurobonds of the new issue by the rate 9.25%. (Interfax)

Net profit of GE in 1Q 2009 dropped 40%, but exceeded the forecast of analysts. (Interfax)

Net profit of WGC-5 by RAS reduced in 2008 by 13%. (Interfax)

NLMC decreased steel output in 1Q 2009 by 12% to 2.1 mn tons and expects worsening of price conjuncture in 1H 2009. (Company)

RZD expects decline of passenger transfer in 2009 by 8.5%. (Interfax)

GAZ Group expect in 2009 EBITDA to form 401 mn RUR. In the current year the group will supply 825 trucks to the power authorities for 410 mn RUR. GAZ group upped the sales in March 2009 versus January by 1.5 times. (Interfax)

Kazanorgsintez could not payoff dividends for 2007 due to crisis. (Interfax)

Tomorrow

Moscow Time	Country	Event	Period	Survey	Prior
3:01	UK	Rightmove House Prices (MoM)	APR	--	0,90%
3:01	UK	Rightmove House Prices (YoY)	APR	--	-9,00%
0:00	RU	Industrial Production Real MoM	MAR	--	6,40%
0:00	RU	Industrial Production (YoY)	MAR	-12,30%	--
17:00	US	Fed's Evans Speaks at Money Smart Week Events in Chicago	APR 20		
18:00	US	Leading Indicators	MAR	-0,20%	-0,40%

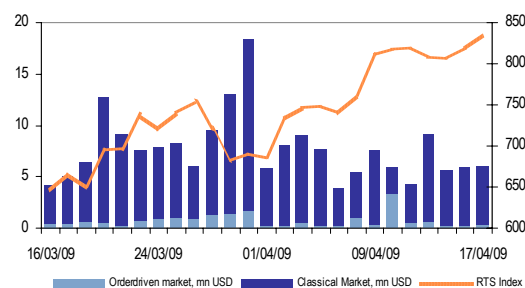
Market results

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	▲ 835.16	15.59	1.90	2.17	28.36	-61.17
MICEX Index	▲ 932.69	15.59	1.70	0.57	25.52	-44.24
USD / RUR	▲ 33.4595	0.09	0.26	-0.32	-2.85	43.10
EUR / RUR	▼ 43.6844	-0.35	-0.79	-1.02	-3.34	17.39
EUR / USD	▼ 1.3052	-0.01	-1.10	-0.69	-0.52	-17.99
Dow Jones Index	▲ 8,127.50	2.07	0.03	0.55	8.56	-35.60
NASDAQ	▼ 1,661.92	-8.52	-0.51	0.57	11.45	-29.03
FTSE 100	▲ 4,098.61	45.63	1.13	2.88	7.72	-31.47
Nikkei 225	▲ 8,907.58	152.32	1.74	-0.63	11.73	-33.52
MSCI EM	▲ 648.39	4.53	0.70	2.49	19.65	-44.34

Source: market data, estimation: Veles Capital

RTS index vs. trade volume



Debt market

	Close	Change, pt.	Change, %			
			day	week	month	year
UST 10	▼ 98.94	-0.36	-0.36	0.43	-2.88	0.83
UST 30	▼ 95.67	-0.47	-0.49	0.16	-3.74	-1.89
German 10	▼ 104.64	-0.49	-0.47	0.02	-0.31	7.22
Russia 30	▲ 99.75	0.53	0.54	1.30	8.23	-13.34
Spread Russia 30	▼ 478.50	-16.30	-3.29	-1.18	-25.54	201.89
Turkey 34	▲ 99.75	0.70	0.70	0.90	13.02	-5.68
Brazil 40	▲ 129.18	0.15	0.11	-0.48	1.92	-4.74
Colombia 37	- 96.59	-	-	2.08	5.21	-13.53
Venezuela 34	▼ 59.17	-0.36	-0.60	3.35	12.73	-37.97

Source: market data, estimation: Veles Capital

Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	▲ 52.63	0.72	1.39	-2.12	10.66	-53.02
Urals, USD / bbl	▲ 50.78	0.12	0.24	-2.66	11.58	-53.06
Gold, USD / ounce	▼ 875.48	-8.54	-0.97	-1.63	-8.10	-9.13
Palladium, USD / ounce	- 235.02	-	-	-0.99	16.50	-50.08
Copper, USD / ton	▼ 4,729	-90	-1.87	3.73	24.45	-45.77
Nickel, USD / ton	▼ 12,450	-50	-0.40	12.77	23.27	-58.22

Source: market data, estimation: Veles Capital

Information disclosure

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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