

Daily results

April 22, 2009

Stocks

Market today. During the day the climbing dynamics was indicated on the main range of liquid shares within the frames of correction to the previous drop. Demand was focused on the shares of Gazprom, interest to other shares was less evident. Selling was indicated in Polyus Gold, which was a sort of a balancing weight to the market. After the output of reports by several large American companies, particularly Morgan Stanley, results of which were worse than expected, the market has partially closed the morning growth.

Market tomorrow. Tomorrow various dynamics will prevail. Priority will be given to external reference points, among which data on labor and housing markets in U.S., and also Euro zone stats.

Bonds

Market today. Conjuncture of the domestic market did not change. The investors actively bought the liquid notes of the second echelon (X5-Finance-1, Zenit-5, HydroWGC-1, CTC-4, Yar.obl.-7, Kopeyka-3). At the Eurobond market the volume of selling has finally reached the volumes of purchase orders, and that stopped price drop. And in some issues the purchase has even prevailed (Gazprom 2015, VTB 2016 (PUT 2011), Tatfondbank 2010).

Market tomorrow. Evidently, the purchases of ruble notes will continue due to funding cost reduced, and the currency rates stabilized for time.

No comment

Loss of Morgan Stanley in 1Q 2009 totaled 0.57 USD per share, expected level was 0.08 USD. (Interfax)

IMF worsened the forecast of RF economy drop in 2009 to 6% from 0.7%. (Interfax)

Reserve fund will be almost depleted in 2010. (Kudrin)

Volume of additional emission of VTB will total 180 bn RUR, not 200 bn RUR. (Kudrin)

Gazprom Neft purchased Chevron plant on production of oil and lubricants in Italy. (Company)

Mechel signed the final agreement on purchasing Bluestone Coal. (Interfax)

KAMAZ stopped conveyer on April 23. (Interfax)

Tomorrow

Moscow Time	Country	Event	Period	Survey	Prior
12:00	EC	Euro-Zone Current Account nsa	FEB	-	-18.2B
12:00	EC	PMI Manufacturing	APR A	34,7	33,9
12:00	EC	PMI Services	APR A	41,4	40,9
12:00	EC	PMI Composite	APR A	38,9	38,3
16:00	US	Hershey Executives, Sallie Mae, SunTrust Review Results	APR 23		
16:30	US	Initial Jobless Claims	APR 19	639K	610K
16:30	US	Continuing Claims	APR 12	6120K	6022K
18:00	US	Existing Home Sales	MAR	4.65M	4.72M
18:00	US	Existing Home Sales MoM	MAR	-1,50%	5,10%

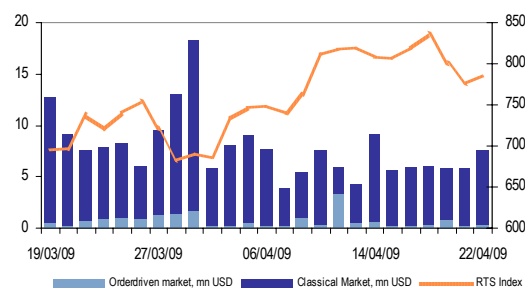
Market results

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	▲ 785.13	9.89	1.28	-2.57	6.50	-63.76
MICEX Index	▲ 891.21	14.00	1.60	-1.63	4.87	-46.98
USD / RUR	▼ 33.8955	-0.26	-0.77	1.48	2.05	45.35
EUR / RUR	▼ 44.1568	-0.12	-0.27	-0.08	-2.36	18.40
EUR / USD	▲ 1.3026	0.01	0.47	-1.54	-4.35	-18.54
Dow Jones Index	▲ 8,002.54	32.98	0.41	-0.34	2.92	-37.09
NASDAQ	▲ 1,662.81	18.96	1.15	2.21	6.88	-30.04
FTSE 100	▲ 4,008.11	20.65	0.52	1.00	1.40	-33.58
Nikkei 225	▲ 8,727.30	15.97	0.18	-0.18	6.23	-35.58
MSCI EM	▼ 627.24	-6.24	-0.99	-2.84	13.43	-47.16

Source: market data, estimation: Veles Capital

RTS index vs. trade volume



Debt market

	Close	Change, pt.	Change, %			
			day	week	month	year
UST 10	▼ 98.42	-0.31	-0.32	-1.44	-2.39	-
UST 30	▼ 94.89	-0.81	-0.85	-2.22	-1.70	-4.00
German 10	▼ 105.00	-0.39	-0.37	-0.38	-1.22	8.22
Russia 30	▼ 97.37	-0.44	-0.45	-1.37	2.97	-15.25
Spread Russia 30	▲ 514.40	0.30	0.06	0.78	-11.92	212.33
Turkey 34	▲ 97.97	0.30	0.30	-1.03	5.53	-7.83
Brazil 40	▼ 127.26	-0.38	-0.30	-1.59	0.04	-5.89
Colombia 37	▼ 96.81	-0.40	-0.42	1.44	4.68	-12.84
Venezuela 34	▼ 57.77	-0.50	-0.86	-2.31	11.43	-38.11

Source: market data, estimation: Veles Capital

Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	▼ 49.14	-0.23	-0.47	-5.50	-5.74	-57.50
Urals, USD / bbl	▼ 47.91	-0.17	-0.35	-5.48	-4.33	-57.12
Gold, USD / ounce	▲ 895.40	3.73	0.42	-0.46	-5.70	-4.87
Palladium, USD / ounce	▲ 234.01	8.81	3.91	-2.11	10.45	-49.86
Copper, USD / ton	▼ 4,507	-83	-1.81	-4.09	13.96	-47.10
Nickel, USD / ton	▼ 11,505	-570	-4.72	-2.91	15.34	-59.56

Source: market data, estimation: Veles Capital

Information disclosure

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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.

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