

Daily results

June 19, 2009

Stocks

Market today. The market is gradually recovering after the emotional sale on Wednesday-Thursday. After that, the oil prices climbed slightly, which increased the attractiveness of the Russian notes. The market was mainly pulled by the oil chips, which climbed following after a serious correction earlier.

Market tomorrow. There are no serious ideas and the market will be managed by commodity markets. If looking at the technical factors, than upping is possible on Monday.

Bonds

Market today. On Friday the market recovered slightly after several days of selling – the quotes of the note within the first echelon added average 10-15 b.p. The activity was indicated in the issues of Moscow and Moscow region, and also VTB-5 and a number of loans of RZD. However, at the background of Minsk forum Cbonds, the activity at the debt market was minimal. All that equally relates to the Eurobond market.

Market tomorrow. On Monday the sale at the market of ruble notes might increase, including at the background of oil price reduction and ruble rate growth. The focus will be on the new issues, which have the premium to the secondary, particularly – X5 loan.

No comment

The retail trade turnover in RF in May reduced by all-time high 5.6%. (Rosstat)

Drop of investments to the principal capital in RF in May accelerated by all-time high 23.1%. (Rosstat)

The number of unemployed in RF in May reduced for the first time in a year by 0.2 mn to 7.5 mn people. (Rosstat)

Extraction of Rosneft in 2009 will grow by 2% to 112.3 mn tons. (Interfax)

Rosneft plans to invest in Yurubcheno-Tohomskoe deposit 25 bn RUR in 2010. (Interfax)

LUKOIL purchases 45% of refinery in Netherlands from Total for 725 mn USD. (Interfax)

Irkutskenergo upped the net profit by IAS in 2008 by 2.4 times to 5.5 bn RUR. (Interfax)

WGC-4 upped the net profit by IAS in 2008 by almost 4 times. (Interfax)

Marshals put up for sale the shares of Vimpelcom, which belonged to Telenor. (Interfax)

Tomorrow

Moscow Time	Country	Event	Period	Survey	Prior
3:01	UK	Rightmove House Prices (MoM)	JUN	--	2.40%
3:50	JN	BSI Large All Industry (QoQ)	2Q	--	-51,3
12:00	GE	IFO - Business Climate	JUN	85	84,2
12:00	GE	IFO - Current Assessment	JUN	83	82,5
12:00	GE	IFO - Expectations	JUN	86,9	85,9

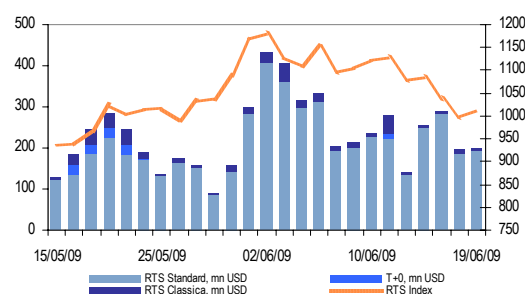
Market results

Main indicators and indices

	Close	Change, pt.	Change, %			
			day	week	month	year
RTS Index	▲ 1,011.38	13.70	1.37	-10.28	-1.23	-57.87
MICEX Index	▼ 1,019.37	-1.58	-0.15	-10.47	-6.88	-44.85
USD / RUR	▲ 31.1433	0.02	0.06	0.68	-1.31	31.67
EUR / RUR	▼ 43.3356	-0.15	-0.35	0.11	-0.19	18.18
EUR / USD	▼ 1,3918	-0.01	-0.38	-0.76	1.16	-10.22
Dow Jones Index	▲ 8,593.92	38.32	0.45	-2.33	2.04	-28.76
NASDAQ	▲ 1,832.85	25.13	1.39	-1.40	6.08	-25.56
FTSE 100	▲ 4,350.19	69.33	1.62	-2.07	-2.65	-23.79
Nikkei 225	▲ 9,786.26	82.54	0.85	-3.45	4.73	-30.74
MSCI EM	▼ 743.72	-5.30	-0.71	-5.98	-0.28	-34.69

Source: market data, estimation: Veles Capital

RTS index vs. trade volume



Debt market

	Close	Change, pt.	Change, %			
			day	week	month	year
UST 10	▼ 94.03	-0.20	-0.22	-0.51	-5.42	-3.37
UST 30	▼ 94.17	-0.09	-0.10	0.57	-7.49	0.27
German 10	▲ 102.79	0.06	0.06	0.67	-0.70	10.01
Russia 30	▼ 98.29	-0.17	-0.17	-1.68	-3.37	-13.53
Spread Russia 30	▼ 392.20	-1.80	-0.46	5.77	-2.17	210.28
Turkey 34	▲ 105.40	0.08	0.07	-0.29	0.76	6.44
Brazil 40	▼ 126.21	-0.52	-0.41	-1.99	-4.16	-5.19
Colombia 37	▼ 99.05	-0.61	-0.61	-1.85	-4.05	-10.75
Venezuela 34	▼ 64.39	-0.12	-0.19	-3.36	6.82	-30.25

Source: market data, estimation: Veles Capital

Resource markets

	Close, USD	Change, USD	Change, %			
			day	week	month	year
Brent, USD / bbl	▲ 70.22	0.37	0.53	-0.89	17.35	-46.35
Urals, USD / bbl	▲ 70.09	0.62	0.89	-0.75	17.88	-44.55
Gold, USD / ounce	▲ 939.43	1.15	0.12	-0.61	-0.54	1.91
Palladium, USD / ounce	▲ 244.88	2.63	1.08	-4.17	3.64	-49.67
Copper, USD / ton	▲ 4,970	10	0.20	-7.55	9.71	-39.68
Nickel, USD / ton	▲ 15,010	160	1.08	-5.00	20.27	-34.74

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.

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