

Daily review

March 15, 2010

Trader's view

The beginning of the trading session was relatively active against the background of the total positive at the global financial and commodity grounds, and also due to the output stats on the Eurozone. But after several discouraging messages from the U.S. came out the decrease began. Fortunately the drop tuned out to be not that bad due to which the Russian markets closed positively.

Main news

NOVATEK provided IAS report for 2009.

2009 IAS net profit of NOVATEK reduced by 11% versus 2008 and formed 820 mn USD, as follows from the report of the company (profit grew by 13.7% in ruble turns). Net profit of NOVATEK formed 318 mn USD in 4Q, which is 35.6% higher than the 3Q result and higher than we expected.

Other news

➤ **MOESK reported by RAS for 2009.**

Sales of MOESK grew by 35% by the results of 2009 and totaled 85.2 bn RUR, cost of the company grew by 23% and formed 69.4 bn RUR.

➤ **AvtoVAZ might conduct an additional emission for 320 mn euro.**

Shareholders of AvtoVAZ are discussing the additional emission of company's shares for 320 mn euro in 2010 within the frames of restructuring.

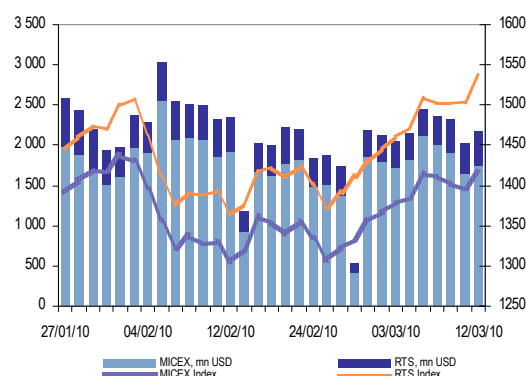
Market results

Main indicators and indices

		Close, pt.	Change, pt.	Change, %			
				day	week	month	year
RTS	▲	1,534.68	30.64	2.04	1.76	12.53	147.96
MICEX	▲	1,415.75	19.84	1.42	0.10	8.50	94.41
EUR/RUR	▲	40.26	0.01	0.04	-0.64	-2.22	-10.38
USD/RUR	▼	29.39	-0.13	-0.44	-1.50	-2.55	-15.62
Dow Jones	▲	10,624.69	12.85	0.12	0.55	5.20	48.18
NASDAQ Composite	▼	2,367.66	-0.80	-0.03	1.78	8.43	66.02
FTSE 100	▲	5,625.65	8.39	0.15	0.46	9.40	51.55
Nikkei 225	▲	10,751.26	86.31	0.81	3.69	6.53	49.36
MCSI	▲	992.68	2.85	0.29	1.82	7.70	92.39

Source: Bloomberg; Estimation: Veles Capital

RTS, MICEX indices and trade volumes



Resource markets

		Price, USD	Change, USD	Change, %			
				day	week	month	year
Gold, USD/ounce	▼	1,101.90	-7.60	-0.68	-2.89	0.59	18.91
Brent, USD/bbl	▼	79.02	-0.95	-1.19	-0.48	7.52	77.25
Urals, USD/bbl	▼	76.31	-0.98	-1.27	-1.83	6.85	78.13
Palladium, USD/ounce	▲	462.50	2.25	0.49	-3.24	9.47	132.70
Copper, USD/ton	▼	7,412.00	-19.25	-0.26	-1.36	7.09	108.88
Nickel, USD/ton	▲	21,684.00	462.00	2.18	-2.85	18.00	131.32

Estimation: Veles Capital

Russian share quotes

		Price, USD	Change, USD	Change, %			
				day	week	month	year
Gazprom	▲	5.85	0.111	1.93	-1.31	8.10	67.72
LUKOIL	▲	54.33	1.17	2.20	-1.33	7.88	50.27
Rosneft	▲	8.10	0.11	1.38	-0.75	9.65	97.44
Surgutneftegas	▲	0.875	0.0185	2.16	-0.45	10.24	-
Tatneft	▲	4.96	0.12	2.49	0.34	6.88	117.86
Norilsk Nickel	▲	168.02	4.19	2.56	1.58	14.75	221.20
Polyus-Gold	▲	49.29	0.509	1.04	1.12	2.54	47.31
MTS	▲	8.15	0.127	1.58	1.60	7.70	110.15
Rostelecom	▲	5.16	0.17	3.41	5.96	6.54	-39.65
VTB	▲	0.00268	0.0000824	3.17	2.71	14.17	266.14
Sberbank	▲	3.02	0.0777	2.64	3.22	13.66	535.45

Estimation: Veles Capital

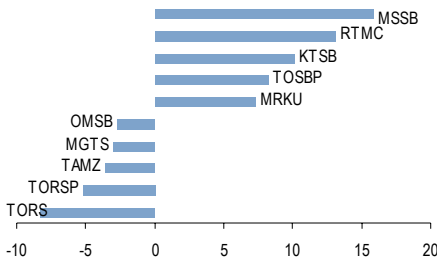
Veles Management MC unit investment trusts

		Net asset value, RUR	Share price, RUR	Change, %			Since interest per annum formation, %
				day	month	year	
VELES Capital - Selected Shares	▼	8,334,714	846.83	-0.01	8.58	123.50	-4.62
VELES Capital	▼	9,994,529	1,173.23	-0.03	5.99	94.98	4.38

Source: Veles Management MC



Rise and fall leaders, %

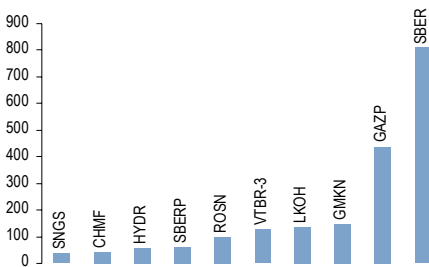


Trader's view

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By the end of the Friday session the RTS index fixated at the level of 1.534.68 points, which is higher than the previous closing level by 2.04%. The strongest growth dynamics was indicated on the shares of RusHydro (+4.88%), Akron (+4.68%) and IRNC Holding (+3.54%). Negative close was on the shares of FNK UES (-4.71%) and GAZ (-2.15%).

Leaders on turnover volumes, mn USD



The trade volume at the RTS exchange market formed 432 mn USD on Wednesday, and the leaders on the turnover volumes were the shares of Sberbank (222 mn USD), Gazprom (93.9 mn USD), LUKOIL (33.8 mn USD) and Norilsk Nickel (22.3 mn USD).

Situation at the foreign markets is contradictory – the trades closed variously. BRENT oil dropped lower than 80 USD per barrel. Futures for the foreign indices are in backward zone, the RTS index futures is in carryover transaction zone. So, the situation does not provide for any climbing trends. But power balance might be radically changed by the output of macrostats, in particular, today the figures on the industrial manufacturing are to be output.

Industrial indices

	Close, pt.	Change, %			
		day	week	month	year
Oil and Gas	▲ 2,550.38	1.16	-0.65	7.69	70.48
Power	▲ 2,867.97	1.57	4.96	17.42	212.60
Telecom	▲ 2,041.89	0.98	2.11	7.07	177.86
Metals and Mining	▲ 4,384.42	0.70	0.06	11.97	178.46
Manufacturing	▲ 1,897.90	0.24	-2.37	8.32	257.86
Financial	▲ 5,918.24	1.12	0.94	8.80	206.52

Source: Bloomberg. Estimation: Veles Capital

RTS index support and resistance levels



Trade results

Ticker	Price, USD	Change, %					Year, USD		Volat., %	Volume, USD	MCAP, mn USD	Target, USD	Potential, %	Rec.*	
		day	week	month	Jan 1	year	min	max							
Oil and Gas															
Gazprom	▲ GAZP	5.85	1.93	-1.31	8.10	-4.48	67.72	3.49	6.79	3.14	438,489,583	138,507	9.95	70.06	B
Gazprom Neft	▲ SIBN	4.76	1.49	-4.58	5.17	-11.92	107.52	2.30	5.89	3.13	3,224,192	22,552	5.95	25.09	H
LUKOIL	▲ LKOH	54.33	2.20	-1.33	7.88	-3.34	50.27	35.39	66.46	2.80	133,806,426	46,207	83.79	54.24	B
NOVATEK	▲ NVTK	6.50	1.08	6.41	14.93	23.90	215.51	2.05	6.50	3.27	5,864,458	19,751	8.16	25.37	B
Rosneft	▲ ROSN	8.10	1.38	-0.75	9.65	-3.78	97.44	4.28	9.16	3.12	99,093,605	73,666	10.37	27.99	B
Surgutneftegas	▲ SNGS	0.875	2.16	-0.45	10.24	1.41	0.00	0.477	0.998	14.58	34,877,024	31,249	1.20	37.08	B
Surgutneftegas, pref.	▲ SNGSP	0.543	2.20	4.48	14.96	13.13	132.55	0.212	0.543	11.76	17,036,532	4,182	0.899	65.55	B
Tatneft	▲ TATN	4.96	2.49	0.34	6.88	-5.91	117.86	2.30	5.28	3.65	11,849,702	10,813	5.37	8.20	A
Tatneft, pref.	▲ TATNP	2.97	2.17	0.75	26.33	0.00	229.44	0.869	2.97	2.49	543,490	439	4.03	35.45	B
Transneft, pref.	▲ TRNFP	842.49	1.14	-0.64	10.39	0.30	285.78	217.28	1004.16	3.94	21,410,303	1,310	1600.00	89.91	B
Energy															
Bashkirenergo	▲ BEGY	1.46	0.77	3.75	11.95	19.01	0.00	0.295	1.46	6.19	21,396	1,518	-	-	-
Irkutskenergo	▲ IRGZ	0.517	1.72	6.28	25.55	11.13	0.00	0.15	0.58	10.68	125,597	2,463	-	-	-
Lenenergo	▲ LSNZ	1.06	3.84	3.33	9.74	23.96	347.10	0.227	1.06	4.49	61,273	979	0.696	-34.17	B
Lenenergo, pref.	▲ LSNGP	0.915	1.74	0.47	6.69	20.27	0.00	0.256	0.915	7.82	20,528	85	-	-	-
IDGC of Volga	▲ MRKV	0.00428	1.74	-5.49	5.56	4.27	0.00	0.00121	0.00485	25.58	188,748	764	0.005	16.96	B
IDGC of North-West	▲ MRKZ	0.00935	3.43	-0.35	10.02	25.40	290.87	0.00176	0.0096	17.99	344,612	896	0.0028	-70.05	A
IDGC of Siberia	▼ MRKS	0.0119	-0.47	-1.42	8.70	44.25	339.90	0.00255	0.0125	18.21	85,124	1,064	0.0046	-61.35	B
IDGC of Urals	▲ MRKU	0.0101	7.30	-4.59	14.31	19.98	359.62	0.00223	0.0106	14.48	234,751	857	0.0104	3.19	B
IDGC of Centre	▲ MRKC	0.0346	4.27	5.25	26.17	27.98	211.13	0.00706	0.0346	17.16	1,041,964	1,459	0.0163	-52.83	B
IDGC of C. and Volga Reg.	▲ MRKP	0.00813	2.32	-2.51	17.14	25.03	152.55	0.00257	0.00834	15.91	334,547	916	0.0063	-22.48	B
IDGC of South	▲ MRKY	0.00592	4.46	1.08	3.59	-1.25	0.00	0.00364	0.00685	-	2,108,420	295	0.0031	-47.68	B
WGC-1	▲ OGKA	0.0341	2.74	4.55	10.14	44.85	337.20	0.00762	0.0341	5.15	2,863,587	1,523	0.0375	9.93	B
WGC-2	▼ OGKB	0.0435	-0.01	4.70	40.94	44.88	445.09	0.00785	0.0435	7.09	2,054,475	1,423	0.0595	36.90	B
WGC-3	▲ OGKC	0.0498	1.53	1.79	10.96	-1.94	413.98	0.00807	0.0645	7.10	1,035,473	2,363	0.0306	-38.51	S
WGC-4	▲ OGKD	0.0671	1.62	7.89	14.34	25.91	446.77	0.013	0.0671	7.55	2,733,144	4,229	0.0986	46.93	B
WGC-5	▲ OGKE	0.0877	1.20	5.89	9.22	19.28	309.94	0.0209	0.0931	4.16	403,333	3,101	0.0951	8.47	B
WGC-6	▲ OGKF	0.0306	2.86	8.72	24.83	26.70	277.33	0.00799	0.0306	4.53	2,395,522	989	0.0294	-4.00	B
RusHydro	▲ HYDR	0.0486	5.47	9.00	23.89	28.94	167.57	0.018	0.0486	4.39	55,921,252	9,521	0.0507	4.30	B
TGC-1	▲ TGKA	0.000799	1.12	11.93	36.07	48.05	902.72	0.0000822	0.000799	4.85	382,835	3,079	0.002	150.17	B
TGC-2	▲ TGKB	0.000288	0.70	7.34	27.56	17.53	237.06	0.0000811	0.000362	5.70	533,568	316	0.0015	420.92	B
TGC-2, pref.	▼ TGKBP	0.000271	-0.55	4.96	23.70	0.00	228.18	0.0000804	0.000279	13.12	6,245	4	0.0011	305.89	B
TGC-3 (Mosenergo)	▲ MSNG	0.127	0.56	1.29	22.29	15.18	406.16	0.0249	0.129	5.53	1,010,742	3,581	-	-	-
TGC-4	▼ TGKD	0.000451	-0.06	11.04	24.52	18.49	295.53	0.000111	0.000451	5.77	233,260	595	-	-	-
TGC-4, pref.	▲ TGKDP	0.000257	4.83	14.59	29.27	28.73	201.37	0.0000811	0.000257	8.91	57,004	19	-	-	-
TGC-5	▲ TGKE	0.000467	0.70	-0.42	-2.20	19.87	412.99	0.0000907	0.00051	7.21	154,294	575	0.0012	156.69	B
TGC-6	▲ TGKF	0.000447	3.04	4.18	21.36	0.00	406.52	0.0000869	0.000454	5.77	202,148	577	0.0009	101.27	R
TGC-7	▼ TGKG	0.00473	-0.37	0.74	4.06	5.09	482.70	0.00767	0.0503	4.45	142,465	1,418	-	-	-
TGC-9	▲ TGKI	0.000159	0.70	7.92	22.99	59.22	459.06	0.0000283	0.000161	6.63	415,053	907	-	-	-
TGC-10	▲ TGKJ	1.48	2.22	8.46	12.90	20.54	-12.78	1.16	2.50	3.87	91,419	1,300	-	-	-
TGC-11	▼ TGKK	0.000789	-2.65	-1.51	-6.02	32.66	0.00	0.000121	0.000887	11.59	259,282	322	-	-	-
TGC-12 (Kuzbasenergo)	▲ KZBE	0.0116	5.33	28.06	55.35	34.32	355.79	0.00237	0.0117	4.36	1,168,063	816	-	-	-
TGC-13	▲ TGKM2	0.00361	2.33	14.69	38.76	28.97	600.61	0.000678	0.00374	7.76	514,250	467	-	-	-
TGC-14	▲ TGKN	0.000163	2.83	15.45	32.39	47.82	185.51	0.0000574	0.000168	7.65	504,113	126	-	-	-
FGC UES	▲ FEES	0.0109	1.33	2.62	12.92	0.53	192.41	0.00371	0.0137	6.07	27,448,660	13,614	0.0149	36.60	B
Nonferrous metallurgy															
VSMPO	▲ VSMO	118.80	0.90	-1.52	28.64	73.43	530.20	18.84	120.64	3.75	372,731	1,370	-	-	-
Norilsk Nickel	▲ GMKN	168.02	2.56	1.58	14.75	17.91	221.20	52.53	170.29	3.49	146,534,657	32,030	131.40	-21.80	B
Chelyabinsk Zink Plant	▲ CHZN	4.11	4.37	2.36	5.93	21.82	347.97	0.919	4.50	4.26	199,185	223	22.53	447.97	B
Ferrous metallurgy (Steel)															
Ashinsky Metallurgy Plant	▲ AMEZ	0.434	1.49	2.24	21.18	41.78	0.00	0.168	0.443	4.30	97,320	216	0.75	72.97	B
Mechel	▲ MTLR	25.02	2.02	2.07	20.21	49.38	0.00	4.13	25.02	4.52	1,779,875	9,582	17.99	-28.10	H
MMC	▲ MAGN	0.997	0.51	-0.81	4.87	18.28	0.00	0.156	1.09	13.06	3,286,492	11,136	1.08	8.38	B
NLMC	▲ NLMK	3.35	0.42	0.67	14.63	14.48	0.00	1.16	3.80	7.92	6,268,524	20,069	3.18	-5.04	A
Severstal	▲ CHMF	12.82	1.23	-0.55	21.85	51.92	254.09	3.38	13.00	3.85	40,743,558	283	9.04	-29.50	H
Precious metals															
Polymetal	▼ PMTL	10.74	-0.59	4.47	18.29	19.32	75.49	5.93	10.80	2.20	2,377,391	3,383	6.92	-35.56	H
Polyus-Gold	▲ PLZL	49.29	1.04	1.12	2.54	-7.00	47.31	32.34	60.79	2.60	10,904,120	9,396	48.67	-1.26	H
Coal industry															
Belon	▲ BLNG	0.869	3.94	0.09	22.89	0.00	0.00	0.608	0.869	-	483,917	999	0.65	-25.19	H

*B - Buy, A - Accumulate, H - Hold, R - Reduce, S - Sell, Rev - Under Revision

Source: RTS, MICEX; Estimation: Veles Capital

Trade results

Ticker	Price, USD	Change, %						Year, USD		Volat., %	Volume, USD	MCAP, mn USD	Target, USD	Potential, %	Rec.*
		day	week	month	Jan 1	year	min	max							
Raspadskaya	▲ RASP	6.49	2.84	3.45	26.33	36.29	649.62	0.846	6.49	5.72	2,943,901	3,114	4.74	-26.93	H
Yuzny Kuzbass	▲ UKUZ	43.60	1.64	2.78	5.92	21.11	0.00	10.08	46.38	6.15	61,345	1,574	49.05	12.50	B
Pipe industry															
Taganrog Metallurgy Plant	▼ TAMZ	0.99	-3.52	0.00	6.50	0.00	0.00	0.905	1.03	-	403	504	0.37	-62.62	S
TMK	▲ TRMK	4.74	0.82	0.33	8.84	21.43	359.43	0.984	5.31	5.12	5,308,683	4,140	3.92	-17.35	R
Chelyabinsk Pipe Plant	▲ CHEP	2.31	1.83	1.10	4.74	12.78	0.00	0.398	2.50	7.92	110,247	1,092	2.06	-10.90	R
Telecommunications															
Volgatelecom	▲ NNSI	3.57	1.59	0.50	10.92	21.69	567.48	0.534	3.57	3.36	1,746,782	878	3.05	-14.54	B
Volgatelecom, pref.	▲ NNSIP	2.73	1.20	0.31	6.66	26.88	432.41	0.509	2.76	2.92	240,670	224	2.29	-16.11	B
Dalsvyaz	▲ ESPK	3.69	1.63	1.49	9.05	19.11	440.50	0.697	3.69	3.20	58,341	353	4.19	13.41	B
Dalsvyaz, pref.	▲ ESPKP	3.06	1.02	3.13	14.04	24.84	441.38	0.571	3.06	3.13	71,118	95	3.14	2.68	B
MGTS	▼ MGTS	13.55	-2.94	-3.78	4.40	-3.55	37.54	10.17	17.08	4.56	10,089	1,082	-	-	-
MGTS, pref.	▼ MGTS	12.69	-1.48	-2.99	0.04	-8.10	33.79	9.58	16.58	4.74	7,858	203	-	-	-
MTS	▲ MTSS	8.15	1.58	1.60	7.70	12.11	110.15	4.03	8.15	2.47	8,786,004	16,247	11.25	37.99	B
Rostelecom	▲ RTKM	5.16	3.41	5.96	6.54	3.11	-39.65	4.51	10.01	3.06	12,290,302	3,757	2.96	-42.51	S
Rostelecom, pref.	▲ RTKMP	2.53	2.54	4.43	17.62	23.23	334.63	0.577	2.59	4.65	10,767,335	613	2.22	-12.00	H
North-West Telecom	▲ SPTL	0.779	0.92	1.03	6.70	2.53	352.28	0.174	0.83	6.33	762,092	687	0.503	-35.45	B
North-West Telecom, pref.	▲ SPTLP	0.627	2.22	2.68	12.03	27.24	274.62	0.168	0.627	6.84	91,056	127	0.377	-39.80	B
Sibirtelecom	▲ ENCO	0.0581	2.43	4.00	1.99	29.03	499.70	0.00966	0.0605	7.93	1,462,167	697	0.0379	-34.65	B
Sibirtelecom, pref.	▲ ENCOP	0.0463	1.74	1.62	5.76	30.54	408.55	0.00904	0.0484	7.90	127,398	181	0.0285	-38.59	B
Uralsvyazinform	▲ URSI	0.0306	1.26	2.73	7.16	18.66	254.13	0.00875	0.0308	7.62	12,227,066	987	0.0323	5.77	B
Uralsvyazinform, pref.	▲ URSIP	0.028	0.82	2.89	10.62	38.18	352.82	0.00623	0.0283	7.35	82,264	219	0.0242	-13.38	B
CenterTelecom	▲ ESMO	0.745	0.93	-0.79	5.90	24.21	0.00	0.0852	0.795	11.85	298,805	1,176	0.307	-58.78	R
CenterTelecom, pref.	▲ ESMOP	0.579	1.29	-0.14	0.58	28.73	0.00	0.0756	0.659	10.56	7,072	305	0.23	-60.23	R
SouthTelecom	▲ KUBN	0.149	7.08	8.74	8.65	24.58	721.55	0.0172	0.151	9.65	262,966	443	0.0461	-69.15	H
SouthTelecom, pref.	▲ KUBNP	0.121	5.22	5.56	11.98	0.00	544.22	0.018	0.128	7.73	17,929	118	0.0346	-71.52	H
Machinery															
AvtoVAZ	▼ AVAZ	0.507	-0.13	-2.13	14.48	3.99	0.00	0.227	0.651	13.13	236,470	1,379	-	-	Rev
ZMZ, pref.	▲ zmpz	1.47	3.01	9.84	5.77	17.86	0.00	0.601	1.50	9.57	1,604	55	0.594	-59.68	S
Kamaz	▲ KMAZ	2.67	1.99	-1.97	6.68	6.79	461.73	0.473	2.72	6.60	164,068	2,098	1.71	-36.14	S
OMZ	▲ OMZZ	3.00	0.46	-0.81	15.58	27.70	386.33	0.603	3.44	5.98	21,105	106	6.32	110.59	S
RSC Energia	▲ RKKE	342.15	1.70	5.19	10.83	9.49	345.00	66.02	342.15	4.64	4,961	384	641.10	87.38	H
Power Machines	▼ SILM	0.209	-0.11	-0.88	1.15	8.75	0.00	0.0413	0.224	11.17	122,792	1,292	0.293	39.95	B
Severstal-Auto	▲ SVAV	18.56	1.43	-2.70	20.79	31.43	510.74	3.00	19.14	4.54	520,722	410	19.84	6.87	B
UAZ	▲ uaza	0.0623	2.42	3.27	10.26	24.66	0.00	0.0291	0.0623	-	11,192	232	-	-	-
Media & IT															
RBC	▲ RBCI	1.24	1.30	0.58	7.98	-23.66	412.51	0.248	1.82	6.32	1,507,652	148	-	-	-
Chemical industry															
Akron	▲ AKRN	38.97	3.43	4.42	21.31	31.11	144.38	15.69	38.97	3.16	2,349,360	1,858	136.24	249.59	B
Dorogobuzh	▲ DGBZ	0.687	1.61	6.65	30.48	61.56	0.00	0.223	0.687	8.87	140,817	495	1.19	72.88	H
Dorogobuzh, pref.	▲ DGBZP	0.512	0.84	0.16	17.79	7.83	0.00	0.152	0.512	6.78	371,674	79	0.636	24.15	H
Silvinit	▲ SILV	708.35	0.74	-0.59	-3.45	-8.60	0.00	359.21	829.09	3.42	438,224	5,543	1417.39	100.10	R
Uralkali	▲ URKA	4.27	1.52	2.63	-3.55	1.16	127.07	1.83	5.29	4.02	18,256,144	9,080	14.18	231.68	B
Retail Trade															
Pharmacy Network 36.6	▼ APTK	6.27	-0.86	31.99	36.21	0.00	251.45	1.82	13.25	8.31	19,044,047	60	-	-	-
GUM	▲ GUMM	1.64	0.49	2.61	3.23	9.28	83.62	0.827	1.81	3.73	166	98	-	-	-
Seventh Continent	▲ SCON	9.02	0.94	0.28	12.69	51.52	43.91	5.95	12.62	5.00	45,021	676	27.56	205.69	H
Tzum	- TZUM	-	0.00	0.00	0.00	0.00	0.00	1.10	2.65	7.72	-	-	-	-	-
Consumer Sector															
Baltika	▲ PKBA	31.84	0.77	1.00	-4.09	13.70	158.20	11.88	34.79	2.61	154,481	4,830	47.92	50.52	A
Baltika, pref.	▲ PKBAP	31.06	0.70	0.80	-7.71	17.44	172.72	10.78	35.67	3.74	16,837	383	35.94	15.70	A
WBD	▲ WBD	53.86	1.33	3.22	14.27	17.09	262.35	14.28	54.25	2.87	42,581	2,370	45.56	-15.41	A
Kalina	▼ KLNA	21.88	-1.14	6.99	12.13	25.06	352.07	4.69	22.14	5.09	9,468	213	49.34	125.45	A
Transport															
Aeroflot	▲ AFLT	1.88	3.11	1.94	12.52	7.53	116.73	0.873	1.88	2.59	4,275,169	2,090	3.15	67.45	B
FESCO	▲ FESH	0.315	1.46	0.48	-1.45	-13.78	0.00	0.185	0.398	11.27	6,161	517	1.05	233.64	R
NCSP	▼ NMPH	0.157	-1.24	2.70	6.02	-1.68	224.02	0.0468	0.18	4.99	59,283	3,030	0.09	-42.79	S
FESCO	▲ PRIM	0.207	0.09	1.01	1.32	13.21	0.00	0.134	0.219	5.77	1,088	165	0.561	171.53	B
Banks															
VTB	▲ VTBR-3	0.00268	3.17	2.71	14.17	14.02	266.14	0.000728	0.00268	4.63	128,239,017	18,018	-	-	-

*B - Buy, A - Accumulate, H - Hold, R - Reduce, S - Sell, Rev - Under Revision

Source: RTS, MICEX; Estimation: Veles Capital



Trade results

Ticker	Price, USD	Change, %					Year, USD		Volat., %	Volume, USD	MCAP, mn USD	Target, USD	Potential, %	Rec.*	
		day	week	month	Jan 1	year	min	max							
Sberbank	▲ SBER	3.02	2.64	3.22	13.66	7.45	535.45	0.479	3.11	4.22	809,532,458	65,157	-	-	-
Sberbank, pref.	▲ SBERP	2.41	2.91	3.89	13.47	1.50	886.62	0.246	2.50	4.57	63,196,568	2,411	-	-	-

*B - Buy, A - Accumulate, H - Hold, R - Reduce, S - Sell, Rev - Under Revision

Source: RTS, MICEX; Estimation: Veles Capita



Quotes of Russian ADR vs. shares in Russia

	ADR Code	RTS Code	Shares in ADR	Stock Market	Last ADR price, USD	Change, USD	Share's price in ADR, USD	Last Russian price, USD	ADR / RTS, %	Change, %	Russian Change, %	ADR trade volume, ths. USD	Russia volume, ths. USD
X5 Retail Group	▼ FIVE LI	FIVE	0.25	London	33.50	-0.19	134.00	-	-	-0.56	-	19,581	-
AvtoVAZ	▲ AVVG GR	AVAZ	5	Frankfurt	2.75	0.181	0.55	0.507	8.54	7.05	-0.13	16	236
AFK Sistema	▲ JSFCF US	AFKS	20	New York	26.30	0.80	1.32	0.95	38.45	3.14	3.41	11	1,150
AFK Sistema	▲ KO71 GR	AFKS	20	Frankfurt	26.41	0.233	1.32	0.95	39.04	0.89	3.41	16	1,150
AFK Sistema	▲ SSA LI	AFKS	20	London	26.19	0.19	1.31	0.95	37.87	0.73	3.41	16,956	1,150
Aeroflot	▲ AETG GR	AFLT	100	Frankfurt	187.08	5.07	1.87	1.88	-0.58	2.78	3.11	56	4,275
Wimm-Bill-Dann	▲ WBD US	WBDF	0.25	New York	21.37	0.08	85.48	53.86	58.70	0.38	1.33	5,205	43
Wimm-Bill-Dann	▲ WBPA GR	WBDF	0.25	Frankfurt	21.12	0.323	84.46	53.86	56.81	1.56	1.33	23	43
Volgaelcom	▲ NZH GR	NNSI	2	Frankfurt	6.88	0.043	3.44	3.57	-3.71	0.63	1.59	-	1,747
Volgaelcom	- VLGAY US	NNSI	2	New York	-	-	-	3.57	-	-	1.59	-	1,747
VTB	▲ VTBR LI	VTBR	2000	London	5.45	0.20	0.00273	-	-	3.81	-	17,260	-
VTB	▲ KYM1 GR	VTBR	2000	Frankfurt	5.45	0.353	0.00272	-	-	6.92	-	-	-
Vimpelcom	▼ VIP US	VIP	0.05	New York	19.14	-0.45	382.80	-	-	-2.30	-	80,141	-
Gazprom	▲ GAZ GR	GAZP	4	Frankfurt	23.39	0.146	5.85	5.85	-0.08	0.63	1.93	929	438,490
Gazprom	▲ OGZD LI	GAZP	4	London	23.59	0.31	5.90	5.85	0.80	1.33	1.93	264,545	438,490
Gazprom	▼ OGZPY US	GAZP	4	New York	23.25	-0.31	5.81	5.85	-0.65	-1.32	1.93	8,783	438,490
Gazprom Neft	▲ SCF GR	SIBN	5	Frankfurt	23.87	0.327	4.77	4.76	0.35	1.39	1.49	53	3,224
Gazprom Neft	▲ GZPFY US	SIBN	5	New York	23.85	0.50	4.77	4.76	0.28	2.14	1.49	34	3,224
Gazprom Neft	▲ GAZ LI	SIBN	5	London	24.00	0.52	4.80	4.76	0.91	2.21	1.49	4,632	3,224
Evraz	- EVR US	-	0.33333333	New York	-	-	-	-	-	-	-	-	-
Evraz	▲ EVR LI	-	0.33333333	London	36.12	0.32	108.36	-	-	0.89	-	44,003	-
Irkutskenergo	- IKSZY US	IRGZ	50	New York	-	-	-	0.517	-	-	1.72	-	126
Irkutskenergo	▲ IRK GR	IRGZ	50	Frankfurt	25.79	0.366	0.516	0.517	-0.18	1.44	1.72	-	126
Comstar-UTS	▼ CMST LI	CMST	1	London	6.32	-0.02	6.32	-	-	-0.32	-	1,938	-
Kuzbasenergo	▲ KUW GR	KZBE	500	Frankfurt	5.09	0.305	0.0102	0.0116	-11.88	6.38	5.33	149	1,168
LUKOIL	▲ LKOD LI	LKOH	1	London	54.50	0.90	54.50	54.33	0.32	1.68	2.20	178,054	133,806
LUKOIL	▲ LUK GR	LKOH	1	Frankfurt	54.68	1.32	54.68	54.33	0.65	2.47	2.20	1,054	133,806
LUKOIL	▲ LUKOY US	LKOH	1	New York	54.25	0.30	54.25	54.33	-0.14	0.56	2.20	4,298	133,806
Magnit	- MGN1 LI	MGNT	0.2	London	16.50	-	82.50	74.53	10.70	-	-0.19	-	1,132
Magnit	▲ 5M71 GR	MGNT	0.2	Frankfurt	16.60	0.0149	82.98	74.53	11.35	0.09	-0.19	-	1,132
Magnitogorsk	▲ MHQ GR	MAGN	13	Frankfurt	12.99	0.227	0.999	0.997	0.29	1.78	0.51	3	3,286
Mechel	▲ MTL US	MTLR	1	New York	26.33	0.11	26.33	25.02	5.23	0.42	2.02	55,918	1,780
Mechel	▲ MHSR GR	MTLR	1	Frankfurt	25.96	0.0871	25.96	25.02	3.77	0.34	2.02	-	1,780
MMC	▲ MMK LI	MAGN	13	London	13.04	0.07	1.00	0.997	0.66	0.54	0.51	6,767	3,286
Mosenergo	▲ AOMD LI	MSNG	100	London	12.99	0.39	0.13	0.127	2.53	3.10	0.56	3	1,011
Mosenergo	- AOMOY US	MSNG	100	New York	-	-	-	0.127	-	-	0.56	-	1,011
Mosenergo	▼ MRO GR	MSNG	100	Frankfurt	12.59	-0.017	0.126	0.127	-0.65	-0.13	0.56	68	1,011
MTS	▲ MKY GR	MTSS	5	Frankfurt	56.33	1.38	11.27	8.15	38.23	2.52	1.58	10	8,786
MTS	▲ MBT US	MTSS	5	New York	57.07	0.92	11.41	8.15	40.04	1.64	1.58	80,407	8,786
Nizhnekamskneftekhim	▲ OAO GR	NKNC	10	Frankfurt	5.23	0.0327	0.523	0.561	-6.79	0.63	-0.77	3	4
NLMK	▲ N7MG GR	NLMK	10	Frankfurt	33.49	0.0658	3.35	3.35	0.01	0.20	0.42	26	6,269
NLMK	▲ NLMK LI	NLMK	10	London	33.85	0.17	3.39	3.35	1.09	0.50	0.42	10,499	6,269
NOVATEK	▲ NVTK LI	NVTK	10	London	75.00	0.30	7.50	6.50	15.30	0.40	1.08	58,655	5,864
NOVATEK	▼ N10 GR	NVTK	10	Frankfurt	74.14	-0.466	7.41	6.50	13.98	-0.62	1.08	-	5,864
NCSP	- NCSP LI	NMTP	75	London	12.00	-	0.16	0.157	1.70	-	-1.24	-	59
Norilsk Nickel	▲ NILSY US	GMKN	0.1	New York	16.85	0.25	168.50	168.02	0.28	1.51	2.56	717	146,535
Norilsk Nickel	▲ NNIA GR	GMKN	0.1	Frankfurt	16.64	0.104	166.45	168.02	-0.94	0.63	2.56	504	146,535
Norilsk Nickel	▲ MNOD LI	GMKN	0.1	London	16.97	0.33	169.70	168.02	1.00	1.98	2.56	56,978	146,535
WGC-2	▼ OGK2 LI	OGKB	100	London	4.20	-0.01	0.042	0.0435	-3.37	-0.24	-0.01	302	2,055
Polymetal	▼ PMTL LI	PMTL	1	London	10.76	-0.14	10.76	10.74	0.20	-1.28	-0.59	2,826	2,377
Polymetal	▲ XVB GR	PMTL	1	Frankfurt	10.75	0.0905	10.75	10.74	0.13	0.85	-0.59	-	2,377
Polyus-Gold	▲ PLZL LI	PLZL	0.5	London	27.15	0.13	54.30	49.29	10.16	0.48	1.04	2,692	10,904
Polyus-Gold	▲ P6J2 GR	PLZL	0.5	Frankfurt	26.98	0.319	53.95	49.29	9.46	1.20	1.04	3	10,904
Rosneft	▼ OJS1 GR	ROSN	1	Frankfurt	8.04	-0.0427	8.04	8.10	-0.73	-0.53	1.38	54	99,094
Rosneft	▲ ROSN LI	ROSN	1	London	8.15	0.06	8.15	8.10	0.59	0.74	1.38	92,329	99,094
Rostelekom	▲ RTL GR	RTKM	6	Frankfurt	31.24	1.17	5.21	5.16	0.99	3.88	3.41	38	12,290
Rostelekom	▲ RKMD LI	RTKM	6	London	31.20	1.20	5.20	5.16	0.86	4.00	3.41	585	12,290
Rostelekom	- ROS US	RTKM	6	New York	-	-	-	5.16	-	-	3.41	-	12,290
RusAl	▼ 486 HK	-	1	Hong Kong	1.14	-0.0075	1.14	-	-	-0.65	-	1,953	-
RusHydro	▲ HYDR LI	HYDR	100	London	4.97	0.24	0.0497	0.0486	2.24	5.07	5.47	12,661	55,921

Source: Bloomberg; Estimation: Veles Capital



Quotes of Russian ADR vs. shares in Russia

	ADR Code	RTS Code	Shares in ADR	Stock Market	Last ADR price, USD	Change, USD	Share's price in ADR, USD	Last Russian price, USD	ADR / RTS, %	Change, %	Russian Change, %	ADR trade volume, ths. USD	Russia volume, ths. USD
Sberbank	▲ SBNA GR	SBER	100	Frankfurt	306.76	7.39	3.07	3.02	1.63	2.47	2.64	2,915	809,532
Seversky pipe plant	▲ SVY GR	SVTZ	10	Frankfurt	60.53	0.378	6.05	-	-	0.63	-	-	-
Severstal	▼ RTS2 GR	CHMF	1	Frankfurt	13.34	-0.298	13.34	12.82	4.00	-2.19	1.23	77	40,744
Severstal	▼ SVST LI	CHMF	1	London	13.50	-0.25	13.50	12.82	5.29	-1.82	1.23	23,716	40,744
Sitronics	- SITR LI	SITR	50	London	0.91	-	0.0182	-	-	-	-	5	-
CTC Media	▼ CTCM US	CTCM	1	New York	17.06	-0.12	17.06	-	-	-0.70	-	6,711	-
Surgutneftegas	▲ SGTZY US	SNGS	10	New York	8.73	0.18	0.873	0.875	-0.19	2.11	2.16	143	34,877
Surgutneftegas	▲ SGGD LI	SNGS	10	London	8.75	0.14	0.875	0.875	0.04	1.63	2.16	21,136	34,877
Surgutneftegas	▲ SGN GR	SNGS	10	Frankfurt	8.60	0.132	0.86	0.875	-1.63	1.55	2.16	49	34,877
Surgutneftegas, pref.	▲ SGNV GR	SNGSP	10	Frankfurt	5.42	0.295	0.542	0.543	-0.17	5.75	2.20	157	17,037
Surgutneftegas, pref.	▲ SGTPY US	SNGSP	10	New York	5.40	0.10	0.54	0.543	-0.56	1.89	2.20	63	17,037
Tatneft	▲ TTFB GR	TATN	6	Frankfurt	32.33	0.694	5.39	4.96	8.56	2.19	2.49	34	11,850
Tatneft	▲ ATAD LI	TATN	6	London	32.74	1.19	5.46	4.96	9.94	3.77	2.49	15,288	11,850
TMK	▲ TMKS LI	TRMK	4	London	19.00	0.05	4.75	4.74	0.16	0.26	0.82	10,174	5,309
TMK	▼ N9E1 GR	TRMK	4	Frankfurt	18.57	-0.26	4.64	4.74	-2.11	-1.38	0.82	3	5,309
Uralkali	▲ URKA LI	URKA	5	London	21.50	0.39	4.30	4.27	0.61	1.85	1.52	26,651	18,256
Uralkali	▲ M6B1 GR	URKA	5	Frankfurt	21.46	0.0932	4.29	4.27	0.42	0.44	1.52	124	18,256
Uralsvazinform	▲ URL GR	URSI	200	Frankfurt	6.09	0.0107	0.0304	0.0306	-0.40	0.18	1.26	6	12,227
Pharmstandard	▼ PHST LI	PHST	0.25	London	23.85	-0.05	95.40	-	-	-0.21	-	3,234	-
Pharmstandard	▲ GO12 GR	PHST	0.25	Frankfurt	23.66	0.00438	94.64	-	-	0.02	-	-	-
TzUM	▲ THT GR	TZUM	20	Frankfurt	40.86	0.255	2.04	-	-	0.63	-100.00	-	-
SouthTelecom	▲ KUE GR	KUBN	50	Frankfurt	6.40	0.04	0.128	0.149	-14.42	0.63	7.08	-	263
SouthTelecom	- STJSY US	KUBN	50	New York	-	-	-	0.149	-	-	7.08	-	263
Utair Aviation	▲ TYV GR	TMAT	100	Frankfurt	37.49	0.234	0.375	0.39	-3.78	0.63	0.43	-	30
Utair Aviation	- UTARY US	TMAT	100	New York	-	-	-	0.39	-	-	0.43	-	30

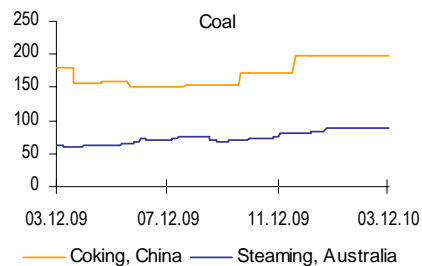
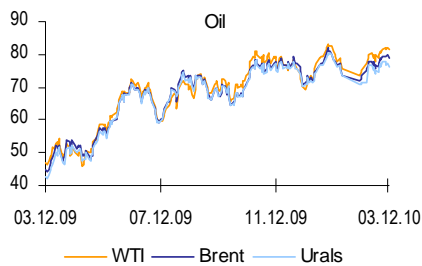
Source: Bloomberg; Estimation: Veles Capital



Commodity markets Prices of energy carriers

		Price, USD	Change, %					Year, USD	
			day	week	month	Jan 1	year	min	max
Light, USD/bbl	▼	78.96	-1.23	-0.69	8.73	1.74	72.51	45.29	81.57
Brent, USD/bbl	▼	79.02	-1.19	-0.48	7.52	2.36	77.25	44.36	81.97
Urals, USD/bbl	▼	76.31	-1.27	-1.83	6.85	-0.33	78.13	42.36	80.52
WTI, USD/bbl	▼	81.24	-1.06	-0.32	7.92	2.37	72.74	45.88	83.18
Brent-Urals	▲	2.71	0.03	1.04	0.64	2.07	0.97	-1.96	4.14
Steaming Coal Australia, USD/ton	-	88.00	-	-	-	-	39.68	60.20	88.00
Coking Coal China, USD/ton	-	197.74	-	-	-	-	9.96	151.54	197.74

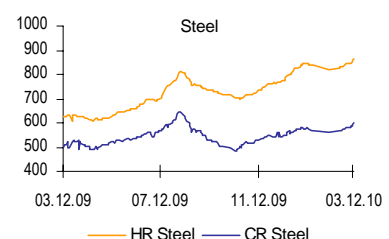
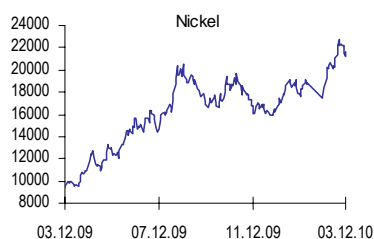
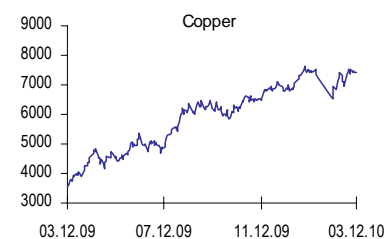
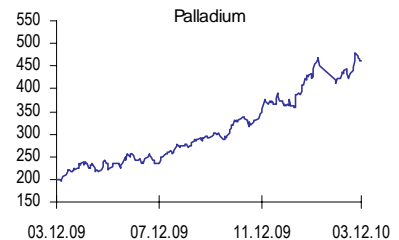
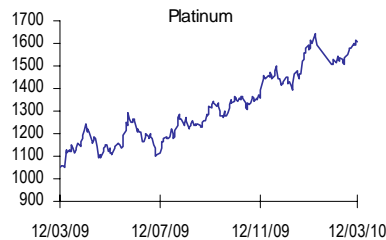
Source: Bloomberg; Estimation: Veles Capital



Prices of metals

		Price, USD	Change, %					Year, USD	
			day	week	month	Jan 1	year	min	max
Gold, USD/ounce	▼	1,101.90	-0.68	-2.89	0.59	0.42	18.91	868.80	1,215.70
Silver, USD/ounce	▼	17.07	-0.64	-1.67	9.01	1.04	31.37	11.88	19.24
Platinum, USD/ounce	▼	1,607.00	-0.25	1.81	5.00	9.87	53.19	1,048.50	1,645.22
Palladium, USD/ounce	▲	462.50	0.49	-3.24	9.47	13.48	132.70	195.50	478.00
Aluminum, USD/ton	▲	2,229.95	1.12	1.37	10.09	1.50	70.68	1,306.50	2,342.75
Copper, USD/ton	▼	7,412.00	-0.26	-1.36	7.09	0.95	108.88	3,548.50	7,630.50
Nickel, USD/ton	▲	21,684.00	2.18	-2.85	18.00	17.52	131.32	9,374.00	22,765.00
Lead, USD/ton	▲	2,239.75	0.65	1.47	6.16	-6.75	82.09	1,208.25	2,652.75
Tin, USD/ton	▲	17,476.00	1.15	0.85	8.30	3.60	63.74	10,000.00	18,355.00
Zink, USD/ton	▼	2,307.35	-0.21	-0.67	5.62	-8.76	92.09	1,161.75	2,686.25
Titanium, USD/ton	-	4,629.70	-	-	5.00	82.61	500.00	771.62	4,629.70
CR Steel, USD/ton	▲	866.00	0.58	2.49	5.48	4.46	37.90	606.00	866.00
HR Steel, USD/ton	▲	601.00	0.84	3.44	7.51	5.25	20.93	485.00	648.00

Source: Bloomberg; Estimation: Veles Capital





International indices

Russian indices

		Close, pt.	Change, pt.	Change, %					Current year, pt.	
				day	week	month	cur. year	year	min	max
RTS	▲	1,534.68	30.64	2.04	1.76	12.53	6.23	147.96	618.93	1,581.09
MICEX	▲	1,415.75	19.84	1.42	0.10	8.50	3.34	94.41	728.23	1,484.03

Source: RTS, MICEX; Estimation: Veles Capital

Indices of developed markets

		Close, pt.	Change, pt.	Change, %					Current year, pt.		
				day	week	month	cur. year	year	min	max	
Dow Jones	USA	▲	10,624.69	12.85	0.12	0.55	5.20	1.89	48.18	7,170.06	10,725.43
NASDAQ Composite	USA	▼	2,367.66	-0.80	-0.03	1.78	8.43	4.34	66.02	1,404.02	2,368.46
FTSE 100	Great Britain	▲	5,625.65	8.39	0.15	0.46	9.40	3.93	51.55	3,712.06	5,640.57
Nikkei 225	Japan	▲	10,751.26	86.31	0.81	3.69	6.53	1.94	49.36	7,198.25	10,982.10
S&P 500	USA	▼	1,149.99	-0.25	-0.02	0.99	6.93	3.13	53.18	750.74	1,150.24
Amsterdam Exchange	Netherlands	▲	339.57	0.55	0.16	0.26	7.55	1.26	60.70	209.34	343.03
OMX Stockholm 30	Sweden	▲	1,018.15	9.22	0.91	2.01	9.32	6.98	52.50	633.09	1,018.15
DAX	Germany	▲	5,945.11	16.48	0.28	1.15	8.09	-0.21	50.27	3,953.60	6,048.30
CAC 40	France	▼	3,927.40	-1.55	-0.04	0.43	9.12	-0.23	45.77	2,694.25	4,045.14
Swiss Market	Switzerland	▼	6,836.60	-15.13	-0.22	-0.16	6.55	4.44	47.16	4,645.78	6,873.59
Bloomberg European 500		▲	181.28	0.59	0.33	0.60	7.26	2.01	50.69	120.30	182.51

Source: RTS, MICEX; Estimation: Veles Capital

Indices of emerging markets

		Close, pt.	Change, pt.	Change, %					Current year, pt.		
				day	week	month	cur. year	year	min	max	
MCSI		▲	992.68	2.85	0.29	1.82	7.70	0.32	92.39	515.97	1,028.07
Europe											
ASE General	Greece	▼	2,115.65	-8.93	-0.42	1.61	11.38	-3.67	36.14	1,554.06	2,896.91
WSE WIG	Poland	▲	41,253.60	249.27	0.61	2.23	8.75	3.17	78.09	22,892.30	41,617.21
PFTS		▲	819.36	19.35	2.42	8.75	28.37	43.02	301.88	203.88	819.36
Budapest Stock Exchange	Hungary	▲	23,210.19	346.95	1.52	4.58	11.95	9.34	145.32	9,461.29	23,210.19
Prague Stock Exchange Index 50	Czech Republic	▲	1,189.00	12.10	1.03	2.78	6.79	6.42	75.55	677.30	1,220.30
Tel Aviv 100	Israel	-	1,145.25	-	0.00	0.61	7.24	7.54	94.94	587.49	1,148.28
Asia and Africa											
Hang Seng	Hong Kong	▼	21,209.74	-18.46	-0.09	2.03	4.64	-3.03	76.73	12,001.53	22,943.98
BSE SENSEX 30	India	▼	17,166.62	-1.34	-0.01	1.01	6.28	-1.71	105.74	8,343.75	17,701.13
JSE Africa all Shr	SAR	▲	28,262.40	350.97	1.26	1.28	7.62	2.15	47.44	19,168.62	28,346.78
Jakarta Composite	Indonesia	▼	2,666.51	-10.01	-0.37	3.40	5.22	5.21	103.49	1,310.41	2,676.52
KOSPI	South Korea	▲	1,662.74	6.12	0.37	1.72	4.33	-1.19	47.36	1,125.46	1,722.01
China SE Shang Composite	China	▼	3,013.41	-37.87	-1.24	-0.58	-0.16	-8.05	41.22	2,128.85	3,471.44
America											
Mexico Bolsa Index	Mexico	▼	32,578.05	-24.89	-0.08	0.44	5.07	1.42	72.69	18,864.87	33,064.57
Brasil Bovespa STock	Brazil	▼	69,341.38	-543.23	-0.78	0.72	5.29	1.10	77.11	38,607.20	70,729.34
Chile Stock Market	Chile	▲	3,824.49	8.17	0.21	0.92	1.42	6.79	56.99	2,436.13	3,860.71
Venezuela Stock Market	Venezuela	▼	56,912.34	-570.92	-0.99	-0.06	0.05	3.33	50.25	37,879.57	60,299.40

Source: RTS, MICEX; 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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