

COMMENT

American indices ended yesterday's trading sessions in green owing to rally in ferrous metals companies and technological sector. The market positively reacted on news about the largest iron ore supplier Vale SA is changing its price scheme which may result in twice-higher prices for some raw materials. Positive trend is prevailing in Asia on growing confidence in soon economic recovery. Oil is trading weaker today affected by higher inventories in the US as well as ongoing dollar appreciation.

We expect the Russian market to open up today backed by favorable external newsflow. Ferrous metal stocks may outperform following the global trends. Today Lukoil is disclosing its financial report while recent days volatility in its stocks is triggered by uncertainty over future of ConocoPhillips' stake in Lukoil.

MAIN HEADLINES

- ▼ **Lukoil (LKOH) is not buying its shares from ConocoPhillips**
- ▶ **OGK-3 (OGKC) in 2009 reduced net profit under IFRS by 37%, but promised dividends**
- ▶ **Inter RAO (IRAO) received net loss of RUR1.25 bn in 2009**
- ▶ **TGK-4 (TGKD) net profit skyrocketed by more than 18 times to RUR2.1 bn in 2009 under RAS**
- ▲ **PIK Group (PIK LI) is eyeing SPO**

NEWS

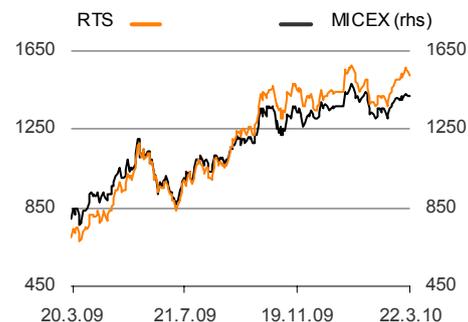
- ▲ **NLMK (NLMK) has launched a new ladle furnace**
- ▶ **Orsknefteorgsintez's (orfe, orfep) net income reduced in 2009 by 4 times**
- ▶ **TSUM (TZUM) earned RUR206 mn in 2009**

MACROECONOMICS

- **The ruble is still on the uptrend in real terms**

CALENDAR

| Time | Event | Month | Expectations |
|-----------------------|--------------------------------|-------|--------------------------|
| EU statistics: | | | |
| 12:00 | PMI Services | Mar | 52 (51.8 in February) |
| 12:00 | PMI Manufacturing | Mar | 54 (54.2 in February) |
| 12:00 | PMI Composite | Mar | 53.8 (53.7 in February) |
| 13:00 | Industrial New Orders SA (MoM) | Jan | 1.8% (1.1% in December) |
| 13:00 | Industrial New Orders SA (YoY) | Jan | 13.9% (9.9% in December) |
| US statistics: | | | |
| 15:30 | Durable Goods Orders | Feb | 0.6% (2.6% in January) |
| 15:30 | Durables Ex Transportation | Feb | 0.6% (-1.0% in January) |
| 17:00 | New Home Sales | Feb | 315K (309K in January) |
| 17:00 | New Home Sales (MoM) | Feb | 1.9% (-11.2% in January) |

Market Indicators


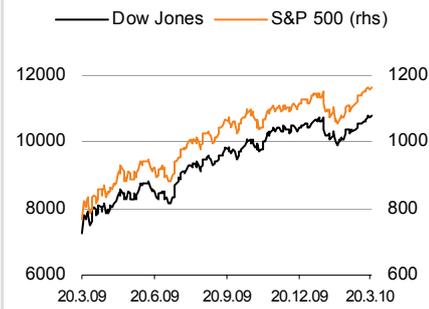
Source: Bloomberg, TKB Capital estimates

| Indicator | Value | Change | |
|-------------------------------------|---------|--------|--------|
| | | 1 day | 1 week |
| Asia 9:00 23.03.2010 | | | |
| Nikkei 225 | 10 774 | -0.5% | 0.5% |
| Hang Seng | 21 149 | 1.0% | 0.6% |
| Shanghai Composite | 3 061 | -0.4% | 2.3% |
| America 22.03.2010 | | | |
| DJIA | 10 786 | 0.4% | 1.4% |
| S&P 500 | 1 166 | 0.5% | 1.3% |
| NASDAQ | 2 395 | 0.9% | 1.4% |
| Bovespa | 69 042 | 0.3% | 0.0% |
| Europe 22.03.2010 | | | |
| FTSE 100 | 5 645 | -0.1% | 0.9% |
| DAX | 5 988 | 0.1% | 1.4% |
| CAC 40 | 3 928 | 0.1% | 1.0% |
| RTS | 1 526 | -1.2% | 0.7% |
| MICEX | 1 418 | -0.2% | 1.2% |
| EM Indexes 22.03.2010 | | | |
| MSCI BRIC | 327 | -1.0% | -0.5% |
| MSCI Russia | 826 | -0.7% | 0.1% |
| Commodity Futures 22.03.2010 | | | |
| Brent | 80.5 | 0.8% | 3.4% |
| WTI | 81.3 | 0.7% | 1.8% |
| Gold | 1 099.5 | -0.7% | -0.5% |
| Silver | 16.9 | -0.6% | -1.0% |
| Nickel | 22 253 | -0.8% | 3.8% |
| Corn | 3.7 | 0.6% | 1.5% |
| Wheat | 486.5 | 0.6% | 4.0% |
| Soybean | 9.7 | 0.4% | 2.1% |
| Interest Rates 22.03.2010 | | | |
| LIBOR 3 month | 0.28 | 0.00 | 0.02 |
| EURIBOR 3 month | 0.64 | 0.00 | -0.01 |
| MosPrime 1 week | 3.94 | 0.03 | 0.00 |
| MosPrime 1 month | 4.21 | 0.00 | 0.00 |
| Currencies 22.03.2010 | | | |
| USD/RUR | 29.53 | 0.7% | 0.3% |
| EUR/USD | 1.356 | 0.1% | -0.8% |
| GBP/USD | 1.509 | 0.4% | 0.2% |
| USD/JPY | 89.96 | -0.4% | -0.6% |
| NDF USD/RUR 22.03.2010 | | | |
| 1 month | 3.56 | 0.29 | -0.11 |
| 3 months | 3.85 | 0.11 | 0.02 |
| 6 months | 4.22 | 0.17 | 0.02 |
| Sovereign bonds 22.03.2010 | | | |
| UST 10 | 3.66 | -0.03 | -0.04 |
| Russia 30 | 4.94 | 0.02 | -0.01 |

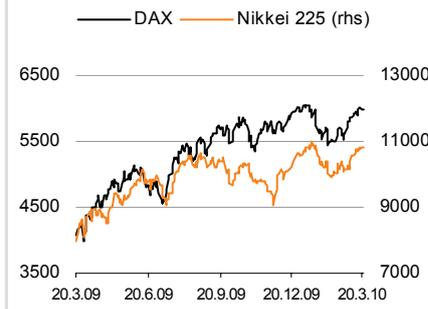
Source: Bloomberg, TKB Capital estimates

STOCK INDEXES

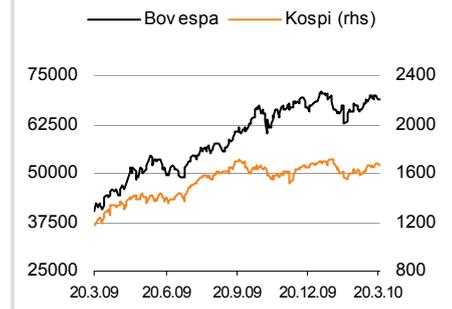
| | | |
|-----------|--------|-------|
| Dow Jones | 10 786 | 0.41% |
| S&P 500 | 1 166 | 0.51% |



| | | |
|------------|--------|-------|
| DAX | 5 988 | 0.08% |
| Nikkei 225 | 10 825 | 0.00% |

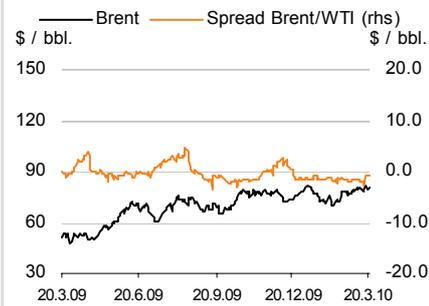


| | | |
|---------|--------|--------|
| Bovespa | 69 042 | 0.31% |
| Kospi | 1 673 | -0.80% |

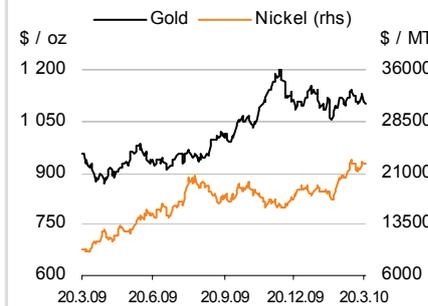


COMMODITY FUTURES

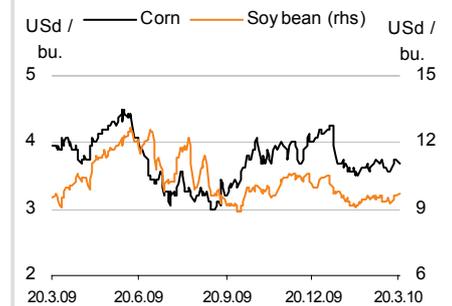
| | | |
|------------------|-------|-------|
| Brent | 80.54 | 0.83% |
| Spread Brent/WTI | -0.71 | 0.09 |



| | | |
|--------|--------|--------|
| Gold | 1 100 | -0.73% |
| Nickel | 22 253 | -0.79% |

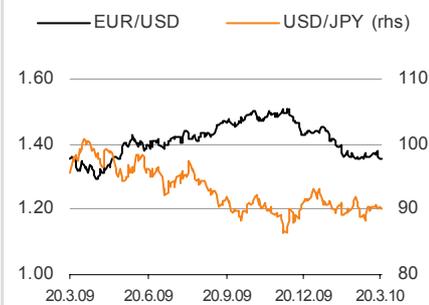


| | | |
|---------|-----|--------|
| Corn | 3.7 | -1.67% |
| Soybean | 9.7 | 0.65% |

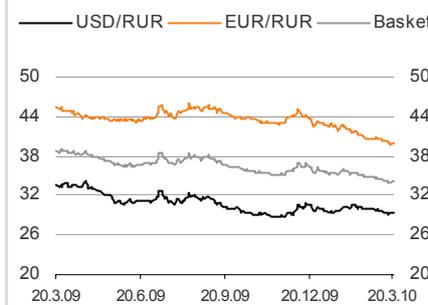


CURRENCIES

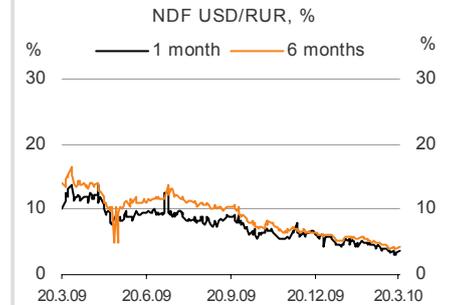
| | | |
|---------|-------|--------|
| EUR/USD | 1.356 | 0.12% |
| USD/JPY | 90.0 | -0.43% |



| | | |
|---------|-------|-------|
| USD/RUR | 29.53 | 0.67% |
| EUR/RUR | 40.04 | 0.82% |

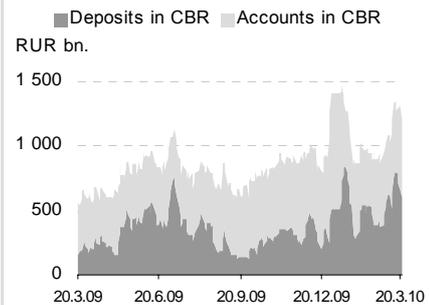


| | | |
|-------------------|------|------|
| NDF USD/RUR 1m, % | 3.56 | 0.29 |
| NDF USD/RUR 6m, % | 4.22 | 0.17 |

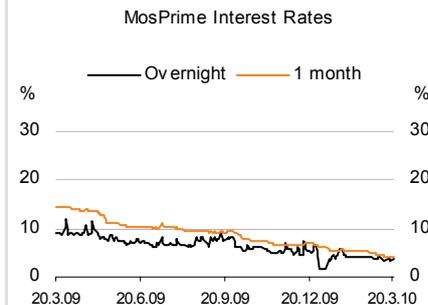


LIQUIDITY AND INTEREST RATES

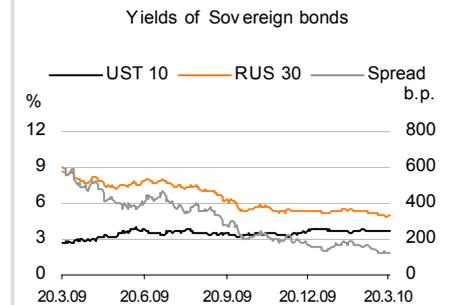
| | | |
|-------------------------|-----|---------|
| Deposits in CBR, RUR bn | 600 | -10.40% |
| Accounts in CBR, RUR bn | 609 | -6.15% |



| | | |
|-----------------|-----|------|
| MosPrime O/N, % | 3.5 | 0.05 |
| MosPrime 1m, % | 4.2 | 0.00 |



| | | |
|---------------|------|-------|
| UST 10Y, % | 3.66 | -0.03 |
| Russia 30Y, % | 4.94 | 0.02 |



MACROECONOMICS

RUSSIA

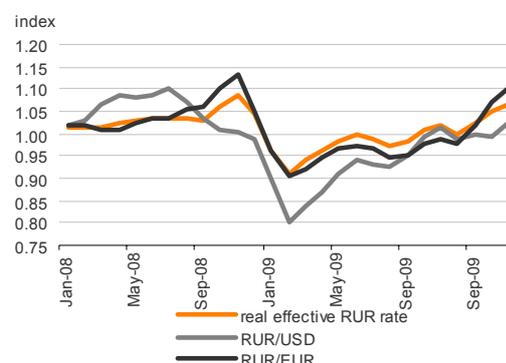
Dmitry Polevoy, PhD d.polevoy@tkbc.ru

The ruble is still on the uptrend in real terms

> **The ruble gained 2.7-2.9% m-o-m in real terms in March** against the greenback and around 2.9-3.1% m-o-m against the euro, according to the Economic ministry estimates. Effectively, in 1Q10 in real terms the ruble strengthened by 4.1-4.3% against the USD and by 12.4-12.7% against the euro. Given the fact that European countries account for 50-55% of total foreign trade turnover, we estimate the announced figures to be consistent with approximately 6.5% gain in real effective ruble exchange rate (weighted average by major trade partners' currencies). Therefore, not only all advantages the ruble gained during last year devaluation have already disappeared, but the Russian currency also has started approaching the pre-crisis highs against the euro and the basket of currencies.

> **The continuing ruble appreciation in real terms could trigger additional concerns on suitability of its further strength.** The figures suggest, that Russian companies, which export their goods or compete with imports domestically, are now facing with the pre-crisis conditions in terms of competitiveness. And even though the effect on Russian export (which is still by 60% consists of commodities) could be limited, the ruble appreciation could reignite import growth, especially given much more considerable appreciation against the euro. This in turn would offset (fully or partly) the benefits of higher oil prices on trade surplus, thereby fueling emerging concerns on the suitability of the ongoing ruble appreciation. Were the pressure on the CBR increase and the regulator allows it to affect its policy objectives, the risk of returning to the pre-crisis model would increase with the CBR limiting the ruble appreciation by interventions but automatically loosing the control over money supply and inflation. The bottom line would be a back-step in the CBR movement towards inflation targeting and flexible exchange rate regime.

Real ruble exchange rates dynamics



NEWS

OIL & GAS

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Lukoil (LKOH) is not buying its shares from ConocoPhillips. **NEGATIVE**

> **Lukoil does not plan to exercise its preemptive rights to buy its shares from ConocoPhillips.** Yesterday, Interfax reported quoting Lukoil's President Vagit Alekperov that the company does not plan to buy its shares from ConocoPhillips. ConocoPhillips informed Lukoil that it wishes to sell up to 10% of its stake in the company, which has preemptive rights to acquire them. Yet, according to Mr. Alekperov, he does not see the necessity to do so. Mr. Alekperov suggested that ConocoPhillips may sell the stake at the market by small portions.

> **Today ConocoPhillips may announce its plans to sell a stake in Lukoil.** Last year, UBS stated in its report that ConocoPhillips plans to cut costs, reduce capex and divest assets worth \$10 bn over the next three years in an effort to strengthen its balance sheet and may sell a half of its 20% stake in Lukoil. According to ConocoPhillips, going forward its upstream production growth will come from a reduced base, as a result of the asset rationalizations. Interfax and other media sources reported that today, on March 24, during its annual analyst meeting, ConocoPhillips will announce its decision to divest a half of its 20.6% stake in Lukoil. The 20.6% interest in Lukoil accounts for roughly 60% of ConocoPhillips's proved crude oil reserves and 20% of gas reserves by SEC classification and constitutes one fifth of ConocoPhillips's oil and gas production.

> **More negative news.** Mr. Alekperov's announcement supports the media reports that Lukoil and ConocoPhillips have not reached an agreement over the price of the deal. We believe, that given the big size of the stake to be divested and its price tag (roughly \$5 bn), it won't be easy to find many contenders for the holding and the price of the deal is unlikely to be favorable. The fact that Lukoil is not interested in acquiring its own shares does not add confidence towards the stock. Liquidity is not an issue for Lukoil's stock (we estimate its free-float at roughly 50%) and selling the 10% stake at the market should not yield any benefits, in our view.

| LUKOIL | | LKOH | |
|----------------|--------|--------------|--------|
| Price, \$ | | 56.72 | |
| Recommendation | | BUY | |
| Target, \$ | | 67.0 | |
| Upside | | 18% | |
| MC, \$ mn | 48 241 | EV, \$ mn | 57 142 |
| | 2008 | 2009E | 2010E |
| P/E | 5.2 | 6.7 | 6.6 |
| EV/EBITDA | 3.3 | 4.2 | 4.3 |

Source: MICEX, KIT Finance estimates



Source: MICEX, RTS, TKB Capital estimates

UTILITIES

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OGK-3 (OGKC) in 2009 reduced net profit under IFRS by 37%, but promised dividends. **NEUTRAL**

> **Net profit of OGK-3 in 2009 under IFRS, according to preliminary data, comprised RUR4.24 bn,** the head of the company Vladimir Kolmogorov stated at press conference in Interfax on Tuesday. Net income margin made up 10.8%. According to 2009 IFRS financial statement, net profit totaled RUR6.7 bn, thus the indicator declined to 36.7%. Besides, Mr. Kolmogorov informed that under RAS revenue grew by 2.5% to RUR39.164 bn. This was due to effective work of OGK-3 on the electricity and capacity market. The profit from sale added 13.4% to RUR4.45 bn thanks to optimization of variable expenses.

The company plans to publish full IFRS financial results till the end of current week.

> **Weak operational indicators.** Power generation by OGK-3 stations in 2009 was reduced approximately to 12% while current consumption in Russia decreased by 4.6%. The greatest fall in output was evidenced at two oldest stations of the company – the South Ural and the Cherepetskaya state district power stations, output decrease at both stations amounted 25%. The Kostromskaya state district power station reduced its output by 12%. At the same time, on the Haranorskaya state district power station there was an increase in production by 2.4% y-o-y.

| OGK-3 | | OGKC | |
|----------------|-------|--------------|-------|
| Price, \$ | | 0.060 | |
| Recommendation | | UR | |
| Target, \$ | | - | |
| Upside | | - | |
| MC, \$ mn | 2 833 | EV, \$ mn | 2 375 |
| | 2008 | 2009E | 2010E |
| P/E | 10.4 | 17.4 | 25.3 |
| EV/EBITDA | 13.4 | 16.3 | 23.0 |

Source: MICEX, Bloomberg consensus estimates



Source: MICEX, TKB Capital estimates

NEWS

UTILITIES

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> **Dividends are looming.** According to the statement of OGK-3 general director, the company plans to direct a part of 2009 profit dividend payment. Dividend policy of OGK-3 stipulates not less than 10% of net profit for dividends. As a reference point he declared the size of dividends in 2007 of RUR0.0070523923 per share.

> **We neutrally view results of the company** and mark weak operational indicators. Higher gain on the back of lower output of a number of stations by more than 12% and observed reduction of prices in a free segment of the wholesale market, in our opinion, can indirectly indicate that OGK-3 was engaged in arbitration and reselled the electric power which was purchased on the wholesale market.

Inter RAO (IRAO) received net loss of RUR1.25 bn in 2009. NEUTRAL

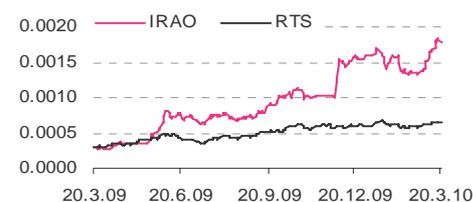
> **The net loss of Inter RAO (IRAO) in 2009 under RAS made up RUR1.248 bn, as the company informed in its press release.** Revenue amounted RUR46.8 bn, including the gain from electricity export – RUR22.3 bn, from sale of the electricity (capacity) on domestic market – RUR23.5 bn. The expenses of realised production made up RUR39.1 bn. Gross profit of Inter RAO reached RUR7.7 bn, profit from sales – RUR2.1 bn. Loss before taxation made up RUR1.1 bn. Comparison of released results with previous year indicators is not possible as in 2008 the company was in the stage of reorganization and consolidation of assets. Reduction of gain from electricity export became the major factors which have affected formation of the loss for 2009, growth of expenses from operations with currency – currency exchange loss which made up RUR1.588 bn, and also creation of reserves on doubtful debts and under depreciation of financial investments – RUR735.8 mn. Thus, expenses for production of the electricity (capacity) on domestic market totaled RUR10.7 bn, on local market the company spent RUR25.4 bn for purchase of the electricity (capacity), expenses for electricity import made up RUR1.9 bn.

> **Losses on domestic market.** According to materials of the company, domestic market in 2009 became unprofitable for Inter RAO: incomes from sales in Russia provided 51% of its total revenue, but did not cover expenses. Following the results of the year the sales in Russia brought RUR24.055 bn in income with expenses at level of nearby RUR26.1 bn. Thus, the total loss of Inter RAO on the given geographical segment made up RUR2.041 bn. About third (31%) of the gain the company provided from electricity sales to Finland (RUR14.687 bn) with expenses of RUR8.222 bn. Thus, gross profit of this segment made up RUR6.465 bn. Finland accounted for half from all export of Inter RAO. In export directions the second segment by volumes after Finland was Belarus (income of RUR4.7 bn, expenses of RUR2.939 bn), Kazakhstan is the third (income of RUR845 mn, expenses of RUR443 mn). The other countries – among them are Latvia, Lithuania, Azerbaijan, Mongolia, Georgia and Ukraine – provided Inter RAO RUR2.535 bn of gains with expenses of RUR1.4 bn.

> **We regard Inter RAO financials as neutral** though losses on domestic market are quite unexpected considering that Inter RAO has own energy supply companies. This year we expect substantial improvement of financial indicators as starting from 2010 Inter RAO will be paid imported capacity. Besides, we expect a big cost item to be export of the electric power to China as the company will have a possibility to reserve all balance volume of production of HPP of the Far East with preferential factor of payment of capacity (Zejskaya HPP, Burejskaya HPP). Also certain potential we see in operations of export-import with Kazakhstan, in view of qualitative changes of regulations of balance deviations.

| Inter RAO | IRAO | | |
|----------------|--------|-----------|-------|
| Price, \$ | 0.0018 | | |
| Recommendation | UR | | |
| Target, \$ | - | | |
| Upside | - | | |
| MC, \$ mn | 4 062 | EV, \$ mn | 4 300 |
| | 2008 | 2009E | 2010E |
| P/E | 35.4 | 18.8 | 16.6 |
| EV/EBITDA | 10.1 | 8.3 | 6.3 |

Source: MICEX, Bloomberg consensus estimates



Source: MICEX, TKB Capital estimates

NEWS

UTILITIES

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Geographic distribution of incomes of Inter RAO in 2009

| Geographic region | Revenue, RUR mn | Expenses, RUR mn | Gross profit, RUR mn |
|---|-----------------|------------------|----------------------|
| Russian Federation | 24 055 | 26 100 | -2 041 |
| Finland | 14 687 | 8 222 | 6 465 |
| Byelorussia | 4 700 | 2 939 | 1 761 |
| Kazakhstan | 845 | 443 | 402 |
| Latvia, Lithuania, Azerbaijan, Mongolia, Georgia, Ukraine | 2 535 | 1 400 | 1 135 |
| TOTAL | 46 800 | 39 100 | |

Source: Company data, TKB Capital estimates

TGK-4 (TGKD) net profit skyrocketed by more than 18 times to RUR2.1 bn in 2009 under RAS. NEUTRAL

> **TGK-4 net profit in 2009 under RAS grew by 18.4 times** to RUR2.133 bn from RUR116 mn in 2008, as the company informed in its press release. Revenue increased by 6.7% y-o-y to RUR29.68 bn. The cost price added 8.1% to RUR26.345 bn. Profit from sales increased by 62.7% and totaled RUR3.335 bn. Gross margin declined from 12.4% to 11.2%.

> **Financial performance** is partially connected with the restoration of the estimated reserves created in 2008 because of negative impact of financial crisis, and also with optimization of expenses.

> It is necessary to notice that earlier the company informed about decreasing of electricity production in 2009 by 17.4% and heat output – by 3.1%. The main reason for such significant decrease in electricity output is lower power consumption and subsequent reduction of prices on the electric power in free sector of the wholesale market. The price environment became the reason of that it was more favorable for some TGK-4 power stations to work in a heat-extraction mode, focusing on heat production. We negatively regard this fact in light of coming liberalization of the wholesale electricity market.

> **We estimate TGK-4 financial results as neutral**, because it is in line with industry tendencies. Despite so impressing net profit performance, net income margin in 2009 made up only 7%. We expect influence of TGK-4 financial report on quotations to be negligible.



Source: MICEX, TKB Capital estimates

Main financial indicators of TGK-4 under RAS for 2009

| Statements, RUR mn | 2009 | 2008 | Change, % |
|--------------------------|--------|--------|-----------|
| Revenue | 29 680 | 27 829 | 6.7% |
| COGS | 26 345 | 24 365 | 8.1% |
| Gross profit | 3 335 | 3 464 | -3.7% |
| - gross profit margin, % | 11.2% | 12.4% | -1.2 ppt |
| Profit from sales | 3 335 | 2 050 | 62.7% |
| Net income | 2 133 | 116 | 1838% |
| - net income margin, % | 7.1% | 0.4% | |

Source: Company data, TKB Capital estimates»

NEWS

METALS & MINING

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NLMK (NLMK) has launched a new ladle furnace. POSITIVE

> **New ladle furnace capacity totals 4 mn tons.** NLMK launched a new high-capacity 4 mn tons ladle furnace in Lipetsk. In addition, the company plans to launch three more similar units with total capacity of nearly 8 mn tons. Thus, when completed, these facilities will process a total amount of about 12 mn tons of steel.

> **Units launch should improve steel quality.** We regard this news as positive for NLMK. Undertaken by the company steps are in line with its strategy declared earlier. It will provide for increase in steel capacity to 12.5 mn tons in 2012 (by 40% in comparison with 2009). Besides, the launch of ladle furnaces should make it possible to improve steel quality and reduce steel treatment costs. At present, we recommend to HOLD the stock with the a fair price of \$3.21.

| NLMK | | NLMK | |
|----------------|--------|-------------|--------|
| Price, \$ | | 3.33 | |
| Recommendation | | HOLD | |
| Target, \$ | | 3.2 | |
| Upside | | -4% | |
| MC, \$ mn | 19 966 | EV, \$ mn | 21 170 |
| | 2008 | 2009E | 2010E |
| P/E | 8.8 | 56.6 | 14.2 |
| EV/EBITDA | 4.5 | 13.2 | 6.9 |

Source: MICEX, TKB Capital estimates

REAL ESTATE & DEVELOPMENT

Anatoly Vysotsky a.vysotsky@tkbc.ru

PIK Group (PIK LI) is eyeing SPO. POSITIVE

> **Plans to raise \$500 mn.** Today, Kommersant informed that PIK Group considers different options of attraction of financing, including SPO. The required sum amounts about \$500 mn. Approximately a half of them (\$270 mn) may go on repayment of the single not restructured debt of the company to Nomos-Bank, the rest will go on business development. Possibility of carrying out SPO the company intends to discuss on 31 March.

> **SPO will allow PIK to resolve the situation with debts.** We would remind that at present Nomos-Bank claims to collect from one of PIK Group shareholders, Yuri Zhukov, 12.5% on account of debts repayment. In January, 2010 Nomos-Bank offered PIK Group to sign the agreement on credit restructuring on the previous conditions – for one-year term and blocking stake of 25%+1 share as a collateral. However, unlike another PIK Group shareholder Kirill Pisarev, Yuri Zhukov was not satisfied with the terms offered by the bank.

> **Chances of successful placing are on the table.** The situation in real estate sector has considerably stabilized over recent months. Dynamics of the average price for the residential real estate in Moscow is in a positive zone already throughout five months. Shares of the Russian builders PIK Group and LSR Group have also shown stable growth over recent months. We believe that SPO is the most reasonable and potential option of funds attraction for PIK Group. The raised cash will allow to lower debt load and to increase volumes of financing for building. We reiterate our BUY recommendation on the stock with a target price of \$7.2 per share.

| PIK Group, GDR | | PIK LI | |
|----------------|-------|-------------|-------|
| Price, \$ | | 5.41 | |
| Recommendation | | BUY | |
| Target, \$ | | 7.2 | |
| Upside | | 33% | |
| MC, \$ mn | 2 669 | EV, \$ mn | 3 995 |
| | 2008 | 2009E | 2010E |
| P/E | neg | neg | neg |
| EV/EBITDA | neg | 23.4 | 18.3 |

Source: LSE, TKB Capital estimates



Source: LSE, TKB Capital estimates

NEWS

SMALL CAPS

Natasha Yanakaeva n.yanakaeva@tkbc.ru**Orsknefteorgsintez's (orfe, orfep) net income reduced in 2009 by 4 times.**

> The company's 4Q09 net income under RAS reached RUR24.9 mn vs. net loss in 3Q09 on the back of increase in production volume and oil refining cost. 2009 net income of RUR173 mn was lower than 2008 bottom line by 4.2 times.

Orsknefteorgsintez's net income dynamics, RUR mn

| | 1Q09 | 2Q09 | 3Q09 | 4Q09 | 2009 | 2008 | Change., % |
|------------|------|------|------|------|------|------|------------|
| Net income | 142 | 37 | -32 | 25 | 173 | 732 | -76 |

Source: Company data, TKB Capital estimates

TSUM (TZUM) earned RUR206 mn in 2009.

> 4Q09 net income under RAS surpassed the respective indicator of 3Q09 by 3.2 times and reached RUR142 mn on the back of purchase cost decrease and current expenses cutting. The company earned RUR206 mn in 2009 vs. net loss in 2008.

TSUM's net income dynamics, RUR mn

| | 1Q09 | 2Q09 | 3Q09 | 4Q09 | 2009 | 2008 | Change, % |
|------------|------|------|------|------|------|------|-----------|
| Net income | -73 | 93 | 44 | 142 | 206 | -81 | - |

Source: Company data, TKB Capital estimates

RECOMMENDATIONS

Oil & Gas

| Ticker | Company | Current price, \$ | TP, \$ | Recom.* | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | EV/EBITDA | | | EV/S | P/BV | Net Debt/EBITDA'09 |
|--------|------------------------|-------------------|--------|---------|-----------|----------------|-----------|------|-------|-------|-----------|-------|-------|------|------|--------------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| GAZP | * Gazprom | 5.71 | UR | UR | UR | 135 236 | 184 309 | 4.5 | 6.1 | 4.9 | 2.9 | 5.1 | 4.2 | 1.8 | 0.8 | 1.4 |
| ROSN | Rosneft | 7.63 | 10.0 | BUY | 31% | 73 224 | 94 714 | 6.5 | 11.2 | 7.3 | 5.5 | 7.0 | 5.4 | 2.0 | 1.6 | 1.6 |
| LKOH | LUKOIL | 56.7 | 67.0 | BUY | 18% | 48 241 | 57 142 | 5.2 | 6.7 | 6.6 | 3.3 | 4.2 | 4.3 | 0.7 | 0.9 | 0.7 |
| SNGS | * Surgutneftegas | 0.96 | UR | UR | UR | 38 390 | 37 791 | 6.6 | 9.0 | 8.4 | 4.5 | 5.4 | 5.1 | 2.0 | 1.1 | neg |
| SNGSP | * Surgutneftegas, Pref | 0.55 | UR | UR | UR | | | | | | | | | | | |
| SIBN | * Gazprom Neft | 5.39 | UR | UR | UR | 25 543 | 31 000 | 5.5 | 7.3 | 6.4 | 4.1 | 5.2 | 4.6 | 1.2 | 1.4 | 0.9 |
| tnbp | * TNK-BP Holding | 1.85 | UR | UR | UR | 30 057 | 30 381 | 4.7 | 5.8 | 5.4 | 3.1 | 3.7 | 3.4 | 1.0 | 6.2 | 0.0 |
| tnbpp | * TNK-BP Holding, Pref | 1.65 | UR | UR | UR | | | | | | | | | | | |
| TATN | * Tatneft | 4.84 | UR | UR | UR | 10 980 | 10 654 | 7.9 | 5.7 | 6.3 | 4.0 | 3.8 | 3.9 | 0.9 | 1.5 | neg |
| TATNP | * Tatneft, Pref | 2.91 | UR | UR | UR | | | | | | | | | | | |
| BANE | * Bashneft | 27.55 | UR | UR | UR | 5 355 | 5 355 | 15.7 | 4.1 | 3.9 | 5.7 | 2.6 | 2.4 | 0.6 | n/a | 0.0 |
| BANEP | * Bashneft, Pref | 19.25 | UR | UR | UR | | | | | | | | | | | |
| NVTK | * NOVATEK | 6.36 | UR | UR | UR | 19 311 | 20 216 | 20.9 | 23.9 | 16.3 | 13.6 | 16.2 | 11.3 | 7.1 | 4.3 | 0.7 |

Metals and Mining

| Ticker | Company | Current price, \$ | TP, \$ | Recom.* | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | EV/EBITDA | | | EV/S | P/BV | Net Debt/EBITDA'09 |
|--------|-----------------------|-------------------|--------|---------|-----------|----------------|-----------|-------|-------|-------|-----------|-------|-------|------|------|--------------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| GMKN | * NorNickel | 169.9 | UR | UR | UR | 32 383 | 36 236 | neg | 17.7 | 10.6 | 4.3 | 9.6 | 6.5 | 3.7 | 2.7 | 1.0 |
| CHMF | * Severstal | 12.81 | UR | UR | UR | 12 908 | 17 281 | 6.3 | 14.8 | 7.7 | 3.2 | 6.6 | 4.9 | 1.0 | 1.5 | 1.7 |
| NLMK | NLMK | 3.33 | 3.21 | HOLD | -4% | 19 966 | 21 170 | 8.8 | 56.6 | 14.2 | 4.5 | 13.2 | 6.9 | 4.1 | 2.5 | 0.8 |
| MAGN | MMK | 0.99 | 1.06 | HOLD | 7% | 11 076 | 12 040 | 10.3 | 40.2 | 13.1 | 4.4 | 10.3 | 6.3 | 2.6 | 1.2 | 0.8 |
| MTL | Mechel, ADR | 26.66 | 23.00 | HOLD | -14% | 13 319 | 18 222 | 11.7 | 171.1 | 17.5 | 6.0 | 15.3 | 8.4 | 3.2 | 4.2 | 4.1 |
| EVR | Evraz Group, GDR | 37.00 | 25.00 | SELL | -32% | 14 681 | 22 485 | 7.9 | neg | 15.9 | 3.5 | 14.2 | 8.3 | 2.5 | 1.5 | 4.9 |
| PLZL | * Polyus Gold | 50.14 | UR | UR | UR | 9 558 | 9 116 | 185.6 | 26.9 | 17.8 | 21.0 | 16.2 | 10.7 | 7.3 | 3.4 | neg |
| PMTL | * Poly metal | 10.74 | UR | UR | UR | 3 384 | 3 826 | neg | 31.5 | 16.8 | 30.8 | 16.3 | 11.0 | 7.0 | 7.7 | 1.9 |
| TRMK | * TMK | 4.95 | UR | UR | UR | 4 324 | 7 888 | 21.7 | neg | 34.1 | 7.9 | 18.9 | 9.9 | 2.3 | 2.7 | 8.5 |
| RASP | * Raspadskaya | 6.86 | UR | UR | UR | 5 359 | 5 649 | 10.1 | 71.9 | 14.8 | 6.5 | 24.4 | 9.6 | 11.5 | 4.3 | 1.3 |
| BLNG | Belon | 0.87 | 1.29 | BUY | 48% | 1 003 | 1 320 | 10.5 | 64.3 | 11.2 | 5.6 | 11.8 | 6.8 | 2.5 | 2.1 | 2.8 |
| unkl | Yuzhuralnickel | 355.0 | 400.0 | BUY | 13% | 213 | 14 | neg | neg | 21.7 | neg | 8.2 | 0.7 | 0.0 | 0.0 | 0.1 |
| AMEZ | Ashinskiy Steel Works | 0.460 | 0.579 | BUY | 26% | 229 | 302 | 6.7 | 13.7 | 5.3 | 3.6 | 6.0 | 3.4 | 1.1 | 0.6 | 1.5 |
| VSMZ | Vyksa Steel Works | 1450 | 1300 | HOLD | -10% | 2 490 | 3 418 | 10.4 | 14.0 | 8.6 | 5.6 | 8.1 | 7.1 | 1.2 | 1.2 | 1.5 |

Utilities

| Ticker | Company | Current price, \$ | TP, \$ | Recom. | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | EV/EBITDA | | | EV/S | P/BV | N.Debt/EBITDA |
|--------|---------------------------------|-------------------|---------|--------|-----------|----------------|-----------|-------|-------|-------|-----------|-------|-------|------|------|---------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| FEES | Federal Grid Company | 0.012 | UR | UR | UR | 13 722 | 14 328 | neg | 39.0 | 15.1 | 14.6 | 12.8 | 6.9 | 5.3 | 0.7 | 0.5 |
| HYDR | RusHydro | 0.049 | UR | UR | UR | 13 292 | 13 243 | neg | 16.2 | 13.6 | neg. | 9.0 | 7.6 | 3.7 | 1.1 | neg |
| IRAO | INTER RAO UES | 0.0018 | UR | UR | UR | 4 062 | 4 300 | 35.4 | 18.8 | 16.6 | 10.1 | 8.3 | 6.3 | 1.4 | 2.1 | 0.5 |
| OGKA | OGK-1 | 0.038 | UR | UR | UR | 1 718 | 2 015 | 5.7 | 20.6 | 18.2 | 11.6 | 11.1 | 8.5 | 1.3 | 1.5 | 1.6 |
| OGKB | OGK-2 | 0.048 | UR | UR | UR | 1 583 | 1 735 | neg | 34.7 | 28.1 | 71.3 | 13.5 | 9.9 | 1.3 | 1.3 | 1.2 |
| OGKC | OGK-3 | 0.060 | UR | UR | UR | 2 833 | 2 375 | 10.4 | 17.4 | 25.3 | 13.4 | 16.3 | 23.0 | 2.1 | 0.8 | neg |
| OGKD | OGK-4 | 0.068 | 0.078 | BUY | 14% | 4 298 | 3 118 | 17.5 | 20.1 | 19.7 | 16.6 | 13.5 | 10.0 | 2.2 | 1.5 | neg |
| OGKE | Enel OGK-5 | 0.088 | UR | UR | UR | 3 123 | 3 703 | 50.4 | 21.2 | 9.8 | 18.3 | 10.7 | 6.2 | 2.2 | 1.5 | 1.7 |
| OGKF | OGK-6 | 0.039 | UR | UR | UR | 1 255 | 1 347 | neg | 129.3 | 15.4 | 137.0 | 9.9 | 5.4 | 0.9 | 0.7 | 0.7 |
| TGKA | TGC-1 | 0.00082 | UR | UR | UR | 3 166 | 3 257 | 74.6 | 32.6 | 16.7 | 31.0 | 13.2 | 7.8 | 2.5 | 1.6 | 0.4 |
| TGKB | TGC-2 | 0.00029 | UR | UR | UR | 427 | 693 | neg | 24.9 | 15.2 | neg. | 8.2 | 5.4 | 0.9 | 0.6 | 3.1 |
| TGKBP | TGC-2, Pref | 0.00029 | UR | UR | UR | | | | | | | | | | | |
| MSNG | Mosenergo | 0.126 | UR | UR | UR | 5 025 | 5 684 | 60.6 | 45.3 | 23.8 | 16.9 | 10.7 | 8.3 | 1.6 | 0.8 | 1.2 |
| TGKD | TGC-4 | 0.00047 | UR | UR | UR | 926 | 1 347 | 14.5 | 14.2 | 10.5 | 7.8 | 7.1 | 5.5 | 1.1 | 0.9 | 2.2 |
| TGKDP | TGC-4, Pref | 0.00027 | UR | UR | UR | | | | | | | | | | | |
| TGKE | TGC-5 | 0.00049 | UR | UR | UR | 600 | 628 | 36.8 | 29.6 | 18.6 | 18.1 | 10.7 | 12.6 | 1.0 | 1.5 | 0.5 |
| TGKF | TGC-6 | 0.00047 | UR | UR | UR | 876 | 939 | 466.7 | 12.2 | 11.5 | 19.5 | 9.5 | 9.3 | 1.3 | 1.0 | 0.6 |
| TGKG | Volga TGC (TGC-7) | 0.050 | UR | UR | UR | 1 488 | 1 509 | 19.1 | 16.1 | 14.4 | 7.3 | 6.9 | 5.9 | 1.0 | 1.0 | 0.1 |
| TGKI | TGC-9 | 0.00017 | UR | UR | UR | 1 336 | 1 715 | 41.6 | 10.4 | 11.6 | 10.8 | 9.1 | 6.1 | 1.2 | 1.1 | 2.0 |
| TGKJ | Fortum, TGC-10 | 1.57 | UR | UR | UR | 1 380 | 1 569 | 8.0 | 5.8 | 6.3 | 19.3 | 11.2 | 13.3 | 1.8 | 1.6 | 1.3 |
| TGKK | TGC-11 | 0.00079 | 0.00113 | BUY | 43% | 406 | 403 | 13.2 | 7.1 | 7.5 | 5.2 | 5.1 | 6.0 | 0.8 | 0.9 | neg |
| KZBE | Kusbassenergo | 0.0110 | UR | UR | UR | 781 | 871 | neg | neg | 93.4 | neg. | 22.2 | 10.3 | 1.0 | 0.8 | 2.3 |
| TGKM | Yenisei TGC (TGC-13) | 0.0036 | UR | UR | UR | 578 | 671 | 204.9 | 24.7 | 8.9 | 10.9 | 6.9 | 4.2 | 1.2 | 0.6 | 1.0 |
| TGKN | TGC-14 | 0.00017 | UR | UR | UR | 231 | 102 | neg | 12.5 | 7.3 | 15.0 | 5.6 | 2.8 | 0.5 | 0.8 | neg |
| MRKH | Holding MRSK | 0.163 | UR | UR | UR | 6 880 | 11 064 | 15.4 | 23.6 | 16.9 | 4.1 | 4.9 | 4.1 | 0.8 | 0.6 | 1.8 |
| MRKHP | Holding MRSK, Pref | 0.101 | UR | UR | UR | | | | | | | | | | | |
| LSNG | Lenenergo | 1.19 | UR | UR | UR | 1 193 | 1 508 | 19.2 | 14.0 | 22.0 | 6.6 | 6.4 | 6.4 | 1.8 | 0.8 | 1.3 |
| LSNGP | Lenenergo, Pref | 0.94 | UR | UR | UR | | | | | | | | | | | |
| MRKC | IDGC of Centre | 0.038 | UR | UR | UR | 1 607 | 2 030 | 14.3 | 19.4 | 10.4 | 5.2 | 6.9 | 5.1 | 1.3 | 1.8 | 1.4 |
| MRKK | IDGC of Northern Caucasus | 6.57 | UR | UR | UR | 194 | 240 | neg | neg | neg | neg. | 6.6 | 7.3 | 0.8 | 0.4 | 1.3 |
| MRKP | IDGC of Center and Volga Region | 0.0084 | UR | UR | UR | 945 | 1 250 | 16.4 | 25.0 | 7.7 | 5.5 | 5.9 | 3.8 | 0.7 | 0.7 | 1.4 |
| MRKS | IDGC of Siberia | 0.0124 | UR | UR | UR | 1 105 | 1 305 | 17.1 | 62.1 | 788.2 | 6.9 | 9.8 | 10.8 | 1.0 | 1.2 | 1.5 |
| MRKU | IDGC of of Urals | 0.0110 | UR | UR | UR | 963 | 1 160 | 27.7 | 12.1 | 10.0 | 10.2 | 4.9 | 4.2 | 0.7 | 1.0 | 0.8 |
| MRKV | IDGC of Volga | 0.0045 | UR | UR | UR | 806 | 988 | 24.7 | 103.6 | 111.8 | 5.2 | 7.7 | 7.2 | 1.0 | 0.6 | 1.4 |
| MRKY | IDGC of South | 0.0064 | UR | UR | UR | 317 | 617 | 16.2 | neg | 19.9 | 4.9 | 5.7 | 4.2 | 1.1 | 0.4 | 2.8 |
| MRKZ | IDGC of North-West | 0.0088 | UR | UR | UR | 841 | 980 | 20.9 | 58.8 | 67.3 | 6.9 | 8.5 | 8.4 | 1.2 | 1.2 | 1.2 |
| MSRS | MOESK | 0.056 | UR | UR | UR | 2 711 | 4 415 | 9.3 | 6.8 | 6.0 | 5.9 | 4.2 | 4.0 | 1.4 | 0.9 | 1.6 |

TABLE CONTINUED ON THE NEXT PAGE

RECOMMENDATIONS (CONTINUED)

Telecoms

| Ticker | Company | Current price, \$ | TP, \$ | Recom.* | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | EV/EBITDA | | | EV/S | P/BV | Net Debt/EBITDA'09 |
|--------|--------------------------|-------------------|--------|---------|-----------|----------------|-----------|------|-------|-------|-----------|-------|-------|------|------|--------------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| MBT | MTS, ADR | 55.07 | 70.24 | BUY | 28% | 21 954 | 25 031 | 11.4 | 19.1 | 10.6 | 4.9 | 6.2 | 5.1 | 2.9 | 6.9 | 0.8 |
| VIP | VimpelCom, ADR | 17.61 | 31.40 | BUY | 78% | 18 061 | 25 149 | 34.4 | 19.4 | 7.2 | 5.7 | 5.4 | 4.2 | 2.6 | 3.1 | 1.5 |
| CMST | * Comstar, GDR | 6.25 | UR | UR | UR | 2 612 | 3 324 | 14.5 | 22.2 | 13.3 | 4.8 | 5.6 | 4.9 | 2.2 | 1.3 | 1.2 |
| URSI | Uralsv y azinf orm | 0.0332 | 0.033 | SELL | 0% | 1 301 | 2 248 | 12.8 | 9.2 | 7.3 | 3.4 | 3.6 | 3.3 | 1.4 | 1.5 | 1.5 |
| URSIP | Uralsv y azinf orm, Pref | 0.0293 | 0.026 | SELL | -11% | | | | | | | | | | | |
| NNSI | VolgaTelecom | 3.51 | 5.15 | BUY | 47% | 1 100 | 1 675 | 9.3 | 0.0 | 0.0 | 1.2 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 |
| NNSIP | VolgaTelecom, Pref | 2.90 | 3.94 | BUY | 36% | | | | | | | | | | | |
| ENCO | Sibirtelekom | 0.0607 | 0.091 | BUY | 50% | 930 | 1 727 | 15.0 | 10.0 | 5.8 | 3.2 | 3.0 | 2.8 | 1.1 | 1.2 | 1.4 |
| ENCOP | Sibirtelekom, Pref | 0.0515 | 0.073 | BUY | 42% | | | | | | | | | | | |
| KUBN | * UTK | 0.1407 | UR | UR | UR | 539 | 1 149 | 24.0 | 15.8 | 9.0 | 3.3 | 4.2 | 3.8 | 1.6 | 1.3 | 2.2 |
| KUBNP | * UTK, Pref | 0.1257 | UR | UR | UR | | | | | | | | | | | |
| SPTL | N.W. Telecom | 0.776 | 0.79 | BUY | 1% | 845 | 1 318 | 8.2 | 11.4 | 9.4 | 3.2 | 3.5 | 3.3 | 1.5 | 0.9 | 1.3 |
| SPTLP | N.W. Telecom, Pref | 0.644 | 0.64 | SELL | -1% | | | | | | | | | | | |
| ESMO | CenterTelecom | 0.758 | 0.758 | SELL | 0% | 1 529 | 2 338 | 15.3 | 7.1 | 5.3 | 5.0 | 4.0 | 3.5 | 1.4 | 2.1 | 1.4 |
| ESMOP | CenterTelecom, Pref | 0.631 | 0.606 | SELL | -4% | | | | | | | | | | | |
| ESPK | Far East Telecom | 3.95 | 5.76 | BUY | 46% | 479 | 674 | 5.3 | 5.3 | 4.5 | 2.9 | 2.8 | 2.3 | 0.9 | 1.5 | 0.8 |
| ESPKP | Far East Telecom, Pref | 3.25 | 4.85 | BUY | 49% | | | | | | | | | | | |
| RTKM | * Rostelecom | 5.26 | UR | UR | UR | 4 497 | 4 189 | 9.2 | 36.1 | 31.3 | 7.3 | 10.4 | 9.8 | 1.9 | 2.4 | neg |
| RTKMP | * Rostelecom, Pref | 2.74 | UR | UR | UR | | | | | | | | | | | |

Consumer & Retail

| Ticker | Company | Current price, \$ | TP, \$ | Recom.* | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | EV/EBITDA | | | EV/S | P/BV | Net Debt/EBITDA'09 |
|---------|---------------------------|-------------------|--------|---------|-----------|----------------|-----------|------|-------|-------|-----------|-------|-------|------|------|--------------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| FIVE | * X5 Retail Group | 32.8 | UR | UR | UR | 8 908 | 10 657 | 43.5 | 41.7 | 25.3 | 14.2 | 14.5 | 10.7 | 1.2 | 5.1 | 2.4 |
| MGNT LI | Magnit, GDR | 17.4 | 18.1 | BUY | 4% | 7 719 | 7 972 | 41.1 | 34.2 | 21.2 | 20.0 | 17.8 | 11.4 | 1.5 | 4.9 | 0.6 |
| MGNT | Magnit, Common | 79.4 | 90.4 | BUY | 14% | 7 066 | 7 320 | 37.6 | 31.3 | 19.4 | 18.4 | 16.3 | 10.5 | 1.4 | 4.5 | 0.6 |
| DIXY | * Dixy Group | 9.5 | UR | UR | UR | 821 | 1 118 | neg | 133.2 | 22.7 | 10.7 | 11.5 | 7.8 | 0.6 | 4.3 | 3.0 |
| APTK | * Pharmacy Chain 36.6 | 5.9 | UR | UR | UR | 559 | 692 | neg | neg | neg | 22.8 | 12.1 | 8.5 | 0.8 | 3.7 | 2.3 |
| WBD US | Wimm-Bill-Dann, ADR | 20.3 | 20.8 | HOLD | 2% | 3 569 | 3 909 | 35.1 | 30.4 | 19.0 | 10.8 | 12.4 | 9.6 | 1.9 | 4.7 | 1.1 |
| WBDF | Wimm-Bill-Dann, Common | 53.3 | 83.1 | BUY | 56% | 2 347 | 2 687 | 23.1 | 20.0 | 12.5 | 7.4 | 8.5 | 6.6 | 1.3 | 3.1 | 1.1 |
| PKBA | * Baltika Breweries | 31.6 | UR | UR | UR | 5 174 | 5 206 | 8.3 | 9.4 | 7.8 | 4.8 | 6.5 | 5.5 | 1.7 | 3.0 | 0.0 |
| PKBAP | * Baltika Breweries, Pref | 30.8 | UR | UR | UR | | | | | | | | | | | |
| PHST LI | Pharmstandard, GDR | 22.8 | 25.8 | BUY | 13% | 3 445 | 3 474 | 24.4 | 22.2 | 15.9 | 13.8 | 15.1 | 11.5 | 5.8 | 6.3 | 0.1 |
| PHST | Pharmstandard, Common | 74.3 | 103.0 | BUY | 39% | 2 808 | 2 837 | 19.9 | 18.1 | 13.0 | 11.3 | 12.3 | 9.4 | 4.7 | 5.2 | 0.1 |
| VRPH | Veropharm | 37.2 | 47.0 | BUY | 26% | 372 | 411 | 10.1 | 11.9 | 8.8 | 7.8 | 8.7 | 6.4 | 2.6 | 2.0 | 0.8 |
| KLNA | * Kalina | 22.9 | UR | UR | UR | 224 | 328 | 24.0 | 10.6 | 7.8 | 6.2 | 6.2 | 5.4 | 0.7 | 1.7 | 2.0 |

Banks

| Ticker | Company | Current price, \$ | TP, \$ | Recom.* | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | P/BV | | | EV/S | P/BV | Net Debt/EBITDA'09 |
|--------|-------------------------------|-------------------|--------|---------|-----------|----------------|-----------|------|-------|-------|------|-------|-------|------|------|--------------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| SBER | Sberbank | 2.93 | 3.05 | BUY | 4% | 65 658 | | 16.7 | 229.5 | 18.5 | 2.57 | 2.66 | 2.09 | | | |
| SBERP | Sberbank, Pref | 2.36 | 2.30 | SELL | -3% | | | | | | | | | | | |
| VTBR | VTB Bank | 0.0027 | 0.0026 | HOLD | -4% | 28 309 | | 53.3 | neg | 19.8 | 2.14 | 1.51 | 1.52 | | | |
| MMBM | * Bank of Moscow | 32.78 | UR | UR | UR | 5 191 | | neg | 24.1 | 9.6 | 1.84 | 1.69 | 1.44 | | | |
| VZRZ | Vozrozhdenie Bank, Common | 42.09 | 53.9 | BUY | 28% | 1 021 | | 8.1 | 29.9 | 21.5 | 1.99 | 1.83 | 1.72 | | | |
| VZRZP | Vozrozhdenie Bank, Pref | 16.43 | 20.0 | HOLD | 22% | | | | | | | | | | | |
| STBK | Bank Saint-Petersburg, Common | 3.51 | 4.20 | BUY | 20% | 1 275 | | 11.4 | 260.3 | 13.7 | 1.99 | 1.48 | 1.42 | | | |
| STBKPA | * Bank Saint-Petersburg, Pref | 4.36 | UR | UR | UR | | | | | | | | | | | |

Machinery

| Ticker | Company | Current price, \$ | TP, \$ | Recom.* | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | EV/EBITDA | | | EV/S | P/BV | Net Debt/EBITDA'09 |
|--------|--------------------------|-------------------|--------|---------|-----------|----------------|-----------|------|-------|-------|-----------|-------|-------|------|------|--------------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| GAZA | * GAZ | 34.00 | UR | UR | UR | 655 | 1 557 | neg | neg | neg | 5.6 | 13.9 | 4.9 | 0.6 | 0.7 | 8.1 |
| GAZAP | * GAZ, Pref | 17.15 | UR | UR | UR | | | | | | | | | | | |
| SVAV | * Sollers | 18.37 | UR | UR | UR | 630 | 1 388 | neg | neg | neg | 6.3 | 26.2 | 9.2 | 1.2 | 1.2 | 14.3 |
| KMAZ | * KAMAZ | 2.60 | UR | UR | UR | 1 837 | 2 391 | 45.3 | neg | neg | 7.8 | 18.3 | 9.8 | 1.2 | 1.6 | 4.2 |
| SILM | * Power machines | 0.21 | UR | UR | UR | 1 855 | 1 757 | 21.6 | 13.3 | 12.2 | 16.9 | 6.4 | 5.5 | 1.1 | 6.7 | neg |
| MASZ | Mashinostroitelny Zav od | 240 | 290 | BUY | 21% | 334 | 326 | 3.1 | 5.1 | 4.9 | 1.9 | 2.6 | 2.4 | 0.9 | 0.6 | neg |
| NZHK | NCCP | 7.8 | 11.0 | BUY | 41% | 216 | 211 | 3.8 | 3.4 | 3.3 | 1.9 | 2.0 | 1.9 | 1.0 | 0.5 | neg |
| NZHKP | NCCP, Pref | 3.3 | 5.5 | BUY | 67% | | | | | | | | | | | |
| KHEL | Kazan Helicopters | 1.38 | 1.70 | BUY | 23% | 213 | 290 | 12.1 | 4.6 | 4.2 | 4.6 | 4.1 | 3.7 | 0.6 | 1.4 | 1.1 |
| uuaz | Ulan-Ude Avia Plant | 1.29 | 1.40 | BUY | 8% | 346 | 362 | 6.0 | 4.1 | 4.6 | 5.2 | 3.1 | 3.4 | 0.9 | 1.9 | 0.1 |
| rtvl | Rostvertol | 0.038 | 0.030 | SELL | -20% | 87 | 232 | 5.1 | 5.3 | 4.3 | 6.1 | 6.4 | 5.6 | 0.9 | 0.6 | 4.0 |

Real Estate & Infrastructure

| Ticker | Company | Current price, \$ | TP, \$ | Recom.* | Upside, % | Mkt Cap, \$ mn | EV, \$ mn | P/E | | | EV/EBITDA | | | EV/S | P/BV | Net Debt/EBITDA'09 |
|---------|-------------------|-------------------|--------|---------|-----------|----------------|-----------|------|-------|-------|-----------|-------|-------|------|------|--------------------|
| | | | | | | | | 2008 | 2009E | 2010E | 2008 | 2009E | 2010E | | | |
| LSRG | LSR Group, Common | 34.1 | 47.0 | BUY | 38% | 3 192 | 4 419 | neg | 45.2 | 15.3 | 8.3 | 11.8 | 10.7 | 3.4 | 2.6 | 3.3 |
| LSRG LI | LSR Group, GDR | 8.2 | 9.4 | BUY | 14% | 3 845 | 5 071 | neg | 54.5 | 18.5 | 9.6 | 13.6 | 12.2 | 3.9 | 3.1 | 3.3 |
| PIK LI | Pik Group, GDR | 5.4 | 7.2 | BUY | 33% | 2 669 | 3 995 | neg | neg | neg | neg. | 23.4 | 18.3 | 4.0 | 4.8 | 7.8 |
| MSTT | Mostotrest | 865 | 950 | BUY | 10% | 1 074 | 1 147 | 53.0 | 31.2 | 21.3 | 7.9 | 7.6 | 6.0 | 1.0 | 5.3 | 0.5 |

RUSSIAN ADRS & GDRS ON WESTERN EXCHANGES

| Bloomberg Code | Issuer | Exchange | Shares per ADR/GDR | Volume in ADRs/GDRs | Price per ADR/GDR, \$ | Change, % | Local ticker | Price per local share, | Premium / discount \$ to local, % |
|----------------|---------------------------|----------|--------------------|---------------------|-----------------------|-----------|--------------|------------------------|-----------------------------------|
| OGZD LI | Gazprom | LSE | 4 | 10 396 843 | 22.69 | -1.00% | GAZP RX | 22.85 | -0.70% |
| ROSN LI | Rosneft | LSE | 1 | 17 357 402 | 7.55 | -0.13% | ROSN RX | 7.63 | -1.04% |
| LKOD LI | LUKOIL | LSE | 1 | 4 899 023 | 56.00 | -1.93% | LKOH RX | 56.72 | -1.26% |
| SGGD LI | Surgutneftegas, Common | LSE | 10 | 2 484 833 | 9.50 | 1.06% | SNGS RX | 9.55 | -0.56% |
| ATAD LI | Tatneft, Common | LSE | 6 | 317 232 | 28.99 | -2.49% | TATN3 RX | 29.06 | -0.23% |
| GAZ LI | Gazprom Neft | LSE | 5 | 86 949 | 26.89 | 0.07% | SIBN RX | 26.94 | -0.17% |
| NVTK LI | NOVATEK | LSE | 10 | 263 715 | 71.20 | 0.14% | NVTK RX | 63.60 | 11.95% |
| AOIL SS | Alliance Oil | OMXS | 1 | 744 241 | 16.06 | 0.04% | | | |
| EDCL LI | Eurasia Drilling | LSE | 1 | 94 921 | 18.10 | 0.00% | | | |
| INTE LI | Integra | LSE | 0.05 | 173 544 | 3.00 | 1.69% | | | |
| O2C GR | CAT Oil | XETRA | 1 | 114 101 | 9.31 | -3.13% | | | |
| VGAS LN | Volga Gas | LSE | 1 | 16 227 | 3.07 | 3.59% | | | |
| SSA LI | Sistema | LSE | 20 | 335 248 | 25.25 | 2.06% | AFKC RX | 19.04 | 32.61% |
| MBT US | Mobile TeleSystems | NYSE | 5 | 969 691 | 55.07 | 1.06% | CMST RX | 41.92 | 31.36% |
| VIP US | VimpelCom | NYSE | 0.05 | 4 646 439 | 17.61 | -0.51% | VIMP RU | 15.85 | 11.10% |
| CMST LI | Comstar-UTS | LSE | 1 | 178 491 | 6.25 | 0.81% | MTSI RX | 6.44 | -2.98% |
| RKMD LI | Rostelecom, Common | LSE | 6 | 2 490 | 31.10 | 0.81% | RTKM RX | 31.56 | -1.44% |
| CTCM US | CTC Media | NASDAQ | 1 | 218 084 | 16.23 | 1.50% | | | |
| SITR LI | SITRONICS | LSE | 50 | - | 1.00 | 0.00% | SITR RU | 1.43 | -29.82% |
| VTBR LI | VTB Bank | LSE | 2000 | 2 450 748 | 5.42 | 2.26% | VTBR RX | 5.41 | 0.14% |
| VZY GR | Vozrozhdenie Bank, Common | XETRA | 3/4 | - | 30.01 | 0.00% | VZRZ RX | 31.57 | -4.94% |
| FIVE LI | X5 Retail Group | LSE | 0.25 | 412 689 | 32.80 | 0.92% | | | |
| MGNT LI | Magnit | LSE | 0.20 | 816 179 | 17.35 | 0.75% | MGNT RX | 15.88 | 9.23% |
| PHST LI | Pharmstandard | LSE | 0.25 | 8 166 | 22.79 | -0.91% | PHST RX | 18.58 | 22.69% |
| WBD US | Wimm-Bill-Dann Foods | NYSE | 0.25 | 477 254 | 20.28 | 5.41% | WBDF RX | 13.34 | 52.07% |
| CHE LI | Cherkizov o Group | LSE | 2/3 | 18 720 | 15.90 | -1.85% | GCHE RX | 16.05 | -0.91% |
| URKA LI | Uralkali | LSE | 5 | 1 417 592 | 20.28 | -2.03% | URKA RX | 20.54 | -1.25% |
| RUSAL FP | RUSAL | Euronext | 20 | 18 790 | 22.82 | 2.13% | | | |
| MNOD LI | Norilsk Nickel | LSE | 0.1 | 5 035 772 | 16.80 | 0.72% | GMKN RX | 16.99 | -1.10% |
| SVST LI | Severstal | LSE | 1 | 1 126 947 | 13.20 | 2.88% | CHMF RX | 12.81 | 3.05% |
| NLMK LI | NLMK | LSE | 10 | 231 209 | 33.20 | -0.60% | NLMK RX | 33.31 | -0.34% |
| MMK LI | MMK | LSE | 13 | 728 884 | 12.80 | 0.39% | MAGN RX | 12.89 | -0.66% |
| MTL US | Mechel, Common | NYSE | 1 | 2 567 654 | 26.66 | 0.04% | MTLR RX | 25.90 | 2.94% |
| EVR LI | Evraz Group | LSE | 1/3 | 1 419 349 | 37.00 | -0.80% | | | |
| PLZL LI | Polyus Gold | LSE | 0.5 | 153 675 | 26.37 | -1.60% | PLZL RX | 25.07 | 5.19% |
| PMTL LI | Poly metal | LSE | 1 | 86 229 | 10.80 | -1.37% | PMTL RX | 10.74 | 0.53% |
| HGM LN | Highland Gold | LSE | 1 | 88 267 | 1.85 | -0.34% | | | |
| HRG CN | High River Gold | TSX | 1 | 810 083 | 0.72 | -2.49% | | | |
| TMKS LI | TMK | LSE | 4 | 150 747 | 19.60 | 1.03% | TRMK RX | 19.81 | -1.06% |
| CHZN LI | Chelyabinsk Zinc Plant | LSE | 1 | - | 4.23 | 0.00% | CHZN RX | 4.26 | -0.76% |
| LSRG LI | LSR Group | LSE | 0.20 | 53 675 | 8.21 | 0.74% | LSRG RX | 6.82 | 20.44% |
| PIK LI | PIK Group | LSE | 1 | 127 621 | 5.41 | 0.19% | PIKK RX | 5.45 | -0.72% |
| AFID LI | AFI Development | LSE | 1 | 334 500 | 2.39 | 3.91% | | | |
| MLD LN | MirLand Development | LSE | 1 | 3 676 | 3.30 | -4.99% | | | |
| HALS LI | Sistema Hals | LSE | 0.05 | 201 000 | 1.70 | -2.30% | HALS RX | 1.78 | -4.63% |
| RUS LN | Raven Russia | LSE | 1 | 361 951 | 0.75 | -3.26% | | | |
| RGI LN | RGI International | LSE | 1 | 8 550 | 1.58 | 0.00% | | | |

Source: Bloomberg, TKB Capital estimates

WORLD EQUITY INDICES

| Index | Country | Value | Daily change, % | Weekly change, % | Monthly change, % | YTD change, % | Change of 52 week, % |
|---------------------------------|----------------|-----------|--------------------|---------------------|----------------------|------------------|-------------------------|
| Asia | | | | | | | |
| Nikkei 225 | Japan | 10 774.15 | -0.47% | 0.49% | 6.43% | 2.16% | 31.14% |
| Hang Seng | Hong Kong | 20 987.78 | 0.26% | -0.17% | 5.50% | -4.04% | 56.07% |
| Straits Times | Singapore | 2 905.66 | 0.57% | 0.32% | 5.39% | 0.28% | 74.61% |
| Seoul Composite | South Korea | 1 681.82 | 0.55% | 2.05% | 5.52% | -0.06% | 40.21% |
| Shanghai Composite | China | 3 053.13 | -0.70% | 2.01% | 1.16% | -6.84% | 31.29% |
| Taiwan Weighted | Taiwan | 7 811.87 | -0.31% | 1.51% | 4.97% | -4.59% | 52.45% |
| SENSEX | India | 17 451.02 | 0.23% | 0.39% | 7.78% | -0.08% | 85.18% |
| Europe | | | | | | | |
| FTSE 100 | Great Britain | 5 673.63 | 0.52% | 0.95% | 5.89% | 4.82% | 43.53% |
| DAX | Germany | 6 017.27 | 0.50% | 0.78% | 5.16% | 1.00% | 44.08% |
| CAC 40 | France | 3 952.55 | 0.63% | 0.35% | 4.85% | 0.41% | 37.74% |
| Budapest SE Index | Hungary | 24 113.63 | 1.01% | 0.74% | 12.97% | 13.60% | 123.22% |
| PX50 | Czech Republic | 1 187.20 | 0.18% | -1.22% | 3.23% | 6.26% | 55.21% |
| WIG 20 TR | Poland | 2 456.24 | 0.77% | 0.45% | 9.19% | 2.83% | 58.42% |
| ISE 100 | Turkey | 54 351.70 | 0.85% | 2.10% | 1.94% | 2.89% | 118.11% |
| RTS | Russia | 1 524.96 | -0.04% | -0.77% | 7.16% | 5.56% | 106.86% |
| MICEX | Russia | 1 410.61 | -0.49% | -0.71% | 4.20% | 2.96% | 65.99% |
| Africa | | | | | | | |
| FTSE/JSE Top 40 | South Africa | 25 563.61 | -0.41% | 0.82% | 4.97% | 2.27% | 31.07% |
| Egypt CMA GENL | Egypt | 609.87 | 2.10% | 3.46% | -1.64% | 6.35% | 58.74% |
| America | | | | | | | |
| DJIA | USA | 10 888.83 | 0.95% | 1.90% | 4.68% | 4.42% | 40.03% |
| S&P 500 | USA | 1 174.17 | 0.72% | 1.27% | 5.86% | 5.30% | 42.68% |
| NASDAQ | USA | 2 415.24 | 0.83% | 1.57% | 7.64% | 6.44% | 55.24% |
| Bovespa | Brazil | 69 386.72 | 0.50% | -0.79% | 2.65% | 1.16% | 63.50% |
| BUSE MERVAL | Argentina | 2 439.33 | 1.06% | 2.54% | 4.47% | 5.11% | 116.91% |
| IBC | Venezuela | 56 294.39 | -0.84% | -0.94% | -0.88% | 2.21% | 35.41% |
| Emerging markets indexes | | | | | | | |
| MSCI BRIC | | 328.72 | 0.43% | -1.05% | 5.89% | -1.07% | 73.94% |
| FTSE Russia IOB Index | | 881.92 | -0.43% | -1.56% | 3.59% | 0.33% | 63.19% |
| MSCI Russia | | 824.47 | -0.21% | -1.98% | 4.92% | 3.67% | 76.92% |

Source: Bloomberg, TKB Capital estimates

COMMODITY MARKETS

Spot-market

| Bloomberg code | Commodity | Value | Daily change, % | Weekly change, % | Monthly change, % | YTD change, % | Change of 52 week, % |
|----------------|--------------------|-----------|-----------------|------------------|-------------------|---------------|----------------------|
| EUCRBRDT | Brent | 79.45 | -0.50% | -0.75% | 1.98% | 2.91% | 52.41% |
| EUCRURMD | Urals | 77.81 | 0.30% | 0.45% | 1.47% | 1.41% | 53.29% |
| USCRWTIC | WTI | 81.63 | 0.47% | -0.09% | 2.28% | 2.86% | 54.02% |
| GOLDLNPM | Gold | 1 101.50 | 0.39% | -2.07% | -1.01% | 1.29% | 16.04% |
| SLVRLN | Silver | 16.78 | 0.00% | -2.67% | 5.20% | -1.24% | 21.95% |
| PLAT | Platinum | 1 610.00 | 0.63% | -1.56% | 5.02% | 9.86% | 42.54% |
| PALL | Palladium | 463.00 | 0.87% | -2.11% | 5.53% | 13.54% | 121.27% |
| LMAHDY | Aluminium | 2 224.75 | 0.19% | 0.01% | 5.67% | 1.26% | 58.12% |
| LMCADY | Copper | 7 402.25 | -0.12% | 0.43% | -0.05% | 0.82% | 84.15% |
| LMNIDY | Nickel | 22 456.00 | 1.00% | 2.73% | 8.75% | 21.70% | 130.01% |
| LMZSDY | Zinc | 2 207.75 | -1.65% | -3.05% | -5.72% | -12.70% | 74.42% |
| MBSTCIHR | Steel HRC (Russia) | 650.00 | 0.00% | 13.04% | 13.04% | 28.08% | 85.71% |
| MBSTUSHR | Steel HRC (USA) | 615.00 | 0.00% | 6.96% | 12.84% | 21.78% | 36.67% |
| LMSNDY | Tin | 17 522.00 | 0.28% | 0.31% | 3.47% | 3.87% | 67.35% |
| LMPBDY | Lead | 2 074.75 | -2.87% | -5.33% | -11.21% | -13.62% | 55.18% |

Futures

| Bloomberg code | Commodity | Value | Daily change, % | Weekly change, % | Monthly change, % | YTD change, % | Change of 52 week, % |
|----------------|-------------|-----------|-----------------|------------------|-------------------|---------------|----------------------|
| CO1 | Brent | 80.70 | 0.20% | 2.13% | 3.21% | 3.55% | 50.93% |
| CL1 | WTI | 81.91 | 0.81% | 0.26% | 2.63% | 3.21% | 52.25% |
| HO1 | Heating Oil | 210.18 | 0.87% | -0.59% | 1.54% | -0.80% | 42.91% |
| PG1 | Gasoline | 226.28 | 0.29% | -0.54% | 8.49% | 10.22% | 52.06% |
| NG1 | Natural Gas | 4.13 | 1.25% | -4.99% | -18.12% | -25.88% | -3.82% |
| GC1 | Gold | 1 103.70 | 0.38% | -1.67% | -1.57% | 0.68% | 15.87% |
| SI1 | Silver | 17.01 | 0.54% | -1.85% | 3.65% | 1.13% | 22.72% |
| PL1 | Platinum | 1 608.50 | 0.45% | -1.36% | 4.20% | 10.17% | 40.69% |
| PA1 | Palladium | 463.65 | 0.90% | -1.64% | 4.82% | 13.40% | 117.47% |
| LY1 | Aluminium | 2 075.00 | 0.47% | 2.13% | 7.21% | 7.26% | 67.91% |
| LP1 | Copper | 7 417.25 | -0.13% | 0.40% | 0.01% | 0.89% | 83.91% |
| LN1 | Nickel | 22 475.00 | 1.00% | 2.71% | 8.73% | 21.70% | 129.64% |
| LX1 | Zinc | 2 220.25 | -1.66% | -3.06% | -5.40% | -12.41% | 74.31% |
| LT1 | Tin | 17 548.00 | 0.27% | 0.26% | 3.51% | 3.88% | 67.68% |
| LL1 | Lead | 2 085.25 | -2.86% | -5.41% | -11.07% | -13.44% | 55.33% |
| API21MON | Steam Coal | 73.50 | 1.38% | -2.97% | -2.00% | -11.71% | 17.13% |
| SB1 | Sugar | 16.57 | -7.12% | -9.16% | -38.17% | -38.52% | 23.56% |
| CC1 | Cocoa | 2 895.00 | 0.77% | 2.12% | -6.55% | -11.98% | 11.65% |
| KC1 | Coffee | 134.75 | 1.32% | 3.38% | 0.00% | -0.88% | 14.68% |
| C 1 | Corn | 3.63 | -1.69% | -1.69% | 0.00% | -12.12% | -7.94% |
| W 1 | Wheat | 476.75 | -2.00% | -2.10% | -2.65% | -11.96% | -13.20% |
| S 1 | Soy bean | 9.69 | 0.00% | 2.65% | 2.65% | -6.63% | 1.31% |
| CT1 | Cotton | 82.89 | 0.48% | 1.28% | 5.20% | 9.64% | 84.08% |

Source: Bloomberg, TKB Capital estimates

MONEY MARKET

FOREX

| Bloomberg code | Currency | Value | Daily change, % | Weekly change, % | Monthly change, % | YTD change, % | Change of 52 week, % |
|----------------|---|---------|-----------------|------------------|-------------------|---------------|----------------------|
| RUB Curncy | Dollar USD (rubles per \$1) | 29.55 | 0.08% | 0.68% | -1.52% | -1.61% | -11.03% |
| EURRUB Curncy | Euro (rubles per 1 euro) | 39.88 | -0.39% | -0.98% | -1.85% | -7.39% | -11.81% |
| RUBBASK Curncy | Basket \$0.55/0.45€ (rubles) | 34.19 | -0.16% | -0.23% | -1.81% | -4.91% | n.a. |
| EUR Curncy | Euro (\$ per 1 euro) | 1.350 | -0.46% | -1.69% | -0.58% | -5.83% | -0.90% |
| GBP Curncy | British Pound Sterling (\$ per 1 pound) | 1.503 | -0.34% | -0.96% | -2.73% | -6.90% | 3.53% |
| JPY Curncy | Japanese Yen (yen per \$1) | 90.37 | 0.46% | -0.23% | -1.64% | -2.97% | -6.55% |
| CHF Curncy | Swiss Franc (francs per \$1) | 1.057 | -0.07% | -0.13% | -2.02% | 2.16% | -5.93% |
| CNY Curncy | Chinese Yuan (yuan per \$1) | 6.826 | 0.00% | 0.01% | -0.10% | -0.01% | -0.10% |
| BRL Curncy | Brazilian Real (reals per \$1) | 1.783 | -0.90% | 0.96% | -0.96% | 2.37% | -21.16% |
| MXN Curncy | Mexican Peso (pesos per \$1) | 12.54 | -0.32% | 0.04% | -2.10% | -4.16% | -12.91% |
| TRY Curncy | Turkish Lira (liras per \$1) | 1.542 | 0.07% | 1.15% | 1.81% | 3.27% | -7.48% |
| INR Curncy | Indian Rupee (rupee per \$1) | 45.44 | -0.34% | -0.33% | -1.88% | -2.35% | -9.98% |
| KRW Curncy | S.Korean Won (won per \$1) | 1 134.9 | -0.24% | 0.10% | -1.66% | -2.00% | -18.07% |

Interest rates

| Bloomberg code | Indicator | Rate, % | Daily change, p.p. | Weekly change, p.p. | Monthly change, p.p. | YTD change, p.p. | Change of 52 week, p.p. |
|----------------|--------------------|---------|--------------------|---------------------|----------------------|------------------|-------------------------|
| US000/N Index | LIBOR Overnight | 0.219 | -0.001 | -0.006 | 0.046 | 0.050 | -0.070 |
| US0001M Index | LIBOR 1Month | 0.246 | -0.001 | 0.010 | 0.017 | 0.015 | -0.276 |
| US0003M Index | LIBOR 3Months | 0.284 | 0.002 | 0.023 | 0.032 | 0.033 | -0.939 |
| EUR001M Index | EURIBOR 1Month | 0.401 | -0.002 | -0.005 | -0.019 | -0.052 | -0.771 |
| EUR003M Index | EURIBOR 3Months | 0.637 | -0.002 | -0.009 | -0.024 | -0.063 | -0.923 |
| MOSKON Index | MosPrime Overnight | 3.50 | -0.01 | -0.34 | -0.50 | 2.05 | -5.42 |
| MOSK1W Index | MosPrime 1Week | 3.92 | -0.02 | -0.08 | -0.46 | 1.32 | -6.58 |
| MOSK2W Index | MosPrime 2Weeks | 4.00 | 0.00 | -0.10 | -0.66 | -0.95 | -8.00 |
| MOSKP1 Index | MosPrime 1Month | 4.18 | -0.03 | -0.10 | -0.98 | -2.14 | -10.35 |
| MOSKP3 Index | MosPrime 3Months | 4.52 | 0.01 | -0.05 | -1.14 | -2.53 | -12.14 |

NDF RUR

| Bloomberg code | Maturity | Rate, % | Daily change, p.p. | Weekly change, p.p. | Monthly change, p.p. | YTD change, p.p. | Change of 52 week, p.p. |
|----------------|----------|---------|--------------------|---------------------|----------------------|------------------|-------------------------|
| RRNI1M Curncy | 1 Month | 3.78 | 0.22 | 0.13 | -0.82 | -1.96 | -7.53 |
| RRNI3M Curncy | 3 Months | 4.05 | 0.20 | 0.34 | -0.66 | -3.47 | -8.54 |
| RRNI6M Curncy | 6 Months | 4.28 | 0.06 | 0.15 | -0.70 | -1.77 | -9.24 |
| RRNI12M Curncy | 1 Year | 4.77 | 0.05 | 0.04 | -0.71 | -1.69 | -10.79 |

Source: Bloomberg, TKB Capital estimates

MACROECONOMICS: STATISTICS & EVENTS CALENDAR

| | Date Time | Indicator | Period | Survey | Actual | Prior | Revised |
|---|-------------------|--|--------|--------|--------|--------|---------|
| Mon | 22.03.2010 | | | | | | |
|  US | 15:30 | Chicago Fed Nat Activity Index | FEB | -- | -0.64 | 0.02 | -- |
|  EU | 18:00 | Euro-Zone Consumer Confidence | MAR A | -17 | -17 | -17 | -- |
|  EU | 18:30 | ECB's Trichet Speaks at Parliamentary Panel | MAR 22 | | | | |
| Tue | 23.03.2010 | | | | | | |
|  UK | 12:30 | CPI (MoM) | FEB | 0.5% | 0.4% | -0.2% | -- |
|  UK | 12:30 | CPI (YoY) | FEB | 3.1% | 3.0% | 3.5% | -- |
|  UK | 12:30 | Core CPI (YoY) | FEB | 3.1% | 2.9% | 3.1% | -- |
|  UK | 12:30 | RPI (MoM) | FEB | 0.7% | 0.6% | 0.0% | -- |
|  UK | 12:30 | RPI (YoY) | FEB | 3.8% | 3.7% | 3.7% | -- |
|  UK | 12:30 | RPI Ex Mort Int. Payments (YoY) | FEB | 4.3% | 4.2% | 4.6% | -- |
|  UK | 12:30 | BBA Loans for House Purchase | FEB | 36500 | 35276 | 35083 | -- |
|  US | 17:00 | Existing Home Sales | FEB | 5.0M | 5.02M | 5.05M | -- |
|  US | 17:00 | Existing Home Sales (MoM) | FEB | -1.1% | -0.6% | -7.2% | -- |
|  US | 17:00 | House Price Index (MoM) | JAN | -0.8% | -0.6% | -1.6% | -2.0% |
|  US | 17:00 | Richmond Fed Manufact. Index | MAR | 5 | 6 | 2 | -- |
| Wed | 24.03.2010 | | | | | | |
|  US | 00:00 | ABC Consumer Confidence | MAR 22 | -- | -44 | -43 | -- |
|  EU | 12:00 | PMI Services | MAR A | 52 | -- | 51.8 | -- |
|  EU | 12:00 | PMI Manufacturing | MAR A | 54 | -- | 54.2 | -- |
|  EU | 12:00 | PMI Composite | MAR A | 53.8 | -- | 53.7 | -- |
|  EU | 13:00 | Industrial New Orders SA (MoM) | JAN | 1.8% | -- | 0.8% | 1.1% |
|  EU | 13:00 | Industrial New Orders SA (YoY) | JAN | 13.9% | -- | 9.5% | 9.9% |
|  US | 14:00 | MBA Mortgage Applications | MAR 20 | -- | -- | -1.9% | -- |
|  US | 15:30 | Durable Goods Orders | FEB | 0.6% | -- | 3.0% | 2.6% |
|  US | 15:30 | Durables Ex Transportation | FEB | 0.6% | -- | -0.6% | -1.0% |
|  US | 17:00 | New Home Sales | FEB | 315K | -- | 309K | -- |
|  US | 17:00 | New Home Sales (MoM) | FEB | 1.9% | -- | -11.2% | -- |
| Thu | 25.03.2010 | | | | | | |
|  EU | 12:00 | Euro-Zone M3 s.a. (YoY) | FEB | -0.1% | -- | 0.1% | -- |
|  EU | 12:00 | Euro-Zone M3 s.a. (3 mth ave.) | FEB | -0.1% | -- | -0.1% | -- |
|  UK | 12:30 | Retail Sales (MoM) | FEB | 0.6% | -- | -1.2% | -- |
|  UK | 12:30 | Retail Sales (YoY) | FEB | 4.9% | -- | 2.6% | -- |
|  EU | 14:30 | ECB's Trichet Speaks at Conference in Brussels | MAR 25 | | | | |
|  US | 15:30 | Initial Jobless Claims | MAR 21 | 450K | -- | 457K | -- |
|  US | 15:30 | Continuing Claims | MAR 14 | 4562K | -- | 4579K | -- |
|  US | 16:00 | RPX Composite 28dy (YoY) | JAN | -- | -- | -1.1% | -- |
|  US | 17:00 | Bernanke Testifies on Exit Strategy in Rescheduled Hearing | MAR 25 | | | | |
| Fri | 26.03.2010 | | | | | | |
|  UK | 12:30 | Total Business Investment (QoQ) | 4Q F | -5.8% | -- | -5.8% | -- |
|  UK | 12:30 | Total Business Investment (YoY) | 4Q F | -24.1% | -- | -24.1% | -- |
|  US | 15:30 | GDP QoQ (Annualized) | 4Q T | 5.9% | -- | 5.9% | -- |
|  US | 15:30 | Personal Consumption | 4Q T | 1.7% | -- | 1.7% | -- |
|  US | 15:30 | GDP Price Index | 4Q T | 0.4% | -- | 0.4% | -- |
|  US | 15:30 | Core PCE (QoQ) | 4Q T | 1.6% | -- | 1.6% | -- |
|  US | 16:55 | U. of Michigan Confidence | MAR F | 73 | -- | 72.5 | -- |

CORPORATE EVENTS CALENDAR

| Date | Company | Ticker | Sector | Event |
|-------------------------------|----------------------------|---------|-------------------|--|
| March, 30 | IDGC of North-West | MRKZ | Utilities | 2009 results under RAS |
| March, 30 | VTB | VTBR | Banks | Publication of FY09 IFRS financial statements |
| end of March | Magnit | MGNT | Consumer & Retail | 2009 results under IFRS |
| March, 31 | Bank Vozrozhdenie | VZRZ | Banks | 2009 results under IFRS |
| last week of March | MTS | MBT | Telecoms | 12M results under US GAAP |
| last week of March | Tatneft | TATN | Oil and gas | 12M operating update |
| last week of March | Volga Gas | VGAS LN | Oil and gas | 12M results under IFRS |
| last week of March | AFK Sistema | AFKS | Telecoms | 12M results under US GAAP |
| end of March | MMK | MAGN | Metals & Mining | 2009 results under RAP |
| end of March | Power Machines | SILM | Machinery | 9M09 results under IFRS |
| March | Enel OGK-5 | OGKE | Utilities | Publication of FY09 IFRS financial statements |
| March, 31 | Evrz | EVR | Metals & Mining | 2009 results under IFRS |
| March, 29 - April, 2 | NLMK | NLMK | Metals & Mining | 12M results under US GAAP |
| first week of April | Lukoil | LKOH | Oil and gas | ConocoPhillips 3M results (estimate of Lukoil's net income) |
| first week of April | SurgutNG | SNGS | Oil and gas | 12M results under RAS |
| 2 nd week of April | | | Machinery | March car and LCV sales in Russia according to AEB |
| April, 9 | X5 Retail Group | FIVE | Consumer & Retail | Operating results for 1Q10 |
| early April | Lukoil | LKOH | Oil and gas | 12M results under US GAAP |
| early April | Bank St-Petersburg | STBK | Banks | 2009 results under IFRS |
| April, 12 | X5 Retail Group | FIVE | Consumer & Retail | FY09 results under IFRS (audited) |
| April, 15 | Sberbank | SBER | Banks | 3M2010 results under RAS |
| April, 15 | Evrz | EVR | Metals & Mining | Operating results for 1Q10 |
| April, 15 | NLMK | NLMK | Metals & Mining | Operating results for 1Q10 |
| mid-April | Gazprom neft | SIBN | Oil and gas | 12M results under US GAAP |
| mid-April | MMK | MAGN | Metals & Mining | 3M operating results |
| mid-April | Allinace Oil | AOIL SS | Oil and gas | 3M operating update |
| mid-April | RTOs | | Telecoms | 12M results under RAP |
| April, 12-23 | NLMK | NLMK | Metals & Mining | Board of Directors |
| April, 23 | Belon | BLNG | Metals & Mining | Annual General Shareholders' Meeting |
| end-April | MMK | MAGN | Metals & Mining | 1Q10 results under RAP |
| end-April | Polymetal | PMTL | Metals & Mining | 3M operating results |
| last week of April | Evrz | EVR | Metals & Mining | 2009 results under IFRS |
| last week of April | Norilsk Nickel | GMKN | Metals & Mining | 3M operating results |
| last week of April | Gazprom | GAZP | Oil and gas | 12M results under IFRS |
| last week of April | Novatek | NVTK | Oil and gas | 3M operating update |
| last week of April | TNK-BP Holding | TNBP | Oil and gas | BP 3M results (estimate of TNK-BP' net income) |
| last week of April | TNK-BP Holding | TNBP | Oil and gas | TNK-BP 12M results (estimate of TNK-BP Holding's financials) |
| last week of April | Tatneft | TATN | Oil and gas | 12M results under US GAAP |
| last week of April | Integra | INTE LI | Oil and gas | 12M results under IFRS |
| last week of April | CAT Oil | O2C GR | Oil and gas | 12M results under IFRS |
| last week of April | Eurasia Drilling | EDCL LI | Oil and gas | 12M results under US GAAP |
| last week of April | Sistema-Hals | HALS | Real Estate | 12M results under US GAAP |
| April | Enel OGK-5 | OGKE | Utilities | Publication of FY09 RUSGAAP financial statements |
| end-April | Polyus Gold | PLZL | Metals & Mining | 12M results under IFRS |
| first week of May | SurgutNG | SNGS | Oil and gas | 3M results under RAS |
| 2 nd week of May | | | Machinery | April car and LCV sales in Russia according to AEB |
| May, 14 | Severstal | CHMF | Metals & Mining | 3M results under IFRS |
| first half of May | Bashneft | BANE | Oil and gas | 3M and 12M results under RAS |
| first half of May | Ufaneftekhim | UFNC | Oil and gas | 3M and 12M results under RAS |
| first half of May | Ufa refinery | UNPZ | Oil and gas | 3M and 12M results under RAS |
| first half of May | Novo-Ufa refinery (Novoil) | NUNZ | Oil and gas | 3M and 12M results under RAS |
| first half of May | Ufaorgsintez | UFOS | Oil and gas | 3M and 12M results under RAS |
| first half of May | Bashkitnefteprodukt | BANP | Oil and gas | 3M and 12M results under RAS |
| first half of May | Sibneftegeophysika | SNGF | Oil and gas | 3M and 12M results under RAS |
| first half of May | Bashneftegeophysika | BNGF | Oil and gas | 3M and 12M results under RAS |
| first half of May | Saratovneftegeophysika | SRGF | Oil and gas | 3M and 12M results under RAS |

Source: TKB Capital estimates

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