

**COMMENT**

Gloomy statistics and weak corporate reports sent the US indices down yesterday. Further economic recovery is still vague, while Asian region does not add any certainty to the market. Asian indices are performing mixed today. Negative news from the US and correction of metal market put pressure on the markets. Oil is trading lower today, but still above \$80 per barrel.

We expect the local market to open slightly weaker, however there have been no reasons for correction so far. Trading activity remains only in selected names and is likely to continue in the short run. Sufficient cheap liquidity renders support to the stocks.

**MAIN HEADLINES**

- **We initiated coverage of Globaltrans (GLTR) with 12-month target price of \$18.8 per GDR and BUY recommendation**

**NEWS**

- **AVTOVAZ (AVAZ) increased car sales in July by 60% y-o-y**

**SMALL CAPS NEWS**

- **Bashneftegeofizika's (bngf) net income dropped twice in 2Q10 q-o-q**
- **ZMZ' net income (ZMZN, zmznp) soared by 2.4 times in 2Q10 q-o-q**
- **Saratovskiy NPZ' net income (KRKN, KRKNP) increased by one third in 1H10 y-o-y**

**CALENDAR**

Time	Event	Month	Expectations
12:30	<b>UK statistics:</b>		
	PMI Services	July	54.5 (54.4 in June)
	Official Reserves (Changes)	July	-- (\$435mn in June)
12:00	<b>EU statistics:</b>		
	PMI Services	July	56.0 (56.0 in June)
	PMI Composite	July	56.7 (56.7 in June)
13:00	Euro-Zone Retail Sales (YoY)	June	0.1% (0.3% in May)
13:00	Euro-Zone Retail Sales (MoM)	June	0.0% (0.2% in May)
15:00	<b>US statistics:</b>		
	MBA Mortgage Applications	Jul 30	-- (-4.4% for previous)
	Challenger Job Cuts YoY	July	-- (-47.1% in June)
	ADP Employment Change	July	35K (13K in June)
	ISM Non-Manf. Composite	July	53.0 (53.8 in June)

Indicator	Value	Change	
		1 day	1 week
<b>04.08.2010</b>			
Nikkei 225	9,497	-2.0%	-2.6%
Hang Seng	21,456	0.0%	1.7%
Shanghai Composite	2,615	-0.5%	-0.7%
<b>03.08.2010</b>			
DJIA	10,636	-0.4%	0.9%
S&P 500	1,120	-0.5%	0.6%
NASDAQ	2,284	-0.5%	-0.2%
Bovespa	67,997	-0.8%	2.0%
FTSE 100	5,396	0.0%	0.6%
DAX	6,308	0.3%	1.6%
CAC 40	3,748	-0.1%	2.2%
RTS	1,518	-0.4%	2.5%
MICEX	1,412	-1.2%	0.8%
MSCI BRIC	328	-0.5%	2.1%
MSCI Russia	810	-0.7%	2.3%
Brent	82.7	2.3%	8.6%
WTI	82.6	1.5%	6.5%
Gold	1,185.2	0.2%	2.3%
Silver	18.4	0.0%	4.5%
Nickel	21,614	-1.3%	5.5%
Corn	389.5	-1.9%	14.3%
Wheat	680.0	0.0%	5.6%
Soybean	1,053.5	0.8%	3.8%
LIBOR 3 month	0.43	-0.01	-0.05
EURIBOR 3 month	0.90	0.00	0.01
MosPrime 1 week	3.00	-0.06	-0.21
MosPrime 1 month	3.32	0.00	-0.06
USD/RUR	29.71	-1.1%	-1.8%
EUR/USD	1.323	0.5%	1.9%
GBP/USD	1.593	0.3%	2.3%
USD/JPY	85.78	-0.8%	-2.4%
1 month	3.08	-1.39	-0.09
3 months	3.14	-0.07	-0.06
6 months	3.55	-0.29	0.02
UST 10	2.91	-0.05	-0.14
Russia 30	4.67	-0.05	-0.17

Source: Bloomberg, TKB Capital estimates

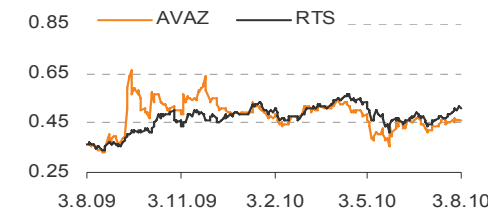
**MACHINERY**

**AVTOVAZ (AVAZ) increased car sales in July by 60% y-o-y. POSITIVE**

The biggest Russian car maker continues to gain from cash-for-clunkers program. Yesterday AVTOVAZ released trading update, according to which the company boosted vehicle sales in Russia by 60% y-o-y to 51,825 units in July. The state cash-for-clunkers program provided 47% vehicle sales for the car maker last month vs. 25% in March. State supporting initiative also resulted in changes of LADA models share structure in AVTOVAZ sales. Thus, Classica as the cheapest new car in Russia advanced its share in the company's sales from 14% in January to 34% in July due to strong demand through scrappage certificates. At the same time, Samara and Priora shares slumped from 27% and 31% in January to 17% and 21% in July, respectively. Total AVTOVAZ sales for the whole 7M10 increased by 28% y-o-y to 272,599 vehicles, cash-for clunkers program provided 34% of the company's sales. We remind that the car maker expects to produce 572,000 vehicles in 2010 (94% y-o-y increase) and reach positive operating income over the year. AVTOVAZ has already reported net income of \$65 mn for 2Q10 under RAS – the first company's quarterly net income since 3Q08.

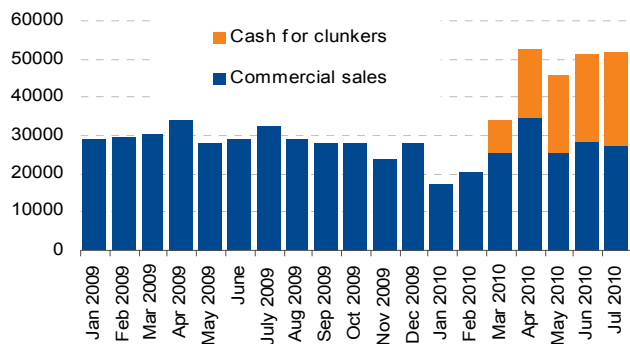
AVTOVAZ	AVAZ	AVAZP	
Price, \$	0.46	0.12	
Recommendation	UR	UR	
Target, \$	-	-	
Upside	-	-	
MC, \$ mn	698	EV, \$ mn	3,055
	2009	2010E	2011E
P/E	neg	neg	neg
EV/EBITDA	neg	18.1	9.1

Source: MICEX, Bloomberg consensus estimates



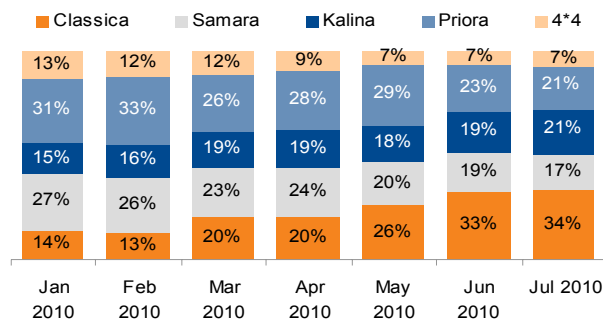
Source: MICEX, RTS, TKB Capital estimates

**AVTOVAZ car sales, units**



Source: AVTOVAZ

**AVTOVAZ car sales breakdown**



Source: AVTOVAZ

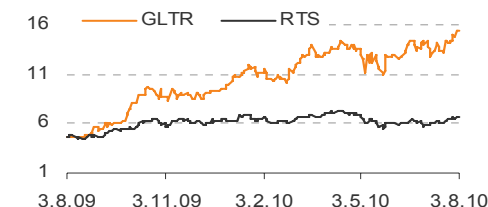
**WEDNESDAY AUGUST 4, 2010**
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**TRANSPORT**
**We initiated coverage of Globaltrans (GLTR) with 12-month target price of \$18.8 per GDR and BUY recommendation. NEUTRAL**

We consider Globaltrans shares as a perfect theme to invest into transportation segment and for now the only opportunity to buy liquid stocks of the public Russian rail company. Fast recovery of transportation segment together with strong operating and financial performance of the company determine our positive view on Globaltrans. Relatively new balanced rolling stock, developed destination management and strong relations with the key customers provide competitive advantages of the company. Globaltrans targets to increase its market share through M&A activity and optimization of its routes that makes the stock attractive for investors.

Our DCF valuation implies a 12-month fair value of \$18.8 per GDR that suggests a 23% upside potential from the current market price and a BUY recommendation. Globaltrans' GDRs are traded at a 22% discount to its EM peers and in line with its DM peers on EV/EBITDA 2009-2010E. In 2009 EBITDA margin amounted to 41.2% and we expect it at healthy 41-46% in 2010-2014 that together with strong prospects of business development make the stock attractive as a mid- or long-term investment. The publication of 1H10 results and possible M&A deals may become short-term drivers. (For details, please, see our report on Globaltrans "Delivery of freights, efficiency and growth", released on 3 August, 2010).

Globaltrans, GDR		GLTR	
Price, \$			<b>15.30</b>
Recommendation			<b>BUY</b>
Target, \$			<b>18.80</b>
Upside			<b>23%</b>
MC, \$ mn	2,419	EV, \$ mn	2,708
	2009	2010E	2011E
P/E	20.2	12.8	9.0
EV/EBITDA	9.6	8.2	6.3

Source: LSE, TKB Capital estimates



Source: LSE, TKB Capital estimates

**SMALL CAPS**
**Bashneftegeofizika's (bngf) net income dropped twice in 2Q10 q-o-q.**

**Income decrease is attributed to seasonal factor.** Bashneftegeofizika's 2Q10 net income fell two-fold in 2Q10 q-o-q to RUR23 mn (\$0.8 mn) on the back of seasonal factor (there were no field works in May). As a result, 1H10 net income amounted RUR69 mn (\$2.3 mn), down by 4.1 times y-o-y.

**Bashneftegeofizika's indicators, RUR mn**

Indicator	1H10	1H09	y-o-y, %	2Q10	1Q10	q-o-q, %
Net income	69	283	-76	23	46	-50

Source: Company data, TKB Capital estimates

**ZMZ' net income (ZMZN, zmnz) soared by 2.4 times in 2Q10 q-o-q.**

**Income rose due to sales growth and operating cost optimization.** Zavolzhskiy Motor Plant's (ZMZ) net income of RUR126 mn (\$4.2 mn) rose in 2Q10 by 2.4 times q-o-q on the back of engine sales growth by 78% to 18,972 items, and cost reduction by 7% to RUR0.82 (\$0.03) per unit of sales. Thus, the company earned RUR178 mn (\$5.9 mn), up by 1.6 times y-o-y.

**ZMZ' indicators**

Indicator	1H10	1H09	y-o-y, %	2Q10	1Q10	q-o-q, %
Engine sales, '000 items	29.6	18.6	59	19.0	10.7	78
Net income, RUR mn	178	112	58	126	52	141

Source: Company data, TKB Capital estimates

**Saratovskiy NPZ' net income (KRKN, KRKNP) increased by one third in 1H10 y-o-y.**

**Rising throughput drove income growth.** Saratovskiy NPZ' 1H10 revenue added 12% y-o-y to RUR2.7 bn (\$90 mn) due to growing refining throughput (by 4% to 3.3 mn t) and refining price (by 7%). EBITDA rose 17% to RUR1.3 bn (\$42 mn) thanks to operating cost optimisation mostly in part of energy and salary expenses. Net income soared by 34% to RUR821 mn (\$27 mn). The company has demonstrated increasing throughput in 2010. So, this indicator rose 8% q-o-q in 2Q10, resulting in revenue growth of 7% to RUR1.4 bn (\$465 mn), EBITDA – of 14% to RUR665 mn (\$22 mn), net income – of 15% to RUR439 mn (\$15 mn).

**SMALL CAPS**
**Saratovskiy NPZ' indicators, RUR mn**

Indicator	1H10	1H09	y-o-y, %	2Q10	1Q10	q-o-q, %
Throughput, mn t	3.3	3.2	4	1.7*	1.6	8
Revenue	2,701	2,407	12	1,398	1,303	7
EBITDA	1,249	1,064	17	665	584	14
Net income	821	614	34	439	382	15
EBITDA margin, %	46	44	2 ppt	48	45	3 ppt
Net margin, %	30	26	4 ppt	31	29	2 ppt

Source: Company data, Neftyanaya trgovlya, TKB Capital calculations

\* 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	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
GAZP	* Gazprom	5.50	UR	UR	UR	130,123	175,933	5.3	4.6	4.2	5.0	3.9	3.6	1.6	0.7	1.0
ROSN	** Rosneft	6.85	8.5	BUY	24%	72,606	94,096	11.1	7.3	7.3	6.9	5.4	5.4	1.6	1.6	1.2
LKOH	** LUKOIL	56.1	74.0	BUY	32%	47,718	56,619	6.8	6.0	7.0	4.0	4.1	4.7	0.6	0.9	0.6
SNGS	* Surgutneftegas	1.01	UR	UR	UR	39,574	39,047	11.0	7.8	8.4	6.0	5.2	5.4	1.7	1.0	neg
SNGSP	* Surgutneftegas, Pref	0.45	UR	UR	UR											
SIBN	** Gazprom Neft	4.19	4.50	HOLD	7%	19,869	25,914	6.6	6.7	6.5	5.3	4.6	4.4	0.9	1.2	1.1
tnbp	** TNK-BP Holding	1.98	2.80	BUY	41%	32,164	34,635	6.2	5.3	5.6	4.3	3.6	3.7	0.8	1.7	0.3
tnbpp	** TNK-BP Holding, Pref	1.75	2.50	BUY	43%											
TATN	* Tatneft	4.86	UR	UR	UR	10,960	13,060	6.4	6.3	5.0	5.0	4.8	3.7	0.9	1.0	0.8
TATNP	* Tatneft, Pref	2.45	UR	UR												
BANE	* Bashneft	36.50	UR	UR	UR	7,129	6,682	18.6	11.7	5.2	7.1	6.7	2.6	1.4	2.6	neg
BANEP	* Bashneft, Pref	26.50	UR	UR	UR											
NVTK	* NOVATEK	7.25	UR	UR	UR	22,028	22,933	26.5	16.5	13.4	18.5	11.9	10.0	5.6	5.0	0.5

**Metals and Mining**

Ticker	Company	Current price, \$	TP, \$	Recom.*	Upside, %	Mkt Cap, \$ mn	EV, \$ mn	P/E			EV/EBITDA			EV/S	P/BV	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
GMKN	* NorNickel	167.0	UR	UR	UR	31,828	33,560	12.2	7.7	7.1	7.6	5.2	4.8	2.5	2.2	0.3
CHMF	Severstal	12.31	15.50	BUY	26%	12,402	16,772	neg	13.3	8.6	20.7	5.4	4.6	1.0	1.6	1.4
NLMK	NLMK	3.28	3.21	HOLD	-2%	19,656	20,860	91.4	13.9	11.9	14.4	6.8	5.9	2.5	2.5	0.4
MAGN	MMK	0.86	1.06	BUY	24%	9,588	11,815	43.8	12.9	8.5	11.9	6.2	5.0	1.6	1.0	1.2
MTL	Mechel, ADR	23.20	29.50	BUY	27%	9,657	15,240	126.5	10.2	7.6	15.3	7.4	5.2	1.7	2.4	2.7
EVR	* Evraz Group, GDR	28.10	UR	UR	UR	11,150	18,954	neg	12.1	8.1	15.3	7.0	5.8	1.6	1.1	2.9
PLZL	* Polyus Gold	45.19	UR	UR	UR	8,614	8,640	26.8	16.9	13.5	16.2	9.7	8.5	5.2	2.7	0.0
PMTL	* Polymetal	13.38	UR	UR	UR	4,215	4,635	43.9	21.3	14.0	19.6	12.4	8.8	5.5	4.6	1.1
TRMK	* TMK	4.20	UR	UR	UR	3,670	7,178	neg	10.6	8.2	22.3	7.9	6.7	1.3	2.4	3.8
RASP	Raspadsкая	4.46	7.60	BUY	70%	3,483	3,786	29.7	13.1	11.8	14.6	8.4	7.2	5.1	2.8	0.7
BLNG	Belon	0.92	1.29	BUY	41%	1,055	1,371	67.6	11.8	10.9	12.2	7.1	6.8	1.8	2.2	1.6
unkl	Yuzhuralnickel	299.0	472.0	BUY	58%	179	27	264.8	11.8	7.7	neg	0.9	0.7	0.1	0.1	0.1
AMEZ	Ashinskiy Steel Works	0.385	0.579	BUY	50%	192	265	11.4	4.4	7.8	5.3	3.0	3.9	0.8	0.5	0.8
VSMZ	Vyksa Steel Works	1381	1740	BUY	26%	2,372	2,442	9.7	5.5	4.0	4.8	3.6	2.9	0.8	0.9	0.8
CHZN	Chelyabinsk Zinc Plant	3.68	4.64	HOLD	26%	199	186	10.0	5.6	4.2	2.9	2.5	2.2	0.4	0.7	neg

TABLE CONTINUED ON THE NEXT PAGE

**RECOMMENDATIONS** (CONTINUED)

**Utilities**

Ticker	Company	Current price, \$	TP, \$	Recom.	Upside, %	Mkt Cap, \$ mn	EV, \$ mn	P/E			EV/EBITDA			EV/S	P/BV	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
FEES	Federal Grid Company	0.0114	0.0155	BUY	36%	14,017	11,311	22.4	17.9	9.2	10.1	5.9	3.5	2.7	0.5	neg
HYDR	RusHydro	0.053	0.072	BUY	35%	14,375	15,402	14.6	9.6	7.9	9.5	6.9	5.2	1.2	0.9	0.5
IRAO	* INTER RAO UES	0.0014	UR	UR	UR	3,224	3,965	neg	20.6	19.7	neg.	8.3	6.5	1.4	1.7	1.6
OGKA	* OGK-1	0.036	UR	UR	UR	1,611	1,655	16.3	16.3	8.4	11.0	6.6	4.4	0.9	1.3	0.2
OGKB	* OGK-2	0.053	UR	UR	UR	1,735	2,002	50.1	29.2	15.8	19.6	11.9	6.5	1.3	1.4	1.6
OGKC	* OGK-3	0.057	UR	UR	UR	2,726	1,023	20.1	29.8	21.3	8.0	9.4	6.1	0.8	0.8	neg
OGKD	OGK-4	0.079	0.118	BUY	49%	4,981	4,416	24.2	19.8	12.8	19.0	11.8	6.9	2.6	1.8	neg
OGKE	* EneI OGK-5	0.085	UR	UR	UR	2,997	3,578	29.6	26.9	9.9	14.6	11.6	6.4	2.1	1.5	1.9
OGKF	* OGK-6	0.037	UR	UR	UR	1,186	1,312	15.4	222.9	46.9	7.8	10.9	6.7	0.9	0.6	1.0
TGKA	* TGC-1	0.00068	UR	UR	UR	2,630	3,112	9.9	15.3	7.3	12.7	7.6	4.5	1.9	1.2	1.2
TGKB	* TGC-2	0.00026	UR	UR	UR	386	652	neg	17.9	8.3	9.8	4.2	2.9	0.6	0.6	1.7
TGKBP	* TGC-2, Pref	0.00028	UR	UR	UR											
MSNG	* Mosenergo	0.106	UR	UR	UR	4,227	4,776	80.6	26.9	13.6	10.6	7.3	5.5	1.0	0.7	0.8
TGKD	* TGC-4	0.00044	UR	UR	UR	862	942	11.8	13.3	7.0	5.1	4.7	3.1	0.7	0.9	0.4
TGKDP	* TGC-4, Pref	0.00026	UR	UR	UR											
TGKE	* TGC-5	0.00046	UR	UR	UR	567	605	19.1	12.5	8.5	13.2	6.8	4.2	0.8	0.6	0.4
TGKF	* TGC-6	0.00042	UR	UR	UR	790	1,054	47.5	8.1	6.2	14.1	5.7	5.1	1.1	n/a	1.4
TGKG	* Volga TGC (TGC-7)	0.069	UR	UR	UR	2,068	2,088	21.2	15.6	9.4	10.1	7.0	5.8	0.9	1.4	0.1
TGKI	* TGC-9	0.00015	UR	UR	UR	1,142	1,532	8.6	11.0	6.1	7.8	6.5	4.9	0.8	0.9	1.6
TGKJ	* Fortum, TGC-10	1.33	UR	UR	UR	1,170	1,167	10.0	10.5	9.7	12.4	9.6	5.0	1.2	0.5	neg
TGKK	TGC-11	0.00056	0.00113	BUY	102%	287	284	5.0	5.3	3.8	3.6	4.2	2.9	0.6	0.6	neg
KZBE	* Kusbassenergo	0.0116	UR	UR	UR	822	912	75.9	9.3	38.9	10.1	3.4	3.7	0.8	0.8	0.3
TGKM	* Yenisei TGC (TGC-13)	0.0036	UR	UR	UR	576	669	204.2	49.8	12.2	10.3	5.6	3.5	1.0	0.6	0.8
TGKN	* TGC-14	0.00013	UR	UR	UR	171	109	neg	neg	8.7	neg.	23.8	3.3	0.5	0.7	neg
MRKH	* Holding MRSK	0.147	UR	UR	UR	6,231	10,288	14.3	10.4	19.0	3.8	4.8	4.3	0.9	0.5	1.9
MRKHP	* Holding MRSK, Pref	0.095	UR	UR	UR											
LSNG	* Lenenergo	0.75	UR	UR	UR	773	1,231	9.5	12.7	13.8	4.7	4.3	4.2	1.3	0.5	1.6
LSNGP	* Lenenergo, Pref	0.85	UR	UR	UR											
MRKC	* IDGC of Centre	0.038	UR	UR	UR	1,621	2,053	24.3	11.2	5.6	6.9	4.9	3.5	1.1	1.7	1.0
MRKK	* IDGC of Northern Caucasus	4.70	UR	UR	UR	139	185	neg	neg	22.6	5.3	5.0	3.2	0.5	0.3	1.2
MRKP	* IDGC of Center and Volga Region	0.0073	UR	UR	UR	818	1,160	60.6	58.5	22.2	5.8	7.9	5.0	0.8	0.6	2.3
MRKS	* IDGC of Siberia	0.0094	UR	UR	UR	844	1,062	neg	neg	8.6	9.4	9.2	4.2	0.8	1.0	1.9
MRKU	* IDGC of of Urals	0.0091	UR	UR	UR	795	946	23.9	8.3	4.8	4.4	3.6	2.8	0.6	0.8	0.6
MRKV	* IDGC of Volga	0.0036	UR	UR	UR	636	822	15.4	25.0	7.4	5.4	4.9	3.4	0.7	0.9	1.1
MRKY	* IDGC of South	0.0050	UR	UR	UR	248	640	neg	21.5	5.3	5.3	4.7	3.5	1.0	0.4	2.9
MRKZ	* IDGC of North-West	0.0070	UR	UR	UR	671	811	443.9	118.1	14.5	8.0	6.5	5.5	0.9	1.0	1.1
MSRS	* MOESK	0.047	UR	UR	UR	2,283	3,798	6.7	7.2	4.5	3.9	3.7	3.3	1.2	0.8	1.5

TABLE CONTINUED ON THE NEXT PAGE

**RECOMMENDATIONS** (CONTINUED)

**Transport**

Ticker	Company	Current price, \$	TP, \$	Recom.*	Upside, %	Mkt Cap, \$ mn	EV, \$ mn	P/E			EV/EBITDA			EV/S	P/BV	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
GLTR	** Globaltrans	15.30	18.80	BUY	23%	2,419	2,708	20.2	12.8	9.0	9.6	8.2	6.3	3.4	4.0	0.9
AFLT	* Aeroflot	2.10	UR	UR	UR	2,336	3,926	26.2	13.9	9.6	9.3	6.2	4.5	1.0	2.3	2.5
UTAR	* Utair Aviation	0.37	UR	UR	UR	216	939	33.5	14.8	6.2	5.7	4.4	3.3	0.6	0.7	3.4
NCSP	* NCSP, GDR	12.01	UR	UR	UR	3,084	3,380	12.3	11.9	11.0	7.8	7.8	7.3	4.6	3.8	0.7
FESH	* FESCO	0.4	UR	UR	UR	1,290	2,193	neg	34.5	440.9	16.0	14.2	11.5	2.7	0.8	5.9

**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
								2009	2010E	2011E	2009	2010E	2011E			
MBT	MTS, ADR	22.64	28.00	BUY	24%	22,564	25,935	19.6	10.9	9.0	6.4	5.3	4.6	2.7	6.3	0.7
VIP	VimpelCom, ADR	16.99	29.10	BUY	71%	24,734	30,640	22.1	8.9	9.6	7.2	4.7	4.5	2.4	5.5	0.9
CMST	Comstar, GDR	6.51	7.70	HOLD	18%	2,721	3,544	neg	20.5	11.4	71.3	6.1	5.5	2.4	1.3	1.4
URSI	Uralsvyazinform	0.0330	0.033	HOLD	0%	1,296	2,243	9.1	7.2	6.2	3.6	3.3	3.2	1.3	1.5	1.4
URSIP	Uralsvyazinform, Pref	0.0295	0.026	SELL	-12%											
NNSI	VolgaTelecom	3.17	5.15	BUY	63%	1,004	1,579	5.6	4.6	3.7	3.2	2.9	2.6	1.1	0.9	1.1
NNSIP	VolgaTelecom, Pref	2.75	3.94	BUY	43%											
ENCO	Sibirtelekom	0.0609	0.091	BUY	49%	933	1,730	10.0	5.8	4.6	3.0	2.8	2.6	1.1	1.2	1.3
ENCOP	Sibirtelekom, Pref	0.0516	0.073	BUY	42%											
KUBN	* UTK	0.1458	UR	UR	UR	555	1,164	7.8	8.3	5.9	3.8	3.9	3.6	1.5	1.6	2.0
KUBNP	* UTK, Pref	0.1269	UR	UR	UR											
SPTL	N.W. Telecom	0.701	0.79	HOLD	12%	764	1,289	9.3	8.1	7.4	3.5	3.2	3.2	1.4	0.7	1.3
SPTLP	N.W. Telecom, Pref	0.585	0.64	HOLD	9%											
ESMO	CenterTelecom	0.737	0.758	HOLD	3%	1,524	2,334	7.1	5.3	4.7	4.0	3.5	3.3	1.3	2.1	1.2
ESMOP	CenterTelecom, Pref	0.685	0.606	SELL	-12%											
ESPK	Far East Telecom	3.04	5.76	BUY	90%	373	568	4.1	3.5	3.7	2.3	2.0	1.8	0.7	1.1	0.7
ESPKP	Far East Telecom, Pref	2.65	4.85	BUY	83%											
RTKM	* Rostelecom	3.68	UR	UR	UR	3,253	3,002	28.0	23.6	24.3	7.6	7.5	8.1	1.4	1.5	neg
RTKMP	* Rostelecom, Pref	2.35	UR	UR	UR											

**Retail**

Ticker	Company	Current price, \$	TP, \$	Recom.*	Upside, %	Mkt Cap, \$ mn	EV, \$ mn	P/E			EV/EBITDA			EV/S	P/BV	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
FIVE	X5 Retail Group	36.7	50.0	BUY	36%	9,967	11,506	60.3	29.6	17.4	15.6	12.1	8.7	0.9	5.6	1.6
MGNT LI	Magnit, GDR	21.5	24.4	BUY	13%	9,565	9,606	34.8	27.6	19.0	19.3	14.2	9.7	1.3	6.7	0.1
MGNT	Magnit, Common	98.7	122.0	BUY	24%	8,784	8,825	31.9	25.3	17.5	17.8	13.1	8.9	1.2	6.2	0.1
DIXY	Dixy Group	10.1	10.3	HOLD	2%	869	1,126	neg	25.2	13.6	12.3	8.8	6.6	0.5	4.5	2.0
SCON	Seventh Continent	8.1	9.6	HOLD	18%	609	1,023	25.2	17.1	10.8	9.0	7.9	6.7	0.6	1.0	3.2
MVID	* M.video	6.4	UR	UR	UR	1,150	935	46.4	20.7	14.8	9.1	6.9	5.2	0.3	3.9	neg
APTK	* Pharmacy Chain 36.6	2.6	UR	UR	UR	248	505	neg	neg	neg	11.3	6.9	5.2	0.5	0.1	3.5
WBD US	Wimm-Bill-Dann, ADR	20.2	27.0	BUY	34%	3,557	3,807	30.5	21.4	16.2	12.4	9.8	8.0	1.4	5.1	0.6
WBDF	Wimm-Bill-Dann, Common	48.4	108.0	BUY	123%	2,128	2,378	18.3	12.8	9.7	7.8	6.1	5.0	0.9	3.0	0.6
PKBA	* Baltika Breweries	30.5	UR	UR	UR	4,991	5,024	6.8	7.2	7.9	4.6	4.8	4.4	1.5	2.9	0.0
PKBAP	* Baltika Breweries, Pref	29.8	UR	UR	UR											
PHST LI	Pharmstandard, GDR	23.7	33.5	BUY	42%	3,575	3,471	16.6	15.7	12.7	11.9	11.1	9.1	4.2	5.6	neg
PHST	Pharmstandard, Common	79.8	134.0	BUY	68%	3,017	2,913	14.0	13.2	10.7	9.9	9.3	7.6	3.5	4.7	neg
VRPH	Veropharm	34.2	47.0	BUY	37%	342	364	9.8	8.7	6.8	8.3	6.3	5.1	2.0	2.1	0.4
KLNA	* Kalina	19.0	UR	UR	UR	185	299	14.2	6.7	5.7	6.1	5.0	4.6	0.5	1.4	1.9

TABLE CONTINUED ON THE NEXT PAGE



**RECOMMENDATIONS** (CONTINUED)

**Banks**

Ticker	Company	Current price, \$	TP, \$	Recom.*	Upside, %	Mkt Cap, \$ mn	P/E			P/BV		
							2009	2010E	2011E	2009	2010E	2011E
SBER	Sberbank	2.84	3.50	BUY	23%	63,366	75.0	15.5	8.3	2.58	2.07	1.74
SBERP	Sberbank, Pref	1.98	2.90	BUY	47%							
VTBR	VTB Bank	0.0028	0.0026	HOLD	-6%	28,797	neg	14.4	10.8	1.66	1.65	1.47
MMBM *	Bank of Moscow	32.80	UR	UR	UR	5,194	230.9	20.1	10.9	1.81	1.54	1.33
VZRZ	Vozrozhdenie Bank, Common	33.69	45.9	BUY	36%	816	25.8	23.7	7.6	1.47	1.41	1.16
VZRZP	Vozrozhdenie Bank, Pref	11.99	17.2	BUY	43%							
STBK	Bank Saint-Petersburg, Common	3.33	4.20	BUY	26%	1,199	59.3	13.6	7.7	1.37	1.31	1.07
STBKPA *	Bank Saint-Petersburg, Pref	3.97	UR	UR	UR							

**Machinery**

Ticker	Company	Current price, \$	TP, \$	Recom.*	Upside, %	Mkt Cap, \$ mn	EV, \$ mn	P/E			EV/EBITDA			EV/S	P/BV	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
GAZA *	GAZ	26.00	UR	UR	UR	499	1,401	neg	neg	199.8	neg.	13.3	4.4	0.4	0.5	8.6
GAZAP *	GAZ, Pref	12.00	UR	UR	UR											
SVAV *	Sollers	15.42	UR	UR	UR	528	1,286	neg	neg	92.6	30.7	11.0	7.0	0.8	1.0	6.5
KMAZ *	KAMAZ	2.31	UR	UR	UR	1,633	2,216	neg	24.1	9.9	17.4	8.6	5.7	0.7	1.6	2.3
SILM *	Power machines	0.24	UR	UR	UR	2,106	2,008	10.9	10.6	9.2	7.3	6.2	5.5	1.1	7.6	neg
MASZ	Mashinostroitelny Zavod	265	325	BUY	23%	369	352	4.6	4.6	4.4	2.8	2.5	2.4	0.8	0.6	neg
NZHK	NCCP	10.0	11.0	HOLD	10%	265	246	6.1	6.5	6.5	3.1	3.0	3.0	1.2	0.6	neg
NZHKP *	NCCP, Pref	2.8	UR	UR	UR											
KHEL	Kazan Helicopters	1.85	2.20	BUY	19%	286	443	5.9	5.9	5.4	6.7	5.9	5.4	0.8	1.4	2.1
uuaz	Ulan-Ude Avia Plant	1.35	1.80	BUY	34%	360	198	4.5	4.7	5.0	1.8	1.7	1.7	0.4	1.7	neg
rtvl	Rostvertol	0.055	0.030	SELL	-45%	127	216	8.2	7.9	7.4	5.3	5.4	4.9	0.7	0.7	2.2

**Real Estate & Infrastructure**

Ticker	Company	Current price, \$	TP, \$	Recom.*	Upside, %	Mkt Cap, \$ mn	EV, \$ mn	P/E			EV/EBITDA			EV/S	P/BV	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
LSRG	LSR Group, Common	29.6	57.0	BUY	92%	2,777	3,989	19.2	13.6	10.6	8.6	8.4	7.4	2.3	2.1	2.6
LSRG LI	LSR Group, GDR	9.1	11.4	BUY	26%	4,243	5,455	29.3	20.7	16.2	11.8	11.5	10.1	3.1	3.3	2.6
PIK LI	Pik Group, GDR	3.6	7.2	BUY	98%	1,791	3,117	neg	neg	49.6	18.2	14.3	12.2	2.5	3.2	6.1
AFID	AFI Development, GDR	0.86	1.50	BUY	74%	901	1,106	neg	neg	63.3	42.4	32.8	13.2	10.3	0.5	6.1
MLD	MirLand Development, GDR	2.87	5.00	BUY	74%	297	511	neg	115.6	8.2	neg.	25.0	8.0	12.0	0.9	10.5
MSTT	Mostotrest	963	1070	BUY	11%	1,195	1,268	34.7	23.7	18.9	8.4	6.7	5.9	0.9	5.9	0.4

\* - multiples for companies Under Review based on Bloomberg consensus estimates

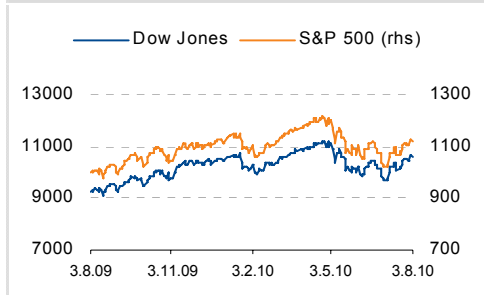
\*\* - Target price for 12 months. For other companies target price calculated at the end of 2010

**MODEL PORTFOLIO**

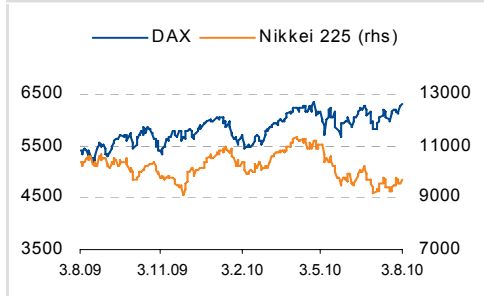
Company name and ticker	Price of purchase (22/04/2010), \$	Current Price, \$	Upside Potential			Market Cap (\$ mn)	Free float (\$ mn)	Share in RTSI	Share in Portfolio	
			1M	6M	12M					
Model Portfolio performance since last update			1.9%			since 21/04/2010		-8.9%		
<b>Cash</b>									<b>10.00%</b>	
<b>Oil &amp; Gas</b>									<b>30.00%</b>	
ROSN	Rosneft	7.53	6.85	n/a	23%	46%	65,754	9,863	7.13%	5.00%
TNBP	TNK-BP Holding	2.06	1.98	n/a	11%	21%	31,377	1,569	0.00%	10.00%
BANE	Bashneft	36.25	36.50	n/a	18%	37%	6,211	1,528	0.40%	15.00%
<b>Metals &amp; Mining</b>									<b>13.00%</b>	
RASP	Raspadskaya	4.875	4.460	14%	35%	57%	3,483	697	0.45%	5.00%
MTLR	Mechel	25.06	22.96	0%	35%	52%	0	0	0.91%	5.00%
CHMF	Severstal	12.43	12.31	0%	22%	38%	12,402	2,170	1.20%	3.00%
<b>Consumer and Retail</b>									<b>10.00%</b>	
MGNT	Magnit	88.93	98.72	2%	11%	22%	8,779	2,634	1.42%	5.00%
PHST	Pharmstandard	70.81	79.84	2%	15%	29%	3,017	302	0.30%	5.00%
<b>Machinery</b>									<b>6.00%</b>	
SVAV	Sollers	15.91	15.42	30%	49%	69%	528	185	0.10%	3.00%
SILM	Power Machines	0.209	0.242	8%	16%	28%	2,106	105	0.00%	3.00%
<b>Banks</b>									<b>10.00%</b>	
SBER	Sberbank OS	2.70	2.84	9%	23%	37%	61,387	18,416	14.60%	6.00%
STBK	Bank St-Petersburg OS	3.28	3.33	26%	35%	47%	940	165	0.00%	4.00%
<b>Utilities</b>									<b>15.00%</b>	
HYDR	RusHydro	0.0539	0.0533	4%	27%	36%	13,060	4,845	2.33%	6.00%
TGKG	TGK-7	0.0472	0.0689	4%	22%	29%	2,068	959	0.00%	4.00%
TGKK	TGK-11	0.000705	0.000560	13%	76%	102%	287	114	0.00%	2.00%
TGKM	TGK-13	0.00359	0.00362	7%	44%	59%	576	192	0.00%	3.00%
<b>Telecoms</b>									<b>3.00%</b>	
ENCO	Sibirtelecom OS	0.058	0.061	26%	n/a	n/a	731	73	0.19%	1.00%
KUBN	South Telecom OS	0.140	0.146	30%	n/a	n/a	432	43	0.00%	1.00%
SPTL	North-West Telecom OS	0.654	0.701	28%	n/a	n/a	617	62	0.14%	1.00%
<b>Real Estate / Development</b>									<b>3.00%</b>	
LSRG	LSR Group	29.64	30.00	40%	73%	117%	2,810	506	0.00%	3.00%

**STOCK INDEXES**

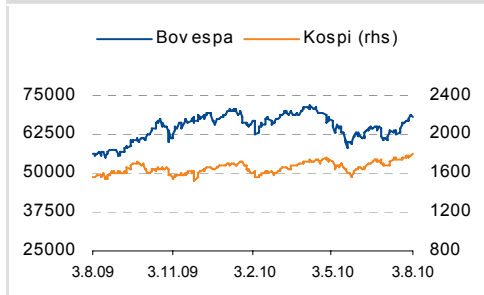
Dow Jones	10,636	-0.36%
S&P 500	1,120	-0.48%



DAX	6,308	0.25%
Nikkei 225	9,694	1.29%

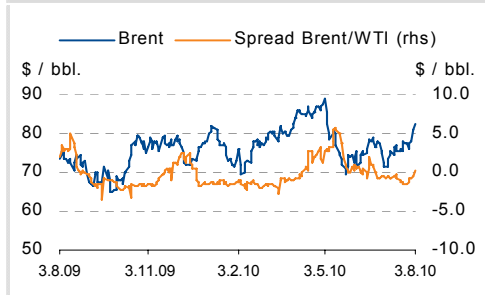


Bovespa	67,997	-0.76%
Kospi	1,791	0.47%

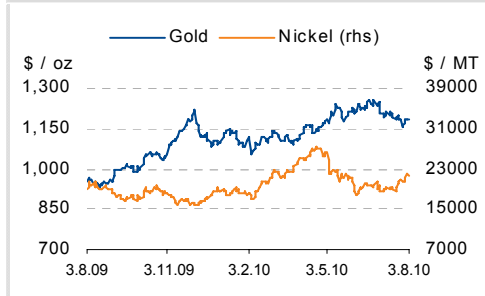


**COMMODITY FUTURES**

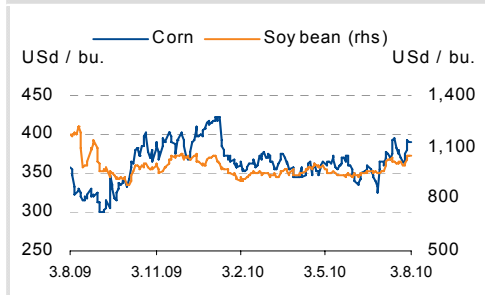
Brent	82.68	2.30%
Spread Brent/WTI	0.13	0.65



Gold	1,185	0.2%
Nickel	21,614	-1.3%

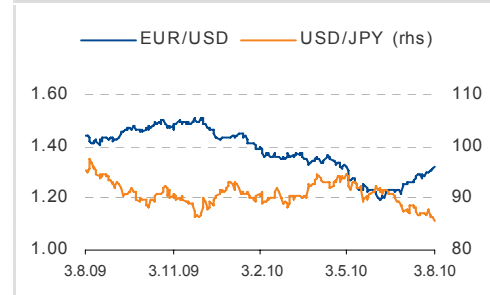


Corn	389.5	-0.26%
Soybean	1,053.5	0.02%

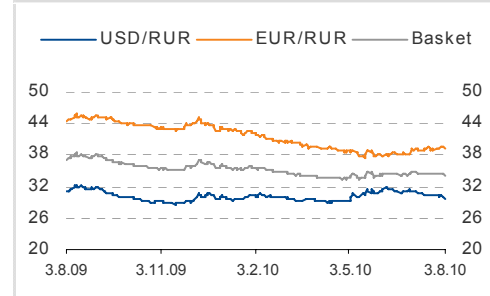


**CURRENCIES**

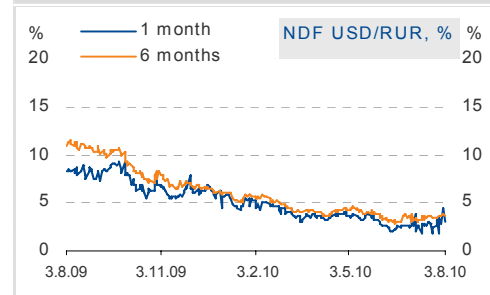
EUR/USD	1.323	0.46%
USD/JPY	85.8	-0.78%



USD/RUR	29.71	-1.06%
EUR/RUR	39.32	-0.57%

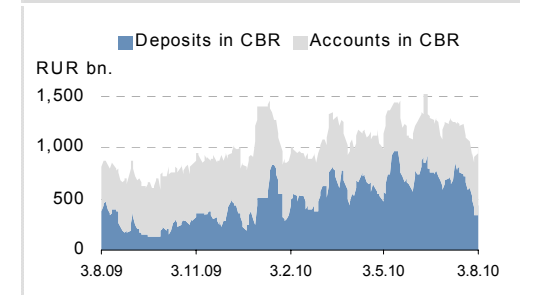


NDF USD/RUR 1m, %	3.08	-1.39
NDF USD/RUR 6m, %	3.55	-0.29

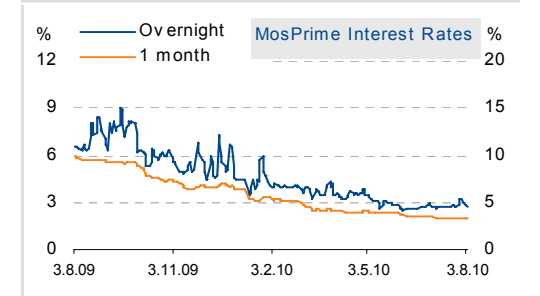


**LIQUIDITY AND INTEREST RATES**

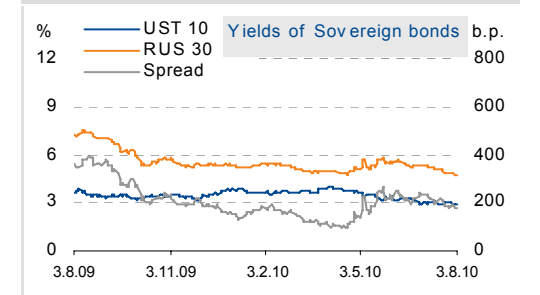
Deposits in CBR, RUR bn	440	25.4%
Accounts in CBR, RUR bn	559	-7.3%



MosPrime O/N, %	2.7	-0.10
MosPrime 1m, %	3.3	0.00



UST 10Y, %	2.91	-0.05
Russia 30Y, %	4.67	-0.05



Source: Bloomberg, Central Bank of Russia, TKB Capital estimates

**RUSSIAN ADRS & GDRS ON FOREIGN 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	13,547,905	22.38	-0.93%	GAZP RX	21.99	1.79%
ROSN LI	Rosneft	LSE	1	8,723,469	6.93	-0.29%	ROSN RX	6.85	1.16%
LKOD LI	LUKOIL	LSE	1	1,953,680	56.70	-1.73%	LKOH RX	56.10	1.07%
SGGD LI	Surgutneftegas, Common	LSE	10	973,237	10.26	-1.72%	SNGS RX	10.10	1.61%
ATAD LI	Tatneft, Common	LSE	6	257,226	31.63	-1.16%	TATN3 RX	29.19	8.36%
GAZ LI	Gazprom Neft	LSE	5	30,910	21.30	-0.79%	SIBN RX	20.95	1.65%
NVTK LI	NOVATEK	LSE	10	105,590	78.40	-0.13%	NVTK RX	72.55	8.06%
AOIL SS	Alliance Oil	OMXS	1	272,137	13.51	0.22%			
EDCL LI	Eurasia Drilling	LSE	1	30,142	21.00	-3.18%			
INTE LI	Integra	LSE	0.05	168,400	2.24	0.45%			
O2C GR	CAT Oil	XETRA	1	111,495	9.93	6.26%			
VGAS LN	Volga Gas	LSE	1	-	3.19	0.03%			
SSA LI	Sistema	LSE	20	147,855	24.85	-1.00%	AFKC RX	17.51	41.95%
MBT US	Mobile TeleSystems	NYSE	2	1,828,236	22.64	-2.03%	CMST RX	16.20	39.76%
VIP US	VimpelCom	NYSE	0.05	2,064,651	16.99	1.19%			
CMST LI	Comstar-UTS	LSE	1	2,272,066	6.51	0.46%	MTSI RX	6.51	0.07%
RKMD LI	Rostelecom, Common	LSE	6	1,612	22.39	-1.19%	RTKM RX	22.09	1.36%
CTCM US	CTC Media	NASDAQ	1	423,970	18.42	-1.23%			
SITR LI	SITRONICS	LSE	50	30,000	0.90	0.00%	SITR RU	1.13	-20.00%
VTBR LI	VTB Bank	LSE	2000	2,119,318	5.65	0.53%	VTBR RX	5.51	2.62%
VZY GR	Vozrozhdenie Bank, Common	XETRA	3/4	-	22.50	0.90%	VZRZ RX	25.27	-10.96%
FIVE LI	X5 Retail Group	LSE	0.25	164,380	36.70	-3.70%			
MGNT LI	Magnit	LSE	0.20	409,493	21.50	0.00%	MGNT RX	19.74	8.89%
PHST LI	Pharmstandard	LSE	0.25	57,000	23.65	-0.63%	PHST RX	19.96	18.49%
WBD US	Wimm-Bill-Dann Foods	NYSE	0.25	113,100	20.21	-1.37%	WBDF RX	12.09	67.14%
CHE LI	Cherkizovo Group	LSE	2/3	3,500	15.80	-1.25%	GCHE RX	15.57	1.49%
URKA LI	Uralkali	LSE	5	1,215,017	22.59	-3.46%	URKA RX	22.26	1.49%
RUSAL FP	RUSAL	Euronext	20	8,509	21.33	0.28%			
MNOD LI	Norilsk Nickel	LSE	0.1	3,993,597	16.87	-1.17%	GMKN RX	16.70	1.04%
SVST LI	Severstal	LSE	1	1,492,448	12.50	-2.27%	CHMF RX	12.31	1.57%
NLMK LI	NLMK	LSE	10	154,200	33.11	-0.93%	NLMK RX	32.80	0.96%
MMK LI	MMK	LSE	13	865,211	11.40	0.88%	MAGN RX	11.15	2.20%
MTL US	Mechel, Common	NYSE	1	2,451,009	23.20	-0.94%	MTLR RX	22.96	1.06%
EVR LI	Evrast Group	LSE	1/3	443,175	28.10	-1.23%			
PLZL LI	Polyus Gold	LSE	0.5	334,424	23.77	-0.34%	PLZL RX	22.59	5.21%
PMTL LI	Polymetal	LSE	1	17,828	13.65	1.11%	PMTL RX	13.38	2.01%
HGM LN	Highland Gold	LSE	1	65,447	1.99	0.69%			
HRG CN	High River Gold	TSX	1	98,350	0.77	1.73%			
TMKS LI	TMK	LSE	4	256,053	17.00	1.13%	TRMK RX	16.81	1.10%
CHZN LI	Chelyabinsk Zinc Plant	LSE	1	83,000	3.60	2.86%	CHZN RX	3.68	-2.10%
LSRG LI	LSR Group	LSE	0.20	64,761	9.06	-0.98%	LSRG RX	5.93	52.79%
PIK LI	PIK Group	LSE	1	1,052,433	3.63	-0.27%	PIKK RX	3.69	-1.73%
AFID LI	AFI Development	LSE	1	295,916	0.86	-0.58%			
MLD LN	MirLand Development	LSE	1	11,076	2.87	-3.08%			
HALS LI	Sistema Hals	LSE	0.05	20,000	1.38	-1.43%	HALS RX	1.35	2.23%
RUS LN	Raven Russia	LSE	1	1,526,051	0.74	5.95%			
RGI LN	RGI International	LSE	1	10,000	2.03	0.00%			
GLTR LI	Globaltrans	LSE	1	119,116	15.30	0.00%			
NCSP LI	NCSP	LSE	75	86,137	12.01	-1.56%	NMTP RX	11.91	0.87%

Source: Bloomberg, TKB Capital estimates

WEDNESDAY AUGUST 4, 2010

**WORLD EQUITY INDICES**

Index	Country	Value	Daily change, %	Weekly change, %	Monthly change, %	YTD change, %	Change of 52 week,
<b>Asia</b>							
Nikkei 225	Japan	9,694.01	1.29%	2.08%	5.33%	-8.08%	-6.36%
Hang Seng	Hong Kong	21,457.66	0.21%	2.31%	7.80%	-1.90%	3.13%
Straits Times	Singapore	3,004.21	-0.69%	0.83%	5.63%	3.68%	12.03%
Seoul Composite	South Korea	1,790.60	0.47%	1.26%	7.10%	6.41%	14.42%
Shanghai Composite	China	2,627.00	-1.70%	2.00%	10.24%	-19.84%	-24.13%
Taiwan Weighted	Taiwan	7,957.53	0.58%	2.70%	8.55%	-2.82%	12.77%
SENSEX	India	18,114.83	0.19%	0.21%	3.74%	3.72%	13.76%
<b>Europe</b>							
FTSE 100	Great Britain	5,396.48	-0.01%	0.57%	11.54%	-0.30%	15.25%
DAX	Germany	6,307.91	0.25%	1.62%	8.12%	5.88%	16.24%
CAC 40	France	3,747.51	-0.12%	2.21%	11.92%	-4.80%	7.76%
Budapest SE Index	Hungary	23,114.45	-0.17%	2.01%	9.38%	8.89%	29.27%
PX50	Czech Republic	1,189.70	-0.05%	0.03%	6.32%	6.48%	8.82%
WIG 20 TR	Poland	2,545.60	0.12%	2.56%	10.65%	6.57%	17.93%
ISE 100	Turkey	60,078.50	-1.01%	-0.42%	7.98%	13.73%	34.66%
RTS	Russia	1,517.65	-0.36%	2.45%	15.27%	5.06%	42.10%
MICEX	Russia	1,412.25	-1.20%	0.76%	9.64%	3.08%	28.51%
<b>Africa</b>							
FTSE/JSE Top 40	South Africa	25,513.06	-0.93%	0.66%	9.24%	2.06%	14.05%
Egypt CMA GENL	Egypt	588.48	0.19%	2.25%	7.55%	2.62%	-2.10%
<b>America</b>							
DJIA	USA	10,636.38	-0.36%	0.94%	9.81%	2.00%	14.54%
S&P 500	USA	1,120.46	-0.48%	0.59%	9.57%	0.48%	11.75%
NASDAQ	USA	2,283.52	-0.52%	-0.21%	9.17%	0.63%	13.69%
Bovespa	Brazil	67,997.36	-0.76%	1.98%	10.69%	-0.86%	21.43%
BUSE MERVAL	Argentina	2,440.97	-0.56%	2.25%	10.10%	5.18%	36.99%
IBC	Venezuela	64,151.44	-0.24%	0.11%	-1.55%	16.48%	39.93%
<b>Emerging markets indexes</b>							
MSCI BRIC		328.04	-0.55%	2.10%	9.56%	-1.28%	13.11%
FTSE Russia IOB Index		880.11	-1.16%	1.74%	15.56%	0.12%	20.26%
MSCI Russia		810.36	-0.71%	2.33%	15.21%	1.89%	24.68%

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	82.60	1.81%	10.02%	15.99%	6.99%	12.72%
EUCRURMD	Urals	80.39	1.25%	8.68%	15.30%	4.77%	10.97%
USCRWTIC	WTI	82.55	1.49%	6.52%	14.43%	4.02%	15.33%
GOLDLNPM	Gold	1,187.50	-0.08%	1.67%	-1.17%	9.20%	23.73%
SLVRLN	Silver	18.42	1.71%	1.43%	2.45%	8.42%	28.90%
PLAT	Platinum	1,582.50	-1.19%	3.21%	5.39%	7.98%	28.01%
PALL	Palladium	502.00	-1.33%	7.15%	16.07%	23.10%	84.22%
LMAHDY	Aluminium	2,193.75	-0.60%	7.79%	14.77%	-0.15%	12.79%
LMCADY	Copper	7,398.25	-1.16%	5.17%	15.96%	0.77%	23.29%
LMNIDY	Nickel	21,600.00	-1.29%	5.50%	15.29%	17.06%	15.06%
LMZSDY	Zinc	2,056.75	-1.84%	9.35%	17.61%	-18.67%	12.98%
MBSTCIHR	Steel HRC (FOB Black Sea)	557.50	0.00%	1.83%	-3.88%	9.85%	6.19%
MBSTUSHR	Steel HRC (USA)	565.00	0.00%	0.00%	-9.60%	11.88%	21.51%
LMSNDY	Tin	19,811.00	-0.20%	2.65%	15.23%	17.44%	28.45%
LMPBDY	Lead	2,197.00	0.32%	12.44%	27.09%	-8.53%	13.79%

**Futures**

Bloomberg code	Commodity	Value	Daily change, %	Weekly change, %	Monthly change, %	YTD change, %	Change of 52 week, %
CO1	Brent	82.68	2.30%	8.60%	15.39%	6.10%	12.41%
CL1	WTI	82.55	1.49%	6.52%	14.43%	4.02%	15.33%
HO1	Heating Oil	220.00	2.15%	10.03%	14.85%	3.83%	17.57%
PG1	Gasoline	219.35	1.15%	6.32%	10.91%	6.85%	6.00%
NG1	Natural Gas	4.64	-1.32%	-0.77%	-1.02%	-16.74%	15.08%
GC1	Gold	1,185.20	0.15%	2.35%	-1.86%	8.12%	23.90%
SI1	Silver	18.42	0.02%	4.55%	4.09%	9.51%	29.26%
PL1	Platinum	1,587.10	-0.94%	3.43%	5.86%	8.71%	28.02%
PA1	Palladium	506.45	-1.82%	8.66%	18.63%	24.36%	105.04%
LY1	Aluminium	2,221.75	-0.28%	7.49%	20.29%	14.85%	23.17%
LP1	Copper	7,405.75	-1.16%	5.13%	15.94%	0.74%	23.31%
LN1	Nickel	21,614.00	-1.30%	5.47%	15.29%	17.04%	15.07%
LX1	Zinc	2,061.75	-1.83%	9.13%	17.50%	-18.66%	12.94%
LT1	Tin	19,822.00	-0.20%	2.62%	15.27%	17.34%	28.42%
LL1	Lead	2,201.50	0.31%	12.25%	26.96%	-8.61%	13.93%
API21MON	Steam Coal	95.77	0.88%	3.45%	1.77%	16.37%	38.14%
CCKPTAIY Index	Coking Coal	1,580.00	0.00%	0.00%	-4.24%	-7.06%	-7.06%
MBFOFO01 Index	Iron Ore	141.00	0.00%	4.06%	1.08%	26.46%	40.30%
SB1	Sugar	18.59	-4.18%	0.92%	11.32%	-31.02%	-2.87%
CC1	Cocoa	3,058.00	-0.78%	2.62%	4.69%	-7.02%	4.19%
KC1	Coffee	166.65	-3.39%	1.77%	2.68%	22.58%	25.25%
C 1	Corn	389.50	-0.26%	7.37%	7.01%	-6.03%	8.80%
W 1	Wheat	680.00	-1.91%	14.29%	39.42%	25.58%	23.81%
S 1	Soybean	1,053.50	0.02%	5.56%	9.43%	1.32%	-10.23%
CT1	Cotton	84.51	0.79%	3.76%	3.52%	11.79%	39.32%

**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)	29.71	-1.06%	-1.76%	-4.52%	-1.09%	-4.07%
EURRUB Curncy	Euro (rubles per 1 euro)	39.32	-0.57%	0.12%	0.48%	-8.71%	-11.88%
RUBBASK Curncy	Basket \$0.55/0.45€ (rubles)	34.03	-0.80%	-0.78%	-1.98%	-5.35%	-8.22%
EUR Curncy	Euro (\$ per 1 euro)	1.323	0.46%	1.88%	5.46%	-7.69%	-8.16%
GBP Curncy	British Pound Sterling (\$ per 1 pound)	1.593	0.28%	2.34%	4.88%	-1.35%	-6.03%
JPY Curncy	Japanese Yen (yen per \$1)	85.78	-0.78%	-2.36%	-2.16%	-7.90%	-9.94%
CHF Curncy	Swiss Franc (francs per \$1)	1.038	-0.08%	-2.21%	-2.57%	0.33%	-2.07%
CNY Curncy	Chinese Yuan (yuan per \$1)	6.773	-0.02%	-0.04%	0.02%	-0.79%	-0.85%
BRL Curncy	Brazilian Real (reals per \$1)	1.760	0.70%	-0.31%	-1.15%	1.02%	-4.02%
MXN Curncy	Mexican Peso (pesos per \$1)	12.59	0.09%	-0.56%	-3.79%	-3.74%	-4.13%
TRY Curncy	Turkish Lira (liras per \$1)	1.494	-0.06%	-1.18%	-4.74%	0.05%	2.50%
INR Curncy	Indian Rupee (rupee per \$1)	46.15	0.00%	-1.20%	-1.37%	-0.81%	-3.12%
KRW Curncy	S.Korean Won (won per \$1)	1,171.6	-0.17%	-0.91%	-4.99%	1.17%	-3.69%

**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	0.240	0.000	-0.005	-0.055	0.072	0.008
US0001M Index	LIBOR 1Month	0.300	-0.003	-0.021	-0.048	0.069	0.024
US0003M Index	LIBOR 3Months	0.435	-0.010	-0.047	-0.099	0.184	-0.037
EUR001M Index	EURIBOR 1Month	0.648	0.002	0.010	0.135	0.195	0.122
EUR003M Index	EURIBOR 3Months	0.899	0.001	0.006	0.109	0.199	0.013
MOSKON Index	MosPrime Overnight	2.740	-0.100	-0.510	0.080	-1.710	-3.840
MOSK1W Index	MosPrime 1Week	3.000	-0.060	-0.210	0.110	-1.600	-4.580
MOSK2W Index	MosPrime 2Weeks	3.110	-0.010	-0.070	-0.020	-1.840	-5.150
MOSKP1 Index	MosPrime 1Month	3.320	0.000	-0.060	-0.120	-3.000	-6.610
MOSKP3 Index	MosPrime 3Months	3.810	0.000	-0.080	-0.140	-3.240	-7.900

**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.
RRN1M Curncy	1 Month	3.08	-1.39	-0.09	0.03	-2.66	-5.16
RRN3M Curncy	3 Months	3.14	-0.07	-0.06	-0.10	-4.38	-6.46
RRN6M Curncy	6 Months	3.55	-0.29	0.02	-0.19	-2.50	-7.46
RRN12M Curncy	1 Year	4.14	-0.04	-0.21	-0.02	-2.32	-8.09

Source: Bloomberg, TKB Capital estimates

**MACROECONOMICS: STATISTICS & EVENTS CALENDAR**

Date	Time	Indicator	Period	Survey	Actual	Prior	Revised
<b>02.08.2010</b> MONDAY		EU 12:00 PMI Manufacturing	JUL	56.5	56.7	56.5	--
		UK 12:30 PMI Manufacturing	JUL	57.0	57.3	57.5	57.6
		US 18:00 ISM Manufacturing	JUL	54.5	55.5	56.2	--
		US 18:00 ISM Prices Paid	JUL	55.0	57.5	57.0	--
		US 18:00 Construction Spending MoM	JUN	-0.50%	0.10%	-0.20%	-1.00%
<b>03.08.2010</b> THUESDAY		UK 12:30 PMI Construction	JUL	58.0	54.1	58.4	--
		EU 13:00 Euro-Zone PPI (MoM)	JUN	0.4%	0.3%	0.3%	--
		EU 13:00 Euro-Zone PPI (YoY)	JUN	3.1%	3.0%	3.1%	--
		US 16:30 Personal Income	JUN	0.2%	0.0%	0.4%	0.3%
		US 16:30 Personal Spending	JUN	0.1%	0.0%	0.2%	0.1%
		US 16:30 PCE Deflator (YoY)	JUN	1.3%	1.4%	1.9%	2.1%
		US 16:30 PCE Core (MoM)	JUN	0.1%	0.0%	0.2%	0.1%
		US 16:30 PCE Core (YoY)	JUN	1.3%	1.4%	1.3%	1.5%
		US 18:00 Factory Orders	JUN	-0.5%	-1.2%	-1.4%	-1.8%
		US 18:00 Pending Home Sales MoM	JUN	4.0%	-2.6%	-30.0%	-29.9%
		US 18:00 Pending Home Sales YoY	JUN	--	-20.1%	-15.6%	--
<b>04.08.2010</b> WEDNESDAY		US 1:00 ABC Consumer Confidence	AUG 1	-46	-50	-48	--
		US 1:00 Domestic Vehicle Sales	JUL	8.90M	9.11M	8.57M	--
		US 1:00 Total Vehicle Sales	JUL	11.60M	11.85M	11.08M	--
		EU 12:00 PMI Services	JUL	56.0	--	56.0	--
		EU 12:00 PMI Composite	JUL	56.7	--	56.7	--
		UK 12:30 PMI Services	JUL	54.5	--	54.4	--
		UK 12:30 Official Reserves (Changes)	JUL	--	--	\$435M	--
		EU 13:00 Euro-Zone Retail Sales (YoY)	JUN	0.1%	--	0.3%	0.2%
		EU 13:00 Euro-Zone Retail Sales (MoM)	JUN	0.0%	--	0.2%	0.1%
		US 15:00 MBA Mortgage Applications	JUL 30	--	--	-4.4%	--
		US 15:30 Challenger Job Cuts YoY	JUL	--	--	-47.1%	--
		US 16:15 ADP Employment Change	JUL	35K	--	13K	--
		US 18:00 ISM Non-Manf. Composite	JUL	53.0	--	53.8	--



**MACROECONOMICS: STATISTICS & EVENTS CALENDAR** (CONTINUED)

Date	Time	Indicator	Period	Survey	Actual	Prior	Revised
<b>05.08.2010</b> THURSDAY		 UK New Car Registrations (YoY)	JUL	--	--	10.80%	--
	15:00	 UK BOE Asset Purchase Target	AUG	200B	--	200B	--
	15:00	 UK BOE ANNOUNCES RATES	AUG 5	0.50%	--	0.50%	--
	15:45	 EU ECB Announces Interest Rates	AUG 5	1.00%	--	1.00%	--
	16:30	 US Initial Jobless Claims	JUL 31	455K	--	457K	--
	16:30	 US Continuing Claims	JUL 24	4520K	--	4565K	--
	18:30	 US ICSC Chain Store Sales YoY	JUL	--	--	3.00%	--
<b>06.08.2010</b> FRIDAY	12:30	 UK PPI Input NSA (MoM)	JUL	-0.50%	--	-0.20%	--
	12:30	 UK PPI Input NSA (YoY)	JUL	11.40%	--	10.70%	--
	12:30	 UK PPI Output n.s.a. (MoM)	JUL	0.00%	--	-0.30%	--
	12:30	 UK PPI Output n.s.a. (YoY)	JUL	4.90%	--	5.10%	--
	12:30	 UK PPI Output Core NSA (MoM)	JUL	0.10%	--	-0.30%	--
	12:30	 UK PPI Output Core NSA (YoY)	JUL	4.50%	--	4.80%	--
	12:30	 UK Industrial Production (MoM)	JUN	0.10%	--	0.70%	--
	12:30	 UK Industrial Production (YoY)	JUN	1.90%	--	2.60%	--
	12:30	 UK Manufacturing Production (MoM)	JUN	0.40%	--	0.30%	--
	12:30	 UK Manufacturing Production (YoY)	JUN	4.10%	--	4.30%	--
	16:30	 US Change in Nonfarm Payrolls	JUL	-60K	--	-125K	--
	16:30	 US Change in Private Payrolls	JUL	90K	--	83K	--
	16:30	 US Change in Manufact. Payrolls	JUL	10K	--	9K	--
	16:30	 US Unemployment Rate	JUL	9.60%	--	9.50%	--
	16:30	 US Avg Hourly Earning YOY All Emp	JUL	1.60%	--	1.70%	--
	16:30	 US Avg Hourly Earning MOM All Emp	JUL	0.10%	--	-0.10%	--
	16:30	 US Avg Weekly Hours All Employees	JUL	34.1	--	34.1	--
		 UK NIESR GDP Estimate	JUL	--	--	0.70%	--
23:00	 US Consumer Credit	JUN	-\$5.6B	--	-\$9.1B	--	

**CORPORATE EVENTS CALENDAR**

Date	Company	Ticker	Sector	Event
mid-August	Novatek	NVTK	Oil and gas	6M10 results under IFRS
2nd week of August			Machinery	July car and LCV sales in Russia according to AEB
August, 13	OGK-2	OGKB	Utilities	1H10 results under RAS
August, 14	FGC	FEES	Utilities	1H10 results under RAS
first half of August	Bashneft	BANE	Oil and gas	6M results under RAS
first half of August	Ufaneftekhim	UFNC	Oil and gas	6M10 results under RAS
first half of August	Ufa refinery	UNPZ	Oil and gas	6M10 results under RAS
first half of August	Novo-Ufa refinery (Novoil)	NUNZ	Oil and gas	6M results under RAS
first half of August	Ufaorgsintez	UFOS	Oil and gas	6M10 results under RAS
first half of August	Bashkitnefteprodukt	BANP	Oil and gas	6M results under RAS
first half of August	Sibneftegeophysika	SNGF	Oil and gas	6M results under RAS
first half of August	Bashneftegeophysika	BNGF	Oil and gas	6M results under RAS
first half of August	Saratovneftegeophysika	SRGF	Oil and gas	6M results under RAS
first half of August	Bugulminsky Electric Pump Plant	BUNZ	Oil and gas	6M results under RAS
first half of August	Gazprom neft-NNGGF	SNNG	Oil and gas	6M results under RAS
first half of August	Volgogradneftegeophysika	VNGF	Oil and gas	6M results under RAS
first half of August	Volgaburmash	VBUM	Oil and gas	6M results under RAS
August, 16	OGK-4	OGKD	Utilities	1H10 results under RAS
August, 13-17	AVTOVAZ	AVAZ	Machinery	6M10 results under RAS
August, 13-17	KAMAZ	KMAZ	Machinery	6M10 results under RAS
August, 13-17	Power Machines	SILM	Machinery	6M10 results under RAS
August, 13-17	Ulan-Ude Avia Plant	UUAZ	Machinery	6M10 results under RAS
August, 13-17	Kazan Helicopters	KHEL	Machinery	6M10 results under RAS
August, 13-17	Rostvertol	RTVL	Machinery	6M10 results under RAS
August, 13-17	Mashinostroitelny Zavod	MASZ	Machinery	6M10 results under RAS
August, 13-17	NCCP	NZHK	Machinery	6M10 results under RAS
August, 18	Bank Vozrozhdenie	VZRZ	Banks	6M10 results under RAS
last week of August	Alliance Oil	AOIL SS	Oil and gas	6M10 results under IFRS
August, 26	X5 Retail Group	FVE	Consumer & Retail	2Q10 and 1H10 results under IFRS (audited)
last week of August	Lukoil	LKOH	Oil and gas	6M10 GAAP under US GAAP

Source: TKB Capital estimates

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