

COMMENT

Upbeat sentiments on global stock markets were short-lived, the key indicators reversed to the levels which had been achieved before Fed Chairman's speech in Wyoming. July personal incomes in the US undershot analysts' expectations, and fears of a double-dip recession again came to the forefront. In fact, personal incomes appeared rather good but now the market pays much more attention to any negative signs.

Asian market is trading mainly in red. China's authorities allowed exporters not to sell all their export-based revenue and allocate it on foreign banks' accounts. This would enable the Central Bank of China not to accumulate huge reserves and not to issue the respective amount of yuans. As a result, inflationary pressure should ease. This news is unlikely favorable for commodities market as local prices in China often drew global prices – the best example is metals market. All in all, external background for the Russian market looks pessimistic. However, selected sectors may continue moving north backed by internal newsflow as telecoms and machinery did yesterday.

NEWS

- **FAS allowed InterRAO (IRAO) to take control over TGK-7 (VTGK)**
- **Severstal (SVST LI) to finish HDGL reconstruction this October**
- **Rusal (RUSAL FP) increased revenue by 42% y-o-y in 1H10**
- **Power Machines (SILM) released 1H10 IFRS results: margins improved**

CALENDAR

Time	Event	Month	Expectations
12:30	UK statistics:		
	M4 ExOFCs 3M Annualised	JUL	-- (6.0% in June)
	Net Consumer Credit	JUL	0.0B (-0.1B in June)
	Net Lending Sec. on Dwellings	JUL	0.7B (0.7B in June)
	Mortgage Approvals	JUL	46.5K (47.6K in June)
	M4 Money Supply (MoM)	JUL	-- (0.4% in June)
	M4 Money Supply (YoY)	JUL	-- (2.3% in June)
13:00	EU statistics:		
	Euro-Zone CPI Estimate (YoY)	AUG	1.6% (1.7% in July)
	Euro-Zone Unemployment Rate	JUL	10.0% (10.0% in June)
	US statistics:		
17:00	S&P/CaseShiller Home Price Ind	JUN	-- (146.43 in May)
17:00	S&P/ICS 20 City MoM% SA	JUN	0.20% (0.47% in May)
17:00	S&P/ICS Composite-20 YoY	JUN	3.50% (4.61% in May)
17:00	S&P/Case-Shiller US HPI	2Q10	-- (131.8 for previous)
17:00	S&P/Case-Shiller US HPI YOY%	2Q10	-- (2.0% for previous)
17:45	Chicago Purchasing Manager	AUG	57.0 (62.3 in July)
18:00	Consumer Confidence	AUG	50.7 (50.4 in July)
18:00	NAPM-Milwaukee	AUG	60.3 (66.0 in July)

Indicator	Value	Change	
		1 day	1 week
31.08.2010			
Nikkei 225	8,894	-2.8%	-1.1%
Hang Seng	20,513	-1.1%	-0.7%
Shanghai Composite	2,640	-0.5%	-0.4%
30.08.2010			
DJIA	10,010	-1.4%	-1.6%
S&P 500	1,049	-1.5%	-1.7%
NASDAQ	2,120	-1.6%	-1.8%
Bovespa	64,261	-2.0%	-2.6%
FTSE 100	5,202	0.0%	-0.6%
DAX	5,912	-0.7%	-1.6%
CAC 40	3,487	-0.6%	-1.9%
RTS	1,427	0.4%	0.1%
MICEX	1,371	0.3%	0.3%
MSCI BRIC	313	-0.3%	-1.7%
MSCI Russia	756	0.1%	-0.8%
Brent	76.6	-0.1%	4.0%
WTI	74.7	-0.6%	2.2%
Gold	1,238.0	0.2%	0.9%
Silver	19.0	0.0%	5.8%
Nickel	21,009	0.0%	-0.7%
Corn	425.5	1.3%	-3.0%
Wheat	671.3	-0.4%	1.1%
Soybean	1,018.0	0.4%	2.0%
LIBOR 3 month	0.30	0.00	-0.02
EURIBOR 3 month	0.89	0.00	0.00
MosPrime 1 week	3.01	0.01	0.02
MosPrime 1 month	3.28	-0.01	0.00
USD/RUR	30.74	0.4%	0.3%
EUR/USD	1.268	-0.5%	0.1%
GBP/USD	1.547	-0.3%	-0.3%
USD/JPY	84.72	-0.6%	-0.7%
1 month	2.75	0.09	0.77
3 months	3.14	-0.08	0.35
6 months	3.52	-0.09	0.16
UST 10	2.53	-0.12	-0.07
Russia 30	4.42	-0.02	0.14

Source: Bloomberg, TKB Capital estimates

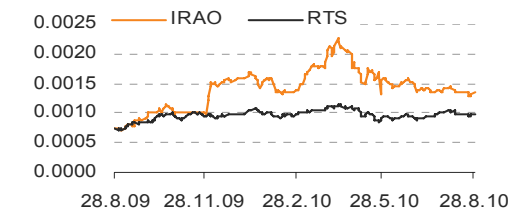
UTILITIES
FAS allowed InterRAO (IRAO) to take control over TGK-7 (VTGK). POSITIVE

FAS gave the permission. Federal Antimonopoly Service (FAS) allowed Inter RAO UES (IRAO) to take control over more than 25% of Volga TGK (VTGK) setting a number of conditions, including the sale of generation stations, according to the company's press-release. Inter RAO plans to get a stake, which is on the balance of FGC (more than 30%). According to Interfax source close to the deal, it could happen in the near future. According to the FAS decision, the company within one year after taking control of TGK-7 will need either to sell power facilities with total capacity of 2,513 MW or to adhere to behavioral conditions on the wholesale electricity market, reporting on the pricing of electricity produced, since in this region there are other generation facilities, affiliated with Inter RAO that will increase the market power of the company. At the moment, Inter RAO is ready to comply with FAS regarding behavioral conditions, so there is no need to sell generation assets.

We view the news as positive for Volga TGK performance since already at least three potential investors are willing to own the company. As a reminder, recently it was reported that IES Holding's stake in Volga TGC may be close to the controlling one. Inter RAO's stake is likely to reach 30% soon. Gazprom repeatedly stated its desire receive a stake in the genco. Therefore, in our opinion, sooner or later there will be either a sell or a asset swap, followed by obligatory buy-out offers from new owners, which may be positive for the Volga TGK minority shareholders. Volga TGK was not included in the consolidation scheme of IES Holding's generation assets. Therefore, in our opinion, the intrigue surrounding the shares of Volga TGC remains that may revive the rally of the stock

Inter RAO		IRAO	
Price, \$		0.0013	
Recommendation		UR	
Target, \$		-	
Upside		-	
MC, \$ mn	3,045	EV, \$ mn	3,786
	2009	2010E	2011E
P/E	her	17.2	16.1
EV/EBITDA	her	8.1	6.2

Source: MICEX, Bloomberg consensus estimates



Source: MICEX, TKB Capital estimates

METALS & MINING
Severstal (SVST LI) to finish HDGL reconstruction this October. POSITIVE

The steel company is finishing HDGL reconstruction in Cherepovets. According to Interfax, Severstal is likely to finish hot-dip galvanized line (HDGL) reconstruction on Cherepovets in October, 2010. Capital expenditures into this project are estimated at around RUR2 bn (\$65 mn). As a result, Cherepovets mill's galvanized sheet capacity would increase two-fold to 400,000 tons per year.

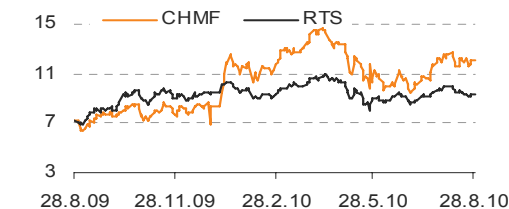
Coated sheet capacities are on the rise. Also Cherepovets mill has started the installation of equipment of the polymer coating line #2 with 200,000 tons capacities. Thus, Cherepovets mill's coated sheet capacities should double in December, 2011.

We confirm our BUY recommendation on the stock. We regard this news as positive for Severstal performance. Galvanized and coated sheets are value added products. Thus, increase in their production should have a positive impact on the company's profitability. We maintain our positive view on Severstal and recommend BUY the stock with the target price of \$15.5 per common share and GDR.

Evgeny Ryabkov e.ryabkov@tkbc.ru

Severstal	CHMF	SVST	
Price, \$	12.07	12.01	
Recommendation	BUY	BUY	
Target, \$	15.50	15.50	
Upside	28%	29%	
MC, \$ mn	12,163	EV, \$ mn	16,533
	2009	2010E	2011E
P/E	her	13.0	8.5
EV/EBITDA	20.4	5.3	4.5

Source: MICEX, TKB Capital estimates



Source: MICEX, RTS, TKB Capital estimates

METALS & MINING

Rusal (RUSAL FP) increased revenue by 42% y-o-y in 1H10. POSITIVE

1H10 EBITDA margin came at 25%. Rusal has announced IFRS 1H10 financial statement today. The company's revenue increased by 41.6% y-o-y to \$5,321 mn. EBITDA was \$1,325 mn in comparison with 1H09 loss of \$144 mn, EBITDA margin stood at 25%. Net income amounted to \$1,268 mn vs. \$868 mn net loss in 1H09. 1H10 aluminum output rose 1% y-o-y to 1.996 mn tons.

Strong financials, above expectations. We regard this news as positive for Rusal. The company showed strong financial results, which beat expectations. This is attributable mainly to aluminum price growth in 1H10 (+16% y-o-y), average cash cost decrease (-2.3% y-o-y to \$1,666 per ton) and aluminum production growth. Now we do not have an official recommendation on the stock.

Rusal 1H10 key financials, \$ mn

	1H10	1H09	y-o-y	Interfax consensus	diff.
Revenue	5,321	3,757	42%	5,175	3%
EBITDA	1,325	-144		1,177	13%
Net income	1,268	-868		623	104%
Average cash cost, \$/t	1,666	1,705	2.30%		
EBITDA margin	25%			23%	
Net margin	24%			12%	

Source: Company data

TUESDAY AUGUST 31, 2010

Artem Lavrishev a.lavrishev@tkbc.ru

MACHINERY
Power Machines (SILM) released 1H10 IFRS results: margins improved. POSITIVE

The company's IFRS results showed the same tendencies as in previously posted RAS financials. Yesterday, Power Machines published IFRS results for 1H10. The biggest Russian power equipment producer's sales stayed practically flat – down by 1% y-o-y to \$711 mn. At the same time, the company's EBITDA advanced 60% y-o-y to \$147 mn, which provided EBITDA margin of 20.7% vs. 12.8% for 1H09. Due to the lower impact in 1H10 from loss making contracts signed in 2004-2005 Power Machines' net income advanced 84% y-o-y to \$98 mn, net margin increased to 13.8% vs. 7.4% in 1H09. We believe the company's IFRS results reflect trends evidenced in previously published RAS financials and consider the power equipment producer's efficiency to keep improving.

Attractive multiples and buyout offer. Power Machines' 2011E EV/EBITDA equals 4.8 vs. 8.5 on average for foreign peers (according to Bloomberg consensus), which implies a discount of 44%. We remind that on 12 August Highstat Limited owned by Alexey Mordashov announced a buyout offer to Power Machines' minorities of 2.61 bn shares, which equals 29.94% of the company's charter capital. As of June 30, 2010 Highstat Limited owned 70.06% in Power Machines, Siemens – 25.00%. A buyout price was set at RUR6.9948 per share (or \$0.23/share) that is 2% below the company's current market quotes. Mordashov's offer is in force till mid-October.

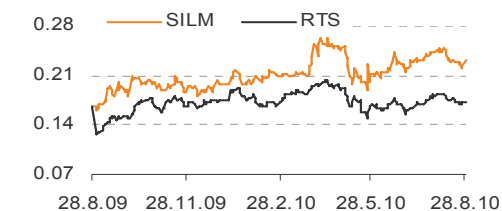
Power Machines IFRS financials for 1H10

\$ mn	1H10	1H09	y-o-y
Revenue	710.8	721.4	-1%
Cost of sales	-498.4	-554.9	-10%
Gross profit	212.4	166.5	28%
- gross margin	30%	23%	
EBITDA	147.2	92.2	60%
- EBITDA margin	21%	13%	
Net income	97.8	53.1	84%
- net margin	14%	7%	

Source: Power Machines, TKB Capital estimates

Power Machines	SILM		
Price, \$	0.23		
Recommendation	UR		
Target, \$	-		
Upside	-		
MC, \$ mn	2,026	EV, \$ mn	1,773
	2009	2010E	2011E
P/E	10.9	10.2	9.2
EV/EBITDA	6.1	5.5	4.8

Source: MICEX, Bloomberg consensus estimates



Source: MICEX, RTS, 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	5.18	UR	UR	UR	121,722	165,634	4.6	4.3	4.1	4.7	3.7	3.4	1.5	0.6	1.0
ROSN	** Rosneft	6.39	8.5	BUY	33%	61,277	76,379	9.4	6.3	9.2	5.6	4.4	5.5	1.2	1.2	0.9
LKOH	** LUKOIL	53.9	74.0	BUY	37%	45,648	53,407	6.5	5.4	5.9	3.8	3.6	4.0	0.5	0.8	0.5
SNGS	* Surgutneftegas	0.92	UR	UR	UR	36,155	23,344	10.1	7.3	7.8	5.7	3.2	3.3	1.0	0.9	neg
SNGSP	* Surgutneftegas, Pref	0.42	UR	UR	UR											
SIBN	** Gazprom Neft	3.80	4.50	HOLD	18%	17,950	23,367	6.0	6.0	5.9	4.6	4.1	4.0	0.8	1.1	1.0
tnbp	** TNK-BP Holding	2.03	2.80	BUY	38%	31,231	32,973	6.0	5.1	5.4	4.1	3.4	3.6	0.8	1.6	0.2
tnbpp	** TNK-BP Holding, Pref	1.75	2.50	BUY	43%											
TATN	* Tatneft	4.63	UR	UR	UR	10,107	11,701	5.9	5.8	4.7	4.5	4.3	3.4	0.8	0.9	0.6
TATNP	* Tatneft, Pref	2.28	UR	UR	UR											
BANE	* Bashneft	37.25	UR	UR	UR	7,366	9,246	23.0	6.2	4.9	13.6	3.8	3.2	0.8	n/a	0.8
BANEP	* Bashneft, Pref	29.68	UR	UR	UR											
NVTK	* NOVATEK	7.03	UR	UR	UR	21,302	22,163	26.0	16.4	13.4	17.7	11.7	9.5	5.6	4.4	0.5

Metals & 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	171.9	UR	UR	UR	32,767	34,499	12.6	7.9	7.3	7.8	5.1	4.8	2.5	2.2	0.3
CHMF	Severstal	12.07	15.50	BUY	28%	12,163	16,533	neg	13.0	8.5	20.4	5.3	4.5	1.0	1.6	1.4
NLMK	NLMK	2.98	3.21	HOLD	8%	17,864	19,068	83.1	12.7	10.8	13.2	6.2	5.4	2.3	2.2	0.4
MAGN	MMK	0.86	1.06	BUY	24%	9,574	11,801	43.7	12.9	8.5	11.8	6.2	5.0	1.6	1.0	1.2
MTL	Mechel, ADR	22.04	29.50	BUY	34%	9,175	14,757	120.2	9.7	7.2	14.8	7.1	5.0	1.7	2.3	2.7
EVR	* Evraz Group, GDR	26.10	UR	UR	UR	10,356	18,160	neg	11.2	7.5	14.7	6.7	5.6	1.5	1.0	2.9
PLZL	* Polyus Gold	45.28	UR	UR	UR	8,632	8,658	26.8	16.5	13.2	16.2	9.8	8.5	5.1	2.7	0.0
PMTL	* Polymetal	11.76	UR	UR	UR	3,705	4,125	38.6	18.1	11.2	17.5	10.7	7.7	4.8	4.0	1.1
TRMK	* TMK	3.84	UR	UR	UR	3,356	6,863	neg	9.9	6.3	21.4	6.4	5.6	1.3	2.2	3.3
RASP	Raspadsкая	4.70	8.50	BUY	81%	3,673	3,976	31.4	13.3	8.4	15.3	8.5	5.7	5.2	2.9	0.7
BLNG	Belon	0.84	1.29	BUY	54%	965	1,281	61.9	10.8	10.0	11.4	6.6	6.3	1.6	2.0	1.6
unkl	Yuzhuralnickel	289.0	472.0	BUY	63%	173	21	255.9	11.4	7.4	neg	0.7	0.5	0.1	0.1	0.1
AMEZ	Ashinskiy Steel Works	0.410	0.579	BUY	41%	204	277	12.2	4.7	8.3	5.5	3.1	4.1	0.8	0.5	0.8
VSMZ	Vyksa Steel Works	1391	1740	BUY	25%	2,389	2,459	9.8	5.6	4.0	4.8	3.7	2.9	0.8	0.9	0.8
CHZN	Chelyabinsk Zinc Plant	3.71	4.64	HOLD	25%	201	188	10.1	5.7	4.2	2.9	2.6	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%	14,065	11,359	22.5	17.9	9.2	10.1	5.9	3.5	2.7	0.5	neg
HYDR	RusHydro	0.052	0.072	BUY	38%	14,013	15,040	14.2	9.4	7.7	9.3	6.7	5.1	1.1	0.9	0.5
IRAO	* INTER RAO UES	0.0013	UR	UR	UR	3,045	3,786	neg	17.2	16.1	neg.	8.1	6.2	1.3	1.6	1.6
OGKA	* OGK-1	0.035	UR	UR	UR	1,569	1,614	15.9	14.7	7.6	10.8	6.3	4.0	0.9	1.3	0.2
OGKB	* OGK-2	0.050	UR	UR	UR	1,640	1,907	47.4	29.7	12.3	18.7	11.8	6.3	1.2	1.3	1.6
OGKC	* OGK-3	0.050	UR	UR	UR	2,396	693	17.6	26.1	19.1	5.4	6.5	4.2	0.5	0.7	neg
OGKD	OGK-4	0.077	0.118	BUY	53%	4,868	4,302	23.7	19.4	12.5	18.6	11.5	6.7	2.5	1.8	neg
OGKE	* EneI OGK-5	0.083	UR	UR	UR	2,921	3,501	28.9	24.9	9.9	14.3	11.3	6.3	2.1	1.4	1.9
OGKF	* OGK-6	0.036	UR	UR	UR	1,169	1,294	15.1	180.2	40.3	7.7	10.7	6.6	0.9	0.6	1.0
TGKA	* TGC-1	0.00069	UR	UR	UR	2,649	3,131	10.0	15.4	7.5	12.8	7.7	4.6	1.9	1.2	1.2
TGKB	* TGC-2	0.00024	UR	UR	UR	361	627	neg	16.1	7.6	9.4	4.2	2.9	0.6	0.5	1.8
TGKBP	* TGC-2, Pref	0.00025	UR	UR	UR											
MSNG	* Mosenergo	0.103	UR	UR	UR	4,085	4,635	77.9	26.1	13.5	10.3	7.1	5.4	1.0	0.7	0.8
TGKD	* TGC-4	0.00048	UR	UR	UR	929	892	neg	18.0	21.5	neg.	4.5	3.3	0.7	1.0	neg
TGKDP	* TGC-4, Pref	0.00025	UR	UR	UR											
TGKE	* TGC-5	0.00054	UR	UR	UR	669	708	22.6	15.1	10.2	15.4	8.1	5.0	1.0	0.7	0.4
TGKF	* TGC-6	0.00047	UR	UR	UR	868	1,132	52.2	9.0	9.0	15.1	6.3	7.1	1.2	n/a	1.5
TGKG	* Volga TGC (TGC-7)	0.079	UR	UR	UR	2,386	2,406	24.5	18.3	12.8	11.6	8.2	7.2	1.1	1.6	0.1
TGKI	* TGC-9	0.00017	UR	UR	UR	1,328	1,717	10.0	13.0	7.3	8.8	7.4	5.6	0.9	1.0	1.7
TGKJ	* Fortum, TGC-10	1.36	UR	UR	UR	1,202	1,195	10.3	10.8	10.0	12.7	9.9	5.2	1.2	0.5	neg
TGKK	TGC-11	0.00062	0.00113	BUY	84%	316	313	5.5	5.8	4.2	4.0	4.6	3.2	0.6	0.7	neg
KZBE	* Kusbassenergo	0.0127	UR	UR	UR	896	986	82.7	11.8	29.3	10.9	4.2	4.9	0.9	0.9	0.4
TGKM	* Yenisei TGC (TGC-13)	0.0040	UR	UR	UR	642	735	96.9	102.3	13.3	11.3	6.2	3.3	1.0	0.6	0.8
TGKN	* TGC-14	0.00013	UR	UR	UR	181	119	neg	9.1	4.6	neg.	3.6	2.0	0.5	0.7	neg
MRKH	* Holding MRSK	0.128	UR	UR	UR	5,440	9,497	12.4	9.1	16.6	3.5	4.4	4.0	0.9	0.5	1.9
MRKHP	* Holding MRSK, Pref	0.089	UR	UR	UR											
LSNG	* Lenenergo	0.75	UR	UR	UR	778	1,235	9.5	8.6	11.6	4.7	3.7	4.0	1.3	0.5	1.4
LSNGP	* Lenenergo, Pref	0.89	UR	UR	UR											
MRKC	* IDGC of Centre	0.037	UR	UR	UR	1,569	2,001	23.6	9.5	4.4	6.7	4.6	3.0	1.1	1.7	1.0
MRKK	* IDGC of Northern Caucasus	4.92	UR	UR	UR	145	179	neg	neg	38.3	6.5	3.8	3.1	0.5	0.3	0.7
MRKP	* IDGC of Center and Volga Region	0.0068	UR	UR	UR	767	1,109	56.8	23.1	4.2	5.5	4.9	2.7	0.7	0.6	1.5
MRKS	* IDGC of Siberia	0.0087	UR	UR	UR	775	993	neg	neg	9.9	8.8	7.0	4.0	0.7	0.9	1.5
MRKU	* IDGC of of Urals	0.0086	UR	UR	UR	752	903	22.6	5.9	4.4	4.2	3.1	2.7	0.5	0.8	0.5
MRKV	* IDGC of Volga	0.0034	UR	UR	UR	602	788	14.6	12.0	7.1	5.1	4.5	3.4	0.7	0.9	1.1
MRKY	* IDGC of South	0.0050	UR	UR	UR	248	640	neg	14.6	3.8	5.3	4.5	3.0	0.9	0.4	2.7
MRKZ	* IDGC of North-West	0.0066	UR	UR	UR	634	774	419.6	neg	14.5	7.7	6.4	4.9	0.8	0.9	1.2
MSRS	* MOESK	0.044	UR	UR	UR	2,163	3,678	6.4	5.4	4.2	3.8	3.5	3.3	1.2	0.7	1.4

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	13.21	18.80	BUY	42%	2,089	2,378	17.4	11.0	7.8	8.5	7.2	5.5	2.9	3.4	0.9
AFLT	* Aeroflot	1.99	UR	UR	UR	2,207	3,797	24.7	13.1	9.6	9.0	6.0	4.5	0.9	2.2	2.5
UTAR	* Utair Aviation	0.36	UR	UR	UR	208	932	32.4	25.4	6.0	5.5	4.3	3.3	0.6	0.7	3.4
NCSP	* NCSP, GDR	11.25	UR	UR	UR	2,889	3,185	11.6	11.1	10.3	7.3	7.3	6.9	4.4	3.5	0.7
FESH	* FESCO	0.4	UR	UR	UR	1,154	1,868	neg	neg	54.4	neg.	39.1	1.2	6.6	0.9	14.9

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	20.66	28.00	BUY	36%	20,591	23,961	17.9	10.0	8.2	5.9	4.9	4.2	2.5	5.8	0.7
VIP	VimpelCom, ADR	14.88	29.10	BUY	96%	21,662	27,568	19.4	7.8	9.6	6.5	4.2	4.5	2.1	4.8	0.9
CMST	Comstar, GDR	6.40	7.70	BUY	20%	2,675	3,498	neg	10.6	8.7	70.4	5.2	4.5	2.1	1.3	1.2
URSI	Uralsvyazinform	0.0355	0.033	HOLD	-7%	1,397	2,345	9.8	7.8	6.7	3.8	3.5	3.4	1.4	1.6	1.4
URSIP	Uralsvyazinform, Pref	0.0320	0.026	SELL	-19%											
NNSI	VolgaTelecom	3.36	5.15	BUY	54%	1,067	1,642	5.9	4.8	3.9	3.4	3.0	2.7	1.2	1.0	1.1
NNSIP	VolgaTelecom, Pref	2.95	3.94	BUY	34%											
ENCO	Sibirtelekom	0.0643	0.091	BUY	41%	990	1,787	10.6	6.1	4.8	3.1	2.9	2.7	1.1	1.2	1.3
ENCOP	Sibirtelekom, Pref	0.0555	0.073	BUY	31%											
KUBN	* UTK	0.1544	UR	UR	UR	587	1,196	8.2	8.2	5.8	3.9	3.9	3.6	1.5	1.7	2.0
KUBNP	* UTK, Pref	0.1336	UR	UR	UR											
SPTL	N.W. Telecom	0.739	0.79	HOLD	7%	811	1,337	9.9	8.5	7.7	3.7	3.3	3.3	1.4	0.7	1.3
SPTLP	N.W. Telecom, Pref	0.639	0.64	HOLD	0%											
ESMO	CenterTelecom	0.772	0.758	HOLD	-2%	1,571	2,381	7.3	5.5	4.8	4.1	3.6	3.4	1.4	2.1	1.2
ESMOP	CenterTelecom, Pref	0.671	0.606	HOLD	-10%											
ESPK	Far East Telecom	3.22	5.76	BUY	79%	399	594	4.4	3.7	4.0	2.4	2.0	1.9	0.8	1.2	0.7
ESPKP	Far East Telecom, Pref	2.92	4.85	BUY	66%											
RTKM	* Rostelecom	3.90	UR	UR	UR	3,648	3,398	31.4	29.3	30.9	8.6	8.9	9.9	1.6	1.7	neg
RTKMP	* Rostelecom, Pref	3.31	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	N.Debt/EBITDA
								2009	2010E	2011E	2009	2010E	2011E			
FIVE	X5 Retail Group	35.7	50.0	BUY	40%	9,701	11,239	58.7	27.8	16.5	15.3	11.6	8.4	0.9	5.5	1.6
MGNT LI	Magnit, GDR	20.4	24.4	BUY	20%	9,071	9,112	33.0	26.1	18.0	18.3	13.5	9.2	1.2	6.4	0.1
MGNT	Magnit, Common	95.6	122.0	BUY	28%	8,507	8,548	30.9	24.5	16.9	17.2	12.6	8.6	1.1	6.0	0.1
DIXY	Dixy Group	9.9	10.3	HOLD	4%	850	1,108	193.5	24.3	13.2	12.5	8.9	6.6	0.4	4.4	2.1
SCON	Seventh Continent	7.8	9.6	BUY	23%	585	999	24.3	16.5	10.4	8.8	7.8	6.5	0.6	1.0	3.2
MVID	* M.video	6.3	UR	UR	UR	1,137	922	45.9	21.2	15.5	9.0	6.9	5.3	0.3	3.9	neg
APTK	* Pharmacy Chain 36.6	2.7	UR	UR	UR	253	510	neg	neg	neg	11.4	7.0	5.5	0.6	1.7	3.5
WBD US	Wimm-Bill-Dann, ADR	18.5	27.0	BUY	46%	3,251	3,501	27.9	28.8	21.7	11.4	9.2	7.8	1.3	4.6	0.7
WBDF	Wimm-Bill-Dann, Common	45.9	108.0	BUY	135%	2,021	2,271	17.3	17.9	13.5	7.4	6.0	5.1	0.8	2.9	0.7
PKBA	* Baltika Breweries	32.5	UR	UR	UR	5,330	5,362	7.2	7.7	8.5	4.9	5.1	4.7	1.6	3.1	0.0
PKBAP	* Baltika Breweries, Pref	32.2	UR	UR	UR											
PHST LI	Pharmstandard, GDR	23.5	33.5	BUY	43%	3,553	3,449	16.5	15.8	12.9	11.8	11.0	9.1	4.2	5.6	neg
PHST	Pharmstandard, Common	78.7	134.0	BUY	70%	2,973	2,869	13.8	13.2	10.8	9.8	9.2	7.5	3.5	4.7	neg
VRPH	Veropharm	35.7	47.0	BUY	32%	357	379	10.2	9.1	7.1	8.7	6.6	5.3	2.1	2.1	0.4
KLNA	* Kalina	20.0	UR	UR	UR	195	288	14.9	7.0	6.0	5.9	4.8	4.4	0.5	1.6	1.5

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	2.52	3.50	BUY	39%	56,166	66.5	13.8	7.3	2.29	1.84	1.54
SBERP	Sberbank, Pref	1.81	2.90	BUY	61%							
VTBR	VTB Bank	0.0026	0.0026	HOLD	0%	27,125	neg	13.6	10.1	1.56	1.56	1.38
MMBM *	Bank of Moscow	31.79	UR	UR	UR	5,723	254.4	22.2	12.0	1.75	1.52	1.31
VZRZ	Vozrozhdenie Bank, Common	33.67	45.9	BUY	36%	814	25.8	23.6	7.6	1.47	1.41	1.16
VZRZP	Vozrozhdenie Bank, Pref	11.45	17.2	BUY	50%							
STBK	Bank Saint-Petersburg, Common	3.26	4.20	BUY	29%	1,189	58.8	13.5	7.6	1.36	1.30	1.06
STBKPA *	Bank Saint-Petersburg, Pref	4.10	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	neg	neg.	13.3	4.4	0.4	0.5	8.6
GAZAP *	GAZ, Pref	12.00	UR	UR	UR											
SVAV *	Sollers	15.46	UR	UR	UR	530	1,288	neg	neg	11.7	154.2	9.8	5.3	0.8	1.0	5.8
KMAZ *	KAMAZ	2.36	UR	UR	UR	1,670	2,253	neg	neg	24.3	71.2	17.2	8.5	0.8	1.6	4.5
SILM *	Power machines	0.23	UR	UR	UR	2,026	1,773	10.9	10.2	9.2	6.1	5.5	4.8	0.9	4.7	neg
MASZ *	Mashinostroitelny Zavod	265	UR	UR	UR	369	352	4.6	4.6	4.4	2.8	2.5	2.4	0.8	0.6	neg
NZHK *	NCCP	10.0	UR	UR	UR	265	246	6.1	6.5	6.5	3.0	3.0	3.0	1.2	0.6	neg
NZHKP *	NCCP, Pref	2.7	UR	UR	UR											
KHEL *	Kazan Helicopters	1.74	UR	UR	UR	269	426	5.5	5.6	5.1	6.4	5.6	5.1	0.8	1.3	2.1
uuaz *	Ulan-Ude Avia Plant	1.28	UR	UR	UR	342	180	4.3	4.5	4.7	1.6	1.5	1.6	0.4	1.6	neg
rtvl *	Rostvertol	0.059	UR	UR	UR	135	224	8.8	8.4	7.8	5.5	5.6	5.1	0.8	0.8	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	27.8	57.0	BUY	105%	2,601	3,812	18.0	12.7	9.9	8.3	8.1	7.1	2.2	2.0	2.6
LSRG LI	LSR Group, GDR	8.0	11.4	BUY	43%	3,742	4,954	25.9	18.3	14.3	10.7	10.5	9.2	2.8	2.9	2.6
PIK LI	Pik Group, GDR	3.5	7.2	BUY	106%	1,726	3,052	neg	neg	47.8	17.9	14.0	12.0	2.5	3.1	6.1
AFID	AFI Development, GDR	0.80	1.50	BUY	88%	838	1,043	neg	neg	58.9	40.0	30.9	12.5	9.8	0.5	6.1
MLD	MirLand Development, GDR	2.82	5.00	BUY	77%	292	507	neg	113.8	8.0	neg.	24.8	8.0	11.9	0.9	10.5
MSTT	Mostotrest	977	1070	BUY	10%	1,212	1,285	35.2	24.1	19.2	8.5	6.8	6.0	0.9	6.0	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

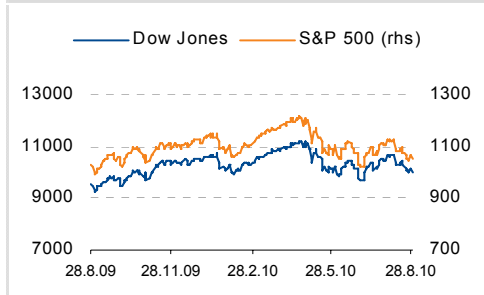
Source: RTS, MICEX, Bloomberg, TKB Capital estimates

MODEL PORTFOLIO

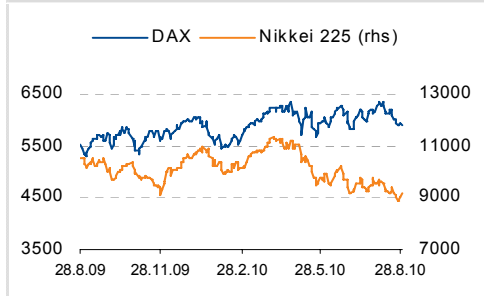
Company name and ticker	Price of purchase (22/04/2010), \$	Current Price, \$	Upside Potential			Market Cap (\$ mn)	Free float (\$ mn)	Share in RTSI	Share in Portfolio	
			1M	6M	12M					
Model Portfolio performance since last update			2.3%			since 21/04/2010		-8.6%		
Cash									10.00%	
Oil & Gas									30.00%	
ROSN	Rosneft	7.53	6.39	n/a	28%	57%	61,283	9,192	6.93%	5.00%
TNBP	TNK-BP Holding	2.06	2.03	n/a	9%	18%	32,169	1,608	0.00%	10.00%
BANE	Bashneft	36.25	37.25	n/a	17%	34%	6,339	1,559	0.43%	15.00%
Metals & Mining									13.00%	
RASP	Raspadskaya	4.875	4.704	8%	28%	49%	3,673	735	0.50%	5.00%
MTLR	Mechel	25.06	22.74	0%	36%	54%	0	0	0.93%	5.00%
CHMF	Severstal	12.43	12.07	0%	24%	41%	12,163	2,128	1.26%	3.00%
Consumer and Retail									10.00%	
MGNT	Magnit	88.93	95.61	2%	13%	26%	8,502	2,551	1.55%	5.00%
PHST	Pharmstandard	70.81	78.67	3%	15%	31%	2,973	297	0.30%	5.00%
Machinery									6.00%	
SVAV	Sollers	15.91	15.46	29%	49%	68%	530	185	0.11%	3.00%
SILM	Pow er Machines	0.209	0.233	12%	20%	33%	2,026	101	0.00%	3.00%
Banks									10.00%	
SBER	Sberbank OS	2.70	2.52	23%	39%	55%	54,360	16,308	14.60%	6.00%
STBK	Bank St-Petersburg OS	3.28	3.26	29%	38%	50%	921	161	0.00%	4.00%
Utilities									15.00%	
HYDR	RusHydro	0.0539	0.0520	5%	29%	39%	12,731	4,723	2.33%	6.00%
TGKG	TGK-7	0.0472	0.0795	1%	9%	12%	2,386	1,106	0.00%	4.00%
TGKK	TGK-11	0.000705	0.000616	10%	63%	84%	316	126	0.00%	2.00%
TGKM	TGK-13	0.00359	0.00404	5%	32%	43%	642	214	0.00%	3.00%
Telecoms									3.00%	
ENCO	Sibirtelecom OS	0.058	0.064	20%	n/a	n/a	773	77	0.20%	1.00%
KUBN	South Telecom OS	0.140	0.154	23%	n/a	n/a	457	46	0.00%	1.00%
SPTL	North-West Telecom OS	0.654	0.739	22%	n/a	n/a	652	65	0.15%	1.00%
Real Estate / Development									3.00%	
LSRG	LSR Group	29.64	27.00	56%	93%	141%	2,529	455	0.00%	3.00%

STOCK INDEXES

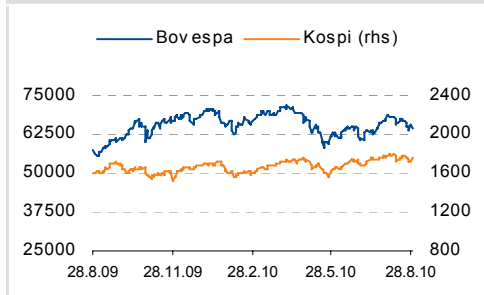
Dow Jones	10,010	-1.39%
S&P 500	1,049	-1.47%



DAX	5,912	-0.65%
Nikkei 225	9,149	1.76%

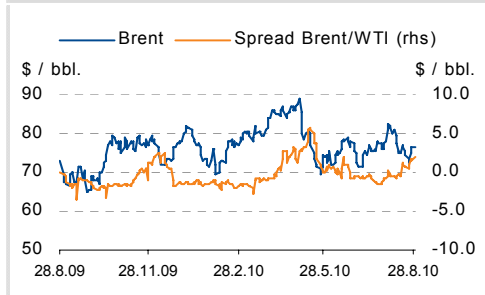


Bovespa	64,261	-2.02%
Kospi	1,760	1.77%

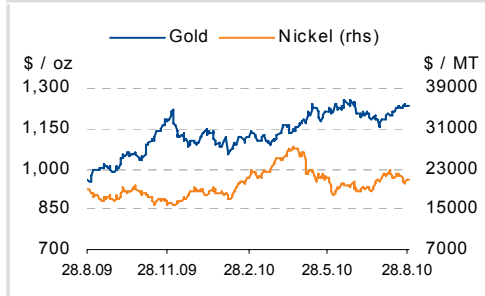


COMMODITY FUTURES

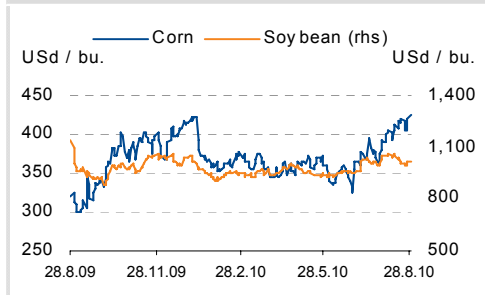
Brent	76.60	-0.07%
Spread Brent/WTI	1.90	0.42



Gold	1,238	0.2%
Nickel	21,009	0.0%

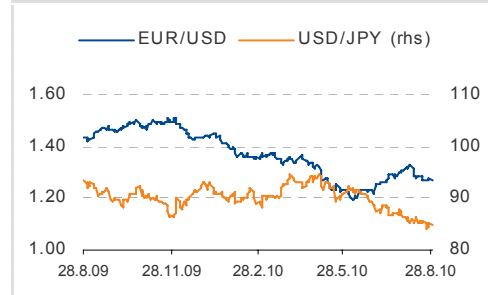


Corn	425.5	1.07%
Soybean	1,018.0	-0.39%

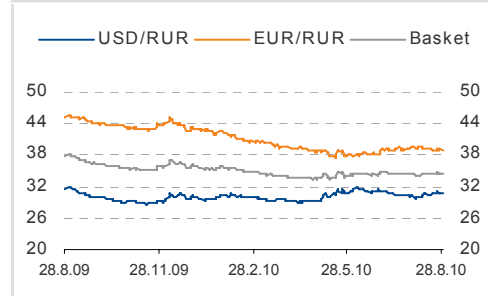


CURRENCIES

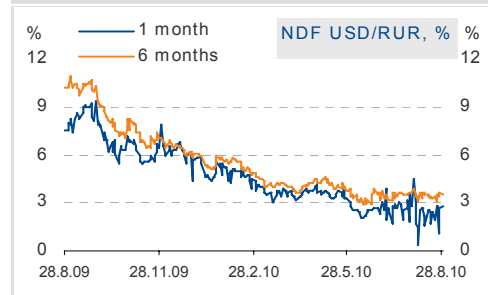
EUR/USD	1.268	-0.54%
USD/JPY	84.7	-0.65%



USD/RUR	30.74	0.41%
EUR/RUR	38.98	-0.25%

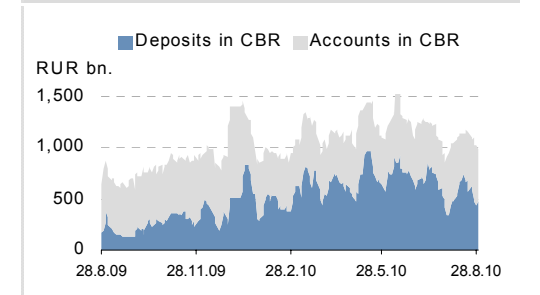


NDF USD/RUR 1m, %	2.75	0.09
NDF USD/RUR 6m, %	3.52	-0.09

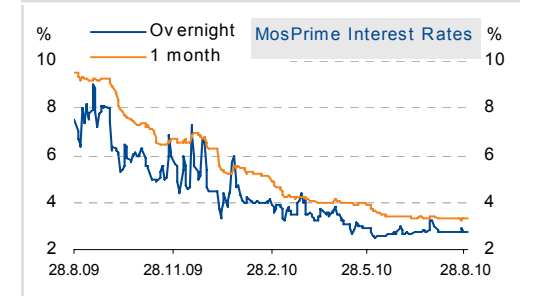


LIQUIDITY AND INTEREST RATES

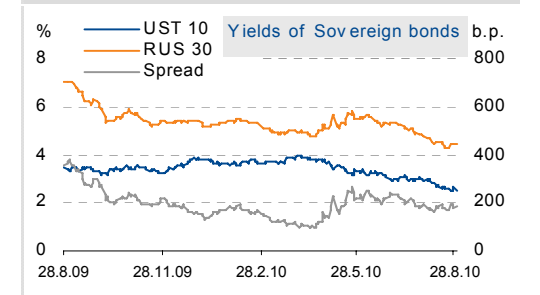
Deposits in CBR, RUR bn	474	7.8%
Accounts in CBR, RUR bn	510	-11.8%



MosPrime O/N, %	2.8	0.04
MosPrime 1m, %	3.3	-0.01



UST 10Y, %	2.53	-0.12
Russia 30Y, %	4.42	-0.02



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	7,175,112	20.60	0.00%	GAZP RX	20.72	-0.57%
ROSN LI	Rosneft	LSE	1	9,612,857	6.38	0.00%	ROSN RX	6.39	-0.08%
LKOD LI	LUKOIL	LSE	1	1,368,895	54.00	0.00%	LKOH RX	53.92	0.15%
SGGD LI	Surgutneftegas, Common	LSE	10	1,143,442	9.19	0.00%	SNGS RX	9.22	-0.33%
ATAD LI	Tatneft, Common	LSE	6	152,010	29.12	0.00%	TATN3 RX	27.75	4.92%
GAZ LI	Gazprom Neft	LSE	5	47,196	18.92	0.00%	SIBN RX	19.02	-0.54%
NVTK LI	NOVATEK	LSE	10	190,681	73.10	0.00%	NVTK RX	70.25	4.05%
AOIL SS	Alliance Oil	OMXS	1	180,197	11.78	-0.99%			
EDCL LI	Eurasia Drilling	LSE	1	-	20.12	0.00%			
INTE LI	Integra	LSE	0.05	100	2.20	0.00%			
O2C GR	CAT Oil	XETRA	1	69,923	8.91	-0.26%			
VGAS LN	Volga Gas	LSE	1	2,250	3.07	0.00%			
SSA LI	Sistema	LSE	20	149,262	25.41	0.00%	AFKC RX	17.00	49.43%
MBT US	Mobile TeleSystems	NYSE	2	1,338,610	20.66	-1.24%	CMST RX	16.44	25.68%
VIP US	VimpelCom	NYSE	0.05	555,140	14.88	-1.33%			
CMST LI	Comstar-UTS	LSE	1	256,003	6.40	0.00%	MTSI RX	6.61	-3.22%
RKMD LI	Rostelecom, Common	LSE	6	3,122	21.06	0.00%	RTKM RX	23.42	-10.09%
CTCM US	CTC Media	NASDAQ	1	149,800	17.90	-0.08%			
SITR LI	SITRONICS	LSE	50	-	0.88	0.00%	SITR RU	1.13	-21.78%
VTBR LI	VTB Bank	LSE	2000	2,629,018	5.20	0.00%	VTBR RX	5.19	0.27%
VZY GR	Vozrozhdenie Bank, Common	XETRA	3/4	-	26.50	0.00%	VZRZ RX	25.25	4.95%
FIVE LI	X5 Retail Group	LSE	0.25	66,238	35.72	0.00%			
MGNT LI	Magnit	LSE	0.20	339,013	20.39	0.00%	MGNT RX	19.12	6.63%
PHST LI	Pharmstandard	LSE	0.25	199,591	23.50	0.00%	PHST RX	19.67	19.48%
WBD US	Wimm-Bill-Dann Foods	NYSE	0.25	282,621	18.47	-1.28%	WBDF RX	11.48	60.83%
CHE LI	Cherkizovo Group	LSE	2/3	-	15.40	0.00%	GCHE RX	15.31	0.58%
URKA LI	Uralkali	LSE	5	319,773	23.00	0.00%	URKA RX	22.88	0.52%
RUSAL FP	RUSAL	Euronext	20	5,000	19.66	1.42%			
MNOD LI	Norilsk Nickel	LSE	0.1	2,838,218	16.90	0.00%	GMKN RX	17.19	-1.68%
SVST LI	Severstal	LSE	1	730,619	12.01	0.00%	CHMF RX	12.07	-0.49%
NLMK LI	NLMK	LSE	10	201,818	29.90	0.00%	NLMK RX	29.81	0.31%
MMK LI	MMK	LSE	13	192,657	11.15	0.00%	MAGN RX	11.14	0.11%
MTL US	Mechel, Common	NYSE	1	1,322,652	22.04	-2.13%	MTLR RX	22.74	-3.07%
EVR LI	Evrax Group	LSE	1/3	901,126	26.10	0.00%			
PLZL LI	Polyus Gold	LSE	0.5	5,148	24.53	0.00%	PLZL RX	22.64	8.34%
PMTL LI	Polymetal	LSE	1	121,113	11.58	0.00%	PMTL RX	11.76	-1.55%
HGM LN	Highland Gold	LSE	1	34,815	2.02	0.00%			
HRG CN	High River Gold	TSX	1	246,479	0.87	1.18%			
TMKS LI	TMK	LSE	4	365,838	15.05	0.00%	TRMK RX	15.37	-2.11%
CHZN LI	Chelyabinsk Zinc Plant	LSE	1	10,000	3.55	0.00%	CHZN RX	3.71	-4.41%
LSRG LI	LSR Group	LSE	0.20	1,063,002	7.99	0.00%	LSRG RX	5.55	43.88%
PIK LI	PIK Group	LSE	1	75,933	3.50	0.00%	PIKK RX	3.54	-1.18%
AFID LI	AFI Development	LSE	1	36,472	0.80	0.00%			
MLD LN	MirLand Development	LSE	1	-	2.82	0.00%			
HALS LI	Sistema Hals	LSE	0.05	-	1.30	0.00%	HALS RX	1.29	0.70%
RUS LN	Raven Russia	LSE	1	190,844	0.76	0.00%			
RGI LN	RGI International	LSE	1	6,682	1.98	0.00%			
GLTR LI	Globaltrans	LSE	1	1,185	13.21	0.00%			
NCSP LI	NCSP	LSE	75	327,803	11.25	0.00%	NMTP RX	11.13	1.09%

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	9,149.26	1.76%	0.36%	-4.07%	-13.25%	-13.15%
Hang Seng	Hong Kong	20,737.22	0.68%	-0.73%	-1.39%	-5.19%	3.18%
Straits Times	Singapore	2,957.06	0.62%	1.06%	-1.03%	2.05%	11.89%
Seoul Composite	South Korea	1,760.13	1.77%	-0.43%	0.05%	4.60%	9.46%
Shanghai Composite	China	2,652.66	1.61%	0.50%	0.57%	-19.06%	-7.27%
Taiwan Weighted	Taiwan	7,741.20	0.24%	-2.94%	-0.25%	-5.46%	13.68%
SENSEX	India	18,032.11	0.19%	-2.05%	0.92%	3.25%	13.25%
Europe							
FTSE 100	Great Britain	5,201.56	0.00%	-0.64%	-1.07%	-3.90%	5.96%
DAX	Germany	5,912.41	-0.65%	-1.64%	-3.83%	-0.76%	7.16%
CAC 40	France	3,487.01	-0.58%	-1.86%	-4.29%	-11.41%	-5.58%
Budapest SE Index	Hungary	21,969.12	-0.25%	0.24%	-1.33%	3.50%	13.45%
PX50	Czech Republic	1,154.70	0.25%	-2.15%	-1.69%	3.35%	1.94%
WIG 20 TR	Poland	2,413.91	-0.68%	-2.10%	-2.46%	1.05%	7.96%
ISE 100	Turkey	59,345.93	0.00%	0.77%	-0.87%	12.34%	24.78%
RTS	Russia	1,427.11	0.40%	0.08%	-3.56%	-1.21%	30.99%
MICEX	Russia	1,370.77	0.31%	0.29%	-1.89%	0.06%	23.35%
Africa							
FTSE/JSE Top 40	South Africa	24,051.89	1.72%	-1.02%	-4.65%	-3.78%	5.76%
Egypt CMA GENL	Egypt	597.79	-0.18%	-0.40%	2.44%	4.25%	-4.41%
America							
DJIA	USA	10,009.73	-1.39%	-1.62%	-4.36%	-4.01%	4.88%
S&P 500	USA	1,048.92	-1.47%	-1.73%	-4.78%	-5.93%	1.94%
NASDAQ	USA	2,119.97	-1.56%	-1.84%	-5.98%	-6.57%	4.50%
Bovespa	Brazil	64,260.79	-2.02%	-2.61%	-4.82%	-6.31%	11.37%
BUSE MERVAL	Argentina	2,307.20	-1.78%	-2.59%	-3.63%	-0.58%	28.39%
IBC	Venezuela	64,768.77	0.00%	-0.11%	1.08%	17.60%	30.83%
Emerging markets indexes							
MSCI BRIC		312.51	-0.34%	-1.71%	-3.16%	-5.95%	12.08%
FTSE Russia IOB Index		818.42	0.00%	-0.19%	-4.69%	-6.90%	13.68%
MSCI Russia		756.22	0.07%	-0.80%	-3.81%	-4.92%	18.03%

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	75.52	-1.10%	3.69%	-3.53%	-2.18%	4.32%
EUCRURMD	Urals	76.26	0.00%	5.36%	-0.68%	-0.61%	5.99%
USCRWTIC	WTI	74.70	-0.63%	2.75%	-5.38%	-5.87%	2.69%
GOLDLNPM	Gold	1,235.00	0.00%	0.73%	5.65%	13.56%	29.25%
SLVRLN	Silver	19.03	0.00%	6.08%	7.76%	12.01%	30.88%
PLAT	Platinum	1,527.25	-0.41%	1.08%	-2.91%	4.21%	22.89%
PALL	Palladium	496.75	-1.58%	2.79%	-0.15%	21.81%	72.18%
LMAHDY	Aluminium	2,044.75	0.00%	0.28%	-5.46%	-6.93%	9.52%
LMCADY	Copper	7,447.25	0.00%	2.93%	2.39%	1.43%	15.21%
LMNIDY	Nickel	20,997.00	0.00%	-0.67%	-0.39%	13.79%	10.10%
LMZSDY	Zinc	2,065.00	0.00%	2.51%	3.30%	-18.35%	11.29%
MBSTCIHR	Steel HRC (FOB Black Sea)	607.50	0.00%	0.00%	10.96%	19.70%	10.96%
MBSTUSHR	Steel HRC (USA)	545.00	0.00%	0.00%	-3.54%	7.92%	4.81%
LMSNDY	Tin	21,669.00	0.00%	5.68%	11.24%	28.45%	51.26%
LMPBDY	Lead	2,064.50	0.00%	2.13%	0.49%	-14.05%	-1.40%

Futures

Bloomberg code	Commodity	Value	Daily change, %	Weekly change, %	Monthly change, %	YTD change, %	Change of 52 week, %
CO1	Brent	76.60	-0.07%	4.05%	-2.02%	-1.71%	5.23%
CL1	WTI	74.70	-0.63%	2.19%	-5.38%	-5.87%	2.69%
HO1	Heating Oil	202.52	-0.93%	3.57%	-0.86%	-4.42%	8.86%
PG1	Gasoline	194.79	0.00%	3.56%	-8.22%	-5.11%	-5.52%
NG1	Natural Gas	3.81	4.41%	-6.25%	-22.57%	-31.59%	25.68%
GC1	Gold	1,238.00	0.16%	0.90%	4.76%	12.94%	29.30%
SI1	Silver	19.04	-0.01%	5.81%	5.75%	13.17%	28.77%
PL1	Platinum	1,533.10	-0.25%	1.62%	-2.77%	5.01%	23.05%
PA1	Palladium	497.90	-1.02%	2.94%	-0.42%	21.78%	71.34%
LY1	Aluminium	2,208.00	0.00%	1.52%	1.01%	14.14%	27.06%
LP1	Copper	7,453.25	0.00%	2.88%	2.36%	1.38%	15.19%
LN1	Nickel	21,009.00	0.00%	-0.70%	-0.41%	13.77%	10.20%
LX1	Zinc	2,071.25	0.00%	2.39%	3.33%	-18.29%	11.28%
LT1	Tin	21,680.00	0.00%	5.65%	11.23%	28.34%	51.19%
LL1	Lead	2,069.25	0.00%	2.01%	0.47%	-14.10%	-1.42%
API21MON	Steam Coal	91.60	0.00%	-1.03%	-0.97%	10.03%	29.29%
CCKPTAIY Index	Coking Coal	1,660.00	0.00%	1.22%	5.06%	-2.35%	-5.14%
MBFOFO01 Index	Iron Ore	152.00	0.00%	-3.18%	7.80%	36.32%	73.71%
SB1	Sugar	19.81	-0.75%	-1.30%	1.23%	-26.49%	-15.77%
CC1	Cocoa	2,672.00	-0.11%	-4.50%	-13.56%	-18.76%	-3.88%
KC1	Coffee	179.55	1.41%	-1.07%	1.84%	32.07%	48.27%
C 1	Corn	425.50	1.07%	1.98%	8.34%	2.65%	32.55%
W 1	Wheat	671.25	1.32%	-3.03%	1.47%	23.96%	43.74%
S 1	Soybean	1,018.00	-0.39%	1.09%	-3.28%	-2.09%	-10.37%
CT1	Cotton	89.37	0.38%	1.96%	8.51%	18.21%	58.74%

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)	30.74	0.41%	0.27%	1.70%	2.36%	-2.90%
EURRUB Curncy	Euro (rubles per 1 euro)	38.98	-0.25%	0.25%	-1.18%	-9.49%	-13.97%
RUBBASK Curncy	Basket \$0.55/0.45€ (rubles)	34.45	0.08%	0.24%	0.22%	-4.19%	-8.88%
EUR Curncy	Euro (\$ per 1 euro)	1.268	-0.54%	0.06%	-2.84%	-11.54%	-11.52%
GBP Curncy	British Pound Sterling (\$ per 1 pound)	1.547	-0.29%	-0.30%	-1.42%	-4.19%	-5.04%
JPY Curncy	Japanese Yen (yen per \$1)	84.72	-0.65%	-0.66%	-2.01%	-9.04%	-9.46%
CHF Curncy	Swiss Franc (francs per \$1)	1.025	-0.24%	-1.45%	-1.49%	-0.93%	-3.16%
CNY Curncy	Chinese Yuan (yuan per \$1)	6.803	0.07%	0.06%	0.41%	-0.35%	-0.40%
BRL Curncy	Brazilian Real (reals per \$1)	1.758	0.31%	-0.35%	-0.10%	0.89%	-6.30%
MXN Curncy	Mexican Peso (pesos per \$1)	13.11	0.57%	1.96%	3.56%	0.20%	-1.06%
TRY Curncy	Turkish Lira (liras per \$1)	1.525	0.59%	0.01%	1.21%	2.15%	1.70%
INR Curncy	Indian Rupee (rupee per \$1)	46.92	0.06%	0.57%	0.94%	0.84%	-3.57%
KRW Curncy	S.Korean Won (won per \$1)	1,196.5	0.44%	1.05%	1.17%	3.32%	-3.72%

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	0.225	0.000	0.000	-0.016	0.056	-0.004
US0001M Index	LIBOR 1Month	0.259	0.000	-0.004	-0.046	0.028	0.001
US0003M Index	LIBOR 3Months	0.297	0.000	-0.021	-0.157	0.046	-0.051
EUR001M Index	EURIBOR 1Month	0.624	-0.001	-0.011	-0.021	0.171	0.139
EUR003M Index	EURIBOR 3Months	0.888	0.000	-0.003	-0.008	0.188	0.063
MOSKON Index	MosPrime Overnight	2.760	0.040	0.010	-0.260	-1.690	-4.740
MOSK1W Index	MosPrime 1Week	3.010	0.010	0.020	-0.100	-1.590	-5.150
MOSK2W Index	MosPrime 2Weeks	3.090	0.000	0.000	-0.070	-1.860	-5.160
MOSKP1 Index	MosPrime 1Month	3.280	-0.010	0.000	-0.090	-3.040	-6.220
MOSKP3 Index	MosPrime 3Months	3.740	0.000	-0.010	-0.120	-3.310	-7.650

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	2.75	0.09	0.77	-0.04	-2.99	-4.76
RRN3M Curncy	3 Months	3.14	-0.08	0.35	-0.17	-4.38	-5.74
RRN6M Curncy	6 Months	3.52	-0.09	0.16	-0.11	-2.53	-6.72
RRN12M Curncy	1 Year	4.23	-0.04	0.10	-0.06	-2.23	-7.64

Source: Bloomberg, TKB Capital estimates

MACROECONOMICS: STATISTICS & EVENTS CALENDAR

Date	Time	Indicator	Period	Survey	Actual	Prior	Revised
30.08.2010 MONDAY		UK 3:01 Hometrack Housing Survey (MoM)	AUG	--	-0.30%	-0.10%	--
		UK 3:01 Hometrack Housing Survey (YoY)	AUG	--	1.50%	2.00%	--
		EC 13:00 Business Climate Indicator	AUG	0.70	0.61	0.66	0.63
		EC 13:00 Euro-Zone Industrial Confidence	AUG	-4	-4	-4	--
		EC 13:00 Euro-Zone Consumer Confidence	AUG	-12	-11	-12	--
		EC 13:00 Euro-Zone Economic Confidence	AUG	101.6	101.8	101.3	101.1
		EC 13:00 Euro-Zone Services Confidence	AUG	6	7	6	--
		US 16:30 Personal Income	JUL	0.30%	0.20%	0.00%	--
		US 16:30 Personal Spending	JUL	0.30%	0.40%	0.00%	--
		US 16:30 PCE Deflator (YoY)	JUL	1.50%	1.50%	1.40%	--
		US 16:30 PCE Core (MoM)	JUL	0.10%	0.10%	0.00%	--
		US 16:30 PCE Core (YoY)	JUL	1.40%	1.40%	1.40%	--
		US 18:30 Dallas Fed Manf. Activity	AUG	-10.00%	-13.50%	-21.00%	--
	31.08.2010 THUESDAY		UK 3:01 GfK Consumer Confidence Survey	AUG	-24	-18	-22
		UK 12:30 M4 Ex OFCs 3M Annualised	JUL	--	--	6.00%	--
		UK 12:30 Net Consumer Credit	JUL	0.0B	--	-0.1B	--
		UK 12:30 Net Lending Sec. on Dwellings	JUL	0.7B	--	0.7B	--
		UK 12:30 Mortgage Approvals	JUL	46.5K	--	47.6K	--
		UK 12:30 M4 Money Supply (MoM)	JUL	--	--	0.40%	--
		UK 12:30 M4 Money Supply (YoY)	JUL	--	--	2.30%	--
		EC 13:00 Euro-Zone CPI Estimate (YoY)	AUG	1.60%	--	1.70%	--
		EC 13:00 Euro-Zone Unemployment Rate	JUL	10.00%	--	10.00%	--
		US 17:00 S&P/CaseShiller Home Price Ind	JUN	--	--	146.43	--
		US 17:00 S&P/CS 20 City MoM% SA	JUN	0.20%	--	0.47%	--
		US 17:00 S&P/CS Composite-20 YoY	JUN	3.50%	--	4.61%	--
		US 17:00 S&P/Case-Shiller US HPI	2Q10	--	--	131.8	--
		US 17:00 S&P/Case-Shiller US HPI YOY%	2Q10	--	--	2.00%	--
		US 17:45 Chicago Purchasing Manager	AUG	57.0	--	62.3	--
	US 18:00 Consumer Confidence	AUG	50.7	--	50.4	--	
	US 18:00 NAPM-Milwaukee	AUG	60.3	--	66.0	--	
01.09.2010 WEDNESDAY		US 1:00 ABC Consumer Confidence	AUG 29	--	--	-44.0	--
		EC 12:00 PMI Manufacturing	AUG	55.0	--	--	--
		UK 12:30 PMI Manufacturing	AUG	57.0	--	57.3	--
		US 15:00 MBA Mortgage Applications	AUG 27	--	--	4.90%	--
		US 15:30 Challenger Job Cuts YoY	AUG	--	--	-57.20%	--
		US 16:15 ADP Employment Change	AUG	17K	--	42K	--
		US 18:00 ISM Manufacturing	AUG	52.8	--	55.5	--
		US 18:00 ISM Prices Paid Index	AUG	55.3	--	57.5	--
		US 18:00 Construction Spending MoM	JUL	-0.50%	--	0.10%	--

MACROECONOMICS: STATISTICS & EVENTS CALENDAR

Date	Time	Indicator	Period	Survey	Actual	Prior	Revised
02.09.2010 THURSDAY		US 1:00 Domestic Vehicle Sales	AUG	8.85M	--	9.11M	--
		US 1:00 Total Vehicle Sales	AUG	11.60M	--	11.85M	11.56M
		UK 10:00 Nat'wide House prices sa (MoM)	AUG	-0.30%	--	-0.50%	--
		UK 10:00 Nat'wide House prices nsa(YoY)	AUG	4.90%	--	6.60%	--
		UK 12:30 PMI Construction	AUG	53.2	--	54.1	--
		EC 13:00 Euro-Zone Gross Fix Cap (QoQ)	2Q P	--	--	-1.20%	--
		EC 13:00 Euro-Zone Govt Expend (QoQ)	2Q P	--	--	0.20%	--
		EC 13:00 Euro-Zone Household Cons (QoQ)	2Q P	0.20%	--	-0.10%	--
		EC 13:00 Euro-Zone PPI (MoM)	JUL	0.30%	--	0.30%	--
		EC 13:00 Euro-Zone PPI (YoY)	JUL	4.00%	--	3.00%	--
		EC 13:00 Euro-Zone GDP s.a. (QoQ)	2Q P	1.00%	--	1.00%	--
		EC 13:00 Euro-Zone GDP s.a. (YoY)	2Q P	1.70%	--	1.70%	--
		EC 15:45 ECB Announces Interest Rates	SEP 2	1.00%	--	1.00%	--
		US 16:30 Nonfarm Productivity	2Q F	-1.90%	--	-0.90%	--
		US 16:30 Unit Labor Costs	2Q F	1.20%	--	0.20%	--
		US 16:30 Initial Jobless Claims	AUG 28	475K	--	473K	--
		US 16:30 Continuing Claims	AUG 21	4430K	--	4456K	--
		US 18:00 Factory Orders	JUL	0.40%	--	-1.20%	--
		US 18:00 Pending Home Sales MoM	JUL	-1.00%	--	-2.60%	--
		US 18:00 Pending Home Sales YoY	JUL	--	--	-20.10%	--
	US 18:30 ICSC Chain Store Sales YoY	AUG	--	--	2.80%	--	
03.09.2010 FRIDAY		EC 12:00 PMI Services	AUG	55.6	--	--	--
		EC 12:00 PMI Composite	AUG	56.1	--	--	--
		UK 12:30 PMI Services	AUG	52.9	--	53.1	--
		UK 12:30 Official Reserves (Changes)	AUG	--	--	-\$24M	--
		EC 13:00 Euro-Zone Retail Sales (YoY)	JUL	0.60%	--	0.40%	0.80%
		EC 13:00 Euro-Zone Retail Sales (MoM)	JUL	0.20%	--	0.00%	0.00%
		US 16:30 Change in Nonfarm Payrolls	AUG	-100K	--	-131K	--
		US 16:30 Change in Private Payrolls	AUG	47K	--	71K	--
		US 16:30 Change in Manufact. Payrolls	AUG	10K	--	36K	--
		US 16:30 Unemployment Rate	AUG	9.60%	--	9.50%	--
		US 16:30 Avg Hourly Earning MOM All Emp	AUG	0.10%	--	0.20%	--
		US 16:30 Avg Hourly Earning YOY All Emp	AUG	1.60%	--	1.80%	--
		US 16:30 Avg Weekly Hours All Employees	AUG	34.2	--	34.2	--
		US 18:00 ISM Non-Manf. Composite	AUG	53.2	--	54.3	--

CORPORATE EVENTS CALENDAR

Date	Company	Ticker	Sector	Event
last week of August	Gazprom	GAZP	Oil and gas	3M10 results under IFRS
last week of August	Lukoil	LKOH	Oil and gas	6M10 GAAP under US GAAP
August	Enel OGK-5	OGKE	Utilities	Publication of 1H10 RUSGAAP financial statements
August	Enel OGK-5	OGKE	Utilities	Publication of 2Q10 quarterly issuer's report
31 August	OGK-2	OGKB	Utilities	1H10 results under IFRS
September, 2	Eurasia Group	EVR LI	Metals & Mining	1H10 results under IFRS
September, 6	Severstal	SVST LI	Metals & Mining	6M results under IFRS
September, 6	Sberbank	SBER	Banks	6M results under IFRS
September, 7	Globaltrans	GLTR LI	Transport	1H10 results under IFRS
early September	Bank st-Petersburg	STBK	Banks	6M results under IFRS
early September	VTB	VTBR	Banks	6M results under IFRS
2nd week of September			Machinery	August car and LCV sales in Russia according to AEB
2nd week of September	Pharmstandard	PHST	Consumer & Retail	1H10 results under IFRS
mid-September	Bashneft	BANE	Oil and gas	6M10 results under US GAAP of AFK Sistema (estimate of Bashneft's financials)
mid-September	Sollers	SVAV	Machinery	6M10 results under IFRS
mid-September	Transneft	TRNF	Oil and gas	6M10 results under IFRS
September	TNK-BP Holding	TNBP	Oil and gas	6M10 results under US GAAP
September	NLMK	NLMK	Metals & Mining	6M results under US GAAP
last week of September	PIK Group	PIKK	Real Estate	6M10 results under IFRS
2nd week of October			Machinery	September car and LCV sales in Russia according to AEB
October, 11	X5 Retail Group	FIVE	Consumer & Retail	Operating results for 3Q10 and 9M10
mid-October	Novatek	NVTK	Oil and gas	9M10 operating update
mid-October	Alliance Oil	AOIL SS	Oil and gas	9M10 operating update
mid-October	Tatneft	TATN	Oil and gas	9M10 operating update
First half of October	Power Machines	SILM	Machinery	6M10 results under IFRS
mid-October	AVTOVAZ	AVAZ	Machinery	6M10 results under IFRS
October, 19	NLMK	NLMK	Metals & Mining	9M operating update
end of October	Tatneft	TATN	Oil and gas	6M10 results under US GAAP
last week of October	TNK-BP Holding	TNBP	Oil and gas	BP 9M10 results (estimate of TNK-BP net income)
last week of October	Lukoil	LKOH	Oil and gas	ConocoPhillips 9M10 results (estimate of Lukoil's net income)
2nd half of November	KAMAZ	KMAZ	Machinery	6M10 results under IFRS
2nd half of November	GAZ Group	GAZA	Machinery	6M10 results under IFRS
last week of October	TNK-BP Holding	TNBP	Oil and gas	TNK-BP 9M10 results (estimate of TNK-BP Holding's financials)
last week of October	Eurasia Drilling	EDCL LI	Oil and gas	9M results under US GAAP
October	Gazprom	GAZP	Oil and gas	6M10 results under IFRS
October	OGK-1	OGKA	Utilities	1H10 results under IFRS
November, 1	OGK-2	OGKB	Utilities	9M10 results under RAS
November, 2	FGC	FEES	Utilities	9M10 results under RAS

Source: TKB Capital estimates

Research Department

Equity Research + 7 (495) 981 3430

Maria Kalvaraskaia
Head of Equity Research
Banking, Transport
m.kalvaraskaia@tkbc.ru

Alexander Kovalev, PhD
Commodity markets
aa.kovalev@tkbc.ru

Natasha Kolupaeva
Consumer & Retail
n.kolupaeva@tkbc.ru

Evgenia Dyshlyuk
Oil & Gas
e.dyshlyuk@tkbc.ru

Artem Lavrishev
Machinery, Database
Management, Dividends
a.lavrishev@tkbc.ru

Alexey Serov
Utilities Sector
a.serov@tkbc.ru

Anatoly Vysotsky
Real Estate, Infrastructure
a.vysotsky@tkbc.ru

Evgeny Ryabkov
Metals & Mining
e.ryabkov@tkbc.ru

Natasha Yanakaeva
Small Caps
n.yanakaeva@tkbc.ru

Tatiana Zadorozhnaya
Transport
t.zadorozhnaya@tkbc.ru

Julia Kryuchkova
Translator/Editor
y.kryuchkova@tkbc.ru

Structured Product, Equity & Derivative Department

Moscow + 7 (495) 981 3430

Dmitry Romanov
d.romanov@tkbc.ru

Vladimir Kurov
v.kurov@tkbc.ru

Vadim Guglenko
v.googlenko@tkbc.ru

Denis Piskunov
d.piskunov@tkbc.ru

Pavel Shlyk
p.shlyk@tkbc.ru

Artem Ananyan
a.ananyan@tkbc.ru

Danil Olimov
d.olimov@tkbc.ru

7, bld 3, Znamenka Street,
Moscow 119019
Tel. +7 (495) 981 3430
Fax +7 (495) 783 3170

www.tkbc.ru

This document is provided to you for informational purposes only and does not constitute an offer to buy, sell or subscribe to investment products described herein. The sources used for this report are believed to be reliable, but TKB Capital makes no representation as to their accuracy or completeness. The views, advice and recommendations contained within represent the analyst's view as of the publication date. Such views may change without notice and may contradict previously expressed views and recommendations. TKB Capital is under no obligation to bring such previously held views to the attention of the reader.

This report is intended for market professionals and institutional investors capable of assessing the risks associated with the securities mentioned herein. TKB Capital shall not be held liable for any losses or other damages which may occur as a result of using this information or investment decisions made on the basis of opinions and recommendations contained in this report. Some Russian equities experience volatility which increases their investment risk, as their value may fall causing losses if the investment is realized. Many Russian equities are illiquid, and some investments are not readily or quickly realizable in good markets, and in times of market duress they may be impossible to realize. Many Russian equities do not trade on a daily basis and thus do not have a daily price quote, giving rise to questions concerning their true value. TKB Capital can give no representation as to the absolute volatility or liquidity of any Russian equity, nor can it give any representation as to the true value of an illiquid security. The value of all ruble-denominated Russian equities is also dependent on currency fluctuations in addition to equity market conditions. Investors should conduct their own investigation and research into a given investment and make their own assessment as to the risks involved with a particular investment in Russian equities.

TKB Capital may trade for its own account based on any short-term or long-term recommendations or trade ideas. It may also trade in recommended securities in a manner that is contrary to any trade idea or recommendation.

This report may not be reproduced, distributed or published without the written agreement of TKB Capital.