

**COMMENT**

The US market gained yesterday backed by upbeat corporate reports and newsflow on M&A deals. Ongoing financial risks in Europe and slower economic recovery impede market enthusiasm. The Asian markets are staging mixed performance today, while rally at the opening bell turned into market correction on the back of weaker crude and metals prices

The Russian market is set to open on a positive side pricing in yesterday's rally in the USA. Its further performance is likely to hinge on the changes of global stock indices. In the near term, comments delivered by Fed's officials during the today's meeting, as well as the developments on the European public debt market would weigh on the performance in the near term. If newsflow does not add pessimism to the market, then buyers' activity will increase.

Indicator	Value	Change	
		1 day	1 week
<b>21.09.2010</b>			
Nikkei 225	9,594	-0.3%	3.2%
Hang Seng	22,004	0.1%	1.4%
Shanghai Composite	2,583	-0.2%	-3.9%
<b>20.09.2010</b>			
DJIA	10,754	1.4%	2.0%
S&P 500	1,143	1.5%	1.9%
NA SDAQ	2,356	1.7%	3.1%
Bovespa	68,190	1.6%	0.2%
FTSE 100	5,603	1.7%	0.7%
DAX	6,295	1.4%	0.5%
CAC 40	3,788	1.8%	0.6%
RTS	1,467	0.2%	-2.4%
MICEX	1,427	0.6%	-1.0%
MSCI BRIC	336	0.9%	0.9%
MSCI Russia	783	0.8%	-2.4%
Brent	79.3	1.4%	0.4%
WTI	74.9	1.6%	-3.0%
Gold	1,279.3	0.3%	2.7%
Silver	20.8	-0.1%	3.3%
Nickel	23,102	-0.6%	1.1%
Corn	508.3	-1.0%	2.5%
Wheat	731.8	1.4%	5.8%
Soybean	1,084.5	2.8%	9.3%
LIBOR 3 month	0.29	0.00	0.00
EURIBOR 3 month	0.88	0.00	0.00
MosPrime 1 week	2.99	0.00	0.07
MosPrime 1 month	3.26	-0.01	0.00
USD/RUR	31.01	0.0%	1.1%
EUR/USD	1.307	0.2%	1.6%
GBP/USD	1.556	-0.5%	0.8%
USD/JPY	85.77	0.0%	2.5%
1 month	4.07	1.32	1.63
3 months	3.56	0.52	0.61
6 months	3.74	0.32	0.33
UST 10	2.70	-0.04	-0.05
Russia 30	4.43	0.00	0.01

Source: Bloomberg, TKB Capital estimates

**MAIN HEADLINES**

- **LSR Group (LSRG LI): 1H10 IFRS results preview**

**NEWS**

- **Polymetal (PMTL): new acquisitions on the Far East**
- **Far East Telecom (ESPK) 1H10 IFRS financials: strong on top line**

**SMALL CAPS NEWS**

- **Arbitration court of Perm region vetoed additional share issue of Chusovoy Metallurgical Works (CHMZ).**

**CALENDAR**

Time	Event	Period	Estimate	Prior
<b>EU statistics:</b>				
12:30	Public Finances (PSNCR)	AUG	8.1B	-4.1B
12:30	Public Sector Net Borrowing	AUG	12.1B	3.2B
<b>US statistics:</b>				
16:30	Housing Starts	AUG	550K	546K
16:30	Housing Starts MOM%	AUG	0.70%	1.70%
16:30	Building Permits	AUG	560K	565K
16:30	Building Permits MOM%	AUG	0.20%	-3.10%
22:15	FOMC Rate Decision	SEP 21	0.25%	0.25%

**TUESDAY SEPTEMBER 21, 2010**

Evgeny Ryabkov e.ryabkov@tkbc.ru

**METALS & MINING**
**Polymetal (PMTL): new acquisitions on the Far East. POSITIVE**

**The deal worth of \$56 mn.** Polymetal purchased “Rudnik Avlayakan” and “Kirankan” for 3.5 mn of its common shares from Doland Business Ltd. The sum of the deal amounted \$56 mn including debt of the purchased companies (or about \$135 per Oz of reserves). “Rudnik Avlayakan” and “Kirankan” hold mining licenses for Avlayakan and Kirankan gold and silver deposits, as well as exploration licenses for Avlayakan-Kirankan watershed and Maymakan-Kundumi watershed properties (“AK project”), all located in the Khabarovsk region in the Far East of Russia.

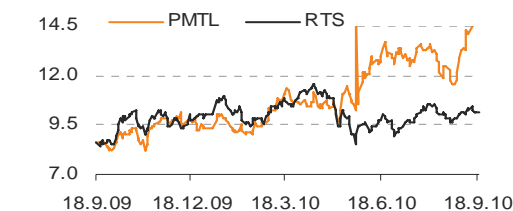
**Promising projects.** We positively regard this news for Polymetal. We think that the new company’s acquisitions are promising. Besides, Polymetal has increased its gold and silver resource base by 2% and 0.5%, respectively. Deposits have a good location: they are situated in close proximity to each other and are linked by a 110-kilometer all-year road to Kiran, a port on the Sea of Okhotsk, located approximately 630 kilometers southwest from Okhotsk, the access port for the Polymetal’s Khakanja mine. Avlayakan deposit has a high grade of gold in its indicated reserves – 17.1 g/t. Polymetal intends to start gold production on Avlayakan in 1Q11, interim production volume is estimated at about 30-50 Kt of ore. Now we do not have an official recommendation on Polymetal stock.

	Ore, mn tons	Au grade, g/t	Au metal, Koz	Ag grade, g/t	Ag metal, Koz
<b>Indicated reserves</b>					
Avlayakan	179	17.1	98	107	613
	<b>179</b>	<b>17.1</b>	<b>98</b>	<b>107</b>	<b>613</b>
<b>Inferred reserves</b>					
Avlayakan	581	10.5	196	64	1,202
Kirankan	201	5.3	34	10	62
Maymakan-Kundumi	322	8.3	86	79	815
	<b>1,104</b>	<b>8.9</b>	<b>316</b>	<b>59</b>	<b>2,079</b>
<b>Mineral resources</b>					
Avlayakan	760	12.0	294	74	1,815
Kirankan	201	5.3	34	10	62
Maymakan-Kundumi	322	8.3	86	79	815
	<b>1,283</b>	<b>10.0</b>	<b>414</b>	<b>65</b>	<b>2,692</b>

Source: company data

Polymetal	PMTL		
Price, \$	<b>14.94</b>		
Recommendation	<b>UR</b>		
Target, \$	-		
Upside	-		
MC, \$ mn	4,706	EV, \$ mn	5,126
	2009	2010E	2011E
P/E	49.0	22.8	13.8
EV/EBITDA	21.7	13.1	8.8

Source: MICEX, Bloomberg consensus estimates



Source: MICEX, RTS, TKB Capital estimates

TUESDAY SEPTEMBER 21, 2010

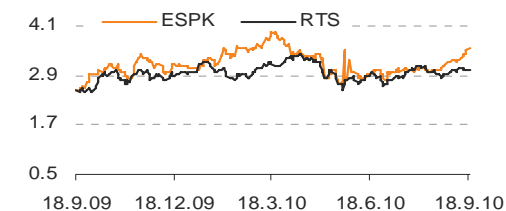
Kirill Bakhtin k.bakhtin@tkbc.ru

**TELECOMMUNICATIONS**
**Far East Telecom (ESPK) 1H10 IFRS financials: strong on top line. NEUTRAL**

**OIBDA margin down 2 ppt y-o-y to 36%.** Yesterday Far East Telecom (UR) published its 1H10 IFRS numbers having closed the reporting season of inter-regional telecoms (IRs). The company recorded a substantial y-o-y increase in broadband subscribers, debt redemption and a slight deterioration in margins as headcount expenses outgrew the top line. In 1H10 Far East Telecom's revenues were up 5% y-o-y to RUR9.0 bn (\$297 mn) on the back of a 21% y-o-y increase in data transmission sales to RUR2.8 bn (\$93 mn) and 6% y-o-y growth in local sales to RUR3.4 bn (\$112 mn). The inflow of broadband clients was very impressive, up by 29% y-o-y to 482,000. The company raised expenses on personnel, repair and maintenance costs that brought to just a 1% y-o-y increase in OIBDA to RUR3,3 bn (\$108 mn), implying a 2 ppt decline in OIBDA margin to 36%. Keeping a rigorous control over expenses below the operating line, Far East Telecom showed a marginal 1 ppt y-o-y decrease in net margin to 16%.

**Pay-TV and fixed-line broadband internet boost sales.** In the segments' revenues breakdown, pay-TV and Internet broadband delivered impressive growth rates, gaining 71% y-o-y to RUR181 mn (\$6 mn) and 26% y-o-y to RUR2.3 bn (\$75 mn), accordingly. Over the year, the company received 51,000 new pay-TV subscribers to 113,000. Fixed-line broadband Internet ARPU lowered 7% y-o-y, but remained high at RUR809 (\$27) per month. Facing a tough competition from altnets and the Big-Three (consists of MTS (MBT – Buy), VimpelCom Ltd (VIP – Buy) and MegaFon), zonal and interconnect sales dropped 7% y-o-y to RUR1.2 bn (\$38 mn) and 13% y-o-y to RUR0.6 bn (\$21 mn), respectively. As of the end of 1H10, Far East Telecom's net debt plummeted 7% from the beginning of this year to RUR5.5 bn (\$176 mn) following a suit for IRs to cut a debt load.

**Negligible effect on current quotes; market is following a restructuring story.** The market does not react on IFRS statements, as the numbers are in line with those, already released, of other IRs and the market is rather looking at the reorganization story. For Far East Telecom the record date for interim 9M10 dividends is 23 September enabling to receive a dividend yield of 3.3% on commons and 8.0% on prefs (in not-annualized terms). For the cheapest entry into the enlarged Rostelecom we advice to purchase commons in CenterTelecom (ESMO – UR) and prefs in South Telecom (KUBNP – UR) and North-West Telecom (SPTLP – UR).



Source: MICEX, RTS, TKB Capital estimates

**Local and data segments drive revenues growth**
**Far East Telecom 1H10 IFRS financials, RUR mn**

	1H09	1H10	y-o-y, %
<b>Revenues</b>	<b>8,544</b>	<b>8,987</b>	5.2
<b>OIBDA</b>	<b>3,243</b>	<b>3,273</b>	0.9
OIBDA margin, %	38.0	36.4	(1.5) ppt
<b>Net income</b>	<b>1,435</b>	<b>1,444</b>	0.6
Net margin, %	16.8	16.1	(0.7) ppt
<b>Revenues breakdown by segments</b>			
Local	3,205	3,381	5.5
Data transmission	2,342	2,828	20.8
Zonal	1,231	1,150	(6.6)
Interconnect	735	631	(14.1)
Mobile	541	545	0.7
Other	490	452	(7.8)

Source: company data, TKB Capital estimates

TUESDAY SEPTEMBER 21, 2010

Anatoly Vysotsky a.vysotsky@tkbc.ru

**REAL ESTATE & DEVELOPMENT**
**LSR Group (LSRG LI): 1H10 IFRS results preview. NEUTRAL**

**No surprises expected.** Today LSR Group is set to publish its 1H10 IFRS financial results. We expect the company to show neutral numbers. In particular, in 1H10 we forecast the company's revenue to increase by 6.9% y-o-y to \$656 mn, EBITDA to advance 1.4% y-o-y to \$174 mn and net income to rise 25.3% y-o-y to \$57 mn. According to our estimates, EBITDA margin will slightly decrease – by 1.4 ppt that is caused by the hike in prices for construction materials. We forecast LSR EBITDA margin over 1H10 at 27% that despite the weakness remains a quite good indicator. Net margin is estimated to grow by 1.3 ppt to 8.8% that would be, in our opinion, associated with lower financial expenses. The funds from April's SPO allowed the company to reduce its debt, which 2010 stood at RUR36.3 bn as of 31 May vs. RUR39.2 bn in 1H09.

**2H10 will be better.** We foresee the financial improvements of LSR Group in 2H10. First, historically financial results of the real estate and construction companies have turned to be better in the second half of the year due to the terms of contract closing and growth of sales of residential real estate. Secondly, financial improvements would come as a consequence of the company's expansion into Moscow region, in particular, the pre-sales start of residential properties of Nakhabino and Sacramento.

**We maintain our BUY recommendation on the stock.** In our view, LSR Group offers the opportunities to bet on the Russian real estate market recovery. Liaison with the state agencies enables the company to fill up the book of orders for social housing construction and ensures capacity utilization, thereby reducing market risks for LSR. Strengthening of LSR positions on Moscow market will support its high profitability level and boost its revenue growth in the long run. Our end-2010 target price for LSR Group is \$11.4/GDR and \$57.0/share per share.

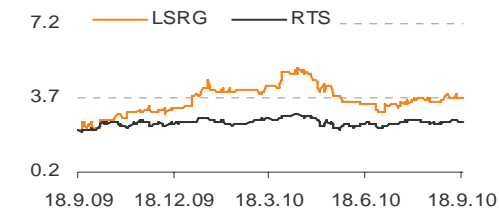
**LSR Group 1H10 IFRS preview, \$ mn**

	1H09	1H10E	y-o-y, %	2009	2010E	y-o-y, %
Revenue	613.6	655.9	6.9	1,608	1,751	8.9
EBITDA	171.9	174.3	1.4	462	473	2.5
Net Income	45.8	57.4	25.3	145	205	7.2

Source: company data, TKB Capital estimates

LSR Group, GDR		LSRG LI	
Price, \$			<b>8.83</b>
Recommendation			<b>BUY</b>
Target, \$			<b>11.40</b>
Upside			<b>29%</b>
MC, \$ mn	4,549	EV, \$ mn	5,375
	2009	2010E	2011E
P/E	31.4	22.2	17.3
EV/EBITDA	11.6	11.4	10.0

Source: LSE, TKB Capital estimates



Source: LSE, TKB Capital estimates

**CONFERENCE CALL DETAILS:**

**DATE:** Tuesday, 21 September, 2010

**TIME:**

12:30 pm – Moscow

09:30 am – London

**TELEPHONE:**

UK: +44 1452 560 297

USA: +1 866 224 3297

Russia (toll-free): 8 10 800 2097 2044

Access code: 10726902

## SMALL CAPS

**Arbitration court of Perm region vetoed additional share issue of Chusovoy Metallurgical Works (CHMZ).**

The decision was approved as a interlocutory injunction at the suit of Quorum Fund Ltd. (holds 7.21% of ChMW) aimed to admit ChMW's Board decision from 7 July as invalid in part of the placement price (RUR268.82 (\$8.7)), so as EGM decision from 11 August. Following the placement, ChMW's charter capital could be increased by 8.2 times at the price by 2.6 times lower than the current bids as of the Board meeting date. The placement is supposed to be under a private subscription in favor of Metallurgical Investment Company, controlled by Valery Anisimov. As a result of the new share placement, the company could have received a controlling stake in ChMW.

**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	5.25	UR	UR	UR	120,200	150,955	4.6	4.3	4.0	4.3	3.4	3.2	1.3	0.7	0.7
ROSN	** Rosneft	6.55	8.5	BUY	30%	62,832	77,934	9.6	6.4	9.5	5.7	4.4	5.7	1.3	1.3	0.9
LKOH	** LUKOIL	55.6	74.0	BUY	33%	47,076	52,933	6.7	5.6	6.1	3.8	3.6	3.9	0.5	0.8	0.4
SNGS	* Surgutneftegas	0.95	UR	UR	UR	37,638	24,827	10.5	7.6	8.2	6.1	3.4	3.5	1.1	1.0	neg
SNGSP	* Surgutneftegas, Pref	0.46	UR	UR	UR											
SIBN	** Gazprom Neft	3.83	4.50	HOLD	18%	18,063	21,113	6.0	6.1	5.9	4.2	3.7	3.6	0.7	1.1	0.5
tnbp	** TNK-BP Holding	2.18	2.80	BUY	29%	33,460	34,443	6.5	5.5	5.8	4.2	3.6	3.7	0.8	1.6	0.1
tnbpp	** TNK-BP Holding, Pref	1.87	2.50	BUY	34%											
TATN	* Tatneft	4.69	UR	UR	UR	10,241	11,835	6.0	5.9	4.8	4.6	4.4	3.4	0.9	0.9	0.6
TATNP	* Tatneft, Pref	2.34	UR	UR												
BANE	* Bashneft	40.00	UR	UR	UR	7,878	9,497	24.6	6.7	5.2	13.9	3.9	3.3	0.8	n/a	0.7
BANEP	* Bashneft, Pref	30.95	UR	UR	UR											
NVTK	* NOVATEK	7.56	UR	UR	UR	22,924	23,786	28.0	17.9	14.7	19.0	12.7	10.7	6.1	5.5	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	158.7	UR	UR	UR	30,260	31,992	11.6	7.0	6.8	7.2	4.7	4.4	2.3	2.1	0.3
CHMF	Severstal	13.44	15.50	HOLD	15%	13,539	17,909	neg	neg	9.9	22.1	6.8	5.0	1.2	1.7	1.7
NLMK	NLMK	3.31	3.21	HOLD	-3%	19,858	21,062	92.3	14.1	12.0	14.6	6.9	6.0	2.5	2.5	0.4
MAGN	MMK	0.91	1.06	HOLD	16%	10,172	12,399	46.4	13.7	9.0	12.4	6.5	5.3	1.7	1.1	1.2
MTL	Mechel, ADR	24.42	29.50	BUY	21%	10,165	15,748	133.2	10.7	8.0	15.8	7.6	5.3	1.8	2.5	2.7
EVR	Evrz Group, GDR	28.09	32.10	HOLD	14%	11,146	18,950	neg	103.5	6.3	15.3	8.7	5.0	1.4	1.1	3.6
PLZL	* Polyus Gold	44.65	UR	UR	UR	8,511	8,537	26.5	16.5	12.4	16.0	9.9	8.4	5.0	2.7	0.0
PMTL	* Polymetal	14.94	UR	UR	UR	4,706	5,126	49.0	22.8	13.8	21.7	13.1	8.8	5.8	5.1	1.1
TRMK	* TMK	4.18	UR	UR	UR	3,653	7,212	neg	15.0	8.9	22.5	7.8	7.4	1.3	2.4	3.9
RASP	Raspadskaya	5.01	9.00	BUY	80%	3,913	4,217	33.4	11.0	11.4	16.3	7.5	7.3	4.7	3.1	0.5
BLNG	Belon	0.85	1.29	BUY	52%	975	1,291	62.5	10.9	10.1	11.5	6.6	6.4	1.7	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	0.495	0.579	HOLD	17%	247	320	14.7	5.7	10.0	6.4	3.6	4.7	1.0	0.7	0.8
VSMZ	Vyksa Steel Works	1400	1740	BUY	24%	2,404	2,475	9.8	5.6	4.0	4.8	3.7	2.9	0.8	1.0	0.8
CHZN	Chelyabinsk Zinc Plant	3.79	4.64	HOLD	22%	206	192	10.3	5.8	4.3	3.0	2.6	2.2	0.4	0.7	neg

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**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	0.0116	0.0155	BUY	33%	14,367	11,660	22.9	18.3	9.4	10.4	6.1	3.6	2.8	0.5	neg
HYDR	RusHydro	0.052	0.072	BUY	39%	13,935	14,961	14.1	9.3	7.7	9.2	6.7	5.1	1.1	0.9	0.5
IRAO	* INTER RAO UES	0.0015	UR	UR	UR	3,483	4,224	neg	19.3	18.4	neg.	8.9	6.8	1.6	1.9	1.6
OGKA	* OGK-1	0.035	UR	UR	UR	1,541	1,586	15.6	13.8	7.8	10.6	6.4	4.1	0.9	1.3	0.2
OGKB	* OGK-2	0.052	UR	UR	UR	1,706	1,973	49.3	27.7	12.1	19.3	11.8	6.5	1.2	1.4	1.6
OGKC	* OGK-3	0.050	UR	UR	UR	2,360	658	17.4	30.9	25.1	5.1	6.1	4.3	0.5	0.7	neg
OGKD	OGK-4	0.087	0.118	BUY	36%	5,477	4,911	26.6	21.8	14.0	21.2	13.1	7.7	2.8	2.0	neg
OGKE	* EneI OGK-5	0.085	UR	UR	UR	3,023	3,603	29.9	25.0	10.8	14.7	11.4	6.6	2.1	1.5	1.8
OGKF	* OGK-6	0.040	UR	UR	UR	1,281	1,407	16.6	69.9	32.1	8.4	11.7	7.2	1.0	0.7	1.0
TGKA	* TGC-1	0.00077	UR	UR	UR	2,951	3,433	11.1	17.4	8.3	14.0	8.6	5.0	2.1	1.3	1.2
TGKB	* TGC-2	0.00027	UR	UR	UR	403	669	neg	18.1	9.6	10.0	4.5	3.4	0.7	0.6	1.8
TGKBP	* TGC-2, Pref	0.00028	UR	UR	UR											
MSNG	* Mosenergo	0.103	UR	UR	UR	4,109	4,658	78.4	26.9	12.9	10.3	7.2	5.3	1.0	0.7	0.9
TGKD	* TGC-4	0.00050	UR	UR	UR	981	945	neg	19.0	18.1	neg.	4.8	3.5	0.7	1.0	neg
TGKDP	* TGC-4, Pref	0.00029	UR	UR	UR											
TGKE	* TGC-5	0.00054	UR	UR	UR	665	704	22.5	14.9	10.1	15.3	8.0	5.0	1.0	0.7	0.4
TGKF	* TGC-6	0.00049	UR	UR	UR	911	1,175	54.8	9.5	9.5	15.7	6.5	7.3	1.2	n/a	1.5
TGKG	* Volga TGC (TGC-7)	0.070	UR	UR	UR	2,115	2,135	21.7	47.2	24.6	10.3	8.6	8.4	1.0	1.4	0.1
TGKI	* TGC-9	0.00017	UR	UR	UR	1,311	1,701	9.8	12.9	8.9	8.7	7.4	6.3	0.9	1.0	1.7
TGKJ	* Fortum, TGC-10	1.43	UR	UR	UR	1,262	1,256	10.8	11.3	10.5	13.4	10.4	5.4	1.3	0.5	neg
TGKK	TGC-11	0.00062	0.00113	BUY	83%	317	314	5.5	5.8	4.2	4.0	4.7	3.2	0.6	0.7	neg
KZBE	* Kusbassenergo	0.0121	UR	UR	UR	853	943	78.7	9.9	21.7	10.5	4.0	5.1	0.8	0.9	0.4
TGKM	* Yenisei TGC (TGC-13)	0.0038	UR	UR	UR	605	659	91.3	96.3	18.1	20.9	5.6	4.0	0.9	1.0	0.5
TGKN	* TGC-14	0.00014	UR	UR	UR	192	130	neg	9.7	4.8	neg.	3.9	2.2	0.5	0.7	neg
MRKH	* Holding MRSK	0.142	UR	UR	UR	6,028	10,085	13.8	9.7	6.6	3.7	3.4	2.7	0.6	0.5	1.4
MRKHP	* Holding MRSK, Pref	0.094	UR	UR	UR											
LSNG	* Lenenergo	0.76	UR	UR	UR	790	1,247	9.7	8.7	11.7	4.7	3.8	4.0	1.3	0.5	1.4
LSNGP	* Lenenergo, Pref	0.96	UR	UR	UR											
MRKC	* IDGC of Centre	0.039	UR	UR	UR	1,629	2,060	24.5	9.8	4.5	6.9	4.8	3.1	1.1	1.7	1.0
MRKK	* IDGC of Northern Caucasus	4.95	UR	UR	UR	146	180	neg	neg	38.5	6.6	3.8	3.1	0.5	0.3	0.7
MRKP	* IDGC of Center and Volga Region	0.0075	UR	UR	UR	850	1,192	62.9	25.5	4.7	5.9	5.2	2.9	0.7	0.6	1.5
MRKS	* IDGC of Siberia	0.0095	UR	UR	UR	852	1,069	neg	neg	10.9	9.4	7.5	4.3	0.7	1.0	1.5
MRKU	* IDGC of of Urals	0.0093	UR	UR	UR	817	968	24.5	6.3	4.8	4.5	3.3	2.9	0.6	0.9	0.5
MRKV	* IDGC of Volga	0.0035	UR	UR	UR	630	817	15.3	12.5	7.5	5.3	4.7	3.5	0.7	0.9	1.1
MRKY	* IDGC of South	0.0054	UR	UR	UR	270	662	neg	16.2	4.2	5.4	4.7	3.2	1.0	0.4	2.8
MRKZ	* IDGC of North-West	0.0067	UR	UR	UR	644	784	425.8	neg	14.8	7.8	6.5	5.0	0.8	0.9	1.2
MSRS	* MOESK	0.045	UR	UR	UR	2,181	3,696	6.4	5.6	4.2	3.8	3.5	3.1	1.2	0.7	1.5

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
								2009	2010E	2011E	2009	2010E	2011E			
MBT US	MTS, ADR	20.79	28.00	BUY	35%	20,721	24,091	18.0	10.0	8.3	6.0	4.9	4.2	2.5	5.8	0.7
VIP US	VimpelCom, ADR	14.80	29.10	BUY	97%	21,546	27,452	19.3	7.8	9.6	6.4	4.2	4.5	2.1	4.8	0.9
CMST LI	Comstar, GDR	6.45	7.70	HOLD	19%	2,696	3,519	neg	11.4	10.1	70.8	5.2	4.9	2.1	1.3	1.2
SSA LI *	Sistema, GDR	23.25	UR	UR	UR	11,218	27,232	6.8	8.7	9.6	5.3	4.6	4.5	1.5	0.8	2.7
CTCM US *	CTC Media	6.45	UR	UR	UR	1,005	976	10.0	7.0	5.5	2.7	4.5	3.5	1.7	1.4	neg
RBCI *	RBC Information Systems		UR	UR	UR			neg	neg	9.6	n/a	n/a	4.5	n/a	n/a	6.1
SITR LI *	SITRONICS, GDR	0.85	UR	UR	UR	162	568	neg	neg	256.4	neg.	5.9	4.5	0.5	0.3	4.2
IBSG GR *	IBS Group, GDR	16.75	UR	UR	UR	384	428	neg	22.7	9.6	16.3	8.1	4.5	0.7	4.1	0.8
ARMG *	ARMADA	7.69	UR	UR	UR	92	75	729.5	15.4	10.3	39.7	4.8	4.0	0.6	3.5	neg
URSI *	Uralsvyazinform	0.0389	UR	UR	UR	1,513	1,954	13.1	11.3	9.1	3.8	3.7	3.5	1.4	1.7	0.8
URSIP *	Uralsvyazinform, Pref	0.0327	UR	UR	UR											
NNSI *	VolgaTelecom	3.71	UR	UR	UR	1,158	1,399	8.7	7.9	6.6	3.1	3.0	2.9	1.2	1.1	0.5
NNSIP *	VolgaTelecom, Pref	2.99	UR	UR	UR											
ENCO *	Sibirtelekom	0.0703	UR	UR	UR	1,059	1,613	17.0	8.4	6.7	3.6	3.2	3.0	1.2	1.4	1.1
ENCOP *	Sibirtelekom, Pref	0.0549	UR	UR	UR											
KUBN *	UTK	0.1657	UR	UR	UR	617	1,202	11.5	8.5	6.2	3.9	4.0	3.7	1.6	1.6	1.9
KUBNP *	UTK, Pref	0.1303	UR	UR	UR											
SPTL *	N.W. Telecom	0.804	UR	UR	UR	864	1,389	10.5	9.4	8.3	3.8	3.6	3.5	1.5	0.8	1.4
SPTLP *	N.W. Telecom, Pref	0.620	UR	UR	UR											
ESMO *	CenterTelecom	0.846	UR	UR	UR	1,697	2,310	9.1	7.4	6.7	4.3	4.1	3.9	1.8	2.1	1.1
ESMOP *	CenterTelecom, Pref	0.687	UR	UR	UR											
ESPK *	Far East Telecom	3.54	UR	UR	UR	430	628	6.3	5.3	5.0	3.2	2.9	2.8	1.0	1.2	0.9
ESPKP *	Far East Telecom, Pref	2.93	UR	UR	UR											
RTKM *	Rostelecom	4.38	UR	UR	UR	3,943	3,692	33.9	31.5	35.8	9.3	11.6	11.5	1.7	1.9	neg
RTKMP *	Rostelecom, Pref	3.08	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	37.4	50.0	BUY	34%	10,143	11,682	61.3	29.1	17.3	15.9	12.1	8.7	0.9	5.7	1.6
MGNT LI	Magnit, GDR	24.5	24.4	HOLD	0%	10,904	10,945	39.6	31.4	21.7	22.0	16.2	11.1	1.4	7.7	0.1
MGNT	Magnit, Common	115.0	122.0	HOLD	6%	10,234	10,275	37.2	29.5	20.4	20.7	15.2	10.4	1.3	7.2	0.1
DIXY	Dixy Group	10.2	10.3	HOLD	1%	880	1,137	200.2	25.1	13.6	12.9	9.1	6.7	0.5	4.6	2.1
SCON	Seventh Continent	7.8	9.6	BUY	23%	588	1,002	24.4	16.5	10.4	8.8	7.8	6.5	0.6	1.0	3.2
MVID *	M.video	6.5	UR	UR	UR	1,165	1,156	47.1	22.2	16.3	11.3	8.9	6.8	0.4	4.1	neg
APTK *	Pharmacy Chain 36.6	3.7	UR	UR	UR	350	607	neg	neg	neg	13.5	8.4	6.5	0.7	2.3	3.5
WBD US	Wimm-Bill-Dann, ADR	21.3	27.0	BUY	27%	3,754	4,004	32.2	33.2	25.1	13.1	10.5	8.9	1.4	5.3	0.7
WBDF	Wimm-Bill-Dann, Common	49.2	108.0	BUY	119%	2,166	2,416	18.6	19.2	14.5	7.9	6.4	5.4	0.9	3.1	0.7
PKBA *	Baltika Breweries	32.3	UR	UR	UR	5,298	5,330	7.2	7.6	8.4	4.9	5.1	4.7	1.6	3.1	0.0
PKBAP *	Baltika Breweries, Pref	31.9	UR	UR	UR											
PHST LI	Pharmstandard, GDR	22.9	33.5	BUY	46%	3,462	3,358	16.0	15.4	12.6	11.5	10.7	8.8	4.1	5.4	neg
PHST	Pharmstandard, Common	77.2	134.0	BUY	74%	2,917	2,813	13.5	13.0	10.6	9.6	9.0	7.4	3.4	4.6	neg
VRPH	Veropharm	37.0	47.0	BUY	27%	370	392	10.6	9.4	7.4	9.0	6.8	5.5	2.1	2.2	0.4
KLNA *	Kalina	19.4	UR	UR	UR	189	282	14.5	7.6	6.4	5.8	4.9	4.6	0.5	1.6	1.6

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	15.00	18.80	BUY	25%	2,372	2,661	19.8	12.5	8.8	9.5	8.1	6.1	3.3	3.9	0.9
AFLT	* Aeroflot	2.13	UR	UR	UR	2,364	3,953	26.5	13.3	9.6	9.3	6.3	4.5	1.0	2.3	2.5
UTAR	* Utair Aviation	0.39	UR	UR	UR	223	946	34.6	27.2	6.5	5.6	4.5	3.4	0.7	0.7	3.5
NCSP	* NCSP, GDR	9.90	UR	UR	UR	2,542	2,838	10.2	9.8	9.1	6.5	6.5	6.1	3.9	3.1	0.7
FESH	* FESCO	0.4	UR	UR	UR	1,201	1,915	neg	neg	18.6	neg.	12.9	10.9	2.4	0.9	4.8

**Banks**

Ticker	Company	Current price, \$	TP, \$	Recom.*	Upside, %	Mkt Cap, \$ mn	P/E			P/BV						
							2009	2010E	2011E	2009	2010E	2011E				
SBER	Sberbank	2.68	3.50	BUY	30%	59,820	70.8	14.7	7.8	2.43	1.96	1.64				
SBERP	Sberbank, Pref	1.92	2.90	BUY	51%											
VTBR	VTB Bank	0.0028	0.0030	HOLD	5%	29,750	neg	14.9	11.1	1.71	1.71	1.52				
MMBM	* Bank of Moscow	30.89	UR	UR	UR	5,559	247.2	21.9	11.7	1.70	1.45	1.25				
VZRZ	Vozrozhdenie Bank, Common	36.61	45.9	BUY	25%	884	28.0	25.7	8.3	1.59	1.53	1.26				
VZRZP	Vozrozhdenie Bank, Pref	11.55	17.2	BUY	49%											
STBK	Bank Saint-Petersburg, Common	3.69	4.20	HOLD	14%	1,317	65.1	15.0	8.4	1.51	1.44	1.18				
STBKPA	* Bank Saint-Petersburg, Pref	4.23	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	31.90	UR	UR	UR	608	1,510	neg	neg	neg	neg.	14.4	4.7	0.4	0.7	8.6
GAZAP	* GAZ, Pref	12.00	UR	UR	UR											
SVAV	* Sollers	16.03	UR	UR	UR	550	1,307	neg	neg	12.1	156.6	10.0	5.4	0.8	1.1	5.8
KMAZ	* KAMAZ	2.35	UR	UR	UR	1,659	2,241	neg	neg	24.1	70.8	17.1	8.4	0.8	1.6	4.5
SILM	* Power machines	0.24	UR	UR	UR	2,072	1,901	11.1	10.4	9.4	6.5	5.9	5.2	1.0	4.1	neg
MASZ	Mashinostroitelny Zavod	265	300	HOLD	13%	369	353	4.6	5.5	5.9	2.8	2.6	2.6	0.8	0.6	neg
NZHK	NCCP	10.0	8.0	SELL	-20%	265	251	6.1	14.3	13.1	3.1	4.8	4.5	1.6	0.6	neg
NZHKP	* NCCP, Pref	2.7	UR	UR	UR											
KHEL	* Kazan Helicopters	1.86	UR	UR	UR	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	1.29	UR	UR	UR	344	182	4.3	4.5	4.8	1.6	1.6	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	27.3	57.0	BUY	108%	2,818	3,644	19.5	13.8	10.7	7.9	7.7	6.7	2.1	2.2	1.7
LSRG LI	LSR Group, GDR	8.8	11.4	BUY	29%	4,549	5,375	31.4	22.2	17.3	11.6	11.4	10.0	3.1	3.5	1.7
PIK LI	Pik Group, GDR	4.0	7.2	BUY	80%	1,973	3,299	neg	neg	54.6	19.3	15.1	12.9	2.7	3.5	6.1
AFID	AFI Development, GDR	0.89	1.50	BUY	69%	932	1,138	neg	neg	65.5	43.6	33.7	13.6	10.6	0.5	6.1
MLD	MirLand Development, GDR	2.74	5.00	BUY	82%	284	498	neg	110.5	7.8	neg.	24.3	7.8	11.7	0.9	10.5

\* - multilpes 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

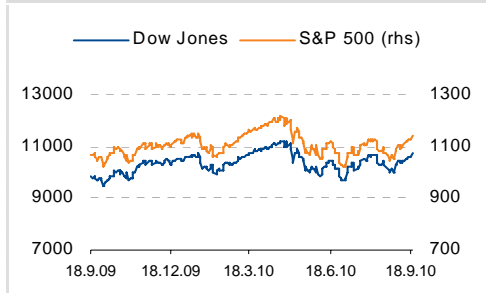
Source: RTS, MICEX, Bloomberg, TKB Capital estimates

**MODEL PORTFOLIO**

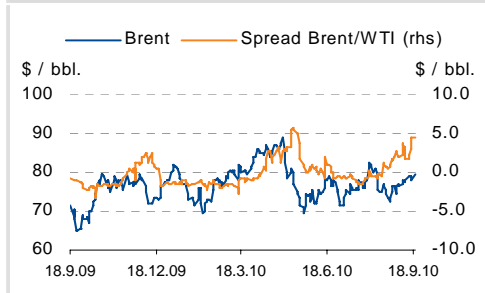
Company name and ticker	Price of purchase (22/04/2010), \$	Current Price, \$	Upside Potential			Market Cap (\$ mn)	Free float (\$ mn)	Share in RTSI	Share in Portfolio	
			1M	6M	12M					
Model Portfolio performance since last update			6.5%			since 21/04/2010		-4.8%		
<b>Cash</b>									10.00%	
<b>Oil &amp; Gas</b>									30.00%	
ROSN	Rosneft	7.53	6.55	n/a	26%	53%	62,839	9,426	6.93%	5.00%
TNBP	TNK-BP Holding	2.06	2.18	n/a	5%	10%	34,467	1,723	0.00%	10.00%
BANE	Bashneft	36.25	40.00	n/a	13%	25%	6,807	1,674	0.45%	15.00%
<b>Metals &amp; Mining</b>									13.00%	
RASP	Raspadskaya	4.875	5.012	2%	20%	40%	3,913	783	0.51%	5.00%
MTLR	Mechel	25.06	24.13	0%	28%	45%	0	0	1.00%	5.00%
CHMF	Severstal	12.43	13.44	0%	12%	27%	13,539	2,369	1.34%	3.00%
<b>Consumer and Retail</b>									10.00%	
MGNT	Magnit	88.93	115.02	0%	2%	4%	10,228	3,068	1.65%	5.00%
PHST	Pharmstandard	70.81	77.18	3%	17%	33%	2,917	0	0.29%	5.00%
<b>Machinery</b>									6.00%	
SVAV	Sollers	15.91	16.03	25%	43%	62%	550	192	0.11%	3.00%
SILM	Power Machines	0.209	0.238	9%	18%	30%	2,072	104	0.00%	3.00%
<b>Banks</b>									10.00%	
SBER	Sberbank OS	2.70	2.68	16%	30%	45%	57,901	17,370	14.60%	6.00%
STBK	Bank St-Petersburg OS	3.28	3.69	14%	22%	33%	1,041	182	0.00%	4.00%
<b>Utilities</b>									15.00%	
HYDR	RusHydro	0.0539	0.0517	5%	30%	40%	12,660	4,697	2.33%	6.00%
TGKG	TGK-7	0.0472	0.0705	3%	20%	26%	2,115	981	0.00%	4.00%
TGKK	TGK-11	0.000705	0.000618	10%	62%	83%	317	126	0.00%	2.00%
TGKM	TGK-13	0.00359	0.00380	6%	39%	51%	605	201	0.00%	3.00%
<b>Telecoms</b>									3.00%	
ENCO	Sibirtelecom OS	0.058	0.070	10%	n/a	n/a	844	84	0.21%	1.00%
KUBN	South Telecom OS	0.140	0.166	15%	n/a	n/a	490	49	0.00%	1.00%
SPTL	North-West Telecom OS	0.654	0.804	12%	n/a	n/a	709	71	0.16%	1.00%
<b>Real Estate / Development</b>									3.00%	
LSRG	LSR Group	29.64	27.30	54%	90%	138%	2,557	460	0.00%	3.00%

**STOCK INDEXES**

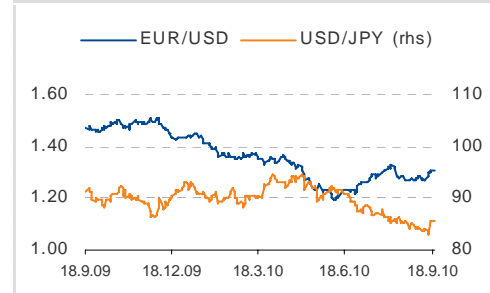
Dow Jones	10,754	1.37%
S&P 500	1,143	1.52%


**COMMODITY FUTURES**

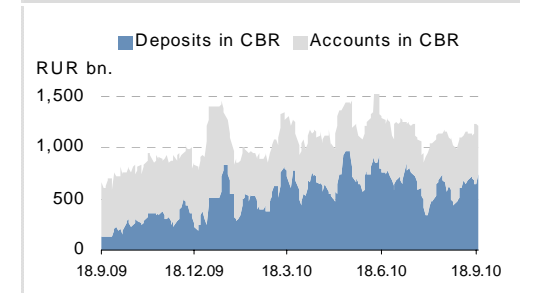
Brent	79.32	1.42%
Spread Brent/WTI	4.46	-0.09


**CURRENCIES**

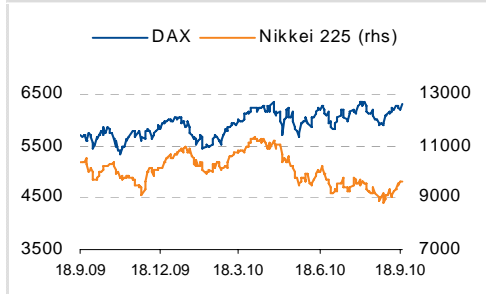
EUR/USD	1.307	0.16%
USD/JPY	85.8	-0.01%


**LIQUIDITY AND INTEREST RATES**

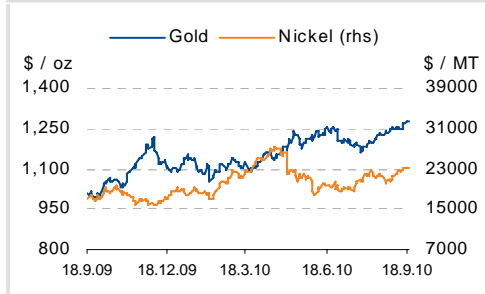
Deposits in CBR, RUR bn	749	16.6%
Accounts in CBR, RUR bn	475	-19.3%



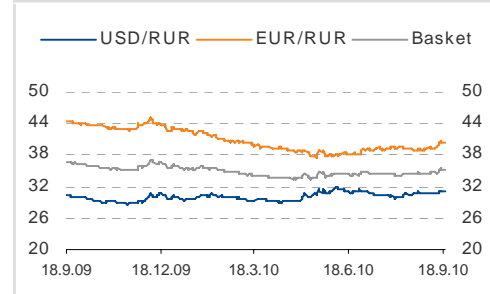
DAX	6,295	1.37%
Nikkei 225	9,626	0.00%



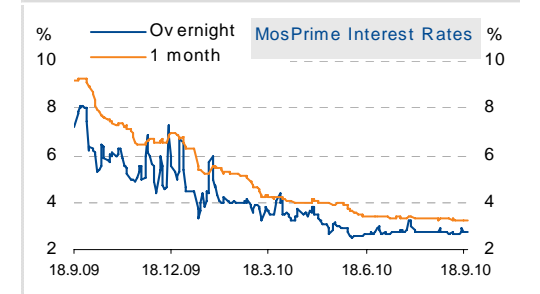
Gold	1,279	0.3%
Nickel	23,102	-0.6%



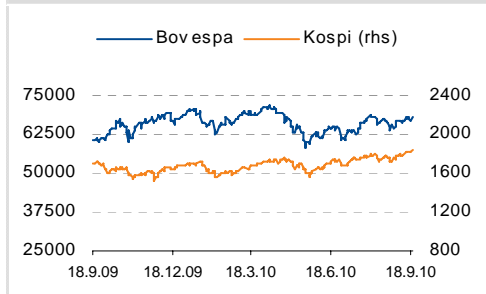
USD/RUR	31.01	-0.04%
EUR/RUR	40.54	0.22%



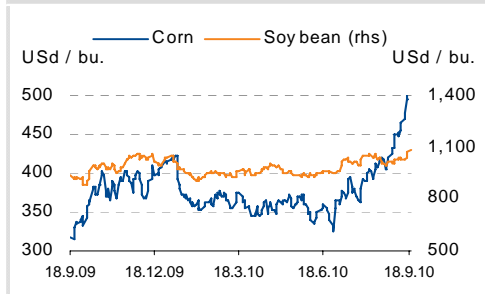
MosPrime O/N, %	2.7	-0.02
MosPrime 1m, %	3.3	-0.01



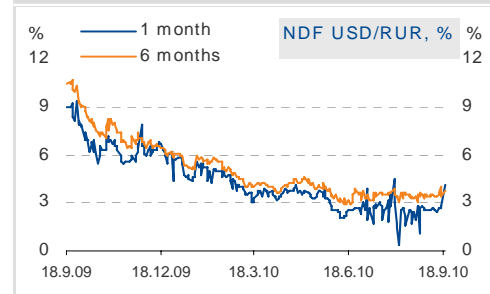
Bovespa	68,190	1.64%
Kospi	1,833	0.29%



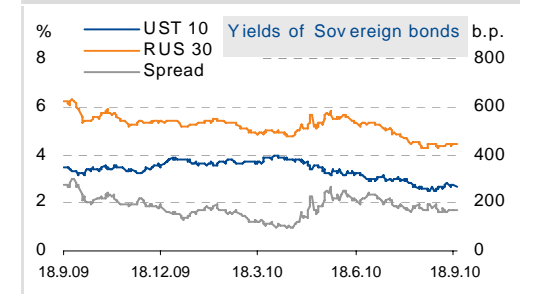
Corn	508.3	-0.97%
Soybean	1,084.5	1.45%



NDF USD/RUR 1m, %	4.07	1.32
NDF USD/RUR 6m, %	3.74	0.32



UST 10Y, %	2.70	-0.04
Russia 30Y, %	4.43	0.00



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	5,694,020	21.02	0.82%	GAZP RX	21.00	0.12%
ROSN LI	Rosneft	LSE	1	8,853,833	6.52	0.31%	ROSN RX	6.55	-0.41%
LKOD LI	LUKOIL	LSE	1	1,779,017	55.70	1.27%	LKOH RX	55.60	0.18%
SGGD LI	Surgutneftegas, Common	LSE	10	1,164,409	9.50	0.64%	SNGS RX	9.53	-0.35%
ATAD LI	Tatneft, Common	LSE	6	275,054	30.35	1.23%	TATN3 RX	28.11	7.96%
GAZ LI	Gazprom Neft	LSE	5	45,685	19.01	0.96%	SIBN RX	19.14	-0.69%
NVTK LI	NOVATEK	LSE	10	341,176	85.80	2.39%	NVTK RX	75.61	13.48%
AOIL SS	Alliance Oil	OMXS	1	208,216	12.91	0.95%			
EDCL LI	Eurasia Drilling	LSE	1	121,955	23.90	-0.33%			
INTE LI	Integra	LSE	0.05	38,125	2.55	0.00%			
O2C GR	CAT Oil	XETRA	1	25,605	8.83	1.44%			
VGAS LN	Volga Gas	LSE	1	346,708	2.93	-2.78%			
SSA LI	Sistema	LSE	20	709,062	23.25	-1.90%	AFKC RX	17.08	36.10%
MBT US	Mobile TeleSystems	NYSE	2	4,844,935	20.79	4.42%	CMST RX	16.41	26.71%
VIP US	VimpelCom	NYSE	0.05	4,021,239	14.80	1.37%			
CMST LI	Comstar-UTS	LSE	1	6,674	6.45	0.78%	MTSI RX	6.60	-2.29%
IBSG GR	IBS Group	XETRA	1	910	16.75	4.04%			
CTCM US	CTC Media	NASDAQ	1	268,985	20.67	2.43%			
SITR LI	SITRONICS	LSE	50	-	0.85	0.00%	SITR RU	1.13	-24.44%
VTBR LI	VTB Bank	LSE	2000	3,308,195	5.70	1.42%	VTBR RX	5.69	0.21%
VZY GR	Vozrozhdenie Bank, Common	XETRA	3/4	-	27.00	-3.91%	VZRZ RX	27.46	-1.67%
FIVE LI	X5 Retail Group	LSE	0.25	229,065	37.35	1.55%			
MGNT LI	Magnit	LSE	0.20	534,331	24.51	0.04%	MGNT RX	23.00	6.55%
PHST LI	Pharmstandard	LSE	0.25	63,149	22.90	3.62%	PHST RX	19.30	18.68%
WBD US	Wimm-Bill-Dann Foods	NYSE	0.25	159,308	21.33	2.25%	WBDF RX	12.31	73.33%
CHE LI	Cherkizovo Group	LSE	2/3	62,961	16.50	0.00%	GCHE RX	16.30	1.22%
URKA LI	Uralkali	LSE	5	523,452	23.13	0.83%	URKA RX	23.08	0.20%
RUSAL FP	RUSAL	Euronext	20	14	22.75	-0.98%			
MNOD LI	Norilsk Nickel	LSE	0.1	4,601,973	15.79	-0.19%	GMKN RX	15.87	-0.53%
SVST LI	Severstal	LSE	1	1,273,819	13.72	-0.58%	CHMF RX	13.44	2.12%
NLMK LI	NLMK	LSE	10	276,862	33.30	4.06%	NLMK RX	33.13	0.50%
MMK LI	MMK	LSE	13	57,881	11.99	-0.08%	MAGN RX	11.83	1.32%
MTL US	Mechel, Common	NYSE	1	1,753,120	24.42	1.96%	MTLR RX	24.13	1.21%
EVR LI	Eurasia Drilling	LSE	1/3	786,906	28.09	1.96%			
PLZL LI	Polyus Gold	LSE	0.5	288,007	23.95	3.68%	PLZL RX	22.32	7.29%
PMTL LI	Polymetal	LSE	1	120,019	14.81	0.75%	PMTL RX	14.94	-0.87%
HGM LN	Highland Gold	LSE	1	244,580	2.17	3.04%			
HRG CN	High River Gold	TSX	1	685,310	0.92	-2.72%			
TMKS LI	TMK	LSE	4	29,292	16.90	-0.59%	TRMK RX	16.74	0.96%
CHZN LI	Chelyabinsk Zinc Plant	LSE	1	-	3.70	0.00%	CHZN RX	3.79	-2.45%
LSRG LI	LSR Group	LSE	0.20	65,051	8.83	-0.23%	LSRG RX	5.47	61.45%
PIK LI	PIK Group	LSE	1	41,577	4.00	0.48%	PIKK RX	3.96	1.02%
AFID LI	AFI Development	LSE	1	163,337	0.89	1.14%			
MLD LN	MirLand Development	LSE	1	1,000	2.74	-1.16%			
HALS LI	Sistema Hals	LSE	0.05	1,200	1.40	7.69%	HALS RX	1.34	4.48%
RUS LN	Raven Russia	LSE	1	1,255,222	0.78	-0.95%			
RGI LN	RGI International	LSE	1	8,785	1.98	0.00%			
GLTR LI	Globaltrans	LSE	1	25,449	15.00	-1.64%			
NCSP LI	NCSP	LSE	75	341,027	9.90	-1.49%	NMTP RX	10.01	-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,
<b>Asia</b>							
Nikkei 225	Japan	9,626.09	0.00%	3.26%	4.87%	-8.73%	-7.18%
Hang Seng	Hong Kong	21,977.34	0.03%	1.47%	4.74%	0.48%	1.64%
Straits Times	Singapore	3,080.98	0.15%	0.46%	4.92%	6.33%	16.36%
Seoul Composite	South Korea	1,832.63	0.29%	0.76%	3.22%	8.91%	7.82%
Shanghai Composite	China	2,588.71	-0.38%	-3.71%	-2.03%	-21.01%	-12.62%
Taiwan Weighted	Taiwan	8,186.96	0.35%	1.18%	3.28%	-0.01%	8.77%
SENSEX	India	19,906.10	1.59%	3.63%	8.17%	13.98%	18.90%
<b>Europe</b>							
FTSE 100	Great Britain	5,602.54	1.71%	0.66%	7.84%	3.50%	8.31%
DAX	Germany	6,294.58	1.37%	0.53%	4.82%	5.66%	10.36%
CAC 40	France	3,788.01	1.77%	0.55%	7.43%	-3.77%	-1.04%
Budapest SE Index	Hungary	23,055.39	-0.71%	-1.54%	5.02%	8.61%	11.22%
PX50	Czech Republic	1,133.40	0.58%	-1.39%	-3.40%	1.44%	-1.92%
WIG 20 TR	Poland	2,554.96	0.61%	-0.19%	4.49%	6.96%	18.99%
ISE 100	Turkey	64,289.57	0.67%	3.26%	9.43%	21.70%	36.32%
RTS	Russia	1,467.11	0.20%	-2.40%	2.95%	1.56%	17.79%
MICEX	Russia	1,426.84	0.65%	-1.02%	4.43%	4.15%	18.08%
<b>Africa</b>							
FTSE/JSE Top 40	South Africa	25,549.75	1.15%	0.77%	6.81%	2.21%	10.18%
Egypt CMA GENL	Egypt	611.67	1.07%	-0.09%	3.00%	6.67%	-4.10%
<b>America</b>							
DJIA	USA	10,753.62	1.37%	1.99%	5.29%	3.12%	9.51%
S&P 500	USA	1,142.71	1.52%	1.85%	6.63%	2.48%	6.97%
NASDAQ	USA	2,355.83	1.74%	3.07%	8.08%	3.82%	10.45%
Bovespa	Brazil	68,190.46	1.64%	0.24%	2.27%	-0.58%	12.33%
BUSE MERVAL	Argentina	2,533.29	2.42%	3.07%	3.87%	9.16%	26.18%
IBC	Venezuela	65,190.61	0.00%	-0.12%	0.58%	18.37%	21.74%
<b>Emerging markets indexes</b>							
MSCI BRIC		335.68	0.91%	0.88%	4.96%	1.02%	10.67%
FTSE Russia IOB Index		842.80	0.92%	-2.56%	3.11%	-4.12%	5.04%
MSCI Russia		783.15	0.77%	-2.38%	2.67%	-1.53%	8.06%

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	79.11	1.85%	0.85%	7.50%	2.47%	12.79%
EUCRURMD	Urals	78.95	1.91%	0.52%	8.55%	2.89%	13.32%
USCRWTIC	WTI	74.86	1.63%	-3.02%	1.91%	-5.67%	3.91%
GOLDLNPM	Gold	1,279.25	0.41%	2.85%	4.56%	17.63%	26.41%
SLVRLN	Silver	20.91	0.29%	4.92%	15.27%	23.07%	22.21%
PLAT	Platinum	1,628.00	0.59%	4.71%	7.67%	11.09%	22.45%
PALL	Palladium	538.50	-0.69%	1.22%	12.95%	32.05%	78.61%
LMAHDY	Aluminium	2,164.25	0.59%	3.12%	6.21%	-1.49%	14.88%
LMCADY	Copper	7,703.50	-0.10%	1.13%	6.45%	4.92%	25.28%
LMNIDY	Nickel	23,080.00	-0.57%	1.03%	7.40%	25.08%	35.22%
LMZSDY	Zinc	2,151.00	1.25%	1.41%	5.99%	-14.95%	14.02%
MBSTCIHR	Steel HRC (FOB Black Sea)	622.50	-1.58%	-1.58%	2.47%	22.66%	8.73%
MBSTUSHR	Steel HRC (USA)	545.00	0.00%	0.00%	0.00%	7.92%	-1.80%
LMSNDY	Tin	23,437.00	-0.65%	5.26%	12.95%	38.94%	55.21%
LMPBDY	Lead	2,165.75	-0.39%	-2.48%	6.66%	-9.84%	0.39%

**Futures**

Bloomberg code	Commodity	Value	Daily change, %	Weekly change, %	Monthly change, %	YTD change, %	Change of 52 week, %
CO1	Brent	79.32	1.42%	0.37%	6.81%	1.78%	11.22%
CL1	WTI	74.86	1.63%	-3.02%	1.91%	-5.67%	3.91%
HO1	Heating Oil	213.94	1.92%	0.79%	8.54%	0.97%	17.04%
PG1	Gasoline	194.96	1.58%	-1.57%	1.27%	-5.03%	6.40%
NG1	Natural Gas	3.82	-5.02%	-2.95%	-7.17%	-31.41%	1.16%
GC1	Gold	1,279.30	0.27%	2.71%	4.25%	16.70%	26.74%
SI1	Silver	20.78	-0.06%	3.32%	15.49%	23.51%	21.91%
PL1	Platinum	1,632.00	0.62%	5.30%	7.80%	11.78%	21.95%
PA1	Palladium	539.50	-0.70%	2.22%	13.29%	31.96%	77.38%
LY1	Aluminium	2,188.00	-1.35%	-1.40%	0.83%	13.10%	25.48%
LP1	Copper	7,711.50	-0.09%	1.23%	6.44%	4.90%	25.11%
LN1	Nickel	23,102.00	-0.57%	1.13%	7.41%	25.10%	35.09%
LX1	Zinc	2,161.25	1.25%	1.90%	6.02%	-14.74%	14.04%
LT1	Tin	23,460.00	-0.66%	5.37%	13.01%	38.87%	56.24%
LL1	Lead	2,176.00	-0.40%	-2.02%	6.77%	-9.67%	0.33%
API21MON	Steam Coal	92.31	-0.29%	1.62%	-0.08%	12.16%	34.86%
CCKPTAIY Index	Coking Coal	1,660.00	0.00%	0.00%	1.22%	-2.35%	3.75%
MBFOFO01 Index	Iron Ore	145.50	0.00%	-1.36%	-7.32%	30.49%	70.18%
SB1	Sugar	24.29	-1.30%	4.07%	21.75%	-9.87%	10.86%
CC1	Cocoa	2,716.00	-1.09%	6.01%	-2.65%	-17.42%	-12.72%
KC1	Coffee	180.55	-3.89%	-3.71%	-0.55%	32.81%	33.94%
C 1	Corn	508.25	-0.97%	8.31%	20.65%	22.62%	59.83%
W 1	Wheat	731.75	-1.01%	2.52%	7.77%	35.13%	60.03%
S 1	Soybean	1,084.50	1.45%	5.78%	7.46%	4.30%	15.25%
CT1	Cotton	100.37	2.83%	9.34%	15.17%	32.76%	58.86%

**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)	31.01	-0.04%	1.09%	1.21%	3.24%	2.54%
EURRUB Curncy	Euro (rubles per 1 euro)	40.54	0.22%	2.75%	4.17%	-5.87%	-8.93%
RUBBASK Curncy	Basket \$0.55/0.45€ (rubles)	35.30	0.09%	1.94%	2.71%	-1.84%	-3.83%
EUR Curncy	Euro (\$ per 1 euro)	1.307	0.16%	1.64%	2.87%	-8.79%	-11.22%
GBP Curncy	British Pound Sterling (\$ per 1 pound)	1.556	-0.46%	0.78%	0.18%	-3.64%	-4.35%
JPY Curncy	Japanese Yen (yen per \$1)	85.77	-0.01%	2.51%	0.11%	-7.91%	-6.03%
CHF Curncy	Swiss Franc (francs per \$1)	1.005	-0.49%	-0.38%	-2.93%	-2.86%	-2.29%
CNY Curncy	Chinese Yuan (yuan per \$1)	6.714	-0.02%	-0.71%	-1.13%	-1.66%	-1.67%
BRL Curncy	Brazilian Real (reals per \$1)	1.719	0.14%	0.10%	-2.40%	-1.33%	-4.89%
MXN Curncy	Mexican Peso (pesos per \$1)	12.76	-0.06%	-1.04%	-0.04%	-2.43%	-3.73%
TRY Curncy	Turkish Lira (liras per \$1)	1.491	-0.32%	-0.40%	-1.82%	-0.16%	0.75%
INR Curncy	Indian Rupee (rupee per \$1)	45.71	-0.31%	-1.50%	-2.07%	-1.77%	-5.05%
KRW Curncy	S.Korean Won (won per \$1)	1,162.5	0.11%	0.28%	-1.80%	0.38%	-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	0.228	0.000	0.001	0.001	0.059	0.010
US0001M Index	LIBOR 1Month	0.256	-0.001	-0.001	-0.008	0.025	0.010
US0003M Index	LIBOR 3Months	0.290	-0.001	-0.002	-0.039	0.040	0.001
EUR001M Index	EURIBOR 1Month	0.617	-0.001	0.001	-0.017	0.164	0.168
EUR003M Index	EURIBOR 3Months	0.876	-0.003	-0.003	-0.014	0.176	0.114
MOSKON Index	MosPrime Overnight	2.730	-0.020	0.070	-0.010	-1.720	-4.480
MOSK1W Index	MosPrime 1Week	2.990	0.000	0.070	0.000	-1.610	-5.300
MOSK2W Index	MosPrime 2Weeks	3.080	0.000	0.000	0.000	-1.870	-5.590
MOSKP1 Index	MosPrime 1Month	3.260	-0.010	0.000	-0.020	-3.060	-5.910
MOSKP3 Index	MosPrime 3Months	3.750	0.000	0.000	0.000	-3.300	-7.070

**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	4.07	1.32	1.63	1.61	-1.67	-4.96
RRN3M Curncy	3 Months	3.56	0.52	0.61	0.60	-3.96	-5.59
RRN6M Curncy	6 Months	3.74	0.32	0.33	0.47	-2.31	-6.68
RRN12M Curncy	1 Year	4.43	0.21	0.25	0.30	-2.03	-5.86

Source: Bloomberg, TKB Capital estimates

**MACROECONOMICS: STATISTICS & EVENTS CALENDAR**

Date	Time	Indicator	Period	Survey	Actual	Prior	Revised
<b>20.09.2010</b> MONDAY		UK 3:01 Rightmove House Prices (MoM)	SEP	--	-1.1%	-1.7%	--
		UK 3:01 Rightmove House Prices (YoY)	SEP	--	2.6%	4.3%	--
		UK 12:30 Major Banks Mortgage Approvals	AUG	46K	45K	47K	--
		UK 12:30 M4 Money Supply (MoM)	AUG	0.2%	-0.2%	0.4%	--
		UK 12:30 M4 Money Supply (YoY)	AUG	--	1.8%	2.3%	--
		US 18:00 NAHB Housing Market Index	SEP	14	13	13	--
<b>21.09.2010</b> THURSDAY		UK 12:30 Public Finances (PSNCR)	AUG	8.1B	--	-4.1B	--
		UK 12:30 Public Sector Net Borrowing	AUG	12.1B	--	3.2B	--
		US 16:30 Housing Starts	AUG	550K	--	546K	--
		US 16:30 Housing Starts MOM%	AUG	0.70%	--	1.70%	--
		US 16:30 Building Permits	AUG	565K	--	565K	559K
		US 16:30 Building Permits MOM%	AUG	0.20%	--	-3.10%	-4.10%
		US 22:15 FOMC Rate Decision	SEP 21	0.25%	--	0.25%	--
<b>22.09.2010</b> WEDNESDAY		US 1:00 ABC Consumer Confidence	SEP 19	--	--	-43	--
		EC 13:00 Industrial New Orders SA (YoY)	JUL	16.10%	--	22.60%	22.80%
		EC 13:00 Industrial New Orders SA (MoM)	JUL	-1.40%	--	2.50%	2.50%
		US 15:00 MBA Mortgage Applications	SEP 17	--	--	-8.90%	--
		EC 18:00 Euro-Zone Consumer Confidence	SEP	-10	--	-11	--
		US 18:00 House Price Index MoM	JUL	-0.10%	--	-0.30%	--
<b>23.09.2010</b> THURSDAY		EC 12:00 PMI Composite	SEP	55.70	--	56.20	--
		EC 12:00 PMI Manufacturing	SEP	54.60	--	55.10	--
		EC 12:00 PMI Services	SEP	55.50	--	55.90	--
		UK 12:30 BBA Loans for House Purchase	AUG	32000	--	33698	--
		US 16:30 Initial Jobless Claims	SEP 18	450K	--	450K	--
		US 16:30 Continuing Claims	SEP 11	4450K	--	4485K	--
		US 18:00 Existing Home Sales	AUG	4.10M	--	3.83M	--
		US 18:00 Leading Indicators	AUG	0.10%	--	0.10%	--
		US 18:00 Existing Home Sales MoM	AUG	7.10%	--	-27.20%	--
<b>24.09.2010</b> FRIDAY		US 0:00 RPX Composite 28dy YoY	JUL	--	--	0.16%	--
		US 0:00 RPX Composite 28dy Index	JUL 31	--	--	197.09	--
		US 16:30 Durable Goods Orders	AUG	-1.00%	--	0.30%	0.40%
		US 16:30 Durables Ex Transportation	AUG	0.80%	--	-3.80%	-3.70%
		US 16:30 Cap Goods Orders Nondef Ex Air	AUG	--	--	-8.00%	--
		US 16:30 Cap Goods Ship Nondef Ex Air	AUG	--	--	-1.50%	--
		US 18:00 New Home Sales	AUG	295K	--	276K	--
		US 18:00 New Home Sales MoM	AUG	6.90%	--	-12.40%	--



**CORPORATE EVENTS CALENDAR**

Date	Company	Ticker	Sector	Event
mid-September	Transneft	TRNF	Oil and gas	6M10 results under IFRS
September, 20	VolgaTelecom	NNSI	Telecoms	Record date for interim 9M10 dividends
September, 20	Uralsvyazinform	URSI	Telecoms	Record date for interim 9M10 dividends
September, 20	CenterTelecom	ESMO	Telecoms	Record date for interim 9M10 dividends
September, 21	Rostelecom	RTKM	Telecoms	Record date for interim 9M10 dividends
September, 21	Comstar-UTS	CMST	Telecoms	Expiration of voluntary tender offer for local shares
September, 21	LSR Group	LSRG	Real Estate	6M10 results under IFRS
September, 23	Far East Telecom	ESPK	Telecoms	Record date for interim 9M10 dividends
September	TNK-BP Holding	TNBP	Oil and gas	6M10 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
2nd week of November			Machinery	October car and LCV sales in Russia according to AEB
mid-November	Novatek	NVTK	Oil and gas	9M10 results under IFRS
first half of November	SurgutNG	SNGS	Oil and gas	9M11 results under RAS
first half of November	Bashneft	BANE	Oil and gas	9M results under RAS
first half of November	Novo-Ufa refinery (Novoil)	NUNZ	Oil and gas	9M results under RAS
first half of November	Bashkitnefteprodukt	BANP	Oil and gas	9M results under RAS
first half of November	Sibneftegeophysika	SNGF	Oil and gas	9M results under RAS
first half of November	Bashneftegeophysika	BNGF	Oil and gas	9M results under RAS
first half of November	Saratovneftegeophysika	SRGF	Oil and gas	9M results under RAS

Source: TKB Capital estimates

## Research Department

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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

**Tatiana Zadorozhnaya**  
Transport  
t.zadorozhnaya@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

**Kirill Bakhtin**  
Telecoms  
k.bakhtin@tkbc.ru

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

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

## Structured Product, Equity & Derivative Department

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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

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