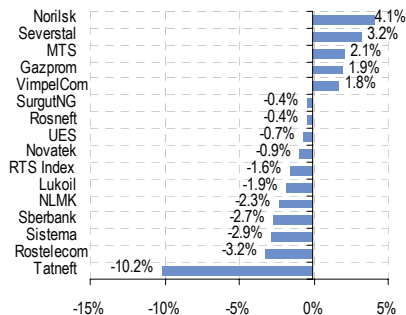
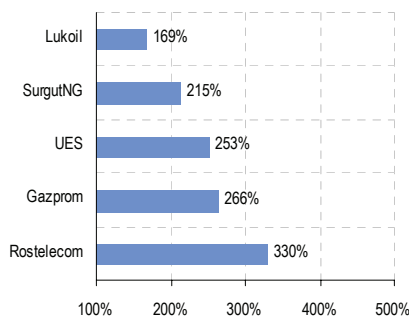


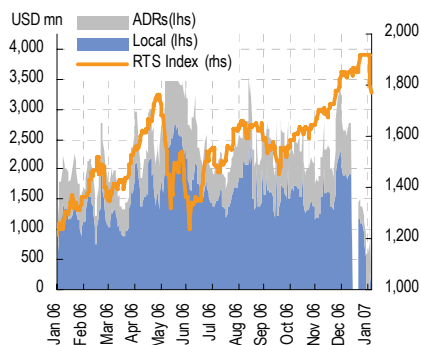
Blue chips: advancers and decliners



Volume monitor: daily/3M avg. volume



RTS index and weekly trading volumes



Upcoming events

Jan	Evraz 4Q06 trading update
Jan 11	Raspadskaya trading update for 2006
Jan 12	Lukoil 3Q06 U.S. GAAP results
Mid-Jan	X5 4Q06 and 2006 trading update
Mid-Jan	Magnit trading update for December
Jan 26	UES board meeting
End-Jan	36.6 4Q06 operating results
End-Jan	Veropharm 4Q06 operating results

Market

- Russian shares carried on falling yesterday, with the RTS declining 1.6% to 1,771. Continued weakness in the price of oil bodes ill for the market today.

Top news and ideas

- Oil & Gas: Druzhba crude exports supplies resume after Belarus reduces transit fee.** A finalization of a deal on sharing crude export duty on Russian oil supplies would be good for Russia's oil companies.
- Lukoil: 3Q06 U.S. GAAP results expected on Friday.** The acquisition of Khanty Mansyisk Oil Company and further sales mix improvements should boost margins, counteracting negative trends in export duties and oil prices.
- Dalsvyaz: Appeals court confirms USD24 mn tax claim.** The news is negative for Dalsvyaz, as well as for other operators that face similar cases – but privatization/restructuring plans represent long-term positives for the sector.
- Golden Telecom: Access codes granted for long distance services.** Entering the long distance market is a major positive that may trigger valuation upgrades for the stock.
- Stabilization Fund reached USD89.1 bn as of Jan. 1.** Favorable commodity prices and sound fund management allowed for strong growth.

Other highlights

- Brief – Sistema sold 66% of British IP-telephony operator WaveCrest to MTT for USD42 mn (Interfax).** With the acquisition, MTT, a Russian long-distance provider 50% owned by Sistema, will likely see revenue double to roughly USD800 mn in 2007.

Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	1,771	-1.6%	-4.4%	-3.7%	11.7%	45.5%
MSCI EM Europe Index	586	-1.1%	-7.3%	-6.7%	5.8%	13.1%
MSCI EM Index	867	-1.2%	-4.4%	-1.7%	10.3%	15.1%
S&P500 Index	1,415	0.2%	-0.1%	0.1%	4.8%	9.3%
OIX (Oil majors) Index	603	-1.6%	-4.3%	-8.8%	4.3%	6.7%
GSCI (Commodities) index	5,200	-0.9%	-4.0%	-10.9%	-9.8%	-21.4%
Oil (WTI), USD/bbl	54.0	-2.9%	1.0%	-12.9%	-7.7%	-14.8%
Nickel, USD/ton	32,888	0.1%	-0.3%	-5.8%	1.4%	123.5%
Steel (HR), USD/ton	505	0.0%	0.0%	0.0%	4.1%	32.9%
LT U.S. Treasury YTM	4.8%	4.8%	4.8%	4.7%	4.9%	4.6%
EMBI-Russia spread, bp	105	104	106	96	103	112
RUB/USD	26.91	26.33	26.33	26.19	26.89	28.78

Source: Datastream, Bloomberg

Oil & Gas: Druzhba crude exports supplies resume after Belarus reduces transit fee

Analysts : Nadia Kazakova, CFA, Andrey Gromadin, CFA, e-mail: Andrey.Gromadin@mdmbank.com

Belarus cancels USD45/Mt transit fee for Russian oil. Last night, Belarus and Russia agreed to resume crude oil supply via the 1.4 mmbpd Druzhba pipeline after Belarus agreed to reduce its transit fees, which had been set at USD45/Mt (USD6.16/bbl) as of January 1 vs USD2.6/Mt (USD0.35/bbl) previously. The Belarusian side was also required to export 79,000 tons of Russian crude oil that had been siphoned off in lieu of payments for the increased tariff from the beginning of the year. Belarus backed away from a full-blown trade war with Russia that would have severely affected most of its exports. Russia is Belarus's largest trading partner.

Negotiations over tax-sharing agreement restarted. Prior to 2007, Belarus paid no export duty on Russian oil imports, but received export taxes on oil products exported out of the country. Under an agreement with Russia signed in 1995, Belarus was to transfer 85% of the duty received to Russia, but it has not complied with this arrangement since 2001. In a somewhat delayed response, Russia imposed an export duty of USD180/Mt (USD24.6/bbl) on Russian oil exports to Belarus at the end of 2006. According to media reports, Russia and Belarus have now recommenced negotiations over a tax sharing agreement on oil products produced from Russian oil in Belarus and exported to Europe. Belarus is insisting on a 40% share of the tax, while Russia would like to return to the original arrangement of 15% for Belarus. We assume that if an agreement is reached, Russia would cancel its export duty.

New tax sharing deal would be good news for Russian oil companies. The negotiations between the Russian and Belarussian governments are likely to result in a cancellation of the crude export duty imposed by the Russian side. This would be good news for Russia's oil companies, particularly SurgutNG and Rosneft, which could receive an estimated additional USD1.68/bbl premium on duty-free crude exports to Belarus in 2007.

Estimated pre-tax profit from duty-free Belarussian crude deliveries, 2007E

	Crude deliveries to Belarus, mn t	Additional pre-tax income, USD mn
Surgutneftegaz	5.6	66
Rosneft	6.2	73
Lukoil	2.5	30
Slavneft	1.9	22
Gazprom Neft	2.2	26
Russneft	1.4	16
TNK-BP Holding	0.2	2
Others	1.1	13
Total deliveries	21.0	249

Source: MDM estimates

Lukoil: 3Q06 U.S. GAAP results expected on Friday

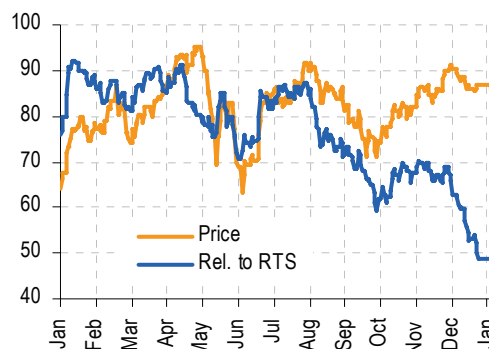
Analyst: Nadia Kazakova, CFA, Andrey Gromadin, CFA e-mail: Andrey.Gromadin@mdmbank.com

Tel: + 7 495 795 2521

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
LKOH RM Equity	77.80	105.50	Buy	95.23/63.01	-12.1%	0.2%	13.4%

Financials, USD mn	2005A	2006E	2007E
Revenue	56,215	68,559	64,705
EBITDA	10,651	13,432	12,525
Net income	6,443	8,402	7,701
Revenue growth	65%	22%	-6%
EBITDA growth	45%	26%	-7%
Net income growth	52%	30%	-8%
EBITDA margin	19%	20%	19%
Net margin	11%	12%	12%
EV/Revenue	1.2	1.0	1.1
EV/EBITDA	6.5	5.2	5.5
P/E	10.3	7.9	8.6
MCAP, USD mn	66,204	Com., mn	851
EV, USD mn	69,400	Pref., mn	
Free float	48%	Total, mn	851

Price performance, USD



Source: Bloomberg

Source: Bloomberg, MDM estimates

We expect Lukoil to post strong financials for 3Q06 despite difficult conditions. Lukoil is scheduled to publish 3Q06 U.S. GAAP results on January 12. We expect strong numbers that may even surpass the record set of figures posted for 2Q06. We anticipate 3Q06 revenues of USD18.70 bn (up 14.5% y-o-y and 1.7% q-o-q), EBITDA of USD3.76 bn (+10.6% y-o-y and +2.9% q-o-q) and net profit of USD2.39 bn (+8.0% y-o-y and +2.9% q-o-q).

Acquisition and further sales mix improvements should help. The operating climate was challenging for Russian oil companies in 3Q06. Urals crude averaged USD65.75/bbl in the quarter, a rise of 15.0% y-o-y but only 1.3% q-o-q. In contrast, export duties grew much faster: crude oil duty rose by 59.5% y-o-y and 16.5% q-o-q, while oil product duties rose by 46.2% y-o-y and 9.0% q-o-q. This negative movement negatively impacted both EBITDA and net profit margin. However, the acquisition of Khanty Mansyisk Oil Company, which was consolidated from June 2006, and further improvements in Lukoil's export mix in favor of oil products are likely to have more than compensated, in our opinion. Moreover, a decline in Lukoil's share price in 3Q06 should help reduce SG&A expenses due to a reduction in costs in the company's management compensation program.

Lukoil U.S. GAAP financials, USD mn

	3Q05	1Q06	2Q06	3Q06E	y-o-y	q-o-q	9M05	9M06E	y-o-y
Revenues	16,324	15,041	18,379	18,697	14.5%	1.7%	40,574	52,117	28.4%
EBITDA	3,398	2,741	3,654	3,759	10.6%	2.9%	7,786	10,154	30.4%
Operating profit	3,062	2,333	3,205	3,293	7.5%	2.7%	6,849	8,831	28.9%
Net income	2,211	1,689	2,321	2,389	8.0%	2.9%	4,802	6,399	33.3%
EBITDA margin	20.8%	18.2%	19.9%	20.1%					
Operating margin	18.8%	15.5%	17.4%	17.6%					
Net margin	13.5%	11.2%	12.6%	12.8%					

Source: Company data, MDM estimates

ConocoPhillips's prediction appears to be overly optimistic. Based on ConocoPhillips's expectations and our calculations, the U.S. oil major expects Lukoil's net profit to reach USD2.52 bn in 3Q06, some 5.4% above our estimate. In previous quarters ConocoPhillips has provided very conservative net profit forecasts for Lukoil, underestimating the actual figure by 10-25%. This time ConocoPhillips's forecast appears to be too optimistic, but this could be due to the fact that ConocoPhillips has accumulated its anticipated stake in Lukoil and has a vested interest in being more optimistic.

Market consensus for FY06 ripe for upgrade. Consensus expectations for FY06 are likely to be upgraded soon, in our opinion. Our expectation for full-year revenues is 6.4% higher than consensus, and roughly 11.5% higher for EBITDA and net profit. In anticipation of strong results, we reiterate our Buy recommendation and target price of USD105.5.

Dalsvyaz: Appeals court confirms USD24 mn tax claim

Analyst: Elena Bazhenova, Ekaterina Generalova e-mail: Elena.Bazhenova@mdmbank.com

Tel: + 7 495 795 2521

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
ESPK RU Equity	3.91	5.02	Buy	4.3/2.5	13.0%	31.7%	44.8%
ESPKP RU Equity	4.70	4.50	Buy	4.7/2.5	n/a	n/a	n/a

Financials, USD mn	2005A	2006E	2007E
Revenue	378	382	446
EBITDA	85	118	154
Net income	22	26	51
Revenue growth	17%	1%	17%
EBITDA growth	46%	39%	31%
Net income growth	-24%	18%	96%
EBITDA margin	22%	31%	35%
Net margin	6%	7%	11%
EV/Revenue	1.8	1.8	1.5
EV/EBITDA	8.0	5.8	4.4
P/E	23.7	20.0	10.2
MCAP, USD mn	521	Com., mn	96
EV, USD mn	682	Pref., mn	31
Free float	61%	Total, mn	127

Price performance, USD	
Price	Line chart showing price movement from Jan to Jan.
Rel. to RTS	Line chart showing relative performance from Jan to Jan.

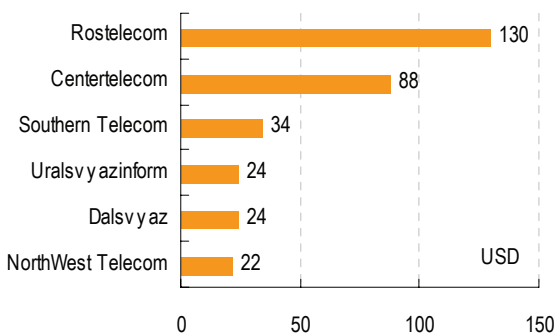
Source: Bloomberg, MDM estimates

Source: Bloomberg

Dalsvyaz's appeal rejected. Interfax reported that the Appeals Court yesterday confirmed the Moscow Arbitration Court's October ruling against Dalsvyaz on back tax claims for 2001-02 (although the Moscow court did reduce the initial tax bill by 10%). The claim relates to revenues from the termination of long distance traffic during the period. Previously, regional telecoms operators were not required to include revenue from traffic termination in revenues, and reflected only origination interconnect revenues in the top line.

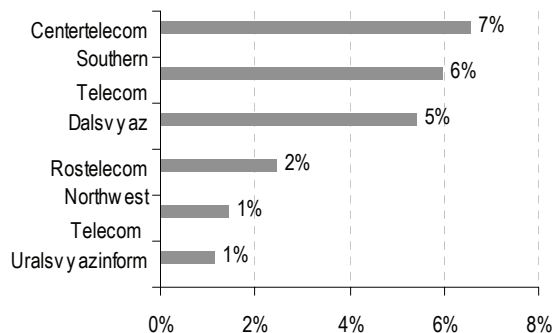
Six of seven telecoms face back tax claims. During 2005 and 2006, six out of seven Svyazinvest companies received back tax bills for 2001-04 totaling USD322 mn. Three of the six claims are significant in absolute terms: Southern Telecom received a bill for USD34 mn; CenterTelecom for USD88 mn; and Rostelecom for USD130 mn. CenterTelecom faces the highest tax claim as a percentage of market cap.

Telecom tax claims, USD mn



Source: Bloomberg, Company data

Back tax claims as % of capitalization



Source: Bloomberg, Company data

Potentially significant impact on earnings. The tax claim is significant, and nearly equals Dalsvyaz's total 2005 IFRS net income, which implies a pronounced negative impact on the bottom line if the company cannot reduce the bill. Moreover, the Tax Service is currently conducting a similar inspection for 2003-04 (the settlement system was changed in 2004), so more claims could surface.

Negative for sentiment, although likely priced in. As the suit was reported some time ago, we believe it should be at least partially discounted by the market. While the tax claims warrant attention, for long-term investors, the regionals continue to look attractive, with privatization/restructuring talks as a major value trigger.

Golden Telecom: Access codes granted for long distance services

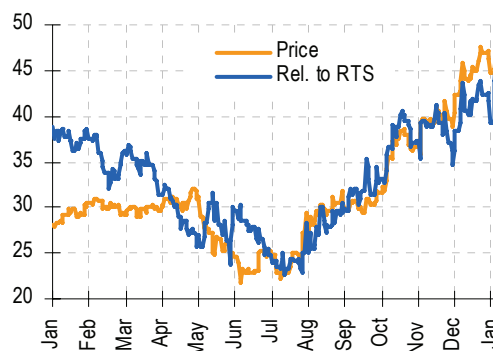
Analyst: Elena Bazhenova, Ekaterina Generalova e-mail: Elena.Bazhenova@mdmbank.com

Tel: + 7 495 795 2521

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
GLDN US Equity	47.39	48.00	Buy	47.56/21.73	10.9%	43.9%	69.3%

Financials, USD mn	2005A	2006E	2007E
Revenue	667	843	1,094
EBITDA	200	225	295
Net income	76	90	109
Revenue growth	62%	26%	30%
EBITDA growth	23%	13%	31%
Net income growth	17%	19%	21%
EBITDA margin	30%	27%	27%
Net margin	11%	11%	10%
EV/Revenue	2.6	2.0	1.6
EV/EBITDA	8.6	7.7	5.8
P/E	23.1	19.4	16.1
MCAP, USD mn	1,753	ADRs, mn	37
EV, USD mn	1,725		
Free float	36%	Total, mn	37

Price performance, USD



Source: Bloomberg

Source: Bloomberg, MDM estimates

Long distance market entrance planned for 1Q07. Golden Telecom said in a press release yesterday that it had received access codes for long distance services from the telecommunications regulatory authorities, and that it plans to start providing the service in 1Q07. The company reiterated that it is aiming to capture at least 20% of the long distance market by 2010, suggesting total long distance market revenues of USD3.5-4.6 bn. The news was expected and yesterday's announcement came as confirmation of previously announced plans.

Golden Telecom to become third long distance provider. Golden Telecom will become the third long distance provider in Russia, along with Rostelecom and MTT. We believe it will be able to capture significant market share due to its strong brand, quality of service and aggressive marketing. We note that MTT, which entered the long distance market in 2006, has been able to capture 5% of the market. However, we believe both MTT and Golden Telecom will be able to grab a healthy market share once a range of technical issues are resolved.

News likely to trigger valuation upgrades. Golden Telecom's targeted market share of 20% means that long distance services may contribute 35-40% of total revenue for the operator by 2010 – although the total contribution to our estimate of the company value will likely be slightly less, at around 30%, due to relatively lower margins in the long distance service business. Combined with the recent acquisition of Corbina Telecom and the launching of a Wi-Fi network in Moscow, Golden Telecom has significantly enlarged the scale of its business, and we think upgrades of at least 25-30% are likely over the next several months.

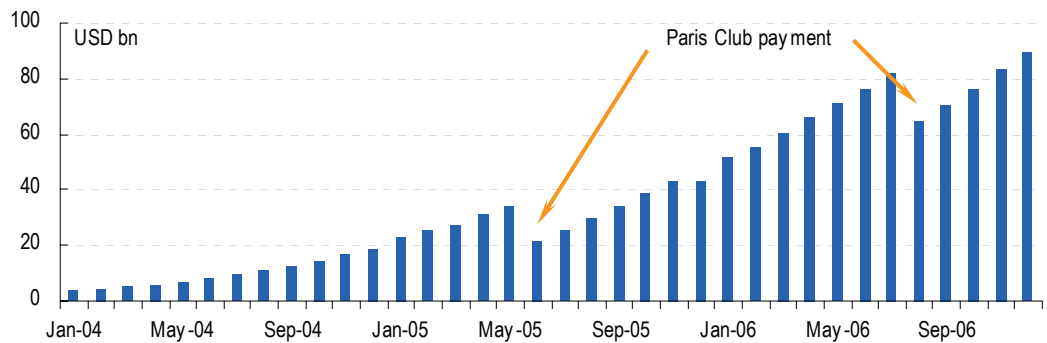
Stabilization Fund reached USD89.1 bn as of Jan. 1

Analysts: Peter Westin, Irina Plevako, e-mail: Peter.Westin@mdmbank.com

Fund added USD5.9 bn in December and USD46 bn in 2006. The Stabilization Fund grew by RUB157.5 bn (USD5.9 bn) in December to stand at RUB2.4 trn (USD89.1 bn) as of January 1, the Finance Ministry reported yesterday. The Stabilization Fund more than doubled in 2006 from USD43 bn at end-2005. As of January 1 this year, 45% of the fund was held in U.S. dollars (USD39.4 bn), 45% in euros (EUR30.8 bn), and 10% in pounds sterling (GBP4.6 bn).

Fund was managed well throughout the year. The fund grew in line with our expectations in 2006. The Finance Ministry, led by Alexei Kudrin, did a commendable job in managing the fund. Capitalizing on surging oil prices, Russia used money from the Stabilization Fund to pay off its outstanding debt to the Paris Club of some USD20 bn in August 2006. Moreover, in July the fund was placed with the Central Bank and invested in foreign currencies, and thus started to earn interest as well. The high oil price, which in 2006 averaged USD61.3/bbl (Urals Med), a rise of 20.7% y-o-y, is behind the country's strong fiscal surplus, and thus the healthy build-up of the Stabilization Fund.

The Stabilization Fund – just short of USD90 bn



Source: Finance Ministry

Stock performance summary								
Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
Oil and gas								
Gazprom	11.00	1.9%	-2.5%	-3.1%	-1.0%	31.5%	-3.5%	12.94/7.64
Novatek	55.50	-0.9%	-13.1%	-15.0%	0.9%	131.7%	-12.6%	66/23.95
Rosneft	8.52	-0.5%	-6.4%	-8.1%	n/a	n/a	n/a	9.47/7.37
Lukoil	77.80	-1.9%	-8.7%	-12.1%	0.2%	13.4%	-9.5%	95.23/63.01
Surgutneftegaz	1.38	-0.4%	-4.8%	-5.3%	4.0%	0.5%	-9.0%	1.85/1.07
Gazprom Neft	4.34	0.8%	1.6%	1.6%	2.3%	4.6%	-3.8%	5.5/3.59
Tatneft	4.15	-10.2%	-10.2%	-14.2%	-9.4%	15.3%	-10.2%	6.4/3.5
Bashneft	16.00	0.0%	0.0%	-4.2%	11.1%	41.6%	0.0%	18.5/11.3
Transneft pref	2,173.50	4.4%	-1.0%	-9.0%	-0.5%	-25.4%	-3.7%	2751.63/1669.71
Ritek	10.10	0.0%	-9.8%	-3.8%	6.3%	39.3%	-9.8%	11.2/7.25
Telecoms and technology								
MTS	46.79	2.1%	-8.2%	-6.3%	24.8%	26.5%	-6.8%	50.96/26.22
AFK Sistema	28.55	-2.9%	-11.6%	-2.2%	2.7%	18.8%	-10.8%	32.5/18.1
VimpelCom	75.23	1.8%	-4.9%	-7.3%	24.8%	56.2%	-4.7%	82.05/38.59
Comstar	7.70	-0.9%	-9.4%	10.0%	20.3%	n/a	n/a	8.59/4.9
Rostelecom	7.24	-3.2%	-1.3%	12.2%	41.1%	179.0%	-3.2%	7.62/2.25
Golden Telecom	47.39	4.6%	0.7%	10.9%	43.9%	69.3%	1.2%	47.56/21.73
MGTS	24.27	n/a	-0.8%	7.8%	17.6%	23.1%	-0.8%	24.69/16.64
Uralsvyazinform	0.06	-3.2%	-11.6%	8.5%	44.2%	33.1%	-11.1%	0.07/0.03
Volga Telecom	5.60	-7.4%	-0.9%	23.1%	41.1%	33.3%	-7.4%	6.05/2.85
Sibirtelecom	0.10	-8.4%	-3.7%	10.8%	19.1%	31.2%	-8.4%	0.11/0.06
NorthWest Telecom	1.47	-1.0%	-5.4%	2.9%	22.0%	n/a	n/a	1.59/0.78
Center Telecom	0.75	0.0%	-1.3%	10.3%	20.2%	25.0%	0.0%	0.76/0.4
Southern Telecom	0.18	0.0%	6.2%	24.1%	44.0%	22.4%	0.0%	0.18/0.1
Dalsvyaz	3.91	-3.5%	-5.1%	13.0%	31.7%	44.8%	-6.0%	4.3/2.5
Bashinformsvyaz	0.23	n/a	n/a	n/a	n/a	n/a	n/a	0.25/0.14
RBC Information Systems	10.98	n/a	-1.0%	-0.2%	8.6%	47.0%	-2.8%	11.42/6.57
CTC Media	23.29	0.8%	-7.0%	10.9%	-2.1%	n/a	n/a	27.25/14
Rambler Media	37.40	5.7%	6.3%	11.6%	38.5%	76.0%	10.8%	37.4/20.5
Utilities								
UES	0.99	-0.7%	0.4%	-2.6%	32.5%	120.6%	-8.0%	1.08/0.45
Mosenergo	0.19	0.0%	-2.1%	-9.9%	-9.9%	69.1%	25.7%	0.21/0.13
Metals and mining								
Norilsk Nickel	141.00	4.1%	-6.3%	-6.9%	4.8%	77.4%	-10.2%	157/75.8
Polyus Gold	44.00	-3.3%	-9.3%	-10.2%	1.1%	n/a	n/a	67.5/37.5
Severstal	11.20	3.2%	0.9%	0.0%	-10.1%	4.2%	0.0%	14.15/10
Evrz Group	25.05	-2.1%	-4.6%	-1.6%	11.1%	30.8%	-2.5%	27.35/18.55
Mechel	24.39	-0.3%	-4.5%	-7.6%	11.8%	-2.4%	-4.3%	30.95/19.01
NLMK	21.25	-2.3%	-12.0%	-8.7%	11.4%	n/a	-8.6%	25.15/15.65
MMK	0.87	0.0%	3.6%	13.0%	20.8%	n/a	0.0%	0.87/0.5
VSMPO	290.00	-1.0%	-0.9%	8.0%	23.4%	85.3%	-1.0%	293/170
Industrials, consumer, banks								
Sberbank	3,075.00	-2.7%	-0.8%	7.5%	33.1%	108.5%	-10.9%	3450/1370
Rosbank	6.62	n/a	0.5%	18.8%	13.0%	n/a	n/a	18.87/3.84
X5	26.20	-4.0%	-3.9%	1.2%	27.2%	91.2%	0.8%	27.7/13.2
Seventh Continent	26.75	0.2%	3.7%	2.9%	16.3%	2.9%	0.2%	27.2/17.5
Magnit	35.70	0.0%	3.5%	5.6%	10.7%	n/a	n/a	35.7/20.15
Wimm-Bill-Dann	59.00	-3.6%	-10.2%	12.6%	32.6%	129.9%	-11.3%	66.59/22.6
Lebedyansky	79.00	0.0%	-1.3%	-2.8%	13.3%	16.8%	-1.3%	81.3/45
Baltika (euro)	33.61	0.0%	2.9%	5.0%	12.0%	41.8%	0.0%	34.59/26.14
Razgulay	4.00	0.0%	1.5%	1.8%	-11.1%	n/a	n/a	6.35/3.35
Severstal Auto	28.50	-2.6%	-1.2%	1.8%	25.3%	57.5%	-5.8%	30.25/17.75
AvtoVaz	68.00	0.0%	0.0%	1.5%	-1.4%	61.9%	0.0%	70.25/35
Irkut	0.98	-3.4%	-0.5%	-4.4%	-19.7%	27.3%	-5.3%	1.22/0.77
Veropharm	31.75	0.0%	6.2%	5.8%	22.1%	n/a	n/a	31.75/23.5
Apteka 36.6	58.25	0.0%	4.0%	7.9%	32.4%	100.9%	0.0%	58.25/29
Kalina	51.50	0.0%	6.7%	5.1%	10.8%	34.8%	0.0%	55/34.5
Oriflame (euro)	30.31	0.4%	2.6%	0.7%	11.0%	16.4%	-1.8%	31.24/22.73
RTS Index	1,770.67	-1.5%	-4.4%	-3.7%	11.7%	45.5%	-7.9%	1921.92/1216.66

Source: Bloomberg

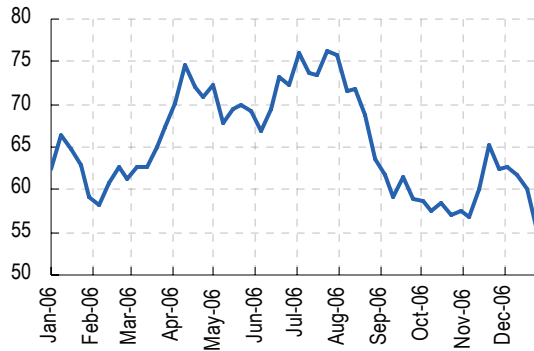
Stock valuation summary											
Company name	MCAP,		P/E			EV/EBITDA			EV/Revenue		
	USD mn	2005	2006E	2007E	2005	2006E	2007E	2005	2006E	2007E	
Oil and gas											
Gazprom	260,336	23.6	12.5	11.5	13.8	8.6	7.7	5.0	3.8	3.4	
Novatek	16,850	n/a	31.4	19.7	n/a	19.5	12.9	n/a	9.2	6.7	
Lukoil	66,204	10.3	7.9	8.6	6.5	5.2	5.5	1.2	1.0	1.1	
Rosneft	90,310	n/a	18.3	18.0	n/a	11.1	10.9	n/a	3.0	2.8	
Surgutneftegaz	56,803	13.4	12.6	13.9	n/a	5.8	6.6	2.2	2.5	2.6	
Gazprom Neft	20,593	6.8	6.0	6.2	5.0	5.0	5.1	1.9	1.2	1.3	
Tatneft	9,468	n/a	7.3	7.1	n/a	3.3	3.6	n/a	0.6	0.7	
Bashneft	2,720	9.9	5.5	4.6	5.3	3.4	3.0	1.0	0.8	0.9	
Transneft pref	14,514	n/a	6.0	5.0	n/a	4.0	3.3	n/a	2.1	1.8	
Ritek	1,010	11.4	9.3	9.1	n/a	5.3	5.0	2.6	1.3	1.2	
Utilities											
UES	40,796	22.2	33.3	22.7	13.2	8.4	6.6	1.8	1.6	1.3	
Mosenergo	509	n/a	15.8	14.9	3.1	3.5	2.7	0.3	0.4	0.3	
Telecoms and technology											
MTS	16,816	14.9	11.3	9.9	7.3	6.0	5.4	3.7	3.0	2.7	
AFK Sistema	13,790	25.8	16.8	14.4	8.1	6.3	5.5	3.2	2.7	2.4	
VimpelCom	15,422	25.1	17.3	13.1	10.6	7.2	6.2	5.2	3.5	3.0	
Comstar	3,211	30.3	17.5	16.6	9.9	8.1	6.9	3.9	3.1	2.7	
Rostelecom	6,057	n/a	57.7	28.2	11.7	14.3	9.9	3.9	2.8	2.5	
Golden Telecom	1,753	23.1	19.4	16.1	8.6	7.7	5.8	2.6	2.0	1.6	
MGTS	2,301	17.1	13.3	10.8	9.0	7.3	6.0	3.8	3.1	2.6	
Uralsvyazinform	2,169	26.1	16.9	13.4	9.3	7.3	6.0	2.8	2.6	2.2	
Volga Telecom	1,710	18.4	16.6	13.8	7.8	6.7	5.6	2.7	2.4	2.1	
Sibirtelecom	1,581	23.3	11.1	7.5	10.1	6.5	5.1	2.4	2.2	1.8	
NorthWest Telecom	1,566	31.3	24.9	17.6	10.0	7.9	6.4	2.7	2.6	2.3	
Center Telecom	1,494	n/a	48.2	26.2	9.2	6.6	5.7	2.3	2.2	1.9	
Southern Telecom	657	n/a	31.3	17.8	8.6	7.3	6.3	2.3	2.4	2.1	
Dalsvyaz	521	23.7	20.0	10.2	8.0	5.8	4.4	1.8	1.8	1.5	
Bashinformsvyaz	222	n/a	38.4	29.1	n/a	6.0	5.5	n/a	1.6	1.5	
RBC Information Systems	1,262	60.7	39.2	27.7	41.4	22.7	15.4	11.2	6.6	4.9	
CTC Media	3,517	61.4	32.1	23.2	n/a	19.4	14.4	14.4	9.0	6.7	
Rambler Media	561	n/a	85.1	31.2	n/a	54.0	21.9	25.1	12.8	8.0	
Metals and mining											
Norilsk Nickel	26,931	12.4	5.2	5.7	6.1	3.2	3.6	3.2	2.2	2.3	
Polyus Gold	8,404		6.9	42.2		22.0	25.6		10.3	10.2	
Severstal	10,427	8.1	8.9	9.4	4.8	4.0	4.5	1.3	1.1	1.1	
Evrast Group	8,785	9.7	7.0	5.2	4.9	3.5	3.4	1.4	1.1	1.0	
Mechel	3,122	8.2	5.1	5.7	4.2	3.0	3.3	0.8	0.7	0.6	
NLMK	12,735	9.2	6.0	6.4	5.4	4.7	3.9	2.6	2.0	1.8	
MMK	9,248	9.8	6.6	7.1	5.3	4.0	4.2	1.5	1.3	1.3	
VSMPO	3,480	31.5	15.1	n/a	n/a	10.2	n/a	6.2	3.8	n/a	
Industrials, consumer, banks											
Sberbank *	61,075	26.3	20.9	16.0	7.3	5.0	2.9	n/a	n/a	n/a	
Rosbank*	4,506	42.3	44.1	23.2	5.8	4.5	3.7	n/a	n/a	n/a	
X5	5,672	47.3	56.5	28.8	28.5	23.2	13.9	2.7	1.9	1.3	
Magnit	2,570	69.8	41.5	25.7	35.3	25.4	15.6	1.8	1.1	0.8	
Seventh Continent	2,006	42.6	31.0	24.0	25.1	16.7	12.7	2.6	1.9	1.4	
Lebedyansky	1,612	21.6	18.8	15.8	14.4	12.0	9.7	3.2	2.5	1.9	
Baltika (euro)	3,874	23.1	16.9	12.1	13.6	10.0	7.9	4.2	3.2	2.4	
Razgulay	424	8.3	21.1	7.2	7.3	6.8	4.2	1.0	0.9	0.7	
Severstal Auto	969	17.9	17.9	13.2	7.5	7.1	5.6	1.0	0.9	0.7	
AvtoVaz	2,021	n/a	15.8	13.7	n/a	5.5	5.2	n/a	0.5	0.5	
Irkut	775	9.1	8.6	6.4	7.4	6.5	5.2	1.8	1.4	1.1	
Apteka 36.6	466	56.1	n/a	73.3	22.1	17.9	9.1	1.5	0.9	0.6	
Veropharm	318	19.8	18.0	14.3	15.1	12.4	9.9	4.2	3.4	2.8	
Kalina	412	16.6	13.7	11.7	12.5	9.1	7.8	1.7	1.4	1.2	
Wimm-Bill-Dann	2,596	n/a	29.4	18.2	n/a	13.8	9.7	2.1	1.7	1.4	
Oriflame (euro)	1,516	17.6	16.5	14.5	13.2	11.5	10.4	2.1	1.8	1.7	
Aggregate valuation	828,667	20.5	11.9	11.3	10.9	6.8	6.3	3.3	2.3	2.1	
FF-adj. MCAP W.A. valuation	253,861	17.5	13.9	12.5	8.8	7.7	6.9	3.0	2.8	2.6	

Source: MDM estimates, IBES consensus

*P/BV shown in EV/EBITDA columns

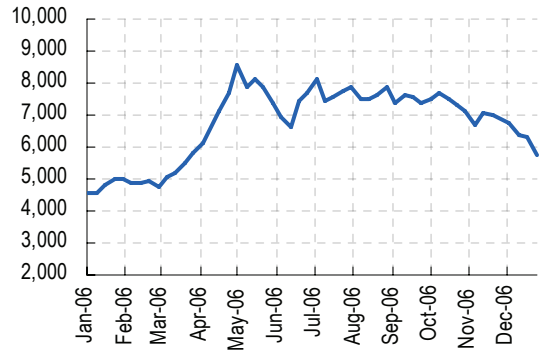
Key commodities

London WTI Crude Oil Index - PRICE INDEX, USD/bbl



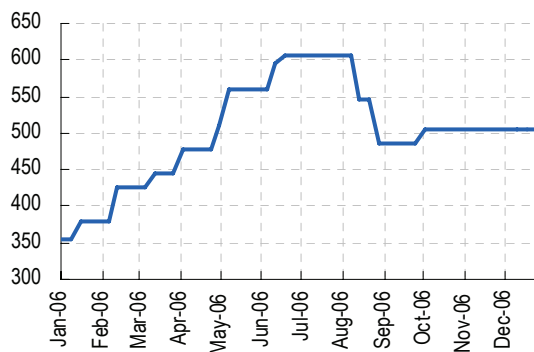
Source: Bloomberg

LME-Copper, Grade A Cash - A.M. OFFICIAL, USD/ton



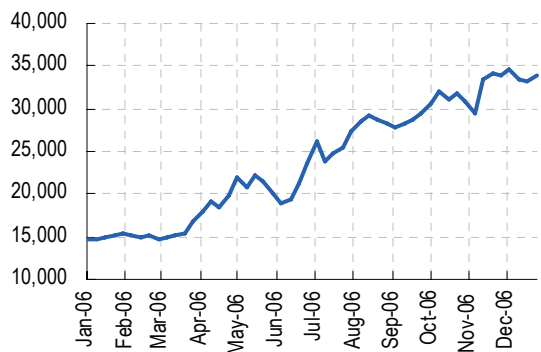
Source: Bloomberg

MB-Steel HR Coil CIS, USD/ton



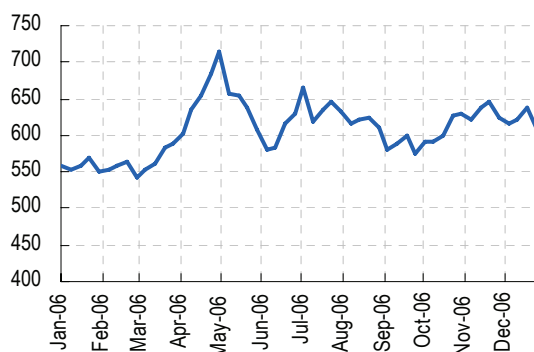
Source: Bloomberg

LME-Nickel Cash - A.M. OFFICIAL, USD/ton



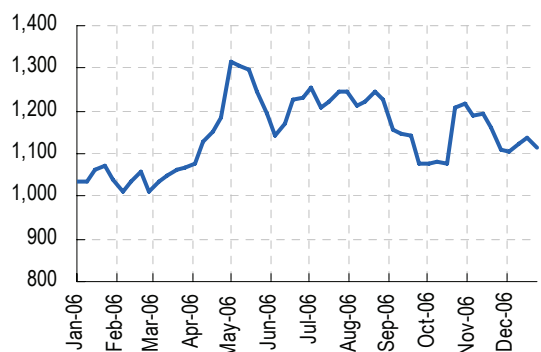
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg



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