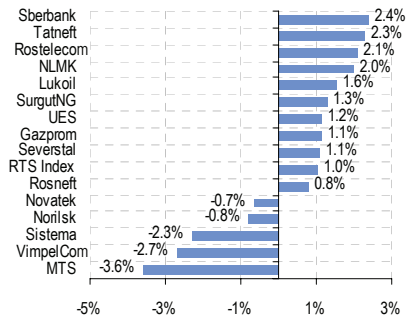
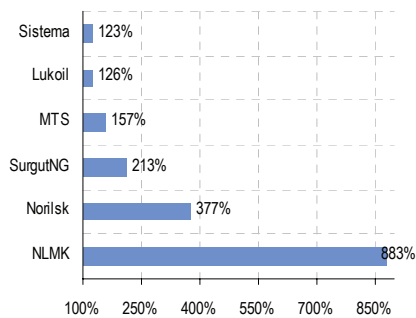


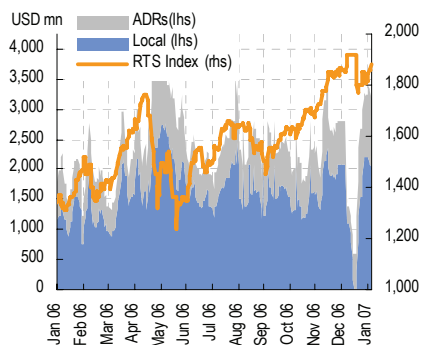
### Blue chips: advancers and decliners



### Volume monitor: daily/3M avg. volume



### RTS index and weekly trading volumes



### Upcoming events

31-Jan	MTS analysts meeting over 2007 guidance
6-Feb	BP 4Q06 financials
9-Feb	Book closes on Sitronics IPO
9-Feb	UES board meeting
13-Feb	Oriflame 2006 IFRS
15-Feb	Severstal investor day in London
Mid-Feb	36.6 4Q06 operating results
Mid-Feb	Veropharm 4Q06 operating results
Mid-Feb	X5 strategic guidance for 2007

### Market

- The RTS rose 1.0% to close at 1,880, mainly driven by Gazprom and Lukoil on the back of rising oil prices. However, oil prices dropped overnight on high inventories, so the market may open down today.

### Top news and ideas

- **UES: Few minorities use their share redemption rights.** Following the November-December rally, the shares rose significantly above the redemption price, indicating optimism over the reform, and making the offer unattractive.
- **Sberbank: MSCI weight looks set to double.** The announcement was widely anticipated and we look to the other index constituencies to demonstrate that the effect on the shares may be insignificant. We maintain a Hold recommendation on the stock.
- **Regional Telecoms: Uralsvyazinform, CenterTelecom, Dalsvyaz announce 2006 highlights.** Uralsvyazinform expects net income and margins to come in below expectations, while the other two project strong operating performance.
- **CTC Media: Video International mulls 5-15% cut in advertising volumes on CTC's TV channels.** The move flags downside potential for the stock.
- **Razgulay: In-line management accounts are welcome news.** Following the release of positive management accounts in line with our (and market) expectations, we have slightly upgraded our target price to USD6.05 and think valuations look highly attractive compared to both international and Russian peers.
- **Inflation is not expected to exceed 8% this year,** according to a Finance Ministry official. We generally agree but have some reservations about fiscal discipline.

### Other highlights

- **Brief – Rosneft said it has signed a cooperation agreement with India's ONGC.** We believe combining Russian upstream and Indian downstream assets could benefit both companies.
- **Brief – Food retailer Samokhval, with 34 stores and 4 entertainment centers in and around Moscow, may sell a blocking stake to a foreign investment fund,** underlining strong interest in the segment (RBC).

### Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	1,880	1.0%	4.0%	1.5%	14.9%	40.6%
MSCI EM Europe Index	623	0.2%	2.5%	0.5%	8.2%	11.9%
MSCI EM Index	913	-0.3%	1.8%	2.2%	11.8%	18.2%
S&P500 Index	1,424	-1.1%	-0.2%	0.5%	2.5%	11.8%
OIX (Oil majors) Index	626	-2.0%	2.2%	-3.2%	0.3%	8.7%
GSCI (Commodities) index	5,257	-1.4%	4.2%	-8.3%	-12.0%	-21.7%
Oil (WTI), USD/bbl	53.6	-2.0%	1.0%	-13.3%	-9.3%	-17.9%
Nickel, USD/ton	41,303	0.2%	13.0%	26.3%	24.2%	174.8%
Steel (HR), USD/ton	520	3.0%	3.0%	3.0%	3.0%	46.5%
LT U.S. Treasury YTM	5.0%	5.0%	4.9%	4.8%	4.9%	4.7%
EMBI-Russia spread, bp	94	98	97	104	95	104
RUB/USD	26.49	26.52	26.56	26.29	26.93	27.99

Source: Datastream, Bloomberg

## UES: Few minorities use their share redemption rights

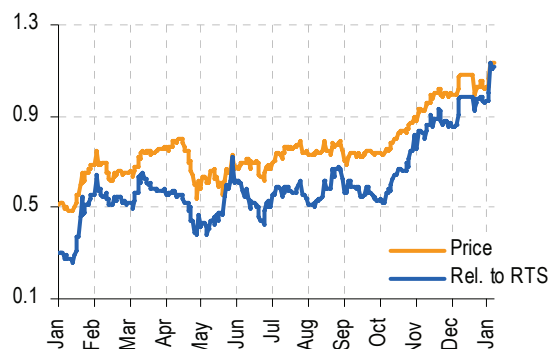
Analysts: Hovhannisyán Tigrán, e-mail: Hovhannisyán.Tigrán@mdmbank.com

Tel: + 7 495 795 2521

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
EESR RU Equity	1.13	n/a	Not Rated	1.13/0.48	14.1%	53.6%	122.0%

Financials, USD mn	2006E	2007E	2008E
Revenue	31,333	37,116	41,419
EBITDA	5,966	7,603	8,959
Net income	1,226	1,794	2,182
Revenue growth		18%	12%
EBITDA growth		27%	18%
Net income growth		46%	22%
EBITDA margin	19%	20%	22%
Net margin	4%	5%	5%
EV/Revenue	1.9	1.6	1.4
EV/EBITDA	9.8	7.7	6.5
P/E	37.8	25.8	21.3
MCAP, USD mn	46,377	Com., mn	41,042
EV, USD mn	58,596	Pref., mn	
Free float	0%	Total, mn	41,042

Price performance, USD



Source: Bloomberg

Source: Datastream, IBES consensus

**Negligible number of UES minorities voted against restructuring.** UES reported that about 0.1% of its minority shareholders used their rights of redemption, and another 0.1% were rejected due to technical reasons. The latter group of shareholders voted against the first stage of UES's restructuring, i.e. the spin-off of OGK-5 and TGK-5 in 2007. The redemption price was set at RUB16.41 (USD0.62) for common shares and RUB15.54 (USD0.59) for preferred shares.

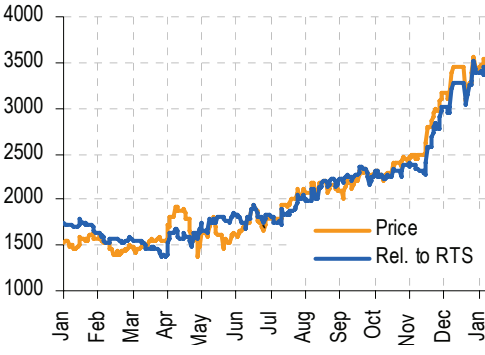
**Vast majority of minority shareholders support restructuring.** The redemption price suggests a discount of 13.2% for commons and 11.4% for prefs at the cut-off date of September 22, 2006, and was clearly unattractive for minorities. A much better option would be for them to sell their shares on the market. This explains the fact that the total redemption sum is below USD3 mn.

**Mosenergo to discuss increasing capex for 2007.** In other news, *Vedomosti* reported that on Monday, Mosenergo's board will discuss increasing capital investments for 2007 by USD70 mn, a 5.6% increase over already approved USD1.26 bn. Overall, Mosenergo plans to spend USD2.5 bn for installation of 2,400 MWt of new gas-steam powered generating facilities by 2010. This implies USD1,040 per KWt of installed capacity, 20-40% above the regular installation costs for steam-gas generators. The capex increase for 2007 is modest, but whether the company can produce sufficient returns on the capex funds is questionable.

## Sberbank: MSCI weight looks set to double

Analyst: Alexander Kantarovich, CFA, e-mail: Alex.Kantarovich@mdmbank.com

Tel: + 7 495 795 2521

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
SBER RU Equity	3535.00	3631.00	Hold	3571/1370	14.0%	55.0%	130.9%
SBERP RU Equity	58.00	65.36	Buy	59/21.5	13.0%	58.3%	108.6%
Financials, USD mn	2006E	2007E	2008E	Price performance, USD			
Gross revenue	10,282	12,990	15,700				
Net income	2,924	3,827	4,548				
BV of equity	11,800	23,137	27,362				
Revenue growth	31%	26%	21%				
Net income growth	26%	31%	19%				
BV growth	47%	96%	18%				
Net interest margin	8.2%	7.9%	7.3%				
Net margin	28%	29%	29%				
ROE	28%	18%	18%				
P/E	24.0	18.3	15.4				
P/BV	5.9	3.0	2.6				
Mcap, USD mn	70,065	Com., mn	19				
EV, USD mn	70,065	Pref., mn	50				
Free float	39%	Total (adj), mn	20				

Source: Bloomberg, MDM estimates

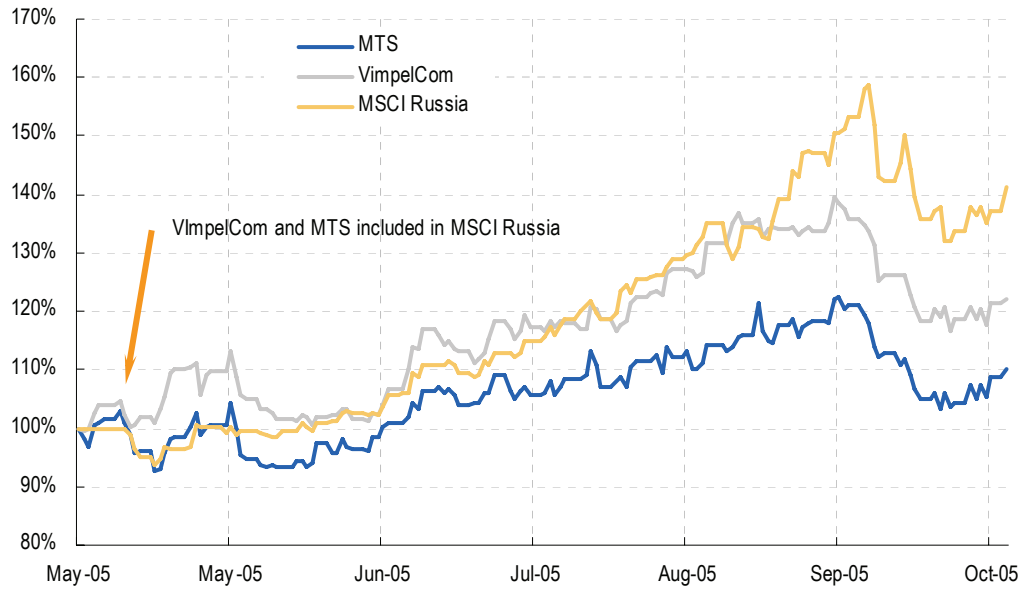
Source: Bloomberg

**MSCI will increase Sberbank's weight.** According to MSCI, from March 1, 2008, it will double Sberbank's weight to 40% in response to the liberalization of share trading. Consequently, Sberbank's weight in the MSCI Emerging Market Index should double to roughly 1% from 0.5%, whereas in MSCI Russia, its weight should increase to nearly 10% from the current 5%. The news was widely anticipated following the removal of the "blessing" requirement, effectively equalizing non-residents' rights with those of residents in banking sector participation.

**Lots of hype around the issue may not be justified.** The liberalization should undoubtedly be viewed as a major positive event for the segment, as it opens it up to demand from the huge GEM funds universe. The stellar rally in Sberbank (and other banking shares before the rally) was a clear tribute to this development. However, all of the talk about billions from new funds flowing into Sberbank shares on the back of the MSCI announcement may be misguided. First, Sberbank was already a must-have for any Russian portfolio and many funds went into overweight in 2H06. Second, the historic evidence suggests that the weight increase, or even an inclusion, can produce no effect, as becomes clear if the examples of VimpelCom and MTS are considered: both underperformed MSCI Russia during the six months following the inclusion in May 2005 (though VimpelCom performance was in line until late August), as shown in the charts below.

**Shares are good long-term investment, but beware of technical pressure.** We believe the shares represent a good value on the 12-24 month horizon and our end-2007 FV of USD3,631 looks conservative. However, to generate sufficient demand for the huge share issue, the organizers might opt for a significant discount to the market level, which may undermine the shares' performance on the 1-3 month horizon. We have recently downgraded the shares to Hold, as we believe new investors could find a cheaper entry point into the stock. In any case, the MSCI index adjustment should certainly not be viewed as a reason to buy at this stage. The SPO date will be announced and book building will start on Monday next week.

VimpelCom and MTS failed to outperform MSCI Russia following inclusion in the index



Source: Bloomberg

## Telecoms: Uralsvyazinform, CenterTelecom, Dalsvyaz announce 2006 highlights

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

**Uralsvyazinform 2006 IFRS guidance below expectations.** Interfax reported yesterday that the company expects its 2006 IFRS net income to reach USD77 mn, which is far below consensus expectations of USD143 mn. Uralsvyazinform posted USD56 mn net income in 1H06, and we attribute the decline in net income growth in 2H06 to one-offs. The company also negatively surprised with its low expectation of 30% EBITDA margin in 2006, and 32% in 2007; we expected 36% EBITDA margins for both 2006 and 2007.

**CenterTelecom expects 2006 RAS net income in line with expectations.** Interfax also reported that CenterTelecom forecasts USD85 mn of RAS net income in 2006, which is in line with expectations and corresponds to its interim RAS financials. The company also expects 15% y-o-y RAS revenue growth to USD1.2 bn and EBITDA margin of 36% in 2007, which are close to our forecasts.

**Dalsvyaz expectations also in line.** Dalsvyaz forecasts its RAS net income will grow to USD46 mn in 2006, in line with our expectations. This result provides a 3% dividend yield at current prices. The company said yesterday that its RAS revenue should grow 16% in 2007 to USD438 mn and EBITDA margin will improve from 31% in 2006 to 33% in 2007, which is in line with expectations.

**Uralsvyazinform may be exposed.** For Uralsvyazinform, the disappointing guidance should be considered within the context of the recent rally and the stock looks exposed to correction, in our view. Within the universe of regional telecoms, Dalsvyaz still looks attractive.

### Regional telecoms guidance for 2006-07 (USD mn)

	Uralsvyazinform (IFRS)		CenterTelecom (RAS)		Dalsvyaz (RAS)	
	2006	2007	2006	2007	2006	2007
Revenue	1,238	1,385	1,030	1,186	378	438
y-o-y change, %	10%	12%	6%	15%	2%	16%
EBITDA	361	441	n/a	429	117	145
y-o-y change, %	9%	22%			23%	24%
EBITDA margin	30%	32%	n/a	36%	31%	33%
y-o-y change, pp	0 pp	2pp			7pp	2pp
Net income	77	119	85	101	46	54
y-o-y change, %	-6%	55%	254%	19%	53%	17%

Source: Company data, MDM estimates

## CTC Media: Video International mulls 5-15% cut in advertising on CTC's TV channel

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

**Falling ratings may prompt agency to cut advertising.** Video International, Russia's largest advertising agency, said yesterday that it is considering cutting its advertising volumes on CTC's two TV channels by 5-15% in February and March given the channels' declining popularity among viewers. We calculate that this would result in a fall of USD10 mn in CTC's advertising revenues. CTC network's audience share declined by 2% y-o-y to 8% in December, the lowest since Alexander Rodnyansky became head of CTC in May 2002.

**Negative impact on the share price.** We believe this negative news has been priced in already, and we still view CTC as a good long-term investment due to the fast growth of TV advertising pricing and shortage of advertising slots.

## Razgulay: In-line management accounts are welcome news

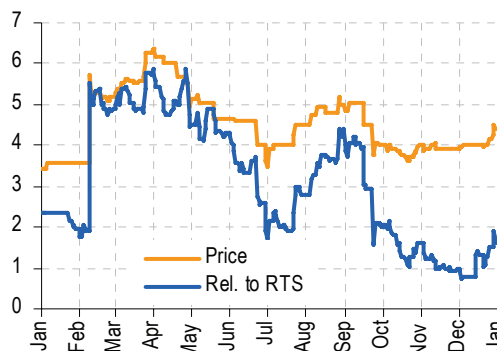
Analyst: Alexey Gogolev, e-mail: Alexey.Gogolev@mdmbank.com

Tel: + 7 495 795 2521

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
GRAZ RU Equity	4.40	6.05	Buy	6.35/3.45	11.7%	10.0%	27.5%

Financials, USD mn	2006E	2007E	2008E
Revenue	809	964	1,068
EBITDA	107	165	182
Net income	22	64	77
Revenue growth	10%	19%	11%
EBITDA growth	8%	54%	10%
Net income growth	-61%	193%	19%
EBITDA margin	13%	17%	17%
Net margin	3%	7%	7%
EV/Revenue	1.1	0.9	0.8
EV/EBITDA	8.4	5.5	5.0
P/E	21.2	7.2	6.1
MCAP, USD mn	466	Com., mn	106
EV, USD mn	904	Pref., mn	
Free float	28%	Total, mn	106

Price performance, USD



Source: Bloomberg

Source: Bloomberg, MDM estimates

**Strong top line figures helped by sugar trading.** Razgulay's 2006 management accounts report revenue of USD809 mn and EBITDA of USD107 mn, with both figures slightly above consensus and our own estimates. However, these numbers included earnings from the volatile and risky sugar trading business, an area in which the company was supposed to cease operations already in 2006. Adjusted for about USD7.8 mn in EBITDA from sugar trading, the operating results would have come in marginally below market estimates.

**Higher earnings on lower tax projections.** We have slightly lowered our EBITDA estimates by 1.9% for 2007 and 3.2% for 2008, taking into account the latest margin dynamics in the main business segments. We continue to assume that future earnings will reflect no contribution from the sugar trading business, though this assumption may prove conservative. Our earnings estimates have increased by 9.5% for 2007 and 4.2% for 2008, as we now assume a lower 30% tax rate (compared with 40% in our earlier estimates) in line with management latest guidance.

**Buy rating retained, focus shifts to attractive valuations.** As a result of these forecast changes, our end-2007 fair value has increased slightly to USD6.05 from USD6.01, implying 38% upside. At a 2008 P/E of 6.1, the stock looks highly attractive – compared to both international peers and Russian universe names. The bottom line is that after the massively disappointing 1H06 results, the in-line 2006 figures come as a relief. This implies that the company's highly attractive absolute and relative valuations should now come to the forefront of investors' attention and we duly reiterate our Buy recommendation.

## Inflation is not expected to exceed 8% this year

Analysts: Peter Westin, Irina Plevako, e-mail: [Peter.Westin@mdmbank.com](mailto:Peter.Westin@mdmbank.com)

**Inflation will not exceed 8% this year.** Alexei Savatyugin, director of the Finance Ministry's financial policy department, said yesterday that consumer price inflation will stay within the government's official target of 8% this year. He added that the Central Bank and the government did a successful job keeping inflation at 9% in 2006, below the 2005 figure of 10.9%.

**Managing money supply growth will be a priority.** Specifically, among all the measures used to combat inflation in 2006, Savatyugin singled out spending cuts and the increased number of sterilization instruments used by the Central Bank as key factors. He said that this year the Central Bank will pay a closer attention to managing money supply growth and that the falling oil price will make the official inflation target easier to attain.

**Inflation expected to be fully controlled in 2007.** We agree with Savatyugin that the authorities did a commendable job to keep inflation at 9% in 2006, especially taking into account the high oil price and the associated record influx of hard currency into the country. The oil price correction will likely reduce inflationary pressure in 2007. However, we view growth in money supply and a possible increase in federal spending ahead of the December Duma elections to be the main threats to this year's inflation target. Our forecast for 2007 inflation is 8%.

Stock performance summary								
Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
<b>Oil and gas</b>								
Gazprom	10.95	1.1%	4.0%	-3.1%	-0.6%	29.3%	-4.0%	12.94/7.64
Novatek	58.30	-0.7%	1.4%	-7.0%	7.0%	108.3%	-8.2%	66/27.99
Rosneft	9.03	0.8%	2.0%	-1.1%	2.9%	n/a	n/a	9.47/7.37
Lukoil	81.91	1.6%	5.2%	-4.0%	-2.3%	-0.3%	-4.9%	95.23/63.01
Surgutneftegaz	1.22	1.3%	-5.2%	-15.7%	-7.0%	-16.0%	-19.5%	1.85/1.07
Gazprom Neft	4.59	-0.1%	-1.9%	7.2%	8.0%	-8.0%	1.5%	5.5/3.59
Tatneft	4.43	2.3%	2.5%	-4.1%	-6.7%	6.5%	-4.1%	6.4/3.5
Bashneft	15.50	0.0%	0.0%	-3.1%	-1.6%	11.0%	-3.1%	18.5/11.77
Transneft pref	2,411.96	3.8%	10.8%	9.7%	7.1%	-15.0%	6.6%	2699.79/1669.71
Ritek	9.60	0.0%	-4.5%	-14.3%	-4.0%	14.3%	-14.3%	11.2/8
<b>Telecoms and technology</b>								
MTS	53.40	-3.6%	8.9%	10.9%	24.2%	42.9%	6.4%	55.39/26.22
AFK Sistema	32.00	-2.3%	-0.3%	3.7%	19.4%	28.0%	0.0%	32.9/18.1
VimpelCom	84.46	-2.7%	9.8%	9.0%	27.9%	78.0%	7.0%	86.8/38.59
Comstar	8.85	-1.1%	2.9%	4.1%	30.1%	n/a	n/a	8.95/4.9
Rostelecom	7.74	2.1%	4.3%	5.2%	53.4%	215.0%	3.2%	7.74/2.25
Golden Telecom	51.28	-1.5%	-0.4%	11.2%	32.5%	72.8%	9.5%	52.37/21.73
MGTS	26.25	-0.6%	3.5%	7.0%	24.5%	21.1%	7.0%	26.43/16.64
Uralsvyazinform	0.07	3.9%	12.2%	11.4%	84.0%	81.7%	12.0%	0.07/0.03
Volga Telecom	6.60	5.6%	11.9%	16.8%	66.9%	65.0%	9.1%	6.6/2.85
Sibirtelecom	0.11	0.9%	-0.9%	1.9%	23.2%	32.1%	-3.1%	0.11/0.06
NorthWest Telecom	1.60	-0.6%	3.4%	2.9%	38.1%	n/a	n/a	1.61/0.78
Center Telecom	0.74	0.0%	4.2%	-2.6%	24.4%	19.7%	-1.3%	0.76/0.4
Southern Telecom	0.17	0.0%	-3.9%	2.1%	38.4%	15.3%	-3.9%	0.18/0.1
Dalsvyaz	4.10	2.5%	4.1%	-0.5%	33.6%	39.5%	-1.4%	4.3/2.5
Bashinformsvyaz	0.22	0.0%	-2.0%	-2.0%	27.4%	23.9%	-2.0%	0.25/0.16
RBC	11.46	2.3%	3.8%	3.2%	6.7%	54.9%	1.3%	11.46/6.57
CTC Media	22.27	1.0%	1.8%	-8.2%	-18.3%	n/a	n/a	27.25/14
Rambler Media	40.49	2.3%	10.1%	21.3%	35.0%	90.5%	20.0%	40.49/20.5
<b>Utilities</b>								
UES	1.13	1.2%	10.4%	14.1%	53.6%	122.0%	4.6%	1.13/0.48
Mosenergo	0.02	n/a	n/a	n/a	n/a	n/a	n/a	0.02/0.01
OGK-2	0.15	1.5%	4.4%	14.4%	57.5%	n/a	11.1%	0.15/0.09
OGK-3	0.14	1.4%	2.6%	22.3%	68.7%	n/a	14.3%	0.14/0.06
OGK-4	0.10	4.5%	6.3%	24.8%	n/a	n/a	21.2%	0.1/0.07
OGK 5	0.13	1.5%	4.2%	3.4%	43.1%	119.9%	5.5%	0.13/0.06
OGK-6	0.14	-1.4%	-1.5%	26.3%	42.1%	n/a	26.3%	0.14/0.08
<b>Metals and mining</b>								
Norilsk Nickel	163.50	-0.8%	2.5%	8.6%	15.5%	86.9%	4.1%	165/83
Polyus Gold	49.70	0.0%	10.2%	2.5%	3.5%	n/a	n/a	67.5/37.5
Severstal	12.89	1.1%	15.6%	16.1%	1.1%	15.4%	15.1%	14.15/10
Evron Group	26.70	0.9%	4.9%	7.8%	5.1%	39.1%	3.9%	27.35/19
Mechel	26.47	1.4%	7.6%	7.3%	15.1%	-3.6%	3.9%	30.95/19.01
NLMK	24.30	2.0%	10.5%	4.5%	13.0%	n/a	4.5%	25.15/16.63
MMK	0.87	0.0%	0.0%	3.6%	11.9%	n/a	0.0%	0.87/0.51
VSMPO	303.00	1.7%	4.5%	3.6%	27.8%	51.5%	3.4%	303/170
<b>Industrials, consumer, banks</b>								
Sberbank	3,535.00	2.4%	4.0%	14.0%	55.0%	130.9%	2.5%	3571/1370
Rosbank	7.06	-0.8%	-0.8%	6.8%	22.2%	n/a	n/a	18.87/3.84
X5	27.05	0.2%	-3.0%	7.1%	21.4%	71.4%	4.0%	28.3/14.5
Seventh Continent	26.00	0.0%	-0.4%	0.8%	-4.4%	2.4%	-2.6%	27.2/17.5
Magnit	36.10	0.0%	2.0%	4.6%	9.4%	n/a	n/a	36.1/20.15
Wimm-Bill-Dann	59.90	0.4%	6.0%	4.7%	37.5%	138.9%	-10.0%	66.59/22.6
Lebedyansky	75.00	0.0%	0.0%	-6.3%	1.2%	4.2%	-6.3%	81.3/45
Baltika (euro)	1.30	0.2%	3.1%	3.7%	12.9%	20.5%	0.8%	1.3/0.97
Razgulay	4.40	0.0%	10.0%	11.7%	10.0%	n/a	n/a	6.35/3.45
Severstal Auto	28.50	0.0%	0.0%	-1.2%	18.8%	31.0%	-5.8%	30.25/17.75
AvtoVaz	74.00	0.0%	4.3%	8.8%	13.8%	54.2%	8.8%	74/35
Irkut	1.01	0.0%	0.5%	2.5%	-15.8%	17.4%	-2.4%	1.22/0.85
Veropharm	37.00	10.0%	16.5%	23.7%	34.1%	n/a	n/a	37/23.5
Apteka 36.6	59.50	0.0%	4.4%	6.3%	32.2%	83.1%	2.1%	59.5/30
Kalina	45.75	0.0%	-1.6%	-5.2%	5.2%	11.6%	-11.2%	55/34.5
Oriflame (euro)	31.43	0.2%	0.2%	2.1%	10.2%	29.2%	1.2%	31.43/22.73
<b>RTS Index</b>	<b>1,880.45</b>	<b>1.0%</b>	<b>4.0%</b>	<b>1.5%</b>	<b>14.9%</b>	<b>40.6%</b>	<b>-2.2%</b>	<b>1921.92/1234.82</b>

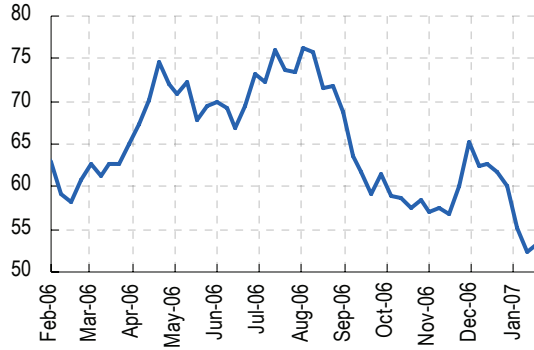
Source: Bloomberg

Stock valuation summary											
Company name	MCAP,		P/E			EV/EBITDA			EV/Revenue		
	USD mn	2006E	2007E	2008E	2006E	2007E	2008E	2006E	2007E	2008E	
<b>Oil and gas</b>											
Gazprom	259,285	12.5	11.4	12.3	8.5	7.6	8.1	13.8	3.4	3.3	
Novatek	17,700	33.0	20.7	13.7	20.5	13.6	9.8	33.4	7.0	5.3	
Lukoil	69,704	8.4	9.1	9.8	5.5	5.8	6.1	8.8	1.1	1.2	
Rosneft	95,656	19.3	19.1	27.7	11.7	11.5	15.0	21.3	3.0	3.1	
Surgutneftegaz	50,507	11.4	14.2	13.6	4.8	5.3	5.1	8.3	1.5	1.5	
Gazprom Neft	21,764	6.4	6.6	8.1	5.3	5.3	6.2	7.6	1.4	1.4	
Tatneft	10,075	7.7	7.6	8.4	3.5	3.9	4.6	6.1	0.7	0.8	
Bashneft	2,635	5.3	4.4	5.5	2.9	2.5	3.0	4.6	0.8	0.9	
Transneft pref	14,514	6.0	5.0	4.5	4.0	3.3	2.9	6.6	1.8	1.6	
Ritek	960	8.8	8.6	8.9	5.1	4.8	4.8	10.1	1.1	1.1	
<i>Aggregate - oil and gas</i>	<i>542,800</i>	<i>11.9</i>	<i>10.7</i>	<i>11.3</i>	<i>7.2</i>	<i>6.4</i>	<i>6.6</i>	<i>12.0</i>	<i>2.2</i>	<i>2.0</i>	
<b>Utilities</b>											
UES	46,377	37.8	25.8	21.3	9.8	7.7	6.5	1.9	1.6	1.4	
Mosenergo	509	12.9	11.0	12.1	3.4	2.8	2.5	0.4	0.3	0.3	
OGK-2	3,821	70.2	34.5	20.2	30.3	20.1	12.9	4.1	3.4	2.7	
OGK-3	4,128	n/a	72.1	39.2	44.1	32.7	20.5	5.5	4.7	3.8	
OGK-4	4,814	n/a	61.0	25.8	38.1	25.6	16.3	5.4	4.4	3.7	
OGK 5	3,184	n/a	50.9	35.3	51.4	22.6	16.9	4.7	3.4	2.8	
OGK-6	3,528	69.0	41.4	27.3	27.3	20.0	15.1	3.8	3.3	2.8	
<i>Aggregate - utilities</i>	<i>66,362</i>	<i>21.2</i>	<i>23.9</i>	<i>17.4</i>	<i>15.9</i>	<i>11.3</i>	<i>9.1</i>	<i>7.0</i>	<i>2.2</i>	<i>1.9</i>	
<b>Telecoms and technology</b>											
MTS	21,307	14.4	12.5	11.7	7.4	6.7	6.4	3.7	3.4	3.2	
AFK Sistema	15,456	18.8	16.1	14.8	7.5	6.5	6.5	3.2	2.8	2.6	
VimpelCom	17,314	19.4	14.7	12.6	8.0	6.9	6.3	3.9	3.4	3.1	
<i>Aggregate - mobile telecoms</i>	<i>54,077</i>	<i>17.5</i>	<i>14.4</i>	<i>13.0</i>	<i>7.7</i>	<i>6.7</i>	<i>6.4</i>	<i>3.6</i>	<i>3.2</i>	<i>2.9</i>	
Comstar	3,690	20.2	19.1	16.7	9.2	7.8	6.8	3.5	3.1	2.8	
Rostelecom	6,467	61.6	30.1	26.4	15.3	10.6	9.6	3.0	2.7	2.5	
Golden Telecom	1,897	n/a	13.1	11.2	8.3	6.3	5.3	2.2	1.7	1.4	
MGTS	2,471	14.6	10.7	10.0	8.1	6.1	5.8	3.4	2.7	2.6	
Uralsvyazinform	2,695	21.1	16.6	15.6	8.5	7.1	6.6	3.0	2.6	2.4	
Volga Telecom	1,967	19.1	15.9	12.8	7.4	6.3	5.5	2.7	2.4	2.2	
Sibirtelecom	1,661	11.7	7.9	7.0	6.7	5.2	4.7	2.3	1.9	1.7	
NorthWest Telecom	1,701	27.0	19.1	16.4	8.4	6.9	6.1	2.8	2.4	2.2	
Center Telecom	1,449	46.7	25.4	17.7	6.5	5.6	5.1	2.2	1.9	1.7	
Southern Telecom	637	30.3	17.2	14.5	7.2	6.2	5.7	2.4	2.1	1.9	
Dalsvyaz	539	20.7	10.6	7.9	5.9	4.5	3.8	1.8	1.6	1.4	
Bashinformsvyaz	218	37.7	28.5	22.6	5.9	5.4	5.0	1.5	1.5	1.4	
<i>Aggregate - fixed line telecoms</i>	<i>25,392</i>	<i>28.2</i>	<i>17.9</i>	<i>14.9</i>	<i>8.1</i>	<i>6.5</i>	<i>5.8</i>	<i>2.6</i>	<i>2.2</i>	<i>2.0</i>	
RBC	1,318	39.6	27.8	19.7	22.9	15.6	12.8	6.8	5.1	4.2	
CTC Media	3,363	30.7	22.1	16.4	18.1	13.6	10.2	8.4	6.3	4.7	
Rambler Media	607	92.2	33.7	19.3	58.4	23.8	14.3	13.8	8.7	5.8	
<i>Aggregate - media</i>	<i>5,288</i>	<i>54.1</i>	<i>27.9</i>	<i>18.5</i>	<i>33.1</i>	<i>17.7</i>	<i>12.4</i>	<i>9.7</i>	<i>6.7</i>	<i>4.9</i>	
<b>Metals and mining</b>											
Norilsk Nickel	31,229	6.0	6.6	7.5	3.7	4.2	4.9	2.6	2.7	2.9	
Polyus Gold	9,493	7.8	47.7	77.8	25.3	29.4	39.7	11.8	11.7	11.8	
Severstal	12,001	10.3	10.8	10.5	4.6	5.2	5.3	1.3	1.2	1.2	
Evrz Group	9,364	7.5	5.6	6.4	3.7	3.6	4.4	1.2	1.1	1.1	
Mechel	3,388	5.6	6.2	8.4	3.3	3.6	4.6	0.7	0.7	0.7	
NLMK	14,563	6.9	7.3	5.0	5.4	4.5	4.6	2.4	2.1	2.0	
MMK	9,248	6.6	7.1	7.4	4.0	4.2	5.2	1.3	1.3	1.3	
VSMPO	3,636	15.8	12.4	n/a	10.0	8.0	n/a	3.7	3.1	n/a	
<i>Aggregate - metals and mining</i>	<i>92,921</i>	<i>13.4</i>	<i>14.6</i>	<i>17.7</i>	<i>10.4</i>	<i>8.9</i>	<i>10.1</i>	<i>3.8</i>	<i>3.4</i>	<i>3.2</i>	
<b>Industrials, consumer, banks</b>											
Sberbank *	70,065	24.0	18.3	15.4	5.9	3.0	n/a	6.8	5.4	4.5	
Rosbank*	4,800	46.9	24.8	13.0	5.4	4.4	3.3	4.1	3.1	2.2	
<i>Aggregate - banks</i>	<i>74,865</i>	<i>15.2</i>	<i>11.9</i>	<i>10.5</i>	<i>5.9</i>	<i>5.0</i>	<i>5.3</i>	<i>2.8</i>	<i>2.4</i>	<i>2.0</i>	
X5	5,856	58.4	29.7	21.2	23.9	14.3	10.6	1.9	1.4	1.0	
Magnit	2,599	42.0	26.0	16.8	25.6	15.8	10.3	1.1	0.8	0.6	
Seventh Continent	1,950	30.2	23.4	18.2	16.2	12.3	9.5	1.9	1.4	1.0	
Lebedyansky	1,531	17.9	15.0	12.5	11.7	9.4	7.8	2.4	1.8	1.5	
Baltika (euro)	3,998	18.5	12.2	10.6	10.8	8.7	8.2	3.5	2.5	2.2	
Wimm-Bill-Dann	2,636	29.8	18.5	15.4	14.0	9.8	8.4	1.7	1.4	1.2	
<i>Aggregate - FMCG</i>	<i>18,569</i>	<i>32.8</i>	<i>20.8</i>	<i>15.8</i>	<i>17.0</i>	<i>11.7</i>	<i>9.1</i>	<i>2.1</i>	<i>1.5</i>	<i>1.3</i>	
Razgulay	466	21.2	7.2	6.1	8.4	5.5	5.0	1.1	0.9	0.8	
Severstal Auto	969	17.9	13.2	9.0	7.6	6.0	4.3	1.0	0.8	0.6	
AvtoVaz	2,183	17.1	14.8	8.4	5.4	5.1	n/a	0.5	0.5	0.5	
Irkut	799	8.9	6.6	5.5	6.4	5.1	4.4	1.3	1.1	1.0	
Apteka 36.6	476	n/a	74.8	43.9	25.2	12.8	9.1	1.3	0.9	1.1	
Veropharm	370	21.0	16.6	13.4	14.4	11.5	9.5	3.9	3.2	2.7	
Kalina	366	11.8	10.0	8.8	8.1	6.9	6.0	1.2	1.1	1.0	
Oriflame (euro)	1,572	17.1	15.0	13.4	13.0	11.8	10.5	2.1	1.9	1.7	
<b>Aggregate valuation</b>	<b>887,475</b>	<b>12.7</b>	<b>12.1</b>	<b>12.3</b>	<b>7.3</b>	<b>6.3</b>	<b>6.3</b>	<b>2.4</b>	<b>2.2</b>	<b>2.2</b>	
<b>FF-adj. MCAP W.A. valuation</b>	<b>265,749</b>	<b>14.7</b>	<b>13.3</b>	<b>13.9</b>	<b>8.0</b>	<b>7.1</b>	<b>7.1</b>	<b>10.0</b>	<b>3.2</b>	<b>3.0</b>	

Source: MDM estimates, IBES consensus  
\*P/BV shown in EV/EBITDA columns

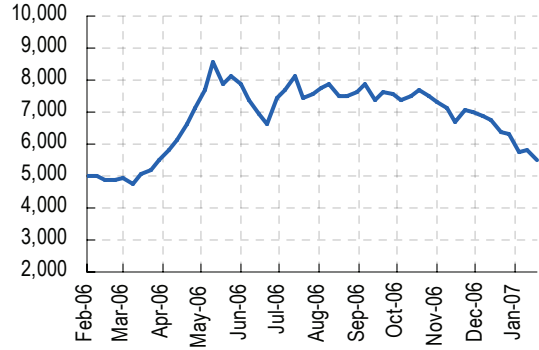
## Key commodities

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



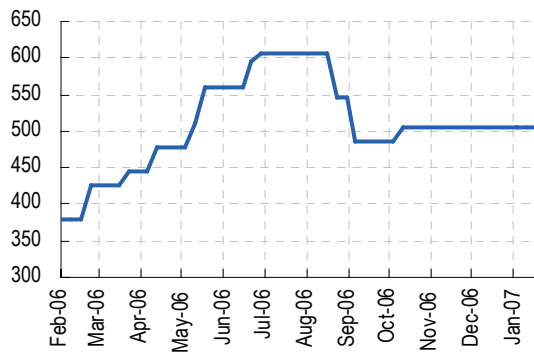
Source: Bloomberg

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



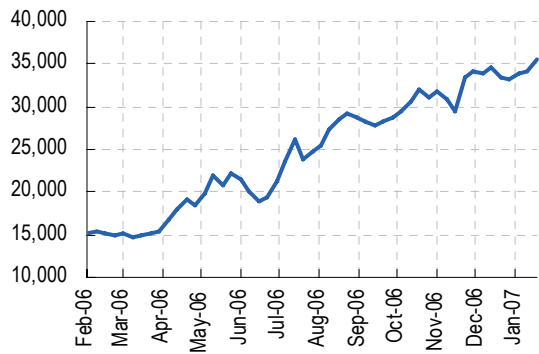
Source: Bloomberg

MB-Steel HR Coil CIS, USD/ton



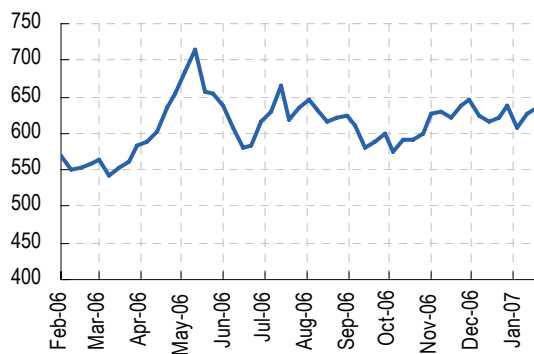
Source: Bloomberg

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



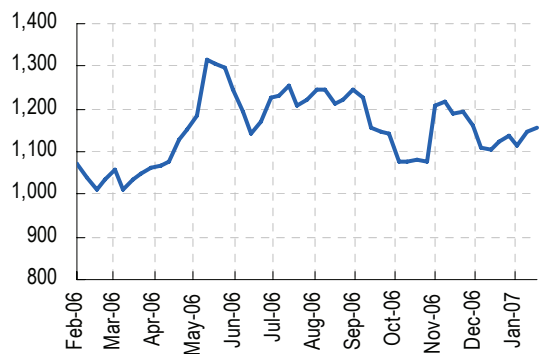
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg



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