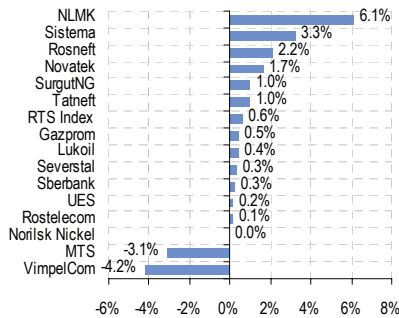
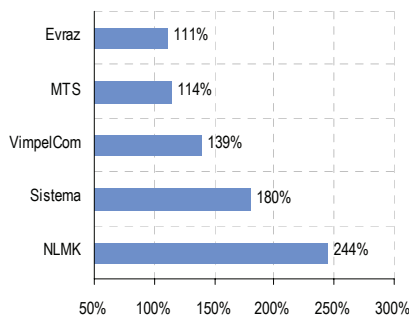


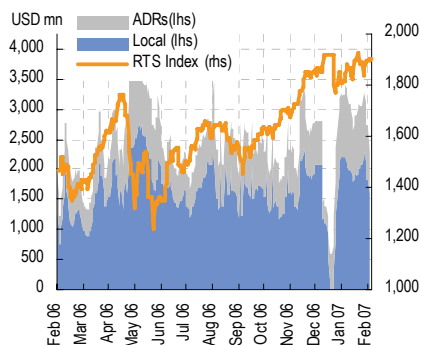
Blue chips: advancers and decliners



Volume monitor: daily/3M avg. volume



RTS index and weekly trading volumes



Upcoming events

26-Feb	3G license bidding closes
27-Feb	CTC Media FY06 results
End-Feb	TMK 2006 IFRS results
Early-Mar	X5 supervisory board meeting
Early-Mar	X5 2006 Management accounts
Mid-Mar	X5 to announce strategy and plans for 2007
Mid-Mar	Seventh Continent 2006 financials
13-Mar	BBH 2006 results
15-Mar	State to auction 3.3% of Northwest Telecom
15-Mar	Baltika 2006 consolidated results

Market

- The RTS closed up 0.6% to 1,905, with oil and gas blue chips in positive territory. With oil at USD60, Russia's oil and gas names may be ripe for a comeback.

Top news and ideas

- Rosneft: Higher share liquidity and auction may benefit stock.** Completion of the share swap and the auction of Yukos assets could boost the shares above fair value.
- Sistema: Sells 49.2% stake in ROSNO to Allianz for USD750 mn.** The price is far above the market consensus and implies a 3.5% upside for the company's NAV.
- Sberbank: Order book reflects sluggish demand.** With USD8.8 bn of qualified orders the book is only 75% subscribed. With VTB's IPO looming, Sberbank shares may suffer under technical pressure until 2H07.
- Cherkizovo: Weak operating results reported for 2006.** The continued fall in Cherkizovo's meat production volumes may result in a loss of market share.
- Retail Sector: Draft law may ban "entry tickets" from suppliers.** Even if the proposal becomes law, we believe it will have a minimal impact on retailers' revenues.
- Rosstat releases strong macroeconomic data for January 2007.** Growth in fixed investments reached 23.2% y-o-y, which is impressive on the upside.

Other highlights

- Brief – CTC Media not planning to spend huge sums on acquisitions or pay dividends** (Bloomberg, Interfax). Investors await new growth drivers for CTC, so the lack of acquisition plans is a negative signal.
- Brief – IBS plans to conduct a private placement and float shares on the Frankfurt Stock Exchange starting February 22** (Interfax). The increase in free float and liquidity improvements are positive for the OTC-traded company.
- Brief – MTS has appointed a new CEO for its Ukrainian unit** (Bloomberg). The move is in line with MTS's re-branding and marketing efforts in Ukraine.
- Brief – The Jackson-Vanik provisions may be lifted for Russia**, Tom Lantos, chairman of the U.S. International Relations Committee, said yesterday. The move would be positive (and logical) given Russia's bid to join the WTO.
- Brief – Wimm-Bill-Dann will invest USD10 mn in farms in the Leningrad region** (Vedomosti). This should lead to a slight increase in WBD's margins.

Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	1,905	0.6%	0.8%	3.4%	11.9%	30.0%
MSCI EM Europe Index	629	-0.1%	0.0%	1.8%	7.4%	9.4%
MSCI EM Index	938	0.1%	0.3%	3.8%	9.0%	20.3%
S&P500 Index	1,458	-0.1%	0.9%	2.4%	3.7%	12.8%
OIX (Oil majors) Index	633	0.6%	-0.9%	1.9%	0.2%	13.7%
GSCI (Commodities) index	5,613	1.9%	1.3%	8.5%	-3.3%	-11.6%
Oil (WTI), USD/bbl	59.5	2.4%	1.0%	14.4%	2.5%	-2.7%
Nickel, USD/ton	42,688	-0.4%	10.5%	14.6%	35.1%	187.0%
Steel (HR), USD/ton	543	4.3%	4.3%	4.3%	7.4%	42.8%
LT U.S. Treasury YTM	4.9%	4.9%	4.9%	4.9%	4.7%	4.6%
EMBI-Russia spread, bp	99	101	100	100	100	107
RUB/USD	26.20	26.21	26.38	26.53	26.64	28.15

Source: Datastream, Bloomberg

Rosneft: Higher share liquidity and auction news may benefit stock

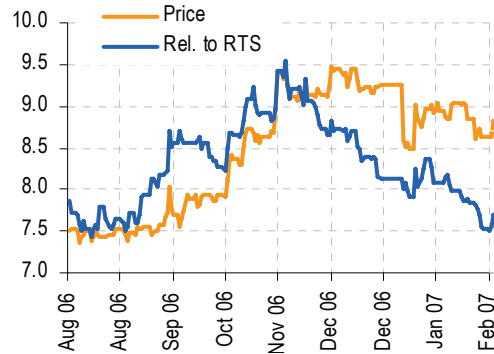
Analysts: Nadia Kazakova, CFA, Andrey Gromadin, CFA e-mail: Nadia.Kazakova@mdmbank.com

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Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
ROSN RM Equity	8,82	10,30	Hold	9.47/7.37	-3,3%	-3,6%	n/a

Financials, USD mn	2006E	2007E	2008E
Revenue	33,311	33,869	33,804
EBITDA	7,781	6,663	6,250
Net income	3,831	3,162	2,849
Revenue growth		2%	0%
EBITDA growth		-14%	-6%
Net income growth		-17%	-10%
EBITDA margin	23%	20%	18%
Net margin	12%	9%	8%
EV/Revenue	3.1	3.1	3.1
EV/EBITDA	13.3	15.6	16.6
P/E	24.4	29.6	32.8
MCAP, USD mn	93,451	Com., mn	10,595
EV, USD mn	103,811	Pref., mn	
Free float	15%	Total, mn	10,595

Price performance, USD



Source: Bloomberg

Source: Bloomberg, MDM estimates

Shares from minority swap start trading today. Rosneft shares that were issued to minority shareholders in the company's subsidiaries in October 2006 will start trading on the RTS and MICEX today. Around 2% of Rosneft's shares have been trading OTC since late last year. Free float will increase to an estimated 19% and should make the stock more attractive to investors.

Rosneft may buy its own shares in Yukos assets auction. Rosneft is likely to participate in the upcoming bankruptcy auction of Yukos's assets. Bids will be accepted until March 23 and the auction will be held on March 27. The first lot to be auctioned is USD1 bn (9.44%) of Rosneft's shares and RUB3.56 bn (USD136 mn) of promissory notes issued by Yuganskneftegaz to Yukos. The starting price of the lot is RUB195 bn (USD7.5 bn), a 14% discount to market value. Acquisition of the stake by Rosneft would increase the treasury shares count and allow the company to book USD1.3 bn of net gain from the transaction, around 30% of company's pre-tax profit.

Purchase by strategic investors could be positive. In our view, Rosneft is the likeliest winner of the auctions for the 9.44% stake. However, we would not rule out the possibility of external, possibly strategic investors bidding for the shares. This could still be positive for Rosneft, as its free float would increase to around 30%. This could trigger inclusion of the stock in the MSCI Index. Additionally, proceeds from the auction would flow back to Rosneft, which stands to collect USD10 bn.

Rosneft's CEO looking for acquisitions and expects Rosneft's shares to rise 20% in 2007. In a televised interview, Rosneft's CEO Sergei Bogdanchikov said he expects Rosneft's capitalization to increase by 20% in 2007, similar to last year's performance. In our view, company growth and improving financial performance is fairly reflected in the current market price. We believe the share price also reflects USD10-12 bn in additional value coming from the Yukos auction. Positive surprises for the shares might come from a value-accretive acquisition, which does not appear imminent. We reiterate our Hold recommendation for the stock with a target price of USD9.4/share.

Sistema: Sells 49.2% stake in ROSNO to Allianz for USD750 mn

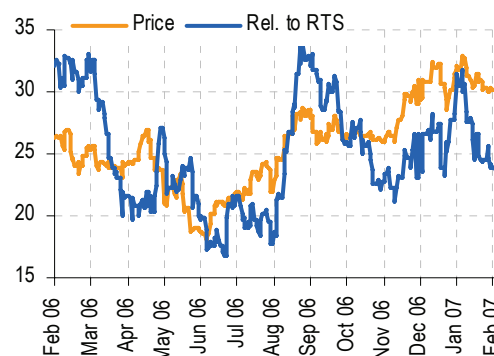
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Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
SSA LI Equity	31.50	34.90	Buy	32.9/18.1	-4.3%	17.8%	19.8%

Financials, USD mn	2006E	2007E	2008E
Revenue	9,027	10,243	11,165
EBITDA	3,813	4,376	4,410
Net income	821	958	1,045
Revenue growth	19%	13%	9%
EBITDA growth	28%	15%	1%
Net income growth	54%	17%	9%
EBITDA margin	42%	43%	39%
Net margin	9%	9%	9%
EV/Revenue	3.1	2.7	2.5
EV/EBITDA	7.4	6.4	6.4
P/E	18.5	15.9	14.5
MCAP, USD mn	15,199	GDRs., mn	0
EV, USD mn	28,113		
Free float	23%	Total, mn	0

Price performance, USD



Source: Bloomberg

Source: Bloomberg, MDM estimates

Sistema sells its insurance business... Reuters reported yesterday that Sistema has sold its 49.2% stake in insurance company ROSNO to Germany's Allianz for USD750 mn. As a result, Allianz owns 96.53% of ROSNO and Sistema holds 2.78%.

... **at far above the expected price.** The deal implies a total value of USD1.52 bn for ROSNO, which is far above previous estimates. We had valued the 49.2% stake at USD171 mn and the whole company at USD348 mn, in line with consensus estimates. Sistema had planned an IPO for ROSNO in 2007-08, though it recently said the company's valuation was far below the USD1.5-2 bn it hoped to generate from the IPO. Meanwhile Allianz was unhappy about remaining only a minority shareholder in ROSNO.

Deal implies positive impact on Sistema's net asset value. The move may serve as a short-term positive for Sistema stock as the price of the deal was far above expectations. Sistema was up 3% yesterday on the news. In the longer perspective we think ROSNO has good growth prospects. However, Allianz was ready to sell its stake if it had not obtained a controlling stake, and Sistema would have been the likely buyer, which would not have added much to Sistema's valuation. We estimate the impact of the sale on Sistema's NAV at about 3.5%. We will incorporate our recent 40% upgrade for Comstar, which altogether should add about 8% to our current target price for Sistema of USD34.8. At yesterday's closing price of USD31.5 per ADR, Sistema's discount to its net asset value (NAV) is rather high at 25%, which supports our Buy recommendation for the stock.

Sberbank: Order book reflects sluggish demand

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Tel: + 7 495 795 2521

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
SBER RU Equity	3545.00	3631.00	Hold	3575/1370	2.8%	43.2%	125.1%
SBERP RU Equity	57.15	65.36	Buy	59/21.5	0.3%	26.4%	102.3%

Financials, USD mn	2006E	2007E	2008E
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	6.0	3.0	2.6
Mcap, USD mn	70,213	Com., mn	19
EV, USD mn	70,213	Pref., mn	50
Free float	39%	Total (adj), mn	20

Price performance, USD	
Price	Rel. to RTS

Source: Bloomberg, MDM estimates

Source: Bloomberg

Sberbank: SPO preliminary parameters announced. Sberbank's Supervisory Council has approved an SPO price of RUB89,000 (USD3,395). The approved price is marginally below the earlier indication of RUB89,400 and some 5% below the "undisturbed" intraday high. The main negative surprise came from the order book size. Of the total orders of around RUB260 bn (USD9.9 bn), only RUB230 bn (USD8.8 bn) are above the cut-off price. This represents less than 75% of the book total. We caution that the orders still should be viewed as indications and can be withdrawn. Finalizing the book will take another six weeks during which time the uncertainties over the outcome of the issue will persist.

Implications mixed, negative on balance. Securing less than the full amount would still be in line with Sberbank's capital raising goals (a figure of RUB200 bn has been indicated by various officials). Moreover, raising the full amount of USD12 bn would put unnecessary pressure on ROE. However, the news also shows insufficient demand at the indicated price level. In our view, with marginal demand exhausted, there is little to suggest that the shares will see higher grounds in the months to come. Moreover, the upcoming IPO of VTB, dubbed the second Russian banking blue chip, may also draw funds away from Sberbank.

The difference with red-hot Chinese banks' IPOs is drastic. The institutional portion of the recent IPOs of ICBC and the Bank of China was 20-30 times oversubscribed, while on the retail side oversubscription reached 50-80 times (up to USD700 bn total funds committed). We attribute the difference to several factors. First, valuations. For Sberbank, the implied post-money 2007 P/BV would thus be 3.2 vs. a forward P/BV of 2.2 for the Chinese banks. Second, ownership. With no prior exposure, investment funds simply had to buy into the Chinese IPOs, whereas with Sberbank investors have already been in overweight.

Hold reiterated as technical pressure will likely persist well into 2H07. We downgraded our recommendation to Hold in January fearing technical negatives. While we remain convinced that in fundamental terms the shares still may represent good value, the stock is likely to remain under technical pressure well into 2H07, in our opinion. We therefore reiterate our recommendation and end-2007 FV of USD3,631.

Cherkizovo: Weak operating results reported for 2006

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

Volume growth weak. Cherkizovo registered meager volume increases in 2006, casting a shadow over the company's growth story. Its pork division (which accounted for 3.6% of revenues in 2005) increased output by 7% vs. expectations of 20%. Poultry production (20.9% of revenues in 2005) grew by 36% in 2006 vs. expectations of 40%. Meat processing output (75.6% in 2005) fell 4% vs. expectations of low single-digit growth. The redeeming factor for 2006 was broad price growth, with pork prices up 15% in ruble terms and processed meat up 10% (poultry prices fell 5%). We believe a continued decline in meat production volumes could result in Cherkizovo losing market share to other meat producers, such as Ostankino and Agrosoyuz.

Will bird flu effect poultry consumption? The recent breakout of bird flu should not have any impact on poultry consumption, in our view, given that Russian consumers will likely switch from buying in open markets to shopping in retail stores. According to a recent study by ACNielsen, following the announcement of the bird flu outbreak, 83% of Russian consumers continued to buy poultry products in retail stores. Cherkizovo's poultry operations are conducted solely indoors and the company performs regular checks at its farms. In our view, the risk of contamination of Cherkizovo's poultry is minimal.

Shares not particularly attractive. The deceleration in output does not bode well for a company that is priced at high-growth multiples. The shares trade at a consensus 2007E P/E of 9.3 and a 2007E EV/EBITDA of 6.4, vs. emerging market comparables averages of 10.0 and 7.0, respectively. Estimates for 2007 reflect expectations of full-year EPS growth of more than 80%, which will likely be reassessed following the 2006 results, which are expected at the end of April. We believe that investors interested in high-growth consumer stocks should focus on Wimm-Bill-Dann, Razgulay and Veropharm, instead.

Retail Sector: Draft law may ban "entry tickets" from suppliers

Analyst: Elena Afonina, e-mail: Elena.Afonina@mdmbank.com

Draft law on retail trade proposes abolishing the "entry ticket" practice. *Kommersant* reported this morning that the Economic Development and Trade Ministry is preparing a draft law regulating retail trade in Russia. The draft suggests that retailers may be forced to stop charging suppliers with so-called entry tickets, which companies normally pay to in order to sell their products through retail chains. Another ministry proposal would limit the number of stores that a retailer may operate in one region.

We see limited impact on retailers. The abolishment of the "entry ticket" practice would have a limited impact on Russian retailers, in our view. On average, payments received from suppliers to place their products on store shelves do not exceed 1.5-2% of revenues. For example, Pyaterochka (now part of X5 group) in 2005 received USD5 mn from suppliers via entry tickets, which represents only 0.4% of its turnover. In any case, we think the chances that such measures will be implemented are limited.

Rosstat releases strong macroeconomic data for January 2007

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

Fixed investments growth surged. Rosstat yesterday released macroeconomic statistics for January 2007. Fixed investment growth reached a record high of 23.2% y-o-y, while industrial production growth came in at an impressive 8.4%.

Demand-driven indicators remain strong. Real disposable income grew 13.1% in January 2007, while real wages were up 17%. Retail sales climbed 13.5% over the month. The nominal average monthly wage in January amounted to RUB11,410 (USD430), up 26.6% y-o-y.

Inflation under control. Rosstat released the CPI and PPI indices for January, both of which reached 1.7%. While the 12-month trailing consumer price inflation rate currently stands at a solid 8.2%, the 12-month producer price inflation rate reached 11.4% in January.

Strong statistics on the back of a warm January. Macroeconomic indicators in January remained strong with growth in fixed investments surprising on the upside. As we expected, the trend towards strengthening fixed investment growth that started in 2006 has continued into 2007. Among the positive factors that contributed to strong industrial production and fixed investment growth was an unusually warm January, boosting construction and the production of construction materials. In addition, strong investment growth should help to create higher quality growth. We expect the positive economic momentum will continue in the coming months.

Stock performance summary								
Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
Oil and gas								
Gazprom	10.68	0.5%	-0.4%	-2.9%	-2.8%	24.4%	-7.4%	12.94/7.75
Novatek	55.40	1.7%	-0.2%	-5.3%	-6.1%	73.7%	-12.8%	66/31
Rosneft	8.82	2.2%	0.9%	-3.3%	-3.6%	n/a	-5.2%	9.47/7.37
Lukoil	79.70	0.4%	-2.2%	-1.8%	-6.7%	-11.3%	-8.5%	95.23/63.01
TNK-BP Holding	2.26	0.0%	4.1%	-2.6%	1.6%	-33.5%	-12.9%	3.49/2.09
Surgutneftegaz	1.22	1.0%	0.5%	-3.3%	-7.6%	-24.9%	-20.1%	1.85/1.07
Gazprom Neft	4.42	0.6%	1.7%	-7.5%	6.7%	-12.0%	-3.3%	5.5/3.59
Tatneft	4.25	1.0%	-2.3%	-1.8%	-12.2%	-18.9%	-8.0%	6.4/3.5
Bashneft	14.70	2.8%	-3.3%	-5.2%	-16.7%	-13.5%	-8.1%	18.5/11.77
Transneft pref	2,302.67	0.1%	-4.2%	3.2%	-6.9%	-16.9%	0.7%	2600.91/1669.71
Ritek	9.60	0.0%	0.0%	0.0%	-4.0%	0.0%	-14.3%	11.2/8
Telecoms and technology								
MTS	55.18	-3.1%	2.6%	7.2%	22.2%	50.2%	9.9%	56.97/26.22
AFK Sistema	31.50	3.3%	4.7%	-4.3%	17.8%	19.8%	-1.6%	32.9/18.1
VimpelCom	86.39	-4.2%	0.4%	5.3%	23.6%	92.2%	9.4%	90.18/38.59
Comstar	9.20	4.8%	4.0%	5.4%	28.1%	n/a	9.5%	9.2/4.9
Rostelecom	8.21	0.1%	3.1%	8.1%	37.9%	142.8%	8.4%	8.23/3.02
Golden Telecom	57.70	-0.4%	3.4%	16.1%	42.1%	92.1%	23.2%	57.95/21.73
MGTS	25.21	0.1%	-1.4%	-3.1%	14.9%	13.1%	1.7%	27.23/16.64
Uralsvyazinform	0.07	0.3%	4.9%	4.6%	58.4%	61.1%	5.4%	0.07/0.03
Volga Telecom	6.20	1.3%	-3.9%	4.2%	54.0%	40.9%	2.5%	6.6/2.85
Sibirtelecom	0.11	0.9%	-4.7%	9.3%	29.5%	27.3%	-0.4%	0.12/0.06
NorthWest Telecom	1.57	-1.0%	-0.5%	-0.8%	32.6%	16.6%	-2.0%	1.61/0.78
Center Telecom	0.72	0.7%	-0.7%	-2.7%	26.3%	3.6%	-4.0%	0.76/0.4
Southern Telecom	0.18	0.0%	10.4%	0.0%	44.0%	12.9%	0.0%	0.18/0.1
Dalsvyaz	4.10	2.0%	2.0%	3.8%	33.6%	17.1%	-1.4%	4.3/2.5
Bashinformsvyaz	0.23	0.0%	0.0%	-1.1%	28.6%	2.3%	-1.1%	0.25/0.16
RBC	12.02	-0.2%	-0.7%	5.9%	4.9%	32.0%	5.2%	12.1/6.57
CTC Media	19.59	-0.6%	-5.4%	-10.2%	-18.4%	n/a	-18.4%	27.25/14
Rambler Media	46.59	-0.7%	-1.0%	24.3%	39.1%	99.3%	38.0%	47.5/21.63
Utilities								
UES	1.24	0.2%	-0.9%	16.7%	40.3%	80.1%	14.5%	1.29/0.54
OGK-2	0.16	-0.3%	-1.2%	10.3%	53.2%	n/a	17.4%	0.17/0.09
OGK-3	0.15	0.7%	5.6%	8.6%	56.7%	n/a	24.1%	0.16/0.06
OGK-4	0.10	0.0%	-6.0%	10.3%	n/a	n/a	27.5%	0.12/0.05
OGK 5	0.14	0.0%	1.2%	10.3%	31.5%	93.4%	12.9%	0.14/0.07
OGK-6	0.17	3.7%	6.3%	20.9%	52.4%	n/a	52.4%	0.17/0.08
Metals and mining								
Norilsk Nickel	182.50	0.0%	1.7%	11.7%	26.3%	94.1%	16.2%	183/83
Polyus Gold	55.10	0.0%	3.0%	17.2%	14.3%	n/a	11.8%	67.5/37.5
Severstal	13.40	0.3%	3.9%	14.0%	14.0%	6.8%	19.6%	14.15/10
Evraz Group	33.10	0.9%	2.8%	28.8%	36.5%	47.1%	28.8%	33.1/20.5
Mechel	32.53	2.0%	11.1%	27.3%	42.9%	9.2%	27.7%	32.53/19.01
NLMK	28.20	6.1%	8.9%	27.0%	28.2%	34.3%	21.3%	28.2/18
MMK	0.95	1.1%	-11.2%	9.2%	23.1%	35.7%	9.2%	1.07/0.65
VSMPO	320.00	3.2%	5.6%	10.3%	26.7%	43.2%	9.2%	320/170
Industrials, consumer, banks								
Sberbank	3,545.00	0.3%	1.1%	2.8%	43.2%	125.1%	2.8%	3575/1370
Rosbank	6.74	-0.7%	-1.9%	-9.5%	18.7%	n/a	-7.0%	8.18/3.84
X5	29.00	1.8%	6.0%	6.0%	10.9%	79.0%	11.5%	29/14.5
Seventh Continent	27.70	-1.1%	4.9%	6.1%	7.8%	10.6%	3.7%	28.3/17.5
Magnit	40.60	-0.6%	-0.6%	15.7%	19.4%	n/a	13.7%	41.9/20.15
Wimm-Bill-Dann	66.91	-2.0%	8.0%	11.1%	45.9%	190.4%	0.5%	68.28/23.04
Lebedyansky	81.00	0.0%	0.6%	8.0%	2.2%	9.5%	1.3%	81.3/45
Baltika (euro)	36.60	0.0%	3.4%	10.1%	14.5%	31.8%	8.7%	36.6/26.14
Razgulay	4.17	0.0%	0.0%	-1.9%	9.7%	17.5%	4.3%	6.35/3.5
Severstal Auto	31.80	0.0%	-2.2%	11.6%	27.2%	32.0%	5.1%	33.8/17.75
AvtoVaz	80.00	0.0%	0.0%	12.8%	19.4%	19.4%	17.6%	80/35
Irkut	1.03	0.0%	0.5%	3.0%	3.0%	1.7%	-0.5%	1.22/0.85
Veropharm	39.85	3.8%	5.4%	24.1%	31.7%	n/a	25.5%	39.85/23.5
Apteka 36.6	63.00	1.6%	7.7%	10.5%	22.3%	85.3%	8.2%	63/30
Kalina	49.75	-0.5%	7.6%	7.0%	9.9%	7.0%	-3.4%	55/34.5
Oriflame (euro)	29.78	1.1%	-1.9%	-2.1%	7.0%	14.5%	-1.8%	32.44/22.73
RTS Index	1,905.46	0.6%	0.8%	3.4%	11.9%	30.0%	-0.9%	1923.27/1234.82

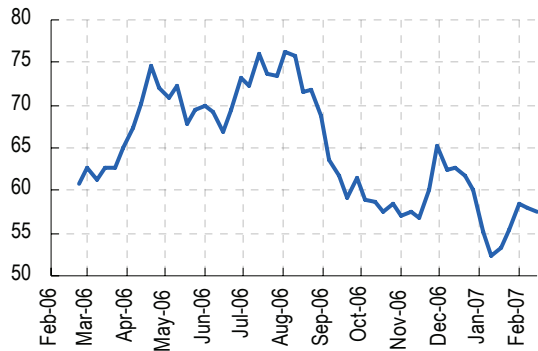
Source: Bloomberg

Stock valuation summary											
Company name	MCAP,		P/E			EV/EBITDA			EV/Revenue		
	USD mn	2006E	2007E	2008E	2006E	2007E	2008E	2006E	2007E	2008E	
Oil and gas											
Gazprom	242,952	11.9	11.4	11.9	8.8	8.1	8.2	13.6	3.4	3.3	
Novatek	16,819	31.9	24.5	17.8	23.9	19.6	14.7	31.9	7.1	5.5	
Lukoil	67,828	8.3	9.1	9.5	5.6	6.1	6.2	8.9	1.1	1.1	
Rosneft	93,451	24.4	29.6	32.8	13.3	15.6	16.6	27.1	3.1	3.1	
TNK-BP Holding	35,814	4.9	9.6	12.1	5.1	6.6	7.8	5.8	1.5	1.6	
Surgutneftegaz	50,263	11.4	14.1	13.5	4.7	5.3	5.1	8.2	1.4	1.4	
Gazprom Neft	20,974	6.1	6.3	7.8	5.1	5.2	6.1	7.4	1.3	1.3	
Tatneft	9,683	7.4	7.3	8.1	3.4	3.7	4.3	5.8	0.7	0.7	
Bashneft	2,499	5.1	4.5	5.2	2.7	2.5	2.8	4.4	0.8	0.8	
Transneft pref	14,514	6.0	5.0	4.5	4.0	3.3	2.9	6.6	1.8	1.6	
Ritek	958	8.8	8.6	9.2	5.1	4.7	4.9	10.0	1.1	1.1	
Aggregate - oil and gas	555,756	11.5	11.8	12.0	7.4	7.3	7.2	11.8	2.1	2.0	
Utilities											
UES	50,769	43.2	28.3	23.3	10.7	8.4	7.0	2.0	1.7	1.5	
Mosenergo	7,463	n/a	n/a	176.8	31.3	26.9	23.5	3.4	2.9	2.8	
OGK-2	4,083	75.0	36.9	21.6	32.2	21.4	13.7	4.4	3.6	2.9	
OGK-3	4,482	n/a	78.2	42.5	47.8	35.4	22.2	6.0	5.1	4.1	
OGK-4	5,011	n/a	63.4	26.8	39.4	28.7	17.0	5.6	4.6	3.9	
OGK-5	3,184	n/a	50.9	35.4	51.4	22.6	16.6	4.7	3.4	2.8	
OGK-6	4,305	73.3	53.8	33.3	29.0	23.0	18.2	4.6	4.0	3.3	
Aggregate - utilities	79,296	22.0	26.1	27.9	17.5	13.3	10.7	7.5	2.4	2.1	
Telecoms and technology											
MTS	21,998	14.8	12.9	12.0	7.7	6.9	6.6	3.8	3.5	3.3	
AFK Sistema	15,199	18.5	15.9	14.5	7.4	6.4	6.4	3.1	2.7	2.5	
VimpelCom	17,720	19.8	15.0	12.9	8.2	7.1	6.4	4.0	3.5	3.1	
Aggregate - mobile telecoms	54,917	17.7	14.6	13.2	7.8	6.8	6.5	3.7	3.2	3.0	
Comstar	3,845	22.1	13.7	11.8	10.5	8.5	7.5	4.2	3.5	3.1	
Rostelecom	6,796	64.7	31.6	27.7	16.2	11.2	10.1	3.2	2.9	2.7	
Golden Telecom	2,115	n/a	14.6	12.4	9.3	7.1	5.9	2.5	1.9	1.5	
MGTS	2,384	13.7	10.1	9.6	8.5	6.4	6.1	3.6	2.9	2.7	
Uralsvyazinform	2,572	25.2	18.8	14.5	8.3	6.9	6.0	2.9	2.5	2.3	
Volga Telecom	1,864	15.7	14.0	11.6	6.6	5.7	5.0	2.5	2.2	2.0	
Sibirtelecom	1,677	10.0	7.6	6.9	6.3	5.0	4.6	2.2	1.8	1.7	
NorthWest Telecom	1,659	21.8	14.1	13.5	7.6	5.7	5.3	2.7	2.2	1.9	
Center Telecom	1,410	37.1	20.1	13.4	6.1	5.1	4.5	2.1	1.8	1.6	
Southern Telecom	659	20.6	16.5	14.7	6.9	6.1	5.6	2.3	2.0	1.9	
Dalsvyaz	537	13.4	11.2	7.7	5.4	4.5	3.6	1.9	1.4	1.3	
Bashinformsvyaz	220	38.0	28.8	22.8	6.0	5.5	5.0	1.6	1.5	1.4	
Aggregate - fixed line telecoms	25,737	25.7	16.8	13.9	8.2	6.5	5.8	2.6	2.2	2.0	
RBC	1,434	43.7	30.6	21.5	25.2	17.2	14.0	7.4	5.6	4.6	
CTC Media	2,968	27.2	19.5	14.5	16.0	11.9	8.9	7.4	5.5	4.1	
Rambler Media	700	93.8	34.8	21.3	65.4	26.8	16.3	15.5	10.3	6.9	
Aggregate - media	5,102	54.9	28.3	19.1	35.5	18.7	13.1	10.1	7.1	5.2	
Metals and mining											
Norilsk Nickel	34,858	6.7	7.4	8.3	4.2	4.7	5.5	2.9	3.1	3.3	
Polyus Gold	10,524	8.6	52.9	86.3	28.3	32.9	44.5	13.2	13.1	13.2	
Severstal	13,503	9.6	8.4	9.0	4.1	3.6	3.8	1.2	0.9	0.9	
Evrast Group	11,609	8.5	6.9	8.3	5.2	4.4	5.1	1.5	1.3	1.3	
Mechel	4,390	7.1	5.2	6.6	4.2	3.2	4.0	0.9	0.8	0.8	
NLMK	16,900	8.0	8.3	8.2	5.1	4.9	4.9	2.4	2.2	2.1	
MMK	9,655	6.8	6.8	7.2	4.4	4.3	4.5	1.4	1.3	1.3	
VSMPO	3,840	16.6	13.0	n/a	10.5	8.4	n/a	3.9	3.3	n/a	
Aggregate - metals and mining	105,279	14.1	15.3	19.1	11.3	9.4	10.7	4.2	3.7	3.5	
Industrials, consumer, banks											
Sberbank *	70,213	24.0	18.3	15.4	6.0	3.0	2.6	6.8	5.4	4.5	
Rosbank*	4,854	33.2	22.2	15.1	4.7	3.2	2.7	5.6	4.3	3.3	
Aggregate - banks	75,067	14.2	11.6	11.1	6.2	4.9	4.8	3.1	2.6	2.2	
X5	6,278	62.6	31.8	22.8	25.4	15.2	11.3	2.0	1.4	1.1	
Magnit	2,923	47.2	29.2	18.9	28.6	17.6	11.5	1.3	0.9	0.7	
Seventh Continent	2,078	32.1	24.9	19.4	17.3	13.2	10.2	2.0	1.5	1.1	
Lebedyansky	1,653	19.4	16.0	13.4	13.2	10.0	8.2	2.6	1.8	1.5	
Baltika (euro)	4,344	15.5	10.3	8.9	9.0	7.3	6.8	3.0	2.1	1.8	
Wimm-Bill-Dann	2,944	33.0	20.4	15.3	15.0	10.5	8.4	1.9	1.5	1.3	
Aggregate - FMCG	20,220	35.0	22.1	16.4	18.1	12.3	9.4	2.1	1.5	1.2	
Razgulay	442	20.1	6.9	5.8	8.2	5.3	4.8	1.1	0.9	0.8	
Severstal Auto	1,081	20.0	14.8	10.1	8.4	6.6	4.8	1.1	0.9	0.7	
AvtoVaz	2,345	18.3	15.9	9.0	5.7	5.3	n/a	0.5	0.5	0.5	
Irkut	815	8.3	6.6	5.4	5.8	5.0	4.2	1.3	1.1	1.0	
Apteka 36.6	504	n/a	79.2	46.5	26.2	13.4	9.4	1.4	0.9	1.1	
Veropharm	399	21.2	14.8	11.6	14.6	10.4	8.4	4.1	3.0	2.5	
Kalina	398	12.9	10.9	9.6	8.7	7.4	6.5	1.3	1.2	1.1	
Oriflame (euro)	1,489	14.6	12.6	10.1	10.4	9.0	7.7	1.6	1.4	1.3	
Aggregate valuation	928,846	12.2	12.5	12.6	7.4	6.6	6.5	2.3	2.2	2.1	
FF-adj. MCAP W.A. valuation	264,139	14.8	14.1	14.3	8.3	7.7	7.7	10.1	3.2	3.0	

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

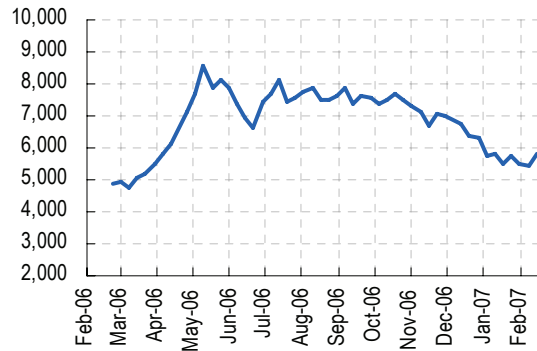
Key commodities

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



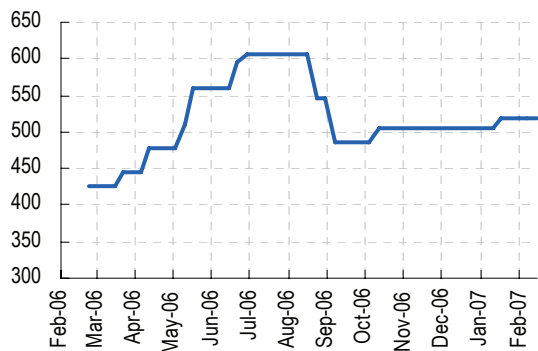
Source: Bloomberg

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



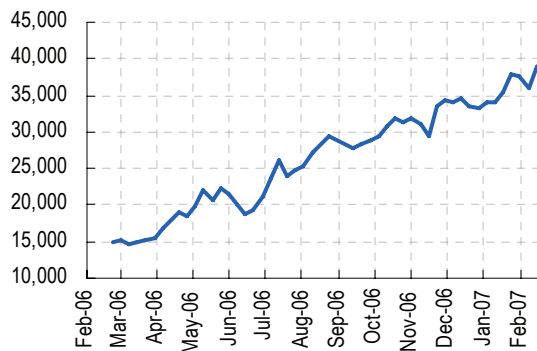
Source: Bloomberg

MB-Steel HR Coil CIS, USD/ton



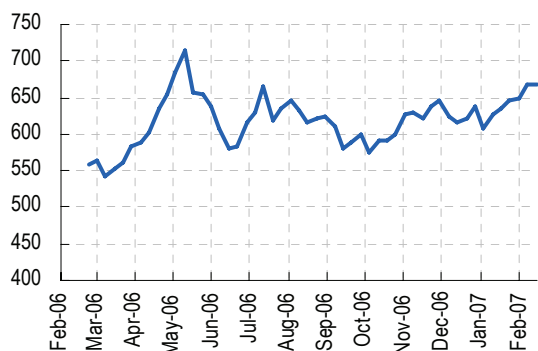
Source: Bloomberg

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



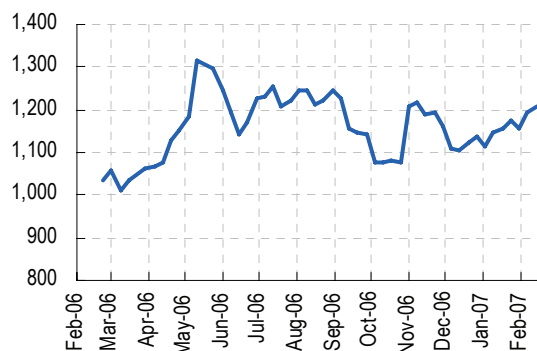
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg



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