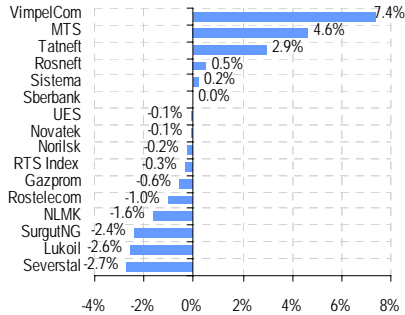
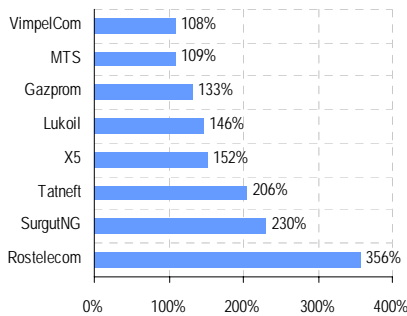


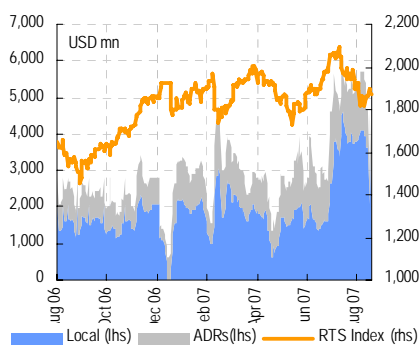
### Blue chips: advancers and decliners



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



### RTS index and weekly trading volumes



### Upcoming events

30 Aug	VimpelCom 2Q07 U.S. GAAP results
03 Sep	Wimm-Bill-Dann 1H07 U.S. GAAP results
03 Sep	MMK 2Q07 U.S. GAAP results
04 Sep	MTS 2Q07 U.S. GAAP results
06 Sep	Comstar-UTS 2Q07 U.S. GAAP results
Early Sep	Severstal 1H07 IFRS results
Mid-Sep-Oct	OGK-4 IPO
End-Sep	Regional telecoms 1H07 IFRS results
End-Nov	Severstal 3Q07 IFRS results
30 Aug	VimpelCom 2Q07 U.S. GAAP results

### Market

Russian equities recovered some of their early losses yesterday due to global credit concerns but ended the day down with the RTS at 1872 and the MICEX at 1641, drops of 0.3% and 0.1% respectively. A better day in US trading, driven by positive comments from the Fed president and good tech sector news, as well as a positive day on most commodities (including oil), might lead Russian stocks to open higher today.

### Top news and ideas

- Gazprom: EU Commission ready to restrict access to energy sector.** The EU has proposed three energy related policies, any of which would severely limit Gazprom's expansion into the EU market, but we believe this could be a positive for shareholders in the long term.
- Gazprom: More details of Total's Shtokman deal revealed.** Total secured wide project management authority and the right to book 300 bcm of natural gas reserves. We believe this could accelerate Shtokman's development.
- Wimm-Bill-Dann: 2Q07 consensus estimates predict strong growth.** The Bloomberg consensus points to a 26% y-o-y increase in EBITDA and a 47% y-o-y increase in net income. We believe WBD remains a sound play for growth investors.

### Other highlights

- Brief - Moskommertsbank, Russia's third largest mortgage lender has declined to provide mortgages until October (Vedomosti).** The bank has a portfolio of USD1.1 bn in mortgages. Apparently the US subprime mortgage crunch has made Russian banks more cautious; however, we do not believe this will lead to a freezing of the domestic mortgage market for a long period.
- Brief - A GazpromNeft spokesman said yesterday that the company is not holding merger talks with Sibir Energy Plc and also that they will continue their legal efforts on the Moscow refinery dispute (Reuters).** Rumors regarding a merger between Gazprom and Sibir have been around for a few months and the recent news of Sibir's increase in its Moscow refinery stake has reinforced them. This denial is clearly a blow to these rumors.

>>> More news on page 5

### Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	1,872	-0.3%	1.0%	-4.6%	8.5%	13.3%
MSCI EM Europe Index	644	0.2%	0.7%	-5.1%	7.1%	12.0%
MSCI EM Index	1,048	-0.2%	1.2%	-4.3%	4.9%	34.9%
S&P500 Index	1,464	2.1%	0.0%	-0.7%	-4.3%	12.2%
OIX (Oil majors) Index	732	3.0%	1.9%	-3.3%	-0.7%	17.8%
GSCI (Commodities) index	5,813	0.7%	-1.0%	-1.6%	1.4%	-15.7%
Oil (WTI), USD/bbl	73.5	2.5%	1.0%	-4.6%	16.4%	5.2%
Nickel, USD/ton	27,175	-0.8%	-2.2%	-11.8%	-46.7%	-20.1%
Steel (HR), USD/ton	590	0.0%	0.0%	7.3%	4.4%	-2.5%
LT U.S. Treasury YTM	4.9%	4.9%	5.0%	5.0%	5.1%	5.0%
EMBI-Russia spread, bp	140	144	140	139	131	110
RUB/USD	25.68	25.65	25.84	25.50	25.89	26.77

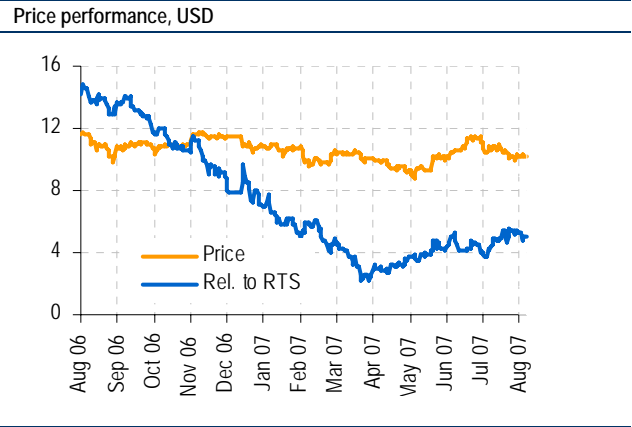
Source: Datastream, Bloomberg

**Gazprom: EU Commission ready to restrict access to energy sector**

George Lillis, CFA, e-mail: george.lillis@mdmbank.com

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
GAZP RU	10.19	n/a	Not Rated	11.8/8.75	-4.8%	15.3%	-14.1%

Financials, USD mn	2006E	2007E	2008E
Revenue	86,165	94,035	99,835
EBITDA	36,630	41,933	44,954
Net income	22,420	25,501	27,731
Revenue growth	56%	9%	6%
EBITDA growth	53%	14%	7%
Net income growth	81%	14%	9%
EBITDA margin	43%	45%	45%
Net margin	26%	27%	28%
EV/Revenue	3.2	3.0	2.8
EV/EBITDA	7.6	6.7	6.2
P/E	10.2	9.0	8.3
MCAP, USD mn	229,537	Com., mn	22,749
EV, USD mn	279,514	Pref., mn	
Free float	39%	Total, mn	22,749



Source: Bloomberg

Source: Datastream, IBES consensus

**Access to EU gas distribution could be restricted.** The Financial Times reports this morning that a confidential EU Commission report calls for a series of measures to restrict non-EU companies' access to EU gas and electricity transmission networks. While it is widely known that EU officials have been working on this issue for a long time, the FT claims that it has seen a confidential working paper that suggests several measures which would, in effect, restrict Gazprom's access to EU energy assets. It appears that some of these solutions were formulated with Gazprom in mind.

**Three separate measures could block Gazprom from EU.** Three main measures were suggested in the paper that would prevent Gazprom or other non-EU companies from controlling supply and distribution assets in the EU energy sector. The first measure would be the right of the Commission to closely examine the potential buyer and exercise a veto in case of disagreement. The second, would be to declare EU energy assets 'a sector of strategic importance', a policy attempted by several countries in the past (Spain, France), and allow only EU companies to participate. The third suggested measure, however, best fits the 'Gazprom profile'. This would be the inclusion of a 'reciprocity clause', preventing companies from dealing in the EU energy sector if their own countries restrict foreign companies' access to their energy sectors – and Russia, for example, blocks foreign access to its pipeline network.

**Gazprom's expansion plans on hold.** While the reciprocity clause has been rumored for some time, the veto right and declaration of strategic importance are relatively new but not unknown in the global energy sector. Russia has itself adopted both of them in some form. The bottom line in our view is that if these measures pass through, which we believe is of high probability, Gazprom's chances of growth in the distribution business in EU countries is likely to be severely stunted. While some investors may be disappointed, our long-standing opinion is that expansion in the EU gas distribution business would have been ROIC destructive in the long-term as the company would have to pay significant premiums to enter these markets. Focusing on its core gas E&P business is where most value for shareholders can be added, in our view.

## Gazprom: More details of Total's Shtokman deal revealed

George Lilis, CFA, e-mail: [george.lilis@mdmbank.com](mailto:george.lilis@mdmbank.com)

**Total get equal status in Shtokman.** *Kommersant*, citing two sources close to Gazprom, wrote yesterday that Total will initially pay close to USD800 mn for its 25% stake in Shtokman – a price which secures it wide authority in the project's operating company and the power to book up to 300 bcm of gas reserves for the first phase of the project. According to *Kommersant*, future partners entering the project (most likely NorskHydro or ConocoPhillips) will be offered economic terms similar to those of Total, but will not be granted Total's degree of managerial autonomy. News it will also share on a pro rata basis Shtokman's market risks, as well as the responsibility for realizing the project on time and inside budget, further emphasizes Total's status. We remind investors that the total estimated C1 and C2 reserves of Shtokman amount to 3.66 tcf but only 1.22 tcf will be developed in the first stage.

**Total's deal a positive for Shtokman.** The exact volume of net proved reserves available to be booked under SEC standards is still unclear to us. The figure of 1.22 tcf appears to refer to reserves estimated under Russian standards, which are, of course, quite different from SEC or even SPE standards. However, in our view, the news that Total will be able to book reserves is a big positive for the Shtokman project, and, of course, Gazprom. First, the attractiveness of participating in the project will increase for the other candidates and that could attract even more international oil majors which could ensure the best quality of partner buys the remaining 24%. Second, most international oil and gas majors (including Total) desperately need reserves on their books in order to offset losses and declines in their core mature operating areas. We believe, therefore, that allowing partners to book reserves will lead to project development efforts being ramped up as Total and other partners scramble to shift its vast reserves into the net proved developed category in the shortest possible time. In our view, this will lead to significant improvements in project timing and execution.

## Wimm-Bill-Dann: 2Q07 consensus estimates predict strong growth

George Lillis, CFA, e-mail: [george.lillis@mdmbank.com](mailto:george.lillis@mdmbank.com)

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
WBD US Equity	103.53	n/a	Not Rated	112.18/41	12.6%	32.0%	121.9%
Financials, USD mn		2006A	2007E	2008E	Price performance, USD		
Revenue	2,301	2,807	3,166				
EBITDA	327	420	513				
Net income	154	209	257				
Revenue growth	26%	22%	13%				
EBITDA growth	56%	28%	22%				
Net income growth	231%	35%	23%				
EBITDA margin	14%	15%	16%				
Net margin	7%	7%	8%				
EV/Revenue	2.1	1.8	1.6				
EV/EBITDA	15.0	11.7	9.6				
P/E	29.6	21.8	17.7				
MCAP, USD mn	4,555	Com., mn	44				
EV, USD mn	4,913	Pref., mn					
Free float	39%	Total, mn	44				

Source: Datastream, IBES consensus

Source: Bloomberg

**Growth expected to be down from 1Q07, but still impressive.** On Monday, Russian dairy and juice producer Wimm-Bill-Dann will report its 2Q07 financials, and yesterday Bloomberg consensus estimates were released. According to these estimates, the company is expected to report a 37% y-o-y increase in its sales for the second quarter (USD588 mn) driven both by strong consumer spending and acquisitions made last year. Nevertheless, the y-o-y rate has slipped from the 40% rate of 1Q07. In terms of EBITDA, consensus looks for USD76.5 mn, which would mean a 26% y-o-y advance – down from the outstanding 59% in the first quarter – while the EBITDA margin implied by these estimates is close to 13%, matching the previous quarter. Finally, the net income median estimate is around USD43 mn, 47% higher than last year and lower than the 84% rate of 1Q07. WBD's net income margin is expected to improve from 5.9% in 1Q07 to 7.3% in 2Q07.

**Financial benchmarks not of sole importance to investors.** In our view, WBD's 2Q07 will provide significant insight into the company's future earnings potential as it is currently in a transitional phase. In addition to the financial benchmarks, we believe it is important for investors to focus on volume growth in all three segments (dairy, beverages, juice), comments made by management on areas of potential interest for acquisitions, the outlook for milk prices, and their cost cutting efforts – particularly on advertising expenses.

**WBD offers good value for growth investors.** Despite outstanding performance this year, which was often combined with high volatility, in our view, the stock remains particularly attractive for growth investors. Trading at 21 times its 2008 net income and 9.4 times its 2008 EBITDA consensus estimates does not make it the cheapest option available. However, investors should keep in mind that strong consumer spending in Russia, along with positive industry growth trends in the dairy and juice markets make the company's growth potential excellent and less risky compared to most other Russian retail stocks. Top quality management and Danone's participation probably justifies part of the premium valuation as well. We do not officially cover this stock.

The company will conduct a conference call and web cast on September 4, 2007 at 5 PM Moscow Time, 2 PM London Time and 9 AM New York Time, to discuss its second quarter 2007 financial results.

### Wimm-Bill-Dann 2Q07 U.S.GAAP consensus

	2Q06	2Q07 Consensus	y-o-y change
Revenue	428	588	37%
EBITDA	61	77	26%
EBITDA margin	14%	13%	-1pp
Net income	29	43	47%
Net margin	7%	7%	0pp

Source: Company data, Bloomberg, MDM estimates

## News Briefs

### Oil and Gas

**Rosneft's largest oil production unit, Yuganskneftegaz, faces a criminal investigation from the Natural Resources Ministry (Bloomberg).** The investigation relates to an oil spill in the Khanty Mansiisk region. We do not expect the news to have a big impact on Rosneft's earnings or stock price.

**Lundin Petroleum, a Swedish oil company, may start exploration in the Lagansky block in the Caspian Sea (Russian part) in early October or November (Reuters).** Gazprom's participation in the license and the project seems to pave the way for this project to move ahead.

**Lukoil will delay the upgrade of its Neftochim Burgas refinery in Bulgaria until next year (Interfax).** The company had plans to start a six month upgrade of the distillation units in November in the 140,000 boe/day refinery. We see only some minor implications for the timing of the refinery's earnings.

### Utilities

**UES could offer TGK-1 investors installment program (Interfax).** The UES committee for strategy and reform has approved a plan to give investors until February 28, 2008 to pay for shares at an interest rate of 6%. The plan still requires approval from UES' Board. We believe that this move could widen the circle of potential investors. For example, E4 group asked FAS for approval for the acquisition of a 100% stake in TGK-1

**Tajikistan cancels its hydropower joint venture with Rusal (Interfax).** Rusal and Tajikistan signed an agreement in 2004 to complete the construction of the Rogunskaya hydro power plant but work on the project was postponed because of disagreements between the partners over the size of the dam. A Rusal representative said that the company had not been informed of the cancellation.

### Telecoms and Technology

**Center Telecom said it won an appeal on an USD88 mn back-tax claim related to revenues from interconnect payments for 2002-03.** It was the largest back-tax claim received by the six regional telcos; however, we view this news as moderately positive for the stock.

**Golden Telecom continues to buy out stakes in TeleRoss subsidiaries, owners of telecom equipment, from regional telcos for a total of USD2 mn (Interfax).** This development is part of GT's restructuring program.

**Svyazinvest announced a 2006 IFRS net income increase of 48.5% to Rub12 bn (USD0.4 bn), while top-line grew a modest 13% y-o-y to Rub210 bn (USD8 bn).** Efficiency was buoyed by robust growth in VAS revenues (the number of broadband subs almost tripled to 690,000) and lower headcount costs (up 7% y-o-y in ruble terms). Going forward, we view privatization as crucial to the efficient performance of the holding and its subsidiaries.

### Metals and Mining

**Rusal' Sales director Peter Finnimore has said the company aims to increase aluminum output by 65% within five years (Interfax).** The output increase will be achieved through capacity extensions and boosting Asian sales. At present Rusal produces 4 mn tons per year of aluminum and 11 mn tons per year of alumina.

### Industrials, Consumer, Banks

**Cherkizovo, a Russian meat producer, announced yesterday the acquisition of a smaller poultry producer.** The company acquired Chicken Kingdom for USD143 mn and now becomes the Russian leader in poultry volumes. Chicken Kingdom had revenues of USD109 mn last year and has capacity of 100,000 tons. We see this as a sound strategic acquisition – but it was not cheap at 1.3 times 2006 sales.

Stock performance summary									
	Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
Oil and gas	Gazprom	10.09	-0.6%	-0.9%	-4.8%	15.3%	-14.1%	-12.3%	11.8/8.75
	Novatek	47.70	-0.1%	-3.0%	-11.2%	2.6%	-2.7%	-24.9%	66/44.3
	Rosneft	8.06	0.5%	0.5%	-1.0%	4.4%	8.2%	-11.9%	9.49/7.4
	Lukoil	72.00	-2.6%	-1.8%	-9.6%	-1.6%	-15.7%	-18.1%	91.8/71.5
	TNK-BP Holding	1.95	0.0%	3.4%	-2.5%	15.0%	-27.4%	-24.9%	2.7/1.67
	Surgutneftegaz	1.22	-2.4%	4.3%	7.0%	13.5%	-18.7%	-20.3%	1.53/1.07
	Gazprom Neft	3.90	0.0%	0.0%	-5.3%	1.3%	-9.3%	-14.5%	4.72/3.7
	Tatneft	5.02	2.9%	3.5%	1.5%	15.4%	-8.6%	5.5%	5.45/3.95
	Bashneft	13.50	0.0%	0.0%	-7.9%	7.1%	-12.9%	-15.6%	17.65/12
	Transneft pref	1,510.00	0.3%	-3.8%	-16.1%	2.0%	-25.2%	-34.2%	2540/1435
	Integra	15.05	0.8%	3.4%	-14.7%	n/a	n/a	n/a	21.55/13.55
	C.A.T Oil	19.75	0.4%	-1.8%	0.5%	-8.7%	16.9%	-1.3%	25.56/14.2
West Siberian Resources	0.73	0.0%	1.4%	-13.0%	-10.7%	-32.4%	-32.0%	1.16/0.66	
Utilities	UES	1.26	-0.1%	-1.0%	-6.5%	6.9%	69.6%	16.9%	1.46/0.69
	OGK-1	0.10	n/a	n/a	n/a	n/a	n/a	n/a	0.12/0.1
	OGK-2	0.16	n/a	n/a	n/a	n/a	n/a	n/a	0.18/0.09
	OGK-3	0.15	0.0%	-3.3%	-17.1%	-14.7%	68.6%	18.4%	0.18/0.08
	OGK-4	0.11	0.0%	0.9%	-7.1%	15.6%	85.0%	38.8%	0.13/0.06
	OGK-5	0.15	0.1%	10.1%	0.7%	9.0%	70.4%	21.1%	0.16/0.08
Telecoms and technology	OGK-6	0.13	n/a	n/a	n/a	n/a	n/a	n/a	0.17/0.09
	MTS	63.68	4.6%	1.5%	1.5%	15.5%	71.8%	26.9%	67.55/36.6
	Sistema	28.75	0.2%	2.3%	-6.5%	6.9%	8.5%	-10.2%	32.9/25.75
	VimpelCom	23.16	7.4%	9.3%	11.1%	12.5%	112.7%	46.7%	23.42/10.86
	Comstar	10.35	-0.5%	3.5%	-3.8%	19.7%	56.1%	23.2%	11.38/6.14
	Rostelecom	9.80	-1.0%	1.0%	3.7%	12.6%	100.0%	28.1%	9.9/4.62
	Golden Telecom	69.63	7.3%	9.6%	10.7%	35.1%	130.3%	48.7%	69.91/29.52
	MGTS	30.42	-1.4%	-1.3%	-7.1%	15.5%	58.5%	20.0%	34.29/18.31
	Uralsvyazinform	0.06	8.4%	1.1%	1.2%	-5.8%	47.4%	-12.7%	0.07/0.04
	Volga Telecom	4.65	-1.1%	-2.5%	-8.8%	-17.7%	21.1%	-23.1%	6.6/3.75
	Sibirtelecom	0.10	0.5%	1.5%	-8.8%	-14.3%	21.6%	-12.4%	0.13/0.08
	Northwest Telecom	1.52	0.4%	11.4%	-7.6%	-11.4%	33.2%	-7.0%	1.84/1.09
	Center Telecom	0.91	0.0%	0.0%	-1.6%	-1.1%	88.0%	21.3%	1/0.48
	Southern Telecom	0.17	0.0%	0.0%	-3.4%	-15.2%	45.6%	-4.2%	0.23/0.12
	Dalsvyaz	4.60	0.0%	-2.1%	-6.1%	-3.2%	55.9%	10.6%	5.2/2.95
	Bashinformsvyaz	0.17	0.0%	-2.9%	-4.0%	-4.0%	5.9%	-25.3%	0.23/0.17
	Metals and mining	RBC	7.53	-1.8%	-4.9%	-13.8%	-13.8%	-14.0%	-35.6%
Sitronics		5.90	7.3%	2.6%	-15.5%	-29.8%	n/a	n/a	12/5.23
CTC Media		22.87	2.3%	1.4%	-5.5%	-13.7%	-0.4%	-4.7%	28.77/19.59
Rambler Media		43.00	-0.9%	-1.7%	-5.8%	-9.8%	83.0%	27.4%	55/23
Norilsk Nickel		214.50	-0.2%	4.6%	-3.4%	21.5%	57.1%	36.6%	225/112
Polyus Gold		39.80	-0.5%	1.5%	0.3%	3.4%	-10.0%	-19.3%	55.25/38.3
Severstal		16.15	-2.7%	7.0%	-4.4%	29.2%	26.2%	44.2%	18.1/10.84
Evrz Group		48.50	1.0%	13.3%	1.4%	45.6%	119.5%	88.8%	53.4/21.35
Mechel		40.33	5.1%	5.3%	-1.2%	18.7%	83.4%	58.3%	47.7/19.91
NLMK		30.01	-1.6%	2.1%	0.9%	14.5%	48.1%	29.1%	35.4/18.4
MMK		1.08	0.0%	8.0%	-1.8%	13.7%	53.2%	24.1%	1.18/0.65
TMK		36.00	3.7%	5.1%	-7.9%	-2.4%	n/a	2.9%	42.25/21.6
Industrials, consumer, banks	VSMPO	275.00	0.0%	0.0%	-8.3%	-5.2%	22.2%	-6.1%	330/221.5
	Sberbank	3.66	0.0%	1.1%	-8.9%	7.9%	68.3%	6.1%	4.42/2.02
	Rosbank	6.89	-0.2%	2.8%	-5.4%	4.0%	49.7%	-7.0%	7.67/4.38
	X5	31.11	-0.3%	8.0%	3.4%	5.5%	73.8%	19.7%	33/17.7
	Seventh Continent	25.00	0.0%	0.0%	-2.7%	-9.1%	7.3%	-6.4%	29.3/21.7
	Dixy Group	14.60	0.0%	0.0%	-14.8%	-4.8%	40.4%	12.0%	15.6/13.95
	Magnit	40.00	-0.7%	0.4%	-14.8%	-4.8%	40.4%	12.0%	47.6/28.5
	Wimm-Bill-Dann	103.53	2.6%	7.3%	12.6%	32.0%	121.9%	55.6%	112.18/41
	Lebedyansky	87.00	0.0%	0.0%	-6.5%	11.5%	26.1%	8.8%	99/69
	Nutritek	48.50	0.0%	0.8%	-7.3%	-3.6%	18.1%	6.8%	53.8/46.75
	Baltika (euro)	34.66	0.0%	2.7%	-0.7%	-3.6%	18.1%	6.8%	36.96/30.97
	Razgulay	3.99	0.0%	0.0%	-5.7%	2.3%	-16.0%	-0.3%	5.2/3.6
	Severstal Auto	40.00	0.0%	2.6%	14.3%	29.0%	111.6%	32.2%	40.15/18.9
	AvtoVAZ	160.00	0.0%	1.7%	-5.4%	10.8%	21.2%	24.0%	174/64.9
	Aeroflot	2.72	0.0%	1.7%	-5.4%	10.8%	21.2%	24.0%	3.05/2.17
	Veropharm	44.00	0.0%	-1.7%	3.5%	25.7%	76.0%	38.6%	48.65/25
	Apteka 36.6	79.50	0.0%	0.0%	-4.2%	-8.9%	89.3%	36.5%	96.1/40.05
	Pharmstandard	16.08	1.8%	1.5%	-1.0%	0.2%	n/a	n/a	17.1/13.6
	Kalina	38.75	0.0%	-1.3%	-8.6%	13.1%	-7.7%	-24.8%	51.5/34.25
	Oriflame (euro)	38.28	-1.6%	1.7%	3.5%	3.2%	43.6%	27.3%	40.18/25.63
Cherkizovo	11.60	0.9%	0.9%	-10.4%	-19.7%	-23.3%	-14.7%	16.1/11.05	
Sistema Hals	11.55	1.8%	1.5%	-6.1%	-8.0%	n/a	-13.2%	15.05/10.6	
<b>RTS Index</b>	<b>1,871.54</b>	<b>-0.3%</b>	<b>1.0%</b>	<b>-4.6%</b>	<b>8.5%</b>	<b>13.3%</b>	<b>-2.6%</b>	<b>2091.26/1452.54</b>	

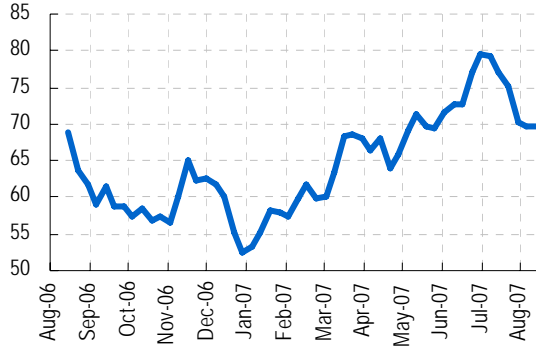
Source: Bloomberg

Stock valuation summary												
Company name		MCAP,	P/E			EV/EBITDA			EV/Revenue			
		USD mn	2006E	2007E	2008E	2006E	2007E	2008E	2006E	2007E	2008E	
Oil and gas	Gazprom	229,537	10.2	9.0	8.3	7.6	6.7	6.2	3.2	3.0	2.8	
	Novatek	14,482	21.0	16.0	11.8	13.2	10.8	7.8	6.3	4.8	3.6	
	Lukoil	61,272	8.0	8.5	8.9	5.6	5.8	5.8	1.0	1.0	1.0	
	Rosneft	85,428	21.2	18.7	15.9	12.4	11.2	8.5	2.9	2.7	2.4	
	Surgutneftegaz	48,669	12.2	11.9	14.8	5.8	6.0	6.6	2.0	2.0	2.0	
	Gazprom Neft	18,490	5.4	6.5	6.7	3.6	4.2	4.4	1.0	1.0	1.1	
	Tatneft	11,345	8.9	9.6	10.1	5.5	6.3	7.1	1.0	1.1	1.1	
	Bashneft	2,295	5.0	5.3	5.6	2.8	3.0	3.1	0.6	0.7	0.7	
	Transneft pref	10,436	4.6	4.0	3.6	3.4	2.9	2.5	1.9	1.6	1.4	
	West Siberian Resources	859	25.6	18.3	9.3	8.0	6.2	4.0	3.1	2.4	1.7	
	<b>Aggregate - oil and gas</b>	<b>481,955</b>	<b>10.7</b>	<b>9.9</b>	<b>9.5</b>	<b>6.7</b>	<b>6.3</b>	<b>5.8</b>	<b>2.2</b>	<b>2.0</b>	<b>1.8</b>	
Utilities	UES	51,795	40.0	32.5	21.9	18.4	14.7	10.7	3.5	3.1	2.8	
	Mosenergo	6,714	96.0	28.5	25.7	15.7	10.9	8.8	2.4	2.1	1.8	
	OGK-1	4,554	n/a	50.0	34.2	37.6	24.6	17.6	4.1	3.7	3.0	
	OGK-2	4,144	n/a	51.8	29.2	226.2	25.6	15.2	4.6	3.8	3.1	
	OGK-3	6,886	n/a	81.0	49.2	99.7	39.2	35.3	9.0	7.4	6.4	
	OGK-4	5,454	n/a	86.6	45.1	67.8	40.8	22.4	5.6	5.2	4.0	
	OGK-5	5,447	46.2	56.7	40.4	58.0	26.3	19.5	5.7	4.4	3.6	
	<b>Aggregate - utilities</b>	<b>88,575</b>	<b>26.6</b>	<b>30.8</b>	<b>21.0</b>	<b>35.4</b>	<b>14.8</b>	<b>11.3</b>	<b>3.2</b>	<b>2.8</b>	<b>2.4</b>	
Telecoms and technology	MTS	25,408	20.4	14.3	12.8	8.7	7.4	6.8	4.4	3.7	3.4	
	Sistema	13,886	15.4	11.5	10.6	7.2	6.0	5.5	2.7	2.4	2.2	
	VimpelCom	23,753	29.3	19.8	17.6	10.5	8.5	7.9	5.3	4.3	4.0	
		<b>Aggregate - mobile telecoms</b>	<b>63,047</b>	<b>21.7</b>	<b>15.2</b>	<b>13.6</b>	<b>8.8</b>	<b>7.3</b>	<b>6.7</b>	<b>4.1</b>	<b>3.5</b>	<b>3.2</b>
	Comstar	4,326	52.8	15.0	13.0	15.1	8.7	7.8	4.9	3.7	3.4	
	Rostelecom	7,764	n/a	67.5	56.7	19.8	17.7	15.7	3.3	3.3	3.1	
	Golden Telecom	2,552	29.8	21.8	16.3	11.3	8.0	6.1	3.0	2.2	1.8	
	MGTS	2,846	16.3	11.8	10.9	10.0	7.4	6.7	4.2	3.3	3.1	
	Uralsvyazinform	2,172	70.1	15.9	12.2	9.0	6.0	5.3	2.5	2.2	2.0	
	Volga Telecom	1,423	18.2	10.7	8.9	5.9	4.6	4.0	2.1	1.7	1.6	
	Sibirtelecom	1,439	33.8	6.9	5.4	7.6	4.4	3.7	1.9	1.5	1.4	
	Northwest Telecom	1,608	34.2	13.6	13.1	8.0	5.4	5.0	2.6	2.1	1.8	
	Center Telecom	1,726	25.6	27.0	15.7	6.3	5.8	4.9	2.3	2.0	1.8	
	Southern Telecom	632	48.6	15.8	14.1	6.2	5.7	5.2	2.1	1.9	1.8	
	Dalsvyaz	580	44.6	12.1	8.3	8.2	4.8	3.8	2.1	1.5	1.3	
	Bashinformsvyaz	166	9.6	7.8	4.5	3.8	3.5	n/a	1.1	0.9	0.8	
	Sitronics	1,127	26.1	12.2	8.9	7.4	5.1	4.1	0.6	0.5	0.4	
	<b>Aggregate - fixed line telecoms</b>	<b>27,232</b>	<b>34.9</b>	<b>18.8</b>	<b>14.9</b>	<b>9.3</b>	<b>6.8</b>	<b>6.2</b>	<b>2.7</b>	<b>2.2</b>	<b>2.0</b>	
RBC	866	19.1	23.1	10.8	10.7	8.7	6.7	3.7	2.9	2.4		
CTC Media	3,465	23.5	17.2	14.1	14.0	10.9	8.7	6.7	5.0	4.1		
Rambler Media	646	53.3	26.7	17.4	32.9	16.3	11.4	9.0	5.5	4.2		
	<b>Aggregate - media</b>	<b>4,976</b>	<b>32.0</b>	<b>22.3</b>	<b>14.1</b>	<b>19.2</b>	<b>12.0</b>	<b>8.9</b>	<b>6.5</b>	<b>4.5</b>	<b>3.6</b>	
Metals and mining	Norilsk Nickel	39,254	5.3	6.4	8.8	3.5	4.5	6.4	2.6	3.0	3.5	
	Polyus Gold	7,602	33.7	47.2	54.2	16.1	18.1	18.0	6.5	6.8	6.9	
	Severstal	16,274	9.3	9.1	8.7	5.2	5.0	4.7	1.3	1.3	1.2	
	Evraz Group	17,010	9.7	10.0	9.1	6.4	6.3	6.8	2.0	1.9	1.8	
	Mechel	5,443	6.8	7.5	9.2	4.3	4.6	4.7	1.1	1.0	1.0	
	NLMK	17,985	8.7	9.2	8.9	5.3	5.6	5.2	2.4	2.4	2.2	
	MMK	10,976	6.8	7.2	6.1	4.7	5.0	4.3	1.5	1.4	1.2	
	TMK	7,848	11.8	8.8	10.4	7.1	5.3	6.8	2.1	1.8	1.8	
	VSMPO	3,300	13.0	10.2	8.1	8.3	6.8	5.3	3.2	2.7	2.1	
		<b>Aggregate - metals and mining</b>	<b>125,691</b>	<b>13.7</b>	<b>13.8</b>	<b>13.8</b>	<b>8.0</b>	<b>7.3</b>	<b>7.1</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>
Sberbank *	213	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
	<b>Aggregate - banks</b>	<b>213</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	
Industrials, consumer, banks	X5	6,735	32.7	23.4	17.6	15.1	11.3	9.0	1.6	1.1	0.9	
	Magnit	2,880	34.4	24.2	15.7	15.2	10.7	7.6	0.8	0.6	0.5	
	Seventh Continent	1,875	26.7	20.4	14.6	13.0	9.2	6.8	1.4	1.0	0.7	
	Lebedyansky	1,776	17.7	15.0	12.7	11.4	9.4	7.9	2.1	1.8	1.5	
	Baltika (euro)	5,916	12.8	11.6	9.6	8.0	7.3	5.7	2.5	2.3	1.8	
	Wimm-Bill-Dann	4,555	29.6	21.8	17.7	15.0	11.7	9.6	2.1	1.8	1.6	
		<b>Aggregate - FMCG</b>	<b>23,736</b>	<b>25.7</b>	<b>19.4</b>	<b>14.7</b>	<b>12.9</b>	<b>9.9</b>	<b>7.8</b>	<b>1.8</b>	<b>1.4</b>	<b>1.2</b>
	Razgulay	423	19.9	10.8	8.9	7.0	4.9	4.7	0.9	0.7	0.7	
	Severstal Auto	1,360	21.7	16.4	12.4	11.6	8.7	6.7	1.7	1.2	0.9	
	AvtoVAZ	4,570	35.7	31.1	17.5	9.8	9.3	n/a	0.9	0.8	0.8	
	Aeroflot	3,016	10.1	11.2	8.0	7.0	6.0	4.8	1.1	0.9	0.8	
	Veropharm	440	20.3	14.8	11.2	12.5	9.6	7.4	4.0	3.1	2.4	
	Kalina	378	12.9	10.6	10.3	8.0	6.9	6.5	1.2	1.0	1.0	
	Oriflame (euro)	2,132	20.6	17.2	13.0	14.2	12.1	10.2	2.2	2.0	1.7	
		<b>Aggregate valuation</b>	<b>827,745</b>	<b>11.1</b>	<b>10.3</b>	<b>9.6</b>	<b>7.4</b>	<b>6.9</b>	<b>6.4</b>	<b>2.3</b>	<b>2.1</b>	<b>2.0</b>
	<b>FF-adj. MCAP W.A. valuation</b>	<b>232,124</b>	<b>13.3</b>	<b>13.1</b>	<b>11.9</b>	<b>9.1</b>	<b>7.4</b>	<b>6.9</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>	

Source: MDM estimates, IBES consensus

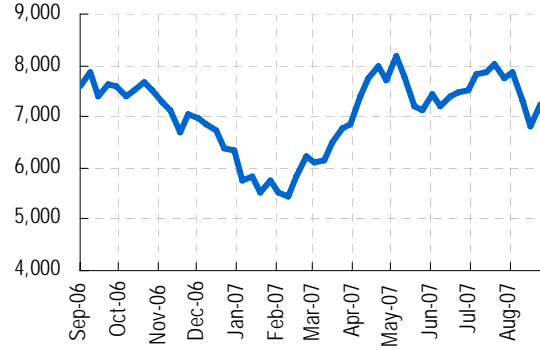
## Key commodities

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



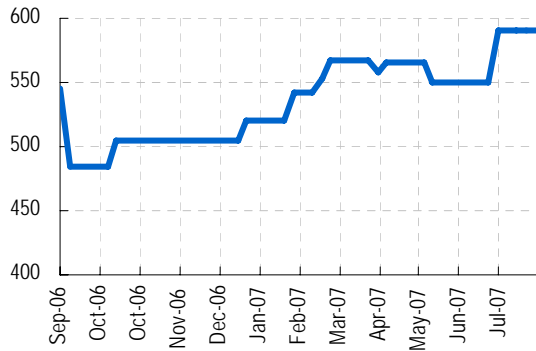
Source: Bloomberg

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



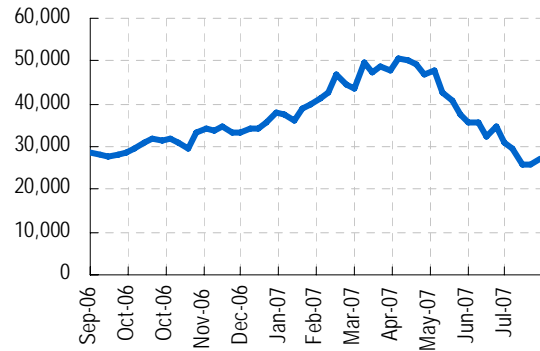
Source: Bloomberg

MB-Steel HR Coil CIS, USD/ton



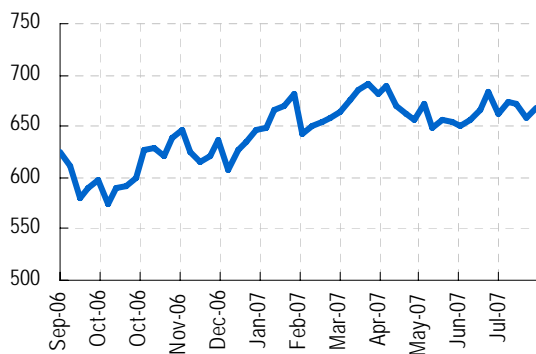
Source: Bloomberg

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



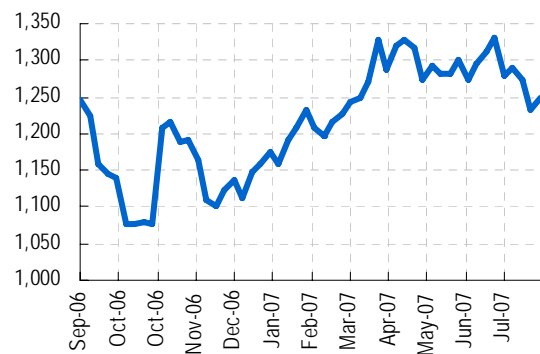
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg



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