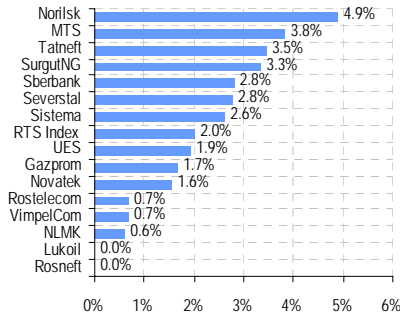
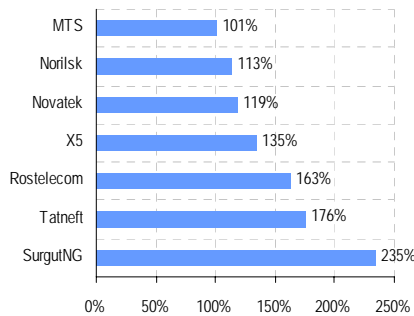


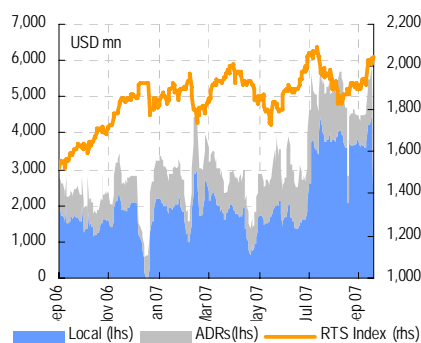
Blue chips: advancers and decliners



Volume monitor: daily/3M avg. volume



RTS index and weekly trading volumes



Upcoming events

27 Sep	Polimetal 1H07 IFRS results
End-Sep	TKG-4 2006 IFRS results
End-Sep	Kamaz 2006 IFRS results
End-Sep	Regional telecoms 1H07 IFRS results
Early Oct	Aeroflot 1H07 IFRS results
01 Oct	TMK 1H07 IFRS results
02 Oct	Amtel 1H07 IFRS results
04 Oct	AFK Sistema 2Q07 U.S.GAAP results

Market

Russian equities had a very strong session yesterday paced by Norilsk Nickel's announcement of increased S. African nickel production, as well as higher oil prices that drove oil and gas stocks upwards. The RTS gained 2% to 2049 and the MICEX 2.4% to 1745. Key drivers in today's session will be the release of a series of US economic data with new home sales figures the most anticipated.

Top news and ideas

- Gazprom: Lowers 2007 gas output target.** Gazprom's volume guidance is now 2% below its initial forecast. The news will not come as a surprise to the market, and will therefore have little effect on the stock price, in our view.
- Sistema: Acquires 10% stake in Indian telecom operator.** The move is in line with Sistema's expansion strategy and confirms the more aggressive stance of Russian telecom operators – a strategic positive for the sector in the longer-term.
- Aeroflot: Expresses interest in Alitalia.** Only a day after denying the rumors, Aeroflot's CEO has admitted interest. We believe this may be a risky acquisition as it could take years for the purchase of loss-making Alitalia to bear fruit.
- Economics: September inflation climbing again.** A government official announced yesterday that September m-o-m inflation was expected at 0.4%. The government's target of 8% inflation now looks unachievable without drastic measures.

Other highlights

- Brief - Gazprom wants to buy stake in OGK-2 and might bid at USD0.16-0.2/share, higher than the upper end of the price range, said an unnamed source (Interfax).** The price range of the placement was set up at USD0.1475-0.18/share. Gazprom made a bid for an approximate 13% stake (post money) which allows it to gain control over OGK-2. We consider OGK-2 as fundamentally attractive and reiterate our "Buy" recommendation with the target price at USD0.198/share.
- Brief - Novatek, the largest Russian independent gas producer, saw its credit rating raised by S&P.** The rating went up to BB with a positive outlook. Improved financials in 2Q07 and rising commodity prices are most likely behind this upgrade.

>>> More news on page 5

Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	2,049	2.0%	1.7%	8.1%	9.3%	34.9%
MSCI EM Europe Index	718	2.0%	1.2%	10.2%	10.7%	35.6%
MSCI EM Index	1,181	1.0%	2.4%	11.5%	13.1%	52.2%
S&P500 Index	1,525	0.5%	-0.2%	4.0%	1.3%	14.1%
OIX (Oil majors) Index	804	0.4%	-0.4%	9.8%	7.4%	36.7%
GSCI (Commodities) index	5,813	0.7%	-1.0%	-1.6%	1.4%	-15.7%
Oil (WTI), USD/bbl	80.3	-1.3%	1.0%	12.6%	18.5%	31.6%
Nickel, USD/ton	32,750	0.8%	2.2%	23.1%	-14.6%	7.5%
Steel (HR), USD/ton	565	0.0%	0.0%	-4.2%	2.7%	16.5%
LT U.S. Treasury YTM	4.9%	4.9%	4.9%	4.9%	5.3%	4.8%
EMBI-Russia spread, bp	122	119	119	122	139	118
RUB/USD	25.03	25.01	25.35	25.71	25.90	26.67

Source: Datastream, Bloomberg

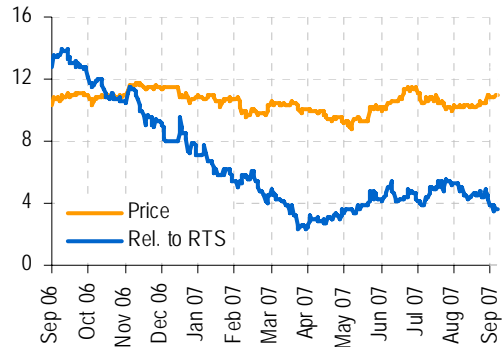
Gazprom: Lowers 2007 gas output target

George Lilis, CFA, e-mail: George.Lilis@mdmbank.com

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
GAZP RU	10.94	n/a	Not Rated	11.8/8.75	5.5%	9.0%	5.8%

Financials, USD mn	2006E	2007E	2008E
Revenue	85,549	92,727	100,098
EBITDA	36,582	41,247	44,877
Net income	22,318	25,003	27,468
Revenue growth	56%	8%	8%
EBITDA growth	53%	13%	9%
Net income growth	81%	12%	10%
EBITDA margin	43%	44%	45%
Net margin	26%	27%	27%
EV/Revenue	3.5	3.2	3.0
EV/EBITDA	8.2	7.3	6.7
P/E	11.2	10.0	9.1
MCAP, USD mn	249,102	Com., mn	22,749
EV, USD mn	299,454	Pref., mn	
Free float	39%	Total, mn	22,749

Price performance, USD



Source: Bloomberg

Source: Datastream, IBES consensus

Mild winter forces Gazprom targets down. Deputy CEO of Gazprom, Valery Golubev, told reporters yesterday that the gas giant will have to lower its gas volumes target for this year. According to Golubev, the company is now forecasting gas output of 551 billion cm, down from the previous official target of 557 bcm in May and the 561 bcm forecast in the beginning of the year. The company official cited weak demand due to the mild winter weather that has carried over and slow off-take from underground storage, saying: "storages are not full, they are overfull".

BP-Gazprom asset swap negotiations continue. In separate news, the CEO of Gazprom Alexei Miller met with BP's CEO Tony Howard in Moscow yesterday. The main topic of the discussions between the two parties was most probably the assets to be contributed to the USD3 bn joint venture the two companies have already announced. Delays in the valuation of the giant Kovykta field (owned by TNK-BP) and ongoing negotiations on the exact assets (LNG in North America or Europe among others) BP will contribute to the venture have required further negotiations.

Market expected announcement, but more could follow. The gas volume guidance is now close to 2% below the initial guidance but we believe this is in line with market expectations and we view this as just a delayed admission of the unavoidable by the company. Since the early spring it has been obvious that gas storages are full and this factor would put pressure on new gas production. The only area of concern for us is that the situation could be worse than the market thinks and the final 2007 volumes of Gazprom and other gas producers (including Novatek) might come even lower than expected. The fact that y-o-y production growth could actually become a negative for Gazprom may have a psychological impact on investors. Overall, we view this as negative news for Russian gas producers not because the market did not expect it but because it might lead to more disappointments until the end of the year.

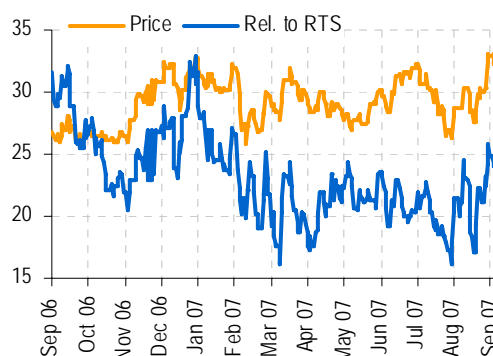
Sistema: Acquires 10% interest in Indian telecom operator

George Lilis, CFA, e-mail: George.Lilis@mdmbank.com

Bloomberg ticker	Price, USD	FV, USD	Rating	12M High/Low	1M Perf.	3M Perf.	12M Perf.
SSA LI	33.15	41.90	Buy	33.15/25.85	15.5%	13.9%	24.0%

Financials, USD mn	2006A	2007E	2008E
Revenue	10,863	12,056	13,141
EBITDA	4,024	4,842	5,277
Net income	903	1,205	1,314
Revenue growth	49%	11%	9%
EBITDA growth	41%	20%	9%
Net income growth	93%	33%	9%
EBITDA margin	37%	40%	40%
Net margin	8%	10%	10%
EV/Revenue	3.0	2.7	2.5
EV/EBITDA	8.2	6.8	6.2
P/E	17.7	13.3	12.2
MCAP, USD mn	16,011	GDRs., mn	483
EV, USD mn	32,864		
Free float	23%	Total, mn	483

Price performance, USD



Source: Bloomberg

Source: Bloomberg, MDM estimates

Sistema eventually enters Indian market. Sistema announced the purchase of a 10% stake in India's mobile operator Shyam Telelink for USD11.4 mn and its intention to increase its stake to 51% after receiving approval from the Foreign Investment Promotion Board of India. In this case, the total amount of the deal may go up to USD58.1 mn. We note that Sistema first declared its intentions to enter the Indian market in 2004 and had held ultimately abortive talks with shareholders of Aircell Televentures.

Price suggests cheap asset-based valuation. Shyam Telelink holds a unified license for fixed-line and mobile services to corporate and residential customers in the Indian state of Rajasthan, with population of 62 mn. The company serves 250,000 customers, including 100,000 CDMA subs, which translates into a tiny 0.05% market share. Shyam Telelink also owns 100% of local internet provider Shyam Internet and has 4,000 km of its own fiber-optical network. The company plans to apply for a nationwide license. The deal price implies an EV/blended subscriber ratio of just USD232, which is pretty cheap (in contrast to recent CIS acquisition prices in USD520-780 brackets per sub). The tag price may be explained by the operator's limited market presence and relatively high competition (at least 13 active operators).

Deal gives Russian telecoms long term boost. The move is in line with Sistema's expansion strategy in rapidly developing markets. With population of 1.13 bn, mobile penetration of only 17.4% (estimated by *India-cellular.com*), and two-fold market y-o-y growth, Indian market represents an appealing growth potential. We believe Sistema's acquisition in India may be of particular interest for MTS, despite the latter's CEO Leonid Melamed suggesting in today's interview to *Vedomosti* that the operator's primary focus is on CIS. The deal is relatively modest in size (0.4% of Sistema's MCap), but is important from the strategic standpoint. Overall, we view Sistema's acquisition in India, which came straight on the heels of VimpelCom's JV agreement in Vietnam, as evidence of more proactive stance of Russian telecom companies' on expansion beyond rapidly maturing Russian and CIS markets (with Asian bias, as expected). We believe this adds large scope for the Russian telecom sector in the medium and long-term.

Aeroflot: Signs of interest for Alitalia.

George Lilis, CFA, e-mail: George.Lilis@mdmbank.com

Aeroflot u-turn on Alitalia takeover. Aeroflot CEO Valery Okulov told reporters yesterday that the Russian airline is at least "interested in reviewing the conditions and [will] then make a decision" as to whether it should proceed with a bid for Italian airline, Alitalia. Okulov's statement comes only 24 hours after the deputy general director Lev Koshlyakov emphatically denied a report in the Italian newspaper *La Repubblica* that Aeroflot is very close to paying USD1 bn to buy Italian government's 49.9% stake on the airline.

Italian government leading negotiations? Aeroflot was one of the main participants in an auction that was supposed to take place this past summer, but it withdrew from the race at the end of June. The other three participants were Air France-KLM, US private equity group TPG and Italian airline Air One. The auction was eventually cancelled later due to lack of interest. We believe it is likely that the Italian government is attempting to revive the process by directly contacting the initial participants of the previous (cancelled) round.

Loss-making Alitalia may prove a risky purchase. We found yesterday's statement very surprising – especially after the previous day's denial of the Italian newspaper report. On a positive note, we note that Aeroflot's Balance Sheet will not get stretched by a possible acquisition and our guess is that the economic terms will be better for Aeroflot if there are no other competitors in the race. However, we feel it is also important to underline the very poor financial position of the Italian airline after a several years of net losses. At this point, it is unknown if there are any ongoing negotiations and, if so, how close Aeroflot is to acquiring the loss making airline and at what price. In our view, this may be a risky acquisition as it could take years for Aeroflot to turn loss making Alitalia into a worthwhile acquisition.

Economics: September inflation climbing again

George Lilis, CFA, e-mail: George.Lilis@mdmbank.com

M-o-m inflation forecast at 0.4% in September. The head of the Russian Economy Ministry's macro-economic forecasting department, Andrei Klepach, yesterday became the first state official to admit that the government's inflation target for 2007 of 8% may be exceeded. Moreover, he gave the Ministry's forecast for September CPI: 0.4% m-o-m up from 0.1% in August. This rate would bring y-o-y CPI closer to 9% by the end of September. Klepach did not give any details on the reasons of the higher inflation rate in September but did discuss administrative measures that the government might implement to fight inflation. He said that the government might impose a 10% export tax on wheat and 30% export tax on barley but admitted that it had not yet decided on interventions in the grain market.

Money growth improvement gives hope for inflation. However, despite bad news on CPI, the money growth (M2) y-o-y rate for August was released yesterday and fell below 50% after several months of running above that level. The 49.8% y-o-y rate was a big improvement from the 60% seen last May, indicating that the liquidity issues related to the credit market crisis had an impact on money growth as well. The money growth rate should be viewed as good news for inflation, in our opinion. Money growth is a good indicator of future inflationary trends and even though the current running rate is still quite high, the M2 figures released yesterday could bode well for the future.

Drastic measures needed to fight inflation. We believe that now that a new cabinet is in power, government officials might start stating the obvious: namely that the 8% target for 2007 CPI is not achievable any more without drastic measures. The relief that accompanied August's low CPI rate will be replaced once again with anxiety concerning CPI's comeback in September and inflation worries will rise ahead of elections. The big issue we see is that time is running out – even for drastic measures – and the anomalies caused by such measures might be exacerbated if they are implemented in a short period of time.

News Briefs

Oil and Gas

Lukoil will bring crude oil exports to Germany back to normality in the fourth quarter of this year by shipping oil through Novossiisk port (Interfax). Lukoil's exports to Germany had been reduced after Lukoil tried to put pressure on intermediaries. We view this as positive news for Lukoil.

Utilities

E.ON officially acquired the additional shares issued by OGK-4 (Interfax). E.ON had previously purchased the state's stake and now owns close to 70% of OGK4. We believe that the know-how and best management practices of this efficient European company will be a big positive for OGK-4 and for the entire industry.

Stock performance summary

	Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
Oil and gas	Gazprom	10.95	1.7%	-0.5%	5.5%	9.0%	5.8%	-4.8%	11.8/8.75
	Novatek	52.30	1.6%	5.0%	7.6%	3.4%	13.7%	-17.6%	66/46
	Rosneft	8.47	0.0%	-3.3%	5.3%	7.9%	8.3%	-7.4%	9.49/7.66
	Lukoil	80.30	0.0%	0.4%	7.4%	4.4%	7.9%	-8.7%	91.8/71.5
	TNK-BP Holding	2.06	2.2%	3.8%	5.6%	3.5%	-16.3%	-20.6%	2.6/1.67
	Surgutneftegaz	1.36	3.3%	6.7%	7.2%	25.0%	4.5%	-11.0%	1.53/1.07
	Gazprom Neft	3.95	0.0%	0.0%	1.3%	-1.7%	5.3%	-13.4%	4.72/3.7
	Tatneft	5.55	3.5%	6.9%	10.9%	16.6%	22.2%	13.6%	5.55/3.95
	Bashneft	13.45	0.7%	-3.9%	-0.4%	8.5%	-3.9%	-15.9%	17.65/12
	Transneft pref	1,770.00	5.7%	5.0%	14.9%	8.3%	-1.7%	-22.9%	2540/1435
	Integra	16.33	4.0%	5.0%	7.4%	n/a	n/a	n/a	21.55/13.55
	C.A.T Oil	17.88	-1.9%	-8.2%	-10.0%	-10.4%	10.1%	-10.6%	25.56/16.24
	West Siberian Resources	0.79	-1.0%	-1.0%	4.0%	-12.7%	-22.0%	-29.9%	1.16/0.66
	Utilities	UES	1.23	1.9%	-0.4%	-4.1%	-7.6%	65.9%	13.5%
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		0.13	0.0%	0.0%	-10.7%	-21.4%	71.4%	9.4%	0.18/0.08
OGK-4		0.13	0.0%	-1.2%	13.1%	7.3%	120.2%	56.9%	0.13/0.06
OGK-5		0.15	0.3%	-1.2%	-2.6%	-3.4%	72.0%	19.0%	0.16/0.09
Telecoms and technology	OGK-6	0.13	n/a	n/a	n/a	n/a	n/a	n/a	0.17/0.09
	MTS	71.90	3.8%	4.0%	14.3%	19.6%	91.8%	43.3%	71.9/37.48
	Sistema	33.15	2.6%	2.0%	15.5%	13.9%	24.0%	3.6%	33.15/25.85
	VimpelCom	27.28	0.7%	0.4%	20.8%	28.3%	121.2%	72.8%	27.64/11.83
	Comstar	12.50	4.2%	5.0%	21.4%	38.9%	85.2%	48.8%	12.5/6.14
	Rostelecom	10.52	0.7%	2.3%	6.3%	10.2%	112.5%	37.5%	10.52/4.9
	Golden Telecom	80.22	1.4%	7.3%	20.8%	49.1%	160.5%	71.3%	80.22/30.25
	MGTS	30.85	0.0%	0.3%	-3.1%	11.7%	44.1%	18.6%	34.29/19.66
	Uralsvyazinform	0.06	0.6%	-1.0%	-2.4%	-7.7%	37.5%	-15.6%	0.07/0.04
	Volga Telecom	4.70	0.0%	0.9%	0.0%	-6.9%	14.6%	-22.3%	6.6/3.75
	Sibirtelecom	0.10	1.6%	0.5%	-1.5%	-14.7%	3.8%	-15.1%	0.13/0.08
	Northwest Telecom	1.45	2.2%	0.1%	-6.8%	-18.9%	13.2%	-13.2%	1.84/1.12
	Center Telecom	0.91	-1.1%	-1.1%	0.0%	1.1%	55.6%	21.3%	1/0.56
	Southern Telecom	0.18	0.0%	3.8%	3.2%	-7.5%	42.4%	-1.1%	0.23/0.12
	Dalsvyaz	4.70	0.0%	0.2%	0.0%	-3.1%	58.2%	13.0%	5.2/2.97
	Bashinformsvyaz	0.18	0.0%	0.0%	4.1%	0.0%	-1.7%	-22.2%	0.23/0.17
	Metals and mining	RBC	8.05	-0.3%	-1.4%	0.8%	-13.3%	-23.3%	-32.9%
Sitronics		6.15	7.9%	12.2%	17.6%	-16.9%	n/a	n/a	12/5
CTC Media		22.70	1.1%	-6.0%	0.2%	-16.9%	6.4%	-5.5%	28.77/19.59
Rambler Media		39.53	0.1%	-0.6%	-8.6%	-7.2%	62.1%	17.1%	55/24.38
Norilsk Nickel		258.00	4.9%	7.5%	20.0%	23.7%	116.8%	64.3%	259.5/119
Polyus Gold		44.00	-2.4%	3.0%	10.0%	6.0%	1.4%	-10.8%	55.25/38.3
Severstal		20.50	2.8%	8.5%	23.5%	47.0%	76.7%	83.0%	20.5/10.84
Euras Group		61.00	4.1%	10.9%	30.2%	48.1%	161.0%	137.4%	61/22
Mechel		49.89	1.5%	1.2%	26.4%	28.9%	142.9%	95.8%	49.92/20
NLMK		32.70	0.6%	-1.4%	10.1%	12.7%	67.3%	40.6%	35.4/18.49
MMK		1.16	0.0%	3.6%	6.9%	13.2%	72.4%	32.8%	1.18/0.67
TMK		41.20	0.1%	4.3%	21.5%	13.2%	n/a	17.7%	42.25/21.6
VSMPO		290.00	0.0%	-0.7%	5.5%	0.0%	15.5%	-1.0%	330/221.5
Industrials, consumer, banks	Sberbank	4.05	2.8%	-1.2%	9.1%	4.0%	89.3%	17.4%	4.42/2.12
	Rosbank	6.90	1.0%	1.5%	-2.5%	-7.9%	43.7%	-9.3%	7.67/4.48
	X5	33.10	1.2%	1.2%	8.1%	14.1%	63.9%	27.3%	34.7/18.9
	Seventh Continent	25.10	0.0%	-0.2%	0.4%	-3.1%	14.1%	-6.0%	29.3/21.7
	Dixy Group	14.10	0.7%	-2.1%	3.8%	-3.6%	27.3%	17.1%	15.6/13.95
	Magnit	41.82	-0.1%	-0.7%	3.8%	-3.6%	27.3%	17.1%	47.6/32.25
	Wimm-Bill-Dann	110.00	1.4%	-6.2%	3.3%	20.0%	153.7%	65.3%	117.31/41.2
	Lebedyansky	89.00	0.0%	0.0%	1.1%	6.9%	29.0%	11.3%	99/69
	Nutritek	47.25	2.7%	5.0%	-1.8%	0.0%	16.9%	6.2%	53.8/44.9
	Baltika (euro)	33.82	0.0%	0.0%	-0.5%	0.0%	16.9%	6.2%	36.96/30.97
	Razgulay	4.08	0.6%	0.9%	2.1%	11.0%	-16.0%	1.9%	5.05/3.6
	Severstal Auto	48.75	0.5%	10.2%	21.9%	44.4%	151.3%	61.2%	48.75/19.4
	AvtoVAZ	1.60	0.0%	2.4%	8.8%	3.7%	27.5%	35.6%	1.74/0.65
	Aeroflot	2.97	0.0%	2.4%	8.8%	3.7%	27.5%	35.6%	3.05/2.17
	Veropharm	43.00	0.0%	0.0%	-2.3%	0.5%	59.3%	35.4%	48.65/26
	Apteka 36.6	74.00	0.0%	-2.0%	-6.9%	-18.0%	66.3%	27.0%	96.1/44
	Pharmstandard	18.63	0.7%	-3.5%	15.9%	10.2%	n/a	n/a	19.3/13.6
	Kalina	34.75	0.0%	0.7%	-11.1%	-9.7%	-27.6%	-32.5%	51.5/34.25
	Oriflame (euro)	41.51	-2.5%	-1.4%	5.2%	18.0%	57.8%	36.0%	43.99/26.17
Cherkizovo	12.45	-0.4%	1.6%	12.7%	-8.8%	-1.4%	-8.5%	16.1/11.05	
Sistema Hals	9.80	-2.0%	-10.1%	-14.8%	-18.3%	n/a	-26.3%	15.05/9.8	
RTS Index	2,049.45	2.0%	1.7%	8.1%	9.3%	34.9%	6.6%	2091.26/1519.06	

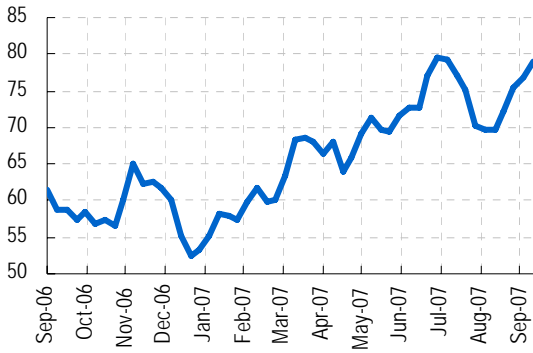
Source: Bloomberg

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	249,102	11.2	10.0	9.1	8.2	7.3	6.7	3.5	3.2	3.0	
	Novatek	15,878	23.1	17.0	12.9	14.4	11.0	8.6	6.9	5.3	4.0	
	Lukoil	68,335	9.2	9.8	9.8	6.2	6.5	6.3	1.1	1.1	1.1	
	Rosneft	89,774	21.7	18.3	16.8	11.9	10.5	8.9	2.9	2.6	2.5	
	Surгутneftegaz	53,288	12.7	13.0	15.7	6.2	6.5	7.3	2.3	2.2	2.3	
	Gazprom Neft	18,727	5.7	6.7	6.9	3.7	4.3	4.6	1.0	1.0	1.0	
	Tatneft	12,523	9.9	10.7	11.2	6.2	6.9	7.8	1.2	1.2	1.2	
	Bashneft	2,287	4.9	5.6	5.9	2.8	3.2	3.3	0.6	0.7	0.7	
	Transneft pref	12,233	5.4	4.7	4.2	3.8	3.2	2.7	2.1	1.8	1.6	
	West Siberian Resources	928	28.1	23.4	8.8	9.1	6.8	4.2	3.4	2.5	1.8	
Aggregate - oil and gas	522,146	11.5	10.6	10.3	7.0	6.6	6.3	2.4	2.1	1.9		
Utilities	UES	50,317	33.4	29.4	19.7	17.3	14.0	10.1	3.4	3.0	2.6	
	Mosenergo	7,067	74.3	29.7	19.4	16.6	11.5	7.6	2.3	2.0	1.6	
	OGK-1	4,554	n/a	50.0	34.2	37.6	24.6	17.6	4.1	3.7	3.0	
	OGK-2	4,171	n/a	52.1	29.4	227.6	25.7	15.3	4.6	3.8	3.1	
	OGK-3	6,363	n/a	74.9	45.5	92.2	36.3	32.6	8.4	6.9	6.0	
	OGK-4	6,166	n/a	97.9	51.0	76.7	46.2	25.4	6.4	5.9	4.5	
	OGK 5	5,465	46.3	56.9	40.5	58.2	26.4	19.5	5.7	4.4	3.7	
	OGK-6	3,502	43.7	27.8	14.9	19.2	15.1	9.8	3.2	2.7	2.2	
Aggregate - utilities	87,605	23.6	30.7	20.2	35.4	15.0	11.1	3.2	2.8	2.4		
Telecoms and technology	MTS	28,688	23.0	16.2	14.4	9.8	8.3	7.5	4.9	4.1	3.8	
	Sistema	16,011	17.7	13.3	12.2	8.2	6.8	6.2	3.0	2.7	2.5	
	VimpelCom	27,978	34.5	23.3	20.7	12.2	9.9	9.2	6.2	5.0	4.6	
	Aggregate - mobile telecoms	72,678	25.1	17.6	15.8	10.0	8.3	7.6	4.7	3.9	3.6	
	Comstar	5,224	63.7	18.1	15.7	17.6	10.1	9.1	5.7	4.3	3.9	
	Rostelecom	8,289	n/a	72.1	60.5	21.1	18.9	16.8	3.6	3.6	3.3	
	Golden Telecom	2,940	34.4	25.1	18.7	13.0	9.2	7.0	3.5	2.5	2.0	
	MGTS	2,894	16.7	11.9	10.7	10.2	7.5	6.8	4.2	3.3	3.1	
	Uralsvyazinform	2,165	69.8	15.8	12.2	9.0	6.0	5.2	2.5	2.2	2.0	
	Volga Telecom	1,433	18.4	10.8	9.0	6.0	4.6	4.1	2.1	1.8	1.6	
	Sibirtelecom	1,395	32.8	6.7	5.2	7.5	4.3	3.6	1.8	1.5	1.3	
	Northwest Telecom	1,551	33.0	13.1	12.6	7.8	5.3	4.9	2.5	2.0	1.8	
	Center Telecom	1,706	25.3	26.7	15.5	6.3	5.7	4.9	2.3	2.0	1.8	
	Southern Telecom	643	49.4	16.1	14.3	6.2	5.7	5.3	2.2	1.9	1.8	
	Dalsvyaz	583	44.8	12.1	8.3	8.2	4.8	3.8	2.1	1.5	1.3	
	Bashinformsvyaz	173	7.6	8.1	4.7	3.3	3.2	n/a	1.1	1.0	0.8	
	Sitronics	1,175	27.2	12.7	9.3	7.7	5.3	4.2	0.7	0.5	0.5	
	Aggregate - fixed line telecoms	28,996	36.0	19.7	15.6	9.7	7.1	6.5	2.8	2.3	2.1	
	RBC	925	23.4	24.2	11.5	13.8	9.5	6.9	4.1	3.2	2.6	
	CTC Media	3,439	23.2	17.8	14.0	13.9	10.8	8.7	6.6	5.1	4.1	
Rambler Media	594	49.0	24.5	16.0	30.0	13.6	9.4	7.4	4.3	3.3		
Aggregate - media	4,958	31.9	22.2	13.8	19.2	11.3	8.3	6.0	4.2	3.3		
Metals and mining	Norilsk Nickel	47,214	6.3	7.6	10.1	4.0	5.0	6.9	2.9	3.3	3.8	
	Polyus Gold	8,404	40.1	52.2	59.9	18.9	22.7	22.5	8.1	8.5	8.6	
	Severstal	20,658	12.0	11.0	10.6	6.4	5.9	5.7	1.6	1.5	1.5	
	Evraz Group	21,393	11.9	11.8	11.4	7.4	7.1	7.8	2.4	2.2	2.1	
	Mechel	6,733	8.4	8.9	10.2	5.2	5.3	5.3	1.3	1.2	1.2	
	NLMK	19,597	9.4	9.8	9.7	5.7	5.9	5.7	2.6	2.6	2.4	
	MMK	11,738	7.2	6.5	5.1	4.9	4.6	4.6	1.5	1.5	1.3	
	TMK	8,982	13.6	9.4	11.9	8.2	6.0	7.7	2.5	2.0	1.9	
	VSMPO	3,480	13.7	10.8	8.5	8.8	7.1	5.6	3.4	2.9	2.3	
	Aggregate - metals and mining	148,199	15.4	15.1	15.3	8.9	8.1	8.0	3.2	3.0	2.8	
Industrials, consumer, banks	Sberbank *	223	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
	Aggregate - banks	223	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
	X5	7,165	35.3	25.7	18.5	16.0	11.8	9.5	1.7	1.2	0.9	
	Magnit	3,011	36.9	26.8	18.1	15.8	11.1	8.2	0.9	0.6	0.5	
	Seventh Continent	1,883	28.9	22.7	16.0	13.9	9.9	7.4	1.4	1.0	0.8	
	Lebedyansky	1,816	18.0	15.3	13.4	11.6	9.6	8.4	2.2	1.8	1.6	
	Baltika (euro)	5,788	12.5	11.2	9.4	7.6	7.0	5.6	2.4	2.2	1.8	
	Wimm-Bill-Dann	4,840	30.8	22.7	18.7	15.9	12.3	10.1	2.3	1.9	1.6	
	Aggregate - FMCG	24,503	27.1	20.7	15.7	13.4	10.3	8.2	1.8	1.4	1.2	
	Razgulay	432	20.3	9.8	9.1	7.6	5.3	5.0	1.0	0.8	0.7	
	Severstal Auto	1,658	26.4	16.7	15.1	13.5	9.3	7.6	1.9	1.3	1.0	
	AvtoVAZ	293	2.3	2.0	1.1	1.8	1.7	n/a	0.2	0.2	0.2	
	Aeroflot	3,300	11.4	12.9	10.2	8.1	7.3	5.8	1.2	1.0	0.8	
	Veropharm	430	17.5	13.0	10.2	11.2	8.6	6.4	3.8	2.9	2.4	
	Kalina	339	11.6	9.5	9.2	7.3	6.3	6.0	1.1	1.0	0.9	
Oriflame (euro)	2,312	23.1	18.5	14.1	15.4	13.2	10.9	2.4	2.1	1.9		
Aggregate valuation	898,072	12.1	11.1	10.4	7.9	7.3	6.9	2.4	2.2	2.1		
FF-adj. MCAP W.A. valuation	255,337	14.4	14.0	12.9	9.6	8.0	7.4	3.2	2.9	2.8		

Source: MDM estimates, IBES consensus

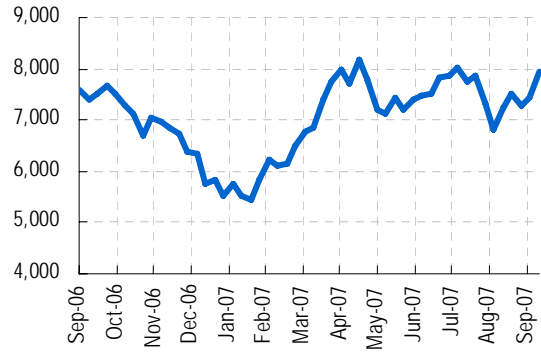
Key commodities

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



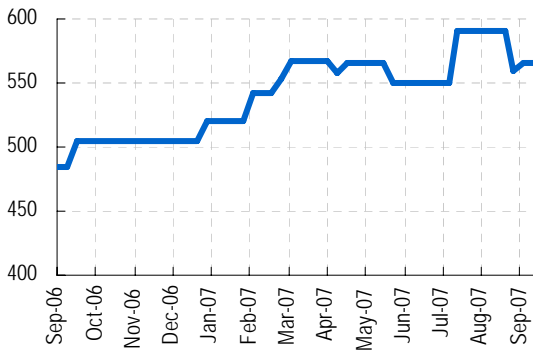
Source: Bloomberg

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



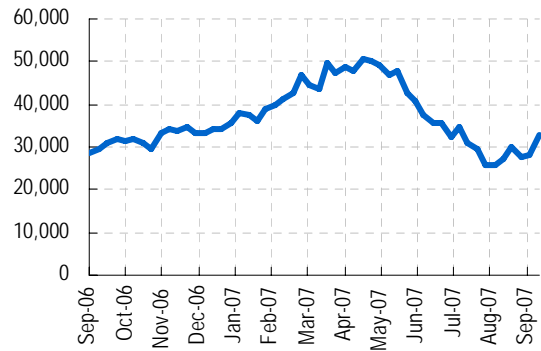
Source: Bloomberg

MB-Steel HR Coil CIS, USD/ton



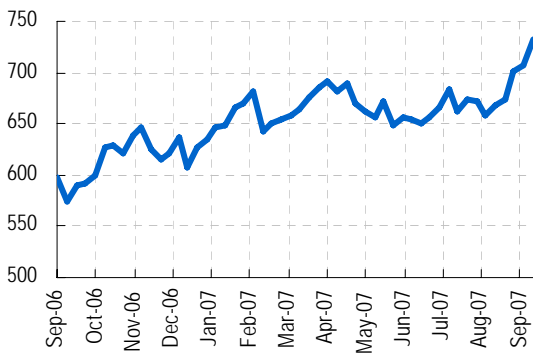
Source: Bloomberg

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



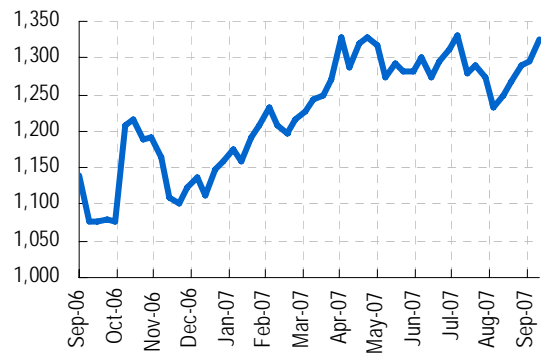
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg



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