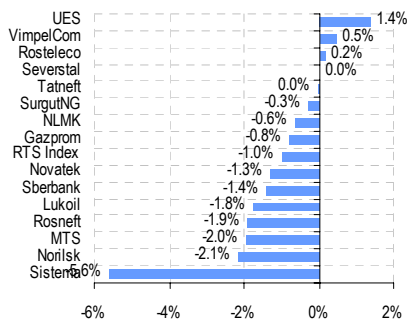
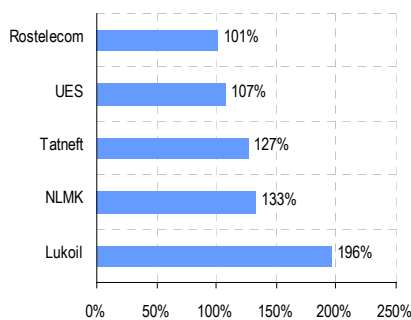


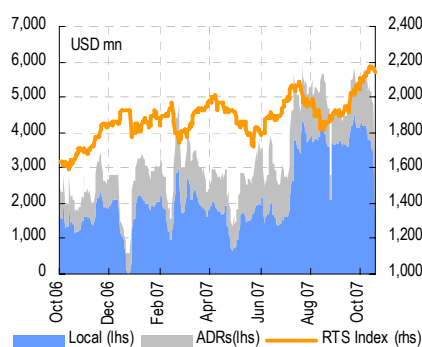
Blue chips: advancers and decliners



Volume monitor: daily/3M avg. volume



RTS index and weekly trading volumes



Upcoming events

22 окт	Aeroflot 1H07 IFRS results
mid October	MMK 3Q07 trading update
mid October	UralKali 1H07 IFRS results
mid October	Cherkizovo 1H07 U.S.GAAP results
mid October	Acron 1H07 IFRS results
mid October	UES 1H07 IFRS results
25 окт	Polymetal 3Q07 operating results
29 окт	CTC Media 3Q07 U.S.GAAP results
late October	Tatneft 1H07 U.S.GAAP results
08 ноя	Baltika 9M07 IFRS results

Market

■ Negative momentum in most emerging markets yesterday spread to Russia with the MICEX losing 1.5% to 1800 and the RTS falling by 1% to 2137. Despite WTI getting closer to USD90/boe, Russian oil and gas stocks recorded losses. Weaker Asian markets this morning could apply further downward pressure at today's opening.

Top news and ideas

- Lukoil: Alekperov, Fedun buy controlling stake in TGK-8. Their investment vehicle increased its stake in TGK-8 to 71%, paying a 25% premium. Although the move is sound from a strategic perspective, we are concerned with the lack of transparency in the deal.
- OGK-3: UES dissatisfied with implementation of investment program. Implementation of the OGK-3 investment program is unsatisfactory, Anatoly Chubais said yesterday. We believe that other OGKs already sold to strategic investors might be also reluctant to fulfill their investment program and sign capacity delivery contracts.
- X5 Retail Group: Carousel option might not be exercised. Carousel's majority shareholder claimed the chances of X5 exercising its option to purchase the hypermarket chain are less than 10%. We believe, however, there is still a good chance a deal will be struck and X5 is likely stalling to push for a better price.
- Economics: Ministers admit inflation could exceed 10% this year. October inflation could reach 1.1-1.6% m-o-m, putting YTD inflation above 9%. Domestic and global inflation trends appear to be driving Russian CPI far above the initial government target of 8%, which makes next year's 7% a tough ask.

Other highlights

- Brief - Rosneft plans to sell its stake in Sibintek as part of an effort to dispose of certain non-core assets (*RBC Daily*). Sibintek is a small IT service company, formerly owned by Yukos, which will return near USD70 mn in revenues in 2007. We like Rosneft's strategy of cleaning up its portfolio, although this is a small asset.
- Brief - German RWE plans to bid for OGK-1 (Interfax). RWE's representative did not confirm the rumor but the company's CEO has previously indicated an interest in Russian utilities. Finland's Fortum has also expressed interest in buying OGK-1 shares. In our view, for both companies this will be the last chance to acquire control of a Russian wholesale generating company.

>>> More news on page 5

Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	2,137	-1.0%	-1.7%	6.0%	3.2%	30.4%
MSCI EM Europe Index	755	-1.1%	-1.6%	6.4%	4.0%	31.1%
MSCI EM Index	1,279	-0.1%	0.2%	11.6%	11.8%	58.4%
S&P500 Index	1,540	-0.1%	-0.9%	0.7%	-0.8%	12.7%
OIX (Oil majors) Index	840	0.7%	3.7%	4.1%	2.8%	37.1%
GSCI (Commodities) index	5,813	0.7%	-1.0%	-1.6%	1.4%	-15.7%
Oil (WTI), USD/bbl	89.5	2.4%	1.0%	9.8%	19.2%	55.2%
Nickel, USD/ton	31,603	1.4%	-2.1%	8.2%	-1.7%	-3.1%
Steel (HR), USD/ton	588	0.0%	4.0%	4.0%	6.8%	16.3%
LT U.S. Treasury YTM	4.8%	4.9%	4.9%	4.8%	5.1%	4.9%
EMBI-Russia spread, bp	122	119	111	111	128	107
RUB/USD	24.93	24.90	24.98	25.33	25.46	26.94

Source: Datastream, Bloomberg

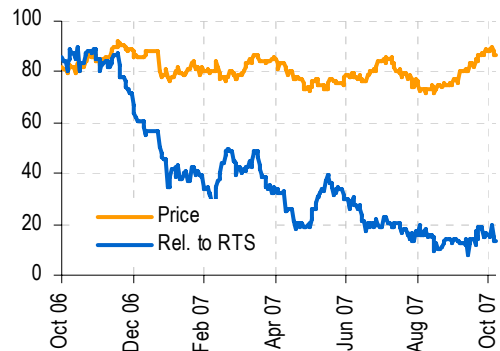
Lukoil: Alekperov, Fedun buy controlling stake in TGK-8

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.
LKOH RU	86.35	n/a	Not Rated	91.8/71.9	7.9%	0.5%	5.0%

Financials, USD mn	2006A	2007E	2008E
Revenue	67,616	67,263	67,913
EBITDA	12,356	11,796	11,994
Net income	7,425	6,975	6,967
Revenue growth	21%	-1%	1%
EBITDA growth	14%	-5%	2%
Net income growth	16%	-6%	0%
EBITDA margin	18%	18%	18%
Net margin	11%	10%	10%
EV/Revenue	1.2	1.2	1.2
EV/EBITDA	6.6	6.9	6.8
P/E	9.9	10.5	10.5
MCAP, USD mn	73,484	Com., mn	851
EV, USD mn	81,238	Pref., mn	
Free float	45%	Total, mn	851

Price performance, USD



Source: Bloomberg

Source: Datastream, IBES consensus

IFD Kapital increases its TGK-8 stake to 71%. IFD Kapital, the investment group owned by the two top Lukoil managers Vagit Alekperov and Leonid Fedun, agreed yesterday to buy all additional shares (33% of total shares post IPO) issued and government's stake in power company TGK-8 (Southern Generation Company). The total cost of the acquisition will reach USD1.7 bn and will raise the two managers' stake in TGK-8 to approximately 71% (post IPO) from 19% previously. The price paid per share (RUB0.35) was 25% above the previous day's closing price. TGK-8's valuation on an EV per KW of installed capacity is close to USD600/KW, towards the high end of most valuations paid for the TGKs sold thus far (closer to USD550/KW).

IFD Kapital considering more acquisitions. The two managers' investment group will finance this purchase through USD1.3 bn of exchangeable notes that will offer a yield of 6-6.75% and will mature in 2010. The notes will be secured by ADRs of Lukoil owned by IFD Kapital. More importantly, representatives of the investment group said yesterday that the firm is in talks with foreign investors and is considering future acquisitions in the power sector.

Potential Lukoil tie-up sound strategic play. At first glance, it appears that the top managers of Lukoil paid a bit more than the prices paid for TGKs by most other strategic investors even though their investment arm was essentially the only bidder in the process. Leonid Fedun said yesterday that IFD Kapital's power assets could be wrapped up into Lukoil or could be part of a venture with a strategic partner. The lack of transparency in this case could be a risk for Lukoil's shareholders and we wonder under what terms the assets bought by the two managers (own above 25% stake in Lukoil) could be incorporated into Lukoil's books. On the other hand though, if the assets are indeed combined with Lukoil, it is a good strategic move, in our opinion. Not only would Lukoil be making its entrance into the promising power sector, but the assets of TGK-8 are also close to the Caspian, from where a significant portion of Lukoil's current and future gas production will be derived. This would afford Lukoil the opportunity to better unlock the value of its gas reserves. Overall, we see this as positive news for Lukoil in the long term but with the caveat of our transparency related reservations mentioned above.

OGK-3: UES dissatisfied with implementation of investment program

Vladislav Nigmatullin, e-mail: Vladislav.Nigmatullin@mdmbank.com

Bloomberg ticker	Company name	Price, USD	Rating	12M High/Low	2007 P/E	2007 EV/EBITDA	MCAP, USD mn
OGKC RU	OGK-3	0.15	0.14	Sell	0.18/0.08	367.4	101.1

Source: IBES consensus, Data Stream

OGK-3 scores “unsatisfactory” for investments. Implementation of OGK-3’s investment program is unsatisfactory, Anatoly Chubais said on a meeting with generating companies’ representatives held yesterday. Chubais claimed the poor performance was due to Norilsk Nickel’s unwillingness to fulfill the investment responsibilities to which it is in theory bound under a memorandum signed after the metals major acquired OGK-3. We remind investors that OGK-3 has not yet signed the capacity delivery agreement proposed by UES.

OGK-3’s investment program could be changed. OGK-3 will implement the investment program with some amendments, which is allowed by the terms of the memorandum signed by OGK-3 and UES, OGK-3’s CEO Andrey Bugrov said yesterday. He said also that the company will sign a capacity delivery agreement after the investment program is reconciled. However, in our view, OGK-3 and other generating companies sold to strategic investors might be reluctant to fulfill their investment program and sign the capacity delivery contracts. We suspect that the new owners of OGK-3 may try to delay as much as possible the negotiations with UES on these issues until the final breakup of UES.

X5 Retail Group: Carousel option might not be exercised

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

Bloomberg ticker	Company name	Price, USD	Rating	12M High/Low	2007 P/E	2007 EV/EBITDA	MCAP, USD mn
FIVE LI	X5	35.50	Not Rated	37.5/22	37.8	17.0	7,685

Source: IBES consensus, Data Stream

Carousel owner claims X5 unlikely to exercise purchase option. Carousel, the operator of 22 hypermarkets, issued a statement yesterday saying that the probability of X5 Retail Group exercising its option to acquire the hypermarket chain is less than 10% at this stage. Later in the day, various news media reported that Andrei Rogachev, the majority owner of Carousel and stakeholder (21%) of X5 Retail Group, stated that it could be better for him if X5 does not exercise the option as he would be able to sell its company at a higher price in a few years and that he was “currently assessing that probability”. We remind clients that X5’s option to buy Carousel can be exercised from January 1, 2008 and would cost the retailer approximately USD1 bn depending on Carousel’s revenues in 2007. A spokesman for X5 told reporters yesterday that his company has “more than enough time” to make a decision and he added that “the chance of exercising the option is still quite high”.

X5’s tactics may secure better price. There has been a lot of speculation among analysts, investors and the news media what will happen with this option. The fact that Andrei Rogachev owns stakes in both companies certainly does not improve overall company transparency or our clarity of vision for assessing this case. In our view, negotiations between the two companies are under way and there is a chance that X5 Retail Group simply wants to put pressure on Carousel to get a lower exercise price. The recently announced delay in X5’s equity placement certainly sets back the timing of the option exercise but the case might also be that Carousel’s operating results this year are not close to the level assumed when the terms of the option were agreed. While it is not clear at this point if the exercise of the option will be cancelled or delayed, we find X5’s tactic to take its time and delay its decision as positive in the short term if it ends up getting better terms on this option. We do not officially cover X5 Retail Group.

Economics: Ministers admit inflation could exceed 10% this year

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

October inflation up by 0.9% thus far. Two different government ministers in two separate interviews stated yesterday that inflation could top 10% this year. Both Finance Minister Alexei Kudrin and Deputy Economy Minister Andrei Belousov admitted that inflation this year could exceed 10% if it continues at its current pace. Andrei Belousov said that inflation in the first two weeks of October has already increased by 0.9% m-o-m and might increase by 1.1-1.6% by the end of the month. This rate would bring the YTD inflation rate in the end of October above 9%, bringing it very close to the 10% mark. He added that the inflation surge was caused by structural factors and he cited the big increases in the prices of several food products continuing their pressure in the CPI rate. More specifically, he pointed to increases in prices of eggs, vegetable oil, dairy products, fruits and vegetables.

Government in negotiations for food price freezes. The new weapon in the hands of the government seems to be negotiations with food companies and retailers to freeze price increases for a specific period. Even President Putin yesterday called on some of these businesses to co-operate with the government in its effort to curtail inflation. This is the second major step by the government after the reduction in import duties on dairy products and the increase in export taxes of grain. Unfortunately, as we wrote a few days ago, even with these measures, it will be difficult to hold back inflation at this stage.

Long-term measures needed to curb inflation. Domestic and global inflation trends appear to be driving Russian CPI to a level far above the initial government target of 8%, which also makes next year's 7% an extremely difficult level to achieve. While we are surprised that the government would allow such a surge in inflation during a pre-election period, we believe that the choice has been made to let inflation slip above the official target as strong structural inflationary forces are beyond government's expectations. Government officials finally recognized that long term tools must be used to reverse the inflationary trend and studiously avoided implementing administrative measures that would offer some relief in the short term but would deteriorate the situation in the long term.

News Briefs

Telecoms and Technology

The Big 3 mobile operators failed to get GSM 900/1800 licenses for Siberia (Interfax). Most licenses were granted to regional telecoms and Sky Link. The news is a slight negative for VimpelCom, which lacks licenses in the Republic of Buryatia and the Chita region and neutral for MTS which has complete coverage in the region.

Other

The company that buys the Italian government's 49.9% stake in Alitalia will be known by November 10, according to Italian politicians (Bloomberg). It appears, though, that Aeroflot is not one of the favorites: Air France and Lufthansa have the best chances according to most industry experts.

Stock performance summary									
	Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
Oil and gas	Gazprom	11.68	-0.8%	-1.9%	6.2%	1.6%	4.6%	1.6%	11.91/8.75
	Novatek	52.60	-1.3%	-9.9%	5.6%	-11.4%	-10.8%	-17.2%	66/46.5
	Rosneft	8.68	-1.9%	0.6%	-0.9%	-1.7%	3.1%	-5.1%	9.49/7.66
	Lukoil	86.35	-1.8%	-3.2%	7.9%	0.5%	5.0%	-1.8%	91.8/71.9
	TNK-BP Holding	2.09	0.1%	0.2%	5.0%	2.7%	-11.5%	-19.7%	2.6/1.67
	Surgutneftegaz	1.29	-0.3%	-4.0%	0.7%	5.4%	-4.0%	-15.9%	1.53/1.07
	Gazprom Neft	4.65	2.0%	1.1%	17.7%	10.7%	12.9%	2.0%	4.72/3.7
	Tatneft	5.69	-1.5%	-1.4%	8.9%	2.0%	10.6%	15.8%	5.76/3.95
	Bashneft	15.20	0.0%	3.1%	8.6%	4.8%	4.8%	-5.0%	17.65/12
	Transneft pref	1,770.00	-3.5%	-4.8%	5.0%	-5.3%	-19.5%	-22.9%	2540/1435
	Integra	15.30	-0.6%	-1.3%	-1.6%	n/a	n/a	n/a	21.55/13.55
	C.A.T Oil	19.45	-0.1%	-0.3%	-0.2%	-8.5%	15.4%	-2.8%	25.56/16.75
West Siberian Resources	0.90	1.8%	-1.7%	11.5%	-4.9%	-8.7%	-21.1%	1.16/0.66	
Utilities	UES	1.18	1.4%	-1.9%	-4.1%	-15.5%	59.0%	9.3%	1.46/0.73
	OGK-1	0.10	n/a	n/a	n/a	n/a	n/a	n/a	0.12/0.1
	OGK-2	0.14	n/a	n/a	n/a	n/a	n/a	n/a	0.18/0.09
	OGK-3	0.15	5.0%	5.0%	9.7%	-14.5%	76.3%	20.0%	0.18/0.08
	OGK-4	0.13	0.0%	2.0%	1.6%	2.0%	130.4%	61.3%	0.13/0.06
	OGK 5	0.17	-1.2%	2.8%	3.0%	1.4%	64.3%	24.2%	0.17/0.09
Telecoms and technology	OGK-6	0.13	n/a	n/a	n/a	n/a	n/a	n/a	0.17/0.09
	MTS	75.15	-2.0%	1.2%	8.7%	11.3%	81.4%	49.7%	76.89/41.26
	Sistema	33.50	-5.6%	-6.9%	3.1%	4.7%	25.9%	4.7%	36.37/25.85
	VimpelCom	31.11	0.5%	3.2%	14.5%	37.8%	146.7%	97.0%	31.29/12.61
	Comstar	11.90	0.2%	-4.8%	0.0%	7.2%	73.5%	41.7%	13.71/6.8
	Rostelecom	10.25	0.2%	-3.6%	-0.3%	3.5%	107.1%	34.0%	10.7/4.9
	Golden Telecom	94.44	3.2%	9.4%	26.4%	39.2%	155.7%	101.6%	94.44/35.75
	MGTS	30.21	0.0%	-0.8%	-2.4%	-13.9%	35.1%	15.4%	34.29/19.66
	Uralsvyazinform	0.06	-1.7%	-3.1%	8.4%	-1.0%	49.0%	-7.6%	0.07/0.04
	Volga Telecom	5.72	0.0%	3.6%	22.7%	5.9%	44.1%	-5.5%	6.6/3.75
	Sibirtelecom	0.11	-1.8%	-0.4%	17.4%	1.4%	31.6%	-0.9%	0.13/0.08
	Northwest Telecom	1.81	0.7%	2.1%	23.9%	2.5%	42.9%	7.4%	1.84/1.12
	Center Telecom	0.96	0.0%	2.9%	4.0%	1.3%	58.2%	27.6%	1/0.56
	Southern Telecom	0.19	0.0%	0.0%	11.6%	-3.1%	53.1%	6.3%	0.23/0.12
	Dalsvyaz	5.05	0.0%	0.0%	7.7%	2.0%	65.6%	21.4%	5.2/3.02
	Bashinformsvyaz	0.18	0.0%	0.0%	-0.6%	-0.6%	0.6%	-22.6%	0.23/0.17
	RBC	9.10	-0.2%	-4.1%	10.8%	-2.6%	-19.3%	-24.6%	12.1/7.53
	Sitronics	6.80	2.3%	-4.6%	24.1%	-6.2%	n/a	n/a	12/5
	CTC Media	23.53	0.0%	2.3%	-2.6%	-17.4%	-3.5%	-2.0%	28.77/19.59
	Rambler Media	39.75	-1.9%	3.2%	0.0%	-9.4%	35.9%	17.8%	55/29.25
Metals and mining	Norilsk Nickel	266.65	-2.1%	-4.8%	11.1%	21.5%	86.5%	69.8%	280/135.5
	Polyus Gold	44.76	0.0%	4.1%	4.8%	3.8%	-4.8%	-9.2%	55.25/38.3
	Severstal	21.85	0.0%	-8.3%	15.6%	25.6%	79.0%	95.1%	23.84/10.84
	Evraz Group	68.80	1.5%	-2.0%	25.1%	41.0%	180.2%	167.8%	70.2/24.25
	Mechel	72.09	2.8%	0.2%	46.2%	63.8%	211.4%	182.9%	72.86/21.79
	NLMK	39.80	-0.6%	-5.4%	20.1%	17.7%	89.5%	71.2%	42.05/20.5
	MMK	1.19	0.0%	-7.4%	6.3%	3.9%	53.9%	36.2%	1.28/0.77
	TMK	46.15	-0.3%	1.4%	16.8%	13.1%	n/a	31.9%	46.99/21.6
	VSMPO	300.00	0.0%	1.7%	2.7%	-3.4%	24.0%	2.4%	330/221.5
	Sberbank	4.30	-1.4%	-0.3%	4.9%	3.1%	90.7%	24.6%	4.42/2.21
Industrials, consumer, banks	Rosbank	7.31	-0.3%	0.8%	6.8%	-4.4%	22.1%	-4.5%	7.67/5.53
	X5	35.50	1.4%	4.1%	8.6%	8.7%	57.8%	36.5%	37.5/22
	Seventh Continent	25.85	-0.2%	-1.7%	2.8%	-6.1%	-2.5%	-3.2%	29.3/24.1
	Dixy Group	14.15	0.0%	0.0%	9.3%	-3.4%	42.6%	28.9%	15.6/13.95
	Magnit	46.00	1.8%	1.7%	9.3%	-3.4%	42.6%	28.9%	47.6/32.25
	Wimm-Bill-Dann	119.27	-1.6%	16.4%	1.7%	17.1%	169.5%	79.2%	121.18/41.2
	Lebedyansky	87.00	-1.1%	-1.1%	-2.2%	-4.4%	18.5%	8.8%	99/73.4
	Nutritek	51.50	0.0%	2.0%	14.4%	0.8%	21.5%	8.5%	53.8/44.9
	Baltika (euro)	33.91	0.0%	0.0%	2.1%	0.8%	21.5%	8.5%	36.96/31.12
	Razgulay	4.60	0.2%	2.2%	13.9%	8.2%	22.7%	15.0%	4.6/3.6
	Severstal Auto	47.00	-1.1%	-0.4%	6.2%	32.0%	104.3%	55.4%	48.75/23
	AvtoVAZ	1.60	0.0%	6.3%	17.2%	15.3%	45.9%	55.3%	1.74/0.65
	Aeroflot	3.40	0.0%	6.3%	17.2%	15.3%	45.9%	55.3%	3.4/2.17
	Veropharm	44.00	0.0%	1.7%	2.3%	3.0%	59.4%	38.6%	48.65/27.6
	Apteka 36.6	78.50	0.0%	4.3%	4.0%	-8.7%	74.4%	34.8%	96.1/45
	Pharmstandard	21.15	1.7%	3.2%	9.6%	30.6%	n/a	n/a	21.15/13.6
	Kalina	37.50	1.4%	4.5%	8.7%	-9.6%	-19.4%	-27.2%	51.5/34.25
	Oriflame (euro)	41.51	0.1%	-4.9%	-2.1%	6.6%	51.5%	35.1%	44.07/27.21
Cherkizovo	13.50	-1.0%	-0.2%	10.2%	3.8%	-7.5%	-0.7%	16.1/11.05	
Sistema Hals	10.23	-1.2%	1.3%	-6.1%	-21.3%	n/a	-23.1%	15.05/9.1	
RTS Index	2,136.53	-1.0%	-1.7%	6.0%	3.2%	30.4%	11.2%	2176.9/1590.33	

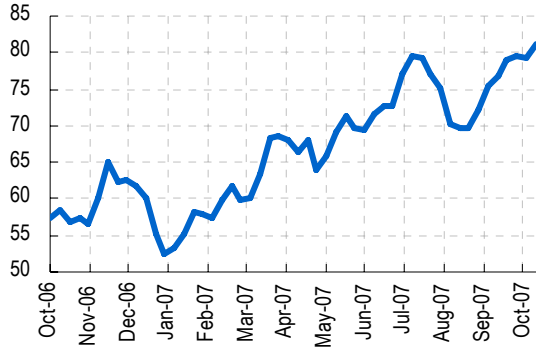
Source: Bloomberg

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	265,708	11.9	10.6	9.7	8.6	7.7	7.0	3.7	3.4	3.2	
	Novatek	15,969	23.2	17.1	13.0	14.5	11.0	8.6	6.9	5.3	4.0	
	Lukoil	73,484	9.9	10.5	10.5	6.6	6.9	6.8	1.2	1.2	1.2	
	Rosneft	91,999	22.2	18.7	17.2	12.2	10.8	9.1	2.9	2.7	2.6	
	Surgutneftegaz	51,142	12.2	12.5	15.1	6.0	6.2	6.9	2.1	2.1	2.1	
	Gazprom Neft	22,046	6.7	7.9	8.1	4.4	5.0	5.5	1.1	1.2	1.2	
	Tatneft	12,849	10.2	10.9	11.5	6.3	7.1	8.0	1.2	1.2	1.2	
	Bashneft	2,584	5.6	6.3	6.7	3.2	3.6	3.8	0.6	0.8	0.8	
	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	1,064	32.2	26.8	10.1	10.1	7.5	4.7	3.8	2.7	2.0	
Aggregate - oil and gas	548,015	11.9	11.0	10.7	7.3	6.8	6.5	2.4	2.2	2.0		
Utilities	UES	48,430	32.1	28.2	19.0	17.0	13.8	10.0	3.3	2.9	2.5	
	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	3,813	n/a	47.7	26.9	208.7	23.6	14.1	4.2	3.5	2.9	
	OGK-3	6,981	n/a	82.1	49.9	101.1	39.7	35.7	9.2	7.5	6.5	
	OGK-4	6,338	n/a	n/a	52.4	78.9	47.5	26.1	6.6	6.0	4.7	
	OGK 5	6,102	51.7	63.6	45.2	65.4	29.7	21.9	6.4	5.0	4.1	
	OGK-6	3,475	43.4	27.5	14.8	19.1	15.0	9.7	3.2	2.7	2.2	
Aggregate - utilities	86,759	24.4	27.4	20.9	35.5	15.4	11.6	3.3	2.9	2.5		
Telecoms and technology	MTS	29,985	24.1	16.9	15.1	10.2	8.6	7.8	5.1	4.3	3.9	
	Sistema	16,181	17.9	13.4	12.3	8.5	7.1	6.5	3.2	2.9	2.6	
	VimpelCom	31,906	39.3	26.6	23.6	13.8	11.2	10.4	7.0	5.6	5.2	
	Aggregate - mobile telecoms	78,072	27.1	19.0	17.0	10.8	9.0	8.2	5.1	4.3	3.9	
	Comstar	4,973	60.7	17.2	14.9	16.9	9.7	8.7	5.5	4.2	3.8	
	Rostelecom	8,092	n/a	70.4	59.1	20.6	18.4	16.4	3.5	3.5	3.2	
	Golden Telecom	3,461	40.5	29.6	22.0	15.3	10.8	8.2	4.1	3.0	2.4	
	MGTS	2,842	16.4	11.7	10.5	10.0	7.4	6.7	4.2	3.3	3.1	
	Uralsvyazinform	2,367	76.4	17.3	13.3	9.6	6.4	5.6	2.6	2.3	2.1	
	Volga Telecom	1,714	22.0	12.9	10.7	6.9	5.2	4.6	2.4	2.0	1.8	
	Sibirtelecom	1,619	38.0	7.7	6.0	8.3	4.8	4.0	2.0	1.7	1.5	
	Northwest Telecom	1,894	40.3	16.0	15.4	9.2	6.2	5.7	3.0	2.4	2.1	
	Center Telecom	1,823	27.0	28.5	16.6	6.6	6.0	5.1	2.4	2.1	1.9	
	Southern Telecom	693	53.3	17.3	15.4	6.4	5.9	5.5	2.2	2.0	1.8	
	Dalsvyaz	617	47.4	12.8	8.8	8.5	5.0	4.0	2.2	1.6	1.4	
	Bashinformsvyaz	172	7.5	8.1	4.6	3.3	3.2	n/a	1.1	1.0	0.8	
	Sitronics	1,299	30.1	14.1	10.3	8.4	5.8	4.7	0.7	0.6	0.5	
	Aggregate - fixed line telecoms	30,267	39.0	20.8	16.5	10.1	7.4	6.8	2.9	2.4	2.2	
RBC	1,047	26.5	27.4	13.0	15.7	10.8	7.8	4.6	3.6	2.9		
CTC Media	3,565	24.1	18.5	14.5	14.4	11.2	9.0	6.8	5.3	4.3		
Rambler Media	597	49.3	24.7	16.1	30.1	13.7	9.5	7.5	4.3	3.4		
Aggregate - media	5,209	33.3	23.5	14.5	20.1	11.9	8.8	6.3	4.4	3.5		
Metals and mining	Norilsk Nickel	48,797	6.5	7.9	10.5	4.2	5.2	7.1	3.0	3.4	4.0	
	Polyus Gold	8,548	40.8	53.1	60.9	19.3	23.1	23.0	8.3	8.7	8.7	
	Severstal	22,018	12.7	11.8	11.3	6.8	6.3	6.1	1.7	1.6	1.5	
	Evrz Group	24,129	13.4	13.3	12.8	8.2	7.9	8.6	2.6	2.4	2.3	
	Mechel	9,729	12.1	12.9	14.7	7.4	7.6	7.6	1.8	1.8	1.7	
	NLMK	23,852	11.4	12.0	11.9	7.0	7.3	7.0	3.3	3.2	2.9	
	MMK	12,043	7.4	7.4	6.7	5.2	5.0	4.7	1.6	1.5	1.4	
	TMK	10,061	15.2	10.5	13.3	9.1	6.8	8.7	2.7	2.3	2.2	
	VSMPO	3,600	14.2	11.2	8.8	9.1	7.4	5.8	3.5	3.0	2.3	
	Aggregate - metals and mining	162,777	16.7	16.4	16.5	9.6	8.8	8.7	3.5	3.2	3.1	
Industrials, consumer, banks	Sberbank *	234	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
	Aggregate - banks	234	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
	X5	7,685	37.8	27.6	19.9	17.0	12.6	10.1	1.8	1.2	1.0	
	Magnit	3,312	40.6	29.4	19.9	17.3	12.1	9.0	1.0	0.7	0.6	
	Seventh Continent	1,939	29.8	23.3	16.5	14.3	10.2	7.6	1.5	1.1	0.8	
	Lebedyansky	1,776	17.6	15.0	13.1	11.3	9.4	8.2	2.1	1.8	1.5	
	Baltika (euro)	5,773	12.5	11.2	9.3	7.6	6.9	5.6	2.4	2.1	1.8	
	Wimm-Bill-Dann	5,248	33.4	24.7	20.3	17.1	13.3	10.8	2.4	2.0	1.8	
	Aggregate - FMCG	25,733	28.6	21.9	16.5	14.1	10.8	8.6	1.9	1.5	1.2	
	Razgulay	488	22.9	11.1	10.3	8.1	5.7	5.4	1.0	0.9	0.8	
	Severstal Auto	1,598	25.5	16.1	14.6	13.2	9.1	7.4	1.9	1.2	1.0	
	AvtoVAZ	293	2.3	2.0	1.1	1.8	1.7	n/a	0.2	0.2	0.2	
	Aeroflot	3,777	13.0	14.7	11.7	9.2	8.2	6.6	1.3	1.2	0.9	
	Veropharm	440	17.9	13.3	10.4	11.4	8.8	6.6	3.9	3.0	2.5	
	Kalina	366	12.5	10.3	10.0	7.8	6.8	6.3	1.1	1.0	0.9	
Oriflame (euro)	2,312	23.0	18.5	14.1	15.4	13.2	10.9	2.4	2.1	1.9		
Aggregate valuation	946,338	12.7	11.7	10.9	8.2	7.7	7.2	2.5	2.3	2.2		
FF-adj. MCAP W.A. valuation	270,184	15.4	14.5	13.5	9.9	8.3	7.8	3.4	3.1	2.9		

Source: MDM estimates, IBES consensus

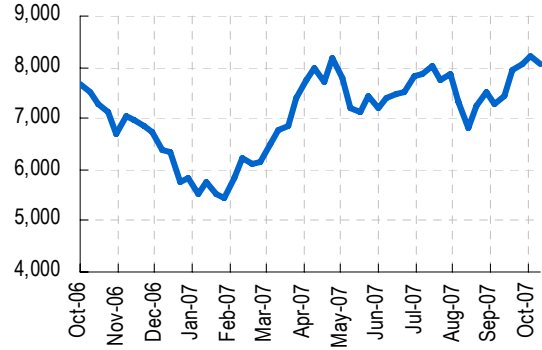
Key commodities

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



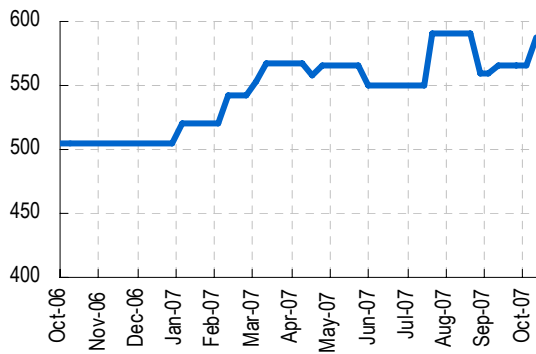
Source: Bloomberg

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



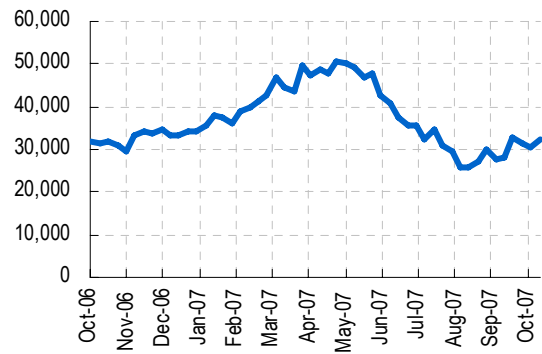
Source: Bloomberg

MB-Steel HR Coil CIS, USD/ton



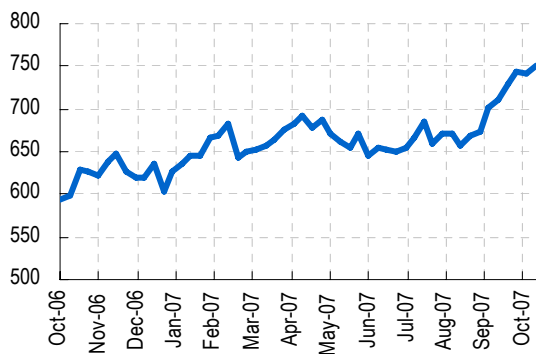
Source: Bloomberg

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



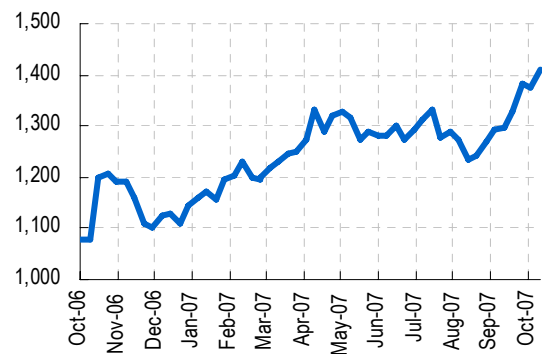
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg



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