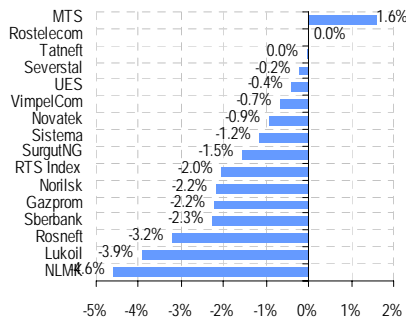
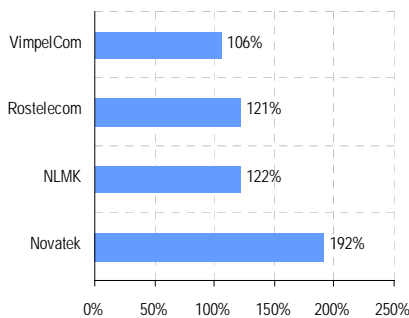


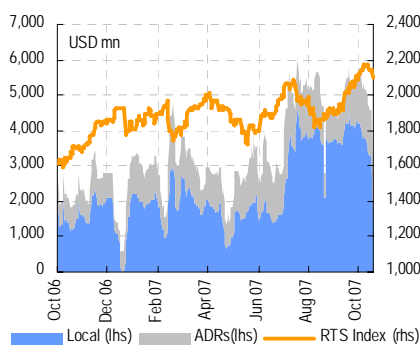
Blue chips: advancers and decliners



Volume monitor: daily/3M avg. volume



RTS index and weekly trading volumes



Upcoming events

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 Oct	Polymetal 3Q07 operating results
29 Oct	CTC Media 3Q07 U.S.GAAP results
late October	Tatneft 1H07 U.S.GAAP results
08 Nov	Baltika 9M07 IFRS results
early Nov	Regional telcos' 9M07 RAS results

Market

- The MICEX fell by 1.6% to 1772 and the RTS lost 2.1% to 2099, both paced by global credit market losses and lower commodity prices. WTI edging toward USD85/boe could affect the entire market but Russian oil and gas names probably never reflected USD90 either. Stabilizing US markets and improved sentiment in Asia could lift Russia's opening.

Top news and ideas

- **Lukoil:** Development of Iran's Anaran oil field could have been suspended. Lukoil's Leonid Fedun claimed US sanctions have caused the difficulties. We believe ConocoPhillips's stake in Lukoil forces the Russian firm to adhere to US policies, a fact that has led to delays in Sudan and Venezuela and may affect the company in the future.
- **Aeroflot:** Reports improved 1H07 earnings. Aeroflot demonstrated continued improvements on revenues and margins that led to excellent performance on EBITDA. However, in our view, payroll and maintenance control is still below par and will become evermore critical for the future success of the company.
- **Regional telcos:** No local tariff hikes on the agenda for 2008. In our opinion, there is little new in the comments from the Federal Tariff Services agency in terms of local tariff plans. We projected modest indexation of less than 8% for regional telcos' effective local tariffs in 2008.
- **Wimm-Bill-Dann:** Agrees to price freezing. Freezes will last from October 15 to the end of the year. Preemptively agreeing to price-freezes has allowed WBD to both maintain good relations with the government and limit the number of products included on the list, in our view. Furthermore, we believe the impact on profits will be negligible.

Other highlights

- Russian drugstore operator, Pharmacy Chain 36.6 will go ahead with its plans to raise USD70 mn today from a placement of 1.5 mn shares (Interfax). The 19% (pre placement) capital increase was announced a few months ago and will be conducted at RUB1889 (USD75.5) per share, not far from its current price. While short term the stock might see some pressure we believe that it may also be bottom-out in the coming weeks.

>>> More news on page 5

Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	2,099	-2.0%	-3.6%	3.6%	0.4%	29.7%
MSCI EM Europe Index	735	-2.1%	-3.0%	3.2%	0.2%	30.0%
MSCI EM Index	1,234	-2.3%	-3.2%	6.3%	6.1%	53.5%
S&P500 Index	1,506	0.4%	-2.7%	-1.3%	-2.3%	9.4%
OIX (Oil majors) Index	802	-1.6%	-3.5%	-1.4%	-0.9%	31.6%
GSCI (Commodities) index	5,813	0.7%	-1.0%	-1.6%	1.4%	-15.7%
Oil (WTI), USD/bbl	87.6	-1.2%	1.0%	5.0%	15.9%	54.1%
Nickel, USD/ton	31,125	-3.8%	-4.0%	-4.5%	-10.0%	-9.8%
Steel (HR), USD/ton	588	0.0%	0.0%	4.0%	6.8%	16.3%
LT U.S. Treasury YTM	4.7%	4.7%	5.0%	4.9%	5.1%	5.0%
EMBI-Russia spread, bp	130	127	122	110	122	106
RUB/USD	24.85	24.87	24.92	25.13	25.42	26.94

Source: Datastream, Bloomberg

Lukoil: Development of Iran's Anaran oil field might have been suspended

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
LKOH RU	Lukoil	83.00	Not Rated	91.8/71.9	9.5	6.3	70,633

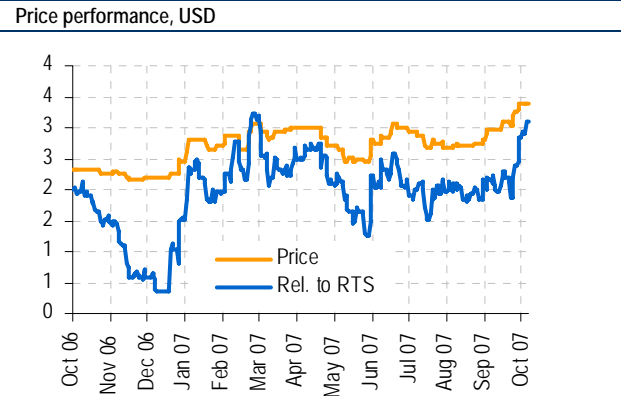
Source: IBES consensus, Data Stream

Uncertainty over Lukoil's project in Iran. The development of the Anaran oil field in Iran has been suspended, Russian news agency Interfax reported, citing The deputy CEO of Lukoil Leonid Fedun. Lukoil has a 25% stake in the field while Norway's StatoilHydro owns the remaining 75%. According to Interfax, there was also an official statement from Lukoil that US sanctions against Iran have caused difficulties for the project that could completely halt its future development. Nonetheless, StatoilHydro's Iranian office representative said yesterday that negotiations are under way with the National Iranian Company. StatoilHydro insists that its goal is to fulfill all the contractual commitments for investments in Iran including Anaran and phases 6-8 of the giant gas field South Pars.

US sanctions hold Lukoil back. Lukoil, like Gazprom several days ago, has been invited by Iranian officials to negotiations for several large projects in the country. President Putin's recent visit in Iran opened the way for this development. However, while we view increased participation with an oil-and-gas-reserve-rich country such as Iran as a positive, Interfax reported that Fedun comments' regarding hold-ups in Iran pointed to more issues for Lukoil in projects in Sudan and Venezuela – again due to US sanctions and policies against these countries. Lukoil's operations in these countries are, in our view, hindered by the participation in its equity of US oil and gas major ConocoPhillips. This implicitly obliges Lukoil to conform with US foreign policy, meaning it misses out on significant opportunities in countries that its Russian origin could give it an advantage compared to its international peers. We view the news as negative for Lukoil and believe it reflects accurately the trend mentioned above. We do not officially cover Lukoil.

Aeroflot: Reports improved 1H07 earnings

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.
AFLT RU Equity	3.40	n/a	Not Rated	3.4/2.17	14.5%	15.3%	45.9%
Financials, USD mn		2006A	2007E	2008E	Price performance, USD		
Revenue	3,154	3,615	4,448				
EBITDA	459	512	641				
Net income	290	257	322				
Revenue growth	n/a	15%	23%				
EBITDA growth	n/a	12%	25%				
Net income growth	n/a	-12%	26%				
EBITDA margin	15%	14%	14%				
Net margin	9%	7%	7%				
EV/Revenue	1.3	1.2	0.9				
EV/EBITDA	9.2	8.2	6.6				
P/E	13.0	14.7	11.7				
MCAP, USD mn	3,777	Com., mn	1,111				
EV, USD mn	4,215	Pref., mn	0				
Free float	5%	Total, mn	1,111				

Source: Bloomberg

Source: Datastream, IBES consensus

Aeroflot may consider joint bid for Alitalia. Aeroflot, the largest Russian airline, reported yesterday its financial results for the first half of the year. The company continued its improvements on the revenue side and its margins that led to excellent performance on the EBITDA level, but net income continues to suffer from high DDA and high interest expenses. However, the big news came yesterday from Mikhail Poluboyarinov, Aeroflot's deputy CEO for financial planning, who told reporters that his company will make a decision on whether to bid for Italian airline Alitalia in the next two weeks and added that he would not rule out a joint bid with another company. The company would need to raise approximately USD1.4 bn in order to bid for a 49.9% stake in Alitalia (compared to USD970 mn of its long term liabilities currently).

1H07 earnings show impressive improvements. On the top line, revenues advanced by 28% compared to the first half of last year, driven by 17% y-o-y increases in both the number of passengers and the passenger kilometers transported. On the cost side the company improved its operating margin from 12.4% in 1H06 to 16% this year as total opex rose by 23%, below the revenue growth rate. The company did a good job on the fuel cost side (9% up y-o-y), helped by favorable y-o-y comparisons in the price of fuel oil paid (only 2.3% up y-o-y). Nevertheless, the two big headaches for Aeroflot continued: payroll advanced by 39% and maintenance expenses by 27% y-o-y. DDA was also elevated (up 73%) due to new planes. We underline the company's impressive performance on the EBITDA level (up 66.4% y-o-y). Finally net income rose by 19% as higher taxes and interest expenses took their toll on the company's bottom line.

Stricter control of payroll and maintenance expenses crucial for future. Overall, the company's results were not far from expectations and not far from the trends seen in the previous releases. The airline is making progress on the revenues side, but has still a long way to go on cutting its cost base. Stricter control of payroll and maintenance expenses will in our view become even more critical ahead of coming increases in fuel costs. On Alitalia's auction, we see Aeroflot's potential bid as somewhat risky as it might lead to suboptimal capital structure while the benefits to the company's bottom line could take years to see as the turnaround of Alitalia may well be a lengthy process. The stock trades at close to 11X 2007 PE and 9.3X 2007 EV/EBITDA – in our view, close to where it should be taking into account its relatively low liquidity. We do not officially cover this stock.

Aeroflot 1H07 IFRS financial highlights, USD mn

	1H07	1H06	Y-o-Y, %
Revenue	1,670.0	1,309.9	28.0%
Operating income	268.3	162.9	64.7%
Operating margin	16.0%	12.4%	3.6pp
EBITDA	340.6	204.7	66.4%
EBITDA margin	20.4%	15.6%	4.8pp
Net Income	160.8	135.4	18.8%
Net margin	9.6%	10.3%	(0.9pp)

Source: company data

Regional telcos: No local tariff hikes on the agenda for 2008

Ekaterina Generalova, e-mail: Ekaterina.Generalova@mdmbank.com

No hikes for local tariff; 4-5% decrease to LD tariffs on the 2008 agenda. The Federal Tariff Services (FTS) has no plans to raise local tariffs for 2008, Interfax reported, citing FTS's deputy head Vitali Yevdokimenko. The reason is that in the majority of regions local tariffs have already attained economically justified levels, with Moscow and St.-Petersburg cited as examples, and may even be reduced. Furthermore, such operators will be deprived of the compensational fee paid by long-distance operators in 2008, while the remaining operators will be deprived of the fee on 2009, when the fee will be abolished. At the same time, the FTS is considering cutting Rostelecom's long-distance tariffs by 4-5%.

Rostelecom: We reiterate our Sell recommendation. In our opinion there is little news in these comments in terms of local tariffs plans. We projected modest indexation of less than 8% for regional telcos' effective local tariffs in 2008. We do not rule out that operators will take unlimited tariff packages closer to the levels set by the regulator (currently at a 20-40% discount to the cap levels), but the rate increases will be marginal not to encourage mobile substitution. With regards to compensational fees, we estimate it at less than 2% of total revenues in 2008, which should encourage operators to replace it with fast-growing VAS proceeds, boosting their top-line contribution from 9-16% as of 1H07 to 15-20% in 2008. This news does, however, highlight Rostelecom's disadvantage with tariffs under regulation as competition gets stiffer. Overall, we reiterate our Rostelecom's Sell rating with a USD2.76 target price. We are currently adjusting our regional telcos models.

Wimm-Bill-Dann: Agrees to price freezing

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
WBD US	Wimm Bill Dann	111.00	Not Rated	121.18/41.2	31.1	16.0	4,884

Source: IBES consensus, Data Stream

Milk, Kefir and sour cream to have prices frozen. Wimm-Bill-Dann, the largest dairy producer in Russia, is very close to agreeing with the government and other dairy producers on a price freeze for certain dairy products. September's 9% m-o-m increase in milk prices has led the government to seek administrative measures in order to curb inflation. One of the top in the list appears to be an agreement with retail chains and dairy producers to freeze prices of milk in plastic packaging, kefir (fermented milk popular throughout Russia) and possibly smetana (sour cream) for the period of October 15 to the end of the year. WBD is one of the first and largest companies to participate in this agreement despite the fact that it faces climbing milk prices. We note that the large increase in milk prices last month was the result of global increases in milk prices, including those in Australia and most European countries.

Price freezing a sensible move for WBD. WBD's spokesman Anton Saraikin said yesterday that the company has not yet estimated the cost of such a price freeze but added that these three products were an "insignificant" proportion of profit – albeit a larger one in terms of revenues. We believe that WBD and the other producers are acting preemptively in this case as they saw increasing pressure on price freezing and preferred to voluntarily participate in this agreement. In this way, they both maintained good relationships with the government and limited the number of the products that will be in the "price freezing" list. Even though it is clearly negative news for WBD, we do not believe the impact will be meaningful in terms of EBITDA or net income as the duration of the price freezing is relatively short (less than three months) and the actual implementation will, in our view, be questionable. We do not officially cover Wimm-Bill-Dann.

News Briefs

Utilities

SUEK plans to bid for TGK-12 in the forthcoming placement (Interfax). SUEK's Deputy CEO Sergey Mironosetsky said that the company wants to gain control over TGK-12. Currently, SUEK owns a 44% stake and will acquire another 6% through share swaps. TGK-12 plans to sell a 16.5% stake (before placement) and SUEK needs to acquire approximately 50% of the additional shares to gain control over the company.

Competition for control of TGK-10 is intensifying with several foreign companies interested in the west Siberian power generator (Interfax). According to UES's people, Germany's E.ON, Finland's Fortum, a French company (most likely EdF), Gazprom and Lukoil could all bid for TGK-10. While it is in UES's interest to increase the value of its subsidiaries, in this case we do believe that increased competition might lead to higher valuations.

Industrials, Consumer, Banks

AFI Development Plc, the Russian real estate company, announced that it has made acquisitions of approximately USD120 mn to increase its stakes in three of its projects. The largest acquisition (USD82 mn) was on its Tverskaya Zastava redevelopment project while the remaining amount was spent on increasing its land bank. As expected the company is using the funds recently raised in its SPO for acquisitions.

Stock performance summary									
	Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
Oil and gas	Gazprom	11.36	-2.2%	-4.3%	4.3%	-1.0%	3.9%	-1.2%	11.91/8.75
	Novatek	52.60	-0.9%	-6.9%	5.4%	-10.2%	-0.8%	-17.2%	66/46.5
	Rosneft	8.45	-3.2%	-2.5%	-2.5%	-4.7%	2.2%	-7.7%	9.49/7.66
	Lukoil	83.00	-3.9%	-6.5%	2.9%	-3.3%	4.1%	-5.6%	91.8/71.9
	TNK-BP Holding	2.09	0.0%	0.5%	4.2%	2.0%	-8.7%	-19.5%	2.6/1.67
	Surgutneftegaz	1.27	-1.6%	-3.8%	-1.9%	3.3%	-1.7%	-17.0%	1.53/1.07
	Gazprom Neft	4.65	0.0%	2.0%	17.7%	10.7%	12.9%	2.0%	4.72/3.7
	Tatneft	5.43	-3.2%	-5.5%	3.4%	-1.1%	10.7%	11.1%	5.76/3.95
	Bashneft	15.60	0.0%	5.8%	16.9%	7.6%	7.6%	-2.5%	17.65/12
	Transneft pref	1,720.00	-2.8%	-6.3%	3.6%	-11.1%	-21.8%	-25.1%	2540/1435
	Integra	15.25	-1.0%	-0.1%	-0.3%	n/a	n/a	n/a	21.55/13.55
	C.A.T Oil	19.22	-0.6%	-1.7%	3.1%	-11.0%	11.2%	-3.9%	25.56/17.1
	West Siberian Resources	0.84	-5.2%	-6.8%	5.8%	-9.8%	-15.4%	-25.2%	1.16/0.66
Utilities	UES	1.19	-0.4%	0.8%	-2.7%	-16.2%	61.4%	10.0%	1.46/0.73
	OGK-1	0.10	n/a	n/a	n/a	n/a	n/a	n/a	0.18/0.09
	OGK-2	0.14	n/a	n/a	n/a	n/a	n/a	n/a	0.18/0.09
	OGK-3	0.16	0.0%	10.7%	15.7%	-9.9%	86.7%	26.5%	0.18/0.08
	OGK-4	0.13	-0.4%	-0.3%	0.0%	0.4%	128.0%	58.8%	0.13/0.06
	OGK 5	0.16	-0.2%	0.6%	3.2%	1.5%	68.2%	24.0%	0.17/0.09
	OGK-6	0.13	n/a	n/a	n/a	n/a	n/a	n/a	0.17/0.09
Telecoms and technology	MTS	73.35	1.6%	-3.3%	5.2%	11.7%	76.5%	46.1%	76.89/41.26
	Sistema	33.90	-1.2%	-6.8%	3.0%	5.0%	28.7%	5.9%	36.37/25.85
	VimpelCom	29.08	-0.7%	-6.6%	5.7%	30.4%	128.6%	84.2%	31.29/12.72
	Comstar	11.88	-0.7%	-1.0%	-0.3%	4.4%	74.7%	41.4%	13.71/6.8
	Rostelecom	10.03	0.0%	-4.5%	-3.6%	1.8%	102.6%	31.1%	10.7/4.9
	Golden Telecom	91.08	-1.1%	3.2%	23.0%	34.6%	137.9%	94.4%	94.44/35.75
	MGTS	29.52	-1.7%	-2.3%	-2.1%	-15.0%	33.9%	13.4%	34.29/19.66
	Uralsvyazinform	0.06	-2.6%	-3.0%	7.5%	-0.8%	48.1%	-9.2%	0.07/0.04
	Volga Telecom	5.72	0.0%	0.0%	22.5%	6.9%	44.1%	-5.5%	6.6/3.75
	Sibirtelecom	0.11	-1.8%	-3.5%	15.8%	0.9%	29.9%	-2.2%	0.13/0.08
	Northwest Telecom	1.76	-2.2%	-0.6%	21.9%	1.0%	39.2%	4.8%	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%	8.8%	-1.8%	53.1%	6.3%	0.23/0.12
	Dalsvyaz	5.05	0.0%	0.0%	7.4%	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	8.95	-1.4%	-3.2%	10.6%	-2.8%	-21.1%	-25.4%	12.1/7.53
	Metals and mining	Sitronics	6.83	-1.4%	-5.8%	16.2%	-6.4%	n/a	n/a
CTC Media		22.11	-3.1%	-3.8%	-5.8%	-23.1%	-18.6%	-7.9%	28.77/19.59
Rambler Media		39.97	-1.5%	4.1%	-0.4%	-16.2%	36.7%	18.4%	55/29.25
Norilsk Nickel		262.15	-2.2%	-4.8%	5.7%	18.1%	86.6%	67.0%	280/135.5
Polyus Gold		44.76	0.0%	2.9%	0.7%	6.6%	-3.8%	-9.2%	55.25/38.3
Severstal		21.80	-0.2%	-1.6%	9.0%	20.8%	77.1%	94.6%	23.84/10.84
Evraz Group		69.50	-1.4%	2.5%	21.5%	43.9%	183.1%	170.5%	70.5/24.25
Mechel		74.37	4.9%	2.1%	49.1%	64.6%	226.9%	191.9%	74.37/21.79
NLMK		37.50	-4.6%	-8.6%	15.2%	11.3%	79.4%	61.3%	42.05/20.5
MMK		1.21	0.0%	-5.5%	5.7%	6.1%	55.6%	39.1%	1.28/0.77
TMK		44.80	-3.7%	-3.7%	8.7%	9.0%	n/a	28.0%	46.99/21.6
VSMPO		300.00	0.0%	0.0%	3.4%	-3.4%	24.0%	2.4%	330/221.5
Sberbank		4.24	-2.3%	-4.1%	4.4%	-4.1%	83.9%	22.9%	4.42/2.21
Rosbank	7.28	0.0%	0.3%	7.6%	-4.2%	18.2%	-4.4%	7.67/5.55	
Industrials, consumer, banks	X5	34.00	-2.2%	-2.9%	4.8%	3.0%	54.5%	30.8%	37.5/22
	Seventh Continent	25.65	-0.8%	-2.5%	2.2%	-5.9%	-5.7%	-3.9%	29.3/24.1
	Dixy Group	13.95	-1.4%	-1.4%	10.0%	-2.9%	39.7%	29.1%	15.6/13.95
	Magnit	46.10	-1.0%	2.4%	10.0%	-2.9%	39.7%	29.1%	47.6/33
	Wimm-Bill-Dann	111.00	-2.9%	3.1%	-3.1%	11.6%	141.3%	66.8%	121.18/41.2
	Lebedyansky	87.85	0.0%	-0.2%	-1.3%	-3.5%	18.7%	9.8%	99/73.5
	Nutritek	51.25	-1.4%	-1.4%	11.4%	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	-0.6%	2.7%	13.6%	7.0%	15.0%	15.0%	4.63/3.6
	Severstal Auto	45.77	-2.6%	-4.6%	-2.6%	28.6%	96.9%	51.3%	48.75/23.25
	AvtoVAZ	1.60	0.0%	3.3%	14.5%	15.3%	45.9%	55.3%	1.74/0.65
	Aeroflot	3.40	0.0%	3.3%	14.5%	15.3%	45.9%	55.3%	3.4/2.17
	Veropharm	43.50	-1.1%	-1.5%	1.2%	1.9%	57.6%	37.0%	48.65/27.6
	Apteka 36.6	78.50	0.0%	4.3%	6.1%	-10.8%	74.4%	34.8%	96.1/45
	Pharmstandard	20.22	-4.6%	-0.1%	5.9%	26.4%	n/a	n/a	21.2/13.6
	Kalina	37.50	0.0%	3.6%	7.9%	-11.6%	-19.4%	-27.2%	51.5/34.25
	Oriflame (euro)	40.36	-0.9%	-6.8%	-5.0%	5.4%	46.8%	31.7%	44.07/27.48
Cherkizovo	13.70	0.0%	1.3%	10.0%	5.4%	-3.5%	0.7%	16.1/11.05	
Sistema Hals	10.04	-0.9%	-2.5%	-6.2%	-23.4%	n/a	-24.5%	15.05/9.1	
RTS Index	2,098.57	-2.0%	-3.6%	3.6%	0.4%	29.7%	9.2%	2176.9/1590.33	

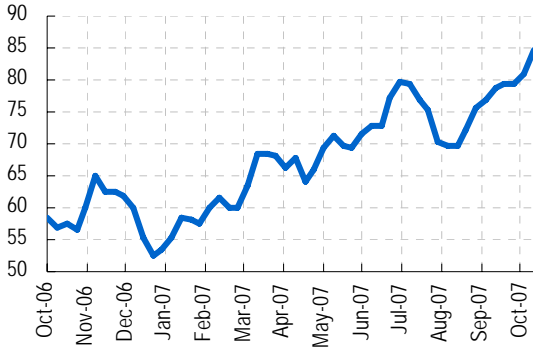
Source: Bloomberg

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	258,429	11.6	10.3	9.4	8.4	7.5	6.9	3.6	3.3	3.1	
	Novatek	15,969	23.2	17.1	13.0	14.5	11.0	8.6	6.9	5.3	4.0	
	Lukoil	70,633	9.5	10.1	10.1	6.3	6.6	6.5	1.2	1.2	1.2	
	Rosneft	89,562	21.6	18.3	16.8	11.9	10.5	8.9	2.9	2.6	2.5	
	Surгутneftegaz	50,532	12.1	12.4	14.9	5.9	6.1	6.8	2.1	2.0	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	12,285	9.7	10.5	11.0	6.0	6.8	7.7	1.1	1.2	1.2	
	Bashneft	2,652	5.7	6.4	6.9	3.3	3.7	3.9	0.7	0.8	0.8	
	Transneft pref	11,888	5.3	4.5	4.1	3.7	3.1	2.7	2.0	1.7	1.6	
	West Siberian Resources	996	30.1	25.1	9.5	9.6	7.1	4.4	3.6	2.6	1.9	
	Aggregate - oil and gas	533,995	11.7	10.8	10.5	7.2	6.7	6.4	2.4	2.1	2.0	
Utilities	UES	48,758	32.3	28.4	19.1	17.1	13.9	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	4,509	n/a	49.5	33.9	37.2	24.4	17.5	4.1	3.7	3.0	
	OGK-2	3,641	n/a	45.5	25.6	199.7	22.6	13.5	4.1	3.4	2.7	
	OGK-3	7,361	n/a	86.6	52.6	106.5	41.9	37.6	9.7	7.9	6.9	
	OGK-4	6,240	n/a	99.0	51.6	77.7	46.7	25.7	6.5	5.9	4.6	
	OGK 5	5,801	49.2	60.4	43.0	62.0	28.1	20.8	6.0	4.7	3.9	
	OGK-6	3,475	43.4	27.5	14.8	19.1	15.0	9.7	3.2	2.7	2.2	
	Aggregate - utilities	86,851	24.0	31.3	20.7	34.9	15.3	11.5	3.3	2.9	2.5	
Telecoms and technology	MTS	29,267	23.5	16.5	14.7	9.9	8.4	7.7	5.0	4.2	3.9	
	Sistema	16,374	18.1	13.6	12.5	8.4	7.0	6.4	3.1	2.8	2.6	
	VimpelCom	29,824	36.7	24.9	22.0	13.0	10.5	9.7	6.5	5.3	4.9	
		Aggregate - mobile telecoms	75,465	26.1	18.3	16.4	10.4	8.6	7.9	4.9	4.1	3.8
	Comstar	4,965	60.6	44.7	14.5	17.1	9.8	8.5	5.6	4.2	3.7	
	Rostelecom	7,932	n/a	69.0	57.9	20.2	18.1	16.1	3.4	3.4	3.2	
	Golden Telecom	3,338	39.0	28.5	21.3	14.8	10.4	7.9	3.9	2.9	2.3	
	MGTS	2,784	16.1	11.5	10.3	9.8	7.3	6.6	4.1	3.2	3.0	
	Uralsvyazinform	2,316	74.7	16.9	13.0	9.4	6.3	5.5	2.6	2.3	2.1	
	Volga Telecom	1,719	22.0	12.9	10.7	6.9	5.3	4.7	2.4	2.0	1.8	
	Sibirtelecom	1,601	37.6	7.7	6.0	8.2	4.7	4.0	2.0	1.6	1.5	
	Northwest Telecom	1,838	39.1	15.6	14.9	9.0	6.1	5.6	2.9	2.3	2.1	
	Center Telecom	1,820	27.0	28.4	16.5	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	1,305	30.2	14.2	10.3	8.5	5.8	4.7	0.7	0.6	0.5	
		Aggregate - fixed line telecoms	29,794	38.6	22.8	16.2	10.0	7.3	6.7	2.9	2.4	2.1
	RBC	1,029	26.0	26.9	12.8	15.4	10.6	7.7	4.6	3.6	2.8	
	CTC Media	3,350	22.6	17.4	13.6	13.5	10.5	8.4	6.4	5.0	4.0	
Rambler Media	600	49.5	24.8	16.2	30.3	13.7	9.5	7.5	4.4	3.4		
	Aggregate - media	4,979	32.7	23.0	14.2	19.7	11.6	8.6	6.2	4.3	3.4	
Metals and mining	Norilsk Nickel	47,973	6.4	7.7	10.3	4.1	5.1	7.0	3.0	3.3	3.9	
	Polyus Gold	8,548	40.8	53.1	60.9	19.3	23.1	23.0	8.3	8.7	8.7	
	Severstal	21,968	12.7	11.7	11.3	6.8	6.2	6.1	1.7	1.6	1.5	
	Evraz Group	24,375	13.5	13.5	13.0	8.3	7.9	8.7	2.6	2.5	2.4	
	Mechel	10,037	12.5	13.3	15.2	7.6	7.8	7.8	1.9	1.8	1.8	
	NLMK	22,474	10.7	11.3	11.2	6.6	6.9	6.6	3.1	3.0	2.8	
	MMK	12,297	7.6	7.5	6.8	5.3	5.1	4.8	1.6	1.5	1.4	
	TMK	9,766	14.7	10.2	12.9	8.9	6.6	8.4	2.7	2.2	2.1	
	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	161,038	16.6	16.3	16.5	9.6	8.8	8.7	3.5	3.2	3.0
Industrials, consumer, banks	Sberbank *	233	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
		Aggregate - banks	233	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
	X5	7,360	36.2	26.4	19.0	16.3	12.1	9.7	1.7	1.2	0.9	
	Magnit	3,319	40.6	29.5	20.0	17.3	12.2	9.0	1.0	0.7	0.6	
	Seventh Continent	1,924	29.6	23.2	16.4	14.2	10.1	7.5	1.5	1.1	0.8	
	Lebedyansky	1,793	17.7	15.1	13.2	11.4	9.5	8.3	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	4,884	31.1	22.9	18.9	16.0	12.4	10.1	2.3	1.9	1.6	
		Aggregate - FMCG	25,054	28.0	21.4	16.1	13.8	10.5	8.4	1.8	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	1,556	24.8	15.7	14.2	12.9	8.9	7.2	1.8	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	435	17.7	13.2	10.3	11.3	8.7	6.5	3.8	2.9	2.4	
	Kalina	366	12.5	10.3	10.0	7.8	6.8	6.3	1.1	1.0	0.9	
Oriflame (euro)	2,248	22.4	18.0	13.7	15.0	12.8	10.6	2.3	2.1	1.8		
	Aggregate valuation	926,572	12.4	11.5	10.7	8.1	7.5	7.1	2.5	2.3	2.1	
	FF-adj. MCAP W.A. valuation	263,270	14.9	14.6	13.2	9.7	8.2	7.6	3.3	3.0	2.9	

Source: MDM estimates, IBES consensus

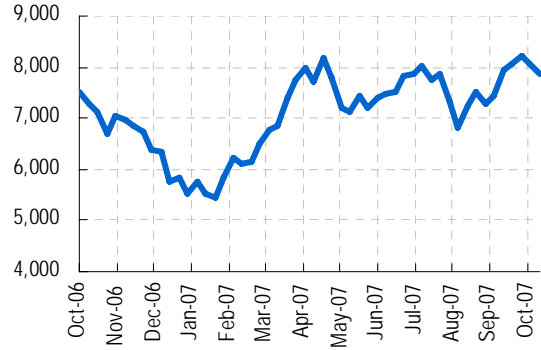
Key commodities

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



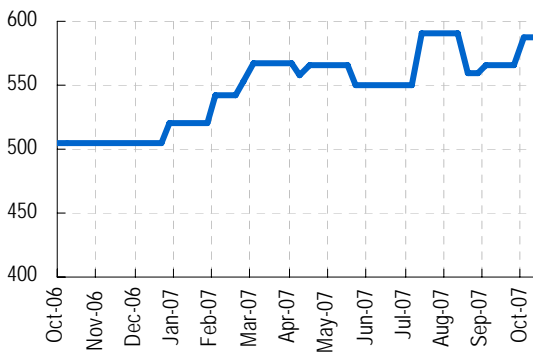
Source: Bloomberg

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



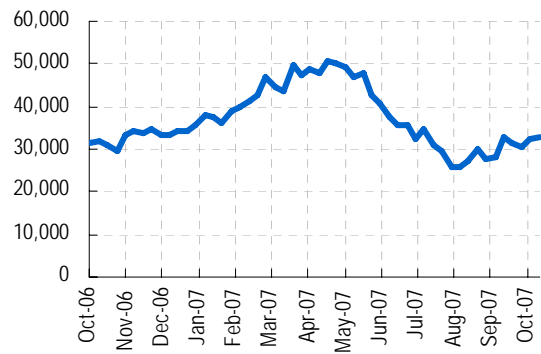
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MB-Steel HR Coil CIS, USD/ton



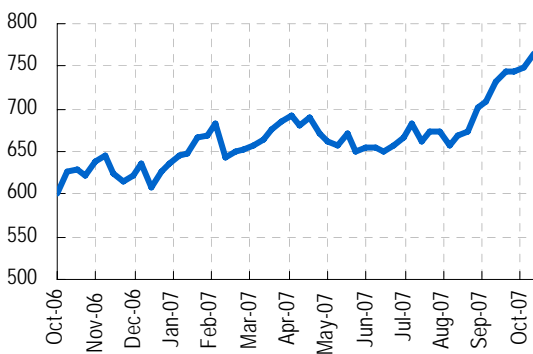
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LME-Nickel Cash - A.M. OFFICIAL, USD/ton



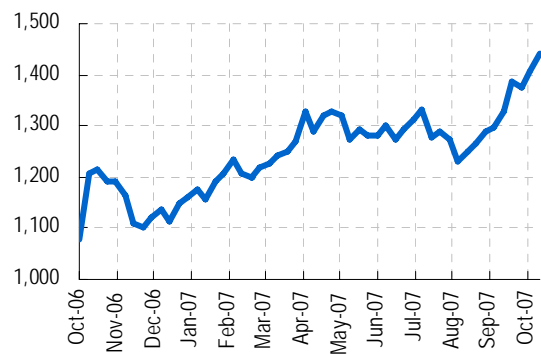
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg



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