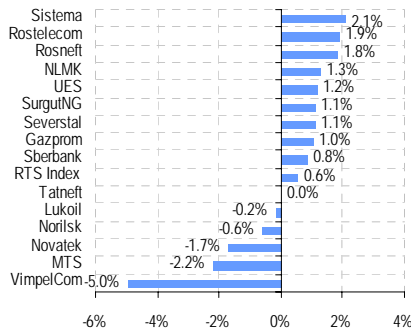
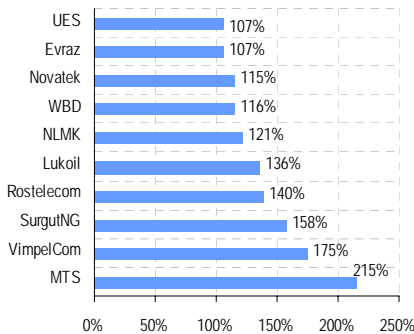


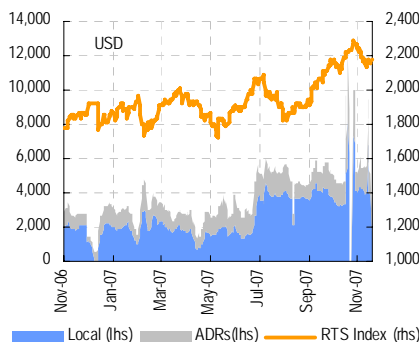
### Blue chips: advancers and decliners



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



### RTS index and weekly trading volumes



### Upcoming events

29 Nov	VimpelCom 3Q07 U.S. GAAP results
end Nov	Severstal 3Q07 IFRS results
02 Dec	Parliamentary Elections
04 Dec	Core CPI
Mid Dec	Wimm-Bill-Dann 3Q07 U.S. GAAP results
Mid Dec	OGK-1 9M2007 IFRS

### Market

Russian equities advanced yesterday, boosted by a recovery in oil prices. The RTS gained 0.6% to 2181 and the MICEX 0.5% to 1823. Today's opening could be on the weak side, with WTI again approaching USD90 and nickel prices losing further ground. On the international front, Fed chief Ben Bernanke's comments on a possible US rate cut should catch investors' attention this afternoon.

### Top news and ideas

- Gazprom: Could switch sales to rubles.** Gazprom's deputy CEO added that the change could happen "sooner rather than later." Such a move would essentially be a long term position against the USD. Although we believe further depreciation of the USD is likely, we view a bet against the USD as risky in the long term.
- TNK-BP: Gazprom talks on Kovykta delayed again.** Gazprom blamed TNK-BP for the delay. Both CEOs met in Moscow yesterday to discuss 'big issues', with Kovykta, future JVs and the possible buyout of the TNK partners likely on the agenda. In our view, significant announcements that could alter TNK-BP's stock trend are near.
- TGK-2: Fortum, RWE AG, Mitsui declare interest.** Gazprom, Norilsk Nickel, Trans Nafta, Franco-Belgian SUEZ and Italian Enel have already revealed an interest. Prosperity Capital Management (27% stake) will cooperate with a Western strategic investor, and we believe the high level of competition will boost the price.

### Other highlights

- Brief - Nutritek Group yesterday agreed to sell its domestic milk and agrarian units to Russargoprom for USD350 mn (Bloomberg).** The deal will be funded with USD250 mn in cash up front and a five year option of USD100 mn in cash or 30% of the assets sold in this deal. We believe the sale was a sound move as Nutritek will now focus on expanding its baby food segment, domestically and in Southeast Asia.
- Brief - WBD is expanding to Canada, producing mors through Wonder Berry Inc., a local Toronto partner.** The drink will also be distributed to the US, France and Israel. WBD's initiative is a positive, in our view, as the company will find a local customer base for mors, a traditional Russian drink, among large Russian communities in these countries – a smart way for WBD to make it's Western markets debut.

>>> More news on page 5

### Russian market in context

	Last Close	Performance/Trends				
		1D	1WK	1M	3M	12M
RTS Index	2,181	0.6%	2.1%	-1.9%	13.6%	22.7%
MSCI EM Europe Index	776	0.4%	1.7%	-2.5%	16.9%	26.2%
MSCI EM Index	1,227	1.9%	3.4%	-8.3%	12.9%	40.3%
S&P500 Index	1,470	0.1%	3.7%	-5.1%	-0.3%	4.9%
OIX (Oil majors) Index	805	0.5%	0.2%	-4.6%	8.2%	22.1%
GSCI (Commodities) index	5,813	0.7%	-1.0%	-1.6%	1.4%	-15.7%
Oil (WTI), USD/bbl	91.0	0.4%	1.0%	-2.7%	23.8%	45.7%
Nickel, USD/ton	27,753	0.6%	-6.3%	-10.5%	2.1%	-16.0%
Steel (HR), USD/ton	588	0.0%	0.0%	0.0%	-0.4%	16.3%
LT U.S. Treasury YTM	4.4%	4.4%	4.5%	4.7%	4.9%	4.7%
EMBI-Russia spread, bp	167	162	174	177	129	115
RUB/USD	24.36	24.31	24.34	24.77	25.68	26.35

Source: Datastream, Bloomberg

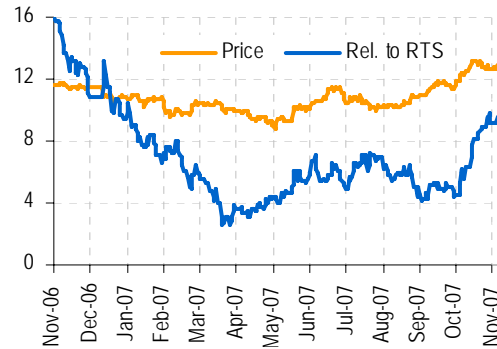
## Gazprom: Could switch sales to rubles

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 Equity	12.89	n/a	Not Rated	13.2/8.75	4.4%	24.8%	10.7%

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	4.0	3.7	3.4
EV/EBITDA	9.4	8.4	7.7
P/E	13.2	11.8	10.7
MCAP, USD mn	294,609	Com., mn	22,749
EV, USD mn	344,961	Pref., mn	
Free float	39%	Total, mn	22,749

Price performance, USD



Source: Bloomberg

Source: Bloomberg, MDM estimates, Datastream, IBES consensus

**Gazprom ruble switch “sooner rather than later.”** Gazprom deputy CEO for exports Alexander Medvedev has been very vocal in recent weeks and yesterday he cast another interesting nugget in the market’s direction. He said that Gazprom is considering selling its oil and gas in rubles rather than US dollars due to the significant depreciation of the latter this year. He did not give a specific timetable of implementation but added that it would happen “sooner rather than later”.

**Change to RUB nothing more than risky FX bet.** We view claims that Gazprom will start demanding rubles instead of dollars for payment as most likely part of grander political tactics and strategy from the Russian side. In the long-term, we do not believe that Gazprom would really benefit from such a move. If they embark on this course, they will be essentially taking a long-term position against the USD. With the market consensus calling for further USD depreciation and current market momentum decidedly against the USD, this might seem a confident bet. Nevertheless, we note that FX trends are subject to lightning change and there is therefore no guarantee, in our view, that this will benefit Gazprom in the long term.

**Uzbekistan wants Turkmen price parity.** In separate news, various media reported yesterday that an unnamed source from Uzbekistan’s state energy company Uzbekneftegaz said that the country wants a price increase for next year for the gas volumes it sells Gazprom. The source said that Uzbekistan wants to ask for more after the announcement of Gazprom’s agreement with Turkmenistan, which sets prices for 1H08 at USD130 per th cm and for 2H08 at USD150 per th. Uzbekistan supplies close to 9 bcm a year to Gazprom, a relatively small but not negligible amount, and Gazprom currently pays USD100 per th cm. We expect Gazprom to close a deal on the same terms as the Turkmen deal, as it believes it can pass through any price increases to its end customers and hence leave its bottom line unaffected.

## TNK-BP: Talks with Gazprom on Kovykta delayed again

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

**Gazprom blames TNK-BP for Kovykta delay.** Gazprom spokesman Sergei Kyrianov told reporters yesterday that the final agreement on the valuation and the sale of Kovykta field from TNK-BP to Gazprom will not be signed before the end of 2007. Gazprom deputy CEO Alexander Medvedev blamed TNK-BP yesterday for not completing the valuation of the asset. The two companies had previously announced that by December 2<sup>nd</sup> a final agreement would be announced. This is the second delay in the sale of TNK-BP's stake in Kovykta. TNK-BP owns a 63% stake in the gas field with an estimated value of USD900 mn.

**CEOs met to discuss 'big issues'.** Kyrianov added that Gazprom CEO Alexei Miller and BP CEO Tony Hayward had discussions on some big issues yesterday in Moscow and the Kovykta valuation was one of them. Other issues we suspect were part of these negotiations include the assets to be contributed to the already announced USD3 bn global joint venture between the two companies, the possible buyout of TNK partners by Gazprom (something that could also involve BP), the possible separation of Slavneft assets (or their inclusion in the JV), and last but not least, BP's interest in participating in some of the large LNG projects Gazprom is considering.

**Significant changes to TNK-BP stock trend afoot.** We believe that negotiations on all the above important issues are entering their final stage and that we could hear significant announcements in the coming weeks. The catalyst, we believe, is the expiration of TNK partners' option to sell their stake to other parties. Even though it is too early to estimate what transactions might take place, if any, we expect TNK-BP to come out stronger after the dust has settled. If Gazprom gets involved in any way, which we believe will be the case, TNK-BP will be offered better political protection in the future and may be allowed to participate in the development of several new fields in Russia that will allow it to better fight the high decline rates in its core assets. On the other side, the big risk in our view is that deals will be concluded in a way that would make BP the big beneficiary and leave little for TNK-BP minorities. In addition, Gazprom is well known for being a tough negotiator – particularly for assets within Russia. Clearly it is too early to draw any conclusions, but we believe we are coming close to significant announcements that could alter the TNK-BP stock trend.

## TGK-2: Fortum, RWE AG, Mitsui declare interest

Vladislav Nigmatullin, e-mail: [Vladislav.Nigmatullin@mdmbank.com](mailto:Vladislav.Nigmatullin@mdmbank.com)

**Competition mounts as foreign investors line up.** German concern RWE AG, Finnish utility Fortum and Japanese company Mitsui & Co. are all interested in acquiring a 28% (post money) stake in TGK-2, the company's representative told *Kommersant* yesterday. Gazprom, Norilsk Nickel, Trans Nafta, Franco-Belgian SUEZ and Italian Enel have also revealed an interest in buying shares of the generating company *Kommersant* reported today, citing an unnamed source.

**Competition may push up the prices.** Currently UES owns a 49.36% stake, while 27% of the company is owned by the investment fund Prosperity Capital Management. Overall, the company will sell 39.6% (pre money) of new shares, while UES plans to sell the state's stake (34% pre money). A strategic investor may be able to acquire as much as 53% (post money) by purchasing both stakes. The CEO of Prosperity Capital Management Alexander Branis reported that his fund plans to cooperate with a Western strategic investor in acquiring control over TGK-2. The high competition among the investors may push up the price for the stake, in our view, which would be good news for minority shareholders as well.

## News Briefs

### Oil & Gas

**Lukoil officially started its first gas production field outside Russia yesterday.** Khauzak gas field is in Uzbekistan and is expected to produce 3 bcm in 2008 and reach peak production in 2013 (9 bcm). Gas is delivered through Gazprom pipelines. Lukoil has spent USD350 mn in Uzbekistan and plans to spend another USD130 mn by the end of 2008. This was in line with the company's timetable given earlier this year.

**The Federal Anti-Monopoly Service has delayed its decision on the sale of Russneft stake to billionaire Oleg Deripaska by a week** (Interfax). The FAS said that there were new documents that it needs to study but gave no specific details. We do not expect any surprises here and believe the sale will get approval.

### Utilities

**UES reduced its stake in TGK-11 from 100% down to 50.47% as a result of the power generation reform process** (Bloomberg). The change in the shareholding structure became effective on November 27. It is expected that TGK-11 securities will be admitted to trading on MICEX and the RTS in December.

### Banking

**Sberbank could lose 100 to 200 of its top managers after former Economy Minister German Gref takes over as CEO** (*Kommersant*). Most of them will resign rather than being forced out. Losing so many top people could be a negative in the short term but with such a lack of skilled people in the Russian banking business it could be a long term negative as well.

### Other

**Berezovsky faces 6 years in jail for embezzlement from Aeroflot in the 1990s and a USD8.8 mn fine, according to yesterday's Moscow court ruling** (Interfax). The news is neutral for the airline as the fine is about 3% of its 2007 estimated net income (less if taxed); besides, it stands little chance of being enforced while Berezovsky remains under British protection.

Stock performance summary									
	Company name	Last price, USD	1D	1WK	1M	3M	12M	YTD	12M High/Low
Oil and gas	Gazprom	12.95	1.0%	2.9%	4.4%	24.8%	10.7%	12.6%	13.2/8.75
	Novatek	64.20	-1.7%	5.8%	11.8%	28.4%	-0.5%	1.1%	66/46.5
	Rosneft	8.82	1.8%	2.0%	0.6%	5.6%	-2.2%	-3.6%	9.49/7.66
	Lukoil	85.55	-0.2%	0.5%	-5.5%	14.5%	-3.9%	-2.7%	95/71.9
	TNK-BP Holding	2.18	-0.5%	1.2%	-4.6%	11.5%	-10.7%	-16.2%	2.6/1.67
	Surgutneftegaz	1.17	1.1%	-0.2%	-11.5%	-7.6%	-15.3%	-23.3%	1.53/1.07
	Gazprom Neft	5.17	0.0%	0.0%	11.2%	32.6%	27.7%	13.4%	5.3/3.7
	Tatneft	5.87	0.7%	4.8%	-6.0%	10.9%	11.2%	17.4%	6.25/3.95
	Bashneft	15.50	0.0%	-0.3%	-4.5%	14.8%	-6.6%	-3.1%	17.2/12
	Transneft pref	1,860.00	-0.3%	1.3%	-4.4%	24.0%	-22.8%	-19.0%	2495/1435
	Integra	15.05	2.4%	6.6%	-5.9%	n/a	n/a	n/a	21.55/13.55
	C.A.T Oil	16.55	1.8%	7.2%	-10.2%	-19.9%	-10.3%	-17.3%	25.56/15.44
	West Siberian Resources	0.75	1.3%	5.5%	-15.4%	-4.4%	-39.5%	-35.0%	1.16/0.66
Utilities	UES	1.23	1.1%	2.2%	1.3%	5.2%	39.0%	22.3%	1.37/0.89
	OGK-1	0.12	n/a	n/a	n/a	n/a	n/a	n/a	0.18/0.09
	OGK-2	0.13	n/a	n/a	n/a	n/a	n/a	n/a	0.18/0.12
	OGK-3	0.14	0.0%	0.7%	-10.3%	-4.1%	35.0%	13.5%	0.18/0.1
	OGK-4	0.13	0.0%	0.0%	0.4%	8.9%	67.5%	61.3%	0.13/0.08
	OGK-5	0.18	0.3%	0.9%	1.7%	5.9%	43.7%	30.4%	0.18/0.11
Telecoms and technology	OGK-6	0.13	n/a	n/a	n/a	n/a	n/a	n/a	0.17/0.11
	MTS	90.13	-2.2%	6.6%	8.6%	36.2%	87.4%	79.6%	93.78/45.81
	Sistema	39.30	2.1%	6.2%	-1.5%	29.5%	41.6%	22.8%	40.6/25.85
	VimpelCom	34.21	-5.0%	10.2%	3.4%	40.2%	124.8%	116.7%	36/14.79
	Comstar	10.69	4.8%	-5.4%	-12.7%	-2.6%	43.7%	27.3%	13.71/6.92
	Rostelecom	10.65	1.9%	8.1%	7.8%	7.6%	69.7%	39.2%	10.7/6.28
	Golden Telecom	101.11	-4.1%	3.8%	-2.3%	47.4%	148.9%	115.9%	108.85/38.85
	MGTS	30.89	2.4%	1.8%	0.4%	-5.2%	29.4%	15.9%	34.29/22.16
	Uralsvyazinform	0.07	1.0%	1.1%	-2.1%	4.4%	34.2%	-7.5%	0.07/0.05
	Volga Telecom	5.88	-0.3%	3.2%	3.2%	27.3%	32.1%	-2.8%	6.6/4.45
	Sibirtelecom	0.12	3.4%	3.4%	9.8%	24.2%	33.7%	9.3%	0.13/0.09
	Northwest Telecom	1.73	-0.4%	-1.6%	-6.0%	8.1%	18.7%	1.0%	1.92/1.23
	Center Telecom	0.90	0.0%	-2.2%	-2.2%	-0.6%	31.0%	19.3%	1/0.66
	Southern Telecom	0.21	0.0%	0.0%	9.1%	23.5%	49.5%	16.7%	0.23/0.14
	Dalsvyaz	5.50	0.0%	0.0%	4.2%	19.6%	64.2%	32.2%	5.7/3.35
	Bashinformsvyaz	0.17	0.0%	0.0%	-2.3%	-2.8%	-1.7%	-24.4%	0.23/0.17
	RBC	9.26	0.0%	0.8%	-0.8%	16.7%	-23.7%	-24.6%	12.1/7.53
	Sitronics	5.70	0.9%	-5.0%	-19.7%	-8.8%	n/a	n/a	12/5
	CTC Media	23.86	-0.7%	0.6%	-4.9%	3.7%	5.6%	-0.6%	28.77/19.59
	Rambler Media	31.88	-1.1%	-6.0%	-15.0%	-25.2%	-5.5%	-5.5%	55/31.79
Metals and mining	Norilsk Nickel	282.40	-0.6%	1.4%	-3.8%	26.1%	87.4%	79.9%	309.9/135.5
	Polyus Gold	42.60	0.5%	0.5%	-6.4%	6.2%	-15.2%	-13.6%	55.25/38.3
	Severstal	22.70	1.1%	2.0%	-4.2%	32.0%	98.3%	102.7%	23.84/10.85
	Evrz Group	73.00	4.3%	11.5%	-3.3%	44.6%	192.0%	184.2%	82.6/24.5
	Mechel	82.77	0.2%	11.7%	-1.6%	90.1%	220.9%	224.8%	86.73/23.73
	NLMK	38.50	1.3%	-0.4%	-6.6%	19.2%	63.1%	65.6%	44.89/20.8
	MMK	1.25	-0.8%	2.7%	-3.8%	13.6%	60.3%	43.7%	1.39/0.77
	TMK	42.00	3.7%	7.7%	-5.6%	9.1%	n/a	20.0%	46.99/28.63
	VSMPO	315.00	0.0%	-1.9%	-0.6%	10.9%	25.0%	7.5%	330/252
	Sberbank	4.20	0.8%	4.9%	-2.4%	9.5%	68.1%	21.6%	4.42/2.49
	Rosbank	7.11	0.5%	1.1%	-7.3%	-1.5%	16.2%	-8.8%	7.67/5.64
	X5	31.50	3.3%	-4.7%	-12.5%	-6.0%	21.2%	21.2%	37.5/24.6
	Seventh Continent	26.00	0.0%	-2.3%	-1.0%	4.0%	-2.8%	-2.6%	29.3/24.1
Industrials, consumer, banks	Dixy Group	13.85	0.0%	-0.7%	2.2%	13.9%	37.0%	30.8%	15.6/13.85
	Magnit	46.70	0.4%	-2.9%	2.2%	13.9%	37.0%	30.8%	48.45/33.75
	Wimm-Bill-Dann	113.09	-1.1%	-5.5%	-5.6%	10.5%	137.8%	69.9%	134.62/47.55
	Lebedyansky	88.50	0.0%	0.0%	-4.8%	1.7%	10.3%	10.6%	99/73.5
	Nutritek	52.00	-1.6%	-1.9%	0.0%	6.9%	21.4%	15.3%	53.8/44.9
	Baltika (euro)	34.55	3.0%	5.2%	4.6%	6.9%	21.4%	15.3%	36.96/31.59
	Razgulay	5.04	0.8%	0.8%	5.0%	22.9%	29.2%	26.0%	5.45/3.6
	Severstal Auto	48.00	-2.0%	-2.0%	0.0%	17.8%	81.1%	58.7%	51.1/26.5
	AvtoVAZ	1.56	0.0%	1.1%	3.4%	32.8%	60.0%	64.4%	1.74/0.67
	Aeroflot	3.60	0.0%	1.1%	3.4%	32.8%	60.0%	64.4%	3.6/2.17
	Veropharm	48.25	0.0%	-0.5%	2.1%	7.2%	57.2%	52.0%	48.65/29.1
	Apteka 36.6	72.00	-4.3%	-5.0%	-4.6%	-9.4%	39.9%	23.6%	96.1/51.45
	Pharmstandard	22.00	7.3%	10.0%	0.9%	31.3%	n/a	n/a	23.28/13.6
	Kalina	43.40	0.0%	0.0%	1.2%	18.9%	-4.6%	-15.7%	51.5/34.25
	Oriflame (euro)	41.31	-0.9%	6.3%	1.0%	2.6%	50.4%	37.6%	44.07/28
	Cherkizovo	13.13	0.1%	-8.8%	-8.7%	6.7%	-12.5%	-3.5%	17.35/11.05
	Sistema Hals	9.00	-2.7%	1.0%	-7.7%	-23.7%	n/a	-32.3%	15.05/8.91
<b>RTS Index</b>	<b>2,180.50</b>	<b>0.6%</b>	<b>2.1%</b>	<b>-1.9%</b>	<b>13.6%</b>	<b>22.7%</b>	<b>13.5%</b>	<b>2288.15/1724.69</b>	

Source: Bloomberg

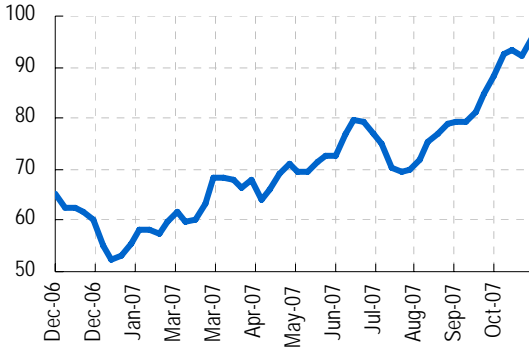
## Stock valuation summary

		Company name	MCAP, USD mn	P/E			EV/EBITDA			EV/Revenue		
				2006E	2007E	2008E	2006E	2007E	2008E	2006E	2007E	2008E
Oil and gas	Gazprom	294,609	13.2	11.8	10.7	9.4	8.4	7.7	4.0	3.7	3.4	
	Novatek	19,491	28.3	20.9	15.9	17.7	13.5	10.6	8.5	6.5	4.9	
	Lukoil	72,803	9.8	10.4	10.4	6.5	6.8	6.7	1.2	1.2	1.2	
	Rosneft	93,483	22.6	19.1	17.5	12.4	10.9	9.2	3.0	2.7	2.6	
	Surгутneftegaz	46,882	11.2	11.5	13.8	5.4	5.6	6.3	1.9	1.9	1.9	
	Gazprom Neft	24,511	7.4	8.7	9.1	4.9	5.6	6.1	1.3	1.3	1.3	
	Tatneft	13,265	10.5	11.3	11.8	6.5	7.3	8.3	1.2	1.2	1.3	
	Bashneft	2,635	5.7	6.4	6.8	3.3	3.7	3.9	0.7	0.8	0.8	
	Transneft pref	12,855	5.7	4.9	4.4	4.0	3.3	2.8	2.2	1.8	1.6	
	West Siberian Resources	886	26.8	22.3	8.4	8.8	6.5	4.0	3.3	2.4	1.7	
	<b>Aggregate - oil and gas</b>	<b>580,535</b>	<b>12.7</b>	<b>11.7</b>	<b>11.2</b>	<b>7.8</b>	<b>7.2</b>	<b>6.8</b>	<b>2.7</b>	<b>2.4</b>	<b>2.1</b>	
Utilities	UES	50,646	33.6	29.5	19.9	17.3	14.1	10.2	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	5,134	n/a	56.4	38.6	42.3	27.8	19.9	4.7	4.2	3.4	
	OGK-2	3,397	n/a	42.5	23.9	186.9	21.1	12.6	3.8	3.2	2.6	
	OGK-3	6,601	n/a	77.7	47.1	95.6	37.6	33.8	8.7	7.1	6.2	
	OGK-4	6,338	n/a	n/a	52.4	78.9	47.5	26.1	6.6	6.0	4.7	
	OGK 5	6,190	52.5	64.5	45.9	66.3	30.1	22.3	6.5	5.1	4.2	
	<b>Aggregate - utilities</b>	<b>88,848</b>	<b>24.3</b>	<b>27.1</b>	<b>20.9</b>	<b>34.3</b>	<b>15.4</b>	<b>11.5</b>	<b>3.3</b>	<b>2.9</b>	<b>2.5</b>	
Telecoms and technology	MTS	35,962	28.9	20.2	18.1	12.0	10.2	9.3	6.1	5.1	4.7	
	Sistema	18,982	21.0	15.8	14.4	9.8	8.2	7.5	3.6	3.3	3.0	
	VimpelCom	35,086	43.2	29.2	25.9	15.1	12.3	11.3	7.6	6.2	5.7	
		<b>Aggregate - mobile telecoms</b>	<b>90,030</b>	<b>31.0</b>	<b>21.7</b>	<b>19.5</b>	<b>12.3</b>	<b>10.2</b>	<b>9.4</b>	<b>5.8</b>	<b>4.8</b>	<b>4.5</b>
	Comstar	4,468	54.5	40.3	13.1	15.7	9.0	7.8	5.1	3.9	3.4	
	Rostelecom	8,413	n/a	73.2	61.4	21.5	19.2	17.1	3.6	3.6	3.4	
	Golden Telecom	3,706	43.3	31.7	23.6	16.4	11.6	8.8	4.4	3.2	2.6	
	MGTS	2,893	16.7	11.9	10.7	10.2	7.5	6.8	4.2	3.3	3.1	
	Uralsvyazinform	2,405	77.6	17.6	13.5	9.7	6.5	5.7	2.7	2.3	2.1	
	Volga Telecom	1,770	22.7	13.3	11.1	7.0	5.4	4.8	2.5	2.1	1.9	
	Sibirtelecom	1,786	41.9	8.5	6.7	8.9	5.1	4.3	2.2	1.8	1.6	
	Northwest Telecom	1,820	38.7	15.4	14.8	8.9	6.0	5.5	2.9	2.3	2.0	
	Center Telecom	1,736	25.7	27.1	15.8	6.3	5.8	5.0	2.3	2.0	1.8	
	Southern Telecom	746	57.4	18.6	16.6	6.7	6.2	5.7	2.3	2.1	1.9	
	Dalsvyaz	668	51.4	13.9	9.5	9.0	5.3	4.2	2.3	1.7	1.5	
	Bashinformsvyaz	168	7.4	7.9	4.5	3.2	3.1	n/a	1.1	1.0	0.8	
	Sitronics	1,089	25.2	11.8	8.6	7.1	4.9	3.9	0.6	0.5	0.4	
		<b>Aggregate - fixed line telecoms</b>	<b>30,578</b>	<b>39.7</b>	<b>23.3</b>	<b>16.8</b>	<b>10.3</b>	<b>7.6</b>	<b>6.9</b>	<b>3.0</b>	<b>2.4</b>	<b>2.2</b>
	RBC	1,065	27.0	27.8	13.2	16.0	11.0	8.0	4.7	3.7	2.9	
	CTC Media	3,615	24.4	18.7	14.7	14.6	11.4	9.1	6.9	5.4	4.3	
Rambler Media	479	39.5	19.8	12.9	24.1	10.9	7.6	6.0	3.5	2.7		
	<b>Aggregate - media</b>	<b>5,159</b>	<b>30.3</b>	<b>22.1</b>	<b>13.6</b>	<b>18.2</b>	<b>11.1</b>	<b>8.2</b>	<b>5.9</b>	<b>4.2</b>	<b>3.3</b>	
Metals and mining	Norilsk Nickel	51,679	6.9	8.3	11.1	4.4	5.5	7.5	3.2	3.6	4.2	
	Polyus Gold	8,137	38.9	50.6	58.0	18.2	21.8	21.6	7.8	8.2	8.2	
	Severstal	22,874	13.2	12.2	11.8	7.0	6.5	6.3	1.8	1.7	1.6	
	Evraz Group	25,602	14.2	14.2	13.6	8.6	8.3	9.0	2.8	2.6	2.5	
	Mechel	11,171	13.9	14.8	16.9	8.5	8.7	8.7	2.1	2.0	2.0	
	NLMK	23,073	11.0	11.6	11.5	6.8	7.0	6.8	3.1	3.1	2.8	
	MMK	12,704	7.8	7.8	7.0	5.5	5.3	5.0	1.7	1.6	1.5	
	TMK	9,156	13.8	9.6	12.1	8.3	6.1	7.9	2.5	2.1	2.0	
	VSMPO	3,780	14.9	11.7	9.3	9.6	7.8	6.1	3.7	3.1	2.5	
		<b>Aggregate - metals and mining</b>	<b>168,176</b>	<b>16.5</b>	<b>16.3</b>	<b>16.5</b>	<b>9.5</b>	<b>8.8</b>	<b>8.7</b>	<b>3.5</b>	<b>3.2</b>	<b>3.1</b>
Industrials, consumer, banks	Sberbank *	236	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
		<b>Aggregate - banks</b>	<b>236</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>
	X5	6,819	33.6	24.5	17.6	15.3	11.3	9.1	1.6	1.1	0.9	
	Magnit	3,362	41.2	29.9	20.2	17.5	12.3	9.1	1.0	0.7	0.6	
	Seventh Continent	1,950	30.0	23.5	16.6	14.4	10.3	7.7	1.5	1.1	0.8	
	Lebedyansky	1,806	17.9	15.2	13.3	11.5	9.5	8.3	2.2	1.8	1.5	
	Baltika (euro)	5,891	12.7	11.4	9.5	7.7	7.1	5.7	2.4	2.2	1.8	
	Wimm-Bill-Dann	4,976	31.7	23.4	19.2	16.3	12.6	10.3	2.3	1.9	1.7	
		<b>Aggregate - FMCG</b>	<b>24,805</b>	<b>27.8</b>	<b>21.3</b>	<b>16.1</b>	<b>13.8</b>	<b>10.5</b>	<b>8.4</b>	<b>1.8</b>	<b>1.5</b>	<b>1.2</b>
	Razgulay	534	25.1	12.1	11.2	8.6	6.0	5.7	1.1	0.9	0.8	
	Severstal Auto	1,632	26.0	16.5	14.9	13.4	9.2	7.5	1.9	1.3	1.0	
	AvtoVAZ	292	2.3	2.0	1.1	1.8	1.7	n/a	0.2	0.2	0.2	
	Aeroflot	4,000	13.8	15.6	12.4	9.7	8.7	6.9	1.4	1.2	1.0	
	Veropharm	483	19.7	14.6	11.4	12.5	9.6	7.2	4.2	3.3	2.7	
Kalina	423	14.4	11.9	11.5	8.8	7.6	7.2	1.3	1.1	1.1		
Oriflame (euro)	2,301	22.9	18.4	14.0	15.4	13.1	10.9	2.4	2.1	1.8		
	<b>Aggregate valuation</b>	<b>998,031</b>	<b>13.4</b>	<b>12.4</b>	<b>11.5</b>	<b>8.6</b>	<b>8.0</b>	<b>7.5</b>	<b>2.7</b>	<b>2.5</b>	<b>2.3</b>	
	FF-adj. MCAP W.A. valuation	287,561	16.4	15.3	14.2	10.4	8.8	8.2	3.7	3.3	3.2	

Source: MDM estimates, IBES consensus

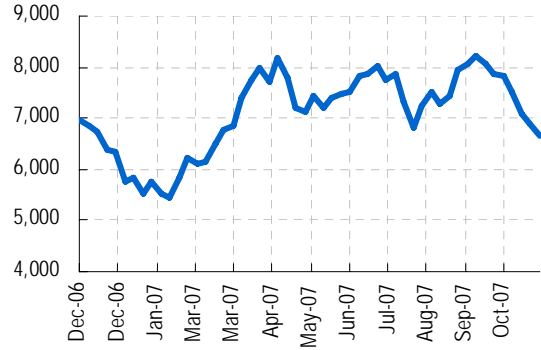
## Key commodities

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



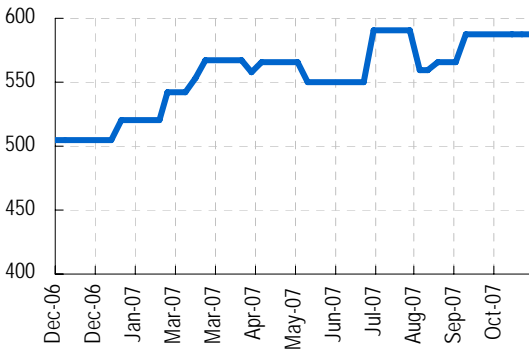
Source: Bloomberg

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



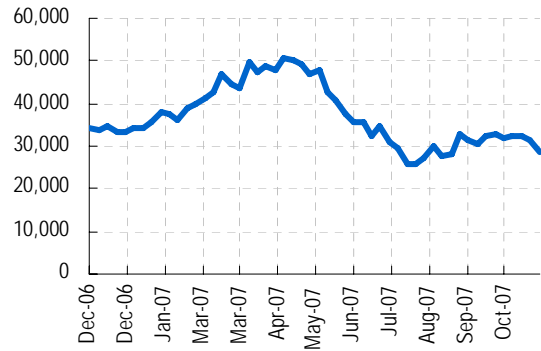
Source: Bloomberg

MB-Steel HR Coil CIS, USD/ton



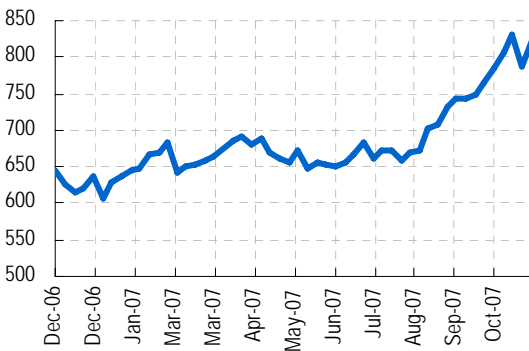
Source: Bloomberg

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



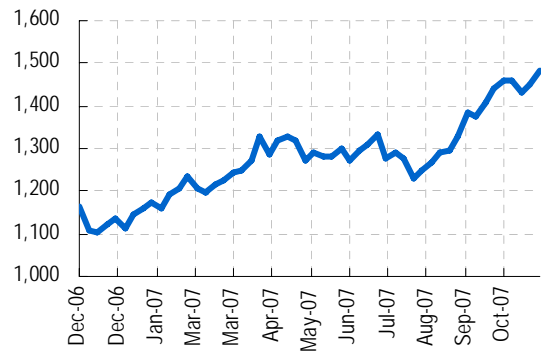
Source: Bloomberg

Gold Bullion, USD/oz



Source: Bloomberg

MB-Platinum Matthey, USD/oz



Source: Bloomberg





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