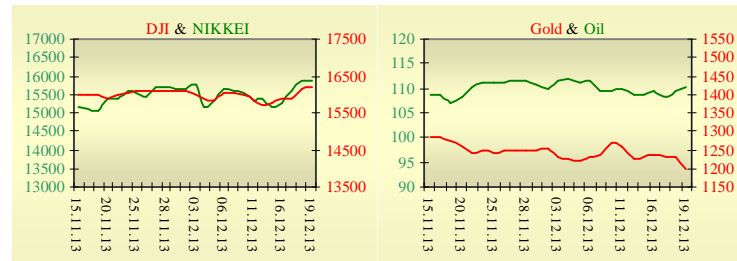
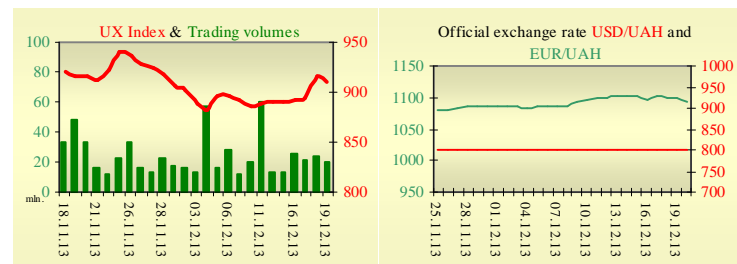


Morning stock market review 20 December 2013

Index	Closing	Change
Dow Jones	16 179.08	0.07%
S&P 500	1 809.60	-0.06%
NASDAQ comp	4 058.14	-0.29%
FTSE 100	6 584.70	1.43%
CAC 40	4 177.03	1.64%
DAX 30	9 335.74	1.68%
Nikkei 225	15 870.42	0.07%



UX	Index	Change	Volume, UAH mln.
	910.02	-0.69%	19.9



Value for 10:13		
Futures	Index	Change
Dow Jones	16 132.00	0.10%
S&P 500	1 805.20	0.17%
NASDAQ 100	3 499.50	0.19%

Commodity markets		
Oil Brent	110.29	0.60%
Gold	1 196.00	-2.80%

Interbank loans	19 December		
	o/n	7 days	30 days
KIBID (UAH)	5.46	8.00	8.75
KIBOR (UAH)	9.73	1 11.0	1 13.5
KIBID (USD)	3.30		
KIBOR (USD)	5.90		

Interbank currency	Bid/Ask	
	closing 19 December	
UAH/USD	8.2850 / 8.2950	
UAH/EUR	0.2517 / 0.2522	
UAH/RUB	11.3218 / 11.3414	

Last closure

On Tuesday, December 20, trades in USA have come to the end with mixed dynamics, as home re-sales fell 4.3% to an annual rate of 4.90 million. That was the weakest pace since December 2012 and the first time since April that the pace has slipped below 5 million. Sales in November were 1.2% lower than in the same month a year ago, the first year-over-year decline in 29 months. The Philadelphia Fed's manufacturing index inched up to 7 in December from 6.5 in November. Economists expected a rebound to 11. The ISM factory index rose to 57.3 in November, its highest level since April 2011. The December reading will be released on Jan. 2. On the day's result, index Dow Jones rose by 0.07%, S&P has lowered by 0.06%, Nasdaq has decreased by 0.29%.

European stocks rallied the most in 3 1/2 months as the Federal Reserve's decision to slow the pace of its stimulus boosted investor confidence that the U.S. economic recovery is on course. In Europe, finance ministers reached an agreement on how to deal with failing banks in the 17-nation euro area by pledging a 55 billion-euro (\$75 billion) industry-financed fund for the next 10 years. The eurozone's current account surplus grew to 21.8 billion euros (\$29.8 billion) in October from 14.9 billion euros in September. UK retail sales rose by 0.3% in November from the month before, and were up 2% from a year earlier. The increase was driven by a 3.8% rise in sales of shoes, clothes and textiles. On the day's result, British FTSE rose by 1.43%, CAC 40 (France) grew by 1.64%, DAX (Germany) has increased by 1.68%.

January's contractual price on Brent oil, grew by \$0.66 to \$110.29 per barrel.

In Ukraine

Trades on the Ukrainian stock exchange opened by growth, day passed with negative dynamics. Value of the UX index has declined by 0.69% to 910.02. Share trades capacity on the application market was equal to UAH 5.2 million. Trades capacity on the derivatives market was equal to UAH 6.4 million. Total trades capacity for yesterday — UAH 26.3 million.

From ten shares of an index basket, only shares of Motor Sich (+2.02%) have grown in price. Worse than market looked shares of UkrSotsbank (-3.14%) and Raiffeisen Bank Aval (-2.10%). The Cabinet of Ministers of Ukraine approved the terms of the foreign bond issue at USD 3 billion under 5% annual. The nominal value of one bond is USD 200,000 and/or a larger amount, which is an integer, equivalent of USD 1,000. The yield of the bond is 5% per annum.

Premarket

External background at the opening is neutral.

Market research group GfK said its index of Germany's consumer climate rose by 0.3 points to 7.4 in December from 7.1 in November, whose figure was revised up from a reading of 7.0. Analysts had expected the index to remain unchanged at 7.1 in December. The Asian indexes are showing mixed dynamics today. Nikkei rose by 0.07%, Hong Kong Hang Seng declining by 0.40%.

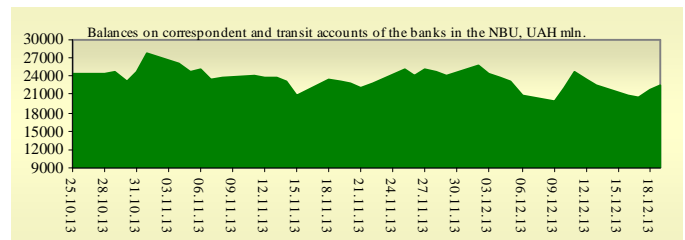
Futures on American indexes are growing today from 0.15% to 0.2%. Russian indexes as of 10:00 a.m. are decreasing—RTS decreasing by 0.18%, MICEX lowers by 0.15%.

Our expectations

We expect opening of the Ukrainian market on neutral territory.

In Europe will be published data on GDP in the U.K. (11:30 a.m.).

In the U.S. will be published Gross Domestic Product (03:30 p.m.) and data on real consumer spending (03:30 p.m.).



Financial ratios for Ukrainian issuers

Ticker	Name	Closing price, UAH	P/E	P/S	EV/S	EV/Ebitda	P/B
Metallurgy							
ALMK	Alchevsk Metallurgical Plant	0.0401	neg	5.91	90.71	neg	0.81
AZST	Azovstal Iron and Steel Works	0.701	neg	0.14	0.87	neg	0.23
ENMZ	Enakievo Metallurgical Plant	32.9275	1.05	0.03	0.95	162.98	neg
MMKI	Ilyich Iron and Steel Works of Mariupol	0.105	neg	0.06	0.05	0.4	0.17
Coke industry							
ALKZ	Alchevsk Cokery Plant	0.0788	4.02	0.04	0.07	3.34	0.15
AVDK	Avdiivka Cokery Plant	3.073	neg	0.07	0.07	neg	0.12
YASK	Yasynivka Cokery Plant	0.529	2.16	0.04	0.05	0.89	0.09
Quarrying industry							
CGOK	Central Ore Mining and Processing Plant	6.39	8.5	1.38	1.53	3.53	1.64
PGOK	Poltava Ore Mining and Processing Plant	7.8	2.79	0.15	0.46	2.34	0.21
SGOK	North Ore Mining and Processing Plant	8.055	4.03	1.35	1.57	2.92	1.22
Mining industry							
SHKD	DTEK Mine Komsomolets Donbassa	0.571	neg	0.09	0.5	1.07	0.12
SHCHZ	Pokrovske Mine Management	0.4315	0.95	0.09	0.29	0.96	0.15
Pipe industry							
NVTR	Interpipe Novomoskovsk Pipe-Production Plant	0.1951	neg	0.02	0.2	2.78	0.06
HRTR	Khartsyzsk Tube Works	0.5899	4.1	0.32	0.32	2.36	1.22
Energy industry							
DNON	DTEK Dniiproblenergo	125	2.75	0.18	0.38	2.55	0.46
CEEN	Centerenergo	4.83	5.91	0.23	0.3	4.62	0.7
DNEN	Dniiproenergo	234.9	1.11	0.15	0.12	0.55	0.24
DOEN	Donbasenergo	27.7229	1.77	0.12	0.17	1.55	0.59
KREN	DTEK Krymenergo	0.81	3.42	0.05	0.19	0.73	0.09
ZAEN	DTEK Zakhidenergo	86	5.7	0.1	0.15	2.37	0.7
ZHEN	Zhytomyroblenergo	0.85	2.11	0.08	0.09	0.54	0.05
Mechanical engineering							
KRAZ	AvtoKrAZ	0.0345	neg	0.15	3.11	neg	0.11
KVBZ	Krukivsky Carriage Works	16.66	3.44	0.31	0.35	2.53	0.7
LTPL	Luganskteplovoz	1.377	2.8	0.14	0.33	2.3	0.42
LUAZ	Bogdan Motors	0.028	0.27	0.17	4.32	neg	0.19
MSICH	Motor Sich	1701	2.97	0.4	0.42	1.85	0.39
MZVM	Mariupol Heavy Machine Building Plant	0.1292	neg	0.15	1.04	6.83	0.17
SMASH	Sumy Frunze Machine Building Plant	2.492	0.71	0.07	0.67	4.07	0.17
SVGZ	Stakhanov railway car building works	1.305	4.18	0.15	0.44	3.69	0.37
Oil and gas industry							
UNAF	Ukrnafta	105.5	7.49	0.38	0.36	2.57	0.31
Banks							
BAVL	Raiffeisen Bank Aval	0.1167	6.42	x	x	x	0.48
FORM	Forum Bank	0.726	neg	x	x	x	0.31
USCB	UkrSotsbank	0.1849	1098.63	x	x	x	0.44
Other industries							
MTBD	Mostobud	17.8	neg	0.29	19.04	neg	0.06
STIR	Concern Stirol	13	neg	0.06	0.14	neg	neg
UTLM	Ukrtelecom	0.126	29.12	0.35	0.66	2.97	0.44

ANALYTICAL DEPARTMENT

Vitaly Murashkin
VMurashkin@itt-group.com
Head of Department

Yegor Burkov
EBurkov@itt-group.com

30 Fizkultury street
03150 Kyiv Ukraine
Telephone: +38 044 246 68 41
Fax: +38 044 287 21 12
www.itt-group.com