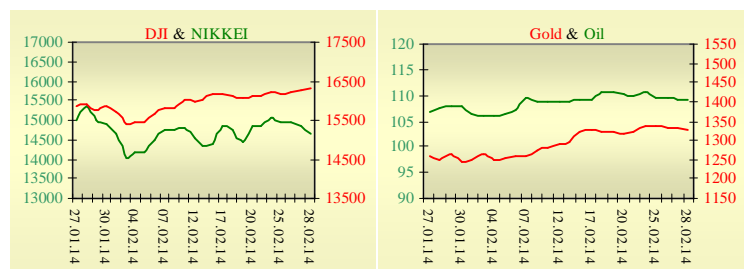
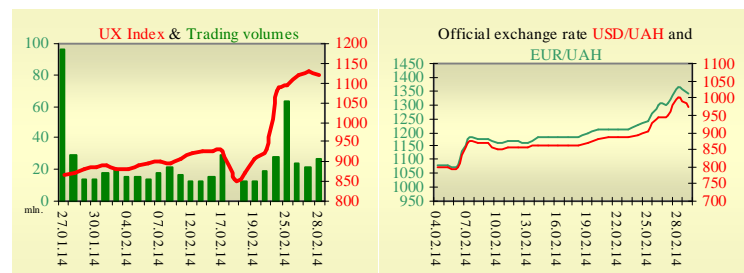


Morning stock market review 3 March 2014

Index	Closing	Change
Dow Jones	16 321.71	0.30%
S&P 500	1 859.45	0.28%
NASDAQ comp	4 308.12	-0.25%
FTSE 100	6 809.70	-0.01%
CAC 40	4 408.08	0.27%
DAX 30	9 692.08	1.08%
Nikkei 225	14 652.23	-1.27%



UX	Index	Change	Volume, UAH mln.
	1 119.23	-0.87%	27.1



Value for 10:02		
Futures	Index	Change
Dow Jones	16 193.00	-0.70%
S&P 500	1 841.80	-0.85%
NASDAQ 100	3 665.75	-0.80%

Commodity markets		
Oil Brent	109.07	0.10%
Gold	1 326.50	-0.43%

Interbank loans	28 February		
	o/n	7 days	30 days
KIBID (UAH)	8.00	9.00	12.0
KIBOR (UAH)	16.0	17.0	18.0
KIBID (USD)	5.80		
KIBOR (USD)	9.60		

Interbank currency	Bid/Ask	
	closing 28 February	
UAH/USD	9.6000 / 10.5000	
UAH/EUR	0.2630 / 0.2740	
UAH/RUB	13.2575 / 14.5045	

Last closure

On Friday, February 28, trades in USA have come to the end with mixed dynamics, as improving consumer confidence and speculation that the Federal Reserve will support the economy offset concern over escalating conflict in Ukraine. The economy in the U.S. grew at a slower pace in the fourth quarter than previously estimated, giving the expansion less momentum heading into 2014. Gross domestic product grew at a 2.4% annualized rate from October through December, compared with the 3.2% gain issued last month. The median forecast called for a 2.5% increase. The index of pending home sales climbed 0.1% after a 5.8% drop the prior month that was smaller than previously estimated. The median forecast called for sales to rise 1.8%. The index briefly erased gains in the afternoon after Ukrainian acting President Oleksandr Turchynov said Russia has invaded Ukraine's southern region of Crimea as gunmen seized airports and other facilities on the peninsula. Russian forces are trying to provoke a conflict similar to the 2008 war with Georgia over a breakaway region, Turchynov said today in a speech broadcast by the parliamentary television channel. On the day's result, index Dow Jones rose by 0.30%, S&P has increased by 0.28%, Nasdaq has decreased by 0.25%.

European stock exchanges closed with mixed dynamics of main indexes, as Ukraine accused Russia of stoking tension on its territory and data showed U.S. fourth-quarter economic growth slowed more than estimated. Erste Group Bank AG tumbled the most since May 2009 after it projected a slow start to the year. Pearson Plc plunged to a three-year low after reporting a drop in full-year earnings. Serco Group Plc posted the biggest gain since 2001 after naming a new chief executive officer. Old Mutual Plc rose 5.8% after making an acquisition in the U.K. On the day's result, British FTSE has declined by 0.01%, CAC 40 (France) grew by 0.27%, DAX (Germany) has increased by 1.08%.

February's contractual price on Brent oil, grew by \$0.11 to \$109.07 per barrel.

In Ukraine

Trades on the Ukrainian stock exchange opened by decrease, day passed without certain dynamics. Value of the UX index has declined by 0.87% to 1119.23. Share trades capacity on the application market was equal to UAH 6 million. Trades capacity on the derivatives market was equal to UAH 1.3 million. Total trades capacity for yesterday — UAH 28.5 million.

From ten shares of an index basket, four have grown in price. Leaders of growth were shares of Raiffeisen Bank Aval (+1.87%). Worse than market looked shares of Enakievo Metallurgical Plant (-6.37%).

The entire Ukrainian external debt amounts \$140 billion. This is 80% of the country's GDP. It became known that at the end of the third quarter of 2013 debt exceeded \$137 billion (77% of GDP). The program of the government defined a short-term debt of \$65.8 billion. This is four times more than the sum of the country's gold reserves of \$15 billion.

Premarket

External background at the opening is negative. China's factory activity shrank again in February as output and new orders fell, a private survey found on Monday, reinforcing concerns of a slowdown in the world's second largest economy. The final Markit/HSBC manufacturing Purchasing Managers' Index fell to a seven-month low of 48.5 in February, the third straight monthly decline, from January's 49.5. The figure was in line with the 48.3 reported in the preliminary version of the PMI released on Feb 20. Lawmakers in Kiev approved Turchynov's call for a session by the United Nations Security Council even as armed troops occupied Crimea's main airport in Simferopol. The Russian involvement has fueled speculation of a partition of Ukraine between Russian-speaking and Ukrainian-speaking regions. Prime Minister Arseniy Yatsenyuk warned parliament of the growing threat of an economic collapse.

The Asian indexes are decreasing today. Nikkei has lowered by 1.27%, Hong Kong Hang Seng declining by 1.38%.

Futures on American indexes are decreasing today from 0.70% to 0.86%.

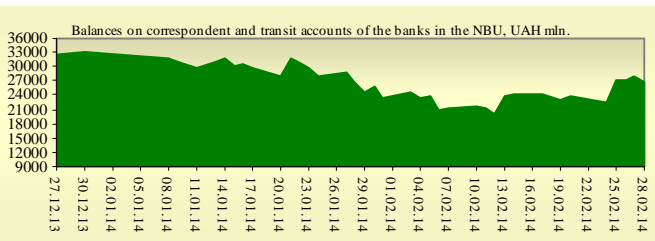
Russian indexes as of 10:00 a.m. are decreasing— RTS decreasing by 10.96%, MICEX lowers by 9.59%.

Our expectations

We expect opening of the Ukrainian market by decrease.

In Europe will be published Manufacturing Purchasing Managers' Index in Italy (10:43 a.m.), in France (10:48 a.m.), in Germany (10:58 a.m.) in the E.U (10:58 a.m.) and in the U.K. (11:28 a.m.).

In the U.S. will be published Core Personal Consumption spending (03:30 p.m.), Personal Spending (03:30 p.m.), and Institute of Supply Management Manufacturing Purchasing Managers Index (05:00 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	0.0426	neg	6.28	91.07	neg	0.86
AZST	Azovstal Iron and Steel Works	0.783	neg	0.16	0.89	neg	0.26
ENMZ	Enakievo Metallurgical Plant	37.16	1.19	0.03	0.95	163.61	neg
MMKI	Ilyich Iron and Steel Works of Mariupol	0.1751	neg	0.09	0.09	0.7	0.29
Coke industry							
ALKZ	Alchevsk Cokery Plant	0.096	4.9	0.04	0.08	3.71	0.19
AVDK	Avdiivka Cokery Plant	3.208	neg	0.07	0.07	neg	0.12
YASK	Yasynivka Cokery Plant	0.74	3.02	0.06	0.07	1.21	0.13
Quarrying industry							
CGOK	Central Ore Mining and Processing Plant	8.994	11.96	1.94	2.09	4.83	2.31
PGOK	Poltava Ore Mining and Processing Plant	12.8	4.58	0.24	0.55	2.83	0.34
SGOK	North Ore Mining and Processing Plant	9.497	4.75	1.6	1.81	3.37	1.43
Mining industry							
SHKD	DTEK Mine Komsomolets Donbassa	1.475	neg	0.23	0.64	1.37	0.31
SHCHZ	Pokrovske Mine Management	0.5	1.1	0.1	0.3	1.01	0.18
Pipe industry							
NVTR	Interpipe Novomoskovsk Pipe-Production Plant	0.2946	neg	0.03	0.21	2.94	0.09
HRTR	Khartsyzsk Tube Works	0.615	4.28	0.34	0.33	2.46	1.28
Energy industry							
DNON	DTEK Dniiproblenergo	93	2.05	0.13	0.34	2.24	0.34
CEEN	Centerenergo	5.542	6.78	0.26	0.34	5.14	0.81
DNEN	Dniiproenergo	396.7	1.88	0.25	0.23	1.01	0.4
DOEN	Donbasenergo	40.5867	2.59	0.18	0.23	2.07	0.86
KREN	DTEK Krymenergo	1.131	4.77	0.08	0.21	0.81	0.12
ZAEN	DTEK Zakhidenergo	126.9	8.41	0.15	0.2	3.15	1.03
ZHEN	Zhytomyroblenergo	1.147	2.85	0.1	0.12	0.69	0.07
Mechanical engineering							
KRAZ	AvtoKRAZ	0.0397	neg	0.18	3.13	neg	0.12
KVBZ	Krukivsky Carriage Works	22	4.54	0.41	0.45	3.25	0.93
LTPL	Luganskteplovoz	1.545	3.14	0.15	0.35	2.42	0.47
LUAZ	Bogdan Motors	0.032	0.31	0.19	4.34	neg	0.22
MSICH	Motor Sich	2064	3.61	0.49	0.51	2.23	0.48
MZVM	Mariupol Heavy Machine Building Plant	0.1011	neg	0.12	1.01	6.62	0.13
SMASH	Sumy Frunze Machine Building Plant	3.492	0.99	0.09	0.7	4.22	0.24
SVGZ	Stakhanov railway car building works	1.302	4.17	0.15	0.44	3.68	0.37
Oil and gas industry							
UNAF	Ukrnafta	197.7167	14.03	0.71	0.69	4.92	0.59
Banks							
BAVL	Raiffeisen Bank Aval	0.1577	8.67	x	x	x	0.66
FORM	Forum Bank	0.8585	neg	x	x	x	0.37
USCB	UkrSotsbank	0.195	1158.64	x	x	x	0.46
Other industries							
MTBD	Mostobud	19	neg	0.31	19.06	neg	0.06
STIR	Concern Stirol	14	neg	0.06	0.14	neg	neg
UTLM	Ukrtelecom	0.142	32.81	0.4	0.7	3.18	0.49

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