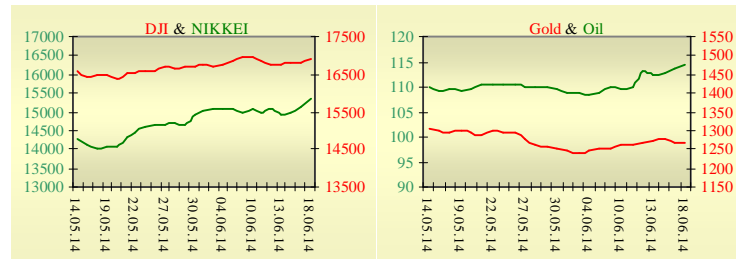
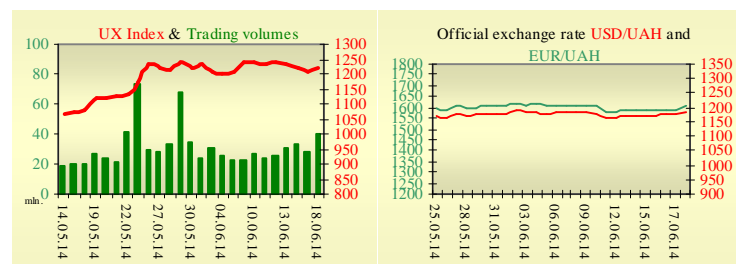


Morning stock market review 19 June 2014

| Index | Closing | Change |
|--------------------|-----------|--------|
| Dow Jones | 16 906.62 | 0.58% |
| S&P 500 | 1 956.98 | 0.77% |
| NASDAQ comp | 4 362.84 | 0.59% |
| FTSE 100 | 6 778.56 | 0.17% |
| CAC 40 | 4 530.37 | -0.13% |
| DAX 30 | 9 930.33 | 0.10% |
| Nikkei 225 | 15 361.16 | 1.62% |



| UX | Index | Change | Volume, UAH mln. |
|----|----------|--------|------------------|
| | 1 219.39 | 1.21% | 39.8 |



| Value for 9:56 | | |
|--------------------|-----------|--------|
| Futures | Index | Change |
| Dow Jones | 16 831.00 | 0.07% |
| S&P 500 | 1 950.70 | 0.08% |
| NASDAQ 100 | 3 801.00 | 0.13% |

| Commodity markets | | |
|-------------------|----------|-------|
| Oil Brent | 114.26 | 0.71% |
| Gold | 1 269.75 | 0.17% |

| Interbank loans | 18 June | | |
|--------------------|---------|--------|---------|
| | o/n | 7 days | 30 days |
| KIBID (UAH) | 6.56 | 5.50 | 11.6 |
| KIBOR (UAH) | 11.4 | 6.25 | 12.5 |
| KIBID (USD) | 5.40 | | |
| KIBOR (USD) | 9.00 | | |

| Interbank currency | Bid/Ask | |
|--------------------|-------------------|--|
| | closing 06.18 | |
| UAH/USD | 11.9500 / 12.0000 | |
| UAH/EUR | 16.2045 / 16.2765 | |
| UAH/RUB | 0.3459 / 0.3477 | |

Last closure

On Wednesday, Jun 18, trades in USA have come to the end with growth, as the Federal Reserve said growth is bouncing back and repeated that interest rates will remain low for a "considerable time." Fed officials predicted their target interest rate will be 1.13% at the end of 2015 and 2.5% a year later, higher than previously forecast. They lowered their long-run estimated rate, reflecting a slower growth rate for the U.S. economy. Central bank participants estimated long-term growth for the U.S. economy of 2.1% to 2.3%, compared with 2.2% to 2.3% in March and 2.5% to 2.8% in January 2010 in the wake of the most recent recession. Yellen said stock prices and valuations aren't outside of historical norms and the Fed isn't trying to gauge the right level for equities. A drop in US exports and lower income from overseas investments drove the US current account deficit to its highest level in 18 months. The Commerce Department says the deficit jumped to a seasonally adjusted \$111.2 billion in the January-March quarter, up from a revised total of \$87.3 billion in the October-December quarter. The fourth quarter's total was the smallest in 14 years. On the day's result, index Dow Jones rose by 0.58%, S&P has increased by 0.77%, Nasdaq grew by 0.59%.

European stock exchanges closed with mixed dynamics of main indexes, as investors awaited a Federal Reserve monetary-policy decision, while oil and gas companies advanced amid violence in Iraq. Bank of England officials signaled that interest rates in the U.K. could rise before the end of the year—but only if they are satisfied the economy can cope with higher borrowing costs. Minutes of June's policy meeting, published Wednesday, show the nine-member Monetary Policy Committee voted unanimously to keep the BOE's benchmark interest rate at a low of 0.5% and the size of its bond-purchase portfolio at GBP375 billion pounds (\$636 billion) when panel members met two weeks ago. On the day's result, British FTSE rose by 0.17%, CAC 40 (France) has decreased by 0.13%, DAX (Germany) has increased by 0.10%.

Julys' contractual price on Brent oil, grew by \$0.81 to \$114.26 per barrel.

In Ukraine

Trades on the Ukrainian stock exchange opened by growth, day passed with positive dynamics. Value of the UX index has increased by 1.21% to 1219.39. Share trades capacity on the application market was equal to UAH 7.4 million. Trades capacity on the derivatives market was equal to UAH 6.9 million. Total trades capacity for yesterday — UAH 46.7 million.

From ten shares of an index basket, eight have risen. Leaders of growth were shares of Raiffeisen Motor Sich (+3.83%). Worse than market looked shares of Donbasenergo (-2.27%).

Industrial production in Ukraine in May 2014 declined by 2.1% year-over-year, while the year-over-year decline in April 2014 was 6% and in March 2014 was 6.8%.

Premarket

External background at the opening is moderately positive.

The Asian indexes are showing mixed dynamics today. Nikkei rose by 1.62%, Hong Kong Hang Seng declining by 0.20%.

Futures on American indexes are growing today from 0.08% to 0.14%.

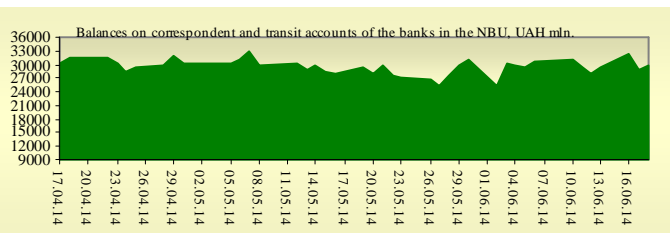
Russian indexes as of 10:00 a.m. are rising — RTS increasing by 1.61%, MICEX growing by 0.78%.

Our expectations

We expect opening of the Ukrainian market on neutral territory.

In Europe will be published retail sales in the U.K. (11:30 AM).

In the U.S. will be published initial jobless claims (3:30 PM) and Philadelphia Federal Reserve Manufacturing Index (5:00 PM).



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 | 0.0355 | neg | 0.57 | 18.43 | 37.42 | neg |
| AZST | Azovstal Iron and Steel Works | 0.7815 | 24.27 | 0.17 | 0.15 | neg | 0.3 |
| ENMZ | Enakievo Metallurgical Plant | 43.9825 | neg | 0.04 | 0.09 | neg | neg |
| MMKI | Ilyich Iron and Steel Works of Mariupol | 0.1619 | neg | 0.08 | 0.07 | neg | 0.28 |
| Coke industry | | | | | | | |
| ALKZ | Alchevsk Cokery Plant | 0.0611 | 9.23 | 0.04 | 0.11 | 4.58 | 0.12 |
| AVDK | Avdiivka Cokery Plant | 3.254 | neg | 0.09 | 0.07 | neg | 0.14 |
| YASK | Yasynivka Cokery Plant | 0.75 | neg | 0.1 | 0.1 | 3.38 | 0.03 |
| Quarrying industry | | | | | | | |
| CGOK | Central Ore Mining and Processing Plant | 7.339 | 4.7 | 1.47 | 1.45 | 2.8 | 1.17 |
| PGOK | Poltava Ore Mining and Processing Plant | 15.25 | 7.69 | 0.35 | 0.92 | 4.59 | 0.44 |
| SGOK | North Ore Mining and Processing Plant | 8.199 | 4.6 | 1.41 | 1.65 | 2.71 | 1.13 |
| Mining industry | | | | | | | |
| SHKD | DTEK Mine Komsomolets Donbassa | 0.98 | 1.66 | 0.17 | 0.61 | 1.65 | 0.19 |
| SHCHZ | Pokrovske Mine Management | 0.65 | neg | 0.19 | 0.33 | 1.79 | 0.27 |
| Pipe industry | | | | | | | |
| NVTR | Interpipe Novomoskovsk Pipe-Production Plant | 0.379 | neg | 0.04 | 0.22 | 3.97 | 0.11 |
| HRTR | Khartsyzsk Tube Works | 0.9 | 44.72 | 1.92 | 1.91 | 5.53 | 1.95 |
| Energy industry | | | | | | | |
| CEEN | Centerenergo | 7.286 | 6.34 | 0.29 | 0.39 | 4.27 | 1.07 |
| CHEN | Chernivtsioblenergo | 1.3 | 4 | 0.11 | 0.21 | 2.17 | 0.41 |
| CHEON | Chernigivoblenergo | 1.23 | 1.74 | 0.14 | 0.14 | 1.32 | 0.32 |
| CHON | Cherkasyoblenergo | 1.25 | 6.68 | 0.14 | 0.12 | 2.03 | 0.63 |
| DNEN | Dniproenergo | 477.9 | 2.21 | 0.3 | 0.3 | 1.2 | 0.44 |
| DNON | DTEK Dniprooblenergo | 102.5 | neg | 0.03 | 0.04 | 1.46 | 0.5 |
| DOEN | Donbasenergo | 40.98 | 1.55 | 0.17 | 0.3 | 1.72 | 0.69 |
| DOON | Donetskoblenergo | 8 | 3.13 | 0.1 | 0.18 | 1.28 | 0.44 |
| HAON | Kharkivoblenergo | 1.25 | 6.59 | 0.09 | 0.07 | 0.91 | 0.15 |
| HMON | Khmelnitskoblenergo | 1.345 | 7.23 | 0.18 | 0.18 | 1.72 | 0.25 |
| KION | Kirovogradoblenergo | 1.36 | neg | 0.15 | 0.32 | 3.26 | 0.18 |
| KOEN | Kyivoblenergo | 1.111 | neg | 0.35 | 0.35 | 5.2 | 0.47 |
| KREN | DTEK Krymenergo | 1.601 | neg | 0.1 | 0.25 | 2.28 | 0.19 |
| LVON | Lvivoblenergo | 2 | neg | 0.17 | 0.2 | 1.79 | 0.12 |
| MOEN | Mykolayivoblenergo | 1.39 | 14.16 | 0.16 | 0.43 | 14.17 | 0.59 |
| ODEN | Odesaoblenergo | 0.75 | neg | 0.14 | 0.29 | 1.92 | 0.18 |
| PREN | Prykarpattiaoblenergo | 1 | 1.3 | 0.1 | 0.12 | 0.66 | 0.08 |
| VOEN | Volynoblenergo | 0.85 | 291.23 | 0.53 | 0.52 | 7.5 | 0.61 |
| ZAEN | DTEK Zakhidenergo | 141.1 | 3.99 | 0.16 | 0.27 | 2.3 | 1.21 |
| ZAON | Zaporizhoblenergo | 1.57 | 14.26 | 0.06 | 0.25 | 6.99 | 0.8 |
| ZHEN | Zhytomyrblenergo | 1.799 | 6.31 | 0.16 | 0.18 | 1.22 | 0.11 |
| ZOEN | Zakarpattiaoblenergo | 1.05 | 1.38 | 0.14 | 0.38 | 2.39 | 0.41 |
| Mechanical engineering | | | | | | | |
| KRAZ | AvtoKRAZ | 0.0754 | 1.9 | 0.27 | 2.74 | 16.95 | 0.23 |
| KVBZ | Krukivsky Carriage Works | 17.8467 | 11.06 | 0.83 | 0.85 | 10.1 | 0.74 |
| LTPL | Luganskteplovoz | 1.379 | 1.91 | 0.1 | 0.32 | 3.12 | 0.41 |
| LUAZ | Bogdan Motors | 0.06 | neg | 0.22 | 0.22 | neg | 0.45 |
| MSICH | Motor Sich | 2303.5 | 3.22 | 0.56 | 0.59 | 1.47 | 0.49 |
| MZVM | Mariupol Heavy Machine Building Plant | 0.1197 | neg | 0.26 | 0.26 | 0.68 | 0.17 |
| SMASH | Sumy Frunze Machine Building Plant | 4.298 | neg | 0.13 | 0.8 | 39.46 | 0.3 |
| SVGZ | Stakhanov railway car building works | 1.144 | neg | 0.23 | 0.93 | 28.06 | 0.4 |
| Oil and gas industry | | | | | | | |

| | | | | | | | |
|-------------------------|-----------------------|--------|--------|------|------|------|------|
| UNAF | Ukrnafta | 259.2 | 45.79 | 0.65 | 0.65 | 5.8 | 0.78 |
| Banks | | | | | | | |
| BAVL | Raiffeisen Bank Aval | 0.1546 | 8.5 | x | x | x | 0.64 |
| FORM | Forum Bank | 0.09 | neg | x | x | x | 0.04 |
| USCB | Ukrsotsbank | 0.1672 | 993.46 | x | x | x | 0.39 |
| Other industries | | | | | | | |
| KFTP | Slavic wallpapers | 36 | 1.7 | 0.18 | 0.13 | 0.63 | 0.31 |
| MTBD | Mostobud | 27 | neg | 0.16 | 7.2 | neg | neg |
| SLVT | Slavutych | 1.182 | neg | 0.17 | 6.26 | neg | neg |
| STIR | Concern Stinol | 12.95 | neg | 0.17 | 2.11 | neg | neg |
| SUNI | Sun Interbrew Ukraine | 0.24 | neg | 0.67 | 0.68 | 6.45 | 1.67 |
| UTLM | Ukrtelecom | 0.1765 | 45.65 | 0.51 | 0.88 | 3.76 | 0.65 |
| ZATR | Zaporizhtransformator | 1.6 | 10.74 | 1.3 | 2.11 | 7.8 | 9.59 |

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