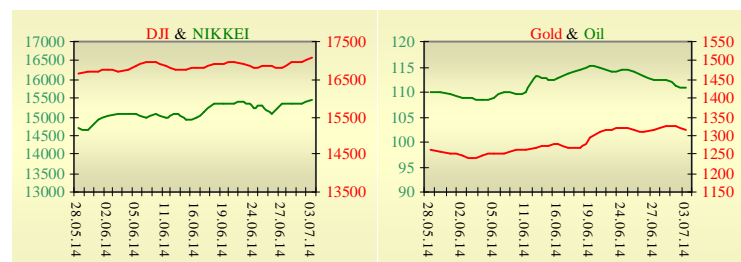
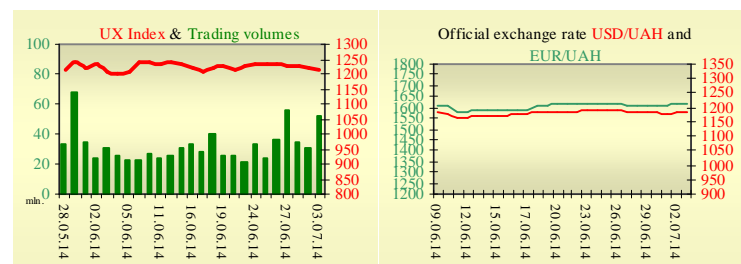


Morning stock market review 4 July 2014

Index	Closing	Change
Dow Jones	17 068.26	0.54%
S&P 500	1 985.44	0.55%
NASDAQ comp	4 485.93	0.63%
FTSE 100	6 865.21	0.72%
CAC 40	4 489.88	1.02%
DAX 30	10 029.43	1.19%
Nikkei 225	15 437.13	0.58%



UX	Index	Change	Volume, UAH mln.
	1 212.00	-0.71%	51.9



Value for 9:59		
Futures	Index	Change
Dow Jones	16 977.00	0.00%
S&P 500	1 976.30	-0.06%
NASDAQ 100	3 915.75	0.00%

Commodity markets		
Oil Brent	111.00	-0.21%
Gold	1 317.50	-0.67%

Interbank loans	3 July		
	o/n	7 days	30 days
KIBID (UAH)	5.69	2.50	3.00
KIBOR (UAH)	10.6	8.75	7.00
KIBID (USD)			
KIBOR (USD)			

Interbank currency	Bid/Ask	
	closing 03.07	
UAH/USD	11.8000 / 11.8700	
UAH/EUR	16.1050 / 16.2045	
UAH/RUB	0.3442 / 0.3452	

Last closure

On Thursday, July 3, trades in USA have come to the end with growth. U.S. employers accelerated their hiring last month, adding a robust 288,000 jobs and helping drive the unemployment rate to 6.1%, the lowest since September 2008. It was the fifth straight monthly job gain above 200,000 – the best such stretch since the late 1990s tech boom. Over the past 12 months, the economy has added nearly 2.5 million jobs – 208,000 a month, the fastest year-over-year pace since May 2006. Service sector activity in the U.S. grew at a slower rate than expected in June, dampening optimism over the economic outlook, industry data showed on Thursday. In a report, the Institute of Supply Management said its non-manufacturing purchasing manager's index fell to 56.0 last month from a reading of 56.3 in May. Analysts had expected the index to hold steady at 56.3 in June. The New Orders Index registered 61.2, 0.7 points higher than the reading of 60.5 in May, while the Employment Index increased 2.0 points to 54.4 from the May reading of 52.4, indicating growth for the fourth consecutive month and at a faster rate. On the day's result, index Dow Jones rose by 0.54%, S&P has increased by 0.55%, Nasdaq grew by 0.63%.

European stock exchanges closed with growth of main indexes. European Central Bank president Mario Draghi has said eurozone interest rates will stay at 0.15% for an extended period of time. Mr. Draghi was speaking after the ECB left rates on hold, a month after it cut them to help economic growth. In June the bank cut its deposit rate from zero to -0.10% and its benchmark rate from 0.25% to 0.15%. Mr. Draghi added rate decisions would be taken every six weeks from January 2015 instead of monthly. The euro area saw mixed messages from the service sector in June. The seasonally adjusted France Services Business Activity Index posted at 48.2 in June, down from 49.1 in May. Germany's services Business Activity Index fell to 54.6 from May's near three-year high of 56.0, extending the spell of continuous expansion to 13 months. On the day's result, British FTSE rose by 0.72%, CAC 40 (France) grew by 1.02%, DAX (Germany) has increased by 1.19%.

August's contractual price on Brent oil, decreased by \$0.24 to \$111.19 per barrel.

In Ukraine

Trades on the Ukrainian stock exchange opened on neutral territory, day passed without certain dynamics. Value of the UX index has declined by 0.71% to 1212.00. Share trades capacity on the application market was equal to UAH 5.2 million. Trades capacity on the derivatives market was equal to UAH 3.3 million. Total trades capacity for yesterday — UAH 55.2 million.

From ten shares of an index basket, nine have retreated. Better than market looked shares of Donbasenergo (+0.1%). Worse than market looked shares of Enakievo Metallurgical Plant (-1.98%).

Ukrainian inflation in 2014 could speed up to 17-19% due to the hryvnia devaluation and the rise in regulated tariffs, said Valeriya Gontareva, the head of the National Bank of Ukraine. Also the National Bank of Ukraine has estimated the fall of Ukraine's gross domestic product (GDP) in 2014 at 4.6%.

Premarket

External background at the opening is neutral. German factory orders fell more than economists expected in May. Orders, adjusted for seasonal swings and inflation, fell 1.7% from April, when they rose a revised 3.4%.

The Asian indexes are growing today. Nikkei rose by 0.58%, Hong Kong Hang Seng increasing by 0.12%.

Futures on American indexes are slightly changing today from -0.07% to +0.01%.

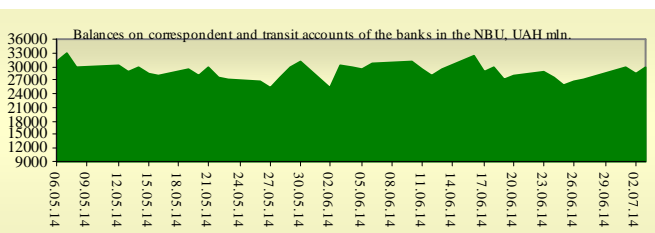
Russian indexes as of 10:00 a.m. are decreasing — RTS decreasing by 0.24%, MICEX lowers by 0.16%.

Our expectations

We expect opening of the Ukrainian market on neutral territory.

In Europe will be published Retail PMI in the E.U. (11:10 AM).

All U.S. markets and banks are closed today for the Independence Day holiday



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	0.0366	neg	0.59	18.45	37.46	neg
AZST	Azovstal Iron and Steel Works	0.778	24.16	0.16	0.14	neg	0.3
ENMZ	Enakievo Metallurgical Plant	42.08	neg	0.04	0.09	neg	neg
MMKI	Ilyich Iron and Steel Works of Mariupol	0.16	neg	0.08	0.07	neg	0.27
Coke industry							
ALKZ	Alchevsk Cokery Plant	0.064	9.67	0.04	0.11	4.65	0.13
AVDK	Avdiivka Cokery Plant	3.216	neg	0.09	0.07	neg	0.14
YASK	Yasynivka Cokery Plant	0.691	neg	0.09	0.09	3.11	0.03
Quarrying industry							
CGOK	Central Ore Mining and Processing Plant	6.95	4.45	1.39	1.38	2.65	1.1
PGOK	Poltava Ore Mining and Processing Plant	14.9	7.52	0.34	0.92	4.55	0.43
SGOK	North Ore Mining and Processing Plant	8.1	4.54	1.4	1.64	2.68	1.12
Mining industry							
SHKD	DTEK Mine Komsomolets Donbassa	0.858	1.45	0.15	0.59	1.59	0.16
SHCHZ	Pokrovske Mine Management	0.731	neg	0.21	0.35	1.91	0.3
Pipe industry							
NVTR	Interpipe Novomoskovsk Pipe-Production Plant	0.379	neg	0.04	0.22	3.97	0.11
HRTR	Khartsyzsk Tube Works	0.8799	43.72	1.87	1.86	5.4	1.9
Energy industry							
CEEN	Centerenergo	7.2673	6.32	0.29	0.39	4.26	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	0.91	4.86	0.1	0.08	1.4	0.46
DNEN	Dniproenergo	466	2.16	0.29	0.29	1.17	0.43
DNON	DTEK Dniprooblenergo	134	neg	0.04	0.05	1.78	0.65
DOEN	Donbasenergo	38.975	1.48	0.16	0.29	1.68	0.65
DOON	Donetskoblenergo	7.001	2.74	0.08	0.17	1.19	0.39
HAON	Kharkivoblenergo	1.15	6.06	0.08	0.06	0.82	0.14
HMON	Khmelnitskoblenergo	1.25	6.72	0.17	0.17	1.6	0.23
KION	Kirovogradoblenergo	1.42	neg	0.16	0.32	3.33	0.18
KOEN	Kyivoblenergo	1.111	neg	0.35	0.35	5.2	0.47
KREN	DTEK Krymenergo	1.98	neg	0.13	0.27	2.51	0.23
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	0.6055	neg	0.11	0.26	1.75	0.14
PREN	Prykarpattyoblenergo	1.32	1.72	0.13	0.15	0.84	0.11
VOEN	Volynoblenergo	0.5	171.31	0.31	0.3	4.34	0.36
ZAEN	DTEK Zakhidenergo	140	3.96	0.16	0.26	2.29	1.21
ZAON	Zaporizhoblenergo	1.5	13.62	0.06	0.25	6.91	0.76
ZHEN	Zhytomyroblenergo	1.699	5.96	0.15	0.17	1.16	0.1
ZOEN	Zakarpattyoblenergo	0.921	1.21	0.12	0.36	2.28	0.36
Mechanical engineering							
KRAZ	AvtoKRAZ	0.0916	2.3	0.33	2.8	17.32	0.28
KVBZ	Krukivsky Carriage Works	18.52	11.48	0.86	0.88	10.47	0.77
LTPL	Luganskteplovoz	1.33	1.84	0.1	0.32	3.09	0.39
LUAZ	Bogdan Motors	0.0594	neg	0.22	0.22	neg	0.45
MSICH	Motor Sich	2394.25	3.35	0.58	0.62	1.53	0.5
MZVM	Mariupol Heavy Machine Building Plant	0.1077	neg	0.24	0.23	0.61	0.15
SMASH	Sumy Frunze Machine Building Plant	4.2	neg	0.13	0.79	39.31	0.29
SVGZ	Stakhanov railway car building works	1.151	neg	0.24	0.94	28.11	0.4
Oil and gas industry							

UNAF	Ukrnafta	244.1	43.12	0.62	0.61	5.46	0.73
Banks							
BAVL	Raiffeisen Bank Aval	0.1517	8.34	x	x	x	0.63
FORM	Forum Bank	0.241	neg	x	x	x	0.1
USCB	Ukrsotsbank	0.1682	999.4	x	x	x	0.4
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	1.191	neg	0.17	6.26	neg	neg
STIR	Concern Stinol	12.8	neg	0.16	2.11	neg	neg
SUNI	Sun Interbrew Ukraine	0.22	neg	0.62	0.62	5.92	1.53
UTLM	Ukrtelecom	0.1789	46.27	0.52	0.88	3.79	0.66
ZATR	Zaporizhtransformator	1.7	11.41	1.38	2.19	8.1	10.18

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