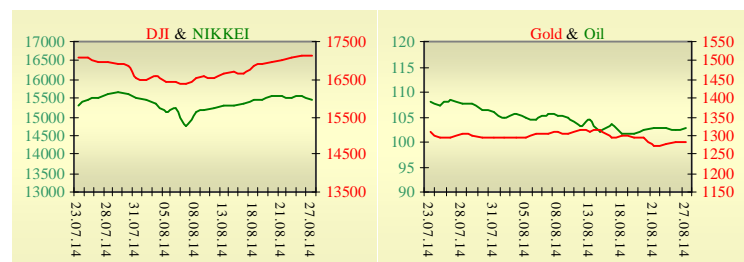
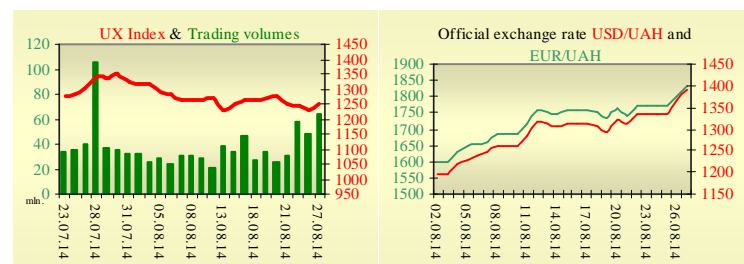


Morning stock market review 28 August 2014

Index	Closing	Change
Dow Jones	17 122.01	0.09%
S&P 500	2 000.12	0.01%
NASDAQ comp	4 569.62	-0.02%
FTSE 100	6 830.66	0.12%
CAC 40	4 395.26	0.04%
DAX 30	9 569.71	-0.19%
Nikkei 225	15 459.86	-0.48%



UX	Index	Change	Volume, UAH mln.
	1 252.69	2.06%	63.3



Value for 9:55		
Futures	Index	Change
Dow Jones	17 088.00	-0.02%
S&P 500	1 996.20	-0.04%
NASDAQ 100	4 071.00	-0.04%

Commodity markets		
Oil Brent	102.72	0.21%
Gold	1 282.75	-0.25%

Interbank loans	27 August		
	o/n	7 days	30 days
KIBID (UAH)	6.00	1.50	3.00
KIBOR (UAH)	1 10.0	5.50	7.00
KIBID (USD)	6.00		
KIBOR (USD)	8.67		

Interbank currency	Bid/Ask	
	closing 27.08	
UAH/USD	13.0000 / 14.0000	
UAH/EUR	17.1360 / 18.4580	
UAH/RUB	0.4016 / 0.4103	

Last closure

On Thursday, August 27, trades in USA have come to the end with mixed dynamics. Global markets are surmounting crises in Ukraine, the Gaza Strip and Iraq as investors renew bets that stimulus will revive growth. The U.S. Energy Information Administration released its weekly petroleum status report. U.S. commercial crude inventories decreased by 2.1 million barrels last week, maintaining a total U.S. commercial crude inventory to 360.5 million barrels, and they have moved down into the upper half of the five-year range for this time of the year. Applications for U.S. home mortgages fell last week as both purchase and refinancing applications declined. The Mortgage Bankers Association said its seasonally adjusted index of mortgage application activity, which includes both refinancing and home purchase demand, fell 2.7% in the week ended Aug. 8. The MBA's seasonally adjusted index of refinancing applications fell 4.0%, while the gauge of loan requests for home purchases, a leading indicator of home sales, fell 1.0%. On the day's result, index Dow Jones rose by 0.09%, S&P has increased by 0.01%, Nasdaq has decreased by 0.02%.

European stock exchanges closed with mixed dynamics of main indexes, as signs of progress in talks between Russia and Ukraine offset worse-than-projected German confidence data. Russian President Vladimir Putin said he held positive talks with Ukrainian counterpart Petro Poroshenko over tensions between the two countries. German consumer confidence is expected to decline in September as international upheaval weighs on sentiment, casting doubt on hopes that domestic consumption will offset export weakness in Europe's largest economy. The monthly GfK survey showed consumer confidence falling to 8.6 in September from 8.9 in August. It was the first decline in the consumer climate indicator since January 2013. GfK uses survey data from the current month to derive a figure for the month to come. Confidence among French manufacturers fell slightly in August as they became less optimistic about their outlook. Confidence among manufacturers dropped further below the long-term average of 100 to 96 in August from 97 in July. On the day's result, British FTSE rose by 0.12%, CAC 40 (France) grew by 0.04%, DAX (Germany) has lowered by 0.19%.

Septembers' contractual price on Brent oil, grew by \$0.22 to \$102.72 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 2.06% to 1252.69. Share trades capacity on the application market was equal to UAH 9 million. Trades capacity on the derivatives market was equal to UAH 5.1 million. Total trades capacity for yesterday — UAH 68.3 million.

From ten shares of an index basket, seven have risen. Leaders of growth were shares of Ukrnafta (+6.21%), Motor Sich (+5.44%) and UkrSotsbank (+5.29%). Worse than market looked shares of Raiffeisen Bank Aval (-0.65%) and Donbasenergo (-0.62%). The Cabinet of Ministers of Ukraine approved the forecast of economic and social development of Ukraine at 8.7% inflation in 2015. The government expects the nominal GDP to be at the level UAH 1.75 tn next year. All chemical and coking plants in Luhansk and Donetsk regions were stalled as of Wednesday, Security & Defense Council spokesman Andriy Lysenko has said. He said that militants in Donetsk region had shelled the villages of Starobesheve, Novy Svit, Komsomolske, as a result of which dozens of civilians were killed, private houses and local Pension Fund facilities were destroyed.

Premarket

External background at the opening is moderately negative. Pushing west in a new offensive along Ukraine's strategic coastline, heavily armed Russian-backed separatist forces captured new territory Wednesday far from their previous battles with government troops. After a third day of heavy shelling that sent many residents fleeing, rebel fighters with dozens of tanks and armoured vehicles entered Novoazovsk.

The Asian indexes are decreasing today. Nikkei has lowered by 0.48%, Hong Kong Hang Seng declining by 0.54%.

Futures on American indexes are decreasing today from 0.03% to 0.05%.

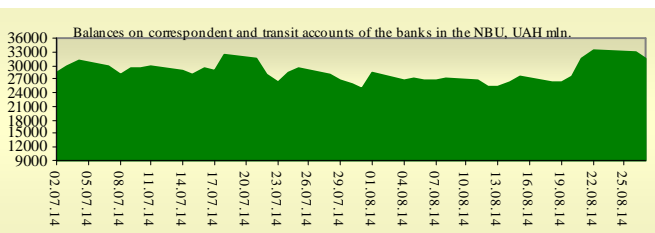
Russian indexes as of 9:52 a.m. are decreasing — RTS decreasing by 1.16%, MICEX lowers by 0.83%.

Our expectations

We expect opening of the Ukrainian market decrease.

In Europe will be published German Unemployment Change (10:55 AM) and Consumer Confidence in the E.U. (12:00 AM).

In the U.S. will be published initial jobless claims (3:30 PM), GDP (3:30 PM), and data on pending home sales (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	0.0339	neg	0.54	18.41	37.37	neg
AZST	Azovstal Iron and Steel Works	0.884	27.45	0.19	0.17	neg	0.34
ENMZ	Enakievo Metallurgical Plant	38.22	neg	0.03	0.08	3.64	neg
MMKI	Ilyich Iron and Steel Works of Mariupol	0.1004	neg	0.05	0.04	neg	0.17
Coke industry							
ALKZ	Alchevsk Cokery Plant	0.0629	9.5	0.04	0.11	4.63	0.13
AVDK	Avdiivka Cokery Plant	2.995	neg	0.08	0.07	neg	0.13
YASK	Yasynivka Cokery Plant	0.6005	neg	0.08	0.08	2.7	0.03
Quarrying industry							
CGOK	Central Ore Mining and Processing Plant	6.92	4.43	1.39	1.37	2.64	1.1
PGOK	Poltava Ore Mining and Processing Plant	17.02	8.59	0.39	0.96	4.79	0.5
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	0.75	1.27	0.13	0.57	1.53	0.14
SHCHZ	Pokrovske Mine Management	0.608	neg	0.17	0.32	1.72	0.25
Pipe industry							
NVTR	Interpipe Novomoskovsk Pipe-Production Plant	0.3001	neg	0.04	0.21	3.81	0.09
HRTR	Khartsyzsk Tube Works	0.5336	9.26	0.69	0.69	2.33	1.04
Energy industry							
CEEN	Centerenergo	7.9713	21.52	0.39	0.49	8.54	1.21
CHEN	Chernivtsioblenergo	1.3	9.39	0.11	0.23	2.84	0.45
CHEON	Chernigivoblenergo	1.4	1.98	0.16	0.16	1.51	0.36
CHON	Cherkasyoblenergo	1.139	15.51	0.13	0.12	2.56	0.6
DNEN	Dniπροenergo	421.9	2.66	0.26	0.32	1.46	0.41
DNON	DTEK Dniπροoblenergo	65	neg	0.03	0.04	1.53	0.27
DOEN	Donbasenergo	37.68	1.3	0.15	0.29	1.53	0.53
DOON	Donetskoblenergo	5.001	1.96	0.06	0.15	1.03	0.28
HAON	Kharkivoblenergo	2	5.36	0.14	0.11	1.43	0.24
HMON	Khmelnitskoblenergo	1.5	17.94	0.2	0.19	2.05	0.28
KION	Kirovogradoblenergo	1.6	neg	0.18	0.32	3.05	0.21
KOEN	Kyivoblenergo	1.111	neg	0.35	0.34	10.29	0.48
KREN	DTEK Krymenergo	1.96	neg	0.11	0.25	3.24	0.22
LVON	Lvivoblenergo	1.2	neg	0.1	0.13	1.16	0.07
MOEN	Mykolayivoblenergo	1.41	34.56	0.16	0.42	5.47	0.6
ODEN	Odesaoblenergo	0.65	neg	0.12	0.26	1.56	0.15
PREN	Prykarpattyablenergo	1.6	2.08	0.16	0.18	1	0.13
VOEN	Volynoblenergo	0.5	171.31	0.31	0.3	4.34	0.36
ZAEN	DTEK Zakhidenergo	138.2	19.69	0.17	0.29	3.16	1.31
ZAON	Zaporizhoblenergo	1.4	9.29	0.06	0.27	5.94	0.65
ZHEN	Zhytomyrblenergo	1.635	neg	0.14	0.17	1.36	0.1
ZOEN	Zakarpattyablenergo	1.6	1.7	0.21	0.47	2.47	0.63
Mechanical engineering							
KRAZ	AvtoKRAZ	0.09	2.26	0.33	2.79	17.28	0.27
KVBZ	Krukivsky Carriage Works	16.4	10.16	0.76	0.78	9.31	0.68
LTPL	Luganskteplovovoz	1.1973	1.66	0.09	0.31	2.99	0.35
LUAZ	Bogdan Motors	0.05	neg	0.28	4.08	neg	neg
MSICH	Motor Sich	2372.6667	2.42	0.52	0.51	1.15	0.46
MZVM	Mariupol Heavy Machine Building Plant	0.112	0.57	0.27	0.27	0.23	0.16
SMASH	Sumy Frunze Machine Building Plant	3	neg	0.09	0.75	37.44	0.21
SVGZ	Stakhanov railway car building works	0.934	neg	0.32	1.52	60.94	0.31
Oil and gas industry							

UNAF	Ukrnafta	341.4	16.41	0.8	0.79	6.34	0.97
Banks							
BAVL	Raiffeisen Bank Aval	0.1378	7.58	x	x	x	0.57
USCB	Ukrsotsbank	0.175	1039.8	x	x	x	0.41
Other industries							
KFTP	Slavic wallpapers	36	1.7	0.18	0.13	0.63	0.31
MTBD	Mostobud	22.5	neg	0.13	7.17	neg	neg
SLVT	Slavutych	1.182	neg	0.17	6.26	neg	neg
STIR	Concern Stiroil	12.5	neg	0.16	2.1	neg	neg
SUNI	Sun Interbrew Ukraine	0.22	neg	0.62	0.62	5.92	1.53
UTLM	Ukrtelecom	0.198	51.21	0.58	0.94	4.03	0.73
ZATR	Zaporizhtransformator	1.24	8.33	1.01	1.82	6.72	7.43

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