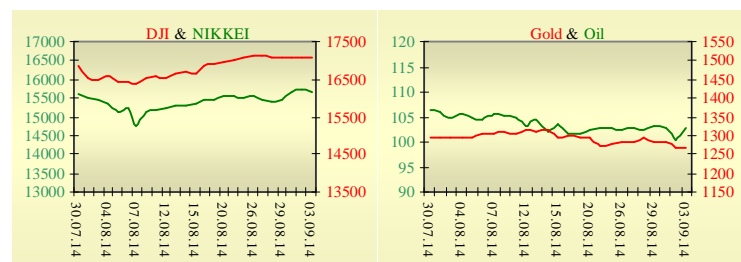
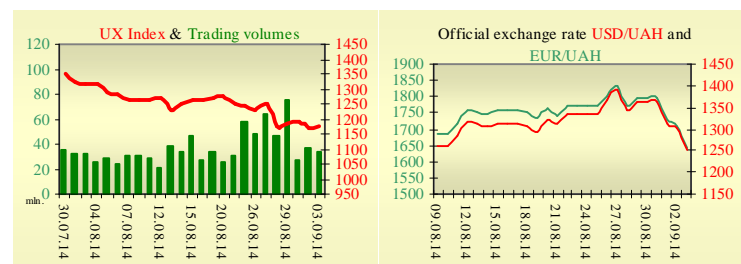


Morning stock market review 4 September 2014

Index	Closing	Change
Dow Jones	17 078.28	0.06%
S&P 500	2 000.72	-0.08%
NASDAQ comp	4 572.57	-0.56%
FTSE 100	6 873.58	0.65%
CAC 40	4 421.87	0.99%
DAX 30	9 626.49	1.26%
Nikkei 225	15 676.18	-0.33%



UX	Index	Change	Volume, UAH mln.
	1 179.91	1.00%	32.9



Value for 9:58		
Futures	Index	Change
Dow Jones	17 066.00	-0.04%
S&P 500	1 998.50	-0.01%
NASDAQ 100	4 072.50	0.01%

Commodity markets		
Oil Brent	102.77	2.42%
Gold	1 265.50	-0.11%

Interbank loans	3 September		
	o/n	7 days	30 days
KIBID (UAH)	5.75	4.25	3.00
KIBOR (UAH)	10.3	8.75	7.00
KIBID (USD)	5.75		
KIBOR (USD)	9.00		

Interbank currency	Bid/Ask	
	closing 03.09	
UAH/USD	12.4000 / 12.6000	
UAH/EUR	16.3065 / 16.5735	
UAH/RUB	0.3349 / 0.3407	

Last closure

On Wednesday, September 3, trades in USA have come to the end with mixed dynamics. The U.S. economy expanded at a modest to moderate pace over the past six weeks as a booming auto industry and tourism continued to drive growth. The report, which provides an anecdotal snapshot of the economy, was similar in tone to the previous two and more tempered in its outlook than recent government data that portray an accelerating economy. Business orders for U.S. factory goods shot up by a record amount in July. Factory orders rose 10.5% in July, the biggest one-month increase on records going back to 1992. The International Council of Shopping Centers and Goldman Sachs Retail Chain Store Sales Index were flat. On a year-to-year basis, the weekly reading rose 4.8%. Apple (-4.22%) led the tech sector lower and weighed on broader benchmarks through the rest of the day. The decline came one week before it is expected to unveil its latest iPhone, and as competitor Samsung Electronics (+1.77%) launched a new product. On the day's result, index Dow Jones rose by 0.06%, S&P has lowered by 0.08%, Nasdaq has decreased by 0.56%.

European stock exchanges closed with growth of main indexes, as Russia and Ukraine agreed on the steps needed for a truce, and a worse-than-forecast eurozone purchasing managers' index stoked speculation that the area's central bank will increase stimulus. Russian President Vladimir Putin outlined a peace plan for Ukraine after agreeing with his Ukrainian counterpart Petro Poroshenko on steps toward a cease-fire in the conflict. Putin called for an end to the rebels' offensive in the country's easternmost regions and urged the withdrawal of the Ukrainian military from residential areas as part of a seven-point proposal he presented today in Ulaanbaatar, Mongolia. A final agreement may be reached at a Sept. 5 meeting, he said. Activity in the eurozone's private sector slowed more sharply than first estimated in August, and declined in both France and Italy, indicating that the currency area is unlikely to soon escape a lengthening period of low or no growth. Data firm Markit's monthly composite purchasing managers index – a measure of activity in the manufacturing and services sectors – fell to 52.5 from 53.8 in July, the lowest level in 2014 to date, and lower than a preliminary estimate of 52.8. On the day's result, British FTSE rose by 0.65%, CAC 40 (France) grew by 0.99%, DAX (Germany) has increased by 1.26%.

October's contractual price on Brent oil, grew by \$2.43 to \$102.77 per barrel.

In Ukraine

Trades on the Ukrainian stock exchange opened by growth, day passed without certain dynamics. Value of the UX index has increased by 1% to 1179.91. Share trades capacity on the application market was equal to UAH 12 million. Trades capacity on the derivatives market was equal to UAH 14 million. Total trades capacity for yesterday – UAH 46.9 million.

From ten shares of an index basket, eight have risen. Leaders of growth were shares of Raiffeisen Bank Aval (+3.05%) and Enakievo Metallurgical Plant (+2.32%). Worse than market looked shares of Donbasenergo (-3.28%).

Ukrainian President Petro Poroshenko counts on the beginning of talks on a peaceful settlement in the Donetsk and Luhansk regions in the framework of the trilateral contact group (Russia, Ukraine, OSCE) already on September 5. Cabinet proposes starting privatization of up to 5% of Odesa Port-Side Plant, similar companies at western exchanges, says Yatsenyuk. Ukraine is expecting to receive US \$10.7 bn from foreign investors in 2014, said premier Arseniy Yatsenyuk at a session of the Cabinet. Yatsenyuk specified that US \$9.2 bn of the funds will be spent on repayment of external debts.

Premarket

External background at the opening is moderately negative. German factory orders grew by 4.6% on the month, beating expectations of a 1.2% increase. June figures were revised up to show a drop of 2.7%, after a 3.2% drop had been originally reported. The Asian indexes are decreasing today. Nikkei has lowered by 0.33%, Hong Kong Hang Seng declining by 0.16%.

Futures on American indexes are slightly changing today from -0.04% to +0.02%.

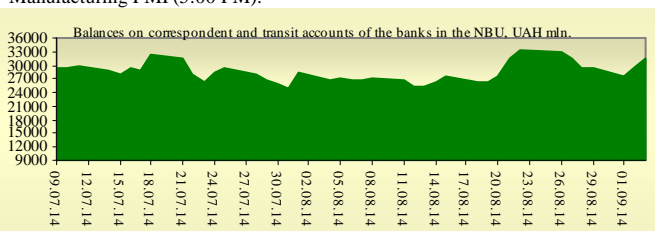
Russian indexes as of 10:00 AM are decreasing – MICEX decreasing by 0.16%, RTS lowers by 0.03%.

Our expectations

We expect opening of the Ukrainian market on neutral territory.

In Europe will be published rate decisions by the European Central Bank and the Bank of England (2:00 – 2:45 PM).

In the U.S. will be published initial jobless claims (3:30 PM), nonfarm productivity (3:30 PM), trade balance (3:30 PM), and data on ISM Non-Manufacturing PMI (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	0.0323	neg	0.52	18.38	37.32	neg
AZST	Azovstal Iron and Steel Works	0.779	24.19	0.17	0.15	neg	0.3
ENMZ	Enakievo Metallurgical Plant	34.34	neg	0.03	0.08	3.5	neg
MMKI	Ilyich Iron and Steel Works of Mariupol	0.1	neg	0.05	0.04	neg	0.17
Coke industry							
ALKZ	Alchevsk Cokery Plant	0.048	7.25	0.03	0.1	4.26	0.1
AVDK	Avdiivka Cokery Plant	2.753	neg	0.07	0.07	neg	0.12
YASK	Yasynivka Cokery Plant	0.5308	neg	0.07	0.07	2.37	0.02
Quarrying industry							
CGOK	Central Ore Mining and Processing Plant	6.85	4.39	1.37	1.36	2.61	1.09
PGOK	Poltava Ore Mining and Processing Plant	16.6	8.38	0.38	0.95	4.74	0.48
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	0.5	neg	0.14	0.29	1.55	0.21
Pipe industry							
NVTR	Interpipe Novomoskovsk Pipe-Production Plant	0.3	neg	0.04	0.21	3.81	0.09
HRTR	Khartsyzsk Tube Works	0.55	9.54	0.72	0.71	2.41	1.07
Energy industry							
CEEN	Centerenergo	7.744	20.91	0.38	0.48	8.35	1.18
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	Dniproenergo	406.8	2.57	0.25	0.31	1.41	0.4
DNON	DTEK Dniprooblenergo	70	neg	0.03	0.05	1.6	0.29
DOEN	Donbasenergo	33.1	1.14	0.14	0.27	1.44	0.47
DOON	Donetskoblenergo	5.001	1.96	0.06	0.15	1.03	0.28
HAON	Kharkivoblenergo	1.5	4.02	0.1	0.08	1	0.18
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	1.95	neg	0.11	0.25	3.23	0.22
LVON	Lvivoblenergo	1.22	neg	0.11	0.13	1.18	0.07
MOEN	Mykolayivoblenergo	1.41	34.56	0.16	0.42	5.47	0.6
ODEN	Odesaoblenergo	0.7	neg	0.13	0.27	1.62	0.17
PREN	Prykarpattiaoblenergo	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	137.8	19.63	0.17	0.29	3.15	1.3
ZAON	Zaporizhoblenergo	1.4	9.29	0.06	0.27	5.94	0.65
ZHEN	Zhytomyroblenergo	1.64	neg	0.14	0.17	1.36	0.1
ZOEN	Zakarpattiaoblenergo	1	1.06	0.13	0.39	2.05	0.39
Mechanical engineering							
KRAZ	AvtoKrAZ	0.0779	1.96	0.28	2.75	17.01	0.23
KVBZ	Krukivsky Carriage Works	15.76	9.77	0.73	0.75	8.96	0.65
LTPL	Luganskteplovoz	1.026	1.42	0.07	0.3	2.87	0.3
LUAZ	Bogdan Motors	0.0476	neg	0.26	4.07	neg	neg
MSICH	Motor Sich	2302.6667	2.35	0.51	0.5	1.11	0.44
MZVM	Mariupol Heavy Machine Building Plant	0.0955	0.48	0.23	0.23	0.19	0.13
SMASH	Sumy Frunze Machine Building Plant	2.1	neg	0.07	0.73	36.04	0.15
SVGZ	Stakhanov railway car building works	0.998	neg	0.34	1.54	61.82	0.33
Oil and gas industry							

UNAF	Ukrnafta	332.6667	15.99	0.78	0.77	6.18	0.95
Banks							
BAVL	Raiffeisen Bank Aval	0.1317	7.24	x	x	x	0.55
USCB	Ukrsotsbank	0.1694	1006.53	x	x	x	0.4
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	10.4	neg	0.13	2.07	neg	neg
SUNI	Sun Interbrew Ukraine	0.22	neg	0.62	0.62	5.92	1.53
UTLM	Ukrtelecom	0.19	49.14	0.55	0.92	3.93	0.7
ZATR	Zaporizhtransformator	1.24	8.33	1.01	1.82	6.72	7.43

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