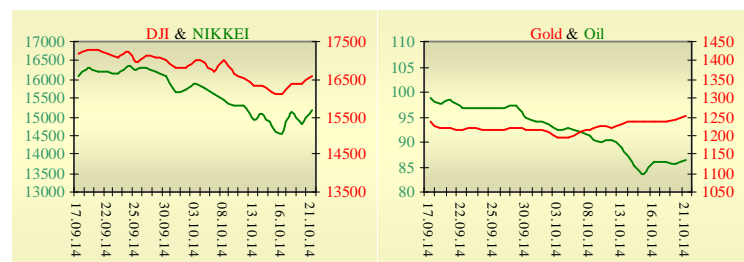
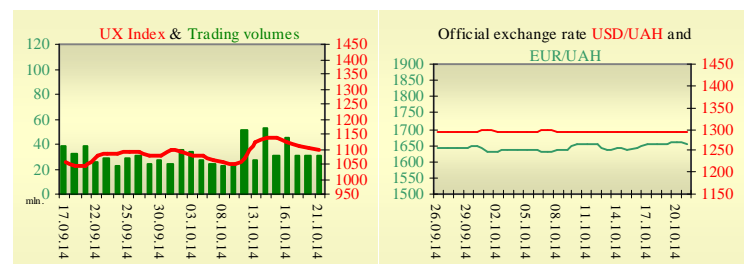


Morning stock market review 22 October 2014

| Index | Closing | Change |
|--------------------|-----------|--------|
| Dow Jones | 16 614.81 | 1.31% |
| S&P 500 | 1 941.28 | 1.96% |
| NASDAQ comp | 4 419.48 | 2.40% |
| FTSE 100 | 6 372.33 | 1.68% |
| CAC 40 | 4 081.24 | 2.25% |
| DAX 30 | 8 886.96 | 1.94% |
| Nikkei 225 | 15 195.77 | 2.64% |



| UX | Index | Change | Volume, UAH mln. |
|----|----------|--------|------------------|
| | 1 095.49 | -0.54% | 30.7 |



| Value for 10:09 | | |
|--------------------|-----------|--------|
| Futures | Index | Change |
| Dow Jones | 16 547.00 | 0.00% |
| S&P 500 | 1 936.60 | -0.07% |
| NASDAQ 100 | 3 970.50 | -0.02% |

| Commodity markets | | |
|-------------------|----------|-------|
| Oil Brent | 86.220 | 0.96% |
| Gold | 1 250.25 | 0.46% |

| Interbank loans | 21 October | | |
|--------------------|------------|--------|---------|
| | o/n | 7 days | 30 days |
| KIBID (UAH) | 7.86 | 4.50 | 9.00 |
| KIBOR (UAH) | 1 12.2 | 8.75 | 1 16.0 |
| KIBID (USD) | 7.75 | | |
| KIBOR (USD) | 1 11.2 | | |

| Interbank currency | Bid/Ask | |
|--------------------|-------------------|--|
| | closing 21.10 | |
| UAH/USD | 12.9600 / 13.1100 | |
| UAH/EUR | 16.5110 / 16.7021 | |
| UAH/RUB | 0.3120 / 0.3200 | |

Last closure

On Tuesday, October 21, trades in USA have come to the end with growth, as speculation grew the European Central Bank is buying bonds and corporate results beat estimates. U.S. home sales reached the highest level of the year in September, a sign of slowly building momentum in a housing market whose recovery has come in fits and starts over the past year. Sales of previously owned homes climbed 2.4% from a month earlier to a seasonally adjusted annual rate of 5.17 million in September. Apple Inc. gained 2.7%, sending the Nasdaq 100 Index 2.6% higher for its best day since January 2013. Yahoo! Inc. added 4% in late trading after reporting results. On the day's result, index Dow Jones rose by 1.31%, S&P has increased by 1.96%, Nasdaq grew by 2.40%.

European stock exchanges closed with growth of main indexes, after companies including Actelion Ltd. and Swedbank AB posted better-than-estimated earnings, while the European Central Bank was said to have bought Italian covered bonds. Actelion added 3% after increasing its full-year prediction for a second time. Swedbank rose 4.7% after announcing job cuts and posting net income that beat estimates. Reckitt Benckiser Group Plc lost 2.1% after saying full-year sales growth will be at the lower end of its forecast. The ECB entered the 2.6 trillion-euro (\$3.3 trillion) covered bond market after President Mario Draghi unveiled plans last month to bolster companies' and households' access to financing. Draghi, who also included asset-backed securities in the program, intends to expand the bank's balance sheet by as much as 1 trillion euros to stave off deflation in the euro area. On the day's result, British FTSE rose by 1.68%, CAC 40 (France) grew by 2.25%, DAX (Germany) has increased by 1.94%.

Novembers' contractual price on Brent oil, grew by \$0.82 to \$86.22 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 0.54% to 1095.49. Share trades capacity on the application market was equal to UAH 8.3 million. Trades capacity on the derivatives market was equal to UAH 9.1 million. Total trades capacity for yesterday — UAH 39.8 million.

From ten shares of an index basket, six retreated. Leaders of growth were shares of Azovstal Iron and Steel Works (+3.87%) and Motor Sich (+2.85%). Worse than market looked shares of Ukrnafta (-15.80%).

Ukraine's Presidential Administration has begun legislative preparations for receiving EUR 1-2 billion in financial assistance from the EU.

Premarket

External background at the opening is neutral.

The Asian indexes are growing today. Nikkei rose by 2.64%, Hong Kong Hang Seng increasing by 1.20%.

Futures on American indexes are decreasing today from 0.03% to 0.07%.

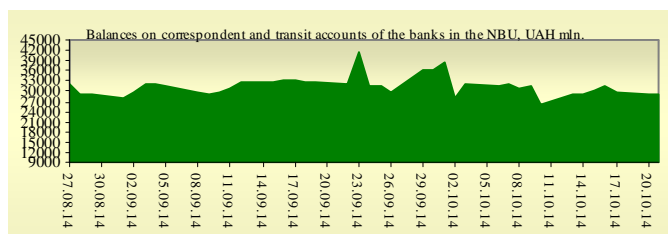
Russian indexes as of 10:01 AM are showing mixed dynamics — MICEX increasing by 0.01%, RTS lowers by 0.14%.

Our expectations

We expect opening of the Ukrainian market on neutral territory.

In Europe will be published MPC meeting minutes in the U.K. (11:30 AM).

In the U.S. will be published Core CPI (3:30 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 | 0.025 | neg | 0.08 | 3.77 | 13.65 | neg |
| AZST | Azovstal Iron and Steel Works | 0.7003 | 0.69 | 0.14 | 0.14 | 7.08 | 0.26 |
| ENMZ | Enakievo Metallurgical Plant | 28.9 | neg | 0.02 | 0.07 | 3.32 | neg |
| MMKI | Ilyich Iron and Steel Works of Mariupol | 0.2023 | neg | 0.09 | 0.09 | 17.75 | 0.32 |
| Coke industry | | | | | | | |
| ALKZ | Alchevsk Cokery Plant | 0.055 | neg | 0.05 | -0.03 | -32.13 | 0.03 |
| AVDK | Avdiivka Cokery Plant | 2.42 | neg | 0.06 | 0.06 | neg | 0.11 |
| YASK | Yasynivka Cokery Plant | 0.45 | neg | 0.05 | 0.05 | 6.19 | 0.09 |
| Quarrying industry | | | | | | | |
| CGOK | Central Ore Mining and Processing Plant | 7.7 | 4.45 | 1.46 | 1.46 | 2.8 | 1 |
| PGOK | Poltava Ore Mining and Processing Plant | 17.005 | neg | 0.32 | 1.14 | 2.82 | 4.35 |
| SGOK | North Ore Mining and Processing Plant | 7.616 | 4.38 | 1.29 | 1.53 | 2.02 | 1.05 |
| Mining industry | | | | | | | |
| SHKD | DTEK Mine Komsomolets Donbassa | 0.775 | 1.06 | 0.13 | 0.56 | 1.46 | 0.14 |
| SHCHZ | Pokrovske Mine Management | 0.373 | neg | 0.11 | 0.28 | 2.45 | 0.19 |
| Pipe industry | | | | | | | |
| NVTR | Interpipe Novomoskovsk Pipe-Production Plant | 0.3 | 2.26 | 0.04 | 0.35 | 2.06 | 0.09 |
| HRTR | Khartsyzsk Tube Works | 0.48 | 8.33 | 0.62 | 0.62 | 2.1 | 0.94 |
| Energy industry | | | | | | | |
| CEEN | Centerenergo | 7.5328 | 20.34 | 0.37 | 0.47 | 8.17 | 1.14 |
| CHEN | Chernivtsioblenergo | 3.85 | 27.8 | 0.32 | 0.44 | 5.52 | 1.33 |
| CHEON | Chernigivoblenergo | 1.4 | 2.52 | 0.16 | 0.16 | 1.85 | 0.33 |
| CHON | Cherkasyoblenergo | 0.95 | 12.93 | 0.11 | 0.1 | 2.1 | 0.5 |
| DNEN | Dniproenergo | 801 | 5.06 | 0.5 | 0.55 | 2.54 | 0.78 |
| DNON | DTEK Dniprooblenergo | 114.98 | neg | 0.04 | 0.06 | 2.19 | 0.48 |
| DOEN | Donbasenergo | 30.5 | 1.05 | 0.13 | 0.26 | 1.38 | 0.43 |
| DOON | Donetskoblenergo | 7.496 | neg | 0.1 | 0.22 | 1.73 | 0.36 |
| HAON | Kharkivoblenergo | 1.45 | 3.89 | 0.1 | 0.08 | 0.95 | 0.18 |
| HMON | Khmelnitskoblenergo | 1.21 | 14.47 | 0.16 | 0.15 | 1.64 | 0.23 |
| KION | Kirovogradoblenergo | 2 | neg | 0.22 | 0.36 | 3.48 | 0.26 |
| KOEN | Kyivoblenergo | 1.1 | neg | 0.34 | 0.33 | 10.19 | 0.48 |
| KREN | DTEK Krymenergo | 2.11 | neg | 0.12 | 0.26 | 3.35 | 0.24 |
| LVON | Lvivoblenergo | 1.02 | neg | 0.09 | 0.11 | 1.17 | 0.06 |
| MOEN | Mykolayivoblenergo | 1.05 | 25.73 | 0.12 | 0.38 | 4.94 | 0.45 |
| ODEN | Odesaoblenergo | 0.65 | neg | 0.12 | 0.26 | 1.56 | 0.15 |
| PREN | Prykarpattiaoblenergo | 1.6 | 3.05 | 0.16 | 0.2 | 1.31 | 0.13 |
| VOEN | Volynoblenergo | 0.5 | neg | 0.31 | 0.31 | 6.59 | 0.36 |
| ZAEN | DTEK Zakhidenergo | 162 | 23.08 | 0.2 | 0.32 | 3.47 | 1.53 |
| ZAON | Zaporizhoblenergo | 1.5 | 9.96 | 0.07 | 0.28 | 6.04 | 0.69 |
| ZHEN | Zhytomyroblenergo | 1.81 | neg | 0.16 | 0.19 | 1.48 | 0.11 |
| ZOEN | Zakarpattiaoblenergo | 1.5 | 1.59 | 0.2 | 0.46 | 2.4 | 0.59 |
| Mechanical engineering | | | | | | | |
| KRAZ | AvtoKRAZ | 0.099 | neg | 0.23 | 2.21 | 5.78 | 0.42 |
| KVBZ | Krukivsky Carriage Works | 13.97 | 17.57 | 0.44 | 0.6 | neg | 0.61 |
| LTPL | Luganskteplovovoz | 1.249 | 6.43 | 0.13 | 0.64 | 3.12 | 0.35 |
| LUAZ | Bogdan Motors | 0.0429 | neg | 0.24 | 4.04 | neg | neg |
| MSICH | Motor Sich | 2394 | 2.44 | 0.53 | 0.52 | 1.16 | 0.46 |
| MZVM | Mariupol Heavy Machine Building Plant | 0.1997 | 1.01 | 0.48 | 0.47 | 0.41 | 0.28 |
| SMASH | Sumy Frunze Machine Building Plant | 5.002 | neg | 0.67 | 4.82 | neg | 0.42 |
| SVGZ | Stakhanov railway car building works | 1.184 | neg | 0.4 | 1.6 | 64.38 | 0.4 |
| Oil and gas industry | | | | | | | |

| | | | | | | | |
|-------------------------|-----------------------|----------|--------|------|--------|-------|------|
| UNAF | Ukrnafta | 280.3375 | 13.47 | 0.65 | 0.64 | 5.19 | 0.8 |
| Banks | | | | | | | |
| BAVL | Raiffeisen Bank Aval | 0.123 | neg | x | x | x | 0.51 |
| USCB | Ukrsotsbank | 0.14 | 193.89 | x | x | x | 0.29 |
| Other industries | | | | | | | |
| KFTP | Slavic wallpapers | 36 | 0.95 | 0.15 | 0.17 | 0.66 | 0.28 |
| MTBD | Mostobud | 23.9 | neg | 0.19 | 9.63 | neg | neg |
| SLVT | Slavutych | 1.182 | neg | 0.17 | 887.09 | neg | neg |
| SLAV | Carlsberg Ukraine | 8.449 | 10.41 | 2.64 | 0.31 | 1.04 | 2.36 |
| STIR | Concern Stinol | 9.39 | neg | 0.1 | 2.91 | neg | neg |
| SUNI | Sun Interbrew Ukraine | 0.19 | neg | 0.59 | 0.59 | 6.98 | 1.64 |
| UTLM | Ukrtelecom | 0.1999 | 23.64 | 0.59 | 0.97 | 3.85 | 0.63 |
| ZATR | Zaporizhtransformator | 1.75 | neg | 1.87 | 3.38 | 11.61 | neg |

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