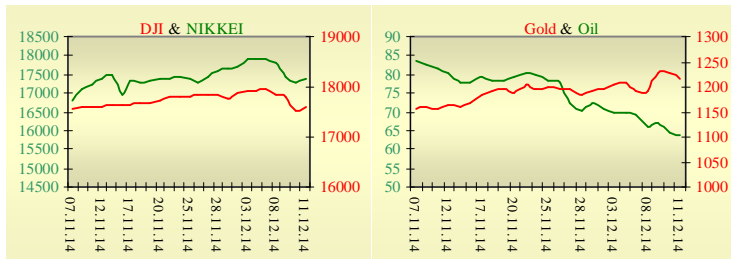


Morning stock market review 12 December 2014

Index	Closing	Change
Dow Jones	17 596.34	0.36%
S&P 500	2 035.33	0.45%
NASDAQ comp	4 708.16	0.52%
FTSE 100	6 461.70	-0.59%
CAC 40	4 225.86	-0.05%
DAX 30	9 862.53	0.64%
Nikkei 225	17 371.58	0.66%



Last closure

On Thursday, December 11, trades in USA have come to the end with growth. Oil's collapse into a bear market has been exacerbated as Saudi Arabia, Iraq and Kuwait, OPEC's three largest members, offered the deepest discounts on exports to Asia in at least six years. The United States economy is firing on all cylinders as the year comes to a close. Total retail sales rose 0.7% in November, as holiday shopping began, and that came despite a sharp tumble in gasoline prices that reduced the dollar value of sales at gas stations by 0.8%. Analysts had expected a rise of only 0.4%. Jobless claims decreased by 3,000 to 294,000 in the week ended Dec. 6. The median forecast called for first-time applications to hold at the prior week's 297,000. Claims have been below 300,000 for 12 of the past 13 weeks. On the day's result, index Dow Jones rose by 0.36%, S&P has increased by 0.45%, Nasdaq grew by 0.52%.

European stock exchanges closed with mixed dynamics of main indexes. The European Central Bank is expected to continue with their low interest policy until the end of 2016, and through an ongoing asset purchase scheme, it is estimated by Fitch that their balance sheet will reach the €3 trillion mark. Quantitative easing is not anticipated to be accelerated, and will only be turned to if growth returns continue to be disappointing, or if there is a risk of deflation. Greece's ASE Index slid 7.4%, posting the biggest three-day slump since 1987, amid concern a possible snap parliamentary election would open the door to anti-austerity leadership. On the day's result, British FTSE has declined by 0.59, CAC 40 (France) has decreased by 0.05%, DAX (Germany) has increased by 0.64%.

January's contractual price on Brent oil, decreased by \$0.56 to \$63.68 per barrel.

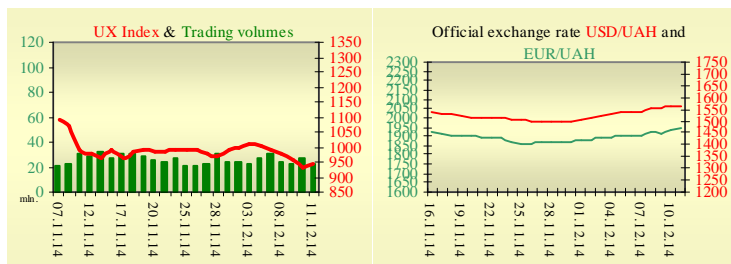
UX	Index	Change	Volume, UAH mln.
	943.18	1.17%	22.6

In Ukraine

Trades on the Ukrainian stock exchange opened on neutral territory, day passed without certain dynamics. Value of the UX index has increased by 1.17% to 943.18. Share trades capacity on the application market was equal to UAH 4.2 million. Trades capacity on the derivatives market was equal to UAH 7.1 million. Total trades capacity for yesterday — UAH 29.7 million.

From ten shares of an index basket, six have risen. Leaders of growth were shares of Donbasenergo (+3.89%). Worse than market looked shares of Avdiivka Coke Plant (-3.11%).

Ukraine's Finance Minister denies threat of default. The financial situation is difficult, but there is no threat of default now, Ukraine's Minister of Finance Natalie Jaresko has assured. We have not default and even not pre-default state. Today this issue is not even discussed in the government, she said.



Premarket

External background at the opening is neutral. Chinese industrial production rose 7.2% on year in November, below expectations for a 7.5% increase in a Reuters poll and down from October's 7.7% rise. Meanwhile, retail sales rose 11.7% on year, above expectations for an 11.5% rise. The Asian indexes are showing mixed dynamics today. Nikkei rose by 0.66%, Hong Kong Hang Seng declining by 0.08%.

Futures on American indexes are changing today from -0.15% to +0.22%. Russian indexes as of 10:00 AM are decreasing — MICEX decreasing by 0.51%, RTS lowers by 2.68%.

Our expectations

We expect opening of the Ukrainian market on neutral territory.

In the EU will be published Industrial Production (12:00 AM).

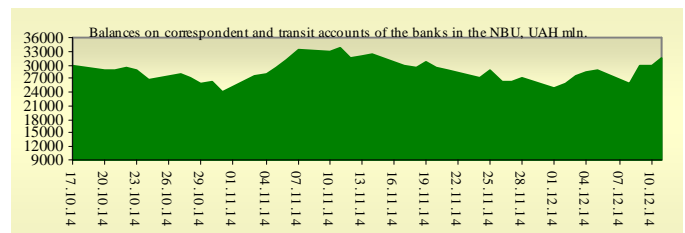
In the U.S. will be published PPI (3:30 PM) and Michigan consumer expectations (4:55 PM).

Value for 10:08		
Futures	Index	Change
Dow Jones	17 482.00	-0.15%
S&P 500	2 021.70	-0.11%
NASDAQ 100	4 236.50	0.22%

Commodity markets		
Oil Brent	63.680	-0.87%
Gold	1 216.25	-1.03%

Interbank loans	11 December		
	o/n	7 days	30 days
KIBID (UAH)	20.5		
KIBOR (UAH)	30.0		
KIBID (USD)	10.0		
KIBOR (USD)	13.0		

Interbank currency	Bid/Ask	
	closing 11.12	
UAH/USD	15.7600 / 16.0600	
UAH/EUR	19.5345 / 19.9031	
UAH/RUB	0.2835 / 0.2892	



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	0.0147	neg	0.05	3.74	14.82	neg
AZST	Azovstal Iron and Steel Works	0.655	0.66	0.13	0.1	2.89	0.23
ENMZ	Enakievo Metallurgical Plant	19.44	neg	0.02	0.07	2.96	neg
MMKI	Ilyich Iron and Steel Works of Mariupol	0.1699	neg	0.07	0.05	4.28	0.14
Coke industry							
ALKZ	Alchevsk Cokery Plant	0.036	neg	0.03	-0.05	-47.7	0.02
AVDK	Avdiivka Cokery Plant	1.681	neg	0.04	0.04	neg	0.07
YASK	Yasynivka Cokery Plant	0.2505	neg	0.03	0.03	neg	0.05
Quarrying industry							
CGOK	Central Ore Mining and Processing Plant	7.08	4.09	1.35	1.35	4.4	0.92
PGOK	Poltava Ore Mining and Processing Plant	16.48	neg	0.31	1.13	3.53	4.21
SGOK	North Ore Mining and Processing Plant	8.2	4.72	1.39	1.58	2.09	1.13
Mining industry							
SHKD	DTEK Mine Komsomolets Donbassa	0.29	0.4	0.05	0.47	1.24	0.05
SHCHZ	Pokrovske Mine Management	0.325	neg	0.1	0.27	16.34	0.17
Pipe industry							
NVTR	Interpipe Novomoskovsk Pipe-Production Plant	0.2999	2.25	0.04	0.35	2.47	0.09
HRTR	Khartsyzsk Tube Works	0.34	6.63	0.43	0.36	1.19	0.53
Energy industry							
CEEN	Centerenergo	7.1907	14.76	0.36	0.34	2.31	1.03
CHEN	Chernivtsioblenergo	5.75	18.31	0.47	0.55	3.54	1.79
CHEON	Chernigivoblenergo	1.4	2.43	0.16	0.16	1.66	0.36
CHON	Cherkasyoblenergo	1.169	6.34	0.13	0.13	2.02	0.57
DNEN	Dniproenergo	589.625	3.72	0.37	0.42	7.57	0.58
DNON	DTEK Dniprooblenergo	62	neg	0.02	0.04	0.6	0.26
DOEN	Donbasenergo	29.8086	1.15	0.13	0.26	0.93	0.4
DOON	Donetskoblenergo	9	neg	0.11	0.24	1.88	0.43
HAON	Kharkivoblenergo	1.45	1.89	0.1	0.07	0.64	0.16
HMON	Khmelnitskoblenergo	1.25	8.29	0.16	0.14	0.79	0.23
KION	Kirovogradoblenergo	1.59	neg	0.17	0.32	1.35	0.21
KOEN	Kyivoblenergo	0.825	neg	0.25	0.23	2.62	0.36
KREN	DTEK Krymenergo	1.809	neg	0.1	0.24	3.88	0.2
LVON	Lvivoblenergo	0.521	neg	0.05	0.07	0.72	0.03
MOEN	Mykolayivoblenergo	1.15	10.63	0.13	0.37	5.1	0.47
ODEN	Odesaoblenergo	0.601	9.19	0.11	0.25	1.01	0.14
PREN	Prykarpattiaoblenergo	0.8	1.53	0.08	0.12	0.79	0.06
VOEN	Volynoblenergo	0.45	neg	0.28	0.28	5.93	0.32
ZAEN	DTEK Zakhidenergo	149.9	23.47	0.18	0.34	1.92	1.32
ZAON	Zaporizhoblenergo	1	neg	0.05	0.23	3.46	0.48
ZHEN	Zhytomyroblenergo	1.78	13.19	0.16	0.24	1.13	0.11
ZOEN	Zakarpattiaoblenergo	1.5	1.84	0.19	0.44	2.09	0.56
Mechanical engineering							
KRAZ	AvtoKRAZ	0.1067	neg	0.25	2.23	9.21	0.45
KVBZ	Krukivsky Carriage Works	10.87	13.67	0.34	0.5	neg	0.47
LTPL	Luganskteplovoz	1.07	5.51	0.11	0.62	3.03	0.3
LUAZ	Bogdan Motors	0.025	neg	0.14	3.94	neg	neg
MSICH	Motor Sich	2131	0.58	0.45	0.42	0.51	0.41
MZVM	Mariupol Heavy Machine Building Plant	0.1242	neg	0.32	0.32	0.31	0.17
SMASH	Sumy Frunze Machine Building Plant	5.999	neg	0.8	4.95	neg	0.51
SVGZ	Stakhanov railway car building works	0.29	neg	0.17	1.92	3.83	0.11
Oil and gas industry							

UNAF	Ukrnafta	185.58	53.09	0.42	0.41	2.46	0.55
Banks							
BAVL	Raiffeisen Bank Aval	0.097	neg	x	x	x	0.4
USCB	Ukrsotsbank	0.1395	193.2	x	x	x	0.29
Other industries							
KFTP	Slavic wallpapers	40	1.05	0.17	0.19	0.73	0.31
MTBD	Mostobud	12	neg	0.1	9.54	neg	neg
SLVT	Slavutych	1.182	neg	0.17	887.09	neg	neg
SLAV	Carlsberg Ukraine	7	8.63	2.18	0.31	1.04	1.95
STIR	Concern Stinol	6.7	neg	0.07	2.88	neg	neg
SUNI	Sun Interbrew Ukraine	0.19	neg	0.59	0.59	6.98	1.64
UTLM	Ukrtelecom	0.14	16.55	0.41	0.79	5.92	0.44
ZATR	Zaporizhtransformator	1.719	neg	1.84	3.34	11.49	neg

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