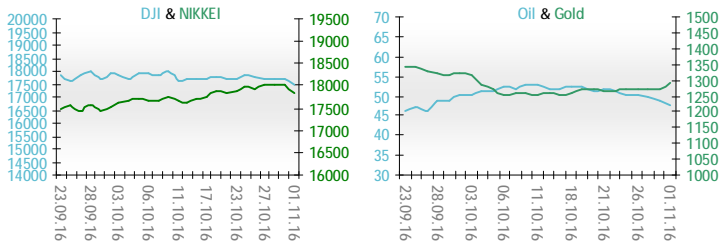


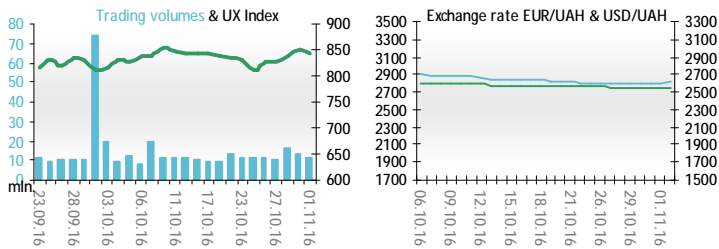


Morning stock market review 2 November 2016

| Index       | Closing   | Change |
|-------------|-----------|--------|
| Dow Jones   | 18 037.10 | -0.58% |
| S&P 500     | 2 111.72  | -0.68% |
| NASDAQ comp | 5 153.58  | -0.69% |
| FTSE 100    | 6 917.14  | -0.53% |
| CAC 40      | 4 470.28  | -0.86% |
| DAX 30      | 10 526.16 | -1.30% |
| Nikkei 225  | 17 134.68 | -1.76% |



| UX | Index  | Change | Volume, UAH mln. |
|----|--------|--------|------------------|
|    | 843.65 | -0.56% | 10.8             |



| Value for 9:46 |           |        |
|----------------|-----------|--------|
| Futures        | Index     | Change |
| Dow Jones      | 17 935.00 | -0.28% |
| S&P 500        | 2 097.75  | -0.28% |
| NASDAQ 100     | 4 743.50  | -0.28% |

| Commodity markets |          |        |
|-------------------|----------|--------|
| Oil Brent         | 47.820   | -2.18% |
| Gold              | 1 288.45 | 1.29%  |

| Interbank loans | 1 November |        |         |
|-----------------|------------|--------|---------|
|                 | o/n        | 7 days | 30 days |
| KIBID (UAH)     | 13.4       |        |         |
| KIBOR (UAH)     | 14.5       |        |         |
| KIBID (USD)     | 0.53       |        |         |
| KIBOR (USD)     | 2.38       |        |         |

| Interbank currency | Bid/Ask closing 01.11             |                                   |
|--------------------|-----------------------------------|-----------------------------------|
|                    | UAH/USD                           | 25.5900 +0.0800 / 25.6200 +0.0900 |
| UAH/EUR            | 28.2480 +0.3300 / 28.2820 +0.3420 |                                   |
| UAH/RUB            | 0.4050 +0.0030 / 0.4060 +0.0030   |                                   |

Last closure

On Tuesday, November 1, trades in USA have come to the end with decrease, as investors grappled with a tightening presidential race, economic data, corporate earnings, and the Federal Reserve's monetary policy decision. Federal Reserve officials began a two-day policy meeting, which concludes on Wednesday, and are widely expected to leave rates unchanged on expectations the central bank will want to avoid influencing the outcome of the presidential election next week. Manufacturing activity in the U.S. improved more than expected in October, fueling optimism over the strength of the economy, industry data showed on Tuesday. In a report, the Institute for Supply Management said its index of purchasing managers inched up to 51.9 last month from a reading of 51.5 in September. Analysts had expected the manufacturing PMI to rise to 51.7 in October. On the day's result, index Dow Jones has declined by 0.58%, S&P has lowered by 0.68%, Nasdaq has decreased by 0.69%.

European stock exchanges closed with decrease of main indexes, as several major companies turned in disappointing financial results. Standard Chartered the U.K.-based lender, which focuses on Asia, said its financial performance is "not yet acceptable," as its pretax profit of \$458 million missed analyst expectations. Rival oil producer BP said third-quarter profit rose 35% and underlying earnings of \$933 million outstripped expectations of \$686 million in a Dow Jones Newswires poll. On the day's result, British FTSE has declined by 0.53%, DAX (Germany) has lowered by 1.30%, CAC 40 (France) has decreased by 0.86%.

Decembers' contractual price on Brent oil, grew by \$0.03 to \$48.33 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 increased declined by 0.56% to 843.65. Share trades capacity on the application market was equal to UAH 1.1 million. Trades capacity on the derivatives market was equal to UAH 13.6 million. Total trades capacity for yesterday — UAH 24.4 million.

From five shares of an index basket, three have risen. Leaders of growth were shares of Centerenergo (+0.64%) and Raiffeisen Bank Aval (+0.62%). Worse than market looked shares of Donbasenergo (-13.60%).

The loss of operating banks in Ukraine in January through September 2016 totaled UAH 11.6 billion, which is 77.3% down year-over-year, NBU has reported on its website.

Premarket

External background at the opening is negative.

The Asian indexes are decreasing today. Nikkei has lowered by 1.76%, Hong Kong Hang Seng declining by 1.40%.

Futures on American indexes are decreasing today from 0.28% to 0.29%.

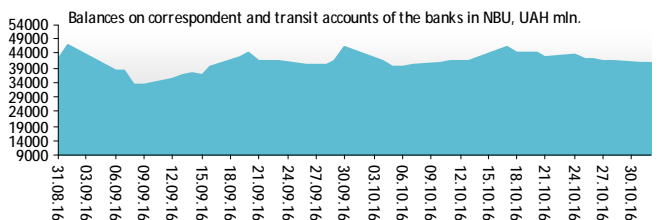
Russian indexes as of 9:57 EET are decreasing — MICEX decreasing by 0.48%, RTS lowers by 0.90%.

Our expectations

We expect opening of the Ukrainian market by decrease.

In Europe will be published manufacturing PMI in Germany (10:55 EET) and in the U.K. (11:00 EET).

In the U.S. will be published ADP nonfarm employment change (14:15 EET), crude oil inventories (16:30 EET) and Fed interest rate decision (20:00 EET).



## Financial ratios for Ukrainian issuers

| Ticker                        | Name   | Closing price,<br>UAH | P/E    | P/S  | EV/S   | EV/Ebitda | P/B  |
|-------------------------------|--|-----------------------|--------|------|--------|-----------|------|
| <b>Metallurgy</b>             |  |                       |        |      |        |           |      |
| ALMK                          | Alchevsk Metallurgical Plant                 | 0.008                 | neg    | 0.01 | 2.77   | 14.03     | neg  |
| <b>Coke industry</b>          |  |                       |        |      |        |           |      |
| ALKZ                          | Alchevsk Cokery Plant                        | 0.02                  | neg    | 0.34 | 38.03  | 197.8     | neg  |
| YASK                          | Yasynivka Cokery Plant                       | 0.2                   | neg    | 0.03 | 0.03   | neg       | 0.04 |
| <b>Mining industry</b>        |  |                       |        |      |        |           |      |
| SHCHZ                         | Pokrovske Mine Management                    | 0.2                   | neg    | 0.06 | 0.28   | neg       | 0.14 |
| <b>Pipe industry</b>          |  |                       |        |      |        |           |      |
| NVTR                          | Interpipe Novomoskovsk Pipe-Production Plant | 0.2492                | neg    | 0.04 | 0.48   | 2.06      | 0.09 |
| <b>Energy industry</b>        |  |                       |        |      |        |           |      |
| CEEN                          | Centerenergo                                 | 11.2033               | neg    | 0.62 | 0.58   | neg       | 1.78 |
| CHEN                          | Chernivtsioblenergo                          | 5.45                  | 5.99   | 0.34 | 0.41   | 3         | 1.45 |
| CHEON                         | Chernigivoblenergo                           | 1                     | 2.09   | 0.1  | 0.06   | 0.78      | 0.23 |
| CHON                          | Cherkasyoblenergo                            | 1.449                 | 5.72   | 0.11 | 0.11   | 1.87      | 0.63 |
| DNEN                          | Dniproenergo                                 | 179.9                 | neg    | 0.12 | 0.12   | neg       | 0.17 |
| DNON                          | DTEK Dniprooblenergo                         | 69.999                | 7.44   | 0.02 | 0.06   | 1.89      | 0.28 |
| DOEN                          | Donbasenergo                                 | 10.7736               | neg    | 0.05 | 0.13   | 1.21      | 0.21 |
| DOON                          | Donetskoblenergo                             | 3.2                   | neg    | 0.04 | 0.13   | neg       | neg  |
| HMON                          | Khmelnitskoblenergo                          | 2                     | 5.21   | 0.2  | 0.18   | 1.84      | 0.36 |
| KION                          | Kirovogradoblenergo                          | 2.005                 | neg    | 0.19 | 0.41   | 15.48     | 0.32 |
| KOEN                          | Kyivoblenergo                                | 0.65                  | 9.54   | 0.16 | 0.17   | 2.07      | 0.27 |
| KREN                          | DTEK Krymenergo                              | 0.6                   | neg    | 0.05 | 0.2    | 2.03      | 0.08 |
| LVON                          | Lvivoblenergo                                | 0.811                 | neg    | 0.06 | 0.1    | 1.09      | 0.05 |
| MOEN                          | Mykolayivoblenergo                           | 1.15                  | 10.01  | 0.09 | 0.27   | 4.57      | 0.46 |
| ODEN                          | Odesaoblenergo                               | 0.95                  | neg    | 0.14 | 0.27   | 1.71      | 0.22 |
| PREN                          | Prykarpattiaoblenergo                        | 1.201                 | 3.44   | 0.11 | 0.14   | 1.32      | 0.1  |
| VOEN                          | Volynoblenergo                               | 0.375                 | neg    | 0.21 | 0.2    | 3.2       | 0.27 |
| ZAEN                          | DTEK Zakhidenergo                            | 60                    | neg    | 0.05 | 0.19   | neg       | 0.36 |
| ZHEN                          | Zhytomyroblenergo                            | 2.1                   | 36.23  | 0.15 | 0.24   | 1.8       | 0.13 |
| ZOEN                          | Zakarpattiaoblenergo                         | 1.504                 | 3.12   | 0.18 | 0.43   | 0.38      | 0.25 |
| <b>Mechanical engineering</b> |  |                       |        |      |        |           |      |
| KRAZ                          | AvtoKrAZ                                     | 0.0605                | neg    | 0.08 | 1.19   | 3.96      | 0.23 |
| KVBZ                          | Krukivsky Carriage Works                     | 8.51                  | neg    | 0.35 | 0.47   | neg       | 0.4  |
| LTPL                          | Luganskteplovovoz                            | 0.348                 | 1.13   | 0.03 | 0.42   | 2.25      | 0.09 |
| LUAZ                          | Bogdan Motors                                | 0.01                  | neg    | 0.06 | 4.9    | 3.26      | neg  |
| MSICH                         | Motor Sich                                   | 1926.5                | neg    | 0.29 | 0.3    | 1.22      | 0.3  |
| SMASH                         | Sumy Frunze Machine Building Plant           | 4.442                 | neg    | 0.29 | 2.98   | 6.99      | neg  |
| SVGZ                          | Stakhanov railway car building works         | 0.199                 | neg    | 0.85 | 18.97  | neg       | 0.24 |
| <b>Oil and gas industry</b>   |  |                       |        |      |        |           |      |
| UNAF                          | Ukrnafta                                     | 122.1                 | neg    | 0.22 | 0.19   | 1.72      | 0.26 |
| <b>Banks</b>                  |  |                       |        |      |        |           |      |
| BAVL                          | Raiffeisen Bank Aval                         | 0.13                  | neg    | x    | x      | x         | 0.54 |
| USCB                          | Ukrsotsbank                                  | 0.0906                | 125.48 | x    | x      | x         | 0.19 |
| <b>Other industries</b>       |  |                       |        |      |        |           |      |
| KFTP                          | Slavic wallpapers                            | 40                    | 1.08   | 0.13 | 0.14   | 0.64      | 0.26 |
| MTBD                          | Mostobud                                     | 8                     | neg    | 0.01 | 2.12   | neg       | neg  |
| SLVT                          | Slavutych                                    | 1.2                   | neg    | 0.15 | 9.86   | neg       | neg  |
| SLAV                          | Carlsberg Ukraine                            | 8                     | 8.71   | 2.29 | 0.29   | 1.17      | 2.48 |
| STIR                          | Concern Stinol                               | 2                     | neg    | 0.05 | 1.22   | neg       | neg  |
| SUNI                          | Sun Interbrew Ukraine                        | 0.15                  | neg    | 0.43 | 0.48   | 5.25      | 1.48 |
| UTLM                          | Ukrtelecom                                   | 0.157                 | 4.81   | 0.33 | 0.55   | 2.36      | 0.58 |
| ZATR                          | Zaporizhtransformator                        | 1.25                  | neg    | 2.02 | 4.86   | 29.69     | 1.62 |
| MHPC                          | MHP S.A.                                     | 260                   | neg    | neg  | -21.31 | 5.71      | 0.5  |



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