

During the first winter session PFTS market turned red at passive trade. Coke processing, metallurgy, banking sector and pipe rolling floated in side trend with average industry growth/fall about 0.5% at widening spreads. Energy sector corrected 3.24% down after a fast rise on Friday, ore mining lost 1.14%. Machine building gained 1.2% due to Luganskteplovoz stocks (LTPL +18.1%). Energy sector decline bent PFTS index 2.62% down to 282.05 points at a very low overall stock trade volume.

**Ukrainian metallurgy slows down**

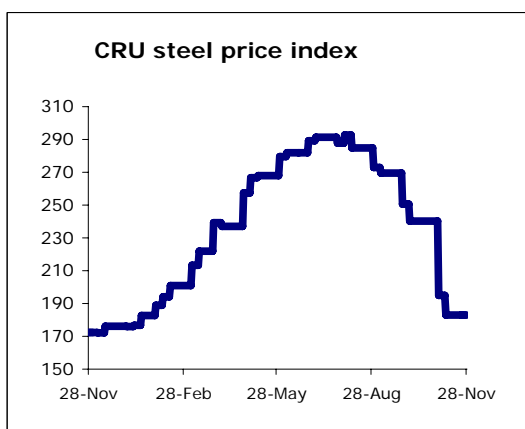
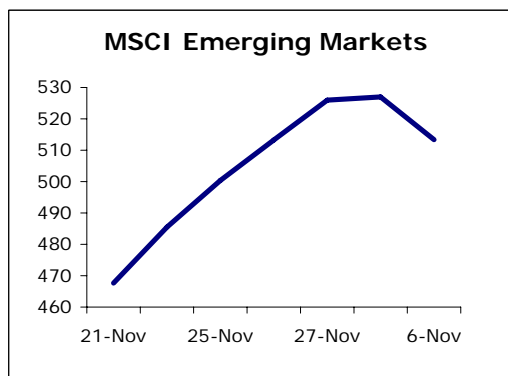
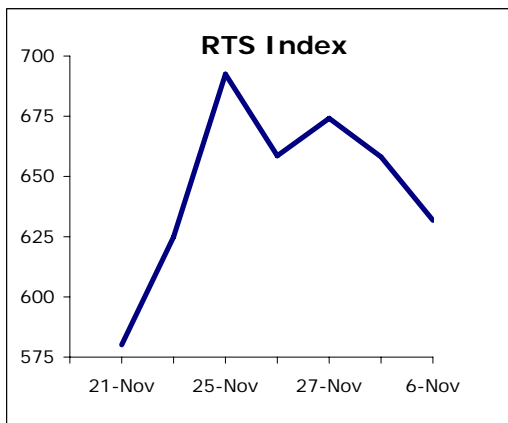
In January-November 2008 Ukrainian metallurgical enterprises have decreased output of all 3 main types of metallurgical production, said a representative of Ministry for Industrial Policy of Ukraine. Rolled metal, steel and iron production declined by 10% to 29.592mIn mt, 35.076mIn mt and 29.317mIn mt correspondingly, steel pipes – by 8% to 2.236mIn mt, wiring products – by 26% to 287ths mt. Output of coke shortened by 4% to 17.977mIn mt. Scrap metal supply to metallurgical enterprises decreased by 12% to 5.609mIn mt. According to a representative of the Ministry for Industrial Policy of Ukraine, mining enterprises have decreased output of iron ore by 5% to 67.535mIn mt, iron ore concentrate – by 5% to 53.236mIn mt. Iron ore containing materials production shortened by 9%, to 59.767mIn mt: production of agglomerate – by 11% to 40.454mIn mt, pellets – by 5% to 19.314mIn mt. August-November showed a notable decline of production caused by sales decrease. Enterprises decreased capacity usage level decreased, part of facilities has been stopped.

**Titanium concentrate export rises by 21%**

In October 2008 export of titanium concentrate from Ukraine has increased by 21% (by 5.1ths mt) mom to 29.37ths mt with overall cost of 7.55mIn, says a report by the State Statistics Committee of Ukraine. In October Ukraine exported titanium concentrate mostly to Russia and Czech Republic. Yoy increase of export of titanium concentrate from Ukraine amounted 2% (0.6ths mt). In January-October 2008 export of titanium concentrate from Ukraine shortened by 14.8% yoy to 42.755ths mt to 246.43ths mt with overall cost of \$60.18mIn.

**Nikopil Ferroalloy Plant cuts production by almost 15%**

During 11 months of 2008 Nikopil Ferroalloy Plant (NFER) has shortened volume of production by 14.7% yoy to 813.1ths mt, said the company press office representative. During the period production of silicon manganese fell by 21.3% to 555.9ths mt increasing ferromanganese output by 3.7% to 257.2ths mt. Other ferroalloys were not produced during the period. In November the plant stopped due to lack of demand for its production caused by world economic crisis.



	2005	2006	2007	1H2008
GDP growth	2.6%	7%	7,3%	6,90%
Industrial output growth	3.1%	6.2%	10,20%	5,20%
CPI	10.3%	11.6%	16,60%	26,80%
NBU Reserves, \$ bln	19.395	22.362	31,71	35,5
Current Account Balance, \$ bln	2,513	-1,00	-8,2	-6,8
Debt/ GDP	18.36	16.44	13.67	8,9

### Import of coke falls by 31%

In October 2008 import of coke by Ukrainian companies has decreased by 30.6% (by 40.77ths mt) mom to 92.65ths mt with overall cost of \$48.93mln, says a report by the State Statistics Committee of Ukraine. Yoy coke import decrease in October accounted 34.7% (by 49.13ths). In January October 2008 import of coke has shrunk by 31.1%, (by 556.24ths mt) to 1.23m mt with overall cost of \$509.28mln.

### Khartsyzsk tube works shortens yoy gap

In January-November 2008 Khartsyzsk Tube Works (HRTR), producer of large diameter rust preventive pipes has decreased production of pipes by 28.9% yoy to 333.7ths mt, said the company representative. In November the plant produced 50.9ths mt of pipes, after 47.8ths mt in October and 39.2ths mt in September. The enterprise is gradually shortening the yoy gap, noticed the representative.

100USD/UAH	714,2000
100EUR/UAH	900,4634
10RUB/UAH	2,5561

### Export of scrap metal shortens in October

In October 2008 export of ferrous metal from Ukraine has risen by 16% (by 4.65ths mt) mom to 33.74ths mt, says a report by the State Statistics Committee of Ukraine. Income of export has risen by 5.8% (by \$0.93mln) to \$16.90mln. Yoy ferrous scrap metals increase in October 2008 has reached 78.5% (14.84ths mt). In January-October export of scrap metal has shortened by 4.1% (by 24.87ths mt) to 580.75ths mt with overall cost of \$278.84mln.

### Short market information

Most traded	Ticker	Volume, mln UAH
1	ALMK	0,697
2	UNAF	0,209
3	MSICH	0,188

Growth leaders	Ticker	change,%
1	LTPL	20,00
2	KSTL	5,94
3	NITR	0,83

Retreat leaders	Ticker	change,%
1	ZACO	-21,88
2	LUAZ	-10,00
3	DNON	-8,42

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ticker	name	bid	change, %	ask	change, %	spread, %	last deal	last deal date	vol, 01.12.08	deals, 01.12.08
<b>Power engineering</b>										
DNEN	Dniproenergo	435,00	-4,40	500,00	-5,66	14,9	462,00	01.12.2008	45,9	2
DNON	Dniproblenergo	87,00	-8,42	195,00	-1,02	124,1	125,00	12.11.2008	0,0	0
CEEN	Centrenergo	5,25	-0,94	5,35	-2,73	1,9	5,30	01.12.2008	159,3	5
ZAEN	Zakhidenergo	340,00	-1,16	357,00	-7,27	5,0	342,00	01.12.2008	34,2	1
DOEN	Donbasenergo	25,00	-4,58	26,00	-4,76	4,0	26,00	01.12.2008	51,5	2
KIEN	Kyivenergo	8,50	0,00	11,00	0,00	29,4	8,30	27.11.2008	0,0	0
<b>Pipe rolling</b>										
NITR	Nizhnodniprovsky Pipe Rolling Works	6,10	0,83	7,00	0,43	14,8	6,52	13.11.2008	0,0	0
DTRZ	Dnipropetrovsk Tube Works	60,00	0,00	107,50	0,00	79,2	85,00	28.11.2008	0,0	0
<b>Metallurgy</b>										
KSTL	Arcelor Mittal Kryvy Rig	5,35	5,94	19,00	0,00	255,1	5,90	25.11.2008	0,0	0
MMKI	Mariupol Metallurgical Plant	0,60	0,00	0,78	0,00	30,0	0,70	25.11.2008	0,0	0
AZST	Azovstal	0,942	0,21	0,970	-0,51	3,0	0,97	01.12.2008	24,3	1
ALMK	Alchevsk Metallurgical Plant	0,065	-5,80	0,068	-2,86	4,6	0,06	01.12.2008	696,9	16
DNSS	Dniprospsststal	1590,00	0,63	1889,00	0,00	18,8	1800,00	01.12.2008	16,2	1
ZFER	Zaporizhia Ferroalloy Plant	1,35	0,00	2,02	0,00	49,6	2,10	17.11.2008	0,0	0
ENMZ	Enakiyevo Metallurgical Plant	41,45	-1,31	42,50	0,00	2,5	41,80	01.12.2008	62,8	2
ZALK	Zaporizhia Aluminium	0,20	0,00	0,45	0,00	125,0	0,25	06.11.2008	0,0	0
<b>Mechanical engineering</b>										
SMASH	Sumy NVO im. Frunze	12,50	0,00	15,45	-0,32	23,6	13,00	01.12.2008	9,9	1
LUAZ	LuAZ	0,18	-10,00	0,23	0,00	27,8	0,25	25.11.2008	0,0	0
MSICH	Motor Sich	250,00	-1,19	260,00	-0,69	4,0	250,00	01.12.2008	187,9	3
MZVM	Mariupol Heavy Machine Building Plant	12,65	-2,69	15,44	0,00	22,1	15,00	27.11.2008	0,0	0
AZGM	Azovzagalmash	6,10	0,00	8,15	-0,61	33,6	7,50	24.11.2008	0,0	0
LTPL	Luganskteplovoz	2,10	20,00	2,57	16,59	22,1	2,59	28.11.2008	0,0	0
SVGZ	Stakhaniv Wagon Works	2,72	-1,45	2,85	0,00	4,8	2,84	27.11.2008	0,0	0
DRMZ	Druzhkivka Machine Building	1,20	0,00	2,00	0,00	66,7	2,00	28.11.2008	0,0	0
DGRM	Donetskirmash	0,20	0,00	1,40	0,00	600,0	1,30	28.11.2008	0,0	0
<b>By-product-coking industry</b>										
AVDK	Avdiivka Chemical-Recovery Plant	4,80	0,00	5,00	0,00	4,2	4,50	01.12.2008	157,5	4
ZACO	Zaporizhkoks	0,25	-21,88	6,00	0,00	2300,0	2,50	04.09.2008	0,0	0
YASK	Yasynivsky By-product Coke Plant	0,77	-1,28	0,90	0,00	16,9	0,81	26.11.2008	0,0	0
<b>Ore mining and processing enterprises</b>										
PGOK	Poltava Ore Mining and Processing Enterprise	10,01	0,00	11,50	-4,17	14,9	12,00	25.11.2008	0,0	0
PGZK	South Ore Mining and Processing Enterprise	6,80	0,00	8,00	0,00	17,6	7,85	28.11.2008	0,0	0
<b>Banking</b>										
BAVL	Raiffeisen Bank Aval	0,250	-1,96	0,260	-3,70	4,0	0,26	01.12.2008	40,8	1
USCB	Ukrsoobank	0,252	-3,08	0,275	0,00	9,1	0,27	28.11.2008	0,0	0
FORM	Forum Bank	4,60	-7,07	8,00	14,29	73,9	4,50	26.11.2008	0,0	0
<b>Other</b>										
UTEL	Ukrtelekom	0,250	-3,10	0,260	-13,33	4,0	0,26	01.12.2008	101,5	3
UNAF	Ukrnafta	111,00	-5,13	117,90	-0,08	6,2	113,00	01.12.2008	209,2	4
SUNI	Sun Interbrew Ukraine	0,089	0,00	0,180	0,00	102,2	0,18	27.11.2008	0,0	0
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1,30	0,00	1,70	0,00	30,8	1,70	14.11.2008	0,0	0
STIR	Concern Stirol	33,50	0,00	36,50	1,39	9,0	34,00	26.11.2008	0,0	0
DNSh	Dniproshyna Tyre Factory	12,00	-4,00	37,00	0,00	208,3	37,20	27.11.2008	0,0	0
<b>PFTS Index</b>										
		282,05	-2,62%						1 797,8	-95,89%

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## December 2, 2008

ticker	name	MCap, UAH mln	P/S	P/E	P/BV	EV/EBITDA	Stock price change, y.o.y., %	change to PFTS index change, y.o.y., %
<b>Electricity</b>								
DNEN	Dniproenergo	1 834,47	0,48	15,04	1,08	4,41	-81,72	-5,90
DNON	Dniproblenergo	844,82	0,12	29,80	-3,31	7,79	-84,17	-8,35
CEEN	Centrenergo	1 957,86	0,57	30,88	0,87	7,61	-79,54	-3,72
ZAEN	Zakhidenergo	4 457,50	1,23	89,24	3,11	20,06	-43,40	32,41
DOEN	Donbasenergo	602,93	0,41	22,72	0,64	7,32	-87,05	-11,23
KIEN	Kyivenergo	1 056,55	0,23	171,82	0,73	9,19	-76,79	-0,97
<b>Pipe rolling</b>								
NITR	Nizhniodniprovsky Pipe Rolling Works	2 619,22	0,56	6,04	1,44	4,53	-96,93	-21,12
DTRZ	Dnipropetrovsk Pipe Works	88,42	0,11	-9,47	0,61	5,21	-89,18	-13,36
<b>Metallurgy</b>								
KSTL	Mittal Steel Kryvy Rig	46 989,81	2,50	12,37	3,74	8,74	-21,70	54,11
MMKI	Mariupol Metallurgical Plant	2 312,68	0,13	1,63	0,23	0,76	-90,00	-14,18
AZST	Azovstal	4 009,75	0,24	1,89	0,43	1,50	-83,59	-7,77
ALMK	Alchevsk Metallurgical Plant	1 714,05	0,19	5,27	0,48	4,24	-84,62	-8,81
DNSS	Dniprospsststal	1 870,01	0,50	5,43	2,33	2,90	-60,26	15,55
ZFER	Zaporizhia Ferroalloy Plant	3 841,04	1,71	98,59	8,23	25,59	34,80	110,62
ENMZ	Enakiyevo Metallurgical Plant	435,31	0,08	2,89	0,50	1,56	-90,10	-14,29
ZALK	Zaporizhia Aluminium	202,39	0,13	2,68	0,36	0,99	-88,06	-12,25
<b>Mechanical engineering</b>								
SMASH	Sumy NVO im. Frunze	993,41	0,73	11,73	1,08	7,51	-72,44	3,38
LUAZ	LuAZ	682,24	0,17	1,83	0,48	1,46	-81,07	-5,26
MSICH	Motor Sich	529,89	0,30	2,56	0,30	1,38	-82,59	-6,77
MZVM	Mariupol Heavy Machine Building Plant	216,12	0,08	149,87	0,67	7,44	-89,36	-13,54
AZGM	Azovzagalmash	331,34	0,14	320,76	2,45	3,59	-87,60	-11,78
LTPL	Luganskteplovovoz	511,25	0,96	-34,65	3,65	21,25	-70,13	5,68
SVGZ	Stakhaniv Wagon Building plant	210,16	0,18	4,22	1,30	2,62	-97,89	-22,07
DRMZ	Druzhkivka Machine Building	332,06	0,44	12,95	1,92	6,24	-53,35	22,46
DGRM	Donetskfirmash	36,36	0,15	-1,00	-4,39	-6,19	-62,35	13,46
<b>By-product-coking industry</b>								
AVDK	Avdiivka Chemical-Recovery Plant	948,66	0,19	4,58	0,23	2,98	-76,50	-0,69
ZACO	Zaporizhkoks	372,89	0,19	10,39	0,90	7,76	-67,11	8,71
YASK	Yasynivsky By-product Coke Plant	228,46	0,12	1,51	0,42	0,89	-84,62	-8,81
<b>Ore mining and processing enterprises</b>								
PGOK	Poltava Ore Mining and Processing Enterprise	1 514,30	0,54	4,37	0,82	3,08	-88,25	-12,43
PGZK	South Ore Mining and Processing Enterprise	15 863,08	5,50	26,27	10,24	16,22	33,09	108,91
<b>Banking</b>								
BAVL	Raiffeisen Bank Aval	5 813,83	n/a	9,90	1,05	n/a	-77,05	-1,24
USCB	Ukrsofsbank	2 687,70	n/a	7,42	0,83	n/a	-80,68	-4,86
FORM	Forum Bank	706,23	n/a	13,43	0,44	n/a	-85,19	-9,38
<b>Other</b>								
UTEL	Ukrtelekom	4 775,19	0,70	17,87	0,54	3,28	-77,18	-1,37
UNAF	Ukrnafta	6 206,46	1,26	5,01	0,70	2,86	-72,16	3,66
SUNI	Sun Interbrew Ukraine	1 279,18	0,54	4,36	1,19	1,90	-82,97	-7,15
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1 272,80	0,88	23,78	0,95	4,85	-85,29	-9,47
STIR	Concern Stirol	949,38	0,35	4,30	0,47	3,52	-69,99	5,83
DNSH	Dniproshyna Tyre Factory	315,56	0,43	29,92	1,15	7,97	-73,37	2,45

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