

On Tuesday Ukrainian stock market experienced a fall again as American, European and Russian stock markets. The political instability inside Ukraine has also made strong influence on market as political quarrels between branches and probability of extra parliamentary elections made foreign investors withdraw their capital from open investment funds, eventually pushing the market down. The decline was varying according to economy sectors: pipe rolling and machine building stocks lost only about 1.5% in average while decline in coke production amounted over 6%; Enakievo Metallurgical Plant (ENMZ) and Mariupol Metallurgical Plant (MMKI) – two large Ukrainian metallurgical enterprises lost over 11% each. The PFTS index slid 3.77% down to 522.76 points by the session end at a below-average stock trade volume.

Ukainian political crisis escalades

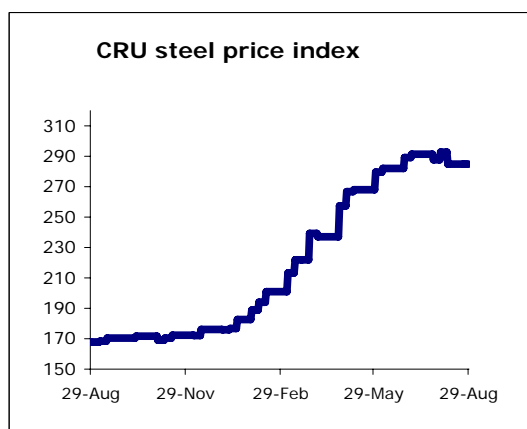
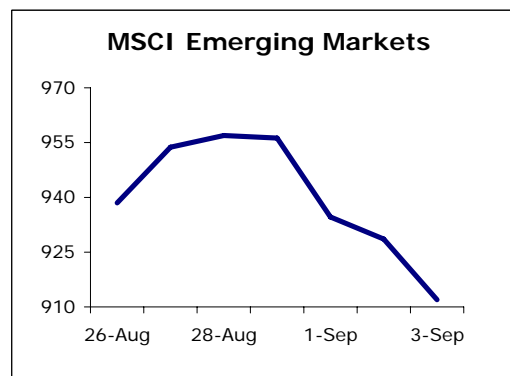
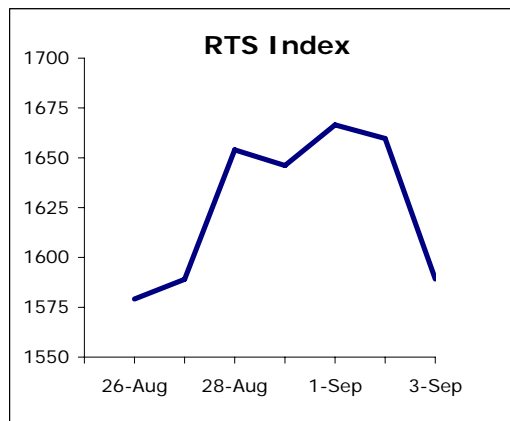
A new parliament season started hot – existing conflicts inside democratic coalition have escalated due to secret beginning of president elections campaign, resulting in the new round of contradictions between President Yushchenko and Prime-minister Tymoshenko. The officialy announced reason for the conflict this time was Russian intervention into Georgia. Tymoshenko refused to give any commentaries concerning Russian aggression so the coalition was unable to adopt a resolution on Georgia on Tuesday, as Tymoshenko political block deputies ignored the coalition council. Tymoshenko joined with the Party of Regions, headed by pro-Russian Viktor Yanukovich, that allowed to adopt a number of laws in the parliament, restricting the President power. As a reply to such measures Nasha Ukraina, the pro-President party have criticized such actions of Tymoshenko and declared their intention to leave the coalition. According to the Constitution of Ukraine, the sides have 10 days to keep the existing coalition together, otherwise a new coalition is to be created in 60 days, or the new parliamentary electio

Coke production rises by 9.1%

In January-August 2008 Ukrainian coke processing enterprises have increased 6% humidity coke production by 9.1% yoy to 14.697m mt, said Anatoliy Starovoyt, the head of "Ukrkoks" – Ukrainian Coke Processing Enterprises Association. Total volume of coke, produced in August amounted 1.731m mt. He also acknowledged the fact of coke demand decline, caused by cast iron and steel markets fall and consequent metal production decrease. He also added that coke consumption in Ukraine has fallen so now there are unclaimed coke reserves in the country.

Iron ore import in July rises by 6.3%

In July 2008 import of iron ore has risen by 6.3% (by 16.78ths mt) mom to 285.43ths mt, says the report of the State Statistics Committee of Ukraine. Iron ore purchase expenditures have risen by 5.4% (by \$1.54m) to \$29.96m. Import of non agglomerated ore increased by 1% (by 1.38ths mt) to 179.95ths mt. Agglomerated ore import has risen by 17.1% (by 15.4ths mt) to 105.48ths mt.



	2004	2005	2006	2007
GDP growth	12.1%	2.6%	7%	7,3%
Industrial output growth	12.5%	3.1%	6.2%	10,20%
CPI	12.3%	10.3%	11.6%	16,60%
NBU Reserves, \$ bln	9,525	19,395	22,362	31,71
Current Account Balance, \$ bln	6,909	2,513	-1,00	-8,2
Debt/ GDP	19.61	18.36	16.44	13.67

In August Ukrainian households' foreign currency acquisition balance - \$569m

In August 2008 Ukrainian households acquired \$568.9m of foreign currency than sold, while in July negative foreign currency balance amounted \$54m. The total volume of sold currency amounted \$2.707bln (21.1% mom decline), while acquired currency volume reached \$3.272 bln (2.9% mom decline). Total amount of cash currency exchange fell by 12.1% mom, while households' currency bank deposits amount increased by \$131.4m to \$15.361bln.

Sumychemprom pays out coupon on B series bonds

Sumychemprom, a large Ukrainian producer of titanium dioxide and other metal-based industrial chemicals has paid out coupon on third coupon period at 15% coupon rate, says the press release of VAB bank, which is the bonds' issue underwriter. The total payment amount is \$385.57m or \$7.7 per bond. In December 2007 the company has issued B series bonds with total volume of \$10.31m. The bond nominal is \$206.2m, first year profitability of 15% is paid 4 times a year. Bond maturity date - 26th of November 2012. Attracted capital is to be invested into increasing sulfur acid production and enhancing mineral fertilizers and metal oxide pigments output.

100USD/UAH	485,0700
100EUR/UAH	700,4896
10RUB/UAH	1,9501

Short market information

Most traded	Ticker	Volume, mln UAH
1	AZST	2,213
2	MSICH	1,108
3	SHCHZ	1,021

Growth leaders	Ticker	change,%
1	SMASH	2,09
2	LUAZ	0,19
3	PGZK	0,13

Retreat leaders	Ticker	change,%
1	ENMZ	-13,16
2	ZACO	-12,61
3	MMKI	-11,05

DAILY

September 4, 2008

ticker	name	bid	change, %	ask	change, %	spread, %	last deal	last deal date	vol, 03.09.08	deals, 03.09.08
Power engineering										
DNEN	Dniproenergo	1420,00	-1,73	1490,00	-1,32	4,9	1505,00	02.09.2008	0,0	0
DNON	Dniproblenergo	300,00	-3,23	380,00	-5,00	26,7	420,00	02.09.2008	0,0	0
CEEN	Centrenergo	11,41	-4,92	11,55	-4,54	1,2	11,55	03.09.2008	529,2	10
ZAEN	Zakhidenergo	340,10	-3,11	350,00	-1,41	2,9	349,00	03.09.2008	547,3	7
DOEN	Donbasenergo	52,00	-2,80	54,50	-0,91	4,8	54,00	02.09.2008	0,0	0
KIEN	Kyivenergo	23,10	-3,75	24,00	-4,00	3,9	24,00	03.09.2008	176,9	4
Pipe rolling										
NITR	Nizhnodniprovsky Pipe Rolling Works	10,00	-7,41	11,50	0,88	15,0	11,40	02.09.2008	0,0	0
DTRZ	Dnipropetrovsk Tube Works	220,00	0,00	319,00	0,00	45,0	340,00	08.08.2008	0,0	0
Metallurgy										
KSTL	Arcelor Mittal Kryvyi Rig	8,50	0,00	19,00	0,00	123,5	10,00	01.09.2008	0,0	0
MMKI	Mariupol Metallurgical Plant	2,26	-11,05	2,47	-3,14	9,5	2,46	03.09.2008	423,0	9
AZST	Azovstal	2,610	-8,42	2,630	-8,20	0,8	2,60	03.09.2008	2 213,2	47
ALMK	Alchevsk Metallurgical Plant	0,321	-5,31	0,327	-3,82	1,9	0,32	03.09.2008	895,9	18
DNSS	Dniprospsststal	1925,00	-3,75	2350,00	-2,08	22,1	2499,00	28.08.2008	0,0	0
ZFER	Zaporizhia Ferroalloy Plant	2,39	-0,42	2,60	0,00	8,8	2,80	01.09.2008	0,0	0
ENMZ	Enakiyevo Metallurgical Plant	148,50	-13,16	151,99	-11,63	2,4	152,00	03.09.2008	905,9	24
ZALK	Zaporizhia Aluminium	0,50	0,00	0,75	0,00	50,0	0,87	31.07.2008	0,0	0
Mechanical engineering										
SMASH	Sumy NVO im. Frunze	22,00	2,09	24,20	1,04	10,0	24,20	03.09.2008	70,4	2
LUAZ	LuAZ	0,52	0,19	0,56	-0,88	7,5	0,52	03.09.2008	78,2	2
MSICH	Motor Sich	470,00	-4,13	472,00	-4,26	0,4	470,00	03.09.2008	1 107,8	13
MZVM	Mariupol Heavy Machine Building Plant	47,10	-5,80	49,50	-2,94	5,1	49,50	03.09.2008	176,0	5
AZGM	Azovzagalmash	23,00	-0,43	25,20	-0,75	9,6	25,40	02.09.2008	0,0	0
LTPL	Luganskteplovoy	4,04	-8,30	4,55	-5,21	12,8	4,45	29.08.2008	0,0	0
SVGZ	Stakhaniv Wagon Works	12,71	-2,27	12,80	-3,36	0,7	12,72	03.09.2008	203,5	6
DRMZ	Druzhkivka Machine Building	3,00	0,00	3,73	0,00	24,3	3,75	29.08.2008	0,0	0
DGRM	Donetskirmash	0,65	0,00	1,90	0,00	192,3	1,49	28.08.2008	0,0	0
By-product-coking industry										
AVDK	Avdiivka Chemical-Recovery Plant	16,35	-3,57	16,70	-2,62	2,1	16,75	03.09.2008	320,1	6
ZACO	Zaporizhkoks	2,01	-12,61	4,00	-11,11	99,0	6,80	19.06.2008	0,0	0
YASK	Yasynivsky By-product Coke Plant	3,53	-4,59	3,74	-2,78	6,0	3,75	03.09.2008	355,4	7
Ore mining and processing enterprises										
PGOK	Poltava Ore Mining and Processing Enterprise	44,00	-8,33	50,99	-0,02	15,9	46,05	03.09.2008	115,0	2
PGZK	South Ore Mining and Processing Enterprise	7,61	0,13	8,50	-1,16	11,7	7,60	03.09.2008	23,6	1
Banking										
BAVL	Raiffeisen Bank Aval	0,563	-6,94	0,595	-4,03	5,7	0,57	03.09.2008	385,7	7
USCB	Ukrsoobank	0,581	-5,53	0,603	-3,52	3,8	0,60	03.09.2008	362,3	5
FORM	Forum Bank	12,40	0,00	13,40	3,08	8,1	13,00	02.09.2008	0,0	0
Other										
UTEL	Ukrtelekom	0,535	-5,31	0,560	-3,45	4,7	0,55	03.09.2008	164,4	3
UNAF	Ukrnafta	143,00	-3,38	146,00	-2,67	2,1	146,00	03.09.2008	235,0	6
SUNI	Sun Interbrew Ukraine	0,260	0,00	0,370	0,00	42,3	0,37	28.08.2008	0,0	0
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	5,35	-6,14	5,99	2,57	12,0	6,00	03.09.2008	1 020,6	4
STIR	Concern Stirol	73,00	-2,67	75,00	-1,32	2,7	74,00	03.09.2008	769,1	6
DNSh	Dniproshyna Tyre Factory	40,00	0,00	59,00	0,00	47,5	67,00	27.08.2008	0,0	0
PFTS Index										
									522,76	-3,77%
									11 078,3	-16,36%

DAILY

September 4, 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., %
Electricity								
DNEN	Dniproenergo	5 709,42	1,49	46,82	3,36	14,05	-25,27	21,88
DNON	Dniproblenergo	2 037,15	0,29	71,87	-7,97	20,94	-63,71	-16,56
CEEN	Centrenergo	4 240,79	1,24	66,89	1,89	14,36	-44,73	2,41
ZAEN	Zakhidenergo	4 413,38	1,22	88,36	3,08	19,87	-35,68	11,46
DOEN	Donbasenergo	1 259,06	0,86	47,44	1,33	11,29	-62,23	-15,08
KIEN	Kyivenergo	2 551,98	0,55	415,02	1,77	17,99	-15,67	31,48
Pipe rolling								
NITR	Nizhniodniprovsky Pipe Rolling Works	4 298,72	0,92	9,92	2,36	6,62	-94,79	-47,64
DTRZ	Dnipropetrovsk Pipe Works	284,52	0,35	-30,47	1,96	14,44	-63,83	-16,68
Metallurgy								
KSTL	Mittal Steel Kryvy Rig	53 068,58	2,82	13,97	4,22	9,89	21,90	69,05
MMKI	Mariupol Metallurgical Plant	7 918,42	0,44	5,59	0,78	3,02	-59,82	-12,67
AZST	Azovstal	10 989,05	0,67	5,18	1,18	3,82	-44,62	2,53
ALMK	Alchevsk Metallurgical Plant	8 351,18	0,93	25,70	2,32	10,68	19,12	66,27
DNSS	Dniprospsststal	2 297,88	0,61	6,67	2,86	3,62	-36,00	11,15
ZFER	Zaporizhia Ferroalloy Plant	5 687,48	2,53	145,99	12,18	36,32	291,37	338,52
ENMZ	Enakiyevo Metallurgical Plant	1 558,16	0,30	10,33	1,77	5,55	-45,86	1,29
ZALK	Zaporizhia Aluminium	389,21	0,24	5,15	0,68	1,98	-63,77	-16,62
Mechanical engineering								
SMASH	Sumy NVO im. Frunze	1 642,06	1,20	19,39	1,79	11,33	-36,58	10,57
LUAZ	LuAZ	1 798,78	0,44	4,82	1,26	3,58	-31,15	16,00
MSICH	Motor Sich	978,73	0,56	4,73	0,55	2,50	-60,05	-12,90
MZVM	Mariupol Heavy Machine Building Plant	743,21	0,29	515,41	2,31	19,44	-35,04	12,11
AZGM	Azovzagalmash	1 120,75	0,46	1084,94	8,29	15,13	-25,55	21,60
LTPL	Luganskteplovovz	940,85	1,77	-63,77	6,71	38,44	-18,86	28,29
SVGZ	Stakhaniv Wagon Building plant	962,53	0,81	19,34	5,94	12,26	-83,91	-36,76
DRMZ	Druzhkivka Machine Building	698,36	0,92	27,23	4,04	11,40	110,31	157,46
DGRM	Donetskfirmash	57,95	0,25	-1,59	-6,99	-7,20	-15,84	31,31
By-product-coking industry								
AVDK	Avdiivka Chemical-Recovery Plant	3 199,31	0,66	15,45	0,77	7,00	33,86	81,01
ZACO	Zaporizhkoks	358,57	0,19	9,99	0,87	7,57	-56,04	-8,89
YASK	Yasynivsky By-product Coke Plant	994,95	0,54	6,58	1,84	3,90	-5,91	41,24
Ore mining and processing enterprises								
PGOK	Poltava Ore Mining and Processing Enterprise	6 687,30	2,37	19,28	3,63	10,35	-35,23	11,92
PGZK	South Ore Mining and Processing Enterprise	17 267,17	5,99	28,59	11,14	17,61	162,83	209,98
Banking								
BAVL	Raiffeisen Bank Aval	13 200,82	n/a	22,47	2,37	n/a	-47,66	-0,51
USCB	Ukrasotsbank	6 038,40	n/a	16,67	1,86	n/a	-61,59	-14,44
FORM	Forum Bank	1 446,09	n/a	27,50	0,90	n/a	-68,44	-21,29
Other								
UTEL	Ukrtelekom	10 252,62	1,51	38,37	1,17	6,08	-43,70	3,45
UNAF	Ukrnafta	7 836,03	1,59	6,33	0,88	3,56	-63,26	-16,11
SUNI	Sun Interbrew Ukraine	2 995,86	1,25	10,20	2,78	4,46	-50,59	-3,44
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	4 811,19	3,32	89,89	3,59	18,36	52,21	99,36
STIR	Concern Stirol	2 007,27	0,75	9,09	0,99	7,87	-4,98	42,17
DNSH	Dniproshyna Tyre Factory	315,56	0,43	29,92	1,15	7,97	-33,11	14,04

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