

On Wednesday Ukrainian stock market was showing highly diversified quotation dynamics at a very passive market. Energy sector showed a 5.55% decline due to Dniprooblenergo (DNON; -28.37% at narrowing spread), banking sector stocks lost 3.83% in average, coke processing fell by 2.12%, machine building lost 0.62%. Pipe rolling gained 1.38%, ore mining went 2.4% up, metallurgy gained 6.61% at narrowing spreads. PFTS index rose by 1.68% to 282.99 points at a very low overall stock trade volume.

**Coking coal output in Ukraine falls by 4.4%**

In January-November 2008 Ukrainian coal mining enterprises have increased output by 3.5% (by 2.436mIn mt) yoy to 71.456mIn mt. According to the Ministry of Coal Industry of Ukraine, output of coking coal for the period has shortened by 4.4% (by 1.161mIn mt) to 24.971mIn mt while energy coal output increased by 8.4% (by 3.597mIn mt) to 46.485mIn mt. Enterprises, controlled by the ministry increased output of coal by 8.4% (by 3.242mIn mt) to 41.751mIn mt: coking coal — by 6% (by 538.135ths mt), to 9.481mIn mt, energy coal — by 9.1% (by 2.704mIn mt), to 32.27mIn mt.

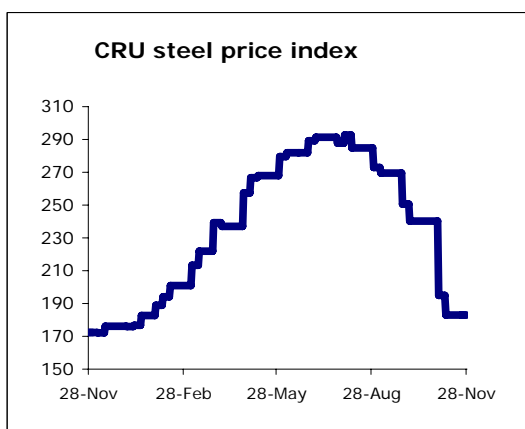
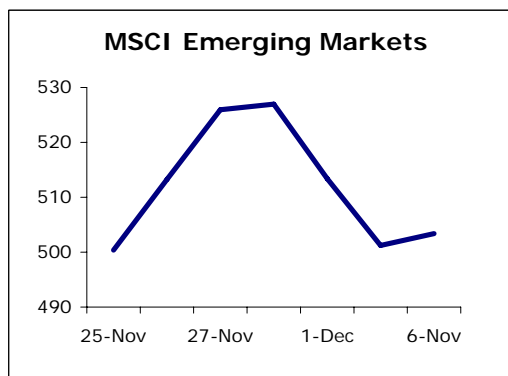
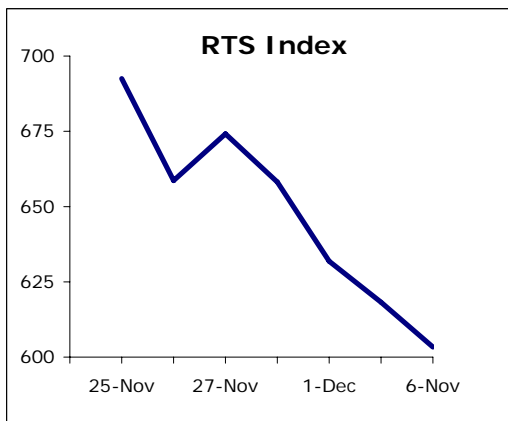
In November overall coal mining volume in Ukraine amounted 6.244mIn mt which is a 3.8% (by 243.783ths mt) yoy decline. Coking coal output shortened by 19.4% (by 472.788ths mt) to 1.963mIn mt, energy coal — increased by 5.7% (by 229ths mt) to 4.281mIn mt. Last month state sector enterprises increased output of coking coal by 3.4% (by 122.252ths mt) to 3.764mIn mt. Coking coal mining shortened by 8.6% (by 72.148ths mt), to 765.839ths mt while output of energy coal increased by 6.9% (by 194.4ths mt) to 2.998mIn mt.

**Ukraine shortens coke production 2.1%**

During January-November 2008 Ukrainian coke processing enterprises have shortened production of 6% humidity metallurgical coke by 2.1% yoy to 17.977mIn mt, said Anatoliy Starovoyt, the general director of Ukrkoks, the association of Ukrainian coke producers. In November the association members produced 979ths mt of this product after 1.194mIn mt in October and 1.438mIn mt. According to Mr. Starovoyt, coke market and production situation has stabilized, yet it is hard to make any prognosis for 2009. During the last months Ukrainian enterprises have almost stopped coking coal import. This year Ukrainian coke processing enterprises are expected to produce approximately 19.5mIn mt of coke.

**Dniproenergo receives profit while loss was expected**

Net profit of Dniproenergo (DNEN) power generating company for January-October 2008 accounted \$4.7mIn as net loss of \$30.48mIn was expected, said the company press office. Average salary on the enterprise has risen by 37% during the 10 months. The company plans to keep on implementing social support activities next year despite the 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

### Government prolongs privatization program

The Cabinet of Ministers of Ukraine expects Ukrtelecom (UTEL), Odessa Portside Plant, Turboatom (TATM) and heat power generating companies to be privatized in 2009, said Iosif Vinsky, the Minister for Transport and Communications of Ukraine. The Cabinet of Ministers has affirmed shareholdings to be sold in 2009 on a Wednesday session. The list also includes blocking shareholdings of energy supplying companies and "More" ship building company. The government plans to acquire over \$416.7bln in 1Q2009, which seems to be realistic as market price of only Ukrtelecom alone exceeds the mentioned volume significantly. Meanwhile the government has transferred controlling stock of Ukrtelecom from the State Property Fund of Ukraine to Ministry of Transport and Communications of Ukraine.

100USD/UAH	738,1900
100EUR/UAH	931,8172
10RUB/UAH	2,6438

### Export of ferroalloys shortens by 1/3 in October

In October 2008 Ukraine has shortened export of ferroalloys by 33.1% (by 31.11ths mt) mom to 62.93ths mt says a report by the Stat Statistics Committee of Ukraine. Income of export has decreased by 36.5% (by \$69.08mln) to \$120.3mln. Ferrosilicon manganese export declined by 48.3% (by 31.65ths mt) to 33.93ths mt; ferrosilicon - by 38.8% (by 1.81ths mt) to 2.86ths mt, ferromanganese export increased by 40.9% (by 4.82ths mt) to 16.62ths mt. Yoy decrease of ferroalloys export accounted 35.1% (33.97ths mt). In January-October 2008 export of ferroalloys has shortened by 5.2% (by 52.97ths mt) to 966.40ths mt with overall cost of \$1.602bln.

### Short market information

Most traded	Ticker	Volume, mln UAH
1	DNSS	0,259
2	BAVL	0,230
3	AZST	0,209

Growth leaders	Ticker	change,%
1	LUAZ	20,00
2	DNSS	14,91
3	KSTL	9,09

Retreat leaders	Ticker	change,%
1	ZALK	-24,50
2	LTPL	-14,29
3	AVDK	-5,83

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ticker	name	bid	change, %	ask	change, %	spread, %	last deal	last deal date	vol, 03.12.08	deals, 03.12.08	
<b>Power engineering</b>											
DNEN	Dniproenergo	420,00	-2,55	490,00	-2,00	16,7	462,00	01.12.2008	0,0	0	
DNON	Dniproblenergo	87,00	0,00	115,00	-41,03	32,2	125,00	12.11.2008	0,0	0	
CEEN	Centrenergo	5,18	0,29	5,23	-1,13	1,1	5,20	03.12.2008	40,0	1	
ZAEN	Zakhidenergo	342,00	0,00	353,00	0,28	3,2	340,00	02.12.2008	0,0	0	
DOEN	Donbasenergo	24,50	0,00	27,00	-1,46	10,2	25,00	02.12.2008	0,0	0	
KIEN	Kyivenergo	6,71	-4,19	11,00	0,00	64,0	8,30	27.11.2008	0,0	0	
<b>Pipe rolling</b>											
NITR	Nizhnodniprovsky Pipe Rolling Works	6,52	0,00	7,30	0,69	12,0	6,52	13.11.2008	0,0	0	
DTRZ	Dnipropetrovsk Tube Works	64,00	6,67	107,50	0,00	68,0	85,00	28.11.2008	0,0	0	
<b>Metallurgy</b>											
KSTL	Arcelor Mittal Kryvy Rig	6,00	9,09	19,00	0,00	216,7	5,90	25.11.2008	0,0	0	
MMKI	Mariupol Metallurgical Plant	0,66	1,23	0,78	-0,13	18,0	0,59	02.12.2008	0,0	0	
AZST	Azovstal	0,900	0,00	0,925	0,54	2,8	0,92	03.12.2008	208,9	6	
ALMK	Alchevsk Metallurgical Plant	0,064	1,59	0,065	0,00	1,6	0,06	03.12.2008	145,2	2	
DNSS	Dniprospsststal	1850,00	14,91	2150,00	10,26	16,2	2030,00	03.12.2008	259,3	4	
ZFER	Zaporizhia Ferroalloy Plant	1,35	0,00	2,01	-0,50	48,9	2,10	17.11.2008	0,0	0	
ENMZ	Enakiyevo Metallurgical Plant	42,01	0,26	42,50	0,00	1,2	42,30	03.12.2008	33,7	2	
ZALK	Zaporizhia Aluminium	0,15	-24,50	0,74	64,44	390,1	0,25	06.11.2008	0,0	0	
<b>Mechanical engineering</b>											
SMASH	Sumy NVO im. Frunze	12,50	0,00	15,00	-1,96	20,0	13,00	01.12.2008	0,0	0	
LUAZ	LuAZ	0,15	20,00	0,23	0,00	53,3	0,20	03.12.2008	56,0	1	
MSICH	Motor Sich	253,15	-0,33	263,00	2,53	3,9	256,00	02.12.2008	0,0	0	
MZVM	Mariupol Heavy Machine Building Plant	12,75	0,00	14,99	-2,66	17,6	15,00	27.11.2008	0,0	0	
AZGM	Azovzagalmash	6,20	1,64	7,15	0,70	15,3	6,20	03.12.2008	62,0	1	
LTPL	Luganskteplovoz	1,80	-14,29	2,10	-10,64	16,7	2,00	03.12.2008	41,0	2	
SVGZ	Stakhaniv Wagon Works	2,68	0,37	2,85	0,35	6,3	2,80	02.12.2008	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	0,05	0,00	1,40	0,00	2700,0	1,30	28.11.2008	0,0	0	
<b>By-product-coking industry</b>											
AVDK	Avdiivka Chemical-Recovery Plant	4,52	-5,83	4,84	1,04	7,1	4,80	03.12.2008	38,4	1	
ZACO	Zaporizhkoks	0,25	0,00	2,49	0,00	896,0	2,50	04.09.2008	0,0	0	
YASK	Yasynivsky By-product Coke Plant	0,75	-4,46	0,83	-3,49	10,7	0,83	03.12.2008	99,6	2	
<b>Ore mining and processing enterprises</b>											
PGOK	Poltava Ore Mining and Processing Enterprise	10,01	0,10	12,00	9,09	19,9	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	0,257	2,80	0,269	0,37	4,7	0,25	03.12.2008	230,3	2	
USCB	Ukrsoobank	0,235	-4,08	0,258	0,00	9,8	0,26	03.12.2008	38,3	2	
FORM	Forum Bank	4,60	0,00	6,61	-17,38	43,7	4,50	26.11.2008	0,0	0	
<b>Other</b>											
UTEL	Ukrtelekom	0,242	-1,22	0,280	-3,45	15,7	0,24	03.12.2008	182,8	1	
UNAF	Ukrnafta	109,00	0,93	112,50	-1,23	3,2	112,00	03.12.2008	162,6	5	
SUNI	Sun Interbrew Ukraine	0,090	1,12	0,175	25,00	94,4	0,18	02.12.2008	0,0	0	
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1,35	3,85	1,60	10,34	18,5	1,45	03.12.2008	171,5	3	
STIR	Concern Stirol	33,50	0,00	35,50	-2,47	6,0	35,00	03.12.2008	49,0	1	
DNSh	Dniproshyna Tyre Factory	12,00	0,00	37,00	0,00	208,3	37,20	02.12.2008	0,0	0	
<b>PFTS Index</b>											
									282,99	1 818,5	-47,35%

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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	1 785,42	0,47	14,64	1,05	4,29	-82,21	-6,47
DNON	Dniproblenergo	605,15	0,09	21,35	-2,37	5,15	-88,66	-12,92
CEEN	Centrenergo	1 921,84	0,56	30,31	0,86	7,50	-79,91	-4,18
ZAEN	Zakhidenergo	4 444,71	1,23	88,98	3,10	20,01	-43,56	32,17
DOEN	Donbasenergo	608,84	0,41	22,94	0,64	7,36	-86,92	-11,19
KIEN	Kyivenergo	959,40	0,21	156,03	0,67	8,62	-78,92	-3,19
<b>Pipe rolling</b>								
NITR	Nizhniodniprovsky Pipe Rolling Works	2 763,17	0,59	6,38	1,51	4,71	-96,76	-21,03
DTRZ	Dnipropetrovsk Pipe Works	90,53	0,11	-9,69	0,62	5,31	-88,92	-13,19
<b>Metallurgy</b>								
KSTL	Mittal Steel Kryvy Rig	48 244,16	2,56	12,70	3,84	8,98	-19,61	56,12
MMKI	Mariupol Metallurgical Plant	2 411,56	0,13	1,70	0,24	0,80	-89,57	-13,84
AZST	Azovstal	3 827,29	0,23	1,80	0,41	1,44	-84,33	-8,60
ALMK	Alchevsk Metallurgical Plant	1 662,50	0,19	5,12	0,46	4,19	-85,09	-9,35
DNSS	Dniprospsststal	2 150,06	0,57	6,24	2,68	3,37	-54,31	21,42
ZFER	Zaporizhia Ferroalloy Plant	3 829,64	1,71	98,30	8,20	25,53	34,40	110,13
ENMZ	Enakiyevo Metallurgical Plant	438,22	0,09	2,91	0,50	1,57	-90,03	-14,30
ZALK	Zaporizhia Aluminium	277,43	0,17	3,67	0,49	1,39	-83,64	-7,90
<b>Mechanical engineering</b>								
SMASH	Sumy NVO im. Frunze	977,42	0,72	11,54	1,07	7,41	-72,88	2,85
LUAZ	LuAZ	632,32	0,15	1,70	0,44	1,37	-82,46	-6,72
MSICH	Motor Sich	536,28	0,31	2,59	0,30	1,39	-82,38	-6,64
MZVM	Mariupol Heavy Machine Building Plant	213,42	0,08	148,01	0,66	7,38	-89,49	-13,76
AZGM	Azovzagalmash	310,41	0,13	300,50	2,29	3,28	-88,38	-12,65
LTPL	Luganskteplovoz	427,41	0,80	-28,97	3,05	17,89	-75,03	0,70
SVGZ	Stakhaniv Wagon Building plant	208,66	0,18	4,19	1,29	2,60	-97,91	-22,17
DRMZ	Druzhkivka Machine Building	332,06	0,44	12,95	1,92	6,24	-53,35	22,38
DGRM	Donetskirmash	32,95	0,14	-0,91	-3,97	-6,03	-65,88	9,85
<b>By-product-coking industry</b>								
AVDK	Avdiivka Chemical-Recovery Plant	906,07	0,19	4,37	0,22	2,91	-77,56	-1,82
ZACO	Zaporizhkoks	163,48	0,09	4,56	0,40	4,88	-85,58	-9,84
YASK	Yasynivsky By-product Coke Plant	216,14	0,12	1,43	0,40	0,85	-85,45	-9,72
<b>Ore mining and processing enterprises</b>								
PGOK	Poltava Ore Mining and Processing Enterprise	1 549,50	0,55	4,47	0,84	3,13	-87,98	-12,24
PGZK	South Ore Mining and Processing Enterprise	15 863,08	5,50	26,27	10,24	16,22	33,09	108,83
<b>Banking</b>								
BAVL	Raiffeisen Bank Aval	5 996,23	n/a	10,21	1,08	n/a	-76,33	-0,60
USCB	Ukrsofsbank	2 514,30	n/a	6,94	0,78	n/a	-81,93	-6,19
FORM	Forum Bank	628,32	n/a	11,95	0,39	n/a	-86,83	-11,09
<b>Other</b>								
UTEL	Ukrtelekom	4 887,55	0,72	18,29	0,56	3,34	-76,64	-0,91
UNAF	Ukrnafta	6 005,81	1,22	4,85	0,67	2,77	-73,06	2,68
SUNI	Sun Interbrew Ukraine	1 260,16	0,53	4,29	1,17	1,87	-83,22	-7,49
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1 251,59	0,86	23,38	0,93	4,77	-85,53	-9,80
STIR	Concern Stirol	935,82	0,35	4,24	0,46	3,47	-70,42	5,32
DNSH	Dniproshyna Tyre Factory	315,56	0,43	29,92	1,15	7,97	-73,37	2,37

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