

Tuesday PFTS session showed a slight increase of traders' activity resulting in a slight rise. Major part of trade took place in energy, automobile production and oil. Spreads were narrowing as traders' pessimism began to melt which resulted in over 3 times trade volume increase. Despite decline (caused by mid-market calculation method) in heavy industries, energy stocks managed to pull PFTS index 0.74% up to 276.28 points at a trade volume remaining low as for Ukrainian stock market.

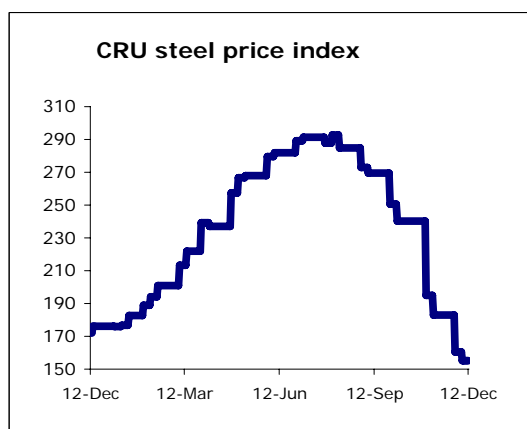
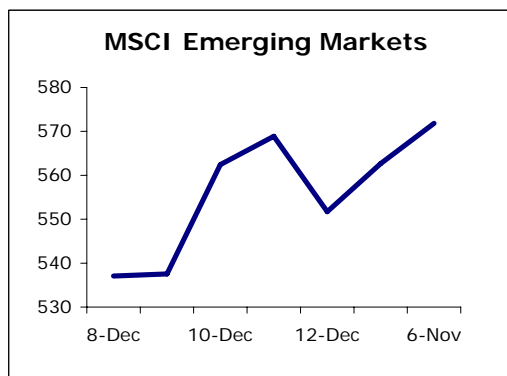
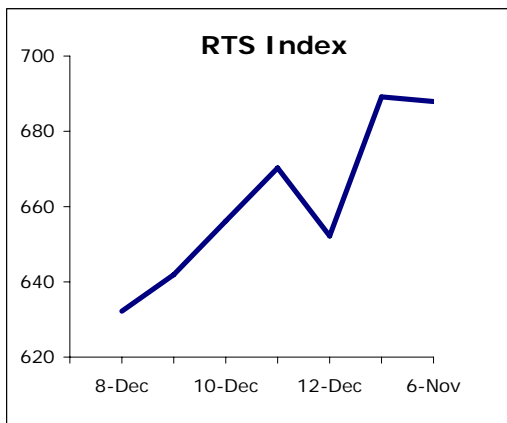
Ukrainian GDP falls by 14.4%

Real decrease of gross domestic product of Ukraine accounted 14.4% speeding up after 2.1% in October. According to the State Statistics Committee of Ukraine, GDP decline in November resulted in decreasing January-November GDP growth rate to 3.6% after 5.8% in January-October. Nominal GDP in January-November accounted \$116.717bln including \$10.05bln in November (%11.35bln in October). Deflator index for the period reached 132%. According to the committee, the slowdown was recorded in all industry sectors, while the most crucial fall was demonstrated in trade and repair works -from 6.3% for 10 months to 2.3% for 11 months and building and construction works where fall speeded up from 12.7% to 16.1%. Other industries were also showing negative results: processing industry – from 2.9% growth to 0.1% decline, mining industry – from 3.2% to zero, transport and communications – from 10.4% to 9.3%. Gas, water and energy production and distribution fall rate increased from 1.5% in October to 3.6% in November, agriculture, this year growth leader slowed down growing from 18.3% to 18%.

In November 2008 Ukraine decreased production in mining sectors by 32.1%: fuel end energy resources – by 6.8%, other minerals – 60.2%. Processing industry production in November fell by 29% including 8.7% in food production. Light industry products output fell by 19.1%, wood processing – 10.5%, paper and publishing – 11%, chemistry and oil chemistry – 35.2%, other non-metal products – 21%, metallurgy – 48.8%, machine building – 38.8%, gas, water and energy production and distribution – 19.4%.

Bogdan Corporation raises Kia and Hyundai prices by 40%

Prices for Kia and Hyundai in "Kia Motors Ukraine" and "Hyundai Motors Ukraine", members of Bogdan Corporation, will rise by at least 40% by the year end due to UAH devaluing, said the corporation press office on Tuesday. The decision was taken by the corporation price committee on Tuesday. Prices will receive incremental growth, rising by 20% after 17th of December, and increasing by 10% after 20th and 23rd of December each. Today exchange rate difference doesn't allow car importers to work at minimal profitability, says the press office quoting Rudolf Arzumanyan, the corporation vice-president. Payment check validity period will be reduced to 1 day. In case, the car, the customer paid for is currently out of stock in a car dealership, the price is fixated until the car is delivered to a dealer network.



| | 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 |

Ukrainian enterprises raise financial results by 7.9%

During January-October 2008 Ukrainian enterprises received financial results on main activities of \$14.77bln, which is a 7.9% yoy increase. However, the financial result declined by 6.4% in comparison to 9 months of 2008, said the report of the State Statistics Committee of Ukraine published on Tuesday. In January-October 66.8% of companies were receiving profits of \$19.25bln, which is 16.1% yoy increase, however 33.2% of companies received a total loss of \$4.48bln, which is a 54.6% yoy increase.

Retail turnover growth in Ukraine shortens to 1.1%

Yoy turnover growth of Ukrainian retail and HoReCa sector companies in November 2008 slowed down to 1.1% after 16% in October, said a report by the State Statistics Committee of Ukraine. Retail turnover has fallen by 15.1% in comparison to September. Taking into consideration the November decline, during 11 months of 2008 retail turnover growth accounted 20.9% after 23.1% during 10 months. According to the report, retail turnover in November accounted \$2.574bln, during January-November – \$29.434bln.

| | |
|------------|-----------|
| 100USD/UAH | 773,8300 |
| 100EUR/UAH | 1059,3733 |
| 10RUB/UAH | 2,8036 |

Dniprovskiy Metallurgical Plant im. Dzerzhynskogo plans to melt 4.3mln mt of steel

Dniprovskiy Metallurgical Plant im. Dzerzhynskogo (DMKD), controlled by Industrial Union of Donbass, plans to produce 4.3mln mt of steel next year which is expected to be the largest volume of production in Ukraine, said Ilya Buga, the enterprise director on a shareholders meeting. According to Mr. Buga, the expected production volume is expected by the fact the enterprise has “found stable sales market” and in January plans to increase steel output by 40ths mt to 363ths mt. Earlier reports indicated a 12.9% steel production decline to 2.993mln mt in January-November.

Short market information

| Most traded | Ticker | Volume, mln UAH |
|-------------|--------|-----------------|
| 1 | UNAF | 1,807 |
| 2 | CEEN | 1,750 |
| 3 | USCB | 0,497 |

| Growth leaders | Ticker | change,% |
|----------------|--------|----------|
| 1 | DGRM | 100,00 |
| 2 | KSTL | 14,12 |
| 3 | ZALK | 6,67 |

| Retreat leaders | Ticker | change,% |
|-----------------|--------|----------|
| 1 | DRMZ | -50,00 |
| 2 | LUAZ | -33,33 |
| 3 | USCB | -11,76 |

DAILY

December 17, 2008

| ticker | name | bid | change, % | ask | change, % | spread, % | last deal | last deal date | vol, 16.12.08 | deals, 16.12.08 |
|--|--|---------|--------------|---------|--------------|-----------|-----------|----------------|------------------|--------------------|
| Power engineering | | | | | | | | | | |
| DNEN | Dniproenergo | 441,00 | 2,56 | 485,00 | 5,43 | 10,0 | 480,00 | 16.12.2008 | 48,0 | 1 |
| DNON | Dniproblenergo | 85,06 | -2,23 | 145,00 | 0,00 | 70,5 | 100,00 | 12.12.2008 | 0,0 | 0 |
| CEEN | Centrenergo | 4,90 | 0,62 | 5,02 | -0,50 | 2,4 | 5,00 | 16.12.2008 | 1 750,0 | 3 |
| ZAEN | Zakhidenergo | 357,00 | 2,00 | 365,00 | 1,39 | 2,2 | 357,00 | 16.12.2008 | 35,7 | 1 |
| DOEN | Donbasenergo | 24,00 | 2,13 | 27,50 | -4,18 | 14,6 | 25,00 | 02.12.2008 | 0,0 | 0 |
| KIEN | Kyivenergo | 6,51 | 0,00 | 11,00 | 0,00 | 68,9 | 8,30 | 27.11.2008 | 0,0 | 0 |
| Pipe rolling | | | | | | | | | | |
| NITR | Nizhnodniprovsky Pipe Rolling Works | 6,14 | 0,00 | 7,00 | -3,45 | 14,0 | 6,25 | 15.12.2008 | 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 |
| Metallurgy | | | | | | | | | | |
| KSTL | Arcelor Mittal Kryvy Rig | 8,00 | 14,12 | 11,00 | -63,33 | 37,5 | 11,00 | 16.12.2008 | 110,0 | 1 |
| MMKI | Mariupol Metallurgical Plant | 0,62 | 0,00 | 0,78 | 0,00 | 25,3 | 0,59 | 02.12.2008 | 0,0 | 0 |
| AZST | Azovstal | 0,780 | 4,00 | 0,785 | 1,95 | 0,6 | 0,78 | 16.12.2008 | 456,5 | 10 |
| ALMK | Alchevsk Metallurgical Plant | 0,069 | 1,47 | 0,070 | 1,45 | 1,4 | 0,07 | 16.12.2008 | 211,2 | 5 |
| DNSS | Dniprospsststal | 2150,00 | -1,38 | 2500,00 | 0,00 | 16,3 | 2500,00 | 12.12.2008 | 0,0 | 0 |
| ZFER | Zaporizhia Ferroalloy Plant | 0,25 | 0,00 | 1,50 | -24,62 | 500,0 | 2,10 | 17.11.2008 | 0,0 | 0 |
| ENMZ | Enakiyevo Metallurgical Plant | 43,30 | 4,84 | 43,60 | 2,71 | 0,7 | 43,60 | 16.12.2008 | 339,4 | 8 |
| ZALK | Zaporizhia Aluminium | 0,16 | 6,67 | 0,45 | 0,00 | 181,3 | 0,25 | 06.11.2008 | 0,0 | 0 |
| Mechanical engineering | | | | | | | | | | |
| SMASH | Sumy NVO im. Frunze | 12,00 | 0,00 | 14,00 | 0,00 | 16,7 | 12,55 | 04.12.2008 | 0,0 | 0 |
| LUAZ | LuAZ | 0,10 | -33,33 | 0,16 | -13,51 | 60,0 | 0,14 | 16.12.2008 | 57,4 | 2 |
| MSICH | Motor Sich | 292,00 | 4,47 | 297,00 | 3,13 | 1,7 | 294,00 | 16.12.2008 | 190,8 | 3 |
| MZVM | Mariupol Heavy Machine Building Plant | 10,00 | 0,00 | 13,90 | -5,89 | 39,0 | 15,00 | 27.11.2008 | 0,0 | 0 |
| AZGM | Azovzagalmash | 3,80 | 0,00 | 6,50 | -7,14 | 71,1 | 5,00 | 11.12.2008 | 0,0 | 0 |
| LTPL | Luganskteplovoy | 1,55 | 0,00 | 1,95 | -2,01 | 25,8 | 2,04 | 12.12.2008 | 0,0 | 0 |
| SVGZ | Stakhaniv Wagon Works | 1,25 | 4,17 | 1,49 | -6,29 | 19,2 | 1,45 | 12.12.2008 | 0,0 | 0 |
| DRMZ | Druzhkivka Machine Building | 0,25 | -50,00 | 1,50 | 0,00 | 500,0 | 2,00 | 28.11.2008 | 0,0 | 0 |
| DGRM | Donetskirmash | 0,10 | 100,00 | 1,39 | 0,00 | 1290,0 | 1,30 | 28.11.2008 | 0,0 | 0 |
| By-product-coking industry | | | | | | | | | | |
| AVDK | Avdiivka Chemical-Recovery Plant | 4,11 | -2,61 | 4,30 | -6,22 | 4,6 | 4,25 | 16.12.2008 | 227,8 | 5 |
| ZACO | Zaporizhkoks | 0,40 | 0,00 | 3,00 | -25,00 | 650,0 | 0,40 | 08.12.2008 | 0,0 | 0 |
| YASK | Yasynivsky By-product Coke Plant | 0,66 | 0,00 | 0,76 | 0,00 | 15,2 | 0,75 | 12.12.2008 | 0,0 | 0 |
| Ore mining and processing enterprises | | | | | | | | | | |
| PGOK | Poltava Ore Mining and Processing Enterprise | 7,60 | 0,66 | 12,00 | 0,00 | 57,9 | 7,60 | 16.12.2008 | 46,6 | 3 |
| PGZK | South Ore Mining and Processing Enterprise | 6,90 | -1,43 | 8,40 | -1,18 | 21,7 | 8,00 | 08.12.2008 | 0,0 | 0 |
| Banking | | | | | | | | | | |
| BAVL | Raiffeisen Bank Aval | 0,238 | 0,00 | 0,245 | 0,82 | 2,9 | 0,24 | 16.12.2008 | 72,8 | 2 |
| USCB | Ukrsoobank | 0,195 | -11,76 | 0,229 | 0,88 | 17,4 | 0,20 | 16.12.2008 | 496,9 | 11 |
| FORM | Forum Bank | 4,00 | -2,44 | 4,60 | 0,00 | 15,0 | 4,10 | 16.12.2008 | 41,0 | 1 |
| Other | | | | | | | | | | |
| UTEL | Ukrtelekom | 0,246 | 2,07 | 0,260 | 1,96 | 5,7 | 0,25 | 11.12.2008 | 0,0 | 0 |
| UNAF | Ukrnafta | 104,20 | 0,92 | 108,48 | 2,34 | 4,1 | 106,70 | 16.12.2008 | 1 806,7 | 6 |
| SUNI | Sun Interbrew Ukraine | 0,100 | 0,00 | 0,175 | 0,00 | 75,0 | 0,18 | 02.12.2008 | 0,0 | 0 |
| SHCHZ | Coal mine Chervonoarmiyska Zahidna #1 | 1,01 | 0,00 | 1,55 | 0,00 | 53,5 | 1,28 | 04.12.2008 | 0,0 | 0 |
| STIR | Concern Stinol | 27,00 | -11,48 | 29,90 | -7,46 | 10,7 | 29,00 | 16.12.2008 | 118,3 | 3 |
| DNHS | Dniproshyna Tyre Factory | 12,00 | 0,00 | 37,00 | 0,00 | 208,3 | 37,20 | 02.12.2008 | 0,0 | 0 |
| PFTS Index | | | | | | | | | | |
| | | 276,28 | 0,74% | | | 6 008,9 | 385,22% | | | |

DAILY

December 17, 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 | 1 816,81 | 0,47 | 14,90 | 1,07 | 4,37 | -81,89 | -5,58 |
| DNON | Dniproblenergo | 689,22 | 0,10 | 24,31 | -2,70 | 6,08 | -87,08 | -10,77 |
| CEEN | Centrenergo | 1 832,26 | 0,53 | 28,90 | 0,82 | 7,24 | -80,85 | -4,54 |
| ZAEN | Zakhidenergo | 4 617,39 | 1,28 | 92,44 | 3,22 | 20,75 | -41,37 | 34,94 |
| DOEN | Donbasenergo | 608,84 | 0,41 | 22,94 | 0,64 | 7,36 | -86,92 | -10,61 |
| KIEN | Kyivenergo | 948,78 | 0,21 | 154,30 | 0,66 | 8,56 | -79,15 | -2,84 |
| Pipe rolling | | | | | | | | |
| NITR | Nizhniodniprovsky Pipe Rolling Works | 2 627,22 | 0,56 | 6,06 | 1,44 | 4,54 | -96,92 | -20,61 |
| DTRZ | Dnipropetrovsk Pipe Works | 88,42 | 0,11 | -9,47 | 0,61 | 5,21 | -89,18 | -12,87 |
| Metallurgy | | | | | | | | |
| KSTL | Mittal Steel Kryvy Rig | 36 665,56 | 1,95 | 9,65 | 2,92 | 6,77 | -38,91 | 37,40 |
| MMKI | Mariupol Metallurgical Plant | 2 344,52 | 0,13 | 1,65 | 0,23 | 0,77 | -89,86 | -13,55 |
| AZST | Azovstal | 3 282,04 | 0,20 | 1,55 | 0,35 | 1,25 | -86,57 | -10,26 |
| ALMK | Alchevsk Metallurgical Plant | 1 791,38 | 0,20 | 5,51 | 0,50 | 4,32 | -83,93 | -7,62 |
| DNSS | Dniprospsststal | 2 499,44 | 0,67 | 7,25 | 3,11 | 3,96 | -46,89 | 29,42 |
| ZFER | Zaporizhia Ferroalloy Plant | 1 994,61 | 0,89 | 51,20 | 4,27 | 14,87 | -30,00 | 46,31 |
| ENMZ | Enakiyevo Metallurgical Plant | 450,61 | 0,09 | 2,99 | 0,51 | 1,61 | -89,75 | -13,44 |
| ZALK | Zaporizhia Aluminium | 189,93 | 0,12 | 2,51 | 0,33 | 0,92 | -88,80 | -12,49 |
| Mechanical engineering | | | | | | | | |
| SMASH | Sumy NVO im. Frunze | 924,11 | 0,68 | 10,91 | 1,01 | 7,10 | -74,36 | 1,95 |
| LUAZ | LuAZ | 432,64 | 0,10 | 1,16 | 0,30 | 0,99 | -88,00 | -11,69 |
| MSICH | Motor Sich | 611,97 | 0,35 | 2,95 | 0,34 | 1,58 | -79,89 | -3,58 |
| MZVM | Mariupol Heavy Machine Building Plant | 183,88 | 0,07 | 127,52 | 0,57 | 6,70 | -90,95 | -14,64 |
| AZGM | Azovzagalmash | 239,50 | 0,10 | 231,84 | 1,77 | 2,24 | -91,04 | -14,73 |
| LTPL | Luganskteplovovoz | 383,57 | 0,72 | -26,00 | 2,74 | 16,14 | -77,59 | -1,28 |
| SVGZ | Stakhaniv Wagon Building plant | 103,38 | 0,09 | 2,08 | 0,64 | 1,25 | -98,96 | -22,65 |
| DRMZ | Druzhkivka Machine Building | 181,59 | 0,24 | 7,08 | 1,05 | 4,11 | -74,49 | 1,82 |
| DGRM | Donetskirmash | 33,86 | 0,14 | -0,93 | -4,08 | -6,08 | -64,94 | 11,37 |
| By-product-coking industry | | | | | | | | |
| AVDK | Avdiivka Chemical-Recovery Plant | 814,11 | 0,17 | 3,93 | 0,20 | 2,74 | -79,84 | -3,53 |
| ZACO | Zaporizhkoks | 202,85 | 0,11 | 5,65 | 0,49 | 5,42 | -82,11 | -5,80 |
| YASK | Yasynivsky By-product Coke Plant | 194,26 | 0,10 | 1,29 | 0,36 | 0,76 | -86,92 | -10,61 |
| Ore mining and processing enterprises | | | | | | | | |
| PGOK | Poltava Ore Mining and Processing Enterprise | 1 379,84 | 0,49 | 3,98 | 0,75 | 2,89 | -89,29 | -12,98 |
| PGZK | South Ore Mining and Processing Enterprise | 16 398,99 | 5,69 | 27,16 | 10,58 | 16,75 | 37,59 | 113,90 |
| Banking | | | | | | | | |
| BAVL | Raiffeisen Bank Aval | 5 506,04 | n/a | 9,37 | 0,99 | n/a | -78,27 | -1,96 |
| USCB | Ukrsofsbank | 2 162,40 | n/a | 5,97 | 0,67 | n/a | -84,46 | -8,15 |
| FORM | Forum Bank | 482,03 | n/a | 9,17 | 0,30 | n/a | -89,89 | -13,58 |
| Other | | | | | | | | |
| UTEL | Ukrtelekom | 4 737,74 | 0,70 | 17,73 | 0,54 | 3,26 | -77,36 | -1,05 |
| UNAF | Ukrnafta | 5 766,66 | 1,17 | 4,66 | 0,65 | 2,67 | -74,13 | 2,18 |
| SUNI | Sun Interbrew Ukraine | 1 307,72 | 0,55 | 4,45 | 1,21 | 1,94 | -82,59 | -6,28 |
| SHCHZ | Coal mine Chervonoarmiyska Zahidna #1 | 1 086,12 | 0,75 | 20,29 | 0,81 | 4,14 | -87,44 | -11,13 |
| STIR | Concern Stirol | 771,71 | 0,29 | 3,50 | 0,38 | 2,79 | -75,61 | 0,70 |
| DNSH | Dniproshyna Tyre Factory | 315,56 | 0,43 | 29,92 | 1,15 | 7,97 | -73,37 | 2,94 |

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