

The week began passively for Ukrainian stock market as quotations experienced minor changes at low traders' activity which resulted in market remaining in side trend. Average loss in ore mining, pipe rolling and energy sectors accounted 0.36%, 0.39% and 0.43%. Metallurgy average fall accounted 0.63%, banking – 2.14%, coke processing – 4.37%, machine building gained almost 1%, however, blue chips quotations remained almost unchanged. PFTS index went 0.11% up at a very low trade volume in both stocks and bonds.

Major Ukrainian metallurgical enterprises report for 2008

Last year Ukraine decreased production of metal and steel on most of enterprises falling out of top 10 world leading steel producers. Production decline by enterprises:

Azovstal Metallurgical Plant (AZST), member of Metinvest group, has decreased rolled metal production by 10% yoy to 5.039mln mt, steel — by 12.8% to 5.519mln mt, cast iron — by 15.3% to 4.611mln mt agglomerate — by 0.2% to 1.947mln mt.

Over the same period Alchevsk Metallurgical Plant (ALMK) increased output of rolled metal by 10.6% yoy to 3.94mln mt, steel production grew by 10.4% to 4.356mln mt, cast iron - by 13.9% to 3.777mln mt, output of agglomerate fell by 10.6% to 4.39mln mt.

In 2008 production of rolled metal on Dniprovskiy Metallurgical Plant im. Dzerzhinskogo (DMKD) fell by 10.7% yoy to 2.773mln mt. In 2008 the enterprise decreased output of steel by 12.2% to 3.321mln mt, cast iron – by 11.3% to 3.06mln mt, agglomerate - by 9.3% to 4.593mln mt.

Dnipropetrovsk Metallurgical Plant im. Petrovskogo (DMZP) slowed down production of rolled metal by 21.2% yoy to 989ths mt, steel production fell by 19.7% to 1.086mln mt, cast iron - by 25.9% to 1.167mln mt.

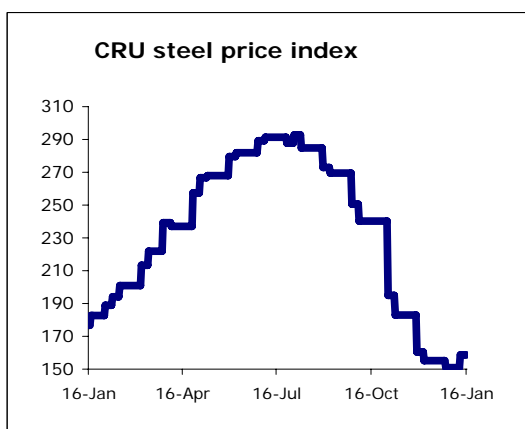
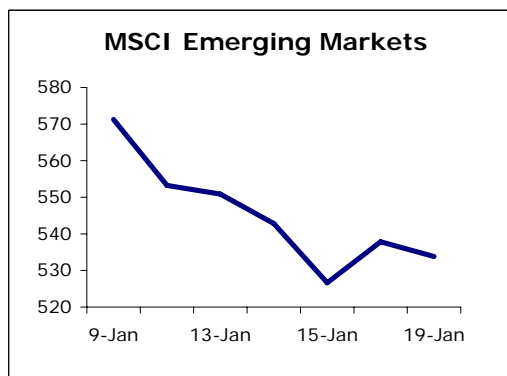
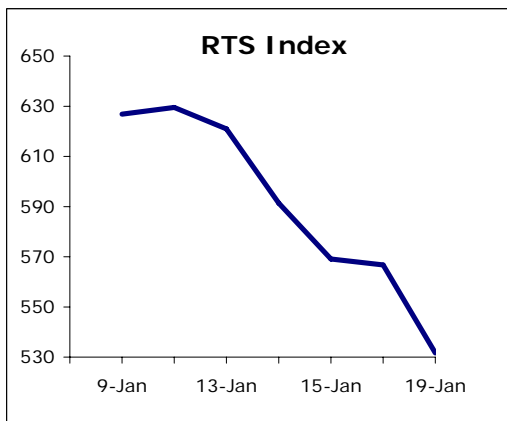
Last year Zaporizhstal (ZPST) declined production of rolled metal by 13.9% yoy to 3.211mln mt, steel production decreased by 11.6% to 3.942mln mt, cast iron - by 7.9% to 3.284mln mt, agglomerate – by 3.7% to 5.419mln mt.

During the last 12 months Mariupol Metallurgical Plant (MMKI) decreased output of rolled metal by 21.9% yoy to 4.274mln mt, steel - by 19.5% - to 5.597mln mt, cast iron – by 17.3% to 4.491mln mt, agglomerate - by 11.6% to 11.386mln mt. Pipes production fell by 27.7% to 93.5ths mt.

In 2008 Arcelor Mittal Kryvy Rig (KSTL) shortened rolled metal output by 23.9% yoy to 5.406mln mt, steel – by 23.1% to 6.233mln mt, cast iron - by 21.9% to 5.632mln mt, agglomerate - by 19.7% to 9.619mln mt.

Enakievo Metallurgical Plant (ENMZ) has decreased output of rolled metal by 2.6% yoy to 2.707mln mt, steel - by 1.9% to 2.33mln mt, raising cast iron output by 4.7% to 2.563mln mt.

Last year Dniprospectstal electrometallurgical plant decreased output of 9.1% yoy to 289ths mt, steel — by 12.2% to 482ths mt.



	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

100USD/UAH	770,0000
100EUR/UAH	1015,0140
10RUB/UAH	2,3398

Short market information

Most traded	Ticker	Volume, mln UAH
1	MSICH	0,481
2	YASK	0,289
3	UTEL	0,183

Growth leaders	Ticker	change,%
1	DRMZ	100,00
2	SUNI	20,00
3	SVGZ	6,87

Retreat leaders	Ticker	change,%
1	YASK	-12,16
2	BAVL	-11,11
3	LTPL	-7,50

Stirol raises sales by 47.2%

In 2008 sales of Concern Stirol (STIR), one of the largest Ukrainian chemical enterprises, have reached UAH 5.264bln, which is a 47.2% yoy increase. Amonium sales increased by 105.8% - to UAH 1.37bln, granulated ammonium niter - by 47.6% to UAH 567.033mln, sulfur acid - by 461.1% to UAH 87.969mln, medicines - by 0.1% to UAH 60.72mln, polystyrene – by 7.6% to UAH 327.427mln. Natrium niter sales grew by 91.8% to UAH 45.201mln, natrium nitrate - by 27.9% to UAH 15.821mln. Urea sales reached UAH 1.657bln, which is a 59.8% yoy increase. Concern Stirol shortened production of ammonium by 0.7% to 1.232mln mt, urea – by 0.6% to 792.146ths mt, granulated ammonium niter -by – 14.2% to 415.037ths mt, packaging materials – by 2.2% to 428.144mln units, paint – by 2% to 979mt. Natrium niter production increased by 7% to 23.199ths mt, sulfur acid – by 3.6% to 141.569ths mt, polystyrene - by 5.6% to 35.664ths mt, medicines - by 5.4%, to 1.103bln units. The concern has also increased output of energy by 82.2% to 162.335mln kWh.

Dniproenergo directs UAH 800mln for main assets reconstruction and repair next year

Dniproenergo (DNEN) energy generating company plans to direct over UAH 800mln for reconstruction and repair next year, said the company press office. Plan of capital investments with overall expenditures volume of UAH 486.768mln (net of VAT) and financing of UAH 464.603mln has been adopted by the company supervisory board. The board has also adopted “the program of reconstruction and repair of equipment, buildings and constructions of heat power plants” which assumes granting UAH 331.525mln into abovementioned works.

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ticker	name	bid	change, %	ask	change, %	spread, %	last deal	last deal date	vol, 19.01.09	deals, 19.01.09
Power engineering										
DNEN	Dniproenergo	450,00	0,00	500,00	-1,96	11,1	430,00	15.01.2009	0,0	0
DNON	Dniproblenergo	110,00	0,00	200,00	0,00	81,8	181,00	25.12.2008	0,0	0
CEEN	Centrenergo	5,03	-1,37	5,15	-0,58	2,4	5,05	14.01.2009	0,0	0
ZAEN	Zakhidenergo	371,00	-0,27	380,00	0,80	2,4	375,00	15.01.2009	0,0	0
DOEN	Donbasenergo	25,35	-0,98	29,50	-0,67	16,4	28,00	26.12.2008	0,0	0
KIEN	Kyivenergo	5,75	0,00	11,00	0,00	91,3	4,50	15.01.2009	0,0	0
Pipe rolling										
NITR	Nizhnodniprovsky Pipe Rolling Works	6,60	-2,22	14,00	0,00	112,1	50,00	29.12.2008	0,0	0
DTRZ	Dnipropetrovsk Tube Works	50,00	0,00	100,00	0,00	100,0	60,00	19.01.2009	17,1	1
Metallurgy										
KSTL	Arcelor Mittal Kryvy Rig	8,00	0,00	11,00	0,00	37,5	10,00	30.12.2008	0,0	0
MMKI	Mariupol Metallurgical Plant	0,66	0,00	1,00	-4,76	51,5	1,00	19.12.2008	0,0	0
AZST	Azovstal	0,825	-0,72	0,838	0,00	1,6	0,84	16.01.2009	0,0	0
ALMK	Alchevsk Metallurgical Plant	0,080	0,00	0,082	0,00	2,5	0,08	19.01.2009	12,3	1
DNSS	Dniprospsststal	2100,00	0,00	2790,00	-0,36	32,9	2790,00	14.01.2009	0,0	0
ZFER	Zaporizhia Ferroalloy Plant	0,25	0,00	1,40	0,00	460,0	2,10	17.11.2008	0,0	0
ENMZ	Enakiyevo Metallurgical Plant	47,00	-2,08	48,50	-1,02	3,2	48,00	16.01.2009	0,0	0
ZALK	Zaporizhia Aluminium	0,11	0,00	0,50	0,00	354,5	0,25	06.11.2008	0,0	0
Mechanical engineering										
SMASH	Sumy NVO im. Frunze	14,25	1,79	15,00	-3,23	5,3	15,00	19.01.2009	15,0	1
LUAZ	LuAZ	0,12	0,00	0,16	0,00	34,8	0,16	30.12.2008	0,0	0
MSICH	Motor Sich	366,00	1,67	372,70	0,73	1,8	370,00	19.01.2009	481,4	7
MZVM	Mariupol Heavy Machine Building Plant	13,10	0,77	14,40	0,00	9,9	13,50	13.01.2009	0,0	0
AZGM	Azovzagalmash	3,50	0,00	10,00	0,00	185,7	5,00	11.12.2008	0,0	0
LTPL	Luganskteplovoz	1,11	-7,50	1,60	0,00	44,1	1,78	30.12.2008	0,0	0
SVGZ	Stakhaniv Wagon Works	1,40	6,87	1,43	-3,38	2,1	1,40	19.01.2009	28,0	2
DRMZ	Druzhkivka Machine Building	0,50	100,00	2,00	0,00	300,0	2,64	30.12.2008	0,0	0
DGRM	Donetskirmash	0,11	0,00	0,60	0,00	445,5	0,89	30.12.2008	0,0	0
By-product-coking industry										
AVDK	Avdiivka Chemical-Recovery Plant	4,51	0,22	4,65	0,00	3,1	4,65	16.01.2009	0,0	0
ZACO	Zaporizhkoks	0,42	0,00	1,75	-2,78	316,7	4,00	14.01.2009	0,0	0
YASK	Yasynivsky By-product Coke Plant	0,65	-12,16	0,69	-9,80	6,2	0,65	19.01.2009	289,3	16
Ore mining and processing enterprises										
PGOK	Poltava Ore Mining and Processing Enterprise	11,50	-0,86	12,50	-3,10	8,7	12,00	19.01.2009	36,0	2
PGZK	South Ore Mining and Processing Enterprise	7,70	2,67	8,40	0,00	9,1	7,70	23.12.2008	0,0	0
Banking										
BAVL	Raiffeisen Bank Aval	0,160	-11,11	0,190	0,00	18,8	0,78	30.12.2008	0,0	0
USCB	Ukrsoobank	0,165	-4,07	0,175	-2,78	6,1	0,17	19.01.2009	92,5	4
FORM	Forum Bank	4,50	5,88	6,25	0,00	38,9	4,40	30.12.2008	0,0	0
Other										
UTEL	Ukrtelekom	0,265	-5,36	0,285	-1,04	7,5	0,28	19.01.2009	182,9	2
UNAF	Ukrnafta	106,00	-2,08	108,00	-1,82	1,9	108,50	19.01.2009	21,7	1
SUNI	Sun Interbrew Ukraine	0,120	20,00	0,150	0,00	25,0	0,13	14.01.2009	0,0	0
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1,25	4,17	1,50	3,45	20,0	2,75	30.12.2008	0,0	0
STIR	Concern Stirol	24,00	0,00	26,00	-5,45	8,3	26,25	19.01.2009	26,3	1
DNSh	Dniproshyna Tyre Factory	10,00	0,00	38,00	0,00	280,0	29,60	14.01.2009	0,0	0
PFTS Index										
		288,95	0,11%			1 202,4	0,89%			

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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., %
Electricity								
DNEN	Dniproenergo	1 863,90	0,49	15,29	1,10	4,49	-81,05	-5,44
DNON	Dniproblenergo	928,70	0,13	32,76	-3,63	8,72	-82,39	-6,77
CEEN	Centrenergo	1 880,28	0,55	29,66	0,84	7,38	-82,00	-6,38
ZAEN	Zakhidenergo	4 802,85	1,33	96,15	3,35	21,55	-35,70	39,91
DOEN	Donbasenergo	648,44	0,44	24,43	0,68	7,60	-85,35	-9,73
KIEN	Kyivenergo	907,55	0,20	147,59	0,63	8,32	-81,99	-6,37
Pipe rolling								
NITR	Nizhniodniprovsky Pipe Rolling Works	4 118,77	0,88	9,51	2,26	6,39	-94,99	-19,37
DTRZ	Dnipropetrovsk Pipe Works	79,18	0,10	-8,48	0,54	4,78	-90,27	-14,66
Metallurgy								
KSTL	Mittal Steel Kryvy Rig	36 665,56	1,95	9,65	2,92	6,77	-39,78	35,84
MMKI	Mariupol Metallurgical Plant	2 781,92	0,16	1,96	0,27	0,95	-88,14	-12,53
AZST	Azovstal	3 487,56	0,21	1,64	0,37	1,32	-86,42	-10,81
ALMK	Alchevsk Metallurgical Plant	2 087,80	0,23	6,42	0,58	4,60	-88,15	-12,54
DNSS	Dniprospsststal	2 628,45	0,70	7,63	3,28	4,18	-50,28	25,33
ZFER	Zaporizhia Ferroalloy Plant	1 880,63	0,84	48,27	4,03	14,21	-67,96	7,65
ENMZ	Enakiyevo Metallurgical Plant	495,21	0,10	3,28	0,56	1,77	-90,54	-14,93
ZALK	Zaporizhia Aluminium	189,93	0,12	2,51	0,33	0,92	-89,61	-13,99
Mechanical engineering								
SMASH	Sumy NVO im. Frunze	1 039,62	0,76	12,28	1,13	7,78	-74,68	0,94
LUAZ	LuAZ	449,28	0,11	1,21	0,31	1,02	-89,07	-13,45
MSICH	Motor Sich	767,51	0,44	3,71	0,43	1,97	-78,56	-2,94
MZVM	Mariupol Heavy Machine Building Plant	211,58	0,08	146,73	0,66	7,33	-90,50	-14,89
AZGM	Azovzagalmash	313,90	0,13	303,87	2,32	3,33	-88,42	-12,81
LTPL	Luganskteplovovoz	297,00	0,56	-20,13	2,12	12,68	-81,19	-5,58
SVGZ	Stakhaniv Wagon Building plant	106,78	0,09	2,15	0,66	1,30	-97,46	-21,85
DRMZ	Druzhkivka Machine Building	259,42	0,34	10,12	1,50	5,21	-79,34	-3,72
DGRM	Donetskirmash	16,14	0,07	-0,44	-1,95	-5,25	-89,08	-13,46
By-product-coking industry								
AVDK	Avdiivka Chemical-Recovery Plant	886,71	0,18	4,28	0,21	2,87	-79,82	-4,21
ZACO	Zaporizhkoks	129,47	0,07	3,61	0,31	4,41	-88,76	-13,14
YASK	Yasynivsky By-product Coke Plant	183,31	0,10	1,21	0,34	0,72	-90,24	-14,63
Ore mining and processing enterprises								
PGOK	Poltava Ore Mining and Processing Enterprise	1 689,60	0,60	4,87	0,92	3,33	-85,28	-9,66
PGZK	South Ore Mining and Processing Enterprise	17 256,46	5,98	28,58	11,13	17,60	16,67	92,28
Banking								
BAVL	Raiffeisen Bank Aval	3 989,89	n/a	6,79	0,72	n/a	-84,48	-8,86
USCB	Ukrsofsbank	1 734,00	n/a	4,79	0,53	n/a	-88,30	-12,68
FORM	Forum Bank	602,54	n/a	11,46	0,37	n/a	-87,74	-12,13
Other								
UTEL	Ukrtelekom	5 149,72	0,76	19,27	0,59	3,47	-77,19	-1,57
UNAF	Ukrnafta	5 802,45	1,18	4,69	0,65	2,68	-72,63	2,99
SUNI	Sun Interbrew Ukraine	1 283,94	0,54	4,37	1,19	1,91	-82,69	-7,08
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1 166,74	0,81	21,80	0,87	4,45	-88,02	-12,40
STIR	Concern Stirol	678,13	0,25	3,07	0,33	2,41	-78,84	-3,23
DNSH	Dniproshyna Tyre Factory	315,56	0,43	29,92	1,15	7,97	-75,88	-0,27

Contact information:

CEO

Hennadii Khelemskyi
info@exim-active.com

Head of analysis and research department

Maxim Zbarazhsky
zbarazhsky@exim-active.com

Analysts

Mykhailo Proskurivskiy
proskurivskiy@exim-active.com

Konstantin Meselevskiy
meselevskiy@exim-active.com

Exim-Capital

**11/b Vorovskogo Street,
Kyiv , Ukraine**

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