

The week began positively for Ukrainian stock market as a number of quotation demonstrated incremental growth while traders' activity in both stock and both sector fell notably at widening spreads. Ore mining and metallurgy gained about 1% in average, banking sector recovered after a recent fall by 2%, coke processing was also showing positive tendency while energy sector and machine building remained in a side trend; the only sector to show a decline was pipe rolling, losing 3.33%. PFTS index gained 0.59% rising to 278.75 points by the session end at low trade volume.

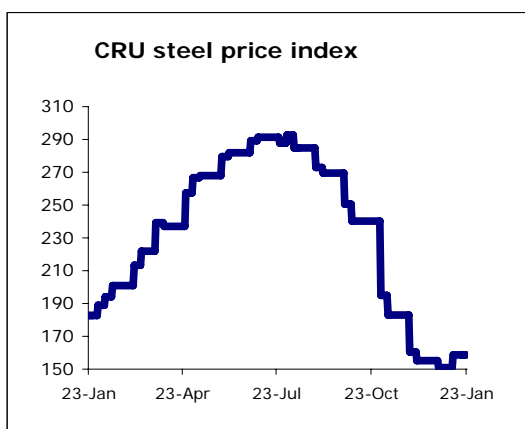
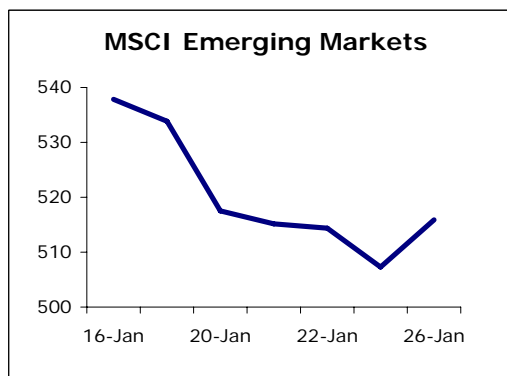
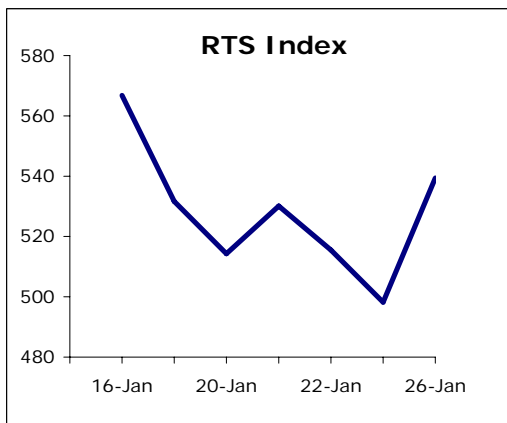
Ukrainian state budget deficit in 2008 - UAH 12.5bln

Deficit of the state budget of Ukraine in December 2008 amounted UAH 13.1bln, which is a record high volume for the last year, said a report by the Ministry of Economy of Ukraine published on Monday. According to the message, budget deficit was recorded in March – UAH 1.5bln, April – UAH 0.2bln, June – UAH 4.2bln, July – UAH 0.7bln, September – UAH 2.8bln and October – UAH 2.9bln. Total deficit of the state budget for 2008 accounted UAH 12.5bln which is 66.4% of deficit expected in accordance to the law concerning the budget for 2008.

¾ of the deficit in December was financed by using UAH 9.2bln of costs on accounts of the government. Internal loan bonds made budget gain UAH 1.2bln in December and UAH 11.6bln throughout 2008 rising from UAH 3.6bln a year before. A credit provided by the World Bank for supporting reforms granted budget UAH 4bln more. Expenses on termination of internal and foreign debts in December accounted UAH 1.2bln and 0.1bln correspondingly, for 2008 – UAH 3.7bln and 2.4bln correspondingly. Budget income on privatization for the year accounted UAH 0.5bln which is 79.4% of planned volume. Deficit margin for the state budget for 2009 is estimated at UAH 31.105bln (2.97% of prognosis GDP) which is 24.3% (by UAH 6.09bln) higher than it was estimated for 2008.

Average wage in Ukraine rises by 34%

In December 2008 average salary in Ukraine has risen by 9.8% mom to UAH 2001, after 1823 in November, and UAH 1917 in October said a report by the State Statistics Committee of Ukraine. Average salary for 2008 has risen by 33.7% yoy to UAH 1806. The largest salaries have been recorded in Kyiv - UAH 3074, the lowest – Ternopil region - UAH 1313. In December salaries in state government sector increased by 19.1%, real estate operations, leasing and engineering – by 15.3%, medical treatment – by 11.5%, transport and communications – 10.9%, education – by 10.3%. Overall volume of salary debt by the 1st of January 2009 declined by 35.3% mom, rising by 68% yoy – to UAH 1.123bln, which is 5% of overall volume of salaries. By the 1st of January 2009 number of workers not received salaries in full accounted 3.2% of total, which is a 49.5% mom decrease.



	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	1000,2300
10RUB/UAH	2,3403

Short market information

Most traded	Ticker	Volume, mln UAH
1	ENMZ	0,443
2	MSICH	0,261
3	AZST	0,241

Growth leaders	Ticker	change,%
1	SMASH	10,00
2	USCB	6,25
3	LUAZ	3,33

Retreat leaders	Ticker	change,%
1	DTRZ	-20,00
2	AZGM	-5,00
3	MZVM	-1,92

Ukraine cuts coke import by 99%

In November 2008 Ukraine has decreased import of coke by 99.4% (by 92.07ths mt) mom to 0.58ths mt with total cost of \$0.14mln, says a report by the State Statistics Committee of Ukraine. Yoy coke import decline in November accounted 99.7% (194.57ths mt). In January-November 2008 import of coke has shortened by 37.9% (by 750.81ths mt) yoy to 1.231ths mt with overall cost of \$509.42mln.

Ukraine increases iron ore containing raw materials export

Last year export of iron ore containing raw materials has increased by 5.1% yoy to 21.872mln mt. According to Ukrudprom, the association of Ukrainian ore mining enterprises, last year Ukraine increased export of iron ore concentrate by 33.7% to 6.4mln mt, while shortening output of sintering ore by 5.4% to 6.772mln mt, pellets — by 2% to 8.7mln mt. In December Ukraine exported 1.238mln of these materials: 440.9ths mt of concentrate, 29ths mt of sintering ore and 501ths mt of pellets.

Stakhanov Wagon Works triples charter capital

Stakhanov Wagon Works (SVGZ), a large train car building enterprise, member of AutoKrAZ Holding, plans to triple charter capital to UAH 237.709mln by closed distribution of additionally issued stocks of approximately UAH 158.473mln. The decision was adopted by a shareholders' meeting on the 26ths of January. Stocks will be distributed in 2 stages: 6th to 24th of April and 28th of April to 6th of May 2009. Attracted costs are to be used for increasing turnover assets of the enterprise.

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ticker	name	bid	change, %	ask	change, %	spread, %	last deal	last deal date	vol, 26.01.09	deals, 26.01.09	
Power engineering											
DNEN	Dniproenergo	450,00	0,00	500,00	-0,99	11,1	430,00	15.01.2009	0,0	0	
DNON	Dniproblenergo	101,00	0,00	200,00	0,00	98,0	181,00	25.12.2008	0,0	0	
CEEN	Centrenergo	4,96	0,61	5,03	0,60	1,4	4,97	23.01.2009	0,0	0	
ZAEN	Zakhidenergo	365,00	0,83	368,50	-0,14	1,0	360,00	23.01.2009	0,0	0	
DOEN	Donbasenergo	25,30	-0,39	28,60	-2,05	13,0	26,30	23.01.2009	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	7,00	0,00	14,00	0,00	100,0	50,00	29.12.2008	0,0	0	
DTRZ	Dnipropetrovsk Tube Works	40,00	-20,00	100,00	0,00	150,0	60,00	19.01.2009	0,0	0	
Metallurgy											
KSTL	Arcelor Mittal Kryvy Rig	7,01	0,00	11,00	0,00	56,9	7,50	23.01.2009	0,0	0	
MMKI	Mariupol Metallurgical Plant	0,65	-1,52	0,90	5,88	38,5	1,00	19.12.2008	0,0	0	
AZST	Azovstal	0,800	0,00	0,810	1,25	1,3	0,80	26.01.2009	241,2	2	
ALMK	Alchevsk Metallurgical Plant	0,077	0,00	0,078	1,30	1,3	0,08	26.01.2009	77,0	2	
DNSS	Dniprospsststal	2100,00	0,00	2590,00	0,00	23,3	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	3,30	48,10	3,42	2,3	48,00	26.01.2009	442,5	9	
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	15,40	10,00	16,00	4,92	3,9	15,60	26.01.2009	115,6	3	
LUAZ	LuAZ	0,16	3,33	0,17	0,00	9,7	0,16	26.01.2009	43,4	2	
MSICH	Motor Sich	370,00	1,65	383,00	4,08	3,5	380,00	26.01.2009	261,0	5	
MZVM	Mariupol Heavy Machine Building Plant	12,75	-1,92	14,25	-0,97	11,8	13,50	13.01.2009	0,0	0	
AZGM	Azovzagalmash	3,80	-5,00	6,90	0,00	81,6	5,00	23.01.2009	0,0	0	
LTPL	Luganskteplovoz	1,15	0,00	1,35	-12,90	17,4	1,55	26.01.2009	7,8	1	
SVGZ	Stakhaniv Wagon Works	1,15	0,00	1,40	3,70	21,7	1,40	21.01.2009	0,0	0	
DRMZ	Druzhkivka Machine Building	0,80	0,00	1,80	0,00	125,0	2,64	30.12.2008	0,0	0	
DGRM	Donetskirmash	0,11	0,00	0,59	0,00	436,4	0,89	30.12.2008	0,0	0	
By-product-coking industry											
AVDK	Avdiivka Chemical-Recovery Plant	4,25	0,71	4,45	0,00	4,7	4,37	22.01.2009	0,0	0	
ZACO	Zaporizhkoks	0,01	0,00	1,75	75,00	17400,0	0,36	26.01.2009	36,0	2	
YASK	Yasynivsky By-product Coke Plant	0,60	1,69	0,68	0,00	13,3	0,64	26.01.2009	10,9	1	
Ore mining and processing enterprises											
PGOK	Poltava Ore Mining and Processing Enterprise	10,00	0,00	11,75	4,44	17,5	11,00	21.01.2009	0,0	0	
PGZK	South Ore Mining and Processing Enterprise	7,50	0,00	8,40	0,00	12,0	7,70	23.12.2008	0,0	0	
Banking											
BAVL	Raiffeisen Bank Aval	0,165	3,13	0,173	0,58	4,8	0,17	22.01.2009	0,0	0	
USCB	Ukrsoobank	0,170	6,25	0,183	7,65	7,6	0,18	26.01.2009	237,2	5	
FORM	Forum Bank	4,10	0,00	5,50	-4,35	34,1	4,40	30.12.2008	0,0	0	
Other											
UTEL	Ukrtelekom	0,251	0,40	0,260	1,96	3,6	0,25	23.01.2009	0,0	0	
UNAF	Ukrnafta	102,00	0,00	103,00	-0,48	1,0	102,50	23.01.2009	0,0	0	
SUNI	Sun Interbrew Ukraine	0,120	0,00	0,150	0,00	25,0	0,13	14.01.2009	0,0	0	
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1,25	0,00	1,35	0,00	8,0	2,75	30.12.2008	0,0	0	
STIR	Concern Stirol	24,50	2,08	25,75	0,98	5,1	25,00	23.01.2009	0,0	0	
DNSh	Dniproshyna Tyre Factory	9,00	0,00	38,00	0,00	322,2	29,60	14.01.2009	0,0	0	
PFTS Index											
		278,75	0,59%						1 472,6	-43,39%	

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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	-80,59	-5,14
DNON	Dniproblenergo	901,74	0,13	31,81	-3,53	8,42	-82,29	-6,84
CEEN	Centrenergo	1 845,19	0,54	29,10	0,82	7,28	-81,15	-5,70
ZAEN	Zakhidenergo	4 690,93	1,30	93,91	3,27	21,07	-35,15	40,30
DOEN	Donbasenergo	637,21	0,43	24,01	0,67	7,53	-84,86	-9,41
KIEN	Kyivenergo	907,55	0,20	147,59	0,63	8,32	-81,19	-5,74
Pipe rolling								
NITR	Nizhniodniprovsky Pipe Rolling Works	4 198,75	0,89	9,69	2,30	6,49	-94,49	-19,04
DTRZ	Dnipropetrovsk Pipe Works	73,90	0,09	-7,91	0,51	4,53	-90,55	-15,09
Metallurgy								
KSTL	Mittal Steel Kryvy Rig	34 755,09	1,85	9,15	2,77	6,41	-43,01	32,45
MMKI	Mariupol Metallurgical Plant	2 597,58	0,15	1,83	0,26	0,88	-88,80	-13,35
AZST	Azovstal	3 376,41	0,21	1,59	0,36	1,29	-86,06	-10,61
ALMK	Alchevsk Metallurgical Plant	1 997,58	0,22	6,15	0,56	4,52	-87,40	-11,95
DNSS	Dniprospsststal	2 520,95	0,67	7,31	3,14	4,00	-51,25	24,20
ZFER	Zaporizhia Ferroalloy Plant	1 880,63	0,84	48,27	4,03	14,21	-66,26	9,19
ENMZ	Enakiyevo Metallurgical Plant	493,13	0,10	3,27	0,56	1,77	-90,22	-14,76
ZALK	Zaporizhia Aluminium	189,93	0,12	2,51	0,33	0,92	-89,20	-13,75
Mechanical engineering								
SMASH	Sumy NVO im. Frunze	1 116,03	0,82	13,18	1,22	8,23	-71,71	3,74
LUAZ	LuAZ	540,80	0,13	1,45	0,38	1,19	-86,17	-10,72
MSICH	Motor Sich	782,36	0,45	3,78	0,44	2,01	-76,74	-1,29
MZVM	Mariupol Heavy Machine Building Plant	207,73	0,08	144,06	0,65	7,25	-90,14	-14,69
AZGM	Azovzagalmash	248,80	0,10	240,85	1,84	2,38	-89,89	-14,44
LTPL	Luganskteplovovz	273,98	0,51	-18,57	1,95	11,75	-81,68	-6,23
SVGZ	Stakhaniv Wagon Building plant	96,22	0,08	1,93	0,59	1,16	-97,47	-22,02
DRMZ	Druzhkivka Machine Building	269,80	0,35	10,52	1,56	5,36	-76,36	-0,91
DGRM	Donetskfirmash	15,91	0,07	-0,44	-1,92	-5,24	-88,37	-12,92
By-product-coking industry								
AVDK	Avdiivka Chemical-Recovery Plant	842,18	0,17	4,07	0,20	2,79	-79,84	-4,39
ZACO	Zaporizhkoks	105,01	0,05	2,93	0,25	4,07	-90,25	-14,80
YASK	Yasynivsky By-product Coke Plant	175,10	0,09	1,16	0,32	0,68	-90,06	-14,61
Ore mining and processing enterprises								
PGOK	Poltava Ore Mining and Processing Enterprise	1 531,20	0,54	4,42	0,83	3,11	-86,65	-11,20
PGZK	South Ore Mining and Processing Enterprise	17 042,09	5,91	28,22	11,00	17,39	11,19	86,64
Banking								
BAVL	Raiffeisen Bank Aval	3 853,09	n/a	6,56	0,69	n/a	-83,64	-8,18
USCB	Ukrsotsbank	1 800,30	n/a	4,97	0,56	n/a	-86,90	-11,45
FORM	Forum Bank	538,08	n/a	10,23	0,33	n/a	-88,43	-12,98
Other								
UTEL	Ukrtelekom	4 784,56	0,70	17,91	0,54	3,28	-77,45	-2,00
UNAF	Ukrnafta	5 558,43	1,13	4,49	0,62	2,58	-72,22	3,23
SUNI	Sun Interbrew Ukraine	1 283,94	0,54	4,37	1,19	1,91	-82,18	-6,73
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1 103,10	0,76	20,61	0,82	4,20	-87,74	-12,28
STIR	Concern Stirol	681,52	0,25	3,09	0,34	2,42	-77,87	-2,42
DNSH	Dniproshyna Tyre Factory	315,56	0,43	29,92	1,15	7,97	-75,65	-0,19

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