

On Thursday PFTS market activity faded as recent rush of deals was over. Spreads were widening all over the market while stock dynamics remained diverse. Metallurgy gained 10.14% in average due to widening spreads for Arcelor Mittal Kryvy Rig (KSTL) while most of quotations were falling; ore mining grew by 0.42%. Energy sector lost 0.22%, machine building – 1.13%, banking sector fell by 1.2%, coke processing went 7.21% down. Index stocks were less touched by overall decline trend resulting in PFTS index rising by 0.21% up to 278.55 points at a low trade volume.

**Ukrainian balance current account deficit in 2008 reaches 6.7% of GDP**

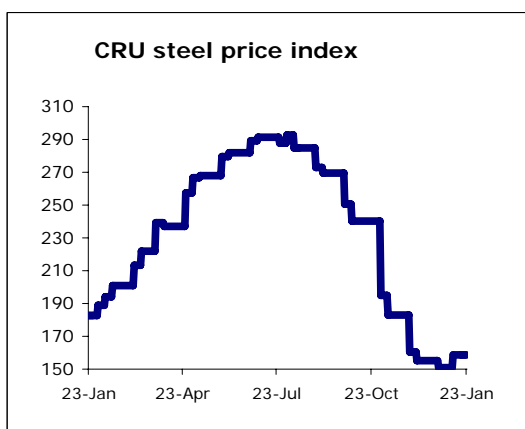
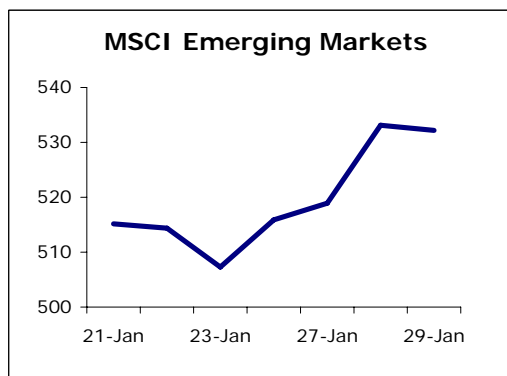
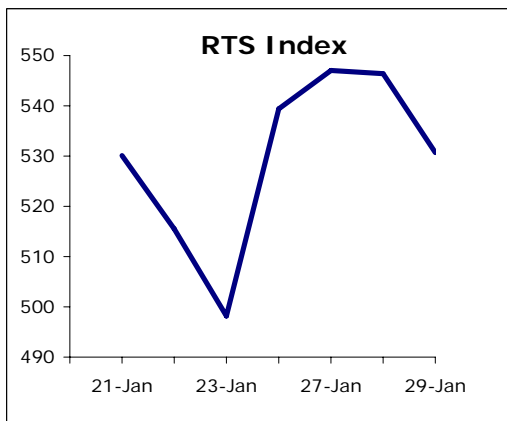
Ukrainian payment balance current account deficit in 2008 has risen to 6.7% of gross domestic product of Ukraine - \$11.9bln (in comparison to \$5.3bln and 3.7% of GDP in 2007) says a message on the web site of the National Bank of Ukraine. Current account deficit increase is mostly determined by rise of deficit of trade to \$16bln, says the message. Global economic crisis influenced a long-term capital inflow into Ukraine since September while income from export was falling. Unlike 1-3Q2008, in 4Q2008 a deficit in both current and financial account of \$9.3bln in total was recorded. The deficit was financed out of reserves and funds of the IMF.

Consolidated payment balance deficit for 2008 accounted \$3.1bln. However the UAH devaluation slowed down a current account deficit increase in December to \$0.4bln. Negative trade balance in December fell to \$0.6bln after \$1.3bln in November. Foreign trade deficit increase was stimulated by high social payments increase by the government and dynamic bank consumer credit portfolio increase. Positive services trade balance accounted \$2.1 last year. Income balance deficit had risen 3 times to almost \$2bln, which is caused mostly by a 2 times increase of dividend payments on direct investments and 1.4 times rise of expenditures on debt servicing.

1.3 times income increase was mostly caused by an increase to wages of Ukrainians working abroad. Financial account positive trade balance last year accounted \$8.8bln, which is a 40.1% yoy decline from UAH \$14.7bln in 2007. The balance decrease was cause by a \$5.7bln outflow in 4Q2008, which was the first time for last 2.5 years and was determined by the world economic crisis. Net foreign direct investments inflow into Ukraine in 2008 accounted \$9.9bln, which is a 7.5% yoy increase (\$9.2bln in 2007): 42% of FDI were directed into banking sector. In 4Q2008 net FDI inflow accounted only \$1.2bln, which is 2.7 times lower than average for previous 3 quarters.

**Nikopil Ferroalloy Plant cuts ferromanganese production**

In 2008 Nikopil Ferroalloy Plat (NFER) as decreased production of ferromanganese by 5.5% (by 15ths mt) to 257.2ths mt as the enterprise didn't produce neither ferromanganese nor silicon manganese in December.



	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

### Gas price for industrial companies rises by over 75%

On a Thursday session of National energy regulation committee of Ukraine adopted a decision on increasing price for natural gas for industrial consumers and state budget financed establishments by 75.37% to UAH 2020.25 per 1000 square meters (as a target charge increase, net of VAT but including, expenditures of Naftogaz of Ukraine for import gas realization). The increase was determined by Russia raising export price of gas for Ukraine. Price margin for chemical and metallurgical enterprises is limited at UAH 1899.25 per 1000 square meters as a part of preferences provided by the government to strategic industries.

### Raiffeisen Bank Aval net profit falls by 19.6%

Net profit of Raiffeisen Bank Aval (BAVL) in 2008 accounted UAH 527.395mln, which is a 19.6% yoy decline from UAH 655.878mln in 2007. According to message by the bank, its' loss for 4Q2008 accounted UAH 153.207mln, while net profit for 3Q2008 accounted UAH 290.636mln, 2Q2008 – UAH 54.388mln, 1Q2008 – UAH 335.578mln. Total bank assets have risen by 46.8% to UAH 65.362bln, credit portfolio had risen by 46.9% to UAH 54.728bln. The bank liabilities had risen by 47.6% to UAH 57.926bln; charter capital - by 6.1% to UAH 2.419bln.

100USD/UAH	770,0000
100EUR/UAH	1009,5470
10RUB/UAH	2,2200

### Short market information

Most traded	Ticker	Volume, mln UAH
1	CEEN	0,750
2	UNAF	0,154
3	SMASH	0,140

Growth leaders	Ticker	change,%
1	PGOK	9,89
2	STIR	1,87
3	UTEL	0,80

Retreat leaders	Ticker	change,%
1	LTPL	-9,01
2	KSTL	-6,53
3	LUAZ	-5,00

### Southern Ore Mining and Processing Enterprise net profit - UAH 3.5bln

Net profit of Southern Ore Mining and Processing Enterprise (PGZK) accounted UAH 3.504bln, says a message by the enterprise. Company assets by the last year end were evaluated at level of UAH 9.4bln, long-term liabilities — UAH 346.9mln, current liabilities — UAH 2.758bln. Debt to the enterprise has reached UAH 6.521bln.

# DAILY

## January 30, 2009

ticker	name	bid	change, %	ask	change, %	spread, %	last deal	last deal date	vol, 29.01.09	deals, 29.01.09		
<b>Power engineering</b>												
DNEN	Dniproenergo	450,00	0,00	485,00	-3,00	7,8	500,00	28.01.2009	0,0	0		
DNON	Dniproblenergo	100,00	0,00	200,00	0,00	100,0	181,00	25.12.2008	0,0	0		
CEEN	Centrenergo	4,92	-0,59	4,97	-2,55	1,0	5,00	29.01.2009	750,0	1		
ZAEN	Zakhidenergo	360,00	-0,55	363,00	-0,14	0,8	370,06	28.01.2009	0,0	0		
DOEN	Donbasenergo	24,60	0,00	27,50	4,17	11,8	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		
<b>Pipe rolling</b>												
NITR	Nizhnodniprovsky Pipe Rolling Works	7,00	0,00	10,00	0,00	42,9	50,00	29.12.2008	0,0	0		
DTRZ	Dnipropetrovsk Tube Works	40,00	0,00	80,00	0,00	100,0	60,00	19.01.2009	0,0	0		
<b>Metallurgy</b>												
KSTL	Arcelor Mittal Kryvy Rig	7,01	-6,53	28,00	154,55	299,4	7,50	23.01.2009	0,0	0		
MMKI	Mariupol Metallurgical Plant	0,61	-1,61	0,89	0,00	45,9	1,00	19.12.2008	0,0	0		
AZST	Azovstal	0,781	-2,38	0,800	-0,62	2,4	0,80	29.01.2009	92,0	2		
ALMK	Alchevsk Metallurgical Plant	0,075	-2,60	0,077	-2,53	2,7	0,08	29.01.2009	99,3	3		
DNSS	Dniprospsststal	2010,00	-4,29	2500,00	0,40	24,4	2250,00	27.01.2009	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	46,30	-2,22	47,50	-1,04	2,6	45,00	28.01.2009	0,0	0		
ZALK	Zaporizhia Aluminium	0,11	0,00	0,50	0,00	354,5	0,25	06.11.2008	0,0	0		
<b>Mechanical engineering</b>												
SMASH	Sumy NVO im. Frunze	15,95	-1,54	16,25	-1,22	1,9	16,10	29.01.2009	139,6	2		
LUAZ	LuAZ	0,19	-5,00	0,21	-6,82	7,9	0,20	29.01.2009	40,0	2		
MSICH	Motor Sich	380,50	-0,52	381,50	-0,91	0,3	381,50	29.01.2009	28,6	1		
MZVM	Mariupol Heavy Machine Building Plant	12,75	0,00	14,25	0,00	11,8	13,50	13.01.2009	0,0	0		
AZGM	Azovzagalmash	3,80	0,00	6,90	0,00	81,6	5,00	23.01.2009	0,0	0		
LTPL	Luganskteplovoz	1,01	-9,01	1,30	4,00	28,7	1,15	29.01.2009	11,5	1		
SVGZ	Stakhaniv Wagon Works	0,91	0,00	1,10	0,00	20,9	0,95	28.01.2009	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	0,40	0,00	263,6	0,89	30.12.2008	0,0	0		
<b>By-product-coking industry</b>												
AVDK	Avdiivka Chemical-Recovery Plant	4,33	0,00	4,45	0,00	2,8	4,40	27.01.2009	0,0	0		
ZACO	Zaporizhkoks	0,20	0,00	0,75	-25,00	275,0	0,36	26.01.2009	0,0	0		
YASK	Yasynivsky By-product Coke Plant	0,59	0,00	0,67	-1,47	13,6	0,59	28.01.2009	0,0	0		
<b>Ore mining and processing enterprises</b>												
PGOK	Poltava Ore Mining and Processing Enterprise	10,00	9,89	11,50	-1,71	15,0	11,00	21.01.2009	0,0	0		
PGZK	South Ore Mining and Processing Enterprise	7,50	0,00	8,00	-4,76	6,7	7,70	23.12.2008	0,0	0		
<b>Banking</b>												
BAVL	Raiffeisen Bank Aval	0,150	-3,23	0,168	1,82	12,0	0,17	28.01.2009	0,0	0		
USCB	Ukrsochbank	0,155	-3,13	0,172	-2,82	11,0	0,16	28.01.2009	0,0	0		
FORM	Forum Bank	4,00	0,00	5,00	0,00	25,0	4,40	30.12.2008	0,0	0		
<b>Other</b>												
UTEL	Ukrtelekom	0,252	0,80	0,260	0,00	3,2	0,26	29.01.2009	39,0	1		
UNAF	Ukrnafta	102,00	-0,10	103,50	0,49	1,5	102,50	29.01.2009	153,8	3		
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	1,15	0,00	1,28	-8,57	11,3	1,25	27.01.2009	0,0	0		
STIR	Concern Stirol	24,50	1,87	25,25	-1,94	3,1	25,00	23.01.2009	0,0	0		
DNSh	Dniproshyna Tyre Factory	9,00	0,00	38,00	0,00	322,2	15,00	29.01.2009	15,0	1		
<b>PFTS Index</b>												
									278,55	0,21%	1 368,7	-98,81%

# DAILY

January 30, 2009

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	1 834,47	0,48	15,04	1,08	4,41	-80,78	-5,71
DNON	Dniproblenergo	898,74	0,13	31,71	-3,52	8,39	-82,27	-7,20
CEEN	Centrenergo	1 826,90	0,53	28,81	0,82	7,22	-80,78	-5,71
ZAEN	Zakhidenergo	4 623,78	1,28	92,57	3,22	20,78	-35,13	39,94
DOEN	Donbasenergo	615,93	0,42	23,21	0,65	7,40	-84,99	-9,92
KIEN	Kyivenergo	907,55	0,20	147,59	0,63	8,32	-81,09	-6,03
<b>Pipe rolling</b>								
NITR	Nizhniodniprovsky Pipe Rolling Works	3 398,98	0,72	7,84	1,86	5,50	-95,58	-20,51
DTRZ	Dnipropetrovsk Pipe Works	63,34	0,08	-6,78	0,44	4,04	-91,78	-16,71
<b>Metallurgy</b>								
KSTL	Mittal Steel Kryvy Rig	67 561,13	3,59	17,79	5,38	12,65	13,67	88,74
MMKI	Mariupol Metallurgical Plant	2 513,78	0,14	1,77	0,25	0,84	-88,97	-13,90
AZST	Azovstal	3 315,59	0,20	1,56	0,36	1,26	-86,08	-11,01
ALMK	Alchevsk Metallurgical Plant	1 958,92	0,22	6,03	0,54	4,48	-86,83	-11,76
DNSS	Dniprospsststal	2 424,19	0,65	7,03	3,02	3,84	-52,73	22,34
ZFER	Zaporizhia Ferroalloy Plant	1 880,63	0,84	48,27	4,03	14,21	-66,80	8,27
ENMZ	Enakiyevo Metallurgical Plant	486,39	0,09	3,22	0,55	1,74	-90,28	-15,21
ZALK	Zaporizhia Aluminium	189,93	0,12	2,51	0,33	0,92	-88,53	-13,46
<b>Mechanical engineering</b>								
SMASH	Sumy NVO im. Frunze	1 144,47	0,84	13,51	1,25	8,40	-70,57	4,50
LUAZ	LuAZ	657,28	0,16	1,76	0,46	1,41	-83,23	-8,16
MSICH	Motor Sich	791,71	0,45	3,82	0,44	2,03	-76,58	-1,51
MZVM	Mariupol Heavy Machine Building Plant	207,73	0,08	144,06	0,65	7,25	-90,21	-15,14
AZGM	Azovzagalmash	248,80	0,10	240,85	1,84	2,38	-89,52	-14,45
LTPL	Luganskteplovoz	253,16	0,48	-17,16	1,81	10,92	-81,67	-6,60
SVGZ	Stakhaniv Wagon Building plant	75,84	0,06	1,52	0,47	0,90	-97,90	-22,83
DRMZ	Druzhkivka Machine Building	269,80	0,35	10,52	1,56	5,36	-75,93	-0,86
DGRM	Donetskirmash	11,59	0,05	-0,32	-1,40	-5,04	-91,43	-16,36
<b>By-product-coking industry</b>								
AVDK	Avdiivka Chemical-Recovery Plant	849,92	0,17	4,10	0,20	2,81	-79,72	-4,65
ZACO	Zaporizhkoks	56,68	0,03	1,58	0,14	3,40	-94,66	-19,59
YASK	Yasynivsky By-product Coke Plant	172,37	0,09	1,14	0,32	0,67	-90,09	-15,02
<b>Ore mining and processing enterprises</b>								
PGOK	Poltava Ore Mining and Processing Enterprise	1 513,60	0,54	4,36	0,82	3,08	-86,60	-11,53
PGZK	South Ore Mining and Processing Enterprise	16 613,36	5,76	27,51	10,72	16,96	7,27	82,34
<b>Banking</b>								
BAVL	Raiffeisen Bank Aval	3 625,10	n/a	6,17	0,65	n/a	-84,50	-9,43
USCB	Ukrsofsbank	1 667,70	n/a	4,60	0,51	n/a	-87,57	-12,50
FORM	Forum Bank	504,45	n/a	9,59	0,31	n/a	-89,31	-14,24
<b>Other</b>								
UTEL	Ukrtelekom	4 793,92	0,70	17,94	0,55	3,29	-77,14	-2,07
UNAF	Ukrnafta	5 571,98	1,13	4,50	0,62	2,58	-71,10	3,97
SUNI	Sun Interbrew Ukraine	1 283,94	0,54	4,37	1,19	1,91	-82,00	-6,93
SHCHZ	Coal mine Chervonoarmiyska Zahidna #1	1 030,97	0,71	19,26	0,77	3,93	-88,74	-13,68
STIR	Concern Stirol	674,74	0,25	3,06	0,33	2,40	-77,83	-2,77
DNSH	Dniproshyna Tyre Factory	315,56	0,43	29,92	1,15	7,97	-75,13	-0,06

## **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**

---

This daily report does not constitute a prospectus and is not intended to provide the sole basis for an evaluation of the securities and other topics discussed herein. Although the information in this report has been obtained from sources which Exim-Capital believes to be reliable, we do not warrant its accuracy, and stress that such information may be incomplete or condensed. All estimates and opinions included in this report constitute our judgment as of the date of the report and may be subject to change without prior notice. Exim-Capital will not be responsible for the consequences of reliance upon any opinion or statement contained herein. This report or any part of it may not be reproduced without the prior written permission of Exim-Capital.

---