

Strategy FSU ex Russia GDRs

MidLincoln Research



FSU ex Russia GDRs

basketname	weekch	monthch	ytch	yearch
FSU ex Russia GDRs	-0.23	-7.80	-40.39	-44.19

Select Equity Indexes Yields

name	weekch	monthch	ytch	yearch
Russian Trading System Cash Index	-5.20	-5.72	5.12	-8.92
S&P 500 Index	-1.88	-2.40	-0.45	-1.24
Hong Kong Hang Seng Index	0.12	-2.81	-5.87	-7.71
Ibovespa Brasil Sao Paulo Stock Exchange Index	-1.60	-3.44	-7.23	-10.77
S&P BSE SENSEX Index	-1.57	-2.41	-6.46	-9.59
Deutsche Boerse AG German Stock Index DAX	-4.70	-0.90		

Top 10 Winners In FSU ex Russia GDRs Between 2015-12-04 and 2015-11-27

Name	Weekch	Country
TBC Bank JSC (TBCB:LI)	11.05	Georgia
BGEO Group PLC (BGEO:LN)	4.44	United Kingdom
KAZ Minerals PLC (KAZ:LN)	0.54	United Kingdom
Kernell Holding SA (OKE:GR)	0.28	Ukraine
MHP SA (MHPC:LI)	0.10	Ukraine
Kazkommertsbank JSC	0.00	Kazakhstan

FSU Econ/Politics Update

Armenia

[Armenia votes on giving president's powers to prime minister/.../Armenia votes on giving president's powers to prime minister/.../Corruption hindering Armenia's economic growth/.../International financial institutions welcome Armenian government's .../.../Armenia to hold referendum on constitutional reform/.../Adverse developments in Russia's economy make positive outlooks .../.../New tax code to help reduce Armenia's budget deficit by 1.5-2%/.../Armenia: Debt-Ridden Power Company Ranks as Top Donor to .../.../](#)

Azerbaijan

[I received a death threat from my president for criticising Azerbaijan .../.../Turkish prime minister to make official visit to Azerbaijan/.../Azerbaijan's economic development makes it fastest growing country/.../US Department of State announces new assistance programs in .../.../Labor Minister: social security system covered 22% of Azerbaijan's .../.../Foreign trade of Azerbaijan \(january-september 2015\)/.../OGPC project to increase Azerbaijan's budget revenues/.../.../](#)

Belarus

[Belarus president wants Minsk construction companies operating at .../.../Belarus discussing \\$3 bln. 10-year loan with IM prime minister/.../Call for prompt systemic measures to restore economic growth in .../.../Independent media under attack ahead of Belarus presidential .../.../Can A Rate Hike Invert the US Treasury Yield Curve?/.../CNBC EXCLUSIVE INTERVIEW: ANTON SILUANOV, RUSSIAN .../.../Four Zeros Off Currency Prime Belarus for Economic Makeover/.../](#)

Estonia

[Estonia president criticises mainstream anti-immigrant sentiment/.../Estonian PM says Russian attack unlikely despite 'worrying' signs/.../Minister: rampant intolerance would cut Estonian economy's growth .../.../Nordic meat company to invest in Estonia/.../Why Estonia's not worried, despite its neighbor to the east/.../Scalpel needed for structural reforms in Latvia/.../EU IT agency building to be erected in Tallinn Seaplane Harbour/.../Fitch: Estonia's debt burden could drop to 9.2% of GDP by 2017/.../](#)

Estonia

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Georgia

[Georgia: Ex-President Loses Citizenship/.../Georgian Prime Minister: No Special Expectations Regarding NATO/.../](#)

Kazakhstan

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Kazakhstan

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Kyrgyzstan

(KKB:LI)		
Ferrexpo PLC (FXPO:LN)	-0.19	Switzerland
Avangardco Investments Public Ltd (AVGR:LI)	-0.62	Ukraine
KCell JSC (KCEL:LI)	-0.71	Kazakhstan
Halyk Savings Bank of Kazakhstan JSC (HSBK:LI)	-4.07	Kazakhstan
Top 10 Losers In FSU ex Russia GDRs Between 2015-12-04 and 2015-11-27		
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KazMunaiGas Exploration Production JSC (KMG:LI)	-7.37	Kazakhstan
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Kernel Holding SA (OKE:GR)	0.28	Ukraine
KAZ Minerals PLC (KAZ:LN)	0.54	United Kingdom
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Winners and Losers by Country in FSU ex Russia GDRs Between 2015-12-04 and 2015-11-27		
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FSU ex Russia GDRs Stock News		
KazMunaiGas Exploration Production JSC		
• KazMunaiGas can buy back its stake in Kashagan once oil prices ...		
• KazMunaiGas announces 2016 budget and 2016-2020 business plan		
Ferrexpo PLC		
• Ferrexpo Plc's (FXPO) "Buy" Rating Reiterated at Deutsche Bank		
• Could Ferrexpo Plc Change Direction After Today's Huge Increase?		
KCell JSC		
• Fitch Affirms Kazakhtelecom at 'BB': Outlook Positive		
• Kazakhstan's Kcell JSC Selects Amdocs for Business Support ...		
KAZ Minerals PLC		

[New charges brought against ex-president of Kyrgyzstan/.../Prime Minister of Kyrgyzstan and Foreign Ministry asked to .../.../World Bank forecasts 4.2 percent GDP growth in Kyrgyzstan in 2016/.../Ishtamberdy Mine Highlights Kyrgyzstan's Gold Dependency/.../Swedbank lowers Estonia's economic growth estimate for 2015Kyrgyzstan Goes Bananas for Citize](#)
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[Latvia urges Greece to tighten border to ease refugee crisis/.../Han meets Latvia Prime Minister/.../Latvia Q3 GDP Growth Eases Less Than Estimated/.../Foreign investors: shadow economy has to be reduced in Latvia .../.../Inside Skrunda-1: Latvia's secret Soviet city turned ghost town/.../Oligarchs Stand in the Way of Moldova's Corruption FightExports and imports value of goods decreased in Latvia in May/.../CORRECTION: AS вЂ“TRASTA KOMERC BANK вЂ“ audited financial .../.../President вЂ“rziE+ЕЎ: Latvia's debt too big for current growth/.../](#)
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[to buy Russia. Yes, really./.../\\$1 billion disappears -- and Moldova looks for answers/.../](#)
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[Biden in Ukraine in Latest Show of US Support/.../Ukrainian prime minister, European Commission president due to .../.../IMF on possibility of economic growth in Ukraine in 2016/.../William Taylor and Colin Cleary: Action, not words, needed to ...William Taylor and Colin Cleary: Action, not words, needed to .../.../Promising Structural Change Begins to Show in UkrainePromising Structural Change Begins to Show in Ukraine/.../Ukraine adapts trade links to soften Russian economic blowUkraine adapts trade links to soften Russian economic blow/.../Ukraine's budget surplus reaches UAH 8.8 in Jan-Sept - NBU/.../US won't guarantee Ukraine's debt; Russia will sue if Kiev doesn't ...US won't guarantee Ukraine's debt; Russia will sue if Kiev doesn't .../.../](#)
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[On The Agenda?/.../](#)

FSU ex Russia GDRs

Equal Weight Basket of FSU ex Russia GDRs

Some key metrics and valuations

value	stock	Country	Industry	MCap US mn	DividendYield	PE	PS	NetMarginPct	PayoutRatio	52wkchange	Sc
TBC Bank JSC	TBCB:LI	Georgia	Banks	487.40	3.43%	6.11	1.50	24.55	20.96	-22.03%	18
Halyk Savings Bank of Kazakhstan JSC	HSBK:LI	Kazakhstan	Banks	1609.00	11.44%	-	-		-0.00	-20.02%	
KazMunaiGas Exploration Production JSC	KMG:LI	Kazakhstan	Exploration & Production	3106.00	5.23%	-	-		-0.00	-47.14%	
KCell JSC	KCEL:LI	Kazakhstan	Telecom Carriers	840.00	26.07%	-	-		-0.00	-49.21%	
Kazkommertsbank JSC	KKB:LI	Kazakhstan	Banks	638.01	-	-	-		0.00	-57.33%	
Ferrexpo PLC	FXPO:LN	Switzerland	Steel Raw Material Suppliers	226.70	16.73%	2.51	0.20	7.97	41.99	-54.86%	-6.

- [KAZ Minerals PLC \(LON:KAZ\) Receives Consensus Rating of "Hold ...](#)
- [Will KAZ Minerals plc \(-64%\), Premier Oil PLC \(-57%\) & Petra ...](#)

TBC Bank JSC

- [The week ahead in business and finance](#)
- [BRIEF-TBC Bank acquires micro loans portfolio from Procredit ...](#)

Halyk Savings Bank of Kazakhstan JSC

- [Ceding \\$18 Billion Gets Kazakh Central Bank What Money Can't Buy](#)
- [Deposit portfolio increases in Kazakh banks](#)

BGEO Group PLC

- [Georgian bank BGEO Group's Q3 profit rises 30 pct](#)
- [BRIEF-BGEO Group's Q3 profit up 29.8 pct](#)

Kazkommertsbank JSC

- [KazKommertsBank welcomes new members to its Board of Directors](#)
- [Kazkommertsbank to have difficulty in problem asset recovery ...](#)

MHP SA

- [BRIEF-MHP Q3 net result turns to profit of \\$24 million](#)
- [Moody's upgrades MHP's rating to Caa2, stable outlook](#)

Avangardco Investments Public Ltd

- [BRIEF-Avangardco Investments Public Q3 net result turns to profit of ...](#)
- [BRIEF-Avangardco Investments Public Ltd scheme creditors ...](#)

Kernel Holding SA

- [Kernel's manager sells 30000 shares for almost \\$360000](#)
- [KER KERNEL HOLDING SA CONDENSED CONSOLIDATED ...](#)

Kernel Holding SA	OKE:GR	Ukraine	Agricultural Producers	897.67	2.22%	-	-	-0.00	45.34%	
MHP SA	MHPC:LI	Ukraine	Agricultural Producers	1009.00	4.97%	-	0.81	-0.00	-3.46%	
Avangardco Investments Public Ltd	AVGR:LI	Ukraine	Packaged Food	101.56	-	-	0.44	0.00	-64.67%	
BGEO Group PLC	BGEO:LN	United Kingdom	Banks	1143.67	3.46%	10.28	2.69 26.17	35.57	-4.16%	48
KAZ Minerals PLC	KAZ:LN	United Kingdom	Base Metals	671.60	-	-	-	0.00	-59.43%	

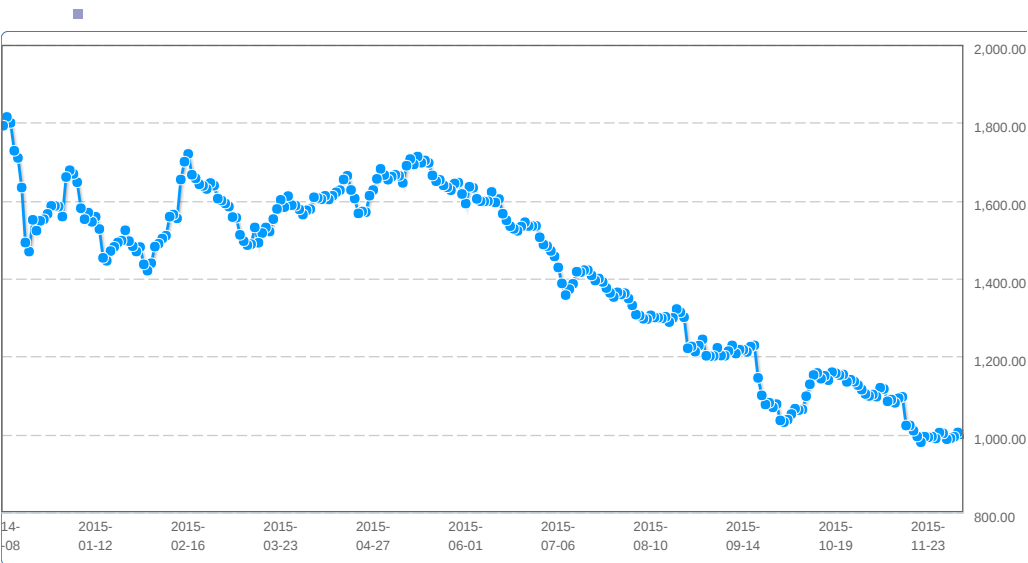
Index Sector Valuations vs GEM Average

Sector	Sector MCap US mn	Sector MCap Share in Total	Gem Sector Share In Total GEM	GEM Sector MCAP USmn	Payout Ratio	GEM Payout Ratio	Div Yield	GEM Div Yield	PE	PEGEM	Discount vs GEM	NetMargin	NetMarginGEM	Margin Diff. vs GEM	1yr Return	GE 1yr Ret
Communications	840.0	7.8	10.3	794505.8	0.0	43.3	26.1	3.2	18.2				13.6		-49.2	-0.7
Consumer Staples	2008.2	18.7	7.5	584775.3	0.0	38.0	3.7	1.8	28.2				10.3		15.3	12.1
Energy	3106.0	28.9	12.6	973390.4	0.0	40.8	5.2	4.4	12.4				9.7		-47.1	-21.1
Financials	3878.1	36.1	32.8	2543065.7	13.1	26.0	7.4	4.0	9.0 8.8	2.3	25.7	20.4	-5.3	-21.7	3.2	
Materials	898.3	8.4	7.6	590209.4	10.6	27.5	16.7	3.1	2.5 18.1	-86.2	8.0	9.8	1.8	-58.3	-0.1	

Top 5 FSU ex Russia GDRs Long Picks

value	stock	Country	Industry	MCapUSDmn	DividendYield	PE	PS	NetMarginPct	PayoutRatio	52wkchange	Sc
BGEO Group PLC	BGEO:LN	United Kingdom	Banks	1143.67	3.46%	10.28	2.69 26.17	35.57	-4.16%	48	
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Kernel Holding SA	OKE:GR	Ukraine	Agricultural Producers	897.67	2.22%	-	-	-0.00	45.34%		
MHP SA	MHPC:LI	Ukraine	Agricultural Producers	1009.00	4.97%	-	0.81	-0.00	-3.46%		

FSU ex Russia GDRs



Source: Midlinco

FSU ex Russia GDRs vs. RTSI\$:IND





Source: Midlinco

Weekly Fund flow into Russia focused funds showed (Previous Week)24.1 USD mn of inflow

Top 10 Russia Focused Funds by Inflows Last Week

Fund Name	fund flow mn\$	Total Assets mn\$
CENTRAL EUROPE RUSSIA AND TURKEY FUND INC/THE (CEE)	19.5	166.9
LYXOR ETF RUSSIA DOW JONES RUSSIA GDR - D USD (LYRUS)	15.1	506.6
ISHARES MSCI RUSSIA ADR/GDR UCITS ETF (CEBB)	13.9	175.7
LYXOR ETF RUSSIA DOW JONES RUSSIA GDR - D HKD (RUS)	9.5	506.6
DIREXION DAILY RUSSIA BULL 3X SHARES (RUSL)	8.2	172.1
GOLDMAN SACHS BRICS PORTFOLIO - I SHARES ACC (EUR) (GSBRIAE)	7.6	223.5
HSBC FONDO GLOBAL 1 SA DE CV SIRV (HSBRICA)	6.8	369.4
HSBC GLOBAL INVESTMENT FUNDS - BRIC EQUITY - A (HSBRICA)	6.8	369.4
HSBC MSCI RUSSIA CAPPED UCITS ETF \$ (H4ZM)	5.0	53.3
MARKET VECTORS RUSSIA ETF (RSX)	4.0	1830.0

Top 10 Russia Focused Funds by Outflow Last Week

Fund Name	fund flow mn\$	Total Assets mn\$
HERMES INVESTMENT FUNDS PLC - HERMES SOURCECAP EUROPEAN ALPHA FUND - S USD AC (HSESUSA)	-23.6	807.0
DIREXION DAILY RUSSIA BEAR 3X SHARES (RUSS)	-11.5	49.2
SEB FUND 2 - SEB RUSSIA FUND - C USD (SEBRUSC)	-6.3	90.2
JPMORGAN FUNDS - RUSSIA FUND - A\$ (JPMRUSS)	-5.7	537.0
JPMORGAN FUNDS - RUSSIA FUND - D\$ (JPMRUDA)	-5.7	537.0
SWEDBANK ROBUR RYSSLANDSFOND (SWRRYSS)	-3.5	420.2
EAST CAPITAL RUSSIAN FUND (EACRUSS)	-3.1	345.7
EAST CAPITAL LUX - RUSSIAN FUND (EC0A)	-2.7	410.6
SEB SICAV 1 - EAST EUROPE EX RUSSIA FUND - C (SEBEEUA)	-2.7	153.8
SCHRODER BRICS SECURITIES MASTER INVESTMENT TRUST - EQUITY (0525317)	-1.7	540.2