

MidLincoln Research



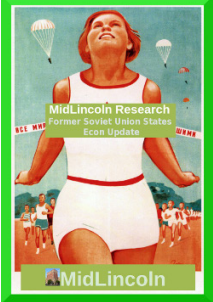
Former Soviet States Update					
•	basketname	weekch	monthch	ytdch	yearch
Former Soviet States Update		0.43	-7.04	-45.48	-45.19

Select Equity Indexes Yields					
•	name	weekch	monthch	ytdch	yearch
Russian Trading System Cash Index					
S&P 500 Index		-0.05	-0.82	0.22	0.22
Hong Kong Hang Seng Index		-1.01	-2.12	-7.16	-7.16
Ibovespa Brasil Sao Paulo Stock Exchange Index					
S&P BSE SENSEX Index		0.56	-0.71	-5.36	-5.36
Deutsche Boerse AG German Stock Index DAX		0.14	-5.62		

Best Stocks 1m in USD %ch		
Name	WeekCh	Country
TBC Bank JSC (TBCB:LI)	11.36	Georgia
Kernel Holding SA (OKE:GR)	6.38	Ukraine
KazMunaiGas Exploration Production JSC (KMG:LI)	-2.36	Kazakhstan
MHP SA (MHPC:LI)	-2.52	Ukraine
KAZ Minerals PLC (KAZ:LN)	-3.50	United Kingdom

Former Soviet States Update

By: MidLincoln Analyst



Comment

- Armenia**
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 - [New tax code to help reduce Armenia's budget deficit by 1.5-2%/.../](#)
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- Azerbaijan**
- [President Aliyev:Azerbaijan moves along path of democracy .../.../](#)
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 - [Grodno mayor: Belarus' investment appeal growing/.../](#)
 - [Kochanova: No social assistance program curtailed in Belarus/.../](#)
 - [Belarus' economic performance in 2015 depends on oil prices/.../](#)
 - [Belarus budget 2016 to preserve priority on education, healthcare .../.../](#)
 - [Korean industrial output decline worsens](#)
 - [Four Zeros Off Currency Prime Belarus for Economic Makeover/.../](#)
- Estonia**
- [Estonia president criticises mainstream anti-immigrant sentiment/.../](#)
 - [Estonian Prime Minister predicts split in country's Center Party/.../](#)

KCell JSC (KCEL:LI)	-3.81	Kazakhstan
BGEO Group PLC (BGEO:LN)	-4.57	United Kingdom
Avangardco Investments Public Ltd (AVGR:LI)	-14.38	Ukraine
Halyk Savings Bank of Kazakhstan JSC (HSBK:LI)	-15.38	Kazakhstan
Ferrexpo PLC (FXPO:LN)	-18.28	Switzerland

Worst Stocks 1m in USD %

Name	WeekCh	Country
Kazkommertsbank JSC (KKB:LI)	-23.44	Kazakhstan
Ferrexpo PLC (FXPO:LN)	-18.28	Switzerland
Halyk Savings Bank of Kazakhstan JSC (HSBK:LI)	-15.38	Kazakhstan
Avangardco Investments Public Ltd (AVGR:LI)	-14.38	Ukraine
BGEO Group PLC (BGEO:LN)	-4.57	United Kingdom
KCell JSC (KCEL:LI)	-3.81	Kazakhstan
KAZ Minerals PLC (KAZ:LN)	-3.50	United Kingdom
MHP SA (MHPC:LI)	-2.52	Ukraine
KazMunaiGas Exploration Production JSC (KMG:LI)	-2.36	Kazakhstan
Kernel Holding SA (OKE:GR)	6.38	Ukraine

Best Stocks YTD in USD %

Name	WeekCh	Country
Kernel Holding SA (OKE:GR)	42.94	Ukraine
MHP SA (MHPC:LI)	-6.91	Ukraine
BGEO Group PLC (BGEO:LN)	-18.69	United Kingdom
TBC Bank JSC (TBCB:LI)	-19.20	Georgia
Avangardco Investments Public Ltd (AVGR:LI)	-39.02	Ukraine
Halyk Savings Bank of Kazakhstan JSC (HSBK:LI)	-45.00	Kazakhstan
KazMunaiGas Exploration Production JSC (KMG:LI)	-47.79	Kazakhstan
KCell JSC (KCEL:LI)	-58.78	Kazakhstan
KAZ Minerals PLC (KAZ:LN)	-64.71	United Kingdom
Ferrexpo PLC (FXPO:LN)	-64.83	Switzerland

Worst Stocks YTD in USD %

Name	WeekCh	Country
Kazkommertsbank JSC (KKB:LI)	-67.72	Kazakhstan
Ferrexpo PLC (FXPO:LN)	-64.83	Switzerland
KAZ Minerals PLC (KAZ:LN)	-64.71	United Kingdom
KCell JSC (KCEL:LI)	-58.78	Kazakhstan
KazMunaiGas Exploration Production JSC (KMG:LI)	-47.79	Kazakhstan
Halyk Savings Bank of Kazakhstan JSC (HSBK:LI)	-45.00	Kazakhstan
Avangardco Investments Public Ltd (AVGR:LI)	-39.02	Ukraine
TBC Bank JSC (TBCB:LI)	-19.20	Georgia
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 - [President signs Lithuania's 2016 budget into law](#)...
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 - [S&P Raises Lithuania's Debt Rating Two Notches on Euro](#)...
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Update Stock News

MHP SA

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Kazkommertsbank JSC

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- [Kazkommertsbank JSC \(KKB\) Sekerbank'in % 19.37 hissenin satin ...](#)

BGEO Group PLC

- [Bgeo Group PLC 35.4% Potential Upside Indicated by Jefferies ...](#)
- [Bgeo Group PLC 39.4% Potential Upside Indicated by Peel Hunt](#)

Halyk Savings Bank of Kazakhstan JSC

- [Moody's takes rating actions on five Kazakh financial institutions](#)
- [Moody's assigns Counterparty Risk Assessments to ten Kazakhstan ...](#)

TBC Bank JSC

- [BRIEF-TBC Bank acquires micro loans portfolio from from Procredit ...](#)
- [TBC Bank Strengthens Support for the Georgian Energy Sector](#)

KAZ Minerals PLC

- [Kaz Minerals Plc \(KZMY\) Stock Rating Lowered by Zacks ...](#)
- [KAZ Minerals PLC \(LON:KAZ\) Receives Average Recommendation ...](#)

KCell JSC

- [Kazakhstan's Kcell JSC Selects Amdocs for Business Support ...](#)
- [Kcell Returns Money to Customers Resulting from Competition Law ...](#)

Ferrexpo PLC

- [Ferrexpo PLC \(LON:FXPO\) Buy Rating Reaffirmed by Deutsche ...](#)
- [Ferrexpo Plc 16.7% Potential Decrease Indicated by Credit Suisse](#)

KazMunaiGas Exploration Production JSC

- [KazMunaiGas updates 2016 budget and 2016-2020 business plan](#)
- [Moody's: Early syndicated loan repayment is credit neutral for ...](#)

Avangardco Investments Public Ltd

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Kernel Holding SA

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- [CENTCOM Head Visits Uzbekistan: What's On The Agenda?/.../](#)

Equal Weight Basket of Former Soviet States Update

Country Composition

country	Weight %
Kazakhstan	36.36
Ukraine	27.27
United Kingdom	18.18
Georgia	9.09
Switzerland	9.09

Sector Composition

Industry	Weight %
Banks	36.36
Agricultural Producers	18.18
Packaged Food	9.09
	9.09
Telecom Carriers	9.09
Steel Raw Material Suppliers	9.09
Base Metals	9.09

Key Basket Multiples

Stocks	Total MCap US mn	Payout Ratio	Div Yield	PE	NetMargin	1yr Return
11	10199.0	5.6	8.1	8.15	23.84	-25.5

Results

value	stock	Country	Industry	MCap US mn	DividendYield	PE	PS	NetMarginPct	PayoutRatio	52wkchange	Score
TBC Bank JSC	TBCB:LI	Georgia	Banks	494.75	3.38%	6.21	1.53	24.64	20.99	-16.74	23.88
Halyk Savings Bank of Kazakhstan JSC	HSBK:LI	Kazakhstan	Banks	1350.00	13.64%	-	-		-0.00	-40.58	
KazMunaiGas Exploration Production JSC	KMG:LI	Kazakhstan		3055.00	5.31%	-	-		-0.00	-45.83	
KCell JSC	KCEL:LI	Kazakhstan	Telecom Carriers	808.00	27.11%	-	-		-0.00	-52.49	
Kazkommertsbank JSC	KKB:LI	Kazakhstan	Banks	488.47	-	-	-		0.00	-67.72	
Ferrexpo PLC	FXPO:LN	Switzerland	Steel Raw Material Suppliers	186.49	19.84%	2.07	0.16	7.73	41.07	-53.13	-5.20
Kernel Holding SA	OKE:GR	Ukraine	Agricultural Producers	972.36	2.07%	-	-		-0.00	73.18	
Avangardco Investments Public Ltd	AVGR:LI	Ukraine	Packaged Food	79.84	-	-	0.34		0.00	-39.02	
MHP SA	MHPC:LI	Ukraine	Agricultural Producers	982.70	5.10%	-	0.79		-0.00	5.26	
BGEO Group PLC	BGEO:LN	United Kingdom	Banks	1108.29	3.48%	10.04	2.63	26.20	34.94	-5.14	47.15
KAZ Minerals PLC	KAZ:LN	United Kingdom	Base Metals	673.04	-	-	-		0.00	-58.46	

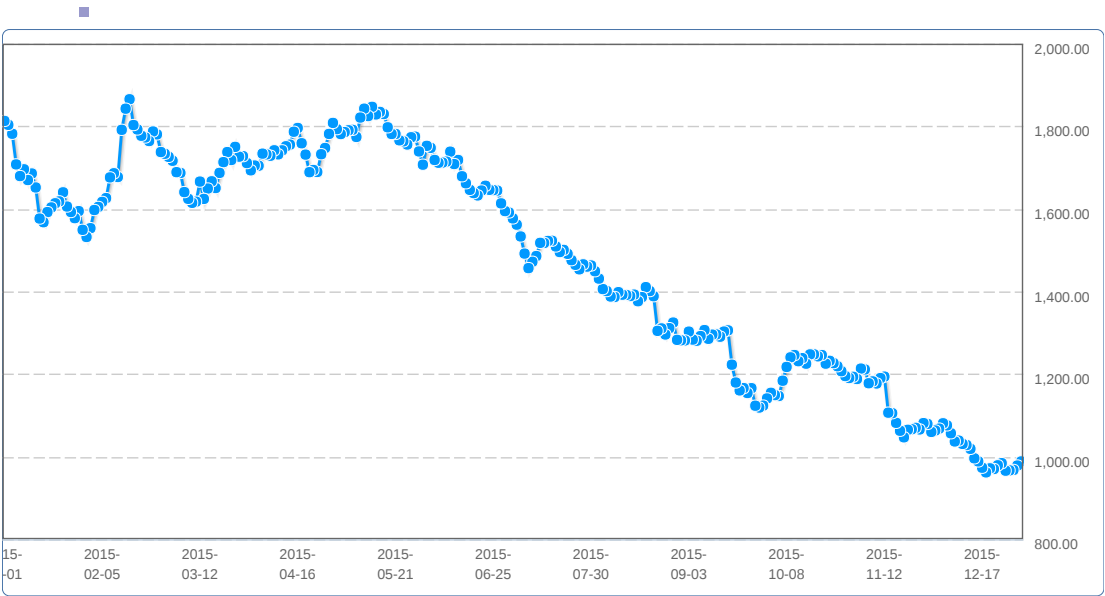
Index Sector Valuations vs GEM Average

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	PE Discount vs GEM	NetMargin	NetMarginGEM	Margin Diff. vs GEM	1yr Return	GEM 1yr Return
Communications	808.0	7.9	10.3	794505.8	0.0	43.3	27.1	3.2	18.2				13.6		-52.5	-0.7
Consumer Staples	2034.9	20.0	7.5	584775.3	0.0	38.0	3.6	1.8	28.2				10.3		36.0	12.3
Energy	3055.0	30.0	12.6	973390.4	0.0	40.8	5.3	4.4	12.4				9.7		-45.8	-21.0
Financials	3441.5	33.7	32.8	2543065.7	14.3	26.0	8.1	4.0	8.9	8.8	1.1	25.7	20.4	-5.3	-29.6	3.2
Materials	859.5	8.4	7.6	590209.4	8.9	27.5	19.8	3.1	2.1	18.1	-88.4	7.7	9.8	2.1	-57.3	-0.1

Top 5 Former Soviet States Update Long Picks

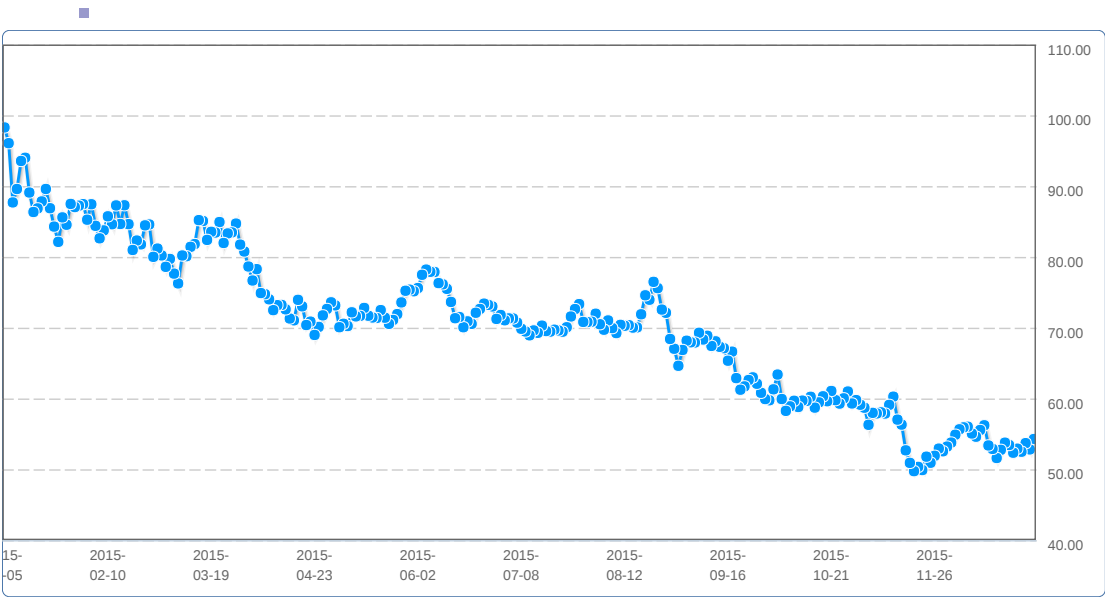
value	stock	Country	Industry	MCapUSDmn	DividendYield	PE	PS	NetMarginPct	PayoutRatio	52wkchange	Score
BGEO Group PLC	BGEO:LN	United Kingdom	Banks	1108.29	3.48%	10.04	2.63	26.20	34.94	-5.14	47.15
TBC Bank JSC	TBCB:LI	Georgia	Banks	494.75	3.38%	6.21	1.53	24.64	20.99	-16.74	23.88
Ferrexpo PLC	FXPO:LN	Switzerland	Steel Raw Material Suppliers	186.49	19.84%	2.07	0.16	7.73	41.07	-53.13	-5.20
Kernel Holding SA	OKE:GR	Ukraine	Agricultural Producers	972.36	2.07%	-	-		-0.00	73.18	

Former Soviet States Update



Source: Midlincoln

Former Soviet States Update vs. RTSI\$:IND



Source: Midlincoln

Weekly Fund flow into Russia focused funds showed (Previous Week)65.1 USD mn of inflow

Top 10 Russia Focused Funds by Inflows Last Week

Fund Name	fund flow mn\$	Total Assets mn\$
MARKET VECTORS RUSSIA ETF (RSX)	50.4	1732.0
CENTRAL EUROPE RUSSIA AND TURKEY FUND INC/THE (CEE)	21.4	162.7
ISHARES MSCI RUSSIA ADR/GDR UCITS ETF (CEBB)	13.8	166.6
WOORI RUSSIA EXPLORER SECURITIES	0.6	83.1

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)	-9.7	790.1
DIREXION DAILY RUSSIA BULL 3X SHARES (RUSL)	-0.7	185.3
SCHRODER BRICS SECURITIES MASTER		

	INVESTMENT TRUST 1 - EQUITY - C2 (6960183)			INVESTMENT TRUST - EQUITY (0525317)	-0.7	517.6
	JPMORGAN RUSSIA SECURITIES FEEDER	0.5	193.5	SHINHAN BNP PARIBAS BONJOUR EASTERN		
	INVESTMENT TRUST 1 - EQUITY - C (7737618)			EUROPE PLUS EQUITY INVESTMENT TRUST-	-0.3	18.2
	ISHARES BRIC INDEX FUND (CBQ/A)	0.3	49.3	MASTER (0663476)		
	JPMORGAN RUSSIA EQUITY INVESTMENT TRUST -	0.2	96.3	HSBC BRIC FUND (HSBBRIC)	-0.3	105.0
	MASTER (7737584)			SPDR S&P BRIC 40 ETF (BIK)	-0.2	80.4
	SHINHAN BNPP BONJOUR RUSSIA SECURITIES			ING RUSSIA FUND - A (LETRX)	-0.1	74.4
	FEEDER INVESTMENT TRUST H - EQUITY - C5	0.2	30.4	ISHARES MSCI BRIC ETF (BKF)	-0.1	183.7
	(0996165)			SHINHAN BNPP BONJOUR EASTERN EUROPE PLUS		
	MIRAE ASSET RUSSIA INDUSTRY			SECURITIES INVESTMENT TRUST H - EQUITY - C5	-0.1	36.8
	REPRESENTATIVE SECURITIES FEEDER INV	0.1	23.0	(0996124)		
	TRUST 1 EQUITY (1767830)			NEXT FUNDS RUSSIA RTS LINKED EXCHANGE	-0.1	19.0
	ISHARES BRIC 50 UCITS ETF (BRIC)	0.1	163.4	TRADED FUND (1324)		