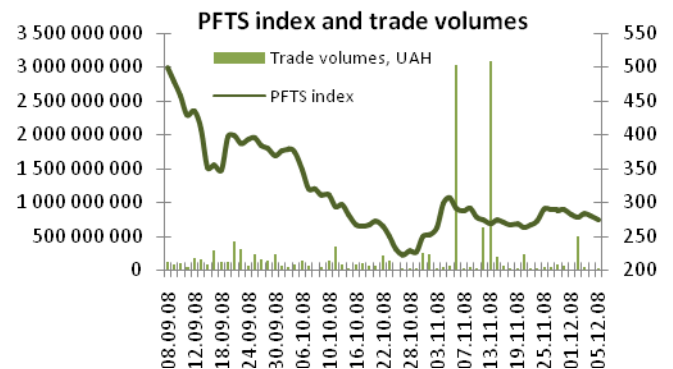


### Funds performance

	NAV per share, UAH	1 Week	1 Month	3 Months	YTD	2007	From launch	Launch date
Premium-Fund	<b>47 283.69</b>	-9.65%	-18.15%	-38.13%	-58.64%	204.89%	372.84%	25.10.04
Premium Fund Balanced	<b>1 749.78</b>	-0.10%	-4.64%	-17.09%	-37.77%	95.79%	74.98%	30.06.05
Premium Fund Energy	<b>734.68</b>	-4.22%	-12.22%	-23.20%	-49.61%	-	-26.53%	04.10.07
Index Premium Fund	<b>650.09</b>	-0.70%	-4.48%	-15.76%	-	-	-34.99%	11.02.08
Machine Building Premium Fund	<b>481.30</b>	-3.65%	-8.76%	-27.86%	-	-	-51.87%	08.04.08
Shares Premium Fund	<b>989.30</b>	-0.16%	-	-	-	-	-1.07%	01.10.08

### Stock Index

	Value	1 Week	1 Month	3 Months	YTD
PFTS	274.60	-5.19%	-8.12%	-43.14%	-76.61%
RTS	589.79	-10.39%	-26.50%	-59.86%	-74.25%
Dow Jones	8 635.42	-2.19%	-10.28%	-23.04%	-35.39%
NASDAQ	1 509.31	-1.71%	-15.21%	-33.09%	-43.57%
S&P 500	876.07	-2.25%	-12.89%	-29.48%	-40.75%
DAX	4 381.47	-6.17%	-16.99%	-28.49%	-45.69%
FTSE	4 049.37	-5.57%	-12.72%	-22.73%	-37.48%
Nikkei 225	7 917.51	-6.99%	-7.69%	-35.14%	-48.28%



### Currencies

	Value	1 Week	1 Month	3 Months	YTD
USD	7.361	9.19%	27.10%	51.77%	45.77%
EUR	9.290	6.82%	25.10%	32.20%	25.21%
RUR	0.263	7.10%	23.11%	36.88%	27.95%

### Bank metals, UAH per 10 troy ounce

	Value	1 Week	1 Month	3 Months	YTD
Gold	56 885.22	3.72%	33.81%	44.70%	35.96%
Silver	705.22	1.95%	21.16%	11.67%	-5.32%
Platinum	59 480.1	2.35%	22.55%	-13.82%	-22.97%

### Management company news

Sokrat Investment Group will hold the second seminar on investment in fine arts.

At 18.30 on December 9, 2008, **Parus Business Center** located at **Mechnykova St., 2, 8<sup>th</sup> floor**, city of Kyiv, will host the first seminar "Painting: a hobby, or a tool of investment?".

The special guest will be an arts expert, an advisor to the Kyiv Museum of Russian Arts Yevhen Vakulenko, engaged in promotion of contemporary art projects for five years now.

### Markets review

The whole of the last week, the PFTS index mainly stayed in the red, pressed by upsetting internal and external news, and fell by over 5% in course of five days.

The bad news at home came from the industry performance. Metallurgical, coke by-product and ore dressing enterprises reported another monthly decline of production, while the Ministry of Economy lowered its forecast of Ukraine's GDP growth in 2008 from the initial 6.8% down to 3.5-4%, and deteriorated inflation forecasts for the current year – from 9.5% to 21%.

The bad news from abroad was presented by another batch of statistical reports on the US economy. In particular, last October, industrial orders in the USA fell by 5.1% against September. In November, the situation did not improve a bit – the ISM index of business activity in the productive sector declined again, down to 36.2 points, ranking among the lowest over the entire more than 60-year history of observation. In the service sector, the similar index also declined from 44.4 to 37.3 points, with the employment component falling the most, which prompts the conclusion that the crisis has not retreated and is running wild. Prices on markets of raw materials continued their decline, which, along with the uninterrupted inflow of discouraging corporate reports, led to the decline of the majority of the world indices: the US Dow Jones, NASDAQ and S&P 500 fell upon the results of weekly trading by 2.19%, 1.71% and 2.25%, respectively; the British FTSE 100 sank by 5.57%, the German DAX - by 6.17%, Japan's Nikkei 225 – by 6.69%.

## Debt market

Retailers keep on downscaling their plans of network expansion in the conditions of a crisis. In particular, while previously, *Nash Kray* company announced plans of expanding its network in Ukraine to 90 outlets by the end of 2008, currently, it plans to open only one new store in December, that will become the 61<sup>st</sup> supermarket of its chain. Additionally, the company closed a number of shops due to their unprofitability or in connection with the expiration of lease agreements. Fozzy Group, too, adjusted its investment strategy, cutting plans of launching *Silpo* stores in 2008 almost two-fold, from 25 shops, planned previously, to 12. In the conditions of falling sales and profits of businesses, and in view of the heavy debt burden, retail chain operators have to put their businesses for sale. In particular, Quiza Trade, the owner of the *Velyka Kyshenya* chain, announced its readiness to sell a large minority stake for some \$200-250 million. This step has been prompted by the need to repay \$150 million of the company's debt.

On Tuesday, December 2, Fitch international rating agency gave TMM Real Estate Development company of Ukraine the worst among Ukrainian issuers long-term rating - «CC» - with a "negative" forecast, which actually means a pre-default state. Deterioration of the rating reflects Fitch's expectations that TMM may be unable to repay or refinance its short-term liabilities, given the poor liquidity of the company, because of the possible collapse on the real estate market and the dim prospects of funding. As a result, the company strongly depends on creditors' readiness to extend lending, and there are no grounds to predict that all creditors will be willing to extend the company liabilities.

## Macroeconomic news

The Cabinet of Ministers of Ukraine approved the list of enterprises to be offered for privatization in 2009. The list of enterprises put up for sale is very much the same: fixed communications operator Ukrtelecom, turbine manufacturer Turboatom, 2<sup>nd</sup> largest producer of ammonia and carbamide in Ukraine Odesa Port Factory, 60% of shares of each of 4 power generating companies and 25-27% of shares of six power distributing companies. According to the terms of privatization approved by the Government, the starting price of 99.52% of shares of Odesa Port Factory will make UAH 3 billion, 67.79% of Ukrtelecom shares – UAH 12 billion. 26.98% of Lvivoblenergo shares, 25.02% of shares of Prykarpattyaoblenergo and 25%+1 share of Poltavaoblenergo, Chernihivoblenergo, Sumyoblenergo and Odesaoblenergo are to be sold through stock exchanges. In 2007, their value was estimated at approximately \$420 million.

In November, Ukrainians were stockpiling savings in foreign currencies. According to the National Bank of Ukraine reports, Ukraine's population in November, 2008, bought actually the same quantities of foreign currency, while substantially reducing its sales. Specifically, last month, Ukrainians sold \$1.25 billion worth of foreign currency, which is \$2.34 billion less than they bought, while in October, they sold \$2.11 billion, which is \$938.2 million less than they bought. Such developments were prompted by the instability of the Ukrainian forex market and people's expectations of further devaluation of hryvnia (since the year beginning, the national currency has cheapened against US dollar by 45.8%).

## Corporate news

One good piece of news in the corporate sector was presented by Ferrexpo UK Limited opening a credit facility for the Poltava Ore Mining and Processing Enterprise to the amount of \$500 million, so that the works will be able not to reduce production in 2008 and to fully implement the planned social and environmental programs.

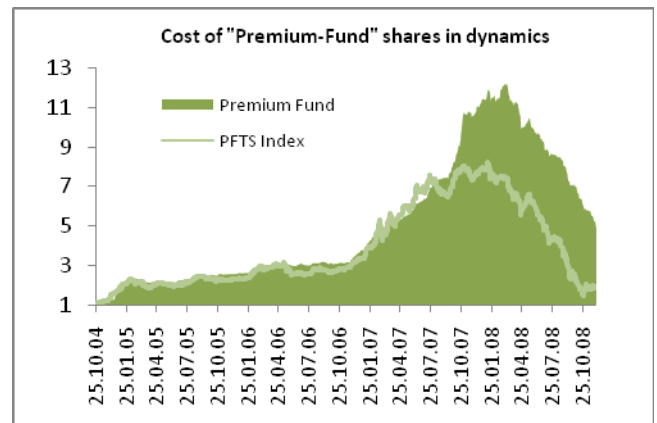
Ferrexpo AG group, holding more than 85% of the enterprise's shares, is controlled by the Finance & Credit bank group of Kostyantyn and Oleh Zhevahos.

Ukraine's largest Stirol chemical concern plans to cease exports of ammonia starting from December 15, which may result in a 5-fold decrease of the company sales in 2009, down to UAH 1 billion. In November, Odesa Port Factory also ceased exports of ammonia. A substantial decline in the demand for the produce of those companies was caused by the economic crisis and can make Ukraine lose its position of the 17<sup>th</sup> largest exporter of ammonia in the world.

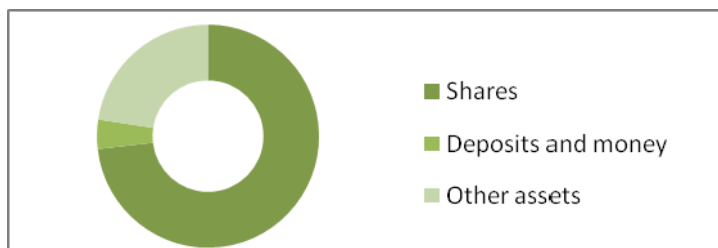
Stirol closed the year of 2007 with the net profit of UAH 220.714 million, while its net income rose by 18.47%, or by UAH 608.2 million, up to UAH 3,900.7 million, compared to 2006.

**OJSC CNCIF «Premium-Fund»**

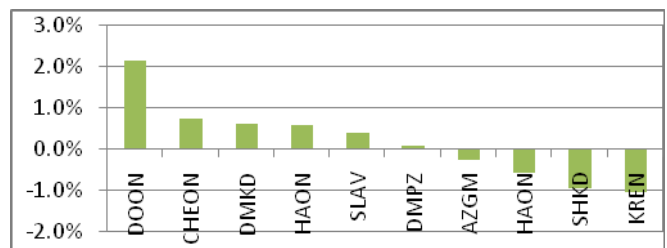
Fund description		
Fund type	Closed-End	
Fund category	Non-Diversified	
Maturity term	21.06.2004-21.06.2009	
Type of security	Shares	
Liquidity	Limited	
Recommended term of investing	From 1.5 years	
Fund performance as of 5.12.08		
Share price, UAH	<b>47 283.69</b>	
	Fund	PFTS
Weekly return	-9.65%	-5.19%
YTD return	-58.64%	-76.61%



**Portfolio structure**

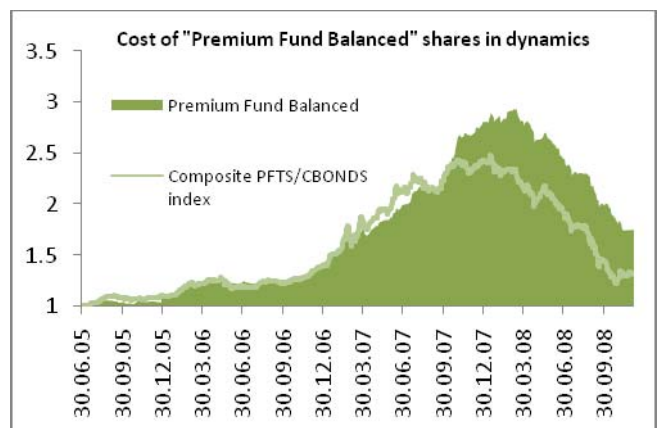


**Maximum weekly value change of investment objects (% to assets)**



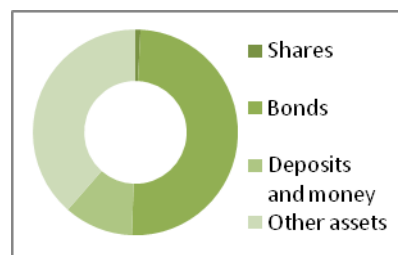
**ODMIF «Premium Fund Balanced»**

Fund description		
Fund type	Open-End	
Fund category	Diversified	
Maturity term	Unlimited	
Type of security	Investment certificate	
Liquidity	3 bank days	
Recommended term of investing	From 1.5 years	
Fund performance as of 5.12.08		
Share price, UAH	<b>1 749.78</b>	
	Fund	PFTS/CBONDS
Weekly return	-0.10%	-1.49%
YTD return	-37.77%	-45.86%

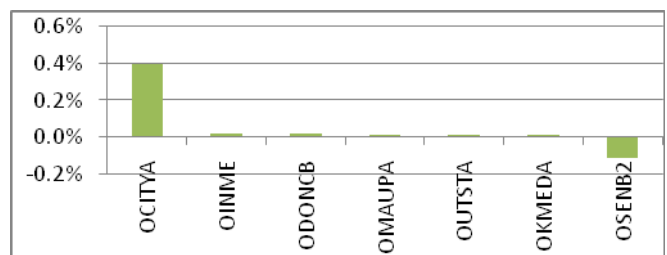


**Portfolio structure**

Bond portfolio characteristics	
Weighted average duration (days)	171
Weighted average yield to maturity, %	16

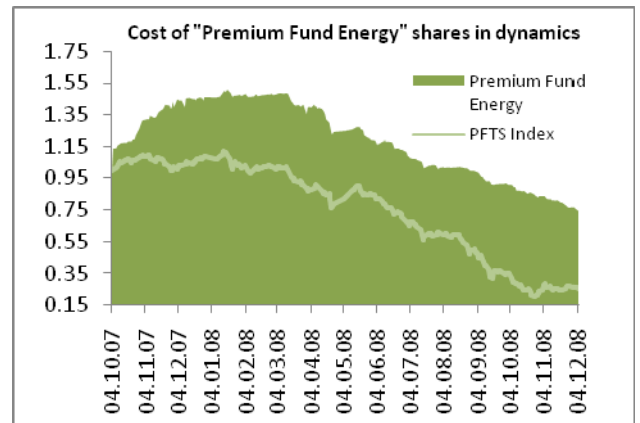


**Maximum weekly value change of investment objects (% to assets)**

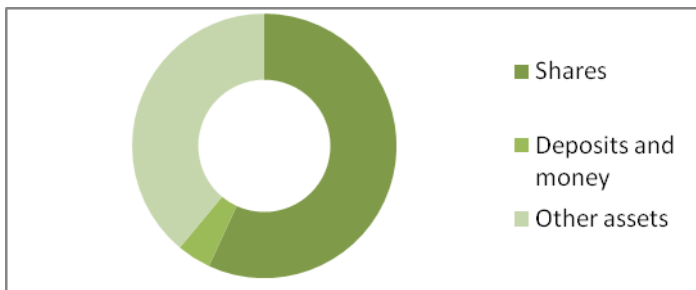


**OJSC CNCIF «Premium Fund Energy»**

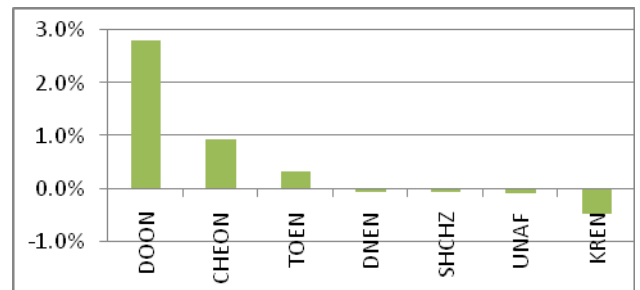
Fund description		
Fund type	Closed-End	
Fund category	Non-Diversified	
Maturity term	14.06.2007-14.06.2012	
Type of security	Shares	
Liquidity	Limited	
Recommended term of investing	From 1.5 years	
Fund performance as of 5.12.08		
Share price, UAH	<b>734.68</b>	
	Fund	PFTS
Weekly return	-4.22%	-5.19%
YTD return	-49.61%	-76.61%



**Portfolio structure**

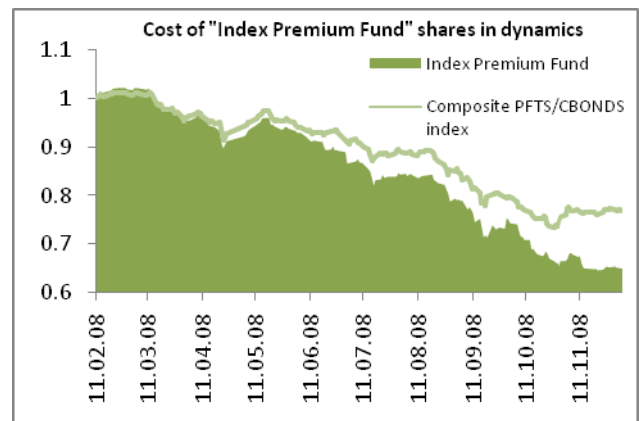


**Maximum weekly value change of investment objects (% to assets)**



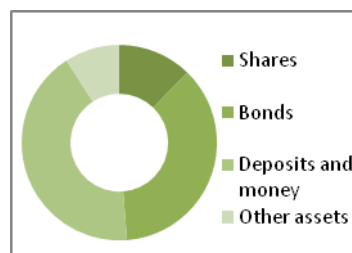
**ODUIF «Index Premium Fund»**

Fund description		
Fund type	Open-End	
Fund category	Diversified	
Maturity term	Unlimited	
Type of security	Investment certificate	
Liquidity	3 bank days	
Recommended term of investing	From 1 years	
Fund performance as of 5.12.08		
Share price, UAH	<b>650.09</b>	
	Fund	PFTS/CBONDS
Weekly return	-0.70%	-1.49%
YTD return	-34.99%	-23.09%

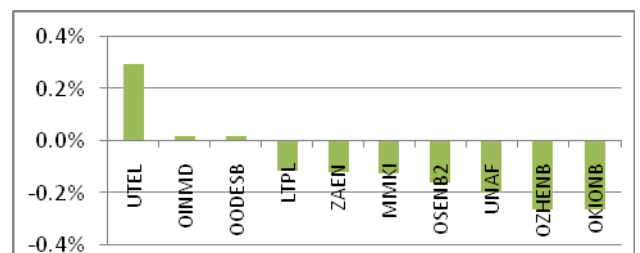


**Portfolio structure**

Bond portfolio characteristics	
Weighted average duration (days)	91
Weighted average yield to maturity, %	13

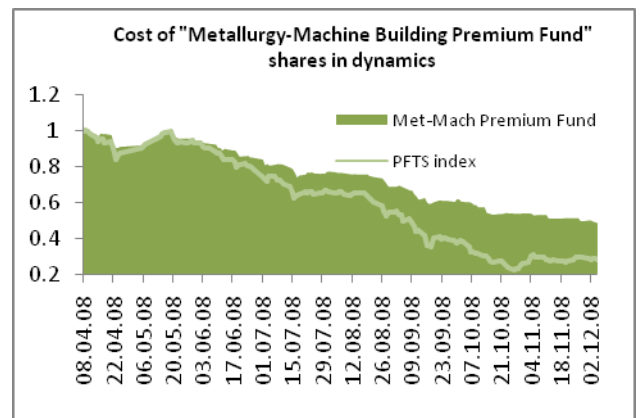


**Maximum weekly value change of investment objects (% to assets)**

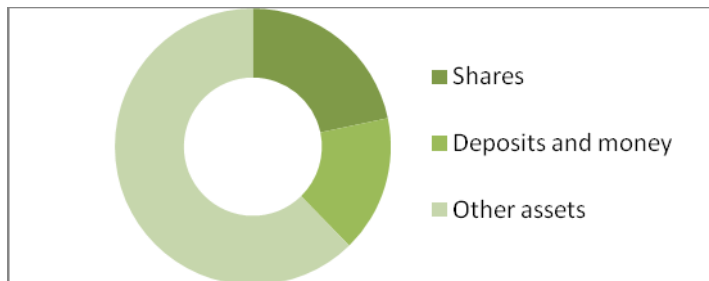


## OJSC CNCIF «Metallurgy – Machine Building Premium Fund»

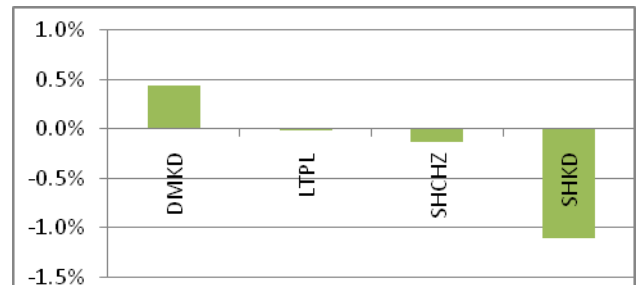
Fund description		
Fund type	Closed-End	
Fund category	Non-Diversified	
Maturity term	11.09.2007-11.09.2012	
Type of security	Shares	
Liquidity	Limited	
Recommended term of investing	From 1.5 years	
Fund performance as of 5.12.08		
Share price, UAH	<b>481.30</b>	
	Fund	PFTS
Weekly return	-3.65%	-5.19%
YTD return	-51.87%	-71.31%



## Portfolio structure

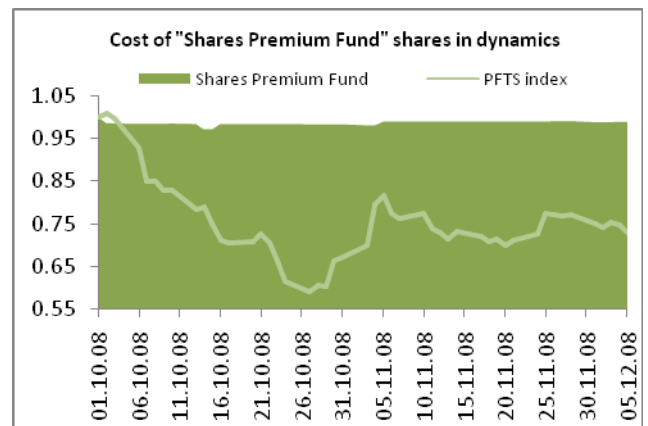


## Maximum weekly value change of investment objects (% to assets)

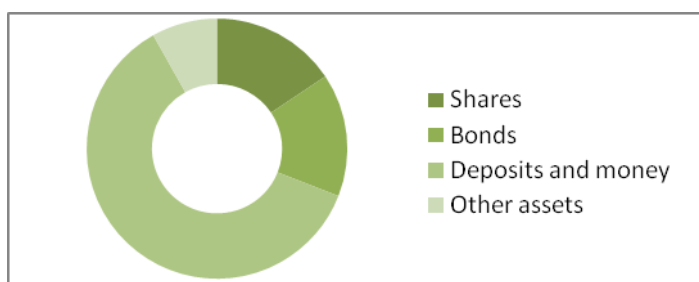


## OJSC CNCIF «Shares Premium Fund»

Fund description		
Fund type	Closed-End	
Fund category	Non-Diversified	
Maturity term	11.09.2007-11.09.2012	
Type of security	Shares	
Liquidity	Limited	
Recommended term of investing	From 1.5 years	
Fund performance as of 5.12.08		
Share price, UAH	<b>989.30</b>	
	Fund	PFTS
Weekly return	-0.16%	-5.19%
YTD return	-1.07%	-25.68%



## Portfolio structure



## Bond portfolio characteristics

Weighted average duration (days)	<b>209</b>
Weighted average yield to maturity, %	<b>15</b>

## The methodology of ratio calculation

**Yield to maturity (effective)** - is the yield promised to the bondholder on the assumption that the bond or other fixed-interest security such as gilts will be held to maturity, that all coupon and principal payments will be made and coupon payments are reinvested at the bond's promised yield at the same rate as invested. It is a measure of the return of the bond.

Effective yield to maturity carries out as a root from the following equation:

$$P = \frac{C[1]}{(1+r)^{\frac{t[1]-t[0]}{365}}} + \frac{C[2]}{(1+r)^{\frac{t[2]-t[0]}{365}}} + \dots + \frac{C[T-1]}{(1+r)^{\frac{t[T-1]-t[0]}{365}}} + \frac{C[T] + N}{(1+r)^{\frac{t[T]-t[0]}{365}}}$$

Where

r – effective yield

C[i] – coupon payment at moment i

t[0] – current date

t[i] – date of i coupon payment

N – face-value

P – current price (with Accrued interest)

T – number of periods to maturity

**Duration (Macaulay duration)** – is defined as a measurement of sensitivity of the asset's price to interest rate movements, expressed as a number of years. The reason for expressing this sensitivity in years is that the time that will elapse until a cash flow is received allows more interest to accumulate. Therefore the price of an asset with long term cashflows has more interest rate sensitivity than an asset with cashflows in the near future. Because of this relationship, duration is sometimes calculated as the weighted average number of years to receive each cashflow.

$$D = \frac{\sum_{i=1}^T (t[i] - t[0]) * \frac{C[i] + N[i]}{(1+r)^{\frac{t[i]-t[0]}{365}}}}{P}$$

Where

D – duration

C[i] – coupon payment at moment i

t[0] – current date

t[i] – date of i-coupon payment

N[i] – face-value payment at moment i

P – current price (with Accrued interest)

T – number of periods to maturity

r – effective yield to maturity

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Shosse