

**Market Update**

**Equity**

Ukrainian stocks were mixed again on Wednesday, with the benchmark trading near the breakeven line for most of the session, while US equities received a boost later in the day from a renewed commitment to easy monetary policy from the Federal Reserve. The UX index inched down by 0.2% to close at 960 points. Raiffeisen Aval (BAVL) stopped a weeklong slide with a 1.1% pickup, and electricity generators DonbasEnergo (DOEN) and CentrEnergo (CEEN) added 2.7% and 0.6% respectively. On the downside, the UX's triumvirate of steelmaking blue chips all ended lower, with Azovstal (AZST) sliding 1.8% and Alchevsk (ALMK) and Yenakievo (ENMZ) both dropping 0.8%. Volume leader Motor Sich (MSICH) edged down half a percent on turnover of UAH 7.7mn, and UkrNafta (UNAF) continued to drift lower, losing 2.1% to UAH 152 as hopes for a dividend payout for FY11/FY12 in the upcoming AGM season fade. In London, Ferrexpo's (FXPO) woes continued, with the issue sliding another 4.0% to GBP 174, and Coal Energy (CLE) dropped 3.4% in Warsaw, finishing just below PLN 8.

**Fixed Income**

Ukrainian sovereign Eurobonds were down on Wednesday. Ukraine-22s declined by 1.1p.p. to 104.3/104.8 (7.2%/7.1%) and Ukraine-17s dropped by 0.5p.p. finishing at 101.7/102.5 (6.3%/6.1%). Corporate names were mixed. MHP-15s improved by 0.3p.p. to 108.2/109.5 (6.0%/5.4%), Metinvest-15s slid by 0.5p.p. to 106.2/106.9 (7.1%/6.8%) while Ferrexpo-16s was largely flat finishing at 100.7/101.6 (7.6%/7.2%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2478.00	-0.5%	7.8	203
Centrenergo	CEEN	5.752	0.6%	4.3	226
Raiffeisen Bank Aval	BAVL	0.107	1.1%	3.0	226

**Growth Leaders**

Krymenergo	KREN	0.71	4.1%	0.00	7
Yasynivsky Coke	YASK	0.62	3.2%	0.23	11
Donbasenergo	DOEN	21.33	2.8%	0.53	99

**Loss Leaders**

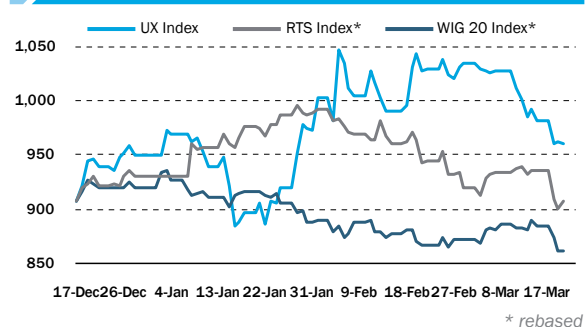
Mariupol Ilyicha	MMKI	0.18	-8.1%	0.01	8
Kryukiv Wagon	KVBZ	21.50	-4.5%	0.14	17
Ukrnafta	UNAF	151.90	-2.1%	2.37	146

**Highlights**

**STOCKS IN THE NEWS**

- > Alchevsk's FY12 Loss Comes in at UAH 1.0bn

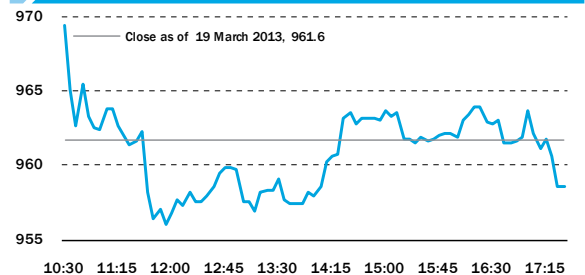
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	960.2	-0.1%	-3.1%	1.0%
RTS	1489.3	0.7%	-5.6%	-2.5%
WIG20	2422.6	0.0%	-1.8%	-6.2%
MSCI EM	1026.4	0.1%	-3.8%	-2.7%
S&P 500	1558.7	0.7%	2.6%	11.1%

**UX INTRADAY MARCH 20, 2013**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	296.9	-1.1%	8.1%	9.5%
CDS 5Y UKR	561.9	1.7%	-4.0%	-10.1%
Ukraine-13	3.98%	-0.4 p.p.	-1.3 p.p.	-1.3 p.p.
Naftogaz Ukr-14	6.71%	0.1 p.p.	-0.3 p.p.	-0.9 p.p.
Ukraine-20	6.56%	0.1 p.p.	-0.4 p.p.	-0.7 p.p.
Privatbank-16	13.27%	0.0 p.p.	-1.7 p.p.	-2.0 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	8.14	0.0%	0.2%	1.1%
EUR	10.52	0.4%	-3.0%	-1.5%
RUB	0.26	0.3%	-2.4%	-0.6%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	320.0	0.0%	0.0%	0.0%
Steel, USD/t	577.5	0.0%	-3.3%	8.5%
Oil, USD/bbl	93.5	1.1%	-3.5%	1.8%
Gold, USD/oz	1606.8	-0.4%	-0.2%	-3.0%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Alchevsk's FY12 Loss Comes in at UAH 1.0bn

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### ▶ ALCHEVSK STEEL (ALMK UK)

Price: UAH 0.05 Market Cap: USD 158mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012E	0.9	neg	neg	0%
2013E	0.9	neg	neg	0%

### NEWS

Alchevsk Steel, Ukraine's fifth-largest steelmaker, reported a net loss of UAH 1.03bn (USD 127mn) for FY12, according to the company's AGM announcement for Apr 26. The company had finished 2011 with net profit of UAH 291mn (USD 36mn). Other figures from the P&L statement were not disclosed.

### COMMENTARY

The full-year bottom line figure implies that Alchevsk reported a net loss of USD 58.9mn for 4Q12, which is 16% worse compared to the 3Q12 loss of USD 50.6mn. The 4Q12 result is rather disappointing given an 18% QoQ expansion in the company's production in the period, as well as a rather favourable differential between prices for steel products and basic raw materials. In particular, prices for steel dropped by 3-6% QoQ, while domestic prices for iron ore and coking coal fell by 16-18% and 12% QoQ, respectively.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, USD per share	Target price, USD per share	Upside, %	Rating	Commentary
<b>Steel&amp;Pipes</b>						
Azovstal	AZST	0.08	0.07	-12%	SELL	Non-transparent reporting practises detrimentally affect the company's reported earnings.
Khartsysk Pipe	HRTR	0.09	0.19	109%	BUY	The company has a 100% dividend payout policy, which we expect to remain in place going forward.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	2.64	U/R	n/a	U/R	Under Review
Pivnichny GOK	SGOK	1.08	1.77	63%	BUY	Pivnichny GOK's dividend payout was 99% for FY11 with a DPS of USD 0.33, implying a dividend yield of 22%. The company has a dividend payout policy of nearly 100%, which we expect to remain in place going forward.
Centralny GOK	CGOK	0.82	1.30	58%	BUY	CGOK is a strong dividend play. A DPS of USD 0.27 was approved in April 2012, implying a dividend yield of 26%.
<b>Coke</b>						
Avdyivka Coke	AVDK	0.39	0.76	98%	BUY	AVDK's order book is secure thanks to its integration with Metinvest, Ukraine's largest M&M holding.
Yasnyivsky Coke	YASK	0.08	0.42	451%	BUY	Yasnyivsky Coke benefits from steady demand for its output both in Ukraine & abroad thanks to the high quality of its coke relative to other domestic producers.
<b>Coal</b>						
Pokrovske Mine	SHCHZ	0.07	0.36	405%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
<b>Railcar Manufacturing</b>						
Krukiv Wagon	KVBZ	2.65	6.18	134%	BUY	Having achieving its post-1991 production maximum in 2011, Krukiv Wagon's revenue should rise at a 7% CAGR in 2012-2016E, with the EBITDA and net margins for the period near 15% and 11%, respectively.
LuganskTeplovoz	LTPL	0.23	0.64	181%	BUY	LuganskTeplovoz's incorporation into TransMashHolding should help it to exploit its already-dominant position on the Russian market for diesel locomotives.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	305	644	111%	BUY	Motor Sich should see its sales grow with a 2012-2016E CAGR of 9%, reaching USD 1.2bn. For 2012-2016, we forecast an average EBITDA margin of 35% and a net margin of 28%.
Turboatom	TATM	0.44	1.09	148%	BUY	We model Turboatom's revenue as increasing at 18% CAGR over 2012-2015. Deliveries of hydro and steam turbines to export markets will remain the company's key revenue drivers.
<b>Oil &amp; Gas</b>						
Concern Galnaftogaz	GLNG	0.018	0.030	63%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	0.41	1.52	272%	BUY	We assume that Regal will be able to produce 5,200 boepd in 2014, generating USD 116mn in sales.
JKX Oil & Gas	JKX	1.2	6.0	410%	BUY	The expected start of operations in JKX's Russian gas field should lift output.
<b>Power Utilities</b>						
DonbasEnergo	DOEN	2.62	8.90	239%	BUY	DonbasEnergo recently launched Ukraine's most efficient power generation unit.
CenterEnergo	CEEN	0.71	1.84	160%	BUY	CentrEnergo's privatization is on the horizon for 2013.
<b>Consumer</b>						
MHP	MHPC	17.9	24.0	34%	BUY	MHP plans to launch production at Phase 1 of its new Vinnitsya poultry complex in early 2013. This will expand its poultry production capacity by some 60,000 tonnes p.a. in 2013, up from the current 384,000 tonnes.
Astarta	AST	17.92	30.0	67%	BUY	Rising global prices for agriculture products should offset the company's weaker than expected harvest this year. Astarta's business leans on three pillars: sugar beet cultivation/processing, grain cultivation, and cattle farming.
Avangardco	AVGR	9.30	28.3	204%	BUY	Avangard operates with a gross margin of 36% vs. the industry average of 22% and expects to raise its output by 56% by 2015, to 6.8bn eggs. Exports to the EU and the Middle East will be sales growth drivers.

Source: Eavex Research

**PRICES AND QUOTES**

Name	Ticker	Today, UAH*	52 high, UAH*	52 low, UAH*	Absolute performance				Performance relative to the UX index			
					1d	1w	1m	ytd	1d	1w	1m	ytd
UX Index	UX	960.20	1452.55	747.84	-0.1%	-2.5%	-3.1%	1.0%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.050	0.10	0.04	-0.8%	-1.0%	-3.9%	-6.7%	-0.6%	1.5%	-0.8%	-7.8%
Azovstal	AZST	0.63	1.33	0.54	-1.9%	-4.6%	-8.5%	-15.2%	-1.7%	-2.1%	-5.4%	-16.2%
Dniprospeztstal	DNSS	970	1,700	970	-3.0%	-3.0%	-3.0%	-2.9%	-2.9%	-0.5%	0.1%	-3.9%
Enakievo Steel	ENMZ	35.1	85.0	27.7	-0.8%	-0.9%	-1.3%	-7.7%	-0.7%	1.6%	1.7%	-8.7%
Arcelor Mittal KR	KSTL	3.98	n/a	n/a	0.0%	0.0%	n/a	n/a	0.1%	2.5%	n/a	n/a
Mariupol Ilyicha	MMKI	0.18	0.32	0.13	-10.0%	-10.0%	-14.3%	-18.2%	-9.9%	-7.5%	-11.2%	-19.2%
<b>Coke</b>												
Avdivka Coke	AVDK	3.13	5.44	1.90	0.4%	-3.2%	-6.0%	-4.3%	0.5%	-0.7%	-3.0%	-5.3%
Yasnyivsky Coking	YASK	0.62	1.31	0.56	3.3%	-6.1%	-11.4%	-7.5%	3.5%	-3.5%	-8.4%	-8.5%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	6.70	8.35	4.00	-4.1%	-6.0%	3.1%	-2.9%	-4.0%	-3.5%	6.2%	-3.9%
Ferrexpo	FXPO	2.64	5.16	2.35	-3.9%	-13.2%	-42.1%	-34.5%	-3.7%	-10.7%	-39.0%	-35.5%
Pivnichny GOK	SGOK	8.80	12.75	6.00	0.0%	-8.8%	13.1%	18.3%	0.1%	-6.3%	16.2%	17.3%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.58	1.40	0.52	7.4%	-7.9%	-17.1%	-7.9%	7.6%	-5.4%	-14.1%	-9.0%
Komsomolets Donbasa	SHKD	1.05	2.00	0.80	-5.4%	-8.7%	-11.8%	-11.0%	-5.3%	-6.2%	-8.7%	-12.0%
Energy Coal	CLE	2.48	8.74	2.48	-3.1%	-20.9%	-37.8%	-19.9%	-3.0%	-18.4%	-34.7%	-20.9%
<b>Mining Machinery</b>												
Svitlo Shakhtara	HMBZ	n/a	0.58	0.003	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.74	1.34	0.60	-5.1%	-7.5%	-6.3%	5.7%	-5.0%	-5.0%	-3.3%	4.7%
Interpipe NMPP	NVTR	0.20	0.60	0.12	0.0%	5.3%	0.0%	-9.1%	0.1%	7.8%	3.1%	-10.1%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	21.5	23.5	14.2	-4.5%	-6.5%	-4.9%	10.8%	-4.3%	-4.0%	-1.8%	9.8%
Luhanskeplovoz	LTPL	1.85	2.45	1.28	0.0%	-3.6%	-5.6%	-1.1%	0.1%	-1.1%	-2.5%	-2.1%
Stakhanov Wagon	SVGZ	1.55	4.55	1.46	1.3%	-1.9%	-14.8%	-10.4%	1.5%	0.6%	-11.8%	-11.4%
<b>Specialized Machinery</b>												
Bogdan Motors	LUAZ	0.05	0.22	0.03	0.0%	-13.5%	-10.0%	0.4%	0.1%	-10.9%	-6.9%	-0.6%
Motor Sich	MSICH	2,478	2,880	1,750	-0.5%	-0.7%	4.6%	12.1%	-0.4%	1.8%	7.6%	11.1%
Summy Frunze Engineering	SMASH	2.85	4.49	0.76	0.0%	5.6%	72.7%	90.0%	0.1%	8.1%	75.8%	89.0%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
WESTA ISIC	WES	0.22	1.25	0.13	-2.5%	-10.1%	0.1%	-9.6%	-2.3%	-7.5%	3.2%	-10.6%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.14	0.42	0.12	0.7%	0.7%	-1.8%	-13.8%	0.9%	3.2%	1.3%	-14.8%
<b>Oil &amp; Gas</b>												
Concern Galnaftogas	GLNG	0.12	n/a	n/a	0.0%	0.0%	0.0%	0.0%	0.1%	2.5%	3.1%	-1.0%
JKX Oil	JKX	1.18	2.98	0.87	0.1%	9.4%	15.2%	-1.7%	0.3%	11.9%	18.3%	-2.7%
Ukrnafta	UNAF	152	309	80	-2.1%	-5.5%	-4.8%	28.1%	-2.0%	-3.0%	-1.7%	27.1%
<b>Power Utilities</b>												
Centrenerg	CEEN	5.75	8.43	4.05	0.6%	1.7%	-2.5%	-9.4%	0.7%	4.2%	0.6%	-10.4%
Donbasenergo	DOEN	21.3	29.4	15.0	2.7%	-2.4%	-1.2%	0.7%	2.9%	0.1%	1.9%	-0.4%
Zakhidenergo	ZAEN	85.0	241.9	54.0	-2.3%	-10.4%	-11.5%	-12.4%	-2.2%	-7.9%	-8.4%	-13.4%
<b>Consumer</b>												
Agroton	AGT	3.24	7.7	2.24	0.5%	10.6%	1.2%	-0.1%	0.6%	13.1%	4.3%	-1.2%
Astarta	AST	18.0	22.1	13.9	-2.2%	-4.4%	-14.7%	0.6%	-2.1%	-1.8%	-11.6%	-0.4%
Avangardo	AVGR	9.3	14.3	9.00	-0.1%	-5.6%	-8.0%	-18.0%	0.1%	-3.1%	-4.9%	-19.0%
Industrial Milk Company	IMC	4.90	5.48	2.73	5.6%	-0.4%	-6.3%	-7.7%	5.8%	2.1%	-3.2%	-8.7%
Kernel	KER	17.8	23.7	14.8	-0.8%	-8.5%	-18.0%	-17.9%	-0.7%	-6.0%	-14.9%	-18.9%
Mriya Agro Holding	MAYA	5.92	7.4	5.04	0.5%	-2.6%	-6.6%	-8.7%	0.6%	-0.1%	-3.6%	-9.7%
MHPC	MHPC	17.9	19.9	10.00	-2.7%	-5.8%	-4.4%	17.4%	-2.6%	-3.3%	-1.3%	16.4%
Milkiland	MLK	4.53	6.3	4.24	-3.3%	-4.9%	-6.9%	-3.8%	-3.1%	-2.4%	-3.8%	-4.8%
Ovostar Union	OVO	30.1	41.5	23.2	-2.4%	-4.9%	-2.3%	4.3%	-2.3%	-2.4%	0.8%	3.2%
Sintal	SNPS	n/a	2.35	0.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MCB Agricole	4GW1	n/a	1.88	0.22	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Chemicals</b>												
Stirol	STIR	13.6	28.4	11.7	0.0%	-2.5%	-4.2%	1.1%	0.1%	0.0%	-1.1%	0.1%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.107	0.137	0.061	1.1%	-4.1%	-4.0%	24.4%	1.3%	-1.6%	-0.9%	23.4%
UkrSotsbank	USCB	0.116	0.218	0.107	0.3%	-10.4%	-12.4%	-9.9%	0.4%	-7.9%	-9.4%	-10.9%

Source: Bloomberg

\* companies listed abroad are in USD

**MAIN FINANCIAL FORECASTS, USD mn**

Name	Ticker	Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2011	2012E	2013E	2011	2012E	2013E	2011	2012E	2013E	2011	2012	2013E	2011	2012E	2013E
<b>Steel</b>																
Alchevsk Steel	ALMK	2,339	1,695	1,667	145	3	22	6.2%	0.2%	1.3%	36	-81	-17	1.6%	neg	neg
Enakievo Steel	ENMZ	1,716	1,611	1,577	-108	-102	-69	neg	neg	neg	31	-39	-125	1.8%	neg	neg
Azovstal	AZST	3,867	2,794	2,788	-102	-173	-64	neg	neg	neg	-64	-278	-170	neg	neg	neg
<b>Coke</b>																
Avdyivka Coke	AVDK	1,457	1,072	1,054	6	-128	-74	0.4%	neg	neg	-32	-142	-97	neg	neg	neg
Yasynivsky Coking	YASK	566	444	436	29	26	28	5.1%	5.9%	6.4%	15	7	12	2.7%	1.5%	2.7%
<b>Iron Ore Mining</b>																
Centralny GOK	CGOK	805	566	508	497	238	202	61.8%	42.0%	39.8%	325	95	104	40.4%	16.8%	20.5%
Pivnichny GOK	SGOK	1,834	1,515	1,301	1,174	813	640	64.0%	53.6%	49.2%	783	436	359	42.7%	28.8%	27.6%
Ferrexpo	FXPO	1,788	1,424	1,566	801	402	445	44.8%	28.2%	28.4%	575	215	263	32.2%	15.1%	16.8%
<b>Coal Mining</b>																
Komsomolets Donbasa	SHKD	192	256	255	67	99	90	35.1%	38.8%	35.3%	15	39	35	8.0%	15.1%	13.7%
Coal Energy	CLE	151	165	199	51	62	64	33.7%	37.5%	32.1%	37	38	43	24.4%	23.2%	21.7%
<b>Pipe Manufacturing</b>																
Khartsyzk Pipe	HRTR	775	659	699	145	112	117	18.7%	17.0%	16.8%	98	38	39	12.7%	5.8%	5.5%
<b>Railcar Manufacturing</b>																
Luhanskteplovoz	LTPL	199	167	209	14	15	19	7.0%	9.3%	8.9%	9	9	10	4.5%	5.2%	4.8%
Kryukiv Wagon	KVBZ	770	887	816	118	134	119	15.3%	15.1%	14.5%	85	93	82	11.0%	10.5%	10.0%
Stakhanov Wagon	SVGZ	437	385	388	33	21	17	7.6%	5.4%	4.4%	20	9	9	4.6%	2.3%	2.2%
<b>Specialized Machinery</b>																
Turboatom	TATM	169	173	183	63	47	50	37.0%	27.3%	27.3%	53	38	40	31.5%	22.1%	22.1%
Motor Sich	MSICH	722	873	933	285	309	330	39.4%	35.5%	35.3%	168	243	248	23.2%	27.8%	26.6%
<b>Telecom</b>																
Ukrtelecom	UTLM	843	815	707	206	205	179	24.5%	25.1%	25.3%	-17	31	33	neg	3.8%	4.6%
<b>Oil &amp; Gas</b>																
Ukrnafta	UNAF	3,051	2,816	2,444	439	507	429	14.4%	18.0%	17.6%	272	312	226	8.9%	11.1%	9.2%
<b>Regal Petroleum</b>																
JKX Oil	JKX	237	225	250	114	145	150	48.3%	64.4%	60.2%	59	40	50	24.9%	17.8%	20.0%
<b>Electric Utilities</b>																
Centrenergo	CEEN	894	1,071	1,136	49	61	68	5.4%	5.7%	6.0%	4	29	33	0.5%	2.7%	2.9%
Donbasenergo	DOEN	495	600	665	21	17	24	4.2%	2.9%	3.6%	-3	4	10	neg	0.6%	1.5%
<b>Consumer</b>																
MHP	MHPC	1,229	1,408	1,532	401	468	523	32.6%	33.2%	34.1%	259	311	271	21.1%	22.1%	17.7%
Kernel	KER	1,899	2,157	2,800	310	322	339	16.3%	14.9%	12.1%	226	211	195	11.9%	9.8%	7.0%
Astarta	AST	402	458	549	144	98	121	29.9%	17.8%	18.3%	114	50	59	23.6%	9.1%	9.0%
Avangardco	AVGR	553	629	701	251	280	293	45.3%	44.5%	41.8%	196	228	232	35.5%	36.3%	33.1%
Agroton	AGT	122	93	107	19	31	33	15.3%	33.5%	31.0%	-2	19	21	neg	20.0%	19.5%
<b>Banks</b>																
		<b>Total Assets</b>			<b>Total Equity</b>			<b>Total Income</b>			<b>Net Profit</b>			<b>Return on Equity</b>		
Raiffeisen Bank Aval	BAVL	6,948	7,020	7,476	812	861	924	750	707	646	0	4	29	0.0%	0.5%	3.1%
Ukrspotsbank	USCB	5,032	5,151	5,064	827	814	788	449	451	469	2	2	13	0.2%	0.3%	1.7%

Source: Eavex Research

**MAIN TRADING MULTIPLES**

Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2011	2012	2013E	2011	2012	2013E	2011	2012	2013E	2011	2012	2013E			
<b>Steel</b>																		
Alchevsk Steel	ALMK	158	3.9%	6	1,573	4.3	neg	neg	10.8	>30	>30	0.7	0.9	0.9	542	468	421	\$/tonne
Yenakievo Steel	ENMZ	46	8.8%	4	38	1.5	neg	neg	neg	neg	neg	0.0	0.0	0.0	15	14	14	\$/tonne
Azovstal	AZST	324	4.1%	13	303	neg	neg	neg	neg	neg	neg	0.1	0.1	0.1	54	51	49	\$/tonne
DniproSpetzStal	DNSS																	
<b>Coke</b>																		
		75	7.5%	6	72	neg	neg	neg	11.9	neg	neg	0.0	0.1	0.1	21	16	13	\$/tonne
Avdyivka Coke	AVDK	21	9.0%	2	50	1.4	3.1	1.8	1.7	1.9	1.8	0.1	0.1	0.1	1.7	1.9	1.8	\$/tonne
Yasynivsky Coke	YASK																	
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	2,492	0.5%	14	2,617	3.2	5.7	7.0	2.2	3.2	4.1	1.4	1.7	2.0				
Pivnichny GOK	SGOK	1,552	24.0%	373	1,802	2.7	7.2	5.9	2.3	4.5	4.1	1.0	1.3	1.2				
Ferrexpo	FXPO																	
<b>Coal Mining</b>																		
Komsomolets Donbasa	SHKD	113	11.9%	13	138	3.1	2.9	2.6	2.7	2.2	2.2	0.9	0.8	0.7	2.7	2.2	2.2	\$/tonne
Pokrovskoe Mine	SHCHZ																	
Mining Machinery		236	2.0%	5	279	2.4	6.2	6.1	1.9	2.5	2.4	0.4	0.4	0.4	443	734	697	\$/tonne
Svitlo Shakhtara	HMBZ																	
<b>Pipe Manufacturing</b>																		
		50	24.0%	12	50	5.6	5.8	5.0	3.6	3.2	2.7	0.3	0.3	0.2				
Khartsyzk Pipe	HRTR	303	5.0%	15	305	3.6	3.3	3.7	2.6	2.3	2.6	0.4	0.3	0.4				
Interpipe NMPP	NVTR	43	8.0%	3	82	2.2	5.0	5.0	2.5	3.9	4.8	0.2	0.2	0.2				
<b>Railcar Manufacturing</b>																		
LuganskTeplovoz	LTPL	182	5.8%	10	130	3.4	4.8	4.5	2.1	2.8	2.6	0.8	0.8	0.7				
Krjukiv Wagon	KVBZ	633	24.0%	152	643	3.8	2.6	2.5	2.3	2.1	1.9	0.9	0.7	0.7				
Stakhanov Wagon	SVGZ																	
<b>Specialized Machinery</b>																		
Sumy Frunze Engineering	SMASH	318	7.2%	23	654	neg	10.3	9.7	3.2	3.2	3.7	0.8	0.8	0.9				
Turboatom	TATM	1,013	3.0%	30	1,002	3.7	3.2	4.5	2.3	2.0	2.3	0.3	0.4	0.4	n/a	n/a	n/a	\$/boe
Motor Sich	MSICH																	
<b>Auto Industry</b>																		
Bogdan Motors	LUAZ	202	50.4%	102	310	3.4	5.0	4.0	2.7	2.1	2.1	1.3	1.4	1.2	82	57	42	\$/boe
<b>Telecom</b>																		
Ukrtelecom	UTLM	261	21.7%	57	344	>30	9.0	7.8	7.1	5.7	5.1	0.4	0.3	0.3	24	24	19	\$/MWh
		62	14.2%	9	119	neg	16.2	6.1	5.8	6.9	5.0	0.2	0.2	0.2	15	14	14	\$/MWh
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	1,891	34.1%	645	2,936	7.3	6.1	7.0	7.3	6.3	5.6	2.4	2.1	1.9	9174	9174	9174	\$/tonne
Concern Galnaftogaz	GLNG	1,310	61.8%	809	1,920	5.8	6.2	6.7	6.2	6.0	5.7	1.0	0.9	0.7				
JKX Oil & Gas	JKX	449	31.0%	139	596	3.9	9.0	7.6	4.1	6.1	4.9	1.5	1.3	1.1	3020	1839	1527	\$/tonne
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	594	22.5%	134	742	3.0	2.6	2.6	3.0	2.7	2.5	1.3	1.2	1.1	168	128	120	\$/mneggs
DonbasEnerg	DOEN	70	44.6%	31	103	neg	3.8	3.4	5.5	3.3	3.1	0.8	1.1	1.0	0.8	n/a	n/a	\$/th/ha
ZakhidEnerg	ZAEN	393	4.0%	16		>30	>30	13.8	0.5	0.5	0.4	0.06	0.06	0.05				
<b>Consumer</b>																		
MHP	MHPC	263	1.6%	4		>30	>30	21.8	0.3	0.3	0.3	0.06	0.06	0.06				
Kernel	KER	1,177	16.3%	192	2,059	5.5	4.5	5.7	6.3	5.1	5.3	2.2	1.7	1.6	6433	6433	6433	\$/tonne
		1,286	58.4%	751	1,594	8.5	5.7	5.0	8.4	5.1	4.3	1.6	0.8	0.7				
Astarta	AST	403	31.0%	125	550	4.4	3.5	3.7	4.6	3.8	3.7	2.2	1.4	0.9	2789	1698	1410	\$/tonne
Avangardco	AVGR	642	22.5%	144	717	3.5	3.3	2.5	3.7	2.9	2.3	1.6	1.3	1.0	162	123	116	\$/mneggs
Agroton	AGT	51	44.6%	23	84	3.2	neg	2.7	2.4	4.5	2.0	0.9	0.7	0.7	0.6	0.6	n/a	\$/harv ha
Sintal*	SNPS	39	36.3%	14	39	19.7	3.7	2.2	6.8	2.7	1.7	0.9	0.7	0.5	0.5	0.4	0.3	\$/harv ha
MCB Agricole*	4GW1	7	24.4%	2	4	1.3	0.4	0.4	0.5	0.2	0.2	0.1	0.1	0.1	0.0	0.0	0.0	\$/harv ha
<b>Chemicals</b>																		
Stirol	STIR	51	9.7%	5	102	neg	neg	8.3	neg	neg	3.1	0.4	0.2	0.2	102	41	37	\$/tonne
<b>Banks</b>																		
Raiffeisen Bank Aval	BAVL	328	4.0%	13		>30	>30	7.1	0.4	0.4	0.4	0.05	0.05	0.04				
UkrSotsbank	USCB	342	1.5%	5		>30	>30	14.3	0.4	0.4	0.3	0.09	0.09	0.09				

Source: Eavex Research

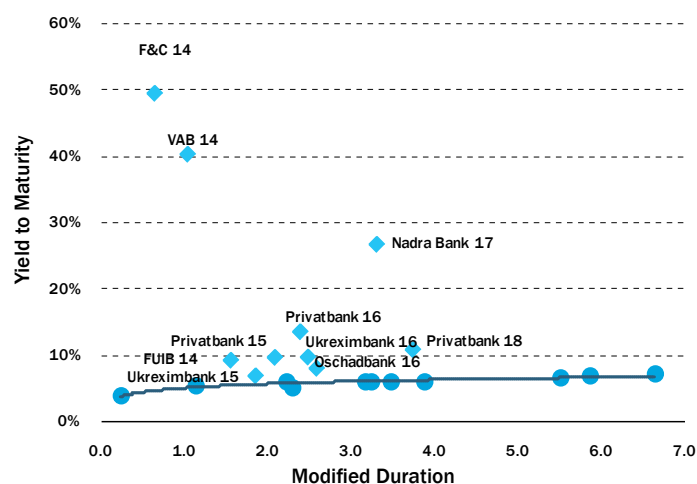
## UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn USD	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2013	100.5	101.0	5.2%	2.9%	-0.2%	0.2	7.65%	S/A	11 Jun. 2013	1,000	/B+/B
Ukraine, 2014	102.7	103.2	5.5%	5.1%	1.2%	1.1	7.95%	S/A	6 Apr. 2014	1,000	/B+/B
Naftogaz Ukraine, 2014	103.6	104.3	7.0%	6.5%	0.9%	1.3	9.50%	S/A	30 Sept 2014	1,595	//B
Ukraine, 2015 (EUR)	98.5	100.0	5.6%	4.9%	1.8%	2.3	4.95%	A	13 Oct 2015	600*	B2/B+/B
Ukraine, 2015	101.5	102.2	6.2%	5.9%	0.6%	2.2	6.875%	S/A	23 Sept 2015	500	B2/B+/B
Ukraine, 2016	100.9	101.2	6.3%	6.2%	1.2%	3.1	6.58%	S/A	21 Nov 2016	1,000	B//B
Ukraine, 2016-2	99.7	100.4	6.3%	6.1%	0.4%	3.2	6.25%	S/A	17 Jun 2016	1,250	B2/B+/B
Ukraine, 2017	101.7	102.5	6.3%	6.1%	2.9%	3.9	6.75%	S/A	14 Nov 2017	700	B2/B+/B
Ukraine, 2017-2	110.4	111.0	6.4%	6.3%	3.3%	3.5	9.25%	S/A	24 Jul 2017	2,000	B2/B+/B
Ukraine, 2017 Infr. projects	103.3	104.8	7.6%	7.2%	5.9%	3.7	8.375%	S/A	3 Nov 2017	568	B2/-/-
Ukraine, 2018 Infr. projects	97.8	99.1	8.0%	7.7%	6.1%	4.0	7.40%	S/A	20 Apr 2018	690	B2/-/-
Ukraine, 2020	106.6	107.4	6.6%	6.5%	3.9%	5.5	7.75%	S/A	23 Sept 2020	1,500	B2/B+/B
Ukraine, 2021	107.4	108.2	6.7%	6.6%	3.8%	5.9	7.95%	S/A	23 Feb 2021	1,500	B2/B+/B
Ukraine, 2022	104.3	104.8	7.2%	7.1%	3.6%	6.6	7.80%	S/A	28 Nov 2022	1,250	//B
<b>Corporate Eurobonds</b>											
Agroton, 2014	75.0	80.0	38.5%	32.4%	#VALUE!	1.0	12.50%	S/A	14 Jul 2014	50	-/-/B-
MHP, 2015	108.2	109.5	6.0%	5.7%	3.2%	1.9	10.25%	S/A	29 Apr 2015	585	B3//B
Avangardco, 2015	101.6	102.6	9.3%	8.9%	6.7%	2.2	10.00%	S/A	29 Oct 2015	200	-/-/B
Mriya, 2016	103.7	104.8	9.5%	9.1%	1.2%	2.4	10.95%	S/A	30 Mar 2016	250	-/B/B-
DTEK, 2015	105.4	106.3	6.7%	6.2%	4.7%	1.8	9.50%	S/A	28 Apr 2015	500	B2//B
Metinvest, 2015	106.2	106.9	7.1%	6.8%	2.6%	1.9	10.25%	S/A	20 May 2015	500	B3//B-
Metinvest, 2018	103.5	104.5	7.9%	7.6%	7.3%	3.9	8.75%	S/A	14 Feb 2018	750	B2/-/B-
Ferrexpo, 2016	100.7	101.6	7.6%	7.2%	3.8%	2.6	7.875%	S/A	07 Apr 2016	500	B2/B+/B
Interpipe, 2017	84.0	88.0	15.4%	13.8%	5.0%	3.2	10.25%	S/A	2 Aug 2017	200	-/B+/B+
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2014	78.0	82.0	44.5%	37.2%	30.0%	0.7	10.50%	S/A	25 Jan 2014	100	Caa1//
PUMB, 2014	102.5	104.1	9.5%	8.6%	2.3%	1.5	11.00%	Q	31 Dec 2014	275	B2//B-
Nadra Bank, 2017	72.0	80.2	29.9%	21.8%	5.0%	3.3	8.00%	A	22 Jun 2017	175	WD//WD
PrivatBank, 2015	98.7	100.1	10.0%	9.4%	4.8%	2.1	9.38%	S/A	23 Sept 2015	200	B1//B
PrivatBank, 2016	80.1	85.1	14.4%	12.0%	7.0%	2.4	8.75%	S/A	9 Feb 2016	150	B1//B
PrivatBank, 2016	99.7	101.2	11.0%	10.6%	0.4%	3.7	10.88%	S/A	28 Feb 2018	175	//B
UkrEximBank, 2015	102.1	103.1	7.3%	6.8%	2.7%	1.8	8.38%	S/A	27 Apr 2015	750	B1//B
UkrEximBank, 2016	89.5	92.0	10.1%	9.0%	7.7%	2.5	8.40%	S/A	2 Sept 2016	125	B1//B
UkrEximBank, 2018	102.2	103.1	8.2%	8.0%	2.6%	3.8	8.75%	S/A	22 Jan 2018	500	B3//B
VAB Bank, 2014	73.5	75.5	39.4%	36.8%	36.1%	1.0	10.50%	Q	14 Jun 2014	125	Caa1-/WD
Oschadbank, 2016	98.8	99.8	8.7%	8.4%	4.4%	2.6	8.25%	S/A	10 Mar 2016	700	B2//B
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	97.2	99.1	9.2%	8.4%	4.9%	2.2	8.00%	S/A	6 Nov 2015	250	B1/CCC+/B
City of Kyiv, 2016	99.0	100.8	9.7%	9.1%	6.8%	2.7	9.375%	S/A	30 Jun 2016	300	B1/CCC+/B

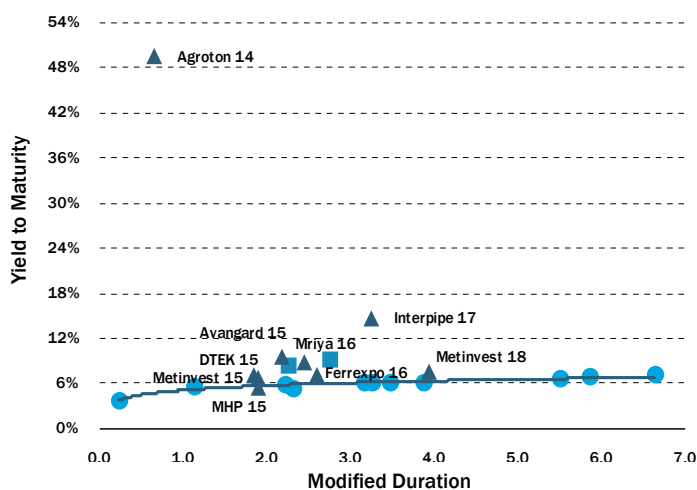
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

Source: Bloomberg, Cbonds, Eavex Research

### SOVEREIGNS vs. BANKING EUROBONDS



### SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS

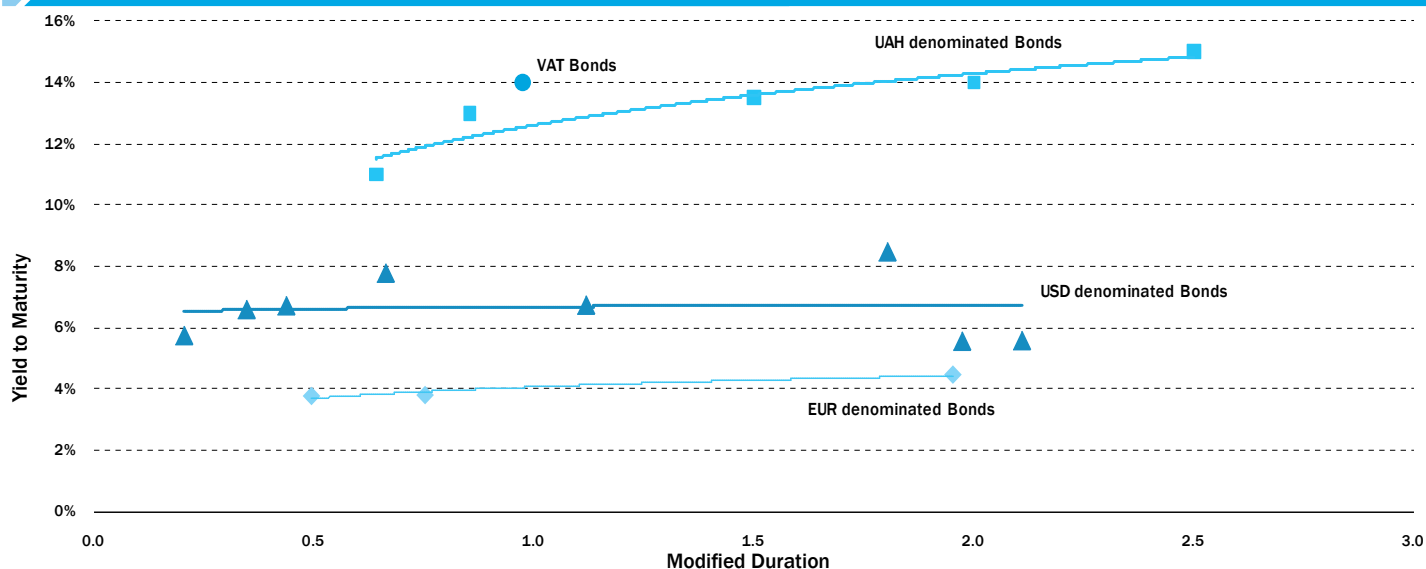


Source: Bloomberg, Cbonds, Eavex Research

**UKRAINIAN DOMESTIC BONDS**

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn USD
<b>UAH denominated Bonds</b>									
UA4000119473			9.0%	7.5%	0.6	9.00%	S/A	22 May 2013	64
UA4000115117			14.0%	10.0%	0.8	10.75%	S/A	26 Mar 2014	187
UA4000141592			15.0%	12.0%	1.5	14.30%	S/A	20 May 2015	31
UA4000142665			17.0%	15.0%	2.0	14.30%	S/A	24 May 2017	184
<b>USD denominated Bonds</b>									
UA4000134431									
UA4000141063	100.4	100.6	6.50%	5.00%	0.2	9.30%	S/A	29 May 2013	235
UA4000142384	100.7	101.0	7.00%	6.21%	0.3	9.30%	S/A	24 Jul 2013	413
UA4000136832	100.9	101.3	7.24%	6.22%	0.4	9.27%	S/A	28 Aug 2013	254
UA4000138002	102.8	103.1	8.10%	7.50%	0.7	9.30%	S/A	27 Nov 2013	86
UA4000140362	104.3	104.8	5.75%	7.75%	1.1	9.20%	S/A	21 May 2014	171
UA4000142699	100.0	101.8	9.00%	8.00%	1.8	9.45%	S/A	22 Apr 2015	312
UA4000141071	108.0	109.0	5.80%	5.33%	2.0	9.45%	S/A	27 May 2015	152
UA4000142673	97.9	98.9	5.83%	5.34%	2.1	4.50%	S/A	17 Jun 2015	175
<b>EUR denominated Bonds</b>									
UA4000137731	100.6	100.8	3.93%	3.70%	0.5	4.80%	S/A	18 Sept 2013	205
UA4000138846	101.0	101.1	4.07%	3.91%	0.7	4.80%	S/A	25 Dec 2013	70
UA4000142681	101.3	101.4	4.56%	4.50%	1.9	4.80%	S/A	6 May 2015	40
<b>VAT Bonds</b>									
UA4000082531			12.5%	11.5%	1.0	5.50%	S/A	21 Aug 2015	141
UA4000082622			12.5%	11.5%	1.0	5.50%	S/A	24 Aug 2015	571
UA4000083059			12.5%	11.5%	1.0	5.50%	S/A	25 Aug 2015	415

Source: Bloomberg, Cbonds, Eavex Research

**DOMESTIC BONDS YIELD CURVE**


Source: Bloomberg, Cbonds, Eavex Research



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