

Market Update
Equity

Ukraine's equity market suffered its worst day since last autumn on Monday (Apr 1), as news of a major fire at the facilities of electricity generator CentrEnergO ahead of the company's planned privatization later this year unsettled investors and sparked a wave of selling. The UX index plunged 6.7%, with most of the damage done in morning trading, to close at 843 points. CentrEnergO (CEEN), the second-most actively traded domestic issue, got crushed, plummeting by 17.4% to UAH 4.50, while volume leader Motor Sich (MSICH) sold off by 4.1% on turnover of UAH 9.5mn. None of the top liquid names emerged unscathed, with Raiffeisen Aval (BAVL) and UkrNafta (UNAF) both down more than 5%, Alchevsk Steel (ALMK) losing 4.4% to 4.56 kopecks, and Avdyivka Coke (AVDK) and Azovstal (AZST) each dropping 3.5%. Second-tier electricity stocks were particularly hard-hit, with KyivEnergO (KIEN) and DniproEnergO (DNEN) shedding 16.7% and 6.5% respectively. In London, it was a good day for MHP (MHPC LI), which added 4.4%, while Ferrexpo (FXPO LN) continued to behave quietly, sitting unchanged at Gbp 173. In Warsaw, Kernel (KER PW) picked up 1.5% to PLN 59.10.

Fixed Income

Ukrainian sovereign Eurobonds were mixed on Monday. Ukraine-21s declined by 0.3p.p. to 104.5/105.1 (7.2%/7.1%) while Ukraine-17s finished unchanged at 99.2/99.9 (7.0%/6.8%). Corporate names also showed different dynamics. MHP-15s edged down by 0.1p.p. to 107.5/108.6 (6.3%/5.8%) while Metinvest-15s moved up by 0.2p.p. to 106.5/106.9 (6.9%/6.7%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2114.00	-4.2%	9.5	194
CentrenergO	CEEN	4.500	-17.4%	4.9	794
Ukrnafta	UNAF	123.600	-5.6%	3.0	199

Growth Leaders

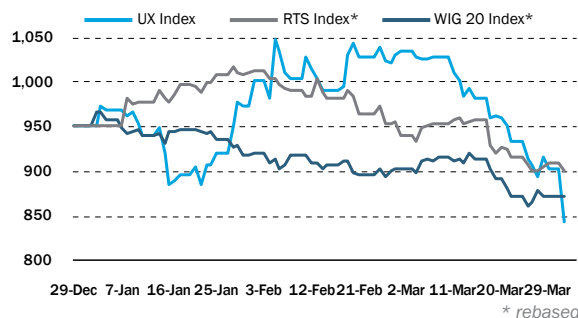
Ticker	Last	1D ch	Volume	Trades
Yasynivsky Coke	0.61	2.2%	0.32	11
Stirol	12.67	1.9%	0.14	14
Kryukiv Wagon	23.00	0.3%	0.15	7

Loss Leaders

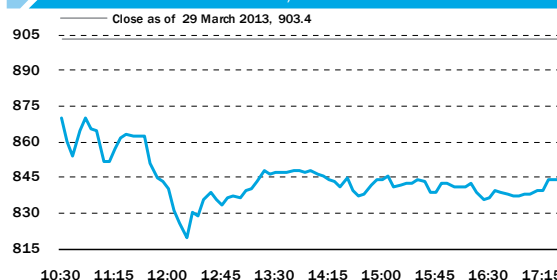
Ticker	Last	1D ch	Volume	Trades
CentrenergO	4.50	-17.4%	4.95	794
Krymenergo	0.60	-11.4%	0.00	11
Interpipe NMPP	0.18	-7.7%	0.03	18

Highlights
STOCKS IN THE NEWS

- > CentrEnergO Power Plant Badly Damaged in Fire
- > Ukraine's Daily Steel Output Flat MoM in March

STOCK MARKET PERFORMANCE

MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	842.7	-6.7%	-18.5%	-11.3%
RTS	1445.6	-1.0%	-4.3%	-5.3%
WIG20	2370.1	0.0%	-3.4%	-8.2%
MSCI EM	1031.2	-0.4%	-2.1%	-2.3%
S&P 500	1562.2	-0.4%	2.9%	11.4%

UX INTRADAY APRIL 1, 2013

FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	308.1	0.3%	6.2%	13.7%
CDS 5Y UKR	595.0	0.0%	4.7%	-4.8%
Ukraine-13	4.82%	1.3 p.p.	1.1 p.p.	-0.5 p.p.
Naftogaz Ukr-14	7.34%	0.0 p.p.	0.6 p.p.	-0.3 p.p.
Ukraine-20	6.97%	-0.1 p.p.	0.3 p.p.	-0.3 p.p.
Privatbank-16	12.79%	0.0 p.p.	-1.1 p.p.	-2.5 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.15	0.2%	-0.1%	1.2%
EUR	10.47	0.4%	-1.4%	-2.0%
RUB	0.26	0.1%	-1.4%	-1.1%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	320.0	0.0%	0.0%	0.0%
Steel, USD/t	565.0	0.0%	-4.2%	6.1%
Oil, USD/bbl	97.1	-0.2%	6.5%	5.2%
Gold, USD/oz	1599.5	0.0%	1.5%	-3.4%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

CentrEnergO Power Plant Badly Damaged in Fire

by Dmitry Churin
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CENTRENERGO (CEEN UK)

Price: UAH 4.5 Market Cap: USD 204mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2012E	0.5	0.3	7.1*	4.7	4.3%
2013E	0.5	0.3	6.1	4.2	0.0%

*actual

NEWS

CentrEnergO, Ukraine's second-largest thermal electricity generation company, said that its Uglehorska power plant was suffered serious in a fire late on Friday (Mar 29). The plant suspended operation after four of its units were affected. The combined capacity of the units was 1,200 MW, according to the company's press statement released on Monday (Apr 1). The damaged units account for about 16% of CentrEnergO's total generation capacity, according to our estimates.

COMMENTARY

The news, which first appeared on Friday after the local market close, had a devastating effect on the CEEN stock on Monday, dragging down the entire Ukrainian equity market in the process. In addition to the question of when the units will be able to resume operation, the issue of whether the company's planned privatization will take place this year has the entire Ukrainian power industry on edge. Given the very high stakes and the likelihood that CentrEnergO could be sold for much less than its real value, the timing of the fire only adds additional intrigue to the situation. In our opinion, the company, which is 78% state-owned, will be unable to finance repair of the units on its own. A special government committee is investigating the accident, with a report due on Apr 8, after which we hope to receive additional details on the situation.

Ukraine's Daily Steel Output Flat MoM in March

by Ivan Dzvinka
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NEWS

Ukraine's crude steel output increased by 1.6% YoY to 8.32mn tonnes in 1Q13, Interfax reported on Monday (Apr 1), citing the industry association MetallurgProm. In March alone, Ukrainian steel mills smelted 2.88mn of steel, representing a 1.1% YoY decline and a 10.6% MoM rise. In terms of average daily output, the figure for March was nearly unchanged compared to February, inching down by 0.1% MoM to 92,800 tonnes.

COMMENTARY

The first quarter of 2013 failed to meet expectations of a notable improvement in steel demand on export markets. As a result, domestic steelmakers reduced their monthly production in March compared to a year earlier, after demonstrating YoY growth in January and February. This was also reflected in steel prices, which did not show significant signs of growth in March, with prices for some steel products even experiencing a drop of 2-3% MoM.

Along with troubles on the demand side, an excessive global steel supply has also been negatively affecting the Ukrainian steel sector. With poor demand recovery in China and steel inventories at their highest level in four years, Chinese steel mills are directing part of their output to export markets, thereby taking orders away from Ukrainian steel producers. In 2M13, Chinese steel exports grew by 29% YoY. If this trend continues, our forecast of 3% growth in Ukrainian steel production in FY13 will turn out to be overly optimistic.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, USD per share	Target price, USD per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.08	0.07	-9%	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.
Iron Ore						
Ferrexpo	FXPO LN	2.64	U/R	n/a	U/R	Under Review
Pivnichny GOK	SGOK	1.07	1.77	65%	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	0.84	1.30	55%	BUY	CGOK is a strong dividend play. A DPS of USD 0.27 was approved in April 2012, implying a dividend yield of 26%.
Coke						
Avdyivka Coke	AVDK	0.37	0.76	108%	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	458%	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.
Coal						
Pokrovske Mine	SHCHZ	0.07	0.36	388%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	2.83	6.18	118%	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	174%	BUY	LuganskTeplovoz's incorporation into TransMashHolding should help it to exploit its already-dominant position on the Russian market for diesel locomotives.
Specialized Machinery						
Motor Sich	MSICH	260	644	148%	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.
Oil & Gas						
Concern Galnaftogaz	GLNG	0.018	0.030	63%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	0.37	1.52	314%	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	420%	BUY	The expected start of operations in JKX's Russian gas field should lift output.
Power Utilities						
DonbasEnergo	DOEN	2.42	8.90	267%	BUY	DonbasEnergo recently launched Ukraine's most efficient power generation unit.
CenterEnergo	CEEN	0.55	1.84	232%	BUY	CentrEnergo's privatization is on the horizon for 2013.
Consumer						
MHP	MHPC	17.8	24.0	35%	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	18.75	30.0	60%	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	8.15	28.3	247%	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	842.69	1452.55	747.84	-6.7%	-7.7%	-18.5%	-11.3%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.046	0.09	0.04	-4.4%	-3.6%	-12.5%	-14.6%	2.3%	4.1%	6.0%	-3.3%
Azovstal	AZST	0.61	1.33	0.54	-3.5%	0.2%	-11.6%	-17.5%	3.2%	7.8%	6.9%	-6.1%
Dniprospezstal	DNSS	970	1,700	970	0.0%	0.0%	n/a	-2.9%	6.7%	7.7%	n/a	8.4%
Enakievo Steel	ENMZ	33.6	70.1	27.7	-3.9%	-3.5%	-7.2%	-11.7%	2.8%	4.1%	11.3%	-0.3%
Arcelor Mittal KR	KSTL	1.20	n/a	n/a	0.0%	-69.8%	-69.8%	n/a	6.7%	-62.2%	-51.4%	n/a
Mariupol Ilyicha	MMKI	0.18	0.32	0.13	0.0%	0.0%	-5.3%	-18.2%	6.7%	7.7%	13.2%	-6.8%
Coke												
Avdivka Coke	AVDK	2.98	5.24	1.90	-3.6%	-1.7%	-10.7%	-9.0%	3.2%	6.0%	7.8%	2.4%
Yasnyivsky Coking	YASK	0.61	1.31	0.56	1.7%	-3.2%	-11.6%	-9.0%	8.4%	4.5%	6.9%	2.4%
Iron Ore Mining												
Centralny GOK	CGOK	6.79	8.35	4.00	-1.6%	-3.6%	4.0%	-1.6%	5.1%	4.1%	22.5%	9.8%
Ferrexpo	FXPO	2.63	4.89	2.35	0.0%	1.9%	-21.9%	-34.7%	6.7%	9.6%	-3.4%	-23.3%
Pivnichny GOK	SGOK	8.68	12.75	6.00	-3.6%	0.5%	-2.5%	16.7%	3.2%	8.1%	16.0%	28.0%
Coal Mining												
Pokrovske Mine	SHCHZ	0.60	1.40	0.40	-6.3%	0.0%	-10.4%	-4.8%	0.5%	7.7%	8.1%	6.6%
Komsomolets Donbasa	SHKD	1.03	2.00	0.80	0.0%	-1.9%	-14.2%	-12.7%	6.7%	5.8%	4.3%	-1.4%
Energy Coal	CLE	1.94	8.45	1.91	0.0%	-17.8%	-39.8%	-37.2%	6.7%	-10.2%	-21.3%	-25.8%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.40	0.58	0.003	n/a	n/a	n/a	-31.0%	n/a	n/a	n/a	-19.7%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.74	1.34	0.60	-1.3%	-2.6%	-1.3%	5.7%	5.4%	5.1%	17.2%	17.1%
Interpipe NMPP	NVTR	0.18	0.60	0.10	-10.0%	-14.3%	5.9%	-18.2%	-3.3%	-6.6%	24.4%	-6.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	23.0	24.0	14.2	0.3%	1.4%	0.0%	18.6%	7.0%	9.1%	18.5%	29.9%
Luhanskeplovoz	LTPL	1.90	2.45	1.28	-3.6%	0.5%	1.1%	1.6%	3.2%	8.2%	19.6%	13.0%
Stakhanov Wagon	SVGZ	1.50	4.53	1.46	0.0%	-9.6%	-16.2%	-13.3%	6.7%	-2.0%	2.3%	-1.9%
Specialized Machinery												
Bogdan Motors	LUAZ	0.04	0.22	0.03	-10.3%	-11.0%	-24.7%	-0.9%	-3.6%	-3.3%	-6.2%	10.5%
Motor Sich	MSICH	2,114	2,880	1,750	-4.2%	-8.7%	-18.5%	-4.3%	2.6%	-1.0%	0.0%	7.0%
Sumy Frunze Engineering	SMASH	3.54	4.04	0.76	0.0%	4.1%	98.9%	136.0%	6.7%	11.8%	117.4%	147.3%
Turboatom	TATM	3.20	n/a	n/a	0.0%	n/a	n/a	n/a	6.7%	n/a	n/a	n/a
WESTA ISIC	WES	0.21	1.25	0.13	0.0%	-3.5%	-8.1%	-11.8%	6.7%	4.2%	10.4%	-0.4%
Telecom												
Ukrtelecom	UTLM	0.13	0.42	0.12	0.0%	-3.4%	-2.1%	-16.8%	6.7%	4.3%	16.4%	-5.4%
Oil & Gas												
Regal Petroleum	RPT	0.37	0.59	0.21	0.0%	-7.2%	-22.4%	-32.3%	6.7%	0.5%	-3.9%	-21.0%
JXX Oil	JKX	1.15	2.57	0.87	0.0%	-1.9%	13.3%	-3.8%	6.7%	5.8%	31.8%	7.6%
Ukrnafta	UNAF	124	305	80	-5.6%	-15.6%	-26.2%	4.2%	1.1%	-7.9%	-7.7%	15.6%
Power Utilities												
Centrenerg	CEEN	4.50	8.43	4.05	-17.4%	-17.2%	-24.3%	-29.1%	-10.7%	-9.6%	-5.8%	-17.8%
Donbasenergo	DOEN	19.7	29.4	15.0	-3.9%	-1.6%	-13.2%	-7.1%	2.8%	6.1%	5.3%	4.3%
Zakhidenergo	ZAEN	84.0	219.8	54.0	0.0%	-5.7%	-11.6%	-13.4%	6.7%	2.0%	6.9%	-2.1%
Consumer												
Agroton	AGT	2.58	7.7	2.24	0.0%	-10.6%	-13.8%	-20.5%	6.7%	-2.9%	4.7%	-9.2%
Astarta	AST	18.7	22.1	13.9	0.0%	4.3%	-6.6%	4.9%	6.7%	12.0%	11.9%	16.3%
Avangardo	AVGR	8.2	14.3	7.61	0.0%	7.1%	-20.5%	-28.1%	6.7%	14.8%	-2.0%	-16.7%
Industrial Milk Company	IMC	4.73	5.48	2.73	0.0%	1.9%	-7.7%	-10.9%	6.7%	9.6%	10.8%	0.5%
Kernel	KER	18.1	23.7	14.8	0.0%	1.9%	-8.2%	-16.2%	6.7%	9.6%	10.3%	-4.9%
Mriya Agro Holding	MAYA	5.91	7.4	5.04	0.0%	0.3%	-5.2%	-8.9%	6.7%	8.0%	13.3%	2.5%
MHPC	MHPC	17.8	19.9	10.00	0.0%	0.9%	-3.0%	16.4%	6.7%	8.5%	15.5%	27.7%
Milkiland	MLK	4.37	6.3	4.24	0.0%	0.1%	-5.7%	-7.0%	6.7%	7.7%	12.8%	4.3%
Ovostar Union	OVO	29.2	37.7	23.2	0.0%	-0.9%	-4.7%	1.0%	6.7%	6.8%	13.8%	12.4%
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	1.79	0.22	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chemicals												
Stirol	STIR	12.7	28.4	11.6	1.9%	-2.6%	-11.3%	-5.4%	8.7%	5.1%	7.2%	5.9%
Banks												
Raiffeisen Bank Aval	BAVL	0.092	0.137	0.061	-5.0%	-7.1%	-23.8%	7.8%	1.7%	0.5%	-5.3%	19.2%
UkrSotsbank	USCB	0.115	0.218	0.107	-2.0%	-1.4%	-17.7%	-10.9%	4.8%	6.3%	0.8%	0.5%

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
Steel																
Alchevsk Steel	ALMK	2,339	1,695	1,667	145	-21	-2	6.2%	neg	neg	36	-127	-52	1.6%	neg	neg
Enakievo Steel	ENMZ	1,716	1,578	1,577	-108	-84	-69	neg	neg	neg	31	9	-125	1.8%	0.5%	neg
Azovstal	AZST	3,867	2,794	2,788	-102	-173	-64	neg	neg	neg	-64	-333	-170	neg	neg	neg
Coke																
Avdyivka Coke	AVDK	1,457	1,072	1,054	6	-128	-74	0.4%	neg	neg	-32	-137	-97	neg	neg	neg
Yasynivsky Coking	YASK	566	444	448	29	29	28	5.1%	6.5%	6.2%	15	11	11	2.7%	2.4%	2.4%
Iron Ore Mining																
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%
Coal Mining																
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%
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	775	659	699	145	74	77	18.7%	11.3%	11.1%	98	34	34	12.7%	5.1%	4.9%
Railcar Manufacturing																
Luhanskteplovoz	LTPL	199	167	213	14	12	15	7.0%	7.4%	7.2%	9	7	8	4.5%	4.1%	3.8%
Kryukiv Wagon	KVBZ	770	887	643	118	134	93	15.3%	15.1%	14.4%	85	95	50	11.0%	10.7%	7.9%
Stakhanov Wagon	SVGZ	437	311	318	33	7	11	7.6%	2.3%	3.4%	20	1	3	4.6%	0.2%	0.9%
Specialized Machinery																
Turboatom	TATM	169	173	193	63	47	52	37.0%	27.3%	26.8%	53	38	42	31.5%	22.1%	21.7%
Motor Sich	MSICH	722	828	933	285	309	330	39.4%	37.4%	35.3%	168	247	270	23.2%	29.8%	28.9%
Telecom																
Ukrtelecom	UTLM	843	858	744	206	205	208	24.5%	23.8%	28.0%	-17	45	48	neg	5.3%	6.5%
Oil & Gas																
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%
Regal Petroleum	RPT	19	50	80	-4	23	36	neg	45.9%	44.7%	6	12	24	33.7%	24.0%	30.0%
JKX Oil	JKX	237	225	250	114	145	150	48.3%	64.4%	60.2%	59	40	50	24.9%	17.8%	20.0%
Electric Utilities																
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%
Consumer																
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%
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
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%
Ukrsporsbank	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			
Steel																		
Alchevsk Steel	ALMK	144	3.9%	6	1,560	4.0	neg	neg	10.7	neg	neg	0.7	0.9	0.9	538	464	418	\$/tonne
Yenakievo Steel	ENMZ	43	8.8%	4	36	1.4	5.1	neg	neg	neg	neg	0.0	0.0	0.0	14	14	13	\$/tonne
Azovstal	AZST	315	4.1%	13	293	neg	neg	neg	neg	neg	neg	0.1	0.1	0.1	52	49	47	\$/tonne
Coke																		
Avdyivka Coke	AVDK	71	7.5%	5	69	neg	neg	neg	11.3	neg	neg	0.0	0.1	0.1	20	15	12	\$/tonne
Yasynivsky Coke	YASK	20	9.0%	2	49	1.4	1.9	1.9	1.7	1.7	1.8	0.1	0.1	0.1	1.7	1.7	1.8	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	977	0.5%	5	976	3.0	10.3	9.4	2.0	4.1	4.8	1.2	1.7	1.9				
Pivnichny GOK	SGOK	2,455	0.5%	14	2,580	3.1	5.6	6.8	2.2	3.2	4.0	1.4	1.7	2.0				
Ferrexpo	FXPO	1,548	24.0%	372	1,798	2.7	7.2	5.9	2.2	4.5	4.0	1.0	1.3	1.1				
Coal Mining																		
Komsomolets Donbasa	SHKD	42	5.4%	2	144	2.8	1.1	1.2	2.1	1.5	1.6	0.8	0.6	0.6	35	34	32	\$/tonne
Coal Energy	CLE	88	11.9%	11	114	2.4	2.3	2.1	2.2	1.8	1.8	0.8	0.7	0.6	2.2	1.8	1.8	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	236	2.0%	5	279	2.4	7.0	6.9	1.9	3.8	3.6	0.4	0.4	0.4	442	733	697	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	51	24.0%	12	51	5.7	7.4	6.3	3.6	4.1	3.4	0.3	0.3	0.2				
Kruviv Wagon	KVBZ	324	5.0%	16	326	3.8	3.4	6.4	2.8	2.4	3.5	0.4	0.4	0.5				
Stakhanov Wagon	SVGZ	42	8.0%	3	81	2.1	>30	14.5	2.4	11.3	7.4	0.2	0.3	0.3				
Specialized Machinery																		
Turboatom	TATM	182	5.8%	10	129	3.4	4.8	4.3	2.1	2.7	2.5	0.8	0.7	0.7				
Motor Sich	MSICH	539	24.0%	129	549	3.2	2.2	2.0	1.9	1.8	1.7	0.8	0.7	0.6				
Telecom																		
Ukrtelecom	UTLM	306	7.2%	22	642	neg	6.8	6.4	3.1	3.1	3.1	0.8	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	823	3.0%	25	813	3.0	2.6	3.6	1.9	1.6	1.9	0.3	0.3	0.3	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	117	49.0%	58	100	18.4	9.8	4.9	neg	4.4	2.8	5.3	2.0	1.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	197	50.4%	100	306	3.3	4.9	3.9	2.7	2.1	2.0	1.3	1.4	1.2	80	56	42	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	204	21.7%	44	287	>30	7.1	6.1	5.9	4.7	4.2	0.3	0.3	0.3	20	20	16	\$/MWh
DonbasEnergO	DOEN	57	14.2%	8	114	neg	14.9	5.6	5.5	6.6	4.8	0.2	0.2	0.2	14	13	13	\$/MWh
Consumer																		
MHP	MHPC	1,875	34.1%	640	2,920	7.2	6.0	6.9	7.3	6.2	5.6	2.4	2.1	1.9	9125	9125	9125	\$/tonne
Kernel	KER	1,337	61.8%	826	1,947	5.9	6.3	6.9	6.3	6.0	5.7	1.0	0.9	0.7				
Astarta	AST	468	31.0%	145	615	4.1	9.4	7.9	4.3	6.3	5.1	1.5	1.3	1.1	3118	1898	1576	\$/tonne
Avangardco	AVGR	521	22.5%	117	669	2.7	2.3	2.2	2.7	2.4	2.3	1.2	1.1	1.0	151	115	108	\$/mneggs
Agroton	AGT	56	44.6%	25	89	neg	3.0	2.7	4.8	2.9	2.7	0.7	1.0	0.8	0.7	n/a	n/a	\$/th/ha
Banks																		
Raiffeisen Bank Aval	BAVL	341	4.0%	14		>30	>30	11.9	0.4	0.4	0.4	0.05	0.05	0.05				
Ukrsotsbank	USCB	260	1.6%	4		>30	>30	21.8	0.3	0.3	0.3	0.06	0.06	0.06				

Source: Eavex Research

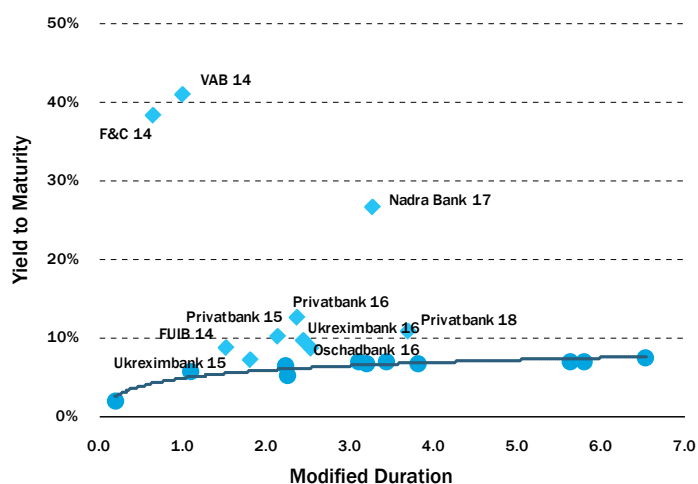
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn USD	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2013	100.3	100.8	6.2%	3.4%	-0.5%	0.2	7.65%	S/A	11 Jun. 2013	1,000	/B+/B
Ukraine, 2014	102.3	102.8	5.9%	5.5%	0.7%	1.1	7.95%	S/A	6 Apr. 2014	1,000	/B+/B
Naftogaz Ukraine, 2014	102.6	103.3	7.6%	7.1%	0.0%	1.4	9.50%	S/A	30 Sept 2014	1,595	//B
Ukraine, 2015 (EUR)	98.5	99.5	5.6%	5.2%	1.5%	2.3	4.95%	A	13 Oct 2015	600*	B2/B+/B
Ukraine, 2015	99.8	100.5	7.0%	6.7%	-1.1%	2.2	6.875%	S/A	23 Sept 2015	500	B2/B+/B
Ukraine, 2016	98.2	98.7	7.1%	7.0%	-1.4%	3.1	6.58%	S/A	21 Nov 2016	1,000	B//B
Ukraine, 2016-2	98.2	98.6	6.8%	6.7%	-1.2%	3.2	6.25%	S/A	17 Jun 2016	1,250	B2/B+/B
Ukraine, 2017	99.2	99.9	7.0%	6.8%	0.3%	3.8	6.75%	S/A	14 Nov 2017	700	B2/B+/B
Ukraine, 2017-2	108.1	108.7	7.0%	6.9%	1.1%	3.4	9.25%	S/A	24 Jul 2017	2,000	B2/B+/B
Ukraine, 2017 Infr. projects	100.0	101.5	8.4%	8.0%	2.5%	3.6	8.375%	S/A	3 Nov 2017	568	B2/-/B
Ukraine, 2018 Infr. projects	95.4	97.1	8.6%	8.2%	3.7%	4.0	7.40%	S/A	20 Apr 2018	690	B2/-/B
Ukraine, 2020	104.1	104.9	7.0%	6.9%	1.4%	5.6	7.75%	S/A	23 Sept 2020	1,500	B2/B+/B
Ukraine, 2021	104.5	105.1	7.2%	7.1%	0.9%	5.8	7.95%	S/A	23 Feb 2021	1,500	B2/B+/B
Ukraine, 2022	101.6	102.1	7.6%	7.5%	0.9%	6.5	7.80%	S/A	28 Nov 2022	1,250	//B
Corporate Eurobonds											
Agroton, 2014	75.0	79.9	39.0%	32.9%	n/a	1.0	12.50%	S/A	14 Jul 2014	50	-/-/B-
MHP, 2015	107.5	108.6	6.3%	6.0%	2.4%	1.8	10.25%	S/A	29 Apr 2015	585	B3//B
Avangardco, 2015	100.9	100.9	9.6%	9.6%	5.7%	2.1	10.00%	S/A	29 Oct 2015	200	-/-/B
Mriya, 2016	106.0	106.0	8.7%	8.7%	2.9%	2.5	10.95%	S/A	30 Mar 2016	250	-/B/B-
DTEK, 2015	105.2	105.9	6.8%	6.4%	4.3%	1.8	9.50%	S/A	28 Apr 2015	500	B2//B
Metinvest, 2015	106.5	106.9	6.9%	6.7%	2.8%	1.8	10.25%	S/A	20 May 2015	500	B3//B-
Metinvest, 2018	102.5	103.3	8.1%	7.9%	6.2%	3.9	8.75%	S/A	14 Feb 2018	750	B2/-/B-
Ferrexpo, 2016	101.0	101.0	7.5%	7.4%	3.7%	2.5	7.875%	S/A	07 Apr 2016	500	B2/B+/B
Interepipe, 2017	84.0	88.0	15.4%	13.8%	5.0%	3.2	10.25%	S/A	2 Aug 2017	200	-/B+/B+
Bank Eurobonds											
Fin&Credit Bank, 2014	80.0	84.0	42.1%	34.8%	33.3%	0.6	10.50%	S/A	25 Jan 2014	100	Caa1//
PUMB, 2014	102.8	104.3	9.4%	8.4%	2.6%	1.5	11.00%	Q	31 Dec 2014	275	B2//B-
Nadra Bank, 2017	71.0	80.2	31.4%	22.0%	5.0%	3.3	8.00%	A	22 Jun 2017	175	WD//WD
PrivatBank, 2015	97.3	98.5	10.7%	10.1%	3.3%	2.1	9.38%	S/A	23 Sept 2015	200	B1//B
PrivatBank, 2016	82.6	84.9	13.3%	12.2%	8.5%	2.4	8.75%	S/A	9 Feb 2016	150	B1//B
PrivatBank, 2018	99.5	101.1	11.0%	10.6%	0.3%	3.7	10.88%	S/A	28 Feb 2018	175	//B
UkrEximBank, 2015	101.5	102.1	7.6%	7.2%	1.9%	1.8	8.38%	S/A	27 Apr 2015	750	B1//B
UkrEximBank, 2016	89.0	91.4	10.4%	9.3%	7.0%	2.4	8.40%	S/A	2 Sept 2016	125	B1//B
UkrEximBank, 2018	101.0	101.9	8.5%	8.2%	1.5%	3.8	8.75%	S/A	22 Jan 2018	500	B3//B
VAB Bank, 2014	72.0	74.0	42.5%	39.7%	33.3%	1.0	10.50%	Q	14 Jun 2014	125	Caa1-/WD
Oschadbank, 2016	98.3	99.0	9.0%	8.7%	3.7%	2.5	8.25%	S/A	10 Mar 2016	700	B2//B
Municipal Eurobonds											
City of Kyiv, 2015	96.7	98.1	9.4%	8.9%	4.1%	2.2	8.00%	S/A	6 Nov 2015	250	B1/CCC+/B
City of Kyiv, 2016	97.9	99.8	10.1%	9.4%	5.7%	2.7	9.375%	S/A	30 Jun 2016	300	B1/CCC+/B

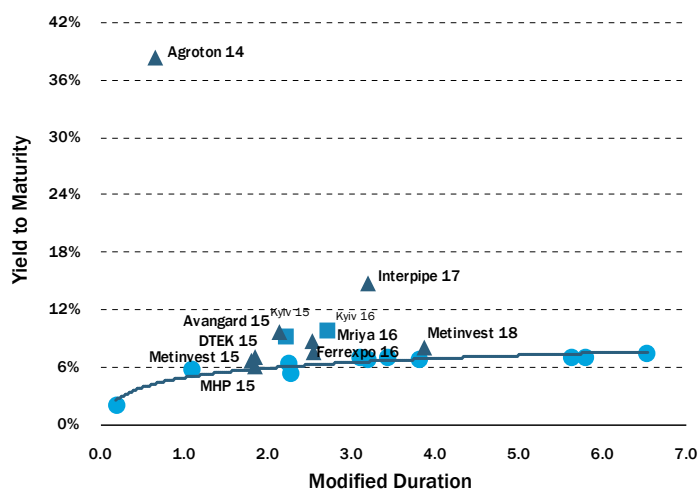
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS

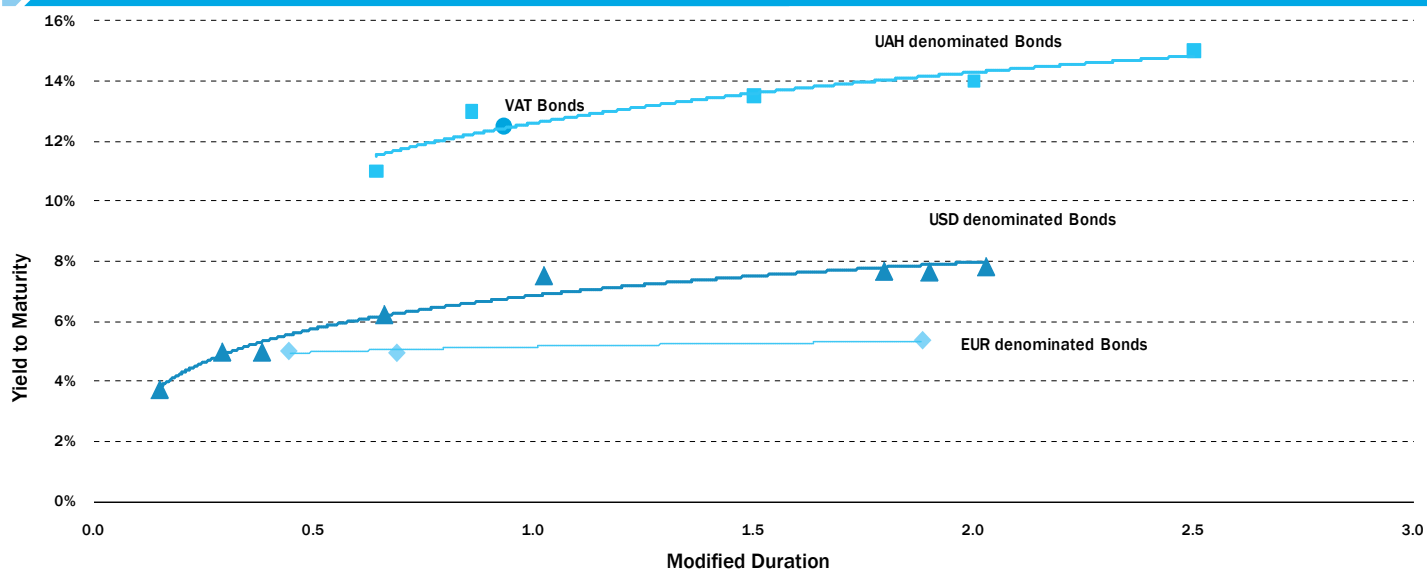


Source: Bloomberg, Cbonds, Eavex Research

UKRAINIAN DOMESTIC BONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn USD
UAH denominated Bonds									
UA4000119473			4.5%	3.0%	0.6	9.00%	S/A	22 May 2013	64
UA4000115117			11.8%	10.0%	0.9	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
USD denominated Bonds									
UA4000134431									
UA4000141063	100.3	100.5	4.5%	3.0%	0.1	9.30%	S/A	29 May 2013	235
UA4000142384	100.7	101.0	5.5%	4.5%	0.3	9.30%	S/A	24 Jul 2013	413
UA4000136832	100.9	101.3	5.5%	4.5%	0.4	9.27%	S/A	28 Aug 2013	254
UA4000138002	102.3	102.8	6.5%	6.0%	0.7	9.30%	S/A	27 Nov 2013	86
UA4000140362	103.5	104.0	7.9%	7.2%	1.0	9.20%	S/A	21 May 2014	171
UA4000142699	100.0	101.8	8.1%	7.3%	1.8	9.45%	S/A	22 Apr 2015	312
UA4000141071	106.6	107.6	8.1%	7.3%	1.9	9.45%	S/A	27 May 2015	152
UA4000142673	96.6	97.6	8.2%	7.5%	2.0	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000137731	99.9	100.0	3.9%	3.7%	0.4	4.80%	S/A	18 Sept 2013	205
UA4000138846	99.9	100.0	4.1%	3.9%	0.7	4.80%	S/A	25 Dec 2013	70
UA4000142681	99.0	99.1	4.6%	4.5%	1.9	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			12.5%	10.8%	0.9	5.50%	S/A	21 Aug 2015	141
UA4000082622			12.5%	10.8%	0.9	5.50%	S/A	24 Aug 2015	571
UA4000083059			12.5%	10.8%	0.9	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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