

Market Update

Equity

Ukrainian equities edged higher on Thursday (Apr 18), rising back above a key support level as the major US indices fell for a second straight day and European shares were nearly flat. The UX index added 0.5% to close at 801 points. The top-performing blue chip was Yenakievo Steel (ENMZ), which picked up 2.7%, and Avdyivka Coke (AVDK) and DonbasEnergO (DOEN) both gained 1.6%, ending the day at UAH 3.10 and UAH 19.12 respectively. Turnover in Avdyivka was UAH 4.8mn, or some 3x above the 2013 daily average. Most other names saw marginal gains of half a percent or less, although ISD-controlled Alchevsk Steel (ALMK) continued to move in the wrong direction, slipping another 0.5% to 4.21 kopecks. In second-tier names, Krukiv Wagon (KVBZ) made a strong move, jumping 10.8% to UAH 24.80, with the company's railcar output expected to improve after a subpar 1Q13. In foreign-listed issues, the big story of the day was Astarta (AST PW), which plummeted 15% to PLN 50.20 finally reacting to worse than expected profits for FY12 announced earlier this week.

Fixed Income

Ukrainian sovereign Eurobonds were down on Thursday. Ukraine-21s slid by 0.7p.p. to 102.5/103.2 (7.5%/7.4%) and Ukraine-17s declined by 0.4p.p. finishing at 98.6/99.4 (7.1%/6.9%). Corporate names were predominantly unchanged.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	1953.00	0.2%	7.9	178
Avdyivka Coke	AVDK	3.100	1.6%	4.8	172
Alchevsk Steel	ALMK	0.042	-0.5%	3.1	258

Growth Leaders

Kryukiv Wagon	KVBZ	24.79	10.7%	0.22	19
Stakhanov Wagon	SVGZ	1.50	3.2%	0.00	7
Enakievo Steel	ENMZ	32.89	2.8%	1.23	142

Loss Leaders

Pivnichny GOK	SGOK	6.01	-14.7%	2.39	34
Mostobud	MTBD	18.90	-12.9%	0.00	12
Ukrtelecom	UTLM	0.13	-2.2%	0.00	8

Highlights

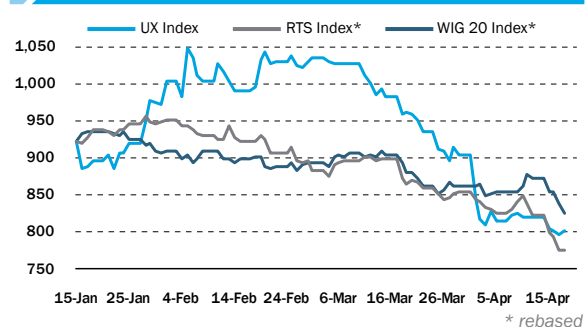
POLITICS AND ECONOMICS

- > IP Index Suffers a 5% YoY Hit After March Mega-Storm

STOCKS IN THE NEWS

- > SGOK and CGOK Decided to Leave FY12 Earnings Undistributed

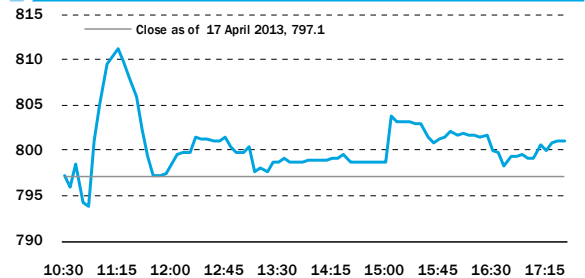
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	801.2	0.5%	-16.5%	-15.7%
RTS	1327.6	0.0%	-11.2%	-13.1%
WIG20	2269.2	-1.5%	-7.5%	-12.1%
MSCI EM	997.3	-0.4%	-3.2%	-5.5%
S&P 500	1541.6	-0.7%	-0.7%	9.9%

UX INTRADAY APRIL 18, 2013



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	298.7	0.5%	2.3%	10.2%
CDS 5Y UKR	595.1	0.7%	8.6%	-4.8%
Ukraine-13	7.4%	0.1%	0.9%	0.1%
Naftogaz Ukr-14	3.8%	-1.9%	-0.4%	-1.5%
Ukraine-20	6.7%	0.0%	0.1%	-0.9%
Privatbank-16	12.72%	0.0 p.p.	-0.5 p.p.	-2.6 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.14	0.1%	0.2%	1.1%
EUR	10.63	0.2%	1.0%	-0.5%
RUB	0.26	1.1%	-2.2%	-2.7%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	322.1	0.0%	0.0%	0.0%
Steel, USD/t	565.0	0.0%	-2.2%	6.1%
Oil, USD/bbl	87.7	1.2%	-6.8%	-4.9%
Gold, USD/oz	1390.6	1.0%	-13.4%	-16.0%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

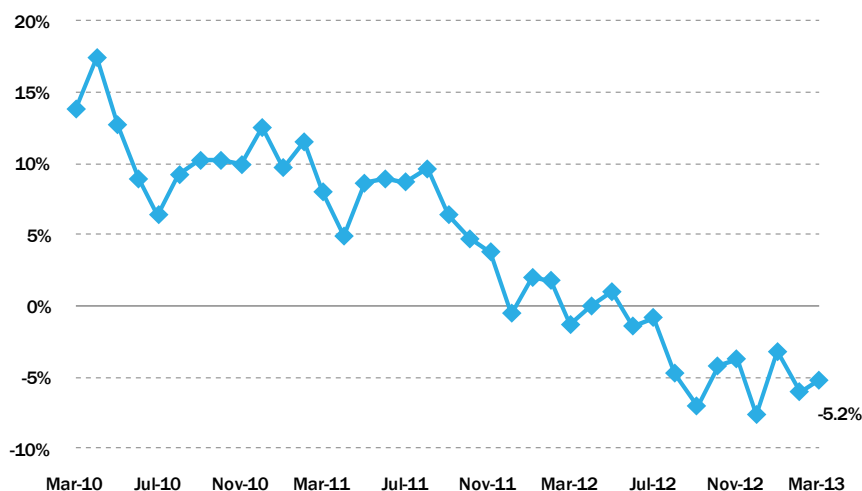
IP Index Suffers a 5% YoY Hit After March Mega-Storm

by Dmitry Churin
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NEWS

Industrial production in Ukraine dropped by 5.2% YoY in March, the State Statistics Committee (UkrStat) reported late on Wednesday (Apr 17). For 1Q13, the IP index is down by 5.0% YoY (or by 4.1% after adjusting for 1Q12's additional day).

UKRAINE'S MONTHLY INDUSTRIAL PRODUCTION INDEX, YOY



Source: State Statistics Committee

COMMENTARY

The fates appear to be conspiring to make Ukraine's 2013 decline in industrial output appear worse than it actually is. For the second month in a row, the headline IP number was skewed downward by an anomalous factor: this time, it was one of the largest snowstorms to hit Ukraine in recorded history that likely exaggerated the year-on-year dip in March's industrial output. In February, a nasty-looking drop of 6.0% YoY was partly caused by the comparison base of a 29-day February 2012, a fact which most outlets failed to adjust for when reporting the UkrStat headline figure.

Breaking down the 1Q data by segment, it is worth noting that the machinery sector looked weak by any measure in March, with output contracting by 14.9% YoY in the period amid a 16.9% drop in automobile production. The utility sector's output decreased by 6.2% YoY in 1Q13, probably due to the overall slowdown in the economic growth in the country. Meanwhile the extraction sector demonstrated only a marginal decrease of 0.2% YoY in 1Q13 as iron ore output grew by 2.2% YoY in the period, offsetting a 4.9% YoY drop in oil&gas extraction.

SGOK and CGOK Decided to Leave FY12 Earnings Undistributed

by Ivan Dzvinka
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NEWS

At their AGMs on Thursday (18 April), shareholders of Metinvest-owned Pivnichny GOK (SGOK) and Centralny GOK (CGOK) decided to distribute no dividends and keep FY12 earnings undistributed. This took place after both companies declared dividends every year over 2004-2012. Also, stakeholders of both companies approved agenda's item "significant deals" (SD).

COMMENTARY

The news is in line with our expectations. We saw a significant risk of approval zero dividends at both GOKS early this month as shareholders of traditional dividend play Khartsysk Pipe, another Metinvest-controlled company declared no dividends last week. As a result, no of four traditional dividend plays of Metinvest (SGOK, CGOK, Khartsysk and unlisted Inguletsk GOK) declared zero dividends this year.

With material decline in stock price of both GOKs recently, we strongly recommend shareholders of both companies to sell its stock to the company (this option is available to those holders who voted against SD at AGM yesterday). The buyback price for Pivnichny GOK stock was set at UAH 8.626 and UAH 7.257 for Centralny GOK. These are 43% and 14% above the current market price of SGOK and CGOK, respectively.

Low stock liquidity of SGOK and CGOK as well as material, in our view, risk of no dividends in future, will likely lead to material loose of investment interest in those stocks further pushing its price levels down.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, USD per share	Target price, USD per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.07	0.07	-4%	SELL	Non-transparent reporting practises detrimentally affect the company's reported earnings.
Khartsysk Pipe	HRTR	0.06	0.19	216%	BUY	The company has a 100% dividend payout policy, which we expect to remain in place going forward.
Iron Ore						
Ferrexpo	FXPO LN	2.47	3.33	35%	BUY	Launch of its new Yeristovo Mine in 2H12 should allow Ferrexpo to increase pellet output by 10% YoY to 10.6mn tonnes in 2013 with further growth to 12.0mn tonnes in 2015.
Pivnichny GOK	SGOK	0.74	1.77	139%	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	0.78	1.30	66%	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	0.38	0.76	100%	BUY	AVDK's order book is secure thanks to its integration with Metinvest, Ukraine's largest M&M holding.
Yasynivsky Coke	YASK	0.07	0.42	503%	BUY	Yasynivsky 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	442%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	3.05	6.18	103%	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	0.21	0.64	198%	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	240	644	168%	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	0.35	1.52	332%	BUY	We assume that Regal will be able to produce 5,200 boepd in 2014, generating USD 116mn in sales.
JKX Oil & Gas	JKX	1.0	6.0	492%	BUY	The expected start of operations in JKX's Russian gas field should lift output.
Power Utilities						
DonbasEnergO	DOEN	2.36	8.90	277%	BUY	DonbasEnergO recently launched Ukraine's most efficient power generation unit.
CenterEnergO	CEEN	0.48	1.84	287%	BUY	CenterEnergO's privatization is on the horizon for 2013.
Consumer						
MHP	MHPC	17.1	24.0	40%	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	15.97	30.0	88%	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	8.43	28.3	236%	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	801.21	1428.72	747.84	0.5%	-2.2%	-16.5%	-15.7%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.042	0.09	0.04	-0.5%	-7.5%	-15.1%	-21.2%	-1.0%	-5.2%	1.4%	-5.4%
Azovstal	AZST	0.58	1.31	0.54	0.2%	-3.7%	-9.6%	-21.9%	-0.3%	-1.4%	7.0%	-6.2%
Dniprospezstal	DNSS	980	n/a	n/a	0.0%	0.0%	-2.0%	-1.9%	-0.5%	2.2%	14.5%	13.8%
Enakievo Steel	ENMZ	32.9	65.8	27.7	2.7%	-2.1%	-5.9%	-13.4%	2.2%	0.1%	10.6%	2.3%
Arcelor Mittal KR	KSTL	1.20	n/a	n/a	0.0%	0.0%	-69.8%	n/a	-0.5%	2.2%	-53.3%	n/a
Mariupol Ilyicha	MMKI	0.17	0.32	0.13	-5.6%	-10.5%	-15.0%	-22.7%	-6.1%	-8.3%	1.5%	-7.0%
Coke												
Avdyivka Coke	AVDK	3.10	5.14	1.90	1.6%	1.8%	0.7%	-5.3%	1.1%	4.0%	17.3%	10.4%
Yasynivsky Coking	YASK	0.57	1.28	0.54	1.8%	-1.7%	-6.6%	-14.9%	1.3%	0.5%	10.0%	0.8%
Iron Ore Mining												
Centralny GOK	CGOK	6.37	8.25	4.00	-0.2%	-0.9%	-8.9%	-7.7%	-0.7%	1.3%	7.7%	8.0%
Ferrexpo	FXPO	2.47	4.78	2.35	-0.3%	-17.1%	-17.3%	-38.7%	-0.8%	-14.8%	-0.7%	-23.0%
Pivnichny GOK	SGOK	6.01	12.75	6.00	-14.8%	-32.4%	-36.5%	-19.2%	-15.3%	-30.2%	-19.9%	-3.5%
Coal Mining												
Pokrovske Mine	SHCHZ	0.54	1.40	0.40	-6.9%	-6.9%	-6.9%	-14.3%	-7.4%	-4.7%	9.6%	1.4%
Komsomolets Donbasa	SHKD	1.07	2.00	0.80	0.0%	-3.6%	-5.3%	-9.3%	-0.5%	-1.4%	11.2%	6.4%
Energy Coal	CLE	1.18	8.23	1.18	-7.0%	-38.6%	-60.3%	-62.0%	-7.6%	-36.4%	-43.8%	-46.3%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.40	0.58	0.003	0.0%	0.0%	n/a	-31.0%	-0.5%	2.2%	n/a	-15.3%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.49	1.34	0.47	-2.0%	-7.5%	-39.5%	-30.0%	-2.5%	-5.3%	-23.0%	-14.3%
Interpipe NMPP	NVTR	0.17	0.60	0.10	0.0%	0.0%	-15.0%	-22.7%	-0.5%	2.2%	1.5%	-7.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	24.8	24.8	14.2	10.7%	11.6%	8.3%	27.8%	10.1%	13.8%	24.8%	43.5%
Luhanskeplovoz	LTPL	1.74	2.45	1.28	5.5%	-0.6%	-5.9%	-7.0%	4.9%	1.7%	10.6%	8.8%
Stakhanov Wagon	SVGZ	1.50	4.40	1.30	3.4%	3.4%	-2.6%	-13.3%	2.9%	5.7%	13.9%	2.4%
Specialized Machinery												
Bogdan Motors	LUAZ	0.04	0.22	0.03	0.0%	-9.6%	-9.6%	-9.2%	-0.5%	-7.3%	7.0%	6.6%
Motor Sich	MSICH	1,953	2,880	1,750	0.2%	-2.4%	-21.6%	-11.6%	-0.4%	-0.1%	-5.0%	4.1%
Summy Frunze Engineering	SMASH	2.47	4.00	0.76	2.5%	-24.2%	-17.7%	64.7%	2.0%	-22.0%	-1.1%	80.4%
Turboatom	TATM	3.20	n/a	n/a	0.0%	0.0%	n/a	n/a	-0.5%	2.2%	n/a	n/a
WESTA ISIC	WES	0.23	1.12	0.13	17.0%	5.4%	0.5%	-6.0%	16.5%	7.7%	17.0%	9.7%
Telecom												
Ukrtelecom	UTLM	0.13	0.40	0.12	-2.2%	-0.7%	-6.4%	-18.7%	-2.7%	1.5%	10.1%	-3.0%
Oil & Gas												
Regal Petroleum	RPT	0.35	0.59	0.21	2.6%	-0.7%	-18.2%	-35.0%	2.1%	1.6%	-1.6%	-19.3%
JKX Oil	JKX	1.01	2.37	0.87	-1.5%	-9.2%	-15.8%	-15.2%	-2.0%	-7.0%	0.8%	0.5%
Ukrnafta	UNAF	119	292	80	0.5%	6.0%	-24.2%	0.0%	0.0%	8.2%	-7.6%	15.7%
Power Utilities												
Centrenerg	CEEN	3.86	8.43	3.76	0.3%	-3.5%	-32.3%	-39.2%	-0.3%	-1.2%	-15.8%	-23.5%
Donbasenergo	DOEN	19.2	28.3	15.0	1.6%	-1.4%	-8.5%	-9.5%	1.1%	0.8%	8.0%	6.2%
Zakhidenergo	ZAEN	79.5	194.7	54.0	6.0%	-1.9%	-18.8%	-18.0%	5.5%	0.4%	-2.3%	-2.3%
Consumer												
Agroton	AGT	1.10	7.0	0.36	65.9%	-57.8%	-67.3%	-66.2%	65.4%	-55.6%	-50.8%	-50.5%
Astarta	AST	16.0	22.1	13.9	-14.4%	-21.1%	-14.4%	-10.6%	-15.0%	-18.9%	2.1%	5.2%
Avangardo	AVGR	8.4	14.3	7.61	2.7%	2.1%	-13.0%	-25.6%	2.2%	4.3%	3.6%	-9.9%
Industrial Milk Company	IMC	4.21	5.48	2.73	-6.7%	-7.6%	-13.0%	-20.7%	-7.2%	-5.4%	3.5%	-5.0%
Kernel	KER	17.0	23.5	14.8	1.5%	-10.8%	-9.8%	-21.5%	1.0%	-8.5%	6.8%	-5.8%
Mriya Agro Holding	MAYA	5.68	7.4	5.04	-2.0%	-6.2%	-4.2%	-12.5%	-2.6%	-3.9%	12.3%	3.2%
MHPC	MHPC	17.1	19.9	10.00	0.4%	-0.9%	-7.5%	12.2%	-0.2%	1.3%	9.0%	27.9%
Milkiland	MLK	3.81	6.3	3.80	0.5%	-12.8%	-18.5%	-18.9%	0.0%	-10.6%	-2.0%	-3.2%
Ovostar Union	OVO	27.0	33.8	23.2	-5.1%	-11.0%	-12.4%	-6.4%	-5.6%	-8.7%	4.1%	9.3%
Sintal	SNPS	n/a	2.09	0.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MCB Agricole	4GW1	n/a	1.10	0.22	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chemicals												
Stirol	STIR	11.6	28.4	10.4	5.5%	6.9%	-13.4%	-13.4%	4.9%	9.1%	3.1%	2.3%
Banks												
Raiffeisen Bank Aval	BAVL	0.096	0.128	0.061	-0.3%	-3.7%	-9.8%	11.8%	-0.8%	-1.5%	6.7%	27.5%
UkrSotsbank	USCB	0.116	0.215	0.107	0.3%	-0.9%	-0.1%	-9.8%	-0.3%	1.3%	16.4%	5.9%

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
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%
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			
Steel																		
Alchevsk Steel	ALMK	133	3.9%	5	1,549	3.7	neg	neg	10.6	neg	neg	0.7	0.9	0.9	534	460	415	\$/tonne
Yenakievo Steel	ENMZ	43	8.8%	4	35	1.4	5.0	neg	neg	neg	neg	0.0	0.0	0.0	14	13	13	\$/tonne
Azovstal	AZST	298	4.1%	12	276	neg	neg	neg	neg	neg	neg	0.1	0.1	0.1	49	47	44	\$/tonne
Coke																		
Avdyivka Coke	AVDK	74	7.5%	6	72	neg	neg	neg	11.8	neg	neg	0.0	0.1	0.1	20	16	13	\$/tonne
Yasynivsky Coke	YASK	19	9.0%	2	48	1.3	1.8	1.8	1.7	1.7	1.7	0.1	0.1	0.1	1.7	1.7	1.7	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	917	0.5%	5	916	2.8	9.6	8.8	1.8	3.9	4.5	1.1	1.6	1.8				
Pivnichny GOK	SGOK	1,701	0.5%	9	1,825	2.2	3.9	4.7	1.6	2.2	2.9	1.0	1.2	1.4				
Ferrexpo	FXPO	1,453	24.0%	349	1,703	2.5	6.8	5.5	2.1	4.2	3.8	1.0	1.2	1.1				
Coal Mining																		
Komsomolets Donbasa	SHKD	44	5.4%	2	146	2.9	1.1	1.3	2.2	1.5	1.6	0.8	0.6	0.6	36	34	32	\$/tonne
Coal Energy	CLE	53	11.9%	6	79	1.5	1.4	1.2	1.5	1.3	1.2	0.5	0.5	0.4	1.5	1.3	1.2	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	156	2.0%	3	199	1.6	4.6	4.6	1.4	2.7	2.6	0.3	0.3	0.3	316	524	497	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	47	24.0%	11	47	5.2	6.8	5.8	3.3	3.8	3.1	0.2	0.3	0.2				
Krukiw Wagon	KVBZ	349	5.0%	17	351	4.1	3.7	6.9	3.0	2.6	3.8	0.5	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	130	3.4	4.8	4.3	2.1	2.8	2.5	0.8	0.7	0.7				
Motor Sich	MSICH	498	24.0%	120	508	3.0	2.0	1.8	1.8	1.6	1.5	0.7	0.6	0.5				
Telecom																		
Ukrtelecom	UTLM	299	7.2%	22	635	neg	6.6	6.2	3.1	3.1	3.0	0.8	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	790	3.0%	24	780	2.9	2.5	3.5	1.8	1.5	1.8	0.3	0.3	0.3	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	113	49.0%	55	95	17.6	9.4	4.7	neg	4.2	2.7	5.0	1.9	1.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	174	50.4%	88	282	2.9	4.3	3.5	2.5	1.9	1.9	1.2	1.3	1.1	74	52	39	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	175	21.7%	38	258	>30	6.1	5.2	5.3	4.2	3.8	0.3	0.2	0.2	18	18	14	\$/MWh
DonbasEnergO	DOEN	56	14.2%	8	112	neg	14.6	5.5	5.4	6.5	4.7	0.2	0.2	0.2	14	13	13	\$/MWh
Consumer																		
MHP	MHPC	1,807	34.1%	617	2,852	7.0	5.8	6.7	7.1	6.1	5.5	2.3	2.0	1.9	8914	8914	8914	\$/tonne
Kernel	KER	1,253	61.8%	774	1,863	5.5	5.9	6.4	6.0	5.8	5.5	1.0	0.9	0.7				
Astarta	AST	399	31.0%	124	546	3.5	8.0	6.8	3.8	5.6	4.5	1.4	1.2	1.0	2768	1685	1399	\$/tonne
Avangardco	AVGR	538	22.5%	121	686	2.7	2.4	2.3	2.7	2.5	2.3	1.2	1.1	1.0	155	118	111	\$/mneggs
Agroton	AGT	24	44.6%	11	57	neg	1.3	1.1	3.1	1.8	1.7	0.5	0.6	0.5	0.4	n/a	n/a	\$/th/ha
Banks																		
Raiffeisen Bank Aval	BAVL	353	4.0%	14		>30	>30	12.4	0.4	0.4	0.4	0.05	0.05	0.05				
Ukrsotsbank	USCB	263	1.6%	4		>30	>30	21.8	0.3	0.3	0.3	0.06	0.06	0.06				

Source: Eavex Research

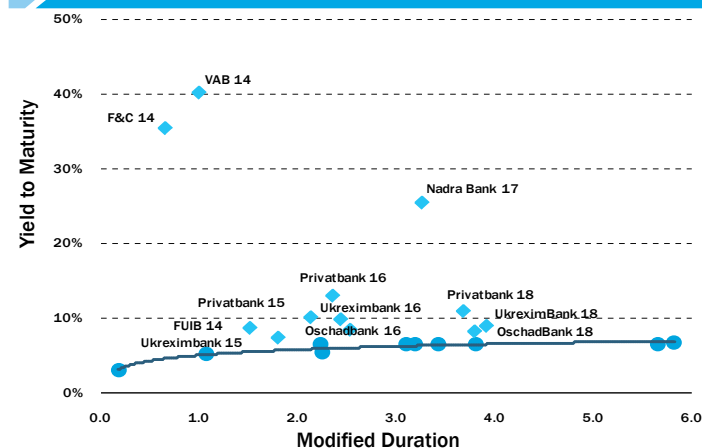
UKRAINIAN EUROBONDS

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	5.7%	2.0%	-0.5%	0.1	7.65%	S/A	11 Jun. 2013	1,000	/B+/B
Ukraine, 2014	102.3	102.9	5.7%	5.3%	0.8%	1.0	7.95%	S/A	6 Apr. 2014	1,000	/B+/B
Naftogaz Ukraine, 2014	103.5	104.1	6.9%	6.5%	0.8%	1.3	9.50%	S/A	30 Sept 2014	1,595	//B
Ukraine, 2015 (EUR)	98.5	99.5	5.6%	5.2%	1.5%	2.2	4.95%	A	13 Oct 2015	600*	B2/B+/B
Ukraine, 2015	99.9	100.7	6.9%	6.6%	-0.9%	2.2	6.875%	S/A	23 Sept 2015	500	B2/B+/B
Ukraine, 2016	98.2	98.8	7.1%	7.0%	-1.4%	3.1	6.58%	S/A	21 Nov 2016	1,000	B//B
Ukraine, 2016-2	97.8	98.4	6.9%	6.7%	-1.5%	3.1	6.25%	S/A	17 Jun 2016	1,250	B2/B+/B
Ukraine, 2017	98.6	99.4	7.1%	6.9%	-0.2%	3.8	6.75%	S/A	14 Nov 2017	700	B2/B+/B
Ukraine, 2017-2	107.3	108.1	7.2%	7.0%	0.5%	3.4	9.25%	S/A	24 Jul 2017	2,000	B2/B+/B
Ukraine, 2017 Infr. projects	100.0	101.5	8.5%	8.0%	2.5%	3.6	8.375%	S/A	3 Nov 2017	568	B2/-/-
Ukraine, 2018 Infr. projects	95.8	97.2	8.5%	8.2%	4.0%	3.9	7.40%	S/A	20 Apr 2018	690	B2/-/-
Ukraine, 2020	101.7	102.5	7.4%	7.3%	-0.9%	5.6	7.75%	S/A	23 Sept 2020	1,500	B2/B+/B
Ukraine, 2021	102.5	103.2	7.5%	7.4%	-1.0%	5.7	7.95%	S/A	23 Feb 2021	1,500	B2/B+/B
Ukraine, 2022	100.2	101.0	7.8%	7.6%	-0.3%	6.5	7.80%	S/A	28 Nov 2022	1,250	//B
Corporate Eurobonds											
Agroton, 2014	75.0	80.0	40.1%	33.6%	n/a	1.0	12.50%	S/A	14 Jul 2014	50	-/-/B-
MHP, 2015	106.2	107.4	6.9%	6.6%	1.3%	1.8	10.25%	S/A	29 Apr 2015	585	B3//B
MHP, 2020	100.5	100.5	8.2%	8.2%	0.5%	5.2	8.25%	S/A	2 Apr 2020	750	B3//B
Avangardco, 2015	99.9	99.9	10.1%	10.1%	4.6%	2.1	10.00%	S/A	29 Oct 2015	200	-/-/B
UkrLandFarming, 2018	99.3	100.3	11.0%	10.8%	-0.2%	3.7	10.88%	S/A	26 Mar 2018	275	B-//B
Mriya, 2016	106.0	106.0	8.6%	8.6%	2.9%	2.5	10.95%	S/A	30 Mar 2016	250	-/B/B-
DTEK, 2015	105.1	105.6	6.8%	6.5%	4.2%	1.8	9.50%	S/A	28 Apr 2015	500	B2//B
DTEK, 2018	98.3	99.0	8.3%	8.1%	-1.3%	4.0	7.88%	S/A	4 Apr 2018	600	B2//B
Metinvest, 2015	107.4	107.8	6.4%	6.2%	3.6%	1.8	10.25%	S/A	20 May 2015	500	B3//B-
Metinvest, 2018	102.7	103.7	8.0%	7.8%	6.5%	3.8	8.75%	S/A	14 Feb 2018	750	B2/-/B-
Ferrexpo, 2016	100.5	100.5	7.7%	7.6%	3.2%	2.6	7.875%	S/A	07 Apr 2016	500	B2/B+/B
Interepipe, 2017	77.0	80.1	18.2%	16.6%	-3.8%	3.1	10.25%	S/A	2 Aug 2017	200	-/B+/B+
Bank Eurobonds											
Fin&Credit Bank, 2014	82.0	86.0	40.3%	32.7%	36.7%	0.6	10.50%	S/A	25 Jan 2014	100	Caa1//
PUMB, 2014	102.8	104.4	9.3%	8.3%	2.6%	1.5	11.00%	Q	31 Dec 2014	275	B2//B-
Nadra Bank, 2017	75.0	79.5	27.7%	23.2%	-3.8%	3.2	8.00%	A	22 Jun 2017	175	WD//WD
PrivatBank, 2015	97.7	99.1	10.5%	9.8%	3.8%	2.1	9.38%	S/A	23 Sept 2015	200	B1//B
PrivatBank, 2016	82.8	85.5	13.3%	12.0%	9.0%	2.3	8.75%	S/A	9 Feb 2016	150	B1//B
PrivatBank, 2018	99.2	100.8	11.1%	10.6%	0.0%	3.6	10.88%	S/A	28 Feb 2018	175	//B
UkrEximBank, 2015	101.0	101.4	7.9%	7.6%	1.3%	1.8	8.38%	S/A	27 Apr 2015	750	B1//B
UkrEximBank, 2016	87.9	91.0	11.0%	9.6%	6.1%	2.4	8.40%	S/A	2 Sept 2016	125	B1//B
UkrEximBank, 2018	99.9	100.5	8.8%	8.6%	0.2%	3.7	8.75%	S/A	22 Jan 2018	500	B3//B
VAB Bank, 2014	76.0	77.0	38.2%	36.9%	40.7%	1.0	10.50%	Q	14 Jun 2014	125	Caa1-/-/WD
Oschadbank, 2016	98.5	99.5	8.9%	8.5%	4.0%	2.5	8.25%	S/A	10 Mar 2016	700	B2//B
Oschadbank, 2018	97.4	98.4	9.6%	9.3%	-2.1%	3.9	8.88%	S/A	20 Mar 2018	500	B1//B
Municipal Eurobonds											
City of Kyiv, 2015	96.1	98.1	9.8%	8.8%	3.8%	2.2	8.00%	S/A	6 Nov 2015	250	B1/CCC+/B
City of Kyiv, 2016	96.9	99.0	10.5%	9.8%	4.7%	2.6	9.375%	S/A	30 Jun 2016	300	B1/CCC+/B

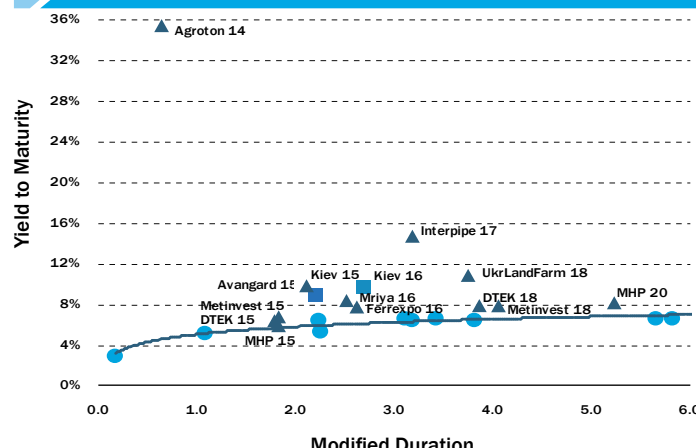
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS

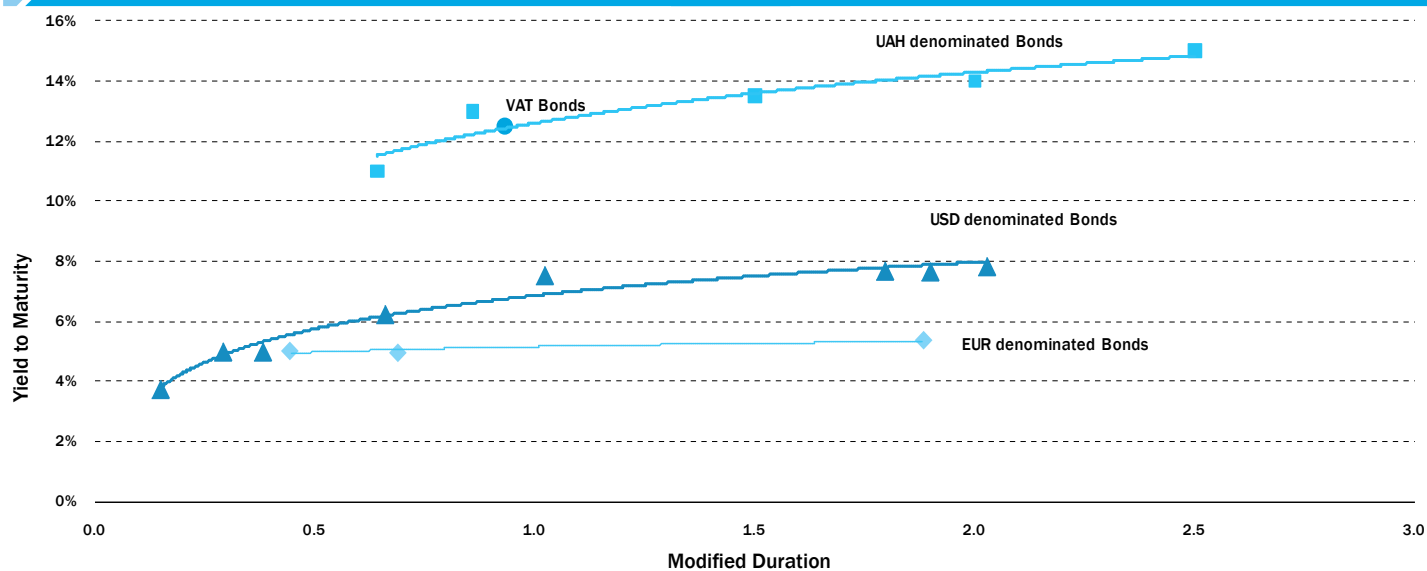


Source: Bloomberg, Cbonds, Eavex Research

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%	0.8	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
USD denominated Bonds									
UA4000134431									
UA4000141063	100.2	100.3	4.5%	3.0%	0.1	9.30%	S/A	29 May 2013	235
UA4000142384	100.5	100.8	5.5%	4.5%	0.2	9.30%	S/A	24 Jul 2013	413
UA4000136832	100.7	101.1	5.5%	4.5%	0.3	9.27%	S/A	28 Aug 2013	254
UA4000138002	100.6	101.1	6.5%	6.0%	0.6	9.30%	S/A	27 Nov 2013	86
UA4000140362	100.8	101.3	7.9%	7.2%	1.0	9.20%	S/A	21 May 2014	171
UA4000142699	101.1	102.8	8.1%	7.3%	1.8	9.45%	S/A	22 Apr 2015	312
UA4000141071	101.8	102.8	8.1%	7.3%	1.8	9.45%	S/A	27 May 2015	152
UA4000142673	92.1	93.1	8.2%	7.5%	2.0	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000137731	100.3	100.4	3.9%	3.7%	0.4	4.80%	S/A	18 Sept 2013	205
UA4000138846	100.5	100.6	4.1%	3.9%	0.6	4.80%	S/A	25 Dec 2013	70
UA4000142681	100.1	100.3	4.6%	4.5%	1.8	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			12.5%	10.8%	1.1	5.50%	S/A	21 Aug 2015	141
UA4000082622			12.5%	10.8%	1.1	5.50%	S/A	24 Aug 2015	571
UA4000083059			12.5%	10.8%	1.1	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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