

Market Update
Equity

Ukrainian stocks were sluggish on Tuesday (May 14), again failing to keep pace with the seemingly unstoppable rally in the main global equity indices, where central bank easing continues to pump up asset values. The UX finished down by half a percent, closing at 818 points. Yenakievo Steel (ENMZ) fell 1.2% while Raiffeisen Aval (BAVL) and DonbasEnergo (DOEN) both slipped 0.9%. Low-liquidity issue UkrSotsBank (USCB) strengthened against the market, adding 1.4% on typically light volume of less than UAH 100,000, and Azovstal (AZST) posted a small rise of 0.2%. In second-tier names, Yasynivsky Coke (YASK) picked up 1.7%, while Stakhanov Wagon (SVGZ) shed 2.6% to UAH 1.35. In Warsaw, Astarta (AST PW) fell 1.9% to PLN 54 ahead of the release of its 1Q financials this morning.

Fixed Income

Ukrainian sovereign Eurobonds were mixed on Tuesday. Ukraine-23s declined by 0.8p.p. to 98.7/99.4 (7.7%/7.6%) while Ukraine-17s finished unchanged at 99.8/100.6 (6.8%/6.6%). Corporate names were also mixed, with MHP-20s edging down by 0.3p.p. to 99.5/100.3 (8.3%/8.2%) while Mriya-16s moved up by 0.4p.p. to 106.6/107.5 (8.4%/8.0%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	1982.00	-0.5%	3.6	103
Raiffeisen Bank Aval	BAVL	0.101	-0.9%	1.4	202
Enakievo Steel	ENMZ	32.310	-1.2%	1.1	48

Growth Leaders

Pivnichny GOK	SGOK	7.68	16.4%	0.08	7
Yasynivsky Coke	YASK	0.58	1.8%	0.22	9
Ukrsotsbank	USCB	0.12	1.4%	0.07	92

Loss Leaders

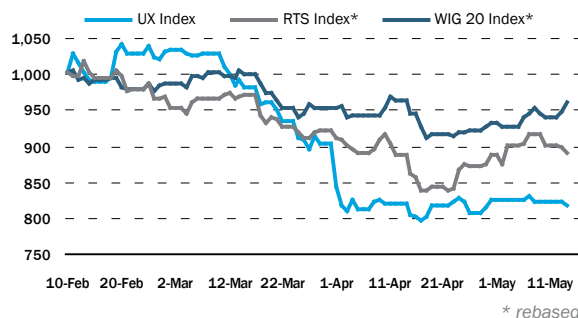
Stakhanov Wagon	SVGZ	1.35	-2.6%	0.06	17
Ukrnafta	UNAF	113.10	-1.3%	1.05	112
Enakievo Steel	ENMZ	32.31	-1.2%	1.11	48

Highlights
POLITICS AND ECONOMICS

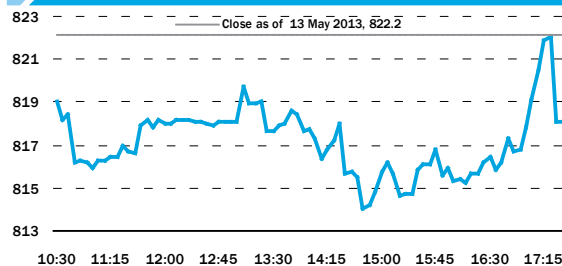
- > NBU: Gross External Debt Up 7% YoY to USD 135bn in 2012

STOCKS IN THE NEWS

- > Astarta's Net Profit Rises by 32% YoY in 1Q13

STOCK MARKET PERFORMANCE

MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	818.3	-0.5%	-0.3%	-13.9%
RTS	1412.7	-0.7%	0.5%	-7.5%
WIG20	2386.8	1.4%	-0.4%	-7.6%
MSCI EM	1046.2	0.4%	2.6%	-0.9%
S&P 500	1650.3	1.0%	3.9%	17.7%

UX INTRADAY MAY 14, 2013

FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	276.0	-0.9%	-3.2%	1.9%
CDS 5Y UKR	585.0	0.5%	5.9%	-6.4%
Ukraine-13	7.3%	0.1%	0.5%	0.0%
Naftogaz Ukr-14	2.8%	0.2%	-1.9%	-2.5%
Ukraine-20	6.1%	0.0%	-0.4%	-1.5%
Privatbank-16	12.84%	0.0 p.p.	0.2 p.p.	-2.5 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.15	0.2%	0.2%	1.2%
EUR	10.53	-0.2%	-1.3%	-1.5%
RUB	0.26	0.0%	-0.9%	-2.1%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	322.1	0.0%	0.0%	0.0%
Steel, USD/t	540.0	0.0%	-4.4%	1.4%
Oil, USD/bbl	94.2	-1.0%	2.8%	2.1%
Gold, USD/oz	1425.4	-0.4%	-3.9%	-13.9%

*Ukraine FOB

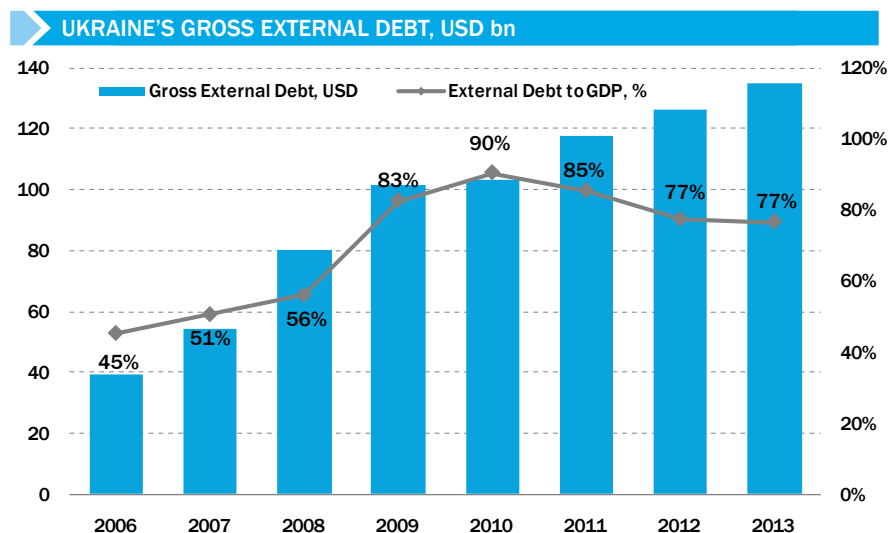
Source: Bloomberg, Ukrainian Exchange

NBU: Gross External Debt Up 7% YoY to USD 135bn in 2012

by Dmitry Churin
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NEWS

Ukraine's gross external debt, which includes public, corporate, and banking sector debt, grew by 7% YoY to USD 135bn in 2012, the National Bank (NBU) reported on Tuesday (May 14). Relative to the overall economy, gross external debt was 76.6% as a percentage of GDP as of end-2012. Public external debt amounted to USD 32.2bn, the external debt of the banking system was USD 21.6bn, and corporate and other debt was USD 81.3bn as of 1 Jan 2013.



Source: National Bank of Ukraine

COMMENTARY

The gross external debt figure - the broadest indicator of a country's foreign indebtedness - looks manageable for Ukraine, especially taking in account that about 25% of corporate debt was in the form of payables for export-import operations. Despite the increase of the debt in absolute figures, the rate of gross external debt to GDP was lower than in 2009-2011.

In terms of debt maturity, 24.6% of Ukraine's external debt is short-term, compared to 25.9% a year earlier. About 75% of the country's external debt is denominated in USD, 10.7% is denominated in EUR, and 2.7% in RUR, with most of the remaining 11% in special drawing rights (SDRs) owed to the IMF.

Astarta's Net Profit Rises by 32% YoY in 1Q13

by Dmitry Churin
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ASTARTA (AST PW)

Price: PLN 54.0 Market Cap: USD 419mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012E	1.6	7.3	6.7	0%
2013E	1.3	6.2	5.4	0%

NEWS

Astarta, Ukraine's largest sugar producer and a major crop grower, reported a rise in its net profit by 32.6% YoY to EUR 11.4mn, according to the company's 1Q13 financials published this morning (May 15). Revenue rose by 29.5% YoY to EUR 83.3mn and EBITDA increased by 26.8% YoY to EUR 23.2mn during the quarter.

The company's export sales rose by 48% YoY to EUR 29mn, accounting for 35% of the total revenue in the period.

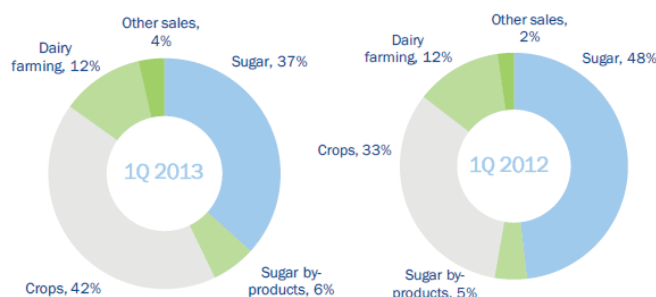
ASTARTA 2012 FINANCIALS

EUR mn	1Q13	1Q12	chg.
Net revenue	83.3	64.3	+29.5%
EBITDA	23.2	18.3	+26.8%
margin	28%	28%	-
Net Income	11.4	8.6	+32.6%
net margin	14%	13%	+1 p.p.

Source: Company data.

COMMENTARY

Thanks to favorable market conditions for the crop segment, Astarta managed to compensate for falling margins in the struggling sugar segment and lift its overall profitability. Revenues in the crop segment jumped by 66% YoY to EUR 35mn, accounting for 42% of total revenue in the period, versus 33% a year earlier. The company's main crops were soybeans, corn and wheat.



Source: Company's data

On the balance sheet side, Astarta's total assets rose by 18% YoY to EUR 673mn. The company's net debt stood at EUR 250mn (in the form of various loans) as of 31 Mar 2013, yielding an estimated Net Debt/EBITDA of ratio 2.8x.

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	197%	BUY	The company has a 100% dividend payout policy, which we expect to remain in place going forward.
Iron Ore						
Ferrexpo	FXPO LN	2.86	3.33	16%	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	0.95	1.77	87%	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	0.79	1.30	65%	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	103%	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	489%	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	414%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	2.98	6.18	108%	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	206%	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	244	644	164%	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	334%	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	489%	BUY	The expected start of operations in JKX's Russian gas field should lift output.
Power Utilities						
DonbasEnergO	DOEN	2.46	8.90	262%	BUY	DonbasEnergO recently launched Ukraine's most efficient power generation unit.
CenterEnergO	CEEN	0.50	1.84	269%	BUY	CenterEnergO's privatization is on the horizon for 2013.
Consumer						
MHP	MHPC	18.0	24.0	33%	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	16.72	30.0	79%	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	8.88	28.3	219%	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	818.29	1203.21	747.84	-0.5%	-1.6%	-0.3%	-13.9%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.044	0.07	0.04	0.2%	-0.2%	-4.6%	-18.4%	0.7%	1.4%	-4.3%	-4.4%
Azovstal	AZST	0.58	1.19	0.54	0.2%	-1.2%	-4.3%	-21.9%	0.6%	0.4%	-4.0%	-8.0%
Dniprospezstal	DNSS	700	n/a	n/a	0.0%	0.0%	-28.6%	-29.9%	0.5%	1.6%	-28.2%	-16.0%
Enakievo Steel	ENMZ	32.3	48.9	27.7	-1.2%	-3.0%	-4.4%	-15.0%	-0.7%	-1.4%	-4.1%	-1.1%
Arcelor Mittal KR	KSTL	1.20	n/a	n/a	0.0%	n/a	0.0%	n/a	0.5%	n/a	0.3%	n/a
Mariupol Ilyicha	MMKI	0.18	0.32	0.13	0.0%	-5.3%	-5.3%	-18.2%	0.5%	-3.7%	-4.9%	-4.3%
Coke												
Avdivka Coke	AVDK	3.05	4.15	1.90	-0.3%	0.1%	-0.2%	-6.8%	0.2%	1.7%	0.1%	7.1%
Yasnyivsky Coking	YASK	0.58	1.16	0.54	1.8%	1.8%	-1.7%	-13.4%	2.2%	3.3%	-1.4%	0.5%
Iron Ore Mining												
Centralny GOK	CGOK	6.39	7.74	4.00	0.0%	-0.9%	1.4%	-7.4%	0.5%	0.7%	1.8%	6.5%
Ferrexpo	FXPO	2.87	4.58	2.35	-1.7%	2.3%	2.7%	-28.8%	-1.2%	3.9%	3.0%	-14.8%
Pivnichny GOK	SGOK	7.68	12.47	5.77	16.4%	2.4%	-5.4%	3.2%	16.8%	4.0%	-5.1%	17.1%
Coal Mining												
Pokrovske Mine	SHCHZ	0.57	1.30	0.40	3.6%	1.8%	-5.0%	-9.5%	4.1%	3.4%	-4.7%	4.4%
Komsomolets Donbasa	SHKD	1.00	2.00	0.76	0.0%	0.0%	-13.0%	-15.3%	0.5%	1.6%	-12.7%	-1.3%
Energy Coal	CLE	1.38	6.30	0.85	-0.5%	-14.8%	-19.0%	-55.4%	0.0%	-13.2%	-18.6%	-41.5%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.40	n/a	n/a	0.0%	n/a	0.0%	-31.0%	0.5%	n/a	0.3%	-17.1%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.52	1.30	0.47	0.0%	-1.9%	-1.9%	-25.7%	0.5%	-0.3%	-1.6%	-11.8%
Interpipe NMPP	NVTR	0.17	0.60	0.10	0.0%	-5.6%	-15.0%	-22.7%	0.5%	-4.0%	-14.7%	-8.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	24.2	25.9	14.2	0.8%	-3.2%	5.3%	24.7%	1.3%	-1.7%	5.6%	38.7%
Luhanskeplovoz	LTPL	1.70	2.28	1.28	-1.2%	0.0%	-2.9%	-9.1%	-0.7%	1.6%	-2.5%	4.8%
Stakhanov Wagon	SVGZ	1.35	3.46	1.26	-2.9%	-8.2%	-10.6%	-22.0%	-2.4%	-6.6%	-10.3%	-8.1%
Specialized Machinery												
Bogdan Motors	LUAZ	0.04	0.22	0.03	0.0%	-19.1%	38.4%	-4.2%	0.5%	-17.5%	38.7%	9.7%
Motor Sich	MSICH	1,982	2,640	1,750	-0.5%	-1.1%	-0.3%	-10.3%	0.0%	0.4%	0.0%	3.6%
Sumy Frunze Engineering	SMASH	3.50	4.00	0.76	16.7%	25.0%	21.1%	133.3%	17.1%	26.6%	21.4%	147.2%
Turboatom	TATM	3.20	n/a	n/a	0.0%	n/a	0.0%	n/a	0.5%	n/a	0.3%	n/a
WESTA ISIC	WES	0.17	0.71	0.13	-3.8%	-3.3%	-20.4%	-30.1%	-3.4%	-1.7%	-20.0%	-16.1%
Telecom												
Ukrtelecom	UTLM	0.13	0.37	0.12	0.0%	-1.8%	-2.1%	-16.2%	0.5%	-0.2%	-1.8%	-2.3%
Oil & Gas												
Regal Petroleum	RPT	0.35	0.59	0.21	-0.3%	-5.7%	2.6%	-35.3%	0.1%	-4.1%	2.9%	-21.3%
JKX Oil	JKX	1.02	1.91	0.87	-1.1%	-4.4%	-6.4%	-14.6%	-0.6%	-2.8%	-6.0%	-0.7%
Ukrnafta	UNAF	113	280	80	-1.3%	-1.2%	-0.3%	-4.6%	-0.8%	0.4%	0.1%	9.3%
Power Utilities												
Centrenerg	CEEN	4.06	7.33	3.76	-0.6%	-1.8%	0.9%	-36.1%	-0.2%	-0.2%	1.2%	-22.2%
Donbasenergo	DOEN	20.0	28.1	15.0	-0.9%	-1.4%	3.1%	-5.6%	-0.4%	0.2%	3.4%	8.3%
Zakhidenergo	ZAEN	81.8	162.8	54.0	0.4%	-3.7%	9.1%	-15.7%	0.8%	-2.1%	9.4%	-1.8%
Consumer												
Agroton	AGT	0.79	4.2	0.36	-2.6%	-18.3%	-31.3%	-75.7%	-2.1%	-16.7%	-31.0%	-61.7%
Astarta	AST	16.8	22.1	13.9	-1.9%	5.0%	-17.0%	-5.9%	-1.4%	6.6%	-16.6%	8.0%
Avangardo	AVGR	8.9	13.5	7.61	-0.3%	1.4%	5.3%	-21.7%	0.2%	3.0%	5.7%	-7.8%
Industrial Milk Company	IMC	4.06	5.48	2.73	-1.6%	-1.2%	-13.8%	-23.5%	-1.1%	0.4%	-13.5%	-9.6%
Kernel	KER	18.2	23.0	14.8	0.7%	1.2%	-4.5%	-15.9%	1.1%	2.7%	-4.1%	-2.0%
Mriya Agro Holding	MAYA	5.61	7.1	5.04	-0.2%	-1.0%	-7.0%	-13.5%	0.3%	0.6%	-6.7%	0.4%
MHPC	MHPC	18.0	19.9	10.00	-2.1%	-5.2%	5.3%	18.1%	-1.6%	-3.6%	5.6%	32.0%
Milkiland	MLK	3.73	5.8	3.29	-3.4%	-5.5%	-14.7%	-20.7%	-2.9%	-3.9%	-14.4%	-6.8%
Ovostar Union	OVO	26.7	33.8	23.2	-2.5%	-8.9%	-11.9%	-7.4%	-2.1%	-7.4%	-11.6%	6.5%
Sintal	SNPS	n/a	1.48	0.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MCB Agricole	4GW1	n/a	0.81	0.22	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chemicals												
Stirol	STIR	11.6	22.0	10.3	3.1%	2.5%	7.9%	-13.8%	3.6%	4.1%	8.3%	0.1%
Banks												
Raiffeisen Bank Aval	BAVL	0.101	0.128	0.061	-0.9%	-3.4%	2.0%	17.3%	-0.4%	-1.8%	2.4%	31.2%
UkrSotsbank	USCB	0.121	0.207	0.107	1.4%	-1.1%	2.2%	-6.3%	1.9%	0.4%	2.5%	7.6%

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%
Ukrstsobank	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	138	3.9%	5	1,553	3.8	neg	neg	10.7	neg	neg	0.7	0.9	0.9	536	462	416	\$/tonne
Yenakievo Steel	ENMZ	42	8.8%	4	34	1.3	4.9	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	73	7.5%	6	70	neg	neg	neg	11.6	neg	neg	0.0	0.1	0.1	20	15	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	919	0.5%	5	918	2.8	9.7	8.8	1.8	3.9	4.5	1.1	1.6	1.8				
Pivnichny GOK	SGOK	2,171	0.5%	12	2,296	2.8	5.0	6.1	2.0	2.8	3.6	1.3	1.5	1.8				
Ferrexpo	FXPO	1,687	24.0%	405	1,938	2.9	7.8	6.4	2.4	4.8	4.4	1.1	1.4	1.2				
Coal Mining																		
Komsomolets Donbasa	SHKD	41	5.4%	2	143	2.7	1.1	1.2	2.1	1.4	1.6	0.7	0.6	0.6	35	34	32	\$/tonne
Coal Energy	CLE	63	11.9%	7	88	1.7	1.6	1.5	1.7	1.4	1.4	0.6	0.5	0.4	1.7	1.4	1.4	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	166	2.0%	3	208	1.7	4.9	4.9	1.4	2.8	2.7	0.3	0.3	0.3	331	548	521	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	46	24.0%	11	46	5.1	6.6	5.6	3.3	3.7	3.0	0.2	0.3	0.2				
Kruiiv Wagon	KVBZ	341	5.0%	17	343	4.0	3.6	6.7	2.9	2.6	3.7	0.4	0.4	0.5				
Stakhanov Wagon	SVGZ	38	8.0%	3	77	1.9	>30	13.1	2.3	10.7	7.0	0.2	0.2	0.2				
Specialized Machinery																		
Turboatom	TATM	181	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	505	24.0%	121	515	3.0	2.0	1.9	1.8	1.7	1.6	0.7	0.6	0.6				
Telecom																		
Ukrtelecom	UTLM	308	7.2%	22	644	neg	6.8	6.4	3.1	3.1	3.1	0.8	0.8	0.9				
Oil & Gas																		
Ukrnafta	UNAF	753	3.0%	23	743	2.8	2.4	3.3	1.7	1.5	1.7	0.2	0.3	0.3	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	112	49.0%	55	95	17.6	9.4	4.7	neg	4.1	2.7	5.0	1.9	1.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	175	50.4%	88	284	3.0	4.4	3.5	2.5	2.0	1.9	1.2	1.3	1.1	75	52	39	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	184	21.7%	40	267	>30	6.4	5.5	5.5	4.4	3.9	0.3	0.2	0.2	18	19	15	\$/MWh
DonbasEnergO	DOEN	58	14.2%	8	115	neg	15.2	5.7	5.6	6.7	4.8	0.2	0.2	0.2	14	13	13	\$/MWh
Consumer																		
MHP	MHPC	1,902	34.1%	649	2,947	7.3	6.1	7.0	7.3	6.3	5.6	2.4	2.1	1.9	9211	9211	9211	\$/tonne
Kernel	KER	1,342	61.8%	829	1,952	5.9	6.4	6.9	6.3	6.1	5.8	1.0	0.9	0.7				
Astarta	AST	420	31.0%	130	567	3.7	8.4	7.1	3.9	5.8	4.7	1.4	1.2	1.0	2873	1749	1453	\$/tonne
Avangardco	AVGR	567	22.5%	128	715	2.9	2.5	2.4	2.9	2.6	2.4	1.3	1.1	1.0	162	123	116	\$/mneegs
Agroton	AGT	17	44.6%	8	50	neg	0.9	0.8	2.7	1.6	1.5	0.4	0.5	0.5	0.4	n/a	n/a	\$/ha
Banks																		
Raiffeisen Bank Aval	BAVL	370	4.0%	15		>30	>30	13.0	0.5	0.4	0.4	0.05	0.05	0.05				
Ukrsotsbank	USCB	273	1.6%	4		>30	>30	21.8	0.3	0.3	0.3	0.06	0.06	0.06				

Source: Eavex Research

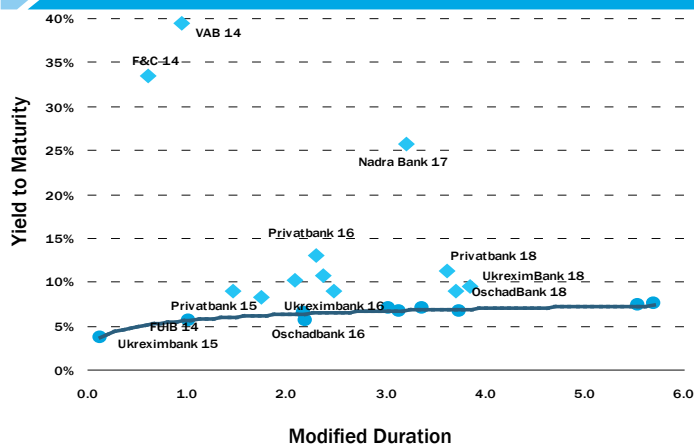
UKRAINIAN EUROBONDS

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	100.2	100.5	4.5%	-0.5%	-0.6%	0.1	7.65%	S/A	11 Jun. 2013	1,000	B3/B/B
Ukraine, 2014	102.1	102.7	5.8%	5.2%	0.6%	1.0	7.95%	S/A	6 Apr. 2014	1,000	B3/B/B
Naftogaz Ukraine, 2014	104.0	104.7	6.4%	5.9%	1.3%	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%	2.1	4.95%	A	13 Oct 2015	600*	B3/B/B
Ukraine, 2015	101.0	101.5	6.4%	6.2%	0.0%	2.1	6.875%	S/A	23 Sept 2015	500	B3/B/B
Ukraine, 2016	99.7	100.4	6.7%	6.4%	0.2%	3.0	6.58%	S/A	21 Nov 2016	1,000	B3/B/B
Ukraine, 2016-2	99.4	100.0	6.4%	6.2%	0.0%	3.1	6.25%	S/A	17 Jun 2016	1,250	B3/B/B
Ukraine, 2017	99.8	100.6	6.8%	6.6%	1.0%	3.8	6.75%	S/A	14 Nov 2017	700	B3/B/B
Ukraine, 2017-2	108.4	109.4	6.9%	6.6%	1.6%	3.3	9.25%	S/A	24 Jul 2017	2,000	B3/B/B
Ukraine, 2017 Infr. projects	99.5	101.0	8.6%	8.2%	2.0%	3.6	8.375%	S/A	3 Nov 2017	568	B3/-/
Ukraine, 2018 Infr. projects	95.7	97.4	8.6%	8.1%	4.0%	4.0	7.40%	S/A	20 Apr 2018	690	B3/-/
Ukraine, 2020	103.1	103.8	7.2%	7.1%	0.5%	5.5	7.75%	S/A	23 Sept 2020	1,500	B3/B/B
Ukraine, 2021	104.3	105.1	7.2%	7.1%	0.8%	5.7	7.95%	S/A	23 Feb 2021	1,500	B3/B/B
Ukraine, 2022	102.3	103.1	7.4%	7.3%	1.8%	6.4	7.80%	S/A	28 Nov 2022	1,250	B3/B/B
Ukraine, 2023	99.5	100.3	7.6%	7.5%	-0.1%	6.9	7.50%	S/A	17 Apr 2023	1,250	B3/B/B
Corporate Eurobonds											
Agroton, 2014	75.0	80.0	41.6%	34.8%	n/a	0.9	12.50%	S/A	14 Jul 2014	50	-/-/B-
MHP, 2015	106.3	106.9	6.8%	6.6%	1.1%	1.8	10.25%	S/A	29 Apr 2015	585	B3//B
MHP, 2020	99.5	100.3	8.3%	8.2%	-0.1%	5.1	8.25%	S/A	2 Apr 2020	750	B3//B
Avangardco, 2015	100.0	101.9	10.1%	9.1%	5.5%	2.1	10.00%	S/A	29 Oct 2015	200	-/-/B
UkrLandFarming, 2018	98.9	100.5	11.2%	10.7%	-0.3%	3.7	10.88%	S/A	26 Mar 2018	275	B-//B
Mriya, 2016	106.6	107.5	8.4%	8.0%	3.9%	2.4	10.95%	S/A	30 Mar 2016	250	-/B/B-
DTEK, 2015	105.0	105.7	6.7%	6.4%	4.2%	1.8	9.50%	S/A	28 Apr 2015	500	B2//B
DTEK, 2018	100.1	100.8	7.8%	7.7%	0.4%	4.0	7.88%	S/A	4 Apr 2018	750	B2//B
Metinvest, 2015	106.9	107.8	6.5%	6.1%	3.4%	1.7	10.25%	S/A	20 May 2015	500	B3//B-
Metinvest, 2018	102.6	103.5	8.1%	7.8%	6.3%	3.8	8.75%	S/A	14 Feb 2018	750	B2/-/B-
Ferrexpo, 2016	100.1	101.0	7.9%	7.4%	3.2%	2.5	7.875%	S/A	07 Apr 2016	500	B2/B+/B
Interepipe, 2017	77.0	80.1	18.4%	16.7%	-3.8%	3.0	10.25%	S/A	2 Aug 2017	200	-/B+/B+
Bank Eurobonds											
Fin&Credit Bank, 2014	84.0	88.0	39.5%	31.3%	43.3%	0.6	10.50%	S/A	25 Jan 2014	100	Caa1//
PUMB, 2014	102.5	104.5	9.6%	8.2%	2.5%	1.4	11.00%	Q	31 Dec 2014	275	B2//B-
Nadra Bank, 2017	77.2	82.2	26.2%	21.3%	-3.8%	3.2	8.00%	A	22 Jun 2017	175	WD//WD
PrivatBank, 2015	97.5	98.8	10.7%	10.0%	3.5%	2.0	9.38%	S/A	23 Sept 2015	200	B1//B
PrivatBank, 2016	83.0	85.2	13.4%	12.3%	9.0%	2.3	8.75%	S/A	9 Feb 2016	150	B1//B
PrivatBank, 2018	99.4	100.6	11.0%	10.7%	0.0%	3.6	10.88%	S/A	28 Feb 2018	175	//B
UkrEximBank, 2015	100.2	101.2	8.3%	7.7%	0.7%	1.8	8.38%	S/A	27 Apr 2015	750	B1//B
UkrEximBank, 2016	88.8	90.8	10.7%	9.8%	6.5%	2.3	8.40%	S/A	2 Sept 2016	125	B1//B
UkrEximBank, 2018	98.9	99.9	9.0%	8.8%	-0.6%	3.7	8.75%	S/A	22 Jan 2018	500	B3//B
VAB Bank, 2014	74.0	76.0	43.5%	40.4%	38.9%	0.9	10.50%	Q	14 Jun 2014	125	Caa1/-/WD
Oschadbank, 2016	99.0	100.0	8.7%	8.3%	4.6%	2.4	8.25%	S/A	10 Mar 2016	700	B2//B
Oschadbank, 2018	97.8	98.8	9.5%	9.3%	-1.7%	3.8	8.88%	S/A	20 Mar 2018	500	B1//B
Municipal Eurobonds											
City of Kyiv, 2015	96.6	98.7	9.6%	8.6%	4.4%	2.2	8.00%	S/A	6 Nov 2015	250	B1/CCC+/B
City of Kyiv, 2016	96.7	98.3	10.6%	10.0%	4.2%	2.6	9.375%	S/A	30 Jun 2016	300	B1/CCC+/B

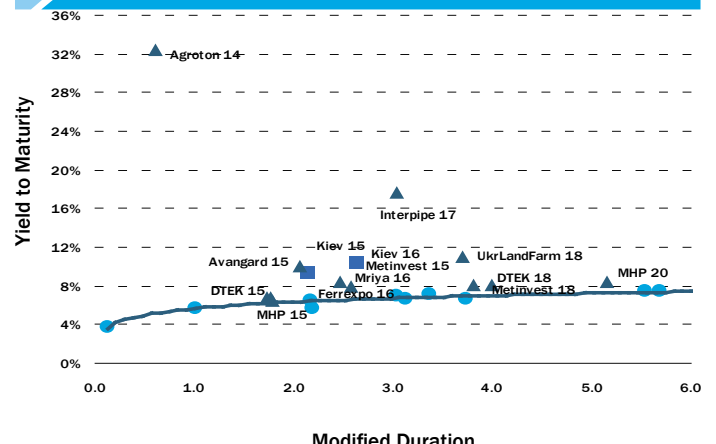
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS

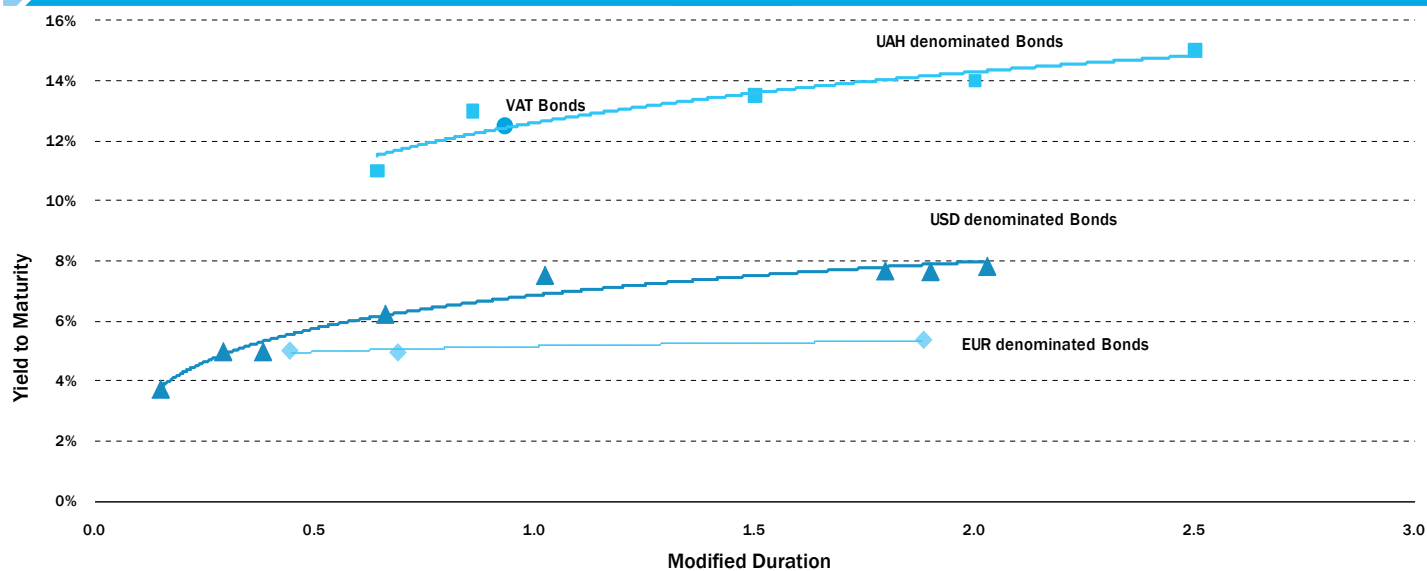


Source: Bloomberg, Cbonds, Eavex Research

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%	na	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	100.1	100.1	3.8%	3.0%	0.0	9.30%	S/A	29 May 2013	235
UA4000142384	100.4	100.6	5.5%	4.5%	0.2	9.30%	S/A	24 Jul 2013	413
UA4000136832	100.6	100.9	5.5%	4.5%	0.3	9.27%	S/A	28 Aug 2013	254
UA4000138002	101.3	101.8	5.5%	4.5%	0.5	9.30%	S/A	27 Nov 2013	86
UA4000140362	101.9	102.4	7.4%	6.8%	0.9	9.20%	S/A	21 May 2014	171
UA4000142699	101.0	102.7	7.8%	7.4%	1.7	9.45%	S/A	22 Apr 2015	312
UA4000141071	103.1	104.1	7.9%	7.3%	1.8	9.45%	S/A	27 May 2015	152
UA4000142673	93.8	94.8	8.1%	7.4%	1.9	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000137731	100.3	100.4	3.9%	3.7%	0.3	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	100.9	101.0	4.6%	4.5%	1.8	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			12.3%	11.5%	1.0	5.50%	S/A	21 Aug 2015	141
UA4000082622			12.3%	11.5%	1.0	5.50%	S/A	24 Aug 2015	571
UA4000083059			12.3%	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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