

Market Update

Equity

Ukrainian blue chips were mixed on Wednesday against a marginally positive European backdrop. In New York, Wall Street finished flat after a Federal Reserve statement that contained no surprises; the central bank said nothing to indicate an imminent pullback from its monetary stimulus policy, but that was not enough to push the S&P 500 over the 1700-point barrier, which has emerged as a key resistance level to further growth in equity prices. The UX index finished unchanged at 889 points. Banking names Raiffeisen Aval and UkrSots were the day's biggest movers, sliding 2.5% and 2.9% respectively. On the upside, DonbasEnergo added 1.8%, beaten-down Alchevsk Steel managed a 1.0% gain to 3.98 kopecks, and Motor Sich edged up 0.7%. In Warsaw, Kernel lost 3.1% to PLN 50.10, while it was a rather quiet day for Ukrainian issues listed in London; Ferrexpo edged down 0.7% to GBp 169.

Fixed Income

Quotes of Ukraine-23s advanced by 0.2p.p. closing at 88.3/89.0 (9.4%/9.2%) on Wednesday. Corporate papers were mixed with MHP-20s down by 0.4p.p. to 91.8/93.1 (10.0%/9.7%) and DTEK-18s up by 0.8p.p. to 96.3/97.7 (8.8%/8.5%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	1815.0	0.7%	3.8	93
Raiffeisen Bank Aval	BAVL	0.10	-2.3%	1.6	185
Enakievo Steel	ENMZ	34.90	0.8%	1.3	44

Growth Leaders

Bank Forum	FORM	0.75	6.9%	0.22	8
Ukrtelecom	UTLM	0.15	5.6%	0.00	7
Stakhanov Wagon	SVGZ	1.30	4.4%	0.11	8

Loss Leaders

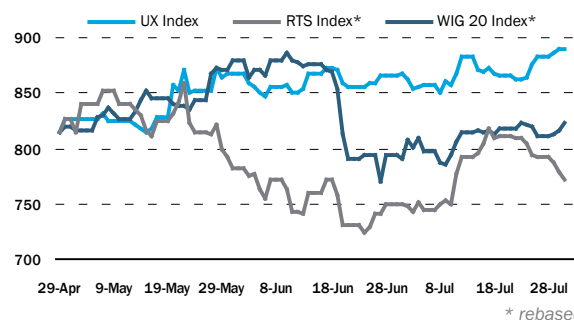
UkrSotsbank	USCB	0.14	-3.0%	1.105	141
Raiffeisen Bank Aval	BAVL	0.10	-2.3%	1.581	185
Ukrnafta	UNAF	117.80	0.0%	0.393	78

Highlights

STOCKS IN THE NEWS

- > Avangard Egg Output Up 9% YoY, Avg Selling Price Down 6% YoY in 1H13
- > Alchevsk Steel Net Loss Jumps to USD 55mn in 2Q13
- > Ovostar Egg Sales Up 14% YoY in 1H; Avg Realized Price Down 8% YoY
- > Black Iron Set to Develop Iron Ore Projects in Partnership with Metinvest
- > ...

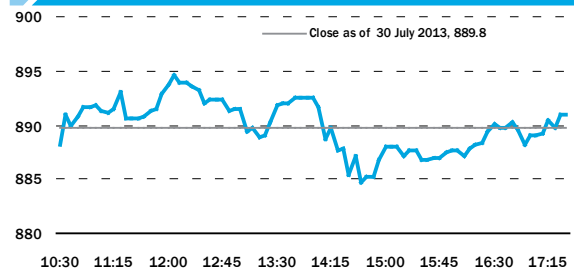
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	889.8	0.0%	2.7%	-6.4%
RTS	1313.4	-1.0%	3.0%	-14.0%
WIG20	2326.6	0.8%	3.6%	-9.9%
MSCI EM	947.6	-0.6%	0.8%	-10.2%
S&P 500	1685.7	0.0%	4.9%	20.2%

UX INTRADAY JULY 31, 2013



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	343.0	1.9%	-3.0%	26.6%
CDS 5Y UKR	796.2	2.4%	-2.4%	27.4%
Ukraine-17	8.9%	0.1 p.p.	0.0 p.p.	2.0 p.p.
Naftogaz Ukr-14	9.3%	0.2 p.p.	-0.3 p.p.	1.7 p.p.
Ukraine-23	9.3%	0.0 p.p.	0.0 p.p.	1.8 p.p.
Privatbank-16	13.4%	-0.4 p.p.	-0.9 p.p.	-1.9 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.13	0.0%	-0.3%	1.0%
EUR	10.82	0.3%	1.9%	1.2%
RUB	0.25	0.0%	-0.7%	-6.9%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	251.2	0.0%	-4.6%	-27.9%
Steel, USD/t	517.5	0.0%	1.5%	-2.8%
Oil, USD/bbl	107.7	0.7%	5.9%	0.5%
Gold, USD/oz	1325.3	-0.1%	7.3%	-20.0%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

**Prelim 2Q GDP Down 1.1% YoY,
Matching 1Q Drop**

by Ivan Dzvinka
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NEWS

Ukrainian GDP in 2Q13 declined by 1.1% YoY, according to a preliminary estimate from the State Statistics Committee (UkrStat). If confirmed, this would represent the same year-on-year decline registered in 1Q13, which had followed a larger drop of 2.5% in 4Q12.

COMMENTARY

As we have stated previously, we believe that an unusually large number of anomalous factors - including rare weather events, comparison base vagaries, and extra holidays - have been conspiring to make Ukraine's macroeconomic performance appear worse over the past 9 months than it otherwise would look. Having said this, however, it is clear that the economy is in a sluggish condition and will struggle to post any growth for the full year even with the benefit of a weakening 2H12 comparison base. UkrStat's 2Q estimate reflects a poor performance in the majority of economic sectors, including industrial production (where output declined by 5.7% YoY in 2Q), retail trade (the rise of 6.2% YoY in 2Q was a notable slowing from +10.9% YoY in 1Q), and construction (-25.5% YoY). We note that this figure was affected by an artificially high statistical base due to 1H12 investment projects associated with the European football championship. Meanwhile, a strong harvest this year should support GDP, with a 15% YoY rise in 2Q agri sector output registered thanks to an earlier and larger harvest than in 2012.

Avangard Egg Output Up 9% YoY, Avg Selling Price Down 6% YoY in 1H13

by Ivan Dzvinka
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AVANGARDCO (AVGR LI)

Price: USD 9.00 Market Cap: USD 575mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	1.2	2.5	2.7	0%
2013E	1.1	3.0	3.1	8.3%

NEWS

Avangard, Ukraine's largest egg producer, expanded its egg production by 8.8% YoY to 3.38bn pieces in 1H13, according to the company's operating update. Egg sales volume increased by 3.8% YoY to 2.50bn pcs, including 241mn pcs that were exported (+56.3% YoY). The average realized price was down by 6.0% YoY to UAH 0.63 (w/o VAT). In 2Q, the company produced 1.72bn pcs (+10.9% YoY) and sold 1.19bn pcs (-1.7% YoY) at an average price of UAH 0.59 per egg.

In 1H13, Avangard also expanded the volume of eggs processed by 33.3% to 721mn pcs, suggesting a 2Q13 volume of 450mn pcs (+66.1% YoY). Average prices for egg products were mostly flat and amounted to USD 7.65/kg in 1H13 and USD 7.60/kg in 2Q13.

The company's laying hen flock as of end-1H13 was up by 10.7% YoY to 22.8mn heads.

COMMENTARY

The company's double-digit growth in 2Q egg production is encouraging news for the AVGR stock. Also, given the 13% QoQ seasonal decline in domestic egg prices registered in 2Q13, Avangard's expansion of shell egg exports as well as an increase in the volume of eggs processed into higher-value-added egg products were definitely steps in right direction and bode well for the company's margins. Meanwhile, a 5% premium in the average egg price of Avangard in 2Q compared that of local peer Ovostar looks peculiar to us, even after taking into account potentially higher egg export prices of Avangard vs. Ovostar (export sales account for some 9-12% in both companies' shell egg revenue). This is because wholesaling accounts for 55% of Avangard's egg sales but only 6% of those of Ovostar.

Stakhanov Wagon's Profitability Improves Despite Lower Revenue

by Ivan Dzvinka
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NEWS

Lugansk-based railcar producer Stakhanov Wagon reported improved earnings for 1H13 earlier this week despite a lower top line. The company's net revenue was down by 36% YoY to UAH 987mn (USD 123mn) on a 29% decline in production over the period. However, Stakhanov's EBITDA rose by 70% YoY to USD 16.8mn, with net profit similarly rising by 63% YoY to USD 7.0mn. The EBITDA and net margins moved up to 13.6% (+8.5p.p. YoY) and 5.7% (+3.4p.p.), respectively. The company reiterated its FY13 production target of 6,000 freight cars.

COMMENTARY

Poor Russian demand forced Stakhanov to operate at only 30% of capacity over 1H13, while unit sales in the period were notably lower than output, with 1,761 freight cars sold against 1,919 produced. With less than 1/3 of its full-year target volume produced in 1H, we believe it is highly unlikely that the company's FY target will be reached.

On the bright side, the improvement in earnings was mainly a result of sharply lower production cash cost, which declined by 43% YoY to USD 101mn. This was partly due to lower prices for steel products in 1H13. This allowed Stakhanov to improve its average EBITDA per railcar by an impressive 2.4x YoY to USD 9,500 in spite of a decline in the average selling price by 11% YoY to USD 70,000.

**Ovostar Egg Sales Up 14% YoY in 1H;
Avg Realized Price Down 8% YoY**

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OVOSTAR (OVO PW)

Price: PLN 76.5 Market Cap: USD 144mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	2.4	6.0	5.4	0%
2013E	1.7	4.6	4.2	0%

NEWS

Ovostar, Ukraine's third-largest egg producer, expanded its egg production by 30% YoY to 422mn pieces in 1H13, the company announced last week. The volume of eggs sold grew by a smaller 14% YoY to 257mn, including exports of 24mn pcs (+18% YoY). Ovostar's average per-unit realized price declined by 8% YoY to UAH 0.60 (w/o VAT) due to an unusual pricing slump in this year's pre-Easter period.

In 1H13 the company sold 713 tonnes (+83% YoY) of dry egg products at an average price of UAH 45.3 per kg (+5% YoY) and 3,290 tonnes (+49%) of liquid egg products at average price of UAH 14.95/kg (-4% YoY).

As of the end of 1H13, Ovostar's total flock had increased by 26% from a year earlier, to 4.4 million hens, with the laying hen flock increasing to 3.4 mn birds (+37%).

COMMENTARY

Ovostar will need to show better operational results in the second half in order to achieve management's stated production targets for FY13 disclosed earlier this year. The FY13 guidance envisages egg production of minimum 900mn pcs (422mn were produced in 1H13) and egg processing of 340mn pieces (136mn in 1H13). With operating capacity expansion currently in progress, we consider the chances to reach the full-year targets as feasible.

We also note that an expected strong harvest in Ukraine this summer should exert downward pressure on grain prices, boding well for Ovostar's input costs and profitability; fodder accounts for some 65% of the company's production cost. Meanwhile, it remains to be seen where egg prices will move in 2H.

We are generally impressed with Ovostar's path of development, but we note that a major constraint on the attractiveness of the Warsaw-listed OVO stock is its low liquidity. In 1H13, the average daily turnover of the issue was only about USD 11,000; quotes often remain unchanged for days at a time.

Alchevsk Steel Net Loss Jumps to USD 55mn in 2Q13

by Ivan Dzvinka
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ALCHEVSK STEEL (ALMK UK)

Price: UAH 0.0398 Market Cap: USD 127mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	1.04	neg	neg	0%
2013E	1.12	neg	neg	0%

NEWS

Alchevsk Steel, the main steelmaking asset of Russian-Ukrainian industrial group ISD, saw its net loss double in 2Q13 to UAH 446mn (USD 55mn) compared to the previous quarter. Comparing to a year earlier, the company had reported net income of USD 22mn in 2Q12. Revenue in 2Q13 was USD 480mn, a 6% QoQ increase and 1% YoY drop. EBITDA came in at negative USD 23mn, a major deterioration from USD -2mn in 1Q13 and positive USD 34mn in 2Q12.

COMMENTARY

Alchevsk's reported results for 2Q13 are disappointing, and reflect the ongoing poor performance of the ALMK stock, which has underperformed the UX index by some 30% year-to-date and currently trades near an all-time low near 4 kopecks. These new figures are the worst results of the steelmaker over the last four quarters, following positive earnings reported in 2Q12. In that period, Alchevsk's reported EBITDA and net margins of 7% and 5%, respectively, basically reflected the true state of the business, our calculations suggest. Since then, negative quarterly earnings have been a result of worsening steel market conditions as well as an unjustifiably low selling price, according to our analysis. The bad situation was exacerbated in the most recent quarter by a spike in other operating expenses, which amounted to USD 21mn (vs. USD +6.4mn in 2Q12 and USD -1mn in 1Q13). We also note a 50% YoY growth in the company's interest expense as a result of expansion in the company's leverage. As of end 1H13, Alchevsk's net debt stood at USD 1.76bn vs. 1.45bn as of end 2012.

Azovstal Slightly Reduces Its Losses YoY in 2Q13

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AZOVSTAL (AZST UK)

Price: UAH 0.633 Market Cap: USD 329mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	0.10	neg	neg	0%
2013E	0.10	neg	neg	0%

NEWS

Azovstal, Ukraine's second largest steel mill, reported a 14% YoY decline in its top line for 2Q13 to USD 664mn. EBITDA amounted to negative USD 13mn, or largely flat vs. USD -11mn in 2Q12. Similarly, the net loss of USD 51mn in 2Q13 was essentially at the level of the 2Q12 loss of USD 54mn. The EBITDA and net margins decreased by 1p.p. to -2% and -8% respectively in 2Q13.

COMMENTARY

Our analysis suggests that the believability of Azovstal's financials leaves much to be desired. Based on the reported figures, the company's average selling price for its steel products in 2Q13 was up by 6% QoQ while market steel prices experienced downward dynamics over the stated period across the entire spectrum of steel products. On the cost side, against a backdrop of flat or declining market quotes for basic raw materials, we are unable to find any adequate explanation for the company's 5% QoQ increase in reported production cash cost per tonne of processed steel. Also, the absolute figure of average production cash cost of USD 641/t looks to be inflated by at least 25% based on what would be implied by market prices for inputs. All in all, Azovstal continues to fluster us with its reporting practices, and we reiterate our SELL recommendation for the AZST stock.

Yenakievo Steel Net Loss Expands by 74% YoY in 2Q13

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YENAKIEVO STEEL (ENMZ UK)

Price: UAH 34.90 Market Cap: USD 45mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	0.02	5.31	neg	0%
2013E	0.02	neg	neg	0%

NEWS

Metinvest-controlled steel mill Yenakievo Steel reported negative EBITDA of USD 12mn in 2Q13 (flat YoY), while in 1Q13 the company had positive EBITDA of USD 6mn. The top line showed a 12% QoQ increase to USD 402mn, while in YoY terms it was 7% YoY lower. The company's net loss expanded to USD 60mn in 2Q13 compared to USD -35mn in 2Q12 and USD -44mn in 1Q13.

COMMENTARY

Despite a robust 14% QoQ increase in the company's production in 2Q13, Yenakievo released poor quarterly financials. Apart from the bad global steel market, the financials were also negatively affected by inflated production costs and higher interest expenses. Notably, the average production cash cost of USD 550 per tonne of processed steel was at least by 10-12% higher than what was implied by market prices for steel inputs. Also, a 60% YoY hike in interest expenses contributed to the deterioration in the company's bottom line in 2Q13.

SGOK & CGOK Reported Surprisingly Strong 1H13 Financials

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PIVNICHNY GOK (SGOK UK)

Price: UAH 8.40 Market Cap: USD 2,374mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	1.65	5.4	3.1	0%
2013E	1.92	6.6	3.9	0%

CENTRALNY GOK (CGOK UK)

Price: UAH 6.53 Market Cap: USD 938mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	1.66	9.9	3.9	0%
2013E	1.85	9.0	4.6	0%

NEWS

Metinvest-owned Pivnichny GOK and Centralny GOK unveiled their 1H13 financial results. Pivnichny's revenue moved up by 6% YoY to USD 844mn, with the EBITDA and net margins coming in at 55.4% (vs. 56.0% in 1H12) and 34.2% (35.1% in 1H12) respectively. Centralny's revenue advanced by 15% YoY to USD 342mn. The company's EBITDA and net margins came in at 47.8% (+4.7p.p. YoY) and 27.9% (+4.4p.p.), respectively.

COMMENTARY

The two Metinvest GOKs reported unexpectedly robust profitability in the period. With rising production costs in the period for both companies, the sole explanation for this phenomenon is high selling prices. Given that the domestic market as well as export prices for Ukrainian iron ore saw notable falls in 1H13 (in the range of 17% in Ukraine and 7% for exported ore), the counter-trend in the GOKs' realized prices was, we strongly suspect, due to sales of iron ore at above-market prices to Metinvest-owned steel mills. With this strategy, Metinvest is sticking to its tradition of using its iron ore holdings as profit centers within the overall group. We see the news as only marginally positive for the SGOK and CGOK stocks, given the uncertainty surrounding future dividend payouts.

Black Iron Set to Develop Iron Ore Projects in Partnership with Metinvest

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NEWS

Canadian exploratory mining company Black Iron has reached an agreement with metals & mining heavyweight Metinvest on the joint development of Black's Iron projects in Ukraine, the companies announced last week. The agreement envisages:

- An initial investment of USD 20mn by Metinvest, which entitles it to a 49% stake in Black Iron (Cyprus) Ltd. The latter is a subsidiary of Black Iron and the direct owner of the company's two iron ore projects, Shymanivske and Zelenivske, both of which are located near Kryviy Rih in south-central Ukraine.
- The investments by Metinvest during the construction phase of the projects should eventually grow to USD 536mn. This is equal to a 49% share in the estimated total required investment in the Shymanivske project of USD 1.094bn. Production at Shymanivske is expected to reach 9.2mn tonnes of iron ore concentrate per annum. Conditions on the development of the Zelenivske deposit were not mentioned in the agreement.
- Metinvest receives a non-transferable option to expand its stake in Black Iron Ltd to 51% after such time as the capacity utilization at Shymanivske reaches 100% over 3 consecutive months (i.e. 3-month output of 2.3mn tonnes of concentrate).
- The agreement is subject to the approval of all appropriate regulators, including Ukraine's Anti-Monopoly Committee.

COMMENTARY

Black Iron's enlistment of Metinvest as its partner is just what the doctor ordered; it brings the Canadian company much closer to obtaining the necessary financing for the development of its iron ore projects, as well as a secured customer for its future output. For Metinvest, participation in Black Iron will further strengthen its already-dominant position on the domestic iron ore market. Our calculations suggest that even with 90% capacity usage, the payback period of the project will not exceed 4 years, making it a highly attractive investment. With Chinese steel mills looking to diversify their iron ore imports away from the global "Big 3" oligopoly of Vale, Rio Tinto and BHP Billiton, we see an opportunity for Ukrainian iron ore exporters to grow their presence on the Chinese iron ore market in the coming decades. Indeed, we expect the majority of Black Iron's output to go to Chinese buyers.

The BKL stock jumped by 34% in Toronto trading immediately following the news about the agreement with Metinvest. As we have noted previously (see our report on Black Iron as of February 2012), an even stronger catalyst for the company's stock should be a confirmation by the parties on the source(s) of USD 1.1bn in development funding, which will likely occur after the necessary permits are received.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, USD per share	Target price, USD per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.08	0.07	-13%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	2.56	3.33	30%	BUY	Operations at Ferrexpo's new Yeristovo Mine should allow the company to increase its iron ore pellet output by 10% YoY to 10.6mn tonnes in 2013, with further growth to 12.0mn tonnes in 2015.
Pivnichny GOK	SGOK	1.03	1.77	71%	BUY	Secure demand for Pivnichny GOK's iron ore products and lucrative pricing allow the company to operate with high profitability (EBITDA margin of not lower than 45% since 2009). Disadvantages of the stock are its low liquidity and no dividend in 2013 for the first time since 2005.
Centralny GOK	CGOK	0.80	1.30	62%	BUY	Centralny GOK operates in the highly profitable iron ore industry; its EBITDA margin has remained above 35% since 2009. Disadvantages of the stock are its low liquidity and no dividend in 2013 for the first time since 2005.
Coke						
Avdyivka Coke	AVDK	0.41	0.76	88%	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	508%	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	0.06	0.36	489%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	2.85	6.18	117%	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	0.20	0.64	225%	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	223	644	188%	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	0.61	1.09	79%	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	0.24	1.52	536%	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	523%	BUY	The launch of extraction at JKX's Russian gas field has lifted output, but the company's higher-margin Ukrainian operations continue to lag behind expectations.
Power Utilities						
DonbasEnergO	DOEN	3.14	8.90	184%	BUY	DonbasEnergO is Ukraine's next big-ticket privatization object, with an auction expected to be announced in summer 2013.
CenterEnergO	CEEN	0.65	1.84	185%	BUY	CentrEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Consumer						
MHP	MHPC	17.8	24.0	35%	BUY	MHP launched production at Phase 1 of its new Vinnytsya poultry complex in late 2012. This will allow the company to expand its poultry production by some 60,000 tonnes in 2013, up from the current 384,000 tonnes.
Astarta	AST	23.11	30.0	30%	BUY	Astarta's business leans on three pillars: sugar beet cultivation/processing, grain cultivation, and cattle farming. With sugar prices depressed since 2011, a favorable market for grain should continue to drive the company's profitability.
Avangardco	AVGR	9.00	U/R	n/a	U/R	The company ended 1Q13 with a 6% YoY increase in sales thanks to an expansion of the production. Higher operational results failed to compensate for a 8% YoY drop on selling price for eggs further exacerbated by inflated production costs. This led to decline in both EBITDA and net margins by 10p.p. YoY to 45% and 39%, respectively in 1Q13.

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	889.83	1113.51	758.71	0.0%	2.9%	2.7%	-6.4%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.040	0.06	0.03	1.0%	-2.9%	-8.3%	-25.5%	1.0%	-5.9%	-11.0%	-19.1%
Azovstal	AZST	0.63	0.97	0.31	0.3%	1.0%	3.6%	-14.3%	0.3%	-2.0%	0.9%	-8.0%
Dniprospezstal	DNSS	n/a	1,300	700	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Enakievo Steel	ENMZ	34.9	49.9	20.0	0.8%	0.3%	0.8%	-8.2%	0.8%	-2.6%	-1.9%	-1.8%
Arcelor Mittal KR	KSTL	n/a	6.00	1.20	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mariupol Ilyicha	MMKI	0.14	0.32	0.10	7.7%	7.7%	-6.7%	-36.4%	7.7%	4.8%	-9.4%	-30.0%
Coke												
Avdyivka Coke	AVDK	3.30	4.07	1.61	0.6%	2.0%	1.9%	0.8%	0.6%	-0.9%	-0.8%	7.2%
Yasnyivsky Coking	YASK	0.56	1.00	0.52	0.0%	0.0%	0.0%	-16.4%	0.0%	-2.9%	-2.7%	-10.0%
Iron Ore Mining												
Centralny GOK	CGOK	6.53	7.74	4.00	-2.5%	-4.0%	-2.4%	-5.4%	-2.5%	-6.9%	-5.1%	1.0%
Ferrexpo	FXPO	2.57	4.58	2.02	-1.1%	-4.4%	27.0%	-36.2%	-1.1%	-7.3%	24.3%	-29.8%
Pivnichny GOK	SGOK	8.40	10.00	5.77	1.8%	1.4%	2.4%	12.9%	1.8%	-1.5%	-0.3%	19.3%
Coal Mining												
Pokrovske Mine	SHCHZ	0.50	1.15	0.40	4.2%	16.3%	16.3%	-20.6%	4.2%	13.3%	13.6%	-14.2%
Komsomolets Donbasa	SHKD	0.87	1.50	0.56	-1.1%	1.2%	-6.5%	-26.3%	-1.1%	-1.8%	-9.1%	-19.9%
Energy Coal	CLE	0.73	5.77	0.59	2.6%	8.1%	-16.4%	-76.3%	2.6%	5.2%	-19.1%	-69.9%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.45	0.58	0.270	n/a	12.5%	12.5%	-22.4%	n/a	9.6%	9.8%	-16.0%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.71	0.88	0.45	10.9%	-1.4%	1.4%	1.4%	10.9%	-4.3%	-1.3%	7.8%
Interpipe NMPP	NVTR	0.19	0.60	0.10	5.6%	5.6%	-13.6%	-13.6%	5.5%	2.6%	-16.3%	-7.2%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	23.2	29.0	12.0	0.0%	0.4%	-1.1%	19.3%	0.0%	-2.5%	-3.8%	25.7%
Luhanskeplovoz	LTPL	1.60	2.05	1.28	0.6%	2.6%	0.6%	-14.4%	0.6%	-0.4%	-2.1%	-8.0%
Stakhanov Wagon	SVGZ	1.30	2.76	1.10	4.8%	5.7%	-1.5%	-24.9%	4.8%	2.8%	-4.2%	-18.5%
Specialized Machinery												
Bogdan Motors	LUAZ	0.04	0.15	0.03	0.0%	-7.1%	-36.0%	-21.4%	0.0%	-10.1%	-38.7%	-15.0%
Motor Sich	MSICH	1,815	2,640	1,753	0.7%	-0.8%	-7.1%	-17.9%	0.7%	-3.7%	-9.8%	-11.5%
Sumy Frunze Engineering	SMASH	2.50	4.00	0.76	0.0%	0.0%	-16.7%	66.7%	0.0%	-2.9%	-19.4%	73.1%
Turboatom	TATM	n/a	5.00	1.88	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
WESTA ISIC	WES	0.18	0.45	0.13	-0.5%	-0.1%	5.7%	-23.3%	-0.5%	-3.1%	3.0%	-17.0%
Telecom												
Ukrtelecom	UTLM	0.15	0.31	0.12	5.5%	4.8%	-4.0%	-3.8%	5.5%	1.8%	-6.7%	2.6%
Oil & Gas												
Regal Petroleum	RPT	0.24	0.59	0.21	-0.4%	-1.1%	-12.5%	-55.8%	-0.4%	-4.1%	-15.2%	-49.5%
JXX Oil	JKX	0.96	1.50	0.75	1.2%	9.2%	11.8%	-19.4%	1.2%	6.2%	9.1%	-13.0%
Ukrnafta	UNAF	118	280	80	-0.2%	2.8%	-0.2%	-0.7%	-0.2%	-0.1%	-2.9%	5.7%
Power Utilities												
Centrenerg	CEEN	5.25	7.33	3.76	0.5%	8.5%	10.1%	-17.3%	0.5%	5.5%	7.4%	-10.9%
Donbasenergo	DOEN	25.5	26.8	15.1	1.8%	8.5%	15.8%	20.3%	1.8%	5.6%	13.1%	26.7%
Zakhidenergo	ZAEN	90.0	116.9	70.0	0.0%	9.8%	12.5%	-7.2%	0.0%	6.8%	9.8%	-0.8%
Consumer												
Agroton	AGT	0.67	4.2	0.36	7.6%	17.4%	-7.0%	-79.4%	7.6%	14.5%	-9.7%	-73.0%
Astarta	AST	23.1	23.3	14.5	-1.1%	-0.2%	26.8%	29.3%	-1.1%	-3.1%	24.1%	35.7%
Avangardo	AVGR	9.0	12.0	7.61	-2.7%	2.9%	2.6%	-20.6%	-2.7%	-0.1%	-0.1%	-14.2%
Industrial Milk Company	IMC	4.87	5.48	3.63	-0.5%	-0.5%	21.4%	-8.3%	-0.5%	-3.4%	18.7%	-1.9%
Kernel	KER	15.6	23.0	14.0	-3.6%	-6.4%	8.5%	-27.8%	-3.6%	-9.4%	5.8%	-21.4%
Mriya Agro Holding	MAYA	5.98	6.7	5.36	0.2%	0.5%	4.5%	-7.8%	0.2%	-2.4%	1.8%	-1.4%
MHPC	MHPC	17.8	19.9	12.80	0.2%	3.9%	4.6%	16.7%	0.2%	1.0%	2.0%	23.0%
Milkiland	MLK	3.87	5.8	3.11	0.8%	4.5%	14.0%	-17.8%	0.8%	1.6%	11.3%	-11.4%
Ovostar Union	OVO	23.9	33.8	21.3	-1.1%	7.0%	4.3%	-17.4%	-1.1%	4.1%	1.6%	-11.0%
Sintal	SNPS	n/a	0.85	0.19	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MCB Agricole	4GW1	n/a	0.66	0.22	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chemicals												
Stirol	STIR	10.2	19.0	9.5	2.0%	-5.1%	-13.6%	-23.9%	2.0%	-8.0%	-16.3%	-17.5%
Banks												
Raiffeisen Bank Aval	BAVL	0.102	0.128	0.061	-2.8%	2.8%	1.1%	19.1%	-2.8%	-0.1%	-1.6%	25.5%
UkrSotsbank	USCB	0.136	0.200	0.107	-3.0%	-3.0%	4.0%	5.7%	-3.0%	-5.9%	1.3%	12.0%

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%
Ukrspasbank	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	126	3.9%	5	1,542	3.5	neg	neg	10.6	neg	neg	0.7	0.9	0.9	532	458	413	\$/tonne
Yenakievo Steel	ENMZ	45	8.8%	4	38	1.5	5.3	neg	neg	neg	neg	0.0	0.0	0.0	15	14	14	\$/tonne
Azovstal	AZST	327	4.1%	13	306	neg	neg	neg	neg	neg	neg	0.1	0.1	0.1	55	52	49	\$/tonne
Coke																		
Avdyivka Coke	AVDK	79	7.5%	6	77	neg	neg	neg	12.6	neg	neg	0.1	0.1	0.1	22	17	14	\$/tonne
Yasynivsky Coke	YASK	19	9.0%	2	48	1.3	1.7	1.7	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	941	0.5%	5	941	2.9	9.9	9.0	1.9	4.0	4.7	1.2	1.7	1.9				
Pivnichny GOK	SGOK	2,381	0.5%	13	2,505	3.0	5.5	6.6	2.1	3.1	3.9	1.4	1.7	1.9				
Ferrexpo	FXPO	1,511	24.0%	363	1,761	2.6	7.0	5.7	2.2	4.4	4.0	1.0	1.2	1.1				
Coal Mining																		
Komsomolets Donbasa	SHKD	36	5.4%	2	138	2.3	0.9	1.0	2.0	1.4	1.5	0.7	0.5	0.5	34	32	31	\$/tonne
Coal Energy	CLE	33	11.9%	4	59	0.9	0.9	0.8	1.2	0.9	0.9	0.4	0.4	0.3	1.2	0.9	0.9	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	227	2.0%	5	270	2.3	6.7	6.7	1.9	3.6	3.5	0.3	0.4	0.4	428	709	674	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	43	24.0%	10	43	4.8	6.3	5.3	3.1	3.5	2.8	0.2	0.3	0.2				
Kruiiv Wagon	KVBZ	327	5.0%	16	329	3.9	3.4	6.5	2.8	2.5	3.5	0.4	0.4	0.5				
Stakhanov Wagon	SVGZ	36	8.0%	3	75	1.8	>30	12.6	2.3	10.5	6.9	0.2	0.2	0.2				
Specialized Machinery																		
Turboatom	TATM	182	5.8%	11	130	3.4	4.8	4.4	2.1	2.8	2.5	0.8	0.8	0.7				
Motor Sich	MSICH	464	24.0%	111	474	2.8	1.9	1.7	1.7	1.5	1.4	0.7	0.6	0.5				
Telecom																		
Ukrtelecom	UTLM	355	7.2%	26	691	neg	7.8	7.4	3.4	3.4	3.3	0.8	0.8	0.9				
Oil & Gas																		
Ukrnafta	UNAF	786	3.0%	24	776	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	77	49.0%	38	59	12.0	6.4	3.2	neg	2.6	1.7	3.1	1.2	0.7	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	165	50.4%	83	274	2.8	4.1	3.3	2.4	1.9	1.8	1.2	1.2	1.1	72	50	38	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	239	21.7%	52	321	>30	8.3	7.1	6.6	5.3	4.8	0.4	0.3	0.3	22	22	18	\$/MWh
DonbasEnergO	DOEN	74	14.2%	11	131	neg	19.4	7.3	6.3	7.6	5.5	0.3	0.2	0.2	16	15	15	\$/MWh
Consumer																		
MHP	MHPC	1,879	34.1%	641	2,924	7.2	6.0	6.9	7.3	6.2	5.6	2.4	2.1	1.9	9138	9138	9138	\$/tonne
Kernel	KER	1,152	61.8%	712	1,762	5.1	5.5	5.9	5.7	5.5	5.2	0.9	0.8	0.6				
Astarta	AST	577	31.0%	179	724	5.1	11.5	9.8	5.0	7.4	6.0	1.8	1.6	1.3	3670	2235	1856	\$/tonne
Avangardco	AVGR	575	22.5%	129	723	2.9	2.5	2.5	2.9	2.6	2.5	1.3	1.1	1.0	164	124	117	\$/mneegs
Agroton	AGT	14	44.6%	6	48	neg	0.8	0.7	2.6	1.5	1.4	0.4	0.5	0.4	0.4	n/a	n/a	\$/th/ha
Banks																		
Raiffeisen Bank Aval	BAVL	377	4.0%	15		>30	>30	13.2	0.5	0.4	0.4	0.05	0.05	0.05				
Ukrsotsbank	USCB	309	1.6%	5		>30	>30	21.8	0.4	0.4	0.4	0.06	0.06	0.06				

Source: Eavex Research

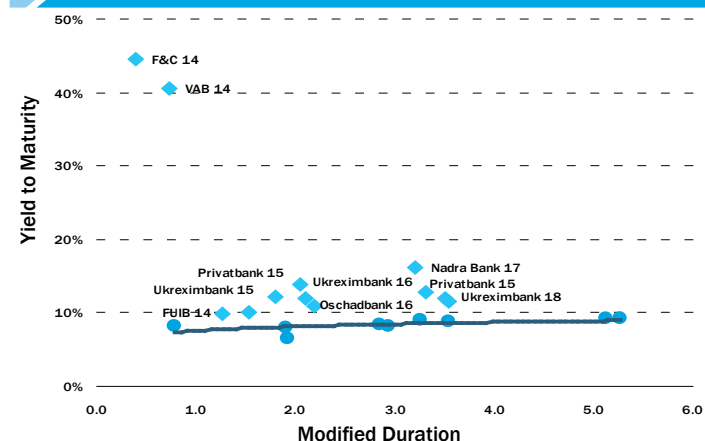
UKRAINIAN EUROBONDS

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, 2014	99.3	100.1	8.9%	7.8%	-2.0%	0.8	7.95%	S/A	6 Apr. 2014	1,000	B3/B/B
Naftogaz Ukraine, 2014	99.8	100.5	10.0%	9.3%	-2.8%	1.0	9.50%	S/A	30 Sept 2014	1,595	//B
Ukraine, 2015 (EUR)	96.4	97.4	6.8%	6.3%	-0.6%	1.9	4.95%	A	13 Oct 2015	600*	B3/B/B
Ukraine, 2015	97.2	98.7	8.4%	7.6%	-3.2%	1.9	6.875%	S/A	23 Sept 2015	500	B3/B/B
Ukraine, 2016	94.2	95.2	8.7%	8.3%	-5.2%	2.8	6.58%	S/A	21 Nov 2016	1,000	B3/B/B
Ukraine, 2016-2	94.2	95.2	8.3%	7.9%	-5.0%	2.9	6.25%	S/A	17 Jun 2016	1,250	B3/B/B
Ukraine, 2017	91.9	92.7	9.1%	8.9%	-7.0%	3.5	6.75%	S/A	14 Nov 2017	700	B3/B/B
Ukraine, 2017-2	100.5	101.2	9.1%	8.9%	-5.9%	3.3	9.25%	S/A	24 Jul 2017	2,000	B3/B/B
Ukraine, 2017 Infr. projects	92.3	93.8	10.9%	10.4%	-5.3%	3.4	8.375%	S/A	3 Nov 2017	568	B3//
Ukraine, 2018 Infr. projects	87.5	89.5	11.1%	10.5%	-4.6%	3.7	7.40%	S/A	20 Apr 2018	690	B3//
Ukraine, 2020	92.0	92.9	9.4%	9.2%	-10.2%	5.1	7.75%	S/A	23 Sept 2020	1,500	B3/B/B
Ukraine, 2021	92.5	93.5	9.3%	9.2%	-10.4%	5.3	7.95%	S/A	23 Feb 2021	1,500	B3/B/B
Ukraine, 2022	90.2	91.5	9.4%	9.2%	-10.0%	6.2	7.80%	S/A	28 Nov 2022	1,250	B3/B/B
Ukraine, 2023	88.3	89.0	9.4%	9.2%	-11.3%	6.4	7.50%	S/A	17 Apr 2023	1,250	B3/B/B
Corporate Eurobonds											
Agroton, 2014	63.6	71.4	73.6%	56.8%	n/a	0.7	12.50%	S/A	14 Jul 2014	50	/CCC/C
MHP, 2015	105.4	106.8	7.0%	6.6%	0.6%	1.6	10.25%	S/A	29 Apr 2015	585	B3//B
MHP, 2020	91.8	93.1	10.0%	9.7%	-7.5%	4.8	8.25%	S/A	2 Apr 2020	750	/B/B
Avangardco, 2015	99.9	101.5	10.2%	9.4%	5.3%	1.9	10.00%	S/A	29 Oct 2015	200	//B
UkrLandFarming, 2018	96.0	97.6	12.0%	11.6%	-3.2%	3.4	10.88%	S/A	26 Mar 2018	275	/B-/B-
Mriya, 2016	103.3	105.4	9.7%	8.8%	1.3%	2.2	10.95%	S/A	30 Mar 2016	250	/B/B
DTEK, 2015	102.3	104.3	8.2%	7.0%	2.1%	1.5	9.50%	S/A	28 Apr 2015	500	B3//B
DTEK, 2018	96.3	97.7	8.8%	8.5%	-3.0%	3.7	7.88%	S/A	4 Apr 2018	750	B3//B
Metinvest, 2015	103.0	104.0	8.5%	7.9%	-0.3%	1.6	10.25%	S/A	20 May 2015	500	B3//B
Metinvest, 2018	96.5	98.0	9.7%	9.3%	0.4%	3.5	8.75%	S/A	14 Feb 2018	750	B3//B
Ferrexpo, 2016	93.8	95.0	10.7%	10.1%	-3.1%	2.3	7.875%	S/A	07 Apr 2016	500	/B/B
UZ Rail, 2018	93.7	95.3	11.2%	10.8%	-5.5%	3.7	9.50%	S/A	21 May 2018	500	/B/B-
Interpipe, 2017	77.0	80.1	18.8%	17.1%	-3.8%	2.8	10.25%	S/A	2 Aug 2017	200	/NR/B-
JKX Oil&Gas, 2018	105.5	106.9	9.4%	9.0%	6.2%	3.6	8.00%	S/A	19 Feb 2018	40	//
Bank Eurobonds											
Fin&Credit Bank, 2014	87.0	92.0	46.1%	31.1%	49.2%	0.4	10.50%	S/A	25 Jan 2014	100	Caa1//
PUMB, 2014	100.0	104.1	11.6%	8.3%	1.1%	1.3	11.00%	Q	31 Dec 2014	275	B//
Nadra Bank, 2017	84.0	89.5	18.0%	14.2%	-3.8%	3.2	8.00%	A	22 Jun 2017	175	//
PrivatBank, 2015	94.5	95.7	12.7%	11.9%	0.3%	1.8	9.38%	S/A	23 Sept 2015	200	B3//
PrivatBank, 2016	82.9	85.5	14.1%	12.7%	9.1%	2.0	8.75%	S/A	9 Feb 2016	150	B3//
PrivatBank, 2018	92.9	95.7	13.0%	12.1%	-5.7%	3.3	10.88%	S/A	28 Feb 2018	175	B3//B
UkrEximBank, 2015	96.9	98.1	10.6%	9.8%	-2.4%	1.5	8.38%	S/A	27 Apr 2015	750	B3//B
UkrEximBank, 2016	86.0	88.7	12.6%	11.2%	3.6%	2.1	8.40%	S/A	2 Sept 2016	125	B3//B
UkrEximBank, 2018	89.1	90.6	12.0%	11.5%	-10.1%	3.5	8.75%	S/A	22 Jan 2018	500	B3//B
VAB Bank, 2014	79.0	83.0	44.4%	37.0%	50.0%	0.7	10.50%	Q	14 Jun 2014	125	Caa1//WD
Oschadbank, 2016	93.7	95.2	11.3%	10.6%	-0.7%	2.2	8.25%	S/A	10 Mar 2016	700	B3//B
Oschadbank, 2018	88.5	90.2	12.2%	11.7%	-10.6%	3.5	8.88%	S/A	20 Mar 2018	500	B3//B
Municipal Eurobonds											
City of Kyiv, 2015	93.5	95.6	11.5%	10.3%	1.1%	2.0	8.00%	S/A	6 Nov 2015	250	B3/B-/
City of Kyiv, 2016	94.3	96.4	11.7%	10.8%	2.0%	2.5	9.375%	S/A	30 Jun 2016	300	B3/B-/

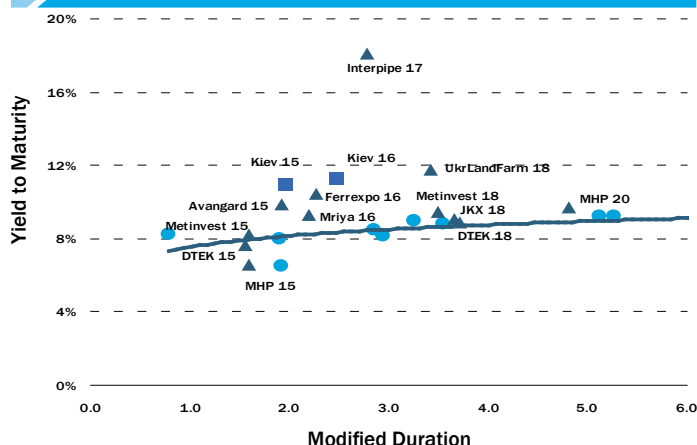
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



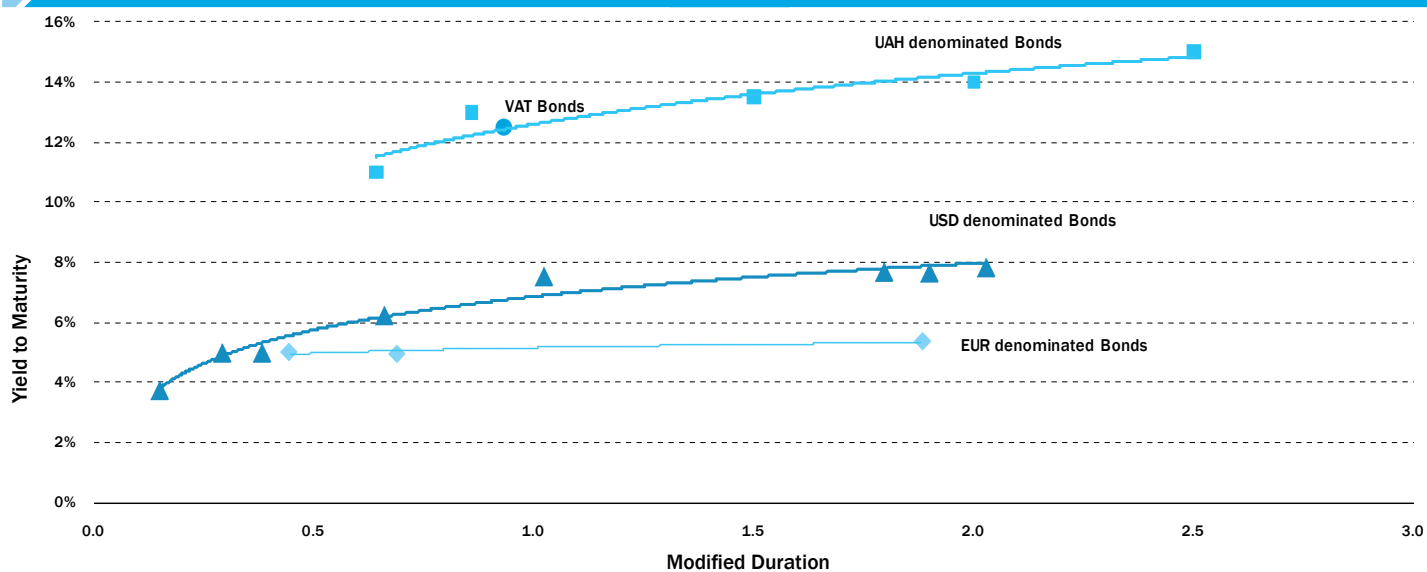
SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



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									
UA4000115117			12.0%	10.5%	n/a	10.75%	S/A	26 Mar 2014	187
UA4000141592			13.5%	12.0%	1.5	14.30%	S/A	20 May 2015	31
UA4000142665			19.0%	17.0%	2.0	14.30%	S/A	24 May 2017	184
USD denominated Bonds									
UA4000136832	100.2	100.3	5.0%	2.0%	0.1	9.27%	S/A	28 Aug 2013	254
UA4000138002	100.0	100.1	6.0%	4.5%	0.3	9.30%	S/A	27 Nov 2013	86
UA4000140362	99.9	100.4	8.2%	6.5%	0.8	9.20%	S/A	21 May 2014	171
UA4000142699	101.3	102.8	8.8%	7.9%	1.5	9.45%	S/A	22 Apr 2015	312
UA4000141071	99.4	100.4	8.8%	7.9%	1.6	9.45%	S/A	27 May 2015	152
UA4000142673	91.0	92.0	8.8%	7.9%	1.7	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000137731	100.3	100.4	5.1%	4.9%	0.1	4.80%	S/A	18 Sept 2013	205
UA4000138846	100.6	100.8	5.0%	4.9%	0.4	4.80%	S/A	25 Dec 2013	70
UA4000142681	102.0	102.1	5.4%	5.3%	1.6	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			13.5%	12.8%	n/a	5.50%	S/A	21 Aug 2015	141
UA4000082622			13.5%	12.8%	n/a	5.50%	S/A	24 Aug 2015	571
UA4000083059			13.5%	12.8%	n/a	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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