

Market Update

Equity

Local Ukrainian stocks suffered for another day from speculators who pushed down quotes ahead of yesterday's (Sept 16) expiration of UX futures contracts. Betting against the futures has become an easy short-term trading trick due to the sharp fall in the Ukrainian market's liquidity over the last two years; fortunately, the expirations occur only four times per year. Externally, it was a bullish day for global markets, as the sudden withdrawal of monetary policy hawk Lawrence Summers from the race to become the next US central bank chief boosted investor expectations of continued Fed monetary stimulus. The UX index ended down 0.9% at 823 points, with most issues rebounding somewhat before the close. Raiffeisen Aval was hardest-hit, dropping below 9 kopecks with a 2.4% decline, and Avdyivka Coke lost 1.4% to UAH 3.13. In London, MHP jumped by 3.8% to USD 16.50, while Avangard and JXK Oil & Gas slipped by 1.8% and 1.5% respectively.

Fixed Income

Ukrainian sovereigns were mixed on Monday. Ukraine-23s added 0.2p.p. to 85.1/85.7 (9.9%/9.8%) while Ukraine-17s declined by 0.7p.p. closing at 88.6/89.1 (10.3%/10.1%). Corporate papers were mostly sluggish. DTEK-15s and Metinvest-15s dropped by 0.2p.p. finishing at 101.8/102.8 (8.5%/7.8%) and 104.1/104.6 (7.7%/7.4%), respectively.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	1639.00	-0.6%	6.0	242
Centrenergy	CEEN	4.97	-1.3%	2.0	234
Raiffeisen Bank Aval	BAVL	0.090	-2.4%	1.5	374

Growth Leaders

Zhytomyroblenergo	ZHEN	0.98	44.6%	0.04	15
Sumy Frunze Engineering	SMASH	3.00	19.8%	0.00	9
Ukrtelecom	UTLM	0.17	10.6%	0.01	9

Loss Leaders

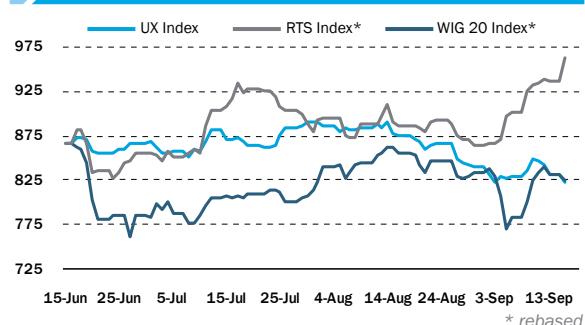
Zaporizhkoks	ZACO	1.30	-7.1%	0.216	10
KRAZ	KRAZ	0.03	-3.5%	0.215	22
Raiffeisen Bank Aval	BAVL	0.09	-2.4%	1.542	374

Highlights

STOCKS IN THE NEWS

- Ovostar Set to Invest USD 90mn Over 2014-16

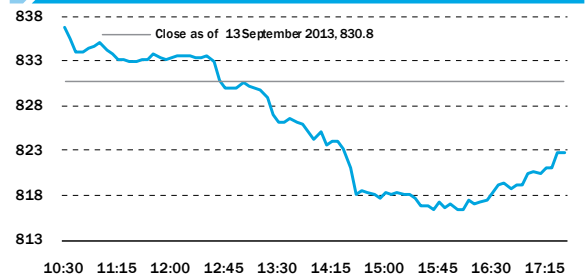
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	822.9	-0.9%	-5.9%	-13.4%
RTS	1436.1	2.8%	8.5%	-5.9%
WIG20	2354.7	-0.9%	-3.7%	-8.8%
MSCI EM	1001.8	1.5%	4.6%	-5.1%
S&P 500	1697.6	0.6%	2.5%	21.0%

UX INTRADAY SEPTEMBER 16, 2013



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	344.1	-2.5%	1.8%	27.0%
CDS 5Y UKR	870.1	-0.8%	3.5%	39.2%
Ukraine-17	10.1%	0.2 p.p.	0.8 p.p.	3.2 p.p.
Naftogaz Ukr-14	11.3%	-0.2 p.p.	1.7 p.p.	3.7 p.p.
Ukraine-23	9.9%	0.0 p.p.	0.2 p.p.	2.4 p.p.
Privatbank-16	15.0%	0.0 p.p.	2.1 p.p.	-0.3 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.18	0.3%	0.7%	1.6%
EUR	10.91	0.7%	0.8%	2.1%
RUB	0.25	0.9%	2.9%	-4.5%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	244.8	0.0%	1.1%	-29.8%
Steel, USD/t	545.0	0.0%	-3.1%	2.3%
Oil, USD/bbl	110.1	-1.5%	0.6%	2.7%
Gold, USD/oz	1313.0	-1.0%	-4.6%	-20.7%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Ovostar Set to Invest USD 90mn Over 2014-16

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OVOSTAR UNION (OVO PW)

Price: PLN 90.0 Market Cap: USD 172mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2012	2.9	7.2	6.5	0%
2013E	2.1	5.6	5.0	0%

NEWS

Ovostar, Ukraine's third-largest egg producer, unveiled its investment plans for the medium term in a presentation for investors posted on its website on Monday (Sept 16). Along with announcing the expected completion of the upgrade of its laying hen facility at Vasylkiv by end-2013, Ovostar revealed that it intends to launch a similar investment project at its second laying hen site at Stavysche (both sites are located in Kyiv oblast). The new project envisages CapEx of USD 90mn over 2014-16 which would allow Ovostar to increase its overall laying hen capacity to 9.0mn heads as of end-2016, up from 3.9mn at end-2012 and 5.4mn at the end of this year. Management said shell egg production should reach 2.10bn pieces in 2016, a near-tripling from the FY12 output total of 719mn (FY13 management guidance is 920mn pieces). The company's estimate for its 2016 egg products output is 16,200 tonnes, up from 6,600 tonnes in 2012 and 8,000 tonnes in 2013E.

COMMENTARY

The news reflects a significant milestone in the Ovostar's development and is positive for the OVO stock for two reasons. First, with the nearly-completed project at Vasylkiv and the planned second one, the company is demonstrating its ability and commitment to increasing its value to its shareholders. Secondly, the company's outlook for its FY13 operational results remains basically within the range specified by management back in February. The only exception is dry egg production (current target of 1,600 tonnes vs 1,900-2,100 previously). On the positive side, the company now sees its liquid egg production at 6,400 tonnes, up from an earlier target of 5.800-6.100 tonnes.

The OVO stock added 2.5% yesterday on the news, after having already picked up 8% last week. We assume that last week's rise took place based on expectations by some market participants about good news from the company regarding the continuation of its investment program.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, USD per share	Target price, USD per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.08	0.07	-11%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	2.96	3.33	13%	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	0.95	1.77	86%	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	0.75	1.30	74%	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	0.38	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	523%	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	0.05	0.36	612%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	2.50	6.18	147%	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	0.19	0.64	232%	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	200	644	222%	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	64%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	0.24	1.52	521%	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	473%	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	2.64	8.90	237%	BUY	DonbasEnergO is Ukraine's next big-ticket privatization object, with an auction expected to be announced in summer 2013.
CenterEnergO	CEEN	0.61	1.84	203%	BUY	CenterEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Consumer						
MHP	MHPC	16.5	22.10	34%	BUY	MHP is well on track with ramping up its poultry production at launched in late 2012 greenfield Vinnytsia complex with annual capacity of 220,000 tonnes. We think MHP will be able to expand its output by 50% over 2012-15 to 600,000 tonnes of poultry with the lion's share of incremental volume to be exported.
Astarta	AST	22.24	30.0	35%	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	11.00	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	822.93	1106.67	758.71	-0.9%	-1.6%	-5.9%	-13.4%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.038	0.06	0.03	-0.3%	1.1%	-4.0%	-28.8%	0.7%	2.6%	1.9%	-15.4%
Azovstal	AZST	0.63	0.97	0.31	-0.3%	-0.3%	1.5%	-15.4%	0.6%	1.3%	7.4%	-2.0%
Dniprospezstal	DNSS	n/a	1.100	700	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Enakievo Steel	ENMZ	32.9	49.9	20.0	-1.0%	-1.4%	-3.2%	-13.4%	0.0%	0.1%	2.7%	0.1%
Arcelor Mittal KR	KSTL	n/a	3.98	1.20	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mariupol Ilyicha	MMKI	0.13	0.26	0.10	0.0%	0.0%	8.3%	-40.9%	0.9%	1.6%	14.3%	-27.5%
Coke												
Avdivka Coke	AVDK	3.13	4.07	1.61	-1.0%	-1.2%	-3.4%	-4.5%	-0.1%	0.4%	2.5%	8.9%
Yasnyivsky Coking	YASK	0.55	0.99	0.51	0.0%	-1.8%	-3.5%	-17.9%	0.9%	-0.2%	2.4%	-4.5%
Iron Ore Mining												
Centralny GOK	CGOK	6.10	7.74	4.00	0.0%	1.7%	-6.9%	-11.6%	0.9%	3.3%	-0.9%	1.8%
Ferrexpo	FXPO	2.96	4.58	2.02	-0.1%	5.4%	0.4%	-26.5%	0.9%	6.9%	6.3%	-13.1%
Pivnichny GOK	SGOK	7.76	10.00	5.77	0.0%	-0.3%	-5.9%	4.3%	0.9%	1.3%	0.0%	17.7%
Coal Mining												
Pokrovske Mine	SHCHZ	0.41	0.95	0.39	-8.9%	-6.8%	-8.9%	-34.9%	-7.9%	-5.2%	-3.0%	-21.5%
Komsomolets Donbasa	SHKD	0.68	1.42	0.27	-1.4%	0.0%	3.0%	-42.4%	-0.5%	1.6%	9.0%	-28.9%
Energy Coal	CLE	0.81	5.77	0.59	-0.2%	17.1%	15.5%	-73.9%	0.8%	18.7%	21.5%	-60.5%
Mining Machinery												
Svitlo Shakhtara	HMBZ	n/a	0.58	0.270	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.60	0.86	0.45	0.0%	0.0%	9.1%	-14.3%	0.9%	1.6%	15.0%	-0.9%
Interpipe NMPP	NVTR	0.19	0.60	0.10	0.0%	0.0%	0.0%	-13.6%	0.9%	1.6%	5.9%	-0.2%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	20.5	29.0	12.0	0.8%	-3.9%	-12.5%	5.5%	1.8%	-2.3%	-6.6%	18.9%
Luhanskeplovoz	LTPL	1.58	2.20	1.26	0.0%	5.3%	0.6%	-15.5%	0.9%	6.9%	6.6%	-2.1%
Stakhanov Wagon	SVGZ	1.28	2.70	1.00	1.6%	2.4%	15.3%	-26.0%	2.5%	4.0%	21.2%	-12.6%
Specialized Machinery												
Bogdan Motors	LUAZ	0.03	0.08	0.03	0.0%	-13.3%	-13.5%	-22.8%	0.9%	-11.7%	-7.6%	-9.3%
Motor Sich	MSICH	1,639	2,640	1,399	-0.7%	-0.4%	-9.1%	-25.8%	0.3%	1.2%	-3.2%	-12.4%
Sumy Frunze Engineering	SMASH	3.00	4.00	0.76	20.0%	30.4%	33.3%	100.0%	20.9%	32.0%	39.3%	113.4%
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	0.19	0.45	0.15	-1.1%	2.4%	-8.3%	-21.9%	-0.1%	3.9%	-2.4%	-8.5%
Telecom												
Ukrtelecom	UTLM	0.17	0.30	0.09	10.7%	0.7%	24.8%	3.8%	11.6%	2.3%	30.7%	17.2%
Oil & Gas												
Regal Petroleum	RPT	0.24	0.59	0.20	2.8%	2.2%	-9.2%	-54.8%	3.8%	3.8%	-3.3%	-41.4%
JKX Oil	JKX	1.05	1.31	0.75	-1.2%	-4.1%	-1.5%	-12.5%	-0.2%	-2.5%	4.4%	0.9%
Ukrnafta	UNAF	111	280	80	-0.5%	0.0%	-2.6%	-6.4%	0.4%	1.6%	3.3%	7.0%
Power Utilities												
Centrenerg	CEEN	4.97	7.33	3.49	-1.3%	-2.6%	-4.3%	-21.7%	-0.4%	-1.0%	1.6%	-8.2%
Donbasenergo	DOEN	21.6	26.8	15.1	0.0%	-2.8%	-13.8%	1.9%	0.9%	-1.2%	-7.8%	15.4%
Zakhidenergo	ZAEN	81.0	115.0	70.0	-2.3%	-0.9%	-3.6%	-16.5%	-1.3%	0.7%	2.4%	-3.1%
Consumer												
Agroton	AGT	0.70	4.2	0.36	-3.3%	1.0%	-8.2%	-78.4%	-2.4%	2.6%	-2.2%	-64.9%
Astarta	AST	22.2	24.4	14.5	3.0%	7.4%	-8.1%	24.6%	3.9%	9.0%	-2.1%	38.0%
Avangardo	AVGR	11.0	12.0	7.61	-1.8%	3.8%	15.8%	-2.9%	-0.8%	5.4%	21.7%	10.5%
Industrial Milk Company	IMC	4.83	5.48	3.63	0.6%	3.7%	-2.2%	-9.0%	1.6%	5.3%	3.7%	4.4%
Kernel	KER	16.0	22.6	14.0	-3.0%	8.1%	6.5%	-25.9%	-2.1%	9.7%	12.4%	-12.5%
Mriya Agro Holding	MAYA	5.66	6.7	5.36	0.4%	0.6%	-5.5%	-12.7%	1.3%	2.2%	0.4%	0.7%
MHPC	MHPC	16.5	19.9	13.58	3.8%	10.0%	-1.5%	8.2%	4.8%	11.6%	4.4%	21.6%
Milkiland	MLK	3.27	5.8	3.11	-0.8%	2.9%	-12.2%	-30.5%	0.1%	4.4%	-6.3%	-17.0%
Ovostar Union	OVO	28.6	33.8	21.3	2.9%	13.7%	5.1%	-1.0%	3.9%	15.3%	11.0%	12.4%
Sintal	SNPS	n/a	0.72	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	0.49	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chemicals												
Stirol	STIR	9.9	18.0	7.1	2.1%	18.8%	3.2%	-26.4%	3.0%	20.4%	9.2%	-13.0%
Banks												
Raiffeisen Bank Aval	BAVL	0.090	0.128	0.061	-2.3%	-3.6%	-10.4%	4.8%	-1.3%	-2.1%	-4.4%	18.2%
UkrSotsbank	USCB	0.127	0.195	0.107	-0.2%	-0.5%	-1.2%	-1.6%	0.8%	1.1%	4.8%	11.9%

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	120	3.9%	5	1,535	3.3	neg	neg	10.6	neg	neg	0.7	0.9	0.9	529	456	411	\$/tonne
Yenakievo Steel	ENMZ	42	8.8%	4	35	1.4	5.0	neg	neg	neg	neg	0.0	0.0	0.0	14	13	13	\$/tonne
Azovstal	AZST	321	4.1%	13	300	neg	neg	neg	neg	neg	neg	0.1	0.1	0.1	54	50	48	\$/tonne
Coke																		
Avdyivka Coke	AVDK	74	7.5%	6	72	neg	neg	neg	11.8	neg	neg	0.0	0.1	0.1	21	16	13	\$/tonne
Yasynivsky Coke	YASK	18	9.0%	2	47	1.2	1.7	1.7	1.6	1.6	1.7	0.1	0.1	0.1	1.6	1.6	1.7	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	874	0.5%	5	873	2.7	9.2	8.4	1.8	3.7	4.3	1.1	1.5	1.7				
Pivnichny GOK	SGOK	2,185	0.5%	12	2,310	2.8	5.0	6.1	2.0	2.8	3.6	1.3	1.5	1.8				
Ferrexpo	FXPO	1,741	24.0%	418	1,991	3.0	8.1	6.6	2.5	5.0	4.5	1.1	1.4	1.3				
Coal Mining																		
Komsomolets Donbasa	SHKD	28	5.4%	2	130	1.8	0.7	0.8	1.9	1.3	1.4	0.7	0.5	0.5	32	30	29	\$/tonne
Coal Energy	CLE	37	11.9%	4	62	1.0	1.0	0.9	1.2	1.0	1.0	0.4	0.4	0.3	1.2	1.0	1.0	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	191	2.0%	4	233	1.9	5.7	5.6	1.6	3.1	3.0	0.3	0.4	0.3	370	613	583	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	42	24.0%	10	42	4.7	6.1	5.2	3.0	3.4	2.8	0.2	0.3	0.2				
Krukiw Wagon	KVBZ	287	5.0%	14	289	3.4	3.0	5.7	2.5	2.2	3.1	0.4	0.3	0.4				
Stakhanov Wagon	SVGZ	35	8.0%	3	75	1.8	>30	12.3	2.2	10.4	6.8	0.2	0.2	0.2				
Specialized Machinery																		
Turboatom	TATM	181	5.8%	10	129	3.4	4.7	4.3	2.1	2.7	2.5	0.8	0.7	0.7				
Motor Sich	MSICH	416	24.0%	100	426	2.5	1.7	1.5	1.5	1.4	1.3	0.6	0.5	0.5				
Telecom																		
Ukrtelecom	UTLM	380	7.2%	27	716	neg	8.4	7.9	3.5	3.5	3.4	0.8	0.8	1.0				
Oil & Gas																		
Ukrnafta	UNAF	736	3.0%	22	726	2.7	2.4	3.3	1.7	1.4	1.7	0.2	0.3	0.3	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	78	49.0%	38	61	12.3	6.5	3.3	neg	2.7	1.7	3.2	1.2	0.8	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	180	50.4%	91	288	3.0	4.5	3.6	2.5	2.0	1.9	1.2	1.3	1.2	76	53	39	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	225	21.7%	49	307	>30	7.8	6.7	6.3	5.1	4.5	0.3	0.3	0.3	21	21	17	\$/MWh
DonbasEnergO	DOEN	62	14.2%	9	119	neg	16.3	6.2	5.8	6.9	5.0	0.2	0.2	0.2	15	14	14	\$/MWh
Consumer																		
MHP	MHPC	1,743	34.1%	595	2,788	6.7	5.6	6.4	7.0	6.0	5.3	2.3	2.0	1.8	8712	8712	8712	\$/tonne
Kernel	KER	1,182	61.8%	730	1,792	5.2	5.6	6.1	5.8	5.6	5.3	0.9	0.8	0.6				
Astarta	AST	556	31.0%	172	703	4.9	11.1	9.4	4.9	7.2	5.8	1.7	1.5	1.3	3563	2169	1802	\$/tonne
Avangardco	AVGR	703	22.5%	158	851	3.6	3.1	3.0	3.4	3.0	2.9	1.5	1.4	1.2	192	146	138	\$/mneegs
Agroton	AGT	15	44.6%	7	48	neg	0.8	0.7	2.6	1.6	1.5	0.4	0.5	0.5	0.4	n/a	n/a	\$/th/ha
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	330	4.0%	13		>30	>30	11.5	0.4	0.4	0.4	0.05	0.05	0.04				
Ukrsotsbank	USCB	286	1.6%	5		>30	>30	21.8	0.4	0.4	0.4	0.06	0.06	0.06				

Source: Eavex Research

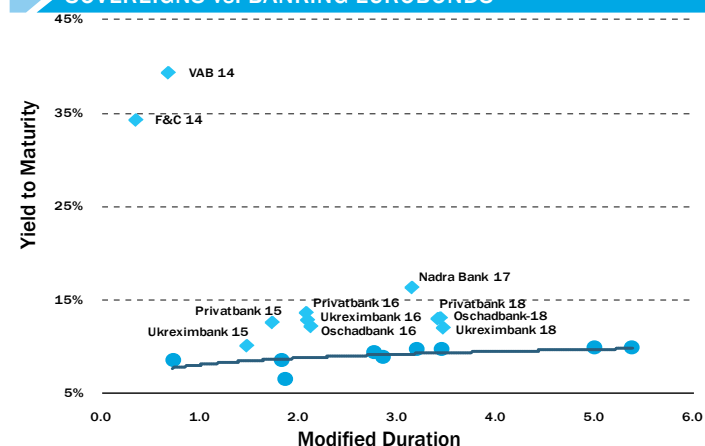
UKRAINIAN EUROBONDS

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	99.9	9.2%	8.2%	-2.2%	0.7	7.95%	S/A	6 Apr. 2014	1,000	B3/B/B
Naftogaz Ukraine, 2014	98.0	98.7	12.3%	11.5%	-4.6%	0.9	9.50%	S/A	30 Sept 2014	1,595	//B
Ukraine, 2015 (EUR)	95.4	95.9	7.5%	7.3%	-1.9%	1.8	4.95%	A	13 Oct 2015	600*	B3/B/B
Ukraine, 2015	96.0	96.5	9.3%	9.0%	-4.9%	1.8	6.875%	S/A	23 Sept 2015	500	B3/B/B
Ukraine, 2016	91.4	92.4	9.9%	9.5%	-8.0%	2.7	6.58%	S/A	21 Nov 2016	1,000	B3/B/B
Ukraine, 2016-2	91.8	92.4	9.3%	9.0%	-7.6%	2.8	6.25%	S/A	17 Jun 2016	1,250	B3/B/B
Ukraine, 2017	88.6	89.1	10.3%	10.1%	-10.5%	3.4	6.75%	S/A	14 Nov 2017	700	B3/B/B
Ukraine, 2017-2	97.2	97.9	10.2%	10.0%	-9.0%	3.1	9.25%	S/A	24 Jul 2017	2,000	B3/B/B
Ukraine, 2017 Infr. projects	89.9	91.5	11.9%	11.3%	-7.7%	3.2	8.375%	S/A	3 Nov 2017	568	B3//
Ukraine, 2018 Infr. projects	84.0	85.6	12.4%	11.8%	-8.6%	3.5	7.40%	S/A	20 Apr 2018	690	B3//
Ukraine, 2020	87.1	87.7	10.5%	10.3%	-15.1%	4.9	7.75%	S/A	23 Sept 2020	1,500	B3/B/B
Ukraine, 2021	87.2	87.9	10.5%	10.3%	-15.7%	5.3	7.95%	S/A	23 Feb 2021	1,500	B3/B/B
Ukraine, 2022	85.4	86.3	10.3%	10.1%	-14.9%	6.0	7.80%	S/A	28 Nov 2022	1,250	B3/B/B
Ukraine, 2023	85.1	85.7	9.9%	9.8%	-14.6%	6.2	7.50%	S/A	17 Apr 2023	1,250	B3/B/B
Corporate Eurobonds											
Agroton, 2014	55.9	69.4	n/a	n/a	n/a	n/a	8.00%	S/A	14 Jul 2019	50	/CCC/RD
MHP, 2015	104.0	104.7	7.8%	7.5%	-1.1%	1.5	10.25%	S/A	29 Apr 2015	585	B3//B
MHP, 2020	87.1	88.9	11.1%	10.7%	-12.0%	4.6	8.25%	S/A	2 Apr 2020	750	/B/B
Avangardco, 2015	101.0	103.0	9.7%	8.6%	6.6%	1.8	10.00%	S/A	29 Oct 2015	200	//B
UkrLandFarming, 2018	94.9	96.8	12.4%	11.8%	-4.1%	3.3	10.88%	S/A	26 Mar 2018	275	/B-/B-
Mriya, 2016	103.0	105.2	9.8%	8.8%	1.1%	2.1	10.95%	S/A	30 Mar 2016	250	/B/B
DTEK, 2015	101.8	102.8	8.5%	7.8%	1.2%	1.4	9.50%	S/A	28 Apr 2015	500	B3//B
DTEK, 2018	92.3	92.9	10.0%	9.8%	-7.4%	3.6	7.88%	S/A	4 Apr 2018	750	B3//B
Metinvest, 2015	104.1	104.6	7.7%	7.4%	0.5%	1.5	10.25%	S/A	20 May 2015	500	B3//B
Metinvest, 2018	93.3	94.5	10.7%	10.4%	-3.1%	3.5	8.75%	S/A	14 Feb 2018	750	B3//B
Ferrexpo, 2016	95.5	96.9	10.1%	9.3%	-1.3%	2.2	7.875%	S/A	07 Apr 2016	500	/B/B
UZ Rail, 2018	87.3	88.8	13.2%	12.7%	-12.0%	3.5	9.50%	S/A	21 May 2018	500	/B/B-
Interpipe, 2017	77.0	80.1	19.1%	17.4%	-3.8%	2.9	10.25%	S/A	2 Aug 2017	200	/NR/B-
JKX Oil&Gas, 2018	103.9	105.8	9.8%	9.4%	4.9%	3.7	8.00%	S/A	19 Feb 2018	40	//
Bank Eurobonds											
Fin&Credit Bank, 2014	92.0	95.0	41.7%	29.3%	55.8%	0.3	10.50%	S/A	25 Jan 2014	100	Caa1//
PUMB, 2014	101.2	102.6	10.7%	9.4%	0.9%	1.1	11.00%	Q	31 Dec 2014	275	B//
Nadra Bank, 2017	83.7	87.7	18.9%	15.9%	-3.8%	3.1	8.00%	A	22 Jun 2017	175	//
PrivatBank, 2015	92.8	94.8	14.0%	12.7%	-1.0%	1.7	9.38%	S/A	23 Sept 2015	200	B3//
PrivatBank, 2016	80.0	84.0	16.3%	13.9%	6.3%	2.0	8.75%	S/A	9 Feb 2016	150	B3//
PrivatBank, 2018	92.4	94.2	13.2%	12.6%	-6.7%	3.4	10.88%	S/A	28 Feb 2018	175	B3//B
UkrEximBank, 2015	96.5	97.9	11.1%	10.1%	-2.7%	1.4	8.38%	S/A	27 Apr 2015	750	B3//B
UkrEximBank, 2016	84.6	86.8	13.9%	12.6%	1.6%	2.1	8.40%	S/A	2 Sept 2016	125	B3//B
UkrEximBank, 2018	87.3	88.3	12.6%	12.3%	-12.2%	3.4	8.75%	S/A	22 Jan 2018	500	B3//B
VAB Bank, 2014	82.5	84.5	44.9%	40.3%	54.6%	0.6	10.50%	Q	14 Jun 2014	125	Caa1//WD
Oschadbank, 2016	90.7	91.8	13.1%	12.5%	-4.1%	2.1	8.25%	S/A	10 Mar 2016	700	B3//B
Oschadbank, 2018	84.2	86.0	13.7%	13.1%	-14.9%	3.5	8.88%	S/A	20 Mar 2018	500	B3//B
Municipal Eurobonds											
City of Kyiv, 2015	92.0	95.9	12.6%	10.4%	0.4%	1.8	8.00%	S/A	6 Nov 2015	250	B3/B-/
City of Kyiv, 2016	92.5	94.5	12.6%	11.7%	-0.1%	2.3	9.375%	S/A	30 Jun 2016	300	B3/B-/

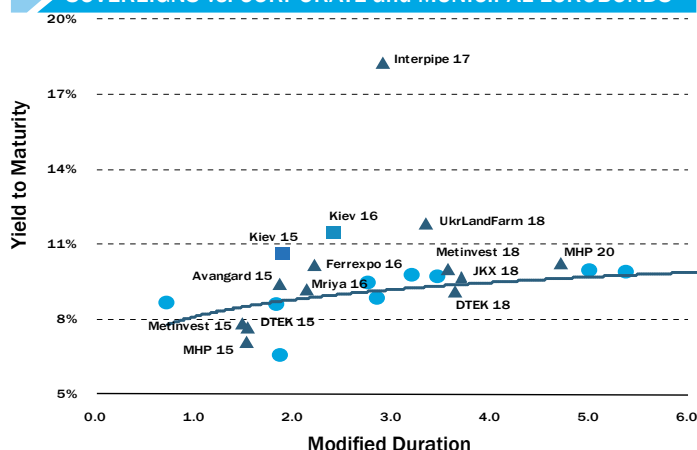
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



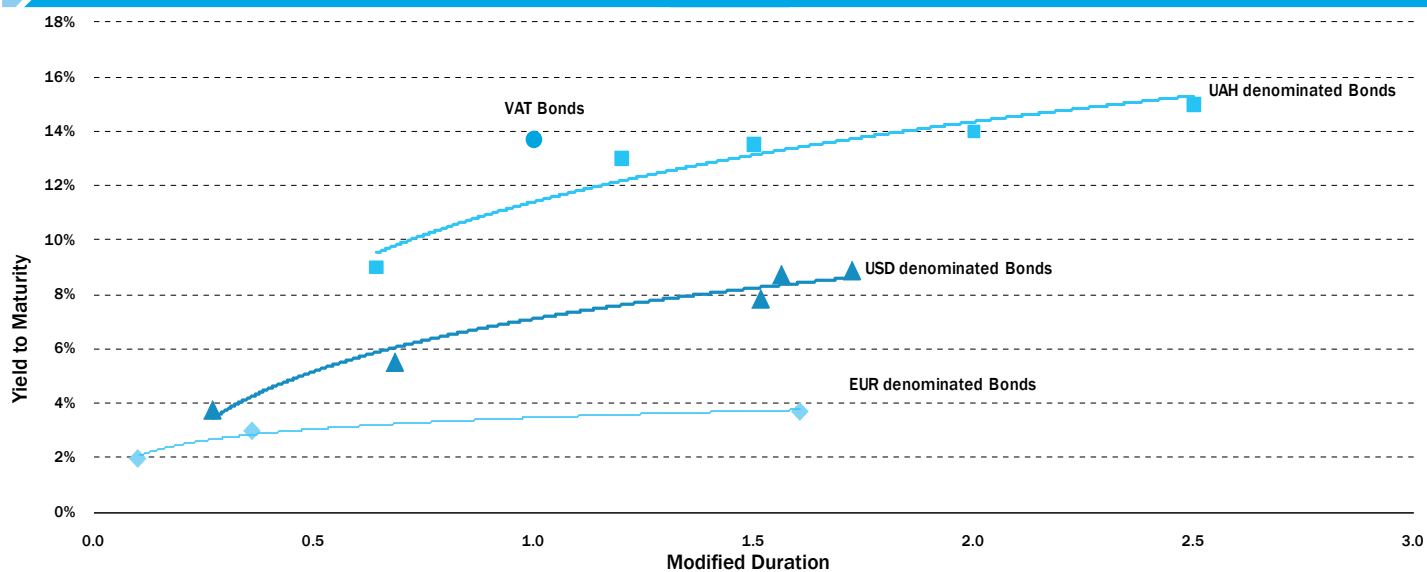
SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



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			12.5%	10.8%	n/a	10.75%	S/A	26 Mar 2014	187
UA4000141592			14.5%	13.0%	n/a	14.30%	S/A	20 May 2015	31
UA4000142665			18.0%	16.0%	n/a	14.30%	S/A	24 May 2017	184
USD denominated Bonds									
UA4000138002	n/a	n/a	5.3%	3.0%	n/a	9.30%	S/A	27 Nov 2013	86
UA4000140362	n/a	n/a	8.2%	7.0%	n/a	9.20%	S/A	21 May 2014	171
UA4000142699	n/a	n/a	9.1%	8.0%	n/a	9.45%	S/A	22 Apr 2015	312
UA4000141071	n/a	n/a	9.1%	8.0%	n/a	9.45%	S/A	27 May 2015	152
UA4000142673	n/a	n/a	9.2%	8.2%	n/a	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000138846	n/a	n/a	5.0%	4.9%	n/a	4.80%	S/A	25 Dec 2013	70
UA4000142681	n/a	n/a	5.4%	5.3%	n/a	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			14.5%	13.0%	n/a	5.50%	S/A	21 Aug 2015	141
UA4000082622			14.5%	13.0%	n/a	5.50%	S/A	24 Aug 2015	571
UA4000083059			14.5%	13.0%	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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