

Market Update

Equity

Local Ukrainian stocks sold off heavily for a second day on Wednesday (Feb 19) as the European Union scrambled its diplomats to try to prevent the eruption of all-out civil war in Kyiv. The UX index added to its 4% decline on Tuesday by dropping another 2.0% to close at 872 points. Worst-hit was Raiffeisen Aval (BAVL), which slid 5.5%, and top liquid issue Motor Sich (MSICH) was down 3.3% to UAH 1845 after being within striking range of the UAH 2000 level on Monday. Ukrainian names traded abroad were hit hard, with Astarta (AST) sliding 6.5% to PLN 54.80 and Kernel (KER) also losing 5.2%. In London, MHP (MHPC) declined by 1.8% to USD 13.10 and Ferrexpo (FXPO) shed 2.2%. The fall in local Ukrainian stocks continued today, with the UX index having lost 2.2% as of noon.

Fixed Income

Ukrainian sovereigns have taken a pounding over the past two days as central Kyiv descends into a state of street warfare, with benchmark Ukraine-23s plunging by 6.3 p.p. to 78.1/79.6 (11.4%/11.1%) since Monday's close. Short-term Eurobonds with maturity in June fell by 4.0 p.p. to 92.5/94.0, with their yield jumping to a new record high of 34%.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	1845.00	-3.1%	1.7	113
Ukrnafta	UNAF	132.50	-3.0%	0.9	92
Centrenergo	CEEN	4.312	-0.6%	0.7	117

Growth Leaders

Donbasenergo	DOEN	31.74	0.8%	0.29	41
Avdyivka Coke	AVDK	2.69	0.3%	0.01	23
Centrenergo	CEEN	4.31	-0.6%	0.67	117

Loss Leaders

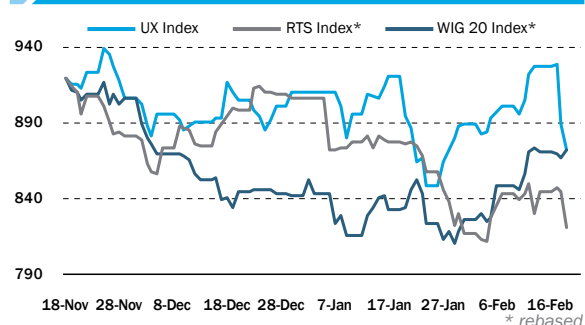
Raiffeisen Bank Aval	BAVL	0.10	-5.5%	0.367	51
Alchevsk Steel	ALMK	0.03	-4.0%	0.133	58
Azovstal	AZST	0.57	-3.7%	0.085	27

Highlights

POLITICS AND ECONOMICS

- > Protesters Take Over Gov't Buildings in Western Ukraine; Truce Fails to Hold in Central Kyiv

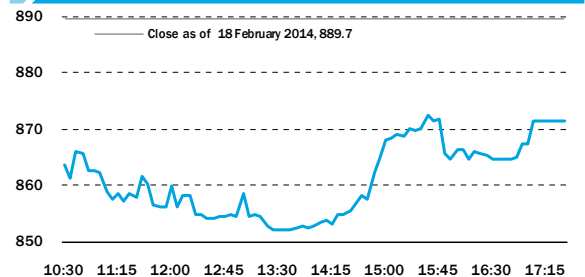
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	871.6	-2.0%	-5.3%	-4.2%
RTS	1306.0	-2.8%	-6.4%	-9.5%
WIG20	2486.1	0.6%	4.6%	3.5%
MSCI EM	959.1	0.0%	-1.4%	-4.3%
S&P 500	1828.8	-0.7%	-0.5%	-0.7%

UX INTRADAY FEBRUARY 19, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	370.9	-0.2%	9.1%	12.1%
CDS 5Y UKR	1329.1	14.4%	91.3%	62.0%
Ukraine-17	13.7%	2.5 p.p.	6.2 p.p.	4.7 p.p.
Naftogaz Ukr-14	37.8%	8.2 p.p.	30.3 p.p.	29.0 p.p.
Ukraine-23	11.3%	1.1 p.p.	2.9 p.p.	3.8 p.p.
Privatbank-16	26.1%	0.6 p.p.	8.0 p.p.	1.4 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.95	1.0%	6.9%	8.6%
EUR	12.29	0.8%	8.4%	8.1%
RUB	0.25	0.1%	0.3%	-0.4%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	275.2	0.0%	2.6%	-4.2%
Steel, USD/t	530.0	0.0%	-1.4%	-1.4%
Oil, USD/bbl	110.5	0.0%	4.3%	-0.7%
Gold, USD/oz	1311.6	-0.8%	4.6%	9.6%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Protesters Take Over Gov't Buildings in Western Ukraine; Truce Fails to Hold in Central Kyiv

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NEWS

A truce declared to stop the fighting in central Kyiv after a late-night meeting between President Yanukovich, his top advisors, and the three political opposition leaders failed to hold on Thursday morning (Feb 20), with intense clashes breaking out near Independence Square between unidentified battalions of protesters and police amid the sound of gunfire throughout the morning. Radical groups only loosely affiliated with the mainstream political opposition are leading the fighting, and the Spilna Sprava (Shared Cause) organization seized new public buildings including the iconic Central Post Office and the Agriculture Ministry in addition to re-occupying City Hall. Meanwhile, in central and especially western Ukrainian provincial capitals, unidentified groups of anti-government activists commandeered, or attempted to take over, provincial government buildings, with at least two deaths reported. The central authorities are reported by local media to have lost control of the provincial administrations in Lviv, Ternopil, Volyn, TransCarpathia, and Ivano-Frankivsk, which are the country's five westernmost provinces.

COMMENTARY

In our view, a quick compromise on the part of President Yanukovich to cede some of his powers to the Cabinet of Ministers and Parliament, along with appointing a new Cabinet with significant opposition representation, is the only way to stop the current situation in Kyiv from descending into all-out civil war. The Russian government yesterday appeared to be trying to pressure Yanukovich against any compromise, with a Kremlin spokesman seeming to pull back on a Russian promise of a new USD 2bn cash infusion to Kyiv that had been announced on Monday. The foreign ministers of France, Germany, and Poland are due in Kyiv today in a diplomatic effort to mediate the situation, and for the first time, we see a distinct possibility that, if no deal is reached, the EU will move to freeze the assets of Ukrainian oligarchs seen to be supporting Yanukovich, with presidential chief of staff Andrey Kluyev likely to be at the top of such a list. However, a political compromise will not in itself be sufficient to resolve the current conflict, as a major Western aid package will be needed immediately to rescue the Ukrainian economy, and we thus far have seen no signs that such a package is in the pipeline. At the same time, it looks as though the mainstream political opposition trio of Vitaliy Klitschko, Arseniy Yatseniuk, and Oleg Tiahnybok has very little influence over the fighting units in the streets of Kyiv and across the country, and even if a compromise on power-sharing is reached, the opposition may have a hard time implementing it; in the events of the past two days, we may be witnessing the opening phase of a de-facto separation of Western Ukraine from the rest of the country.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.57	0.56	-2%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	164.0	218.0	33%	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	7.80	U/R	na	U/R	On its EGM on 14 Feb 2014, SGOK's shareholders approved additional issue of 14.75mn of new shares implying 0.64% of the company's share capital.
Centralny GOK	CGOK	7.38	U/R	na	U/R	On its EGM on 19 Feb 2014, CGOK's shareholders will consider an approval of additional issue of 14.73mn of new shares implying 1.26% of the company's share capital.
Coke						
Avdyivka Coke	AVDK	2.69	6.2	132%	BUY	AVDK's order book is secure thanks to its integration with Metinvest, Ukraine's largest M&M holding.
Yasynivsky Coke	YASK	0.54	3.4	533%	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	0.49	2.9	507%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	20.5	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.42	5.2	269%	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	1845	5250	185%	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	5.00	8.9	78%	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	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	11.6	42.0	261%	BUY	We assume that Regal will be able to produce 5,200 boepd in 2014, generating USD 116mn in sales.
JKX Oil & Gas	JKX	68.5	370	440%	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	31.7	72.0	127%	BUY	DonbasEnergO is expected to pay a significant dividend from its FY13 profit that could amount to as much as UAH 5.0 per share, implying a dividend yield of 20%.
CenterEnergO	CEEN	4.31	15.00	248%	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	13.3	22.10	66%	BUY	MHP is ramping up poultry production at its greenfield Vinnytsia complex, which has 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	54.8	90.0	64%	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	10.6	19.35	83%	BUY	A doubling of egg processing capacity to 6mn eggs/day in 1H13 with further expansion to 10mn in early 2014 bode well for the group's earnings due to 1) the higher profitability of the egg products (EP) segment vs. shell eggs and 2) the longer storage life of EP, which enables the company to retain its output for sale in periods of more favorable pricing. Still, the reported selling price for the company's shell eggs appears to be unjustifiably high. Even with financial quality concerns priced in, the stock looks cheap vs. its global peers.
Ovostar Union	OVO	71.5	109.50	53%	HOLD	The company is on its way to implementing a two-stage investment program aimed at expanding egg production capacity to 2.1bn pieces by 2017, or 3x more compared to FY12 production of 719mn eggs. Very low liquidity in the OVO stock is a major concern.

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	871.58	1055.64	781.22	-2.0%	-5.5%	-5.3%	-4.2%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.034	0.06	0.02	-4.0%	-6.1%	-6.4%	-12.6%	-1.9%	-0.6%	-1.0%	-8.4%
Azovstal	AZST	0.57	0.90	0.31	-4.2%	-7.9%	-8.5%	-14.9%	-2.2%	-2.5%	-3.2%	-10.7%
Dniprospezstal	DNSS	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Enakievo Steel	ENMZ	30.1	49.9	20.0	-3.1%	-5.2%	-6.1%	-6.1%	-1.1%	0.3%	-0.8%	-1.9%
Arcelor Mittal KR	KSTL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mariupol Ilyicha	MMKI	0.11	0.21	0.05	0.0%	-8.3%	-26.7%	10.0%	2.0%	-2.9%	-21.3%	14.2%
Coke												
Avdyivka Coke	AVDK	2.69	4.80	1.60	0.0%	-5.0%	-2.9%	-9.2%	2.0%	0.5%	2.4%	-4.9%
Yasnyivsky Coking	YASK	0.54	0.84	0.49	-5.3%	-1.8%	-1.8%	1.9%	-3.2%	3.6%	3.5%	6.1%
Iron Ore Mining												
Centralny GOK	CGOK	7.38	n/a	n/a	0.0%	0.0%	17.1%	13.5%	2.0%	5.5%	22.5%	17.8%
Ferrexpo	FXPO	2.74	4.43	2.02	-3.9%	-0.1%	-8.0%	-13.0%	-1.8%	5.4%	-2.6%	-8.8%
Pivnichny GOK	SGOK	7.80	10.00	5.77	-0.1%	0.3%	-3.7%	-2.5%	1.9%	5.7%	1.6%	1.7%
Coal Mining												
Pokrovske Mine	SHCHZ	0.49	0.70	0.10	0.0%	36.1%	40.0%	22.5%	2.0%	41.6%	45.3%	26.7%
Komsomolets Donbasa	SHKD	0.61	n/a	n/a	0.0%	0.0%	-9.0%	-1.6%	2.0%	5.5%	-3.6%	2.6%
Energy Coal	CLE	0.37	3.81	0.31	-4.9%	2.8%	-18.9%	5.7%	-2.8%	8.3%	-13.5%	10.0%
Mining Machinery												
Svitlo Shakhtara	HMBZ	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.50	0.85	0.30	0.0%	-16.7%	-10.7%	-16.7%	2.0%	-11.2%	-5.4%	-12.4%
Interpipe NMPP	NVTR	0.20	n/a	n/a	-13.0%	-13.0%	-13.0%	-4.8%	-11.0%	-7.6%	-7.7%	-0.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	20.5	29.0	12.0	12.7%	10.8%	22.0%	18.5%	14.7%	16.3%	27.3%	22.7%
Luhanskeplovoz	LTPL	1.42	2.20	1.26	-5.3%	-6.6%	-5.3%	-5.3%	-3.3%	-1.1%	0.0%	-1.1%
Stakhanov Wagon	SVGZ	1.15	n/a	n/a	0.0%	-8.7%	-9.4%	-11.5%	2.0%	-3.3%	-4.1%	-7.3%
Specialized Machinery												
Bogdan Motors	LUAZ	0.03	0.08	0.02	0.0%	-4.3%	12.1%	1.1%	2.0%	1.2%	17.5%	5.4%
Motor Sich	MSICH	1,845	2,640	1,303	-3.2%	-2.0%	-5.4%	1.2%	-1.2%	3.5%	-0.1%	5.4%
Sumy Frunze Engineering	SMASH	2.45	n/a	n/a	11.4%	-2.0%	-1.6%	-2.0%	13.4%	3.5%	3.7%	2.2%
Turboatom	TATM	3.25	n/a	n/a	0.0%	80.6%	n/a	-7.1%	2.0%	86.0%	n/a	-2.9%
WESTA ISIC	WES	0.18	0.26	0.13	-5.9%	9.0%	5.3%	33.8%	-3.8%	14.5%	10.7%	38.1%
Telecom												
Ukrtelecom	UTLM	0.13	0.17	0.09	3.9%	8.2%	-3.8%	18.1%	6.0%	13.6%	1.5%	22.3%
Oil & Gas												
Regal Petroleum	RPT	0.19	0.47	0.18	-1.9%	-1.2%	-16.1%	-7.7%	0.1%	4.2%	-10.8%	-3.4%
JKX Oil	JKX	1.15	1.21	0.75	0.5%	0.9%	-1.3%	-3.3%	2.6%	6.4%	4.0%	0.9%
Ukrnafta	UNAF	133	174	96	-3.0%	-12.9%	20.0%	22.0%	-1.0%	-7.4%	25.3%	26.2%
Power Utilities												
Centrenerg	CEEN	4.31	7.40	2.50	-0.4%	-6.7%	-9.2%	-9.6%	1.6%	-1.2%	-3.9%	-5.3%
Donbasenergo	DOEN	31.7	34.0	15.4	0.9%	-2.2%	1.6%	15.0%	2.9%	3.3%	6.9%	19.3%
Zakhidenergo	ZAEN	116.0	134.0	64.0	8.0%	-4.1%	27.2%	28.3%	10.0%	1.3%	32.5%	32.5%
Consumer												
Agroton	AGT	1.51	3.5	0.36	26.4%	75.1%	70.2%	132.8%	28.4%	80.6%	75.5%	137.0%
Astarta	AST	18.1	24.4	14.5	-6.5%	-7.8%	-14.5%	-18.8%	-4.4%	-2.3%	-9.2%	-14.6%
Avangardo	AVGR	10.6	13.0	7.61	-5.9%	0.0%	-9.5%	-9.9%	-3.8%	5.5%	-4.2%	-5.6%
Industrial Milk Company	IMC	2.81	5.25	2.57	-6.6%	7.9%	-32.4%	-30.6%	-4.5%	13.4%	-27.1%	-26.3%
Kernel	KER	11.6	22.1	11.6	-5.2%	-2.6%	-12.1%	-8.6%	-3.2%	2.8%	-6.8%	-4.4%
Mriya Agro Holding	MAYA	7.09	8.2	5.36	-2.5%	3.7%	-1.1%	-4.8%	-0.4%	9.1%	4.2%	-0.6%
MHPC	MHPC	13.3	19.9	13.17	-1.8%	-10.9%	-24.5%	-21.8%	0.2%	-5.4%	-19.2%	-17.6%
Milkiland	MLK	3.26	5.0	3.02	-5.4%	1.6%	-3.7%	-21.5%	-3.4%	7.0%	1.6%	-17.3%
Ovostar Union	OVO	23.6	33.3	21.3	-4.6%	-3.1%	-21.2%	-29.2%	-2.5%	2.3%	-15.9%	-24.9%
Sintal	SNPS	n/a	-	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MCB Agricole	4GW1	n/a	-	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Chemicals												
Stirol	STIR	11.8	n/a	n/a	-2.9%	-7.8%	-9.6%	-6.0%	-0.9%	-2.4%	-4.3%	-1.8%
Banks												
Raiffeisen Bank Aval	BAVL	0.103	0.128	0.077	-5.5%	-9.5%	-8.7%	-9.3%	-3.5%	-4.0%	-3.4%	-5.0%
UkrSotsbank	USCB	0.162	0.257	0.111	4.0%	-3.6%	-9.6%	-13.7%	6.1%	1.8%	-4.2%	-9.4%

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		
		2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2014E
Steel																
Alchevsk Steel	ALMK	1,783	1,729	1,730	-5	-62	-14	neg	neg	neg	-127	-173	-35	neg	neg	neg
Enakievo Steel	ENMZ	1,578	1,531	1,561	-84	22	33	neg	1.5%	2.1%	9	-185	-29	0.5%	neg	neg
Azovstal	AZST	2,814	1,938	1,976	-181	-31	35	neg	neg	1.8%	-333	-173	-24	neg	neg	neg
Coke																
Avdyivka Coke	AVDK	1,090	914	784	-112	47	29	neg	5.1%	3.8%	-137	-6	-24	neg	neg	neg
Yasynivsky Coking	YASK	432	367	333	27	29	19	6.4%	7.8%	5.7%	8	11	5	1.9%	3.1%	1.4%
Iron Ore Mining																
Centralny GOK	CGOK	610	679	634	232	312	279	38.0%	46.0%	44.1%	95	179	150	15.6%	26.4%	23.7%
Pivnichny GOK	SGOK	1,416	1,630	1,506	750	914	816	53.0%	56.1%	54.2%	436	549	461	30.8%	33.7%	30.6%
Ferrexpo	FXPO	1,424	1,545	1,623	402	433	449	28.2%	28.0%	27.7%	216	240	248	15.1%	15.5%	15.3%
Coal Mining																
Komsomolets Donbasa	SHKD	273	220	234	125	92	94	45.9%	41.8%	40.1%	7	17	17	2.6%	7.6%	7.3%
Coal Energy	CLE	165	126	101	63	21	9	38.0%	16.8%	8.9%	38	-17	-24	23.2%	neg	neg
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	480	310	361	52	31	34	10.8%	10.1%	9.5%	34	17	20	7.0%	5.5%	5.5%
Railcar Manufacturing																
Luhanskteplovoz	LTPL	216	329	367	29	36	38	13.4%	10.8%	10.4%	5	18	20	2.2%	5.4%	5.5%
Kryukiv Wagon	KVBZ	891	424	310	135	65	49	15.2%	15.3%	15.9%	95	25	18	10.7%	5.8%	5.8%
Stakhanov Wagon	SVGZ	311	172	150	7	6	5	2.3%	3.4%	3.6%	1	-1	-1	0.2%	neg	neg
Specialized Machinery																
Turboatom	TATM	160	236	263	51	91	98	32.2%	38.7%	37.1%	38	72	76	23.8%	30.4%	29.0%
Motor Sich	MSICH	979	1,000	1,116	309	233	258	31.6%	23.3%	23.1%	200	184	205	20.4%	18.4%	18.4%
Telecom																
Ukrtelecom	UTLM	838	749	654	206	215	209	24.5%	28.7%	31.9%	45	50	65	5.4%	6.6%	10.0%
Oil & Gas																
Ukrnafta	UNAF	1,853	2,454	2,143	319	373	355	17.2%	15.2%	16.5%	176	131	121	9.5%	5.4%	5.7%
Regal Petroleum	RPT	51	38	60	21	17	31	42.0%	45.0%	52.0%	12	5	13	22.7%	13.2%	21.3%
JKX Oil	JKX	203	210	231	136	85	90	67.1%	40.5%	39.0%	-11	20	24	neg	9.5%	10.4%
Electric Utilities																
Centrenergo	CEEN	1,119	902	1,006	69	62	69	6.2%	6.8%	6.8%	29	43	50	2.6%	4.8%	5.0%
Donbasenergo	DOEN	574	656	732	32	72	64	5.6%	11.0%	8.8%	4	49	43	0.7%	7.5%	5.9%
Consumer																
MHP	MHPC	1,408	1,422	1,635	468	413	545	33.2%	29.0%	33.3%	311	202	269	22.1%	14.2%	16.5%
Kernel	KER	2,157	2,797	2,480	322	291	257	14.9%	10.4%	10.4%	211	105	77	9.8%	3.8%	3.1%
Astarta	AST	456	504	598	109	125	169	20.0%	20.6%	23.6%	58	78	113	10.6%	12.9%	15.8%
Avangardco	AVGR	629	703	785	280	328	373	44.5%	46.6%	47.5%	228	262	300	36.3%	37.2%	38.3%
Agroton	AGT	88	69	76	20	13	12	23.2%	18.1%	15.4%	7	-2	-1	7.7%	neg	neg
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	5,962	5,333	5,495	793	888	859	679	723	613	4	90	115	0.5%	10.1%	13.4%
Ukrsotsbank	USCB	4,854	5,283	4,949	957	1,064	1,016	451	360	453	1	1	20	0.1%	0.1%	2.0%

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		
				2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2013E			
Steel																		
Alchevsk Steel	ALMK	98	3.9%	4	1,892	neg	neg	neg	neg	neg	neg	1.1	1.1	1.1	489	456	443	\$/tonne
Yenakievo Steel	ENMZ	35	8.8%	3	30	4.1	neg	neg	neg	1.3	0.9	0.0	0.0	0.0	11	10	10	\$/tonne
Azovstal	AZST	268	3.0%	8	250	neg	neg	neg	neg	neg	7.1	0.1	0.1	0.1	54	55	55	\$/tonne
Coke																		
Avdyivka Coke	AVDK	59	6.8%	4	56	neg	neg	neg	neg	1.2	1.9	0.1	0.1	0.1	13	14	15	\$/tonne
Yasynivsky Coke	YASK	17	9.0%	1	17	2.0	1.5	3.5	0.6	0.6	0.9	0.0	0.0	0.1	0.6	0.6	0.9	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	966	0.3%	2	965	10.2	5.4	6.4	4.2	3.1	3.5	1.6	1.4	1.5				
Pivnichny GOK	SGOK	2,008	0.4%	8	2,002	4.6	3.7	4.4	2.7	2.2	2.5	1.4	1.2	1.3				
Ferrexpo	FXPO	1,614	24.0%	388	2,180	7.5	6.7	6.5	5.4	5.0	4.9	1.5	1.4	1.3				
Coal Mining																		
Komsomolets Donbasa	SHKD	23	5.4%	1	125	3.2	1.4	1.3	1.0	1.4	1.3	0.5	0.6	0.5	30	29	28	\$/tonne
Coal Energy	CLE	17	25.0%	4	127	0.4	neg	neg	2.0	6.0	14.1	0.8	1.0	1.3	2.0	6.0	14.1	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	145	2.0%	3	191	4.3	8.5	7.3	3.7	6.1	5.5	0.4	0.6	0.5	303	502	477	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	35	24.0%	8	77	7.2	2.0	1.7	2.6	2.1	2.0	0.4	0.2	0.2				
Kruiiv Wagon	KVBZ	263	5.0%	13	263	2.8	10.7	14.7	1.9	4.0	5.3	0.3	0.6	0.8				
Stakhanov Wagon	SVGZ	29	8.0%	2	68	>30	neg	neg	9.5	11.6	12.5	0.2	0.4	0.5				
Specialized Machinery																		
Turboatom	TATM	165	5.8%	10	97	4.3	2.3	2.2	1.9	1.1	1.0	0.6	0.4	0.4				
Motor Sich	MSICH	428	24.0%	103	447	2.1	2.3	2.1	1.4	1.9	1.7	0.5	0.4	0.4				
Telecom																		
Ukrtelecom	UTLM	272	7.2%	20	593	6.0	5.5	4.2	2.9	2.8	2.8	0.7	0.8	0.9				
Oil & Gas																		
Ukrnafta	UNAF	803	3.0%	24	794	4.6	6.1	6.6	2.5	2.1	2.2	0.4	0.3	0.4	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	62	21.6%	13	34	5.4	12.4	4.9	1.6	2.0	1.1	0.7	0.9	0.6	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	197	50.4%	99	305	neg	9.8	8.2	2.2	3.6	3.4	1.5	1.5	1.3	56	42	41	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	178	21.7%	39	247	6.2	4.1	3.6	3.6	4.0	3.6	0.2	0.3	0.2	14	17	15	\$/MWh
DonbasEnergO	DOEN	84	14.2%	12	154	21.9	1.7	2.0	4.8	2.1	2.4	0.3	0.2	0.2	19	20	19	\$/MWh
Consumer																		
MHP	MHPC	1,405	34.1%	479	2,566	4.5	6.9	5.2	5.5	6.2	4.7	1.8	1.8	1.6				
Kernel	KER	922	61.8%	570	1,628	4.4	8.8	12.0	5.1	5.6	6.3	0.8	0.6	0.7				
Astarta	AST	452	37.0%	167	785	7.8	5.8	4.0	7.2	6.3	4.6	1.7	1.6	1.3				
Avangardco	AVGR	676	22.5%	152	876	3.0	2.6	2.3	3.1	2.7	2.3	1.4	1.2	1.1	198	151	142	\$/mneggs
Agroton	AGT	33	26.2%	9	82	4.8	neg	neg	4.0	6.5	6.9	0.9	1.2	1.1	n/a	n/a	n/a	
Banks																		
Raiffeisen Bank Aval	BAVL	346	3.6%	12		>30	3.9	3.0	0.4	0.4	0.4	0.06	0.06	0.06				
Ukrsotsbank	USCB	333	1.4%	5		>30	>30	19.4	0.4	0.3	0.3	0.08	0.07	0.08				

Source: Eavex Research

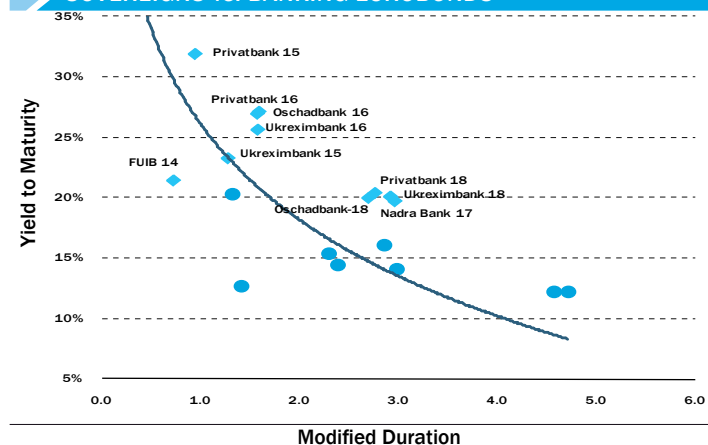
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2014	92.5	94.0	54.3%	43.4%	-6.8%	0.2	7.95%	S/A	4 Jun. 2014	1,000	Caa2/CCC+/CCC
Naftogaz Ukraine, 2014	85.1	86.7	63.3%	54.6%	-14.5%	0.4	9.50%	S/A	30 Sept 2014	1,595	//
Ukraine, 2015 (EUR)	89.5	90.5	13.1%	12.2%	-6.3%	1.4	4.95%	A	13 Oct 2015	600*	Caa2/CCC+/CCC
Ukraine, 2015	82.3	86.3	22.2%	18.4%	-13.6%	1.3	6.875%	S/A	23 Sept 2015	500	Caa2/CCC+/CCC
Ukraine, 2016	81.0	82.5	15.8%	15.0%	-13.1%	2.3	6.58%	S/A	21 Nov 2016	1,000	Caa2/CCC+/CCC
Ukraine, 2016-2	81.2	83.2	15.0%	14.0%	-12.9%	2.4	6.25%	S/A	17 Jun 2016	1,250	Caa2/CCC+/CCC
Ukraine, 2017	78.4	81.9	14.8%	13.3%	-13.5%	3.0	6.75%	S/A	14 Nov 2017	700	Caa2/CCC+/CCC
Ukraine, 2017-2	82.6	84.6	16.5%	15.6%	-15.7%	2.9	9.25%	S/A	24 Jul 2017	2,000	Caa2/CCC+/CCC
Ukraine, 2017 Infr. projects	87.0	88.5	13.8%	13.1%	6.2%	2.9	8.375%	S/A	3 Nov 2017	568	Caa2//
Ukraine, 2018 Infr. projects	84.3	86.0	13.0%	12.4%	8.4%	3.3	7.40%	S/A	20 Apr 2018	690	Caa2//
Ukraine, 2020	80.1	82.6	12.5%	11.9%	-12.6%	4.6	7.75%	S/A	23 Sept 2020	1,500	Caa2/CCC+/CCC
Ukraine, 2021	79.7	82.0	12.5%	11.9%	-13.7%	4.7	7.95%	S/A	23 Feb 2021	1,500	Caa2/CCC+/CCC
Ukraine, 2022	78.1	80.1	12.0%	11.5%	-13.2%	5.7	7.80%	S/A	28 Nov 2022	1,250	Caa2/CCC+/CCC
Ukraine, 2023	78.1	79.6	11.4%	11.1%	-12.8%	5.9	7.50%	S/A	17 Apr 2023	1,250	Caa2/CCC+/CCC
Corporate Eurobonds											
Agroton, 2014	35.0	41.6	50.9%	41.9%	n/a	2.5	8.00%	S/A	14 Jul 2019	50	/CCC/RD
MHP, 2015	98.6	99.6	12.8%	12.3%	-4.2%	1.1	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	76.0	78.0	14.3%	13.7%	-13.9%	4.3	8.25%	S/A	2 Apr 2020	750	/CCC+/CCC
Avangardco, 2015	96.8	98.5	13.1%	11.8%	n/a	1.5	10.00%	S/A	29 Oct 2015	200	//CCC
UkrLandFarming, 2018	85.5	88.0	15.8%	14.9%	-3.8%	3.0	10.88%	S/A	26 Mar 2018	275	/CCC+/CCC
Mriya, 2016	93.5	95.5	15.9%	14.6%	-5.7%	1.7	10.95%	S/A	30 Mar 2016	72	/CCC+/CCC
Mriya, 2018	78.2	80.0	17.0%	16.2%	-9.2%	3.1	9.45%	S/A	19 Apr 2018	400	/CCC+/CCC
DTEK, 2015	95.8	97.0	15.0%	13.6%	-5.7%	1.0	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	80.0	82.0	14.5%	13.7%	-14.1%	3.2	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	96.0	97.6	15.3%	13.6%	-5.1%	1.1	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	83.4	85.5	14.7%	13.9%	-11.1%	3.1	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	89.0	91.0	14.9%	13.3%	-8.2%	1.8	7.875%	S/A	07 Apr 2016	500	/CCC+/CCC
UZ Rail, 2018	75.0	77.0	18.2%	17.4%	-17.1%	3.1	9.50%	S/A	21 May 2018	500	/CCC+/CCC
Interepipe, 2017	77.0	80.1	20.5%	18.5%	0.0%	2.6	10.25%	S/A	2 Aug 2017	200	/NR/C
JKX Oil&Gas, 2018	109.6	111.2	8.5%	8.1%	-0.5%	3.4	8.00%	S/A	19 Feb 2018	40	//
Bank Eurobonds											
Fin&Credit Bank, 2019	72.0	82.0	18.1%	14.5%	-7.2%	3.7	9.25%	S/A	25 Jan 2019	100	Caa2//
PUMB, 2014	94.0	97.5	24.9%	18.1%	-2.8%	0.7	11.00%	Q	31 Dec 2014	275	Caa2//
Nadra Bank, 2017	80.1	91.0	25.2%	14.8%	0.0%	2.7	8.00%	A	22 Jun 2017	175	//
PrivatBank, 2015	85.3	85.3	23.3%	23.3%		1.3	9.38%	S/A	23 Sept 2015	200	Caa2//
PrivatBank, 2016	68.9	71.8	28.3%	25.6%	0.0%	1.6	8.75%	S/A	9 Feb 2016	150	Caa2//
PrivatBank, 2018	74.8	76.6	20.4%	19.5%	-9.6%	2.8	10.88%	S/A	28 Feb 2018	175	Caa2//CCC
UkrEximBank, 2015	80.0	83.0	34.3%	29.7%	-15.5%	1.0	8.38%	S/A	27 Apr 2015	750	Caa2//CCC
UkrEximBank, 2016	71.5	71.5	27.1%	27.1%	-16.2%	1.6	8.40%	S/A	2 Sept 2016	125	Caa2//CCC
UkrEximBank, 2018	70.1	72.0	20.1%	19.3%	-20.4%	3.0	8.75%	S/A	22 Jan 2018	500	Caa2//CCC
VAB Bank, 2014	80.0	84.0	n/a	n/a	-4.1%	n/a	10.50%	Q	14 Jun 2014	125	Caa2//WD
Oschadbank, 2016	75.0	78.0	27.0%	24.3%	-17.8%	1.6	8.25%	S/A	10 Mar 2016	700	Caa2//CCC
Oschadbank, 2018	68.8	70.7	20.5%	19.6%	-21.6%	2.9	8.88%	S/A	20 Mar 2018	500	Caa2//CCC
Municipal Eurobonds											
City of Kyiv, 2015	85.0	87.0	20.0%	18.3%	-7.5%	1.4	8.00%	S/A	6 Nov 2015	250	Caa2/CCC+/
City of Kyiv, 2016	84.0	86.0	17.9%	16.7%	-8.6%	2.0	9.375%	S/A	30 Jun 2016	300	Caa2/CCC+/

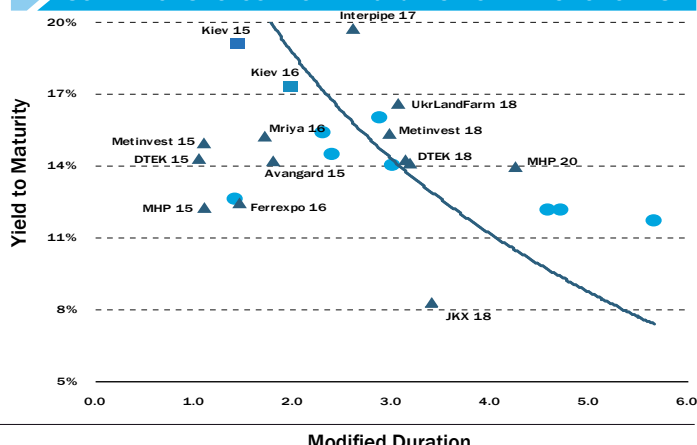
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



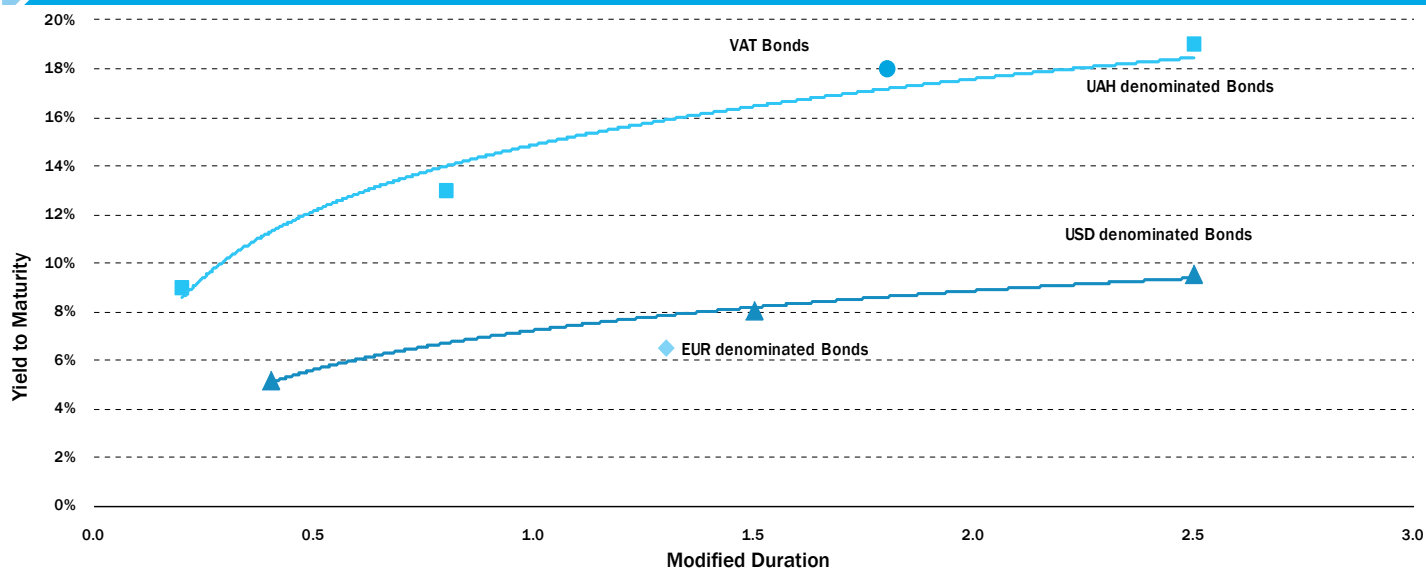
SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



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%	9.0%	n/a	10.75%	S/A	26 Mar 2014	187
UA4000141592			17.5%	15.0%	n/a	14.30%	S/A	20 May 2015	31
UA4000142665			22.0%	18.0%	n/a	14.30%	S/A	24 May 2017	184
USD denominated Bonds									
UA4000140362	n/a	n/a	7.0%	5.5%	n/a	9.20%	S/A	21 May 2014	171
UA4000142699	n/a	n/a	10.0%	9.0%	n/a	9.45%	S/A	22 Apr 2015	312
UA4000141071	n/a	n/a	10.4%	9.5%	n/a	9.45%	S/A	27 May 2015	152
UA4000142673	n/a	n/a	10.4%	9.5%	n/a	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000142681	n/a	n/a	7.4%	5.5%	n/a	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			21.0%	18.0%	n/a	5.50%	S/A	21 Aug 2015	141
UA4000082622			21.0%	18.0%	n/a	5.50%	S/A	24 Aug 2015	571
UA4000083059			21.0%	18.0%	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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