

Market Update

Equity

Kyiv-listed stocks rebounded from their opening-week slide on Tuesday (Apr 8) after Donetsk industrialist Rinat Akhmetov confirmed his support for the region as part of Ukraine in a surprise meeting with pro-Russian activists who have taken over the provincial administration building. Meanwhile, the main global indices were little-changed, although US tech names recovered modestly from Monday's selloff. The UX index added 2.8% to close at 1084 points, with all 10 blue chips firmly in the black. DonbasEnergo rose 4.7% to UAH 42.70, and top liquid names Motor Sich and UkrNafta picked up 3.6% and 4.2% respectively. Akhmetov-controlled Yenakievo Steel and Azovstal saw the smallest gains of the index basket components at around 1.5% each. In London, Ferrexpo was down by 3% intraday but recovered to finish nearly unchanged, while in Frankfurt, sporadically-traded TMM Real Estate fell 8.5% to EUR 0.247.

Fixed Income

Quotes for Ukrainian sovereign Eurobonds declined for the second straight session reacting on the credit rating downgrade from Moody's. Ukraine-23s shed 1.3 p.p. to close at 88.3/93.0 (9.5%/8.6%). Medium term Ukraine-17s decreased by 1.0 p.p. to 90.5/91.5 (10.2%/9.8%). Corporate and banking issues ended also lower.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Centrenergo	CEEN	5.51	2.6%	5.9	184
Azovstal	AZST	0.72	1.2%	1.4	51
Raiffeisen Bank Aval	BAVL	0.171	2.0%	1.0	74

Growth Leaders

Donbasenergo	DOEN	42.70	4.8%	0.75	82
Ukrnafta	UNAF	241.50	4.2%	0.94	82
Zakhidenergo	ZAEN	128.80	3.9%	0.26	8

Loss Leaders

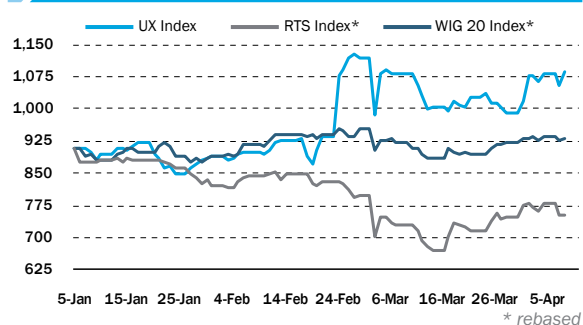
Bogdan Motors	LUAZ	0.04	-11.7%	0.004	9
Poltavsky GOK	PGOK	13.49	-0.1%	0.142	7
Azovstal	AZST	0.72	1.2%	1.390	51

Highlights

STOCKS IN THE NEWS

- > Ferrexpo's Pellet Output Edges Up 2% QoQ in 1Q14

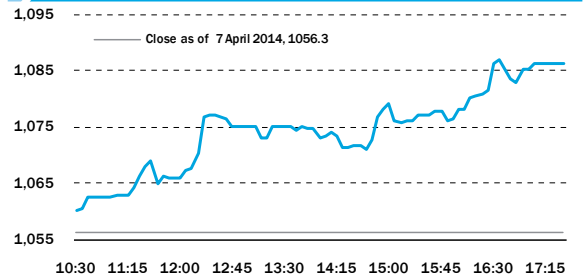
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1086.3	2.8%	0.5%	19.4%
RTS	1195.7	0.2%	3.2%	-17.1%
WIG20	2465.5	0.5%	1.2%	2.7%
MSCI EM	1011.5	0.7%	4.6%	1.0%
S&P 500	1852.0	0.4%	-1.4%	0.6%

UX INTRADAY APRIL 8, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	316.8	-0.8%	-5.2%	-4.2%
CDS 5Y UKR	890.1	0.0%	-17.6%	8.5%
Ukraine-17	9.8%	0.4 p.p.	-1.3 p.p.	0.8 p.p.
Naftogaz Ukr-14	27.0%	1.7 p.p.	-9.9 p.p.	18.2 p.p.
Ukraine-23	9.0%	0.2 p.p.	-0.9 p.p.	1.5 p.p.
Privatbank-16	28.1%	-0.1 p.p.	-5.9 p.p.	3.4 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	11.79	0.7%	27.6%	43.0%
EUR	16.31	1.5%	27.3%	43.5%
RUB	0.33	0.6%	30.1%	31.4%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	287.9	0.0%	-3.7%	0.2%
Steel, USD/t	522.5	0.0%	-0.9%	-2.8%
Oil, USD/bbl	107.7	1.7%	-0.7%	-3.2%
Gold, USD/oz	1308.6	0.9%	-2.3%	9.4%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Ferrexpo's Pellet Output Edges Up 2% QoQ in 1Q14

by Ivan Dzvinka
i.dzvinka@eavex.com.ua

FERREXPO (FXPO LN)

Price: GBp 155.3 Market Cap: USD 1,521mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2013	0.9	1.4	5.8	4.3	5.1%
2014E	0.8	1.4	7.7	4.8	1.3%

NEWS

Ferrexpo, Ukraine's largest iron ore pellet exporter, manufactured 2.82mn tonnes of pellets in 1Q14, representing a 2% QoQ and 10% YoY increase, the company reported on Tuesday (Apr 8). The company's output from ore extracted at its new Yeristovo GOK mine grew by 7% QoQ and 2.2x YoY to 707,000 tonnes in the quarter, while output at the Poltava GOK mine declined to 2.01mn tonnes (-1.4% QoQ and -7.0% YoY). Ferrexpo said it will issue an interim management statement on Apr 17.

COMMENTARY

While the double digit growth looks encouraging, the 1Q output translates into an annualized figure of 11.26mn, which is below the company's previously projected 2014E production range of 11.5-12.0mn tonnes. That said, we still see the news as neutral for the company's stock, as 1Q output traditionally is below the operating results in the other quarters of the year due to colder weather and a short month in February. We are thus sticking with our FY14 output forecast of 11.7mn tonnes. We also note that even a 10% rise in output will only partially offset a [projected] 19% YoY drop in the average benchmark iron ore price for 62% fines in China. We confirm our sell recommendation for the FXPO stock with target price of GBP 1.25 per share.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.72	0.56	-23%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	155.3	125.0	-20%	SELL	Ferrexpo's lower production cost due to UAH devaluation in 2014 together with a 8% increase in output will not be sufficient to offset a projected 13% drop in the group's achieved iron ore pricing.
Pivnichny GOK	SGOK	7.99	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	9.00	U/R	na	U/R	On its EGM on 19 Feb 2014, CGOK's shareholders made a decision on additional issue of 14.73mn of new shares implying 1.26% of the company's share capital.
Coke						
Avdyivka Coke	AVDK	3.05	6.2	105%	BUY	AVDK's order book is secure thanks to its integration with Metinvest, Ukraine's largest M&M holding.
Yasynivsky Coke	YASK	0.64	U/R	na	U/R	Yasynivsky Coke reported net loss of UAH 22mn for FY13 which was the first negative bottom line since 2004.
Coal						
Pokrovske Mine	SHCHZ	0.59	2.9	401%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	17.1	U/R	--	U/R	
LuganskTeplovoz	LTPL	1.59	5.2	229%	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	1758	5250	199%	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	10.3	42.0	310%	BUY	We assume that Regal will be able to produce 5,200 boepd in 2014, generating USD 116mn in sales.
JKX Oil & Gas	JKX	59.9	370	518%	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	42.7	72.0	69%	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	5.51	15.00	172%	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	13.1	U/R	--	U/R	
Astarta	AST	43.0	90.0	109%	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	9.6	19.35	102%	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	70.9	109.50	54%	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.
Banks						
Raiffeisen Bank Aval	BAVL	0.171	0.24	40%	BUY	We base our valuation on an assumption of the bank's fair value at 0.9x of its book value, the level at which Italian lender Intesa Sanpaolo sold its Ukrainian subsidiary in early 2014.

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	1086.29	1153.01	781.22	2.8%	0.8%	0.5%	19.4%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.036	0.06	0.02	2.0%	-2.2%	-9.5%	-6.7%	-0.9%	-3.0%	-10.0%	-26.1%
Azovstal	AZST	0.72	0.90	0.31	0.8%	-1.1%	1.3%	7.3%	-2.0%	-1.9%	0.8%	-12.1%
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	34.9	52.0	20.0	1.7%	-1.8%	-3.5%	8.9%	-1.2%	-2.6%	-4.0%	-10.5%
Arcelor Mittal KR	KSTL	1.70	n/a	n/a	0.0%	n/a	n/a	47.8%	-2.8%	n/a	n/a	28.5%
Mariupol Ilyicha	MMKI	0.21	0.21	0.05	40.0%	40.0%	23.5%	110.0%	37.2%	39.2%	23.0%	90.6%
Coke												
Avdyivka Coke	AVDK	3.05	4.80	1.60	2.9%	-1.1%	1.2%	3.0%	0.0%	-1.9%	0.7%	-16.3%
Yasynivsky Coking	YASK	0.64	0.77	0.49	0.0%	-14.7%	-11.1%	20.8%	-2.8%	-15.5%	-11.6%	1.4%
Iron Ore Mining												
Centralny GOK	CGOK	9.00	n/a	n/a	0.1%	1.1%	-3.9%	38.5%	-2.7%	0.3%	-4.5%	19.1%
Ferrexpo	FXPO	2.60	3.20	2.02	0.5%	0.2%	9.8%	-17.6%	-2.4%	-0.5%	9.2%	-37.0%
Pivnichny GOK	SGOK	7.99	10.00	5.77	2.4%	0.8%	-18.2%	-0.1%	-0.4%	0.0%	-18.7%	-19.5%
Coal Mining												
Pokrovske Mine	SHCHZ	0.59	0.64	0.10	9.3%	18.0%	11.3%	47.5%	6.4%	17.2%	10.8%	28.1%
Komsomolets Donbasa	SHKD	0.95	n/a	n/a	-3.1%	5.6%	-15.2%	53.2%	-5.9%	4.8%	-15.7%	33.9%
Energy Coal	CLE	0.49	1.92	0.31	0.5%	-12.9%	1.0%	39.3%	-2.3%	-13.7%	0.5%	20.0%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.45	n/a	n/a	0.0%	0.0%	n/a	-2.2%	-2.8%	-0.8%	n/a	-21.5%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.70	0.80	0.30	1.4%	-1.4%	16.7%	16.7%	-1.4%	-2.2%	16.1%	-2.7%
Interpipe NMPP	NVTR	0.30	n/a	n/a	0.0%	0.0%	15.4%	42.9%	-2.8%	-0.8%	14.9%	23.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	17.1	29.0	12.0	0.0%	-2.3%	-16.8%	-1.4%	-2.8%	-3.1%	-17.3%	-20.8%
Luhanskeplovoz	LTPL	1.59	2.20	1.20	0.0%	-0.6%	7.4%	6.0%	-2.8%	-1.4%	6.9%	-13.4%
Stakhanov Wagon	SVGZ	1.10	n/a	n/a	0.0%	-8.3%	-8.3%	-15.4%	-2.8%	-9.1%	-8.9%	-34.8%
Specialized Machinery												
Bogdan Motors	LUAZ	0.04	0.08	0.02	-12.1%	5.3%	24.2%	58.9%	-14.9%	4.5%	23.7%	39.5%
Motor Sich	MSICH	1,758	2,545	1,303	3.6%	3.0%	-5.2%	-3.6%	0.8%	2.3%	-5.7%	-23.0%
Sumy Frunze Engineering	SMASH	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Turboatom	TATM	3.20	n/a	n/a	0.0%	45.5%	-20.0%	-8.6%	-2.8%	44.7%	-20.5%	-27.9%
WESTA ISIC	WES	0.19	0.26	0.13	4.3%	-1.6%	4.1%	39.3%	1.4%	-2.4%	3.5%	20.0%
Telecom												
Ukrtelecom	UTLM	0.15	0.19	0.09	2.7%	-11.1%	-18.0%	40.0%	-0.2%	-11.9%	-18.5%	20.6%
Oil & Gas												
Regal Petroleum	RPT	0.17	0.41	0.17	0.8%	-6.3%	-12.7%	-18.5%	-2.1%	-7.1%	-13.2%	-37.9%
JKX Oil	JKX	1.00	1.21	0.75	1.4%	-1.3%	1.6%	-15.4%	-1.4%	-2.1%	1.0%	-34.8%
Ukrnafta	UNAF	242	244	96	4.1%	6.2%	18.7%	122.4%	1.3%	5.4%	18.2%	103.0%
Power Utilities												
Centrenerg	CEEN	5.51	7.40	2.50	2.6%	2.1%	-2.8%	15.6%	-0.2%	1.3%	-3.3%	-3.7%
Donbasenergo	DOEN	42.7	43.0	15.4	5.0%	3.2%	2.4%	54.8%	2.2%	2.4%	1.9%	35.4%
Zakhidenergo	ZAEN	128.8	134.0	64.0	1.4%	1.4%	13.1%	42.5%	-1.4%	0.6%	12.6%	23.1%
Consumer												
Agroton	AGT	0.89	2.7	0.36	-3.1%	-12.2%	-36.0%	37.8%	-5.9%	-13.0%	-36.5%	18.4%
Astarta	AST	14.2	24.4	12.1	-1.7%	-4.3%	-2.8%	-36.0%	-4.6%	-5.1%	-3.3%	-55.4%
Avangardo	AVGR	9.6	13.0	8.05	1.1%	-6.3%	11.0%	-18.3%	-1.7%	-7.1%	10.5%	-37.7%
Industrial Milk Company	IMC	2.66	5.14	2.49	-1.4%	-8.8%	-4.6%	-34.2%	-4.3%	-9.5%	-5.2%	-53.6%
Kernel	KER	10.0	19.1	7.6	1.9%	-2.8%	14.0%	-21.3%	-0.9%	-3.6%	13.5%	-40.7%
Mriya Agro Holding	MAYA	6.70	8.2	5.36	0.4%	-4.8%	-9.2%	-10.1%	-2.4%	-5.6%	-9.7%	-29.4%
MHPC	MHPC	13.1	19.9	11.21	-1.7%	-3.2%	-5.9%	-23.2%	-4.6%	-4.0%	-6.4%	-42.5%
Milkiland	MLK	2.57	4.7	2.22	3.2%	-1.8%	-3.6%	-38.3%	0.4%	-2.6%	-4.2%	-57.7%
Ovostar Union	OVO	23.5	33.3	19.4	-1.0%	-5.3%	4.6%	-29.4%	-3.8%	-6.1%	4.1%	-48.8%
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	12.7	n/a	n/a	0.0%	5.0%	-9.6%	1.3%	-2.8%	4.2%	-10.1%	-18.1%
Banks												
Raiffeisen Bank Aval	BAVL	0.171	0.177	0.077	2.0%	-3.2%	8.9%	50.6%	-0.9%	-4.0%	8.4%	31.2%
UkrSotsbank	USCB	0.166	0.257	0.113	2.6%	-0.1%	-9.2%	-11.5%	-0.2%	-0.9%	-9.7%	-30.8%

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	-214	-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	1,926	1,976	-181	-31	35	neg	neg	1.8%	-333	-308	-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	-3	5	1.9%	neg	1.4%
Iron Ore Mining																
Centralny GOK	CGOK	610	679	634	232	312	279	38.0%	46.0%	44.1%	95	194	163	15.6%	28.6%	25.7%
Pivnichny GOK	SGOK	1,416	1,630	1,506	750	914	816	53.0%	56.1%	54.2%	436	548	460	30.8%	33.7%	30.5%
Ferrexpo	FXPO	1,424	1,581	1,542	402	506	447	28.2%	32.0%	29.0%	216	264	198	15.1%	16.7%	12.8%
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	319	52	31	30	10.8%	10.1%	9.5%	34	5	5	7.0%	1.5%	1.5%
Railcar Manufacturing																
Luhanskteplovoz	LTPL	216	329	367	29	36	38	13.4%	10.8%	10.4%	5	19	23	2.2%	5.9%	6.1%
Kryukiv Wagon	KVBZ	891	424	274	135	65	44	15.2%	15.3%	15.9%	95	42	27	10.7%	9.8%	9.8%
Stakhanov Wagon	SVGZ	311	172	150	7	6	5	2.3%	3.4%	3.6%	1	1	0	0.2%	0.3%	0.3%
Specialized Machinery																
Turboatom	TATM	160	236	280	51	91	98	32.2%	38.7%	34.9%	38	72	69	23.8%	30.4%	24.8%
Motor Sich	MSICH	979	1,000	987	309	233	228	31.6%	23.3%	23.1%	200	169	167	20.4%	16.9%	16.9%
Telecom																
Ukrtelecom	UTLM	838	749	579	206	190	174	24.5%	25.4%	30.0%	45	11	26	5.4%	1.4%	4.5%
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	41	37	45	21	-146	26	52.2%	neg	57.0%	12	-127	2	28.3%	neg	4.4%
JKX Oil	JKX	203	181	199	136	66	68	67.1%	36.7%	34.3%	-11	7	8	neg	3.6%	3.9%
Electric Utilities																
Centrenergo	CEEN	1,119	902	890	69	84	83	6.2%	9.3%	9.4%	29	60	62	2.6%	6.6%	6.9%
Donbasenergo	DOEN	574	656	647	32	72	57	5.6%	11.0%	8.8%	4	65	50	0.7%	9.9%	7.8%
Consumer																
MHP	MHPC	1,408	1,496	1,635	468	391	545	33.2%	26.1%	33.3%	311	162	269	22.1%	10.8%	16.5%
Kernel	KER	2,157	2,797	2,480	322	291	255	14.9%	10.4%	10.3%	211	105	77	9.8%	3.8%	3.1%
Astarta	AST	456	505	559	109	81	138	20.0%	13.4%	20.5%	58	56	82	10.6%	9.2%	12.2%
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	5,074	793	888	846	679	723	542	4	90	102	0.5%	10.1%	12.1%
Ukrsotsbank	USCB	4,854	5,283	4,439	957	1,064	911	451	318	400	1	1	18	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	79	3.9%	3	1,428	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	369	344	334	\$/tonne
Yenakievo Steel	ENMZ	31	8.8%	3	27	3.6	neg	neg	neg	1.2	0.8	0.0	0.0	0.0	10	9	9	\$/tonne
Azovstal	AZST	256	3.0%	8	241	neg	neg	neg	neg	neg	6.8	0.1	0.1	0.1	52	53	53	\$/tonne
Coke																		
Avdyivka Coke	AVDK	50	6.8%	3	48	neg	neg	neg	neg	1.0	1.6	0.0	0.1	0.1	11	12	13	\$/tonne
Yasynivsky Coke	YASK	15	9.0%	1	16	1.8	neg	3.2	0.6	0.5	0.8	0.0	0.0	0.0	0.6	0.5	0.8	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	895	0.3%	2	893	9.4	4.6	5.5	3.8	2.9	3.2	1.5	1.3	1.4				
Pivnichny GOK	SGOK	1,562	0.4%	6	1,556	3.6	2.8	3.4	2.1	1.7	1.9	1.1	1.0	1.0				
Ferrexpo	FXPO	1,521	24.0%	365	2,160	7.1	5.8	7.7	5.4	4.3	4.8	1.5	1.4	1.4				
Coal Mining																		
Komsomolets Donbasa	SHKD	27	5.4%	1	129	3.8	1.6	1.6	1.0	1.4	1.4	0.5	0.6	0.6	31	30	29	\$/tonne
Coal Energy	CLE	22	25.0%	6	132	0.6	neg	neg	2.1	6.2	14.7	0.8	1.0	1.3	2.1	6.2	14.7	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	154	2.0%	3	200	4.6	>30	>30	3.9	6.4	6.6	0.4	0.6	0.6	318	527	500	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	30	24.0%	7	67	6.1	1.5	1.3	2.3	1.9	1.7	0.3	0.2	0.2				
Kruiiv Wagon	KVBZ	166	5.0%	8	166	1.7	4.0	6.2	1.2	2.6	3.8	0.2	0.4	0.6				
Stakhanov Wagon	SVGZ	21	8.0%	2	54	>30	>30	>30	7.5	9.2	9.8	0.2	0.3	0.4				
Specialized Machinery																		
Turboatom	TATM	125	5.8%	7	57	3.3	1.8	1.8	1.1	0.6	0.6	0.4	0.2	0.2				
Motor Sich	MSICH	310	24.0%	74	325	1.6	1.8	1.9	1.0	1.4	1.4	0.3	0.3	0.3				
Telecom																		
Ukrtelecom	UTLM	245	7.2%	18	566	5.4	22.8	9.3	2.8	3.0	3.3	0.7	0.8	1.0				
Oil & Gas																		
Ukrnafta	UNAF	1,111	3.0%	33	1,103	6.3	8.5	9.2	3.5	3.0	3.1	0.6	0.4	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	55	21.6%	12	30	4.7	neg	27.5	1.4	neg	1.2	0.7	0.8	0.7	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	172	50.4%	87	280	neg	26.5	22.1	2.1	4.2	4.1	1.4	1.6	1.4	51	38	37	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	173	21.7%	38	242	6.0	2.9	2.8	3.5	2.9	2.9	0.2	0.3	0.3	14	17	15	\$/MWh
DonbasEnergO	DOEN	86	14.2%	12	156	22.4	1.3	1.7	4.9	2.2	2.7	0.3	0.2	0.2	19	20	19	\$/MWh
Consumer																		
MHP	MHPC	1,381	34.1%	471	2,509	4.4	8.5	5.1	5.4	6.4	4.6	1.8	1.7	1.5				
Kernel	KER	794	61.8%	491	1,500	3.8	7.6	10.3	4.7	5.2	5.9	0.7	0.5	0.6				
Astarta	AST	356	37.0%	132	690	6.1	6.4	4.3	6.3	8.5	5.0	1.5	1.4	1.2				
Avangardco	AVGR	613	22.5%	138	813	2.7	2.3	2.0	2.9	2.5	2.2	1.3	1.2	1.0	184	140	132	\$/mneggs
Agroton	AGT	19	26.2%	5	68	2.9	neg	neg	3.3	5.4	5.8	0.8	1.0	0.9	n/a	n/a	n/a	
Banks																		
Raiffeisen Bank Aval	BAVL	435	3.5%	15		>30	4.9	4.3	0.5	0.5	0.5	0.07	0.08	0.09				
Ukrsotsbank	USCB	259	0.7%	2		>30	>30	17.9	0.3	0.2	0.3	0.07	0.06	0.07				

Source: Eavex Research

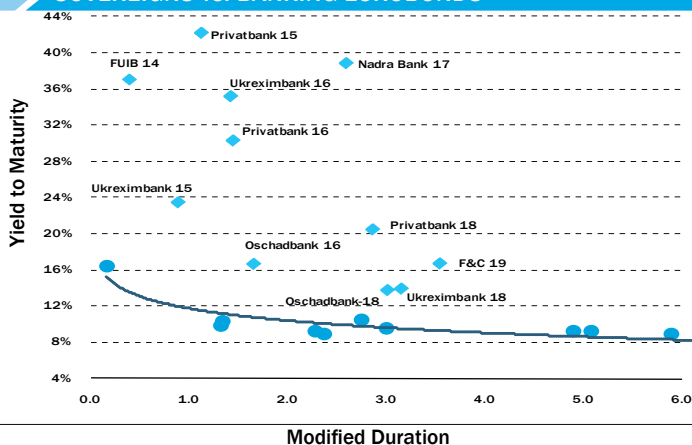
UKRAINIAN EUROBONDS

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	96.5	98.0	31.9%	21.4%	-2.8%	0.1	7.95%	S/A	4 Jun. 2014	1,000	Caa3/CCC/CCC
Naftogaz Ukraine, 2014	92.1	93.3	28.6%	25.4%	-7.8%	0.4	9.50%	S/A	30 Sept 2014	1,595	//
Ukraine, 2015 (EUR)	89.5	92.5	14.0%	11.3%	-5.2%	1.3	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	93.5	95.0	12.9%	11.5%	-3.5%	1.3	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	90.5	91.5	11.2%	10.7%	-3.2%	2.2	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	90.5	91.5	10.7%	10.2%	-3.5%	2.3	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	90.5	91.5	10.2%	9.8%	-1.9%	3.0	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	95.3	96.3	11.3%	10.9%	-3.5%	2.7	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CCC
Ukraine, 2017 Infr. projects	88.0	90.0	13.7%	12.8%	7.7%	2.8	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	86.5	89.0	12.4%	11.5%	11.8%	3.2	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	90.8	91.8	9.9%	9.7%	-2.0%	4.8	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	91.3	92.3	9.8%	9.6%	-2.1%	5.0	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	89.3	90.3	9.7%	9.5%	-1.4%	5.8	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	88.3	93.0	9.5%	8.6%	0.1%	6.0	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2014	34.1	45.1	54.4%	39.3%	-24.1%	2.3	8.00%	S/A	14 Jul 2019	50	/CCC/RD
MHP, 2015	98.6	99.8	13.5%	12.8%	-4.2%	1.0	10.25%	S/A	29 Apr 2015	235	Caa3//CCC
MHP, 2020	83.6	86.2	12.2%	11.5%	-5.0%	4.5	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	97.0	99.0	13.4%	11.8%	-2.0%	1.3	10.00%	S/A	29 Oct 2015	200	//B-
UkrLandFarming, 2018	82.5	82.5	17.1%	17.1%	-8.5%	3.0	10.88%	S/A	26 Mar 2018	275	/CCC/CCC
Mriya, 2016	91.8	91.8	17.9%	17.9%	-8.5%	1.7	10.95%	S/A	30 Mar 2016	72	/CCC/CCC
Mriya, 2018	81.7	84.1	15.8%	14.8%	-4.8%	3.0	9.45%	S/A	19 Apr 2018	400	/CCC/CCC
DTEK, 2015	93.0	96.0	20.0%	15.9%	-7.5%	0.9	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	82.4	84.7	13.7%	12.9%	-11.3%	3.2	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	96.5	97.3	15.8%	14.8%	-5.1%	1.0	10.25%	S/A	20 May 2015	500	Caa3//CCC
Metinvest, 2018	88.8	92.0	12.8%	11.6%	-4.8%	3.1	8.75%	S/A	14 Feb 2018	750	Caa3//CCC
Ferrexpo, 2016	95.1	97.2	11.4%	9.9%	-1.9%	1.8	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	78.0	80.2	17.2%	16.3%	-13.7%	3.0	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interepipe, 2017	76.0	79.0	21.7%	19.5%	-1.2%	2.5	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	104.0	106.0	10.2%	9.6%	-5.4%	3.2	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	71.0	81.0	18.7%	14.9%	-8.4%	3.5	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	87.0	90.0	31.9%	26.7%	-10.1%	0.6	11.00%	Q	31 Dec 2014	275	Caa3//
Nadra Bank, 2017	70.0	75.0	43.9%	35.4%	-9.9%	2.6	8.00%	A	22 Jun 2017	175	//
PrivatBank, 2015	73.0	73.0	43.4%	43.4%	n/a	1.1	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	66.0	73.4	33.5%	25.9%	-0.9%	1.4	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	78.5	80.4	18.9%	18.1%	-5.1%	2.9	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	87.5	90.0	26.4%	22.6%	-8.0%	0.9	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	74.0	78.0	26.7%	22.7%	-10.9%	1.5	8.40%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	82.6	84.5	14.9%	14.2%	-6.3%	3.0	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2014	65.0	73.0	320.0%	223.3%	-19.3%	0.1	10.50%	Q	14 Jun 2014	125	Caa3//WD
Oschadbank, 2016	84.0	87.0	20.5%	18.1%	-8.1%	1.6	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	82.8	84.8	14.8%	14.1%	-5.9%	3.1	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	82.0	85.1	24.6%	21.4%	-10.1%	1.3	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	82.3	84.4	19.5%	18.1%	-10.4%	1.8	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

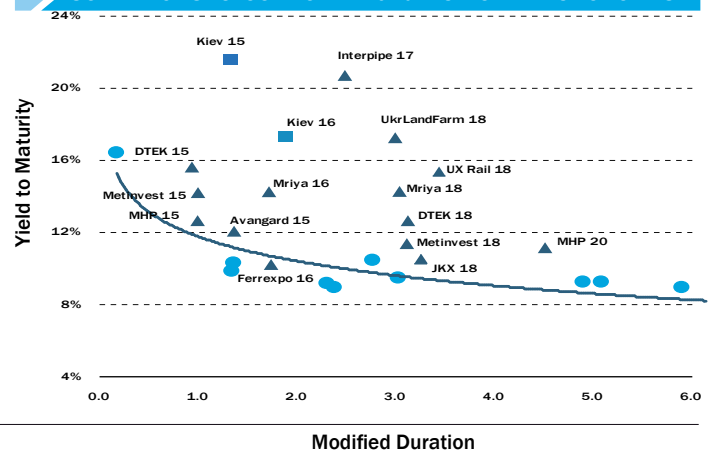
¹ Moody's/S&P/Fitch; * EUR

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									
UA4000141592			20.5%	18.0%	n/a	14.30%	S/A	20 May 2015	31
UA4000142665			19.0%	17.0%	n/a	14.30%	S/A	24 May 2017	184
USD denominated Bonds									
UA4000142699	n/a	n/a	12.0%	11.5%	n/a	9.45%	S/A	22 Apr 2015	312
UA4000141071	n/a	n/a	12.0%	11.5%	n/a	9.45%	S/A	27 May 2015	152
UA4000142673	n/a	n/a	12.0%	11.5%	n/a	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000142681	n/a	n/a	11.5%	10.8%	n/a	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			20.0%	17.5%	n/a	5.50%	S/A	21 Aug 2015	141
UA4000082622			20.0%	17.5%	n/a	5.50%	S/A	24 Aug 2015	571
UA4000083059			20.0%	17.5%	n/a	5.50%	S/A	25 Aug 2015	415

Source: Bloomberg, Cbonds, Eavex Research

Eavex Capital

Evropa Plaza
33 Shevchenko Blvd.
Floor 11
Kyiv, Ukraine, 01032

Telephone: +38 044 590 5454

Facsimile: +38 044 590 5464

E-mail: office@eavex.com.ua

Web-page: www.eavex.com.ua

Yuriy Yakovenko

Chairman of the Board

yuriy.yakovenko@eavex.com.ua

SALES & TRADING

Pavel Korovitskiy

Managing Director

Equity and Fixed Income

p.korovitsky@eavex.com.ua

Alexander Klymchuk

Equity & Fixed Income

a.klymchuk@eavex.com.ua

Eugene Klymchuk

Fixed Income Sales & Trading

e.klymchuk@eavex.com.ua

Serhiy Scherbaniuk

Equity Trading

s.shcherbaniuk@eavex.com.ua

Nazar Malinyak

Online Trading

n.malinyak@eavex.com.ua

RESEARCH

Dmitry Churin

Head of Research

d.churin@eavex.com.ua

Ivan Dzvinka

Research Associate

i.dzvinka@eavex.com.ua

Will Ritter

Research editor

w.ritter@eavex.com.ua