

Market Update

Equity

Local Ukrainian equities were mostly higher on Thursday (Jun 12), although the biggest gainers were low-liquidity names. Externally, the main US indices corrected substantially and benchmark oil prices jumped as investors reacted to the stunning turn of events in Iraq, where armed Islamist rebels have overrun much of the country in the past few days, pushing Ukraine off the front burner of the geopolitical stage for the first time in many months. The UX index regained its loss from Wednesday, adding 0.8% to close at 1242 points. Low-liquidity issues Yenakievo Steel and Avdyivka Coke rose by 4.4% and 2.6% respectively, while among actively traded blue chips, CentrEnergO was the only notable mover, picking up 1.9% to UAH 7.45 on turnover of UAH 1.8mn. In London, Avagard jumped 5.3% to USD 10 on the nose, while in Warsaw, Ovostar and Milkiland declined by 2.2% and 2.8% respectively, with the latter ending at PLN 7.35.

Fixed Income

Ukrainian sovereigns were lower on Thursday with Ukraine-23s declining by 0.6p.p. and closing at 92.4/93.9 (8.8%/8.5%). Corporate names were also down. DTEK-15s dropped by 0.4p.p. to 95.0/96.0 (20.3%/18.4%) and Metinvest-18s decreased by 0.5p.p. finishing at 88.3/89.6 (13.3%/12.8%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	264.60	-0.2%	2.4	52
CentrenergO	CEEN	7.45	1.9%	1.8	147
Motor Sich	MSICH	2347.00	0.2%	0.9	64

Growth Leaders

Bogdan Motors	LUAZ	0.07	14.4%	0.05	32
Yenakievo Steel	ENMZ	45.94	4.4%	0.09	31
Yasynivsky Coke	YASK	0.74	3.5%	0.17	45

Loss Leaders

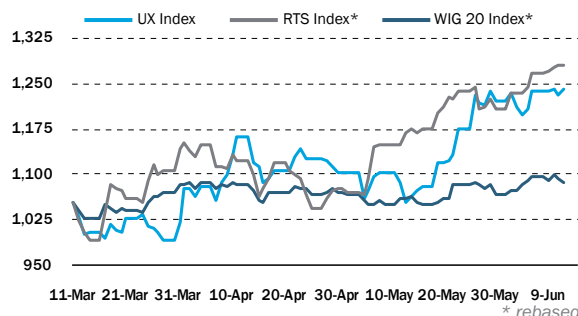
Donbasenergo	DOEN	41.65	-0.8%	0.434	99
Raiffeisen Bank Aval	BAVL	0.16	-0.4%	0.413	38
Ukrnafta	UNAF	264.60	-0.2%	2.392	52

Highlights

STOCKS IN THE NEWS

- Motor Sich Launches Testing Facility for Helicopter Engines

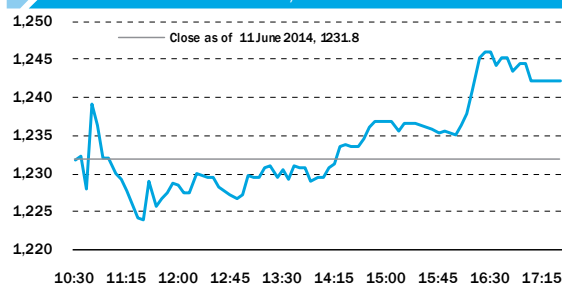
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1242.1	0.8%	14.2%	36.5%
RTS	1374.9	0.0%	11.4%	-4.7%
WIG20	2476.4	-0.4%	2.6%	3.1%
MSCI EM	1054.7	-0.1%	3.8%	5.3%
S&P 500	1930.1	-0.7%	1.8%	4.8%

UX INTRADAY JUNE 12, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	285.0	2.4%	-4.2%	-13.8%
CDS 5Y UKR	847.9	11.2%	-27.4%	3.4%
Ukraine-17	8.4%	0.3 p.p.	-3.9 p.p.	-0.6 p.p.
Naftogaz Ukr-14	16.2%	0.7 p.p.	-16.4 p.p.	7.4 p.p.
Ukraine-23	8.6%	0.1 p.p.	-1.6 p.p.	1.1 p.p.
Privatbank-16	23.6%	0.0 p.p.	-10.4 p.p.	-1.1 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	11.70	0.1%	-0.7%	42.0%
EUR	15.86	0.3%	-2.2%	39.5%
RUB	0.34	0.1%	1.1%	35.5%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	266.8	0.0%	-7.0%	-7.2%
Steel, USD/t	537.5	0.0%	0.9%	0.0%
Oil, USD/bbl	113.0	2.8%	4.9%	1.6%
Gold, USD/oz	1273.5	1.0%	-1.7%	6.4%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Motor Sich Launches Testing Facility for Helicopter Engines

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MOTOR SICH (MSICH UK)

Price: UAH 2350 Market Cap: USD 416mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2013	0.4	0.4	2.5	1.6	0.5%
2014E	0.4	0.5	2.5	1.7	1.5%

NEWS

Zaporizhia-based Motor Sich, Ukraine's monopoly aircraft engine producer, has launched an up-to-date testing facility for helicopter engines, the company's press office said on Thursday (Jun 12). The 5th-generation testing facility is designed for TB3-117 engines, which are widely used in the multi-purpose helicopter models Mi-8, Mi-24 and Mi-35. The facility is providing some 4,000 parameters of tested engines and can be also used for R&D purposes. Motor Sich's CEO Vyacheslav Boguslaev, commenting on the launch, said that the test facility is the final stage of the company's comprehensive quality standard procedure.

COMMENTARY

Although the news is NEUTRAL for Motor Sich quotes, the optimistic news flow regarding the company could play the role of an additional encouraging factor for investors to pay more attention to the company's strong fundamentals. The MSICH stock has shot up by 35% from UAH 1730 per share to UAH 2350 since May 12. However, we view Motor Sich as still heavily undervalued, taking into account that the company has a firm order book for 2014-2015 and has reported no interruption in its exports to Russia despite the threat of a defense export ban by the Ukrainian government. The company's current market capitalization is USD 416mn, implying a P/E multiple of just 2.5x for 2014. We have a BUY recommendation for the MSICH stock with a target price of UAH 5250 per share, implying an upside of 120%.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.77	0.56	-27%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	132.7	125.0	-6%	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	8.30	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	7.35	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	3.32	6.2	88%	BUY	AVDK's order book is secure thanks to its integration with Metinvest, Ukraine's largest M&M holding.
Yasynivsky Coke	YASK	0.74	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	0.70	2.9	322%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	17.3	U/R	--	U/R	
LuganskTeplovoz	LTPL	1.39	5.2	278%	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	2347	5250	124%	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	8.8	42.0	380%	BUY	We assume that Regal will be able to produce 5,200 boepd in 2014, generating USD 116mn in sales.
JKX Oil & Gas	JKX	59.8	120	101%	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						
DonbasEnerg	DOEN	41.7	72.0	73%	BUY	DonbasEnerg 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%.
CenterEnerg	CEEN	7.45	15.00	101%	BUY	CenterEnerg's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Consumer						
MHP	MHPC	15.0	15.65	4%	BUY	The company is set to reach full capacity utilisation at its greenfield Vinnytsia project in late 2014 on the back of favorable export and domestic markets demand for its poultry.
Astarta	AST	47.0	90.0	91%	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	10.0	U/R	--	U/R	
Ovostar Union	OVO	71.4	58.74	-18%	SELL	Ovostar is one of the hardest-hit Ukrainian public companies from this year's UAH devaluation as some 70% of its production cost is linked to USD while only 7% of revenue earned in hard currency. Capacity expansion project for 2014-16 will likely be delayed, according to the management.
Banks						
Raiffeisen Bank Aval	BAVL	0.159	0.24	51%	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	1242.14	1254.58	799.72	0.8%	2.8%	14.2%	36.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.038	0.06	0.02	2.4%	6.7%	20.3%	-2.1%	1.6%	4.0%	6.1%	-38.6%
Azovstal	AZST	0.77	0.90	0.31	1.9%	2.7%	10.7%	14.2%	1.0%	-0.1%	-3.5%	-22.3%
Dniprospeztstal	DNSS	1,300	n/a	n/a	0.0%	0.0%	0.0%	0.0%	-0.8%	-2.8%	-14.2%	-36.5%
Enakievo Steel	ENMZ	45.9	52.0	20.0	4.4%	8.4%	39.2%	43.5%	3.6%	5.6%	25.0%	7.0%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	-0.8%	-2.8%	-14.2%	211.3%
Mariupol Ilyicha	MMKI	0.15	n/a	n/a	0.0%	0.0%	0.0%	50.0%	-0.8%	-2.8%	-14.2%	13.5%
Coke												
Avdivka Coke	AVDK	3.32	4.80	1.46	2.7%	6.2%	12.2%	12.2%	1.9%	3.4%	-2.0%	-24.3%
Yasynivsky Coking	YASK	0.74	0.84	0.49	5.7%	10.4%	21.3%	39.6%	4.9%	7.7%	7.1%	3.1%
Iron Ore Mining												
Centralny GOK	CGOK	7.35	n/a	n/a	0.0%	0.0%	2.1%	13.1%	-0.8%	-2.8%	-12.1%	-23.4%
Ferrexpo	FXPO	2.23	3.20	2.02	0.3%	-1.0%	-10.6%	-29.3%	-0.5%	-3.7%	-24.8%	-65.8%
Pivnichny GOK	SGOK	8.30	10.00	4.50	2.5%	6.4%	n/a	3.8%	1.6%	3.6%	n/a	-32.7%
Coal Mining												
Pokrovske Mine	SHCHZ	0.70	0.70	0.10	0.0%	16.7%	29.6%	75.0%	-0.8%	13.9%	15.5%	38.5%
Komsomolets Donbasa	SHKD	1.00	n/a	n/a	0.0%	5.3%	31.6%	61.3%	-0.8%	2.5%	17.4%	24.8%
Energy Coal	CLE	0.44	1.23	0.31	-2.3%	5.3%	13.7%	26.3%	-3.1%	2.5%	-0.5%	-10.2%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.40	n/a	n/a	0.0%	0.0%	2.6%	-13.0%	-0.8%	-2.8%	-11.6%	-49.5%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.88	0.99	0.30	0.0%	-1.1%	4.8%	46.7%	-0.8%	-3.9%	-9.4%	10.2%
Interpipe NMPP	NVTR	0.39	n/a	n/a	0.0%	30.0%	44.4%	85.7%	-0.8%	27.2%	30.3%	49.2%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	17.3	29.0	10.0	2.0%	5.2%	5.3%	0.2%	1.2%	2.4%	-8.8%	-36.3%
Luhanskeplovoz	LTPL	1.39	2.20	1.20	0.0%	6.9%	-4.1%	-7.3%	-0.8%	4.2%	-18.3%	-43.8%
Stakhanov Wagon	SVGZ	1.14	n/a	n/a	1.8%	1.8%	12.9%	-12.3%	0.9%	-1.0%	-1.3%	-48.8%
Specialized Machinery												
Bogdan Motors	LUAZ	0.07	0.08	0.02	14.4%	17.5%	48.2%	148.3%	13.6%	14.7%	34.0%	111.8%
Motor Sich	MSICH	2,347	2,545	1,303	0.4%	2.8%	36.0%	28.7%	-0.4%	0.0%	21.8%	-7.8%
Summy Frunze Engineering	SMASH	4.20	n/a	n/a	0.0%	-2.3%	5.0%	68.0%	-0.8%	-5.1%	-9.2%	31.5%
Turboatom	TATM	4.00	n/a	n/a	0.0%	0.0%	8.1%	14.3%	-0.8%	-2.8%	-6.1%	-22.2%
WESTA ISIC	WES	n/a	0.26	0.13	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Telecom												
Ukrtelecom	UTLM	0.16	0.19	0.09	0.0%	-8.8%	0.0%	47.3%	-0.8%	-11.6%	-14.2%	10.8%
Oil & Gas												
Regal Petroleum	RPT	0.15	0.31	0.12	0.1%	0.1%	-4.4%	-30.1%	-0.8%	-2.7%	-18.6%	-66.6%
JXX Oil	JKX	1.00	1.21	0.75	0.5%	n/a	9.3%	-15.2%	-0.4%	n/a	-4.9%	-51.7%
Ukrnafta	UNAF	265	271	80	0.9%	2.8%	13.1%	143.6%	0.1%	0.0%	-1.1%	107.2%
Power Utilities												
Centrenerg	CEEN	7.45	7.57	2.50	1.9%	n/a	25.0%	56.3%	1.0%	n/a	10.8%	19.8%
Donbasenergo	DOEN	41.7	50.2	11.0	-0.8%	-0.1%	1.8%	51.0%	-1.7%	-2.9%	-12.3%	14.5%
Zakhidenergo	ZAEN	153.0	153.0	64.0	0.4%	2.1%	n/a	69.2%	-0.4%	-0.6%	n/a	32.8%
Consumer												
Agroton	AGT	0.98	1.8	0.43	-0.7%	18.1%	29.3%	50.8%	-1.6%	15.3%	15.1%	14.3%
Astarta	AST	15.5	24.4	12.1	-1.1%	-1.0%	21.4%	-30.4%	-1.9%	-3.8%	7.2%	-66.9%
Avangardo	AVGR	10.0	13.0	8.26	5.3%	12.4%	14.3%	-14.9%	4.4%	9.6%	0.1%	-51.4%
Industrial Milk Company	IMC	3.30	5.14	2.49	0.0%	-0.2%	10.1%	-18.5%	-0.8%	-3.0%	-4.1%	-54.9%
Kernel	KER	11.2	17.7	7.6	-0.2%	9.9%	18.9%	-11.7%	-1.0%	7.1%	4.7%	-48.2%
Mriya Agro Holding	MAYA	6.30	8.2	5.52	3.6%	-2.9%	-1.6%	-15.5%	2.7%	-5.7%	-15.8%	-52.0%
MHPC	MHPC	15.0	18.7	11.00	1.0%	-0.7%	5.6%	-11.8%	0.2%	-3.4%	-8.5%	-48.3%
Milkiland	MLK	2.42	4.7	1.71	-2.9%	14.4%	13.7%	-41.7%	-3.7%	11.6%	-0.5%	-78.2%
Ovostar Union	OVO	23.5	33.3	19.4	-2.3%	3.4%	11.6%	-29.4%	-3.1%	0.6%	-2.5%	-65.8%
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	14.3	n/a	n/a	0.0%	0.0%	3.8%	14.6%	-0.8%	-2.8%	-10.3%	-21.9%
Banks												
Raiffeisen Bank Aval	BAVL	0.159	0.188	0.077	-0.3%	-1.9%	-11.7%	40.0%	-1.1%	-4.7%	-25.9%	3.5%
UkrSotsbank	USCB	0.172	0.257	0.115	-0.2%	1.0%	9.3%	-8.4%	-1.1%	-1.8%	-4.9%	-44.9%

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		
		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	46	29	neg	5.0%	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	158	135	65	15	15.2%	15.3%	9.7%	95	42	-5	10.7%	9.8%	neg
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	214	280	51	90	96	32.2%	42.1%	34.4%	38	72	69	23.8%	33.5%	24.8%
Motor Sich	MSICH	979	1,000	950	309	274	260	31.6%	27.4%	27.4%	200	169	167	20.4%	16.9%	17.5%
Telecom																
Ukrtelecom	UTLM	838	791	611	206	190	174	24.5%	24.0%	28.5%	45	17	26	5.4%	2.2%	4.3%
Oil & Gas																
Ukrnafta	UNAF	2,554	2,589	2,713	454	286	307	17.8%	11.1%	11.3%	176	23	114	6.9%	0.9%	4.2%
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	915	816	69	94	86	6.2%	10.3%	10.5%	29	60	56	2.6%	6.5%	6.8%
Donbasenergo	DOEN	574	656	585	32	72	51	5.6%	11.0%	8.8%	4	65	46	0.7%	9.9%	7.8%
Consumer																
MHP	MHPC	1,408	1,496	1,466	468	391	479	33.2%	26.1%	32.7%	311	162	-44	22.1%	10.8%	neg
Kernel	KER	2,157	2,797	2,480	322	291	175	14.9%	10.4%	7.1%	211	105	47	9.8%	3.8%	1.9%
Astarta	AST	456	491	559	110	91	138	20.2%	15.5%	20.5%	58	34	82	10.6%	5.8%	12.2%
Avangardco	AVGR	629	661	785	280	301	373	44.5%	45.6%	47.5%	228	238	300	36.3%	36.0%	38.3%
Agroton	AGT	88	81	90	20	8	3	23.2%	9.2%	3.9%	7	-6	-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	32	0.5%	10.1%	3.7%
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	84	3.9%	3	1,432	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	370	345	335	\$/tonne
Yenakievo Steel	ENMZ	41	8.8%	4	37	4.8	neg	neg	neg	1.7	1.1	0.0	0.0	0.0	14	13	13	\$/tonne
Azovstal	AZST	275	3.0%	8	259	neg	neg	neg	neg	neg	7.3	0.1	0.1	0.1	56	57	57	\$/tonne
Coke																		
Avdyivka Coke	AVDK	55	6.8%	4	53	neg	neg	neg	neg	1.1	1.8	0.0	0.1	0.1	12	14	14	\$/tonne
Yasynivsky Coke	YASK	17	9.0%	2	18	2.1	neg	3.7	0.7	0.6	1.0	0.0	0.0	0.1	0.7	0.6	1.0	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	736	0.3%	2	735	7.7	3.8	4.5	3.2	2.4	2.6	1.2	1.1	1.2				
Pivnichny GOK	SGOK	1,635	0.4%	7	1,628	3.7	3.0	3.6	2.2	1.8	2.0	1.2	1.0	1.1				
Ferrexpo	FXPO	1,305	24.0%	313	1,984	6.1	4.9	6.6	4.9	3.9	4.4	1.4	1.3	1.3				
Coal Mining																		
Komsomolets Donbasa	SHKD	29	5.4%	2	131	4.0	1.7	1.7	1.0	1.4	1.4	0.5	0.6	0.6	32	31	29	\$/tonne
Coal Energy	CLE	20	25.0%	5	130	0.5	neg	neg	2.1	6.1	14.4	0.8	1.0	1.3	2.1	6.1	14.4	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	195	2.0%	4	241	5.8	>30	>30	4.6	7.7	7.9	0.5	0.8	0.8	383	635	603	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	26	24.0%	6	63	5.4	1.3	1.2	2.2	1.8	1.7	0.3	0.2	0.2				
Kruiiv Wagon	KVBZ	170	5.0%	8	170	1.8	4.1	neg	1.3	2.6	11.1	0.2	0.4	1.1				
Stakhanov Wagon	SVGZ	22	8.0%	2	55	>30	>30	>30	7.6	9.3	10.0	0.2	0.3	0.4				
Specialized Machinery																		
Turboatom	TATM	126	5.8%	7	37	3.3	1.8	1.8	0.7	0.4	0.4	0.2	0.2	0.1				
Motor Sich	MSICH	417	24.0%	100	440	2.1	2.5	2.5	1.4	1.6	1.7	0.4	0.4	0.5				
Telecom																		
Ukrtelecom	UTLM	259	7.2%	19	563	5.7	15.2	9.9	2.7	3.0	3.2	0.7	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	1,226	3.0%	37	1,218	7.0	>30	10.7	2.7	4.3	4.0	0.5	0.5	0.4	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	47	21.6%	10	22	4.1	neg	23.6	1.0	neg	0.9	0.5	0.6	0.5	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	172	50.4%	87	281	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	235	21.7%	51	314	8.2	3.9	4.2	4.6	3.3	3.7	0.3	0.3	0.4	18	23	20	\$/MWh
DonbasEnergO	DOEN	84	14.2%	12	150	22.0	1.3	1.8	4.7	2.1	2.9	0.3	0.2	0.3	18	19	18	\$/MWh
Consumer																		
MHP	MHPC	1,585	34.1%	540	2,713	5.1	9.8	neg	5.8	6.9	5.7	1.9	1.8	1.9				
Kernel	KER	891	61.8%	550	1,597	4.2	8.5	19.0	5.0	5.5	9.1	0.7	0.6	0.6				
Astarta	AST	387	37.0%	143	721	6.7	11.4	4.7	6.5	7.9	5.2	1.6	1.5	1.3				
Avangardco	AVGR	639	22.5%	144	746	2.8	2.7	2.1	2.7	2.5	2.0	1.2	1.1	1.0	169	128	121	\$/mneqgs
Agroton	AGT	21	26.2%	6	70	3.1	neg	neg	3.4	9.3	20.2	0.8	0.9	0.8	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	408	3.5%	14		>30	4.6	12.9	0.5	0.5	0.5	0.07	0.08	0.08				
Ukrsotsbank	USCB	270	0.7%	2		>30	>30	17.9	0.3	0.3	0.3	0.07	0.06	0.07				

Source: Eavex Research

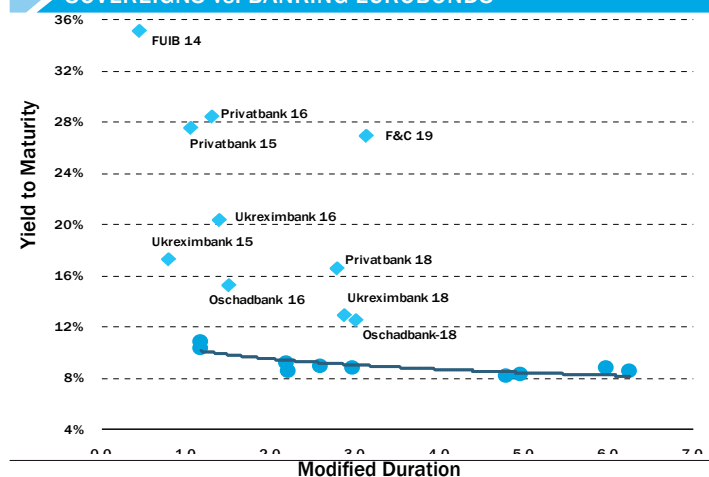
UKRAINIAN EUROBONDS

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											
Naftogaz Ukraine, 2014	97.7	98.5	17.6%	14.8%	-2.4%	0.3	9.50%	S/A	30 Sept 2014	1,595	//
Ukraine, 2015 (EUR)	95.3	96.3	9.6%	8.6%	-0.2%	1.2	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	97.1	98.4	10.3%	9.1%	0.1%	1.2	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	94.8	95.8	9.4%	8.9%	1.3%	2.2	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	94.9	95.9	8.8%	8.3%	1.2%	2.2	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	94.5	95.8	8.9%	8.4%	2.6%	2.9	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	100.0	101.1	9.6%	9.2%	1.3%	2.6	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CCC
Ukraine, 2017 Infr. projects	90.8	92.3	12.9%	12.2%	10.7%	2.8	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	91.0	92.1	11.0%	10.6%	16.6%	3.2	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	96.0	97.0	8.8%	8.6%	3.6%	4.7	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	97.0	98.5	8.7%	8.3%	4.4%	4.9	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	93.0	94.5	9.1%	8.8%	3.0%	5.9	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	92.4	93.9	8.8%	8.5%	2.9%	6.2	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2014	29.8	33.9	68.7%	58.4%	-39.0%	1.7	8.00%	S/A	14 Jul 2019	50	/CCC/RD
MHP, 2015	101.8	102.8	9.9%	9.1%	-1.2%	0.8	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	90.5	91.8	10.5%	10.1%	2.0%	4.4	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	96.0	96.9	15.4%	14.5%	-3.5%	1.2	10.00%	S/A	29 Oct 2015	200	//B-
UkrLandFarming, 2018	88.9	88.9	14.8%	14.8%	-1.4%	2.9	10.88%	S/A	26 Mar 2018	275	/CCC/CCC
Mriya, 2016	93.8	95.1	17.5%	16.3%	-5.8%	1.5	10.95%	S/A	30 Mar 2016	72	/CCC/CCC
Mriya, 2018	79.0	81.5	17.1%	16.1%	-7.9%	2.9	9.45%	S/A	19 Apr 2018	400	/CCC/CCC
DTEK, 2015	95.0	96.0	20.3%	18.4%	-6.5%	0.8	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	84.4	85.6	13.2%	12.8%	-9.8%	3.1	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	96.7	98.5	17.6%	14.7%	-2.0%	0.8	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	88.3	89.6	13.3%	12.8%	-6.4%	2.9	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	97.0	98.9	10.6%	9.1%	0.0%	1.6	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	87.5	89.8	13.7%	12.9%	-3.3%	3.1	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interpipe, 2017	76.3	78.0	22.5%	20.9%	-0.9%	2.3	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	105.4	107.5	9.9%	9.3%	-4.1%	3.1	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	55.0	65.0	26.8%	21.6%	-27.7%	3.1	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	92.0	92.0	27.4%	27.4%	-6.6%	0.4	11.00%	Q	31 Dec 2014	275	Caa3//
Nadra Bank, 2017	65.0	70.0	67.0%	52.7%	-16.1%	2.4	8.00%	A	22 Jun 2017	175	//
PrivatBank, 2015	88.5	89.5	24.8%	23.4%	n/a	1.1	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	75.1	78.6	26.9%	23.3%	9.2%	1.3	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	88.9	90.9	14.9%	14.1%	7.4%	2.8	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	94.2	95.2	19.6%	17.7%	-1.8%	0.8	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	81.5	83.5	21.7%	19.8%	-3.3%	1.4	8.40%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	88.8	89.8	12.7%	12.3%	0.1%	2.8	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2014	65.0	69.0	n/a	n/a	-21.6%	0.0	10.50%	Q	14 Jun 2014	125	Caa3//WD
Oschadbank, 2016	91.0	92.0	16.1%	15.2%	-1.7%	1.5	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	88.0	89.8	13.1%	12.4%	-0.1%	3.0	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	91.4	92.1	17.0%	16.2%	-1.3%	1.2	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	90.8	92.5	14.7%	13.7%	-1.1%	1.7	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

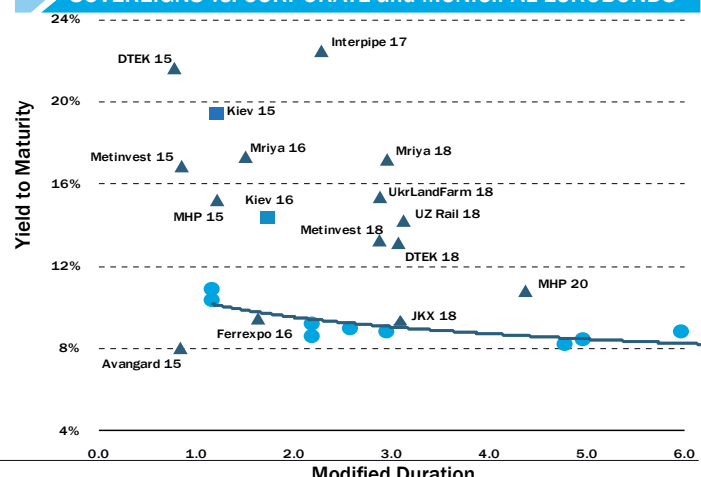
¹ Moody's/S&P/Fitch; * EUR

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			17.0%	13.5%	n/a	14.30%	S/A	20 May 2015	31
UA4000142665			18.0%	14.5%	n/a	14.30%	S/A	24 May 2017	184
USD denominated Bonds									
UA4000142699	n/a	n/a	18.0%	17.0%	n/a	9.45%	S/A	22 Apr 2015	312
UA4000141071	n/a	n/a	18.0%	17.0%	n/a	9.45%	S/A	27 May 2015	152
UA4000142673	n/a	n/a	18.0%	17.0%	n/a	4.50%	S/A	17 Jun 2015	175
EUR denominated Bonds									
UA4000142681	n/a	n/a	18.0%	14.0%	n/a	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			17.5%	16.0%	n/a	5.50%	S/A	21 Aug 2015	141
UA4000082622			17.5%	16.0%	n/a	5.50%	S/A	24 Aug 2015	571
UA4000083059			17.5%	16.0%	n/a	5.50%	S/A	25 Aug 2015	415

Source: Bloomberg, Cbonds, Eavex Research

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