

Market Update

Equity

Locally-listed Ukrainian equities corrected moderately on Tuesday (Jul 29) after their sharp run-up of recent days, while European shares shook off the announcements of new EU sanctions against Russia thanks to solid corporate earnings data. The UX index edged down 0.6% to close at 1337 points. Avdyivka Coke was the biggest mover, dropping 3.4% after news of another war-related stoppage at its main plant north of Donetsk. Azovstal and Raiffeisen Aval declined by 1.9% and 1.1% respectively, while Motor Sich inched up 0.2% to end at UAH 2800 on the nose. Outside the UX basket, Stirol fell 10.2% to amid very heavy fighting in the company's home base of Gorlovka. In London, MHP gave up its rebound from Monday's session, dropping 3.3% to USD 12.85, and Ferrexpo was little-changed near GBp 140.

Fixed Income

Ukrainian sovereign Eurobonds rose moderately on Tuesday, with benchmark Ukraine-23s rising by 0.4p.p. to 94.0/95.5 (8.5%/8.2%). The corporate universe was predominantly, however. Mriya-16s sold off by a full 3p.p. to 90.0/92.0 (22.6%/20.4%) and UkrLandFarming-18s edged down by 0.5p.p., closing at 90.5/92.4 (14.3%/13.6%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	326.50	-0.2%	4.8	425
Motor Sich	MSICH	2800.0	0.2%	3.2	110
Centrenergo	CEEN	8.14	0.6%	3.0	342

Growth Leaders

Yasynivsky Coke	YASK	0.73	4.3%	0.02	11
Krymenergo	KREN	2.00	3.9%	0.44	23
Bank Forum	FORM	0.24	3.8%	0.01	18

Loss Leaders

Dniproenergo	DNEN	413.90	-7.6%	0.041	20
Kryukiv Wagon	KVBZ	18.22	-4.7%	0.042	10
Avdyivka Coke	AVDK	3.14	-3.4%	0.217	43

Highlights

POLITICS AND ECONOMICS

> EU Slams Russian State Banks With New Sanctions

STOCKS IN THE NEWS

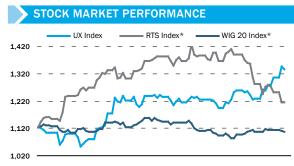
- > UkrNafta Likely to Distribute Dividends for FY11-13 in September
- > Avdyivka Coke Renewed Electricity Supply to the Plant
- > IMC Intends to Build Oilseed Processing Plant by 2019

FIXED INCOME

> MinFin Issues Second VAT Bonds Tranche for UAH 2.17bn

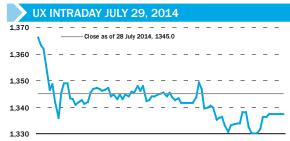
Market Monitor

July 30, 2014



27-Apr 7-May 17-May 27-May 6-Jun 16-Jun 26-Jun 6-Jul 16-Jul 26-Jul * rebased

MARKET INDEXES										
	Last	1D ch	1M ch	YTD						
UX	1337.4	-0.6%	9.0%	47.0%						
RTS	1207.3	-0.1%	-12.5%	-16.3%						
WIG20	2391.0	-0.4%	-0.4%	-0.4%						
MSCI EM	1080.5	0.1%	3.3%	7.8%						
S&P 500	1970.0	-0.5%	0.5%	7.0%						



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FIXED INCOME											
	Last	1D ch	1M ch	YTD							
EMBI+Global	289.4	1.5%	2.9%	-12.5%							
CDS 5Y UKR	864.5	4.9%	3.1%	5.4%							
Ukraine-17	8.5%	-0.1 p.p.	0.5 p.p.	-0.5 p.p.							
Naftogaz Ukr-14	25.4%	-0.3 p.p.	7.4 p.p.	16.6 p.p.							
Ukraine-23	8.4%	-0.1 p.p.	0.0 p.p.	0.9 p.p.							
Privatbank-16	5.6%	0.0 p.p.	0.0 p.p.	-19.1 p.p.							

CURRENCY									
	Last, UAH	1D ch	1M ch	YTD					
USD	12.12	-0.3%	3.1%	47.0%					
EUR	16.25	-0.5%	1.3%	42.9%					
RUB	0.34	-0.8%	-2.7%	35.0%					

COMMODITIES										
	Last	1D ch	1M ch	YTD						
Wheat, USD/t*	251.2	0.0%	0.3%	-12.6%						
Steel, USD/t	535.0	0.0%	-0.5%	-0.5%						
Oil, USD/bbl	107.7	0.1%	-4.5%	-3.1%						
Gold, USD/oz	1299.0	-0.4%	-1.3%	8.6%						
*Ukraine FOB	Sc	ource: Bloomb	erg. Ukrainian	Exchange						

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July 30, 2014

EU Slams Russian State Banks with New Sanctions

by Will Ritter w.ritter@eavex.com.ua

NEWS

The European Union on Tuesday (Jul 29) rolled out its toughest sanctions yet against the Russian economy, international media reported. The sanctions will lock Russian banks with 50% or greater state ownership out of European debt and equity markets. Meanwhile, new defense industry trade with Russian companies will be prohibited, as will sales of oil-industry equipment to Russian extraction companies. The United States also joined in later in the day by announcing similar sanctions, including banning transactions in the US financial system by two of Russia's largest banks, VTB and Bank of Moscow.

COMMENTARY

The new EU and US sanctions are a direct response to Moscow's insulting reaction to the shooting down of the MH17 civilian airliner two weeks ago that killed 298 people, including 194 citizens of the Netherlands. The Putin regime has refused to acknowledge the clear evidence of responsibility of pro-Russian guerillas for the disaster, instead putting forth various ridiculous conspiracy theories to explain it. Meanwhile, the guerillas have repeatedly denied access to the crash site to European investigators, at times threatening and humiliating them, and there has been little visible progress in ending the Kremlin's logistical support for the Donbass rebellion. Still, at this point, it is anyone's guess how the conflict between Russia and the West over Ukraine will develop over the next couple of months, as we think that cornering Putin is not an ideal strategy for dealing with him; the new sanctions will only increase domestic nationalist support in Russia for him to harden his line on Ukraine and raise the military pressure, with a possible expansion of hostilities beyond the Donbass provinces to other regions of Ukraine being the greatest danger. It appears to us that many Western analysts have forgotten the bigger picture: that the current conflict is hardly about the Donbass region itself, and that all of Ukraine remains potentially at risk to Russian aggression if the war and mounting civilian casualties cannot be ratcheted down in the very near term.



Stocks in the News

July 30, 2014

UkrNafta Likely to Distribute Dividends for FY11-13 in September

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

UKRNAFTA (UNAF UK)

Price: UAH 326.5 Market Cap: USD 1,463mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2013	0.6	nm	5.1	n/a
2014E	0.6	9.1	4.5	n/a

NEWS

UkrNafta, Ukraine's largest oil producer, will hold a general shareholders' meeting on Sept 11, the company announced on Tuesday (Jul 29). Among agenda items, shareholders will consider the question of endorsing the company's financial statements for the past three years (2011-2013) as well as the distribution of profits earned over 2011-13. UkrNafta has not held a shareholder meeting in more than three years, since March 2011.

COMMENTARY

UkrNafta, which is 50% government-owned but controlled by industrialist Igor Kolomoyskiy, had refused to pay out 30% of its net profit to shareholders as required by law for the past three years, with no enforcement of the provision by the Yanukovich administration. Importantly, the dividend payout for these three years will now be heavily watered down by this spring's hryvnia devaluation. Energy Minister Yuriy Prodan recently stated his expectation of a payment of UAH 1.30bn to the government in dividends from UkrNafta. With the government's 50%+1 stake in UkrNafta and cumulative 2011-13 net income in the amount of UAH 3.80bn, this suggests a dividend payout of UAH 2.60bn, or 68% of 2011-13 net profit. This translates into a dividend per share of UAH 47.9 and dividend yield of 20%, most of which looks to have been already priced in by the UNAF stock's sharp run-up this week.

Avdyivka Coke's Electricity Supply Renewed

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

AVDYIVKA COKE (AVDK UK)											
Price: UAH 3.14 Market Cap: USD 51mn											
	EV/S	P/E	EV/EBITDA	Div. Yield							
2013	0.05	neg	1.1	0%							
2014F	0.06	neg	1.6	0%							

NEWS

Avdyivka Coke, Ukraine's largest coke maker, managed to renew electricity supplies to its main plant yesterday, its parent group Metinvest reported in a press release on Tuesday (Jul 29). Specifically, two out of four electricity lines delivering electricity to the plant are operating again after being hit by artillery shelling.

COMMENTARY

Metinvest stated that if the supply of electricity to Avdyivka had not been renewed within 24 hours of the cutoff, the coke-processing batteries of the plant would be permanently ruined. Avdyivka covered some 55% of Metinvest's group-wide needs in coke in 2Q14, and we presume that the other three coke plants of Metinvest and market purchases would be unable to meet the coke deficit in case of full stoppage of Avdyivka. The resumption was successful due to the Ukrainian army's expulsion from of pro-Russian paramilitaries from the city yesterday, the Ukrayinska Pravda news site reported.



IMC Intends to Build Oilseed Processing Plant by 2019

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

2014E

	CPW)								
Price: PLN 8.68 Market Cap: USD 89mn									
EV/S P/E EV/EBITDA Div. Yield									
2013	1.9	4.3	4.3	0%					

1.2

17.8

3.6

0%

NEWS

Central-Ukraine-based crop grower Industrial Milk Company (IMC) plans to start construction of a sunflower and soya processing plant, Interfax reported on Tuesday (July 29), citing the company's management. The nominal processing capacity of the plant is targeted at 300,000 tonnes per annum; its planned location was not specified by the company.

COMMENTARY

Management told us that the plant will not be launched until 2019 when the construction of the facility is expected to be finished. Its effective capacity will be some 283,000 tonnes. We presume that the recent success in its soybean processing project of Ukraine's largest sugar producer Astarta, was the main trigger for IMC to embark on this project. The processing plant will provide IMC with the flexibility to either process its own oilseeds or simply to sell the crops unprocessed, depending on the pricing situation. The company's stock advanced by 4.8% to PLN 8.68 yesterday on the news.



MinFin Issues Second VAT Bonds Tranche for UAH 2.17bn

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

NEWS

Ukraine's Finance Ministry issued a second tranche of new VAT bonds in the amount of UAH 2.17bn on Monday (Jul 28), the Ministry said. These papers are 5-year amortized bonds with the amortization taking place semi-annually at 10%, and the coupon at 9.5% per annum. The first payment on the bonds is set for January 2015. The VAT bonds will be distributed to 199 entities, according to MinFin.

COMMENTARY

With much higher number of recipients of the second tranche of VAT bonds than the first one, this could, in our view, intensify the trading activity in these papers on the local marketplace. The first tranche in the amount of UAH 3.58bn was reimbursed on Jul 8 to a small number of large companies which were owed the greatest VAT arrears, including ArcelorMittal, ISD, Ferrexpo, and Kernel. Given current backstopping of Ukraine's sovereign finances by the IMF, we think investors will have a fair degree of confidence in the bonds; initial reports suggest trading valuations in the 75-80 range.



Recommendations

July 30, 2014

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.89	0.56	-38%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	140.3	125.0	-11%	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	8.00	U/R	-	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	7.00	U/R	-	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	3.14	U/R	-	Susp.	AVDK's order book is secure thanks to its integration with Metinvest, Ukraine's largest M&M holding.
Yasynivsky Coke	YASK	0.73	U/R	-	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	0.65	2.9	353%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	18.2	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.35	5.2	288%	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	2800	5250	88%	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	8.4	42.0	401%	BUY	We assume that Regal will be able to produce 5,200 boepd in 2014, generating USD 116mn in sales.
JKX Oil & Gas	JKX	45.0	120	167%	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	40.5	72.0	78%	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	8.14	15.00	84%	BUY	CentrEnergo's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Consumer						
МНР	MHPC	12.9	15.65	22%	HOLD	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	38.9	90.0	132%	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	9.2	8.93	-3%	HOLD	The company's FY14 results will be hit by the hryvnia devaluation, while next year's likely elimination of the special VAT regime for large agro producers bodes poorly for FY15 earnings.
Ovostar Union	OVO	70.0	58.74	-16%	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	0.147	0.24	63%	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



Market Data

July 30, 2014

PRICES AND QUOTES

Name	Ticker	Today, UAH*	52 high, UAH*	52 low, UAH*	1d	Absolute 1w	e performar 1m	nce ytd	Perfor 1d	rmance rela 1w	tive to the 1m	UX index ytd
UX Index	UX	1337.36	1367.35	799.72	-0.6%	6.3%	9.0%	47.0%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.036	0.06	0.02	-1.6%	0.0%	-1.9%	-6.2%	-1.1%	-6.3%	-10.9%	-53.1%
Azovstal	AZST	0.89	0.95	0.35	-2.0%	5.2%	14.0%	33.3%	-1.4%	-1.2%	5.0%	-13.7%
Dniprospetzstal	DNSS	500	n/a	n/a	-16.9%	-61.5%	-61.5%	-61.5%	-16.4%	-67.9%	-70.6%	-108.5%
Enakievo Steel	ENMZ	44.3	65.0	17.0	-0.7%	1.5%	-0.9%	38.3%	-0.2%	-4.9%	-10.0%	-8.7%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	0.6%	-6.3%	-9.0%	200.9%
Mariupol Ilyicha	MMKI	0.13	n/a	n/a	0.0%	44.4%	-18.8%	30.0%	0.6%	38.1%	-27.8%	-17.0%
Coke												10.00/
Avdyivka Coke	AVDK	3.14	4.80	1.46	-3.6%	3.7%	-3.1%	6.2%	-3.0%	-2.6%	-12.1%	-40.8%
Yasynivsky Coking	YASK	0.73	0.84	0.30	4.3%	5.8%	1.4%	37.7%	4.9%	-0.5%	-7.6%	-9.2%
Iron Ore Mining												20.20/
Centralny GOK	CGOK	7.00	n/a	n/a	0.0%	14.8%	0.7%	7.7%	0.6%	8.4%	-8.3%	-39.3%
Ferrexpo	FXPO	2.38	3.20	2.07	0.3%	-0.6%	6.6%	-24.7%	0.8%	-7.0%	-2.4%	-71.6%
Pivnichny GOK	SGOK	8.00	10.00	4.50	0.0%	2.3%	-1.2%	0.0%	0.6%	-4.0%	-10.3%	-47.0%
Coal Mining												
Pokrovske Mine	SHCHZ	0.65	0.79	0.10	0.0%	-13.3%	-12.2%	62.5%	0.6%	-19.7%	-21.2%	15.5%
Komsomolets Donbasa	SHKD	0.80	n/a	n/a	-14.9%	-7.0%	-11.1%	29.0%	-14.3%	-13.3%	-20.1%	-17.9%
Energy Coal	CLE	0.32	0.93	0.31	-5.1%	-7.2%	-22.6%	-8.4%	-4.5%	-13.6%	-31.6%	-55.3%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.44	n/a	n/a	0.0%	0.0%	0.0%	-4.3%	0.6%	-6.3%	-9.0%	-51.3%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.79	1.01	0.30	0.0%	21.5%	-10.2%	31.7%	0.6%	15.2%	-19.2%	-15.3%
Interpipe NMPP	NVTR	0.39	n/a	n/a	0.0%	0.0%	0.0%	85.7%	0.6%	-6.3%	-9.0%	38.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	18.2	26.0	10.0	-4.7%	-4.1%	-3.1%	5.3%	-4.1%	-10.4%	-12.2%	-41.6%
Luhanskteplovoz	LTPL	1.35	2.20	0.85	0.0%	-6.9%	-3.6%	-10.0%	0.6%	-13.2%	-12.6%	-57.0%
Stakhanov Wagon	SVGZ	1.05	n/a	n/a	0.0%	-8.7%	-8.7%	-19.2%	0.6%	-15.0%	-17.7%	-66.2%
Specialized Machinery												
Bogdan Motors	LUAZ	0.05	0.08	0.02	0.0%	-7.5%	-10.7%	103.8%	0.6%	-13.9%	-19.8%	56.8%
Motor Sich	MSICH	2,800	3,000	1,303	0.2%	11.1%	15.7%	53.5%	0.7%	4.7%	6.6%	6.6%
Sumy Frunze Engineering	SMASH	3.50	n/a	n/a	0.0%	-22.2%	-41.6%	40.0%	0.6%	-28.6%	-50.6%	-7.0%
Turboatom	TATM	4.00	n/a	n/a	0.0%	0.0%	-13.0%	14.3%	0.6%	-6.3%	-22.1%	-32.7%
WESTA ISIC	WES	0.10	0.26	0.10	-0.3%	2.5%	-28.4%	-22.3%	0.3%	-3.8%	-37.4%	-69.2%
Telecom												
Ukrtelecom	UTLM	0.16	0.19	0.09	0.0%	-3.9%	-6.7%	48.5%	0.6%	-10.3%	-15.7%	1.5%
Oil & Gas												
Regal Petroleum	RPT	0.14	0.27	0.12	-8.5%	-8.8%	-0.5%	-32.6%	-7.9%	-15.2%	-9.6%	-79.6%
JKX Oil	JKX	0.76	1.21	0.76	-0.3%	-10.6%	-22.4%	-35.7%	0.3%	-17.0%	-31.5%	-82.6%
Ukrnafta	UNAF	327	370	54	-0.4%	25.3%	32.9%	200.6%	0.2%	19.0%	23.9%	153.7%
Power Utilities												
Centrenergo	CEEN	8.14	8.70	2.50	0.5%	3.3%	11.0%	70.7%	1.0%	-3.1%	2.0%	23.7%
Donbasenergo	DOEN	40.5	50.2	11.0	-1.5%	4.8%	2.5%	46.8%	-0.9%	-1.6%	-6.5%	-0.2%
Zakhidenergo	ZAEN	146.3	157.0	64.0	0.0%	14.3%	3.0%	61.8%	0.6%	8.0%	-6.0%	14.9%
Consumer												
Agroton	AGT	0.82	1.8	0.56	-3.0%	-7.9%	-14.6%	27.1%	-2.4%	-14.2%	-23.6%	-19.9%
Astarta	AST	12.6	24.4	12.1	-0.6%	-2.3%	-12.6%	-43.6%	-0.1%	-8.7%	-21.7%	-90.5%
Avangardo	AVGR	9.2	13.0	8.40	-0.1%	-3.3%	-7.2%	-21.8%	0.5%	-9.7%	-16.2%	-68.8%
Industrial Milk Company	IMC	2.81	5.14	2.49	4.5%	2.6%	-17.2%	-30.6%	5.1%	-3.7%	-26.3%	-77.5%
Kernel	KER	9.7	17.7	7.6	-0.2%	2.3%	-12.3%	-23.6%	0.3%	-4.0%	-21.3%	-70.6%
Mriya Agro Holding	MAYA	6.03	8.2	5.62	-1.2%	1.8%	-1.7%	-19.0%	-0.7%	-4.5%	-10.7%	-66.0%
MHPC	MHPC	12.9	18.7	11.00	-3.3%	-13.8%	-12.4%	-24.5%	-2.7%	-20.1%	-21.4%	-71.4%
Milkiland	MLK	1.91	4.7	1.71	-1.3%	3.0%	-19.1%	-54.1%	-0.7%	-3.4%	-28.1%	-101.1%
Ovostar Union	OVO	22.6	33.3	19.4	2.6%	-0.6%	-5.3%	-32.0%	3.1%	-6.9%	-14.3%	-78.9%
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		, -			1.5			, -	1 -	1 -	1 -	
Stirol	STIR	10.6	n/a	n/a	-10.3%	-6.1%	-15.0%	-14.9%	-9.7%	-12.4%	-24.0%	-61.8%
Banks	27.00		.,	., -								
Raiffeisen Bank Aval	BAVL	0.147	0.188	0.077	-1.3%	-0.1%	-4.7%	29.6%	-0.7%	-6.4%	-13.7%	-17.4%
UkrSotsbank	USCB	0.177	0.257	0.090	-2.6%	3.6%	5.6%	-5.6%	-2.0%	-2.7%	-3.4%	-52.6%
	0000	0.2.1	5.207			5.675	5.6.5	5.670	2.070			Bloomherg

Source: Bloomberg * companies listed abroad are in USD



Market Data

July 30, 2014

MAIN FINANCIAL FORECASTS, USD mn

Call20142	Name	Ticker	Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
Alchevsk Steel ALMK 1.783 1.783 1.730 1.53 6.20 1.41 neg neg 1.5% 2.1% 9 1.551 Enaklevo Steel ENMZ 1.578 1.571 1.561 6.44 2.2 33 neg 1.5% 2.1% 9 1.58 Azovstai AZS AZS 1.926 1.976 All 1.31 35 neg 1.6% 3.33 308 Advivka Coke AVDK 1.090 9.14 7.84 1.12 4.6 2.9 neg 5.0% 3.5% 6.1 Nero Merin Toro On Toro On 1.60 7.9 3.33 1.50 70 914 816 5.3.% 6.5.% 5.2.% 2.0% 92 1.42 1.62 5.2 82.0 7.9 9.2 8.5 8.4 0.4.% 5.4 1.6.% 8.4 1.6.% 8.4 1.6.% 8.4 1.6.% 8.4 1.6.% 8.4 1.6.% 8.4			2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2014E	2012	2013E	2014E
Ensitive Steel Ensity 1, 150 1, 150	Steel																
Anote Linke Linke Linke Linke Linke Linke Linke Linke Jos Linke Jos Linke Jos Linke Jos Linke Jos J	Alchevsk Steel	ALMK	1,783	1,729	1,730	-5	-62	-14	neg	neg	neg	-127	-214	-35	neg	neg	neg
Color Color <t< td=""><td>Enakievo Steel</td><td>ENMZ</td><td>1,578</td><td>1,531</td><td>1,561</td><td>-84</td><td>22</td><td>33</td><td>neg</td><td>1.5%</td><td>2.1%</td><td>9</td><td>-185</td><td>-29</td><td>0.5%</td><td>neg</td><td>neg</td></t<>	Enakievo Steel	ENMZ	1,578	1,531	1,561	-84	22	33	neg	1.5%	2.1%	9	-185	-29	0.5%	neg	neg
Avdy/kka Cokle AVDK 1.090 914 784 -1.12 46 29 neg 5.0% 3.8% 1.37 6.4 Yasynkiky Coking YASK 432 367 333 27 29 19 6.4% 7.8% 5.7% 88 33 Iron Ore Mining Columating GOK CGOK 6.10 679 634 232 312 279 38.0% 46.0% 44.1% 055 194 Phynichny GOK SGOK 1.416 1.630 1.506 750 914 816 53.0% 56.1% 54.2% 436 548 Ferrespo FXPO 1.424 1.581 1.542 402 506 447 28.2% 32.0% 1.0% 5.0% 3.0% 3.6% 3.0% 3.6% 3.1% 1.0% 0.6% 3.0% 0.1% 0.	Azovstal	AZST	2,814	1,926	1,976	-181	-31	35	neg	neg	1.8%	-333	-308	-24	neg	neg	neg
Yasynivsky Coking YASK 432 367 333 27 29 19 6.4% 7.6% 5.7% 8 .3 Centrainy GOK CGOK 610 679 634 232 312 279 38.0% 46.0% 44.1% 95 194 Phynichry GOK SGOK 1.416 1.630 1.506 750 914 816 53.0% 56.1% 54.2% 43.66 548 Ferrexpo FXPO 1.424 1.581 1.542 402 506 44.1% 40.1% 7 17 Coal Energy CLE 165 126 101 63 21 9 86.0% 8.0% 8.0% 1.4 Coal Energy CLE 165 126 312 26 31.4% 10.1% 9.5% 34 5 Reidear Manufacturing LTPL 216 329 367 29 36 38 13.4% 10.4% 5.9 19 Kha	Coke																
Into Into <thinto< th=""> Into Into <thi< td=""><td>Avdyivka Coke</td><td>AVDK</td><td>1,090</td><td>914</td><td>784</td><td>-112</td><td>46</td><td>29</td><td>neg</td><td>5.0%</td><td>3.8%</td><td>-137</td><td>-6</td><td>-24</td><td>neg</td><td>neg</td><td>neg</td></thi<></thinto<>	Avdyivka Coke	AVDK	1,090	914	784	-112	46	29	neg	5.0%	3.8%	-137	-6	-24	neg	neg	neg
Centralny GOK CGOK 610 679 634 232 312 279 38.0% 46.0% 41.1% 95 1944 Pivnichny GOK SGOK 1.416 1.630 1.506 750 914 816 53.0% 66.1% 54.2% 436 548 Ferrexpo FXP0 1.424 1.581 1.542 402 506 447 28.2% 32.0% 29.0% 216 264 Ceal Mining Casi Mining T 17 7 7 7 7 7 7 7 9 38.0% 16.8% 8.9% 38 -17 Pipe Mantfacturing T 1.65 1.26 101 63 21 9 36.0% 16.8% 8.9% 38 -17 Raitear Manufacturing TTPL 2.16 329 367 29 36 38 1.4% 0.8% 10.4% 5 19 Knyuki Waĝon KVBZ 891 424 1	Yasynivsky Coking	YASK	432	367	333	27	29	19	6.4%	7.8%	5.7%	8	-3	5	1.9%	neg	1.4%
Princhry GOK SGOK 1.446 1.630 1.506 7.50 914 816 50.30 1.617 94.47 816 50.30 1.617 54.27 436 543 Ferrexpo FXP0 1.424 1.581 1.542 402 506 447 28.2% 32.0% 29.0% 216 264 Coal Mining Komsomolets Donbasa SHKD 27.3 220 234 125 92 94 45.9% 41.6% 40.1% 7 17 Coal Energy CLE 165 126 310 271 52 31 26 10.8% 10.1% 9.5% 34 5 Railear Manufacturing Kratsyzk Pipe HRTR 480 310 271 52 31 26 51 15.2% 15.3% 9.7% 95 49 Kypiki Wagon KVBZ 891 424 158 135 65 15 15.2% 15.3% 9.7% 95 19	Iron Ore Mining															-	
Ferrexpo FixPO 1.4.24 1.581 1.542 4.02 506 4.47 28.8% 32.0% 2.08 2.64 Coal Mining Komsonolets Donbasa SHKD 2.73 2.20 2.34 1.25 9.2 9.4 4.5% 41.8% 4.0.1% 7 1.7 Coal Energy Cle 1.65 1.26 1.26 9.2 9.4 45.9% 41.8% 40.1% 7 1.7 Pipe Manufacturing Kinastsyzk Pipe HRT 480 3.10 2.71 5.2 3.1 2.6 1.0.8% 10.1% 9.5% 3.4 5 Railcar Manufacturing Kinastsyzk Pipe HRT 480 3.10 2.71 5.2 3.1 2.6 1.5.3% 9.7% 9.5 1.9 Knyukiv Wagon KVBZ 831 424 158 1.35 6.5 1.5 1.5.3% 9.7% 9.5 4.9 1.9 Kuyukiv Wagon SVGZ 311 1.72 1.0 7 6.5 2.38 3.6% 1 1.5 Kuyukiv Wagon <	Centralny GOK	CGOK	610	679	634	232	312	279	38.0%	46.0%	44.1%	95	194	163	15.6%	28.6%	25.7%
FerrexpoFXPO1,4241,5811,5424025064472,8.2%32.0%29.0%216244Coal LeneryCDE1273220234125929441.8%41.8%40.1%7177Coal LenergyCDE1651261016321929445.8%41.8%40.1%7177Coal LenergyCDE16512610165929445.8%41.8%40.1%7177Coal LenergyCDE1651261312613.8%10.4%9.5%3455HRTR48031027152312613.8%10.4%9.5%3455HRTR48031027152312613.8%10.4%9.5%3455Keyz81448031027152315515.8%57.8%57.8%576342Keyz33.1%11721507652.3%34.4%36.8%7257.8%Keyz31.0%10.0%21.0%10.0%5010.0%5021.0%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8%50.8% </td <td>Pivnichny GOK</td> <td>SGOK</td> <td>1,416</td> <td>1,630</td> <td>1,506</td> <td>750</td> <td>914</td> <td>816</td> <td>53.0%</td> <td>56.1%</td> <td>54.2%</td> <td>436</td> <td>548</td> <td>460</td> <td>30.8%</td> <td>33.7%</td> <td>30.5%</td>	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%
Coal Mining Komsonolets Donbasa SHKD 273 220 234 125 92 94 45.9% 41.8% 40.1% 7 17 Coal Energy CLE 165 126 101 63 21 93 84.9% 46.9% 38.9% 38 41.7% Pipe Manufacturing HATR 480 310 217 52 31 26 10.8% 10.1% 9.5% 33 53 10.7 Rulary Maufacturing HATR 480 310 217 52 31 26 10.8% 10.4% 10.4% 53 10.4 Knytky Wagon KVBZ 891 424 158 135 65 15 15.2% 15.3% 9.7% 95 42 Stakhanov Wagon KVBZ 891 424 158 135 65 15 15.2% 15.3% 9.7% 45 11.7% 14.7% 14.8 36 72 2.3% 2.4% 36.8 72 2.3% 2.4% 36.8 72 2.5% 2.5%	Ferrexpo						506	447						198	15.1%	16.7%	12.8%
Coll Energy CLE 165 125	Coal Mining		,	,													
Cole165126101632198.0%16.8%8.9%3.8-1.7Pipe ManufacturingKhartsyzk PipeHRTR4.803.102715.23.12.61.0.8%1.0.1%9.5%3.45.5Railcar ManufacturingLuhanskteplovozLTPL2.163.293.672.93.61.0.8%1.0.1%9.5%3.45.9Kyukiv WagonKVBZ8.914.241.556.51.51.5.2%5.3%9.7%9.54.2Stahanov WagonSVGZ3.111.721.507652.3%3.4%3.6%11Specialized MachineyTurboatomTATM1.602.142.105.19.07.23.2.%4.2.%3.4.%3.872TurboatomTATM1.602.142.105.19.07.23.2.%4.2.%3.4.%3.872TurboatomTATM1.602.142.105.19.07.23.2.%4.2.%3.4.%3.872TurboatomTATM6.87.916.12.01.0.%7.4.%2.4.%3.4.%3.4.%7.67.6TurboatomTATM6.87.916.12.07.67.6.%7.4.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6.%7.6	Komsomolets Donbasa	SHKD	273	220	234	125	92	94	45.9%	41.8%	40.1%	7	17	17	2.6%	7.6%	7.3%
Pipe Manufacturing Khartsyzk Pipe HRTR 480 310 271 52 31 26 10.8% 10.1% 9.5% 34 5 Raitcar Manufacturing Luhanskteplovoz LTPL 216 329 367 29 36 38 13.4% 10.8% 10.4% 5 19 Kryukiv Wagon KVgZ 891 424 158 135 65 15 15.2% 15.3% 9.7% 95 422 Stakhanov Wagon KVgZ 891 424 158 135 65 15 15.2% 15.3% 9.7% 95 422 Stakhanov Wagon KVgZ 891 424 150 7 6 7 2.3% 4.4% 3.6% 1 1 Specialized Machiney TATM 160 214 210 51 90 72 32.2% 42.1% 34.4% 38 72 Motor Sich MSiCH 979 1.000 950 309 274 260 31.6% 27.4% 27.4% 20.0 160 <t< td=""><td>Coal Energy</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>-24</td><td>23.2%</td><td>neg</td><td>neg</td></t<>	Coal Energy													-24	23.2%	neg	neg
Khartsyzk Pipe HRTR 480 310 271 52 31 26 10.8% 10.1% 9.5% 34 5 Railcar Manufacturing Luhanskteplovoz LTPL 216 329 367 29 366 38 13.4% 10.8% 10.4% 55 19 Kryukiv Wagon KVBZ 891 424 158 135 65 15 15.3% 9.7% 95 421 Staknow Wagon SVGZ 311 172 150 7 6 5 23% 3.4% 3.6% 11 1 Specialized Machineov Wagon TATM 100 214 210 51 90 72 32.2% 42.1% 34.4% 38 72 Motor Sich MSICH 979 1.000 950 309 274 260 31.6% 74.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27.4% 27	Pipe Manufacturing	011															
Railcar ManufacturingLuhanskteplovozLTPL21632936729363813.410.8%10.4%519Kryukiv WagonKVBZ891424158135651515.2%15.3%9.7%9542Stakhanov WagonSVGZ3111721507652.3%3.4%3.6%11Specilized Machinery1507652.3%3.4%3.6%11Specilized Machinery1.00950309272.6%31.6%7.4%2.003167Motor SichMSICH9.11.009503092.742.6031.6%7.4%2.0031.6%7VertolecomUTLM8387.916112061901742.5%2.6%2.5%4.5%1.7%1.1%12.7%1.6%1.2%Oil & GasUNAF2.5%2.5%2.5%4.5%1.4%1.6%2.6%3.2%1.6%3.6%1.13.6%1.177JKX OilJKX2.0%1.6%1.4%1.4%2.6%3.2%1.6%3.6%3.4%1.17777777777777777777777777777777 </td <td></td> <td>HRTR</td> <td>480</td> <td>310</td> <td>271</td> <td>52</td> <td>31</td> <td>26</td> <td>10.8%</td> <td>10.1%</td> <td>9.5%</td> <td>34</td> <td>5</td> <td>4</td> <td>7.0%</td> <td>1.5%</td> <td>1.5%</td>		HRTR	480	310	271	52	31	26	10.8%	10.1%	9.5%	34	5	4	7.0%	1.5%	1.5%
Kryukiv Wagon KVBZ 891 424 158 135 65 15 15.2% 15.3% 9.7% 95 42 Stakhanov Wagon SVGZ 311 172 150 7 6 5 2.3% 3.4% 3.6% 1 1 Specialized Machinery Turboatom TATM 160 214 210 51 90 72 32.2% 42.1% 34.4% 38 72 Motor Sich MSICH 979 1,000 950 309 274 260 31.6% 27.4% 200 169 Telecom UTM 838 791 611 206 190 174 24.5% 24.0% 28.5% 45 177 Oil & Gas UTM 838 791 611 206 190 174 24.5% 24.0% 28.5% 45 177 Oil & Gas UTMF 2.554 2.589 2.543 454 286 323 17.3% 11.1% 12.7% 176 21.27 JKX Oil UNAF 2.554 <td>Railcar Manufacturing</td> <td></td> <td></td> <td>010</td> <td>2.2</td> <td>02</td> <td>01</td> <td>20</td> <td>2010/0</td> <td>2012/0</td> <td>01070</td> <td></td> <td>Ū</td> <td>·</td> <td></td> <td>2.070</td> <td></td>	Railcar Manufacturing			010	2.2	02	01	20	2010/0	2012/0	01070		Ū	·		2.070	
Kryukiv WagonKVBC891424158135651515.2%15.3%9.7%9542Stakhanov WagonSVGZ3111721507652.3%3.4%3.6%11Specialized MachineryTurboatomTATM16021421051907232.2%42.1%34.4%3872Motor SichMSICH9791,00095030927426031.6%27.4%200169TelecomUTLM83879161120619017424.5%24.0%28.5%4517Oil & GasUNAF2,5542,5892,54345428632317.8%11.1%12.7%17623Regal PetroleumRPT413745211462652.2%neg57.0%1212.7JKX OilJKX2031811991366666867.1%34.3%117DonbasenergoDEEN1.11991576558327255.6%11.0%8.6%29.60DonbasenergoDEEN1.4981.496556327256.6%10.3%4.5%24.0%24.5%24.0%24.5%24.0%24.5%24.0%24.5%24.0%24.5%24.0%24.5%24.0%24.0%24.0%24.0%24.0%24.0%24.0%24.0%24.0%24.0%<	U	I TPI	216	329	367	29	36	38	13.4%	10.8%	10.4%	5	19	23	2.2%	5.9%	6.1%
Stakhanov WagonSVGZ311172150160														-5	10.7%	9.8%	neg
Specialized Machinery Turb of the rest														0	0.2%	0.3%	0.3%
TurboatomTATM16021421051907232.2%42.1%34.4%3872Motor SichMSICH9791,00095030927426031.6%27.4%27.4%200169TelecomUkrtelecomUTLM83879161120619017424.5%24.0%28.5%4517OI & GasUkraftaUNAF2,5542,5892,54345428632317.8%11.1%12.7%17623Regal PetroleumRPT41374521-1462652.2%neg57.0%12127JKX OilJKX2031811991366666867.1%36.7%34.3%-117Electric UtilitiesCentrenergoCEEN1,1199157656994806.2%10.3%10.5%29600DonbasenergoDOEN5746565853272515.6%11.0%8.8%4655ConsumerImage: Stand Mark1,4961,46646839147933.2%26.1%32.7%311162KernelKER2,1572,7972,48032229117514.9%10.4%7.1%211105AvangardooAVGR62966159428030123444.5%45.6%39	-	0102	511	112	100	1	Ū	5	2.070	3.470	5.070	1	-	Ū	0.270	0.5%	0.076
Motor SichMSICH9791,00095030927426031.6%27.4%27.4%200169TelecomUt/thelecomUTLM83879161120619017424.5%24.0%28.5%4517Oil & GasUNAF2,5542,5892,54345428632317.8%11.1%12.7%17623Regal PetroleumRPT41374521-1462652.2%neg57.0%12-127JKX 0ilJKX2031811991366666867.1%36.7%34.3%11177Electic UtilitiesJKX20318119913666994806.2%10.3%10.5%29600DonbasenergoDEN5746565853272515.6%11.0%8.8%4655MPPMHPC1,4081,4961,46646839147933.2%26.1%32.7%311162KernelKER2,1572,772,48032229117514.9%10.4%7.1%214105AvangardoAVGR62966159428030123.4%45.6%39.5%20.5%5834AvangardoAGT88819020883223.4%44.5%45.6%39.5%23.8%23.8%23.8%23.8%MIPD		τατΜ	160	214	210	51	90	72	32.2%	42 1%	34.4%	38	72	52	23.8%	33.5%	24.8%
TelecomUkrtelecomUTLM8387916.1120619017424.5%24.0%28.5%4.517Oil & GasUkrnaftaUNAF2,5542,5892,54345428632317.8%11.1%12.7%1762.3Regal PetroleumRPT41374521-1462652.2%neg57.0%12-127JKX OilJKX203181199136666867.1%36.7%31.471712Electric Utilities7656994806.2%10.3%10.5%29601DonbasenergoCEEN1,1199157656994806.2%10.3%10.5%29602DonbasenergoDOEN5746565853272515.6%10.3%10.5%29601DonbasenergoDOEN5746565853272515.6%10.3%10.5%20.4655Consumer1.46646839147933.2%26.1%32.7%31.1162KernelKER2.1572.7972.48032.229117514.9%10.4%71.4%21.4105KartaAST4564915591109113820.2%15.5%20.5%5834AvangardoAGT	Motor Sich													188	20.4%	16.9%	19.7%
UkrtelecomUTLM83879161120619017424.5%24.0%28.5%4517Oil & GasUkrnaftaUNAF2.5542.5892.54345428632317.8%11.1%12.7%17623Regal PetroleumRPT41374521-1462652.2%neg57.0%12-127JKX OilJKX203181199136666867.1%36.7%34.3%.117Electric UtilitiesVVV7656994806.2%10.3%10.5%29600DonbasenergoCEEN1.1199157656994806.2%10.3%10.5%29600DonbasenergoDOEN5746565853272515.6%11.0%8.8%4655OnbasenergoDOEN5746565853272515.6%11.0%8.8%4655OnbasenergoMHPC1.4081.4961.46646839147933.2%26.1%32.7%311162KernelKER2.1572.7972.48032229117514.9%10.4%7.1%211105AstartaAST4564915591109113820.2%15.5%20.5%5834AyangardooAGT888190 <td>Telecom</td> <td>WOIOIT</td> <td>010</td> <td>1,000</td> <td>000</td> <td>000</td> <td>214</td> <td>200</td> <td>01.070</td> <td>21.470</td> <td>21.470</td> <td>200</td> <td>100</td> <td>100</td> <td>20.4%</td> <td>10.070</td> <td>2011 /0</td>	Telecom	WOIOIT	010	1,000	000	000	214	200	01.070	21.470	21.470	200	100	100	20.4%	10.070	2011 /0
Oil & Gas Ukrnafta UNAF 2,554 2,589 2,543 454 286 323 17.8% 11.1% 12.7% 176 23 Regal Petroleum RPT 41 37 45 21 -146 26 52.2% neg 57.0% 12 -127 JKX Oil JKX 203 181 199 136 66 68 67.1% 36.7% 34.3% -11 7 Electric Utilities JKX 203 181 199 136 66 68 67.1% 36.7% 34.3% -11 7 Centrenergo CEEN 1,119 915 765 69 94 80 6.2% 10.3% 10.5% 29 60 Donbasenergo DOEN 574 656 585 32 72 51 5.6% 11.0% 8.8% 4 65 Consumer MHP MHPC 1,408 1,496 1,466 468 391 479 33.2% 26.1% 32.7% 311 162		UTIM	838	791	611	206	190	174	24.5%	24.0%	28.5%	45	17	26	5.4%	2.2%	4.3%
UkrnaftaUNAF2,5542,5892,54345428632317.8%11.1%12.7%17623Regal PetroleumRPT41374521-1462652.2%neg57.0%12-127JKX OilJKX203181199136666867.1%36.7%34.3%-117Electric UtilitiesTTTTTTTTTTTCentrenergoCEEN1,1199157656994806.2%10.3%10.5%2960DonbasenergoDOEN5746565853272515.6%11.0%8.8%465ConsumerTT2,7972,48032229117514.9%10.4%7.1%211105AstartaAST4564915591109113820.2%15.5%20.5%5834AvangardcoAVGR62966159428030123444.5%45.6%39.5%228238AgrotonAGT888190208323.2%9.2%3.9%76BankTTTTTTTTTTTTTTTTTTTTTTTTTTTTT <td>Oil & Gas</td> <td>OTEN</td> <td>000</td> <td>101</td> <td>011</td> <td>200</td> <td>100</td> <td>714</td> <td>24.070</td> <td>24.070</td> <td>20.070</td> <td></td> <td>11</td> <td>20</td> <td>0.470</td> <td>2.270</td> <td></td>	Oil & Gas	OTEN	000	101	011	200	100	714	24.070	24.070	20.070		11	20	0.470	2.270	
Regal PetroleumRPT41374521-1462652.2%neg57.0%12-127JKX OilJKX203181199136666867.1%36.7%34.3%-117Electric UtilitiesCentrenergoCEEN1,1199157656994806.2%10.3%10.5%29600DonbasenergoDOEN5746565853272515.6%11.0%8.8%4655ConsumerHHPMHPC1,4081,4961,46646839147933.2%26.1%32.7%311162KernelKER2,1572,7972,48032229117514.9%10.4%7.1%211105AstartaAST4564915591109113820.2%15.5%20.5%5834AgrotonAGT888190208323.2%92.%39.5%22.8238BanksTotal Asset591109113820.2%15.5%20.5%5834MIPCAGT888190208323.2%92.%39.5%23.823.823.8%24.8%23.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%24.8%		LINIAE	2 554	2 589	2 5/13	454	286	303	17.8%	11 1%	12.7%	176	23	161	6.9%	0.9%	6.3%
JKX OilJKX203181199136666867.1%36.7%34.3%-117Electric UtilitiesCentrenergoCEEN1,1199157656994806.2%10.3%10.5%2960DonbasenergoDOEN5746565853272515.6%11.0%8.8%465ConsumerMHPMHPC1,4081,4961,46646839147933.2%26.1%32.7%311162KernelKER2,1572,7972,48032229117514.9%10.4%7.1%211105AstartaAST4564915591109113820.2%15.5%20.5%5834AvangardcoAVGR62966159428030123444.5%45.6%39.5%228238AgrotonAGT888190208323.2%9.2%3.9%7-6BanksTotal AssetsTotal AssetsTotal LequityTotal Incore	Regal Petroleum		,	_,										2	28.3%	neg	4.4%
Electric Utilities Electric Utilities Centrenergo CEEN 1,119 915 765 69 94 80 6.2% 10.3% 10.5% 29 60 Donbasenergo DOEN 574 656 585 32 72 51 5.6% 11.0% 8.8% 4 65 Consumer MHP MHPC 1,408 1,496 1,466 468 391 479 33.2% 26.1% 32.7% 311 162 Kernel KER 2,157 2,797 2,480 322 291 175 14.9% 10.4% 7.1% 211 105 Astarta AST 456 491 559 110 91 138 20.2% 15.5% 20.5% 58 34 Avangardco AVGR 629 661 594 280 301 234 44.5% 45.6% 39.5% 228 238 Agroton AGT 88 81 90 20 8 3 23.2% 9.2% 3.9% 7 6.6 </td <td>-</td> <td></td> <td>8</td> <td>neg</td> <td>3.6%</td> <td>3.9%</td>	-													8	neg	3.6%	3.9%
CentrenergoCEEN1,1199157656994806.2%10.3%10.5%2960DonbasenergoDOEN5746565853272515.6%11.0%8.8%465ConsumerMHPMHPC1,4081,4961,46646839147933.2%26.1%32.7%311162KernelKER2,1572,7972,48032229117514.9%10.4%7.1%211105AstartaAST4564915591109113820.2%15.5%20.5%5834AvangardcoAVGR62966159428030123444.5%45.6%39.5%228238AgrotonAGT888190208323.2%9.2%3.9%7-6BanksTotal AssetsTotal LequityTotal LequityNH Profit		JIV	203	101	199	130	00	08	07.170	30.77	54.570	-11	,	0	neg	5.070	0.076
Donbasenergo DOEN 574 656 585 32 72 51 5.6% 11.0% 8.8% 4 65 Consumer MHP MHPC 1,408 1,496 1,466 468 391 479 33.2% 26.1% 32.7% 311 162 MHP MHPC 1,408 1,496 1,466 468 391 479 33.2% 26.1% 32.7% 311 162 Kernel KER 2,157 2,797 2,480 322 291 175 14.9% 10.4% 7.1% 211 105 Astarta AST 456 491 559 110 91 138 20.2% 15.5% 20.5% 58 34 Avangardco AVGR 629 661 594 280 301 234 44.5% 45.6% 39.5% 228 238 Agroton AGT 88 81 90 20 8 3 23.2%		CEEN	1 1 1 0	015	765	69	94	80	6.2%	10.3%	10.5%	20	60	52	2.6%	6.5%	6.8%
Consumer NHPC 1,408 1,496 1,466 468 391 479 33.2% 26.1% 32.7% 311 162 MHP MHPC 1,408 1,496 1,466 468 391 479 33.2% 26.1% 32.7% 311 162 Kernel KER 2,157 2,797 2,480 322 291 175 14.9% 10.4% 7.1% 211 105 Astarta AST 456 491 559 110 91 138 20.2% 15.5% 20.5% 58 34 Avangardco AVGR 629 661 594 280 301 234 44.5% 45.6% 39.5% 228 238 Agroton AGT 88 81 90 20 8 3 23.2% 9.2% 3.9% 7 -6 Banks Total Assets Total Equity Total Income Net Profit	-		, -											46	0.7%	9.9%	7.8%
MHP MHPC 1,408 1,496 1,466 468 391 479 33.2% 26.1% 32.7% 311 162 Kernel KER 2,157 2,797 2,480 322 291 175 14.9% 10.4% 7.1% 211 105 Astarta AST 456 491 559 110 91 138 20.2% 15.5% 20.5% 58 34 Avangardco AVGR 629 661 594 280 301 234 44.5% 45.6% 39.5% 228 238 Agroton AGT 88 81 90 20 8 3 23.2% 9.2% 3.9% 7 -6 Banks Total Assets Total Equity Total Incore Net Profit	3	DOEN	574	050	565	52	12	JI	5.0%	11.0%	0.0%	4	05	40	0.7%	9.9%	1.070
Kernel KER 2,157 2,797 2,480 322 291 175 14.9% 10.4% 7.1% 211 105 Astarta AST 456 491 559 110 91 138 20.2% 15.5% 20.5% 58 34 Avangardco AVGR 629 661 594 280 301 234 44.5% 45.6% 39.5% 228 238 Agroton AGT 88 81 90 20 8 3 23.2% 9.2% 3.9% 7 -6 Banks Total Assets Total Equity Total Income Net Profit		MUDO	1 409	1 406	1 466	169	201	470	22.00/	26.1%	20.7%	211	160	-44	22.1%	10.8%	neg
Astarta AST 456 491 559 110 91 138 20.2% 15.5% 20.5% 58 34 Avangardco AVGR 629 661 594 280 301 234 44.5% 45.6% 39.5% 228 238 Agroton AGT 88 81 90 20 8 3 23.2% 9.2% 3.9% 7 -6 Banks Total Assets Total Equity Total Income Net Profit														-44	9.8%	3.8%	1.9%
Avangardco AVGR 629 661 594 280 301 234 44.5% 45.6% 39.5% 228 238 Agroton AGT 88 81 90 20 8 3 23.2% 9.2% 3.9% 7 -6 Banks Total Assets Total Equity Total Income Net Profit																	12.2%
Agroton AGT 88 81 90 20 8 3 23.2% 9.2% 3.9% 7 -6 Banks Total Assets Total Equity Total Income Net Profit														82 164	10.6% 36.3%	5.8% 36.0%	27.6%
Banks Total Assets Total Equity Total Income Net Profit	-																
	<u> </u>	AGT	88												7.7% neg neg		
	Raiffeisen Bank Aval	D 4) //	E 0.65					•							Return on Equity		
Raiffeisen Bank Aval BAVL 5,962 5,333 3,966 793 888 610 679 723 460 4 90 Ukrsotsbank USCB 4,854 5,283 3,777 957 1,064 775 451 318 400 1 1														-40 15	0.5% 0.1%	10.1% 0.1%	-6.6% 2.0%

Source: Eavex Research



Market Data

July 30, 2014

MAIN TRADING MULTIPLES

	Ticker	MCap USD mn		Float JSD mn	EV USD mn	2012	P/E 2013E	2014E		V/EBITI 2013E			V/Sales 2013E		EV 2012 2	/Outp 2013E :		Units
Steel																		
Alchevsk Steel	ALMK	77	3.9%	3	1,426	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	369	344	334	\$/tonne
Yenakievo Steel	ENMZ	39	8.8%	3	35	4.5	neg	neg	neg	1.6	1.1	0.0	0.0	0.0	13	12	12	\$/tonne
Azovstal	AZST	310	3.0%	9	294	neg	neg	neg	neg	neg	8.3	0.1	0.2	0.1	64	65	65	\$/tonne
Coke																		
Avdyivka Coke	AVDK	51	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	16	9.0%	1	17	2.0	neg	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	677	0.3%	2	676	7.1	3.5	4.2	2.9	2.2	2.4	1.1	1.0	1.1				
Pivnichny GOK	SGOK	1,521	0.4%	6	1,515	3.5	2.8	3.3	2.0	1.7	1.9	1.1	0.9	1.0				
Ferrexpo	FXPO	1,391	24.0%	334	2,070	6.5	5.3	7.0	5.2	4.1	4.6	1.5	1.3	1.3				
Coal Mining																		
Komsomolets Donbasa	SHKD	22	5.4%	1	124	3.1	1.3	1.3	1.0	1.3	1.3	0.5	0.6	0.5	30	29	28	\$/tonne
Coal Energy	CLE	15	25.0%	4	125	0.4	neg	neg	2.0	5.9	13.8	0.8	1.0	1.2	2.0	5.9	13.8	\$/tonne
Pipe Manufacturing							-											
Khartsyzk Pipe	HRTR	169	2.0%	3	215	5.0	>30	>30	4.1	6.9	8.3	0.4	0.7	0.8	342	566	538	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	24	24.0%	6	62	5.0	1.3	1.1	2.1	1.7	1.6	0.3	0.2	0.2				
Krukiv Wagon	KVBZ	172	5.0%	9	172	1.8	4.1	neg	1.3	2.7	11.2	0.2	0.4	1.1				
Stakhanov Wagon	SVGZ	20	8.0%	2	52	>30	>30	>30	7.3	8.9	9.6	0.2	0.3	0.3				
Specialized Machinery																		
Turboatom	TATM	122	5.8%	7	56	3.2	1.7	2.3	1.1	0.6	0.8	0.4	0.3	0.3				
Motor Sich	MSICH	480	24.0%	115	471	2.4	2.8	2.6	1.5	1.7	1.8	0.5	0.5	0.5				
Telecom																		
Ukrtelecom	UTLM	252	7.2%	18	556	5.6	14.8	9.6	2.7	2.9	3.2	0.7	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	1,461	3.0%	44	1,453	8.3	>30	9.1	3.2	5.1	4.5	0.6	0.6	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	45	21.6%	10	20	3.9	neg	22.7	1.0	neg	0.8	0.5	0.6	0.5	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	131	50.4%	66	239	neg	20.1	16.8	1.8	3.6	3.5	1.2	1.3	1.2	44	33	32	\$/boe
Electric Utilities						-												
CentrEnergo	CEEN	248	21.7%	54	317	8.6	4.2	4.8	4.6	3.4	3.9	0.3	0.3	0.4	18	23	20	\$/MWh
DonbasEnergo	DOEN	79	14.2%	11	144	20.7	1.2	1.7	4.5	2.0	2.8	0.3	0.2	0.2	18	19	18	\$/MWh
Consumer																		
МНР	MHPC	1,358	34.1%	463	2,486	4.4	8.4	neg	5.3	6.4	5.2	1.8	1.7	1.7				\$/tonne
Kernel	KER	771	61.8%	476	1,477	3.7	7.3	16.4	4.6	5.1	8.4	0.7	0.5	0.6				
Astarta	AST	314	37.0%	116	635	5.4	9.2	3.8	5.8	7.0	4.6	1.4	1.3	1.1				\$/tonne
Avangardco	AVGR	587	22.5%	132	694	2.6	2.5	3.6	2.5	2.3	3.0	1.1	1.0	1.2	157	119	112 :	\$/mneggs
Agroton	AGT	18	26.2%	5	67	2.6	neg	neg	3.3	8.9	19.3	0.8	0.8	0.7	n/a	n/a		\$ th/ ha
Banks				3			P/E			P/Book			P/Asset		<i>y</i> =	/		
Raiffeisen Bank Aval	BAVL	365	3.5%	13		>30	4.1	neg	0.5	0.4	0.6	0.06	0.07	0.09				
Ukrsotsbank	USCB	269	1.0%	3		>30	>30	21.1	0.3	0.3	0.3	0.07	0.06	0.08				

Source: Eavex Research

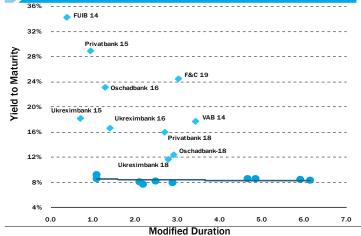
EAVE X

Market Data

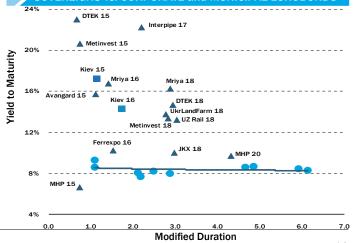
July 30, 2014

	Price	Price	YTM	YTM	Price chg.	Modified		Coupon	Maturity	Volume	
Issue	(Bid)	(Ask)	(Bid)	(Ask)	(YTD)	Duration	Coupon	Period	Date	USD mn	Ratings ¹
Sovereign Eurobonds											
Naftogaz Ukraine, 2014	97.0	97.8	27.9%	22.9%	-3.1%	0.2	9.50%	S/A	30 Sept 2014	1,595	//
Jkraine, 2015 (EUR)	93.8	95.8	12.0%	9.7%	-1.2%	1.0	4.95%	А	13 Oct 2015	600*	Caa3/CCC/CC
Jkraine, 2015	95.8	96.8	12.6%	11.4%	-1.4%	1.0	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CC
Jkraine, 2016	95.2	96.8	9.4%	8.5%	2.1%	2.0	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CC
Jkraine, 2016-2	94.8	95.8	9.1%	8.6%	1.0%	2.1	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CC
Jkraine, 2017	94.5	95.7	9.1%	8.6%	2.5%	2.8	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CC
Jkraine, 2017-2	101.3	102.0	9.2%	8.8%	2.5%	2.6	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CC
Jkraine, 2017 Infr. projects	94.0	95.5	11.7%	11.1%	14.7%	2.7	8.375%	S/A	3 Nov 2017	568	Caa3//
Jkraine, 2018 Infr. projects	91.0	92.1	11.3%	10.8%	16.6%	3.0	7.40%	S/A	20 Apr 2018	690	Caa3//
Jkraine, 2020	94.4	95.9	9.3%	8.9%	2.2%	4.6	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CC
Jkraine, 2021	94.9	96.4	9.1%	8.8%	2.1%	4.8	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CC
Jkraine, 2022	94.5	96.5	8.8%	8.5%	4.9%	5.8	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CC
Jkraine, 2023	94.0	95.5	8.5%	8.2%	4.7%	6.1	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CC
Corporate Eurobonds											
groton, 2014	29.1	36.1	75.9%	56.8%	-37.5%	1.9	8.00%	S/A	14 Jul 2019	50	/CCC/RD
инр, 2015	102.8	102.8	8.4%	8.4%	-0.7%	0.7	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
ИНР, 2020	91.9	93.2	10.2%	9.8%	3.5%	4.3	8.25%	S/A	2 Apr 2020	750	/000/000/
wangardco, 2015	96.5	96.5	16.0%	16.0%	-1.5%	1.1	10.00%	S/A	29 Oct 2015	200	//B-
JkrLandFarming, 2018	90.5	92.4	14.3%	13.6%	1.4%	2.8	10.88%	S/A	26 Mar 2018	275	/000/000/
Ariya, 2016	90.0	92.0	22.6%	20.4%	-9.3%	1.3	10.95%	S/A	30 Mar 2016	72	/000/000/
Ariya, 2018	77.6	79.8	18.0%	17.0%	-9.7%	2.8	9.45%	S/A	19 Apr 2018	400	/000/000/
DTEK, 2015	89.8	91.1	42.9%	37.2%	-11.5%	0.6	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	81.0	81.0	14.7%	14.7%	-14.1%	2.9	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	91.8	92.8	33.1%	30.2%	-10.0%	0.7	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	83.2	86.0	15.8%	14.6%	-11.0%	2.7	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	96.0	97.5	11.7%	10.4%	-1.3%	1.5	7.875%	S/A	07 Apr 2016	500	/000/000/
JZ Rail, 2018	86.0	87.8	14.4%	13.7%	-5.3%	3.0	9.50%	S/A	21 May 2018	500	/000/000
nterepipe, 2017	77.0	78.0	22.9%	21.6%	0.1%	2.2	10.25%	S/A	2 Aug 2017	200	
IKX Oil&Gas, 2018	93.6	95.1	14.0%	13.4%	-15.0%	2.9	8.00%	S/A	19 Feb 2018	40	,,
Bank Eurobonds								-,			
Fin&Credit Bank, 2019	55.0	65.0	27.2%	21.9%	-27.7%	3.2	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	89.0	91.0	41.2%	35.2%	-8.6%	0.3	11.00%	Q	31 Dec 2014	275	Caa3//
Vadra Bank, 2018	55.0	60.0	59.8%	50.4%	-28.6%	2.5	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	85.1	90.0	35.5%	25.9%	-1.8%	0.9	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	77.0	79.0	27.0%	24.8%	2.6%	1.2	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	84.3	88.0	16.9%	15.4%	2.9%	2.7	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
JkrEximBank, 2015	93.8	95.5	24.8%	20.4%	-1.9%	0.6	8.38%	S/A	27 Apr 2015	750	
JkrEximBank, 2015	93.8 78.0	95.5 82.0	24.8%	20.4%	-1.9%	1.2	8.40%	S/A S/A	27 Apr 2015 2 Sept 2016	125	Caa3//CCC
JkrEximBank, 2018	78.0 88.6	82.0 89.4	28.1% 12.9%	12.6%	-0.2%	2.8	8.40%	S/A S/A	2 Sept 2016 22 Jan 2018	500	Caa3//CCC
/AB Bank, 2019	70.0	73.0	24.9%	23.0%	-0.3%	2.8	9.00%	Q S/A	14 Jun 2018	88	Caa3//CCC //WD
Oschadbank, 2016	90.6	92.2	17.6%	16.0%	-1.8%	1.4	8.25%	S/A	10 Mar 2016 20 Mar 2018	700	Caa3//CCC
Oschadbank, 2018	86.7	88.2	13.6%	13.0%	-1.7%	2.8	8.88%	S/A	20 10101 2018	500	Caa3//CCC
Municipal Eurobonds	04.5	00.0	10.000	10	4 - 54		0.000	e (1	0.11 - 0.015	070	_
City of Kyiv, 2015	91.0	93.0	18.9%	16.5%	-1.0%	1.1	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016 Moody's/S&P/Fitch; * EUR	90.0	92.1	15.5%	14.2%	-2.1%	1.7	9.375%	S/A	30 Jun 2016 Source: Bloom	300	Caa3/CCC/

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 E	Bonds								
UA4000141592			16.0%	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 E	Bonds								
UA4000142699	n/a	n/a	14.5%	13.5%	n/a	9.45%	S/A	22 Apr 2015	312
UA4000141071	n/a	n/a	14.5%	13.5%	n/a	9.45%	S/A	27 May 2015	152
UA4000142673	n/a	n/a	14.5%	13.5%	n/a	4.50%	S/A	17 Jun 2015	175
EUR denominated E	Bonds								
UA4000142681	n/a	n/a	15.0%	12.0%	n/a	4.80%	S/A	6 May 2015	40
VAT Bonds									
UA4000082531			16.0%	14.5%	n/a	5.50%	S/A	21 Aug 2015	141
UA4000082622			16.0%	14.5%	n/a	5.50%	S/A	24 Aug 2015	571
UA4000083059			16.0%	14.5%	n/a	5.50%	S/A	25 Aug 2015	415

Source: Bloomberg, Cbonds, Eavex Research



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