

**Market Update**

**Equity**

Ukraine's locally-listed blue chips were mostly lower on Tuesday (Aug 26) despite the positive development of a bilateral meeting in Minsk between Presidents Poroshenko and Putin to discuss ways of de-escalating the military conflict in the Donbass region. The main European indices rallied solidly, while in the US, the S&P 500 edged up marginally by enough to put it above the 2000 level for the first time in its history. The UX index lost 1.1% to close at 1227 points. The biggest drag on the benchmark was Motor Sich, which continued its pattern of sharp swings lasting between 5 and 10 sessions; the stock is back on the downslope, and yesterday lost 4.0% to UAH 2253. Other losers were DonbasEnergo and Yenakievo Steel, which coincidentally both closed at the same price, UAH 37.53. UkrNafta ended in positive territory, adding 1.8%, allowing it to keep pace with the devaluing hryvnia. Outside the UX basket, Poltavskiy GOK was the most active second-tier issue, picking up 2.0% on reported turnover of UAH 225,000. In London, Avangard sold off by 6.6% to end the day at USD 8.40.

**Fixed Income**

Ukrainian sovereigns declined on Tuesday with Ukraine-23s edging down by 1.1p.p. to close at 88.5/89.6 (9.5%/9.3%). Corporate names also ended in the red. MHP-20s declined by 0.4p.p. to 86.5/88.5 (11.6%/11.1%) and Ferrexpo-16s dropped by 0.6p.p. finishing at 94.7/96.0 (13.2%/11.9%).

| Volume Leaders | Ticker | Last, UAH | 1D ch | Volume, UAH mn | Number of Trades |
|----------------|--------|-----------|-------|----------------|------------------|
| Motor Sich     | MSICH  | 2253.00   | -4.0% | 1.6            | 154              |
| Ukrnafta       | UNAF   | 320.90    | 1.8%  | 1.6            | 151              |
| Centrenergo    | CEEN   | 7.95      | 0.0%  | 1.6            | 31               |

**Growth Leaders**

|               |      |        |      |      |     |
|---------------|------|--------|------|------|-----|
| Poltavsky GOK | PGOK | 16.00  | 2.0% | 0.23 | 34  |
| Ukrnafta      | UNAF | 320.90 | 1.8% | 1.62 | 151 |
| Avdyivka Coke | AVDK | 3.00   | 1.5% | 0.01 | 11  |

**Loss Leaders**

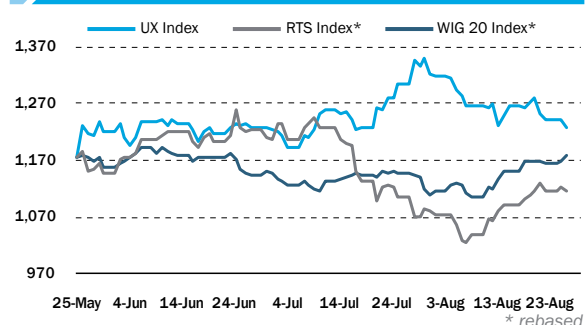
|                 |       |          |       |       |     |
|-----------------|-------|----------|-------|-------|-----|
| Motor Sich      | MSICH | 2,253.00 | -4.0% | 1.618 | 154 |
| Yenakievo Steel | ENMZ  | 37.53    | -3.0% | 0.374 | 34  |
| Azovstal        | AZST  | 0.86     | -1.2% | 0.309 | 7   |

**Highlights**

**POLITICS AND ECONOMICS**

- > Fitch Assumes Continued IMF Disbursements, Affirms Ukraine Rating at CCC

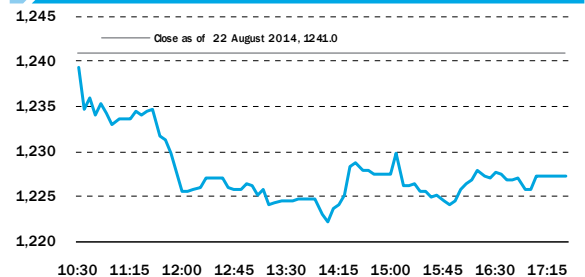
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

|         | Last   | 1D ch | 1M ch | YTD    |
|---------|--------|-------|-------|--------|
| UX      | 1227.4 | -1.1% | -6.0% | 34.9%  |
| RTS     | 1259.5 | 0.0%  | 1.1%  | -12.7% |
| WIG20   | 2468.8 | 1.2%  | 2.6%  | 2.8%   |
| MSCI EM | 1087.8 | 0.4%  | 0.8%  | 8.6%   |
| S&P 500 | 2000.0 | 0.6%  | 1.1%  | 8.6%   |

**UX INTRADAY AUGUST 26, 2014**



**FIXED INCOME**

|                 | Last  | 1D ch    | 1M ch     | YTD       |
|-----------------|-------|----------|-----------|-----------|
| EMBI+Global     | 305.2 | -1.1%    | 7.5%      | -7.7%     |
| CDS 5Y UKR      | 958.0 | 0.9%     | 16.2%     | 16.8%     |
| Ukraine-17      | 9.6%  | 0.5 p.p. | 1.0 p.p.  | 0.6 p.p.  |
| Naftogaz Ukr-14 | 36.1% | 2.2 p.p. | 11.7 p.p. | 27.3 p.p. |
| Ukraine-23      | 9.4%  | 0.2 p.p. | 1.0 p.p.  | 1.9 p.p.  |
| Privatbank-16   | 34.3% | 2.5 p.p. | 10.4 p.p. | 13.9 p.p. |

**CURRENCY**

|     | Last, UAH | 1D ch | 1M ch | YTD   |
|-----|-----------|-------|-------|-------|
| USD | 13.60     | 0.4%  | 14.2% | 65.0% |
| EUR | 17.91     | -0.2% | 11.9% | 57.5% |
| RUB | 0.38      | 1.7%  | 12.5% | 51.9% |

**COMMODITIES**

|               | Last   | 1D ch | 1M ch | YTD    |
|---------------|--------|-------|-------|--------|
| Wheat, USD/t* | 235.3  | 0.0%  | -6.3% | -18.1% |
| Steel, USD/t  | 542.5  | 0.0%  | 1.4%  | 0.9%   |
| Oil, USD/bbl  | 102.5  | 0.2%  | -5.7% | -7.8%  |
| Gold, USD/oz  | 1281.2 | 0.1%  | -2.0% | 7.1%   |

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Fitch Assumes Continued IMF Disbursements, Affirms Ukraine Rating at CCC

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### NEWS

Fitch affirmed Ukraine's long-term foreign currency Issuer Default Rating (IDR) at CCC while downgrading the country's local currency IDR from B- to CCC, according to the credit agency's statement released on Aug 22. Fitch forecasts real GDP to shrink by at least 6.5% in 2014, much worse than the agency had expected in February, and assumes zero growth in 2015 and 2016. The credit agency also noted a risk of energy shortages in the country after Gazprom cut gas supplies in June amid a payment dispute. According to Fitch's estimates, Ukraine's direct and guaranteed debt will surpass 65% of GDP by end-2014. Fitch expects the current account deficit to narrow to less than 5% of GDP in 2014 from 9% in 2013, following the hryvnia depreciation and a sharp fall in imports.

Fitch said it holding the CCC rating steady, it made key assumptions that Ukraine will continue to receive disbursements from the IMF, will retain the support of the EU and other multilateral organizations, and avoid a full-scale invasion. Intensification of political and/or economic stress, potentially leading to a default on government debt, could lead to downgrade, the agency said.

### COMMENTARY

According to the latest data from the Finance Ministry, Ukraine's total state and state-guaranteed debt amounted to USD 69.2bn as of Jul 31. The external portion of the total public debt was USD 40.7bn for the same date. The data implies that the current Debt/GDP ratio for the country stands at 50%. We believe that if the Donbass war can be stopped in the near term, this ratio can be held below 60%. The key immediate macroeconomic problem for the country is that the hryvnia has plunged by some 17% against the dollar since the start of the month and almost 75% since January, with the latest (Aug 26) low at 14.30 UAH/USD on the interbank market. Meanwhile, National Bank officials continue to assert that the economically justified UAH/USD exchange rate should be below 12.00. All eyes are now on the IMF board's Aug 29 meeting at which a decision will be made regarding the disbursement of the next tranche of USD 1.4bn to Ukraine. We expect that the tranche will be approved, and that this announcement could stop the run on the hryvnia, at least for now; however, the most important factor in shoring up the currency is ending the strain on the budget caused by runaway war deficit spending.

## EAVEX RECOMMENDATIONS

| Name                         | Ticker  | Price, per share | Target price, per share | Upside, % | Rating | Commentary  |
|------------------------------|---------|------------------|-------------------------|-----------|--------|---|
| <b>Steel&amp;Pipes</b>       |         |                  |                         |           |        |   |
| Azovstal                     | AZST    | 0.86             | 0.56                    | -35%      | SELL   | Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.  |
| <b>Iron Ore</b>              |         |                  |                         |           |        |   |
| Ferrexpo                     | FXPO LN | 135.0            | 108.0                   | -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    | 8.30             | 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    | 6.92             | 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.  |
| <b>Coke</b>                  |         |                  |                         |           |        |   |
| Avdyivka Coke                | AVDK    | 3.00             | U/R                     | --        | Susp.  | Avdyivka Coke was forced to shut down operations amid military conflict in the region.  |
| Yasynivsky Coke              | YASK    | 0.65             | U/R                     | --        | U/R    | Yasynivsky Coke reported net loss of UAH 22mn for FY13 which was the first negative bottom line since 2004.   |
| <b>Coal</b>                  |         |                  |                         |           |        |   |
| Pokrovske Mine               | SHCHZ   | 0.62             | 2.9                     | 376%      | BUY    | We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.   |
| <b>Railcar Manufacturing</b> |         |                  |                         |           |        |   |
| Krukiv Wagon                 | KVBZ    | 16.8             | U/R                     | --        | U/R    |   |
| LuganskTeplovoz              | LTPL    | 1.20             | U/R                     | --        | U/R    | LuganskTeplovoz was forced to shut down operations amid military conflict in the region.  |
| <b>Specialized Machinery</b> |         |                  |                         |           |        |   |
| Motor Sich                   | MSICH   | 2253             | 5250                    | 133%      | 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.  |
| <b>Oil &amp; Gas</b>         |         |                  |                         |           |        |   |
| Concern Galnaftogaz          | GLNG    | 0.15             | 0.24                    | 60%       | BUY    | Galnaftogaz is pursuing a plan to aggressively expand its filling station network.  |
| Regal Petroleum              | RPT     | 6.8              | U/R                     | --        | U/R    | We assume that Regal will be able to produce 5,200 boepd in 2014, generating USD 116mn in sales.  |
| JKX Oil & Gas                | JKX     | 45.3             | U/R                     | --        | U/R    | 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.  |
| <b>Power Utilities</b>       |         |                  |                         |           |        |   |
| DonbasEnergO                 | DOEN    | 37.5             | 72.0                    | 92%       | BUY    | DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.  |
| CenterEnergO                 | CEEN    | 7.95             | 15.00                   | 89%       | BUY    | CenterEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.   |
| <b>Consumer</b>              |         |                  |                         |           |        |   |
| MHP                          | MHPC    | 12.0             | 15.65                   | 30%       | 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     | 37.8             | 90.0                    | 138%      | 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    | 8.4              | 8.93                    | 6%        | 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     | 71.0             | 58.74                   | -17%      | 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. |
| <b>Banks</b>                 |         |                  |                         |           |        |   |
| Raiffeisen Bank Aval         | BAVL    | 0.139            | 0.24                    | 73%       | 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,<br>UAH* | 52 high,<br>UAH* | 52 low,<br>UAH* | Absolute performance |        |        |        | Performance relative to the UX index |        |        |         |
|------------------------------|--------|----------------|------------------|-----------------|----------------------|--------|--------|--------|--------------------------------------|--------|--------|---------|
|                              |        |                |                  |                 | 1d                   | 1w     | 1m     | ytd    | 1d                                   | 1w     | 1m     | ytd     |
| UX Index                     | UX     | 1227.35        | 1368.76          | 799.72          | -1.1%                | -3.6%  | -6.0%  | 34.9%  | 0.0%                                 | 0.0%   | 0.0%   | 0.0%    |
| <b>Steel</b>                 |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Alchevsk Steel               | ALMK   | 0.034          | 0.06             | 0.02            | 0.3%                 | -1.2%  | -5.8%  | -11.9% | 1.4%                                 | 2.5%   | 0.2%   | -46.7%  |
| Azovstal                     | AZST   | 0.86           | 0.95             | 0.35            | -0.8%                | -3.6%  | -1.0%  | 28.5%  | 0.3%                                 | 0.0%   | 5.0%   | -6.4%   |
| Dniprospezstal               | DNSS   | 250            | n/a              | n/a             | 0.0%                 | 0.0%   | -58.5% | -80.8% | 1.1%                                 | 3.6%   | -52.5% | -115.6% |
| Enakievo Steel               | ENMZ   | 37.5           | 65.0             | 17.0            | -3.0%                | -9.3%  | -14.0% | 17.2%  | -1.9%                                | -5.7%  | -8.0%  | -17.6%  |
| Arcelor Mittal KR            | KSTL   | 4.00           | n/a              | n/a             | 0.0%                 | 0.0%   | 0.0%   | 247.8% | 1.1%                                 | 3.6%   | 6.0%   | 213.0%  |
| Mariupol Ilyicha             | MMKI   | 0.10           | n/a              | n/a             | 0.0%                 | -9.1%  | -28.6% | 0.0%   | 1.1%                                 | -5.5%  | -22.6% | -34.9%  |
| <b>Coke</b>                  |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Avdyivka Coke                | AVDK   | 3.00           | 4.80             | 1.46            | 1.5%                 | 2.1%   | -4.5%  | 1.4%   | 2.6%                                 | 5.7%   | 1.6%   | -33.5%  |
| Yasnyivsky Coking            | YASK   | 0.65           | 0.84             | 0.30            | 0.0%                 | -7.1%  | -5.8%  | 22.6%  | 1.1%                                 | -3.5%  | 0.2%   | -12.2%  |
| <b>Iron Ore Mining</b>       |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Centralny GOK                | CGOK   | 6.92           | n/a              | n/a             | 6.5%                 | 6.5%   | -1.1%  | 6.5%   | 7.6%                                 | 10.1%  | 4.9%   | -28.4%  |
| Ferrexpo                     | FXPO   | 135.0          | 199.0            | 121.8           | -2.2%                | -2.7%  | -4.3%  | -29.3% | -1.1%                                | 0.9%   | 1.7%   | -64.2%  |
| Pivnichny GOK                | SGOK   | 8.30           | 10.00            | 4.50            | 0.0%                 | 0.0%   | 3.8%   | 3.8%   | 1.1%                                 | 3.6%   | 9.8%   | -31.1%  |
| <b>Coal Mining</b>           |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Pokrovske Mine               | SHCHZ  | 0.62           | 0.79             | 0.10            | 8.8%                 | 3.3%   | -4.6%  | 55.0%  | 9.9%                                 | 6.9%   | 1.4%   | 20.1%   |
| Komsomolets Donbasa          | SHKD   | 0.75           | n/a              | n/a             | 0.0%                 | 0.0%   | -20.2% | 21.0%  | 1.1%                                 | 3.6%   | -14.2% | -13.9%  |
| Energy Coal                  | CLE    | 0.91           | 2.86             | 0.91            | -1.1%                | -3.2%  | -16.5% | -13.3% | 0.0%                                 | 0.4%   | -10.5% | -48.2%  |
| <b>Mining Machinery</b>      |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Svitlo Shakhtara             | HMBZ   | 0.30           | n/a              | n/a             | 0.0%                 | 0.0%   | -31.8% | -34.8% | 1.1%                                 | 3.6%   | -25.8% | -69.7%  |
| <b>Pipe Manufacturing</b>    |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Khartsyzk Pipe               | HRTR   | 0.53           | 1.01             | 0.30            | -11.7%               | -24.3% | -22.1% | -11.7% | -10.6%                               | -20.7% | -16.0% | -46.5%  |
| Interpipe NMPP               | NVTR   | 0.30           | n/a              | n/a             | 0.0%                 | 0.0%   | -23.1% | 42.9%  | 1.1%                                 | 3.6%   | -17.1% | 8.0%    |
| <b>Railcar Manufacturing</b> |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Kryukiv Wagon                | KVBZ   | 16.8           | 26.0             | 10.0            | 0.0%                 | 0.9%   | -13.2% | -2.9%  | 1.1%                                 | 4.5%   | -7.2%  | -37.8%  |
| Luhanskeplovoz               | LTPL   | 1.20           | 2.20             | 0.85            | 0.0%                 | 12.1%  | -11.1% | -20.0% | 1.1%                                 | 15.8%  | -5.1%  | -54.9%  |
| Stakhanov Wagon              | SVGZ   | 0.93           | n/a              | n/a             | 0.0%                 | 2.2%   | -11.4% | -28.5% | 1.1%                                 | 5.8%   | -5.4%  | -63.3%  |
| <b>Specialized Machinery</b> |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Bogdan Motors                | LUAZ   | 0.05           | 0.08             | 0.02            | 0.0%                 | -5.5%  | -7.4%  | 88.7%  | 1.1%                                 | -1.9%  | -1.4%  | 53.8%   |
| Motor Sich                   | MSICH  | 2,253          | 3,000            | 1,303           | -3.7%                | -6.5%  | -16.9% | 23.5%  | -2.6%                                | -2.9%  | -10.9% | -11.3%  |
| Summy Frunze Engineering     | SMASH  | 3.00           | n/a              | n/a             | 0.0%                 | 0.0%   | -33.3% | 20.0%  | 1.1%                                 | 3.6%   | -27.3% | -14.9%  |
| Turboatom                    | TATM   | 3.00           | n/a              | n/a             | 0.0%                 | 0.0%   | -25.0% | -14.3% | 1.1%                                 | 3.6%   | -19.0% | -49.2%  |
| WESTA ISIC                   | WES    | 0.28           | 0.80             | 0.28            | -3.4%                | -9.7%  | -12.5% | -30.0% | -2.4%                                | -6.1%  | -6.5%  | -64.9%  |
| <b>Telecom</b>               |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Ukrtelecom                   | UTLM   | 0.18           | 0.19             | 0.09            | 4.7%                 | 7.8%   | 1.3%   | 63.6%  | 5.7%                                 | 11.4%  | 7.3%   | 28.8%   |
| <b>Oil &amp; Gas</b>         |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Regal Petroleum              | RPT    | 6.75           | 17.25            | 4.88            | 0.0%                 | 22.7%  | -26.0% | -47.1% | 1.1%                                 | 26.3%  | -20.0% | -81.9%  |
| JKX Oil                      | JKX    | 45,25          | 75.00            | 36.00           | -0.3%                | 1.7%   | -2.7%  | -36.9% | 0.8%                                 | 5.3%   | 3.3%   | -71.8%  |
| Ukrnafta                     | UNAF   | 321            | 370              | 54              | 1.8%                 | -0.3%  | 8.7%   | 195.5% | 2.9%                                 | 3.3%   | 14.7%  | 160.6%  |
| <b>Power Utilities</b>       |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Centrenerg                   | CEEN   | 7.95           | 8.70             | 2.50            | 0.1%                 | -1.9%  | 0.6%   | 66.7%  | 1.2%                                 | 1.7%   | 6.7%   | 31.9%   |
| Donbasenergo                 | DOEN   | 37.5           | 50.2             | 11.0            | -1.5%                | -6.2%  | -6.6%  | 36.0%  | -0.4%                                | -2.6%  | -0.6%  | 1.2%    |
| Zakhidenergo                 | ZAEN   | 138.2          | 157.0            | 64.0            | 0.0%                 | 5.5%   | -5.5%  | 52.9%  | 1.1%                                 | 9.1%   | 0.5%   | 18.0%   |
| <b>Consumer</b>              |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Agroton                      | AGT    | 2.13           | 5.5              | 1.95            | -4.1%                | -7.8%  | -21.1% | 9.2%   | -3.0%                                | -4.2%  | -15.1% | -25.6%  |
| Astarta                      | AST    | 37.8           | 73.7             | 34.5            | -0.2%                | -0.7%  | -3.5%  | -43.6% | 0.9%                                 | 2.9%   | 2.5%   | -78.4%  |
| Avangardo                    | AVGR   | 8.4            | 13.0             | 8.36            | -6.6%                | -10.9% | -8.6%  | -28.5% | -5.5%                                | -7.3%  | -2.6%  | -63.4%  |
| Industrial Milk Company      | IMC    | 8.44           | 15.50            | 7.60            | -1.9%                | -0.1%  | 0.8%   | -30.5% | -0.8%                                | 3.5%   | 6.8%   | -65.4%  |
| Kernel                       | KER    | 27.5           | 53.9             | 23.2            | -0.1%                | 1.7%   | -8.1%  | -27.8% | 1.0%                                 | 5.3%   | -2.0%  | -62.7%  |
| Mriya Agro Holding           | MAYA   | 1.66           | 6.0              | 1.44            | 0.1%                 | 8.6%   | -64.4% | -69.2% | 1.2%                                 | 12.2%  | -58.3% | -104.1% |
| MHPC                         | MHPC   | 12.0           | 18.5             | 11.00           | 0.0%                 | -6.6%  | -5.7%  | -29.3% | 1.1%                                 | -3.0%  | 0.4%   | -64.2%  |
| Milkiland                    | MLK    | 4.59           | 14.2             | 4.59            | -3.4%                | -9.3%  | -20.9% | -63.3% | -2.3%                                | -5.7%  | -14.8% | -98.1%  |
| Ovostar Union                | OVO    | 71.0           | 103.0            | 59.4            | 1.4%                 | 1.6%   | 1.4%   | -29.0% | 2.5%                                 | 5.2%   | 7.4%   | -63.9%  |
| 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     |
| <b>Chemicals</b>             |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Stirol                       | STIR   | 12.5           | n/a              | n/a             | 0.0%                 | 8.7%   | 18.9%  | 0.0%   | 1.1%                                 | 12.3%  | 24.9%  | -34.9%  |
| <b>Banks</b>                 |        |                |                  |                 |                      |        |        |        |                                      |        |        |         |
| Raiffeisen Bank Aval         | BAVL   | 0.139          | 0.188            | 0.077           | -1.1%                | -2.4%  | -6.0%  | 22.2%  | 0.0%                                 | 1.2%   | 0.0%   | -12.7%  |
| UkrSotsbank                  | USCB   | 0.166          | 0.257            | 0.090           | -3.4%                | -3.4%  | -7.0%  | -11.4% | -2.3%                                | 0.2%   | -1.0%  | -46.2%  |

Source: Bloomberg

\* companies listed abroad are in traded currency

**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 |
| <b>Steel</b>                 |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| 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   |
| <b>Coke</b>                  |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| 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%  |
| <b>Iron Ore Mining</b>       |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| 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 | 1,449 | 402          | 506   | 492   | 28.2%         | 32.0% | 33.9% | 216        | 264   | 277   | 15.1%             | 16.7% | 19.1% |
| <b>Coal Mining</b>           |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| 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   |
| <b>Pipe Manufacturing</b>    |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| Khartsyzk Pipe               | HRTR   | 480          | 310   | 271   | 52           | 31    | 26    | 10.8%         | 10.1% | 9.5%  | 34         | 5     | 4     | 7.0%              | 1.5%  | 1.5%  |
| <b>Railcar Manufacturing</b> |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| 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%  |
| <b>Specialized Machinery</b> |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| Turboatom                    | TATM   | 160          | 214   | 196   | 51           | 90    | 73    | 32.2%         | 42.1% | 37.3% | 38         | 72    | 65    | 23.8%             | 33.5% | 33.0% |
| Motor Sich                   | MSICH  | 979          | 1,000 | 950   | 309          | 274   | 260   | 31.6%         | 27.4% | 27.4% | 200        | 169   | 188   | 20.4%             | 16.9% | 19.7% |
| <b>Telecom</b>               |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| Ukrtelecom                   | UTLM   | 838          | 791   | 611   | 206          | 190   | 174   | 24.5%         | 24.0% | 28.5% | 45         | 17    | 26    | 5.4%              | 2.2%  | 4.3%  |
| <b>Oil &amp; Gas</b>         |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| Ukrnafta                     | UNAF   | 2,554        | 2,589 | 2,543 | 454          | 286   | 323   | 17.8%         | 11.1% | 12.7% | 176        | 23    | 161   | 6.9%              | 0.9%  | 6.3%  |
| 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%  |
| <b>Electric Utilities</b>    |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| Centrenergo                  | CEEN   | 1,119        | 915   | 714   | 69           | 94    | 44    | 6.2%          | 10.3% | 6.1%  | 29         | 60    | 21    | 2.6%              | 6.5%  | 2.9%  |
| Donbasenergo                 | DOEN   | 574          | 656   | 512   | 32           | 72    | 45    | 5.6%          | 11.0% | 8.8%  | 4          | 65    | 40    | 0.7%              | 9.9%  | 7.8%  |
| <b>Consumer</b>              |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
| 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   | 594   | 280          | 301   | 234   | 44.5%         | 45.6% | 39.5% | 228        | 238   | 164   | 36.3%             | 36.0% | 27.6% |
| Agroton                      | AGT    | 88           | 81    | 90    | 20           | 8     | 3     | 23.2%         | 9.2%  | 3.9%  | 7          | -6    | -1    | 7.7%              | neg   | neg   |
| <b>Banks</b>                 |        |              |       |       |              |       |       |               |       |       |            |       |       |                   |       |       |
|                              |        | Total Assets |       |       | Total Equity |       |       | Total Income  |       |       | Net Profit |       |       | Return on Equity  |       |       |
| Raiffeisen Bank Aval         | BAVL   | 5,962        | 5,333 | 3,966 | 793          | 888   | 610   | 679           | 723   | 460   | 4          | 90    | -40   | 0.5%              | 10.1% | -6.6% |
| Ukrspasbank                  | USCB   | 4,854        | 5,283 | 3,777 | 957          | 1,064 | 775   | 451           | 318   | 400   | 1          | 1     | 15    | 0.1%              | 0.1%  | 2.0%  |

Source: Eavex Research

**MAIN TRADING MULTIPLES**

| Ticker                       | MCap<br>USD mn | Free Float<br>% USD mn | EV<br>USD mn | P/E  |       |       | EV/EBITDA |       |       | EV/Sales |       |       | EV/Output |       |       | Units |      |           |
|------------------------------|----------------|------------------------|--------------|------|-------|-------|-----------|-------|-------|----------|-------|-------|-----------|-------|-------|-------|------|-----------|
|                              |                |                        |              | 2012 | 2013E | 2014E | 2012      | 2013E | 2014E | 2012     | 2013E | 2014E | 2012      | 2013E | 2013E |       |      |           |
| <b>Steel</b>                 |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Alchevsk Steel               | ALMK           | 65                     | 3.9%         | 3    | 1,414 | neg   | neg       | neg   | neg   | neg      | neg   | 0.8   | 0.8       | 0.8   | 365   | 341   | 331  | \$/tonne  |
| Yenakievo Steel              | ENMZ           | 29                     | 8.8%         | 3    | 26    | 3.4   | neg       | neg   | neg   | 1.2      | 0.8   | 0.0   | 0.0       | 0.0   | 9     | 9     | 9    | \$/tonne  |
| Azovstal                     | AZST           | 266                    | 3.0%         | 8    | 251   | neg   | neg       | neg   | neg   | neg      | 7.1   | 0.1   | 0.1       | 0.1   | 55    | 56    | 55   | \$/tonne  |
| <b>Coke</b>                  |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Avdyivka Coke                | AVDK           | 43                     | 6.8%         | 3    | 40    | neg   | neg       | neg   | neg   | 0.9      | 1.4   | 0.0   | 0.0       | 0.1   | 9     | 10    | 11   | \$/tonne  |
| Yasynivsky Coke              | YASK           | 13                     | 9.0%         | 1    | 14    | 1.6   | neg       | 2.8   | 0.5   | 0.5      | 0.7   | 0.0   | 0.0       | 0.0   | 0.5   | 0.5   | 0.7  | \$/tonne  |
| <b>Iron Ore Mining</b>       |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Centralny GOK                | CGOK           | 596                    | 0.3%         | 1    | 595   | 6.3   | 3.1       | 3.7   | 2.6   | 1.9      | 2.1   | 1.0   | 0.9       | 0.9   |       |       |      |           |
| Pivnichny GOK                | SGOK           | 1,406                  | 0.4%         | 6    | 1,400 | 3.2   | 2.6       | 3.1   | 1.9   | 1.5      | 1.7   | 1.0   | 0.9       | 0.9   |       |       |      |           |
| Ferrexpo                     | FXPO           | 1,308                  | 24.0%        | 314  | 1,987 | 6.1   | 5.0       | 4.7   | 4.9   | 3.9      | 4.0   | 1.4   | 1.3       | 1.4   |       |       |      |           |
| <b>Coal Mining</b>           |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Komsomolets Donbasa          | SHKD           | 18                     | 5.4%         | 1    | 120   | 2.6   | 1.1       | 1.1   | 1.0   | 1.3      | 1.3   | 0.4   | 0.5       | 0.5   | 29    | 28    | 27   | \$/tonne  |
| Coal Energy                  | CLE            | 41                     | 25.0%        | 10   | 151   | 1.1   | neg       | neg   | 2.4   | 7.2      | 16.8  | 0.9   | 1.2       | 1.5   | 2.4   | 7.2   | 16.8 | \$/tonne  |
| <b>Pipe Manufacturing</b>    |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Khartsyzk Pipe               | HRTR           | 101                    | 2.0%         | 2    | 147   | 3.0   | 21.5      | 24.7  | 2.8   | 4.7      | 5.7   | 0.3   | 0.5       | 0.5   | 233   | 387   | 367  | \$/tonne  |
| <b>Railcar Manufacturing</b> |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| LuganskTeplovoz              | LTPL           | 19                     | 24.0%        | 5    | 57    | 4.0   | 1.0       | 0.9   | 1.9   | 1.6      | 1.5   | 0.3   | 0.2       | 0.2   |       |       |      |           |
| Kruiiv Wagon                 | KVBZ           | 142                    | 5.0%         | 7    | 142   | 1.5   | 3.4       | neg   | 1.0   | 2.2      | 9.2   | 0.2   | 0.3       | 0.9   |       |       |      |           |
| Stakhanov Wagon              | SVGZ           | 15                     | 8.0%         | 1    | 48    | 26.3  | 29.1      | >30   | 6.7   | 8.2      | 8.8   | 0.2   | 0.3       | 0.3   |       |       |      |           |
| <b>Specialized Machinery</b> |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Turboatom                    | TATM           | 109                    | 5.8%         | 6    | 49    | 2.9   | 1.5       | 1.7   | 0.9   | 0.5      | 0.7   | 0.3   | 0.2       | 0.2   |       |       |      |           |
| Motor Sich                   | MSICH          | 344                    | 24.0%        | 83   | 335   | 1.7   | 2.0       | 1.8   | 1.1   | 1.2      | 1.3   | 0.3   | 0.3       | 0.4   |       |       |      |           |
| <b>Telecom</b>               |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Ukrtelecom                   | UTLM           | 248                    | 7.2%         | 18   | 551   | 5.5   | 14.5      | 9.4   | 2.7   | 2.9      | 3.2   | 0.7   | 0.7       | 0.9   |       |       |      |           |
| <b>Oil &amp; Gas</b>         |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Ukrnafta                     | UNAF           | 1,280                  | 3.0%         | 38   | 1,271 | 7.3   | >30       | 8.0   | 2.8   | 4.4      | 3.9   | 0.5   | 0.5       | 0.5   | n/a   | n/a   | n/a  | \$/boe    |
| Regal Petroleum              | RPT            | 36                     | 21.6%        | 8    | 11    | 3.1   | neg       | 17.9  | 0.5   | neg      | 0.4   | 0.3   | 0.3       | 0.2   | n/a   | n/a   | n/a  | \$/boe    |
| JKX Oil & Gas                | JKX            | 129                    | 50.4%        | 65   | 237   | neg   | 19.8      | 16.5  | 1.7   | 3.6      | 3.5   | 1.2   | 1.3       | 1.2   | 43    | 32    | 32   | \$/boe    |
| <b>Electric Utilities</b>    |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| CentrEnergO                  | CEEN           | 216                    | 21.7%        | 47   | 284   | 7.5   | 3.6       | 10.4  | 4.1   | 3.0      | 6.5   | 0.3   | 0.3       | 0.4   | 16    | 21    | 18   | \$/MWh    |
| DonbasEnergO                 | DOEN           | 65                     | 14.2%        | 9    | 131   | 17.1  | 1.0       | 1.6   | 4.1   | 1.8      | 2.9   | 0.2   | 0.2       | 0.3   | 16    | 17    | 16   | \$/MWh    |
| <b>Consumer</b>              |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| MHP                          | MHPC           | 1,270                  | 34.1%        | 433  | 2,398 | 4.1   | 7.8       | neg   | 5.1   | 6.1      | 5.0   | 1.7   | 1.6       | 1.6   |       |       |      |           |
| Kernel                       | KER            | 689                    | 61.8%        | 426  | 1,395 | 3.3   | 6.6       | 14.7  | 4.3   | 4.8      | 8.0   | 0.6   | 0.5       | 0.6   |       |       |      |           |
| Astarta                      | AST            | 297                    | 37.0%        | 110  | 618   | 5.1   | 8.7       | 3.6   | 5.6   | 6.8      | 4.5   | 1.4   | 1.3       | 1.1   |       |       |      |           |
| Avangardco                   | AVGR           | 537                    | 22.5%        | 121  | 644   | 2.4   | 2.3       | 3.3   | 2.3   | 2.1      | 2.7   | 1.0   | 1.0       | 1.1   | 146   | 111   | 104  | \$/mneggs |
| Agroton                      | AGT            | 15                     | 26.2%        | 4    | 64    | 2.1   | neg       | neg   | 3.1   | 8.4      | 18.3  | 0.7   | 0.8       | 0.7   | n/a   | n/a   | n/a  |           |
| <b>Banks</b>                 |                |                        |              |      |       |       |           |       |       |          |       |       |           |       |       |       |      |           |
| Raiffeisen Bank Aval         | BAVL           | 306                    | 3.5%         | 11   |       | >30   | 3.4       | neg   | 0.4   | 0.3      | 0.5   | 0.05  | 0.06      | 0.08  |       |       |      |           |
| Ukrsotsbank                  | USCB           | 225                    | 1.0%         | 2    |       | >30   | >30       | 21.1  | 0.3   | 0.2      | 0.3   | 0.07  | 0.06      | 0.08  |       |       |      |           |

Source: Eavex Research

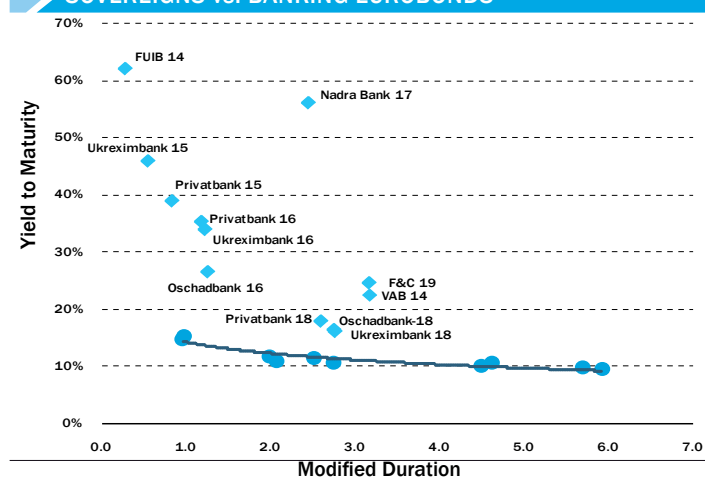
## UKRAINIAN EUROBONDS

| Issue                        | Price (Bid) | Price (Ask) | YTM (Bid) | YTM (Ask) | Price chg. (YTD) | Modified Duration | Coupon | Coupon Period | Maturity Date | Volume USD mn | Ratings <sup>1</sup> |
|------------------------------|-------------|-------------|-----------|-----------|------------------|-------------------|--------|---------------|---------------|---------------|----------------------|
| <b>Sovereign Eurobonds</b>   |             |             |           |           |                  |                   |        |               |               |               |                      |
| Naftogaz Ukraine, 2014       | 97.3        | 98.1        | 40.8%     | 31.4%     | -2.8%            | 0.1               | 9.50%  | S/A           | 30 Sept 2014  | 1,595         | //                   |
| Ukraine, 2015 (EUR)          | 91.7        | 93.9        | 15.6%     | 12.7%     | -3.4%            | 0.9               | 4.95%  | A             | 13 Oct 2015   | 600*          | Caa3/CCC/CCC         |
| Ukraine, 2015                | 94.0        | 96.0        | 15.8%     | 13.0%     | -2.7%            | 0.9               | 6.875% | S/A           | 23 Sept 2015  | 500           | Caa3/CCC/CCC         |
| Ukraine, 2016                | 91.9        | 93.4        | 11.5%     | 10.6%     | -1.4%            | 2.0               | 6.58%  | S/A           | 21 Nov 2016   | 1,000         | Caa3/CCC/CCC         |
| Ukraine, 2016-2              | 92.4        | 93.9        | 10.6%     | 9.7%      | -1.2%            | 2.0               | 6.25%  | S/A           | 17 Jun 2016   | 1,250         | Caa3/CCC/CCC         |
| Ukraine, 2017                | 91.3        | 93.0        | 10.5%     | 9.8%      | -0.6%            | 2.7               | 6.75%  | S/A           | 14 Nov 2017   | 700           | Caa3/CCC/CCC         |
| Ukraine, 2017-2              | 96.5        | 97.8        | 11.3%     | 10.7%     | -2.0%            | 2.5               | 9.25%  | S/A           | 24 Jul 2017   | 2,000         | Caa3/CCC/CCC         |
| Ukraine, 2017 Infr. projects | 94.0        | 95.5        | 11.9%     | 11.2%     | 14.7%            | 2.6               | 8.375% | S/A           | 3 Nov 2017    | 568           | Caa3//               |
| Ukraine, 2018 Infr. projects | 87.8        | 91.2        | 12.8%     | 11.4%     | 14.0%            | 2.9               | 7.40%  | S/A           | 20 Apr 2018   | 690           | Caa3//               |
| Ukraine, 2020                | 90.5        | 92.5        | 10.2%     | 9.7%      | -1.7%            | 4.5               | 7.75%  | S/A           | 23 Sept 2020  | 1,500         | Caa3/CCC/CCC         |
| Ukraine, 2021                | 90.9        | 92.9        | 10.1%     | 9.6%      | -1.9%            | 4.8               | 7.95%  | S/A           | 23 Feb 2021   | 1,500         | Caa3/CCC/CCC         |
| Ukraine, 2022                | 90.0        | 92.5        | 9.7%      | 9.2%      | 0.2%             | 5.7               | 7.80%  | S/A           | 28 Nov 2022   | 1,250         | Caa3/CCC/CCC         |
| Ukraine, 2023                | 88.5        | 89.6        | 9.5%      | 9.3%      | -1.6%            | 5.9               | 7.50%  | S/A           | 17 Apr 2023   | 1,250         | Caa3/CCC/CCC         |
| <b>Corporate Eurobonds</b>   |             |             |           |           |                  |                   |        |               |               |               |                      |
| Agroton, 2019                | 29.1        | 35.8        | 80.2%     | 59.6%     | -37.9%           | 1.7               | 8.00%  | S/A           | 14 Jul 2019   | 50            | //RD                 |
| MHP, 2015                    | 97.5        | 100.0       | 14.2%     | 10.2%     | -4.6%            | 0.6               | 10.25% | S/A           | 29 Apr 2015   | 235           | Caa2//CCC            |
| MHP, 2020                    | 86.5        | 88.5        | 11.6%     | 11.1%     | -2.1%            | 4.1               | 8.25%  | S/A           | 2 Apr 2020    | 750           | /CCC/CCC             |
| Avangardco, 2015             | 89.0        | 89.0        | 28.7%     | 28.7%     | -9.2%            | 0.9               | 10.00% | S/A           | 29 Oct 2015   | 200           | /CCC/                |
| UkrLandFarming, 2018         | 79.5        | 83.0        | 19.0%     | 17.5%     | -9.9%            | 2.6               | 10.88% | S/A           | 26 Mar 2018   | 275           | /CCC/CCC             |
| Mriya, 2016                  | 43.9        | 43.9        | 88.5%     | 88.5%     | -56.2%           | na                | 10.95% | S/A           | 30 Mar 2016   | 72            | /SD/C                |
| Mriya, 2018                  | 40.0        | 45.0        | 47.7%     | 42.2%     | -51.2%           | 2.2               | 9.45%  | S/A           | 19 Apr 2018   | 400           | /SD/C                |
| DTEK, 2015                   | 68.9        | 70.8        | 77.5%     | 72.0%     | -31.7%           | 0.5               | 9.50%  | S/A           | 28 Apr 2015   | 200           | Caa2//CCC            |
| DTEK, 2018                   | 61.0        | 64.0        | 24.9%     | 23.1%     | -33.7%           | 2.6               | 7.88%  | S/A           | 4 Apr 2018    | 750           | Caa2//CCC            |
| Metinvest, 2015              | 73.0        | 78.0        | 61.5%     | 49.7%     | -26.3%           | 0.5               | 10.25% | S/A           | 20 May 2015   | 500           | Caa2//CCC            |
| Metinvest, 2018              | 66.0        | 67.9        | 25.8%     | 24.5%     | -29.5%           | 2.6               | 8.75%  | S/A           | 14 Feb 2018   | 750           | Caa2//CCC            |
| Ferrexpo, 2016               | 94.7        | 96.0        | 13.2%     | 11.9%     | -2.7%            | 1.4               | 7.875% | S/A           | 07 Apr 2016   | 500           | /CCC/CCC             |
| UZ Rail, 2018                | 78.2        | 80.0        | 17.7%     | 16.9%     | -13.8%           | 2.8               | 9.50%  | S/A           | 21 May 2018   | 500           | /CCC/CCC             |
| Interpipe, 2017              | 73.5        | 74.5        | 25.9%     | 24.4%     | -4.5%            | 2.2               | 10.25% | S/A           | 2 Aug 2017    | 200           | //                   |
| JKX Oil&Gas, 2018            | 90.0        | 91.8        | 15.5%     | 14.8%     | -18.1%           | 2.9               | 8.00%  | S/A           | 19 Feb 2018   | 40            |                      |
| <b>Bank Eurobonds</b>        |             |             |           |           |                  |                   |        |               |               |               |                      |
| Fin&Credit Bank, 2019        | 55.0        | 65.0        | 27.5%     | 22.1%     | -27.7%           | 3.1               | 9.25%  | S/A           | 25 Jan 2019   | 100           | Caa3//               |
| PUMB, 2014                   | 69.0        | 69.0        | 141.8%    | 141.8%    | -29.9%           | 0.2               | 11.00% | Q             | 31 Dec 2014   | 275           | Caa3//               |
| Nadra Bank, 2018             | 55.0        | 60.0        | 62.8%     | 52.7%     | -28.6%           | 2.4               | 6.25%  | A             | 31 Jul 2018   | 60            | //                   |
| PrivatBank, 2015             | 80.0        | 83.0        | 67.5%     | 48.4%     | -8.6%            | 0.7               | 9.38%  | S/A           | 23 Sept 2015  | 200           | Caa3//               |
| PrivatBank, 2016             | 67.0        | 72.0        | 42.9%     | 35.3%     | -8.6%            | 1.1               | 8.75%  | S/A           | 9 Feb 2016    | 150           | Caa3//               |
| PrivatBank, 2018             | 77.9        | 80.8        | 20.0%     | 18.6%     | -5.2%            | 2.7               | 10.88% | S/A           | 28 Feb 2018   | 175           | Caa3//CCC            |
| UkrEximBank, 2015            | 87.5        | 88.5        | 58.3%     | 58.3%     | -8.8%            | 0.5               | 8.38%  | S/A           | 27 Apr 2015   | 750           | Caa3//CCC            |
| UkrEximBank, 2016            | 68.0        | 73.0        | 48.4%     | 38.2%     | -17.4%           | 1.1               | 8.40%  | S/A           | 2 Sept 2016   | 125           | Caa3//CCC            |
| UkrEximBank, 2018            | 81.8        | 83.2        | 15.9%     | 15.3%     | -7.5%            | 2.7               | 8.75%  | S/A           | 22 Jan 2018   | 500           | Caa3//CCC            |
| VAB Bank, 2019               | 72.0        | 75.0        | 24.0%     | 22.2%     | -14.0%           | 2.1               | 9.00%  | Q             | 14 Jun 2019   | 88            | //WD                 |
| Oschadbank, 2016             | 83.0        | 85.5        | 27.6%     | 24.3%     | -9.5%            | 1.2               | 8.25%  | S/A           | 10 Mar 2016   | 700           | Caa3//CCC            |
| Oschadbank, 2018             | 80.3        | 82.3        | 16.3%     | 15.6%     | -8.7%            | 2.7               | 8.88%  | S/A           | 20 Mar 2018   | 500           | Caa3//CCC            |
| <b>Municipal Eurobonds</b>   |             |             |           |           |                  |                   |        |               |               |               |                      |
| City of Kyiv, 2015           | 85.0        | 86.1        | 29.3%     | 27.5%     | -8.0%            | 1.0               | 8.00%  | S/A           | 6 Nov 2015    | 250           | Caa3/CCC/            |
| City of Kyiv, 2016           | 84.6        | 85.5        | 19.6%     | 18.9%     | -8.2%            | 1.6               | 9.375% | S/A           | 30 Jun 2016   | 300           | Caa3/CCC/            |

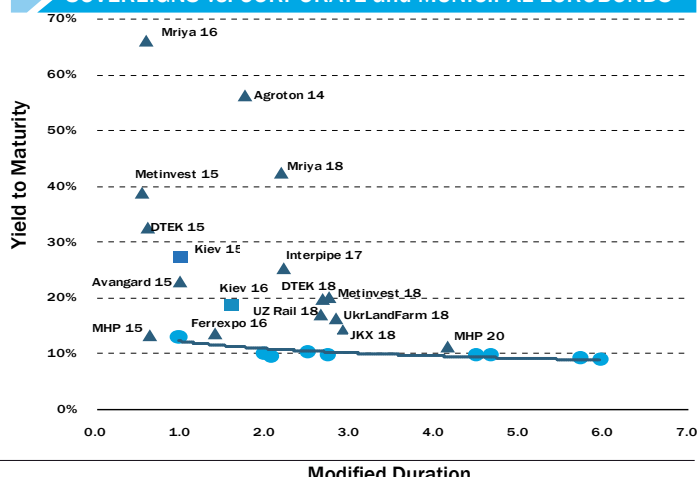
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

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 |
|------------------------------|-------------|-------------|-----------|-----------|-------------------|--------|---------------|---------------|---------------|
| <b>UAH denominated Bonds</b> |             |             |           |           |                   |        |               |               |               |
| UA4000141592                 |             |             | 16.0%     | 14.5%     | n/a               | 14.30% | S/A           | 20 May 2015   | 31            |
| UA4000142665                 |             |             | 18.0%     | 15.5%     | n/a               | 14.30% | S/A           | 24 May 2017   | 184           |
| <b>USD denominated Bonds</b> |             |             |           |           |                   |        |               |               |               |
| UA4000142699                 | n/a         | n/a         | 13.5%     | 13.0%     | n/a               | 9.45%  | S/A           | 22 Apr 2015   | 312           |
| UA4000141071                 | n/a         | n/a         | 13.5%     | 13.0%     | n/a               | 9.45%  | S/A           | 27 May 2015   | 152           |
| UA4000142673                 | n/a         | n/a         | 13.5%     | 13.0%     | n/a               | 4.50%  | S/A           | 17 Jun 2015   | 175           |
| <b>EUR denominated Bonds</b> |             |             |           |           |                   |        |               |               |               |
| UA4000142681                 | n/a         | n/a         | 14.0%     | 12.0%     | n/a               | 4.80%  | S/A           | 6 May 2015    | 40            |
| <b>VAT Bonds</b>             |             |             |           |           |                   |        |               |               |               |
| UA4000082531                 |             |             | 16.0%     | 15.5%     | n/a               | 5.50%  | S/A           | 21 Aug 2015   | 141           |
| UA4000082622                 |             |             | 16.0%     | 15.5%     | n/a               | 5.50%  | S/A           | 24 Aug 2015   | 571           |
| UA4000083059                 |             |             | 16.0%     | 15.5%     | n/a               | 5.50%  | S/A           | 25 Aug 2015   | 415           |

Source: Bloomberg, Cbonds, Eavex Research



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