

## Market Update

### Equity

Ukrainian stocks traded in Kyiv ended higher on Monday (Sept 1) thanks to positive news about the approval of the second loan tranche from the IMF and the Fund's readiness to combine the disbursement the third and fourth tranches. The UX index rose 0.3% to close at 1184 points. UkrNafta (UNAF UK) led the rally, adding 3.0%, while DonbasEnergO (DOEN UK) acted as a drag on the index, losing 1.6% to UAH 34.40; the stock has been hammered by news that the area around its Starobeshiv power plant south of Donetsk has fallen under the control of pro-Russian paramilitaries. Heavyweight Motor Sich (MSICH UK) had a moderate increase of 0.4%, while Raiffeisen Aval (BAVL UK) and CentrEnergO (CEEN UK) added 1.0% and 0.8% respectively. In second tier names, Krukiv Wagon (KVBZ UK) rose by 1.3% following news that the issue will replace the nearly un-traded UkrSotsBank (USCB UK) issue in the index basket starting on Sept 16. Quotes for UX Futures contracts expiring on Sept 15 climbed by 0.4% to 1218 points. London listed MHP (MHPC LI) edged down 0.8% to USD 11.6 per share.

### Fixed Income

Trading in Ukrainian Eurobonds on Monday were virtually absent in light of holiday in the US. Ukraine-23s closed unchanged at 85.0/86.5 (10.1%/9.9%). Corporate names were also flat.

| Volume Leaders | Ticker | Last, UAH | 1D ch | Volume, UAH mn | Number of Trades |
|----------------|--------|-----------|-------|----------------|------------------|
| Motor Sich     | MSICH  | 2310.00   | 0.4%  | 2.5            | 186              |
| Ukrnafta       | UNAF   | 330.80    | 3.0%  | 2.4            | 163              |
| Poltavsky GOK  | PGOK   | 16.65     | -2.1% | 0.6            | 7                |

### Growth Leaders

|                 |      |        |      |      |     |
|-----------------|------|--------|------|------|-----|
| Yasynivsky Coke | YASK | 0.60   | 5.5% | 0.01 | 8   |
| Ukrnafta        | UNAF | 330.80 | 3.0% | 2.39 | 163 |
| Yenakievo Steel | ENMZ | 36.43  | 2.3% | 0.02 | 35  |

### Loss Leaders

|                |       |       |       |       |    |
|----------------|-------|-------|-------|-------|----|
| Pokrovske Mine | SHCHZ | 0.56  | -5.9% | 0.016 | 16 |
| Poltavsky GOK  | PGOK  | 16.65 | -2.1% | 0.576 | 7  |
| Donbasenergo   | DOEN  | 34.41 | -1.6% | 0.127 | 89 |

## Highlights

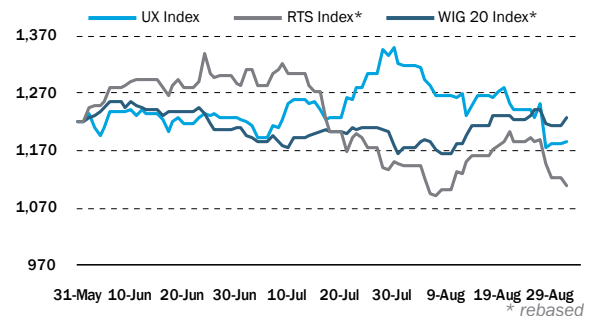
### POLITICS AND ECONOMICS

- Ukraine's Next IMF Tranche of USD 2.3bn Due in Late 2014

### STOCKS IN THE NEWS

- IMC: Harvest to Increase by 26% YoY in 2014, Yields Flat
- KSG Agro Finished 1H14 With Heavy Loss

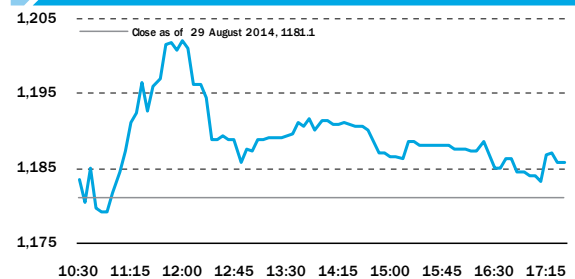
### STOCK MARKET PERFORMANCE



### MARKET INDEXES

|         | Last   | 1D ch | 1M ch  | YTD    |
|---------|--------|-------|--------|--------|
| UX      | 1184.2 | 0.3%  | -10.2% | 30.1%  |
| RTS     | 1177.7 | -1.1% | -2.9%  | -18.4% |
| WIG20   | 2443.1 | 1.1%  | 4.3%   | 1.8%   |
| MSCI EM | 1090.6 | 0.2%  | 2.9%   | 8.9%   |
| S&P 500 | 2003.4 | 0.0%  | 4.1%   | 8.8%   |

### UX INTRADAY SEPTEMBER 1, 2014



### FIXED INCOME

|                 | Last   | 1D ch    | 1M ch     | YTD       |
|-----------------|--------|----------|-----------|-----------|
| EMBI+Global     | 306.4  | 0.0%     | 0.5%      | -7.4%     |
| CDS 5Y UKR      | 1079.2 | 0.2%     | 31.9%     | 31.6%     |
| Ukraine-17      | 11.0%  | 0.0 p.p. | 2.3 p.p.  | 1.9 p.p.  |
| Naftogaz Ukr-14 | 56.1%  | 0.4 p.p. | 29.7 p.p. | 47.4 p.p. |
| Ukraine-23      | 10.0%  | 0.0 p.p. | 1.7 p.p.  | 2.5 p.p.  |
| Privatbank-16   | 37.0%  | 0.0 p.p. | 13.0 p.p. | 16.6 p.p. |

### CURRENCY

|     | Last, UAH | 1D ch | 1M ch | YTD   |
|-----|-----------|-------|-------|-------|
| USD | 12.55     | -4.9% | 1.8%  | 52.3% |
| EUR | 16.48     | -5.0% | -0.4% | 44.9% |
| RUB | 0.35      | -2.6% | 0.6%  | 38.0% |

### COMMODITIES

|               | Last   | 1D ch | 1M ch | YTD    |
|---------------|--------|-------|-------|--------|
| Wheat, USD/t* | 238.4  | 0.0%  | 0.4%  | -17.0% |
| Steel, USD/t  | 545.0  | 0.5%  | 1.9%  | 1.4%   |
| Oil, USD/bbl  | 102.8  | -0.4% | -2.6% | -7.6%  |
| Gold, USD/oz  | 1286.0 | -0.1% | -0.6% | 7.5%   |

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Ukraine's Next IMF Tranche of USD 2.3bn Due in Late 2014

by Dmitry Churin  
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### NEWS

The International Monetary Fund (IMF) approved a USD 1.39bn loan tranche to Ukraine as part of the country's USD 16.7bn standby agreement, according to the IMF statement released on Friday (Aug 29). The IMF Board also approved Ukraine's request to merge the third and fourth tranches of its financial assistance, meaning that if Ukraine passes another program review by late 2014, it will receive USD 2.3bn for the next installment. The two-year standby arrangement was approved in April to support the government's efforts to restore macroeconomic stability while strengthening economic governance and transparency.

### COMMENTARY

Although it is good news that the IMF, as widely expected, gave the green light for the 2nd loan tranche to Kyiv, it looks improbable that Ukraine will be able to meet key program targets agreed for 2014, which means that disbursement of the year-end tranche will likely come down to international political considerations that may be decided over the head of the IMF in Western capitals. In particular, the IMF has already pointed out that Ukraine failed to achieve its initial performance criteria related to international reserve accumulation and the cash deficit of general government operations. Importantly, this non-observance of the base criteria was due entirely to military operations related to the Donbass war in Eastern Ukraine; whether the IMF will continue to, in effect, finance such military operations going forward is a political question that can only be decided by the IMF's major donor countries. In terms of the losses of state energy company Naftogaz, whose deficit has been rising in 2014, the Ukrainian government says it is now taking steps to return to the programmed deficit reduction path next year. According to our estimates, the government's debt repayments for the September-December period amount to UAH 41.2bn (USD 3.1bn), with the share of foreign denominated repayments standing at approximately USD 1.8bn. The next double installment of the IMF loan, if approved, should be sufficient to allow Ukraine to service its debt through year-end. At the moment, we are not including the debt of Naftogaz in our calculations, as the amount of the company's arrears to Russia's Gazprom is currently being disputed in the Stockholm Arbitration Court.

**IMC: Harvest to Increase by 26% YoY in 2014, Yields Flat**

by Ivan Dzvinka  
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**IMC (IMC PW)**

Price: PLN 8.25      Market Cap: USD 81mn

|       | EV/S | P/E  | EV/EBITDA | Div. Yield |
|-------|------|------|-----------|------------|
| 2013  | 1.8  | 3.1  | 4.1       | 0%         |
| 2014E | 1.2  | 16.2 | 3.5       | 0%         |

**NEWS**

Central-Ukraine-based crop grower Industrial Milk Company (IMC) expects to harvest some 700,000 tonnes of crops in 2014, implying a 26% YoY rise, Interfax reported on Monday (Sept 1) citing a company representative. IMC foresees increasing the harvest of corn – its core crop - by 37% YoY to 593,000 tonnes. The soybean harvest is expected to grow by 90% YoY to 15,000 tonnes, while that of sunflower seeds is forecast to decrease by 27% YoY to 47,000 tonnes.

The company also disclosed its plans to expand its planted area under winter crops by 28% YoY to 10,900 ha this year, with the production cost to be 10-15% YoY higher.

**COMMENTARY**

The provided guidance for the 2014 harvest envisages largely flat yields compared to the 2013 results. The yield for corn in this season is expected at 7.0 t/ha (7.1 t/ha last year) while the soybean yield is projected to inch up by 3% YoY to 1.9 t/ha. The yield for sunflower seeds is predicted to stay unchanged at 2.5 t/ha. We note that the company finished harvesting its winter wheat in July, and that the average yield improved by 4% YoY to 5.1 t/ha. On the downside, the wheat harvest dropped by 10% YoY to 43,000 tonnes due to a 13% decline in planting area.

**KSG Agro Finished 1H14 With Heavy Loss**

by Ivan Dzvinka  
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**NEWS**

KSG Agro, Ukraine’s agricultural company, reported poor financial results for 1H14, according to the company’s report release on Aug 30. KSG Agro sales dropped by 41% YoY to USD 8mn in 1H14 as a result of a 60% YoY decline in sales of crop production segment to USD 2.3mn as well as 10x plunge in revenue of food processing segment to USD 0.4mn. Operating loss in 1H14 amounted to USD 1.2mn vs. operating profit of USD 14mn in 1H13. Poor operating level result together with negative effect from devaluation pushed the company’s bottom line into negative USD 19mn compared to USD +11mn in 1H13.

KSG’s net debt as of end June 2014 stood at USD 75mn vs. USD 81mn in the end of 1Q14. Notably, the company reported negative cash balance of USD 83,000.

**COMMENTARY**

As 1H14 implies, the company closed 2Q14 with net loss of USD 11mn after loss of USD 8mn and USD 39mn in 1Q14 and 4Q13, respectively. We estimate the company’s EBITDA at USD 0.4mn for 2Q14 which makes it increasingly hard for KSG to serve its debt and, more importantly, provides less probability of success in initiating restructuring process. As of end 2Q14, the company’s short term debt amounted to USD 37mn (49% of total debt).

## EAVEX RECOMMENDATIONS

| Name                         | Ticker  | Price, per share | Target price, per share | Upside, % | Rating | Commentary  |
|------------------------------|---------|------------------|-------------------------|-----------|--------|---|
| <b>Steel&amp;Pipes</b>       |         |                  |                         |           |        |   |
| Azovstal                     | AZST    | 0.79             | 0.56                    | -30%      | SELL   | Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.  |
| <b>Iron Ore</b>              |         |                  |                         |           |        |   |
| Ferrexpo                     | FXPO LN | 131.9            | 108.0                   | -18%      | 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    | 8.15             | 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    | 6.85             | 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    | 2.84             | U/R                     | -         | Susp.  | Avdyivka Coke was forced to shut down operations amid military conflict in the region.  |
| Yasynivsky Coke              | YASK    | 0.60             | 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   | 0.56             | 2.9                     | 426%      | 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    | 16.0             | U/R                     | -         | U/R    |   |
| LuganskTeplovoz              | LTPL    | 1.01             | U/R                     | -         | U/R    | LuganskTeplovoz was forced to shut down operations amid military conflict in the region.  |
| <b>Specialized Machinery</b> |         |                  |                         |           |        |   |
| Motor Sich                   | MSICH   | 2310             | 5250                    | 127%      | 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     | 7.0              | 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     | 44.9             | 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    | 34.4             | 72.0                    | 109%      | BUY    | DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.  |
| CenterEnergO                 | CEEN    | 7.76             | 15.00                   | 93%       | 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    | 11.6             | 15.65                   | 35%       | BUY    | The company is set to reach full capacity utilisation at its greenfield Vinnytsia project in late 2014 on the back of favorable export and domestic markets demand for its poultry.   |
| Astarta                      | AST     | 34.4             | 90.0                    | 161%      | 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     | 67.6             | 58.74                   | -13%      | 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    | 0.129            | 0.24                    | 86%       | BUY    | We base our valuation on an assumption of the bank's fair value at 0.9x of its book value, the level at which Italian lender Intesa Sanpaolo sold its Ukrainian subsidiary in early 2014.   |

Source: Eavex Research

**PRICES AND QUOTES**

| Name                         | Ticker | Today, UAH* | 52 high, UAH* | 52 low, UAH* | Absolute performance |        |        |        | Performance relative to the UX index |        |        |         |
|------------------------------|--------|-------------|---------------|--------------|----------------------|--------|--------|--------|--------------------------------------|--------|--------|---------|
|                              |        |             |               |              | 1d                   | 1w     | 1m     | ytd    | 1d                                   | 1w     | 1m     | ytd     |
| UX Index                     | UX     | 1184.21     | 1368.76       | 799.72       | 0.3%                 | -4.6%  | -10.2% | 30.1%  | 0.0%                                 | 0.0%   | 0.0%   | 0.0%    |
| <b>Steel</b>                 |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Alchevsk Steel               | ALMK   | 0.032       | 0.06          | 0.02         | 0.6%                 | -5.0%  | -11.7% | -16.5% | 0.4%                                 | -0.4%  | -1.5%  | -46.6%  |
| Azovstal                     | AZST   | 0.79        | 0.95          | 0.35         | 0.4%                 | -8.8%  | -9.6%  | 18.2%  | 0.1%                                 | -4.2%  | 0.6%   | -11.9%  |
| Dniprospezstal               | DNSS   | 250         | n/a           | n/a          | 0.0%                 | 0.0%   | -50.0% | -80.8% | -0.3%                                | 4.6%   | -39.8% | -110.9% |
| Enakievo Steel               | ENMZ   | 36.4        | 65.0          | 17.0         | 0.0%                 | -5.9%  | -16.4% | 13.8%  | -0.2%                                | -1.3%  | -6.3%  | -16.3%  |
| Arcelor Mittal KR            | KSTL   | 4.00        | n/a           | n/a          | 0.0%                 | 0.0%   | 0.0%   | 247.8% | -0.3%                                | 4.6%   | 10.2%  | 217.7%  |
| Mariupol Ilyicha             | MMKI   | 0.10        | n/a           | n/a          | 0.0%                 | 0.0%   | -23.1% | 0.0%   | -0.3%                                | 4.6%   | -12.9% | -30.1%  |
| <b>Coke</b>                  |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Avdyivka Coke                | AVDK   | 2.84        | 4.80          | 1.46         | 1.5%                 | -4.0%  | -8.6%  | -4.2%  | 1.3%                                 | 0.6%   | 1.6%   | -34.3%  |
| Yasnyivsky Coking            | YASK   | 0.60        | 0.84          | 0.30         | 5.3%                 | -7.7%  | -16.7% | 13.2%  | 5.0%                                 | -3.1%  | -6.5%  | -16.9%  |
| <b>Iron Ore Mining</b>       |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Centralny GOK                | CGOK   | 6.85        | n/a           | n/a          | 0.0%                 | 5.4%   | 7.7%   | 5.4%   | -0.3%                                | 10.0%  | 17.9%  | -24.7%  |
| Ferrexpo                     | FXPO   | 131.9       | 199.0         | 121.8        | -0.2%                | -4.4%  | -0.5%  | -30.9% | -0.4%                                | 0.2%   | 9.7%   | -61.1%  |
| Pivnichny GOK                | SGOK   | 8.15        | 10.00         | 4.50         | 0.0%                 | -1.8%  | 4.8%   | 1.9%   | -0.3%                                | 2.8%   | 14.9%  | -28.3%  |
| <b>Coal Mining</b>           |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Pokrovske Mine               | SHCHZ  | 0.56        | 0.79          | 0.10         | -6.7%                | -1.8%  | -29.1% | 40.0%  | -6.9%                                | 2.8%   | -18.9% | 9.9%    |
| Komsomolets Donbasa          | SHKD   | 0.66        | n/a           | n/a          | -12.0%               | -12.0% | -17.5% | 6.5%   | -12.3%                               | -7.4%  | -7.3%  | -23.7%  |
| Energy Coal                  | CLE    | 0.55        | 2.86          | 0.55         | -12.7%               | -41.5% | -43.3% | -47.6% | -13.0%                               | -36.9% | -33.1% | -77.7%  |
| <b>Mining Machinery</b>      |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Svitlo Shakhtara             | HMBZ   | 0.30        | n/a           | n/a          | 0.0%                 | 0.0%   | -31.8% | -34.8% | -0.3%                                | 4.6%   | -21.6% | -64.9%  |
| <b>Pipe Manufacturing</b>    |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Khartsyzk Pipe               | HRTR   | 0.55        | 1.01          | 0.30         | 0.0%                 | -8.3%  | -21.4% | -8.3%  | -0.3%                                | -3.8%  | -11.3% | -38.5%  |
| Interpipe NMPP               | NVTR   | 0.30        | n/a           | n/a          | 0.0%                 | 0.0%   | 0.0%   | 42.9%  | -0.3%                                | 4.6%   | 10.2%  | 12.7%   |
| <b>Railcar Manufacturing</b> |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Kryukiv Wagon                | KVBZ   | 16.0        | 26.0          | 10.0         | 1.3%                 | -4.8%  | -12.6% | -7.5%  | 1.1%                                 | -0.2%  | -2.4%  | -37.6%  |
| Luhanskeplovoz               | LTPL   | 1.01        | 1.80          | 0.85         | 0.0%                 | -15.8% | -25.2% | -32.7% | -0.3%                                | -11.3% | -15.0% | -62.8%  |
| Stakhanov Wagon              | SVGZ   | 0.71        | n/a           | n/a          | 0.0%                 | -23.7% | -33.6% | -45.4% | -0.3%                                | -19.1% | -23.5% | -75.5%  |
| <b>Specialized Machinery</b> |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Bogdan Motors                | LUAZ   | 0.04        | 0.08          | 0.02         | 0.0%                 | -11.4% | -14.8% | 67.2%  | -0.3%                                | -6.8%  | -4.6%  | 37.0%   |
| Motor Sich                   | MSICH  | 2,310       | 3,000         | 1,303        | 0.3%                 | -1.3%  | -14.2% | 26.6%  | 0.1%                                 | 3.3%   | -4.0%  | -3.5%   |
| Summy Frunze Engineering     | SMASH  | 3.00        | n/a           | n/a          | 0.0%                 | 0.0%   | -14.3% | 20.0%  | -0.3%                                | 4.6%   | -4.1%  | -10.1%  |
| Turboatom                    | TATM   | 4.50        | n/a           | n/a          | 0.0%                 | 50.0%  | -10.0% | 28.6%  | -0.3%                                | 54.6%  | 0.2%   | -1.6%   |
| WESTA ISIC                   | WES    | 0.23        | 0.80          | 0.23         | -4.2%                | -20.7% | -20.7% | -42.5% | -4.4%                                | -16.1% | -10.5% | -72.6%  |
| <b>Telecom</b>               |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Ukrtelecom                   | UTLM   | 0.20        | 0.20          | 0.09         | 0.1%                 | 16.3%  | 12.5%  | 81.8%  | -0.2%                                | 20.9%  | 22.7%  | 51.7%   |
| <b>Oil &amp; Gas</b>         |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Regal Petroleum              | RPT    | 7.00        | 17.25         | 4.88         | -6.7%                | 3.7%   | -8.2%  | -45.1% | -6.9%                                | 8.3%   | 2.0%   | -75.2%  |
| JXX Oil                      | JKX    | 44.88       | 75.00         | 36.00        | -0.6%                | -1.1%  | 11.5%  | -37.5% | -0.8%                                | 3.5%   | 21.7%  | -67.6%  |
| Ukrnafta                     | UNAF   | 331         | 370           | 54           | 3.4%                 | 5.0%   | 6.2%   | 204.6% | 3.1%                                 | 9.6%   | 16.4%  | 174.5%  |
| <b>Power Utilities</b>       |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Centrenerg                   | CEEN   | 7.76        | 8.70          | 2.50         | 0.8%                 | -2.2%  | -4.3%  | 62.8%  | 0.6%                                 | 2.4%   | 5.8%   | 32.7%   |
| Donbasenergo                 | DOEN   | 34.4        | 50.2          | 11.0         | -1.7%                | -9.7%  | -16.9% | 24.7%  | -1.9%                                | -5.1%  | -6.7%  | -5.4%   |
| Zakhidenergo                 | ZAEN   | 130.0       | 157.0         | 64.0         | 0.0%                 | -5.9%  | -12.8% | 43.8%  | -0.3%                                | -1.4%  | -2.6%  | 13.7%   |
| <b>Consumer</b>              |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Agroton                      | AGT    | 1.87        | 5.5           | 1.79         | 4.5%                 | -12.6% | -23.0% | -4.1%  | 4.2%                                 | -8.0%  | -12.9% | -34.2%  |
| Astarta                      | AST    | 34.4        | 73.7          | 34.4         | -4.4%                | -8.4%  | -4.4%  | -48.6% | -4.7%                                | -3.8%  | 5.8%   | -78.7%  |
| Avangardo                    | AVGR   | 8.4         | 13.0          | 8.36         | -4.5%                | -6.6%  | -1.8%  | -28.5% | -4.8%                                | -2.0%  | 8.4%   | -58.6%  |
| Industrial Milk Company      | IMC    | 8.25        | 15.50         | 7.60         | -1.8%                | -2.3%  | -5.5%  | -32.1% | -2.0%                                | 2.3%   | 4.7%   | -62.2%  |
| Kernel                       | KER    | 24.4        | 53.9          | 23.2         | -5.2%                | -11.1% | -15.1% | -35.9% | -5.5%                                | -6.5%  | -5.0%  | -66.0%  |
| Mriya Agro Holding           | MAYA   | 1.81        | 6.0           | 1.44         | -4.7%                | 9.0%   | -47.5% | -66.5% | -5.0%                                | 13.6%  | -37.4% | -96.6%  |
| MHPC                         | MHPC   | 11.6        | 18.5          | 11.00        | -0.8%                | -3.8%  | -10.8% | -32.0% | -1.0%                                | 0.7%   | -0.6%  | -62.2%  |
| Milkiland                    | MLK    | 4.25        | 14.2          | 4.25         | -5.6%                | -10.5% | -25.3% | -66.0% | -5.8%                                | -6.0%  | -15.1% | -96.1%  |
| Ovostar Union                | OVO    | 67.6        | 103.0         | 59.4         | -3.2%                | -2.6%  | -3.4%  | -32.4% | -3.4%                                | 1.9%   | 6.7%   | -62.5%  |
| 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   | 11.3        | n/a           | n/a          | 0.0%                 | -9.6%  | -4.6%  | -9.6%  | -0.3%                                | -5.0%  | 5.5%   | -39.7%  |
| <b>Banks</b>                 |        |             |               |              |                      |        |        |        |                                      |        |        |         |
| Raiffeisen Bank Aval         | BAVL   | 0.129       | 0.188         | 0.077        | 1.0%                 | -8.2%  | -13.0% | 13.4%  | 0.8%                                 | -3.6%  | -2.8%  | -16.7%  |
| UkrSotsbank                  | USCB   | 0.171       | 0.257         | 0.090        | -0.1%                | -0.6%  | -3.0%  | -8.8%  | -0.4%                                | 4.0%   | 7.2%   | -38.9%  |

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         | 2013  | 2014E | 2012         | 2013  | 2014E | 2012          | 2013  | 2014E | 2012       | 2013 | 2014E | 2012              | 2013  | 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 | 1,306 | 468          | 391   | 479   | 33.2%         | 26.1% | 36.7% | 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% |
| Ukrspotsbank                 | 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 | 2013  | 2014E | 2012      | 2013 | 2014E | 2012     | 2013 | 2014E | 2012      | 2013 | 2013E |       |      |           |
| <b>Steel</b>                 |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Alchevsk Steel               | ALMK           | 67                     | 3.9%         | 3    | 1,415 | neg   | neg       | neg  | neg   | neg      | neg  | 0.8   | 0.8       | 0.8  | 366   | 341   | 331  | \$/tonne  |
| Yenakievo Steel              | ENMZ           | 31                     | 8.8%         | 3    | 27    | 3.6   | neg       | neg  | neg   | 1.2      | 0.8  | 0.0   | 0.0       | 0.0  | 10    | 9     | 9    | \$/tonne  |
| Azovstal                     | AZST           | 265                    | 3.0%         | 8    | 250   | neg   | neg       | neg  | neg   | neg      | 7.1  | 0.1   | 0.1       | 0.1  | 54    | 55    | 55   | \$/tonne  |
| <b>Coke</b>                  |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Avdyivka Coke                | AVDK           | 44                     | 6.8%         | 3    | 42    | neg   | neg       | neg  | neg   | 0.9      | 1.4  | 0.0   | 0.0       | 0.1  | 10    | 11    | 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           | 640                    | 0.3%         | 2    | 638   | 6.7   | 3.3       | 3.9  | 2.7   | 2.0      | 2.3  | 1.0   | 0.9       | 1.0  |       |       |      |           |
| Pivnichny GOK                | SGOK           | 1,496                  | 0.4%         | 6    | 1,490 | 3.4   | 2.7       | 3.3  | 2.0   | 1.6      | 1.8  | 1.1   | 0.9       | 1.0  |       |       |      |           |
| Ferrexpo                     | FXPO           | 1,280                  | 24.0%        | 307  | 1,959 | 5.9   | 4.9       | 4.6  | 4.9   | 3.9      | 4.0  | 1.4   | 1.2       | 1.4  |       |       |      |           |
| <b>Coal Mining</b>           |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Komsomolets Donbasa          | SHKD           | 18                     | 5.4%         | 1    | 120   | 2.5   | 1.0       | 1.0  | 1.0   | 1.3      | 1.3  | 0.4   | 0.5       | 0.5  | 29    | 28    | 27   | \$/tonne  |
| Coal Energy                  | CLE            | 25                     | 25.0%        | 6    | 135   | 0.7   | neg       | neg  | 2.1   | 6.4      | 15.0 | 0.8   | 1.1       | 1.3  | 2.1   | 6.4   | 15.0 | \$/tonne  |
| <b>Pipe Manufacturing</b>    |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Khartsyzk Pipe               | HRTR           | 114                    | 2.0%         | 2    | 160   | 3.4   | 24.2      | 27.8 | 3.1   | 5.1      | 6.2  | 0.3   | 0.5       | 0.6  | 253   | 420   | 399  | \$/tonne  |
| <b>Railcar Manufacturing</b> |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| LuganskTeplovoz              | LTPL           | 18                     | 24.0%        | 4    | 55    | 3.6   | 0.9       | 0.8  | 1.9   | 1.5      | 1.4  | 0.3   | 0.2       | 0.1  |       |       |      |           |
| Kruiiv Wagon                 | KVBZ           | 146                    | 5.0%         | 7    | 146   | 1.5   | 3.5       | neg  | 1.1   | 2.3      | 9.5  | 0.2   | 0.3       | 0.9  |       |       |      |           |
| Stakhanov Wagon              | SVGZ           | 13                     | 8.0%         | 1    | 45    | 21.8  | 24.1      | 27.6 | 6.3   | 7.7      | 8.3  | 0.1   | 0.3       | 0.3  |       |       |      |           |
| <b>Specialized Machinery</b> |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Turboatom                    | TATM           | 118                    | 5.8%         | 7    | 58    | 3.1   | 1.6       | 1.8  | 1.1   | 0.6      | 0.8  | 0.4   | 0.3       | 0.3  |       |       |      |           |
| Motor Sich                   | MSICH          | 382                    | 24.0%        | 92   | 373   | 1.9   | 2.3       | 2.0  | 1.2   | 1.4      | 1.4  | 0.4   | 0.4       | 0.4  |       |       |      |           |
| <b>Telecom</b>               |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Ukrtelecom                   | UTLM           | 298                    | 7.2%         | 21   | 602   | 6.6   | 17.5      | 11.3 | 2.9   | 3.2      | 3.5  | 0.7   | 0.8       | 1.0  |       |       |      |           |
| <b>Oil &amp; Gas</b>         |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Ukrnafta                     | UNAF           | 1,429                  | 3.0%         | 43   | 1,421 | 8.1   | >30       | 8.9  | 3.1   | 5.0      | 4.4  | 0.6   | 0.5       | 0.6  | n/a   | n/a   | n/a  | \$/boe    |
| Regal Petroleum              | RPT            | 37                     | 21.6%        | 8    | 12    | 3.2   | neg       | 18.6 | 0.6   | neg      | 0.5  | 0.3   | 0.3       | 0.3  | n/a   | n/a   | n/a  | \$/boe    |
| JKX Oil & Gas                | JKX            | 128                    | 50.4%        | 64   | 236   | neg   | 19.7      | 16.4 | 1.7   | 3.6      | 3.5  | 1.2   | 1.3       | 1.2  | 43    | 32    | 31   | \$/boe    |
| <b>Electric Utilities</b>    |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| CentrEnergO                  | CEEN           | 229                    | 21.7%        | 50   | 297   | 7.9   | 3.8       | 11.0 | 4.3   | 3.1      | 6.8  | 0.3   | 0.3       | 0.4  | 17    | 21    | 19   | \$/MWh    |
| DonbasEnergO                 | DOEN           | 65                     | 14.2%        | 9    | 130   | 17.0  | 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           | 1,222                  | 34.1%        | 417  | 2,349 | 3.9   | 7.5       | neg  | 5.0   | 6.0      | 4.9  | 1.7   | 1.6       | 1.8  |       |       |      |           |
| Kernel                       | KER            | 606                    | 61.8%        | 375  | 1,312 | 2.9   | 5.8       | 12.9 | 4.1   | 4.5      | 7.5  | 0.6   | 0.5       | 0.5  |       |       |      |           |
| Astarta                      | AST            | 268                    | 37.0%        | 99   | 590   | 4.6   | 7.9       | 3.3  | 5.3   | 6.5      | 4.3  | 1.3   | 1.2       | 1.1  |       |       |      |           |
| Avangardco                   | AVGR           | 537                    | 22.5%        | 121  | 643   | 2.4   | 2.3       | 3.3  | 2.3   | 2.1      | 2.7  | 1.0   | 1.0       | 1.1  | 145   | 110   | 104  | \$/mneggs |
| Agroton                      | AGT            | 13                     | 26.2%        | 3    | 62    | 1.9   | neg       | neg  | 3.0   | 8.2      | 17.8 | 0.7   | 0.8       | 0.7  | n/a   | n/a   | n/a  |           |
| <b>Banks</b>                 |                |                        |              |      |       |       |           |      |       |          |      |       |           |      |       |       |      |           |
| Raiffeisen Bank Aval         | BAVL           | 308                    | 3.5%         | 11   |       | >30   | 3.4       | neg  | 0.4   | 0.3      | 0.5  | 0.05  | 0.06      | 0.08 |       |       |      |           |
| Ukrsotsbank                  | USCB           | 251                    | 1.0%         | 3    |       | >30   | >30       | 21.1 | 0.3   | 0.2      | 0.3  | 0.07  | 0.06      | 0.08 |       |       |      |           |

Source: Eavex Research



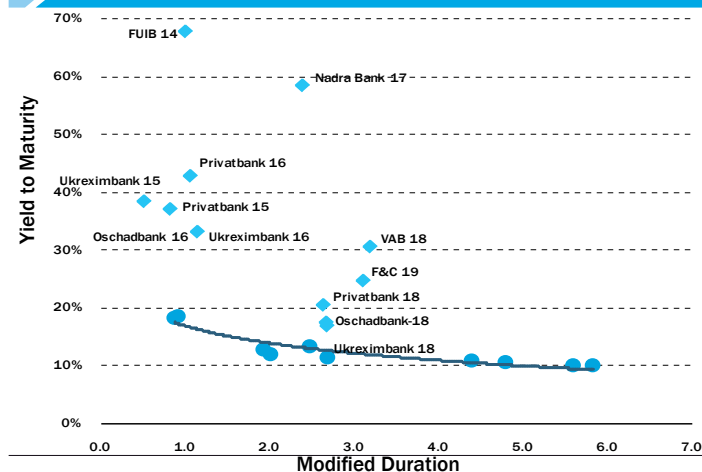
## UKRAINIAN EUROBONDS

| 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       | 96.3        | 97.0        | 60.8%     | 50.7%     | -3.8%            | 0.1               | 9.50%  | S/A           | 30 Sept 2014  | 1,595         | //                   |
| Ukraine, 2015 (EUR)          | 88.0        | 91.8        | 21.3%     | 15.7%     | -6.4%            | 0.9               | 4.95%  | A             | 13 Oct 2015   | 600*          | Caa3/CCC/CCC         |
| Ukraine, 2015                | 91.0        | 93.5        | 20.6%     | 16.8%     | -5.6%            | 0.9               | 6.875% | S/A           | 23 Sept 2015  | 500           | Caa3/CCC/CCC         |
| Ukraine, 2016                | 88.7        | 90.7        | 13.5%     | 12.3%     | -4.6%            | 1.9               | 6.58%  | S/A           | 21 Nov 2016   | 1,000         | Caa3/CCC/CCC         |
| Ukraine, 2016-2              | 89.1        | 91.2        | 12.5%     | 11.3%     | -4.4%            | 2.0               | 6.25%  | S/A           | 17 Jun 2016   | 1,250         | Caa3/CCC/CCC         |
| Ukraine, 2017                | 87.9        | 89.9        | 12.0%     | 11.1%     | -4.1%            | 2.7               | 6.75%  | S/A           | 14 Nov 2017   | 700           | Caa3/CCC/CCC         |
| Ukraine, 2017-2              | 91.7        | 93.0        | 13.6%     | 13.0%     | -6.9%            | 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 | 86.0        | 87.2        | 13.7%     | 13.1%     | 10.3%            | 2.9               | 7.40%  | S/A           | 20 Apr 2018   | 690           | Caa3//               |
| Ukraine, 2020                | 87.4        | 89.4        | 11.1%     | 10.6%     | -5.1%            | 4.4               | 7.75%  | S/A           | 23 Sept 2020  | 1,500         | Caa3/CCC/CCC         |
| Ukraine, 2021                | 88.0        | 90.0        | 10.8%     | 10.3%     | -5.0%            | 4.8               | 7.95%  | S/A           | 23 Feb 2021   | 1,500         | Caa3/CCC/CCC         |
| Ukraine, 2022                | 86.5        | 88.5        | 10.4%     | 10.0%     | -3.9%            | 5.6               | 7.80%  | S/A           | 28 Nov 2022   | 1,250         | Caa3/CCC/CCC         |
| Ukraine, 2023                | 85.0        | 86.5        | 10.2%     | 9.9%      | -5.3%            | 5.8               | 7.50%  | S/A           | 17 Apr 2023   | 1,250         | Caa3/CCC/CCC         |
| <b>Corporate Eurobonds</b>   |             |             |           |           |                  |                   |        |               |               |               |                      |
| Agroton, 2019                | 29.1        | 35.8        | 81.3%     | 60.1%     | -37.9%           | 1.7               | 8.00%  | S/A           | 14 Jul 2019   | 50            | //RD                 |
| MHP, 2015                    | 94.0        | 99.0        | 20.4%     | 11.8%     | -6.8%            | 0.6               | 10.25% | S/A           | 29 Apr 2015   | 235           | Caa2//CCC            |
| MHP, 2020                    | 83.9        | 87.4        | 12.3%     | 11.4%     | -4.2%            | 4.1               | 8.25%  | S/A           | 2 Apr 2020    | 750           | /CCC/CCC             |
| Avangardco, 2015             | 85.0        | 88.0        | 38.0%     | 31.3%     | -11.7%           | 0.9               | 10.00% | S/A           | 29 Oct 2015   | 200           | /CCC/                |
| UkrLandFarming, 2018         | 76.5        | 79.5        | 20.5%     | 19.0%     | -13.5%           | 2.6               | 10.88% | S/A           | 26 Mar 2018   | 275           | /CCC/CCC             |
| Mriya, 2016                  | 35.0        | 45.0        | 117.6%    | 87.5%     | -60.1%           | na                | 10.95% | S/A           | 30 Mar 2016   | 72            | /SD/C                |
| Mriya, 2018                  | 35.0        | 42.0        | 54.8%     | 45.7%     | -55.8%           | 2.1               | 9.45%  | S/A           | 19 Apr 2018   | 400           | /SD/C                |
| DTEK, 2015                   | 67.1        | 68.3        | 84.7%     | 81.1%     | -33.8%           | 0.4               | 9.50%  | S/A           | 28 Apr 2015   | 200           | Caa2//CCC            |
| DTEK, 2018                   | 60.5        | 63.5        | 25.3%     | 23.5%     | -34.2%           | 2.6               | 7.88%  | S/A           | 4 Apr 2018    | 750           | Caa2//CCC            |
| Metinvest, 2015              | 75.0        | 78.0        | 57.6%     | 50.5%     | -25.4%           | 0.5               | 10.25% | S/A           | 20 May 2015   | 500           | Caa2//CCC            |
| Metinvest, 2018              | 65.0        | 69.0        | 26.6%     | 23.9%     | -29.5%           | 2.5               | 8.75%  | S/A           | 14 Feb 2018   | 750           | Caa2//CCC            |
| Ferrexpo, 2016               | 92.5        | 93.0        | 15.3%     | 14.5%     | -5.3%            | 1.4               | 7.875% | S/A           | 07 Apr 2016   | 500           | /CCC/CCC             |
| UZ Rail, 2018                | 74.0        | 80.0        | 19.7%     | 17.0%     | -16.0%           | 2.8               | 9.50%  | S/A           | 21 May 2018   | 500           | /CCC/CCC             |
| Interpipe, 2017              | 67.0        | 70.0        | 31.4%     | 27.9%     | -12.9%           | 2.1               | 10.25% | S/A           | 2 Aug 2017    | 200           | //                   |
| JKX Oil&Gas, 2018            | 90.4        | 92.2        | 15.3%     | 14.6%     | -17.7%           | 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                   | 65.0        | 65.0        | 172.5%    | 172.5%    | -34.0%           | 0.2               | 11.00% | Q             | 31 Dec 2014   | 275           | Caa3//               |
| Nadra Bank, 2018             | 55.0        | 60.0        | 63.5%     | 53.3%     | -28.6%           | 2.4               | 6.25%  | A             | 31 Jul 2018   | 60            | //                   |
| PrivatBank, 2015             | 75.0        | 80.0        | 40.9%     | 33.4%     | -14.8%           | 0.8               | 9.38%  | S/A           | 23 Sept 2015  | 200           | Caa3//               |
| PrivatBank, 2016             | 65.0        | 70.0        | 47.1%     | 38.8%     | -11.2%           | 1.1               | 8.75%  | S/A           | 9 Feb 2016    | 150           | Caa3//               |
| PrivatBank, 2018             | 76.6        | 78.1        | 20.6%     | 19.9%     | -7.6%            | 2.6               | 10.88% | S/A           | 28 Feb 2018   | 175           | Caa3//CCC            |
| UkrEximBank, 2015            | 83.5        | 84.5        | 39.6%     | 37.4%     | -12.9%           | 0.5               | 8.38%  | S/A           | 27 Apr 2015   | 750           | Caa3//CCC            |
| UkrEximBank, 2016            | 60.0        | 65.0        | 58.2%     | 58.2%     | -26.7%           | 1.0               | 8.40%  | S/A           | 2 Sept 2016   | 125           | Caa3//CCC            |
| UkrEximBank, 2018            | 77.1        | 79.1        | 18.1%     | 17.1%     | -12.4%           | 2.7               | 8.75%  | S/A           | 22 Jan 2018   | 500           | Caa3//CCC            |
| VAB Bank, 2019               | 60.0        | 65.0        | 32.5%     | 28.7%     | -26.9%           | 1.9               | 9.00%  | Q             | 14 Jun 2019   | 88            | //WD                 |
| Oschadbank, 2016             | 78.9        | 80.1        | 34.3%     | 32.3%     | -14.6%           | 1.2               | 8.25%  | S/A           | 10 Mar 2016   | 700           | Caa3//CCC            |
| Oschadbank, 2018             | 77.8        | 80.1        | 17.5%     | 16.5%     | -11.3%           | 2.7               | 8.88%  | S/A           | 20 Mar 2018   | 500           | Caa3//CCC            |
| <b>Municipal Eurobonds</b>   |             |             |           |           |                  |                   |        |               |               |               |                      |
| City of Kyiv, 2015           | 81.6        | 82.6        | 36.2%     | 34.3%     | -11.7%           | 0.9               | 8.00%  | S/A           | 6 Nov 2015    | 250           | Caa3/CCC/            |
| City of Kyiv, 2016           | 81.4        | 82.5        | 22.1%     | 21.2%     | -11.5%           | 1.5               | 9.375% | S/A           | 30 Jun 2016   | 300           | Caa3/CCC/            |

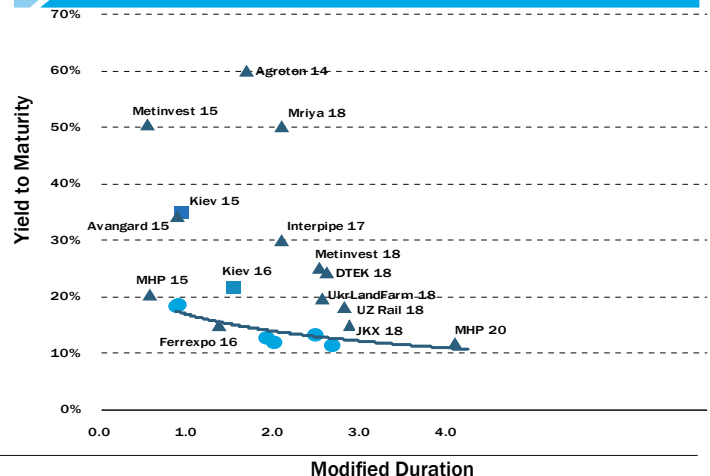
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

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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