

Market Update

Equity

Ukraine's main equity index rallied sharply on Monday (Oct 13) after news that Russian troops have been ordered to pull back from the Ukrainian border ahead of this Friday's meeting between Presidents Poroshenko and Putin in Italy. The counterparts last met in late August for talks that led to the ceasefire accord between Kyiv and the pro-Russian separatists in eastern provinces of Donetsk and Lugansk. The UX index surged by 5.0% to close at 1124 points. However, the rise looks somewhat deceptive, as the heaviest gains were posted by the UX basket's low-liquidity names. Among actively-traded issues, UkrNafta (UNAF) added 2.4% to UAH 367, Motor Sich appreciated by 1.6%, and Azovstal (AZST) advanced by 11.3% on turnover of UAH 1.5mn. Low-liquidity issues Yenakievo Steel (ENMZ) and Alchevsk Steel (ALMK) jumped by 12.9% and 6.5% respectively. In London trading, Ukrainian names were also notably higher, with MHP (MHPC) and Ferrexpo (FXPO) advancing by 2.6% and 3.1% respectively. In Warsaw, Astarta (AST) picked up 3.1% and Agroton (AGT) gained 4.3% to PLN 1.93.

Fixed Income

Ukrainian sovereigns were lower on Monday with Ukraine-23s declining by 0.3p.p. to 79.5/80.9 (11.3%/11.0%). The corporate universe was mixed. MHP-20s improved by 0.2.p.p. to 83.7/84.7 (12.5%/12.2%) while Metinvest-18s dropped by 0.6p.p. finishing at 65.5/70.0 (27.3%/24.1%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	366.90	2.4%	3.4	378
Azovstal	AZST	0.72	11.3%	1.5	119
Motor Sich	MSICH	2220.00	1.6%	0.8	133

Growth Leaders

Avdyivka Coke	AVDK	2.78	20.5%	0.06	102
Pokrovske Mine	SHCHZ	0.48	18.9%	0.01	16
Yenakievo Steel	ENMZ	29.18	12.9%	0.03	37

Loss Leaders

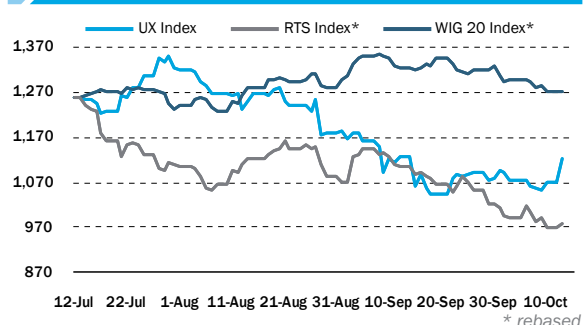
KRAZ	KRAZ	0.09	0.6%	0.034	23
Raiffeisen Bank Aval	BAVL	0.12	1.1%	0.079	47
Motor Sich	MSICH	2,220.00	1.6%	0.810	133

Highlights

STOCKS IN THE NEWS

- > MHP's UAH-Denominated Poultry Price Up 37% YoY in 3Q14

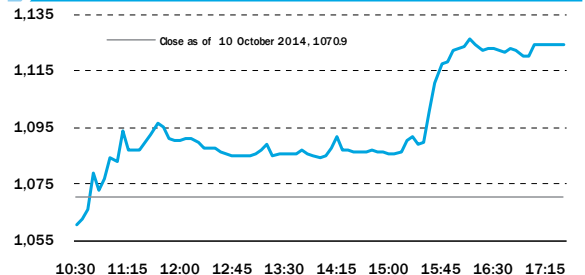
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1124.2	5.0%	-0.1%	23.5%
RTS	1076.6	1.2%	-11.3%	-25.4%
WIG20	2394.2	0.1%	-4.1%	-0.3%
MSCI EM	991.5	0.2%	-6.6%	-1.0%
S&P 500	1874.7	-1.6%	-5.6%	1.8%

UX INTRADAY OCTOBER 13, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	350.0	0.0%	14.7%	5.8%
CDS 5Y UKR	1364.6	0.5%	24.3%	66.4%
Ukraine-17	13.8%	0.6 p.p.	2.8 p.p.	4.8 p.p.
Ferrexpo-16	13.0%	0.0 p.p.	-0.2 p.p.	4.1 p.p.
Ukraine-23	11.2%	0.1 p.p.	1.3 p.p.	3.7 p.p.
Privatbank-16	42.6%	0.0 p.p.	6.0 p.p.	22.2 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	12.90	-0.4%	-0.6%	56.6%
EUR	16.45	0.6%	-2.2%	44.7%
RUB	0.32	-0.8%	-7.3%	26.8%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	211.4	0.0%	-1.4%	-26.4%
Steel, USD/t	527.5	0.0%	-2.7%	-1.9%
Oil, USD/bbl	88.9	-1.5%	-9.3%	-17.1%
Gold, USD/oz	1235.9	1.0%	0.5%	3.3%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

MHP's UAH-Denominated Poultry Price Up 37% YoY in 3Q14

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MHP (MHPC LI)

Price: USD 11.80 Market Cap: USD 1,247mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2013	1.6	7.7	6.1	6%
2014E	1.8	neg	5.0	0%

NEWS

Central-Ukraine-based MHP, the country's largest poultry producer, increased its poultry volume sales by 21% YoY to 144,800 tonnes in 3Q14, the company reported in its trading update on Tuesday (Oct 14). The group sold 100,200 tonnes of poultry meat in Ukraine (+11% YoY) and exported some 44,600 tonnes (+48% YoY). The average selling price rose by 37% YoY to UAH 22.08/kg (ex-VAT). Sunflower oil sales increased by 17% YoY to 75,000 tonnes with the average price down by 20% YoY to USD 847/t.

At MHP's Vinnytsia complex, 11 out of 12 production sites are now operating at full capacity, with the remaining site to be brought on line in 4Q14.

In the grain growing segment, the company is in latter stages of its autumn crop harvest. Currently, 41% of corn, 98% of sunflower, and 94% of soybeans have been gathered, with all yields in line with MHP's targets and higher than Ukraine's average according to historical margins. Corn, sunflower and soya yields now amount to 8.9 t/ha (8.8 t/ha last season), 3.4 t/ha (3.5) and 2.2 t/ha (2.2), respectively. The company's wheat and rapeseed yields improved by 10% and 19% to 6.0 t/ha and 3.8 t/ha, respectively.

COMMENTARY

We see this operational news as positive for the MHPC stock. Apart from increasing its domestic sales volume, the company managed to expand its export sales (+20% YoY in 9M14) despite the export ban introduced by the Russian-led Customs Union in February against MHP's poultry. We note that in 2012, Russia alone consumed a full half of MHP's export poultry sales. Importantly, the group increased its exports to lucrative EU market to 7,400 tonnes in 3Q14 (zero in 3Q13), a surge of 2.8x QoQ. Along with market diversification, MHP's EU market presence bodes well for the company's profitability, as it sells mostly high-value-added fillet, a product which is around 50% more expensive in the EU compared to other MHP's export markets. Expansion of EU sales coupled with the devaluation and inflation on the domestic market allowed the group to post robust growth in its average selling price. While currently depressed prices for crops will negatively effect the results of this business segment in 2H14, this should be more than offset by the positive boomerang effect of lower production costs in the poultry segment during the 4Q14-9M15 period. We reiterate our target price for the MHPC stock of USD 15.65 per share, implying an upside potential of 33%.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.72	0.56	-23%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	90.6	108.0	19%	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	7.75	U/R	-	U/R	On its EGM on 19 Feb 2014, CGOK's shareholders made a decision on additional issue of 14.73mn of new shares implying 1.26% of the company's share capital.
Coke						
Avdyivka Coke	AVDK	2.78	U/R	-	Susp.	Avdyivka Coke was forced to shut down operations amid military conflict in the region.
Yasynivsky Coke	YASK	0.45	U/R	-	U/R	Yasynivsky Coke reported net loss of UAH 22mn for FY13 which was the first negative bottom line since 2004.
Coal						
Pokrovske Mine	SHCHZ	0.48	2.9	512%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	15.2	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.14	U/R	-	U/R	LuganskTeplovoz was forced to shut down operations amid military conflict in the region.
Specialized Machinery						
Motor Sich	MSICH	2220	5250	136%	BUY	Motor Sich should see its sales grow with a 2012-2016E CAGR of 9%, reaching USD 1.2bn. For 2012-2016, we forecast an average EBITDA margin of 35% and a net margin of 28%.
Turboatom	TATM	5.00	8.9	78%	BUY	We model Turboatom's revenue as increasing at 18% CAGR over 2012-2015. Deliveries of hydro and steam turbines to export markets will remain the company's key revenue drivers.
Oil & Gas						
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	6.5	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	45.5	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.
Power Utilities						
DonbasEnergO	DOEN	31.2	72.0	131%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.57	15.00	98%	BUY	CenterEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Consumer						
MHP	MHPC	11.8	15.65	33%	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	36.5	90.0	147%	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	6.8	8.93	31%	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	67.0	58.74	-12%	SELL	Ovostar is one of the hardest-hit Ukrainian public companies from this year's UAH devaluation as some 70% of its production cost is linked to USD while only 7% of revenue earned in hard currency. Capacity expansion project for 2014-16 will likely be delayed, according to the management.
Banks						
Raiffeisen Bank Aval	BAVL	0.125	0.24	93%	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	1124.21	1368.76	821.17	5.0%	4.6%	-0.1%	23.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.026	0.05	0.02	7.4%	2.0%	-14.5%	-33.0%	2.5%	-2.7%	-14.3%	-56.5%
Azovstal	AZST	0.72	0.95	0.35	11.6%	11.7%	1.1%	8.1%	6.6%	7.1%	1.3%	-15.5%
Dniprospezstal	DNSS	175	n/a	n/a	0.0%	0.0%	0.0%	-86.5%	-5.0%	-4.6%	0.1%	-110.1%
Enakievo Steel	ENMZ	29.2	65.0	17.0	14.2%	11.4%	4.2%	-8.8%	9.2%	6.8%	4.3%	-32.4%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	-5.0%	-4.6%	0.1%	224.3%
Mariupol Ilyicha	MMKI	0.28	n/a	n/a	0.0%	100.0%	100.0%	180.0%	-5.0%	95.4%	100.1%	156.5%
Coke												
Avdiyivka Coke	AVDK	2.78	3.70	1.46	20.5%	19.9%	16.4%	-6.1%	15.5%	15.3%	16.5%	-29.6%
Yasnyivsky Coking	YASK	0.45	0.84	0.30	0.0%	7.1%	-11.8%	-15.1%	-5.0%	2.5%	-11.6%	-38.6%
Iron Ore Mining												
Centralny GOK	CGOK	7.75	n/a	n/a	6.5%	6.5%	6.5%	19.2%	1.5%	1.8%	6.6%	-4.3%
Ferrexpo	FXPO	90.6	199.0	87.9	3.1%	-12.1%	-28.8%	-52.6%	-1.9%	-16.7%	-28.7%	-76.1%
Pivnichny GOK	SGOK	8.15	9.80	4.50	0.0%	3.2%	3.8%	1.9%	-5.0%	-1.5%	4.0%	-21.7%
Coal Mining												
Pokrovske Mine	SHCHZ	0.48	0.79	0.10	17.1%	20.0%	-2.0%	20.0%	12.1%	15.4%	-1.9%	-3.5%
Komsomolets Donbasa	SHKD	0.83	n/a	n/a	0.0%	10.7%	56.6%	33.9%	-5.0%	6.1%	56.7%	10.3%
Energy Coal	CLE	0.91	2.76	0.55	3.4%	3.4%	-13.3%	-13.3%	-1.6%	-1.2%	-13.2%	-36.9%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.30	n/a	n/a	0.0%	0.0%	0.0%	-34.8%	-5.0%	-4.6%	0.1%	-58.3%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.50	1.01	0.30	0.0%	0.0%	-9.1%	-16.7%	-5.0%	-4.6%	-9.0%	-40.2%
Interpipe NMPP	NVTR	0.36	n/a	n/a	0.0%	0.0%	2.9%	71.4%	-5.0%	-4.6%	3.0%	47.9%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	15.2	25.0	10.0	6.9%	-0.1%	-4.6%	-12.3%	1.9%	-4.7%	-4.5%	-35.8%
Luhanskeplovoz	LTPL	1.14	1.80	0.85	0.0%	-0.9%	0.9%	-24.0%	-5.0%	-5.5%	1.0%	-47.5%
Stakhanov Wagon	SVGZ	1.29	n/a	n/a	0.0%	10.3%	130.4%	-0.8%	-5.0%	5.6%	130.5%	-24.3%
Specialized Machinery												
Bogdan Motors	LUAZ	0.05	0.08	0.02	19.2%	19.5%	-5.7%	75.5%	14.2%	14.9%	-5.5%	51.9%
Motor Sich	MSICH	2,220	2,879	1,507	1.8%	0.4%	-1.2%	21.7%	-3.2%	-4.2%	-1.1%	-1.8%
Summy Frunze Engineering	SMASH	6.00	n/a	n/a	0.0%	-23.3%	87.5%	140.0%	-5.0%	-27.9%	87.6%	116.5%
Turboatom	TATM	4.50	n/a	n/a	0.0%	0.0%	0.0%	28.6%	-5.0%	-4.6%	0.1%	5.0%
WESTA ISIC	WES	0.29	0.80	0.21	11.5%	0.0%	0.0%	-27.5%	6.6%	-4.6%	0.1%	-51.0%
Telecom												
Ukrtelecom	UTLM	0.19	0.20	0.09	0.0%	3.9%	3.9%	70.0%	-5.0%	-0.7%	4.0%	46.5%
Oil & Gas												
Regal Petroleum	RPT	6.50	16.00	4.88	-7.1%	-18.8%	-18.6%	-49.0%	-12.1%	-23.4%	-18.5%	-72.6%
JKX Oil	JKX	45.50	75.00	36.00	-3.2%	-10.8%	3.4%	-36.6%	-8.2%	-15.4%	3.5%	-60.1%
Ukrnafta	UNAF	367	375	54	2.8%	13.8%	15.0%	237.8%	-2.2%	9.2%	15.2%	214.3%
Power Utilities												
Centrenerg	CEEN	7.57	8.70	3.00	3.5%	3.5%	-0.2%	58.8%	-1.5%	-1.2%	-0.1%	35.3%
Donbasenergo	DOEN	31.2	50.2	11.0	8.5%	9.0%	5.9%	13.2%	3.5%	4.4%	6.0%	-10.3%
Zakhidenergo	ZAEN	142.1	160.0	64.0	0.0%	1.5%	10.2%	57.2%	-5.0%	-3.1%	10.3%	33.7%
Consumer												
Agroton	AGT	1.93	5.5	1.79	4.3%	-2.0%	-9.8%	-1.0%	-0.7%	-6.6%	-9.7%	-24.6%
Astarta	AST	36.5	73.7	34.4	3.1%	-0.9%	-2.9%	-45.5%	-1.8%	-5.5%	-2.7%	-69.0%
Avangardo	AVGR	6.8	13.0	6.80	-6.8%	-13.9%	-17.9%	-42.1%	-11.8%	-18.5%	-17.7%	-65.7%
Industrial Milk Company	IMC	6.89	15.06	6.50	2.8%	-0.1%	-15.4%	-43.3%	-2.1%	-4.8%	-15.2%	-66.8%
Kernel	KER	23.9	53.7	23.2	-0.5%	-5.0%	-3.9%	-37.1%	-5.5%	-9.6%	-3.7%	-60.6%
Mriya Agro Holding	MAYA	0.99	6.0	0.99	-26.1%	-30.5%	-44.7%	-81.7%	-31.1%	-35.1%	-44.6%	-105.2%
MHPC	MHPC	11.8	18.5	10.91	2.6%	-0.1%	-3.7%	-30.6%	-2.4%	-4.7%	-3.5%	-54.2%
Milkiland	MLK	3.51	14.2	3.50	0.3%	-8.1%	-25.3%	-71.9%	-4.7%	-12.7%	-25.2%	-95.5%
Ovostar Union	OVO	67.0	102.0	59.4	-0.2%	-2.9%	-4.3%	-33.0%	-5.2%	-7.5%	-4.2%	-56.5%
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
Chemicals												
Stirol	STIR	9.0	n/a	n/a	0.0%	-9.1%	-26.2%	-28.0%	-5.0%	-13.7%	-26.1%	-51.5%
Banks												
Raiffeisen Bank Aval	BAVL	0.125	0.190	0.086	1.1%	-0.9%	-6.6%	9.7%	-3.8%	-5.5%	-6.5%	-13.8%
UkrSotsbank	USCB	0.135	0.205	0.090	0.0%	-6.4%	-19.0%	-28.0%	-5.0%	-11.1%	-18.9%	-51.5%

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
Steel																
Alchevsk Steel	ALMK	1,783	1,729	1,730	-5	-62	-14	neg	neg	neg	-127	-214	-35	neg	neg	neg
Enakievo Steel	ENMZ	1,578	1,531	1,561	-84	22	33	neg	1.5%	2.1%	9	-185	-29	0.5%	neg	neg
Azovstal	AZST	2,814	1,926	1,976	-181	-31	35	neg	neg	1.8%	-333	-308	-24	neg	neg	neg
Coke																
Avdyivka Coke	AVDK	1,090	914	784	-112	46	29	neg	5.0%	3.8%	-137	-6	-24	neg	neg	neg
Yasynivsky Coking	YASK	432	367	333	27	29	19	6.4%	7.8%	5.7%	8	-3	5	1.9%	neg	1.4%
Iron Ore Mining																
Centralny GOK	CGOK	610	679	634	232	312	279	38.0%	46.0%	44.1%	95	194	163	15.6%	28.6%	25.7%
Pivnichny GOK	SGOK	1,416	1,630	1,506	750	914	816	53.0%	56.1%	54.2%	436	548	460	30.8%	33.7%	30.5%
Ferrexpo	FXPO	1,424	1,581	1,449	402	506	492	28.2%	32.0%	33.9%	216	264	277	15.1%	16.7%	19.1%
Coal Mining																
Komsomolets Donbasa	SHKD	273	220	234	125	92	94	45.9%	41.8%	40.1%	7	17	17	2.6%	7.6%	7.3%
Coal Energy	CLE	165	126	101	63	21	9	38.0%	16.8%	8.9%	38	-17	-24	23.2%	neg	neg
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	480	310	271	52	31	26	10.8%	10.1%	9.5%	34	5	4	7.0%	1.5%	1.5%
Railcar Manufacturing																
Luhanskteplovoz	LTPL	216	329	367	29	36	38	13.4%	10.8%	10.4%	5	19	23	2.2%	5.9%	6.1%
Kryukiv Wagon	KVBZ	891	462	142	135	50	13	15.2%	10.9%	9.4%	95	42	-4	10.7%	9.0%	neg
Stakhanov Wagon	SVGZ	311	172	150	7	6	5	2.3%	3.4%	3.6%	1	1	0	0.2%	0.3%	0.3%
Specialized Machinery																
Turboatom	TATM	160	214	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%
Telecom																
Ukrtelecom	UTLM	838	791	611	206	190	174	24.5%	24.0%	28.5%	45	17	26	5.4%	2.2%	4.3%
Oil & Gas																
Ukrnafta	UNAF	2,554	2,589	2,543	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%
Electric Utilities																
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%
Consumer																
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
Banks																
		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 USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2012	2013	2014E	2012	2013	2014E	2012	2013	2014E	2012	2013	2013E			
Steel																		
Alchevsk Steel	ALMK	52	3.9%	2	1,401	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	362	338	328	\$/tonne
Yenakievo Steel	ENMZ	24	8.8%	2	20	2.8	neg	neg	neg	0.9	0.6	0.0	0.0	0.0	7	7	7	\$/tonne
Azovstal	AZST	236	3.0%	7	225	neg	neg	neg	neg	neg	6.4	0.1	0.1	0.1	49	50	49	\$/tonne
Coke																		
Avdyivka Coke	AVDK	42	6.8%	3	39	neg	neg	neg	neg	0.9	1.3	0.0	0.0	0.1	9	10	11	\$/tonne
Yasynivsky Coke	YASK	10	9.0%	1	10	1.1	neg	2.0	0.4	0.4	0.6	0.0	0.0	0.0	0.4	0.4	0.6	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	704	0.3%	2	703	7.4	3.6	4.3	3.0	2.2	2.5	1.2	1.0	1.1				
Pivnichny GOK	SGOK	1,456	0.4%	6	1,449	3.3	2.7	3.2	1.9	1.6	1.8	1.0	0.9	1.0				
Ferrexpo	FXPO	854	24.0%	205	1,533	4.0	3.2	3.1	3.8	3.0	3.1	1.1	1.0	1.1				
Coal Mining																		
Komsomolets Donbasa	SHKD	22	5.4%	1	124	3.0	1.3	1.3	1.0	1.3	1.3	0.5	0.6	0.5	30	29	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
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	101	2.0%	2	146	3.0	21.4	24.5	2.8	4.7	5.7	0.3	0.5	0.5	232	385	366	\$/tonne
Railcar Manufacturing																		
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	135	5.0%	7	124	1.4	3.2	neg	0.9	2.5	9.3	0.1	0.3	0.9				
Stakhanov Wagon	SVGZ	23	8.0%	2	55	>30	>30	>30	7.7	9.4	10.1	0.2	0.3	0.4				
Specialized Machinery																		
Turboatom	TATM	115	5.8%	7	54	3.0	1.6	1.8	1.1	0.6	0.7	0.3	0.3	0.3				
Motor Sich	MSICH	358	24.0%	86	349	1.8	2.1	1.9	1.1	1.3	1.3	0.4	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	271	7.2%	20	575	6.0	15.9	10.3	2.8	3.0	3.3	0.7	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	1,542	3.0%	46	1,534	8.7	>30	9.6	3.4	5.4	4.7	0.6	0.6	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	34	21.6%	7	9	2.9	neg	16.8	0.4	neg	0.3	0.2	0.2	0.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	126	50.4%	63	234	neg	19.4	16.1	1.7	3.5	3.4	1.2	1.3	1.2	43	32	31	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	217	21.7%	47	285	7.5	3.6	10.4	4.1	3.0	6.5	0.3	0.3	0.4	16	21	18	\$/MWh
DonbasEnergO	DOEN	57	14.2%	8	122	15.0	0.9	1.4	3.8	1.7	2.7	0.2	0.2	0.2	15	16	15	\$/MWh
Consumer																		
MHP	MHPC	1,247	34.1%	425	2,375	4.0	7.7	neg	5.1	6.1	5.0	1.7	1.6	1.8				
Kernel	KER	579	61.8%	358	1,285	2.7	5.5	12.3	4.0	4.4	7.3	0.6	0.5	0.5				
Astarta	AST	277	37.0%	102	598	4.8	8.1	3.4	5.4	6.6	4.3	1.3	1.2	1.1				
Avangardco	AVGR	434	22.5%	98	540	1.9	1.8	2.7	1.9	1.8	2.3	0.9	0.8	0.9	122	93	88	\$/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	
Banks																		
Raiffeisen Bank Aval	BAVL	290	3.5%	10		>30	3.2	neg	0.4	0.3	0.5	0.05	0.05	0.07				
Ukrsotsbank	USCB	193	1.0%	2		>30	>30	21.1	0.2	0.2	0.2	0.07	0.06	0.08				

Source: Eavex Research

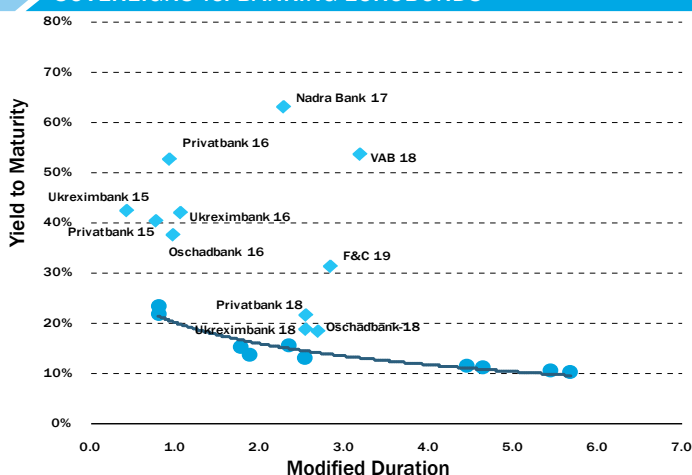
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2015 (EUR)	87.9	90.7	24.7%	19.6%	-7.0%	0.8	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	89.9	92.4	26.2%	21.1%	-6.7%	0.8	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	86.2	87.5	15.9%	15.0%	-7.6%	1.8	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	87.3	88.6	14.2%	13.4%	-6.7%	1.9	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	85.3	86.8	13.6%	12.8%	-7.3%	2.5	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	88.2	89.7	15.9%	15.1%	-10.3%	2.4	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CCC
Ukraine, 2017 Infr. projects	81.5	83.0	19.5%	18.5%	-0.5%	2.3	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	80.5	82.0	16.8%	16.0%	3.5%	2.7	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	86.0	87.0	11.6%	11.3%	-7.1%	4.5	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	85.9	87.4	11.4%	11.1%	-7.5%	4.6	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	85.0	86.7	10.8%	10.4%	-5.7%	5.4	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	83.6	84.6	10.4%	10.2%	-7.0%	5.7	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2019	30.0	35.1	86.0%	65.8%	-37.6%	1.5	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	96.0	98.0	18.3%	14.2%	-6.3%	0.5	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	83.8	85.2	12.4%	12.0%	-5.5%	4.1	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	87.5	90.0	40.5%	33.0%	-9.4%	0.8	10.00%	S/A	29 Oct 2015	200	/CCC/
UkrLandFarming, 2018	67.8	69.5	25.4%	24.5%	-23.9%	2.5	10.88%	S/A	26 Mar 2018	500	/CCC/CCC
Mriya, 2016	25.0	30.0	153.7%	129.8%	-72.6%	0.5	10.95%	S/A	30 Mar 2016	72	/SD/C
Mriya, 2018	20.0	30.0	96.6%	66.9%	-71.3%	1.6	9.45%	S/A	19 Apr 2018	400	/SD/C
DTEK, 2015	76.6	78.4	68.5%	62.9%	-24.0%	0.4	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	59.5	61.5	26.4%	25.1%	-35.8%	2.6	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	76.0	78.0	64.5%	58.8%	-24.9%	0.4	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	66.8	70.0	26.3%	24.1%	-28.0%	2.4	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	92.9	94.0	15.9%	14.5%	-4.6%	1.3	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	73.9	74.9	20.0%	19.5%	-18.9%	2.6	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interpipe, 2017	55.0	65.0	49.2%	33.9%	-28.5%	1.7	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	89.8	91.5	15.8%	15.1%	-18.3%	2.8	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	45.0	55.0	34.9%	27.9%	-39.8%	2.8	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	68.5	68.5	202.0%	202.0%	-30.5%	0.1	11.00%	Q	31 Dec 2014	275	Caa3//
Nadra Bank, 2018	45.0	50.0	68.4%	58.1%	-41.0%	2.3	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	75.0	80.0	44.7%	36.2%	-14.8%	0.8	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	64.0	67.0	56.4%	49.6%	-13.8%	0.9	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	75.1	80.0	21.6%	19.1%	-7.3%	2.6	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	84.0	86.0	45.1%	39.9%	-11.5%	0.4	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	69.0	72.0	37.7%	33.8%	-17.4%	1.0	8.40%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	75.2	77.3	19.3%	18.3%	-14.5%	2.6	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	40.0	45.0	57.4%	50.1%	-50.3%	2.1	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	77.0	79.0	45.0%	39.9%	-16.2%	1.1	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	75.6	77.2	18.7%	18.1%	-14.2%	2.7	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	77.3	80.2	54.3%	49.3%	-15.3%	0.6	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	75.5	77.4	28.0%	26.3%	-17.5%	1.4	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

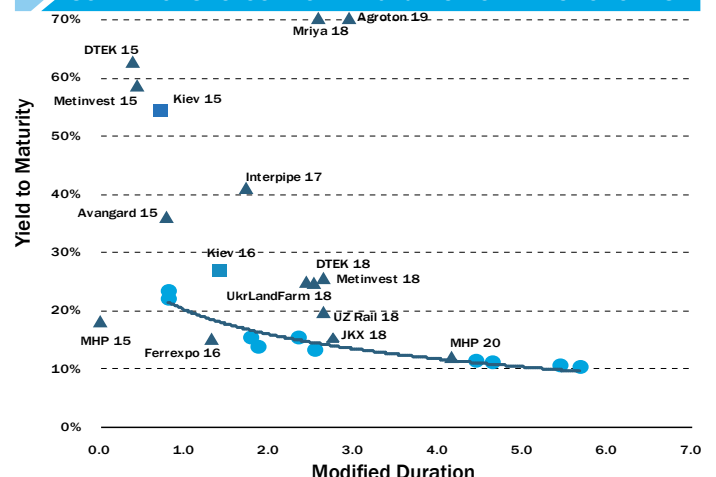
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



UKRAINIAN DOMESTIC BONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn UAH
UAH denominated Bonds									
UA4000141592			16.5%	15.0%	n/a	14.30%	S/A	20 May 2015	n/a
UA4000142665			20.0%	18.0%	n/a	14.30%	S/A	24 May 2017	n/a
USD denominated Bonds									
UA4000142699	n/a	n/a	14.0%	12.0%	n/a	9.45%	S/A	22 Apr 2015	n/a
UA4000141071	n/a	n/a	14.0%	12.0%	n/a	9.45%	S/A	27 May 2015	n/a
UA4000142673	n/a	n/a	14.0%	12.0%	n/a	4.50%	S/A	17 Jun 2015	n/a
EUR denominated Bonds									
UA4000142681	n/a	n/a	12.5%	12.0%	n/a	4.80%	S/A	6 May 2015	n/a
VAT Bonds									
UA4000082531			20.5%	16.5%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			20.5%	16.5%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			20.5%	16.5%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			20.3%	19.0%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			20.3%	19.0%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			20.3%	19.0%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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