

Market Update

Equity

Kyiv-listed stocks finished notably lower on Wednesday (Oct 29) as initial post-election optimism about a quick formation of a pro-presidential majority in the next Parliament faded away. It appears that President Poroshenko and Prime Minister Yatseniuk, whose parties received a combined 44% support in the national party list voting, are sharply at odds regarding how the new government will be formed. The UX index lost 2.9% to close at 1104 points. Recent growth leader Azovstal (AZST) corrected by 4.7% to near 78 kopecks and index heavyweight Motor Sich (MSICH) shed 3.9%. UkrNafta (UNAF) fell 1.6% after reporting weak production results for 3Q14. Low-liquidity Avdyivka Coke (AVDK) was the only blue chip to end in the black, adding 0.7%. In London, MHP (MHPC) was unchanged while Ferrexpo rose 3.9% to GBp 89.70. Warsaw-listed Kernel (KER) extended its winning streak to five sessions, picking up 2.0% to PLN 26.50.

Fixed Income

Ukrainian benchmark sovereigns ended nearly flat again on Wednesday with Ukraine-23s inching down by 0.1p.p. to 85.2/86.7 (10.1%/9.9%). Corporate names were mixed amid light activity. Metinvest-18s declined by 0.5p.p. to 69.0/71.0 (25.1%/25.8%) while DTEK-18s rose by 0.3p.p., finishing at 64.0/65.0 (23.8%/23.3%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	263.50	-1.6%	2.8	96
Motor Sich	MSICH	2240.00	-3.9%	0.8	133
Raiffeisen Bank Aval	BAVL	0.12	-3.2%	0.4	80

Growth Leaders

Mostobud	MTBD	28.00	38.8%	0.12	7
Avdyivka Coke	AVDK	2.62	0.7%	0.12	28
Kryukiv Wagon	KVBZ	13.85	-0.2%	0.07	30

Loss Leaders

Dniproenergo	DNEN	729.00	-7.6%	0.017	16
Azovstal	AZST	0.78	-4.7%	0.393	97
Alchevsk Steel	ALMK	0.03	-4.6%	0.004	10

Highlights

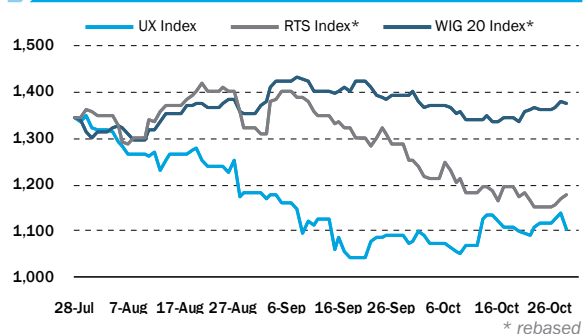
POLITICS AND ECONOMICS

- > Poroshenko Bloc, People's Front Tussle Over Coalition Deal

FIXED INCOME

- > Mriya Reportedly Proposed a 2/3 Debt Haircut to Creditors

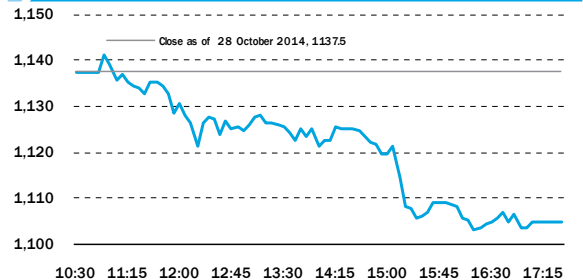
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1105.0	-2.9%	1.3%	21.4%
RTS	1059.6	0.8%	-8.3%	-26.6%
WIG20	2449.5	-0.3%	-1.4%	2.0%
MSCI EM	1004.9	1.2%	-1.9%	0.3%
S&P 500	1982.3	-0.1%	0.0%	7.7%

UX INTRADAY OCTOBER 29, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	335.4	-1.7%	5.6%	1.4%
CDS 5Y UKR	1172.7	-0.4%	-10.0%	43.0%
Ukraine-17	11.6%	0.1 p.p.	-1.2 p.p.	2.5 p.p.
Ferrexpo-16	12.0%	-0.1 p.p.	-2.7 p.p.	3.1 p.p.
Ukraine-23	10.0%	0.0 p.p.	-0.6 p.p.	2.5 p.p.
Privatbank-16	41.6%	0.0 p.p.	0.8 p.p.	21.2 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	13.00	0.1%	0.8%	57.8%
EUR	16.43	-0.8%	0.4%	44.5%
RUB	0.30	-1.6%	-8.6%	19.9%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	226.2	0.0%	11.3%	-21.3%
Steel, USD/t	502.5	0.0%	-7.7%	-6.5%
Oil, USD/bbl	87.1	1.3%	-10.8%	-18.8%
Gold, USD/oz	1212.1	-1.3%	-0.5%	1.3%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Poroshenko Bloc, People's Front Tussle Over Coalition Deal

by Will Ritter
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NEWS

Both the pro-presidential Poroshenko Bloc and the People's Front led by Prime Minister Yatseniuk claimed victory in Ukraine's parliamentary election on Wednesday (Oct 29) with almost all of the vote counted. Although the People's Front took first place in the party list voting, edging out the BPP by 22.2% to 21.8%, the BPP will hold a notably larger MP total due to winning in at least 67 of the country's single-mandate geographic districts compared to just 18 for the People's Front. At a press conference yesterday, Yatseniuk played hardball, saying his party has the right to lead the coalition talks, and that he is ready to include the populist left-wing parties Batkivschyna and the Radicals in the new government while keeping Poroshenko's party out. In the evening on television, the BPP's campaign chief Vitaliy Kovalchuk stated flatly that "the Poroshenko Bloc has taken first place in the election".

COMMENTARY

Yatseniuk's comments yesterday look like a very transparent bluff, as a coalition that features the pro-war populism of Yulia Tymoshenko (Batkivschyna) and Oleg Lyashko (Radical Party) at the expense of the Poroshenko Bloc will be viewed in highly negative terms by Ukraine's Western financial backers and would likely lead to a quick breakdown in the country's IMF lending program. Therefore, we see Yatseniuk's goal as trying to maneuver in order to hold on to the prime minister's post in the next government. Surprisingly, Kovalchuk yesterday said that he expects Tymoshenko's Batkivschyna to be invited into the coalition, although with only 19 seats in the Verkhovna Rada, the party will have only minor initial influence and will probably not receive any ministerial posts. For its part, the BPP is reported by local media to be angling for control of the "power ministries" of Interior and Defense as well as the State Security Service (SBU), a line that could bring it into conflict with current Interior Minister Arseniy Avakov, who is a top figure in the People's Front. The tussling we are seeing between the BPP and People's Front is primarily a battle for "clan" influence, but in the medium term, it may also evolve into a competition between the center-right governing philosophy of Poroshenko and the more leftist leanings of Yatseniuk and his party.

Mriya Reportedly Proposed a 2/3 Debt Haircut to Creditors

by Ivan Dzvinka
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NEWS

Western-Ukraine-based crop grower Mriya, which in August admitting to being in default on some of its obligations, proposed a haircut of two-thirds of its debt of USD 1.3bn to investors, Ukrainian Forbes reported on Wednesday (Oct 28) citing one of the company's creditors present at an Oct 24 meeting. According to the cited creditor, Big-4 auditing company Ernst & Young, which had previously audited Mriya's financials, has refused to do a new audit of the troubled group. Also, the creditors reportedly asked Mriya to allow one a representative designated by them into the company to follow its development from the inside. Mriya refused that proposal (see our Oct 28 new for more on the creditors' reaction).

COMMENTARY

The immense level of the proposed haircut and Mriya's refusal to provide the creditors' representative with access to internal operations confirm our view that the creditors will be forced to ask the Ukrainian national authorities for help in an investigation of the company's business as well as receiving better conditions in the restructuring process. However, the prospects for government support of the creditors looks unclear to us at this point, as the new government has not even been formed yet, and will have more pressing issues on its plate than Mriya once it is indeed in place.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.78	0.56	-29%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	89.7	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	8.60	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	7.35	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	2.62	U/R	--	Susp.	Avdyivka Coke was forced to shut down operations amid military conflict in the region.
Yasynivsky Coke	YASK	0.46	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	0.47	2.9	528%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	13.9	U/R	--	U/R	
LuganskTeplovoz	LTPL	1.25	U/R	--	U/R	LuganskTeplovoz was forced to shut down operations amid military conflict in the region.
Specialized Machinery						
Motor Sich	MSICH	2240	5250	134%	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	6.3	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	38.4	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	33.8	72.0	113%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.62	15.00	97%	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	10.9	15.65	44%	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	31.5	90.0	186%	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	6.3	8.93	42%	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	72.0	U/R	--	U/R	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 15% 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	0.124	0.24	94%	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	1104.98	1368.76	821.17	-2.9%	1.3%	1.3%	21.4%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.025	0.05	0.02	-4.6%	-2.0%	2.0%	-35.6%	-1.7%	-3.2%	0.7%	-57.0%
Azovstal	AZST	0.78	0.95	0.35	-5.1%	11.3%	21.0%	16.3%	-2.3%	10.0%	19.6%	-5.2%
Dniprospezstal	DNSS	175	n/a	n/a	0.0%	0.0%	0.0%	-86.5%	2.9%	-1.3%	-1.3%	-108.0%
Enakievo Steel	ENMZ	27.9	65.0	17.0	-4.2%	-3.1%	5.6%	-12.9%	-1.4%	-4.4%	4.3%	-34.4%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	2.9%	-1.3%	-1.3%	226.4%
Mariupol Ilyicha	MMKI	0.27	n/a	n/a	0.0%	3.8%	80.0%	170.0%	2.9%	2.6%	78.7%	148.6%
Coke												
Avdyivka Coke	AVDK	2.62	3.70	1.46	0.7%	1.5%	9.8%	-11.5%	3.5%	0.3%	8.5%	-32.9%
Yasnyivsky Coking	YASK	0.46	0.84	0.30	0.0%	2.2%	4.5%	-13.2%	2.9%	1.0%	3.2%	-34.6%
Iron Ore Mining												
Centralny GOK	CGOK	7.35	n/a	n/a	0.0%	-4.5%	-4.5%	13.1%	2.9%	-5.8%	-5.9%	-8.3%
Ferrexpo	FXPO	89.7	199.0	85.0	3.6%	-2.5%	-24.2%	-53.1%	6.4%	-3.8%	-25.5%	-74.5%
Pivnichny GOK	SGOK	8.60	9.80	4.50	0.0%	0.0%	3.6%	7.5%	2.9%	-1.3%	2.3%	-13.9%
Coal Mining												
Pokrovske Mine	SHCHZ	0.47	0.79	0.10	0.0%	27.0%	17.5%	17.5%	2.9%	25.8%	16.2%	-3.9%
Komsomolets Donbasa	SHKD	0.83	n/a	n/a	0.0%	0.0%	33.9%	33.9%	2.9%	-1.3%	32.5%	12.4%
Energy Coal	CLE	0.84	2.49	0.55	-1.2%	1.2%	-10.6%	-20.0%	1.7%	0.0%	-12.0%	-41.4%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.30	n/a	n/a	0.0%	0.0%	0.0%	-34.8%	2.9%	-1.3%	-1.3%	-56.2%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.56	1.01	0.32	0.0%	3.7%	14.3%	-6.7%	2.9%	2.5%	13.0%	-28.1%
Interpipe NMPP	NVTR	0.38	n/a	n/a	0.0%	0.0%	8.6%	81.0%	2.9%	-1.3%	7.2%	59.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	13.9	25.0	10.0	-0.2%	0.3%	-12.5%	-19.9%	2.6%	-1.0%	-13.8%	-41.4%
Luhanskeplovoz	LTPL	1.25	1.80	0.85	25.0%	-3.8%	0.0%	-16.7%	27.9%	-5.1%	-1.3%	-38.1%
Stakhanov Wagon	SVGZ	1.22	n/a	n/a	0.0%	2.5%	74.3%	-6.2%	2.9%	1.3%	73.0%	-27.6%
Specialized Machinery												
Bogdan Motors	LUAZ	0.04	0.08	0.02	-13.3%	-14.3%	-2.7%	35.8%	-10.4%	-15.5%	-4.0%	14.4%
Motor Sich	MSICH	2,240	2,879	1,507	-3.9%	-5.4%	-0.5%	22.8%	-1.0%	-6.6%	-1.8%	1.4%
Summy Frunze Engineering	SMASH	5.00	n/a	n/a	-3.8%	-1.2%	-27.5%	100.0%	-1.0%	-2.4%	-28.9%	78.6%
Turboatom	TATM	6.00	n/a	n/a	0.0%	16.5%	33.3%	71.4%	2.9%	15.3%	32.0%	50.0%
WESTA ISIC	WES	0.30	0.80	0.21	-3.2%	0.0%	-3.2%	-25.0%	-0.4%	-1.3%	-4.6%	-46.4%
Telecom												
Ukrtelecom	UTLM	0.19	0.20	0.09	0.0%	0.0%	3.9%	70.0%	2.9%	-1.3%	2.6%	48.6%
Oil & Gas												
Regal Petroleum	RPT	6.25	16.00	4.88	0.0%	-3.8%	-28.6%	-51.0%	2.9%	-5.1%	-29.9%	-72.4%
JKX Oil	JKX	38.38	75.00	36.00	-1.0%	2.3%	-13.8%	-46.5%	1.9%	1.1%	-15.1%	-67.9%
Ukrnafta	UNAF	264	375	54	-1.6%	-1.3%	-19.5%	142.6%	1.2%	-2.6%	-20.8%	121.2%
Power Utilities												
Centrenerg	CEEN	7.62	8.70	3.00	-2.4%	1.0%	1.7%	59.8%	0.5%	-0.3%	0.4%	38.4%
Donbasenergo	DOEN	33.8	50.2	11.0	-2.1%	10.4%	18.6%	22.5%	0.8%	9.1%	17.3%	1.1%
Zakhidenergo	ZAEN	160.4	199.8	76.0	-8.3%	-1.0%	14.2%	77.4%	-5.4%	-2.2%	12.9%	56.0%
Consumer												
Agroton	AGT	2.08	5.5	1.79	-0.5%	11.8%	0.0%	6.7%	2.4%	10.6%	-1.3%	-14.8%
Astarta	AST	31.5	68.5	31.5	-2.3%	-7.3%	-17.1%	-52.9%	0.6%	-8.5%	-18.4%	-74.3%
Avangardo	AVGR	6.3	13.0	6.30	0.0%	-3.1%	-21.2%	-46.4%	2.9%	-4.3%	-22.5%	-67.8%
Industrial Milk Company	IMC	7.10	14.10	6.50	-1.1%	3.6%	-2.7%	-41.6%	1.7%	2.4%	-4.1%	-63.0%
Kernel	KER	26.5	45.1	22.0	2.0%	15.0%	5.2%	-30.4%	4.9%	13.7%	3.8%	-51.8%
Mriya Agro Holding	MAYA	0.62	6.0	0.58	-4.3%	8.0%	-57.2%	-88.5%	-1.5%	6.7%	-58.5%	-109.9%
MHPC	MHPC	10.9	18.5	10.46	0.0%	-5.2%	-13.8%	-35.9%	2.9%	-6.5%	-15.2%	-57.3%
Milkiland	MLK	3.50	13.7	3.47	0.3%	-1.4%	-5.1%	-72.0%	3.1%	-2.7%	-6.5%	-93.4%
Ovostar Union	OVO	72.0	102.0	59.4	1.4%	1.4%	3.6%	-28.0%	4.3%	0.2%	2.3%	-49.4%
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	9.2	n/a	n/a	-2.1%	-2.0%	-16.4%	-26.4%	0.7%	-3.3%	-17.7%	-47.8%
Banks												
Raiffeisen Bank Aval	BAVL	0.124	0.190	0.091	-3.0%	1.0%	-3.3%	9.0%	-0.1%	-0.3%	-4.6%	-12.4%
UkrSotsbank	USCB	0.151	0.205	0.090	1.3%	7.9%	6.9%	-19.5%	4.2%	6.6%	5.6%	-40.9%

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
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	1,400	-181	-31	25	neg	neg	1.8%	-333	-308	33	neg	neg	2.4%
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	765	69	94	47	6.2%	10.3%	6.1%	29	60	22	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	2,393	322	291	223	14.9%	10.4%	9.3%	211	105	-107	9.8%	3.8%	neg
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	50	3.9%	2	1,398	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	361	337	327	\$/tonne
Yenakievo Steel	ENMZ	23	8.8%	2	19	2.6	neg	neg	neg	0.9	0.6	0.0	0.0	0.0	7	7	6	\$/tonne
Azovstal	AZST	252	3.0%	7	241	neg	neg	7.6	neg	neg	9.6	0.1	0.1	0.2	52	53	53	\$/tonne
Coke																		
Avdyivka Coke	AVDK	39	6.8%	3	37	neg	neg	neg	neg	0.8	1.2	0.0	0.0	0.0	9	9	10	\$/tonne
Yasynivsky Coke	YASK	10	9.0%	1	11	1.2	neg	2.1	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	663	0.3%	2	661	7.0	3.4	4.1	2.8	2.1	2.4	1.1	1.0	1.0				
Pivnichny GOK	SGOK	1,524	0.4%	6	1,518	3.5	2.8	3.3	2.0	1.7	1.9	1.1	0.9	1.0				
Ferrexpo	FXPO	846	24.0%	203	1,525	3.9	3.2	3.1	3.8	3.0	3.1	1.1	1.0	1.1				
Coal Mining																		
Komsomolets Donbasa	SHKD	21	5.4%	1	123	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	38	25.0%	10	148	1.0	neg	neg	2.4	7.0	16.5	0.9	1.2	1.5	2.4	7.0	16.5	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	112	2.0%	2	158	3.3	23.8	27.3	3.0	5.0	6.1	0.3	0.5	0.6	250	415	394	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	21	24.0%	5	58	4.4	1.1	0.9	2.0	1.6	1.5	0.3	0.2	0.2				
Kruiiv Wagon	KVBZ	122	5.0%	6	112	1.3	2.9	neg	0.8	2.2	8.4	0.1	0.2	0.8				
Stakhanov Wagon	SVGZ	21	8.0%	2	54	>30	>30	>30	7.5	9.2	9.9	0.2	0.3	0.4				
Specialized Machinery																		
Turboatom	TATM	114	5.8%	7	54	3.0	1.6	1.8	1.0	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	269	7.2%	19	573	5.9	15.8	10.2	2.8	3.0	3.3	0.7	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	1,099	3.0%	33	1,091	6.2	>30	6.8	2.4	3.8	3.4	0.4	0.4	0.4	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	32	21.6%	7	7	2.8	neg	16.2	0.3	neg	0.3	0.2	0.2	0.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	106	50.4%	54	215	neg	16.3	13.6	1.6	3.2	3.1	1.1	1.2	1.1	39	29	29	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	217	21.7%	47	203	7.5	3.6	9.7	3.0	2.2	4.3	0.2	0.2	0.3	11	15	13	\$/MWh
DonbasEnergO	DOEN	61	14.2%	9	121	16.1	0.9	1.5	3.8	1.7	2.7	0.2	0.2	0.2	15	16	15	\$/MWh
Consumer																		
MHP	MHPC	1,152	34.1%	393	2,301	3.7	7.1	neg	4.9	5.9	4.8	1.6	1.5	1.8				
Kernel	KER	641	61.8%	396	1,325	3.0	6.1	neg	4.1	4.6	5.9	0.6	0.5	0.6				
Astarta	AST	239	37.0%	89	560	4.1	7.0	2.9	5.1	6.2	4.1	1.2	1.1	1.0				
Avangardco	AVGR	402	22.5%	91	508	1.8	1.7	2.5	1.8	1.7	2.2	0.8	0.8	0.9	115	87	82	\$/mneggs
Agroton	AGT	14	26.2%	4	63	2.0	neg	neg	3.1	8.3	18.1	0.7	0.8	0.7	n/a	n/a	n/a	
Banks																		
							P/E			P/Book								P/Assets
Raiffeisen Bank Aval	BAVL	286	3.5%	10		>30	3.2	neg	0.4	0.3	0.5	0.05	0.05	0.07				
Ukrsotsbank	USCB	214	1.0%	2		>30	>30	21.1	0.3	0.2	0.3	0.07	0.06	0.08				

Source: Eavex Research

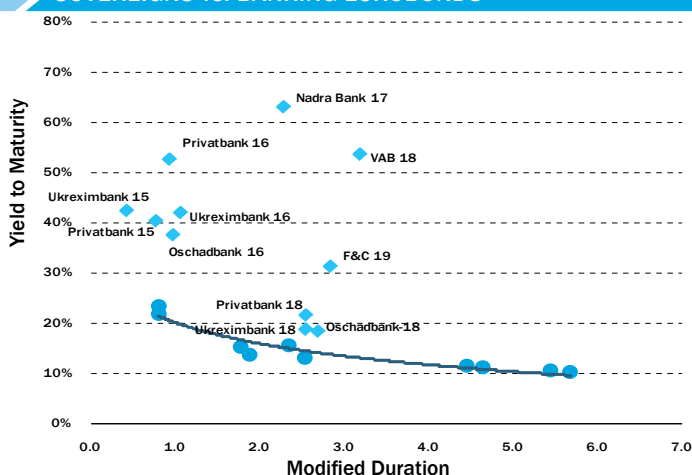
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2015 (EUR)	88.5	90.5	25.2%	21.1%	-6.8%	0.8	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	91.7	93.2	24.1%	20.8%	-5.4%	0.8	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	88.5	90.0	14.5%	13.4%	-5.1%	1.8	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	89.6	90.8	12.9%	12.1%	-4.4%	1.8	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	87.2	88.7	12.7%	12.0%	-5.2%	2.5	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	90.7	91.8	14.7%	14.1%	-8.0%	2.3	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CCC
Ukraine, 2017 Infr. projects	81.5	83.0	19.9%	18.9%	-0.5%	2.3	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	80.5	82.0	17.1%	16.2%	3.5%	2.8	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	88.0	89.5	11.1%	10.7%	-4.6%	4.4	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	88.8	90.3	10.7%	10.4%	-4.4%	4.6	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	85.2	87.7	10.8%	10.2%	-5.0%	5.4	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	85.2	86.7	10.1%	9.9%	-5.0%	5.9	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2019	30.0	35.1	90.7%	67.8%	-37.6%	1.4	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	98.5	100.5	13.5%	9.2%	-3.9%	0.5	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	86.1	87.9	11.8%	11.3%	-2.6%	4.1	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	85.0	90.0		36.6%	-10.7%		10.00%	S/A	29 Oct 2015	200	/CCC/
UkrLandFarming, 2018	62.9	65.0	28.6%	27.3%	-29.1%	2.4	10.88%	S/A	26 Mar 2018	500	/CCC/CCC
Mriya, 2016	20.0	25.0	195.1%	161.0%	-77.6%	0.5	10.95%	S/A	30 Mar 2016	72	/SD/C
Mriya, 2018	20.0	25.0	81.8%	69.0%	-74.2%	1.8	9.45%	S/A	19 Apr 2018	400	/SD/C
DTEK, 2015	85.9	87.0	44.8%	41.6%	-15.2%	0.4	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	64.0	65.0	23.8%	23.3%	-31.6%	2.6	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	79.0	82.0	60.7%	52.0%	-21.5%	0.4	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	69.0	71.0	25.1%	23.8%	-26.3%	2.4	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	94.0	95.4	15.2%	13.5%	-3.3%	1.3	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	72.1	74.5	21.0%	19.8%	-20.1%	2.6	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interpipe, 2017	50.0	60.0	65.8%	40.6%	-35.0%	1.4	10.25%	S/A	2 Aug 2017	200	//
JXX Oil&Gas, 2018	82.8	84.9	18.9%	18.0%	-24.5%	2.7	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	45.0	55.0	35.1%	28.0%	-39.8%	2.8	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	69.0	69.0	269.4%	269.4%	-29.9%	0.1	11.00%	Q	31 Dec 2014	275	Caa3//
Nadra Bank, 2018	45.0	50.0	69.9%	59.1%	-41.0%	2.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	76.0	80.0	44.6%	37.6%	-14.3%	0.7	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	65.0	69.0	57.5%	48.1%	-11.8%	0.9	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	75.4	78.4	21.6%	20.1%	-8.2%	2.5	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	88.0	90.0	37.2%	31.9%	-7.3%	0.4	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	73.0	75.0	33.4%	30.9%	-13.2%	1.0	8.40%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	79.0	80.3	17.5%	16.9%	-10.7%	2.5	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	40.0	45.0	59.0%	51.4%	-50.3%	2.1	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	81.0	83.0	38.1%	33.7%	-11.9%	1.1	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	79.0	80.2	17.6%	16.9%	-10.6%	2.7	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	78.0	81.0	57.6%	52.6%	-14.5%	0.6	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	75.0	80.0	29.0%	24.4%	-16.7%	1.4	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

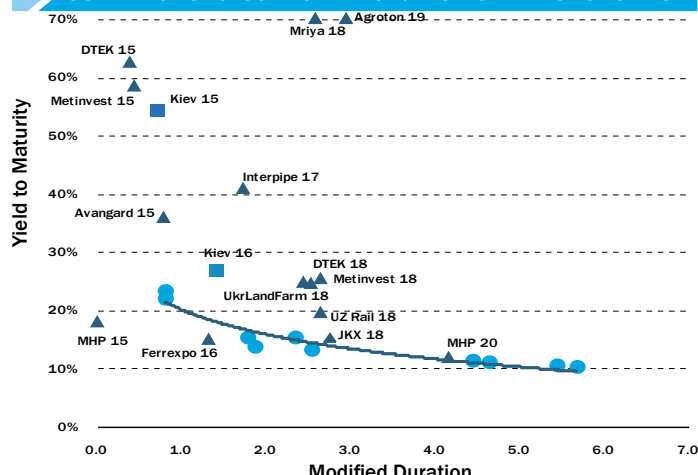
¹ Moody's/S&P/Fitch; * EUR

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			19.0%	15.5%	n/a	14.30%	S/A	20 May 2015	n/a
UA4000142665			21.0%	16.5%	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			20.0%	17.5%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			20.0%	17.5%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			20.0%	17.5%	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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