

Market Update

Equity

Local Ukrainian stocks continued to get hammered by the double-whammy of declining quotes and a slumping hryvnia on Monday (Nov 10). The re-escalation of hostilities in the Donbass is unnerving investors, who pushed the UX index down by 1.7% to 1072 points. Alchevsk Steel sunk further into all-time low territory, shedding 2.7% to 2.19 kopecks, while Azovstal, DonbasEnergo, and Motor Sich also lost more than 2% each and volume leader UkrNafta edged down 0.8% on turnover of UAH 2.0mn. Outside the UX basket, there was some action in the stock of heavy truck producer AvtoKraz (KRAZ), which jumped 41% from its previously-listed price to near 13 kopecks. In London, top Ukrainian issues Ferrexpo and MHP both continued to slide, falling by 2.3% each to close at GBP 77.90 and USD 10.70, respectively. In Warsaw, Astarta got clobbered for a third straight day, plunging 13.1% to PLN 19.40.

Fixed Income

Ukrainian sovereigns were moderately lower on Monday with Ukraine-23s down by 0.3p.p. to 79.3/80.8 (11.4%/11.1%). Most corporate names also finished in the red, with DTEK-18s declining by 1.5p.p. to close at 62.5/63.5 (24.9%/24.3%). Meanwhile, quotes for PUMB-14s improved by 3.0p.p. to 70.0/71.0 after the bank reportedly proposed a restructuring offer yesterday.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	264.30	-0.8%	2.0	24
Motor Sich	MSICH	2250.00	-2.1%	1.5	114
Centrenergo	CEEN	7.48	-1.1%	0.9	71

Growth Leaders

KRAZ	KRAZ	0.13	41.6%	0.51	19
Mariupol Ilyicha	MMKI	0.24	9.3%	0.47	36
Yenakievo Steel	ENMZ	24.80	0.9%	0.01	13

Loss Leaders

Mariupol Heavy Machine	MZVM	0.11	-36.5%	0.016	9
Stakhanov Wagon	SVGZ	0.62	-31.0%	0.013	11
Donbasenergo	DOEN	32.00	-2.9%	0.545	18

Highlights

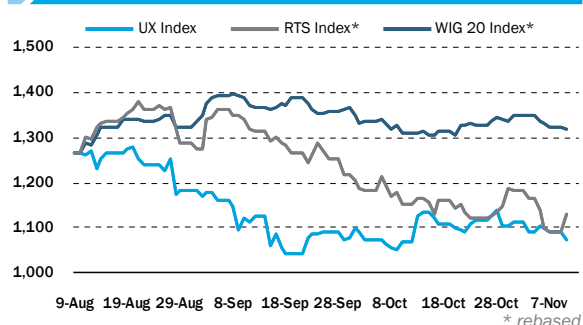
STOCKS IN THE NEWS

- > Avdyivka Coke Coming Under Systematic Artillery Fire

FIXED INCOME

- > PUMB Offers 15% Redemption to Bondholders Who Agree to 2018 Restructuring

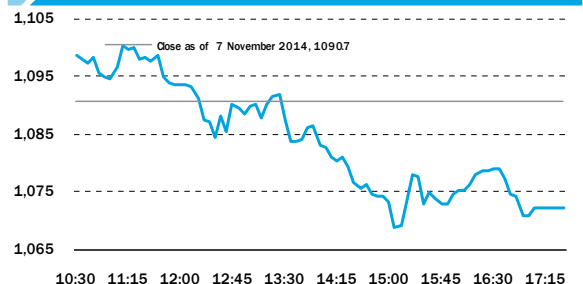
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1072.2	-1.7%	0.1%	17.8%
RTS	1045.5	3.8%	-1.8%	-27.5%
WIG20	2407.1	-0.4%	0.6%	0.3%
MSCI EM	997.7	1.0%	0.8%	-0.4%
S&P 500	2038.3	0.3%	6.9%	10.7%

UX INTRADAY NOVEMBER 10, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	347.8	-1.2%	-0.6%	5.1%
CDS 5Y UKR	1336.3	2.0%	-1.6%	62.9%
Ukraine-17	13.8%	0.0 p.p.	0.6 p.p.	4.8 p.p.
Ferrexpo-16	13.6%	0.3 p.p.	0.6 p.p.	4.7 p.p.
Ukraine-23	11.2%	0.1 p.p.	0.1 p.p.	3.7 p.p.
Privatbank-16	50.6%	8.0 p.p.	8.0 p.p.	30.2 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	14.85	2.3%	14.7%	80.2%
EUR	18.45	2.0%	12.8%	62.3%
RUB	0.33	4.9%	2.5%	31.1%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	219.4	0.0%	4.2%	-23.7%
Steel, USD/t	487.5	-3.0%	-7.6%	-9.3%
Oil, USD/bbl	82.3	-1.3%	-9.1%	-23.2%
Gold, USD/oz	1151.4	-2.3%	-5.9%	-3.8%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Avdyivka Coke Coming Under Systematic Artillery Fire

by Ivan Dzvinka
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AVDYIVKA COKE (AVDK UK)

Price: UAH 2.33 Market Cap: USD 31mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2013	0.05	nm	neg	nm	0%
2014E	0.08	nm	neg	nm	0%

NEWS

Avdyivka Coke, Ukraine's largest coke producer, came under heavy artillery fire over the weekend, the company's parent group Metinvest reported on Monday (Nov 10). The attack damaged all three electricity lines supplying the plant. The company provided heating of the coke oven with natural gas, as allowing the coke oven to cool off makes the equipment unusable. As of time of Metinvest's release, the supply of electricity via one line was renewed.

COMMENTARY

This was third artillery attack on the Avdyivka plant since the beginning of this month. It looks clear from a military point of view that this shelling is not random, but is part of a concerted effort by pro-Russian separatists to take control of the town of Avdyivka, which is located on the perimeter of Ukrainian-government controlled territory northwest of Donetsk. We suppose that the separatists want to force Metinvest majority owner Rinat Akhmetov to pay "taxes" to them in order to allow continued operations at Avdyivka Coke, which supplied some 55% of Metinvest's group-wide coke inputs in 1H14. A loss of production from Avdyivka would threaten to reduce the operational results of Metinvest's steel mills, exacerbating the risk of a further decline in the group's steel output in the near term.

PUMB Offers 15% Redemption to Bondholders Who Agree to 2018 Restructuring

by Dmitry Churin
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NEWS

First Ukrainian International Bank (PUMB), which is affiliated with the SCM group of industrialist Rinat Akhmetov, announced a restructuring offer for its outstanding USD 252mn, 11% PUMB-14 Eurobonds due on Dec 31, Interfax said on Monday (Nov 10). The offer foresees an extension of the bond redemption to a final maturity date of 31 December 2018. Bondholders who vote in favor of the offer by 5pm London time on Nov 18 will be entitled to a partial redemption of 15% of the principal on the original maturity date next month, while bondholders that agree to the offer by Nov 24 will be entitled to a partial redemption equal to 10%.

COMMENTARY

It has long been expected that PUMB would try to restructure the outstanding bonds, as the economic situation in the country does not allow the bank to raise additional financing. We think that PUMB has enough resources to redeem the bonds, but that Akhmetov wants to prevent an outflow of capital from his business group. PUMB had a capital adequacy ratio of 18.1% as of 30 Sept 2014, a nonperforming loan (NPL) level of 18.9%, and Provisions/NPL ratio of 86%, according to the bank's 9M14 report; none of these figures indicate that the bank is in particular trouble.

PUMB-14s are currently quoted at 71 cents on the dollar, and based on this, we estimate the yield for the offer (i.e. redemption of 15% of principal on Dec 31) at 26.5%.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.75	0.56	-25%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	77.9	108.0	39%	HOLD	Exacerbated issue of global ore oversupply together with sluggish growth in demand will likely keep iron ore prices at depressed level at least in the short run boding bad for Ferrexpo's earnings.
Pivnichny GOK	SGOK	8.10	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	7.30	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	2.33	U/R	--	Susp.	Avdyivka Coke was forced to shut down operations amid military conflict in the region.
Yasynivsky Coke	YASK	0.40	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	0.43	2.9	591%	BUY	We expect Pokrovske Mine to double its coking coal extraction to 9.5mn tonnes over 2010-15.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	13.3	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	2250	5250	133%	BUY	Motor Sich should see its sales grow with a 2012-2016E CAGR of 9%, reaching USD 1.2bn. For 2012-2016, we forecast an average EBITDA margin of 35% and a net margin of 28%.
Turboatom	TATM	5.00	8.9	78%	BUY	We model Turboatom's revenue as increasing at 18% CAGR over 2012-2015. Deliveries of hydro and steam turbines to export markets will remain the company's key revenue drivers.
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	39.0	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	32.0	72.0	125%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.48	15.00	101%	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	10.7	15.65	46%	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	19.4	90.0	364%	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	6.2	8.93	45%	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	72.5	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	0.121	0.24	99%	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	1072.24	1368.76	821.17	-1.7%	-1.7%	0.1%	17.8%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.022	0.05	0.02	-2.7%	-6.8%	-9.5%	-43.6%	-1.0%	-5.1%	-9.6%	-61.4%
Azovstal	AZST	0.75	0.95	0.35	-2.5%	-3.4%	14.8%	11.2%	-0.8%	-1.7%	14.7%	-6.6%
Dniprospezstal	DNSS	175	n/a	n/a	0.0%	0.0%	0.0%	-86.5%	1.7%	1.7%	-0.1%	-104.4%
Enakievo Steel	ENMZ	24.8	65.0	17.0	0.1%	-6.1%	-2.9%	-22.5%	1.8%	-4.4%	-3.1%	-40.3%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	1.7%	1.7%	-0.1%	230.0%
Mariupol Ilyicha	MMKI	0.24	n/a	n/a	14.3%	-17.2%	-14.3%	140.0%	16.0%	-15.5%	-14.4%	122.2%
Coke												
Avdyivka Coke	AVDK	2.33	3.70	1.46	-2.1%	-7.5%	1.0%	-21.3%	-0.4%	-5.8%	0.8%	-39.1%
Yasnyivsky Coking	YASK	0.40	0.84	0.30	-7.0%	-4.8%	-11.1%	-24.5%	-5.3%	-3.1%	-11.2%	-42.4%
Iron Ore Mining												
Centralny GOK	CGOK	7.30	n/a	n/a	0.7%	-7.6%	0.3%	12.3%	2.4%	-5.9%	0.1%	-5.5%
Ferrexpo	FXPO	77.90	193.0	77.9	-2.4%	-9.0%	-11.3%	-59.2%	-0.8%	-7.3%	-11.5%	-77.0%
Pivnichny GOK	SGOK	8.10	9.80	4.50	0.0%	-5.8%	-0.6%	1.3%	1.7%	-4.1%	-0.7%	-16.6%
Coal Mining												
Pokrovske Mine	SHCHZ	0.43	0.79	0.10	0.0%	0.0%	4.9%	7.5%	1.7%	1.7%	4.7%	-10.3%
Komsomolets Donbasa	SHKD	0.90	n/a	n/a	0.0%	8.4%	8.4%	45.2%	1.7%	10.1%	8.3%	27.3%
Energy Coal	CLE	0.72	2.30	0.55	0.0%	-8.9%	-18.2%	-31.4%	1.7%	-7.2%	-18.3%	-49.3%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.30	n/a	n/a	0.0%	0.0%	0.0%	-34.8%	1.7%	1.7%	-0.1%	-52.6%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.56	1.01	0.32	0.0%	21.7%	12.0%	-6.7%	1.7%	23.4%	11.9%	-24.5%
Interpipe NMPP	NVTR	0.36	n/a	n/a	0.0%	0.0%	0.0%	71.4%	1.7%	1.7%	-0.1%	53.6%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	13.3	25.0	10.0	-0.7%	-3.9%	-6.7%	-23.4%	0.9%	-2.2%	-6.8%	-41.2%
Luhanskeplovoz	LTPL	1.25	1.80	0.85	0.0%	0.0%	9.6%	-16.7%	1.7%	1.7%	9.5%	-34.5%
Stakhanov Wagon	SVGZ	0.62	n/a	n/a	-43.6%	-22.5%	-51.9%	-52.3%	-41.9%	-20.8%	-52.1%	-70.1%
Specialized Machinery												
Bogdan Motors	LUAZ	0.04	0.08	0.02	0.0%	23.8%	-7.9%	35.5%	1.7%	25.5%	-8.1%	17.6%
Motor Sich	MSICH	2,250	2,879	1,507	-2.1%	0.0%	3.2%	23.4%	-0.4%	1.7%	3.0%	5.5%
Summy Frunze Engineering	SMASH	5.40	n/a	n/a	0.0%	0.0%	-10.0%	116.0%	1.7%	1.7%	-10.1%	98.2%
Turboatom	TATM	6.00	n/a	n/a	0.0%	0.0%	33.3%	71.4%	1.7%	1.7%	33.2%	53.6%
WESTA ISIC	WES	0.28	0.80	0.21	0.0%	-6.7%	7.7%	-30.0%	1.7%	-5.0%	7.6%	-47.8%
Telecom												
Ukrtelecom	UTLM	0.18	0.20	0.09	0.0%	0.0%	-3.7%	63.6%	1.7%	1.7%	-3.9%	45.8%
Oil & Gas												
Regal Petroleum	RPT	6.25	16.00	4.88	0.0%	0.0%	-10.7%	-51.0%	1.7%	1.7%	-10.8%	-68.8%
JKX Oil	JKX	39.00	75.00	36.00	2.0%	2.0%	-17.0%	-45.6%	3.6%	3.7%	-17.2%	-63.5%
Ukrnafta	UNAF	264	375	54	-0.8%	-1.0%	-26.0%	143.4%	0.9%	0.7%	-26.1%	125.5%
Power Utilities												
Centrenerg	CEEN	7.48	8.70	3.00	-1.1%	0.0%	2.3%	56.9%	0.6%	1.7%	2.1%	39.1%
Donbasenergo	DOEN	32.0	50.2	11.0	-2.9%	-1.1%	11.1%	16.0%	-1.2%	0.6%	11.0%	-1.8%
Zakhidenergo	ZAEN	153.8	199.8	76.0	0.0%	-0.8%	8.2%	70.1%	1.7%	0.9%	8.1%	52.3%
Consumer												
Agroton	AGT	1.52	5.5	1.52	0.0%	-24.4%	-17.8%	-22.1%	1.7%	-22.7%	-18.0%	-39.9%
Astarta	AST	19.41	68.0	19.4	-13.3%	-35.6%	-45.1%	-71.0%	-11.6%	-33.9%	-45.2%	-88.8%
Avangardo	AVGR	6.15	12.9	6.15	-0.8%	-4.9%	-15.8%	-47.7%	0.9%	-3.2%	-15.9%	-65.5%
Industrial Milk Company	IMC	6.79	14.10	6.50	-4.2%	-7.5%	1.3%	-44.1%	-2.5%	-5.8%	1.2%	-61.9%
Kernel	KER	23.12	45.1	22.0	-2.5%	-10.0%	-3.9%	-39.3%	-0.8%	-8.3%	-4.0%	-57.1%
Mriya Agro Holding	MAYA	1.43	6.0	0.58	-4.7%	58.8%	6.6%	-73.5%	-3.0%	60.5%	6.5%	-91.4%
MHPC	MHPC	10.70	18.5	10.00	-2.3%	-1.4%	-7.0%	-37.1%	-0.6%	0.3%	-7.1%	-54.9%
Milkiland	MLK	2.62	13.0	2.60	0.8%	-14.1%	-25.1%	-79.0%	2.5%	-12.4%	-25.3%	-96.9%
Ovostar Union	OVO	72.5	100.0	59.4	0.7%	-3.2%	8.0%	-27.5%	2.4%	-1.5%	7.8%	-45.3%
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	8.5	n/a	n/a	0.0%	-5.2%	-5.2%	-31.8%	1.7%	-3.5%	-5.4%	-49.6%
Banks												
Raiffeisen Bank Aval	BAVL	0.121	0.190	0.091	-1.9%	-1.5%	-1.9%	6.4%	-0.3%	0.2%	-2.0%	-11.4%
UkrSotsbank	USCB	0.148	0.205	0.090	0.0%	-2.6%	9.6%	-21.1%	1.7%	-0.9%	9.4%	-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
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	555	-112	46	-42	neg	5.0%	neg	-137	-6	-17	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	-13	10.6%	5.8%	neg
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	38	3.9%	1	1,387	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	358	334	324	\$/tonne
Yenakievo Steel	ENMZ	18	8.8%	2	14	2.1	neg	neg	neg	0.6	0.4	0.0	0.0	0.0	5	5	5	\$/tonne
Azovstal	AZST	211	3.0%	6	200	neg	neg	6.3	neg	neg	8.0	0.1	0.1	0.1	43	44	44	\$/tonne
Coke																		
Avdyivka Coke	AVDK	31	6.8%	2	-18	neg	neg	neg	neg	-0.4	neg	0.0	0.0	0.0	-4	-4	-5	\$/tonne
Yasynivsky Coke	YASK	7	9.0%	1	8	0.9	neg	1.6	0.3	0.3	0.4	0.0	0.0	0.0	0.3	0.3	0.4	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	576	0.3%	1	575	6.1	3.0	3.5	2.5	1.8	2.1	0.9	0.8	0.9				
Pivnichny GOK	SGOK	1,257	0.4%	5	1,250	2.9	2.3	2.7	1.7	1.4	1.5	0.9	0.8	0.8				
Ferrexpo	FXPO	735	24.0%	176	1,414	3.4	2.8	2.7	3.5	2.8	2.9	1.0	0.9	1.0				
Coal Mining																		
Komsomolets Donbasa	SHKD	20	5.4%	1	122	2.8	1.2	1.2	1.0	1.3	1.3	0.4	0.6	0.5	30	29	27	\$/tonne
Coal Energy	CLE	33	25.0%	8	143	0.9	neg	neg	2.3	6.7	15.9	0.9	1.1	1.4	2.3	6.7	15.9	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	98	2.0%	2	144	2.9	20.9	23.9	2.8	4.6	5.6	0.3	0.5	0.5	228	378	359	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	18	24.0%	4	56	3.8	1.0	0.8	1.9	1.6	1.5	0.3	0.2	0.2				
Kruiw Wagon	KVBZ	102	5.0%	5	92	1.1	2.5	neg	0.7	1.8	6.9	0.1	0.2	0.6				
Stakhanov Wagon	SVGZ	9	8.0%	1	42	16.1	17.8	20.4	5.9	7.2	7.7	0.1	0.2	0.3				
Specialized Machinery																		
Turboatom	TATM	100	5.8%	6	39	2.6	1.4	1.5	0.8	0.4	0.5	0.2	0.2	0.2				
Motor Sich	MSICH	315	24.0%	76	306	1.6	1.9	1.7	1.0	1.1	1.2	0.3	0.3	0.3				
Telecom																		
Ukrtelecom	UTLM	227	7.2%	16	531	5.0	13.3	8.6	2.6	2.8	3.1	0.6	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	965	3.0%	29	960	5.5	>30	6.0	2.1	3.4	3.0	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	108	50.4%	54	216	neg	16.6	13.8	1.6	3.3	3.2	1.1	1.2	1.1	40	30	29	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	186	21.7%	40	173	6.5	3.1	8.3	2.5	1.8	3.7	0.2	0.2	0.2	10	12	11	\$/MWh
DonbasEnergO	DOEN	51	14.2%	7	111	13.3	0.8	1.3	3.5	1.5	2.5	0.2	0.2	0.2	14	14	14	\$/MWh
Consumer																		
MHP	MHPC	1,131	34.1%	386	2,280	3.6	7.0	neg	4.9	5.8	4.8	1.6	1.5	1.7				
Kernel	KER	559	61.8%	345	1,243	2.7	5.3	neg	3.9	4.3	5.6	0.6	0.4	0.5				
Astarta	AST	147	37.0%	55	543	2.5	4.3	neg	4.9	6.0	3.9	1.2	1.1	1.0				
Avangardco	AVGR	393	22.5%	88	499	1.7	1.6	2.4	1.8	1.7	2.1	0.8	0.8	0.8	113	86	81	\$/mneggs
Agroton	AGT	10	26.2%	3	59	1.5	neg	neg	2.9	7.8	17.0	0.7	0.7	0.7	n/a	n/a	n/a	
Banks																		
Raiffeisen Bank Aval	BAVL	244	3.5%	9		>30	2.7	neg	0.3	0.3	0.4	0.04	0.05	0.06				
Ukrsotsbank	USCB	183	1.0%	2		>30	>30	21.1	0.2	0.2	0.2	0.07	0.06	0.08				

Source: Eavex Research

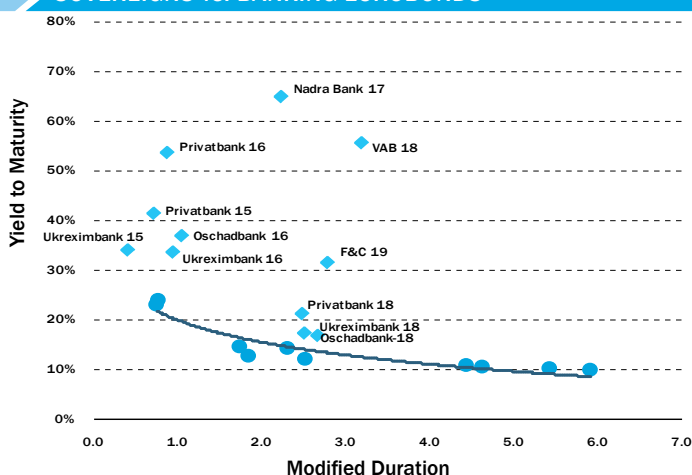
UKRAINIAN EUROBONDS

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)	88.8	91.0	25.9%	21.0%	-6.3%	0.7	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	88.2	89.7	35.6%	30.9%	-8.9%	0.7	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	83.9	84.9	18.2%	17.4%	-10.2%	1.7	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	86.3	87.6	15.3%	14.4%	-7.8%	1.8	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	82.4	83.9	15.3%	14.5%	-10.3%	2.4	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	85.8	87.1	17.7%	16.9%	-12.9%	2.3	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CCC
Ukraine, 2017 Infr. projects	82.5	84.5	19.5%	18.1%	1.1%	2.4	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	82.5	83.8	16.1%	15.5%	5.9%	2.8	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	83.1	84.6	12.5%	12.1%	-9.9%	4.3	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	82.9	84.9	12.3%	11.8%	-10.4%	4.5	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	81.2	82.7	11.7%	11.3%	-10.0%	5.3	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	79.3	80.8	11.4%	11.1%	-11.6%	5.8	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2019	30.0	34.1	95.4%	73.0%	-38.6%	1.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	99.0	101.0	12.5%	8.0%	-3.4%	0.4	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	86.0	87.8	11.8%	11.3%	-2.8%	4.1	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	86.0	90.0	#NUM!	40.4%	-10.2%		10.00%	S/A	29 Oct 2015	200	/CCC/
UkrLandFarming, 2018	65.0	67.0	27.4%	26.2%	-26.8%	2.4	10.88%	S/A	26 Mar 2018	500	/CCC/CCC
Mriya, 2016						0.5	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	20.0	25.0	83.3%	70.2%	-74.2%	1.8	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	88.9	88.9	37.6%	37.6%	-12.8%	0.4	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	62.5	63.5	24.9%	24.3%	-33.2%	2.6	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	82.0	85.0	54.7%	46.0%	-18.5%	0.4	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	68.8	71.1	25.5%	23.9%	-26.4%	2.4	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	92.3	93.6	17.5%	15.6%	-5.1%	1.2	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	70.0	73.0	22.2%	20.7%	-22.0%	2.5	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interpipe, 2017	55.0	65.0	53.2%	35.4%	-28.5%	1.6	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	82.4	84.6	19.2%	18.2%	-24.8%	2.6	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	45.0	55.0	35.3%	28.1%	-39.8%	2.8	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	71.0	71.0	322.4%	322.4%	-27.9%	0.1	11.00%	Q	31 Dec 2014	275	Caa3//
Nadra Bank, 2018	45.0	50.0	74.1%	62.3%	-41.0%	2.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	74.0	78.0	49.9%	42.3%	-16.5%	0.7	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	60.0	64.0	79.2%	63.7%	-18.4%	0.8	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	75.3	78.1	21.8%	20.3%	-8.4%	2.5	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	86.5	88.0	43.7%	39.3%	-9.1%	0.4	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	72.0	74.0	35.6%	33.0%	-14.4%	0.9	8.40%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	78.3	79.1	18.0%	17.6%	-11.8%	2.5	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	40.0	45.0	60.4%	52.5%	-50.3%	2.1	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	79.0	80.0	46.7%	43.3%	-14.6%	1.0	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	76.0	77.5	18.8%	18.1%	-13.8%	2.6	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	77.8	78.7			-15.8%	0.6	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	75.0	77.3	29.4%	27.2%	-17.8%	1.3	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

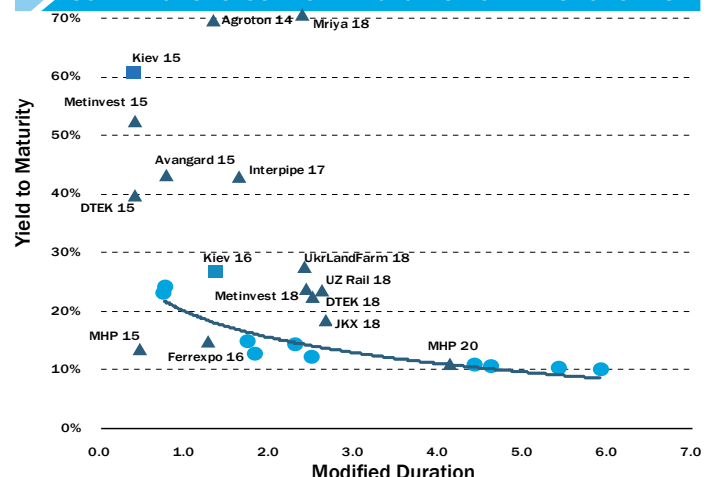
¹ Moody's/S&P/Fitch; * EUR

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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