

Market Update

Equity

Kyiv-listed stocks ended mostly higher on Monday (Nov 24), although the positive impulse was not strong enough to pull the UX index out of its 9-session sideways trend. The indicator rose by a moderate 0.6% to close at 988 points. Heavyweight Motor Sich (MSICH) added the most points to the gauge, advancing by 1.5% to UAH 2032. In the utility sector, DonbasEnergo (DOEN) climbed by 0.9% while CentrEnergo (CEEN) was nearly unchanged; neither issue appeared to be affected by reports that thermal coal supplies from Russia have been interrupted for unspecified reasons. Krukiv Wagon (KVBZ) picked up 0.9% to UAH 11.80 thanks to news that the Ukrainian national railway operator is considering a new order for the company's passenger trains. In London, Ferrexpo (FXPO) continued on the downswing, sliding 2.9% to GBp 71.15. Warsaw-listed Ukrainian names were under pressure, with Astarta (AST) slumping 7.5% to PLN 16.92 and low-liquidity Ovostar (OVO) down 2.8%. Distressed Donbass-based issue Agroton (AGT) plunged by a further 12.8% to PLN 1.23 after the company asked its bondholders to postpone by an additional year the payment of 3 semi-annual coupon payments that had previously been delayed to January 2015.

Fixed Income

Ukrainian sovereigns sold off rather sharply on Monday, giving back their rebound from the previous week, as Western analysts have expressed increasing dissatisfaction with the Poroshenko regime's economic reform record. Benchmark Ukraine-23s declined by 2.6p.p. to 75.4/76.9 (12.3%/11.9%) and Ukraine-17s dropped by 1.7p.p., closing at 82.3/83.5 (17.9%/17.2%). Corporate names were largely flat, with only Metinvest-18s showing a notable change; the issue fell 1.0p.p. to finish at 65.0/67.1 (25.3%/24.0%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2032.00	1.6%	1.7	58
Ukrnafta	UNAF	227.40	1.9%	1.3	16
Donbasenergo	DOEN	32.16	0.9%	0.6	14

Growth Leaders

Yenakievo Steel	ENMZ	19.21	4.2%	0.06	115
Alchevsk Steel	ALMK	0.02	3.7%	0.02	29
Dniproenergo	DNEN	647.50	2.8%	0.16	10

Loss Leaders

Mariupol Ilyicha	MMKI	0.19	-5.0%	0.161	8
Khartsyzk Pipe	HRTR	0.42	-4.8%	0.013	7
Avdyivka Coke	AVDK	1.92	-2.9%	0.243	24

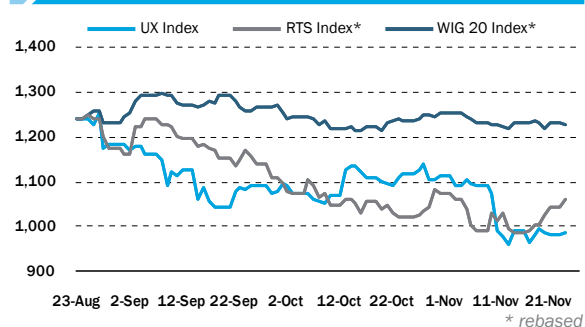
POLITICS AND ECONOMICS

- > Poroshenko: No NATO Referendum for At Least 6 Years

FIXED INCOME

- > PrivatBank Increasing Charter Capital by UAH 1.6bn

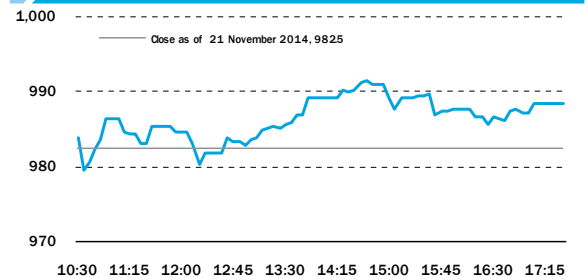
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	988.5	0.6%	-11.4%	8.6%
RTS	1076.2	1.6%	3.8%	-25.4%
WIG20	2410.7	-0.3%	-0.6%	0.4%
MSCI EM	1011.2	0.7%	2.7%	0.9%
S&P 500	2069.4	0.3%	5.3%	12.4%

UX INTRADAY NOVEMBER 24, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	348.9	-0.1%	-0.3%	5.5%
CDS 5Y UKR	1525.3	3.4%	24.8%	85.9%
Ukraine-17	14.5%	0.7 p.p.	2.3 p.p.	5.4 p.p.
Ferrexpo-16	20.1%	0.1 p.p.	7.8 p.p.	11.3 p.p.
Ukraine-23	12.1%	0.6 p.p.	1.8 p.p.	4.6 p.p.
Privatbank-16	63.2%	4.0 p.p.	21.7 p.p.	42.8 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	15.10	-0.7%	16.2%	83.3%
EUR	18.79	-0.2%	14.0%	65.2%
RUB	0.34	0.9%	8.1%	33.7%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	225.5	0.0%	-0.3%	-21.5%
Steel, USD/t	475.0	-1.6%	-10.0%	-11.6%
Oil, USD/bbl	79.7	-0.8%	-7.9%	-25.7%
Gold, USD/oz	1197.1	-0.4%	-2.7%	0.0%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Poroshenko: No NATO Referendum for At Least 6 Years

by Will Ritter
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NEWS

President Poroshenko on Monday (Nov 24) acknowledged that a national referendum on Ukraine's possible entry into the NATO defense alliance is at least six years away. The President, quoted by Bloomberg News, said Ukraine needs time to move from "empty declarations" and complete real policy changes needed for NATO and EU membership. "We have worked out an intense plan for the next six years, so that the country meets the criteria to join the EU and to join NATO," Poroshenko said. "And only then the Ukrainian people will decide on joining or not joining, in a referendum."

COMMENTARY

We welcome Poroshenko's comments, as we believe that the international investment community is tired of hearing about the theoretical and distant prospect of Ukraine joining NATO. The Ukraine-NATO discussion, which has been a constant topic in the Ukrainian media overall and particularly on the Poroshenko-owned Channel 5 TV outlet, merely sucks oxygen away from the immediate challenge of reforming the economy and the domestic energy sector in particular. In our view, the NATO talk only provides ammunition to hard-liners in the regime of Russian President Putin, while doing nothing in practical terms to increase Ukraine's security. The populist logic, aired in both local and international media, that NATO is a "silver bullet" for Ukraine that can act as a substitute for market economic reforms is, in our opinion, counter-productive and even delusional.

PrivatBank Increasing Charter Capital by UAH 1.6bn

by Dmitry Churin
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NEWS

PrivatBank, an affiliate of the business group of industrialist and current Dnipropetrovsk governor Igor Kolomoysky, announced a charter capital increase by UAH 1.6bn to UAH 19.7bn (USD 1.3bn), according to the bank's press statement cited by Interfax on Monday (Nov 24). The charter capital increase was approved by PrivatBank shareholders at a general meeting held the same day. The bank did not specify terms of the additional share issue.

COMMENTARY

Although we have no doubt that Mr. Kolomoysky and his partners have enough sources for the capital injection into PrivatBank, there are some questions regarding why the announced capital increase is below the UAH 4.0bn figure which circulated in the Ukrainian business media after the IMF-ordered stress tests. We thus assume that the bank will receive additional support from its shareholders in 1H15. According to PrivatBank's 3Q14 financials, the bank had a capital adequacy ratio of 10.9% as of 30 Sept 2014, just above the NBU mandatory minimum of 10%. The bank's current liquidity for the same date was 89.5%, which is well above the minimum 40% threshold.

PrivatBank reported a 75% YoY drop in net profit to UAH 427mn in 9M14. On the balance sheet side (all figures in UAH terms without adjusting for devaluation), the bank's loan portfolio grew by 5.5% YtD to UAH 150bn, while its deposit portfolio declined by 1.4% YtD to UAH 132bn as of 30 Sept 2014. Total assets declined by 5.9% YtD to UAH 202bn (USD 15.6bn). The bank's foreign-currency-denominated assets accounted for 37.3% of the total assets.

PrivatBank's outstanding USD 175mn Eurobonds due in 2018 are trading at 66.5/68.5 (26.9%/25.7%).

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.70	0.56	-21%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	71.2	108.0	52%	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	8.14	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	7.25	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	1.92	U/R	-	Susp.	Avdyivka Coke experienced several artillery attacks since August 2014 due to its location near the border of occupied territory.
Yasynivsky Coke	YASK	0.31	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	0.32	U/R	-	Susp.	The company's coal production expansion plan were put under high risk of realization due to war in Donbass.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	11.8	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.08	U/R	-	U/R	LuganskTeplovoz was forced to shut down operations amid military conflict in the region.
Specialized Machinery						
Motor Sich	MSICH	2032	5250	158%	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	5.6	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	28.0	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	32.2	72.0	124%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.43	15.00	102%	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	11.3	17.96	60%	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	16.9	90.0	432%	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	4.9	U/R	-	U/R	The company's FY14 results will be hit by the hryvnia devaluation.
Ovostar Union	OVO	70.0	80.8	15%	HOLD	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.
Banks						
Raiffeisen Bank Aval	BAVL	0.103	0.24	133%	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	988.50	1368.76	821.17	0.6%	2.6%	-11.4%	8.6%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.020	0.05	0.01	3.2%	10.1%	-25.2%	-49.5%	2.5%	7.5%	-13.8%	-58.1%
Azovstal	AZST	0.70	0.95	0.35	-0.1%	8.1%	-6.0%	5.1%	-0.8%	5.5%	5.4%	-3.5%
Dniprospezstal	DNSS	175	n/a	n/a	0.0%	0.0%	0.0%	-86.5%	-0.6%	-2.6%	11.4%	-95.2%
Enakievo Steel	ENMZ	19.2	65.0	16.0	4.9%	10.8%	-34.8%	-40.0%	4.2%	8.2%	-23.4%	-48.6%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	-0.6%	-2.6%	11.4%	239.2%
Mariupol Ilyicha	MMKI	0.19	n/a	n/a	-5.0%	-5.0%	-29.6%	90.0%	-5.6%	-7.6%	-18.2%	81.4%
Coke												
Avdyivka Coke	AVDK	1.92	3.70	1.46	-2.9%	0.1%	-27.8%	-35.2%	-3.5%	-2.6%	-16.4%	-43.8%
Yasnyivsky Coking	YASK	0.31	0.84	0.30	3.3%	-11.4%	-34.0%	-41.5%	2.7%	-14.1%	-22.6%	-50.1%
Iron Ore Mining												
Centralny GOK	CGOK	7.25	n/a	n/a	-0.7%	-0.7%	3.0%	11.5%	-1.3%	-3.3%	14.4%	2.9%
Ferrexpo	FXPO	71.15	191.0	71.2	-2.9%	-8.4%	-18.4%	-62.7%	-3.5%	-11.1%	-7.0%	-71.4%
Pivnichny GOK	SGOK	8.14	9.80	4.50	0.0%	0.0%	-5.3%	1.8%	-0.6%	-2.6%	6.1%	-6.9%
Coal Mining												
Pokrovske Mine	SHCHZ	0.32	0.79	0.10	0.0%	14.3%	-31.9%	-20.0%	-0.6%	11.6%	-20.5%	-28.6%
Komsomolets Donbasa	SHKD	0.23	n/a	n/a	0.0%	0.0%	-72.3%	-62.9%	-0.6%	-2.6%	-60.9%	-71.5%
Energy Coal	CLE	0.67	2.17	0.55	-2.9%	-10.7%	-16.3%	-36.2%	-3.5%	-13.3%	-4.8%	-44.8%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.30	n/a	n/a	0.0%	0.0%	0.0%	-34.8%	-0.6%	-2.6%	11.4%	-43.4%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.42	1.01	0.37	-4.5%	-4.5%	-25.0%	-30.0%	-5.2%	-7.2%	-13.6%	-38.6%
Interpipe NMPP	NVTR	0.39	n/a	n/a	0.0%	0.0%	2.6%	85.7%	-0.6%	-2.6%	14.0%	77.1%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.8	25.0	10.0	0.9%	-1.3%	-16.9%	-31.8%	0.2%	-4.0%	-5.5%	-40.4%
Luhanskeplovoz	LTPL	1.08	1.80	0.85	0.0%	0.0%	-16.9%	-28.0%	-0.6%	-2.6%	-5.5%	-36.6%
Stakhanov Wagon	SVGZ	0.50	n/a	n/a	35.1%	-12.3%	-59.0%	-61.5%	34.5%	-14.9%	-47.6%	-70.2%
Specialized Machinery												
Bogdan Motors	LUAZ	0.03	0.08	0.02	-14.0%	0.3%	-28.3%	13.6%	-14.6%	-2.3%	-16.9%	5.0%
Motor Sich	MSICH	2,032	2,879	1,507	1.5%	-1.6%	-14.5%	11.4%	0.9%	-4.2%	-3.1%	2.8%
Summy Frunze Engineering	SMASH	4.50	n/a	n/a	-10.0%	-10.0%	-10.0%	80.0%	-10.6%	-12.6%	1.4%	71.4%
Turboatom	TATM	6.00	n/a	n/a	0.0%	0.0%	0.0%	71.4%	-0.6%	-2.6%	11.4%	62.8%
WESTA ISIC	WES	0.26	0.80	0.21	-3.7%	0.0%	-10.3%	-35.0%	-4.3%	-2.6%	1.1%	-43.6%
Telecom												
Ukrtelecom	UTLM	0.14	0.20	0.09	0.0%	-3.5%	-27.8%	22.8%	-0.6%	-6.1%	-16.3%	14.2%
Oil & Gas												
Regal Petroleum	RPT	5.63	15.63	4.88	0.0%	-10.0%	-13.5%	-55.9%	-0.6%	-12.6%	-2.1%	-64.5%
JKX Oil	JKX	28.00	74.25	28.00	-3.4%	-19.1%	-26.3%	-61.0%	-4.1%	-21.8%	-14.9%	-69.6%
Ukrnafta	UNAF	227	375	54	1.9%	2.5%	-17.0%	109.4%	1.3%	-0.2%	-5.6%	100.8%
Power Utilities												
Centrenerg	CEEN	7.43	8.70	3.00	-0.2%	2.5%	-1.8%	55.8%	-0.9%	-0.1%	9.6%	47.2%
Donbasenergo	DOEN	32.2	50.2	11.0	0.9%	11.9%	-3.2%	16.6%	0.3%	9.2%	8.2%	7.9%
Zakhidenergo	ZAEN	148.0	199.8	80.0	0.0%	9.6%	-8.6%	63.7%	-0.6%	7.0%	2.8%	55.1%
Consumer												
Agroton	AGT	1.23	5.5	1.23	-12.8%	-14.0%	-35.9%	-36.9%	-13.4%	-16.6%	-24.5%	-45.5%
Astarta	AST	16.92	68.0	16.9	-7.5%	-13.6%	-48.7%	-74.7%	-8.2%	-16.3%	-37.3%	-83.3%
Avangardo	AVGR	4.90	12.3	4.85	-2.0%	-5.8%	-24.2%	-58.3%	-2.6%	-8.4%	-12.8%	-66.9%
Industrial Milk Company	IMC	6.75	14.05	6.50	-0.7%	0.0%	-2.2%	-44.4%	-1.4%	-2.6%	9.2%	-53.1%
Kernel	KER	24.38	44.5	22.0	-0.3%	-0.5%	3.8%	-36.0%	-0.9%	-3.1%	15.2%	-44.6%
Mriya Agro Holding	MAYA	0.80	6.0	0.58	-30.0%	-33.3%	39.1%	-85.2%	-30.6%	-36.0%	50.5%	-93.8%
MHPC	MHPC	11.25	18.5	10.00	2.3%	1.4%	1.2%	-33.9%	1.7%	-1.3%	12.6%	-42.5%
Milkiland	MLK	1.99	13.0	1.90	-1.5%	-17.1%	-43.0%	-84.1%	-2.1%	-19.7%	-31.6%	-92.7%
Ovostar Union	OVO	70.0	100.0	59.4	-2.8%	-1.4%	2.2%	-30.0%	-3.4%	-4.0%	13.6%	-38.6%
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	8.2	n/a	n/a	0.0%	2.5%	-12.7%	-34.4%	-0.6%	-0.1%	-1.3%	-43.0%
Banks												
Raiffeisen Bank Aval	BAVL	0.103	0.190	0.091	0.5%	-0.4%	-15.8%	-9.2%	-0.1%	-3.0%	-4.4%	-17.8%
UkrSotsbank	USCB	0.150	0.205	0.090	0.0%	0.0%	0.7%	-20.0%	-0.6%	-2.6%	12.1%	-28.6%

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	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	1,524	468	391	537	33.2%	26.1%	35.2%	311	162	-337	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	0	280	301	0	44.5%	45.6%	#DIV/0!	228	238	0	36.3%	36.0%	#DIV/0!
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	33	3.9%	1	1,382	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	357	333	323	\$/tonne
Yenakievo Steel	ENMZ	13	8.8%	1	10	1.6	neg	neg	neg	0.4	0.3	0.0	0.0	0.0	4	3	3	\$/tonne
Azovstal	AZST	196	3.0%	6	185	neg	neg	5.9	neg	neg	7.4	0.1	0.1	0.1	40	41	41	\$/tonne
Coke																		
Avdyivka Coke	AVDK	25	6.8%	2	-23	neg	neg	neg	neg	-0.5	neg	0.0	0.0	0.0	-5	-6	-6	\$/tonne
Yasynivsky Coke	YASK	6	9.0%	1	6	0.7	neg	1.2	0.2	0.2	0.3	0.0	0.0	0.0	0.2	0.2	0.3	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	563	0.3%	1	561	5.9	2.9	3.5	2.4	1.8	2.0	0.9	0.8	0.9				
Pivnichny GOK	SGOK	1,242	0.4%	5	1,236	2.8	2.3	2.7	1.6	1.4	1.5	0.9	0.8	0.8				
Ferrexpo	FXPO	650	24.0%	156	1,344	3.0	2.5	2.3	3.3	2.7	2.7	0.9	0.9	0.9				
Coal Mining																		
Komsomolets Donbasa	SHKD	5	5.4%	0	107	0.7	0.3	0.3	0.9	1.2	1.1	0.4	0.5	0.5	26	25	24	\$/tonne
Coal Energy	CLE	30	25.0%	8	140	0.8	neg	neg	2.2	6.6	15.6	0.8	1.1	1.4	2.2	6.6	15.6	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	72	2.0%	1	118	2.1	15.4	17.6	2.3	3.8	4.6	0.2	0.4	0.4	187	311	295	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	16	24.0%	4	53	3.2	0.8	0.7	1.8	1.5	1.4	0.2	0.2	0.1				
Kruiiv Wagon	KVBZ	90	5.0%	4	79	0.9	2.2	neg	0.6	1.6	5.9	0.1	0.2	0.6				
Stakhanov Wagon	SVGZ	7	8.0%	1	40	12.7	14.1	16.2	5.6	6.8	7.3	0.1	0.2	0.3				
Specialized Machinery																		
Turboatom	TATM	98	5.8%	6	38	2.6	1.4	1.5	0.7	0.4	0.5	0.2	0.2	0.2				
Motor Sich	MSICH	280	24.0%	67	272	1.4	1.7	1.5	0.9	1.0	1.0	0.3	0.3	0.3				
Telecom																		
Ukrtelecom	UTLM	168	7.2%	12	471	3.7	9.8	6.4	2.3	2.5	2.7	0.6	0.6	0.8				
Oil & Gas																		
Ukrnafta	UNAF	817	3.0%	24	812	4.6	>30	5.1	1.8	2.8	2.5	0.3	0.3	0.3	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	28	21.6%	6	3	2.4	neg	14.1	0.1	neg	0.1	0.1	0.1	0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	75	50.4%	38	183	neg	11.5	9.6	1.3	2.8	2.7	0.9	1.0	0.9	34	25	24	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	182	21.7%	39	168	6.3	3.0	8.7	2.4	1.8	3.8	0.2	0.2	0.2	9	12	11	\$/MWh
DonbasEnergO	DOEN	50	14.2%	7	95	13.2	0.8	1.3	3.0	1.3	2.1	0.2	0.1	0.2	12	12	12	\$/MWh
Consumer																		
MHP	MHPC	1,189	34.1%	405	2,269	3.8	7.3	neg	4.9	5.8	4.2	1.6	1.5	1.5				
Kernel	KER	577	61.8%	357	1,261	2.7	5.5	neg	3.9	4.3	5.7	0.6	0.5	0.5				
Astarta	AST	126	37.0%	47	521	2.2	3.7	neg	4.7	5.7	3.8	1.1	1.1	0.9				
Avangardco	AVGR	313	22.5%	70	419	1.4	1.3	n/a	1.5	1.4	n/a	0.7	0.6	n/a	95	72	68	\$/mneggs
Agroton	AGT	8	26.2%	2	57	1.2	neg	neg	2.8	7.6	16.4	0.6	0.7	0.6	n/a	n/a	n/a	
Banks																		
Raiffeisen Bank Aval	BAVL	205	3.5%	7		>30	2.3	neg	0.3	0.2	0.3	0.03	0.04	0.05				
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

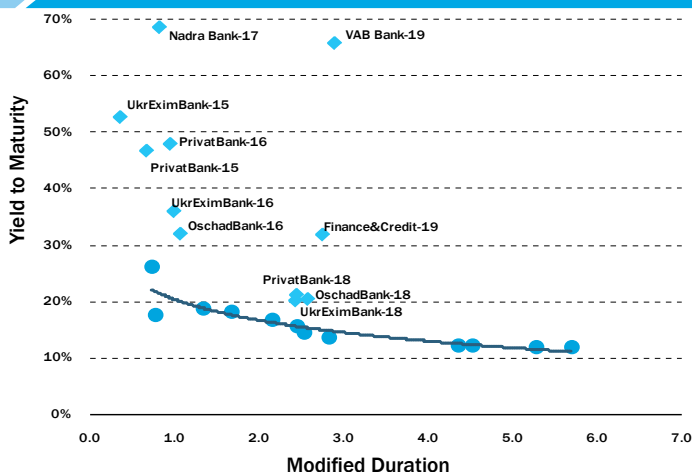
UKRAINIAN EUROBONDS

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)	85.7	87.7	24.6%	21.5%	-9.7%	0.7	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	86.4	87.7	26.4%	24.3%	-11.0%	0.7	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	80.3	81.8	19.0%	17.9%	-13.9%	1.7	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	82.5	83.7	19.9%	18.8%	-11.7%	1.3	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	81.2	82.7	14.8%	14.1%	-11.7%	2.5	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	82.3	83.5	17.9%	17.2%	-16.4%	2.1	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CCC
Ukraine, 2017 Infr. projects	82.5	84.5	16.1%	15.1%	1.1%	2.4	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	82.5	83.8	14.0%	13.5%	5.9%	2.8	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	80.4	82.4	12.6%	12.0%	-12.5%	4.3	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	80.8	82.8	12.5%	11.9%	-12.7%	4.5	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	77.2	79.2	12.4%	11.9%	-14.2%	5.5	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	75.4	76.9	12.3%	11.9%	-16.0%	5.6	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2019	30.0	33.1	43.3%	39.7%	-39.5%	2.8	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	96.0	98.0	20.4%	15.2%	-6.5%	0.4	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	83.6	85.2	12.5%	12.1%	-6.5%	4.0	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	79.0	79.0	38.9%	38.9%	-19.3%	0.7	10.00%	S/A	29 Oct 2015	200	/CCC/
UkrLandFarming, 2018	59.5	59.5	31.1%	31.1%	-31.7%	2.3	10.88%	S/A	26 Mar 2018	500	/CCC/CCC
Mriya, 2016	14.0	18.0	241.3%	200.5%	-84.1%	0.6	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	10.0	18.0	114.5%	80.0%	-83.7%	1.9	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	88.9	88.9	37.6%	37.6%	-12.8%	0.3	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	57.0	60.0	28.7%	26.6%	-37.9%	2.5	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	82.0	85.0	58.3%	48.9%	-18.5%	0.4	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	65.0	67.1	25.3%	24.0%	-25.8%	2.4	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	85.0	86.9	21.1%	19.2%	-12.3%	1.2	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	70.0	72.0	22.3%	21.2%	-21.1%	2.6	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interepipe, 2017	55.0	65.0	38.5%	30.1%	-22.0%	1.9	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	71.2	73.3	25.0%	23.9%	-35.6%	1.8	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	45.0	55.0	35.4%	28.3%	-39.4%	2.7	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	71.0	71.0	350.4%	350.4%	-27.9%	0.1	11.00%	Q	31 Dec 2014	275	Caa3//
Nadra Bank, 2018	45.0	50.0	75.2%	63.1%	-41.0%	0.8	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	71.0	73.0	58.2%	53.9%	-20.9%	0.6	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	55.0	57.0	65.2%	61.2%	-26.3%	0.9	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	66.5	68.5	26.9%	25.7%	-19.2%	2.3	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	86.5	87.5	46.4%	43.3%	-9.8%	0.4	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	72.0	75.0	36.5%	32.5%	-12.0%	1.0	5.79%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	73.0	74.0	20.8%	20.3%	-17.4%	2.4	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	4.0	9.0	646.4%	272.7%	-92.4%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	75.5	77.0	33.0%	31.2%	-18.1%	1.1	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	73.7	75.2	20.1%	19.3%	-16.0%	2.6	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	75.3	77.3	42.4%	38.9%	-17.6%	0.8	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	72.2	73.9	32.7%	30.9%	-21.5%	1.3	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

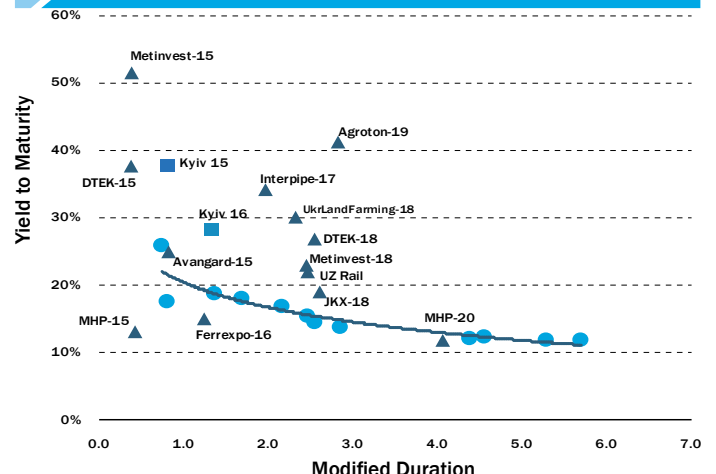
¹ Moody's/S&P/Fitch; * EUR

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			25%	20%	n/a	14.30%	S/A	20 May 2015	n/a
UA4000142665			25%	20%	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			25%	20%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			25%	20%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			25%	20%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			25%	20%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			25%	20%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			25%	20%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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