

Market Update

Equity

Kyiv-listed stocks were mixed on Wednesday (Nov 26), with early losses mostly recovered in the afternoon. The UX index inched down by 0.1% to close at 987 points, its 11th trading session in the tight range of a sideways trend. DonbasEnerg (DOEN) edged up 0.6% to UAH 31.80 after reports that the company has reactivated unit #4 at its Starobeshiv thermal power plant. UkrNafta (UNAF) added 0.7% while Raiffeisen Aval (BAVL) shed 0.8% amid ongoing fears regarding the ability of the country's banking system to withstand the persistent outflow of deposits. In second-tier stocks, there was some action in LuganskTeplovoz (LTPL), which is located on separatist-controlled territory. The stock traded at UAH 1.08 per share, down about 65% from the beginning of 2014 in USD terms. In London, JKC Oil&Gas (JKX) lost 4.3% to GBp 27.75, while MHP (MHPC) added 1.9%. Warsaw-listed Kernel (KER) jumped 9.1% to PLN 26.25 after the company posted solid financial results for the Jul-Sept quarter.

Fixed Income

Ukrainian sovereigns fell notably for the second session this week on Wednesday amid the general economic malaise, with Ukraine-23s down by 1.6p.p. to a new all-time high yield at 74.2/76.2 (12.6%/12.1%). Corporate names were also substantially lower. MHP-20s fell 1.9p.p. to 80.7/81.8 (13.4%/13.1%) and DTEK-15s slumped 2.9p.p. to 82.0/83.1 (64.8%/61.0%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	225.50	0.7%	1.4	22
Donbasenergo	DOEN	31.79	0.6%	0.6	20
Motor Sich	MSICH	2046.00	0.1%	0.6	63

Growth Leaders

Yasynivsky Coke	YASK	0.30	5.8%	0.01	7
Yenakievo Steel	ENMZ	20.42	4.6%	0.02	15
Azovstal	AZST	0.71	0.9%	0.01	17

Loss Leaders

Alchevsk Steel	ALMK	0.02	-2.7%	0.015	41
Avdyivka Coke	AVDK	1.88	-2.4%	0.007	18
Raiffeisen Bank Aval	BAVL	0.10	-0.8%	0.131	48

Highlights

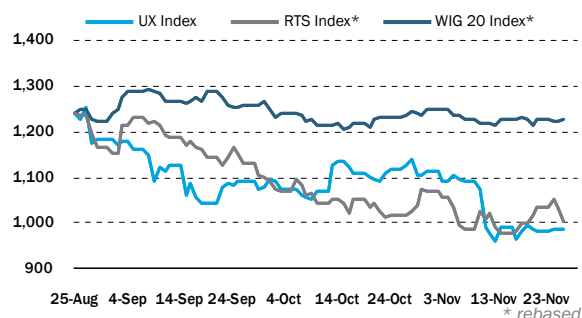
STOCKS IN THE NEWS

- > Kernel Expects USD 150/ha of EBITDA in Crop Segment This Year

FIXED INCOME

- > Mriya Halves Area Under Winter Crops

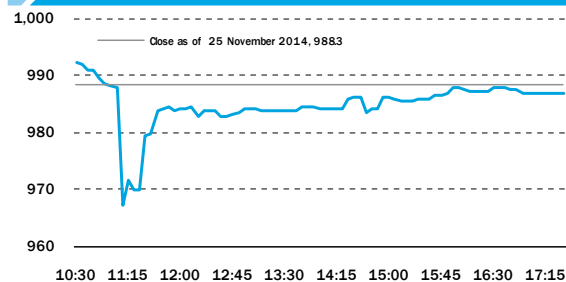
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	987.0	-0.1%	-11.5%	8.5%
RTS	1027.6	-2.5%	-0.9%	-28.8%
WIG20	2420.7	0.4%	-0.2%	0.8%
MSCI EM	1012.0	0.3%	2.8%	1.0%
S&P 500	2072.8	0.3%	5.5%	12.6%

UX INTRADAY NOVEMBER 26, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	352.5	-0.3%	0.7%	6.6%
CDS 5Y UKR	1558.8	1.8%	27.5%	90.0%
Ukraine-17	15.7%	0.5 p.p.	3.6 p.p.	6.7 p.p.
Ferrexpo-16	22.2%	1.6 p.p.	9.8 p.p.	13.3 p.p.
Ukraine-23	12.3%	0.4 p.p.	2.0 p.p.	4.8 p.p.
Privatbank-16	63.9%	0.4 p.p.	22.4 p.p.	43.5 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	15.10	0.0%	16.2%	83.3%
EUR	18.89	0.3%	14.6%	66.1%
RUB	0.32	-3.2%	2.6%	26.8%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	225.5	0.0%	-0.3%	-21.5%
Steel, USD/t	475.0	0.0%	-10.0%	-11.6%
Oil, USD/bbl	77.8	-0.7%	-10.1%	-27.5%
Gold, USD/oz	1197.9	-0.3%	-2.7%	0.1%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Kernel Expects USD 150/ha of EBITDA in Crop Segment This Year

by Ivan Dzvinka
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KERNEL (KER PW)

Price: PLN 26.25 Market Cap: USD 625mn

	EV/S	P/E	EV/EBITDA	Div. Yield
FY14	0.5	neg	5.7	3%
FY15E	0.4	3.7	3.9	3%

NEWS

Kernel, Ukraine's largest sunflower oil producer, held a conference call on Wednesday (Nov 26) devoted to its financial results for the Jul-Sept quarter (1Q in its 2015 financial year). The key takeaways from management comments are the following:

- The bulk oil margin in for the full 2015 financial year is expected to be higher than full-year 2014, but lower than the USD 202/t achieved in 1Q15;
- The growth in crop yields by 16-29% YoY seen in 2014 was an "interim achievement" with further improvement expected in the following years;
- EBITDA in the farming segment is expected at USD 150 per hectare over 2015;
- The margin in the grain trading/resale segment over 2015 should be maintained at the level of 1Q15 of USD 14/t, with grain sales expected at 4.5-5.0mn tonnes vs. 4.2mn tonnes in 2014;
- forward contracts for some 85% of Kernel's tradable crops harvested this season have already been signed, with delivery expected in the following quarters;
- higher volume trans-shipment at Kernel's export terminals should improve the results of this segment, while the company's silo services results are expected to be lower YoY in 2015.

COMMENTARY

The set of management expectations is positive for the KER stock, which jumped by 9.1% in Warsaw yesterday (Nov 26). Based on management's figures, the farming segment should contribute some USD 55-60mn on the EBITDA level vs. negative USD 44mn in FY14, a year-on-year difference of a solid USD 100mn. That, along with a conservative scenario of the bulk oil margin remaining at the same level of 2014 (USD 164/t) and the grain trading/resale margin at USD 14/t (flat YoY) on sales volume of 4.5mn tonnes, translates into an estimate of group-wide EBITDA of USD 325mn for 2015. This implies a 2015E EV/EBITDA multiple of 3.9x, which tells us that the KER stock still offers plenty of upside.

Mriya Halves Area Under Winter Crops

by Ivan Dzvinka
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NEWS

Western-Ukraine-based crop grower Mriya Agroholding, which in August admitting to being in default on some of its obligations, has completed its winter planting campaign, Interfax reported citing the company on Wednesday (Nov 26). Mriya sowed some 90,000 hectares under winter crops, representing a roughly 50% reduction from 2014. 60,000 ha was sowed with winter wheat and 30,000 ha under rapeseed. For the 2015 season, Mriya said it intends to plant on 259,000 ha overall, compared to 291,000 ha in 2014.

COMMENTARY

The significant reduction in area planted under Mriya's winter sowing campaign indicates to us the material problems of the company with working capital. While management claims that overall planted area in 2015 will decline by on 11% YoY, it remains to be seen whether these plans are realistic given the current problems with liquidity.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.71	0.56	-22%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	70.5	108.0	53%	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	8.20	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	1.88	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	0.30	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	11.6	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	2046	5250	157%	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	5.5	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	27.8	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	31.8	72.0	126%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.53	15.00	99%	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	17.96	68%	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	14.5	90.0	521%	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	72.0	80.8	12%	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	0.101	0.24	137%	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	987.03	1368.76	821.17	-0.1%	-0.6%	-11.5%	8.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.018	0.05	0.01	-2.7%	-7.2%	-31.3%	-53.6%	-2.6%	-6.6%	-19.8%	-62.1%
Azovstal	AZST	0.71	0.95	0.35	0.7%	-0.7%	-5.3%	5.8%	0.8%	-0.1%	6.2%	-2.6%
Dniprospezstal	DNSS	175	n/a	n/a	0.0%	0.0%	0.0%	-86.5%	0.1%	0.6%	11.5%	-95.0%
Enakievo Steel	ENMZ	20.4	65.0	16.0	4.9%	9.3%	-30.7%	-36.2%	5.1%	9.9%	-19.2%	-44.7%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	0.1%	0.6%	11.5%	239.4%
Mariupol Ilyicha	MMKI	0.19	n/a	n/a	0.0%	-5.0%	-29.6%	90.0%	0.1%	-4.4%	-18.1%	81.5%
Coke												
Avdiyvka Coke	AVDK	1.88	3.70	1.46	-2.4%	-7.9%	-29.4%	-36.6%	-2.3%	-7.2%	-17.8%	-45.0%
Yasnyivsky Coking	YASK	0.30	0.84	0.28	7.1%	-9.1%	-36.2%	-43.4%	7.3%	-8.5%	-24.6%	-51.9%
Iron Ore Mining												
Centralny GOK	CGOK	7.25	n/a	n/a	0.0%	-0.7%	3.0%	11.5%	0.1%	-0.1%	14.5%	3.1%
Ferrexpo	FXPO	70.45	191.0	70.5	-1.9%	-7.6%	-19.2%	-63.1%	-1.7%	-7.0%	-7.6%	-71.6%
Pivnichny GOK	SGOK	8.20	9.80	4.50	0.7%	0.7%	-4.7%	2.5%	0.9%	1.4%	6.9%	-6.0%
Coal Mining												
Pokrovske Mine	SHCHZ	0.32	0.79	0.10	0.0%	0.0%	-31.9%	-20.0%	0.1%	0.6%	-20.4%	-28.5%
Komsomolets Donbasa	SHKD	0.33	n/a	n/a	0.0%	43.5%	-60.2%	-46.8%	0.1%	44.1%	-48.7%	-55.2%
Energy Coal	CLE	0.66	2.02	0.55	1.5%	-4.3%	-17.5%	-37.1%	1.7%	-3.7%	-6.0%	-45.6%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.30	n/a	n/a	0.0%	0.0%	0.0%	-34.8%	0.1%	0.6%	11.5%	-43.2%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.39	1.01	0.37	0.0%	-11.4%	-30.4%	-35.0%	0.1%	-10.8%	-18.8%	-43.5%
Interpipe NMPP	NVTR	0.29	n/a	n/a	-25.6%	-25.6%	-23.7%	38.1%	-25.5%	-25.0%	-12.1%	29.6%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.6	25.0	10.0	-1.3%	-4.4%	-18.5%	-33.1%	-1.1%	-3.8%	-6.9%	-41.5%
Luhanskteplovoz	LTPL	1.08	1.80	0.85	0.0%	0.0%	-16.9%	-28.0%	0.1%	0.6%	-5.4%	-36.5%
Stakhanov Wagon	SVGZ	0.44	n/a	n/a	18.9%	-4.3%	-63.9%	-66.2%	19.1%	-3.7%	-52.4%	-74.6%
Specialized Machinery												
Bogdan Motors	LUAZ	0.03	0.08	0.02	0.0%	-14.0%	-28.3%	13.6%	0.1%	-13.4%	-16.8%	5.1%
Motor Sich	MSICH	2,046	2,879	1,507	0.0%	0.4%	-13.9%	12.2%	0.2%	1.1%	-2.4%	3.7%
Sumy Frunze Engineering	SMASH	4.50	n/a	n/a	0.0%	-10.0%	-10.0%	80.0%	0.1%	-9.4%	1.5%	71.5%
Turboatom	TATM	6.00	n/a	n/a	0.0%	0.0%	0.0%	71.4%	0.1%	0.6%	11.5%	63.0%
WESTA ISIC	WES	0.26	0.80	0.21	0.0%	0.0%	-10.3%	-35.0%	0.1%	0.6%	1.2%	-43.5%
Telecom												
Ukrtelecom	UTLM	0.14	0.20	0.09	0.0%	-20.4%	-27.8%	22.8%	0.1%	-19.8%	-16.2%	14.4%
Oil & Gas												
Regal Petroleum	RPT	5.50	15.63	4.88	-2.2%	-4.3%	-15.4%	-56.9%	-2.1%	-3.7%	-3.8%	-65.3%
JKX Oil	JKX	27.75	74.25	27.75	-4.3%	-4.3%	-27.0%	-61.3%	-4.2%	-3.7%	-15.4%	-69.8%
Ukrnafta	UNAF	226	375	54	0.0%	-2.8%	-17.7%	107.6%	0.2%	-2.1%	-6.2%	99.2%
Power Utilities												
Centrengo	CEEN	7.53	8.70	3.00	-0.2%	0.2%	-0.4%	57.9%	-0.1%	0.8%	11.1%	49.5%
Donbasenergo	DOEN	31.8	50.2	11.0	0.0%	4.6%	-4.3%	15.2%	0.1%	5.3%	7.3%	6.8%
Zakhidenergo	ZAEN	148.0	199.8	80.0	0.0%	0.0%	-8.6%	63.7%	0.1%	0.6%	2.9%	55.3%
Consumer												
Agroton	AGT	1.26	5.5	1.19	5.9%	-11.9%	-34.4%	-35.4%	6.0%	-11.3%	-22.8%	-43.8%
Astarta	AST	14.50	68.0	14.5	-6.8%	-23.8%	-56.1%	-78.3%	-6.7%	-23.2%	-44.5%	-86.8%
Avangardo	AVGR	4.90	12.3	4.85	0.0%	0.0%	-24.2%	-58.3%	0.1%	0.6%	-12.7%	-66.8%
Industrial Milk Company	IMC	6.84	14.05	6.50	2.4%	0.6%	-0.9%	-43.7%	2.5%	1.2%	10.7%	-52.2%
Kernel	KER	26.25	43.5	22.0	9.1%	7.8%	11.8%	-31.0%	9.2%	8.4%	23.3%	-39.5%
Mriya Agro Holding	MAYA	0.80	6.0	0.58	0.0%	-30.0%	39.1%	-85.2%	0.1%	-29.4%	50.7%	-93.6%
MHPC	MHPC	10.70	18.5	10.00	0.0%	-3.6%	-3.8%	-37.1%	0.1%	-3.0%	7.8%	-45.6%
Milkiland	MLK	1.97	13.0	1.90	3.7%	-6.2%	-43.6%	-84.2%	3.8%	-5.6%	-32.0%	-92.7%
Ovostar Union	OVO	72.0	100.0	59.4	0.0%	2.1%	5.1%	-28.0%	0.1%	2.7%	16.6%	-36.5%
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	8.2	n/a	n/a	0.0%	0.0%	-12.7%	-34.4%	0.1%	0.6%	-1.1%	-42.9%
Banks												
Raiffeisen Bank Aval	BAVL	0.101	0.190	0.091	-0.8%	-4.3%	-17.5%	-10.9%	-0.7%	-3.6%	-5.9%	-19.4%
UkrSotsbank	USCB	0.136	0.205	0.090	0.0%	-9.7%	-9.1%	-27.7%	0.1%	-9.1%	2.5%	-36.2%

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																
Centrenerg	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%
Ukrspasbank	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	31	3.9%	1	1,379	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	357	332	323	\$/tonne
Yenakievo Steel	ENMZ	14	8.8%	1	11	1.7	neg	neg	neg	0.5	0.3	0.0	0.0	0.0	4	4	4	\$/tonne
Azovstal	AZST	197	3.0%	6	186	neg	neg	5.9	neg	neg	7.5	0.1	0.1	0.1	41	41	41	\$/tonne
Coke																		
Avdyivka Coke	AVDK	24	6.8%	2	-24	neg	neg	neg	neg	-0.5	neg	0.0	0.0	0.0	-6	-6	-6	\$/tonne
Yasynivsky Coke	YASK	5	9.0%	0	6	0.6	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	1,251	0.4%	5	1,245	2.9	2.3	2.7	1.7	1.4	1.5	0.9	0.8	0.8				
Ferrexpo	FXPO	644	24.0%	155	1,338	3.0	2.4	2.3	3.3	2.6	2.7	0.9	0.8	0.9				
Coal Mining																		
Komsomolets Donbasa	SHKD	7	5.4%	0	109	1.0	0.4	0.4	0.9	1.2	1.2	0.4	0.5	0.5	27	26	24	\$/tonne
Coal Energy	CLE	30	25.0%	7	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	67	2.0%	1	113	2.0	14.3	16.4	2.2	3.6	4.4	0.2	0.4	0.4	179	297	282	\$/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				
Kruiw Wagon	KVBZ	88	5.0%	4	77	0.9	2.1	neg	0.6	1.5	5.8	0.1	0.2	0.5				
Stakhanov Wagon	SVGZ	7	8.0%	1	39	11.2	12.4	14.2	5.5	6.7	7.2	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	282	24.0%	68	274	1.4	1.7	1.5	0.9	1.0	1.1	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	810	3.0%	24	805	4.6	>30	5.0	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	2	2.4	neg	13.8	0.1	neg	0.1	0.1	0.1	0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	74	50.4%	37	183	neg	11.4	9.5	1.3	2.8	2.7	0.9	1.0	0.9	33	25	24	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	184	21.7%	40	171	6.4	3.1	8.8	2.5	1.8	3.9	0.2	0.2	0.2	10	12	11	\$/MWh
DonbasEnerg	DOEN	50	14.2%	7	97	13.0	0.8	1.2	3.0	1.3	2.2	0.2	0.1	0.2	12	12	12	\$/MWh
Consumer																		
MHP	MHPC	1,131	34.1%	386	2,211	3.6	7.0	neg	4.7	5.7	4.1	1.6	1.5	1.5				
Kernel	KER	622	61.8%	384	1,275	2.9	5.9	neg	4.0	4.4	5.7	0.6	0.5	0.5				
Astarta	AST	108	37.0%	40	503	1.9	3.2	neg	4.6	5.5	3.7	1.1	1.0	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	\$/mneqgs
Agroton	AGT	8	26.2%	2	57	1.2	neg	neg	2.8	7.6	16.5	0.6	0.7	0.6	n/a	n/a	n/a	
Banks																		
Raiffeisen Bank Aval	BAVL	201	3.5%	7		>30	2.2	neg	0.3	0.2	0.3	0.03	0.04	0.05				
Ukrsotsbank	USCB	165	1.0%	2		>30	>30	21.1	0.2	0.2	0.2	0.07	0.06	0.08				

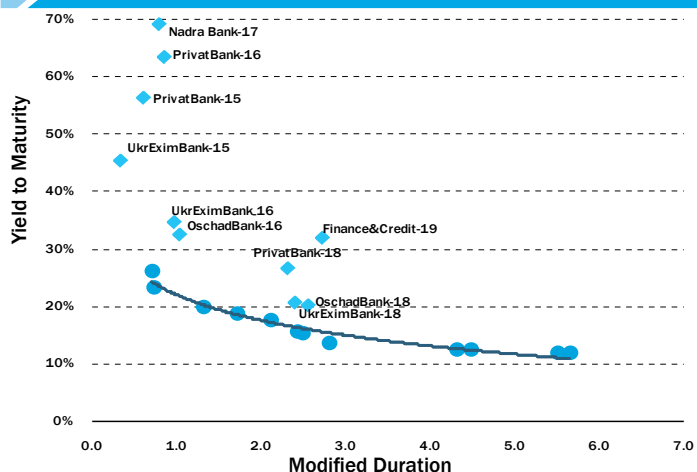
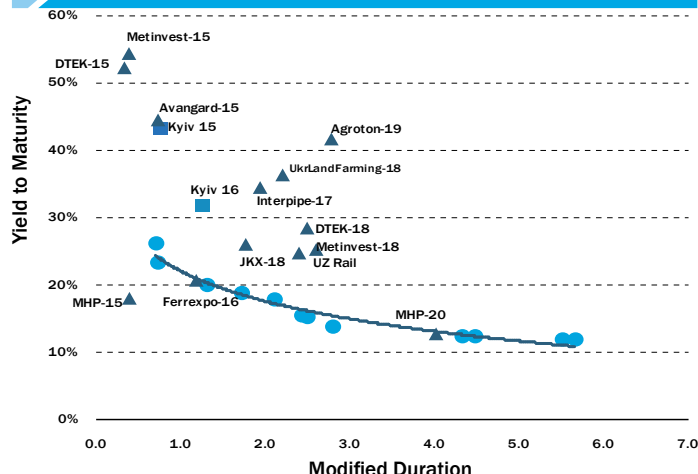
Source: Eavex Research

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)	84.0	86.0	27.5%	24.2%	-11.4%	0.7	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	84.3	85.6	30.0%	27.9%	-13.1%	0.7	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	77.7	79.0	21.0%	20.0%	-16.7%	1.7	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	79.9	81.0	22.4%	21.4%	-14.6%	1.3	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	78.7	80.2	16.1%	15.3%	-14.3%	2.5	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	80.3	81.8	19.1%	18.2%	-18.3%	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	14.1%	13.5%	5.9%	2.8	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	77.3	79.3	13.5%	12.9%	-15.8%	4.3	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	77.4	79.4	13.4%	12.9%	-16.4%	4.4	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	75.3	77.3	12.8%	12.3%	-16.2%	5.5	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	74.2	76.2	12.6%	12.1%	-17.1%	5.6	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2019	30.0	33.1	43.5%	39.9%	-39.5%	2.8	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	95.5	97.5	22.1%	16.6%	-7.0%	0.4	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	80.7	81.8	13.4%	13.1%	-10.0%	4.0	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	76.0	76.0	44.4%	44.4%	-22.4%	0.7	10.00%	S/A	29 Oct 2015	200	/CCC/
UkrLandFarming, 2018	53.0	53.0	36.3%	36.3%	-39.2%	2.2	10.88%	S/A	26 Mar 2018	500	/CCC/CCC
Mriya, 2016	14.0	18.0	245.1%	203.5%	-84.1%	0.6	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	10.0	18.0	115.3%	80.5%	-83.7%	1.9	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	82.0	83.1	64.8%	61.0%	-19.0%	0.3	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	56.0	59.0	29.4%	27.3%	-39.0%	2.5	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	82.0	85.0	59.3%	49.7%	-18.5%	0.4	10.25%	S/A	20 May 2015	500	Caa2//CCC
Metinvest, 2018	65.0	67.0	25.3%	24.1%	-25.8%	2.4	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	83.0	85.0	23.2%	21.2%	-14.3%	1.2	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	62.5	66.0	26.7%	24.6%	-28.6%	2.6	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interpipe, 2017	55.0	65.0	38.7%	30.2%	-22.0%	1.9	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	65.5	68.2	28.4%	26.7%	-40.4%	1.7	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	45.0	55.0	35.5%	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	75.6%	63.4%	-41.0%	0.8	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	71.0	73.0	59.1%	54.7%	-20.9%	0.6	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	55.0	57.0	66.0%	61.9%	-26.3%	0.9	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	65.4	67.6	27.7%	26.3%	-20.4%	2.3	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	84.5	85.0	54.6%	52.9%	-12.1%	0.3	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	70.0	73.0	39.8%	35.5%	-14.4%	1.0	5.79%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	71.0	72.5	22.0%	21.2%	-19.4%	2.4	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	4.0	9.0	693.0%	280.6%	-92.4%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	73.0	74.0	36.5%	35.2%	-21.0%	1.0	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	73.0	74.9	20.5%	19.5%	-16.6%	2.6	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	74.1	76.4	44.6%	40.6%	-18.7%	0.8	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	71.7	73.4	33.3%	31.5%	-22.0%	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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