

**Market Update**

**Equity**

Ukrainian stocks dropped on Thursday (Nov 27) as market players preferred to open short positions after the UX index failed to break through the strong resistance level of 1000 points. The indicator shed 1.4% to close at 973 points. In the steel sector, Azovstal (AZST) and Yenakievo Steel (ENMZ) declined by 2.4% and 3.7% with the former ending at 69 kopecks. The main utility names were also notably lower; CentrEnergO (CEEN) lost 1.3% to UAH 7.43 and DonbasEnergO (DOEN) was down 1.9%. Volume leaders Motor Sich (MSICH) and UkrNafta (UNAF) were somewhat better than the broad market, declining by 1.0% and 0.5% respectively. In London trading, Avangard (AVGR) tumbled 5.1% to a fresh all time low of USD 4.65 ahead of today's release of the company's financials for 3Q14. Ferrexpo (FXPO) shed 0.5% to end just above the GBp 70 resistance level. The day's winners were to be found in Warsaw, where Kernel (KER) advanced by another 4.8% as investors continued to react to its strong financials reported on Wednesday. Astarta (AST) also rebounded by 5.9% after several trading sessions of notable losses.

**Fixed Income**

Ukrainian benchmark sovereigns continued to move into record-high yield territory on Thursday, with the Ukraine-2023 issue down by another 1.4p.p. to close at 72.8/74.8 (12.9%/12.4%). Corporate names were sluggish. MHP-20s were essentially unchanged at 80.5/81.9 (13.5%/13.1%) while Metinvest-18s inched up by 0.2p.p., finishing at 65.0/67.4 (25.3%/23.8%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	223.80	-0.5%	2.1	40
CentrenergO	CEEN	7.43	-1.3%	0.8	91
Azovstal	AZST	0.69	-2.4%	0.4	54

**Growth Leaders**

Raiffeisen Bank Aval	BAVL	0.10	0.5%	0.12	28
Ukrnafta	UNAF	223.80	-0.5%	2.14	40
Motor Sich	MSICH	2025.00	-1.0%	0.33	44

**Loss Leaders**

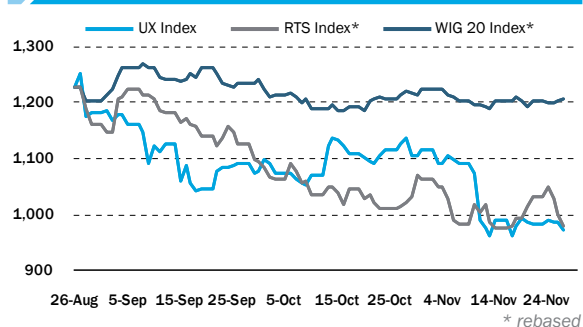
Yenakievo Steel	ENMZ	19.67	-3.7%	0.009	29
Kryukiv Wagon	KVBZ	11.20	-3.3%	0.024	13
Azovstal	AZST	0.69	-2.4%	0.390	54

**Highlights**

**POLITICS AND ECONOMICS**

- > Poroshenko, Yatseniuk In Show of Unity on Parliament Opening Day

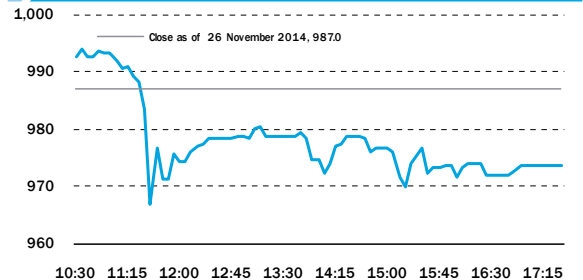
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	973.7	-1.4%	-13.6%	7.0%
RTS	1006.4	-2.1%	-3.2%	-30.2%
WIG20	2428.4	0.3%	-0.4%	1.1%
MSCI EM	1012.6	0.1%	3.6%	1.1%
S&P 500	2072.8	0.0%	5.7%	12.6%

**UX INTRADAY NOVEMBER 27, 2014**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	352.5	0.0%	0.7%	6.6%
CDS 5Y UKR	1525.8	-2.1%	28.1%	86.0%
Ukraine-17	16.0%	0.2 p.p.	4.5 p.p.	6.9 p.p.
Ferrexpo-16	22.2%	0.0 p.p.	10.0 p.p.	13.3 p.p.
Ukraine-23	12.7%	0.3 p.p.	2.7 p.p.	5.2 p.p.
Privatbank-16	63.9%	0.0 p.p.	22.4 p.p.	43.5 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	15.02	-0.5%	15.6%	82.3%
EUR	18.73	-0.8%	13.5%	64.7%
RUB	0.31	-3.0%	0.4%	23.0%

**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%	-5.5%	-11.6%
Oil, USD/bbl	72.6	-6.6%	-15.8%	-32.3%
Gold, USD/oz	1191.1	-0.6%	-2.9%	-0.5%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Poroshenko, Yatseniuk In Show of Unity on Parliament Opening Day

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### NEWS

Ukraine's Verkhovna Rada (Parliament) opened its 8th convocation since the country's 1990 sovereignty declaration on Thursday (Nov 27), with membership based on the results of the Oct 26 national election. As expected, acting Prime Minister Arseniy Yatseniuk was re-nominated to the same position, while 36-year old Volodymyr Groysman, viewed as a protégé of President Poroshenko, was elected as Parliament Speaker. In an elaborate ceremony, Poroshenko presented Yatseniuk with a bouquet of roses and the two shook hands several times and embraced, despite reports of bitter negotiations between their parties over the terms of the coalition deal and ministerial portfolios in the month since the election. The ruling coalition agreement includes all of the parties that gained entry into Parliament in the national party list voting - the Poroshenko Bloc, Yatseniuk's People's Front, the Samopomich Union, the Radical party, and the Batkivschyna party - with the exception of the Party of Regions successor Opposition Bloc. The coalition has 302 MPs, or just above a constitutional majority, although President Poroshenko said later in the day that he expects additional non-party MPs to eventually join. Although 27 MP seats in the 450-seat chamber are vacant due to the refusal of Crimea and the occupied Donbass territories to participate in the national election, the requirements for simple and constitutional majority voting remain based on the 450 figure.

### COMMENTARY

Despite yesterday's show of unity, tough negotiations between the Poroshenko Bloc and the People's Front over the new Cabinet of Ministers are reportedly continuing. We suspect that the most serious sticking point is the powerful post of Interior Minister, where Yatseniuk is pushing to re-nominate his ally and current holder of the portfolio Arseniy Avakov; however, Avakov is an unpopular choice with anti-corruption advocates given his history as a shadowy figure with unexplained large wealth from his days as Kharkiv provincial governor, and it has also been unclear whether Avakov is in step with Poroshenko on the latter's peace plan for the Donbass and desire to reform Ukraine's bloated and over-centralized police force. Separately, we are surprised that Oleg Lyashko's Radical Party, and to a lesser extent, Yulia Tymoshenko's Batkivschyna, were invited into the coalition, as these parties have at times campaigned on populist slogans that are incompatible with Poroshenko's stated economic reform agenda. Going forward, a wild card in Ukraine's upcoming reform efforts will be the agenda and intentions of influential Dnipropetrovsk governor and industrialist Igor Kolomoysky, who local analysts have speculated was providing backing to Yatseniuk and his party in the election as a way of undermining Poroshenko.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Steel&amp;Pipes</b>						
Azovstal	AZST	0.69	0.56	-19%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	70.4	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.
<b>Coke</b>						
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	0.32	U/R	-	U/R	Yasynivsky Coke reported net loss of UAH 22mn for FY13 which was the first negative bottom line since 2004.
<b>Coal</b>						
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.
<b>Railcar Manufacturing</b>						
Krukiv Wagon	KVBZ	11.2	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.06	U/R	-	U/R	LuganskTeplovoz was forced to shut down operations amid military conflict in the region.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	2025	5250	159%	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.
<b>Oil &amp; Gas</b>						
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.
<b>Power Utilities</b>						
DonbasEnergO	DOEN	31.2	72.0	131%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.43	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.
<b>Consumer</b>						
MHP	MHPC	10.9	17.96	65%	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	15.4	90.0	486%	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	4.7	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.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.102	0.24	136%	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	973.65	1368.76	821.17	-1.4%	-1.3%	-13.6%	7.0%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.018	0.05	0.01	0.0%	-7.2%	-30.8%	-53.6%	1.4%	-5.9%	-17.2%	-60.6%
Azovstal	AZST	0.69	0.95	0.35	-2.7%	-2.4%	-10.4%	3.0%	-1.3%	-1.1%	3.2%	-4.0%
Dniprospezstal	DNSS	175	n/a	n/a	0.0%	0.0%	0.0%	-86.5%	1.4%	1.3%	13.6%	-93.5%
Enakievo Steel	ENMZ	19.7	65.0	16.0	-3.7%	6.9%	-33.1%	-38.6%	-2.3%	8.2%	-19.5%	-45.5%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	1.4%	1.3%	13.6%	240.8%
Mariupol Ilyicha	MMKI	0.19	n/a	n/a	0.0%	-5.0%	-29.6%	90.0%	1.4%	-3.7%	-16.0%	83.0%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.88	3.70	1.46	0.1%	-8.3%	-29.9%	-36.6%	1.4%	-7.0%	-16.3%	-43.5%
Yasnyivsky Coking	YASK	0.32	0.84	0.28	6.7%	-3.0%	-30.4%	-39.6%	8.0%	-1.7%	-16.9%	-46.6%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	7.25	n/a	n/a	0.0%	-0.7%	-1.4%	11.5%	1.4%	0.6%	12.2%	4.5%
Ferrexpo	FXPO	70.40	191.0	70.4	-0.1%	-1.5%	-17.7%	-63.1%	1.3%	-0.2%	-4.1%	-70.1%
Pivnichny GOK	SGOK	8.20	9.80	4.50	0.0%	0.7%	-4.7%	2.5%	1.4%	2.0%	8.9%	-4.5%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.32	0.79	0.10	0.0%	0.0%	-31.9%	-20.0%	1.4%	1.3%	-18.3%	-27.0%
Komsomolets Donbasa	SHKD	0.33	n/a	n/a	0.0%	43.5%	-60.2%	-46.8%	1.4%	44.8%	-46.7%	-53.8%
Energy Coal	CLE	0.65	2.02	0.55	-1.5%	-5.8%	-29.3%	-38.1%	-0.2%	-4.5%	-15.8%	-45.1%
<b>Mining Machinery</b>												
Svitlo Shakhtara	HMBZ	0.30	n/a	n/a	0.0%	0.0%	0.0%	-34.8%	1.4%	1.3%	13.6%	-41.8%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.43	1.01	0.33	10.3%	-2.3%	-23.2%	-28.3%	11.6%	-1.0%	-9.6%	-35.3%
Interpipe NMPP	NVTR	0.29	n/a	n/a	0.0%	-25.6%	-23.7%	38.1%	1.4%	-24.3%	-10.1%	31.1%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	11.2	25.0	10.0	-3.3%	-2.8%	-21.1%	-35.3%	-1.9%	-1.5%	-7.5%	-42.2%
Luhanskeplovoz	LTPL	1.06	1.80	0.85	-1.9%	-1.9%	-18.5%	-29.3%	-0.5%	-0.6%	-4.9%	-36.3%
Stakhanov Wagon	SVGZ	0.41	n/a	n/a	-6.8%	13.9%	-66.4%	-68.5%	-5.5%	15.2%	-52.8%	-75.5%
<b>Specialized Machinery</b>												
Bogdan Motors	LUAZ	0.03	0.08	0.02	0.0%	-14.0%	-28.3%	13.6%	1.4%	-12.7%	-14.8%	6.6%
Motor Sich	MSICH	2,025	2,879	1,507	-1.0%	0.8%	-14.2%	11.0%	0.3%	2.1%	-0.6%	4.0%
Summy Frunze Engineering	SMASH	4.50	n/a	n/a	0.0%	-10.0%	-22.4%	80.0%	1.4%	-8.7%	-8.8%	73.0%
Turboatom	TATM	6.00	n/a	n/a	0.0%	0.0%	0.0%	71.4%	1.4%	1.3%	13.6%	64.4%
WESTA ISIC	WES	0.22	0.80	0.21	-15.4%	-21.4%	-29.0%	-45.0%	-14.0%	-20.1%	-15.5%	-52.0%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.14	0.20	0.09	0.0%	3.9%	-27.8%	22.8%	1.4%	5.2%	-14.2%	15.8%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	5.63	15.63	4.88	2.3%	-4.3%	-10.0%	-55.9%	3.6%	-3.0%	3.6%	-62.9%
JKX Oil	JKX	28.00	74.25	27.75	0.9%	-6.3%	-26.6%	-61.0%	2.3%	-5.0%	-13.0%	-68.0%
Ukrnafta	UNAF	224	375	54	-0.8%	-0.9%	-15.8%	106.1%	0.6%	0.4%	-2.3%	99.1%
<b>Power Utilities</b>												
Centrenerg	CEEN	7.43	8.70	3.00	-1.3%	-1.2%	-4.1%	55.8%	0.0%	0.1%	9.5%	48.8%
Donbasenergo	DOEN	31.2	50.2	11.0	-1.9%	-2.2%	-9.1%	13.0%	-0.5%	-0.9%	4.5%	6.1%
Zakhidenergo	ZAEN	148.0	199.8	80.0	0.0%	0.0%	-8.8%	63.7%	1.4%	1.3%	4.8%	56.7%
<b>Consumer</b>												
Agroton	AGT	1.24	5.5	1.19	-1.6%	-13.9%	-42.6%	-36.4%	-0.2%	-12.6%	-29.0%	-43.4%
Astarta	AST	15.36	68.0	14.5	5.9%	-19.2%	-53.5%	-77.0%	7.3%	-17.9%	-39.9%	-84.0%
Avangardo	AVGR	4.65	12.3	4.65	-5.1%	-7.2%	-26.2%	-60.4%	-3.7%	-5.9%	-12.6%	-67.4%
Industrial Milk Company	IMC	6.74	13.99	6.50	-1.5%	-0.1%	-3.7%	-44.5%	-0.1%	1.1%	9.9%	-51.5%
Kernel	KER	27.61	43.5	22.0	5.2%	11.6%	9.8%	-27.5%	6.5%	12.9%	23.4%	-34.5%
Mriya Agro Holding	MAYA	0.94	6.0	0.58	17.5%	-17.8%	63.5%	-82.6%	18.9%	-16.5%	77.1%	-89.6%
MHPC	MHPC	10.90	18.5	10.00	1.9%	-1.4%	-2.0%	-35.9%	3.2%	-0.1%	11.6%	-42.9%
Milkiland	MLK	1.89	13.0	1.89	-4.1%	-0.5%	-45.8%	-84.9%	-2.7%	0.8%	-32.3%	-91.9%
Ovostar Union	OVO	72.0	100.0	59.4	0.0%	1.4%	4.5%	-28.0%	1.4%	2.7%	18.1%	-35.0%
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
<b>Chemicals</b>												
Stirol	STIR	8.2	n/a	n/a	0.0%	0.0%	-12.8%	-34.4%	1.4%	1.3%	0.8%	-41.4%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.102	0.190	0.091	0.5%	-2.3%	-18.3%	-10.5%	1.9%	-1.0%	-4.7%	-17.5%
UkrSotsbank	USCB	0.140	0.205	0.090	3.3%	-6.7%	-6.0%	-25.3%	4.7%	-5.4%	7.5%	-32.3%

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
<b>Steel</b>																
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%
<b>Coke</b>																
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%
<b>Iron Ore Mining</b>																
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%
<b>Coal Mining</b>																
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
<b>Pipe Manufacturing</b>																
Khartsyzk Pipe	HRTR	480	310	271	52	31	26	10.8%	10.1%	9.5%	34	5	4	7.0%	1.5%	1.5%
<b>Railcar Manufacturing</b>																
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%
<b>Specialized Machinery</b>																
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%
<b>Telecom</b>																
Ukrtelecom	UTLM	838	791	611	206	190	174	24.5%	24.0%	28.5%	45	17	26	5.4%	2.2%	4.3%
<b>Oil &amp; Gas</b>																
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%
<b>Electric Utilities</b>																
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%
<b>Consumer</b>																
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	130	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
<b>Banks</b>																
		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%
Ukrspatsbank	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			
<b>Steel</b>																		
Alchevsk Steel	ALMK	31	3.9%	1	1,380	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	357	332	323	\$/tonne
Yenakievo Steel	ENMZ	14	8.8%	1	10	1.6	neg	neg	neg	0.5	0.3	0.0	0.0	0.0	4	4	4	\$/tonne
Azovstal	AZST	193	3.0%	6	182	neg	neg	5.8	neg	neg	7.3	0.1	0.1	0.1	40	40	40	\$/tonne
<b>Coke</b>																		
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	6	9.0%	1	7	0.7	neg	1.2	0.2	0.2	0.4	0.0	0.0	0.0	0.2	0.2	0.4	\$/tonne
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	566	0.3%	1	564	5.9	2.9	3.5	2.4	1.8	2.0	0.9	0.8	0.9				
Pivnichny GOK	SGOK	1,258	0.4%	5	1,251	2.9	2.3	2.7	1.7	1.4	1.5	0.9	0.8	0.8				
Ferrexpo	FXPO	643	24.0%	154	1,337	3.0	2.4	2.3	3.3	2.6	2.7	0.9	0.8	0.9				
<b>Coal Mining</b>																		
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	15.5	0.8	1.1	1.4	2.2	6.6	15.5	\$/tonne
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	74	2.0%	1	120	2.2	15.8	18.1	2.3	3.8	4.7	0.3	0.4	0.4	191	316	300	\$/tonne
<b>Railcar Manufacturing</b>																		
LuganskTeplovoz	LTPL	15	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	85	5.0%	4	75	0.9	2.1	neg	0.6	1.5	5.6	0.1	0.2	0.5				
Stakhanov Wagon	SVGZ	6	8.0%	0	39	10.5	11.6	13.3	5.4	6.6	7.1	0.1	0.2	0.3				
<b>Specialized Machinery</b>																		
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	273	1.4	1.7	1.5	0.9	1.0	1.0	0.3	0.3	0.3				
<b>Telecom</b>																		
Ukrtelecom	UTLM	168	7.2%	12	472	3.7	9.9	6.4	2.3	2.5	2.7	0.6	0.6	0.8				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	808	3.0%	24	803	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	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
<b>Electric Utilities</b>																		
CentrEnergO	CEEN	183	21.7%	40	169	6.3	3.1	8.8	2.5	1.8	3.9	0.2	0.2	0.2	10	12	11	\$/MWh
DonbasEnergO	DOEN	49	14.2%	7	96	12.8	0.8	1.2	3.0	1.3	2.1	0.2	0.1	0.2	12	12	12	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	1,152	34.1%	393	2,232	3.7	7.1	neg	4.8	5.7	4.2	1.6	1.5	1.5				
Kernel	KER	654	61.8%	404	1,308	3.1	6.2	neg	4.1	4.5	5.9	0.6	0.5	0.5				
Astarta	AST	114	37.0%	42	510	2.0	3.3	neg	4.6	5.6	3.7	1.1	1.0	0.9				
Avangardco	AVGR	297	22.5%	67	403	1.3	1.2	n/a	1.4	1.3	3.1	0.6	0.6	n/a	91	69	65	\$/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	
<b>Banks</b>																		
Raiffeisen Bank Aval	BAVL	203	3.5%	7		>30	2.3	neg	0.3	0.2	0.3	0.03	0.04	0.05				
Ukrsotsbank	USCB	172	1.0%	2		>30	>30	21.1	0.2	0.2	0.2	0.07	0.06	0.08				

Source: Eavex Research

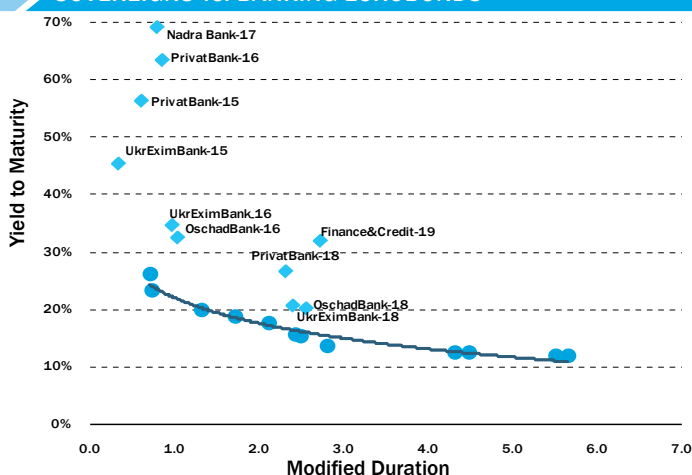
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2015 (EUR)	83.5	85.5	28.5%	25.1%	-12.0%	0.7	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	84.4	85.8	30.0%	27.7%	-13.0%	0.7	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	77.7	79.4	21.0%	19.7%	-16.5%	1.7	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	79.9	80.9	22.4%	21.4%	-14.6%	1.3	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	78.2	79.7	16.3%	15.6%	-14.8%	2.5	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	79.8	81.3	19.3%	18.5%	-18.8%	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	76.7	78.7	13.7%	13.1%	-16.5%	4.3	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	76.5	78.5	13.7%	13.1%	-17.3%	4.4	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	74.5	76.5	13.0%	12.5%	-17.0%	5.4	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	72.8	74.8	12.9%	12.4%	-18.7%	5.6	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
<b>Corporate Eurobonds</b>											
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	80.5	81.9	13.5%	13.1%	-10.1%	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	88.9	88.9	37.6%	37.6%	-12.8%	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	67.4	25.3%	23.8%	-25.6%	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	60.0	70.0	28.3%	22.4%	-27.8%	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	
<b>Bank Eurobonds</b>											
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	70.0	73.0	61.4%	54.7%	-21.4%	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	65.0	68.1	27.9%	26.0%	-20.3%	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	75.0	36.5%	33.9%	-20.5%	1.0	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	71.1	72.3	21.5%	20.9%	-19.2%	2.5	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
<b>Municipal Eurobonds</b>											
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/

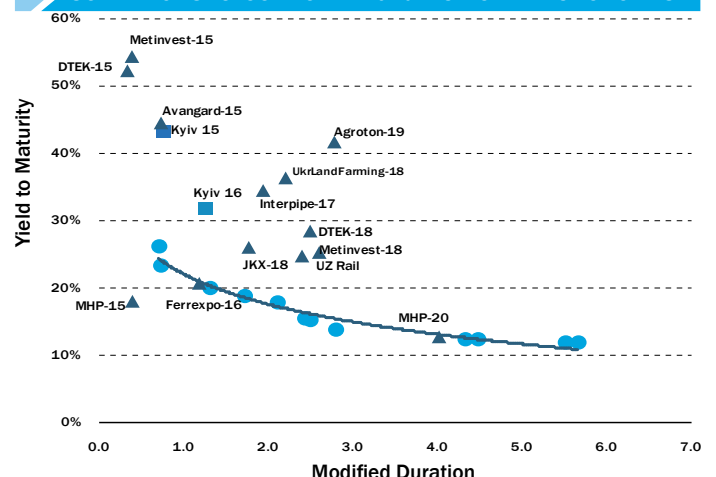
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

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
<b>UAH denominated Bonds</b>									
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
<b>USD denominated Bonds</b>									
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
<b>EUR denominated Bonds</b>									
UA4000142681	n/a	n/a	12.5%	12.0%	n/a	4.80%	S/A	6 May 2015	n/a
<b>VAT Bonds</b>									
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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