

Market Update

Equity

Ukrainian stocks rebounded on Thursday (Dec 11), trimming part of their losses from earlier in the week on widely spread information that the country needs additional funding to avoid default. The UX index rose by 1.2% to close at 943 points. Electricity names led the growth, with DonbasEnergo (DOEN) gaining 3.9% and CentrEnergo (CEEN) adding 1.2% on combined turnover of UAH 1.2mn, while Raiffeisen Aval (BAVL) picked up 1.7% to 9.70 kopecks per share. Meanwhile, low-liquidity Avdyivka Coke (AVDK) and Kruviv Wagon (KVBZ) retreated by 3.1% and 1.2% respectively. Outside the UX basket, DniproEnergo (DNEN) dropped by 4.3% to UAH 597. Ukrainian stocks listed in London remained under pressure, with Ferrexpo (FXPO) sliding below the GBP 60 level on a drop of 6.0%. In Warsaw trading, Kernel (KER) climbed 2.0% to after the company approved a dividend of 25 cents per share. Astarta (AST) was nearly flat near PLN 18.50.

Fixed Income

Ukrainian sovereigns regained some of their recent sharp losses on Thursday after the US Senate approved a resolution on supporting the new Ukrainian government. Ukraine-23s rose by 2.6p.p., closing at 67.4/69.4 (14.3%/13.8%). Corporate names were mixed. UkrLandFarming-18s continued to decline, moving down by 3.9p.p. to 42.1/50.1 (47.2%/39.1%), while MHP-20s inched up by 0.2p.p., finishing at 75.1/77.1 (15.3%/14.6%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	185.10	0.2%	1.6	68
Centrenergo	CEEN	7.18	1.2%	1.1	222
Raiffeisen Bank Aval	BAVL	0.10	1.7%	1.0	67

Growth Leaders

Donbasenergo	DOEN	30.18	3.9%	0.04	63
Raiffeisen Bank Aval	BAVL	0.10	1.7%	1.02	67
Azovstal	AZST	0.66	1.6%	0.17	132

Loss Leaders

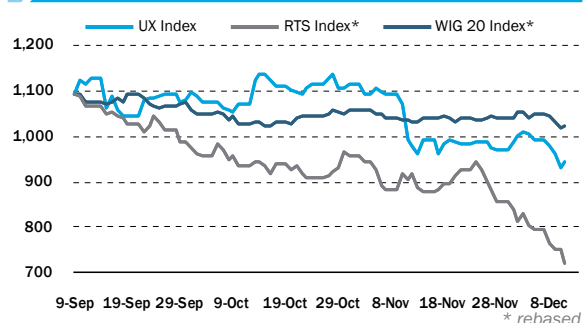
Yasynivsky Coke	YASK	0.25	-13.8%	0.012	14
Dniproenergo	DNEN	597.00	-4.3%	0.300	12
Avdyivka Coke	AVDK	1.68	-3.1%	0.018	47

Highlights

POLITICS AND ECONOMICS

- MinFin Raises UAH 1.5bn and USD 130mn at 17.6% and 9.0% Respectively

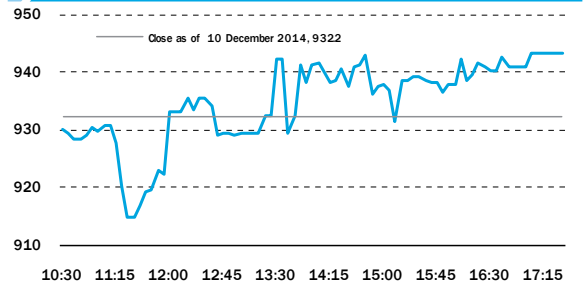
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	943.2	1.2%	-12.0%	3.6%
RTS	824.0	-3.6%	-21.2%	-42.9%
WIG20	2379.6	0.3%	-1.1%	-0.9%
MSCI EM	946.0	-1.3%	-5.2%	-5.6%
S&P 500	2035.3	0.5%	-0.1%	10.6%

UX INTRADAY DECEMBER 11, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	306.9	0.4%	4.3%	13.2%
CDS 5Y UKR	600.0	2.1%	-1.5%	-4.0%
Ukraine-17	6.9%	0.0 p.p.	0.1 p.p.	0.0 p.p.
Ferrexpo-16	6.7%	0.0 p.p.	0.1 p.p.	-0.9 p.p.
Ukraine-23	7.8%	0.2 p.p.	-0.2 p.p.	0.3 p.p.
Privatbank-16	12.9%	0.0 p.p.	-0.2 p.p.	-2.4 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.15	0.0%	0.3%	1.2%
EUR	10.62	0.0%	-4.2%	-0.6%
RUB	0.26	-0.3%	-2.6%	-0.1%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	320.0	0.0%	0.0%	0.0%
Steel, USD/t	580.0	-1.7%	-0.4%	8.9%
Oil, USD/bbl	90.1	-0.6%	-8.3%	-1.3%
Gold, USD/oz	1573.8	-0.2%	-5.6%	-5.0%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

MinFin Raises UAH 1.5bn and USD 130mn at 17.6% and 9.0% Respectively

by Dmitry Churin
d.churin@eavex.com.ua

NEWS

Ukraine's Finance Ministry (MinFin) raised UAH 1.5bn and USD 130mn through a primary local bond auction on Thursday (Dec 11), according to a Ministry statement. MinFin sold 2-year UAH-denominated bonds at a 17.6% yield and 1-year USD-denominated domestic bonds at 9.0%. In September MinFin had placed 2-year USD-denominated domestic bonds at 8.1% but managed to raise only USD 8.0mn. Year-to-date through Nov 30, MinFin had raised USD 662mn and EUR 40mn through the placement of foreign-currency denominated domestic treasury bonds. For the same period, MinFin spent USD 409mn on interest and USD 2.4bn on redemption of outstanding foreign-currency denominated domestic bonds.

COMMENTARY

MinFin's effort to place USD-denominated domestic bonds at 8.1% in October was a failure, and that is why the bonds were offered at 9.0% this time. Nonetheless, the 9% yield is clearly still at a non-market level, with the yield for such bonds on the secondary market sitting at close to 14%. In our view, despite US national Natalia Jaresko having taken over at the head of MinFin, the government is continuing to sell domestic bonds mostly to state-owned banks which purchase them at so called 'friendly bids'. In January, MinFin has to redeem about USD 200mn of foreign currency denominated domestic bonds. We assume that MinFin will continue to try to refinance these redemptions through new placements.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.66	0.56	-16%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	57.4	108.0	88%	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	8.22	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	1.68	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	0.25	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	0.33	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	10.9	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.04	U/R	-	U/R	LuganskTeplovoz was forced to shut down operations amid military conflict in the region.
Specialized Machinery						
Motor Sich	MSICH	2127	5250	147%	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	4.3	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	13.8	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	30.2	72.0	139%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.18	15.00	109%	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	10.1	17.96	78%	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	18.6	90.0	385%	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	3.7	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.
Banks						
Raiffeisen Bank Aval	BAVL	0.097	0.24	147%	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	943.18	1368.76	821.17	1.2%	-6.2%	-12.0%	3.6%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.015	0.05	0.01	-1.3%	-17.9%	-32.9%	-62.1%	-2.5%	-11.7%	-20.8%	-65.8%
Azovstal	AZST	0.66	0.95	0.35	2.0%	-7.6%	-11.5%	-1.6%	0.8%	-1.3%	0.5%	-5.3%
Dniprospezstal	DNSS	175	n/a	n/a	0.0%	0.0%	0.0%	-86.5%	-1.2%	6.2%	12.0%	-90.2%
Enakievo Steel	ENMZ	19.6	65.0	16.0	-0.1%	-14.1%	-20.8%	-38.7%	-1.2%	-7.9%	-8.8%	-42.3%
Arcelor Mittal KR	KSTL	4.00	n/a	n/a	0.0%	0.0%	0.0%	247.8%	-1.2%	6.2%	12.0%	244.2%
Mariupol Ilyicha	MMKI	0.19	n/a	n/a	0.0%	11.8%	-20.8%	90.0%	-1.2%	18.0%	-8.8%	86.4%
Coke												
Avdyivka Coke	AVDK	1.68	3.70	1.46	-3.9%	-12.9%	-27.9%	-43.2%	-5.1%	-6.7%	-15.8%	-46.9%
Yasnyivsky Coking	YASK	0.25	0.84	0.25	-13.8%	-21.9%	-37.5%	-52.8%	-15.0%	-15.6%	-25.5%	-56.5%
Iron Ore Mining												
Centralny GOK	CGOK	7.30	n/a	n/a	0.0%	0.0%	0.0%	12.3%	-1.2%	6.2%	12.0%	8.7%
Ferrexpo	FXPO	57.35	191.0	57.4	-6.0%	-8.9%	-26.4%	-70.0%	-7.2%	-2.7%	-14.3%	-73.6%
Pivnichny GOK	SGOK	8.22	9.80	4.50	0.0%	0.0%	1.5%	2.8%	-1.2%	6.2%	13.5%	-0.9%
Coal Mining												
Pokrovske Mine	SHCHZ	0.33	0.79	0.10	0.0%	3.1%	-23.3%	-17.5%	-1.2%	9.4%	-11.2%	-21.1%
Komsomolets Donbasa	SHKD	0.29	n/a	n/a	0.0%	-6.5%	-67.8%	-53.2%	-1.2%	-0.2%	-55.7%	-56.9%
Energy Coal	CLE	0.76	2.02	0.55	0.0%	11.8%	5.6%	-27.6%	-1.2%	18.0%	17.6%	-31.3%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.30	n/a	n/a	0.0%	0.0%	0.0%	-34.8%	-1.2%	6.2%	12.0%	-38.4%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.38	1.01	0.22	0.0%	-13.6%	-32.1%	-36.7%	-1.2%	-7.4%	-20.1%	-40.3%
Interpipe NMPP	NVTR	0.30	n/a	n/a	0.0%	0.0%	-16.7%	42.9%	-1.2%	6.2%	-4.6%	39.2%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.9	25.0	10.0	-1.2%	-2.5%	-18.0%	-37.2%	-2.4%	3.7%	-5.9%	-40.8%
Luhanskeplovoz	LTPL	1.04	1.80	0.85	0.0%	-3.7%	-16.8%	-30.7%	-1.2%	2.5%	-4.8%	-34.3%
Stakhanov Wagon	SVGZ	0.29	n/a	n/a	-14.7%	-14.7%	-53.2%	-77.7%	-15.9%	-8.5%	-41.2%	-81.3%
Specialized Machinery												
Bogdan Motors	LUAZ	0.03	0.08	0.01	-4.9%	0.4%	-30.4%	-5.7%	-6.1%	6.6%	-18.3%	-9.3%
Motor Sich	MSICH	2,127	2,879	1,550	1.0%	-2.9%	-5.5%	16.6%	-0.1%	3.3%	6.6%	13.0%
Sumy Frunze Engineering	SMASH	6.00	n/a	n/a	0.0%	0.0%	11.1%	140.0%	-1.2%	6.2%	23.1%	136.4%
Turboatom	TATM	6.00	n/a	n/a	0.0%	0.0%	0.0%	71.4%	-1.2%	6.2%	12.0%	67.8%
WESTA ISIC	WES	0.22	0.80	0.21	-8.3%	-12.0%	-21.4%	-45.0%	-9.5%	-5.8%	-9.4%	-48.6%
Telecom												
Ukrtelecom	UTLM	0.13	0.20	0.09	0.0%	0.0%	-27.5%	18.6%	-1.2%	6.2%	-15.5%	15.0%
Oil & Gas												
Regal Petroleum	RPT	4.28	14.75	4.28	-10.5%	-15.5%	-31.6%	-66.5%	-11.6%	-9.3%	-19.6%	-70.1%
JKX Oil	JKX	13.75	72.75	11.00	-3.5%	-3.5%	-64.7%	-80.8%	-4.7%	2.7%	-52.7%	-84.5%
Ukrnafta	UNAF	185	375	54	0.1%	-15.9%	-30.0%	70.4%	-1.1%	-9.6%	-17.9%	66.8%
Power Utilities												
Centrenerg	CEEN	7.18	8.70	3.00	1.2%	-6.0%	-4.1%	50.5%	0.0%	0.2%	7.9%	46.8%
Donbasenergo	DOEN	30.2	50.2	11.0	3.9%	-4.9%	-5.7%	9.4%	2.8%	1.3%	6.3%	5.7%
Zakhidenergo	ZAEN	152.7	199.8	80.0	0.0%	-0.8%	-0.7%	68.9%	-1.2%	5.4%	11.3%	65.3%
Consumer												
Agroton	AGT	1.40	5.5	1.19	0.7%	10.2%	-7.9%	-28.2%	-0.5%	16.5%	4.1%	-31.8%
Astarta	AST	18.55	68.0	14.5	0.1%	-1.1%	-4.4%	-72.3%	-1.1%	5.2%	7.6%	-75.9%
Avangardo	AVGR	3.70	11.9	3.70	-17.8%	-22.9%	-39.8%	-68.5%	-19.0%	-16.7%	-27.8%	-72.2%
Industrial Milk Company	IMC	5.95	12.85	5.85	-0.8%	-7.6%	-12.4%	-51.0%	-2.0%	-1.4%	-0.3%	-54.7%
Kernel	KER	29.43	42.0	22.0	2.0%	-1.0%	27.3%	-22.7%	0.8%	5.2%	39.3%	-26.3%
Mriya Agro Holding	MAYA	1.01	6.0	0.58	0.0%	12.3%	-29.7%	-81.4%	-1.2%	18.5%	-17.6%	-85.0%
MHPC	MHPC	10.10	18.5	9.90	1.0%	-1.9%	-5.6%	-40.6%	-0.2%	4.3%	6.4%	-44.3%
Milkiland	MLK	1.86	12.7	1.86	-4.1%	-17.7%	-29.0%	-85.1%	-5.3%	-11.5%	-17.0%	-88.8%
Ovostar Union	OVO	72.0	100.0	59.4	0.0%	-1.4%	-0.7%	-28.0%	-1.2%	4.9%	11.4%	-31.6%
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	6.5	n/a	n/a	0.0%	-25.1%	-23.6%	-47.8%	-1.2%	-18.8%	-11.5%	-51.5%
Banks												
Raiffeisen Bank Aval	BAVL	0.097	0.190	0.091	1.8%	-5.1%	-19.7%	-14.5%	0.6%	1.1%	-7.7%	-18.2%
UkrSotsbank	USCB	0.140	0.205	0.090	0.0%	-6.5%	-5.3%	-25.3%	-1.2%	-0.3%	6.7%	-29.0%

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	168	20.4%	16.9%	17.7%
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	556	69	94	34	6.2%	10.3%	6.1%	29	60	16	2.6%	6.5%	2.9%
Donbasenergo	DOEN	574	656	393	32	72	35	5.6%	11.0%	8.8%	4	65	31	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	24	3.9%	1	1,373	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	355	331	321	\$/tonne
Yenakievo Steel	ENMZ	13	8.8%	1	10	1.5	neg	neg	neg	0.4	0.3	0.0	0.0	0.0	4	3	3	\$/tonne
Azovstal	AZST	176	3.0%	5	165	neg	neg	5.3	neg	neg	6.6	0.1	0.1	0.1	36	37	36	\$/tonne
Coke																		
Avdyivka Coke	AVDK	21	6.8%	1	-27	neg	neg	neg	neg	-0.6	neg	0.0	0.0	0.0	-6	-7	-7	\$/tonne
Yasynivsky Coke	YASK	4	9.0%	0	5	0.5	neg	0.9	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	544	0.3%	1	543	5.7	2.8	3.3	2.3	1.7	1.9	0.9	0.8	0.9				
Pivnichny GOK	SGOK	1,205	0.4%	5	1,198	2.8	2.2	2.6	1.6	1.3	1.5	0.8	0.7	0.8				
Ferrexpo	FXPO	524	24.0%	126	1,218	2.4	2.0	1.9	3.0	2.4	2.5	0.9	0.8	0.8				
Coal Mining																		
Komsomolets Donbasa	SHKD	6	5.4%	0	108	0.9	0.4	0.4	0.9	1.2	1.2	0.4	0.5	0.5	26	25	24	\$/tonne
Coal Energy	CLE	35	25.0%	9	145	0.9	neg	neg	2.3	6.8	16.1	0.9	1.1	1.4	2.3	6.8	16.1	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	63	2.0%	1	109	1.9	13.4	15.3	2.1	3.5	4.2	0.2	0.3	0.4	172	286	271	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	15	24.0%	3	52	3.0	0.7	0.6	1.8	1.5	1.4	0.2	0.2	0.1				
Kruiiv Wagon	KVBZ	79	5.0%	4	69	0.8	1.9	neg	0.5	1.4	5.1	0.1	0.1	0.5				
Stakhanov Wagon	SVGZ	4	8.0%	0	37	7.1	7.9	9.0	5.1	6.3	6.7	0.1	0.2	0.2				
Specialized Machinery																		
Turboatom	TATM	94	5.8%	5	34	2.5	1.3	1.5	0.7	0.4	0.5	0.2	0.2	0.2				
Motor Sich	MSICH	281	24.0%	67	274	1.4	1.7	1.7	0.9	1.0	1.1	0.3	0.3	0.3				
Telecom																		
Ukrtelecom	UTLM	155	7.2%	11	459	3.4	9.1	5.9	2.2	2.4	2.6	0.5	0.6	0.8				
Oil & Gas																		
Ukrnafta	UNAF	639	3.0%	19	633	3.6	27.4	4.0	1.4	2.2	2.0	0.2	0.2	0.2	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	21	21.6%	5	-4	1.8	neg	10.7	-0.2	neg	-0.1	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	37	50.4%	19	145	neg	5.7	4.7	1.1	2.2	2.1	0.7	0.8	0.7	27	20	19	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	169	21.7%	37	155	5.8	2.8	10.4	2.3	1.6	4.5	0.1	0.2	0.3	9	11	10	\$/MWh
DonbasEnergO	DOEN	45	14.2%	6	90	11.9	0.7	1.5	2.8	1.2	2.6	0.2	0.1	0.2	11	12	11	\$/MWh
Consumer																		
MHP	MHPC	1,067	34.1%	364	2,147	3.4	6.6	neg	4.6	5.5	4.0	1.5	1.4	1.4				
Kernel	KER	697	61.8%	430	1,351	3.3	6.6	neg	4.2	4.6	6.1	0.6	0.5	0.6				
Astarta	AST	138	37.0%	51	533	2.4	4.0	neg	4.8	5.9	3.9	1.2	1.1	1.0				
Avangardco	AVGR	236	22.5%	53	342	1.0	1.0	n/a	1.2	1.1	n/a	0.5	0.5	n/a	77	59	55	\$/mneggs
Agroton	AGT	9	26.2%	2	58	1.3	neg	neg	2.8	7.7	16.7	0.7	0.7	0.6	n/a	n/a	n/a	
Banks																		
Raiffeisen Bank Aval	BAVL	185	3.5%	7		>30	2.1	neg	0.2	0.2	0.3	0.03	0.03	0.05				
Ukrsotsbank	USCB	164	1.0%	2		>30	>30	21.1	0.2	0.2	0.2	0.07	0.06	0.08				

Source: Eavex Research

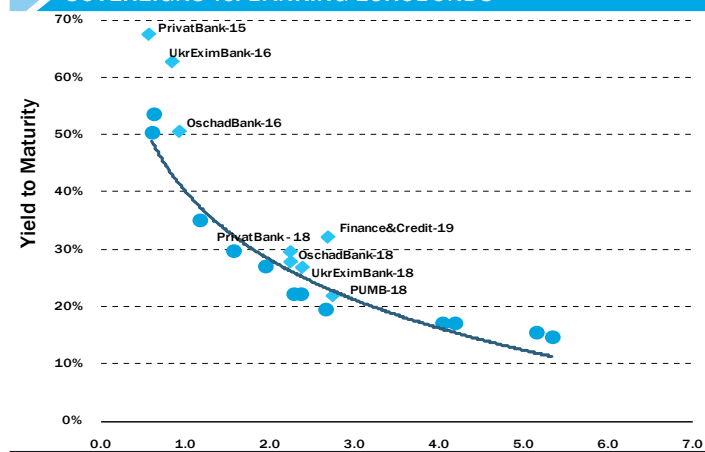
UKRAINIAN EUROBONDS

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)	64.1	78.1	74.3%	39.7%	-25.9%	0.6	4.95%	A	13 Oct 2015	600*	Caa3/CCC/CCC
Ukraine, 2015	74.2	75.9	51.6%	47.9%	-23.2%	0.6	6.875%	S/A	23 Sept 2015	500	Caa3/CCC/CCC
Ukraine, 2016	67.9	68.9	29.6%	28.7%	-27.3%	1.6	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC/CCC
Ukraine, 2016-2	68.2	69.6	35.3%	33.7%	-26.8%	1.2	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC/CCC
Ukraine, 2017	66.8	69.8	23.0%	21.1%	-26.3%	2.4	6.75%	S/A	14 Nov 2017	700	Caa3/CCC/CCC
Ukraine, 2017-2	66.4	69.4	28.3%	26.1%	-31.5%	2.0	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC/CCC
Ukraine, 2017 Infr. projects	70.5	72.5	22.9%	21.7%	-13.5%	2.3	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	70.0	72.5	20.1%	18.8%	-9.2%	2.7	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	65.4	67.4	17.5%	16.8%	-28.7%	4.0	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC/CCC
Ukraine, 2021	65.2	67.2	17.3%	16.6%	-29.3%	4.2	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC/CCC
Ukraine, 2022	66.9	68.9	15.1%	14.5%	-25.4%	5.2	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC/CCC
Ukraine, 2023	67.4	69.4	14.3%	13.8%	-24.5%	5.4	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC/CCC
Corporate Eurobonds											
Agroton, 2019	30.1	37.3	43.9%	36.2%	-35.4%	2.9	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	93.0	95.0	31.0%	24.7%	-9.4%	0.3	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	75.1	77.1	15.3%	14.6%	-15.7%	3.8	8.25%	S/A	2 Apr 2020	750	/CCC/CCC
Avangardco, 2015	68.0	68.0	61.6%	61.6%	-30.6%	0.6	10.00%	S/A	29 Oct 2015	200	/CCC/
UkrLandFarming, 2018	42.1	50.1	47.2%	39.1%	-47.1%	2.1	10.88%	S/A	26 Mar 2018	500	/CCC/CCC
Mriya, 2016	12.0	16.0	285.7%	232.5%	-86.1%	0.6	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	10.5	10.5	114.4%	114.4%	-87.8%	1.5	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015						0.3	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	46.0	51.0	37.8%	33.5%	-48.5%	2.3	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	79.0	82.0	74.4%	63.2%	-21.5%	0.3	10.25%	S/A	20 May 2015	114	Caa2//CCC
Metinvest, 2017	66.9	70.1	27.6%	25.5%	-2.1%	1.7	10.50%	S/A	28 Nov 2017	290	//CCC
Metinvest, 2018	60.0	64.0	28.8%	26.1%	-30.4%	2.3	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	77.0	81.0	30.3%	25.8%	-19.4%	1.1	7.875%	S/A	07 Apr 2016	500	/CCC/CCC
UZ Rail, 2018	58.0	62.0	29.9%	27.2%	-33.3%	2.5	9.50%	S/A	21 May 2018	500	/CCC/CCC
Interpipe, 2017	55.0	65.0	39.1%	30.5%	-22.0%	1.9	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	58.4	60.1	33.4%	32.1%	-47.1%	1.6	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	45.0	55.0	35.7%	28.5%	-39.4%	2.7	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2014	71.0	71.0	21.8%	21.8%	-27.9%	2.7	11.00%	Q	31 Dec 2014	275	Caa3//
Nadra Bank, 2018	45.0	50.0	76.8%	64.2%	-41.0%	0.8	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	66.0	71.0	74.5%	61.8%	-24.7%	0.6	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	50.0	55.0	79.8%	68.2%	-30.9%	0.8	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	61.0	64.6	30.8%	28.4%	-24.8%	2.2	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	74.0	75.0	105.5%	100.6%	-22.8%	0.3	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	55.0	60.0	68.2%	58.0%	-31.1%	0.8	5.79%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	60.0	63.0	29.2%	27.1%	-30.9%	2.2	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	4.0	9.0	464.9%	241.8%	-92.4%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	63.0	65.0	52.4%	49.2%	-31.2%	0.9	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	60.0	62.9	28.4%	26.5%	-30.7%	2.4	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	72.1	74.5	50.5%	45.9%	-20.9%	0.7	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	72.3	74.8	33.4%	30.8%	-21.0%	1.2	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

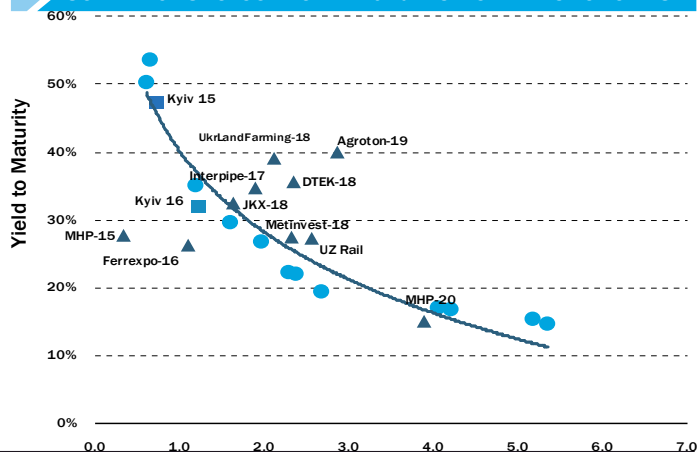
¹ Moody's/S&P/Fitch; * EUR

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

Eavex Capital

12, Ezhena Pottier str.
Kiev 03057
Ukraine

Telephone: +38 044 590 5454

Facsimile: +38 044 590 5464

E-mail: office@eavex.com.ua

Web-page: www.eavex.com.ua

Yuriy Yakovenko

Chairman of the Board

yuriy.yakovenko@eavex.com.ua

SALES & TRADING

Pavel Korovitskiy

Managing Director

Equity and Fixed Income

p.korovitsky@eavex.com.ua

Alexander Klymchuk

Equity and Fixed Income

a.klymchuk@eavex.com.ua

Eugene Klymchuk

Fixed Income Sales and Trading

e.klymchuk@eavex.com.ua

Serhiy Scherbaniuk

Equity Trading

s.shcherbaniuk@eavex.com.ua

Nazar Malinyak

Online Trading

n.malinyak@eavex.com.ua

RESEARCH

Dmitry Churin

Head of Research

d.churin@eavex.com.ua

Ivan Dzvinka

Research Associate

i.dzvinka@eavex.com.ua

Will Ritter

Research editor

w.ritter@eavex.com.ua