

Market Update

Equity

The UX index failed to defend the 1000 point mark during Friday's (Dec 26) session, edging down by 0.5% to end the week at 995 points. The gauge spent most of the trading session in positive territory but lost ground in the last hour as a result of a sell-off in low-liquidity blue chips. Avdyivka Coke (AVDK), which is located on the front line of the Ukrainian-controlled part of Donetsk province, shrank by 6.5% to UAH 1.72 per share. Freight railcar producer Krukiv Wagon (KVBZ) fell 3.1% to UAH 11.20. Meanwhile, volume leader Motor Sich (MSICH) added 1.7% to UAH 2382 and DonbasEnergO (DOEN) inched up 0.3% to UAH 32.00. In second-tier stocks, UkrTelecom (UTLM) leapt by 21% from its previous listed price to end the session at 15.20 kopecks. Ukrainian names listed in London and Warsaw were untraded, as all the major European bourses were shut for Christmas.

Fixed Income

Ukrainian sovereigns were sluggish on Friday amid the European Christmas holiday, with Ukraine-23s essentially unchanged at 64.2/68.2 (15.2%/14.1%). Corporate names were also generally flat. The exception was MHP-20s, which moved down by 1.5p.p. to 65.0/74.1 (19.1%/15.7%) following S&P's downgrade of the company's rating to 'CCC'.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
CentrenergO	CEEN	7.31	-0.6%	2.2	77
Motor Sich	MSICH	2382.00	1.7%	1.3	86
Ukrnafta	UNAF	207.80	-0.3%	1.0	44

Growth Leaders

Dzerzhinsky Steel	DMKD	0.09	25.9%	0.23	7
Mostobud	MTBD	15.00	25.0%	0.44	22
Ukrtelecom	UTLM	0.15	21.4%	0.30	13

Loss Leaders

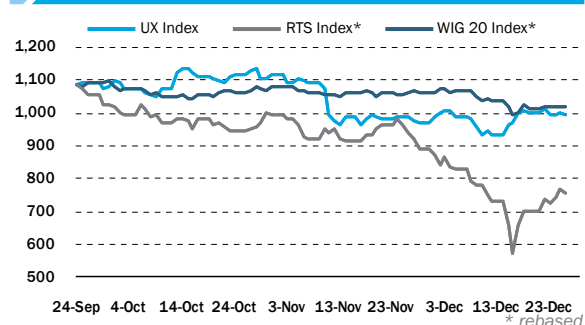
Avdyivka Coke	AVDK	1.72	-6.5%	0.884	22
Alchevsk Steel	ALMK	0.01	-4.0%	0.088	31
Yenakievo Steel	ENMZ	21.25	-1.8%	0.125	45

Highlights

POLITICS AND ECONOMICS

- Ukraine Adopts 2015 Budget Ahead of Talks w/Int'l Creditors; Deficit Set at 3.7% of GDP
- No VAT Refunds for Agro Producers Starting from Jan 1

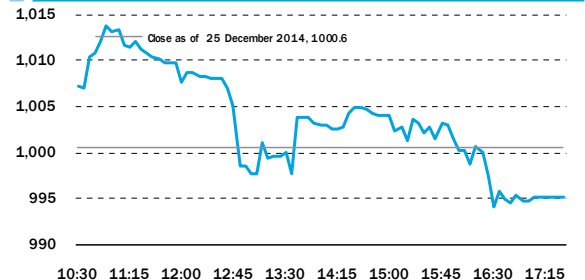
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	995.2	-0.5%	0.7%	9.4%
RTS	828.6	-1.8%	-21.4%	-42.6%
WIG20	2323.0	0.0%	-3.6%	-3.2%
MSCI EM	952.5	0.2%	-5.6%	-4.9%
S&P 500	2088.8	0.3%	1.1%	13.5%

UX INTRADAY DECEMBER 26, 2014



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	395.8	0.2%	12.0%	19.7%
CDS 5Y UKR	2108.4	0.4%	37.6%	157.0%
Ukraine-17	21.9%	0.0 p.p.	6.6 p.p.	12.8 p.p.
Ferrexpo-16	32.3%	0.0 p.p.	11.7 p.p.	23.4 p.p.
Ukraine-23	14.7%	0.0 p.p.	2.7 p.p.	7.2 p.p.
Privatbank-16	84.3%	0.2 p.p.	20.8 p.p.	63.9 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	15.82	0.0%	4.8%	92.0%
EUR	19.27	-0.4%	2.3%	69.4%
RUB	0.30	-1.0%	-10.1%	17.8%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	246.1	0.0%	9.1%	-14.4%
Steel, USD/t	447.5	0.0%	-5.8%	-16.7%
Oil, USD/bbl	59.5	-1.3%	-24.5%	-44.6%
Gold, USD/oz	1196.0	1.9%	-0.4%	0.0%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Ukraine Adopts 2015 Budget Ahead of Talks w/Int'l Creditors; Deficit Set at 3.7% of GDP

by Dmitry Churin
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NEWS

The Ukrainian Parliament adopted a national budget for 2015 with a deficit 3.7% GDP this morning (Dec 29), according to an official statement on the Parliamentary website. The budget bill was passed with 233 votes out of the 226 minimal required. The main parameters of the budget are the following:

- a forecasted GDP contraction of 4.3% YoY;
- nominal GDP of UAH 1.720tn;
- total budget income of UAH 475bn;
- total budget expenses of UAH 527bn;
- consumer inflation of 13.1% YoY;
- a public debt ceiling of UAH 1.176tn (68.3% GDP)

The document also includes an assumption of the average price for imported natural gas at USD 345 per 1,000 cubic meters and uses an average UAH/USD exchange rate of 17.00 for 2015 in its calculations.

COMMENTARY

The government went all-out to push the budget bill through Parliament before year-end, as this was a necessary step ahead of planned talks with the IMF and other international creditors due to take place during the holiday period in early January. Although most of the budget parameters look clearly over-optimistic, real positive developments in Ukraine next year crucially depend on two factors. The first one is the need for a permanent ceasefire in the Donbass and resumption of normal coal production and trade between the region and Ukraine (regardless of the occupied territories' political status). The second factor is additional support of the country from international creditors and an increase the amount of the current Ukraine-IMF USD 17bn standby support program. Prime Minister Arseniy Yatseniuk said lawmakers have already agreed that the adopted budget has flaws, and that it should be amended not later than Feb 15 after a new round of comprehensive talks with the IMF.

No VAT Refunds for Agro Producers Starting from Jan 1

by Ivan Dzvinka
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NEWS

Ukraine's Parliament refused to approve export VAT refunds starting on 1 Jan 2015 for either agro traders or agro producers who directly export their products, according to amendments to the Tax Code of Ukraine passed this weekend (28 Dec). Prior to the amendments, the Tax Code envisaged export VAT refunds for agro producers starting from 1 Oct 2014 and onward, and renewal of VAT refunds for agro traders from 1 Jan 2015.

COMMENTARY

The news is negative for the largest public Ukrainian agro producers, especially major agro producer and trader Kernel. The ultimate decision to remove VAT refunds for producers was a quite unexpected step given the dynamics of changes in drafts related to VAT refunds. The initial amendment presented on Dec 22 called for continuing VAT refunds for producers while suspending refunds for traders through end-2017. Then, on Dec 25, an updated amendment outlined export VAT refunds for both traders and direct-exporting producers. Given the overall environment, we see a rather high chance that the tough new regime on refunds for agrarians will be revised in the near term. This is supported by the fact that the Prime Minister Arseniy Yatseniuk on the same day of the approval of the amendments (Dec 28) declared expected new changes to the Tax Code as soon as in three weeks.

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	49.3	108.0	119%	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	8.50	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	8.00	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	1.72	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	0.24	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	0.38	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	11.5	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	2382	5250	120%	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	3.4	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	12.5	U/R	-	U/R	The launch of extraction at JKX's Russian gas field has lifted output, but the company's higher-margin Ukrainian operations continue to lag behind expectations.
Power Utilities						
DonbasEnergO	DOEN	32.0	72.0	125%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.31	15.00	105%	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	9.2	17.96	96%	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	17.6	90.0	412%	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	2.3	2.7	16%	HOLD	Loss of the company's output at war-hit Donbass together with UAH devaluation will lead to lower EBITDA in 2015 after some 55% drop in 2014.
Ovostar Union	OVO	71.9	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	0.095	0.24	154%	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	995.15	1368.76	821.17	-0.5%	-0.7%	0.7%	9.4%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.014	0.05	0.01	-4.0%	-2.7%	-22.2%	-62.9%	-3.5%	-2.0%	-22.9%	-72.2%
Azovstal	AZST	0.70	0.95	0.35	-0.8%	-2.6%	-0.3%	4.8%	-0.3%	-1.9%	-1.0%	-4.6%
Dniprospezstal	DNSS	394	n/a	n/a	50.0%	125.0%	125.0%	-69.7%	50.5%	125.7%	124.3%	-79.1%
Enakievo Steel	ENMZ	21.3	65.0	16.0	-2.4%	-5.5%	9.2%	-33.6%	-1.9%	-4.8%	8.5%	-43.0%
Arcelor Mittal KR	KSTL	3.54	n/a	n/a	0.0%	1.1%	-11.5%	207.8%	0.5%	1.9%	-12.2%	198.5%
Mariupol Ilyicha	MMKI	0.11	n/a	n/a	0.0%	-21.4%	-42.1%	10.0%	0.5%	-20.7%	-42.8%	0.6%
Coke												
Avdivka Coke	AVDK	1.72	3.70	1.46	-6.8%	-4.4%	-10.5%	-41.9%	-6.3%	-3.7%	-11.2%	-51.2%
Yasnyivsky Coking	YASK	0.24	0.84	0.20	4.3%	-17.2%	-14.3%	-54.7%	4.9%	-16.5%	-15.0%	-64.1%
Iron Ore Mining												
Centralny GOK	CGOK	8.00	n/a	n/a	0.0%	-3.6%	10.3%	23.1%	0.5%	-2.9%	9.7%	13.7%
Ferrexpo	FXPO	49.25	191.0	47.9	0.0%	-2.5%	-31.4%	-74.2%	0.5%	-1.8%	-32.1%	-83.6%
Pivnichny GOK	SGOK	8.50	9.80	4.50	3.7%	10.4%	4.4%	6.3%	4.2%	11.1%	3.7%	-3.1%
Coal Mining												
Pokrovske Mine	SHCHZ	0.38	0.79	0.17	0.0%	0.0%	18.8%	-5.0%	0.5%	0.7%	18.1%	-14.4%
Komsomolets Donbasa	SHKD	0.30	n/a	n/a	20.0%	50.0%	-9.1%	-51.6%	20.5%	50.7%	-9.8%	-61.0%
Energy Coal	CLE	0.64	2.02	0.55	0.0%	-8.6%	-1.5%	-39.0%	0.5%	-7.9%	-2.2%	-48.4%
Mining Machinery												
Svitlo Shakhtara	HMBZ	0.16	n/a	n/a	0.0%	-46.7%	-46.7%	-65.2%	0.5%	-45.9%	-47.4%	-74.6%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.31	1.01	0.20	-18.4%	-6.1%	-20.5%	-48.3%	-17.9%	-5.3%	-21.2%	-57.7%
Interpipe NMPP	NVTR	0.35	n/a	n/a	16.7%	16.7%	-10.3%	66.7%	17.2%	17.4%	-10.9%	57.3%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.5	25.0	10.0	-3.9%	-4.2%	-2.0%	-33.5%	-3.4%	-3.4%	-2.6%	-42.9%
Luhanskeplovoz	LTPL	1.08	1.80	0.85	3.8%	3.8%	0.0%	-28.0%	4.4%	4.6%	-0.7%	-37.4%
Stakhanov Wagon	SVGZ	0.27	n/a	n/a	-22.9%	-25.0%	-27.0%	-79.2%	-22.3%	-24.3%	-27.7%	-88.6%
Specialized Machinery												
Bogdan Motors	LUAZ	0.02	0.08	0.01	-5.0%	-24.0%	-36.9%	-28.3%	-4.5%	-23.3%	-37.6%	-37.7%
Motor Sich	MSICH	2,382	2,879	1,587	1.7%	4.7%	16.5%	30.6%	2.2%	5.4%	15.8%	21.2%
Summy Frunze Engineering	SMASH	4.04	n/a	n/a	0.0%	-32.7%	-10.2%	61.6%	0.5%	-31.9%	-10.9%	52.2%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
WESTA ISIC	WES	0.15	0.80	0.15	0.0%	-21.1%	-42.3%	-62.5%	0.5%	-20.3%	-43.0%	-71.9%
Telecom												
Ukrtelecom	UTLM	0.15	0.20	0.09	21.4%	16.5%	12.5%	38.2%	22.0%	17.2%	11.8%	28.8%
Oil & Gas												
Regal Petroleum	RPT	3.38	14.13	3.13	0.0%	-10.9%	-40.0%	-73.5%	0.5%	-10.2%	-40.7%	-82.9%
JKX Oil	JKX	12.50	72.25	11.00	0.0%	6.4%	-56.9%	-82.6%	0.5%	7.1%	-57.6%	-91.9%
Ukrnafta	UNAF	208	375	54	-0.3%	0.9%	-7.8%	91.3%	0.2%	1.6%	-8.5%	82.0%
Power Utilities												
Centrenerg	CEEN	7.31	8.70	3.00	-0.7%	-2.1%	-3.2%	53.3%	-0.1%	-1.4%	-3.9%	44.0%
Donbasenergo	DOEN	32.0	50.2	11.0	0.0%	-1.0%	0.6%	15.9%	0.6%	-0.3%	-0.1%	6.6%
Zakhidenergo	ZAEN	153.9	199.8	80.0	9.9%	0.8%	4.0%	70.2%	10.5%	1.5%	3.3%	60.9%
Consumer												
Agroton	AGT	1.19	5.5	1.19	0.0%	-11.9%	0.0%	-39.0%	0.5%	-11.1%	-0.7%	-48.3%
Astarta	AST	17.57	68.0	14.5	0.0%	0.1%	12.9%	-73.7%	0.5%	0.8%	12.2%	-83.1%
Avangardo	AVGR	2.30	11.9	2.30	0.0%	-4.2%	-53.1%	-80.4%	0.5%	-3.4%	-53.8%	-89.8%
Industrial Milk Company	IMC	5.99	12.77	5.85	0.0%	-0.2%	-10.3%	-50.7%	0.5%	0.6%	-11.0%	-60.1%
Kernel	KER	29.62	42.0	22.0	0.0%	0.8%	23.1%	-22.2%	0.5%	1.5%	22.4%	-31.5%
Mriya Agro Holding	MAYA	0.70	6.0	0.58	0.0%	-21.0%	-13.1%	-87.1%	0.5%	-20.3%	-13.8%	-96.5%
MHPC	MHPC	9.15	18.5	9.00	0.0%	-1.6%	-14.5%	-46.2%	0.5%	-0.9%	-15.2%	-55.6%
Milkiland	MLK	1.60	12.7	1.60	0.0%	-10.1%	-15.8%	-87.2%	0.5%	-9.4%	-16.5%	-96.6%
Ovostar Union	OVO	71.9	100.0	59.4	0.0%	-0.1%	-0.1%	-28.1%	0.5%	0.6%	-0.8%	-37.5%
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	6.1	n/a	n/a	-7.8%	-6.9%	-26.2%	-51.6%	-7.2%	-6.2%	-26.9%	-61.0%
Banks												
Raiffeisen Bank Aval	BAVL	0.095	0.190	0.090	0.0%	-0.8%	-7.3%	-16.7%	0.5%	-0.1%	-8.0%	-26.1%
UkrSotsbank	USCB	0.128	0.202	0.090	0.0%	-11.7%	-5.3%	-31.6%	0.5%	-11.0%	-6.0%	-40.9%

Source: Bloomberg

* companies listed abroad are in traded currency

MAIN FINANCIAL FORECASTS, USD mn

Name	Ticker	Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2012	2013	2014E	2012	2013	2014E	2012	2013	2014E	2012	2013	2014E	2012	2013	2014E
Steel																
Alchevsk Steel	ALMK	1,783	1,729	1,730	-5	-62	-14	neg	neg	neg	-127	-214	-35	neg	neg	neg
Enakievo Steel	ENMZ	1,578	1,531	1,561	-84	22	33	neg	1.5%	2.1%	9	-185	-29	0.5%	neg	neg
Azovstal	AZST	2,814	1,926	1,400	-181	-31	25	neg	neg	1.8%	-333	-308	33	neg	neg	2.4%
Coke																
Avdyivka Coke	AVDK	1,090	914	555	-112	46	-42	neg	5.0%	neg	-137	-6	-17	neg	neg	neg
Yasynivsky Coking	YASK	432	367	333	27	29	19	6.4%	7.8%	5.7%	8	-3	5	1.9%	neg	1.4%
Iron Ore Mining																
Centralny GOK	CGOK	610	679	634	232	312	279	38.0%	46.0%	44.1%	95	194	163	15.6%	28.6%	25.7%
Pivnichny GOK	SGOK	1,416	1,630	1,506	750	914	816	53.0%	56.1%	54.2%	436	548	460	30.8%	33.7%	30.5%
Ferrexpo	FXPO	1,424	1,581	1,449	402	506	492	28.2%	32.0%	33.9%	216	264	277	15.1%	16.7%	19.1%
Coal Mining																
Komsomolets Donbasa	SHKD	273	220	234	125	92	94	45.9%	41.8%	40.1%	7	17	17	2.6%	7.6%	7.3%
Coal Energy	CLE	165	126	101	63	21	9	38.0%	16.8%	8.9%	38	-17	-24	23.2%	neg	neg
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	480	310	271	52	31	26	10.8%	10.1%	9.5%	34	5	4	7.0%	1.5%	1.5%
Railcar Manufacturing																
Luhanskteplovoz	LTPL	216	329	367	29	36	38	13.4%	10.8%	10.4%	5	19	23	2.2%	5.9%	6.1%
Kryukiv Wagon	KVBZ	891	462	106	135	50	10	15.2%	10.9%	9.4%	95	42	-3	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	536	69	94	33	6.2%	10.3%	6.1%	29	60	16	2.6%	6.5%	2.9%
Donbasenergo	DOEN	574	656	391	32	72	34	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	443	280	301	130	44.5%	45.6%	29.3%	228	238	-11	36.3%	36.0%	neg
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%
Ukrstsobank	USCB	4,854	5,283	2,730	957	1,064	518	451	197	222	1	1	-32	0.1%	0.1%	-6.1%

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	23	3.9%	1	1,372	neg	neg	neg	neg	neg	neg	0.8	0.8	0.8	355	331	321	\$/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	187	3.0%	6	176	neg	neg	5.6	neg	neg	7.0	0.1	0.1	0.1	38	39	39	\$/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	593	0.3%	1	591	6.2	3.0	3.6	2.5	1.9	2.1	1.0	0.9	0.9				
Pivnichny GOK	SGOK	1,238	0.4%	5	1,231	2.8	2.3	2.7	1.6	1.3	1.5	0.9	0.8	0.8				
Ferrexpo	FXPO	450	24.0%	108	1,144	2.1	1.7	1.6	2.8	2.3	2.3	0.8	0.7	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	29	25.0%	7	139	0.8	neg	neg	2.2	6.6	15.5	0.8	1.1	1.4	2.2	6.6	15.5	\$/tonne
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	51	2.0%	1	97	1.5	10.8	12.4	1.9	3.1	3.7	0.2	0.3	0.4	153	254	242	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	15	24.0%	4	52	3.1	0.8	0.7	1.8	1.5	1.4	0.2	0.2	0.1				
Kruiiv Wagon	KVBZ	83	5.0%	4	75	0.9	2.0	neg	0.6	1.5	7.5	0.1	0.2	0.7				
Stakhanov Wagon	SVGZ	4	8.0%	0	36	6.6	7.3	8.3	5.1	6.2	6.7	0.1	0.2	0.2				
Specialized Machinery																		
Turboatom	TATM	93	5.8%	5	33	2.5	1.3	1.4	0.6	0.4	0.5	0.2	0.2	0.2				
Motor Sich	MSICH	313	24.0%	75	305	1.6	1.9	1.9	1.0	1.1	1.2	0.3	0.3	0.3				
Telecom																		
Ukrtelecom	UTLM	180	7.2%	13	483	4.0	10.6	6.8	2.4	2.5	2.8	0.6	0.6	0.8				
Oil & Gas																		
Ukrnafta	UNAF	712	3.0%	21	707	4.0	>30	4.4	1.6	2.5	2.2	0.3	0.3	0.3	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	17	21.6%	4	-8	1.5	neg	8.5	-0.4	neg	-0.3	-0.2	-0.2	-0.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	34	50.4%	17	142	neg	5.2	4.3	1.0	2.1	2.1	0.7	0.8	0.7	26	19	19	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	171	21.7%	37	157	5.9	2.9	10.9	2.3	1.7	4.8	0.1	0.2	0.3	9	11	10	\$/MWh
DonbasEnergO	DOEN	48	14.2%	7	93	12.5	0.7	1.6	2.9	1.3	2.7	0.2	0.1	0.2	11	12	11	\$/MWh
Consumer																		
MHP	MHPC	967	34.1%	330	2,047	3.1	6.0	neg	4.4	5.2	3.8	1.5	1.4	1.3				
Kernel	KER	701	61.8%	433	1,355	3.3	6.7	neg	4.2	4.7	6.1	0.6	0.5	0.6				
Astarta	AST	131	37.0%	48	526	2.2	3.8	neg	4.8	5.8	3.8	1.2	1.1	0.9				
Avangardco	AVGR	147	22.5%	33	334	0.6	0.6	neg	1.2	1.1	2.6	0.5	0.5	0.8	76	57	54	\$/mneggs
Agroton	AGT	8	26.2%	2	57	1.1	neg	neg	2.8	7.5	16.3	0.6	0.7	0.6	n/a	n/a	n/a	
Banks																		
Raiffeisen Bank Aval	BAVL	179	3.5%	6		>30	2.0	neg	0.2	0.2	0.3	0.03	0.03	0.05				
Ukrsotsbank	USCB	149	1.0%	1		>30	>30	neg	0.2	0.1	0.3	0.04	0.04	0.07				

Source: Eavex Research

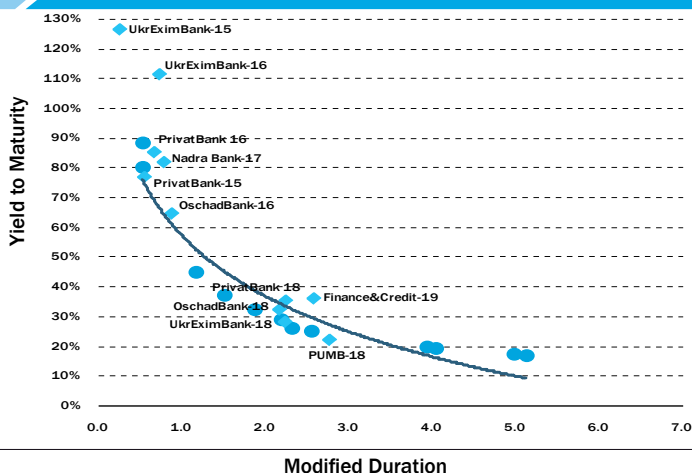
UKRAINIAN EUROBONDS

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)	68.3	74.3	65.1%	49.8%	-25.7%	0.6	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CCC
Ukraine, 2015	70.7	72.1	63.6%	60.2%	-27.0%	0.5	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CCC
Ukraine, 2016	65.0	66.5	33.0%	31.5%	-30.1%	1.5	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CCC
Ukraine, 2016-2	65.5	67.1	39.5%	37.4%	-29.6%	1.2	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CCC
Ukraine, 2017	66.5	71.5	23.4%	20.3%	-25.6%	2.3	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CCC
Ukraine, 2017-2	66.6	71.6	28.4%	24.8%	-30.3%	1.9	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CCC
Ukraine, 2017 Infr. projects	60.0	63.0	30.3%	28.1%	-25.6%	2.2	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	60.0	63.0	26.2%	24.3%	-21.7%	2.5	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	63.0	67.0	18.5%	17.0%	-30.1%	4.0	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC-/CCC
Ukraine, 2021	64.8	68.8	17.5%	16.1%	-28.7%	4.2	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CCC
Ukraine, 2022	64.8	68.8	15.7%	14.6%	-26.6%	5.2	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CCC
Ukraine, 2023	64.2	68.2	15.2%	14.1%	-27.0%	5.3	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CCC
Corporate Eurobonds											
Agroton, 2019	30.1	37.4	44.6%	36.6%	-35.3%	2.8	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	94.0	96.0	29.8%	23.0%	-8.4%	0.3	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	65.0	74.1	19.1%	15.7%	-23.0%	3.8	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	64.5	64.5	71.5%	71.5%	-34.2%	0.6	10.00%	S/A	29 Oct 2015	200	/CCC-/
UkrLandFarming, 2018	48.3	48.3	41.1%	41.1%	-44.6%	2.0	10.88%	S/A	26 Mar 2018	500	/CCC-/CCC
Mriya, 2016	11.0	15.0	319.7%	256.4%	-87.1%	0.5	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	11.0	112.0%	112.0%	-87.2%	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	43.0	48.0	41.1%	36.3%	-51.7%	2.3	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	79.0	82.0	80.6%	68.4%	-21.5%	0.3	10.25%	S/A	20 May 2015	114	Caa2//CCC
Metinvest, 2017	61.0	65.0	32.0%	29.1%	-10.0%		10.50%	S/A	28 Nov 2017	290	//CCC
Metinvest, 2018	53.0	58.0	34.4%	30.5%	-37.6%	2.2	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	75.0	77.0	33.5%	31.1%	-22.4%	1.0	7.875%	S/A	07 Apr 2016	500	/CCC-/CCC
UZ Rail, 2018	52.0	54.0	34.6%	33.0%	-41.1%	2.4	9.50%	S/A	21 May 2018	500	/CCC-/CCC
Interpipe, 2017	55.0	65.0	39.3%	30.7%	-22.0%	1.8	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	58.5	60.2	33.6%	32.4%	-47.1%	1.6	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	40.0	50.0	40.5%	32.1%	-45.5%	2.5	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018						2.8	11.00%	Q	31 Dec 2018	275	Caa3//
Nadra Bank, 2018	15.0	20.0	521.3%	299.0%	-78.3%	0.1	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	63.0	68.0	87.6%	72.9%	-28.0%	0.5	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	47.0	52.0	91.1%	77.9%	-34.9%	0.7	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	58.0	60.0	33.3%	31.8%	-29.4%	2.1	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	75.4	75.4	104.7%	104.7%	-21.8%	0.2	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	37.0	47.0	125.1%	91.1%	-49.7%	0.7	5.79%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	63.0	66.0	27.3%	25.4%	-27.5%	2.2	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	4.0	9.0	518.4%	259.0%	-92.4%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	64.1	64.9	52.2%	50.7%	-30.7%	0.9	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	57.0	59.4	30.8%	29.1%	-34.3%	2.3	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	72.3	74.6	52.2%	47.6%	-20.7%	0.7	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	70.0	71.8	36.7%	34.7%	-23.8%	1.2	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

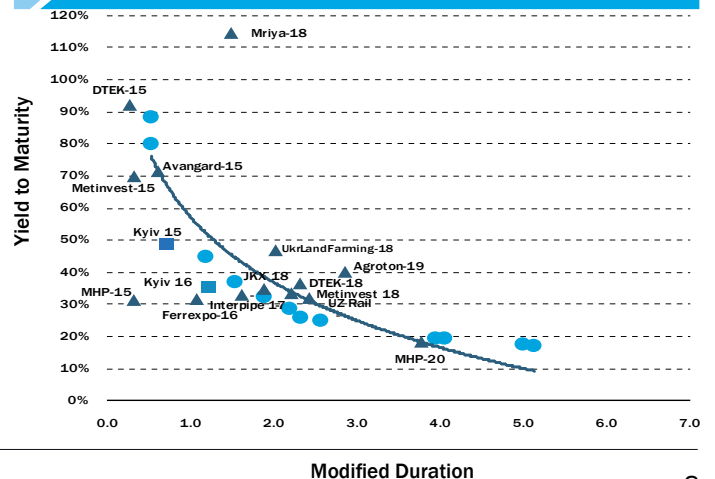
¹ Moody's/S&P/Fitch; * EUR

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

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