

Market Update

Equity

Kyiv-listed equities ended mostly in the black on Tuesday (Feb 3) with the UX index climbing by 0.4% to end at 980 points. Although intense fighting continued in the government-controlled enclave of Debaltsevo, the news flow was less turbulent than in recent days, adding some confidence to the market. The country's largest oil producer UkrNafta (UNAF) rose by 1.0% to close at UAH 245 per share as global prices for crude oil demonstrated signs of a rebound. Motor Sich (MSICH), Azovstal (AZST) and DonbasEnergO (DOEN) each added about 1%. Meanwhile, CentrEnergO (CEEN) continued to move south, declining by 0.7% to UAH 6.85 on reports that the company's power plants are once again facing disruptions of coal supplies. Outside the UX basket, DniproEnergO (DNEN) edged down 0.3% to close at UAH 570. In London trading it was a fairly good day for Ukrainian names, with JKK Oil&Gas (JKX) advancing by 9.6% to GBp 14.25 and Ferrexpo (FXPO) adding 3.0% to GBp 51.75. Warsaw-listed Kernel (KER) shed 2.3% to PLN 30 on the nose and Ovostar (OVO) slipped 4.0% to PLN 71.00.

Fixed Income

Ukrainian long-term sovereigns were moderately higher on Tuesday, with Ukraine-23s improving by 0.5p.p. to close at 49.8/51.0 (20.5%/19.7%). However, it was a rough day for corporate bonds associated with industrialist Oleg Baxmatiuk. Avangard-15s declined by 5.0p.p. to 40.0/50.0 (192.8%/137.5%), and the 2018 bonds of Avangard's parent company UkrLandFarming plunged by 11.3p.p. to 37.0/37.0 (55.1%/55.1%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
CentrenergO	CEEN	6.90	-3.7%	0.9	117
Motor Sich	MSICH	2492.00	-1.0%	0.8	44
Ukrnafta	UNAF	242.40	0.4%	0.7	24

Growth Leaders

Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades	
Raiffeisen Bank Aval	BAVL	0.09	0.9%	0.08	25
Ukrnafta	UNAF	242.40	0.4%	0.70	24
Azovstal	AZST	0.70	0.4%	0.01	12

Loss Leaders

Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades	
CentrenergO	CEEN	6.90	-3.7%	0.934	117
Avdyivka Coke	AVDK	1.17	-2.8%	0.214	20
Yenakievo Steel	ENMZ	18.20	-2.7%	0.361	13

Highlights

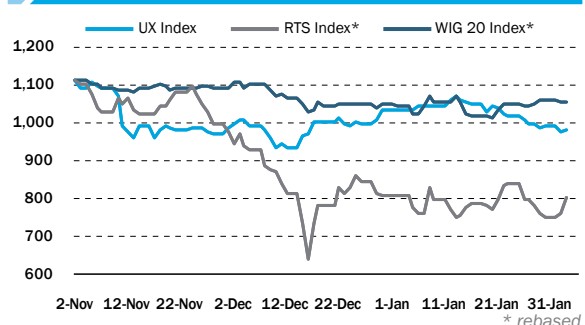
POLITICS AND ECONOMICS

- Ukraine's Steel Output Edged Down 2% MoM in January, YoY Drop at 25%

FIXED INCOME

- Ferrexpo Extends Early Bond Exchange Deadline to Feb 17
- UkrEximBank Joins OschadBank in Reporting Big Net Loss for FY14

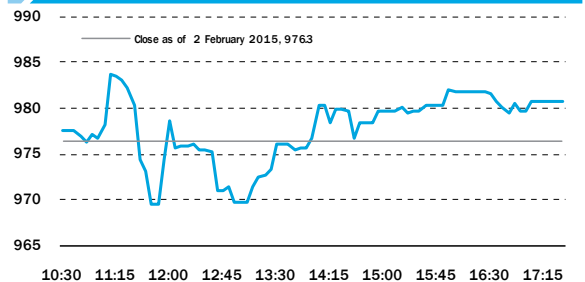
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	980.7	0.4%	-5.1%	-5.1%
RTS	786.7	5.5%	-0.5%	-0.5%
WIG20	2335.4	0.2%	1.1%	0.8%
MSCI EM	976.5	1.3%	2.4%	2.1%
S&P 500	2050.0	1.4%	-0.4%	-0.4%

UX INTRADAY FEBRUARY 3, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	434.5	-3.2%	5.9%	7.5%
CDS 5Y UKR	2773.6	-1.0%	24.0%	24.2%
Ukraine-17	33.6%	0.1 p.p.	8.0 p.p.	7.9 p.p.
Ferrexpo-16	32.3%	0.0 p.p.	1.0 p.p.	1.0 p.p.
Ukraine-23	20.1%	-0.2 p.p.	3.6 p.p.	12.6 p.p.
Privatbank-16	102.5%	0.3 p.p.	16.9 p.p.	17.1 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	16.29	0.6%	3.0%	3.0%
EUR	18.70	1.8%	-1.5%	-2.3%
RUB	0.25	5.1%	-7.0%	-9.1%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	221.9	0.0%	-9.8%	-9.8%
Steel, USD/t	422.5	0.0%	-6.1%	-6.1%
Oil, USD/bbl	57.9	5.8%	1.1%	1.0%
Gold, USD/oz	1260.4	-1.1%	6.0%	6.4%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

**Ukraine's Steel Output Edged Down
2% MoM in January, YoY Drop at
25%**

by Ivan Dzvinka
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NEWS

Steel production in Ukraine in January 2015 declined by 2.4% MoM to 1.87mn tonnes, Interfax reported earlier this week, citing industry association Metallurgprom. Compared to January 2014, domestic steel output dropped by 25.0%.

COMMENTARY

The war in the Donbass (the location of 50% of Ukrainian steel capacity) and associated logistics problems pushed average monthly domestic steel output down to 1.8-1.9mn tonnes over the August-January period, compared to some 2.6mn tonnes during January-July. With the war continuing and top 5 producer Alchevsk Steel still idled (since August), we do not anticipate any substantial improvement in steel output in the coming months. If the same military/political trend of January continues through the whole year, we will have another 17% YoY drop in steel production in FY15 on the heels of the 17% YoY reduction registered in FY14.

Ferrexpo Extends Early Bond Exchange Deadline to Feb 17

by Ivan Dzvinka
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NEWS

Ferrexpo, Ukraine's largest iron ore pellet exporter, has extended the "early exchange offer" deadline for its USD 500mn, 7.875% coupon bonds until Feb 17, the company stated in its release this morning (Feb 4). Initially, the "early exchange" deadline had been set for Feb 2, and envisaged an exchange of USD 100 of principal of the existing bonds with maturity in April 2016 for USD 80 of new bonds with maturity in April 2019, along with USD 20 in cash. The exchange offer initially envisaged no USD 20 cash redemption after the Feb 2 "early" deadline with final deadline was Feb 17. The new bonds are set to have a 10.375% coupon and be amortized with two equal redemptions in April 2018 and April 2019. The new settlement date for the exchange is Feb 19. Ferrexpo noted that the exchange deadline and the settlement date could still be amended.

COMMENTARY

Ferrexpo's extension of the early exchange offer deadline without specifying the amount of bondholders who have already accepted it signifies two possible scenarios. First, that the holders of less than USD 300mn of the existing bonds (60%, or the announced threshold level) accepted the offer, or second, that the threshold level has been reached but that the company nonetheless feels the need to attract additional bondholders to the exchange. In any case, with the ability of the issuer to make amendments to the offer conditions, we expect Ferrexpo will likely utilize this option in case less than 60% threshold is reached by Feb 17.

UkrEximBank Joins OschadBank in Reporting Big Net Loss for FY14

by Dmitry Churin
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NEWS

Government-owned UkrEximBank reported a net loss of UAH 9.5bn (USD 600mn at the current official UAH/USD exchange rate) for FY14, compared to a net profit of UAH 200mn for FY13, according to the bank's financials released earlier this week. In 4Q14 alone the bank had a net loss of UAH 5.8bn (profit of UAH 104mn in 4Q13). UkrExim's gross interest income in FY14 rose by 30% YoY to UAH 12.0bn and net interest income grew by 19% YoY to UAH 4.6bn. On the balance sheet side, UkrExim's total assets rose by 34% YoY to UAH 126bn (USD 8.0bn) in 2014, its loan portfolio increased by 24% YoY to UAH 52.1bn, and its securities portfolio rose by 23% YoY to UAH 40.8bn in the period.

COMMENTARY

UkrExim joined its fellow "twin tower" state-owned OschadBank in posting a massive loss in the fourth quarter that ruined its full-year bottom line. UkrExim had to allocate UAH 7.9bn to cover bad loans in 4Q14 alone, and was forced to increase provisions for loan impairment by 6.3x YoY to UAH 17.0bn in FY14 due to a write-down of assets in Crimea as well as to reflect a notable deterioration of its foreign currency denominated loan portfolio amid the hryvnia devaluation in the period. Importantly, UkrExim earned UAH 3.3bn in FY14 as a result of revaluation of its securities portfolio, which we believe mostly consisted of USD-denominated domestic government bonds.

At least on paper, UkrExim's solvency remains adequate, with the capital adequacy ratio standing at 22.5% and the current liquidity at 134% as of end-2014. The NBU-mandated minimum is 10% for capital adequacy and 40% for current liquidity.

UkrEximBank-16s Eurobonds are trading at 38.0/43.0 (134%/114%), as they have priced in an expected restructuring through an exchange of the existing bonds for a new issue with a longer maturity.

UkrEximBank-18s Eurobonds are currently quoted at 47.0/50.0 (41.3%/38.4%), reflecting the general concern regarding Ukraine's ability to deal with the economic crisis resulting from the Donbass war.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.71	0.56	-21%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	51.8	108.0	109%	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	9.44	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	7.35	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	1.17	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	0.29	U/R	-	Susp.	The company's coal production expansion plan were put under high risk of realization due to war in Donbass.
Railcar Manufacturing						
Krukiv Wagon	KVBZ	11.8	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.00	U/R	-	U/R	LuganskTeplovoz was forced to shut down operations amid military conflict in the region.
Specialized Machinery						
Motor Sich	MSICH	2511	5250	109%	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	4.1	U/R	-	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	14.3	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	30.3	72.0	138%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	6.85	15.00	119%	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	24.0	90.0	275%	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	2.1	2.7	27%	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	71.0	80.8	14%	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	0.088	0.24	174%	BUY	The bank has quite conservative risk policy therefore we assume it would weathered the current financial crisis in Ukraine and will start to generate solid profit starting from FY16.

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	980.67	1368.76	842.02	0.4%	-1.6%	-5.1%	-5.1%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.012	0.045	0.011	0.8%	-7.6%	-16.6%	-16.6%	0.4%	-6.0%	-11.5%	-11.5%
Azovstal	AZST	0.71	0.95	0.35	0.7%	2.9%	-5.0%	-5.0%	0.3%	4.5%	0.1%	0.1%
Enakievo Steel	ENMZ	17.50	65.00	16.01	-3.8%	-8.7%	-16.5%	-16.5%	-4.3%	-7.1%	-11.4%	-11.4%
Coke												
Avdyivka Coke	AVDK	1.17	3.70	1.10	0.0%	-2.8%	-32.5%	-32.5%	-0.4%	-1.1%	-27.4%	-27.4%
Yasnyivsky Coking	YASK	0.24	0.84	0.18	0.0%	-4.0%	-14.3%	-14.3%	-0.4%	-2.4%	-9.2%	-9.2%
Iron Ore Mining												
Centralny GOK	CGOK	7.35	n/a	n/a	0.0%	-10.4%	-5.6%	-5.6%	-0.4%	-8.8%	-0.6%	-0.6%
Ferrexpo	FXPO	51.75	171.60	47.91	3.0%	-5.9%	-5.9%	-2.4%	2.5%	-4.3%	-0.8%	2.7%
Pivnichny GOK	SGOK	9.44	12.30	4.44	0.0%	0.0%	12.8%	12.8%	-0.4%	1.6%	17.9%	17.9%
Coal Mining												
Pokrovske Mine	SHCHZ	0.29	0.79	0.17	0.0%	0.0%	-38.3%	-38.3%	-0.4%	1.6%	-33.2%	-33.2%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.30	1.01	0.20	0.0%	-16.7%	-21.1%	-21.1%	-0.4%	-15.1%	-16.0%	-16.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.81	24.99	10.00	2.3%	6.4%	-8.1%	-8.1%	1.9%	8.0%	-3.0%	-3.0%
Luhanskeplovoz	LTPL	1.00	1.80	0.85	-8.3%	-8.3%	-7.4%	-7.4%	-8.7%	-6.6%	-2.3%	-2.3%
Specialized Machinery												
Motor Sich	MSICH	2511	2879	1587	0.8%	-1.3%	1.1%	1.1%	0.3%	0.3%	6.2%	6.2%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Telecom												
Ukrtelecom	UTLM	0.12	0.20	0.09	0.0%	0.0%	-24.3%	-24.3%	-0.4%	1.6%	-19.2%	-19.2%
Oil & Gas												
Regal Petroleum	RPT	4.13	12.75	3.13	0.0%	19.9%	26.9%	32.0%	-0.4%	21.5%	32.0%	37.1%
JKX Oil	JKX	14.25	71.25	11.00	9.6%	18.8%	12.9%	18.8%	9.2%	20.4%	18.0%	23.8%
Ukrnafta	UNAF	244.7	375.0	54.0	0.9%	1.2%	20.4%	20.4%	0.5%	2.8%	25.5%	25.5%
Power Utilities												
Centrenergo	CEEN	6.85	8.70	3.00	-0.7%	-5.7%	-9.2%	-9.2%	-1.2%	-4.1%	-4.1%	-4.1%
Donbasenergo	DOEN	30.27	50.16	11.00	-0.1%	-4.3%	-8.3%	-8.3%	-0.5%	-2.7%	-3.2%	-3.2%
Zakhidenergo	ZAEN	164.2	199.8	91.2	0.0%	21.6%	10.9%	10.9%	-0.4%	23.2%	16.0%	16.0%
Consumer												
Agroton	AGT	1.28	5.48	1.19	0.0%	1.6%	0.8%	4.1%	-0.4%	3.2%	5.9%	9.2%
Astarta	AST	24.00	66.80	14.50	0.0%	-5.1%	19.6%	20.0%	-0.4%	-3.5%	24.7%	25.1%
Avangardo	AVGR	2.10	11.48	1.83	0.0%	10.5%	2.4%	2.4%	-0.4%	12.1%	7.5%	7.5%
Industrial Milk Company	IMC	6.00	10.49	5.46	-4.0%	0.0%	9.3%	5.8%	-4.4%	1.6%	14.4%	10.9%
Kernel	KER	30.00	39.00	22.00	-2.3%	-4.6%	8.7%	5.4%	-2.7%	-3.0%	13.8%	10.5%
Mriya Agro Holding	MAYA	0.52	6.00	0.52	-4.7%	-8.4%	-6.9%	-6.9%	-5.2%	-6.8%	-1.8%	-1.8%
MHPC	MHPC	9.15	16.00	9.00	0.3%	0.5%	-8.4%	-0.5%	-0.1%	2.2%	-3.3%	4.5%
Milkiland	MLK	2.21	10.48	1.48	0.5%	7.3%	30.8%	49.3%	0.0%	8.9%	35.9%	54.4%
Ovostar Union	OVO	71.00	81.70	59.40	-4.1%	-4.1%	-1.4%	-1.4%	-4.5%	-2.4%	3.7%	3.7%
Chemicals												
Stirol	STIR	7.49	n/a	n/a	46.9%	4.0%	8.1%	8.1%	46.4%	5.6%	13.2%	13.2%
Banks												
Raiffeisen Bank Aval	BAVL	0.088	0.190	0.086	-0.6%	-3.6%	-8.8%	-8.8%	-1.0%	-2.0%	-3.7%	-3.7%
UkrSotsbank	USCB	0.101	0.202	0.090	-8.6%	-16.3%	-22.8%	-22.8%	-9.1%	-14.6%	-17.7%	-17.7%

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		
		2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E
Steel																
Alchevsk Steel	ALMK	1,729	700	346	-62	-83	-124	neg	neg	neg	-214	-158	-235	neg	neg	neg
Enakievo Steel	ENMZ	1,507	1,250	1,063	-7	45	51	neg	3.6%	4.8%	-61	-125	-59	neg	neg	neg
Azovstal	AZST	2,562	1,775	1,509	-81	152	113	neg	8.5%	7.5%	-308	35	23	neg	2.0%	1.5%
Coke																
Avdyivka Coke	AVDK	914	509	382	46	-54	-74	5.0%	neg	neg	-6	-75	-106	neg	neg	neg
Yasynivsky Coking	YASK	367	198	159	29	-4	-7	7.8%	neg	neg	-3	-13	-13	neg	neg	neg
Iron Ore Mining																
Centralny GOK	CGOK	679	611	550	312	223	165	46.0%	36.5%	30.1%	194	115	80	28.6%	18.8%	14.6%
Pivnichny GOK	SGOK	1,630	1,467	1,320	914	649	481	56.1%	44.2%	36.4%	548	324	226	33.7%	22.1%	17.2%
Ferrexpo	FXPO	1,581	1,449	1,437	506	492	349	32.0%	33.9%	24.3%	264	277	147	16.7%	19.1%	10.2%
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	310	193	118	31	18	23	10.1%	9.5%	19.3%	5	3	2	1.5%	1.5%	2.0%
Railcar Manufacturing																
Luhanskteplovoz	LTPL	329	127	n/a	36	-2	n/a	10.8%	neg	n/a	19	-16	n/a	5.9%	neg	n/a
Kryukiv Wagon	KVBZ	462	133	86	50	10	6	10.9%	7.6%	7.5%	42	-3	-5	9.0%	neg	neg
Specialized Machinery																
Turboatom	TATM	214	149	147	90	56	47	42.1%	37.3%	32.0%	72	49	29	33.5%	33.0%	20.0%
Motor Sich	MSICH	1,000	950	950	274	260	260	27.4%	27.4%	27.4%	169	133	100	16.9%	14.0%	10.5%
Telecom																
Ukrtelecom	UTLM	791	368	290	190	105	91	24.0%	28.5%	31.5%	17	16	10	2.2%	4.3%	3.5%
Oil & Gas																
Ukrnafta	UNAF	2,589	1,808	1,059	286	160	132	11.1%	8.8%	12.5%	23	32	12	0.9%	1.8%	1.1%
Regal Petroleum	RPT	37	38	35	-146	16	13	neg	42.1%	37.1%	-127	2	3	neg	5.3%	8.6%
JKX Oil	JKX	181	199	150	66	68	70	36.7%	34.3%	46.7%	7	8	5	3.6%	3.9%	3.3%
Electric Utilities																
Centrenergo	CEEN	915	544	605	94	33	23	10.3%	6.1%	3.7%	60	16	9	6.5%	2.9%	1.5%
Donbasenergo	DOEN	656	391	271	72	34	13	11.0%	8.8%	4.9%	65	31	3	9.9%	7.8%	1.1%
Consumer																
MHP	MHPC	1,496	1,524	1,544	391	537	550	26.1%	35.2%	35.6%	162	-337	97	10.8%	neg	6.3%
Kernel	KER	2,797	2,393	2,900	291	223	325	10.4%	9.3%	11.2%	105	-107	170	3.8%	neg	5.9%
Astarta	AST	470	491	413	114	91	87	20.2%	15.5%	17.6%	5	-28	30	0.8%	neg	6.1%
Avangardco	AVGR	661	443	405	301	130	109	45.6%	29.3%	26.9%	238	-11	32	36.0%	neg	7.9%
Ovostar	OVO	81	75	79	36	32	25	43.7%	43.1%	31.6%	31	30	24	38.0%	40.0%	30.7%
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	5,333	2,869	2,765	888	390	376	723	327	276	90	-87	-41	10.1%	-22.2%	-10.9%
Ukrsotsbank	USCB	5,283	2,730	2,588	1,064	518	447	197	222	197	1	-32	-18	0.1%	-6.1%	-3.9%

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		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
Steel																		
Alchevsk Steel	ALMK	19	3.9%	1	958	neg	neg	neg	neg	neg	neg	0.6	1.4	2.8	248	231	224	\$/tonne
Yenakievo Steel	ENMZ	11	8.8%	1	8	neg	neg	neg	neg	0.2	0.2	0.0	0.0	0.0	3	3	3	\$/tonne
Azovstal	AZST	183	3.0%	5	174	neg	5.2	7.9	neg	1.1	1.5	0.1	0.1	0.1	38	38	38	\$/tonne
Coke																		
Avdyivka Coke	AVDK	14	6.8%	1	-25	neg	neg	neg	-0.5	neg	neg	0.0	0.0	-0.1	-6	-6	-7	\$/tonne
Yasynivsky Coke	YASK	4	9.0%	0	5	neg	neg	neg	0.2	neg	neg	0.0	0.0	0.0	0.2	neg	neg	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	529	0.3%	1	527	2.7	4.6	6.6	1.7	2.4	3.2	0.8	0.9	1.0				
Pivnichny GOK	SGOK	1,335	0.4%	5	1,329	2.4	4.1	5.9	1.5	2.0	2.8	0.8	0.9	1.0				
Ferrexpo	FXPO	459	24.0%	110	1,153	1.7	1.7	3.1	2.3	2.3	3.3	0.7	0.8	0.8				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	48	2.0%	1	94	10.2	16.4	20.3	3.0	5.1	4.1	0.3	0.5	0.8	149	246	234	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	13	24.0%	3	51	0.7	neg	n/a	1.4	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	83	5.0%	4	74	2.0	neg	neg	1.5	7.3	11.5	0.2	0.6	0.9				
Specialized Machinery																		
Turboatom	TATM	91	5.8%	5	44	1.3	1.8	3.1	0.5	0.8	0.9	0.2	0.3	0.3				
Motor Sich	MSICH	320	24.0%	77	313	1.9	2.4	3.2	1.1	1.2	1.2	0.3	0.3	0.3				
Telecom																		
Ukrtelecom	UTLM	132	7.2%	10	436	7.8	8.3	12.8	2.3	4.2	4.8	0.6	1.2	1.5				
Oil & Gas																		
Ukrnafta	UNAF	815	3.0%	24	810	>30	25.7	>30	2.8	5.1	6.1	0.3	0.4	0.8	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	20	21.6%	4	-5	neg	10.0	6.7	neg	-0.3	-0.4	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	37	50.4%	19	145	5.7	4.8	7.4	2.2	2.1	2.1	0.8	0.7	1.0	27	20	19	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	155	21.7%	34	142	2.6	9.8	17.6	1.5	4.2	6.3	0.2	0.3	0.2	8	10	9	\$/MWh
DonbasEnerg	DOEN	44	14.2%	6	89	0.7	1.4	14.9	1.2	2.6	6.7	0.1	0.2	0.3	11	11	11	\$/MWh
Consumer																		
MHP	MHPC	967	34.1%	330	2,047	6.0	neg	10.0	5.2	3.8	3.7	1.4	1.3	1.3				
Kernel	KER	657	61.8%	406	1,311	6.3	neg	3.9	4.5	5.9	4.0	0.5	0.5	0.5				
Astarta	AST	165	37.0%	61	561	>30	neg	5.5	4.9	6.2	6.4	1.2	1.1	1.4				
Avangardco	AVGR	134	22.5%	30	322	0.6	neg	4.2	1.1	2.5	2.9	0.5	0.7	0.8	73	55	52	\$/mneqgs
Ovostar	OVO	117	25.0%	29	124	3.8	3.9	4.8	3.5	3.9	5.0	1.5	1.7	1.6	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	161	3.5%	6		1.8	neg	neg	0.2	0.4	0.4	0.03	0.06	0.06				
Ukrsotsbank	USCB	114	1.0%	1		>30	>30	>30	0.1	0.2	0.3	0.04	0.07	0.08				

Source: Eavex Research

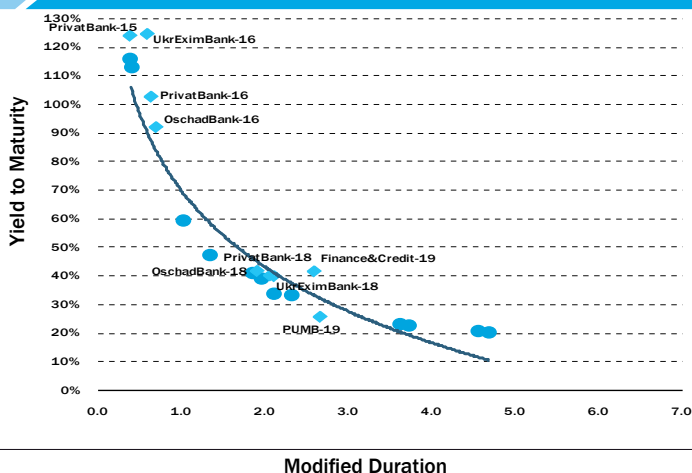
UKRAINIAN EUROBONDS

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)	56.0	59.0	120.2%	107.0%	-15.4%	0.4	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CCC
Ukraine, 2015	56.1	58.0	128.9%	120.2%	-18.8%	0.4	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CCC
Ukraine, 2016	53.0	54.6	48.9%	46.8%	-14.2%	1.3	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CCC
Ukraine, 2016-2	53.3	54.7	61.5%	58.9%	-16.6%	1.0	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CCC
Ukraine, 2017	50.8	56.8	36.3%	31.1%	-14.9%	2.1	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CCC
Ukraine, 2017-2	49.5	57.5	45.3%	36.9%	-14.1%	1.8	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CCC
Ukraine, 2017 Infr. projects	50.0	52.0	39.9%	38.0%	-17.1%	1.9	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	49.0	53.0	35.1%	31.8%	-15.0%	2.3	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	51.3	53.3	23.9%	22.9%	-12.4%	3.6	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC-/CCC
Ukraine, 2021	51.0	53.0	23.5%	22.6%	-12.4%	3.7	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CCC
Ukraine, 2022	49.0	51.0	21.6%	20.7%	-16.9%	4.5	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CCC
Ukraine, 2023	49.8	51.0	20.5%	19.7%	-15.1%	4.7	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CCC
Corporate Eurobonds											
Agroton, 2019	30.1	36.1	42.3%	36.0%	-2.0%	3.0	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	90.0	93.0	57.8%	42.4%	-3.7%	0.2	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	60.0	63.8	21.4%	19.7%	-10.3%	3.5	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	40.0	50.0	192.8%	137.5%	-30.2%	0.4	10.00%	S/A	29 Oct 2015	200	/CCC-/
UkrLandFarming, 2018	37.0	37.0	55.1%	55.1%	-20.5%	1.7	10.88%	S/A	26 Mar 2018	500	/CCC-/CCC
Mriya, 2016	11.0	15.0	365.8%	290.9%	0.0%	0.4	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	12.0	12.0	110.6%	110.6%	9.1%	1.4	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	65.0	70.0	241.4%	194.5%	-12.9%	0.2	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	41.0	46.0	44.2%	39.0%	-4.4%	2.1	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	77.0	80.0	113.5%	96.7%	-2.5%	0.2	10.25%	S/A	20 May 2015	114	Caa2//CCC
Metinvest, 2017	72.0	77.0	24.9%	21.8%	6.4%	1.6	10.50%	S/A	28 Nov 2017	290	//CCC
Metinvest, 2018	40.0	45.0	48.6%	42.8%	-23.5%	1.9	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	75.0	80.0	35.7%	29.2%	0.6%	1.0	7.875%	S/A	07 Apr 2016	500	/CCC-/CCC
UZ Rail, 2018	35.0	40.0	53.3%	47.0%	-29.3%	2.0	9.50%	S/A	21 May 2018	500	/CCC-/CCC
Interpipe, 2017	41.0	45.0	57.7%	52.1%	-21.8%	1.7	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	57.2	59.2	35.4%	34.0%	-0.1%	1.5	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	35.0	45.0	46.6%	36.5%	-51.8%	2.6	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018	62.0	67.0	27.1%	24.3%	-4.4%	2.7	11.00%	Q	31 Dec 2018	275	Caa3//
Nadra Bank, 2018	10.0	15.0	n/a	n/a	0.0%	0.4	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	55.0	60.0	135.6%	113.3%	-8.0%	0.4	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	44.0	49.0	111.1%	94.6%	-6.1%	0.6	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	48.0	50.4	42.9%	40.5%	-16.6%	1.9	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	65.8	65.8	230.0%	230.0%	-11.6%	0.1	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	38.0	43.0	135.0%	114.7%	-14.7%	0.6	5.79%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	47.0	50.0	41.4%	38.4%	-14.2%	2.1	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	4.0	9.0	730.1%	315.0%	0.0%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	47.1	50.0	96.1%	87.8%	-17.0%	0.7	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	45.0	48.2	42.0%	38.8%	-17.4%	2.1	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	50.0	53.0	130.3%	117.7%	-29.0%	0.5	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	47.4	51.4	75.3%	67.2%	-30.2%	1.0	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

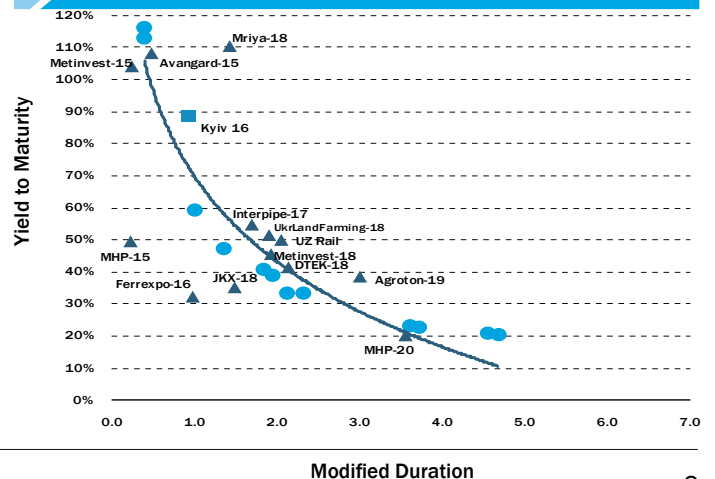
¹ Moody's/S&P/Fitch; * EUR

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			28%	25%	n/a	14.30%	S/A	20 May 2015	n/a
UA4000142665			28%	25%	n/a	14.30%	S/A	24 May 2017	n/a
USD denominated Bonds									
UA4000142699	n/a	n/a	14.0%	8.0%	n/a	9.45%	S/A	22 Apr 2015	n/a
UA4000141071	n/a	n/a	14.0%	8.0%	n/a	9.45%	S/A	27 May 2015	n/a
UA4000142673	n/a	n/a	14.0%	8.0%	n/a	4.50%	S/A	17 Jun 2015	n/a
EUR denominated Bonds									
UA4000142681	n/a	n/a	12.5%	8.0%	n/a	4.80%	S/A	6 May 2015	n/a
VAT Bonds									
UA4000082531			29%	25%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			29%	25%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			29%	25%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			29%	25%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			29%	25%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			29%	25%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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