

Market Update
Equity

Kyiv-listed stocks finished notably higher on Thursday (Feb 5) on the surprise news that French President Hollande and German Chancellor Merkel are planning to propose a new initiative on settling the conflict in Eastern Ukraine. The UX index advanced by 2.4% to close at 1017 points. All ten components of the UX basket were in the black; UkrNafta (UNAF) led the rally with 6.7% gain to UAH 268 per share. Motor Sich (MSICH) rose 2.5% to UAH 2620 as investors were encouraged by news that the company has struck a long term engine supply deal with Austrian light aircraft producer Diamond Aircraft. Raiffeisen Aval (BAVL) added 3.4% to get back above the 9-kopec level. In London, it was second straight active session for JKK Oil&Gas (JKX), which surged by 24% to GBp 23 after Proxima Capital Group released a statement saying it "is in the very early stages of considering a potential offer" for the company. Ferrexpo (FXPO) increased by 1.4% to GBp 54.00, while Warsaw-listed Kernel (KER) retreated 1.7% to slip below PLN 30.

Fixed Income

Ukrainian long-term sovereigns were marginally lower on Thursday, with the mid-price of Ukraine-23s moving down by 0.3p.p. and finishing at 50.5/52.5 (19.5%/19.0%). In top corporate debt issues, Ferrexpo-16s declined by 2.0p.p. to 74.0/77.0 (37.4%/33.2%) while MHP-20s inched up by 0.2p.p. to close at 60.0/63.9 (21.5%/19.7%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2620.00	2.5%	2.1	73
Ukrnafta	UNAF	268.50	6.7%	1.0	152
Centrenerg	CEEN	7.06	2.6%	0.6	96

Growth Leaders

Ukrnafta	UNAF	268.50	6.7%	1.02	152
Avdyivka Coke	AVDK	1.17	4.9%	0.00	21
Raiffeisen Bank Aval	BAVL	0.09	3.4%	0.22	71

Loss Leaders

Azovstal	AZST	0.72	0.6%	0.019	15
Donbasenergo	DOEN	30.69	0.6%	0.018	31
Alchevsk Steel	ALMK	0.01	1.6%	0.002	10

Highlights
POLITICS AND ECONOMICS

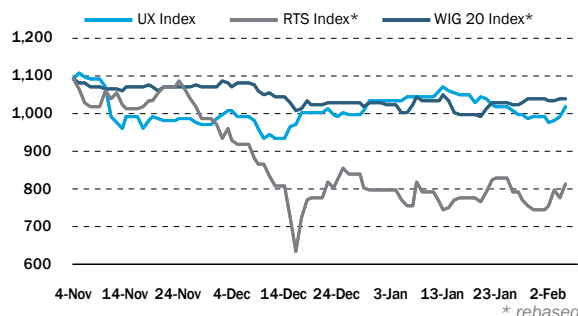
- > NBU: Balance of Payments Deficit Was USD 13.3bn in 2014

STOCKS IN THE NEWS

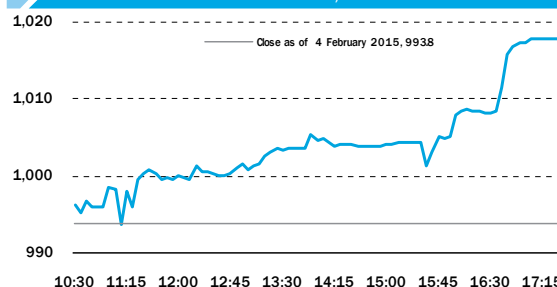
- > JKK Oil&Gas Shares Shoot Up On Possible Acquisition

FIXED INCOME

- > Metinvest's 4Q14 Crude Steel Output Up +1% QoQ but Down 41% YoY

STOCK MARKET PERFORMANCE

MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1017.8	2.4%	-1.5%	-1.5%
RTS	804.5	4.4%	5.7%	1.7%
WIG20	2341.6	0.0%	3.4%	1.1%
MSCI EM	982.2	0.1%	4.4%	2.7%
S&P 500	2062.5	1.0%	2.1%	0.2%

UX INTRADAY FEBRUARY 5, 2015

FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	430.7	-1.4%	-0.2%	6.6%
CDS 5Y UKR	2651.7	-5.1%	16.4%	18.7%
Ukraine-17	33.6%	0.0 p.p.	8.0 p.p.	7.9 p.p.
Ferrexpo-16	35.3%	2.9 p.p.	3.8 p.p.	4.0 p.p.
Ukraine-23	19.6%	0.1 p.p.	3.2 p.p.	12.1 p.p.
Privatbank-16	103.8%	1.0 p.p.	17.9 p.p.	18.4 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	24.35	45.1%	53.9%	53.9%
EUR	27.95	46.8%	48.1%	46.0%
RUB	0.36	46.5%	38.5%	31.8%

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	56.6	4.4%	4.4%	-1.3%
Gold, USD/oz	1264.8	-0.3%	5.0%	6.7%

*Ukraine FOB

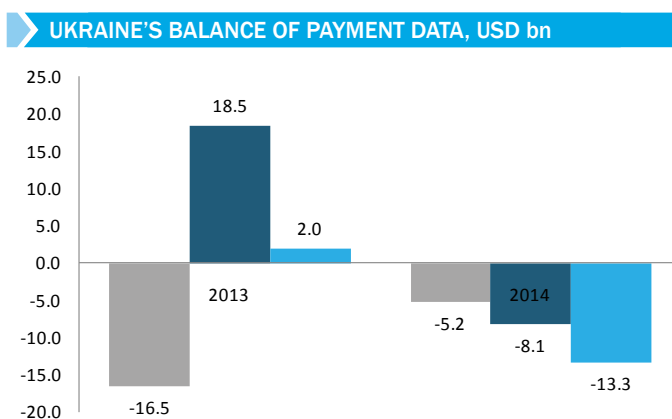
Source: Bloomberg, Ukrainian Exchange

NBU: Balance of Payments Deficit Was USD 13.3bn in 2014

by Dmitry Churin
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NEWS

Ukraine's balance of payments deficit was USD 13.3bn in full-year 2014, compared to a surplus of USD 2.0bn in FY13, according to data from the National Bank (NBU) released on Wednesday (Feb 4). The country's current account deficit was USD 5.2bn for last year, down sharply from a deficit of USD 16.5bn in FY13. The country's financial account deficit was USD 8.1bn in 2014, compared to the financial account surplus of USD 18.5bn in FY13.



Source: National Bank of Ukraine

COMMENTARY

Although Ukraine's current account significantly improved last year as a result of a reduction in imports amid the hryvnia devaluation, the country's balance of payments moved deeply into the red due to capital flight. The current account deficit for 2014 was around 4% GDP, which is far less than the deficit of 9.3% GDP registered for 2013. The NBU also indicated that Ukraine's net foreign loan redemptions were USD 2.9bn in 2014, compared to net foreign loan attraction of USD 7.3bn in 2013. At the moment it is unrealistic to forecast Ukraine's balance of payments for 2015, as this solely depends on how much financial help the country ends up getting from the IMF and other international creditors.

JKX Oil&Gas Shares Shoot Up On Possible Acquisition

by Dmitry Churin
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JKX OIL&GAS (JKX LN)

Price: GBp 23.00 Market Cap: USD 60mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2014E	0.1	0.3	7.7	1.0	0%
2015E	0.1	0.4	12.1	1.0	0%

NEWS

The stock of Ukraine-focused hydrocarbons extraction company JKX Oil & Gas rose sharply on Thursday (Feb 5) after Proxima Capital Group, an investment firm with Russian ties, released a statement confirming it “is in the very early stages of considering a potential offer” for the company. JKX’s share price surged by 24% to GBp 23 yesterday after a 30% advance a day earlier. Proxima said is no certainty that an offer will be made, but that it intends to approach the board of JKX to discuss its proposals. JKX, whose largest shareholder is Dnipropetrovsk industrialist and politician Igor Kolomoyskiy (who however does not have control of management), has not made a statement regarding the potential deal.

COMMENTARY

We are a bit surprised that JKX has become an acquisition target amid the crisis situation in Ukraine, where at least half of the company’s assets are located. Proxima’s Russian roots suggests to us that the firm could be planning to split up JKX’s Ukrainian and Russian licenses with the aim of selling them separately. JKX’s 2P reserves in Ukraine were pegged at 33.1 MMboe as of 1 Jan 2014 and its 2P reserves in Russia were 60.7 MMboe on the same date.

**Metinvest's 4Q14 Crude Steel Output
Up +1% QoQ but Down 41% YoY**

by Ivan Dzvinka
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NEWS

Metinvest, Ukraine's largest metals and mining holding, managed to improve its operating results in its metallurgical division in 4Q14 vs. 3Q14, but output was still much lower year-on-year due to the Donbass war. The group's hot metal output increased by 9% QoQ (-38% YoY) to 1.80mn tonnes due to higher output at Azovstal and renewed operations at Yenakievo Steel in October (the plant was idle from mid-August to mid-October due to the war). Metinvest used most of the incremental hot metal output to expand its pig iron production for sale outside the group (likely as a response to market conditions) by 77% QoQ (-19% YoY) to 263,000 tonnes, resulted in a mere 1% QoQ (-41% YoY) growth in output of crude steel, to 1.75mn tonnes. Due to tough steel market conditions, the group shifted its production toward semi-finished steel (+64% QoQ; +4% YoY) at the expense of finished steel output (-9% QoQ; -38% YoY). Metinvest produced 8.44mn tonnes of iron ore concentrate, which was flat QoQ but 8% lower YoY due to restricted electricity supplies to its Centralny and Inguletsky mining units in late 4Q14. Coking coal concentrate production declined by 18% QoQ (-69% YoY) mainly as a result of problems with product shipments due to the war.

For full-year 2014, the group's crude steel output was down by 26% YoY to 9.21mn tonnes, iron ore concentrate production declined by 6% to 34.89mn tonnes, and coking coal concentrate output dropped by 26% YoY to 4.10mn tonnes.

COMMENTARY

While the moderate improvement in steel output from the low comparison base of 3Q14 was encouraging news for the group, the huge decline YoY is a clear indication of the adverse effects of the Donbass war on Metinvest's logistics issues. The group managed to renew production at Yenakievo Steel and Khartyzsk Pipe in October, while Krasnodon Coal had to further reduce its output (all 3 enterprises are located on separatist-held territory). Azovstal and MMK Illich (both located on government-controlled territory) are continuing to face input supply problems due to logistics, while constant artillery shelling of Adyivka Coke (located almost exactly on the front line of fighting) led to a 58% YoY reduction in its output in 4Q14. We do not see serious chances of a substantial improvement of Metinvest's output in 1Q15, as the timing surrounding a new ceasefire regime, as well as its sustainability, is anyone's guess given the diametrically opposed goals of the Kyiv government and the Moscow-backed separatists.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Steel&Pipes						
Azovstal	AZST	0.72	0.56	-23%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Iron Ore						
Ferrexpo	FXPO LN	54.0	108.0	100%	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	8.45	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	7.50	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	0.27	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	12.4	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	2620	5250	100%	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	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	23.0	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.
Power Utilities						
DonbasEnergO	DOEN	30.7	72.0	135%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.06	15.00	113%	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	9.3	17.96	93%	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	24.4	90.0	269%	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	2.0	2.7	32%	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	70.5	80.8	15%	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	0.091	0.24	165%	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	1017.77	1368.76	842.02	2.4%	2.9%	-1.5%	-1.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.045	0.011	1.6%	7.4%	-9.7%	-9.7%	-0.9%	4.4%	-8.2%	-8.2%
Azovstal	AZST	0.72	0.95	0.35	0.3%	2.0%	-3.1%	-3.1%	-2.1%	-1.0%	-1.6%	-1.6%
Enakievo Steel	ENMZ	18.69	65.00	16.01	2.7%	0.2%	-10.8%	-10.8%	0.3%	-2.8%	-9.3%	-9.3%
Coke												
Avdyivka Coke	AVDK	1.17	3.70	1.10	6.4%	-1.3%	-32.4%	-32.4%	4.0%	-4.3%	-30.9%	-30.9%
Yasnyivsky Coking	YASK	0.27	0.84	0.18	0.0%	8.0%	-3.6%	-3.6%	-2.4%	5.1%	-2.1%	-2.1%
Iron Ore Mining												
Centralny GOK	CGOK	7.50	n/a	n/a	2.0%	7.1%	-3.7%	-3.7%	-0.4%	4.2%	-2.2%	-2.2%
Ferrexpo	FXPO	54.00	171.60	47.91	1.4%	5.4%	-1.8%	1.9%	-1.0%	2.4%	-0.3%	3.4%
Pivnichny GOK	SGOK	8.45	12.30	4.44	0.0%	-10.5%	1.0%	1.0%	-2.4%	-13.4%	2.5%	2.5%
Coal Mining												
Pokrovsk Mine	SHCHZ	0.29	0.79	0.17	0.0%	0.0%	-38.3%	-38.3%	-2.4%	-2.9%	-36.8%	-36.8%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.33	1.01	0.20	17.9%	-8.3%	-13.2%	-13.2%	15.4%	-11.3%	-11.7%	-11.7%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	12.36	24.99	10.00	0.8%	6.1%	-3.8%	-3.8%	-1.6%	3.2%	-2.3%	-2.3%
Luhanskeplovoz	LTPL	1.00	1.80	0.85	0.0%	-8.3%	-7.4%	-7.4%	-2.4%	-11.2%	-5.9%	-5.9%
Specialized Machinery												
Motor Sich	MSICH	2620	2879	1587	2.8%	4.0%	5.5%	5.5%	0.4%	1.0%	7.0%	7.0%
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%	-2.4%	-2.9%	-22.8%	-22.8%
Oil & Gas												
Regal Petroleum	RPT	4.25	12.50	3.13	0.0%	35.4%	3.0%	36.0%	-2.4%	32.4%	4.5%	37.5%
JKX Oil	JKX	23.00	70.50	11.00	24.3%	80.4%	80.4%	91.7%	21.9%	77.5%	81.9%	93.2%
Ukrnafta	UNAF	268.5	375.0	54.0	7.4%	11.9%	32.1%	32.1%	4.9%	9.0%	33.6%	33.6%
Power Utilities												
Centrenergo	CEEN	7.06	8.70	3.00	2.5%	-2.0%	-6.5%	-6.5%	0.1%	-4.9%	-5.0%	-5.0%
Donbasenergo	DOEN	30.69	50.16	11.00	0.6%	0.6%	-7.0%	-7.0%	-1.8%	-2.3%	-5.5%	-5.5%
Zakhidenergo	ZAEN	164.2	199.8	91.2	0.0%	0.0%	10.9%	10.9%	-2.4%	-2.9%	12.4%	12.4%
Consumer												
Agroton	AGT	1.26	5.48	1.19	-0.8%	-6.7%	-0.8%	2.4%	-3.2%	-9.6%	0.7%	3.9%
Astarta	AST	24.38	66.80	14.50	0.5%	-2.7%	22.9%	21.9%	-1.9%	-5.6%	24.4%	23.4%
Avangardo	AVGR	2.01	11.36	1.83	-4.3%	10.1%	-2.0%	-2.0%	-6.7%	7.2%	-0.4%	-0.4%
Industrial Milk Company	IMC	6.10	10.49	5.46	0.0%	1.5%	8.9%	7.6%	-2.4%	-1.4%	10.4%	9.1%
Kernel	KER	29.50	39.00	22.00	-1.7%	-5.8%	10.9%	3.7%	-4.1%	-8.7%	12.4%	5.2%
Mriya Agro Holding	MAYA	0.52	6.00	0.52	-0.6%	-8.9%	-7.5%	-7.5%	-3.0%	-11.9%	-6.0%	-6.0%
MHPC	MHPC	9.30	16.00	9.00	-2.1%	-1.6%	-6.9%	1.1%	-4.5%	-4.5%	-5.4%	2.6%
Milkiland	MLK	2.26	10.48	1.48	0.4%	-0.9%	32.9%	52.7%	-2.0%	-3.8%	34.4%	54.2%
Ovostar Union	OVO	70.50	80.00	59.40	-4.1%	-3.4%	-2.1%	-2.1%	-6.5%	-6.4%	-0.6%	-0.6%
Chemicals												
Stirol	STIR	8.00	n/a	n/a	0.0%	22.9%	15.4%	15.4%	-2.4%	20.0%	16.9%	16.9%
Banks												
Raiffeisen Bank Aval	BAVL	0.091	0.190	0.086	3.4%	5.2%	-5.7%	-5.7%	1.0%	2.3%	-4.2%	-4.2%
UkrSotsbank	USCB	0.118	0.202	0.090	15.7%	7.3%	-9.4%	-9.4%	13.3%	4.3%	-7.9%	-7.9%

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		
		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																
Centrenerg	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	14	3.9%	1	953	neg	neg	neg	neg	neg	neg	0.6	1.4	2.8	246	230	223	\$/tonne
Yenakievo Steel	ENMZ	8	8.8%	1	5	neg	neg	neg	neg	0.1	0.1	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	125	3.0%	4	116	neg	3.5	5.4	neg	0.8	1.0	0.0	0.1	0.1	25	26	25	\$/tonne
Coke																		
Avdiyivka Coke	AVDK	9	6.8%	1	-30	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-7	-8	-8	\$/tonne
Yasynivsky Coke	YASK	3	9.0%	0	4	neg	neg	neg	0.1	neg	neg	0.0	0.0	0.0	0.1	neg	neg	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	361	0.3%	1	360	1.9	3.1	4.5	1.2	1.6	2.2	0.5	0.6	0.7				
Pivnichny GOK	SGOK	800	0.4%	3	793	1.5	2.5	3.5	0.9	1.2	1.6	0.5	0.5	0.6				
Ferrexpo	FXPO	484	24.0%	116	1,178	1.8	1.7	3.3	2.3	2.4	3.4	0.7	0.8	0.8				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	35	2.0%	1	81	7.5	12.1	15.0	2.6	4.4	3.6	0.3	0.4	0.7	129	213	202	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	9	24.0%	2	46	0.5	neg	n/a	1.3	neg	n/a	0.1	0.4	n/a				
Krukiv Wagon	KVBZ	58	5.0%	3	49	1.4	neg	neg	1.0	4.9	7.6	0.1	0.4	0.6				
Specialized Machinery																		
Turboatom	TATM	61	5.8%	4	14	0.8	1.2	2.1	0.2	0.3	0.3	0.1	0.1	0.1				
Motor Sich	MSICH	224	24.0%	54	216	1.3	1.7	2.2	0.8	0.8	0.8	0.2	0.2	0.2				
Telecom																		
Ukrtelecom	UTLM	88	7.2%	6	392	5.2	5.6	8.6	2.1	3.7	4.3	0.5	1.1	1.4				
Oil & Gas																		
Ukrnafta	UNAF	598	3.0%	18	594	25.7	18.9	>30	2.1	3.7	4.5	0.2	0.3	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	21	21.6%	5	-4	neg	10.4	7.0	neg	-0.3	-0.3	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	60	50.4%	30	169	9.3	7.8	12.1	2.5	2.5	2.4	0.9	0.8	1.1	31	23	23	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	107	21.7%	23	94	1.8	6.7	12.1	1.0	2.8	4.1	0.1	0.2	0.2	5	7	6	\$/MWh
DonbasEnerg	DOEN	30	14.2%	4	75	0.5	1.0	10.1	1.0	2.2	5.6	0.1	0.2	0.3	9	10	9	\$/MWh
Consumer																		
MHP	MHPC	983	34.1%	335	2,063	6.1	neg	10.1	5.3	3.8	3.8	1.4	1.4	1.3				
Kernel	KER	645	61.8%	399	1,299	6.2	neg	3.8	4.5	5.8	4.0	0.5	0.5	0.4				
Astarta	AST	167	37.0%	62	563	>30	neg	5.6	4.9	6.2	6.5	1.2	1.1	1.4				
Avangardco	AVGR	128	22.5%	29	316	0.5	neg	4.0	1.0	2.4	2.9	0.5	0.7	0.8	71	54	51	\$/mneqgs
Ovostar	OVO	116	25.0%	29	123	3.8	3.9	4.8	3.5	3.8	4.9	1.5	1.6	1.6	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	112	3.5%	4		1.2	neg	neg	0.1	0.3	0.3	0.02	0.04	0.04				
Ukrsotsbank	USCB	89	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.04	0.07	0.08				

Source: Eavex Research

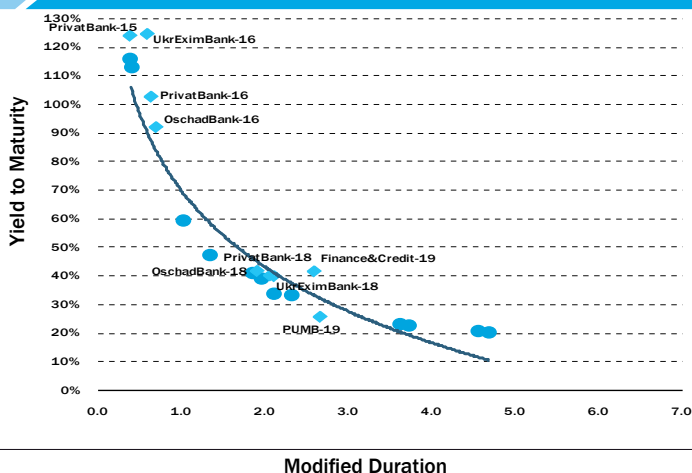
UKRAINIAN EUROBONDS

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	120.6%	107.4%	-15.4%	0.4	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CCC
Ukraine, 2015	57.1	58.9	125.6%	117.6%	-17.5%	0.4	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CCC
Ukraine, 2016	53.1	54.4	49.0%	47.2%	-14.3%	1.3	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CCC
Ukraine, 2016-2	52.9	54.3	62.7%	60.1%	-17.2%	1.0	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CCC
Ukraine, 2017	50.9	56.9	36.3%	31.1%	-14.8%	2.1	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CCC
Ukraine, 2017-2	49.6	57.6	45.3%	37.0%	-13.9%	1.8	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CCC
Ukraine, 2017 Infr. projects	50.0	52.0	40.0%	38.1%	-17.1%	1.9	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	48.5	51.0	35.6%	33.5%	-17.1%	2.3	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	51.8	53.8	23.7%	22.7%	-11.5%	3.6	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC-/CCC
Ukraine, 2021	51.8	53.8	23.2%	22.2%	-11.2%	3.7	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CCC
Ukraine, 2022	50.5	53.5	20.9%	19.7%	-13.6%	4.6	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CCC
Ukraine, 2023	50.5	52.5	19.5%	19.0%	-13.2%	4.8	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CCC
Corporate Eurobonds											
Agroton, 2019	30.1	35.4	42.4%	36.9%	-3.1%	3.0	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	90.0	93.0	60.1%	44.0%	-3.7%	0.2	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	60.0	63.9	21.5%	19.7%	-10.3%	3.5	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	50.0	50.0	134.6%	134.6%	-22.5%	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	371.9%	295.5%	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	60.0	70.0	309.6%	203.5%	-16.1%	0.1	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	40.0	45.0	45.4%	40.1%	-6.6%	2.1	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	60.0	70.0	247.7%	163.6%	-19.3%	0.2	10.25%	S/A	20 May 2015	114	Caa2//CCC
Metinvest, 2017	45.0	50.0	48.2%	42.7%	-32.1%	1.3	10.50%	S/A	28 Nov 2017	290	//CCC
Metinvest, 2018	40.0	45.0	48.7%	43.0%	-23.5%	1.9	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	74.0	77.0	37.4%	33.2%	-2.0%	0.9	7.875%	S/A	07 Apr 2016	500	/CCC-/CCC
UZ Rail, 2018	35.0	40.0	53.4%	47.0%	-29.3%	2.0	9.50%	S/A	21 May 2018	500	/CCC-/CCC
Interpipe, 2017	41.0	45.0	57.9%	52.3%	-21.8%	1.7	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	56.0	57.9	36.5%	35.0%	-2.3%	1.5	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	35.0	45.0	46.7%	36.6%	-51.8%	2.6	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018	62.0	67.0	27.1%	24.4%	-4.4%	2.6	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	50.0	60.0	165.1%	115.6%	-12.0%	0.4	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	44.0	49.0	112.5%	95.8%	-6.1%	0.7	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	47.5	50.1	43.5%	40.9%	-17.3%	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	136.8%	116.2%	-14.7%	0.6	5.79%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	48.5	51.5	40.0%	37.1%	-11.5%	2.1	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	4.0	9.0	768.8%	323.5%	0.0%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	47.0	50.3	97.4%	88.1%	-16.9%	0.7	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	45.0	49.0	42.1%	38.2%	-16.8%	2.1	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
Municipal Eurobonds											
City of Kyiv, 2015	50.0	55.0	132.5%	111.8%	-27.6%	0.5	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	48.5	54.9	73.5%	61.2%	-26.9%	1.0	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

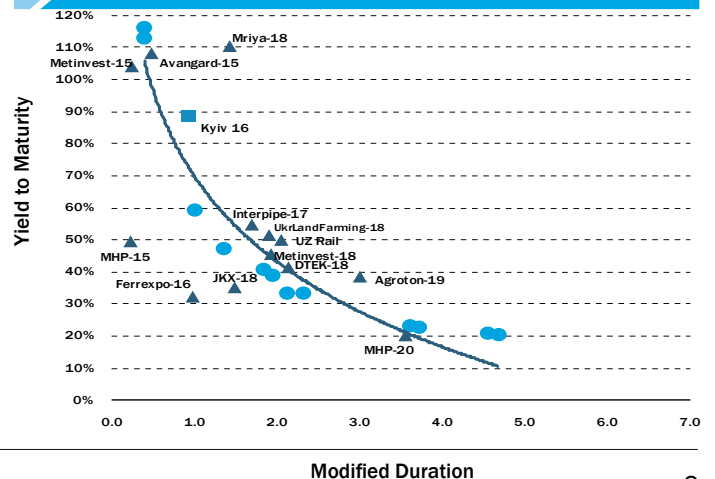
¹ Moody's/S&P/Fitch; * EUR

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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