

## Market Update

### Equity

Ukrainian equities took a hit on Tuesday (Feb 17) as it became apparent that the danger of escalation of the conflict in eastern Ukraine has not vanished despite last week's the ceasefire deal in Minsk. In addition, the country's macroeconomic data looked bad, with retail turnover plunging by 22.6% YoY in January. The UX index slid 3.3% to close at 1070 points. All 10 UX components were in the red. UkrNafta (UNAF) fell 4.8% to UAH 290 after the government announced an increase in the production tax for state-controlled oil&gas companies from the current cap level of 55% all the way to 70%. Index heavyweights Motor Sich (MSICH) and CentrEnergo (CEEN) retreated by 1.5% and 1.8% respectively, and Raiffeisen Aval (BAVL) slid 4.2% to 9.80 kopecks per share. In London, low-liquidity Avangard (AVGR) lost 17.8% to USD 3.10 while JX Oil&Gas (JX) rose by 2.7% to a 3-month high of GBP 33.50. Warsaw-listed Ukrainian issues were mixed with Agroton (AGT) dropping by 3.5% while Astarta (AST) added 5.6% after the company announced a solid increase in its EBITDA for FY14.

### Fixed Income

Ukrainian sovereign Eurobonds saw little trading action on Tuesday, with Ukraine-23s finishing unchanged at 52.5/54.8 (19.3%/18.4%). In corporate debt issues, MHP-20s improved by 2.9p.p. to 64.9/68.0 (19.4%/18.1%) while Ferrexpo-16s declined by 1.5p.p. and closed at 75.0/80.0 (36.7%/29.9%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	289.20	-4.8%	2.0	247
Motor Sich	MSICH	2830.00	-1.5%	1.9	89
Centrenergo	CEEN	7.26	-1.8%	0.7	136

### Growth Leaders

MHP UX	MHPC	290.00	7.0%	0.24	9
Luhanskteplovoy	LTPL	1.20	2.7%	0.05	11
Donbasenergo	DOEN	30.30	-0.6%	0.06	39

### Loss Leaders

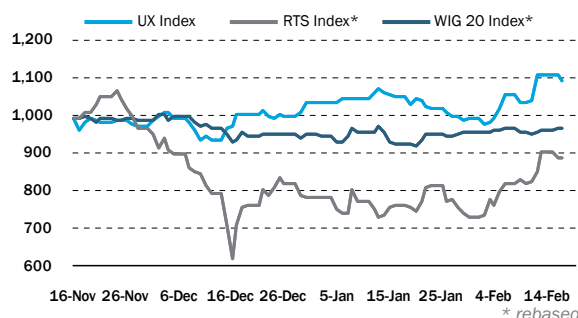
Alchevsk Steel	ALMK	0.01	-7.9%	0.007	28
Azovstal	AZST	0.79	-7.6%	0.154	56
Avdyivka Coke	AVDK	1.36	-6.7%	0.004	14

## Highlights

### POLITICS AND ECONOMICS

- UkrStat Reports Whopping 15% YoY GDP Drop in 4Q14

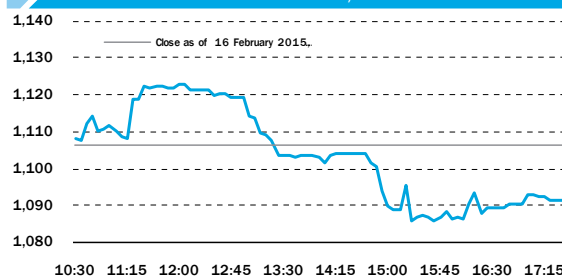
### STOCK MARKET PERFORMANCE



### MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1070.4	-3.3%	4.0%	5.7%
RTS	894.6	-0.3%	16.2%	13.1%
WIG20	2360.3	-0.1%	4.8%	1.9%
MSCI EM	983.1	-0.1%	2.7%	2.8%
S&P 500	2100.3	0.2%	4.0%	2.0%

### UX INTRADAY FEBRUARY 17, 2015



### FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	402.9	-2.3%	-10.8%	-0.3%
CDS 5Y UKR	1435.5	-4.6%	-39.2%	-35.7%
Ukraine-17	31.8%	0.0 p.p.	4.6 p.p.	6.2 p.p.
Ferrexpo-16	33.2%	2.1 p.p.	1.7 p.p.	1.9 p.p.
Ukraine-23	18.8%	0.0 p.p.	1.2 p.p.	11.3 p.p.
Privatbank-16	121.8%	0.4 p.p.	32.5 p.p.	36.4 p.p.

### CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	26.40	0.0%	66.6%	66.9%
EUR	30.12	0.5%	64.3%	57.4%
RUB	0.42	1.1%	74.0%	53.8%

### COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	206.8	0.0%	-11.7%	-16.0%
Steel, USD/t	397.5	0.0%	-11.7%	-11.7%
Oil, USD/bbl	62.5	1.8%	21.5%	5.6%
Gold, USD/oz	1209.8	-1.8%	-5.5%	2.1%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

**UkrStat Reports Whopping 15% YoY GDP Drop in 4Q14**

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**NEWS**

Ukraine's GDP decline accelerated to 15.2% YoY in 4Q14, compared to a drop of 5.1% YoY in 3Q14, according to preliminary data from the State Statistics Committee (UkrStat) published on Tuesday (Feb 17). The data also showed that the country's seasonally adjusted GDP decreased by 3.8% on a quarterly basis in the period, excluding data for Crimea and pro-Russian separatist controlled territories in the east of Ukraine. In terms of full-year 2014 data, the statistics data for industrial production showed a drop of 10.7% YoY in FY14. Retail sales in Ukraine dropped by 8.6% YoY last year amid consumer inflation of 24.9% YoY in the period.



Source: State Statistics Committee, Eavex Research

**COMMENTARY**

At this point, any Ukrainian macroeconomic data purporting to show year-on-year comparisons for the entire country should be treated with a disclaimer, as we understand that it is impossible for the statistics body to measure what is going on in the occupied territories or Crimea, which accounted for some 15% of Ukraine's pre-2014 population. Although the GDP data for 4Q14 looks disastrous, it still does not reflect the entire picture, as we suppose that the economic situation in the war-hit Donbass even worse. UkrStat has not unveiled its full-year GDP figures for 2014, but we estimate that it will report a contraction of 7.5%. According to announced changes to the national budget, the government revised its full year GDP 2015 forecast from -4.3% to -5.5%. The full-year consumer inflation forecast was raised from a ridiculously unrealistic estimate of 13% to a still very optimistic 26%. The national budget forecasts the average hryvnia exchange rate against the dollar this year at 21.70 UAH/USD while the current market rate stands at 26.70 UAH/USD. Clearly, the war is putting Ukraine in an untenable economic position, and we continue to believe that the only way out for Kyiv is withdraw its military from the Donbass and effectively allow the region to break away. We believe that sooner or later common sense will prevail over hard-line political ideology, and Ukraine will eventually get its chance to create a strong Eastern European economy.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Steel&amp;Pipes</b>						
Azovstal	AZST	0.79	0.56	-30%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	63.5	108.0	70%	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	8.76	U/R	-	U/R	On its EGM on 19 Feb 2014, CGOK's shareholders made a decision on additional issue of 14.73mn of new shares implying 1.26% of the company's share capital.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.36	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	0.30	U/R	-	U/R	Yasynivsky Coke reported net loss of UAH 22mn for FY13 which was the first negative bottom line since 2004.
<b>Coal</b>						
Pokrovske Mine	SHCHZ	0.40	U/R	-	Susp.	The company's coal production expansion plan were put under high risk of realization due to war in Donbass.
<b>Railcar Manufacturing</b>						
Krukiv Wagon	KVBZ	11.9	U/R	-	U/R	
LuganskTeplovoz	LTPL	1.20	U/R	-	U/R	LuganskTeplovoz was forced to shut down operations amid military conflict in the region.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	2830	5250	86%	BUY	Motor Sich should see its sales grow with a 2012-2016E CAGR of 9%, reaching USD 1.2bn. For 2012-2016, we forecast an average EBITDA margin of 35% and a net margin of 28%.
Turboatom	TATM	5.00	8.9	78%	BUY	We model Turboatom's revenue as increasing at 18% CAGR over 2012-2015. Deliveries of hydro and steam turbines to export markets will remain the company's key revenue drivers.
<b>Oil &amp; Gas</b>						
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	4.3	U/R	-	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	33.5	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.
<b>Power Utilities</b>						
DonbasEnergO	DOEN	30.3	72.0	138%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	7.26	15.00	107%	BUY	CenterEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
<b>Consumer</b>						
MHP	MHPC	10.5	17.96	71%	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	26.4	90.0	241%	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	3.1	2.7	-14%	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	69.8	80.8	16%	HOLD	Ovostar is one of the hardest-hit Ukrainian public companies from this year's UAH devaluation as some 70% of its production cost is linked to USD while only 15% of revenue earned in hard currency.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.098	0.24	144%	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	1070.39	1368.76	842.02	-3.3%	5.4%	4.0%	5.7%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.014	0.045	0.011	-7.9%	6.1%	-4.1%	-3.4%	-6.6%	0.7%	-8.1%	-9.1%
Azovstal	AZST	0.79	0.95	0.35	-7.6%	9.2%	3.8%	6.3%	-6.3%	3.8%	-0.2%	0.6%
Enakievo Steel	ENMZ	17.61	65.00	14.81	0.3%	2.4%	-16.0%	-15.9%	1.6%	-2.9%	-20.0%	-21.6%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.36	3.70	1.10	-7.4%	16.9%	-18.0%	-21.6%	-6.1%	11.5%	-22.0%	-27.3%
Yasnyivsky Coking	YASK	0.30	0.84	0.18	0.0%	7.1%	25.0%	7.1%	1.3%	1.7%	21.0%	1.4%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	8.76	n/a	n/a	0.0%	16.8%	8.1%	12.5%	1.3%	11.4%	4.2%	6.8%
Ferrexpo	FXPO	63.50	171.60	47.91	-6.6%	5.0%	14.4%	19.8%	-5.3%	-0.4%	10.4%	14.1%
Pivnichny GOK	SGOK	8.50	12.30	4.44	0.0%	0.6%	-10.0%	1.6%	1.3%	-4.8%	-13.9%	-4.1%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.40	0.79	0.17	0.0%	37.9%	14.3%	-14.9%	1.3%	32.5%	10.3%	-20.6%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.50	1.01	0.20	0.0%	47.1%	31.6%	31.6%	1.3%	41.7%	27.6%	25.9%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	11.90	24.99	10.00	-2.1%	-1.1%	-4.6%	-7.4%	-0.8%	-6.5%	-8.6%	-13.1%
Luhanskeplovoz	LTPL	1.20	1.80	0.85	2.6%	33.3%	10.1%	11.1%	3.9%	27.9%	6.1%	5.4%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2830	2939	1587	-1.5%	2.4%	11.0%	14.0%	-0.2%	-3.0%	7.0%	8.3%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Telecom</b>												
Ukrtelecom	UTLM	0.16	0.20	0.09	0.0%	44.7%	8.1%	6.6%	1.3%	39.3%	4.1%	0.9%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.25	12.50	3.13	-8.1%	-2.9%	-1.5%	36.0%	-6.8%	-8.3%	-5.5%	30.3%
JKX Oil	JKX	33.50	68.50	11.00	2.7%	9.4%	173.5%	179.2%	4.0%	4.0%	169.5%	173.5%
Ukrnafta	UNAF	289.2	375.0	54.0	-4.8%	4.0%	18.5%	42.3%	-3.5%	-1.4%	14.5%	36.6%
<b>Power Utilities</b>												
Centrenergo	CEEN	7.26	8.70	3.00	-2.4%	1.5%	-5.1%	-3.7%	-1.1%	-3.9%	-9.1%	-9.4%
Donbasenergo	DOEN	30.30	50.16	11.00	-0.6%	-1.5%	-8.0%	-8.2%	0.7%	-6.9%	-12.0%	-13.9%
Zakhidenergo	ZAEN	164.2	199.8	91.2	0.0%	0.0%	19.0%	10.9%	1.3%	-5.4%	15.0%	5.2%
<b>Consumer</b>												
Agroton	AGT	1.37	5.48	1.19	-3.5%	0.0%	4.6%	11.4%	-2.2%	-5.4%	0.6%	5.7%
Astarta	AST	26.41	60.00	14.50	5.6%	9.3%	2.8%	32.1%	6.9%	3.9%	-1.2%	26.3%
Avangardo	AVGR	3.11	11.36	1.83	-17.7%	29.1%	56.0%	51.5%	-16.5%	23.7%	52.0%	45.8%
Industrial Milk Company	IMC	7.24	10.49	5.46	1.3%	25.7%	20.7%	27.7%	2.6%	20.3%	16.7%	22.0%
Kernel	KER	31.70	38.25	22.00	0.6%	4.8%	4.9%	11.4%	1.9%	-0.6%	0.9%	5.7%
Mriya Agro Holding	MAYA	0.48	6.00	0.48	0.0%	-10.7%	-10.0%	-15.3%	1.3%	-16.1%	-14.0%	-21.0%
MHPC	MHPC	10.50	16.00	9.00	0.0%	10.5%	12.9%	14.1%	1.3%	5.1%	8.9%	8.4%
Milkiland	MLK	2.80	10.48	1.48	8.5%	23.9%	87.9%	89.2%	9.8%	18.5%	83.9%	83.5%
Ovostar Union	OVO	69.80	76.74	59.40	-1.4%	-0.9%	-1.7%	-3.1%	-0.1%	-6.3%	-5.7%	-8.8%
<b>Chemicals</b>												
Stirol	STIR	8.50	n/a	n/a	0.0%	6.3%	18.1%	22.7%	1.3%	0.9%	14.1%	17.0%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.098	0.190	0.086	-4.6%	5.1%	6.2%	2.3%	-3.3%	-0.3%	2.2%	-3.4%
UkrSotsbank	USCB	0.110	0.202	0.090	0.0%	0.0%	-15.4%	-15.5%	1.3%	-5.4%	-19.4%	-21.2%

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
<b>Steel</b>																
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%
<b>Coke</b>																
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
<b>Iron Ore Mining</b>																
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%
<b>Pipe Manufacturing</b>																
Khartsyzk Pipe	HRTR	310	193	118	31	18	23	10.1%	9.5%	19.3%	5	3	2	1.5%	1.5%	2.0%
<b>Railcar Manufacturing</b>																
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
<b>Specialized Machinery</b>																
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%
<b>Telecom</b>																
Ukrtelecom	UTLM	791	368	290	190	105	91	24.0%	28.5%	31.5%	17	16	10	2.2%	4.3%	3.5%
<b>Oil &amp; Gas</b>																
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%
<b>Electric Utilities</b>																
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%
<b>Consumer</b>																
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	491	465	396	91	154	123	15.5%	27.5%	25.9%	34	-54	30	5.8%	neg	6.3%
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%
<b>Banks</b>																
		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			
<b>Steel</b>																		
Alchevsk Steel	ALMK	15	3.9%	1	954	neg	neg	neg	neg	neg	neg	0.6	1.4	2.8	247	230	223	\$/tonne
Yenakievo Steel	ENMZ	7	8.8%	1	4	neg	neg	neg	neg	0.1	0.1	0.0	0.0	0.0	1	1	1	\$/tonne
Azovstal	AZST	136	3.0%	4	127	neg	3.9	5.9	neg	0.8	1.1	0.0	0.1	0.1	28	28	28	\$/tonne
<b>Coke</b>																		
Avdivka Coke	AVDK	11	6.8%	1	-28	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-7	-7	-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
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	389	0.3%	1	387	2.0	3.4	4.8	1.2	1.7	2.3	0.6	0.6	0.7				
Pivnichny GOK	SGOK	742	0.4%	3	735	1.4	2.3	3.3	0.8	1.1	1.5	0.5	0.5	0.6				
Ferrexpo	FXPO	611	24.0%	147	1,305	2.3	2.2	4.2	2.6	2.7	3.7	0.8	0.9	0.9				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	49	2.0%	1	95	10.5	16.9	20.9	3.0	5.2	4.2	0.3	0.5	0.8	151	250	237	\$/tonne
<b>Railcar Manufacturing</b>																		
LuganskTeplovoz	LTPL	10	24.0%	2	47	0.5	neg	n/a	1.3	neg	n/a	0.1	0.4	n/a				
Krukiv Wagon	KVBZ	53	5.0%	3	44	1.3	neg	neg	0.9	4.3	6.8	0.1	0.3	0.5				
<b>Specialized Machinery</b>																		
Turboatom	TATM	56	5.8%	3	10	0.8	1.1	1.9	0.1	0.2	0.2	0.0	0.1	0.1				
Motor Sich	MSICH	226	24.0%	54	219	1.3	1.7	2.3	0.8	0.8	0.8	0.2	0.2	0.2				
<b>Telecom</b>																		
Ukrtelecom	UTLM	115	7.2%	8	419	6.7	7.2	11.2	2.2	4.0	4.6	0.5	1.1	1.4				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	624	3.0%	19	620	26.8	19.7	>30	2.2	3.9	4.7	0.2	0.3	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	23	21.6%	5	-2	neg	11.4	7.6	neg	-0.1	-0.2	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	86	50.4%	43	194	13.2	11.0	17.2	2.9	2.8	2.8	1.1	1.0	1.3	35	27	26	\$/boe
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	104	21.7%	23	91	1.7	6.6	11.8	1.0	2.7	4.0	0.1	0.2	0.1	5	7	6	\$/MWh
DonbasEnerg	DOEN	27	14.2%	4	72	0.4	0.9	9.3	1.0	2.1	5.5	0.1	0.2	0.3	9	9	9	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	1,110	34.1%	378	2,190	6.8	neg	11.4	5.6	4.1	4.0	1.5	1.4	1.4				
Kernel	KER	682	61.8%	421	1,335	6.5	neg	4.0	4.6	6.0	4.1	0.5	0.6	0.5				
Astarta	AST	170	37.0%	63	416	5.0	neg	5.7	4.6	2.7	3.4	0.8	0.9	1.1				
Avangardco	AVGR	241	22.5%	54	429	1.0	neg	7.5	1.4	3.3	3.9	0.6	1.0	1.1	97	74	69	\$/mneqgs
Ovostar	OVO	115	25.0%	29	122	3.7	3.9	4.7	3.4	3.8	4.9	1.5	1.6	1.5	n/a	n/a	n/a	
<b>Banks</b>																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	117	3.5%	4		1.3	neg	neg	0.1	0.3	0.3	0.02	0.04	0.04				
Ukrsotsbank	USCB	77	1.0%	1		>30	>30	>30	0.1	0.1	0.2	0.04	0.07	0.08				

Source: Eavex Research

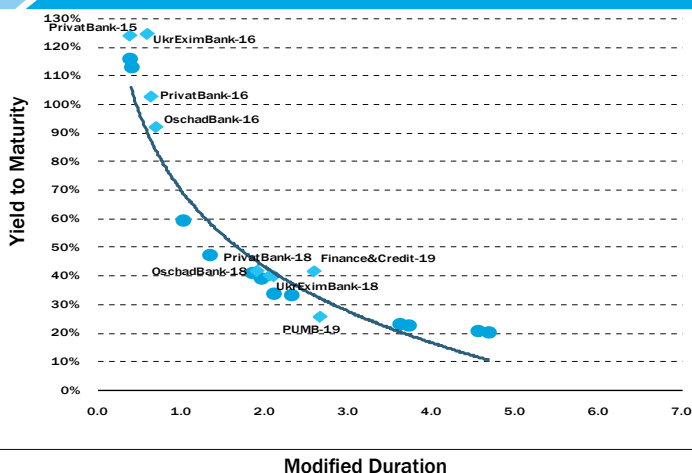
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2015 (EUR)	52.9	58.1	142.2%	116.4%	-18.3%	0.4	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CCC
Ukraine, 2015	58.3	59.9	128.2%	121.1%	-16.0%	0.3	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CCC
Ukraine, 2016	52.3	53.8	50.9%	48.8%	-15.4%	1.3	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CCC
Ukraine, 2016-2	52.8	54.1	64.2%	61.7%	-17.5%	1.0	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CCC
Ukraine, 2017	55.5	57.0	32.5%	31.2%	-11.0%	2.1	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CCC
Ukraine, 2017-2	56.0	57.5	38.8%	37.3%	-8.8%	1.8	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CCC
Ukraine, 2017 Infr. projects	51.5	53.5	38.8%	36.9%	-14.6%	1.9	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	50.0	52.0	34.5%	32.9%	-15.0%	2.3	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	50.0	51.5	24.7%	23.9%	-14.9%	3.5	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC-/CCC
Ukraine, 2021	53.5	55.0	22.4%	21.7%	-8.7%	3.7	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CCC
Ukraine, 2022	53.5	54.8	19.7%	19.2%	-10.1%	4.6	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CCC
Ukraine, 2023	52.5	54.8	19.3%	18.4%	-9.6%	4.8	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CCC
<b>Corporate Eurobonds</b>											
Agroton, 2019	30.3	35.4	42.7%	37.2%	-3.0%	2.9	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	92.0	95.0	54.6%	37.0%	-1.6%	0.2	10.25%	S/A	29 Apr 2015	235	Caa2//CCC
MHP, 2020	64.9	68.0	19.4%	18.1%	-3.8%	3.6	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	50.0	50.0	146.1%	146.1%	-22.5%	0.4	10.00%	S/A	29 Oct 2015	200	/CCC-/
UkrLandFarming, 2018	48.0	48.0	42.3%	42.3%	-5.0%	1.9	10.88%	S/A	26 Mar 2018	500	/CCC-/CCC
Mriya, 2016	11.0	15.0	388.0%	307.4%	0.0%	0.4	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	11.0	121.3%	121.3%	0.0%	1.3	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	55.0	65.0	427.5%	286.6%	-22.6%	0.1	9.50%	S/A	28 Apr 2015	200	Caa2//CCC
DTEK, 2018	40.0	45.0	45.8%	40.3%	-6.6%	2.1	7.88%	S/A	4 Apr 2018	750	Caa2//CCC
Metinvest, 2015	60.0	70.0	272.1%	179.5%	-19.3%	0.2	10.25%	S/A	20 May 2015	114	Caa2//CCC
Metinvest, 2017	45.0	50.0	48.5%	42.9%	-32.1%	1.3	10.50%	S/A	28 Nov 2017	290	//CCC
Metinvest, 2018	37.0	45.0	53.0%	43.2%	-26.1%	2.1	8.75%	S/A	14 Feb 2018	750	Caa2//CCC
Ferrexpo, 2016	75.0	80.0	36.7%	29.9%	0.6%	0.9	7.875%	S/A	07 Apr 2016	500	/CCC-/CCC
UZ Rail, 2018	33.9	40.0	55.3%	47.3%	-30.3%	2.0	9.50%	S/A	21 May 2018	500	/CCC-/CCC
Interpipe, 2017	38.0	42.0	63.1%	56.9%	-27.3%	1.6	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	69.3	72.4	27.4%	25.6%	21.7%	1.6	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	32.0	42.0	50.7%	39.4%	-55.4%	2.5	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018	52.0	57.0	33.6%	30.2%	-19.3%	2.5	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	174.6%	121.6%	-12.0%	0.3	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	40.0	45.0	132.2%	112.3%	-14.1%	0.6	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	47.8	50.5	43.5%	40.8%	-16.7%	1.9	10.88%	S/A	28 Feb 2018	175	Caa3//CCC
UkrEximBank, 2015	69.4	69.4	233.7%	233.7%	-10.5%	0.1	8.38%	S/A	27 Apr 2015	750	Caa3//CCC
UkrEximBank, 2016	42.0	47.0	123.8%	105.3%	-6.3%	0.6	5.79%	S/A	2 Sept 2016	125	Caa3//CCC
UkrEximBank, 2018	49.0	52.0	39.7%	36.9%	-10.6%	2.1	8.75%	S/A	22 Jan 2018	500	Caa3//CCC
VAB Bank, 2019	4.0	9.0	891.9%	347.5%	0.0%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	51.0	53.0	88.5%	83.2%	-11.1%	0.7	8.25%	S/A	10 Mar 2016	700	Caa3//CCC
Oschadbank, 2018	47.0	52.0	40.4%	35.8%	-12.3%	2.0	8.88%	S/A	20 Mar 2018	500	Caa3//CCC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	50.0	51.0	138.4%	133.7%	-30.4%	0.4	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	48.0	50.0	75.8%	71.6%	-31.0%	1.0	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

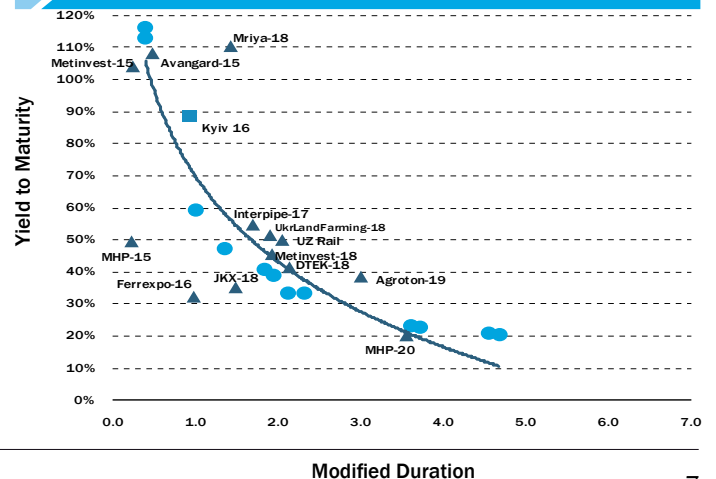
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



**UKRAINIAN DOMESTIC BONDS**

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn UAH
<b>UAH denominated Bonds</b>									
UA4000141592			28%	24%	n/a	14.30%	S/A	20 May 2015	n/a
UA4000142665			28%	24%	n/a	14.30%	S/A	24 May 2017	n/a
<b>USD denominated Bonds</b>									
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
<b>EUR denominated Bonds</b>									
UA4000142681	n/a	n/a	12.5%	8.0%	n/a	4.80%	S/A	6 May 2015	n/a
<b>VAT Bonds</b>									
UA4000082531			27%	25%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			27%	25%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			27%	25%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			27%	25%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			27%	25%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			27%	25%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research



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