

Market Update

Equity

Ukraine's stock market demonstrated moderate growth on Friday (Mar 6) ahead of the long Women's Day weekend. The UX index added 0.6% to close at 1107 points. CentrErgo (CEEN) rose by 0.9%, climbing back to the UAH 8 level, and Krukiv Wagon (KVBZ) advanced by 2.2% to UAH 11.85. Raiffeisen Aval (BAVL) increased by 1.5% as the hryvnia exchange rate appeared to stabilize at bid/ask of 23/27 UAH/USD. In London trading, JKN Oil&Gas (JKX) gained 5.5% to GBP 37.00 on news that Russian investment house Proxima Group bought 12.50% of the company despite walking away from the idea of acquiring a controlling stake. Ferrexpo (FXPO) fell 3.8% to GBP 57.25 per share as the increase in Ukraine's iron ore production tax will have a negative impact on the company's profitability. Warsaw-listed Astarta (AST) lost 2.8% to close at PLN 24.00 while Kernel (KER) edged up 0.6% to PLN 32.60.

Fixed Income

Ukrainian sovereign Eurobonds were little changed on Friday, with short term issue Ukraine-16s inching up by 0.2 p.p. to close at 44.5/45.6 (66.2%/64.1%). In corporate debt, MHP-20s rose by 1.1 p.p. to 65.0/66.0 (19.4%/19.0%) while DTEK-18s lost 5.0 p.p., ending at 33.0/36.0 (55.9%/51.6%). The 2018 Eurobonds of state-owned OschadBank edged up 0.5 p.p. to 40.0/42.0 (48.7%/46.4%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Centrenerg	CEEN	8.03	0.9%	1.3	120
Ukrnafta	UNAF	317.90	0.6%	0.7	61
Kryukiv Wagon	KVBZ	11.85	2.2%	0.2	9

Growth Leaders

Khartsyzk Pipe	HRTR	0.56	3.4%	0.00	7
Kryukiv Wagon	KVBZ	11.85	2.2%	0.23	9
Raiffeisen Bank Aval	BAVL	0.11	1.5%	0.10	16

Loss Leaders

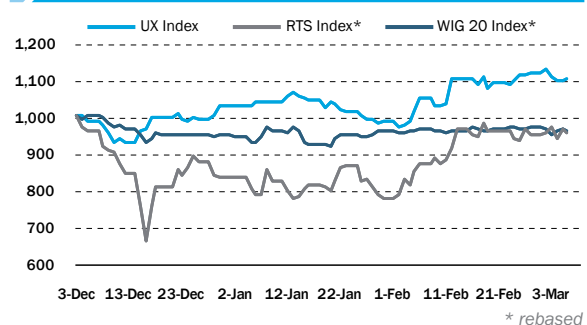
MHP UX	MHPC	240.00	-4.0%	0.103	16
Motor Sich	MSICH	2,767.00	0.1%	0.032	8
Azovstal	AZST	0.81	0.1%	0.085	31

Highlights

POLITICS AND ECONOMICS

- > News Flow from Donbass War Zone Stays Quiet Over Long Weekend

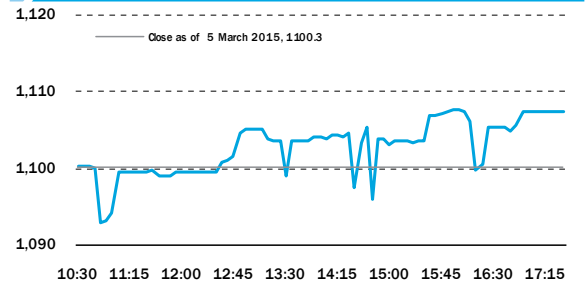
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1107.3	0.6%	12.9%	7.2%
RTS	903.5	-1.0%	14.8%	14.3%
WIG20	2345.9	-0.4%	0.5%	1.3%
MSCI EM	971.2	-0.3%	-0.5%	1.6%
S&P 500	2071.3	-1.4%	1.0%	0.6%

UX INTRADAY MARCH 6, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	391.9	-1.4%	-9.8%	-3.0%
CDS 5Y UKR	1783.4	-5.1%	-35.7%	-20.1%
Ukraine-17	45.7%	0.0 p.p.	12.1 p.p.	20.0 p.p.
Ferrexpo-16	32.9%	0.1 p.p.	0.5 p.p.	1.5 p.p.
Ukraine-23	23.6%	0.0 p.p.	3.5 p.p.	16.1 p.p.
Privatbank-16	340.4%	1.4 p.p.	237.9 p.p.	255.0 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	22.75	-1.1%	39.7%	43.8%
EUR	25.09	-1.1%	34.2%	31.1%
RUB	0.38	-0.3%	51.0%	37.2%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	206.7	-2.3%	-6.8%	-16.0%
Steel, USD/t	382.5	0.0%	-9.5%	-15.0%
Oil, USD/bbl	59.7	-1.2%	1.2%	0.9%
Gold, USD/oz	1167.2	-2.6%	-7.4%	-1.5%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

News Flow from Donbass War Zone Stays Quiet Over Long Weekend

by Will Ritter
w.ritter@eavex.com.ua

NEWS

For the second weekend in a row, there were reports of only limited and sporadic violations of the Feb 12 Minsk ceasefire in the Donbass war zone, although Ukrainian government sources said pro-Russian separatists had fired mortars at Ukrainian positions on Monday (Mar 9). President Poroshenko said that 60 Ukrainian military personnel have died since the ceasefire went into effect, but it appeared that most of those deaths occurred in fighting in the town of Debaltsevo, which the separatists captured back on Feb 23, and not in the past two weeks. Discussions in diplomatic circles have focused on improving the OSCE's monitoring of the ceasefire line, while the news flow over the long Women's Day weekend turned light, with Reuters writing a story on female separatist fighters who participated in a beauty pageant in Donetsk as a celebration of the Soviet-era holiday.

COMMENTARY

The relative pause in the Donbass fighting provides us with an opportunity to step back to examine the larger picture and the outlook for medium-term developments in Ukraine. Essentially, we see two main possible paths of development from the current situation. The first and much more optimistic scenario is that both sides in the conflict – i.e. the Ukrainian authorities and the Kremlin – for their own reasons, view upholding the Minsk ceasefire as being in their interests. In this case, Ukraine would be able, with Western assistance, to stop the bleeding from the national budget, step away from the brink of economic collapse, and begin to focus on serious structural reforms that the country needs to become viable and self-sustaining. The second, pessimistic scenario, entails a breakdown of the ceasefire within a few months and a return to full-scale fighting. This would empower hard-liners both on the Russian and Ukrainian sides and could result in Ukraine's national economic collapse and the removal of the Poroshenko government from power before the end of 2015. The future path of the Ukraine crisis largely depends on the strategy followed by Russian President Putin; if Putin chooses escalation, we believe that this will not merely entail an attack on the port city of Mariupol, but also efforts to create upheaval in the major Russian-speaking cities still under government control, most notably Kharkiv and Odessa. Of course, to implement this strategy, Putin would need to give up his charade of claiming non-involvement of Russian military forces in Ukraine, and also face the certain ejection of Russia from the international banking system, both of which would be very costly for the Russian regime. We therefore tend to favor the optimistic scenario as being more likely. However, there is also the danger of destabilization occurring from the Ukrainian side, with militarist hard-liners demanding that Poroshenko renew the war in order to recapture the lost Donbass territory, with the aim of trying to drag the West into a full-on confrontation with Moscow; we view this strategy as a dangerous dead-end.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	32.4	50.2	55%	BUY	Hedging approach to making business, no devaluation risk, limited political risk due to lack of assets in the Donbass, and a U-turn in the farming segment in the 2014-15 season make Kernel's stock our current top investment story.
MHP	MHPC LI	9.1	17.96	98%	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 PW	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 LI	2.7	2.7	0%	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 PW	68.7	80.8	18%	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.
Iron Ore						
Ferrexpo	FXPO LN	53.0	48.0	-9%	SELL	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.
Steel						
Azovstal	AZST	0.81	0.56	-31%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.40	U/R	--	Susp.	Avdyivka Coke experienced several artillery attacks since August 2014 due to its location near the border of occupied territory.
Specialized Machinery						
Motor Sich	MSICH	2767	5250	90%	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	4.6	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	34.8	U/R	--	U/R	The launch of extraction at JKX's Russian gas field has lifted output, but the company's higher-margin Ukrainian operations continue to lag behind expectations.
Power Utilities						
DonbasEnergO	DOEN	29.9	72.0	141%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	8.03	15.00	87%	BUY	CentrEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Banks						
Raiffeisen Bank Aval	BAVL	0.107	0.24	124%	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	1107.31	1368.76	908.88	0.6%	-1.6%	12.9%	7.2%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.015	0.045	0.011	1.4%	-4.0%	19.8%	0.0%	0.8%	-2.4%	6.9%	-7.2%
Azovstal	AZST	0.81	0.95	0.35	-0.4%	-4.5%	14.4%	8.7%	-1.0%	-2.9%	1.5%	1.6%
Enakievo Steel	ENMZ	17.75	65.00	14.81	0.3%	-3.8%	1.4%	-15.3%	-0.3%	-2.2%	-11.5%	-22.4%
Coke												
Avdyivka Coke	AVDK	1.40	3.62	1.10	1.2%	-8.1%	20.1%	-19.0%	0.5%	-6.5%	7.2%	-26.1%
Yasynivsky Coking	YASK	0.35	0.84	0.18	12.9%	0.0%	45.8%	25.0%	12.3%	1.6%	32.9%	17.8%
Iron Ore Mining												
Centralny GOK	CGOK	8.40	n/a	n/a	-1.2%	-2.3%	14.3%	7.8%	-1.8%	-0.8%	1.4%	0.7%
Ferrexpo	FXPO	55.00	162.10	47.91	-7.6%	-16.0%	6.3%	3.8%	-8.2%	-14.5%	-6.6%	-3.4%
Pivnichny GOK	SGOK	8.70	12.30	4.44	0.0%	-4.4%	-7.8%	3.9%	-0.6%	-2.8%	-20.8%	-3.2%
Coal Mining												
Pokrovske Mine	SHCHZ	0.48	0.79	0.17	0.0%	0.0%	65.5%	2.1%	-0.6%	1.6%	52.6%	-5.0%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.56	1.01	0.20	-1.8%	0.0%	86.7%	47.4%	-2.4%	1.6%	73.8%	40.2%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.85	21.60	10.00	2.2%	-4.8%	0.3%	-7.8%	1.6%	-3.3%	-12.6%	-14.9%
Luhanskeplovoz	LTPL	1.50	1.80	0.85	-16.7%	-16.7%	50.0%	38.9%	-17.3%	-15.1%	37.1%	31.7%
Specialized Machinery												
Motor Sich	MSICH	2767	2939	1587	0.1%	-1.2%	10.2%	11.4%	-0.6%	0.3%	-2.7%	4.3%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Telecom												
Ukrtelecom	UTLM	0.16	0.20	0.09	0.0%	0.0%	34.8%	2.0%	-0.6%	1.6%	21.9%	-5.2%
Oil & Gas												
Regal Petroleum	RPT	4.62	12.50	3.13	8.8%	1.1%	12.0%	47.8%	8.2%	2.7%	-0.9%	40.7%
JKX Oil	JKX	34.50	64.00	11.00	-1.4%	-4.5%	142.1%	187.5%	-2.1%	-2.9%	129.2%	180.3%
Ukrnafta	UNAF	317.9	375.0	54.0	0.2%	-1.9%	29.9%	56.4%	-0.5%	-0.4%	17.0%	49.2%
Power Utilities												
Centrenergo	CEEN	8.03	8.70	3.00	0.8%	0.4%	17.3%	6.5%	0.1%	1.9%	4.4%	-0.7%
Donbasenergo	DOEN	29.93	50.16	11.00	0.5%	0.1%	-1.1%	-9.3%	-0.1%	1.7%	-14.0%	-16.5%
Zakhidenergo	ZAEN	162.0	199.8	91.2	0.0%	3.3%	-1.3%	9.4%	-0.6%	4.8%	-14.3%	2.2%
Consumer												
Agroton	AGT	1.30	4.64	1.19	-1.5%	-1.5%	1.6%	5.7%	-2.2%	0.0%	-11.4%	-1.5%
Astarta	AST	24.49	48.22	14.50	-0.8%	-1.3%	2.0%	22.5%	-1.5%	0.3%	-10.9%	15.3%
Avangardo	AVGR	2.65	10.27	1.83	-5.4%	-8.0%	26.2%	29.3%	-6.0%	-6.4%	13.3%	22.1%
Industrial Milk Company	IMC	5.72	10.39	5.46	-1.4%	-4.0%	-4.7%	0.9%	-2.0%	-2.5%	-17.6%	-6.3%
Kernel	KER	32.00	34.50	22.00	0.0%	0.0%	6.7%	12.4%	-0.6%	1.6%	-6.2%	5.3%
Mriya Agro Holding	MAYA	0.38	5.65	0.36	0.0%	4.4%	-27.3%	-32.4%	-0.6%	6.0%	-40.3%	-39.5%
MHPC	MHPC	8.90	15.77	8.61	-2.2%	-3.8%	-2.7%	-3.3%	-2.8%	-2.2%	-15.6%	-10.4%
Milkiland	MLK	3.21	8.75	1.48	-3.6%	9.2%	45.2%	116.9%	-4.2%	10.7%	32.3%	109.7%
Ovostar Union	OVO	70.95	76.74	64.00	1.4%	1.4%	-0.1%	-1.5%	0.7%	2.9%	-13.0%	-8.6%
Chemicals												
Stirol	STIR	8.80	n/a	n/a	0.0%	0.0%	17.5%	27.0%	-0.6%	1.6%	4.6%	19.8%
Banks												
Raiffeisen Bank Aval	BAVL	0.107	0.190	0.086	1.2%	1.7%	22.5%	11.8%	0.6%	3.3%	9.6%	4.6%
UkrSotsbank	USCB	0.110	0.200	0.090	0.0%	0.0%	9.5%	-15.5%	-0.6%	1.6%	-3.5%	-22.7%

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	-57	5.0%	neg	neg	-6	-75	-82	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	1,342	1,059	506	464	256	32.0%	34.5%	24.2%	264	185	98	16.7%	13.8%	9.2%
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	310	193	92	31	43	18	10.1%	22.6%	19.3%	5	23	2	1.5%	11.7%	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	67	50	10	5	10.9%	7.6%	7.5%	42	-3	-4	9.0%	neg	neg
Specialized Machinery																
Turboatom	TATM	214	164	114	90	73	36	42.1%	44.6%	32.0%	72	53	23	33.5%	32.4%	20.0%
Motor Sich	MSICH	1,053	879	460	384	342	158	36.5%	38.9%	34.3%	162	129	67	15.4%	14.7%	14.5%
Telecom																
Ukrtelecom	UTLM	791	368	224	190	105	71	24.0%	28.5%	31.5%	17	16	8	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	262	271	72	23	13	11.0%	8.8%	4.9%	65	20	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	2,250	291	223	325	10.4%	9.3%	14.4%	105	-107	125	3.8%	neg	5.6%
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%
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	1,595	2,588	1,064	303	447	115	130	115	1	-19	-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	16	3.9%	1	955	neg	neg	neg	neg	neg	neg	0.6	1.4	2.8	247	230	224	\$/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	150	3.0%	4	144	neg	4.2	6.5	neg	1.0	1.3	0.1	0.1	0.1	31	32	32	\$/tonne
Coke																		
Avdivka Coke	AVDK	12	6.8%	1	-27	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-6	-7	-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	433	0.3%	1	431	2.2	3.8	5.4	1.4	1.9	2.6	0.6	0.7	0.8				
Pivnichny GOK	SGOK	881	0.4%	4	875	1.6	2.7	3.9	1.0	1.3	1.8	0.5	0.6	0.7				
Ferrexpo	FXPO	486	24.0%	117	1,180	1.8	2.6	5.0	2.3	2.5	4.6	0.7	0.9	1.1				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	64	2.0%	1	110	13.6	2.8	>30	3.5	2.5	6.2	0.4	0.6	1.2	174	289	274	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	14	24.0%	3	52	0.7	neg	n/a	1.4	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	60	5.0%	3	54	1.4	neg	neg	1.1	5.3	10.8	0.1	0.4	0.8				
Specialized Machinery																		
Turboatom	TATM	65	5.8%	4	35	0.9	1.2	2.9	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	253	24.0%	61	238	1.6	2.0	3.8	0.6	0.7	1.5	0.2	0.3	0.5				
Telecom																		
Ukrtelecom	UTLM	128	7.2%	9	212	7.5	8.0	16.0	1.1	2.0	3.0	0.3	0.6	0.9				
Oil & Gas																		
Ukrnafta	UNAF	758	3.0%	23	755	>30	23.9	>30	2.6	4.7	5.7	0.3	0.4	0.7	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	22	21.6%	5	-3	neg	11.2	7.5	neg	-0.2	-0.2	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	89	50.4%	45	198	13.7	11.5	17.9	3.0	2.9	2.8	1.1	1.0	1.3	36	27	26	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	130	21.7%	28	117	2.2	8.2	14.8	1.2	3.5	5.2	0.1	0.2	0.2	7	8	7	\$/MWh
DonbasEnerg	DOEN	31	14.2%	4	61	0.5	1.5	10.6	0.8	2.7	4.6	0.1	0.2	0.2	7	8	7	\$/MWh
Consumer																		
MHP	MHPC	940	34.1%	321	2,020	5.8	neg	9.7	5.2	3.8	3.7	1.4	1.3	1.3				
Kernel	KER	669	61.8%	413	1,404	6.4	neg	5.4	4.8	6.3	4.3	0.5	0.6	0.6				
Astarta	AST	161	37.0%	59	407	4.7	neg	5.4	4.5	2.6	3.3	0.8	0.9	1.0				
Avangardco	AVGR	169	22.5%	38	357	0.7	neg	5.3	1.2	2.7	3.3	0.5	0.8	0.9	81	61	58	\$/mneqgs
Ovostar	OVO	112	25.0%	28	119	3.6	3.7	4.6	3.3	3.7	4.7	1.5	1.6	1.5	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	142	3.5%	5		1.6	neg	neg	0.2	0.4	0.4	0.03	0.05	0.05				
Ukrsotsbank	USCB	89	1.0%	1		>30	>30	>30	0.1	0.3	0.2	0.01	0.05	0.03				

Source: Eavex Research

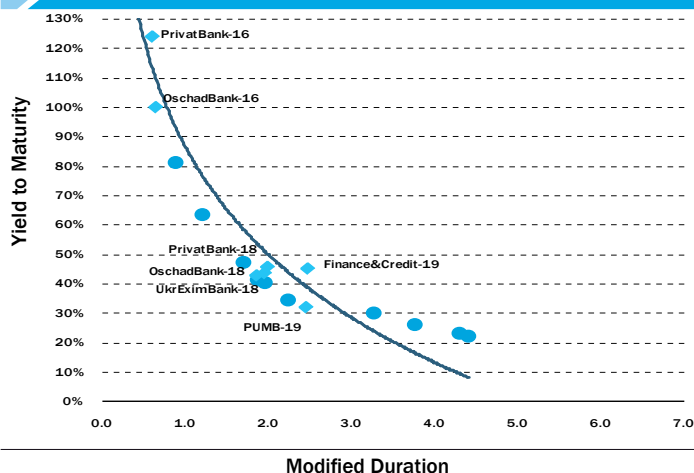
UKRAINIAN EUROBONDS

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)	45.0	47.0	207.3%	192.0%	-32.3%	0.3	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CC
Ukraine, 2015	51.2	53.2	191.0%	176.6%	-25.8%	0.3	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CC
Ukraine, 2016	44.5	45.6	66.2%	64.1%	-28.1%	1.2	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CC
Ukraine, 2016-2	44.6	45.8	86.1%	82.9%	-30.2%	0.8	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CC
Ukraine, 2017	42.0	44.0	46.9%	44.5%	-32.0%	1.9	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CC
Ukraine, 2017-2	42.0	44.0	56.4%	53.6%	-30.9%	1.6	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CC
Ukraine, 2017 Infr. projects	39.0	42.0	54.3%	50.3%	-34.1%	1.7	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	38.0	41.0	47.4%	43.9%	-34.2%	2.0	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	41.3	43.3	30.2%	28.9%	-29.1%	3.2	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC-/CC
Ukraine, 2021	42.0	43.5	28.9%	27.9%	-28.0%	3.7	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CC
Ukraine, 2022	42.0	43.5	25.2%	24.4%	-29.0%	4.2	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CC
Ukraine, 2023	42.5	43.5	22.5%	22.0%	-27.5%	4.4	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CC
Corporate Eurobonds											
Agroton, 2019	30.1	35.3	43.7%	38.0%	-3.3%	2.8	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	92.0	94.0	73.4%	56.5%	-2.1%	0.1	10.25%	S/A	29 Apr 2015	235	Caa2//CC
MHP, 2020	65.0	66.0	19.4%	19.0%	-5.0%	3.5	8.25%	S/A	2 Apr 2020	750	/CCC-/CC
Avangardco, 2015	44.5	44.5	188.3%	188.3%	-31.1%	0.3	10.00%	S/A	29 Oct 2015	200	/CCC-/
UkrLandFarming, 2018	37.5	37.5	55.5%	55.5%	-19.4%	1.6	10.88%	S/A	26 Mar 2018	500	/CCC-/CC
Mriya, 2016	11.0	14.0	426.7%	354.8%	-3.8%	0.4	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	10.0	14.0	135.3%	109.0%	9.0%	1.4	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	60.0	65.0	497.4%	405.2%	-19.4%	0.1	9.50%	S/A	28 Apr 2015	200	Caa2//CC
DTEK, 2018	33.0	36.0	55.9%	51.6%	-24.2%	1.8	7.88%	S/A	4 Apr 2018	750	Caa2//CC
Metinvest, 2015	63.0	68.0	307.3%	249.0%	-18.6%	0.1	10.25%	S/A	20 May 2015	114	Caa2//CC
Metinvest, 2017	48.0	53.0	45.7%	40.5%	-27.9%	1.3	10.50%	S/A	28 Nov 2017	290	//CC
Metinvest, 2018	40.0	44.0	49.7%	45.0%	-24.4%	2.0	8.75%	S/A	14 Feb 2018	750	Caa2//CC
Ferrexpo, 2016	77.5	80.0	34.7%	31.1%	2.2%	0.9	7.875%	S/A	07 Apr 2016	500	/CCC-/CC
UZ Rail, 2018	39.0	42.0	49.1%	45.6%	-23.6%	2.0	9.50%	S/A	21 May 2018	500	/CCC-/CC
Interpipe, 2017	38.0	42.0	64.2%	57.8%	-27.3%	1.6	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.5	74.4	27.0%	24.7%	24.4%	1.6	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	15.0	119.4%	90.7%	-84.9%	1.5	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018	43.0	48.0	41.3%	37.0%	-32.6%	2.2	11.00%	Q	31 Dec 2018	275	Caa3//
Nadra Bank, 2018	8.0	13.0	n/a	n/a	-16.0%	0.3	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	42.0	45.0	269.4%	240.3%	-30.4%	0.2	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	15.0	20.0	388.5%	301.9%	-64.6%	0.3	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	40.0	42.3	53.2%	50.4%	-30.3%	1.9	10.88%	S/A	28 Feb 2018	175	Caa3//CC
UkrEximBank, 2015	62.0	62.0	450.9%	450.9%	-20.0%	0.1	8.38%	S/A	27 Apr 2015	750	Caa3//CC
UkrEximBank, 2016	30.0	35.0	200.9%	168.0%	-31.6%	0.5	5.79%	S/A	2 Sept 2016	125	Caa3//CC
UkrEximBank, 2018	41.0	44.0	49.2%	45.6%	-24.8%	1.9	8.75%	S/A	22 Jan 2018	500	Caa3//CC
VAB Bank, 2019	3.0	7.0			-23.1%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	40.1	42.1	132.6%	124.4%	-29.7%	0.6	8.25%	S/A	10 Mar 2016	700	Caa3//CC
Oschadbank, 2018	40.0	42.0	48.7%	46.4%	-27.4%	1.9	8.88%	S/A	20 Mar 2018	500	Caa3//CC
Municipal Eurobonds											
City of Kyiv, 2015	43.0	45.0	195.7%	182.3%	-39.4%	0.3	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	40.4	42.1	98.4%	93.5%	-41.7%	0.8	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

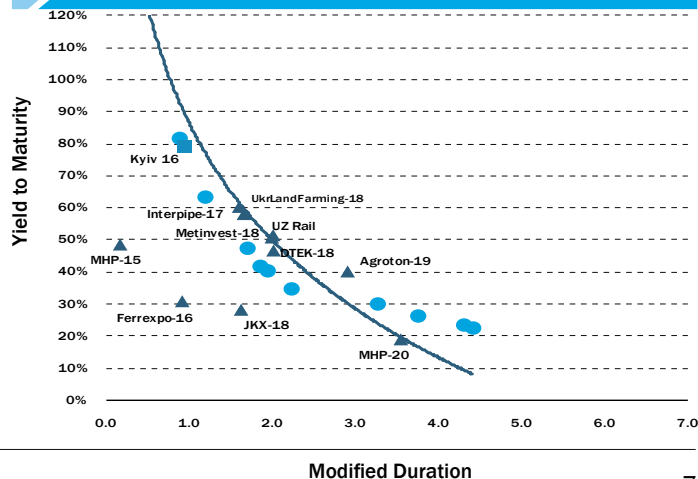
¹ Moody's/S&P/Fitch; * EUR

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%	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
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			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

Eavex Capital

12, Ezhena Pottier str.
Kiev 03057
Ukraine

Telephone: +38 044 590 5454

Facsimile: +38 044 590 5464

E-mail: office@eavex.com.ua

Web-page: www.eavex.com.ua

Yuriy Yakovenko

Chairman of the Board

yuriy.yakovenko@eavex.com.ua

SALES & TRADING

Pavel Korovitskiy

Managing Director

Equity and Fixed Income

p.korovitsky@eavex.com.ua

Alexander Klymchuk

Equity and Fixed Income

a.klymchuk@eavex.com.ua

Eugene Klymchuk

Fixed Income Sales and Trading

e.klymchuk@eavex.com.ua

Serhiy Scherbaniuk

Equity Trading

s.shcherbaniuk@eavex.com.ua

Nazar Malinyak

Online Trading

n.malinyak@eavex.com.ua

RESEARCH

Dmitry Churin

Head of Research

d.churin@eavex.com.ua

Ivan Dzvinka

Research Associate

i.dzvinka@eavex.com.ua

Will Ritter

Research editor

w.ritter@eavex.com.ua