

Market Update

Equity

Locally-listed Ukrainian equities edged up on Wednesday (Mar 11) ahead of the IMF executive board's decision to approve a USD 17.5bn lifeline program for the country that was made public after the market close. The UX index climbed 0.5% to 1092 points, with Azovstal (AZST) adding the most points to the gauge on an advance of 3.8%, after the company reported an impressive net profit for FY14. In heavyweight blue chips, CentrEnergO (CEEN) gained 0.6%, while Motor Sich (MSICH) lost 1.3% to dip back below UAH 2700. Raiffeisen Aval (BAVL) picked up 1.8% as the hryvnia strengthened to 21.60 UAH/USD on the interbank market. In London trading, iron ore producer Ferrexpo (FXPO) jumped by 7.1% to GBP 56.50 after the company announced a robust 10-cent per share dividend for 2H14. JKC Oil&Gas (JKX) lost 1.1% to close at GBP 34.40, while in Warsaw, Kernel (KER) declined by 1.5% to PLN 31.20.

Fixed Income

Ukrainian benchmark sovereigns were flat yesterday after Tuesday's gains on positive IMF expectations. Ukraine-23s finished unchanged at 45.3/46.3 (22.5%/22.0%). Corporate names were marginally higher, with Metinvest-18s advancing by 1.5p.p. to 42.0/44.0 (47.3%/45.0%) and Ferrexpo-16s improving by 0.5p.p. to 78.0/80.0 (34.2%/31.3%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
CentrEnergO	CEEN	7.99	0.6%	1.6	127
Ukrnafta	UNAF	305.50	-1.4%	0.8	131
Motor Sich	MSICH	2696.00	-1.3%	0.6	79

Growth Leaders

Azovstal	AZST	0.83	3.8%	0.21	71
Donbasenergo	DOEN	29.89	3.1%	0.06	23
Alchevsk Steel	ALMK	0.01	2.8%	0.01	7

Loss Leaders

Zhytomyroblenergo	ZHEN	1.90	-13.7%	0.233	20
Kryukiv Wagon	KVBZ	11.09	-2.7%	0.106	43
Ukrnafta	UNAF	305.50	-1.4%	0.794	131

Highlights

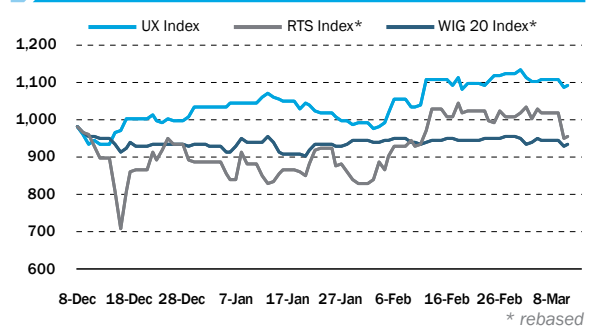
POLITICS AND ECONOMICS

- > Jaresko: IMF Tranche of USD 5bn to Arrive in "Coming Days"

FIXED INCOME

- > Metinvest Plans to Restart Yenakievo Steel and Expand by 40% Output at Avdyivka in March

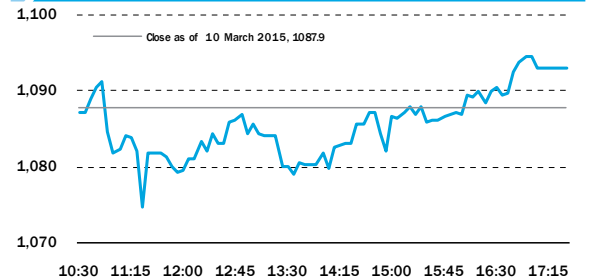
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1093.0	0.5%	3.5%	5.8%
RTS	848.0	0.3%	2.6%	7.2%
WIG20	2325.1	0.5%	-1.2%	0.4%
MSCI EM	943.0	-0.1%	-3.6%	-1.4%
S&P 500	2040.2	-0.2%	-0.7%	-0.9%

UX INTRADAY MARCH 11, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	416.6	0.5%	-0.7%	3.1%
CDS 5Y UKR	1695.9	-5.3%	-36.5%	-24.1%
Ukraine-17	42.5%	0.0 p.p.	8.8 p.p.	16.8 p.p.
Ferrexpo-16	32.7%	-0.6 p.p.	-1.3 p.p.	1.4 p.p.
Ukraine-23	22.2%	0.0 p.p.	3.2 p.p.	14.7 p.p.
Privatbank-16	273.5%	-69.8 p.p.	169.3 p.p.	188.0 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	22.00	2.3%	-12.9%	39.1%
EUR	23.20	0.9%	-18.8%	21.2%
RUB	0.36	3.6%	-5.4%	30.2%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	206.7	0.0%	-4.7%	-16.0%
Steel, USD/t	382.5	0.0%	-9.5%	-15.0%
Oil, USD/bbl	57.5	2.0%	-1.9%	-2.8%
Gold, USD/oz	1155.3	-0.6%	-6.4%	-2.5%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Jaresko: IMF Tranche of USD 5bn to Arrive in “Coming Days”

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NEWS

The International Monetary Fund approved a USD 17.5bn loan program for Ukraine, including an immediate USD 5.0bn disbursement, according to an official press statement from the IMF released on Wednesday (Mar 11). The aid is part of what the Washington-based lender and Ukraine's government hope will be a USD 40bn package, including contributions from the US and European Union and a prospective USD 15b in savings to be negotiated with Ukraine's creditors. Finance Minister Natalia Jaresko said at a press conference that Kyiv should receive the first 5.0bn tranche of cash “in the coming days”, the Associated Press reported.

About USD 2.7bn of the initial USD 5.0bn payment will be allocated to budget support, the IMF said in a separate statement. Further disbursements will be based on standard quarterly reviews and performance measures. Ukraine could receive as much as USD 10bn in the first year of the program.

The IMF's board decision opens the way for USD 7.5bn more in international loans, Jaresko said on Wednesday. It also allows Ukraine to begin negotiations with holders of its sovereign bonds, a move that Jaresko has said could save the country USD 15bn. She said she will hold a videoconference with investors on Friday (Mar 13).

The IMF said it expects Ukraine's GDP to shrink about 5.5%, before growing 2% next year. Inflation will spike due to the hryvnia devaluation and energy tariff increases, before subsiding to 27% by the end of 2015, according to the IMF.

COMMENTARY

Although the news is obviously positive for Ukraine, the IMF's GDP forecasts for Ukraine in 2015-16 look overly optimistic to us, as the country still faces major challenges to an economic revival. President Poroshenko has stated that 25% of Ukraine's industrial capacities have been taken off line as a result of the Donbass war, including about 10% that have been destroyed. Among other crucial problems is the situation in the banking system. Domestic financial institutions are suffering from a persistent deposit outflow and deteriorating loan portfolios. The country's banks posted a UAH 8.5bn (USD 400mn) in net loss in January and the fourth largest bank by assets, Delta Bank, with total assets of UAH 60bn (USD 2.8bn) was recently declared as insolvent by the NBU. Delta is controlled by low-profile oligarch Nikolay Lagun and also is 30% owned by multinational commodity trader Cargill. Unfortunately, the IMF's lifeline is not a magic pill for Ukraine that can solve all the country's problems, but the announced international support is certainly a necessary step for Ukraine's economic survival. The elephant in the room for the Ukrainian economy remains the situation in regard to the Donbass war and a possible escalation of Russian military intervention in Ukraine. In our view, US President Obama and German Chancellor Merkel have it right on declining, at least for now, to provide armaments to Kyiv, as this tactic is very unlikely to deter the Kremlin's aggression and therefore to yield the desired result of increasing Ukraine's economic and political stability. Especially in the US, the raucous “arm or don't arm” debate has had a negative influence on formulating a strategic vision for how the West can best advance Ukraine's long-term interests, as well as its own.

Metinvest Plans to Restart Yenakievo Steel and Expand by 40% Output at Avdyivka in March

by Ivan Dzvinka
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NEWS

Metinvest, Ukraine's largest metals and mining holding, intends to re-start operations at its idled steel mill at Yenakievo (and its affiliated Makyiv Steel) in the second half of March, as well as to expand its coke output at Avdyivka Coke by 41% MoM to 130,000 tonnes, news agency Metal Courier reported early this week. The precise date of renewal of work at Yenakievo will depend on the progress on repairs of railway infrastructure, which was the core reason for stopping the mill in February. The planned expansion of output at Avdyivka is reportedly due to improvement in coking coal deliveries, as well a more stable electricity supply to the coke plant.

COMMENTARY

Metinvest's production plan for March also envisages growth in hot metal output at its twin Mariupol-based steel plants, Azovstal and MMK Illich, by 19% and 45% MoM respectively to 270,000 and 334,000 tonnes, due to better input supplies and 3 more days in March vs. February. The news is positive for the group, as it indicates some progress in de-escalation of the military situation in the region. That said, the sustainability of this improvement obviously remains to be seen. Even with a 40% increase in output vs. February, Avdyivka's targeted coke production in March is still 60% lower compared to 325,000 tonnes produced in March 2014. In YoY terms, the Azovstal and MMK Illich hot metal output targets for March are lower by 11% and 29%, respectively.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	31.2	50.2	61%	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	8.9	17.96	102%	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	24.4	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 LI	2.7	2.7	-3%	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	70.0	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.
Iron Ore						
Ferrexpo	FXPO LN	56.5	48.0	-15%	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	0.83	0.56	-33%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.43	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	2696	5250	95%	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	34.4	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						
DonbasEnerg	DOEN	29.9	72.0	141%	BUY	DonbasEnerg is expected to continue practice of 30% dividend payout in a medium term.
CenterEnerg	CEEN	7.99	15.00	88%	BUY	CenterEnerg'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	125%	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	1092.97	1368.76	908.88	0.5%	-0.8%	3.5%	5.8%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.015	0.045	0.011	2.8%	1.4%	13.2%	0.7%	2.3%	2.2%	9.6%	-5.1%
Azovstal	AZST	0.83	0.95	0.35	3.8%	1.3%	8.5%	11.1%	3.3%	2.2%	5.0%	5.4%
Enakievo Steel	ENMZ	17.40	65.00	14.81	-0.2%	0.2%	-5.3%	-16.9%	-0.6%	1.0%	-8.9%	-22.7%
Coke												
Avdyivka Coke	AVDK	1.43	3.62	1.10	1.3%	1.3%	27.2%	-17.5%	0.8%	2.2%	23.7%	-23.3%
Yasnyivsky Coking	YASK	0.35	0.84	0.18	0.0%	0.0%	29.6%	25.0%	-0.5%	0.8%	26.1%	19.2%
Iron Ore Mining												
Centralny GOK	CGOK	9.20	n/a	n/a	8.2%	7.6%	22.7%	18.1%	7.8%	8.4%	19.1%	12.3%
Ferrexpo	FXPO	56.50	162.10	47.91	7.1%	-5.8%	2.7%	6.6%	6.6%	-5.0%	-0.8%	0.8%
Pivnichny GOK	SGOK	8.49	12.30	4.44	-0.1%	-2.4%	0.5%	1.4%	-0.6%	-1.6%	-3.1%	-4.3%
Coal Mining												
Pokrovske Mine	SHCHZ	0.48	0.79	0.17	0.0%	0.0%	65.5%	2.1%	-0.5%	0.8%	62.0%	-3.6%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.58	1.01	0.20	0.0%	1.8%	93.3%	52.6%	-0.5%	2.6%	89.8%	46.9%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.09	21.60	10.00	-2.7%	-7.6%	-10.4%	-13.7%	-3.2%	-6.7%	-14.0%	-19.5%
Luhanskeplovoz	LTPL	1.50	1.80	0.85	0.0%	-16.7%	50.0%	38.9%	-0.5%	-15.8%	46.5%	33.1%
Specialized Machinery												
Motor Sich	MSICH	2696	2939	1587	-1.3%	-2.7%	-1.2%	8.6%	-1.8%	-1.9%	-4.7%	2.8%
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%	-3.1%	2.0%	-0.5%	0.8%	-6.7%	-3.8%
Oil & Gas												
Regal Petroleum	RPT	4.62	11.50	3.13	0.0%	8.7%	23.2%	47.8%	-0.5%	9.5%	19.7%	42.1%
JKX Oil	JKX	34.38	64.00	11.00	-1.1%	-4.5%	19.6%	186.5%	-1.5%	-3.7%	16.0%	180.7%
Ukrnafta	UNAF	305.5	375.0	54.0	-1.4%	-3.4%	8.4%	50.3%	-1.9%	-2.5%	4.8%	44.5%
Power Utilities												
Centrenergo	CEEN	7.99	8.70	3.00	0.6%	0.9%	8.0%	5.9%	0.1%	1.8%	4.5%	0.2%
Donbasenergo	DOEN	29.89	50.16	11.00	3.1%	0.7%	-4.4%	-9.4%	2.6%	1.6%	-7.9%	-15.2%
Zakhidenergo	ZAEN	160.0	199.8	91.2	0.0%	-1.2%	-2.6%	8.0%	-0.5%	-0.4%	-6.1%	2.3%
Consumer												
Agroton	AGT	1.33	3.39	1.19	5.6%	0.0%	2.3%	8.1%	5.1%	0.8%	-1.2%	2.4%
Astarta	AST	24.38	48.22	14.50	3.3%	-1.5%	2.3%	21.9%	2.8%	-0.7%	-1.3%	16.1%
Avangardo	AVGR	2.75	10.27	1.83	3.6%	-2.8%	30.7%	33.9%	3.1%	-2.0%	27.2%	28.1%
Industrial Milk Company	IMC	5.70	10.39	5.46	-0.9%	-4.2%	-5.0%	0.5%	-1.3%	-3.4%	-8.5%	-5.2%
Kernel	KER	31.20	34.50	22.00	-1.5%	-2.0%	4.1%	9.6%	-1.9%	-1.2%	0.6%	3.9%
Mriya Agro Holding	MAYA	0.45	5.65	0.36	18.4%	18.4%	-10.9%	-19.9%	18.0%	19.3%	-14.4%	-25.7%
MHPC	MHPC	8.90	15.77	8.61	-1.7%	-3.2%	-4.3%	-3.3%	-2.1%	-2.3%	-7.8%	-9.0%
Milkiland	MLK	2.80	8.59	1.48	-7.9%	-20.0%	40.7%	89.2%	-8.4%	-19.2%	37.2%	83.4%
Ovostar Union	OVO	69.98	76.74	64.00	2.9%	0.1%	-2.2%	-2.8%	2.4%	1.0%	-5.7%	-8.6%
Chemicals												
Stirol	STIR	8.80	n/a	n/a	0.0%	0.0%	10.0%	27.0%	-0.5%	0.8%	6.5%	21.2%
Banks												
Raiffeisen Bank Aval	BAVL	0.107	0.190	0.086	0.9%	1.7%	11.9%	10.9%	0.4%	2.6%	8.3%	5.2%
UkrSotsbank	USCB	0.103	0.200	0.090	0.0%	-6.8%	-13.1%	-21.3%	-0.5%	-6.0%	-16.7%	-27.0%

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	1,793	1,524	-81	153	114	neg	8.5%	7.5%	-308	77	50	neg	4.3%	3.3%
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	1,388	1,059	506	496	256	32.0%	35.8%	24.2%	264	184	98	16.7%	13.2%	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																
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	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	17	3.9%	1	956	neg	neg	neg	neg	neg	neg	0.6	1.4	2.8	247	230	224	\$/tonne
Yenakievo Steel	ENMZ	8	8.8%	1	6	neg	neg	neg	neg	0.1	0.1	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	158	3.0%	5	152	neg	2.1	3.2	neg	1.0	1.3	0.1	0.1	0.1	33	34	33	\$/tonne
Coke																		
Avdivka Coke	AVDK	13	6.8%	1	-26	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	490	0.3%	1	489	2.5	4.3	6.1	1.6	2.2	3.0	0.7	0.8	0.9				
Pivnichny GOK	SGOK	889	0.4%	4	883	1.6	2.7	3.9	1.0	1.4	1.8	0.5	0.6	0.7				
Ferrexpo	FXPO	495	24.0%	119	1,174	1.9	2.7	5.1	2.3	2.4	4.6	0.7	0.8	1.1				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	69	2.0%	1	114	14.6	3.0	>30	3.7	2.6	6.4	0.4	0.6	1.2	181	301	286	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	15	24.0%	4	52	0.8	neg	n/a	1.5	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	58	5.0%	3	52	1.4	neg	neg	1.0	5.1	10.4	0.1	0.4	0.8				
Specialized Machinery																		
Turboatom	TATM	67	5.8%	4	37	0.9	1.3	3.0	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	255	24.0%	61	240	1.6	2.0	3.8	0.6	0.7	1.5	0.2	0.3	0.5				
Telecom																		
Ukrtelecom	UTLM	132	7.2%	9	216	7.7	8.3	16.6	1.1	2.1	3.1	0.3	0.6	1.0				
Oil & Gas																		
Ukrnafta	UNAF	753	3.0%	23	750	>30	23.7	>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	11.1	7.4	neg	-0.2	-0.2	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	88	50.4%	45	197	13.6	11.3	17.7	3.0	2.9	2.8	1.1	1.0	1.3	36	27	26	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	134	21.7%	29	121	2.2	8.5	15.2	1.3	3.6	5.3	0.1	0.2	0.2	7	9	8	\$/MWh
DonbasEnerg	DOEN	32	14.2%	5	62	0.5	1.6	10.9	0.9	2.7	4.7	0.1	0.2	0.2	8	8	8	\$/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	638	61.8%	394	1,373	6.1	neg	5.1	4.7	6.2	4.2	0.5	0.6	0.6				
Astarta	AST	156	37.0%	58	403	4.6	neg	5.2	4.4	2.6	3.3	0.8	0.9	1.0				
Avangardco	AVGR	175	22.5%	39	363	0.7	neg	5.5	1.2	2.8	3.3	0.5	0.8	0.9	82	62	59	\$/mneqgs
Ovostar	OVO	108	25.0%	27	115	3.5	3.6	4.4	3.2	3.6	4.6	1.4	1.5	1.4	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	145	3.5%	5		1.6	neg	neg	0.2	0.4	0.4	0.03	0.05	0.05				
Ukrsotsbank	USCB	86	1.0%	1		>30	>30	>30	0.1	0.3	0.2	0.01	0.05	0.03				

Source: Eavex Research

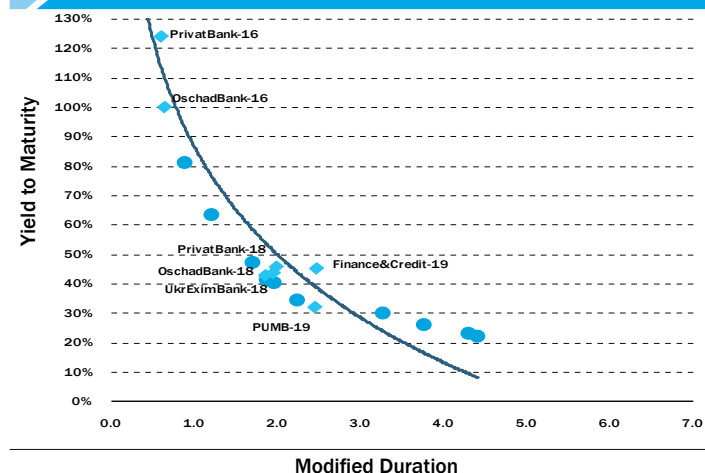
UKRAINIAN EUROBONDS

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	209.9%	194.4%	-32.3%	0.3	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CC
Ukraine, 2015	53.8	55.2	176.5%	167.7%	-22.5%	0.3	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CC
Ukraine, 2016	44.8	46.0	65.3%	63.2%	-27.6%	1.2	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CC
Ukraine, 2016-2	45.5	46.7	84.6%	81.5%	-28.8%	0.8	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CC
Ukraine, 2017	45.3	46.5	43.2%	41.8%	-27.4%	1.9	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CC
Ukraine, 2017-2	45.5	46.5	51.7%	50.4%	-26.1%	1.6	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CC
Ukraine, 2017 Infr. projects	39.0	42.0	54.5%	50.4%	-34.1%	1.7	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	38.0	41.0	47.5%	44.0%	-34.2%	2.0	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	41.3	43.3	30.3%	28.9%	-29.1%	3.2	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC-/CC
Ukraine, 2021	44.5	45.5	27.3%	26.7%	-24.2%	3.7	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CC
Ukraine, 2022	44.5	45.5	23.9%	23.3%	-25.2%	4.2	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CC
Ukraine, 2023	45.3	46.3	22.5%	22.0%	-22.9%	4.4	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CC
Corporate Eurobonds											
Agroton, 2019	30.1	35.3	43.8%	38.1%	-3.3%	2.8	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	92.0	94.0	80.5%	61.8%	-2.1%	0.1	10.25%	S/A	29 Apr 2015	235	Caa2//CC
MHP, 2020	65.0	67.1	19.4%	18.6%	-4.3%	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	38.0	38.0	55.1%	55.1%	-18.3%	1.6	10.88%	S/A	26 Mar 2018	500	/CCC-/CC
Mriya, 2016	11.0	14.0	432.9%	359.6%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018						1.2	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	60.0	65.0	553.7%	450.9%	-19.4%	0.1	9.50%	S/A	28 Apr 2015	200	Caa2//CC
DTEK, 2018	33.0	36.0	56.1%	51.8%	-24.2%	1.8	7.88%	S/A	4 Apr 2018	750	Caa2//CC
Metinvest, 2015	63.0	68.0	329.4%	266.8%	-18.6%	0.1	10.25%	S/A	20 May 2015	114	Caa2//CC
Metinvest, 2017	48.0	53.0	45.8%	40.6%	-27.9%	1.2	10.50%	S/A	28 Nov 2017	290	//CC
Metinvest, 2018	42.0	44.0	47.3%	45.0%	-22.5%	2.0	8.75%	S/A	14 Feb 2018	750	Caa2//CC
Ferrexpo, 2016	78.0	80.0	34.2%	31.3%	2.6%	0.9	7.875%	S/A	07 Apr 2016	500	/CCC-/CC
UZ Rail, 2018	40.0	44.0	48.0%	43.5%	-20.8%	2.0	9.50%	S/A	21 May 2018	500	/CCC-/CC
Interpipe, 2017	15.0	25.0	136.6%	93.7%	-63.6%	1.3	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.9	74.5	26.8%	24.7%	24.9%	1.6	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	15.0	119.5%	90.8%	-84.9%	1.5	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018	43.0	48.0	41.4%	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	47.0	275.5%	227.7%	-28.8%	0.2	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	20.0	25.0	305.6%	246.4%	-54.5%	0.4	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	40.0	43.0	53.3%	49.5%	-37.6%	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	40.0	203.2%	143.3%	-26.3%	0.5	5.79%	S/A	2 Sept 2016	125	Caa3//CC
UkrEximBank, 2018	45.0	47.0	44.6%	42.4%	-18.6%	2.0	8.75%	S/A	22 Jan 2018	500	Caa3//CC
VAB Bank, 2019	3.0	7.0	n/a	n/a	-23.1%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	45.0	48.0	114.5%	104.2%	-20.5%	0.6	8.25%	S/A	10 Mar 2016	700	Caa3//CC
Oschadbank, 2018	39.0	45.0	50.1%	43.1%	-25.6%	1.9	8.88%	S/A	20 Mar 2018	500	Caa3//CC
Municipal Eurobonds											
City of Kyiv, 2015	42.6	45.1	201.6%	184.4%	-39.5%	0.3	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	41.8	44.6	95.1%	87.4%	-38.9%	0.8	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

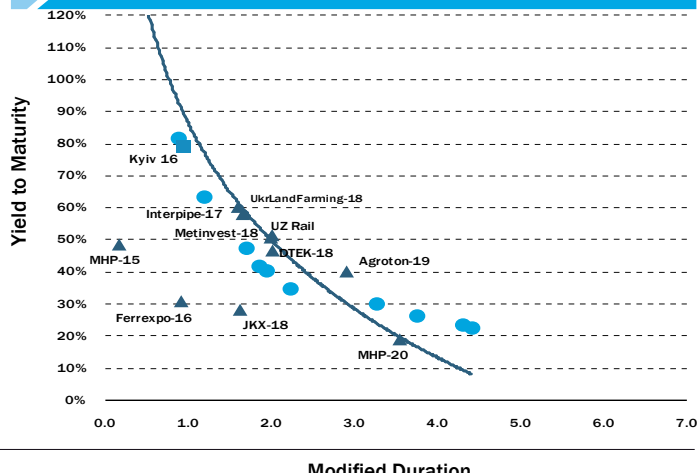
¹ Moody's/S&P/Fitch; * EUR

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					n/a	14.30%	S/A	20 May 2015	n/a
UA4000142665			30%	26%	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			30%	26%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			30%	26%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			30%	26%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			30%	26%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			30%	26%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			30%	26%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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