

Market Update

Equity

Kyiv-listed stocks finished mostly lower on Friday (Mar 13) as the separatist situation in the east of the country brought new problems to UX blue chip company DonbasEnergo, which saw its thermal power plant at Starobeshevo taken over in a de-facto raider attack by the separatist authorities. The stock plunged by 8.3% to UAH 27.10 per share on news that the DNR separatist government plans to nationalize the plant. Overall, the 10-component UX index dropped by 1.5% to close at 1073 points and end the week down by more than 3%. Low-liquidity Alchevsk Steel (ALMK) and Yenakievo Steel (ENMZ), which are both located on separatist-controlled territory, slid by 6.3% and 2.3% respectively. Meanwhile, CentrEnergo (CEEN) rose by 1.5% to UAH 8.19 and Motor Sich (MSICH) edged up 0.9% to UAH 2739. In London trading, Ferrexpo (FXPO) moved down 3.3% to close at GBp 58.00. Warsaw-listed Kernel (KER) was flat at PLN 31.50.

Fixed Income

Ukrainian sovereigns were flat on Friday as the latest MinFin statements on the coming restructuring provided no substantial new information to the market. Ukraine-17s and Ukraine-23s finished unchanged at 47.5/48.5 (40.9%/39.8%) and 46.8/47.8 (21.8%/21.3%), respectively. Corporate names also saw only marginal changes. MHP-20s inched up by 0.1p.p. to 65.0/67.9 (19.4%/18.3%) while Metivnest-18s dropped by 0.5p.p., closing at 46.0/48.0 (42.9%/40.9%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2739.00	0.9%	3.0	98
CentrEnergo	CEEN	8.19	1.5%	2.2	160
Ukrnafta	UNAF	302.30	-0.9%	1.0	87

Growth Leaders

Avdyivka Coke	AVDK	1.40	3.6%	0.17	50
Zhytomyroblenergo	ZHEN	1.68	2.0%	0.02	10
CentrEnergo	CEEN	8.19	1.5%	2.22	160

Loss Leaders

Ukrtelecom	UTLM	0.14	-12.6%	0.306	28
Donbasenergo	DOEN	27.11	-8.3%	0.210	131
Alchevsk Steel	ALMK	0.01	-6.3%	0.007	35

Highlights

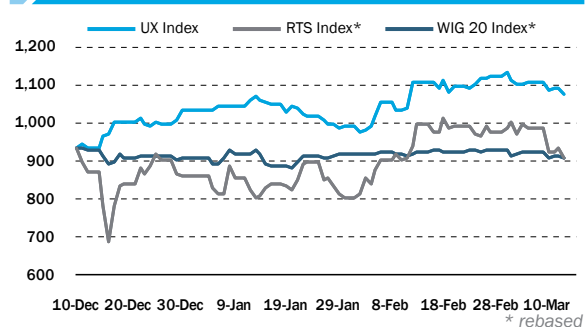
STOCKS IN THE NEWS

- > DNR Intends to Nationalize DonbasEnergo-Owned Power Plant

FIXED INCOME

- > Jaresko Repeats Need for USD 15bn in Savings from Debt Restructuring

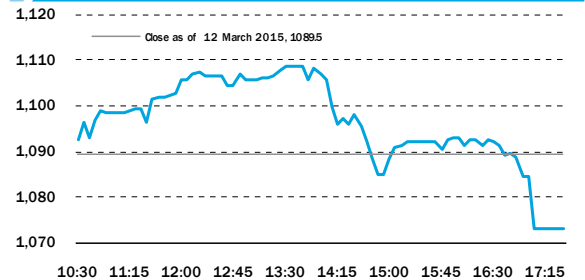
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1073.2	-1.5%	3.6%	3.9%
RTS	833.6	-3.0%	0.9%	5.4%
WIG20	2303.4	-1.1%	-1.6%	-0.5%
MSCI EM	939.6	-0.9%	-2.8%	-1.8%
S&P 500	2053.4	-0.6%	-0.7%	-0.3%

UX INTRADAY MARCH 13, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	421.5	2.2%	-1.5%	4.3%
CDS 5Y UKR	1959.1	4.1%	-22.7%	-12.3%
Ukraine-17	40.4%	0.0 p.p.	7.8 p.p.	14.7 p.p.
Ferrexpo-16	32.9%	0.0 p.p.	0.2 p.p.	1.5 p.p.
Ukraine-23	21.5%	0.0 p.p.	2.2 p.p.	14.0 p.p.
Privatbank-16	325.8%	48.9 p.p.	206.6 p.p.	240.4 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.65	0.2%	-15.5%	36.9%
EUR	22.69	-1.2%	-21.8%	18.6%
RUB	0.35	-1.4%	-11.2%	26.6%

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%	-5.6%	-15.0%
Oil, USD/bbl	54.7	-4.2%	-4.9%	-7.6%
Gold, USD/oz	1158.6	0.4%	-6.1%	-2.2%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

**DNR Intends to Nationalize
DonbasEnergo-Owned Power Plant**

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

DONBASENERGO (DOEN UK)

Price: UAH 27.11 Market Cap: USD 23mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014E	0.2	1.0	2.2	28.8%
2015E	0.2	7.8	4.2	3.8%

NEWS

The Donetsk People’s Republic (DNR) separatist authorities last week took control of the Starobeshevo thermal power plant owned by UX index blue chip company DonbasEnergo, DNR president Alexander Zaxarchenko was quoted as saying on Friday (Mar 13) by the Donetsk-based news agency DAN. Zaxarchenko said the plant, which is located southeast of Donetsk city on DNR-controlled territory, will be nationalized. There was no comment from DonbasEnergo, which was sold off by the State Property Fund in August 2013 to a member of Parliament Igor Gumenyuk aligned with then-President Yanukovich’s Party of Regions. The Ukrainian government retains a 25% stake in the company, which also has a free float that makes it one of the 5 most active locally-traded equity issues in Ukraine.

COMMENTARY

The Starobeshevo plant accounts for about 70% of DonbasEnergo’s installed power-generating capacity. The risks associated with a DNR takeover of the asset were already largely priced into the beaten-down DOEN stock, which nonetheless slid by a further 8.3% to UAH 27.10 on Friday after the news appeared. The situation highlights the problems that the Donbass separatism has caused for UX blue chip companies, with Alchevsk Steel, Yenakievo Steel, Avdyivka Coke, and CentrEnergo also having assets located either on or very near to DNR (or LNR in the case of Alchevsk) territory. DonbasEnergo’s other major asset is its power plant in Slavyansk in northwestern Donetsk province, an area currently under the control of the Ukrainian government.

Jaresko Repeats Need for USD 15bn in Savings from Debt Restructuring

by Dmitry Churin
d.churin@eavex.com.ua

NEWS

Ukrainian Finance Minister Natalia Jaresko said that savings of USD 15.3bn over four years are expected from the country's sovereign debt restructuring, at a public question-and-answer session which she held with investors on Friday (Mar 13). Jaresko said that all creditors will be treated equally, in response to a question about whether Russia, which holds USD 3bn of Ukraine sovereign bonds, will participate in the restructuring. The bonds held by Russia mature in December and Moscow has said it will not restructure. Asked if she expected bondholders to take a "haircut" on principal or only agree to extend bond maturities, Jaresko said it could be a combination of maturity extensions, coupon reductions and haircuts. MinFin's official data says that Ukraine's Debt-to-GDP ratio stood at 71% at the end of 2014.

COMMENTARY

We did not hear any new information during the Jaresko conference call, which means that large uncertainty regarding the details of the coming Eurobond restructuring remains on the table. However, we see that Jaresko is trying to make a process of restructuring transparent and soft, with the aim of eventually getting Ukraine back into international borrowing markets. Jaresko invited all holders of Ukrainian public debt to an open consultation which will be offered through the government's adviser, Lazard Group. Investors wishing to take part in consultations should register and apply at: ua.debtholders@lazard.fr.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	31.5	50.2	59%	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	9.0	17.96	100%	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	24.5	90.0	267%	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	3.0	2.7	-11%	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	58.0	48.0	-17%	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	0.77	0.56	-28%	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	2739	5250	92%	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	4.7	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	35.4	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						
DonbasEnergO	DOEN	27.1	72.0	166%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	8.19	15.00	83%	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	0.102	0.24	136%	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	1073.19	1368.76	908.88	-1.5%	-3.1%	3.6%	3.9%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.014	0.045	0.011	-6.3%	-6.9%	2.3%	-6.9%	-4.8%	-3.8%	-1.3%	-10.8%
Azovstal	AZST	0.77	0.95	0.35	-4.3%	-4.9%	6.2%	3.4%	-2.8%	-1.9%	2.6%	-0.5%
Enakievo Steel	ENMZ	16.80	65.00	14.81	-2.3%	-5.4%	-2.3%	-19.8%	-0.8%	-2.3%	-5.8%	-23.7%
Coke												
Avdyivka Coke	AVDK	1.40	3.62	1.10	3.6%	-0.1%	20.7%	-19.1%	5.1%	2.9%	17.1%	-22.9%
Yasnyivsky Coking	YASK	0.35	0.84	0.18	0.0%	0.0%	25.0%	25.0%	1.5%	3.1%	21.4%	21.1%
Iron Ore Mining												
Centralny GOK	CGOK	9.20	n/a	n/a	0.0%	9.5%	22.7%	18.1%	1.5%	12.6%	19.1%	14.2%
Ferrexpo	FXPO	58.00	162.10	47.91	-3.3%	5.5%	-4.1%	9.4%	-1.8%	8.5%	-7.7%	5.6%
Pivnichny GOK	SGOK	8.20	12.30	4.44	0.0%	-5.7%	-3.0%	-2.0%	1.5%	-2.7%	-6.5%	-5.9%
Coal Mining												
Pokrovske Mine	SHCHZ	0.48	0.79	0.17	0.0%	0.0%	65.5%	2.1%	1.5%	3.1%	62.0%	-1.7%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.58	1.01	0.20	0.0%	3.6%	70.6%	52.6%	1.5%	6.7%	67.0%	48.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.28	21.60	10.00	-1.6%	-4.8%	-6.2%	-12.2%	-0.1%	-1.7%	-9.8%	-16.1%
Luhanskeplovoz	LTPL	1.50	1.80	0.85	0.0%	0.0%	66.7%	38.9%	1.5%	3.1%	63.1%	35.0%
Specialized Machinery												
Motor Sich	MSICH	2739	2939	1587	0.9%	-1.0%	-0.9%	10.3%	2.4%	2.1%	-4.4%	6.4%
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	0.14	0.20	0.09	-9.7%	-9.7%	25.0%	-7.9%	-8.2%	-6.6%	21.4%	-11.8%
Oil & Gas												
Regal Petroleum	RPT	4.75	11.50	3.13	2.7%	2.7%	8.5%	51.8%	4.2%	5.8%	4.9%	48.0%
JKX Oil	JKX	35.38	63.00	11.00	-1.0%	2.5%	15.5%	194.8%	0.5%	5.6%	12.0%	190.9%
Ukrnafta	UNAF	302.3	375.0	54.0	-0.9%	-4.9%	8.7%	48.7%	0.6%	-1.8%	5.1%	44.8%
Power Utilities												
Centrenergo	CEEN	8.19	8.70	3.00	1.4%	2.0%	14.4%	8.5%	2.9%	5.0%	10.8%	4.7%
Donbasenergo	DOEN	27.11	50.16	11.00	-8.3%	-9.4%	-11.9%	-17.8%	-6.8%	-6.3%	-15.5%	-21.7%
Zakhidenergo	ZAEN	162.6	199.8	91.2	0.6%	0.4%	-1.0%	9.8%	2.1%	3.5%	-4.5%	5.9%
Consumer												
Agroton	AGT	1.32	3.20	1.19	0.8%	1.5%	-3.6%	7.3%	2.3%	4.6%	-7.2%	3.5%
Astarta	AST	24.50	48.22	14.50	0.4%	0.0%	1.4%	22.5%	1.9%	3.1%	-2.2%	18.6%
Avangardo	AVGR	3.00	10.27	1.83	-3.2%	13.2%	24.7%	46.3%	-1.7%	16.3%	21.2%	42.5%
Industrial Milk Company	IMC	5.78	10.39	5.45	6.1%	1.0%	0.3%	1.9%	7.6%	4.1%	-3.2%	-1.9%
Kernel	KER	31.50	34.50	22.00	0.2%	-1.6%	4.1%	10.7%	1.7%	1.5%	0.6%	6.8%
Mriya Agro Holding	MAYA	0.43	5.61	0.36	-4.7%	12.9%	-19.5%	-23.7%	-3.2%	16.0%	-23.1%	-27.5%
MHPC	MHPC	8.99	15.77	8.61	-0.1%	1.0%	-5.4%	-2.3%	1.4%	4.1%	-8.9%	-6.1%
Milkiland	MLK	2.67	8.59	1.48	9.0%	-16.8%	18.1%	80.4%	10.5%	-13.7%	14.6%	76.5%
Ovostar Union	OVO	69.98	76.74	64.00	1.4%	-1.4%	-0.7%	-2.8%	2.9%	1.7%	-4.2%	-6.7%
Chemicals												
Stirol	STIR	8.80	n/a	n/a	0.0%	0.0%	10.0%	27.0%	1.5%	3.1%	6.4%	23.1%
Banks												
Raiffeisen Bank Aval	BAVL	0.102	0.190	0.086	-2.7%	-5.2%	8.9%	5.9%	-1.2%	-2.1%	5.3%	2.1%
UkrSotsbank	USCB	0.108	0.200	0.090	0.0%	-1.8%	-1.8%	-17.1%	1.5%	1.3%	-5.4%	-20.9%

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	-1,683	-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																
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	283	271	72	25	13	11.0%	8.8%	4.9%	65	22	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	2,630	neg	neg	neg	neg	neg	neg	1.5	3.8	7.6	680	634	615	\$/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	150	3.0%	4	143	neg	1.9	3.0	neg	0.9	1.3	0.1	0.1	0.1	31	32	31	\$/tonne
Coke																		
Avdivka Coke	AVDK	13	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	498	0.3%	1	496	2.6	4.3	6.2	1.6	2.2	3.0	0.7	0.8	0.9				
Pivnichny GOK	SGOK	873	0.4%	3	866	1.6	2.7	3.9	0.9	1.3	1.8	0.5	0.6	0.7				
Ferrexpo	FXPO	501	24.0%	120	1,180	1.9	2.7	5.1	2.3	2.4	4.6	0.7	0.9	1.1				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	70	2.0%	1	115	14.8	3.1	>30	3.7	2.7	6.5	0.4	0.6	1.3	183	304	288	\$/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	60	5.0%	3	53	1.4	neg	neg	1.1	5.3	10.7	0.1	0.4	0.8				
Specialized Machinery																		
Turboatom	TATM	68	5.8%	4	38	1.0	1.3	3.0	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	263	24.0%	63	249	1.6	2.0	3.9	0.6	0.7	1.6	0.2	0.3	0.5				
Telecom																		
Ukrtelecom	UTLM	121	7.2%	9	206	7.1	7.6	15.2	1.1	2.0	2.9	0.3	0.6	0.9				
Oil & Gas																		
Ukrnafta	UNAF	757	3.0%	23	754	>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	90	50.4%	45	198	13.8	11.5	17.9	3.0	2.9	2.8	1.1	1.0	1.3	36	27	26	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	140	21.7%	30	126	2.3	8.8	15.8	1.3	3.8	5.6	0.1	0.2	0.2	7	9	8	\$/MWh
DonbasEnergO	DOEN	30	14.2%	4	62	0.5	1.3	10.1	0.9	2.5	4.7	0.1	0.2	0.2	8	8	8	\$/MWh
Consumer																		
MHP	MHPC	950	34.1%	324	2,030	5.9	neg	9.8	5.2	3.8	3.7	1.4	1.3	1.3				
Kernel	KER	637	61.8%	393	1,372	6.1	neg	5.1	4.7	6.2	4.2	0.5	0.6	0.6				
Astarta	AST	155	37.0%	58	402	4.6	neg	5.2	4.4	2.6	3.3	0.8	0.9	1.0				
Avangardco	AVGR	192	22.5%	43	379	0.8	neg	6.0	1.3	2.9	3.5	0.6	0.9	0.9	86	65	61	\$/mneqgs
Ovostar	OVO	107	25.0%	27	113	3.4	3.6	4.4	3.2	3.5	4.5	1.4	1.5	1.4	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	141	3.5%	5		1.6	neg	neg	0.2	0.4	0.4	0.03	0.05	0.05				
Ukrsotsbank	USCB	92	1.0%	1		>30	>30	>30	0.1	0.3	0.2	0.01	0.05	0.03				

Source: Eavex Research

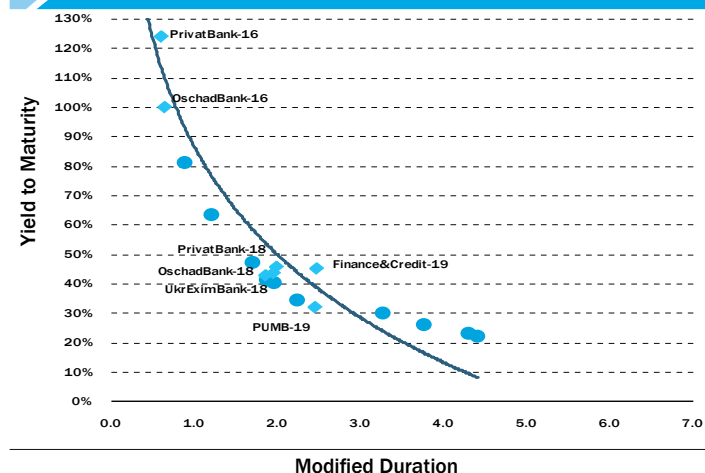
UKRAINIAN EUROBONDS

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	213.5%	197.7%	-32.3%	0.3	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CC
Ukraine, 2015	51.3	52.2	199.2%	190.3%	-26.4%	0.2	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CC
Ukraine, 2016	41.9	43.1	71.1%	68.6%	-32.2%	1.1	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CC
Ukraine, 2016-2	42.8	43.8	92.4%	89.6%	-33.2%	0.8	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CC
Ukraine, 2017	47.5	48.5	40.9%	39.8%	-24.1%	1.9	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CC
Ukraine, 2017-2	47.5	48.5	49.3%	48.0%	-22.9%	1.6	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CC
Ukraine, 2017 Infr. projects	43.0	45.0	49.3%	46.8%	-28.5%	1.7	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	42.5	44.5	42.4%	40.3%	-27.5%	2.1	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	46.0	46.0	26.5%	26.5%	-22.5%	3.7	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CC
Ukraine, 2022	45.0	46.0	23.6%	23.1%	-24.4%	4.2	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CC
Ukraine, 2023	46.8	47.8	21.8%	21.3%	-20.4%	4.4	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CC
Corporate Eurobonds											
Agroton, 2019	30.1	35.3	43.9%	38.2%	-3.3%	2.8	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	92.0	94.0	83.9%	64.2%	-2.1%	0.1	10.25%	S/A	29 Apr 2015	235	Caa2//CC
MHP, 2020	65.0	67.9	19.4%	18.3%	-3.7%	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	441.3%	366.2%	-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	580.1%	472.4%	-19.4%	0.1	9.50%	S/A	28 Apr 2015	200	Caa2//CC
DTEK, 2018	33.0	36.0	56.2%	51.8%	-24.2%	1.8	7.88%	S/A	4 Apr 2018	750	Caa2//CC
Metinvest, 2015	63.0	68.0	339.2%	274.7%	-18.6%	0.1	10.25%	S/A	20 May 2015	114	Caa2//CC
Metinvest, 2017	48.0	53.0	46.0%	40.7%	-27.9%	1.2	10.50%	S/A	28 Nov 2017	290	//CC
Metinvest, 2018	46.0	48.0	42.9%	40.9%	-15.3%	2.0	8.75%	S/A	14 Feb 2018	750	Caa2//CC
Ferrexpo, 2016	78.1	78.1	32.9%	32.9%	1.4%	0.8	7.875%	S/A	07 Apr 2016	500	/CCC-/CC
UZ Rail, 2018	40.0	44.0	48.1%	43.6%	-20.8%	2.0	9.50%	S/A	21 May 2018	500	/CCC-/CC
Interpipe, 2017	15.0	25.0	145.5%	98.1%	-63.6%	1.2	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	71.2	74.7	26.8%	24.7%	25.2%	1.6	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	15.0	119.6%	90.9%	-84.9%	1.5	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018	43.0	48.0	41.5%	37.1%	-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%	0.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	45.0	48.0	253.1%	225.7%	-25.6%	0.2	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	14.0	24.0	424.3%	260.9%	-61.6%	0.4	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	40.0	43.0	53.4%	49.6%	-37.6%	1.9	10.88%	S/A	28 Feb 2018	175	Caa3//CC
UkrEximBank, 2015	69.0	69.0	397.7%	397.7%	-11.0%	0.1	8.38%	S/A	27 Apr 2015	750	Caa3//CC
UkrEximBank, 2016	30.0	40.0	206.3%	145.3%	-26.3%	0.5	5.79%	S/A	2 Sept 2016	125	Caa3//CC
UkrEximBank, 2018	45.0	48.0	44.7%	41.5%	-17.7%	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	50.0	115.8%	98.9%	-18.8%	0.6	8.25%	S/A	10 Mar 2016	700	Caa3//CC
Oschadbank, 2018	43.0	46.0	45.4%	42.2%	-21.2%	1.9	8.88%	S/A	20 Mar 2018	500	Caa3//CC
Municipal Eurobonds											
City of Kyiv, 2015	43.6	45.5	198.8%	185.9%	-38.6%	0.3	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	41.0	43.9	98.0%	90.0%	-40.0%	0.8	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

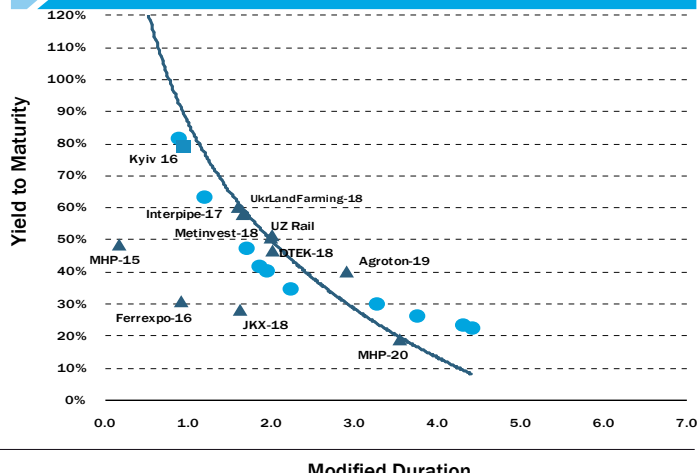
¹ Moody's/S&P/Fitch; * EUR

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

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