

Market Update

Equity

Ukrainian stocks finished lower on Friday (Mar 20) amid more selling of low-liquidity issues with direct exposure to the situation in the east of the country. The UX index slipped 0.9% to close at 1051 points. Alchevsk Steel (ALMK) and DonbasEnergO (DOEN) lost 5.2% and 4.3% respectively with the latter closing at UAH 22.10 per share. Raiffeisen Aval (BAVL) also retreated, declining by 1.3% to 10 kopecks on the nose. Volume leaders UkrNafta (UNAF) and Motor Sich (MSICH) each edged down by 0.7% on combined turnover of UAH 2.8mn. In London trading, Ferrexpo (FXPO) edged up 0.4% to GBp 57.50 and JKK Oil&Gas (JKX) slid 7.0% after the company reported a heavy net loss for FY14. Warsaw-listed Kernel (KER) jumped by 8.2% to PLN 38.90 without an obvious trigger, while Astarta (AST) advanced by 3.8% to PLN 23.50.

Fixed Income

Ukrainian sovereigns were up on Friday with Ukraine-23s advancing by 1.5p.p. to close at 42.0/43.8 (24.2%/23.4%). Corporate names were mixed. MHP-15s rose by 1.0p.p. to 92.0/96.0 (98.8%/52.5%) likely on strengthening confidence of in-time redemption of these bonds by the group. Meanwhile, Metinvest-18s continued its downward move and declined by 1.0p.p. finishing at 40.0/43.0 (50.2%/46.5%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2759.00	-0.7%	1.5	25
Ukrnafta	UNAF	306.40	-0.6%	1.4	86
Donbasenergo	DOEN	22.10	-4.3%	0.5	62

Growth Leaders

Zakhidenergo	ZAEN	179.00	5.3%	0.11	20
Azovstal	AZST	0.78	0.1%	0.01	9
CentrenergO	CEEN	8.05	-0.1%	0.15	38

Loss Leaders

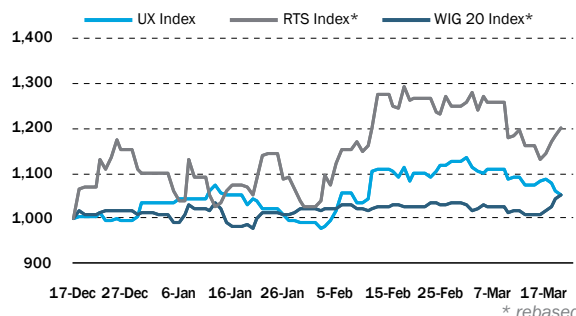
Ukraine Grafit	UGRA	0.46	-34.3%	0.048	8
Alchevsk Steel	ALMK	0.01	-5.2%	0.010	13
Donbasenergo	DOEN	22.10	-4.3%	0.483	62

Highlights

STOCKS IN THE NEWS

- > JKK Posts Loss of USD 80mn for FY14 on Impairment Charge

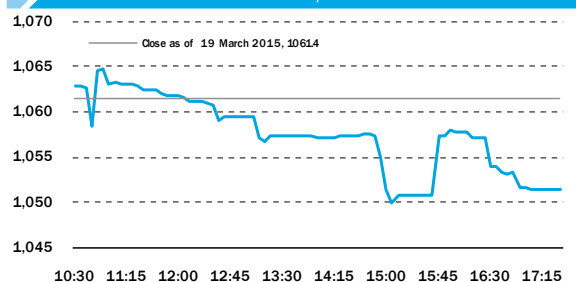
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1051.5	-0.9%	-3.7%	1.8%
RTS	862.1	1.7%	-3.6%	9.0%
WIG20	2407.7	1.0%	2.0%	4.0%
MSCI EM	969.5	0.5%	-1.4%	1.4%
S&P 500	2108.1	0.9%	0.4%	2.4%

UX INTRADAY MARCH 20, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	419.5	-1.1%	4.1%	3.8%
CDS 5Y UKR	2348.3	46.1%	63.6%	5.1%
Ukraine-17	50.8%	-0.6 p.p.	18.9 p.p.	25.1 p.p.
Ferrexpo-16	32.7%	0.7 p.p.	-0.5 p.p.	1.4 p.p.
Ukraine-23	23.7%	-0.8 p.p.	4.9 p.p.	16.2 p.p.
Privatbank-16	247.5%	-86.9 p.p.	125.7 p.p.	162.1 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.95	-4.8%	-16.9%	38.7%
EUR	23.76	-3.3%	-21.1%	24.1%
RUB	0.37	-3.6%	-12.1%	35.1%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	201.2	0.0%	-2.7%	-18.2%
Steel, USD/t	377.5	0.0%	-5.0%	-16.1%
Oil, USD/bbl	55.3	1.6%	-12.5%	-6.5%
Gold, USD/oz	1182.6	1.0%	-2.2%	-0.2%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

JKX Posts Loss of USD 80mn for FY14 on Impairment Charge

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

JKX OIL&GAS (JKX LN)

Price: GBp 33.0 Market Cap: USD 84mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2014	0.2	0.6	neg	7.8	0%
2015E	0.2	0.6	16.8	1.3	0%

NEWS

Ukraine-focused hydrocarbons extraction company JKX Oil & Gas reported a net loss of USD 79.5mn in FY14, compared to net profit of USD 6.5mn in FY13, according to financial statements released on Friday (Mar 20). JKX's revenue decreased by 19.1% YoY to USD 146mn while operating profit rose by 26.1% to USD 11.6mn in FY14. The company also reported capital expenditures of USD 42.3mn for the period compared to USD 64.4mn a year earlier. An independent reserve review of JKX's license portfolio (by DeGolyer & MacNaughton) as of 31 Dec 2014 concluded that the company has increased its 2P reserve base: after total 2014 production of 3.6 MMboe, JKX's 2P reserves increased to 97.7 MMboe (a reserves replacement ratio of 196%). JKX's average daily sales volume declined by 3.2% to 9,188 boepd (2013: 9,489 boepd), with 48.8% (4,482 boepd) sold in Ukraine and 51.2% (4,706 boepd) attributable to Russian sales. In Ukraine, the split between natural gas and oil production for 2014 was at 80%/20% (2013: 71%/29%). In Russia, meanwhile, 99% of production was gas (2013: 99%). JKX's geographic revenue breakdown for 2014 was the following: Ukraine - USD 118.8mn; Russia - USD 27.4mn. For 2013, the breakdown had been: Ukraine USD 151.0mn; Russia USD 28.9mn; Hungary USD 800,000.

JKX FINANCIAL RESULTS

USD mn	2014	2013	YoY
Net revenue	146.2	180.7	-19.1%
Operating profit	11.6	9.2	26.1%
margin	7.9%	5.1%	+2.8 p.p.
Net profit (loss)	-79.5*	6.5	+/-
net margin	-54.4%	3.6%	-58.0 p.p.

* includes a non-cash impairment charge of USD 69.1mn

Source: Company data.

COMMENTARY

Although JKX's financials look poor due to the lower revenue and large net loss, the company's operating profit of USD 11.6mn was in line with our forecast of USD 11.0mn for the period. The decline in revenue reflected lower oil and gas sales volumes in Ukraine and Russia, and significantly lower oil and condensate production in Ukraine. An impairment charge of USD 69mn on JKX's oil and gas assets was made in the results to reflect the impact of lower international oil prices and reduced Ukrainian gas sales in the near to medium term. Approximately two-thirds of this charge relates to gas assets in the Koshekhabskoye field in Russia as a result of reduced expectations of the level of near-term increases in Russia's regulated gas price. The loss for the year before exceptional charges was USD 22.0mn. Unfortunately, JKX continues to operate below its target production level, which indicates its inability to deliver on promises made several times for at least the last three years. When JKX reported its FY13 results last March, the stock price was GBp 60 per share; on Friday, the stock traded at GBp 33, reacting to the FY14 results release with a 7.0% drop.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	38.9	50.2	29%	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	23.5	90.0	283%	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	-13%	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	69.5	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.
Iron Ore						
Ferrexpo	FXPO LN	57.5	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	0.78	0.56	-29%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.44	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	2759	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	4.1	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	33.0	U/R	--	U/R	The launch of extraction at JKX's Russian gas field has lifted output, but the company's higher-margin Ukrainian operations continue to lag behind expectations.
Power Utilities						
DonbasEnergO	DOEN	22.1	72.0	226%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	8.05	15.00	86%	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	0.100	0.24	141%	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	1051.45	1368.76	908.88	-0.9%	-2.0%	-3.7%	1.8%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.045	0.011	-5.9%	-5.2%	-8.6%	-11.7%	-4.9%	-3.2%	-4.8%	-13.5%
Azovstal	AZST	0.78	0.95	0.35	0.0%	1.3%	-1.5%	4.7%	0.9%	3.3%	2.2%	2.9%
Enakievo Steel	ENMZ	17.00	65.00	14.81	0.0%	1.2%	-3.5%	-18.9%	0.9%	3.2%	0.3%	-20.6%
Coke												
Avdyivka Coke	AVDK	1.44	3.62	1.10	0.0%	3.1%	6.5%	-16.5%	0.9%	5.2%	10.2%	-18.3%
Yasnyivsky Coking	YASK	0.35	0.84	0.18	16.7%	0.0%	16.7%	25.0%	17.6%	2.0%	20.4%	23.2%
Iron Ore Mining												
Centralny GOK	CGOK	9.20	n/a	n/a	0.0%	0.0%	5.0%	18.1%	0.9%	2.0%	8.8%	16.3%
Ferrexpo	FXPO	57.50	162.10	47.91	0.4%	-0.9%	-9.4%	8.5%	1.4%	1.2%	-5.7%	6.7%
Pivnichny GOK	SGOK	8.30	12.30	4.44	1.2%	1.2%	-2.4%	-0.8%	2.2%	3.2%	1.4%	-2.6%
Coal Mining												
Pokrovske Mine	SHCHZ	0.48	0.79	0.17	0.0%	0.0%	20.0%	2.1%	0.9%	2.0%	23.7%	0.4%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.51	1.01	0.20	0.0%	-12.1%	2.0%	34.2%	0.9%	-10.0%	5.7%	32.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.05	21.60	10.00	1.6%	-2.0%	-7.1%	-14.0%	2.5%	0.0%	-3.4%	-15.8%
Luhanskeplovoz	LTPL	1.50	1.80	0.85	0.0%	0.0%	25.0%	38.9%	0.9%	2.0%	28.7%	37.1%
Specialized Machinery												
Motor Sich	MSICH	2759	2939	1587	-0.7%	0.7%	-2.5%	11.1%	0.2%	2.8%	1.2%	9.4%
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	0.15	0.20	0.09	0.0%	8.6%	-6.2%	0.0%	0.9%	10.6%	-2.5%	-1.8%
Oil & Gas												
Regal Petroleum	RPT	4.10	11.50	3.13	0.0%	-13.6%	-3.5%	31.2%	0.9%	-11.6%	0.2%	29.4%
JKX Oil	JKX	33.00	62.00	11.00	-7.0%	-6.7%	-1.5%	175.0%	-6.1%	-4.7%	2.2%	173.2%
Ukrnafta	UNAF	306.4	375.0	54.0	-0.8%	1.4%	5.9%	50.7%	0.1%	3.4%	9.7%	49.0%
Power Utilities												
Centrenergo	CEEN	8.05	8.70	3.00	-0.5%	-1.7%	10.8%	6.7%	0.4%	0.3%	14.5%	4.9%
Donbasenergo	DOEN	22.10	50.16	11.00	-4.3%	-18.5%	-27.1%	-33.0%	-3.4%	-16.5%	-23.3%	-34.8%
Zakhidenergo	ZAEN	179.0	199.8	91.2	5.3%	10.1%	9.0%	20.9%	6.2%	12.1%	12.7%	19.1%
Consumer												
Agroton	AGT	1.24	3.20	1.19	-1.6%	-6.1%	-9.5%	0.8%	-0.6%	-4.0%	-5.8%	-0.9%
Astarta	AST	23.47	48.22	14.50	3.8%	-4.2%	-11.1%	17.4%	4.7%	-2.2%	-7.4%	15.6%
Avangardo	AVGR	3.05	10.27	1.83	0.0%	1.5%	-1.9%	48.5%	0.9%	3.5%	1.8%	46.8%
Industrial Milk Company	IMC	5.25	10.39	5.00	0.0%	-9.2%	-27.5%	-7.4%	0.9%	-7.1%	-23.8%	-9.2%
Kernel	KER	38.89	38.89	22.00	8.2%	23.5%	22.7%	36.6%	9.1%	25.5%	26.4%	34.9%
Mriya Agro Holding	MAYA	0.43	5.61	0.36	0.0%	0.0%	-9.9%	-23.7%	0.9%	2.0%	-6.1%	-25.4%
MHPC	MHPC	8.90	15.77	8.24	-1.0%	-1.0%	-15.2%	-3.3%	-0.1%	1.0%	-11.5%	-5.0%
Milkiland	MLK	2.83	8.59	1.48	6.8%	6.0%	1.1%	91.2%	7.7%	8.0%	4.8%	89.5%
Ovostar Union	OVO	69.50	76.74	64.00	0.0%	-0.7%	-0.4%	-3.5%	0.9%	1.3%	3.3%	-5.2%
Chemicals												
Stirol	STIR	8.80	n/a	n/a	0.0%	0.0%	3.5%	27.0%	0.9%	2.0%	7.3%	25.2%
Banks												
Raiffeisen Bank Aval	BAVL	0.100	0.190	0.086	-1.3%	-2.0%	1.5%	3.9%	-0.3%	0.1%	5.3%	2.1%
UkrSotsbank	USCB	0.109	0.200	0.090	0.0%	0.5%	-1.4%	-16.7%	0.9%	2.5%	2.4%	-18.4%

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	146	150	66	12	70	36.7%	7.9%	46.7%	7	-80	5	3.6%	neg	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	15	3.9%	1	2,629	neg	neg	neg	neg	neg	neg	1.5	3.8	7.6	679	633	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	149	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																		
Avdyivka 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	491	0.3%	1	490	2.5	4.3	6.1	1.6	2.2	3.0	0.7	0.8	0.9				
Pivnichny GOK	SGOK	871	0.4%	3	865	1.6	2.7	3.8	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	60	2.0%	1	106	12.8	2.7	>30	3.4	2.4	6.0	0.3	0.6	1.2	168	279	265	\$/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	51	1.4	neg	neg	1.0	5.1	10.3	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	261	24.0%	63	247	1.6	2.0	3.9	0.6	0.7	1.6	0.2	0.3	0.5				
Telecom																		
Ukrtelecom	UTLM	130	7.2%	9	214	7.6	8.2	16.3	1.1	2.0	3.0	0.3	0.6	1.0				
Oil & Gas																		
Ukrnafta	UNAF	757	3.0%	23	753	>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	20	21.6%	4	-5	neg	9.8	6.5	neg	-0.3	-0.4	-0.1	-0.1	-0.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	84	50.4%	43	193	13.0	neg	16.9	2.9	16.6	2.8	1.1	1.3	1.3	35	26	26	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	135	21.7%	29	122	2.3	8.5	15.3	1.3	3.7	5.4	0.1	0.2	0.2	7	9	8	\$/MWh
DonbasEnerg	DOEN	24	14.2%	3	56	0.4	1.1	8.1	0.8	2.3	4.3	0.1	0.2	0.2	7	7	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	809	61.8%	500	1,544	7.7	neg	6.5	5.3	6.9	4.8	0.6	0.6	0.7				
Astarta	AST	153	37.0%	57	399	4.5	neg	5.1	4.4	2.6	3.2	0.8	0.9	1.0				
Avangardco	AVGR	194	22.5%	44	382	0.8	neg	6.1	1.3	2.9	3.5	0.6	0.9	0.9	86	66	62	\$/mneqgs
Ovostar	OVO	109	25.0%	27	116	3.5	3.6	4.5	3.3	3.6	4.6	1.4	1.6	1.5	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	136	3.5%	5		1.5	neg	neg	0.2	0.3	0.4	0.03	0.05	0.05				
Ukrsotsbank	USCB	91	1.0%	1		>30	>30	>30	0.1	0.3	0.2	0.01	0.05	0.03				

Source: Eavex Research

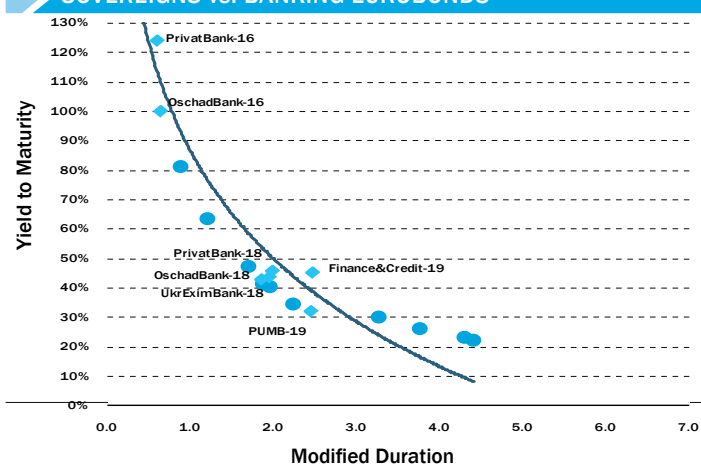
UKRAINIAN EUROBONDS

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	220.0%	203.8%	-32.3%	0.3	4.95%	A	13 Oct 2015	600*	Caa3/CCC-/CC
Ukraine, 2015	44.5	45.9	273.9%	252.2%	-35.8%	0.2	6.875%	S/A	23 Sept 2015	500	Caa3/CCC-/CC
Ukraine, 2016	38.8	39.6	78.2%	76.1%	-37.5%	1.1	6.58%	S/A	21 Nov 2016	1,000	Caa3/CCC-/CC
Ukraine, 2016-2	39.0	40.3	105.5%	101.4%	-38.8%	0.8	6.25%	S/A	17 Jun 2016	1,250	Caa3/CCC-/CC
Ukraine, 2017	38.5	40.5	52.1%	49.4%	-37.5%	1.8	6.75%	S/A	14 Nov 2017	700	Caa3/CCC-/CC
Ukraine, 2017-2	39.8	41.3	60.6%	58.3%	-34.9%	1.5	9.25%	S/A	24 Jul 2017	2,000	Caa3/CCC-/CC
Ukraine, 2017 Infr. projects	51.5	53.5	39.8%	37.8%	-14.6%	1.8	8.375%	S/A	3 Nov 2017	568	Caa3//
Ukraine, 2018 Infr. projects	50.0	52.0	35.2%	33.5%	-15.0%	2.2	7.40%	S/A	20 Apr 2018	690	Caa3//
Ukraine, 2020	39.0	40.5	32.0%	30.9%	-33.3%	3.4	7.75%	S/A	23 Sept 2020	1,500	Caa3/CCC-/CC
Ukraine, 2021	39.0	39.4	31.1%	30.8%	-34.0%	3.5	7.95%	S/A	23 Feb 2021	1,500	Caa3/CCC-/CC
Ukraine, 2022	39.0	39.3	27.0%	26.8%	-35.0%	3.9	7.80%	S/A	28 Nov 2022	1,250	Caa3/CCC-/CC
Ukraine, 2023	42.0	43.8	24.2%	23.4%	-27.7%	4.2	7.50%	S/A	17 Apr 2023	1,250	Caa3/CCC-/CC
Corporate Eurobonds											
Agroton, 2019	30.1	35.3	44.2%	38.5%	-3.3%	2.8	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	92.0	96.0	98.8%	52.5%	-1.1%	0.1	10.25%	S/A	29 Apr 2015	235	Caa2//CC
MHP, 2020	65.1	66.2	19.5%	19.0%	-4.9%	3.4	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	35.3	35.3	59.6%	59.6%	-24.2%	1.6	10.88%	S/A	26 Mar 2018	500	/CCC-/CC
Mriya, 2016	11.0	14.0	456.9%	378.4%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	14.0	130.5%	111.5%	-3.8%	1.3	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	60.0	65.0	698.0%	568.1%	-19.4%	0.1	9.50%	S/A	28 Apr 2015	200	Caa2//C
DTEK, 2018	34.0	37.0	55.0%	50.8%	-22.0%	1.8	7.88%	S/A	4 Apr 2018	750	Caa2//C
Metinvest, 2015	63.0	68.0	379.3%	307.0%	-18.6%	0.1	10.25%	S/A	20 May 2015	114	Caa2//CC
Metinvest, 2017	48.0	53.0	46.2%	40.9%	-27.9%	1.2	10.50%	S/A	28 Nov 2017	290	//CC
Metinvest, 2018	40.0	43.0	50.2%	46.5%	-25.2%	1.9	8.75%	S/A	14 Feb 2018	750	Caa2//CC
Ferrexpo, 2016	78.0	81.0	34.9%	30.6%	3.2%	0.8	7.88%	S/A	07 Apr 2016	286	Caa2/CCC/CC
Ferrexpo, 2019	75.0	77.7	19.6%	18.5%	n/a	2.7	10.38%	S/A	07 Apr 2019	161	Caa2/CCC/CC
UZ Rail, 2018	38.0	40.0	50.9%	48.4%	-26.5%	1.9	9.50%	S/A	21 May 2018	500	/CC/CC
Interepipe, 2017	15.0	25.0	147.5%	99.2%	-63.6%	1.2	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	71.2	74.2	26.8%	25.1%	24.8%	1.6	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	15.0	119.9%	91.1%	-84.9%	1.4	9.25%	S/A	25 Jan 2019	100	Caa3//
PUMB, 2018	43.0	48.0	41.6%	37.2%	-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	266.5%	237.3%	-25.6%	0.2	9.38%	S/A	23 Sept 2015	200	Caa3//
PrivatBank, 2016	21.0	31.0	305.9%	204.4%	-47.5%	0.4	8.75%	S/A	9 Feb 2016	150	Caa3//
PrivatBank, 2018	39.6	42.0	54.2%	51.1%	-30.8%	1.8	10.88%	S/A	28 Feb 2018	175	Caa3//CC
UkrEximBank, 2015	54.9	54.9	834.3%	834.3%	-29.2%	0.0	8.38%	S/A	27 Apr 2015	750	Caa3//CC
UkrEximBank, 2016	25.0	35.0	257.7%	177.1%	-36.8%	0.4	5.79%	S/A	2 Sept 2016	125	Caa3//CC
UkrEximBank, 2018	42.0	44.0	48.4%	46.0%	-23.9%	1.9	8.75%	S/A	22 Jan 2018	500	Caa3//CC
VAB Bank, 2019	1.0	5.0	n/a	n/a	-53.8%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	41.0	45.0	134.5%	118.3%	-26.5%	0.6	8.25%	S/A	10 Mar 2016	700	Caa3//CC
Oschadbank, 2018	40.0	44.0	49.2%	44.5%	-25.6%	2.0	8.88%	S/A	20 Mar 2018	500	Caa3//CC
Municipal Eurobonds											
City of Kyiv, 2015	40.8	43.3	229.9%	209.8%	-42.1%	0.3	8.00%	S/A	6 Nov 2015	250	Caa3/CCC/
City of Kyiv, 2016	40.0	45.0	102.4%	88.4%	-39.9%	0.8	9.375%	S/A	30 Jun 2016	300	Caa3/CCC/

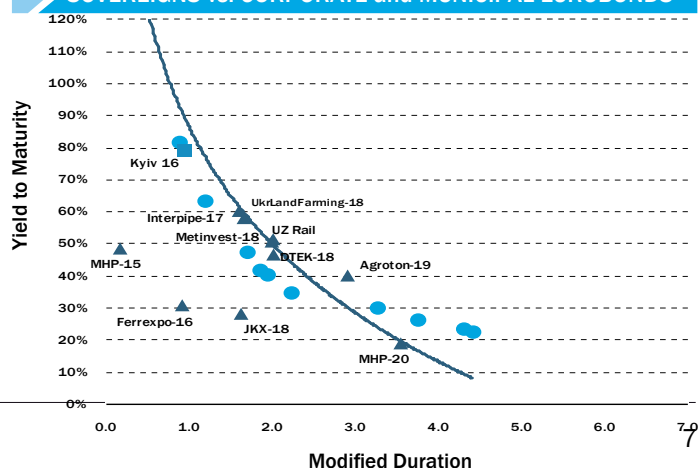
¹ Moody's/S&P/Fitch; * EUR

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

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