

**Market Update**

**Equity**

Local Ukrainian stocks traded in the red during all of Monday's (Mar 23) session before recovering at the end of day on news about the intention of the Finance Ministry to issue a USD 1.0bn Eurobond under US guarantees next month. The UX index ended unchanged at 1051 points, with blue chips mixed. Alchevsk Steel (ALMK) was the biggest mover, falling 5.5% to 1.21 kopecks per share on low volume, while Yenakievo Steel (ENMZ) posted a gain of 3.2% to UAH 17.50. Volume leader UkrNafta (UNAF) edged down by 0.4% on turnover of UAH 2.7mn, indicating that the corporate conflict between the government and industrialist Igor Kolomoyskiy over the company's management is having only a minor effect on the stock. In London, Ferrexpo (FXPO) added 1.8% and MHP improved by 3.4% to USD 9.20. Warsaw-listed Kernel (KER) saw some profit-taking, slipping back 2.3% after a robust 8.2% rise on Friday.

**Fixed Income**

Ukrainian sovereigns were down on Monday with Ukraine-23s declining by 2.1p.p. to close at 40.0/41.5 (24.0%/23.2%). The corporate universe was predominantly flat with the only exception being Metinvest-18s which showed downward move by 0.5p.p. and finished at 40.0/42.0 (50.2%/47.7%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	305.80	-0.4%	2.7	224
Raiffeisen Bank Aval	BAVL	0.10	0.3%	1.0	32
Centrenergy	CEEN	8.09	0.8%	1.0	95

**Growth Leaders**

Yenakievo Steel	ENMZ	17.50	3.2%	0.63	39
Centrenergy	CEEN	8.09	0.8%	0.97	95
Azovstal	AZST	0.79	0.8%	0.89	9

**Loss Leaders**

Dniproblenergo	DNON	83.20	-12.4%	0.075	7
Alchevsk Steel	ALMK	0.01	-5.5%	0.003	17
Ukrtelecom	UTLM	0.15	-1.0%	0.466	51

**Highlights**

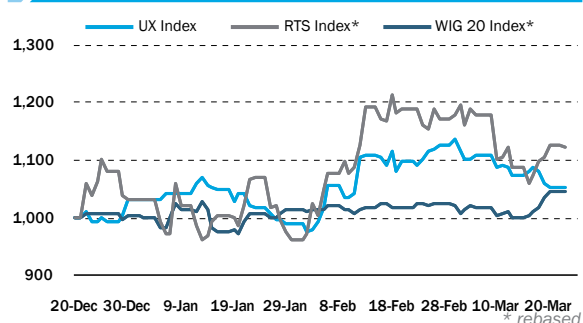
**POLITICS AND ECONOMICS**

- > Standoff Between Kyiv and Dnipropetrovsk Intensifies
- > UkrStat: Full-year GDP Contraction Was 6.8 YoY in 2014

**STOCKS IN THE NEWS**

- > Iron Ore Price Hits New Local Minimum of USD 55/tonne

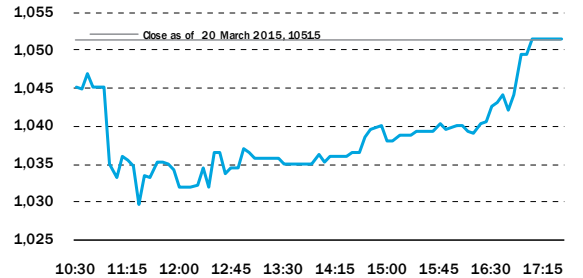
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	1051.5	0.0%	-4.3%	1.8%
RTS	859.1	-0.3%	-5.6%	8.7%
WIG20	2414.4	0.3%	2.8%	4.3%
MSCI EM	975.4	0.6%	-0.9%	2.0%
S&P 500	2104.4	-0.2%	-0.3%	2.2%

**UX INTRADAY MARCH 23, 2015**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	415.1	-1.1%	1.3%	2.7%
CDS 5Y UKR	2076.2	-11.6%	14.1%	-7.0%
Ukraine-17	49.8%	-1.0 p.p.	9.5 p.p.	24.1 p.p.
Ferrexpo-16	32.8%	0.1 p.p.	-0.5 p.p.	1.5 p.p.
Ukraine-23	24.8%	1.1 p.p.	2.3 p.p.	17.3 p.p.
Privatbank-16	248.5%	1.0 p.p.	124.8 p.p.	163.1 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	22.65	3.2%	-19.1%	43.2%
EUR	24.80	4.4%	-22.2%	29.6%
RUB	0.39	3.9%	-14.2%	40.4%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	208.2	0.0%	-2.4%	-15.4%
Steel, USD/t	390.0	3.3%	-1.9%	-13.3%
Oil, USD/bbl	55.9	1.1%	-8.0%	-5.5%
Gold, USD/oz	1189.5	0.6%	-1.0%	0.4%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Standoff Between Kyiv and Dnipropetrovsk Intensifies

by Will Ritter  
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### NEWS

The confrontation between Ukraine's national government in Kyiv and business/political interests in the eastern province of Dnipropetrovsk appeared to intensify on Monday (Mar 23), as President Poroshenko said that provincial governors cannot be allowed to have their own "pocket armies", a comment clearly aimed at Dnipropetrovsk governor Igor Kolomoyskiy. Also, the heads of Ukraine's two most powerful "ciloviki" security agencies, Valentin Nalivaiychenko of the Security Service (SBU) and Arseniy Avakov of the Interior Ministry, made strongly-worded threats aimed at the Dnipopetrovsk leadership. In a reference to unidentified paramilitaries posted by Kolomoyskiy at the headquarters of state-owned oil company UkrNafta in Kyiv, Avakov said he was giving "private security firms" 24 hours to disarm, while Nalivaiychenko said two highly-placed Dnipropetrovsk officials, Gennadiy Korban and Svyatoslav Oliynyk, are suspected of involvement in kidnapping and extortion schemes. Also, Nalivaiychenko said the SBU launched an operation against "contraband" (smuggling) and "marauding" by members of the Ukrainian armed forces along the Donbass demarcation line which netted 16 arrests. Meanwhile, four MPs associated with the Poroshenko Bloc (BPP) loyal to Kolomoyskiy quit the BPP on Monday, saying they intend to form their own faction.

### COMMENTARY

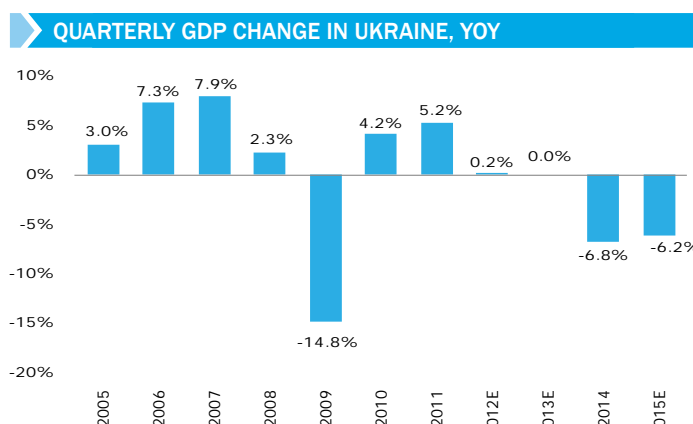
The presence of what is reportedly the Kolomoyskiy-financed "Dnipro-1" paramilitary battalion on the streets of central Kyiv has caused considerable alarm in both Ukrainian government and Western diplomatic circles. Clearly, with Kyiv already at war with Donetsk and Moscow, it simply cannot afford a schism with Dnipropetrovsk, and both sides need to tone down their rhetoric and find a way to reduce the tensions. Although Kolomoyskiy has been indispensable in preventing pro-Russian subversive activity in his province, the situation whereby he and his business empire plunder practically all the profits from a majority state-owned company (UkrNafta) in which he holds only a 45% stake, is unacceptable in the current environment of IMF-required economic reforms. For his part, Kolomoyskiy has accused Russia-linked "raiders and saboteurs" of being behind the government's efforts to assume managerial control of UkrNafta. In our view, a possible solution might be for the government to sell an additional 30-40% stake in UkrNafta to Kolomoyskiy, but the difficulty here would be in forcing the tycoon to pay fair value for the asset, as well as in reclaiming at least some of the profits which Kolomiyskiy and his managers have withheld from the state (not to mention minority shareholders) over the years.

**UkrStat: Full-year GDP Contraction Was 6.8 YoY in 2014**

by Dmitry Churin  
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**NEWS**

Ukraine's full-year GDP contracted by 6.8% YoY in 2014, compared to zero GDP change in full-year 2013, according to the final data from the State Statistics Committee (UkrStat) published on Friday (Mar 20). In the GDP contribution components, the largest drop was seen in construction (-19.9% YoY) while increases were registered in agriculture (+2.9% YoY) and healthcare (+3.9% YoY). As was reported previously by UkrStat, Ukraine's GDP plunged by 15.2% YoY in 4Q14.



Source: State Statistics Committee, Eavex Research

**COMMENTARY**

In our view, the 6.8% YoY drop in GDP cited by UkrStat can only be taken as a rough estimate of last year's GDP performance. The situation of the real decline in Ukraine's economy last year remains unclear, as UkrStat's final GDP data does not provide us with much new information about the overall recession picture. UkrStat has failed to clarify how it counted output from Crimea and the occupied territories, as well as how it applied the comparison base from 2013, when Ukraine was still territorially intact within its 1991 borders. We estimate that the GDP drop for 1Q15 could be as much as 15% YoY as a result of a high comparison base last year before the start of the Donbass war. The manufacturing and construction sectors continue to be a heavy drag on the economy, as the de-facto frozen credit market is forcing business to survive entirely on their own cash flow. The positive news is that the IMF disbursed USD 5.0bn to the country earlier this month and further support from international creditors coupled with ongoing reforms should help Ukraine to escape the recession in 2016, assuming of course that the country's internal and external political problems can be held in check.

## Iron Ore Price Hits New Local Minimum of USD 55/tonne

by Ivan Dzvinka  
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### FERREXPO (FXPO LN)

Price: GBP 0.59 Market Cap: USD 515mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	0.86	2.8	2.4	15%
2015E	1.13	5.3	4.7	15%

### NEWS

The price for benchmark iron ore fines with 62% Fe content declined to USD 55 per tonne last week, representing a 23% YtD and 51% YoY plunge (from USD 111/t), Metal Bulletin reported on Monday (Mar 23).

### COMMENTARY

Expansion of global iron ore supplies by low-cost Australian and Brazilian miners against a background of declining Chinese steel output and real estate development in China this year has resulted in free-falling iron ore prices, which may not yet have bottomed out. We would not be surprised to see a dip below USD 50/t in the near term. China accounted for almost 70% of global iron ore imports in 2014. Crude steel production in China is expected (as estimated by the China Iron and Steel association, CISA) to drop by 1% in 2015, which would be the first full-year decline for the country since 1981. The news is negative for iron ore pellet maker Ferrexpo, and we confirm our sell recommendation for the stock.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	38.2	50.2	31%	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	9.2	17.96	94%	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	22.7	90.0	297%	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.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	59.0	48.0	-19%	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.
<b>Steel</b>						
Azovstal	AZST	0.79	0.56	-29%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.38	U/R	--	Susp.	Avdyivka Coke experienced several artillery attacks since August 2014 due to its location near the border of occupied territory.
<b>Specialized Machinery</b>						
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.
<b>Oil &amp; Gas</b>						
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	4.6	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	33.5	U/R	--	U/R	The launch of extraction at JKX's Russian gas field has lifted output, but the company's higher-margin Ukrainian operations continue to lag behind expectations.
<b>Power Utilities</b>						
DonbasEnergO	DOEN	21.8	72.0	231%	BUY	DonbasEnergO is expected to continue practice of 30% dividend payout in a medium term.
CenterEnergO	CEEN	8.09	15.00	85%	BUY	CenterEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.100	0.24	140%	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	1051.52	1368.76	908.88	0.0%	-2.7%	-4.3%	1.8%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.012	0.045	0.011	-5.5%	-6.9%	-13.6%	-16.6%	-5.5%	-4.3%	-9.3%	-18.3%
Azovstal	AZST	0.79	0.95	0.35	0.8%	-1.0%	-6.1%	5.5%	0.8%	1.7%	-1.8%	3.7%
Enakievo Steel	ENMZ	17.50	65.00	14.81	2.9%	2.5%	-6.1%	-16.5%	2.9%	5.2%	-1.8%	-18.2%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.38	3.62	1.10	-4.4%	3.2%	-1.4%	-20.2%	-4.4%	5.9%	2.9%	-22.0%
Yasnyivsky Coking	YASK	0.38	0.84	0.18	8.6%	8.6%	46.2%	35.7%	8.6%	11.2%	50.5%	34.0%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	9.20	n/a	n/a	0.0%	0.0%	9.5%	18.1%	0.0%	2.7%	13.8%	16.3%
Ferrexpo	FXPO	59.00	162.10	47.91	2.6%	-2.9%	-8.5%	11.3%	2.6%	-0.2%	-4.2%	9.6%
Pivnichny GOK	SGOK	8.30	12.30	4.44	0.0%	1.2%	-1.2%	-0.8%	0.0%	3.9%	3.1%	-2.6%
<b>Coal Mining</b>												
Pokrovsk Mine	SHCHZ	0.48	0.79	0.17	0.0%	0.0%	0.0%	2.1%	0.0%	2.7%	4.3%	0.4%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.40	1.01	0.20	-21.6%	-11.1%	-7.0%	5.3%	-21.6%	-8.4%	-2.7%	3.5%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	11.00	21.60	10.00	-0.5%	-0.1%	-10.6%	-14.4%	-0.5%	2.6%	-6.3%	-16.2%
Luhanskteplovoz	LTPL	1.50	1.80	0.85	0.0%	0.0%	25.0%	38.9%	0.0%	2.7%	29.3%	37.1%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2767	2939	1587	0.3%	-2.9%	-2.1%	11.4%	0.3%	-0.2%	2.3%	9.7%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Telecom</b>												
Ukrtelecom	UTLM	0.15	0.20	0.09	-1.0%	7.5%	6.0%	-1.0%	-1.0%	10.2%	10.3%	-2.8%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.55	11.50	3.13	11.0%	12.1%	1.1%	45.6%	11.0%	14.7%	5.4%	43.8%
JKX Oil	JKX	33.50	62.00	11.00	1.5%	-5.6%	9.8%	179.2%	1.5%	-3.0%	14.2%	177.4%
Ukrnafta	UNAF	305.8	375.0	54.0	-0.2%	-1.2%	0.8%	50.4%	-0.2%	1.5%	5.1%	48.7%
<b>Power Utilities</b>												
Centrenergo	CEEN	8.09	8.70	3.00	0.5%	-0.7%	4.8%	7.3%	0.5%	2.0%	9.1%	5.5%
Donbasenergo	DOEN	21.78	50.16	11.00	-1.4%	-11.6%	-27.4%	-34.0%	-1.5%	-8.9%	-23.1%	-35.8%
Zakhidenergo	ZAEN	175.2	199.8	91.2	-2.1%	3.2%	26.8%	18.3%	-2.1%	5.9%	31.1%	16.5%
<b>Consumer</b>												
Agroton	AGT	1.24	3.19	1.19	0.0%	-3.9%	-6.1%	0.8%	0.0%	-1.2%	-1.7%	-1.0%
Astarta	AST	22.66	48.22	14.50	-3.5%	-5.6%	-6.4%	13.3%	-3.5%	-2.9%	-2.1%	11.5%
Avangardo	AVGR	3.05	10.27	1.83	0.0%	1.5%	1.5%	48.5%	0.0%	4.2%	5.8%	46.8%
Industrial Milk Company	IMC	5.50	10.39	5.00	4.8%	10.0%	-20.3%	-3.0%	4.8%	12.7%	-16.0%	-4.8%
Kernel	KER	38.19	38.89	22.00	-1.8%	17.9%	21.6%	34.2%	-1.8%	20.5%	25.9%	32.4%
Mriya Agro Holding	MAYA	0.43	5.60	0.36	0.0%	0.0%	-12.4%	-23.7%	0.0%	2.7%	-8.1%	-25.4%
MHPC	MHPC	9.24	15.77	8.24	3.8%	2.8%	-7.6%	0.4%	3.8%	5.5%	-3.3%	-1.3%
Milkiland	MLK	2.76	8.59	1.48	-2.5%	1.1%	-12.7%	86.5%	-2.5%	3.8%	-8.3%	84.7%
Ovostar Union	OVO	69.50	76.74	64.00	0.0%	-0.7%	-1.5%	-3.5%	0.0%	2.0%	2.8%	-5.2%
<b>Chemicals</b>												
Stirol	STIR	8.80	n/a	n/a	0.0%	0.0%	3.5%	27.0%	0.0%	2.7%	7.8%	25.2%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.100	0.190	0.086	0.3%	-5.3%	0.9%	4.2%	0.3%	-2.6%	5.2%	2.4%
UkrSotsbank	USCB	0.109	0.200	0.090	0.0%	0.5%	-2.3%	-16.7%	0.0%	3.1%	2.1%	-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
<b>Steel</b>																
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%
<b>Coke</b>																
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
<b>Iron Ore Mining</b>																
Centralny GOK	CGOK	679	611	550	312	223	165	46.0%	36.5%	30.1%	194	115	80	28.6%	18.8%	14.6%
Pivnichny GOK	SGOK	1,630	1,467	1,320	914	649	481	56.1%	44.2%	36.4%	548	324	226	33.7%	22.1%	17.2%
Ferrexpo	FXPO	1,581	1,388	1,059	506	496	256	32.0%	35.8%	24.2%	264	184	98	16.7%	13.2%	9.2%
<b>Pipe Manufacturing</b>																
Khartsyzk Pipe	HRTR	310	193	92	31	43	18	10.1%	22.6%	19.3%	5	23	2	1.5%	11.7%	2.0%
<b>Railcar Manufacturing</b>																
Luhanskteplovoz	LTPL	329	127	n/a	36	-2	n/a	10.8%	neg	n/a	19	-16	n/a	5.9%	neg	n/a
Kryukiv Wagon	KVBZ	462	133	67	50	-6	5	10.9%	neg	7.5%	42	-23	-4	9.0%	neg	neg
<b>Specialized Machinery</b>																
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%
<b>Telecom</b>																
Ukrtelecom	UTLM	791	368	224	190	105	71	24.0%	28.5%	31.5%	17	16	8	2.2%	4.3%	3.5%
<b>Oil &amp; Gas</b>																
Ukrnafta	UNAF	2,589	1,808	1,059	286	160	132	11.1%	8.8%	12.5%	23	32	12	0.9%	1.8%	1.1%
Regal Petroleum	RPT	37	38	35	-146	16	13	neg	42.1%	37.1%	-127	2	3	neg	5.3%	8.6%
JKX Oil	JKX	181	146	150	66	12	70	36.7%	7.9%	46.7%	7	-80	5	3.6%	neg	3.3%
<b>Electric Utilities</b>																
Centrenergo	CEEN	915	544	605	94	33	23	10.3%	6.1%	3.7%	60	16	9	6.5%	2.9%	1.5%
Donbasenergo	DOEN	656	458	196	72	20	4	11.0%	4.4%	1.8%	65	8	2	9.9%	1.8%	1.2%
<b>Consumer</b>																
MHP	MHPC	1,496	1,524	1,544	391	537	550	26.1%	35.2%	35.6%	162	-337	97	10.8%	neg	6.3%
Kernel	KER	2,797	2,393	2,250	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%
<b>Banks</b>																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	5,333	2,869	2,765	888	390	376	723	327	276	90	-87	-41	10.1%	-22.2%	-10.9%
Ukrsotsbank	USCB	5,283	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			
<b>Steel</b>																		
Alchevsk Steel	ALMK	14	3.9%	1	2,627	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	146	3.0%	4	139	neg	1.9	2.9	neg	0.9	1.2	0.1	0.1	0.1	30	31	31	\$/tonne
<b>Coke</b>																		
Avdyivka 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	5	9.0%	0	5	neg	neg	neg	0.2	neg	neg	0.0	0.0	0.0	0.2	neg	neg	\$/tonne
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	476	0.3%	1	475	2.4	4.1	5.9	1.5	2.1	2.9	0.7	0.8	0.9				
Pivnichny GOK	SGOK	844	0.4%	3	838	1.5	2.6	3.7	0.9	1.3	1.7	0.5	0.6	0.6				
Ferrexpo	FXPO	516	24.0%	124	1,194	2.0	2.8	5.3	2.4	2.4	4.7	0.8	0.9	1.1				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	46	2.0%	1	92	9.8	2.0	24.9	2.9	2.1	5.2	0.3	0.5	1.0	145	241	229	\$/tonne
<b>Railcar Manufacturing</b>																		
LuganskTeplovoz	LTPL	15	24.0%	3	52	0.7	neg	n/a	1.5	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	56	5.0%	3	50	1.3	neg	neg	1.0	neg	9.9	0.1	0.4	0.7				
<b>Specialized Machinery</b>																		
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	254	24.0%	61	240	1.6	2.0	3.8	0.6	0.7	1.5	0.2	0.3	0.5				
<b>Telecom</b>																		
Ukrtelecom	UTLM	124	7.2%	9	209	7.3	7.8	15.6	1.1	2.0	3.0	0.3	0.6	0.9				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	732	3.0%	22	729	>30	23.1	>30	2.5	4.6	5.5	0.3	0.4	0.7	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	22	21.6%	5	-3	neg	10.9	7.3	neg	-0.2	-0.3	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	86	50.4%	43	194	13.2	neg	17.2	2.9	16.8	2.8	1.1	1.3	1.3	35	27	26	\$/boe
<b>Electric Utilities</b>																		
CentrEnergO	CEEN	132	21.7%	29	119	2.2	8.3	15.0	1.3	3.5	5.2	0.1	0.2	0.2	7	9	7	\$/MWh
DonbasEnergO	DOEN	23	14.2%	3	53	0.3	2.7	9.5	0.7	2.7	14.9	0.1	0.1	0.3	7	7	7	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	976	34.1%	333	2,056	6.0	neg	10.1	5.3	3.8	3.7	1.4	1.3	1.3				
Kernel	KER	810	61.8%	501	1,545	7.7	neg	6.5	5.3	6.9	4.8	0.6	0.6	0.7				
Astarta	AST	151	37.0%	56	397	4.4	neg	5.0	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	111	25.0%	28	118	3.6	3.7	4.6	3.3	3.7	4.7	1.5	1.6	1.5	n/a	n/a	n/a	
<b>Banks</b>																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	133	3.5%	5		1.5	neg	neg	0.1	0.3	0.4	0.02	0.05	0.05				
Ukrsotsbank	USCB	88	1.0%	1		>30	>30	>30	0.1	0.3	0.2	0.01	0.05	0.03				

Source: Eavex Research



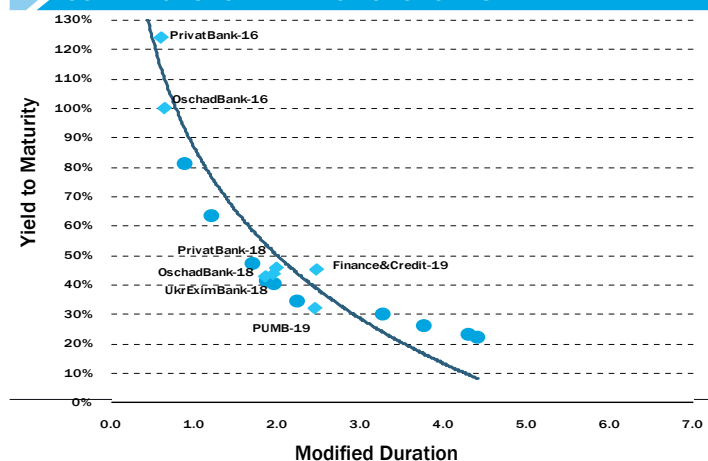
## UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
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
<b>Corporate Eurobonds</b>											
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	
<b>Bank Eurobonds</b>											
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
<b>Municipal Eurobonds</b>											
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/

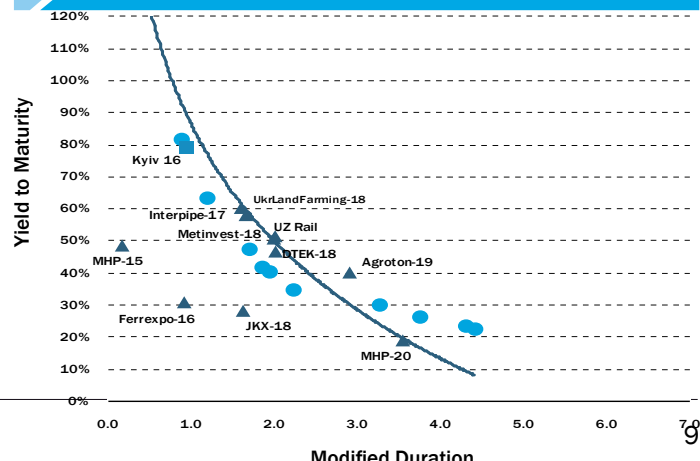
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

Source: Bloomberg, Cbonds, Eavex Research

### SOVEREIGNS vs. BANKING EUROBONDS



### SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



**UKRAINIAN DOMESTIC BONDS**

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn UAH
<b>UAH denominated Bonds</b>									
UA4000141592					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
<b>USD denominated Bonds</b>									
UA4000142699	n/a	n/a	14.0%	8.0%	n/a	9.45%	S/A	22 Apr 2015	n/a
UA4000141071	n/a	n/a	14.0%	8.0%	n/a	9.45%	S/A	27 May 2015	n/a
UA4000142673	n/a	n/a	14.0%	8.0%	n/a	4.50%	S/A	17 Jun 2015	n/a
<b>EUR denominated Bonds</b>									
UA4000142681	n/a	n/a	12.5%	8.0%	n/a	4.80%	S/A	6 May 2015	n/a
<b>VAT Bonds</b>									
UA4000082531			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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