

Market Update
Equity

Kyiv-listed stocks were mixed on Tuesday (Apr 7) against a backdrop of positive local sentiment after the NBU reported a USD 4.3bn increase in foreign reserves to USD 9.97bn in March. The reserves rose due to receipt of USD 5.0bn as part of Ukraine's new IMF program. The UX index inched up 0.1% to end at 1038 points. Raiffeisen Aval (BAVL) was the growth leader among blue chips, adding 2.2% to 9.70 kopecks per share. In the steel sector, Azovstal (AZST) climbed by 0.8% while low-liquidity Yenakievo Steel (ENMZ) lost 5.7% to close at UAH 17.30. UkrNafta (UNAF) fell by 1.7%, dipping back below the UAH 300 level. In second-division stocks, UkrTelecom (UTLM) surged by 18.2% from its previous listed price to just below 20 kopecks. In London trading, Ukrainian names were generally higher, with Ferrexpo (FXPO) picking up 3.6% and MHP (MHPC) adding 2.9% to USD 10.50. Warsaw-listed Kernel (KER) retreated by 2.9% to PLN 38.00.

Fixed Income

Ukrainian sovereigns were down on Tuesday with Ukraine-23s declining by 1.5p.p. to close at 41.0/42.0 (24.6%/23.8%). Corporate names were mixed. MHP-20s edged down by 0.3p.p. to 65.9/67.8 (19.2%/18.4%) while Metinvest-18s improved by 0.5p.p. finishing at 44.0/45.0 (45.8%/44.7%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	298.70	-1.7%	1.9	94
Motor Sich	MSICH	2591.00	0.2%	1.3	28
Ukrtelecom	UTLM	0.20	18.2%	0.5	48

Growth Leaders

Ticker	Last	1D ch	Volume	Number of Trades
Ukrtelecom	0.20	18.2%	0.50	48
Bogdan Motors	0.03	4.2%	0.01	16
Raiffeisen Bank Aval	0.10	2.2%	0.31	35

Loss Leaders

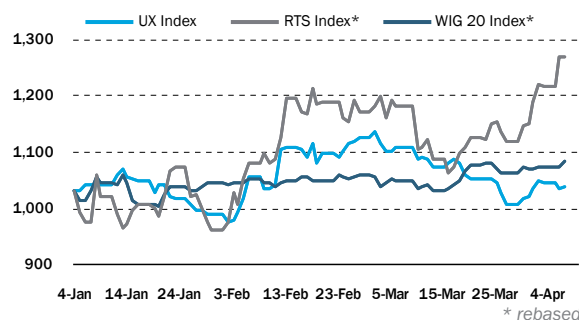
Ticker	Last	1D ch	Volume	Number of Trades
Yenakievo Steel	17.30	-5.7%	0.180	19
Dniproenergo	503.50	-4.7%	0.027	9
Alchevsk Steel	0.01	-3.7%	0.008	24

Highlights
POLITICS AND ECONOMICS

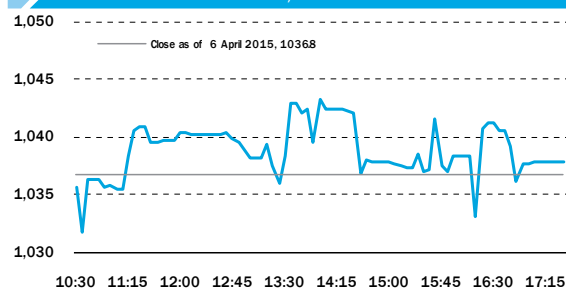
- > Gov't Opens Probe into Privatizations of DniproEnergo, DonbasEnergo
- > MinFin to Issue UAH 20bn Bonds for Deposit Insurance

STOCKS IN THE NEWS

- > IMC Intends to Reduce its Debt by 20% YoY In the End 2015

STOCK MARKET PERFORMANCE

MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1037.9	0.1%	-6.3%	0.4%
RTS	971.2	0.0%	7.5%	22.8%
WIG20	2420.8	0.8%	3.2%	4.5%
MSCI EM	1006.3	0.0%	3.6%	5.2%
S&P 500	2076.3	-0.2%	0.2%	0.8%

UX INTRADAY APRIL 7, 2015

FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	396.7	-0.3%	1.2%	-1.8%
CDS 5Y UKR	4142.6	-5.5%	132.3%	85.5%
Ukraine-17	51.5%	2.1 p.p.	5.8 p.p.	25.8 p.p.
Ferrexpo-16	31.6%	0.1 p.p.	-1.3 p.p.	0.3 p.p.
Ukraine-23	24.5%	0.8 p.p.	0.9 p.p.	17.0 p.p.
Privatbank-16	275.0%	1.2 p.p.	-65.4 p.p.	189.6 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	23.53	0.3%	3.4%	48.7%
EUR	25.44	-0.7%	1.4%	32.9%
RUB	0.43	0.9%	13.4%	55.6%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	207.1	0.0%	0.2%	-15.8%
Steel, USD/t	380.0	0.0%	-0.7%	-15.6%
Oil, USD/bbl	59.1	1.7%	-1.8%	-0.2%
Gold, USD/oz	1209.2	-0.5%	3.6%	2.1%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Gov't Opens Probe into Privatizations of DniproEnergo, DonbasEnergo

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NEWS

Ukrainian General Prosecutor Viktor Shokin has opened a criminal investigation into privatizations of two of the country's largest thermal electricity generation companies, DniproEnergo and DonbasEnergo, Interfax reported on Tuesday (Apr 7). A 25% stake in the former was sold by the State Property Fund to Rinat Akhmetov's DTEK in 2012 for UAH 1.18bn (some USD 150mn at the time), while a 61% stake in the latter was sold to a company owned by Party of Regions MP Igor Humeniuk in 2013 for UAH 720mn (around USD 88mn at the time). Both companies are listed on the Ukrainian Exchange, and DonbasEnergo is a blue chip in the UX index basket. A third company, an electricity distributor in Western Ukraine, has also been included in the investigation.

COMMENTARY

The major story here is the apparent move by the Kyiv government against Akhmetov, as DniproEnergo is one of his most important electricity assets. The implied valuation for DniproEnergo in the 2012 deal (assuming the state was actually paid in full by DTEK) of some USD 600 million, while a bargain for Akhmetov, could not be called outrageously low, in our view. DTEK owns 73.5% stake in DniproEnergo. By contrast, the DonbasEnergo privatization in August 2013 that valued the company at only USD 144mn was clearly farcical. However, with DonbasEnergo's most valuable asset, the Starobeshevo power plant, having been commandeered by the Donetsk separatist authorities earlier this year, the benefit to Ukrainian state finances in re-possessing the privatized stake would appear to be practically nil at this point. Therefore, we assume that the main target of this quite stunning announcement is Akhmetov. It remains to be seen whether the PGO investigation and any action resulting from it will be serious, or whether this might be just a publicity stunt to try to demonstrate that the government is taking steps to rein in the country's other top oligarchs following last month's confrontation with industrialist Igor Kolomoisky. The news was released just after yesterday's local market close, and neither company's stock appeared to be affected.

MinFin to Issue UAH 20bn Bonds for Deposit Insurance

by Dmitry Churin
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NEWS

Ukraine's Finance Ministry (MinFin) will issue UAH 20bn in hryvnia-denominated bonds to finance the country's Deposit Guarantee Fund (DGF), the RBC news agency reported this week, citing a government decree. The sovereign bonds will be issued with a coupon of 12% and a maturity period up to 20 years. The DGF is the state's anchor in maintaining confidence in the domestic banking system. It guarantees UAH 200,000 (USD 8,500) of retail deposits per client.

COMMENTARY

Although new state financing is crucial for the DGF, the sovereign bond issue represents a hidden money-printing scheme. The trick here is that a 12% coupon for UAH-denominated 20-year debt is an artificially low yield in the current market environment in Ukraine. It is pure fantasy that any rational investor would buy such bonds at par value; after the DGF receives them and is unable to sell them on the market, it then goes to the National Bank (NBU) and de-facto exchanges the bonds for cash. The NBU is the largest holder of domestic sovereign bonds, owning UAH 343bn out of a total outstanding amount of UAH 495bn (as of Mar 31). Ukrainian banks hold UAH 102bn of domestic sovereign bonds, non-residents hold UAH 27bn, and other holders have UAH 23bn. Taking into account that the NBU's key interest rate currently stands at 30% and the average interest rate for UAH loans is at 23%, we assume that the 12% coupon for UAH-denominated sovereigns is just a technical tool for the government to print hryvnia, which will result, sooner rather than later, in more pressure on UAH/USD exchange rate. A separate problem with the DGF is that deposits it repays to retail clients often do not return to the banking system. Ukrainian banks have been suffering from persistent deposit outflow since early 2014 amid accelerating inflation which officially reached 45.8% YoY in March. Unfortunately we understand that the DGF could need even more financing next year in case any more top tier banks become insolvent. Last month, the fourth largest bank by assets, Delta Bank, with total assets of UAH 60bn (USD 2.6bn), was 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.

IMC Intends to Reduce its Debt by 20% YoY In the End 2015

by Ivan Dzvinka
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IMC (IMC PW)

Price: PLN 5.18 Market Cap: USD 43mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2013	1.5	1.7	3.4	0%
2014E	1.0	8.7	2.9	0%

NEWS

Industrial Milk Company (IMC), Ukraine's crop grower, intends to reduce amount of debt to USD 126mn in the end of 2015, the company's management told earlier this week. This implies a drop by 20% (or USD 26mn) from the level at the beginning of 2015 of USD 126mn, according to the company's representative.

Also the company disclosed its plan to sow this season with corn 75,000 ha (-12% YoY), 25,000 ha with sunflower (+33%), 8,000 ha with soybean (flat) as well as 12,500 ha with wheat (+47%).

COMMENTARY

Intention to reduce debt burden is what the doctor ordered for IMC. Before decrease to USD 126mn in the beginning of 2015, the company's total debt stood at USD 137mn as of end-9M14 translating into Debt/EBITDA ratio of rather high 2.58x. Net debt/EBITDA metric amounted to 2.56x.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	38.1	50.2	32%	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	10.5	17.96	71%	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	21.9	90.0	310%	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	1.4	-48%	SELL	Loss of the company's output at war-hit Donbass together with UAH devaluation will lead to lower EBITDA in 2015 after a 57% plunge 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	65.0	48.0	-26%	SELL	Exacerbated issue of global ore oversupply together with sluggish growth in demand will likely keep iron ore prices at depressed level at least in the short run boding bad for Ferrexpo's earnings.
Steel						
Azovstal	AZST	0.81	0.56	-31%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.38	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	2591	5250	103%	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	4.8	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	31.0	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	22.7	U/R	--	U/R	DNR Intends to Nationalize DonbasEnergO-Owned Power Plant. The Starobeshevo plant accounts for about 70% of DonbasEnergO's installed power-generating capacity.
CenterEnergO	CEEN	8.02	15.00	87%	BUY	CentrEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Banks						
Raiffeisen Bank Aval	BAVL	0.097	0.24	147%	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	1037.85	1368.76	908.88	0.1%	1.5%	-6.3%	0.4%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.045	0.011	-4.3%	5.6%	-9.0%	-9.0%	-4.5%	4.1%	-2.7%	-9.4%
Azovstal	AZST	0.81	0.95	0.35	0.8%	2.0%	-0.5%	8.2%	0.6%	0.6%	5.8%	7.7%
Enakievo Steel	ENMZ	17.30	65.00	14.81	-5.7%	-3.8%	-2.5%	-17.4%	-5.8%	-5.3%	3.7%	-17.9%
Coke												
Avdyivka Coke	AVDK	1.38	3.62	1.10	-4.6%	2.4%	-1.6%	-20.2%	-4.7%	0.9%	4.7%	-20.7%
Yasynivsky Coking	YASK	0.30	0.84	0.18	0.0%	-21.1%	-14.3%	7.1%	-0.1%	-22.5%	-8.0%	6.7%
Iron Ore Mining												
Centralny GOK	CGOK	8.80	n/a	n/a	0.0%	0.0%	4.8%	13.0%	-0.1%	-1.5%	11.0%	12.5%
Ferrexpo	FXPO	65.00	155.80	47.91	3.6%	3.2%	18.2%	22.6%	3.5%	1.7%	24.5%	22.2%
Pivnichny GOK	SGOK	7.90	12.30	4.44	0.0%	-4.8%	-9.2%	-5.6%	-0.1%	-6.3%	-2.9%	-6.1%
Coal Mining												
Pokrovske Mine	SHCHZ	0.48	0.79	0.17	0.0%	0.0%	0.0%	2.1%	-0.1%	-1.5%	6.3%	1.7%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.40	1.01	0.20	-18.4%	-11.1%	-28.6%	5.3%	-18.5%	-12.6%	-22.3%	4.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.23	21.60	10.00	2.4%	0.7%	-5.2%	-12.6%	2.3%	-0.8%	1.0%	-13.0%
Luhanskeplovoz	LTPL	1.50	1.80	0.85	0.0%	0.0%	0.0%	38.9%	-0.1%	-1.5%	6.3%	38.4%
Specialized Machinery												
Motor Sich	MSICH	2591	2939	1672	0.1%	1.4%	-6.4%	4.3%	0.0%	-0.1%	-0.1%	3.9%
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	0.20	0.20	0.09	18.2%	31.2%	28.6%	31.2%	18.1%	29.7%	34.9%	30.7%
Oil & Gas												
Regal Petroleum	RPT	4.75	10.50	3.13	0.0%	0.0%	2.8%	52.0%	-0.1%	-1.5%	9.1%	51.6%
JKX Oil	JKX	31.00	62.00	11.00	0.0%	1.6%	-10.1%	158.3%	-0.1%	0.2%	-3.9%	157.9%
Ukrnafta	UNAF	298.7	375.0	54.0	-1.6%	3.8%	-6.0%	46.9%	-1.8%	2.3%	0.2%	46.5%
Power Utilities												
Centrenergo	CEEN	8.02	8.70	3.00	0.1%	3.2%	-0.1%	6.3%	0.0%	1.7%	6.1%	5.9%
Donbasenergo	DOEN	22.74	50.16	11.00	1.7%	-0.6%	-24.0%	-31.1%	1.6%	-2.0%	-17.7%	-31.5%
Zakhidenergo	ZAEN	174.0	199.8	91.2	-2.1%	6.7%	7.4%	17.5%	-2.2%	5.3%	13.7%	17.0%
Consumer												
Agroton	AGT	1.12	3.19	1.05	-2.6%	0.9%	-13.8%	-8.9%	-2.7%	-0.6%	-7.6%	-9.4%
Astarta	AST	21.93	47.95	14.50	1.3%	3.2%	-10.5%	9.7%	1.2%	1.7%	-4.2%	9.2%
Avangardo	AVGR	2.65	10.27	1.83	0.8%	-3.6%	0.0%	29.3%	0.7%	-5.1%	6.3%	28.8%
Industrial Milk Company	IMC	5.18	10.39	5.00	-0.6%	-5.0%	-9.4%	-8.6%	-0.7%	-6.4%	-3.2%	-9.1%
Kernel	KER	38.06	39.18	22.00	-2.9%	3.2%	18.9%	33.7%	-3.0%	1.7%	25.2%	33.3%
Mriya Agro Holding	MAYA	0.46	5.25	0.36	2.2%	2.2%	21.1%	-18.1%	2.1%	0.8%	27.3%	-18.6%
MHPC	MHPC	10.50	15.77	8.24	2.9%	11.6%	18.0%	14.1%	2.8%	10.1%	24.3%	13.7%
Milkiland	MLK	2.33	7.75	1.48	1.7%	7.9%	-27.4%	57.4%	1.6%	6.4%	-21.1%	57.0%
Ovostar Union	OVO	69.99	74.87	64.00	1.4%	-1.4%	-1.4%	-2.8%	1.3%	-2.9%	4.9%	-3.2%
Chemicals												
Stirol	STIR	8.97	n/a	n/a	0.0%	1.9%	1.9%	29.4%	-0.1%	0.5%	8.2%	29.0%
Banks												
Raiffeisen Bank Aval	BAVL	0.097	0.190	0.086	2.2%	-0.3%	-9.3%	1.4%	2.1%	-1.8%	-3.0%	0.9%
UkrSotsbank	USCB	0.110	0.200	0.090	0.0%	1.4%	0.0%	-15.5%	-0.1%	-0.1%	6.3%	-16.0%

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	280	-62	-83	-100	neg	neg	neg	-214	-1,683	-190	neg	neg	neg
Enakievo Steel	ENMZ	1,507	1,250	1,063	-7	45	48	neg	3.6%	4.5%	-61	-125	-48	neg	neg	neg
Azovstal	AZST	2,562	1,793	1,524	-81	153	103	neg	8.5%	6.7%	-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	-5	7.8%	neg	neg	-3	-13	-10	neg	neg	neg
Iron Ore Mining																
Centralny GOK	CGOK	679	611	550	312	223	159	46.0%	36.5%	28.8%	194	115	80	28.6%	18.8%	14.6%
Pivnichny GOK	SGOK	1,630	1,467	1,320	914	649	463	56.1%	44.2%	35.1%	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	-6	5	10.9%	neg	7.5%	42	-23	-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	69	70	36.7%	46.9%	46.7%	7	-80	5	3.6%	neg	3.3%
Electric Utilities																
Centrenergo	CEEN	915	544	605	94	16	-33	10.3%	3.0%	neg	60	5	-29	6.5%	0.9%	neg
Donbasenergo	DOEN	656	458	196	72	20	-19	11.0%	4.4%	neg	65	8	-17	9.9%	1.8%	neg
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	420	361	301	129	94	45.6%	30.9%	26.1%	238	-27	-13	36.0%	neg	neg
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	2,730	2,095	1,064	518	362	132	149	132	1	-42	-14	0.1%	-8.0%	-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	14	3.9%	1	2,628	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	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	144	3.0%	4	137	neg	1.9	2.9	neg	0.9	1.3	0.1	0.1	0.1	30	30	30	\$/tonne
Coke																		
Avdyivka Coke	AVDK	11	6.8%	1	-28	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-6	-7	-7	\$/tonne
Yasynivsky Coke	YASK	3	9.0%	0	4	neg	neg	neg	0.2	neg	neg	0.0	0.0	0.0	0.2	neg	neg	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	438	0.3%	1	437	2.3	3.8	5.5	1.4	2.0	2.8	0.6	0.7	0.8				
Pivnichny GOK	SGOK	774	0.4%	3	767	1.4	2.4	3.4	0.8	1.2	1.7	0.5	0.5	0.6				
Ferrexpo	FXPO	565	24.0%	136	1,244	2.1	3.1	5.8	2.5	2.5	4.9	0.8	0.9	1.2				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	44	2.0%	1	90	9.4	2.0	24.0	2.9	2.1	5.1	0.3	0.5	1.0	143	237	225	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	14	24.0%	3	51	0.7	neg	n/a	1.4	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	55	5.0%	3	49	1.3	neg	neg	1.0	neg	9.7	0.1	0.4	0.7				
Specialized Machinery																		
Turboatom	TATM	63	5.8%	4	32	0.9	1.2	2.8	0.4	0.4	0.9	0.2	0.2	0.3				
Motor Sich	MSICH	229	24.0%	55	215	1.4	1.8	3.4	0.6	0.6	1.4	0.2	0.2	0.5				
Telecom																		
Ukrtelecom	UTLM	159	7.2%	11	243	9.3	10.0	20.0	1.3	2.3	3.4	0.3	0.7	1.1				
Oil & Gas																		
Ukrnafta	UNAF	689	3.0%	21	685	29.6	21.7	>30	2.4	4.3	5.2	0.3	0.4	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	23	21.6%	5	-2	neg	11.3	7.5	neg	-0.2	-0.2	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	79	50.4%	40	187	12.2	neg	15.8	2.8	2.7	2.7	1.0	1.3	1.2	34	26	25	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	126	21.7%	27	112	2.1	24.8	neg	1.2	6.9	neg	0.1	0.2	0.2	6	8	7	\$/MWh
DonbasEnerg	DOEN	23	14.2%	3	53	0.4	2.7	neg	0.7	2.6	neg	0.1	0.1	0.3	6	7	6	\$/MWh
Consumer																		
MHP	MHPC	1,110	34.1%	378	2,190	6.8	neg	11.4	5.6	4.1	4.0	1.5	1.4	1.4				
Kernel	KER	815	61.8%	503	1,550	7.8	neg	6.5	5.3	7.0	4.8	0.6	0.6	0.7				
Astarta	AST	147	37.0%	55	394	4.3	neg	4.9	4.3	2.6	3.2	0.8	0.8	1.0				
Avangardco	AVGR	169	22.5%	38	395	0.7	neg	neg	1.3	3.1	4.2	0.6	0.9	1.1	89	68	64	\$/mneqgs
Ovostar	OVO	113	25.0%	28	120	3.7	3.8	4.6	3.4	3.7	4.8	1.5	1.6	1.5	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	124	3.5%	4		1.4	neg	neg	0.1	0.3	0.3	0.02	0.04	0.04				
Ukrsotsbank	USCB	86	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.02	0.03	0.04				

Source: Eavex Research

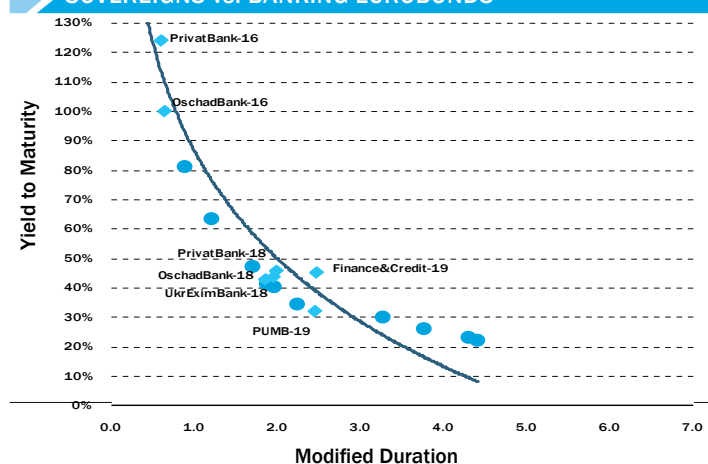
UKRAINIAN EURO BONDS

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	236.9%	219.4%	-32.3%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CCC-/CC
Ukraine, 2015	44.5	46.2	295.6%	276.2%	-35.6%	0.2	6.875%	S/A	23 Sept 2015	500	Ca/CCC-/CC
Ukraine, 2016	40.2	41.5	78.0%	75.1%	-34.8%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CCC-/CC
Ukraine, 2016-2	40.1	41.5	105.7%	101.4%	-37.0%	0.7	6.25%	S/A	17 Jun 2016	1,250	Ca/CCC-/CC
Ukraine, 2017	39.0	40.0	52.2%	50.8%	-37.5%	1.7	6.75%	S/A	14 Nov 2017	700	Ca/CCC-/CC
Ukraine, 2017-2	39.8	41.0	61.5%	59.5%	-35.1%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CCC-/CC
Ukraine, 2017 Infr. projects	38.5	41.0	56.5%	52.9%	-35.4%	1.6	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	38.0	40.0	48.5%	46.0%	-35.0%	1.9	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	41.3	43.3	30.5%	29.1%	-29.1%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CCC-/CC
Ukraine, 2021	39.0	40.0	31.2%	30.5%	-33.5%	3.5	7.95%	S/A	23 Feb 2021	1,500	Ca/CCC-/CC
Ukraine, 2022	39.3	40.3	26.9%	26.3%	-34.0%	4.0	7.80%	S/A	28 Nov 2022	1,250	Ca/CCC-/CC
Ukraine, 2023	41.0	42.0	24.6%	23.8%	-30.1%	4.1	7.50%	S/A	17 Apr 2023	1,250	Ca/CCC-/CC
Corporate Eurobonds											
Agroton, 2019	30.1	35.3	44.9%	39.0%	-3.3%	2.7	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	92.0	96.0	167.6%	85.5%	-1.1%	0.0	10.25%	S/A	29 Apr 2015	235	Caa3//CC
MHP, 2020	65.9	67.8	19.2%	18.4%	-3.1%	3.6	8.25%	S/A	2 Apr 2020	750	/CCC-/CC
Avangardco, 2015						0.2	10.00%	S/A	29 Oct 2015	200	/CCC-/
UkrLandFarming, 2018	35.3	35.3	59.6%	59.6%	-24.2%	1.8	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	11.0	14.0	437.5%	363.4%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	14.0	134.1%	114.3%	-3.8%	1.3	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	65.0	70.0	1024.2%	820.6%	-12.9%	0.0	9.50%	S/A	28 Apr 2015	200	Caa3//C
DTEK, 2018	37.5	40.5	50.6%	46.8%	-14.3%	2.0	7.88%	S/A	4 Apr 2018	750	Caa3//C
Metinvest, 2015	65.0	70.0	471.5%	378.8%	-16.1%	0.1	10.25%	S/A	20 May 2015	114	Caa3//CC
Metinvest, 2017	48.0	53.0	46.7%	41.3%	-27.9%	1.2	10.50%	S/A	28 Nov 2017	290	//CC
Metinvest, 2018	44.0	45.0	45.8%	44.7%	-19.8%	1.9	8.75%	S/A	14 Feb 2018	750	Caa3//CC
Ferrexpo, 2016	80.0	82.0	33.1%	30.1%	5.2%	0.8	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/CC
Ferrexpo, 2019	78.0	80.1	18.4%	17.5%	n/a	2.7	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2018	37.0	40.0	52.7%	48.8%	-27.4%	1.9	9.50%	S/A	21 May 2018	500	/CC-/CC
Interepipe, 2017	15.0	25.0	152.3%	101.9%	-63.6%	1.2	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.9	74.0	27.3%	25.4%	24.4%	1.5	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	15.0	120.5%	91.7%	-84.9%	1.4	9.25%	S/A	25 Jan 2019	100	Ca//
PUMB, 2018	40.0	45.0	44.9%	40.0%	-37.0%	2.2	11.00%	Q	31 Dec 2018	275	Ca//
Nadra Bank, 2018	8.0	13.0	n/a	n/a	-16.0%	0.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	42.0	47.0	322.3%	265.1%	-28.8%	0.2	9.38%	S/A	23 Sept 2015	200	Ca//
PrivatBank, 2016	20.0	30.0	343.0%	225.7%	-49.5%	0.4	8.75%	S/A	9 Feb 2016	150	Ca//
PrivatBank, 2018	38.5	40.0	56.3%	54.2%	-33.5%	1.8	10.88%	S/A	28 Feb 2018	175	Ca//CC
UkrEximBank, 2015	62.5	62.5			-19.4%	0.0	8.38%	S/A	27 Apr 2015	750	Ca//CC
UkrEximBank, 2016	30.0	40.0	225.7%	158.0%	-26.3%	0.4	5.79%	S/A	2 Sept 2016	125	Ca//CC
UkrEximBank, 2018	50.0	55.0	40.1%	35.4%	-7.1%	2.0	8.75%	S/A	22 Jan 2018	500	Ca//CC
VAB Bank, 2019	1.0	4.0	n/a	n/a	-61.5%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	48.0	51.0	112.5%	102.2%	-15.4%	0.6	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	45.0	47.0	43.8%	41.7%	-18.5%	2.0	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	40.9	43.3	251.8%	230.3%	-42.0%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CCC/
City of Kyiv, 2016	39.1	41.4	108.6%	101.5%	-43.1%	0.8	9.375%	S/A	30 Jun 2016	300	Ca/CCC/

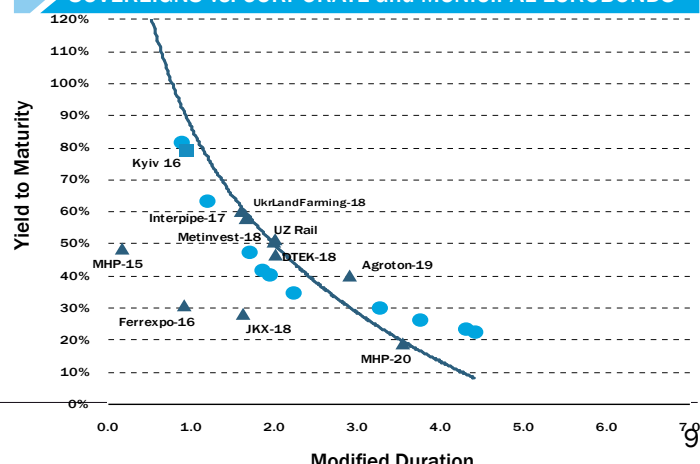
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EURO BONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EURO BONDS



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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