

**Market Update**

**Equity**

Kyiv-listed stocks finished in the red on Friday (Apr 10) ahead of the long Easter weekend. The UX index lost 0.8% to close at 1016 points. The market ignored some positive new reform legislation from Parliament, which adopted a bill intended to break up the Naftogaz monopoly and lure investment into the country's lucrative but opaque natural gas sector. The legislation mandates the unbundling of Naftogaz into separate production, transit, storage, and supply businesses. Among the 10 UX index components, only Motor Sich (MSICH) was in the black, edging up 0.3%, while CentrEnerg (CEEN) and DonbasEnerg (DOEN) fell by 0.6% and 3.0% respectively. UkrNafta (UNAF) shed 2.2% to UAH 285 per share; Friday was the final day for the company to pay its announced dividend for 2011-13, but the company refused, arguing that Naftogaz, its majority shareholder, owes UkrNafta for natural gas supplies. In London trading on Monday (Apr 13), Ferrexpo (FXPO) slipped 2.2%, while MHP (MHPC) continued its spring rally after a sluggish winter, adding 4.1% to USD 11.40.

**Fixed Income**

Ukrainian sovereigns were flat on Friday with Ukraine-23s finishing unchanged at 41.0/42.0 (24.8%/24.2%). Meanwhile, corporate names were up. MHP-20s advanced by 1.1p.p. to 70.6/73.7 (17.3%/16.1%) and Metinvest-18s rose by 1.5p.p. finishing at 47.0/49.0 (42.7%/40.6%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2576.00	0.3%		
Centrenerg	CEEN	7.89	-0.6%		
Ukrnafta	UNAF	284.60	-2.3%		

**Growth Leaders**

MHP UX	MHPC	270.00	3.0%
Yasynivsky Coke	YASK	0.28	5.7%
Motor Sich	MSICH	2576.00	0.3%

**Loss Leaders**

UkrTelecom	UTLM	0.17	-3.1%
DonbasEnerg	DOEN	22.00	-3.0%
Ukrnafta	UNAF	284.60	-2.3%

**Highlights**

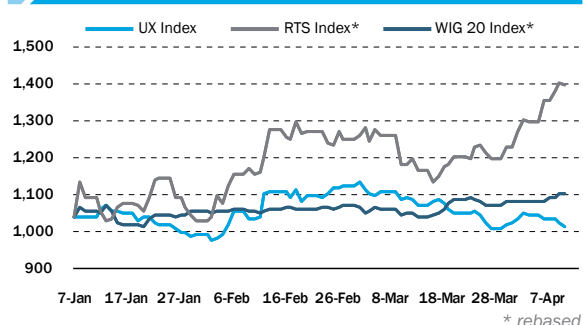
**POLITICS AND ECONOMICS**

- > S&P Downgrades Ukraine's Credit Rating by One Notch to CC

**STOCKS IN THE NEWS**

- > Kernel Is Set to Pay Dividends on 30 April

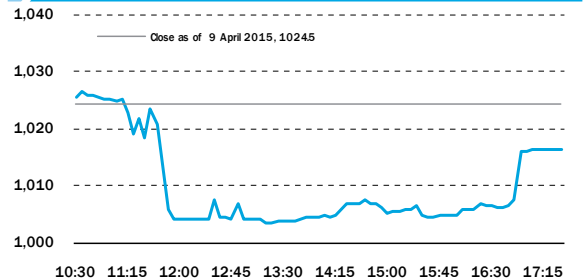
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	1016.3	-0.8%	-6.6%	-1.6%
RTS	999.4	-0.4%	18.2%	26.4%
WIG20	2443.6	0.1%	5.6%	5.5%
MSCI EM	1034.6	0.6%	9.6%	8.2%
S&P 500	2102.1	0.5%	2.8%	2.1%

**UX INTRADAY APRIL 10, 2015**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	381.6	-0.2%	-8.0%	-5.6%
CDS 5Y UKR	3974.3	-1.1%	121.9%	78.0%
Ukraine-17	51.7%	0.0 p.p.	9.2 p.p.	26.0 p.p.
Ferrexpo-16	31.9%	0.1 p.p.	-1.4 p.p.	0.6 p.p.
Ukraine-23	24.5%	0.0 p.p.	2.3 p.p.	17.0 p.p.
Privatbank-16	230.7%	1.0 p.p.	-112.6 p.p.	145.3 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	22.55	-3.2%	4.9%	42.5%
EUR	23.91	-3.7%	4.0%	24.9%
RUB	0.42	-6.1%	21.9%	53.1%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	199.5	-3.7%	-3.5%	-18.9%
Steel, USD/t	380.0	0.0%	-0.7%	-15.6%
Oil, USD/bbl	57.9	2.3%	1.8%	-2.2%
Gold, USD/oz	1207.6	1.1%	3.9%	1.9%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## S&P Downgrades Ukraine's Credit Rating by One Notch to CC

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### NEWS

Standard & Poor's Ratings Services lowered its long-term foreign currency sovereign credit rating on Ukraine to 'CC' from 'CCC-', saying it expected a default on the country's foreign currency debt a virtual certainty.

The ratings services said on Friday (Apr 10) it expected to classify restructuring of Ukraine's foreign currency debt as tantamount to default.

The Ukrainian government intends to conclude debt restructuring talks with external commercial creditors by the end of May.

Standard&Poor's Ratings Services forecasts that the gross domestic product (GDP) of Ukraine in 2015 will fall to 7.5% compared to a 6.8% fall in 2014, but will grow 2% in 2016, 3.5% in 2017 and 4% in 2018.

S&P expects the average acceleration of inflation from 12.2% last year to 35% this year, which will be followed by its sharp slowdown to 12% and 8% in 2016 and 2017, respectively.

According to the agency, the state debt, after rising last year from 40.2% of the GDP to 70.7% of the GDP, at the end of this year will reach 93% of the GDP, while by the end of 2018 will fall to 82.6% of the GDP.

### COMMENTARY

In our opinion, the Ukraine's credit rating downgrade by S&P reflects a possible haircut on Ukraine's sovereign Eurobonds during the restructuring process. Currently, there is no any detail regarding a scale of the haircut as restructuring talks between the Finance Ministry and creditors have not led to official proposal. Nevertheless, the debt restructuring is a part of the IMF's required measures and we do believe the country will reach an agreement with creditors. The Eurobonds included in the restructuring talks, which should help Ukraine save USD 15.3bn on debt payments in the next four years, even when including the USD 3.0bn Russian Eurobond, which Moscow is reluctant to reorganize, comprise only around 20% of Ukraine's total government and guaranteed debt. Meanwhile, domestic market liabilities make up around 40% of total debt stock, of which close to 70% is held by the NBU. The IMF program does not support reprofiling of debt held by the NBU.

Ukraine's total public debt amounted to USD 68.9bn as of 31 Jan 2015. The USD-denominated debts account for 45% of the total public debt.

## Kernel Is Set to Pay Dividends on 30 April

by Ivan Dzvinka  
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### KERNEL (KER PW)

Price: PLN 38.05 Market Cap: USD 799mn

	EV/S	P/E	EV/EBITDA	Div. Yield
FY14	0.6	neg.	6.9	2%
FY15E	0.7	6.4	4.7	2%

### NEWS

Kernel, Ukraine's largest sunflower oil producer, will pay dividend of USD 0.25 per share on 30 April, the company reported this morning (Apr 14). The dividends were approved on the group's AGM on 10 December 2014. The ex-rights date is set to be 23 April. The dividends are subject to deduction of Luxembourg withholding tax at a rate of 15% suggesting after-tax DPS of USD 0.2125.

### COMMENTARY

Although the news was fairly expected by the market, we treat it as slightly positive for the company's stock as such move is additional testament of Kernel's strong fulfilment of its commitments. We confirm our positive view on KER shares and reiterate our BUY recommendation for the stock with the target price of PLN 50.2 suggesting a 32% upside potential.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
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	11.4	17.96	58%	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	24.0	90.0	275%	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	2.6	1.4	-47%	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.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	65.5	48.0	-27%	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	-30%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.36	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	2576	5250	104%	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	4.8	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.
<b>Power Utilities</b>						
DonbasEnergO	DOEN	22.0	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	7.89	15.00	90%	BUY	CentrEnergO'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	0.095	0.24	153%	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	1016.28	1368.76	908.88	-0.8%	-2.8%	-6.6%	-1.6%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.013	0.045	0.011	0.0%	-2.2%	-6.3%	-8.3%	0.8%	0.6%	0.2%	-6.6%
Azovstal	AZST	0.79	0.95	0.35	-0.6%	-2.8%	-0.8%	6.3%	0.2%	-0.1%	5.8%	8.0%
Enakievo Steel	ENMZ	17.58	65.00	14.81	-1.6%	-4.2%	0.9%	-16.1%	-0.8%	-1.4%	7.4%	-14.4%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.36	3.62	1.10	-0.9%	-5.9%	-3.3%	-21.3%	-0.1%	-3.1%	3.2%	-19.6%
Yasnyivsky Coking	YASK	0.28	0.84	0.18	7.7%	-6.7%	-20.0%	0.0%	8.5%	-3.9%	-13.4%	1.6%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	6.10	n/a	n/a	-38.9%	-30.7%	-28.2%	-21.7%	-38.1%	-27.9%	-21.7%	-20.0%
Ferrexpo	FXPO	67.00	155.00	47.91	1.9%	6.8%	27.0%	26.4%	2.7%	9.5%	33.6%	28.1%
Pivnichny GOK	SGOK	8.33	12.30	4.44	0.0%	9.0%	-2.0%	-0.5%	0.8%	11.8%	4.6%	1.2%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.23	0.79	0.17	-52.1%	-52.1%	-52.1%	-51.1%	-51.3%	-49.3%	-45.5%	-49.4%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.40	1.01	0.20	0.0%	-18.4%	-31.0%	5.3%	0.8%	-15.6%	-24.5%	6.9%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	10.38	21.60	9.73	-0.9%	-8.3%	-8.9%	-19.2%	-0.1%	-5.5%	-2.4%	-17.6%
Luhanskeplovoz	LTPL	1.50	1.80	0.85	0.0%	0.0%	0.0%	38.9%	0.8%	2.8%	6.6%	40.5%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2576	2939	1672	0.3%	-0.1%	-5.7%	3.7%	1.1%	2.7%	0.9%	5.4%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Telecom</b>												
Ukrtelecom	UTLM	0.17	0.20	0.09	-3.1%	0.5%	9.4%	11.5%	-2.3%	3.2%	15.9%	13.2%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.75	10.50	3.13	5.6%	0.0%	2.8%	52.0%	6.4%	2.8%	9.4%	53.6%
JKX Oil	JKX	31.00	62.00	11.00	0.0%	0.0%	-10.8%	158.3%	0.8%	2.8%	-4.2%	160.0%
Ukrnafta	UNAF	284.6	375.0	54.0	-1.4%	-7.8%	-8.1%	40.0%	-0.6%	-5.1%	-1.6%	41.6%
<b>Power Utilities</b>												
Centrenergo	CEEN	7.89	8.70	3.00	-0.8%	-2.1%	-0.7%	4.6%	0.0%	0.7%	5.9%	6.2%
Donbasenergo	DOEN	22.00	50.16	11.00	-3.0%	-2.2%	-24.1%	-33.3%	-2.2%	0.5%	-17.6%	-31.7%
Zakhidenergo	ZAEN	174.0	199.8	91.2	0.0%	-2.1%	8.7%	17.5%	0.8%	0.7%	15.3%	19.1%
<b>Consumer</b>												
Agroton	AGT	1.14	3.19	1.05	-1.7%	-0.9%	-9.5%	-7.3%	-0.9%	1.9%	-2.9%	-5.7%
Astarta	AST	24.10	47.95	14.50	-4.7%	11.3%	2.1%	20.5%	-3.9%	14.1%	8.7%	22.1%
Avangardo	AVGR	2.55	10.27	1.83	0.0%	-3.0%	-3.8%	24.4%	0.8%	-0.3%	2.8%	26.0%
Industrial Milk Company	IMC	5.64	10.39	5.00	2.7%	8.3%	-1.9%	-0.5%	3.5%	11.0%	4.7%	1.1%
Kernel	KER	39.10	39.25	22.00	-0.4%	-0.2%	23.5%	37.4%	0.4%	2.6%	30.1%	39.0%
Mriya Agro Holding	MAYA	0.40	5.25	0.36	-11.1%	-11.1%	5.3%	-28.8%	-10.3%	-8.3%	11.8%	-27.2%
MHPC	MHPC	10.95	15.77	8.24	0.0%	7.4%	21.0%	19.0%	0.8%	10.1%	27.6%	20.7%
Milkiland	MLK	2.29	7.70	1.48	-1.3%	0.0%	-24.7%	54.7%	-0.5%	2.8%	-18.1%	56.4%
Ovostar Union	OVO	70.00	74.87	64.00	1.4%	1.4%	2.9%	-2.8%	2.2%	4.2%	9.5%	-1.1%
<b>Chemicals</b>												
Stirol	STIR	6.55	n/a	n/a	-27.0%	-27.0%	-25.6%	-5.5%	-26.2%	-24.2%	-19.0%	-3.8%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.095	0.190	0.086	-0.9%	-1.6%	-10.3%	-1.4%	-0.1%	1.2%	-3.7%	0.3%
UkrSotsbank	USCB	0.110	0.200	0.090	0.0%	0.0%	7.3%	-15.5%	0.8%	2.8%	13.9%	-13.9%

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
<b>Steel</b>																
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%
<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	-5	7.8%	neg	neg	-3	-13	-10	neg	neg	neg
<b>Iron Ore Mining</b>																
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%
<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	69	70	36.7%	46.9%	46.7%	7	-80	5	3.6%	neg	3.3%
<b>Electric Utilities</b>																
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
<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	422	355	91	143	109	15.5%	28.3%	25.5%	34	-82	27	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%
<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	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			
<b>Steel</b>																		
Alchevsk Steel	ALMK	15	3.9%	1	2,629	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	148	3.0%	4	141	neg	1.9	2.9	neg	0.9	1.4	0.1	0.1	0.1	31	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	3	9.0%	0	4	neg	neg	neg	0.1	neg	neg	0.0	0.0	0.0	0.1	neg	neg	\$/tonne
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	317	0.3%	1	316	1.6	2.8	3.9	1.0	1.4	2.0	0.5	0.5	0.6				
Pivnichny GOK	SGOK	851	0.4%	3	845	1.6	2.6	3.8	0.9	1.3	1.8	0.5	0.6	0.6				
Ferrexpo	FXPO	575	24.0%	138	1,253	2.2	3.1	5.9	2.5	2.5	4.9	0.8	0.9	1.2				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	46	2.0%	1	92	9.8	2.0	25.0	2.9	2.1	5.2	0.3	0.5	1.0	146	242	230	\$/tonne
<b>Railcar Manufacturing</b>																		
LuganskTeplovoz	LTPL	15	24.0%	3	52	0.8	neg	n/a	1.5	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	53	5.0%	3	47	1.3	neg	neg	0.9	neg	9.4	0.1	0.4	0.7				
<b>Specialized Machinery</b>																		
Turboatom	TATM	66	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	237	24.0%	57	223	1.5	1.8	3.6	0.6	0.7	1.4	0.2	0.3	0.5				
<b>Telecom</b>																		
Ukrtelecom	UTLM	141	7.2%	10	225	8.3	8.9	17.7	1.2	2.2	3.2	0.3	0.6	1.0				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	684	3.0%	21	681	29.4	21.6	>30	2.4	4.3	5.1	0.3	0.4	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	22	21.6%	5	-3	neg	11.2	7.4	neg	-0.2	-0.2	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	78	50.4%	39	186	12.0	neg	15.6	2.8	2.7	2.7	1.0	1.3	1.2	34	26	25	\$/boe
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	129	21.7%	28	116	2.2	25.5	neg	1.2	7.1	neg	0.1	0.2	0.2	7	8	7	\$/MWh
DonbasEnerg	DOEN	23	14.2%	3	53	0.4	2.7	neg	0.7	2.7	neg	0.1	0.1	0.3	6	7	7	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	1,157	34.1%	395	2,237	7.1	neg	11.9	5.7	4.2	4.1	1.5	1.5	1.4				
Kernel	KER	819	61.8%	506	1,554	7.8	neg	6.6	5.3	7.0	4.8	0.6	0.6	0.7				
Astarta	AST	158	37.0%	59	406	4.6	neg	5.9	4.5	2.8	3.7	0.8	1.0	1.1				
Avangardco	AVGR	163	22.5%	37	389	0.7	neg	neg	1.3	3.0	4.1	0.6	0.9	1.1	88	67	63	\$/mneqgs
Ovostar	OVO	110	25.0%	28	117	3.6	3.7	4.5	3.3	3.6	4.7	1.4	1.6	1.5	n/a	n/a	n/a	
<b>Banks</b>																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	126	3.5%	4		1.4	neg	neg	0.1	0.3	0.3	0.02	0.04	0.05				
Ukrsotsbank	USCB	90	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.02	0.03	0.04				

Source: Eavex Research

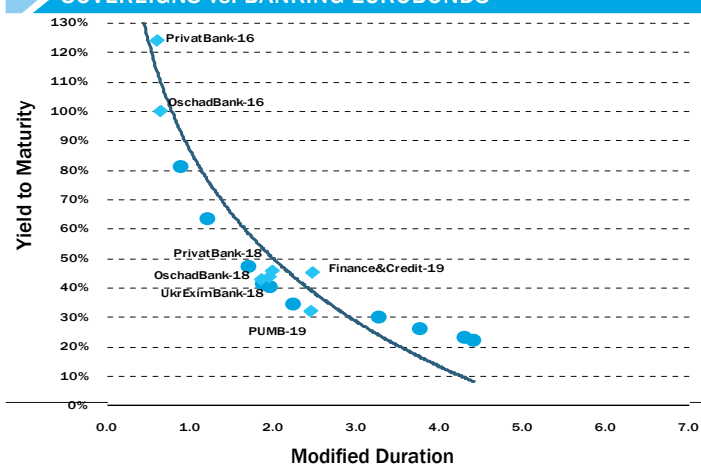
UKRAINIAN EUROBONDS

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	242.7%	224.8%	-32.3%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CCC-/CC
Ukraine, 2015	47.0	49.5	249.7%	237.1%	-31.4%	0.2	6.875%	S/A	23 Sept 2015	500	Ca/CCC-/CC
Ukraine, 2016	43.4	44.8	71.8%	68.9%	-29.7%	1.1	6.58%	S/A	21 Nov 2016	1,000	Ca/CCC-/CC
Ukraine, 2016-2	43.5	44.6	96.6%	93.2%	-32.0%	0.7	6.25%	S/A	17 Jun 2016	1,250	Ca/CCC-/CC
Ukraine, 2017	39.0	40.0	52.4%	51.0%	-37.5%	1.7	6.75%	S/A	14 Nov 2017	700	Ca/CCC-/CC
Ukraine, 2017-2	39.8	41.0	61.8%	59.8%	-35.1%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CCC-/CC
Ukraine, 2017 Infr. projects	38.5	41.0	56.8%	53.2%	-35.4%	1.6	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	38.0	40.0	48.6%	46.2%	-35.0%	1.9	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	41.3	43.3	30.5%	29.2%	-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%	3.4	7.95%	S/A	23 Feb 2021	1,500	Ca/CCC-/CC
Ukraine, 2022	39.3	40.3	26.9%	26.3%	-34.0%	3.9	7.80%	S/A	28 Nov 2022	1,250	Ca/CCC-/CC
Ukraine, 2023	41.0	42.0	24.8%	24.2%	-30.1%	4.1	7.50%	S/A	17 Apr 2023	1,250	Ca/CCC-/CC
<b>Corporate Eurobonds</b>											
Agroton, 2019	30.1	35.3	45.1%	39.2%	-3.3%	2.7	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	95.0	99.0	139.2%	34.7%	2.1%	0.0	10.25%	S/A	29 Apr 2015	235	Caa3//CC
MHP, 2020	70.6	73.7	17.3%	16.1%	4.5%	3.7	8.25%	S/A	2 Apr 2020	750	/CCC-/CC
Avangardco, 2015	40.0	40.0	286.0%	286.0%	-38.0%	0.2	10.00%	S/A	29 Oct 2015	200	/CCC-/
UkrLandFarming, 2018	40.8	40.8	52.4%	52.4%	-12.4%	1.8	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	11.0	14.0	448.3%	371.9%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	14.0	135.4%	115.3%	-3.8%	1.3	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	65.0	70.0	1410.1%		-12.9%	0.0	9.50%	S/A	28 Apr 2015	200	Caa3//C
DTEK, 2018	39.0	42.0	48.9%	45.2%	-11.0%	2.0	7.88%	S/A	4 Apr 2018	750	Caa3//C
Metinvest, 2015	65.0	70.0	535.6%	430.1%	-16.1%	0.1	10.25%	S/A	20 May 2015	114	Caa3//CC
Metinvest, 2017	48.0	53.0	46.9%	41.5%	-27.9%	1.2	10.50%	S/A	28 Nov 2017	290	//CC
Metinvest, 2018	47.0	49.0	42.7%	40.6%	-13.5%	2.0	8.75%	S/A	14 Feb 2018	750	Caa3//CC
Ferrexpo, 2016	80.0	82.0	33.4%	30.4%	5.2%	0.8	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/CC
Ferrexpo, 2019	78.1	80.5	18.4%	17.4%	n/a	2.7	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2018	39.0	43.0	50.2%	45.5%	-22.7%	1.9	9.50%	S/A	21 May 2018	500	/CC-/CC
Interepipe, 2017	15.0	25.0	154.5%	103.1%	-63.6%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.8	74.0	27.5%	25.5%	24.3%	1.5	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	10.0	15.0	120.7%	91.9%	-84.9%	1.4	9.25%	S/A	25 Jan 2019	100	Ca//
PUMB, 2018	40.0	45.0	44.9%	40.1%	-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	44.0	49.0	305.7%	252.0%	-25.6%	0.2	9.38%	S/A	23 Sept 2015	200	Ca//
PrivatBank, 2016	25.0	35.0	281.4%	192.0%	-39.4%	0.4	8.75%	S/A	9 Feb 2016	150	Ca//
PrivatBank, 2018	40.0	42.6	54.3%	50.9%	-30.0%	1.8	10.88%	S/A	28 Feb 2018	175	Ca//CC
UkrEximBank, 2015	62.6	62.6			-19.3%	0.0	8.38%	S/A	27 Apr 2015	750	Ca//CC
UkrEximBank, 2016	35.0	45.0	191.9%	136.0%	-15.8%	0.5	5.79%	S/A	2 Sept 2016	125	Ca//CC
UkrEximBank, 2018	52.0	55.0	38.3%	35.5%	-5.3%	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	53.1	55.8	96.9%	89.0%	-6.9%	0.6	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	51.8	54.0	37.2%	35.2%	-6.3%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	41.1	44.5	258.1%	227.2%	-41.0%	0.3	8.00%	S/A	6 Nov 2015	250	Ca/CCC/
City of Kyiv, 2016	41.1	44.5	103.4%	93.5%	-39.4%	0.8	9.375%	S/A	30 Jun 2016	300	Ca/CCC/

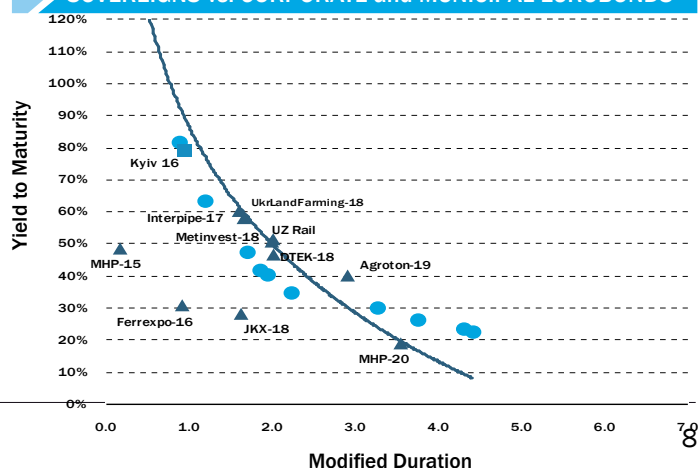
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

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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