

Market Update

Equity

Locally-listed Ukrainian equities finished mostly lower on Friday (Apr 17), dragged down by slumping heavyweight UkrNafta (UNAF), which matched its Thursday performance with another 3.8% loss to end at UAH 250. News that Finance Minister Natalia Jaresko rejected a maturity extension offer from Ukraine's sovereign creditors on the grounds that it provides insufficient debt relief, appeared too late to affect trading. The UX index declined by 0.7% to finish at 1014 points, supported by small gains in other blue chips. Motor Sich (MSICH) was essentially unchanged at UAH 2608 while CentrEnero (CEEN) climbed by half a percent and Raiffeisen Aval (BAVL) added 0.6% to 9.72 kopecks. Among positive news for Ukrainian economy over the day was the EU's approval of a disbursement of an EUR 1.8bn loan to Kyiv. In London, Ferrexpo (FXPO) retreated by 2.8% to GBP 68.25 and MHP (MHPC) corrected by 3.5% to USD 11.00. Warsaw-listed Kernel (KER) and Ovostar (OVO) each gained 4.3%, with the former ending the week at PLN 38.60.

Fixed Income

Ukrainian sovereigns were flat on Friday with Ukraine-23s finishing unchanged at 45.0/46.0 (22.7%/22.2%). Corporate names were also sluggish with Metinvest-18s closing flat at 54.0/57.0 (36.1%/33.5%) and MHP-20s inching up by 0.3p.p. to 71.0/73.5 (17.2%/16.3%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	250.90	-3.8%	1.6	208
Motor Sich	MSICH	2608.00	-0.1%	1.0	31
Raiffeisen Bank Aval	BAVL	0.10	0.6%	0.4	22

Growth Leaders

Pokrovske Mine	SHCHZ	0.29	15.6%	0.02	17
Raiffeisen Bank Aval	BAVL	0.10	0.6%	0.43	22
Centrenergo	CEEN	7.95	0.5%	0.42	37

Loss Leaders

Ukrnafta	UNAF	250.90	-3.8%	1.639	208
Alchevsk Steel	ALMK	0.01	-3.0%	0.008	33
Azovstal	AZST	0.80	-1.4%	0.387	28

Highlights

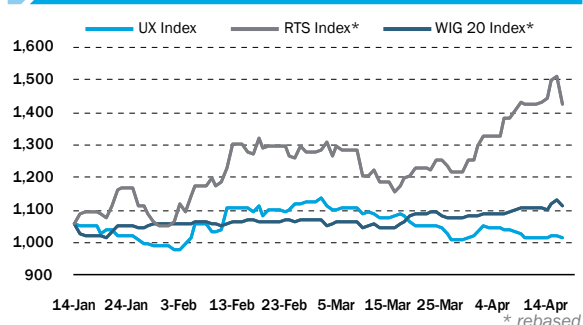
POLITICS AND ECONOMICS

- Militant Group Claims Responsibility for Kyiv Journalist Killing

STOCKS IN THE NEWS

- IMC's EBITDA Up 16% YoY in FY14 Despite Lower Crop Pricing

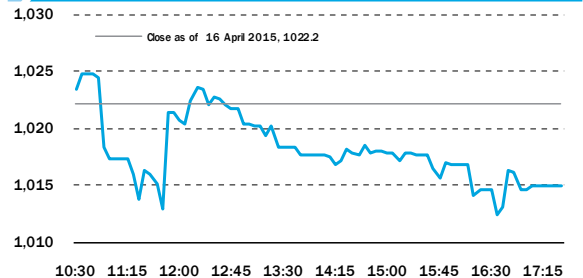
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1015.0	-0.7%	-6.8%	-1.8%
RTS	999.0	-5.9%	21.4%	26.3%
WIG20	2464.0	-1.6%	5.7%	6.4%
MSCI EM	1042.7	-0.9%	9.9%	9.0%
S&P 500	2081.2	-1.1%	0.3%	1.1%

UX INTRADAY APRIL 17, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	395.8	1.9%	-8.5%	-2.1%
CDS 5Y UKR	3884.6	0.0%	48.7%	73.9%
Ukraine-17	46.2%	0.0 p.p.	5.8 p.p.	20.5 p.p.
Ferrexpo-16	32.4%	0.1 p.p.	-0.7 p.p.	1.1 p.p.
Ukraine-23	22.5%	0.0 p.p.	-1.1 p.p.	15.0 p.p.
Privatbank-16	233.6%	5.4 p.p.	-95.0 p.p.	148.2 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	20.95	0.0%	-6.4%	32.4%
EUR	22.64	0.4%	-4.5%	18.3%
RUB	0.40	-4.2%	10.6%	46.7%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	199.5	0.0%	-0.8%	-18.9%
Steel, USD/t	370.0	0.0%	-2.0%	-17.8%
Oil, USD/bbl	63.5	-0.8%	16.3%	7.2%
Gold, USD/oz	1204.3	0.5%	4.8%	1.6%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Militant Group Claims Responsibility for Kyiv Journalist Killing

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

NEWS

Amnesty International, one of the world's top human rights advocacy groups, on Friday (Apr 17) called for a prompt Ukrainian government investigation into Thursday's shooting death of journalist Oles Buzina outside his apartment in central Kyiv. A previously unknown militant group calling itself the Ukrainian Insurgent Army claimed responsibility for the crime on Friday by sending an email to one of the country's best-known political analysts, Volodymyr Fesenko. Fesenko cited the group's message as stating: "We are launching a ruthless insurgency against the anti-Ukrainian regime of traitors and Moscow's lackeys, and from now on we will speak to them only in the language of arms until they are completely eliminated". Buzina recently served a 3-month stint as chief editor of the capital's largest daily newspaper, the Rinat Akhmetov-owned Cegodnya. Buzina's views were regarded as supporting the Party of Regions and Opposition Bloc, i.e. in the mainstream of pro-Russian-leaning Ukrainian politics.

COMMENTARY

Although Ukrainian government officials were quick to blame Buzina's killing on Moscow, we tend to support Fesenko's hypothesis that this and other recent murders of pro-Russian Ukrainian politicians may indeed be the work of fringe Ukrainian nationalist groups, possibly acting in cooperation and with funding from the Russian special services. Vitriolic rants such as the one quoted by Fesenko are heard frequently in the extreme nationalist community, and in our view, there is a real danger that militant nationalist groups could join forces with the Kremlin against their perceived common enemy, the moderate pro-European government in Kyiv. We would further opine that the recent events in Kyiv show that the Poroshenko/Yatseniuk-led government has perhaps been too concerned with what could go wrong in the Donbass, while not paying sufficient attention to what could go wrong right in its own backyard in Ukraine's capital city.

IMC's EBITDA Up 16% YoY in FY14 Despite Lower Crop Pricing

by Ivan Dzvinka
i.dzvinka@eavex.com.ua

IMC (IMC PW)

Price: PLN 5.50 Market Cap: USD 46mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2013	1.5	1.8	3.4	0%
2014	1.2	neg	3.0	0%

NEWS

Central-Ukraine-based crop grower Industrial Milk Company (IMC) increased its net revenue by 20% YoY to USD 138mn in full-year 2014, fuelled by a 94% increase in corn sales (IMC's core crop) to USD 90mn, the company reported on Friday (Apr 17). Corn sales volume jumped 2.5x YoY to 506,000 tonnes, while IMC's total crop sales volume grew by 72% YoY to 649,000 tonnes. To a large extent, this was offset by the downward trend in prices (the company's average achieved price for corn declined by 21% YoY in 2014 to USD 177/t). Gross profit was up by 15% to USD 62mn and EBITDA improved by the same 16% to USD 57mn. A 50% increase in interest expenses to USD 19mn and a forex loss of USD 74mn due to the hryvnia devaluation pushed IMC's bottom line into the red at USD -47mn, compared to profit of USD 26mn in FY13.

In the release, IMC admitted that last year, it breached some unspecified covenants set by its lenders due to Ukraine's currency devaluation. While the company received waivers absolving it from covenant compliance for 2015 from Ukrainian banks, it made no such deal with one undisclosed foreign bank, to which it owes USD 30mn loan (24% of its total debt) due in 2020. Management is in negotiations with the foreign bank and says it has strong confidence that a waiver will eventually be received.

Regarding guidance for FY15, management said it expects flat year-on-year revenue, with EBITDA growth of 10% YoY. IMC said its forecasts are based on an average exchange rate of 24 UAH/USD.

Commenting on long term targets, IMC repeated its intention to expand its land bank to 285,000 hectares by 2019 from the current 137,000 ha. The company projects that it will earn USD 109mn in EBITDA in 2019 (91% more than the FY14 figure).

COMMENTARY

With flat (YoY) net debt of USD 124mn as of end-2014, IMC's Net Debt/EBITDA ratio improved from 2.5x to 2.2x on the higher EBITDA. Given the improved leverage ratio over 2014, we presume the covenants breached are a net loss for the year, and possibly balance sheet-based ratios (like the solvency ratio), which deteriorated due to an 82% drop in total equity. This led to a near-halving of IMC's total assets in USD terms, to USD 184mn from USD 362mn as of end-2013. Yet there are a number of reasons to be bullish on IMC: its improved 2014 operating earnings despite adverse crop pricing, export sales at 68% in the revenue mix, no exposure to the Donbass, and further deleveraging this year should all serve as grounds to obtain a covenant waiver from the foreign bank, we presume. The company reported previously that it plans to reduce its total debt by some USD 27mn to USD 100mn as of end-2015. This implies that IMC plans to prolong or refinance about half of its existing short-term debt of USD 60mn.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	38.6	50.2	30%	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	11.0	17.96	63%	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	2.8	1.4	-51%	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	73.0	80.8	11%	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	68.3	48.0	-30%	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	0.80	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	2608	5250	101%	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	29.0	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	22.3	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	7.95	15.00	89%	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	0.098	0.24	145%	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	1014.95	1368.76	908.88	-0.7%	-0.1%	-6.8%	-1.8%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.045	0.011	-4.4%	-1.5%	-8.4%	-9.7%	-3.7%	-1.4%	-1.6%	-7.9%
Azovstal	AZST	0.80	0.95	0.35	-1.8%	1.5%	-0.5%	7.9%	-1.1%	1.6%	6.3%	9.7%
Enakievo Steel	ENMZ	17.62	65.00	14.81	0.2%	0.2%	3.6%	-15.9%	0.9%	0.4%	10.4%	-14.1%
Coke												
Avdyivka Coke	AVDK	1.38	3.62	1.10	-0.3%	1.2%	-4.6%	-20.3%	0.4%	1.3%	2.1%	-18.6%
Yasynivsky Coking	YASK	0.30	0.84	0.18	0.0%	7.1%	-14.3%	7.1%	0.7%	7.3%	-7.5%	8.9%
Iron Ore Mining												
Centralny GOK	CGOK	6.10	n/a	n/a	0.0%	0.0%	-33.7%	-21.7%	0.7%	0.1%	-26.9%	-19.9%
Ferrexpo	FXPO	68.25	155.00	47.91	-2.8%	1.9%	13.3%	28.8%	-2.1%	2.0%	20.1%	30.5%
Pivnichny GOK	SGOK	7.80	12.30	4.44	-0.1%	-6.4%	-8.2%	-6.8%	0.6%	-6.2%	-1.5%	-5.0%
Coal Mining												
Pokrovske Mine	SHCHZ	0.29	0.79	0.17	26.1%	26.1%	-39.6%	-38.3%	26.8%	26.2%	-32.8%	-36.5%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.40	1.01	0.20	0.0%	0.0%	-27.3%	5.3%	0.7%	0.1%	-20.5%	7.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.34	21.60	9.73	-1.0%	-0.4%	-12.7%	-19.5%	-0.2%	-0.3%	-6.0%	-17.8%
Luhanskteplovoz	LTPL	1.50	1.80	0.85	0.0%	0.0%	0.0%	38.9%	0.7%	0.1%	6.8%	40.7%
Specialized Machinery												
Motor Sich	MSICH	2608	2939	1672	0.0%	1.2%	-6.8%	5.0%	0.7%	1.4%	0.0%	6.8%
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	0.18	0.20	0.09	0.0%	9.0%	23.2%	21.6%	0.7%	9.2%	30.0%	23.4%
Oil & Gas												
Regal Petroleum	RPT	4.77	10.25	3.13	0.0%	0.4%	12.4%	52.6%	0.7%	0.6%	19.1%	54.4%
JKX Oil	JKX	29.00	62.00	11.00	0.0%	-6.5%	-18.3%	141.7%	0.7%	-6.3%	-11.5%	143.4%
Ukrnafta	UNAF	250.9	375.0	54.0	-3.7%	-11.8%	-18.2%	23.4%	-3.0%	-11.7%	-11.4%	25.2%
Power Utilities												
Centrenergo	CEEN	7.95	8.70	3.00	0.8%	0.8%	-2.4%	5.4%	1.5%	0.9%	4.4%	7.2%
Donbasenergo	DOEN	22.32	50.16	11.00	-0.5%	1.5%	-10.5%	-32.4%	0.2%	1.6%	-3.7%	-30.6%
Zakhidenergo	ZAEN	150.0	199.8	91.2	0.0%	-13.8%	-7.3%	1.3%	0.7%	-13.7%	-0.5%	3.1%
Consumer												
Agroton	AGT	1.16	3.19	1.05	-3.3%	1.8%	-10.8%	-5.7%	-2.6%	1.9%	-4.0%	-3.9%
Astarta	AST	24.00	47.95	14.50	0.0%	-0.4%	0.0%	20.0%	0.7%	-0.3%	6.8%	21.8%
Avangardo	AVGR	2.78	10.27	1.83	-0.9%	8.8%	-13.3%	35.4%	-0.2%	9.0%	-6.5%	37.1%
Industrial Milk Company	IMC	5.50	10.39	5.00	-3.5%	-2.5%	0.4%	-3.0%	-2.8%	-2.4%	7.1%	-1.2%
Kernel	KER	38.60	39.25	22.00	5.7%	-1.3%	15.9%	35.6%	6.4%	-1.1%	22.7%	37.4%
Mriya Agro Holding	MAYA	0.32	5.25	0.32	-5.3%	-19.5%	-24.9%	-42.7%	-4.6%	-19.4%	-18.2%	-40.9%
MHPC	MHPC	11.00	15.77	8.24	-3.5%	0.5%	22.2%	19.6%	-2.8%	0.6%	29.0%	21.3%
Milkiland	MLK	2.88	7.57	1.48	-1.4%	25.8%	12.1%	94.6%	-0.7%	25.9%	18.8%	96.4%
Ovostar Union	OVO	72.99	74.87	64.00	4.3%	4.3%	4.9%	1.4%	5.0%	4.4%	11.7%	3.2%
Chemicals												
Stirol	STIR	6.00	n/a	n/a	0.0%	-8.4%	-31.8%	-13.4%	0.7%	-8.3%	-25.0%	-11.6%
Banks												
Raiffeisen Bank Aval	BAVL	0.098	0.190	0.086	0.6%	3.3%	-7.3%	1.9%	1.3%	3.4%	-0.5%	3.7%
UkrSotsbank	USCB	0.110	0.200	0.090	-0.1%	-0.1%	1.8%	-15.6%	0.6%	0.0%	8.5%	-13.8%

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	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	29	25	43.7%	38.9%	31.6%	31	26	24	38.0%	34.5%	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	16	3.9%	1	2,630	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	680	634	615	\$/tonne
Yenakievo Steel	ENMZ	9	8.8%	1	7	neg	neg	neg	neg	0.1	0.1	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	161	3.0%	5	155	neg	2.1	3.2	neg	1.0	1.5	0.1	0.1	0.1	34	34	34	\$/tonne
Coke																		
Avdiyivka 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	341	0.3%	1	340	1.8	3.0	4.2	1.1	1.5	2.1	0.5	0.6	0.6				
Pivnichny GOK	SGOK	858	0.4%	3	851	1.6	2.7	3.8	0.9	1.3	1.8	0.5	0.6	0.6				
Ferrexpo	FXPO	597	24.0%	143	1,275	2.3	3.2	6.1	2.5	2.6	5.0	0.8	0.9	1.2				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	50	2.0%	1	95	10.6	2.2	26.9	3.0	2.2	5.4	0.3	0.5	1.0	151	251	238	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	16	24.0%	4	53	0.8	neg	n/a	1.5	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	57	5.0%	3	51	1.4	neg	neg	1.0	neg	10.1	0.1	0.4	0.8				
Specialized Machinery																		
Turboatom	TATM	71	5.8%	4	40	1.0	1.3	3.1	0.4	0.5	1.1	0.2	0.2	0.4				
Motor Sich	MSICH	259	24.0%	62	244	1.6	2.0	3.9	0.6	0.7	1.5	0.2	0.3	0.5				
Telecom																		
Ukrtelecom	UTLM	165	7.2%	12	250	9.7	10.4	20.8	1.3	2.4	3.5	0.3	0.7	1.1				
Oil & Gas																		
Ukrnafta	UNAF	649	3.0%	19	646	27.9	20.5	>30	2.3	4.0	4.9	0.2	0.4	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	23	21.6%	5	-2	neg	11.4	7.6	neg	-0.1	-0.2	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	74	50.4%	37	183	11.4	neg	14.9	2.8	2.7	2.6	1.0	1.3	1.2	33	25	24	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	140	21.7%	30	127	2.3	27.6	neg	1.3	7.8	neg	0.1	0.2	0.2	7	9	8	\$/MWh
DonbasEnergO	DOEN	25	14.2%	4	55	0.4	3.0	neg	0.8	2.8	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,162	34.1%	396	2,242	7.2	neg	12.0	5.7	4.2	4.1	1.5	1.5	1.5				
Kernel	KER	824	61.8%	509	1,560	7.9	neg	6.6	5.4	7.0	4.8	0.6	0.7	0.7				
Astarta	AST	161	37.0%	60	408	4.7	neg	6.0	4.5	2.8	3.8	0.8	1.0	1.1				
Avangardco	AVGR	177	22.5%	40	403	0.7	neg	neg	1.3	3.1	4.3	0.6	1.0	1.1	91	69	65	\$/mneqgs
Ovostar	OVO	117	25.0%	29	124	3.8	4.5	4.8	3.5	4.3	5.0	1.5	1.7	1.6	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	140	3.5%	5		1.6	neg	neg	0.2	0.4	0.4	0.03	0.05	0.05				
Ukrsotsbank	USCB	97	1.0%	1		>30	>30	>30	0.1	0.2	0.3	0.02	0.03	0.04				

Source: Eavex Research

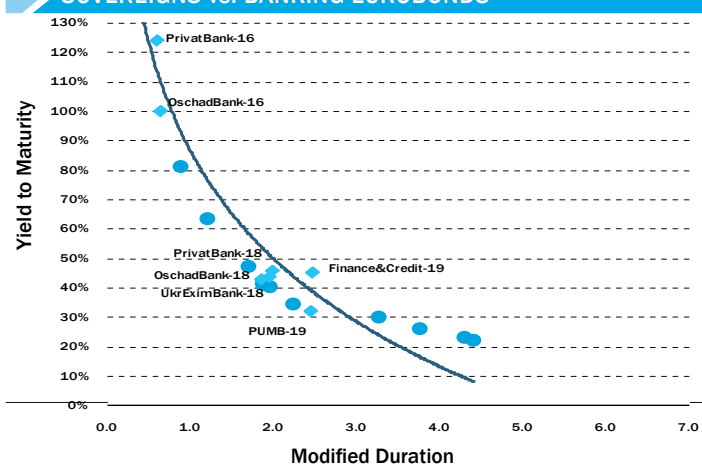
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2015 (EUR)	45.0	47.0	251.5%	233.0%	-32.3%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	49.0	50.7	260.5%	244.5%	-29.1%	0.2	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	43.6	44.9	71.7%	69.2%	-29.4%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	43.6	44.9	97.9%	94.1%	-31.7%	0.7	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	43.5	44.5	46.8%	45.6%	-30.4%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	44.0	44.8	55.6%	54.6%	-28.7%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	39.0	41.0	56.4%	53.5%	-35.0%	1.6	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	38.5	40.5	48.3%	45.8%	-34.2%	2.1	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	43.5	44.5	29.0%	28.4%	-26.2%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	44.0	45.0	27.9%	27.3%	-25.1%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	44.3	46.0	24.1%	23.2%	-25.0%	4.1	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	45.0	46.0	22.7%	22.2%	-23.3%	4.6	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	30.1	35.3	45.4%	39.4%	-3.3%	2.7	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015	95.0	99.0	267.6%	59.3%	2.1%	0.0	10.25%	S/A	29 Apr 2015	235	Caa3//CC
MHP, 2020	71.0	73.5	17.2%	16.3%	4.7%	3.7	8.25%	S/A	2 Apr 2020	750	/CCC//CC
Avangardco, 2015	41.2	41.2	287.9%	287.9%	-36.1%	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	464.2%	384.4%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	14.0	116.7%	101.4%	-3.8%	1.6	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	65.0	70.0			-12.9%	0.0	9.50%	S/A	28 Apr 2015	200	Caa3//C
DTEK, 2018	41.0	44.0	46.6%	43.2%	-6.6%	2.1	7.88%	S/A	4 Apr 2018	750	Caa3//C
Metinvest, 2015	68.0	73.0	583.0%	462.2%	-12.4%	0.1	10.25%	S/A	20 May 2015	114	Caa3//CC
Metinvest, 2017	56.0	61.0	38.8%	34.3%	-16.4%	1.2	10.50%	S/A	28 Nov 2017	290	//CC
Metinvest, 2018	54.0	57.0	36.1%	33.5%	-0.1%	2.0	8.75%	S/A	14 Feb 2018	750	Caa3//CC
Ferrexpo, 2016	80.0	82.0	33.9%	30.9%	5.2%	0.8	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/CC
Ferrexpo, 2019	77.5	80.0	18.7%	17.6%	n/a	2.6	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2018	41.0	44.7	48.0%	43.8%	-19.1%	1.9	9.50%	S/A	21 May 2018	500	/CC/CC
Interepipe, 2017	15.0	25.0	157.2%	104.5%	-63.6%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	69.8	73.1	28.2%	26.1%	22.7%	1.5	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	15.0	121.0%	92.2%	-84.9%	1.4	9.25%	S/A	25 Jan 2019	100	Ca//
PUMB, 2018	40.0	45.0	45.1%	40.2%	-37.0%	2.2	11.00%	Q	31 Dec 2018	275	Ca//
Nadra Bank, 2018	7.0	12.0	n/a	n/a	-24.0%	0.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	46.0	51.0	293.8%	242.5%	-22.4%	0.2	9.38%	S/A	23 Sept 2015	200	Ca//
PrivatBank, 2016	28.0	33.0	257.3%	212.7%	-38.4%	0.4	8.75%	S/A	9 Feb 2016	150	Ca//
PrivatBank, 2018	45.0	50.0	48.2%	42.8%	-28.6%	1.9	10.88%	S/A	28 Feb 2018	175	Ca//CC
UkrEximBank, 2015	67.0	67.0			-13.5%	0.0	8.38%	S/A	27 Apr 2015	750	Ca//CC
UkrEximBank, 2016	37.0	45.0	184.2%	139.9%	-13.7%	0.5	5.79%	S/A	2 Sept 2016	125	Ca//CC
UkrEximBank, 2018	59.0	62.0	32.3%	29.9%	7.1%	2.0	8.75%	S/A	22 Jan 2018	500	Ca//CC
VAB Bank, 2019	2.0	6.0	n/a	n/a	-38.5%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	59.0	62.0	81.6%	73.7%	3.4%	0.6	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	58.0	61.0	32.1%	29.8%	5.4%	2.2	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	42.1	45.9	261.2%	226.4%	-39.4%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CCC/
City of Kyiv, 2016	35.0	45.0	126.8%	93.6%	-43.4%	0.8	9.375%	S/A	30 Jun 2016	300	Ca/CCC/

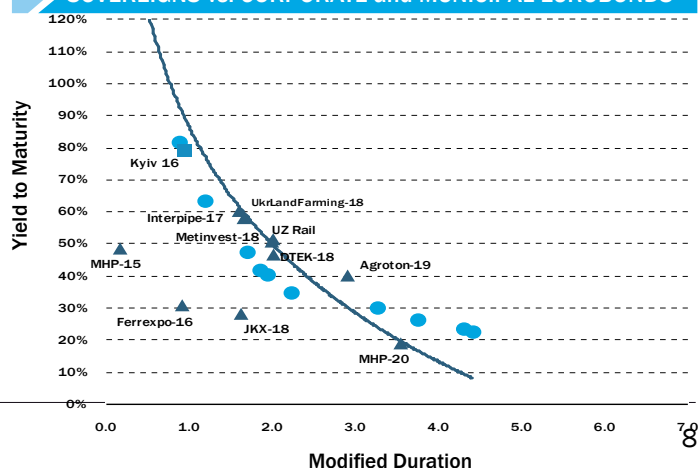
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING 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