

**Market Update**

**Equity**

Kyiv-listed stocks were mostly lower on Tuesday (Apr 28), correcting after four sessions of growth. The UX index declined by 0.8% to close at 1059 points. Trading volumes in all of the UX heavyweight components (with the exception of CentrEnerg's UAH 1.0mn) were well below their daily average levels. Motor Sich (MSICH) shed 1.5% to close at UAH 2733 per share, and UkrNafta (UNAF) retreated by 2.7% to UAH 260. Azovstal (ASZT) and CentrEnerg (CEEN) both posted moderate gains of about half a percent each, with the latter finishing at UAH 8.25. In London, Ferrexpo (FXPO) continued to rally on rebounding iron ore prices, picking up 6.4% to GBp 79.25; the benchmark iron ore price is now back at USD 60 per tonne after sinking below USD 50 in early March. Warsaw-listed Kernel (KER) slipped another 1.2% to PLN 35.44, while Astarta (AST) edged up 1.3% to PLN 24.30.

**Fixed Income**

Ukrainian sovereigns were again unchanged on Tuesday with Ukraine-23s finished flat at 47.5/48.8 (21.6%/21.0%). Corporate names were mixed. DTEK-18s declined by 1.0p.p. to 44.0/47.0 (43.4%/40.3%) while MHP-20s inched up by 0.1p.p. to 79.5/81.8 (14.2%/13.4%). The news this morning on repayment by MHP its 2015 bonds should provide positive sentiment for its 2020 papers.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Centrenerg	CEEN	8.25	0.4%	1.0	46
Raiffeisen Bank Aval	BAVL	0.10	-1.4%	0.5	10
Ukrnafta	UNAF	260.90	-2.7%	0.4	39

**Growth Leaders**

Azovstal	AZST	0.84	0.6%	0.11	7
Centrenerg	CEEN	8.25	0.4%	0.99	46
Donbasenerg	DOEN	23.22	-0.5%	0.01	13

**Loss Leaders**

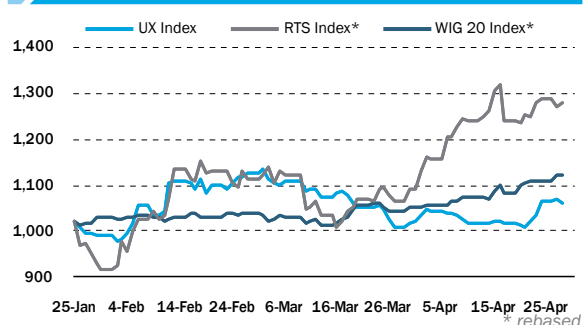
Avdyivka Coke	AVDK	1.39	-3.8%	0.004	28
Ukrnafta	UNAF	260.90	-2.7%	0.360	39
Yenakievo Steel	ENMZ	17.48	-2.3%	0.309	9

**Highlights**

**STOCKS IN THE NEWS**

- > Raiffeisen Aval Reports 1Q Net Loss of UAH 1.8mn

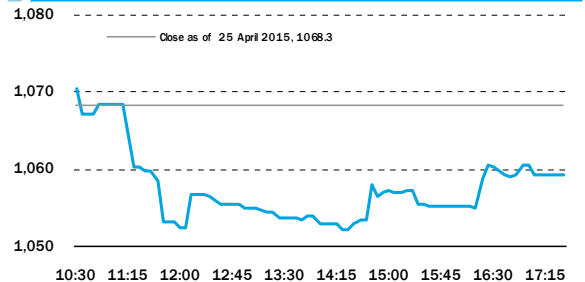
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	1059.3	-0.8%	5.1%	2.5%
RTS	1029.7	0.7%	20.2%	30.2%
WIG20	2549.0	0.0%	7.4%	10.1%
MSCI EM	1067.0	0.1%	11.4%	11.6%
S&P 500	2114.8	0.3%	2.6%	2.7%

**UX INTRADAY APRIL 28, 2015**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	375.5	-0.7%	-8.3%	-7.1%
CDS 5Y UKR	3884.6	0.0%	45.3%	73.9%
Ukraine-17	43.0%	0.0 p.p.	-6.7 p.p.	17.4 p.p.
Ferrexpo-16	28.5%	0.1 p.p.	-2.5 p.p.	-2.8 p.p.
Ukraine-23	21.3%	0.0 p.p.	-2.9 p.p.	13.8 p.p.
Privatbank-16	158.2%	0.7 p.p.	-106.1 p.p.	72.8 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	22.05	-3.9%	-5.9%	39.4%
EUR	24.22	-3.2%	-5.1%	26.5%
RUB	0.44	-0.9%	8.3%	59.7%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	197.1	0.0%	-5.6%	-19.9%
Steel, USD/t	367.5	0.0%	-5.8%	-18.3%
Oil, USD/bbl	64.6	-0.3%	12.8%	9.2%
Gold, USD/oz	1212.2	0.9%	1.1%	2.3%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Raiffeisen Aval Reports 1Q Net Loss of UAH 1.8mn

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

### ▶ RAIFFEISEN BANK AVAL (BAVL UK)

Price: UAH 0.097 Market Cap: USD 128mn

	P/Assets	P/Book	P/E	Div. Yield
2014	0.04	0.3	neg	0%
2015E	0.06	0.4	neg	0%

### NEWS

Raiffeisen Bank Aval, the Ukrainian subsidiary of Vienna-based Raiffeisen International, posted a net loss of UAH 1.84mn for 1Q15 (USD 80mn at the average UAH/USD exchange rate for the period), according to financials published on Friday (Apr 24). The bank's gross interest income rose by 21.6% YoY to UAH 1.85bn and net interest income increased by 16.9% YoY to UAH 1.35bn in the period. Meanwhile, provisions for loan impairment increased by 3.0x YoY to UAH 2.58bn in 1Q15. Administrative expenses were up by 16% YoY to UAH 854mn.

On the balance sheet side, Raiffeisen Aval's loan portfolio increased by 5.4% YtD to UAH 31.3bn, while its total assets rose by 13.2% YtD to UAH 53bn (USD 2.3bn).

### COMMENTARY

The bank posted a net loss of UAH 0.06 per share, which is the largest quarterly net loss in its history. The main reason behind Raiffeisen Aval's grim financial results in 1Q15 is the hryvnia devaluation and corresponding deterioration of the loan portfolio amid tough economic conditions. The official UAH/USD exchange rate, which is used for fair revaluation of foreign-denominated banking assets, rose from 15.77 UAH/USD to 23.44 UAH/USD in 1Q15. The share of foreign-denominated assets in Raiffeisen Aval's total assets amounted to 43.9% (UAH 23.2bn) as of Mar 31, while the share of foreign-denominated liabilities was 54.6% (UAH 26.6bn) for the same date. The bank's capital adequacy ratio was 11.3% as of Mar 31 and current liquidity was 87.4%. The NBU-mandated minimum is 10% for capital adequacy and 40% for current liquidity.

Although we expect Raiffeisen Aval to have a large net loss this year of about UAH 2.5bn, the bank still has an adequate net interest margin which should help to overcome temporary severities. We also believe that Raiffeisen Aval will receive additional capital support from Raiffeisen International later this year, or will have a capital injection from the EBRD, which may purchase an equity stake.

The BAVL stock has been trading below 10 kopecks per share since mid-March, with current quotes at 9.75 kopecks; it appears that 10 kopecks is a strong resistance level. However, we note that Raiffeisen Aval is valued at just 0.4x Price-to-Book, indicating a potentially large upside.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	35.4	50.2	42%	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	11.2	17.96	60%	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	24.3	36.1	49%	BUY	Astarta makes decisive moves toward business diversification (launch of soybean processing plant in early 2014) and cost optimization (launch of bioenergy complex in 2014). With no assets in the Donbass, material exposure of Astarta to UAH (50% of sales) is mostly offset with 60% of cost tied to UAH.
AvangardCo	AVGR LI	2.5	1.4	-44%	SELL	Lost 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	75.0	80.8	8%	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	79.3	48.0	-39%	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	0.84	0.56	-34%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.39	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	2733	5250	92%	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	4.7	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	29.8	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>						
DonbasEnerg	DOEN	23.2	U/R	--	U/R	DNR Intends to Nationalize DonbasEnerg-Owned Power Plant. The Starobeshevo plant accounts for about 70% of DonbasEnerg's installed power-generating capacity.
CenterEnerg	CEEN	8.25	15.00	82%	BUY	CentrEnerg'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	0.098	0.24	146%	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	1059.29	1368.76	908.88	-0.8%	5.2%	5.1%	2.5%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.016	0.045	0.011	0.0%	18.3%	27.0%	6.9%	0.8%	13.1%	22.0%	4.4%
Azovstal	AZST	0.84	0.95	0.35	0.6%	7.4%	13.2%	13.0%	1.4%	2.2%	8.1%	10.5%
Enakievo Steel	ENMZ	17.48	65.00	14.81	-2.7%	4.2%	-2.9%	-16.6%	-1.9%	-0.9%	-8.0%	-19.1%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.39	3.62	1.10	-3.7%	3.0%	3.5%	-19.9%	-2.9%	-2.2%	-1.6%	-22.4%
Yasnyivsky Coking	YASK	0.30	0.84	0.18	0.0%	0.0%	-21.1%	7.1%	0.8%	-5.2%	-26.2%	4.6%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	8.40	n/a	n/a	0.0%	37.7%	-4.5%	7.8%	0.8%	32.5%	-9.6%	5.3%
Ferrexpo	FXPO	79.25	148.80	47.91	6.4%	18.7%	28.3%	49.5%	7.2%	13.5%	23.2%	47.0%
Pivnichny GOK	SGOK	8.20	12.30	4.44	0.6%	5.1%	-1.2%	-2.0%	1.5%	-0.1%	-6.3%	-4.5%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.33	0.79	0.17	0.0%	13.8%	-31.3%	-29.8%	0.8%	8.6%	-36.3%	-32.3%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.38	1.01	0.20	0.0%	-2.6%	-15.6%	0.0%	0.8%	-7.7%	-20.7%	-2.5%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	11.38	21.60	9.73	-1.0%	13.1%	4.7%	-11.4%	-0.2%	7.9%	-0.4%	-14.0%
Luhanskeplovoz	LTPL	1.20	1.80	0.85	0.0%	-20.0%	-20.0%	11.1%	0.8%	-25.2%	-25.1%	8.6%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2733	2939	1672	-1.5%	5.7%	9.1%	10.1%	-0.7%	0.5%	4.0%	7.6%
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	0.20	0.20	0.09	0.0%	8.2%	31.5%	31.5%	0.8%	3.0%	26.4%	29.0%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.75	9.38	3.13	0.0%	-0.5%	11.6%	51.8%	0.8%	-5.7%	6.5%	49.3%
JKX Oil	JKX	29.75	62.00	11.00	0.8%	2.6%	-7.8%	147.9%	1.7%	-2.6%	-12.8%	145.4%
Ukrnafta	UNAF	260.9	375.0	54.0	-2.6%	8.8%	-13.3%	28.3%	-1.8%	3.7%	-18.4%	25.8%
<b>Power Utilities</b>												
Centrenergo	CEEN	8.25	8.70	3.00	0.4%	3.5%	5.8%	9.4%	1.2%	-1.7%	0.7%	6.8%
Donbasenergo	DOEN	23.22	48.98	11.00	-0.5%	5.0%	2.9%	-29.6%	0.4%	-0.2%	-2.2%	-32.2%
Zakhidenergo	ZAEN	150.0	199.8	91.2	0.0%	0.0%	-9.1%	1.3%	0.8%	-5.2%	-14.2%	-1.2%
<b>Consumer</b>												
Agroton	AGT	1.11	3.19	1.05	-1.8%	-0.9%	-4.3%	-9.8%	-0.9%	-6.1%	-9.4%	-12.3%
Astarta	AST	24.30	47.95	14.50	1.3%	1.3%	8.0%	21.5%	2.1%	-3.9%	3.0%	19.0%
Avangardo	AVGR	2.46	10.27	1.83	17.1%	9.3%	-25.3%	20.0%	18.0%	4.2%	-30.4%	17.5%
Industrial Milk Company	IMC	5.60	10.39	5.00	-1.8%	1.8%	2.8%	-1.2%	-0.9%	-3.4%	-2.3%	-3.7%
Kernel	KER	35.44	39.25	22.00	-1.2%	-6.1%	1.3%	24.5%	-0.3%	-11.3%	-3.8%	22.0%
Mriya Agro Holding	MAYA	0.18	5.25	0.18	-5.3%	-43.8%	-58.0%	-68.0%	-4.4%	-48.9%	-63.1%	-70.5%
MHPC	MHPC	11.20	15.77	8.24	0.0%	2.8%	20.4%	21.7%	0.8%	-2.4%	15.3%	19.2%
Milkiland	MLK	2.77	7.57	1.48	4.1%	-0.4%	21.0%	87.2%	5.0%	-5.5%	15.9%	84.6%
Ovostar Union	OVO	75.00	75.50	64.00	-0.7%	4.9%	7.9%	4.2%	0.2%	-0.3%	2.8%	1.7%
<b>Chemicals</b>												
Stirol	STIR	6.00	n/a	n/a	0.0%	0.0%	-31.8%	-13.4%	0.8%	-5.2%	-36.9%	-15.9%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.098	0.190	0.086	-1.5%	-1.0%	3.4%	1.6%	-0.7%	-6.2%	-1.7%	-1.0%
UkrSotsbank	USCB	0.113	0.200	0.090	0.0%	2.8%	4.1%	-13.2%	0.8%	-2.4%	-1.0%	-15.7%

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	906	539	-7	6	31	neg	0.6%	5.7%	-61	-33	24	neg	neg	4.4%
Azovstal	AZST	2,562	1,885	1,602	-81	183	126	neg	9.7%	7.8%	-308	77	66	neg	4.1%	4.1%
<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	636	384	342	218	36.5%	38.9%	34.3%	162	129	92	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	1,152	286	160	219	11.1%	8.8%	19.0%	23	32	115	0.9%	1.8%	10.0%
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	630	323	94	26	-12	10.3%	4.1%	neg	60	6	-28	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	1,379	1,544	391	555	550	26.1%	40.2%	35.6%	162	-412	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	347	91	143	98	15.5%	28.3%	23.5%	34	-82	-12	5.8%	neg	neg
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%
<b>Banks</b>																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	5,333	2,869	2,166	888	390	295	723	327	217	90	-87	-115	10.1%	-22.2%	-39.1%
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	18	3.9%	1	2,632	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	680	634	616	\$/tonne
Yenakievo Steel	ENMZ	8	8.8%	1	6	neg	neg	0.4	neg	1.1	0.2	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	161	3.0%	5	154	neg	2.1	2.4	neg	0.8	1.2	0.1	0.1	0.1	34	34	34	\$/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	4	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	446	0.3%	1	445	2.3	3.9	5.6	1.4	2.0	2.8	0.7	0.7	0.8				
Pivnichny GOK	SGOK	857	0.4%	3	850	1.6	2.6	3.8	0.9	1.3	1.8	0.5	0.6	0.6				
Ferrexpo	FXPO	712	24.0%	171	1,390	2.7	3.9	7.3	2.7	2.8	5.4	0.9	1.0	1.3				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	45	2.0%	1	91	9.5	2.0	24.3	2.9	2.1	5.1	0.3	0.5	1.0	144	238	226	\$/tonne
<b>Railcar Manufacturing</b>																		
LuganskTeplovoz	LTPL	12	24.0%	3	49	0.6	neg	n/a	1.4	neg	n/a	0.1	0.4	n/a				
Krukiv Wagon	KVBZ	59	5.0%	3	53	1.4	neg	neg	1.1	neg	10.6	0.1	0.4	0.8				
<b>Specialized Machinery</b>																		
Turboatom	TATM	67	5.8%	4	37	0.9	1.3	3.0	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	258	24.0%	62	234	1.6	2.0	2.8	0.6	0.7	1.1	0.2	0.3	0.4				
<b>Telecom</b>																		
Ukrtelecom	UTLM	170	7.2%	12	254	10.0	10.7	21.3	1.3	2.4	3.6	0.3	0.7	1.1				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	642	3.0%	19	638	27.5	20.2	5.6	2.2	4.0	2.9	0.2	0.4	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	23	21.6%	5	-2	neg	11.7	7.8	neg	-0.1	-0.1	0.0	0.0	0.0	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	78	50.4%	39	187	12.1	neg	15.7	2.8	2.7	2.7	1.0	1.3	1.2	34	26	25	\$/boe
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	138	21.7%	30	152	2.3	23.5	neg	1.6	5.9	neg	0.2	0.2	0.5	9	11	10	\$/MWh
DonbasEnerg	DOEN	25	14.2%	4	56	0.4	3.0	neg	0.8	2.8	neg	0.1	0.1	0.3	7	7	7	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	1,183	34.1%	404	2,321	7.3	neg	12.2	5.9	4.2	4.2	1.6	1.7	1.5				
Kernel	KER	775	61.8%	479	1,510	7.4	neg	6.2	5.2	6.8	4.6	0.5	0.6	0.7				
Astarta	AST	167	37.0%	62	414	4.9	neg	neg	4.6	2.9	4.2	0.8	1.0	1.2				
Avangardco	AVGR	157	22.5%	35	383	0.7	neg	neg	1.3	3.0	4.1	0.6	0.9	1.1	87	66	62	\$/mneqgs
Ovostar	OVO	123	25.0%	31	130	4.0	4.8	5.1	3.7	4.5	5.2	1.6	1.7	1.6	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	0.5	0.02	0.05	0.06				
Ukrsotsbank	USCB	94	1.0%	1		>30	>30	>30	0.1	0.2	0.3	0.02	0.03	0.04				

Source: Eavex Research

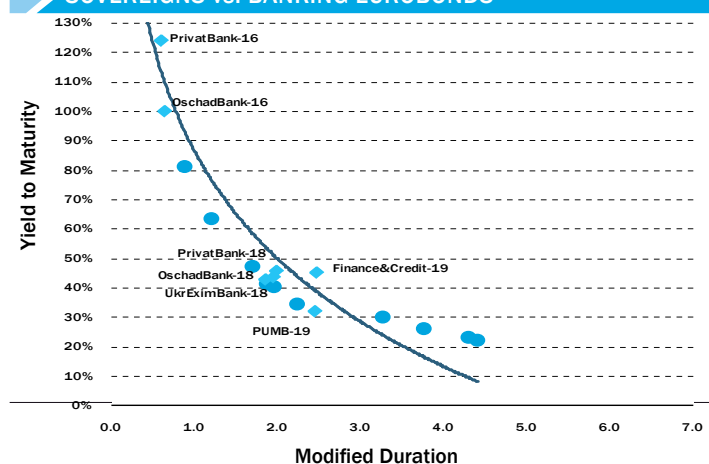
## UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2015 (EUR)	45.0	47.0	263.9%	244.4%	-32.3%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	51.1	53.0	261.2%	242.4%	-26.1%	0.2	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	46.1	47.4	68.3%	65.9%	-25.4%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	46.0	47.3	93.0%	89.3%	-27.9%	0.7	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	46.5	47.5	43.6%	42.5%	-25.6%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	46.8	47.5	52.3%	51.2%	-24.3%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	44.5	45.5	49.3%	48.0%	-26.8%	1.6	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	45.0	46.5	41.1%	39.6%	-23.8%	2.1	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	46.8	47.8	27.1%	26.5%	-20.7%	3.5	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	46.5	47.5	26.5%	25.9%	-20.9%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	46.5	47.5	23.0%	22.6%	-21.9%	4.2	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	47.5	48.8	21.6%	21.0%	-18.9%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
<b>Corporate Eurobonds</b>											
Agroton, 2019	30.1	35.3	45.8%	39.8%	-3.3%	2.7	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2015							10.25%	S/A	29 Apr 2015	235	Caa3//CC
MHP, 2020	79.5	81.8	14.2%	13.4%	16.9%	3.8	8.25%	S/A	2 Apr 2020	750	/CCC//CC
Avangardco, 2015	41.8	41.8	287.9%	287.9%	-35.2%	0.2	10.00%	S/A	29 Oct 2015	200	/CCC-/
UkrLandFarming, 2018	53.0	53.0	39.3%	39.3%	13.9%	2.0	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	11.0	14.0	486.3%	401.7%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	14.0	118.2%	102.6%	-3.8%	1.6	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2015	67.0	72.0	n/a	n/a	-10.3%		9.50%	S/A	28 Apr 2015	200	Caa3//C
DTEK, 2018	44.0	47.0	43.4%	40.3%	0.0%	2.1	7.88%	S/A	4 Apr 2018	750	Caa3//C
Metinvest, 2015	68.0	73.0	849.5%	672.6%	-12.4%	0.0	10.25%	S/A	20 May 2015	114	Caa3//RD
Metinvest, 2017	57.0	62.0	38.1%	33.7%	-15.0%	1.2	10.50%	S/A	28 Nov 2017	290	//RD
Metinvest, 2018	59.0	61.0	32.0%	30.5%	8.1%	2.1	8.75%	S/A	14 Feb 2018	750	Caa3//RD
Ferrexpo, 2016	83.0	85.0	30.0%	27.0%	9.1%	0.8	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/CC
Ferrexpo, 2019	79.0	83.2	18.1%	16.3%	n/a	2.7	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2018	58.0	61.0	32.0%	29.8%	12.2%	2.1	9.50%	S/A	21 May 2018	500	/CCC/CC
Interepipe, 2017	15.0	25.0	161.2%	106.6%	-63.6%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.6	74.0	27.9%	25.8%	24.1%	1.5	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	20.0	30.0	75.7%	55.3%	-69.9%	2.0	9.25%	S/A	25 Jan 2019	100	Ca//
PUMB, 2018	50.0	55.0	36.1%	32.4%	-22.2%	2.4	11.00%	Q	31 Dec 2018	275	Ca//
Nadra Bank, 2018	7.0	12.0	n/a	n/a	-24.0%	0.1	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	62.0	67.0	166.8%	136.0%	3.2%	0.3	9.38%	S/A	23 Sept 2015	200	Ca//
PrivatBank, 2016	40.0	45.0	172.5%	145.2%	-14.1%	0.4	8.75%	S/A	9 Feb 2016	150	Ca//
PrivatBank, 2018	60.0	65.0	33.9%	30.1%	-6.1%	2.0	10.88%	S/A	28 Feb 2018	175	Ca//CC
UkrEximBank, 2015	74.0	77.0	n/a	n/a	-2.6%		8.38%	S/A	27 Apr 2015	750	Ca//CC
UkrEximBank, 2016	48.0	51.0	131.1%	118.4%	4.2%	0.5	5.79%	S/A	2 Sept 2016	125	Ca//CC
UkrEximBank, 2018	67.0	70.0	26.4%	24.4%	21.2%	2.1	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	67.0	71.0	63.5%	54.7%	17.9%	0.7	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	66.0	70.0	26.4%	23.8%	20.4%	2.2	8.88%	S/A	20 Mar 2018	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	46.8	48.8	233.8%	216.6%	-34.2%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/
City of Kyiv, 2016	45.0	49.0	95.5%	84.8%	-33.5%	0.8	9.375%	S/A	30 Jun 2016	300	Ca/CC/

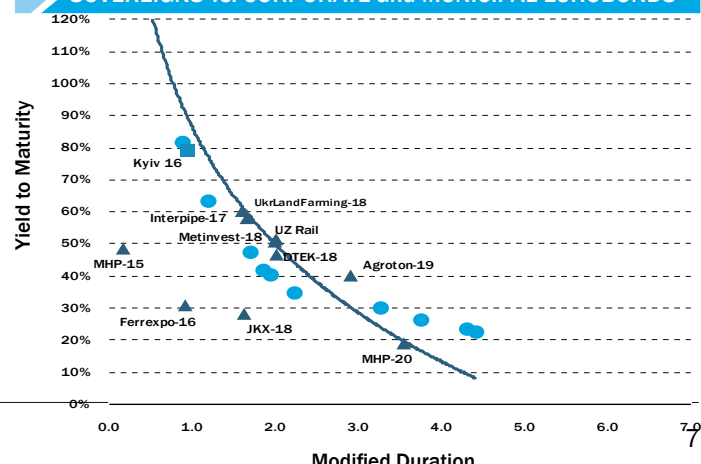
<sup>1</sup> Moody's/S&P/Fitch; \* EUR

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			27%	24%	n/a	14.30%	S/A	24 May 2017	n/a
<b>USD denominated Bonds</b>									
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			27%	24%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			27%	24%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			27%	24%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			27%	24%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			27%	24%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			27%	24%	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