

Market Update

Equity

Ukrainian stocks started the new week in the red on Tuesday (May 12), with broad 1.5% declines on the main European bourses creating some negative sentiments for the local market. Meanwhile, an IMF mission began its work in Kyiv as part of the four-year Extended Fund Facility program review. If the program continues to go forward, Kyiv should receive three more tranches of some USD 1.6bn each in 2015, after the first tranche of USD 5bn provided in March. The UX index fell 1.4% to close at 1054 points. Volume leaders Motor Sich (MSICH) and CentrEnergO (CEEN) lost 1.4% and 1.6% respectively on combined turnover of UAH 2.6mn, while UkrNafta (UNAF) was in the black, rising 0.8% to UAH 274 per share. In second-tier stocks, UkrSotsBank (USCB) suffered a loss of 13.5%, bringing it down to near 10 kopecks. In London, Ferrexpo (FXPO) dropped by 2.9% to GBp 76.00 while Regal Petroleum (RPT) regained 25% to GBp 4.75 after its 20% plunge a day earlier. Warsaw-listed Kernel (KER) moved down by 1.5% to PLN 35.30.

Fixed Income

Ukrainian sovereigns were down on Tuesday amid reportedly little progress in the restructuring of sovereign debt. Ukraine-23s dropped by 0.9p.p. to 48.5/49.8 (21.2%/20.6%). Corporate names were sluggish. MHP-20s inched up by 0.2p.p. to 81.7/83.0 (13.5%/13.1%) while Metinvest-18s finished unchanged at 58.0/59.0 (33.1%/32.3%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
CentrenergO	CEEN	8.17	-1.6%	1.8	95
Ukrnafta	UNAF	274.10	0.8%	0.8	118
Motor Sich	MSICH	2733.00	-1.4%	0.7	42

Growth Leaders

Ukrnafta	UNAF	274.10	0.8%	0.79	118
Azovstal	AZST	0.84	-0.9%	0.35	25
Yenakievo Steel	ENMZ	17.90	-1.0%	0.32	7

Loss Leaders

Ukrtelecom	UTLM	0.15	-22.5%	0.229	36
Alchevsk Steel	ALMK	0.02	-6.8%	0.047	59
Raiffeisen Bank Aval	BAVL	0.10	-1.8%	0.180	44

Highlights

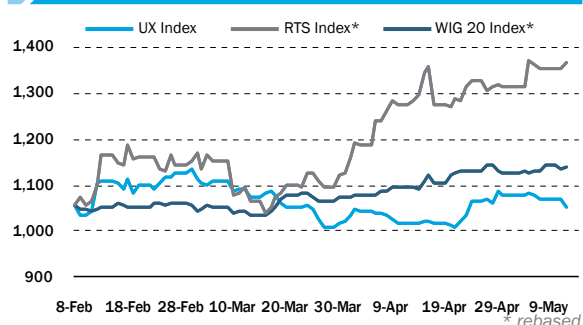
POLITICS AND ECONOMICS

- Ukraine Accuses Templeton-Led Creditors of "Non-Transparency"

STOCKS IN THE NEWS

- Engines Orders For An-178 Aircraft Should Boost Motor Sich Revenue

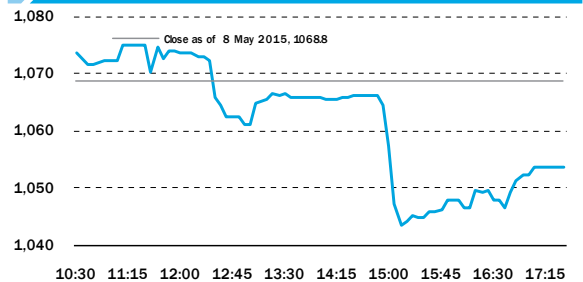
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1053.7	-1.4%	3.7%	2.0%
RTS	1070.2	1.0%	7.1%	35.3%
WIG20	2542.7	0.3%	4.1%	9.8%
MSCI EM	1029.0	-0.7%	-0.5%	7.6%
S&P 500	2099.1	-0.3%	-0.1%	2.0%

UX INTRADAY MAY 12, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	366.6	2.2%	-3.9%	-9.3%
CDS 5Y UKR	3884.6	0.0%	-2.3%	73.9%
Ukraine-17	42.5%	0.9 p.p.	-9.2 p.p.	16.8 p.p.
Ferrexpo-16	28.2%	0.1 p.p.	-3.7 p.p.	-3.1 p.p.
Ukraine-23	20.9%	0.4 p.p.	-3.6 p.p.	13.4 p.p.
Privatbank-16	168.4%	0.8 p.p.	-62.3 p.p.	83.0 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	20.61	-1.9%	-8.6%	30.3%
EUR	23.11	-1.4%	-3.4%	20.7%
RUB	0.42	2.1%	-0.6%	52.3%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	192.5	0.0%	-3.5%	-21.8%
Steel, USD/t	362.5	0.0%	-4.6%	-19.4%
Oil, USD/bbl	66.9	3.0%	13.4%	13.0%
Gold, USD/oz	1193.9	0.8%	-1.1%	0.8%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Ukraine Accuses Templeton-Led Creditors of “Non-Transparency”

by Will Ritter
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NEWS

Ukraine’s Finance Ministry accused a five-member committee of the country’s sovereign bondholders of a “lack of transparency” due to the committee’s refusal to identify four of its members, Bloomberg News reported on Tuesday (May 12). The sole known member of the committee, which collectively holds some USD 10bn of Ukrainian sovereigns, is US-based investment group Franklin Templeton. MinFin, led by Ukrainian-American Natalia Jaresko, said the creditor committee “refuses to acknowledge the debt sustainability objective”, which is one of three key targets set out by the IMF in its new Extended Fund Facility loan for Ukraine. Meanwhile, the Financial Times reported that the creditor committee complained that it has had “no substantive engagement” with MinFin since making an offer last month (rejected by Jaresko) to extend bond maturities without principal write-downs.

COMMENTARY

A public blow-up in the restructuring talks, which have been going nowhere for the last 2 months, was probably an inevitable and even healthy development. By far, the most important task for Kyiv in this saga is to force bondholders to accept a reduction in the principal amount of the bonds (haircut) somewhere in the range of 30%. Failure to impose such a haircut will leave Ukraine’s economy under a crippling debt burden in the coming years, undermining the country’s reform agenda. The Templeton-led creditor group (we speculate that it may include Russian investors who wish to prevent their involvement being made public) is clearly betting that it can push back the IMF-issued June deadline for a deal, thereby increasing the chances that Kyiv may try to muddle through without a restructuring and that the West will ultimately provide the additional funding to Ukraine to make such a scenario feasible. We note that there is a strong moral argument to impose losses on the bondholders, as they purchased Eurobonds from Ukrainian governments (during the Yanukovich regime as well as in the preceding Yushchenko/Tymoshenko period) which they likely knew to be corrupt and prone to theft on a massive scale. In our view, the real deadline for a restructuring deal is not June, but mid-September, when a USD 500mn Eurobond comes due. A full redemption or a maturity extension of this bond without a haircut would, we believe, set a disastrous precedent and place Ukraine’s public finances and its reform effort in a state of permanent uncertainty that could have dire political repercussions.

Engines Orders For An-178 Aircraft Should Boost Motor Sich Revenue

by Dmitry Churin
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MOTOR SICH (MSICH UK)

Price: UAH 2733 Market Cap: USD 274mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2014	0.4	0.3	2.1	0.7	0.9%
2015E	0.5	0.4	3.0	1.1	1.0%

NEWS

Zaporizhia-based aircraft engine maker Motor Sich is expecting solid orders for its engines designed for the An-178 cargo aircraft, as the new An-178 transport, created by state-owned Antonov Aviation, performed its debut flight last week, Ukrainian news agency UNIAN reported last week. Antonov confirmed 10 transports as being on order from its customer Silkway Airlines (Azerbaijan), as well as a protocol of intent with the Chinese company Beijing A-Star Airspace and Technology. The Chinese partners have expressed their intention to purchase two An-178s, and to also consider the prospect of setting up its mass production.

The An-178 is designed to replace aging Soviet-era cargo aircraft including the An-12, An-26 and An-32. Antonov estimates that the demand for aircraft in the new type's segment is around 200 units over the next 15 years.

The An-178 aircraft will be officially unveiled at the Le Bourget air show in France next month.

COMMENTARY

Motor Sich produces an aircraft engine (the D-436-148 FM) designed exclusively for the An-178. We estimate that the engines for one An-178 plane cost about USD 10mn. Although is not a certainty that all of Antonov's An-178s will be equipped with Ukrainian engines, our optimistic estimate is that Motor Sich will see additional revenue of USD 180mn over 2017-2020 from engines orders for the An-178. This implies about 8.5% of the total revenue we forecast for the company in the period. In our view, the news should be considered as a long term POSITIVE factor for the MSICH stock.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	35.3	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	11.7	17.96	54%	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	25.8	36.1	40%	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	2.7	1.4	-49%	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	76.0	80.8	6%	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	76.0	48.0	-37%	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	0.84	0.56	-34%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.34	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	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.
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	4.7	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	29.5	U/R	--	U/R	The launch of extraction at JKX's Russian gas field has lifted output, but the company's higher-margin Ukrainian operations continue to lag behind expectations.
Power Utilities						
DonbasEnerg	DOEN	23.1	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	8.17	15.00	84%	BUY	CentrEnerg'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	0.096	0.24	150%	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	1053.70	1368.76	908.88	-1.4%	-2.9%	3.7%	2.0%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.015	0.045	0.011	-6.8%	-10.7%	12.8%	3.4%	-5.4%	-7.9%	9.1%	1.5%
Azovstal	AZST	0.84	0.95	0.35	-0.9%	-3.5%	5.9%	12.6%	0.5%	-0.6%	2.3%	10.6%
Enakievo Steel	ENMZ	17.90	65.00	14.81	-3.7%	-0.7%	1.8%	-14.6%	-2.2%	2.2%	-1.9%	-16.5%
Coke												
Avdyivka Coke	AVDK	1.34	3.62	1.10	-1.3%	-0.7%	-1.6%	-22.5%	0.1%	2.1%	-5.3%	-24.5%
Yasnyivsky Coking	YASK	0.27	0.84	0.18	0.0%	0.0%	-3.6%	-3.6%	1.4%	2.9%	-7.3%	-5.5%
Iron Ore Mining												
Centralny GOK	CGOK	8.39	n/a	n/a	0.0%	0.0%	37.5%	7.7%	1.4%	2.9%	33.9%	5.7%
Ferrexpo	FXPO	76.00	148.80	47.91	-2.6%	-4.4%	13.4%	43.4%	-1.1%	-1.5%	9.8%	41.4%
Pivnichny GOK	SGOK	8.20	12.30	4.44	0.0%	0.0%	-1.6%	-2.0%	1.4%	2.9%	-5.2%	-4.0%
Coal Mining												
Pokrovsk Mine	SHCHZ	0.33	0.79	0.17	0.0%	0.0%	43.5%	-29.8%	1.4%	2.9%	39.8%	-31.8%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.30	1.01	0.20	0.0%	0.0%	-25.0%	-21.1%	1.4%	2.9%	-28.7%	-23.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.85	21.60	9.73	-1.2%	-8.0%	4.5%	-15.6%	0.2%	-5.1%	0.8%	-17.5%
Luhanskeplovoz	LTPL	1.20	1.80	0.85	0.0%	0.0%	-20.0%	11.1%	1.4%	2.9%	-23.7%	9.1%
Specialized Machinery												
Motor Sich	MSICH	2733	2939	1710	-1.4%	-1.0%	6.1%	10.1%	0.0%	1.8%	2.4%	8.1%
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	0.15	0.21	0.09	-22.6%	-3.5%	-10.9%	-0.7%	-21.1%	-0.7%	-14.6%	-2.6%
Oil & Gas												
Regal Petroleum	RPT	4.75	9.38	3.13	24.7%	0.0%	-0.1%	51.8%	26.1%	2.9%	-3.8%	49.9%
JKX Oil	JKX	30.00	62.00	11.00	0.0%	0.0%	-3.2%	150.0%	1.4%	2.9%	-6.9%	148.0%
Ukrnafta	UNAF	274.1	375.0	54.0	0.8%	-0.7%	-3.7%	34.8%	2.2%	2.2%	-7.4%	32.9%
Power Utilities												
Centrenergo	CEEN	8.17	8.70	3.00	-1.6%	-2.0%	3.5%	8.3%	-0.2%	0.9%	-0.2%	6.3%
Donbasenergo	DOEN	23.09	48.98	11.00	-1.7%	-2.9%	5.0%	-30.0%	-0.3%	-0.1%	1.3%	-32.0%
Zakhidenergo	ZAEN	150.0	199.8	91.2	0.0%	0.0%	-13.8%	1.3%	1.4%	2.9%	-17.5%	-0.7%
Consumer												
Agroton	AGT	1.06	3.19	1.05	-0.9%	-2.8%	-7.0%	-13.8%	0.5%	0.1%	-10.7%	-15.8%
Astarta	AST	25.80	47.95	14.50	0.3%	1.7%	7.1%	29.0%	1.7%	4.5%	3.4%	27.0%
Avangardo	AVGR	2.70	10.27	1.83	-10.0%	17.4%	5.9%	31.7%	-8.6%	20.3%	2.2%	29.7%
Industrial Milk Company	IMC	5.00	10.39	5.00	0.0%	-5.7%	-11.3%	-11.8%	1.4%	-2.8%	-15.0%	-13.8%
Kernel	KER	35.30	39.25	22.00	-1.5%	0.9%	-9.7%	24.0%	-0.1%	3.7%	-13.4%	22.1%
Mriya Agro Holding	MAYA	0.07	5.25	0.05	-46.2%	37.3%	-82.5%	-87.5%	-44.7%	40.1%	-86.2%	-89.5%
MHPC	MHPC	11.65	15.77	8.24	1.3%	1.3%	6.4%	26.6%	2.7%	4.2%	2.7%	24.7%
Milkiland	MLK	2.42	7.57	1.48	-2.4%	-6.2%	5.7%	63.5%	-1.0%	-3.3%	2.0%	61.5%
Ovostar Union	OVO	76.00	76.75	64.00	-1.0%	2.0%	8.6%	5.6%	0.4%	4.9%	4.9%	3.6%
Chemicals												
Stirol	STIR	5.50	n/a	n/a	0.0%	-0.2%	-16.0%	-20.6%	1.4%	2.7%	-19.7%	-22.6%
Banks												
Raiffeisen Bank Aval	BAVL	0.096	0.190	0.086	-1.8%	-3.8%	1.5%	0.1%	-0.4%	-0.9%	-2.2%	-1.9%
UkrSotsbank	USCB	0.099	0.200	0.090	-13.5%	-13.5%	-10.0%	-24.0%	-12.0%	-10.7%	-13.7%	-25.9%

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
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	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%
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																
Luhanskeplovov	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	636	384	342	218	36.5%	38.9%	34.3%	162	129	92	15.4%	14.7%	14.5%
Telecom																
Ukrtelecom	UTLM	796	412	251	-199	85	72	neg	20.6%	28.5%	-279	18	9	neg	4.4%	3.6%
Oil & Gas																
Ukrnafta	UNAF	2,589	2,324	1,152	286	380	219	11.1%	16.4%	19.0%	23	105	115	0.9%	4.5%	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%
Electric Utilities																
Centrenerg	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
Consumer																
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%
Banks																
		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			
Steel																		
Alchevsk Steel	ALMK	19	3.9%	1	2,632	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	680	634	616	\$/tonne
Yenakievo Steel	ENMZ	9	8.8%	1	7	neg	neg	0.4	neg	1.2	0.2	0.0	0.0	0.0	3	2	2	\$/tonne
Azovstal	AZST	171	3.0%	5	165	neg	2.2	2.6	neg	0.9	1.3	0.1	0.1	0.1	36	37	36	\$/tonne
Coke																		
Avdyivka 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	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	477	0.3%	1	476	2.5	4.2	5.9	1.5	2.1	3.0	0.7	0.8	0.9				
Pivnichny GOK	SGOK	917	0.4%	4	910	1.7	2.8	4.0	1.0	1.4	2.0	0.6	0.6	0.7				
Ferrexpo	FXPO	697	24.0%	167	1,375	2.6	3.8	7.1	2.7	2.8	5.4	0.9	1.0	1.3				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	38	2.0%	1	84	8.1	1.7	20.5	2.7	1.9	4.7	0.3	0.4	0.9	133	220	209	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	13	24.0%	3	50	0.7	neg	n/a	1.4	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	60	5.0%	3	54	1.5	neg	neg	1.1	neg	10.9	0.1	0.4	0.8				
Specialized Machinery																		
Turboatom	TATM	72	5.8%	4	41	1.0	1.4	3.2	0.5	0.6	1.1	0.2	0.3	0.4				
Motor Sich	MSICH	276	24.0%	66	250	1.7	2.1	3.0	0.7	0.7	1.1	0.2	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	137	7.2%	10	228	neg	7.6	15.1	neg	2.7	3.2	0.3	0.6	0.9				
Oil & Gas																		
Ukrnafta	UNAF	721	3.0%	22	730	>30	6.8	6.3	2.5	1.9	3.3	0.3	0.3	0.6	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	24	21.6%	5	-1	neg	11.9	7.9	neg	-0.1	-0.1	0.0	0.0	0.0	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	81	50.4%	41	189	12.4	neg	16.1	2.8	2.8	2.7	1.0	1.3	1.3	35	26	25	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	146	21.7%	32	160	2.5	24.9	neg	1.7	6.2	neg	0.2	0.3	0.5	9	12	10	\$/MWh
DonbasEnerg	DOEN	26	14.2%	4	57	0.4	3.2	neg	0.8	2.9	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,231	34.1%	420	2,368	7.6	neg	12.7	6.1	4.3	4.3	1.6	1.7	1.5				
Kernel	KER	772	61.8%	477	1,508	7.4	neg	6.2	5.2	6.8	4.6	0.5	0.6	0.7				
Astarta	AST	177	37.0%	66	424	5.2	neg	neg	4.7	3.0	4.3	0.9	1.0	1.2				
Avangardco	AVGR	172	22.5%	39	399	0.7	neg	neg	1.3	3.1	4.2	0.6	1.0	1.1	90	69	65	\$/mneqgs
Ovostar	OVO	125	25.0%	31	132	4.1	4.8	5.2	3.7	4.5	5.3	1.6	1.8	1.7	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	0.5	0.03	0.05	0.06				
Ukrsotsbank	USCB	88	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.02	0.03	0.04				

Source: Eavex Research

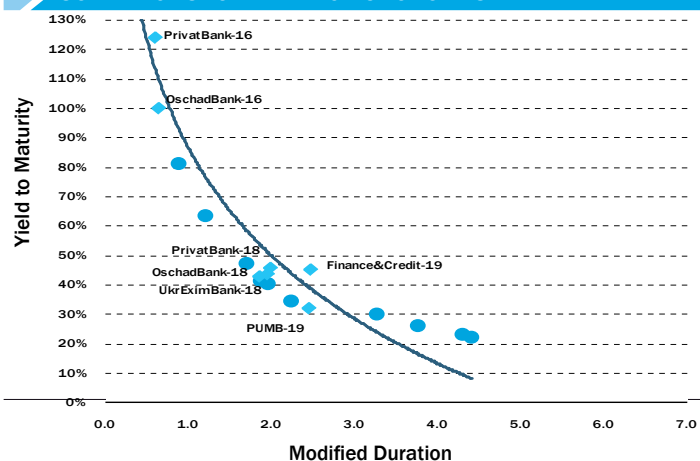
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2015 (EUR)	45.0	47.0	286.1%	265.0%	-32.3%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	52.0	53.6	273.0%	257.3%	-24.9%	0.2	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	47.8	48.9	66.5%	64.3%	-22.8%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	47.7	48.8	91.6%	88.6%	-25.5%	0.7	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	47.5	48.5	43.0%	41.9%	-24.1%	1.9	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	48.0	48.5	51.3%	50.6%	-22.4%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	46.8	48.0	47.0%	45.5%	-23.0%	1.8	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	46.5	47.8	39.9%	38.7%	-21.5%	2.1	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	48.0	48.3	26.4%	26.3%	-19.3%	3.5	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	47.5	49.8	26.0%	24.7%	-18.1%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	47.5	48.5	22.6%	22.1%	-20.2%	4.2	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	48.5	49.8	21.2%	20.6%	-17.2%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	30.0	35.1	46.6%	40.4%	-3.7%	2.6	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	81.7	83.0	13.5%	13.1%	19.3%	3.7	8.25%	S/A	2 Apr 2020	750	/CCC/CC
Avangardco, 2015	58.0	58.0	169.0%	169.0%	-10.1%	0.3	10.00%	S/A	29 Oct 2015	200	/CCC-
UkrLandFarming, 2018	50.0	53.0	42.6%	39.7%	10.7%	1.9	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	11.0	14.0	524.9%	431.8%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	14.0	120.7%	104.7%	-3.8%	1.6	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	45.0	48.0	47.3%	44.0%	n/a	1.9	10.375%	S/A	28 Mar 2018	160	//C
DTEK, 2018	44.0	47.0	43.9%	40.7%	0.0%	2.0	7.88%	S/A	4 Apr 2018	750	Caa3//C
Metinvest, 2015	67.0	70.0	n/a	n/a	-14.9%	0.0	10.25%	S/A	20 May 2015	114	Caa3//RD
Metinvest, 2017	58.0	61.0	37.5%	34.9%	-15.0%	1.2	10.50%	S/A	28 Nov 2017	290	//RD
Metinvest, 2018	58.0	59.0	33.1%	32.3%	5.4%	2.0	8.75%	S/A	14 Feb 2018	750	Caa3//RD
Ferrexpo, 2016	83.5	86.0	30.2%	26.3%	10.0%	0.8	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/CC
Ferrexpo, 2019	81.3	84.1	17.1%	16.0%	n/a	2.6	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2018	56.0	58.0	33.8%	32.3%	7.5%	2.1	9.50%	S/A	21 May 2018	500	/CCC/CC
Interpipe, 2017	25.0	35.0	109.8%	80.3%	-45.5%	1.2	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	71.0	74.5	27.9%	25.7%	25.0%	1.4	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	20.0	30.0	76.3%	55.7%	-69.9%	2.0	9.25%	S/A	25 Jan 2019	100	Ca//
PUMB, 2018	51.0	54.0	35.5%	33.3%	-22.2%	1.9	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	64.0	69.0	168.1%	136.3%	6.4%	0.2	9.38%	S/A	23 Sept 2015	200	Ca//
PrivatBank, 2016	40.0	45.0	183.9%	154.4%	-14.1%	0.4	8.75%	S/A	9 Feb 2016	150	Ca//
PrivatBank, 2018	65.0	69.0	30.3%	27.5%	0.7%	2.0	10.88%	S/A	28 Feb 2018	175	Ca//CC
UkrEximBank, 2015	74.0	77.0	n/a	n/a	-2.6%	0.2	8.38%	S/A	27 Apr 2015	750	Ca//CC
UkrEximBank, 2016	48.0	51.0	139.2%	125.5%	4.2%	0.4	5.79%	S/A	2 Sept 2016	125	Ca//CC
UkrEximBank, 2018	67.0	69.0	26.7%	25.3%	20.4%	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	66.0	69.0	68.7%	61.6%	15.4%	0.6	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	67.0	68.0	25.9%	25.3%	19.5%	2.2	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	48.9	52.1	234.7%	207.1%	-30.4%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/
City of Kyiv, 2016	47.4	51.0	92.0%	82.5%	-30.4%	0.7	9.375%	S/A	30 Jun 2016	300	Ca/CC/

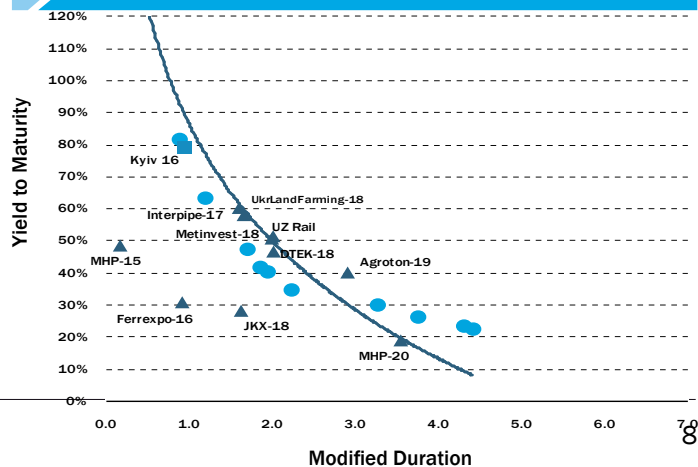
¹ Moody's/S&P/Fitch; * EUR

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			27%	24%	n/a	14.30%	S/A	24 May 2017	n/a
USD denominated Bonds									
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			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

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