

Market Update

Equity

Kyiv-listed stocks ended notably lower for the second session in a row on Tuesday (May 19), with the UX index declining by 1.4% to 1030 points. Resumed volatility on the currency market discouraged investors from taking long positions. The official NBU exchange rate surged 6.8% to 22.12 UAH/USD during the day, but it appears that the hryvnia still has a chance to strengthen somewhat by the end of the week, as the interbank rate closed at 21.20 UAH/USD. In the most actively traded stocks, Motor Sich (MSICH) lost 2.2% and CentrEnergy (CEEN) slipped 0.9% to UAH 8.05 per share. On the upside, UkrNafta (UNAF) added 1.1% to UAH 270 after the company claimed, rather questionably in our view, that its FY14 net profit was UAH 4.5bn according to its tax accounting. As we reported earlier, UkrNafta had posted net profit of just UAH 1.3bn for FY14 under IFRS accounting. In London, Ferrexpo (FXPO) continued its downward momentum, sliding another 2.0% to GBP 71.75. Warsaw-listed Ukrainian issues were mixed, with Astarta (AST) edging down 0.7% to PLN 23.75 while Ovostar (OVO) reclaimed some of the ground lost in Monday's correction, adding 3.6% to PLN 80.

Fixed Income

Ukrainian sovereigns were unchanged on Tuesday with Ukraine-23s finished flat at 48.3/49.5 (21.3%/20.8%). Corporate names were also predominantly flat. UkrlandFarming-18s and Ferrexpo-16s closed at 49.5/51.5 (43.3%/41.3%) and 84.0/86.0 (29.8%/26.8%), respectively.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2686.00	-2.2%	2.2	61
Centrenerg	CEEN	8.00	-1.5%	1.0	80
Ukrnafta	UNAF	270.00	1.1%	0.8	112

Growth Leaders

Kryukiv Wagon	KVBZ	10.80	2.8%	0.04	22
Ukrnafta	UNAF	270.00	1.1%	0.83	112
Centrenerg	CEEN	8.00	-1.5%	1.03	80

Loss Leaders

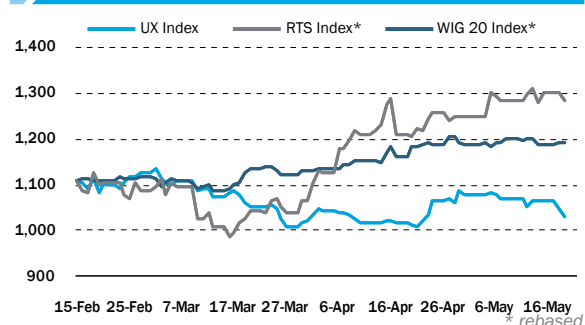
Yenakievo Steel	ENMZ	16.42	-7.0%	0.053	8
Alchevsk Steel	ALMK	0.01	-6.7%	0.021	28
Motor Sich	MSICH	2,686.00	-2.2%	2,228	61

Highlights

POLITICS AND ECONOMICS

- > Parliament Gives Cabinet the Right to Suspend Debt Repayments
- > Industrial Output Slide Stays in Line with Preceding Months

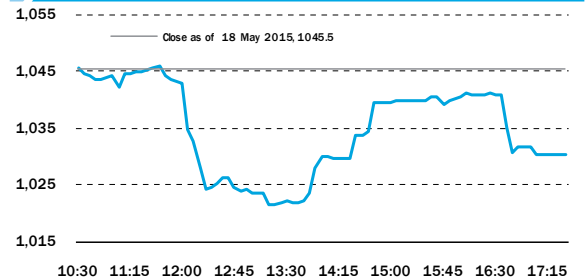
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1030.4	-1.4%	1.5%	-0.3%
RTS	1057.6	-1.7%	5.9%	33.8%
WIG20	2523.4	0.0%	2.4%	9.0%
MSCI EM	1040.9	0.0%	-0.2%	8.8%
S&P 500	2127.8	-0.1%	2.2%	3.3%

UX INTRADAY MAY 19, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	367.0	1.1%	-7.3%	-9.2%
CDS 5Y UKR	3100.0	1.6%	-10.1%	40.9%
Ukraine-17	43.7%	0.3 p.p.	-2.4 p.p.	18.1 p.p.
Ferrexpo-16	28.3%	0.1 p.p.	-4.1 p.p.	-3.0 p.p.
Ukraine-23	21.0%	0.0 p.p.	-1.5 p.p.	13.5 p.p.
Privatbank-16	156.8%	-16.5 p.p.	-76.8 p.p.	71.4 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.13	-2.9%	0.8%	33.5%
EUR	23.56	-4.3%	4.0%	23.1%
RUB	0.43	-3.7%	5.9%	55.3%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	197.6	0.0%	-0.7%	-19.7%
Steel, USD/t	365.0	0.0%	-1.4%	-18.9%
Oil, USD/bbl	64.0	-3.4%	-0.3%	8.2%
Gold, USD/oz	1207.8	-1.4%	0.3%	1.9%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Parliament Gives Cabinet the Right to Suspend Debt Repayments

by Will Ritter
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NEWS

Ukraine's Parliament passed a bill on Tuesday (May 19) giving the government express permission to suspend sovereign debt repayments to what the measure called "unscrupulous" foreign creditors "if needed", international and local media reported. After the bill was passed, the Finance Ministry issued a statement quoted by Reuters as saying that "in order to defend the interests of the Ukrainian people, the government may have to suspend payments of state and state-guaranteed debt to international commercial creditors". In a separate statement quoted by Bloomberg News, Finance Minister Natalia Jaresko said, "our current debt levels are unsustainable and any deal with our international commercial creditors must include maturity extensions, coupon reductions and principal reduction...there is no alternative." The new law will apply to sovereign Eurobonds, but not to the quasi-sovereign external debt issues of state-owned OschadBank, UkrEximBank, and Ukrainian Railways.

COMMENTARY

Yesterday's emphatic statements, via a rare synchronized coordination of the legislative and executive branches of Ukrainian authority, are probably intended as a message to those who have been saying that Kyiv lacks the political toughness to carry out a bona fide reduction of the nation's debt burden. Just as importantly, the threat to default looks like a move to test previous suggestions that creditors would prefer an uncontrolled Ukrainian default - and all the legal wrangling that would entail - to a voluntary write-down on the principal of the sovereign bonds they hold. It appears that Kyiv has the implicit backing of Washington in its drive to obtain a "haircut" on the principal of its bonds; economist and former US Treasury Secretary Lawrence Summers, who has close ties to the Obama administration, wrote an editorial in the Financial Times over the weekend stating that Kyiv should consider defaulting if creditors continue to show intransigence on the haircut issue. Summers pointed out, correctly in our view, that such a default would be of a sufficiently small scale that it would pose no risks whatsoever to the global financial system. As we stated last week, we believe that Ukraine's medium-term debt load is unsustainable without sovereign haircuts, and that there is a strong moral case to be made in forcing private creditors to share in the burden of the country's debt reduction.

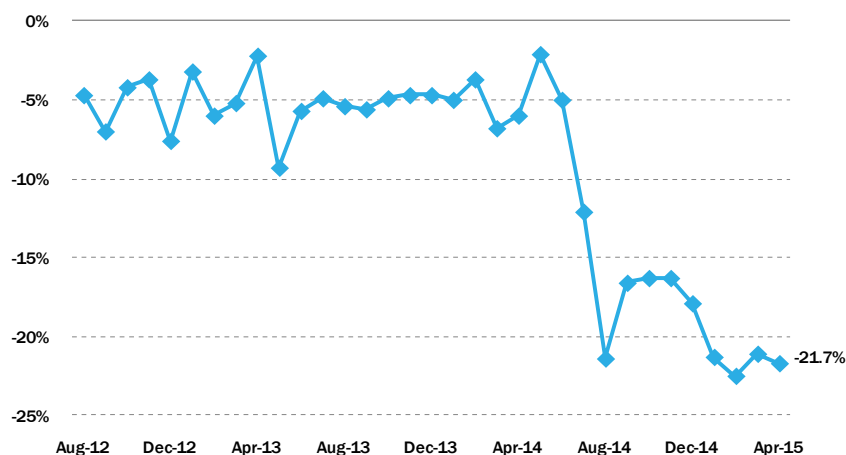
Industrial Output Slide Stays in Line with Preceding Months

by Dmitry Churin
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NEWS

Ukraine's industrial production decline was registered at 21.7% YoY in April, remaining in line with previous months in 2015 (21.2% in March), according to data from the State Statistics Committee released on Monday (May 18). The industrial production data excludes Crimea and separatist-occupied part of the Donbass. In the extraction sector, output fell by 22.7% YoY in April, in the manufacturing sector the drop was 21.4% YoY, and in the utility sector production fell by 15.1% YoY in the period. Through the end of April, 2015 overall production as measured by the index was down 21.5% YoY. In April compared to March, output declined by 2.0% due to the difference in the number of days in the months.

UKRAINE'S MONTHLY INDUSTRIAL PRODUCTION INDEX, YOY



Source: State Statistics Committee

COMMENTARY

At least according to official data, Ukraine's industrial output decline has stabilized, and should start to decelerate in 2H15 as the 2H14 comparison figures reflecting the country's reduced industrial base start to be applied. We continue to closely watch data for Ukraine's national coal extraction, which showed a 55% YoY plunge to 2.2mn tonnes in April. We assume that official figures on coal extraction in Ukraine are only approximate, as it is an unrealistic task to count extraction on the pro-Russian separatist-controlled territories. Nevertheless, coal is the primary fuel for thermal generation, which produces some 40% of the electricity used in the country. According to data from state-run energy company UkrEnergo, total coal inventories in the thermal generation sector stood at just 885,000 tonnes as of May 17; before the Donbass war, the usual figure for inventories would have been 3mn tonnes. Currently less than half of domestic thermal generation capacities are in operation as a result of the coal shortages. The thermal generation companies and the Ukrainian government face a joint challenge in finding a way to raise inventories ahead of the consumption-intensive winter season.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	37.0	50.2	36%	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	12.0	17.96	50%	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	36.1	51%	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	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	80.0	80.8	1%	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	71.8	48.0	-33%	SELL	Exacerbated issue of global ore oversupply together with sluggish growth in demand will likely keep iron ore prices at depressed level at least in the short run boding bad for Ferrexpo's earnings.
Steel						
Azovstal	AZST	0.81	0.56	-31%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.30	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	2686	5250	95%	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	4.0	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	30.5	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						
DonbasEnergO	DOEN	23.2	U/R	--	U/R	DNR Intends to Nationalize DonbasEnergO-Owned Power Plant. The Starobeshevo plant accounts for about 70% of DonbasEnergO's installed power-generating capacity.
CenterEnergO	CEEN	8.00	15.00	88%	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	0.093	0.24	159%	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	1030.43	1368.76	908.88	-1.4%	-2.2%	1.5%	-0.3%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.014	0.045	0.011	-6.7%	-6.7%	6.9%	-3.4%	-5.2%	-4.5%	5.3%	-3.2%
Azovstal	AZST	0.81	0.95	0.35	-2.1%	-3.8%	0.4%	8.3%	-0.6%	-1.6%	-1.2%	8.6%
Enakievo Steel	ENMZ	16.42	65.00	14.81	-7.0%	-8.3%	-6.8%	-21.6%	-5.5%	-6.1%	-8.3%	-21.3%
Coke												
Avdyivka Coke	AVDK	1.30	3.62	1.10	-2.3%	-3.1%	-5.7%	-24.9%	-0.8%	-0.9%	-7.3%	-24.6%
Yasnyivsky Coking	YASK	0.26	0.84	0.18	-13.3%	-3.7%	-13.3%	-7.1%	-11.9%	-1.5%	-14.9%	-6.9%
Iron Ore Mining												
Centralny GOK	CGOK	8.50	n/a	n/a	0.0%	1.3%	39.3%	9.1%	1.4%	3.5%	37.8%	9.4%
Ferrexpo	FXPO	71.75	143.00	47.91	-2.0%	-5.6%	5.1%	35.4%	-0.6%	-3.4%	3.6%	35.7%
Pivnichny GOK	SGOK	7.80	12.30	4.44	0.0%	-4.9%	0.0%	-6.8%	1.4%	-2.7%	-1.5%	-6.5%
Coal Mining												
Pokrovsk Mine	SHCHZ	0.33	0.79	0.17	0.0%	0.0%	13.8%	-29.8%	1.4%	2.2%	12.3%	-29.5%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.29	1.01	0.20	0.0%	-3.3%	-27.5%	-23.7%	1.4%	-1.1%	-29.0%	-23.4%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.80	21.60	9.73	2.9%	-0.5%	4.4%	-16.0%	4.3%	1.7%	2.9%	-15.7%
Luhanskeplovoz	LTPL	1.20	1.80	0.85	0.0%	0.0%	-20.0%	11.1%	1.4%	2.2%	-21.5%	11.4%
Specialized Machinery												
Motor Sich	MSICH	2686	2939	1753	-2.2%	-1.7%	3.0%	8.2%	-0.8%	0.5%	1.5%	8.5%
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	0.21	0.09	0.0%	19.2%	-2.6%	18.4%	1.4%	21.4%	-4.1%	18.7%
Oil & Gas												
Regal Petroleum	RPT	4.00	9.38	3.13	-8.2%	-15.7%	-16.1%	28.0%	-6.7%	-13.5%	-17.7%	28.3%
JKX Oil	JKX	28.50	62.00	11.00	0.0%	-5.0%	-1.7%	137.5%	1.4%	-2.8%	-3.2%	137.8%
Ukrnafta	UNAF	270.0	375.0	54.0	1.3%	-1.5%	7.6%	32.8%	2.7%	0.7%	6.1%	33.1%
Power Utilities												
Centrenergo	CEEN	8.00	8.70	3.00	-1.4%	-2.1%	0.5%	6.0%	0.0%	0.1%	-1.0%	6.3%
Donbasenergo	DOEN	23.19	48.98	11.00	-1.7%	0.4%	3.9%	-29.7%	-0.3%	2.6%	2.4%	-29.4%
Zakhidenergo	ZAEN	166.0	199.8	91.2	0.0%	10.7%	10.7%	12.1%	1.4%	12.9%	9.1%	12.4%
Consumer												
Agroton	AGT	0.97	3.19	0.95	2.1%	-8.5%	-16.4%	-21.1%	3.5%	-6.3%	-17.9%	-20.9%
Astarta	AST	24.00	47.95	14.50	0.4%	-7.0%	0.0%	20.0%	1.8%	-4.8%	-1.5%	20.3%
Avangardo	AVGR	2.70	10.27	1.83	0.0%	0.0%	-2.7%	31.7%	1.4%	2.2%	-4.2%	32.0%
Industrial Milk Company	IMC	4.69	10.39	4.67	0.4%	-6.2%	-14.7%	-17.3%	1.9%	-4.0%	-16.3%	-17.0%
Kernel	KER	36.95	39.25	22.00	0.8%	4.7%	-4.3%	29.8%	2.3%	6.9%	-5.8%	30.1%
Mriya Agro Holding	MAYA	0.15	5.25	0.05	-2.0%	114.3%	-53.4%	-73.3%	-0.5%	116.5%	-54.9%	-73.0%
MHPC	MHPC	11.95	15.60	8.24	0.0%	2.6%	8.6%	29.9%	1.4%	4.8%	7.1%	30.2%
Milkiland	MLK	2.25	7.57	1.48	-4.3%	-7.0%	-21.9%	52.0%	-2.8%	-4.8%	-23.4%	52.3%
Ovostar Union	OVO	80.00	83.00	66.00	3.6%	5.3%	9.6%	11.1%	5.0%	7.5%	8.1%	11.4%
Chemicals												
Stirol	STIR	5.50	n/a	n/a	0.0%	0.0%	-8.3%	-20.6%	1.4%	2.2%	-9.9%	-20.4%
Banks												
Raiffeisen Bank Aval	BAVL	0.093	0.190	0.086	-2.1%	-3.7%	-5.4%	-3.6%	-0.7%	-1.5%	-6.9%	-3.4%
UkrSotsbank	USCB	0.100	0.200	0.090	-2.5%	0.9%	-9.1%	-23.3%	-1.1%	3.1%	-10.6%	-23.0%

Source: Bloomberg

* companies listed abroad are in traded currency

MAIN FINANCIAL FORECASTS, USD mn

Name	Ticker	Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E
Steel																
Alchevsk Steel	ALMK	1,729	700	280	-62	-83	-100	neg	neg	neg	-214	-1,683	-190	neg	neg	neg
Enakievo Steel	ENMZ	1,507	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																
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	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	1,336	286	380	359	11.1%	16.4%	26.9%	23	105	171	0.9%	4.5%	12.8%
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	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	17	3.9%	1	2,631	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	680	634	615	\$/tonne
Yenakievo Steel	ENMZ	8	8.8%	1	6	neg	neg	0.3	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	2.5	neg	0.8	1.2	0.1	0.1	0.1	34	34	34	\$/tonne
Coke																		
Avdivka 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
Iron Ore Mining																		
Centralny GOK	CGOK	471	0.3%	1	470	2.4	4.1	5.9	1.5	2.1	3.0	0.7	0.8	0.9				
Pivnichny GOK	SGOK	851	0.4%	3	844	1.6	2.6	3.8	0.9	1.3	1.8	0.5	0.6	0.6				
Ferrexpo	FXPO	650	24.0%	156	1,329	2.5	3.5	6.7	2.6	2.7	5.2	0.8	1.0	1.3				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	36	2.0%	1	81	7.6	1.6	19.4	2.6	1.9	4.6	0.3	0.4	0.9	129	214	204	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	12	24.0%	3	50	0.6	neg	n/a	1.4	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	59	5.0%	3	53	1.4	neg	neg	1.0	neg	10.5	0.1	0.4	0.8				
Specialized Machinery																		
Turboatom	TATM	70	5.8%	4	40	1.0	1.3	3.1	0.4	0.5	1.1	0.2	0.2	0.3				
Motor Sich	MSICH	264	24.0%	63	239	1.6	2.0	2.9	0.6	0.7	1.1	0.2	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	160	7.2%	11	250	neg	8.8	17.5	neg	3.0	3.5	0.3	0.6	1.0				
Oil & Gas																		
Ukrnafta	UNAF	693	3.0%	21	701	29.7	6.6	4.1	2.4	1.8	2.0	0.3	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	20	21.6%	4	-5	neg	9.9	6.6	neg	-0.3	-0.4	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	76	50.4%	38	184	11.7	neg	15.1	2.8	2.7	2.6	1.0	1.3	1.2	34	25	25	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	140	21.7%	30	154	2.3	23.8	neg	1.6	5.9	neg	0.2	0.2	0.5	9	11	10	\$/MWh
DonbasEnerg	DOEN	26	14.2%	4	57	0.4	3.1	neg	0.8	2.8	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,263	34.1%	431	2,400	7.8	neg	13.0	6.1	4.3	4.4	1.6	1.7	1.6				
Kernel	KER	806	61.8%	498	1,541	7.7	neg	6.4	5.3	6.9	4.7	0.6	0.6	0.7				
Astarta	AST	164	37.0%	61	375	4.8	neg	neg	4.1	2.6	3.8	0.8	0.9	1.1				
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	131	25.0%	33	140	4.3	5.1	5.4	3.9	4.8	5.6	1.7	1.9	1.8	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	131	3.5%	5		1.5	neg	neg	0.1	0.3	0.4	0.02	0.05	0.06				
Ukrsotsbank	USCB	87	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.02	0.03	0.04				

Source: Eavex Research

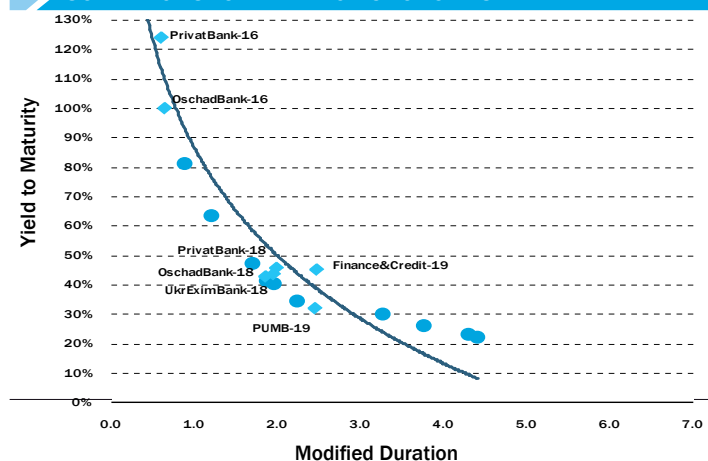
UKRAINIAN EUROBONDS

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	295.1%	273.3%	-32.3%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	49.6	51.5	316.6%	293.7%	-28.1%	0.2	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	44.8	46.0	73.5%	71.0%	-27.6%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	45.0	46.1	101.8%	98.4%	-29.7%	0.7	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	46.4	47.9	44.6%	42.9%	-25.4%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	46.8	47.8	53.3%	51.9%	-24.1%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	46.8	48.0	47.2%	45.7%	-23.0%	1.7	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	46.5	47.8	40.1%	38.8%	-21.5%	2.1	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	45.5	46.5	28.0%	27.4%	-22.8%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	46.5	47.5	26.6%	26.0%	-20.9%	3.5	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	46.5	47.8	23.1%	22.5%	-21.7%	4.1	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	48.3	49.5	21.3%	20.8%	-17.6%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	30.1	39.3	46.8%	36.6%	2.6%	2.7	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	82.5	84.5	13.2%	12.6%	21.0%	3.7	8.25%	S/A	2 Apr 2020	750	/CCC/CC
Avangardco, 2015	58.0	58.0	169.0%	169.0%	-10.1%	0.2	10.00%	S/A	29 Oct 2015	200	/CCC-
UkrLandFarming, 2018	49.5	51.5	43.3%	41.3%	8.5%	1.9	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	11.0	14.0	546.3%	448.5%	-3.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	11.0	14.0	122.0%	105.7%	-3.8%	1.5	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	45.0	48.0	47.6%	44.2%	n/a	1.9	10.375%	S/A	28 Mar 2018	160	//C
DTEK, 2018	44.0	47.0	44.1%	40.9%	0.0%	2.0	7.88%	S/A	4 Apr 2018	750	Caa3//C
Metinvest, 2015	67.1	70.1	n/a	n/a	-14.8%	0.0	10.25%	S/A	20 May 2015	114	Caa3//RD
Metinvest, 2017	58.0	61.0	37.8%	35.0%	-15.0%	1.2	10.50%	S/A	28 Nov 2017	290	//RD
Metinvest, 2018	55.0	58.0	35.9%	33.3%	1.8%	2.0	8.75%	S/A	14 Feb 2018	750	Caa3//RD
Ferrexpo, 2016	84.0	86.0	29.8%	26.8%	10.4%	0.8	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/CC
Ferrexpo, 2019	81.8	84.6	16.9%	15.8%	n/a	2.6	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2018	55.0	57.0	34.9%	33.2%	5.6%	2.2	9.50%	S/A	21 May 2018	500	/CCC/CC
Interpipe, 2017	25.0	35.0	111.4%	81.3%	-45.5%	1.2	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	71.0	74.3	28.1%	26.0%	24.7%	1.4	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	20.0	30.0	76.6%	56.0%	-69.9%	1.9	9.25%	S/A	25 Jan 2019	100	Ca//
PUMB, 2018	51.0	54.0	35.6%	33.4%	-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	176.5%	143.0%	6.4%	0.2	9.38%	S/A	23 Sept 2015	200	Ca//
PrivatBank, 2016	43.0	48.0	171.1%	143.7%	-8.1%	0.4	8.75%	S/A	9 Feb 2016	150	Ca//
PrivatBank, 2018	65.5	68.0	30.0%	28.2%	13.1%	2.0	10.88%	S/A	28 Feb 2018	175	Ca//CC
UkrEximBank, 2015	74.0	77.0	n/a	n/a	-2.6%	0.1	8.38%	S/A	27 Apr 2015	750	Ca//CC
UkrEximBank, 2016	46.0	50.0	154.1%	134.1%	1.1%	0.4	5.79%	S/A	2 Sept 2016	125	Ca//CC
UkrEximBank, 2018	65.0	67.0	28.3%	26.8%	16.8%	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	67.0	69.0	67.8%	62.9%	16.2%	0.6	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	65.0	69.5	27.4%	24.4%	19.1%	2.2	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	48.8	50.8	244.3%	226.2%	-31.4%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/
City of Kyiv, 2016	46.5	49.0	96.1%	89.1%	-32.5%	0.7	9.375%	S/A	30 Jun 2016	300	Ca/CC/

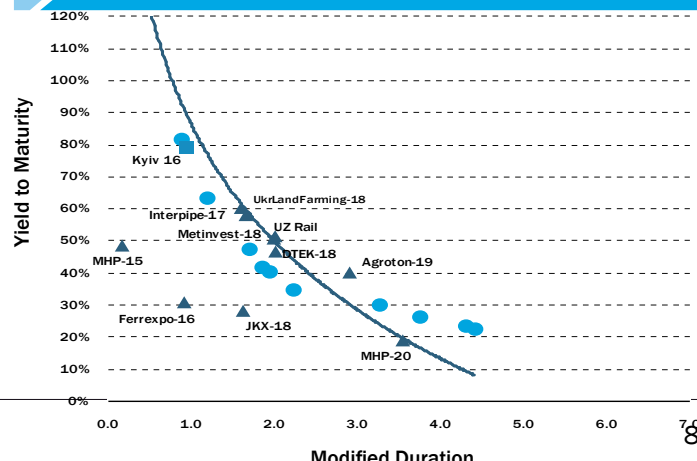
¹ Moody's/S&P/Fitch; * EUR

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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