



EMPIRE STATE
CAPITAL PARTNERS

UKRAINE MARKETS DAILY

May 28, 2015



UX
-0.1%

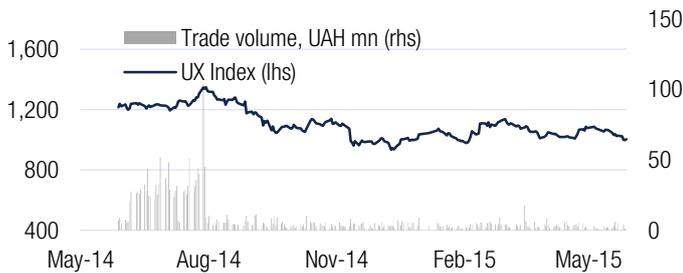


USD/UAH
-2.1%



Ukraine CDS
-2.0%

Ukrainian market performance (UX)



Source - Bloomberg

Currencies	Last	1d	1m	YTD *
USD/UAH	21.10	-2.1%	-8.1%	29.6%
EUR/UAH	23.01	-1.8%	-8.0%	15.9%
RUB/UAH	0.40	-6.2%	-9.3%	40.7%
Indices	Last	1d	1m	YTD
UX	997	-0.1%	-6.7%	-3.6%
PFTS	351	0.3%	-4.2%	-9.4%
WIG UKR	306	0.2%	4.6%	25.3%
MICEX	1,661	0.6%	-1.0%	18.9%
MSCI EM	1,019	-0.7%	-4.4%	6.6%
S&P500	2,123	0.9%	0.7%	3.1%
DAX	11,771	1.3%	-2.2%	20.0%
Dow Jones	18,163	0.7%	0.7%	1.9%
Nikkei	20,473	0.2%	2.4%	17.3%
Shanghai Comp	4,942	0.6%	9.2%	52.8%
WIG	55,862	0.6%	-2.1%	8.6%
Commodities	Last	1d	1m	YTD
Oil (Brent)	62	-2.6%	-4.3%	8.3%
Gold	1,186	-0.1%	-1.5%	0.1%
Iron ore	60	0.4%	19.1%	-12.6%
Steel	474	5.3%	4.9%	-21.7%
Wheat	189	0.0%	-4.5%	-23.2%
Corn	154	0.7%	-4.4%	-5.4%

Source - Bloomberg, Minfin.com.ua (*)

Futures - UX	Last	1d	Vol, UAH mn	Open acc, ths
DX-6.15 (USD)	22.30	-0.0%	0.2	0.5
UX-6.15	1,035	-1.0%	2.1	15.5
UX-9.15	1,115	1.0%	0.2	2.1

Source - UX

Market comment

The UX Index was down by 0.1% on Wednesday, and up by 2.0% in the US dollar terms, while the PFTS index was up by 0.3% in UAH terms. Five out of ten companies in the UX index were down in UAH terms, with the largest decrease in prices observed for Azovsteel (-2.2%), DonbassEnergO (-1.3%) and Enakievo MP (-1.1%).

On the interbank exchange market, the USD/UAH spot rate was down by 2.1% to 21.10 (mid price) on Wednesday according to Bloomberg. The official exchange rate reported by the NBU was 21.04.

Ukraine 5-year CDS fell by 2.0% on Wednesday.

Market news

- Ukraine's gross public debt grew by 3.6% in April 2015

Best performers	Ticker	Price, \$	1d	YTD
Misen Energy	MISE SS	0.799	7.4%	-8.3%
Alchevsky MP	ALMK UK	0.001	5.8%	-22.8%
Regal Petroleum	RPT LN	0.071	5.2%	45.5%
Worst performers	Ticker	Price, \$	1d	YTD
Hawkey Oil&Gas	HOG AU	0.003	-20.4%	-5.9%
Milkiland	MLK PW	0.554	-5.7%	32.4%
Ovostar	OVO PW	21.226	-4.3%	4.4%

Source - UX, Bloomberg

Ukraine 5Y CDS spreads



Ukraine's gross public debt grew by 3.6% in April 2015

Ukraine's gross public debt grew by 3.6% m/m in April 2015 and amounted to USD 67.4 bn by May 1, 2015, according to the Finance Ministry of Ukraine. Public domestic debt increased by 8.9% m/m to USD 24.4 bn, whereas foreign debt increased by 0.8% m/m to USD 42.9 bn. In national currency, however, gross public debt declined by 7% m/m during the month. Year-to-date, gross public debt declined by 3.5%, as public domestic debt fell by 21.2%, whereas public foreign debt increased by 10%.

On a latest development, the Finance Minister Natalie Jaresko has announced direct negotiations between the Ukrainian government and the committee of the Ukrainian sovereign debt holders to sort out the issue of public debt restructuring. The government is pushing for a reduction of the total volume of the outstanding public commitments on Eurobonds.

Our view:

The appreciation of the national currency against USD in April 2015 contributed to the nominal increase of domestic debts, while the Ukrainian Ministry of Finance made only a minor debt attraction on the domestic market during the month. In the meantime, Ukraine's public foreign debt increased thanks to the EUR 250 mn loan provided by the EU as part of the macrofinancial assistance program (MFA).

tratovohery@empirestatecap.com

Local equity – UX Index

Company	Ticker	Mcap, \$ mn	Last price, \$	Bid, \$	Ask, \$	Chg, d/d	Chg, m/m	Chg, YTD	1M ADT Vol, \$000	52w Low	52w High
Alchevsky MP	ALMK UK	17.1	0.001	0.001	0.001	5.8%	1.8%	-22.8%	1.0	0.001	0.004
Avdeevsky Coke	AVDK UK	10.9	0.055	0.054	0.056	1.3%	-11.6%	-47.8%	1.1	0.066	0.309
Azovstal	AZST UK	159.4	0.037	0.037	0.038	-0.4%	1.4%	-19.2%	4.8	0.030	0.074
Bank Aval	BAVL UK	130.0	0.004	0.004	0.004	2.2%	1.5%	-25.7%	11.6	0.005	0.014
CentrEnerg	CEEN UK	136.7	0.371	0.369	0.371	2.4%	3.5%	-20.0%	18.1	0.253	0.746
DonbassEnerg	DOEN UK	25.0	1.044	1.043	1.079	0.9%	2.7%	-48.5%	6.7	0.940	4.032
Enakievo MP	ENMZ UK	8.0	0.739	0.738	0.772	-0.4%	-5.6%	-42.5%	2.7	0.578	5.365
Motor Sich	MSICH UK	249.8	121.80	121.09	122.99	3.3%	0.7%	-20.1%	44.4	131.16	110.1
Ukrnafta	UNAF UK	695.7	12.867	12.773	12.872	2.4%	10.2%	3.0%	30.0	4.563	29.07
Kryukiv carriage	KVBZ UK	53.9	0.464	0.464	0.478	4.3%	-7.3%	-41.2%	1.2	0.441	1.814

Source: Bloomberg, UX. Price calculated using the interbank exchange rate according to Bloomberg.

Other local equity

Company	Ticker	Mcap, \$ mn	Last price, \$	Bid, \$	Ask, \$	Chg, d/d	Chg, m/m	Chg, YTD	1M ADT Vol, \$000	52w Low	52w High
Central GZK	CGOK UK	438.7	0.299	0.237	0.308	-18.6%	-	-	-	-	-
Donetsk Coke	DKOK UK	3.8	0.015	-	0.023	2.1%	-	-	-	-	-
DniproEnerg	DNON UK	21.3	3.555	3.038	4.264	2.1%	-	-	-	-	-
DonetskOblEner	DOON UK	8.4	0.128	0.064	0.192	2.1%	-	-	-	-	-
Farmak	FARM UK	51.7	7.109	7.109	10.663	2.1%	-	-	-	-	-
Forum Bank	FORM UK	-	-	-	-	-	-	-	-	-	-
KhmelnyskOblEner	HMON UK	14.3	0.107	-	0.160	2.1%	-	-	-	-	-
Hartsyzk pipes	HRTR UK	32.6	0.011	0.011	0.011	-5.7%	-31.3%	-51.7%	0.1	0.013	0.086
KievEnerg	KIEN UK	66.3	0.611	0.538	0.691	2.1%	-	-	-	-	-
KirovogradOblEner	KION UK	12.7	0.107	0.054	0.160	2.1%	-	-	-	-	-
AvtoKRAZ	KRAZ UK	12.8	0.005	0.005	0.006	-1.3%	-	-	-	-	-
DTEK KrymEnerg	KREN UK	4.3	0.025	0.013	0.036	2.1%	5.0%	-79.2%	0.2	0.031	0.214
Kryukiv carriage	KVBZ UK	53.9	0.464	0.464	0.478	4.3%	-7.3%	-41.2%	1.2	0.441	1.814
Lugansk Locomotive	LTPL UK	10.9	0.050	0.040	0.050	2.1%	-4.7%	-25.0%	0.1	0.072	0.066
Bogdan Motors	LUAZ UK	5.4	0.001	0.001	0.001	2.9%	0.4%	1.5%	0.1	0.001	0.007
Ilyich iron and steel	MMKI UK	146.6	0.012	0.008	0.013	2.1%	-	-	-	-	-
Mariupol machinery	MZVM UK	0.5	0.002	0.001	0.002	70.2%	-32.0%	-68.6%	0.1	0.001	0.017
MHP	MHPC UK	1,302.1	12.322	12.087	12.559	2.1%	-	-	-	-	-
Nord	NORD UK	5.1	1.896	0.948	3.318	2.1%	-	-	-	-	-
Poltavkhimmash	PHMSH UK	1.8	0.735	0.616	0.736	2.1%	-	-	-	-	-
South GZK	SGOK UK	829.9	0.360	0.294	0.365	2.1%	1.4%	-29.9%	0.6	0.280	0.777
Pokrovske mine	SHCHZ UK	13.3	0.016	0.009	0.019	2.1%	8.8%	-46.1%	-	0.011	0.068
Universalna insur.	SKUN UK	2.3	-	-	-	-	-	-	-	0.025	0.025
Slavutich	SLAV UK	315.0	0.308	0.313	0.469	2.1%	-	-	-	-	-
Stakhanov railway	SVGZ UK	2.7	0.012	0.010	0.013	2.1%	-	-	-	-	-
Ukrtelecom	UTLM UK	159.7	0.009	0.007	0.009	2.1%	-2.1%	-8.6%	11.3	0.008	0.010
Yasynivsky Coke	YASK UK	3.4	0.012	0.008	0.013	2.1%	-5.7%	-28.4%	0.0	0.012	0.072
Zakhidenergo	ZAEN UK	100.6	7.867	6.640	7.867	2.1%	20.4%	-13.5%	0.1	7.693	15.488
ZakarpattyaOblEner	ZOEN UK	6.5	-	-	-	-	-	-	-	0.060	0.145

Source: Bloomberg, UX. Price calculated using the interbank exchange rate according to Bloomberg.

Ukrainian equities listed abroad

Company	Ticker	Mcap, \$ mn	Last price, \$	Bid, \$	Ask, \$	Chg, d/d	Chg, m/m	Chg, YTD	1M ADT Vol, \$000	52w Low	52w High
Active Energy	AEG LN	54.4	0.10	0.10	0.10	4.5%	6.3%	106.4%	103.1	0.03	0.18
Agrogeneration	ALAGR FP	48.2	0.52	0.50	0.50	-0.1%	-3.9%	0.4%	10.1	0.32	1.25
Agroton	AGT PW	5.9	0.27	0.27	0.27	4.6%	-9.2%	-21.8%	10.7	0.24	0.85
Astarta-Kyiv	AST PW	170.7	6.83	6.73	6.73	0.6%	4.3%	20.9%	215.3	3.78	12.69
Avangard	AVGR LI	172.5	2.70	2.35	2.35	0.0%	9.8%	31.7%	81.1	1.81	10.35
Black Iron	BKI CN	3.9	0.02	0.02	0.02	-0.5%	17.0%	-44.2%	60.7	0.02	0.14
Cadogan Oil	CAD LN	32.8	0.14	0.14	0.14	-0.5%	6.7%	-9.1%	7.3	0.13	0.19
Cereal Planet	CRP PW	6.0	3.39	3.35	3.35	0.5%	3.1%	1.7%	0.0	2.89	3.39
Coal Energy	CLE PW	6.8	0.15	0.14	0.14	0.5%	-10.1%	-14.2%	1.3	0.13	0.38
Cub Energy	CUB CN	5.0	0.02	0.02	0.02	-0.5%	-2.5%	-46.9%	0.9	0.01	0.14
Ferrexpo	FXPO LN	649.4	1.10	1.10	1.10	1.7%	-8.3%	44.7%	931.8	0.67	2.05
Hawkey Oil&Gas	HOG AU	0.9	0.00	0.00	0.00	-20.4%	-34.4%	-5.9%	-	0.00	0.01
IMC	IMC PW	36.1	1.15	1.15	1.15	-2.1%	-23.5%	-27.9%	2.2	1.16	2.77
JKX Oil&Gas	JKX LN	81.1	0.47	0.46	0.46	-0.5%	4.3%	151.9%	553.5	0.17	0.97
KDM Shipping	KDM PW	7.5	0.81	0.71	0.71	0.0%	-28.4%	-29.5%	0.8	0.79	2.64
Kernel	KER PW	784.5	9.85	9.70	9.70	2.1%	3.1%	22.5%	1,695.5	5.55	10.54
MHP	MHPC LI	1,167.6	11.05	10.90	10.90	1.8%	-1.3%	20.1%	782.4	8.24	15.60
Milkiland	MLK PW	17.3	0.55	0.55	0.55	-5.7%	-25.8%	32.4%	12.2	0.38	2.01
Misen Energy	MISE SS	115.9	0.80	0.78	0.78	7.4%	1.3%	-8.3%	-	0.67	3.14
Mriya	MAYA GF	18.5	0.17	-	-	44.0%	-11.0%	-74.4%	0.7	0.05	6.01
Ovostar	OVO PW	127.4	21.23	20.96	20.96	-4.3%	5.0%	4.4%	112.7	16.51	21.93
Regal Petroleum	RPT LN	22.7	0.07	0.07	0.07	5.2%	-1.7%	45.5%	7.3	0.04	0.15
Serinus Energy	SEN PW	63.6	0.81	0.81	0.81	-0.1%	-4.9%	-28.5%	259.5	0.75	2.29
Westa ISIC	WES PW	1.0	0.02	0.02	0.02	0.0%	2.8%	-53.9%	0.1	0.02	0.13

Source: Bloomberg.

Market multiples

Industry	Ticker	Last price,	Target price,	Mcap \$ mn	EV, \$ mn	Free float	P/E			EV/EBITDA			EV/Sales			P/B
		\$	\$				2013	2014E	2015F	2013	2014E	2015F	2013	2014E	2015F	
OIL&GAS, ENERGY																
Ukrnafta	UNAF UK	12.87	-	699	967	8%	30.0	6.6	21.4	3.4	2.5	6.1	0.4	0.5	0.7	0.3
JKX Oil & Gas	JKX LN	0.47	-	81	92	48%	12.5	neg.	neg.	1.4	2.0	1.8	0.5	0.6	0.6	0.2
Misen Energy	MISE SS	0.80	-	116	133	1%	3.6	-	-	2.9	-	-	1.4	-	-	1.4
Serinus Energy	SER PW	0.81	-	64	90	39%	neg.	neg.	neg.	1.2	1.2	2.4	0.6	0.5	0.8	0.4
Cub Energy	KUB CN	0.02	0.03	5	4	26%	neg.	neg.	neg.	neg.	neg.	neg.	1.4	0.5	0.5	0.1
Active Energy	AEG LN	0.10	0.26	54	56	40%	neg.	neg.	1.0	neg.	112.6	1.0	6.9	2.1	0.5	9.3
METALS & MINING																
Ferrexpo	FXPO LN	1.10	-	649	1,238	26%	2.5	3.5	8.5	2.5	2.5	6.2	0.8	0.9	1.2	0.4
Central GZK	CGOK UK	0.30	-	350	335	0%	1.8	2.1	-	1.0	1.2	-	0.5	0.5	-	0.4
South GZK	SGOK UK	0.36	-	830	1,138	1%	1.5	1.8	-	1.2	1.4	-	0.7	0.8	-	0.4
Pokrovske coal	SHCHZ UK	0.02	-	13	85	2%	neg.	-	-	0.8	-	-	0.2	-	-	0.1
Azovsteel	AZST UK	0.04	-	155	155	4%	neg.	2.0	3.1	neg.	1.0	1.5	0.1	0.1	0.1	0.1
Enakievo MP	ENMZ UK	0.74	-	8	0	14%	neg.	neg.	neg.	0.1	neg.	neg.	neg.	neg.	neg.	0.3
AGRI/FOOD																
Kernel	KER PW	9.85	-	785	1,520	55%	7.0	neg.	6.0	5.1	6.8	4.5	0.5	0.6	0.7	0.6
MHP	MHPC LI	11.05	-	1,168	2,140	29%	7.5	neg.	5.8	5.5	3.9	4.2	1.4	1.6	1.7	0.9
Astarta	AST PW	6.83	-	171	434	32%	5.8	neg.	neg.	5.1	2.7	4.4	1.0	0.9	1.1	0.3
Agrogeneration	ALAGR FP	0.52	-	48	140	18%	neg.	neg.	-	neg.	5.2	-	1.4	1.6	-	0.7
Avangard	AVGR LI	2.70	4.52	172	342	23%	0.7	neg.	4.9	1.1	2.6	3.1	0.5	0.8	1.0	0.1
Ovostar	OVO PW	21.23	-	127	136	26%	4.2	4.6	5.5	3.8	4.7	5.2	1.5	1.8	1.8	0.9
Mriya	MAYA GF	0.17	-	18	807	20%	0.2	-	-	4.9	-	-	1.6	-	-	0.0
IMC	IMC PW	1.15	-	36	161	27%	1.4	neg.	4.5	3.2	2.8	3.2	1.4	1.2	1.0	0.2
Milkiland	MLK PW	0.55	-	17	129	22%	1.2	neg.	neg.	2.9	5.6	4.4	0.3	0.3	0.5	0.1
UTILITIES																
CentrEnerg	CEEN UK	0.37	-	137	148	22%	2.3	22.8	neg.	1.6	5.7	neg.	0.2	0.2	0.3	0.5
DonbassEnerg	DOEN UK	1.04	-	25	121	14%	0.4	1.0	neg.	1.1	2.6	37.6	0.2	0.3	0.7	0.2
KievEnerg	KIEN UK	0.61	-	66	87	3%	0.5	-	-	0.5	-	-	0.1	-	-	0.1
Zakhidenerg	ZAEN UK	7.87	-	101	131	3%	1.4	-	-	0.9	-	-	0.1	-	-	0.5
INDUSTRIALS																
Hartsyzk pipes	HRTR UK	0.01	-	30	29	2%	6.3	5.9	-	1.2	1.0	-	0.2	0.1	-	0.2
AutoKRAZ	KRAZ UK	0.005	0.017	12	147	13%	5.1	neg.	0.6	11.3	3.3	3.3	1.6	1.0	1.0	-
Kryukiv carriage	KVBZ UK	0.46	-	53	57	32%	1.3	neg.	neg.	1.1	neg.	11.4	0.1	0.4	0.9	0.2
Motor Sich	MSICH UK	121.80	-	253	189	19%	1.6	1.9	2.1	0.6	0.5	0.8	0.2	0.2	0.3	0.2
Bogdan Motors	LUAZ UK	0.001	-	5	181	42%	neg.	-	-	neg.	-	-	1.4	-	-	0.1
BANKING																
UkrSotsbank	USCB UK	0.005	-	117	858	2%	neg.	6.2	neg.	-	-	-	1.4	-	-	0.1
Bank Aval	BAVL UK	0.004	-	131	544	4%	1.1	neg.	neg.	-	-	-	0.6	1.2	2.2	0.1
TELECOMS																
Ukrtelecom	UTLM UK	0.009	-	160	288	7%	neg.	6.7	19.9	2.0	2.6	4.1	0.4	0.5	1.3	0.3
PHARMA																
Farmak	FARM UK	7.11	-	52	84	22%	1.4	-	-	1.3	-	-	0.4	-	-	0.3

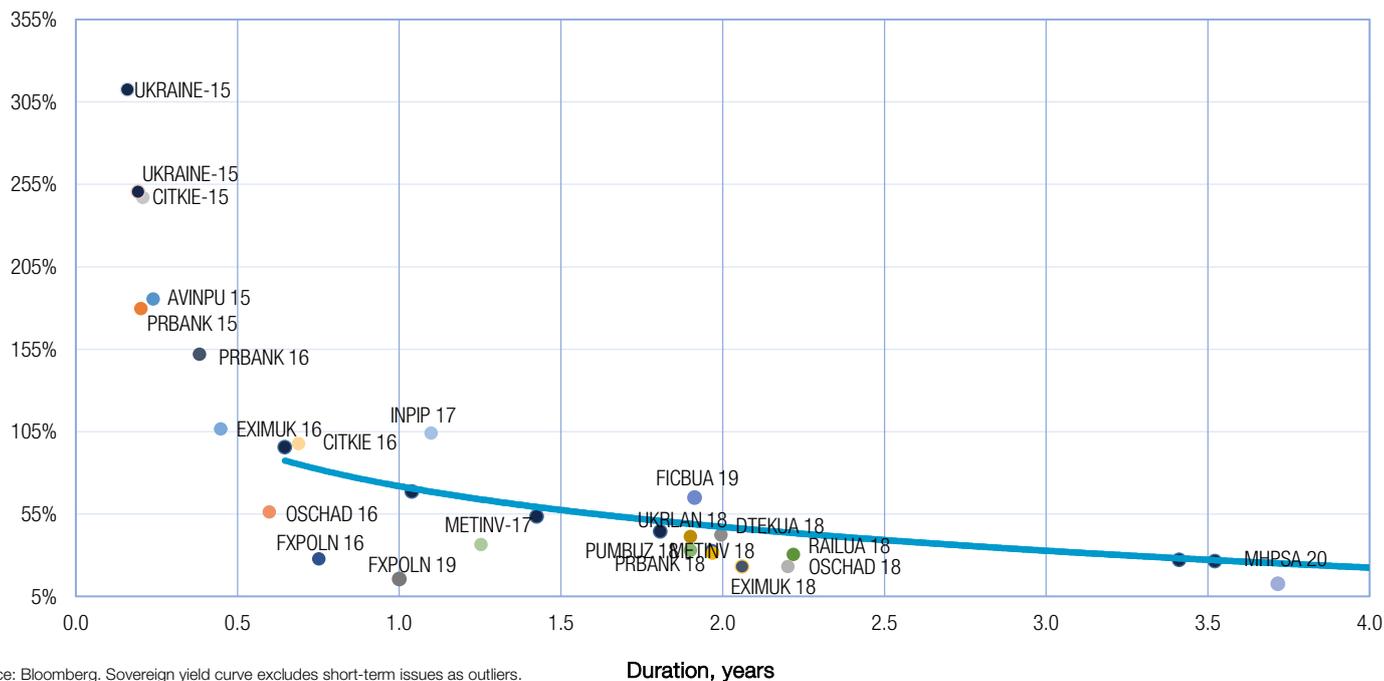
Source: Bloomberg, ESCP estimates. Market value of debt is used where applicable.

Eurobonds

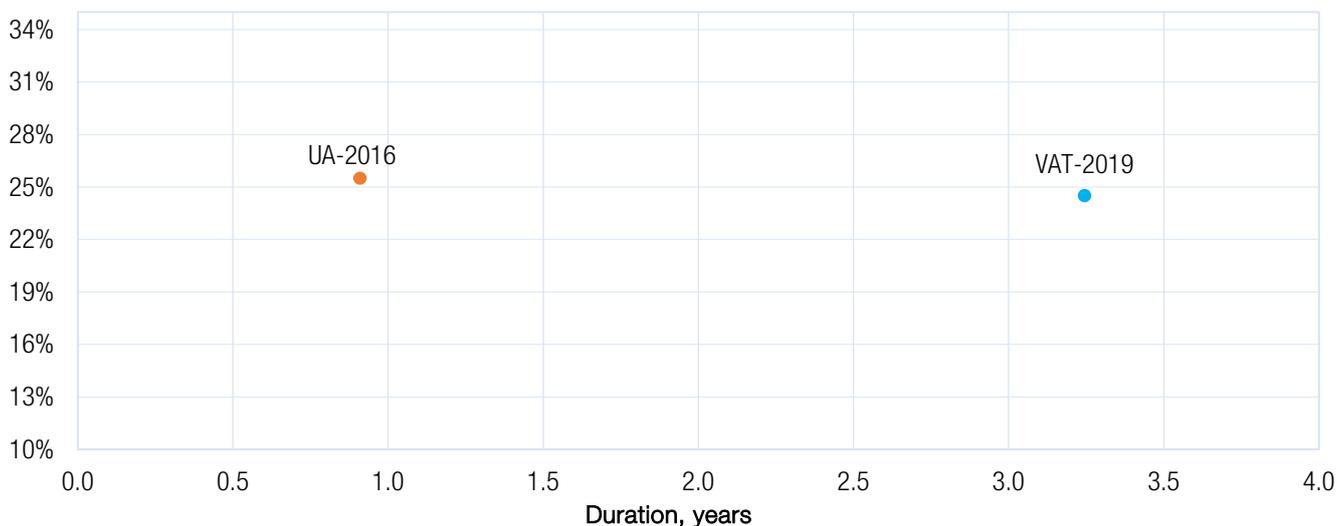
Issue	Ticker	Cpn	Maturity	Amt, \$ mn	Last	Bid	Ask	YTM (mid)	Mod. Dur.	Spread to sov., bps	Rating
Sovereigns											
Ukraine-15	UKRAIN	6.88	23.09.2015	500	50.73	50.08	51.38	312.6	0.16	17,537	CC/Ca/CCC-
Ukraine-15	UKRAIN	4.95	13.10.2015	600	51.00	50.04	51.96	250.5	0.19	11,994	CC/Ca/CCC-
Ukraine-15 (RU)	UKRAIN	5.00	20.12.2015	3,000	52.50	50.00	55.00	164.9	0.30	5,038	CCC/Caa3/CCC
Ukraine-16	UKRAIN	6.25	17.06.2016	1,250	47.63	47.25	48.00	95.6	0.65	815	CC/Ca/CCC-
Ukraine-16	UKRAIN	6.58	21.11.2016	1,000	47.38	47.00	47.75	68.6	1.04	-196	CC/Ca/CCC-
Ukraine-17	UKRAIN	9.25	24.07.2017	2,600	46.96	46.39	47.52	53.5	1.43	-578	CC/Ca/CCC-
Ukraine-17	UKRAIN	6.75	14.11.2017	700	46.75	46.00	47.50	44.5	1.81	-640	CC/Ca/CCC-
Ukraine-20	UKRAIN	7.75	23.09.2020	1,500	46.73	46.23	47.23	27.3	3.41	-96	CC/Ca/CCC-
Ukraine-21	UKRAIN	7.95	23.02.2021	1,500	46.73	46.23	47.23	26.5	3.52	-60	CC/Ca/CCC-
Ukraine-22	UKRAIN	7.8	28.11.2022	2,250	46.81	46.35	47.27	23.0	4.40	386	CC/Ca/CCC-
Ukraine-23	UKRAIN	7.5	17.04.2023	1,250	51.13	50.25	52.00	20.1	4.72	343	CC/Ca/CCC-
Fin. of infr. pr.-17	UKRINF	8.38	03.11.2017	568	45.50	44.50	46.50	49.2	1.71	-358	-/Ca/-
Fin. of infr. pr.-17	UKRINF	9	07.12.2017	550	45.50	45.00	46.00	48.8	1.62	-595	-(P)Ca/-
Fin. of infr. pr.-18	UKRINF	7.4	20.04.2018	690	45.50	44.50	46.50	41.4	2.07	-468	-/Ca/-
Municipals											
City of Kiev-15	CITKIE	8	06.11.2015	250	49.58	48.42	50.75	247.0	0.21	11,898	CC/Ca/CC
City of Kiev-16	CITKIE	9.38	11.07.2016	300	46.63	44.50	48.75	97.7	0.69	1,247	CC/Ca/CC
Corporates											
Mriya-16	MRIYA	10.95	30.03.2016	250	14.38	12.25	16.50	flat	0.27	-	WD/-/NR
Mriya-18	MRIYA	9.45	19.04.2018	400	N/A	N/A	N/A	flat	1.78	-	WD/-/NR
Ukrlandfarming-18	UKRLAN	10.88	26.03.2018	500	51.56	50.13	53.00	41.5	1.90	-761	WD/-/CC
Ferrexpo-16	FXPOLN	7.88	07.04.2016	500	85.67	85.00	86.33	27.8	0.75	-5,437	CCC/Caa3/CCC+
Ferrexpo-19	FXPOLN	10.38	07.04.2019	161	85.00	84.00	86.00	15.7	2.61	-2,205	CCC/Caa3/CCC+
MHP-20	MHPSA	8.25	02.04.2020	750	84.27	83.45	85.10	12.7	3.72	-1,251	CCC/-/CCC-
DTEK-18	DTEKUA	7.88	04.04.2018	750	45.83	44.83	46.83	42.4	2.00	-498	C/Ca/-
Metinvest-15	METINV	10.25	20.05.2049	500	69.75	68.00	71.50	flat	-	-	NR/WR/-
Metinvest-17	METINV	10.5	28.11.2017	290	59.50	58.00	61.00	36.6	1.25	-2,731	C/-/-
Metinvest-18	METINV	8.75	14.02.2018	750	58.65	58.00	59.30	32.9	1.97	-1,491	C/Caa3/-
Ukraine Railways-18	RAILUA	9.5	21.05.2018	500	60.58	59.67	61.50	30.6	2.22	-1,297	C/-/CC
Avangard-15	AVINPU	10	29.10.2015	200	58.40	56.63	60.17	185.5	0.24	6,259	WD/ /-
Interpipe-17	INPIP	10.25	02.08.2017	200	27.50	25.00	30.00	104.1	1.10	3,550	C/-/NR
Banks											
PrivatBank-15	PRBANK	9.38	23.09.2015	200	65.00	64.00	66.00	179.7	0.20	-13,284	CC/Cau/CCC-
PrivatBank-16 (sub.)	PRBANK	5.80	09.02.2016	150	47.50	46.50	48.50	151.9	0.38	4,575	-/Cu/-
Privatbank-18	PRBANK	10.88	28.02.2018	175	64.00	63.00	65.00	31.3	1.97	-1,651	CC/Cau/CCC-
Ukreximbank-15	EXIMUK	8.38	27.07.2015	750	77.50	75.00	80.00	flat	0.12	-	RD/Ca/-
Ukreximbank-16 (sub.)	EXIMUK	5.79	09.02.2016	125	57.50	55.00	60.00	106.7	0.45	622	C/C/-
Ukreximbank-18	EXIMUK	8.75	22.01.2018	600	72.50	70.00	75.00	23.2	2.06	-2,300	C/Ca/-
Oschadbank-16	OSCHAD	8.25	10.03.2016	700	72.50	71.00	74.00	56.2	0.60	-3,396	CC/Ca/-
Oschadbank-18	OSCHAD	8.88	20.03.2018	500	71.50	70.00	73.00	23.2	2.20	-2,062	CC/Ca/-
Nadra-17 (restr.)	NADRA	9.38	05.12.2017	N/A	N/A	N/A	N/A	N/A	N/A	-	-/-/-
VAB Bank-19 (restr.)	VABANK	9.00	14.06.2019	125	4.00	2.00	6.00	flat	1.50	-	WD/WR/-
Fin&Credit-19 (restr.)	FICBUA	9.25	25.01.2019	100	25.00	20.00	30.00	65.1	1.91	1,627	-/-/-
PUMB-18	PUMBUZ	11.00	31.12.2018	275	54.50	53.00	56.00	33.1	1.90	-1,594	NR/WR/-

Source: Bloomberg, ESCP

Eurobonds yield curve



OVDP yield curve



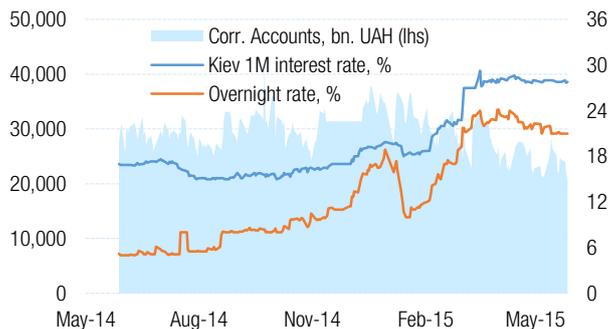
Source: TRDATA

OVDP auction results

Date	ISIN	Maturity	Coupon	Avg. YTM	Auction Bids, UAH mn	Amnt placed, UAH mn	Num. of bids accepted
24.02.2015	UA4000189021	01.02.2017	16.70%	16.70%	19	19	1
18.02.2015	UA4000189294	17.03.2015	8.75%	8.75%	USD 40 mn	USD 40 mn	1
17.02.2015	UA4000189294	17.03.2015	8.75%	8.75%	USD 100 mn	USD 100 mn	1
05.02.2015	UA4000189013	24.03.2015	8.75%	8.75%	USD 100 mn	USD 100 mn	1
03.02.2015	UA4000189021	01.02.2017	16.70%	16.70%	24	24	1
03.02.2015	UA4000189013	24.03.2015	8.75%	8.75%	USD 61 mn	USD 61mn	1
27.01.2015	UA4000188940	24.04.2015	17.00%	17.00%	3,073	3,073	3
26.01.2015	UA4000188940	24.04.2015	17.00%	17.00%	1,500	1,500	2
16.01.2015	UA4000188791	01.04.2015	17.00%	17.00%	2,509	2,509	3
15.01.2015	UA4000188791	01.04.2015	17.00%	17.00%	3,227	3,227	4
26.12.2014	UA4000188536	11.12.2019	14.25%	14.25%	903	903	1
19.12.2014	UA4000188429	04.12.2019	14.25%	14.25%	500	500	1
16.12.2014	UA4000188429	04.12.2019	14.25%	14.25%	1,000	1,000	1
15.12.2014	UA4000188379	23.11.2016	17.60%	17.60%	1,000	1,000	1

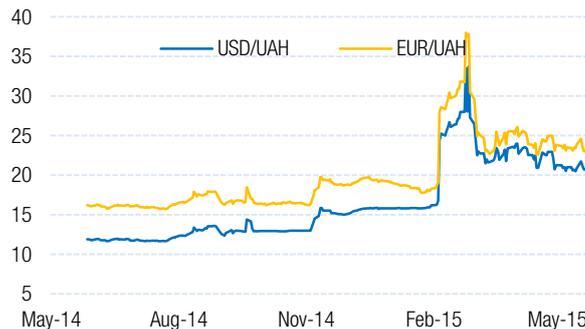
Source: Ministry of Finance of Ukraine

Liquidity indicators



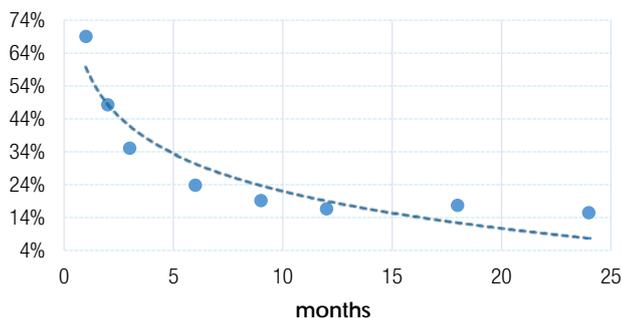
Source: NBU, Bloomberg

Exchange rate dynamics



Source: Bloomberg

UAH/USD NDF implied yield curve



Source: Bloomberg, ESCP estimates

CDS USD 5Y: Ukraine and comparables



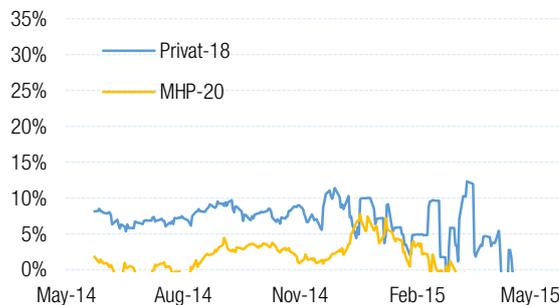
Source: Bloomberg

Spread of 10-y sov. issue to U.S. Treasuries



Source: Bloomberg

Spread of corp. issues to Ukraine gov. bonds



Source: Bloomberg

S&P GSCI Agriculture index



Source: Bloomberg

Ukraine hot-rolled coil, FOB \$/t



Source: Bloomberg

Important disclosure

20a Kozhumiatska Street

Kyiv, Ukraine, 04071

For direct sales inquiries call: + 38 (044) 237-7727, NY: +1 (917) 475-0447

Fax: + 38 (044) 237-7727

Email: research@empirestatecap.com

Our website: www.empirestatecap.com

About us

Empire State Capital Partners is a full service investment company with Western roots headquartered in Ukraine. We offer services in capital markets advisory, mergers and acquisitions, debt and equity underwriting, corporate finance, brokerage, asset management, and structured products. Our team is comprised of experienced professionals from the United States, Europe, Australia and Ukraine, who have been involved in coordination of a wide variety of investment projects in the countries of the former Soviet Union and abroad.

Disclaimer

Although the information in this report has been obtained from sources which Empire State Capital Partners believes to be reliable and was collected in good faith, we do not represent or warrant its accuracy, except with respect to information concerning Empire State Capital Partners, its subsidiaries and affiliates, either expressly or implied, and such information may be incomplete or condensed. Nor has the information and/or data been independently verified, and so is provided without further caveat regarding its reliability, suitability for commerce or specific purpose.

This report does not constitute a prospectus and is not intended to provide the sole basis for an evaluation of the securities discussed herein. All estimates and opinions included in this report constitute our judgment as of the date of the report and may be subject to change without notice. Empire State Capital Partners or its affiliates may, from time to time, have a position or make a market in the securities mentioned in this report, or in derivative instruments based thereon, may solicit, perform or have performed investment banking, or other services (including acting as advisor, manager) for any company referred to in this report and may, to the extent permitted by law, have used the information herein contained, or the research or analysis upon which it is based, before its publication. Empire State Capital Partners will not be responsible for the consequences of reliance upon any opinion or statement contained herein or for any omission. This report is confidential and is being submitted to select recipients only. It may not be reproduced (in whole or in part) without the prior written permission of Empire State Capital Partners.

Any recommendations, opinions, forecasts, estimates or views herein constitute a judgment as at the date of this report. This document has been produced independently of Empire State Capital Partners and the recommendations, forecasts, opinions, estimates, expectations, and views contained herein are entirely those of the research analyst(s). While all reasonable care has been taken to ensure that the facts presented herein are accurate and that the respective recommendations, forecasts, opinions, estimates, expectations, and views are fair and well considered, none of the research analyst(s), Empire State Capital Partners or any of its directors, managers or employees has verified the contents of this document and, accordingly, no research analyst, Empire State Capital Partners or any of its respective directors, managers or employees shall be in any way responsible for its contents.

© Empire State Capital Partners, 2015