

Market Update

Equity

Kyiv-listed stocks finished mixed on Tuesday (Jun 16) after the previous session's firm rise. The UX index edged up 0.5% to close at 1028 points, which is an encouraging sign from a chart point of view. Based on technical indicators, we expect that the gauge will be able to climb back above the 1100 level in the next couple of weeks. In actively traded names, UkrNafta (UNAF) added 0.3% to close at UAH 279 per share while Motor Sich (MSICH) corrected by 0.7% to UAH 2761. Low-liquidity Krukiv Wagon (KVBZ) gained 5.9% to UAH 10.85 after big losses seen on Friday. London-listed Ukrainian stocks were also mixed, with Ferrexpo (FXPO) shedding 1.4% to GBP 70.00 while Regal Petroleum (RPT) surged 9.9% to GBP 5.50 from its previously listed price. In Warsaw trading, Kernel (KER) picked up 1.0% finishing at PLN 38.25 and Agrotan (AGT) jumped by 16.7% to PLN 1.19 to reclaim some of this year's steady decline.

Fixed Income

Ukrainian sovereigns declined to a 2-week low yesterday amid the threat that the Finance Ministry might impose a moratorium on servicing its bonds until a restructuring deal with creditors is reached. Ukraine-23s slumped another 3.3p.p. to close at 51.5/52.5 (20.1%/19.5%), and Ukraine-17s shed 0.8 p.p., ending at 47.0/47.9 (55%/53%). In the banking universe, OschadBank-16s edged down 0.5 p.p. to 73.0/76.0 (59%/52%) even though the bank unveiled a rather generous exchange offer for the bonds in its effort to extend their maturity by 7 years.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2761.00	-0.7%	1.2	48
Centrenergo	CEEN	7.90	0.0%	0.3	12
Donbasenergo	DOEN	22.00	-0.8%	0.1	8

Growth Leaders

Azovstal	AZST	0.80	2.3%	0.01	12
Avdyivka Coke	AVDK	1.17	1.7%	0.00	7
Alchevsk Steel	ALMK	0.01	1.5%	0.00	10

Loss Leaders

Donbasenergo	DOEN	22.00	-0.8%	0.140	8
Motor Sich	MSICH	2,761.00	-0.7%	1.210	48
Raiffeisen Bank Aval	BAVL	0.09	-0.4%	0.092	17

Highlights

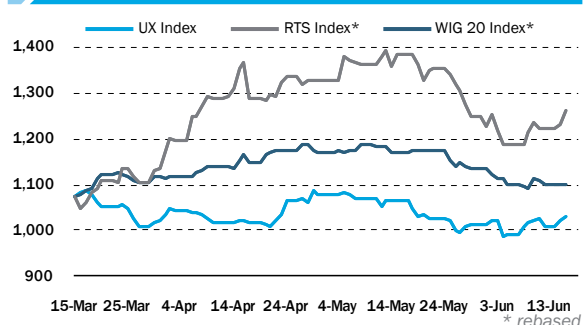
POLITICS AND ECONOMICS

- > Poroshenko Appears to Lack Votes to Dismiss Security Service Chief

FIXED INCOME

- > OschadBank Announces 7-Year Extension Deal Similar to UkrExim

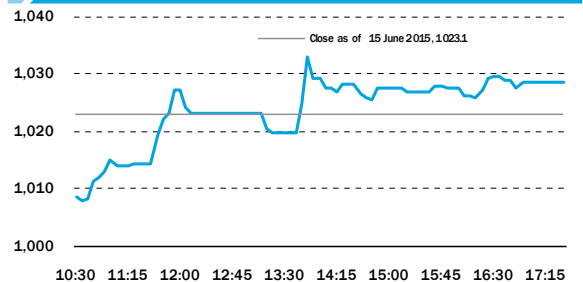
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1028.5	0.5%	-3.2%	-0.5%
RTS	978.3	2.2%	-9.0%	23.7%
WIG20	2356.8	-0.1%	-6.3%	1.8%
MSCI EM	965.3	-0.5%	-7.5%	0.9%
S&P 500	2096.3	0.6%	-1.2%	1.8%

UX INTRADAY JUNE 16, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	400.9	1.9%	8.0%	-0.8%
CDS 5Y UKR	2950.0	1.7%	-3.3%	34.1%
Ukraine-17	43.9%	1.0 p.p.	0.3 p.p.	18.2 p.p.
Ferrexpo-16	16.1%	0.7 p.p.	-12.1 p.p.	-15.2 p.p.
Ukraine-23	19.8%	1.3 p.p.	-1.2 p.p.	12.3 p.p.
Privatbank-16	183.2%	1.0 p.p.	10.8 p.p.	97.8 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.75	1.2%	4.1%	37.5%
EUR	24.47	0.8%	2.2%	27.8%
RUB	0.40	4.0%	-4.1%	47.4%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	204.3	0.0%	3.4%	-17.0%
Steel, USD/t	370.0	0.0%	2.1%	-17.8%
Oil, USD/bbl	63.7	-0.4%	-5.3%	7.6%
Gold, USD/oz	1182.2	-0.4%	-3.4%	-0.2%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Poroshenko Appears to Lack Votes to Dismiss Security Service Chief

by Will Ritter
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NEWS

President Poroshenko appears to have pulled back in his efforts to dismiss Security Service (SBU) head Valentin Nalivaichenko, with a previously expected vote in Parliament on the dismissal now unlikely to occur today (Jun 17). In a weekend meeting with legislators from his Poroshenko Bloc (BPP), the President had reportedly criticized Nalivaichenko's performance in the job, which he took on in March 2014 after the first EuroMaidan government took power. A scandal erupted earlier this week when Nalivaichenko accused former deputy General Prosecutor Anatoliy Danylenko of enriching himself in a scheme of illegal oil refining, and even threatened to use the SBU's special forces to obtain Danylenko's arrest. Danylenko was deputy prosecutor from last June until February this year, when he was dismissed along with top prosecutor Vitaliy Yarema. However, in public comments yesterday, Nalivaichenko said that the SBU under his leadership "is absolutely not in conflict with the General Prosecutor's office". In yesterday's evening talk shows, several MPs, including from Poroshenko's own party, expressed reservations about the grounds for firing the SBU chief. The president's hiring and firing of the SBU head must be approved by a parliamentary majority.

COMMENTARY

Nalivaichenko has been a rather inscrutable figure ever since he first rose to head the SBU in the Yuschenko administration during 2008-09; little is known about his alliances, but he was a major addition to Vitaliy Klitschko's new UDAR party back in 2012. Although he has never been viewed as a close Poroshenko ally, Nalivaichenko is rather well-respected in the West, and had been due to travel to Washington this week to meet with members of Congress before the scandal broke. The Ukrainian media has stated in recent days that Nalivaichenko is an advocate of the interests of oligarch Dmitry Firtash, but we have seen no evidence of such a link; indeed, Nalivaichenko's attempt to go after the GPO's office, which has historically been the most spectacularly corrupt government institution in the country, could well be the reason why he is in danger of losing his job. This story has appeared to fizzle after Monday's fireworks, and we suppose that some Western diplomats may have been cautioning Poroshenko behind the scenes about the dangers of a major shake-out at the SBU. The institution is key to maintaining Ukraine's defense against destabilization or terrorism by violent pro-Russian groups and/or radical Ukrainian nationalists. In any case, now that Nalivaichenko has made these specific accusations against a top GPO official, he will have little choice but to present his evidence; we believe that a transparent expose against a corrupt prosecutor, if it were to lead to a conviction and punishment, would be clearly beneficial to Ukraine's justice system.

OschadBank Announces 7-Year Extension Deal Similar to UkrExim

by Dmitry Churin
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NEWS

Government-owned savings bank OschadBank said it has reached a restructuring agreement with a group of six holders representing approximately 54.3% of the total principal amount of all outstanding OSCHAD Eurobonds, according to a statement published on the bank's official website. The bondholders have agreed to support the "reprofiling" of the bonds on the following terms:

- no haircut to the principal of either of the bank's two bonds;
- USD 700mn OSCHAD-16s due on 10 Mar 2016 will be extended to 2023 with an amortizing redemption profile. 60% of the principal amount is to be redeemed on 10 Mar 2019, while the remaining principal should be redeemed in 8 equal semi-annual installments starting on 10 Sept 2019, with final repayment on 10 Mar 2023. The coupon rate will be increased by from 8.25% to 9.375% per annum.
- USD 500mn OSCHAD-18s due on 20 Mar 2018 will be extended to 2025. The coupon will be increased from 8.875% to 9.625%. Half of the principal amount is to be redeemed on 20 Mar 2020, with the remaining principal amount to be redeemed in 10 equal semi-annual installments starting on 20 Sept 2020, with final repayment on 20 Mar 2025.

In order to consummate the restructuring, OschadBank intends to launch a consent solicitation pursuant to which the bondholders will receive new notes on the terms summarized above.

The bank also said that a USD 100mn subordinated loan due to an unspecified creditor in 2017 will be exchanged for loan participation notes due in 2024 with a coupon of 6-month LIBOR plus 6.875% with an amortizing redemption profile.

COMMENTARY

The terms proposed by OschadBank to its bondholders are very similar to those which state-owned UkrEximBank made to its bondholders. In general, the results of the negotiations are fully in line with the objectives of the IMF-supported program and demonstrate Ukraine's commitment to finding collaborative outcomes in the framework of its ongoing debt restructuring negotiations. Nevertheless, there is no certainty that the bond exchange will run smoothly, and we assume that there will be some holdouts among the bonds' owners. We estimate the effective yield for OschadBank-16s bonds after the planned restructuring under the proposed terms will be 17.8%, taking into account their current price of 78.0 cents. For OschadBank-18s, we estimate an effective yield under the proposed terms at 16.4% taking into account their current price of 75.0 cents.

OschadBank will offer the 2018 bondholders the option to receive the short-maturity 2023 bonds instead of the 2025 bonds. However, holders of the 2016 bonds will have first priority in allocation of the new 2023 issue, which will be issued in an amount not exceeding the current total of the outstanding 2016 bonds (USD 700mn).

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	38.3	56.50	48%	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	10.5	15.32	47%	BUY	MHP plans to increase its poultry output by 10% YoY to 600,000 tonnes in 2015 operating at full capacity use of its brand-new Vinnytsia complex. The group intends to expand its landbank in Ukraine to 500,000 ha in the medium term from the current 290,000 ha.
Astarta	AST PW	27.6	36.1	31%	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	1.5	1.4	-9%	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	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	70.0	48.0	-31%	SELL	Exacerbated issue of global ore oversupply together with sluggish growth in demand will likely keep iron ore prices at depressed level at least in the short run boding bad for Ferrexpo's earnings.
Steel						
Azovstal	AZST	0.80	0.56	-30%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.17	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	2761	5250	90%	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%.
Oil & Gas						
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	4.8	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	28.5	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	22.0	U/R	--	U/R	DNR Intends to Nationalize DonbasEnergO-Owned Power Plant. The Starobeshevo plant accounts for about 70% of DonbasEnergO's installed power-generating capacity.
CenterEnergO	CEEN	7.90	15.00	90%	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	0.095	0.24	154%	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	1028.46	1368.76	908.88	0.5%	1.1%	-3.2%	-0.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.014	0.045	0.010	1.5%	-3.5%	-8.6%	-4.8%	0.9%	-4.6%	-5.4%	-4.4%
Azovstal	AZST	0.80	0.95	0.35	2.3%	0.5%	-5.4%	7.2%	1.8%	-0.6%	-2.2%	7.7%
Enakievo Steel	ENMZ	16.84	65.00	14.03	1.9%	-3.7%	-3.1%	-19.6%	1.4%	-4.8%	0.1%	-19.1%
Coke												
Avdyivka Coke	AVDK	1.17	3.62	0.86	1.7%	0.9%	-13.4%	-32.4%	1.1%	-0.1%	-10.2%	-32.0%
Yasnyivsky Coking	YASK	0.29	0.84	0.18	20.8%	20.8%	-3.3%	3.6%	20.3%	19.7%	-0.1%	4.0%
Iron Ore Mining												
Centralny GOK	CGOK	5.75	n/a	n/a	0.0%	0.0%	-32.4%	-26.2%	-0.5%	-1.1%	-29.1%	-25.7%
Ferrexpo	FXPO	70.00	143.00	47.91	-1.4%	-7.0%	-8.5%	32.1%	-1.9%	-8.1%	-5.3%	32.5%
Pivnichny GOK	SGOK	6.90	12.30	4.44	0.0%	0.0%	-11.5%	-17.6%	-0.5%	-1.1%	-8.3%	-17.1%
Coal Mining												
Pokrovske Mine	SHCHZ	0.39	0.79	0.17	0.0%	0.0%	18.2%	-17.0%	-0.5%	-1.1%	21.4%	-16.6%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.23	0.94	0.20	0.0%	4.5%	-20.7%	-39.5%	-0.5%	3.5%	-17.4%	-39.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.85	21.60	9.15	5.9%	-0.3%	-2.5%	-15.6%	5.3%	-1.4%	0.7%	-15.1%
Luhanskeplovoz	LTPL	1.10	1.80	0.85	0.0%	0.0%	-8.3%	1.9%	-0.5%	-1.1%	-5.1%	2.3%
Specialized Machinery												
Motor Sich	MSICH	2761	2939	1970	-0.5%	1.4%	-0.1%	11.2%	-1.0%	0.3%	3.1%	11.7%
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	0.10	0.0%	0.0%	0.0%	18.4%	-0.5%	-1.1%	3.2%	18.9%
Oil & Gas												
Regal Petroleum	RPT	4.75	9.25	3.13	-13.6%	-4.9%	-4.9%	52.0%	-14.1%	-6.0%	-1.7%	52.5%
JKX Oil	JKX	28.50	60.25	11.00	-0.9%	-1.7%	-5.0%	137.5%	-1.4%	-2.8%	-1.8%	138.0%
Ukrnafta	UNAF	279.0	375.0	54.0	0.6%	3.0%	2.4%	37.2%	0.1%	1.9%	5.7%	37.7%
Power Utilities												
Centrenergo	CEEN	7.90	8.70	3.00	0.2%	0.9%	-4.3%	4.7%	-0.3%	-0.2%	-1.1%	5.2%
Donbasenergo	DOEN	22.00	46.00	11.00	-0.3%	1.4%	-6.5%	-33.3%	-0.8%	0.3%	-3.3%	-32.9%
Zakhidenergo	ZAEN	156.0	199.8	91.2	0.0%	0.0%	-6.0%	5.3%	-0.5%	-1.1%	-2.8%	5.8%
Consumer												
Agroton	AGT	1.19	3.19	0.95	16.7%	22.7%	25.3%	-3.3%	16.1%	21.6%	28.5%	-2.8%
Astarta	AST	27.60	45.99	14.50	2.2%	-3.0%	13.6%	38.0%	1.7%	-4.0%	16.8%	38.5%
Avangardo	AVGR	1.50	10.27	1.50	0.0%	-14.8%	-44.4%	-26.8%	-0.5%	-15.9%	-41.2%	-26.4%
Industrial Milk Company	IMC	5.00	10.39	4.38	n/a	9.9%	0.4%	-11.8%	n/a	8.8%	3.6%	-11.3%
Kernel	KER	38.25	39.25	22.00	1.0%	0.2%	6.0%	34.4%	0.5%	-0.9%	9.2%	34.9%
Mriya Agro Holding	MAYA	0.16	4.73	0.05	0.0%	0.0%	128.6%	-71.5%	-0.5%	-1.1%	131.8%	-71.1%
MHPC	MHPC	10.45	15.60	8.24	0.0%	-5.0%	-9.1%	13.6%	-0.5%	-6.1%	-5.9%	14.1%
Milkiland	MLK	1.90	7.18	1.48	n/a	-7.3%	-21.5%	28.4%	n/a	-8.4%	-18.2%	28.8%
Ovostar Union	OVO	80.00	83.00	67.00	1.3%	0.0%	-3.6%	11.1%	0.7%	-1.1%	-0.4%	11.6%
Chemicals												
Stirol	STIR	6.25	18.00	4.02	0.0%	0.0%	13.6%	-9.8%	-0.5%	-1.1%	16.9%	-9.3%
Banks												
Raiffeisen Bank Aval	BAVL	0.095	0.160	0.086	-0.4%	5.1%	-1.1%	-1.5%	-0.9%	4.0%	2.1%	-1.0%
UkrSotsbank	USCB	0.100	0.200	0.085	0.0%	8.8%	0.0%	-23.2%	-0.5%	7.7%	3.2%	-22.7%

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
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	-4	10.9%	neg	neg	42	-23	-9	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	1,134	391	555	520	26.1%	40.2%	45.9%	162	-412	31	10.8%	neg	2.7%
Kernel	KER	2,797	2,393	2,325	291	223	415	10.4%	9.3%	17.8%	105	-107	100	3.8%	neg	4.3%
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	16	3.9%	1	2,630	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	680	634	615	\$/tonne
Yenakievo Steel	ENMZ	8	8.8%	1	6	neg	neg	0.3	neg	1.0	0.2	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	154	3.0%	5	148	neg	2.0	2.4	neg	0.8	1.2	0.1	0.1	0.1	32	33	33	\$/tonne
Coke																		
Avdyivka Coke	AVDK	10	6.8%	1	-29	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-7	-7	-8	\$/tonne
Yasynivsky Coke	YASK	4	9.0%	0	5	neg	neg	neg	0.2	neg	neg	0.0	0.0	0.0	0.2	neg	neg	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	310	0.3%	1	308	1.6	2.7	3.9	1.0	1.4	1.9	0.5	0.5	0.6				
Pivnichny GOK	SGOK	731	0.4%	3	724	1.3	2.3	3.2	0.8	1.1	1.6	0.4	0.5	0.5				
Ferrexpo	FXPO	641	24.0%	154	1,336	2.4	3.5	6.6	2.6	2.7	5.2	0.8	1.0	1.3				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	27	2.0%	1	73	5.8	1.2	14.9	2.3	1.7	4.1	0.2	0.4	0.8	116	193	183	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	11	24.0%	3	48	0.6	neg	n/a	1.4	neg	n/a	0.1	0.4	n/a				
Krukiv Wagon	KVBZ	57	5.0%	3	51	1.4	neg	neg	1.0	neg	neg	0.1	0.4	0.8				
Specialized Machinery																		
Turboatom	TATM	68	5.8%	4	38	1.0	1.3	3.0	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	264	24.0%	63	238	1.6	2.0	2.9	0.6	0.7	1.1	0.2	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	155	7.2%	11	246	neg	8.5	17.0	neg	2.9	3.4	0.3	0.6	1.0				
Oil & Gas																		
Ukrnafta	UNAF	696	3.0%	21	704	29.9	6.6	4.1	2.5	1.9	2.0	0.3	0.3	0.5	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	77	50.4%	39	185	11.8	neg	15.3	2.8	2.7	2.6	1.0	1.3	1.2	34	25	25	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	134	21.7%	29	148	2.2	22.8	neg	1.6	5.7	neg	0.2	0.2	0.5	8	11	9	\$/MWh
DonbasEnerg	DOEN	24	14.2%	3	57	0.4	2.8	neg	0.8	2.9	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,104	34.1%	377	2,242	6.8	neg	>30	5.7	4.0	4.3	1.5	1.6	2.0				
Kernel	KER	828	61.8%	511	1,304	7.9	neg	8.3	4.5	5.9	3.1	0.5	0.5	0.6				
Astarta	AST	187	37.0%	69	398	5.5	neg	neg	4.4	2.8	4.1	0.8	0.9	1.1				
Avangardco	AVGR	96	22.5%	22	322	0.4	neg	neg	1.1	2.5	3.4	0.5	0.8	0.9	73	55	52	\$/mneqgs
Ovostar	OVO	130	25.0%	33	139	4.2	5.0	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	85	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.02	0.03	0.04				

Source: Eavex Research

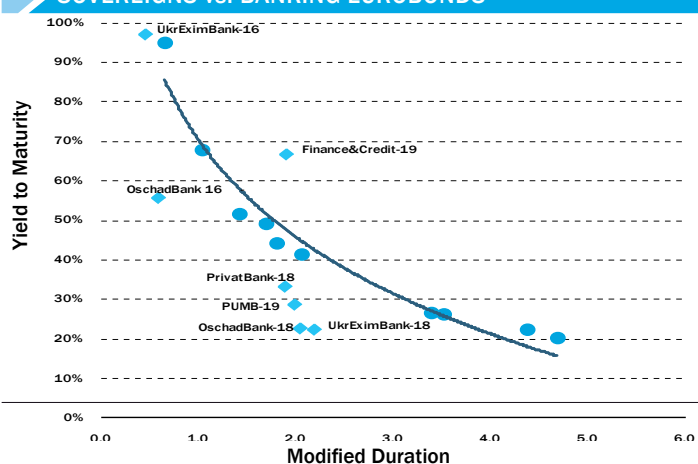
UKRAINIAN EUROBONDS

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)	51.9	52.9	278.5%	268.1%	-22.9%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	51.8	53.2	369.6%	350.0%	-25.4%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	47.9	49.1	70.4%	67.9%	-22.6%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	47.7	48.9	101.4%	97.5%	-25.5%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	47.0	48.9	45.0%	42.8%	-24.2%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	47.0	47.9	54.6%	53.3%	-23.7%	1.4	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	49.1	50.1	45.4%	44.2%	-19.3%	1.7	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	48.9	49.9	38.4%	37.5%	-17.7%	2.1	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	48.0	48.5	26.7%	26.4%	-19.1%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	51.5	54.0	24.0%	22.8%	-11.2%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	50.0	52.0	21.6%	20.7%	-15.3%	4.5	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	51.5	52.5	20.1%	19.5%	-12.4%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	30.1	39.3	48.1%	37.5%	2.6%	2.6	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	82.7	84.3	13.2%	12.7%	21.0%	3.7	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	50.0	50.0	271.1%	271.1%	-22.5%	0.2	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	49.5	49.5	43.6%	43.6%	6.4%	1.8	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	466.5%	418.3%	30.8%	0.3	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	101.1%	93.6%	30.8%	1.6	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	45.0	48.0	48.4%	45.0%	n/a	1.8	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	44.0	47.0	45.0%	41.7%	0.0%	1.9	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2015	67.1	70.1	n/a	n/a	-14.8%	n/a	10.25%	S/A	20 May 2015	114	Caa3//C
Metinvest, 2017	57.0	60.0	39.5%	36.6%	-16.4%	1.2	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	55.0	58.0	36.6%	33.9%	1.8%	1.9	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2016	92.5	95.5	18.3%	14.0%	22.0%	0.7	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/C
Ferrexpo, 2019	85.1	88.0	15.7%	14.6%	n/a	2.6	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/C
RailUA, 2018	62.0	65.0	29.8%	27.7%	19.8%	2.2	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	25.0	35.0	118.4%	85.8%	-45.5%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	69.5	73.6	29.6%	26.9%	22.8%	1.3	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	23.0	30.0	70.2%	56.8%	-68.1%	1.9	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	51.5	54.5	35.7%	33.4%	-21.5%	1.8	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	7.0	12.0	n/a	n/a	-24.0%	0.0	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	66.0	68.0	202.6%	186.1%	7.2%	0.2	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	44.0	46.0	190.0%	176.7%	-9.1%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	64.0	67.0	31.6%	29.4%	-1.6%	1.9	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2015	74.0	76.0	n/a	n/a	-3.2%	0.1	8.38%	S/A	27 Jul 2015	750	WR//C
UkrEximBank, 2016	60.0	65.0	106.4%	87.9%	31.6%	0.4	5.79%	S/A	2 Sept 2016	125	Ca//C
UkrEximBank, 2018	73.0	74.5	23.1%	22.2%	30.5%	2.0	8.75%	S/A	22 Jan 2018	600	Ca//C
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	73.0	76.0	58.7%	51.6%	27.4%	0.6	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	72.8	75.4	22.7%	21.1%	31.2%	2.2	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	51.5	54.3	256.8%	231.0%	-27.1%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	49.6	51.9	93.7%	87.5%	-28.2%	0.7	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

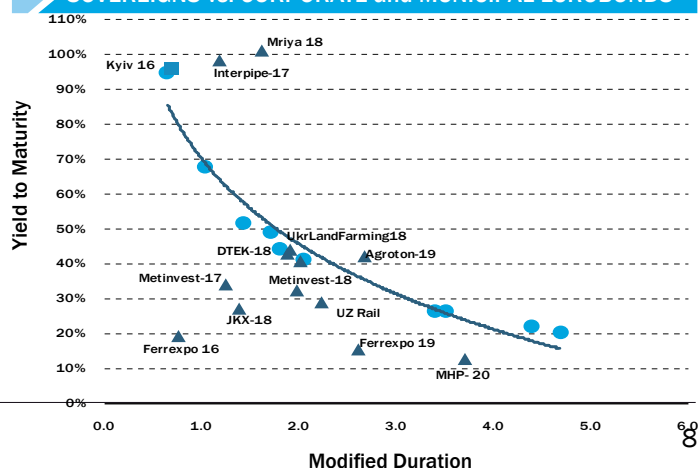
¹ Moody's/S&P/Fitch; * EUR

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									
UA4000142665			25%	20%	n/a	14.30%	S/A	24 May 2017	n/a
USD denominated Bonds									
UA4000142673	n/a	n/a	14.0%	8.0%	n/a	4.50%	S/A	17 Jun 2015	n/a
VAT Bonds									
UA4000082531			25%	22%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			25%	22%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			25%	22%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			25%	22%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			25%	22%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			25%	22%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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