

Market Update

Equity

Ukrainian stocks listed in Kyiv ended mixed on Tuesday (Jun 23), with the trading session proceeding in a rather inactive mode. The UX index inched down 0.2% to 1026 points. Motor Sich (MSICH) was virtually unchanged, while CentrEnergO (CEEN) shed 1.1% to close at UAH 7.75 per share. In the steel sector, Azovstal (AZST) climbed 1.4% to 81 kopecks. In second-division stocks, sporadically-traded Yasynivsky Coke (YASK) leapt 17% to 35 kopecks from its last listed price. In London trading, Ferrexpo (FXPO) added 3.0% to GBP 69.50 and low-liquidity Regal Petroleum (RPT) jumped 23% back to GBP 5.00. Warsaw-listed AgrotOn (AGT) rose by 4.6% to PLN 1.14 while actively traded Kernel (KER) was little-changed at PLN 38.80.

Fixed Income

Ukrainian sovereigns gained on Monday after Kyiv made a scheduled USD 75mn coupon payment on a Eurobond owned by the Russian government. Ukraine-23s increased by 1.5p.p. to 52.5/54.0 (19.9%/19.3%). Meanwhile, corporate names were lower. UkrLandFaming-18s dropped by 1.6p.p. to 45.0/49.7 (49.4%/44.0%) and Metinvest-18s declined by 0.9p.p., closing at 54.0/56.5 (37.7%/35.4%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2777.00	0.1%	3.9	46
CentrenergO	CEEN	7.75	-1.1%	2.4	63
Raiffeisen Bank Aval	BAVL	0.09	-0.7%	0.0	29

Growth Leaders

Motor Sich	MSICH	2777.00	0.1%	3.91	46
Raiffeisen Bank Aval	BAVL	0.09	-0.7%	0.03	29
Yenakievo Steel	ENMZ	17.42	-0.7%	0.02	16

Loss Leaders

Interpipe NMPP	NVTR	0.19	-22.1%	0.005	17
CentrenergO	CEEN	7.75	-1.1%	2.379	63
Yenakievo Steel	ENMZ	17.42	-0.7%	0.019	16

Highlights

POLITICS AND ECONOMICS

- > Bondholders' Effort to Avoid Haircut Gets Moody's Support

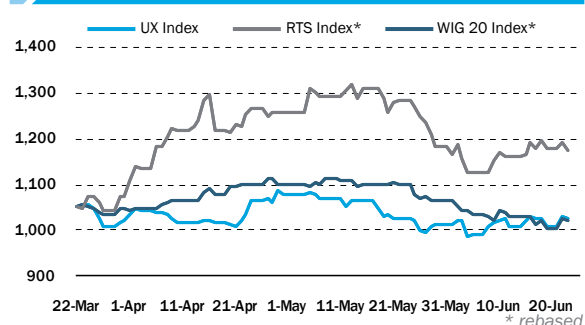
STOCKS IN THE NEWS

- > Ovostar Appoints Deputy CEO With Experience in EU Egg Industry

FIXED INCOME

- > MinFin Raises USD 140mn at Primary Bond Auction at 8.66%

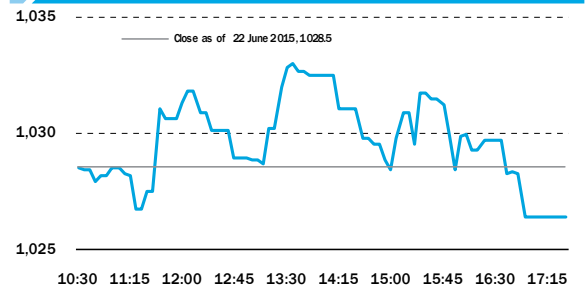
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1026.4	-0.2%	0.0%	-0.7%
RTS	964.3	-1.5%	-8.3%	22.0%
WIG20	2341.3	-0.4%	-7.0%	1.1%
MSCI EM	990.7	0.3%	-4.5%	3.6%
S&P 500	2124.2	0.1%	-0.1%	3.2%

UX INTRADAY JUNE 23, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	375.0	-1.6%	2.8%	-7.2%
CDS 5Y UKR	2950.0	0.0%	-1.7%	34.1%
Ukraine-17	43.5%	-0.1 p.p.	-0.9 p.p.	17.8 p.p.
Ferrexpo-16	18.2%	0.8 p.p.	-9.6 p.p.	-13.2 p.p.
Ukraine-23	19.3%	-0.6 p.p.	-1.7 p.p.	11.8 p.p.
Privatbank-16	190.6%	1.1 p.p.	23.5 p.p.	105.2 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.95	0.8%	5.8%	38.7%
EUR	24.51	-0.7%	7.2%	28.1%
RUB	0.41	1.0%	-1.7%	48.5%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	204.3	0.0%	1.4%	-17.0%
Steel, USD/t	362.5	0.0%	-0.7%	-19.4%
Oil, USD/bbl	64.5	1.8%	-2.2%	8.9%
Gold, USD/oz	1178.6	-0.6%	-2.3%	-0.5%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Bondholders' Effort to Avoid Haircut Gets Moody's Support

by Will Ritter
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NEWS

Rating agency Moody's has backed Ukrainian bondholder claims that the country can achieve USD 15bn in budgetary savings over the next four years (as required by the IMF) without a principal write-down on sovereign Eurobonds, Bloomberg News reported on Tuesday (Jun 23). A vice president at Moody's was quoted by Bloomberg as saying that "the debt relief can be achieved in other ways - significant cuts in the coupon and a long grace period on repayments and without a principal haircut". The Moody's representative, Kristin Landow, also said that imposing "haircuts" would have long-term negative implications for the country's access to international bond markets.

COMMENTARY

We see Moody's and the private creditors as grabbing at straws in their math-based arguments about the USD 15bn in savings, as well as in their claims that Ukraine would suffer reputational damage in case of sovereign haircuts (haircuts or not, Kyiv faces poor prospects in its medium-term access to debt markets due to the ongoing war-related risks). Although the creditors may be technically correct in their argument that the USD 15bn in savings can be achieved by simply by playing with coupons and maturity extensions, their problem is that Ukraine's restructuring is not only about the math. Rather, it is also about demonstrating that Western taxpayer money (i.e. from the IMF) will not be spent to backstop private investors who made risky bets on previous corrupt Ukrainian governments. Instead, the IMF money should go directly toward financing the country's new reform agenda, which is an immediate matter of national survival. With Ukraine enjoying the full backing of Washington on this issue, we believe that the bondholders are bluffing in a last-ditch attempt to dodge the inevitable, and that they will agree to the writedowns (MinFin is reportedly asking for 40%) rather than see Kyiv impose a moratorium on coupon payments that would immediately hit the creditors' pockets. An important date comes exactly one month from today on Jul 24, when a coupon of some USD 100mn on Ukraine-17s is due.

Ovostar Appoints Deputy CEO With Experience in EU Egg Industry

by Ivan Dzvinka
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OVOSTAR UNION (OVO PW)

Price: PLN 78.0 Market Cap: USD 126mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	1.8	4.9	4.6	0%
2015E	1.7	5.2	5.4	0%

NEWS

Kyiv-based, Warsaw-listed Ovostar Union, Ukraine's third largest egg producer, has appointed Arnis Veinbergs as deputy CEO in charge of production activity, the company said in its release on Tuesday (June 23). According to the release, Mr. Veinbergs has extensive top management experience in egg production, previously having held the position of General Manager at an EU egg production company.

COMMENTARY

According to the open-source social media (LinkedIn), Veinbergs served as CEO at Latvia-based egg producer Balticovo for 11 years ending in October 2014. The Balticovo website states that the company produces some 600mn eggs per annum (vs. Ovostar's 1.0bn eggs production in 2014), with around 70% of the output exported (mostly to EU countries). Given Veinberg's expertise in the EU market, his appointment theoretically bodes well for Ovostar's ongoing expansion of export sales, we presume, especially in terms of penetrating into the lucrative EU market. On the flip side, it remains to be seen how the new deputy CEO will be able to adapt to Ukrainian business specifics. The reason for Veinbergs' departure from Balticovo in autumn 2014 after more than a decade of work there was not available.

MinFin Raises USD 140mn at Primary Bond Auction at 8.66%

by Dmitry Churin
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NEWS

Ukraine's Finance Ministry (MinFin) raised USD 140mn through a primary domestic bond auction on Tuesday (Jun 23), according to an official statement. MinFin sold one-year USD-denominated bonds at an 8.66% yield. It was reported that total demand for the bonds was USD 160mn with 6 submitted bids. The lowest bid was at 8.50%.

COMMENTARY

We consider the placement of these USD-denominated domestic bonds as a technical deal between the government and state-owned banks. This month, MinFin has redeemed some USD 200mn in USD-denominated domestic bonds, and we assume most of this money was recycled by banks to purchase the new issue. MinFin is due to redeem USD 350mn of USD-denominated domestic bonds in July. We expect the government to offer bonds in a similar amount next month to once again mobilize USD liquidity from state-owned banks UkrEximBank, OschadBank and UkrGazBank.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	38.8	56.50	46%	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	11.0	15.32	39%	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	29.8	36.1	21%	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	1.4	1.4	-2%	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	78.0	80.8	4%	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	69.5	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	0.81	0.56	-31%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.15	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	2777	5250	89%	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	4.1	U/R	--	U/R	The company has been constantly missed production targets since 2012.
JKX Oil & Gas	JKX	28.0	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	22.4	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	7.75	15.00	94%	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	0.091	0.24	163%	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	1026.35	1368.76	908.88	-0.2%	-0.2%	0.0%	-0.7%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.014	0.040	0.010	1.4%	2.2%	0.7%	-2.8%	1.6%	2.4%	0.7%	-2.1%
Azovstal	AZST	0.81	0.95	0.35	1.4%	1.3%	-2.1%	8.6%	1.6%	1.5%	-2.0%	9.3%
Enakievo Steel	ENMZ	17.42	65.00	14.03	-0.7%	3.4%	2.5%	-16.8%	-0.5%	3.6%	2.5%	-16.2%
Coke												
Avdyivka Coke	AVDK	1.15	3.62	0.86	0.3%	-1.3%	-8.8%	-33.3%	0.6%	-1.1%	-8.7%	-32.6%
Yasynivsky Coking	YASK	0.35	0.80	0.18	16.7%	20.7%	34.6%	25.0%	16.9%	20.9%	34.6%	25.7%
Iron Ore Mining												
Centralny GOK	CGOK	6.40	n/a	n/a	0.0%	11.3%	-24.7%	-17.8%	0.2%	11.5%	-24.7%	-17.2%
Ferrexpo	FXPO	69.50	143.00	47.91	3.0%	-0.7%	-6.7%	31.1%	3.2%	-0.5%	-6.7%	31.8%
Pivnichny GOK	SGOK	6.90	12.30	4.44	0.0%	0.0%	-11.5%	-17.6%	0.2%	0.2%	-11.5%	-16.9%
Coal Mining												
Pokrovske Mine	SHCHZ	0.21	0.79	0.17	0.0%	-46.2%	-36.4%	-55.3%	0.2%	-45.9%	-36.3%	-54.6%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.23	0.88	0.20	0.0%	0.0%	-17.9%	-39.5%	0.2%	0.2%	-17.8%	-38.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.42	19.80	9.15	1.2%	-4.0%	-3.6%	-18.9%	1.4%	-3.8%	-3.6%	-18.2%
Luhanskeplovoz	LTPL	1.10	1.80	0.85	0.0%	0.0%	4.8%	1.9%	0.2%	0.2%	4.8%	2.5%
Specialized Machinery												
Motor Sich	MSICH	2777	2939	1970	0.0%	0.6%	7.0%	11.8%	0.2%	0.8%	7.0%	12.5%
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	0.16	0.21	0.10	0.0%	-13.6%	-13.6%	2.4%	0.2%	-13.4%	-13.5%	3.0%
Oil & Gas												
Regal Petroleum	RPT	4.13	9.25	3.13	-17.3%	-13.1%	-2.8%	32.2%	-17.1%	-12.8%	-2.8%	32.8%
JKX Oil	JKX	28.00	59.25	11.00	0.0%	-1.8%	-8.9%	133.3%	0.2%	-1.5%	-8.9%	134.0%
Ukrnafta	UNAF	288.0	375.0	54.0	0.0%	3.2%	6.9%	41.7%	0.2%	3.4%	6.9%	42.3%
Power Utilities												
Centrenergo	CEEN	7.75	8.70	3.40	-1.2%	-1.9%	-2.9%	2.7%	-1.0%	-1.7%	-2.8%	3.4%
Donbasenergo	DOEN	22.44	46.00	11.00	0.2%	2.0%	-3.6%	-32.0%	0.4%	2.2%	-3.6%	-31.3%
Zakhidenergo	ZAEN	167.0	199.8	91.2	0.0%	7.1%	0.6%	12.8%	0.2%	7.3%	0.6%	13.4%
Consumer												
Agroton	AGT	1.14	3.19	0.95	4.6%	-4.2%	9.6%	-7.3%	4.8%	-4.0%	9.6%	-6.6%
Astarta	AST	29.80	45.00	14.50	1.2%	8.0%	21.1%	49.0%	1.4%	8.2%	21.2%	49.7%
Avangardo	AVGR	1.40	10.27	1.40	0.0%	-6.7%	-44.0%	-31.7%	0.2%	-6.5%	-44.0%	-31.0%
Industrial Milk Company	IMC	4.60	10.39	4.38	n/a	-8.0%	0.2%	-18.9%	n/a	-7.8%	0.2%	-18.2%
Kernel	KER	38.79	39.25	22.00	0.1%	1.4%	4.8%	36.3%	0.3%	1.6%	4.9%	37.0%
Mriya Agro Holding	MAYA	0.16	4.73	0.05	0.0%	0.0%	45.5%	-71.5%	0.2%	0.2%	45.5%	-70.9%
MHPC	MHPC	11.00	15.60	8.24	0.0%	5.3%	4.8%	19.6%	0.2%	5.5%	4.8%	20.2%
Milkiland	MLK	1.69	7.18	1.48	n/a	-11.1%	-27.2%	14.2%	n/a	-10.8%	-27.1%	14.9%
Ovostar Union	OVO	78.00	83.00	67.00	0.0%	-2.5%	-5.5%	8.3%	0.2%	-2.3%	-5.4%	9.0%
Chemicals												
Stirol	STIR	6.25	18.00	4.02	0.0%	0.0%	55.5%	-9.8%	0.2%	0.2%	55.5%	-9.1%
Banks												
Raiffeisen Bank Aval	BAVL	0.091	0.160	0.086	-0.8%	-3.7%	-1.5%	-5.1%	-0.6%	-3.5%	-1.5%	-4.4%
UkrSotsbank	USCB	0.083	0.200	0.064	-1.8%	-17.0%	-18.6%	-36.3%	-1.6%	-16.8%	-18.6%	-35.6%

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	-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	17	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	0.4	neg	1.1	0.2	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	155	3.0%	5	149	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	342	0.3%	1	340	1.8	3.0	4.3	1.1	1.5	2.1	0.5	0.6	0.6				
Pivnichny GOK	SGOK	724	0.4%	3	718	1.3	2.2	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	14.8	2.3	1.7	4.1	0.2	0.4	0.8	116	192	182	\$/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	54	5.0%	3	48	1.3	neg	neg	0.9	neg	neg	0.1	0.4	0.7				
Specialized Machinery																		
Turboatom	TATM	67	5.8%	4	37	0.9	1.3	3.0	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	263	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	133	7.2%	10	223	neg	7.3	14.6	neg	2.6	3.1	0.3	0.5	0.9				
Oil & Gas																		
Ukrnafta	UNAF	712	3.0%	21	720	>30	6.8	4.2	2.5	1.9	2.0	0.3	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	21	21.6%	5	-4	neg	10.4	7.0	neg	-0.3	-0.3	-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	15.2	2.8	2.7	2.6	1.0	1.3	1.2	34	25	25	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	130	21.7%	28	144	2.2	22.2	neg	1.5	5.6	neg	0.2	0.2	0.4	8	10	9	\$/MWh
DonbasEnerg	DOEN	24	14.2%	3	57	0.4	2.9	neg	0.8	2.8	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,162	34.1%	396	2,300	7.2	neg	>30	5.9	4.1	4.4	1.5	1.7	2.0				
Kernel	KER	830	61.8%	513	1,306	7.9	neg	8.3	4.5	5.9	3.1	0.5	0.5	0.6				
Astarta	AST	200	37.0%	74	411	5.9	neg	neg	4.5	2.9	4.2	0.8	1.0	1.2				
Avangardco	AVGR	89	22.5%	20	316	0.4	neg	neg	1.0	2.4	3.4	0.5	0.8	0.9	71	54	51	\$/mneqgs
Ovostar	OVO	126	25.0%	31	134	4.1	4.9	5.2	3.8	4.6	5.4	1.7	1.8	1.7	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	125	3.5%	4		1.4	neg	neg	0.1	0.3	0.4	0.02	0.04	0.06				
Ukrsotsbank	USCB	70	1.0%	1		>30	>30	>30	0.1	0.1	0.2	0.02	0.03	0.04				

Source: Eavex Research

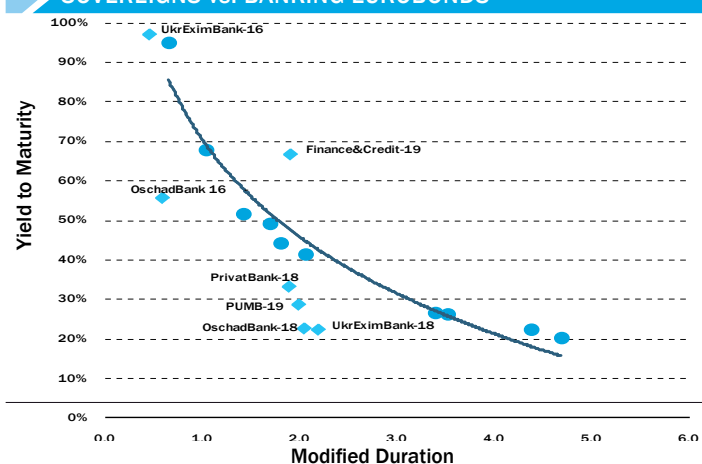
UKRAINIAN EUROBONDS

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	53.4	297.5%	280.9%	-22.6%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	52.1	54.1	397.6%	367.8%	-24.5%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	50.1	51.3	67.1%	64.6%	-19.2%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	50.1	51.3	95.8%	92.2%	-21.8%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	47.8	49.3	44.4%	42.6%	-23.3%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	47.6	48.4	54.1%	53.1%	-22.9%	1.4	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	47.4	48.4	47.9%	46.7%	-22.2%	1.7	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	47.3	48.3	40.3%	39.3%	-20.4%	2.0	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	51.0	52.5	25.0%	24.2%	-13.2%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	52.0	53.5	23.8%	23.0%	-11.2%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	51.8	52.8	20.8%	20.4%	-13.2%	4.5	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	52.5	54.0	19.9%	19.3%	-10.3%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	30.1	39.3	48.5%	37.8%	2.6%	2.6	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	80.4	83.0	14.0%	13.2%	18.4%	3.6	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	50.8	50.8	286.5%	286.5%	-21.3%	0.2	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	45.0	49.7	49.4%	44.0%	1.8%	1.8	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	487.3%	436.3%	30.8%	0.2	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	102.2%	94.5%	30.8%	1.6	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	45.0	48.0	48.6%	45.2%	n/a	1.7	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	44.0	47.0	45.2%	41.9%	0.0%	1.9	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2015						n/a	10.25%	S/A	20 May 2015	114	Caa3//C
Metinvest, 2017	57.0	60.0	39.7%	36.8%	-16.4%	1.1	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	54.0	56.5	37.7%	35.4%	-0.5%	1.9	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2016	92.5	93.0	18.5%	17.8%	20.4%	0.7	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/C
Ferrexpo, 2019	84.6	86.6	15.9%	15.1%	n/a	2.5	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/C
RailUA, 2018	62.0	64.0	30.0%	28.5%	18.8%	2.2	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	25.0	35.0	120.3%	87.0%	-45.5%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	72.2	76.2	27.9%	25.4%	27.4%	1.3	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	23.0	30.0	70.5%	57.1%	-68.1%	1.8	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	51.5	54.5	35.8%	33.5%	-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	64.0	66.0	235.9%	217.1%	4.0%	0.2	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	44.0	46.0	197.7%	183.8%	-9.1%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	64.0	67.0	31.8%	29.5%	-1.5%	1.9	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2015	76.0	78.0	n/a	n/a	-0.6%	0.1	8.38%	S/A	27 Jul 2015	750	WR//C
UkrEximBank, 2016	58.0	63.0	118.8%	98.3%	27.4%	0.4	5.79%	S/A	2 Sept 2016	125	Ca//C
UkrEximBank, 2018	74.5	76.5	22.3%	21.0%	33.6%	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	75.4	76.1	54.4%	52.6%	29.5%	0.5	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	73.2	75.5	22.5%	21.1%	31.7%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	49.9	51.9	286.2%	265.0%	-29.9%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	47.5	50.0	102.0%	94.5%	-31.0%	0.6	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

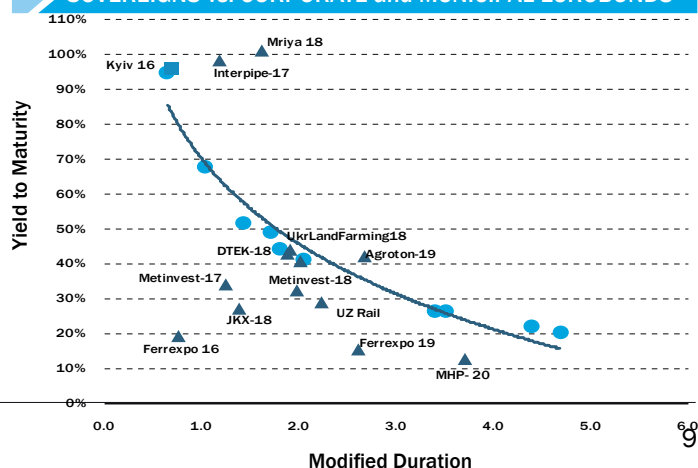
¹ Moody's/S&P/Fitch; * EUR

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
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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