

Market Update

Equity

The UX index shed 0.8% to close at 1017 points on Wednesday (Jun 24) after a lack of any notable new results from talks held between the foreign ministers of France, Germany, Ukraine and Russia regarding the conflict in eastern Ukraine. A statement released by French Foreign Minister Laurent Fabius on behalf of the participants called once again for de-escalation of hostilities to allow progress on political aspects of the peace deal. This month has seen a pickup in the frequency of ceasefire violations reported by both sides. Among Kyiv-listed stocks, Motor Sich (MSICH) climbed 0.5% to UAH 2790 per share while UkrNafta (UNAF) retreated by 1.7% to UAH 283. Raiffeisen Aval (BAVL) dropped 1.5% to slip back below 9 kopecks. In London, Avangard (AVGR) edged down 0.7% to another new all time low of USD 1.39 after its related-party Financial Initiative Bank was declared insolvent by the NBU. Warsaw-listed Astarta (AST) rose 4.0% to close at PLN 31.00.

Fixed Income

Ukrainian sovereigns were higher on Wednesday with Ukraine-23s increasing by 1.0p.p. to 53.5/55.0 (19.6%/19.4%). Corporate names were sluggish. MHP-20s declined by 1.0p.p. to 79.5/81.5 (14.3%/13.7%) while Metinvest-18s finished unchanged at 55.0/58.0 (36.8%/34.1%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2790.00	0.5%	3.5	42
Ukrtelecom	UTLM	0.18	15.6%	0.4	27
Centrenergy	CEEN	7.76	0.1%	0.3	80

Growth Leaders

Ukrtelecom	UTLM	0.18	15.6%	0.41	27
Dniproenergo	DNEN	456.50	10.4%	0.02	9
Motor Sich	MSICH	2790.00	0.5%	3.47	42

Loss Leaders

Alchevsk Steel	ALMK	0.01	-7.1%	0.010	22
Kryukiv Wagon	KVBZ	10.14	-2.4%	0.007	7
Yenakievo Steel	ENMZ	16.98	-2.3%	0.005	10

Highlights

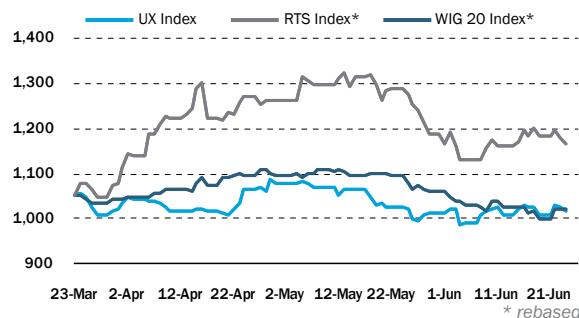
STOCKS IN THE NEWS

- > Government to Help CentrEnergy and DonbasEnergy with Coal Supplies

FIXED INCOME

- > Bakhmatyuk's Financial Initiative Bank Claimed Insolvent by NBU

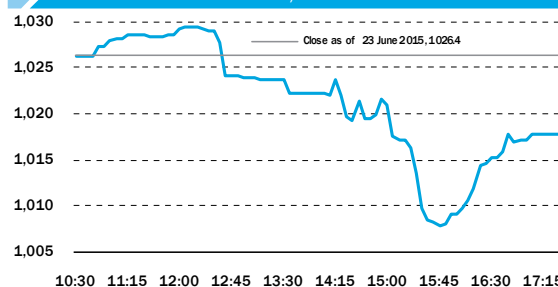
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1017.8	-0.8%	-0.9%	-1.5%
RTS	951.5	-1.3%	-9.5%	20.3%
WIG20	2349.0	0.3%	-6.7%	1.4%
MSCI EM	993.3	0.3%	-4.3%	3.9%
S&P 500	2108.6	-0.7%	-0.8%	2.4%

UX INTRADAY JUNE 24, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	378.4	0.9%	3.8%	-6.4%
CDS 5Y UKR	2850.0	-3.4%	-5.0%	29.5%
Ukraine-17	41.3%	-2.2 p.p.	-3.1 p.p.	15.6 p.p.
Ferrexpo-16	22.5%	0.1 p.p.	-5.4 p.p.	-8.9 p.p.
Ukraine-23	18.9%	-0.4 p.p.	-2.1 p.p.	11.4 p.p.
Privatbank-16	191.8%	1.1 p.p.	24.6 p.p.	106.3 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.83	-0.5%	5.2%	38.0%
EUR	24.46	-0.2%	7.0%	27.8%
RUB	0.40	-1.6%	-3.3%	46.1%

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	63.5	-1.5%	-3.7%	7.3%
Gold, USD/oz	1175.5	-0.3%	-2.5%	-0.8%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Government to Help CentrEnergO and DonbasEnergO with Coal Supplies

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CENTRENERGO (CEEN UK)

Price: UAH 7.76 Market Cap: USD 133mn

	EV/S	P/E	EV/EBITDA	Div. Yield	
2014	0.4	0.2	22.5	5.6	0.8%
2015E	0.4	0.5	neg	neg	0.0%

DONBASENERGO (DOEN UK)

Price: UAH 22.25 Market Cap: USD 25mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	0.1	2.9	2.9	5.8%
2015E	0.3	neg	neg	0.0%

NEWS

The Ukrainian government is planning to allocate UAH 2.0bn (USD 94mn) for coal purchases through the end 2015, Deputy Prime Minister for Infrastructure Valeriy Voshevsky said earlier this week, RBC Ukraine news agency reported. The idea includes a complicated scheme in which state-owned OschadBank will loan money to state-run wholesale electricity monopolist EnergoRynok and then the operator will distribute the cash among CentrEnergO, DonbasEnergO and DTEK to help them increase coal inventories ahead of the winter season. There are discussions in the government that the country might be forced to start importing anthracite coal from South Africa and Kazakhstan in case coal supplies from the pro-Russian occupied territories do not resume in a pre-2014 volume. The government forecasts that the price for imported coal will be approximately USD 80 per tonne.

COMMENTARY

We estimate that Ukraine's electricity sector will need 13.5mn tonnes of coal in 2H15, i.e. 8.0mn tonnes of gas coal and 5.5mn tonnes of anthracite coal. Currently there are 1.2mn tonnes of coal in inventories at domestic thermal generation companies, which about 20% below the usual level. Energy Minister Volodymyr Demchyshin recently said that Ukraine is receiving around 20,000 tonnes of coal per day from the occupied territories, a rate that is not sufficient to cover demand for anthracite coal. Importantly, the price for this coal sourced from DNR/LNR territory stands at UAH 1100 (USD 52) per tonne, which is 35% less than the forecasted price for imported coal from South Africa or Kazakhstan.

In general, news that the government will help to fund coal purchases is encouraging for CentrEnergO and DonbasEnergO. We believe that if CEEN quotes climb above UAH 8.00, there will be a local upward trend to UAH 9.50.

For the DOEN stock, any trading strategy is currently too risky, as the company's Starobeshevo power plant is located on DNR territory, and we therefore do not rule out that DonbasEnergO could eventually be divided into two separate entities, with one operating the Starobeshevo plant and the other operating the Slavyansk TPP on Ukrainian-controlled territory. Starobeshevo accounts for 70% of the company's generation capacity and Slavyansk for 30%.

**Bakhmatyuk's Financial Initiative
Bank Claimed Insolvent by NBU**

by Ivan Dzvinka
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NEWS

Financial Initiative Bank (FIB), which is controlled by UkrLandFarming (ULF) beneficiary Oleg Bakmatiuk, was declared insolvent by National Bank of Ukraine (NBU) on Wednesday (Jun 24). FIB is the 16th-largest Ukrainian bank by assets. Later yesterday, Financial Initiative stated in a press release that the management and Mr. Bakmatiuk intend to rescue the bank and sell it to a strategic investor.

COMMENTARY

Financial Initiative represents the second major bankruptcy for Bakmatiuk, after his VAB Bank collapsed last autumn and was liquidated in March. This latest news is negative for UkrLandFarming (ULF), which is Ukraine's biggest agro group by land under operation, and its subsidiary egg producer Avangard both from an image perspective and likely from a financial point of view as well. Both Avangard and ULF kept cash deposits in the affiliated bank, while the liabilities of both companies to the bank were reportedly negligible (according to ULF management data). As of end-2014, ULF had USD 21.4mn of cash in Financial Initiative (11% of the total cash of the group) including USD 9.9mn kept by Avangard (8% of Avangard's cash). As of Mar 31, Avangard's cash account in Financial Initiative had risen to USD 29.3mn (33% of total cash); corresponding data for ULF is not available, as the group reports its financials semi-annually. If Financial Initiative follows the same path as VAB, both ULF and Avangard will be unable to withdraw its money from the bank, although they may have been reducing their exposure to the bank since the last available data on Mar 31. Neither ULF nor Avangard were able to provide us with the volume of their current deposits in Financial Initiative. Despite the bank's statement released yesterday, we see a rescue of the failed institution by Mr. Bakmatiuk as unlikely.

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	10.5	15.32	46%	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	31.0	36.1	17%	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	-1%	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	79.0	80.8	2%	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	70.3	48.0	-32%	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	0.79	0.56	-30%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.14	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	2790	5250	88%	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	4.7	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	22.3	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	7.76	15.00	93%	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	0.089	0.24	169%	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	1017.80	1368.76	908.88	-0.8%	-0.7%	-0.9%	-1.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.040	0.010	-7.1%	-7.7%	-6.4%	-9.7%	-6.3%	-7.1%	-5.6%	-8.2%
Azovstal	AZST	0.79	0.95	0.35	-2.0%	-0.9%	-4.0%	6.4%	-1.1%	-0.2%	-3.1%	7.9%
Enakievo Steel	ENMZ	16.98	65.00	14.03	-2.5%	-3.4%	-0.1%	-18.9%	-1.7%	-2.7%	0.7%	-17.4%
Coke												
Avdyivka Coke	AVDK	1.14	3.62	0.86	-1.4%	-1.5%	-10.0%	-34.2%	-0.6%	-0.8%	-9.2%	-32.7%
Yasynivsky Coking	YASK	0.25	0.80	0.18	-28.6%	-13.8%	-3.8%	-10.7%	-27.7%	-13.1%	-3.0%	-9.2%
Iron Ore Mining												
Centralny GOK	CGOK	6.40	n/a	n/a	0.0%	0.0%	-24.7%	-17.8%	0.8%	0.7%	-23.8%	-16.3%
Ferrexpo	FXPO	70.25	143.00	47.91	1.1%	1.4%	-5.7%	32.5%	1.9%	2.1%	-4.8%	34.0%
Pivnichny GOK	SGOK	6.70	12.30	4.44	-2.9%	-2.9%	-14.1%	-20.0%	-2.1%	-2.2%	-13.2%	-18.5%
Coal Mining												
Pokrovske Mine	SHCHZ	0.21	0.79	0.17	0.0%	-46.2%	-36.4%	-55.3%	0.8%	-45.5%	-35.5%	-53.8%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.23	0.88	0.20	0.0%	0.0%	-17.9%	-39.5%	0.8%	0.7%	-17.0%	-38.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.14	19.80	9.15	-2.7%	-6.5%	-6.2%	-21.1%	-1.9%	-5.9%	-5.3%	-19.6%
Luhanskeplovoz	LTPL	1.10	1.80	0.85	0.0%	0.0%	4.8%	1.9%	0.8%	0.7%	5.6%	3.4%
Specialized Machinery												
Motor Sich	MSICH	2790	2939	1970	0.5%	1.1%	7.5%	12.4%	1.3%	1.8%	8.4%	13.9%
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	15.6%	-0.1%	-0.1%	18.4%	16.5%	0.6%	0.8%	19.9%
Oil & Gas												
Regal Petroleum	RPT	4.75	9.25	3.13	14.9%	-0.1%	11.6%	51.8%	15.7%	0.6%	12.5%	53.3%
JKX Oil	JKX	28.00	59.25	11.00	0.0%	-0.9%	-8.9%	133.3%	0.8%	-0.2%	-8.1%	134.8%
Ukrnafta	UNAF	283.0	375.0	54.0	-1.7%	0.4%	5.0%	39.2%	-0.9%	1.1%	5.9%	40.7%
Power Utilities												
Centrenergo	CEEN	7.76	8.70	3.40	0.1%	-0.9%	-2.7%	2.9%	1.0%	-0.3%	-1.9%	4.4%
Donbasenergo	DOEN	22.25	46.00	11.00	-0.8%	2.8%	-4.5%	-32.6%	0.0%	3.4%	-3.6%	-31.1%
Zakhidenergo	ZAEN	167.0	199.8	91.2	0.0%	0.0%	0.6%	12.8%	0.8%	0.7%	1.5%	14.3%
Consumer												
Agroton	AGT	1.14	3.19	0.95	0.0%	0.9%	9.6%	-7.3%	0.8%	1.6%	10.5%	-5.8%
Astarta	AST	31.00	45.00	14.50	4.0%	8.8%	26.0%	55.0%	4.9%	9.4%	26.9%	56.5%
Avangardo	AVGR	1.39	10.27	1.39	-0.7%	-7.3%	-44.4%	-32.2%	0.1%	-6.7%	-43.5%	-30.7%
Industrial Milk Company	IMC	4.51	10.39	4.38	n/a	-9.8%	-1.7%	-20.5%	n/a	-9.1%	-0.9%	-19.0%
Kernel	KER	38.79	39.25	22.00	0.0%	1.4%	4.8%	36.3%	0.8%	2.1%	5.7%	37.8%
Mriya Agro Holding	MAYA	0.16	4.73	0.05	0.0%	0.0%	45.5%	-71.5%	0.8%	0.7%	46.3%	-70.0%
MHPC	MHPC	10.50	15.60	8.24	-4.5%	0.5%	0.0%	14.1%	-3.7%	1.1%	0.9%	15.6%
Milkiland	MLK	1.65	7.18	1.48	n/a	-13.2%	-28.9%	11.5%	n/a	-12.5%	-28.0%	13.0%
Ovostar Union	OVO	79.00	83.00	67.00	1.3%	0.0%	-4.2%	9.7%	2.1%	0.7%	-3.4%	11.2%
Chemicals												
Stirol	STIR	6.25	18.00	4.02	0.0%	0.0%	55.5%	-9.8%	0.8%	0.7%	56.3%	-8.3%
Banks												
Raiffeisen Bank Aval	BAVL	0.089	0.160	0.086	-2.0%	-3.7%	-3.5%	-7.0%	-1.1%	-3.0%	-2.6%	-5.5%
UkrSotsbank	USCB	0.083	0.200	0.064	0.0%	-4.6%	-18.6%	-36.3%	0.8%	-3.9%	-17.8%	-34.8%

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	15	3.9%	1	2,629	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	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	152	3.0%	4	146	neg	2.0	2.3	neg	0.8	1.2	0.1	0.1	0.1	32	32	32	\$/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	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	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	703	0.4%	3	697	1.3	2.2	3.1	0.8	1.1	1.5	0.4	0.5	0.5				
Ferrexpo	FXPO	645	24.0%	155	1,340	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	53	5.0%	3	46	1.3	neg	neg	0.9	neg	neg	0.1	0.3	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	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	154	7.2%	11	244	neg	8.5	16.9	neg	2.9	3.4	0.3	0.6	1.0				
Oil & Gas																		
Ukrnafta	UNAF	699	3.0%	21	708	>30	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	8.0	neg	-0.1	-0.1	0.0	0.0	0.0	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	75	50.4%	38	184	11.6	neg	15.1	2.8	2.7	2.6	1.0	1.3	1.2	34	25	25	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	131	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	2.9	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,110	34.1%	378	2,247	6.8	neg	>30	5.7	4.0	4.3	1.5	1.6	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	208	37.0%	77	419	6.1	neg	neg	4.6	2.9	4.3	0.9	1.0	1.2				
Avangardco	AVGR	89	22.5%	20	315	0.4	neg	neg	1.0	2.4	3.3	0.5	0.8	0.9	71	54	51	\$/mneqgs
Ovostar	OVO	127	25.0%	32	136	4.1	4.9	5.2	3.8	4.7	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	122	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

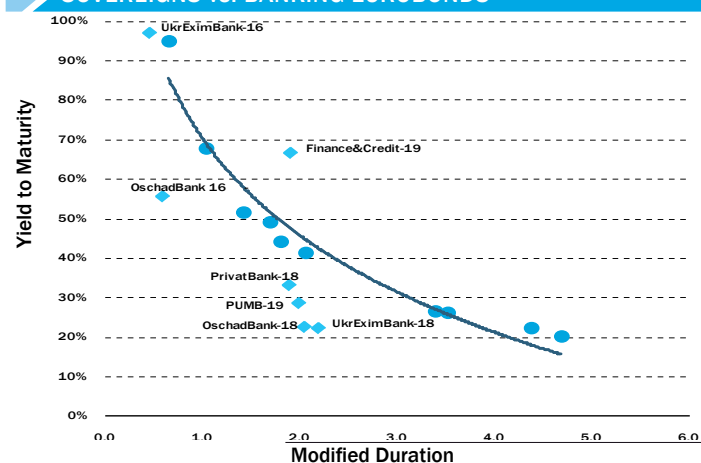
UKRAINIAN EUROBONDS

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)	52.5	54.5	293.0%	271.4%	-21.3%	0.2	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	53.2	54.8	385.1%	361.6%	-23.2%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	50.1	51.4	67.2%	64.6%	-19.1%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	49.9	51.4	97.1%	92.7%	-21.8%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	49.8	51.3	42.1%	40.5%	-20.1%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	50.0	51.0	50.9%	49.6%	-18.8%	1.4	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	50.3	50.3	44.5%	44.5%	-18.3%	1.7	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	50.1	50.1	37.5%	37.5%	-16.5%	2.0	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	50.0	51.0	25.6%	25.0%	-15.3%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	52.5	53.5	23.6%	23.1%	-10.8%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	53.1	54.1	20.3%	19.9%	-10.9%	4.6	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	53.5	55.0	19.6%	19.4%	-8.6%	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	79.5	81.5	14.3%	13.7%	16.7%	3.6	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	47.0	51.0	339.9%	291.8%	-24.0%	0.2	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	48.5	51.5	45.4%	42.2%	7.5%	1.8	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	490.4%	439.0%	30.8%	0.2	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	102.3%	94.6%	30.8%	1.6	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	45.0	48.0	48.7%	45.3%	n/a	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	44.0	47.0	45.3%	42.0%	0.0%	1.9	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2015	n/a	n/a	n/a	n/a	n/a	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	55.0	58.0	36.8%	34.1%	1.8%	1.9	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2016	89.0	91.0	24.1%	20.9%	16.9%	0.7	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/C
Ferrexpo, 2019	85.0	87.0	15.8%	15.0%	n/a	2.5	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/C
RailUA, 2018	62.0	65.0	30.0%	27.8%	19.7%	2.2	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	25.0	35.0	120.6%	87.2%	-45.5%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	72.1	76.1	28.0%	25.5%	27.3%	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	238.4%	219.3%	4.0%	0.2	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	44.0	46.0	198.9%	184.9%	-9.1%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	64.0	66.0	31.8%	30.3%	9.2%	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	119.4%	98.8%	27.4%	0.4	5.79%	S/A	2 Sept 2016	125	Ca//C
UkrEximBank, 2018	73.5	75.5	22.9%	21.7%	31.9%	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	75.5	77.0	54.3%	50.8%	30.3%	0.5	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	73.5	75.0	22.3%	21.4%	31.5%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	45.0	55.0	348.0%	236.5%	-31.1%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	45.0	55.0	110.5%	81.1%	-29.3%	0.7	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

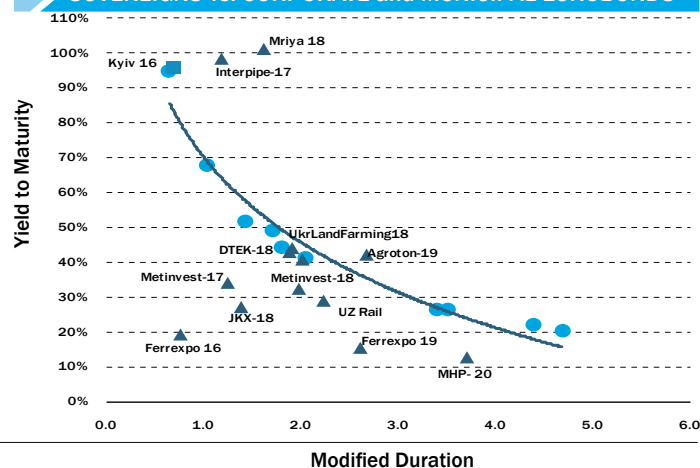
¹ Moody's/S&P/Fitch; * EUR

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
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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