

Market Update

Equity

Locally-listed Ukrainian equities continued to decline on Wednesday (Jul 8), as from a chart point of view, most blue chips are still in a long-term downward trend. The UX index shed 0.5% to close at 993 points. Heavyweight CentrEnergy (CEEN) took most points off the gauge, slipping 1.0% to UAH 7.54, which is slightly below the quotes' 200-day moving average line. Motor Sich (MSICH) edged down 0.3% to UAH 2700 while UkrNafta (UNAF) climbed 0.5% to UAH 283 per share. In second-tier stocks, the erratic UkrTelecom (UTLM) issue lost 15% from its last listed price to close at 14 kopecks. In London trading, Avangard (AVGR) fell 8,7% to a new all time low of one dollar on the nose. Ferrexpo (FXPO) rose 1.3% to GBp 57.25, finally rebounding after several session of steady decline. Warsaw-listed Kernel (KER) lost 0.7% to PLN 38.50.

Fixed Income

Ukrainian sovereigns were higher on Wednesday with Ukraine-23s up by 0.3p.p. to 53.5/54.8 (19.4%/18.8%). Meanwhile, corporate names were slightly down. MHP-20s and Ferrexpo-19s edged down by 0.1p.p. closing at 80.2/81.7 (14.1%/13.6%) and 84.3/86.2 (16.1%/15.4%), respectively.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrtelecom	UTLM	0.14	-15.2%	0.4	27
Centrenerg	CEEN	7.54	-1.0%	0.2	61
Raiffeisen Bank Aval	BAVL	0.09	-1.7%	0.1	23

Growth Leaders

Ukrnafta	UNAF	283.50	0.5%	0.04	11
Azovstal	AZST	0.78	-0.1%	0.03	22
Motor Sich	MSICH	2701.00	-0.3%	0.03	7

Loss Leaders

Ukrtelecom	UTLM	0.14	-15.2%	0.381	27
Bogdan Motors	LUAZ	0.02	-7.5%	0.008	22
Kryukiv Wagon	KVBZ	9.98	-2.1%	0.012	7

Highlights

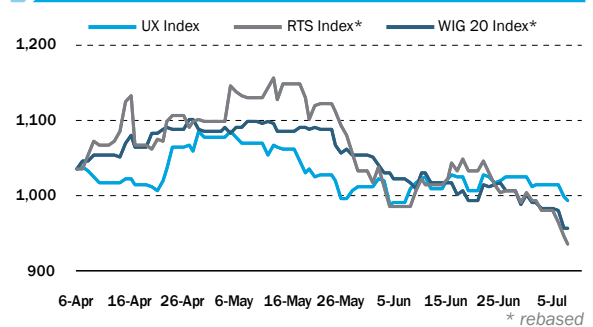
POLITICS AND ECONOMICS

- > Yatseniuk: OschadBank to Sue Russia for USD 700mn Over Crimea Assets

FIXED INCOME

- > UkrEximBank's Creditors Approve 7-Year Eurobond Extension

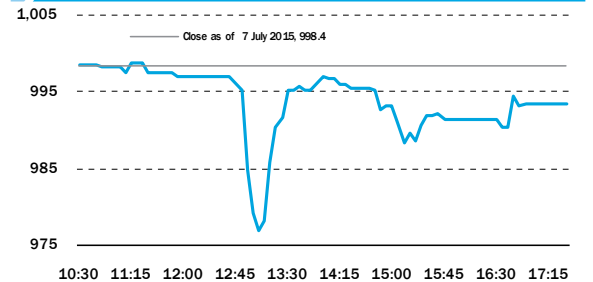
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	993.3	-0.5%	0.1%	-3.9%
RTS	875.7	-1.1%	-5.1%	10.7%
WIG20	2216.4	-0.1%	-6.3%	-4.3%
MSCI EM	904.6	-2.8%	-7.9%	-5.4%
S&P 500	2046.7	-1.7%	-2.2%	-0.6%

UX INTRADAY JULY 8, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	406.7	1.3%	8.0%	0.6%
CDS 5Y UKR	2700.0	-3.6%	3.8%	22.7%
Ukraine-17	39.6%	-1.0 p.p.	1.4 p.p.	14.0 p.p.
Ferrexpo-16	14.1%	0.0 p.p.	0.0 p.p.	-17.2 p.p.
Ukraine-23	19.0%	-0.1 p.p.	1.6 p.p.	11.5 p.p.
Privatbank-16	119.4%	0.7 p.p.	-37.4 p.p.	34.0 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.86	1.3%	3.9%	38.2%
EUR	24.22	1.9%	3.6%	26.6%
RUB	0.38	-1.2%	0.5%	36.9%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	220.6	0.0%	8.0%	-10.4%
Steel, USD/t	350.0	0.0%	-5.4%	-22.2%
Oil, USD/bbl	57.1	0.4%	-10.9%	-3.6%
Gold, USD/oz	1158.5	0.3%	-1.2%	-2.2%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Yatseniuk: OschadBank to Sue Russia for USD 700mn Over Crimea Assets

by Will Ritter
w.ritter@eavex.com.ua

NEWS

OschadBank and PrivatBank, two of Ukraine's largest lenders, are calling on Moscow to compensate them for the loss of their assets in Crimea, Reuters reported on Wednesday (Jul 8). The province was forcibly taken away from Ukraine and incorporated into Russia last year. Prime Minister Yatseniuk said that OschadBank, which is state-owned, plans to sue the Russian government for USD 700mn over the Crimean assets, Reuters wrote. PrivatBank, controlled by industrialist Igor Kolomoysky, said it is seeking international arbitration to compensate its Crimea losses and that it intends to apply to courts in The Hague, Netherlands.

COMMENTARY

Up to this point, discussions about Russia's annexation of Ukrainian territory have mostly focused on political displays of outrage and the Western economic sanctions imposed on Moscow for the move. However, this announcement by Ukraine's prime minister and the large banks indicates that the focus is moving to the more practical matter of direct monetary compensation. Although Crimea is highly unlikely to be returned to Ukrainian control any time soon, we suppose that the Ukrainian state and property owners have a very strong case against Russia as it pertains to the theft of assets associated with the annexation. The news that the major banks are seeking compensation through international channels is positive, as Ukraine's banks currently need all the help they can get, and we expect these claims against Moscow to be followed by a stream of smaller ones.

UkrEximBank's Creditors Approve 7-Year Eurobond Extension

by Dmitry Churin
d.churin@eavex.com.ua

NEWS

Government-owned export-import bank UkrEximBank has received approval from its creditors for a 7-year maturity extension for the bank's outstanding Eurobonds, according to a statement released on the official UkrExim website on Tuesday (Jul 7). Therefore, UkrEximBank's outstanding Eurobonds in a total amount of USD 1.5bn with maturity in 2015, 2016 and 2018 will be fully redeemed in 2022, 2023 and 2025 respectively. The bank had offered amortized redemption, a coupon increase and no haircut of the principal amount. The bondholders' meetings that took place on Jul 7 approved UkrEximBank's restructuring offer by majorities of 79%, 89%, and 99.6% of the votes cast, with quorums of 92%, 79%, and 81% respectively for the 2015, 2016 and 2018 bonds. The quorum required not less than two-thirds of the aggregate principal amount of the bonds. For more detailed terms on the restructuring, please see the Eavex daily from May 28.

COMMENTARY

According to unconfirmed but persistent rumors, parties related to President Poroshenko's business group own a large chunk of the UkrEximBank bonds, and the successful restructuring was therefore expected, especially as the bank offered quite favorable terms with no principal haircut. We also assume the restructuring of OschadBank and PrivatBank Eurobonds will go smoothly. However, the case for sovereign debt papers is much more complicated, as the government and the IMF are pushing for bondholders to accept a writedown which could be up to 40% of the principal amount. The ongoing private negotiations between Ukrainian creditors led by Franklin Templeton and the Finance Ministry should determine compromise terms for the sovereign restructuring.

We estimate that the effective yield for UkrEximBank-15s bonds after the planned restructuring under the proposed terms will be 16.5%, taking into account their current price of 80 cents. For UkrEximBank-16s, we estimate the effective yield under the proposed terms at 18.6% given their current price of 65 cents, and for UkrEximBank-18s the yield will be 15.9% based on the current price of 77.5 cents.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	38.5	56.50	47%	BUY	A hedged approach to doing 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	10.2	15.32	51%	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 land bank in Ukraine to 500,000 ha in the medium term from the current 290,000 ha.
Astarta	AST PW	30.8	36.1	17%	BUY	Astarta has made decisive moves toward diversification (it launched a soybean processing plant in early 2014) and cost optimization (launch of bioenergy complex in 2014). With no assets in the Donbass, Astarta's exposure to UAH devaluation is largely offset by its UAH cost base.
AvangardCo	AVGR LI	1.0	1.4	37%	SELL	The loss of the company's output in the war-hit Donbass along with UAH devaluation will lead to even lower EBITDA in 2015 after a 57% plunge in 2014.
Ovostar Union	OVO PW	78.0	80.8	4%	HOLD	Ovostar has been one of the hardest-hit Ukrainian public companies by this year's UAH devaluation, as some 70% of its production cost is linked to USD while only 15% of its revenue is earned in hard currencies.
Iron Ore						
Ferrexpo	FXPO LN	57.3	48.0	-16%	SELL	The ongoing issue of global iron ore oversupply along with sluggish growth in demand will likely keep ore prices at depressed levels at least in the short run, boding poorly for Ferrexpo's earnings.
Steel						
Azovstal	AZST	0.78	0.56	-28%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.06	U/R	--	Susp.	Avdyivka Coke's facilities are located on the front line of the Donbass separatist-occupied territory, and the plant has been experiencing periodic artillery shelling since August 2014. However, the company continues to operate, albeit at reduced capacity.
Specialized Machinery						
Motor Sich	MSICH	2701	5250	94%	BUY	Motor Sich should see its revenue 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	5.0	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	21.5	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	21.1	U/R	--	U/R	The Donetsk separatist government has nationalized DonbasEnergO's Starobeshevo power plant, which previously accounted for about 70% of the company's installed power-generating capacity.
CenterEnergO	CEEN	7.54	15.00	99%	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	171%	BUY	Raiffeisen Aval has a conservative risk policy, and we therefore assume it will manage to weather the current banking crisis in Ukraine and start to generate profits starting from 2016. The EBRD is expected to purchase a stake in the institution.

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	993.27	1368.76	908.88	-0.5%	-2.0%	0.1%	-3.9%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.040	0.010	-3.0%	-0.8%	-5.8%	-10.3%	-2.5%	1.2%	-5.9%	-6.5%
Azovstal	AZST	0.78	0.95	0.35	0.5%	-0.9%	-0.4%	4.3%	1.0%	1.1%	-0.5%	8.2%
Enakievo Steel	ENMZ	16.90	65.00	14.03	2.7%	-0.6%	4.9%	-19.3%	3.2%	1.4%	4.8%	-15.5%
Coke												
Avdyivka Coke	AVDK	1.06	3.62	0.86	-1.5%	-7.4%	-4.9%	-38.7%	-1.0%	-5.5%	-5.0%	-34.9%
Yasynivsky Coking	YASK	0.27	0.80	0.18	0.0%	3.8%	12.5%	-3.6%	0.5%	5.8%	12.4%	0.3%
Iron Ore Mining												
Centralny GOK	CGOK	6.30	n/a	n/a	0.0%	-5.4%	9.6%	-19.1%	0.5%	-3.5%	9.5%	-15.3%
Ferrexpo	FXPO	57.25	143.00	47.91	1.3%	-13.9%	-26.8%	8.0%	1.8%	-12.0%	-27.0%	11.9%
Pivnichny GOK	SGOK	6.48	12.30	4.44	0.0%	-5.4%	-6.1%	-22.6%	0.5%	-3.4%	-6.2%	-18.7%
Coal Mining												
Pokrovske Mine	SHCHZ	0.21	0.79	0.17	0.0%	0.0%	-46.2%	-55.3%	0.5%	2.0%	-46.3%	-51.4%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.20	0.88	0.20	0.0%	-4.8%	-4.8%	-47.4%	0.5%	-2.8%	-4.9%	-43.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.98	19.50	9.15	-2.5%	-0.4%	-1.6%	-22.3%	-2.0%	1.6%	-1.7%	-18.5%
Luhanskeplovoz	LTPL	1.10	1.80	0.85	0.0%	0.0%	0.0%	1.9%	0.5%	2.0%	-0.1%	5.7%
Specialized Machinery												
Motor Sich	MSICH	2701	2939	1970	-0.3%	-0.7%	0.9%	8.8%	0.2%	1.3%	0.7%	12.7%
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	0.14	0.21	0.10	-15.2%	-15.2%	-22.2%	-7.9%	-14.6%	-13.2%	-22.3%	-4.0%
Oil & Gas												
Regal Petroleum	RPT	4.99	9.25	3.13	0.0%	5.1%	23.7%	59.5%	0.5%	7.0%	23.6%	63.4%
JKX Oil	JKX	21.50	57.75	11.00	-4.4%	-21.8%	-25.9%	79.2%	-3.9%	-19.9%	-26.0%	83.0%
Ukrnafta	UNAF	283.5	375.0	80.0	0.5%	-3.6%	8.4%	39.4%	1.0%	-1.7%	8.3%	43.3%
Power Utilities												
Centrenergo	CEEN	7.54	8.70	3.70	-0.9%	-2.5%	-0.7%	0.0%	-0.3%	-0.5%	-0.9%	3.8%
Donbasenergo	DOEN	21.10	42.00	11.00	-1.9%	-3.4%	-3.6%	-36.1%	-1.3%	-1.5%	-3.7%	-32.2%
Zakhidenergo	ZAEN	167.0	199.8	91.2	0.0%	0.0%	7.7%	12.8%	0.5%	2.0%	7.6%	16.6%
Consumer												
Agroton	AGT	1.17	3.06	0.95	-0.8%	2.6%	21.9%	-4.9%	-0.3%	4.6%	21.8%	-1.0%
Astarta	AST	30.79	44.29	14.50	-1.0%	4.4%	8.1%	54.0%	-0.5%	6.3%	8.0%	57.8%
Avangardo	AVGR	1.00	9.90	1.00	-8.7%	-18.4%	-34.2%	-51.2%	-8.2%	-16.4%	-34.3%	-47.3%
Industrial Milk Company	IMC	4.50	9.98	4.38	n/a	0.0%	0.0%	-20.6%	n/a	2.0%	-0.1%	-16.8%
Kernel	KER	38.50	39.25	22.00	-0.7%	0.5%	0.3%	35.3%	-0.2%	2.5%	0.1%	39.2%
Mriya Agro Holding	MAYA	n/a	4.68	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	10.15	15.60	8.24	-1.5%	0.5%	-11.7%	10.3%	-0.9%	2.4%	-11.9%	14.2%
Milkiland	MLK	1.47	6.70	1.46	n/a	-5.2%	-28.3%	-0.7%	n/a	-3.2%	-28.4%	3.2%
Ovostar Union	OVO	78.00	83.00	67.00	-0.6%	-0.6%	-2.5%	8.3%	-0.1%	1.3%	-2.6%	12.2%
Chemicals												
Stirol	STIR	6.99	18.00	4.02	0.0%	0.0%	11.8%	0.9%	0.5%	2.0%	11.7%	4.7%
Banks												
Raiffeisen Bank Aval	BAVL	0.089	0.150	0.086	-1.8%	-2.1%	1.7%	-7.8%	-1.3%	-0.1%	1.6%	-3.9%
UkrSotsbank	USCB	0.083	0.197	0.064	0.0%	0.0%	-17.0%	-36.3%	0.5%	2.0%	-17.1%	-32.4%

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																
Centrenerg	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	149	3.0%	4	143	neg	1.9	2.3	neg	0.8	1.1	0.1	0.1	0.1	31	32	31	\$/tonne
Coke																		
Avdivka Coke	AVDK	9	6.8%	1	-30	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-7	-8	-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	338	0.3%	1	336	1.7	2.9	4.2	1.1	1.5	2.1	0.5	0.6	0.6				
Pivnichny GOK	SGOK	683	0.4%	3	677	1.2	2.1	3.0	0.7	1.0	1.5	0.4	0.5	0.5				
Ferrexpo	FXPO	516	24.0%	124	1,211	2.0	2.8	5.3	2.4	2.4	4.7	0.8	0.9	1.1				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	24	2.0%	0	70	5.1	1.1	12.9	2.2	1.6	3.9	0.2	0.4	0.8	110	183	174	\$/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	52	5.0%	3	46	1.3	neg	neg	0.9	neg	neg	0.1	0.3	0.7				
Specialized Machinery																		
Turboatom	TATM	68	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	257	24.0%	62	231	1.6	2.0	2.8	0.6	0.7	1.1	0.2	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	120	7.2%	9	210	neg	6.6	13.2	neg	2.5	2.9	0.3	0.5	0.8				
Oil & Gas																		
Ukrnafta	UNAF	703	3.0%	21	711	>30	6.7	4.1	2.5	1.9	2.0	0.3	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	25	21.6%	5	0	neg	12.3	8.2	neg	0.0	0.0	0.0	0.0	0.0	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	57	50.4%	29	165	8.7	neg	11.4	2.5	2.4	2.4	0.9	1.1	1.1	30	23	22	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	127	21.7%	28	141	2.1	21.7	neg	1.5	5.4	neg	0.2	0.2	0.4	8	10	9	\$/MWh
DonbasEnerg	DOEN	23	14.2%	3	55	0.3	2.7	neg	0.8	2.8	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,073	34.1%	366	2,210	6.6	neg	>30	5.7	4.0	4.2	1.5	1.6	1.9				
Kernel	KER	804	61.8%	497	1,280	7.7	neg	8.1	4.4	5.7	3.1	0.5	0.5	0.6				
Astarta	AST	202	37.0%	75	412	5.9	neg	neg	4.5	2.9	4.2	0.8	1.0	1.2				
Avangardco	AVGR	64	22.5%	14	290	0.3	neg	neg	1.0	2.2	3.1	0.4	0.7	0.8	66	50	47	\$/mneqgs
Ovostar	OVO	123	25.0%	31	131	4.0	4.7	5.0	3.7	4.5	5.2	1.6	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

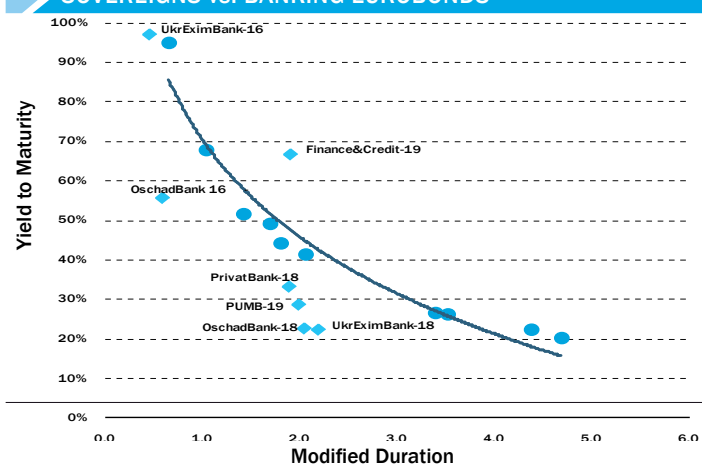
UKRAINIAN EUROBONDS

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)	53.5	55.0	321.2%	303.2%	-20.2%	0.1	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	53.6	55.3	447.6%	418.7%	-22.7%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	52.7	54.1	63.7%	61.1%	-14.9%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	52.7	53.9	92.8%	89.0%	-17.8%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	51.8	53.3	40.4%	38.9%	-16.9%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	51.5	52.0	49.7%	49.0%	-16.8%	1.4	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	50.4	51.4	45.0%	43.8%	-17.3%	1.7	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	50.3	51.3	37.8%	36.8%	-15.4%	2.0	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	51.8	53.3	24.7%	23.9%	-11.9%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	55.0	56.3	22.4%	21.8%	-6.3%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	54.5	55.8	19.8%	19.3%	-8.4%	4.6	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	53.5	54.8	19.4%	18.8%	-8.8%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	28.6	32.1	51.5%	46.5%	-10.2%	2.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	80.2	81.7	14.1%	13.6%	17.3%	3.6	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	50.8	50.8	286.5%	286.5%	-21.3%	0.1	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	48.5	51.5	45.8%	42.6%	-3.8%	1.8	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	538.0%	480.2%	30.8%	0.2	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	104.5%	96.6%	30.8%	1.5	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	45.0	48.0	49.2%	45.7%	n/a	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	44.0	47.0	45.8%	42.4%	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	40.1%	37.2%	-16.4%	1.1	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	58.0	60.0	34.5%	32.8%	6.3%	1.9	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2016	95.3	95.3	14.1%	14.1%	23.7%	0.7	7.88%	S/A	07 Apr 2016	286	Caa3/CCC/C
Ferrexpo, 2019	84.3	86.2	16.1%	15.4%	n/a	2.5	10.38%	S/A	07 Apr 2019	161	Caa3/CCC/C
RailUA, 2018	65.1	67.0	28.0%	26.7%	24.5%	2.2	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	25.0	35.0	124.8%	89.8%	-45.5%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.1	76.5	29.7%	25.5%	25.9%	1.3	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	23.0	30.0	71.2%	57.6%	-68.1%	1.8	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	51.5	54.5	36.0%	33.7%	-21.5%	1.7	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	68.0	70.0	236.2%	216.1%	10.4%	0.1	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	59.0	61.0	124.1%	114.9%	21.2%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	66.0	67.8	30.5%	29.2%	0.5%	1.9	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2015	78.5	80.0	n/a	n/a	2.3%	0.0	8.38%	S/A	27 Jul 2015	750	WR//C
UkrEximBank, 2016	60.0	65.0	119.4%	98.2%	31.6%	0.4	5.79%	S/A	2 Sept 2016	125	Ca//C
UkrEximBank, 2018	76.0	77.5	21.5%	20.6%	35.8%	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	76.0	76.9	55.9%	53.7%	30.7%	0.5	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	74.1	75.7	22.1%	21.1%	32.7%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	49.9	51.6	319.1%	298.3%	-30.1%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	48.0	52.0	105.0%	92.6%	-29.3%	0.7	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

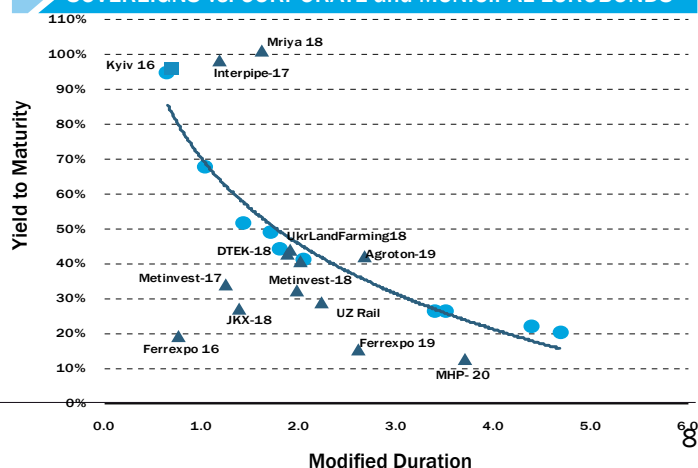
¹ Moody's/S&P/Fitch; * EUR

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

Eavex Capital

7 Klovisky uzviz, 16th Floor
Carnegie Center
Kyiv, 01021, Ukraine

Telephone: +38 044 590 5454
Facsimile: +38 044 590 5464
E-mail: office@eavex.com.ua
Web-page: www.eavex.com.ua

Yuriy Yakovenko
Chairman of the Board
yuriy.yakovenko@eavex.com.ua

SALES & TRADING
Pavel Korovitskiy
Managing Director
Equity and Fixed Income
p.korovitsky@eavex.com.ua

Alexander Klymchuk
Equity and Fixed Income
a.klymchuk@eavex.com.ua

Eugene Klymchuk
Fixed Income Sales and Trading
e.klymchuk@eavex.com.ua

Serhiy Scherbaniuk
Equity Trading
s.shcherbaniuk@eavex.com.ua

Nazar Malinyak
Online Trading
n.malinyak@eavex.com.ua

RESEARCH
Dmitry Churin
Head of Research
d.churin@eavex.com.ua

Ivan Dzvinka
Research Associate
i.dzvinka@eavex.com.ua

Will Ritter
Research editor
w.ritter@eavex.com.ua