

Market Update

Equity

The Ukrainian stock market lost ground on Friday (Jul 17) as the summer holiday period left most domestic equities without any buyers. The UX index fell 1.7% to close at 981 points, which is a 5-month low for the gauge. Nine of the index basket's 10 component names finished in the red. The exception was DonbasEnerg (DOEN), which added 1.5% to UAH 20.65 per share. Heavyweights Motor Sich (MSICH) and CentrEnerg (CEEN) lost 2.6% and 2.0% respectively with the former closing at UAH 2618. Raiffeisen Aval (BAVL) edged down 0.5% to 8.80 kopecks. In London-listed Ukrainian stocks, Ferrexpo (FXPO) declined by 3.3% to GBp 58.00 while MHP (MHPC) advanced 5.0% to USD 10.50 but remained in its month-long sideways trend. Warsaw-listed Kernel (KER) failed to hold its gain from the previous session, retreating by 1.2% to PLN 39.90.

Fixed Income

Ukrainian sovereigns rose on Friday with Ukraine-23s up by 0.3p.p. to 55.0/56.3 (18.7%/18.3%). Corporate names were mixed. MHP-20s inched up by 0.1p.p. to 80.3/82.3 (14.1%/13.5%) while Ferrexpo-19s dropped by 0.1p.p. closing at 84.2/86.1 (16.2%/15.4%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2618.00	-2.6%	1.2	19
Centrenerg	CEEN	7.53	-2.1%	1.0	125
Ukrnafta	UNAF	293.50	-0.6%	0.5	46

Growth Leaders

Luhanskteplovoz	LTPL	1.35	50.0%	0.05	7
Donbasenerg	DOEN	20.66	1.5%	0.19	10
Avdyivka Coke	AVDK	1.10	-0.1%	0.00	14

Loss Leaders

Alchevsk Steel	ALMK	0.01	-5.2%	0.023	20
Yenakievo Steel	ENMZ	16.01	-2.7%	0.011	17
Motor Sich	MSICH	2,618.00	-2.6%	1.202	19

Highlights

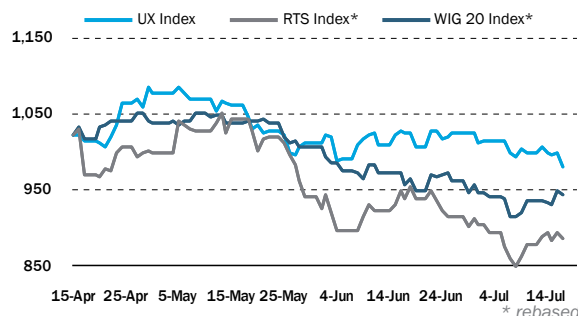
POLITICS AND ECONOMICS

- > VAT Agro Subsidy Left Unchanged After Last-Minute Change In Draft

FIXED INCOME

- > F&C Posts UAH 1.1bn Net Loss for 2Q15

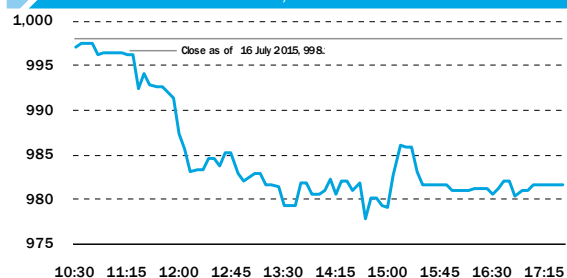
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	981.6	-1.7%	-4.6%	-5.0%
RTS	912.4	-0.8%	-6.7%	15.4%
WIG20	2285.0	-0.6%	-3.0%	-1.3%
MSCI EM	941.7	0.0%	-2.5%	-1.5%
S&P 500	2126.6	0.1%	1.4%	3.3%

UX INTRADAY JULY 17, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	392.0	0.2%	-2.2%	-3.0%
CDS 5Y UKR	2450.0	-1.0%	-16.9%	11.4%
Ukraine-17	37.1%	-0.2 p.p.	-6.8 p.p.	11.4 p.p.
MHP-20	13.8%	0.0 p.p.	0.8 p.p.	-3.7 p.p.
Ukraine-23	18.5%	-0.1 p.p.	-1.3 p.p.	11.0 p.p.
Privatbank-18	30.0%	0.0 p.p.	-0.4 p.p.	-2.6 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	22.61	1.7%	3.9%	42.9%
EUR	24.48	1.3%	0.1%	27.9%
RUB	0.40	1.6%	-2.0%	44.4%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	214.0	0.0%	4.7%	-13.0%
Steel, USD/t	357.5	0.0%	-3.4%	-20.6%
Oil, USD/bbl	57.1	0.3%	-11.5%	-3.5%
Gold, USD/oz	1134.5	-1.0%	-4.0%	-4.3%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

VAT Agro Subsidy Left Unchanged After Last-Minute Change In Draft

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NEWS

Parliament has voted to retain the privileged VAT regime for agricultural producers, according to legislation passed on Thursday (Jul 16). The initial law draft on changes in VAT taxation included the point on eliminating the VAT subsidy to agro producers starting from 1 Jan 2016 (vs. the current expiration of 1 Jan 2018). However, last-minute changes in the draft right before the voting resulted in the removal of the point related to VAT subsidy.

The initiative of transforming the VAT regime for Ukraine's agricultural sector from privileged to ordinary is in line with the conditions of the IMF's lending program to Ukraine. The special VAT regime allows agrarians to avoid paying their net VAT liability (VAT on sales minus VAT on cost) to the government.

COMMENTARY

Ukraine's large agro producers are the biggest beneficiaries of the privileged VAT regime, which has historically allowed them to post lucrative profit margins. This is likely not the last chapter in the battle to remove the special VAT regime for such companies. In this particular case, retaining the subsidy was a rather expected move, since the initial draft law envisaged continuing the moratorium on reimbursement of VAT to agrarians in addition to lifting the VAT subsidy. We see a better chance for the approval of a law envisaging an ordinary domestic VAT regime but with reimbursement of export VAT for agrarians (indeed, such conditions are prescribed in Ukraine's agreement with the IMF).

F&C Posts UAH 1.1bn Net Loss for 2Q15

by Dmitry Churin
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NEWS

Finance&Credit Bank (F&C), a subsidiary of the business group of Ferrexpo owner Constantine Zhevago, posted a UAH 1.1bn (USD 50mn) net loss for 2Q15, compared to a marginal net profit of UAH 3mn in 2Q14, according to financial statements released on Friday (Jul 17). The bank's gross interest income rose 20% YoY in 2Q as a result of the hryvnia devaluation against the dollar while its net interest income fell 56% YoY to UAH 39mn. Provisions for loan impairment soared from UAH 59mn in 2Q14 to UAH 1.51bn in the quarter. For 1H15, F&C's net loss rose 35x to UAH 1.82bn (USD 83mn at the average UAH/USD rate for the period). On the balance sheet side, the bank's total assets rose by 13.9% YtD to UAH 38.8bn (USD 1.8bn) as of 30 Jun 2015 and the loan portfolio increased by 12.6% YtD to UAH 33.6bn. The bank reported a capital adequacy ratio of 11.7% and current liquidity at 45% at the end of 1H14. The NBU-mandated minimum is 10% for capital adequacy and 40% for current liquidity.

COMMENTARY

F&C is experiencing heavy pressure from the National Bank (NBU) due to its violation of several regulatory measures, especially as related to its large exposure to related parties and having exceeded the credit risk cap of 25% to a single counterparty. The NBU has demanded that Zhevago inject an additional UAH 2.5bn into F&C's capital by the end of August on top of charter fund increases of UAH 2.0bn in June and UAH 600mn in March. The decision to inject more capital into F&C will be considered at a general shareholder meeting scheduled on Aug 17. The bank's CEO Victor Golub said F&C is negotiating an offer of equity to its creditors. The NBU has already labeled F&C as a problematic financial institution, but the regulator is not in a hurry to shut down the bank, hoping instead that Zhevago has enough resources to bail it out. It is interesting to note that UAH 11.6bn out of a total UAH 17.0bn in retail deposits at F&C are foreign-currency denominated; according to a temporary ruling from the NBU, retail clients can only withdraw UAH 15,000 per day. Earlier this year the NBU provided some UAH 1.5bn to F&C, which is Ukraine's 10th biggest banks by assets, in loans to support its liquidity.

Finance&Credit-19s are viewed by the market one of Ukraine's highest-risk Eurobond issues, trading at 23.0/30.0 (72%/58%).

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	39.9	56.50	42%	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	10.5	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 land bank in Ukraine to 500,000 ha in the medium term from the current 290,000 ha.
Astarta	AST PW	33.6	36.1	8%	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	1.1	1.4	25%	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	81.0	80.8	0%	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	58.0	48.0	-17%	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	0.77	0.56	-28%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.10	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	2618	5250	101%	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	5.5	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	19.5	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	20.7	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	7.53	15.00	99%	BUY	CenterEnergO'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	0.088	0.24	172%	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	981.57	1368.76	908.88	-1.7%	-1.7%	-4.6%	-5.0%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.040	0.010	-4.5%	0.0%	-7.2%	-11.7%	-2.8%	1.7%	-2.7%	-6.7%
Azovstal	AZST	0.77	0.95	0.54	-2.4%	0.3%	-3.3%	3.8%	-0.7%	2.0%	1.3%	8.8%
Enakievo Steel	ENMZ	16.01	65.00	14.03	-4.9%	-3.4%	-4.9%	-23.6%	-3.3%	-1.7%	-0.4%	-18.6%
Coke												
Avdyivka Coke	AVDK	1.10	3.62	0.86	0.0%	-0.9%	-5.9%	-36.4%	1.7%	0.8%	-1.3%	-31.4%
Yasynivsky Coking	YASK	0.22	0.79	0.18	0.0%	-8.3%	-24.1%	-21.4%	1.7%	-6.6%	-19.6%	-16.4%
Iron Ore Mining												
Centralny GOK	CGOK	6.96	n/a	n/a	0.0%	0.0%	21.0%	-10.7%	1.7%	1.7%	25.6%	-5.6%
Ferrexpo	FXPO	58.00	142.50	47.91	-3.3%	-1.3%	-17.1%	9.4%	-1.7%	0.4%	-12.6%	14.4%
Pivnichny GOK	SGOK	6.85	12.30	4.44	0.0%	0.0%	-0.7%	-18.2%	1.7%	1.7%	3.8%	-13.2%
Coal Mining												
Pokrovske Mine	SHCHZ	0.26	n/a	n/a	0.0%	0.0%	-33.3%	-44.7%	1.7%	1.7%	-28.8%	-39.7%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.20	0.79	0.20	0.0%	0.0%	-13.0%	-47.4%	1.7%	1.7%	-8.5%	-42.4%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.22	19.35	9.05	-1.9%	-1.4%	-15.0%	-28.2%	-0.3%	0.3%	-10.5%	-23.2%
Luhanskeplovoz	LTPL	1.35	1.80	0.51	50.0%	22.7%	22.7%	25.0%	51.7%	24.4%	27.3%	30.0%
Specialized Machinery												
Motor Sich	MSICH	2618	2939	1970	-2.6%	-4.2%	-5.2%	5.4%	-1.0%	-2.5%	-0.6%	10.4%
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	0.0%	0.0%	-22.2%	-7.9%	1.7%	1.7%	-17.7%	-2.9%
Oil & Gas												
Regal Petroleum	RPT	5.50	9.25	3.13	-4.3%	0.3%	15.8%	76.0%	-2.7%	2.0%	20.3%	81.0%
JKX Oil	JKX	19.50	52.75	11.00	1.3%	5.4%	-31.6%	62.5%	3.0%	7.1%	-27.0%	67.5%
Ukrnafta	UNAF	293.5	375.0	80.0	-0.5%	2.8%	5.2%	44.4%	1.1%	4.5%	9.8%	49.4%
Power Utilities												
Centrenergo	CEEN	7.53	8.70	3.70	-2.1%	-2.9%	-4.7%	-0.2%	-0.4%	-1.2%	-0.2%	4.8%
Donbasenergo	DOEN	20.66	42.00	11.00	1.5%	-2.1%	-6.1%	-37.4%	3.2%	-0.4%	-1.5%	-32.4%
Zakhidenergo	ZAEN	167.0	199.8	100.0	0.0%	0.0%	7.1%	12.8%	1.7%	1.7%	11.6%	17.8%
Consumer												
Agroton	AGT	1.08	2.82	0.95	-5.3%	-5.3%	-9.2%	-12.2%	-3.6%	-3.6%	-4.7%	-7.2%
Astarta	AST	33.60	41.58	14.50	-1.8%	11.1%	21.7%	68.0%	-0.1%	12.8%	26.3%	73.0%
Avangardo	AVGR	1.10	9.55	1.00	0.0%	8.9%	-26.7%	-46.3%	1.7%	10.6%	-22.1%	-41.3%
Industrial Milk Company	IMC	5.05	8.81	4.38	n/a	7.0%	1.0%	-10.9%	n/a	8.7%	5.6%	-5.9%
Kernel	KER	39.88	40.35	22.00	-1.2%	3.6%	4.3%	40.1%	0.5%	5.3%	8.8%	45.1%
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	10.50	15.60	8.24	5.0%	6.1%	0.5%	14.1%	6.7%	7.8%	5.0%	19.1%
Milkiland	MLK	1.47	6.00	1.46	n/a	-2.6%	-22.6%	-0.7%	n/a	-1.0%	-18.1%	4.3%
Ovostar Union	OVO	81.00	83.00	67.00	-0.6%	2.5%	1.3%	12.5%	1.1%	4.2%	5.8%	17.5%
Chemicals												
Stirol	STIR	6.30	14.13	4.02	0.0%	-9.9%	0.8%	-9.1%	1.7%	-8.2%	5.4%	-4.1%
Banks												
Raiffeisen Bank Aval	BAVL	0.088	0.150	0.086	-0.6%	-2.9%	-6.9%	-8.2%	1.1%	-1.2%	-2.3%	-3.2%
UkrSotsbank	USCB	0.088	0.197	0.064	0.0%	1.7%	-12.0%	-32.4%	1.7%	3.4%	-7.4%	-27.4%

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																
Luhanskeplovoz	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	2,628	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	615	\$/tonne
Yenakievo Steel	ENMZ	7	8.8%	1	5	neg	neg	0.3	neg	0.9	0.2	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	144	3.0%	4	137	neg	1.9	2.2	neg	0.8	1.1	0.1	0.1	0.1	30	30	30	\$/tonne
Coke																		
Avdyivka 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	361	0.3%	1	359	1.9	3.1	4.5	1.2	1.6	2.3	0.5	0.6	0.7				
Pivnichny GOK	SGOK	698	0.4%	3	692	1.3	2.2	3.1	0.8	1.1	1.5	0.4	0.5	0.5				
Ferrexpo	FXPO	530	24.0%	127	1,225	2.0	2.9	5.4	2.4	2.5	4.8	0.8	0.9	1.2				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	23	2.0%	0	69	4.9	1.0	12.5	2.2	1.6	3.9	0.2	0.4	0.7	109	181	172	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	13	24.0%	3	50	0.7	neg	n/a	1.4	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	47	5.0%	2	41	1.1	neg	neg	0.8	neg	neg	0.1	0.3	0.6				
Specialized Machinery																		
Turboatom	TATM	65	5.8%	4	35	0.9	1.2	2.9	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	241	24.0%	58	215	1.5	1.9	2.6	0.6	0.6	1.0	0.2	0.2	0.3				
Telecom																		
Ukrtelecom	UTLM	116	7.2%	8	207	neg	6.4	12.7	neg	2.4	2.9	0.3	0.5	0.8				
Oil & Gas																		
Ukrnafta	UNAF	704	3.0%	21	712	>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	28	21.6%	6	2	neg	13.8	9.2	neg	0.2	0.2	0.1	0.1	0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	52	50.4%	26	161	8.0	neg	10.4	2.4	2.3	2.3	0.9	1.1	1.1	29	22	21	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	123	21.7%	27	137	2.1	20.9	neg	1.4	5.3	neg	0.1	0.2	0.4	8	10	9	\$/MWh
DonbasEnergO	DOEN	22	14.2%	3	53	0.3	2.6	neg	0.7	2.7	neg	0.1	0.1	0.3	7	7	7	\$/MWh
Consumer																		
MHP	MHPC	1,110	34.1%	378	2,210	6.8	neg	>30	5.7	4.0	4.2	1.5	1.6	1.9				
Kernel	KER	838	61.8%	518	1,314	8.0	neg	8.4	4.5	5.9	3.2	0.5	0.5	0.6				
Astarta	AST	222	37.0%	82	432	6.5	neg	neg	4.8	3.0	4.4	0.9	1.0	1.2				
Avangardco	AVGR	70	22.5%	16	296	0.3	neg	neg	1.0	2.3	3.2	0.4	0.7	0.8	67	51	48	\$/mneqgs
Ovostar	OVO	128	25.0%	32	137	4.2	5.0	5.3	3.8	4.7	5.5	1.7	1.8	1.7	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	117	3.5%	4		1.3	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	72	1.0%	1		>30	>30	>30	0.1	0.1	0.2	0.02	0.03	0.04				

Source: Eavex Research

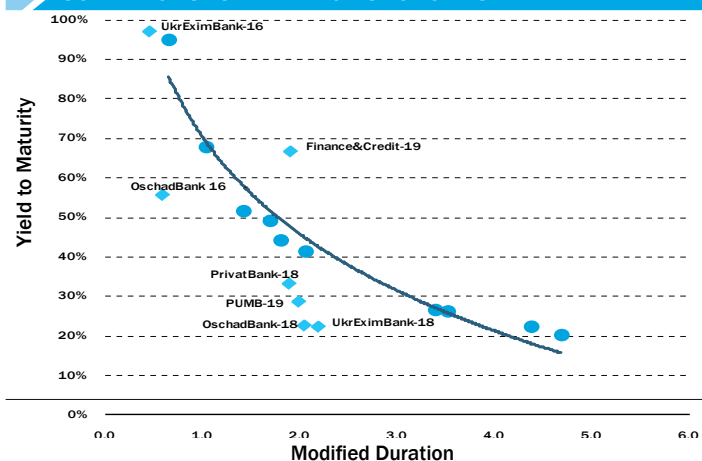
UKRAINIAN EUROBONDS

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)	54.4	56.3	349.2%	324.8%	-18.6%	0.1	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	55.2	56.4	480.2%	456.6%	-20.7%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	55.4	56.6	59.7%	57.5%	-10.7%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	55.3	56.5	87.4%	84.1%	-13.7%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	54.9	55.9	37.6%	36.6%	-12.4%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	53.9	55.1	47.3%	45.7%	-12.4%	1.4	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	53.3	54.9	42.0%	40.4%	-12.0%	1.7	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	53.0	54.0	35.5%	34.6%	-10.8%	2.0	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	53.8	55.3	23.7%	23.0%	-8.6%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	55.6	56.9	22.2%	21.6%	-5.3%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	55.8	57.0	19.3%	18.8%	-6.3%	4.6	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	55.0	56.3	18.7%	18.3%	-6.2%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	28.4	32.3	48.0%	43.1%	-10.4%	2.6	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	80.3	82.3	14.1%	13.5%	17.8%	3.5	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	46.2%	43.0%	-3.8%	1.8	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	581.8%	518.0%	30.8%	0.2	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	106.3%	98.2%	30.8%	1.5	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	43.0	45.0	52.1%	49.5%	n/a	1.5	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	43.0	45.0	47.3%	45.0%	-3.3%	1.8	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	40.4%	37.5%	-16.4%	1.1	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	58.0	60.0	34.8%	33.0%	6.3%	1.8	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	84.8	86.1	16.0%	15.4%	n/a	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	84.2	86.1	16.2%	15.4%	n/a	2.5	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	67.0	69.0	26.8%	25.5%	28.2%	2.1	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	25.0	35.0	128.4%	92.0%	-45.5%	1.0	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.3	72.9	29.8%	28.0%	22.9%	1.3	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	23.0	30.0	71.7%	58.0%	-68.1%	1.8	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	55.0	58.0	33.5%	31.4%	-16.3%	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	68.0	70.0	274.6%	251.2%	10.4%	0.1	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	59.0	61.0	132.4%	122.5%	21.2%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	65.9	68.1	30.8%	29.1%	13.6%	1.9	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2015	82.0	85.0	n/a	n/a	7.7%	0.0	8.38%	S/A	27 Jul 2015	750	WR//C
UkrEximBank, 2016	60.0	65.0	127.3%	104.4%	31.6%	0.3	5.79%	S/A	2 Sept 2016	125	Ca//C
UkrEximBank, 2018	78.0	80.0	20.4%	19.2%	39.8%	2.1	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	76.8	77.5	56.4%	54.5%	31.8%	0.5	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	74.9	77.0	21.8%	20.5%	34.5%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	51.1	52.9	332.9%	311.2%	-28.3%	0.2	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	49.3	50.6	104.1%	99.7%	-29.4%	0.6	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

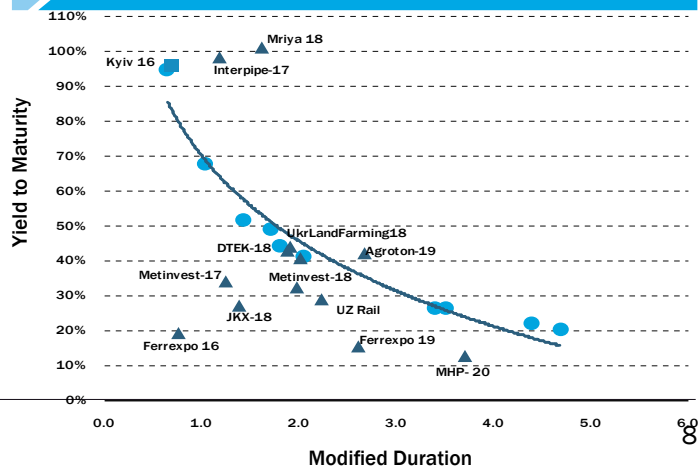
¹ Moody's/S&P/Fitch; * EUR

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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