

Market Update

Equity

Locally-listed Ukrainian stocks were mixed on Wednesday (Jul 29). Gains at the beginning of the day were offset by a fall in the last hour of trading despite a confirmation from the IMF just before the close that a USD 1.7bn loan tranche is on the way. The UX index ticked down by a tenth of a percent to end at 975 points. The best performer was beaten-down Avdyivka Coke (AVDK), which gained 4.3% to continue its recovery after Monday's plunge. UkrNafta also added 2.4% to UAH 289 after solid financials for 1H15 released earlier this week. On the downside, Azovstal (AZST) was the biggest decliner, dropping 3.1% after its disappointing 2Q15 net loss following four profit-making quarters. In the electricity sector, CentrEnerg (CEEN) edged up by 0.4% while DonbasEnerg slipped 0.5%. In London, JKK (JKX) slumped 18% to below GBP 16 as investors reacted to its loss-making results for 1H15, while Ferrexpo (FXPO) rose 1.7% despite a poor outlook for iron ore prices in 2H15. In Warsaw, Kernel (KER) improved by 1.4% and Astarta (AST) added 3.6% to near PLN 34.

Fixed Income

Ukrainian sovereigns were sluggish on Wednesday with Ukraine-23s finished unchanged at 55.4/56.6 (18.7%/18.2%). Corporate names were mixed. Metinvest-18s inched down by 0.1p.p. to 57.7/59.1 (35.3%/34.1%) while Ferrexpo-19s improved by 0.3p.p. closing at 83.9/85.9 (16.4%/15.5%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Donbasenergo	DOEN	20.00	-0.5%	0.16	8
Centrenerg	CEEN	7.39	0.4%	0.13	19
Ukrnafta	UNAF	288.80	2.4%	0.11	16

Growth Leaders

Mariupol Heavy Machine	MZVM	0.03	30.2%	0.002	6
Avdyivka Coke	AVDK	0.98	4.3%	0.005	15
Yenakievo Steel	ENMZ	16.92	2.5%	0.002	7

Loss Leaders

Azovstal	AZST	0.77	-3.1%	0.063	29
Raiffeisen Bank Aval	BAVL	0.09	-0.6%	0.040	16
Donbasenergo	DOEN	20.00	-0.5%	0.157	8

Highlights

POLITICS AND ECONOMICS

- > Law Maintaining Agro VAT Subsidy Through End-2017 Takes Effect

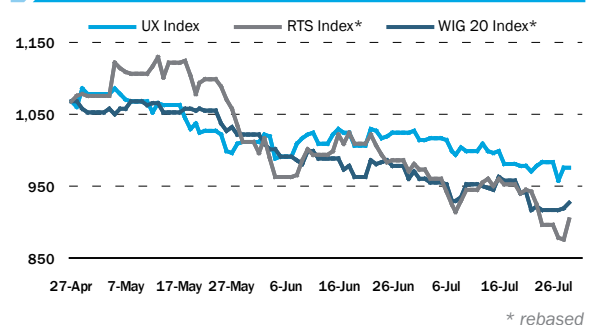
STOCKS IN THE NEWS

- > JKK's EBITDA Down 76% YoY in 1H15

FIXED INCOME

- > Mriya to Use 100,000 ha for Winter Crops

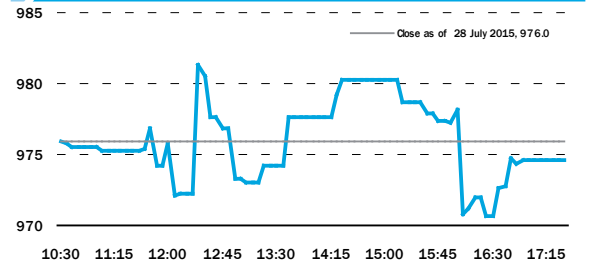
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	974.6	-0.1%	-4.9%	-5.7%
RTS	865.8	3.2%	-8.2%	9.5%
WIG20	2212.0	0.8%	-5.2%	-4.5%
MSCI EM	900.1	1.0%	-8.2%	-5.9%
S&P 500	2108.6	0.7%	0.3%	2.4%

UX INTRADAY JULY 29, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	407.5	-2.1%	8.4%	0.8%
CDS 5Y UKR	2350.0	0.0%	-19.0%	6.8%
Ukraine-17	36.1%	-0.1 p.p.	-4.7 p.p.	10.5 p.p.
MHP-20	13.7%	0.0 p.p.	-0.2 p.p.	-3.8 p.p.
Ukraine-23	18.4%	0.0 p.p.	-1.1 p.p.	10.9 p.p.
Privatbank-18	30.2%	0.8 p.p.	-0.9 p.p.	-2.4 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	22.15	-0.9%	5.5%	40.0%
EUR	24.33	-1.6%	3.8%	27.1%
RUB	0.38	1.2%	-1.5%	37.5%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	196.7	0.0%	-4.7%	-20.1%
Steel, USD/t	347.5	0.0%	-4.1%	-22.8%
Oil, USD/bbl	53.4	0.2%	-16.4%	-9.8%
Gold, USD/oz	1096.8	0.1%	-6.7%	-7.4%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Law Maintaining Agro VAT Subsidy Through End-2017 Takes Effect

by Ivan Dzvinka
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NEWS

A draft law on changes in VAT taxation approved by Parliament earlier this month was published in the official Verkhovna Rada newspaper on Tuesday (Jul 29), implying that it was signed by the President and has become law. This means that the law leaves in place the VAT subsidy for agricultural companies valid until 1 January 2018. On Jul 16, Parliament voted to retain the privileged VAT regime for agricultural producers. The initial draft on changes in VAT taxation included the point of 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 the VAT subsidy.

COMMENTARY

This development is in line with our expectations. As we wrote earlier this month, it would definitely not be fair play to cancel the VAT subsidy for agricultural companies without activating a compensating measure. Such a compensator is commonly deemed to be export VAT reimbursement for agricultural companies. Current legislation envisages no export VAT refunds for agrarians through the end of 2017. We now see a rather equal probability of two scenarios going forward. The first is activation of export VAT refunds with simultaneous removal of the VAT subsidy. The second is maintaining the status quo (acting VAT subsidy with no export VAT refunds) until 1 January 2018.

JKX's EBITDA Down 76% YoY in 1H15

by Ivan Dzvinka
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JKX OIL & GAS (JKX LN)

Price: GBp 15.50 Market Cap: USD 42mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	0.3	neg	0.7	0%
2015E	0.3	8.3	0.7	0%

NEWS

Ukraine/Russia-based JKX Oil & Gas reported a 40% YoY decline in revenue to USD 44.4mn for 1H15, according to financials unveiled on Wednesday (Jul 29). The drop in revenue was a result of lower oil and gas realized prices and sales volumes. Average sales volume declined by 16% to some 7,860 boepd, including 3,750 boepd sold in Ukraine (-17.6%) and 4,110 boepd sold in Russia (-14.5%). Average realized oil and gas prices were down by 41% and 21% YoY to USD 51.7/bbl and USD 4.46/Mcf, respectively. EBITDA plunged by 76% YoY to USD 6.1mn in 1H15. The company ended 1H15 with a net loss of USD 13.8mn compared to net profit of USD 8.5mn in 1H14.

Net cash generated from operating activities fell from USD 25.5mn in 1H14 to USD 1.3mn in 1H15. CapEx was reduced by 80% to USD 4.2mn over the period. Cash on hand amounted to USD 22.1mn on Jun 30 vs. USD 25.4mn as of Dec 31. Net debt on Jun 30 stood at 10.4mn vs. USD 7.8mn at the end of 2014.

JKX hopes to resume development drilling in Ukraine in 2H15 after it was suspended in 1Q15. The company said the suspension was a result of the hike in production tax rates last year as well as the imposition in late 2014 of the restrictions on gas sales to industrial customers. The latter restriction was lifted in February this year; JKX expects the high extraction tax rates to be reduced in 2H15.

COMMENTARY

Although like all hydrocarbon extractors, JKX has been hammered by the sharp drop in oil/gas prices, the devaluation of currencies in Ukraine and Russia has somewhat mitigated this issue by lowering production costs. Lower costs more than offset an 18% increase in extraction taxes to USD 20.8mn. JKX's operating cost of sales was down by 24% YoY to USD 12.1mn while D&A declined by 36% to USD 12.6mn. Overall, the cost of sales decreased by 19% over 1H15. That, however, was not enough to compensate for the 40% decline in the top line on lower oil/gas pricing and sales volumes. As a result, the company's operating earnings finished 1H15 in the red of USD 7.3mn. Overall, the financials were negatively received by investors, with the London-listed JKX stock slumping 18% yesterday to GBp 15.5.

Mriya to Use 100,000 ha for Winter Crops

by Ivan Dzvinka
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NEWS

Ternopil-based Mriya Agroholding, which went bankrupt last autumn and was re-organized under new ownership, intends to plant winter crops on some 100,000 hectares of its land, Interfax reported on Wednesday (Jul 29), citing the company. The company's planting campaign for winter rapeseed is already under way. Under this particular crop, Mriya intends to use around 20,000 ha of its land.

COMMENTARY

100,000 ha under winter crops for the next season represents nearly 70% growth compared to 58,500 ha planted in the 2014/15 season. We see that Mriya has sharply increased the land use target under winter crops outlined in its presentation back in May. At that time, Mriya had planned to use 60,000 ha for winter crops in 2015/16. In May, the management assumed a land bank for 2016 of 178,000 ha with 60,000 ha to be planted under winter crops and the remaining 118,000ha to be sowed with spring crops. The new crop mix is likely a result of larger land bank controlled by Mriya following management's land audit. In late June, CEO Simon Cherniavsky said the company now controls around 219,000 ha.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	43.3	56.50	30%	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	10.1	15.32	52%	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	34.2	36.1	6%	HOLD	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.
IMC	IMC PW	5.7	9.4	66%	BUY	Quality business & cheap stock are attributes which appropriately fits to the case of IMC. The company's work on deleverage, ongoing land bank expansion program, no exposure to Donbass and high standards of corporate governance more than offset poor liquidity of the IMC's stock.
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	82.8	80.8	-2%	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	58.5	48.0	-18%	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	0.98	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	2620	5250	100%	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	4.8	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	15.5	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						
DonbasEnerg	DOEN	20.0	U/R	--	U/R	The Donetsk separatist government has nationalized DonbasEnerg's Starobeshevo power plant, which previously accounted for about 70% of the company's installed power-generating capacity.
CenterEnerg	CEEN	7.39	15.00	103%	BUY	CenterEnerg'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	0.086	0.24	180%	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	974.63	1368.76	908.88	-0.1%	0.4%	-4.9%	-5.7%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.038	0.010	0.8%	4.2%	-6.0%	-13.8%	0.9%	3.7%	-1.1%	-8.1%
Azovstal	AZST	0.77	0.95	0.59	-3.9%	3.8%	-4.0%	3.5%	-3.7%	3.3%	0.9%	9.2%
Enakievo Steel	ENMZ	16.92	45.49	14.03	2.4%	-0.6%	-3.0%	-19.2%	2.5%	-1.1%	1.9%	-13.6%
Coke												
Avdyivka Coke	AVDK	0.98	3.27	0.86	4.3%	-5.8%	-14.8%	-43.4%	4.4%	-6.2%	-9.9%	-37.7%
Yasynivsky Coking	YASK	0.24	0.75	0.18	-4.0%	-4.0%	-4.0%	-14.3%	-3.9%	-4.4%	0.9%	-8.6%
Iron Ore Mining												
Centralny GOK	CGOK	6.96	n/a	n/a	0.0%	0.0%	4.5%	-10.7%	0.1%	-0.4%	9.4%	-5.0%
Ferrexpo	FXPO	58.50	140.30	47.91	1.7%	3.1%	-15.8%	10.4%	1.9%	2.6%	-10.9%	16.1%
Pivnichny GOK	SGOK	6.30	12.30	4.44	0.0%	-6.0%	-10.0%	-24.7%	0.1%	-6.4%	-5.1%	-19.1%
Coal Mining												
Pokrovske Mine	SHCHZ	0.25	n/a	n/a	0.0%	0.0%	19.0%	-46.8%	0.1%	-0.4%	23.9%	-41.1%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.21	0.79	0.20	0.0%	0.0%	0.0%	-44.7%	0.1%	-0.4%	4.9%	-39.1%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.91	18.99	9.05	-0.1%	4.3%	-2.7%	-22.9%	0.0%	3.9%	2.1%	-17.2%
Luhanskeplovoz	LTPL	1.35	1.80	0.51	0.0%	0.0%	22.7%	25.0%	0.1%	-0.4%	27.6%	30.7%
Specialized Machinery												
Motor Sich	MSICH	2620	2939	1970	0.3%	0.0%	-6.7%	5.5%	0.4%	-0.4%	-1.8%	11.2%
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%	-15.2%	-7.9%	0.1%	-0.4%	-10.3%	-2.2%
Oil & Gas												
Regal Petroleum	RPT	4.77	9.25	3.13	-6.0%	-5.0%	-4.9%	52.6%	-5.9%	-5.4%	0.0%	58.3%
JKX Oil	JKX	15.50	51.00	11.00	-18.4%	-20.5%	-44.1%	29.2%	-18.3%	-21.0%	-39.3%	34.8%
Ukrnafta	UNAF	288.8	375.0	172.5	2.3%	-1.2%	0.6%	42.1%	2.5%	-1.7%	5.5%	47.7%
Power Utilities												
Centrenergo	CEEN	7.39	8.50	6.15	0.4%	0.2%	-4.6%	-2.0%	0.5%	-0.3%	0.2%	3.6%
Donbasenergo	DOEN	20.00	42.00	19.01	-0.5%	-1.0%	-9.8%	-39.4%	-0.4%	-1.4%	-4.9%	-33.7%
Zakhidenergo	ZAEN	170.0	199.8	120.8	0.0%	25.9%	1.8%	14.8%	0.1%	25.5%	6.7%	20.5%
Consumer												
Agroton	AGT	1.19	2.55	0.95	1.7%	8.2%	3.5%	-3.3%	1.8%	7.7%	8.4%	2.4%
Astarta	AST	34.20	39.27	14.50	3.6%	-7.3%	19.4%	71.0%	3.8%	-7.8%	24.3%	76.7%
Avangardo	AVGR	1.10	9.43	1.00	0.0%	0.9%	-7.6%	-46.3%	0.1%	0.5%	-2.7%	-40.7%
Industrial Milk Company	IMC	5.65	8.80	4.38	n/a	3.5%	16.5%	-0.4%	n/a	3.0%	21.4%	5.3%
Kernel	KER	43.34	44.79	22.00	1.4%	-2.6%	13.1%	52.3%	1.5%	-3.0%	18.0%	58.0%
Mriya Agro Holding	MAYA	n/a	4.50	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	10.10	13.48	8.24	-1.9%	-1.9%	-10.2%	9.8%	-1.8%	-2.4%	-5.3%	15.5%
Milkiland	MLK	1.38	5.90	1.30	n/a	6.2%	-18.3%	-6.8%	n/a	5.7%	-13.5%	-1.1%
Ovostar Union	OVO	82.80	83.00	67.00	-0.2%	-0.2%	4.8%	15.0%	-0.1%	-0.7%	9.7%	20.7%
Chemicals												
Stirol	STIR	5.50	12.50	4.02	0.0%	0.0%	-12.0%	-20.6%	0.1%	-0.4%	-7.1%	-15.0%
Banks												
Raiffeisen Bank Aval	BAVL	0.086	0.150	0.086	-0.5%	-2.2%	-5.6%	-10.6%	-0.3%	-2.6%	-0.7%	-4.9%
UkrSotsbank	USCB	0.085	0.177	0.064	0.0%	0.0%	2.4%	-34.7%	0.1%	-0.4%	7.3%	-29.0%

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	521	11.1%	16.4%	39.0%	23	105	253	0.9%	4.5%	19.0%
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	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	146	3.0%	4	140	neg	1.9	2.2	neg	0.8	1.1	0.1	0.1	0.1	30	31	31	\$/tonne
Coke																		
Avdyivka Coke	AVDK	9	6.8%	1	-30	neg	neg	neg	-0.7	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	368	0.3%	1	367	1.9	3.2	4.6	1.2	1.6	2.3	0.5	0.6	0.7				
Pivnichny GOK	SGOK	655	0.4%	3	649	1.2	2.0	2.9	0.7	1.0	1.4	0.4	0.4	0.5				
Ferrexpo	FXPO	532	24.0%	128	1,227	2.0	2.9	5.5	2.4	2.5	4.8	0.8	0.9	1.2				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	25	2.0%	0	70	5.2	1.1	13.4	2.2	1.6	4.0	0.2	0.4	0.8	112	185	176	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	13	24.0%	3	51	0.7	neg	n/a	1.4	neg	n/a	0.2	0.4	n/a				
Krukiv Wagon	KVBZ	51	5.0%	3	45	1.2	neg	neg	0.9	neg	neg	0.1	0.3	0.7				
Specialized Machinery																		
Turboatom	TATM	67	5.8%	4	36	0.9	1.3	2.9	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	246	24.0%	59	274	1.5	1.9	2.7	0.7	0.8	1.3	0.3	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	118	7.2%	9	209	neg	6.5	13.0	neg	2.5	2.9	0.3	0.5	0.8				
Oil & Gas																		
Ukrnafta	UNAF	707	3.0%	21	700	>30	6.7	2.8	2.4	1.8	1.3	0.3	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	24	21.6%	5	-1	neg	11.9	7.9	neg	-0.1	-0.1	0.0	0.0	0.0	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	41	50.4%	21	150	6.4	neg	8.3	2.3	2.2	2.1	0.8	1.0	1.0	27	21	20	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	123	21.7%	27	140	2.1	20.9	neg	1.5	5.4	neg	0.2	0.2	0.4	8	10	9	\$/MWh
DonbasEnerg	DOEN	21	14.2%	3	49	0.3	2.5	neg	0.7	2.4	neg	0.1	0.1	0.2	6	6	6	\$/MWh
Consumer																		
MHP	MHPC	1,067	34.1%	364	2,167	6.6	neg	>30	5.5	3.9	4.2	1.4	1.6	1.9				
Kernel	KER	927	61.8%	573	1,403	8.8	neg	9.3	4.8	6.3	3.4	0.5	0.6	0.6				
Astarta	AST	230	37.0%	85	440	6.7	neg	neg	4.8	3.1	4.5	0.9	1.0	1.3				
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	133	25.0%	33	142	4.3	5.2	5.5	4.0	4.9	5.7	1.7	1.9	1.8	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	116	3.5%	4		1.3	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	71	1.0%	1		>30	>30	>30	0.1	0.1	0.2	0.02	0.03	0.04				

Source: Eavex Research

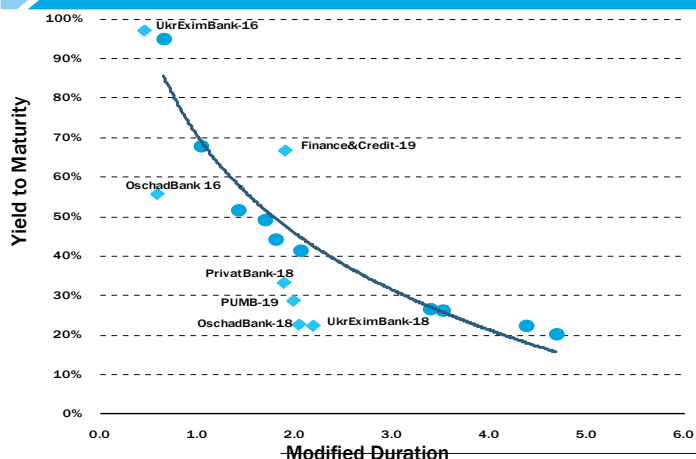
UKRAINIAN EUROBONDS

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)	55.0	57.3	384.9%	352.7%	-17.4%	0.1	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	57.1	58.8	540.2%	504.0%	-17.6%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	55.5	56.8	60.8%	58.4%	-10.4%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	55.5	56.8	89.9%	86.2%	-13.3%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	55.9	57.4	36.9%	35.4%	-10.4%	1.7	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	55.8	56.8	45.4%	44.2%	-9.6%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	54.5	55.5	41.1%	40.0%	-10.6%	1.6	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	54.3	55.5	34.6%	33.5%	-8.5%	2.0	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	54.0	55.5	23.7%	22.9%	-8.2%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	55.0	60.0	22.5%	20.3%	-3.2%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	55.3	56.3	19.5%	19.1%	-7.4%	4.5	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	55.4	56.6	18.7%	18.2%	-5.6%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	28.1	32.3	48.8%	43.5%	-10.7%	2.6	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	80.8	82.6	14.0%	13.4%	18.4%	3.5	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	47.5	47.5	444.5%	444.5%	-26.4%	0.1	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	48.5	51.5	46.5%	43.2%	-3.8%	1.7	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	622.8%	553.2%	30.8%	0.2	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	107.8%	99.6%	30.8%	1.5	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	43.0	45.0	52.5%	49.9%	n/a	1.5	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	43.0	45.0	47.8%	45.4%	-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	40.7%	37.7%	-16.4%	1.0	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	57.7	59.1	35.3%	34.1%	5.2%	1.8	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	84.2	85.6	16.2%	15.7%	n/a	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	83.9	85.9	16.4%	15.5%	n/a	2.4	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	66.5	68.0	27.3%	26.3%	26.7%	2.1	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	20.0	30.0	162.4%	110.0%	-54.5%	1.2	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.3	74.6	30.0%	27.2%	24.4%	1.2	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	23.0	30.0	72.1%	58.3%	-68.1%	2.0	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	55.0	58.0	33.6%	31.5%	-16.3%	1.7	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	7.0	12.0	n/a	n/a	-24.0%	0.3	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	68.0	70.0	318.0%	290.8%	10.4%	0.1	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	59.0	61.0	140.1%	129.5%	21.2%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	66.0	68.0	31.0%	29.4%	0.6%	1.8	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2015	82.0	85.0	n/a	n/a	7.7%	n/a	8.38%	S/A	27 Jul 2015	750	WR//C
UkrEximBank, 2016	60.0	65.0	134.7%	110.1%	31.6%	n/a	5.79%	S/A	2 Sept 2016	125	Ca//C
UkrEximBank, 2018	78.0	80.0	20.5%	19.3%	39.8%	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	79.0	80.0	52.5%	50.0%	35.9%	0.5	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	76.0	78.0	21.2%	20.0%	36.4%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	51.8	53.5	352.7%	329.7%	-27.5%	0.1	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	51.0	55.0	101.0%	89.0%	-25.0%	0.6	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

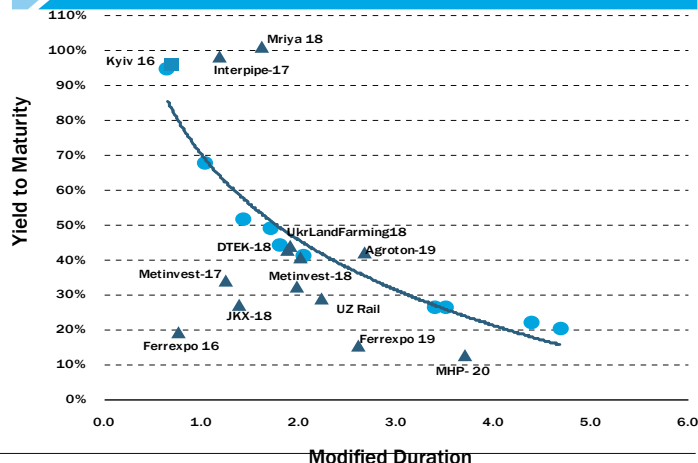
¹ Moody's/S&P/Fitch; * EUR

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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