

Market Update

Equity

Local Ukrainian blue chips opened up the new month with a largely inactive session on Monday (Aug 3) on a day when the international business media was focused on the reopening of the Athens Stock Exchange after 5 weeks of closure due to capital controls; unexecuted sell orders pushed the Greek benchmark down by a whopping 16%, although the main European bourses were higher. In Kyiv, the UX index edged down by 0.3% to finish at 973 points. DonbasEnergO was the biggest mover, dropping 2.2% to UAH 19.60, and Motor Sich and Raiffeisen Aval were each lower by about 1%. On the upside, Alchevsk Steel added 1.6% to 1.26 kopecks and volume leader UkrNafta inched higher by 0.2% on turnover of UAH 1.5mn. In London, Ferrexpo dropped by 1.3% to Gbp 57.0 while JKX Oil & Gas was unchanged near Gbp 16. In Warsaw, Ovostar Union declined by 2.9% to PLN 80.60.

Fixed Income

Long-term benchmark sovereigns were little-changed on Monday, with Ukraine-23s inching up by 0.1p.p. to 58.5/59.8 (17.3%/17.0%). Corporate names also saw limited action. Metinvest-18s slipped 0.3p.p. to 57.0/59.0 (36.1%/34.3%) while Ferrexpo-19s edged up by 0.2p.p. to 84.2/86.0 (16.2%/15.5%). The Eurobonds of state-owned Oschadbank (16s & 18s) were essentially unchanged on Monday after bondholders approved the restructuring of both issues.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	284.40	0.2%	1.48	46
Motor Sich	MSICH	2621.00	-0.9%	0.28	13
Donbasenergo	DOEN	19.60	-2.2%	0.25	20

Growth Leaders

Ukrnafta	UNAF	284.40	0.2%	1.477	46
CentrenergO	CEEN	7.43	-0.1%	0.234	36
Motor Sich	MSICH	2621.00	-0.9%	0.282	13

Loss Leaders

Donbasenergo	DOEN	19.60	-2.2%	0.250	20
Raiffeisen Bank Aval	BAVL	0.09	-1.1%	0.197	33
Motor Sich	MSICH	2,621.00	-0.9%	0.282	13

Highlights

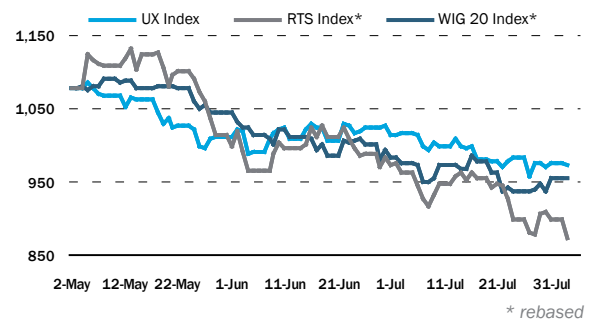
POLITICS AND ECONOMICS

- > Clashes in Kharkiv as Opposition Bloc Tries to Register for Election
- > Daily Steel Output Down 10% MoM in July

STOCKS IN THE NEWS

- > IMC Sold 705,000 tonnes of Crops in 2014/15 MY

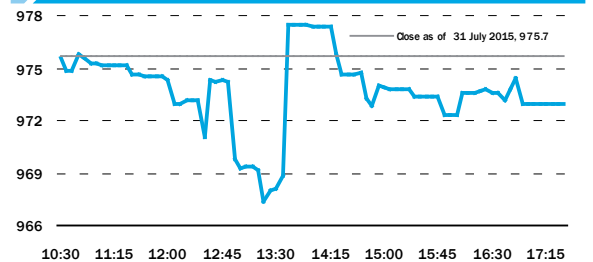
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	973.0	-0.3%	-4.2%	-5.8%
RTS	834.9	-2.8%	-9.2%	5.6%
WIG20	2230.3	0.1%	-2.1%	-3.7%
MSCI EM	890.9	-1.2%	-7.6%	-6.8%
S&P 500	2098.0	-0.3%	1.0%	1.9%

UX INTRADAY AUGUST 3, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	413.9	1.8%	7.9%	2.4%
CDS 5Y UKR	2000.0	0.0%	-31.0%	-9.1%
Ukraine-17	33.8%	0.5 p.p.	-6.3 p.p.	8.1 p.p.
MHP-20	13.3%	0.0 p.p.	-0.5 p.p.	-4.2 p.p.
Ukraine-23	17.3%	0.0 p.p.	-1.6 p.p.	9.8 p.p.
Privatbank-18	29.5%	-0.7 p.p.	0.2 p.p.	-3.1 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	22.10	4.1%	4.5%	39.7%
EUR	24.20	3.8%	2.9%	26.4%
RUB	0.35	1.1%	-8.0%	26.6%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	190.6	0.0%	-13.6%	-22.6%
Steel, USD/t	347.5	0.0%	-4.1%	-22.8%
Oil, USD/bbl	49.5	-5.2%	-18.6%	-16.3%
Gold, USD/oz	1086.8	-0.8%	-7.0%	-8.3%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Clashes in Kharkiv as Opposition Bloc Tries to Register for Election

by Will Ritter
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NEWS

A vehicle owned by Kharkiv Opposition Bloc leader Mikhail Dobkin was destroyed by unidentified “activists” allegedly from the Right Sector political-military organization on Monday (Aug 3), the Kyiv Post and other domestic media reported. The incident occurred after Opposition Bloc supporters staged a demonstration demanding that the party (which is the successor to ex-President Yanukovich’s Party of Regions) be allowed to register for the municipal election set for Oct 25. Dobkin accused the current Ukrainian authorities of orchestrating the situation in order to prevent his election registration, calling it “a violation of all democratic values, rights and freedoms.” Although shots were reportedly fired on the street and stones were thrown, police were able to defuse the situation and an unspecified number of arrests were made, the Kyiv Post said.

COMMENTARY

Although most international and domestic media attention is mainly focused on the Donbass, the situation in Kharkiv has been tense ever since Ukraine’s conflict with Russia erupted last March; support for the Russian-leaning Opposition Bloc is very significant in the city, with Dobkin and current mayor Gennadiy Kernes spearheading local politics. Yesterday’s violent clashes bear the hallmarks of the Kremlin’s strategy to destabilize Ukraine by encouraging open armed conflict between pro-Russian separatists and paramilitary “pro-Ukrainian” groups. The ability of the central authorities in Kyiv to rein in “pro-Ukrainian activists” who engage in violence will be a constant and very serious issue for the country in the coming months, and any impression that Kyiv is attempting to curtail the Opposition Bloc’s political participation rights will negatively reflect on Ukraine’s image in the West.

Daily Steel Output Down 10% MoM in July

by Ivan Dzvinka
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NEWS

Ukrainian steel mills smelted 1.87mn tonnes of steel in July, Interfax reported on Monday (Aug 3), citing the industry association Metallurgprom. The reported figure represents a 24% drop compared to the July 2014 result of 2.46mn tonnes. Average daily steel production in July amounted to 60,300 tonnes, implying a 10% MoM decline.

COMMENTARY

The benefit from the relative “military silence” in the Donbass during July was more than offset by seasonal weakness in demand globally. That, along with an expansion in steel exports by China, the world’s largest steelmaking country, adversely affected the operational results of domestic steel mills. We are cautiously optimistic about steel production in August on the back of seasonal demand resurgence in autumn and the restart of crude steel production at Alchevsk Steel, which reportedly occurred in the second half of July. Strangely, the company, which is located on separatist-controlled territory in Lugansk province, has not issued any release yet regarding the relaunch of its steel production.

IMC Sold 705,000 tonnes of Crops in 2014/15 MY

by Ivan Dzvinka
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INDUSTRIAL MILK COMPANY (IMC PW)

Price: PLN 5.40 Market Cap: USD 45mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	1.1	neg	2.7	0%
2015E	1.1	16.1	3.0	0%

NEWS

Industrial Milk Company (IMC), a central-Ukraine-based crop grower, sold some 705,000 tonnes of grains and oilseeds in the 2014/15 marketing year (ended on Jun 30), the company reported in its release on Monday (Aug 3). More than 600,000 tonnes of IMC's crops were exported through international traders, representing approximately 85% of total crop sales. The remaining 15% were sold domestically to major processors of oilseeds, including MHP and Kernel.

COMMENTARY

IMC's sales of grains and oilseeds over 2014/15 correspond more or less exactly to the company's harvested amount of crops of 707,000 tonnes last season. IMC is a good example of a company where devaluation brings benefit to its operating earnings. IMC sells mainly sunflower to local oilseed processors; the domestic price of sunflower is tied to the UAH/USD exchange rate, meaning that nearly all of IMC's crop sales are effectively USD-denominated. Since the crop segment accounted for 94% of total sales for 2014, some 90-95% of the company's revenue is linked to the dollar. Meanwhile, only about 60% of IMC's operating costs are in hard currency. We maintain our positive view on the company and its Warsaw-listed stock.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	43.7	56.50	29%	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	35.0	36.1	3%	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	5.4	9.4	74%	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	28%	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	80.6	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	57.0	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	-29%	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	2621	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	6.5	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	16.3	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	19.6	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	7.43	15.00	102%	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	0.085	0.24	182%	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	972.95	1332.24	908.88	-0.3%	1.5%	-4.2%	-5.8%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.037	0.010	1.6%	7.7%	-6.0%	-13.1%	1.9%	6.2%	-1.8%	-7.3%
Azovstal	AZST	0.78	0.95	0.59	1.2%	2.2%	-1.6%	5.0%	1.4%	0.8%	2.6%	10.8%
Enakievo Steel	ENMZ	17.00	44.54	14.03	0.0%	4.2%	-0.8%	-18.9%	0.3%	2.8%	3.4%	-13.0%
Coke												
Avdyivka Coke	AVDK	0.98	3.19	0.86	0.0%	10.0%	-13.9%	-43.4%	0.3%	8.5%	-9.7%	-37.5%
Yasynivsky Coking	YASK	0.24	0.75	0.18	0.0%	-4.0%	-7.7%	-14.3%	0.3%	-5.5%	-3.5%	-8.4%
Iron Ore Mining												
Centralny GOK	CGOK	4.25	n/a	n/a	0.0%	-38.9%	-32.5%	-45.4%	0.3%	-40.4%	-28.4%	-39.6%
Ferrexpo	FXPO	57.00	139.70	47.91	-1.3%	-1.3%	-11.6%	7.5%	-1.0%	-2.8%	-7.4%	13.4%
Pivnichny GOK	SGOK	6.25	12.30	4.44	0.0%	-0.8%	-8.8%	-25.3%	0.3%	-2.3%	-4.6%	-19.5%
Coal Mining												
Pokrovske Mine	SHCHZ	0.25	n/a	n/a	0.0%	0.0%	19.0%	-46.8%	0.3%	-1.5%	23.2%	-41.0%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.20	0.70	0.20	0.0%	-4.8%	0.0%	-47.4%	0.3%	-6.2%	4.2%	-41.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.88	18.41	9.05	-0.9%	3.1%	-3.4%	-23.1%	-0.6%	1.7%	0.8%	-17.3%
Luhanskeplovoz	LTPL	0.92	1.80	0.51	-31.9%	-31.9%	-16.4%	-14.8%	-31.6%	-33.3%	-12.2%	-9.0%
Specialized Machinery												
Motor Sich	MSICH	2621	2939	1970	-0.9%	1.4%	-4.3%	5.6%	-0.7%	0.0%	-0.1%	11.4%
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	0.18	0.21	0.10	0.0%	28.2%	8.8%	18.1%	0.3%	26.8%	13.0%	23.9%
Oil & Gas												
Regal Petroleum	RPT	6.50	9.25	3.13	29.5%	29.5%	30.3%	108.0%	29.8%	28.0%	34.4%	113.8%
JKX Oil	JKX	16.25	51.00	11.00	0.0%	-16.7%	-39.3%	35.4%	0.3%	-18.1%	-35.1%	41.3%
Ukrnafta	UNAF	284.4	375.0	172.5	0.2%	1.8%	-2.0%	39.9%	0.5%	0.4%	2.2%	45.7%
Power Utilities												
Centrenergo	CEEN	7.43	8.50	6.72	-0.1%	0.8%	-3.9%	-1.5%	0.1%	-0.6%	0.2%	4.3%
Donbasenergo	DOEN	19.60	42.00	19.01	-3.7%	-0.6%	-10.8%	-40.6%	-3.4%	-2.1%	-6.6%	-34.8%
Zakhidenergo	ZAEN	170.0	199.8	120.8	0.0%	0.0%	1.8%	14.8%	0.3%	-1.5%	6.0%	20.6%
Consumer												
Agroton	AGT	1.23	2.43	0.95	0.0%	-8.2%	9.8%	0.0%	0.3%	-9.7%	14.0%	5.8%
Astarta	AST	34.98	39.27	14.50	-1.8%	4.4%	16.6%	74.9%	-1.5%	3.0%	20.8%	80.7%
Avangardo	AVGR	1.07	9.43	1.00	1.9%	-0.9%	-2.7%	-47.8%	2.2%	-2.4%	1.5%	-42.0%
Industrial Milk Company	IMC	5.40	8.80	4.38	n/a	-7.1%	14.4%	-4.8%	n/a	-8.5%	18.6%	1.1%
Kernel	KER	43.67	44.79	22.00	-0.3%	3.4%	15.3%	53.4%	0.0%	1.9%	19.4%	59.3%
Mriya Agro Holding	MAYA	n/a	3.45	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	10.05	13.48	8.24	0.5%	0.0%	-3.8%	9.2%	0.8%	-1.5%	0.4%	15.1%
Milkiland	MLK	1.29	5.69	1.29	n/a	-19.4%	-14.0%	-12.8%	n/a	-20.8%	-9.8%	-7.0%
Ovostar Union	OVO	80.60	83.00	67.00	-2.9%	0.1%	2.7%	11.9%	-2.6%	-1.3%	6.9%	17.8%
Chemicals												
Stirol	STIR	3.00	12.50	3.00	0.0%	-45.5%	-57.1%	-56.7%	0.3%	-46.9%	-52.9%	-50.9%
Banks												
Raiffeisen Bank Aval	BAVL	0.085	0.150	0.085	-1.0%	-1.2%	-5.1%	-11.5%	-0.8%	-2.6%	-0.9%	-5.6%
UkrSotsbank	USCB	0.090	0.177	0.064	0.0%	5.9%	8.4%	-30.9%	0.3%	4.4%	12.6%	-25.0%

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

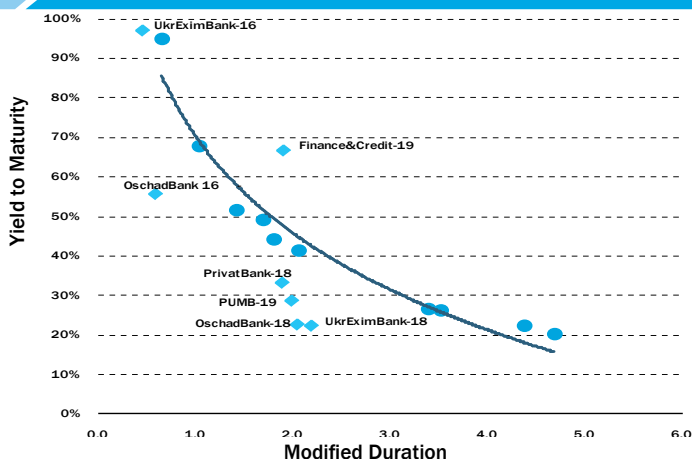
Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
Steel																		
Alchevsk Steel	ALMK	15	3.9%	1	2,628	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	615	\$/tonne
Yenakievo Steel	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	149	3.0%	4	142	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	-0.7	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	225	0.3%	1	224	1.2	2.0	2.8	0.7	1.0	1.4	0.3	0.4	0.4				
Pivnichny GOK	SGOK	652	0.4%	3	645	1.2	2.0	2.9	0.7	1.0	1.4	0.4	0.4	0.5				
Ferrexpo	FXPO	519	24.0%	125	1,214	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	69	5.0	1.0	12.8	2.2	1.6	3.9	0.2	0.4	0.8	110	182	173	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	9	24.0%	2	46	0.5	neg	n/a	1.3	neg	n/a	0.1	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	152	7.2%	11	243	neg	8.4	16.7	neg	2.9	3.4	0.3	0.6	1.0				
Oil & Gas																		
Ukrnafta	UNAF	698	3.0%	21	691	30.0	6.6	2.8	2.4	1.8	1.3	0.3	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	32	21.6%	7	7	neg	16.2	10.8	neg	0.5	0.6	0.2	0.2	0.2	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	43	50.4%	22	152	6.7	neg	8.7	2.3	2.2	2.2	0.8	1.0	1.0	28	21	20	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	124	21.7%	27	141	2.1	21.1	neg	1.5	5.4	neg	0.2	0.2	0.4	8	10	9	\$/MWh
DonbasEnerg	DOEN	21	14.2%	3	48	0.3	2.5	neg	0.7	2.4	neg	0.1	0.1	0.2	6	6	6	\$/MWh
Consumer																		
MHP	MHPC	1,062	34.1%	362	2,162	6.5	neg	>30	5.5	3.9	4.2	1.4	1.6	1.9				
Kernel	KER	934	61.8%	577	1,410	8.9	neg	9.4	4.9	6.3	3.4	0.5	0.6	0.6				
Astarta	AST	235	37.0%	87	445	6.9	neg	neg	4.9	3.1	4.6	0.9	1.1	1.3				
Avangardco	AVGR	68	22.5%	15	294	0.3	neg	neg	1.0	2.3	3.1	0.4	0.7	0.8	67	51	48	\$/mneqgs
Ovostar	OVO	130	25.0%	32	138	4.2	5.0	5.3	3.9	4.8	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	115	3.5%	4		1.3	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	75	1.0%	1		>30	>30	>30	0.1	0.1	0.2	0.02	0.03	0.04				

Source: Eavex Research

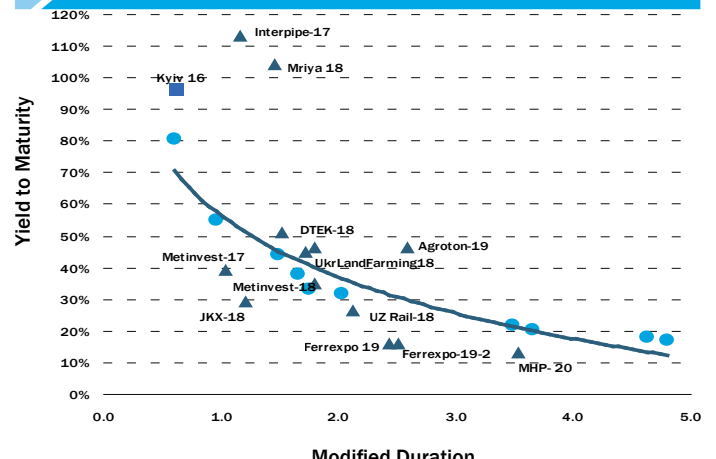
UKRAINIAN EUROBONDS

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)	60.5	62.0	331.6%	312.0%	-9.9%	0.1	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	61.7	63.2	476.5%	447.7%	-11.2%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	57.9	59.2	56.8%	54.6%	-6.6%	1.0	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	58.1	59.1	83.3%	80.3%	-9.5%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	58.5	60.0	34.5%	33.1%	-6.3%	1.8	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	58.0	60.3	42.9%	40.4%	-5.0%	1.5	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	57.4	58.4	38.3%	37.3%	-5.9%	1.7	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	57.3	58.3	32.2%	31.4%	-3.8%	2.0	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	57.0	58.5	22.2%	21.5%	-3.1%	3.5	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	59.0	60.5	20.7%	20.1%	0.6%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	58.5	59.8	18.3%	17.9%	-1.8%	4.6	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	58.5	59.8	17.3%	17.0%	-0.4%	4.8	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	28.1	32.3	49.0%	43.7%	-10.7%	2.6	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	82.2	83.4	13.5%	13.1%	20.0%	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	46.7%	43.4%	-3.8%	1.7	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	648.0%	574.8%	30.8%	0.2	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	108.7%	100.4%	30.8%	1.4	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	43.0	45.0	52.6%	50.0%	n/a	1.5	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	43.0	45.0	47.9%	45.5%	-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	40.9%	37.9%	-16.4%	1.0	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	57.0	59.0	36.1%	34.3%	4.5%	1.8	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	84.1	85.5	16.3%	15.7%	n/a	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	84.2	86.0	16.2%	15.5%	n/a	2.4	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	67.0	69.0	27.1%	25.6%	28.2%	2.1	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	20.0	30.0	132.1%	94.3%	-54.5%	1.2	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.2	73.4	30.2%	28.0%	23.4%	1.2	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	23.0	30.0	72.3%	58.4%	-68.1%	2.0	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	55.0	58.0	33.7%	31.6%	-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	349.1%	319.1%	10.4%	0.1	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	59.0	61.0	144.8%	133.7%	21.2%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	67.0	69.0	30.3%	28.7%	2.2%	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	133.8%	109.5%	31.6%	n/a	5.79%	S/A	2 Sept 2016	125	Ca//C
UkrEximBank, 2018	78.0	80.0	20.6%	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	82.0	83.5	45.9%	42.2%	41.5%	0.5	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	79.1	81.0	19.4%	18.3%	41.8%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	52.6	54.6	358.2%	331.5%	-26.1%	0.1	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	52.3	54.9	98.5%	90.6%	-24.2%	0.6	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

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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