

Market Update

Equity

Ukrainian equities listed in Kyiv were little-changed on Thursday (Aug 13) as no details emerged from debt restructuring talks in the United States between the Finance Ministry and a creditor group led by Franklin Templeton; the talks have entered a third day as rumors circulate that the sides remain far apart on the figure for a principal write-down on Ukraine's sovereigns. The country's next Eurobond coupon payment is due on Aug 23 in the amount of USD 60mn. The UX index edged down 0.4% to close at 976 points. Volume leader Motor Sich (MSICH) climbed 0.6% to UAH 2692 per share while CentrErgo (CEEN) and UkrNafta (UNAF) were lower by 0.4% and 1.6% respectively. On the interbank currency market, the hryvnia continued its choppy trading in the range of 21.30-21.70 UAH/USD. London-listed Ferrexpo (FXPO) rose by 4.4% to Gbp 65.75 amid an overall rebound on European bourses. In Warsaw trading, Kernel (KER) added 1.6% to PLN 45.10 and Astarta (AST) edged up 1.0% to PLN 34.35.

Fixed Income

Ukrainian sovereigns were higher on Thursday with Ukraine-23s up by 0.3p.p. to 57.1/58.4 (18.3%/17.7%). Corporate names were again sluggish. MHP-20s finished unchanged at 82.3/83.8 (13.5%/13.0%) and Metinvest-18s inched up by 0.1p.p. closing at 57.5/59.5 (36.0%/34.2%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2692.00	0.6%	1.69	30
Centrenerg	CEEN	7.28	-0.4%	0.22	18
Raiffeisen Bank Aval	BAVL	0.09	0.3%	0.17	32

Growth Leaders

Motor Sich	MSICH	2692.00	0.6%	1.689	30
Raiffeisen Bank Aval	BAVL	0.09	0.3%	0.172	32
Centrenerg	CEEN	7.28	-0.4%	0.223	18

Loss Leaders

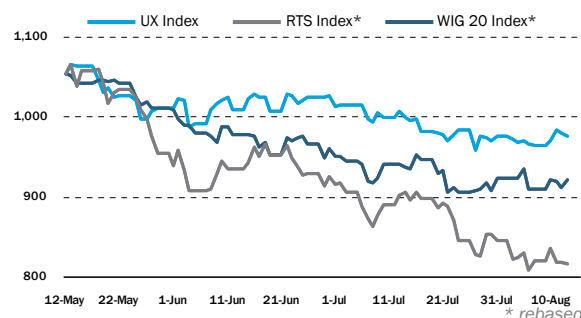
Yenakievo Steel	ENMZ	16.62	-2.2%	0.002	9
Ukrnafta	UNAF	265.40	-1.6%	0.156	30
Donbasenergo	DOEN	19.70	-1.2%	0.171	9

Highlights

FIXED INCOME

- > San Francisco Creditor Talks Continue Into a 3rd Day

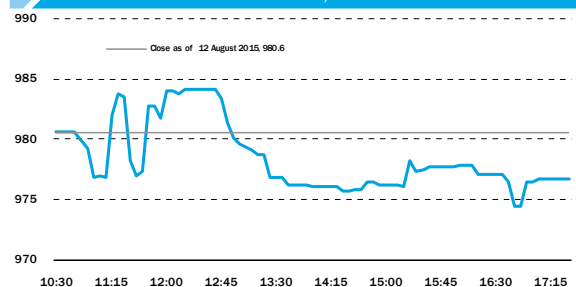
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	976.7	-0.4%	-3.1%	-5.5%
RTS	828.9	-0.3%	-9.5%	4.8%
WIG20	2224.7	1.1%	-2.0%	-3.9%
MSCI EM	864.8	0.4%	-8.3%	-9.6%
S&P 500	2083.4	-0.1%	-0.8%	1.2%

UX INTRADAY AUGUST 13, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	422.0	-0.7%	9.9%	4.4%
CDS 5Y UKR	2150.0	0.0%	-13.1%	-2.3%
Ukraine-17	35.6%	-0.8 p.p.	-1.4 p.p.	9.9 p.p.
MHP-20	13.3%	0.0 p.p.	-0.6 p.p.	-4.3 p.p.
Ukraine-23	17.8%	-0.1 p.p.	-0.4 p.p.	10.3 p.p.
Privatbank-18	30.1%	0.1 p.p.	0.3 p.p.	-2.6 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.45	0.5%	-3.4%	35.6%
EUR	23.92	0.4%	-2.1%	25.0%
RUB	0.33	-0.3%	-15.5%	20.7%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	191.2	0.0%	-10.7%	-22.3%
Steel, USD/t	347.5	0.0%	-2.8%	-22.8%
Oil, USD/bbl	49.2	-0.9%	-15.4%	-22.5%
Gold, USD/oz	1115.2	-0.8%	-3.7%	-5.9%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

San Francisco Creditor Talks Continue Into a 3rd Day

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NEWS

Ukraine's Ministry of Finance (MinFin) and a committee of holders of Ukrainian sovereign bonds are continuing their restructuring negotiations in the United States after detailed discussions over the previous two days, according to a joint statement issued by both sides released by MinFin this morning (Aug 14). No details of the negotiations were disclosed. The talks are being held at the San Francisco headquarters of the main creditor, investment house Franklin Templeton.

COMMENTARY

The fact that the negotiations are continuing well beyond their original schedule suggests to us that there is progress in finding a compromise regarding Ukraine's debt restructuring conditions. It is not surprising that a deal was not reached quickly, with each side understandably trying to maximize its own benefit in this process. We reiterate our view that a principal writedown of between 15% and 25% on the sovereigns is the most likely outcome of these talks.

Yesterday, in a commentary published in the Wall Street Journal, financier George Soros stated his case in favor of debt relief for Ukraine. Symbolically, the way Soros characterizes a representative of Templeton (Nicholas Brady, the former U.S. Treasury Secretary) reminds us of the man in the Bible's parable about the unjust borrower. The latter was forgiven millions of dollars (in the current equivalent of that time's money) by his creditor, but afterwards, he pursued a man who owed him a negligible amount of money and pressed him to repay the money in the full sum immediately.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	45.1	56.50	25%	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	9.3	15.32	66%	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	34.4	36.1	5%	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	5.1	9.4	84%	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	1.0	1.4	38%	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	80.0	80.8	1%	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	63.0	48.0	-24%	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	1.07	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	2692	5250	95%	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	4.5	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	18.5	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	19.7	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	7.28	15.00	106%	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	0.091	0.24	165%	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	976.70	1285.41	908.88	-0.4%	1.1%	-3.1%	-5.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.013	0.036	0.010	0.0%	-6.0%	-2.3%	-13.8%	0.4%	-7.1%	0.8%	-8.3%
Azovstal	AZST	0.78	0.92	0.59	-0.4%	1.2%	0.1%	4.7%	0.0%	0.0%	3.2%	10.2%
Enakievo Steel	ENMZ	16.62	42.80	14.03	-2.2%	0.1%	-0.4%	-20.7%	-1.8%	-1.0%	2.7%	-15.2%
Coke												
Avdyivka Coke	AVDK	1.07	3.10	0.86	-1.1%	5.3%	-7.0%	-38.2%	-0.7%	4.2%	-3.9%	-32.7%
Yasnyivsky Coking	YASK	0.36	0.70	0.18	0.0%	0.0%	56.5%	28.6%	0.4%	-1.1%	59.6%	34.0%
Iron Ore Mining												
Centralny GOK	CGOK	5.97	n/a	n/a	0.0%	0.0%	-14.2%	-23.4%	0.4%	-1.1%	-11.1%	-17.9%
Ferrexpo	FXPO	63.00	139.70	47.91	0.0%	3.3%	0.4%	18.9%	0.4%	2.2%	3.5%	24.3%
Pivnichny GOK	SGOK	6.30	12.30	4.44	0.0%	0.0%	-8.0%	-24.7%	0.4%	-1.1%	-4.9%	-19.3%
Coal Mining												
Pokrovske Mine	SHCHZ	0.37	n/a	n/a	0.0%	48.0%	42.3%	-21.3%	0.4%	46.9%	45.4%	-15.8%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.23	0.70	0.20	0.0%	0.0%	9.5%	-39.5%	0.4%	-1.1%	12.6%	-34.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.90	16.91	9.05	-0.8%	1.0%	0.7%	-23.0%	-0.4%	-0.1%	3.8%	-17.5%
Luhanskeplovoz	LTPL	0.92	1.80	0.51	0.0%	0.0%	-8.0%	-14.8%	0.4%	-1.1%	-4.9%	-9.3%
Specialized Machinery												
Motor Sich	MSICH	2692	2939	1970	0.1%	1.9%	-1.4%	8.4%	0.5%	0.8%	1.7%	13.9%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Telecom												
Ukrtelecom	UTLM	0.18	0.21	0.10	0.0%	0.0%	28.4%	18.3%	0.4%	-1.1%	31.5%	23.8%
Oil & Gas												
Regal Petroleum	RPT	4.53	9.25	3.13	-5.2%	-18.0%	-9.2%	44.8%	-4.8%	-19.2%	-6.1%	50.3%
JKX Oil	JKX	15.50	51.00	11.00	0.0%	-4.6%	-15.1%	29.2%	0.4%	-5.7%	-12.0%	34.6%
Ukrnafta	UNAF	265.4	375.0	172.5	-1.6%	-1.7%	-9.9%	30.5%	-1.2%	-2.8%	-6.8%	36.0%
Power Utilities												
Centrenergo	CEEN	7.28	8.50	6.72	-0.3%	-1.5%	-5.9%	-3.5%	0.1%	-2.6%	-2.8%	1.9%
Donbasenergo	DOEN	19.70	40.72	19.00	-1.5%	1.0%	-7.9%	-40.3%	-1.1%	-0.1%	-4.8%	-34.8%
Zakhidenergo	ZAEN	150.0	199.8	120.8	0.0%	10.9%	-10.2%	1.3%	0.4%	9.8%	-7.1%	6.8%
Consumer												
Agroton	AGT	1.25	2.32	0.95	-0.8%	-2.3%	11.6%	1.6%	-0.4%	-3.5%	14.7%	7.1%
Astarta	AST	34.35	39.27	14.50	1.0%	-0.6%	13.6%	71.8%	1.4%	-1.7%	16.6%	77.2%
Avangardo	AVGR	0.99	9.43	0.90	-2.0%	-1.0%	-2.0%	-51.7%	-1.6%	-2.1%	1.1%	-46.2%
Industrial Milk Company	IMC	5.10	8.80	4.38	2.0%	-4.7%	8.1%	-10.1%	2.4%	-5.8%	11.1%	-4.6%
Kernel	KER	45.11	45.11	22.00	1.6%	0.7%	16.3%	58.5%	2.0%	-0.4%	19.4%	64.0%
Mriya Agro Holding	MAYA	n/a	2.16	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	9.25	13.45	8.24	2.2%	-3.6%	-10.6%	0.5%	2.6%	-4.8%	-7.5%	6.0%
Milkiland	MLK	1.20	5.18	1.15	4.3%	-1.6%	-21.1%	-18.9%	4.7%	-2.8%	-18.0%	-13.4%
Ovostar Union	OVO	80.00	83.00	67.00	-0.6%	-0.6%	1.3%	11.1%	-0.2%	-1.7%	4.4%	16.6%
Chemicals												
Stirol	STIR	6.00	12.50	3.00	0.0%	33.3%	-14.2%	-13.4%	0.4%	32.2%	-11.1%	-7.9%
Banks												
Raiffeisen Bank Aval	BAVL	0.091	0.145	0.085	0.3%	6.6%	-0.1%	-5.6%	0.7%	5.5%	3.0%	-0.1%
UkrSotsbank	USCB	0.104	0.177	0.064	0.0%	21.8%	19.7%	-20.5%	0.4%	20.6%	22.7%	-15.0%

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																
Luhanskeplovovoz	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	145	163	145	1	-42	-14	0.1%	-8.0%	-3.9%

Source: Eavex Research

MAIN TRADING MULTIPLES

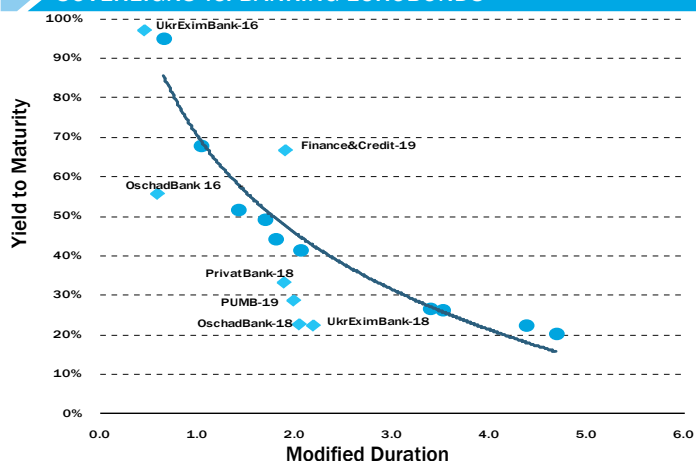
Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
Steel																		
Alchevsk Steel	ALMK	15	3.9%	1	2,629	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	615	\$/tonne
Yenakievo Steel	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	153	3.0%	5	146	neg	2.0	2.3	neg	0.8	1.2	0.1	0.1	0.1	32	32	32	\$/tonne
Coke																		
Avdyivka Coke	AVDK	10	6.8%	1	-29	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-7	-8	-8	\$/tonne
Yasynivsky Coke	YASK	5	9.0%	0	5	neg	neg	neg	0.2	neg	neg	0.0	0.0	0.0	0.2	neg	neg	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	326	0.3%	1	325	1.7	2.8	4.1	1.0	1.5	2.0	0.5	0.5	0.6				
Pivnichny GOK	SGOK	677	0.4%	3	670	1.2	2.1	3.0	0.7	1.0	1.4	0.4	0.5	0.5				
Ferrexpo	FXPO	573	24.0%	138	1,268	2.2	3.1	5.9	2.5	2.6	4.9	0.8	0.9	1.2				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	28	2.0%	1	74	5.9	1.2	15.1	2.4	1.7	4.1	0.2	0.4	0.8	117	194	184	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	9	24.0%	2	47	0.5	neg	n/a	1.3	neg	n/a	0.1	0.4	n/a				
Krukiv Wagon	KVBZ	53	5.0%	3	47	1.3	neg	neg	0.9	neg	neg	0.1	0.4	0.7				
Specialized Machinery																		
Turboatom	TATM	69	5.8%	4	39	1.0	1.3	3.0	0.4	0.5	1.1	0.2	0.2	0.3				
Motor Sich	MSICH	261	24.0%	63	289	1.6	2.0	2.8	0.8	0.8	1.3	0.3	0.3	0.5				
Telecom																		
Ukrtelecom	UTLM	157	7.2%	11	248	neg	8.6	17.2	neg	2.9	3.5	0.3	0.6	1.0				
Oil & Gas																		
Ukrnafta	UNAF	671	3.0%	20	663	28.8	6.4	2.6	2.3	1.7	1.3	0.3	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	23	21.6%	5	-3	neg	11.3	7.5	neg	-0.2	-0.2	-0.1	-0.1	-0.1	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	125	21.7%	27	142	2.1	21.3	neg	1.5	5.5	neg	0.2	0.2	0.4	8	10	9	\$/MWh
DonbasEnerg	DOEN	22	14.2%	3	50	0.3	2.6	neg	0.7	2.5	neg	0.1	0.1	0.3	6	6	6	\$/MWh
Consumer																		
MHP	MHPC	977	34.1%	333	2,078	6.0	neg	>30	5.3	3.7	4.0	1.4	1.5	1.8				
Kernel	KER	965	61.8%	596	1,441	9.2	neg	9.7	5.0	6.5	3.5	0.5	0.6	0.6				
Astarta	AST	231	37.0%	85	441	6.8	neg	neg	4.8	3.1	4.5	0.9	1.0	1.3				
Avangardco	AVGR	63	22.5%	14	289	0.3	neg	neg	1.0	2.2	3.1	0.4	0.7	0.8	65	50	47	\$/mneqgs
Ovostar	OVO	129	25.0%	32	137	4.2	5.0	5.3	3.9	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	127	3.5%	4		1.4	neg	neg	0.1	0.3	0.4	0.02	0.04	0.06				
Ukrsotsbank	USCB	89	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.02	0.03	0.04				

Source: Eavex Research

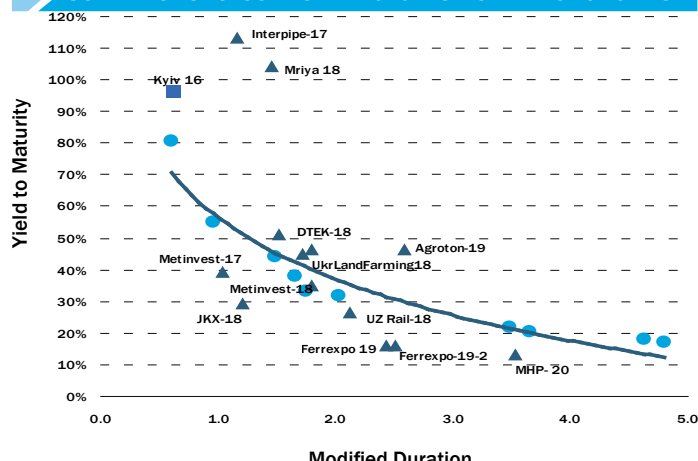
UKRAINIAN EUROBONDS

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)	58.5	61.0	431.9%	390.8%	-12.1%	0.1	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	60.7	62.3	667.1%	623.4%	-12.6%	0.1	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	56.8	58.1	60.2%	57.8%	-8.3%	0.9	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	56.7	58.1	90.9%	86.8%	-11.4%	0.6	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	57.0	58.5	36.4%	34.9%	-8.6%	1.7	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	57.0	58.0	44.6%	43.5%	-7.6%	1.4	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	54.8	56.3	41.5%	39.9%	-9.8%	1.6	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	54.5	55.5	34.9%	34.0%	-8.3%	2.0	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	55.6	57.1	22.9%	22.2%	-5.4%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	57.0	58.3	21.7%	21.1%	-3.0%	3.6	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	57.1	58.4	18.9%	18.4%	-4.0%	4.5	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	57.1	58.4	18.3%	17.7%	-2.7%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	5.6	19.1	150.3%	66.6%	-63.4%	2.1	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	82.3	83.8	13.5%	13.0%	20.4%	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	63.0	66.0	16.2%	15.3%	n/a	n/a	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	716.5%	633.4%	30.8%	0.1	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	110.8%	102.3%	30.8%	1.4	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	47.0	52.0	48.1%	42.5%	n/a	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	43.0	48.0	48.4%	42.6%	0.0%	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	41.3%	38.2%	-16.4%	1.0	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	57.5	59.5	36.0%	34.2%	5.4%	1.9	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	84.1	86.1	16.3%	15.5%	n/a	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	84.1	86.2	16.3%	15.5%	n/a	2.4	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	67.0	70.5	27.2%	24.9%	29.7%	2.1	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	20.0	30.0	135.0%	96.2%	-54.5%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.1	73.2	30.6%	28.5%	23.0%	1.2	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	23.0	30.0	72.7%	58.8%	-68.1%	2.0	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	55.0	58.0	33.9%	31.7%	-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	459.1%	419.5%	10.4%	0.1	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	59.0	61.0	154.9%	143.0%	21.2%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	67.0	68.1	30.5%	29.7%	1.5%	1.8	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2022	85.5	87.0	12.9%	12.5%	n/a	3.3	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	63.0	66.0	16.2%	15.3%	n/a	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	81.9	83.2	13.2%	12.9%	n/a	4.4	9.75%	S/A	22 Jan 2025	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	84.0	48.3%	43.1%	41.9%	0.4	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	80.5	82.7	18.7%	17.4%	44.6%	2.1	8.88%	S/A	20 Mar 2018	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	53.4	55.0	396.7%	372.5%	-25.3%	0.1	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	52.9	54.8	100.1%	94.3%	-23.9%	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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