

**Market Update**

**Equity**

Ukrainian stocks listed in Kyiv ended lower on Wednesday (Aug 19) amid a general decline on European bourses. Among encouraging news was information that President Poroshenko set to meet with German Chancellor Merkel and French President Hollande on Monday (Aug 24) in Brussels. The UX index retreated by 0.8% to close at 976 points. Raiffeisen Aval (BAVL) lost 1.5% despite its parent Raiffeisen Bank International reporting that its Ukrainian business was back in the black on trading gains after five straight quarterly losses. UkrNafta (UNAF) gave up 3.0% to close at UAH 258 per share amid falling oil prices. Meanwhile, Motor Sich (MSICH), which has seen its formerly strong liquidity largely evaporate this year, inched up 0.1% to UAH 2678. On the interbank currency market, bid/ask quotes for the dollar closed at 22.15/22.25 UAH/USD. In London, Ferrexpo (FXPO) and MHP (MHPC) gained 0.4% and 2.2% respectively, with the latter finishing at USD 9.40. Warsaw-listed Astarta (AST) edged down 0.5% to close at PLN 34.30 after the company reported its 2Q15 financial results.

**Fixed Income**

Ukrainian sovereign Eurobonds ended mixed for a second day on Wednesday amid a lack of clarity about ongoing restructuring talks. Ukraine-23s declined by 0.8p.p. to 56.5/58.0 (18.3%/17.7%) while Ukraine-17s edged up by 0.3p.p. to 57.0/59.0 (44.8%/42.5%). Corporate names finished moderately lower. Metinvest-18s and Ferrexpo-19s dropped by 0.5p.p. and 0.2p.p. to 55.0/58.0 (38.5%/35.6%) and 83.7/85.7 (16.5%/15.7%), respectively.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2678.00	0.1%	2.58	36
Centrenerg	CEEN	7.18	-1.4%	0.59	74
Ukrnafta	UNAF	258.00	-3.0%	0.39	64

**Growth Leaders**

Azovstal	AZST	0.80	1.0%	0.141	42
Motor Sich	MSICH	2678.00	0.1%	2.579	36
Donbasenergo	DOEN	19.58	-0.5%	0.028	31

**Loss Leaders**

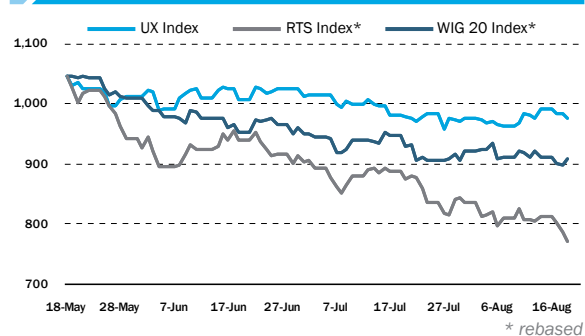
Alchevsk Steel	ALMK	0.01	-5.3%	0.001	9
Ukrsotsbank	USCB	0.10	-3.4%	0.016	11
Ukrnafta	UNAF	258.00	-3.0%	0.388	64

**Highlights**

**STOCKS IN THE NEWS**

- > Astarta's EBITDA Down 22% YoY in 1H15

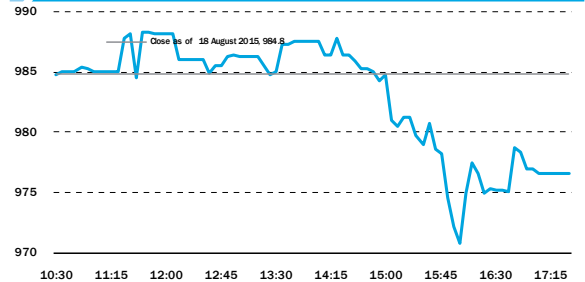
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	976.5	-0.8%	-0.5%	-5.5%
RTS	794.2	-1.9%	-13.0%	0.4%
WIG20	2192.1	1.0%	-4.1%	-5.3%
MSCI EM	840.5	-0.9%	-10.7%	-12.1%
S&P 500	2079.6	-0.8%	-2.2%	1.0%

**UX INTRADAY AUGUST 19, 2015**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	438.2	2.7%	11.8%	8.4%
CDS 5Y UKR	2150.0	2.4%	-12.2%	-2.3%
Ukraine-17	36.4%	0.5 p.p.	-0.7 p.p.	10.7 p.p.
MHP-20	13.3%	0.0 p.p.	-0.5 p.p.	-4.2 p.p.
Ukraine-23	18.0%	0.3 p.p.	-0.5 p.p.	10.5 p.p.
Privatbank-18	30.2%	0.0 p.p.	0.6 p.p.	-2.4 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	21.49	0.6%	-4.9%	35.8%
EUR	23.90	1.5%	-2.4%	24.9%
RUB	0.32	-0.5%	-18.7%	17.5%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	190.1	0.0%	-11.2%	-22.8%
Steel, USD/t	325.0	0.0%	-9.1%	-27.8%
Oil, USD/bbl	47.2	-3.4%	-17.9%	-25.8%
Gold, USD/oz	1133.8	1.4%	-0.1%	-4.3%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Astarta's EBITDA Down 22% YoY in 1H15

by Ivan Dzvinka  
i.dzvinka@eavex.com.ua

### ▶ ASTARTA (AST PW)

Price: PLN 34.45 Market Cap: USD 228mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	1.0	neg	3.1	0%
2015E	1.3	neg	4.5	0%

### NEWS

Astarta, Ukraine's largest sugar producer, reported a 23% decline in its revenue to EUR 126mn for 1H15, the company said in its semi-annual financial release on Tuesday (Aug 18). Export sales rose to 38% of total sales, up from 20% in 1H14. The slide in soft commodities prices pushed the revenue of the company's segments down across the board. Sugar segment revenue dropped by 25% YoY to EUR 60mn. Crops and soybean segment sales decreased by 26% and 16% to EUR 21mn and EUR 31mn, respectively. The dairy segment's revenue slumped by 22% to EUR 12mn. The hryvnia devaluation led to a reduction in production cost by 32% YoY to EUR 81mn, exactly offsetting the drop in net revenue (near EUR 40mn). Still, EBITDA was lower by 22% to EUR 89mn, driven mainly by a 27% drop in gains from revaluation of biological assets to EUR 49mn as well as an 11x drop in VAT subsidies to EUR 1.1mn.

On the positive side, Astarta managed to double its net profit to EUR 23mn thanks to a 47% decrease in forex translation losses as the hryvnia stabilized in 2Q. Operating cash flow was down by 47% YoY to EUR 41mn. Net debt as of Jun 30 amounted to EUR 206mn vs. EUR 217mn at end-2014 and EUR 211mn on Mar 31. The company's Net Debt/EBITDA ratio stood at 2.2x, up from 1.8x as of end-2014.

### COMMENTARY

A faster drop in production cost compared to revenue allowed Astarta to post EBITDA of USD 21mn in its sugar segment (-11% YoY), with the segment's EBITDA margin at 35% (+5p.p. YoY). Profitability of the soya segment was largely unchanged in 1H15 at 22% (vs. 23% in 1H14). However, the company is set to face a challenge in maintaining its soya meal sales in the coming months after MHP, Ukraine's largest poultry producer, launches its own soya processing capacities. With a current export share of 36% in total soya meal sales, we think Astarta has a lot of room to expand such sales. We reiterate our HOLD recommendation for the AST stock with a target price of PLN 36.1 per share.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	44.3	56.50	28%	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	9.4	15.32	63%	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	34.0	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	5.1	9.4	86%	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	0.8	1.4	71%	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.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	70.0	48.0	-31%	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.
<b>Steel</b>						
Azovstal	AZST	0.80	0.56	-30%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.04	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.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	2678	5250	96%	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%.
<b>Oil &amp; Gas</b>						
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	4.3	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	17.0	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.
<b>Power Utilities</b>						
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	7.18	15.00	109%	BUY	CentrEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.092	0.24	160%	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	976.53	1285.41	908.88	-0.8%	-0.4%	-0.5%	-5.5%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.013	0.035	0.010	-6.0%	0.8%	-1.6%	-13.1%	-5.1%	1.2%	-1.0%	-7.6%
Azovstal	AZST	0.80	0.92	0.59	0.9%	1.5%	2.8%	6.7%	1.7%	1.9%	3.4%	12.2%
Enakievo Steel	ENMZ	16.58	42.80	14.03	0.1%	-2.4%	3.6%	-20.9%	0.9%	-2.0%	4.1%	-15.4%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.04	3.03	0.86	-2.2%	-4.2%	-5.7%	-40.1%	-1.3%	-3.7%	-5.2%	-34.6%
Yasnyivsky Coking	YASK	0.36	0.70	0.18	0.0%	0.0%	63.6%	28.6%	0.8%	0.4%	64.1%	34.1%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	5.97	n/a	n/a	0.0%	0.0%	-14.2%	-23.4%	0.8%	0.4%	-13.7%	-17.9%
Ferrexpo	FXPO	70.00	139.70	47.91	1.1%	11.1%	20.7%	32.1%	1.9%	11.5%	21.2%	37.6%
Pivnichny GOK	SGOK	6.30	12.30	4.44	0.0%	0.0%	-8.0%	-24.7%	0.8%	0.4%	-7.5%	-19.2%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.37	n/a	n/a	0.0%	0.0%	42.3%	-21.3%	0.8%	0.4%	42.8%	-15.8%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.23	0.70	0.20	0.0%	0.0%	15.0%	-39.5%	0.8%	0.4%	15.5%	-34.0%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	10.22	16.91	9.05	-1.1%	2.4%	10.8%	-20.5%	-0.2%	2.8%	11.4%	-15.0%
Luhanskeplovoz	LTPL	0.92	1.80	0.51	0.0%	0.0%	-31.9%	-14.8%	0.8%	0.4%	-31.3%	-9.3%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2678	2939	1970	0.1%	-0.4%	2.3%	7.9%	1.0%	0.0%	2.8%	13.3%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Telecom</b>												
Ukrtelecom	UTLM	0.17	0.21	0.10	-3.9%	-3.9%	23.4%	13.7%	-3.1%	-3.5%	23.9%	19.2%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.28	9.25	3.13	0.0%	-10.5%	-22.3%	36.8%	0.8%	-10.1%	-21.8%	42.3%
JKX Oil	JKX	17.00	51.00	11.00	0.0%	9.7%	-12.8%	41.7%	0.8%	10.1%	-12.3%	47.2%
Ukrnafta	UNAF	258.0	375.0	172.5	-3.0%	-4.3%	-12.1%	26.9%	-2.1%	-3.9%	-11.6%	32.4%
<b>Power Utilities</b>												
Centrenergo	CEEN	7.18	8.50	6.72	-1.4%	-1.6%	-4.6%	-4.8%	-0.5%	-1.2%	-4.1%	0.7%
Donbasenergo	DOEN	19.58	40.00	19.00	-0.5%	-2.1%	-5.2%	-40.7%	0.4%	-1.7%	-4.7%	-35.2%
Zakhidenergo	ZAEN	140.0	199.8	120.8	0.0%	-6.7%	-16.2%	-5.5%	0.8%	-6.3%	-15.7%	0.0%
<b>Consumer</b>												
Agroton	AGT	1.18	2.32	0.95	-3.3%	-6.3%	9.3%	-4.1%	-2.4%	-5.9%	9.8%	1.4%
Astarta	AST	34.00	39.27	14.50	-1.3%	-0.1%	1.2%	70.0%	-0.5%	0.4%	1.7%	75.5%
Avangardo	AVGR	0.80	9.43	0.80	0.0%	-20.8%	-27.3%	-61.0%	0.8%	-20.4%	-26.8%	-55.5%
Industrial Milk Company	IMC	5.05	8.80	4.38	0.0%	1.0%	0.0%	-10.9%	0.8%	1.4%	0.5%	-5.4%
Kernel	KER	44.30	45.55	22.00	-1.2%	-0.2%	11.1%	55.7%	-0.4%	0.2%	11.6%	61.2%
Mriya Agro Holding	MAYA	n/a	1.90	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	9.40	13.45	8.24	0.0%	3.9%	-10.5%	2.2%	0.8%	4.3%	-10.0%	7.7%
Milkiland	MLK	1.05	5.06	1.05	-1.9%	-8.7%	-28.6%	-29.1%	-1.0%	-8.3%	-28.1%	-23.6%
Ovostar Union	OVO	81.00	83.00	67.00	-0.9%	0.6%	0.0%	12.5%	-0.1%	1.0%	0.5%	18.0%
<b>Chemicals</b>												
Stirol	STIR	6.00	12.50	3.00	0.0%	0.0%	-4.8%	-13.4%	0.8%	0.4%	-4.2%	-7.9%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.092	0.145	0.085	-1.8%	2.1%	4.7%	-4.0%	-1.0%	2.5%	5.2%	1.5%
UkrSotsbank	USCB	0.100	0.175	0.064	-3.4%	-3.4%	13.6%	-23.2%	-2.5%	-3.0%	14.1%	-17.7%

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
<b>Steel</b>																
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%
<b>Coke</b>																
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
<b>Iron Ore Mining</b>																
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%
<b>Pipe Manufacturing</b>																
Khartsyzk Pipe	HRTR	310	193	92	31	43	18	10.1%	22.6%	19.3%	5	23	2	1.5%	11.7%	2.0%
<b>Railcar Manufacturing</b>																
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
<b>Specialized Machinery</b>																
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%
<b>Telecom</b>																
Ukrtelecom	UTLM	796	412	251	-199	85	72	neg	20.6%	28.5%	-279	18	9	neg	4.4%	3.6%
<b>Oil &amp; Gas</b>																
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%
<b>Electric Utilities</b>																
Centrenerg	CEEN	915	630	323	94	26	-12	10.3%	4.1%	neg	60	6	-28	6.5%	0.9%	neg
Donbasenergo	DOEN	656	458	196	72	20	-19	11.0%	4.4%	neg	65	8	-17	9.9%	1.8%	neg
<b>Consumer</b>																
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%
<b>Banks</b>																
		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**

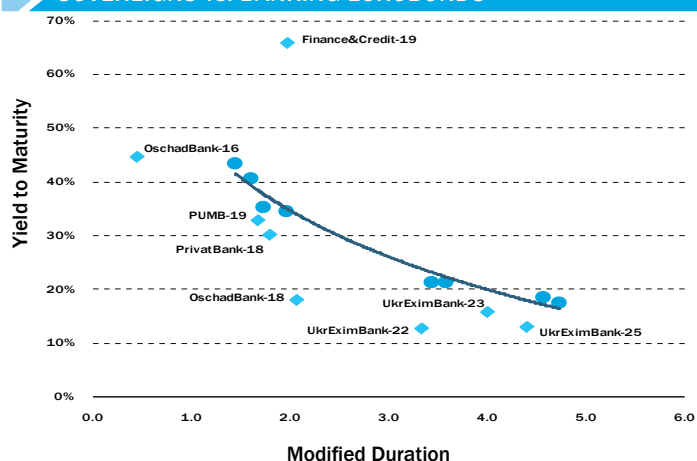
Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
<b>Steel</b>																		
Alchevsk Steel	ALMK	15	3.9%	1	2,629	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	615	\$/tonne
Yenakievo 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	156	3.0%	5	149	neg	2.0	2.4	neg	0.8	1.2	0.1	0.1	0.1	32	33	33	\$/tonne
<b>Coke</b>																		
Avdivka Coke	AVDK	9	6.8%	1	-30	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-7	-8	-8	\$/tonne
Yasynivsky Coke	YASK	5	9.0%	0	5	neg	neg	neg	0.2	neg	neg	0.0	0.0	0.0	0.2	neg	neg	\$/tonne
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	326	0.3%	1	324	1.7	2.8	4.1	1.0	1.5	2.0	0.5	0.5	0.6				
Pivnichny GOK	SGOK	676	0.4%	3	669	1.2	2.1	3.0	0.7	1.0	1.4	0.4	0.5	0.5				
Ferrexpo	FXPO	637	24.0%	153	1,332	2.4	3.5	6.5	2.6	2.7	5.2	0.8	1.0	1.3				
<b>Pipe Manufacturing</b>																		
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
<b>Railcar Manufacturing</b>																		
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	55	5.0%	3	48	1.3	neg	neg	1.0	neg	neg	0.1	0.4	0.7				
<b>Specialized Machinery</b>																		
Turboatom	TATM	69	5.8%	4	38	1.0	1.3	3.0	0.4	0.5	1.1	0.2	0.2	0.3				
Motor Sich	MSICH	259	24.0%	62	287	1.6	2.0	2.8	0.7	0.8	1.3	0.3	0.3	0.5				
<b>Telecom</b>																		
Ukrtelecom	UTLM	151	7.2%	11	241	neg	8.3	16.5	neg	2.8	3.4	0.3	0.6	1.0				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	651	3.0%	20	644	27.9	6.2	2.6	2.2	1.7	1.2	0.2	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	21	21.6%	5	-4	neg	10.7	7.1	neg	-0.2	-0.3	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	45	50.4%	23	154	7.0	neg	9.1	2.3	2.2	2.2	0.9	1.1	1.0	28	21	21	\$/boe
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	123	21.7%	27	140	2.1	21.0	neg	1.5	5.4	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
<b>Consumer</b>																		
MHP	MHPC	993	34.1%	339	2,093	6.1	neg	>30	5.4	3.8	4.0	1.4	1.5	1.8				
Kernel	KER	948	61.8%	585	1,424	9.0	neg	9.5	4.9	6.4	3.4	0.5	0.6	0.6				
Astarta	AST	228	37.0%	84	439	6.7	neg	neg	4.8	3.1	4.5	0.9	1.0	1.3				
Avangardco	AVGR	51	22.5%	12	277	0.2	neg	neg	0.9	2.1	2.9	0.4	0.7	0.8	63	48	45	\$/mneqgs
Ovostar	OVO	130	25.0%	33	139	4.2	5.1	5.4	3.9	4.8	5.6	1.7	1.9	1.8	n/a	n/a	n/a	
<b>Banks</b>																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	129	3.5%	5		1.4	neg	neg	0.1	0.3	0.4	0.02	0.04	0.06				
Ukrsotsbank	USCB	86	1.0%	1		>30	>30	>30	0.1	0.2	0.2	0.02	0.03	0.04				

Source: Eavex Research

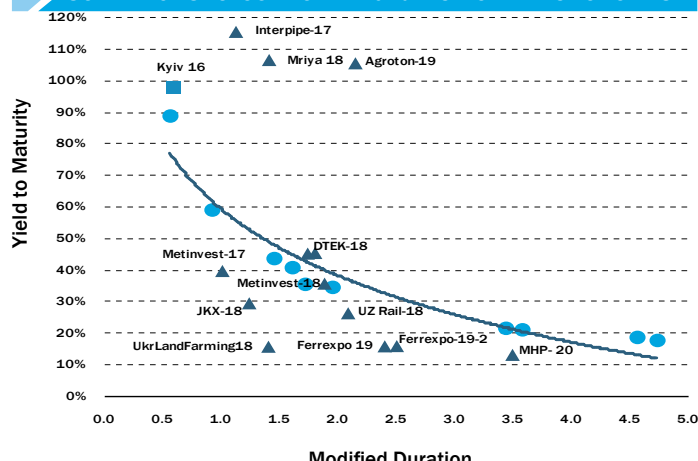
## UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2015 (EUR)	60.0	61.5	436.6%	410.9%	-10.6%	0.1	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	60.1	61.4	855.3%	811.9%	-13.7%	0.0	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	56.1	57.5	62.4%	59.8%	-9.4%	0.9	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	56.0	57.5	95.2%	90.3%	-12.4%	0.5	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	56.5	57.8	37.0%	35.8%	-9.6%	1.7	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	57.0	59.0	44.8%	42.5%	-6.8%	1.4	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	55.9	56.9	40.4%	39.4%	-8.3%	1.6	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	54.8	55.8	34.8%	33.9%	-7.9%	1.9	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	56.0	57.3	22.8%	22.2%	-5.0%	3.4	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	57.3	58.5	21.6%	21.0%	-2.5%	3.8	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	57.3	58.5	18.8%	18.4%	-3.8%	4.5	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	56.5	58.0	18.3%	17.7%	-3.5%	4.7	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
<b>Corporate Eurobonds</b>											
Agroton, 2019	17.9	25.0	70.2%	54.8%	-36.6%	2.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	82.2	83.6	13.6%	13.1%	20.2%	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	65.0	16.3%	15.6%	n/a	n/a	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.0	18.0	742.3%	655.4%	30.8%	0.1	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	16.0	18.0	111.5%	102.9%	30.8%	1.4	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	47.0	52.0	48.3%	42.7%	n/a	1.7	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	43.0	48.0	48.6%	42.8%	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	41.4%	38.4%	-16.4%	1.0	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	55.0	58.0	38.5%	35.6%	1.8%	1.9	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	84.0	85.6	16.4%	15.8%	n/a	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	83.7	85.7	16.5%	15.7%	n/a	2.4	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	67.0	68.0	27.3%	26.6%	27.3%	2.1	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	20.0	30.0	137.2%	97.6%	-54.5%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.1	72.8	30.7%	28.8%	22.7%	1.2	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	27.0	34.0	64.2%	52.8%	-63.3%	2.1	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	55.0	58.0	34.0%	31.8%	-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%	0.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	68.0	70.0	514.1%	469.7%	10.4%	0.1	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	59.0	61.0	158.2%	146.0%	21.2%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	67.0	68.0	30.6%	29.8%	1.4%	1.8	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2022	84.5	85.5	13.2%	12.9%	n/a	3.3	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	63.0	65.0	16.3%	15.6%	n/a	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	81.2	82.4	13.3%	13.0%	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	85.0	49.2%	41.1%	42.8%	0.4	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	80.6	82.5	18.7%	17.6%	44.4%	2.0	8.88%	S/A	20 Mar 2018	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	53.4	55.0	416.4%	391.0%	-25.3%	0.1	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	54.1	55.0	97.5%	94.6%	-22.9%	0.6	9.375%	S/A	30 Jun 2016	300	Ca/CC/CC

## SOVEREIGNS vs. BANKING EUROBONDS



## SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



<sup>1</sup> 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
<b>UAH denominated Bonds</b>									
UA4000142665			25%	20%	n/a	14.30%	S/A	24 May 2017	n/a
<b>VAT Bonds</b>									
UA4000082531			25%	22%	n/a	5.50%	S/A	21 Aug 2015	n/a
UA4000082622			25%	22%	n/a	5.50%	S/A	24 Aug 2015	n/a
UA4000083059			25%	22%	n/a	5.50%	S/A	25 Aug 2015	n/a
UA4000185151			25%	22%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			25%	22%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			25%	22%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research



## Eavex Capital

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

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

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

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

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

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

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

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

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

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

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