

**Market Update**

**Equity**

The Ukrainian stock market demonstrated a slight increase on Wednesday (Sept 2), with the UX index up by 0.3% to close at 975 points. The majority of blue chips closed in positive territory; the only exception was Krukiv Wagon, which declined by 2.9%. Alchevsk Steel finished unchanged at 1.30 kopecks despite the news that the company is gradually expanding its production following its resumption of operations in June. Volume leader UkrNafta was also the day's best performer, moving up by 1.5% and disregarding the negative sentiment from downward dynamics in global oil prices and ongoing disputes regarding a huge dividend payout owed to the state. Index heavyweights CentrEnerg and Motor Sich inched up by 0.2% and 0.05%, respectively. Meanwhile, the market reacted to news about an additional share issue of Raiffeisen Aval with an increase by 1.1% in the bank's share price.

**Fixed Income**

Ukrainian sovereign Eurobonds continue to rise yesterday with the benchmark Ukraine-23s edging up 0.9 p.p. to close at 73.5/74.5 (13.7%/12.8%). Ukraine-15s increased 0.2 p.p. to 73.0/74.8 cents on the dollar. In banking issues, OschadBank-16s, which is going through restructuring, added 2.6 p.p. to 85.5/87.1.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Centrenerg	CEEN	7.39	0.2%	1.02	15
Ukrtelecom	UTLM	0.14	0.7%	0.21	9
Ukrnafta	UNAF	262.00	1.5%	0.11	8

**Growth Leaders**

Ukrnafta	UNAF	262.00	1.5%	0.112	8
Avdyivka Coke	AVDK	1.06	1.1%	0.002	13
Ukrtelecom	UTLM	0.14	0.7%	0.211	9

**Loss Leaders**

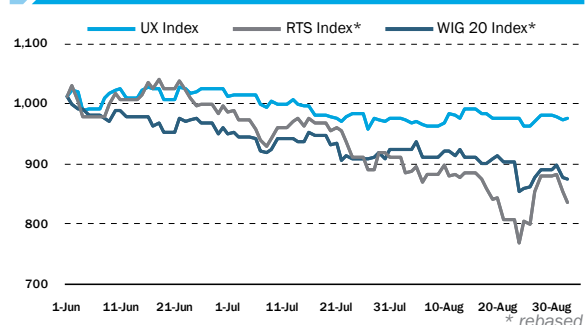
Centrenerg	CEEN	7.39	0.2%	1.021	15
Yenakievo Steel	ENMZ	16.81	0.2%	0.002	7
Ukrtelecom	UTLM	0.14	0.7%	0.211	9

**Highlights**

**STOCKS IN THE NEWS**

- > EBRD Moving to Acquire 35% of Raiffeisen Aval
- > Ovostar's EBITDA Up 18% YoY in 1H15 to USD 16mn

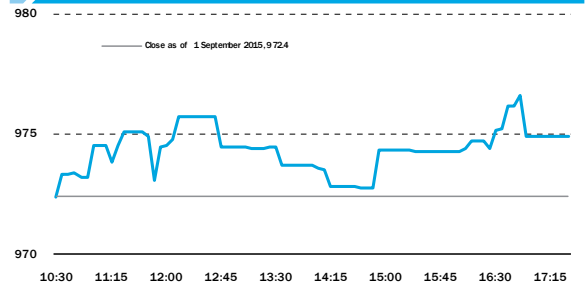
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	974.9	0.3%	-0.1%	-5.7%
RTS	789.4	-1.9%	-8.1%	-0.2%
WIG20	2107.6	-0.4%	-5.4%	-9.0%
MSCI EM	796.7	-0.6%	-11.6%	-16.7%
S&P 500	1948.9	1.8%	-7.4%	-5.3%

**UX INTRADAY SEPTEMBER 2, 2015**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	440.2	0.1%	8.2%	8.9%
CDS 5Y UKR	1325.0	0.0%	-33.8%	-39.8%
Ukraine-17	21.6%	-0.7 p.p.	-12.1 p.p.	-4.0 p.p.
MHP-20	12.7%	0.0 p.p.	-0.6 p.p.	-4.9 p.p.
Ukraine-23	13.0%	-0.2 p.p.	-4.3 p.p.	5.5 p.p.
Privatbank-18	30.1%	0.0 p.p.	-0.1 p.p.	

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	22.15	1.4%	4.4%	40.0%
EUR	24.87	0.6%	6.7%	30.0%
RUB	0.33	0.8%	-3.9%	20.3%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	179.9	0.0%	-5.6%	-26.9%
Steel, USD/t	322.5	0.0%	-7.2%	-28.3%
Oil, USD/bbl	50.5	1.9%	-4.4%	-21.3%
Gold, USD/oz	1134.1	-0.5%	3.5%	-4.3%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## EBRD Moving to Acquire 35% of Raiffeisen Aval

by Dmitry Churin  
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### RAIFFEISEN BANK AVAL (BAVL UK)

Price: UAH 0.09 Market Cap: USD 123mn

	P/Assets	P/Book	P/E	Div. Yield
2014	0.04	0.3	neg	0%
2015E	0.06	0.4	neg	0%

### NEWS

The European Bank for Reconstruction and Development (EBRD) is planning to acquire a 35% stake in Raiffeisen Bank Aval, the Ukrainian arm of Austria-based Raiffeisen Group, Interfax reported on Wednesday (Sept 2) citing an official statement from Raiffeisen Aval. The EBRD will acquire the stake through an additional share issue of 27.6bn new shares at par value of 10 kopecks. Currently Raiffeisen Bank International AG owns 96.45% in Raiffeisen Aval. The Ukrainian arm of the group had total assets of UAH 52bn (USD 2.4bn) as of 30 Jun 2015, putting the bank the 6th place among the country's largest banks by assets.

### COMMENTARY

Raiffeisen International has been trying to sell its Ukrainian arm Aval since 2013 but has not received any satisfactory bids. The EBRD had announced its intention to buy a minority stake in Aval earlier this year. Local market participants expected it would be a stake of 15%-25%, but we now understand that the EBRD's acquisition of a 35% stake could be a positive signal for Aval's valuation. For the minority shareholders, this will provide a legal opportunity to unload their shares after voting against an expected additional share issue. However, we consider Aval's current market price of 9 kopecks per share as unattractive for such a deal. We reiterate our target price for Aval at 24 kopecks per share, implying an upside of 164%. On the other hand, the additional share issue is expected to dilute the stock's existing free-float of 3.5% to 1.8%, which will further harm its liquidity. Overall, the EBRD acquisition of 35% in Aval will strengthen the bank's capital adequacy and brighten its development prospects.

**Ovostar's EBITDA Up 18% YoY in 1H15 to USD 16mn**

by Ivan Dzvinka  
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**OVOSTAR UNION (OVO PW)**

Price: PLN 82.25 Market Cap: USD 131mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	1.9	5.1	4.8	0%
2015E	1.8	5.4	5.6	0%

**NEWS**

Ovostar Union, Ukraine's third largest egg producer, reported EBITDA of USD 15.9mn for 1H15, implying an 18% YoY increase, according to the company's financial results reported last week (Aug 28). Net revenue in the period decreased by 4% to USD 33.5mn. At the same time, gross profit was up by 4% to USD 14.2mn due to a steeper drop in cost of sales (-10%) vs. the revenue decline. A 3x drop in SG&A costs together with higher gross profit allowed the company to increase its EBITDA by the above-mentioned 18%. In 2Q15 alone, revenue was up by 7% YoY to USD 16.4mn while net profit doubled YoY to USD 6.8mn after a poor result in 2Q14. EBITDA increased by 66% to USD 7.1mn in 2Q15.

As of Jun 30, Ovostar's net debt was only USD 6.3mn, implying a miniscule Net Debt/EBITDA ratio of 0.2x.

**COMMENTARY**

Fueled by its ongoing capacity expansion program, Ovostar managed to increase its egg sales volume by 41% YoY in 1H15 to 421mn pieces, with export sales surging 2.3x to 98mn pieces. Along with low fodder cost, this enabled Ovostar to achieve a strong EBITDA margin of 47% for 1H15. That said, we are negatively surprised that the egg price achieved by the company in its exports is very similar to that which it achieved on the domestic market. Our calculations imply that the export premium does not exceed 10%. This could indicate that the company is penetrating into export markets by providing generous discounts.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	42.1	56.50	34%	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	9.1	15.32	69%	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	30.2	36.1	20%	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	5.2	9.4	81%	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	0.5	1.4	174%	U/R	The terrible loss on EBITDA level of almost USD 100mn for 1H15 makes the company the king among financial reporting fabricators.
Ovostar Union	OVO PW	82.3	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.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	59.0	48.0	-19%	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	0.78	0.56	-29%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.06	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	2612	5250	101%	BUY	Motor Sich should see its revenue grow with a 2012-2016E CAGR of 9%, reaching USD 1.2bn. For 2012-2016, we forecast an average EBITDA margin of 35% and a net margin of 28%.
<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	15.8	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	7.39	15.00	103%	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	0.091	0.24	164%	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	974.90	1226.80	908.88	0.3%	1.2%	-0.1%	-5.7%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.013	0.034	0.010	0.0%	3.2%	4.8%	-10.3%	-0.3%	2.0%	4.9%	-4.7%
Azovstal	AZST	0.78	0.89	0.59	0.3%	-0.6%	1.2%	5.0%	0.0%	-1.8%	1.2%	10.6%
Enakievo Steel	ENMZ	16.81	36.49	14.03	0.2%	1.3%	-1.1%	-19.8%	0.0%	0.1%	-1.0%	-14.1%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.06	2.85	0.86	1.0%	-2.0%	8.3%	-38.7%	0.8%	-3.2%	8.3%	-33.0%
Yasynivsky Coking	YASK	0.27	0.59	0.18	-15.6%	-12.9%	12.5%	-3.6%	-15.9%	-14.1%	12.6%	2.1%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	5.97	n/a	n/a	0.0%	0.0%	40.5%	-23.4%	-0.3%	-1.2%	40.6%	-17.7%
Ferrexpo	FXPO	59.00	133.30	47.91	3.5%	2.2%	2.2%	11.3%	3.3%	1.0%	2.2%	17.0%
Pivnichny GOK	SGOK	6.65	12.30	4.44	0.0%	5.6%	6.4%	-20.5%	-0.3%	4.4%	6.5%	-14.9%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.37	n/a	n/a	0.0%	0.0%	48.0%	-21.3%	-0.3%	-1.2%	48.1%	-15.6%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.23	0.60	0.20	0.0%	4.5%	15.0%	-39.5%	-0.3%	3.3%	15.1%	-33.8%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	10.10	16.91	9.05	-2.9%	3.0%	1.3%	-21.4%	-3.1%	1.8%	1.4%	-15.7%
Luhanskteplovoz	LTPL	0.92	n/a	n/a	0.0%	0.0%	-31.9%	-14.8%	-0.3%	-1.2%	-31.8%	-9.2%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2612	2939	1970	0.0%	0.1%	-1.3%	5.2%	-0.2%	-1.1%	-1.2%	10.8%
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	0.14	0.21	0.10	0.7%	0.7%	-21.4%	-7.2%	0.5%	-0.5%	-21.4%	-1.6%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.25	9.25	3.13	0.0%	9.5%	-15.3%	36.0%	-0.3%	8.3%	-15.3%	41.7%
JKX Oil	JKX	15.75	51.00	11.00	0.0%	-3.1%	-3.1%	31.3%	-0.3%	-4.3%	-3.0%	36.9%
Ukrnafta	UNAF	262.0	375.0	172.5	1.6%	1.6%	-7.7%	28.9%	1.3%	0.3%	-7.6%	34.5%
<b>Power Utilities</b>												
Centrenergo	CEEN	7.39	8.50	6.72	0.2%	4.0%	-0.6%	-2.0%	-0.1%	2.8%	-0.6%	3.6%
Donbasenergo	DOEN	19.58	36.96	18.50	0.9%	2.5%	-3.8%	-40.7%	0.7%	1.3%	-3.7%	-35.0%
Zakhidenergo	ZAEN	130.0	199.8	124.9	0.0%	0.0%	-23.5%	-12.2%	-0.3%	-1.2%	-23.4%	-6.6%
<b>Consumer</b>												
Agroton	AGT	1.04	2.32	0.95	-1.9%	4.0%	-15.4%	-15.4%	-2.1%	2.8%	-15.4%	-9.8%
Astarta	AST	30.15	39.27	14.50	-0.9%	-1.1%	-15.4%	50.8%	-1.1%	-2.4%	-15.3%	56.4%
Avangardo	AVGR	0.50	8.40	0.50	-9.1%	-28.6%	-52.4%	-75.6%	-9.3%	-29.8%	-52.3%	-70.0%
Industrial Milk Company	IMC	5.20	8.39	4.38	0.0%	4.2%	-3.7%	-8.3%	-0.3%	3.0%	-3.6%	-2.6%
Kernel	KER	42.07	45.55	22.00	3.1%	12.5%	-3.9%	47.8%	2.9%	11.3%	-3.8%	53.5%
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	9.05	13.00	8.24	-0.5%	-1.6%	-9.5%	-1.6%	-0.8%	-2.8%	-9.4%	4.0%
Milkiland	MLK	0.98	4.99	0.89	-2.0%	8.9%	-27.4%	-33.8%	-2.3%	7.7%	-27.3%	-28.1%
Ovostar Union	OVO	82.25	83.00	67.00	0.2%	9.7%	-0.9%	14.2%	-0.1%	8.5%	-0.8%	19.9%
<b>Chemicals</b>												
Stirol	STIR	6.00	12.28	3.00	0.0%	0.0%	100.0%	-13.4%	-0.3%	-1.2%	100.1%	-7.8%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.091	0.137	0.085	1.1%	-1.0%	5.9%	-5.2%	0.9%	-2.2%	6.0%	0.4%
UkrSotsbank	USCB	0.100	0.170	0.064	1.0%	5.3%	11.1%	-23.2%	0.8%	4.1%	11.2%	-17.5%

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**

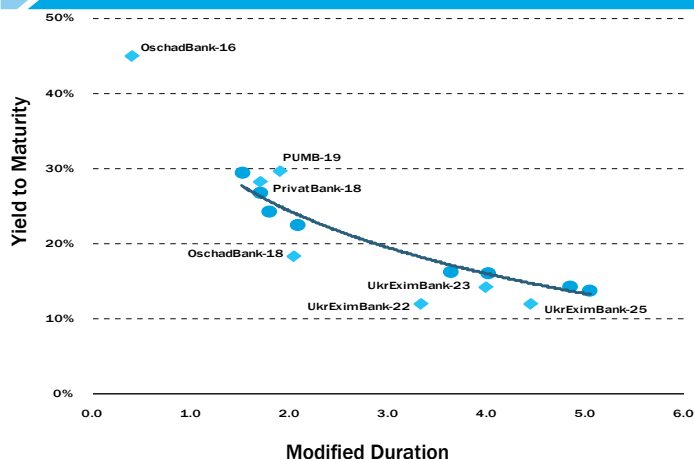
Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
<b>Steel</b>																		
Alchevsk Steel	ALMK	15	3.9%	1	2,629	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	615	\$/tonne
Yenakievo 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	148	3.0%	4	142	neg	1.9	2.3	neg	0.8	1.1	0.1	0.1	0.1	31	31	31	\$/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	3	9.0%	0	4	neg	neg	neg	0.1	neg	neg	0.0	0.0	0.0	0.1	neg	neg	\$/tonne
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	316	0.3%	1	314	1.6	2.8	3.9	1.0	1.4	2.0	0.5	0.5	0.6				
Pivnichny GOK	SGOK	692	0.4%	3	685	1.3	2.1	3.1	0.8	1.1	1.5	0.4	0.5	0.5				
Ferrexpo	FXPO	537	24.0%	129	1,232	2.0	2.9	5.5	2.4	2.5	4.8	0.8	0.9	1.2				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	27	2.0%	1	73	5.7	1.2	14.6	2.3	1.7	4.1	0.2	0.4	0.8	115	191	182	\$/tonne
<b>Railcar Manufacturing</b>																		
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	52	5.0%	3	46	1.3	neg	neg	0.9	neg	neg	0.1	0.3	0.7				
<b>Specialized Machinery</b>																		
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	245	24.0%	59	273	1.5	1.9	2.7	0.7	0.8	1.2	0.3	0.3	0.4				
<b>Telecom</b>																		
Ukrtelecom	UTLM	119	7.2%	9	210	neg	6.6	13.1	neg	2.5	2.9	0.3	0.5	0.8				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	641	3.0%	19	634	27.5	6.1	2.5	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	10.6	7.1	neg	-0.2	-0.3	-0.1	-0.1	-0.1	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	42	50.4%	21	150	6.5	neg	8.4	2.3	2.2	2.1	0.8	1.0	1.0	27	21	20	\$/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	21	14.2%	3	49	0.3	2.5	neg	0.7	2.5	neg	0.1	0.1	0.3	6	6	6	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	956	34.1%	326	2,056	5.9	neg	>30	5.3	3.7	4.0	1.4	1.5	1.8				
Kernel	KER	900	61.8%	556	1,376	8.6	neg	9.0	4.7	6.2	3.3	0.5	0.6	0.6				
Astarta	AST	202	37.0%	75	413	5.9	neg	neg	4.5	2.9	4.2	0.8	1.0	1.2				
Avangardco	AVGR	32	22.5%	7	258	0.1	neg	neg	0.9	2.0	2.7	0.4	0.6	0.7	58	44	42	\$/mneqgs
Ovostar	OVO	133	25.0%	33	141	4.3	5.1	5.5	4.0	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	123	3.5%	4		1.4	neg	neg	0.1	0.3	0.4	0.02	0.04	0.06				
Ukrsotsbank	USCB	349	0.2%	1		>30	>30	>30	0.4	0.7	1.0	0.07	0.14	0.18				

Source: Eavex Research

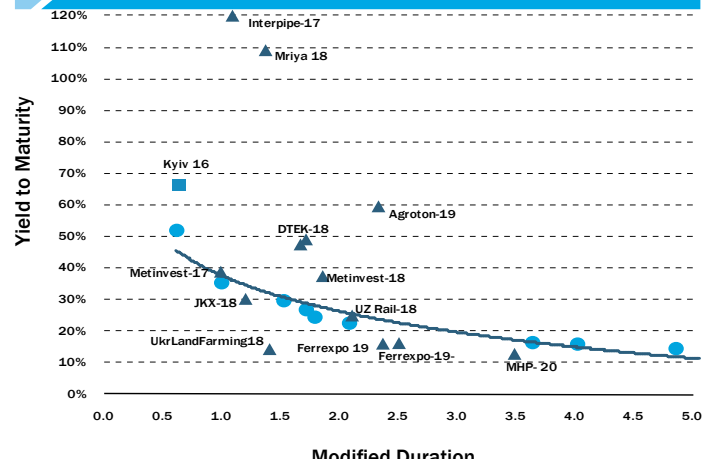
**UKRAINIAN EUROBONDS**

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)	73.0	75.0	n/a	n/a	8.9%	n/a	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	73.0	74.8	n/a	n/a	5.0%	n/a	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	73.1	74.5	n/a	n/a	17.7%	n/a	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	73.1	74.5	n/a	n/a	13.9%	n/a	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	74.5	75.5	n/a	n/a	18.7%	n/a	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	73.5	74.5	n/a	n/a	18.9%	n/a	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	73.0	74.5	n/a	n/a	19.9%	n/a	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	73.0	74.5	n/a	n/a	22.9%	n/a	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	73.5	74.5	n/a	n/a	24.1%	n/a	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	73.5	74.5	n/a	n/a	24.6%	n/a	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	73.5	74.5	13.7%	13.4%	23.0%	n/a	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	73.5	74.5	13.1%	12.8%	24.7%	n/a	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
<b>Corporate Eurobonds</b>											
Agroton, 2019	21.9	25.9	61.5%	54.1%	-29.4%	2.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	84.0	86.1	13.0%	12.3%	23.3%	3.5	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	41.0	41.0	890.9%	890.9%	-36.4%	0.1	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	70.0	73.3	14.2%	13.3%	n/a	n/a	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	16.8	17.9	798.4%	743.3%	38.5%	0.1	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	17.0	18.0	109.4%	105.2%	27.2%	1.3	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	44.0	49.0	52.6%	46.4%	n/a	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	42.5	44.0	49.9%	48.0%	-2.8%	1.7	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	58.1	60.4	40.7%	38.4%	-15.3%	1.0	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	55.0	58.0	38.8%	36.0%	1.8%	1.8	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	84.2	86.0	16.4%	15.6%	n/a	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	84.2	86.3	16.4%	15.5%	n/a	2.3	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	70.5	75.1	25.1%	22.2%	37.3%	2.1	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	20.0	30.0	141.3%	100.2%	-54.5%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.3	75.1	30.9%	27.6%	24.8%	1.2	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	10.0	11.4	130.3%	119.8%	-87.1%	1.2	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	63.4	68.5	28.4%	25.3%	-6.5%	1.7	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	7.1	11.8	n/a	n/a	#VALUE!	0.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	68.5	68.5	614.4%	614.4%	-4.2%	0.0	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	60.4	62.3	161.0%	149.2%	20.4%	0.3	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	67.0	69.0	30.8%	29.3%	2.2%	1.9	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2022	88.7	90.1	12.1%	11.8%	n/a	3.3	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	70.0	73.3	14.2%	13.3%	n/a	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	87.2	88.6	12.1%	11.8%	n/a	4.4	9.75%	S/A	22 Jan 2025	600	Ca//C
VAB Bank, 2019	2.4	6.8	n/a	n/a	-79.9%	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2016	85.5	87.1	42.3%	38.0%	47.2%	0.4	8.25%	S/A	10 Mar 2016	700	Ca//CC
Oschadbank, 2018	85.1	86.9	16.2%	15.3%	52.3%	2.0	8.88%	S/A	20 Mar 2018	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	66.1	70.1	n/a	n/a	-8.8%	n/a	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	65.0	69.0	n/a	n/a	-5.6%	n/a	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>									
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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