

Market Update

Equity

Kyiv-listed stocks made it 5-for-5 losing sessions last week with another drop on Friday amid an overall lack of interest in domestic equities. The UX index shed 1.1% to close at 950 points, bringing its loss to 3.8% for the week. CentrErgo (CEEN) dipped below the UAH 7 level for the first time since February on a 1.9% decline, and UkrNafta (UNAF) slid 3.1% to UAH 260 amid a lack of confidence that new CEO Mark Rollins will help to improve the company's transparency. Top liquid issue Motor Sich (MSICH) was essentially unchanged near UAH 2620 on turnover of UAH 460,000. On the interbank currency market, the hryvnia lost 1.4% to close at bid/ask of 21.85/22.00 UAH/USD. News that the NBU declared Finance&Credit Bank insolvent hammered London-listed Ferrexpo (FXPO), which plummeted by an unprecedented 32% to just above GBp 40; the company is likely lose deposits of USD 174mn which it was holding in the related-party institution. Warsaw-listed Ukrainian stocks ended mixed, with Astarta (AST) gaining 3.0% to PLN 27.30 while Agroton (AGT) fell 1.8%

Fixed Income

Ukrainian sovereigns were flat on Friday with Ukraine-23s finished unchanged at 76.0/78.0 (12.5%/12.0%). Corporate names closed mixed. MHP-20s inched up by 0.2p.p. to 86.4/87.3 (12.2%/12.0%) while Ferrexpo-19s showed an expected drop moving down by 16.3p.p. to 66.8/72.5 (25.0%/21.9%) due to the lost cash in related F&C Bank.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Centrenerg	CEEN	6.94	-1.9%	0.67	60
Donbasenerg	DOEN	19.30	0.2%	0.59	40
Motor Sich	MSICH	2619.00	-0.1%	0.46	13

Growth Leaders

Donbasenerg	DOEN	19.30	0.2%	0.591	40
Motor Sich	MSICH	2619.00	-0.1%	0.460	13
Alchevsk Steel	ALMK	0.01	-0.7%	0.002	12

Loss Leaders

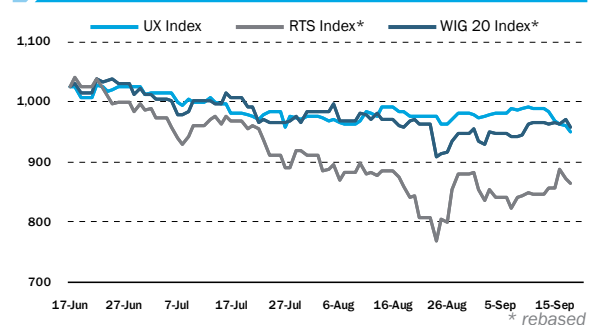
Bogdan Motors	LUAZ	0.01	-4.0%	0.001	9
Ukrnafta	UNAF	260.10	-3.1%	0.111	20
Yenakievo Steel	ENMZ	16.47	-1.9%	0.004	20

Highlights

FIXED INCOME

- > Market Hammers Ferrexpo After Zhevago's F&C Declared Insolvent
- > Avangard Asks to Extend Maturing Eurobonds Until 2018

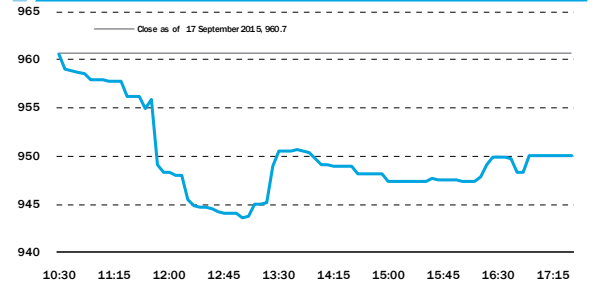
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	950.1	-1.1%	-3.5%	-8.1%
RTS	816.6	-0.8%	0.9%	3.3%
WIG20	2168.2	-1.4%	-0.1%	-6.4%
MSCI EM	829.9	0.3%	-2.2%	-13.2%
S&P 500	1958.0	-1.6%	-6.6%	-4.9%

UX INTRADAY SEPTEMBER 18, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	425.9	0.4%	-0.2%	5.4%
CDS 5Y UKR	1175.0	0.0%	-44.0%	-46.6%
Ukraine-17	19.8%	-0.5 p.p.	-16.0 p.p.	-5.9 p.p.
MHP-20	12.1%	-0.1 p.p.	-1.2 p.p.	-5.4 p.p.
Ukraine-23	12.2%	0.0 p.p.	-5.5 p.p.	4.7 p.p.
Privatbank-18	29.6%	2.0 p.p.	-0.6 p.p.	

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.80	1.4%	2.1%	37.8%
EUR	25.07	-1.2%	6.5%	31.0%
RUB	0.33	-0.2%	1.1%	19.3%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	177.7	0.0%	-6.5%	-27.8%
Steel, USD/t	307.5	0.0%	-5.4%	-31.7%
Oil, USD/bbl	47.5	-3.3%	-4.3%	-26.0%
Gold, USD/oz	1139.0	0.7%	1.9%	-3.9%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Market Hammers Ferrexpo After Zhevago's F&C Declared Insolvent

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NEWS

Iron ore miner Ferrexpo, Ukraine's most liquid equity issue, saw its share price slump by an unprecedented 32% in London trading on Friday (Sept 18), a day after Finance&Credit Bank was assigned "default status" by the National Bank (NBU). Ferrexpo admitted that it was holding some USD 174mn of deposits in the troubled institution. F&C, which like Ferrexpo is controlled by the business group of industrialist Constantine Zhevago, has been taken under the administration of managers appointed by the State Deposit Guarantee Fund (DGF). According to the law, the DGF guarantees up to UAH 200,000 (USD 9,200) in retail deposits per client. The NBU estimated that the DGF will have to repay about UAH 14bn to F&C's retail clients.

Finance&Credit was the 10th largest Ukrainian bank by total assets. It reported a net loss of UAH 1.8bn (USD 83mn at the official UAH/USD exchange rate for the period) in 1H15. The bank's total assets stood at UAH 39bn (USD 1.8bn) as of 30 Jun 2015.

COMMENTARY

The massive drop in Ferrexpo securities on Friday (its Eurobonds also plummeted by nearly 20%) shows that the bankruptcy of F&C and the implications for Zhevago's business group clearly caught investors asleep at the wheel. Up until now, Zhevago's businesses have been viewed far more favorably by the market than those of Avangard/UkrLandFarming owner Oleg Bakmatiuk, who has seen two of his banks go bust in the past year; Bakmatiuk's holdings have been correspondingly punished by investors for this. Zhevago had been making a show of trying to save F&C, even giving personal assurances to the NBU that he would sell non-core assets to support the bank's liquidity. However, persistently low iron ore prices have been hurting Ferrexpo's earnings, limiting the resources which Zhevago had available to keep his bank afloat. The NBU provided some UAH 1.5bn in refinancing to F&C in 2015, which had claimed to be on track to raise its capital by UAH 2.5bn to UAH 7.9bn, but the end of the road came last week. The NBU said that Zhevago had not fulfilled his promises, and that the announced capital injection had failed to materialize, thus grounding the decision to declare the bank insolvent. According to standard procedure, F&C will be under the DGF's administration for a period of three months, and if there is no outside proposal for a rescue, the bank's assets should then be liquidated.

Indicative quotes for F&C's 2019 Eurobonds were near 10 cents on the dollar on Friday, reflecting the expectations of a default. At the beginning of September, the bonds had quotes of 27.0/34.0.

**Avangard Asks to Extend
Maturing Eurobonds Until
2018**

by Ivan Dzvinka
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NEWS

London-listed Avangard, Ukraine's largest egg producer, has formally asked bondholders to restructure its USD 200mn Eurobonds with maturity on Oct 29. The restructuring offer includes the following conditions:

- a maturity extension for 3 years, to 29 October 2018;
- keeping the coupon rate unchanged at 10% semi-annually. However, the coupon payment would be made in various proportions of cash/in kind. The proposed ratios between cash and "in kind" are: 40/60 for Oct 2015 (or USD 4mn/6mn), 25/75 for both payments in Apr and Oct 2016, 50/50 for Apr and Oct 2017, 75/25 for Apr 2018 and 100/0 for the Oct 2018 maturity.
- amendments to the covenants including: prohibition of payments to Avangard's related-party financial institutions, as well as of investments in any affiliated company;
- a reduction in quorum and voting requirements from the current 90% to 75%.

Bondholders who sign off on the proposed restructuring offer by Oct 20 are to receive a bonus fee of 0.5% of the principal, with those giving approval by Oct 15 receiving an additional 2.0% early-bird fee. Avangard said holders of some 36% of the outstanding principal have agreed to the conditions after confidential discussions with them earlier this month.

The restructuring process will take place in a 3-step "scheme". First, the company will seek approval of the amended quorum and voting requirements (from 90% to 75%) as well as a waiver of certain events of default in the UK's High Court of Justice in a hearing scheduled for Sept 24. Second, 75% of the bondholders should approve the restructuring at a creditors' meeting on Oct 22. Third, the British court should approve the ultimate conditions of restructuring.

In addition, Avangard admitted on Thursday (Sept 17) that it has defaulted on a principal repayment of USD 7mn to two creditors (Intesa Bank and PEFCO). The company expects its cash balance to drop from USD 52mn as of Jun 30 to USD 27mn by the end of this year, and to USD 5mn by end-2016. Still, management predicted a small increase in its laying flock population over 2H15 and 2016. For FY15, the company expects revenue at USD 235mn (-44% YoY) and the same figure in 2016.

COMMENTARY

Avangard's proposed conditions are much less favorable than other Ukrainian corporate bond issues in respect to the lack of an up-front repayment and/or amortization schedule. But given the atrocious [and to a large extent fabricated] operational and financial results for 1H15 and 2014, the company's offer actually looks somewhat encouraging, following rumors that a principal reduction and a lowering of the coupon would be demanded. We presume that Avangard owner Oleg Bakmatiuk focused on wooing the largest bondholders, but the 36% of approving principal holders cited in the release is obviously a long way from the needed 75%. Therefore, we see a high probability of an improvement in the offer in order to attract more holders to the restructuring. This could include shifting to 100% cash payment of coupons, introducing an amortization schedule for the principal, or (less likely in our view) providing an up-front payment on the Oct 29 maturity date.

Importantly, if the projected by management forecast on cash balance as of end-2016 is realized (mere USD 5mn), we see high probability of another restructuring of Avangard's bonds close to the [theoretically] delayed maturity in October 2018. In addition, management projection on flat YoY revenue in 2016 in light of material devaluation risk would be hardly achievable, we presume, given the status quo in the level of operating and financial reporting quality.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	44.1	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	9.3	15.32	65%	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	27.3	36.1	32%	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	0.3	U/R	-	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	88.0	80.8	-8%	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	40.0	48.0	20%	SELL	The ongoing issue of global iron ore oversupply along with sluggish growth in demand will likely keep ore prices at depressed levels at least in the short run, boding poorly for Ferrexpo's earnings.
Steel						
Azovstal	AZST	0.77	0.56	-28%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.13	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	2619	5250	100%	BUY	Motor Sich should see its revenue grow with a 2012-2016E CAGR of 9%, reaching USD 1.2bn. For 2012-2016, we forecast an average EBITDA margin of 35% and a net margin of 28%.
Oil & Gas						
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	4.0	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						
DonbasEnerg	DOEN	19.3	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	6.94	15.00	116%	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	0.085	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	950.06	1158.71	908.88	-1.1%	-3.9%	-3.5%	-8.1%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.014	0.029	0.010	-0.7%	-5.6%	1.5%	-6.2%	0.4%	-1.7%	5.0%	1.8%
Azovstal	AZST	0.77	0.89	0.60	-0.3%	-5.0%	-2.5%	3.1%	0.8%	-1.1%	1.0%	11.1%
Enakievo Steel	ENMZ	16.47	30.99	14.03	-1.9%	-4.4%	-0.6%	-21.4%	-0.8%	-0.5%	2.9%	-13.3%
Coke												
Avdyivka Coke	AVDK	1.13	2.85	0.86	-1.1%	-3.0%	6.1%	-35.0%	0.0%	0.9%	9.7%	-26.9%
Yasynivsky Coking	YASK	0.27	0.52	0.18	0.0%	0.0%	-25.0%	-3.6%	1.1%	3.9%	-21.5%	4.5%
Iron Ore Mining												
Centralny GOK	CGOK	7.72	n/a	n/a	0.0%	0.0%	29.3%	-0.9%	1.1%	3.9%	32.8%	7.2%
Ferrexpo	FXPO	40.00	130.30	40.00	-32.2%	-28.3%	-42.2%	-24.5%	-31.1%	-24.4%	-38.7%	-16.5%
Pivnichny GOK	SGOK	6.65	12.30	4.44	0.0%	0.0%	5.6%	-20.5%	1.1%	3.9%	9.1%	-12.5%
Coal Mining												
Pokrovske Mine	SHCHZ	0.25	n/a	n/a	-32.4%	-32.4%	-32.4%	-46.8%	-31.3%	-28.5%	-28.9%	-38.8%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.22	0.60	0.20	0.0%	0.0%	-4.3%	-42.1%	1.1%	3.9%	-0.8%	-34.0%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.86	16.39	9.05	-1.4%	-1.9%	-4.5%	-23.3%	-0.3%	2.0%	-1.0%	-15.2%
Luhanskteplovoz	LTPL	0.92	n/a	n/a	0.0%	0.0%	0.0%	-14.8%	1.1%	3.9%	3.5%	-6.8%
Specialized Machinery												
Motor Sich	MSICH	2619	2939	1970	-0.1%	-2.6%	-2.1%	5.5%	1.0%	1.3%	1.4%	13.5%
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	0.16	0.21	0.10	0.0%	3.3%	-13.8%	2.0%	1.1%	7.2%	-10.3%	10.0%
Oil & Gas												
Regal Petroleum	RPT	4.03	9.25	3.13	0.0%	6.6%	-5.8%	28.8%	1.1%	10.5%	-2.3%	36.9%
JKX Oil	JKX	16.25	51.00	11.00	1.6%	3.2%	-4.4%	35.4%	2.7%	7.1%	-0.9%	43.5%
Ukrnafta	UNAF	260.1	375.0	172.5	-3.1%	-4.9%	-2.2%	27.9%	-1.9%	-1.0%	1.3%	36.0%
Power Utilities												
Centrenergo	CEEN	6.94	8.50	6.72	-1.9%	-4.2%	-4.6%	-8.0%	-0.8%	-0.3%	-1.1%	0.1%
Donbasenergo	DOEN	19.30	35.89	18.50	0.2%	-2.8%	-1.9%	-41.5%	1.3%	1.1%	1.6%	-33.5%
Zakhidenergo	ZAEN	130.0	199.8	125.0	0.0%	0.0%	-7.1%	-12.2%	1.1%	3.9%	-3.6%	-4.2%
Consumer												
Agroton	AGT	1.12	2.16	0.95	-1.8%	5.7%	-8.2%	-8.9%	-0.6%	9.6%	-4.7%	-0.9%
Astarta	AST	27.33	38.50	14.50	3.1%	-1.0%	-20.7%	36.7%	4.2%	2.9%	-17.1%	44.7%
Avangardo	AVGR	0.32	8.00	0.23	13.5%	39.1%	-60.0%	-84.4%	14.6%	43.0%	-56.5%	-76.3%
Industrial Milk Company	IMC	5.10	8.00	4.38	0.0%	0.8%	1.0%	-10.1%	1.1%	4.7%	4.5%	-2.0%
Kernel	KER	44.12	45.55	22.00	-0.6%	0.6%	-1.6%	55.0%	0.5%	4.5%	1.9%	63.1%
Mriya Agro Holding	MAYA	n/a	1.50	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	9.31	12.90	8.24	-5.5%	-0.2%	-1.0%	1.2%	-4.4%	3.7%	2.6%	9.3%
Milkiland	MLK	1.02	4.29	0.89	-2.9%	2.0%	-4.7%	-31.1%	-1.7%	5.9%	-1.1%	-23.0%
Ovostar Union	OVO	88.00	88.00	67.00	0.0%	4.1%	7.6%	22.2%	1.1%	8.0%	11.2%	30.3%
Chemicals												
Stirol	STIR	6.00	11.99	3.00	0.0%	0.0%	0.0%	-13.4%	1.1%	3.9%	3.5%	-5.4%
Banks												
Raiffeisen Bank Aval	BAVL	0.085	0.131	0.085	-1.4%	-5.1%	-9.3%	-11.3%	-0.3%	-1.2%	-5.7%	-3.2%
UkrSotsbank	USCB	0.105	0.154	0.064	0.0%	0.0%	1.4%	-19.4%	1.1%	3.9%	5.0%	-11.3%

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																
Luhanskeplovoz	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

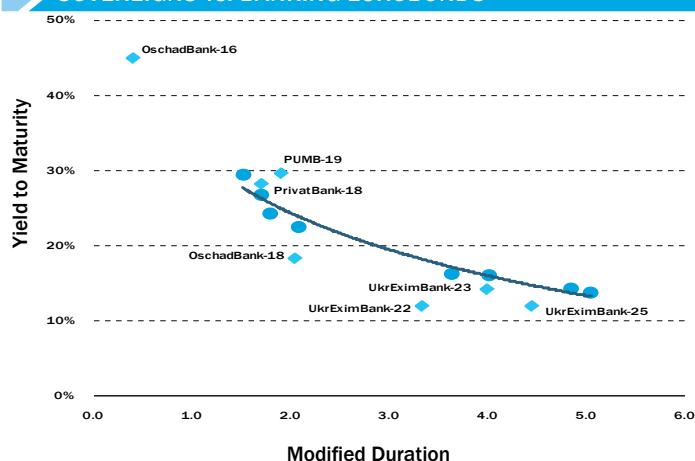
Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
Steel																		
Alchevsk Steel	ALMK	16	3.9%	1	2,630	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	680	634	615	\$/tonne
Yenakievo Steel	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
Coke																		
Avdyivka Coke	AVDK	10	6.8%	1	-29	neg	neg	neg	-0.6	neg	neg	0.0	-0.1	-0.1	-7	-7	-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	415	0.3%	1	414	2.1	3.6	5.2	1.3	1.9	2.6	0.6	0.7	0.8				
Pivnichny GOK	SGOK	703	0.4%	3	696	1.3	2.2	3.1	0.8	1.1	1.5	0.4	0.5	0.5				
Ferrexpo	FXPO	364	24.0%	87	1,381	1.4	2.0	3.7	2.7	2.8	5.4	0.9	1.0	1.3				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	26	2.0%	1	72	5.6	1.2	14.2	2.3	1.7	4.1	0.2	0.4	0.8	114	189	180	\$/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	52	5.0%	3	46	1.2	neg	neg	0.9	neg	neg	0.1	0.3	0.7				
Specialized Machinery																		
Turboatom	TATM	68	5.8%	4	37	0.9	1.3	3.0	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	250	24.0%	60	278	1.5	1.9	2.7	0.7	0.8	1.3	0.3	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	133	7.2%	10	224	neg	7.3	14.6	neg	2.6	3.1	0.3	0.5	0.9				
Oil & Gas																		
Ukrnafta	UNAF	647	3.0%	19	640	27.8	6.1	2.6	2.2	1.7	1.2	0.2	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	20	21.6%	4	-5	neg	10.0	6.7	neg	-0.3	-0.4	-0.1	-0.1	-0.1	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	118	21.7%	26	134	2.0	20.0	neg	1.4	5.2	neg	0.1	0.2	0.4	8	10	8	\$/MWh
DonbasEnerg	DOEN	21	14.2%	3	50	0.3	2.5	neg	0.7	2.5	neg	0.1	0.1	0.3	6	6	6	\$/MWh
Consumer																		
MHP	MHPC	984	34.1%	335	2,084	6.1	neg	>30	5.3	3.8	4.0	1.4	1.5	1.8				
Kernel	KER	944	61.8%	583	1,420	9.0	neg	9.5	4.9	6.4	3.4	0.5	0.6	0.6				
Astarta	AST	183	37.0%	68	394	5.4	neg	neg	4.3	2.7	4.0	0.8	0.9	1.1				
Avangardco	AVGR	20	22.5%	5	247	0.1	neg	neg	0.8	1.9	2.6	0.4	0.6	0.7	56	42	40	\$/mneqgs
Ovostar	OVO	142	25.0%	35	150	4.6	5.5	5.8	4.2	5.2	6.0	1.8	2.0	1.9	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	117	3.5%	4		1.3	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	373	0.2%	1		>30	>30	>30	0.4	0.7	1.0	0.07	0.14	0.18				

Source: Eavex Research

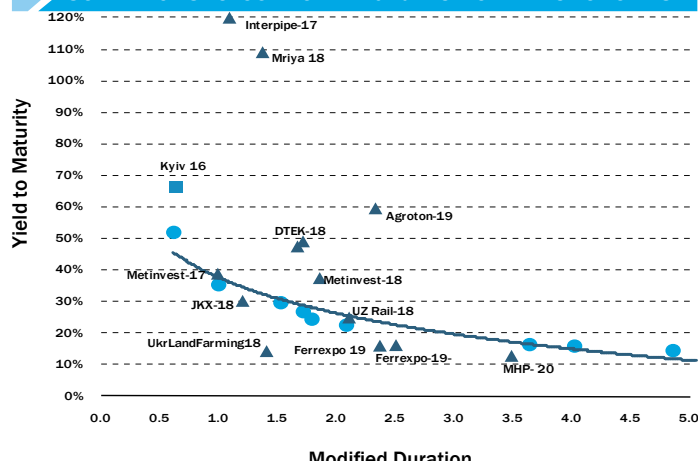
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2015 (EUR)	76.5	78.0	n/a	n/a	13.6%	n/a	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	78.2	79.6	n/a	n/a	12.2%	n/a	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	77.1	78.3	n/a	n/a	23.9%	n/a	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	77.3	78.3	n/a	n/a	20.1%	n/a	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	77.5	78.5	n/a	n/a	23.4%	n/a	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	75.5	77.5	n/a	n/a	23.0%	n/a	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	75.0	77.0	n/a	n/a	23.6%	n/a	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	74.5	77.0	n/a	n/a	26.3%	n/a	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	76.0	78.0	n/a	n/a	29.2%	n/a	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	76.0	78.0	n/a	n/a	29.7%	n/a	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	76.0	78.0	13.0%	12.5%	27.9%	n/a	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	76.0	78.0	12.5%	12.0%	29.8%	n/a	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	21.9	25.9	62.8%	55.1%	-29.4%	2.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	86.4	87.3	12.2%	12.0%	25.9%	3.4	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	39.0	39.0			-39.5%	0.0	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	72.4	74.8	13.5%	12.9%	63.6%	n/a	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	15.8	18.6			37.5%	0.1	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	n/a	n/a	n/a	n/a	n/a	1.3	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	44.0	47.0	53.3%	49.4%	-41.7%	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	39.0	41.5	55.5%	51.9%	-9.6%	1.6	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	57.4	60.1	42.1%	39.3%	-16.0%	0.9	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	55.0	56.0	39.4%	38.4%	0.0%	1.8	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	67.5	72.5	24.7%	22.0%	-10.3%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	66.8	72.5	25.0%	21.9%	-10.7%	2.2	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	75.0	76.9	22.5%	21.3%	43.2%	2.1	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	20.0	30.0	147.5%	104.1%	-54.5%	1.0	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.4	75.2	31.3%	27.8%	25.0%	1.2	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	12.8	131.2%	111.9%	-86.3%	1.2	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	63.4	70.7	28.6%	24.2%	-4.9%	1.7	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	7.0	11.8	n/a	n/a	-25.0%	0.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	70.0	76.0	171.2%	125.6%	2.1%	0.2	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	59.1	62.0	189.3%	168.5%	18.9%	0.2	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	68.0	70.0	30.4%	28.9%	16.9%	1.9	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2022	89.0	90.4	12.1%	11.8%	15.7%	3.3	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	72.4	74.8	13.5%	12.9%	47.3%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	87.3	88.8	12.1%	11.8%	46.7%	4.4	9.75%	S/A	22 Jan 2025	600	Ca//C
VAB Bank, 2019	n/a	n/a	n/a	n/a	n/a	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2023	85.8	88.7	12.3%	11.7%	34.2%	3.3	8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	85.9	87.5	12.2%	11.9%	52.1%	4.1	8.88%	S/A	20 Mar 2025	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	71.6	73.6	n/a	n/a	-2.7%	n/a	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	72.0	74.0	n/a	n/a	2.8%	n/a	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									
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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