

Market Update

Equity

Ukrainian stocks listed in Kyiv finally saw a rebound from their long slide on Wednesday (Sept 30), with the UX benchmark advancing by 2.4% to 872 points. All 10 index components were in the black. Rebounds on the main European bourses helped provide some optimism to local traders. In the steel sector, Azovstal (AZST) gained 3.5% to close at 74 kopecks and Yenakievo Steel (ENMZ) added 4.5% to UAH 17.00. Low-liquidity Avdyivka Coke (AVDK) jumped 8.4% to UAH 1.18. Index heavyweights CentrEnergO (CEEN) and Motor Sich (MSICH) rose 1.3% and 2.5% respectively. On the currency front, the hryvnia strengthened by 1.3% against the dollar on the interbank exchange to close at bid/ask of 21.15/21.25 UAH/USD. London-listed Ukrainian names were mixed. Ferrexpo (FXPO) regained its Monday loss with 6.8% rise to GBp 35.50 while Avangard (AVGR) slid 5.9% to 80 cents. In Warsaw trading, Ukrainian stocks followed the overall positive European impulse, with Kernel (KER) and Astarta (AST) picking up 1.0% and 2.2% respectively.

Fixed Income

Ukrainian sovereign Eurobonds were marginally higher on Wednesday, with Ukraine-17s and Ukraine-23s inching up by 0.3p.p. and 0.1p.p. to 79.5/80.4 (25.3%/24.5%) and 80.4/81.4 (12.4%/12.2%), respectively (NOTE: sovereign yields are indicative only, as these bonds will not be redeemed at the listed maturity date). In corporate names Avangard-15s rose 3.0p.p. to 45 cents on the dollar.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Motor Sich	MSICH	2415.00	2.5%	1.45	52
Donbasenergo	DOEN	18.73	2.4%	1.24	37
Ukrnafta	UNAF	243.00	1.7%	0.89	49

Growth Leaders

Avdyivka Coke	AVDK	1.18	8.4%	0.188	26
Alchevsk Steel	ALMK	0.01	5.4%	0.036	20
Yenakievo Steel	ENMZ	16.98	4.5%	0.300	14

Loss Leaders

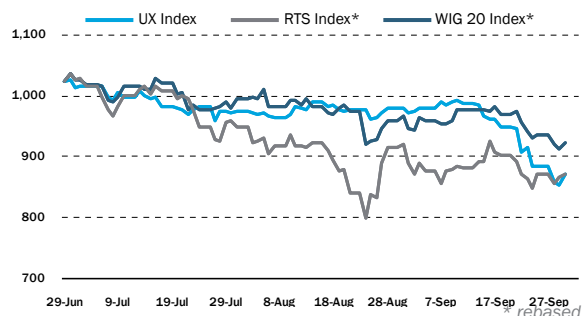
CentrenergO	CEEN	5.52	1.3%	0.873	102
Raiffeisen Bank Aval	BAVL	0.08	1.6%	0.869	41
Ukrnafta	UNAF	243.00	1.7%	0.887	49

Highlights

FIXED INCOME

- > DTEK Unveils First-Half Operating Loss of USD 230mn

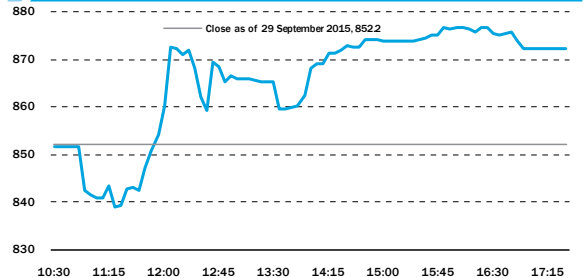
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	872.4	2.4%	-11.0%	-15.6%
RTS	789.7	0.7%	-4.8%	-0.1%
WIG20	2066.4	1.1%	-3.7%	-10.8%
MSCI EM	792.1	2.0%	-3.4%	-17.2%
S&P 500	1920.0	1.9%	-3.5%	-6.7%

UX INTRADAY SEPTEMBER 30, 2015



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	473.9	-1.9%	9.5%	17.3%
CDS 5Y UKR	1080.0	0.0%	-18.5%	-50.9%
Ukraine-17	20.7%	0.5 p.p.	-5.2 p.p.	-5.0 p.p.
MHP-20	12.7%	0.0 p.p.	0.0 p.p.	-4.8 p.p.
Ukraine-23	12.2%	0.0 p.p.	-2.3 p.p.	4.7 p.p.
Privatbank-18	29.8%	0.0 p.p.	0.1 p.p.	na

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.20	-1.2%	0.0%	34.0%
EUR	24.05	-0.4%	1.4%	25.7%
RUB	0.32	-0.8%	-0.1%	17.9%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	182.0	0.0%	1.2%	-26.0%
Steel, USD/t	300.0	0.0%	-7.7%	-33.3%
Oil, USD/bbl	48.4	0.3%	-4.9%	-24.6%
Gold, USD/oz	1115.1	-1.1%	-1.6%	-5.9%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

DTEK Unveils First-Half Operating Loss of USD 230mn

by Dmitry Churin
d.churin@eavex.com.ua

NEWS

Vertically-integrated thermal power plant operator DTEK reported an operating loss of UAH 5.0bn (USD 230mn) for 1H15, compared to operating profit of USD 350mn in 1H14, according to the company's financial results published on Wednesday (Sept 30). The group's revenue plunged by half in USD terms to USD 2.1bn in the period as a result of the hryvnia devaluation. On the bottom line, DTEK posted a net loss of UAH 20.8bn (USD 972mn) in 1H15, rising from its net loss of USD 480mn in 1H14. The main hit to the bottom line came from a UAH 9.8bn (USD 452mn) foreign exchange loss on borrowings. On the balance sheet side, DTEK reported net debt of USD 2.7bn as of Jun 30. The company's total assets stood at USD 5.0bn on the same date.

DTEK INTERIM FINANCIAL RESULTS

USD mn	1H15	1H14	Y/Y
Revenue*	2,137	4,257	-50.0%
EBITDA adj	138	684	-80.0%
<i>margin</i>	6.5%	16.1%	-9.6 p.p.
Net Profit	-972	-480	+/-
<i>margin</i>	-45.5%	-11.3%	-33.7 p.p.

*UAH/USD FX rates used:

For Income statement highlights 1H 2014 – 10.3; 1H 2015 – 21.4 (NBU average Jan to June)

Source: Company Data. Eavex Research

COMMENTARY

DTEK's business has been hammered by several factors over the past 18 months, including Donbass war disruptions, Ukraine's macroeconomic downturn, and non-payment from government intermediary EnergoRynok for electricity supplied to separatist-controlled territories. Owner Rinat Akhmetov seems to be stuck in a permanent political quagmire between the Ukrainian government in Kyiv and the authorities of the separatist DNR/LNR territories where much of his business is based. In 1H15, the combined share of electricity sales to EnergoRynok, end-consumers, and exports in DTEK's total revenue amounted to 85%. DTEK stated that assets located on separatist territory represent 30% of its total assets, but these assets brought in only 7% of group's revenues in 1H15, down from 15-20% before the war.

In terms of its debt, DTEK admitted that it has violated its Debt-to-EBITDA Eurobond covenants. The company estimated its Net Debt/EBITDA ratio at 5.2x. The debt is 95% denominated in foreign currencies.

Currently DTEK-18s are quoted at 40.0/41.0 (54.5%/53.1%), reflecting investors' fears regarding the group's ability to return to profitable operations.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	45.0	56.50	26%	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	9.0	15.32	70%	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	27.5	36.1	31%	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	5.3	9.4	78%	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	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	89.0	80.8	-9%	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	35.5	23.0	-35%	SELL	Downward trend in benchmark iron ore fines prices together with the reduction in pellet-to-fines pellet is exacerbated with frozen cash (USD 174mn) in related to Zhevago bank in September.
Steel						
Azovstal	AZST	0.74	0.56	-25%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.18	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	2415	5250	117%	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	3.8	U/R	-	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	18.3	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	18.7	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	5.52	15.00	172%	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	0.078	0.24	209%	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	872.35	1158.71	836.46	2.4%	-4.6%	-11.0%	-15.6%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.014	0.029	0.010	3.8%	4.6%	3.0%	-6.2%	1.5%	9.2%	14.0%	9.4%
Azovstal	AZST	0.74	0.89	0.61	2.1%	0.5%	-5.9%	-0.8%	-0.3%	5.1%	5.2%	14.8%
Enakievo Steel	ENMZ	16.98	30.99	14.03	3.5%	4.1%	2.3%	-18.9%	1.2%	8.7%	13.3%	-3.4%
Coke												
Avdyivka Coke	AVDK	1.18	2.84	0.86	8.4%	16.2%	5.4%	-31.8%	6.0%	20.8%	16.4%	-16.3%
Yasynivsky Coking	YASK	0.26	0.52	0.14	0.0%	44.4%	-18.8%	-7.1%	-2.4%	49.0%	-7.7%	8.4%
Iron Ore Mining												
Centralny GOK	CGOK	7.72	n/a	n/a	0.0%	0.0%	29.3%	-0.9%	-2.4%	4.6%	40.3%	14.7%
Ferrexpo	FXPO	35.50	112.30	29.75	6.8%	4.4%	-42.5%	-33.0%	4.4%	9.0%	-31.5%	-17.4%
Pivnichny GOK	SGOK	5.25	12.30	4.44	0.0%	-11.9%	-16.7%	-37.3%	-2.4%	-7.3%	-5.7%	-21.7%
Coal Mining												
Pokrovske Mine	SHCHZ	0.35	n/a	n/a	0.0%	0.0%	-5.4%	-25.5%	-2.4%	4.6%	5.6%	-10.0%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.19	0.60	0.12	0.0%	0.0%	-13.6%	-50.0%	-2.4%	4.6%	-2.6%	-34.4%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.60	15.89	8.65	0.0%	-3.7%	-8.0%	-25.3%	-2.4%	0.9%	3.1%	-9.7%
Luhanskteplovoz	LTPL	0.80	n/a	n/a	0.0%	0.0%	-13.0%	-25.9%	-2.4%	4.6%	-2.0%	-10.3%
Specialized Machinery												
Motor Sich	MSICH	2415	2939	1970	2.5%	-6.5%	-8.2%	-2.7%	0.1%	-1.9%	2.8%	12.8%
Turboatom	TATM	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Telecom												
Ukrtelecom	UTLM	0.16	0.21	0.10	12.1%	1.3%	4.7%	3.3%	9.8%	5.9%	15.7%	18.9%
Oil & Gas												
Regal Petroleum	RPT	3.75	8.25	3.13	0.0%	-0.7%	-11.8%	20.0%	-2.4%	3.9%	-0.7%	35.6%
JKX Oil	JKX	18.25	51.00	11.00	0.0%	5.8%	15.9%	52.1%	-2.4%	10.4%	26.9%	67.7%
Ukrnafta	UNAF	243.0	375.0	172.5	2.6%	-1.3%	-6.5%	19.5%	0.3%	3.3%	4.5%	35.1%
Power Utilities												
Centrenergo	CEEN	5.52	8.50	5.26	1.9%	-15.1%	-25.3%	-26.8%	-0.5%	-10.5%	-14.3%	-11.2%
Donbasenergo	DOEN	18.73	35.89	15.74	2.0%	-2.0%	-4.1%	-43.2%	-0.4%	2.6%	6.9%	-27.7%
Zakhidenergo	ZAEN	130.0	199.8	125.0	0.0%	0.0%	0.0%	-12.2%	-2.4%	4.6%	11.0%	3.4%
Consumer												
Agroton	AGT	1.03	2.16	0.95	-2.8%	-4.6%	-1.0%	-16.3%	-5.2%	0.0%	10.1%	-0.7%
Astarta	AST	27.50	37.50	14.50	0.7%	-1.7%	-16.7%	37.5%	-1.6%	2.9%	-5.7%	53.1%
Avangardo	AVGR	0.80	7.90	0.23	-5.9%	0.0%	53.8%	-61.0%	-8.2%	4.6%	64.9%	-45.4%
Industrial Milk Company	IMC	5.27	7.34	4.38	5.4%	5.4%	-0.6%	-7.1%	3.0%	10.0%	10.5%	8.5%
Kernel	KER	45.00	45.70	22.00	1.0%	1.1%	8.4%	58.1%	-1.4%	5.7%	19.5%	73.7%
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	9.00	12.05	8.24	-3.2%	-4.9%	-3.4%	-2.2%	-5.6%	-0.3%	7.6%	13.4%
Milkiland	MLK	0.98	3.84	0.89	1.0%	-1.0%	-2.0%	-33.8%	-1.3%	3.6%	9.0%	-18.2%
Ovostar Union	OVO	89.00	89.00	67.00	3.5%	3.5%	8.5%	23.6%	1.1%	8.1%	19.6%	39.2%
Chemicals												
Stirol	STIR	6.00	11.99	3.00	0.0%	0.0%	0.0%	-13.4%	-2.4%	4.6%	11.0%	2.2%
Banks												
Raiffeisen Bank Aval	BAVL	0.078	0.129	0.073	1.6%	-2.9%	-15.8%	-19.2%	-0.8%	1.7%	-4.8%	-3.6%
UkrSotsbank	USCB	0.095	0.153	0.064	9.2%	-5.0%	-7.3%	-27.0%	6.8%	-0.4%	3.7%	-11.5%

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
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	971	506	496	256	32.0%	35.8%	26.3%	264	184	126	16.7%	13.2%	13.0%
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	35	22	-146	15	10	neg	44.5%	45.5%	-127	6	-1	neg	16.6%	neg
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

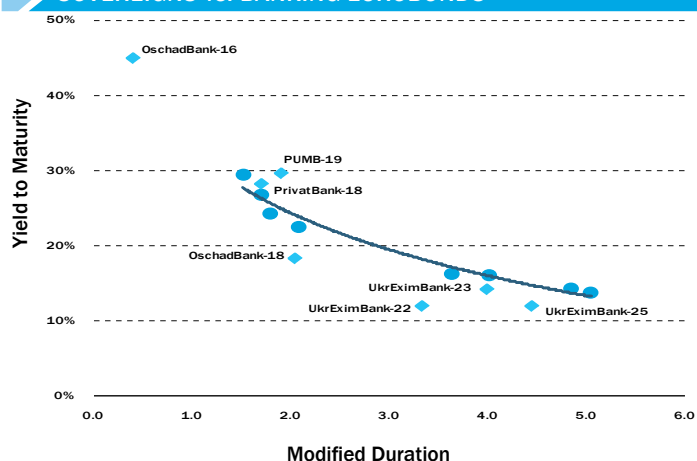
Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
Steel																		
Alchevsk Steel	ALMK	17	3.9%	1	2,630	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	680	634	615	\$/tonne
Yenakievo Steel	ENMZ	8	8.8%	1	6	neg	neg	0.4	neg	1.1	0.2	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	147	3.0%	4	140	neg	1.9	2.2	neg	0.8	1.1	0.1	0.1	0.1	30	31	31	\$/tonne
Coke																		
Avdiyivka Coke	AVDK	11	6.8%	1	-28	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	427	0.3%	1	425	2.2	3.7	5.3	1.4	1.9	2.7	0.6	0.7	0.8				
Pivnichny GOK	SGOK	571	0.4%	2	564	1.0	1.8	2.5	0.6	0.9	1.2	0.3	0.4	0.4				
Ferrexpo	FXPO	323	24.0%	78	1,340	1.2	1.8	2.6	2.6	2.7	5.2	0.8	1.0	1.4				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	23	2.0%	0	69	5.0	1.0	12.6	2.2	1.6	3.9	0.2	0.4	0.7	110	182	173	\$/tonne
Railcar Manufacturing																		
LuganskTeplovoz	LTPL	8	24.0%	2	45	0.4	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	70	5.8%	4	39	1.0	1.3	3.1	0.4	0.5	1.1	0.2	0.2	0.3				
Motor Sich	MSICH	237	24.0%	57	265	1.5	1.8	2.6	0.7	0.8	1.2	0.3	0.3	0.4				
Telecom																		
Ukrtelecom	UTLM	139	7.2%	10	229	neg	7.6	15.2	neg	2.7	3.2	0.3	0.6	0.9				
Oil & Gas																		
Ukrnafta	UNAF	622	3.0%	19	614	26.7	5.9	2.5	2.1	1.6	1.2	0.2	0.3	0.5	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	19	21.6%	4	-6	neg	3.2	neg	neg	-0.4	-0.6	-0.2	-0.2	-0.3	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	49	50.4%	25	157	7.5	neg	9.7	2.4	2.3	2.2	0.9	1.1	1.0	29	22	21	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	96	21.7%	21	113	1.6	16.3	neg	1.2	4.3	neg	0.1	0.2	0.3	6	8	7	\$/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
Consumer																		
MHP	MHPC	951	34.1%	324	2,051	5.9	neg	>30	5.2	3.7	3.9	1.4	1.5	1.8				
Kernel	KER	963	61.8%	595	1,439	9.2	neg	9.7	4.9	6.5	3.5	0.5	0.6	0.6				
Astarta	AST	185	37.0%	68	395	5.4	neg	neg	4.3	2.8	4.0	0.8	0.9	1.1				
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	143	25.0%	36	152	4.6	5.6	5.9	4.3	5.2	6.1	1.9	2.0	1.9	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	110	3.5%	4		1.2	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	347	0.2%	1		>30	>30	>30	0.4	0.7	1.0	0.07	0.14	0.18				

Source: Eavex Research

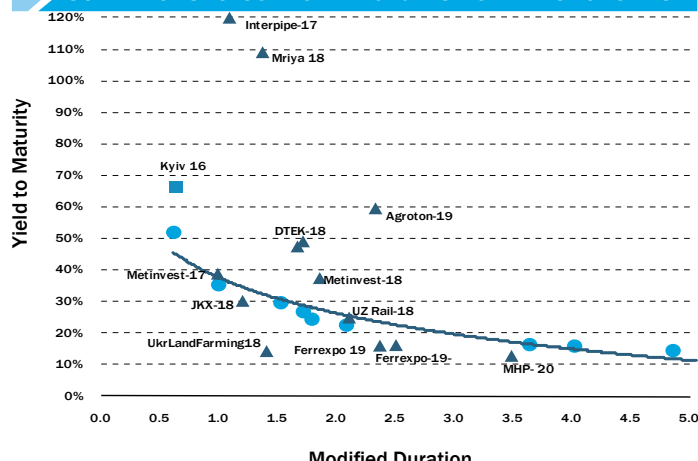
UKRAINIAN EUROBONDS

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)	82.0	84.0	n/a	n/a	22.1%	n/a	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	82.1	84.1	n/a	n/a	18.1%	n/a	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	78.7	79.9	n/a	n/a	26.5%	n/a	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	78.6	79.8	n/a	n/a	22.3%	n/a	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	79.1	80.0	n/a	n/a	25.9%	n/a	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	79.5	80.4	n/a	n/a	28.5%	n/a	9.25%	S/A	24 Jul 2017	2,000	Ca/CC/CC
Ukraine, 2017 Infr. projects	78.5	80.0	n/a	n/a	28.9%	n/a	8.375%	S/A	3 Nov 2017	568	Ca//
Ukraine, 2018 Infr. projects	78.5	80.0	n/a	n/a	32.1%	n/a	7.40%	S/A	20 Apr 2018	690	Ca//
Ukraine, 2020	80.8	81.8	n/a	n/a	36.3%	n/a	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	79.3	80.3	n/a	n/a	34.3%	n/a	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	79.7	80.7	12.8%	12.6%	33.2%	n/a	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	80.4	81.4	12.4%	12.2%	36.3%	n/a	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
Corporate Eurobonds											
Agroton, 2019	21.9	25.9	63.5%	55.7%	-29.4%	2.2	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	84.3	85.8	13.0%	12.5%	23.3%	3.6	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	45.0	45.0			-30.2%	0.0	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	71.3	74.6	13.9%	13.0%	62.1%	n/a	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	15.0	15.0			20.0%	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	46.0	53.8%	51.2%	-42.3%	1.7	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	40.0	41.1	54.6%	53.1%	-8.8%	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	59.4	60.1	40.4%	39.6%	-14.6%	0.9	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	56.0	58.0	38.7%	36.7%	2.7%	1.8	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	65.6	67.1	25.9%	25.0%	-14.9%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	65.3	69.0	26.1%	23.9%	-14.0%	2.1	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	74.9	76.2	22.6%	21.8%	42.4%	2.0	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	27.0	32.0	117.3%	100.1%	-46.4%	1.0	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	70.6	75.1	31.4%	28.2%	25.1%	1.1	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	10.0	12.9	131.8%	111.8%	-86.2%	1.2	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	66.0	71.0	27.1%	24.1%	-2.9%	1.8	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	7.3	12.0	n/a	n/a	-22.8%	0.2	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	74.6	74.6	126.1%	126.1%	4.3%	0.2	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	58.5	61.6	208.0%	183.4%	17.9%	0.2	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	68.0	70.0	30.6%	29.0%	17.0%	1.8	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2022	87.6	89.0	12.4%	12.1%	14.0%	3.2	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	71.3	74.6	13.9%	13.0%	45.9%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	85.5	86.8	12.4%	12.2%	43.6%	4.3	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	86.2	87.7	12.3%	11.9%	33.7%	3.3	8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	85.1	86.5	12.3%	12.0%	50.5%	4.1	8.88%	S/A	20 Mar 2025	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	70.1	72.9	n/a	n/a	-4.2%	n/a	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	68.0	73.0	n/a	n/a	-0.7%	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			23%	20%	n/a	14.30%	S/A	24 May 2017	n/a
VAT Bonds									
UA4000185151			23%	21%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			23%	21%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			23%	21%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

Eavex Capital

7 Klovsky 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