

## Market Update

### Equity

Kyiv-listed stocks finished lower on Tuesday (Oct 13) ahead of Wednesday's new "Defenders of Ukraine" state holiday. The UX index shed 0.5%, closing at 844 points. The market remains in a downward trend and it is hard to say what factor could lift the index in the short term. Among 10 blue chips, only Raiffeisen Avak (BAVL) was in the black, rising 5.0% to 8.30 kopecks per share. Index heavyweight Motor Sich (MSICH) lost 0.7% to close at UAH 2147 and CentrEnergO (CEEN) slipped 0.5% to UAH 5.45. On the interbank currency market, the hryvnia was steady at UAH 21.75 UAH/USD. In London trading on Wednesday (Oct 14), Ferrexpo (FXPO) was unchanged near GBp 40 while MHP (MHPC) edged up 1.6% to USD 9.45. Warsaw-listed, Lugansk-based crop grower Agroton (AGT) picked up 1.2% to PLN 1.22, while Kernel (KER) ended at PLN 52.65 (a bit below its 2-year high touched on Tuesday) after a report from Cascade Investment Fund that it has crossed the threshold of a 5% stake in the company.

### Fixed Income

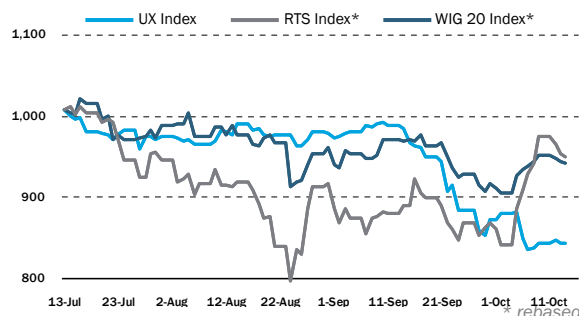
Ukrainian sovereigns were sluggish on Wednesday, with Ukraine-17s and Ukraine-23s finishing flat at 78.1/80.1 (27.1%/25.4%) and 78.0/80.0 (12.2%/11.7%), respectively. Corporate names also saw very little movement. MHP-20s inched up 0.2p.p. to 85.2/86.5 (12.7%/12.3%) while Ferrexpo-19s declined by the same small increment to 64.3/66.1 (26.8%/25.7%).

## Highlights

### STOCKS IN THE NEWS

- > Astarta Pushing Into Chinese Market to Expand Exports
- > US-Based Fund Has Accumulated 5% Stake in Kernel

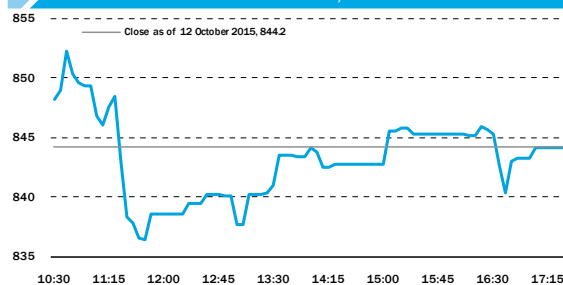
### STOCK MARKET PERFORMANCE



### MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	844.2	0.0%	-14.6%	-18.3%
RTS	863.3	-0.4%	8.0%	9.2%
WIG20	2119.0	-0.2%	-3.0%	-8.5%
MSCI EM	849.4	-0.6%	5.8%	-11.2%
S&P 500	1994.2	-0.5%	1.7%	-3.1%

### UX INTRADAY OCTOBER 13, 2015



### FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	445.3	1.1%	2.3%	10.2%
CDS 5Y UKR	1050.0	0.0%	-10.6%	-52.3%
Ukraine-17	21.4%	-0.2 p.p.	-1.3 p.p.	-4.3 p.p.
MHP-20	12.5%	0.0 p.p.	-0.1 p.p.	-5.0 p.p.
Ukraine-23	12.7%	0.0 p.p.	-0.6 p.p.	5.2 p.p.
Privatbank-18	30.1%	0.0 p.p.	2.1 p.p.	na

### CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	21.50	0.0%	-1.4%	35.9%
EUR	24.67	0.8%	-0.2%	28.9%
RUB	0.34	0.7%	1.7%	25.0%

### COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	183.7	0.0%	3.4%	-25.4%
Steel, USD/t	290.0	0.0%	-7.9%	-35.6%
Oil, USD/bbl	49.2	-0.2%	0.2%	-23.4%
Gold, USD/oz	1184.1	1.3%	6.9%	-0.1%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Astarta Pushing Into Chinese Market to Expand Exports

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

### ASTARTA (AST PW)

Price: PLN 30.15 Market Cap: USD 203mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	1.0	neg	2.9	0%
2015E	1.2	neg	4.2	0%

### NEWS

Astarta, Ukraine's largest sugar producer and large crop grower, has received a green light to export its corn to China, the company said earlier this week. Nine Astarta subsidiaries received the required certifications from Chinese and Ukrainian phytosanitary authorities. Astarta is now in the process of searching for potential buyers in China. Also, the company said it has been working with Ukraine's Agriculture Ministry to certify its beet pulp and soybean meal for export to China. The company's soybean oil is already being exported to China.

### COMMENTARY

Astarta's strategic medium-term target is development a third-party crop trading business on top of its own crop sales. Astarta currently lacks its own export sales network, selling its crops (excluding internally processed sugar beet and soybean) on export markets via large traders. The new certification is a first but rather important step on the way to becoming a direct exporter of crops from Ukraine. Astarta's expansion of soybean meal exports to China should partly compensate for the likely loss of its biggest soybean meal customer on the domestic market after MHP, Ukraine's largest poultry producer, launches its own soybean processing plant this autumn; MHP uses soybean meal as protein fodder for its chickens. MHP's soybean processing capacity at the new plant will be near 1000 tonnes per day vs. Astarta's current capacity of 700 tonnes/day.

## US-Based Fund Has Accumulated 5% Stake in Kernel

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

### KERNEL (KER PW)

Price: PLN 52.66 Market Cap: USD 1,131mn

	EV/S	P/E	EV/EBITDA	Div. Yield
FY14	0.7	neg	7.2	2%
FY15E	0.7	11.4	3.9	2%

### NEWS

Kernel, Ukraine's largest sunflower oil producer, stated in a release on Wednesday (Oct 14) that US-based asset management firm Cascade Investment Fund has accumulated 3.984mn shares in the group (as of Oct 13). This is equivalent of 5.0% of shares outstanding in the company.

The two largest shareholders of Kernel are its majority owner Mr. Andriy Verevsky (39.21% stake) and ING Otworthy Fundusz Emerytalny (open pension fund) with a stake of 6.01%.

### COMMENTARY

We see this news is positive for the KER stock. The fact that a US-based fund has expanded its share in Kernel to the 5% international declaration threshold signifies a strong belief in the company's prospects based on its sound business model. The recent run-up of Cascade's buying has helped push the stock to a 2-year high at PLN 54 (on Oct 12), with the advance since at 20% since the beginning of October. We confirm our overall positive view on Kernel's prospects and are waiting for Kernel's FY15 financials at the end of this month to determine our new target price for the stock.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	52.7	56.50	7%	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	9.5	15.32	62%	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%	BUY	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	6.6	9.4	42%	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	0.9	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	85.7	80.8	-6%	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	40.0	23.0	-43%	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.
<b>Steel</b>						
Azovstal	AZST	0.72	0.56	-23%	SELL	Non-transparent reporting practices detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
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.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	2147	5250	145%	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	4.0	U/R	-	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	26.8	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>						
DonbasEnerg	DOEN	18.3	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	5.45	15.00	175%	BUY	CenterEnerg'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	0.083	0.24	190%	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	844.23	1158.71	818.43	-0.5%	-0.7%	-14.6%	-18.3%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.013	0.029	0.010	-6.6%	-0.8%	-11.1%	-11.7%	-6.1%	-0.1%	3.5%	6.6%
Azovstal	AZST	0.72	0.89	0.61	-1.9%	-1.4%	-10.9%	-3.4%	-1.4%	-0.7%	3.7%	14.9%
Enakievo Steel	ENMZ	16.15	30.84	14.03	-2.1%	-6.1%	-6.3%	-22.9%	-1.7%	-5.4%	8.3%	-4.6%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.18	2.78	0.86	-1.8%	-1.2%	1.4%	-32.0%	-1.4%	-0.5%	16.0%	-13.7%
Yasynivsky Coking	YASK	0.25	0.52	0.14	0.0%	0.0%	-7.4%	-10.7%	0.5%	0.7%	7.2%	7.6%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	5.50	n/a	n/a	-21.4%	-28.8%	-28.8%	-29.4%	-21.0%	-28.1%	-14.2%	-11.1%
Ferrexpo	FXPO	40.00	93.15	29.75	3.2%	5.3%	-28.3%	-24.5%	3.7%	5.9%	-13.6%	-6.2%
Pivnichny GOK	SGOK	4.00	12.30	4.00	-16.6%	-23.8%	-39.8%	-52.2%	-16.2%	-23.1%	-25.2%	-33.9%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.25	n/a	n/a	0.0%	150.0%	-32.4%	-46.8%	0.5%	150.7%	-17.8%	-28.5%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.23	0.60	0.12	0.0%	0.0%	4.5%	-39.5%	0.5%	0.7%	19.1%	-21.2%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	9.40	15.18	8.65	-0.7%	-5.5%	-6.5%	-26.8%	-0.3%	-4.9%	8.1%	-8.6%
Luhanskteplovoz	LTPL	0.80	n/a	n/a	0.0%	0.0%	-13.0%	-25.9%	0.5%	0.7%	1.6%	-7.6%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2147	2939	1970	-0.6%	-3.7%	-20.1%	-13.5%	-0.2%	-3.1%	-5.5%	4.8%
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	0.16	0.21	0.10	0.0%	0.0%	4.7%	3.3%	0.5%	0.7%	19.3%	21.6%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	3.85	7.38	3.13	0.0%	0.0%	2.0%	23.2%	0.5%	0.7%	16.6%	41.5%
JKX Oil	JKX	26.75	45.50	11.00	0.9%	30.5%	69.8%	122.9%	1.4%	31.2%	84.4%	141.2%
Ukrnafta	UNAF	231.3	364.5	172.5	-0.2%	-2.8%	-15.4%	13.8%	0.3%	-2.1%	-0.8%	32.1%
<b>Power Utilities</b>												
Centrenergo	CEEN	5.45	8.50	5.10	-0.5%	-0.5%	-24.8%	-27.8%	0.0%	0.1%	-10.2%	-9.5%
Donbasenergo	DOEN	18.30	35.89	15.74	-1.5%	-4.4%	-7.8%	-44.5%	-1.0%	-3.8%	6.8%	-26.2%
Zakhidenergo	ZAEN	120.0	199.8	76.0	-7.7%	-7.7%	-7.7%	-19.0%	-7.2%	-7.0%	6.9%	-0.7%
<b>Consumer</b>												
Agroton	AGT	1.19	2.16	0.95	5.3%	15.5%	12.3%	-3.3%	5.8%	16.2%	26.9%	15.0%
Astarta	AST	31.11	36.90	14.50	-0.6%	10.5%	12.7%	55.6%	-0.1%	11.2%	27.3%	73.8%
Avangardo	AVGR	0.89	6.80	0.23	0.0%	58.6%	287.0%	-56.6%	0.5%	59.3%	301.6%	-38.3%
Industrial Milk Company	IMC	6.60	7.34	4.38	0.0%	21.5%	30.4%	16.4%	0.5%	22.2%	45.0%	34.7%
Kernel	KER	53.00	54.10	22.00	-2.0%	14.2%	20.9%	86.2%	-1.6%	14.8%	35.5%	104.5%
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	9.30	12.05	8.24	-1.1%	-0.1%	-0.3%	1.1%	-0.6%	0.6%	14.3%	19.4%
Milkiland	MLK	1.34	3.55	0.89	-4.3%	31.4%	34.0%	-9.5%	-3.8%	32.0%	48.6%	8.8%
Ovostar Union	OVO	85.59	89.00	67.00	-0.1%	-1.6%	1.3%	18.9%	0.4%	-1.0%	15.9%	37.2%
<b>Chemicals</b>												
Stirol	STIR	6.00	9.40	3.00	0.0%	0.0%	0.0%	-13.4%	0.5%	0.7%	14.6%	4.9%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.083	0.129	0.070	4.9%	14.8%	-7.7%	-13.6%	5.4%	15.5%	6.9%	4.7%
UkrSotsbank	USCB	0.091	0.153	0.064	0.0%	-4.2%	-13.3%	-30.1%	0.5%	-3.5%	1.3%	-11.8%

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	971	506	496	256	32.0%	35.8%	26.3%	264	184	126	16.7%	13.2%	13.0%
<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>																
Luhanskteplovoz	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	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%
<b>Electric Utilities</b>																
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
<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**

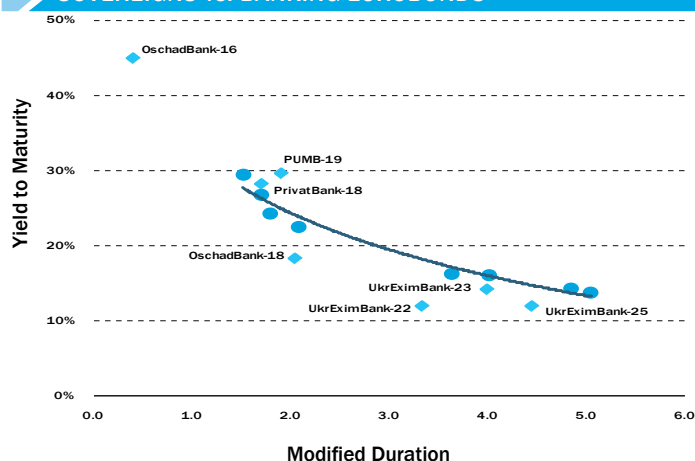
Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E	2013	2014E	2015E			
<b>Steel</b>																		
Alchevsk Steel	ALMK	15	3.9%	1	2,629	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	615	\$/tonne
Yenakievo 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	139	3.0%	4	133	neg	1.8	2.1	neg	0.7	1.1	0.1	0.1	0.1	29	29	29	\$/tonne
<b>Coke</b>																		
Avdyivka Coke	AVDK	11	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
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	297	0.3%	1	296	1.5	2.6	3.7	0.9	1.3	1.9	0.4	0.5	0.5				
Pivnichny GOK	SGOK	425	0.4%	2	418	0.8	1.3	1.9	0.5	0.6	0.9	0.3	0.3	0.3				
Ferrexpo	FXPO	364	24.0%	87	1,381	1.4	2.0	2.9	2.7	2.8	5.4	0.9	1.0	1.4				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	28	2.0%	1	73	5.9	1.2	14.9	2.3	1.7	4.1	0.2	0.4	0.8	116	193	183	\$/tonne
<b>Railcar Manufacturing</b>																		
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	50	5.0%	2	43	1.2	neg	neg	0.9	neg	neg	0.1	0.3	0.6				
<b>Specialized Machinery</b>																		
Turboatom	TATM	68	5.8%	4	38	1.0	1.3	3.0	0.4	0.5	1.0	0.2	0.2	0.3				
Motor Sich	MSICH	206	24.0%	49	234	1.3	1.6	2.2	0.6	0.7	1.1	0.2	0.3	0.4				
<b>Telecom</b>																		
Ukrtelecom	UTLM	135	7.2%	10	226	neg	7.5	14.9	neg	2.7	3.2	0.3	0.5	0.9				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	578	3.0%	17	571	24.8	5.5	2.3	2.0	1.5	1.1	0.2	0.2	0.4	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	19	21.6%	4	-6	neg	3.3	neg	neg	-0.4	-0.6	-0.2	-0.2	-0.3	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	71	50.4%	36	180	11.0	neg	14.3	2.7	2.6	2.6	1.0	1.2	1.2	33	25	24	\$/boe
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	93	21.7%	20	109	1.6	15.8	neg	1.2	4.2	neg	0.1	0.2	0.3	6	8	7	\$/MWh
DonbasEnerg	DOEN	20	14.2%	3	49	0.3	2.4	neg	0.7	2.4	neg	0.1	0.1	0.2	6	6	6	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	983	34.1%	335	2,083	6.1	neg	>30	5.3	3.8	4.0	1.4	1.5	1.8				
Kernel	KER	1,134	61.8%	700	1,610	10.8	neg	11.4	5.5	7.2	3.9	0.6	0.7	0.7				
Astarta	AST	209	37.0%	77	420	6.1	neg	neg	4.6	2.9	4.3	0.9	1.0	1.2				
Avangardco	AVGR	57	22.5%	13	283	0.2	neg	neg	0.9	2.2	3.0	0.4	0.7	0.8	64	49	46	\$/mneqgs
Ovostar	OVO	138	25.0%	34	146	4.5	5.3	5.7	4.1	5.0	5.9	1.8	2.0	1.9	n/a	n/a	n/a	
<b>Banks</b>																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	115	3.5%	4		1.3	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	325	0.2%	1		>30	>30	>30	0.4	0.6	0.9	0.07	0.14	0.18				

Source: Eavex Research

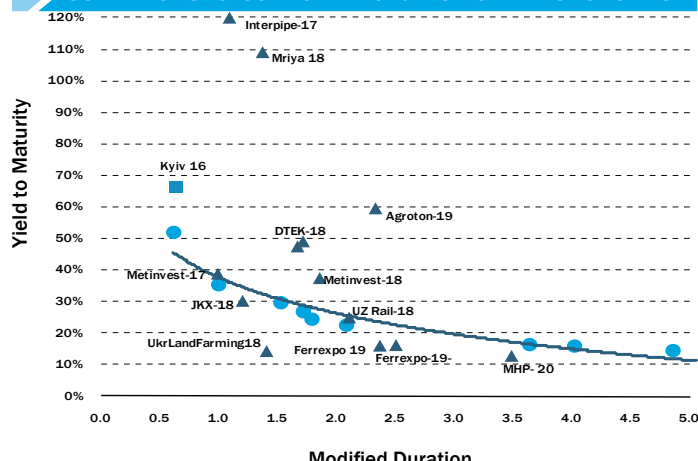
UKRAINIAN EUROBONDS

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)	82.0	84.0	n/a	n/a	22.1%	n/a	4.95%	A	13 Oct 2015	600*	Ca/CC/CC
Ukraine, 2015	79.6	81.0	n/a	n/a	14.2%	n/a	6.875%	S/A	23 Sept 2015	500	Ca/CC/CC
Ukraine, 2016	78.3	80.0	n/a	n/a	26.2%	n/a	6.58%	S/A	21 Nov 2016	1,000	Ca/CC/CC
Ukraine, 2016-2	78.2	79.7	n/a	n/a	21.9%	n/a	6.25%	S/A	17 Jun 2016	1,250	Ca/CC/CC
Ukraine, 2017	78.3	80.3	n/a	n/a	25.4%	n/a	6.75%	S/A	14 Nov 2017	700	Ca/CC/CC
Ukraine, 2017-2	78.1	80.1	n/a	n/a	27.2%	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	78.3	80.3	n/a	n/a	32.9%	n/a	7.75%	S/A	23 Sept 2020	1,500	Ca/CC/CC
Ukraine, 2021	78.0	80.0	n/a	n/a	33.0%	n/a	7.95%	S/A	23 Feb 2021	1,500	Ca/CC/CC
Ukraine, 2022	78.3	80.3	13.3%	12.8%	31.7%	n/a	7.80%	S/A	28 Nov 2022	1,250	Ca/CC/CC
Ukraine, 2023	78.0	80.0	12.2%	11.7%	33.1%	n/a	7.50%	S/A	17 Apr 2023	1,250	Ca/CC/CC
<b>Corporate Eurobonds</b>											
Agroton, 2019	10.4	19.5	110.0%	70.4%	-55.8%	1.9	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	85.2	86.5	12.7%	12.3%	24.4%	3.5	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2015	45.3	45.3			-29.8%	0.0	10.00%	S/A	29 Oct 2015	200	//WD
UkrLandFarming, 2018	43.0	47.0	56.6%	51.2%	0.1%	n/a	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	14.2	14.2			13.8%	0.1	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	n/a	n/a	n/a	n/a	n/a	1.2	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	45.0	49.0	53.0%	48.0%	-39.7%	1.7	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	41.0	44.0	53.8%	49.7%	-4.4%	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	60.1	62.2	40.2%	38.0%	-12.6%	0.9	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	57.0	60.1	38.2%	35.2%	5.4%	1.7	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	64.5	66.5	26.7%	25.4%	-16.0%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	64.3	66.1	26.8%	25.7%	-16.4%	2.2	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	78.1	79.2	20.8%	20.1%	48.3%	2.0	9.50%	S/A	21 May 2018	500	/CC/C
Interpipe, 2017	36.0	38.5	91.6%	85.3%	-32.3%	1.1	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	69.4	74.8	32.7%	28.7%	23.8%	1.1	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	9.8	13.3	134.9%	110.6%	-86.1%	1.2	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	66.2	74.2	27.1%	22.5%	-0.5%	1.7	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	6.6	11.5	n/a	n/a	-27.5%	0.1	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2015	70.0	72.2	186.2%	168.3%	-0.5%	0.2	9.38%	S/A	23 Sept 2015	200	Cau//CC
PrivatBank, 2016	60.3	62.5	215.9%	197.0%	20.5%	0.2	8.75%	S/A	9 Feb 2016	150	Cau//CC
PrivatBank, 2018	68.0	70.0	30.9%	29.3%	17.0%	1.8	10.88%	S/A	28 Feb 2018	175	Cau//CC
UkrEximBank, 2022	88.4	89.6	12.3%	12.0%	14.8%	3.2	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	71.1	74.5	13.9%	13.0%	45.7%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	86.1	87.3	12.3%	12.0%	44.5%	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	86.7	88.1	12.1%	11.8%	34.5%	3.2	8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	85.6	86.7	12.2%	12.0%	51.1%	4.1	8.88%	S/A	20 Mar 2025	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	69.5	72.4	n/a	n/a	-5.0%	n/a	8.00%	S/A	6 Nov 2015	250	Ca/CC/CC
City of Kyiv, 2016	68.0	72.0	n/a	n/a	-1.4%	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			23%	20%	n/a	14.30%	S/A	24 May 2017	n/a
<b>VAT Bonds</b>									
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 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