

**Market Update**

**Equity**

Kyiv-listed stocks finished mixed on Monday (Nov 30) with the UX index edging up 0.3% to close at 716 points. Trading activity on the Ukrainian Exchange was subdued with none of the 10 blue chips showing turnover of more than UAH 1.0mn. UkrNafta (UNAF) lost 1.9% to close at UAH 189 amid signals that the company's new CEO Mark Rollins is merely a figurehead who will be unable to resolve the corporate conflict at the company. CentrEnergO (CEEN) slipped 1.3% to UAH 4.48 on concerns over coal supplies. On the upside, heavyweight Motor Sich (MSICH) added 2.3% to end just below the psychological level of UAH 2000. In second tier stocks, ZakhidEnergO (ZAEN) advanced 7.0% to UAH 99.5 per share. On the interbank currency market, the hryvnia weakened by 0.7% to close at bid/ask of 23.98/24.08 UAH/USD. London-listed Ferrexpo (FXPO) continued its downward trend, declining by 1.0% to Gbp 25.50. Shell egg producer Avangard (AVGR) slumped 13% to USD 1.40 after the company reported 3Q15 results that failed to impress investors at first glance.

**Fixed Income**

Ukrainian sovereign bonds rose on Monday with Ukraine-19s and Ukraine-27s improving by 0.3p.p. to 97.5/98.3 (8.5%/8.3%) and 92.5/93.3 (8.7%/8.6%), respectively. In the corporate universe, UZ-18s grew by 0.5p.p. to 85.8/87.2 (16.8%/16.0%) and Avangardco-18s advanced by 3.0p.p. to 49.0/54.0 (39.2%/35.0%) after publication of better financial results for 3Q15 vs. 2Q15.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	189.30	-1.9%	0.80	24
Motor Sich	MSICH	1999.00	2.4%	0.53	55
CentrenergO	CEEN	4.48	-1.3%	0.49	73

**Growth Leaders**

Sumy Frunze Engineering	SMASH	4.10	3.8%	0.025	14
Motor Sich	MSICH	1999.00	2.4%	0.528	55
Raiffeisen Bank Aval	BAVL	0.08	-0.9%	0.424	49

**Loss Leaders**

Krymenergo	KREN	0.18	-16.4%	0.001	6
Azovstal	AZST	0.40	-3.8%	0.092	7
Ukrnafta	UNAF	189.30	-1.9%	0.803	24

**Highlights**

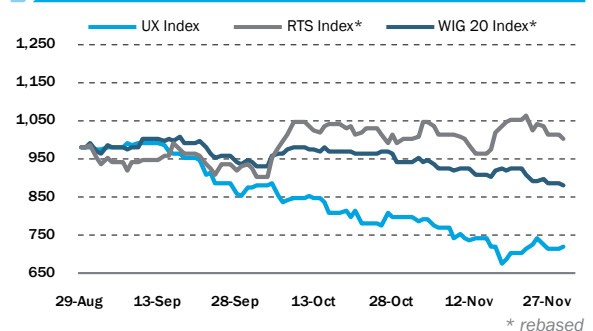
**STOCKS IN THE NEWS**

- > Avangard 3Q Results Show General Improvement QoQ

**FIXED INCOME**

- > Metinvest Finalizes Stand-Still Agreement on its Debt with Banks

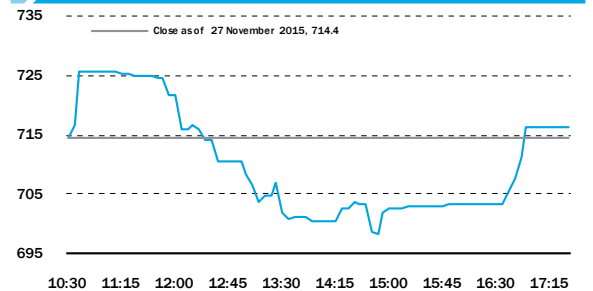
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	716.2	0.2%	-9.7%	-30.7%
RTS	847.1	-1.1%	0.2%	7.1%
WIG20	1925.7	-0.5%	-6.5%	-16.8%
MSCI EM	814.3	-1.5%	-4.0%	-14.8%
S&P 500	2080.4	-0.5%	0.1%	1.0%

**UX INTRADAY NOVEMBER 30, 2015**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	419.5	1.3%	-0.6%	3.8%
CDS 5Y UKR	1050.0	0.0%	0.0%	-52.3%
Ukraine-19	8.4%	-0.3 p.p.	n/a	n/a
Ukraine-27	8.7%	0.0 p.p.	n/a	n/a
MHP-20	10.9%	0.0 p.p.	-1.3 p.p.	-6.6 p.p.
RAILUA-18	16.4%	-0.2 p.p.	-3.4 p.p.	-17.4 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	23.76	1.1%	3.5%	50.2%
EUR	25.05	0.5%	-2.5%	30.9%
RUB	0.36	1.1%	-0.2%	30.3%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	188.6	0.0%	-3.7%	-23.4%
Steel, USD/t	262.5	-1.9%	-5.4%	-41.7%
Oil, USD/bbl	44.6	-0.6%	-11.3%	-30.5%
Gold, USD/oz	1064.8	0.7%	-6.8%	-10.1%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Avangard 3Q Results Show General Improvement QoQ

by Ivan Dzvinka  
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### AVANGARDCO (AVGR LI)

Price: USD 1.39 Market Cap: USD 89mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2014	0.9	neg	3.0	0%
2015E	na	na	na	na

### NEWS

Avangard, Ukraine's largest egg producer, reported improved operating and financial results for 3Q15 QoQ. However, the company's performance through 9M15 remains considerably worse year-on-year, according to data released on Monday (Nov 30). Avangard's revenue was up by 13% QoQ to USD 55.2mn in 3Q15, as a 4% decline in egg sales to 608mn pcs was more than offset by 16% QoQ growth in achieved egg pricing to USD 0.059/piece. Egg products (EP) sales volume rose 23% QoQ to 3,000 tonnes and pricing was up 5% to USD 5.89/kg. Egg export volume rose 20% QoQ to 119mn pieces. Growth in reported pricing vs. flat egg costs and no anomalous losses during 3Q allowed Avangard to improve its EBITDA to USD 13.2mn in the quarter after massive negative EBITDA of USD 105mn in 2Q15. Adjusted for the one-off loss of USD 113mn in 2Q15 due to impairment of inventories and loss of cash in an insolvent bank, Avangard's EBITDA jumped by 66% QoQ from USD 7.9mn in 2Q15. Net income was at USD 1.1mn in 3Q vs. a net loss of USD 48mn in 2Q. Avangard's laying hen flock (as of Sept 30) was up by 13% QoQ to 13.7mn heads from the record low level of 12.1mn heads at the end June.

In YoY terms, the company's net revenue was down by 43% in 3Q15, as a 45% drop in egg sales volume was accompanied by a 4% decline in pricing, a 14% drop in EP sales volume, and a 26% YoY reduction in the laying hen flock. Avangard reported a net loss of USD 47.6mn in 3Q14 vs. net profit of USD 1.1mn in 3Q15; the difference is largely due to a forex translation loss posted in 3Q14 and impairment of assets located in the Donbass.

For the 9M15 period, Avangard's revenue plummeted by half, to USD 176.5mn, on a 47% YoY drop in egg production to 2.74bn pieces after the company shuttered its facilities in the Donbass region and reduced its capacity utilization at other locations. Adjusted [for 2Q's anomalous loss] EBITDA was down by 74% YoY to USD 28.2mn, suggesting an EBITDA margin of 16%. On the bottom line, Avangard had a loss of USD 150.5mn for 9M15 (largely due to the 2Q write-offs), compared to the USD 5.7mn loss in 9M14. Net operating cash flow plunged by 83% YoY to USD 6.8mn while investing cash flow remained at a relatively high level of USD 30mn (vs. USD 55mn in 9M14).

As of Sept 30, the company's total debt was essentially flat YtD at USD 340mn, while net debt grew by 32% YtD to USD 298mn on the back of a 2.8x reduction in cash on hand to USD 42mn. This reduction occurred partly due USD 29mn in lost cash held in a related-party bank which was declared insolvent in June.

### COMMENTARY

See the next page.

## Avangard 3Q Results Show General Improvement QoQ

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### COMMENTARY

The best news for Avangard and its shareholders is the general improvement in the 3Q15 vs. the disappointing data for 2Q15. Over a conference call, management expressed its expectation of a further recovery in results going forward. We like the recovery in the laying hen flock and the growth in sales of EP as well as the higher egg exports. The good thing is the linkage of EP output to the amount of sales orders and attempts to regain export volume following the drop that had occurred starting in 4Q14. At the same time, Avangard's current laying hen flock capacity utilization of 63% leaves plenty of room for capacity use expansion. Interestingly, the newest facilities Avis and Chornobaivske are being run at full usage while other facilities in Eastern Ukraine are operating at only 17% of capacity. We assume the reason for this is vastly superior efficiency at the new production sites. As a result of falling output, Avangard is losing its grip on the domestic industrial egg market; its share declined to 39% from 51% in 4Q14 (both figures excluding the Donbass). Finally, we see significant room in improvement on the egg cost side. The latter was up by 93% YoY to UAH 1.15/egg in 3Q15 vs. UAH 0.60/egg in 3Q14 on a 2.1x rise in feed cost. The oilseeds component surged by 115% in 3Q15 to UAH 0.46/egg compared to respective market price increases of 30% and 80% for sunflower and soya protein over the period. The "other" component in feed cost surged 2.5x to UAH 0.18 as the company decided to expand imports of premixes. In addition, the packing and medicine elements rose by 2.9x YoY in 3Q15.

## Metinvest Finalizes Stand-Still Agreement on its Debt with Banks

by Ivan Dzvinka  
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### NEWS

Metinvest, Ukraine's largest metals and mining group, has planned to sign a stand-still agreement with its bank creditors by the end of November, CEO Yuriy Ryzhenkov said on Friday to journalists. The agreement with the banks envisages that they will decline to make any claims in connection with present and future events of default by Metinvest until 31 January 2016.

### COMMENTARY

While the company de facto reached such agreement already several weeks ago (according to the top management), the formal process to receive the agreement signed by all the bank participated, took some time. Even if the deal was not yet finalized as of this morning, we do not think it will take more than a week or so to do it. .

With the benchmark iron ore price crossed below the July minimum of USD 44.6/tonne last week and global steel prices currently at a 13-year low, the restructuring negotiations with creditors are likely to be far from simple, and a deal may not be finalized before the initially planned target of late January. Still, the most significant concern for Metinvest at this stage is the fundamental situation in the metals & mining industry, where there are still no signs of a bottom in the market.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	48.4	57.20	18%	HOLD	Flat or rising YoY operating results expected by management in 2016 will not be enough to compensate for lower seed-crushing and grain-trading margins.
MHP	MHPC LI	9.5	12.03	26%	BUY	MHP's new soybean processing plant and expected launch of new breeding facilities in early 2016 bodes well for optimization of its poultry production cost. The group's long-term targets are a 50% expansion in poultry output to 900,000 tonnes by 2019 and a 40% land bank increase to 550,000ha.
Astarta	AST PW	36.0	36.1	0%	BUY	Astarta has made decisive moves toward diversification (it opened a soybean processing plant in early 2014) and cost optimization (a bioenergy complex was launched in 2014). Astarta's exposure to UAH devaluation is largely offset by its UAH cost base, and it has no assets in the Donbass.
IMC	IMC PW	6.4	9.4	48%	BUY	IMC's quality agribusiness model suggests to us that the company's stock is undervalued. IMC's work on debt reduction, its ongoing land bank expansion program, and high standards of corporate governance are all positive factors offsetting the stock's low trading volume.
AvangardCo	AVGR LI	1.4	U/R	--	U/R	A massive loss on the EBITDA level of almost USD 100mn for 1H15 has damaged Avangard's financial reporting credibility.
Ovostar Union	OVO PW	87.0	80.8	-7%	U/R	Ovostar managed to increase its EBITDA by 15% YoY to USD 24mn in 9M15, as a drop in devaluation-driven egg pricing in USD terms was offset by strong growth in output, rising export sales, and high hryvnia egg inflation (+60% YoY in 9M15).
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	25.8	23.0	-11%	SELL	The long slide in benchmark iron ore prices, exacerbated by a reduction in the pellet-to-fines premium, has hammered Ferrexpo's earnings in 2015, and the collapse of a related-party bank in September that resulted in the loss of USD 174mn in deposits provided a fresh setback to the company.
<b>Steel</b>						
Azovstal	AZST	0.40	0.56	38%	SELL	Non-transparent accounting practices overseen by majority owner Metinvest detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.12	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	1999	5250	163%	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	3.8	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	28.0	U/R	--	U/R	The launch of extraction at JKX's Russian gas field has lifted output, but the company's higher-margin Ukrainian operations continue to lag behind expectations.
<b>Power Utilities</b>						
DonbasEnerg	DOEN	16.4	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	4.48	15.00	235%	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	0.084	0.24	184%	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	716.19	1158.71	656.99	0.2%	0.3%	-9.7%	-30.7%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.012	0.019	0.010	0.0%	5.3%	0.0%	-17.9%	-0.2%	5.0%	9.7%	12.8%
Azovstal	AZST	0.40	0.89	0.34	-3.8%	-5.2%	-32.0%	-45.8%	-4.1%	-5.4%	-22.3%	-15.1%
Enakievo Steel	ENMZ	17.20	24.88	14.03	5.5%	7.4%	4.9%	-17.9%	5.3%	7.2%	14.6%	12.8%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.12	2.08	0.86	5.0%	6.7%	3.6%	-35.3%	4.7%	6.4%	13.3%	-4.6%
Yasynivsky Coking	YASK	0.33	0.43	0.06	0.0%	22.2%	32.0%	17.9%	-0.2%	22.0%	41.7%	48.5%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	5.00	n/a	n/a	0.0%	0.0%	-28.1%	-35.8%	-0.2%	-0.3%	-18.3%	-5.1%
Ferrexpo	FXPO	25.75	80.00	25.75	0.0%	-9.6%	-24.3%	-51.4%	-0.2%	-9.9%	-14.6%	-20.7%
Pivnichny GOK	SGOK	4.63	12.30	2.20	0.0%	0.0%	32.3%	-44.7%	-0.2%	-0.3%	42.0%	-14.0%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.25	n/a	n/a	0.0%	0.0%	0.0%	-46.8%	-0.2%	-0.3%	9.7%	-16.1%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.14	0.59	0.12	0.0%	0.0%	-26.3%	-63.2%	-0.2%	-0.3%	-16.6%	-32.5%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	8.62	13.90	7.40	4.5%	-6.8%	-7.7%	-32.9%	4.2%	-7.1%	2.0%	-2.2%
Luhanskteplovoz	LTPL	0.75	n/a	n/a	0.0%	-2.6%	36.4%	-30.6%	-0.2%	-2.9%	46.1%	0.1%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	1999	2939	1889	2.4%	0.6%	-1.0%	-19.5%	2.1%	0.3%	8.7%	11.2%
Turboatom	TATM	4.10	n/a	n/a	0.0%	0.0%	n/a	n/a	-0.2%	-0.3%	n/a	n/a
<b>Telecom</b>												
Ukrtelecom	UTLM	0.09	0.21	0.09	0.0%	0.0%	-39.6%	-40.5%	-0.2%	-0.3%	-29.9%	-9.8%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	3.83	6.50	3.13	0.5%	0.9%	-6.7%	22.4%	0.3%	0.7%	3.0%	53.1%
JKX Oil	JKX	28.00	37.38	11.00	0.0%	-2.6%	1.8%	133.3%	-0.2%	-2.9%	11.5%	164.0%
Ukrnafta	UNAF	189.3	337.6	165.0	-1.9%	-1.9%	-10.8%	-6.9%	-2.1%	-2.2%	-1.1%	23.8%
<b>Power Utilities</b>												
Centrenergo	CEEN	4.48	8.50	4.20	-1.3%	-2.5%	-17.6%	-40.6%	-1.5%	-2.8%	-7.9%	-9.9%
Donbasenergo	DOEN	16.38	35.28	15.24	-1.3%	-6.1%	-8.8%	-50.4%	-1.6%	-6.4%	0.9%	-19.7%
Zakhidenergo	ZAEN	99.5	193.9	52.0	7.0%	3.6%	10.6%	-32.8%	6.7%	3.4%	20.3%	-2.1%
<b>Consumer</b>												
Agroton	AGT	1.06	1.52	0.95	1.0%	1.9%	-17.2%	-13.8%	0.7%	1.7%	-7.5%	16.9%
Astarta	AST	35.99	38.50	16.25	-0.2%	2.9%	0.6%	80.0%	-0.4%	2.6%	10.3%	110.6%
Avangardo	AVGR	1.39	4.80	0.23	-13.4%	-11.2%	19.4%	-32.4%	-13.7%	-11.5%	29.1%	-1.7%
Industrial Milk Company	IMC	6.35	7.24	4.38	0.8%	-4.1%	-4.4%	12.0%	0.5%	-4.3%	5.3%	42.7%
Kernel	KER	48.37	55.20	26.10	-0.2%	5.2%	-7.3%	70.0%	-0.4%	4.9%	2.4%	100.6%
Mriya Agro Holding	MAYA	n/a	1.01	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	9.54	12.05	8.24	0.0%	-6.0%	4.8%	3.7%	-0.2%	-6.3%	14.5%	34.4%
Milkiland	MLK	1.63	3.50	0.89	1.9%	-7.9%	-14.2%	10.1%	1.6%	-8.2%	-4.5%	40.8%
Ovostar Union	OVO	87.00	89.51	68.00	0.0%	0.0%	-0.7%	20.8%	-0.2%	-0.3%	9.0%	51.5%
<b>Chemicals</b>												
Stirol	STIR	5.90	n/a	n/a	0.0%	0.0%	13.5%	-14.9%	-0.2%	-0.3%	23.2%	15.8%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.084	0.114	0.069	-0.8%	16.3%	6.3%	-12.1%	-1.1%	16.0%	16.0%	18.6%
UkrSotsbank	USCB	0.094	0.150	0.064	0.0%	0.0%	5.6%	-27.8%	-0.2%	-0.3%	15.3%	2.9%

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>																
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	179	41	50	-17	-4	10.9%	neg	neg	42	-22	-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	190	72	20	-12	11.0%	4.4%	neg	65	8	-16	9.9%	1.8%	neg
<b>Consumer</b>																
MHP	MHPC	1,496	1,379	1,131	391	555	455	26.1%	40.2%	40.2%	162	-412	-81	10.8%	neg	neg
Kernel	KER	2,797	2,393	2,330	291	223	397	10.4%	9.3%	17.0%	105	-107	101	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	na	45.6%	30.9%	na	238	-27	na	36.0%	neg	na
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	13	3.9%	0	2,626	neg	neg	neg	neg	neg	neg	1.5	3.8	9.4	679	633	614	\$/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	71	3.0%	2	65	neg	0.9	1.1	neg	0.4	0.5	0.0	0.0	0.0	14	14	14	\$/tonne
<b>Coke</b>																		
Avdyivka Coke	AVDK	9	6.8%	1	-30	neg	neg	neg	-0.7	neg	neg	0.0	-0.1	-0.1	-7	-8	-8	\$/tonne
Yasynivsky Coke	YASK	4	9.0%	0	5	neg	neg	neg	0.2	neg	neg	0.0	0.0	0.0	0.2	neg	neg	\$/tonne
<b>Iron Ore Mining</b>																		
Centralny GOK	CGOK	247	0.3%	1	245	1.3	2.1	3.1	0.8	1.1	1.5	0.4	0.4	0.4				
Pivnichny GOK	SGOK	449	0.4%	2	442	0.8	1.4	2.0	0.5	0.7	1.0	0.3	0.3	0.3				
Ferrexpo	FXPO	234	24.0%	56	1,251	0.9	1.3	1.9	2.5	2.5	4.9	0.8	0.9	1.3				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	15	2.0%	0	61	3.3	0.7	8.3	2.0	1.4	3.4	0.2	0.3	0.7	97	161	153	\$/tonne
<b>Railcar Manufacturing</b>																		
LuganskTeplovoz	LTPL	7	24.0%	2	44	0.4	neg	n/a	1.2	neg	n/a	0.1	0.3	n/a				
Krukiv Wagon	KVBZ	42	5.0%	2	36	1.0	neg	neg	0.7	neg	neg	0.1	0.2	0.9				
<b>Specialized Machinery</b>																		
Turboatom	TATM	62	5.8%	4	32	0.9	1.2	2.7	0.4	0.4	0.9	0.1	0.2	0.3				
Motor Sich	MSICH	175	24.0%	42	179	1.1	1.4	1.9	0.5	0.5	0.8	0.2	0.2	0.3				
<b>Telecom</b>																		
Ukrtelecom	UTLM	71	7.2%	5	162	neg	3.9	7.8	neg	1.9	2.3	0.2	0.4	0.6				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	432	3.0%	13	425	18.5	4.1	1.7	1.5	1.1	0.8	0.2	0.2	0.3	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	75	50.4%	38	183	11.5	neg	14.9	2.8	2.7	2.6	1.0	1.3	1.2	33	25	24	\$/boe
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	70	21.7%	15	52	1.2	11.8	neg	0.6	2.0	neg	0.1	0.1	0.2	3	4	3	\$/MWh
DonbasEnerg	DOEN	16	14.2%	2	32	0.2	1.9	neg	0.4	1.6	neg	0.0	0.1	0.2	4	4	4	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	1,008	34.1%	344	2,171	6.2	neg	neg	5.6	3.9	4.8	1.5	1.6	1.9				
Kernel	KER	1,035	61.8%	639	1,374	9.9	neg	10.3	4.7	6.2	3.5	0.5	0.6	0.6				
Astarta	AST	242	37.0%	89	445	7.1	neg	neg	4.9	3.1	4.5	0.9	1.1	1.3				
Avangardco	AVGR	88	22.5%	20	377	0.4	neg	neg	1.3	2.9	4.0	0.6	0.9	1.0	85	65	61	\$/mneqgs
Ovostar	OVO	140	25.0%	35	147	4.5	5.4	5.8	4.1	5.1	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	107	3.5%	4		1.2	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	306	0.2%	1		>30	>30	>30	0.3	0.6	0.8	0.07	0.14	0.18				

Source: Eavex Research



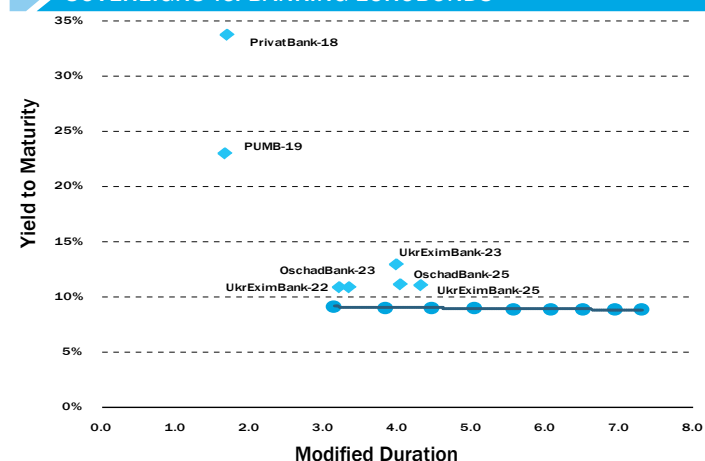
## UKRAINIAN EUROBONDS

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, 2019	97.5	98.3	8.5%	8.3%	n/a	3.1	7.75%	S/A	1 Sept 2019	1,155	Caa3//CCC
Ukraine, 2020	96.6	97.5	8.6%	8.4%	n/a	3.8	7.75%	S/A	1 Sept 2020	1,531	Caa3//CCC
Ukraine, 2021	95.8	96.5	8.7%	8.5%	n/a	4.4	7.75%	S/A	1 Sept 2021	1,378	Caa3//CCC
Ukraine, 2022	95.0	95.8	8.7%	8.6%	n/a	5.0	7.75%	S/A	1 Sept 2022	1,355	Caa3//CCC
Ukraine, 2023	94.5	95.3	8.7%	8.6%	n/a	5.6	7.75%	S/A	1 Sept 2023	1,330	Caa3//CCC
Ukraine, 2024	94.0	94.8	8.7%	8.6%	n/a	6.1	7.75%	S/A	1 Sept 2024	1,315	Caa3//CCC
Ukraine, 2025	93.5	94.3	8.8%	8.6%	n/a	6.5	7.75%	S/A	1 Sept 2025	1,306	Caa3//CCC
Ukraine, 2026	93.0	93.8	8.8%	8.7%	n/a	6.9	7.75%	S/A	1 Sept 2026	1,295	Caa3//CCC
Ukraine, 2027	92.5	93.3	8.8%	8.7%	n/a	7.3	7.75%	S/A	1 Sept 2027	1,286	Caa3//CCC
Ukraine, GDP-linked (VRI)	46.0	48.0	n/a	n/a	n/a	n/a	0.00%	S/A	31 May 2040	2,916	Caa3//CCC
<b>Corporate Eurobonds</b>											
Agroton, 2019	10.0	13.0	123.1%	101.1%	-66.0%	1.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	90.5	91.5	11.1%	10.7%	31.9%	3.5	8.25%	S/A	2 Apr 2020	750	/CCC//CCC
Avangardco, 2018	49.0	54.0	39.2%	35.0%	-16.2%	2.3	10.00%	S/A	29 Oct 2018	206	//WD
UkrLandFarming, 2018	53.4	53.4	45.2%	45.2%	18.6%	1.6	10.88%	S/A	26 Mar 2018	500	/CC//WD
Mriya, 2016	13.0	16.0	n/a	n/a	11.5%	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	49.0	54.0	49.7%	43.8%	-34.0%	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	49.0	52.0	45.4%	42.0%	11.0%	1.7	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2016	68.0	69.9	n/a	n/a	-12.7%	0.1	10.25%	S/A	31 Jan 2016	85	Caa3//C
Metinvest, 2017	58.9	60.1	43.4%	42.0%	-15.0%	0.8	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	56.0	58.0	40.9%	38.8%	2.7%	1.6	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	66.2	69.4	26.1%	24.2%	-13.1%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	56.0	58.0	40.9%	38.8%	-26.9%	1.6	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	85.8	87.2	16.8%	16.0%	63.1%	2.1	9.50%	S/A	21 May 2018	500	/CC//C
Interepipe, 2017	36.0	38.5	102.0%	94.7%	-32.3%	0.9	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	68.0	71.4	35.3%	32.5%	19.7%	0.9	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	8.9	11.6	140.8%	119.2%	-87.7%	1.3	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	72.9	75.3	23.6%	22.3%	5.1%	1.6	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	5.7	10.8	n/a	n/a	-34.1%	0.0	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2018-2	73.0	75.0	27.8%	26.2%	18.4%	n/a	10.25%	S/A	23 Jan 2018	200	//
PrivatBank, 2021	62.5	64.5	24.1%	23.1%	n/a	3.4	11.00%	S/A	09 Feb 2021	220	//
PrivatBank, 2018	68.0	70.0	31.9%	30.2%	17.0%	1.7	10.88%	S/A	28 Feb 2018	175	//
UkrEximBank, 2022	92.6	93.6	11.3%	11.0%	20.1%	3.3	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	74.3	76.7	13.3%	12.7%	51.0%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	91.2	92.2	11.3%	11.1%	52.9%	4.3	9.75%	S/A	22 Jun 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	92.2	93.3	11.0%	10.7%	42.6%	3.2	8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	90.8	91.9	11.2%	11.0%	60.3%	4.0	8.88%	S/A	20 Mar 2025	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	83.0	84.5	n/a	n/a	n/a	n/a	8.00%	S/A	6 Nov 2015	250	//
City of Kyiv, 2016	80.0	85.0	n/a	n/a	16.2%	n/a	9.375%	S/A	11 Jul 2016	300	//

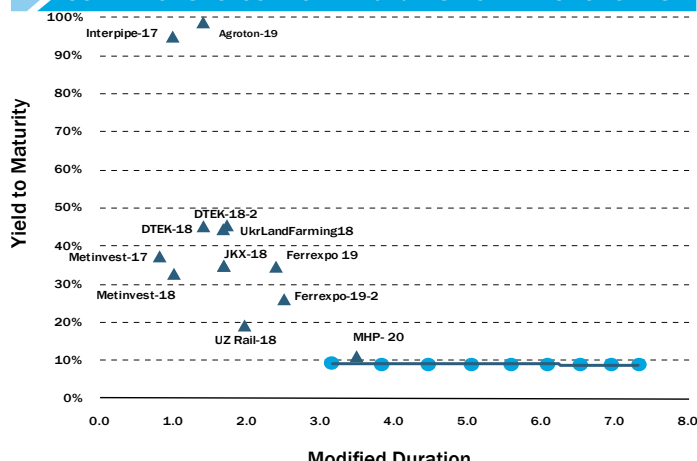
<sup>1</sup> Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

### SOVEREIGNS vs. BANKING EUROBONDS



### SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS



**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			21%	19%	n/a	14.30%	S/A	24 May 2017	n/a
<b>VAT Bonds</b>									
UA4000185151			21%	19%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			21%	19%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			21%	19%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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