

## Market Update

### Equity

Locally-listed stocks started off the new month lower on Tuesday (Dec 1) after the Finance Ministry admitted what most observers already knew: that Ukraine will not meet the necessary conditions in time to obtain fresh funding from the IMF before the end of this year. The UX index lost 1.1% to end at 708 points. UkrNafta (UNAF) and CentrEnerg (CEEN) continue to slide southward, dropping by 2.6% and 1.1% respectively, and recent gainer Raiffeisen Aval (BAVL) corrected by 1.4% to 8.31 kopecks. In second-division issues, UkrTelecom (UTLM) slumped 13% to a new all-time low of 9.20 kopecks. On the interbank currency market, the hryvnia inched up by 0.2% to close at bid/ask of 23.94/24.04 UAH/USD. In London trading, Ferrexpo (FXPO) shed 1.9% to GBp 25.25 and Avangard (AVGR) rose 5.4% to USD 1.46. Warsaw-listed Kernel (KER) advanced by 2.9% to approach the PLN 50 level while Astarta (AST) was little-changed just below PLN 36.

### Fixed Income

Ukrainian sovereign bonds improved on Tuesday with Ukraine-19s and Ukraine-27s up by another 0.5p.p. to 98.0/98.8 (8.4%/8.3%) and 93.0/93.8 (8.7%/8.6%), respectively. In the corporate universe, UkrLandFarming-18s declined by 2.1p.p. to 50.0/53.9 (49.3%/44.7%) and Metinvest-18s dropped by 1.0p.p. to 55.0/57.1 (42.0%/39.8%).

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Centrenerg	CEEN	4.43	-1.1%	1.41	58
Ukrnafta	UNAF	184.30	-2.6%	0.78	20
Motor Sich	MSICH	1981.00	0.3%	0.51	17

### Growth Leaders

Krymenergo	KREN	0.19	2.2%	0.002	10
Motor Sich	MSICH	1981.00	0.3%	0.513	17
Kryukiv Wagon	KVBZ	8.64	0.2%	0.164	6

### Loss Leaders

Ukrtelecom	UTLM	0.09	-13.0%	0.321	51
Ukrnafta	UNAF	184.30	-2.6%	0.776	20
Bogdan Motors	LUAZ	0.01	-2.2%	0.007	11

## Highlights

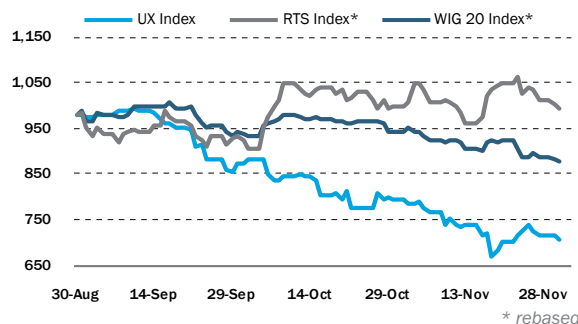
### POLITICS AND ECONOMICS

- 2015 Grain Harvest Reaches 60mn Tonnes, But 2016 Winter Crops Suffering

### FIXED INCOME

- DTEK Intends to Restructure its 2018 Eurobonds in 1Q16

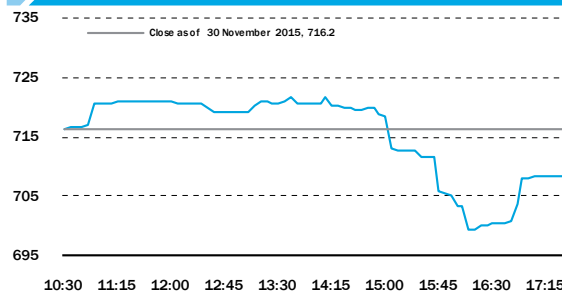
## STOCK MARKET PERFORMANCE



## MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	708.2	-1.1%	-10.7%	-31.5%
RTS	839.1	-0.9%	-0.8%	6.1%
WIG20	1923.9	-0.1%	-6.6%	-16.9%
MSCI EM	825.5	1.4%	-2.6%	-13.7%
S&P 500	2102.6	1.1%	1.1%	2.1%

## UX INTRADAY DECEMBER 1, 2015



## FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	425.8	1.5%	0.8%	5.3%
CDS 5Y UKR	1050.0	0.0%	0.0%	-52.3%
Ukraine-19	8.3%	-0.4 p.p.	n/a	n/a
Ukraine-27	8.7%	-0.1 p.p.	n/a	n/a
MHP-20	10.8%	-0.1 p.p.	-1.3 p.p.	-6.7 p.p.
RAILUA-18	16.3%	-0.1 p.p.	-3.5 p.p.	-17.5 p.p.

## CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	23.85	0.4%	3.9%	50.8%
EUR	25.37	1.3%	-1.3%	32.5%
RUB	0.36	-0.1%	-0.3%	30.1%

## COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	188.6	0.0%	-3.7%	-23.4%
Steel, USD/t	262.5	0.0%	-5.4%	-41.7%
Oil, USD/bbl	44.4	-0.4%	-11.7%	-30.7%
Gold, USD/oz	1069.3	0.4%	-6.4%	-9.8%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## 2015 Grain Harvest Reaches 60mn Tonnes, But 2016 Winter Crops Suffering

by Ivan Dzvinka  
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### NEWS

Ukraine has harvested 60mn tonnes of grain crops YtD in 2015, the Agriculture Ministry reported on Tuesday (Dec 1). The harvest was gathered from 14.5mn hectares of land, representing 99% of the cultivated area. Corn, the major spring grain, has been harvested from 96% of the planted area with a yield of 5.62 tonnes/ha (vs. 5.90 t/ha in 2014) and a total harvest amounting to 22.1mn tonnes.

MinAgro also stated that as of early December, farmers have sowed 6.7mn ha with winter grains (wheat, barley and rye), representing 90% of the planned area under winter grains for the 2016 season. On the back of adverse weather in autumn, the winter grains have sprouted on an area of 5.3mn ha (80% of sowed), with crops on an area of 3.4mn ha (64% of the area under sprouted grains) in satisfactory condition.

### COMMENTARY

The new government figures suggest an overall FY15 grain harvest of 60.7-60.9 mn tonnes. While this is below last year's record high harvest of 63.8mn tonnes, it will still represent the third-best result in Ukraine's history. The lower result from the corn harvest (22.8-23.0mn tonnes vs. 28.5mn tonnes in FY14) as well as a drop in the barley harvest by 5% YoY to 8.6mn tonnes is being partly offset by a strong wheat harvest, which is up by 13% YoY to 27.3mn tonnes this year.

Based on MinAgro's update, only half of the country's planted winter crops are in satisfactory conditions at this stage due to the lack of rainfall this autumn. Given a 5% reduction YoY in the acreage planted under winter grains for 2016 (7.4mn ha) and only 51% of the crops declared to be in good condition, the risk of a significant drop in the winter grains harvest next season looks rather high. On the flip side, farmers will be able to [at least partly] offset these losses by re-planting spring crops on the acreage of lost crops in early spring.

## DTEK Intends to Restructure its 2018 Eurobonds in 1Q16

by Dmitry Churin  
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### NEWS

Vertically-integrated thermal power plant operator DTEK, Ukraine's largest private energy company, intends to restructure two outstanding Eurobond issues due in 2018: USD 160mn maturing in March 2018 and USD 750mn maturing in April 2018, according to the company's announcement on the London Stock Exchange released on Tuesday (Dec 1). DTEK appointed Rothschild as its financial adviser for the restructuring process, and said that it will present a restructuring proposal to the bondholders in 1Q16.

As of 30 Jun 2015, DTEK's net debt was USD 2.7bn (95% of which is denominated in foreign currencies), and the group admitted that it has violated its Debt-to-EBITDA bond covenants. The company estimated its Net Debt/Adj. EBITDA at 5.24x. DTEK's total assets stood at USD 5.0bn in 1H15.

### COMMENTARY

DTEK has been complaining about insufficient payments from the Ukrainian government for its electricity ever since the political upheaval of early 2014. The company's financial results have deteriorated considerably due to low electricity tariffs, reduced subsidy reimbursements from the government, and the situation with its assets located on separatist-occupied territories in Eastern Ukraine. Taking into account the above-mentioned factors, DTEK's intention to restructure its heavy debt load is obvious. Negotiations with bondholders will be tough, and it is too early to forecast what offer DTEK will make, but we won't be surprised if the company asks for a "haircut" on its bonds in line with the writedown of 20% that the government achieved for sovereign Eurobonds this autumn.

Investors are quite concerned about DTEK's ability to meet future obligations, as the company is now in open conflict with Ukraine's IMF-mandated energy reform agenda due its long-unchallenged activity as a de-facto monopolist in thermal electricity production. Although it is a private entity owned by industrialist Rinat Akhmetov, DTEK had for more than a decade wielded controlling influence over government coal pricing policy and over the state-run wholesale electricity market operator, EnergoRynok. In 2014, with the abrupt change in political power, this influence was sharply reduced. On Monday (Nov 30), DTEK CEO Maksim Tymchenko claimed that the government's debt (via EnergoRynok) to the company is UAH 5.3bn (USD 220mn). Tymchenko also said power plant coal costs are USD 65 (UAH 1,560) per tonne, but that the regulated thermal electricity tariff is based on a coal cost of just UAH 1,100 per tonne.

DTEK-18s (USD 160mn) are currently quoted at 50.0/51.0 (48.5%/47.3%) and DTEK-18s (USD 750mn) trade at 44.0/47.0 (52%/48%).

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	49.8	57.20	15%	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	35.9	36.1	1%	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	6.5	9.4	45%	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	1.5	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	25.3	23.0	-9%	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	0.42	0.56	34%	SELL	Non-transparent accounting practices overseen by majority owner Metinvest detrimentally affect Azovstal's reported earnings.
<b>Coke</b>						
Avdyivka Coke	AVDK	1.06	U/R	--	Susp.	Avdyivka Coke's facilities are located on the front line of the Donbass separatist-occupied territory, and the plant has been experiencing periodic artillery shelling since August 2014. However, the company continues to operate, albeit at reduced capacity.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	1981	5250	165%	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	3.9	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	29.8	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	16.2	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	4.43	15.00	239%	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	189%	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	708.22	1158.71	656.99	-1.1%	-2.1%	-10.7%	-31.5%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.011	0.019	0.010	-10.9%	-16.5%	-10.9%	-26.9%	-9.8%	-14.4%	-0.2%	4.6%
Azovstal	AZST	0.42	0.89	0.34	3.0%	-4.6%	-30.0%	-44.2%	4.1%	-2.5%	-19.3%	-12.7%
Enakievo Steel	ENMZ	15.75	24.88	14.03	-8.4%	-2.5%	-4.0%	-24.8%	-7.3%	-0.4%	6.7%	6.6%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.06	2.08	0.86	-5.1%	3.2%	-1.7%	-38.6%	-4.0%	5.3%	9.0%	-7.1%
Yasnyivsky Coking	YASK	0.33	0.43	0.06	0.0%	0.0%	32.0%	17.9%	1.1%	2.1%	42.7%	49.3%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	5.00	n/a	n/a	0.0%	0.0%	-28.1%	-35.8%	1.1%	2.1%	-17.3%	-4.4%
Ferrexpo	FXPO	25.25	80.00	25.25	-1.9%	-6.5%	-25.7%	-52.4%	-0.8%	-4.4%	-15.0%	-20.9%
Pivnichny GOK	SGOK	4.63	12.30	2.20	0.0%	0.0%	32.3%	-44.7%	1.1%	2.1%	43.0%	-13.2%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.25	n/a	n/a	0.0%	0.0%	0.0%	-46.8%	1.1%	2.1%	10.7%	-15.3%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.16	0.59	0.12	14.3%	14.3%	-15.8%	-57.9%	15.4%	16.4%	-5.1%	-26.4%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	8.64	13.90	7.40	0.2%	-7.6%	-7.5%	-32.8%	1.3%	-5.5%	3.2%	-1.3%
Luhanskteplovoz	LTPL	0.75	n/a	n/a	0.0%	-2.6%	36.4%	-30.6%	1.1%	-0.5%	47.1%	0.9%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	1981	2939	1889	-0.9%	1.0%	-1.9%	-20.2%	0.2%	3.1%	8.8%	11.2%
Turboatom	TATM	4.10	n/a	n/a	0.0%	0.0%	n/a	n/a	1.1%	2.1%	n/a	n/a
<b>Telecom</b>												
Ukrtelecom	UTLM	0.09	0.21	0.09	1.7%	1.7%	-38.6%	-39.5%	2.8%	3.8%	-27.9%	-8.0%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	3.86	6.50	3.13	0.8%	4.3%	-6.0%	23.4%	1.9%	6.4%	4.7%	54.8%
JKX Oil	JKX	28.00	37.38	11.00	0.0%	-2.6%	1.8%	133.3%	1.1%	-0.5%	12.5%	164.8%
Ukrnafta	UNAF	184.3	337.6	165.0	-2.6%	-5.2%	-13.1%	-9.3%	-1.5%	-3.1%	-2.4%	22.1%
<b>Power Utilities</b>												
Centrenergo	CEEN	4.43	8.50	4.20	-1.1%	-4.8%	-18.5%	-41.3%	0.0%	-2.6%	-7.8%	-9.8%
Donbasenergo	DOEN	16.19	35.28	15.24	-1.2%	-9.9%	-9.9%	-50.9%	0.0%	-7.8%	0.8%	-19.5%
Zakhidenergo	ZAEN	85.0	193.9	52.0	-14.6%	-11.5%	-5.6%	-42.6%	-13.5%	-9.4%	5.2%	-11.1%
<b>Consumer</b>												
Agroton	AGT	1.09	1.52	0.95	2.8%	2.8%	-14.8%	-11.4%	3.9%	4.9%	-4.1%	20.1%
Astarta	AST	35.91	38.50	16.25	-0.2%	2.7%	0.4%	79.6%	0.9%	4.9%	11.1%	111.0%
Avangardo	AVGR	1.46	4.80	0.23	5.4%	-6.4%	25.9%	-28.8%	6.5%	-4.3%	36.6%	2.7%
Industrial Milk Company	IMC	6.48	7.24	4.38	2.0%	-1.7%	-2.4%	14.3%	3.2%	0.4%	8.3%	45.7%
Kernel	KER	49.79	55.20	26.10	2.9%	4.7%	-4.6%	74.9%	4.0%	6.8%	6.1%	106.4%
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%	1.1%	-3.9%	15.5%	35.2%
Milkiland	MLK	1.58	3.50	0.89	-3.1%	-7.1%	-16.8%	6.8%	-2.0%	-5.0%	-6.1%	38.2%
Ovostar Union	OVO	87.00	89.51	68.00	0.0%	0.0%	-0.7%	20.8%	1.1%	2.1%	10.0%	52.3%
<b>Chemicals</b>												
Stirol	STIR	5.90	n/a	n/a	0.0%	0.0%	13.5%	-14.9%	1.1%	2.1%	24.2%	16.6%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.083	0.114	0.069	-1.5%	10.8%	4.7%	-13.4%	-0.4%	12.9%	15.4%	18.0%
UkrSotsbank	USCB	0.094	0.150	0.064	0.0%	0.0%	5.6%	-27.8%	1.1%	2.1%	16.3%	3.7%

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	na	301	129	na	45.6%	30.9%	#VALUE!	238	-27	na	36.0%	neg	#VALUE!
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	11	3.9%	0	2,625	neg	neg	neg	neg	neg	neg	1.5	3.7	9.4	678	633	614	\$/tonne
Yenakievo Steel	ENMZ	7	8.8%	1	5	neg	neg	0.3	neg	0.8	0.2	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	73	3.0%	2	67	neg	1.0	1.1	neg	0.4	0.5	0.0	0.0	0.0	15	15	15	\$/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	246	0.3%	1	244	1.3	2.1	3.1	0.8	1.1	1.5	0.4	0.4	0.4				
Pivnichny GOK	SGOK	447	0.4%	2	441	0.8	1.4	2.0	0.5	0.7	1.0	0.3	0.3	0.3				
Ferrexpo	FXPO	230	24.0%	55	1,247	0.9	1.3	1.8	2.5	2.5	4.9	0.8	0.9	1.3				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	17	2.0%	0	63	3.7	0.8	9.5	2.0	1.5	3.6	0.2	0.3	0.7	100	166	158	\$/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	173	24.0%	41	177	1.1	1.3	1.9	0.5	0.5	0.8	0.2	0.2	0.3				
<b>Telecom</b>																		
Ukrtelecom	UTLM	72	7.2%	5	163	neg	4.0	7.9	neg	1.9	2.3	0.2	0.4	0.6				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	419	3.0%	13	412	18.0	4.0	1.7	1.4	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	69	21.7%	15	51	1.1	11.7	neg	0.5	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	1,065	61.8%	658	1,404	10.2	neg	10.6	4.8	6.3	3.5	0.5	0.6	0.6				
Astarta	AST	241	37.0%	89	444	7.1	neg	neg	4.9	3.1	4.5	0.9	1.1	1.3				
Avangardco	AVGR	93	22.5%	21	391	0.4	neg	n/a	1.3	3.0	n/a	0.6	0.9	n/a	88	67	63	\$/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	105	3.5%	4		1.2	neg	neg	0.1	0.3	0.4	0.02	0.04	0.05				
Ukrsotsbank	USCB	305	0.2%	1		>30	>30	>30	0.3	0.6	0.8	0.07	0.14	0.18				

Source: Eavex Research

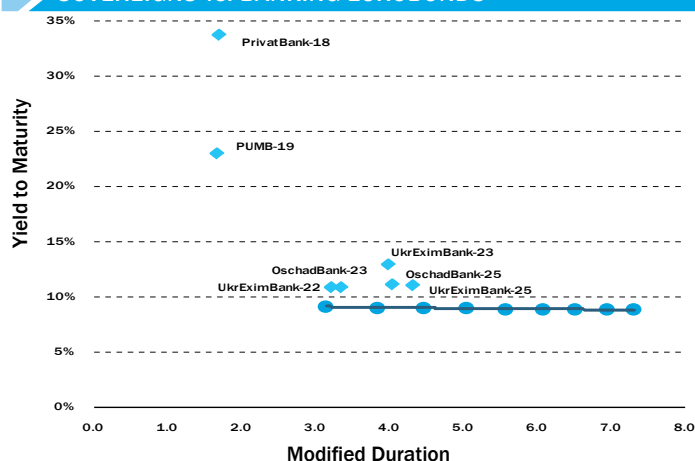
## UKRAINIAN EUROBONDS

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	98.0	98.8	8.4%	8.1%	n/a	3.1	7.75%	S/A	1 Sept 2019	1,155	Caa3//CCC
Ukraine, 2020	96.9	97.8	8.6%	8.3%	n/a	3.8	7.75%	S/A	1 Sept 2020	1,531	Caa3//CCC
Ukraine, 2021	96.3	97.0	8.6%	8.4%	n/a	4.4	7.75%	S/A	1 Sept 2021	1,378	Caa3//CCC
Ukraine, 2022	95.5	96.3	8.6%	8.5%	n/a	5.0	7.75%	S/A	1 Sept 2022	1,355	Caa3//CCC
Ukraine, 2023	95.0	95.8	8.6%	8.5%	n/a	5.6	7.75%	S/A	1 Sept 2023	1,330	Caa3//CCC
Ukraine, 2024	94.5	95.3	8.7%	8.5%	n/a	6.1	7.75%	S/A	1 Sept 2024	1,315	Caa3//CCC
Ukraine, 2025	94.0	94.8	8.7%	8.6%	n/a	6.5	7.75%	S/A	1 Sept 2025	1,306	Caa3//CCC
Ukraine, 2026	93.5	94.3	8.7%	8.6%	n/a	6.9	7.75%	S/A	1 Sept 2026	1,295	Caa3//CCC
Ukraine, 2027	93.0	93.8	8.7%	8.6%	n/a	7.3	7.75%	S/A	1 Sept 2027	1,286	Caa3//CCC
Ukraine, GDP-linked (VRI)	46.5	47.5	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	123.4%	101.3%	-66.0%	1.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	90.7	91.7	11.0%	10.7%	32.2%	3.4	8.25%	S/A	2 Apr 2020	750	//CCC//CCC
Avangardco, 2018	50.0	54.0	38.4%	35.0%	-15.4%	2.3	10.00%	S/A	29 Oct 2018	206	//WD
UkrLandFarming, 2018	50.0	53.9	49.3%	44.7%	15.5%	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	1.4	9.45%	S/A	19 Apr 2018	400	//SD//RD
DTEK, 2018	50.0	51.0	48.5%	47.3%	-35.2%	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	44.0	47.0	51.9%	47.9%	0.0%	1.6	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2016	67.6	69.5	n/a	n/a	-13.3%	0.1	10.25%	S/A	31 Jan 2016	85	Caa3//C
Metinvest, 2017	57.0	59.8	45.7%	42.4%	-16.6%	0.8	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	55.0	57.1	42.0%	39.8%	0.9%	1.6	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	66.0	69.4	26.2%	24.2%	-13.2%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	55.0	57.1	42.0%	39.8%	-28.2%	1.6	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	86.0	87.2	16.6%	16.0%	63.3%	2.1	9.50%	S/A	21 May 2018	500	//CC//C
Interepipe, 2017	36.0	38.5	102.3%	95.0%	-32.3%	0.9	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	68.0	71.3	35.3%	32.6%	19.6%	0.9	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	8.9	11.6	141.1%	119.4%	-87.7%	1.3	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	72.1	75.1	24.1%	22.4%	4.4%	1.6	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	5.7	11.0	n/a	n/a	-33.5%	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	3.3	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	92.7	93.8	11.2%	11.0%	20.3%	3.3	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	74.3	77.0	13.3%	12.6%	51.3%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	91.4	92.5	11.3%	11.1%	53.2%	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	92.3	93.5	10.9%	10.7%	42.9%	3.2	8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	91.1	92.3	11.2%	11.0%	60.9%	4.0	8.88%	S/A	20 Mar 2025	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	82.8	84.5	n/a	n/a	n/a	n/a	8.00%	S/A	6 Nov 2015	250	//
City of Kyiv, 2016	83.0	85.0	n/a	n/a	18.3%	n/a	9.375%	S/A	11 Jul 2016	300	//

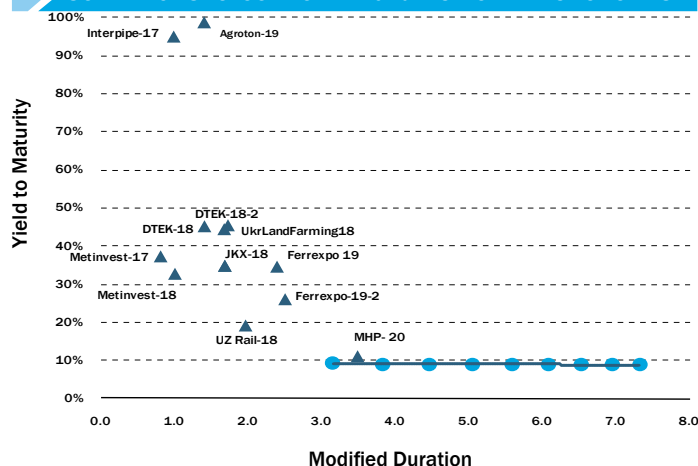
<sup>1</sup> Moody's/S&P/Fitch

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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