

**Market Update**

**Equity**

Kyiv-listed stocks ended mixed on Tuesday (Dec 8) despite spending most of the trading session in positive territory. The UX index closed essentially unchanged at 700 points. However, the most actively traded issues were in the red, with Motor Sich (MSICH) retreating 0.8% to UAH 1980 and UkrNafta (UNAF) edging down 0.6% to UAH 178 per share. Low-liquidity blue chips supported the benchmark, with Alchevsk Steel (ALMK) and DonbasEnergO (DOEN) adding 2.7% and 1.9% respectively. On the currency front, the hryvnia continue to strengthen on expectations that the country's state budget will be more or less balanced in 2016 and that consumer inflation will slow to below 15% after this year's 45%. The hryvnia gained 1.3% against the dollar on the interbank market to close at bid/ask of 22.85/23.00 UAH/USD. In London trading, Ferrexpo (FXPO) took a 10.8% hammering to GBp 22.75 as iron ore prices sank, while Regal Petroleum (RPT) rose 13.7% to GBp 4.26. In Warsaw, Astarta (AST) and Agroton (AGT) were down by 0.3% and 3.0% respectively, while top liquid issue Kernel (KER) jumped 5.0% to PLN 45.30.

**Fixed Income**

Ukrainian sovereign bonds were flat on Tuesday with both Ukraine-19s and Ukraine-27s finished unchanged at 95.0/95.8 (9.4%/9.1%) and 89.8/90.5 (9.2%/9.1%), respectively. In the corporate universe, Avangardco-18s declined by 1.5p.p. to 49.0/51.0 (39.5%/37.8%) and Metinvest-18s dropped by 1.3p.p. to 54.0/55.0 (43.5%/42.3%) following the poor earnings report for 3Q15 and October earlier this week.

Volume Leaders	Ticker	Last, UAH	1D ch	Volume, UAH mn	Number of Trades
Ukrnafta	UNAF	178.80	-0.6%	1.59	28
Motor Sich	MSICH	1980.00	-0.8%	0.57	17
Raiffeisen Bank Aval	BAVL	0.08	-3.1%	0.33	24

**Growth Leaders**

Dniproenergo	DNEN	295.60	8.1%	0.010	9
Donbasenergo	DOEN	16.30	1.9%	0.286	24
Ukrtelecom	UTLM	0.10	0.9%	0.054	6

**Loss Leaders**

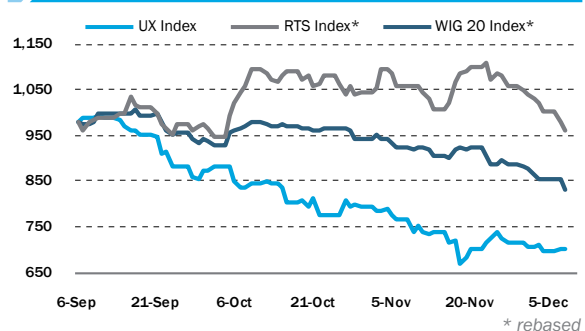
Krymenergo	KREN	0.19	-15.1%	0.001	7
Raiffeisen Bank Aval	BAVL	0.08	-3.1%	0.332	24
Yenakievo Steel	ENMZ	15.97	-3.0%	0.221	13

**Highlights**

**POLITICS AND ECONOMICS**

- > Biden Lobbies Parliament to Stick to Minsk Deal, Meet IMF Conditions

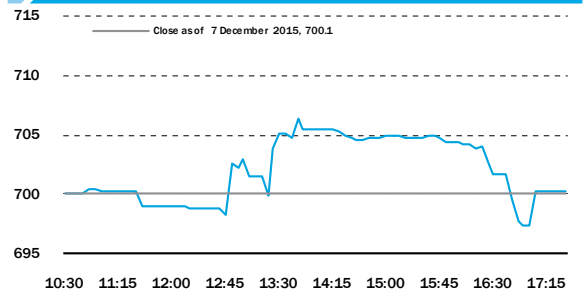
**STOCK MARKET PERFORMANCE**



**MARKET INDEXES**

	Last	1D ch	1M ch	YTD
UX	700.2	0.0%	-8.5%	-32.2%
RTS	777.2	-2.0%	-9.0%	-1.7%
WIG20	1814.9	-2.7%	-10.1%	-21.6%
MSCI EM	795.5	-1.5%	-6.7%	-16.8%
S&P 500	2063.6	-0.6%	-1.7%	0.2%

**UX INTRADAY DECEMBER 8, 2015**



**FIXED INCOME**

	Last	1D ch	1M ch	YTD
EMBI+Global	431.9	0.6%	6.4%	6.8%
CDS 5Y UKR	1050.0	0.0%	0.0%	-52.3%
Ukraine-19	9.2%	0.0 p.p.	n/a	n/a
Ukraine-27	9.1%	0.0 p.p.	n/a	n/a
MHP-20	11.1%	0.1 p.p.	-0.1 p.p.	-6.4 p.p.
RAILUA-18	16.2%	0.1 p.p.	-3.4 p.p.	-17.5 p.p.

**CURRENCY**

	Last, UAH	1D ch	1M ch	YTD
USD	22.88	-1.2%	1.7%	44.6%
EUR	24.80	-1.2%	3.2%	29.6%
RUB	0.33	-1.6%	-5.6%	19.9%

**COMMODITIES**

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	188.6	0.0%	-4.9%	-23.4%
Steel, USD/t	265.0	0.0%	-4.5%	-41.1%
Oil, USD/bbl	40.3	-1.2%	-16.4%	-37.3%
Gold, USD/oz	1075.0	0.3%	-1.4%	-9.3%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Biden Lobbies Parliament to Stick to Minsk Deal, Meet IMF Conditions

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### NEWS

US Vice President Joseph Biden addressed Ukraine's Parliament on Tuesday (Dec 8), the second day of his 2-day official visit to Kyiv. Biden delivered an animated speech (heard by most MPs via translation) in which he called for Parliament to support constitutional amendments that will set the stage for elections in the separatist-occupied Donbass, to approve a budget that will keep Kyiv eligible for IMF assistance, and to root out corruption in the country's energy sector and judicial system. On Monday (Dec 7), Biden held separate closed-door meetings with President Poroshenko and Prime Minister Yatseniuk. A major theme in the Vice President's public comments was that US cooperation with Moscow in fighting the "ISIS" group in the Syrian civil war in no way represents a trade-off in which support for Ukraine against Russian aggression is being reduced. The trip was Biden's fifth to Ukraine since taking office in 2009.

### COMMENTARY

Our main takeaway from the Biden visit is that the US is working hard to prevent a collapse of Ukraine's current precarious ruling coalition, due to worries that a pre-term election would undercut the country's stability and bring to power unreliable political forces (i.e. the Samopomich, Batkivschyna and Ukrop parties) that are less reform-minded and more populist than the current co-ruling factions led by Poroshenko and Yatseniuk. In this vein, Biden's long meeting with Yatseniuk on Monday evening was particularly significant. Just last week, Yatseniuk was forced to sacrifice one of the top figures in his People's Front party when MP Mykola Martinenko announced his resignation from Parliament over accusations that he received USD 30mn in bribes related to his role in the state-controlled nuclear energy industry. Biden's trip was also billed as a "last chance" warning for Kyiv to get its house in order before the plug is pulled on Western financial support, but we see this as somewhat of an empty threat, given that Ukraine has simply become "too big to fail" in US foreign policy; the consequences of a full collapse of the country, which would involve civil war, renewed Russian military aggression, and a massive refugee flow, would be worse for the West than anything that has occurred from the Syrian situation. Therefore, we think that 2016 is likely to see a continuation of the "muddling" and "give-and-take" scenarios in which some Western-demanded reforms are implemented while others are delayed due to the successful resistance of vested interests. Importantly, we now expect a compromise to eventually be reached between the IMF and Ukraine's ruling coalition on a tax code that will allow Kyiv to resume accessing its IMF loan tranches, which is a key to maintaining macroeconomic as well as political stability. Finally, we suppose that Biden may have tested the groundwork for a trip to Kyiv sometime next year by US President Obama; it would be surprising to us if Obama were to finish his presidency without a single visit to Ukraine, given his administration's steadfast support for the country's right to self-determination.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	45.3	57.20	26%	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	9.6	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	33.8	36.1	7%	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	6.3	9.4	49%	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	1.6	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	89.0	80.8	-9%	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	22.8	23.0	1%	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	1.07	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	1980	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	3.8	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	27.8	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	16.3	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	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	0.077	0.24	212%	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	700.19	1158.71	656.99	0.0%	-1.1%	-8.5%	-32.2%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.011	0.018	0.010	0.9%	7.5%	-0.9%	-21.4%	0.9%	8.7%	7.6%	10.9%
Azovstal	AZST	0.42	0.89	0.34	1.7%	0.0%	-20.2%	-44.2%	1.7%	1.1%	-11.7%	-11.9%
Enakievo Steel	ENMZ	15.97	24.88	14.03	-4.1%	1.4%	0.4%	-23.8%	-4.1%	2.5%	8.9%	8.5%
<b>Coke</b>												
Avdyivka Coke	AVDK	1.07	1.99	0.86	0.5%	0.7%	-2.6%	-38.2%	0.5%	1.8%	5.9%	-5.9%
Yasynivsky Coking	YASK	0.33	0.43	0.06	0.0%	0.0%	32.0%	17.9%	0.0%	1.1%	40.5%	50.1%
<b>Iron Ore Mining</b>												
Centralny GOK	CGOK	7.25	n/a	n/a	0.0%	45.0%	3.6%	-6.9%	0.0%	46.1%	12.1%	25.3%
Ferrexpo	FXPO	22.75	80.00	22.75	-10.8%	-9.9%	-29.5%	-57.1%	-10.8%	-8.8%	-21.0%	-24.8%
Pivnichny GOK	SGOK	3.99	12.30	2.20	0.0%	-13.8%	0.0%	-52.3%	0.0%	-12.7%	8.5%	-20.1%
<b>Coal Mining</b>												
Pokrovske Mine	SHCHZ	0.30	n/a	n/a	0.0%	20.0%	20.0%	-36.2%	0.0%	21.1%	28.5%	-3.9%
<b>Pipe Manufacturing</b>												
Khartsyzk Pipe	HRTR	0.16	0.59	0.12	0.0%	0.0%	-15.8%	-57.9%	0.0%	1.1%	-7.3%	-25.7%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	8.40	13.90	7.40	1.2%	-2.8%	-9.8%	-34.6%	1.2%	-1.6%	-1.3%	-2.4%
Luhanskteplovoz	LTPL	0.75	n/a	n/a	0.0%	0.0%	36.4%	-30.6%	0.0%	1.1%	44.9%	1.7%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	1980	2939	1889	-0.8%	-0.1%	-2.3%	-20.3%	-0.8%	1.1%	6.2%	12.0%
Turboatom	TATM	4.10	n/a	n/a	0.0%	0.0%	n/a	n/a	0.0%	1.1%	n/a	n/a
<b>Telecom</b>												
Ukrtelecom	UTLM	0.10	0.21	0.09	9.8%	9.8%	-32.7%	-33.6%	9.8%	10.9%	-24.2%	-1.3%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	3.78	6.50	3.13	-11.5%	-2.1%	-11.2%	20.8%	-11.5%	-0.9%	-2.7%	53.0%
JKX Oil	JKX	27.75	37.38	11.00	-0.9%	-0.9%	-2.6%	131.3%	-0.9%	0.2%	5.9%	163.5%
Ukrnafta	UNAF	178.8	337.6	165.0	-0.6%	-3.0%	-14.9%	-12.1%	-0.6%	-1.9%	-6.4%	20.2%
<b>Power Utilities</b>												
Centrenergo	CEEN	4.48	8.50	4.20	0.0%	1.2%	-14.3%	-40.6%	0.0%	2.3%	-5.8%	-8.4%
Donbasenergo	DOEN	16.30	35.28	15.24	3.8%	0.7%	-5.2%	-50.6%	3.8%	1.8%	3.3%	-18.4%
Zakhidenergo	ZAEN	85.0	193.9	52.0	0.0%	0.0%	-1.2%	-42.6%	0.0%	1.1%	7.3%	-10.4%
<b>Consumer</b>												
Agroton	AGT	0.97	1.52	0.95	-3.0%	-11.0%	-21.8%	-21.1%	-3.0%	-9.9%	-13.3%	11.1%
Astarta	AST	33.78	38.50	16.25	-0.3%	-5.9%	-9.8%	68.9%	-0.3%	-4.8%	-1.3%	101.1%
Avangardo	AVGR	1.59	4.50	0.23	0.0%	8.9%	32.0%	-22.4%	0.0%	10.0%	40.4%	9.8%
Industrial Milk Company	IMC	6.30	7.24	4.38	0.0%	-2.8%	-2.9%	11.1%	0.0%	-1.6%	5.6%	43.3%
Kernel	KER	45.32	55.20	26.10	5.0%	-9.0%	-15.0%	59.2%	5.0%	-7.8%	-6.5%	91.5%
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	9.55	12.05	8.24	0.0%	0.1%	0.4%	3.8%	0.0%	1.2%	8.9%	36.0%
Milkiland	MLK	1.45	3.50	0.89	-9.4%	-8.2%	-23.7%	-2.0%	-9.4%	-7.1%	-15.2%	30.2%
Ovostar Union	OVO	89.00	89.51	68.00	0.0%	2.3%	2.3%	23.6%	0.0%	3.4%	10.8%	55.8%
<b>Chemicals</b>												
Stirol	STIR	5.90	n/a	n/a	0.0%	0.0%	-9.2%	-14.9%	0.0%	1.1%	-0.7%	17.4%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.077	0.114	0.069	-3.1%	-7.3%	0.0%	-19.8%	-3.2%	-6.2%	8.5%	12.4%
UkrSotsbank	USCB	0.094	0.145	0.064	0.0%	0.0%	4.4%	-27.8%	0.0%	1.1%	12.9%	4.4%

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	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	13	10.3%	4.1%	4.1%	60	6	5	6.5%	0.9%	1.4%
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	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	7	8.8%	1	5	neg	neg	0.3	neg	0.9	0.2	0.0	0.0	0.0	2	2	2	\$/tonne
Azovstal	AZST	76	3.0%	2	70	neg	1.0	1.2	neg	0.4	0.6	0.0	0.0	0.0	15	16	15	\$/tonne
<b>Coke</b>																		
Avdivka 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	371	0.3%	1	370	1.9	3.2	4.6	1.2	1.7	2.3	0.5	0.6	0.7				
Pivnichny GOK	SGOK	402	0.4%	2	395	0.7	1.2	1.8	0.4	0.6	0.9	0.2	0.3	0.3				
Ferrexpo	FXPO	207	24.0%	50	1,224	0.8	1.1	1.6	2.4	2.5	4.8	0.8	0.9	1.3				
<b>Pipe Manufacturing</b>																		
Khartsyzk Pipe	HRTR	18	2.0%	0	64	3.9	0.8	9.9	2.0	1.5	3.6	0.2	0.3	0.7	101	168	160	\$/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	65	5.8%	4	34	0.9	1.2	2.8	0.4	0.5	0.9	0.2	0.2	0.3				
Motor Sich	MSICH	180	24.0%	43	184	1.1	1.4	2.0	0.5	0.5	0.8	0.2	0.2	0.3				
<b>Telecom</b>																		
Ukrtelecom	UTLM	83	7.2%	6	173	neg	4.6	9.1	neg	2.0	2.4	0.2	0.4	0.7				
<b>Oil &amp; Gas</b>																		
Ukrnafta	UNAF	424	3.0%	13	417	18.2	4.0	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	74	50.4%	37	182	11.4	neg	14.8	2.7	2.7	2.6	1.0	1.2	1.2	33	25	24	\$/boe
<b>Electric Utilities</b>																		
CentrEnerg	CEEN	72	21.7%	16	55	1.2	12.3	15.7	0.6	2.1	4.2	0.1	0.1	0.2	3	4	3	\$/MWh
DonbasEnerg	DOEN	17	14.2%	2	33	0.3	2.0	neg	0.5	1.6	neg	0.1	0.1	0.2	4	4	4	\$/MWh
<b>Consumer</b>																		
MHP	MHPC	1,009	34.1%	344	2,172	6.2	neg	neg	5.6	3.9	4.8	1.5	1.6	1.9				
Kernel	KER	970	61.8%	599	1,309	9.2	neg	9.6	4.5	5.9	3.3	0.5	0.5	0.6				
Astarta	AST	227	37.0%	84	430	6.7	neg	neg	4.7	3.0	4.4	0.9	1.0	1.2				
Avangardco	AVGR	102	22.5%	23	399	0.4	neg	n/a	1.3	3.1	n/a	0.6	1.0	n/a	90	69	65	\$/mneqgs
Ovostar	OVO	143	25.0%	36	151	4.6	5.6	5.9	4.2	5.2	6.0	1.9	2.0	1.9	n/a	n/a	n/a	
<b>Banks</b>																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	101	3.5%	4		1.1	neg	neg	0.1	0.3	0.3	0.02	0.04	0.05				
Ukrsotsbank	USCB	318	0.2%	1		>30	>30	>30	0.4	0.6	0.9	0.07	0.14	0.18				

Source: Eavex Research

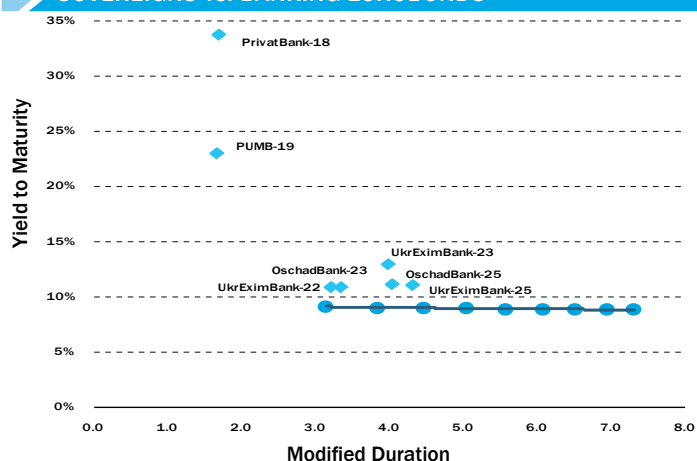
UKRAINIAN EUROBONDS

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, 2019	95.0	95.8	9.4%	9.1%	n/a	3.1	7.75%	S/A	1 Sept 2019	1,155	Caa3/B-/CCC
Ukraine, 2020	93.2	94.1	9.6%	9.3%	n/a	3.8	7.75%	S/A	1 Sept 2020	1,531	Caa3/B-/CCC
Ukraine, 2021	93.0	93.8	9.4%	9.2%	n/a	4.4	7.75%	S/A	1 Sept 2021	1,378	Caa3/B-/CCC
Ukraine, 2022	92.0	92.8	9.4%	9.2%	n/a	5.0	7.75%	S/A	1 Sept 2022	1,355	Caa3/B-/CCC
Ukraine, 2023	91.3	92.0	9.4%	9.2%	n/a	5.5	7.75%	S/A	1 Sept 2023	1,330	Caa3/B-/CCC
Ukraine, 2024	90.5	91.3	9.4%	9.2%	n/a	6.0	7.75%	S/A	1 Sept 2024	1,315	Caa3/B-/CCC
Ukraine, 2025	90.3	91.0	9.3%	9.2%	n/a	6.4	7.75%	S/A	1 Sept 2025	1,306	Caa3/B-/CCC
Ukraine, 2026	90.0	90.8	9.2%	9.1%	n/a	6.8	7.75%	S/A	1 Sept 2026	1,295	Caa3/B-/CCC
Ukraine, 2027	89.8	90.5	9.2%	9.1%	n/a	7.2	7.75%	S/A	1 Sept 2027	1,286	Caa3/B-/CCC
Ukraine, GDP-linked (VRI)	43.5	44.5	n/a	n/a	n/a	n/a	0.00%	S/A	31 May 2040	2,916	Caa3/B-/CCC
<b>Corporate Eurobonds</b>											
Agroton, 2019	10.0	13.0	125.2%	102.5%	-66.0%	1.3	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	89.9	90.7	11.3%	11.0%	30.9%	3.4	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2018	49.0	51.0	39.5%	37.8%	-18.7%	2.3	10.00%	S/A	29 Oct 2018	206	//WD
UkrLandFarming, 2018	49.0	52.0	50.9%	47.2%	12.2%	1.6	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	13.0	16.0	n/a	n/a	11.5%	0.0	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	50.0	54.0	48.7%	44.0%	-33.3%	1.6	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	44.0	47.0	52.2%	48.3%	0.0%	1.6	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2016	67.3	69.7	n/a	n/a	-13.3%	0.1	10.25%	S/A	31 Jan 2016	85	Caa3//C
Metinvest, 2017	55.0	57.8	48.5%	45.0%	-19.4%	0.7	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	54.0	55.0	43.5%	42.3%	-1.9%	1.5	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	62.9	65.3	28.3%	26.7%	-17.8%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	54.0	55.0	43.5%	42.3%	-30.2%	1.5	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	86.0	87.6	16.7%	15.8%	63.7%	2.0	9.50%	S/A	21 May 2018	500	/CC/C
Interepipe, 2017	30.0	35.0	125.7%	107.3%	-40.9%	0.9	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	67.1	68.8	36.3%	34.9%	16.7%	0.9	8.00%	S/A	19 Feb 2018	40	
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	8.9	11.8	142.9%	120.0%	-87.6%	1.3	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	72.9	75.0	23.7%	22.5%	4.9%	1.6	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	5.7	11.2	n/a	n/a	-32.8%	0.0	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2018-2	75.0	77.0	26.4%	24.8%	21.6%	n/a	10.25%	S/A	23 Jan 2018	200	//
PrivatBank, 2021	62.8	65.3	24.0%	22.8%	n/a	3.3	11.00%	S/A	09 Feb 2021	220	//
PrivatBank, 2018						1.6	10.88%	S/A	28 Feb 2018	175	//
UkrEximBank, 2022	90.7	91.8	11.7%	11.5%	17.7%	3.3	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	73.7	76.4	13.5%	12.8%	50.1%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	88.7	89.8	11.8%	11.6%	48.8%	4.2	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	90.0	91.3	11.4%	11.2%	39.5%	3.1	8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	88.7	89.9	11.6%	11.4%	56.7%	4.0	8.88%	S/A	20 Mar 2025	500	Ca//CC
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	82.6	84.7	n/a	n/a	n/a	n/a	8.00%	S/A	6 Nov 2015	250	//
City of Kyiv, 2016	82.1	84.1	n/a	n/a	17.0%	n/a	9.375%	S/A	11 Jul 2016	300	//

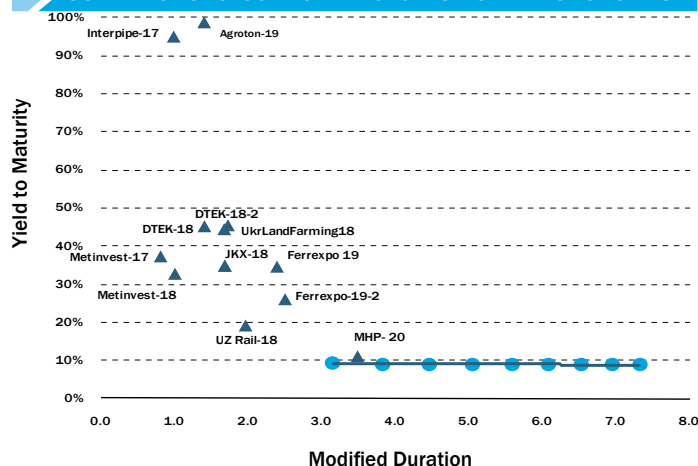
<sup>1</sup> Moody's/S&P/Fitch

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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