

Market Update

Equity

Ukrainian equities finished mixed on Wednesday (Jan 20) in a highly volatile trading session amid sharp slides in the main Asian and European stock indices. Among Ukrainian domestic developments, information appeared that the revision of the Ukrainian Constitution under the Minsk peace agreement is unlikely to occur by the end of this month as scheduled. This scenario is in line with our previous expectations. The changes are supposed to grant the Donbass industrial regions a special status, but the plan lacks sufficient support in Parliament. The UX index inched up 0.2% yesterday to close at 650 points. However, heavyweight blue chips Motor Sich (MSICH) and CentrEnergO (CENN) were both lower, declining by 1.4% and 1.6% respectively. On the upside, Avdyivka Coke (AVDK) jumped 7.6% to UAH 1.10 and UkrNafta (UNAF) regained 1.8% to UAH 162 per share. On the interbank currency market, the hryvnia strengthened by 2.6% to bid/ask 24.45/24.60 UAH/USD after dropping earlier this week. London-listed Ferrexpo (FXPO) fell 2.9% to GBp 17.00 in line with the FTSE's losses. In Warsaw trading, Ukrainian stocks were broadly lower again, with Kernel (KER) down 2.8% to PLN 42.00 and Astarta (AST) slumping 8.8% to PLN 30 on the nose.

Fixed Income

Ukrainian sovereign bonds rose on Wednesday with Ukraine-19s and Ukraine-27s up by 0.5p.p. and 0.8p.p. to 94.5/95.5 (9.6%/9.2%) and 90.0/91.0 (9.2%/9.0%), respectively. In the corporate universe, Ferrexpo-19s dropped by 0.8p.p. to 54.1/56.5 (35.3%/33.4%) while Avangardco-18s improved by 1.5p.p. after Ukrainian Agro Ministry stated no salmonella bacteria was detected in Ukrainian eggs exported to Israel (for details, see the news below).

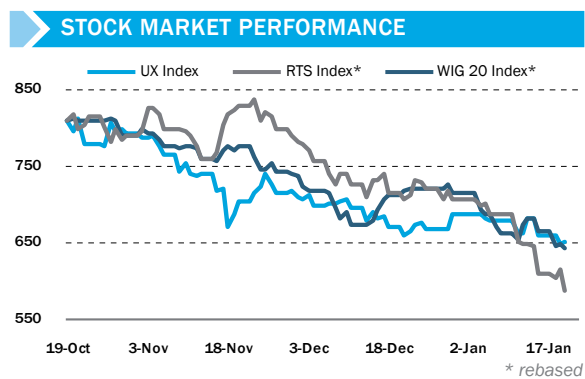
Highlights

POLITICS AND ECONOMICS

- Ukraine Says No Salmonella in Its Eggs; Israel Halts Egg Imports from Spain

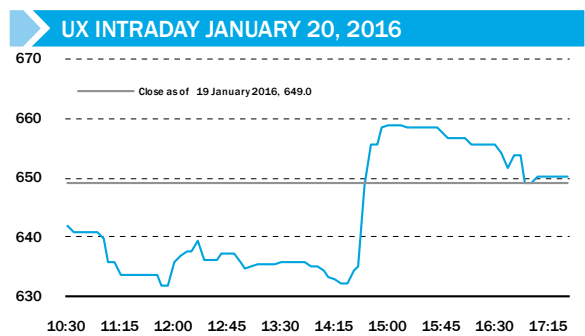
STOCKS IN THE NEWS

- Kernel Increases Oilseed Crushing Volume by 31% YoY Over Oct-Dec 2015



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	650.1	0.2%	-3.1%	-5.2%
RTS	628.4	-4.8%	-17.9%	-17.0%
WIG20	1674.6	-1.1%	-9.9%	-9.9%
MSCI EM	692.8	-3.0%	-12.3%	-12.5%
S&P 500	1859.3	-1.2%	-7.3%	-9.9%



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	519.1	2.7%	13.9%	17.5%
CDS 5Y UKR	1050.0	0.0%	0.0%	0.0%
Ukraine-19	9.4%	0.1 p.p.	-0.2%	1.7%
Ukraine-27	9.1%	-0.1 p.p.	-0.5%	1.3%
MHP-20	12.6%	0.0 p.p.	0.6 p.p.	0.5 p.p.
RAILUA-18	17.0%	0.0 p.p.	0.4 p.p.	0.3 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	24.45	-1.0%	3.3%	1.8%
EUR	26.63	-1.2%	3.8%	1.4%
RUB	0.30	-4.2%	-9.9%	-8.0%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t*	172.5	0.0%	-5.5%	-5.5%
Steel, USD/t	257.5	0.0%	-2.8%	2.0%
Oil, USD/bbl	27.9	-3.1%	-25.4%	-24.4%
Gold, USD/oz	1100.9	1.3%	3.3%	3.7%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Ukraine Says No Salmonella in Its Eggs; Israel Halts Egg Imports from Spain

by Ivan Dzvinka
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NEWS

Agriculture Minister Oleksiy Pavlenko stated that Ukraine found no salmonella bacteria in eggs exported to Israel, Interfax reported on Wednesday (Jan 20), citing the Ministry. Israel suspended import of eggs from Ukraine in early January, claiming that it had detected salmonella in Ukrainian eggs.

The same day (Jan 20), the Israeli ministry of health halted import of eggs from Spain, the largest supplier of eggs to Israel, due to the risk that these eggs could be contaminated with salmonella. The laboratory test results were not yet received for Spanish eggs by Israel.

COMMENTARY

The news is positive for the recovering the image of Ukraine and its eggs on the export markets. The decision of Israel to suspend import of eggs from Spain was likely followed by the received preliminary results from Ukrainian side stating no bacteria was detected in exported Ukrainian eggs to Israel.

It is clear in this situation that either the Israeli side or the Ukrainian side is wrong here, as Israel stated in its Jan 6 release that salmonella was detected in Ukrainian eggs, while Ukraine's MinAgri has just said there is no salmonella. We tend to believe that it was Israeli side which was mistaken, and the recent move regarding the suspension of Spanish egg imports indirectly supports our view, as it implies that the Ukrainian eggs may have been confused with the contaminated Spanish ones.

Kernel Increases Oilseed Crushing Volume by 31% YoY Over Oct-Dec 2015

by Ivan Dzvinka
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KERNEL (KER PW)

Price: PLN 42.00 Market Cap: USD 817mn

	EV/S	P/E	EV/EBITDA	Div. Yield
FY15	0.5	8.1	3.0	2%
FY16E	0.5	4.5	3.5	2%

NEWS

Kernel, Ukraine's largest sunflower oil producer, expanded its amount of oilseeds crushed by 31% YoY to 915,000 tonnes in the Oct-Dec 2015 quarter, the company stated in its operating results release on Wednesday (Jan 20). Bulk oil sales increased by 7% YoY to 297,000 tonnes, while bottled oil sales declined by 9% YoY to 31.0mn liters. The group's grain sales were down by 6% YoY to 1.32mn tonnes for the period. Export terminal throughput increased by 18% YoY to 1.70mn tonnes.

For the first half of its 2016 financial year (which runs from July to June), Kernel increased its oilseeds crushed by 10% YoY to 1.33mn tonnes. Sales of bulk oil were down by 5% to 455,000 tonnes and grain sales fell by 14% to 2.25mn tonnes. Export terminal throughput and silo services volume were up by 8% and 9% to 2.86mn tonnes and 2.69mn tonnes, respectively, for the Jul-Dec period.

Kernel is set to unveil its Oct-Dec financial results on February 26.

COMMENTARY

Kernel reported its highest-ever quarterly volume - 915,000 tonnes - of oilseeds crushed in the Oct-Dec period. We attribute this result to two factors: "tolling" deals during Jul-Dec for crushing some 200,000 tonnes of sunflower seeds at third-party processing facilities, as well as a [relatively insignificant] rapeseed crushing campaign in the sunflower "low season" of July-August. The tolling contracts were approved in September 2015 and the entire contracted volume was crushed as of late November, according to management. We note that in December, Kernel signed a new tolling deal for crushing an additional 250,000 tonnes of sunflower. As a result, the 12-month July-to-June seed crushing volume could approach 3mn tonnes, vs. 2.5mn in FY15.

Lower bulk oil sales compared to seeds crushed in the Oct-Dec quarter is likely due to delayed implementation of some contracts on sales of oil, which is not an unusual situation for Kernel. Meanwhile, the drop in group-wide grain sales is a result of later harvesting of corn, the major spring crop, this past autumn compared to 2014.

Overall, we maintain our optimistic view on Kernel and confirm our BUY recommendation for the KER stock with a target price of PLN 56.50.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	42.0	57.20	36%	BUY	The group's stock looks undervalued currently even after taking into account an expected decrease in earnings in FY16 due to lowering in seed-crushing margin from an exceptionally high level of FY15.
MHP	MHPC LI	7.9	12.03	53%	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	30.0	36.1	20%	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	5.8	9.4	61%	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	1.0	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).
Iron Ore						
Ferrexpo	FXPO LN	17.0	11.0	-35%	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. Gloomy outlook for 2016 suggests even more depressed results in the next year.
Steel						
Azovstal	AZST	0.38	0.56	48%	SELL	Non-transparent accounting practices overseen by majority owner Metinvest detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.10	U/R	--	Susp.	Avdyivka Coke's facilities are located on the front line of the Donbass separatist-occupied territory, and the plant has been experiencing periodic artillery shelling since August 2014. However, the company continues to operate, albeit at reduced capacity.
Specialized Machinery						
Motor Sich	MSICH	1800	5250	192%	BUY	Motor Sich should see its revenue grow with a 2012-2016E CAGR of 9%, reaching USD 1.2bn. For 2012-2016, we forecast an average EBITDA margin of 35% and a net margin of 28%.
Oil & Gas						
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT	3.1	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	26.0	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.
Power Utilities						
DonbasEnerg	DOEN	14.8	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	4.24	15.00	254%	BUY	CenterEnerg's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Banks						
Raiffeisen Bank Aval	BAVL	0.072	0.24	234%	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	650.13	1158.71	631.82	0.2%	-4.5%	-3.1%	-5.2%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.012	0.017	0.010	4.5%	-5.0%	4.5%	3.6%	4.4%	-0.4%	7.6%	8.8%
Azovstal	AZST	0.38	0.89	0.34	-1.1%	-6.0%	-6.0%	-6.3%	-1.2%	-1.5%	-3.0%	-1.0%
Enakievo Steel	ENMZ	14.65	21.93	8.60	8.5%	9.7%	3.0%	4.6%	8.3%	14.3%	6.0%	9.9%
Coke												
Avdyivka Coke	AVDK	1.10	1.67	0.86	7.8%	3.8%	4.3%	-0.1%	7.7%	8.3%	7.3%	5.1%
Yasnyivsky Coking	YASK	0.24	0.43	0.06	0.0%	4.3%	-27.3%	4.3%	-0.2%	8.9%	-24.2%	9.6%
Iron Ore Mining												
Centralny GOK	CGOK	4.50	n/a	n/a	0.0%	0.0%	-37.9%	5.6%	-0.2%	4.5%	-34.9%	10.8%
Ferrexpo	FXPO	17.00	80.00	14.00	-2.9%	-13.9%	7.9%	-20.9%	-3.0%	-9.4%	11.0%	-15.7%
Pivnichny GOK	SGOK	3.90	9.50	2.20	19.7%	19.9%	-2.3%	-26.4%	19.6%	24.5%	0.8%	-21.2%
Coal Mining												
Pokrovske Mine	SHCHZ	0.23	n/a	n/a	0.0%	0.0%	-42.5%	0.0%	-0.2%	4.5%	-39.4%	5.2%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.19	0.59	0.12	0.0%	0.0%	18.8%	5.6%	-0.2%	4.5%	21.8%	10.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	8.67	13.39	7.00	4.5%	3.2%	10.4%	9.6%	4.3%	7.8%	13.5%	14.8%
Luhanskteplovoz	LTPL	0.45	n/a	n/a	0.0%	0.0%	-40.0%	0.0%	-0.2%	4.5%	-36.9%	5.2%
Specialized Machinery												
Motor Sich	MSICH	1800	2939	1790	-1.4%	-8.3%	-7.2%	-9.0%	-1.5%	-3.8%	-4.2%	-3.8%
Turboatom	TATM	6.00	n/a	n/a	0.0%	33.3%	46.3%	33.3%	-0.2%	37.9%	49.4%	38.5%
Telecom												
Ukrtelecom	UTLM	0.16	0.21	0.09	22.7%	22.7%	22.7%	32.9%	22.5%	27.2%	25.8%	38.1%
Oil & Gas												
Regal Petroleum	RPT	3.13	6.50	2.96	0.0%	-17.7%	-9.9%	-16.5%	-0.2%	-13.2%	-6.9%	-11.3%
JKX Oil	JKX	24.50	37.38	12.00	-3.0%	-3.9%	-10.1%	-10.1%	-3.1%	0.6%	-7.0%	-4.9%
Ukrnafta	UNAF	161.9	337.6	153.1	3.3%	-8.0%	-2.5%	-8.5%	3.1%	-3.4%	0.6%	-3.3%
Power Utilities												
Centrenergo	CEEN	4.24	8.50	4.12	-1.6%	-5.6%	-6.1%	-7.1%	-1.7%	-1.1%	-3.1%	-1.9%
Donbasenergo	DOEN	14.76	32.95	14.40	-1.9%	-7.1%	-2.9%	-6.3%	-2.0%	-2.5%	0.2%	-1.1%
Zakhidenergo	ZAEN	70.1	193.9	52.0	0.1%	-15.5%	-23.0%	-16.5%	0.0%	-11.0%	-19.9%	-11.3%
Consumer												
Agroton	AGT	0.84	1.52	0.84	-6.7%	-8.7%	-20.0%	-16.8%	-6.8%	-4.1%	-16.9%	-11.6%
Astarta	AST	30.00	38.50	21.19	-8.8%	-13.0%	-9.1%	-13.0%	-9.0%	-8.5%	-6.0%	-7.8%
Avangardo	AVGR	1.00	3.80	0.23	-2.0%	-23.1%	-20.0%	-20.0%	-2.1%	-18.5%	-16.9%	-14.8%
Industrial Milk Company	IMC	5.84	7.24	4.38	-0.5%	-0.7%	-0.2%	-2.2%	-0.7%	3.9%	2.9%	3.0%
Kernel	KER	42.00	55.20	29.40	-2.8%	-13.5%	-9.1%	-12.7%	-3.0%	-8.9%	-6.1%	-7.5%
Mriya Agro Holding	MAYA	n/a	0.60	0.05	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MHPC	MHPC	7.85	12.05	7.50	-1.9%	-6.0%	-10.3%	-15.6%	-2.0%	-1.4%	-7.2%	-10.4%
Milkiland	MLK	1.17	3.50	0.89	-12.7%	-20.9%	-22.5%	-17.6%	-12.9%	-16.4%	-19.5%	-12.4%
Ovostar Union	OVO	87.00	93.00	68.00	0.0%	-3.3%	-0.3%	-3.9%	-0.2%	1.2%	2.8%	1.3%
Chemicals												
Stirol	STIR	5.95	n/a	n/a	0.0%	0.0%	41.7%	0.0%	-0.2%	4.5%	44.7%	5.2%
Banks												
Raiffeisen Bank Aval	BAVL	0.072	0.114	0.069	1.8%	0.4%	-0.8%	-4.6%	1.7%	5.0%	2.2%	0.6%
UkrSotsbank	USCB	0.096	0.128	0.064	0.0%	0.0%	-2.7%	-2.5%	-0.2%	4.5%	0.3%	2.7%

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		
		2014	2015E	2016E	2014	2015E	2016E	2014	2015E	2016E	2014	2015E	2016E	2014	2015E	2016E
Steel																
Alchevsk Steel	ALMK	1,254	527	517	248	-50	-54	19.7%	-9.6%	-10.5%	na	-115	-110	na	-21.8%	-21.4%
Enakievo Steel	ENMZ	916	642	482	6	18	13	0.6%	2.8%	2.6%	-33	-37	-42	-3.6%	-5.7%	-8.7%
Azovstal	AZST	1,885	1,157	868	183	70	45	9.7%	6.0%	5.1%	77	-38	-40	4.1%	-3.3%	-4.6%
Coke																
Avdyivka Coke	AVDK	533	294	258	-60	31	27	na	10.7%	10.5%	-67	4	1	-12.5%	1.3%	0.5%
Yasynivsky Coking	YASK	162	83	66	-12	-9	-10	-7.3%	na	-15.8%	-19	-11	-11	-11.5%	-13.9%	-17.0%
Iron Ore Mining																
Centralny GOK	CGOK	523	307	223	261	164	118	49.9%	53.5%	53.0%	64	-1	-7	12.3%	-0.4%	-3.3%
Pivnichny GOK	SGOK	1,048	615	447	571	251	140	54.5%	40.8%	31.3%	129	-2	-15	12.3%	-0.4%	-3.3%
Ferrexpo	FXPO	1,388	953	727	496	243	65	35.8%	25.5%	8.9%	184	116	-29	13.2%	12.1%	-3.9%
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	193	92	75	43	18	12	22.6%	19.3%	15.8%	23	2	1	11.7%	2.0%	1.1%
Railcar Manufacturing																
Kryukiv Wagon	KVBZ	179	41	46	-17	-4	-4	-9.3%	-9.3%	-7.7%	-22	-9	-4	-12.3%	-22.2%	-9.1%
Specialized Machinery																
Turboatom	TATM	164	115	83	73	39	29	44.6%	34.0%	35.0%	53	23	17	32.4%	20.0%	20.0%
Motor Sich	MSICH	879	636	630	342	218	191	38.9%	34.3%	30.3%	129	92	75	14.7%	14.5%	11.9%
Telecom																
Ukrtelecom	UTLM	412	254	207	85	72	58	20.6%	28.5%	28.0%	18	9	4	4.4%	3.6%	2.0%
Oil & Gas																
Ukrnafta	UNAF	2,324	1,336	963	380	521	373	16.4%	39.0%	38.8%	105	253	166	4.5%	19.0%	17.2%
Regal Petroleum	RPT	37	35	22	-146	15	10	na	44.5%	45.5%	-127	6	-1	na	16.6%	-4.5%
JKX Oil	JKX	146	150	120	69	70	55	46.9%	46.7%	45.8%	-80	5	2	-54.4%	3.3%	1.7%
Electric Utilities																
Centrenergo	CEEN	630	323	353	26	13	12	4.1%	4.1%	3.5%	6	5	10	0.9%	1.4%	2.9%
Donbasenergo	DOEN	458	190	178	20	-12	6	4.4%	-6.5%	3.5%	8	-16	2	1.8%	-8.5%	1.2%
Consumer																
MHP	MHPC	1,379	1,131	1,290	510	455	450	37.0%	40.2%	34.9%	-412	-81	211	-29.9%	-7.2%	16.4%
Kernel	KER	2,393	2,330	2,382	223	397	345	9.3%	17.0%	14.5%	-107	101	182	-4.5%	4.3%	7.6%
Astarta	AST	468	360	385	159	102	114	34.0%	28.2%	29.6%	-90	-12	19	-19.3%	-3.4%	4.9%
Avangardco	AVGR	420	na	na	129	na	na	30.9%	na	na	-27	na	na	-6.4%	na	na
Ovostar	OVO	75	na	na	29	na	na	38.9%	na	na	26	na	na	34.5%	na	na
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	2,869	1,992	2,302	390	296	318	327	217	216	-87	-115	33	-22.2%	-38.9%	10.4%
Ukrsotsbank	USCB	2,730	1,833	1,976	518	333	278	150	86	77	-42	-415	-50	-8.0%	-124.4%	-17.9%

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		
				2014	2015E	2016E	2014	2015E	2016E	2014	2015E	2016E	2014	2015E	2016E			
Steel																		
Alchevsk Steel	ALMK	12	3.9%	0	2,627	n/a	neg	neg	10.6	neg	neg	2.1	5.0	5.1	679	633	615	\$/tonne
Yenakievo Steel	ENMZ	6	8.8%	1	220	neg	neg	neg	>30	12.5	17.6	0.2	0.3	0.5	81	76	75	\$/tonne
Azovstal	AZST	64	3.0%	2	28	0.8	neg	neg	0.2	0.4	0.6	0.0	0.0	0.0	6	6	6	\$/tonne
Coke																		
Avdyivka Coke	AVDK	9	6.8%	1	7	neg	2.3	7.0	neg	0.2	0.3	0.0	0.0	0.0	2	2	2	\$/tonne
Yasynivsky Coke	YASK	3	9.0%	0	3	neg	neg	neg	neg	neg	neg	0.0	0.0	0.0	n/a	n/a	n/a	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	216	0.3%	1	214	3.4	neg	neg	0.8	1.3	1.8	0.4	0.7	1.0				
Pivnichny GOK	SGOK	367	0.4%	1	361	2.9	neg	neg	0.6	1.4	2.6	0.3	0.6	0.8				
Ferrexpo	FXPO	141	24.0%	34	1,158	0.8	1.2	neg	2.3	4.8	17.9	0.8	1.2	1.6				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	20	2.0%	0	66	0.9	11.0	24.3	1.5	3.7	5.6	0.3	0.7	0.9	165	220	264	\$/tonne
Railcar Manufacturing																		
Krukiv Wagon	KVBZ	41	5.0%	2	35	neg	neg	neg	neg	neg	neg	0.2	0.8	0.8				
Specialized Machinery																		
Turboatom	TATM	60	5.8%	3	30	1.1	2.6	3.6	0.4	0.8	1.0	0.2	0.3	0.4				
Motor Sich	MSICH	153	24.0%	37	157	1.2	1.7	2.0	0.5	0.7	0.8	0.2	0.2	0.2				
Telecom																		
Ukrtelecom	UTLM	122	7.2%	9	213	6.7	13.2	29.4	2.5	2.9	3.7	0.5	0.8	1.0				
Oil & Gas																		
Ukrnafta	UNAF	359	3.0%	11	352	3.4	1.4	2.2	0.9	0.7	0.9	0.2	0.3	0.4	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	14	21.6%	3	-11	neg	2.5	neg	neg	-0.7	-1.1	-0.3	-0.3	-0.5	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	60	50.4%	30	168	neg	11.9	29.8	2.4	2.4	3.1	1.1	1.1	1.4	31	23	22	\$/boe
Electric Utilities																		
CentrEnergO	CEEN	64	21.7%	14	47	10.9	13.9	6.2	1.8	3.6	3.8	0.1	0.1	0.1	3	3	3	\$/MWh
DonbasEnergO	DOEN	14	14.2%	2	30	1.7	neg	6.9	1.5	neg	4.9	0.1	0.2	0.2	4	4	4	\$/MWh
Consumer																		
MHP	MHPC	829	34.1%	283	1,935	neg	neg	3.9	3.8	4.3	4.3	1.4	1.7	1.5				
Kernel	KER	811	61.8%	501	1,193	neg	8.0	4.5	5.3	3.0	3.5	0.5	0.5	0.5				
Astarta	AST	182	37.0%	67	385	neg	neg	9.7	2.4	3.8	3.4	0.8	1.1	1.0				
Avangardco	AVGR	64	22.5%	14	362	neg	n/a	n/a	2.8	n/a	n/a	0.9	n/a	n/a	82	62	59	\$/mneggs
Ovostar	OVO	127	25.0%	32	134	4.9	n/a	n/a	4.6	n/a	n/a	1.8	n/a	n/a	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	181	1.8%	3		neg	neg	5.4	0.5	0.6	0.6	0.06	0.09	0.08				
Ukrsotsbank	USCB	305	0.2%	1		>30	>30	>30	0.8	0.9	1.1	0.12	0.17	0.16				

Source: Eavex Research

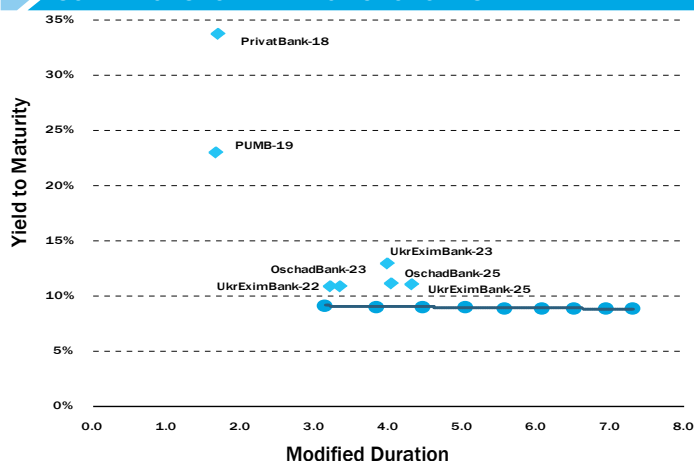
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2019	94.5	95.5	9.6%	9.2%	1.5%	3.0	7.75%	S/A	1 Sept 2019	1,155	Caa3/B-/CCC
Ukraine, 2020	93.3	94.2	9.6%	9.3%	1.3%	3.6	7.75%	S/A	1 Sept 2020	1,531	Caa3/B-/CCC
Ukraine, 2021	92.8	93.8	9.4%	9.2%	1.8%	4.3	7.75%	S/A	1 Sept 2021	1,378	Caa3/B-/CCC
Ukraine, 2022	92.0	93.0	9.4%	9.2%	2.1%	4.8	7.75%	S/A	1 Sept 2022	1,355	Caa3/B-/CCC
Ukraine, 2023	91.5	92.5	9.3%	9.1%	2.6%	5.4	7.75%	S/A	1 Sept 2023	1,330	Caa3/B-/CCC
Ukraine, 2024	90.8	91.8	9.3%	9.2%	2.7%	5.9	7.75%	S/A	1 Sept 2024	1,315	Caa3/B-/CCC
Ukraine, 2025	90.5	91.5	9.3%	9.1%	3.0%	6.3	7.75%	S/A	1 Sept 2025	1,306	Caa3/B-/CCC
Ukraine, 2026	90.3	91.3	9.2%	9.0%	3.6%	6.7	7.75%	S/A	1 Sept 2026	1,295	Caa3/B-/CCC
Ukraine, 2027	90.0	91.0	9.2%	9.0%	3.9%	7.1	7.75%	S/A	1 Sept 2027	1,286	Caa3/B-/CCC
Ukraine, GDP-linked (VRI)	38.5	40.0	n/a	n/a	-3.7%	n/a	0.00%	S/A	31 May 2040	2,916	Caa3/B-/CCC
Corporate Eurobonds											
Agroton, 2019	10.0	13.0	110.3%	93.6%	0.0%	1.7	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	85.4	86.7	12.9%	12.4%	-1.5%	3.3	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2018	48.0	50.0	42.2%	40.3%	-4.0%	2.1	10.00%	S/A	29 Oct 2018	206	//WD
UkrLandFarming, 2018	45.0	48.0	58.6%	54.3%	-7.0%	1.4	10.88%	S/A	26 Mar 2018	500	/CC/WD
Mriya, 2016	11.0	14.0	n/a	n/a	0.0%	0.0	10.95%	S/A	30 Mar 2016	72	/SD/RD
Mriya, 2018	n/a	n/a	n/a	n/a	-22.0%	1.0	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	41.0	44.0	64.1%	59.3%	2.4%	n/a	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	41.0	44.0	59.2%	54.6%	-4.5%	1.5	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2016	43.4	54.2	n/a	n/a	-14.0%	0.0	10.25%	S/A	31 Jan 2016	85	Caa3//C
Metinvest, 2017	43.8	45.9	63.4%	59.9%	-1.1%	0.5	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	43.4	43.4	58.8%	58.8%	-2.6%	1.4	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	53.6	56.7	35.8%	33.3%	0.8%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	43.4	43.4	58.8%	58.8%	-3.3%	1.4	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	85.1	87.1	17.6%	16.4%	-0.3%	1.9	9.50%	S/A	21 May 2018	500	/CC/C
Interepipe, 2017	30.0	35.0	142.0%	120.3%	8.3%	0.7	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	66.4	68.4	38.6%	36.9%	-6.4%	0.8	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	7.4	10.5	175.2%	139.0%	-2.7%	1.1	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	72.2	76.2	24.5%	22.2%	0.1%	1.7	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	4.0	10.6	n/a	n/a	0.2%	n/a	6.25%	A	31 Jul 2018	60	//
PrivatBank, 2018-2	69.0	71.0	32.5%	30.7%	-7.9%	n/a	10.25%	S/A	23 Jan 2018	200	//
PrivatBank, 2021	61.0	63.0	25.0%	24.0%	-7.5%	3.2	11.00%	S/A	09 Feb 2021	220	//
PrivatBank, 2018	65.0	65.0	35.1%	35.1%	-4.5%	1.5	10.88%	S/A	28 Feb 2018	175	//
UkrEximBank, 2022	88.8	89.8	12.2%	12.0%	-0.4%	n/a	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	72.3	75.6	14.2%	13.3%	-0.2%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	86.3	87.3	12.3%	12.1%	-0.6%	4.3	9.75%	S/A	22 Jan 2025	600	Ca//C
VAB Bank, 2019	n/a	n/a	n/a	n/a	n/a	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2023	87.1	88.2	12.1%	11.9%	-1.6%	n/a	8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	86.4	87.4	12.1%	11.9%	-0.9%	3.8	8.88%	S/A	20 Mar 2025	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	82.8	84.6	n/a	n/a	0.2%	n/a	8.00%	S/A	6 Nov 2015	101	//

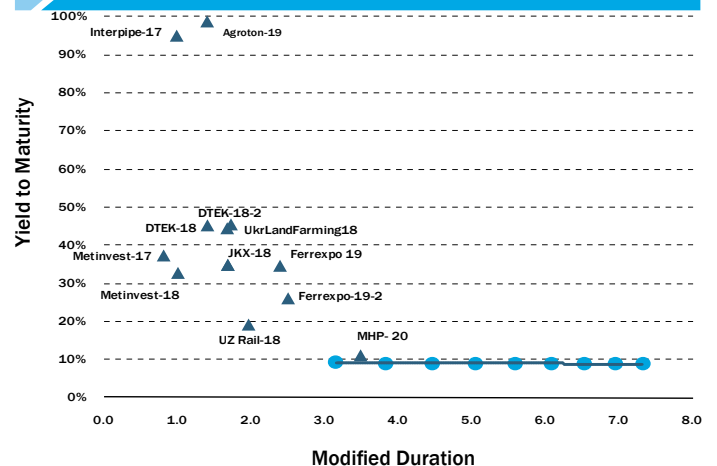
¹ Moody's/S&P/Fitch

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
UAH denominated Bonds									
UA4000142665			20%	19%	n/a	14.30%	S/A	24 May 2017	n/a
VAT Bonds									
UA4000185151			20%	19%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			20%	19%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			20%	19%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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