

Market Update

Equity

Kyiv-listed stocks ended lower on Tuesday (Jan 26) as trading activity on the local market remained subdued. However, market players received the positive news that the attempt of the National Securities and Stock Market Commission (NSEC) to revoke the Ukrainian Exchange's license was nullified by the government. The UX index shed 1.0% yesterday to close at 652 points. Among blue chips, UkrNafta (UNAF) suffered a 4.7% loss to UAH 160 per share on news that the government suspended three of the company's production licences over the ongoing tax debt dispute. CentrEnergO (CEEN) was also firmly in the red, falling 2.3% to UAH 4.39. On the upside, sporadically traded Alchevsk Steel (ALMK) surged by 37.5% from its previous listed price to 1.65 kopecks. In London trading, Ferrexpo (FXPO) declined by 4.5% to GBp 15.75 while MHP (MHPC) rose 3.0% to USD 7.91. Warsaw-listed Astarta (AST) edged down 0.6% to PLN 28.65.

Fixed Income

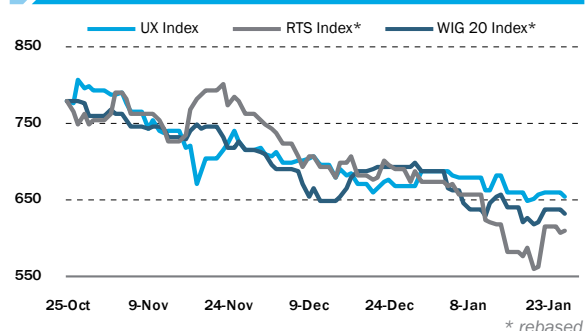
Ukrainian sovereign Eurobonds were lower again on Tuesday, with the yield on the new Ukraine-2019 benchmark issue approaching 10% as concern increased about the implementation of the Minsk peace accords and the stability of the coalition government. The bonds slipped another 0.8p.p. to 92.1/92.7 (9.9%/9.7%), while the longest sovereign, Ukraine-27s, fell 1.3p.p. to 87.3/88.3 (9.6%/9.4%). In corporate debt, Avangard-18s declined by 0.9p.p. to 45.0/48.0 (45.5%/42.5%) while Metinvest-18s recovered by 1.5p.p. to 42.0/43.0 (62.4%/60.8%).

Highlights

STOCKS IN THE NEWS

- > Government Suspends 3 UkrNafta Drilling Licenses

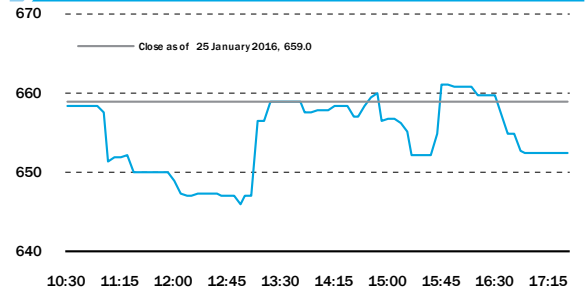
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	652.5	-1.0%	-2.0%	-4.9%
RTS	683.1	0.2%	-11.6%	-9.8%
WIG20	1713.4	-0.9%	-8.9%	-7.8%
MSCI EM	708.3	-1.1%	-11.9%	-10.5%
S&P 500	1903.6	1.4%	-7.6%	-7.7%

UX INTRADAY JANUARY 26, 2016



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	501.6	-0.1%	11.5%	13.5%
CDS 5Y UKR	1050.0	0.0%	0.0%	0.0%
Ukraine-19	9.9%	0.5 p.p.	0.2%	2.2%
Ukraine-27	9.5%	0.2 p.p.	-0.1%	1.8%
MHP-20	12.7%	0.1 p.p.	0.6 p.p.	0.6 p.p.
RAILUA-18	17.8%	0.5 p.p.	1.1 p.p.	1.1 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	24.90	0.4%	7.6%	3.6%
EUR	27.07	0.6%	7.7%	3.0%
RUB	0.32	1.8%	-2.9%	-3.4%

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%	-1.9%	2.0%
Oil, USD/bbl	31.8	4.3%	-17.2%	-13.8%
Gold, USD/oz	1119.9	1.1%	4.1%	5.5%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Government Suspends 3 UkrNafta Drilling Licenses

by Dmitry Churin
d.churin@eavex.com.ua

UKRNAFTA (UNAF UK)

Price: UAH 160 Market Cap: USD 348mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2015E	0.5	0.3	2.2	1.4	n/a
2016E	0.4	0.4	10.5	2.8	n/a

NEWS

The State Service of Geology and Deposits of Ukraine (SSGD) has suspended UkrNafta's licenses for the use of deposits for two fields in Dnipropetrovsk province and one field in Chernihiv province, its press service has reported on Tuesday (Jan 26). All three licenses were suspended due to UkrNafta's debt for oil&gas production tax to the national budget. The licenses were suspended by the SSGD for an initial 30-day period, the press service said, while the government waits for the company to address the tax situation. UkrNafta has a total of 94 licenses for the use of deposits in Ukraine.

COMMENTARY

UkrNafta has a currently-accrued tax debt in the amount of UAH 10.2bn (USD 410mn), according to the State Fiscal Service. Meanwhile, the company's receivables have ballooned to near UAH 18bn, which the government considers as intentionally pumped up by unsettled transactions with Privat Group's (the UkrNafta minority shareholder with a stake near 48%) affiliated companies. In particular, Andriy Pasishnyk, an executive director of state-owned Naftogaz (UkrNafta's majority shareholder with 50%+1 stake), said that among UkrNafta's major debtors are Privat's Nikopol Ferroalloy Plant and Zaporizha Ferroalloy Plant. Oil&gas producer UkrNafta is not engaged in the ferroalloy business, but Privat uses UkrNafta as an intermediary in schemes for ferroalloy exports from Ukraine. We suspect that such operations with ferroalloys are aimed at tax optimization for Privat Group rather than for the benefit of all UkrNafta shareholders. We note unfortunately that despite the appointment of new management last year by the government, UkrNafta continues to conduct shadow transactions with third parties instead of implementing transparent operations for the benefit of the company. In the matter of the suspended licenses, we are quite confident that UkrNafta will restore those licenses immediately after resolving the issue of the tax debt.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	42.8	57.20	34%	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	52%	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	28.7	36.1	26%	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	1.2	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	90.0	80.8	-10%	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	15.8	11.0	-30%	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	0.36	0.56	54%	SELL	Non-transparent accounting practices overseen by majority owner Metinvest detrimentally affect Azovstal's reported earnings.
Coke						
Avdyivka Coke	AVDK	1.13	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	2.9	U/R	--	U/R	Regal has repeatedly missed its production targets since 2012.
JKX Oil & Gas	JKX	27.0	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	15.2	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	4.39	15.00	242%	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	0.071	0.24	239%	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	652.47	1158.71	631.82	-1.0%	0.5%	-2.0%	-4.9%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.017	0.017	0.010	37.5%	50.0%	55.7%	48.6%	38.5%	49.5%	57.7%	53.5%
Azovstal	AZST	0.36	0.89	0.34	-5.0%	-5.0%	-4.3%	-10.0%	-4.0%	-5.5%	-2.2%	-5.1%
Enakievo Steel	ENMZ	14.49	20.82	8.60	-6.2%	7.3%	8.7%	3.5%	-5.2%	6.8%	10.7%	8.4%
Coke												
Avdyivka Coke	AVDK	1.13	1.67	0.86	-0.4%	10.3%	7.1%	2.2%	0.6%	9.8%	9.2%	7.0%
Yasnyivsky Coking	YASK	0.24	0.43	0.06	0.0%	0.0%	-27.3%	4.3%	1.0%	-0.5%	-25.3%	9.2%
Iron Ore Mining												
Centralny GOK	CGOK	4.00	n/a	n/a	-11.1%	-11.1%	-44.8%	-6.1%	-10.1%	-11.6%	-42.8%	-1.2%
Ferrexpo	FXPO	15.75	80.00	14.00	-4.5%	-10.0%	-21.3%	-26.7%	-3.6%	-10.5%	-19.2%	-21.9%
Pivnichny GOK	SGOK	3.26	9.50	2.20	-7.0%	0.0%	8.5%	-38.6%	-6.0%	-0.6%	10.5%	-33.7%
Coal Mining												
Pokrovske Mine	SHCHZ	0.23	n/a	n/a	0.0%	0.0%	0.0%	0.0%	1.0%	-0.5%	2.0%	4.9%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	0.10	0.59	0.10	-47.4%	-47.4%	-41.2%	-44.4%	-46.4%	-47.9%	-39.2%	-39.6%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	7.97	13.39	7.00	-0.4%	-4.0%	10.7%	0.8%	0.6%	-4.5%	12.7%	5.6%
Luhanskteplovoz	LTPL	0.45	n/a	n/a	0.0%	0.0%	-25.0%	0.0%	1.0%	-0.5%	-23.0%	4.9%
Specialized Machinery												
Motor Sich	MSICH	1800	2939	1790	0.0%	-1.4%	-8.4%	-9.0%	1.0%	-1.9%	-6.3%	-4.2%
Turboatom	TATM	6.50	n/a	n/a	0.0%	8.3%	44.4%	44.4%	1.0%	7.8%	46.5%	49.3%
Telecom												
Ukrtelecom	UTLM	0.12	0.21	0.09	0.0%	-7.7%	0.0%	0.0%	1.0%	-8.2%	2.0%	4.9%
Oil & Gas												
Regal Petroleum	RPT	2.93	6.50	2.93	0.0%	-6.5%	-28.7%	-22.0%	1.0%	-7.1%	-26.7%	-17.1%
JKX Oil	JKX	26.25	37.38	12.00	0.0%	4.0%	-3.7%	-3.7%	1.0%	3.4%	-1.7%	1.2%
Ukrnafta	UNAF	160.1	337.6	153.1	-4.7%	2.2%	-6.9%	-9.5%	-3.7%	1.6%	-4.9%	-4.7%
Power Utilities												
Centrenergo	CEEN	4.39	8.50	4.12	-2.3%	2.0%	-4.5%	-3.7%	-1.3%	1.4%	-2.5%	1.1%
Donbasenergo	DOEN	15.24	32.95	14.40	2.3%	1.3%	3.6%	-3.3%	3.3%	0.8%	5.6%	1.6%
Zakhidenergo	ZAEN	70.1	193.9	52.0	0.0%	0.1%	-21.2%	-16.5%	1.0%	-0.4%	-19.2%	-11.7%
Consumer												
Agroton	AGT	0.82	1.52	0.80	-3.5%	-8.9%	-14.6%	-18.8%	-2.5%	-9.4%	-12.6%	-13.9%
Astarta	AST	28.66	38.50	21.19	-0.6%	-12.9%	-12.9%	-16.9%	0.4%	-13.4%	-10.9%	-12.1%
Avangardo	AVGR	1.20	3.80	0.23	0.0%	17.6%	-4.0%	-4.0%	1.0%	17.1%	-2.0%	0.9%
Industrial Milk Company	IMC	5.84	7.24	4.38	0.0%	-0.5%	0.2%	-2.2%	1.0%	-1.0%	2.2%	2.7%
Kernel	KER	42.80	55.20	29.40	0.0%	-0.9%	-7.2%	-11.0%	1.0%	-1.5%	-5.2%	-6.2%
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	7.91	12.05	7.28	3.0%	-1.1%	-9.1%	-14.9%	4.0%	-1.7%	-7.1%	-10.1%
Milkiland	MLK	1.18	3.50	0.89	0.0%	-11.9%	-19.7%	-16.9%	1.0%	-12.5%	-17.7%	-12.0%
Ovostar Union	OVO	90.00	93.00	68.00	0.0%	3.4%	2.9%	-0.6%	1.0%	2.9%	4.9%	4.3%
Chemicals												
Stirol	STIR	5.95	n/a	n/a	0.0%	0.0%	10.2%	0.0%	1.0%	-0.5%	12.2%	4.9%
Banks												
Raiffeisen Bank Aval	BAVL	0.071	0.114	0.069	-0.8%	0.6%	-3.8%	-5.8%	0.2%	0.0%	-1.8%	-1.0%
UkrSotsbank	USCB	0.080	0.120	0.064	-16.9%	-16.9%	-23.8%	-19.0%	-15.9%	-17.5%	-21.8%	-14.2%

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	247	120	16.4%	18.4%	12.5%	105	161	33	4.5%	12.1%	3.4%
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	17	3.9%	1	2,633	n/a	neg	neg	10.6	neg	neg	2.1	5.0	5.1	680	634	616	\$/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	61	3.0%	2	25	0.8	neg	neg	0.1	0.4	0.6	0.0	0.0	0.0	5	5	5	\$/tonne
Coke																		
Avdivivka Coke	AVDK	9	6.8%	1	7	neg	2.3	7.1	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	190	0.3%	0	188	3.0	neg	neg	0.7	1.1	1.6	0.4	0.6	0.8				
Pivnichny GOK	SGOK	304	0.4%	1	297	2.4	neg	neg	0.5	1.2	2.1	0.3	0.5	0.7				
Ferrexpo	FXPO	132	24.0%	32	1,149	0.7	1.1	neg	2.3	4.7	17.7	0.8	1.2	1.6				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	11	2.0%	0	56	0.5	5.7	12.7	1.3	3.2	4.8	0.3	0.6	0.8	141	188	225	\$/tonne
Railcar Manufacturing																		
Krukiv Wagon	KVBZ	37	5.0%	2	31	neg	neg	neg	neg	neg	neg	0.2	0.7	0.7				
Specialized Machinery																		
Turboatom	TATM	60	5.8%	3	29	1.1	2.6	3.6	0.4	0.8	1.0	0.2	0.3	0.4				
Motor Sich	MSICH	151	24.0%	36	156	1.2	1.6	2.0	0.5	0.7	0.8	0.2	0.2	0.2				
Telecom																		
Ukrtelecom	UTLM	91	7.2%	7	182	5.0	9.9	21.9	2.1	2.5	3.1	0.4	0.7	0.9				
Oil & Gas																		
Ukrnafta	UNAF	351	3.0%	11	345	3.3	2.2	10.6	0.9	1.4	2.9	0.1	0.3	0.4	n/a	n/a	n/a	\$/boe
Regal Petroleum	RPT	13	21.6%	3	-12	neg	2.3	neg	neg	-0.8	-1.2	-0.3	-0.3	-0.5	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	65	50.4%	33	173	neg	12.9	>30	2.5	2.5	3.1	1.2	1.2	1.4	32	24	23	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	66	21.7%	14	48	11.2	14.2	6.3	1.9	3.7	3.9	0.1	0.2	0.1	3	3	3	\$/MWh
DonbasEnerg	DOEN	15	14.2%	2	31	1.7	neg	7.0	1.5	neg	4.9	0.1	0.2	0.2	4	4	4	\$/MWh
Consumer																		
MHP	MHPC	836	34.1%	285	1,942	neg	neg	4.0	3.8	4.3	4.3	1.4	1.7	1.5				
Kernel	KER	831	61.8%	513	1,212	neg	8.2	4.6	5.4	3.1	3.5	0.5	0.5	0.5				
Astarta	AST	175	37.0%	65	378	neg	neg	9.3	2.4	3.7	3.3	0.8	1.1	1.0				
Avangardco	AVGR	77	22.5%	17	374	neg	n/a	n/a	2.9	n/a	n/a	0.9	n/a	n/a	85	64	61	\$/mneggs
Ovostar	OVO	132	25.0%	33	139	5.1	n/a	n/a	4.8	n/a	n/a	1.9	n/a	n/a	n/a	n/a	n/a	
Banks																		
						P/E			P/Book			P/Assets						
Raiffeisen Bank Aval	BAVL	177	1.8%	3		neg	neg	5.3	0.5	0.6	0.6	0.06	0.09	0.08				
Ukrsotsbank	USCB	251	0.2%	1		>30	>30	>30	0.6	0.8	0.9	0.12	0.17	0.16				

Source: Eavex Research

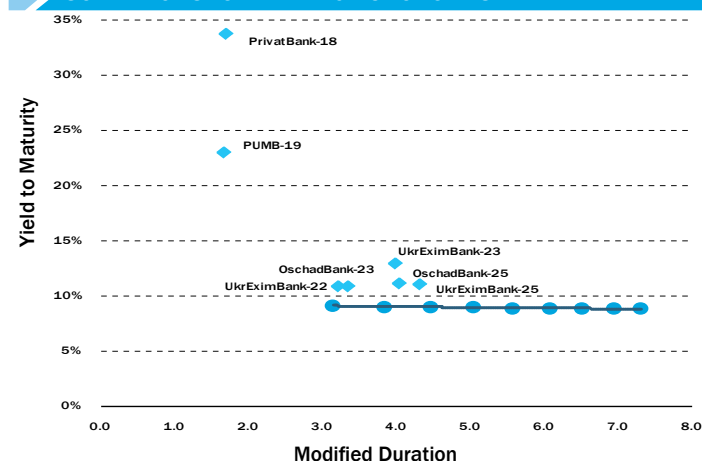
UKRAINIAN EUROBONDS

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	93.0	94.0	10.1%	9.8%	-0.1%	2.9	7.75%	S/A	1 Sept 2019	1,155	Caa3/B-/CCC
Ukraine, 2020	92.1	92.7	9.9%	9.7%	-0.1%	3.6	7.75%	S/A	1 Sept 2020	1,531	Caa3/B-/CCC
Ukraine, 2021	90.8	91.8	9.9%	9.7%	-0.4%	4.2	7.75%	S/A	1 Sept 2021	1,378	Caa3/B-/CCC
Ukraine, 2022	90.0	91.0	9.8%	9.6%	-0.1%	4.8	7.75%	S/A	1 Sept 2022	1,355	Caa3/B-/CCC
Ukraine, 2023	89.5	90.5	9.7%	9.5%	0.4%	5.3	7.75%	S/A	1 Sept 2023	1,330	Caa3/B-/CCC
Ukraine, 2024	88.8	89.8	9.7%	9.5%	0.4%	5.8	7.75%	S/A	1 Sept 2024	1,315	Caa3/B-/CCC
Ukraine, 2025	88.0	89.0	9.7%	9.5%	0.1%	6.2	7.75%	S/A	1 Sept 2025	1,306	Caa3/B-/CCC
Ukraine, 2026	87.5	88.5	9.7%	9.5%	0.4%	6.6	7.75%	S/A	1 Sept 2026	1,295	Caa3/B-/CCC
Ukraine, 2027	87.3	88.3	9.6%	9.4%	0.7%	7.0	7.75%	S/A	1 Sept 2027	1,286	Caa3/B-/CCC
Ukraine, GDP-linked (VRI)	37.0	38.0	n/a	n/a	-8.0%	n/a	0.00%	S/A	31 May 2040	2,916	Caa3/B-/CCC
Corporate Eurobonds											
Agroton, 2019	10.0	13.0	111.3%	94.4%	0.0%	1.6	8.00%	S/A	14 Jul 2019	50	//RD
MHP, 2020	85.3	86.3	12.9%	12.5%	-1.8%	3.3	8.25%	S/A	2 Apr 2020	750	/CCC-/CCC
Avangardco, 2018	45.0	48.0	45.5%	42.5%	-8.9%	2.1	10.00%	S/A	29 Oct 2018	206	//WD
UkrLandFarming, 2018	40.0	50.0	67.1%	51.8%	-10.0%	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	-4.0%	1.1	9.45%	S/A	19 Apr 2018	400	/SD/RD
DTEK, 2018	40.0	44.0	66.1%	59.5%	1.2%	n/a	10.375%	S/A	28 Mar 2018	160	Ca//C
DTEK, 2018	41.0	44.0	59.5%	54.9%	-4.5%	1.5	7.88%	S/A	4 Apr 2018	750	Ca//C
Metinvest, 2016	42.1	44.6	n/a	n/a	-23.6%		10.25%	S/A	31 Jan 2016	85	Caa3//C
Metinvest, 2017	41.6	44.7	68.0%	62.5%	-4.8%	0.5	10.50%	S/A	28 Nov 2017	290	Caa3//C
Metinvest, 2018	42.0	43.0	62.4%	60.8%	-4.5%	1.4	8.75%	S/A	14 Feb 2018	750	Caa3//C
Ferrexpo, 2019	52.1	55.9	37.2%	34.0%	-1.3%	2.5	10.375%	S/A	07 Apr 2019	186	Caa3//C
Ferrexpo, 2019	42.0	43.0	62.4%	60.8%	-3.8%	1.4	10.375%	S/A	07 Apr 2019	161	Caa3//C
RailUA, 2018	84.0	85.6	18.3%	17.3%	-1.7%	1.9	9.50%	S/A	21 May 2018	500	/CC/C
Interepipe, 2017	30.0	35.0	144.7%	122.4%	8.3%	0.7	10.25%	S/A	2 Aug 2017	200	//
JKX Oil&Gas, 2018	68.1	70.1	37.3%	35.6%	-4.1%	0.8	8.00%	S/A	19 Feb 2018	40	
Bank Eurobonds											
Fin&Credit Bank, 2019	7.3	10.5	145.7%	119.4%	-3.4%	1.5	9.25%	S/A	25 Jan 2019	100	//
PUMB, 2018	72.6	77.0	24.3%	21.8%	0.9%	1.6	11.00%	Q	31 Dec 2018	275	WR//NR
Nadra Bank, 2018	3.0	10.8	n/a	n/a	-5.2%		6.25%	A	31 Jul 2018	60	//
PrivatBank, 2018-2	69.0	71.0	32.6%	30.8%	-7.9%	n/a	10.25%	S/A	23 Jan 2018	200	//
PrivatBank, 2021	61.0	63.0	25.1%	24.1%	-7.5%	3.2	11.00%	S/A	09 Feb 2021	220	//
PrivatBank, 2018						1.5	10.88%	S/A	28 Feb 2018	175	//
UkrEximBank, 2022	87.2	88.2	12.6%	12.4%	-2.2%	n/a	9.625%	S/A	27 Apr 2022	750	WR//C
UkrEximBank, 2023	73.7	75.2	13.8%	13.4%	0.5%	n/a	7.51%	S/A	9 Feb 2023	125	Ca//C
UkrEximBank, 2025	84.9	85.9	12.6%	12.4%	-2.2%	4.2	9.75%	S/A	22 Jan 2025	600	Ca//C
VAB Bank, 2019	n/a	n/a	n/a	n/a	n/a	n/a	9.00%	Q	14 Jun 2019	88	//WD
Oschadbank, 2023	86.0	87.3	12.4%	12.1%	-2.7%		8.25%	S/A	10 Mar 2023	700	Ca//CC
Oschadbank, 2025	84.3	85.4	12.6%	12.3%	-3.2%	3.8	8.88%	S/A	20 Mar 2025	500	Ca//CC
Municipal Eurobonds											
City of Kyiv, 2015	82.1	84.5	n/a	n/a	-0.2%	n/a	8.00%	S/A	6 Nov 2015	101	//

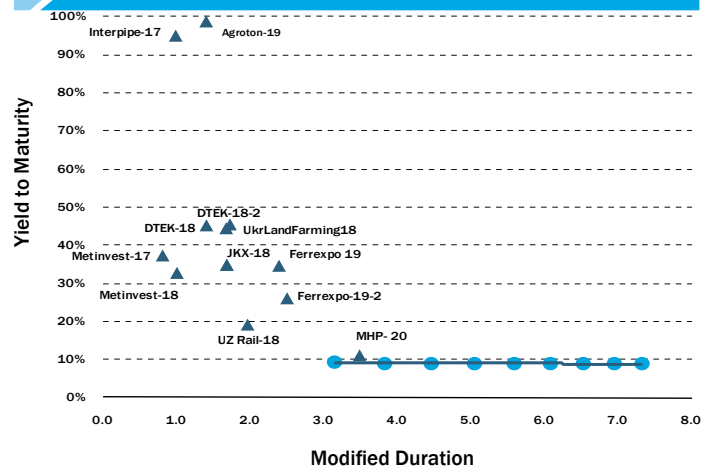
¹ Moody's/S&P/Fitch

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

Eavex Capital

7 Klovsky uzviz, 16th Floor
Carnegie Center
Kyiv, 01021, Ukraine

Telephone: +38 044 590 5454
Facsimile: +38 044 590 5464
E-mail: office@eavex.com.ua
Web-page: www.eavex.com.ua

Yuriy Yakovenko
Chairman of the Board
yuriy.yakovenko@eavex.com.ua

SALES & TRADING
Pavel Korovitskiy
Managing Director
Equity and Fixed Income
p.korovitsky@eavex.com.ua

Alexander Klymchuk
Equity and Fixed Income
a.klymchuk@eavex.com.ua

Eugene Klymchuk
Fixed Income Sales and Trading
e.klymchuk@eavex.com.ua

Serhiy Scherbaniuk
Equity Trading
s.shcherbaniuk@eavex.com.ua

RESEARCH
Dmitry Churin
Head of Research
d.churin@eavex.com.ua

Ivan Dzvinka
Research Associate
i.dzvinka@eavex.com.ua

Will Ritter
Research editor
w.ritter@eavex.com.ua