

Stock Market Update

Equity

Ukrainian equities ended mostly lower last week, weighed down by a report that the European Bank for Reconstruction and Development (EBRD) has downgraded its forecast for Ukraine's 2016 GDP performance. The EBRD cut its growth expectation for the country to 1.5% from 2.0%, although it left its forecast for 2017 growth at 2%. In Donbass-related news, Kyiv requested an unrealistically-high figure of 18,000-20,000 officers for the proposed OSCE armed police mission, whose purpose would be ensure security at elections that are eventually supposed to take place on the occupied territories. As previously, there is no consensus on the details of the armed mission between the Ukrainian and Russian sides, as well as the separatist governments. The OSCE has so far provided only 700-800 monitors, claiming it is difficult to find qualified people to join the mission.

The UX index edged down 0.3% to close at 836 points on Friday (Nov 4). Low-liquidity DonbasEnergo (DOEN) took most points off the gauge, tumbling 9.4% to UAH 11.00. On the upside, Raiffeisen Bank Aval (BAVL) gained 4.5% to reach the 13-kopeck level after posting impressive earnings per share of 1.7 kopecks for the third quarter.

London-listed Ferrexpo (FXPO) slipped 2.9% to GBp 101 as a moderate rebound of the British pound against the dollar prompted adjustments in many GBP-denominated issues. In Warsaw, Kernel (KER) lost 3.2% to PLN 59.90 and Astarta (AST) fell 6.2% to PLN 50.00 per share amid overall downward momentum on European bourses.

The hryvnia weakened by 0.4% to 25.55 UAH/USD over the week on the interbank market, as the NBU continued to purchase foreign currency in order to prevent short-term hryvnia appreciation.

Highlights

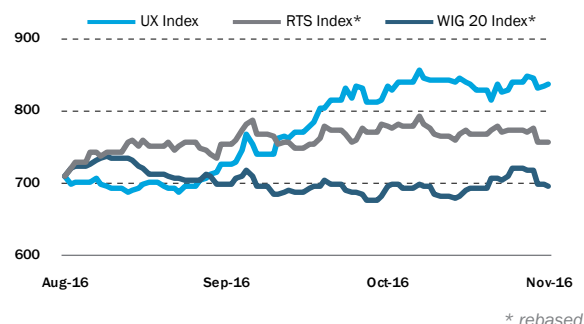
POLITICS AND ECONOMICS

- Tranche from IMF Helps Ukraine Reach BoP Surplus in 3Q

STOCKS IN THE NEWS

- Raiffeisen Aval Reports Impressive UAH 1.1bn Profit for 3Q16

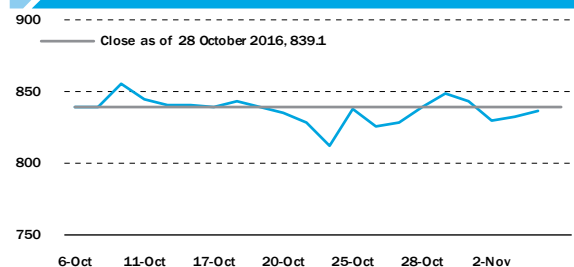
STOCK MARKET PERFORMANCE



MARKET INDEXES

| | Last | 1W ch | 1M ch | YTD |
|---------|--------|-------|-------|-------|
| UX | 836.3 | -0.3% | 0.5% | 21.9% |
| RTS | 971.2 | -2.1% | -3.0% | 28.3% |
| WIG20 | 1758.2 | -3.3% | 0.2% | -5.4% |
| MSCI EM | 880.1 | -2.6% | -3.9% | 11.2% |
| S&P 500 | 2085.2 | -1.9% | -3.0% | 1.1% |

UX 1M PERFORMANCE



FIXED INCOME

| | Last | 1W ch | 1M ch | YTD |
|-------------|-------|-----------|-----------|-----------|
| EMBI+Global | 373 | 2.6% | 6.6% | -15.5% |
| CDS 5Y UKR | 683 | n/a | n/a | n/a |
| Ukraine-19 | 7.9% | -0.4 p.p. | -0.5 p.p. | -2.0 p.p. |
| Ukraine-27 | 8.5% | 0.1 p.p. | 0.1 p.p. | -1.1 p.p. |
| MHP-20 | 8.7% | 0.0 p.p. | -0.7 p.p. | -3.4 p.p. |
| UZ Rail-21 | 11.3% | 0.1 p.p. | 0.1 p.p. | n/a |

CURRENCY

| | Last, UAH | 1W ch | 1M ch | YTD |
|-----|-----------|-------|-------|-------|
| USD | 25.56 | 0.6% | -1.0% | 6.4% |
| EUR | 28.49 | 1.8% | -1.6% | 8.5% |
| RUB | 0.40 | -2.1% | -3.6% | 21.5% |

COMMODITIES

| | Last | 1W ch | 1M ch | YTD |
|---------------|--------|--------|--------|-------|
| Wheat, USD/t* | 167.0 | 1.2% | 5.4% | -8.5% |
| Steel, USD/t | 425.0 | 3.7% | 9.0% | 68.3% |
| Oil, USD/bbl | 45.6 | -10.1% | -11.4% | 23.6% |
| Gold, USD/oz | 1304.6 | 2.3% | 2.8% | 22.9% |

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

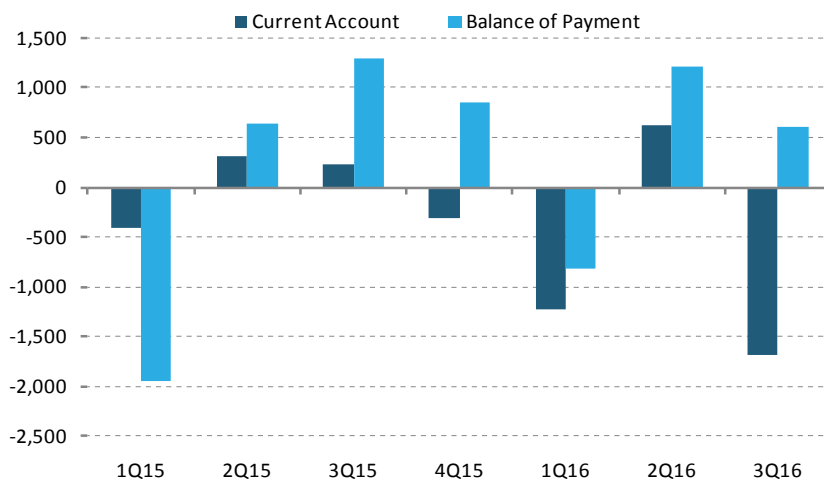
Tranche from IMF Helps Ukraine Reach BoP Surplus in 3Q

by Dmitry Churin
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NEWS

Ukraine had a balance of payments (BoP) surplus of USD 600mn in 3Q16 despite a current account (C/A) deficit of USD 1.7bn, according to data from the National Bank of Ukraine (NBU) released last week. For 9M16, Ukraine's BoP surplus amounted to USD 1.0bn and the C/A deficit was USD 2.3bn, compared to a small C/A surplus of USD 128mn in 9M15.

UKRAINE'S QUARTERLY BALANCE OF PAYMENT DATA, USD mn



Source: National Bank of Ukraine

COMMENTARY

The worsening C/A statistics for 9M16 are mainly due to a notable (9.7% YoY) drop in the country's total exports. In particular, the already-sagging exports to Russia fell 33% YoY, and also to dropped by 11% YoY to Asia. The share of Ukraine's exports to Russia in total exports decreased to 9.1% in 9M16 from 12.0% in 9M15, while the share of exports to the EU was 32.3% in the period. The C/A deficit was largely covered by the arrival of a USD 1.0bn loan tranche from the IMF and by placement of new sovereign Eurobonds under US guarantees, with both events occurring in September. Financial assistance from Ukraine's Western allies was likely the most important factor behind the stabilization of the hryvnia, which had fallen to 27 UAH/USD in early September amid the widening C/A deficit. The hryvnia has strengthened to 25.55 UAH/USD since then, with the NBU intervening to prevent any further appreciation.

Earlier this year, we had an optimistic forecast that Ukraine's C/A would turn positive for full-year 2016, but now we have to admit that the C/A deficit will actually increase this year compared to FY15; we estimate the FY16 deficit at 3.5% of GDP. Increased fuel imports, both natural gas and coal, were not balanced by offsetting factors on the export side of Ukraine's economy. However, a strong grain harvest seen at above 60mn tonnes should provide some support to the country's export figures in the coming 6-9 months.

Raiffeisen Aval Reports Impressive UAH 1.1bn Profit for 3Q16

by Dmitry Churin
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RAIFFEISEN BANK AVAL (BAVL UK)

Price: UAH 0.131 Market Cap: USD 315mn

| | P/Assets | P/Book | P/E | Div. Yield |
|-------|----------|--------|-----|------------|
| 2015 | 0.16 | 1.2 | neg | 0% |
| 2016E | 0.16 | 1.0 | 2.7 | 0% |

NEWS

Raiffeisen Bank Aval, the Ukrainian subsidiary of Vienna-based Raiffeisen International, reported a net profit of UAH 1.07bn (USD 42mn) for 3Q16 (compared to its negligible 3Q15 figure of UAH 13mn), according to financials published last week. The bank's net profit for 9M16 reached UAH 2.5bn (USD 98mn) compared to a net loss of UAH 1.0bn in 9M15. Raiffeisen Aval's gross interest income rose by 7.1% YoY to UAH 4.9bn and its net interest income increased by 23% YoY to UAH 3.6bn in the period.

On the balance sheet side, the bank's loan portfolio grew 1.8% YtD to UAH 25.7bn and its total assets rose by 0.8% YtD to UAH 52bn (USD 2.0bn). In a dollar equivalent, however, Raiffeisen Aval's total assets shrank by 17% YoY due to the hryvnia devaluation as well as the bank's conservative lending policy.

COMMENTARY

Raiffeisen Aval reported a sharp jump in profit in 3Q16 thanks to finally completing the 8-year post-crisis process of forming its loan loss reserves. The bank set aside loan loss provisions of UAH 954mn in 3Q15, while in 3Q16 this figure was zero. Earnings per share were 1.7 kopecks in 3Q16, with a total EPS for 9M16 of 4.1 kopecks. We are raising our forecast for Raiffeisen Aval's net profit for FY16 from UAH 1.2bn to UAH 3.0bn, which implies 4.9 kopecks per share. Taking into account the bank's current stock price near 13 kopecks, the P/E (price-earnings) multiple for the stock is 2.7x and the P/B (price-to-book) is 1.0x. We reiterate our BUY recommendation for the BAVL stock with a target price of 24 kopecks per share.

EAVEX RECOMMENDATIONS

| Name | Ticker | Price, per share | Target price, per share | Upside, % | Rating | Commentary |
|------------------------------|---------|------------------|-------------------------|-----------|--------|--|
| Agriculture | | | | | | |
| Kernel | KER PW | 59.9 | 61.80 | 3% | BUY | With some 95% of its revenue linked to major foreign currencies, hryvnia devaluation is positive for Kernel, and recent changes in Ukraine's tax regime should also benefit the group. With on-demand borrowing access, Kernel is well placed to further consolidate its position in the oilseed crushing industry. |
| MHP | MHPC LI | 9.1 | 17.96 | 98% | BUY | The group's strategy is focused on penetrating into the lucrative EU market and expanding sales in other foreign markets. MHP is a generous dividend play, with a DPS for FY15 approved at 75 cents. |
| Astarta | AST PW | 50.0 | 44.98 | -10% | HOLD | The new VAT regime for agro producers will be largely neutral for Astarta, in our view, while recovery of sugar prices bode well for the company's earnings. Astarta is focused on business diversification and cost optimization via improving its energy and operational efficiency. |
| IMC | IMC PW | 7.1 | 13.02 | 83% | BUY | The recent changes in Ukraine's tax legislation are positive for IMC, which is focused growing exportable crops; some 95% of the company's revenue is tied to the dollar. Land bank is targeted to expand by 50% over 2015-20. A high standard of corporate governance makes the stock an attractive play in spite of its low liquidity. |
| AvangardCo | AVGR LI | 0.5 | nm | nm | SELL | Ukraine's new VAT regime for agro producers is negative for Avangard, as its subsidy reimbursements will be reduced. Large room for cost optimization provides a theoretical upside to earnings, but the company's highly volatile financial results have rendered forecasting unreliable. |
| Ovostar Union | OVO PW | 91.0 | 117.65 | 29% | BUY | The company has a strong focus on domestic branded egg sales and successfully expands its export sales to mitigate negative effect from devaluation. Ovostar is in the midst of a long-term expansion that will ultimately see egg output triple over 2012-18E. |
| Iron Ore | | | | | | |
| Ferrexpo | FXPO LN | 101.0 | 82.0 | -19% | SELL | An impressive reduction in the production and other operating cost were not enough to offset the slide in iron ore prices over 2015 which pushed the group's EBITDA down by 37% YoY to USD 313mn for the year. Gloomy outlook for 2016 suggests even more depressed earnings in 2016. |
| Specialized Machinery | | | | | | |
| Motor Sich | MSICH | 1908 | 5250 | 175% | 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 | 3.8 | U/R | -- | U/R | Regal has repeatedly missed its production targets since 2012. |
| JKX Oil & Gas | JKX | 16.5 | 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 | | | | | | |
| DonbasEnergO | DOEN | 11.0 | U/R | -- | U/R | The Donetsk separatist government has nationalized DonbasEnergO's Starobeshevo power plant, which previously accounted for about 70% of the company's installed power-generating capacity. |
| CenterEnergO | CEEN | 10.81 | 15.00 | 39% | BUY | CentrEnergO'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 | 0.131 | 0.24 | 83% | 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 has purchased a 30% 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 | | | |
|------------------------------|--------|-------------|---------------|--------------|----------------------|--------|--------|--------|--------------------------------------|--------|--------|--------|
| | | | | | 1W | 1M | 3M | YtD | 1W | 1M | 3M | YtD |
| UX Index | UX | 836.30 | 861.78 | 525.66 | -0.3% | 0.5% | 19.4% | 21.9% | 0.0% | 0.0% | 0.0% | 0.0% |
| Steel | | | | | | | | | | | | |
| Alchevsk Steel | ALMK | 0.008 | 0.017 | 0.004 | 2.5% | -6.8% | 36.7% | -26.1% | 2.8% | -7.3% | 17.3% | -48.1% |
| Coke | | | | | | | | | | | | |
| Yasynivsky Coking | YASK | 0.230 | 0.330 | 0.100 | 15.0% | 15.0% | 15.0% | 0.0% | 15.3% | 14.5% | -4.4% | -21.9% |
| Iron Ore Mining | | | | | | | | | | | | |
| Ferrexpo | FXPO | 101.00 | 127.75 | 14.00 | -2.9% | 26.6% | 72.6% | 369.8% | -5.4% | -2.6% | 26.2% | 347.8% |
| Railcar Manufacturing | | | | | | | | | | | | |
| Kryukiv Wagon | KVBZ | 8.70 | n/a | n/a | -2.8% | 18.2% | 28.1% | 10.0% | -2.5% | 17.7% | 8.8% | -11.9% |
| Specialized Machinery | | | | | | | | | | | | |
| Motor Sich | MSICH | 1908 | 2130 | 1663 | -0.8% | -1.4% | -2.5% | -3.6% | -0.5% | -1.9% | -21.8% | -25.5% |
| Turboatom | TATM | 9.62 | 12.25 | 3.75 | 0.2% | -12.5% | 0.2% | 113.8% | 0.5% | -12.9% | -19.2% | 91.8% |
| Telecom | | | | | | | | | | | | |
| Ukrtelecom | UTLM | 0.160 | 0.168 | 0.091 | 1.9% | 7.0% | 14.3% | 33.3% | 2.2% | 6.5% | -5.1% | 11.4% |
| Oil & Gas | | | | | | | | | | | | |
| Regal Petroleum | RPT | 3.76 | 4.30 | 1.75 | 0.7% | 7.6% | 7.4% | 0.3% | -0.5% | 1.0% | 7.1% | -21.7% |
| JKX Oil | JKX | 16.50 | 29.00 | 16.00 | -4.3% | -7.0% | -15.4% | -39.4% | -0.5% | -4.0% | -7.5% | -61.4% |
| Ukrnafta | UNAF | 120.8 | 210.9 | 70.5 | -1.1% | -5.4% | 25.6% | -31.8% | -0.7% | -5.9% | 6.2% | -53.7% |
| Power Utilities | | | | | | | | | | | | |
| Centrenergy | CEEN | 10.81 | 11.24 | 4.12 | -1.7% | 5.7% | 41.2% | 137.0% | -1.3% | 5.2% | 21.8% | 115.1% |
| Donbasenergy | DOEN | 11.02 | 18.50 | 9.04 | -9.4% | -18.4% | -15.0% | -30.1% | -9.0% | -18.8% | -34.3% | -52.0% |
| Zakhidenergy | ZAEN | 61.00 | n/a | n/a | 1.7% | -0.8% | -1.6% | -27.4% | 2.0% | -1.3% | -21.0% | -49.3% |
| Consumer | | | | | | | | | | | | |
| Agroton | AGT | 3.50 | 3.69 | 0.80 | 31.1% | 5.1% | 48.9% | 246.5% | -2.7% | 31.4% | 4.6% | 224.6% |
| Astarta | AST | 50.01 | 54.89 | 28.02 | -6.2% | -4.7% | -5.3% | 45.0% | -1.0% | -5.8% | -5.2% | 23.0% |
| Avangardo | AVGR | 0.50 | 1.65 | 0.26 | 2.0% | 10.9% | -37.5% | -60.0% | -9.6% | 2.4% | 10.4% | -81.9% |
| Industrial Milk Company | IMC | 7.10 | 7.90 | 5.70 | -0.6% | 9.2% | -9.8% | 18.9% | -0.8% | -0.2% | 8.8% | -3.0% |
| Kernel | KER | 59.91 | 62.96 | 41.00 | -3.2% | 3.3% | -3.2% | 24.6% | -2.7% | -2.9% | 2.8% | 2.6% |
| MHPC | MHPC | 9.07 | 10.45 | 7.10 | -6.5% | -1.2% | -7.0% | -2.5% | -3.5% | -6.2% | -1.7% | -24.4% |
| Milkiland | MLK | 1.90 | 2.55 | 1.13 | 5.6% | 1.6% | -18.5% | 33.8% | 2.2% | 5.9% | 1.1% | 11.9% |
| Ovostar Union | OVO | 91.00 | 98.50 | 86.00 | 0.0% | -1.1% | 0.0% | 0.6% | -0.5% | 0.3% | -1.6% | -21.4% |
| Banks | | | | | | | | | | | | |
| Raiffeisen Bank Aval | BAVL | 0.131 | 0.135 | 0.059 | 4.5% | 7.5% | 24.3% | 74.1% | 4.8% | 7.0% | 4.9% | 52.2% |

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 | 361 | 340 | 248 | 127 | 96 | 19.7% | 35.2% | 28.3% | na | -1,076 | -404 | na | -298.2% | -118.9% |
| Coke | | | | | | | | | | | | | | | | |
| Yasynivsky Coking | YASK | 162 | 83 | 66 | -12 | -9 | -10 | -7.3% | na | -14.6% | -19 | -11 | -10 | -11.5% | -13.9% | -15.7% |
| Iron Ore Mining | | | | | | | | | | | | | | | | |
| Ferrexpo | FXPO | 1,388 | 961 | 950 | 496 | 313 | 300 | 35.8% | 32.6% | 31.6% | 184 | 31 | 180 | 13.2% | 3.3% | 18.9% |
| Railcar Manufacturing | | | | | | | | | | | | | | | | |
| Kryukiv Wagon | KVBZ | 179 | 41 | 68 | -17 | -15 | -3 | -9.3% | -37.1% | -5.0% | -22 | -19 | -4 | -12.3% | -46.3% | -5.9% |
| Specialized Machinery | | | | | | | | | | | | | | | | |
| Turboatom | TATM | 164 | 128 | 104 | 73 | 87 | 35 | 44.6% | 67.9% | 34.0% | 53 | 75 | 29 | 32.4% | 58.3% | 28.0% |
| Motor Sich | MSICH | 879 | 697 | 668 | 342 | 237 | 184 | 38.9% | 33.9% | 27.5% | 129 | 168 | 92 | 14.7% | 24.2% | 13.8% |
| 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 | 1,319 | 920 | 380 | -101 | 116 | 16.4% | -7.7% | 12.6% | 105 | -250 | 32 | 4.5% | -18.9% | 3.5% |
| Regal Petroleum | RPT | 35 | 22 | 17 | 15 | 10 | 10 | na | 45.5% | 58.8% | 6 | -1 | 0 | na | -4.5% | 0.0% |
| JKX Oil | JKX | 146 | 89 | 80 | 46 | 17 | 29 | 31.5% | 19.1% | 36.3% | -80 | -82 | -20 | -54.4% | -92.1% | -25.0% |
| Electric Utilities | | | | | | | | | | | | | | | | |
| Centrenergo | CEEN | 630 | 315 | 340 | 26 | 13 | 37 | 4.1% | 4.2% | 11.0% | 6 | 3 | 20 | 0.9% | 1.0% | 5.9% |
| Donbasenergo | DOEN | 458 | 190 | 178 | 20 | -12 | 6 | 4.4% | -6.5% | 3.5% | 8 | -9 | 2 | 1.8% | -4.6% | 1.2% |
| Consumer | | | | | | | | | | | | | | | | |
| MHP | MHPC | 1,379 | 1,183 | 1,305 | 510 | 459 | 404 | 37.0% | 38.8% | 30.9% | -412 | -126 | 170 | -29.9% | -10.6% | 13.0% |
| Kernel | KER | 2,393 | 2,330 | 2,139 | 223 | 397 | 351 | 9.3% | 17.0% | 16.4% | -107 | 101 | 252 | -4.5% | 4.3% | 11.8% |
| Astarta | AST | 468 | 349 | 327 | 159 | 144 | 108 | 34.0% | 41.4% | 32.9% | -90 | 18 | 74 | -19.3% | 5.1% | 22.7% |
| Avangardco | AVGR | 420 | 230 | 130 | 129 | -69 | -1 | 30.9% | -158 | -45 | -27 | -158 | -45 | -6.4% | -158 | -45 |
| Ovostar | OVO | 75 | 76 | 84 | 29 | 35 | 40 | 38.9% | 32 | 35 | 26 | 32 | 35 | 34.5% | 32 | 35 |
| Banks | | | | | | | | | | | | | | | | |
| | | Total Assets | | | Total Equity | | | Total Income | | | Net Profit | | | Return on Equity | | |
| Raiffeisen Bank Aval | BAVL | 2,869 | 1,958 | 1,984 | 390 | 261 | 332 | 327 | 216 | 204 | -87 | -66 | 118 | -22.2% | -25.3% | 35.5% |

Source: Eavex Research

MAIN TRADING MULTIPLES

| Name | Ticker | MCap USD mn | Free Float % USD mn | EV USD mn | P/E | | | EV/EBITDA | | | EV/Sales | | | |
|------------------------------|--------|----------------|------------------------|--------------|------------|------|-------|---------------|------|-------|-----------------|------|-------|--|
| | | | | | 2014 | 2015 | 2016E | 2014 | 2015 | 2016E | 2014 | 2015 | 2016E | |
| Steel | | | | | | | | | | | | | | |
| Alchevsk Steel | ALMK | 8 | 3.9% 0 | 2,578 | n/a | neg | neg | 10.4 | 20.3 | 26.8 | 2.1 | 7.1 | 7.6 | |
| Coke | | | | | | | | | | | | | | |
| Yasynivsky Coke | YASK | 2 | 9.0% 0 | 2 | neg | neg | neg | neg | neg | neg | 0.0 | 0.0 | 0.0 | |
| Iron Ore Mining | | | | | | | | | | | | | | |
| Ferrexpo | FXPO | 738 | 24.0% 177 | 1,488 | 4.0 | 23.5 | 4.1 | 3.0 | 4.8 | 5.0 | 1.1 | 1.5 | 1.6 | |
| Railcar Manufacturing | | | | | | | | | | | | | | |
| Kriviw Wagon | KVBZ | 39 | 5.0% 2 | 33 | neg | neg | neg | neg | neg | neg | 0.2 | 0.8 | 0.5 | |
| Specialized Machinery | | | | | | | | | | | | | | |
| Turboatom | TATM | 57 | 5.8% 3 | -29 | 1.1 | 0.8 | 2.0 | -0.4 | -0.3 | -0.8 | -0.2 | -0.2 | -0.3 | |
| Motor Sich | MSICH | 154 | 24.0% 37 | 105 | 1.2 | 0.9 | 1.7 | 0.3 | 0.4 | 0.6 | 0.1 | 0.2 | 0.2 | |
| Telecom | | | | | | | | | | | | | | |
| Ukrtelecom | UTLM | 116 | 7.2% 8 | 207 | 6.4 | 12.6 | 28.1 | 2.4 | 2.9 | 3.6 | 0.5 | 0.8 | 1.0 | |
| Oil & Gas | | | | | | | | | | | | | | |
| Ukrnafta | UNAF | 255 | 3.0% 8 | 244 | 2.4 | neg | 8.0 | 0.6 | neg | 2.1 | 0.1 | 0.2 | 0.3 | |
| Regal Petroleum | RPT | 15 | 21.6% 3 | -10 | 2.6 | neg | n/a | -0.7 | -1.0 | -1.0 | -0.3 | -0.5 | -0.6 | |
| JKX Oil & Gas | JKX | 35 | 50.4% 18 | 144 | neg | neg | neg | 3.1 | 8.5 | 5.0 | 1.0 | 1.6 | 1.8 | |
| Electric Utilities | | | | | | | | | | | | | | |
| CentrEnerg | CEEN | 155 | 21.7% 34 | 123 | 26.4 | >30 | 7.8 | 4.7 | 9.4 | 3.3 | 0.2 | 0.4 | 0.4 | |
| DonbasEnerg | DOEN | 10 | 14.2% 1 | 24 | 1.2 | neg | 4.9 | 1.2 | neg | 3.8 | 0.1 | 0.1 | 0.1 | |
| Consumer | | | | | | | | | | | | | | |
| MHP | MHPC | 958 | 34.1% 327 | 2,197 | neg | neg | 5.6 | 4.3 | 4.8 | 5.4 | 1.6 | 1.9 | 1.7 | |
| Kernel | KER | 1,221 | 61.8% 754 | 1,525 | neg | 12.1 | 4.9 | 6.8 | 3.8 | 4.3 | 0.6 | 0.7 | 0.7 | |
| Astarta | AST | 320 | 37.0% 118 | 459 | neg | 18.1 | 4.3 | 2.9 | 3.2 | 4.3 | 1.0 | 1.3 | 1.4 | |
| Avangardco | AVGR | 32 | 22.5% 7 | 358 | neg | neg | neg | 2.8 | neg | neg | 0.9 | 1.6 | 2.8 | |
| Ovostar | OVO | 140 | 25.0% 35 | 145 | 5.4 | 4.4 | 4.0 | 5.0 | 4.2 | 3.6 | 1.9 | 1.9 | 1.7 | |
| Banks | | | | | P/E | | | P/Book | | | P/Assets | | | |
| Raiffeisen Bank Aval | BAVL | 313 | 1.8% 6 | | neg | neg | 2.7 | 0.8 | 1.2 | 0.9 | 0.11 | 0.16 | 0.16 | |

Source: Eavex Research

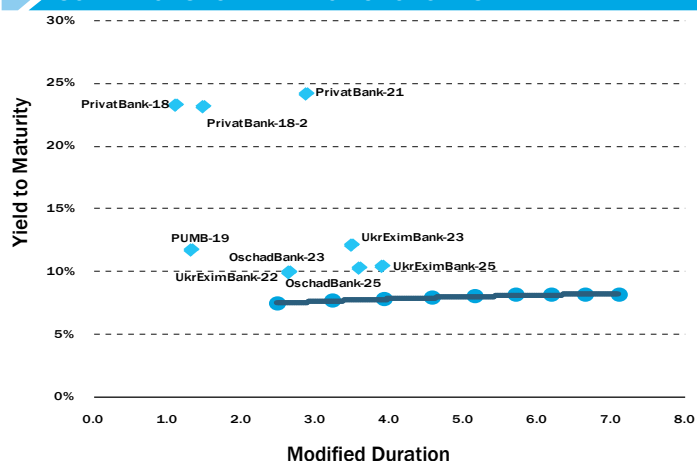
UKRAINIAN EUROBONDS

| 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 | 99.3 | 100.0 | 8.0% | 7.7% | 6.4% | 2.5 | 7.75% | S/A | 1 Sept 2019 | 1,155 | Caa3/B-/CCC |
| Ukraine, 2020 | 98.8 | 99.5 | 8.1% | 7.9% | 7.2% | 3.2 | 7.75% | S/A | 1 Sept 2020 | 1,531 | Caa3/B-/CCC |
| Ukraine, 2021 | 97.8 | 98.5 | 8.3% | 8.1% | 7.1% | 3.9 | 7.75% | S/A | 1 Sept 2021 | 1,378 | Caa3/B-/CCC |
| Ukraine, 2022 | 96.5 | 97.3 | 8.5% | 8.4% | 6.9% | 4.5 | 7.75% | S/A | 1 Sept 2022 | 1,355 | Caa3/B-/CCC |
| Ukraine, 2023 | 95.8 | 96.5 | 8.6% | 8.4% | 7.3% | 5.1 | 7.75% | S/A | 1 Sept 2023 | 1,330 | Caa3/B-/CCC |
| Ukraine, 2024 | 95.4 | 96.4 | 8.6% | 8.4% | 7.9% | 5.6 | 7.75% | S/A | 1 Sept 2024 | 1,315 | Caa3/B-/CCC |
| Ukraine, 2025 | 95.1 | 96.1 | 8.5% | 8.4% | 8.2% | 6.1 | 7.75% | S/A | 1 Sept 2025 | 1,306 | Caa3/B-/CCC |
| Ukraine, 2026 | 95.0 | 95.8 | 8.5% | 8.4% | 8.8% | 6.6 | 7.75% | S/A | 1 Sept 2026 | 1,295 | Caa3/B-/CCC |
| Ukraine, 2027 | 94.4 | 95.1 | 8.6% | 8.4% | 8.8% | 7.0 | 7.75% | S/A | 1 Sept 2027 | 1,286 | Caa3/B-/CCC |
| Ukraine, GDP-linked (VRI) | 31.8 | 32.8 | n/a | n/a | -20.9% | n/a | 0.00% | S/A | 31 May 2040 | 2,916 | /B-/ |
| Corporate Eurobonds | | | | | | | | | | | |
| Agroton, 2019 | 7.9 | 17.4 | 183.5% | 104.5% | 9.8% | 1.3 | 6.00% | S/A | 14 Jul 2019 | 18 | // |
| MHP, 2020 | 98.2 | 98.9 | 8.9% | 8.6% | 12.8% | 2.9 | 8.25% | S/A | 2 Apr 2020 | 750 | /B-/CCC |
| Avangardco, 2018 | 30.0 | 35.0 | 89.7% | 77.9% | -36.3% | 1.3 | 10.00% | S/A | 29 Oct 2018 | 206 | // |
| UkrLandFarming, 2018 | 32.0 | 34.0 | 126.2% | 118.6% | -34.0% | 0.8 | 10.88% | S/A | 26 Mar 2018 | 500 | /CC/ |
| Mriya, 2016 | n/a | n/a | n/a | n/a | n/a | n/a | 10.95% | S/A | 30 Mar 2016 | 72 | IN DEFAULT |
| Mriya, 2018 | n/a | n/a | n/a | n/a | n/a | n/a | 9.45% | S/A | 19 Apr 2018 | 400 | IN DEFAULT |
| DTEK, 2018 | 79.1 | 81.2 | n/a | n/a | 93.2% | n/a | 10.375% | S/A | 28 Mar 2018 | 160 | Ca//C |
| DTEK, 2018 | 80.0 | 82.0 | n/a | n/a | 82.0% | n/a | 7.88% | S/A | 4 Apr 2018 | 750 | Ca//C |
| Metinvest, 2016 | 86.4 | 87.4 | n/a | n/a | 53.2% | n/a | 10.25% | S/A | 31 Jan 2016 | 85 | Ca//C |
| Metinvest, 2017 | 86.0 | 87.6 | n/a | n/a | 91.5% | n/a | 10.50% | S/A | 28 Nov 2017 | 290 | Caa3//C |
| Metinvest, 2018 | 85.9 | 87.4 | n/a | n/a | 94.7% | n/a | 8.75% | S/A | 14 Feb 2018 | 750 | Caa3//C |
| Ferrexpo, 2019 | 100.2 | 101.6 | 10.3% | 9.6% | 84.4% | 1.7 | 10.375% | S/A | 07 Apr 2019 | 186 | Caa3/CCC/CC |
| Ferrexpo, 2019 | 85.9 | 87.4 | 10.2% | 9.7% | 76.2% | 1.7 | 10.375% | S/A | 07 Apr 2019 | 161 | Caa3/CCC/CC |
| UZ Rail, 2021 | 95.6 | 96.7 | 11.1% | 10.7% | 11.8% | 2.6 | 9.88% | S/A | 15 Sept 2021 | 500 | /CCC+/CCC |
| Interepipe, 2017 | 22.0 | 24.0 | 381.0% | 347.5% | -23.3% | 0.3 | 10.25% | S/A | 2 Aug 2017 | 200 | IN DEFAULT |
| JKX Oil&Gas, 2018 | 90.3 | 96.5 | 28.6% | 22.6% | 29.7% | 0.3 | 8.00% | S/A | 19 Feb 2018 | 16 | // |
| Bank Eurobonds | | | | | | | | | | | |
| Fin&Credit Bank, 2019 | 1.1 | 3.7 | n/a | n/a | -74.0% | n/a | 9.25% | S/A | 25 Jan 2019 | 100 | IN DEFAULT |
| PUMB, 2018 | 97.7 | 100.1 | 12.2% | 10.9% | 33.4% | 1.3 | 11.00% | Q | 31 Dec 2018 | 275 | // |
| Nadra Bank, 2018 | 0.7 | 3.2 | n/a | n/a | -73.0% | n/a | 6.25% | A | 31 Jul 2018 | 60 | IN DEFAULT |
| PrivatBank, 2018-2 | 81.0 | 82.0 | 30.1% | 28.9% | 7.2% | 1.5 | 10.25% | S/A | 23 Jan 2018 | 200 | Ca//CC |
| PrivatBank, 2021 | 60.3 | 61.3 | 27.3% | 26.8% | -9.3% | 2.8 | 11.00% | S/A | 09 Feb 2021 | 220 | Ca//CC |
| PrivatBank, 2018 | 81.5 | 82.5 | 28.7% | 27.6% | 20.6% | 1.1 | 10.88% | S/A | 28 Feb 2018 | 175 | Ca//CC |
| UkrEximBank, 2022 | 97.8 | 98.6 | 10.2% | 10.0% | 9.6% | 2.7 | 9.625% | S/A | 27 Apr 2022 | 750 | Caa3//CCC |
| UkrEximBank, 2023 | 82.3 | 83.7 | 12.4% | 12.0% | 12.0% | 3.5 | 7.51% | S/A | 9 Feb 2023 | 125 | Caa3//CCC |
| UkrEximBank, 2025 | 95.5 | 96.3 | 10.6% | 10.4% | 9.8% | 3.9 | 9.75% | S/A | 22 Jan 2025 | 600 | Caa3//CCC |
| VAB Bank, 2019 | n/a | n/a | n/a | n/a | n/a | n/a | 9.00% | Q | 14 Jun 2019 | 88 | IN DEFAULT |
| Oschadbank, 2023 | 96.7 | 97.6 | 10.1% | 9.9% | 9.1% | 2.6 | 8.25% | S/A | 10 Mar 2023 | 700 | Caa3//CCC |
| Oschadbank, 2025 | 95.8 | 96.8 | 10.4% | 10.2% | 9.7% | | 8.88% | S/A | 20 Mar 2025 | 500 | Caa3//CCC |
| Municipal Eurobonds | | | | | | | | | | | |
| City of Kyiv, 2015 | 77.0 | 81.1 | n/a | n/a | -5.3% | n/a | 8.00% | S/A | 6 Nov 2015 | 101 | IN DEFAULT |

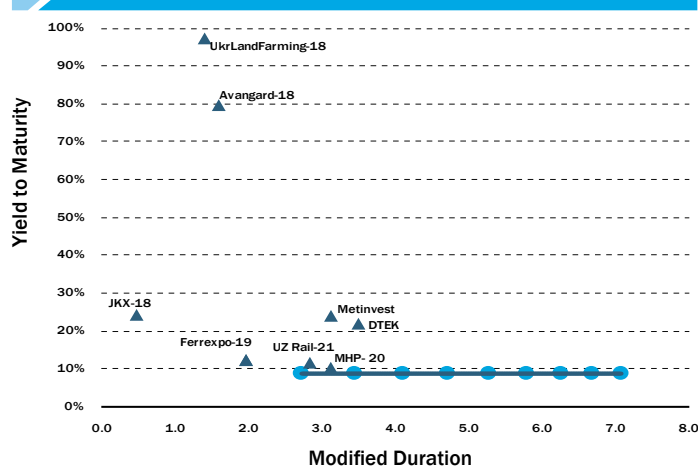
¹ Moody's/S&P/Fitch

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 UAH mn |
|------------------------------|-------------|-------------|-----------|-----------|-------------------|--------|---------------|---------------|---------------|
| UAH denominated Bonds | | | | | | | | | |
| UA4000142665 | | | 16.60% | 15.50% | n/a | 19.50% | S/A | 19 Jul 2017 | n/a |
| VAT Bonds | | | | | | | | | |
| UA4000185151 | | | 16.60% | 16.20% | 1.9 | 9.50% | S/A | 8 Jul 2019 | 3,577 |
| UA4000185557 | | | 16.60% | 16.20% | 1.9 | 9.50% | S/A | 22 Jul 2019 | 2,171 |
| UA4000186159 | | | 16.60% | 16.20% | 1.9 | 9.50% | S/A | 20 Aug 2019 | 955 |

Source: Bloomberg, Cbonds, Eavex Research

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