

Stock Market Update

Equity

Kyiv-listed stocks extended their rally last week, rising to new 12-month highs not seen since late 2015. Traders were further encouraged by a report that consumer optimism in the country is at the best level since the summer 2014, before the active phase of the Donbass war. GfK Ukraine's "Index of Economic Expectations" rose significantly in December. Meanwhile, the IMF is demanding more structural reforms from Kyiv in exchange for further loan disbursements. The tough conditions include a long-delayed reform that would allow a free market for land sales, gradual increases in the retirement age, and the phasing out of tax breaks, including a popular one for small businesses. For the moment, the IMF's requirements look politically difficult to implement, but the USD 5.5bn Ukraine stands to receive this year may become enough to push the Volodymyr Groysman-led government into bold action.

The Ukrainian Exchange's main index surged by 4.6%, backed by solid growth in all five blue chip index components. CentrEnergO (CEEN) was the leader, advancing 6.7% to UAH 11.20 as a large buyer appeared in the stock. UkrNafta (UNAF) rose 4.3% to UAH 115 per share despite new threats that the State Geology Service is unsatisfied with some of the company's drilling practices. Motor Sich (MSICH) added 1.9% to UAH 1960 and low-liquidity issue DonbasEnergO (DOEN) jumped 6.4% to UAH 12.30.

London-listed Ferrexpo (FXPO) was little-changed, hovering near the GBP 130 level for the third week in a row as the stock remains under profit taking pressure after its outstanding performance in 2016 that saw it return more than 400%. In Warsaw trading, Eastern Ukraine-based crop grower Agroton (AGT) resumed its run-up, gaining 20% to PLN 6.20 per share.

On the currency front, the hryvnia strengthened on the interbank exchange to 27.40 UAH/USD from 27.70 UAH/USD (+1.1%) a week earlier.

Highlights

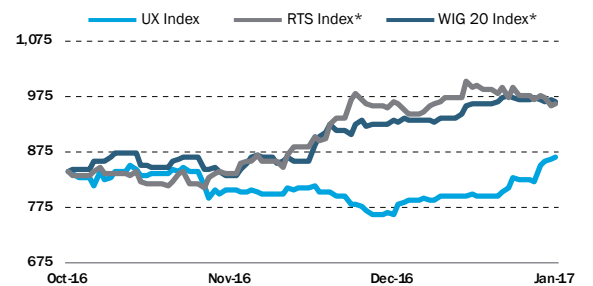
POLITICS AND ECONOMICS

- > SBU Says it Foiled Russian Assassination Attempt on People's Front MP
- > Russia Sends Ukraine USD 5.3bn Bill for Unsupplied Gas

STOCKS IN THE NEWS

- > JKC's Output Up 12% YoY to Above 10,000 boepd in 2016
- > Astarta Reports Sugar Export Total of 186,000 Tonnes for FY16

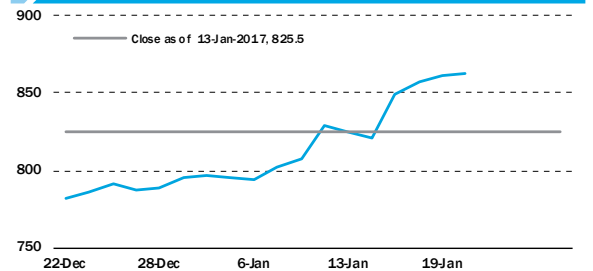
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	863.3	4.6%	13.2%	8.5%
RTS	1139.0	-1.7%	-0.3%	-1.2%
WIG20	2006.0	-0.5%	3.4%	3.0%
MSCI EM	893.3	-0.3%	4.9%	3.6%
S&P 500	2271.3	-0.1%	0.0%	1.5%

UX 1M PERFORMANCE



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	353	0.0%	-3.3%	-3.5%
NBU Key Rate	14.0%	0.0 p.p.	0.0 p.p.	0.0 p.p.
Ukraine-19	7.8%	-0.2 p.p.	-1.0 p.p.	0.5 p.p.
Ukraine-27	8.6%	0.2 p.p.	-0.3 p.p.	-0.1 p.p.
MHP-20	9.1%	-0.2 p.p.	-0.6 p.p.	-0.4 p.p.
UZ Rail-21	10.9%	-0.3 p.p.	-0.9 p.p.	-0.8 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	27.38	-0.8%	3.4%	0.3%
EUR	29.34	-0.3%	6.9%	3.7%
RUB	0.46	-1.2%	6.8%	4.2%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	173.0	0.0%	-0.6%	0.0%
Steel, USD/t	490.0	-0.5%	-1.8%	-1.0%
Oil, USD/bbl	55.5	0.1%	-0.9%	-2.3%
Gold, USD/oz	1210.6	1.1%	6.9%	5.1%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

SBU Says it Foiled Russian Assassination Attempt on People's Front MP

by Will Ritter
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NEWS

Director of the Ukrainian Security Service (SBU) Vasyl Grytsak said on Saturday (Jan 21) that his agency foiled a Russian state-sponsored assassination attempt on an unidentified member of the Ukrainian Parliament. Grytsak said two individuals, from Donetsk and Crimea respectively, were arrested in Kyiv while planning to plant a car bomb similar to the one that killed journalist Pavlo Sheremeta last July, and that they were acting under the “curation” of Russian security services. On Sunday, Interior Ministry advisor Zoryan Shkiryak announced on a social media account that the object of the assassination attempt was People's Front MP Anton Geraschenko, who then confirmed the information. Both Shkiryak and Geraschenko are close allies of Interior Minister Arseniy Avakov, who is one of the founders of the People's Front party along with former Prime Minister Arseniy Yatseniuk and National Security & Defense Council (RNBO) Chairman Oleksander Turchinov.

COMMENTARY

We are not in a position to make an informed comment on the accuracy of the very serious allegations by the SBU, and are unaware of any official Russian reaction to the situation. What we can say is that Geraschenko has made a media career out of being somewhat of a provocateur via his hardline positions on reclaiming the occupied Donbass by violent means. Geraschenko, who like his patron Avakov is Russian-speaking, is one of the main sponsors of the “Myrotvorets” (Peacekeeper) activist NGO which was accused in mid-2016 of harassing Ukrainian as well as Western journalists for “cooperation” with the Donbass separatist authorities. Geraschenko has made flamboyant statements insulting Western leaders for their refusal to provide Ukraine with lethal weaponry and more generous financial assistance. A physical attack on Geraschenko would have to be viewed as a proxy attack on Avakov, who is arguably the second most powerful politician in Ukraine today after President Poroshenko, and who is largely responsible for having kept his native Kharkiv province in Eastern Ukraine out of the hands of pro-Russian separatists.

Russia Sends Ukraine USD 5.3bn Bill for Unsupplied Gas

by Dmitry Churin
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NEWS

Russia's state energy giant Gazprom has billed Ukraine's state energy company NaftoGaz for USD 5.3bn worth of undelivered natural gas under a so-called "take-or-pay" contract for Apr-Dec 2016, according to NaftoGaz's press service statement released on Jan 18. NaftoGaz said no action will be taken on the bill until the Arbitration Institute of the Stockholm Chamber of Commerce issues its final decision on the large court case between the two energy companies. The "take-or-pay" provision of the troubled 2009 gas contract, which obligates Ukraine to buy a huge minimum volume of Russian gas every year, is one of the main points at issue in the ongoing arbitration. NaftoGaz said that during 2016, the company several times confirmed its readiness to buy natural gas from Gazprom under the temporary conditions applied to gas purchases in 2014 and 2015, when supplementary documents to 2009 contract were signed with the intermediary help of the European Union. However, Gazprom refused to sign the supplements in 2016, without explaining its refusal. NaftoGaz said it views Gazprom's claims under the "take-or-pay" provision for 2016 as groundless.

The total claims of NaftoGaz against Gazprom in litigation in the Stockholm Chamber of Commerce amount to roughly USD 28bn, while the total counter-claims of Gazprom against NaftoGaz amount to USD 39bn. Most of the sum claimed by Moscow relates to the "take-or-pay" principle: Gazprom says Ukraine under-purchased gas according to the 2009 contract in the amount of USD 29bn during 2012-2015.

Essentially, "take-or-pay" requires NaftoGaz to pay for gas whether it takes physical delivery or not. Ukraine has not bought Russian gas directly since November 2015, instead re-importing Russian gas previously sold to buyers in Europe.

COMMENTARY

The complicated court battle between NaftoGaz and Gazprom is unlikely to end in the spring of this year, which had been the original expected resolution date when litigation began back in autumn 2015. Although we see a high probability that the onerous minimum purchase requirement will not hold up in court and that NaftoGaz will ultimately be the winner in the long-running dispute, there is no certainty that Russia will not be able to use Ukraine's energy dependence for political leverage in the future. Since 2H14, global natural gas prices have been in a fortunate down cycle, and Ukraine also enjoyed relatively warm winter seasons in both 2014-15 and 2015-16 (the current winter has thus far been near average). Yet each winter, there is always a risk of harsh weather conditions creating a spike in energy needs, and gas pipeline capacity to import fuel from Europe (mainly through Slovakia) is limited. Meanwhile, the scenario that NaftoGaz might lose its case in the Stockholm arbitration with a large claim in the billions dollars would be a "black swan" event for Ukraine, as the country's GDP is expected at only USD 93bn in 2017. NaftoGaz has funded its recent gas purchases mostly through loan facilities provided by international lenders. For example, this season NaftoGaz is using a USD 500mn loan secured from the World Bank. In the previous season, NaftoGaz received a USD 300mn revolving loan from the European Bank for Reconstruction and Development (EBRD) to purchase gas from European suppliers.

JKX's Output Up 12% YoY to Above 10,000 boepd in 2016

by Dmitry Churin
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JKX OIL&GAS (JKX LN)

Price: GBp 28.50 Market Cap: USD 60mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2016E		0.8	neg	2.3	0%
2017E		0.7	neg	1.9	0%

NEWS

Ukraine/Russia-focused hydrocarbons extractor JKX Oil&Gas saw its average daily output increase by 12.1% YoY to near 10,100 boe per day in 2016, according to the company's production report released on Tuesday (Jan 17). JKX's average production in Ukraine was 4,000 boepd and in Russia it was 6,080 boepd in the period.

JKX PRODUCTION UPDATE

	2016	2015	change YoY
Total Production (boepd*)	10,083	8,996	+12.1%
Ukraine	4,001	4,325	-7.5%
incl. oil and condensate production	902	823	+9.6%
Russia	6,082	4,670	+30.2%
incl. oil and condensate production	65	48	+35.4%

* boepd - Barrels of oil equivalent per day

Source: Company data

COMMENTARY

We continue to view JKX's production results as unimpressive. Although the company's average output was 10,100 boepd, it failed to improve in the second half of the year, with December 2016 seeing production of 9,950 boepd. Moreover, the growth in output in 2016 was solely derived from operations in Russia, where the price for natural gas is considerably lower than in Ukraine. We therefore remain skeptical regarding JKX's ability to lift its profitability in the medium term. We forecast that the company will post a net loss of USD 20mn for FY16, while our expected net profit for FY17 is moderate at USD 3.0mn.

In a separate report, JKX said that the National Police of Ukraine recently carried out unannounced searches at the offices of its subsidiary Poltava Petroleum Company ('PPC'). The searches are part of an ongoing investigation in relation to claims of alleged underpaid taxes which have been made by a local Poltava prosecutor. The company said that no disruption to the business had occurred as a result of this action.

London-listed JKX's stock surged from GBp 17 to GBp 30 in December after the company successfully restructured its outstanding USD 16.0mn equity-convertible bonds. The stock's current price is GBp 28.50. We assign a HOLD recommendation for JKX stock, with a 12-month target price of GBp 37.00 per share.

Astarta Reports Sugar Export Total of 186,000 Tonnes for FY16

by Dmitry Churin
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ASTARTA (AST PW)

Price: PLN 63.5 Market Cap: USD 390mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2016E	1.8	1.7	3.8	3.6	0%
2017E	1.7	1.6	3.4	3.3	0%

NEWS

Warsaw-listed Astarta Holding, Ukraine's largest sugar refiner, reached a full-year record high volume of sugar exports of 186,000 tonnes in 2016, according to the company's press release published on Jan 17. Astarta also reported that it increased its sugar output by 42% YoY in the 2016/17 refining season (Sept 2016-Jan 2017). In other key business segments, Astarta raised milk production by 3.0% YoY to 106,000 tonnes in FY16 and increased its grain harvest by 15% YoY to 910,000 tonnes. The company's in-house sugar beet harvest grew by 37% YoY to 2.6mn tonnes.

ASTARTA HARVEST AND PRODUCTION

	2016	2015	chg. YoY
Sugar beet, mn tonnes	2.6	1.9	+37%
Crops, tonnes	910,000	790,000	+15%
Milk, tonnes	106,000	103,000	+3%

Source: Company data.

COMMENTARY

Although sugar exports have historically not been a major part of Astarta's sales structure, 2016 showed that this is changing, especially in cases where Ukraine's domestic sugar price is depressed below global levels. Operationally, Astarta demonstrated consistent growth in all of its main segments and has declared a strategy for further output expansion in 2017. We see the company as a successful story of an organically growing business which, thanks to diversification of business lines, has managed to overcome the obstacle of low sugar prices. Although the international sugar price trend for 2017 will depend on volumes of sugar production in global leader Brazil, we tend to expect a continuation of the upward price direction that started in late 2015.

We forecast that Astarta will report a 12% YoY rise in its EBITDA to EUR 146mn for FY16, a solid level which we believe can also be duplicated in 2017. Taking into account that most positive expectations for Astarta have already been priced, we reiterate our HOLD recommendation for the AST stock with a 12-month target price of PLN 70 per share.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	73.5	80.0	9%	HOLD	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	9.0	18.0	100%	BUY	MHP could start process of deleveraging which in turn would boost the company's MCap. Also the company has a declared strategy to expand its presence on the MENA and EU markets. MHP continued to increase its export sales, which accounted for 51% of total revenue in 9M16 compared to 45% a year ago.
Astarta	AST PW	63.5	70.0	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.
Agroton	AGT PW	6.22	12.0	93%	BUY	Agroton unveiled a strategy to increase its land bank from 122,000 ha to 200,000 ha by mid-2019 securing additional lease rights and by acquiring companies that control land plots in Luhansk and Kharkiv region.
IMC	IMC PW	9.4	13.0	38%	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	0.4	0.3	-14%	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	86.8	117.7	36%	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	130.1	150.0	15%	HOLD	An impressive reduction in the production and other operating cost led to higher profitability. A separate positive factor was an upward price trend for iron ore and steel on global markets.
Specialized Machinery						
Motor Sich	MSICH	1959	5250	168%	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 LN	5.0	15.0	200%	BUY	Taking into account that Regal acquired PEP's assets for an estimated value of USD 6.8/boe of 2P reserves, we assume that Regal's potential enterprise value could be as much as USD 92mn.
JKX Oil & Gas	JKX LN	28.5	37.0	30%	HOLD	The company's balance sheet looks healthy after it successfully restructured its Eurobonds. An overall demand for natural gas in Ukraine remains strong.
Power Utilities						
DonbasEnerg	DOEN	12.3	9.0	-27%	SELL	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	11.22	15.00	34%	BUY	CentrEnerg'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	0.142	0.24	69%	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	863.30	869.97	525.66	4.6%	13.2%	4.1%	8.5%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.009	0.017	0.004	2.2%	13.6%	8.2%	12.2%	-2.4%	0.4%	4.1%	3.7%
Coke												
Yasynivsky Coking	YASK	0.270	0.270	0.100	0.0%	22.7%	35.0%	0.0%	-4.6%	9.5%	30.9%	-8.5%
Iron Ore Mining												
Ferrexpo	FXPO	130.10	151.00	15.75	-1.0%	-6.7%	19.4%	-3.3%	-3.3%	-5.6%	-19.9%	-11.7%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	9.20	n/a	n/a	1.1%	15.9%	3.4%	4.5%	-3.5%	2.7%	-0.8%	-3.9%
Specialized Machinery												
Motor Sich	MSICH	1959	2130	934	1.9%	8.8%	2.8%	5.4%	-2.7%	-4.4%	-1.3%	-3.0%
Turboatom	TATM	10.54	12.25	5.00	9.8%	18.3%	-12.2%	12.7%	5.2%	5.1%	-16.3%	4.3%
Telecom												
Ukrtelecom	UTLM	0.165	n/a	n/a	0.0%	26.7%	13.7%	0.0%	-4.6%	13.5%	9.6%	-8.5%
Oil & Gas												
Regal Petroleum	RPT	5.00	5.50	1.75	48.1%	43.5%	33.9%	33.9%	-9.4%	43.6%	30.3%	25.4%
JKX Oil	JKX	28.50	31.75	16.00	-4.2%	-8.1%	65.2%	-5.8%	-0.3%	-8.8%	-21.3%	-14.3%
Ukrnafta	UNAF	114.6	168.3	70.5	4.3%	14.5%	-9.2%	11.0%	-0.3%	1.3%	-13.3%	2.6%
Power Utilities												
Centrenergy	CEEN	11.22	11.40	4.21	6.7%	11.6%	8.1%	8.4%	2.2%	-1.6%	4.0%	0.0%
Donbasenergy	DOEN	12.31	16.47	9.04	6.4%	24.3%	-1.8%	17.1%	1.8%	11.1%	-5.9%	8.6%
Zakhidenergy	ZAEN	66.20	n/a	n/a	3.4%	10.3%	10.3%	5.9%	-1.1%	-2.9%	6.2%	-2.6%
Consumer												
Agroton	AGT	6.22	6.22	0.80	20.1%	52.1%	138.3%	53.6%	0.2%	15.5%	38.9%	45.1%
Astarta	AST	63.49	64.45	28.02	5.8%	19.8%	19.2%	17.5%	-1.1%	1.2%	6.6%	9.0%
Avangardo	AVGR	0.35	1.45	0.26	0.0%	-22.2%	-45.3%	0.0%	-0.3%	-4.6%	-35.4%	-8.5%
Industrial Milk Company	IMC	9.42	9.42	5.84	12.1%	14.7%	37.3%	17.0%	3.2%	7.6%	1.5%	8.5%
Kernel	KER	73.50	74.80	41.00	-0.5%	14.8%	22.8%	15.1%	0.3%	-5.1%	1.6%	6.6%
MHPC	MHPC	9.00	10.10	7.10	0.0%	3.2%	-3.7%	2.4%	-0.4%	-4.6%	-10.0%	-6.1%
Milkiland	MLK	2.70	2.70	1.13	28.0%	39.9%	42.9%	35.0%	3.6%	23.4%	26.7%	26.5%
Ovostar Union	OVO	86.80	98.50	84.00	2.1%	1.2%	-4.6%	0.3%	-0.5%	-2.5%	-12.0%	-8.1%
Banks												
Raiffeisen Bank Aval	BAVL	0.142	0.144	0.059	4.6%	15.6%	14.8%	7.4%	0.0%	2.4%	10.7%	-1.0%

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		
		2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E
Iron Ore Mining																
Ferrexpo	FXPO	961	950	1,235	313	300	405	32.6%	31.6%	32.8%	31	180	243	3.3%	18.9%	19.7%
Railcar Manufacturing																
Kryukiv Wagon	KVBZ	41	67	55	-15	1	6	-37.1%	0.9%	11.0%	-19	-4	2	-46.3%	-5.9%	3.3%
Specialized Machinery																
Turboatom	TATM	128	98	99	87	33	35	67.9%	34.0%	35.2%	75	27	28	58.3%	28.0%	27.8%
Motor Sich	MSICH	697	650	676	237	179	151	33.9%	27.5%	22.3%	168	89	74	24.2%	13.8%	10.9%
Oil & Gas																
Ukrnafta	UNAF	1,319	902	1,184	-101	114	151	-7.7%	12.6%	12.7%	-250	31	74	-18.9%	3.5%	6.2%
Regal Petroleum	RPT	22	25	27	10	10	15	45.5%	40.4%	55.6%	-1	0	1	na	0.0%	3.7%
JKX Oil	JKX	89	80	95	17	29	34	19.1%	36.3%	35.8%	-82	-20	3	-92.1%	-25.0%	3.2%
Electric Utilities																
Centrenergy	CEEN	315	340	391	13	37	40	4.2%	11.0%	10.2%	3	20	26	1.0%	5.9%	6.6%
Donbasenergo	DOEN	190	168	147	-12	6	5	-6.5%	3.5%	3.3%	-9	2	1	-4.6%	1.2%	1.0%
Consumer																
MHP	MHPC	1,183	1,200	1,420	459	404	490	38.8%	33.6%	34.5%	-126	130	170	-10.6%	10.8%	12.0%
Kernel	KER	2,330	1,989	2,128	397	346	381	17.0%	17.4%	17.9%	101	225	282	4.3%	11.3%	13.2%
Astarta	AST	349	324	359	144	159	171	41.4%	49.1%	47.6%	18	104	115	5.1%	32.0%	32.0%
Avangardco	AVGR	230	170	180	-69	-1	27	-30.2%	-0.6%	15.0%	-158	-45	5	-68.9%	-26.5%	2.8%
Ovostar	OVO	76	84	90	35	40	43	46.0%	47.7%	48.2%	32	35	37	42.3%	41.8%	41.1%
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	1,958	1,984	1,934	261	332	347	216	204	228	-66	118	228	-25.3%	35.5%	65.7%

Source: Eavex Research

MAIN TRADING MULTIPLES

Name	Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			
					2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E	
Iron Ore Mining														
Ferrexpo	FXPO	954	24.0%	229	1,704	>30	5.3	3.9	5.4	5.7	4.2	1.8	1.8	1.4
Railcar Manufacturing														
Krukiv Wagon	KVBZ	38	5.0%	2	33	neg	neg	20.8	neg	>30	5.4	0.8	0.5	0.6
Specialized Machinery														
Turboatom	TATM	54	5.8%	3	-32	0.7	2.0	1.9	-0.4	-1.0	-0.9	-0.3	-0.3	-0.3
Motor Sich	MSICH	147	24.0%	35	99	0.9	1.6	2.0	0.4	0.6	0.7	0.1	0.2	0.1
Oil & Gas														
Ukrnafta	UNAF	225	3.0%	7	215	neg	7.2	3.1	neg	1.9	1.4	0.2	0.2	0.2
Regal Petroleum	RPT	20	21.6%	4	0	neg	n/a	20.0	n/a	n/a	n/a	n/a	n/a	n/a
JKX Oil & Gas	JKX	61	50.4%	31	169	neg	neg	20.3	10.0	5.8	5.0	1.9	2.1	1.8
Electric Utilities														
CentrEnergO	CEEN	150	21.7%	33	118	>30	7.5	5.8	9.0	3.1	3.0	0.4	0.3	0.3
DonbasEnergO	DOEN	11	14.2%	2	24	neg	5.4	7.2	neg	4.1	5.0	0.1	0.1	0.2
Consumer														
MHP	MHPC	951	34.1%	324	2,111	neg	7.3	5.6	4.6	5.2	4.3	1.8	1.8	1.5
Kernel	KER	1,441	61.8%	890	1,744	14.3	6.4	5.1	4.4	5.0	4.6	0.7	0.9	0.8
Astarta	AST	391	37.0%	145	550	22.1	3.8	3.4	3.8	3.5	3.2	1.6	1.7	1.5
Avangardco	AVGR	22	22.5%	5	356	neg	neg	4.5	neg	neg	13.2	1.6	2.1	2.0
Ovostar	OVO	128	25.0%	32	133	4.0	3.6	3.5	3.8	3.3	3.1	1.8	1.6	1.5
Banks														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	316	1.8%	6		neg	2.7	2.5	1.2	1.0	0.9	0.16	0.16	0.16

Source: Eavex Research

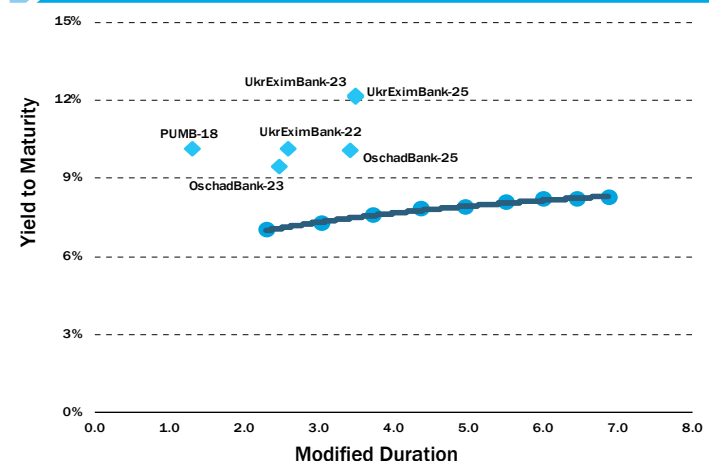
UKRAINIAN EUROBONDS

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	99.4	100.4	8.0%	7.6%	-1.1%	2.2	7.75%	S/A	1 Sept 2019	1,744	Caa3/B-/B-
Ukraine, 2020	98.8	99.3	8.1%	8.0%	-0.2%	3.0	7.75%	S/A	1 Sept 2020	1,780	Caa3/B-/B-
Ukraine, 2021	97.8	98.8	8.3%	8.1%	0.3%	3.7	7.75%	S/A	1 Sept 2021	1,409	Caa3/B-/B-
Ukraine, 2022	97.0	98.0	8.4%	8.2%	0.5%	4.3	7.75%	S/A	1 Sept 2022	1,384	Caa3/B-/B-
Ukraine, 2023	96.5	97.5	8.5%	8.2%	1.2%	4.9	7.75%	S/A	1 Sept 2023	1,355	Caa3/B-/B-
Ukraine, 2024	95.3	96.3	8.6%	8.4%	0.8%	5.4	7.75%	S/A	1 Sept 2024	1,339	Caa3/B-/B-
Ukraine, 2025	94.5	95.5	8.7%	8.5%	1.1%	5.9	7.75%	S/A	1 Sept 2025	1,329	Caa3/B-/B-
Ukraine, 2026	94.3	95.3	8.6%	8.5%	1.1%	6.4	7.75%	S/A	1 Sept 2026	1,318	Caa3/B-/B-
Ukraine, 2027	93.9	94.9	8.6%	8.5%	0.9%	6.8	7.75%	S/A	1 Sept 2027	1,307	Caa3/B-/B-
Ukraine, GDP-linked (VRI)	30.0	31.0	n/a	n/a	0.0%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agroton, 2019	14.3	25.9	121.0%	78.2%	0.3%	1.5	6.00%	S/A	14 Jul 2019	18	//
MHP, 2020	97.3	98.2	9.2%	8.9%	1.2%	2.7	8.25%	S/A	2 Apr 2020	750	/B-/B-
Avangardco, 2018	28.7	30.8	105.2%	98.6%	0.6%	1.1	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	24.9	27.8	190.5%	172.2%	-14.1%	0.5	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	6.5	8.5	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	6.5	8.5	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	90.5	91.5	12.5%	12.3%	1.7%	5.7	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2016	93.4	95.2	n/a	n/a	2.0%	n/a	10.25%	S/A	31 Jan 2016	85	//C
Metinvest, 2017	93.9	95.5	n/a	n/a	6.1%	n/a	10.50%	S/A	28 Nov 2017	290	//C
Metinvest, 2018	93.9	95.3	n/a	n/a	2.3%	n/a	8.75%	S/A	14 Feb 2018	750	//C
Ferrexpo, 2019	103.5	104.6	8.6%	8.1%	3.3%	1.5	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	93.9	95.3	8.8%	8.5%	2.2%	1.5	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	96.8	98.0	10.8%	10.4%	2.1%	2.4	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	25.0	30.0	n/a	n/a	n/a	0.2	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	90.8	92.8	32.5%	30.1%	7.6%	0.1	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
Fin&Credit Bank, 2019	0.0	2.1	n/a	n/a	3.1%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	99.8	102.0	11.1%	9.8%	-0.6%	1.3	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.4	1.5	n/a	n/a	-0.1%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	19.5	23.0	n/a	n/a	25.0%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	12.0	17.0	n/a	n/a	11.5%	1.2	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	19.4	20.4	n/a	n/a	49.3%	0.4	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	98.5	99.5	10.0%	9.7%	1.0%	2.6	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	83.5	85.5	12.3%	11.8%	2.4%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	95.8	96.8	12.3%	12.0%	1.4%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
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	98.0	99.0	9.8%	9.6%	1.0%	2.4	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	95.9	97.0	10.4%	10.2%	2.0%	3.4	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2015	70.0	81.0	n/a	n/a	-1.6%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

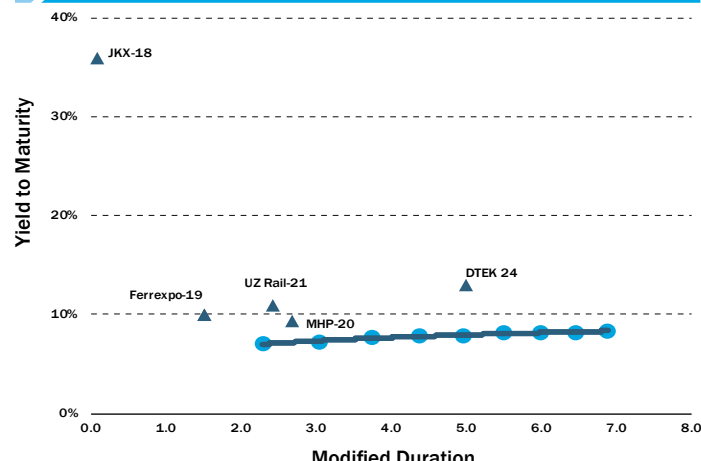
¹ Moody's/S&P/Fitch

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			16.50%	16.00%	n/a	19.50%	S/A	19 Jul 2017	n/a
VAT Bonds									
UA4000185151			16.90%	16.00%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			16.90%	16.00%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			16.90%	16.00%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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