

Stock Market Update

Equity

Kyiv-listed Ukrainian equities rallied sharply last week, buoyed by news from the IMF that the board of directors will consider Ukraine's program review today (Apr 3). The review had been abruptly cancelled on Mar 20 after Kyiv launched an official trade blockade of the occupied Donbass territories, but the quick rescheduling has provided important assurance that the program remains on track. Meanwhile, there was negative but not surprising news that Ukraine lost its case against Russia in the UK High Court in regard to non-payment of a USD 3bn Eurobond case due in late 2015. The judge rejected all defenses of Ukraine, including the Kremlin's political pressure on the country. However, Ukraine still has immunity to cross-default despite non-payment on the so-called Russian debt after restructuring all of its outstanding commercial debt in late 2015 with a clause that a default on the Russian debt will not be considered as a default event.

The UX index jumped by 7.6%, climbing above the 1000 psychological level for the first time in 18 months and closing at 1042 points on Friday (Mar 31). Raiffeisen Bank Aval (BAVL) was the star performer for the second week in a row thanks to its announcement of a hefty dividend. The stock shot up another 20% to 24.00 kopecks per share. UkrNafta (UNAF) gained 1.9% to UAH 127 after the company managed to sell its oil at the March auction after unsuccessful auctions in January and February. Motor Sich (MSICH) added 2.0% to UAH 2220 after the company approved a modest UAH 30 per share dividend.

In London, poultry producer MHP (MHPC) did not react to news that the company has established a small processing plant on EU territory in Slovakia, closing flat at USD 9.85 per share. Warsaw-listed Astarta (AST) edged down 0.7% to PLN 66.80, as investors were unimpressed by the company's bullish development plan, which foresees near USD 100mn in CapEx this year after CapEx of USD 40mn in 2016.

The hryvnia strengthened by 0.3%, ending at 27.09 UAH/USD, after the NBU reported that the country's current account deficit decreased by 20% YoY to USD 400mn in February.

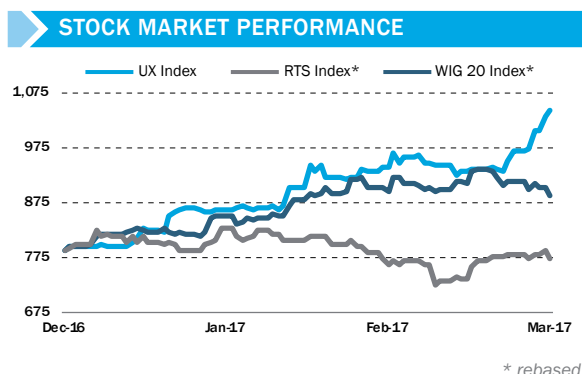
Highlights

POLITICS AND ECONOMICS

- > Ukraine Loses UK Court Case Over USD 3bn Russian Debt

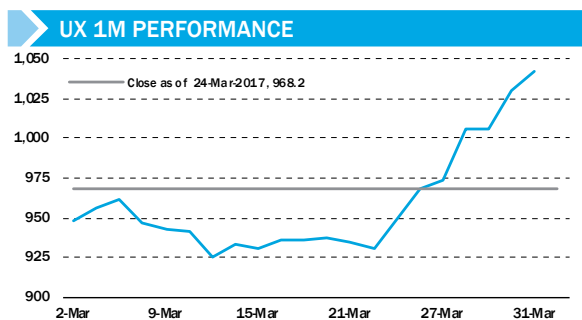
STOCKS IN THE NEWS

- > Avangard Improves EBITDA in 4Q16 to USD 11mn



MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1042.1	7.6%	11.1%	30.9%
RTS	1113.8	-1.0%	1.3%	-3.3%
WIG20	2176.0	-2.6%	-0.7%	11.7%
MSCI EM	958.4	-1.1%	2.3%	11.1%
S&P 500	2362.7	0.8%	0.0%	5.5%



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	331	0.7%	-0.7%	-9.3%
NBU Key Rate	14.0%	0.0 p.p.	0.0 p.p.	0.0 p.p.
Ukraine-19	6.9%	-1.9 p.p.	-1.7 p.p.	-0.5 p.p.
Ukraine-27	9.0%	0.1 p.p.	0.2 p.p.	0.3 p.p.
MHP-20	7.8%	0.0 p.p.	0.4 p.p.	-1.7 p.p.
UZ Rail-21	10.9%	-0.1 p.p.	0.3 p.p.	-0.8 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	27.06	-0.3%	0.0%	-0.9%
EUR	28.84	-1.6%	0.2%	1.9%
RUB	0.48	1.0%	3.3%	9.2%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	180.0	0.0%	0.6%	4.0%
Steel, USD/t	487.5	-1.0%	0.5%	-1.5%
Oil, USD/bbl	53.5	5.1%	-5.8%	-5.8%
Gold, USD/oz	1249.4	0.5%	0.1%	8.4%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Ukraine Loses UK Court Case Over USD 3bn Russian Debt

by Dmitry Churin
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NEWS

Ukraine suffered a defeat in London's High Court last week regarding USD 3bn in debt owed to the Russian government, which was a 2-year loan provided in late 2013 to regime of ousted President Victor Yanukovich. The UK court ruled on Mar 29 against holding a full trial on the outstanding debt to Russia, saying that Ukraine had no justifiable defense for failing to repay it on time in late 2015. Ukraine immediately asked for a stay of the decision pending an appeal, and a stay was granted until the end of April.

Ukraine's defense in the case was based on four points: that the debt was incurred under duress; that the terms of loan were unfair; that the Ukrainian government at that time lacked the capacity to enter into the agreement; and that nonpayment was a justifiable countermeasure to Russia's 2014 annexation of the Ukrainian region of Crimea and Moscow's interference in Ukraine's economic and political situation. The judge ruled that the duress and countermeasure arguments were potentially compelling but that they were a matter of international law beyond the London court's jurisdiction.

Yanukovich contracted the debt when his government was facing aggressive protests over his refusal to sign Ukraine's Association Agreement with the European Union. He abdicated power in February 2014.

COMMENTARY

From the legal point of view, Ukraine's arguments in the case were indeed related to politics, not to legal norms, and they never looked likely to prevail. By far the strongest argument was that Russia caused severe economic losses to Ukraine (much more than USD 3bn) by stealing the latter's territory; however, it would be logical for Kyiv to pursue those claims in an entirely separate case, which is fact what is going to occur. This ruling has no bearing on Ukraine's outstanding Eurobond debt, as a clause was written into the 2015 restructuring stating that default on the Russian debt will not lead to a cross-default on the other sovereigns. Indeed, in the autumn of 2015, Kyiv had offered Moscow the same restructuring terms as it offered to bondholders (a principal writedown of 20% and a maturity extension of four years). That the Kremlin refused that offer and is willing to go to all this legal trouble over a difference of just USD 600mn (20% of the USD 3bn owed) makes it obvious that this dispute is not really about the money, but rather about trying to damage Kyiv's image on international capital markets. In our view, London's High Court could not issue a ruling in favor of Ukraine without a firm legal basis, as it would have damaged its reputation as an independent arbitrator. Ukraine's Finance Ministry said the country respects the decision of the High Court and welcomed the judge's recognition that acts of economic and military aggression have been perpetrated by Russia against Ukraine since 2013. However, without firm evidence, Ukraine was unable to prove that much of the USD 3bn Russian loan was directly stolen by Yanukovich and officials in his government.

As we noted above, we see the court defeat as having a NEUTRAL impact on Ukrainian Eurobonds. The court proceedings are likely to continue for at least another two years, as Kyiv will appeal the decision to buy some more time, and Moscow would then need start legal proceedings on the seizure of some Ukrainian foreign assets for the repayment. This situation is definitely preferable to repayment for Kyiv; with the country's foreign reserves at USD 15.5bn, there would be a strongly negative impact on the economy if there were an USD 3bn unplanned debt redemption.

Avangard Improves EBITDA in 4Q16 to USD 11mn

by Dmitry Churin
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AVANGARDCO (AVGR LI)

Price: USD 0.70 Market Cap: USD 45mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2016	2.0	neg	>30	0%
2017E	2.1	neg	17.1	0%

NEWS

Avangard, Ukraine's largest egg product maker and exporter, reported EBITDA of USD 11.3mn for 4Q16 compared to USD 2.7mn for 3Q16, according to financial statements published on Mar 29. However, the company's full-year 2016 EBITDA was just USD 1.5mn after EBITDA losses posted in the first half. (FY15 EBITDA was USD -1.4mn). On the top line, Avangard's revenue fell 17% YoY to USD 191mn last year, while the bottom line showed a net loss of USD 56.6mn, down from FY15's loss of USD 158mn. On the operating side, the company said its egg production dropped by 27% YoY to 2.51bn pieces. The average per-egg achieved price declined by 5% YoY in USD terms amid the hryvnia's devaluation by 11% over the year.

On the balance sheet, the company's net debt was USD 332mn as of 30 Dec 2016, and total assets were USD 530mn.

AVANGARD FINANCIALS

USD mn	4Q16	3Q16	chg	2016	2015	chg
Net revenue	45	31	44%	191	230	-17%
EBITDA*	11.3	2.7	319%	1.5	-1.4	+/-
margin	25%	9%	+16 p.p.	1%	-1%	+1 p.p.
Net Income	-17.8	-5.9	+/-	-56.6	-158	+/-
net margin	-40%	-19%	-21 p.p.	-30%	-69%	+39 p.p.

*adjusted EBITDA

Source: Company data.

COMMENTARY

Avangard's revenue and EBITDA for FY16 were in line with our forecast, while the reported net loss was 25% larger than we anticipated. Although the company made an effort to cut its production costs, its full-year gross profit still fell 40% YoY to USD 13.2mn. The company's operational loss of USD 14.9mn was partly caused by an unfavorable change in the VAT tax regime for the agro sector. Avangard received just USD 5.4mn income from special VAT treatment in FY16, down from USD 25.1mn in FY15. In the company's guidance for 2017 was an assumption that export sales could increase by 30% after the resumption of exports to the Middle East lost back in 2014 due to the inability of delivery trucks to cross the Syrian war zone. Our base-case forecast for Avangard's FY17 performance is positive EBITDA of USD 22mn. However, given that the company has to redeem Eurobonds in the amount of USD 235mn (including capitalized interest) only 18 months from now, it is clear that another restructuring of these bonds is unavoidable. The only way out of this scenario is the sale of Avangard's parent UkrLandFarming to a strategic investor with very deep pockets, but we see a low probability that the group's troubled owner Oleg Bakmatiuk, who faces serious bank fraud investigations in Ukraine, would be able to find anyone willing to pay an acceptable price for the assets.

Avangard's London-listed low-liquidity stock was listed at USD 0.70 as of Friday (Mar 31). The company's Eurobonds due in October 2018 are quoted at near 30 cents on the dollar. Avangard recently announced its intention to restructure the coupon payments on the bond, sending another negative signal to bondholders.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	71.5	80.0	12%	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	9.7	14.0	45%	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	67.5	70.0	4%	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	6.09	12.0	97%	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	9.8	13.0	33%	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	0.7	0.3	-57%	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	94.9	110.0	16%	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	169.4	150.0	-11%	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	2221	5250	136%	BUY	The reported profit for FY16 represents UAH 1052 per share, which means the stock is still valued at P/E of barely more than 2.0x. Our base case scenario forecast for Motor Sich's net profit for FY17 is UAH 2.0bn, implying EPS of UAH 960.
Oil & Gas						
UkrNafta	UNAF	127	270	112%	BUY	UNAF stock has been in a local upward trend since December after Parliament cut the production tax for oil for 2017.
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	4.3	15.0	249%	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	20.3	37.0	83%	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						
DonbasEnergO	DOEN	12.1	9.0	-25%	SELL	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	10.65	15.00	41%	BUY	CenterEnergO'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	0.240	0.24	0%	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	1042.06	1066.08	544.51	7.6%	11.1%	30.9%	30.9%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.008	n/a	n/a	-1.2%	-8.7%	2.4%	2.4%	-8.8%	-19.8%	-28.5%	-28.5%
Coke												
Yasynivsky Coking	YASK	0.140	0.270	0.100	-6.7%	-17.6%	-48.1%	-48.1%	-14.3%	-28.7%	-79.1%	-79.1%
Iron Ore Mining												
Ferrexpo	FXPO	168.40	175.60	25.50	0.2%	5.2%	25.2%	25.2%	-3.0%	-7.4%	-5.9%	-5.7%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	8.90	n/a	n/a	6.0%	-8.1%	1.1%	1.1%	-1.7%	-19.1%	-29.8%	-29.8%
Specialized Machinery												
Motor Sich	MSICH	2221	2257	934	2.0%	1.2%	19.5%	19.5%	-5.7%	-9.9%	-11.4%	-11.4%
Turboatom	TATM	11.95	12.25	5.80	-0.8%	8.6%	27.8%	27.8%	-8.5%	-2.4%	-3.1%	-3.1%
Telecom												
Ukrtelecom	UTLM	0.120	n/a	n/a	0.0%	-4.2%	-27.3%	-27.3%	-7.6%	-15.2%	-58.2%	-58.2%
Oil & Gas												
Regal Petroleum	RPT	4.30	5.50	1.75	1.7%	-18.5%	15.1%	15.1%	-1.1%	-6.0%	-29.5%	-15.8%
JKX Oil	JKX	20.25	33.50	16.00	0.0%	-32.5%	-33.1%	-33.1%	-1.1%	-7.6%	-43.6%	-64.0%
Ukrnafta	UNAF	127.4	n/a	n/a	1.9%	2.2%	23.4%	23.4%	-5.7%	-8.8%	-7.5%	-7.5%
Power Utilities												
Centrenergy	CEEN	10.65	11.58	5.27	-0.5%	-6.6%	2.9%	2.9%	-8.1%	-17.7%	-28.0%	-28.0%
Donbasenergy	DOEN	12.05	16.47	9.04	1.7%	-10.0%	14.7%	14.7%	-5.9%	-21.1%	-16.3%	-16.3%
Zakhidenergy	ZAEN	65.00	n/a	n/a	-8.5%	-2.3%	4.0%	4.0%	-16.1%	-13.3%	-26.9%	-26.9%
Consumer												
Agroton	AGT	5.98	7.15	1.08	-0.3%	-3.9%	47.7%	47.7%	-2.9%	-8.0%	-14.9%	16.7%
Astarta	AST	67.50	70.00	36.73	0.2%	3.0%	24.9%	24.9%	0.8%	-7.4%	-8.0%	-6.1%
Avangardo	AVGR	0.70	1.00	0.26	0.0%	1.4%	100.0%	100.0%	-1.1%	-7.6%	-9.6%	69.1%
Industrial Milk Company	IMC	9.80	9.89	6.50	3.2%	3.7%	21.7%	21.7%	-2.0%	-4.5%	-7.4%	-9.2%
Kernel	KER	71.50	80.00	48.20	-1.7%	-8.9%	12.0%	12.0%	-3.1%	-9.3%	-20.0%	-19.0%
MHPC	MHPC	9.65	10.50	8.18	-0.2%	5.1%	9.8%	9.8%	-2.6%	-7.8%	-5.9%	-21.2%
Milkiland	MLK	2.36	2.80	1.56	-0.4%	-6.7%	18.0%	18.0%	-2.4%	-8.0%	-17.8%	-12.9%
Ovostar Union	OVO	94.86	98.50	84.00	2.0%	1.0%	9.7%	9.7%	-1.1%	-5.6%	-10.0%	-21.3%
Banks												
Raiffeisen Bank Aval	BAVL	0.240	0.252	0.060	23.4%	49.9%	82.0%	82.0%	15.8%	38.8%	51.0%	51.0%

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	986	1,282	313	375	495	32.6%	38.0%	38.6%	31	189	255	3.3%	19.2%	19.9%
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	655	676	237	180	151	33.9%	27.5%	22.3%	158	86	74	22.6%	13.1%	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	333	391	13	37	40	4.2%	11.0%	10.2%	3	25	26	1.0%	7.4%	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	1,135	1,400	459	415	490	38.8%	36.6%	35.0%	-126	59	170	-10.6%	5.2%	12.1%
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	164	171	41.4%	50.5%	47.6%	18	104	115	5.1%	32.0%	32.0%
Avangardco	AVGR	230	191	180	-69	1	22	-30.2%	0.4%	12.2%	-158	-57	2	-68.9%	-29.6%	1.1%
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	381	347	216	204	228	-66	150	228	-25.3%	39.4%	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	1,242	24.0%	298	1,992	>30	6.6	4.9	6.4	5.3	4.0	2.1	2.0	1.6	
Railcar Manufacturing															
Krukiv Wagon	KVBZ	38	5.0%	2	32	neg	neg	20.5	neg	>30	5.3	0.8	0.5	0.6	
Specialized Machinery															
Turboatom	TATM	55	5.8%	3	-31	0.7	2.0	2.0	-0.4	-0.9	-0.9	-0.2	-0.3	-0.3	
Motor Sich	MSICH	170	24.0%	41	123	1.1	2.0	2.3	0.5	0.7	0.8	0.2	0.2	0.2	
Oil & Gas															
Ukrnafta	UNAF	255	3.0%	8	245	neg	8.1	3.5	neg	2.2	1.6	0.2	0.3	0.2	
Regal Petroleum	RPT	17	21.6%	4	-2	neg	n/a	17.3	n/a	n/a	n/a	n/a	n/a	n/a	
JKX Oil & Gas	JKX	44	50.4%	22	152	neg	neg	14.5	9.0	5.2	4.5	1.7	1.9	1.6	
Electric Utilities															
CentrEnergO	CEEN	145	21.7%	31	113	>30	5.9	5.6	8.6	3.1	2.8	0.4	0.3	0.3	
DonbasEnergO	DOEN	11	14.2%	1	24	neg	5.4	7.1	neg	4.1	5.0	0.1	0.1	0.2	
Consumer															
MHP	MHPC	1,020	34.1%	348	2,180	neg	17.2	6.0	4.8	5.3	4.4	1.8	1.9	1.6	
Kernel	KER	1,436	61.8%	887	1,762	14.2	6.4	5.1	4.4	5.1	4.6	0.8	0.9	0.8	
Astarta	AST	425	37.0%	157	584	24.0	4.1	3.7	4.0	3.6	3.4	1.7	1.8	1.6	
Avangardco	AVGR	45	22.5%	10	376	neg	neg	22.4	neg	>30	17.1	1.6	2.0	2.1	
Ovostar	OVO	143	25.0%	36	148	4.5	4.1	3.9	4.3	3.7	3.4	2.0	1.8	1.6	
Banks															
							P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	544	1.8%	10		neg	3.6	4.2	2.1	1.4	1.6	0.28	0.27	0.28	

Source: Eavex Research

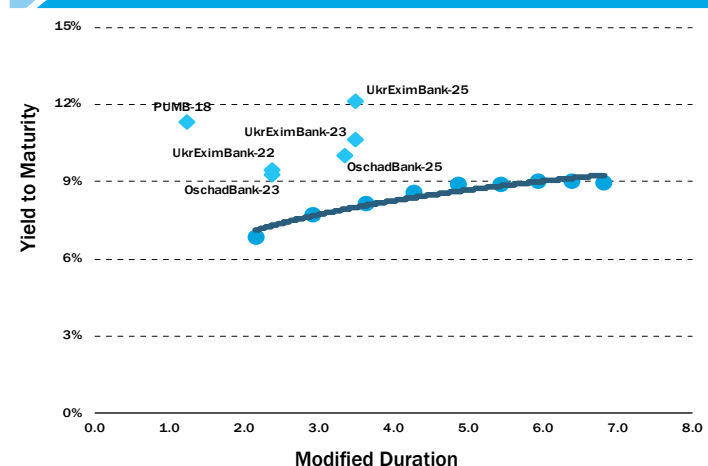
UKRAINIAN EUROBONDS

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	101.8	102.1	6.9%	6.8%	0.9%	2.2	7.75%	S/A	1 Sept 2019	1,744	Caa3/B-/B-
Ukraine, 2020	99.9	100.3	7.8%	7.7%	0.9%	2.9	7.75%	S/A	1 Sept 2020	1,780	Caa3/B-/B-
Ukraine, 2021	98.3	98.8	8.2%	8.1%	0.5%	3.6	7.75%	S/A	1 Sept 2021	1,409	Caa3/B-/B-
Ukraine, 2022	96.0	96.8	8.7%	8.5%	-0.6%	4.3	7.75%	S/A	1 Sept 2022	1,384	Caa3/B-/B-
Ukraine, 2023	94.3	95.0	8.9%	8.8%	-1.3%	4.9	7.75%	S/A	1 Sept 2023	1,355	Caa3/B-/B-
Ukraine, 2024	93.5	94.3	9.0%	8.8%	-1.2%	5.4	7.75%	S/A	1 Sept 2024	1,339	Caa3/B-/B-
Ukraine, 2025	92.4	93.1	9.1%	8.9%	-1.3%	5.9	7.75%	S/A	1 Sept 2025	1,329	Caa3/B-/B-
Ukraine, 2026	91.6	92.4	9.1%	9.0%	-1.9%	6.4	7.75%	S/A	1 Sept 2026	1,318	Caa3/B-/B-
Ukraine, 2027	91.5	92.3	9.0%	8.9%	-1.7%	6.8	7.75%	S/A	1 Sept 2027	1,307	Caa3/B-/B-
Ukraine, GDP-linked (VRI)	37.0	38.0	n/a	n/a	23.0%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agroton, 2019	12.6	25.9	150%	88%	-3.8%	1.3	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	103.6	104.2	7.8%	7.7%	3.9%	3.8	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	100.8	101.7	8.0%	7.6%	4.8%	2.6	8.25%	S/A	2 Apr 2020	750	/B-/B-
Avangardco, 2018	27.4	29.8	125%	116%	-3.4%	0.9	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	29.3	33.5	201%	174%	2.3%	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	80.0	82.0	15.0%	14.6%	-10.1%	5.4	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	91.0	94.0	12.7%	11.9%	-0.5%	3.9	9.37%	S/A	31 Dec 2021	1,197	//
Ferrexpo, 2019	103.0	103.9	8.7%	8.2%	2.7%	1.3	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	102.8	103.9	8.8%	8.2%	2.2%	1.3	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	97.1	98.2	10.7%	10.4%	2.4%	2.3	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	23.0	28.0	n/a	n/a	-7.3%	0.1	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JXX Oil&Gas, 2018	85.1	88.5	21.2%	19.4%	1.7%	2.2	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
Fin&Credit Bank, 2019	0.5	1.8	n/a	n/a	13.0%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	98.7	100.3	11.9%	10.8%	-2.0%	1.2	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.3	1.6	n/a	n/a	-1.3%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	22.0	25.5	n/a	n/a	39.7%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	11.0	16.0	n/a	n/a	3.8%	1.8	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	23.3	25.3	n/a	n/a	82.2%	0.4	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	100.4	101.2	9.5%	9.3%	2.8%	2.4	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	89.3	91.7	10.9%	10.3%	9.7%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	97.3	98.2	12.3%	12.0%	2.9%	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	100.1	101.0	9.4%	9.1%	3.1%	2.4	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	97.3	98.2	10.1%	10.0%	3.4%	3.4	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2015	65.4	75.0	n/a	n/a	-8.6%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

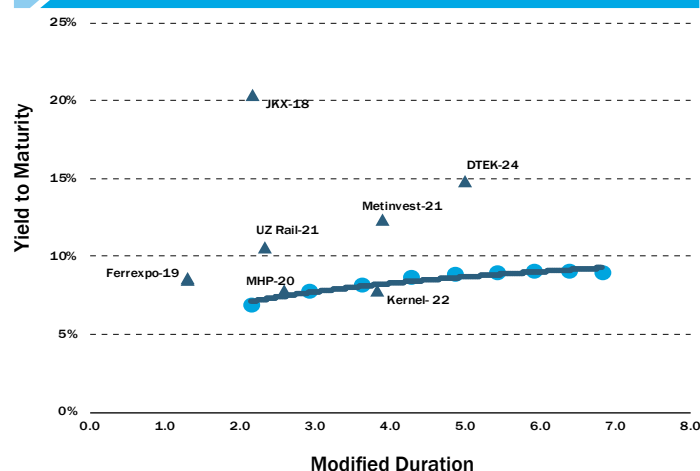
¹ Moody's/S&P/Fitch

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			15.50%	14.85%	n/a	19.50%	S/A	19 Jul 2017	n/a
VAT Bonds									
UA4000185151			15.75%	15.30%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			15.75%	15.30%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			15.75%	15.30%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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