

## Stock Market Update

### Equity

Locally-listed Ukrainian equities ended lower last week, ignoring a full-point reduction in the country's benchmark interest rate. After the NBU cut its key refinancing rate from 14% to 13%, the market adjusted the yield on domestic (non-Eurobond) Treasury debt by 30 bps to 15.20% on the long end of the curve. The latest macroeconomic data was encouraging, with UkrStat reporting that retail sales rose by 3.1% YoY in 1Q17.

The UX index declined by 1.2% to 1026 points. UkrNafta (UNAF) was once again the worst-performing blue chip, slumping 7.8% to close at UAH 103 per share amid rumors that the company is considering an asset sale in order to pay off part of its UAH 13.2bn production tax debt. Additional disappointing news for UkrNafta was that its oil extraction fell 3.6% YoY to 359,300 tonnes (2.6mn barrels) in 1Q17. In other UX index components, Motor Sich (MSICH) slipped 0.5% to UAH 2187, and CentrEnerg (CEEN) edged down by a moderate 0.8% to UAH 10.65 despite negative news that the company has suspended electricity generation at two of its three power plants as a result of a shortage of anthracite coal.

In London, Ferrexpo (FXPO) continued to give back part of its long run of gains amid declining iron ore prices. The stock moved down by 5.5% to GBp 146 per share. Low-liquidity issue MHP (MHPC) climbed 1.5% to USD 10.20 after the company published its first-quarter operational report with no negative surprises. Warsaw-listed Agrotion (AGT) added 1.2%, closing just below PLN 7.00 line, while Kernel (KER) edged down by 2.1% to PLN 67.30, with its correction now standing at 15% from the stock's multiyear maximum of PLN 80.00 per share seen in February.

The hryvnia gained 0.4% against the dollar to close at 26.72 UAH/USD. We assume that the interbank currency market is experiencing strong supply of foreign currency from large agro producers in need of hryvnia cash at the height of the spring planting campaign.

## Highlights

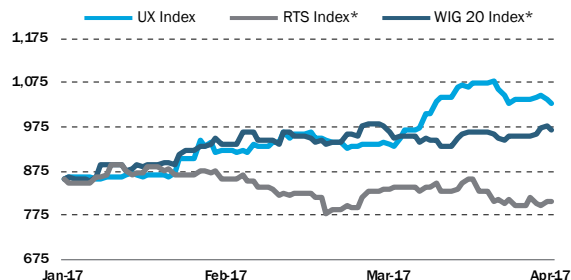
### POLITICS AND ECONOMICS

- > Nuclear Energy Kingpin Martinenko Arrested by NABU, Released

### STOCKS IN THE NEWS

- > MHP's 1Q17 Poultry Output Slips 1% YoY to 142,000 tonnes
- > Kernel Reports Growth in All Its Key Business Segments Over Jul-Mar Period

### STOCK MARKET PERFORMANCE

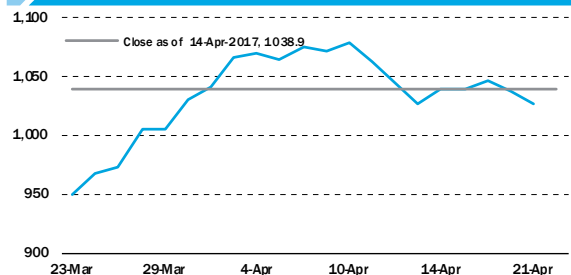


\* rebased

### MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1026.2	-1.2%	9.8%	28.9%
RTS	1084.2	1.0%	-3.3%	-5.9%
WIG20	2264.1	1.4%	0.5%	16.2%
MSCI EM	961.8	0.1%	-1.2%	11.5%
S&P 500	2348.7	0.8%	0.2%	4.9%

### UX 1M PERFORMANCE



### FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	332	-0.6%	0.6%	-9.0%
NBU Key Rate	13.0%	0.0 p.p.	-7.1 p.p.	-7.1 p.p.
Ukraine-19	7.0%	-1.8 p.p.	-1.8 p.p.	-0.4 p.p.
Ukraine-27	8.9%	0.0 p.p.	-0.1 p.p.	0.2 p.p.
MHP-20	7.2%	-0.4 p.p.	-0.6 p.p.	-2.3 p.p.
UZ Rail-21	10.4%	-0.2 p.p.	-0.6 p.p.	-1.3 p.p.

### CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.71	-0.4%	-0.6%	-2.2%
EUR	28.63	0.5%	-1.4%	1.2%
RUB	0.47	-1.1%	1.4%	7.2%

### COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	180.5	0.3%	0.3%	4.3%
Steel, USD/t	455.0	1.1%	-7.6%	-8.1%
Oil, USD/bbl	52.0	-7.0%	1.5%	-8.6%
Gold, USD/oz	1284.1	-0.1%	3.2%	11.4%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Nuclear Energy Kingpin Martinenko Arrested by NABU, Released

by Will Ritter  
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### NEWS

Former People's Front MP and longtime head of Parliament's committee on nuclear energy Mykola Martinenko was arrested in Kyiv by special police with the National Anti-Corruption Bureau (NABU) on Thursday (Apr 20) on charges of his involvement in the illicit trading of USD 17mn worth of enriched uranium nuclear fuel via an Austria-based shell company. Martinenko appeared in court on Saturday, with anti-corruption prosecutors asking that he be held for 60 days in pre-trial detention; however, Martinenko was released without bail on the recognizance of several People's Front MPs and government ministers. Martinenko had been forced to resign from Parliament back in December 2015 due to a money laundering investigation against him in Switzerland, in which he is charged with receiving a USD 30mn bribe in return for awarding a state contract for purchase of nuclear equipment to a Czech-registered company with Russian origins.

### COMMENTARY

Martinenko has long been a key player in Ukraine's non-transparent state-owned nuclear energy sector, with corruption watchdog organizations charging that he enriched himself on a vast scale using his political patronage and shell companies throughout Europe. Indeed, Martinenko looks like a prime example of the high-level Ukrainian energy sector corruption that Western governments have long decried. He made skillful transitions between different political clans, from Presidents Kuchma and Yushchenko to ex-Prime Minister Tymoshenko and finally to Yanukovich, always maintaining his influence over Ukraine's nuclear power industry, which produces more than half of the nation's electricity, valued well into the billions of dollars per year. However, Martinenko finally began to run into trouble after the EuroMaidan revolution, as pressure for Ukrainian energy sector reform and punishment of the most blatant state corruption schemes has increased sharply since 2014. It should be noted that Martinenko remains a key political player in the stability of the current fragile ruling coalition in Kyiv, and we would not be surprised if he controls a dozen or more of the People's Front's 82 MPs. This implies that Martinenko could bring down the government and force a pre-term parliamentary election by withdrawing the support of MPs loyal to him. Therefore, we expect that the Poroshenko administration will try to protect Martinenko as best it can, even though he belongs to the rival People's Front clan which is led politically by Interior Minister Arseniy Avakov and former Prime Minister Arseniy Yatseniuk. On the positive side, the fact the NABU was able to take any action at all against Martinenko indicates that the agency probably enjoys a certain independence from the president and government, and this represents a key step forward for law enforcement in the country.

**MHP's 1Q17 Poultry Output Slips 1% YoY to 142,000 tonnes**

by Dmitry Churin  
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**MHP (MHPC LI)**

Price: USD 10.20 Market Cap: USD 1,078mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2016	1.5	2.0	18.2	5.4	7.3%
2017E	1.3	1.6	6.3	4.6	7.4%

**NEWS**

London-listed MHP, Ukraine's largest poultry producer, decreased its poultry output by 1.0% YoY to 141,900 tonnes in 1Q17, according to the company's operational update published on Apr 18. The company reported that achieved pricing for its poultry was higher by 15% YoY in UAH terms in the period (+8% YoY in USD terms), and noted that its production facilities continued to operate at full capacity in the first quarter. MHP's sunflower oil segment demonstrated a 1% YoY decline in sales volume to 82,100 tonnes in 1Q17. All of the sales were exports. In the grain segment, the company reported that it has 94,000 hectares planted under winter crops, which accounts for 26% of its cultivated land, and that the winter crop harvest outlook is positive. MHP operates a land bank of 357,500 hectares in Ukraine.

**MHP OPERATIONAL UPDATE**

Poultry	1Q17	1Q16	Change
Sales volume, tonnes	123,931	107,329	+15%
Domestic	74,780	76,617	-2%
Exports	49,151	30,812	+60%
Price per 1 kg net VAT (UAH)	31.52	27.50	+15%

Source: Companies' data

**COMMENTARY**

MHP continues to deliver firm operational results despite Ukraine's rather shaky macroeconomic situation, saying that the minor decrease in the overall chicken meat production was caused by a larger share of small broiler carcasses for exports in the output mix. MHP's exports rose by 60% YoY to 49,150 tonnes in 1Q17. The company exported its poultry to 46 countries worldwide, with the Middle East representing 24% of export sales and the EU market representing 21%. Importantly, MHP's export activity to the EU resumed in late January after a suspension of deliveries introduced in December related to quality control measures on the border.

The production data for 1Q17 provides an encouraging signal that both MHP's revenue and profits increased in the period. The company is due to release its first-quarter P&L in June.

The MHPC stock finally established itself back above the USD 10 line for the first time in nine months last week, climbing 1.5% to close at USD 10.20 per share on Friday (Apr 21). We reiterate our BUY recommendation for the issue with a target price of USD 14.00.

## Kernel Reports Growth in All Its Key Business Segments Over Jul-Mar Period

by Dmitry Churin  
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### KERNEL (KER PW)

Price: PLN 67.30 Market Cap: USD 1,365mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
FY16	1.4	0.9	6.1	4.9	1.5%
FY17E	1.3	0.8	4.8	4.4	1.5%

## NEWS

Warsaw-listed Kernel Holding, Ukraine's largest sunflower oil producer and exporter, reported a 3.5% YoY increase in its bulk sunflower oil sales volume to roughly 802,000 tonnes for the 9 months ending Mar 31 (the company has a July-to-June reporting calendar), according to an operational update published on Apr 20. In other key business segments, Kernel demonstrated a firm rise in grain sales by 11.9% YoY to 4.1mn tonnes in the period. There was also an increase in bottled oil sales by 19.3% YoY to 92.2mn liters. Meanwhile, on a quarterly results basis, the company had mixed operational results for the Jan-Mar quarter, with sunflower bulk oil sales declining by 8.2% YoY to near 294,000 tonnes while bottled sales rose 21.3% YoY to 34.6mn liters.

### KERNEL OPERATIONAL UPDATE

Volume	3Q FY17	3Q FY16	Change	9M FY17	9M FY16	Change
Grain sales, tonnes	1,390,180	1,414,879	-1.7%	4,103,004	3,665,178	+11.9%
Sunflower oil sales in bulk, tonnes	293,753	319,940	-8.2%	802,142	775,138	+3.5%
Bottled oil sales, '000 liters	34,622	28,553	+21.3%	92,177	77,272	+19.3%
Oilseed crush, tonnes	860,632	704,144	+22.2%	2,049,124	2,037,432	+0.6%
Export terminals throughput, tonnes	1,614,092	1,471,521	9.7%	4,669,638	4,334,917	+7.7%

Source: Companies' data

## COMMENTARY

In our view, Kernel's operational update provides little basis for understanding the company's short term future, as recently-announced acquisitions should notably increase the group's scale. However, we were pleased to see that Kernel managed to increase its bottled oil sales on both the quarterly and 9-month bases, thanks to higher export deliveries. In the agro segment, the company said it is having a normal planting campaign, with total acreage sown at 382,000 ha.

The company announced that it will release its 9M17 financial results (ended in March) on May 30.

Kernel's share price on the Warsaw Stock Exchange is currently up by 5.4% YtD, having closed at PLN 67.30 on Friday (Apr 21). However, the stock has corrected by 15% from its local maximum in late February, when it briefly touched the PLN 80 per share level.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	67.3	80.0	19%	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	10.2	14.0	37%	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	67.2	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	6.92	12.0	73%	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	10.1	13.0	29%	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	0.9	0.3	-66%	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	94.5	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.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	149.5	150.0	0%	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.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	2187	5250	140%	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.
<b>Oil &amp; Gas</b>						
UkrNafta	UNAF	103	270	161%	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	4.1	15.0	270%	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	19.5	37.0	90%	HOLD	The company's balance sheet looks healthy after it successfully restructured its Eurobonds. An overall demand for natural gas in Ukraine remains strong.
<b>Power Utilities</b>						
DonbasEnerg	DOEN	11.9	9.0	-24%	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	10.65	15.00	41%	BUY	CenterEnerg's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.257	U/R	-	U/R	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	1026.23	1087.67	601.44	-1.2%	9.8%	18.9%	28.9%	0.0%	0.0%	0.0%	0.0%
<b>Steel</b>												
Alchevsk Steel	ALMK	0.009	n/a	n/a	-6.3%	5.9%	-2.2%	9.8%	-5.0%	-4.0%	-21.0%	-19.2%
<b>Coke</b>												
Yasynivsky Coking	YASK	0.190	0.270	0.100	0.0%	26.7%	-29.6%	-29.6%	1.2%	16.8%	-48.5%	-58.6%
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	146.50	175.60	29.50	-5.5%	-10.1%	12.6%	8.9%	0.3%	-4.3%	-20.0%	-20.0%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	9.35	n/a	n/a	1.6%	-5.1%	1.6%	6.2%	2.8%	-14.9%	-17.2%	-22.7%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2187	2263	934	-0.5%	-2.5%	11.6%	17.7%	0.7%	-12.3%	-7.2%	-11.2%
Turboatom	TATM	12.00	12.45	7.50	-2.8%	-0.2%	13.9%	28.3%	-1.6%	-10.1%	-5.0%	-0.6%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.130	n/a	n/a	0.0%	8.3%	-21.2%	-21.2%	1.2%	-1.5%	-40.1%	-50.2%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.06	5.50	1.75	-9.9%	-4.1%	-18.9%	8.6%	-3.6%	-8.7%	-14.0%	-20.4%
JKX Oil	JKX	19.50	33.50	16.00	0.6%	-4.9%	-31.6%	-35.5%	1.0%	1.9%	-14.7%	-64.5%
Ukrnafta	UNAF	103.3	n/a	n/a	-7.8%	-19.7%	-9.9%	0.1%	-6.6%	-29.6%	-28.7%	-28.9%
<b>Power Utilities</b>												
Centrenergy	CEEN	10.65	11.58	5.95	-0.8%	-1.0%	-5.1%	2.9%	0.5%	-10.8%	-24.0%	-26.1%
Donbasenergy	DOEN	11.88	16.47	9.50	-2.9%	-3.1%	-3.5%	13.0%	-1.7%	-12.9%	-22.4%	-15.9%
Zakhidenergy	ZAEN	73.00	n/a	n/a	5.8%	2.8%	10.3%	16.8%	7.0%	-7.0%	-8.6%	-12.1%
<b>Consumer</b>												
Agroton	AGT	6.92	7.15	1.08	1.2%	10.7%	11.3%	70.9%	1.8%	2.4%	0.9%	41.9%
Astarta	AST	67.20	70.00	40.00	-0.5%	-1.2%	5.8%	24.3%	0.5%	0.7%	-11.0%	-4.6%
Avangardo	AVGR	0.88	1.00	0.26	3.5%	29.4%	151.4%	151.4%	1.0%	4.7%	19.6%	122.5%
Industrial Milk Company	IMC	10.08	10.10	6.50	1.3%	7.2%	7.0%	25.2%	0.8%	2.5%	-2.6%	-3.7%
Kernel	KER	67.29	80.00	48.20	-2.1%	-10.2%	-8.4%	5.4%	1.8%	-0.9%	-20.1%	-23.6%
MHPC	MHPC	10.20	10.50	8.52	1.5%	1.0%	13.3%	16.0%	1.0%	2.7%	-8.9%	-12.9%
Milkiland	MLK	2.20	2.80	1.56	-0.5%	-4.8%	-18.5%	10.0%	4.8%	0.8%	-14.6%	-18.9%
Ovostar Union	OVO	94.49	98.50	84.00	0.0%	2.4%	8.9%	9.2%	1.0%	1.2%	-7.4%	-19.7%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.257	0.262	0.071	1.8%	59.4%	81.7%	95.1%	3.0%	49.5%	62.8%	66.2%

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		
		2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E
<b>Iron Ore Mining</b>																
Ferrexpo	FXPO	961	986	1,282	313	375	495	32.6%	38.0%	38.6%	31	189	255	3.3%	19.2%	19.9%
<b>Railcar Manufacturing</b>																
Kryukiv Wagon	KVBZ	41	67	55	-15	1	6	-37.1%	0.9%	11.0%	-19	-4	2	-46.3%	-5.9%	3.3%
<b>Specialized Machinery</b>																
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%
<b>Oil &amp; Gas</b>																
Ukrnafta	UNAF	1,319	885	1,162	-101	116	151	-7.7%	13.1%	13.0%	-250	-343	74	-18.9%	-38.7%	6.3%
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%
<b>Electric Utilities</b>																
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%
<b>Consumer</b>																
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	402	445	144	167	170	41.4%	41.6%	38.1%	18	90	113	5.1%	22.4%	25.3%
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%
<b>Banks</b>																
		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	
<b>Iron Ore Mining</b>														
Ferrexpo	FXPO	1,103	24.0%	265	1,853	>30	5.8	4.3	5.9	4.9	3.7	1.9	1.9	1.4
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ	40	5.0%	2	35	neg	neg	21.7	neg	>30	5.7	0.8	0.5	0.6
<b>Specialized Machinery</b>														
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	169	24.0%	41	123	1.1	2.0	2.3	0.5	0.7	0.8	0.2	0.2	0.2
<b>Oil &amp; Gas</b>														
Ukrnafta	UNAF	209	3.0%	6	199	neg	neg	2.8	neg	1.7	1.3	0.2	0.2	0.2
Regal Petroleum	RPT	17	21.6%	4	-3	neg	n/a	16.6	n/a	n/a	n/a	n/a	n/a	n/a
JKX Oil & Gas	JKX	43	50.4%	22	151	neg	neg	14.3	8.9	5.2	4.4	1.7	1.9	1.6
<b>Electric Utilities</b>														
CentrEnergO	CEEN	147	21.7%	32	114	>30	6.0	5.7	8.7	3.1	2.9	0.4	0.3	0.3
DonbasEnergO	DOEN	10	14.2%	1	24	neg	5.4	7.1	neg	4.1	5.0	0.1	0.1	0.2
<b>Consumer</b>														
MHP	MHPC	1,078	34.1%	368	2,238	neg	18.2	6.3	4.9	5.4	4.6	1.9	2.0	1.6
Kernel	KER	1,365	61.8%	843	1,691	13.5	6.1	4.8	4.3	4.9	4.4	0.7	0.9	0.8
Astarta	AST	428	37.0%	158	575	24.2	4.7	3.8	4.0	3.4	3.4	1.6	1.4	1.3
Avangardco	AVGR	56	22.5%	13	388	neg	neg	28.1	neg	>30	17.6	1.7	2.0	2.2
Ovostar	OVO	144	25.0%	36	149	4.5	4.1	3.9	4.3	3.7	3.4	2.0	1.8	1.7
<b>Banks</b>														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	590	1.8%	11		neg	3.9	4.6	2.3	1.5	1.7	0.30	0.30	0.31

Source: Eavex Research



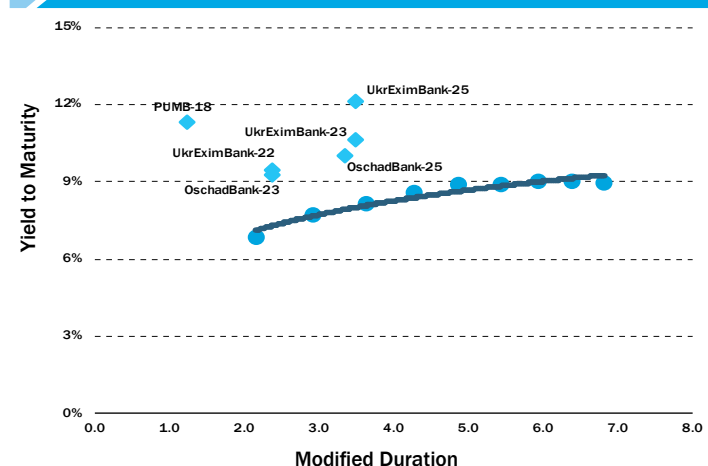
## UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2019	101.5	101.9	7.0%	6.9%	0.7%	2.1	7.75%	S/A	1 Sept 2019	1,744	Caa3/B-/B-
Ukraine, 2020	99.5	99.9	7.9%	7.8%	0.5%	2.9	7.75%	S/A	1 Sept 2020	1,780	Caa3/B-/B-
Ukraine, 2021	98.6	99.1	8.1%	8.0%	0.9%	3.6	7.75%	S/A	1 Sept 2021	1,409	Caa3/B-/B-
Ukraine, 2022	96.3	97.0	8.6%	8.5%	-0.4%	4.2	7.75%	S/A	1 Sept 2022	1,384	Caa3/B-/B-
Ukraine, 2023	94.8	95.5	8.8%	8.7%	-0.8%	4.8	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	92.5	93.3	9.0%	8.9%	-1.2%	5.9	7.75%	S/A	1 Sept 2025	1,329	Caa3/B-/B-
Ukraine, 2026	91.8	92.5	9.1%	8.9%	-1.7%	6.3	7.75%	S/A	1 Sept 2026	1,318	Caa3/B-/B-
Ukraine, 2027	91.8	92.4	9.0%	8.9%	-1.5%	6.8	7.75%	S/A	1 Sept 2027	1,307	Caa3/B-/B-
Ukraine, GDP-linked (VRI)	33.3	34.3	n/a	n/a	10.7%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	13.1	26.0	153%	90%	-2.2%	1.3	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	105.2	106.2	7.4%	7.2%	5.7%	3.8	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	102.3	103.1	7.3%	7.1%	6.4%	2.6	8.25%	S/A	2 Apr 2020	750	/B-/B-
Avangardco, 2018	28.0	30.0	128%	120%	-2.0%	0.8	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	23.9	30.4	276%	215%	-11.5%	0.4	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	86.5	87.5	13.6%	13.4%	-2.8%	5.4	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	91.0	94.0	12.8%	12.0%	-0.5%	3.8	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	104.3	105.3	8.0%	7.4%	4.0%	1.3	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	104.1	105.1	8.1%	7.5%	3.4%	1.3	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	98.3	99.2	10.4%	10.1%	3.5%	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
JKX Oil&Gas, 2018	84.6	86.6	21.5%	20.4%	0.4%	2.1	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	0.5	2.1	n/a	n/a	24.0%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	99.1	100.7	11.6%	10.6%	-1.6%	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	17.0	20.5	n/a	n/a	10.3%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	9.0	14.0	n/a	n/a	-11.5%	1.6	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	22.4	24.3	n/a	n/a	75.1%	0.3	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	101.1	101.9	9.3%	9.1%	3.6%	2.3	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	90.4	92.5	10.7%	10.2%	10.8%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	98.7	99.5	12.3%	12.0%	4.3%	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	101.1	101.9	9.1%	9.0%	4.0%	2.3	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	98.6	99.4	9.9%	9.7%	4.7%	3.3	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	64.9	72.6	n/a	n/a	-10.4%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

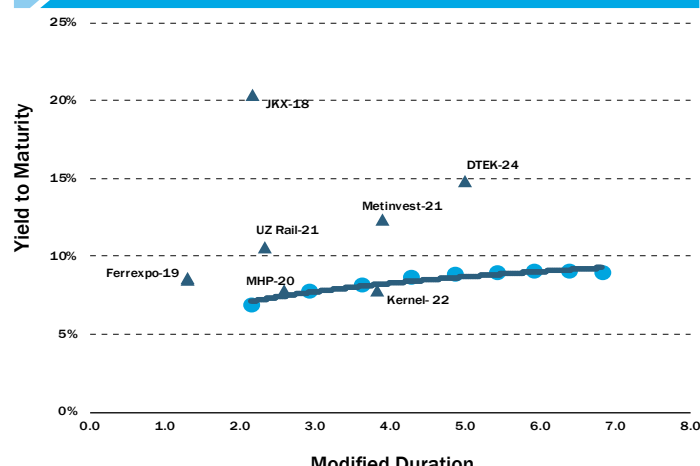
<sup>1</sup> Moody's/S&P/Fitch

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
<b>UAH denominated Bonds</b>									
UA4000160758			15.25%	14.50%	n/a	14.30%	S/A	14 Mar 2018	1,000
<b>VAT Bonds</b>									
UA4000185151			15.30%	14.90%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			15.30%	14.90%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			15.30%	14.90%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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