

## Stock Market Update

### Equity

Locally-listed Ukrainian equities were mostly lower last week as the privatizations of the state's blocking stakes in electricity companies attracted no interest from foreign investors. Auctions for blocking 25% stakes in SumyObiEnergo (SOEN), OdessaObiEnergo (SOEN), and DonbasEnergo (DOEN) were cancelled with no bids submitted. The State Property Fund was able to unload its 25% stakes in DonetskObiEnergo (DOON), KyivEnergo (KIEN) and ZakhidEnergo (ZAEN) to the majority owner of all three companies, the SCM group. Only the auction for ZakhidEnergo showed any real action, with the final price for the stake coming in at UAH 130 per share, or 20% above the starting price. SCM owns its majority stakes in the companies through its DTEK Holding. We assume that DTEK intends to de-list all three companies from Ukrainian Exchange. We expect minority shareholders to receive the opportunity to sell their shares back to DTEK in case they vote against the de-listing at corresponding shareholder meetings.

The UX index lost 0.2%, closing at 1125 points on Friday (Aug 18). Motor Sich (MSICH) finished in the black, adding 0.6% to UAH 2507 per share on information that the company will start full production of its own light passenger helicopters in 2018. UkrNafta (UNAF) continued to suffer from uncertainty about the fate of its production licenses, falling 2.6% to UAH 123 per share. Raiffeisen Bank Aval (BAVL) saw a minor correction after its bullish run over last several weeks, ending at 27.25 kopecks.

In London trading, MHP (MHPC) gained 5.0% to USD 10.30 after the company reported impressive USD 1.99 earnings per share for 1H17. Ferrexpo (FXPO) continued to benefit from rising iron ore prices, advancing 8.0% to GBp 275. In Warsaw, top liquid name Kernel (KER) shed 3.0% to PLN 61.00.

On the domestic currency market, the hryvnia remained in firm territory, gaining 0.7% to 25.50 UAH/USD, bringing its year-to-date appreciation against the dollar to 6.6%.

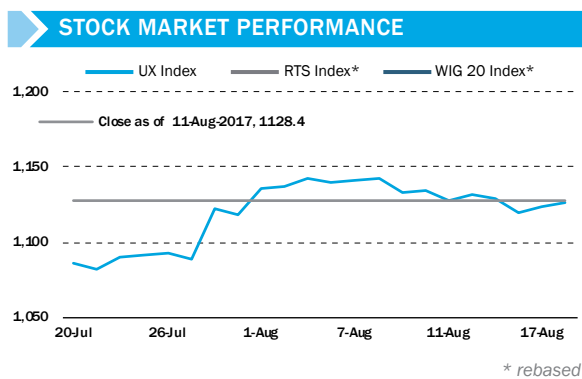
## Highlights

### POLITICS AND ECONOMICS

- > Poroshenko to Investigate Korea Missile Allegation
- > Ukraine's GDP Growth Steady in 2Q at 2.5% YoY

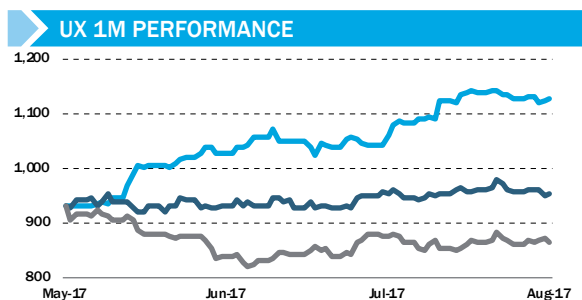
### STOCKS IN THE NEWS

- > MHP Nearly Doubles 1H17 Net Profit to USD 1.99 per Share



### MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1125.9	-0.2%	6.3%	41.5%
RTS	1027.9	0.5%	-1.0%	-10.8%
WIG20	2359.9	-0.5%	0.0%	21.1%
MSCI EM	1059.5	1.6%	0.6%	22.9%
S&P 500	2425.6	-0.6%	-1.4%	8.3%



### FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	327	-2.0%	0.1%	-10.5%
NBU Key Rate	12.5%	0.0 p.p.	0.0 p.p.	-1.5 p.p.
Ukraine-19	5.7%	-1.7 p.p.	-2.0 p.p.	-1.6 p.p.
Ukraine-27	7.8%	-0.2 p.p.	-0.2 p.p.	-0.9 p.p.
MHP-20	5.3%	0.0 p.p.	-0.3 p.p.	-4.2 p.p.
UZ Rail-21	7.9%	0.0 p.p.	-0.3 p.p.	-3.8 p.p.

### CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	25.50	-0.7%	-1.6%	-6.6%
EUR	29.96	-1.3%	0.0%	5.9%
RUB	0.43	0.8%	-0.9%	-1.9%

### COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	167.5	-1.2%	-4.3%	-3.2%
Steel, USD/t	545.0	4.8%	16.6%	10.1%
Oil, USD/bbl	52.7	1.2%	7.4%	-7.2%
Gold, USD/oz	1284.0	-0.4%	3.2%	11.4%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Poroshenko to Investigate Korea Missile Allegation

by Will Ritter  
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### NEWS

President Poroshenko last week denied a widely circulated news story that the PivdenMash rocket factory in Dnipro City was involved in supplying weapons to the regime of North Korea within the last two years. The news was reported by the New York Times, sourcing a paper written by a think-tank, the Institute of Strategic Studies; the NYT also claimed to cite classified data from US intelligence agencies. Poroshenko dismissed the allegations, but admitted they are serious enough to warrant an investigation to disprove them. The initial denial of the story came from National Security & Defense Council (RNBO) chairman Olexander Turchinov, who said the information was “more than likely provoked by Russian intelligence agencies to cover their own crimes”. The PivdenMash factory issued its own denial, accusing the authors of the think-tank report of “incompetence”. North Korea last month successfully tested a long-range ballistic missile after a string of failures.

### COMMENTARY

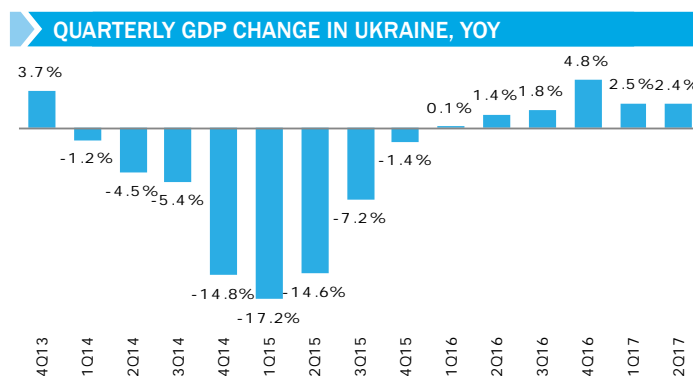
These allegations will certainly provide a serious topic of conversation for Poroshenko at his upcoming meeting with US Secretary of Defense James Mattis in Kyiv this week on Independence Day (Aug 24). Although no accusations were leveled against any members of Ukraine’s government of involvement in the scheme, if Ukrainian and/or Russian criminal groups did in fact infiltrate PivdenMash and sold missile technology on the black market, Poroshenko and Ukraine’s security services will ultimately be held to account by Washington for this. Of course, it is also entirely possible that the information for the story was planted by Russian intelligence and released to coincide with the Mattis visit. We suppose it was a tactical mistake by Kyiv to allow Turchinov to make the initial denial on such an important story, as Turchinov represents the old guard of Ukrainian power and is not a figure who enjoys a particularly high level of trust with the Western community. In any case, the Mattis visit is a major event for Ukraine, as the topic of providing specific US weapons systems to Kyiv is on the agenda. The importance of the Poroshenko-Mattis meeting only increases in light of the recent chaos surrounding the Trump administration in Washington; if Trump is forced out of the White House in the coming months, Mattis is a figure who is nearly certain to stay on into the next administration, with his already-considerable influence on US foreign policy further increasing.

**Ukraine's GDP Growth Steady in 2Q at 2.4% YoY**

by Dmitry Churin  
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**NEWS**

The Ukrainian economy's growth slowed marginally to 2.4% YoY in 2Q17 from 2.5% YoY registered in 1Q17, according to the preliminary estimate from the State Statistics Committee released last week. The data also showed that the country's seasonally-adjusted GDP rose by 0.6% on a quarterly basis in the period.



Source: State Statistics Committee, Eavex Research

**COMMENTARY**

Although 2.5% growth in both quarters this year looks reasonably good given Kyiv's costly blockade of the Donbass occupied territories, we have to note that Ukraine's economy has clearly failed to keep up the pace of the 4.8% YoY growth reached in 4Q16. This confirms our view that the 4Q16 figure was an anomaly driven by last year's far-above-average agricultural harvest. Clearly the recovery is not moving as quickly as we would have hoped, and 3% for 2018 might end up being a best-case scenario. Currently we see a situation where Ukraine's GDP remains on a positive track due to mostly to statistical factors rather than the country's ability to increase productivity and attract more investments in the real sector. Moreover, Ukraine did not improve its trade balance in 1H17, with the half-year trade deficit increasing by 12.5% YoY to USD 2.2bn. The overall current account deficit amounted to USD 1.6bn, which is equivalent to 3.4% of GDP. The National Bank also reported that the foreign direct investment in Ukraine was just USD 1.2bn in 1H17, slumping from the already-low level of USD 2.1bn seen in 1H16.

The best news that we can report is the 7.3% YoY growth in retail sales in 1H17, which is a firm signal that ground-level consumer confidence in Ukraine continues to gain momentum and implies steadily rising household spending.

**MHP Nearly Doubles 1H17 Net Profit to USD 1.99 per Share**

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

Price: USD 10.30 Market Cap: USD 1,088mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2016	1.5	1.9	18.4	5.2	7.3%
2017E	1.4	1.7	3.6	4.4	7.3%

**NEWS**

London-listed agro group MHP increased its net profit by 89% YoY to USD 210mn in 1H17, which implies earnings per share of USD 1.99 in the period, according to financials released on Aug 17. Revenue rose 22% YoY to USD 600mn in 1H17 and EBITDA (adjusted for forex gains/losses) grew by 9% YoY to USD 266mn. The company's export sales were USD 349mn in 1H17, accounting for 58% of total revenue. For 2Q17 alone, the company posted net revenue of USD 321mn (+22% YoY), EBITDA of USD 173mn (+14% YoY) and net profit of USD 153mn (-8% YoY). On the balance sheet side, MHP's total debt was USD 1.2bn as of 30 Jun 2017, with long-term debt represents 97% of the amount. Management said the weighted average interest rate on the debt is around 8%. This puts MHP's debt-to-EBITDA ratio at 2.44x as of 30 Jun 2017 compared to 2.60x as of the start of the year.

**MHP FINANCIALS**

USD mn	2Q17	2Q16	chg.	1H17	1H16	chg.
Net revenue	321	263	+22%	600	486	+23%
EBITDA	173	152	+14%	266	243	+9%
margin	53.9%	57.8%	-4 p.p.	44.3%	50.0%	-6 p.p.
Net Income	153	167	-8%	210	111	+89%
net margin	47.7%	63.5%	-16 p.p.	35.0%	22.8%	+12 p.p.

Source: Company data.

**COMMENTARY**

MHP reported USD 117mn in net profit from continuing operations before foreign exchange differences for 2Q17, slightly beating our forecast of USD 110mn. In our view, MHP delivered fairly strong financial results in 2Q thanks to its ability to keep its production facilities running at full capacity, as well as to a favorable price environment for poultry meat. The company said its achieved poultry price increased by 20% YoY in UAH terms in the second quarter. Meanwhile, a new development in MHP's business was its establishment of a processing plant in Slovakia as part of its export strategy. The company's export revenue was up 33% YoY to USD 185mn in 2Q17.

MHP spent USD 44mn on CapEx in 1H17. The company said that it has started construction of the so-called "2nd phase" of its Vinnytsa poultry complex, with the launch of the first new rearing sites scheduled for May-June 2018. The 2nd phase at Vinnytsa should add around 40,000 tonnes of output in 2018, and 130,000 tonnes p.a. when fully comes on line. We expects this year's MHP's poultry output total to be 570,000 tonnes.

We are raising our full-year 2017 net profit forecast for MHP from USD 170mn to USD 300mn, which would imply EPS of USD 2.84.

Currently the company is valued at 2017 P/E of 3.6x and EV/EBITDA of 4.4x. MHP's lightly-traded stock has risen 17.2% YtD but has nonetheless failed to climb out of a strong resistance corridor with a ceiling at USD 10.50 per share.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	61.1	80.0	31%	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	10.3	14.0	36%	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	64.0	70.0	9%	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	6.28	12.0	91%	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	10.2	13.0	28%	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	0.3	-33%	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	107.0	110.0	3%	HOLD	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	274.9	--	--	U/R	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	2507	5250	109%	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	123	270	119%	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	4.2	15.0	255%	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	13.0	--	--	U/R	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	14.8	9.0	-39%	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	11.10	15.00	35%	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	0.275	0.27	-2%	HOLD	Raiffeisen Aval's 1Q17 net profit was at a record high UAH 1.45bn (USD 54mn), implying earnings per share of 2.36 kopecks. We forecast that the bank will post a net profit of UAH 3.50bn in FY17 and will pay a 5.40 kopeck dividend next year.

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	1125.89	1153.58	674.31	-0.2%	6.3%	21.1%	41.5%	0.0%	0.0%	0.0%	0.0%
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	274.90	274.90	62.75	8.0%	27.2%	69.1%	104.4%	1.5%	8.2%	20.8%	62.9%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	9.37	n/a	n/a	-4.4%	-4.1%	28.4%	6.5%	-4.2%	-10.4%	7.3%	-35.0%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2507	2697	934	0.6%	2.3%	14.3%	34.9%	0.8%	-4.0%	-6.7%	-6.5%
Turboatom	TATM	11.67	n/a	n/a	1.5%	7.1%	-4.3%	24.8%	1.7%	0.7%	-25.4%	-16.7%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.130	n/a	n/a	0.0%	0.0%	0.2%	-21.1%	0.2%	-6.3%	-20.9%	-62.6%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.22	5.50	2.73	16.4%	5.5%	31.1%	13.0%	16.2%	16.6%	-0.8%	-28.5%
JKX Oil	JKX	13.50	33.50	13.50	0.0%	-19.4%	-30.3%	-55.4%	-0.2%	0.2%	-25.8%	-96.8%
Ukrnafta	UNAF	123.1	n/a	n/a	-2.6%	-3.8%	18.7%	19.3%	-2.4%	-10.2%	-2.3%	-22.2%
<b>Power Utilities</b>												
Centrenerg	CEEN	11.10	12.00	7.93	-3.2%	4.5%	7.8%	7.2%	-3.0%	-1.9%	-13.3%	-34.2%
Donbasenerg	DOEN	14.77	n/a	n/a	-0.5%	15.7%	25.5%	40.5%	-0.3%	9.3%	4.4%	-0.9%
Zakhidenerg	ZAEN	136.00	164.00	55.00	17.2%	11.5%	3.6%	117.6%	17.5%	5.1%	-17.5%	76.1%
<b>Consumer</b>												
Agroton	AGT	6.28	7.70	2.30	5.9%	5.5%	-6.3%	55.1%	-2.4%	6.1%	-0.8%	13.6%
Astarta	AST	64.00	72.00	49.51	-2.7%	5.1%	-9.2%	18.4%	-1.1%	-2.5%	-1.3%	-23.1%
Avangardo	AVGR	0.45	1.00	0.26	-25.0%	-25.0%	-55.0%	28.6%	-25.2%	-24.8%	-31.3%	-12.9%
Industrial Milk Company	IMC	10.15	10.98	6.50	0.5%	1.3%	-3.3%	26.1%	-0.3%	0.7%	-5.1%	-15.4%
Kernel	KER	61.05	80.00	57.50	-3.0%	-7.7%	-9.2%	-4.4%	-2.4%	-2.8%	-14.0%	-45.9%
MHPC	MHPC	10.30	10.50	8.54	5.0%	2.0%	0.5%	17.2%	2.8%	5.2%	-4.4%	-24.3%
Milkiland	MLK	1.64	2.80	1.59	-2.4%	-5.7%	-27.1%	-18.0%	-4.3%	-2.2%	-12.1%	-59.5%
Ovostar Union	OVO	107.00	128.05	84.00	-0.5%	-6.1%	16.3%	23.7%	-3.8%	-0.3%	-12.5%	-17.8%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.275	n/a	n/a	3.5%	18.9%	41.4%	108.1%	3.7%	12.6%	20.4%	66.6%

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	2016	2017E	2015	2016	2017E	2015	2016	2017E	2015	2016	2017E	2015	2016	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	414	426	237	166	151	33.9%	40.1%	35.3%	158	77	74	22.6%	18.6%	17.2%
<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>																
Centrenergo	CEEN	315	419	492	12	46	69	3.7%	11.1%	14.1%	3	15	51	1.0%	3.6%	10.5%
Donbasenergo	DOEN	190	157	147	8	7	5	4.3%	4.4%	3.3%	-9	-2	1	-4.6%	-1.1%	1.0%
<b>Consumer</b>																
MHP	MHPC	1,183	1,135	1,300	459	415	490	38.8%	36.6%	37.7%	-126	59	300	-10.6%	5.2%	23.1%
Kernel	KER	2,330	1,989	2,128	397	346	381	17.0%	17.4%	17.9%	101	225	270	4.3%	11.3%	12.7%
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	2,113	2,080	261	381	347	216	0	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	2016	2017E	2015	2016	2017E	2015	2016	2017E	
<b>Iron Ore Mining</b>														
Ferrexpo	FXPO	2,081	24.0%	500	2,831	>30	11.0	8.1	9.0	7.5	5.7	2.9	2.9	2.2
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ	42	5.0%	2	37	neg	neg	22.8	neg	>30	6.0	0.9	0.5	0.7
<b>Specialized Machinery</b>														
Turboatom	TATM	58	5.8%	3	-28	0.8	2.1	2.1	-0.3	-0.9	-0.8	-0.2	-0.3	-0.3
Motor Sich	MSICH	203	24.0%	49	165	1.3	2.6	2.8	0.7	1.0	1.1	0.2	0.4	0.4
<b>Oil &amp; Gas</b>														
Ukrnafta	UNAF	260	3.0%	8	254	neg	neg	3.5	neg	2.2	1.7	0.2	0.3	0.2
Regal Petroleum	RPT	17	21.6%	4	-2	neg	n/a	17.4	n/a	n/a	n/a	n/a	n/a	n/a
JKX Oil & Gas	JKX	30	50.4%	15	138	neg	neg	9.9	8.2	4.8	4.1	1.6	1.7	1.5
<b>Electric Utilities</b>														
CentrEnergO	CEEN	160	21.7%	35	72	>30	10.5	3.1	6.1	1.5	1.0	0.2	0.2	0.1
DonbasEnergO	DOEN	14	14.2%	2	28	neg	neg	9.2	3.4	4.0	5.8	0.1	0.2	0.2
<b>Consumer</b>														
MHP	MHPC	1,088	34.1%	371	2,158	neg	18.4	3.6	4.7	5.2	4.4	1.8	1.9	1.7
Kernel	KER	1,336	61.8%	825	1,662	13.2	5.9	4.9	4.2	4.8	4.4	0.7	0.8	0.8
Astarta	AST	439	37.0%	163	587	24.8	4.9	3.9	4.1	3.5	3.5	1.7	1.5	1.3
Avangardco	AVGR	29	22.5%	6	360	neg	neg	14.4	neg	>30	16.4	1.6	1.9	2.0
Ovostar	OVO	176	25.0%	44	181	5.5	5.0	4.8	5.2	4.5	4.2	2.4	2.2	2.0
<b>Banks</b>														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	657	1.8%	12		neg	4.4	4.0	2.5	1.7	1.9	0.34	0.31	0.32

Source: Eavex Research



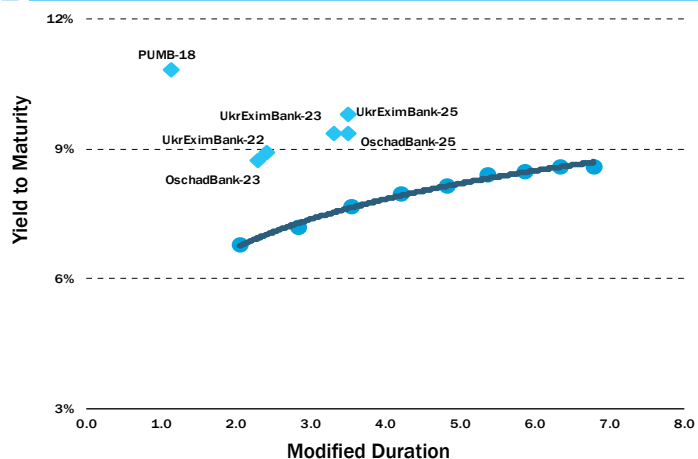
UKRAINIAN EUROBONDS

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	103.6	104.1	5.8%	5.6%	2.8%	1.8	7.75%	S/A	1 Sept 2019	1,744	Caa3/B-/B-
Ukraine, 2020	103.9	104.4	6.3%	6.1%	5.0%	2.6	7.75%	S/A	1 Sept 2020	1,780	Caa3/B-/B-
Ukraine, 2021	103.4	103.9	6.8%	6.6%	5.7%	3.3	7.75%	S/A	1 Sept 2021	1,409	Caa3/B-/B-
Ukraine, 2022	102.3	102.9	7.2%	7.1%	5.7%	4.0	7.75%	S/A	1 Sept 2022	1,384	Caa3/B-/B-
Ukraine, 2023	101.6	102.3	7.4%	7.3%	6.3%	4.6	7.75%	S/A	1 Sept 2023	1,355	Caa3/B-/B-
Ukraine, 2024	100.4	101.0	7.7%	7.6%	6.0%	5.2	7.75%	S/A	1 Sept 2024	1,339	Caa3/B-/B-
Ukraine, 2025	100.0	100.6	7.7%	7.6%	6.7%	5.7	7.75%	S/A	1 Sept 2025	1,329	Caa3/B-/B-
Ukraine, 2026	99.6	100.3	7.8%	7.7%	6.6%	6.2	7.75%	S/A	1 Sept 2026	1,318	Caa3/B-/B-
Ukraine, 2027	99.5	100.1	7.8%	7.7%	6.8%	6.6	7.75%	S/A	1 Sept 2027	1,307	Caa3/B-/B-
Ukraine, GDP-linked (VRI)	51.0	51.8	n/a	n/a	68.4%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	14.8	21.3	159%	121%	-10.0%	1.0	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	108.6	109.1	6.5%	6.4%	8.9%	3.7	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	106.7	107.3	5.5%	5.2%	10.8%	2.3	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	103.4	103.9	7.1%	7.0%	3.6%	5.1	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	25.0	25.9	196%	190%	-14.0%	0.6	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	29.3	32.6	388%	336%	0.9%	0.2	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	5.0	7.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	5.0	7.0	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	94.5	95.5	11.9%	11.7%	6.2%	5.3	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	91.0	94.0	13.5%	12.6%	-0.5%		9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	106.0	106.4	6.4%	6.2%	5.4%	1.0	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	106.0	106.6	6.4%	6.1%	5.1%	1.0	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	103.9	104.7	8.7%	8.5%	9.3%	2.0	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	25.0	28.0	n/a	n/a	-3.6%		10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	85.0	95.0	23.0%	17.2%	19.8%	2.0	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	0.6	1.5	n/a	n/a	0.8%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	103.5	104.1	8.2%	7.8%	2.3%	1.0	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.2	1.4	n/a	n/a	-16.9%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	19.0	22.0	n/a	n/a	20.6%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	7.0	13.0	n/a	n/a	-23.1%	1.7	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	20.9	22.1	n/a	n/a	61.5%	0.1	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	104.6	105.1	8.4%	8.3%	7.0%	2.2	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	95.6	97.0	9.5%	9.2%	16.7%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	104.8	105.0	8.8%	8.7%	10.4%	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	104.2	104.8	8.4%	8.3%	7.1%	2.1	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	104.4	104.9	8.8%	8.7%	10.7%	3.1	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	63.4	73.6	n/a	n/a	-10.7%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

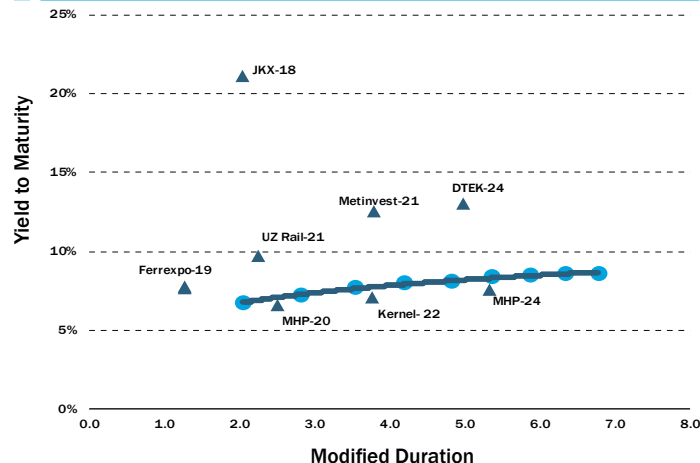
<sup>1</sup> Moody's/S&P/Fitch

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>									
UA4000194591			14.90%	14.40%	n/a	16.62%	S/A	11 Jul .2018	1,454
<b>VAT Bonds</b>									
UA4000185151			15.20%	14.80%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			15.20%	14.80%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			15.20%	14.80%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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