

Stock Market Update

Equity

Ukrainian equities were inactive for a second straight week as the local market continued to search for direction. The UX index stayed within a 1% corridor of 1260-1275 points for the most of the week. We believe that a report from UkrStat that the country's GDP rose by 2.1% YoY in 3Q17 was a generally encouraging sign about the state of the national economy.

The UX index grew by 1.1% to close at 1283 points. Raiffeisen Bank Aval (BAVL) was the best performing blue chip, adding 2.3% to 28.80 kopecks after its minor correction seen over preceding week. Initial worries that Raiffeisen Aval could start a squeeze-out procedure to buy up the small outstanding free float of 1.72% have faded away for now. Electricity sector blue chip CentrEnerg (CEEN) edged up by 1.2% to UAH 11.38 after the government said that coal inventories have increased ahead of the winter season, while UkrNafta (UNAF) was flat at UAH 143 per share.

In London trading, poultry giant MHP (MHPC) did not react to the company's quite strong 3Q financial results. With the new data, MHP's earnings per share this year (through September) have reached USD 2.43, but the stock sat unchanged at USD 11.15. Ferrexpo (FXPO) remained in its local downward trend that started in early October, losing 4.1% to close at GBp 247. Meanwhile, the company reported that it has secured a new loan facility for near USD 200mn to increase its working capital.

On the Warsaw Stock Exchange, long-suffering Kernel (KER) demonstrated a U-turn, advancing 7.7% to PLN 49.00 after information that one of the company's large shareholders has started bidding for shares on the market. The volatile, sporadically traded stock of crop grower Agrotan (AGT) jumped 23% to PLN 5.05. The company does not report its financials on a quarterly basis, so it is hard to pinpoint the reason behind the stock's sharp increase.

The hryvnia had a very quiet week, finishing little-changed at 26.50 UAH/USD heading into the end of the year. December is historically a month in which the Ukrainian currency sees some appreciation against the dollar amid holiday spending.

Highlights

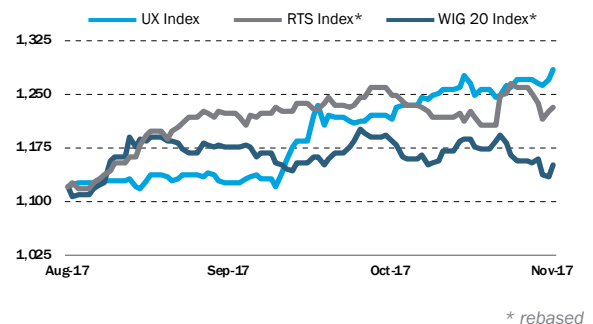
POLITICS AND ECONOMICS

- > People's Front Remaining Separate from Poroshenko Bloc for Now
- > Ukraine's GDP Growth Down Slightly to 2.1% in 3Q17

STOCKS IN THE NEWS

- > Kernel Stock Upgraded to BUY from HOLD after 8-Month Decline
- > MHP Reports 3Q Profit of 44 Cents/Share

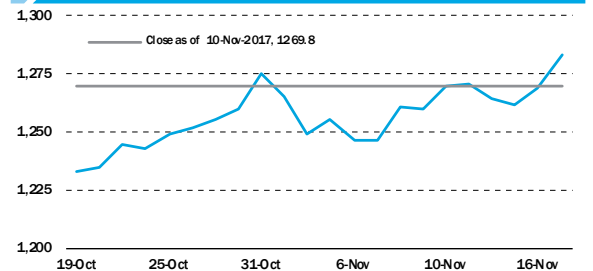
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1283.7	1.1%	5.6%	61.3%
RTS	1132.5	-2.1%	-1.2%	-1.7%
WIG20	2443.8	-0.6%	-2.8%	25.5%
MSCI EM	1136.5	0.7%	1.0%	31.8%
S&P 500	2578.9	-0.1%	0.8%	15.2%

UX 1M PERFORMANCE



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	321	-1.0%	4.4%	-12.2%
NBU Key Rate	13.5%	0.0 p.p.	1.0 p.p.	-0.5 p.p.
Ukraine-19	4.6%	-2.0 p.p.	-1.9 p.p.	-2.7 p.p.
Ukraine-27	7.3%	-0.1 p.p.	0.1 p.p.	-1.4 p.p.
MHP-20	4.4%	-0.1 p.p.	-0.2 p.p.	-5.1 p.p.
UZ Rail-21	6.5%	-0.1 p.p.	-0.1 p.p.	-5.2 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.49	-0.1%	0.1%	-3.0%
EUR	31.23	1.0%	0.3%	10.4%
RUB	0.45	0.3%	-2.8%	1.9%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	180.0	0.0%	-0.8%	4.0%
Steel, USD/t	530.0	-1.9%	-4.9%	7.1%
Oil, USD/bbl	62.7	-1.3%	9.0%	10.4%
Gold, USD/oz	1294.2	1.5%	0.7%	12.3%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

People's Front Remaining Separate from Poroshenko Bloc for Now

by Will Ritter
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NEWS

At its party congress in Kyiv earlier this month, the People's Front party led by former Prime Minister Arseniy Yatseniuk declined to vote to join forces with the Solidarity party of President Poroshenko. The two parties are the sole coalition partners in Ukraine's current government, and there had been some speculation about a merger heading into the congress due to the weak polling position of the People's Front. Yatseniuk said the party is planning to nominate a candidate to run for President in the next election, which is due just over 18 months from now in June 2019.

COMMENTARY

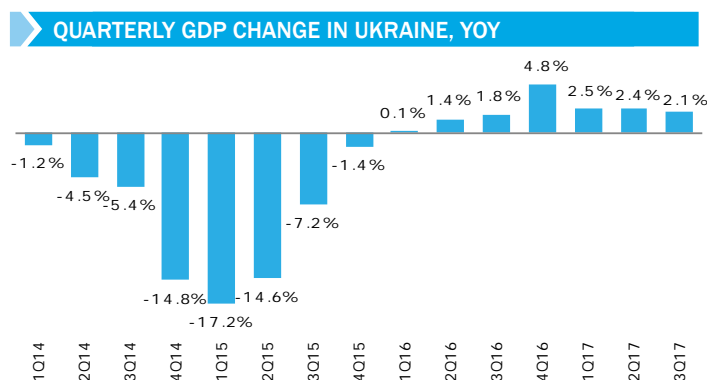
The Poroshenko Bloc and the People's Front represent different political/business clans between which there is considerable competition, and this is the principal reason why the parties remain separate despite holding a more or less common statist political philosophy. We think it is too early to write off the People's Front despite its current dismal ratings, as the landscape can change quickly in election season, and Yatseniuk is one of the most recognizable faces in national politics; Yatseniuk should at minimum be able to extract some concessions from President Poroshenko in return for not running against him for the presidency. That said, it is pointless to speculate about the next parliamentary election today, as it will be entirely shaped by the outcome of the presidential election (i.e., whether Poroshenko is re-elected) that is scheduled to precede it by several months. Although Parliament recently passed a bill in the first reading to overhaul the election system by eliminating the geographic districts that currently elect half of the chamber's MPs, we are skeptical that the bill will pass the second reading (needed for it to become law). Electing 100% of Parliament via party lists undermines state power in Ukraine by increasing the confrontation between the legislative and executive branches; we think that President Poroshenko is certain to pull out all the stops to oppose such a change, and that passing it in the first reading was just a ploy to assuage the militant anti-government demonstrators who are camping out near Parliament. The demonstrators have thus far appeared to lack a major groundswell of public support in their demands for the impeachment of Poroshenko and the holding of pre-term elections.

Ukraine's GDP Growth Down Slightly to 2.1% in 3Q17

by Dmitry Churin
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NEWS

The Ukrainian economy grew at 2.1% year-on-year in the third quarter of 2017, slowing somewhat from growth of 2.4% YoY in 2Q17, according to the preliminary estimate from the State Statistics Committee released on Nov 14. The data also showed that the country's seasonally-adjusted GDP rose by 0.2% on a quarterly basis in the period.



Source: State Statistics Committee, Eavex Research

COMMENTARY

The reported 3Q GDP performance figure is in line with expectations, leaving on track our forecast that Ukraine's economic growth for full-year 2017 will come in at 2.3% YoY. We see improving consumer sentiments and the hryvnia's exchange rate stability as the primary drivers behind the GDP growth in 3Q. As we reported earlier, retail sales rose by 8.8% YoY in 9M17, and we have also seen the government's spending on infrastructure projects increase this year, creating jobs and firing demand for construction materials. For example, the road construction index compiled by UkrStat grew by 12.5% YoY in 9M17.

On the flip side, Ukraine's economy still lacks foreign direct investments, which amounted to just USD 2.0bn in 9M17 according to the data from the NBU. In the trade balance statistics, we also see a disappointing situation of the increase in imports outpacing the increase in exports in 9M17. However, thanks to the government's placement of USD 3.0bn Eurobonds in September, the country's balance of payments for 9M17 was positive at USD 1.92bn in 9M17, up from the BoP surplus of USD 976mn registered in 9M16.

Kernel Stock Upgraded to BUY from HOLD after 8-Month Decline

by Dmitry Churin
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KERNEL (KER PW)

Price: PLN 49.00 Market Cap: USD 1,085mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
FY17	1.1	0.7	6.2	5.0	1.8%
FY18E	0.9	0.6	4.6	4.6	1.8%

NEWS

Eavex Capital is upgrading its recommendation for Kernel, the Warsaw-listed Ukrainian sunflower oil giant and crop grower, to BUY with a target price of PLN 82 per share. Since the beginning of the year, Eavex has had a HOLD recommendation for the KER stock, which is the most liquid issue among Ukrainian agro stocks, and the second-most liquid in the entire Ukrainian equity universe behind Ferrexpo (FXPO). The primary risks to our target price are unsuitable weather conditions, which could depress Kernel's crop yields and harvest volume, or an unforeseen rise in Ukraine country risk. We also note that soft commodity prices are subject to high global volatility.

COMMENTARY

We revised our recommendation for Kernel after the stock's long decline of more than 40% from its six-year maximum of PLN 80 reached in February of this year, to the current level of slightly below PLN 50 per share.

Kernel's key competitive edge is its access to debt markets and resulting ability to constantly replenish its capital. This means that the group can buy sunflower seeds at the peak of the procurement cycle, when many rivals face a working capital deficit. Importantly, to minimize the volatility in the price difference between the sunflower seeds and oil, Kernel typically settles forward contracts for oil at the time of its seed purchases. Moreover, Kernel has been steadily expanding its grain export volume, reaching a record high of 5.1mn tonnes in FY17. The company resells grain purchased from domestic farming groups, as well as its in-house harvested grains and soybean.

Kernel was very active in increasing its land under management via a series of leasing acquisitions between 2010 and 2017, with the land bank now having reached 592,000 ha (+50% YoY). Taking a longer-term view, Kernel has announced a strategy to achieve EBITDA of USD 500mn by 2021. Considering the company's land bank and its storage capacities of 2.8mn tonnes, the business has enough scale to reach the target. We foresee full-year 2018 EBITDA (the company's financial year runs from July to June) for Kernel at USD 346mn (+8.5% YoY) and net profit at USD 238mn, up from net profit of USD 176mn in FY17.

For peer comparison purposes, we examine the stocks of global grain and vegetable oil players, in particular Bunge (US) and ADM (US) from developed markets, while from emerging markets we look at ROS Agro (Russia) and Fielda Global (Malaysia). We compare the companies on three indicators: EV/EBITDA, P/E and EV/Sales. However, we do not apply the data from the peer approach in calculating the target price for Kernel. Our peer multiple valuation shows that Kernel, with EV/EBITDA of 4.6x, is undervalued compared to its peer group, which has the median multiple of 8.6x, with the implied discount at 47%. We therefore see substantial opportunities for KER stock price growth.

MHP Reports 3Q Profit of 44 Cents/Share

by Dmitry Churin
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MHP (MHPC LI)

Price: USD 11.15 Market Cap: USD 1,178mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2016	1.6	1.9	19.9	5.3	6.7%
2017E	1.5	1.7	3.9	4.5	6.7%

NEWS

London-listed MHP, Ukraine's largest poultry producer, reported a net profit of USD 47mn in 3Q17, representing earnings per share of 44 cents, compared to a net loss of USD 9mn in 3Q16, according to financials released on Nov 16. MHP's revenue increased by 9% YoY to USD 370mn in the period and EBITDA rose 5% YoY to USD 105mn. Year-to-date through September, the company reported revenue of USD 970mn (+18% YoY), EBITDA of USD 371mn (+8% YoY), and net profit of USD 257mn (+152% YoY).

On the balance sheet side, MHP's total debt was USD 1.15bn as of 30 Sept 2017. The debt structure shifted further to long-term liabilities, which accounted for 97% of total debt compared to 78% a year ago. The weighted average interest rate was reported at approximately 8%. The Net Debt/EBITDA ratio was 2.26x as of 30 Sept 2017, down from 2.60x at the start of the year, leaving the ratio well within the Eurobond covenant limit of 3.0x.

MHP FINANCIALS

USD mn	3Q17	3Q16	chg.	9M17	9M16	chg.
Net revenue	370	339	+9%	970	822	+18%
EBITDA	105	100	+5%	371	343	+8%
margin	28.4%	29.5%	-1 p.p.	38.2%	41.7%	-3 p.p.
Net Income	47	-9	+/-	257	102	+152%
net margin	12.7%	-2.7%	+15 p.p.	26.5%	12.4%	+14 p.p.

Source: Company data.

COMMENTARY

MHP's 3Q financial results fell in line with our expectations, as the company had earlier reported that its poultry output was 137,000 tonnes in 3Q17 (-2% YoY). The main positive factor for MHP this year is a persistent rise in poultry prices both in Ukraine and on international markets. The company said that its achieved average poultry price has risen by 35% YoY to UAH 37.88 per kilogram (excl. VAT). MHP's export revenue was USD 212mn in 3Q17, contributing 57% to total revenue.

Considering that MHP's net profit per share amounted USD 2.43 in 9M17, we are quite confident that the company will reach our full-year forecast of EPS of USD 2.84 (USD 300mn net profit).

The MHPC stock, which has a current listing of USD 11.15 per share, is trading at P/E of 3.9x, which is the lowest multiple of the four major foreign-listed Ukrainian agro issues. MHPC has a 52-week range of USD 8.54 to USD 12.05; Eavex Capital has a target price of USD 14.00 for the stock.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	49.0	82.0	67%	BUY	With some 95% of its revenue linked to major foreign currencies, hryvnia devaluation is positive for Kernel, and recent changes in Ukraine's tax regime should also benefit the group. With on-demand borrowing access, Kernel is well placed to further consolidate its position in the oilseed crushing industry.
MHP	MHPC LI	11.2	14.0	26%	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	50.8	70.0	38%	BUY	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	5.05	12.0	138%	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	11.9	13.0	9%	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	-40%	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	109.6	110.0	0%	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.
Iron Ore						
Ferrexpo	FXPO LN	247.3	--	--	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.
Specialized Machinery						
Motor Sich	MSICH	3239	5250	62%	BUY	The reported profit for 1H17 represents UAH 1101 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 3.0bn, implying EPS of UAH 1440.
Oil & Gas						
UkrNafta	UNAF	145	270	87%	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	6.3	15.0	140%	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	12.5	--	--	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.
Power Utilities						
DonbasEnerg	DOEN	18.5	9.0	-51%	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	11.38	15.00	32%	BUY	CenterEnerg'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	0.288	0.27	-6%	HOLD	Raiffeisen Aval's 1H17 net profit was at a record high UAH 2.7bn (USD 100mn), implying earnings per share of 4.45 kopecks. We forecast that the bank will post a net profit of UAH 4.50bn in FY17 and will pay a 7.30 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	1283.69	1292.48	706.27	1.1%	5.6%	14.0%	61.3%	0.0%	0.0%	0.0%	0.0%
Iron Ore Mining												
Ferrexpo	FXPO	247.30	323.20	112.50	-4.1%	-10.2%	-10.0%	83.9%	0.5%	-5.2%	-15.8%	22.6%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.85	n/a	n/a	6.4%	18.6%	15.8%	23.3%	5.3%	13.0%	1.8%	-38.0%
Specialized Machinery												
Motor Sich	MSICH	3239	3266	934	-0.3%	10.8%	29.2%	74.3%	-1.4%	5.2%	15.2%	13.0%
Turboatom	TATM	12.80	12.99	8.61	0.4%	10.8%	9.7%	36.9%	-0.7%	5.2%	-4.3%	-24.4%
Telecom												
Ukrtelecom	UTLM	0.138	n/a	n/a	-8.0%	-7.3%	6.0%	-16.4%	-9.1%	-12.8%	-8.0%	-77.7%
Oil & Gas												
Regal Petroleum	RPT	6.25	7.50	2.75	-16.7%	17.9%	48.1%	67.3%	7.6%	-17.8%	12.3%	6.0%
JKX Oil	JKX	12.50	33.50	12.25	-9.1%	-2.0%	-7.4%	-58.7%	-10.2%	-10.2%	-7.5%	-120.0%
Ukrnafta	UNAF	144.5	n/a	n/a	1.0%	4.0%	17.4%	40.0%	-0.1%	-1.6%	3.4%	-21.3%
Power Utilities												
Centrenerg	CEEN	11.38	12.00	9.70	1.2%	4.0%	2.6%	10.0%	0.1%	-1.5%	-11.5%	-51.3%
Donbasenerg	DOEN	18.52	n/a	n/a	2.9%	7.4%	25.4%	76.2%	1.8%	1.8%	11.4%	14.9%
Zakhidenerg	ZAEN	131.00	164.00	55.00	0.8%	0.3%	-3.7%	109.6%	-0.2%	-5.3%	-17.7%	48.3%
Consumer												
Agroton	AGT	5.05	7.70	2.95	22.6%	11.2%	-19.6%	24.7%	4.1%	21.5%	5.6%	-36.6%
Astarta	AST	50.79	72.00	49.06	1.6%	-5.8%	-20.6%	-6.0%	1.1%	0.5%	-11.4%	-67.3%
Avangardo	AVGR	0.50	1.00	0.35	0.0%	-13.0%	11.1%	42.9%	-1.1%	-1.1%	-18.6%	-18.4%
Industrial Milk Company	IMC	11.89	12.40	7.10	-2.9%	8.3%	17.1%	47.7%	-1.2%	-4.0%	2.7%	-13.6%
Kernel	KER	49.00	80.00	45.51	7.7%	3.6%	-19.7%	-23.3%	-1.7%	6.6%	-2.0%	-84.6%
MHPC	MHPC	11.15	12.05	8.54	-0.9%	0.0%	8.3%	26.8%	-0.7%	-2.0%	-5.6%	-34.5%
Milkiland	MLK	1.85	2.80	1.46	21.7%	14.9%	12.8%	-7.5%	2.8%	20.6%	9.3%	-68.8%
Ovostar Union	OVO	109.55	128.05	84.00	-3.9%	4.3%	2.4%	26.6%	-1.1%	-5.0%	-1.3%	-34.7%
Banks												
Raiffeisen Bank Aval	BAVL	0.288	n/a	n/a	2.3%	1.9%	4.9%	118.3%	1.2%	-3.6%	-9.1%	57.0%

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	2016	2017E	2015	2016	2017E	2015	2016	2017E	2015	2016	2017E	2015	2016	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	414	426	237	166	153	33.9%	40.1%	35.8%	158	77	110	22.6%	18.6%	25.9%
Oil & Gas																
Ukrnafta	UNAF	1,319	885	1,079	-101	116	151	-7.7%	13.1%	14.0%	-250	-343	74	-18.9%	-38.7%	6.8%
Regal Petroleum	RPT	22	25	27	10	10	15	45.5%	40.4%	55.6%	-1	0	3	na	0.0%	11.1%
JKX Oil	JKX	89	80	82	17	29	18	19.1%	36.3%	22.0%	-82	-20	-12	-92.1%	-25.0%	-14.6%
Electric Utilities																
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	8	4.3%	4.4%	5.8%	-9	-2	1	-4.6%	-1.1%	1.0%
Consumer																
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	1,989	2,169	2,711	346	319	346	17.4%	14.7%	12.8%	225	176	238	11.3%	8.1%	8.8%
Astarta	AST	349	402	475	144	167	176	41.4%	41.6%	37.0%	18	90	104	5.1%	22.4%	21.9%
Avangardco	AVGR	230	191	115	-69	1	5	-30.2%	0.4%	4.3%	-158	-57	-10	-68.9%	-29.6%	-8.3%
Ovostar	OVO	76	84	80	35	40	15	46.0%	47.7%	19.2%	32	35	10	42.3%	41.8%	12.5%
Banks																
		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	192	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	
Iron Ore Mining														
Ferrexpo	FXPO	1,927	24.0%	463	2,677	>30	10.2	7.5	8.6	7.1	5.4	2.8	2.7	2.1
Railcar Manufacturing														
Krukiv Wagon	KVBZ	47	5.0%	2	42	neg	neg	25.5	neg	>30	6.9	1.0	0.6	0.8
Specialized Machinery														
Turboatom	TATM	56	5.8%	3	-30	0.7	2.0	2.0	-0.3	-0.9	-0.9	-0.2	-0.3	-0.3
Motor Sich	MSICH	254	24.0%	61	215	1.6	3.3	2.3	0.9	1.3	1.4	0.3	0.5	0.5
Oil & Gas														
Ukrnafta	UNAF	296	3.0%	9	280	neg	neg	4.0	neg	2.4	1.9	0.2	0.3	0.3
Regal Petroleum	RPT	27	21.6%	6	7	neg	n/a	8.8	n/a	n/a	n/a	n/a	n/a	n/a
JKX Oil & Gas	JKX	28	50.4%	14	137	neg	neg	neg	8.1	4.7	7.6	1.5	1.7	1.7
Electric Utilities														
CentrEnergO	CEEN	159	21.7%	34	78	>30	10.5	3.1	6.6	1.7	1.1	0.2	0.2	0.2
DonbasEnergO	DOEN	17	14.2%	2	31	neg	neg	11.2	3.8	4.4	3.6	0.2	0.2	0.2
Consumer														
MHP	MHPC	1,178	34.1%	402	2,182	neg	19.9	3.9	4.8	5.3	4.5	1.8	1.9	1.7
Kernel	KER	1,084	61.8%	670	1,580	4.8	6.2	4.6	4.6	5.0	4.6	0.8	0.7	0.6
Astarta	AST	353	37.0%	131	463	19.9	3.9	3.4	3.2	2.8	2.6	1.3	1.2	1.0
Avangardco	AVGR	32	22.5%	7	363	neg	neg	neg	neg	>30	>30	1.6	1.9	3.2
Ovostar	OVO	183	25.0%	46	185	5.7	5.2	18.3	5.3	4.6	12.0	2.4	2.2	2.3
Banks														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	668	1.8%	12		neg	4.5	3.6	2.6	1.8	1.9	0.34	0.32	0.32

Source: Eavex Research

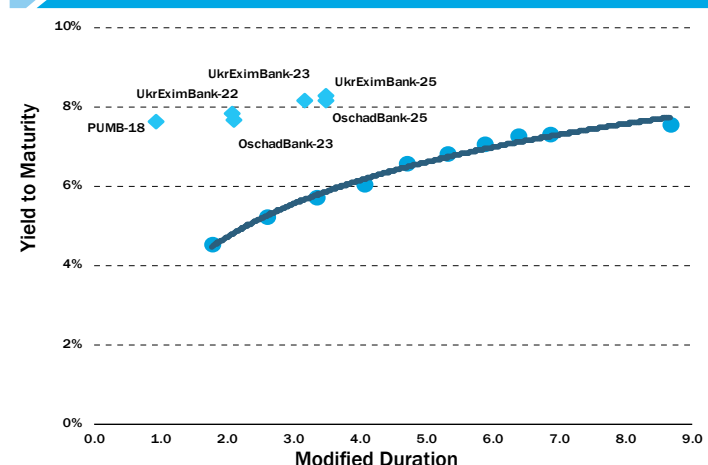
UKRAINIAN EURO BONDS

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	105.1	105.5	4.7%	4.5%	4.3%	1.6	7.75%	S/A	1 Sept 2019	1,744	Caa2/B-/B-
Ukraine, 2020	106.4	106.7	5.3%	5.1%	7.4%	2.5	7.75%	S/A	1 Sept 2020	1,780	Caa2/B-/B-
Ukraine, 2021	106.3	106.8	5.9%	5.7%	8.7%	3.2	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	106.3	106.8	6.2%	6.1%	9.8%	3.9	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	106.0	107.0	6.5%	6.3%	11.1%	4.6	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	105.1	105.8	6.8%	6.7%	11.0%	5.2	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	104.0	104.6	7.1%	7.0%	11.0%	5.7	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	102.8	103.3	7.3%	7.2%	9.9%	6.2	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	102.8	103.3	7.3%	7.3%	10.2%	6.7	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	98.0	98.5	7.6%	7.5%	-1.8%	8.5	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	53.9	54.4	n/a	n/a	77.5%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agrotan, 2019	14.4	18.8	204%	166%	-17.2%	0.7	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	110.2	110.9	6.0%	5.8%	10.5%	3.4	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	108.3	109.0	4.5%	4.2%	12.5%	2.1	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	108.3	109.0	6.2%	6.0%	8.6%	5.1	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	22.8	25.9	273%	242%	-17.6%	0.4	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	24.0	24.5	912%	888%	-20.9%	0.1	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	104.0	104.8	10.1%	10.0%	16.9%	5.2	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	91.0	94.0	13.9%	12.9%	-0.5%	3.4	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	105.2	106.0	6.4%	5.8%	4.8%	0.8	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	105.2	106.0	6.4%	5.8%	4.4%	0.8	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	106.0	107.0	8.0%	7.7%	11.7%	1.9	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	26.0	29.0	n/a	n/a	0.0%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JXX Oil&Gas, 2018	85.0	95.0	23.3%	17.1%	19.8%	1.8	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
Fin&Credit Bank, 2019	0.5	1.3	n/a	n/a	-10.5%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	103.4	105.1	7.7%	6.2%	2.7%	0.9	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.2	1.4	n/a	n/a	-16.7%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	28.0	31.0	n/a	n/a	73.5%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	10.0	15.0	n/a	n/a	-3.8%	1.5	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	28.7	32.3	n/a	n/a	129.2%	0.1	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	107.6	108.3	7.6%	7.4%	10.2%	2.1	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	99.7	101.4	8.7%	8.3%	21.8%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	108.7	109.5	8.1%	8.0%	14.9%	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	106.9	107.7	7.8%	7.6%	10.0%	1.9	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	107.8	108.6	8.2%	8.0%	14.4%	3.0	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2015	76.5	81.4	n/a	n/a	2.9%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

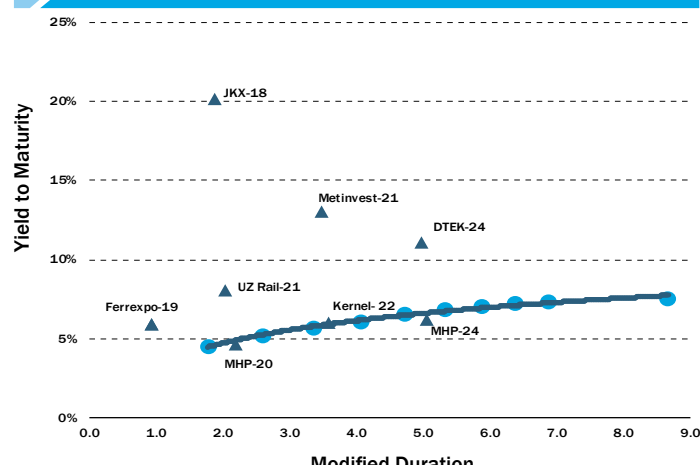
¹ Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EURO BONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EURO BONDS



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									
UA4000194591			15.10%	14.90%	n/a	16.62%	S/A	11 Jul .2018	1,454
VAT Bonds									
UA4000185151			15.60%	15.10%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			15.60%	15.10%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			15.60%	15.10%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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