

## Stock Market Update

### Equity

Kyiv-listed stocks remained in a pattern of low volatility last week, with the UX index staying inside a tight range of 1275-1285 points. The domestic news flow was dominated by the conflict between the country's two main law enforcement agencies: the National Anti-Corruption Bureau (NABU) and the Ukrainian Security Service (SBU). The presidentially-controlled SBU has often tried to limit the influence of NABU, the agency which was created after 2014 and which is generally supported by Ukraine's Western backers, as it is viewed as less corrupt than other state institutions.

The UX index inched up by 0.3% to close at 1282 points. Aviation engine producer Motor Sich (MSICH) was the most notable gainer in the 5-stock index basket, adding 2.2% to close at UAH 3283 per share. CentrEnergO (CEEN) was little-changed at UAH 11.43 while low-liquidity DonbassEnergO (DOEN) rose 0.8% to UAH 18.82. UkrNafta (UNAF) remained pegged to the UAH 143 per share level, where it has been sitting for more than a month.

In London trading, Ferrexpo (FXPO) resumed its autumn correction, slipping 3.7% to GBP 254 after a notable rebound over the preceding week. MHP (MHPC) picked up 0.9% to USD 11.35 after news that the European Bank of Reconstruction and Development (EBRD) has provided the company with a new loan for energy efficiency program implementation.

On the Warsaw Stock Exchange, Kernel (KER) edged down by 1.0% to PLN 47.94 after the company's released financial results for July-September did not impress investors. Although Kernel boosted its revenue by 40% YoY in the period, its bottom line declined due to lower gain from biological assets revaluation.

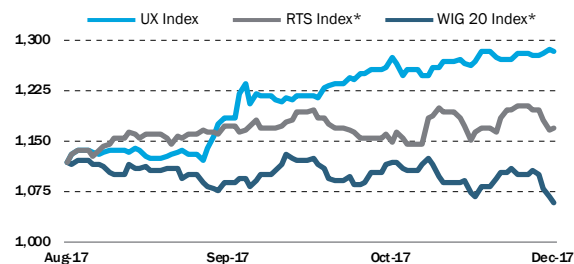
The hryvnia extended its recent slide, weakening by 0.7% to 27.09 UAH/USD against the dollar. The NBU said that it had declined to use the country's foreign currency reserves to support the hryvnia last week. The NBU's forex reserves were estimated at USD 19.0bn at the end of November.

## Highlights

### STOCKS IN THE NEWS

- > Kernel Boosts Revenue by 40% YoY to USD 536mn in Jul-Sept

## STOCK MARKET PERFORMANCE

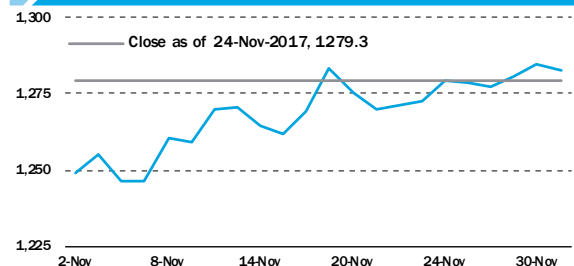


\*rebased

## MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1282.6	0.3%	0.6%	61.2%
RTS	1133.3	-2.8%	1.8%	-1.6%
WIG20	2389.9	-3.6%	-5.3%	22.7%
MSCI EM	1115.9	-3.3%	-0.3%	29.4%
S&P 500	2642.2	1.5%	2.6%	18.0%

## UX 1M PERFORMANCE



## FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	317	-0.5%	3.4%	-13.2%
NBU Key Rate	13.5%	0.0 p.p.	0.0 p.p.	-0.5 p.p.
Ukraine-19	4.7%	-1.7 p.p.	-1.7 p.p.	-2.6 p.p.
Ukraine-27	7.2%	0.0 p.p.	0.0 p.p.	-1.5 p.p.
MHP-20	4.2%	-0.2 p.p.	-0.4 p.p.	-5.3 p.p.
UZ Rail-21	6.2%	0.0 p.p.	-0.3 p.p.	-5.5 p.p.

## CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	27.09	0.7%	0.8%	-0.8%
EUR	32.13	0.1%	2.6%	13.6%
RUB	0.46	-0.4%	-0.5%	4.2%

## COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	180.0	0.0%	-0.3%	4.0%
Steel, USD/t	527.5	-0.5%	-3.7%	6.6%
Oil, USD/bbl	63.7	0.4%	5.1%	12.2%
Gold, USD/oz	1280.5	-0.6%	0.7%	11.1%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Kernel Boosts Revenue by 40% YoY to USD 536mn in Jul-Sept

by Dmitry Churin  
 d.churin@eavex.com.ua

### KERNEL (KER PW)

Price: PLN 47.94 Market Cap: USD 1,079mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2017FY	1.0	0.7	6.1	4.9	1.8%
FY18E	0.9	0.6	4.5	4.5	1.8%

## NEWS

Kyiv-based, Warsaw-listed sunflower oil giant and crop grower Kernel boosted its revenue by 36.6% YoY to USD 536mn in the Jul-Sept quarter (1Q18), according to results published on Nov 27. The company's financial year runs from July to June. On the earnings lines, Kernel posted a mixed result, with its adjusted EBITDA (excluding the "IAS41" revaluation gain) edging up by 10.6% YoY to USD 43.2mn in the quarter, while the reported EBITDA fell 36.5% YoY to USD 46.0mn and net profit slumping by 64.4% YoY to USD 22.8mn. On the balance sheet side, Kernel's net debt increased by 55% YoY, to USD 506mn as of 30 Sept 2017, implying a Net Debt/EBITDA ratio of 1.7x. The company's total assets grew by 20% YoY to USD 1.99bn.

### KERNEL FINANCIAL RESULTS

USD mn	1Q18FY	1Q17FY	YoY
Net revenue	536	378	+39.6%
EBITDA	46	72	-36.5%
EBITDA margin	8.6%	18.9%	+10.6 p.p.
Net Income	23	64	-64.4%
Net margin	4.3%	16.7%	-12.4 p.p.

Source: Company data,

## COMMENTARY

Kernel's 1Q18 financial results were somewhat worse than expected, but the substantially higher revenue in the period confirms our belief that the company is growing in scale and overall valuation. Commenting on the lower gain from revaluation of biological assets (IAS41), Kernel said that reduced crop yields owing to adverse weather conditions in central Ukraine were the main reason behind the decline. The IAS41 gain was USD 33.4mn in 1Q17 while in 1Q18 it was only USD 2.8mn. On the bright side, Kernel's core sunflower segment delivered a 2.1x YoY increase in revenue to USD 370mn and EBITDA growth of 67.3% YoY to USD 21.0mn in the quarter. Kernel also saw improved results in its grain storage business, with revenues growing by 20% YoY to USD 12.6mn and EBITDA in the segment rising 14% YoY to USD 8.2mn.

We believe that Kernel's financial results will improve in the upcoming quarters thanks to early signs of rising profitability margins in the key sunflower segment. The EBITDA "crushing margin" in the sunflower oil bulk business increased from USD 134 per tonne of crushed seeds in FY17 to USD 141 per tonne for the 12-month period between September 2016 and September 2017. Kernel had enjoyed a margin of USD 300/tonne back in FY14 amid low sunflower seed prices.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	47.9	82.0	71%	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	11.4	14.0	23%	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	50.5	70.0	39%	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	4.93	12.0	143%	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	12.6	13.0	3%	BUY	The recent changes in Ukraine's tax legislation are positive for IMC, which is focused growing exportable crops; some 95% of the company's revenue is tied to the dollar. Land bank is targeted to expand by 50% over 2015-20. A high standard of corporate governance makes the stock an attractive play in spite of its low liquidity.
AvangardCo	AVGR LI	0.4	0.3	-27%	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	114.0	110.0	-4%	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	254.1	--	--	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	3283	5250	60%	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.
<b>Oil &amp; Gas</b>						
UkrNafta	UNAF	144	270	88%	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	6.8	15.0	122%	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	12.0	--	--	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>						
DonbasEnergO	DOEN	18.8	9.0	-52%	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	11.43	15.00	31%	BUY	CentrEnergO'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	0.280	0.27	-4%	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	1282.64	1292.48	706.27	0.3%	0.6%	12.9%	61.2%	0.0%	0.0%	0.0%	0.0%
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	254.10	323.20	125.00	-3.7%	0.0%	-19.3%	88.9%	0.5%	-4.0%	-0.6%	27.8%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	10.25	n/a	n/a	0.5%	9.0%	17.8%	16.5%	0.2%	8.5%	4.9%	-44.7%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	3283	3283	934	2.2%	5.8%	29.8%	76.7%	1.9%	5.2%	16.9%	15.5%
Turboatom	TATM	13.01	13.01	8.77	1.2%	5.9%	14.0%	39.1%	1.0%	5.3%	1.1%	-22.0%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.150	n/a	n/a	8.7%	0.0%	20.0%	-9.1%	8.4%	-0.6%	7.1%	-70.3%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	6.75	7.50	2.75	1.5%	-1.8%	97.1%	80.7%	0.2%	1.2%	-2.4%	19.6%
JKX Oil	JKX	12.25	33.50	11.75	-3.9%	-15.5%	-10.9%	-59.5%	-3.7%	-4.2%	-16.1%	-120.7%
Ukrnafta	UNAF	143.8	n/a	n/a	0.5%	-0.9%	14.6%	39.3%	0.2%	-1.5%	1.7%	-21.8%
<b>Power Utilities</b>												
Centrenerg	CEEN	11.43	12.00	9.70	0.3%	0.4%	2.0%	10.4%	0.0%	-0.1%	-10.9%	-50.7%
Donbasenerg	DOEN	18.82	n/a	n/a	0.8%	5.8%	30.0%	79.1%	0.5%	5.3%	17.1%	17.9%
Zakhidenerg	ZAEN	133.00	164.00	55.00	1.8%	3.5%	2.5%	112.8%	1.5%	2.9%	-10.4%	51.6%
<b>Consumer</b>												
Agroton	AGT	4.93	7.70	3.05	0.8%	19.4%	-20.6%	21.7%	1.0%	0.6%	18.8%	-39.4%
Astarta	AST	50.51	72.00	49.06	0.2%	2.5%	-14.4%	-6.5%	0.2%	0.0%	1.9%	-67.7%
Avangardo	AVGR	0.41	1.00	0.35	0.0%	0.0%	-18.8%	17.1%	0.2%	-0.3%	-0.6%	-44.0%
Industrial Milk Company	IMC	12.60	12.60	7.15	2.9%	5.0%	20.0%	56.5%	3.9%	2.6%	4.4%	-4.6%
Kernel	KER	47.94	80.00	45.51	-1.0%	-2.0%	-21.7%	-24.9%	1.1%	-1.3%	-2.5%	-86.1%
MHPC	MHPC	11.35	12.50	8.54	0.9%	1.3%	-1.7%	29.1%	0.2%	0.6%	0.8%	-32.0%
Milkiland	MLK	1.70	2.80	1.46	-1.7%	13.3%	-2.9%	-15.0%	0.8%	-2.0%	12.8%	-76.2%
Ovostar Union	OVO	114.00	128.05	84.00	2.7%	1.8%	2.5%	31.8%	3.8%	2.4%	1.2%	-29.4%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.280	n/a	n/a	-0.4%	-5.8%	1.1%	112.5%	-0.7%	-6.4%	-11.8%	51.3%

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	153	33.9%	40.1%	35.8%	158	77	110	22.6%	18.6%	25.9%
<b>Oil &amp; Gas</b>																
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%
<b>Electric Utilities</b>																
Centrenergy	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%
<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	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%
<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	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	
<b>Iron Ore Mining</b>														
Ferrexpo	FXPO	2,010	24.0%	483	2,760	>30	10.6	7.9	8.8	7.4	5.6	2.9	2.8	2.2
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ	44	5.0%	2	39	neg	neg	24.1	neg	>30	6.4	0.9	0.6	0.7
<b>Specialized Machinery</b>														
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	257	24.0%	62	219	1.6	3.3	2.3	0.9	1.3	1.4	0.3	0.5	0.5
<b>Oil &amp; Gas</b>														
Ukrnafta	UNAF	294	3.0%	9	279	neg	neg	4.0	neg	2.4	1.9	0.2	0.3	0.3
Regal Petroleum	RPT	29	21.6%	6	10	neg	n/a	9.7	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
<b>Electric Utilities</b>														
CentrEnergO	CEEN	159	21.7%	35	79	>30	10.5	3.1	6.7	1.7	1.1	0.2	0.2	0.2
DonbasEnergO	DOEN	17	14.2%	2	31	neg	neg	11.4	3.8	4.5	3.7	0.2	0.2	0.2
<b>Consumer</b>														
MHP	MHPC	1,199	34.1%	409	2,203	neg	20.3	4.0	4.8	5.3	4.5	1.9	1.9	1.7
Kernel	KER	1,078	61.8%	666	1,574	4.8	6.1	4.5	4.5	4.9	4.5	0.8	0.7	0.6
Astarta	AST	356	37.0%	132	466	20.1	4.0	3.4	3.2	2.8	2.7	1.3	1.2	1.0
Avangardco	AVGR	26	22.5%	6	358	neg	neg	neg	neg	>30	>30	1.6	1.9	3.1
Ovostar	OVO	193	25.0%	48	195	6.0	5.5	19.3	5.6	4.9	12.7	2.6	2.3	2.4
<b>Banks</b>														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	651	1.8%	12		neg	4.3	3.5	2.5	1.7	1.9	0.33	0.31	0.31

Source: Eavex Research

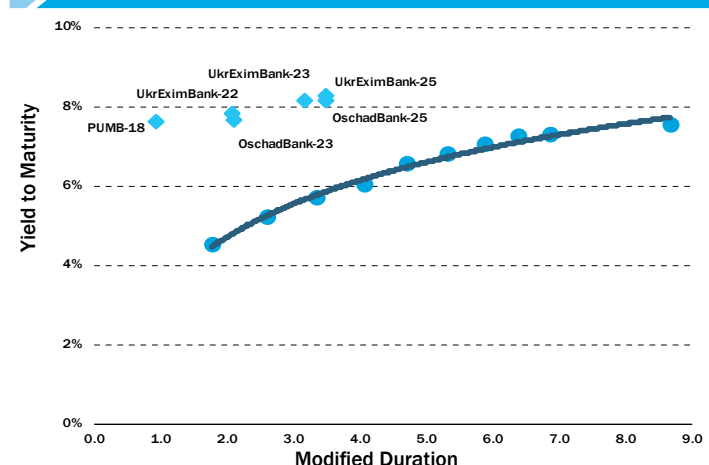
**UKRAINIAN EUROBONDS**

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	104.9	105.3	4.8%	4.6%	4.0%	1.6	7.75%	S/A	1 Sept 2019	1,744	Caa2/B-/B-
Ukraine, 2020	106.1	106.4	5.3%	5.2%	7.1%	2.4	7.75%	S/A	1 Sept 2020	1,780	Caa2/B-/B-
Ukraine, 2021	106.4	106.9	5.8%	5.7%	8.8%	3.2	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	106.1	106.6	6.2%	6.1%	9.7%	3.9	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	105.5	106.5	6.6%	6.4%	10.6%	4.5	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	105.0	105.6	6.8%	6.7%	10.9%	5.1	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	104.5	105.1	7.0%	6.9%	11.5%	5.7	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	103.4	103.9	7.2%	7.1%	10.5%	6.2	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	103.4	103.9	7.3%	7.2%	10.8%	6.7	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	98.4	98.9	7.6%	7.5%	-1.4%	8.5	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	55.5	56.0	n/a	n/a	82.8%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	14.4	18.8	213%	172%	-17.2%	0.7	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	110.3	111.0	5.9%	5.7%	10.7%	3.4	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	108.6	109.3	4.3%	4.0%	12.8%	2.1	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	108.6	109.4	6.1%	6.0%	9.0%	5.1	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	22.3	26.3	300%	254%	-17.9%	0.4	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	23.5	23.9	1056%	1034%	-22.8%	0.1	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	5.5	7.5	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	5.5	7.5	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	106.0	106.8	9.8%	9.7%	19.1%	5.2	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	91.0	94.0	12.9%	12.0%	-0.5%	3.4	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	105.2	106.0	6.3%	5.7%	4.8%	0.8	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	105.2	106.0	6.3%	5.6%	4.4%	0.8	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	106.7	107.6	7.8%	7.5%	12.3%	1.9	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017			n/a	n/a	-100.0%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JXX Oil&Gas, 2018	85.0	95.0	23.4%	17.1%	19.8%	1.7	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	0.5	1.4	n/a	n/a	-5.8%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	103.5	105.2	7.6%	6.0%	2.8%	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	30.0	33.0	n/a	n/a	85.3%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	13.0	18.0	n/a	n/a	19.2%	1.5	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	30.0	33.5	n/a	n/a	138.5%	0.1	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	107.8	108.5	7.5%	7.3%	10.4%	2.0	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	99.8	101.4	8.7%	8.3%	21.9%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	108.9	109.7	8.1%	8.0%	15.1%	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	107.2	108.0	7.7%	7.5%	10.3%	1.9	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	108.1	109.0	8.1%	8.0%	14.8%	3.0	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	80.8	83.4	n/a	n/a	6.9%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

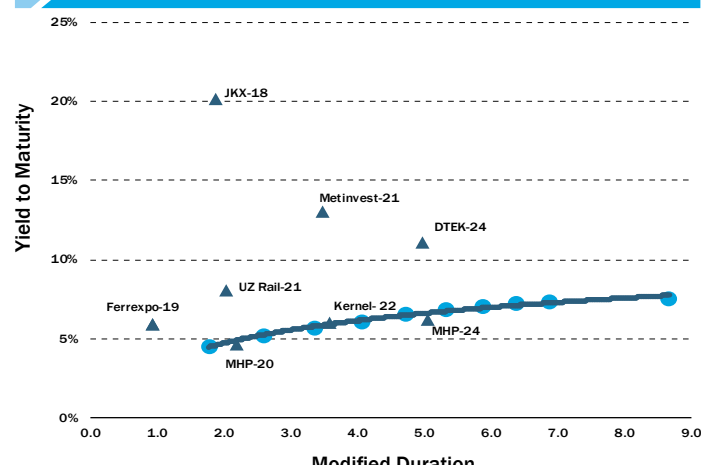
<sup>1</sup> Moody's/S&P/Fitch

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			15.10%	14.90%	n/a	16.62%	S/A	11 Jul .2018	1,454
<b>VAT Bonds</b>									
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



## Eavex Capital

7 Klovsky uzviz, 16th Floor  
Carnegie Center  
Kyiv, 01021, Ukraine

Telephone: +38 044 590 5454  
Facsimile: +38 044 590 5464  
E-mail: office@eavex.com.ua  
Web-page: www.eavex.com.ua

Yuriy Yakovenko  
**Chairman of the Board**  
yuriy.yakovenko@eavex.com.ua

**SALES & TRADING**  
Pavel Korovitskiy  
**Managing Director**  
**Equity and Fixed Income**  
p.korovitsky@eavex.com.ua

Alexander Klymchuk  
**Equity and Fixed Income**  
a.klymchuk@eavex.com.ua

Eugene Klymchuk  
**Fixed Income Sales and Trading**  
e.klymchuk@eavex.com.ua

Serhiy Scherbaniuk  
**Equity Trading**  
s.shcherbaniuk@eavex.com.ua

**RESEARCH**  
Dmitry Churin  
**Head of Research**  
d.churin@eavex.com.ua

Will Ritter  
**Research editor**  
w.ritter@eavex.com.ua