

## Stock Market Update

### Equity

Kyiv-listed equities finished generally higher last week, spurred by a traditional holiday season rally rather than any fresh fundamental drivers. Although Ukraine's economic outlook has brightened somewhat with an expectation of 3% GDP growth in 2018, such growth would still be too slow for a country where the average salary is below USD 300 per month. The next year will likely be a transition into election season for President Poroshenko, reducing the chances that serious reforms will be implemented. This assumption has a confirmation in the most recent statement by the IMF, which does not plan to send its monitoring mission to Kyiv for the fourth review of the USD 17.5bn support program, as Ukraine has not complied with the program requirements.

The UX index finally broke out of its two-month trading range, climbing above the 1,285 point resistance level. The gauge rose 1.6% over the week to close at 1,298 points. Electricity producer CentrEnergO (CEEN) added the most points to the index, advancing by 4.8% to UAH 12.00 per share. Raiffeisen Bank Aval (BAVL) also outperformed the broad market, gaining 2.2% to 29.00 kopecks. Meanwhile, UkrNafta (UNAF) remained isolated from any growth impulses, slipping back by 2.0% to UAH 139.

In London trading, Ferrexpo (FXPO) rebounded by almost 5% to GBP 267 while MHP (MHPC) inched down 0.4% to USD 11.40 per share.

On the Warsaw Stock Exchange, top liquid name Kernel (KER) saw renewed selling pressure, with the stock dropping by 4.1% back to PLN 48.50 without a visible reason.

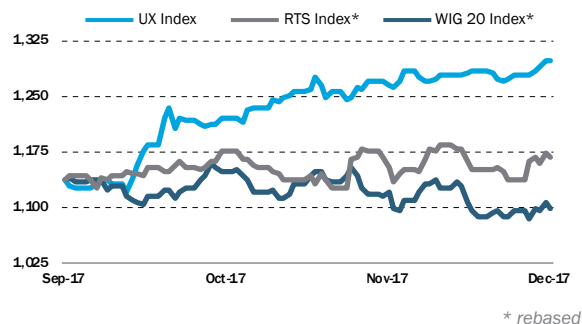
The hryvnia was hit hard by the government's official budgetary forecast of an average exchange rate of 29.30 UAH/USD for 2018, which we assume triggered immediate demand for hard currencies from households; the hryvnia fell by 2.0% against the dollar to 27.65 UAH/USD. In response, the National Bank raised its key policy rate from 13.5% to 14.5%, aiming to improve the hryvnia's attractiveness.

## Highlights

### POLITICS AND ECONOMICS

- > US, Britain Condemn Violence at Saakashvili-Led Protest
- > 2018 Budget Forecasts 9% Hryvnia Deval to 30 UAH/USD
- > Ukraine Headline Inflation Slows Further to 13.6% in November

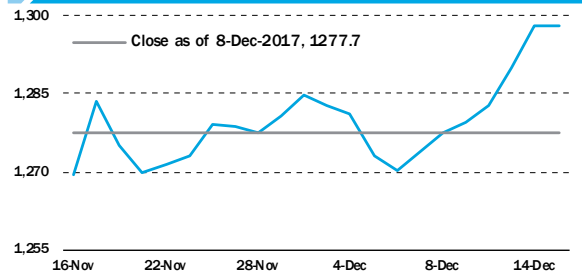
## STOCK MARKET PERFORMANCE



## MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1298.1	1.6%	2.7%	63.1%
RTS	1148.3	2.6%	1.0%	-0.4%
WIG20	2417.0	0.3%	-1.9%	24.1%
MSCI EM	1118.5	0.7%	0.0%	29.7%
S&P 500	2675.8	0.9%	3.8%	19.5%

## UX 1M PERFORMANCE



## FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	315	-0.2%	-3.1%	-13.7%
NBU Key Rate	14.5%	1.0 p.p.	1.0 p.p.	0.5 p.p.
Ukraine-19	4.5%	-1.8 p.p.	-1.9 p.p.	-2.8 p.p.
Ukraine-27	7.2%	-0.1 p.p.	-0.2 p.p.	-1.5 p.p.
MHP-20	4.1%	0.0 p.p.	-0.3 p.p.	-5.4 p.p.
UZ Rail-21	6.4%	0.1 p.p.	-0.2 p.p.	-5.3 p.p.

## CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	27.65	2.0%	4.4%	1.3%
EUR	32.55	2.1%	4.1%	15.0%
RUB	0.47	2.6%	7.5%	6.9%

## 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	63.2	-0.3%	1.9%	11.3%
Gold, USD/oz	1255.5	0.6%	-1.9%	9.0%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## US, Britain Condemn Violence at Saakashvili-Led Protest

by Will Ritter  
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### NEWS

Embassies of several Western countries, including the United States, Canada, and Britain, released statements on Sunday (Dec 17) condemning the violent behavior of anti-government protesters who tried to smash their way into the Zhovtneviy Palace landmark building on Kyiv's Independence Square. Police were on hand to defend the palace, which had played a major role in the 2014 EuroMaidan revolution and which was hosting a children's event yesterday. The protesters, who were demanding President Poroshenko's removal from office, were led by former Odessa provincial governor Mikhail Saakashvili. The total number of demonstrators was estimated at between 5 and 10 thousand. The anti-Poroshenko demonstrations have been held each Sunday since mid-October.

### COMMENTARY

As we wrote last week, we simply do not see Saakashvili as a serious alternative to Poroshenko for assuming power in Ukraine given his general unpopularity in the country. Saakashvili has aligned himself with fringe extremist groups which openly reject European values and advocate violence, and the pointed statements from Western embassies indicate that he has lost whatever luster he once had as a pro-Western reformer. The court decision early last week not to hold Saakashvili in detention on charges that he accepted USD 500,000 from exiled oligarch Serhiy Kurchenko to finance his protests looked clearly intended to minimize Saakashvili's political impact, as he is a more powerful symbol in jail than he is out on the streets, where he is likely to further discredit himself. Still, the Poroshenko government and General Prosecutor Yuriy Lutsenko in particular will now have to follow through on the charges that were leveled against Saakashvili in regard to colluding with ex-President Yanukovich, as such allegations cannot simply be put back in the box once they have been made.

## 2018 Budget Forecasts 9% Hryvnia Deval to 30 UAH/USD

by Dmitry Churin  
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### NEWS

Ukraine's Parliament approved a 2018 national budget which was based on a 3% GDP growth projection in the country next year, compared to this year's expected growth of slightly below 2.5%, according to an official statement on Parliament's website.

The budget bill was passed with 273 votes in favor (out of 226 required; Parliament has a total of 423 MPs with 27 seats vacant).

The main parameters of the budget are the following:

- forecasted GDP growth of 3.0% YoY;
- nominal GDP of UAH 3.33tn (USD 117bn);
- total budget income of UAH 914bn;
- total budget expenses of UAH 989bn;
- a deficit 2.4% of GDP (USD 2.8bn);
- forecasted consumer inflation of 9.0% YoY;
- a forecasted average exchange rate at 29.30 UAH/USD;
- a defense budget at 5% GDP.

The bill prescribes a UAH 3,700 (USD 135) national minimum monthly wage with an embedded option to increase the minimum wage to UAH 4,200.

The bill was supported by most of the MPs from the two coalition parties, the Poroshenko Bloc and the People's Front, which together gave 188 votes. The balance was achieved by obtaining votes from the nationalist opposition Radical party and small non-aligned groups in Parliament. The Russian-leaning Opposition Bloc and Yulia Tymoshenko's Batkivschyna party gave no votes in favor of the bill.

### COMMENTARY

The first positive thing that we can say about the budget bill is that it was passed in a reasonable and timely manner, unlike the historical practice of previous years, when the national budget has been forced through Parliament in an emergency mode. We also see that the unveiled figures are more or less realistic in the current economic conditions.

The Finance Ministry forecasted that Ukrainian exports will increase by 9.7% YoY to USD 55.7bn in 2018. Also in the plan is the continuation of a major infrastructure overhaul program, including new road and bridge construction. Social protection expenses were set at UAH 127bn (roughly 12.8% of total budget spending) for supporting low income households, which corresponds to around USD 250 per low-income citizen over the year.

Notably, the government forecasts that the hryvnia will finish 2018 at 30.10 UAH/USD, implying an 8.8% devaluation from the current exchange rate. Our own current devaluation expectation for 2018 is 6%, to 29.20 UAH/USD by the end of next year.

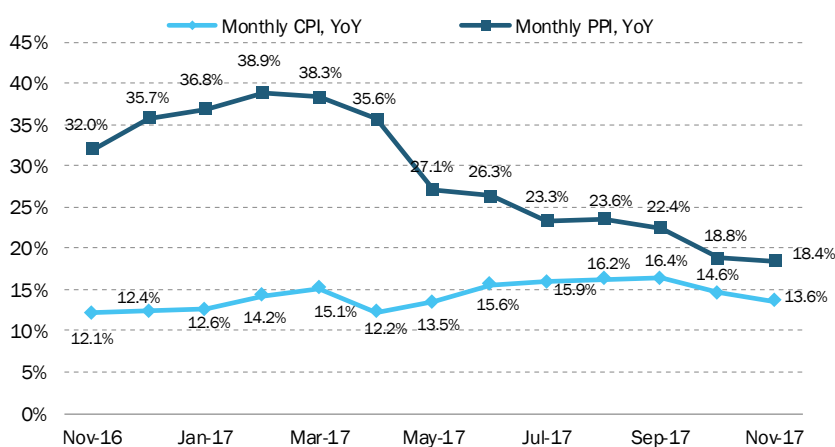
**Ukraine Headline Inflation Slows Further to 13.6% in November**

by Dmitry Churin  
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**NEWS**

Rolling 12-month consumer inflation in Ukraine slowed further to 13.6% in November, down from 14.6% in October and 16.4% in September, the State Statistics Committee (UkrStat) reported earlier this month, as a substantial CPI increase from November 2016 rolled off the data stream. However, on a month-on-month basis, the CPI index still rose by 0.9% this November, due mainly to an increase in gasoline prices in the country. UkrStat also reported that producer prices grew by 1.8% MoM in November. On a yearly basis, the PPI index growth was at 18.4% in the period, down slightly from 18.8% registered in October.

**UKRAINE'S ROLLING 12-MONTH CPI & PPI INFLATION**



Source: State Statistics Committee

**COMMENTARY**

Consumer inflation remains somewhat above the National Bank’s target, prompting the regulator to raise its key policy rate from 13.5% to 14.5% last week. On the other hand, the NBU said that core inflation was just 8.6% YoY after the November 2017 data is included.

Taking into account that the hryvnia is currently experiencing devaluation pressure, we are assuming that CPI inflation for full-year 2017 will come in at 14.5%; the government target for the year was 12.0%. Looking ahead to next year, the government sees consumer inflation at 9.0% for full-year 2018. We doubt that such an ambitious target can be met, and we are forecasting 12% inflation next year in the case of a basic scenario of overall macro stability. Moreover, with uncertainty regarding energy prices for 2018, there could be substantially higher inflation next year if the government abandons its administrative practice of restraining natural gas price growth for household use. The utility category of the CPI demonstrated a rise of 28.5% in the January-November period, and the hot water and heating subcategory had a massive 64.3% increase in price in the same period.

In the Producer Price Index, there was a large increase in extraction sector prices, with the 12-month rise in coal prices at 75.3% including the November data amid Ukraine’s much greater reliance on imported coal this year. In the manufacturing sector, the steel industry has enjoyed 12-month price growth of 34.8%. All price changes are reported by UkrStat in UAH terms.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	48.5	82.0	69%	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	51.0	70.0	37%	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	4.31	12.0	178%	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	12.4	13.0	5%	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	95.1	110.0	16%	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	266.7	--	--	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	3303	5250	59%	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	139	270	94%	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	7.5	15.0	100%	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>						
DonbasEnerg	DOEN	18.1	9.0	-50%	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	12.01	15.00	25%	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	0.290	0.27	-7%	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	1298.14	1305.76	751.96	1.6%	2.7%	15.4%	63.1%	0.0%	0.0%	0.0%	0.0%
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	266.70	323.20	125.00	5.0%	8.9%	-12.9%	98.3%	1.1%	3.4%	6.2%	35.2%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	9.99	n/a	n/a	-2.7%	-3.9%	11.0%	13.5%	-4.3%	-6.6%	-4.4%	-49.6%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	3303	3349	1784	2.2%	3.4%	29.9%	77.8%	0.6%	0.7%	14.5%	14.7%
Turboatom	TATM	13.19	13.21	8.77	1.9%	3.5%	13.2%	41.1%	0.3%	0.8%	-2.2%	-22.0%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.146	n/a	n/a	-2.7%	3.5%	7.7%	-11.5%	-4.3%	0.8%	-7.7%	-74.6%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	7.50	7.50	2.75	2.1%	1.7%	104.1%	100.8%	0.0%	0.5%	-1.0%	37.7%
JKX Oil	JKX	11.25	33.50	11.25	-6.3%	-18.2%	-8.2%	-62.8%	0.0%	-7.9%	-20.8%	-125.9%
Ukrnafta	UNAF	139.2	n/a	n/a	-2.0%	-1.1%	12.7%	34.9%	-3.6%	-3.7%	-2.7%	-28.2%
<b>Power Utilities</b>												
Centrenerg	CEEN	12.01	12.10	9.70	4.8%	6.7%	10.2%	16.1%	3.2%	4.0%	-5.2%	-47.0%
Donbasenerg	DOEN	18.06	n/a	n/a	-3.0%	0.8%	26.7%	71.8%	-4.6%	-1.9%	11.3%	8.7%
Zakhidenerg	ZAEN	133.00	164.00	60.00	0.0%	-1.5%	11.6%	112.8%	-1.6%	-4.1%	-3.8%	49.7%
<b>Consumer</b>												
Agroton	AGT	4.31	7.70	3.70	-9.1%	-8.7%	-25.2%	6.4%	-4.0%	-10.7%	-11.3%	-56.7%
Astarta	AST	51.00	72.00	49.06	1.1%	0.2%	-11.5%	-5.6%	0.0%	-0.5%	-2.5%	-68.8%
Avangardo	AVGR	0.41	1.00	0.35	0.0%	-18.0%	-18.8%	17.1%	0.0%	-1.6%	-20.7%	-46.0%
Industrial Milk Company	IMC	12.40	12.60	8.03	1.6%	4.2%	14.9%	54.0%	-0.6%	0.0%	1.5%	-9.1%
Kernel	KER	48.54	80.00	45.51	-4.1%	4.5%	-17.7%	-24.0%	-0.9%	-5.7%	1.8%	-87.1%
MHPC	MHPC	11.40	12.50	8.54	-0.4%	3.2%	3.2%	29.7%	-0.9%	-2.0%	0.5%	-33.4%
Milkiland	MLK	1.58	2.80	1.46	-4.8%	0.0%	-9.2%	-21.0%	3.9%	-6.4%	-2.7%	-84.1%
Ovostar Union	OVO	95.05	128.05	84.00	-9.5%	-13.2%	-14.8%	9.9%	-3.1%	-11.1%	-15.9%	-53.2%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.290	n/a	n/a	2.2%	1.9%	5.8%	120.1%	0.6%	-0.8%	-9.6%	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
<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	2,096	24.0%	503	2,846	>30	11.1	8.2	9.1	7.6	5.7	3.0	2.9	2.2
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ	42	5.0%	2	37	neg	neg	23.0	neg	>30	6.1	0.9	0.6	0.7
<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	253	24.0%	61	215	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	279	3.0%	8	264	neg	neg	3.8	neg	2.3	1.7	0.2	0.3	0.2
Regal Petroleum	RPT	32	21.6%	7	13	neg	n/a	10.7	n/a	n/a	n/a	n/a	n/a	n/a
JKX Oil & Gas	JKX	26	50.4%	13	134	neg	neg	neg	7.9	4.6	7.5	1.5	1.7	1.6
<b>Electric Utilities</b>														
CentrEnerg	CEEN	164	21.7%	36	83	>30	10.8	3.2	7.0	1.8	1.2	0.3	0.2	0.2
DonbasEnerg	DOEN	16	14.2%	2	30	neg	neg	10.7	3.7	4.3	3.5	0.2	0.2	0.2
<b>Consumer</b>														
MHP	MHPC	1,205	34.1%	411	2,209	neg	20.3	4.0	4.8	5.3	4.5	1.9	1.9	1.7
Kernel	KER	1,082	61.8%	669	1,578	4.8	6.1	4.6	4.6	4.9	4.6	0.8	0.7	0.6
Astarta	AST	357	37.0%	132	467	20.2	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	160	25.0%	40	162	5.0	4.5	16.0	4.6	4.0	10.5	2.1	1.9	2.0
<b>Banks</b>														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	659	1.8%	12		neg	4.4	3.5	2.5	1.7	1.9	0.34	0.31	0.32

Source: Eavex Research



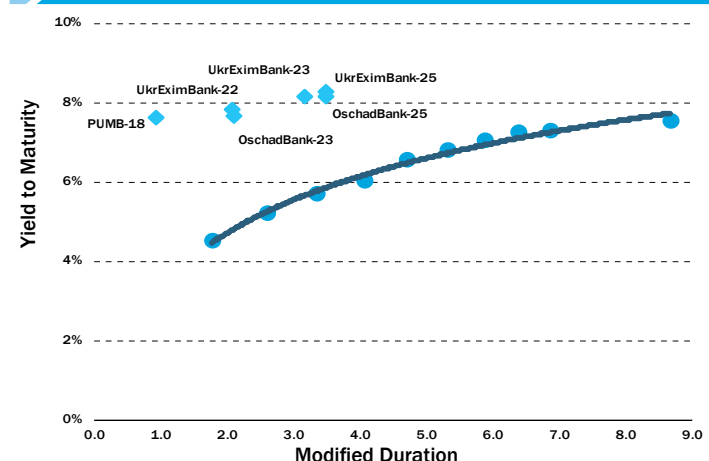
## UKRAINIAN EUROBONDS

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	105.0	105.4	4.6%	4.4%	4.1%	1.6	7.75%	S/A	1 Sept 2019	1,744	Caa2/B-/B-
Ukraine, 2020	106.1	106.5	5.3%	5.1%	7.2%	2.4	7.75%	S/A	1 Sept 2020	1,780	Caa2/B-/B-
Ukraine, 2021	106.1	106.6	5.9%	5.7%	8.5%	3.1	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	105.9	106.4	6.3%	6.2%	9.4%	3.8	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	106.4	107.4	6.4%	6.2%	11.5%	4.5	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	105.5	106.1	6.7%	6.6%	11.4%	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	103.5	104.0	7.2%	7.2%	11.0%	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%	8.4	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	54.5	55.0	n/a	n/a	79.5%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agrotan, 2019	14.4	18.8	223%	179%	-17.2%	0.7	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	110.1	110.8	5.9%	5.7%	10.5%	3.4	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	108.6	109.3	4.2%	3.9%	12.8%	2.1	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	108.8	109.5	6.1%	5.9%	9.1%	5.0	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	22.1	26.2	324%	273%	-18.5%	0.3	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	22.1	22.9	1306%	1251%	-26.6%	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	107.3	108.0	9.6%	9.5%	20.5%	5.2	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	91.0	94.0	13.0%	12.1%	-0.5%	3.3	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	104.8	105.5	6.4%	5.9%	4.4%	0.8	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	104.8	105.7	6.5%	5.8%	4.0%	0.8	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	106.2	107.2	7.9%	7.6%	11.8%	1.8	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017			n/a	n/a		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	0.6	1.5	n/a	n/a	4.6%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	103.6	105.1	7.4%	5.9%	2.8%	0.8	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.7	1.4	n/a	n/a	10.1%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	32.0	35.0	n/a	n/a	97.1%	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	35.0	40.7	n/a	n/a	184.2%	0.1	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	107.1	107.8	7.7%	7.5%	9.7%	2.0	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	99.5	101.2	8.9%	8.5%	21.6%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	108.1	108.9	8.2%	8.1%	14.3%	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	106.9	107.7	7.7%	7.6%	10.0%	1.9	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	107.5	108.3	8.2%	8.1%	14.1%	3.0	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	79.6	84.6	n/a	n/a	7.0%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

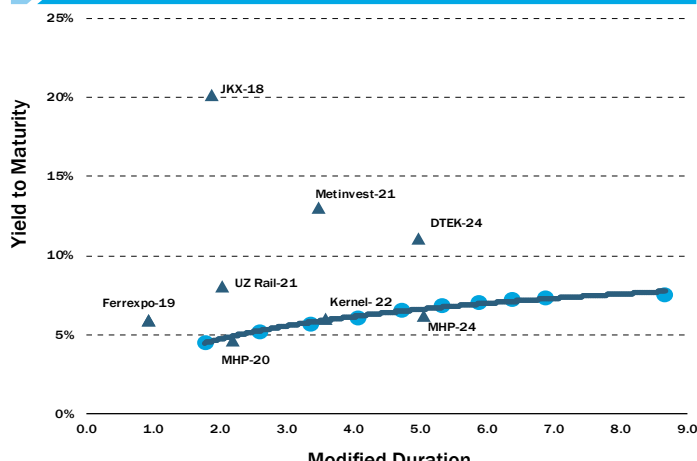
<sup>1</sup> Moody's/S&P/Fitch

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			15.90%	15.15%	n/a	16.62%	S/A	11 Jul .2018	1,454
<b>VAT Bonds</b>									
UA4000185151			16.15%	15.30%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			16.15%	15.30%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			16.15%	15.30%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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