

Stock Market Update

Equity

Kyiv-listed stocks advanced last week, spurred by earnings results announcements and expectations of more Western financial support after Parliament passed a preliminary version of the law on creation of a High Anti-Corruption Court. Market players also paid attention to the Ukrainian Exchange's decision to expand the UX index basket to 6 stocks with the inclusion of power plant equipment maker Turboatom (TATM), which will have a 9% weight in the gauge starting from Mar 16.

The UX index surged by 6.7% to end at 1595 points. CentrErgo (CEEN) was the primary growth driver, jumping 20% to UAH 18.50 after the company reported a UAH 5.12 net profit per share for full-year 2017. As a state-owned entity, CentrErgo is obligated to pay out 75% of its profit to shareholders, implying a UAH 3.84 dividend per share. In other blue chip names, UkrNafta (UNAF) gained 5.1% to UAH 112 and Motor Sich (MSICH) added 1.8% to close at UAH 4470. Meanwhile, Raiffeisen Bank Aval (BAVL) edged down by 0.6% to 32.60 kopecks.

London-listed MHP (MHPC) shed 3.7% to USD 13.00 per share while Ferrexpo (FXPO) was little-changed near the GBp 300 level. In Warsaw trading, Agroton (AGT) corrected by 10% after a jump of 25% over the preceding week. The stock ended at PLN 5.40. Kernel (KER) picked up 2.1% to PLN 48.80 despite the company's report of unimpressive financial results for the Oct-Dec quarter.

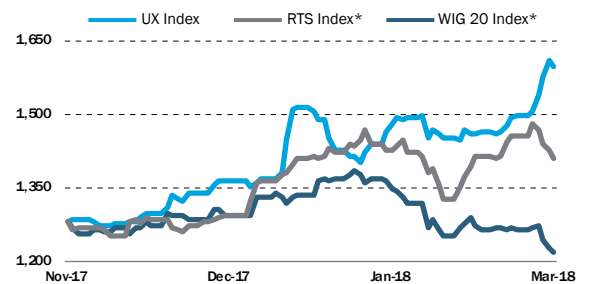
The hryvnia strengthened notably by 1.3% to 26.60 UAH/USD after the National Bank stunned the market by raising its key refinancing rate a full point from 16.00% to 17.00%. The NBU's decision came as a surprise for us, as we had expected the rate to be cut by 0.5p.p. to 15.50% in light of improving inflation numbers.

Highlights

STOCKS IN THE NEWS

- > CentrErgo's FY17 Profit Jumps 5x YoY to UAH 5.12 per Share
- > Kernel's Oct-Dec EBITDA Down 40% YoY on 19% Drop in Revenue

STOCK MARKET PERFORMANCE

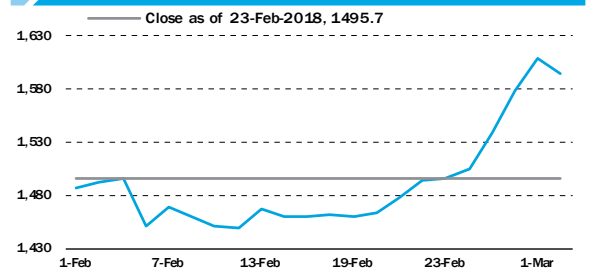


* rebased

MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1595.6	6.7%	7.8%	17.1%
RTS	1261.6	-3.0%	-1.0%	9.3%
WIG20	2314.2	-3.8%	-9.8%	-6.0%
MSCI EM	1182.1	-2.8%	-5.3%	2.0%
S&P 500	2691.3	-2.0%	-4.6%	0.7%

UX 1M PERFORMANCE



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	315	0.9%	7.1%	1.4%
NBU Key Rate	17.0%	1.0 p.p.	1.0 p.p.	2.5 p.p.
Ukraine-19	4.7%	-2.0 p.p.	-1.2 p.p.	0.2 p.p.
Ukraine-27	7.4%	0.0 p.p.	0.6 p.p.	0.1 p.p.
MHP-20	4.3%	0.0 p.p.	0.5 p.p.	0.3 p.p.
UZ Rail-21	6.1%	-0.2 p.p.	0.3 p.p.	-0.3 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.61	-1.3%	-4.9%	-5.3%
EUR	32.80	-1.1%	-5.4%	-2.6%
RUB	0.47	-2.4%	-5.5%	-3.6%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	192.5	0.0%	3.2%	7.2%
Steel, USD/t	535.0	4.9%	5.9%	2.9%
Oil, USD/bbl	64.4	-4.0%	-5.6%	-3.7%
Gold, USD/oz	1322.8	-0.5%	-1.2%	1.5%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

CentrEnergO's FY17 Profit Jumps 5x YoY to UAH 5.12 per Share

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

CENTRENERGO (CEEN UK)

Price: UAH 18.50 Market Cap: USD 256mn

	P/B	EV/S	P/E*	EV/EBITDA	Div. Yield
2017	1.0	0.4	3.6	2.3	20.9%
2018E	1.0	0.4	3.3	2.0	22.9%

*actual

NEWS

CentrEnergO, Ukraine's second-largest thermal electricity generation company, boosted its net profit by 4.9x YoY to UAH 1.89bn (USD 70mn) in full-year 2017, implying an earnings per share of UAH 5.12 in the period, the company said on Feb 27. CentrEnergO made the bottom line announcement but did not publish its full set of FY17 financials. The report said that total assets grew by 17% YoY to UAH 10bn with cash and cash equivalents amounting to UAH 1.1bn as of the end of 2017. The company is holding its annual shareholders meeting on Mar 30. The agenda contains three different proposals for dividend distribution from the FY17 profit. The first one is to pay out 75% of the profit (DPS of UAH 3.84), the second is to pay out 50% (DPS 2.56) and the third - 30% (DPS 1.54). As a majority state-owned entity, CentrEnergO is obligated to pay out at least 30% of its annual net profit. Meanwhile, the government reported a decision on Feb 28, one day after CentrEnergO published its agenda for the shareholders meeting, that ordered state-owned entities to pay out 75% from 2017 profits.

COMMENTARY

CentrEnergO's net profit for FY17 exceeded our forecast of EPS of UAH 3.80. The company had a net loss of UAH 203mn in 4Q17, while we expected a much larger loss of UAH 700mn for the fourth quarter, a period that is historically loss-making for the thermal power generation sector in Ukraine. The 75% dividend payout amount of UAH 3.84 per share implies a very impressive 20.9% dividend yield. We assume that CentrEnergO will make the 75% payout, as the government is likely seeking to maximize cash flow from the company ahead of the possible privatization of the state-owned stake of 78% in 2H18. The privatization has been repeatedly postponed since 2014.

We forecast that CentrEnergO will earn UAH 2.2bn this year, representing EPS of UAH 6.00. Increasing electricity prices and the company's campaign to switch its power units from anthracite coal to steam coal should lead to higher sales and profitability in 2018 and beyond.

The CEEN stock jumped above the UAH 18 level last week after the earnings announcement. The better than expected net profit for 2017 and prospects of a solid dividend have led us to raise our target price for the CEEN stock to UAH 25.60. The new target price is based on a P/E multiple of 5.0x. The implied upside is 38% to the current trading level of UAH 18.50.

Kernel's Oct-Dec EBITDA Down 40% YoY on 19% Drop in Revenue

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

KERNEL (KER PW)

Price: PLN 48.80 Market Cap: USD 1144mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
FY17	1.1	0.8	6.5	5.1	1.7%
FY18E	0.9	0.6	4.8	4.7	1.7%

NEWS

Kyiv-based, Warsaw-listed Kernel Holding, Ukraine's largest sunflower oil producer, posted a drop in its EBITDA by 40% YoY to USD 77mn in the 2Q18 Oct-Dec quarter (the company's financial year runs from July to June). According to the company's consolidated financial statement published on Feb 28, net revenue fell 19% YoY to USD 536mn in the period while net profit decreased by 30% YoY to USD 67mn. For 1H18, Kernel had revenue of USD 1.04bn (+2.8% YoY), EBITDA of USD 123mn (-39% YoY), and net profit of USD 90mn (-44% YoY).

KERNEL FINANCIAL RESULTS

USD mn	2Q FY18	2Q FY17	YoY	1H FY18	1H FY17	YoY
Net revenue	536.1	659.3	-18.7%	1,072.2	1,043.3	+2.8%
EBITDA	77.1	130.2	-40.6%	123.1	202.2	-39.2%
EBITDA margin	14.4%	19.7%	-5.3 p.p.	11.5%	19.4%	-7.9 p.p.
Net Income	67.0	95.4	-29.7%	89.8	159.5	-43.7%
Net margin	12.5%	14.5%	-2.0 p.p.	8.4%	15.3%	-6.9 p.p.

Source: Company data.

On the balance sheet side, Kernel's net debt amounted to USD 698mn as of 31 December 2017, implying a Net Debt/EBITDA ratio of 2.9x, up from 1.6x a year earlier. However, Kernel claimed that its "adjusted" net debt, which took into account readily-marketable inventories, remained at a level close to zero.

COMMENTARY

Kernel's large EBITDA drop for the Oct-Dec period did not surprise investors, as the company had previously reported its key operational figures for the period, which showed lower sales volumes. On the other hand, we expect sales volumes to increase in the current quarter given Kernel's inventory build-up. There was also the factor of an overall decrease in Ukrainian crop yields last year, which led to drop in Kernel's farming segment EBITDA by 66% YoY to USD 18.4mn in 2Q18.

The quarterly results appeared to be already priced in and did not hurt the KER stock, which added 2.1% last week to close at PLN 48.80. We maintain our BUY recommendation for Kernel with a target price of PLN 82.00 per share.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	48.8	82.0	68%	BUY	With on-demand borrowing access, Kernel is well placed to further consolidate its position in the oilseed crushing industry. The company reported that its sunflower oil sales in bulk rose by 29.4% YoY to some 508,000 tonnes in July-December 2017. The company aims to achieve EBITDA of USD 500mn by 2021.
MHP	MHPC LI	13.0	16.5	27%	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. MHP also reported that its poultry exports rose 16% YoY to near 221,000 tonnes in 2017, accounting for 41% of total sales volume, up from a share of 36% a year before.
Astarta	AST PW	52.2	70.0	34%	BUY	Astarta is focused on business diversification and cost optimization via improving its energy and operational efficiency. We expect the company to increase sales by 12% in FY18.
Agroton	AGT PW	5.64	12.0	113%	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	13.0	13.0	0%	HOLD	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	0.3	0.3	-9%	SELL	Ukraine's new VAT regime for agro producers is negative for Avangard, as its subsidy reimbursements will be reduced. Large room for cost optimization provides a theoretical upside to earnings, but the company's highly volatile financial results have rendered forecasting unreliable.
Ovostar Union	OVO PW	94.0	110.0	17%	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	305	350	15%	HOLD	An impressive reduction in the production and other operating cost led to higher profitability. A separate positive factor was an upward price trend for iron ore and steel on global markets.
Specialized Machinery						
Motor Sich	MSICH	4470	6750	51%	BUY	The reported profit for 9M17 represents UAH 1240 per share, which means the stock is still valued at P/E of barely more than 3.0x. 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	111	270	143%	BUY	UkrNafta's fundamental value should see an immediate jump after the company reaches a deal with the government on restructuring its huge UAH 12bn tax debt. We believe that with the state owning a 50% stake in UkrNafta, the resolution of the tax debt issue is only a matter of time.
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	18.3	30.0	64%	BUY	The RPT stock has been enjoying aggressive buying from an unidentified investor since the start of the year. From the chart point of view, the stock hit a local maximum of GBP 31, and we believe that this peak is likely to be repeated sometime before the end of 2018.
JKX Oil & Gas	JKX LN	20.0	23.0	15%	HOLD	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	18.8	9.0	-52%	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	18.52	25.60	38%	BUY	CenterEnerg posted net profit of UAH 5.12 per share in FY17, and the company is likely to distribute 75% of this profit in shareholder dividends. CenterEnerg's privatization has repeatedly been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Banks						
Raiffeisen Bank Aval	BAVL	0.326	0.47	44%	BUY	Raiffeisen Aval's FY17 net profit came in at a record high of UAH 4.5bn (USD 170mn), implying earnings per share of 7.27 kopecks, most of which is likely to be paid out; our expectation is a 6.90 kopeck dividend. Based on the recent case of Raiffeisen Aval's close peer UkrSibBank, which conducted a share squeeze-out at a valuation of 6.5x P/E, we estimate Raiffeisen Aval's fair value at 47 kopecks per share.

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	1595.59	1616.88	913.99	6.7%	7.8%	24.4%	17.1%	0.0%	0.0%	0.0%	0.0%
Iron Ore Mining												
Ferrexpo	FXPO	304.20	323.20	137.20	-0.3%	3.7%	19.7%	3.8%	-1.7%	-7.0%	-4.1%	-13.3%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	13.31	n/a	n/a	-3.6%	10.9%	29.9%	26.9%	-10.3%	3.2%	5.5%	9.8%
Specialized Machinery												
Motor Sich	MSICH	4470	4660	1951	1.8%	4.9%	36.2%	20.8%	-4.8%	-2.8%	11.8%	3.7%
Turboatom	TATM	13.24	n/a	n/a	3.8%	3.0%	1.8%	0.6%	-2.8%	-4.7%	-22.6%	-16.5%
Telecom												
Ukrtelecom	UTLM	0.165	n/a	n/a	10.0%	10.0%	10.0%	10.7%	3.3%	2.2%	-14.4%	-6.3%
Oil & Gas												
Regal Petroleum	RPT	18.25	25.50	2.75	-9.9%	-16.7%	170.4%	160.5%	-0.5%	-16.6%	-24.4%	143.5%
JKX Oil	JKX	20.00	29.00	11.00	-2.4%	9.6%	63.3%	81.8%	0.8%	-9.1%	1.8%	64.8%
Ukrnafta	UNAF	111.2	n/a	n/a	5.1%	-12.2%	-22.7%	-21.1%	-1.6%	-20.0%	-47.1%	-38.2%
Power Utilities												
Centrenergo	CEEN	18.52	19.05	9.91	19.7%	21.0%	62.0%	46.1%	13.1%	13.2%	37.6%	29.1%
Donbasenergo	DOEN	18.83	n/a	n/a	1.1%	0.9%	0.1%	3.2%	-5.5%	-6.8%	-24.3%	-13.9%
Consumer												
Agroton	AGT	5.40	7.70	3.74	-9.7%	17.4%	9.5%	17.9%	-2.2%	-16.4%	9.6%	0.8%
Astarta	AST	52.40	72.00	49.06	-1.5%	-9.0%	3.7%	1.8%	1.6%	-8.2%	-16.8%	-15.3%
Avangardo	AVGR	0.33	1.00	0.33	-2.9%	-5.7%	-19.5%	-8.3%	0.8%	-9.6%	-13.5%	-25.4%
Industrial Milk Company	IMC	13.00	13.90	9.09	0.0%	-3.3%	3.2%	4.2%	-0.7%	-6.7%	-11.1%	-12.9%
Kernel	KER	48.80	78.30	45.51	2.1%	-6.2%	1.8%	2.7%	0.0%	-4.6%	-13.9%	-14.4%
MHPC	MHPC	13.00	15.45	9.09	-3.7%	-9.4%	14.5%	13.0%	-2.2%	-10.4%	-17.2%	-4.0%
Milkiland	MLK	1.47	2.48	1.40	1.4%	-4.5%	-13.5%	-4.5%	0.8%	-5.3%	-12.3%	-21.6%
Ovostar Union	OVO	94.00	128.05	88.00	-2.6%	-5.1%	-17.5%	6.8%	0.8%	-9.3%	-12.8%	-10.2%
Banks												
Raiffeisen Bank Aval	BAVL	0.326	n/a	n/a	-0.6%	8.6%	16.2%	11.0%	-7.3%	0.8%	-8.2%	-6.0%

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		
		2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E
Iron Ore Mining																
Ferrexpo	FXPO	986	1,282	1,346	375	495	520	38.0%	38.6%	38.6%	189	255	268	19.2%	19.9%	19.9%
Railcar Manufacturing																
Kryukiv Wagon	KVBZ	67	55	60	1	6	7	0.9%	11.0%	12.4%	-4	2	3	-5.9%	3.3%	4.2%
Specialized Machinery																
Turboatom	TATM	98	99	102	33	35	35	34.0%	35.2%	34.6%	27	28	28	28.0%	27.8%	27.5%
Motor Sich	MSICH	414	426	464	166	153	138	40.1%	35.8%	29.8%	77	110	93	18.6%	25.9%	20.0%
Oil & Gas																
Ukrnafta	UNAF	885	1,079	1,121	116	151	163	13.1%	14.0%	14.5%	-343	74	81	-38.7%	6.8%	7.3%
Regal Petroleum	RPT	25	33	46	10	15	19	40.4%	45.5%	41.1%	0	3	5	na	9.1%	10.8%
JKX Oil	JKX	80	82	88	29	18	29	36.3%	22.0%	33.0%	-20	-12	1	-25.0%	-14.6%	1.1%
Electric Utilities																
Centrenergy	CEEN	419	505	569	46	94	106	11.1%	18.6%	18.6%	15	71	78	3.6%	14.1%	13.8%
Donbasenergo	DOEN	157	147	116	7	8	8	4.4%	5.8%	6.5%	-2	1	1	-1.1%	1.0%	0.6%
Consumer																
MHP	MHPC	1,135	1,300	1,456	415	490	550	36.6%	37.7%	37.8%	59	300	327	5.2%	23.1%	22.5%
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	402	475	551	167	176	197	41.6%	37.0%	35.8%	90	104	112	22.4%	21.9%	20.4%
Avangardco	AVGR	191	115	127	1	5	15	0.4%	4.3%	11.8%	-57	-10	-5	-29.6%	-8.3%	-3.9%
Ovostar	OVO	84	80	87	40	15	20	47.7%	19.2%	23.4%	35	10	14	41.8%	12.5%	16.1%
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	2,113	2,080	2,050	381	398	342	192	228	236	150	164	236	39.4%	41.3%	69.2%

Source: Eavex Research

MAIN TRADING MULTIPLES

Name	Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales				
					2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E		
Iron Ore Mining															
Ferrexpo	FXPO	2,469	24.0%	593	3,219	13.1	9.7	9.2	8.6	6.5	6.2	3.3	2.5	2.4	
Railcar Manufacturing															
Krukiv Wagon	KVBZ	57	5.0%	3	51	neg	>30	22.2	>30	8.5	6.9	0.8	0.9	0.9	
Specialized Machinery															
Turboatom	TATM	207	5.8%	12	121	7.6	7.5	7.4	3.6	3.5	3.4	1.2	1.2	1.2	
Motor Sich	MSICH	344	24.0%	83	306	4.5	3.1	3.7	1.8	2.0	2.2	0.7	0.7	0.7	
Oil & Gas															
Ukrnafta	UNAF	224	3.0%	7	209	neg	3.0	2.7	1.8	1.4	1.3	0.2	0.2	0.2	
Regal Petroleum	RPT	81	21.6%	17	56	n/a	26.9	16.1	5.6	3.7	3.0	2.2	1.7	1.2	
JKX Oil & Gas	JKX	47	50.4%	24	156	neg	neg	>30	5.4	8.7	5.4	1.9	1.9	1.8	
Electric Utilities															
CentrEnerg	CEEN	254	21.7%	55	213	16.7	3.6	3.2	4.6	2.3	2.0	0.5	0.4	0.4	
DonbasEnerg	DOEN	17	14.2%	2	31	neg	11.2	22.7	4.4	3.6	4.1	0.2	0.2	0.3	
Consumer															
MHP	MHPC	1,374	34.1%	468	2,378	23.2	4.6	4.2	5.7	4.9	4.3	2.1	1.8	1.6	
Kernel	KER	1,142	61.8%	705	1,638	5.1	6.5	4.8	4.7	5.1	4.7	0.8	0.8	0.6	
Astarta	AST	385	37.0%	142	495	4.3	3.7	3.4	3.0	2.8	2.5	1.2	1.0	0.9	
Avangardco	AVGR	21	22.5%	5	353	neg	neg	neg	>30	>30	23.5	1.8	3.1	2.8	
Ovostar	OVO	166	25.0%	41	168	4.7	16.6	11.8	4.2	10.9	8.2	2.0	2.1	1.9	
Banks															
							P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	743	1.8%	13		5.0	4.5	4.3	2.0	1.9	2.2	0.35	0.36	0.36	

Source: Eavex Research

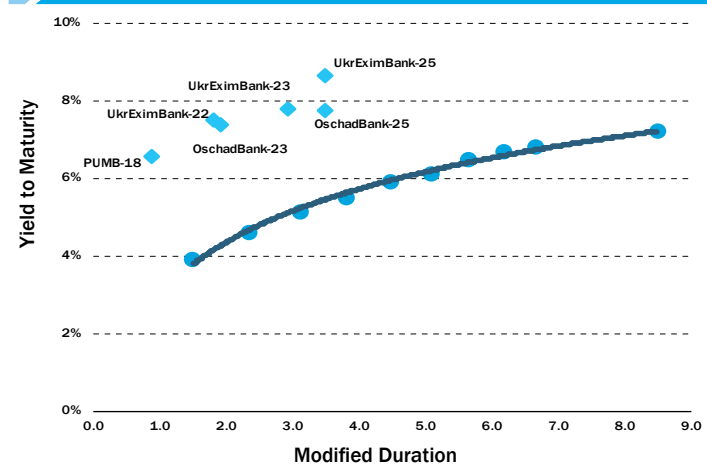
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2019	104.1	104.6	4.9%	4.5%	-0.8%	1.4	7.75%	S/A	1 Sept 2019	1,744	Caa2/B-/B-
Ukraine, 2020	105.1	105.6	5.5%	5.3%	-0.9%	2.2	7.75%	S/A	1 Sept 2020	1,780	Caa2/B-/B-
Ukraine, 2021	105.6	106.1	6.0%	5.8%	-0.9%	3.0	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	105.1	105.6	6.4%	6.3%	-1.2%	3.8	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	104.2	105.0	6.8%	6.6%	-1.8%	4.4	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	103.4	104.1	7.1%	6.9%	-1.6%	5.1	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	102.7	103.5	7.3%	7.1%	-1.3%	5.6	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	102.6	103.3	7.3%	7.2%	-0.5%	6.2	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	102.3	103.0	7.4%	7.3%	-0.8%	6.7	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	96.3	97.1	7.8%	7.7%	-1.8%	8.2	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	67.8	68.8	n/a	n/a	23.9%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agrotan, 2019	16.0	20.6	224%	182%	-12.8%	0.6	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	108.7	109.3	6.2%	6.0%	-1.8%	3.3	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	107.3	108.1	4.5%	4.1%	-1.1%	1.9	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	108.3	108.8	6.1%	6.0%	0.5%	4.8	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	19.7	22.7	n/a	n/a	-12.4%	0.2	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	20.0	22.1	n/a	n/a	1.3%	0.0	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	6.0	8.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	6.0	8.0	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	106.8	107.5	9.3%	9.2%	-0.2%	4.6	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	103.5	104.3	n/a	n/a	11.7%	n/a	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	103.1	103.9	7.3%	6.6%	-1.3%	0.6	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	103.0	103.9	7.4%	6.6%	-1.5%	0.6	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	106.1	106.9	7.9%	7.6%	-0.1%	1.6	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	29.9	35.1	n/a	n/a	18.2%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JXX Oil&Gas, 2018	85.0	95.0	24.0%	17.1%	5.9%	1.6	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
Fin&Credit Bank, 2019	0.7	1.6	n/a	n/a	-0.2%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	103.3	105.1	6.8%	4.6%	-0.1%	0.7	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.8	1.4	n/a	n/a	1.6%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	26.0	29.0	n/a	n/a	-17.9%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	12.0	17.0	n/a	n/a	-6.5%	1.6	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	28.2	31.0	n/a	n/a	-26.5%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	106.2	106.9	7.8%	7.7%	-0.5%	1.8	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	99.1	100.9	9.4%	9.0%	-0.4%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	107.9	108.6	8.2%	8.1%	-0.2%	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	105.7	106.5	8.0%	7.8%	-1.0%	1.7	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	107.7	108.5	8.2%	8.0%	0.2%	2.8	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2015	85.0	88.0	n/a	n/a	4.5%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

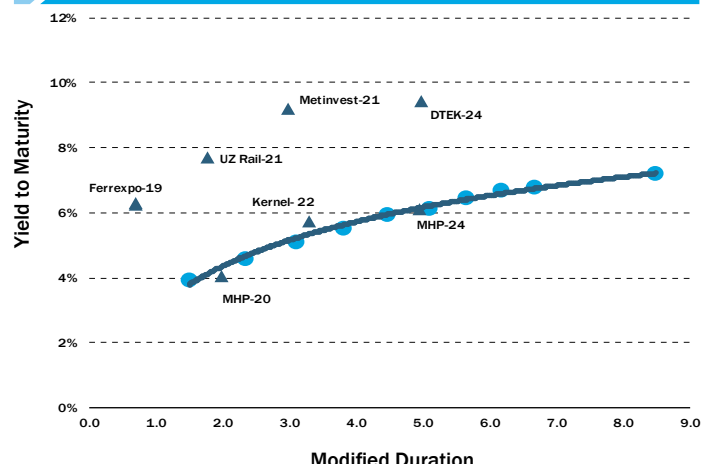
¹ Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING 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
UAH denominated Bonds									
UA80426			16.70%	15.75%	n/a	n/a	S/A	10 Apr .2019	n/a
VAT Bonds									
UA4000185151			17.00%	15.75%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			17.00%	15.75%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			17.00%	15.75%	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