

## Stock Market Update

### Equity

Kyiv-listed stocks finished mixed last week. Among positive news was the publication of the final GDP data for 2017, which stated that the country's economy grew by 2.5% YoY last year, revised substantially upward from the preliminary estimate of 2.1% YoY growth. This puts expectations that Ukraine's GDP will rise by 3.0% YoY this year on a more realistic footing, especially with most statistics from the occupied Donbass now removed from the comparison base.

Motor Sich (MSICH) was in the spotlight during the week, as the government's Deposit Guarantee Fund (DGF) auctioned a block of MSICH stock which it had previously confiscated from insolvent banks. The block of a 0.24% stake in Motor Sich was sold to a single buyer at UAH 5267 per share, representing a 15% premium to the previous day's closing price. The auction result lifted Motor Sich quotes on the Ukrainian Exchange by 6.2% to UAH 4850 per share.

The UX index gained 1.0% for the week to close at 1645 points on Friday (Mar 23). Beaten-down UkrNafta (UNAF) recovered 5.2% to UAH 108 while CentrEnergO (CEEN) lost 6.8% to UAH 18.20. Index newcomer TurboAtom (TATM), the basket's sixth blue chip member, added 2.3% to UAH 14.40 per share. Raiffeisen Bank Aval (BAVL) ended unchanged at 33.60 kopecks.

In London, Ferrexpo (FXPO) fell 15% to GBp 266 per share as sliding iron ore prices outweighed the company's report of a solid profit for FY17. MHP (MHPC) managed to stay immune to the correction on global equity markets, with the sporadically-traded stock edging up 0.8% to USD 13.45.

In Warsaw trading, Ukrainian agro stocks were lower; Kernel (KER) and Astarta (AST) declined by 3.8% and 4.3% respectively, with the former ending at PLN 50.00.

On the currency market, the hryvnia gained 0.5% to 26.30 UAH/USD as Ukrainian agro holdings sold some of their foreign exchange holdings ahead of the spring planting campaign.

## Highlights

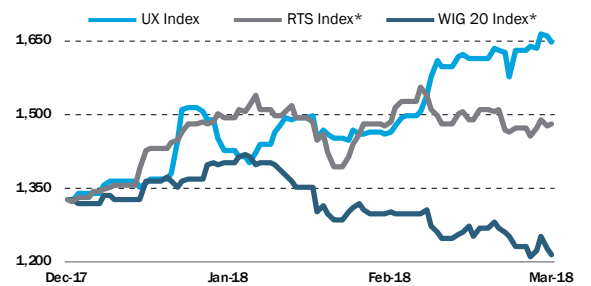
### POLITICS AND ECONOMICS

- > Klitschko Not Ruling Out Presidential Run in Next Year's Race
- > Industrial Output Rises 1.9% YoY in February with Chemicals in the Lead

### STOCKS IN THE NEWS

- > Ferrexpo Proposes Special 10-Cent Dividend After Doubling Full-Year Profit

## STOCK MARKET PERFORMANCE

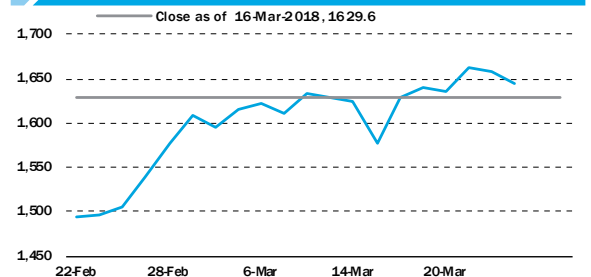


\* rebased

## MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1645.1	1.0%	12.3%	20.7%
RTS	1261.4	0.6%	-0.3%	9.3%
WIG20	2257.2	-1.2%	-6.5%	-8.3%
MSCI EM	1172.1	-3.4%	-1.9%	1.2%
S&P 500	2588.3	-6.0%	-4.7%	-3.2%

## UX 1M PERFORMANCE



## FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	329	4.3%	6.1%	5.9%
NBU Key Rate	17.0%	0.0 p.p.	1.0 p.p.	2.5 p.p.
Ukraine-19	4.9%	-2.0 p.p.	-1.6 p.p.	0.4 p.p.
Ukraine-27	7.6%	0.2 p.p.	0.4 p.p.	0.4 p.p.
MHP-20	3.7%	0.3 p.p.	-0.5 p.p.	-0.3 p.p.
UZ Rail-21	6.2%	0.1 p.p.	-0.1 p.p.	-0.2 p.p.

## CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.29	-0.5%	-2.8%	-6.5%
EUR	32.46	0.0%	-2.8%	-3.6%
RUB	0.46	-0.1%	-4.1%	-5.8%

## COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	201.5	0.0%	4.7%	12.3%
Steel, USD/t	540.0	-1.8%	5.9%	3.8%
Oil, USD/bbl	70.5	6.4%	8.3%	5.4%
Gold, USD/oz	1347.3	2.5%	1.4%	3.4%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Klitschko Not Ruling Out Presidential Run in Next Year's Race

by Will Ritter  
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### NEWS

Kyiv mayor Vitaliy Klitschko told a German newspaper that he hasn't ruled out seeking Ukraine's presidency in the 2019 election, the LB.com domestic news outlet reported on Sunday (Mar 25). An interviewer from the TagesSpiegel publication asked Klitschko if he might run for president next year, and Klitschko replied, "I do not rule this out. However, before I do this I have to achieve success in Kyiv and take what I have promised the people to completion." In the same interview, Klitschko also called for sanctions against Russia to be maintained and strengthened in order to combat what he called "the aggressive Russian policy". Klitschko ran for president in 2014 but withdrew and endorsed Petro Poroshenko after it became clear that the latter had the overwhelming support of the United States and the European Union. Ukraine's presidential election is due in just over a year's time at the end of next March.

### COMMENTARY

We think that Klitschko's consideration of a presidential bid is a direct result of recent polls showing a sharp slide in Poroshenko's electoral ratings. It has long been thought that Poroshenko and Klitschko had made an alliance that would last for two presidential terms, but it appears that Poroshenko's rather weak position could be leading Klitschko to reconsider. What is clear is that much of the Western community is alarmed by the prospect of a Yulia Tymoshenko presidency in Ukraine, which would bring a rollback of economic reforms and a return to left-wing paternalism. If the West sees Poroshenko as incapable of beating Tymoshenko, they will likely seek to back a different candidate to draw maximum support from Ukraine's key center-right electorate. Up to now, it has been speculated that popular music star Sviatoslav Vakarchuk would be that candidate, but Klitschko is more experienced in politics and could be a superior choice. It is also too early to state that Poroshenko will not be able to recover and hold on to his 2014 mantle as the main center-right candidate. However, there was more bad news for him this week, as domestic media reported that his main coalition partner, Interior Minister Arseniy Avakov, has been in talks to throw his support to Tymoshenko in the presidential race. Avakov was previously a top member of Tymoshenko's political clan during the years of her premiership in 2007-2009.

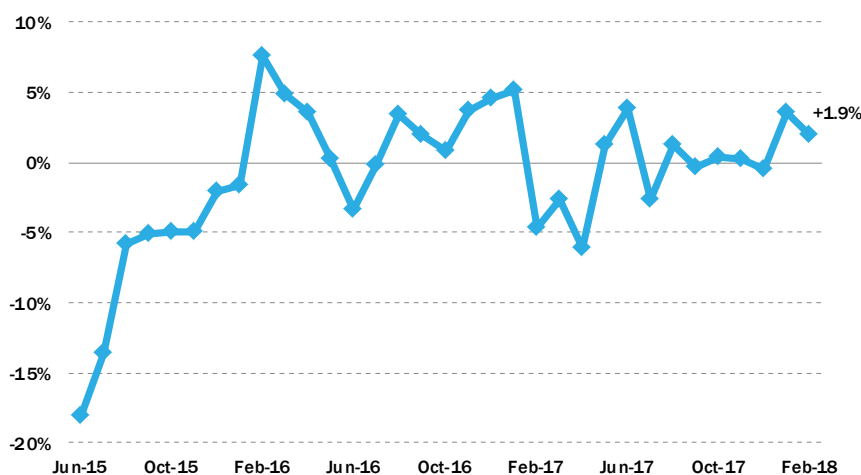
**Industrial Output Rises 1.9% YoY in February with Chemicals in the Lead**

by Dmitry Churin  
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**NEWS**

Ukraine's aggregate industrial output rose by 1.9% YoY in February following a 3.6% YoY output increase in January, the State Statistics Committee (UkrStat) reported on Thursday (Mar 22). The month-on-month change (unadjusted for the different number of days) was a decline of 3.5%. Output increased in February by 2.3% YoY in the extraction sector and by 3.4% in the manufacturing sector, while in the utility sector it declined by 3.8% YoY due to a strong comparison base. For 2M18, the IP index is up by 2.8% YoY.

**UKRAINE'S MONTHLY INDUSTRIAL PRODUCTION INDEX, YOY**



Source: State Statistics Committee

**COMMENTARY**

The chemical sector's outstanding growth of 43% YoY was a major driver for the manufacturing index increase. However, the machinery sector also demonstrated healthy growth of 5.9% YoY in February while the food & beverage sector saw a drop in output by 4.6% YoY in the period. In an absolute figures, we continue to pay precise attention to coal production, which was 1.9mn tonnes in February, down from an average of 2.4mn tonnes per month in 2017. There was also an unstable situation in the steel sector. Although UkrStat reported that overall metallurgical output including finished and semi-finished products increased by 4.6% YoY in February, data from the steel industry association UkrMetallurgProm indicated that crude steel production in Ukraine slumped 12% to 1.51mn tonnes in February. In our opinion, if the country's crude output does not rebound in the coming months, there will be negative consequences for the trade balance, as steel exports accounts for a quarter of overall Ukrainian merchandise exports.

In other macroeconomic statistics, UkrStat said that retail sales kept up their steady pace, rising 5.6% in February while the index measuring agricultural production inched down by 0.3% YoY in 2M18.

## Ferrexpo Proposes Special 10-Cent Dividend After Doubling Full-Year Profit

by Dmitry Churin  
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### FERREXPO (FXPO LN)

Price: GBp 266 Market Cap: USD 2223mn

	EV/S	P/E	EV/EBITDA	Div. Yield
2017	2.2	5.6	4.8	4.4%
2018E	2.1	5.4	4.5	2.6%

### NEWS

Poltava-based Ferrexpo, Ukraine's largest iron ore pellet exporter, reported a 108% YoY increase in its full-year 2017 net profit to USD 394mn (USD 0.668 per share), according to financials published on Mar 21. The company's revenue rose by 21% YoY to USD 1.19bn due to higher iron ore price during the period. However, pellet sales volume declined by 11% YoY to 10.5mn tonnes. The company's EBITDA increased by 47% YoY to USD 551mn, exceeding our forecast by 11%. Ferrexpo also reported that its average production cash pellet cost from in-house ore (C1 cost) grew by 17% YoY to USD 32.3 per tonne. Meanwhile, benchmark 62 percent iron ore fines price (full-year average) increased by 22% YoY to USD 71.3 per tonne.

Ferrexpo's net debt as of end-2017 decreased by 32% YoY to USD 403mn. As a result, the Net Debt/EBITDA ratio fell from 1.57x as of end-2016 to 0.73x as of end-2017. Net operating cash flow rose 6% YoY to USD 353mn in FY17, while full-year CapEx grew by 115% to USD 103mn.

In the Mar 21 release, the company proposed a special dividend of USD 0.099 per share, bringing the total dividend for FY17 to USD 0.165 per share.

### FERREXPO FINANCIAL RESULTS

USD mn	2017	2016	YoY
<b>Revenue</b>	<b>1,197</b>	<b>986</b>	<b>+21%</b>
<b>EBITDA</b>	<b>551</b>	<b>375</b>	<b>++47%</b>
<i>margin</i>	46%	38%	+8 p.p.
<b>Net profit</b>	<b>394</b>	<b>189</b>	<b>+108%</b>
<i>margin</i>	33%	19%	+14 p.p.

	31 Dec 2017	31 Dec 2016	YoY
Net debt to EBITDA	0.73x	1.57x	-54%

Source: Company Data

### COMMENTARY

Ferrexpo's reported revenue was slightly below our latest forecast while both EBITDA and net profit exceeded expectations. The company's profitability increased mainly as a result of favorable global iron ore prices. However, iron ore futures continue to indicate a possible correction in prices, highlighting uncertainty regarding Ferrexpo's ability to retain its current profitability in the medium term. On the other hand, Ferrexpo's affordable debt burden and strong demand for the company's quality pellets provide confidence that Ferrexpo is well protected from external shocks. Ferrexpo achieved a record high pellet-to-fines premium in 2017. Its average achieved price outperformed the average Platts 62 percent Fe iron ore fines price by 40%. Although Ferrexpo's cost of pellet production per tonne did increase during the year, it is still a low cost producer relative to its peers, and remains in the bottom 25% of the industry's pellet cost curve.

We currently expect that Ferrexpo's EBITDA will increase by 5% YoY in FY18 to USD 580mn.

Eavex Capital has a HOLD recommendation for the FXPO stock with a target price of GBp 350 per share.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	49.6	82.0	65%	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	47.1	70.0	49%	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	5.40	12.0	122%	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	12.9	13.0	1%	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.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	259	350	35%	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.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	4850	6750	39%	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.
<b>Oil &amp; Gas</b>						
UkrNafta	UNAF	108	270	151%	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	22.0	30.0	36%	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	21.0	23.0	10%	HOLD	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	19.0	9.0	-53%	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	18.70	25.60	37%	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.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.335	0.47	40%	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	1645.08	1696.29	913.99	1.0%	12.3%	23.0%	20.7%	0.0%	0.0%	0.0%	0.0%
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	266.00	323.20	137.20	-15.0%	-12.8%	-7.6%	-9.2%	-4.2%	-16.0%	-25.1%	-29.9%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	12.80	n/a	n/a	-3.6%	-7.3%	23.1%	22.0%	-4.6%	-19.7%	0.1%	1.3%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	4850	5195	1951	6.2%	11.5%	33.6%	31.1%	5.2%	-0.9%	10.6%	10.4%
Turboatom	TATM	14.43	n/a	n/a	2.3%	14.5%	11.0%	9.7%	1.4%	2.2%	-12.0%	-11.0%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.185	n/a	n/a	8.8%	23.3%	27.5%	24.1%	7.8%	10.9%	4.5%	3.4%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	22.00	25.50	3.17	-0.5%	10.6%	214.3%	214.1%	4.1%	-1.4%	-1.8%	193.4%
JKX Oil	JKX	21.00	26.50	11.00	5.0%	5.0%	68.0%	90.9%	-2.4%	4.0%	-7.3%	70.2%
Ukrnafta	UNAF	108.2	n/a	n/a	5.2%	2.5%	-20.1%	-23.3%	4.2%	-9.9%	-43.1%	-44.0%
<b>Power Utilities</b>												
Centrenergo	CEEN	18.16	19.67	9.91	-6.8%	19.2%	48.1%	43.3%	-7.8%	6.8%	25.1%	22.6%
Donbasenergo	DOEN	18.99	n/a	n/a	2.2%	16.8%	3.5%	4.1%	1.2%	4.4%	-19.5%	-16.6%
<b>Consumer</b>												
Agroton	AGT	5.58	7.70	3.74	-0.4%	16.7%	46.1%	21.8%	-0.1%	-1.3%	4.4%	1.1%
Astarta	AST	49.00	72.00	49.00	-4.3%	-8.2%	-4.0%	-4.8%	-1.2%	-5.2%	-20.6%	-25.5%
Avangardo	AVGR	0.33	1.00	0.33	0.0%	-5.7%	-19.5%	-8.3%	0.8%	-1.0%	-18.1%	-29.0%
Industrial Milk Company	IMC	13.20	13.90	9.48	0.0%	-0.8%	5.8%	5.8%	0.8%	-1.0%	-13.1%	-14.9%
Kernel	KER	50.00	74.00	45.51	-3.8%	5.9%	4.2%	5.2%	0.0%	-4.8%	-6.4%	-15.5%
MHPC	MHPC	12.80	15.45	9.55	-3.4%	-5.5%	12.3%	11.3%	-3.0%	-4.3%	-17.9%	-9.4%
Milkiland	MLK	1.39	2.39	1.33	1.5%	-0.7%	-6.7%	-9.7%	0.1%	0.5%	-13.1%	-30.4%
Ovostar Union	OVO	94.00	128.05	88.00	0.0%	0.0%	5.6%	6.8%	0.8%	-1.0%	-12.3%	-13.9%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.336	n/a	n/a	0.0%	4.5%	13.7%	14.3%	-1.0%	-7.8%	-9.3%	-6.3%

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		
		2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E
<b>Iron Ore Mining</b>																
Ferrexpo	FXPO	986	1,197	1,257	375	551	579	38.0%	46.0%	46.0%	189	394	414	19.2%	32.9%	32.9%
<b>Railcar Manufacturing</b>																
Kryukiv Wagon	KVBZ	67	55	60	1	6	7	0.9%	11.0%	12.4%	-4	2	3	-5.9%	3.3%	4.2%
<b>Specialized Machinery</b>																
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	114	96	18.6%	26.7%	20.6%
<b>Oil &amp; Gas</b>																
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%
<b>Electric Utilities</b>																
Centrenergo	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%
<b>Consumer</b>																
MHP	MHPC	1,135	1,289	1,456	415	549	550	36.6%	42.6%	37.8%	59	230	327	5.2%	17.8%	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%
<b>Banks</b>																
		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	
<b>Iron Ore Mining</b>														
Ferrexpo	FXPO	2,228	24.0%	535	2,631	11.8	5.7	5.4	7.0	4.8	4.5	2.7	2.2	2.1
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ	56	5.0%	3	50	neg	>30	21.8	>30	8.3	6.8	0.8	0.9	0.8
<b>Specialized Machinery</b>														
Turboatom	TATM	231	5.8%	13	145	8.4	8.4	8.2	4.3	4.1	4.1	1.5	1.5	1.4
Motor Sich	MSICH	381	24.0%	92	343	5.0	3.3	4.0	2.1	2.2	2.5	0.8	0.8	0.7
<b>Oil &amp; Gas</b>														
Ukrnafta	UNAF	222	3.0%	7	207	neg	3.0	2.7	1.8	1.4	1.3	0.2	0.2	0.2
Regal Petroleum	RPT	100	21.6%	22	76	n/a	>30	20.1	7.5	5.1	4.0	3.0	2.3	1.6
JKX Oil & Gas	JKX	51	50.4%	26	160	neg	neg	>30	5.5	8.9	5.5	2.0	1.9	1.8
<b>Electric Utilities</b>														
CentrEnergO	CEEN	254	21.7%	55	213	16.7	3.6	3.2	4.6	2.3	2.0	0.5	0.4	0.4
DonbasEnergO	DOEN	17	14.2%	2	31	neg	11.6	23.4	4.5	3.7	4.1	0.2	0.2	0.3
<b>Consumer</b>														
MHP	MHPC	1,353	34.1%	461	2,357	22.8	5.9	4.1	5.7	4.3	4.3	2.1	1.8	1.6
Kernel	KER	1,170	61.8%	722	1,666	5.2	6.6	4.9	4.8	5.2	4.8	0.8	0.8	0.6
Astarta	AST	360	37.0%	133	470	4.0	3.5	3.2	2.8	2.7	2.4	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
<b>Banks</b>														
						P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	781	1.8%	14		5.2	4.8	4.5	2.1	2.0	2.3	0.37	0.38	0.38

Source: Eavex Research



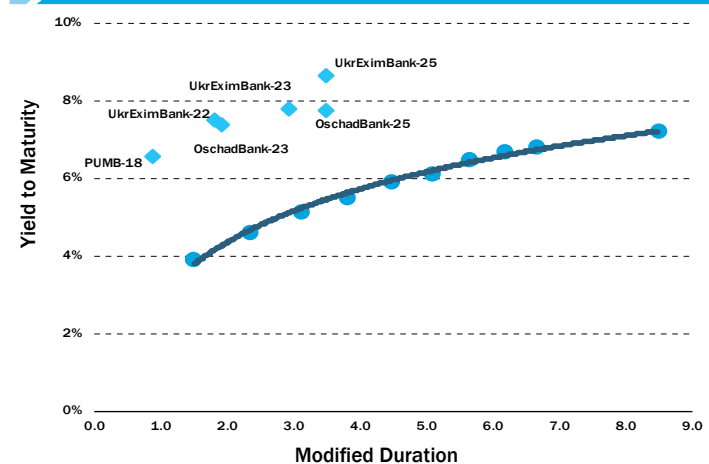
## UKRAINIAN EURO BONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2019	103.7	104.2	5.1%	4.7%	-1.2%	1.3	7.75%	S/A	1 Sept 2019	1,744	Caa2/B-/B-
Ukraine, 2020	104.5	105.0	5.7%	5.5%	-1.4%	2.2	7.75%	S/A	1 Sept 2020	1,780	Caa2/B-/B-
Ukraine, 2021	104.1	104.6	6.4%	6.2%	-2.3%	3.0	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	103.6	104.1	6.8%	6.7%	-2.6%	3.7	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	102.5	103.3	7.2%	7.0%	-3.4%	4.4	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	101.9	102.7	7.4%	7.2%	-3.0%	5.0	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	100.9	101.7	7.6%	7.4%	-3.0%	5.6	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	100.5	101.3	7.7%	7.5%	-2.5%	6.1	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	100.5	101.2	7.7%	7.6%	-2.5%	6.6	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	94.2	95.0	8.1%	8.0%	-3.9%	8.4	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	68.4	69.4	n/a	n/a	24.9%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	16.0	20.6	241%	195%	-12.8%	0.6	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	107.7	108.1	6.5%	6.3%	-2.8%	3.2	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	108.2	109.1	4.0%	3.5%	-0.2%	1.8	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	106.6	107.1	6.4%	6.3%	-1.0%	4.7	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	20.0	23.0	n/a	n/a	-11.1%	0.1	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	21.0	22.2	n/a	n/a	3.7%	0.0	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	7.0	9.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	7.0	9.0	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	107.4	108.1	9.3%	9.2%	0.4%	5.0	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	104.8	105.5	n/a	n/a	13.0%	n/a	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	103.1	103.5	7.2%	6.8%	-1.6%	0.5	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	103.1	103.5	7.2%	6.8%	-1.6%	0.5	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	106.0	106.4	7.9%	7.7%	-0.3%	1.6	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	31.5	33.8	n/a	n/a	18.7%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JXX Oil&Gas, 2018	85.0	95.0	24.3%	17.2%	5.9%	1.6	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	0.7	1.5	n/a	n/a	-0.2%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	104.0	104.4	5.6%	5.0%	-0.1%	0.7	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.4	1.1	n/a	n/a	-33.1%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	21.0	24.0	n/a	n/a	-32.8%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	12.0	17.0	n/a	n/a	-6.5%	1.5	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	28.7	31.2	n/a	n/a	-25.7%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	105.1	105.3	8.1%	8.1%	-1.8%	1.7	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	99.4	99.9	9.6%	9.4%	-0.7%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	106.4	106.7	8.6%	8.5%	-1.7%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
VAB Bank, 2019	n/a	n/a	n/a	n/a	n/a	n/a	9.00%	Q	14 Jun 2019	88	IN DEFAULT
Oschadbank, 2023	104.9	105.4	8.2%	8.0%	-1.9%	1.7	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	105.6	105.8	8.5%	8.4%	-1.9%	2.8	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	85.0	89.0	n/a	n/a	5.0%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

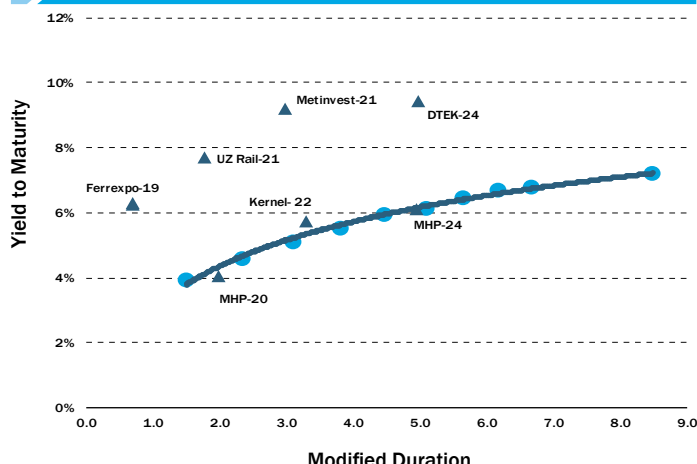
<sup>1</sup> Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

### SOVEREIGNS vs. BANKING 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
<b>UAH denominated Bonds</b>									
UA80426			17.50%	16.00%	n/a	n/a	S/A	10 Apr .2019	n/a
<b>VAT Bonds</b>									
UA4000185151			17.75%	16.00%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			17.75%	16.00%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			17.75%	16.00%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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