

Stock Market Update

This is the final issue of the Ukraine Market Monitor for 2018.
 We at Eavex Capital extend our Greetings to you for the New Year holidays!
 Weekly coverage will resume on Jan. 8.

Equity

Ukraine's domestic equity market had no reaction to news last week that the IMF approved a new USD 3.9bn support program for the country. Nevertheless, Kyiv-listed stocks finished the year with solid gains, with the broad 20-stock PFTS index rising by 76% over the year. The 5-stock UX index added 25% to 1,705 points over the year. Surprisingly, one of the best performing local stock was DonbasEnergO (DOEN), which has jumped 70% Ytd to UAH 31.00 per share as the company reported outstanding improvements in its financial results. DonbasEnergO's close peer CentrEnergO (CEEN) added 22% this year to UAH 15.00 but still remains below its fair fundamental value, as the company remains stuck with the government's ineffective management. The privatization auction for CentrEnergO scheduled for Dec 13 was cancelled, although the IMF continues to insist that the state stake of 78% in CentrEnergO should be sold off.

Shares of Ukraine's flagship oil producer UkrNafta (UNAF) decreased in value by 3.7% Ytd to UAH 130, amid the company's unresolved problem with UAH 11bn in tax debt as well as the recent slump in oil prices.

London-listed Ukrainian names demonstrated a mixed performance for the year. Ferrexpo (FXPO) is ending with a 32% decline at the resistance level of GBp 200 per share. Infrequently-traded MHP (MHPC) edged down by 8.7% Ytd to USD 10.50 despite the company continuing to expand its poultry export business. On the positive side, Regal Petroleum (RPT) surged by 5.3x Ytd to GBp 51.25 as the company's prospects improved on higher estimates of its gas reserves.

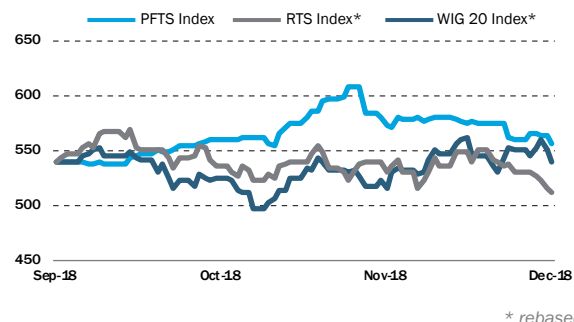
The hryvnia managed to stay firm over the year (barring any surprises in the next few days), finishing higher by 2.6% against the dollar at 27.40 UAH/USD. We have estimated the average UAH/USD rate over all of 2018 at 27.20 UAH/USD.

Highlights

POLITICS AND ECONOMICS

- > Zelenskiy Presents Rising Threat to Poroshenko Reelection
- > Ukraine Receives USD 1.4bn IMF Tranche Amid New Downsized Deal
- > Ukraine's GDP Grows for 11th Straight Quarter with 2.8% YoY Rise in 3Q18

STOCK MARKET PERFORMANCE

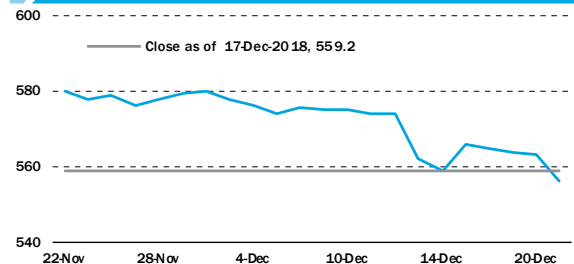


* rebased

MARKET INDEXES

	Last	1W ch	1M ch	YTD
PFTS	556.4	-0.5%	-2.9%	76.6%
RTS	1077.2	-3.5%	-3.6%	-6.7%
WIG20	2259.8	-1.9%	4.6%	-8.2%
MSCI EM	957.3	-1.5%	-1.6%	-17.4%
S&P 500	2416.6	-7.1%	-8.5%	-9.6%

PFTS 1M PERFORMANCE



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	426	3.2%	0.6%	37.0%
NBU Key Rate	18.0%	0.0 p.p.	0.0 p.p.	3.5 p.p.
Ukraine-19	8.7%	-1.3 p.p.	-0.8 p.p.	4.3 p.p.
Ukraine-27	10.5%	0.2 p.p.	0.5 p.p.	3.2 p.p.
DTEK-24	11.5%	0.0 p.p.	0.1 p.p.	2.1 p.p.
UZ Rail-21	12.0%	0.1 p.p.	2.1 p.p.	5.6 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	27.38	-2.0%	-1.3%	-2.6%
EUR	31.13	-1.4%	-1.3%	-7.6%
RUB	0.40	-5.6%	-5.3%	-18.4%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	220.0	0.0%	1.9%	22.6%
Steel, USD/t	420.0	0.0%	-8.7%	-19.2%
Oil, USD/bbl	53.8	-10.7%	-14.4%	-15.4%
Gold, USD/oz	1256.1	1.4%	2.8%	-3.6%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Zelenskiy Presents Rising Threat to Poroshenko Reelection

by Will Ritter
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NEWS

Russophone actor and comedian Volodymyr Zelenskiy relegated President Poroshenko to third place in Ukraine's presidential race in polling carried out by the respected Kyiv Institute of Sociology (KIS) in late November. Zelenskiy, a native of the city of Kriviy Rih in southeastern Ukraine who rose to fame by starring in the "Block 95" political satire television program, received 14.6% support from decided voters in the poll, while Poroshenko was at only 11.6%. Leftist-nationalist Batkivschyna opposition party leader Yulia Tymoshenko had the largest chunk of support at 21.2%. The top two finishers in the Mar 31 presidential ballot will advance to a runoff on Apr 21.

COMMENTARY

The fact that Zelenskiy, who has not even officially announced his candidacy, is receiving such high numbers without taking any explicit political positions has to be a worrying prospect for Poroshenko. The incumbent could easily find himself frozen out of the decisive runoff (it is nearly certain that no candidate will win on the opening Mar 31 ballot) if his numbers do not begin to move higher in the next month or so. Although it would be premature to label Zelenskiy as a pro-Russian candidate, he is certainly not explicitly pro-Western, and the Kremlin's mouth must be watering at the prospects of a runoff between Tymoshenko (who is pro-Western in name only) and a Russian-speaking political novice with no particular commitment to maintaining Ukraine's hard-won Western course. The presidential picture will become clearer once it is known whether another pop-culture superstar, Ukrainophone musician Sviatoslav Vakarchuk, plans to enter the race; Vakarchuk operates on the same general electoral territory as Poroshenko, and we do not believe that there is room for both of them in the contest. If Vakarchuk doesn't run, we expect Poroshenko to benefit with a significant improvement in polling numbers. However, if Vakarchuk does run and is able to pick up a strong following among the key moderate nationalist electorate that has decided the outcome of all six of Ukraine's previous presidential elections, we can foresee a scenario in which Poroshenko might withdraw from the race in order to prevent a victory of Tymoshenko or a pro-Russian candidate.

Ukraine Receives USD 1.4bn IMF Tranche Amid New Downsized Deal

by Dmitry Churin
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NEWS

The International Monetary Fund approved a new USD 3.9bn “standby” loan program for Ukraine, including an immediate USD 1.38bn disbursement, according to an official press statement from the IMF released on Dec 18. The new program replaces Ukraine’s more ambitious USD 17.5bn “Extended Fund Facility” set up in early 2015, about half of which had been disbursed, while the other half had stalled due to Kyiv’s refusal to meeting various program benchmarks. To obtain additional payouts under the replacement program, Kyiv will need to pass semi-annual reviews planned for May and November 2019. The program - Ukraine’s 10th with the IMF since 1992 - is set on continuing fiscal consolidation for the purpose of a steady decrease in the country’s public debt level.

The IMF said it expects Ukraine’s GDP to rise by 2.7% and 3.0% in 2019 and 2020 respectively. Its inflation forecast for the next year is 9.2%. The IMF also worsened the estimation of the deficit of the current account balances for 2018 to 3.3% from 3.1% of GDP. The forecast for 2019 is improved – from 3.9% to 2.9%. In 2020, a deficit of the current account balances at the level of 2.2% of GDP is expected.

COMMENTARY

The downsizing of the IMF program as well as the USD 1.4bn disbursement, which is Kyiv’s first receipt of IMF cash since April 2017, had been widely telegraphed and anticipated throughout the autumn. Without the new support, it was unclear how the government would pay internal and external debt and finance the budget deficit. A key requirement of the new IMF deal is that Ukraine break the State Fiscal Service up into its two key component organs, the State Tax Administration and the State Customs Committee, which had existed as separate agencies prior to 2012. However, a previous key IMF requirement for continued lending to Ukraine, a liberalization of restrictions on the sale of land, appears to have been dropped after Kyiv refused to enact the measure over several years. The renewed arrangement with the IMF has already brought additional funding for Ukraine. The World Bank approved a USD 750mn guarantee to Ukraine over 10 years simultaneously with the IMF announcement. The country’s tough debt schedule for 2019 foresees a total of UAH 238bn (USD 8.1bn) in redemptions, and an additional UAH 122bn (USD 4.1bn) for debt servicing. Financial support from Western donors remains crucial for Kyiv as the cost of borrowing on international markets is currently too high for the country. The benchmark 10-year Ukraine-2028 Eurobonds trade on the secondary market at a yield of 10.9%.

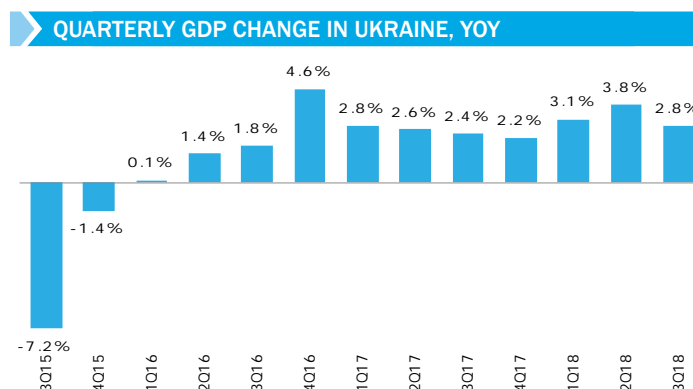
The IMF has been demanding that Ukraine create an “independent anti-corruption court” to crack down on the theft of budget money - which often includes Western aid - by government insiders. It is also calling for more heating/natural gas price hikes. The Poroshenko administration is promising that the anti-corruption court will be up and running next year, but there is no guarantee that this administration will still be in place after the spring’s presidential election.

Ukraine's GDP Grows for 11th Straight Quarter with 2.8% YoY Rise in 3Q18

by Dmitry Churin
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NEWS

The Ukrainian economy demonstrated its 11th straight quarter of growth with 3Q18 GDP rising by 2.8% YoY (after 3.8% growth for 2Q18), according to the preliminary estimate from the State Statistics Committee released last week. The data also showed that the country's seasonally-adjusted GDP rose by 0.4% on a quarterly basis in the period. The country's economy last contracted (on a year-over-year basis) in 4Q15 amid the detrimental effects of lost territory and lost industrial capacity due to the Donbass war.



Source: State Statistics Committee, Eavex Research

COMMENTARY

The 3Q GDP rise of 2.8% YoY is somewhat lower than expected, but nonetheless confirms that the country's economy is performing reasonably well. We continue to expect full-year 2018 growth at 3.0%, as we view the National Bank's forecast of 3.4% as too optimistic. It is unlikely that Ukraine's 4Q18 GDP figure will exceed 3.5%, as neither industrial production or retail sales showed a notable acceleration in November. The industrial production index is up by a modest 1.6% YoY year-to-date through November, and it declined by 0.9% YoY in November alone. On the other hand, national agricultural production in Ukraine remained a bright spot for the economy, with the agro output index increasing by a solid 8.2% YoY in 11M18. We now see a situation where Ukraine could become a notable beneficiary of the recent sharp drop in global oil prices, as the country pays approximately USD 1.1bn every month for fuel and energy imports. Lower oil prices should improve Ukraine's trade balance and also boost consumer sentiment. Ukraine's current account deficit amounted to USD 4.57bn in 10M18, increasing by 2.6x from the deficit of USD 1.74bn seen in the corresponding period in 2017 (when oil prices were lower). As a result, Ukraine's overall balance of payments was a deficit of USD 254mn in 10M18 after a surplus of USD 2.07bn in 10M17.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	48.2	82.0	70%	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	10.5	16.5	57%	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	23.5	70.0	198%	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	3.35	12.0	258%	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	IMC's 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	7%	SELL	AvangardCo's revenue fell by 33% YoY in FY17 despite an increase in egg sales volume by 23% YoY. We attribute this negative development to weak results in the value-added egg powder segment. AvangardCo said that its egg product sales volume had plunged by 64% YoY to some 3300 tonnes, with the average pricing dropping by 23% YoY to USD 4.30/kg.
Ovostar Union	OVO PW	110.0	110.0	0%	HOLD	The company has a strong focus on domestic branded egg sales and successfully expands its export sales to mitigate negative effect from devaluation. Ovostar is in the midst of a long-term expansion that will ultimately see egg output triple over 2012-18E.
Iron Ore						
Ferrexpo	FXPO LN	198	230	16%	BUY	Iron ore market has seen a major shift over the past two years as China's anti-pollution drive spurs demand for cleaner ore, exploding the spreads between top-quality material and lower-grade cargoes, which benefits Ferrexpo as top-quality pellets producer.
Specialized Machinery						
Motor Sich	MSICH	5390	6750	25%	BUY	Motor Sich is closing in on a solid contract with Chinese company Avicopter (AVIC) to supply helicopter engines for a Russian-Chinese project. Our base case scenario forecast for Motor Sich's net profit for FY18 is UAH 2.6bn, implying EPS of UAH 1,270.
Oil & Gas						
UkrNafta	UNAF	127	270	113%	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	0.27	0.33	22%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT LN	51.8	30.0	-42%	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	35.0	33.0	-6%	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						
DonbasEnergO	DOEN	23.2	9.0	-61%	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	15.00	25.60	71%	BUY	CentrEnergO posted net profit of UAH 5.12 per share in FY17, and the company decided to distribute 75% of this profit in shareholder dividends. CentrEnergO'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	0.345	0.47	36%	BUY	We forecast that Raiffeisen Aval will raise its net profit by 7.3% YoY to UAH 4.80bn in FY18, implying EPS of 7.81 kopecks. We also believe the bank will continue its practice of large dividend payouts, with the FY18 dividend possibly around 7.50 kopecks per share. Raiffeisen Aval, about 70% of which is held by Raiffeisen International, has been the most dividend-rich stock in the Ukrainian equity universe since 2016. The stock's dividend yield last year was 20% and this year it was around 22%. Raiffeisen Aval posted a net profit of UAH 4.47bn for full-year 2017 (USD 170mn at the average UAH/USD rate for the period), compared to UAH 3.82bn for full-year 2016 and a net loss of UAH 1.44bn in FY15.

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
PFTS Index	UX	556.39	608.78	310.48	-0.5%	-2.9%	3.3%	76.6%	--	--	--	--
Iron Ore Mining												
Ferrexpo	FXPO	199.50	316.10	143.50	6.3%	-6.0%	6.1%	-31.9%	6.8%	-3.1%	2.9%	-108.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.10	12.20	10.00	0.0%	0.0%	-1.0%		0.5%	2.9%	-4.2%	
Specialized Machinery												
Motor Sich	MSICH	5390	n/a	n/a								
Turboatom	TATM	13.70	14.15	13.00	0.0%	-0.8%	1.5%		0.5%	2.1%		
Telecom												
Ukrtelecom	UTLM	0.13	0.143	0.127	-11.2%	-10.6%			-10.7%	-7.7%		
Oil & Gas												
Regal Petroleum	RPT	51.25	62.00	6.41	-5.1%	11.4%	17.3%	631.6%	-4.6%	14.3%	14.0%	555.0%
JKX Oil	JKX	35.50	47.00	11.00	-7.8%	-3.5%	17.2%	222.7%	-7.3%	-0.6%	13.9%	146.1%
Ukrnafta	UNAF	127.0	140.00	98.00	-2.3%	0.4%	13.9%		-1.8%	3.3%		
Power Utilities												
Centrenerg	CEEN	15.00	23.70	12.25	-5.6%	-10.7%	3.2%	18.2%	-5.1%	-7.8%	0.0%	-58.4%
Donbasenerg	DOEN	31.00	38.00	21.10	-0.8%	-3.7%	11.6%		-0.3%	-0.8%		
Consumer												
Agroton	AGT	3.35	6.06	2.83	-2.0%	-16.3%	-6.9%	-26.9%	-1.5%	-13.3%	-10.2%	-103.5%
Astarta	AST	23.50	57.60	23.50	-12.3%	-20.6%	-21.7%	-54.4%	-11.8%	-17.7%	-24.9%	-131.0%
Avangardo	AVGR	0.28	0.41	0.27	0.0%	0.0%	-15.2%	-22.2%	0.5%	2.9%	-18.4%	-98.8%
Industrial Milk Company	IMC	13.00	14.80	11.05	-0.8%	-9.1%	10.2%	4.2%	-0.3%	-6.2%	6.9%	-72.4%
Kernel	KER	48.20	55.50	45.60	-4.2%	-5.5%	0.4%	1.4%	-3.7%	-2.6%	-2.8%	-75.2%
MHPC	MHPC	10.50	15.45	10.00	0.0%	-0.9%	-12.5%	-8.7%	0.5%	2.0%	-15.8%	-85.3%
Milkiland	MLK	0.22	1.65	0.22	-12.0%	-51.1%	-75.3%	-85.7%	-11.5%	-48.2%	-78.5%	-162.3%
Ovostar Union	OVO	110.00	114.00	88.00	-2.7%	-3.5%	8.9%	25.0%	-2.1%	-0.6%	5.7%	-51.6%
Banks												
Raiffeisen Bank Aval	BAVL	0.345	0.36	0.26	4.6%	-1.8%	6.9%		5.1%	1.1%	3.6%	

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	2017	2018E	2016	2017	2018E	2016	2017	2018E	2016	2017	2018E	2016	2017	2018E
Iron Ore Mining																
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%
Railcar Manufacturing																
Kryukiv Wagon	KVBZ	84	141	80	-1	14	9	-1.0%	9.9%	10.7%	-4	12	4	-5.2%	8.6%	5.0%
Specialized Machinery																
Turboatom	TATM	85	87	93	49	37	40	57.1%	42.6%	43.1%	42	26	28	49.2%	29.9%	29.9%
Motor Sich	MSICH	414	436	388	166	156	88	40.1%	35.8%	22.7%	77	117	51	18.6%	26.7%	13.3%
Oil & Gas																
Ukrnafta	UNAF	885	1,011	1,326	116	65	333	13.1%	6.5%	25.1%	-343	17	191	-38.7%	1.7%	14.4%
Regal Petroleum	RPT	26	35	60	12	17	59	44.9%	49.8%	98.3%	0	2	42	na	6.5%	70.0%
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	412	532	46	104	40	11.1%	25.2%	7.6%	15	71	27	3.6%	17.3%	5.0%
Donbasenergo	DOEN	157	147	222	7	8	23	4.4%	5.8%	10.2%	-2	2	13	-1.1%	1.4%	5.7%
Consumer																
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	2,403	346	319	223	17.4%	14.7%	9.3%	225	176	52	11.3%	8.1%	2.2%
Astarta	AST	402	514	452	167	134	162	41.6%	26.1%	35.9%	90	69	75	22.4%	13.5%	16.7%
Avangardco	AVGR	191	130	127	1	12	15	0.4%	9.1%	11.8%	-57	-8	-5	-29.6%	-5.8%	-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	2,455	2,482	381	404	408	192	234	236	150	169	236	39.4%	41.8%	58.0%

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	2017	2018E	2016	2017	2018E	2016	2017	2018E	
Iron Ore Mining														
Ferrexpo	FXPO	1,491	24.0%	358	1,894	7.9	3.8	3.6	5.1	3.4	3.3	1.9	1.6	1.5
Railcar Manufacturing														
Krukiv Wagon	KVBZ	41	5.0%	2	11	neg	3.4	10.4	neg	0.8	1.3	0.1	0.1	0.1
Specialized Machinery														
Turboatom	TATM	207	3.8%	8	199	5.0	7.9	7.5	4.1	5.3	5.0	2.3	2.3	2.1
Motor Sich	MSICH	401	24.0%	96	379	5.2	3.4	7.8	2.3	2.4	4.3	0.9	0.9	1.0
Oil & Gas														
Ukrnafta	UNAF	247	3.0%	7	240	neg	14.8	1.3	2.1	3.7	0.7	0.3	0.2	0.2
Regal Petroleum	RPT	209	21.6%	45	169	n/a	>30	5.0	14.6	9.7	2.9	6.6	4.8	2.8
JKX Oil & Gas	JKX	77	50.4%	39	186	neg	neg	>30	6.4	10.3	6.4	2.3	2.3	2.1
Electric Utilities														
CentrEnergO	CEEN	198	21.7%	43	167	13.1	2.8	7.5	3.6	1.6	4.2	0.4	0.4	0.3
DonbasEnergO	DOEN	26	14.2%	4	32	neg	12.5	2.1	4.6	3.7	1.4	0.2	0.2	0.1
Consumer														
MHP	MHPC	1,110	34.1%	378	2,290	18.7	4.8	3.4	5.5	4.2	4.2	2.0	1.8	1.6
Kernel	KER	1,021	61.8%	631	1,021	4.5	5.8	19.6	2.9	3.2	4.6	0.5	0.5	0.4
Astarta	AST	156	37.0%	58	382	1.7	2.3	2.1	2.3	2.8	2.4	1.0	0.7	0.8
Avangardco	AVGR	18	22.5%	4	349	neg	neg	neg	>30	29.6	23.3	1.8	2.7	2.8
Ovostar	OVO	176	25.0%	44	178	5.0	17.6	12.5	4.4	11.6	8.7	2.1	2.2	2.0
Banks														
						P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	759	1.8%	14		5.1	4.5	4.4	2.0	1.9	1.9	0.36	0.31	0.31

Source: Eavex Research

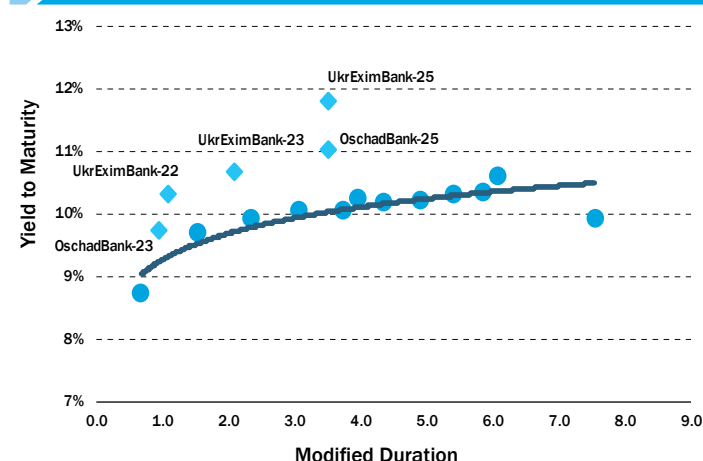
UKRAINIAN EURO BONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2019	98.9	99.9	9.5%	8.0%	-5.6%	0.6	7.75%	S/A	1 Sept 2019	661	Caa2/B-/B-
Ukraine, 2020	96.4	97.2	10.1%	9.6%	-8.9%	1.5	7.75%	S/A	1 Sept 2020	1,365	Caa2/B-/B-
Ukraine, 2021	93.9	94.9	10.4%	10.0%	-11.6%	2.3	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	91.6	92.6	10.6%	10.2%	-13.6%	3.0	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	89.6	90.6	10.6%	10.3%	-15.4%	3.7	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	88.0	89.0	10.6%	10.4%	-16.1%	4.3	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2024-2	93.3	94.3	10.7%	10.5%	-6.2%	3.9	8.99%	S/A	1 Feb 2024	750	/B-/B-
Ukraine, 2025	86.5	87.5	10.6%	10.4%	-16.7%	4.8	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	84.9	85.9	10.7%	10.5%	-17.4%	5.3	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	84.3	85.3	10.6%	10.4%	-18.1%	5.8	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2028	92.9	94.0	10.9%	10.7%	-6.6%	6.0	9.75%	S/A	1 Nov 2018	1,250	/B-/B-
Ukraine, 2032	79.5	80.5	10.2%	10.0%	-18.7%	7.5	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	57.6	58.6	n/a	n/a	5.4%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agroton, 2019	16.0	20.6	1068%	773%	10.6%	0.1	6.00%	S/A	14 Jul 2019	8	//
Kernel, 2022	95.7	96.7	10.4%	10.0%	-12.9%	2.5	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	102.0	103.1	6.6%	5.7%	-5.8%	1.2	8.25%	S/A	2 Apr 2020	79	/B/B
MHP, 2024	94.8	95.3	9.0%	8.9%	-12.6%	4.2	7.75%	S/A	10 May 2024	500	/B/B
MHP, 2026	85.9	86.9	9.7%	9.5%	-13.6%	5.3	6.95%	S/A	4 Apr 2026	550	/B/B
Avangardco, 2018	20.3	23.0	n/a	n/a	n/a	n/a	10.00%	S/A	29 Oct 2018	214	//
UkrLandFarming, 2018	15.1	16.5	n/a	n/a	n/a	n/a	10.88%	S/A	26 Mar 2018	543	//
Mriya, 2016	8.0	12.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	8.0	12.0	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	96.2	97.2	11.6%	11.4%	-10.1%	4.4	10.75%	S/A	31 Dec 2024	1,344	//
Metinvest, 2021	100.0	102.0	7.4%	6.7%	-3.9%	n/a	9.37%	S/A	31 Dec 2021	117	//B
Metinvest, 2023	90.7	91.7	10.5%	10.2%	-7.9%	3.4	7.75%	S/A	23 Apr 2023	945	//B
Metinvest, 2026	89.7	90.6	10.6%	10.4%	-8.6%	5.1	8.50%	S/A	23 Apr 2026	648	//B
Ferrexpo, 2019	100.2	101.3	9.3%	5.5%	-3.9%	0.3	10.375%	S/A	07 Apr 2019	93	Caa3/CCC/CC
Ferrexpo, 2019	100.4	101.2	8.9%	6.0%	-4.0%	0.3	10.375%	S/A	07 Apr 2019	80	Caa3/CCC/CC
UZ Rail, 2021	97.4	98.5	11.0%	10.5%	-8.1%	0.9	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	28.5	33.7	n/a	n/a	9.8%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	78.0	85.0	39.5%	30.3%	-1.8%	0.9	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
PUMB, 2018	99.6	100.9	49.3%	-64.8%	-3.9%	0.0	11.00%	Q	31 Dec 2018	103	//
PrivatBank, 2018-2	20.0	30.0	n/a	n/a	-25.4%	1.5	10.25%	S/A	23 Jan 2018	160	IN DEFAULT
PrivatBank, 2021	8.6	13.6	n/a	n/a	-28.2%	0.9	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	18.9	23.2	n/a	n/a	-47.8%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	97.8	98.6	10.4%	10.1%	-8.3%	1.0	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	92.1	95.5	12.4%	11.3%	-6.5%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	93.6	94.6	11.2%	11.0%	-13.2%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
Oschadbank, 2023	98.4	99.3	9.8%	9.6%	-7.7%	0.9	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	94.6	95.6	10.8%	10.6%	-11.8%	2.0	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2022	91.2	91.8	10.3%	10.1%	-8.5%	2.7	7.50%	S/A	15 Dec 2022	115	//B-

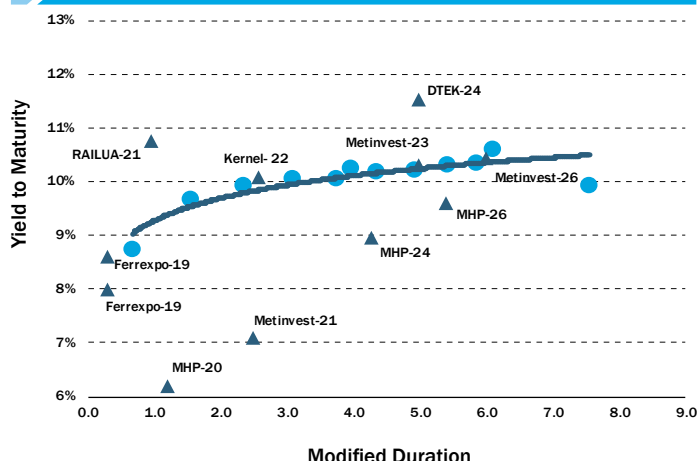
¹ Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EURO BONDS



SOVEREIGNS vs. CORPORATE EURO BONDS



UKRAINIAN DOMESTIC BONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume UAH mn
UAH denominated Bonds									
UA80426			19.75%	18.00%	n/a	n/a	S/A	10 Apr 2019	n/a
UA4000196620			20.50%	18.50%	n/a	n/a	S/A	15 Jan 2020	n/a
UA4000200174			20.50%	18.50%	n/a	n/a	S/A	20 Jan 2021	n/a
VAT Bonds									
UA4000185151			21.00%	19.25%	n/a	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			21.00%	19.25%	n/a	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			21.00%	19.25%	n/a	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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