

## Stock Market Update

### Equity

Trading in Kyiv-listed Ukrainian equities remained inactive as both local and foreign investors are concerned that an irresponsible populist could win the upcoming presidential election. President Poroshenko, who is widely preferred by the business community, is facing a tough task to win re-election; only one president has won re-election in Ukraine since independence in 1991. Later this month voters will have 44 candidates to pick from, with as many as five possibly polling above 10 percent, before a likely Apr 21 runoff round. A recent survey reported that 82% of Ukrainians mistrust parliament and 71% feel the same way about Poroshenko.

In individual stocks, there was a bombshell news from UkrNafta (UNAF) that the company is going to ask shareholders' permission to sign a large deal with state-owned NaftoGaz regarding the sale of long-disputed natural gas inventories. We think that this could be the needed political deal between UkrNafta and the government which would include the repayment of UkrNafta's tax debt. A special UkrNafta shareholders meeting has been scheduled for Mar 28. The stock had a positive reaction to the news, jumping 9.5% to UAH 133 per share. Raiffeisen Bank Aval (BAVL) edged down 0.3% to 35.8 kopecks and CentrEnerg (CEEN) lost 4.0% to UAH 13.45 on expectations of unimpressive 4Q18 financial results.

In London, Ferrexpo (FXPO) declined 2.1% to GBp 264 and MHP (MHPC) dropped by 3.5% to UAH 11.00. On the Warsaw Stock Exchange, Kernel (KER) added 0.6% to PLN 49.00 and sporadically-traded sugar producer Astarta (AST) advanced by 20% to PLN 32.60.

On the interbank currency market, the hryvnia picked up a gain of 0.7% against the dollar over the week to close at 26.84 UAH/USD.

## Highlights

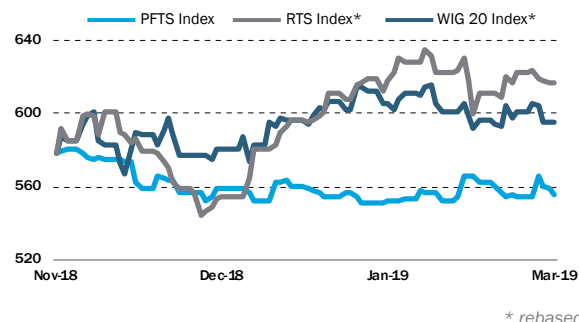
### POLITICS AND ECONOMICS

- Poroshenko, Grytsenko Campaigns Trade Insults as Sadoviy Withdraws
- Ukraine's January Industrial Output Down 3.3% YoY

### STOCKS IN THE NEWS

- Kernel's Oct-Dec EBITDA Jumps 70% YoY on 2.1x Surge in Revenue

## STOCK MARKET PERFORMANCE

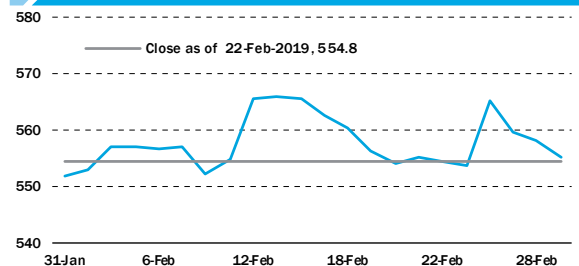


\* rebased

## MARKET INDEXES

	Last	1W ch	1M ch	YTD
PFTS	555.4	0.1%	0.6%	-0.7%
RTS	1187.4	-0.9%	-0.3%	11.4%
WIG20	2333.1	-1.0%	-1.7%	2.5%
MSCI EM	1051.5	-0.7%	2.1%	9.2%
S&P 500	2803.7	0.4%	6.2%	12.8%

## PFTS 1M PERFORMANCE



## FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	361	-3.8%	-6.4%	-16.3%
NBU Key Rate	18.0%	0.0 p.p.	0.0 p.p.	0.0 p.p.
Ukraine-19	6.9%	-2.0 p.p.	-2.3 p.p.	-1.9 p.p.
Ukraine-27	9.2%	0.0 p.p.	-0.5 p.p.	-1.2 p.p.
DTEK-24	11.6%	0.0 p.p.	0.0 p.p.	0.0 p.p.
UZ Rail-21	10.2%	-0.2 p.p.	-0.8 p.p.	-1.9 p.p.

## CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.84	-0.7%	-3.4%	-3.2%
EUR	30.61	0.0%	-3.6%	-3.5%
RUB	0.41	-1.6%	-2.8%	2.6%

## COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	223.0	0.0%	-2.0%	0.9%
Steel, USD/t	440.0	-1.1%	4.8%	7.3%
Oil, USD/bbl	65.1	-3.2%	6.2%	22.3%
Gold, USD/oz	1293.4	-2.6%	-1.4%	1.0%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Poroshenko, Grytsenko Campaigns Trade Insults as Sadoviy Withdraws

by Will Ritter  
w.ritter@eavex.com.ua

### NEWS

Tensions flared between the campaigns of President Poroshenko and former defense minister Anatoliy Grytsenko on Friday (Mar 1) after Grytsenko claimed on social media that Poroshenko has cancelled all of his outdoor advertising in April in anticipation of being defeated in the first round of Ukraine's presidential election on Mar 31. Poroshenko's chief campaign strategist Oleg Medvedev fired back at Grytsenko the same day, denying the information and saying that Poroshenko is ready to purchase all of the Grytsenko campaign's own outdoor advertising, "because [Grytsenko] definitely won't be needing it". Meanwhile, Lviv mayor and Samopomich opposition party leader Andriy Sadoviy quit the presidential race on Friday and announced his support for Grytsenko, saying "I don't idealize him, but his values are close to our soul". In other campaign news, Poroshenko and leftist opposition candidate Yulia Tymoshenko were both hit with scandalous stories last week: a close Poroshenko ally, Oleg Gladkovskiy, was accused by a top civil society watchdog group of importing military hardware parts from Russia and selling them to the Ukrainian Army at a high mark-up, while Tymoshenko was accused (by the same watchdog) of injecting her own personal wealth into her campaign finances while disguising it as donations from her supporters.

### COMMENTARY

Sadoviy's Samopomich (Self-Help) was elected to Parliament in 2014 on promises of a strong reform agenda, but the party then proceeded to expel its top reformers as it turned into a hard-line ideological faction; Sadoviy's pro-Western credibility has suffered as a result, and even in his home province of Lviv, he is far from a universally popular figure. Sadoviy consistently polled no higher than 4 percent, and his withdrawal is a tacit acknowledgement that Grytsenko, a conservative nationalist who heads the Civil Position party, is simply a stronger candidate running in the same electoral lane. At 9% in the latest polling, Grytsenko is not within striking range of Poroshenko's 18%, but the danger for Poroshenko is that if he shares too much of the moderate nationalist vote with Grytsenko, chances are increased that Tymoshenko (now polling at 14%) could take second place and advance to the runoff round. Russophone actor and comedian Volodymir Zelenskiy continues to hold a comfortable lead for the first round, polling at 26% thanks to his dominance in Eastern Ukraine, but we believe that Zelenskiy's close ties to unpopular Dnipropetrovsk oligarch Igor Kolomoyskiy, who has been supporting both Zelenskiy and Tymoshenko in an "anyone but Poroshenko" strategy, will probably be a strike against his electability in the run-off. And as we have stated previously, the Ukrainian electoral map simply holds a built-in advantage for a Ukrainian-speaking candidate over a Russian-speaking candidate in a one-on-one matchup.

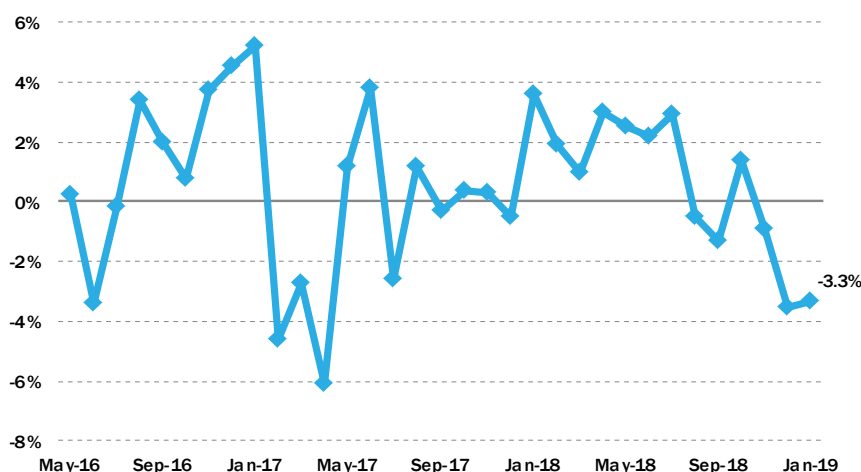
**Ukraine's January Industrial Output Down 3.3% YoY**

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

**NEWS**

Ukraine's industrial production fell by 3.3% YoY in January, representing a second straight month of notable decline following December's 3.6% YoY drop, the State Statistics Committee (UkrStat) reported last week. There was also a month-on-month unadjusted drop of 13.8% in January's industrial index as a result of the New Year holiday season. As has already been reported, Ukraine's overall industrial production for full-year 2018 showed a rise of 1.1%.

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



Source: State Statistics Committee

**COMMENTARY**

The 2-month trend of more than 3% year-on-year declines in industrial output looks concerning; the next couple of months' data will tell whether this might simply be a statistical anomaly. Output in the manufacturing sector fell 5.5% YoY in January, with the largest drop of 66% YoY reported in the electricity equipment production, which we view as some kind of one-off event. The food sector also saw an output decline of 1.9% YoY during the month. The utility sector output increased by 1.3% YoY while the extraction sector's production index declined by 1.4% YoY on lower iron ore extraction (-7.1% YoY). Meanwhile, extraction of coal rose by 16.2% YoY in the period and oil&gas output increased by 4.3% YoY.

For now, despite the weak start to 2019, we are leaving our full-year Ukraine industrial output forecast at growth of 2.1%, based on expected gains in the steel and chemical sectors on the back of the quite strong global economy.

In other key economic statistics, UkrStat reported that retail sales volumes rose by 6.3% YoY in January, continuing the impressive pace that the retail sector has enjoyed for the last 3 years. The construction sector was also in good shape, seeing growth in activity measured by the index of 6.2% YoY in the first month of the year.

## Kernel's Oct-Dec EBITDA Jumps 70% YoY on 2.1x Surge in Revenue

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

### KERNEL (KER PW)

Price: PLN 49.0 Market Cap: USD 1,030mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
FY18	0.9	0.7	19.8	7.4	1.9%
FY19E	0.7	0.5	4.9	5.3	1.9%

## NEWS

Kyiv-based, Warsaw-listed Kernel Holding, Ukraine's largest sunflower oil producer, posted a jump in its EBITDA by 68% YoY to USD 129mn in the Oct-Dec quarter (the company's 2Q19, as its financial year runs from July to June). According to the consolidated financial statement published on Feb 28, net revenue surged by 2.1x YoY to USD 1.14bn in the period and net profit rose by 32% YoY to USD 88mn. For 1H19, Kernel had revenue of USD 2.26bn (+2.1x YoY), EBITDA of USD 230mn (+87% YoY), and net profit of USD 164mn (+83% YoY).

### KERNEL FINANCIAL RESULTS

USD mn	2Q FY19	2Q FY18	YoY	1H FY19	1H FY18	YoY
Net revenue	1,114.9	536.1	+2.1x	2,255.2	1,072.2	+2.1x
EBITDA	129.3	77.1	+68%	229.9	123.1	+87%
EBITDA margin	11.6%	14.4%	-2.8 p.p.	10.2%	11.5%	-1.3 p.p.
Net Income	88.5	67.0	+32%	164.0	89.8	+83%
Net margin	7.9%	12.5%	-4.6 p.p.	7.3%	8.4%	-1.1 p.p.

Source: Company data,

On the balance sheet side, Kernel's net debt amounted to USD 875mn as of 31 December 2018, implying a Net Debt/EBITDA ratio of 2.7x, down from 2.9x a year earlier. However, Kernel claimed that its "adjusted" net debt, which took into account readily-marketable inventories, is at a much lower level of some USD 150mn.

## COMMENTARY

Kernel's improved financial results were primarily driven by strong grain exports in the period. The company's grain and infrastructure division brought in USD 888mn in sales in Oct-Dec, which was a 3.3x YoY increase. Meanwhile, on the EBITDA level, a higher profit was reached due to cheaper sunflower seed procurement in the oilseeds processing segment amid strong crop yields achieved in the farming segment. Kernel unveiled a guidance that its sunflower seeds processing volume should reach 3.1mn tonnes in FY19, with an average "crushing margin" near USD 65 per tonne of oil sold, up from USD 54/tonne in FY18. Ukraine's record sunflower seed harvest last year of 15.7mn tonnes in Ukraine should support the company's crushing targets. The KER stock has remained very close to the PLN 50 per share level for the last 6 months despite the company looking undervalued at an EV/EBITDA multiple of 5.3x. 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
<b>Agriculture</b>						
Kernel	KER PW	49.0	82.0	67%	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	11.0	16.5	50%	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	32.6	70.0	115%	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	3.41	12.0	252%	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	14.1	13.0	-8%	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	109.0	110.0	1%	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	230	-13%	HOLD	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.
<b>Specialized Machinery</b>						
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.
<b>Oil &amp; Gas</b>						
UkrNafta	UNAF	133	270	103%	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	60.0	--	--	U/R	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	53.5	--	--	U/R	The company's balance sheet looks healthy after it successfully restructured its Eurobonds. An overall demand for natural gas in Ukraine remains strong.
<b>Power Utilities</b>						
DonbasEnergO	DOEN	34.9	9.0	-74%	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	13.45	25.60	90%	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.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.358	0.47	31%	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	555.41	608.78	349.63	0.1%	0.6%	-4.2%	-0.7%	--	--	--	--
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	264.30	316.10	143.50	-2.1%	20.9%	50.8%	35.8%	-2.3%	20.3%	55.0%	36.5%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	n/a	12.20	10.00								
<b>Specialized Machinery</b>												
Motor Sich	MSICH	5390	n/a	n/a								
Turboatom	TATM	10.50	14.15	10.50	-12.5%	-8.7%	-22.5%	-23.4%	-12.6%	-9.3%	-18.3%	-22.7%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.13	0.143	0.127	0.0%	-6.4%	-8.4%	3.1%	-0.1%	-7.0%	-4.1%	3.9%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	57.00	63.00	15.45	34.1%	17.3%	30.4%	-9.5%	34.0%	16.7%	34.7%	-8.8%
JKX Oil	JKX	53.00	53.00	20.00	16.0%	22.7%	69.3%	34.2%	15.9%	22.1%	73.6%	34.9%
Ukrnafta	UNAF	133.0	140.00	98.00	9.5%	2.3%	6.3%	-5.0%	9.3%	1.7%	10.6%	-4.3%
<b>Power Utilities</b>												
Centrenerg	CEEN	13.45	23.70	12.04	-4.0%	-5.6%	-23.4%	-6.0%	-4.1%	-6.2%	-19.2%	-5.3%
Donbasenerg	DOEN	34.90	38.00	21.10	2.6%	5.8%	8.4%	9.4%	2.5%	5.2%	12.6%	10.1%
<b>Consumer</b>												
Agroton	AGT	3.52	5.65	2.83	1.7%	0.6%	-2.2%	1.1%	1.6%	0.0%	2.0%	1.9%
Astarta	AST	32.60	52.60	23.00	20.7%	34.2%	19.0%	41.7%	20.6%	33.6%	23.2%	42.4%
Avangardo	AVGR	0.28	0.39	0.27	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.6%	4.2%	0.7%
Industrial Milk Company	IMC	14.05	14.80	11.05	-0.4%	-1.7%	11.1%	6.8%	-0.5%	-2.3%	15.3%	7.6%
Kernel	KER	49.00	55.50	45.60	0.6%	-3.7%	-8.1%	0.1%	0.5%	-4.3%	-3.8%	0.8%
MHPC	MHPC	11.00	14.00	9.80	-3.5%	4.8%	3.8%	6.3%	-3.6%	4.2%	8.0%	7.0%
Milkiland	MLK	0.45	1.48	0.21	-16.7%	40.6%	104.5%	114.3%	-16.8%	40.1%	108.8%	115.0%
Ovostar Union	OVO	109.00	114.00	93.00	0.0%	-1.8%	-3.5%	-3.5%	-0.1%	-2.4%	0.7%	-2.8%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.358	0.39	0.26	-0.3%	21.8%	1.9%	2.3%	-0.4%	21.2%	6.1%	3.0%

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	2017	2018E	2016	2017	2018E	2016	2017	2018E	2016	2017	2018E	2016	2017	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	84	141	80	-1	14	9	-1.0%	9.9%	10.7%	-4	12	4	-5.2%	8.6%	5.0%
<b>Specialized Machinery</b>																
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%
<b>Oil &amp; Gas</b>																
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%
<b>Electric Utilities</b>																
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	18	-1.1%	1.4%	8.2%
<b>Consumer</b>																
MHP	MHPC	1,135	1,289	1,521	415	549	520	36.6%	42.6%	34.2%	59	230	190	5.2%	17.8%	12.5%
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%
<b>Banks</b>																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	2,113	2,455	2,482	381	404	418	192	234	236	150	169	236	39.4%	41.8%	56.6%

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	
<b>Iron Ore Mining</b>														
Ferrexpo	FXPO	2,060	24.0%	495	2,463	10.9	5.2	5.0	6.6	4.5	4.3	2.5	2.1	2.0
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ		5.0%											
<b>Specialized Machinery</b>														
Turboatom	TATM	161	3.8%	6	153	3.9	6.2	5.8	3.1	4.1	3.8	1.8	1.7	1.6
Motor Sich	MSICH	407	24.0%	98	385	5.3	3.5	7.9	2.3	2.5	4.4	0.9	0.9	1.0
<b>Oil &amp; Gas</b>														
Ukrnafta	UNAF	262	3.0%	8	255	neg	15.7	1.4	2.2	3.9	0.8	0.3	0.3	0.2
Regal Petroleum	RPT	242	21.6%	52	202	n/a	>30	5.8	17.5	11.6	3.4	7.9	5.8	3.4
JKX Oil & Gas	JKX	120	50.4%	61	229	neg	neg	>30	7.9	12.7	7.9	2.9	2.8	2.6
<b>Electric Utilities</b>														
CentrEnerg	CEEN	180	21.7%	39	150	11.9	2.5	6.8	3.2	1.4	3.7	0.4	0.4	0.3
DonbasEnerg	DOEN	30	14.2%	4	35	neg	14.2	1.6	5.1	4.2	1.6	0.2	0.2	0.2
<b>Consumer</b>														
MHP	MHPC	1,162	34.1%	396	2,328	19.6	5.1	6.1	5.6	4.2	4.5	2.1	1.8	1.5
Kernel	KER	1,029	61.8%	636	1,029	4.6	5.8	19.8	3.0	3.2	4.6	0.5	0.5	0.4
Astarta	AST	215	37.0%	80	441	2.4	3.1	2.8	2.6	3.3	2.7	1.1	0.9	1.0
Avangardco	AVGR	18	22.5%	4	349	neg	neg	neg	>30	29.6	23.3	1.8	2.7	2.8
Ovostar	OVO	172	25.0%	43	174	4.9	17.2	12.3	4.3	11.4	8.6	2.1	2.2	2.0
<b>Banks</b>														
						P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	800	1.8%	14		5.3	4.7	4.3	2.1	2.0	1.9	0.38	0.33	0.32

Source: Eavex Research



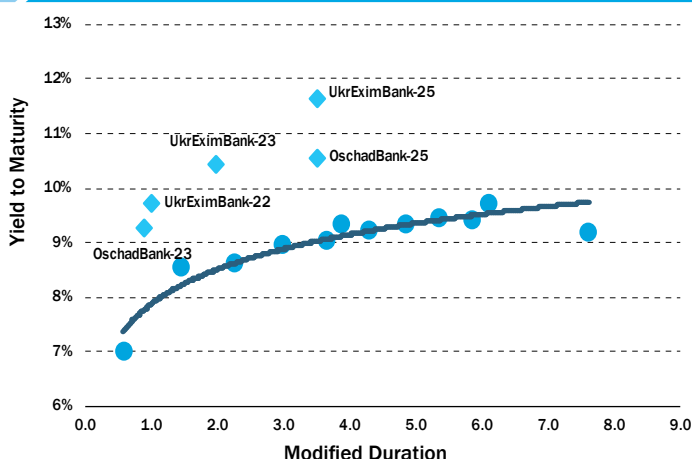
UKRAINIAN EUROBONDS

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	99.9	100.9	8.0%	5.9%	1.1%	0.5	7.75%	S/A	1 Sept 2019	661	Caa1/B-/B-
Ukraine, 2020	99.2	99.7	8.3%	8.0%	2.6%	1.4	7.75%	S/A	1 Sept 2020	1,365	Caa1/B-/B-
Ukraine, 2021	98.1	99.1	8.6%	8.2%	4.5%	2.2	7.75%	S/A	1 Sept 2021	1,409	Caa1/B-/B-
Ukraine, 2022	97.2	98.2	8.7%	8.4%	6.0%	3.0	7.75%	S/A	1 Sept 2022	1,384	Caa1/B-/B-
Ukraine, 2023	95.8	96.8	8.9%	8.6%	6.5%	3.7	7.75%	S/A	1 Sept 2023	1,355	Caa1/B-/B-
Ukraine, 2024	94.0	95.0	9.2%	8.9%	6.6%	4.3	7.75%	S/A	1 Sept 2024	1,339	Caa1/B-/B-
Ukraine, 2024-2	98.8	99.8	9.3%	9.1%	6.2%	3.9	8.99%	S/A	1 Feb 2024	750	/B-/B-
Ukraine, 2025	92.9	93.9	9.2%	9.0%	6.7%	4.9	7.75%	S/A	1 Sept 2025	1,329	Caa1/B-/B-
Ukraine, 2026	91.8	92.8	9.3%	9.1%	7.8%	5.5	7.75%	S/A	1 Sept 2026	1,318	Caa1/B-/B-
Ukraine, 2027	91.2	92.2	9.3%	9.1%	7.9%	6.0	7.75%	S/A	1 Sept 2027	1,307	Caa1/B-/B-
Ukraine, 2028	100.2	100.7	9.7%	9.6%	7.4%	6.0	9.75%	S/A	1 Nov 2018	1,250	Caa1/B-/B-
Ukraine, 2032	85.9	86.9	9.2%	9.1%	7.7%	7.5	7.375%	S/A	25 Sept 2032	3,000	Caa1//B-
Ukraine, GDP-linked (VRI)	64.1	65.1	n/a	n/a	10.8%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	16.0	20.6	1517%	1114%	0.0%	0.1	6.00%	S/A	14 Jul 2019	8	//
Kernel, 2022	100.5	101.3	8.6%	8.2%	4.9%	2.5	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	102.1	103.2	6.2%	5.1%	0.1%	1.0	8.25%	S/A	2 Apr 2020	79	B3/B/B
MHP, 2024	94.8	95.3	9.0%	8.9%	0.0%	4.1	7.75%	S/A	10 May 2024	500	B3/B/B
MHP, 2026	91.4	92.3	8.6%	8.4%	6.8%	5.2	6.95%	S/A	4 Apr 2026	550	B3/B/B
Avangardco, 2018	16.9	20.8	n/a	n/a	n/a	n/a	10.00%	S/A	29 Oct 2018	214	//
UkrLandFarming, 2018	14.3	15.5	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	11.7%	11.4%	-10.1%	4.1	10.75%	S/A	31 Dec 2024	1,344	//
Metinvest, 2021	100.0	102.0	7.4%	6.6%	0.0%	n/a	9.37%	S/A	31 Dec 2021	117	B3//B
Metinvest, 2023	96.9	97.8	8.7%	8.4%	7.3%	3.5	7.75%	S/A	23 Apr 2023	945	B3//B
Metinvest, 2026	97.2	98.1	9.0%	8.9%	8.2%	5.1	8.50%	S/A	23 Apr 2026	648	B3//B
Ferrexpo, 2019	99.9	100.8	11.5%	1.4%	-0.4%	0.1	10.375%	S/A	07 Apr 2019	93	B3/CCC/CC
Ferrexpo, 2019	99.9	100.7	10.7%	2.8%	-0.4%	0.1	10.375%	S/A	07 Apr 2019	80	B3/CCC/CC
UZ Rail, 2021	99.2	100.3	10.2%	9.7%	1.8%	0.8	9.88%	S/A	15 Sept 2021	500	/CCC//CCC
Interepipe, 2017	28.7	33.5	n/a	n/a	-0.4%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	78.0	85.0	44.7%	33.6%	4.5%	0.8	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
PrivatBank, 2018-2	20.0	30.0	n/a	n/a	0.0%	1.5	10.25%	S/A	23 Jan 2018	160	IN DEFAULT
PrivatBank, 2021	8.6	13.6	n/a	n/a	0.0%	1.0	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	19.0	20.7	n/a	n/a	-9.2%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	100.1	100.7	9.6%	9.3%	2.4%	0.9	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	93.4	96.0	11.8%	11.0%	0.9%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	97.7	98.5	10.3%	10.1%	4.3%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
Oschadbank, 2023	100.1	100.8	9.3%	9.1%	1.6%	0.8	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	98.1	98.9	10.0%	9.9%	3.6%	1.9	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2022	95.7	96.3	8.9%	8.7%	6.4%	2.6	7.50%	S/A	15 Dec 2022	115	Caa2//B-

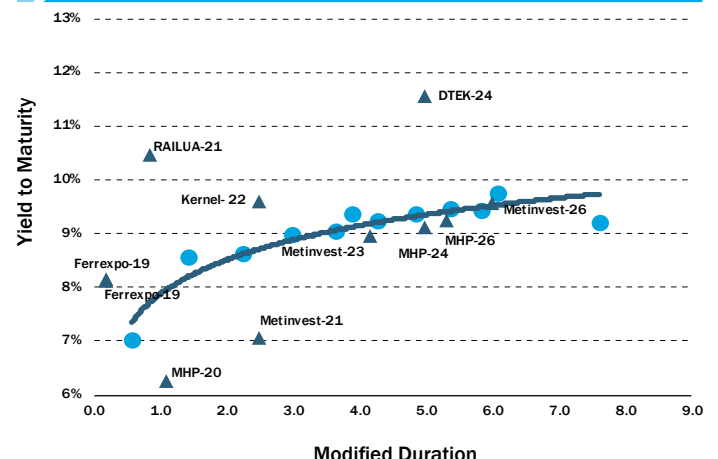
<sup>1</sup> Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE 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>									
UA4000195580			20.00%	18.25%	n/a	n/a	S/A	04 Sept 2019	n/a
UA4000196620			20.00%	18.50%	n/a	n/a	S/A	15 Jan 2020	n/a
UA4000200174			19.75%	18.00%	n/a	n/a	S/A	20 Jan 2021	n/a
<b>VAT Bonds</b>									
UA4000185151			20.00%	18.50%	n/a	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			20.00%	18.50%	n/a	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			20.00%	18.50%	n/a	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

## Eavex Capital

7 Klovisky 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