

## Stock Market Update

### Equity

Over the weekend, a pivotal development emerged as Congress successfully passed a bill earmarking USD 61bn in aid for Ukraine. This comprehensive package encompasses funding for military needs alongside partial coverage of the state budget deficit. Once again, Western leaders resolutely signal their support for Ukraine, fostering hopes of a more robust resistance against Russian aggression.

On the interbank foreign exchange market, the hryvnia remains under pressure amid a general trend of dollar strength against other currencies. Over the week, the non-cash dollar rate increased by 0.8% to 39.95 UAH/USD, while the cash rate surpassed the 40 UAH/USD level.

Among Ukrainian public companies, quotes for Raiffeisen Bank (BAVL) continued to move South, declining by 2.2% to 22.5 kopecks per share (MCap of USD 345mn). Indicative price for CentrEnerg (CEEN), which suffered from its Thermal Power Plants being destroyed by Russian missile attacks, dropped by 3.3% to UAH 2.90 (MCap of USD 27mn).

Ukrainian sugar producer Astarta (AST) edged down by 0.5% to PLN 27.80 (MCap of USD 168mn) despite reporting a solid increase in its operating cash flow in FY23.

On the international stock markets, a period of sharp correction in stock market indicators persists. Over the week, the S&P 500 index lost 3.0%, while the MSCI index for emerging markets fell by 3.6%. The primary drivers behind the stock decline were geopolitical risks, coupled with weakness in the technology sector amidst overestimations regarding the widespread adoption of artificial intelligence capabilities. NVIDIA chipmaker stock prices plummeted by 15% over the week, while Palantir shares saw a 10% decrease. Microsoft shares demonstrated a 5.5% decline.

## Highlights

### POLITICS AND ECONOMICS

- US Congress Finally Passes Crucial USD 61bn in Delayed Ukraine Aid

The National Bank of Ukraine has opened a special fundraising account to support the Armed Forces of Ukraine. Please find more at the National Bank's official website under the link below:

[www.bank.gov.ua/en/about/support-the-armed-forces](http://www.bank.gov.ua/en/about/support-the-armed-forces)

The National Bank also opened fundraising account for Humanitarian Assistance to Ukrainians. Please see details under the link below:

[www.bank.gov.ua/en/about/humanitarian-aid-to-ukraine](http://www.bank.gov.ua/en/about/humanitarian-aid-to-ukraine)

[www.eavex.com.ua](http://www.eavex.com.ua)

## TREND



UNITED24 charitable donations will be transferred to the official accounts of the National Bank of Ukraine and allocated by assigned ministries to cover the most pressing needs:

[www.u24.gov.ua](http://www.u24.gov.ua)

## MARKET INDEXES

	Last	1W ch	YTD
UX	1327	0.0%	-21.2%
RTS	1173	0.7%	8.3%
WIG20	2464	0.7%	5.2%
MSCI EM	1004	-3.6%	-2.0%
MSCI Global	743	-2.9%	2.2%
S&P 500	4967	-3.0%	4.2%

## FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	14.5%	0.0 p.p.	-0.5 p.p.
UAH 1-year bond	16.1%	0.0 p.p.	-0.7 p.p.
Ukraine-2026s	75.0%	-0.1 p.p.	-12.4 p.p.
Ukraine-2034s	33.0%	0.7 p.p.	-5.7 p.p.

## CASH EXCHANGE RATES

	Last, UAH	1W ch	YTD
USD/UAH	40.10	1.3%	5.5%
EUR/UAH	43.10	0.6%	2.6%

Source: Eavex Capital

## US Congress Finally Passes Crucial USD 61bn in Delayed Ukraine Aid

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### NEWS

The US Congress approved USD 61bn in long-stalled aid to Ukraine on Saturday (Apr 20). The lower chamber passed the measure in a 311-112 vote, overriding staunch conservative opposition to the funding. The Biden administration has stressed that, without the assistance, Ukraine could lose in its defense against russian unprecedented aggression by the end of the year.

#### The USD 61bn funding for Ukraine includes:

- >>> USD 23.2bn for replenishing US weapons, stocks and facilities
- >>> USD 11.3bn for US training of Ukrainian troops
- >>> USD 13.8bn for the purchase of advanced weapons systems
- >>> USD 26m for “oversight and accountability” of aid to Ukraine
- >>> USD 9bn in repayable economic assistance

The package will now go to the Senate, which is expected to pass it before President Joe Biden signs it into law. The Senate is set to begin considering the House-passed bill on Tuesday (Apr 23). The House vote had been delayed by Republicans for months, with some objecting to sending money overseas instead of dealing with the US-Mexico border issue.

The US has already sent to Ukraine more than USD 44bn worth of weapons, maintenance, training and spare parts since russia’s February 2022 invasion.

### COMMENTARY

While the billions of dollars in new aid is expected to sustain the Ukrainian war effort in the months ahead, if Republicans gain more power in Congress - or take back the White House - further US support seems increasingly unlikely. Some hardline Republicans voicing strong opposition to further Ukraine aid argued the US can not afford it given its rising USD 34 trillion national debt. A rough estimates indicate that the US total aid to Ukraine both military and economic could top USD 170bn, after the new bill signed.

Meanwhile, the Pentagon is ready to quickly send military aid to Ukraine as soon as lawmakers vote on the relevant bill. The package would likely include things like air defense and artillery capabilities. The air defense systems are badly needed for Ukraine to protect the country’s civilian and energy infrastructure from from russian brutal missile attacks. Just last week, russian forces attacked Dnipro City in Central Ukraine with missiles, killing at least eight people, including two children, and injuring at least 35 others. The attacks struck the very center of the city.

Certain additional risks in the near term stem from the possibility that russia may escalate attacks on Ukraine, leveraging the “window” prior to the arrival of new military assistance from the US.

**QUOTES AND MULTIPLES FOR SELECTED UKRAINIAN LISTED COMPANIES**

	Ticker	Today, UAH*	Absolute performance		MCap USD mn	EV USD mn	Free float	P/E		EV/EBITDA		EV/Sales 2024E
			1W	YtD				2023	2024E	2023	2024E	
UX Index	UX	1327	0.0%	-21.2%								
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	47.5	4.2%	-47.4%	355	224	25.5%	4.4	3.0	1.6	1.3	0.3
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	14.9	0.0%	0.0%	43	27	5.0%	14.3	11.9	3.8	3.5	0.5
<b>Oil &amp; Gas</b>												
Enwell Energy (ex-Regal)	ENW	15.5	-3.3%	-1.6%	62	29	21.6%	2.2	1.8	0.6	0.5	0.3
<b>Power Utilities</b>												
Centrenergo	CEEN	2.90	-3.3%	-35.4%	27	27	21.7%	neg	neg	neg	neg	n/a
<b>Agro sector</b>												
MHP	MHPC	3.28	1.2%	2.5%	351	1,452	33.7%	3.3	5.0	3.5	3.5	0.6
Kernel (FY22, FY23, FY24E)	KER	10.34	-8.0%	13.0%	751	1,346	5.4%	neg	2.0	2.5	2.0	0.4
Astarta	AST	27.80	-0.5%	-3.1%	168	326	37.0%	2.0	1.8	1.6	1.5	0.5
<b>Banks</b>												
										Price/Book	Price/Assets	
Raiffeisen Bank Aval	BAVL	0.23	-2.2%	-29.7%	345		1.8%	2.4	3.4	0.6	0.6	0.08

Source: UX. PFTS. LSE. WSE. Eavex Research  
\* companies listed abroad are in traded currency

**QUOTES AND MULTIPLES FOR SELECTED U.S. COMPANIES**

	Ticker	Price USD	Absolute performance		MCap USD mn	EV USD mn	P/E		EV/EBITDA		EV/Sales 2024E	
			1W	YtD			2023	2024E	2023	2024E		
Индекс S&P 500	S&P 500	4967	-3.0%	4.2%								
<b>Technology sector</b>												
Apple	AAPL	165	-6.3%	-14.3%	2,573,907	2,635,907		27.1	29.2	20.9	22.9	7.0
Microsoft	MSFT	399	-5.5%	6.1%	2,964,171	3,002,171		38.1	40.3	26.1	25.4	13.3
Palantir Technologies	PLTR	20.47	-9.7%	19.2%	44,267	41,223		276.7	126.5	152.7	82.4	15.0
<b>Electric Utilities</b>												
American Electric Power	AEP	82.20	0.1%	1.2%	42,782	85,118		19.0	17.8	11.8	10.6	4.2
Dominion Energy	D	49.84	1.9%	6.0%	41,706	84,229		25.7	24.5	11.2	10.7	4.6
<b>Oil &amp; Gas</b>												
Exxon Mobil	XOM	119.00	-0.8%	19.0%	478,975	480,285		11.4	10.4	6.0	5.7	1.4
Devon Energy	DVN	51.83	-3.0%	14.4%	33,016	38,842		8.6	7.9	5.0	4.6	2.2
PBF Energy	PBF	55.92	-6.4%	27.2%	6,833	7,003		2.2	2.5	1.5	1.6	0.2
<b>Transportation</b>												
Nordic American Tankers	NAT	3.80	-2.1%	-9.5%	793	979		6.9	6.5	6.7	6.3	1.9
<b>Pharmaceutical</b>												
Pfizer	PFE	26.00	0.5%	-9.7%	146,796	166,796		14.0	12.5	9.1	7.9	2.3
Bristol-Myers Squibb	BMJ	48.93	1.3%	-4.6%	100,649	132,249		12.1	11.5	6.7	6.5	2.9

Source: Bloomberg

**MAIN FINANCIAL FORECASTS FOR UKRAINIAN COMPANIES, USD mn**

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2022	2023	2024E	2022	2023	2024E	2022	2023	2024E	2022	2023	2024E	2022	2023	2024E
<b>Iron Ore Mining</b>																
Ferrexpo	FXPO	1,248	750	850	765	140	170	61.3%	18.7%	20.0%	220	80	120	17.6%	10.7%	14.1%
<b>Railcar Manufacturing</b>																
Kryukiv Wagon	KVBZ	111	84	56	5	7	8	4.4%	8.5%	13.9%	1	3	4	1.1%	3.5%	6.4%
<b>Oil &amp; Gas</b>																
Regal Petroleum	RPT	131	80	95	86	49	57	65.7%	61.3%	60.0%	55	28	34	41.9%	35.0%	35.8%
<b>Electric Utilities</b>																
Centrenerg	CEEN	323	427	89	-171	-18	-189	-53.0%	-4.1%	-213.1%	-224	-25	-316	-69.3%	-5.8%	neg
<b>Agro sector</b>																
MHP	MHPC	2,642	2,774	2,550	384	410	415	14.5%	14.8%	16.3%	-231	105	70	-8.7%	3.8%	2.7%
Kernel (FY22, FY23, FY24E)	KER	5,332	3,455	3,800	220	544	680	4.1%	15.7%	17.9%	-41	299	370	-0.8%	8.7%	9.7%
Astarta	AST	561	628	688	170	199	211	30.3%	31.7%	30.7%	72	85	94	12.8%	13.5%	13.6%
<b>Banks</b>																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	4,238	4,211	4,231	466	591	575	314	389	385	43	142	103	9.2%	24.1%	17.8%

Source: Eavex Research

**FINANCIAL FORECASTS FOR SELECTED U.S. COMPANIES, USD mn**

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2022	2023E	2024E	2022	2023E	2024E	2022	2023E	2024E	2022	2023E	2024E	2022	2023E	2024E
<b>Technology sector</b>																
Apple	AAPL	383,285	378,000	375,000	125,820	126,000	115,000	32.8%	33.3%	30.7%	96,995	95,000	88,000	25.3%	25.1%	23.5%
Microsoft	MSFT	211,915	219,000	225,000	102,384	115,000	118,000	48.3%	52.5%	52.4%	72,361	77,800	73,500	34.1%	35.5%	32.7%
Palantir Technologies	PLTR	1,906	2,300	2,750	-334	270	500	-17.5%	11.7%	18.2%	-374	160	350	-19.6%	7.0%	12.7%
<b>Electric Utilities</b>																
American Electric Power	AEP	19,640	19,300	20,100	7,102	7,200	8,000	36.2%	37.3%	39.8%	2,307	2,250	2,400	11.7%	11.7%	11.9%
Dominion Energy	D	17,174	18,050	18,450	4,849	7,550	7,900	28.2%	41.8%	42.8%	994	1,620	1,700	5.8%	9.0%	9.2%
<b>Oil &amp; Gas</b>																
Exxon Mobil	XOM	398,675	348,000	350,000	102,591	80,000	85,000	25.7%	23.0%	24.3%	55,740	42,000	46,000	14.0%	12.1%	13.1%
Devon Energy	DVN	19,169	15,600	17,500	10,368	7,700	8,400	54.1%	49.4%	48.0%	6,015	3,850	4,200	31.4%	24.7%	24.0%
PBF Energy	PBF	46,830	42,000	38,000	3,811	4,785	4,500	8.1%	11.4%	11.8%	2,876	3,100	2,750	6.1%	7.4%	7.2%
<b>Transportation</b>																
Nordic American Tankers	NAT	339	450	520	42	147	155	12.4%	32.7%	29.8%	15	115	122	4.4%	25.6%	23.5%
<b>Pharmaceutical</b>																
Pfizer	PFE	100,330	69,000	73,000	39,576	18,400	21,000	39.4%	26.7%	28.8%	31,372	10,500	11,700	31.3%	15.2%	16.0%
Bristol-Myers Squibb	BMJ	46,159	44,900	45,600	18,540	19,600	20,200	40.2%	43.7%	44.3%	6,327	8,300	8,750	13.7%	18.5%	19.2%

Source: Bloomberg

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