

Stock Market Update

Equity

In April, a total of 36,000 transactions were executed on the Ukrainian stock exchanges, amounting to approximately UAH 57bn, marking a 9% increase from March. Year-to-date, nearly 134,000 transactions have been conducted on domestic exchanges, totaling UAH 194bn, a 43% surge compared to January-April 2023.

Trading activity on the Ukrainian exchanges predominantly occurs in the debt segment, with government bonds comprising 92.3% of total trade volume, corporate bonds and foreign issuers' securities at 7.48%, and shares and securities of investment funds accounting for just 0.21%.

On the Ukrainian Exchange, there was some upward movement in the quotations of Raiffeisen Bank (BAVL), up by 4.3% to 24 kopecks per share, with a market capitalization of USD 369mn.

London-listed Ukrainian poultry producer MHP (MHPC) gained by 0.6% to close at USD 3.37 following the announcement that the company redeemed its Eurobonds in time.

On the interbank market, the hryvnia now trades at 39.64 UAH/USD while the cash exchange rate for the dollar increased by 0.4% to the level of 40 UAH/USD.

In the U.S. market, the S&P 500 index added 1.9% for the week, with significant gains seen in the shares of the electric utilities and power generation sectors. Specifically, American Electric Power's stock rose by 3.4%, while Dominion Energy's increased by 3.1%.

The MSCI Global Index increased by 1.7% for the week, signaling optimistic sentiments among traders worldwide.

Highlights

POLITICS AND ECONOMICS

- > Vovchansk Under Threat on the Northeastern Front

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

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

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

MARKET INDEXES

	Last	1W ch	YTD
UX	1321	5.1%	-21.6%
RTS	1188	0.3%	9.7%
WIG20	2523	2.1%	7.7%
MSCI EM	1075	1.3%	5.0%
MSCI Global	782	1.7%	7.6%
S&P 500	5222	1.9%	9.5%

FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	13.5%	0.0 p.p.	-1.5 p.p.
UAH 1-year bond	15.3%	-0.3 p.p.	-1.6 p.p.
Ukraine-2026s	90.0%	2.0 p.p.	2.6 p.p.
Ukraine-2034s	33.0%	-2.0 p.p.	-5.7 p.p.

CASH EXCHANGE RATES

	Last, UAH	1W ch	YTD
USD/UAH	40.00	0.4%	5.3%
EUR/UAH	43.15	0.6%	2.7%

Source: Eavex Capital

**Vovchansk Under Threat on the
Northeastern Front**

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

NEWS

Ukraine's General Staff admitted on Sunday (May 12) that the Russian military is having "tactical successes" in the battle for the town of Vovchansk (Kharkiv province) located just 4km from the Ukraine-Russia border.

The surprise Russian assault wave to capture border-adjacent territories of Kharkiv province began in the middle of last week. Previously, Russian attempts to capture territory in Kharkiv had been directed for the last 6 months at the town of Kupyansk (east of Vovchansk), and were coming from areas of Eastern Ukraine already occupied by Russia. Therefore, the push toward Vovchansk represents the opening of a new front in the war.

Meanwhile, further to the south on the Donetsk front, domestic media reported that Ukrainian forces have isolated a group of Russians who had managed to break through defense lines at the heavily-fortified town of Krasnohorivka, and that the situation is under control.

COMMENTARY

Vovchansk, which had a pre-war population of around 20,000, would be the first significant settlement liberated by Ukraine in the September 2022 counteroffensive to fall into Russian hands a second time.

More importantly, however, most Western analysts currently agree that Russia lacks the capabilities to advance to Kharkiv city (45 km west of Vovchansk), and that the real focus of the war remains on the Donetsk front.

It seems likely that Russia's move on Vovchansk is designed to force Ukraine to transfer combat brigades away from the eastern and southern (Zaporizhia) fronts in order to defend Kharkiv.

Russia is expected to step up its attacks in Donetsk province in the next couple of months before recently-approved US military aid to Ukraine can reach the battlefield.

Separately, there was a major personnel shake-up among top officials in the Kremlin on Sunday, with Russian defense minister Sergey Shoigu being transferred to head the Security Council, while the longtime head of that power structure, Nikolay Patrushev, appears to have been ousted. Replacing Shoigu at the defense ministry is deputy prime minister Andrey Belousov, an economist with no military rank. In our opinion, the removal of Patrushev - the most openly ideological member of Putin's inner circle - would represent quite a significant development, if confirmed.

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	1321	5.1%	-21.6%								
Iron Ore Mining												
Ferrexpo	FXPO	48.6	-3.4%	-46.1%	363	232	25.5%	4.5	3.0	1.7	1.4	0.3
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	14.9	0.0%	0.0%	43	27	5.0%	14.3	11.9	3.8	3.5	0.5
Oil & Gas												
Enwell Energy (ex-Regal)	ENW	19.2	0.5%	21.6%	77	43	21.6%	2.7	2.3	0.9	0.8	0.5
Power Utilities												
Centrenergo	CEEN	2.68	0.0%	-40.3%	25	25	21.7%	neg	neg	neg	neg	n/a
Agro sector												
MHP	MHPC	3.37	0.6%	5.3%	361	1,462	33.7%	2.5	2.4	3.3	3.0	0.5
Kernel (FY22, FY23, FY24E)	KER	10.14	-1.7%	10.8%	746	1,341	5.4%	neg	2.0	2.5	2.0	0.4
Astarta	AST	27.50	0.9%	-4.2%	168	326	37.0%	2.0	1.8	1.6	1.5	0.5
Banks												
										Price/Book	Price/Assets	
Raiffeisen Bank Aval	BAVL	0.24	4.3%	-25.0%	369		1.8%	2.6	3.6	0.6	0.6	0.09

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	5222	1.9%	9.5%								
Technology sector												
Apple	AAPL	183	0.0%	-4.9%	2,854,696	2,916,696		29.4	32.4	21.9	25.4	7.8
Microsoft	MSFT	414	1.7%	10.1%	3,075,606	3,113,606		35.7	41.8	24.4	26.4	13.8
Palantir Technologies	PLTR	20.60	-11.7%	20.0%	44,548	41,504		212.1	127.3	151.5	83.0	15.1
Electric Utilities												
American Electric Power	AEP	91.60	3.4%	12.8%	47,674	90,010		21.7	19.9	12.5	11.3	4.5
Dominion Energy	D	53.00	3.1%	12.8%	44,350	86,873		23.2	26.1	12.8	11.0	4.7
Oil & Gas												
Exxon Mobil	XOM	118.00	1.7%	18.0%	474,950	476,260		13.2	10.3	6.4	5.6	1.4
Devon Energy	DVN	50.12	-0.8%	10.6%	31,926	37,752		8.5	7.6	4.9	4.9	2.2
PBF Energy	PBF	48.47	-6.5%	10.3%	5,923	6,093		2.8	2.2	1.7	1.4	0.2
Transportation												
Nordic American Tankers	NAT	4.14	4.3%	-1.4%	864	1,050		8.7	7.1	5.9	6.8	2.0
Pharmaceutical												
Pfizer	PFE	28.00	0.7%	-2.7%	158,088	178,088		74.6	20.3	18.6	8.5	2.8
Bristol-Myers Squibb	BMJ	44.94	2.2%	-12.4%	92,442	124,042		11.2	61.6	6.4	62.0	2.7

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
Iron Ore Mining																
Ferrexpo	FXPO	1,248	750	850	765	140	170	61.3%	18.7%	20.0%	220	80	120	17.6%	10.7%	14.1%
Railcar Manufacturing																
Kryukiv Wagon	KVBZ	111	84	56	5	7	8	4.4%	8.5%	13.9%	1	3	4	1.1%	3.5%	6.4%
Oil & Gas																
Regal Petroleum	RPT	131	80	95	86	49	57	65.7%	61.3%	60.0%	55	28	34	41.9%	35.0%	35.8%
Electric Utilities																
Centrenerg	CEEN	323	427	89	-171	-18	-189	-53.0%	-4.1%	-213.1%	-224	-25	-316	-69.3%	-5.8%	neg
Agro sector																
MHP	MHPC	2,642	3,021	3,150	384	445	480	14.5%	14.7%	15.2%	-231	142	150	-8.7%	4.7%	4.8%
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%
Banks																
		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	2023	2024E	2022	2023	2024E	2022	2023	2024E	2022	2023	2024E	2022	2023	2024E
Technology sector																
Apple	AAPL	383,285	383,000	375,000	125,820	133,000	115,000	32.8%	34.7%	30.7%	96,995	97,000	88,000	25.3%	25.3%	23.5%
Microsoft	MSFT	211,915	236,500	225,000	102,384	127,700	118,000	48.3%	54.0%	52.4%	72,361	86,200	73,500	34.1%	36.4%	32.7%
Palantir Technologies	PLTR	1,906	2,225	2,750	-334	274	500	-17.5%	12.3%	18.2%	-374	210	350	-19.6%	9.4%	12.7%
Electric Utilities																
American Electric Power	AEP	19,640	18,950	20,100	7,102	7,200	8,000	36.2%	38.0%	39.8%	2,307	2,200	2,400	11.7%	11.6%	11.9%
Dominion Energy	D	17,174	14,400	18,450	4,849	6,800	7,900	28.2%	47.2%	42.8%	994	1,910	1,700	5.8%	13.3%	9.2%
Oil & Gas																
Exxon Mobil	XOM	398,675	335,000	350,000	102,591	74,300	85,000	25.7%	22.2%	24.3%	55,740	36,000	46,000	14.0%	10.7%	13.1%
Devon Energy	DVN	19,169	15,300	17,500	10,368	7,700	7,750	54.1%	50.3%	44.3%	6,015	3,750	4,200	31.4%	24.5%	24.0%
PBF Energy	PBF	46,830	38,300	38,000	3,811	3,540	4,500	8.1%	9.2%	11.8%	2,876	2,140	2,750	6.1%	5.6%	7.2%
Transportation																
Nordic American Tankers	NAT	339	392	520	42	179	155	12.4%	45.7%	29.8%	15	99	122	4.4%	25.3%	23.5%
Pharmaceutical																
Pfizer	PFE	100,330	58,500	64,200	39,576	9,600	21,000	39.4%	16.4%	32.7%	31,372	2,120	7,800	31.3%	3.6%	12.1%
Bristol-Myers Squibb	BMJ	46,159	45,000	45,600	18,540	19,400	2,000	40.2%	43.1%	4.4%	6,327	8,220	1,500	13.7%	18.3%	3.3%

Source: Bloomberg

Eavex Capital

7 Klovsky uzviz, 16th Floor
Carnegie Center
Kyiv, 01021, Ukraine

Telephone: +38 044 590 5454

E-mail: research@eavex.com.ua

Web-page: www.eavex.com.ua

Yuriy Yakovenko
Chairman of the Board

SALES & TRADING

Pavel Korovitskiy
Managing Director
Equity and Fixed Income
p.korovitsky@eavex.com.ua

RESEARCH

Dmitry Churin
Head of Research
d.churin@eavex.com.ua

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