

## Stock Market Update

### Global Equities Retreat on Trade Tensions

Equity markets saw a sharp pullback, driven by signs of overheating and renewed uncertainty over President Donald Trump's trade policy positioning. The S&P 500 dropped 2.4% over the week, dragging broader indices lower, with the MSCI Global Index down 2.6%.

Ukrainian equities were mostly under pressure. Shares of Astarta and IMC slid 2.3% and 4.8%, respectively. Kernel stock, however, advanced 3.4% to PLN 18.72 after the company disclosed an independent valuation of PLN 19.45 per share — the price offered to shareholders participating in a sell-out process initiated by a minority investor. While no official squeeze-out has been announced, expectations are growing that a full takeover bid may follow.

In political developments, US President Donald Trump has made clear that he wants a deal to end Russia's war in Ukraine by August 8. Kyiv and Moscow have held three rounds of talks in Istanbul this year that yielded exchanges of prisoners and bodies, but no breakthrough to defuse the more than three-year conflict.

A crucial question is whether Trump will continue to show an interest in ending Russia's war against Ukraine in the coming months, or will he walk away, as he and other administration officials have repeatedly suggested he might.

In the U.S., Microsoft briefly crossed the USD 4 trillion market cap threshold following a strong quarterly earnings report, before settling back to USD 3.9 trillion amid the broader market correction. NVIDIA remains the only U.S. company with a market capitalization above USD 4 trillion.

Amazon disappointed investors with its latest earnings release, triggering a 7.2% decline in its share price over the week.

## Highlights

### POLITICS AND ECONOMICS

- India Set to Defy Trump on Russian Oil Purchases
- Ukraine's Public Debt Climbs to USD 185bn, Reaching 92% of GDP

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)

Kyiv, Ukraine.  
research@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	1194	0.0%	0.0%
RTS	1070	-2.6%	19.8%
WIG20	2885	-2.6%	31.6%
MSCI EM	1226	-2.5%	14.0%
MSCI Global	917	-2.6%	9.0%
S&P 500	6238	-2.4%	6.1%

### FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	15.5%	0.0 p.p.	2.0 p.p.
UAH 1-year bond yield	16.4%	0.0 p.p.	0.0 p.p.
Ukraine-2029 yield	22.9%	-1.4 p.p.	7.0 p.p.
Ukraine-2036 yield	16.0%	-1.2 p.p.	1.6 p.p.

### CASH EXCHANGE RATES

	Last, UAH	1W ch	YTD
USD/UAH	41.90	-0.1%	-0.8%
EUR/UAH	48.70	-1.4%	9.9%

Source: Eavex Capital

## India Set to Defy Trump on Russian Oil Purchases

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

### NEWS

Sources in the Indian government said that the country is likely to continue its large-scale purchases of Russian oil despite threats from the administration of US President Trump to curtail them, the New York Times and Reuters reported over the weekend.

Trump has accused New Delhi of being complicit in financing Russia's war against Ukraine. Indian refiners began scooping up Russian oil at a discount after the start of the war in early 2022, with the country now receiving up to a third of its oil from Russia, up from only a few percent prior to 2022.

Top Trump policy advisor and deputy Chief of Staff Stephen Miller turned up the heat on Sunday (Aug 3), telling a US national television audience that "it is not acceptable for India to continue financing this war by purchasing oil from Russia". Miller also said that India also buys nearly as much Russian oil as China does.

Over the past month, Trump has threatened to place 100% tariffs on US imports from countries that do business with Russia's energy industry.

### COMMENTARY

Based on the reported import figure of 1.75 million barrels per day at an approximate price of USD 60 per barrel, India is currently providing some USD 35-40bn in oil revenue to Russia annually.

New Delhi appears to believe that Trump is bluffing with his stated intention to impose the punitive tariffs, given that Trump has backed down from some of his draconian trade threats in the past.

A former top Indian foreign policy official said that access to the cheapest possible oil supplies is "a national security imperative" for the country.

However, in our view, Trump will now face a substantial loss of credibility if he fails to follow through on this specific public threat. In general, Western countries are up against a fundamental contradiction in regard to Russian oil: they want to suppress its presence on global markets, but at the same time, they don't want their own consumers to have to pay higher energy prices.

A serious policy of creating economic pain in Russia to force the Putin regime to the negotiating table will inevitably have some negative short-term consequences for Western economies as well. For this reason, Western sanctions on Russian oil have up to now been rather tepid, and insufficient to force Putin to adjust his calculus on the cost of continuing the war.

## Ukraine's Public Debt Climbs to USD 185bn, Reaching 92% of GDP

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

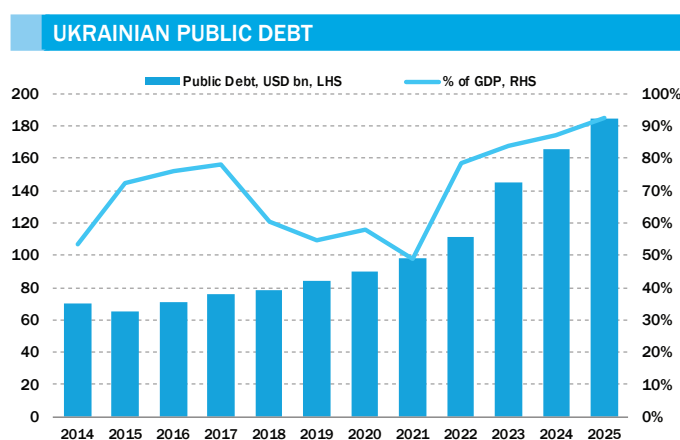
### NEWS

Ukraine's state and state-guaranteed debt reached UAH 7.8 trillion (USD 185 bn) as of June 30, according to Finance Ministry data.

Direct public debt stood at USD 178bn, while state-guaranteed obligations accounted for another USD 7.1bn.

Domestic debt, mostly in the form of local government bonds, totaled the equivalent of USD 44bn. External debt, including state-guaranteed liabilities, amounted to USD 139bn.

Since the start of the year, Ukraine's overall public and state-guaranteed debt has increased by USD 19bn, or 11.3%.



Source: MinFin

### COMMENTARY

Ukraine's state and state-guaranteed debt now amounts to 92% of projected 2025 GDP, underscoring mounting fiscal pressures as the country relies heavily on domestic bond issuance and foreign aid to bridge budget gaps.

Between 2015 and 2021, Ukraine steadily reduced its debt burden from around 80% to 50% of GDP. However, the full-scale war, a surge in military and social spending, and limited access to affordable financing have reversed that trend.

Given the high cost of borrowing for Ukraine, a debt level below 70% of GDP would be considered more sustainable. For comparison, Poland's debt-to-GDP ratio stands at 61%, while Turkey's is just 27%. In contrast, countries with access to cheaper capital carry much higher debt levels — 122% in the US and 235% in Japan.

Interest payments on Ukraine's public debt are projected to reach USD 8.5bn in 2026, or roughly 4% of GDP, based on preliminary estimates.

The country's debt profile remains precarious, with ongoing reliance on international partners to fund budget deficits. On the domestic front, the government is expected to continue refinancing maturing local bonds through new issuances. These instruments remain attractive for local banks, as their yields outpace deposit rates, making them a preferred investment vehicle.

## QUOTES AND MULTIPLES FOR SELECTED UKRAINIAN LISTED COMPANIES

	Ticker	Last Price*	Absolute performance		MCap USD mn	EV USD mn	Free float	P/E		EV/EBITDA		EV/Sales 2025E
			1W	YtD				2024	2025E	2024	2025E	
UX Index	UX	1194	0.0%	0.0%								
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	46.5	-3.1%	-58.8%	370	258	25.5%	3.1	2.2	1.5	1.1	0.2
<b>Oil &amp; Gas</b>												
Enwell Energy (ex-Regal)	ENW	15.5	0.0%	-29.5%	66	-28	21.6%	2.6	2.2	na	na	na
<b>Power Utilities</b>												
Centrenerg	CEEN	3.72	0.0%	0.0%	33	33	21.7%	neg	neg	neg	neg	n/a
<b>Agro sector</b>												
MHP	MHPC	5.18	-0.8%	4.0%	554	1,733	33.7%	3.9	4.6	3.1	3.9	0.6
Kernel (FY23, FY24, FY25)	KER	18.72	3.4%	44.0%	1,489	1,695	5.4%	4.0	5.3	2.5	4.1	0.4
Astarta	AST	47.20	-2.3%	15.7%	312	470	37.0%	3.5	3.3	2.3	2.3	0.7
IMC	IMC	25.70	-4.8%	60.6%	247	261	18.3%	4.5	4.8	3.3	3.1	1.3
<b>Banks</b>										Price/Book		Price/Assets
Raiffeisen Bank Aval	BAVL	0.33	0.0%	32.0%	484		1.8%	4.8	5.0	0.8	0.7	0.10

Source: UX. PFTS. LSE. WSE. Eavex Research  
\* prices are in traded currency

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

	Ticker	Price USD	Absolute performance		MCap USD bn	EV USD bn	P/E		EV/EBITDA		EV/Sales 2025E
			1W	YtD			2024	2025E	2024	2025E	
Индекс S&P 500	S&P 500	6238	-2.4%	6.1%							
<b>Technology sector</b>											
Apple	AAPL	202	-5.6%	-21.1%	3,151	3,191	34	35	24	23	8
Microsoft	MSFT	524	1.9%	21.9%	3,893	3,883	44	41	29	26	15
NVIDIA	NVDA	174	0.0%	29.9%	4,261	4,231	66	51	56	45	29
Palantir Technologies	PLTR	154.3	-2.8%	95.1%	336	332	673	420	554	369	81
<b>Electric Utilities</b>											
American Electric Power	AEP	113.6	3.5%	22.8%	60	104	22.4	19.5	13.6	13.1	5.0
Dominion Energy	D	60.4	2.7%	12.0%	51	93	21.1	20.3	13.9	13.1	6.2
<b>Oil &amp; Gas</b>											
Exxon Mobil	XOM	110	0.0%	3.3%	484	499	14.2	13.8	6.9	6.6	1.4
Devon Energy	DVN	32.1	-2.4%	2.9%	21	30	6.2	5.9	3.9	3.7	1.8
PBF Energy	PBF	21.7	-10.3%	-14.6%	3.3	4.3	16.3	6.5	10.9	5.4	0.1
<b>Iron Ore Mining</b>											
VALE	VALE	9.71	-2.9%	9.5%	41	53	4.5	4.1	3.5	3.1	1.2
<b>Pharmaceutical</b>											
Pfizer	PFE	23.5	-5.2%	-11.7%	133	190	31.0	27.2	13.8	13.1	3.1
Bristol-Myers Squibb	BMJ	44.2	-8.7%	-23.4%	90	133	neg	13.8	26.0	10.7	2.7

Source: Bloomberg

## MAIN FINANCIAL FORECASTS FOR UKRAINIAN COMPANIES, USD mn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E
<b>Iron Ore Mining</b>																
Ferrexpo	FXPO	750	950	1,100	140	170	230	18.7%	17.9%	20.9%	80	120	170	10.7%	12.6%	15.5%
<b>Oil &amp; Gas</b>																
Regal Petroleum	RPT	80	55	65	49	52	57	61.3%	94.5%	87.7%	28	25	30	35.0%	45.5%	46.2%
<b>Electric Utilities</b>																
Centrenerg	CEEN	427	na	na	-18	na	na	-4.1%	na	na	-25	na	na	-5.8%	na	na
<b>Agro sector</b>																
MHP	MHPC	3,021	3,046	3,137	445	566	570	14.7%	18.6%	18.2%	142	144	148	4.7%	4.7%	4.7%
Kernel (FY23, FY24, FY25E)	KER	3,455	3,800	4,200	544	680	710	15.7%	17.9%	16.9%	299	370	470	8.7%	9.7%	11.2%
Astarta	AST	628	645	685	199	202	204	31.7%	31.3%	29.7%	85	89	95	13.5%	13.8%	13.9%
IMC	IMC	139	180	200	3	80	85	2.4%	44.4%	42.5%	-21	55	52	-15.1%	30.6%	26.0%
<b>Banks</b>		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	4,977	4,643	4,886	575	615	683	594	488	453	126	100	98	21.9%	16.3%	14.3%

Source: Eavex Research

## FINANCIAL FORECASTS FOR SELECTED U.S. COMPANIES, USD bn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E
<b>Technology sector</b>																
Apple	AAPL	383	391	395	126	135	137	32.8%	34.5%	34.7%	97	94	90	25.3%	24.0%	22.8%
Microsoft	MSFT	212	245	265	105	133	147	49.5%	54.3%	55.5%	72	88	96	34.0%	35.9%	36.2%
NVIDIA	NVDA	61	118	145	36	75	95	59.0%	63.6%	65.5%	30	65	83	49.2%	55.1%	57.2%
Palantir Technologies	PLTR	2.2	2.9	4.1	0.3	0.6	0.9	13.6%	20.7%	22.0%	0.2	0.5	0.8	9.1%	17.2%	19.5%
<b>Electric Utilities</b>																
American Electric Power	AEP	19.0	19.8	20.7	7.2	7.7	8.0	37.9%	38.9%	38.6%	2.2	2.7	3.1	11.6%	13.6%	15.0%
Dominion Energy	D	14.4	14.7	15.1	6.8	6.7	7.1	47.2%	45.6%	47.0%	1.9	2.4	2.5	13.2%	16.3%	16.6%
<b>Oil &amp; Gas</b>																
Exxon Mobil	XOM	335	344	352	74	72	76	22.1%	20.9%	21.6%	36	34	35	10.7%	9.9%	9.9%
Devon Energy	DVN	15.3	15.8	16.2	7.5	7.6	7.9	49.0%	48.1%	48.8%	3.7	3.4	3.6	24.2%	21.5%	22.2%
PBF Energy	PBF	38.3	34.9	35.3	3.5	0.4	0.8	9.1%	1.1%	2.3%	2.1	0.2	0.5	5.5%	0.6%	1.4%
<b>Iron Ore Mining</b>																
VALE	VALE	41.8	41.0	44.0	15.6	15.2	17.0	37.3%	37.1%	38.6%	7.9	9.3	10.0	18.9%	22.7%	22.7%
<b>Pharmaceutical</b>																
Pfizer	PFE	58.5	59.4	62.0	9.6	13.8	14.5	16.4%	23.2%	23.4%	2.1	4.3	4.9	3.6%	7.2%	7.9%
Bristol-Myers Squibb	BMJ	45.0	47.4	48.8	19.4	5.1	12.4	43.1%	10.8%	25.4%	8.0	-7.3	6.5	17.8%	-15.4%	13.3%

Source: Bloomberg

## Eavex Capital

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

Telephone: +38 044 590 5454

E-mail: [research@eavex.com.ua](mailto:research@eavex.com.ua)

Web-page: [www.eavex.com.ua](http://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](mailto:p.korovitsky@eavex.com.ua)

### **RESEARCH**

Dmitry Churin

**Head of Research**

[d.churin@eavex.com.ua](mailto:d.churin@eavex.com.ua)

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