

## Stock Market Update

### Stocks Test Highs Amid Volatility

Equities of Ukrainian agro companies showed mixed performance. Shares of IMC and Milkiland (MLK) lost 3.6% and 3.4% respectively, while Kernel (KER) climbed 3.5% to PLN 19.70, surpassing the PLN 19.45 offer price under the company's sell-out procedure.

London-listed Ukrainian poultry maker MHP (MHPC) gained 5.9% to close at USD 5.78 per share (MCap of USD 619mn). The company said that it had completed the acquisition of 92% of Spanish poultry and pork producer Grupo UVESA, with the European Commission having given the green light to the deal.

Ukraine's largest poultry processor submitted a binding offer to acquire a minimum stake of 50.01% of UVESA back in January. According to Euromeatnews, as a result of the closed transaction, MHP's stake exceeds 92%, handing it control of the fundamental operations and management of UVESA. The deal strengthens MHP's expansion across European and Middle Eastern markets and marks a significant strategic investment in Spain's food production sector. MHP is now among the top 10 chicken producers globally according to WattPoultry.

US equity markets entered a turbulent phase as traders reacted sharply to negative macroeconomic data. July producer prices (PPI) came in above expectations, fueling volatility, though optimism for a fresh cycle of Federal Reserve easing continues to propel benchmarks toward record highs. The S&P 500 advanced 1.0% over five sessions.

Apple rose 1.3% after reports it is working on a robotic home device resembling an iPad on a flexible stand. The gadget, featuring a 7-inch display, would integrate functions of an iPad, HomePod and Apple TV, serving as a hub for Apple's smart-home ecosystem.

Palantir underperformed, sliding 5.2%.

## Highlights

### POLITICS AND ECONOMICS

- Zelenskiy Faces Tough Choices on Donbas at White House Meeting
- Ukraine's Current-Account Gap Widens to USD 14.9bn in First Half

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)

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## 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	1165	0.9%	30.5%
WIG20	2950	-2.4%	34.6%
MSCI EM	1272	1.4%	18.3%
MSCI Global	952	1.3%	13.2%
S&P 500	6450	1.0%	9.7%

## 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	20.0%	0.2 p.p.	4.1 p.p.
Ukraine-2036 yield	14.3%	0.0 p.p.	-0.1 p.p.

## CASH EXCHANGE RATES

	Last, UAH	1W ch	YTD
USD/UAH	41.60	-0.1%	-1.5%
EUR/UAH	48.65	0.1%	9.8%

Source: Eavex Capital

## Zelenskiy Faces Tough Choices on Donbas at White House Meeting

by Will Ritter  
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### NEWS

US President Trump is expected to present President Zelenskiy with a proposal of so-called “land swaps” to end the Russian invasion of Ukraine at a high-stakes meeting in Washington on Monday (Aug 18).

Media sources have reported that the Putin regime is demanding Ukraine withdraw its military from the remaining 2600 square miles (about 7000 sq km) of Donetsk province - including the major cities of Sloviansk and Kramatorsk - which would give Russia control over the entire Donbas region (Russia already occupies the entirety of Luhansk province). In return, Zelenskiy would reportedly receive the ceasefire across the entire front line which he has long sought, as well as some as-yet-unspecified areas of land currently occupied by Russia.

Also on the table, according to Trump administration negotiator Steven Witkoff, will be “Article-5-like” security guarantees from Western countries to defend Ukraine against any future Russian attack after a peace deal is concluded.

Top European leaders, including Keir Starmer of Britain, Emmanuel Macron of France, and Friedrich Merz of Germany are expected to attend the White House meeting along with Zelenskiy.

Meanwhile, the DeepState mapping group reported last week that Ukraine had lost substantial territory in Donetsk province around the town of Dobropillya, with Russian forces having advanced by as much as 10 miles (17km) in the area.

### COMMENTARY

Obtaining a ceasefire prior to comprehensive peace negotiations is very important to Zelenskiy because it would allow Ukraine to hold on to the remaining unoccupied territory in Donetsk while the negotiation process plays out.

However, with Trump having changed his position to favor immediate peace talks without a ceasefire after his Friday (Aug 15) Alaska summit with Putin, Zelenskiy is now boxed into an immediate stark choice over whether or not to cede the territory without a fight as part of a wider deal to end the war.

Our expectation is that Zelenskiy will refuse to make such a concession, in the hope that European leaders will back him up. Zelenskiy likely believes that eventually losing the remainder of the Donbas by force would be less politically damaging for him than simply giving the territory away.

Yet the problem for Ukraine is that if the Russian invasion continues for another 6 months or a year, Ukrainian losses may not be limited to Donetsk; the provinces of Kharkiv, Dnipropetrovsk, Zaporizhia, and Sumy are all variously exposed to Russian advances.

We believe that the Putin regime is counting on Zelenskiy to refuse the “land-swaps” offer so as to continue the invasion, while persuading Trump that it is Zelenskiy - not Putin - who is the main obstacle to ending the war.

## Ukraine's Current-Account Gap Widens to USD 14.9bn in First Half

by Dmitry Churin  
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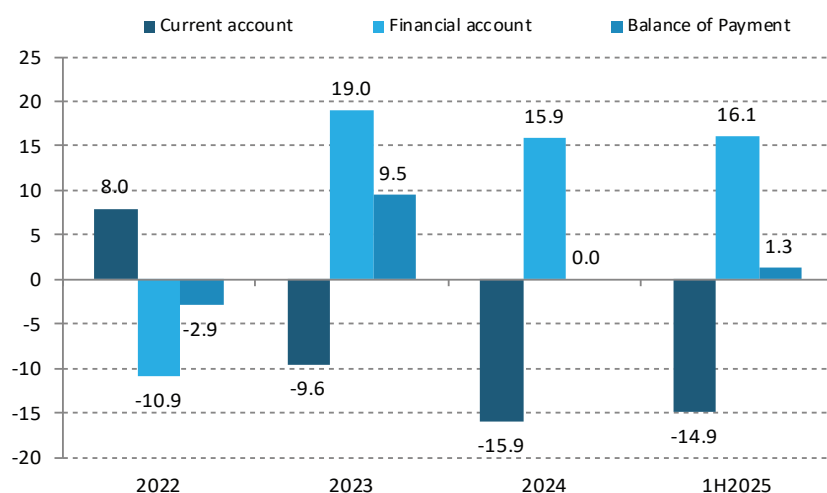
### NEWS

Ukraine's current-account deficit widened to USD 14.9bn in the first half of 2025, compared with USD 10.4bn a year earlier, according to National Bank of Ukraine data.

The shortfall was offset by a net financial-account inflow of USD 16.1bn in January–June, more than double the USD 7.8bn recorded in the same period of 2024.

Net foreign direct investment totaled USD 0.9bn, including USD 0.5bn in reinvested earnings.

### UKRAINE'S BALANCE OF PAYMENT



Source: National Bank of Ukraine

### COMMENTARY

The deterioration was driven by a 3.2% drop in goods exports to USD 18.9bn, while imports surged 19% YoY to USD 40.5bn in the first half.

Over the next three to five years, Ukraine will need to narrow its trade deficit by boosting exports, as a continued widening in the current account deficit would make it increasingly difficult to secure foreign currency for imports, potentially triggering another economic crisis.

Last year, the current-account deficit amounted to 8.3% of GDP. This year, the ratio could swell to 15%, well above the historical average of about 4%.

The widening trade gap is weighing on the hryvnia. The central bank has signaled to domestic markets that the exchange rate remains under control, with the interbank rate retreating to UAH 41.3 per dollar after touching UAH 41.8. Still, the overall trend points toward further depreciation to around UAH 44 per dollar over the next 12 months.

## 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	53.2	-8.3%	-52.9%	433	321	25.5%	3.6	2.5	1.9	1.4	0.3
<b>Oil &amp; Gas</b>												
Enwell Energy (ex-Regal)	ENW	19.0	5.6%	-13.6%	83	-11	21.6%	3.3	2.8	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	5.78	5.9%	16.1%	619	1,798	33.7%	4.3	5.2	3.2	4.0	0.6
Kernel (FY23, FY24, FY25)	KER	19.70	3.5%	51.5%	1,579	1,785	5.4%	4.3	5.6	2.6	4.4	0.4
Astarta	AST	50.80	2.0%	24.5%	339	497	37.0%	3.8	3.6	2.5	2.4	0.7
IMC	IMC	26.90	-3.6%	68.1%	261	275	18.3%	4.7	5.0	3.4	3.2	1.4
<b>Banks</b>										Price/Book		Price/Assets
Raiffeisen Bank Aval	BAVL	0.33	0.0%	32.0%	488		1.8%	4.9	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	6450	1.0%	9.7%							
<b>Technology sector</b>											
Apple	AAPL	232	1.3%	-9.4%	3,619	3,659	39	40	27	27	9
Microsoft	MSFT	520	-0.4%	20.9%	3,863	3,853	44	40	29	26	15
NVIDIA	NVDA	180	-1.6%	34.3%	4,408	4,378	68	53	58	46	30
Palantir Technologies	PLTR	177.2	-5.2%	124.1%	386	382	773	483	637	425	93
<b>Electric Utilities</b>											
American Electric Power	AEP	112	-0.4%	21.1%	60	104	22.1	19.2	13.5	12.9	5.0
Dominion Energy	D	61.1	-1.1%	13.3%	51	94	21.4	20.5	14.0	13.2	6.2
<b>Oil &amp; Gas</b>											
Exxon Mobil	XOM	106	-0.9%	-0.5%	466	481	13.7	13.3	6.7	6.3	1.4
Devon Energy	DVN	33.7	1.2%	8.0%	22	31	6.5	6.2	4.0	3.9	1.9
PBF Energy	PBF	23.3	5.9%	-8.3%	3.5	4.6	17.5	7.0	11.5	5.7	0.1
<b>Iron Ore Mining</b>											
VALE	VALE	9.92	-2.9%	11.8%	42	54	4.6	4.2	3.6	3.2	1.2
<b>Pharmaceutical</b>											
Pfizer	PFE	25.1	2.0%	-5.7%	142	199	33.1	29.0	14.4	13.7	3.2
Bristol-Myers Squibb	BMJ	48.4	5.2%	-16.1%	98	141	neg	15.1	27.7	11.4	2.9

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

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