



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
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Daily Insight

UAH steady as US dollar rises

Contents

Bonds: News & Comments	2
Liquidity declines	2
Eurobond YTMs increase significantly.....	2
Chart page: Local bond market & Eurobond markets.....	3
FX: News & Comments	5
UAH steady as US dollar rises	5
Chart page #1: Foreign-exchange market.....	6
Chart page #2: ICU's UAH trade-weighted indices.....	7

TUESDAY, 18 NOVEMBER 2014

UX Index (3 months to 18 Nov 2014)



Source: UX.

Key market indicators (as of 17 Nov 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	15.5290	+0.01	+88.46
USD/UAH (1Y NDF)	18.2000	-0.27	+93.21
EUR/USD	1.2450	+0.14	-9.41
USD/RUB	47.2000	-0.06	+43.60
KievPRIME O/N (%)	11.25	+8bp	+345bp
KievPRIME 1M (%)	17.00	+33bp	+75bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	28.03	+425bp	+1,967bp
Ukraine 17, Eurobond (%)	18.32	+145bp	+876bp
Ukraine 22, Eurobond (%)	12.32	+42bp	+298bp
Ukraine 23, Eurobond (%)	12.27	+42bp	+322bp
Ukraine 5Y CDS	1,527bp	+17bp	+710bp
EQUITIES			
Stock market indices			
UX (Ukraine)	963.07	-2.67	+5.83
MSCI World	419.61	-0.17	+2.71
MSCI EM	985.88	-0.50	-1.68
RTS (Russia)	1,004.13	+1.15	-30.40
WIG-20 (Poland)	2,418.78	+0.02	+0.74
S&P 500 (USA)	2,041.32	+0.07	+10.44

Notes: Chg – percentage change, if not otherwise indicated; [1] – total traded volume for stocks listed in green- or red-shaded box means gain or loss, respectively, of the index or security.

Sources: Bloomberg, UX, Investment Capital Ukraine LLC.

Bonds: News & Comments

Liquidity declines

Liquidity fell significantly yesterday. Broader banking sector liquidity declined UAH2.84bn to UAH48.05bn last Friday as banks' correspondent accounts with the NBU decreased UAH2.68bn to UAH29.78bn and total CDs outstanding slid UAH0.17bn to UAH15.28bn. Total local currency debt repayments scheduled for the next 30 days remained steady at UAH2.99bn.

KyivPrime interest rates continued to increase: the KyivPrime ON interest rate rose 8bp to 11.25% while KyivPrime 1M interest rate was up 33bp to 17.00%.

Investment implications: *Although the NBU increased its ON loans by UAH0.69bn, decreased CDs outstanding by UAH0.17 and purchased UAH1.50bn of recently issued bonds for its portfolio, these inflows did not prevent liquidity from falling.*

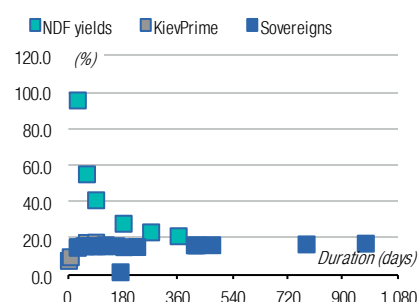
Eurobond YTM's increase significantly

As the situation in Ukraine worsened over the weekend, spreads tightened yesterday as Monday showed no improvement. US Treasury yields rose slightly yesterday to 1.63% and 2.34%, respectively, for the 5-year and 10-year bonds. The Ukrainian Eurobond yield curve adjusted to the range of 12.28-26.77%, crossing the 12% level. 5-year CDS rose to 1,527bp.

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Yield curve of the local bond market

(as of market close on 17 Nov 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 17 Nov 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)

MONEY MARKET KIEV PRIME RATES (%)

O/n	11.25	+8bp	+125bp	+150bp	+345bp
1wk	12.00	+17bp	+100bp	+98bp	+220bp
1m	17.00	+33bp	+50bp	+75bp	+75bp
2m	18.00	+0bp	+0bp	+0bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	29,780	-8.24	-9.15	+0.06	-8.94
CDs ²	0	+0.00	+0.00	+0.00	+0.00
Sovgns ³	5,232	+86.30	+5.46	-9.21	+250.0
Total	35,012	-0.71	-7.23	-1.45	+2.38

HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	281,025	+0.54	+0.50	+3.07	+94.01
Banks	91,206	-0.56	+3.77	+9.52	+13.77
Resid's ⁴	22,121	+41.28	+43.02	+50.25	+78.44
Non-res ⁵	21,734	-0.75	+5.20	+11.31	+85.78
Total	416,086	+1.78	+3.08	+6.64	+67.03

NDF IMPLIED YIELDS (%)

3m	N/A	N/A	N/A	N/A	N/A
6m	N/A	N/A	N/A	N/A	N/A
9m	N/A	N/A	N/A	N/A	N/A
1yr	N/A	N/A	N/A	N/A	N/A

LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)

Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+0bp	+0bp	-676bp
Aug '15 ⁶	N/A	+87bp	+0bp	+87bp	-77ppt

EUROBONDS USD SOVEREIGN BOND YIELDS (%)

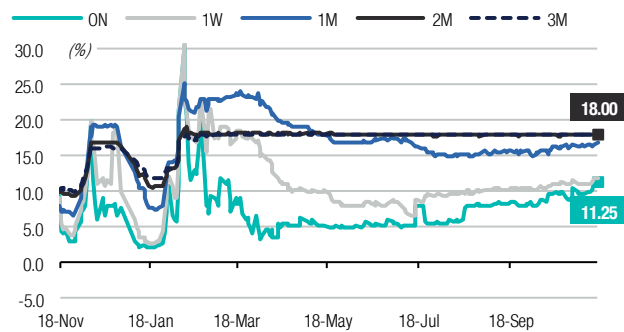
CDS 5yr	1,527	+17bp	+195bp	+154bp	+710bp
Jun '16	19.82	+189bp	+402bp	+284bp	+11bp
Jul '17	18.32	+145bp	+278bp	+205bp	+876bp
Sep '20	13.00	+77bp	+140bp	+100bp	+381bp
Sep '21	12.72	+47bp	+110bp	+80bp	+350bp
Sep '22	12.32	+42bp	+109bp	+92bp	+298bp
Feb '23	12.27	+42bp	+109bp	+108bp	+322bp

Notes: [1] banks' account balance at NBU; [2] certificates of deposits issued by NBU; [3] UAH sovereign bonds due next 30 days; [4] residents; [5] non-residents; [6] VAT bond.

Sources: Bloomberg, Investment Capital Ukraine LLC.

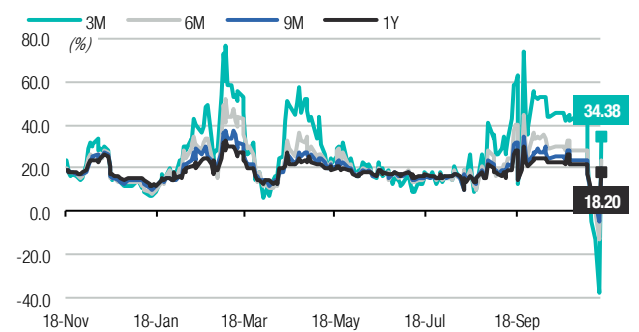
Chart page: Local bond market & Eurobond markets

Chart 1. Kiev Prime rates (%), last 12-month period



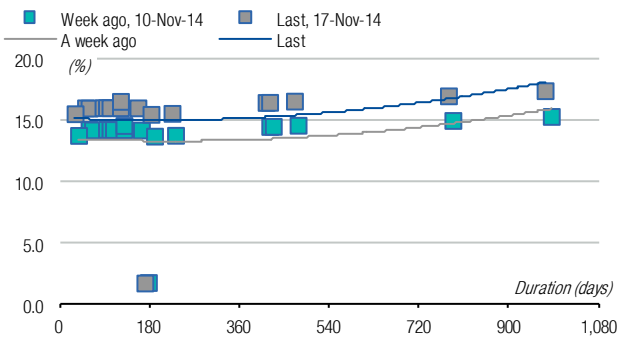
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 2. UAH NDF implied yields (%), last 12-month period



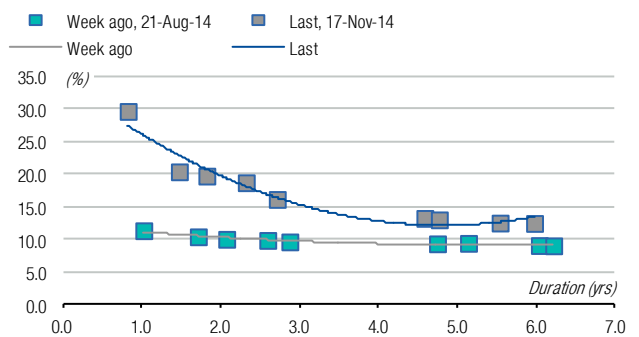
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 17 Nov 2014



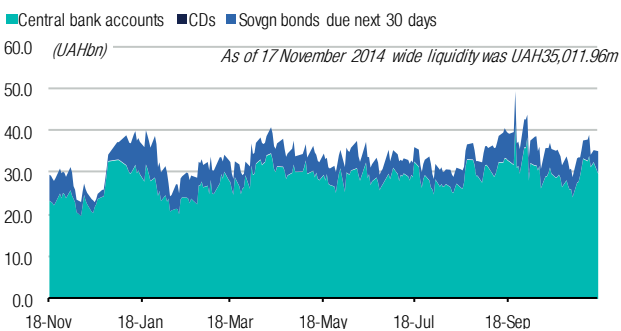
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 17 Nov 2014



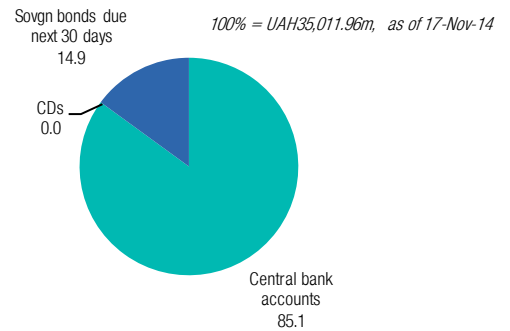
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 5. Banking sector liquidity (UAHbn), last 12-month period



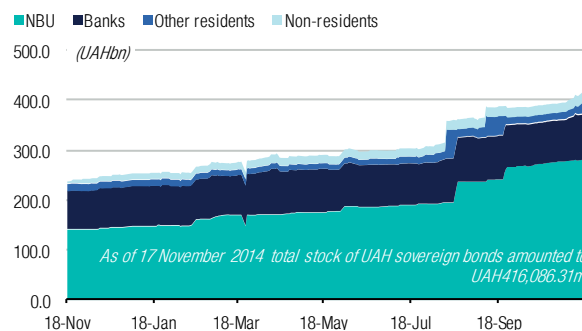
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 17 Nov 2014



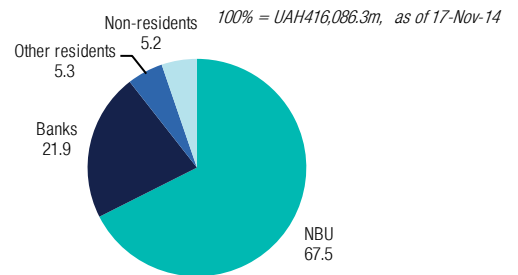
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 7. Holders of sovereign bonds (UAHbn), last 12 months



Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 8. Domestic sovereign debt (%) as of 17 Nov 2014



Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Table 1. Ukrainian stocks (closing prices as of 17-Nov-2014)

Company	Bloomberg Ticker	Listing	Share price performance (% change)					Valuation (US\$)			Free float (FF) & Liquidity					P/E			EV/EBITDA			EV/Sales			Ratios		
			Last price	Daily	MoM	YTD	YoY	Last price	Market cap (m)	EV (m)	FF (%)	FF mkt cap (US\$m)	Last day turnover (US\$ 000)	3M avg. turnover (US\$ 000)	FF share traded (%)	FF turnover (days)	2013	2014E	2014E	2013	2014E	2014E	2013	2014E	2014E	P/B (x)	Debt/ Assets (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	10.63 GBp	+1.2	+11.8	+2.4	-14.1	0.17	38.4	-9.2	40.2	15.5	41.6	20.6	0.10	1,040	Neg.	N/A	N/A	1.4	N/A	N/A	Neg.	N/A	N/A	0.3	0.0
Centrenerg	CEEN UK	Kiev, UX	7.25 UAH	+0.1	-4.1	+52.0	+41.0	0.47	172.1	217.7	21.7	37.4	43.1	40.1	0.13	775	5.5	4.8	7.2	0.3	3.8	3.9	0.5	0.3	0.3	1.1	16.3
Coal Energy	CLE PW	Warsaw	0.75 PLN	-3.8	-11.8	-28.6	-67.4	0.22	10.0	135.9	25.0	2.5	14.4	42.9	0.77	130	Neg.	N/A	N/A	6.0	N/A	N/A	1.1	N/A	N/A	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	28.75 UAH	-3.4	-4.3	+4.2	+8.8	1.85	43.7	94.8	14.2	6.2	5.5	7.5	0.07	1,348	1.3	1.3	1.3	0.1	1.9	1.5	0.3	0.2	0.3	1.0	25.1
JKX Oil & Gas	JKX LN	London	34.63 GBp	-7.7	-7.7	-51.6	-53.5	0.54	93.1	98.2	47.2	43.9	90.3	21.2	0.05	2,053	14.3	15.5	2.8	1.5	1.9	1.5	0.5	0.6	0.5	0.2	5.5
Regal Petroleum	RPT LN	London	6.25 GBp	+0.0	-15.3	-51.9	-59.7	0.10	31.4	1.3	80.9	25.4	3.9	5.7	0.00	29,774	Neg.	15.7	N/A	0.0	0.1	0.1	0.0	0.0	0.0	0.3	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	135.00 UAH	-5.5	-20.5	+49.3	+62.7	8.68	111.0	185.9	5.0	5.6	1.7	1.7	0.02	4,496	3.0	N/A	N/A	1.2	N/A	N/A	0.3	N/A	N/A	1.2	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.02 UAH	-5.8	-29.7	-54.1	-58.0	0.00	29.5	1,871.5	3.9	1.1	0.5	1.9	0.20	508	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.2	N/A	N/A	85.7
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.92 UAH	-0.6	-24.5	-35.2	-41.6	0.12	24.1	20.9	4.0	1.0	0.4	3.4	0.26	384	Neg.	187.1	0.5	0.1	0.8	N/A	0.0	0.0	0.0	0.1	0.1
Azovstal	AZST UK	Kiev, UX	0.65 UAH	-6.9	-4.7	-2.8	-7.8	0.04	176.0	N/A	4.1	7.2	3.6	9.7	0.11	923	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	77.70 GBp	-1.5	-10.1	-58.2	-57.1	1.22	716.0	918.4	22.4	160.4	649.9	980.6	0.69	145	2.7	2.7	6.0	1.8	2.0	2.9	0.6	0.6	0.7	0.6	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.35 UAH	-2.2	-19.2	-34.0	-37.9	0.02	6.2	6.9	9.0	0.6	0.0	2.3	0.05	1,948	Neg.	0.7	0.4	0.1	0.4	N/A	0.0	0.0	0.0	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	17.33 UAH	-10.9	-39.0	-45.9	-50.2	1.11	11.8	3.3	9.4	1.1	0.7	2.9	0.44	225	Neg.	Neg.	N/A	0.6	0.1	N/A	0.0	0.0	N/A	0.8	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.48 EUR	-2.0	-4.0	-61.3	-63.9	0.60	55.3	109.2	34.0	18.8	2.2	11.3	0.07	1,514	Neg.	N/A	N/A	Neg.	N/A	N/A	1.6	N/A	N/A	1.0	35.9
Agroliga	AGL PW	Warsaw	9.99 PLN	-5.2	-23.6	-61.5	-67.5	2.95	4.5	5.4	16.7	0.8	3.8	2.5	0.49	204	1.2	N/A	N/A	1.6	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	1.43 PLN	-1.4	-25.5	-26.7	-37.8	0.42	9.2	54.5	26.2	2.4	14.2	48.5	2.56	39	Neg.	1.3	1.1	20.4	18.2	N/A	0.7	0.6	0.7	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	19.59 PLN	-0.7	-43.5	-70.7	-70.3	5.79	144.7	387.7	31.0	44.9	55.7	71.4	0.23	431	4.5	Neg.	2.6	5.1	3.2	3.6	0.8	0.8	0.8	0.4	38.2
Avangard	AVGR LI	London Intl	5.20 USD	+7.2	-20.0	-55.7	-58.1	5.20	332.1	465.9	21.7	72.1	25.9	64.6	0.04	2,646	1.4	2.9	2.6	1.5	2.6	2.6	0.7	0.8	0.8	0.3	17.8
IMC	IMC PW	Warsaw	6.75 PLN	+0.1	-3.6	-44.4	-51.8	1.99	62.4	203.6	23.9	14.9	1.0	15.0	0.02	5,133	2.4	Neg.	2.4	3.8	3.9	4.0	1.8	1.2	1.1	0.4	38.7
Kernel Holding...	KER PW	Warsaw	24.50 PLN	+0.6	+10.9	-35.6	-43.4	7.24	576.8	1,261.9	58.8	339.0	600.1	812.5	0.20	503	Neg.	3.8	3.5	5.7	3.8	4.0	0.5	0.5	0.5	0.6	39.1
KSG Agro	KSG PW	Warsaw	1.24 PLN	+2.5	+10.7	-88.6	-89.9	0.37	5.5	116.6	34.4	1.9	31.2	223.4	4.11	24	Neg.	0.5	0.3	13.4	N/A	N/A	1.6	1.2	1.1	0.3	44.5
MHP	MHPC LI	London Intl	11.10 USD	+0.0	-5.5	-34.9	-31.5	11.10	1,172.9	2,383.2	22.3	261.8	0.0	833.1	0.17	584	7.5	11.5	4.1	6.1	5.0	4.8	1.6	1.7	1.5	2.0	47.0
Milkiland	MLK PW	Warsaw	2.40 PLN	-3.2	-31.4	-80.8	-81.1	0.71	22.2	147.6	20.0	4.4	4.3	6.9	0.24	418	1.6	Neg.	55.0	4.5	4.9	4.4	0.3	0.4	0.4	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	1.14 EUR	-4.8	+95.1	-78.8	-76.3	1.43	151.5	879.3	20.0	30.3	0.0	2.0	0.00	63,317	1.7	1.7	0.7	5.3	3.2	2.9	1.8	2.1	2.0	0.4	45.3
Ovostar Union	OVO PW	Warsaw	71.00 PLN	-2.1	+6.0	-29.0	-24.5	20.98	125.9	135.6	25.0	31.5	33.3	33.7	0.15	684	4.1	6.2	5.6	3.7	5.0	4.5	1.5	1.8	1.4	0.9	8.5
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.18 EUR	+0.0	+8.0	-44.8	-40.9	0.22	11.3	186.9	13.1	1.5	0.0	0.2	0.01	18,857	Neg.	N/A	N/A	Neg.	N/A	N/A	5.5	N/A	N/A	0.1	45.5
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.10 UAH	-5.0	-16.7	-8.8	-12.3	0.01	199.5	N/A	3.8	7.6	27.3	15.6	0.30	332	3.1	Neg.	16.2	N/A	N/A	N/A	N/A	N/A	N/A	0.5	22.4
Ukrsotsbank	USCB UK	Kiev, UX	0.15 UAH	+0.0	+11.1	-20.0	-21.2	0.01	175.0	N/A	4.5	7.8	0.0	1.1	0.02	4,050	Neg.	11.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	28.2

Notes: mln - millions; FF - free float; n/a - not available; neg. - negative; a company name (the left column of the table) is shortened to fit the column and hence in some cases is not displayed in full; *** - P/E is above 10,000x. Sources: Bloomberg, ICU.

FX: News & Comments

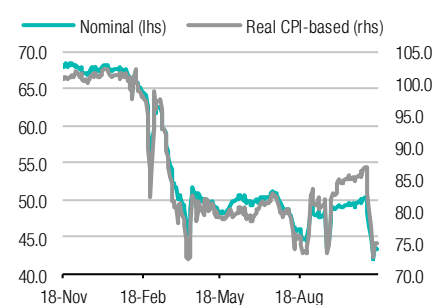
UAH steady as US dollar rises

NBU officials convened with the heads of the top 40 banks to discuss the ongoing situation at the FX market. They seek a mutual agreement to hold further series of FX auctions to sell small volumes of US dollars to the market to discover a 'balanced' exchange rate to fulfill some of the unsatisfied demand. We believe the hryvnia is currently undervalued by 16% on a real trade weighted basis (for details, please see Chart 15 on page 7). Future developments depend on inflation: if CPI and PPI outperform the expected trajectory that peaks in 1Q15 and then subsides to 10-12% over the rest of next year, then devaluation pressure should remain. Conversely, if inflation performs below expectations, then devaluation expectations should subside significantly.

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ICU's UAH trade-weighted indices

(Last 12-month history to 18 Nov 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 17 Nov 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	15.5290	+0.01	+4.54	+20.40	+88.46
NBU avg	15.3356	-0.50	+3.59	+18.41	+88.15
Ttl vlm ¹	305.02	+2.79	+26.04	-27.94	-89.11
\$ volume ²	245.68	+15.96	+42.39	-22.46	-88.89
NDF 3M	16.6500	-1.19	+16.03	+16.03	+96.23
NDF 6M	17.1000	-1.16	+15.54	+15.54	+94.76
NDF 1Y	18.2000	-0.27	+15.56	+15.56	+93.21
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	43.414	-0.11	-3.37	-12.00	-35.72
UAH real CPI	74.777	-0.11	-3.37	-12.00	-26.02
UAH real PPI	106.752	-0.11	-3.37	-12.00	-23.08
USD nom'l	87.926	-0.05	+0.13	+3.31	+9.86
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	47.2000	-0.06	+3.48	+16.13	+43.60
EUR/USD	1.2450	+0.14	+0.23	-2.44	-9.41
USD/CNY	6.1270	-0.01	+0.12	+0.03	+1.20
USD/PLN	3.3917	-0.44	-0.17	+2.60	+12.20
USD/TRY	2.2310	-0.77	-1.25	-0.66	+3.85
USD/BYR	10,840.00	+0.32	+0.56	+1.55	+13.63
USD/KZT	180.9300	-0.03	+0.03	-0.66	+17.28
OTHER MAJOR CURRENCIES					
USD/JPY	116.6500	+0.27	+1.56	+9.14	+10.77
GBP/USD	1.5641	-0.17	-1.27	-2.81	-5.53
USD/CHF	0.9649	-0.20	-0.34	+1.97	+8.06
AUD/USD	0.8708	+0.26	+1.00	-0.41	-2.34
USD/CAD	1.1308	-0.67	-0.64	+0.27	+6.45
USD/BRL	2.6089	+0.28	+2.22	+7.12	+10.45
USD/KRW	1,093.93	-0.62	+0.83	+2.64	+4.20
COMMODITIES					
Gold(\$/oz)	1,186.55	+2.92	+3.05	-4.18	-1.58
WTI crude ³	75.64	+0.00	-2.27	-8.59	-23.15
Brent crd ³	77.52	+2.57	-4.64	-8.92	-30.05
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	267.42	+0.24	-0.15	-1.91	-4.55

Notes: [1] trading volume in all foreign currencies (US\$m); [2] trading volume in the pair USD/UAH (US\$m); [3] crude oil price (USD per barrel); [4] the Thomson Reuters/Jefferies CRB Index. A green-/red-shaded box means gain or loss, respectively, of the investment into the asset. Currencies are gaining when their exchange rates strengthen versus USD.

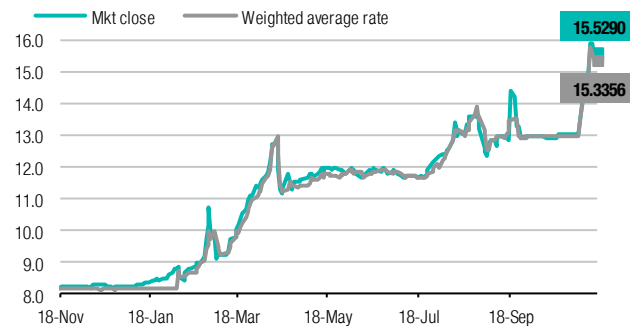
Sources: Bloomberg, Investment Capital Ukraine LLC.

Readers may follow the ICU trade-weighted indices of the local-currency, the hryvnia (UAH), on the ICU [website](#) and Bloomberg (type: ALLX UTWI <GO>).

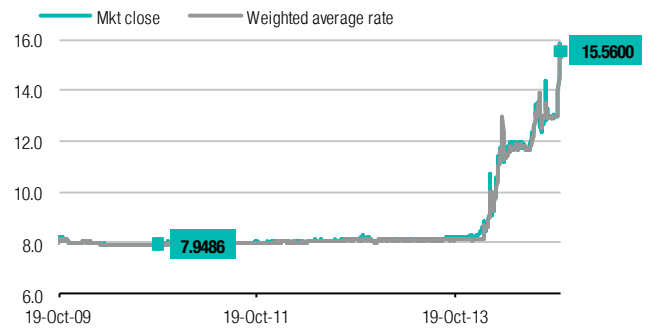
Section on FX market is continued on next page.

Chart page #1: Foreign-exchange market

Chart 9. Spot market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)

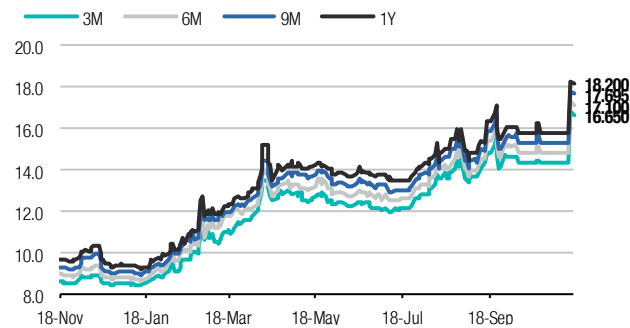


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

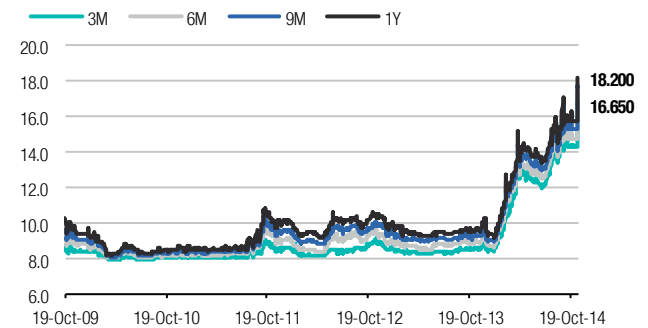


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 10. NDF market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)

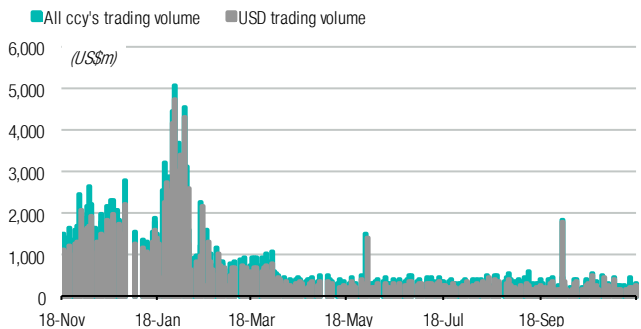


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

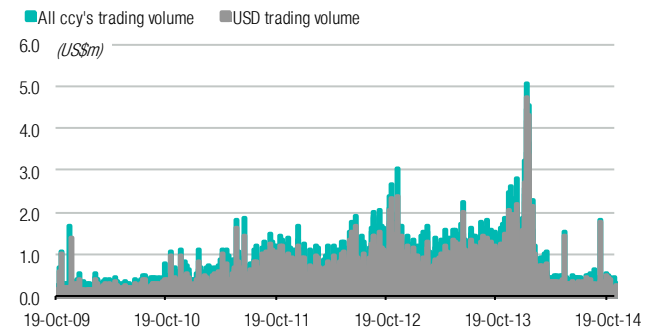


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 11. Trading volume: last 12-month and 5-year periods (US\$m, left and right respectively)

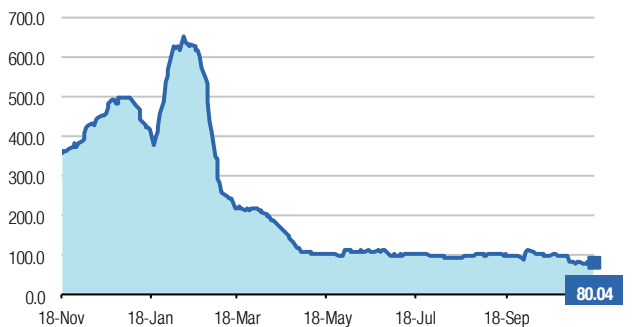


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 12. 30D MA* ratio of FX market turnover to merchandise trade: last 12m and 5yr periods (% , left and right respectively)

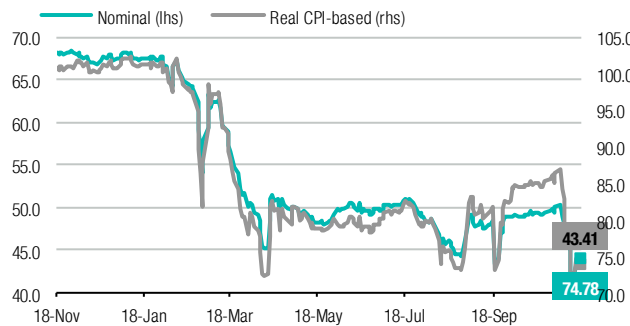


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

Chart page #2: ICU's UAH trade-weighted indices

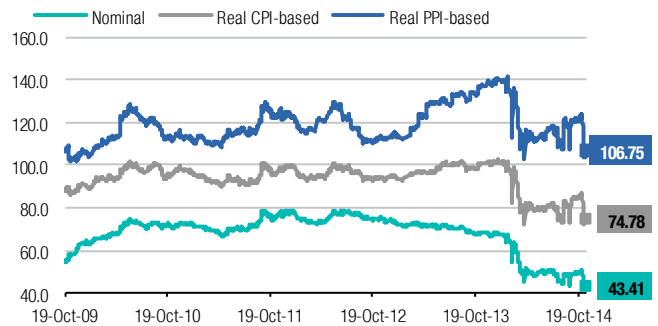
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August 2013.

Chart 13. Nominal and CPI-based real TWIs of UAH, history of last 12-month period



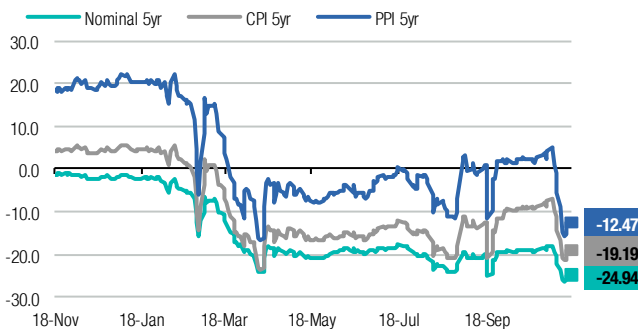
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

Chart 14. Nominal, CPI- and PPI-based TWIs of UAH, history of last 5-year period

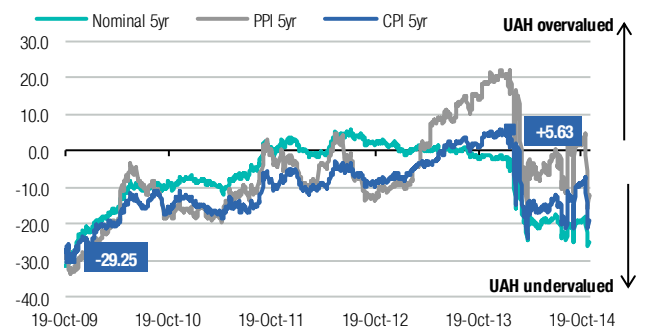


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

Chart 15. Deviation of UAH trade-weighted indices from their 5-year moving averages: last 12-month and 5-year periods (% , left and right respectively)

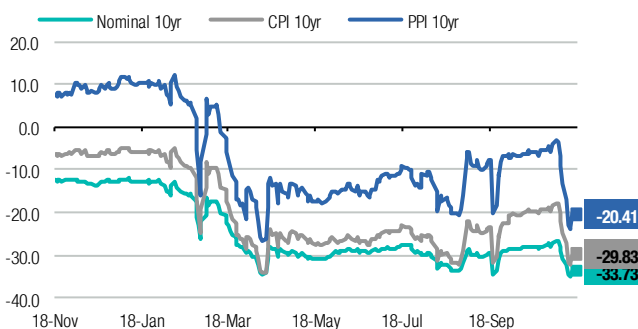


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

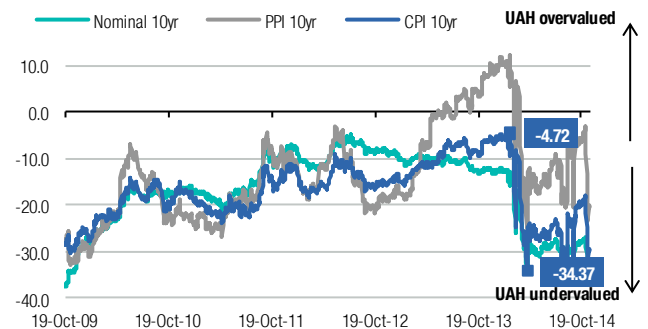


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

Chart 16. Deviation of UAH trade-weighted indices from their 10-year moving averages: last 12-month and 5-year periods (% , left and right respectively)



Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.



Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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Disclosures

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Buy: Forecasted 12-month total return greater than 20%

Hold: Forecasted 12-month total return 0% to 20%

Sell: Forecasted 12-month total return less than 0%

Note: total return is share price appreciation to a target price in relative terms plus forecasted dividend yield.

DEBT RATING DEFINITIONS

Buy: Forecasted 12-month total return significantly greater than that of relevant benchmark

Hold: Forecasted 12-month total return is in line with or modestly deviates from relevant benchmark

Sell: Forecasted 12-month total return significantly less than that of relevant benchmark



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