



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

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Daily Insight

US VP Biden visits Kiev

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MONDAY, 24 NOVEMBER 2014

UX Index (3 months to 24 Nov 2014)



Source: UX.

Key market indicators (as of 21 Nov 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	15.2000	+0.00	+84.47
USD/UAH (1Y NDF)	18.2000	+0.00	+93.21
EUR/USD	1.2391	-1.18	-9.84
USD/RUB	45.8345	-0.98	+39.44
KievPRIME O/N (%)	11.00	+0bp	+320bp
KievPRIME 1M (%)	17.00	+0bp	+75bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	24.78	-33bp	+1,643bp
Ukraine 17, Eurobond (%)	17.29	-62bp	+774bp
Ukraine 22, Eurobond (%)	11.98	-36bp	+263bp
Ukraine 23, Eurobond (%)	11.87	-26bp	+282bp
Ukraine 5Y CDS	1,502bp	+10bp	+686bp
EQUITIES			
Stock market indices			
UX (Ukraine)	982.45	-0.40	+7.96
MSCI World	425.31	+0.76	+4.10
MSCI EM	1,004.35	+1.44	+0.17
RTS (Russia)	1,058.80	+1.77	-26.61
WIG-20 (Poland)	2,418.26	+0.91	+0.72
S&P 500 (USA)	2,063.50	+0.52	+11.64

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.

Economics: News & Comments

US VP Biden visits Kiev

The situation remains tense in the Donbas region that is still partially occupied by pro-Kremlin separatists and the Russian army. The Ukrainian army continues to suffer daily losses despite the official ceasefire. Quite possibly, the official state visit of US Vice President Joe Biden irked the Kremlin. Since last Friday, not only did the Russian army begin renewed shelling Ukrainian territory across the border for the first time since the ceasefire agreement was reached in Minsk, but pro-Kremlin militants have escalated the number of attacks on Ukrainian soldiers as well. Official announcements from Moscow over the weekend include: (1) Russian Foreign Minister Lavrov's stated that the US plans to destabilize Russia; and (2) Russian President Putin declared that Russia is in the right and will hold firm. In sum, the Kremlin refuses to cower to US political posturing. We expect this to continue, if not worsen, over the next few weeks, particularly as the US and EU together are trying to facilitate a resolution of the Ukraine-Russia military standoff. US VP Biden appears to have convinced top Ukrainian politicians to convene for another round of talks in Minsk. While President Poroshenko said he would agree to Minsk talks, PM Yatsenyuk previously requested that talks with active US participation be held in Vienna instead. We expect that it will take some time, but most likely negotiations will be held in Minsk talks again to attempt a final peace resolution of the Donbas debacle.

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Bonds: News & Comments

Liquidity adjusts slightly

The NBU decreased the volume of its ON loans to local banks by UAH0.64bn, from UAH1.92bn to UAH1.28bn, last Thursday, causing broader banking sector liquidity to decline UAH0.43bn to UAH51.93bn last Friday. Banks' correspondent accounts with the NBU fell UAH0.73bn to UAH28.77bn while total CDs outstanding rose UAH0.30bn to UAH18.07bn yesterday. Total debt repayments scheduled for the next 30 days remained steady at UAH5.09bn last Friday.

As liquidity movements were minimal, KyivPrime interest rates remained steady last Friday for the third consecutive day with the KyivPrime ON interest rate at 11.00% and the KyivPrime 1M interest rate at 17.00%.

Eurobonds continue to rebound

Ukrainian Eurobonds significantly improved at the end of last week as the sovereign yield curve adjusted to 11.50-24.78% last Friday with YTM of bonds maturing in 2020-2023 falling below 12%. The main reason for the improvement was the decline of benchmark yields as US Treasury YTM of bonds declined to 1.61% and 2.31%, respectively, for the 5-year and 10-year bonds. Ukrainian risks slightly declined as well and spreads to the benchmark tightened a significant 35-106bp to the range of 919-2,428bp.

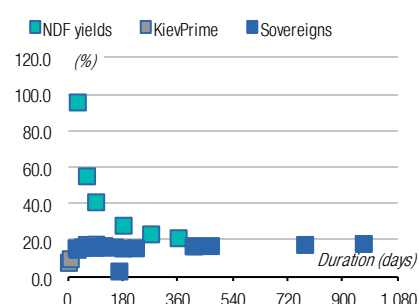
Additional financing

At an unscheduled primary auction last Friday, the MoF sold UAH200.0m of 2-year bonds at the usual 17.60% interest rate that was seen last week, most likely via domestic QE support, providing the state budget with UAH200.19m in proceeds.

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Yield curve of the local bond market

(as of market close on 21 Nov 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 21 Nov 2014)

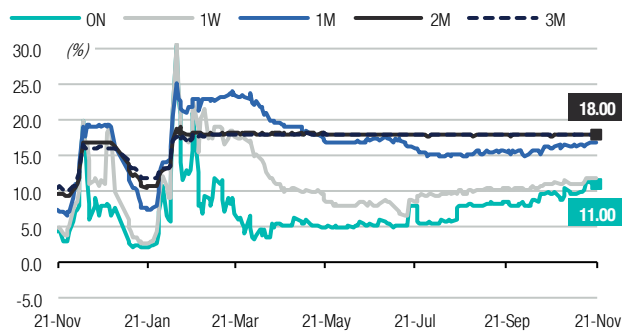
	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	11.00	+0bp	-17bp	+140bp	+320bp
1wk	12.00	+0bp	+17bp	+100bp	+220bp
1m	17.00	+0bp	+33bp	+100bp	+75bp
2m	18.00	+0bp	+0bp	+20bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	28,768	-2.48	-11.36	-0.98	-12.03
CDs ²	18,074	+1.71	+17.00	+54.54	+2,463.7
Sovgns ³	4,675	+0.00	+66.48	-26.02	+212.7
Total	51,518	-0.83	+1.59	+9.45	+47.61
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	283,451	+0.00	+1.40	+3.58	+95.68
Banks	88,429	-0.20	-3.58	+5.76	+10.30
Resid's ⁴	21,450	-0.11	+36.99	+47.61	+73.03
Non-res ⁵	21,142	-0.22	-3.46	+9.03	+80.72
Total	414,472	-0.06	+1.39	+5.96	+66.38
NDF IMPLIED YIELDS (%)					
3m	38.49	+0bp	+410bp	-339bp	+26bp
6m	25.33	+0bp	+218bp	-270bp	+12bp
9m	22.33	+0bp	+260bp	-145bp	+831bp
1yr	20.41	+0bp	+222bp	-140bp	+543bp
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	1,502	+10bp	-7bp	+171bp	+686bp
Jun '16	18.68	-75bp	+74bp	+299bp	+980bp
Jul '17	17.29	-62bp	+39bp	+227bp	+774bp
Sep '20	12.56	-46bp	+28bp	+105bp	+336bp
Sep '21	12.13	-36bp	-17bp	+66bp	+291bp
Sep '22	11.98	-36bp	+3bp	+89bp	+263bp
Feb '23	11.87	-26bp	-2bp	+105bp	+282bp

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.

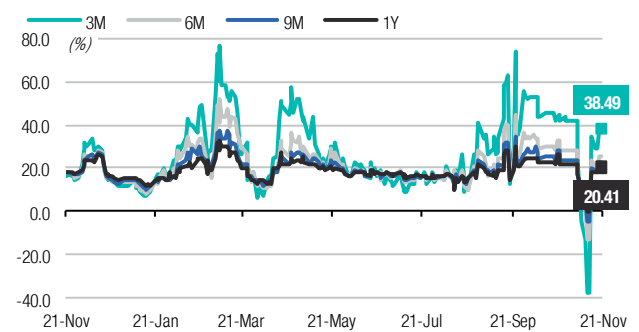
Chart page: Local bond market & Eurobond markets

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



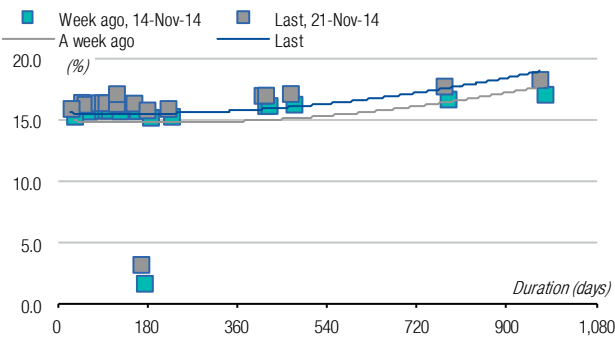
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



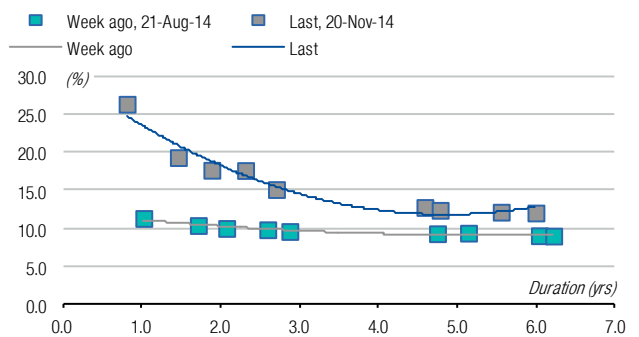
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 21 Nov 2014



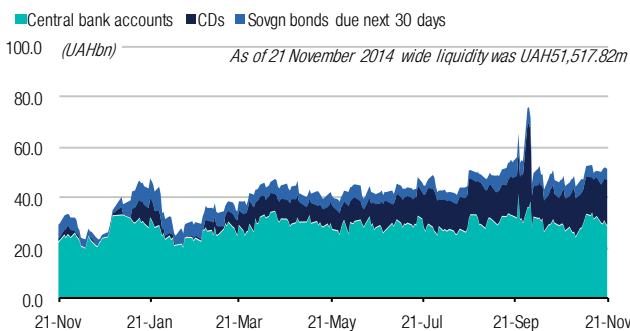
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 21 Nov 2014



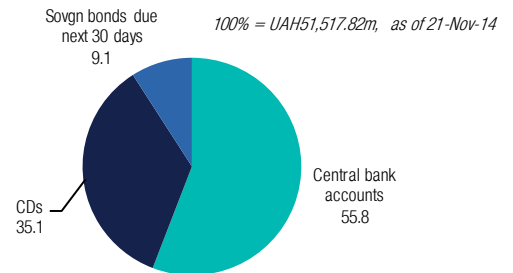
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



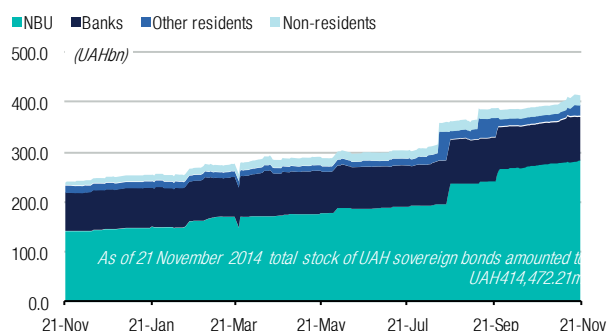
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 21 Nov 2014



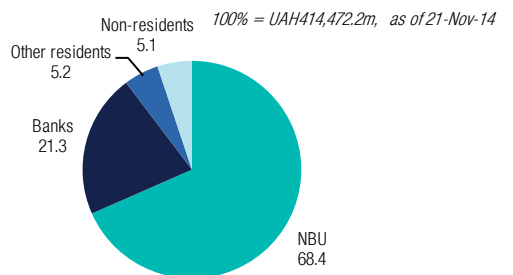
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 21 Nov 2014



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

Table 1. Ukrainian stocks (closing prices as of 21-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	10.75 GBp	+1.2	+10.3	+3.6	-14.0	0.17	38.9	-8.7	40.2	15.6	68.5	22.1	0.12	812	Neg.	N/A	N/A	1.3	N/A	N/A	Neg.	N/A	N/A	0.3	0.0	
Centrenerg	CEEN UK	Kiev, UX	7.45 UAH	+0.0	-1.6	+56.2	+46.6	0.49	181.0	227.6	21.7	39.3	9.5	41.1	0.11	903	5.6	4.9	7.4	0.3	3.9	4.0	0.5	0.3	0.3	1.1	16.3	
Coal Energy	CLE PW	Warsaw	0.69 PLN	+0.0	-13.8	-34.3	-68.2	0.20	9.2	135.1	25.0	2.3	1.2	40.2	0.97	103	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	31.87 UAH	+0.0	-4.0	+15.5	+15.3	2.10	49.6	101.8	14.2	7.1	3.4	8.5	0.07	1,423	1.4	1.4	1.5	0.1	2.0	1.5	0.3	0.2	0.3	1.1	25.1	
JKX Oil & Gas	JKX LN	London	29.00 GBp	-2.9	-23.7	-59.4	-60.5	0.45	78.0	83.2	47.2	36.8	42.9	20.7	0.08	1,228	12.0	13.0	2.4	1.3	1.6	1.3	0.5	0.5	0.4	0.2	5.5	
Regal Petroleum	RPT LN	London	5.63 GBp	-4.3	-13.5	-56.7	-63.7	0.09	28.3	-1.9	80.9	22.9	7.1	5.4	0.01	10,268	Neg.	14.1	N/A	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0	
Zakhidenergo	ZAEN UK	Kiev, PFTS	148.00 UAH	+0.0	-8.6	+63.7	+69.7	9.74	124.5	201.1	5.0	6.2	0.0	1.8	0.02	5,098	3.3	N/A	N/A	1.3	N/A	N/A	0.3	N/A	N/A	1.3	0.0	
METALLURGY																												
Alchevsky Meta...	ALMK UK	Kiev, UX	0.02 UAH	+0.0	-27.4	-51.0	-54.0	0.00	32.2	1,916.7	3.9	1.2	0.5	2.1	0.19	526	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.2	N/A	N/A	85.7	
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.98 UAH	+0.0	-25.6	-33.2	-38.6	0.13	25.4	22.2	4.0	1.0	0.4	3.5	0.23	433	Neg.	192.8	0.5	0.1	0.9	N/A	0.0	0.0	0.0	0.1	0.1	
Azovstal	AZST UK	Kiev, UX	0.71 UAH	+0.0	-5.9	+5.2	-1.3	0.05	195.0	N/A	4.1	8.0	3.6	10.7	0.09	1,059	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	73.25 GBp	+2.5	-15.9	-60.6	-57.4	1.15	675.6	878.0	22.4	151.3	1,274.8	948.2	0.70	143	2.6	2.6	5.6	1.8	1.9	2.8	0.6	0.6	0.6	0.6	35.1	
Yasynivsky Cok...	YASK UK	Kiev, UX	0.30 UAH	+0.0	-36.2	-43.4	-46.4	0.02	5.4	6.1	9.0	0.5	0.5	2.0	0.07	1,470	Neg.	0.6	0.3	0.1	0.4	N/A	0.0	0.0	0.0	0.1	0.0	
Yenakievo Steel	ENMZ UK	Kiev, UX	18.32 UAH	+0.0	-37.8	-42.8	-46.7	1.21	12.7	4.0	9.4	1.2	2.7	3.2	0.46	218	Neg.	Neg.	N/A	0.7	0.1	N/A	0.0	0.0	N/A	0.8	0.0	
FOOD AND AGRIBUSINESS																												
AgroGeneration	ALAGR FP	EN Paris	0.47 EUR	+0.0	-4.1	-62.1	-63.8	0.58	53.8	107.4	34.0	18.3	7.3	11.2	0.07	1,500	Neg.	N/A	N/A	Neg.	N/A	N/A	1.6	N/A	N/A	1.0	35.9	
Agroliga	AGL PW	Warsaw	10.39 PLN	+0.1	-15.1	-59.9	-64.4	3.07	4.7	5.6	16.7	0.8	0.0	2.7	0.37	272	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	1.41 PLN	-2.1	-26.6	-27.7	-38.7	0.42	9.0	54.3	26.2	2.4	14.3	48.3	2.70	37	Neg.	1.3	1.1	20.3	18.1	N/A	0.7	0.6	0.7	0.1	28.4	
Astarta Holdin...	AST PW	Warsaw	18.30 PLN	-3.7	-44.5	-72.6	-72.7	5.40	135.1	376.7	31.0	41.9	55.4	66.9	0.26	388	4.2	Neg.	2.4	5.0	3.2	3.5	0.8	0.8	0.8	0.4	38.2	
Avangard	AVGR LI	London Intl	5.00 USD	-0.2	-22.7	-57.4	-58.0	5.00	319.4	453.1	21.7	69.3	53.1	60.1	0.04	2,808	1.4	2.8	2.5	1.5	2.5	2.5	0.7	0.8	0.8	0.8	0.3	17.8
IMC	IMC PW	Warsaw	6.80 PLN	+0.7	-1.4	-44.0	-51.3	2.01	62.9	204.0	23.9	15.0	1.2	14.7	0.02	4,660	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	24.46 PLN	-1.1	+4.2	-35.7	-44.9	7.22	575.6	1,260.6	58.8	338.3	324.2	802.7	0.19	540	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	1.25 PLN	-3.1	+15.7	-88.5	-89.3	0.37	5.5	116.7	34.4	1.9	38.5	227.9	4.70	21	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	11.00 USD	-0.5	-1.1	-35.5	-35.1	11.00	1,162.3	2,292.8	22.3	259.4	0.1	819.1	0.11	931	7.5	11.2	4.1	5.9	4.8	4.6	1.5	1.6	1.5	2.3	47.0	
Milkiland	MLK PW	Warsaw	2.02 PLN	+6.3	-42.1	-83.8	-84.3	0.60	18.6	143.3	20.0	3.7	4.3	6.2	0.29	343	1.4	Neg.	46.5	4.3	4.8	4.3	0.3	0.4	0.4	0.1	30.8	
Mriya Agrohold...	MAYA GF	Frankfurt	1.14 EUR	+0.0	+98.8	-78.8	-76.3	1.42	150.6	878.4	20.0	30.1	0.0	1.9	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	72.00 PLN	+1.4	+5.1	-28.0	-23.8	21.26	127.6	137.3	25.0	31.9	45.9	27.9	0.15	681	4.2	6.7	5.8	3.7	5.0	4.5	1.5	1.8	1.4	0.9	8.5	
CONSTRUCTION																												
TMM	TR61 GF	Xetra	0.17 EUR	+0.0	+1.9	-47.9	-44.4	0.20	10.6	186.2	13.1	1.4	0.0	0.2	0.01	10,915	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	+0.0	-16.2	-9.6	-14.2	0.01	202.3	N/A	3.8	7.7	11.3	16.2	0.33	299	3.0	Neg.	16.1	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	+0.7	-20.0	-19.7	0.01	179.0	N/A	4.5	8.0	0.0	1.1	0.02	4,310	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

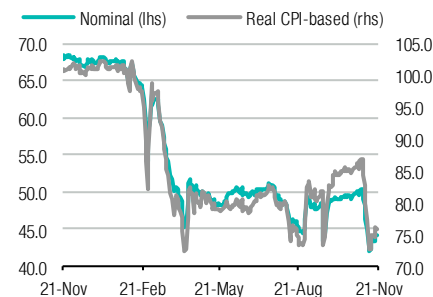
UAH strengthens as China and Eurozone currencies weaken

The hryvnia continued to increase on Friday under the guidance of the NBU. The central bank's decision to postpone the 75% surrender requirement to early December is a sign that the FX market is still under duress. Abroad, however, global markets cheered China's central bank as it declared a rate cut, indicating its willingness to further ease its monetary policy, thus weakening the yuan going forward. In Europe, the ECB head stated a declining euro forecast based on a weaker macroeconomic outlook.

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ICU's UAH trade-weighted indices

(Last 12-month history to 24 Nov 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 21 Nov 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	15.2000	+0.00	-2.11	+16.92	+84.47
NBU avg	15.0962	-0.33	-2.05	+16.57	+85.21
Ttl vlm ¹	238.15	+7.61	-19.74	-12.40	-91.50
\$ volume ²	154.45	-3.06	-27.10	-26.02	-93.01
NDF 3M	16.6500	+0.00	-1.19	+16.03	+96.23
NDF 6M	17.1000	+0.00	-1.16	+15.54	+94.76
NDF 1Y	18.2000	+0.00	-0.27	+15.56	+93.21
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	43.998	+0.04	+1.24	-10.40	-34.85
UAH real CPI	75.783	+0.04	+1.24	-10.40	-25.02
UAH real PPI	108.189	+0.04	+1.24	-10.40	-22.05
USD nom'l	88.310	+0.82	+0.39	+3.53	+10.34
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	45.8345	-0.98	-2.95	+12.04	+39.44
EUR/USD	1.2391	-1.18	-0.34	-2.56	-9.84
USD/CNY	6.1248	-0.02	-0.04	+0.03	+1.16
USD/PLN	3.3896	+0.87	-0.50	+2.13	+12.13
USD/TRY	2.2218	+0.10	-1.18	-1.03	+3.43
USD/BYR	10,875.00	+0.05	+0.65	+1.64	+13.99
USD/KZT	180.9200	+0.02	-0.03	-0.13	+17.27
OTHER MAJOR CURRENCIES					
USD/JPY	117.7900	-0.36	+1.25	+10.08	+11.85
GBP/USD	1.5656	-0.23	-0.07	-2.84	-5.44
USD/CHF	0.9697	+1.18	+0.30	+2.17	+8.60
AUD/USD	0.8670	+0.58	-0.17	-1.24	-2.77
USD/CAD	1.1233	-0.64	-1.33	+0.11	+5.74
USD/BRL	2.5158	-2.22	-3.30	+1.31	+6.51
USD/KRW	1,113.76	-0.12	+1.18	+5.59	+6.09
COMMODITIES					
Gold(\$/oz)	1,201.55	+0.64	+4.22	-3.77	-0.34
WTI crude ³	76.41	+1.10	+0.00	-7.73	-22.36
Brent crd ³	79.20	+0.85	+4.79	-7.16	-28.53
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	269.11	+0.36	+0.87	-1.42	-3.95

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>).

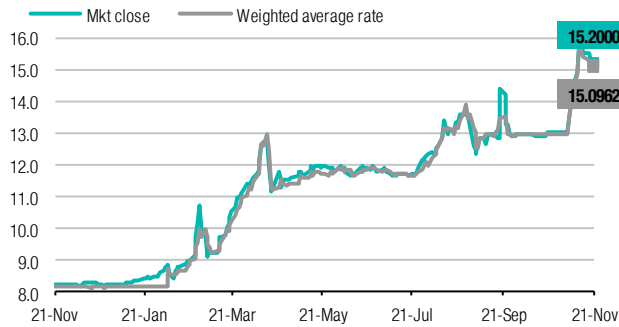
Section on FX market is continued on next page.

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.

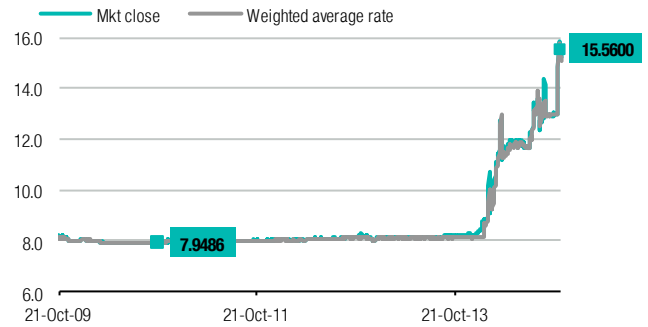
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

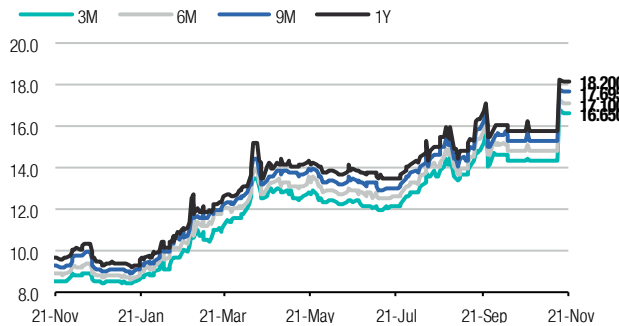


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

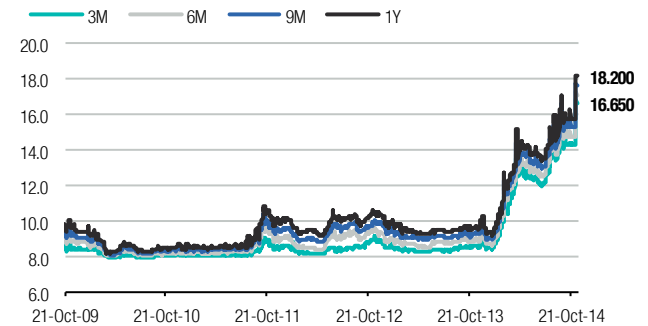


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

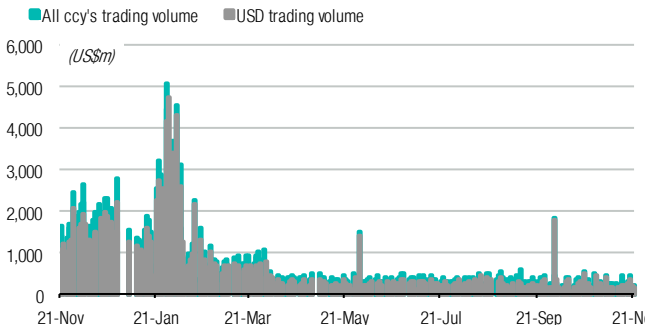


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

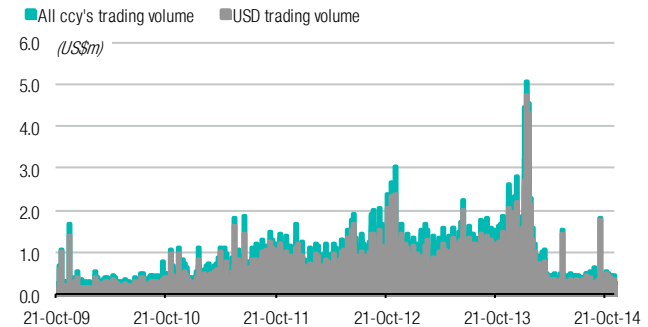


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

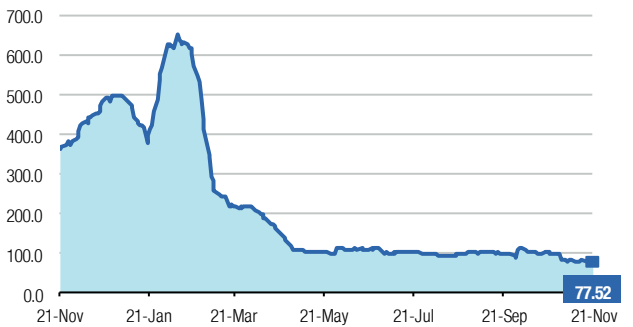


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)



Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



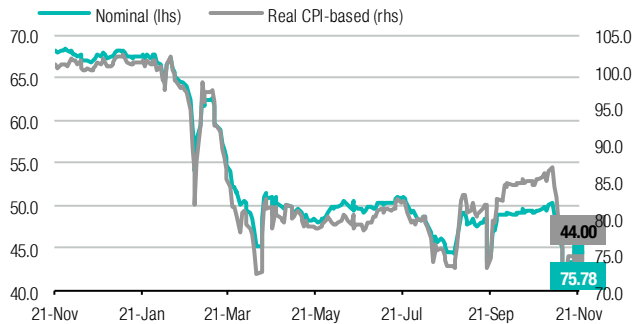
Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

Note: * 30-day moving average; The boxes of the right chart show high and low values.

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

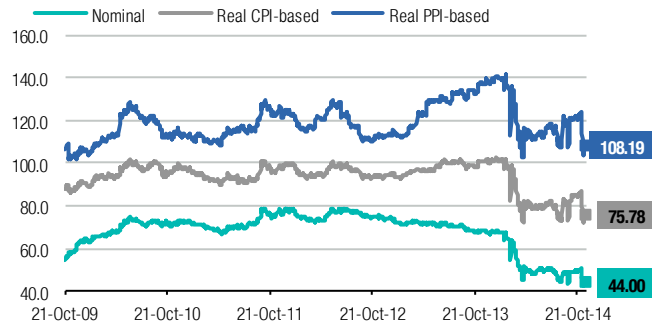
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



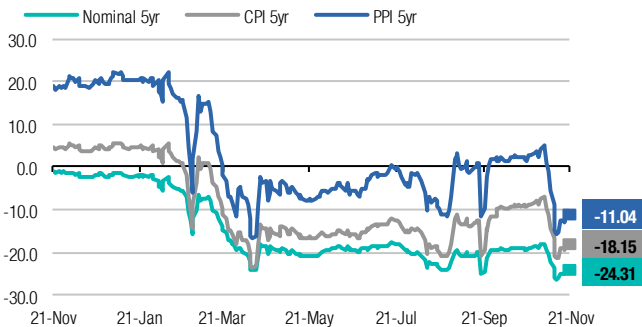
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

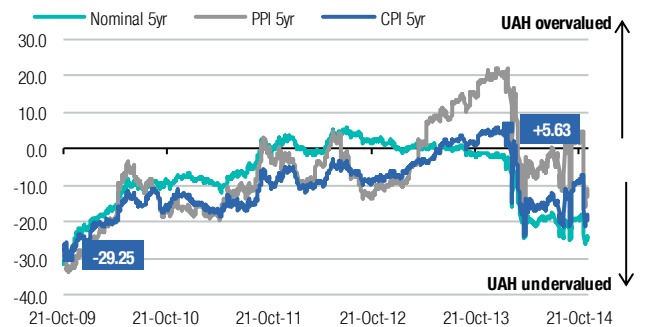


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

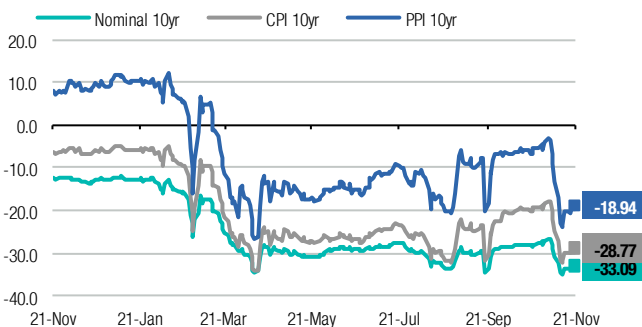


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

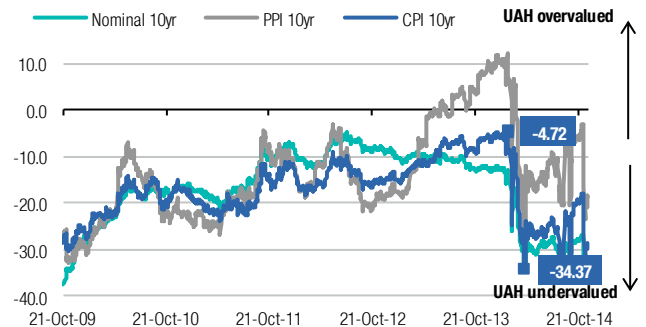


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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