



Bond Market Insight

Keeping negative anticipations

Under its new parliament last week, only the Prime Minister was approved while other government appointments were not. As a result, financial market conditions remained unchanged from the last few months. We saw unscheduled primary auctions, a decline in banking sector liquidity, injections from the NBU and the MoF, and higher Eurobond yields.

Domestic bond market. Under the pressure of month-end tax payments, liquidity declined significantly despite large injections from the NBU and the MoF. While banks purchased a new issue of local currency bonds which mostly covered last week's local currency repayments, they also received significant funds from the MoF from deals made at the end of the previous week. The decline in liquidity caused an increase in money market indicators. KyivPrime interest rates remained high and the ON interest rate rose slightly at the end of last week.

Eurobond market. Ukrainian Eurobond YTM's slightly rose last week above 12% on negative anticipations from the ongoing conflict in eastern Ukraine and uncertain approvals of government appointments. After the Prime Minister was approved, the market view remained the same as the other new government appointments are still unknown.

FRIDAY, 28 NOVEMBER 2014

CONTENTS

Market update and news	2
Appendixes	5
UAH bond market.....	6
Eurobond market.....	8
Primary market for UAH state bonds .	10
UAH state bonds outstanding	12
2014 weekly state debt payback.....	17
5yr sovereign local debt payback.....	18
5yr sovereign external debt payback .	19
Ukraine issuers' credit metrics	20
Glossary	21

Key market indicators (as of 28 Nov 2014)

	Last close	Weekly chg (%)	YTD chg (%)
Currencies			
USD/UAH (spot)	15.0190	-1.19	82.27
USD/UAH (1Y NDF)	18.2000	0.00	93.21
Rates, yields & spreads (%)			
Kiev Prime ON	11.20	20bp	340bp
Kiev Prime 3M	18.00	0bp	200bp
UAH NDF 1Y	21.86	145bp	688bp
Ukraine CDS 5Y	2bp	49bp	735bp
Libor USD 1yr	0.56	0bp	-2bp
UST 2yr	0.47	-3bp	9bp
UST 10yr	2.16	-15bp	-86bp
UKRAINE 17	18.87	158bp	932bp
UKRAINE 23	12.63	76bp	359bp
Money market data (UAHbn)			
Accounts at NBU	27.05	-5.98	-17.29
NBU CDs outstanding	0.00	0.00	0.00
Local currency bond market data (UAHbn)			
Govt bond outstanding	410.69	-0.91	64.86
Held by			
NBU	284.05	0.21	96.10
Banks	84.04	-4.97	4.83
Other residents	21.55	0.47	73.84
Non-residents	21.05	-0.42	79.97

Notes: chg – percentage change; bp – basis points.

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

Market update and news

Domestic bond market

Liquidity decline is due to tax payments

Liquidity slightly down due to month-end tax payments despite inflows

Banking sector liquidity declined to UAH48.22bn last week under the pressure of month-end tax payments. Starting from UAH50.28bn in broader liquidity, this indicator rose to UAH52.42bn on Tuesday and then declined to UAH48.22bn on Friday. Last Tuesday's increase was likely the result of the MoF's buyback of bonds at the end of the previous week (see comment below) which provided banks with significant funds. Also, the NBU purchased UAH0.60bn of new government bonds last Thursday, increasing its portfolio once more (see comment below).

The NBU significantly decreased CDs outstanding last week to support banks

At the same time, the NBU continued to manage banks' correspondent accounts with the NBU by absorbing extra liquidity via CDs and redeeming them as needed. As a result, banks' correspondent accounts with the NBU rose last Tuesday by UAH1.49bn; however, last Wednesday the NBU absorbed a large portion of these funds, increasing total CDs outstanding to UAH19.39bn. Through the end of last week, the NBU had to decrease CDs outstanding to UAH16.36bn to keep banks' correspondent accounts with the NBU at about UAH27.0bn, significantly lower than it was in mid-November.

Chart 1. Banking sector liquidity (UAHbn) (last 3 months)

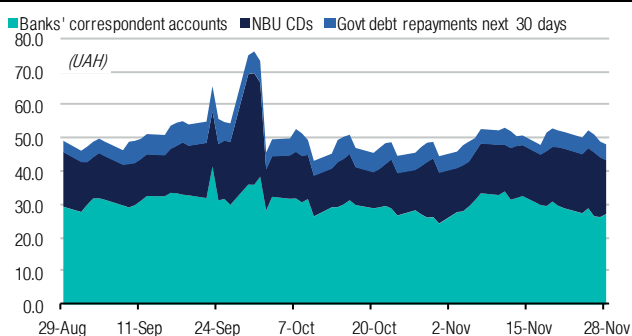
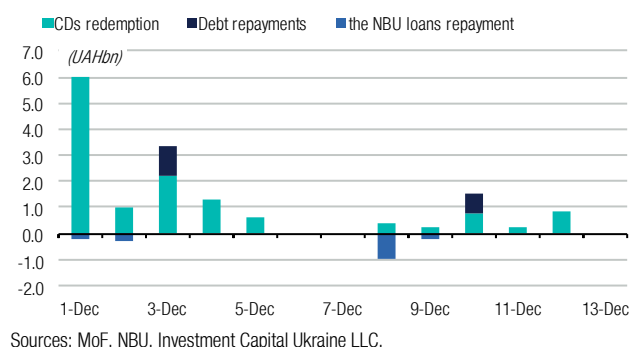


Chart 2. Future redemptions of CDs and UAH state bonds (UAHbn)



This week repayments will be used to keep liquidity stable

UAH7.66bn of repayments, including UAH6.57bn of CDs redemptions and UAH1.09bn of debt repayments in local currency and UAH0.13bn of repayments in FX, are scheduled this week. As these funds should be mostly absorbed by the NBU and the MoF, injections could be expected to keep banks' correspondent accounts stable and possibly support a slight increase.

Last weeks' primary auctions

The MoF modified the auction schedule last week...

The MoF cancelled the 5-year and 7-year local currency and 2-year USD-denominated bonds scheduled for last Tuesday's auction and instead offered one 2-year local currency bond. It received only one bid for UAH8.57m at the standard 17.60% rate for this maturity, providing the state budget with UAH8.60m.

...and held an unscheduled auction...

As a result of Tuesday's low auction proceeds, last Thursday the MoF held an unscheduled primary auction, offering the same 2-year bond as was put forth on Tuesday.

...providing the state budget with financing supported by domestic QE

Demand was significantly larger last Thursday at UAH600.0m (par value), attracting one bid at the usual interest rate of 17.60%. Providing the state budget with UAH602.23m in proceeds, demand most likely was supported by domestic QE, as state budget funds used for local currency repayments made last Wednesday amounted to UAH608.34m. As the NBU had same day purchases of UAH0.60bn in government bonds, this demand appears to have been supported by domestic QE.

Bondholders' structure

Bonds outstanding significantly declined last week due to debt redemption and market deals with the MoF

Total government bonds outstanding declined UAH3.78bn to UAH410.69bn last week, mostly due to a decline in the banks' portfolio by UAH4.39bn to UAH84.04bn while the NBU's and other residents' portfolios slightly rose. The NBU purchased last Thursday UAH0.60bn, increasing the portfolio to UAH284.05bn, as other residents purchased UAH0.22bn on the same day, increasing their portfolio to UAH21.55bn. The non-residents' portfolio was mostly steady with slight changes due to changes in the UAH/USD exchange rate.

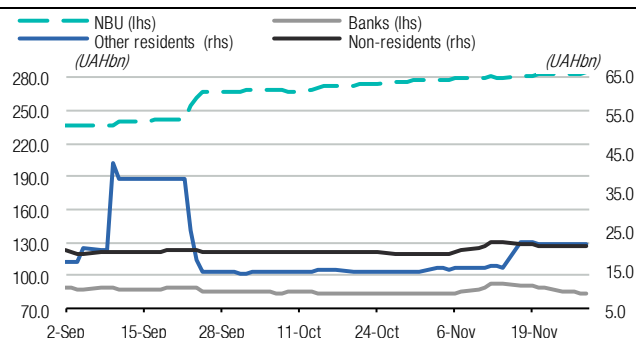
The MoF likely redeemed USD-denominated bonds with put options

Last Monday's decline in bonds outstanding was likely due to a MoF bond buyback. With no scheduled redemption, it could be a buyback or early redemption of USD-denominated bonds with put options.

The NBU's share rose significantly

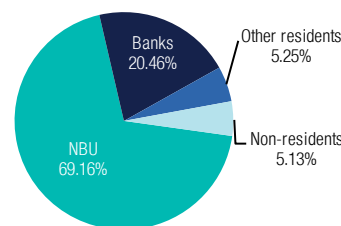
As a result, the NBU's share rose to 69.16% and the other residents' share rose to 5.25% while the banks' share declined to 20.46% and non-residents' share remained slightly above 5%, slightly rising to 5.13%.

Chart 3. UAH state bondholders' portfolios (last 3 months)



Notes: other residents' and non-residents' data is plotted against the right-side axis, all other groups of bondholders are plotted against the left-side axis.
Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 4. Breakdown of government bondholders (28 November, 2014)



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

Eurobond market

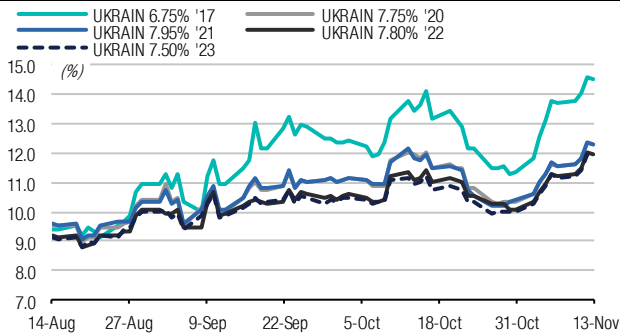
YTM's slightly increase

Eurobond YTM's remained high due to negative anticipations

Ukrainian Eurobonds remained high risk as the situation in eastern Ukraine remained unstable, new government appointees remain unapproved, and the corporate sector has become challenged. As only the Prime Minister was appointed last Thursday, and there was a national holiday in the US, a market reaction will be seen this week, particularly when the new appointees are approved. Last week, short-term bonds with maturity through 2017

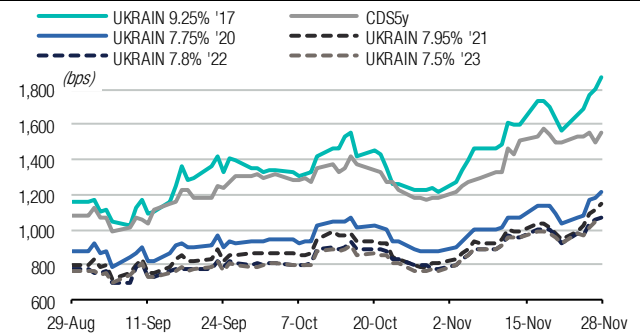
had spreads that widened for the most part while bonds maturing in 2020-2023 were mostly steady.

Chart 5. YTM of some Ukrainian Eurobonds



Source: Bloomberg, Investment Capital Ukraine LLC.

Chart 6. Ukrainian Eurobonds spreads



Source: Bloomberg, Investment Capital Ukraine LLC.

Appendixes

The following pages contain tabular information on the local fixed-income market. There are tables that detail government debt repayments such as a weekly schedule for current year and quarterly schedule for next 5 years.

UAH bond market

Table 1. Ukrainian domestic government bonds as of 28 Nov 2014

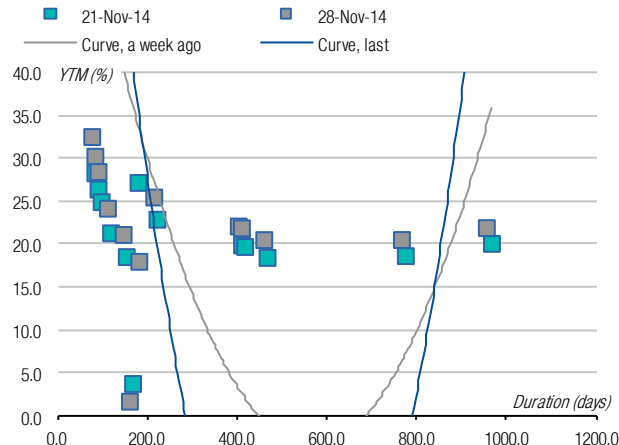
Ticker	Volume (UAHm)	Coupon rate (%)	Maturity	Price (% of par)	YTM (%)	Weekly price chg (bp)	Weekly yield chg (bp)	Duaction (years)	1W daily avg turnover (UAHm)	1W total turnover (UAHm)	Total turnover (UAHm)	Liquidity ratio*
151278	2,209.17	8.5	7-Jan-15	99.096	58.83	-4	1,102	0.11	0.01	0.03	3,489.18	1.58
000999	289.04	9.6	14-Jan-15	99.081	54.34	-8	925	0.13	0.00	0.00	0.00	0.00
155485	3,281.65	8.09	11-Feb-15	98.192	32.55	-19	424	0.21	0.03	0.13	6,979.04	2.13
157143	750.95	8.02	18-Feb-15	98.013	30.26	-22	383	0.22	0.00	0.00	0.00	0.00
157127	742.18	8.02	25-Feb-15	97.847	28.47	-24	351	0.24	0.00	0.00	2,666.48	3.59
160642	3,032.74	7.75	18-Mar-15	97.308	24.20	-33	287	0.30	0.61	3.06	10,197.77	3.36
142699	4,682.47	9.45	22-Apr-15	97.045	21.13	-51	258	0.40	0.00	0.00	14,456.05	3.09
142681	748.07	4.8	6-May-15	101.649	1.71	96	-207	0.44	0.00	0.00	0.00	0.00
141071	2,276.16	9.45	27-May-15	96.513	18.01	-78	-919	0.49	0.01	0.03	9,433.90	4.14
142673	2,628.33	4.5	17-Jun-15	93.717	433.42	-62	22,350	0.05	0.00	0.00	0.00	0.00
144083	33.49	9.45	8-Jul-15	95.821	25.50	-79	259	0.58	0.00	0.00	0.00	0.00
83059	1,206.96	5.5	25-Aug-15	190.750	-69.01			0.56	0.00	0.00	6,328.45	5.24
152441	4,834.62	8.25	27-Jan-16	90.109	22.12	-150	220	1.10	0.00	0.00	55.17	0.01
153282	133.82	8.25	3-Feb-16	89.942	21.91	-152	218	1.12	0.00	0.00	71.92	0.54
160923	4,505.70	7.5	16-Mar-16	88.112	71.96	-163	1,474	0.30	0.00	0.00	0.00	0.00
160907	430.82	8	23-Mar-16	88.510	20.53	-166	208	1.26	85.80	429.02	2,848.57	6.61
160915	4,505.70	8.25	22-Mar-17	81.148	20.54	-245	188	2.10	0.00	0.00	0.00	0.00
151286	7,960.07	7.5	20-Dec-17	74.093	21.93	-273	183	2.62	0.00	0.00	0.00	0.00

Notes: 1W - last 7-day period; turnover figures are trade volumes for a bond reported by PFTS; total turnover - total volume of trades with the bond at PFTS since issue date; [*] liquidity ratio - ratio of total turnover to bond's volume in outstanding.

Sources: Bloomberg, PFTS, Investment Capital Ukraine LLC.

Chart 7. Shape of the local-currency sovereign yield curve

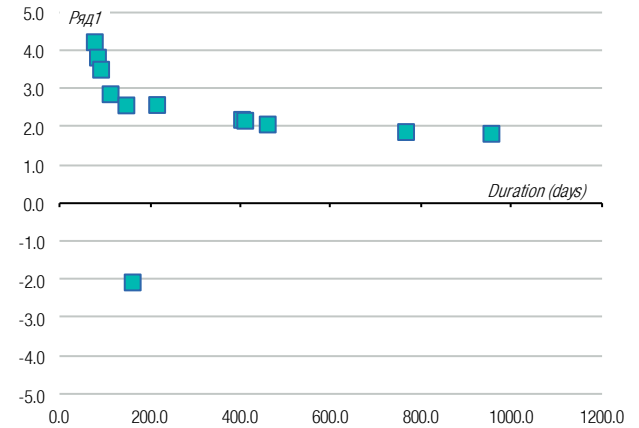
Last one compared to 1 week ago



Sources: Ministry of Finance, Bloomberg, PFTS, Investment Capital Ukraine LLC.

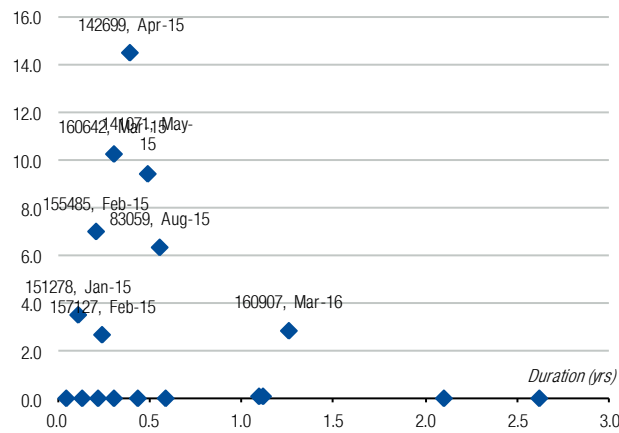
Chart 8. Movement of the local-currency sovereign yield curve

Over last week, in percentage points



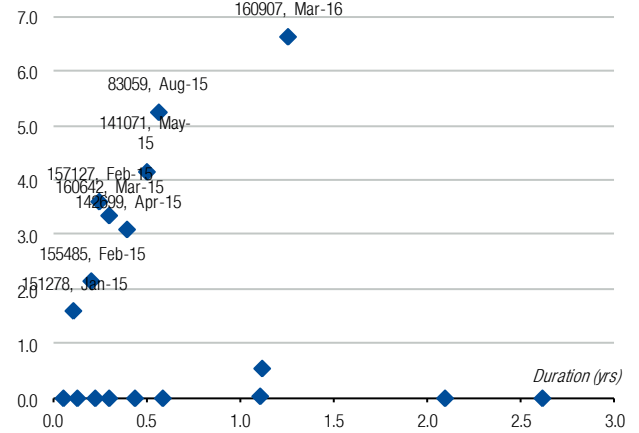
Sources: Ministry of Finance, Bloomberg, PFTS, Investment Capital Ukraine LLC.

Chart 9. Map of Ukraine's local-currency government bonds by total turnover plotted against their duration



Note: Total turnover and duration are taken from Table 1, page 6. The bonds with turnover of UAH2bn and more have labels, which consist of PFTS ticker and after a coma month and year of maturity.
Sources: Ministry of Finance, Bloomberg, PFTS, Investment Capital Ukraine LLC.

Chart 10. Map of Ukraine's local-currency government bonds by liquidity ratio plotted against their duration



Note: Total turnover and duration are taken from Table 1, page 6. The bonds with liquidity ratio of 1.1x and more have labels, which consist of PFTS ticker and after a coma month and year of maturity.
Sources: Ministry of Finance, Bloomberg, PFTS, Investment Capital Ukraine LLC.

Eurobond market

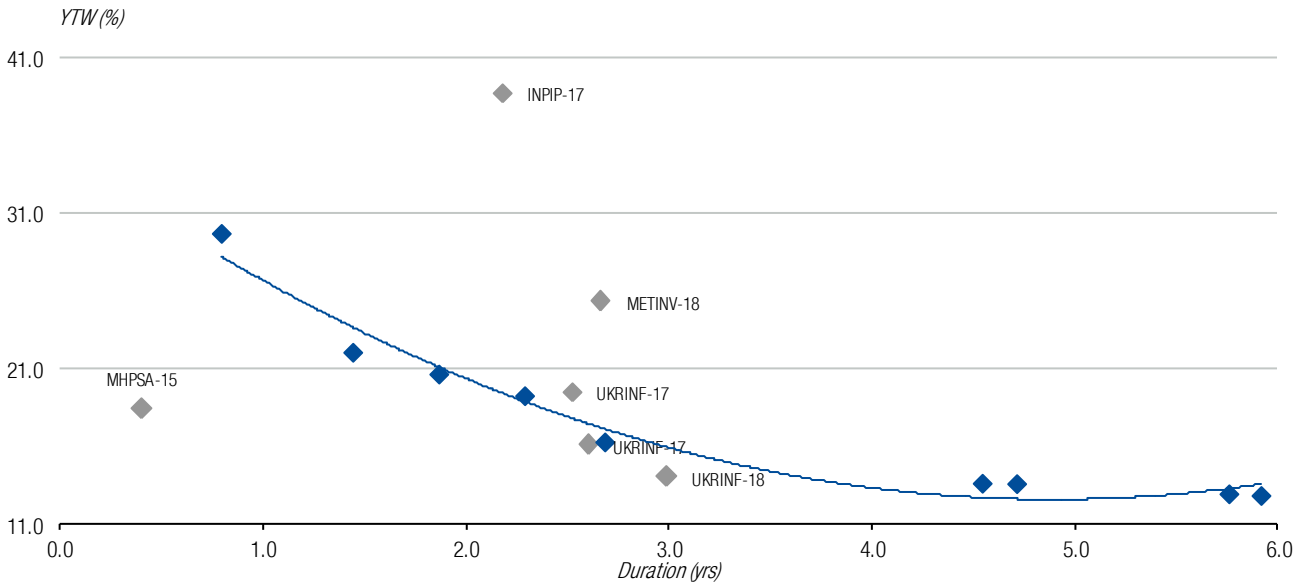
Table 2. Ukrainian Eurobonds as of 28 Nov 2014

Ticker	Issuer	Ratings	Volume (million)	Curr-ency	Coupon rate (%)	Maturity	Price (% of par)	YTM (%)	Weekly price chg (bp)	Weekly yield chg (bp)	Spread (bp)	Duration (years)
DTEKUA-15	DTEK	Caa2/NR/CCC	500.0	USD	9.5	28-Apr-15	82.688	63.11	-306	1,261	6,044	0.40
MHPSA-15	MHP	Caa2/NR/CCC	584.8	USD	10.25	29-Apr-15	97.250	17.38	-56	170	1,626	0.40
METINV-15	Metinvest Holding	Caa2/NR/CCC	500.0	USD	10.25	20-May-15	81.688	60.60	-50	341	5,613	0.46
AVINPU-15	Avangard	NR/NR/CCC	200.0	USD	10	29-Oct-15	76.063	44.89	-50	161	4,206	0.88
MRIYA-16	Mriya Agroholding	NR/NR/WD	250.0	USD	10.95	30-Mar-16	16.688	216.91	6	397	20,424	1.28
INPIP-17	Interpipe	NR/NR/C	200.0	USD	10.25	2-Aug-17	57.313	36.60	-6	23	3,372	2.18
NADRA-17	Nadra Bank	NR/NR/NR	50.0	USD	9.375	5-Dec-17	100.000	9.36	0	7	849	2.69
METINV-18	Metinvest Holding	Caa2/NR/CCC	750.0	USD	8.75	14-Feb-18	65.813	24.83	-156	103	2,285	2.66
UKRAIN-15	Ministry of Finance	Caa3/CCC/CC C	500.0	USD	6.875	23-Sep-15	85.496	28.08	-175	330	2,596	0.79
UKRAIN-15	Ministry of Finance	Caa3/CCC/CC C	600.0	EUR	4.95	13-Oct-15	84.564	26.79	-46	118	2,519	0.86
UKRAIN-16	Ministry of Finance	Caa3/CCC/CC C	1,250.0	USD	6.25	17-Jun-16	81.180	21.18	-261	249	1,980	1.44
UKRAIN-16	Ministry of Finance	Caa3/CCC/CC C	1,000.0	USD	6.58	21-Nov-16	78.811	20.13	-374	281	1,910	1.86
UKRAIN-17	Ministry of Finance	Caa3/CCC/CC C	2,600.0	USD	9.25	24-Jul-17	80.615	18.87	-273	158	1,756	2.29
UKRAIN-17	Ministry of Finance	Caa3/CCC/CC C	700.0	USD	6.75	14-Nov-17	79.001	15.94	-228	118	1,467	2.68
UKRAIN-20	Ministry of Finance	Caa3/CCC/CC C	1,500.0	USD	7.75	23-Sep-20	77.769	13.37	-275	81	1,156	4.54
UKRAIN-21	Ministry of Finance	Caa3/CCC/CC C	1,500.0	USD	7.95	23-Feb-21	77.604	13.35	-443	122	1,087	4.71
UKRAIN-22	Ministry of Finance	Caa3/CCC/CC C	2,250.0	USD	7.8	28-Nov-22	75.684	12.74	-318	76	1,030	5.76
UKRAIN-23	Ministry of Finance	Caa3/CCC/CC C	1,250.0	USD	7.5	17-Apr-23	73.909	12.63	-324	76	1,019	5.91
CITKIE-15	Kyiv	Caa3/CCC/CC	250.0	USD	8	6-Nov-15	75.175	43.18	-216	430	4,066	0.91
CITKIE-16	Kyiv	Caa3/CCC/CC	300.0	USD	9.375	11-Jul-16	73.263	31.83	-222	247	3,044	1.45
PUMBUB-14	FUIB	Caa3/NR/NR	252.5	USD	11	31-Dec-14	70.486	539.46	-66	10,498	51,405	0.08
EXIMUK-15	Ukreximbank	Caa3/NR/CCC	750.0	USD	8.375	27-Apr-15	86.287	48.70	-111	507	4,761	0.40
PRBANK-15	Pryvatbank	Caa3u/NR/CC	200.0	USD	9.375	23-Sep-15	71.688	57.73	-200	531	5,518	0.78
EXIMUK-16	Ukreximbank	Ca/NR/C	125.0	USD	8.4	9-Feb-16	70.907	38.54	-17	71	3,677	1.13
PRBANK-16	Pryvatbank	Cau/NR/NR	150.0	USD	8.75	9-Feb-16	61.125	54.29	-6	83	5,183	1.13
OSCHAD-16	Oshchadbank	NR/NR/B	200.0	USD	8.25	10-Mar-16	0.000	0.00	0	0	0	0.00
OSCHAD-16	Oshchadbank	Caa3/NR/CCC	500.0	USD	8.25	10-Mar-16	73.597	35.77	-320	434	3,463	1.20
FXPOLN-16	Ferrexpo PLC	Caa2/CCC+/C CC	500.0	USD	7.875	7-Apr-16	83.688	22.54	-288	300	2,200	1.28
NADRA-17	Nadra Bank	WR/NR/WD	41.0	USD	8	22-Jun-17	100.000	7.58	0	-9	711	1.62
UKRINF-17	Infrastructure Projects Fin	Caa3/NR/NR	538.0	USD	8.375	3-Nov-17	83.500	15.62	0	4	1,424	2.60
UKRINF-17	Infrastructure Projects Fin	(P)Caa3/NR/N R	550.0	USD	9	7-Dec-17	78.390	18.70	174	-86	1,697	2.52
EXIMUK-18	Ukreximbank	Caa3/NR/CCC	500.0	USD	8.75	22-Jan-18	71.808	21.55	-243	139	1,990	2.63
PRBANK-18	Pryvatbank	Caa3u/NR/CC	175.0	USD	10.875	28-Feb-18	66.563	26.95	-81	57	2,478	2.60
OSCHAD-18	Oshchadbank	Caa3/NR/CCC	500.0	USD	8.875	20-Mar-18	71.216	21.47	-341	185	1,973	2.79
UKRINF-18	Infrastructure Projects Fin	Caa3/NR/NR	690.0	USD	7.4	20-Apr-18	83.125	13.80	0	3	1,202	2.99

Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 11. Term structure of yields of Ukrainian Eurobonds as of 28 Nov 2014

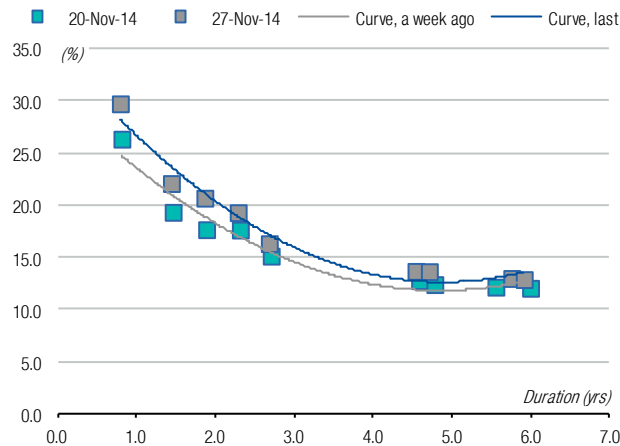
Blue dots are Ukraine sovereign Eurobonds; grey dots are corporate Eurobonds and red ones are municipal Eurobonds



Sources: Bloomberg, Investment Capital Ukraine LLC..

Chart 12. Shape of the USD sovereign yield curve at Eurobond market

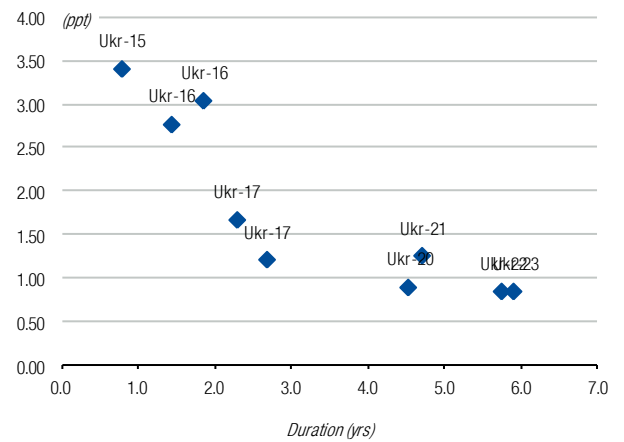
Last one compared to 1 week ago



Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 13. Movement of the USD sovereign yield curve at Eurobond market

Over last week, in percentage points



Note: each point of the chart has a label, where "Ukr" means Ukraine sovereign bond and a two-digit figure after a dash means year of maturity of the bond.
Sources: Bloomberg, Investment Capital Ukraine LLC.

Primary market for UAH state bonds

Table 3. Primary market for local-currency government bonds: results of recent auctions

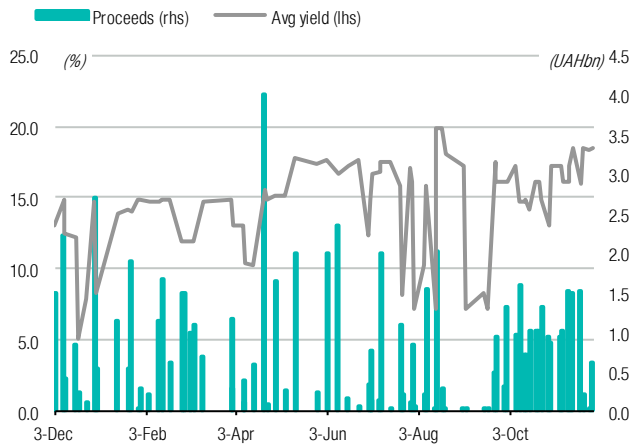
Date	Qty of bonds offered/sold	Proceeds (UAHm)	Volume of bonds sold* (UAHm)	Volume of bids submitted (UAHm)	Qty of bids submitted	Lowest yield asked** (%)	Highest yield asked** (%)	MoF cut-off yield (%)	Qty of bids accepted	Average yield (%)	WA yield (%)	Average duration (years)	WA duration (years)
27-Nov-14	1	602.23	600.00	600.00	1	17.60	17.60	17.60	1	18.43	18.43	1.74	1.74
25-Nov-14	1	8.60	8.57	8.57	1	17.60	17.60	17.60	1	18.40	18.40	1.75	1.75
21-Nov-14	1	200.19	200.00	200.00	1	17.60	17.60	17.60	1	18.43	18.43	1.76	1.76
19-Nov-14	2	1,527.17	1,515.00	1,515.00	2	14.25	17.60	15.93	2	15.99	16.07	2.65	2.60
14-Nov-14	1	1,501.40	1,500.00	1,500.00	1	17.60	17.60	17.60	1	18.43	18.43	1.76	1.76
12-Nov-14	1	6.00	5.98	5.98	1	16.52	16.52	16.52	1	17.22	17.22	1.76	1.76
11-Nov-14	1	1,512.36	1,500.00	1,500.00	1	15.50	15.50	15.50	1	16.15	16.15	5.32	5.32
7-Nov-14	1	1,009.48	1,000.00	1,000.00	1	15.50	15.50	15.50	1	16.15	16.15	5.31	5.31
6-Nov-14	1	936.41	936.00	936.00	2	16.52	16.52	16.52	2	17.25	17.25	1.77	1.77
30-Oct-14	1	852.69	850.00	850.00	1	16.51	16.51	16.51	1	17.24	17.24	1.76	1.76
29-Oct-14	2	937.76	40.00	937.74	4	7.50	16.50	12.00	4	12.97	16.89	1.61	1.75
24-Oct-14	1	1,304.43	1,300.00	1,304.43	1	14.25	14.25	14.25	1	14.80	14.80	3.71	3.71
22-Oct-14	1	1,002.88	1,000.00	1,000.00	1	15.50	15.50	15.50	1	16.15	16.15	5.36	5.36
20-Oct-14	1	1,013.63	1,000.00	1,000.00	1	15.50	15.50	15.50	1	16.15	16.15	5.28	5.28
16-Oct-14	2	1,012.28	0.31	1,000.31	3	7.00	15.50	11.25	3	14.10	16.15	3.78	5.29
14-Oct-14	1	701.59	700.00	700.00	1	14.25	14.25	14.25	1	14.80	14.80	3.71	3.71
13-Oct-14	1	701.32	700.00	700.00	1	14.25	14.25	14.25	1	14.78	14.78	3.72	3.72
10-Oct-14	1	1,601.22	1,600.00	1,600.00	2	14.25	14.25	14.25	2	14.78	14.78	3.73	3.73
7-Oct-14	2	974.22	1,136.42	1,136.42	3	16.50	17.50	17.00	3	17.30	17.50	1.33	0.97
1-Oct-14	1	1,317.55	1,310.00	1,310.00	2	15.50	15.50	15.50	2	16.15	16.15	5.34	5.34
29-Sep-14	1	301.61	300.00	300.00	1	15.50	15.50	15.50	1	16.14	16.14	4.46	4.46
24-Sep-14	1	930.00	930.00	930.00	2	15.50	15.50	15.50	2	16.15	16.15	5.37	5.37
23-Sep-14	1	471.68	554.00	554.00	1	17.50	17.50	17.50	1	17.45	17.45	1.00	1.00
18-Sep-14	1	7.92	7.85	7.85	4	7.00	7.00	7.00	4	7.13	7.13	1.76	1.76
16-Sep-14	1	8.01	8.00	8.00	1	8.10	8.10	8.10	1	8.26	8.26	1.86	1.86
4-Sep-14	1	21.40	21.25	21.25	2	7.00	7.00	7.00	2	7.13	7.13	1.80	1.80
2-Sep-14	1	11.98	11.75	11.75	1	16.50	16.50	16.50	1	17.20	17.20	1.73	1.73
21-Aug-14	1	22.52	22.50	42.50	2	17.30	20.00	17.30	1	18.07	18.07	1.77	1.77
19-Aug-14	1	276.78	286.00	286.00	2	18.95	18.98	18.98	2	19.91	19.91	2.17	2.17
15-Aug-14	2	2,031.53	1,100.00	2,104.54	3	18.98	18.98	18.98	3	19.94	19.94	2.18	2.18
14-Aug-14	1	14.02	13.98	13.98	2	7.00	7.00	7.00	2	7.13	7.13	1.85	1.85
8-Aug-14	2	1,538.01	1,530.00	1.53	4	14.30	17.00	15.65	4	15.79	16.78	2.68	2.07
7-Aug-14	3	210.40	226.51	226.51	7	7.00	15.90	12.60	7	10.31	14.78	1.01	0.56
31-Jul-14	1	50.02	50.00	50.00	1	7.00	7.00	7.00	1	7.13	7.13	1.89	1.89
30-Jul-14	2	837.38	950.00	950.00	2	15.90	16.00	15.95	2	16.11	16.12	0.85	0.84
29-Jul-14	2	97.18	100.32	100.32	3	15.90	16.75	16.33	3	17.13	17.26	1.26	1.41
23-Jul-14	1	200.09	200.00	200.00	1	8.00	8.00	8.00	1	8.14	8.14	0.98	0.98
22-Jul-14	3	1,091.39	1,090.00	1.09	7	14.30	16.75	15.65	7	15.78	15.05	2.02	2.74
15-Jul-14	1	20.00	20.00	20.00	1	16.75	16.75	16.75	1	17.47	17.47	1.78	1.78
9-Jul-14	1	2,000.88	2,000.00	2,000.00	1	16.75	16.75	16.75	1	17.47	17.47	1.78	1.78

Notes: the tables depicts the history of last 40 auctions; [*] - volume of bonds sold at the auction at par value; [**] - lowest and highest yields that are indicated in the bid orders submitted to the auction in order to buy all bonds offered by MoF.

Sources: Ministry of Finance, Investment Capital Ukraine LLC.

Chart 14. Effective yield of debt raised by MoF and total volume of proceeds at the government bond auctions

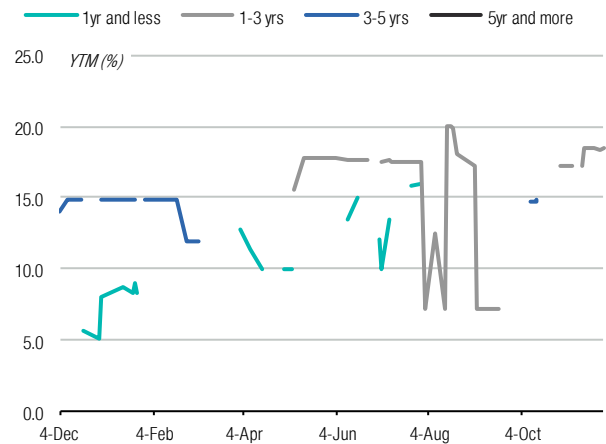
Last 12-month period



Sources: Ministry of Finance, Investment Capital Ukraine LLC.

Chart 15. Yield-to-maturity of government bonds sold at auctions, breakdown by duration of bonds sold

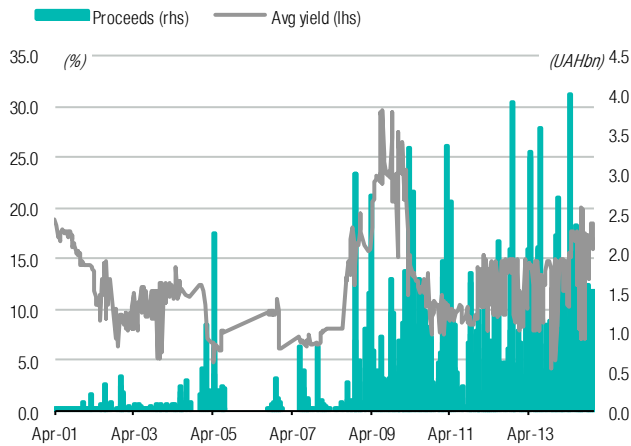
Last 12-month period



Sources: Ministry of Finance, Investment Capital Ukraine LLC.

Chart 16. Effective yield of debt raised by MoF and total volume of proceeds at the government bond auctions

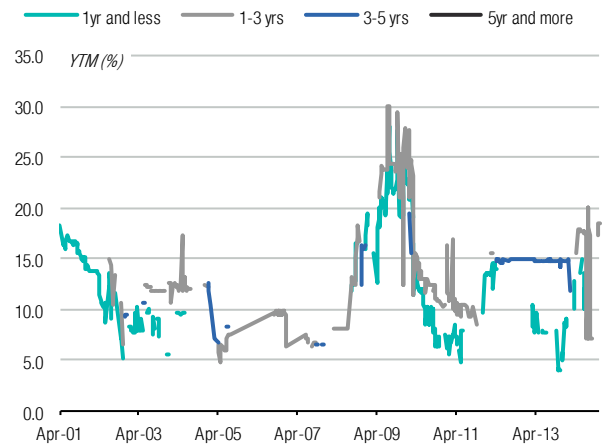
History since April 2001 to present



Sources: Ministry of Finance, Investment Capital Ukraine LLC.

Chart 17. Yield-to-maturity of government bonds sold at auctions, breakdown by duration of bonds sold

History since April 2001 to present



Sources: Ministry of Finance, Investment Capital Ukraine LLC.

UAH state bonds outstanding

Table 4. Outstanding of local-currency government bonds

ISIN	Bond type	Outstanding volume (UAH)	Coupon rate (%)	Payment frequency	Amortisation option	Put option	Next put	Maturity date
Government UAH bonds								
UA4000184246	Zero-coupon bonds	182,000,000.00	14.92	Upon maturity	No	No		10-Dec-2014
UA4000064026	Coupon bonds	1,000,000.00	18.50	Semi-annually	No	No		21-Jan-2015
UA4000064166	Coupon bonds	451,875,000.00	15.00	Semi-annually	No	No		28-Jan-2015
UA4000185722	Zero-coupon bonds	170,000,000.00	14.90	Upon maturity	No	No		28-Jan-2015
UA4000185383	Zero-coupon bonds	845,000,000.00	15.88	Upon maturity	No	No		15-Apr-2015
UA4000141592	Coupon bonds	250,000,000.00	14.30	Semi-annually	No	No		20-May-2015
UA4000185607	Zero-coupon bonds	450,000,000.00		Upon maturity	No	No		29-Jul-2015
UA4000186787	Zero-coupon bonds	1,684,266,000.00		Upon maturity	No	No		23-Sep-2015
UA4000180582	Coupon bonds	1,987,478,000.00	17.00	Semi-annually	No	No		27-Apr-2016
UA4000180772	Coupon bonds	20,000,000.00	17.00	Semi-annually	No	No		18-May-2016
UA4000181275	Coupon bonds	2,000,000,000.00	16.98	Semi-annually	No	No		1-Jun-2016
UA4000184253	Coupon bonds	2,030,000,000.00	16.95	Semi-annually	No	No		8-Jun-2016
UA4000184352	Coupon bonds	211,970,000.00	16.95	Semi-annually	No	No		15-Jun-2016
UA4000185201	Coupon bonds	2,000,000,000.00	16.75	Semi-annually	No	No		6-Jul-2016
UA4000106181	Coupon bonds	80,002,000.00	9.50	Quarterly	Yes	Yes	13-Jul-2016	13-Jul-2016
UA4000185276	Coupon bonds	1,395,320,000.00	16.75	Semi-annually	No	No		13-Jul-2016
UA4000107528	Coupon bonds	5,512,500.00	12.50	Quarterly	Yes	No		20-Jul-2016
UA4000185623	Coupon bonds	99,898,000.00	7.00	Semi-annually	No	No		27-Jul-2016
UA4000186175	Coupon bonds	40,405,000.00	17.30	Semi-annually	No	No		17-Aug-2016
UA4000187280	Coupon bonds	1,745,060,000.00	16.49	Semi-annually	No	No		19-Oct-2016
UA4000187512	Coupon bonds	941,979,000.00	16.52	Semi-annually	No	No		2-Nov-2016
UA4000187900	Coupon bonds	2,295,000,000.00	17.60	Semi-annually	No	No		9-Nov-2016
UA4000188080	Coupon bonds	808,570,000.00	17.60	Semi-annually	No	No		16-Nov-2016
UA4000180202	Coupon bonds	1,150,000,000.00	14.25	Semi-annually	No	No		15-Mar-2017
UA4000180459	Coupon bonds	1,600,000,000.00	15.00	Semi-annually	No	No		29-Mar-2017
UA4000138853	Coupon bonds	1,928,720,000.00	14.30	Semi-annually	No	No		5-Apr-2017
UA4000180400	Coupon bonds	6,390,537,000.00	15.00	Semi-annually	No	No		19-Apr-2017
UA4000180541	Coupon bonds	100,000,000.00	15.00	Semi-annually	No	No		3-May-2017
UA4000142665	Coupon bonds	1,759,740,000.00	14.30	Semi-annually	No	No		24-May-2017
UA4000145973	Coupon bonds	1,810,000,000.00	14.30	Semi-annually	No	No		2-Aug-2017
UA4000148027	Coupon bonds	1,824,455,000.00	14.30	Semi-annually	No	No		11-Oct-2017
UA4000148571	Coupon bonds	1,890,000,000.00	14.30	Semi-annually	No	No		18-Oct-2017
UA4000177745	Coupon bonds	5,000,000.00	12.10	Semi-annually	No	No		15-Nov-2017
UA4000151203	Coupon bonds	1,493,409,000.00	14.30	Semi-annually	No	No		13-Dec-2017
UA4000157119	Coupon bonds	2,500,330,000.00	14.30	Semi-annually	No	No		7-Feb-2018
UA4000160626	Coupon bonds	1,818,593,000.00	14.30	Semi-annually	No	No		7-Mar-2018
UA4000162127	Coupon bonds	2,751,160,000.00	14.30	Semi-annually	No	No		4-Apr-2018
UA4000165765	Coupon bonds	1,585,600,000.00	14.25	Semi-annually	No	No		11-Apr-2018
UA4000166219	Coupon bonds	400,000,000.00	14.25	Semi-annually	No	No		18-Apr-2018
UA4000166201	Coupon bonds	2,254,507,000.00	14.25	Semi-annually	No	No		2-May-2018
UA4000168082	Coupon bonds	3,050,250,000.00	14.25	Semi-annually	No	No		16-May-2018
UA4000171391	Coupon bonds	1,803,816,000.00	14.25	Semi-annually	No	No		27-Jun-2018
UA4000170732	Coupon bonds	3,853,400,000.00	14.25	Semi-annually	No	No		4-Jul-2018
UA4000174239	Coupon bonds	1,247,936,000.00	14.25	Semi-annually	No	No		5-Sep-2018
UA4000175467	Coupon bonds	1,364,010,000.00	14.25	Semi-annually	No	No		10-Oct-2018
UA4000176093	Coupon bonds	1,644,780,000.00	14.25	Semi-annually	No	No		24-Oct-2018
UA4000177919	Coupon bonds	2,100,000,000.00	14.25	Semi-annually	No	No		14-Nov-2018
UA4000178891	Coupon bonds	2,077,263,000.00	14.25	Semi-annually	No	No		9-Jan-2019
UA4000179196	Coupon bonds	1,626,723,000.00	14.25	Semi-annually	No	No		23-Jan-2019

Table 4. Outstanding of local-currency government bonds

ISIN	Bond type	Outstanding volume (UAH)	Coupon rate (%)	Payment frequency	Amortisation option	Put option	Next put	Maturity date
UA4000179519	Coupon bonds	1,650,000,000.00	14.25	Semi-annually	No	No		30-Jan-2019
UA4000179766	Coupon bonds	1,500,000,000.00	11.50	Semi-annually	No	No		13-Feb-2019
UA4000179691	Coupon bonds	600,000,000.00	14.30	Semi-annually	No	No		13-Feb-2019
UA4000179741	Coupon bonds	1,500,000,000.00	11.50	Semi-annually	No	No		20-Feb-2019
UA4000179824	Coupon bonds	2,100,000,000.00	11.50	Semi-annually	No	No		27-Feb-2019
UA4000180426	Coupon bonds	1,571,589,000.00	14.30	Semi-annually	No	No		10-Apr-2019
UA4000138861	Coupon bonds	2,160,000,000.00	14.00	Semi-annually	No	No		17-Apr-2019
UA4000142137	Coupon bonds	1,900,000,000.00	14.13	Semi-annually	No	No		22-May-2019
UA4000185755	Coupon bonds	300,000,000.00	14.30	Semi-annually	No	No		31-Jul-2019
UA4000146997	Coupon bonds	1,996,041,000.00	14.30	Semi-annually	No	No		18-Sep-2019
UA4000186993	Coupon bonds	3,000,000,000.00	14.25	Semi-annually	No	No		2-Oct-2019
UA4000187272	Coupon bonds	2,020,000,000.00	14.25	Semi-annually	No	No		9-Oct-2019
UA4000148589	Coupon bonds	2,000,000,000.00	14.30	Semi-annually	No	No		23-Oct-2019
UA4000148944	Coupon bonds	500,000,000.00	14.30	Semi-annually	No	No		30-Oct-2019
UA4000157671	Coupon bonds	1,760,800,000.00	14.30	Semi-annually	No	No		12-Feb-2020
UA4000165773	Coupon bonds	1,820,000,000.00	14.30	Semi-annually	No	No		8-Apr-2020
UA4000166805	Coupon bonds	1,944,904,000.00	14.30	Semi-annually	No	No		6-May-2020
UA4000171094	Coupon bonds	2,403,338,000.00	14.30	Semi-annually	No	No		8-Jul-2020
UA4000175459	Coupon bonds	1,195,000,000.00	14.30	Semi-annually	No	No		23-Sep-2020
UA4000178024	Coupon bonds	2,024,807,000.00	14.30	Semi-annually	No	No		21-Oct-2020
UA4000177927	Coupon bonds	1,500,000,000.00	14.30	Semi-annually	No	No		18-Nov-2020
UA4000179170	Coupon bonds	10,000,000.00	14.30	Semi-annually	No	No		23-Dec-2020
UA4000186852	Coupon bonds	300,000,000.00	15.50	Semi-annually	No	No		8-Sep-2021
UA4000173371	Coupon bonds	330,000,000.00	10.00	Semi-annually	No	No		23-Aug-2023
UA4000186894	Coupon bonds	3,310,000,000.00	15.50	Semi-annually	No	No		4-Sep-2024
UA4000186803	Coupon bonds	930,000,000.00	15.50	Semi-annually	No	No		11-Sep-2024
UA4000187207	Coupon bonds	2,000,000,000.00	15.50	Semi-annually	No	No		2-Oct-2024
UA4000187728	Coupon bonds	1,500,000,000.00	15.50	Semi-annually	No	No		9-Oct-2024
Total		113,552,043,500.00						
Government recap'n bonds								
UA4000063226	Coupon bonds	1,598,270,000.00	9.75	Semi-annually	No	No		17-Dec-2014
UA4000136469	Coupon bonds	1,500,000,000.00	9.95	Semi-annually	No	No		4-Feb-2015
UA4000092100	Coupon bonds	500,000,000.00	9.50	Semi-annually	No	No		18-Mar-2015
UA4000146393	Coupon bonds	1,000,000,000.00	9.95	Semi-annually	No	No		2-Sep-2015
UA4000048789	Coupon bonds	2,000,000,000.00	9.50	Semi-annually	No	No		18-Nov-2015
UA4000050090	Coupon bonds	4,000,000,000.00	9.50	Semi-annually	No	No		16-Dec-2015
UA4000092118	Coupon bonds	1,500,000,000.00	9.50	Semi-annually	No	No		17-Feb-2016
UA4000115190	Coupon bonds	1,250,000,000.00	9.50	Semi-annually	No	No		9-Mar-2016
UA4000050199	Coupon bonds	3,885,000,000.00	9.50	Semi-annually	No	No		13-Apr-2016
UA4000050017	Coupon bonds	3,700,000,000.00	9.50	Semi-annually	No	No		10-May-2016
UA4000092126	Coupon bonds	1,500,000,000.00	9.50	Semi-annually	No	No		29-Jun-2016
UA4000092134	Coupon bonds	1,500,000,000.00	9.50	Semi-annually	No	No		13-Jul-2016
UA4000119945	Coupon bonds	1,750,000,000.00	9.50	Semi-annually	No	No		24-Aug-2016
UA4000050207	Coupon bonds	3,885,000,000.00	9.50	Semi-annually	No	No		14-Sep-2016
UA4000115208	Coupon bonds	1,250,000,000.00	9.50	Semi-annually	No	No		15-Feb-2017
UA4000092142	Coupon bonds	1,200,000,000.00	9.50	Semi-annually	No	No		12-Apr-2017
UA4000057111	Coupon bonds	1,033,333,000.00	9.50	Semi-annually	No	No		31-May-2017
UA4000057277	Coupon bonds	1,188,431,000.00	9.50	Semi-annually	No	No		7-Jun-2017
UA4000057301	Coupon bonds	936,171,000.00	9.50	Semi-annually	No	No		14-Jun-2017
UA4000156863	Coupon bonds	2,000,000,000.00	14.30	Semi-annually	No	No		28-Jun-2017
UA4000058606	Coupon bonds	3,100,000,000.00	9.50	Semi-annually	No	No		19-Jul-2017
UA4000158315	Coupon bonds	1,000,000,000.00	14.30	Semi-annually	No	No		16-Aug-2017

Table 4. Outstanding of local-currency government bonds

ISIN	Bond type	Outstanding volume (UAH)	Coupon rate (%)	Payment frequency	Amortisation option	Put option	Next put	Maturity date
UA4000092167	Coupon bonds	1,200,000,000.00	9.50	Semi-annually	No	No		23-Aug-2017
UA4000115216	Coupon bonds	1,250,000,000.00	9.50	Semi-annually	No	No		13-Sep-2017
UA4000058614	Coupon bonds	1,658,263,000.00	9.50	Semi-annually	No	No		4-Oct-2017
UA4000153340	Coupon bonds	1,500,000,000.00	14.30	Semi-annually	No	No		8-Nov-2017
UA4000151476	Coupon bonds	2,000,000,000.00	14.30	Semi-annually	No	No		29-Nov-2017
UA4000153126	Coupon bonds	500,000,000.00	14.30	Semi-annually	No	No		13-Dec-2017
UA4000130082	Coupon bonds	2,000,000,000.00	9.50	Semi-annually	No	No		27-Dec-2017
UA4000179576	Coupon bonds	2,500,000,000.00	14.25	Semi-annually	No	No		16-Jan-2018
UA4000130090	Coupon bonds	2,000,000,000.00	9.50	Semi-annually	No	No		17-Jan-2018
UA4000115638	Coupon bonds	1,975,000,000.00	9.50	Semi-annually	No	No		21-Feb-2018
UA4000160758	Coupon bonds	1,000,000,000.00	14.30	Semi-annually	No	No		14-Mar-2018
UA4000061790	Coupon bonds	1,400,000,000.00	9.50	Semi-annually	No	No		28-Mar-2018
UA4000119952	Coupon bonds	1,750,000,000.00	9.50	Semi-annually	No	No		25-Apr-2018
UA4000055586	Coupon bonds	1,000,000,000.00	9.50	Semi-annually	No	No		9-May-2018
UA4000057319	Coupon bonds	936,172,000.00	9.50	Semi-annually	No	No		30-May-2018
UA4000057129	Coupon bonds	1,033,333,000.00	9.50	Semi-annually	No	No		6-Jun-2018
UA4000057285	Coupon bonds	1,188,431,000.00	9.50	Semi-annually	No	No		13-Jun-2018
UA4000173314	Coupon bonds	1,250,000,000.00	14.25	Semi-annually	No	No		20-Jun-2018
UA4000058622	Coupon bonds	1,916,119,000.00	9.50	Semi-annually	No	No		18-Jul-2018
UA4000173306	Coupon bonds	1,250,000,000.00	14.25	Semi-annually	No	No		25-Jul-2018
UA4000173298	Coupon bonds	1,250,000,000.00	14.25	Semi-annually	No	No		1-Aug-2018
UA4000120877	Coupon bonds	604,000,000.00	9.50	Semi-annually	No	No		8-Aug-2018
UA4000173280	Coupon bonds	1,250,000,000.00	14.25	Semi-annually	No	No		15-Aug-2018
UA4000115224	Coupon bonds	1,250,000,000.00	9.50	Semi-annually	No	No		22-Aug-2018
UA4000062525	Coupon bonds	650,000,000.00	9.50	Semi-annually	No	No		12-Sep-2018
UA4000115646	Coupon bonds	1,975,001,000.00	9.50	Semi-annually	No	No		19-Sep-2018
UA4000058630	Coupon bonds	1,355,345,000.00	9.50	Semi-annually	No	No		3-Oct-2018
UA4000059323	Coupon bonds	1,000,000,000.00	9.50	Semi-annually	No	No		31-Oct-2018
UA4000121495	Coupon bonds	1,000,000,000.00	9.50	Semi-annually	No	No		7-Nov-2018
UA4000064307	Coupon bonds	1,000,000,000.00	9.50	Semi-annually	No	No		21-Nov-2018
UA4000179535	Coupon bonds	2,500,000,000.00	14.25	Semi-annually	No	No		28-Nov-2018
UA4000177943	Coupon bonds	300,000,000.00	9.50	Semi-annually	No	No		28-Nov-2018
UA4000179543	Coupon bonds	2,500,000,000.00	14.25	Semi-annually	No	No		5-Dec-2018
UA4000179550	Coupon bonds	2,500,000,000.00	14.25	Semi-annually	No	No		19-Dec-2018
UA4000179568	Coupon bonds	1,066,400,000.00	14.25	Semi-annually	No	No		26-Dec-2018
UA4000061808	Coupon bonds	1,400,000,000.00	9.50	Semi-annually	No	No		6-Feb-2019
UA4000064315	Coupon bonds	1,294,999,000.00	9.50	Semi-annually	No	No		13-Mar-2019
UA4000058648	Coupon bonds	1,933,060,000.00	9.50	Semi-annually	No	No		3-Apr-2019
UA4000121503	Coupon bonds	1,100,000,000.00	9.50	Semi-annually	No	No		15-May-2019
UA4000057293	Coupon bonds	1,188,432,000.00	9.50	Semi-annually	No	No		29-May-2019
UA4000057327	Coupon bonds	936,172,000.00	9.50	Semi-annually	No	No		5-Jun-2019
UA4000057137	Coupon bonds	1,033,334,000.00	9.50	Semi-annually	No	No		12-Jun-2019
UA4000064323	Coupon bonds	1,000,000,000.00	9.50	Semi-annually	No	No		17-Jul-2019
UA4000063119	Coupon bonds	1,276,191,000.00	9.50	Semi-annually	No	No		21-Aug-2019
UA4000064349	Coupon bonds	1,295,000,000.00	9.50	Semi-annually	No	No		25-Sep-2019
UA4000064117	Coupon bonds	900,000,000.00	9.50	Semi-annually	No	No		16-Oct-2019
UA4000064125	Coupon bonds	900,000,000.00	9.50	Semi-annually	No	No		20-Nov-2019
UA4000063010	Coupon bonds	950,000,000.00	9.50	Semi-annually	No	No		11-Mar-2020
UA4000061816	Coupon bonds	1,400,000,000.00	9.50	Semi-annually	No	No		15-Apr-2020
UA4000121511	Coupon bonds	1,100,000,000.00	9.50	Semi-annually	No	No		20-May-2020
UA4000063127	Coupon bonds	1,500,000,000.00	9.50	Semi-annually	No	No		17-Jun-2020
UA4000180798	Coupon bonds	2,500,000,000.00	14.30	Semi-annually	No	No		29-Jul-2020

Table 4. Outstanding of local-currency government bonds

ISIN	Bond type	Outstanding volume (UAH)	Coupon rate (%)	Payment frequency	Amortisation option	Put option	Next put	Maturity date
UA4000063028	Coupon bonds	949,981,000.00	9.50	Semi-annually	No	No		12-Aug-2020
UA4000180806	Coupon bonds	2,500,000,000.00	14.30	Semi-annually	No	No		26-Aug-2020
UA4000180814	Coupon bonds	2,500,000,000.00	14.30	Semi-annually	No	No		30-Sep-2020
UA4000180822	Coupon bonds	2,500,000,000.00	14.30	Semi-annually	No	No		14-Oct-2020
UA4000061824	Coupon bonds	1,400,000,000.00	9.50	Semi-annually	No	No		4-Nov-2020
UA4000177950	Coupon bonds	1,400,000,000.00	9.50	Semi-annually	No	No		25-Nov-2020
UA4000063135	Coupon bonds	1,500,000,000.00	9.50	Semi-annually	No	No		9-Jun-2021
UA4000121529	Coupon bonds	1,100,000,000.00	9.50	Semi-annually	No	No		22-Sep-2021
UA4000063143	Coupon bonds	1,500,000,000.00	9.50	Semi-annually	No	No		1-Jun-2022
Total		127,841,438,000.00						
Government VAT bonds 2010								
UA4000078141	Coupon bonds	9,688,000.00	5.50	Semi-annually	Yes	No		27-Jul-2015
UA4000082531	Coupon bonds	409,563,000.00	5.50	Semi-annually	Yes	No		21-Aug-2015
UA4000082622	Coupon bonds	1,660,974,600.00	5.50	Semi-annually	Yes	No		24-Aug-2015
UA4000083059	Coupon bonds	1,206,957,000.00	5.50	Semi-annually	Yes	No		25-Aug-2015
Total		3,287,182,600.00						
Government indexed bonds								
UA4000132278	Coupon bonds	250,000,000.00	9.75	Semi-annually	No	No		3-Dec-2014
UA4000137822	Coupon bonds	700,000,000.00	9.30	Semi-annually	No	No		4-Mar-2015
UA4000138242	Coupon bonds	470,000,000.00	9.30	Semi-annually	No	No		8-Apr-2015
UA4000139513	Coupon bonds	900,000,000.00	9.30	Semi-annually	No	No		13-May-2015
UA4000141600	Coupon bonds	100,000,000.00	9.30	Semi-annually	No	No		3-Jun-2015
UA4000144075	Coupon bonds	600,000,000.00	9.30	Semi-annually	No	No		15-Jul-2015
UA4000146070	Coupon bonds	200,000,000.00	9.30	Semi-annually	No	No		12-Aug-2015
UA4000146500	Coupon bonds	525,000,000.00	9.30	Semi-annually	No	No		9-Sep-2015
UA4000148217	Coupon bonds	329,000,000.00	9.30	Semi-annually	No	No		28-Oct-2015
UA4000149082	Coupon bonds	580,000,000.00	9.30	Semi-annually	No	No		11-Nov-2015
UA4000151500	Coupon bonds	557,000,000.00	9.19	Semi-annually	No	No		13-Jan-2016
UA4000160634	Coupon bonds	60,000,000.00	9.10	Semi-annually	No	No		16-Mar-2016
UA4000129233	Coupon bonds	850,000,000.00	8.75	Semi-annually	No	No		10-Aug-2016
UA4000129118	Coupon bonds	1,940,000,000.00	8.75	Semi-annually	No	No		28-Sep-2016
UA4000177406	Coupon bonds	477,000,000.00	9.50	Semi-annually	No	No		16-Nov-2016
UA4000129241	Coupon bonds	1,000,000,000.00	9.25	Semi-annually	No	No		15-Sep-2021
Total		9,538,000,000.00						
Government foreign-currency bonds								
UA4000177133	Coupon bonds	3,379,275,000.00	7.88	Semi-annually	No	No		10-Dec-2014
UA4000171649	Coupon bonds	1,490,410,465.00	8.25	Semi-annually	No	No		24-Dec-2014
UA4000151278	Coupon bonds	2,209,174,748.00	8.50	Semi-annually	No	No		7-Jan-2015
UA4000133771	Coupon bonds	289,040,655.00	9.60	Semi-annually	No	No		14-Jan-2015
UA4000155485	Coupon bonds	3,281,651,500.00	8.09	Semi-annually	No	No		11-Feb-2015
UA4000157143	Coupon bonds	750,950,000.00	8.02	Semi-annually	No	No		18-Feb-2015
UA4000157127	Coupon bonds	742,178,904.00	8.02	Semi-annually	No	No		25-Feb-2015
UA4000160642	Coupon bonds	3,032,741,613.00	7.75	Semi-annually	No	No		18-Mar-2015
UA4000142699	Coupon bonds	4,682,473,630.00	9.45	Semi-annually	No	No		22-Apr-2015
UA4000142681	Coupon bonds	748,066,352.00	4.80	Semi-annually	No	Yes	6-May-2015	6-May-2015
UA4000166821	Coupon bonds	4,004,065,400.00	7.75	Semi-annually	No	No		6-May-2015
UA4000141071	Coupon bonds	2,276,159,488.00	9.45	Semi-annually	No	No		27-May-2015
UA4000167837	Coupon bonds	2,608,950,490.00	7.75	Semi-annually	No	No		3-Jun-2015
UA4000142673	Coupon bonds	2,628,325,000.00	4.50	Semi-annually	No	Yes	17-Jun-2015	17-Jun-2015
UA4000144083	Coupon bonds	33,492,370.00	9.45	Semi-annually	No	No		8-Jul-2015

Table 4. Outstanding of local-currency government bonds

ISIN	Bond type	Outstanding volume (UAH)	Coupon rate (%)	Payment frequency	Amortisation option	Put option	Next put	Maturity date
UA4000171409	Coupon bonds	1,567,653,182.00	8.25	Semi-annually	No	No		15-Jul-2015
UA4000185458	Coupon bonds	3,003,800,000.00	8.00	Semi-annually	No	No		22-Jul-2015
UA4000152441	Coupon bonds	4,834,616,100.00	8.25	Semi-annually	No	No		27-Jan-2016
UA4000153282	Coupon bonds	133,819,290.00	8.25	Semi-annually	No	No		3-Feb-2016
UA4000160923	Coupon bonds	4,505,700,000.00	7.50	Semi-annually	No	Yes	16-Mar-2016	16-Mar-2016
UA4000160907	Coupon bonds	430,820,015.00	8.00	Semi-annually	No	No		23-Mar-2016
UA4000187298	Coupon bonds	748,066,352.00	7.50	Semi-annually	No	No		27-Apr-2016
UA4000166847	Coupon bonds	1,118,164,550.00	8.00	Semi-annually	No	No		25-May-2016
UA4000172506	Coupon bonds	3,391,094,953.00	8.75	Semi-annually	No	No		10-Aug-2016
UA4000186720	Coupon bonds	120,152,000.00	8.10	Semi-annually	No	No		7-Sep-2016
UA4000177414	Coupon bonds	4,483,171,500.00	7.75	Semi-annually	No	Yes	26-Oct-2016	26-Oct-2016
UA4000177752	Coupon bonds	749,838,594.00	7.75	Semi-annually	No	Yes	30-Nov-2016	30-Nov-2016
UA4000178305	Coupon bonds	1,499,376,808.00	7.75	Semi-annually	No	No		14-Dec-2016
UA4000160915	Coupon bonds	4,505,700,000.00	8.25	Semi-annually	No	No		22-Mar-2017
UA4000166854	Coupon bonds	4,881,175,000.00	7.45	Semi-annually	No	Yes	17-May-2017	17-May-2017
UA4000151286	Coupon bonds	7,960,070,000.00	7.50	Semi-annually	No	No		20-Dec-2017
UA4000177554	Coupon bonds	3,002,553,423.00	7.50	Semi-annually	No	Yes	21-Nov-2018	21-Nov-2018
Total		79,092,727,382.00						
Grand total		333,311,391,482.00						

Note: the list of local-currency government bonds may not be complete as it reflects ICU knowledge regarding the outstanding stock of the government bonds, which is published by Ministry of Finance of Ukraine as its website (http://minfin.gov.ua/control/publish/article/main?art_id=274776&cat_id=234036).

Sources: Ministry of Finance, Investment Capital Ukraine LLC.

2014 weekly state debt payback

Table 5. Weekly schedule of state bond auctions and volume of state debt* to be repaid within a 7-day period since auction date (UAH)

Month	Auction details	1st Tuesday	2nd Tuesday	3rd Tuesday	4th Tuesday	5th Tuesday
January	Auction date	7-Jan-14	14-Jan-14	21-Jan-14	28-Jan-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
February	Auction date	4-Feb-14	11-Feb-14	18-Feb-14	25-Feb-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
March	Auction date	4-Mar-14	11-Mar-14	18-Mar-14	25-Mar-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
April	Auction date	1-Apr-14	8-Apr-14	15-Apr-14	22-Apr-14	29-Apr-14
	Local debt repayment ¹	0.00	0.00	0.00	0.00	0.00
	External debt repayment ²	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00
May	Auction date	6-May-14	13-May-14	20-May-14	27-May-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
June	Auction date	3-Jun-14	10-Jun-14	17-Jun-14	24-Jun-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
July	Auction date	1-Jul-14	8-Jul-14	15-Jul-14	22-Jul-14	29-Jul-14
	Local debt repayment ¹	0.00	0.00	0.00	0.00	0.00
	External debt repayment ²	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00
August	Auction date	5-Aug-14	12-Aug-14	19-Aug-14	26-Aug-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
September	Auction date	2-Sep-14	9-Sep-14	16-Sep-14	23-Sep-14	30-Sep-14
	Local debt repayment ¹	0.00	0.00	0.00	0.00	0.00
	External debt repayment ²	0.00	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00
October	Auction date	7-Oct-14	14-Oct-14	21-Oct-14	28-Oct-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
November	Auction date	4-Nov-14	11-Nov-14	18-Nov-14	25-Nov-14	
	Local debt repayment ¹	0.00	0.00	0.00	0.00	
	External debt repayment ²	0.00	0.00	0.00	0.00	
	Total	0.00	0.00	0.00	0.00	
December	Auction date	2-Dec-14	9-Dec-14	16-Dec-14	23-Dec-14	30-Dec-14
	Local debt repayment ¹	1,118,667,584.51	4,265,837,895.00	2,540,918,987.31	2,188,830,021.68	514,467,890.00
	External debt repayment ²	162,688,729.18	2,727,057,903.17	2,469,982,285.77	2,471,217,507.00	0.00
	Total	1,281,356,313.69	6,992,895,798.17	5,010,901,273.08	4,660,047,528.68	514,467,890.00

Notes: highlighted data – above UAH1bn in bold font, above UAH4bn shaded in blue; [*] interest and principal; [1] – government bonds (ordinary bonds, VAT bonds and recapitalisation bonds); [2] – external debt means Eurobonds and loans denominated in local currency by most recent FX rates. Sources: Ministry of Finance of Ukraine, Investment Capital Ukraine LLC.

5yr sovereign local debt payback

Table 6. Local-currency bonds repayments for the upcoming 5-year period

Period	Repayments (UAHm)									Repayments, US dollar equivalent (US\$m)							
	Interest			Principal			Total			Interest			Principal			Total	
	Ordin-aries	VATs	Recaps	Ordin-aries	VATs	Recaps	Inter-est	Prin-cipal		Ordin-aries	VATs	Recaps	Ordin-aries	VATs	Recaps	Inter-est	Prin-cipal
BY QUARTERS																	
4Q14	595.8		2,375.6	182.0		1,598.3	3,728.8	6,900.0		39.8		158.7	12.2		106.8	249.1	460.9
1Q15	2,773.2	90.4	2,705.4	623.7	1,643.6	2,000.0	7,109.4	15,273.0		185.3	6.0	180.7	41.7	109.8	133.6	474.9	1,020.3
2Q15	5,192.5		3,725.1	1,095.8			10,724.5	19,513.8		346.9		248.9	73.2			716.4	1,303.6
3Q15	3,073.8	45.2	3,172.6	2,135.1	1,643.6	1,000.0	7,466.4	10,708.6		205.3	3.0	211.9	142.6	109.8	66.8	498.8	715.4
4Q15	5,100.7		3,929.0	0.8		6,000.0	10,021.2	6,909.8		340.8		262.5	0.1		400.8	669.5	461.6
1Q16	2,944.5		2,737.6	0.8		2,750.0	6,609.0	13,272.7		196.7		182.9	0.1		183.7	441.5	886.7
2Q16	5,100.7		3,610.3	6,250.2		9,085.0	9,660.2	17,201.5		340.8		241.2	417.5		606.9	645.3	1,149.1
3Q16	2,944.5		2,606.9	3,616.4		7,135.0	6,058.8	17,052.7		196.7		174.2	241.6		476.7	404.8	1,139.2
4Q16	4,554.1		3,213.5	5,790.6			8,644.0	13,000.0		304.2		214.7	386.8			577.5	868.5
1Q17	2,636.9		2,268.0	2,750.0		1,250.0	5,137.1	8,505.7		176.2		151.5	183.7		83.5	343.2	568.2
2Q17	4,059.3		3,213.5	10,179.0		6,357.9	7,865.7	21,418.1		271.2		214.7	680.0		424.7	525.5	1,430.8
3Q17	2,435.0		2,208.7	1,810.0		6,550.0	4,689.9	8,360.0		162.7		147.5	120.9		437.6	313.3	558.5
4Q17	3,308.7		2,863.5	5,212.9		7,658.3	6,583.4	20,831.2		221.0		191.3	348.2		511.6	439.8	1,391.6
1Q18	2,305.6		1,873.5	4,318.9		8,875.0	4,225.4	13,193.9		154.0		125.2	288.5		592.9	282.3	881.4
2Q18	2,936.1		2,403.7	11,845.3		7,157.9	5,452.4	19,003.3		196.1		160.6	791.3		478.2	364.2	1,269.5
3Q18	1,996.8		1,368.6	5,101.3		10,145.1	3,411.6	15,246.5		133.4		91.4	340.8		677.7	227.9	1,018.5
4Q18	2,091.4		2,034.1	5,108.8		13,221.7	4,238.1	21,333.1		139.7		135.9	341.3		883.3	283.1	1,425.2
BY YEARS																	
2014	595.8		2,375.6	182.0		1,598.3	3,728.8	6,900.0		39.8		158.7	12.2		106.8	249.1	460.9
2015	16,140.2	135.6	13,532.0	3,855.3	3,287.2	9,000.0	35,321.5	52,405.2	1,078.2	9.1	904.0	257.6	219.6	601.2	2,359.6	3,500.9	
2016	15,543.7		12,168.3	15,658.0		18,970.0	30,972.0	60,526.9	1,038.4		812.9	1,046.0		1,267.3	2,069.1	4,043.5	
2017	12,439.9		10,553.7	19,951.9		21,816.2	24,276.1	59,115.0	831.0		705.0	1,332.9		1,457.4	1,621.8	3,949.2	
2018	9,329.9		7,679.9	26,374.4		39,399.8	17,327.5	68,776.7	623.3		513.1	1,761.9		2,632.1	1,157.6	4,594.6	

Notes: Ordinaries - the government bonds sold via auctions; VATs - VAT bonds; Recaps - recapitalisation bonds.

Sources: Ministry of Finance, Investment Capital Ukraine LLC.

5yr sovereign external debt payback

Table 7. Foreign-currency debt* (Eurobonds and loans) repayments for the upcoming 5-year period

Period	Repayments, hryvnia equivalent (UAHm)						Repayments, US dollar equivalent (US\$m)					
	Interest		Principal		Total		Interest		Principal		Total	
	Eurobond	Loan	Eurobond	Loan	Interest	Principal	Eurobond	Loan	Eurobond	Loan	Interest	Principal
BY QUARTERS												
4Q14	2,353.3	768.6	0.0	6,960.7	3,121.9	6,960.7	201.8	65.9	0.0	596.9	267.7	596.9
1Q15	2,975.7	1,257.6	0.0	10,015.2	4,233.2	10,015.2	255.2	107.8	0.0	858.9	363.0	858.9
2Q15	3,819.0	1,476.9	0.0	15,002.3	5,295.9	15,002.3	327.5	126.7	0.0	1,286.6	454.2	1,286.6
3Q15	2,975.7	918.4	5,830.4	4,566.0	3,894.1	10,396.4	255.2	78.8	500.0	391.6	333.9	891.6
4Q15	3,819.0	955.8	41,143.6	990.7	4,774.8	42,134.3	327.5	82.0	3,528.4	85.0	409.5	3,613.3
1Q16	2,775.3	766.0	0.0	7,690.3	3,541.3	7,690.3	238.0	65.7	0.0	659.5	303.7	659.5
2Q16	2,792.0	952.1	14,576.0	1,278.9	3,744.1	15,854.9	239.4	81.6	1,250.0	109.7	321.1	1,359.7
3Q16	2,775.3	462.7	0.0	2,726.1	3,237.9	2,726.1	238.0	39.7	0.0	233.8	277.7	233.8
4Q16	2,336.5	901.9	11,660.8	5,227.1	3,238.4	16,887.9	200.4	77.3	1,000.0	448.3	277.7	1,448.3
1Q17	2,775.3	343.3	0.0	3,498.2	3,118.6	3,498.2	238.0	29.4	0.0	300.0	267.4	300.0
2Q17	1,952.8	699.2	0.0	3,789.8	2,652.1	3,789.8	167.5	60.0	0.0	325.0	227.4	325.0
3Q17	2,775.3	199.4	30,318.1	0.0	2,974.7	30,318.1	238.0	17.1	2,600.0	0.0	255.1	2,600.0
4Q17	1,952.8	543.0	8,162.6	6,180.2	2,495.8	14,342.8	167.5	46.6	700.0	530.0	214.0	1,230.0
1Q18	1,373.1	168.5	0.0	0.0	1,541.6	0.0	117.8	14.5	0.0	0.0	132.2	0.0
2Q18	1,677.4	280.5	0.0	0.0	1,957.9	0.0	143.8	24.1	0.0	0.0	167.9	0.0
3Q18	1,373.1	138.4	0.0	0.0	1,511.4	0.0	117.8	11.9	0.0	0.0	129.6	0.0
4Q18	1,677.4	250.2	0.0	2,331.2	1,927.6	2,331.2	143.8	21.5	0.0	199.9	165.3	199.9
BY YEARS												
2014	2,353.3	768.6	0.0	6,960.7	3,121.9	6,960.7	201.8	65.9	0.0	596.9	267.7	596.9
2015	13,589.5	4,608.6	46,974.0	30,574.2	18,198.1	77,548.2	1,165.4	395.2	4,028.4	2,622.0	1,560.6	6,650.3
2016	10,679.0	3,082.7	26,236.8	16,922.3	13,761.7	43,159.2	915.8	264.4	2,250.0	1,451.2	1,180.2	3,701.2
2017	9,456.2	1,784.9	38,480.7	13,468.2	11,241.2	51,949.0	810.9	153.1	3,300.0	1,155.0	964.0	4,455.0
2018	6,100.8	837.7	0.0	2,331.2	6,938.5	2,331.2	523.2	71.8	0.0	199.9	595.0	199.9

Notes: [*] debt redemptions include also interest payments; debt comprises Eurobonds, IMF and VTB loans; IMF loan is meant all tranches received in 2008-10; [1] redemption of US\$2bn loan to VTB is a worst-case scenario within this loan agreement, it may be prolonged 2 times and this in effect may shift the redemption to 4Q11 or 2Q12.

Sources: Ministry of Finance, IMF, Bloomberg, Reuters, Investment Capital Ukraine LLC.

Ukraine issuers' credit metrics

Table 8. Ukrainian corporate bond issuers and their key financial figures and ratios* (US\$m)

Issuer	Ticker	Filing	Revenues	EBITDA	Int exp	Cash	ST debt	LT debt	Debt	Net debt	EBITDA mrg (%)	Debt/EBITDA (x)	Net debt/EBITDA (x)	EBITDA int cov (x)
Naftogaz of Ukraine	NAFTO	4Q10	11,673.6	502.2	-613.5	333.2	685.2	4,824.9	5,510.1	5,176.9	4.3	11.0	10.3	Neg.
DTEK	DTEKUA	4Q11	4,965.0	1,294.6	60.9	1,304.1	429.4	1,878.3	2,307.7	1,003.6	26.1	1.8	0.8	21.2
MHP	MHPSA	1Q12	1,279.9	416.4	77.2	111.0	210.5	755.3	965.8	854.8	32.5	2.3	2.1	5.4
Metinvest Holding	METINV	4Q11	14,189.0	3,533.0	220.0	792.0	1,147.0	2,834.0	3,981.0	3,189.0	24.9	1.1	0.9	16.1
Avangard	AVINPU	4Q11	553.3	222.1	12.3	237.8	122.5	210.0	332.6	94.8	40.1	1.5	0.4	18.1
Interpipe	INPIP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Concern Galnaftogaz	GLNGUZ	1Q12	1,647.2	96.8	26.3	13.9	136.9	203.9	340.8	326.9	5.9	3.5	3.4	3.7
Boryspil Int'l Airport	BORYS	1Q12	431.4	277.8	2.3	33.8	108.0	212.5	320.5	286.8	64.4	1.2	1.0	122.0
Ukrtelecom	UTLMUZ	2Q12	2,091.2	470.0	103.5	22.3	177.7	194.3	372.1	349.8	22.5	0.8	0.7	4.5
Mriya Agro Holding	MRIYA	3Q11	344.8	42.6	40.1	192.0	96.0	282.2	378.3	186.3	12.4	8.9	4.4	1.1
Ferrexpo	FXPOLN	4Q11	1,788.0	798.0	43.3	890.2	18.9	951.4	970.4	80.2	44.6	1.2	0.1	18.4
Agroton	AGTPW	2Q11	102.1	10.4	0.3	4.2	19.3	1.0	20.3	16.1	10.2	2.0	1.6	31.0
Agromat	AGROM	2Q11	149.7	28.3	16.0	3.3	23.5	30.1	53.5	50.2	18.9	1.9	1.8	1.8
KSG Agro	KSGPW	3Q11	3.2	1.7	-0.7	5.5	5.6	10.7	16.4	10.9	52.8	9.5	6.4	Neg.
IMC	IMCPW	3Q11	5.6	-2.3	0.2	13.4	4.0	18.1	22.1	8.7	Neg.	Neg.	Neg.	Neg.

Notes: [*] financial figures and appropriate ratios are calculated using LTM data; LTM - last 12-month period; Int exp - interest expenses; ST debt - short-term debt; LT debt - long-term debt; int cov - interest coverage.

Sources: Company data, Investment Capital Ukraine LLC.

Glossary

The following is the list of terms, phrases and abbreviations that are frequently used in this report's weekly publications.

Average duration, or interchangeably, **bond auction average duration**: Duration calculated from all cash flows obtained from the bonds sold at the auction. Yield-to-maturity, price, and each cash flow (coupons and principal) are calculated on a per-bond basis.

Average yield, or interchangeably, **bond auction average yield**: A yield-to-maturity calculated from all cash flows obtained from the bonds sold at the auction and versus the total price paid per bond to acquire them. Price and each cash flow (coupons and principal) are calculated on a per-bond basis.

Basis point, or interchangeably, **bp**: One-hundredth of a percentage point, or 0.01%.

BoP: Balance of payments.

Certificate(s) of Deposit, or interchangeably, **CD(s)**: Short-term money market instruments that allow the NBU, the central bank, to absorb excess liquidity from the local banks. Their durations are 2, 3, or up to 5 days; two weeks; one month; 1.5 months; two months; and up to three months.

CDS: A Credit default swap; a contract that references the performance of a loan or a bond (sovereign, corporate, or municipal). A CDS is normally quoted in basis points, or hundredths of a percent.

CRA: Credit rating agency. These include international industry majors Moody's, Standard & Poor's, and Fitch. It could refer also to other credit rating agencies, including Credit-Rating of Ukraine.

EFSF: European Financial Stability Facility (<http://www.efsf.europa.eu>), created on 9 May, 2010 by the euro area member states, as a Luxembourg-registered company owned by Euro Area Member States (EAMS), which has a mandate to lend to the EAMS in times of difficulty, e.g., in bail-outs. For the purpose of its operations, the EFSF is able to issue bonds EAMS-guaranteed for up to €440bn. Thanks to its structure of credit enhancements, including a cash reserve and a loan-specific cash buffer¹, the EFSF has top credit ratings from major CRAs: 'Aaa' by Moody's, 'AAA' by S&P, and 'AAA' by Fitch.

MoE: Ministry of Economy of Ukraine (<http://www.me.gov.ua>).

MoF: Ministry of Finance of Ukraine (<http://www.minfin.gov.ua>).

NBU: National Bank of Ukraine, the central bank of Ukraine (<http://www.bank.gov.ua>).

Party of Regions, or interchangeably, **PoR**: The *de facto* ruling political party in Ukraine currently. It won the presidency in the February 2010 presidential elections with a slim margin over Yulia Tymoshenko's Bloc, then consolidated power in the parliament, where it has a majority over minor loyal factions, while incapable of forming a majority itself. The next elections for Parliament and the president's office are expected to take place in 2012 and 2015, respectively.

Percentage point, or interchangeably, **ppt**: one percent, 1%.

¹ For instance, in order to lend €17.7bn to Ireland, the EFSF has to raise around €26.5bn from the financial market.

Recaps, or interchangeably, **recapitalisation bonds**: Local-currency bond(s), representing a general financial obligation by the government on par with other government's financial obligations, which was/were issued with the purpose of recapitalising state-owned entities like Naftogaz of Ukraine, commercial banks from Ukreximbank to Oschadbank, and the State Mortgage Institution (SMI).

UAH: Ukrainian national currency, the hryvnia.

UAH TWI, or interchangeably, **hryvnia trade-weighted index**: Index of the local currency calculated by Investment Capital Ukraine (ICU), which is calculated upon nominal exchange rates to the US dollar and headline consumer price inflation indices of Ukraine and its 26 trading partners, which as a whole, comprise a 76% share of merchandise trade turnover. Please refer to *ICU Quarterly Report "Ukraine's See-saw Puzzle"* published on 14 July, 2009 for more details on the methodology of the index. There are nominal and real UAH TWIs, the former based on exchange rates, and the latter based on both exchange rates and inflation. There are monthly and daily UAH TWIs, which are tracked by ICU. Monthly TWI calculation is based on the monthly data for inflation and trade statistics as well as monthly average exchange rates. Daily TWI calculation is based on the monthly data for inflation and trade statistics; however, its core substance is to reflect daily movements of the exchange rates of Ukraine's currency as well as of its key trading partners.

UAS: Ukrainian accounting standards.

VATs, or interchangeably, **VAT bonds**: Local-currency bond(s), representing a general financial obligation by the government on par with other government's financial obligations, which was/were issued in accordance with the government's initiative to offload the government's accumulated arrears on VAT refunds to domestic exporters.

Weighted-average duration, or interchangeably, **bond auction weighted-average duration**: Duration calculated from all cash flows obtained from the bonds sold at the auction. Yield-to-maturity, price, and each cash flow (coupons and principal) are calculated for the total number of bonds sold at the auction.

Weighted-average yield, or interchangeably, **bond auction weighted-average yield**: A yield-to-maturity calculated from all cash flows obtained from the bonds sold at the auction and against the total price paid to acquire them. Price and each cash flow (coupons and principal) are calculated for the total number of bonds sold at the auction.

YTM, or interchangeably, **yield-to-maturity**: The interest rate that creates the present value of cash flows obtained from holding a bond equal to the price of the bond. The YTM factors in coupon income and any capital gain (loss) the investor will realise by holding the bond to maturity. It also takes into consideration the timing of coupon payments and principal repayment, which can be done at the maturity date (for a bullet bond) or in accordance with an amortisation schedule (amortisation bond). The YTM uses an interest-on-interest principle, assuming that coupon income can be reinvested at an interest rate equal to the YTM, and is calculated in accordance with the Ukraine's domestic bond market standard, which is represented by the following formula:

$$Price + AI = \sum_{i=1}^n \frac{CF_i}{(1+YTM)^{\frac{t_i}{365}}},$$

where *Price* and *AI* are clean price and accrued interest of the bond, respectively, as of the date of purchase; *n* is the number of cash flows to be obtained by a bond holder; *CF_i* is the cash flow (coupon income, principal repayment) obtained from a bond; *t_i* is the number of days between a purchase date and *i*-th cash flow date, and *YTM* is yield-to-maturity.

YTW, or interchangeably, **yield-to-worst**: The same as yield-to-maturity (YTM); however, it is calculated assuming the worst-case scenario under the terms of a bond issue, e.g., the cash flow is trimmed to the earliest possible bond redemption such as due to a call or a put option, embedded into the bond.

This page is intentionally left blank

Disclosures

ANALYST CERTIFICATION

This research publication has been prepared by the analyst(s), whose name(s) appear on the front page of this publication. The analyst(s) hereby certifies that the views expressed within this publication accurately reflect her/his own views about the subject financial instruments or issuers and no part of her/his compensation was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views within this research publication.

EQUITY RATING DEFINITIONS

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



11th floor, LEONARDO Business Centre
19-21 Bogdan Khmelnytsky Street
Kiev, 01030 Ukraine
Phone/Fax +38 044 2200120

CORPORATE FINANCE TEL. +38 044 2200120

Makar Paseniuk, Managing Director
makar.paseniuk@icu.ua

Ruslan Kilmukhametov, Director
ruslan.kilmukhametov@icu.ua

SALES AND TRADING TEL. +38 044 2201621

Konstantin Stetsenko, Managing Director
konstantin.stetsenko@icu.ua

Sergiy Byelyayev, Fixed-Income Trading
sergiy.byelyayev@icu.ua

Vitaliy Sivach, Fixed-Income & FX Trading
vitaliy.sivach@icu.ua

Vlad Sinani, Director,
Strategy and Corporate Development
vlad.sinani@icu.ua

Julia Pecheritsa,
Ukraine and CIS International Sales
julia.pecheritsa@icu.ua

Yevgeniya Gryshchenko,
Fixed-Income Sales
yevgeniya.gryshchenko@icu.ua

RESEARCH DEPARTMENT TEL. +38 044 2200120

Alexander Valchyshen
Head of Research
alexander.valchyshen@icu.ua

Alexander Martynenko
Head of corporate research
alexander.martynenko@icu.ua

Bogdan Vorotilin
Financial analyst (Food & Agribusiness)
bogdan.vorotilin@icu.ua

Taras Kotovych
Senior financial analyst (Sovereign debt)
taras.kotovych@icu.ua

Mykhaylo Demkiv
Financial analyst (Banks)
mykhaylo.demkiv@icu.ua

Lee Daniels, Rolfe Haas
Editors

Investment Capital Ukraine LLC is regulated by Securities and Stock Market State Commission of Ukraine (license numbers: dealer activity AE 263019, broker activity AE 263018, underwriting activity AE 263020 dated 11 April 2013).

DISCLAIMER

This research publication has been prepared by Investment Capital Ukraine LLC solely for information purposes for its clients. It does not constitute an investment advice or an offer or solicitation for the purchase or sale of any financial instrument. While reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, Investment Capital Ukraine makes no representation that it is accurate or complete. The information contained herein is subject to change without notice. Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of Investment Capital Ukraine LLC. All rights are reserved. Any investments referred to herein may involve significant risk, are not necessarily available in all jurisdictions, may be illiquid and may not be suitable for all investors. The value of, or income from, any investments referred to herein may fluctuate and/or be affected by changes in exchange rates. Past performance is not indicative of future results. Investors should make their own investigations and investment decisions without relying on this report. Only investors with sufficient knowledge and experience in financial matters to evaluate the merits and risks should consider an investment in any issuer or market discussed herein and other persons should not take any action on the basis of this report.



Additional information is available upon request.