



Focus  
**Ukraine**

Scope  
**Economics, bonds, equity & FX markets**

Research team  
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# Daily Insight

## Donbas war escalates

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WEDNESDAY, 21 JANUARY 2015

### UX Index (3 months to 21 Jan 2015)



Source: UX.

### Key market indicators (as of 20 Jan 2015)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	15.8575	+0.00	+0.24
USD/UAH (1Y NDF)	18.9422	+2.67	+2.67
EUR/USD	1.1550	-0.48	-4.53
USD/RUB	65.2440	+0.56	+7.42
KievPRIME O/N (%)	11.30	+130bp	-760bp
KievPRIME 1M (%)	18.40	-10bp	-150bp
<b>SOVEREIGN EUROBONDS: yields and spreads</b>			
Ukraine 15, Eurobond (%)	65.21	-2bp	+344bp
Ukraine 17, Eurobond (%)	36.54	+200bp	+878bp
Ukraine 22, Eurobond (%)	18.34	+0bp	+209bp
Ukraine 23, Eurobond (%)	17.66	+0bp	+209bp
Ukraine 5Y CDS	2,671bp	+80bp	+472bp
<b>EQUITIES</b>			
<b>Stock market indices</b>			
UX (Ukraine)	1,042.36	+1.31	+0.88
MSCI World	411.82	+0.23	-1.27
MSCI EM	957.28	+0.50	+0.10
RTS (Russia)	756.27	-1.34	-3.92
WIG-20 (Poland)	2,242.42	-0.56	-3.17
S&P 500 (USA)	2,022.55	+0.15	-1.77

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

### Donbas war escalates

Military fighting between the Ukrainian army and the combined pro-Russia militants and Russian army forces escalated in the city of Donetsk city over the past few days. Clashes reportedly rose visibly in a battle for control of the Donetsk airport over which both groups claim possession. Peace talk initiatives have collapsed as the Astana meeting failed to make a breakthrough on January 15: participants were forced to acknowledge that pro-Russian forces have completely violated the Minsk peace agreement as they have escalated attacks on Ukrainian forces. Yesterday, the Ukrainian military reported that the Russian military opened fire on Ukrainian army servicemen. This is the first official announcement of a direct invasion and attack on Ukraine by Russia.

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# Bonds: News & Comments

## Liquidity reallocated slightly

The NBU continued to absorb extra liquidity from banks as it increased its CDs outstanding by UAH0.49 yesterday to this year's record high of UAH22.25bn last seen in October. As a result, banks' correspondent accounts with the NBU declined a slight UAH0.55bn to UAH36.31bn while total local currency debt repayments scheduled for the next 30 days rose UAH1.33bn to UAH7.21bn. Broader banking sector liquidity increased UAH1.27bn to UAH65.77bn, setting this year's high last seen in October.

**Investment implications:** *Although the NBU decreased ON loans by UAH0.16bn and refinanced only UAH0.10bn yesterday, it withheld support and purchased no government bonds on Monday. As month-end tax payments begin this week, liquidity could decline slightly if the NBU provides no support. As the MoF is scheduled to repay UAH0.84bn in debt repayments, early tax payments could cover some outflows as yesterday's failed primary auction provided no proceeds.*

## Primary auction failed

Despite high local currency liquidity and the offering of zero-coupon bonds, yesterday's scheduled primary auction failed. Even though the MoF replaced the 5-year bond with a 6-month maturity, while maintaining the 2-year bond offering as planned, without domestic QE, the auction attracted no bids.

**Investment implications:** *As the NBU did not purchase all of the zero-coupon bonds issued last week, a small portion of bonds could have been purchased by market investors. Yesterday's auction proved that the market demands 3-month bonds as longer maturities attracted no demand. If the MoF needs additional financing to cover repayments, we could see unscheduled auctions with domestic QE support.*

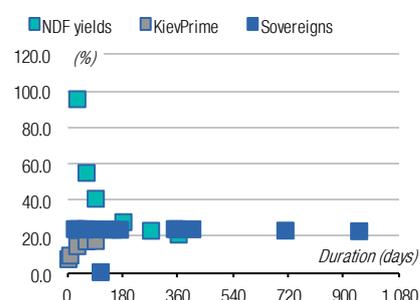
## Ukrainian Eurobonds mostly steady

Ukrainian Eurobonds remained slightly volatile at the recent high levels as the yield curve adjusted to 17.65-70.13% yesterday. The pending war with Russia, uncertainty over pending IMF funding, and low currency reserves all substantiate these yields and low prices. Although further negative news could push volatility higher, it is unlikely to be significant. Spreads to the benchmark also are slightly volatile as the 5-year CDS rose to 2670.58bp yesterday.

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## Yield curve of the local bond market

(as of market close on 20 Jan 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 20 Jan 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)				

### MONEY MARKET KIEV PRIME RATES (%)

O/n	11.30	+130bp	-83bp	-530bp	-760bp
1wk	13.70	+107bp	-55bp	-390bp	-530bp
1m	18.40	-10bp	-10bp	-80bp	-150bp
2m	19.40	+15bp	+15bp	+0bp	-60bp
3m	19.40	+15bp	+15bp	+0bp	-60bp

### LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
CDs <sup>2</sup>	N/A	N/A	N/A	N/A	N/A
Sovgns <sup>3</sup>	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

### HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	323,351	+0.00	+1.64	+9.24	+1.64
Banks	92,162	-0.19	+0.29	+2.64	-1.36
Resid's <sup>4</sup>	23,630	-0.06	-0.55	-4.02	-3.75
Non-res <sup>5</sup>	21,191	-0.39	+0.32	-2.08	-1.64
<b>Total</b>	<b>460,334</b>	<b>-0.06</b>	<b>+1.19</b>	<b>+6.54</b>	<b>+0.59</b>

### 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	+0bp
Aug '15 <sup>6</sup>	N/A	+8bp	+0bp	+0bp	+0bp

### EUROBONDS USD SOVEREIGN BOND YIELDS (%)

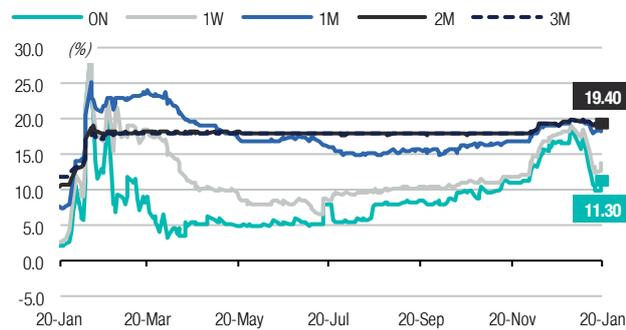
CDS 5yr	2,671	+80bp	+179bp	+714bp	+472bp
Jun '16	46.42	+50bp	+345bp	+471bp	+951bp
Jul '17	36.54	+200bp	+209bp	+399bp	+878bp
Sep '20	20.42	+1bp	-3bp	+169bp	+157bp
Sep '21	20.02	+0bp	-3bp	+171bp	+148bp
Sep '22	18.34	+0bp	-4bp	+175bp	+209bp
Feb '23	17.66	+0bp	-4bp	+176bp	+209bp

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.

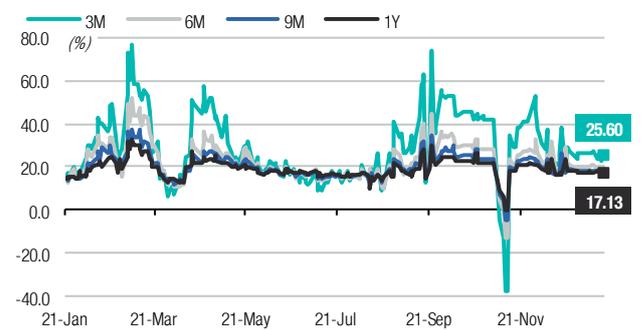
Chart page: Local bond market & Eurobond markets

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



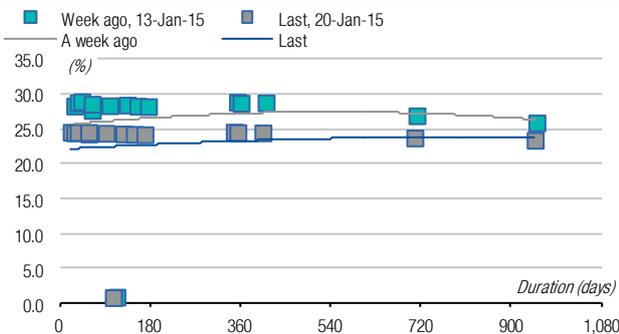
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



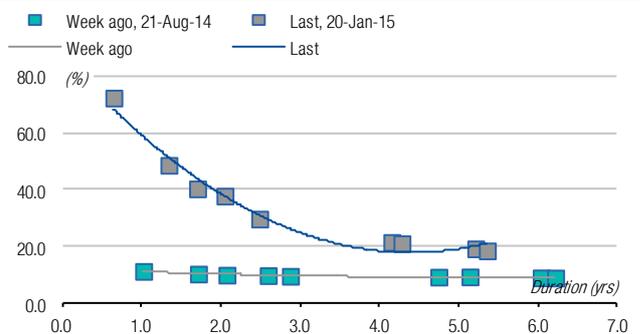
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 20 Jan 2015



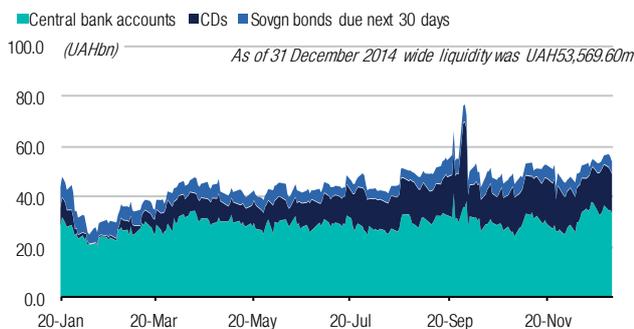
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 20 Jan 2015



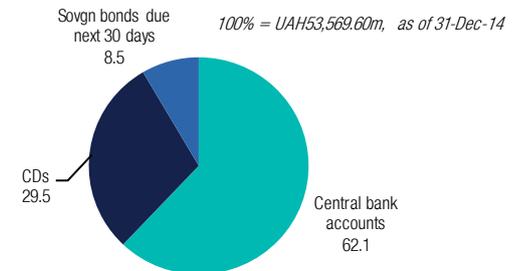
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



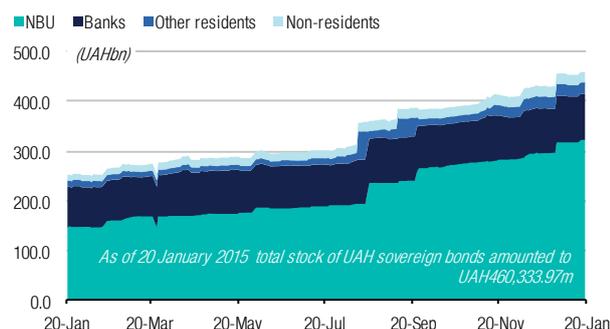
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 20 Jan 2015



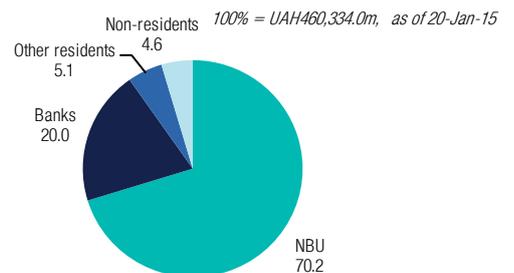
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 20 Jan 2015



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

Table 1. Ukrainian stocks (closing prices as of 20-Jan-2015)

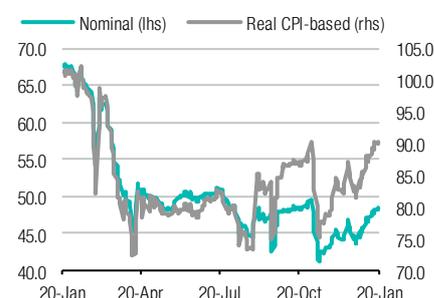
Company	Bloomberg Ticker	Listing	Share price performance (% change)				Valuation (US\$)			Free float (FF) & Liquidity					P/E			EV/EBITDA			EV/Sales			Ratios			
			Last price	Daily	MoM	YTD	YoY	Last price	Market cap (m)	EV (m)	FF (%)	FF mkt cap (US\$m)	Last day turnover (US\$ 000)	3M avg. turnover (US\$ 000)	FF share traded (%)	FF turnover (days)	2014	2015E	2016E	2014	2015E	2016E	2014	2015E	2016E	P/B (x)	Debt/ Assets (%)
<b>ENERGY</b>																											
Cadogan Petrol...	CAD LN	London	9.88 GBp	+0.0	-4.8	-1.3	-21.0	0.15	34.6	-13.0	40.2	13.9	1.6	12.8	0.03	3,167	Neg.	N/A	N/A	1.9	N/A	N/A	Neg.	N/A	N/A	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.64 UAH	+0.2	+2.3	+1.3	+66.1	0.48	177.5	165.7	21.7	38.5	52.8	48.9	0.10	993	5.8	4.9	7.6	0.2	2.9	3.1	0.4	0.2	0.3	1.1	16.3
Coal Energy	CLE PW	Warsaw	0.70 PLN	+0.0	+0.0	+12.9	-45.3	0.19	8.4	134.3	25.0	2.1	0.6	11.9	0.29	346	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	32.27 UAH	+2.4	-0.1	-2.2	+7.8	2.03	48.0	98.0	14.2	6.8	0.7	7.7	0.16	616	1.4	1.3	1.2	0.1	1.8	1.3	0.3	0.2	0.2	1.2	25.1
JKX Oil & Gas	JKX LN	London	12.13 GBp	+0.0	+3.2	+1.0	-82.9	0.18	31.6	36.7	47.2	14.9	109.9	75.5	0.95	105	4.9	5.3	1.0	0.6	0.7	0.6	0.2	0.2	0.2	0.1	5.5
Regal Petroleum	RPT LN	London	4.32 GBp	+0.0	+13.9	+38.1	-69.5	0.07	21.0	-9.1	80.9	17.0	0.0	3.1	0.03	3,085	Neg.	10.5	N/A	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	135.00 UAH	+0.0	-11.6	-8.8	+48.0	8.49	108.6	120.6	5.0	5.4	0.0	1.0	0.02	4,038	3.0	N/A	N/A	0.8	N/A	N/A	0.2	N/A	N/A	1.2	0.0
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	-0.7	-6.8	-4.8	-61.8	0.00	22.4	1,824.2	3.9	0.9	0.4	1.6	0.26	378	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.2	N/A	N/A	85.7
Avdiivsky Cok...	AVDK UK	Kiev, UX	1.50 UAH	-2.0	-16.7	-13.3	-46.0	0.09	18.4	16.7	4.0	0.7	0.3	3.1	0.91	110	Neg.	Neg.	N/A	0.0	0.7	N/A	0.0	0.0	N/A	0.1	0.1
Azovstal	AZST UK	Kiev, UX	0.78 UAH	+2.5	+7.6	+4.2	+24.4	0.05	205.2	N/A	4.1	8.4	4.2	8.5	0.07	1,435	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	0.2	0.0	
Ferrexpo PLC	FXPO LN	London	54.75 GBp	-0.9	+8.4	+3.3	-67.2	0.83	489.0	1,140.4	22.4	109.5	611.3	797.7	0.73	138	1.9	2.0	5.4	2.3	2.5	4.2	0.7	0.8	0.9	0.4	35.1
Yasinivsky Cok...	YASK UK	Kiev, UX	0.25 UAH	+0.0	-13.8	-10.7	-54.5	0.02	4.3	5.0	9.0	0.4	0.0	0.7	0.37	271	Neg.	0.5	0.3	0.1	0.3	N/A	0.0	0.0	0.0	0.0	
Yenakievo Steel	ENMZ UK	Kiev, UX	20.47 UAH	-0.1	-8.9	-2.3	-35.8	1.29	13.6	5.3	9.4	1.3	0.1	3.8	0.30	335	Neg.	Neg.	N/A	0.9	0.2	N/A	0.0	0.0	N/A	0.9	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	0.38 EUR	+2.7	-15.6	-11.6	-70.1	0.44	40.6	90.6	34.0	13.8	12.6	10.4	0.09	1,088	Neg.	N/A	N/A	Neg.	N/A	N/A	1.5	N/A	N/A	0.8	35.9
Agroliga	AGL PW	Warsaw	9.76 PLN	+3.8	+7.3	+8.4	-64.4	2.61	4.0	4.8	16.7	0.7	1.2	3.2	0.56	179	1.1	N/A	N/A	1.4	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	1.37 PLN	+0.0	+1.5	+11.4	-48.5	0.37	7.9	53.2	26.2	2.1	11.4	38.5	1.56	64	Neg.	N/A	N/A	19.9	17.7	N/A	0.7	0.6	N/A	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	25.65 PLN	+2.6	+46.2	+28.3	-62.0	6.85	171.3	396.7	31.0	53.1	52.5	117.0	0.12	820	5.8	Neg.	4.3	5.2	3.6	4.3	0.9	1.0	1.0	0.5	38.2
Avangard	AVGR LI	London Intl	1.89 USD	-5.0	-21.3	-7.8	-83.8	1.89	120.7	331.9	21.7	26.2	100.1	20.0	0.20	504	0.5	1.3	1.0	1.1	1.9	1.9	0.5	0.6	0.6	0.1	17.8
IMC	IMC PW	Warsaw	6.00 PLN	+7.1	+0.0	+5.8	-49.8	1.60	50.2	189.4	23.9	12.0	2.6	4.7	0.03	2,984	1.9	Neg.	2.1	3.5	3.7	3.7	1.7	1.2	1.1	0.3	38.7
Kernel Holding...	KER PW	Warsaw	32.26 PLN	+5.6	+9.8	+13.4	-21.6	8.62	686.8	1,331.0	58.8	403.6	1,405.7	1,069.7	0.23	438	Neg.	4.3	4.3	6.0	3.8	4.0	0.6	0.6	0.5	0.7	39.1
KSG Agro	KSG PW	Warsaw	1.12 PLN	-2.6	+2.8	+0.0	-89.2	0.30	4.5	115.6	34.4	1.5	9.3	34.9	0.90	111	Neg.	N/A	0.2	13.3	N/A	N/A	1.6	1.2	1.0	0.3	44.5
MHP	MHPC LI	London Intl	9.28 USD	-0.1	-0.2	+0.9	-47.6	9.28	980.6	2,111.0	22.3	218.9	109.5	376.4	0.16	629	6.3	16.4	3.5	5.4	4.3	4.3	1.4	1.5	1.5	1.9	47.0
Milkiland	MLK PW	Warsaw	1.50 PLN	-0.7	-15.7	+1.4	-85.1	0.40	12.5	128.9	20.0	2.5	2.3	9.2	0.61	164	1.0	Neg.	Neg.	3.9	4.4	4.4	0.3	0.3	0.5	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	0.60 EUR	+0.0	-31.8	+6.8	-88.4	0.69	73.8	801.6	20.0	14.8	4.5	0.7	0.01	9,047	0.8	0.8	0.3	4.9	3.0	2.7	1.6	1.9	1.8	0.2	45.3
Ovostar Union	OVO PW	Warsaw	72.50 PLN	+0.7	+0.7	+0.7	-22.0	19.37	116.2	125.8	25.0	29.1	7.3	31.0	0.11	952	3.8	5.9	5.8	3.4	4.5	4.4	1.4	1.6	1.4	0.9	8.5
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Frankfurt	0.07 EUR	+0.0	-10.0	-10.0	-77.3	0.08	4.3	131.4	13.1	0.6	0.0	0.0	N/A	N/A	Neg.	N/A	N/A	Neg.	N/A	N/A	3.9	N/A	N/A	0.0	45.5
<b>FINANCIAL SERVICES</b>																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	+1.2	-3.4	-4.1	-12.4	0.01	173.7	N/A	3.8	6.6	7.7	16.2	0.20	498	2.7	Neg.	11.7	N/A	N/A	N/A	N/A	N/A	N/A	0.4	22.4
Ukrsotsbank	USCB UK	Kiev, UX	0.13 UAH	+0.0	-10.5	-0.1	-24.6	0.01	201.8	N/A	4.5	9.0	0.0	0.9	0.01	8,458	Neg.	13.1	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

## ICU's UAH trade-weighted indices

(Last 12-month history to 21 Jan 2015)



Source: Investment Capital Ukraine LLC.

## FX market indicators (as of 20 Jan 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	15.8575	+0.00	+0.24	+0.24	+0.24
NBU avg	15.7722	-0.22	+0.03	+0.02	+0.02
Ttl vlm <sup>1</sup>	152.02	+84.69	+13.73	-65.60	-64.72
\$ volume <sup>2</sup>	126.95	+169.6	+28.96	-64.89	-64.17
NDF 3M	17.5392	+4.09	+4.09	+1.32	+4.09
NDF 6M	17.7425	+1.97	+1.97	+3.15	+1.97
NDF 1Y	18.9422	+2.67	+2.67	+3.79	+2.67
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	48.311	+0.35	+0.98	+6.66	+5.63
UAH real CPI	90.187	+0.35	+0.98	+6.66	+5.63
UAH real PPI	129.467	+0.35	+0.98	+6.66	+5.63
USD nom'l	93.046	+0.57	+0.80	+3.85	+3.08
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	65.2440	+0.56	+0.05	+9.44	+7.42
EUR/USD	1.1550	-0.48	-1.89	-5.55	-4.53
USD/CNY	6.2137	-0.11	+0.23	-0.12	+0.13
USD/PLN	3.7516	+0.57	+3.15	+7.56	+5.87
USD/TRY	2.3463	+0.42	+2.66	+1.47	+0.48
USD/BYR	15,110.00	-0.22	+4.03	+37.36	+37.36
USD/KZT	183.8400	+0.01	+0.05	+0.39	+0.82
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	118.8200	+1.07	+0.75	-0.57	-0.80
GBP/USD	1.5145	+0.21	-0.10	-3.08	-2.77
USD/CHF	0.8757	-0.44	-14.16	-11.03	-11.93
AUD/USD	0.8172	-0.47	+0.07	+0.52	-0.04
USD/CAD	1.2113	+1.44	+1.29	+4.42	+4.23
USD/BRL	2.6131	-1.43	-1.14	-1.74	-1.67
USD/KRW	1,088.33	+0.96	+0.46	-1.24	-0.24
<b>COMMODITIES</b>					
Gold(\$/oz)	1,295.40	+1.55	+5.25	+8.28	+9.33
WTI crude <sup>3</sup>	46.39	+0.00	+1.09	-17.92	-12.92
Brent crd <sup>3</sup>	45.47	-3.50	-1.86	-25.76	-18.45
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	218.97	-2.35	-0.33	-8.88	-4.78

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.

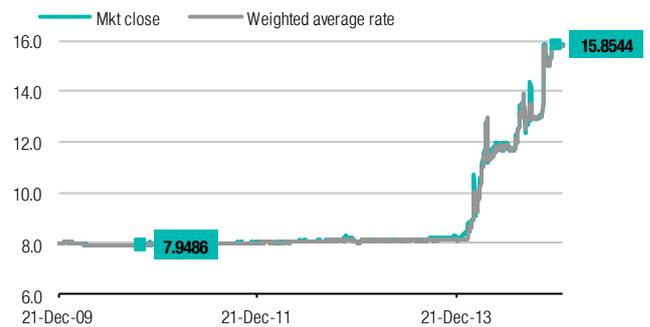
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

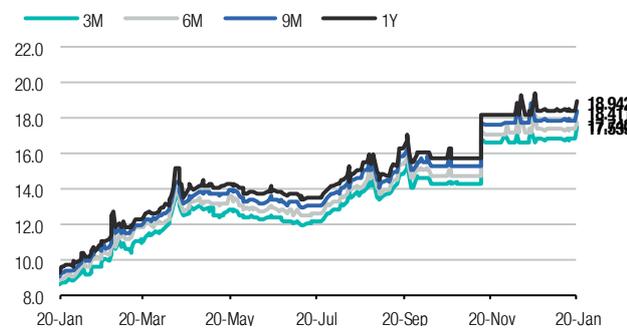


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

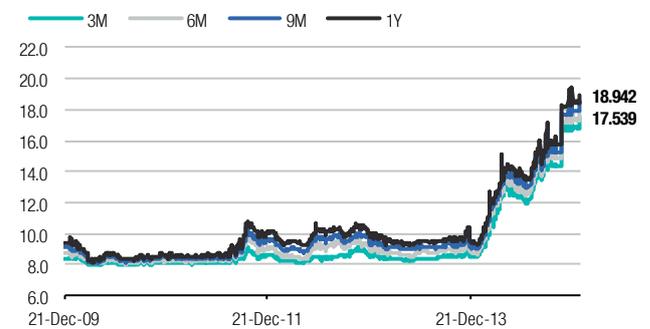


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

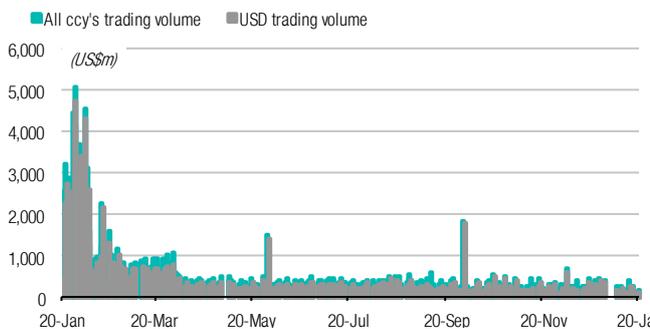


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

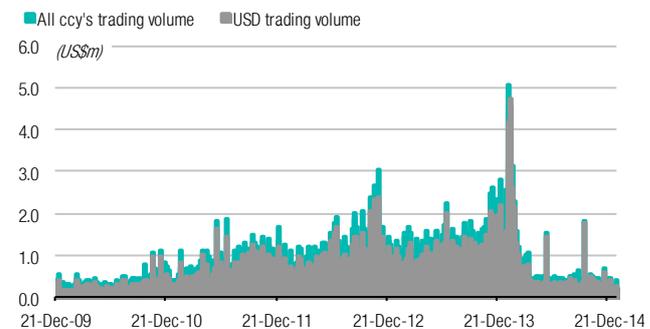


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)

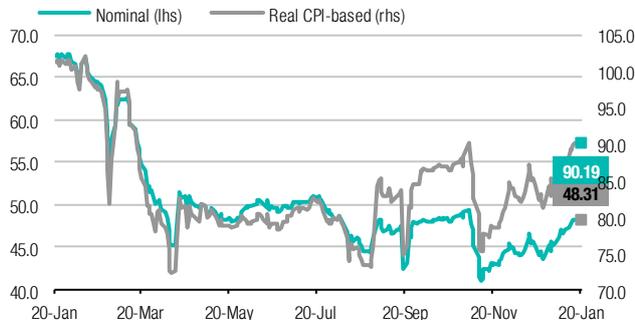


Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

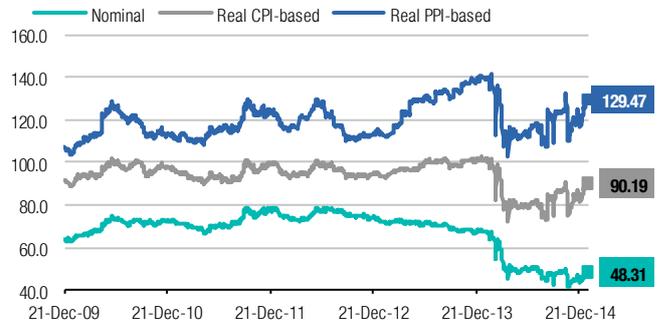
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



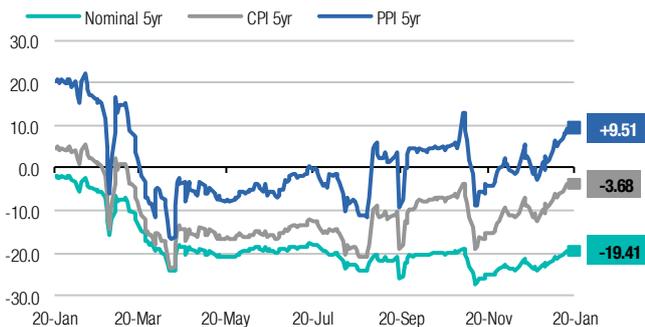
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

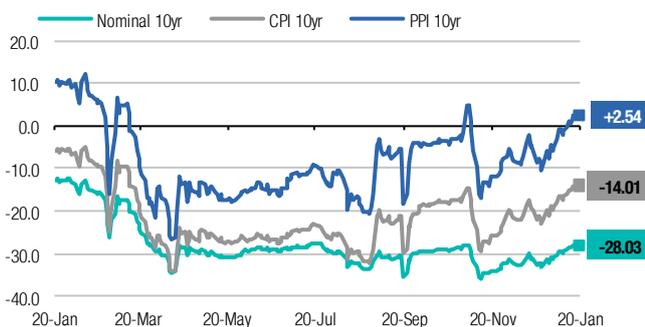


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

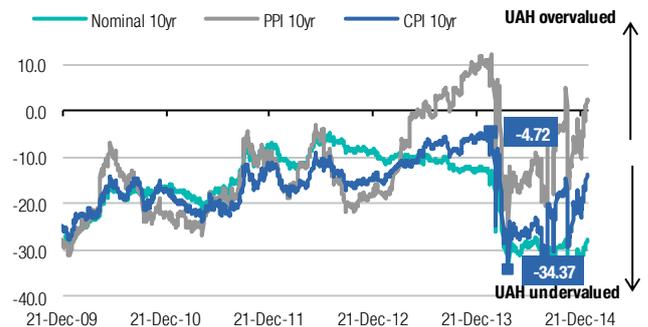


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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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