

# Daily Insight

## Eurobonds see new volatility

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FRIDAY, 30 JANUARY 2015

### UX Index (3 months to 30 Jan 2015)



Source: UX.

### Key market indicators (as of 29 Jan 2015)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	15.9200	+0.01	+0.63
USD/UAH (1Y NDF)	18.6500	+1.08	+1.08
EUR/USD	1.1320	+0.29	-6.43
USD/RUB	68.9682	+1.78	+13.55
KievPRIME O/N (%)	11.67	+4bp	-723bp
KievPRIME 1M (%)	18.67	+17bp	-123bp
<b>SOVEREIGN EUROBONDS: yields and spreads</b>			
Ukraine 15, Eurobond (%)	112.07	+1,179bp	+5,031bp
Ukraine 17, Eurobond (%)	40.88	+0bp	+1,312bp
Ukraine 22, Eurobond (%)	20.70	+103bp	+445bp
Ukraine 23, Eurobond (%)	19.81	+131bp	+425bp
Ukraine 5Y CDS	2,181bp	-388bp	-18bp
<b>EQUITIES</b>			
<b>Stock market indices</b>			
UX (Ukraine)	988.74	-0.82	-4.31
MSCI World	414.41	+0.12	-0.65
MSCI EM	973.19	-1.16	+1.77
RTS (Russia)	747.45	-2.34	-5.04
WIG-20 (Poland)	2,340.77	+0.93	+1.07
S&P 500 (USA)	2,021.25	+0.95	-1.83

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

Sources: Bloomberg, UX, Investment Capital Ukraine LLC.

# Bonds: News & Comments

## Liquidity declines slightly

Broader banking sector liquidity continued to decline yesterday, down UAH0.61bn to UAH60.48bn, with significant reallocations between the indicators. Banks' correspondent accounts with the NBU rose UAH0.45bn to UAH29.50bn and total CDs outstanding rose UAH0.25bn to UAH24.12bn, while total local currency debt repayments scheduled for the next 30 days fell UAH1.31bn to UAH6.87bn.

KyivPrime interest rates once more slightly rose: the KyivPrime ON interest rate rose 4bp to 11.67% while the KyivPrime 1M interest rate rose 17bp to 18.67%.

**Investment implications: The MoF repaid UAH1.31bn this Wednesday in local currency debt principal and interest repayments, which caused a slight increase in banks' correspondent accounts with the NBU. CDs outstanding also rose.**

## Eurobonds see new volatility

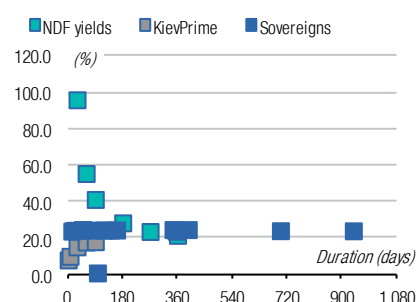
Amidst the market's anticipation of the much-talked about Ukrainian debt restructuring, prices of Ukrainian Eurobonds declined slightly at both ends of the yield curve to 112.10-20.21% yesterday. The 5-year CDS declined to 2,181bp.

**Investment implications: Yesterday's movements reflect investor sentiment that does not include all sovereign external debt in the much-talked about restructuring. With no official comments yet on a restructuring, rumor has it that the IMF will extend its mission in Ukraine by one week.**

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## Yield curve of the local bond market

(as of market close on 29 Jan 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 29 Jan 2015)

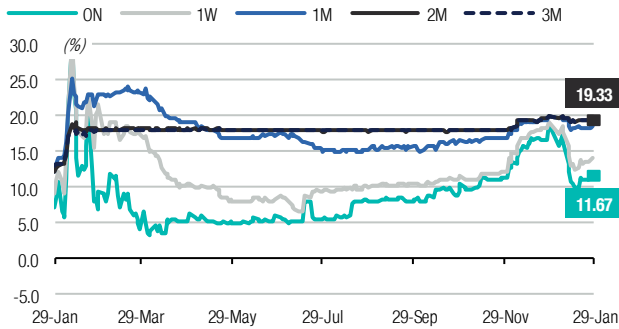
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
O/n	11.67	+4bp	+67bp	-493bp	-723bp
1wk	14.00	+0bp	+62bp	-440bp	-500bp
1m	18.67	+17bp	+42bp	-73bp	-123bp
2m	19.33	+8bp	+8bp	-27bp	-67bp
3m	19.33	+8bp	+8bp	-27bp	-67bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
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>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	327,739	+0.35	+1.36	+10.20	+3.02
Banks	91,936	-1.66	-0.01	+4.21	-1.60
Resid's <sup>4</sup>	23,440	-1.26	-1.40	-4.96	-4.52
Non-res <sup>5</sup>	21,013	-0.12	-0.72	-2.66	-2.46
<b>Total</b>	<b>464,128</b>	<b>-0.16</b>	<b>+0.85</b>	<b>+7.47</b>	<b>+1.42</b>
<b>NDF IMPLIED YIELDS (%)</b>					
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
<b>LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)</b>					
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
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	2,181	-388bp	-357bp	+208bp	-18bp
Jun '16	72.89	+2bp	+10bp	+36bp	+36bp
Jul '17	40.88	+0bp	+146bp	+13bp	+13bp
Sep '20	23.04	+53bp	+91bp	+419bp	+419bp
Sep '21	22.54	+68bp	+82bp	+401bp	+401bp
Sep '22	20.70	+103bp	+69bp	+445bp	+445bp
Feb '23	19.81	+131bp	+26bp	+425bp	+425bp

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.

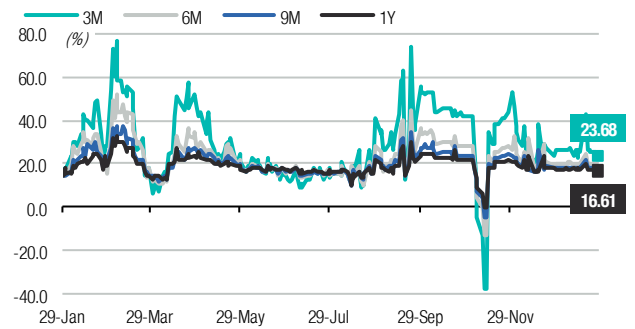
Chart page: Local bond market & Eurobond markets

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



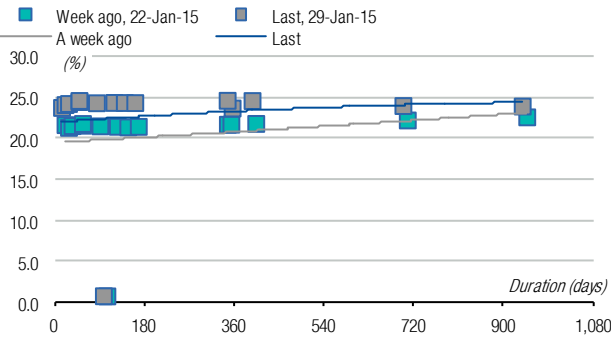
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



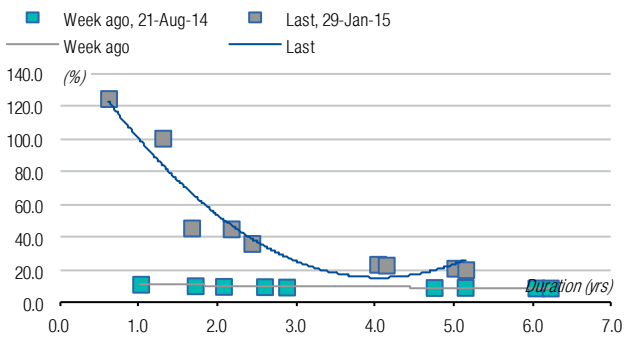
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 29 Jan 2015



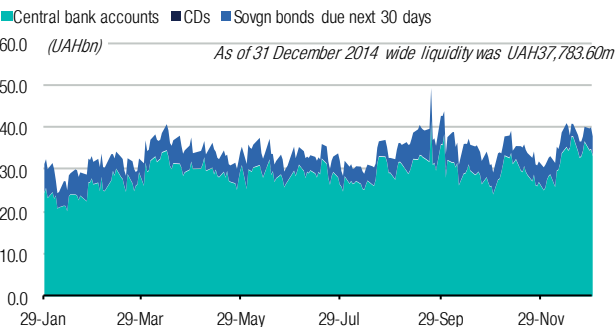
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 29 Jan 2015



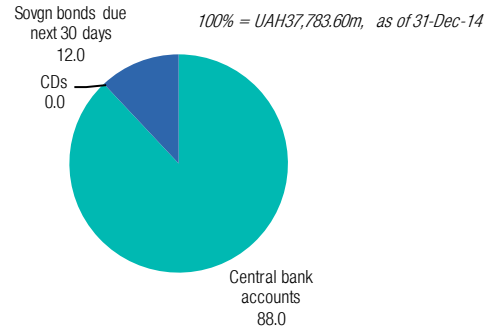
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



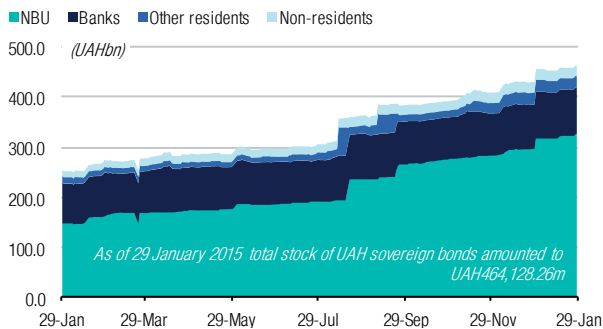
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 29 Jan 2015



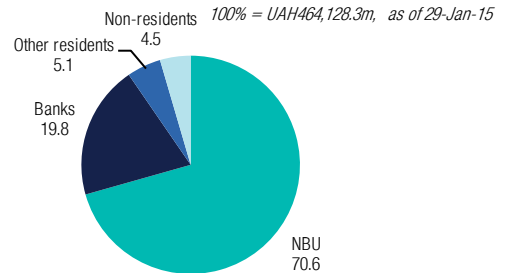
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 29 Jan 2015



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

Table 1. Ukrainian stocks (closing prices as of 29-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	10.25 GBp	+0.0	+2.5	+2.5	-12.8	0.15	35.7	-11.9	40.2	14.3	0.0	15.9	0.09	1,093	Neg.	N/A	N/A	1.8	N/A	N/A	Neg.	N/A	N/A	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.20 UAH	-0.7	-4.6	-4.6	+61.4	0.45	167.3	155.5	21.7	36.3	13.3	43.4	0.09	1,118	5.5	4.3	7.2	0.2	2.6	2.9	0.3	0.2	0.2	1.0	16.3
Coal Energy	CLE PW	Warsaw	0.68 PLN	+3.0	+9.7	+9.7	-41.4	0.18	8.2	108.6	25.0	2.1	4.1	10.5	0.24	415	Neg.	N/A	N/A	4.8	N/A	N/A	0.9	N/A	N/A	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	30.50 UAH	-2.6	-7.6	-7.6	-4.9	1.92	45.4	95.3	14.2	6.5	10.2	7.5	0.11	884	1.4	1.1	1.1	0.1	1.6	1.2	0.3	0.2	0.2	1.1	25.1
JKX Oil & Gas	JKX LN	London	12.75 GBp	+0.0	+8.5	+6.3	-82.4	0.19	33.0	38.1	47.2	15.6	64.3	83.5	0.45	220	5.1	5.5	1.0	0.6	0.8	0.6	0.2	0.2	0.2	0.1	5.5
Regal Petroleum	RPT LN	London	3.14 GBp	-22.8	+0.5	+0.5	-74.9	0.05	15.2	-14.9	80.9	12.3	6.3	2.4	0.02	5,480	Neg.	7.6	N/A	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	0.1	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	164.20 UAH	+21.6	+10.9	+10.9	+36.8	10.33	132.1	144.2	5.0	6.6	0.2	1.2	0.01	10,349	3.6	N/A	N/A	1.0	N/A	N/A	0.2	N/A	N/A	1.4	0.0
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	-4.7	-15.9	-15.9	-66.1	0.00	19.8	1,821.8	3.9	0.8	2.0	1.5	0.17	600	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.1	N/A	N/A	85.7
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.19 UAH	-1.7	-31.4	-31.4	-56.4	0.07	14.6	-24.8	4.0	0.6	1.7	2.6	0.32	314	Neg.	Neg.	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.1
Azovstal	AZST UK	Kiev, UX	0.71 UAH	+0.1	-5.0	-5.0	+18.4	0.04	187.3	152.1	4.1	7.7	1.7	7.8	0.10	978	Neg.	Neg.	N/A	Neg.	4.4	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	51.25 GBp	-8.5	-1.0	-3.3	-66.4	0.77	454.3	1,105.8	22.4	101.8	671.2	741.6	0.85	118	1.7	1.9	5.9	2.2	2.5	4.1	0.7	0.8	0.9	0.4	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.25 UAH	+0.0	-10.7	-10.7	-56.7	0.02	4.3	5.0	9.0	0.4	0.0	0.7	0.12	834	Neg.	0.5	0.3	0.1	0.3	N/A	0.0	0.0	0.0	0.0	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	18.66 UAH	-1.7	-10.9	-10.9	-40.4	1.17	12.4	4.1	9.4	1.2	1.3	4.3	0.38	261	Neg.	Neg.	N/A	0.7	0.1	N/A	0.0	0.0	N/A	0.9	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	0.31 EUR	-6.1	-31.1	-27.9	-74.8	0.35	32.4	81.4	34.0	11.0	10.9	11.3	0.21	480	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	0.7	35.9
Agroliga	AGL PW	Warsaw	9.80 PLN	+2.6	+8.9	+8.9	-62.9	2.63	4.1	4.8	16.7	0.7	1.3	3.1	0.39	254	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	1.35 PLN	+3.8	+9.8	+9.8	-47.5	0.36	7.9	53.2	26.2	2.1	26.2	36.1	1.59	63	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	25.05 PLN	+2.7	+25.3	+25.3	-62.0	6.73	168.3	410.6	31.0	52.2	1.2	118.6	0.12	867	5.8	Neg.	4.3	5.4	3.7	4.5	1.0	1.0	1.1	0.6	38.2
Avangard	AVGR LI	London Intl	1.83 USD	-0.3	-9.0	-11.0	-83.8	1.83	116.6	327.8	21.7	25.3	25.2	27.3	0.22	464	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	6.01 PLN	+3.6	+6.0	+6.0	-42.8	1.62	50.6	189.8	23.9	12.1	7.3	5.1	0.04	2,743	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	31.30 PLN	+1.9	+10.0	+10.0	-19.6	8.41	670.4	1,314.6	58.8	394.0	1,174.7	1,040.1	0.22	453	Neg.	4.2	4.2	5.9	3.8	3.9	0.5	0.5	0.5	0.7	39.1
KSG Agro	KSG PW	Warsaw	1.08 PLN	+2.9	-3.6	-3.6	-88.0	0.29	4.4	115.5	34.4	1.5	42.5	25.5	1.10	91	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	9.45 USD	+2.4	+2.7	+2.7	-39.5	9.45	998.6	2,129.0	22.3	222.9	581.9	337.5	0.13	745	6.4	33.4	3.6	5.4	4.1	4.2	1.4	1.5	1.4	2.0	47.0
Milkiland	MLK PW	Warsaw	2.28 PLN	+1.3	+54.1	+54.1	-75.8	0.61	19.2	133.1	20.0	3.8	106.6	19.0	0.71	141	1.6	Neg.	Neg.	4.0	4.7	4.7	0.3	0.4	0.5	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	0.57 EUR	+0.0	+1.6	+1.6	-89.0	0.65	68.7	796.5	20.0	13.7	0.0	0.6	0.01	18,279	0.8	0.8	0.3	4.8	2.9	2.7	1.6	1.9	1.8	0.2	45.3
Ovostar Union	OVO PW	Warsaw	73.00 PLN	+0.0	+1.4	+1.4	-8.8	19.62	117.7	127.4	25.0	29.4	2.9	30.9	0.07	1,471	3.8	4.8	5.8	3.5	4.0	4.5	1.4	1.6	1.4	0.9	8.5
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	6.24 PLN	+20.0	+54.1	+54.1	-79.8	1.68	15.6	3.1	10.9	1.7	0.6	0.2	0.02	5,682	2.3	N/A	N/A	0.3	N/A	N/A	0.1	N/A	N/A	0.2	5.6
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Frankfurt	0.07 EUR	+0.0	-10.0	-10.0	-77.3	0.08	4.2	131.4	13.1	0.6	0.0	0.0	0.00	96,733	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	-2.9	-10.4	-10.4	-23.1	0.01	162.2	N/A	3.8	6.2	6.6	15.1	0.15	671	2.5	Neg.	10.9	N/A	N/A	N/A	N/A	N/A	N/A	0.4	22.4

Table 1. Ukrainian stocks (closing prices as of 29-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	Debt/Assets (x)	
Ukrsotsbank	USCB UK	Kiev, UX	0.11 UAH	+0.0	-15.5	-15.5	-39.1	0.01	170.8	N/A	4.5	7.6	0.8	0.8	0.01	10,711	Neg.	9.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.2	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

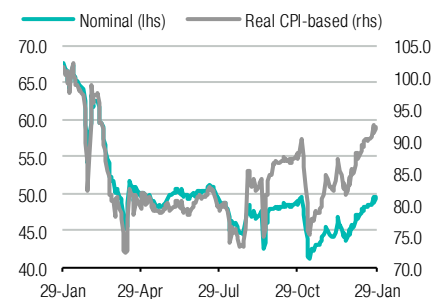
## Risk of EU sanctions pushes ruble lower

Yesterday, EU foreign ministers convened to discuss imposing more sanctions on Russia in reaction to its support of pro-Kremlin militants in the Donbas. Although the newly elected Greek government has been pressing the EU to soften its stance toward Russia and the yesterday's meeting of foreign ministers did not bring action, the EU's rhetoric is about to further tighten the sanctions regime. As a result, the Russian ruble tumbled 1.78% to close at 68.97/USD. The hryvnia was down 0.01% in nominal terms and up 0.48% in the trade-weighted terms.

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### ICU's UAH trade-weighted indices

(Last 12-month history to 30 Jan 2015)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 29 Jan 2015)

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

#### USD/UAH MARKET (HRYVNIA per US DOLLAR)

Spot mkt	15.9200	+0.01	+0.65	+0.64	+0.63
NBU avg	15.9543	+0.53	+1.18	+1.18	+1.18
Ttl vlm <sup>1</sup>	345.23	-0.08	+35.05	-19.88	-19.88
\$ volume <sup>2</sup>	268.91	-8.65	+44.70	-24.10	-24.10
NDF 3M	17.0500	+1.19	+1.19	+1.96	+1.19
NDF 6M	17.6000	+1.15	+1.15	+1.83	+1.15
NDF 1Y	18.6500	+1.08	+1.08	+0.59	+1.08

#### TRADE-WEIGHTED INDICES (TWIs, points)

UAH nom'l	49.389	+0.48	+2.12	+9.33	+7.99
UAH real CPI	92.200	+0.48	+2.12	+9.33	+7.99
UAH real PPI	132.357	+0.48	+2.12	+9.33	+7.99
USD nom'l	94.782	+0.33	+0.75	+5.09	+5.00

#### FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs

USD/RUB	68.9682	+1.78	+7.47	+17.90	+13.55
EUR/USD	1.1320	+0.29	-0.40	-6.85	-6.43
USD/CNY	6.2467	-0.01	+0.61	+0.36	+0.66
USD/PLN	3.7222	-1.03	-0.58	+5.19	+5.04
USD/TRY	2.4162	+1.31	+3.93	+4.20	+3.48
USD/BYR	15,475.00	-0.66	+2.89	+40.68	+40.68
USD/KZT	184.4200	-0.03	+0.11	+1.12	+1.14

#### OTHER MAJOR CURRENCIES

USD/JPY	118.2900	+0.64	-0.17	-1.97	-1.24
GBP/USD	1.5067	-0.48	+0.38	-2.90	-3.27
USD/CHF	0.9238	+2.08	+6.03	-6.67	-7.09
AUD/USD	0.7762	-1.61	-3.29	-4.55	-5.05
USD/CAD	1.2616	+0.64	+1.91	+8.41	+8.56
USD/BRL	2.6044	+1.08	+1.16	-3.73	-2.00
USD/KRW	1,093.94	+0.88	+0.83	-0.34	+0.27

#### COMMODITIES

Gold(\$/oz)	1,257.38	-2.11	-3.44	+6.26	+6.12
WTI crude <sup>3</sup>	44.53	+0.18	-3.17	-16.94	-16.41
Brent crd <sup>3</sup>	46.85	+1.28	+0.71	-16.77	-15.98
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	212.64	-1.09	-2.61	-8.83	-7.53

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

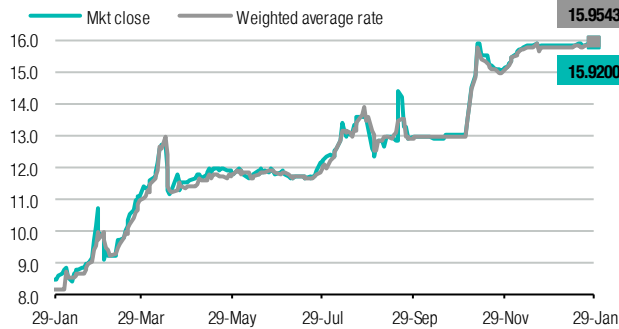
Sources: Bloomberg, Investment Capital Ukraine LLC.

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

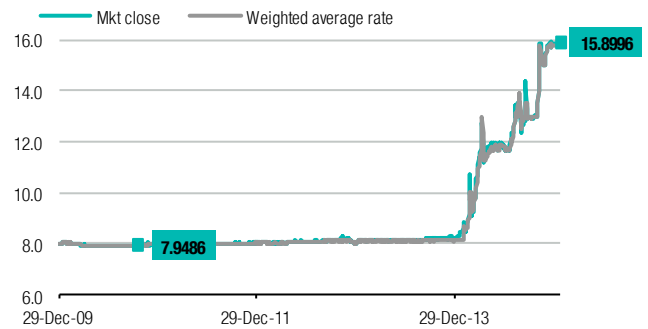
Section on FX market is continued on next page.

Chart page #1: Foreign-exchange market

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

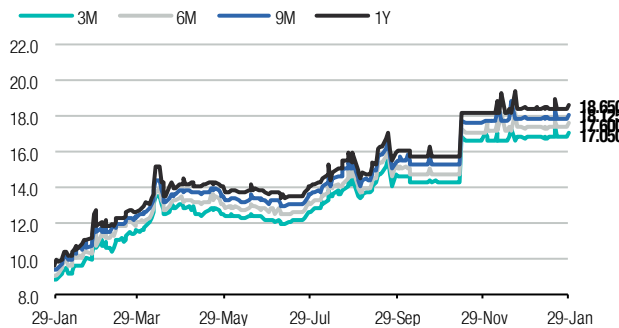


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

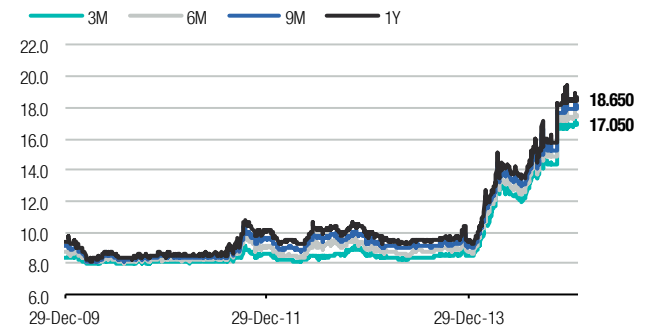


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

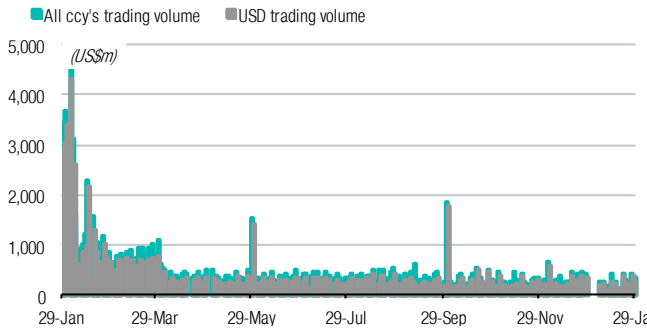


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

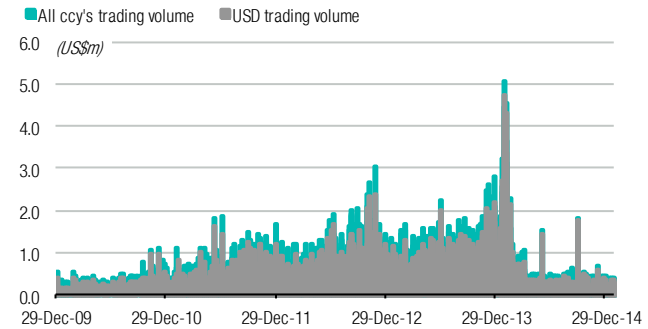


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

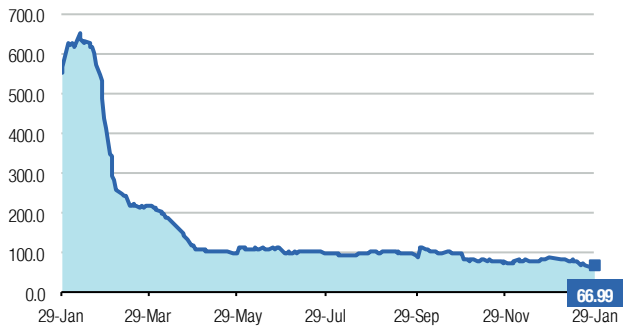


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

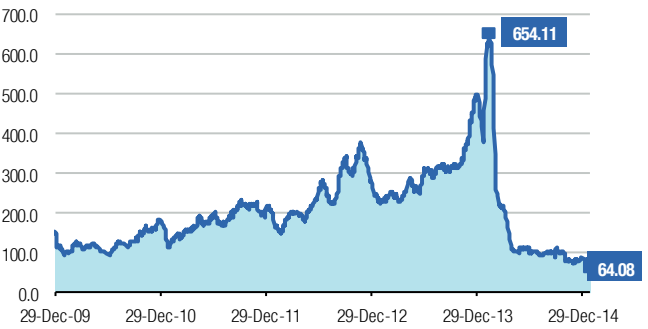


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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



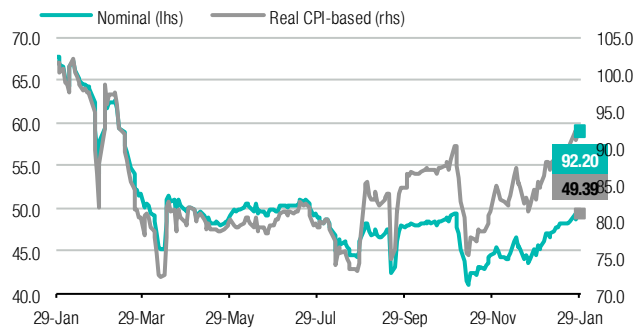
Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

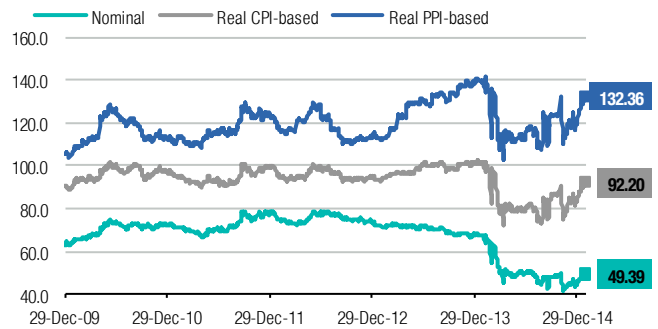
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



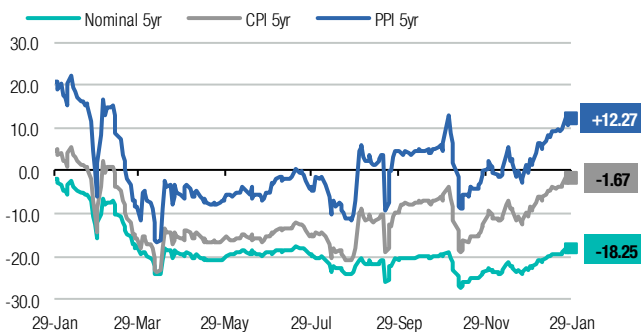
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

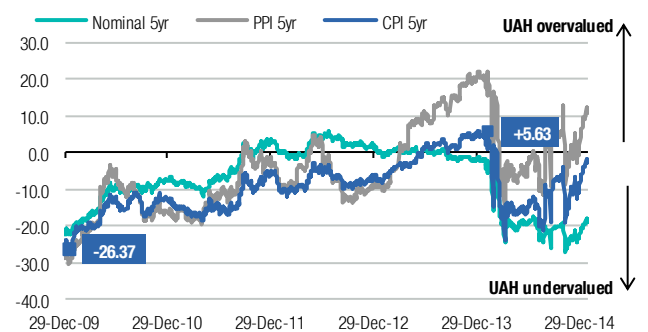


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

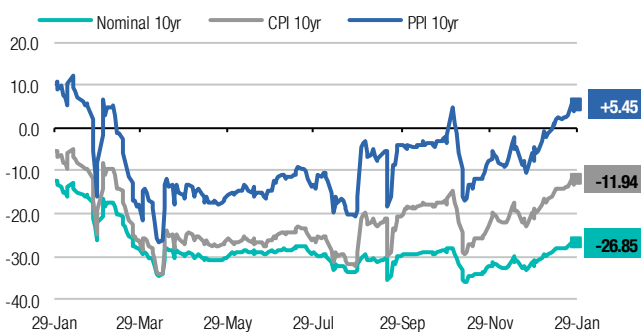


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

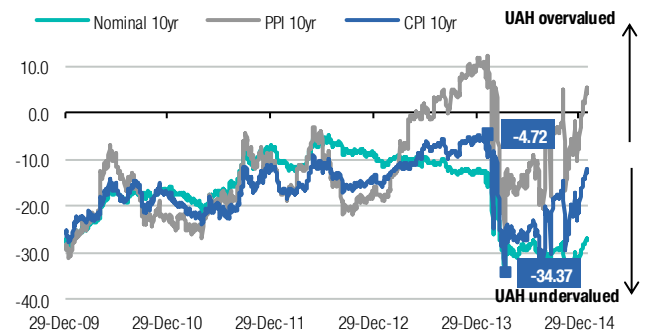


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

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



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



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



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**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

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