



Focus  
**Ukraine**

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

Research team  
**Alexander Valchyshen  
Taras Kotovych**

# Daily Insight

## Liquidity recovers slightly on reallocations

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MONDAY, 2 FEBRUARY 2015

### UX Index (3 months to 2 Feb 2015)



Source: UX.

### Key market indicators (as of 30 Jan 2015)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	16.2075	+1.81	+2.45
USD/UAH (1Y NDF)	18.7072	+0.31	+1.39
EUR/USD	1.1291	-0.26	-6.67
USD/RUB	69.4666	+0.72	+14.37
KievPRIME O/N (%)	11.83	+16bp	-707bp
KievPRIME 1M (%)	18.67	+0bp	-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	2,773bp	+593bp	+574bp
<b>EQUITIES</b>			
<b>Stock market indices</b>			
UX (Ukraine)	991.42	+0.27	-4.05
MSCI World	410.33	-0.98	-1.63
MSCI EM	961.61	-1.19	+0.55
RTS (Russia)	737.35	-1.35	-6.32
WIG-20 (Poland)	2,341.00	+0.01	+1.08
S&P 500 (USA)	1,994.99	-1.30	-3.10

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 recovers slightly on reallocations

Broader banking sector liquidity slightly recovered last Friday, up UAH0.35bn to UAH60.83bn, as there was a significant reallocation between indicators. Banks' correspondent accounts with the NBU rose UAH1.82bn to UAH31.32bn while total CDs outstanding fell UAH1.47bn to UAH22.65bn. Total local currency debt repayments scheduled for the next 30 days remained steady at UAH6.87bn.

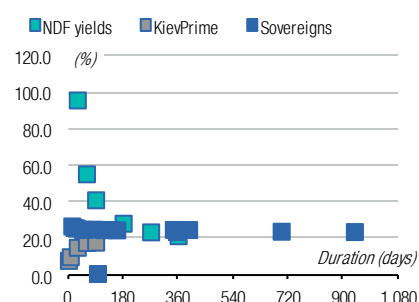
KyivPrime interest rates slightly diverged: the KyivPrime ON interest rate rose 16bp to 11.83% while the KyivPrime 1M interest rate remained steady at 18.67%.

**Investment implications: With no large inflows due at the end of the month, liquidity stabilized. As last Friday was the last day for month-end tax payments, liquidity could decline further.**

**Taras Kotovych, Kiev, +38044 2200120 ext.724**

## Yield curve of the local bond market

(as of market close on 30 Jan 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 30 Jan 2015)

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

### MONEY MARKET KIEV PRIME RATES (%)

O/n	11.83	+16bp	+83bp	-707bp	-707bp
1wk	14.00	+0bp	+50bp	-500bp	-500bp
1m	18.67	+0bp	+42bp	-123bp	-123bp
2m	19.33	+0bp	+8bp	-67bp	-67bp
3m	19.33	+0bp	+8bp	-67bp	-67bp

### 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	327,747	+0.00	+1.36	+10.20	+3.02
Banks	92,128	+0.21	+0.30	+4.32	-1.40
Resid's <sup>4</sup>	23,508	+0.29	-1.13	-4.67	-4.24
Non-res <sup>5</sup>	21,095	+0.39	-0.47	-2.13	-2.08
<b>Total</b>	<b>464,478</b>	<b>+0.08</b>	<b>+0.94</b>	<b>+7.53</b>	<b>+1.49</b>

### NDF IMPLIED YIELDS (%)

3m	22.49	-621bp	-326bp	-386bp	-386bp
6m	18.21	-323bp	-179bp	-210bp	-210bp
9m	16.69	-223bp	-129bp	-150bp	-151bp
1yr	16.14	-174bp	-105bp	-122bp	-122bp

### 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 (%)

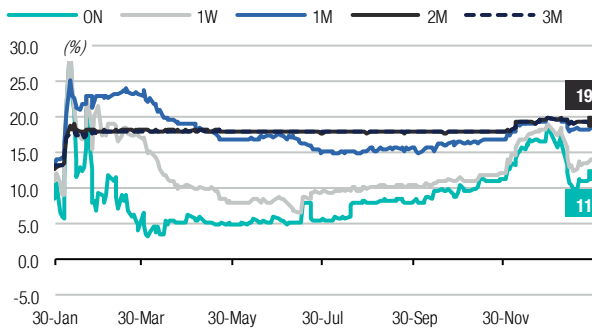
CDS 5yr	2,773	+593bp	+489bp	+803bp	+574bp
Jun '16	72.89	+2bp	+10bp	+36bp	+36bp
Jul '17	40.88	+0bp	+146bp	+13bp	+13bp
Sep '20	23.04	+53bp	+91bp	+419bp	+419bp
Sep '21	22.54	+68bp	+82bp	+401bp	+401bp
Sep '22	20.70	+103bp	+69bp	+445bp	+445bp
Feb '23	19.81	+131bp	+26bp	+425bp	+425bp

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.

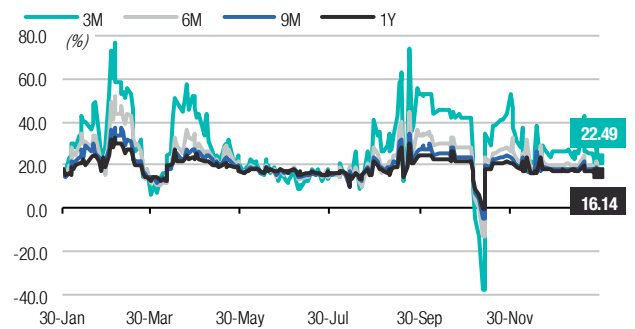
Chart page: Local bond market & Eurobond markets

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



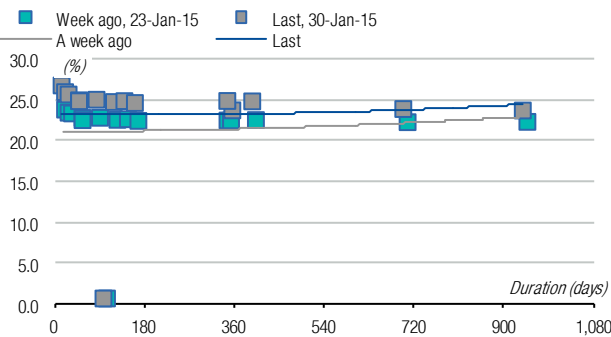
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



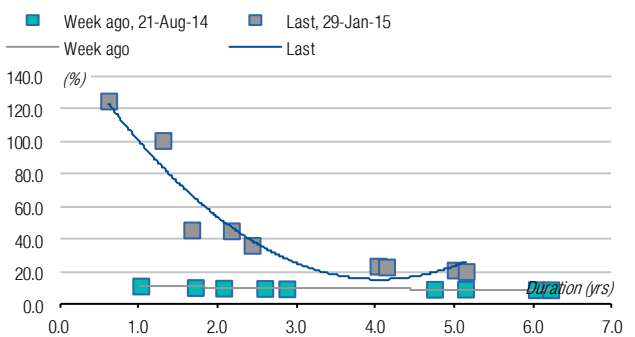
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 30 Jan 2015



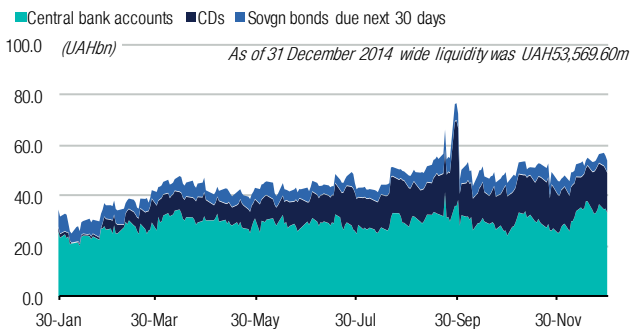
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 30 Jan 2015



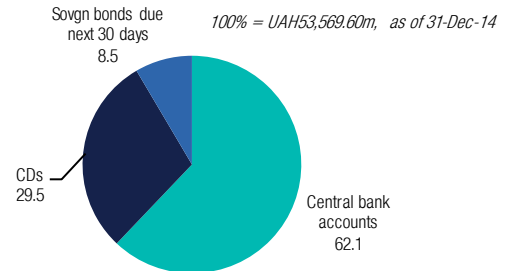
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



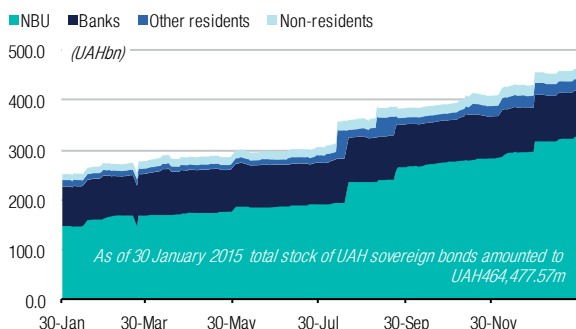
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 30 Jan 2015



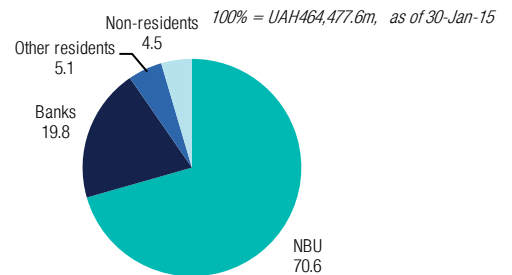
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 30 Jan 2015



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

Table 1. Ukrainian stocks (closing prices as of 30-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	10.63 GBp	+3.7	+6.3	+6.3	-7.6	0.16	37.0	-10.6	40.2	14.9	1.0	16.4	0.09	1,098	Neg.	N/A	N/A	1.6	N/A	N/A	Neg.	N/A	N/A	0.3	0.0
Centrenerg	CEEN UK	Kiev, UX	7.17 UAH	-0.5	-5.0	-5.0	+61.4	0.45	165.8	154.0	21.7	36.0	18.7	43.1	0.09	1,127	5.4	4.3	7.1	0.2	2.5	2.9	0.3	0.2	0.2	1.0	16.3
Coal Energy	CLE PW	Warsaw	0.68 PLN	+0.0	+0.0	+9.7	-39.3	0.18	8.3	108.7	25.0	2.1	2.4	10.5	0.24	417	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	30.49 UAH	+0.0	-7.6	-7.6	-5.6	1.91	45.2	94.9	14.2	6.4	0.6	7.5	0.10	1,035	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	+1.0	+6.3	-82.2	0.19	33.0	38.1	47.2	15.6	41.3	83.5	0.45	223	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	4.07 GBp	+29.5	+25.1	+30.1	-68.1	0.06	19.6	-10.5	80.9	15.9	3.8	3.1	0.01	9,048	Neg.	9.8	N/A	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	164.20 UAH	+0.0	+10.9	+10.9	+38.0	10.28	131.5	143.5	5.0	6.6	0.0	1.2	0.00	24,880	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	+0.0	-15.9	-15.9	-66.0	0.00	19.7	1,813.7	3.9	0.8	0.2	1.5	0.09	1,078	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.1	N/A	N/A	85.7
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.20 UAH	+1.2	-30.6	-30.6	-56.3	0.08	14.7	-24.5	4.0	0.6	0.2	2.6	0.26	389	Neg.	Neg.	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.1
Azovstal	AZST UK	Kiev, UX	0.71 UAH	-0.3	-5.2	-5.2	+18.7	0.04	185.9	150.9	4.1	7.6	1.1	7.7	0.10	1,033	Neg.	Neg.	N/A	Neg.	4.4	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	50.00 GBp	-2.4	-9.1	-5.7	-66.2	0.75	443.2	1,094.6	22.4	99.3	740.4	726.4	0.87	115	1.7	1.8	6.8	2.2	2.4	4.3	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	0.06	1,600	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	18.73 UAH	+0.4	-10.6	-10.6	-40.7	1.17	12.4	4.1	9.4	1.2	3.6	4.4	0.38	266	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	0.30 EUR	-3.2	-28.6	-30.2	-75.0	0.34	31.3	80.1	34.0	10.6	21.3	11.2	0.22	456	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	0.7	35.9
Agroliga	AGL PW	Warsaw	10.50 PLN	+7.1	+20.6	+16.7	-59.6	2.84	4.4	5.1	16.7	0.7	2.8	3.4	0.34	290	1.2	N/A	N/A	1.5	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	1.34 PLN	-0.7	+5.5	+8.9	-46.0	0.36	7.9	53.1	26.2	2.1	7.7	36.0	1.55	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	25.00 PLN	-0.2	+24.6	+25.0	-62.2	6.76	169.0	410.7	31.0	52.4	0.1	118.1	0.11	910	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	1.90 USD	+4.1	-7.3	-7.3	-83.5	1.90	121.4	332.6	21.7	26.3	48.2	29.2	0.22	463	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	6.25 PLN	+4.0	+13.8	+10.2	-37.8	1.69	52.9	192.1	23.9	12.6	0.2	5.2	0.03	2,870	2.0	Neg.	2.2	3.6	3.7	3.7	1.7	1.2	1.1	0.3	38.7
Kernel Holding...	KER PW	Warsaw	31.25 PLN	-0.2	+13.2	+9.8	-18.0	8.45	673.4	1,317.6	58.8	395.8	1,863.6	1,034.4	0.24	412	Neg.	4.5	4.2	5.9	3.9	3.9	0.6	0.6	0.5	0.7	39.1
KSG Agro	KSG PW	Warsaw	1.11 PLN	+2.8	-0.9	-0.9	-87.7	0.30	4.5	115.6	34.4	1.5	9.4	24.5	1.07	93	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	9.53 USD	+0.8	-4.6	+3.6	-36.9	9.53	1,007.0	2,137.4	22.3	224.8	3,026.3	387.3	0.20	508	6.5	33.7	3.6	5.5	4.1	4.2	1.4	1.5	1.4	2.0	47.0
Milkiland	MLK PW	Warsaw	2.22 PLN	-2.6	+31.4	+50.0	-77.3	0.60	18.8	132.4	20.0	3.8	19.7	18.8	0.74	135	1.5	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	68.5	796.3	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	-10.2	19.74	118.4	128.1	25.0	29.6	3.8	30.1	0.04	2,797	3.9	4.8	5.9	3.5	4.1	4.5	1.4	1.6	1.4	0.9	8.5
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	6.20 PLN	-0.6	+53.1	+53.1	-79.9	1.68	15.6	3.1	10.9	1.7	0.2	0.2	0.02	5,490	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	131.3	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	+1.0	-9.5	-9.5	-23.8	0.01	163.2	N/A	3.8	6.2	6.4	15.1	0.15	664	2.6	Neg.	11.0	N/A	N/A	N/A	N/A	N/A	N/A	0.4	22.4

Table 1. Ukrainian stocks (closing prices as of 30-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/(x) Assets	
Ukrsotsbank	USCB UK	Kiev, UX	0.11 UAH	+0.0	-15.5	-15.5	-40.5	0.01	170.0	N/A	4.5	7.6	0.0	0.8	0.01	16,099	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

## UAH's TWI down

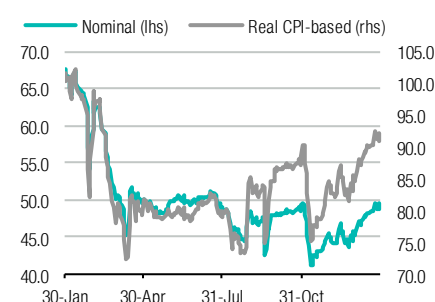
Although Ukraine's 4Q GDP was supposed to be announced on Friday, officials in a last minute decision postponed the publication, most likely for two reasons: (1) statisticians could not accurately report data from the territory under the control of the pro-Kremlin militants; and (2) Ukraine has just begun debt restructuring negotiations with external private creditors. As the Russian government one year ago issued a US\$3bn Eurobond with a punitive covenant on a public debt to GDP ratio of 60%, a reported breach could cause significant problems, possibly negatively affecting a favorable debt restructuring. Russia's potential reaction is the great unknown.

The USD was flat following preliminary data of weaker-than-expected 4Q real GDP at 2.6% versus market consensus of 3.0%. The dollar index added mere 0.02%, while the euro declined 0.26%. Brent crude oil recovered to US\$50.77/bbl, up 8.37%. Although the Russian ruble declined through most of the trading session, it recovered just marginally at the end of the session based on the US macro news. The ruble closed down 0.72% on Friday, and the hryvnia's trade-weighted value fell 1.39% because its nominal FX rate dropped by 1.81%.

**Alexander Valchyshen, Kiev, +38044 2200120 ext.242**

## ICU's UAH trade-weighted indices

(Last 12-month history to 2 Feb 2015)



Source: Investment Capital Ukraine LLC.

## FX market indicators (as of 30 Jan 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	16.2075	+1.81	+2.31	+2.45	+2.45
NBU avg	16.1578	+1.28	+2.32	+2.47	+2.47
Ttl vlm <sup>1</sup>	294.69	-14.64	+3.18	-31.61	-31.61
\$ volume <sup>2</sup>	239.80	-10.82	+11.52	-32.32	-32.32
NDF 3M	17.1072	+0.34	+1.53	+1.53	+1.53
NDF 6M	17.6572	+0.32	+1.48	+1.48	+1.48
NDF 1Y	18.7072	+0.31	+1.39	+1.39	+1.39
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	48.705	-1.39	+0.61	+9.60	+6.49
UAH real CPI	90.922	-1.39	+0.61	+9.60	+6.49
UAH real PPI	130.522	-1.39	+0.61	+9.60	+6.49
USD nom'l	94.804	+0.02	+0.04	+5.07	+5.02
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	69.4666	+0.72	+9.04	+25.42	+14.37
EUR/USD	1.1291	-0.26	+0.78	-7.00	-6.67
USD/CNY	6.2506	+0.06	+0.35	+0.66	+0.73
USD/PLN	3.7064	-0.42	-1.23	+4.74	+4.59
USD/TRY	2.4417	+1.06	+3.91	+5.21	+4.57
USD/BYR	15,630.00	+1.00	+3.17	+42.09	+42.09
USD/KZT	184.7900	+0.20	+0.34	+1.32	+1.34
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	117.4900	-0.68	-0.24	-2.26	-1.91
GBP/USD	1.5060	-0.05	+0.47	-2.86	-3.32
USD/CHF	0.9202	-0.39	+4.56	-7.13	-7.45
AUD/USD	0.7762	+0.00	-1.90	-4.55	-5.05
USD/CAD	1.2732	+0.92	+2.51	+9.34	+9.56
USD/BRL	2.6829	+3.01	+3.98	+0.95	+0.95
USD/KRW	1,093.68	-0.02	+0.89	-0.49	+0.25
<b>COMMODITIES</b>					
Gold(\$/oz)	1,283.77	+2.10	-0.80	+8.07	+8.35
WTI crude <sup>3</sup>	48.24	+8.33	+6.68	+0.00	-9.44
Brent crd <sup>3</sup>	50.77	+8.37	+10.63	-8.85	-8.95
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	218.84	+2.91	+1.03	-6.27	-4.83

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.

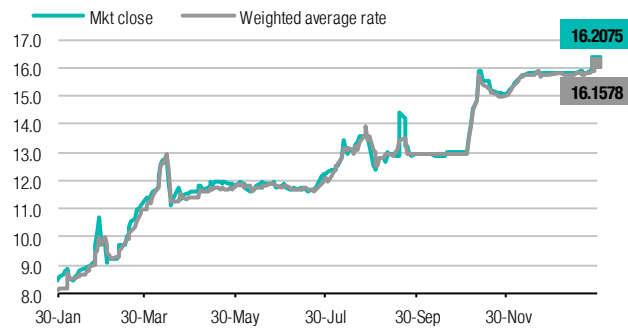
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

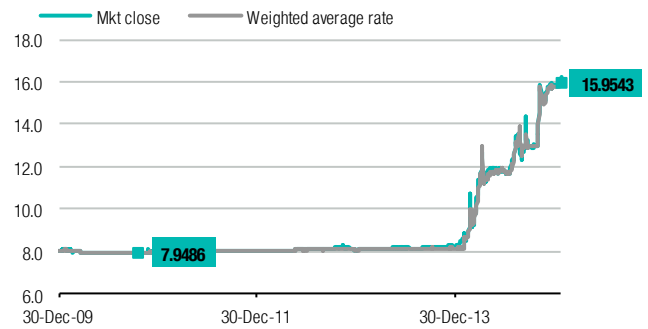
Section on FX market is continued on next page.

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)

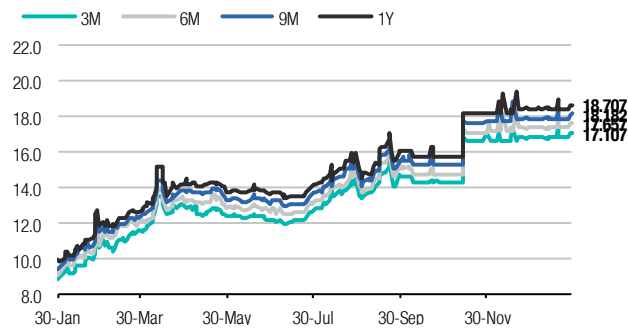


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

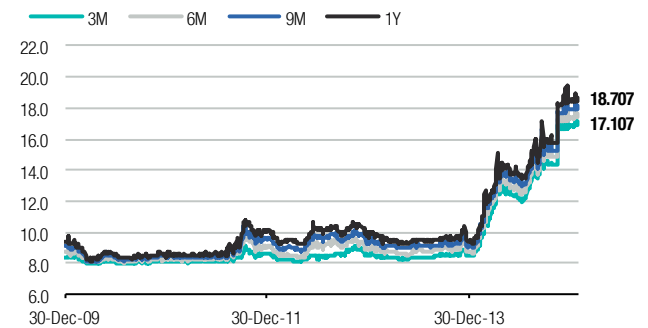


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

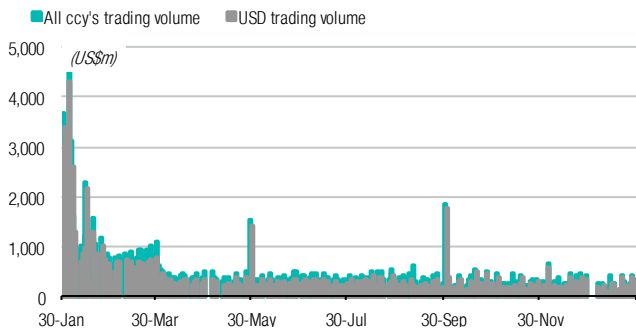


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

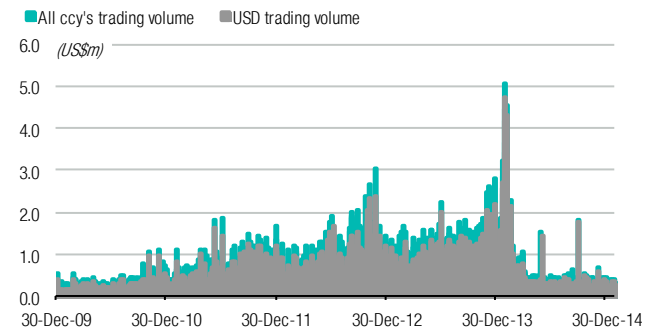


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

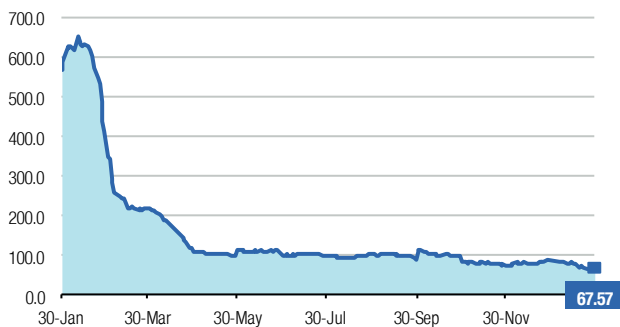


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

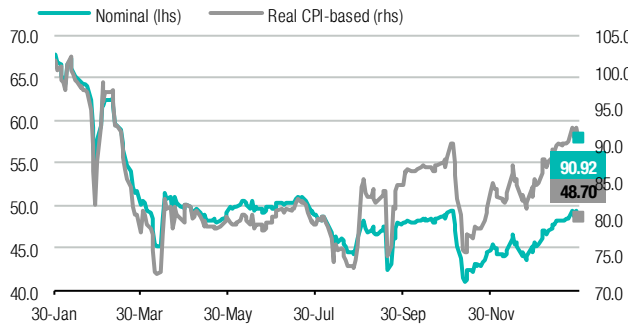


Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

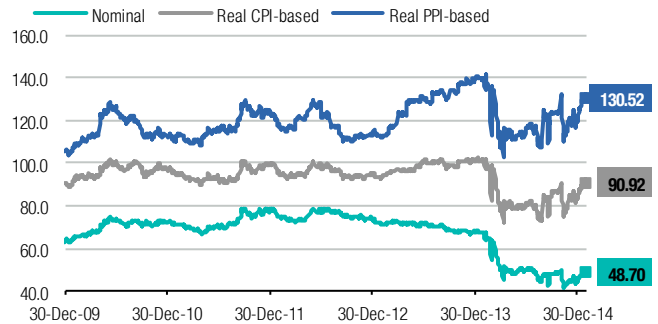
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



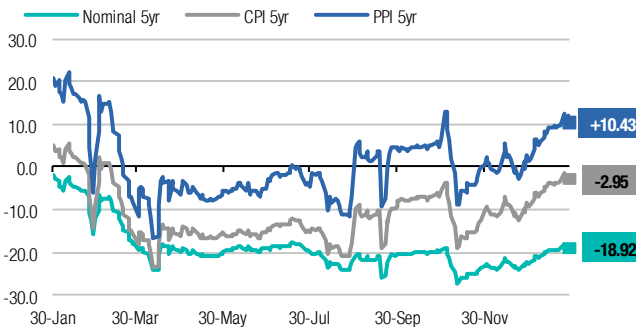
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

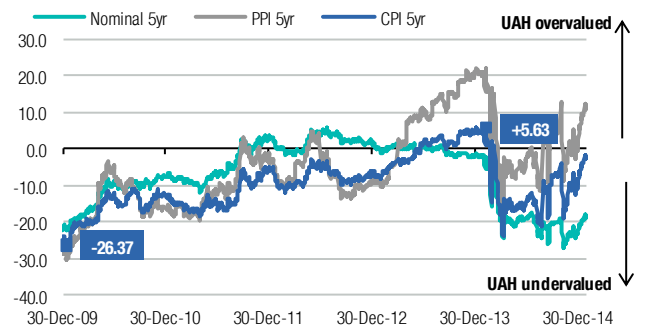


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

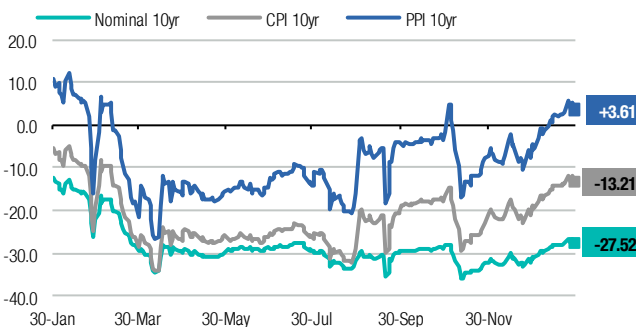


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

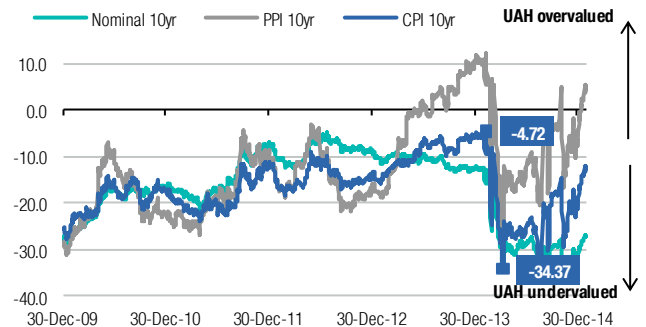


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

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

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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

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