



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
**Alexander Valchyshen
Taras Kotovych**

Daily Insight

FX market braces for normalization

TUESDAY, 3 FEBRUARY 2015

UX Index (3 months to 3 Feb 2015)



Source: UX.

Key market indicators (as of 2 Feb 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	16.1968	-0.07	+2.38
USD/UAH (1Y NDF)	18.7800	+0.39	+1.79
EUR/USD	1.1341	+0.44	-6.26
USD/RUB	68.3230	-1.65	+12.49
KievPRIME O/N (%)	12.00	+17bp	-690bp
KievPRIME 1M (%)	18.70	+3bp	-120bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	112.02	-3bp	+5,026bp
Ukraine 17, Eurobond (%)	40.82	-2bp	+1,307bp
Ukraine 22, Eurobond (%)	20.81	+11bp	+456bp
Ukraine 23, Eurobond (%)	20.23	+21bp	+466bp
Ukraine 5Y CDS	2,713bp	-61bp	+514bp
EQUITIES			
Stock market indices			
UX (Ukraine)	976.34	-1.52	-5.51
MSCI World	414.10	+0.92	-0.72
MSCI EM	963.80	+0.23	+0.78
RTS (Russia)	745.82	+1.15	-5.25
WIG-20 (Poland)	2,330.14	-0.46	+0.61
S&P 500 (USA)	2,020.85	+1.30	-1.85

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.

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Bonds: News & Comments

Primary auction announcement

In preparation for large FX debt repayments scheduled for next week, the MoF will offer 48-day USD-denominated bonds, in addition to 2-year and 5-year local currency bonds, today. Funds in FX from this auction will be received on Thursday and replenish the MoF's FX reserves.

Investment implications: While local currency bonds should receive domestic QE support, FX-denominated bonds will see specific demand to refinance FX-denominated domestic debt repayments.

Liquidity reallocates

Broader banking sector liquidity slightly declined yesterday, after last Friday was the last day of month-end tax payments. Broader indicator declined UAH0.84bn to UAH59.99bn. At the same time, the NBU significantly supported banks with liquidity, increased volume of ON loans and decreased total CDs outstanding. Banks' correspondent accounts with the NBU rose UAH2.55bn to UAH33.87bn while total CDs outstanding fell UAH3.39bn to UAH19.26bn. Total local currency debt repayments scheduled for the next 30 days remained steady at UAH6.87bn yesterday.

KyivPrime interest rates slightly rose yesterday: KyivPrime ON interest rate rose 17bp to 12.00% while KyivPrime 1M interest rate remained steady at 18.67%.

Investment implications: With no large inflows due at the end of the month, liquidity could stabilize, and yet we anticipate it to decline as last Friday was the last day for month-end tax payments.

Eurobonds steady

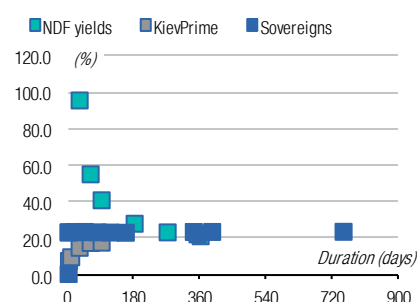
Ukrainian Eurobond prices slightly declined slightly below 50 at the long-term end of the yield curve which adjusted to the range of 20.27-112.05%, while the 5-year CDS declined to 2,713bp.

Investment implications: As the IMF extended its mission in Ukraine through the end of this business week, markets await the final results. The delay in official statements on EFF and mission recommendations from the IMF Board of Directors caused rare deals at the market yesterday. We anticipate slight volatility and negative reactions to any important news released.

Taras Kotovych, Kiev, +38044 2200120 ext.724

Yield curve of the local bond market

(as of market close on 2 Feb 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 2 Feb 2015)

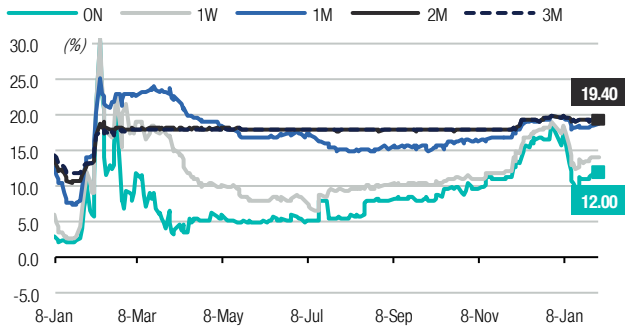
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	12.00	+17bp	+100bp	-690bp	-690bp
1wk	14.20	+20bp	+70bp	-480bp	-480bp
1m	18.70	+3bp	+45bp	-120bp	-120bp
2m	19.40	+7bp	+15bp	-60bp	-60bp
3m	19.40	+7bp	+15bp	-60bp	-60bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	N/A	N/A	N/A	N/A	N/A
CDs ²	N/A	N/A	N/A	N/A	N/A
Sovgns ³	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	327,766	+0.01	+1.37	+3.03	+3.03
Banks	92,316	+0.20	+0.37	-1.20	-1.20
Resid's ⁴	23,906	+1.69	+0.72	-2.62	-2.62
Non-res ⁵	21,319	+1.06	+0.54	-1.04	-1.04
Total	465,307	+0.18	+1.09	+1.67	+1.67
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 ⁶	N/A	+8bp	+0bp	+0bp	+0bp
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	2,713	-61bp	+235bp	+508bp	+514bp
Jun '16	59.67	-13ppt	-13ppt	+23bp	+23bp
Jul '17	40.82	-2bp	-9bp	+13bp	+13bp
Sep '20	23.43	+26bp	+85bp	+458bp	+458bp
Sep '21	23.04	+25bp	+110bp	+450bp	+450bp
Sep '22	20.81	+11bp	+107bp	+456bp	+456bp
Feb '23	20.23	+21bp	+165bp	+466bp	+466bp

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.

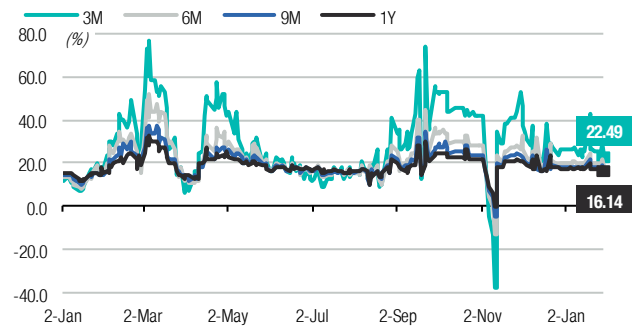
Chart page: Local bond market & Eurobond markets

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



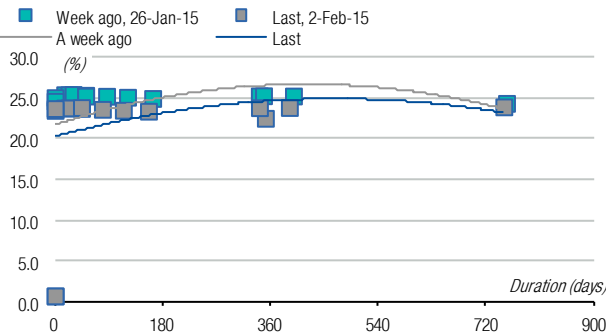
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



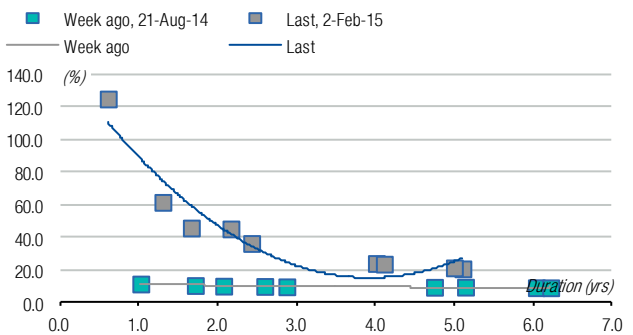
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 2 Feb 2015



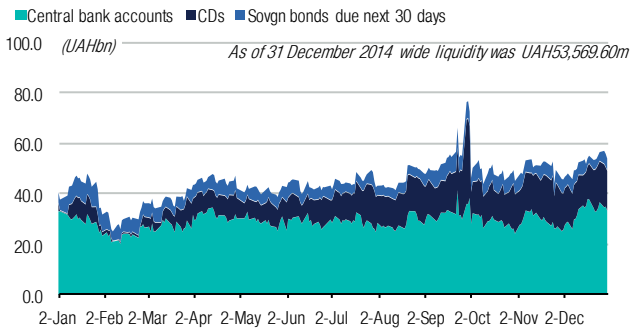
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 2 Feb 2015



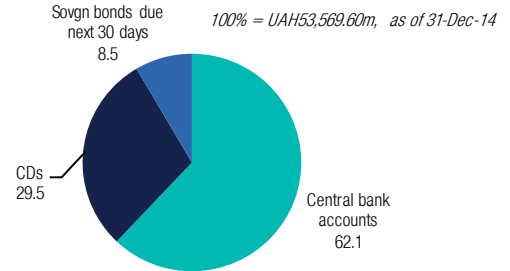
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



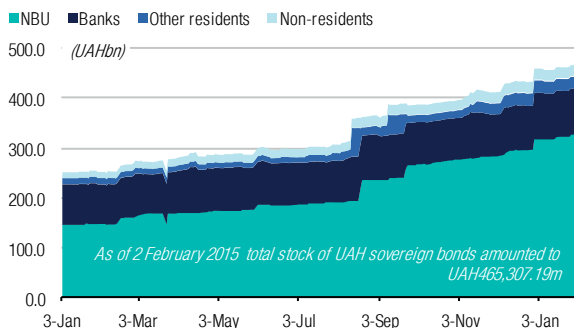
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 2 Feb 2015



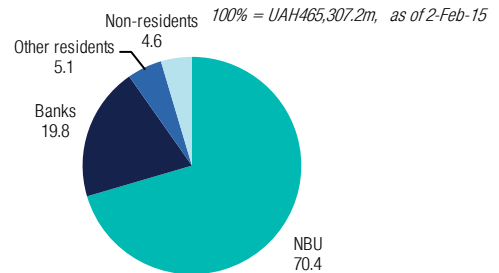
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 2 Feb 2015



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

Table 1. Ukrainian stocks (closing prices as of 2-Feb-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 (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	10.63 GBp	+0.0	+6.3	+6.3	-5.6	0.16	36.9	-10.7	40.2	14.8	1.6	16.5	0.09	1,092	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	6.90 UAH	-3.8	-8.6	-8.6	+56.0	0.43	158.6	146.9	21.7	34.4	35.7	41.2	0.09	1,085	5.2	4.2	6.9	0.2	2.4	2.7	0.3	0.2	0.2	1.0	16.3
Coal Energy	CLE PW	Warsaw	0.66 PLN	-2.9	-2.9	+6.5	-41.6	0.18	8.0	108.4	25.0	2.0	3.2	10.1	0.24	409	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	30.29 UAH	-0.7	-8.2	-8.2	-5.3	1.89	44.6	94.0	14.2	6.3	0.5	7.4	0.07	1,352	1.3	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	13.00 GBp	+2.0	+3.0	+8.3	-81.8	0.20	33.5	38.7	47.2	15.8	49.7	86.9	0.42	239	5.2	5.6	1.0	0.6	0.8	0.6	0.2	0.2	0.2	0.1	5.5
Regal Petroleum	RPT LN	London	4.13 GBp	+1.5	+26.9	+32.0	-67.6	0.06	19.9	-10.2	80.9	16.1	6.5	3.3	0.01	7,993	Neg.	9.9	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	10.22	130.7	142.6	5.0	6.5	0.0	1.2	0.00	25,324	3.6	N/A	N/A	0.9	N/A	N/A	0.2	N/A	N/A	1.4	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	-1.6	-17.2	-17.2	-66.6	0.00	19.3	1,802.4	3.9	0.7	0.6	1.4	0.10	1,049	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.1	N/A	N/A	85.7
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.17 UAH	-2.8	-32.5	-32.5	-57.3	0.07	14.2	-24.8	4.0	0.6	0.1	2.5	0.24	409	Neg.	Neg.	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.1
Azovstal	AZST UK	Kiev, UX	0.70 UAH	-0.4	-5.6	-5.6	+19.2	0.04	184.0	149.2	4.1	7.5	0.6	7.5	0.09	1,121	Neg.	Neg.	N/A	Neg.	4.3	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	50.25 GBp	+0.5	-8.6	-5.2	-66.6	0.75	444.3	1,095.8	22.4	99.5	581.8	728.0	0.85	118	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	0.24 UAH	-4.0	-14.3	-14.3	-56.8	0.01	4.1	4.8	9.0	0.4	0.0	0.7	0.07	1,527	Neg.	0.4	0.3	0.0	0.3	N/A	0.0	0.0	0.0	0.0	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	18.20 UAH	-2.8	-13.1	-13.1	-41.9	1.13	12.0	3.7	9.4	1.1	9.0	4.4	0.40	252	Neg.	Neg.	N/A	0.7	0.1	N/A	0.0	0.0	N/A	0.8	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.30 EUR	+0.0	-28.6	-30.2	-75.6	0.34	31.4	80.4	34.0	10.7	10.0	11.5	0.22	457	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	0.7	35.9
Agroliga	AGL PW	Warsaw	9.65 PLN	-8.1	+10.8	+7.2	-62.8	2.61	4.0	4.8	16.7	0.7	2.9	3.1	0.38	266	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	1.28 PLN	-4.5	+0.8	+4.1	-47.5	0.35	7.5	52.8	26.2	2.0	16.9	35.0	1.65	61	Neg.	N/A	N/A	19.7	17.6	N/A	0.6	0.6	N/A	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	24.00 PLN	-4.0	+19.6	+20.0	-63.8	6.50	162.6	405.2	31.0	50.4	6.4	115.4	0.11	900	5.6	Neg.	4.1	5.3	3.6	4.4	1.0	1.0	1.0	0.6	38.2
Avangard	AVGR LI	London Intl	2.10 USD	+10.5	+2.4	+2.4	-81.7	2.10	134.1	345.4	21.7	29.1	88.7	33.2	0.21	479	0.6	1.5	1.1	1.1	2.0	2.0	0.5	0.6	0.7	0.2	17.8
Kernel Holding...	KER PW	Warsaw	30.70 PLN	-1.8	+11.2	+7.9	-20.5	8.32	662.8	1,307.0	58.8	389.5	316.9	1,013.7	0.25	402	Neg.	4.4	4.2	5.9	3.9	3.9	0.5	0.6	0.5	0.6	39.1
KSG Agro	KSG PW	Warsaw	1.08 PLN	-2.7	-3.6	-3.6	-88.0	0.29	4.4	114.1	34.4	1.5	12.8	21.2	1.12	90	Neg.	N/A	0.2	13.1	N/A	N/A	1.5	1.2	1.0	0.3	44.5
MHP	MHPC LI	London Intl	9.12 USD	-4.3	-8.7	-0.9	-39.3	9.12	963.7	2,094.1	22.3	215.1	199.3	372.2	0.21	476	6.2	32.3	3.4	5.4	4.1	4.2	1.4	1.5	1.4	1.9	47.0
Milkiland	MLK PW	Warsaw	2.20 PLN	-0.9	+30.2	+48.6	-77.9	0.60	18.6	132.7	20.0	3.7	26.0	19.3	0.78	129	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	0.52 EUR	-4.7	-6.9	-6.9	-90.1	0.59	63.0	790.8	20.0	12.6	0.0	0.6	0.01	16,105	0.7	0.7	0.3	4.8	2.9	2.6	1.6	1.9	1.8	0.1	45.3
Ovostar Union	OVO PW	Warsaw	74.00 PLN	+1.4	+2.8	+2.8	-9.2	20.05	120.3	129.9	25.0	30.1	14.1	29.6	0.04	2,664	3.9	4.9	6.0	3.5	4.1	4.6	1.4	1.6	1.4	0.9	8.5
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	6.20 PLN	+0.0	+53.1	+53.1	-80.0	1.68	15.6	3.1	10.9	1.7	0.0	0.2	0.02	5,487	2.3	N/A	N/A	0.3	N/A	N/A	0.1	N/A	N/A	0.2	5.6
CONSTRUCTION																											
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
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	+1.4	-8.2	-8.2	-21.9	0.01	164.4	N/A	3.8	6.3	4.7	14.9	0.13	752	2.6	Neg.	11.2	N/A	N/A	N/A	N/A	N/A	N/A	0.4	22.4
Ukrsotsbank	USCB UK	Kiev, UX	0.11 UAH	+0.0	-15.5	-15.5	-36.8	0.01	169.0	N/A	4.5	7.6	0.0	0.8	0.01	16,371	Neg.	9.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.2	28.2

Table 1. Ukrainian stocks (closing prices as of 2-Feb-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

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

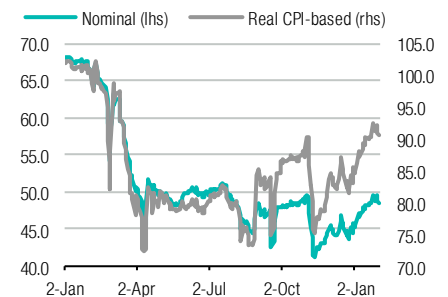
FX market braces for normalization

Yesterday, the NBU announced that it would adhere to IMF requirements and abstain from its previous tight regulation of the FX market. As a consequence of its prior interventions, several parallel grey markets developed and operated outside of the official market to the extent that when Bloomberg reported the official UAH rate at 16/USD, the more liquid unofficial rate was at 20-21/USD. Without central bank intervention to bolster the value, in anticipation that the NBU would refrain from such action in accordance with IMF demands, the hryvnia added 0.07% in nominal terms and slid 0.55% in trade-weighted terms yesterday.

Alexander Valchyshen, Kiev, +38044 2200120 ext.242

ICU's UAH trade-weighted indices

(Last 12-month history to 3 Feb 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 2 Feb 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	16.1968	-0.07	+2.12	+2.39	+2.38
NBU avg	16.1470	-0.07	+2.13	+2.40	+2.40
Ttl vlm ¹	188.50	-36.03	-22.12	-56.25	-56.25
\$ volume ²	154.45	-35.59	-21.27	-56.41	-56.41
NDF 3M	17.1800	+0.43	+1.96	+1.96	+1.96
NDF 6M	17.7300	+0.41	+1.90	+1.90	+1.90
NDF 1Y	18.7800	+0.39	+1.79	+1.79	+1.79
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	48.436	-0.55	-2.00	+6.58	+5.91
UAH real CPI	90.421	-0.55	-2.00	+6.58	+5.91
UAH real PPI	129.803	-0.55	-2.00	+6.58	+5.91
USD nom'l	94.504	-0.32	-0.31	+3.76	+4.69
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	68.3230	-1.65	-0.19	+16.29	+12.49
EUR/USD	1.1341	+0.44	+0.92	-5.51	-6.26
USD/CNY	6.2599	+0.15	+0.07	+0.84	+0.88
USD/PLN	3.6917	-0.40	-1.57	+2.94	+4.18
USD/TRY	2.4311	-0.43	+3.28	+3.67	+4.12
USD/BYR	15,670.00	+0.26	+3.30	+42.45	+42.45
USD/KZT	184.4600	-0.18	+0.02	+1.07	+1.16
OTHER MAJOR CURRENCIES					
USD/JPY	117.5700	+0.07	-0.75	-2.43	-1.85
GBP/USD	1.5039	-0.14	-0.26	-1.89	-3.45
USD/CHF	0.9281	+0.86	+2.79	-7.35	-6.66
AUD/USD	0.7803	+0.53	-1.54	-3.54	-4.55
USD/CAD	1.2564	-1.32	+0.72	+6.61	+8.11
USD/BRL	2.7274	+1.66	+5.70	+1.23	+2.63
USD/KRW	1,103.23	+0.87	+2.08	-0.02	+1.12
COMMODITIES					
Gold(\$/oz)	1,274.46	-0.73	-0.54	+7.17	+7.56
WTI crude ³	49.57	+2.76	+9.79	-5.92	-6.95
Brent crd ³	53.69	+5.75	+18.65	-3.59	-3.71
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	220.44	+0.73	+1.77	-3.49	-4.14

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.

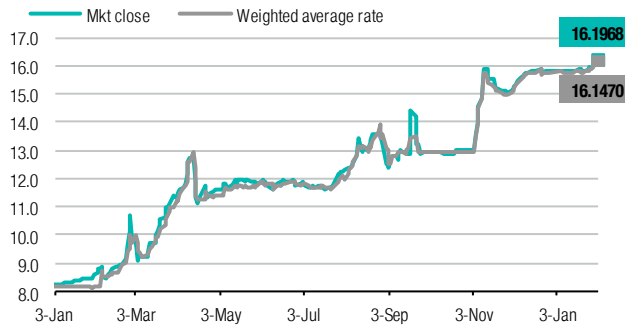
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

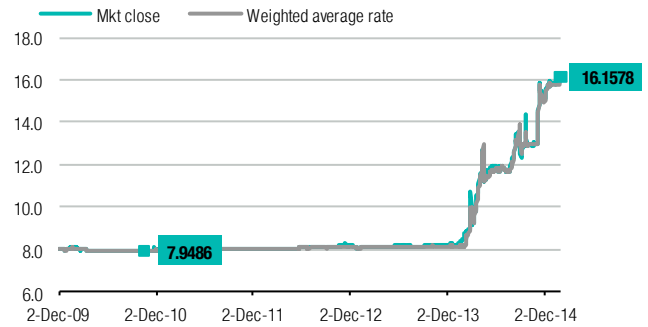
Section on FX market is continued on next page.

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)

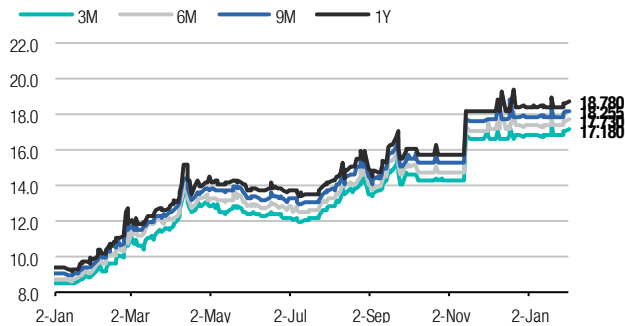


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

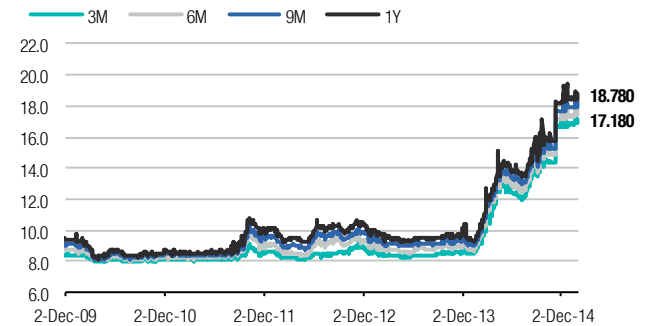


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

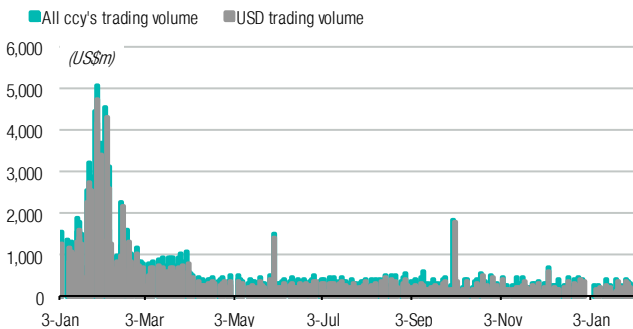


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

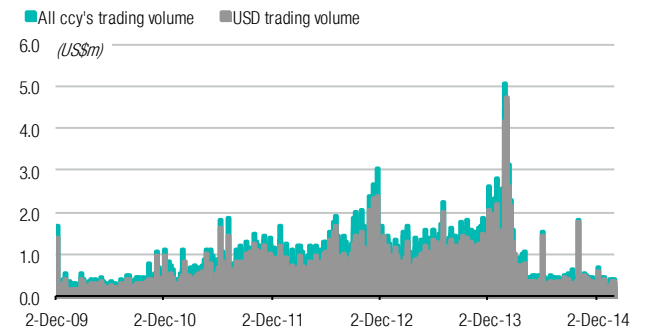


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

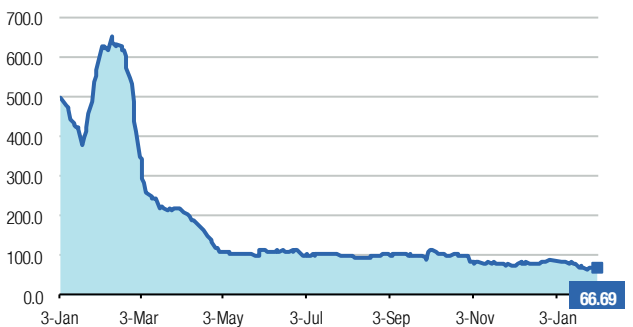


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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.

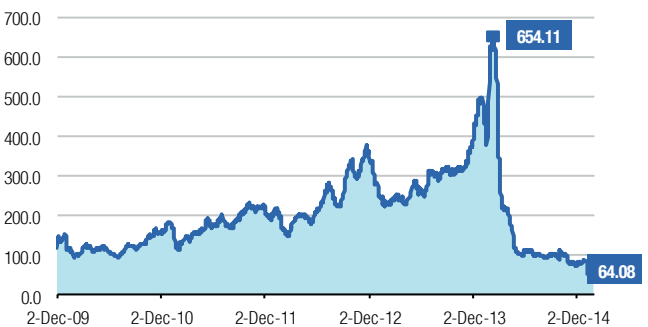
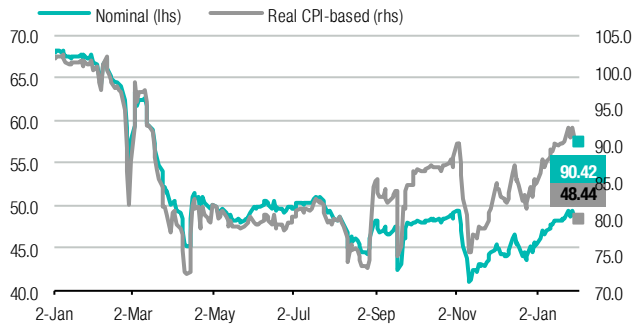


Chart page #2: ICU's UAH trade-weighted indices

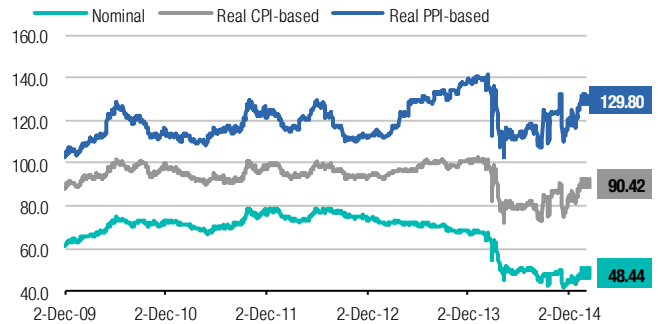
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



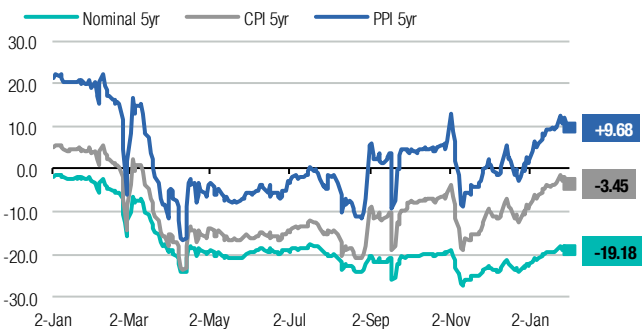
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

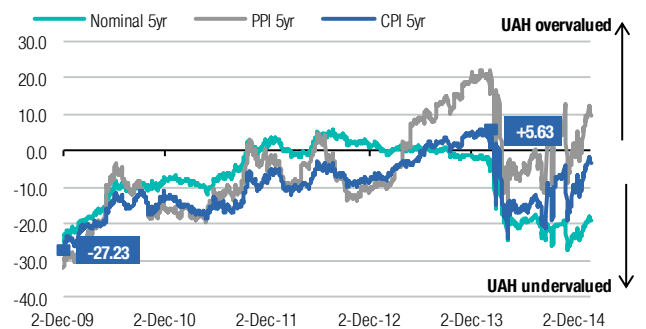


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

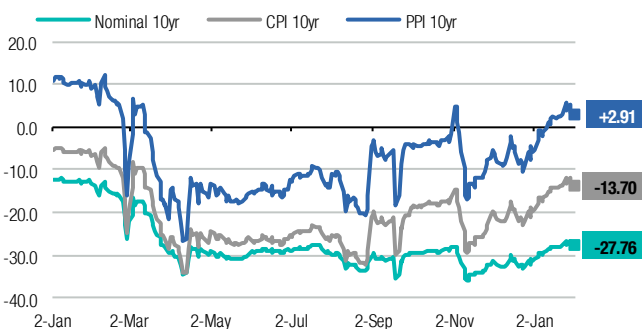


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

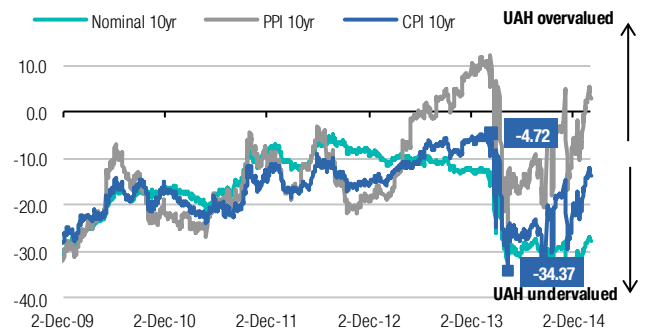


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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Disclosures

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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.

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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



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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