



Focus
Ukraine

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

Research team
**Alexander Valchyshen
Taras Kotovych**

Daily Insight

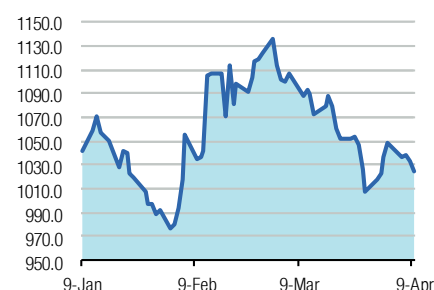
Liquidity recovers due to inflows

Contents

Bonds: News & Comments	2
Liquidity recovers due to inflows.....	2
Chart page: Local bond market & Eurobond markets.....	3
FX: News & Comments	6
UAH little changed, TWI pressed down by stronger RUB.....	6
Chart page #1: Foreign-exchange market.....	7
Chart page #2: ICU's UAH trade-weighted indices.....	8

FRIDAY, 10 APRIL 2015

UX Index (3 months to 10 Apr 2015)



Source: UX.

Key market indicators (as of 9 Apr 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	23.3000	-0.91	+47.28
USD/UAH (1Y NDF)	26.6060	-3.29	+44.21
EUR/USD	1.0659	-1.13	-11.89
USD/RUB	51.9669	-3.15	-14.44
KievPRIME O/N (%)	22.88	-42bp	+398bp
KievPRIME 1M (%)	28.25	+25bp	+835bp

SOVEREIGN EUROBONDS: yields and spreads

Ukraine 15, Eurobond (%)	295.17	+162bp	+23,340bp
Ukraine 17, Eurobond (%)	60.79	+6bp	+3,303bp
Ukraine 22, Eurobond (%)	26.64	+0bp	+1,039bp
Ukraine 23, Eurobond (%)	24.51	+0bp	+894bp
Ukraine 5Y CDS	4,373bp	-205bp	+2,174bp

EQUITIES

Stock market indices			
UX (Ukraine)	1,024.48	-0.81	-0.85
MSCI World	434.00	+0.35	+4.05
MSCI EM	1,028.63	+0.74	+7.56
RTS (Russia)	1,003.42	+1.53	+27.48
WIG-20 (Poland)	2,441.89	+0.70	+5.44
S&P 500 (USA)	2,091.18	+0.45	+1.57

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 due to inflows

Only due to significant inflows from the NBU did banking sector liquidity slightly recover yesterday. Broader banking sector liquidity rose UAH1.66bn to UAH52.64bn, as banks' correspondent accounts with the NBU increased UAH1.24bn to UAH23.50bn and total CDs outstanding were up UAH2.00bn to UAH19.49bn. Total local currency debt repayments scheduled for the next 30 days declined UAH1.58bn to UAH9.65bn.

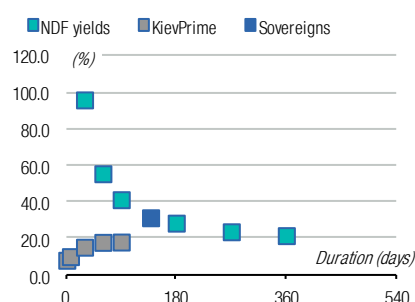
KyivPrime interest rates slightly diverged: the KyivPrime ON interest rate declined 42bp to 22.88% while the KyivPrime 1M interest rate rose 25bp to 28.25%.

Investment implications: *The NBU issued UAH1.92bn of new loans as UAH0.05bn of ON loans were repaid by banks and the MoF repaid UAH1.58bn in debt repayments the day before. As a result, banks received UAH3.45bn of inflows, resulted in a UAH3.24bn increase in CDs outstanding and banks' accounts with the NBU. Only the reallocation of funds from the MoF to banks caused a lower increase in the broader liquidity indicator.*

Taras Kotovych, Kiev, +38044 2200120 ext.724

Yield curve of the local bond market

(as of market close on 9 Apr 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 9 Apr 2015)

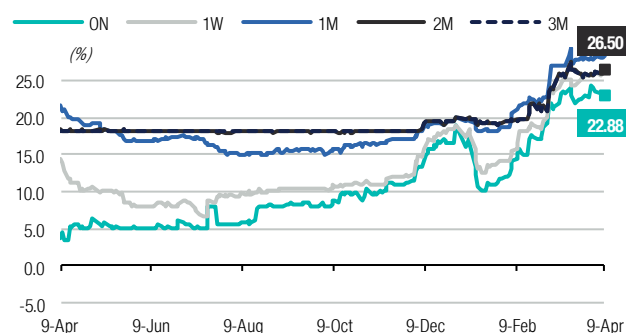
	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	22.88	-42bp	-72bp	+163bp	+398bp
1wk	26.13	+8bp	+33bp	+263bp	+713bp
1m	28.25	+25bp	+25bp	+125bp	+835bp
2m	26.50	+50bp	+50bp	+250bp	+650bp
3m	26.50	+50bp	+50bp	+250bp	+650bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
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	N/A	N/A	N/A	N/A	N/A
Banks	N/A	N/A	N/A	N/A	N/A
Resid's ⁴	N/A	N/A	N/A	N/A	N/A
Non-res ⁵	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A
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	N/A	N/A	N/A	N/A
Jan '14	N/A	N/A	N/A	N/A	N/A
Aug '15 ⁶	N/A	N/A	N/A	N/A	N/A
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	4,373	-205bp	-36bp	+408bp	+22bp
Jun '16	106.03	+27bp	+188bp	+20bp	+69bp
Jul '17	60.79	+6bp	+41bp	+982bp	+33bp
Sep '20	29.83	+1bp	+5bp	+26bp	+11bp
Sep '21	30.88	+1bp	+5bp	+384bp	+12bp
Sep '22	26.64	+0bp	+3bp	+305bp	+10bp
Feb '23	24.51	+0bp	+3bp	+228bp	+894bp

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.

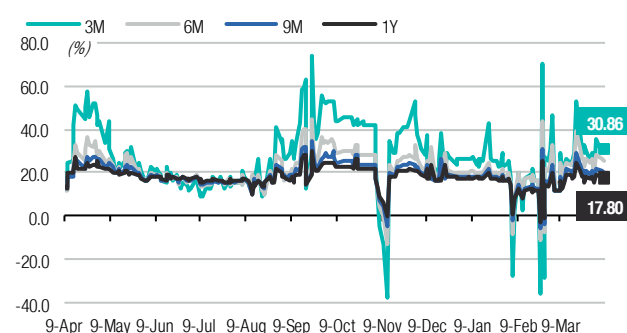
Chart page: Local bond market & Eurobond markets

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



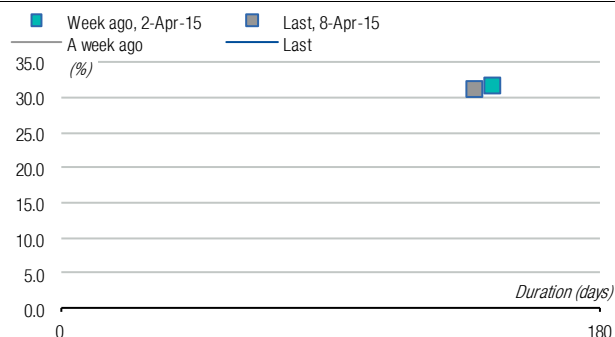
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



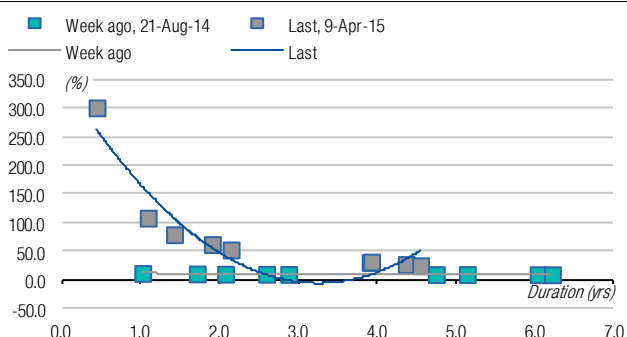
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 9 Apr 2015



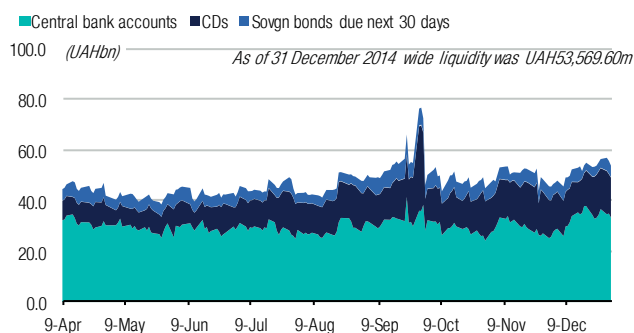
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 9 Apr 2015



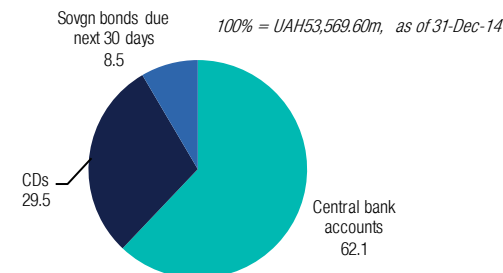
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



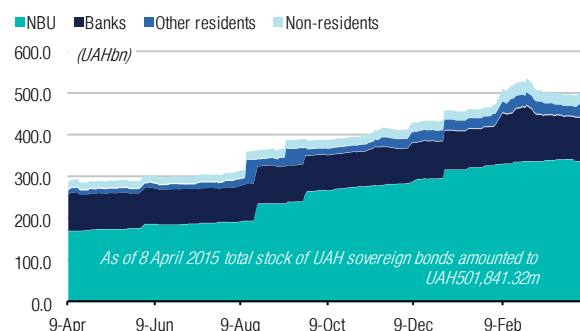
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 9 Apr 2015



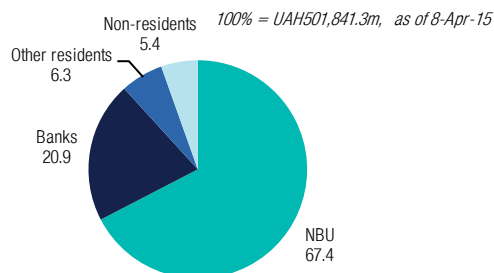
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 9 Apr 2015



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

Table 1. Ukrainian stocks (closing prices as of 9-Apr-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	8.63 GBp	+0.0	-5.5	-13.8	-11.5	0.13	29.3	-18.3	40.2	11.8	0.0	7.7	0.05	2,043	Neg.	N/A	N/A	2.7	N/A	N/A	Neg.	N/A	N/A	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.95 UAH	-0.6	+0.1	+5.4	+40.2	0.34	124.7	116.7	21.7	27.1	28.7	32.1	0.10	1,037	6.0	61.6	Neg.	0.2	6.3	Neg.	0.4	0.2	0.3	1.1	16.3
Coal Energy	CLE PW	Warsaw	0.61 PLN	+0.0	-4.7	-1.6	-59.6	0.16	7.3	84.2	25.0	1.8	0.7	5.5	0.20	491	Neg.	N/A	N/A	11.6	N/A	N/A	0.8	N/A	N/A	0.3	56.9
Donbasenerg	DOEN UK	Kiev, UX	22.68 UAH	+0.4	-21.8	-31.3	-49.0	0.96	22.8	56.5	14.2	3.2	1.3	4.5	0.23	426	1.0	0.9	Neg.	0.1	1.2	17.5	0.2	0.1	0.3	0.8	25.1
JKX Oil & Gas	JKX LN	London	31.00 GBp	+0.0	-10.8	+158.3	-48.3	0.46	78.4	88.9	47.2	37.0	12.9	401.2	0.25	393	Neg.	103.6	Neg.	Neg.	1.6	N/A	0.7	0.6	1.1	0.3	9.9
Regal Petroleum	RPT LN	London	4.50 GBp	-5.3	-2.6	+44.0	-56.1	0.07	21.2	-8.9	80.9	17.2	0.0	1.8	0.02	6,579	Neg.	10.6	7.1	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.33 PLN	-5.7	-8.3	-58.2	-62.5	0.09	3.8	43.7	25.0	0.9	20.3	4.1	0.90	111	Neg.	N/A	N/A	Neg.	N/A	N/A	21.3	N/A	N/A	0.3	54.9
Zakhidenerg	ZAEN UK	Kiev, PFTS	174.00 UAH	+0.0	+8.8	+17.5	+41.9	7.39	94.5	102.6	5.0	4.7	0.0	1.0	0.05	1,963	3.8	N/A	N/A	0.7	N/A	N/A	0.2	N/A	N/A	1.5	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	+1.5	-6.3	-8.3	-64.7	0.00	14.6	1,230.3	3.9	0.6	0.1	0.4	0.06	1,578	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	2.0	1.8	4.4	N/A	85.7
Avdiivskyi Cok...	AVDK UK	Kiev, UX	1.38 UAH	-1.6	-2.4	-20.5	-57.7	0.06	11.4	-15.2	4.0	0.5	0.4	1.0	0.06	1,630	Neg.	Neg.	Neg.	Neg.	0.3	0.3	Neg.	Neg.	Neg.	0.1	0.1
Azovstal	AZST UK	Kiev, UX	0.80 UAH	+0.0	-0.1	+7.0	+6.3	0.03	142.2	118.5	4.1	5.8	0.9	6.5	0.15	653	Neg.	1.8	2.8	Neg.	0.8	1.1	0.1	0.1	0.1	0.3	0.0
Ferrexpo PLC	FXPO LN	London	65.75 GBp	-1.1	+35.1	+34.4	-53.0	0.97	568.9	1,255.2	22.4	127.4	1,255.3	1,090.7	0.93	108	3.2	8.1	7.3	3.0	5.0	5.1	0.9	1.1	1.1	0.8	61.1
Yasynivskyi Cok...	YASK UK	Kiev, UX	0.26 UAH	-12.7	-25.1	-6.4	-61.1	0.01	3.0	3.5	9.0	0.3	0.1	0.1	0.01	18,245	Neg.	Neg.	8.0	0.0	Neg.	Neg.	0.0	0.0	0.0	0.0	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	17.86 UAH	-0.2	+2.5	-14.7	-51.3	0.76	8.0	2.4	9.4	0.7	0.1	2.2	0.13	752	Neg.	Neg.	Neg.	0.4	0.1	0.0	0.0	0.0	0.0	0.8	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.49 EUR	+2.1	+2.1	+14.0	-57.8	0.52	48.3	94.4	34.0	16.4	7.8	55.6	0.18	551	Neg.	N/A	N/A	Neg.	N/A	N/A	1.6	N/A	N/A	1.1	35.9
Agroliga	AGL PW	Warsaw	8.75 PLN	+0.6	-2.7	-2.8	-55.1	2.32	3.6	4.3	16.7	0.6	0.2	1.7	0.12	868	1.1	N/A	N/A	1.2	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	1.16 PLN	+1.8	-7.9	-5.7	-57.8	0.31	6.7	52.0	26.2	1.7	31.1	27.8	1.15	87	Neg.	N/A	N/A	19.4	17.3	N/A	0.6	0.6	N/A	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	25.30 PLN	+7.6	+7.2	+26.5	-42.6	6.70	167.5	395.7	31.0	52.0	211.8	83.8	0.19	531	6.1	Neg.	Neg.	5.2	3.1	4.1	1.0	1.0	1.1	0.6	38.2
Avangard	AVGR LI	London Intl	2.55 USD	-1.9	-3.8	+24.4	-73.2	2.55	162.9	416.2	21.7	35.3	7.7	63.1	0.15	660	Neg.	1.9	1.2	3.2	3.2	2.2	1.0	0.9	0.7	0.2	33.1
IMC	IMC PW	Warsaw	5.49 PLN	+0.4	-4.5	-3.2	-33.0	1.45	45.5	184.7	23.9	10.9	3.5	3.6	0.02	4,222	1.7	Neg.	5.6	3.4	3.6	3.7	1.6	1.2	1.1	0.3	38.7
Kernel Holding...	KER PW	Warsaw	39.25 PLN	+0.6	+24.0	+37.9	+26.6	10.40	828.3	1,555.9	58.8	486.8	426.6	1,743.5	0.37	270	Neg.	6.0	5.5	7.0	4.7	4.7	0.7	0.7	0.6	0.8	39.1
KSG Agro	KSG PW	Warsaw	0.84 PLN	+5.0	-20.8	-25.0	-83.4	0.22	3.3	85.1	34.4	1.1	4.2	10.4	0.52	191	Neg.	N/A	0.2	9.8	N/A	N/A	1.1	0.9	0.8	0.3	44.5
MHP	MHPC LI	London Intl	10.95 USD	+0.9	+21.0	+19.0	-14.9	10.95	1,157.1	2,287.5	22.3	258.3	965.8	799.6	0.40	253	7.4	Neg.	4.5	5.9	4.4	4.5	1.5	1.6	1.6	2.3	47.0
Milkiland	MLK PW	Warsaw	2.32 PLN	+2.7	-23.7	+56.8	-69.9	0.61	19.2	126.5	20.0	3.8	8.7	43.5	0.93	107	1.7	Neg.	Neg.	3.8	4.1	4.3	0.3	0.4	0.5	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	0.45 EUR	+0.0	+18.4	-19.9	-90.7	0.48	51.0	778.8	20.0	10.2	0.0	0.8	0.01	10,045	0.6	0.6	0.2	4.7	N/A	N/A	1.6	1.8	1.8	0.1	45.3
Ovostar Union	OVO PW	Warsaw	69.00 PLN	-1.4	+1.5	-4.2	-1.4	18.27	109.6	119.3	25.0	27.4	1,096.5	41.6	0.20	491	3.6	4.4	5.4	3.2	3.8	4.5	1.3	1.5	1.4	0.8	8.5
CONSTRUCTION																											
TMM	TR61 GF	Frankfurt	0.07 EUR	+0.0	-16.7	-12.5	-66.7	0.07	3.9	131.0	13.1	0.5	3.6	0.1	0.04	2,551	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	0.10 UAH	-0.9	-9.5	-0.4	-44.7	0.00	121.6	N/A	3.8	4.6	2.4	9.6	0.27	377	2.8	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	0.5	22.4
Ukrsotsbank	USCB UK	Kiev, UX	0.11 UAH	+0.0	+7.3	-15.5	-35.3	0.00	115.2	N/A	4.5	5.2	0.0	0.4	0.00	24,245	Neg.	6.1	6.4	N/A	N/A	N/A	N/A	N/A	N/A	0.2	28.2

Table 1. Ukrainian stocks (closing prices as of 9-Apr-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)	FF 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 (%)

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 little changed, TWI pressed down by stronger RUB

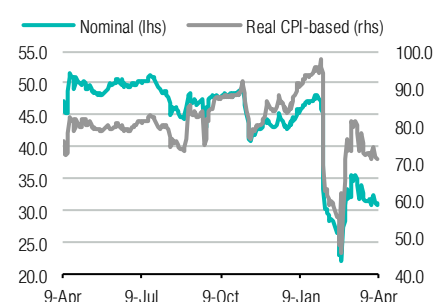
Yesterday, the hryvnia FX rate rose a slight 0.91% to stay close to 23/USD as a result of the tight regulatory regime imposed by the NBU following February's attempt by market forces to debase the local currency by a hefty margin. Thanks to NBU measures to restrict market access to potential buyers of the FX, the market exchange rate normalized to around 23-25/USD. Yesterday's FX trading volume of US\$233m was a smaller turnover than that back in 2013 before the current recession (Chart 11, p.8).

Meanwhile, in the global FX markets, the US dollar index extended gains first versus the euro due to a consensus view that the US Fed will start raising interest rates this summer. In Russia, the rally into financial assets became even more powerful yesterday than in the previous few days, allowing the RUB to increase its value to the US dollar by 3.15% yesterday. The UAH's real trade-weighted indices increased 0.55% as a result.

Alexander Valchyshen, Kiev, +38044 2200120 ext.242

ICU's UAH trade-weighted indices

(Last 12-month history to 10 Apr 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 9 Apr 2015)

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

USD/UAH MARKET (HRYVNIA per US DOLLAR)

Spot mkt	23.3000	-0.91	+0.22	-0.85	+47.28
NBU avg	23.4354	-0.32	-0.20	+2.35	+48.62
Ttl vlm ¹	283.09	+21.84	+33.07	+43.58	-34.30
\$ volume ²	233.37	+43.06	+40.72	+49.41	-34.13
NDF 3M	25.0904	-0.87	-0.75	+3.72	+48.90
NDF 6M	25.8180	-2.61	-2.50	+2.09	+48.38
NDF 1Y	26.6060	-3.29	-3.18	+2.37	+44.21

TRADE-WEIGHTED INDICES (TWIs, points)

UAH nom'l	30.955	+0.55	-1.84	-3.03	-30.39
UAH real CPI	71.009	+0.55	-1.84	-3.03	-18.08
UAH real PPI	88.059	+0.55	-1.84	-3.03	-25.22
USD nom'l	99.155	+1.24	+1.76	+1.61	+9.84

FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs

USD/RUB	51.9669	-3.15	-8.19	-13.90	-14.44
EUR/USD	1.0659	-1.13	-2.03	-1.78	-11.89
USD/CNY	6.2059	+0.05	+0.14	-0.94	+0.01
USD/PLN	3.7761	+1.57	+0.91	-0.46	+6.56
USD/TRY	2.6201	+0.81	+1.35	+0.71	+12.21
USD/BYR	14,450.00	-0.48	-1.37	-2.76	+31.36
USD/KZT	185.6500	-0.02	-0.02	+0.02	+1.81

OTHER MAJOR CURRENCIES

USD/JPY	120.5800	+0.37	+0.72	-0.47	+0.67
GBP/USD	1.4713	-1.03	-0.78	-2.74	-5.55
USD/CHF	0.9776	+1.15	+1.87	-0.84	-1.68
AUD/USD	0.7692	+0.10	+1.32	-0.13	-5.91
USD/CAD	1.2578	+0.26	+0.15	-0.21	+8.24
USD/BRL	3.0577	+0.27	-2.09	-2.07	+15.05
USD/KRW	1,092.60	+0.15	-0.27	-1.76	+0.15

COMMODITIES

Gold(\$/oz)	1,194.72	-0.65	-0.66	+2.36	+0.83
WTI crude ³	50.79	+0.73	+3.36	+1.58	-4.66
Brent crd ³	55.82	+1.00	+2.93	-3.99	+0.11
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	216.13	-0.12	+0.02	-1.45	-6.01

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>).

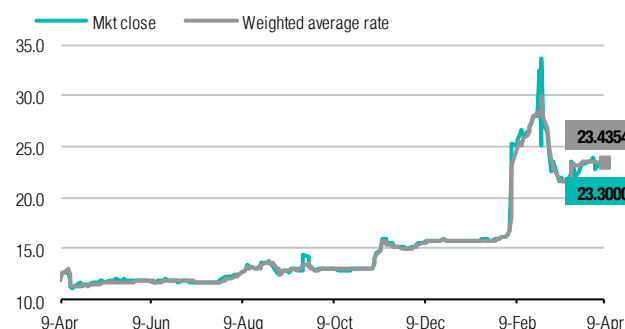
Section on FX market is continued on next page.

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.

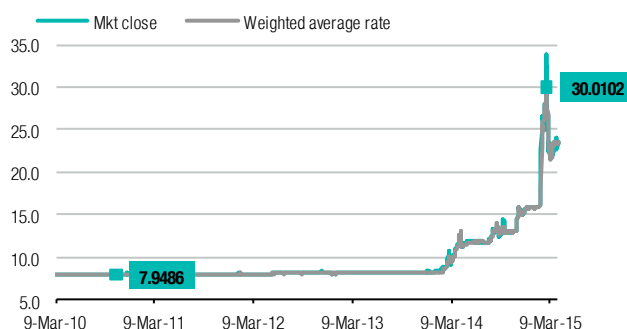
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

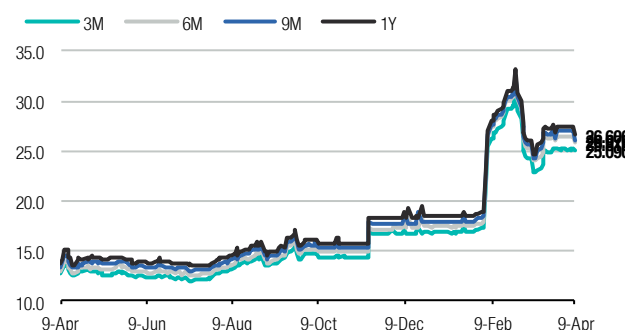


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

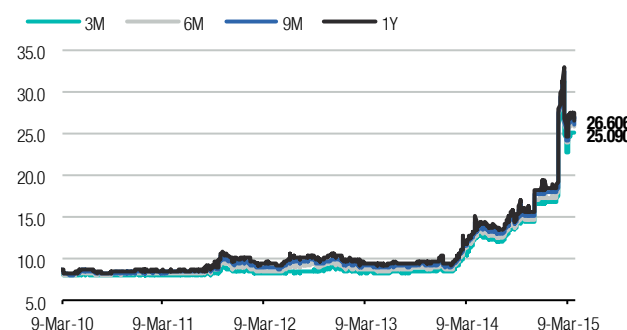


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

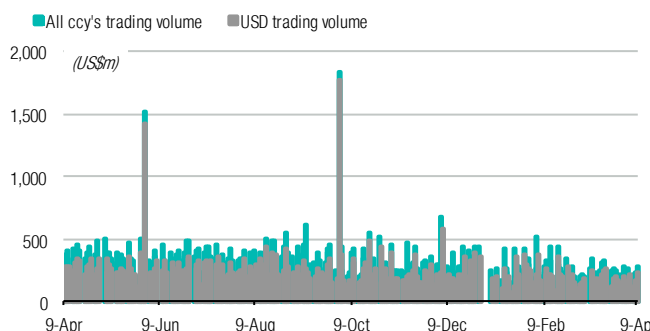


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

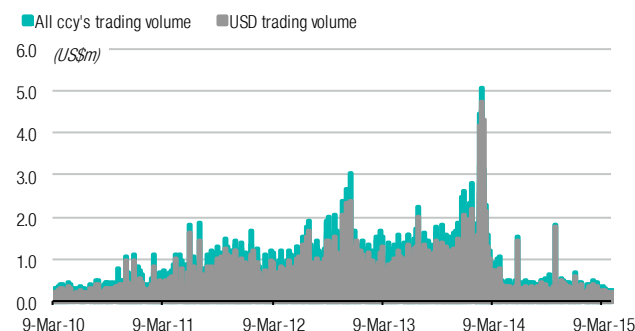


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)

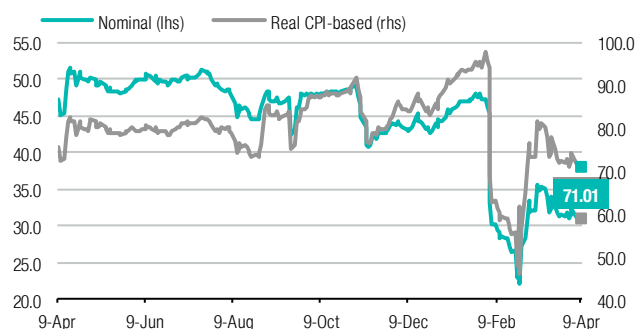


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

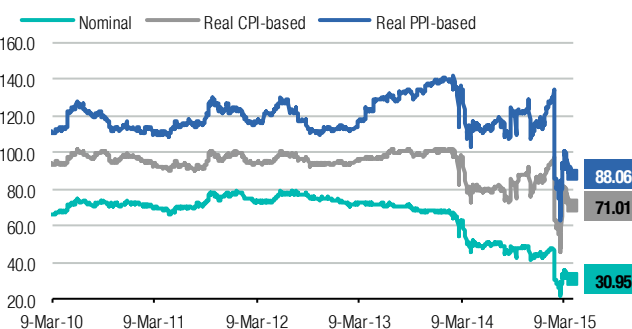
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



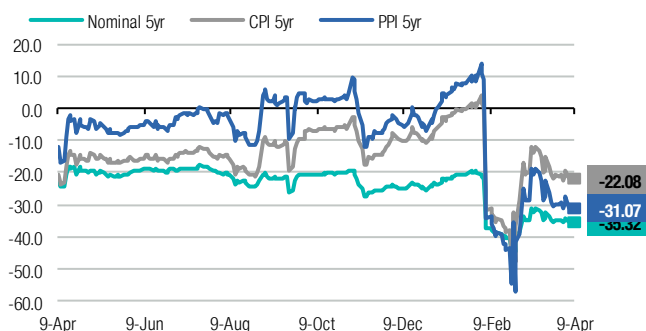
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

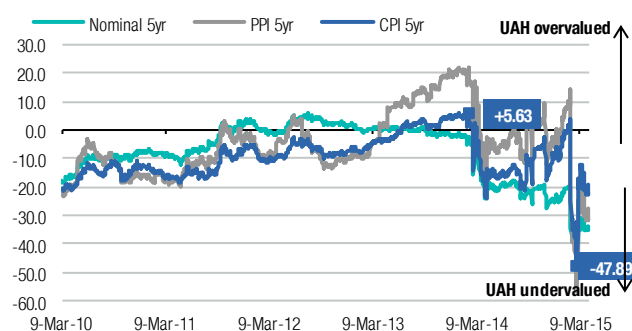


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

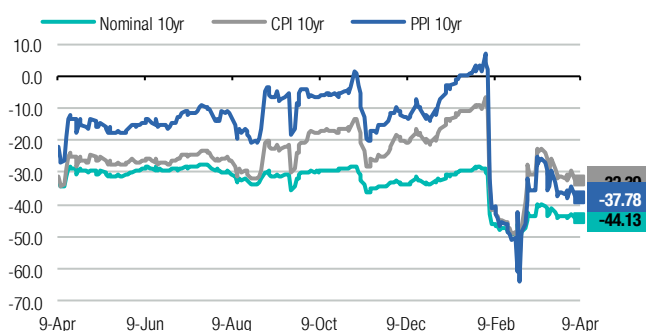


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

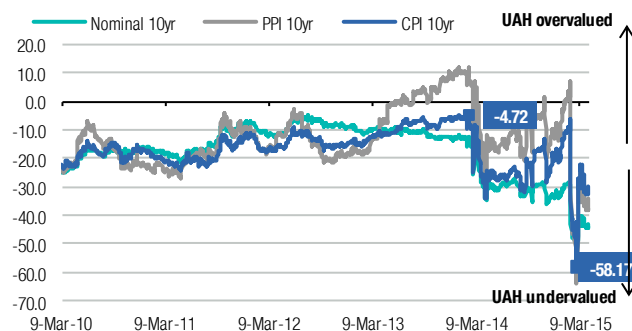


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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.

This page is intentionally left blank

Disclosures

ANALYST CERTIFICATION

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

EQUITY RATING DEFINITIONS

Buy: Forecasted 12-month total return greater than 20%

Hold: Forecasted 12-month total return 0% to 20%

Sell: Forecasted 12-month total return less than 0%

Note: total return is share price appreciation to a target price in relative terms plus forecasted dividend yield.

DEBT RATING DEFINITIONS

Buy: Forecasted 12-month total return significantly greater than that of relevant benchmark

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

Sell: Forecasted 12-month total return significantly less than that of relevant benchmark



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

CORPORATE FINANCE TEL. +38 044 2200120

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

Ruslan Kilmukhametov, Director
ruslan.kilmukhametov@icu.ua

SALES AND TRADING TEL. +38 044 2201621

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

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

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

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

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

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

RESEARCH DEPARTMENT TEL. +38 044 2200120

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

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

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

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

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

Lee Daniels, Rolfe Haas
Editors

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

DISCLAIMER

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



Additional information is available upon request.