

Daily Insight

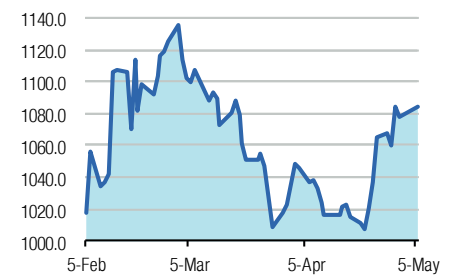
Metinvest's production in 1Q15

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WEDNESDAY, 6 MAY 2015

UX Index (3 months to 6 May 2015)



Source: UX.

Key market indicators (as of 5 May 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	20.9000	-1.65	+32.11
USD/UAH (1Y NDF)	25.6000	+0.00	+38.75
EUR/USD	1.1185	+0.35	-7.55
USD/RUB	50.5095	-3.10	-16.84
KievPRIME O/N (%)	22.25	-8bp	+335bp
KievPRIME 1M (%)	27.80	-20bp	+790bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	260.14	+172bp	+19,837bp
Ukraine 17, Eurobond (%)	53.53	+5bp	+2,578bp
Ukraine 22, Eurobond (%)	23.38	+0bp	+713bp
Ukraine 23, Eurobond (%)	21.49	+0bp	+593bp
Ukraine 5Y CDS	3,339bp	-107bp	+1,140bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,084.71	+0.66	+4.98
MSCI World	435.21	-0.87	+4.34
MSCI EM	1,047.93	-0.03	+9.58
RTS (Russia)	1,072.93	+4.24	+36.31
WIG-20 (Poland)	2,507.95	-0.60	+8.29
S&P 500 (USA)	2,089.46	-1.18	+1.48

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 down at month's end, as expected

Following month-end tax payments, liquidity declined as expected. The MoF's treasury account reached UAH23.56bn, down UAH3.11bn from the end of March. Broader banking sector liquidity declined only UAH1.38bn to UAH51.91bn. Total local currency debt repayments scheduled for the next 30 days increased a significant UAH1.23bn to UAH6.25bn, perhaps to offset a more severe decline in liquidity, while banks' correspondent accounts with the NBU rose only UAH0.35bn to UAH23.21bn. Total CDs outstanding fell UAH2.96bn to UAH22.45bn.

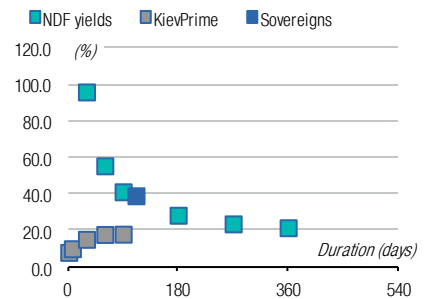
KyivPrime interest rates declined: the KyivPrime ON interest rate slid 8bp to 22.25% while the KyivPrime 1M interest rate declined 20bp to 27.80%.

Investment implications: The NBU slightly supported banks with liquidity at the end of April as it refinanced ON loans, slightly increasing their volume to UAH1.14bn last Thursday, and repaid UAH2.96bn of CDs that day. Outflows exceeded UAH3.0bn that day, providing a higher volume of funds in treasury accounts. The MoF did not exceed last month's record, most likely because of the additional month-end expenditures which normally would be scheduled for the first days of May.

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Yield curve of the local bond market

(as of market close on 5 May 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 5 May 2015)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	22.25	-8bp	+70bp	-113bp	+335bp
1wk	24.60	+43bp	+40bp	-165bp	+560bp
1m	27.80	-20bp	+20bp	-45bp	+790bp
2m	26.00	+0bp	-20bp	-25bp	+600bp
3m	26.00	+0bp	-20bp	-25bp	+600bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	23,206	+1.53	+3.08	-4.44	-30.21
CDs ²	22,454	-11.65	-17.23	+37.92	+42.24
Sovgns ³	6,116	+22.86	+6.76	-41.60	+34.97
Total	51,777	-2.77	-6.49	+1.44	-3.35
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	340,353	+0.00	+0.64	+0.65	+6.99
Banks	92,742	+0.22	-3.72	-11.45	-0.74
Resid's ⁴	27,148	+0.02	-2.75	+18.99	+10.58
Non-res ⁵	24,316	+0.34	-6.46	-10.80	+12.87
Total	484,559	+0.06	-0.79	-1.71	+5.88
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	3,339	-107bp	-17bp	-43ppt	+11bp
Jun '16	94.84	+26bp	+531bp	-998bp	+58bp
Jul '17	53.53	+5bp	+173bp	-475bp	+26bp
Sep '20	27.61	+1bp	+85bp	-288bp	+876bp
Sep '21	27.02	+1bp	+85bp	-259bp	+848bp
Sep '22	23.38	+0bp	+58bp	-206bp	+713bp
Feb '23	21.49	+0bp	+19bp	-219bp	+593bp

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.

Metinvest's steel and iron ore production down QoQ in 1Q15

Metinvest announced yesterday that its crude steel production declined 4% QoQ to 1.672mt in 1Q15, while the production of iron ore concentrate fell 12% QoQ to 7.449mt. At the same time, the company's output of coking coal concentrate increased 8% QoQ to 0.846mt. In YoY terms, Metinvest reduced its 1Q15 production of crude steel by 39%, production of iron ore concentrate by 16%, and production of coal concentrate by 31%. According to the company, the drop in crude steel output was a consequence of the complete shutdown of Metinvest's Yenakieve Steel operation located in separatist-controlled territories of Donbass, and of disruptions in the supplies of coal and iron ore at Azovstal and Ilyich Steel, the company's other two steel-making assets which are located close to the conflict's front line. Furthermore, Metinvest's iron ore production was depressed by lower internal consumption and lower demand from external Ukrainian customers. The company's coal output suffered from logistical disruptions at Ukrainian asset, Krasnodon Coal, although partly mitigated by recovering production at United Coal, its USA asset.

Table 1. Metinvest's Eurobond quotation as of market close, 05 May 2015

Issuer	Moody's/S&P /Fitch	Ccy	Volume out	Coupon (%)	Maturity	Price (%)	YTW (%)	Spread (bp)
Metinvest	Caa3/--/C	USD	114m	10.25	20-May-15	69.125	1,267.11	126,691
Metinvest	--/--/C	USD	290m	10.50	24-Nov-17	62.125	43.676	4,305
Metinvest	Caa3/--/C	USD	750m	8.75	14-Feb-18	59.375	31.878	3,089

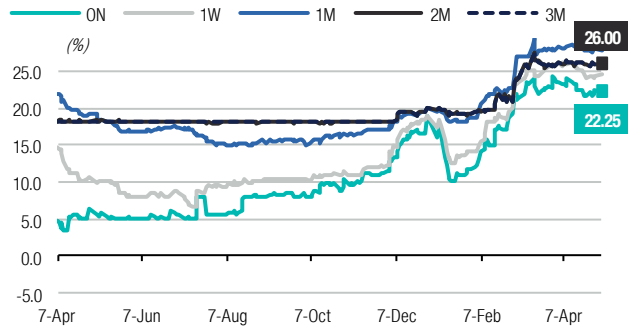
Source: Bloomberg

Investment implications: Despite some signs of restoring production activities in separatist-occupied territories, disruption risks for Metinvest's operations due to the military conflict in Donbass remain high. By our estimates, even if the situation in Donbass stabilizes and Metinvest reaches the target levels of 50% capacity utilization for Enakievo Steel and 70-80% for Mariupol Steel and Azovstal through 2015, the company's crude steel output may still fall 15-20% to 7.2-7.6mt this year.

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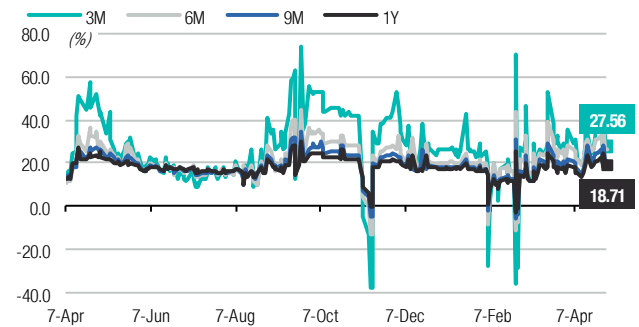
Chart page: Local bond market & Eurobond markets

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



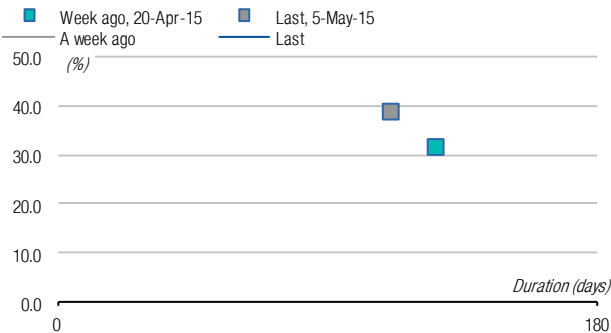
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



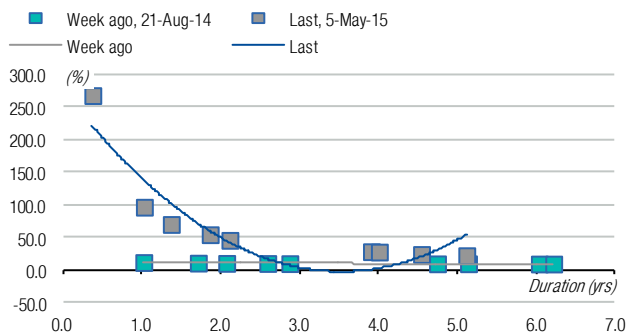
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 5 May 2015



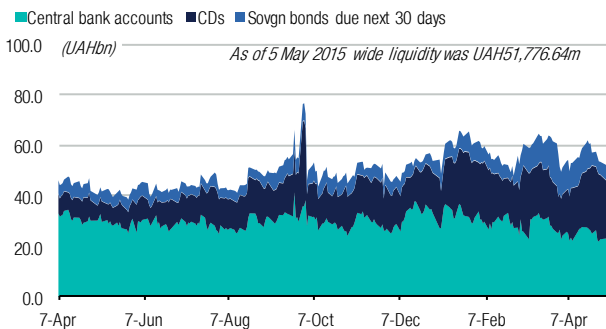
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 5 May 2015



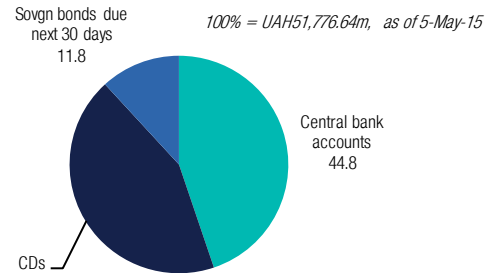
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



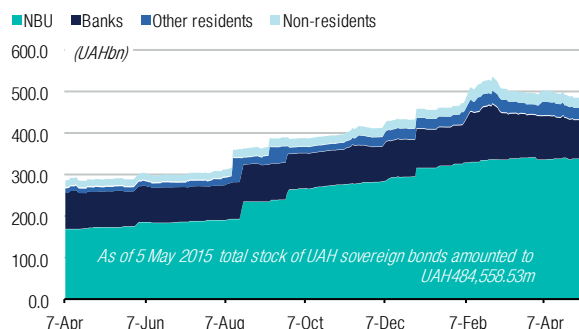
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 5 May 2015



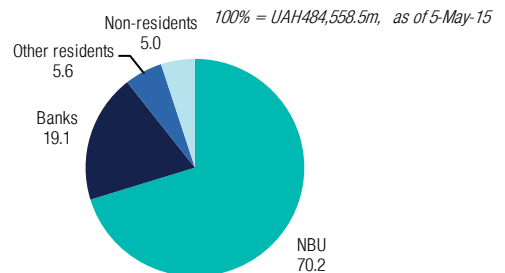
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 5 May 2015



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

Table 2. Ukrainian stocks (closing prices as of 5-May-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	8.75 GBp	+0.0	+1.4	-12.5	-7.9	0.13	30.8	-16.8	40.2	12.4	5.1	8.8	0.11	920	Neg.	N/A	N/A	2.5	N/A	N/A	Neg.	N/A	N/A	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	8.34 UAH	+1.0	+4.0	+10.5	+39.9	0.40	148.1	139.0	21.7	32.1	14.8	37.1	0.06	1,671	43.6	Neg.	7.0	0.2	Neg.	2.8	0.4	0.3	0.2	1.2	16.3
Coal Energy	CLE PW	Warsaw	0.61 PLN	-1.6	-4.7	-1.6	-50.0	0.17	7.7	84.6	25.0	1.9	0.3	5.1	0.09	1,146	Neg.	N/A	N/A	11.6	N/A	N/A	0.8	N/A	N/A	0.3	56.9
Donbasenergo	DOEN UK	Kiev, UX	23.79 UAH	+1.3	+6.4	-27.9	-41.6	1.14	27.1	65.2	14.2	3.8	0.2	7.1	0.19	517	5.6	Neg.	N/A	0.1	17.9	N/A	0.3	0.3	N/A	0.9	25.1
JKX Oil & Gas	JKX LN	London	30.00 GBp	+1.7	-3.2	+150.0	-44.6	0.46	78.6	89.6	47.2	37.1	76.2	368.6	0.08	1,310	Neg.	Neg.	Neg.	Neg.	1.6	N/A	0.6	0.6	1.1	0.3	9.9
Regal Petroleum	RPT LN	London	4.75 GBp	+18.6	-0.1	+51.8	-42.5	0.07	23.1	-7.0	80.9	18.7	0.0	1.6	0.00	30,604	Neg.	11.6	7.7	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0	
Zakhidenergo	ZAEN UK	Kiev, PFTS	150.00 UAH	+0.0	-15.6	+1.3	+14.1	7.21	92.3	115.4	5.0	4.6	0.0	1.1	0.01	11,839	Neg.	N/A	N/A	0.1	N/A	N/A	0.2	N/A	N/A	1.3	11.6
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.02 UAH	+5.7	+21.6	+15.9	-45.3	0.00	20.8	1,995.4	3.9	0.8	0.9	0.9	0.14	701	Neg.	Neg.	N/A	0.7	Neg.	N/A	2.8	6.3	N/A	N/A	145.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.35 UAH	-0.7	-6.7	-22.0	-54.7	0.06	12.7	-17.4	4.0	0.5	0.7	1.4	0.38	260	Neg.	Neg.	N/A	Neg.	0.3	N/A	Neg.	Neg.	N/A	0.1	0.1
Azovstal	AZST UK	Kiev, UX	0.87 UAH	+0.6	+8.6	+16.6	+26.7	0.04	175.7	148.9	4.1	7.2	3.6	8.6	0.10	1,028	4.0	3.1	N/A	Neg.	1.3	N/A	0.1	0.1	N/A	0.3	0.0
Ferrexpo PLC	FXPO LN	London	79.50 GBp	+2.6	+26.7	+62.6	-40.7	1.21	711.9	1,398.1	22.4	159.5	881.8	1,351.4	0.66	152	4.0	11.0	11.4	3.4	5.8	6.1	1.0	1.3	1.3	1.0	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.27 UAH	+0.0	-9.0	-2.5	-52.1	0.01	3.6	4.1	9.0	0.3	0.0	0.1	0.01	14,436	Neg.	8.3	N/A	0.0	Neg.	N/A	0.0	0.0	N/A	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	18.02 UAH	+0.1	-1.8	-14.0	-46.1	0.87	9.1	1.1	9.4	0.9	0.1	2.2	0.20	509	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	N/A	0.3	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.52 EUR	+4.0	+6.1	+20.9	-49.0	0.58	54.0	102.6	34.0	18.4	40.3	59.0	0.11	938	Neg.	N/A	N/A	Neg.	N/A	N/A	1.4	N/A	N/A	1.1	35.9
Agroliga	AGL PW	Warsaw	8.30 PLN	+0.0	-5.6	-7.8	-48.9	2.31	3.6	4.3	16.7	0.6	0.0	1.6	0.23	426	1.0	N/A	N/A	1.2	N/A	N/A	0.2	N/A	N/A	0.3	5.7
Agroton	AGT PW	Warsaw	1.09 PLN	-0.9	-5.2	-11.4	-50.2	0.30	6.6	51.9	26.2	1.7	10.2	22.4	0.58	171	Neg.	N/A	N/A	19.4	N/A	N/A	0.9	N/A	N/A	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	25.38 PLN	+2.3	+17.2	+26.9	-34.9	7.07	176.8	420.3	31.0	54.9	150.2	152.9	0.56	179	Neg.	Neg.	3.7	3.5	4.1	4.5	1.1	1.1	1.0	0.6	49.6
Avangard	AVGR LI	London Intl	2.30 USD	-8.0	-12.5	+12.2	-73.9	2.30	146.9	400.2	21.7	31.9	33.5	57.6	0.28	355	Neg.	2.3	1.3	3.1	3.3	2.8	1.0	0.9	0.8	0.2	33.1
IMC	IMC PW	Warsaw	5.30 PLN	+0.0	+1.7	-6.5	-41.1	1.48	46.2	185.4	23.9	11.0	0.5	3.1	0.02	6,036	Neg.	5.7	1.4	3.4	3.7	3.2	1.3	1.1	0.9	0.3	38.7
Kernel Holding...	KER PW	Warsaw	35.00 PLN	-1.1	-10.7	+23.0	+29.4	9.75	777.3	1,504.5	58.8	456.8	587.1	1,593.3	0.20	489	Neg.	5.6	5.1	6.7	4.6	4.5	0.6	0.6	0.6	0.8	39.1
KSG Agro	KSG PW	Warsaw	0.79 PLN	-1.3	-11.2	-29.5	-82.6	0.22	3.3	85.0	34.4	1.1	10.9	8.2	0.47	212	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	11.50 USD	+0.0	+12.7	+25.0	-4.2	11.50	1,215.2	2,394.0	22.3	271.2	569.5	802.8	0.15	672	Neg.	5.1	4.2	4.3	4.7	5.0	1.7	1.8	1.7	1.4	53.0
Milkiland	MLK PW	Warsaw	2.58 PLN	-2.6	+12.7	+74.3	-58.7	0.72	22.5	135.6	20.0	4.5	9.0	50.6	0.72	140	Neg.	Neg.	2.9	4.1	4.3	4.1	0.4	0.5	0.5	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	0.06 EUR	+17.6	-86.7	-89.3	-98.7	0.07	7.2	734.9	20.0	1.4	0.0	0.1	0.04	2,586	0.1	N/A	N/A	4.5	N/A	N/A	1.5	N/A	N/A	0.0	45.3
Ovostar Union	OVO PW	Warsaw	74.50 PLN	+0.0	+8.0	+3.5	+11.2	20.76	124.6	133.9	25.0	31.1	4.5	81.1	0.75	134	4.9	6.0	6.5	4.6	5.1	4.4	1.7	1.6	1.3	1.5	9.4
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.10 UAH	+0.7	+5.0	+4.1	-41.2	0.00	144.0	N/A	3.8	5.5	12.3	14.1	0.25	399	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.5	22.4
Ukrsofsbank	USCB UK	Kiev, UX	0.11 UAH	+0.9	+4.1	-12.0	-23.8	0.01	135.9	N/A	4.5	6.1	0.1	0.4	0.00	40,789	Neg.	Neg.	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

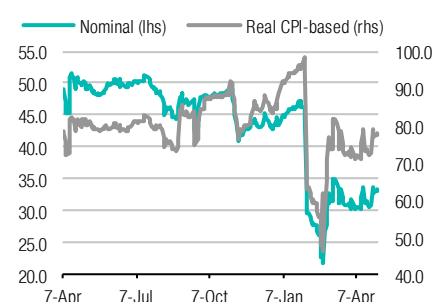
UAH swings back below 21/USD, TWI up 0.77%

The first day of relaxed USD/UAH trading between two holiday weekends (1-4 May and 9-11 May) was predictably calm yesterday with US\$157m in volume, nearly 20% below the daily average volume over the past week. While the rate according to the NBU changed little from 21.1/USD yesterday since the last session on 30 April, Bloomberg reported that it rose 1.65%. Moreover, the hryvnia's trade-weighted index rose 0.77% yesterday while the euro and Russian ruble, up 3.10% and 0.35%, respectively, dragged it down as both currencies gained versus the dollar on strength in both crude oil and current macro data in the Eurozone.

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ICU's UAH trade-weighted indices

(Last 12-month history to 6 May 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 5 May 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	20.9000	-1.65	-8.13	-7.93	+32.11
NBU avg	21.1331	+0.00	-5.07	-10.11	+34.02
Ttl vlm ¹	197.60	-23.94	-33.42	-24.76	-54.14
\$ volume ²	156.91	-20.71	-32.39	-26.90	-55.71
NDF 3M	22.7500	-0.44	-4.61	-9.47	+35.01
NDF 6M	24.4000	+0.00	-3.94	-7.85	+40.23
NDF 1Y	25.6000	+0.00	-3.76	-6.84	+38.75
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	33.156	+0.77	+7.90	+4.96	-25.44
UAH real CPI	77.929	+0.77	+7.90	+4.96	-10.11
UAH real PPI	96.395	+0.77	+7.90	+4.96	-18.15
USD nom'l	95.076	-0.42	-1.06	-1.52	+5.33
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	50.5095	-3.10	-1.60	-10.87	-16.84
EUR/USD	1.1185	+0.35	+1.86	+1.97	-7.55
USD/CNY	6.2062	-0.05	+0.01	+0.19	+0.01
USD/PLN	3.6020	-0.37	-1.01	-2.67	+1.65
USD/TRY	2.7044	-0.34	+1.74	+5.12	+15.82
USD/BYR	14,420.00	+0.95	-0.21	-2.24	+31.09
USD/KZT	185.7900	+0.01	-0.02	+0.05	+1.89
OTHER MAJOR CURRENCIES					
USD/JPY	119.8600	-0.22	+0.84	+0.75	+0.07
GBP/USD	1.5182	+0.41	-1.02	+1.76	-2.54
USD/CHF	0.9265	-0.77	-3.04	-2.65	-6.82
AUD/USD	0.7942	+1.33	-1.00	+4.05	-2.85
USD/CAD	1.2069	-0.21	+0.30	-3.32	+3.86
USD/BRL	3.0562	-0.98	+4.05	-2.14	+15.00
USD/KRW	1,082.41	+0.32	+1.16	-0.97	-0.79
COMMODITIES					
Gold(\$/oz)	1,193.32	+0.42	-1.56	-0.79	+0.71
WTI crude ³	60.40	+2.49	+5.85	+0.00	+13.38
Brent crd ³	66.37	+1.58	+5.90	+22.32	+19.03
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	230.84	+1.32	+2.59	+6.83	+0.38

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

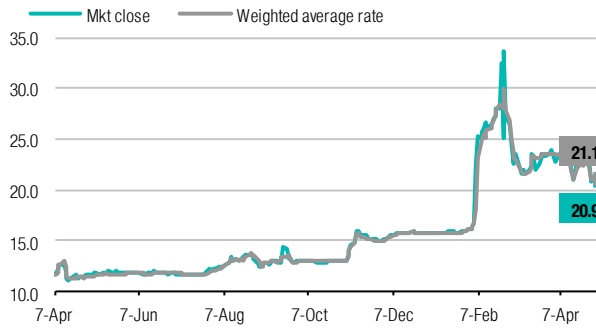
Section on FX market is continued on next page.

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

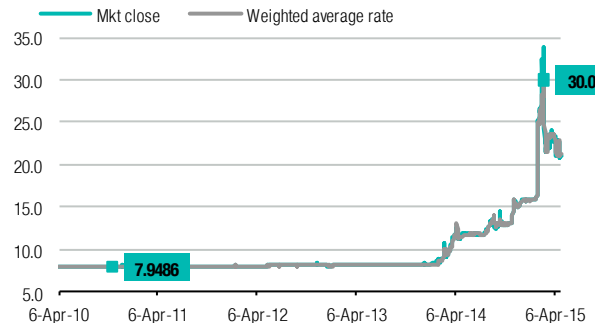
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart page #1: Foreign-exchange market

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

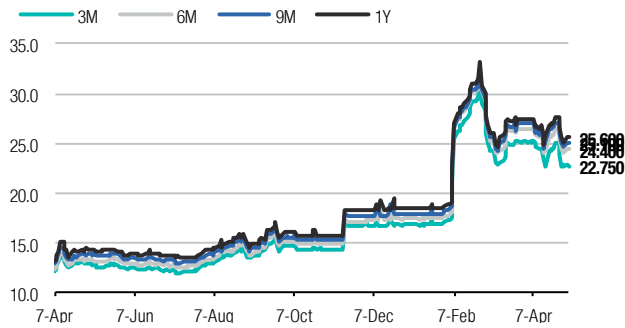


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

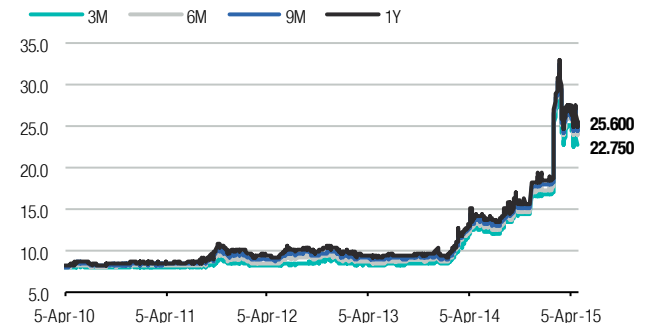


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

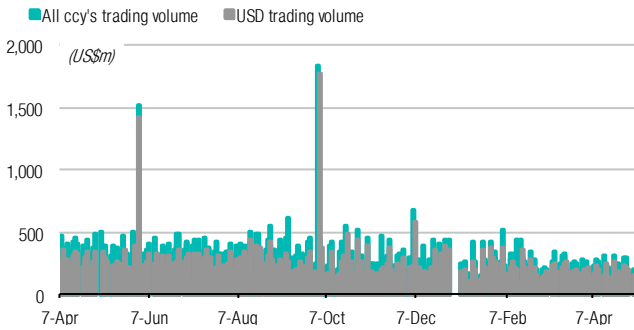


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

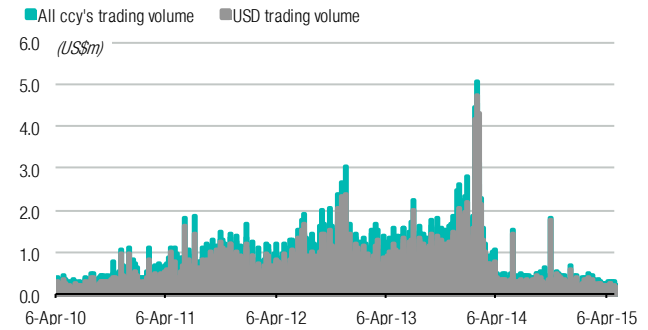


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

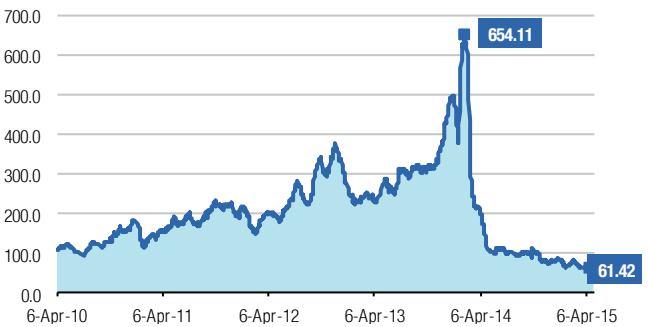


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

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

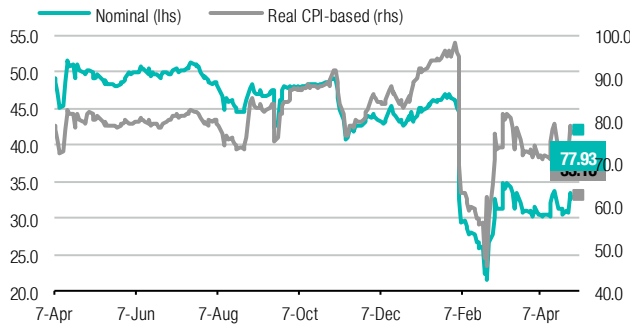


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

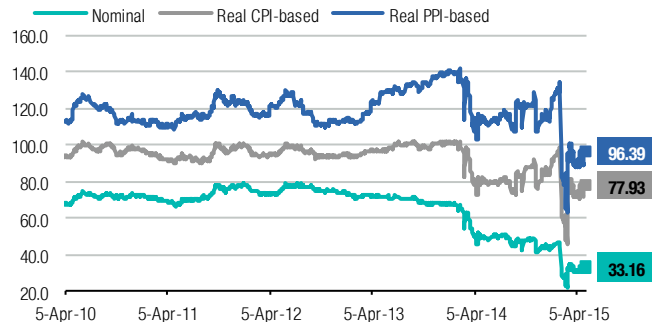
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



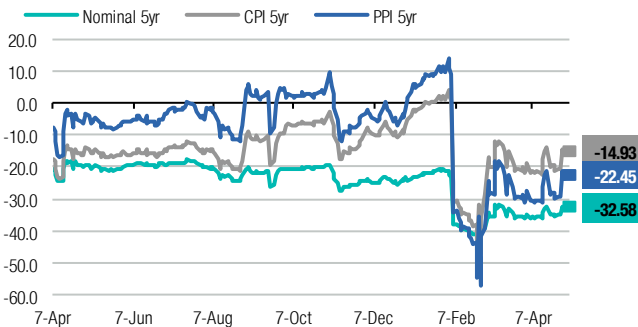
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

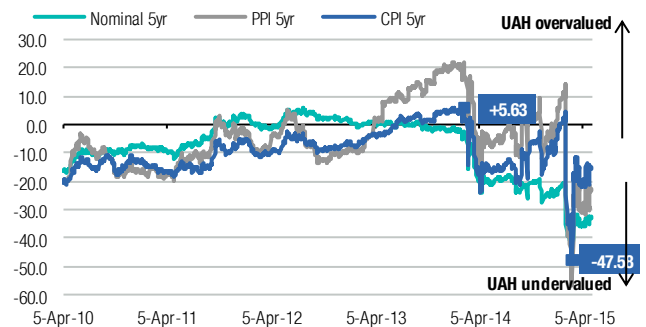


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

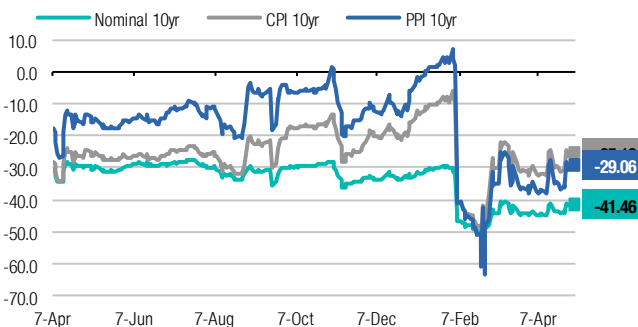


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

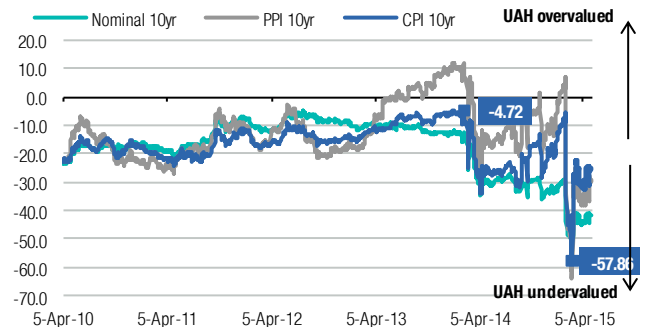


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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



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



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

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Disclosures

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

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

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

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

DEBT RATING DEFINITIONS

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

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

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



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