

# Daily Insight

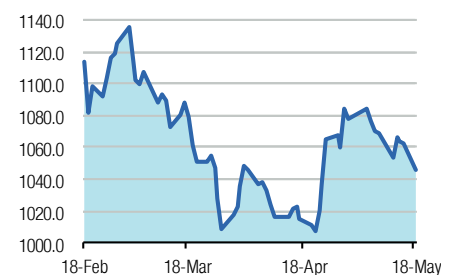
## Loan Guarantee Agreement signed

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TUESDAY, 19 MAY 2015

### UX Index (3 months to 19 May 2015)



Source: UX.

### Key market indicators (as of 18 May 2015)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	21.7500	+4.07	+37.48
USD/UAH (1Y NDF)	26.6000	+5.98	+44.17
EUR/USD	1.1315	-1.19	-6.47
USD/RUB	49.0955	-0.88	-19.17
KievPRIME O/N (%)	21.00	+0bp	+210bp
KievPRIME 1M (%)	27.80	-20bp	+790bp
<b>SOVEREIGN EUROBONDS: yields and spreads</b>			
Ukraine 15, Eurobond (%)	279.65	-63bp	+21,788bp
Ukraine 17, Eurobond (%)	52.63	+174bp	+2,487bp
Ukraine 22, Eurobond (%)	22.82	+59bp	+657bp
Ukraine 23, Eurobond (%)	21.03	+11bp	+546bp
Ukraine 5Y CDS	3,224bp	+84bp	+1,025bp
<b>EQUITIES</b>			
<b>Stock market indices</b>			
UX (Ukraine)	1,045.50	-1.64	+1.18
MSCI World	442.61	+0.06	+6.11
MSCI EM	1,040.95	-0.23	+8.85
RTS (Russia)	1,075.47	+0.07	+36.63
WIG-20 (Poland)	2,523.59	+0.35	+8.97
S&P 500 (USA)	2,129.20	+0.30	+3.41

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.

# Economics: News & Comments

## Key economic sector results in April

Judging by the monthly performance this April of the key sectors of the economy, including agriculture, construction, transportation, retail trade and industry, the economy is still struggling. All sectors declined except for transportation where activity rose quite visibly from the previous month thanks to cargo transportation, which increased 9.6% from the previous month in seasonally adjusted terms. Passenger turnover slid 0.4% to previous month, albeit it increased 10.1% to the same month a year ago in seasonally adjusted terms. The industrial sector showed the most dramatic decline, down 21.5% YTD, and 2% from the previous month (and down by 0.1% in monthly seasonally adjusted terms).

*Alexander Valchyshen, Kiev, +38044 2200120 ext.721*

# Bonds: News & Comments

## Liquidity reallocation

Broader banking sector liquidity slid a mere UAH0.32bn to UAH31.87bn yesterday following last Friday's minor reallocation of funds. Banks' correspondent accounts with the NBU declined UAH1.04bn to UAH25.25bn while total CDs outstanding rose a similar UAH1.13bn to this year's record high of UAH32.19bn. Total local currency debt repayments scheduled for the next 30 days declined UAH0.41bn to UAH4.42bn.

KyivPrime interest rates slightly diverged: the KyivPrime ON interest rate remained steady at 21.00% since last Thursday while the KyivPrime 1M interest rate slid 20bp to 27.80%.

**Investment implications:** *With little support from the NBU, and as last Friday's debt interest repayment was on privately issued bonds, these funds could be received most likely by the DGF. Because these funds were not received by banks, yesterday's liquidity decline is unimportant. The NBU continued to increase CDs outstanding to UAH32.19bn, only UAH1.5bn from the record high seen at the end of last September. Month-end tax payments could begin this week, possibly requiring injections from the NBU and CD redemptions. As last Friday's CD purchases have redemptions scheduled this Friday (UAH1.70bn) and next Friday (UAH1.11bn), funding needs should be minimal over the next few days. Nearly half of the CDs are to be repaid during the tax payments period.*

## Loan Guarantee Agreement signed

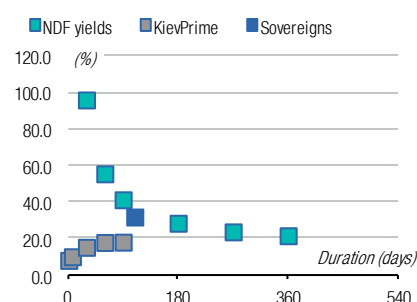
Yesterday, along with US Ambassador to Ukraine Geoffrey R. Pyatt and Director of the USAID Mission Jed Barton, the MoF reported that Ukraine's Minister of Finance Natalie Jaresko signed the loan agreement guaranteeing US\$1.0bn of principal and coupon payments on a new Eurobonds issue which Ukraine most likely will issue very soon.

**Investment implications:** *Although this guarantee was set to take effect at the end of April for one month, the agreement had to be signed prior to the Eurobond offering. As it was signed yesterday, the Eurobond could be issued this week or by the end of this month, with a maturity at the same 5-year as last year's offering. We do not anticipate a significant spread to the benchmark, possibly at 25-30bp for a 5-year bond.*

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

## Yield curve of the local bond market

(as of market close on 18 May 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 18 May 2015)

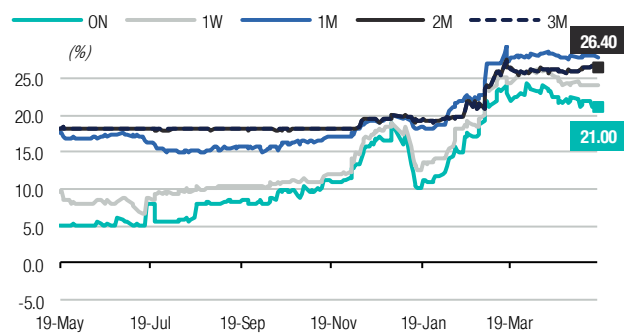
	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
O/n	21.00	+0bp	-83bp	-150bp	+210bp
1wk	24.00	+0bp	+0bp	-125bp	+500bp
1m	27.80	-20bp	-20bp	-58bp	+790bp
2m	26.40	-10bp	+7bp	+15bp	+640bp
3m	26.40	-10bp	+7bp	+15bp	+640bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	25,255	-3.97	+18.34	-8.90	-24.05
CDs <sup>2</sup>	32,191	+3.64	+17.22	+52.35	+103.9
Sovgns <sup>3</sup>	5,548	+26.89	+2.46	-43.14	+22.42
<b>Total</b>	<b>62,993</b>	<b>+2.05</b>	<b>+16.19</b>	<b>-7.48</b>	<b>+17.59</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	345,251	+0.00	+0.59	+1.41	+8.53
Banks	86,117	+0.27	-1.07	-12.62	-7.83
Resid's <sup>4</sup>	23,553	+0.05	-7.98	-22.97	-4.06
Non-res <sup>5</sup>	23,427	+0.51	-0.10	-7.12	+8.74
<b>Total</b>	<b>478,348</b>	<b>+0.08</b>	<b>-0.20</b>	<b>-3.33</b>	<b>+4.52</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	N/A	N/A	N/A	N/A	N/A
6m	N/A	N/A	N/A	N/A	N/A
9m	N/A	N/A	N/A	N/A	N/A
1yr	N/A	N/A	N/A	N/A	N/A
<b>LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)</b>					
Mar '13	N/A	N/A	N/A	N/A	N/A
Jan '14	N/A	N/A	N/A	N/A	N/A
Aug '15 <sup>6</sup>	N/A	N/A	N/A	N/A	N/A
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	3,224	+84bp	+110bp	-621bp	+10bp
Jun '16	95.29	+101bp	+648bp	+30bp	+58bp
Jul '17	52.63	+174bp	+133bp	-247bp	+25bp
Sep '20	27.06	+16bp	+35bp	-166bp	+821bp
Sep '21	26.23	+8bp	+33bp	-136bp	+769bp
Sep '22	22.82	+59bp	+44bp	-87bp	+657bp
Feb '23	21.03	+11bp	+18bp	-146bp	+546bp

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.

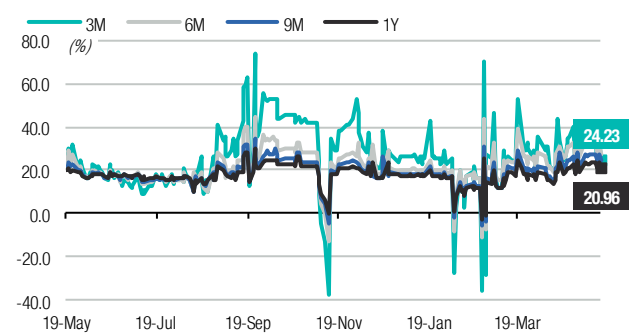
Chart page: Local bond market & Eurobond markets

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



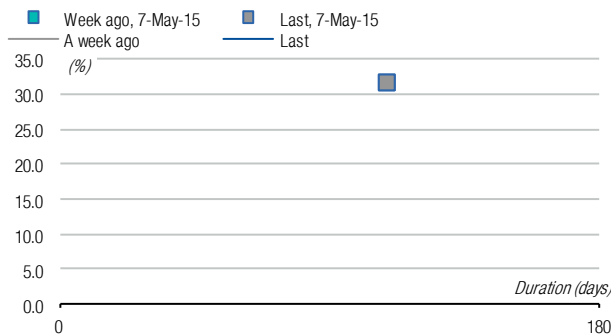
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



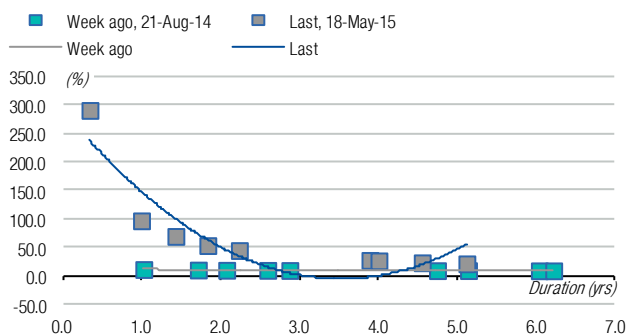
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 18 May 2015



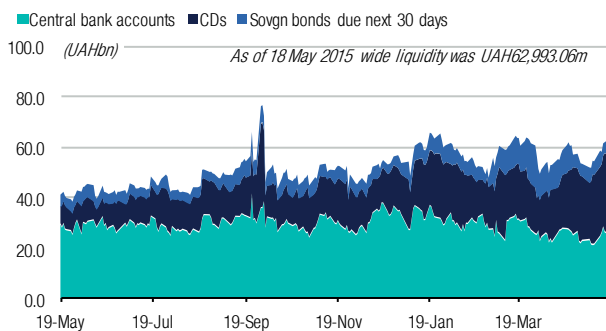
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 18 May 2015



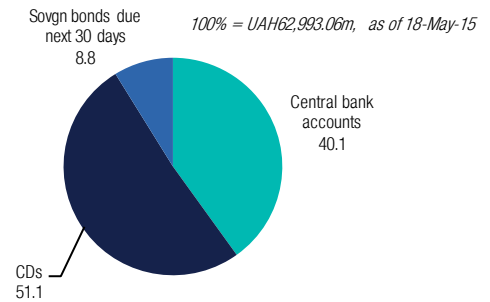
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



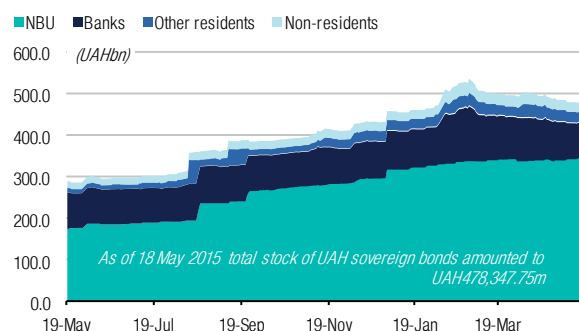
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 18 May 2015



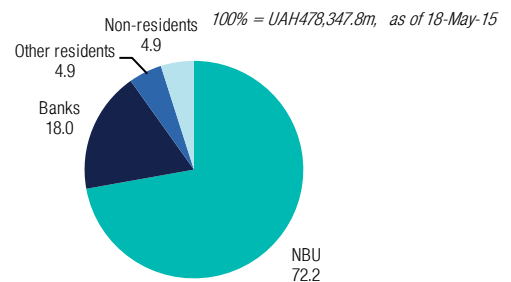
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 18 May 2015



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

Table 1. Ukrainian stocks (closing prices as of 18-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 (%)
<b>ENERGY</b>																											
Cadogan Petrol...	CAD LN	London	8.50 GBP	-2.9	+0.0	-15.0	+0.0	0.13	30.7	-0.6	40.2	12.4	1.0	7.6	0.11	928	Neg.	N/A	N/A	0.0	N/A	N/A	Neg.	N/A	N/A	0.3	15.3
Centrenerg	CEEN UK	Kiev, UX	8.11 UAH	-1.8	+2.0	+7.5	+30.6	0.37	137.7	142.7	21.7	29.9	15.0	28.8	0.06	1,589	42.4	Neg.	6.8	0.4	Neg.	3.0	0.4	0.3	0.2	1.4	4.2
Coal Energy	CLE PW	Warsaw	0.55 PLN	+0.0	-15.4	-11.3	-54.9	0.15	6.9	83.8	25.0	1.7	1.2	2.8	0.08	1,248	Neg.	N/A	N/A	11.5	N/A	N/A	0.7	N/A	N/A	0.2	56.9
Donbasenergo	DOEN UK	Kiev, UX	23.60 UAH	+0.3	+5.7	-28.5	-45.4	1.09	25.7	62.2	14.2	3.6	1.5	7.6	0.28	360	5.5	Neg.	N/A	0.1	17.8	N/A	0.3	0.3	N/A	0.8	25.1
JXK Oil & Gas	JXK LN	London	28.50 GBP	-5.0	-1.7	+137.5	-52.1	0.45	76.8	87.8	47.2	36.2	17.3	268.3	0.07	1,359	Neg.	Neg.	Neg.	Neg.	1.6	N/A	0.6	0.6	1.1	0.3	9.9
Regal Petroleum	RPT LN	London	4.36 GBP	-12.8	-8.7	+39.4	-50.9	0.07	21.8	-8.3	80.9	17.7	0.6	1.9	0.01	10,500	Neg.	10.9	7.3	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	166.00 UAH	+0.0	+10.7	+12.1	+22.4	7.63	97.6	147.4	5.0	4.9	0.0	1.2	0.00	57,917	Neg.	N/A	N/A	0.1	N/A	N/A	0.3	N/A	N/A	0.7	11.6
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.02 UAH	-0.7	+14.3	+3.4	-53.1	0.00	17.8	1,905.6	3.9	0.7	0.6	0.7	0.19	523	Neg.	Neg.	N/A	0.6	Neg.	N/A	2.8	6.3	N/A	N/A	145.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.33 UAH	-1.6	-3.6	-23.2	-56.8	0.06	11.9	-16.8	4.0	0.5	1.5	1.3	0.21	483	Neg.	Neg.	N/A	Neg.	0.3	N/A	Neg.	Neg.	N/A	0.1	0.1
Azovstal	AZST UK	Kiev, UX	0.82 UAH	-2.5	+2.5	+10.6	+14.4	0.04	159.3	133.6	4.1	6.5	10.8	7.2	0.09	1,090	3.8	2.9	N/A	Neg.	1.2	N/A	0.1	0.1	N/A	0.3	0.0
Ferrexpo PLC	FXPO LN	London	73.25 GBP	-4.2	+7.3	+49.8	-42.8	1.15	674.6	1,360.9	22.4	151.1	806.7	1,151.6	0.62	161	3.8	10.3	11.0	3.3	5.6	6.1	1.0	1.3	1.2	1.0	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.30 UAH	+0.0	+0.0	+7.1	-51.1	0.01	3.8	4.3	9.0	0.3	0.0	0.1	0.00	47,326	Neg.	9.1	N/A	0.0	Neg.	N/A	0.0	0.0	N/A	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	17.65 UAH	+1.6	+0.2	-15.8	-48.9	0.81	8.6	0.9	9.4	0.8	0.0	2.1	0.26	381	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	N/A	0.3	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	0.49 EUR	-2.0	+4.3	+14.0	-50.5	0.55	51.1	99.8	34.0	17.4	2.0	47.9	0.10	1,001	Neg.	N/A	N/A	Neg.	N/A	N/A	1.4	N/A	N/A	1.1	35.9
Agroliga	AGL PW	Warsaw	9.80 PLN	+8.8	+14.2	+8.9	-44.6	2.71	4.2	4.9	16.7	0.7	11.4	1.6	0.28	360	1.2	N/A	N/A	1.4	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	0.95 PLN	+0.0	-18.1	-22.8	-59.6	0.26	5.7	33.1	26.2	1.5	12.7	14.0	0.58	171	Neg.	N/A	N/A	1.4	N/A	N/A	0.6	N/A	N/A	0.0	33.4
Astarta Holdin...	AST PW	Warsaw	23.91 PLN	-1.6	-0.4	+19.6	-39.5	6.62	165.6	409.9	31.0	51.4	131.1	160.1	0.47	213	Neg.	Neg.	3.4	3.4	4.0	4.4	1.0	1.0	1.0	0.7	49.6
Avangard	AVGR LI	London Intl	2.70 USD	+0.0	-2.7	+31.7	-69.5	2.70	172.5	425.8	21.7	37.4	0.0	50.9	0.23	439	Neg.	2.7	1.6	3.3	3.5	3.0	1.0	1.0	0.8	0.2	33.1
IMC	IMC PW	Warsaw	4.67 PLN	-6.2	-15.1	-17.6	-45.7	1.29	40.5	179.7	23.9	9.7	1.8	2.1	0.02	5,692	Neg.	5.0	1.3	3.3	3.6	3.1	1.3	1.1	0.9	0.3	38.7
Kernel Holding...	KER PW	Warsaw	36.65 PLN	+1.5	-5.1	+28.8	+34.2	10.15	808.9	1,536.5	58.8	475.4	608.4	1,799.8	0.39	260	Neg.	5.8	5.4	6.9	4.6	4.6	0.6	0.7	0.6	0.8	39.1
KSG Agro	KSG PW	Warsaw	0.80 PLN	+1.3	-9.1	-28.6	-82.3	0.22	3.3	85.0	34.4	1.1	1.4	4.8	0.39	257	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	11.95 USD	+3.9	+8.6	+29.9	-16.2	11.95	1,262.7	2,441.5	22.3	281.8	133.2	856.4	0.23	437	Neg.	6.3	4.6	4.4	4.9	5.2	1.8	1.9	1.8	1.4	53.0
Milkiland	MLK PW	Warsaw	2.35 PLN	-2.9	-18.4	+58.8	-57.7	0.65	20.3	133.8	20.0	4.1	40.1	38.9	0.49	205	Neg.	Neg.	2.7	4.0	4.3	4.0	0.4	0.5	0.5	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	0.15 EUR	-2.0	-53.4	-73.3	-96.9	0.17	18.0	745.8	20.0	3.6	0.0	0.2	0.00	20,061	0.2	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	77.23 PLN	-7.0	+5.8	+7.3	+12.7	21.39	128.3	137.7	25.0	32.1	1.2	100.3	0.70	142	5.1	5.7	6.4	4.7	5.3	4.6	1.8	1.8	1.6	1.6	9.4
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Frankfurt	0.03 EUR	-32.4	-58.3	-68.8	-82.1	0.03	1.5	128.6	13.1	0.2	0.0	0.3	0.45	223	Neg.	N/A	N/A	Neg.	N/A	N/A	3.8	N/A	N/A	0.0	45.5
<b>FINANCIAL SERVICES</b>																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	-1.3	-3.4	-1.6	-40.9	0.00	130.2	N/A	3.8	5.0	6.6	12.4	0.27	372	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.7	27.9
Ukrsotsbank	USCB UK	Kiev, UX	0.10 UAH	+2.5	-6.7	-21.3	-34.9	0.00	116.3	N/A	4.5	5.2	0.0	0.3	0.00	30,782	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

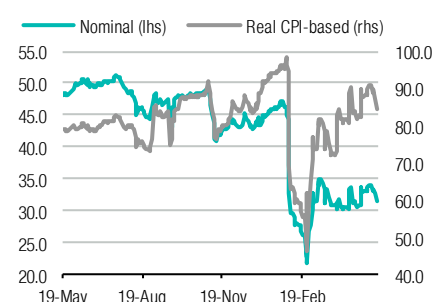
### UAH swings back to weaker level

The hryvnia declined 4.07% to 21.75/USD partially on reports of political tensions in the coalition between PM Yatsenyuk and ex-political partner Yulia Tymoshenko, who is attracting media attention on increased natural gas and utility tariffs to portray herself as a defender of middle class Ukrainians forced to pay higher utility bills. These political machinations could foretell weak sector statistics underlying no economic rebound.

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### ICU's UAH trade-weighted indices

(Last 12-month history to 19 May 2015)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 18 May 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	21.7500	+4.07	+6.15	+3.82	+37.48
NBU avg	22.1187	+6.86	+7.43	+5.04	+40.27
Ttl vlm <sup>1</sup>	203.33	+0.33	-20.95	-3.06	-52.81
\$ volume <sup>2</sup>	141.53	-8.60	-29.60	-0.28	-60.05
NDF 3M	23.5800	+6.46	+6.46	+3.95	+39.94
NDF 6M	25.2000	+6.33	+6.33	+4.21	+44.83
NDF 1Y	26.6000	+5.98	+5.98	+3.17	+44.17
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	31.431	-3.66	-7.62	-6.66	-29.31
UAH real CPI	84.110	-3.66	-7.62	-6.66	-2.98
UAH real PPI	95.035	-3.66	-7.62	-6.66	-19.30
USD nom'l	94.221	+1.17	-0.83	-3.38	+4.38
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	49.0955	-0.88	-4.19	-5.52	-19.17
EUR/USD	1.1315	-1.19	+1.43	+4.71	-6.47
USD/CNY	6.2041	-0.04	-0.09	+0.10	-0.02
USD/PLN	3.6007	+2.01	-1.57	-3.40	+1.61
USD/TRY	2.5807	+0.21	-4.19	-3.65	+10.52
USD/BYR	14,090.00	-0.77	-1.81	-1.49	+28.09
USD/KZT	185.8200	-0.13	-0.07	+0.01	+1.90
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	119.9900	+0.62	-0.07	+0.92	+0.18
GBP/USD	1.5653	-0.47	+0.43	+4.62	+0.49
USD/CHF	0.9263	+1.10	-0.85	-2.71	-6.84
AUD/USD	0.7991	-0.54	+1.27	+2.69	-2.25
USD/CAD	1.2160	+1.22	+0.47	-0.70	+4.64
USD/BRL	3.0056	+0.29	-1.85	-1.16	+13.09
USD/KRW	1,085.51	-0.01	-0.54	+0.17	-0.50
<b>COMMODITIES</b>					
Gold(\$/oz)	1,225.52	+0.12	+3.51	+1.76	+3.43
WTI crude <sup>3</sup>	59.43	-0.44	+0.30	+6.62	+11.56
Brent crd <sup>3</sup>	65.58	-0.32	+2.68	+7.14	+17.61
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	230.68	-0.34	+1.05	+3.01	+0.31

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.

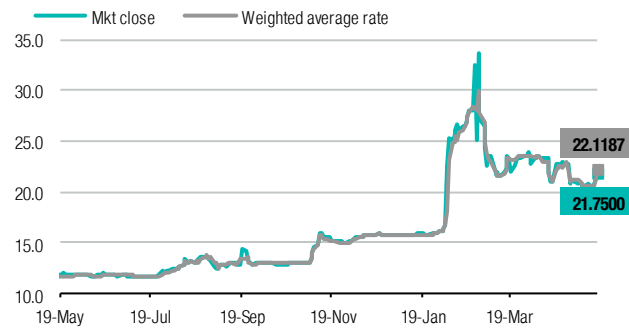
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

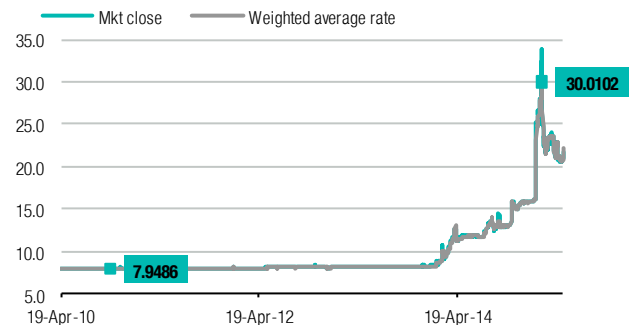
Section on FX market is continued on next page.

### 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)**

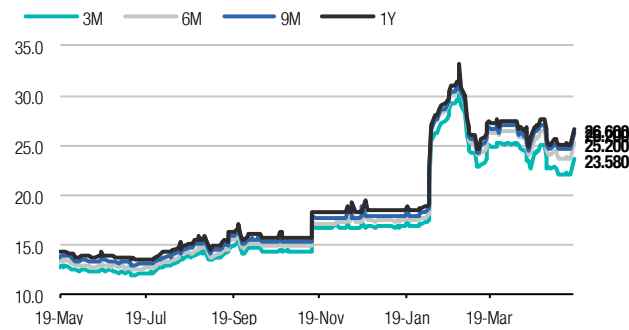


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

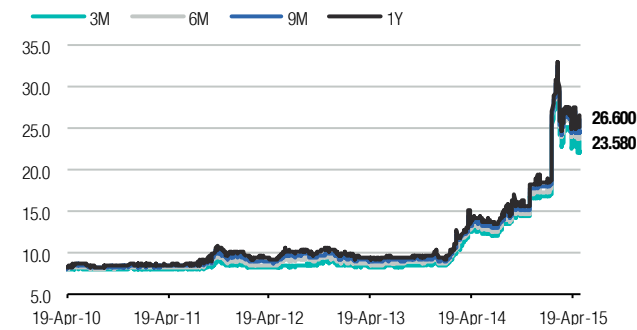


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

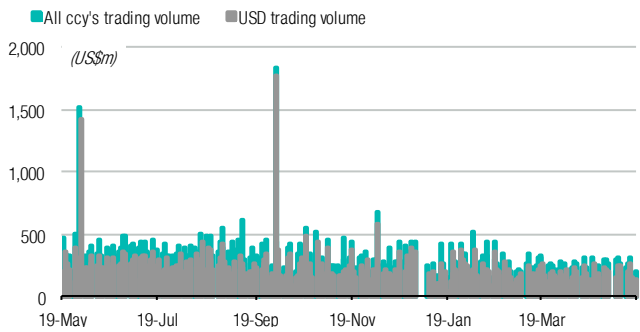


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

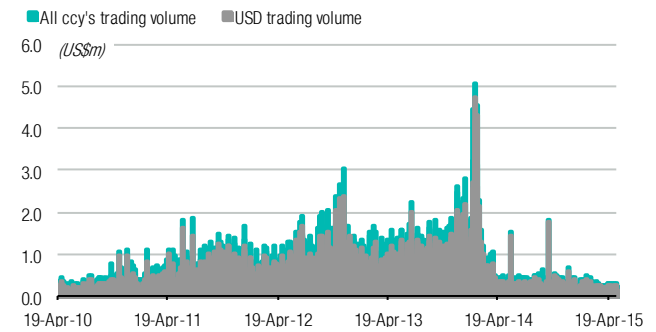


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

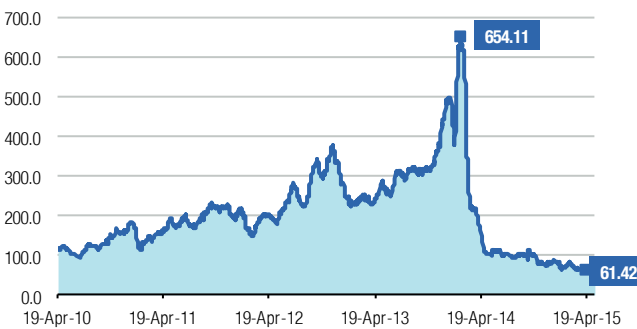
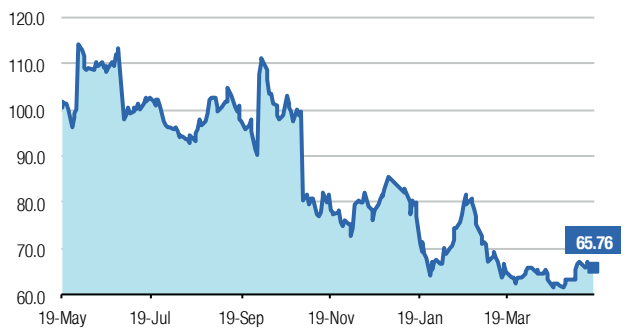


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)**

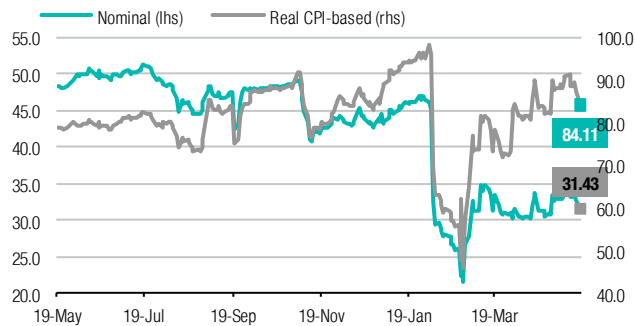


Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

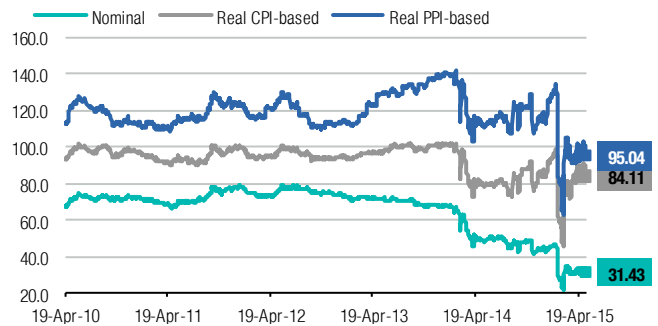
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



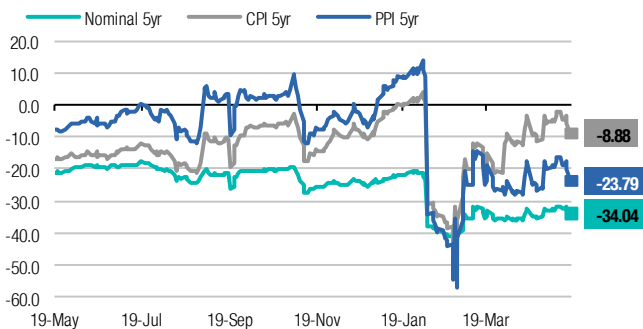
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

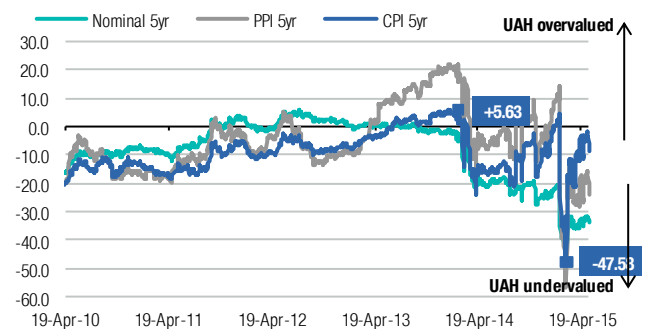


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

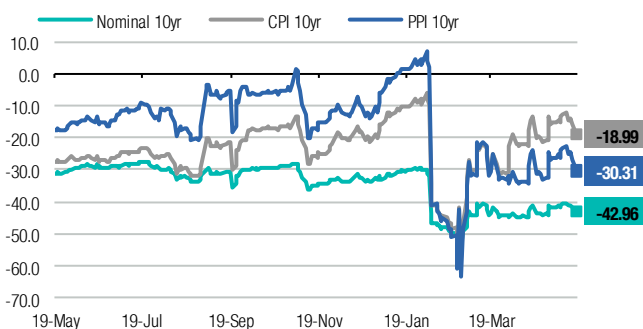


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

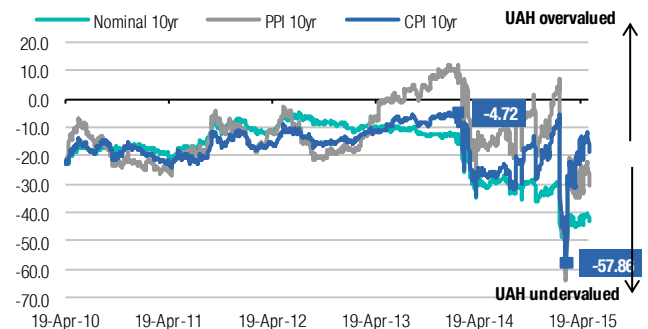


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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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**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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