



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
**Alexander Valchyshen
Taras Kotovych
Mykhaylo Demkiv**

Daily Insight

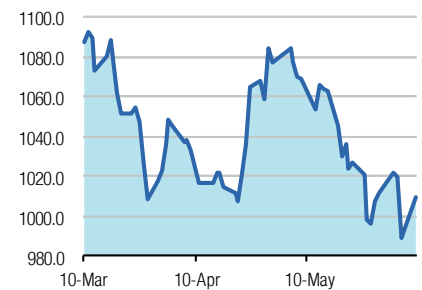
FUIB 1Q15 IFRS financial results

Contents

Bonds: News & Comments	2
FUIB 1Q15 IFRS financial results.....	2
Liquidity slightly declines	2
Naftogaz share capital increase formalized.....	2
Chart page: Local bond market & Eurobond markets.....	3
FX: News & Comments	5
Chart page #1: Foreign-exchange market.....	6
Chart page #2: ICU's UAH trade-weighted indices.....	7

TUESDAY, 9 JUNE 2015

UX Index (3 months to 9 Jun 2015)



Source: UX.

Key market indicators (as of 8 Jun 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	21.1250	+0.38	+33.53
USD/UAH (1Y NDF)	25.6000	+3.18	+38.75
EUR/USD	1.1291	+1.59	-6.67
USD/RUB	55.9979	-0.23	-7.80
KievPRIME O/N (%)	21.13	+13bp	+223bp
KievPRIME 1M (%)	27.75	-25bp	+785bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	305.71	+274bp	+24,395bp
Ukraine 17, Eurobond (%)	46.29	-292bp	+1,853bp
Ukraine 22, Eurobond (%)	19.78	-151bp	+353bp
Ukraine 23, Eurobond (%)	17.20	-118bp	+164bp
Ukraine 5Y CDS	2,768bp	+22bp	+569bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,009.71	+1.77	-2.28
MSCI World	427.35	-0.47	+2.45
MSCI EM	977.09	-0.51	+2.17
RTS (Russia)	923.23	+0.06	+17.29
WIG-20 (Poland)	2,354.26	-0.48	+1.65
S&P 500 (USA)	2,079.28	-0.65	+0.99

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

FUIB 1Q15 IFRS financial results

The bank claims that the loan portfolio has suffered little despite of the extreme USD/UAH rate fluctuations. Although actively engaged in restructuring negotiations with corporate clients in an effort to work with them and avoid official write-offs of delinquent loans, the bank has reported UAH1.6bn of provisioning expenses in 1Q15 versus UAH647m in 4Q14.

FUIB experienced a net inflow of UAH retail deposits in March-May as a result of aggressive marketing and offering above-average interest rates. However, FX deposits have declined as customers question their ability to withdraw deposits in full in the future.

The bank estimates that its loan exposure in the Donbass region constitutes only 17.6% of the 1Q15. Only 5.2% of the deposits remain in the occupied areas as the bank allowed clients to transfer deposits to branches in militant-free areas.

Mykhaylo Demkiv, Kyiv, +38044 2200120 ext.723

Liquidity slightly declines

After rising over the past two business days, broader banking sector liquidity slightly fell yesterday, down UAH1.50bn to UAH57.84bn, caused by a UAH2.24bn decline in banks' correspondent accounts with the NBU to UAH19.40bn, the record low of this year. Total CDs outstanding rose just UAH0.39bn to UAH34.33bn and total debt repayments scheduled for the next 30 days rose only UAH0.35bn to UAH4.11bn last Friday.

Investment implications: The decline in liquidity could be caused by Naftogaz's exchanging funds to purchase FX to fulfill gas payments. Although no loan repayments were scheduled, stabilization loan repayments could have put pressure on liquidity.

Taras Kotovych, Kiev, +38044 2200120 ext.724

Naftogaz share capital increase formalized

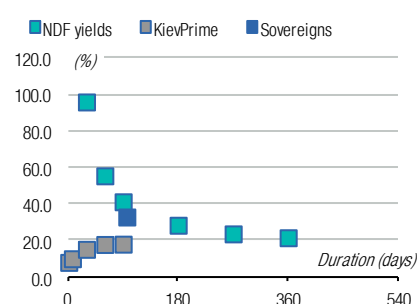
Last week, the Cabinet of Ministers of Ukraine revised Naftogaz's charter in which share capital was increased nearly threefold from UAH55.84bn to UAH160.45bn, up by UAH104.61bn. The resolution was a formality of some resolutions when the Cabinet of Ministers permitted the MoF to issue up to UAH117bn of bonds for Naftogaz in exchange for company shares.

Investment implications: As his resolution formalized the earlier share capital increase resolution of UAH\$117bn, only UAH13.0bn of additional bonds remains to be issued. Should this occur, the UAH13.0bn share capital increase will be included in the charter at a later date.

Taras Kotovych, Kiev, +38044 2200120 ext.724

Yield curve of the local bond market

(as of market close on 8 Jun 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 8 Jun 2015)

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

MONEY MARKET KIEV PRIME RATES (%)

O/n	21.13	+13bp	-87bp	-70bp	+223bp
1wk	23.50	+25bp	+25bp	-50bp	+450bp
1m	27.75	-25bp	-25bp	-25bp	+785bp
2m	26.25	-25bp	-25bp	-8bp	+625bp
3m	26.25	-25bp	-25bp	-8bp	+625bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	19,400	-10.35	-16.91	-9.09	-41.66
CDs ²	34,332	+1.15	+16.60	+25.02	+117.5
Sovgns ³	4,841	+41.84	+13.64	-10.59	+6.83
Total	58,573	-0.71	+2.66	+8.04	+9.34

HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	347,333	+0.00	-0.27	+1.20	+9.18
Banks	82,027	+0.01	-2.33	-5.77	-12.21
Resid's ⁴	21,975	+0.01	-0.59	-14.14	-10.49
Non-res ⁵	22,985	+0.04	-3.18	-1.99	+6.69
Total	474,320	+0.00	-0.79	-1.04	+3.64

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 (%)

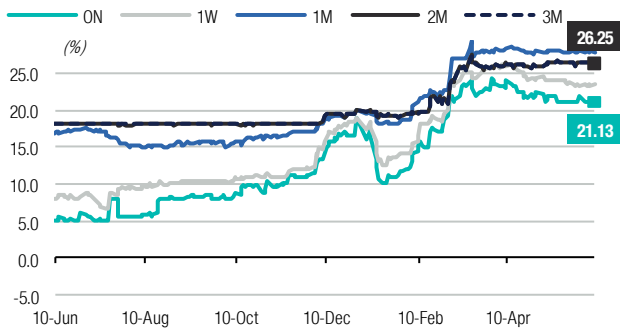
CDS 5yr	2,768	+22bp	-357bp	-304bp	+569bp
Jun '16	84.11	-566bp	-16ppt	-12ppt	+47bp
Jul '17	46.29	-292bp	-746bp	-746bp	+19bp
Sep '20	23.83	-141bp	-363bp	-381bp	+499bp
Sep '21	22.84	-171bp	-354bp	-420bp	+431bp
Sep '22	19.78	-151bp	-340bp	-362bp	+353bp
Feb '23	17.20	-118bp	-312bp	-430bp	+164bp

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.

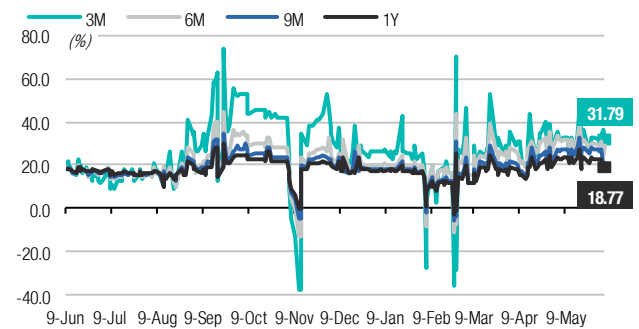
Chart page: Local bond market & Eurobond markets

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



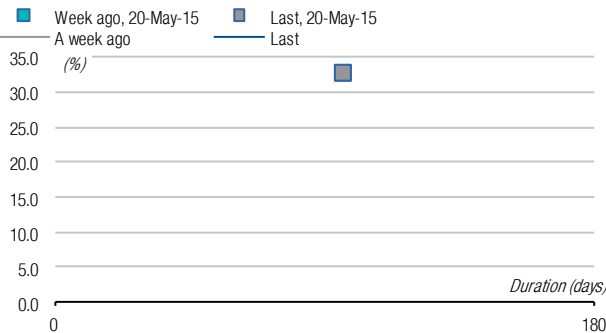
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



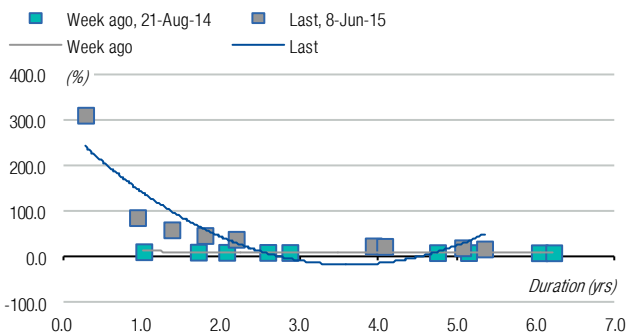
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 8 Jun 2015



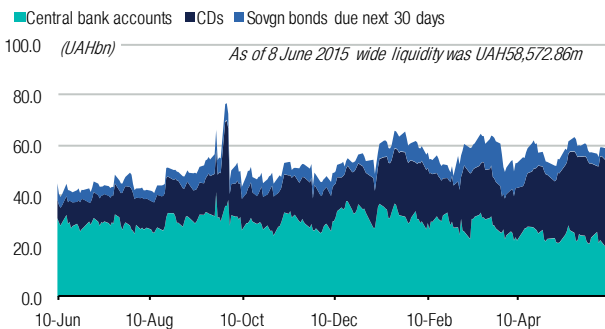
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 8 Jun 2015



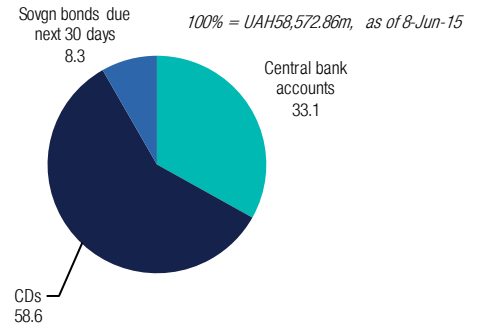
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



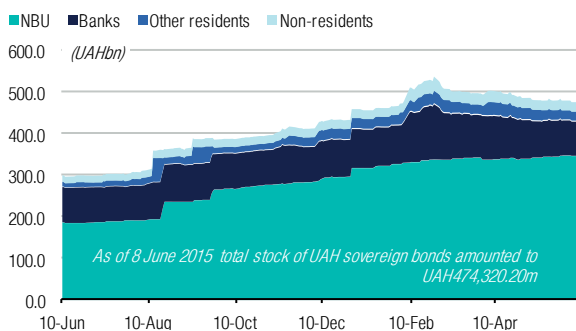
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 8 Jun 2015



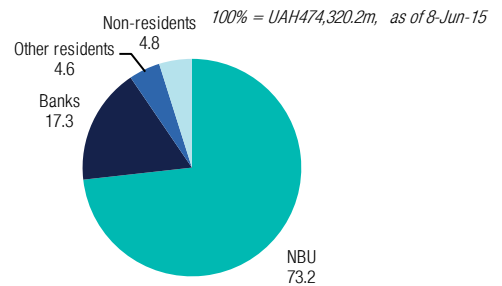
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 8 Jun 2015



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

Table 1. Ukrainian stocks (closing prices as of 8-Jun-2015)

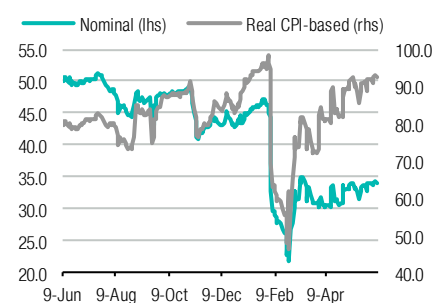
Company	Bloomberg Ticker	Listing	Share price performance (% change)				Valuation (US\$)			Free float (FF) & Liquidity					P/E			EV/EBITDA			EV/Sales			Ratios				
			Last price	Daily	MoM	YTD	YoY	Last price	Market cap (m)	EV (m)	FF (%)	FF mkt cap (US\$m)	Last day turnover (US\$ 000)	3M avg. turnover (US\$ 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	9.75 GBp	+0.0	+11.4	-2.5	+6.8	0.15	34.6	3.3	40.2	13.9	10.5	10.3	0.06	1,725	Neg.	N/A	N/A	Neg.	N/A	N/A	0.1	N/A	N/A	0.4	15.3	
Centrenerg	CEEN UK	Kiev, UX	7.76 UAH	+2.2	-6.5	+2.9	+8.1	0.37	135.8	140.9	21.7	29.5	5.8	22.5	0.05	1,836	40.6	Neg.	N/A	0.4	Neg.	N/A	0.4	0.3	N/A	1.3	4.2	
Coal Energy	CLE PW	Warsaw	0.57 PLN	-1.7	-5.0	-8.1	-56.8	0.15	7.0	79.5	25.0	1.7	0.0	1.9	0.06	1,677	Neg.	N/A	N/A	10.9	N/A	N/A	0.7	N/A	N/A	0.3	56.9	
Donbasenergo	DOEN UK	Kiev, UX	21.60 UAH	-1.3	-8.0	-34.5	-49.8	1.02	24.2	61.8	14.2	3.4	2.6	6.2	0.08	1,265	5.1	Neg.	N/A	0.1	17.2	N/A	0.3	0.3	N/A	0.8	25.1	
JXK Oil & Gas	JXK LN	London	29.00 GBp	+0.0	-3.3	+141.7	-52.8	0.45	76.7	87.8	47.2	36.2	0.0	215.0	1.54	65	Neg.	Neg.	Neg.	Neg.	1.7	N/A	0.6	0.6	1.1	0.3	9.9	
Regal Petroleum	RPT LN	London	4.61 GBp	+14.4	-2.8	+47.5	-48.1	0.07	22.7	-9.1	80.9	18.4	0.0	3.7	0.04	2,728	3.9	7.6	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.2	0.0	
Zakhidenergo	ZAEN UK	Kiev, PFTS	155.10 UAH	+0.0	+3.4	+4.7	+2.1	7.34	93.9	145.2	5.0	4.7	0.0	1.1	0.00	617,818	Neg.	N/A	N/A	0.1	N/A	N/A	0.3	N/A	N/A	0.7	11.6	
METALLURGY																												
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	+3.6	-11.3	-1.4	-62.2	0.00	17.4	1,961.2	3.9	0.7	0.1	0.7	0.09	1,138	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	1.15 UAH	+3.2	-15.2	-33.5	-64.9	0.05	10.6	8.2	4.0	0.4	0.4	0.9	0.16	639	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	
Azovstal	AZST UK	Kiev, UX	0.79 UAH	+1.5	-6.5	+6.3	+1.7	0.04	157.6	115.1	4.1	6.5	1.1	6.7	0.06	1,698	3.6	2.8	N/A	0.1	1.0	N/A	0.1	0.1	N/A	0.2	0.0	
Ferrexpo PLC	FXPO LN	London	76.00 GBp	-2.9	-3.2	+55.4	-40.3	1.17	687.5	1,384.5	22.4	154.0	432.5	1,144.2	0.49	203	3.9	8.7	9.6	3.3	6.5	6.3	1.0	1.3	1.2	1.0	61.1	
Yasynivsky Cok...	YASK UK	Kiev, UX	0.24 UAH	+0.0	-12.1	-14.3	-64.4	0.01	3.1	3.6	9.0	0.3	0.0	0.0	0.00	20,797	Neg.	7.3	N/A	0.0	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	
Yenakievo Steel	ENMZ UK	Kiev, UX	17.39 UAH	+7.9	-6.4	-17.0	-60.0	0.82	8.7	0.8	9.4	0.8	1.6	1.9	0.34	295	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	0.46 EUR	+0.0	-6.1	+7.0	-60.0	0.52	48.1	97.0	34.0	16.4	0.1	18.0	0.03	3,185	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	1.0	35.9	
Agroliga	AGL PW	Warsaw	10.02 PLN	+0.0	+17.9	+11.3	-49.0	2.72	4.2	4.9	16.7	0.7	2.5	1.7	0.40	253	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	0.96 PLN	+0.0	-9.4	-22.0	-63.8	0.26	5.6	33.0	26.2	1.5	6.6	11.1	0.65	153	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	28.20 PLN	-0.9	+7.9	+41.0	-41.2	7.64	191.1	429.6	31.0	59.3	2.0	210.6	0.34	297	Neg.	Neg.	3.9	3.6	3.5	4.6	1.1	1.0	1.0	1.2	49.6	
Avangard	AVGR LI	London Intl	1.61 USD	+5.9	-40.4	-21.5	-83.0	1.61	102.8	365.0	21.7	22.3	31.5	35.8	0.13	792	Neg.	Neg.	2.8	2.8	5.3	4.5	0.9	0.9	0.9	0.3	33.1	
IMC	IMC PW	Warsaw	4.50 PLN	+0.0	-10.9	-20.6	-56.3	1.22	38.2	146.6	23.9	9.1	0.2	2.4	0.04	2,632	Neg.	4.7	1.2	2.6	2.9	2.5	1.1	0.9	0.7	1.4	69.8	
Kernel Holding...	KER PW	Warsaw	38.30 PLN	-0.3	+7.1	+34.6	+17.1	10.38	827.1	1,301.4	58.8	486.1	625.6	1,811.8	0.27	369	Neg.	6.3	5.1	5.8	3.8	3.8	0.5	0.5	0.5	1.0	39.1	
KSG Agro	KSG PW	Warsaw	0.67 PLN	+0.0	-18.3	-40.2	-85.2	0.18	2.7	67.8	34.4	0.9	1.3	4.5	0.65	153	Neg.	N/A	0.1	7.8	N/A	N/A	0.9	0.7	0.6	N/A	44.5	
MHP	MHPC LI	London Intl	10.95 USD	-4.8	-4.8	+19.0	-27.1	10.95	1,157.1	2,317.0	22.3	258.3	1,118.2	757.4	0.27	368	Neg.	5.2	4.3	4.2	4.5	4.9	1.7	1.8	1.8	2.8	53.0	
Milkiland	MLK PW	Warsaw	2.00 PLN	-2.4	-19.7	+35.1	-69.4	0.54	16.9	123.3	20.0	3.4	8.5	19.9	0.26	381	Neg.	Neg.	2.2	13.1	4.1	3.7	0.4	0.5	0.5	0.2	42.5	
Ovostar Union	OVO PW	Warsaw	81.80 PLN	+2.3	+9.1	+13.6	+12.1	22.17	133.0	143.2	25.0	33.3	0.7	121.3	0.28	353	5.2	5.7	6.6	4.9	5.5	4.8	1.8	1.9	1.7	1.6	9.4	
CONSTRUCTION																												
TMM	TR61 GF	Frankfurt	0.03 EUR	+0.0	-58.3	-68.8	-85.4	0.03	1.5	128.6	13.1	0.2	0.0	0.3	0.02	4,584	Neg.	N/A	N/A	Neg.	N/A	N/A	3.8	N/A	N/A	0.0	45.5	
FINANCIAL SERVICES																												
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	+2.9	-8.6	-6.8	-44.1	0.00	127.0	N/A	3.8	4.9	1.4	11.0	0.16	620	N/A	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.7	N/A
Ukrsotsbank	USCB UK	Kiev, UX	0.10 UAH	+0.0	-12.6	-23.2	-42.1	0.00	116.8	N/A	4.5	5.2	0.0	0.3	0.01	8,185	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	38.2	

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

ICU's UAH trade-weighted indices

(Last 12-month history to 9 Jun 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 8 Jun 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	21.1250	+0.38	+0.36	+3.10	+33.53
NBU avg	21.1024	+0.36	+0.08	+2.49	+33.83
Ttl vlm ¹	229.68	-0.99	-19.44	-10.70	-46.69
\$ volume ²	147.13	-15.03	-31.37	-26.82	-58.47
NDF 3M	22.7000	+0.00	+0.00	+2.48	+34.72
NDF 6M	24.1000	+0.00	+0.00	+1.69	+38.51
NDF 1Y	25.6000	+3.18	+0.00	+1.99	+38.75
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	33.948	-0.65	+0.25	+0.22	-23.65
UAH real CPI	92.290	-0.65	+0.25	+0.22	+6.64
UAH real PPI	110.378	-0.65	+0.25	+0.22	-6.27
USD nom'l	95.299	-1.05	-2.15	+0.53	+5.57
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	55.9979	-0.23	+4.52	+9.99	-7.80
EUR/USD	1.1291	+1.59	+3.33	+0.82	-6.67
USD/CNY	6.2060	+0.05	+0.11	-0.05	+0.01
USD/PLN	3.6984	-1.18	-1.81	+2.35	+4.37
USD/TRY	2.7515	+3.41	+2.56	+2.05	+17.84
USD/BYR	15,550.00	+1.45	+4.71	+8.89	+41.36
USD/KZT	185.9500	-0.01	-0.01	+0.00	+1.97
OTHER MAJOR CURRENCIES					
USD/JPY	124.4900	-0.91	-0.22	+3.95	+3.93
GBP/USD	1.5349	+0.52	+0.97	-0.69	-1.46
USD/CHF	0.9274	-1.31	-1.97	-0.31	-6.73
AUD/USD	0.7703	+1.05	+1.28	-2.89	-5.77
USD/CAD	1.2410	-0.27	-0.89	+2.81	+6.79
USD/BRL	3.1124	-0.95	-1.77	+4.63	+17.11
USD/KRW	1,123.30	+1.09	+1.18	+3.21	+2.96
COMMODITIES					
Gold(\$/oz)	1,174.07	+0.18	-1.26	-1.20	-0.91
WTI crude ³	58.14	-1.67	-3.42	-2.10	+9.14
Brent crd ³	61.47	-1.14	-4.12	-4.42	+10.24
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	223.03	+0.23	-0.20	-2.67	-3.01

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>).

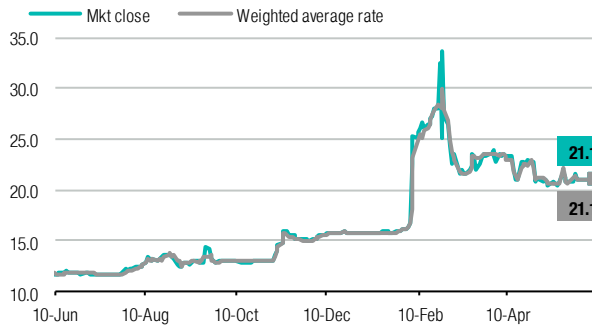
Section on FX market is continued on next page.

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.

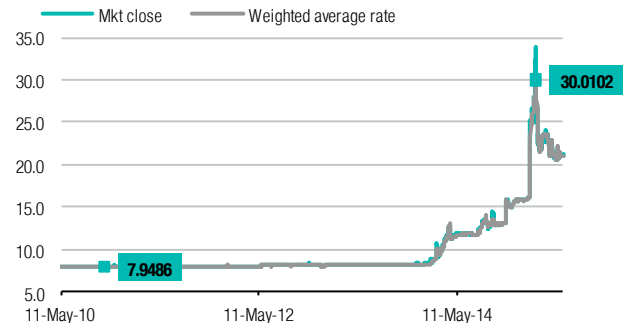
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

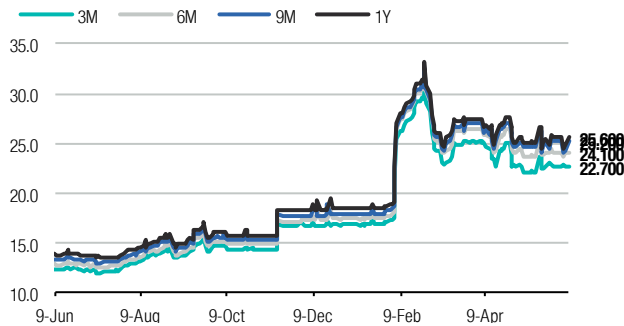


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

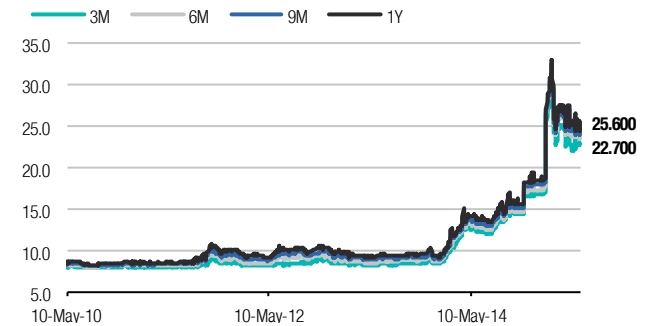


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

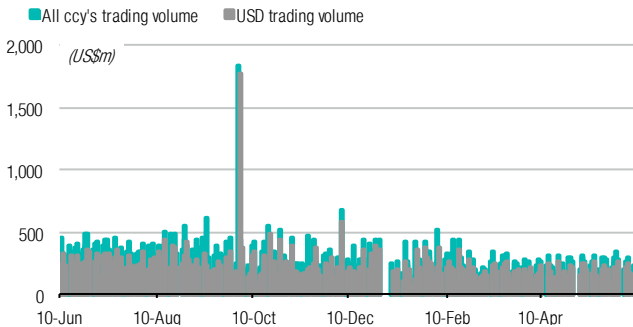


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

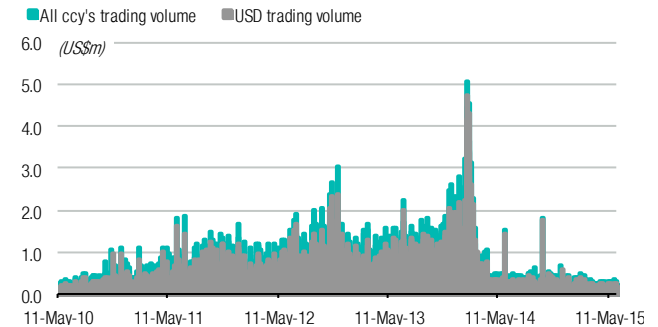


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

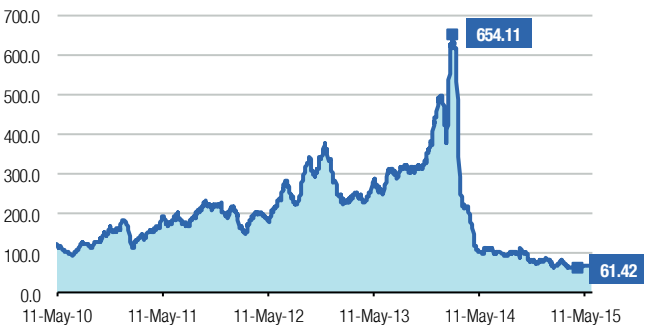


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

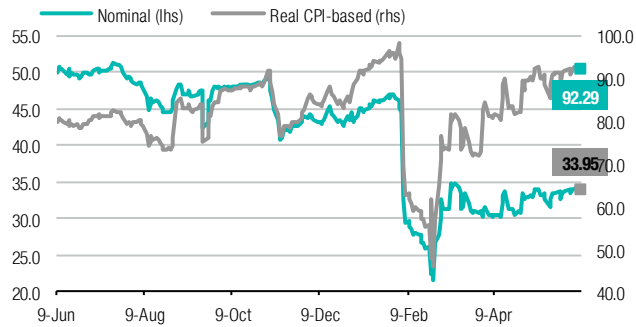


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

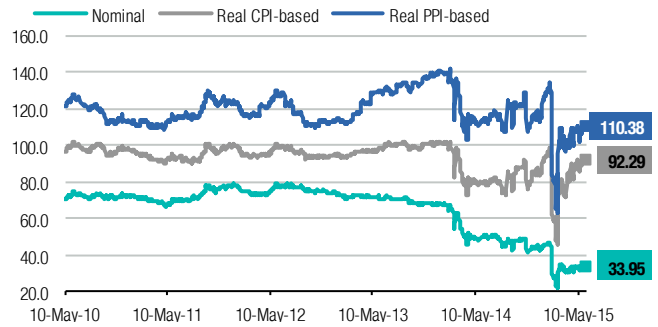
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



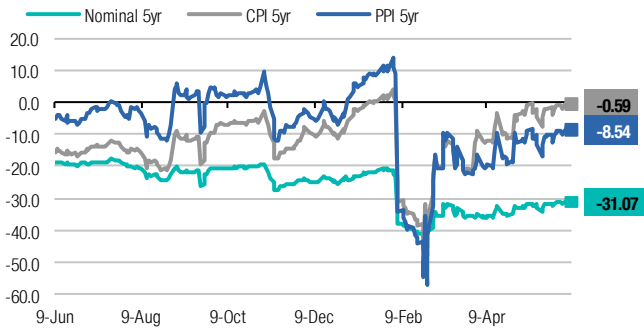
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

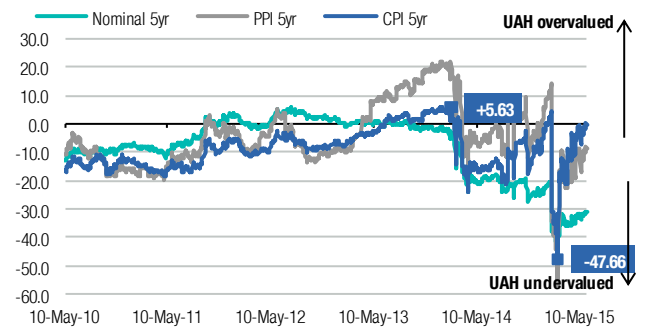


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

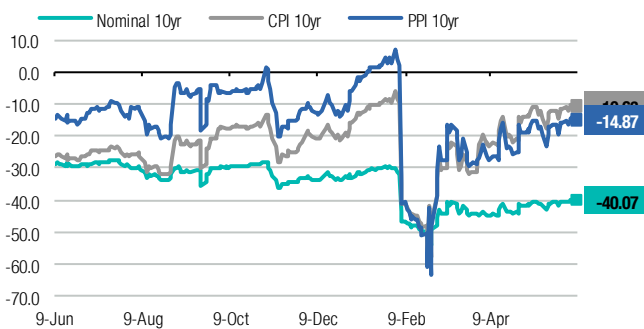


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

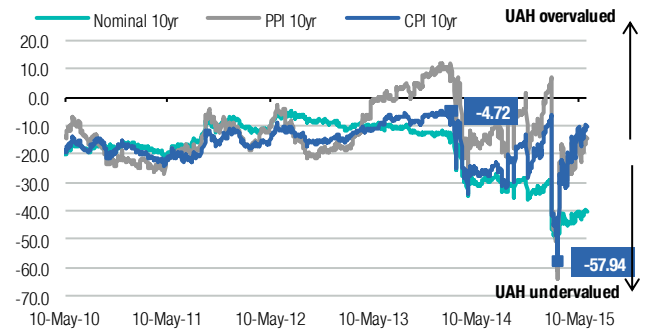


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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

WEB www.icu.ua



@ICU_UA

CORPORATE FINANCE

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

Roman Nikitov, ACCA Director
roman.nikitov@icu.ua

Ruslan Kilmukhametov, Director
ruslan.kilmukhametov@icu.ua

Ivan Shvydanenko, Vice President
ivan.shvydanenko@icu.ua

Yuriy Kamarytskyi, Vice President
yuriy.kamarytskyi@icu.ua

Ruslan Patlavsky, Vice President
ruslan.patlavsky@icu.ua

STRATEGY AND CORPORATE DEVELOPMENT

Vlad Sinani, Director
vlad.sinani@icu.ua

SALES AND TRADING

Konstantin Stetsenko
Managing Director
konstantin.stetsenko@icu.ua

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

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

Liliya Kubytyovych
Asset Management Product Sales
liliya.kubytyovych@icu.ua

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

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

RESEARCH DEPARTMENT

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.