



Focus  
**Ukraine**

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

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# Daily Insight

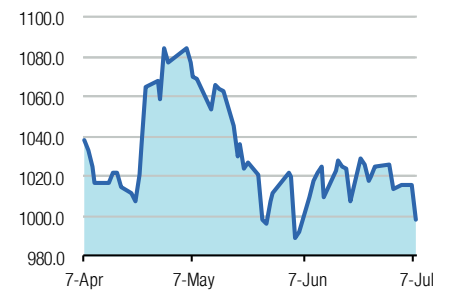
## Oschadbank commences a consent solicitation

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WEDNESDAY, 8 JULY 2015

### UX Index (3 months to 8 Jul 2015)



Source: UX.

### Key market indicators (as of 7 Jul 2015)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	21.5180	+0.67	+36.02
USD/UAH (1Y NDF)	25.0153	+0.00	+35.58
EUR/USD	1.1011	-0.41	-8.98
USD/RUB	56.7104	-0.29	-6.63
KievPRIME O/N (%)	21.00	-10bp	+210bp
KievPRIME 1M (%)	27.67	-13bp	+777bp
<b>SOVEREIGN EUROBONDS: yields and spreads</b>			
Ukraine 15, Eurobond (%)	408.99	+127bp	+34,723bp
Ukraine 17, Eurobond (%)	49.86	-52bp	+2,210bp
Ukraine 22, Eurobond (%)	19.61	-20bp	+336bp
Ukraine 23, Eurobond (%)	19.13	+19bp	+356bp
Ukraine 5Y CDS	2,703bp	+15bp	+504bp
<b>EQUITIES</b>			
<b>Stock market indices</b>			
UX (Ukraine)	998.38	-1.66	-3.38
MSCI World	419.24	-0.38	+0.51
MSCI EM	930.25	-1.40	-2.73
RTS (Russia)	885.78	-1.89	+12.53
WIG-20 (Poland)	2,218.64	-2.35	-4.20
S&P 500 (USA)	2,081.34	+0.61	+1.09

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

### Oschadbank commences a consent solicitation

State-owned Oschadbank has formally offered its bondholders a proposal to restructure its 2016 and 2018 issues. June 30 is the deadline to submit votes, and the final results will be announced at a meeting on August 3. The quorum is set at two-thirds and 75% of those present must vote in favor to pass the extraordinary resolution. If the meeting is adjourned, a follow-up meeting is scheduled for August 17. However, given the offered terms, we expect the resolution to pass.

Existing debt shall be exchanged for new loans with a 7-year extension and no upfront payment.

For the OSCHAD 2016 US\$700m loan, the interest rate will increase from 8.25% to 9.375%, with 60% of the outstanding amount payable on March 10, 2019 and the remainder to be paid in ten equal installments beginning on September 10, 2019.

For the OSCHAD 2018 US\$500m loan, the interest rate will increase from 8.875% to 9.625% with 50% of the outstanding amount to be payable on March 20, 2020 and the remainder be paid in ten equal installments beginning on September 20, 2020.

Reprofiling of the 2017 Subordinated Loan (US\$100m) is subject to an independent negotiation process and is not conditional on the Eurobonds' restructuring.

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### Liquidity higher due to future debt repayments

The NBU continued to absorb extra liquidity on Monday, as CDs outstanding rose UAH1.94bn to UAH44.57bn yesterday. Banks' correspondent accounts with the NBU declined UAH1.29bn to UAH21.67bn while total local currency debt repayments rose UAH1.24bn. As a result, the broader banking sector liquidity indicator rose UAH1.90bn to UAH73.10bn, a new record high since last year's record high of 76.10bn seen at the end of September 2014.

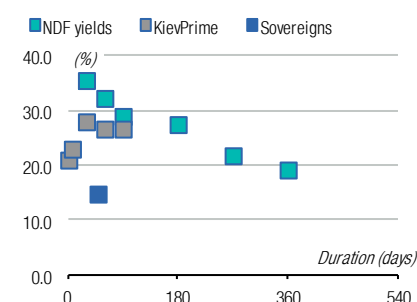
KyivPrime interest rates slightly declined: the ON interest rate slid 10bp to 21.00% while the 1M interest rate slid 13bp to 27.67%.

On Monday, even though banks had sufficient liquidity to meet obligations over the next 30 days, the NBU sold new CDs with redemption at the beginning of August, the first time this month: fifteen banks purchased a total of UAH1.56bn at an interest rate of 27%.

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### Yield curve of the local bond market

(as of market close on 7 Jul 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

### Bond market indicators (as of 7 Jul 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
O/n	21.00	-10bp	+0bp	+0bp	+210bp
1wk	23.33	+3bp	+33bp	+8bp	+433bp
1m	27.67	-13bp	-33bp	-33bp	+777bp
2m	26.33	-7bp	-100bp	-17bp	+633bp
3m	26.33	-7bp	-100bp	-17bp	+633bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	21,665	-5.62	-9.85	+0.12	-34.85
CDs <sup>2</sup>	6,337	+0.00	-45.28	-81.33	-59.86
Sovgns <sup>3</sup>	5,686	-8.24	+1.17	+66.58	+25.46
<b>Total</b>	<b>33,688</b>	<b>-5.07</b>	<b>-18.30</b>	<b>-42.90</b>	<b>-37.11</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	358,850	+0.14	+0.85	+3.46	+12.96
Banks	82,670	+0.76	+1.30	+1.56	-10.85
Resid's <sup>4</sup>	24,505	-0.75	-4.71	+10.69	-0.93
Non-res <sup>5</sup>	23,183	+1.67	+2.66	+2.59	+9.40
<b>Total</b>	<b>489,207</b>	<b>+0.27</b>	<b>+0.72</b>	<b>+3.43</b>	<b>+7.19</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	2,703	+15bp	-97bp	-42bp	+504bp
Jun '16	89.39	-421bp	-958bp	-38bp	+52bp
Jul '17	49.86	-52bp	-127bp	+65bp	+22bp
Sep '20	24.43	+1bp	-38bp	-81bp	+558bp
Sep '21	22.77	-18bp	-78bp	-178bp	+423bp
Sep '22	19.61	-20bp	-74bp	-167bp	+336bp
Feb '23	19.13	+19bp	-33bp	+74bp	+356bp

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.

## **NBU announces interest rates for secondary market deals**

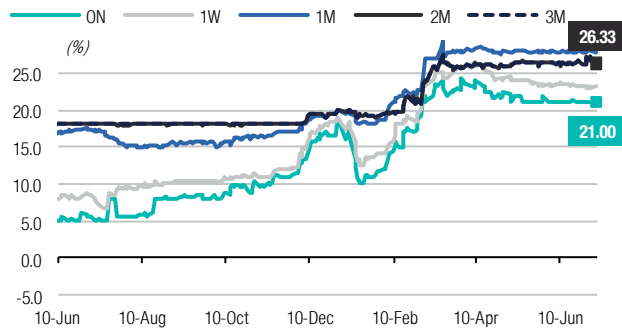
In its presentation yesterday of new instruments recommended by the Monetary Policy Committee in June, the NBU announced its intention to offer 6-month bonds with a 22% yield, 12-month bonds with a 20% yield, 17%, 15% and 12% yields for 3-year, 5-year and 10-year bonds, respectively. CDs with maturities up to 3-months will be evaluated at tenders.

***Investment implication: The NBU is going to extend its yield curve at both the money market and bond market, offering bonds from its portfolio. This will provide additional bonds to the market which have been unavailable for some time from the MoF. The NBU's deals will provide the MoF with real bond yields that could attract real demand, rather than domestic QE supported bids, at the primary market. If the NBU launches new offerings this week, the MoF could be more flexible at next Tuesday's announced primary auction.***

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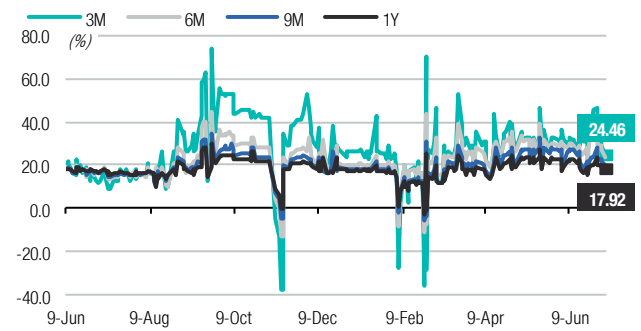
Chart page: Local bond market & Eurobond markets

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



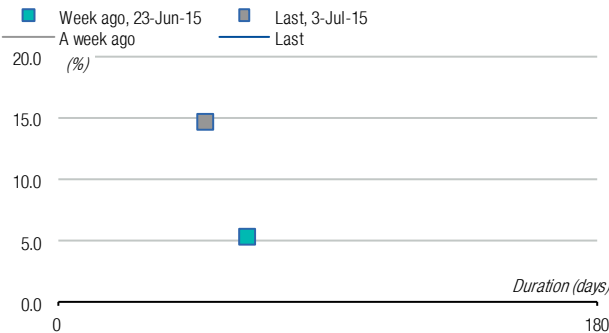
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



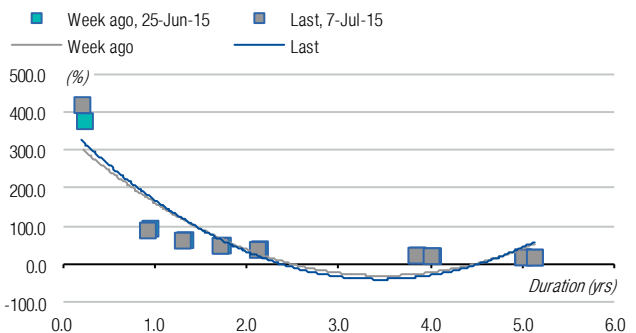
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 7 Jul 2015



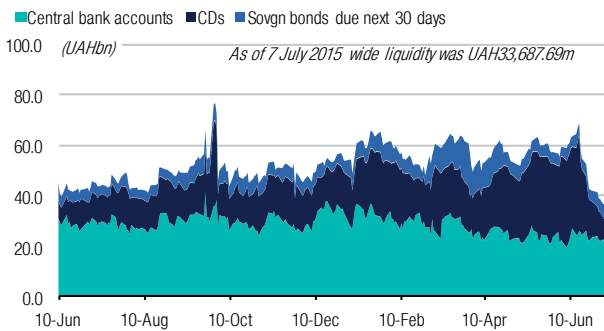
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 7 Jul 2015



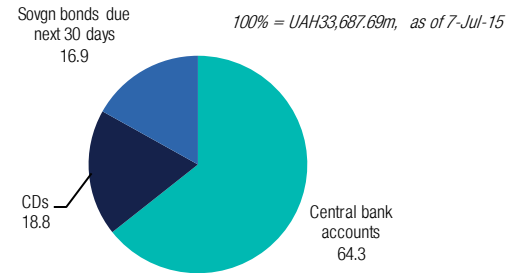
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



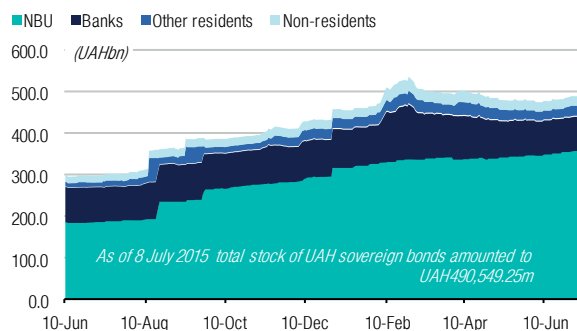
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 7 Jul 2015



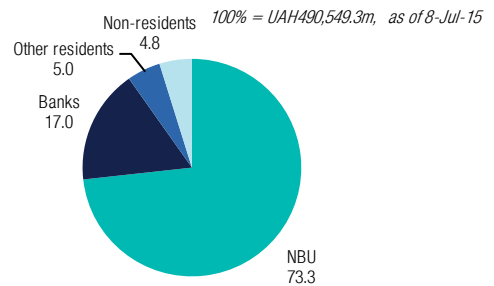
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 7 Jul 2015



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

Table 1. Ukrainian stocks (closing prices as of 7-Jul-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	11.13 GBp	+3.5	+14.1	+11.3	+0.0	0.17	39.7	8.4	40.2	16.0	7.0	34.3	0.57	176	Neg.	N/A	N/A	Neg.	N/A	N/A	0.3	N/A	N/A	0.4	15.3
Centrenerg	CEEN UK	Kiev, UX	7.61 UAH	+0.0	-2.0	+0.8	+3.0	0.35	128.9	133.8	21.7	28.0	15.9	19.1	0.08	1,218	39.8	Neg.	6.4	0.4	Neg.	N/A	0.4	0.3	0.2	1.3	4.2
Coal Energy	CLE PW	Warsaw	0.66 PLN	-2.9	+15.8	+6.5	-43.1	0.17	7.8	80.3	25.0	1.9	0.1	1.9	0.16	638	Neg.	N/A	N/A	11.0	N/A	N/A	0.7	N/A	N/A	0.3	56.9
Donbasenergo	DOEN UK	Kiev, UX	21.50 UAH	+0.0	-0.5	-34.8	-43.4	0.99	23.3	36.8	14.2	3.3	0.3	5.4	0.18	553	5.0	Neg.	N/A	0.0	10.6	N/A	0.2	0.2	N/A	0.3	13.6
JKX Oil & Gas	JKX LN	London	22.50 GBp	-11.8	-22.4	+87.5	-60.4	0.35	59.8	70.9	47.2	28.2	35.2	144.4	0.08	1,302	Neg.	Neg.	Neg.	Neg.	1.4	N/A	0.5	0.5	0.9	0.2	9.9
Regal Petroleum	RPT LN	London	4.99 GBp	+0.0	+8.1	+59.5	-36.9	0.08	24.7	-7.1	80.9	20.0	0.0	4.2	0.02	6,084	4.3	8.2	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.3	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	167.00 UAH	+0.0	+7.7	+12.8	+21.9	7.66	98.0	147.7	5.0	4.9	0.0	0.3	0.00	36,803	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	0.01 UAH	+0.0	-6.4	-7.6	-63.8	0.00	15.8	1,899.4	3.9	0.6	0.0	0.8	0.13	761	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	1.08 UAH	+0.0	-6.5	-37.8	-66.5	0.05	9.6	7.3	4.0	0.4	0.1	1.4	0.53	190	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0
Azovstal	AZST UK	Kiev, UX	0.77 UAH	+0.0	-2.4	+3.8	-0.4	0.04	149.1	107.9	4.1	6.1	5.9	5.4	0.12	832	3.5	2.8	N/A	0.0	1.0	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	56.50 GBp	-6.6	-25.7	+15.5	-56.6	0.87	513.9	1,210.8	22.4	115.1	1,099.0	683.7	0.66	151	2.9	7.0	9.8	2.9	5.2	6.4	0.9	1.2	1.2	0.7	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.27 UAH	+0.0	+12.1	-3.9	-60.0	0.01	3.4	4.1	9.0	0.3	0.0	0.2	0.20	495	Neg.	8.2	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	16.45 UAH	+0.0	-5.4	-21.5	-61.3	0.75	8.0	0.3	9.4	0.7	0.0	2.8	0.58	171	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	N/A	0.2	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	0.42 EUR	+5.0	-8.7	-2.3	-58.8	0.46	42.8	90.4	34.0	14.5	9.4	9.3	0.05	1,829	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	0.9	35.9
Agroliga	AGL PW	Warsaw	11.50 PLN	-1.0	+14.8	+27.8	-34.3	3.00	4.6	5.4	16.7	0.8	0.2	2.0	0.15	651	1.3	N/A	N/A	1.6	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	1.18 PLN	+2.6	+22.9	-4.1	-61.3	0.31	6.7	34.0	26.2	1.7	6.2	9.9	0.50	200	Neg.	N/A	N/A	1.5	N/A	N/A	0.6	N/A	N/A	0.1	33.4
Astarta Holdin...	AST PW	Warsaw	31.10 PLN	+6.9	+10.3	+55.5	-27.7	8.12	203.0	435.3	31.0	63.0	29.2	224.3	0.08	1,213	Neg.	Neg.	3.9	3.6	3.6	4.3	1.1	1.1	1.0	1.3	49.6
Avangard	AVGR LI	London Intl	1.10 USD	+0.0	-32.0	-46.6	-88.9	1.10	69.9	332.1	21.7	15.2	0.0	20.6	0.06	1,543	Neg.	Neg.	Neg.	2.6	4.8	4.1	0.8	1.0	1.0	0.2	33.1
IMC	IMC PW	Warsaw	4.50 PLN	-2.2	+0.0	-20.6	-54.9	1.17	36.8	145.3	23.9	8.8	3.3	9.3	0.29	346	Neg.	4.5	1.1	2.5	2.6	2.4	1.1	0.9	0.7	1.4	69.8
Kernel Holding...	KER PW	Warsaw	38.79 PLN	+1.3	+1.3	+36.3	+22.0	10.13	807.0	1,281.4	58.8	474.3	1,208.4	1,248.4	0.15	670	Neg.	6.2	4.9	5.7	3.8	3.8	0.5	0.5	0.5	0.9	39.1
KSG Agro	KSG PW	Warsaw	0.63 PLN	+5.0	-6.0	-43.8	-86.1	0.16	2.5	67.5	34.4	0.8	2.6	3.2	0.09	1,130	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	10.30 USD	-0.5	-5.9	+12.0	-31.8	10.30	1,088.4	2,248.3	22.3	242.9	0.2	581.6	0.26	387	Neg.	5.8	4.3	4.1	4.5	4.5	1.6	1.8	1.7	2.6	53.0
Milkiland	MLK PW	Warsaw	1.46 PLN	-2.7	-27.0	-1.4	-77.9	0.38	11.9	124.5	20.0	2.4	26.1	10.1	0.42	236	Neg.	Neg.	1.6	9.1	4.2	3.8	0.4	0.5	0.5	0.1	42.5
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	2.99 PLN	-0.3	+15.4	-26.2	-66.9	0.78	7.3	-7.4	10.9	0.8	1.4	0.4	0.02	6,018	Neg.	N/A	N/A	14.3	N/A	N/A	Neg.	N/A	N/A	0.2	7.9
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Frankfurt	0.02 EUR	+0.0	-20.0	-75.0	-89.7	0.02	1.1	128.3	13.1	0.1	0.0	0.3	0.11	938	Neg.	N/A	N/A	Neg.	N/A	N/A	3.9	N/A	N/A	0.0	45.5
<b>FINANCIAL SERVICES</b>																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	+0.0	+0.7	-6.1	-39.9	0.00	123.9	N/A	3.8	4.7	3.5	8.6	0.14	707	N/A	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.7	N/A
Ukrsotsbank	USCB UK	Kiev, UX	0.08 UAH	+0.0	-17.0	-36.2	-49.4	0.00	93.9	N/A	4.5	4.2	0.0	0.6	0.03	3,444	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	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

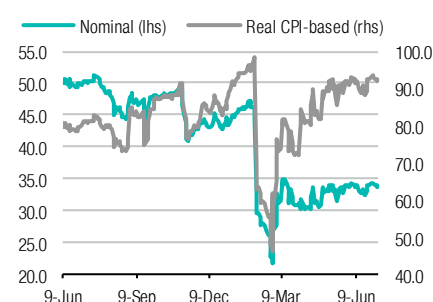
## Greek crisis fears roil FX markets

In reaction to the release of the latest developments of the Greek debt crisis, global FX market players engaged in a flight to safety as they sold riskier currencies, including the euro, in exchange for US dollars. China's collapsing stock market appeared to eclipse the Greek crisis, reminding investors that China's overly indebted and deflationary economy is struggling in its transition from a high level of investment (long supported by bank credit) to a more rational level of consumption, which has been low by international standards. Also, the crude oil price decline (WTI was down 12.01%, Brent was down 7.99% during a week) had a negative impact on currencies of commodity-based economies, namely Russian, and the Russian ruble declined 2.47% cumulatively over the past several days. The euro declined 0.41% thanks after the Greek delegation flew to Brussels to attend an emergency meeting with Eurozone finance ministers that yielded no solid results so far. Per a FT report, Greece's new finance minister arrived and vaguely indicated that new formal proposals to creditors are still being formulated. Overall, the US dollar index was up a sharp 0.59%. The hryvnia's trade-weighted value declined down 0.56% as the nominal market FX rate moved down by just 0.67%.

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## ICU's UAH trade-weighted indices

(Last 12-month history to 8 Jul 2015)



Source: Investment Capital Ukraine LLC.

## FX market indicators (as of 7 Jul 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	21.5180	+0.67	+2.42	+2.25	+36.02
NBU avg	21.7004	+2.04	+3.31	+3.21	+37.62
Ttl vlm <sup>1</sup>	225.06	-30.40	-23.21	-2.98	-47.77
\$ volume <sup>2</sup>	162.08	-34.09	-20.93	-6.40	-54.25
NDF 3M	22.6653	+0.00	+0.00	-0.15	+34.51
NDF 6M	24.0153	+0.48	+0.00	-0.35	+38.02
NDF 1Y	25.0153	+0.00	+0.00	+0.83	+35.58
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	33.734	-0.56	-1.14	-1.27	-24.14
UAH real CPI	91.709	-0.56	-1.14	-1.27	+5.97
UAH real PPI	109.683	-0.56	-1.14	-1.27	-6.86
USD nom'l	96.865	+0.59	+1.45	+0.58	+7.31
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	56.7104	-0.29	+2.47	+1.04	-6.63
EUR/USD	1.1011	-0.41	-1.22	-0.93	-8.98
USD/CNY	6.2099	+0.01	+0.14	+0.11	+0.07
USD/PLN	3.8217	+0.53	+1.63	+2.12	+7.85
USD/TRY	2.6863	+0.31	+0.18	+0.96	+15.04
USD/BYR	15,406.00	+0.36	+0.63	+0.51	+40.05
USD/KZT	186.2000	+0.00	-0.01	+0.12	+2.11
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	122.5400	-0.02	+0.03	-2.46	+2.30
GBP/USD	1.5462	-0.92	-1.59	+1.26	-0.74
USD/CHF	0.9466	+0.44	+1.19	+0.73	-4.80
AUD/USD	0.7451	-0.65	-3.32	-2.26	-8.86
USD/CAD	1.2705	+0.42	+1.69	+2.10	+9.33
USD/BRL	3.1862	+1.54	+2.68	+1.39	+19.89
USD/KRW	1,130.20	+0.33	+1.32	+1.72	+3.59
<b>COMMODITIES</b>					
Gold(\$/oz)	1,155.37	-1.28	-1.45	-1.42	-2.49
WTI crude <sup>3</sup>	52.33	-0.38	-12.01	-11.50	-1.76
Brent crd <sup>3</sup>	56.46	+1.51	-7.99	-9.20	+1.26
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	215.53	-1.07	-5.12	-3.14	-6.27

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.

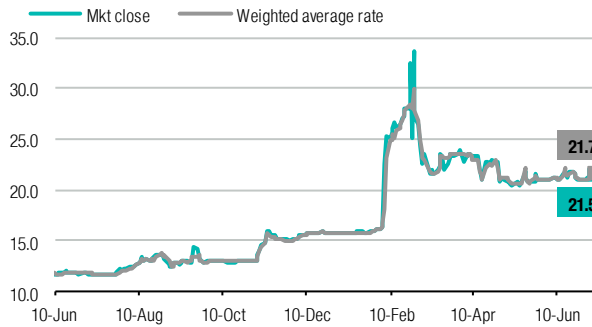
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

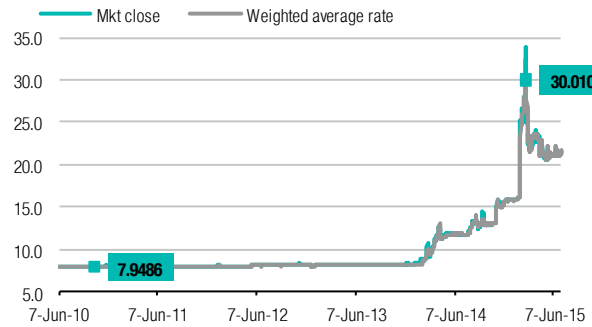
**Section on FX market is continued on next page.**

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)

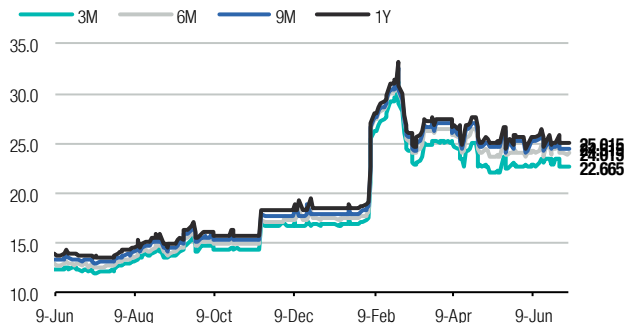


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

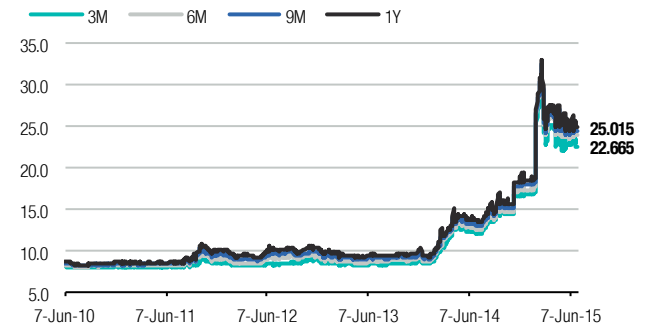


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

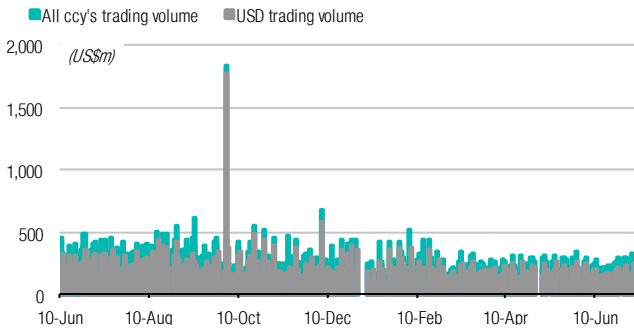


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

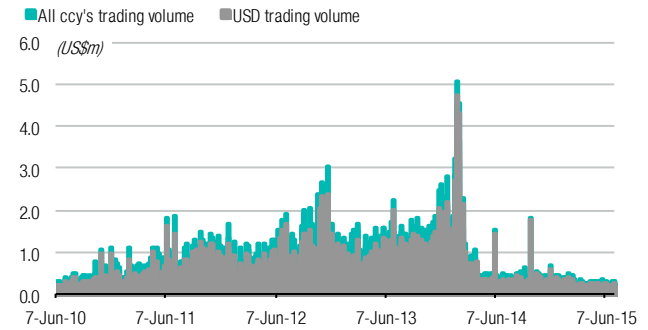


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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.

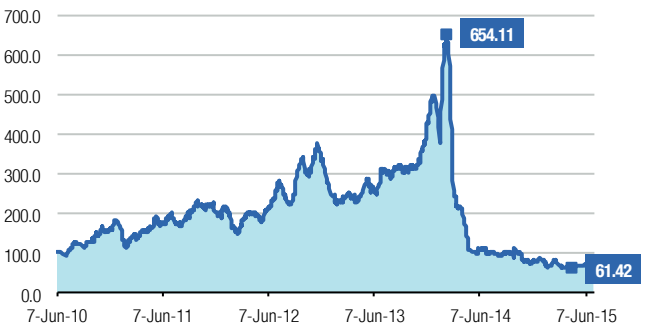


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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



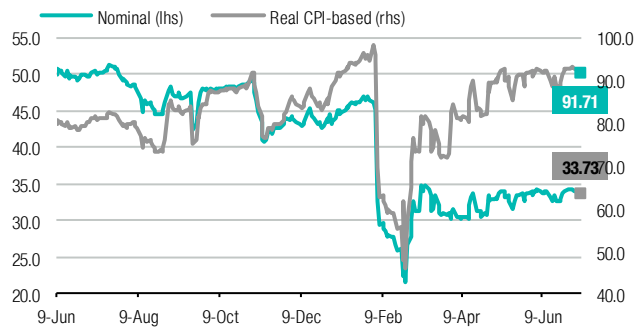
Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

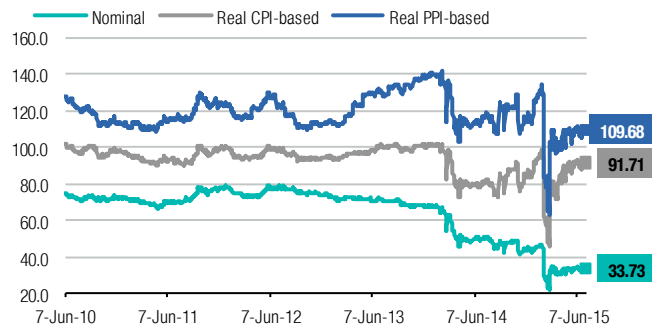
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



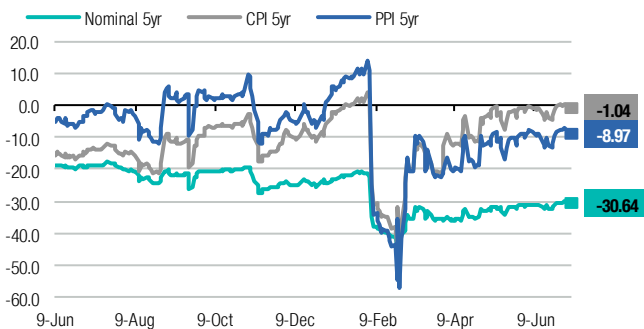
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

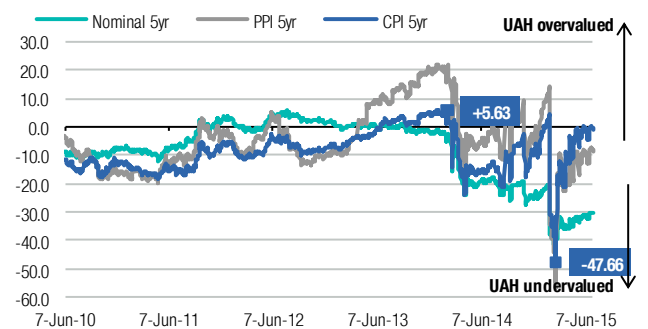


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

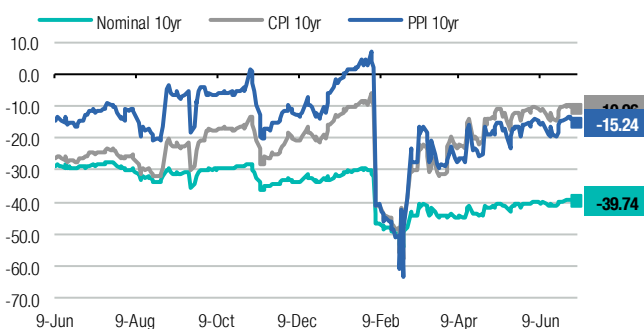


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

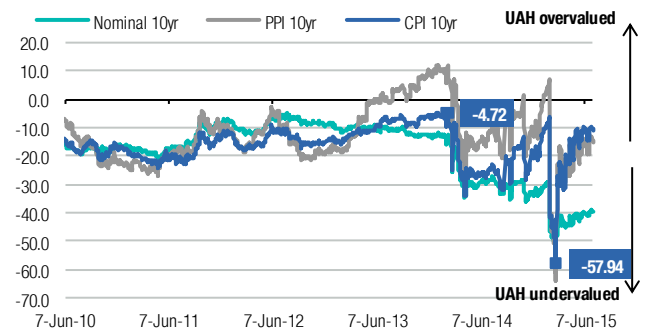


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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.



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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

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