



Focus  
**Ukraine**

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

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# Daily Insight

## New opinion poll

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TUESDAY, 21 JULY 2015

### UX Index (3 months to 21 Jul 2015)



Source: UX.

### Key market indicators (as of 20 Jul 2015)

	Last	Daily chg (%)	YTD chg (%)
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#### FX & MONEY RATES

USD/UAH	22.7250	+2.83	+43.65
USD/UAH (1Y NDF)	25.4000	-2.29	+37.67
EUR/USD	1.0825	-0.05	-10.52
USD/RUB	56.9640	+0.03	-6.21
KievPRIME O/N (%)	19.00	-70bp	+10bp
KievPRIME 1M (%)	24.00	-70bp	+410bp

#### SOVEREIGN EUROBONDS: yields and spreads

Ukraine 15, Eurobond (%)	472.74	+167bp	+41,097bp
Ukraine 17, Eurobond (%)	46.74	+21bp	+1,898bp
Ukraine 22, Eurobond (%)	19.23	+12bp	+298bp
Ukraine 23, Eurobond (%)	18.42	-8bp	+285bp
Ukraine 5Y CDS	2,204bp	+3bp	+5bp

#### EQUITIES

##### Stock market indices

UX (Ukraine)	979.04	-0.26	-5.25
MSCI World	431.96	+0.00	+3.56
MSCI EM	935.45	-0.66	-2.18
RTS (Russia)	900.65	-1.29	+14.42
WIG-20 (Poland)	2,244.63	-1.77	-3.08
S&P 500 (USA)	2,128.28	+0.08	+3.37

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

### New opinion poll shows that reforms have damaged incumbents' approval ratings

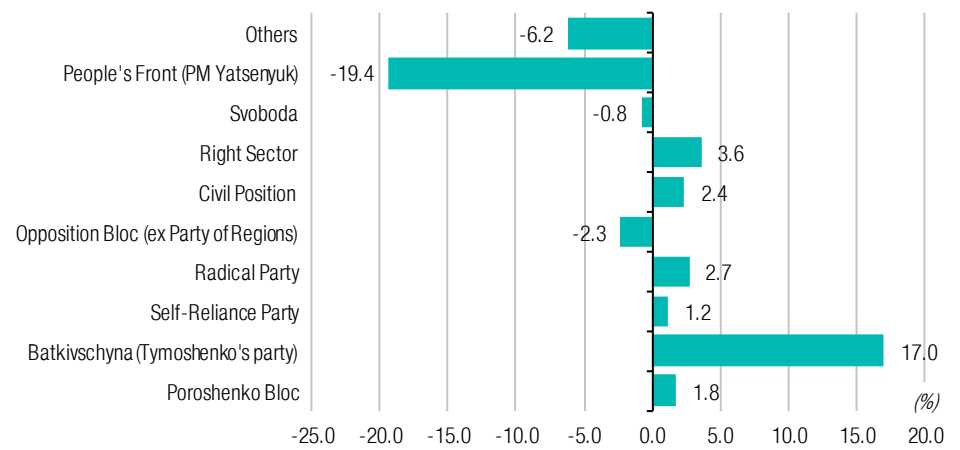
A newly published results of opinion poll by KIIS, a respected Kyiv-based pollster, ([link](#), in Ukrainian) shows that President Poroshenko's bloc ranking are fairly stable, while Julia Tymoshenko's Batkivschyna has extended spectacular gains. PM Yatsenyuk's party, the People's Front, has been a key victim of the popular dissatisfaction with the economic hardships brought by the economic crisis arising from Russia's war on Ukraine in Donbass as well as the annexation of Crimea. Yatsenyuk's once prophetic claim, after being approved as Ukraine's next prime minister in early 2014, that his government would be sacrificed is now being realized, particularly as his party is receiving the brunt of the blame for the social pains resulting from the economic reforms. As the table below shows over the past year, Poroshenko's bloc approval ratings improved just less than 2ppts, staying at 23.5%, while Yatsenyuk's party has lost 19.4ppts of the support that it enjoyed during the parliamentary elections (see Table 1 and Chart 1 on page 3). Meanwhile, Tymoshenko's rhetoric and action in the parliament have strategically generated PR gains by pushing for populists laws like the one adopted just few weeks ago that provides compensation for households that borrowed FX-denominated funds. That law violates the IMF agreement and could lead to another financial crisis if signed into law. In reaction, Poroshenko's party and civil activists disavowed the law, declaring it to be a mere ploy promoted by populists. Currently, it is being reviewed by the parliament and will inevitably be diluted. The key political intrigue of this fall is likely to arrive after October's regional elections: if Tymoshenko's party retains its popular support, then Poroshenko's Party should respond somehow to the shifting political landscape. There could be a rapprochement between these two parties that lead in the polls and they will likely be the leaders this fall.

**Table 1. KIIS opinion poll results: approval rankings (% of total)**

Party / Bloc	Oct-14*	Mar-15	May-15	Jul-15
Poroshenko Bloc	21.7	26.7	21.2	23.5
Batkivschyna (Tymoshenko's party)	5.7	11.5	15.3	22.7
Self-Reliance Party	11.0	17.1	15.8	12.2
Radical Party	7.5	8.4	12.0	10.2
Opposition Bloc (ex Party of Regions)	9.5	10.2	9.7	7.2
Civil Position	3.1	4.8	5.4	5.5
Right Sector	1.8	5.2	4.1	5.4
Svoboda	4.7	4.1	4.6	3.9
People's Front (PM Yatsenyuk)	22.2	6.6	4.1	2.8
Others	12.8	5.4	7.8	6.6

\* parliamentary elections results. Sources: KIIS.

**Chart 1. Cumulative change in the approval ranking from October 2014 through July 2015 (ppt)**



Source: KIIS, ICU.

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# Bonds: News & Comments

## Primary auction announcement

Per its schedule, the MoF announced for today an offering of a 12-month USD-denominated bond with semiannual coupon payments. The rate will be set upon acceptance at the auction. Last month, US\$140m of similar bonds were sold at 8.66% to three bidders, most likely state-owned banks. Today's auction could be more active if primary dealers submit bids both for themselves and their clients. This is different from last month when NBU regulations permitted only primary dealers to submit bids for their own demand and not for clients.

## Banks build liquidity

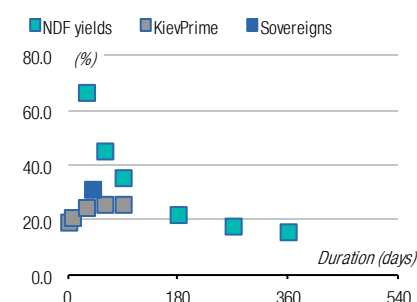
The broader liquidity indicator rose to its record high of this year, up UAH3.03bn to UAH73.94bn yesterday, as banks' correspondent accounts with the NBU rose UAH5.89bn to UAH30.17bn while total CDs outstanding declined UAH2.86bn to UAH38.89bn. Total local currency debt repayments remained steady at UAH5.17bn. This liquidity increase pushed KyivPrime interest rates down 70bp to 19.00% and 24.00% for ON and 1M interest rates, respectively.

The increase in liquidity was most likely the result of banks' accumulating funds prior to month-end tax payments, the low supply of FX without NBU intervention last Friday, and the significant decline in the volume of FX trading that day. Also, this liquidity could be used for today's demand at primary auctions if primary dealers are able to purchase FX to replace funds spent at the primary market.

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## Yield curve of the local bond market

(as of market close on 20 Jul 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 20 Jul 2015)

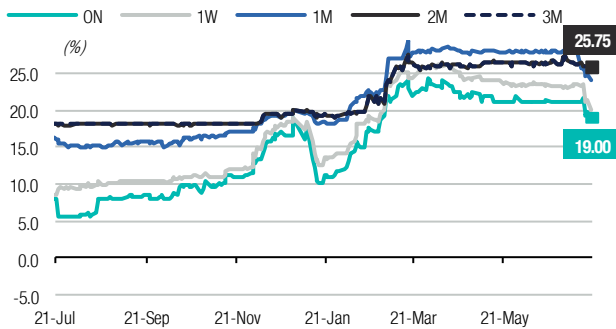
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
O/n	19.00	-70bp	-200bp	-225bp	+10bp
1wk	20.00	-130bp	-317bp	-350bp	+100bp
1m	24.00	-70bp	-167bp	-375bp	+410bp
2m	25.75	-15bp	-58bp	-50bp	+575bp
3m	25.75	-15bp	-25bp	-50bp	+575bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	30,174	+24.25	+17.34	+24.24	-9.26
CDs <sup>2</sup>	0	+0.00	-100.0	-100.0	-100.0
Sovgns <sup>3</sup>	5,639	+27.32	-2.32	+38.64	+24.43
<b>Total</b>	<b>35,813</b>	<b>+24.73</b>	<b>+6.48</b>	<b>-34.24</b>	<b>-33.15</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	360,308	+0.00	+0.26	+2.08	+13.26
Banks	83,064	+0.07	-0.85	+0.91	-11.10
Resid's <sup>4</sup>	23,860	+0.01	-1.56	+10.36	-2.81
Non-res <sup>5</sup>	22,239	+0.06	-6.36	-4.32	+3.23
<b>Total</b>	<b>489,472</b>	<b>+0.02</b>	<b>-0.34</b>	<b>+1.94</b>	<b>+6.95</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	16.50	-12ppt	+784bp	-14ppt	-985bp
6m	20.36	-624bp	+365bp	-537bp	+5bp
9m	16.82	-425bp	+236bp	-155bp	-138bp
1yr	12.66	-588bp	-90bp	-343bp	-470bp
<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	2,204	+3bp	-30bp	-886bp	+5bp
Jun '16	85.69	-117bp	-26bp	-16ppt	+49bp
Jul '17	46.74	+21bp	+22bp	-773bp	+19bp
Sep '20	23.06	-25bp	-5bp	-349bp	+421bp
Sep '21	21.83	+29bp	+33bp	-195bp	+330bp
Sep '22	19.23	+12bp	+47bp	-225bp	+298bp
Feb '23	18.42	-8bp	+2bp	-81bp	+285bp

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.

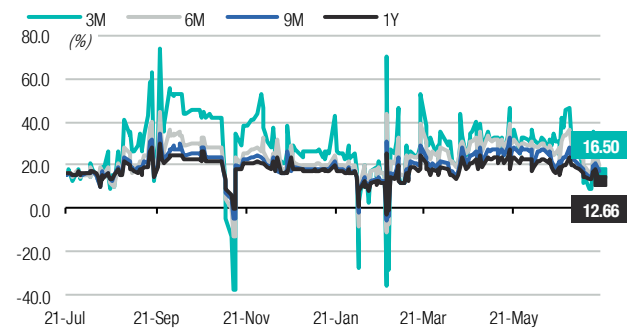
Chart page: Local bond market & Eurobond markets

Chart 2. Kiev Prime rates (%), last 12-month period



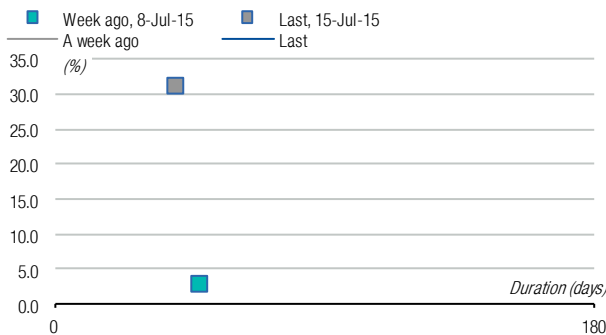
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH NDF implied yields (%), last 12-month period



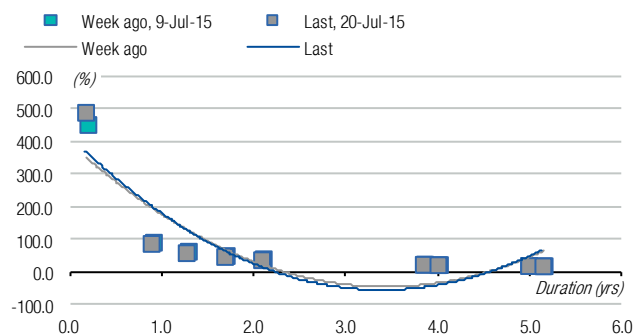
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. UAH sovereign yield curve (%) as of 20 Jul 2015



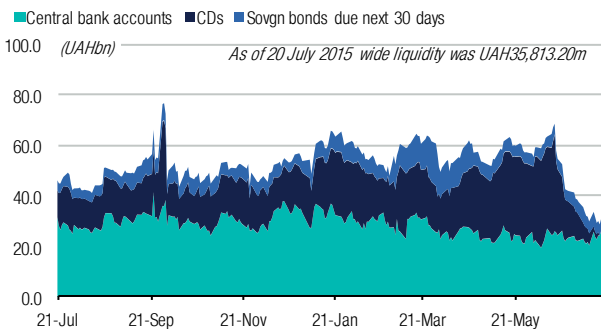
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 5. USD sovereign yield curve (%) as of 20 Jul 2015



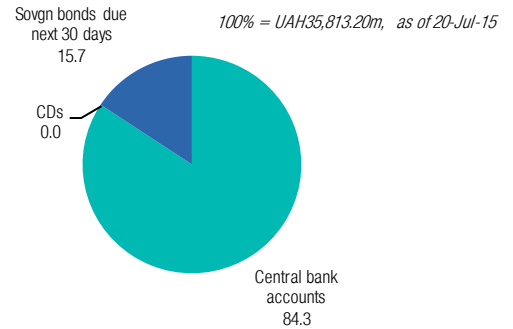
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 6. Banking sector liquidity (UAHbn), last 12-month period



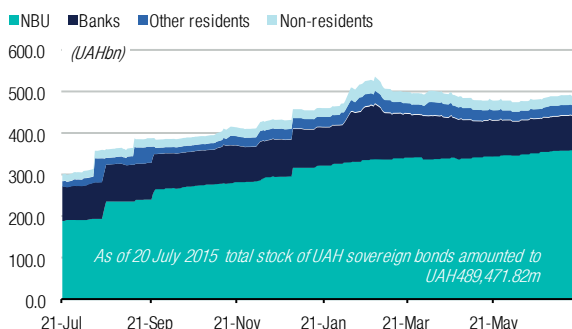
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 7. Breakdown of liquidity pool (%) as of 20 Jul 2015



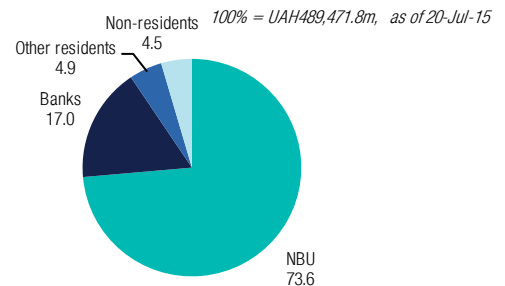
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 8. Holders of sovereign bonds (UAHbn), last 12 months



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

Chart 9. Domestic sovereign debt (%) as of 20 Jul 2015



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

Table 2. Ukrainian stocks (closing prices as of 20-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	+0.0	-12.7	+11.3	+0.0	0.17	40.0	8.7	40.2	16.1	0.0	34.4	0.14	719	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	7.47 UAH	-0.8	-3.3	-1.0	-6.3	0.34	125.1	130.0	21.7	27.2	6.0	17.7	0.06	1,694	39.1	Neg.	6.2	0.4	Neg.	N/A	0.4	0.3	0.2	1.3	4.2
Coal Energy	CLE PW	Warsaw	0.67 PLN	-1.5	+17.5	+8.1	-35.0	0.18	7.9	80.5	25.0	2.0	0.1	1.7	0.15	661	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	20.60 UAH	-0.3	-6.4	-37.6	-46.5	0.93	22.1	35.4	14.2	3.1	0.2	4.9	0.04	2,415	4.8	Neg.	N/A	0.0	10.3	N/A	0.2	0.2	N/A	0.3	13.6
JKX Oil & Gas	JKX LN	London	19.50 GBp	+0.0	-30.4	+62.5	-61.8	0.30	52.3	63.3	47.2	24.7	0.0	130.8	0.14	723	Neg.	Neg.	Neg.	Neg.	1.2	N/A	0.4	0.4	0.8	0.2	9.9
Regal Petroleum	RPT LN	London	5.02 GBp	-8.8	+24.4	+60.5	-45.0	0.08	25.0	-6.8	80.9	20.3	6.2	4.8	0.02	4,129	4.4	8.3	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.3	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	167.00 UAH	+0.0	+0.0	+12.8	+30.5	7.57	96.8	146.0	5.0	4.8	0.0	0.1	0.00	53,401	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	-2.3	-1.0	-13.8	-66.1	0.00	14.6	1,876.0	3.9	0.6	0.1	0.8	0.04	2,549	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	1.06 UAH	-3.8	-5.5	-38.8	-67.7	0.05	9.4	7.0	4.0	0.4	0.6	1.0	0.29	342	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0
Azovstal	AZST UK	Kiev, UX	0.76 UAH	-1.7	-2.7	+2.0	-9.5	0.03	144.8	104.1	4.1	5.9	1.0	4.9	0.02	4,377	3.5	2.7	N/A	0.0	0.9	N/A	0.1	0.1	N/A	0.1	0.0
Ferrexpo PLC	FXPO LN	London	56.50 GBp	-2.6	-18.7	+15.5	-55.2	0.88	517.9	1,214.8	22.4	116.0	378.9	624.3	0.43	231	2.9	6.4	11.1	3.8	5.1	6.4	0.9	1.2	1.2	0.7	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.22 UAH	+0.0	-22.8	-21.4	-68.1	0.01	2.7	3.4	9.0	0.2	0.0	0.2	0.26	392	Neg.	6.7	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	17.95 UAH	+12.1	+9.6	-14.3	-58.1	0.81	8.6	1.0	9.4	0.8	10.2	3.2	0.25	402	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	0.42 EUR	+0.0	-6.7	-2.3	-56.3	0.45	42.0	88.7	34.0	14.3	8.5	8.6	0.06	1,604	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	0.9	35.9
Agroliga	AGL PW	Warsaw	11.00 PLN	+0.0	-1.5	+22.2	-42.2	2.89	4.4	5.2	16.7	0.7	0.0	1.8	0.12	835	1.3	N/A	N/A	1.5	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	1.06 PLN	-1.9	-3.6	-13.8	-62.3	0.28	6.0	33.4	26.2	1.6	6.5	7.8	0.36	275	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	34.21 PLN	+1.8	+18.0	+71.1	-14.5	8.98	224.5	452.6	31.0	69.6	117.5	165.4	0.05	1,896	Neg.	Neg.	3.6	3.8	4.0	4.2	1.2	1.1	1.1	1.4	49.6
Avangard	AVGR LI	London Intl	1.10 USD	+0.0	-22.5	-46.3	-88.4	1.10	70.3	332.4	21.7	15.2	11.5	20.4	0.05	1,899	Neg.	Neg.	Neg.	2.6	4.8	4.1	0.8	1.0	1.0	0.2	33.1
IMC	IMC PW	Warsaw	5.15 PLN	+2.0	+7.3	-9.2	-39.3	1.35	42.3	150.8	23.9	10.1	0.2	11.0	0.21	484	Neg.	6.8	1.2	2.6	2.6	2.5	1.1	0.9	0.8	1.6	69.8
Kernel Holding...	KER PW	Warsaw	41.00 PLN	+2.8	+8.2	+44.1	+39.0	10.76	857.5	1,331.8	58.8	504.0	946.2	1,480.9	0.25	403	Neg.	6.6	4.9	5.9	3.8	3.9	0.6	0.6	0.5	1.0	39.1
KSG Agro	KSG PW	Warsaw	0.62 PLN	-10.1	-4.6	-44.6	-86.3	0.16	2.4	67.5	34.4	0.8	2.0	3.0	0.13	791	Neg.	0.1	N/A	6.7	N/A	N/A	2.1	0.6	N/A	N/A	67.4
MHP	MHPC LI	London Intl	10.45 USD	-0.5	+2.5	+13.6	-30.8	10.45	1,104.2	2,264.2	22.3	246.5	12.8	609.1	0.19	529	Neg.	6.1	4.4	4.1	4.5	4.8	1.6	1.8	1.8	2.6	53.0
Milkiland	MLK PW	Warsaw	1.42 PLN	-3.4	-21.1	-4.1	-74.0	0.37	11.6	122.2	20.0	2.3	3.9	8.7	0.54	186	Neg.	Neg.	1.6	8.9	4.2	3.8	0.4	0.5	0.5	0.1	42.5
Ovostar Union	OVO PW	Warsaw	80.00 PLN	-1.2	+2.6	+11.1	+14.4	21.00	126.0	136.2	25.0	31.5	4.2	104.7	0.03	3,151	5.0	5.4	10.1	4.6	5.2	7.6	1.8	1.8	2.4	1.5	9.4
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	2.44 PLN	-9.6	-18.7	-39.8	-74.3	0.64	6.0	-8.7	10.9	0.6	0.0	0.3	0.02	6,425	Neg.	N/A	N/A	16.8	N/A	N/A	Neg.	N/A	N/A	0.1	7.9
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Frankfurt	0.03 EUR	-14.3	+3.4	-62.5	-84.4	0.03	1.7	94.6	13.1	0.2	0.0	0.4	0.06	1,714	Neg.	N/A	N/A	Neg.	N/A	N/A	3.6	N/A	N/A	0.0	41.9
<b>FINANCIAL SERVICES</b>																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	+1.0	-1.9	-7.3	-40.7	0.00	120.9	N/A	3.8	4.6	1.9	7.6	0.07	1,534	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	0.09 UAH	+0.0	+6.0	-32.4	-49.2	0.00	98.4	N/A	4.5	4.4	0.0	0.7	0.03	3,557	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	38.2

Table 2. Ukrainian stocks (closing prices as of 20-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

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

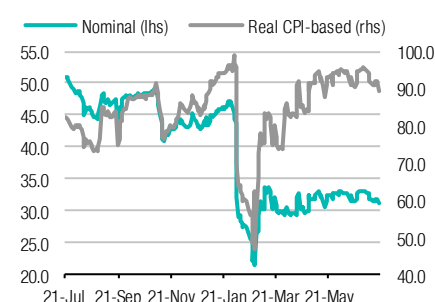
## UAH inches towards 23/USD

The hryvnia was weak and closed at around 23/USD yesterday with no sign of strengthening toward the 21/USD level seen just one month ago. This week's talks between Ukraine and its private creditors, where expectations are low that a compromise will be reached (even though we reiterate that a compromise is still possible), combined with increased rhetoric that the US Fed will increase interest rates this September, are strengthening the USD in the local FX market. Although news that Tymoshenko has been gaining in the polls (although she is still behind Poroshenko) is weakening the UAH, this implication is unlikely to be fully digested by the local market.

**Alexander Valchyshen, Kiev, +38044 2200120 ext.242**

### ICU's UAH trade-weighted indices

(Last 12-month history to 21 Jul 2015)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 20 Jul 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	22.7250	+2.83	+2.36	+4.72	+43.65
NBU avg	22.0321	+0.08	+0.31	+1.83	+39.72
Ttl vlm <sup>1</sup>	256.16	-12.68	+4.29	+10.19	-40.55
\$ volume <sup>2</sup>	177.39	-16.61	+4.39	+10.89	-49.93
NDF 3M	23.6453	+0.00	+4.32	+1.26	+40.33
NDF 6M	24.9953	+0.00	+4.08	+2.23	+43.65
NDF 1Y	25.4000	-2.29	+1.54	+1.60	+37.67
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	30.985	-2.59	-1.40	-1.67	-30.32
UAH real CPI	89.439	-2.59	-1.40	-1.67	+3.35
UAH real PPI	107.561	-2.59	-1.40	-1.67	-8.66
USD nom'l	98.029	+0.17	+1.21	+4.19	+8.60
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	56.9640	+0.03	+0.73	+5.42	-6.21
EUR/USD	1.0825	-0.05	-1.61	-4.64	-10.52
USD/CNY	6.2097	+0.00	+0.02	+0.00	+0.07
USD/PLN	3.8093	+0.45	+1.31	+3.45	+7.50
USD/TRY	2.6985	+1.72	+1.98	+0.14	+15.57
USD/BYR	15,191.00	-0.03	+0.18	-0.87	+38.10
USD/KZT	187.0600	-0.07	+0.12	+0.54	+2.58
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	124.2700	+0.15	+0.68	+1.27	+3.75
GBP/USD	1.5564	-0.23	+0.50	-2.01	-0.08
USD/CHF	0.9646	+0.32	+1.52	+5.13	-2.99
AUD/USD	0.7372	+0.01	-0.47	-5.15	-9.82
USD/CAD	1.2994	+0.17	+1.99	+5.94	+11.81
USD/BRL	3.1960	+0.25	+1.98	+3.17	+20.26
USD/KRW	1,152.20	+0.41	+1.92	+4.08	+5.61
<b>COMMODITIES</b>					
Gold(\$/oz)	1,096.68	-3.33	-5.29	-8.63	-7.44
WTI crude <sup>3</sup>	50.15	-1.45	-3.93	-15.87	-5.86
Brent crd <sup>3</sup>	55.66	-1.21	-2.78	-8.42	-0.18
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	211.84	-1.26	-3.05	-4.63	-7.88

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.

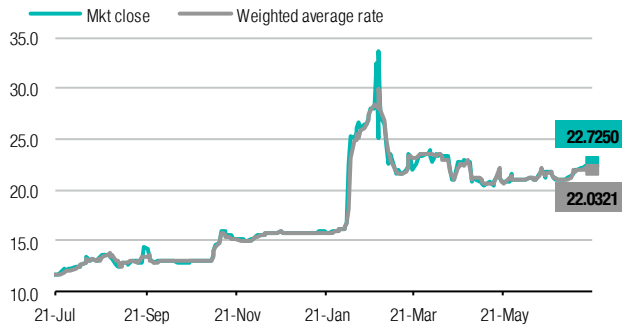
Readers may follow the ICU trade-weighted indices of the local-currency, the hryvnia (UAH), on the ICU [website](#) and Bloomberg (type: ALLX UTWI <GO>).

Section on FX market is continued on next page.

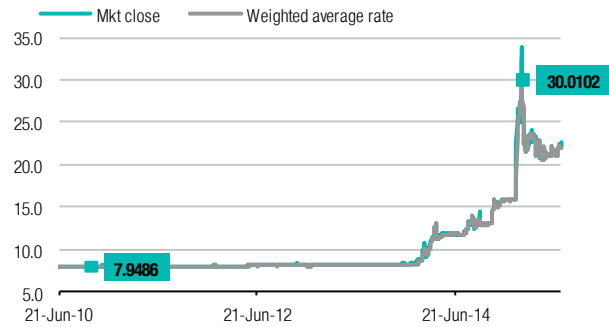


### Chart page #1: Foreign-exchange market

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

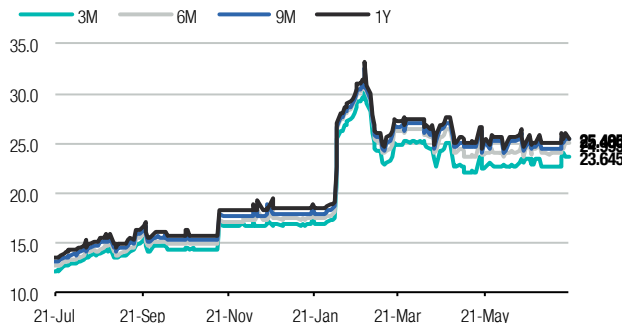


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

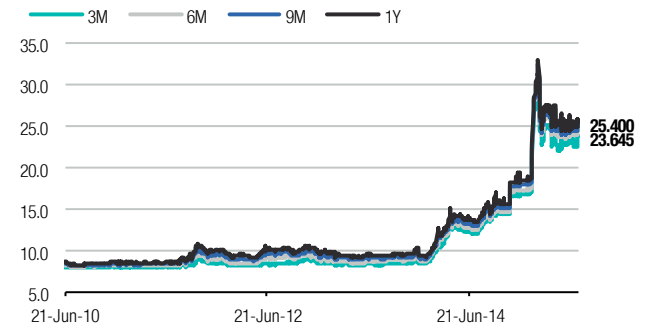


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

**Chart 11. NDF market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)**

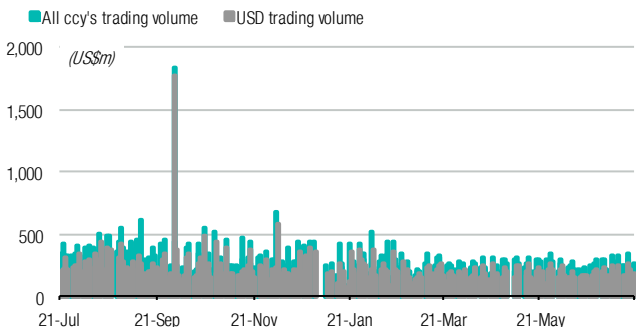


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

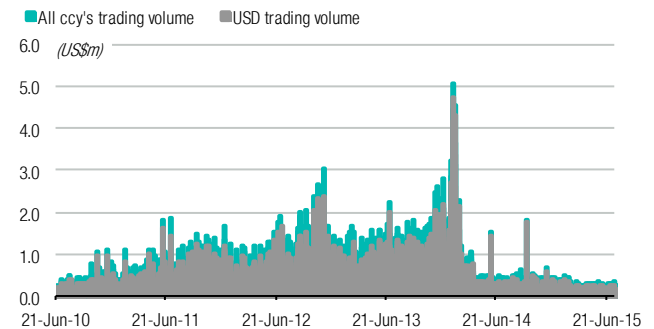


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

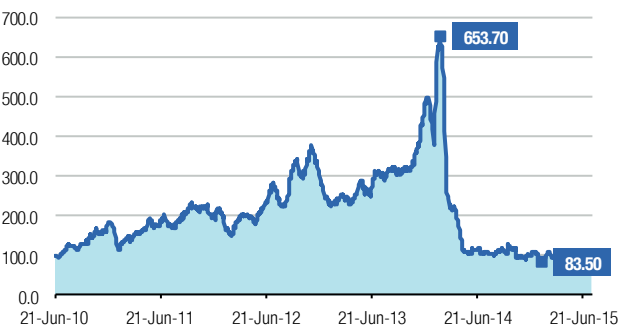


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

**Chart 13. 30D MA\* ratio of FX market turnover to merchandise trade: last 12m and 5yr periods (% , left and right respectively)**

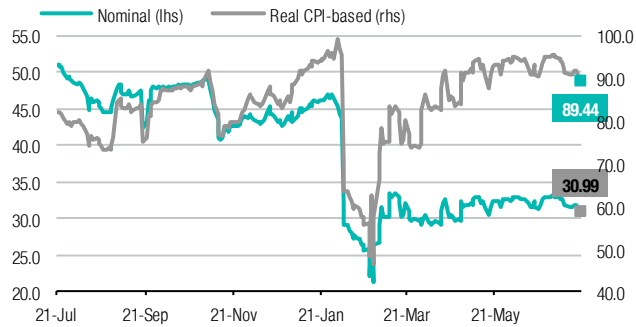


Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

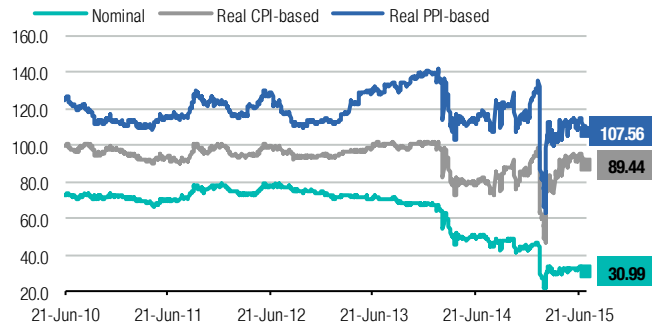
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

**Chart 14. Nominal and CPI-based real TWIs of UAH, history of last 12-month period**



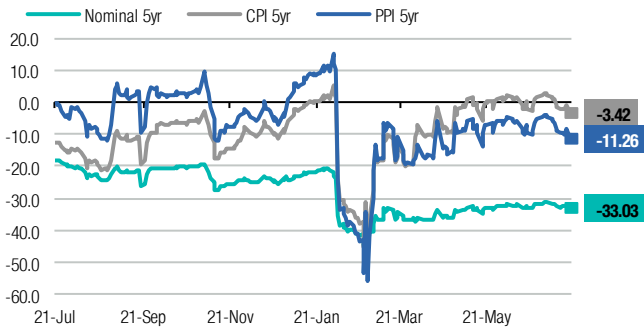
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**Chart 15. Nominal, CPI- and PPI-based TWIs of UAH, history of last 5-year period**

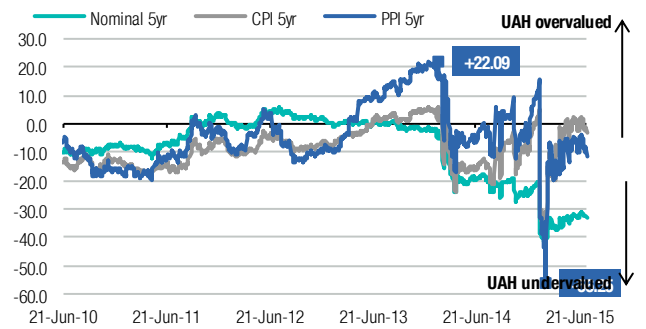


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

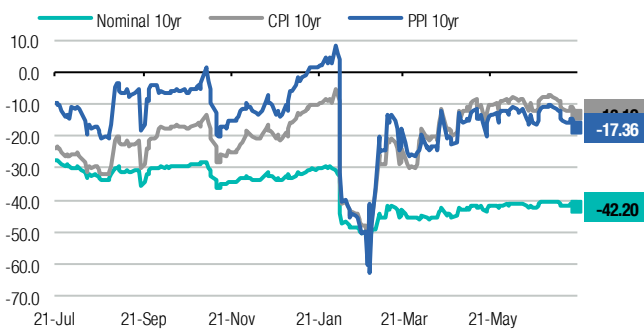


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

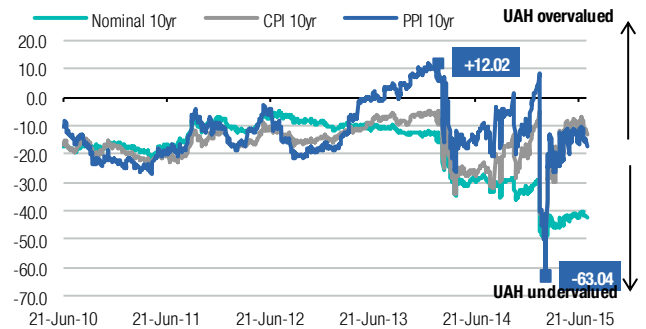


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**Chart 17. 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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