



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
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Daily Insight

Ukraine agrees to conditions with creditors

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FRIDAY, 28 AUGUST 2015

UX Index (3 months to 28 Aug 2015)



Source: UX.

Key market indicators (as of 27 Aug 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	21.2750	-2.41	+34.48
USD/UAH (1Y NDF)	25.4257	+3.33	+37.81
EUR/USD	1.1246	-0.60	-7.04
USD/RUB	65.8930	-4.40	+8.49
KievPRIME O/N (%)	19.30	+20bp	+40bp
KievPRIME 1M (%)	24.00	+0bp	+410bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	533.17	-42,156bp	+47,140bp
Ukraine 17, Eurobond (%)	29.98	-1,483bp	+223bp
Ukraine 22, Eurobond (%)	14.51	-453bp	-174bp
Ukraine 23, Eurobond (%)	13.68	-433bp	-188bp
Ukraine 5Y CDS	2,187bp	+0bp	-12bp
EQUITIES			
Stock market indices			
UX (Ukraine)	972.08	+0.91	-5.92
MSCI World	397.58	+2.22	-4.68
MSCI EM	813.08	+3.27	-14.98
RTS (Russia)	804.86	+6.66	+2.25
WIG-20 (Poland)	2,117.83	+2.09	-8.55
S&P 500 (USA)	1,987.66	+2.43	-3.46

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

Ukraine agrees to conditions with creditors

The Ukrainian Cabinet of Ministers approved the terms of the debt operation set by the ad-hoc committee earlier this week. Representing more than a half of debt to be considered, the ad-hoc committee agreed to give the MoF a 20% haircut, a 7.75% coupon rate on the restructured debt, and a 4-year extension of maturities with a flat amortization schedule in 2019-2027. One new development, as an incentive to the creditors, is the addition of a Value Recovery Instrument (VRI), never used by Ukraine before, which will oblige Ukraine to pay a bonus to creditor investors if the country's GDP rises above US\$125.4bn and real GDP growth exceeds 3%.

Investment implications: These conditions are most advantageous for Ukraine under the current economic, political, and military conditions. Although the MoF requested a 40% haircut and a lower coupon rate, the committee was adamant about agreeing to a haircut. However, a compromise was met with the provision of the VRI incentive to creditors, a positive addition meant to secure their support of the Ukrainian economy toward a fast recovery.

We believe that other creditors who chose not participate in the ad-hoc committee will most likely not block its approval. Russia, however, announced yesterday that the Kremlin would not participate in the restructuring. While we believe Russia is only creating complications to pressure other creditors to abstain from the agreement, we also believe that only Russia would consider filing a lawsuit to prevent its passage.

Although the VRI could be triggered if GDP growth is significant, per the economic reports in June and July, real GDP growth should come in at about 2%. Because of this, we expect no additional payments.

Liquidity down

Banking sector liquidity slightly declined yesterday, down UAH0.46bn to UAH73.08bn, as banks' correspondent accounts with the NBU rose UAH1.38bn to UAH25.40bn while total CDs outstanding fell UAH1.84bn to UAH47.68bn.

Investment implications: The NBU sold only UAH5.54bn of ON CDs on Wednesday versus UAH9.26bn on Tuesday. Most likely, investing in longer term CDs was the reason for the discrepancy, particularly as the total outstanding declined less significantly. Month-end tax payments should continue to have a negative effect on liquidity.

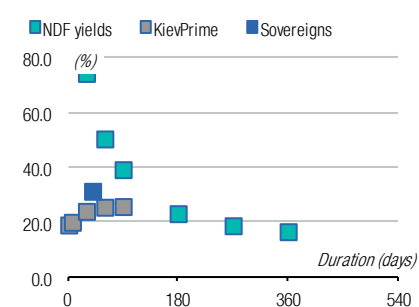
Local debt outstanding declines

Total domestic debt outstanding declined UAH3.22bn yesterday, but not because of redemptions or MoF buybacks as only UAH0.83bn in interest repayments were scheduled. As the largest reductions were seen in the portfolios of banks and non-residents, the main holders of USD-denominated bonds, the decline was the most likely caused by the hryvnia's appreciation on Wednesday.

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Yield curve of the local bond market

(as of market close on 27 Aug 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 27 Aug 2015)

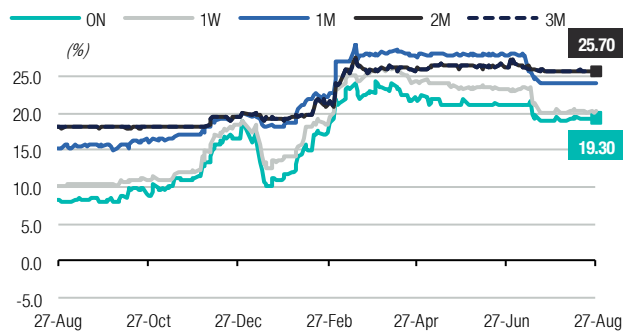
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	19.30	+20bp	+20bp	+30bp	+40bp
1wk	20.20	+10bp	+10bp	+20bp	+120bp
1m	24.00	+0bp	+0bp	+0bp	+410bp
2m	25.60	+0bp	+0bp	+10bp	+560bp
3m	25.70	+0bp	+0bp	-5bp	+570bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	25,404	+5.76	+6.71	+7.44	-23.60
CDs ²	0	+0.00	+0.00	+0.00	-100.0
Sovgns ³	5,885	+0.00	-3.58	-12.43	+29.88
Total	31,289	+4.62	+4.61	+3.04	-41.59
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	366,341	-0.03	-0.11	+1.33	+15.12
Banks	81,134	-0.14	-2.43	-2.90	-13.29
Resid's ⁴	20,972	+0.11	-1.06	-7.11	-14.48
Non-res ⁵	21,394	-0.42	-4.34	-4.40	-1.11
Total	489,841	-0.06	-0.73	-0.04	+6.97
NDF IMPLIED YIELDS (%)					
3m	41.52	+564bp	+19bp	+827bp	+15bp
6m	23.33	+301bp	-39bp	+242bp	+302bp
9m	18.21	+171bp	-98bp	+75bp	+1bp
1yr	20.52	+671bp	+336bp	+529bp	+316bp
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	2,187	+0bp	+123bp	+46bp	-12bp
Jun '16	58.50	-34ppt	-32ppt	-30ppt	+22bp
Jul '17	29.98	-15ppt	-15ppt	-17ppt	+223bp
Sep '20	16.40	-613bp	-610bp	-693bp	-245bp
Sep '21	16.12	-484bp	-482bp	-593bp	-242bp
Sep '22	14.51	-453bp	-451bp	-487bp	-174bp
Feb '23	13.68	-433bp	-432bp	-498bp	-188bp

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.

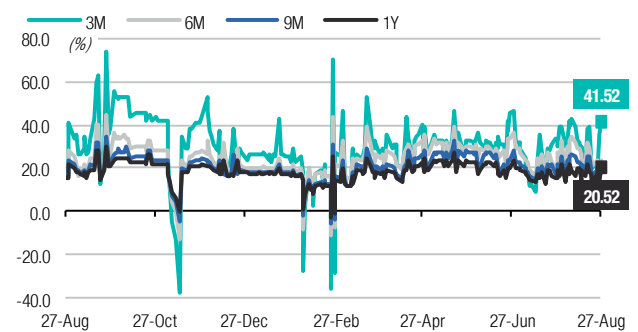
Chart page: Local bond market & Eurobond markets

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



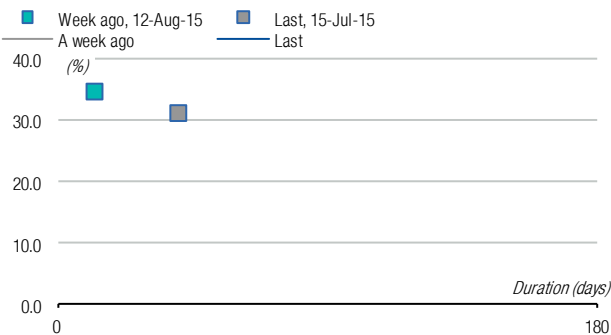
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



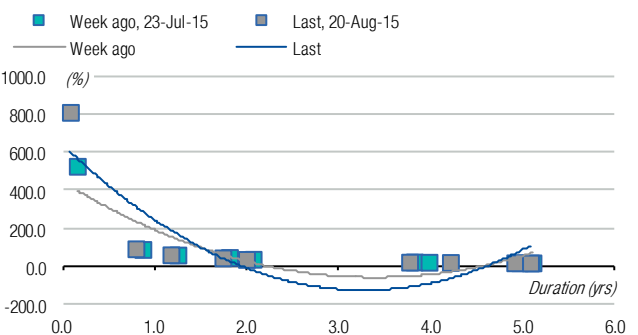
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 27 Aug 2015



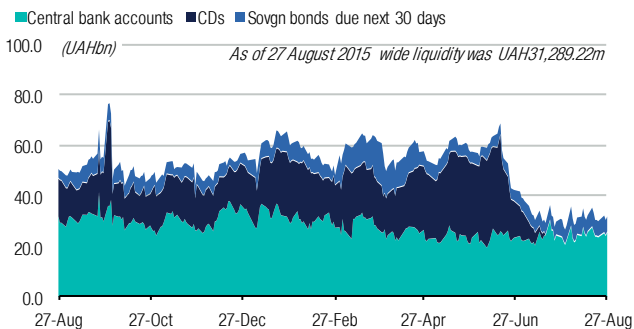
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 27 Aug 2015



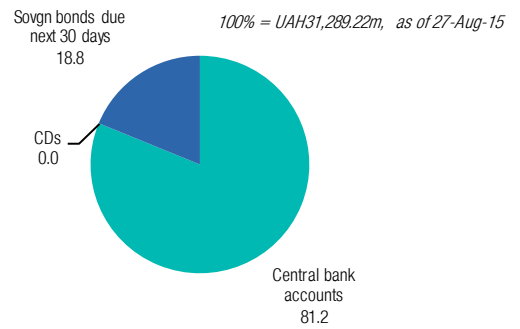
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



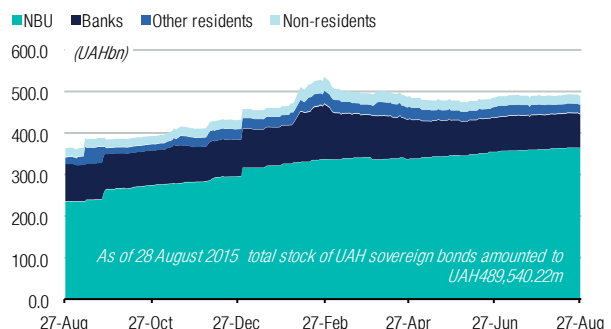
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 27 Aug 2015



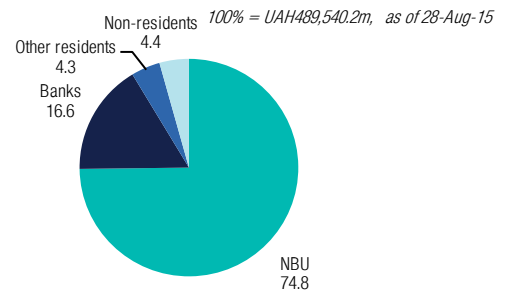
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 27 Aug 2015



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

Table 1. Ukrainian stocks (closing prices as of 27-Aug-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	10.13 GBp	+0.0	-5.8	+1.3	-12.0	0.16	36.1	4.8	40.2	14.5	34.6	27.4	0.08	1,214	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	7.30 UAH	+2.6	-0.9	-3.3	-4.5	0.34	127.2	136.7	21.7	27.6	10.0	16.0	0.04	2,599	38.2	Neg.	6.1	0.4	Neg.	N/A	0.4	0.3	0.2	1.3	4.2
Coal Energy	CLE PW	Warsaw	0.65 PLN	+0.0	+0.0	+4.8	-5.8	0.17	7.8	80.3	25.0	1.9	0.1	1.8	0.10	1,037	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	19.27 UAH	+0.9	-4.1	-41.6	-45.3	0.91	21.5	32.1	14.2	3.1	26.3	4.1	0.21	475	4.5	Neg.	N/A	0.0	8.9	N/A	0.1	0.2	N/A	0.4	13.6
JXK Oil & Gas	JXK LN	London	15.75 GBp	-3.1	-17.1	+31.3	-64.9	0.24	41.8	52.5	47.2	19.7	17.5	57.6	0.80	126	Neg.	Neg.	Neg.	Neg.	1.1	N/A	0.4	0.4	0.7	0.2	9.9
Regal Petroleum	RPT LN	London	4.15 GBp	+7.0	-18.2	+32.8	-40.7	0.06	20.5	-11.3	80.9	16.6	9.6	2.4	0.02	5,633	3.6	6.8	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	130.00 UAH	+0.0	-23.5	-12.2	-4.1	6.14	78.5	114.0	5.0	3.9	0.0	0.1	0.00	46,313	Neg.	N/A	N/A	0.1	N/A	N/A	0.2	N/A	N/A	0.6	11.6
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	+4.8	+6.7	-9.0	-59.4	0.00	16.1	1,954.6	3.9	0.6	0.1	0.4	0.02	5,427	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	1.10 UAH	+1.6	+17.0	-36.4	-61.6	0.05	10.1	9.5	4.0	0.4	7.9	1.4	0.37	268	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	-0.3	-2.1	+5.4	+1.9	0.04	155.8	102.8	4.1	6.4	0.9	3.5	0.02	5,446	3.6	2.8	N/A	0.0	0.9	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	58.50 GBp	+1.3	+1.7	+19.6	-51.2	0.90	531.2	1,187.8	22.4	119.0	583.6	559.8	0.47	213	3.0	5.4	10.1	3.7	4.6	6.0	0.9	1.2	1.2	1.2	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.32 UAH	+3.2	+28.5	+14.3	-38.6	0.02	4.1	4.8	9.0	0.4	0.3	0.3	0.01	10,885	Neg.	9.7	N/A	Neg.	Neg.	N/A	0.1	0.0	N/A	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	16.60 UAH	+0.1	+0.4	-20.8	-54.5	0.78	8.3	0.4	9.4	0.8	0.9	2.9	0.27	369	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	N/A	0.2	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.47 EUR	-2.1	-9.6	+9.3	-46.6	0.53	48.9	97.5	34.0	16.6	10.7	35.6	0.27	377	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	1.0	35.9
Agroliga	AGL PW	Warsaw	10.55 PLN	+3.8	-12.1	+17.2	-39.0	2.80	4.3	5.1	16.7	0.7	2.7	1.7	0.18	546	1.2	N/A	N/A	1.5	N/A	N/A	0.3	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	1.07 PLN	+7.0	-8.5	-13.0	-40.9	0.28	6.2	33.5	26.2	1.6	6.4	15.1	0.86	116	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	31.50 PLN	+3.3	-4.5	+57.5	-13.6	8.37	209.2	441.1	31.0	64.9	70.5	91.9	0.13	780	Neg.	1,346.4	3.5	3.7	4.0	3.9	1.1	1.1	1.0	0.9	49.6
Avangard	AVGR LI	London Intl	0.70 USD	+0.0	-36.4	-65.9	-91.7	0.70	44.7	306.9	21.7	9.7	17.2	6.8	0.07	1,496	Neg.	Neg.	Neg.	2.4	4.5	3.8	0.7	0.9	1.0	0.1	33.1
IMC	IMC PW	Warsaw	5.00 PLN	+0.2	-11.5	-11.8	-41.1	1.33	41.6	150.1	23.9	9.9	3.1	11.5	0.04	2,527	Neg.	3.3	1.4	2.6	2.6	2.8	1.1	0.9	0.8	1.5	69.8
Kernel Holding...	KER PW	Warsaw	39.00 PLN	+4.3	-8.8	+37.0	+44.6	10.36	825.4	1,300.0	58.8	485.1	1,406.8	1,394.2	0.28	355	Neg.	5.9	4.2	5.8	3.3	3.7	0.5	0.5	0.5	1.0	39.1
KSG Agro	KSG PW	Warsaw	0.94 PLN	+9.3	-3.1	-16.1	+9.3	0.25	3.8	68.8	34.4	1.3	6.5	10.9	1.63	61	Neg.	0.2	N/A	6.9	N/A	N/A	2.1	0.6	N/A	N/A	67.4
MHP	MHPC LI	London Intl	9.20 USD	+0.0	-10.7	+0.0	-21.4	9.20	972.1	2,132.1	22.3	217.0	47.9	527.6	0.25	408	Neg.	5.3	3.6	3.8	4.2	4.2	1.5	1.6	1.6	2.3	53.0
Milkiland	MLK PW	Warsaw	0.99 PLN	+10.0	-31.7	-33.1	-78.0	0.26	8.2	123.2	20.0	1.6	12.5	14.3	1.33	75	Neg.	Neg.	Neg.	9.0	5.1	6.4	0.4	0.5	0.5	0.1	42.5
Ovostar Union	OVO PW	Warsaw	78.00 PLN	+4.0	-6.0	+8.3	+14.5	20.72	124.3	134.6	25.0	31.1	55.9	20.1	0.01	7,499	4.9	5.3	8.3	4.6	5.0	6.4	1.7	1.8	2.2	1.5	9.4
CONSTRUCTION																											
TMM	TR61 GF	Frankfurt	0.02 EUR	+0.0	-60.0	-75.0	-89.6	0.02	1.2	94.0	13.1	0.2	0.0	0.1	0.05	1,953	Neg.	N/A	N/A	Neg.	N/A	N/A	3.6	N/A	N/A	0.0	41.9
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	+1.2	+7.9	-3.1	-27.1	0.00	131.6	N/A	3.8	5.0	5.0	5.5	0.11	914	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	0.10 UAH	+5.3	+17.6	-23.2	-41.5	0.00	116.5	N/A	4.5	5.2	9.8	0.9	0.01	10,695	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

Authorities try to boost confidence: debt deal and policy rate cut announced

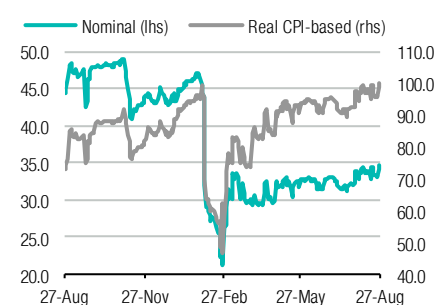
Ukraine's authorities announced that they reached a debt restructuring agreement with a committee of private creditors (for details, follow this [link](#)). The deal includes a 20% principal haircut, a slight increase of the coupon rate to 7.75% from current 7.22%, amortizations extended to 2019-27, and the issuance of GDP warrants as incentives to creditors. This is a positive development for Ukraine as it assumes optimistic real GDP projections. Should GDP growth exceed 4%, the issued warrants will trigger payments from the Ukrainian government to the creditors. Our base-line real GDP projections real GDP projection is of 2% in the medium and long term.

Following the debt deal announcement, the NBU announced that it will reduce its policy rate to 27% from 30% and begin the gradual relaxation of capital controls. The bank acknowledged that the rate cut is rather symbolic as its monetary stance remains restrictive, aiming to keep real rates positive (nominal rates minus expected inflation in twelve months). Regardless, the NBU expects the disinflationary trend to continue.

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ICU's UAH trade-weighted indices

(Last 12-month history to 28 Aug 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 27 Aug 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	21.2750	-2.41	-4.06	-3.83	+34.48
NBU avg	21.3171	-0.51	-3.24	-3.38	+35.19
Ttl vlm ¹	303.66	-10.31	+13.28	+3.14	-29.53
\$ volume ²	234.55	-3.82	+15.67	+5.49	-33.80
NDF 3M	23.4617	-1.15	+0.23	-2.01	+39.24
NDF 6M	23.7120	-1.08	-4.22	-2.80	+36.28
NDF 1Y	25.4257	+3.33	-1.29	+0.54	+37.81
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	34.671	+1.46	+3.86	+8.50	-22.03
UAH real CPI	100.076	+1.46	+3.86	+8.50	+15.64
UAH real PPI	120.354	+1.46	+3.86	+8.50	+2.20
USD nom'l	95.610	+0.54	-0.39	-0.92	+5.92
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	65.8930	-4.40	-3.17	+10.46	+8.49
EUR/USD	1.1246	-0.60	+0.04	+1.42	-7.04
USD/CNY	6.4056	-0.06	+0.26	+3.15	+3.22
USD/PLN	3.7639	+0.64	+1.00	+1.31	+6.22
USD/TRY	2.9090	-0.79	-0.24	+4.96	+24.58
USD/BYR	17,650.00	-0.42	+6.33	+16.63	+60.45
USD/KZT	240.9800	-1.03	-4.52	+28.56	+32.15
OTHER MAJOR CURRENCIES					
USD/JPY	121.0300	+0.93	-1.92	-1.80	+1.04
GBP/USD	1.5403	-0.39	-1.83	-1.00	-1.12
USD/CHF	0.9663	+1.20	+0.80	+0.36	-2.82
AUD/USD	0.7166	+0.62	-2.33	-1.42	-12.34
USD/CAD	1.3199	-0.70	+0.86	+1.23	+13.58
USD/BRL	3.5537	-1.19	+2.75	+5.65	+33.72
USD/KRW	1,185.10	-0.06	-0.01	+1.55	+8.63
COMMODITIES					
Gold(\$/oz)	1,124.84	-0.04	-2.37	+2.82	-5.07
WTI crude ³	42.56	+10.26	+3.45	-10.19	-20.11
Brent crd ³	45.74	+9.71	+1.51	-12.33	-17.97
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	192.63	+3.97	-1.04	-4.96	-16.23

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.

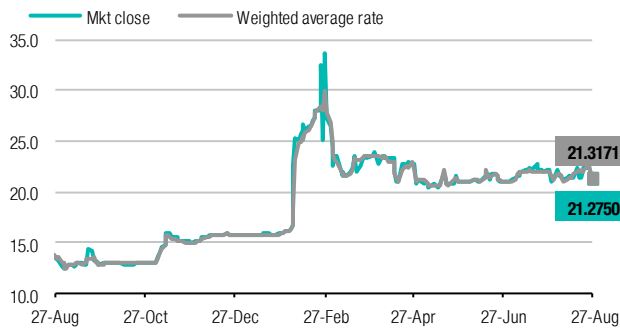
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

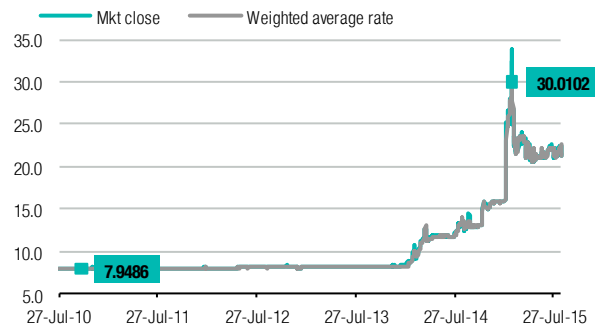
Section on FX market is continued on next page.

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)

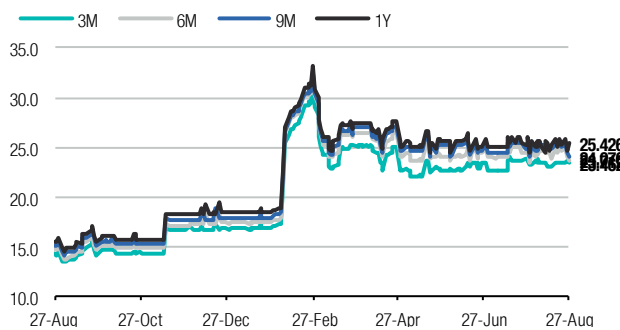


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

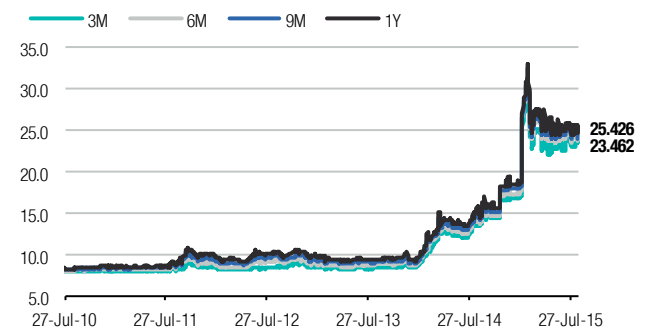


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

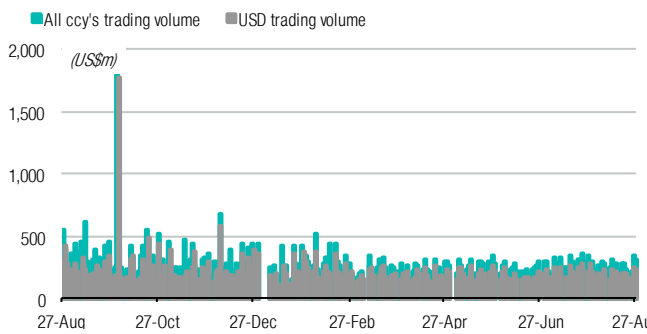


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

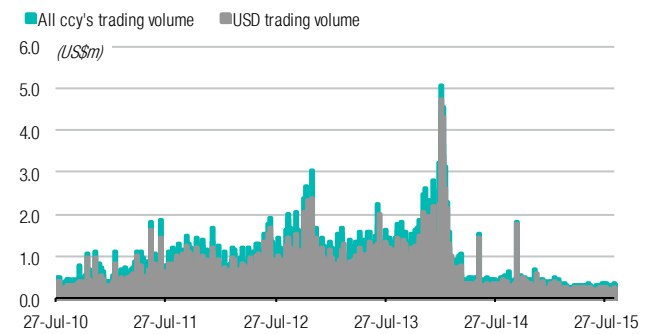


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

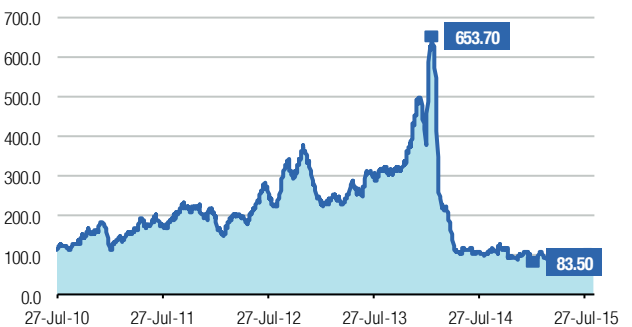


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

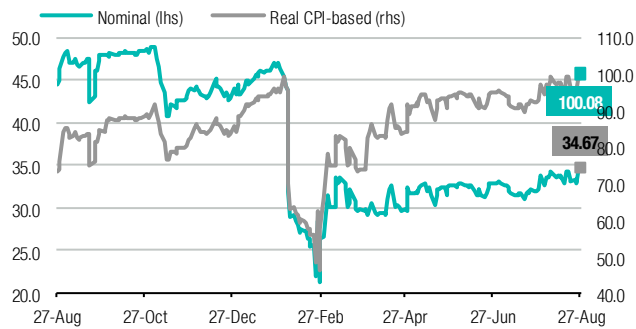


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

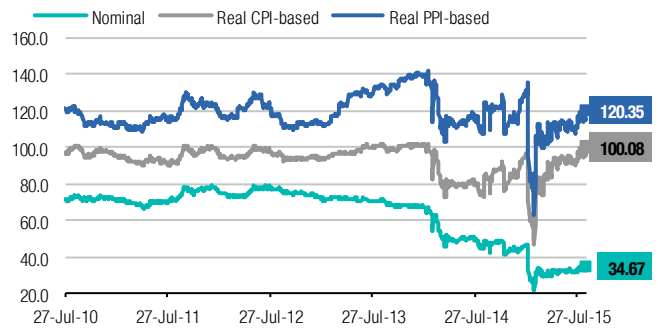
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



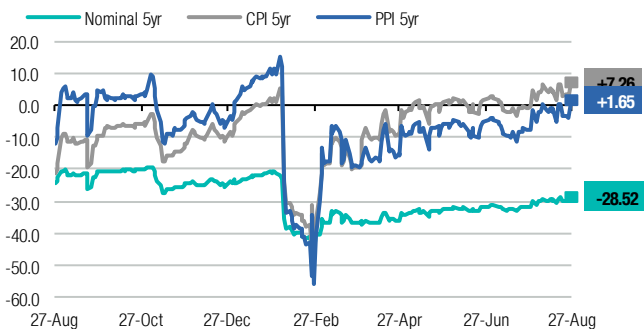
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

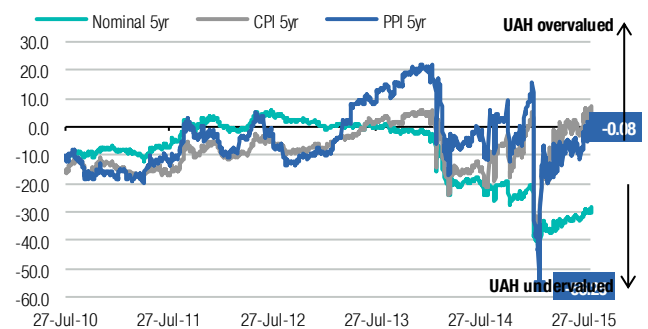


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

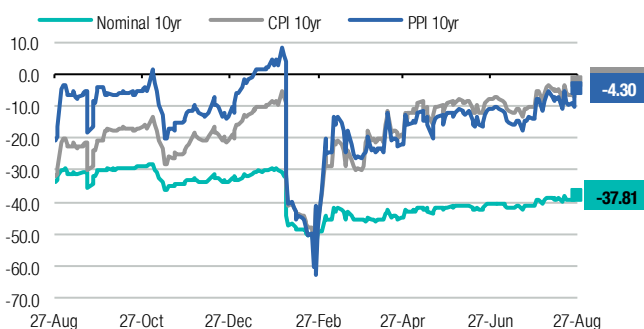


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

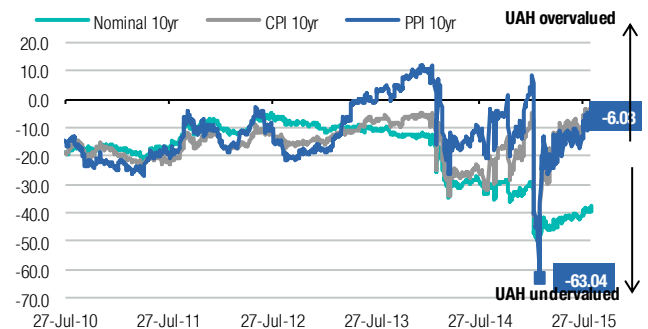


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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Disclosures

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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.

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

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

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

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

DEBT RATING DEFINITIONS

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

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

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



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