



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

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Daily Insight

Restructuring should be mostly approved

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MONDAY, 12 OCTOBER 2015

UX Index (3 months to 12 Oct 2015)



Source: UX.

Key market indicators (as of 9 Oct 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	21.7400	+2.21	+37.42
USD/UAH (1Y NDF)	26.1020	+2.28	+41.47
EUR/USD	1.1358	+0.73	-6.12
USD/RUB	61.5155	+0.20	+1.28
KievPRIME O/N (%)	18.58	-11bp	-32bp
KievPRIME 1M (%)	22.50	+0bp	+260bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	N/A	+0bp	-5,346bp
Ukraine 17, Eurobond (%)	25.81	+5bp	-195bp
Ukraine 22, Eurobond (%)	12.87	+1bp	-338bp
Ukraine 23, Eurobond (%)	12.32	+1bp	-324bp
Ukraine 5Y CDS	N/A		
EQUITIES			
Stock market indices			
UX (Ukraine)	843.48	+0.73	-18.37
MSCI World	404.81	+0.68	-2.95
MSCI EM	859.32	+1.29	-10.14
RTS (Russia)	885.96	+3.45	+12.56
WIG-20 (Poland)	2,143.28	+0.79	-7.46
S&P 500 (USA)	2,014.89	+0.07	-2.14

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

Regulatory capital down 10.5% MoM in September

The regulatory capital adequacy ratio (RCAR) fell 0.79ppt in September to 7.09% while absolute regulatory capital declined UAH9.7bn, or 10.5%, MoM. The main reason for such a drop was the methodology of the RCAR calculation that implies a deduction of excessive related party lending.

Related party lending to the regulatory capital ratio increased from 28.96% in August to 38.6% in September. Please note that the maximum cap is 25%. The constant growth of this ratio is the evidence of previously announced loan portfolio examinations by the regulator that are a part of the financial sector stabilization program approved by the IMF.

We expect this examination to continue further with the goal for the RCAR ratio to reach a near zero ratio by the end of the year and match its real level.

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Bonds: News & Comments

Restructuring should be mostly approved

Despite the optimism of Ukraine's MoF based on the ad-hoc committee's approval of the restructuring terms, a group of investors with bonds scheduled for redemption this year still refuse to agree to the offered terms. An official restructuring offering memorandum with more clearly defined conditions for this group of bondholders proposed a new redemption date in 2019 along with VRI, while other bondholders will get all nine series of bonds. A positive declaration of the 2015 holders' group that they are satisfied with the new offering should provide the MoF with positive voting on all series of Eurobonds included in the offering except for the Russian Eurobond. A Russian official declared last week that Russia rejects the restructuring proposal and expects full repayment on time this December. However, for Ukraine this bond is similar to other Eurobonds and voting his Wednesday will clarify further the situation.

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Liquidity reallocated and increases

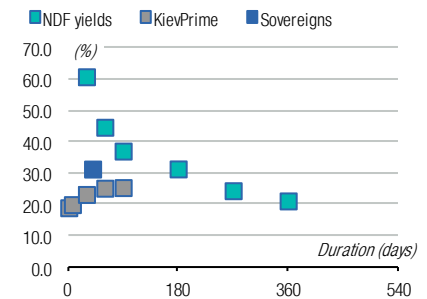
Banking sector liquidity hit a new record high, as last Thursday cash flows pushed this indicator up UAH1.67bn to UAH82.84bn. Total CDs outstanding also hit a new record high, up UAH2.78bn to UAH60.91bn on Friday, while banks' correspondent accounts with the NBU slid UAH1.11bn to UAH21.93bn.

Investment implications: Liquidity continued to increase, and could decline today, if it declines at all, as last Friday the Naftogaz payment was due. The question is whether the company purchased FX from the NBU or the market. But if Naftogaz purchased FX earlier from the market, there could be no impact of these payments and liquidity should continue its increase.

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Yield curve of the local bond market

(as of market close on 9 Oct 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 9 Oct 2015)

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

MONEY MARKET KIEV PRIME RATES (%)

O/n	18.58	-11bp	-22bp	-42bp	-32bp
1wk	19.58	-17bp	-22bp	-59bp	+58bp
1m	22.50	+0bp	-40bp	-150bp	+260bp
2m	24.00	-25bp	-70bp	-167bp	+400bp
3m	24.00	-50bp	-100bp	-183bp	+400bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	21,930	-4.81	-8.89	+11.29	-34.05
CDs ²	60,908	+4.78	+10.31	+24.75	+285.8
Sovgns ³	4,790	+0.00	-4.25	-0.03	+5.71
Total	87,628	+1.94	+3.96	+19.51	+63.58

HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	N/A	N/A	N/A	N/A	N/A
Banks	N/A	N/A	N/A	N/A	N/A
Resid's ⁴	N/A	N/A	N/A	N/A	N/A
Non-res ⁵	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A

NDF IMPLIED YIELDS (%)

3m	57.70	+83bp	+51bp	+294bp	+31bp
6m	33.69	+31bp	+13bp	+154bp	+13bp
9m	25.92	+14bp	+0bp	+108bp	+772bp
1yr	21.08	+8bp	-4bp	+82bp	+372bp

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 (%)

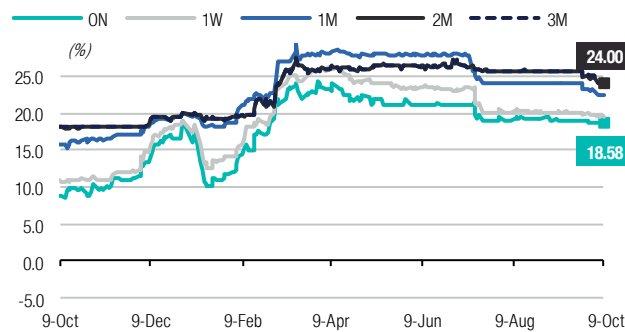
CDS 5yr	N/A	N/A	N/A	N/A	N/A
Jun '16	50.76	+24bp	+185bp	+341bp	+14bp
Jul '17	25.81	+5bp	+37bp	-42bp	-195bp
Sep '20	13.15	+1bp	+7bp	-147bp	-569bp
Sep '21	13.94	+1bp	+7bp	-49bp	-460bp
Sep '22	12.87	+1bp	+6bp	-16bp	-338bp
Feb '23	12.32	+1bp	+5bp	-16bp	-324bp

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.

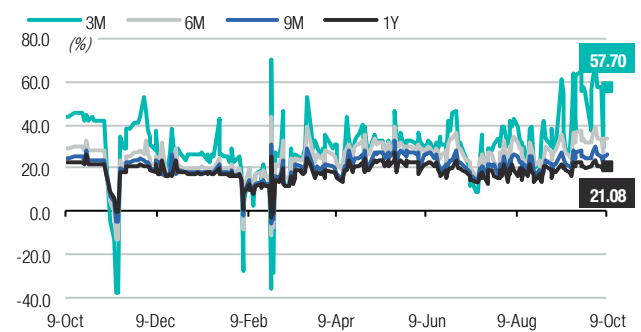
Chart page: Local bond market & Eurobond markets

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



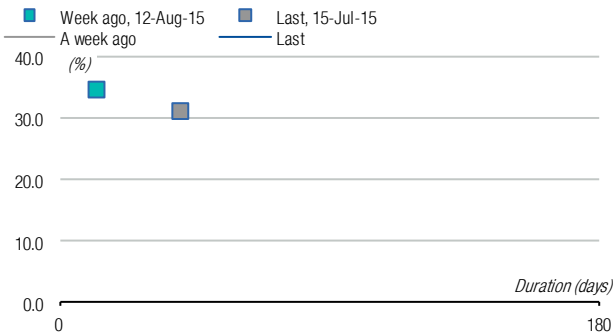
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



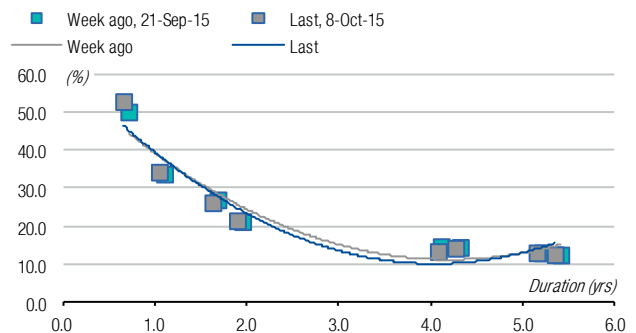
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 9 Oct 2015



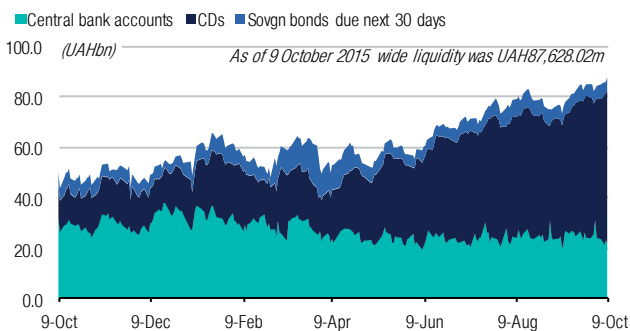
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 9 Oct 2015



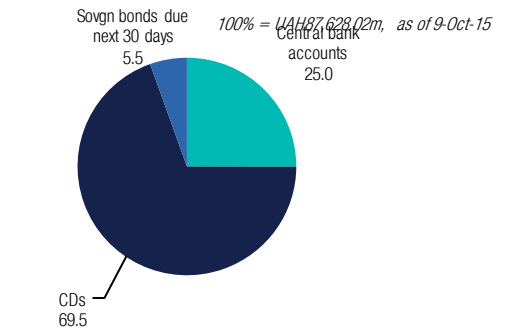
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



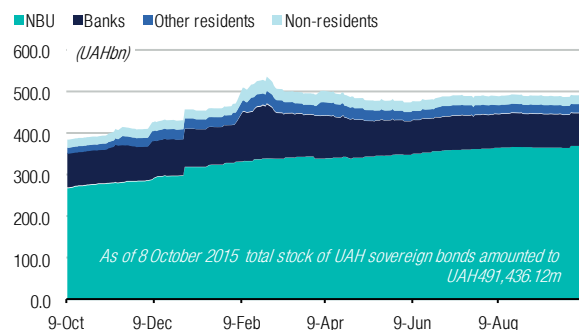
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 9 Oct 2015



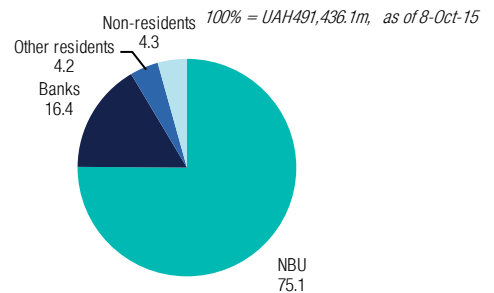
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 9 Oct 2015



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

Table 1. Ukrainian stocks (closing prices as of 9-Oct-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	11.88 GBp	+0.0	+4.4	+18.8	+8.0	0.18	42.1	-7.1	40.2	16.9	0.0	11.1	0.08	1,238	Neg.	N/A	N/A	1.0	N/A	N/A	Neg.	N/A	N/A	0.5	15.3
Centrenerg	CEEN UK	Kiev, UX	5.30 UAH	+0.0	-26.8	-29.7	-27.5	0.24	90.1	99.4	21.7	19.6	4.5	10.4	0.10	970	27.7	6.6	4.4	0.3	2.9	N/A	0.3	0.2	0.2	0.9	4.2
Coal Energy	CLE PW	Warsaw	0.71 PLN	+0.0	+1.4	+14.5	-19.3	0.19	8.6	81.2	25.0	2.2	1.0	1.6	0.08	1,327	Neg.	N/A	N/A	11.1	N/A	N/A	0.7	N/A	N/A	0.3	56.9
Donbasenergo	DOEN UK	Kiev, UX	18.57 UAH	+0.0	-6.4	-43.7	-35.5	0.85	20.2	30.5	14.2	2.9	2.0	3.4	0.09	1,151	4.4	Neg.	N/A	0.0	Neg.	N/A	0.1	0.2	N/A	0.3	13.6
JXK Oil & Gas	JXK LN	London	25.50 GBp	+5.2	+61.9	+112.5	-45.7	0.39	67.2	77.9	47.2	31.7	67.0	143.4	0.39	253	Neg.	Neg.	Neg.	Neg.	1.6	N/A	0.5	0.7	1.3	0.2	9.9
Regal Petroleum	RPT LN	London	3.85 GBp	+6.9	+2.0	+23.2	-45.0	0.06	18.9	-14.5	80.9	15.3	4.1	2.1	0.01	10,847	3.3	6.3	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.3	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	130.00 UAH	+0.0	+0.0	-12.2	-8.5	5.98	76.5	111.2	5.0	3.8	0.1	0.0	0.00	60,907	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	+0.0	-7.5	-8.3	-45.0	0.00	15.8	1,905.6	3.9	0.6	0.0	0.3	0.04	2,486	Neg.	Neg.	N/A	0.6	Neg.	N/A	2.8	6.8	N/A	N/A	145.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.15 UAH	+0.0	-0.9	-33.5	-50.2	0.05	10.3	9.7	4.0	0.4	0.1	1.0	0.30	332	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0
Azovstal	AZST UK	Kiev, UX	0.75 UAH	+0.0	-7.8	+0.0	+14.8	0.03	144.2	92.5	4.1	5.9	0.5	1.5	0.05	1,970	3.4	2.7	N/A	0.0	0.8	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	40.00 GBp	+5.3	-28.3	-18.2	-50.7	0.61	361.2	1,017.8	22.4	80.9	641.9	479.1	1.02	98	2.0	3.3	7.7	3.2	3.9	5.6	0.7	1.0	1.0	0.8	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.25 UAH	+0.0	-7.4	-10.7	-44.9	0.01	3.1	3.8	9.0	0.3	0.0	1.0	0.95	106	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	16.39 UAH	+0.0	-4.9	-21.8	-35.9	0.75	8.0	0.3	9.4	0.7	0.0	2.3	0.40	248	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	0.40 EUR	+5.3	-21.6	-7.0	-24.5	0.45	42.0	139.0	34.0	14.3	84.3	45.4	0.30	334	Neg.	Neg.	2.3	Neg.	5.9	4.5	1.9	1.9	1.6	N/A	35.9
Agroliga	AGL PW	Warsaw	17.24 PLN	+15.3	+69.0	+91.6	+34.2	4.65	7.1	7.9	16.7	1.2	2.6	2.1	0.12	840	2.0	N/A	N/A	2.3	N/A	N/A	0.4	N/A	N/A	0.7	5.7
Agroton	AGT PW	Warsaw	1.20 PLN	-8.4	+13.2	-2.4	-35.1	0.32	7.0	33.7	26.2	1.8	99.1	17.5	0.77	129	Neg.	N/A	N/A	1.5	N/A	N/A	0.6	N/A	N/A	0.2	33.4
Astarta Holdin...	AST PW	Warsaw	29.33 PLN	-1.0	+6.3	+46.7	-17.1	7.90	197.6	431.8	31.0	61.3	112.4	77.4	0.12	808	Neg.	6.3	3.3	3.6	3.7	3.8	1.1	1.1	1.0	0.8	49.6
Avangard	AVGR LI	London Intl	0.89 USD	-0.7	+287.0	-56.6	-87.8	0.89	56.8	357.0	21.7	12.3	9.3	36.3	0.27	366	Neg.	Neg.	Neg.	2.8	6.3	4.2	0.9	1.2	1.1	0.2	33.1
IMC	IMC PW	Warsaw	6.75 PLN	+0.7	+33.4	+19.0	+0.7	1.82	56.9	157.4	23.9	13.6	20.4	5.2	0.03	3,423	Neg.	2.5	1.9	2.8	3.0	2.9	1.1	1.0	0.9	2.1	69.8
Kernel Holding...	KER PW	Warsaw	52.40 PLN	+3.2	+19.5	+84.1	+117.8	14.12	1,125.1	1,599.5	58.8	661.3	2,677.3	2,269.1	0.38	265	Neg.	7.6	5.5	7.1	4.1	4.4	0.7	0.7	1.3	39.1	
KSG Agro	KSG PW	Warsaw	1.17 PLN	-1.7	+19.4	+4.5	+0.9	0.32	4.7	74.8	34.4	1.6	53.7	15.7	0.60	166	Neg.	N/A	N/A	7.4	N/A	N/A	2.3	N/A	N/A	N/A	67.4
MHP	MHPC LI	London Intl	9.00 USD	-5.3	-3.5	-2.2	-21.7	9.00	951.0	2,176.8	22.3	212.3	577.2	401.7	0.15	670	Neg.	4.4	3.5	3.9	4.4	4.3	1.6	1.7	1.6	1.4	53.0
Milkiland	MLK PW	Warsaw	1.45 PLN	+11.5	+45.0	-2.0	-58.6	0.39	12.2	122.6	20.0	2.4	270.5	29.0	1.18	85	Neg.	Neg.	Neg.	8.9	5.1	6.3	0.4	0.5	0.5	0.1	42.5
Ovostar Union	OVO PW	Warsaw	85.38 PLN	-0.2	+1.0	+18.6	+27.1	23.01	138.0	146.5	25.0	34.5	1.9	17.8	0.09	1,093	5.4	5.7	6.4	5.0	5.4	5.0	1.9	1.8	1.4	1.7	9.4
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	2.70 PLN	+8.4	+8.0	-33.3	-63.3	0.73	6.8	-7.9	10.9	0.7	3.1	0.3	0.02	4,369	Neg.	N/A	N/A	15.3	N/A	N/A	Neg.	N/A	N/A	0.1	7.9
CONSTRUCTION																											
TMM	TR61 GF	Frankfurt	0.01 EUR	+0.0	+0.0	-85.0	-94.5	0.01	0.7	93.6	13.1	0.1	0.0	0.0	0.00	848,097	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	0.08 UAH	+0.0	-14.9	-20.4	-37.9	0.00	105.4	N/A	3.8	4.0	1.2	4.9	0.22	458	N/A	5.7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.6	N/A
Ukrsotsbank	USCB UK	Kiev, UX	0.09 UAH	+0.0	-13.3	-30.1	-32.6	0.00	103.3	N/A	4.5	4.6	0.1	0.8	0.03	3,372	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	38.2

Table 1. Ukrainian stocks (closing prices as of 9-Oct-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

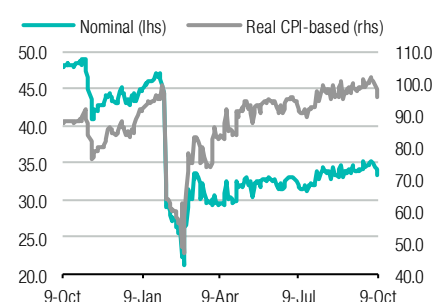
UAH steps back a little, drops in trade-weighted terms

The hryvnia declined 2.21% to close at 21.7400/USD, inside the 21-23 UAH/USD comfort range. The NBU held two FX auctions last week for USD purchases, where it bought a total of US\$90.9m at a weighted average rate of 21.2954/USD. The largest impact on the hryvnia came from foreign FX markets where the USD index fell 0.53% as market sentiment moved to believe that the Fed rate increase will be delayed to December if not 2016. As the USD weakened, commodities rose.

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ICU's UAH trade-weighted indices

(Last 12-month history to 12 Oct 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 9 Oct 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	21.7400	+2.21	+2.79	-1.61	+37.42
NBU avg	21.4962	+0.92	+1.65	-2.15	+36.32
Ttl vlm ¹	312.07	-4.34	+16.66	+11.60	-27.57
\$ volume ²	226.92	-8.54	+4.89	+12.44	-35.95
NDF 3M	24.8520	+2.39	+2.91	-0.97	+47.49
NDF 6M	25.3520	+2.35	+2.85	-0.95	+45.70
NDF 1Y	26.1020	+2.28	+2.76	-0.92	+41.47
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	33.199	-2.46	-5.41	-1.95	-25.34
UAH real CPI	95.828	-2.46	-5.41	-1.95	+10.73
UAH real PPI	115.244	-2.46	-5.41	-1.95	-2.14
USD nom'l	94.813	-0.53	-1.06	-1.25	+5.03
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	61.5155	+0.20	-7.34	-10.26	+1.28
EUR/USD	1.1358	+0.73	+1.27	+1.35	-6.12
USD/CNY	6.3452	-0.13	-0.19	-0.52	+2.25
USD/PLN	3.7163	-0.76	-1.91	-1.17	+4.87
USD/TRY	2.9113	+0.62	-2.69	-4.12	+24.68
USD/BYR	17,175.00	-0.81	-3.24	-3.58	+56.14
USD/KZT	274.4500	+0.21	+1.00	+9.76	+50.51
OTHER MAJOR CURRENCIES					
USD/JPY	120.2700	+0.28	+0.30	-0.19	+0.41
GBP/USD	1.5322	-0.17	+0.90	-0.30	-1.64
USD/CHF	0.9616	-0.47	-1.02	-1.42	-3.29
AUD/USD	0.7336	+1.05	+4.13	+4.53	-10.26
USD/CAD	1.2945	-0.55	-1.57	-2.37	+11.39
USD/BRL	3.7633	-0.58	-4.31	-0.44	+41.61
USD/KRW	1,144.26	-1.24	-3.07	-3.79	+4.88
COMMODITIES					
Gold(\$/oz)	1,157.28	+1.60	+1.62	+4.46	-2.33
WTI crude ³	49.63	+0.40	+8.98	+12.41	-6.83
Brent crd ³	52.03	-1.29	+9.74	+11.92	-6.69
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	202.69	+0.69	+4.42	+3.52	-11.86

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.

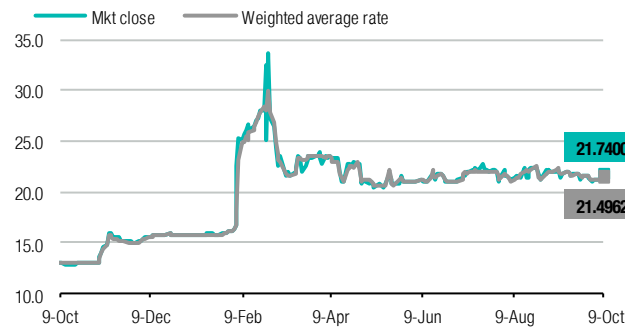
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

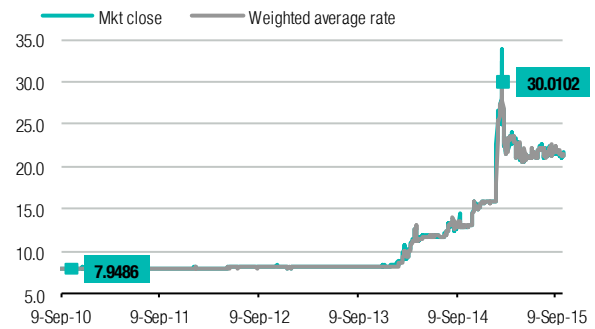
Section on FX market is continued on next page.

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)

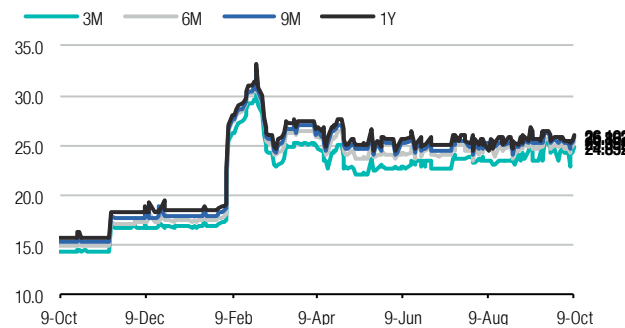


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

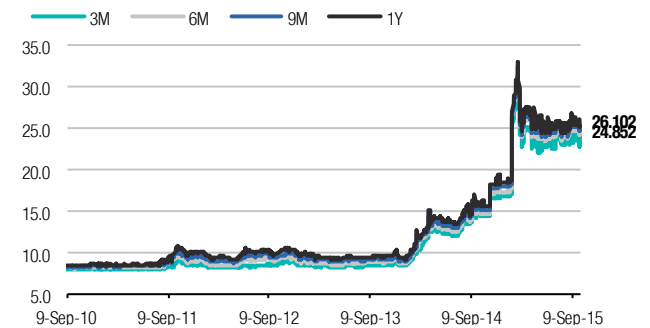


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

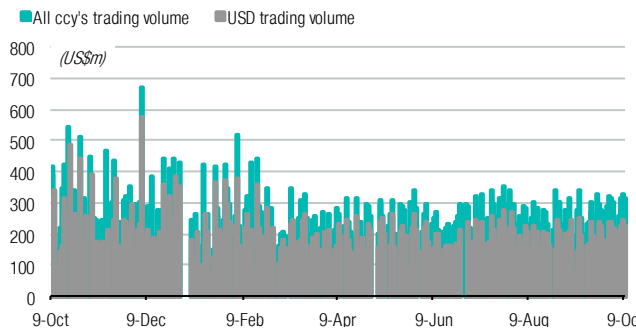


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

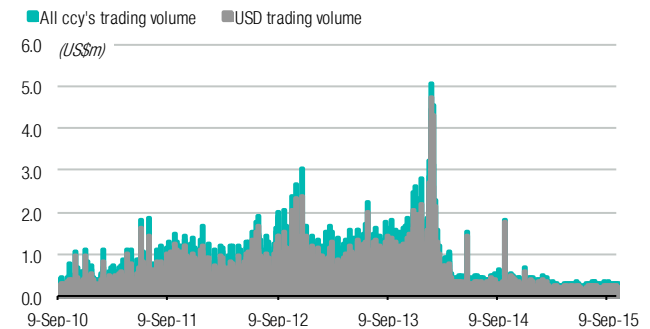


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

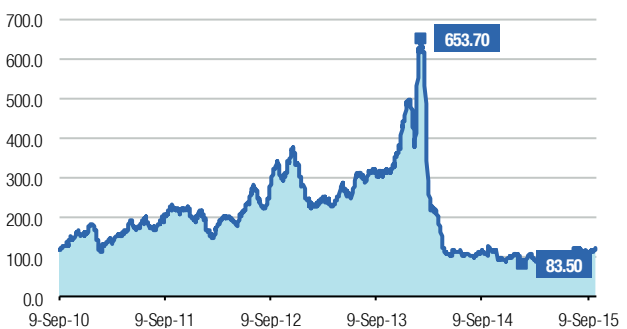
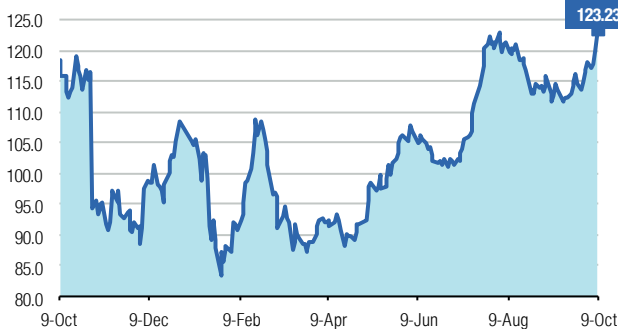


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

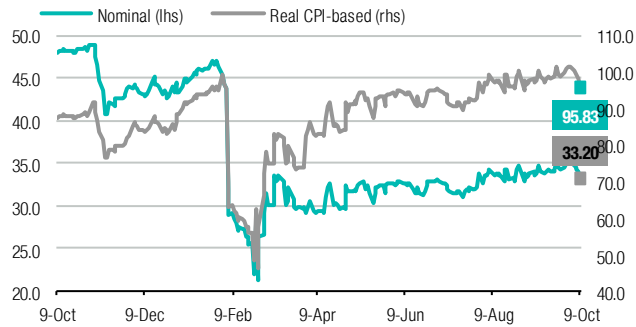


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

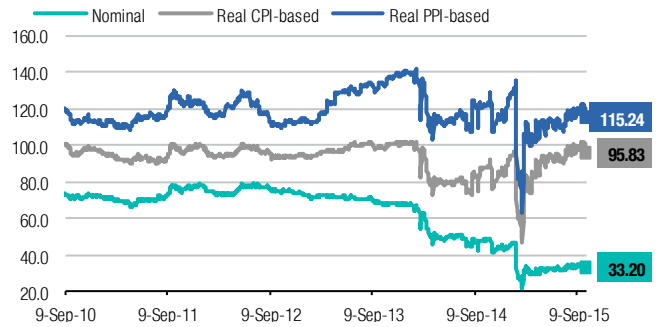
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



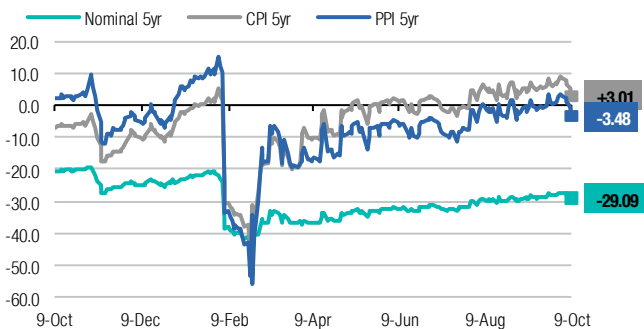
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

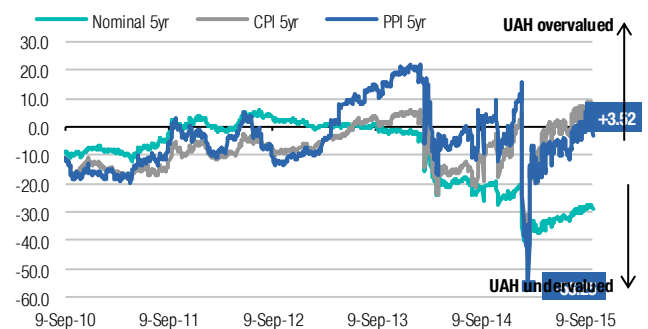


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

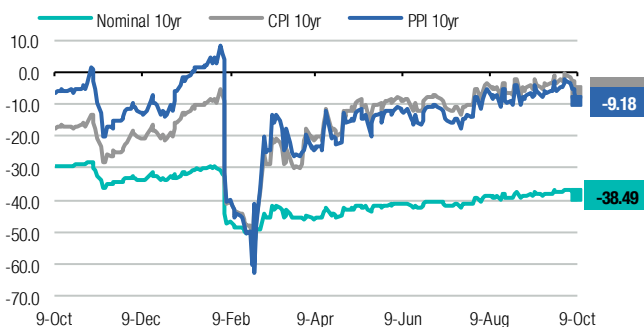


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

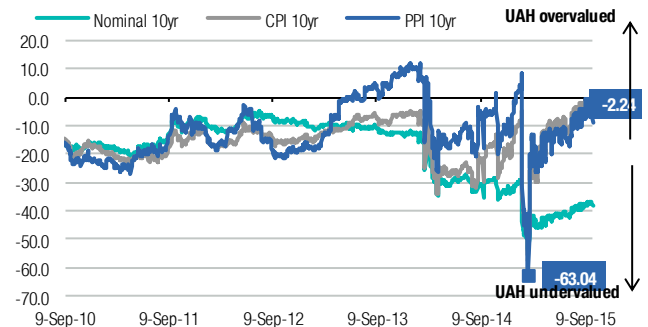


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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