



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
**Alexander Valchyshen
Taras Kotovych**

Daily Insight

Hryvnia routinely stable

Contents

Bonds: News & Comments	2
CDs outstanding decline.....	2
Chart page: Local bond market & Eurobond markets.....	3
FX: News & Comments	6
Hryvnia routinely stable, global markets digest current data	6
Chart page #1: Foreign-exchange market.....	7
Chart page #2: ICU's UAH trade-weighted indices.....	8

MONDAY, 19 OCTOBER 2015

UX Index (3 months to 19 Oct 2015)



Source: UX.

Key market indicators (as of 16 Oct 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	21.2750	-2.18	+34.48
USD/UAH (1Y NDF)	25.7500	-0.96	+39.57
EUR/USD	1.1348	-0.33	-6.20
USD/RUB	61.2800	-0.16	+0.90
KievPRIME O/N (%)	18.88	+8bp	-2bp
KievPRIME 1M (%)	22.63	+13bp	+273bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	N/A	+0bp	-5,346bp
Ukraine 17, Eurobond (%)	26.98	-40bp	-77bp
Ukraine 22, Eurobond (%)	13.20	-3bp	-305bp
Ukraine 23, Eurobond (%)	11.90	-3bp	-367bp
Ukraine 5Y CDS	0bp	+0bp	-2,199bp
EQUITIES			
Stock market indices			
UX (Ukraine)	804.99	-3.77	-22.10
MSCI World	407.21	+0.42	-2.38
MSCI EM	865.28	+0.06	-9.52
RTS (Russia)	881.19	+0.57	+11.95
WIG-20 (Poland)	2,121.94	-0.68	-8.38
S&P 500 (USA)	2,033.11	+0.46	-1.25

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

CDs outstanding decline

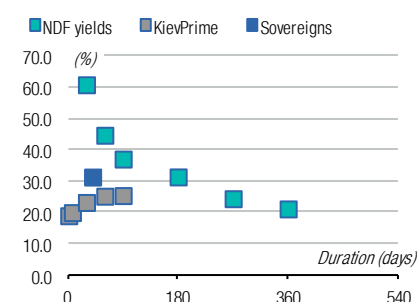
Following last Wednesday's public holiday, the NBU offered 1-month and 3-month CDs on Thursday, selling a total of UAH17.37bn of CD at the tender, including UAH6.75bn of 14-day CDs, UAH2.00bn of 1-month and UAH1.50bn of 3-month CDs. All delayed demand due to the holiday was satisfied, causing a slight decline in interest rates. At the same time, total CDs outstanding fell UAH1.36bn to UAH58.03bn, while banks' correspondent accounts with the NBU rose UAH3.36bn to UAH26.21bn on Friday.

Investment implications: The NBU satisfied demand for CDs and decreased cut-off interest rates for 1-month and 3-month CDs, resulting in the weighted average interest rates declining 11-12bp versus the previous week. Liquidity in the banking sector lengthened in maturity, as anticipations of declining short-term rates softened, thus supporting banks investments in longer term CDs.

Taras Kotovych, Kiev, +38044 2200120 ext.724

Yield curve of the local bond market

(as of market close on 16 Oct 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 16 Oct 2015)

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

MONEY MARKET KIEV PRIME RATES (%)

O/n	18.88	+8bp	+30bp	-12bp	-2bp
1wk	19.88	+13bp	+30bp	-12bp	+88bp
1m	22.63	+13bp	+13bp	-137bp	+273bp
2m	24.25	+5bp	+25bp	-125bp	+425bp
3m	24.50	+10bp	+50bp	-125bp	+450bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	26,215	+14.69	+19.54	-1.42	-21.16
CDs ²	58,028	-2.28	-4.73	+16.80	+267.6
Sovgns ³	5,273	+0.00	+10.09	+9.20	+16.37
Total	89,516	+2.29	+2.15	+10.37	+67.10

HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	368,973	+0.00	-0.04	+1.07	+15.98
Banks	81,072	-0.54	+0.80	-0.86	-13.23
Resid's ⁴	20,978	+0.03	+1.14	-0.66	-14.55
Non-res ⁵	21,553	-0.91	+1.51	-1.45	+0.04
Total	492,576	-0.13	+0.22	+0.56	+7.63

NDF IMPLIED YIELDS (%)

3m	61.09	+548bp	+339bp	-273bp	+35bp
6m	35.49	+285bp	+179bp	-127bp	+15bp
9m	27.17	+197bp	+126bp	-80bp	+897bp
1yr	22.03	+152bp	+95bp	-60bp	+468bp

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 (%)

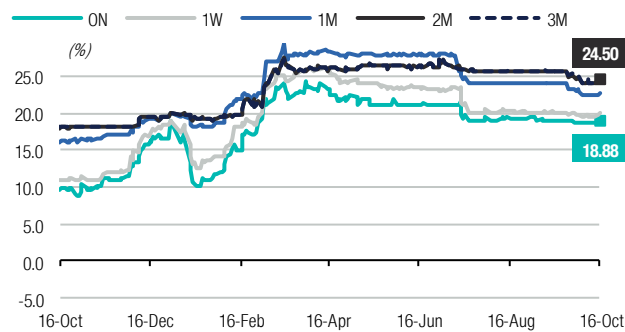
CDS 5yr	0	+0bp	+0bp	-11ppt	-22ppt
Jun '16	53.19	+26bp	+242bp	+578bp	+16bp
Jul '17	26.98	-40bp	+118bp	+91bp	-77bp
Sep '20	14.07	-4bp	+91bp	-28bp	-478bp
Sep '21	14.04	-11bp	+10bp	-13bp	-450bp
Sep '22	13.20	-3bp	+33bp	+42bp	-305bp
Feb '23	11.90	-3bp	-42bp	-35bp	-367bp

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.

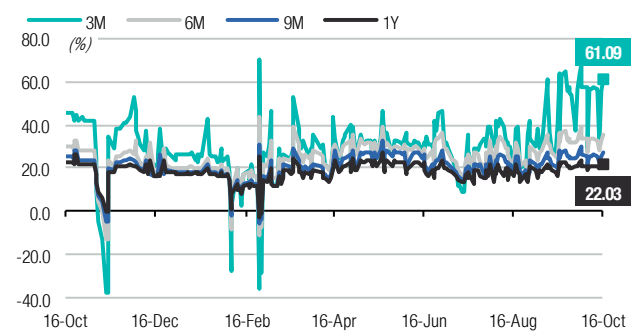
Chart page: Local bond market & Eurobond markets

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



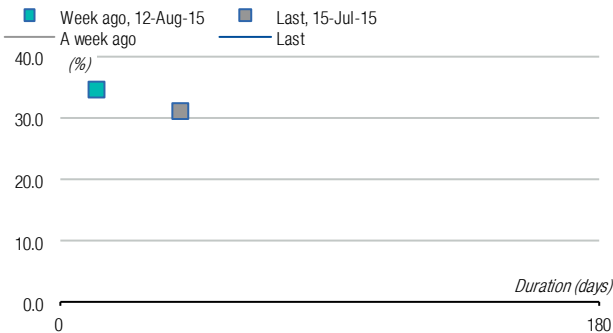
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



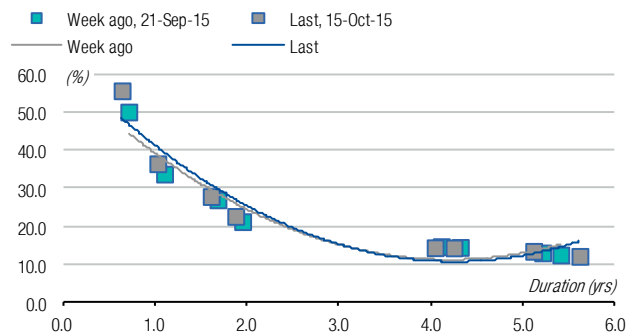
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 16 Oct 2015



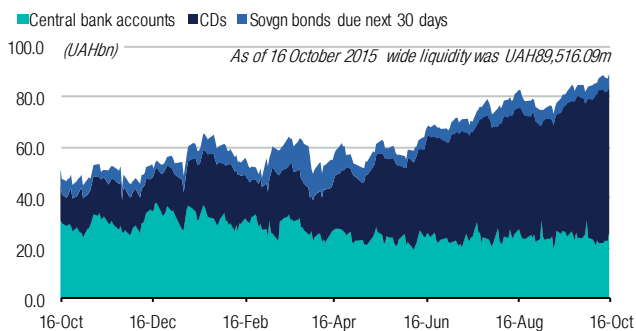
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 16 Oct 2015



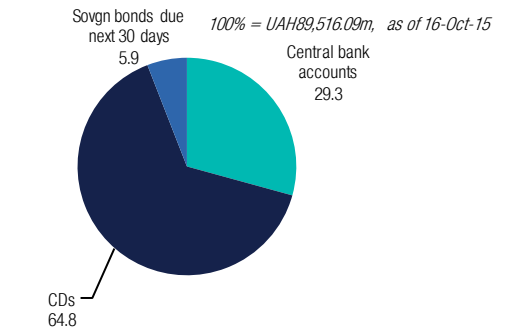
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



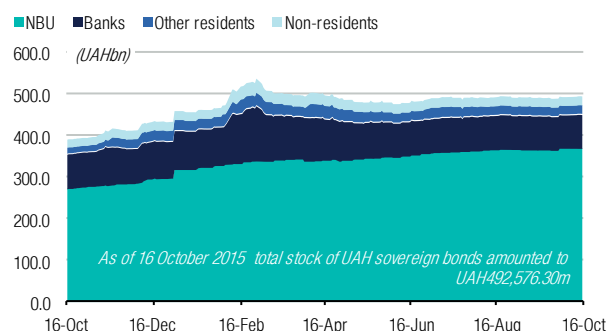
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 16 Oct 2015



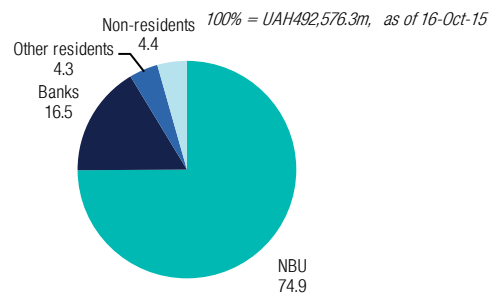
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 16 Oct 2015



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

Table 1. Ukrainian stocks (closing prices as of 16-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	10.88 GBp	+0.0	-8.4	+8.8	+14.5	0.17	38.8	-10.3	40.2	15.6	0.0	10.3	0.05	1,933	Neg.	N/A	N/A	1.5	N/A	N/A	Neg.	N/A	N/A	0.5	15.3
Centrenerg	CEEN UK	Kiev, UX	5.32 UAH	+0.0	-23.4	-29.5	-29.6	0.25	92.2	101.6	21.7	20.0	8.0	11.1	0.09	1,161	27.8	6.5	4.4	0.3	2.8	N/A	0.3	0.2	0.2	0.9	4.2
Coal Energy	CLE PW	Warsaw	0.70 PLN	+1.4	-1.4	+12.9	-17.6	0.19	8.5	81.0	25.0	2.1	0.5	2.0	0.11	876	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	17.40 UAH	+0.0	-9.8	-47.3	-42.1	0.82	19.3	29.8	14.2	2.7	0.8	3.3	0.08	1,276	4.1	Neg.	N/A	0.0	Neg.	N/A	0.1	0.2	N/A	0.3	13.6
JKX Oil & Gas	JKX LN	London	26.75 GBp	+0.9	+64.6	+122.9	-28.7	0.41	70.9	81.6	47.2	33.5	147.3	153.0	0.18	550	Neg.	Neg.	Neg.	Neg.	1.7	N/A	0.6	0.7	1.3	0.3	9.9
Regal Petroleum	RPT LN	London	3.98 GBp	+0.0	-1.2	+27.2	-46.1	0.06	19.7	-13.7	80.9	15.9	0.0	2.2	0.01	9,548	3.4	N/A	N/A	Neg.	N/A	N/A	Neg.	Neg.	N/A	0.3	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	120.00 UAH	+0.0	-7.7	-19.0	-29.4	5.63	72.0	107.4	5.0	3.6	0.0	0.2	0.01	7,492	Neg.	N/A	N/A	0.1	N/A	N/A	0.2	N/A	N/A	0.5	11.6
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	+0.0	-13.4	-18.6	-53.4	0.00	14.3	1,941.4	3.9	0.6	0.3	0.2	0.04	2,661	Neg.	Neg.	N/A	0.7	Neg.	N/A	2.8	6.8	N/A	N/A	145.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.11 UAH	+0.0	-1.2	-35.8	-56.3	0.05	10.2	9.6	4.0	0.4	0.3	1.1	0.14	737	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0
Azovstal	AZST UK	Kiev, UX	0.68 UAH	+0.0	-11.3	-8.6	-0.3	0.03	134.4	81.7	4.1	5.5	1.0	1.4	0.02	5,054	3.1	2.4	N/A	0.0	0.7	N/A	0.1	0.0	N/A	0.1	0.0
Ferrexpo PLC	FXPO LN	London	40.75 GBp	+1.9	+1.9	-16.7	-48.9	0.63	370.5	1,027.1	22.4	83.0	398.0	492.4	0.69	145	2.1	3.1	7.7	3.2	4.0	5.6	0.7	1.0	1.0	0.8	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.13 UAH	+0.0	-53.7	-55.4	-71.1	0.01	1.6	2.3	9.0	0.1	0.0	0.7	2.50	40	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	16.00 UAH	+0.0	-2.9	-23.6	-43.6	0.75	7.9	0.1	9.4	0.7	1.3	2.2	0.20	507	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	0.39 EUR	+0.0	-18.8	-9.3	-22.0	0.44	41.0	138.0	34.0	13.9	13.3	46.0	0.28	354	Neg.	Neg.	2.3	Neg.	5.8	4.4	1.9	1.9	1.5	N/A	35.9
Agroliga	AGL PW	Warsaw	15.49 PLN	-0.6	+36.0	+72.1	+18.5	4.16	6.4	7.2	16.7	1.1	1.6	1.9	0.15	677	1.8	N/A	N/A	2.1	N/A	N/A	0.4	N/A	N/A	0.6	5.7
Agroton	AGT PW	Warsaw	1.31 PLN	-0.8	+17.0	+6.5	-31.8	0.35	7.6	34.3	26.2	2.0	96.7	23.8	1.44	69	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	31.80 PLN	+5.0	+16.4	+59.0	-8.4	8.54	213.5	447.7	31.0	66.2	43.7	83.4	0.09	1,066	Neg.	34.2	3.5	3.8	4.0	1.1	1.1	1.0	0.9	49.6	
Avangard	AVGR LI	London Intl	0.90 USD	+20.0	+181.3	-56.1	-86.2	0.90	57.5	357.7	21.7	12.5	3.1	36.5	0.15	654	Neg.	Neg.	Neg.	2.8	6.3	4.2	0.9	1.2	1.1	0.2	33.1
IMC	IMC PW	Warsaw	6.90 PLN	+1.0	+35.3	+21.7	-1.4	1.85	58.0	158.5	23.9	13.8	0.9	5.2	0.04	2,844	Neg.	3.2	1.9	2.8	2.9	2.9	1.1	1.0	0.9	2.1	69.8
Kernel Holding...	KER PW	Warsaw	54.60 PLN	+2.3	+23.8	+91.8	+147.1	14.66	1,168.1	1,642.6	58.8	686.6	1,761.4	2,302.8	0.40	250	Neg.	7.8	5.4	7.3	4.2	4.5	0.7	0.7	1.4	39.1	
KSG Agro	KSG PW	Warsaw	1.26 PLN	+2.4	+23.5	+12.5	+12.5	0.34	5.1	75.1	34.4	1.7	88.3	19.8	1.04	96	Neg.	N/A	N/A	7.5	N/A	N/A	2.3	N/A	N/A	N/A	67.4
MHP	MHPC LI	London Intl	9.30 USD	+1.1	-0.1	+1.1	-20.9	9.30	982.7	2,208.5	22.3	219.3	1.9	403.7	0.13	750	Neg.	4.6	3.6	4.0	4.4	4.4	1.6	1.7	1.6	1.5	53.0
Milkiland	MLK PW	Warsaw	1.95 PLN	+20.4	+91.2	+31.8	-44.3	0.52	16.4	126.7	20.0	3.3	227.0	52.0	1.88	53	Neg.	Neg.	Neg.	9.2	5.3	6.5	0.4	0.5	0.5	0.2	42.5
Ovostar Union	OVO PW	Warsaw	86.14 PLN	+0.5	-2.1	+19.6	+28.6	23.13	138.8	147.2	25.0	34.7	4.5	16.9	0.01	10,192	5.5	5.8	6.4	5.0	5.4	5.0	1.9	1.8	1.4	1.7	9.4
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	3.93 PLN	+5.1	+57.2	-3.0	-46.5	1.06	9.8	-4.8	10.9	1.1	0.2	0.6	0.05	2,069	Neg.	N/A	N/A	9.3	N/A	N/A	Neg.	N/A	N/A	0.2	7.9
CONSTRUCTION																											
TMM	TR61 GF	Frankfurt	0.01 EUR	+0.0	+0.0	-85.0	-92.6	0.01	0.7	93.6	13.1	0.1	0.0	0.0	N/A	N/A	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	-9.0	-19.3	-37.7	0.00	109.0	N/A	3.8	4.2	1.0	5.8	0.24	421	N/A	5.6	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	-14.3	-30.9	-33.3	0.00	104.2	N/A	4.5	4.7	0.2	0.7	0.00	98,234	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 16-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

Hryvnia routinely stable, global markets digest current data

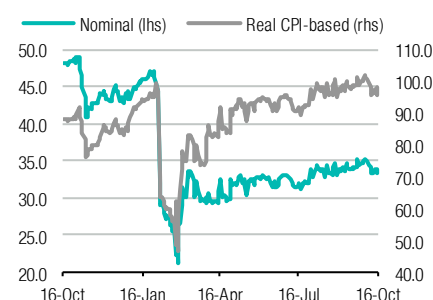
At the domestic market, the hryvnia remains quite predictable as tight capital still looms over the domestic market. The NBU held another auction on Friday, where it bought a total of US\$37.80m at 21.3259/USD (a quite marginal difference from the FX rate at the previous auctions). Local elections on October 25 have an obvious influence on Ukrainian authorities' current FX policy.

Meanwhile, global FX markets are preparing themselves for a US Fed interest rate increase. While market indicators show that the Fed is unlikely to raise the key rate this year, an article in today's FT.com on the results of a survey of private sector economists indicates a high probability of initial step-up increases actually occurring this December. We concur with this view. If it becomes the widespread consensus, upward pressure on the USD should follow, which is likely to have an impact on EM currencies as well.

Alexander Valchyshen, Kiev, +38044 2200120 ext.242

ICU's UAH trade-weighted indices

(Last 12-month history to 19 Oct 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 16 Oct 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	21.2750	-2.18	-2.14	-2.18	+34.48
NBU avg	21.2977	-1.81	-0.92	-2.41	+35.06
Ttl vlm ¹	409.15	+26.18	+31.11	+70.01	-5.04
\$ volume ²	305.41	+24.98	+34.59	+80.13	-13.80
NDF 3M	24.5000	-1.01	-1.42	-2.75	+45.40
NDF 6M	25.0000	-0.99	-1.39	-2.70	+43.68
NDF 1Y	25.7500	-0.96	-1.35	-2.62	+39.57
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	33.931	+2.35	+2.21	-0.05	-23.69
UAH real CPI	97.941	+2.35	+2.21	-0.05	+13.17
UAH real PPI	117.785	+2.35	+2.21	-0.05	+0.02
USD nom'l	94.540	+0.18	-0.29	-0.92	+4.73
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	61.2800	-0.16	-0.38	-6.31	+0.90
EUR/USD	1.1348	-0.33	-0.09	+0.51	-6.20
USD/CNY	6.3538	+0.12	+0.14	-0.27	+2.39
USD/PLN	3.7319	+0.37	+0.42	+0.25	+5.31
USD/TRY	2.8916	+0.43	-0.68	-3.56	+23.84
USD/BYR	17,237.00	-0.61	+0.36	-2.56	+56.70
USD/KZT	276.7700	+0.16	+0.85	-2.89	+51.78
OTHER MAJOR CURRENCIES					
USD/JPY	119.4400	+0.45	-0.69	-0.94	-0.28
GBP/USD	1.5438	-0.14	+0.76	-0.35	-0.89
USD/CHF	0.9537	+0.33	-0.82	-1.80	-4.08
AUD/USD	0.7264	-0.89	-0.98	+0.93	-11.14
USD/CAD	1.2914	+0.39	-0.24	-1.96	+11.13
USD/BRL	3.9236	+3.27	+4.26	+2.45	+47.64
USD/KRW	1,129.37	-0.08	-1.30	-3.97	+3.52
COMMODITIES					
Gold(\$/oz)	1,177.32	-0.49	+1.73	+5.16	-0.64
WTI crude ³	47.26	+1.90	-4.78	+0.23	-11.28
Brent crd ³	49.04	+0.76	-5.75	+2.27	-12.05
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	199.45	+0.23	-1.60	+0.24	-13.27

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.

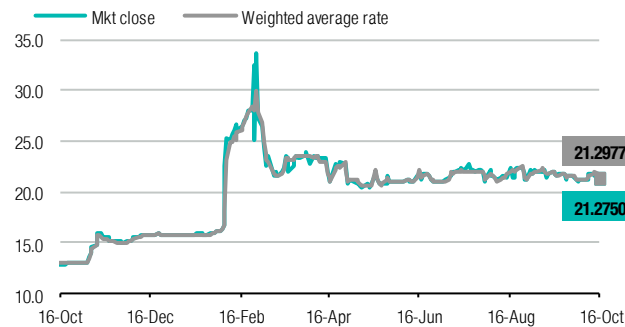
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

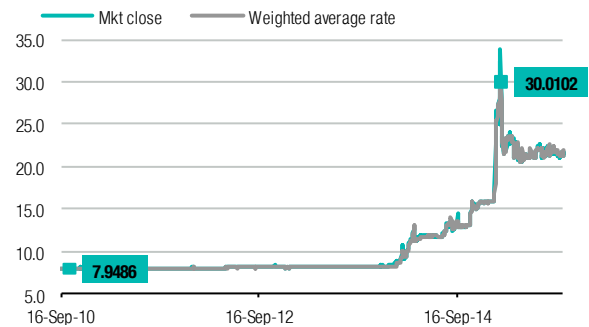
Section on FX market is continued on next page.

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)

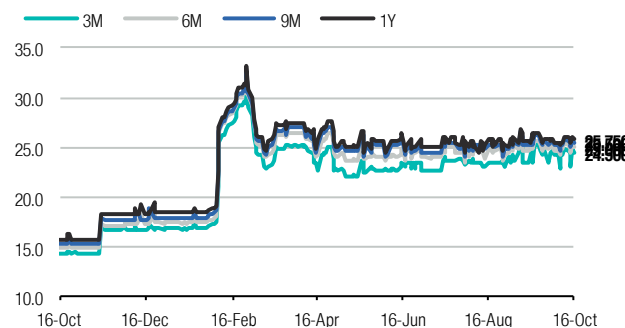


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

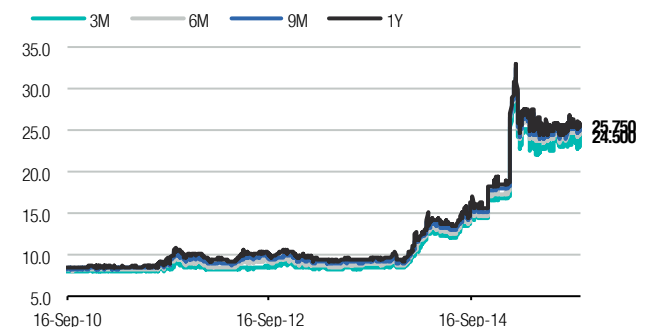


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

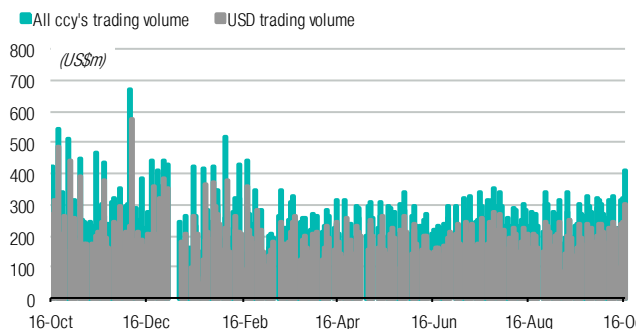


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

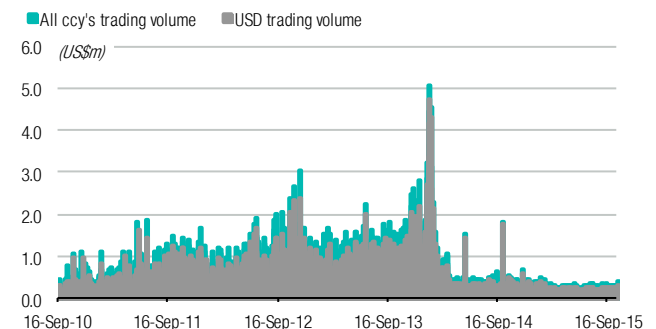


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

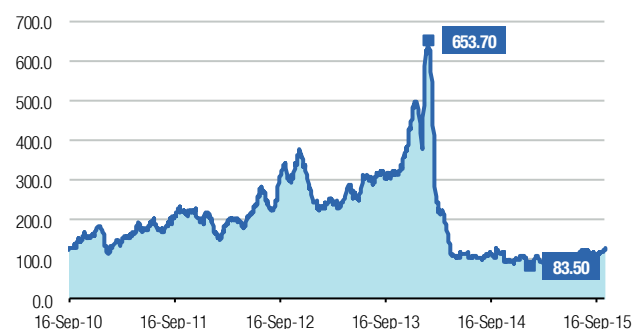


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

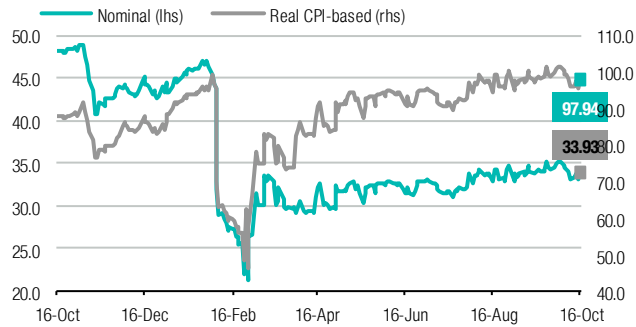


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

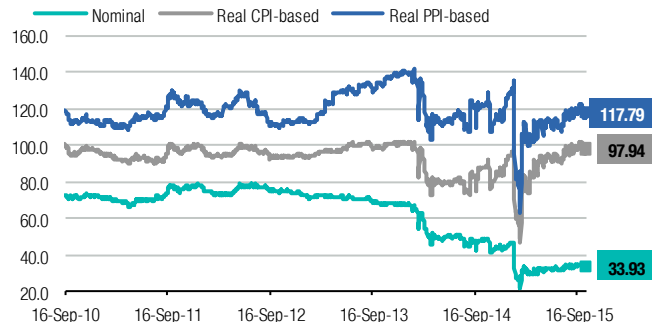
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



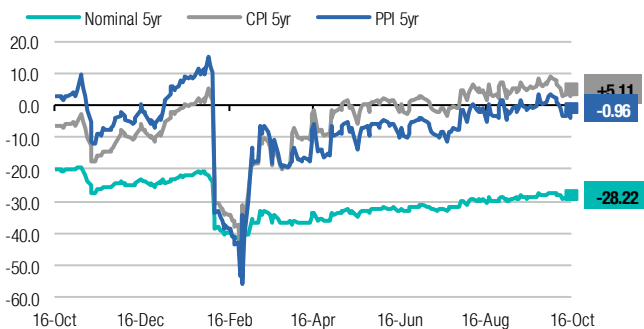
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

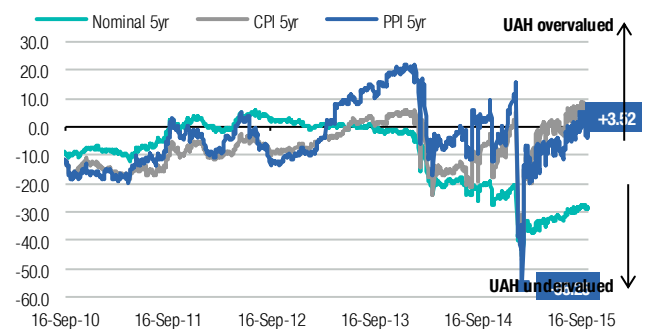


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

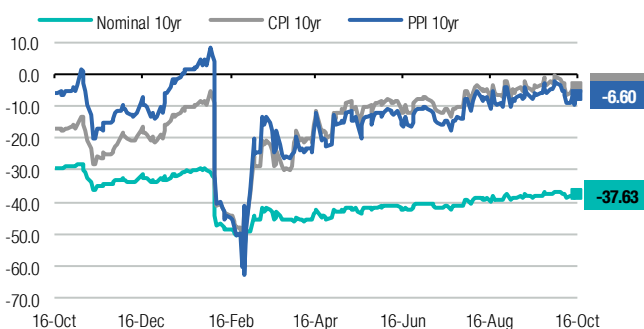


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

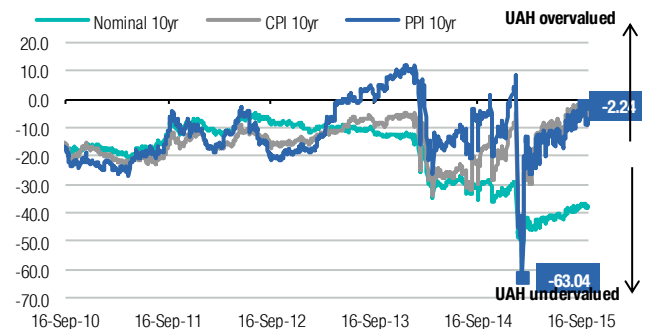


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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.

This page is intentionally left blank

Disclosures

ANALYST CERTIFICATION

This research publication has been prepared by the analyst(s), whose name(s) appear on the front page of this publication. The analyst(s) hereby certifies that the views expressed within this publication accurately reflect her/his own views about the subject financial instruments or issuers and no part of her/his compensation was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views within this research publication.

EQUITY RATING DEFINITIONS

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

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

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

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

DEBT RATING DEFINITIONS

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

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

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



11th floor, LEONARDO Business Centre
19-21 Bogdan Khmelnytsky Street
Kiev, 01030 Ukraine
Phone/Fax +38 044 2200120

WEB www.icu.ua



@ICU_UA

CORPORATE FINANCE

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

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

Ruslan Kilmukhametov, Director
ruslan.kilmukhametov@icu.ua

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

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

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

STRATEGY AND CORPORATE DEVELOPMENT

Vlad Sinani, Director
vlad.sinani@icu.ua

SALES AND TRADING

Konstantin Stetsenko
Managing Director
konstantin.stetsenko@icu.ua

Sergiy Byelyayev
Fixed-Income Trading
sergiy.byelyayev@icu.ua

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

Liliya Kubytovych
Asset Management Product Sales
liliya.kubytovych@icu.ua

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

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

RESEARCH DEPARTMENT

Alexander Valchyshen
Head of Research
alexander.valchyshen@icu.ua

Alexander Martynenko
Head of corporate research
alexander.martynenko@icu.ua

Bogdan Vorotilin
Financial analyst (Food & Agribusiness)
bogdan.vorotilin@icu.ua

Taras Kotovych
Senior financial analyst (Sovereign debt)
taras.kotovych@icu.ua

Mykhaylo Demkiv
Financial analyst (Banks)
mykhaylo.demkiv@icu.ua

Lee Daniels, Rolfe Haas
Editors

Investment Capital Ukraine LLC is regulated by Securities and Stock Market State Commission of Ukraine (license numbers: dealer activity AE 263019, broker activity AE 263018, underwriting activity AE 263020 dated 11 April 2013).

DISCLAIMER

This research publication has been prepared by Investment Capital Ukraine LLC solely for information purposes for its clients. It does not constitute an investment advice or an offer or solicitation for the purchase or sale of any financial instrument. While reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, Investment Capital Ukraine makes no representation that it is accurate or complete. The information contained herein is subject to change without notice. Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of Investment Capital Ukraine LLC. All rights are reserved. Any investments referred to herein may involve significant risk, are not necessarily available in all jurisdictions, may be illiquid and may not be suitable for all investors. The value of, or income from, any investments referred to herein may fluctuate and/or be affected by changes in exchange rates. Past performance is not indicative of future results. Investors should make their own investigations and investment decisions without relying on this report. Only investors with sufficient knowledge and experience in financial matters to evaluate the merits and risks should consider an investment in any issuer or market discussed herein and other persons should not take any action on the basis of this report.



Additional information is available upon request.