



Focus  
**Ukraine**

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

Research team  
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# Daily Insight

## UAH flat despite stronger dollar

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**WEDNESDAY, 11 NOVEMBER 2015**

### UX Index (3 months to 11 Nov 2015)



Source: UX.

### Key market indicators (as of 10 Nov 2015)

|  | Last     | Daily chg (%) | YTD chg (%) |
|--|----------|---------------|-------------|
| <b>FX &amp; MONEY RATES</b>                    |          |               |             |
| USD/UAH  | 22.6000  | -0.77         | +42.86      |
| USD/UAH (1Y NDF)                               | 26.8500  | -0.65         | +45.53      |
| EUR/USD  | 1.0724   | -0.26         | -11.36      |
| USD/RUB  | 64.5585  | -0.11         | +6.29       |
| KievPRIME O/N (%)                              | 19.02    | +42bp         | +12bp       |
| KievPRIME 1M (%)                               | 22.25    | +10bp         | +235bp      |
| <b>SOVEREIGN EUROBONDS: yields and spreads</b> |          |               |             |
| Ukraine 15, Eurobond (%)                       | N/A      | +0bp          | -5,346bp    |
| Ukraine 17, Eurobond (%)                       | 27.24    | +5bp          | -52bp       |
| Ukraine 22, Eurobond (%)                       | 13.08    | +1bp          | -317bp      |
| Ukraine 23, Eurobond (%)                       | 11.60    | +1bp          | -397bp      |
| Ukraine 5Y CDS                                 | N/A      |               |             |
| <b>EQUITIES</b>                                |          |               |             |
| <b>Stock market indices</b>                    |          |               |             |
| UX (Ukraine)                                   | 752.38   | +1.57         | -27.19      |
| MSCI World                                     | 407.24   | -0.18         | -2.37       |
| MSCI EM  | 833.39   | -1.21         | -12.85      |
| RTS (Russia)                                   | 854.08   | -0.14         | +8.51       |
| WIG-20 (Poland)                                | 2,021.92 | +0.44         | -12.70      |
| S&P 500 (USA)                                  | 2,081.72 | +0.15         | +1.11       |

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

## Liquidity slightly recovers

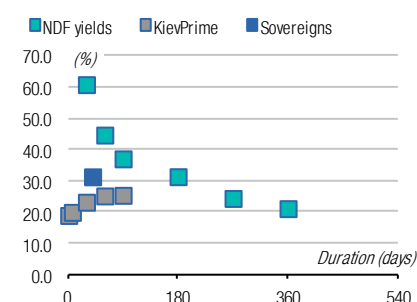
Banking sector liquidity recovered UAH1.16bn to UAH85.99bn yesterday after starting this week significantly lower at UAH84.83bn. Total CDs outstanding rose UAH0.97bn to UAH67.33bn while banks' correspondent accounts with the NBU rose only UAH0.20bn to UAH18.67bn.

**Investment implications: As anticipated, Monday's liquidity decline was short-lived. We expect liquidity to rise above UAH90.0bn through the end of this month.**

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## Yield curve of the local bond market

(as of market close on 10 Nov 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 10 Nov 2015)

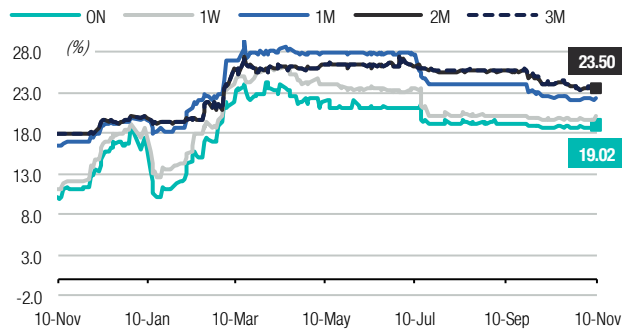
|   | Last           | Daily        | Weekly       | MoM          | YTD           |
|---|----------------|--------------|--------------|--------------|---------------|
|   | chg (%)        | chg (%)      | chg (%)      | chg (%)      | chg (%)       |
| <b>MONEY MARKET KIEV PRIME RATES (%)</b>            |                |              |              |              |               |
| 0/n   | 19.02          | +42bp        | +52bp        | +44bp        | +12bp         |
| 1wk   | 20.00          | +40bp        | +45bp        | +42bp        | +100bp        |
| 1m  | 22.25          | +10bp        | +5bp         | -25bp        | +235bp        |
| 2m  | 23.25          | -15bp        | -15bp        | -75bp        | +325bp        |
| 3m  | 23.50          | -10bp        | -10bp        | -50bp        | +350bp        |
| <b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>            |                |              |              |              |               |
| CB acc's <sup>1</sup>                               | 18,666         | +1.07        | -7.49        | -14.89       | -43.87        |
| CDs <sup>2</sup>                                    | 67,329         | +1.46        | +3.14        | +10.54       | +326.5        |
| Sovgns <sup>3</sup>                                 | 7,695          | +0.00        | +3.03        | +60.65       | +69.82        |
| <b>Total</b>  | <b>93,690</b>  | <b>+1.26</b> | <b>+0.83</b> | <b>+6.92</b> | <b>+74.89</b> |
| <b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>        |                |              |              |              |               |
| C.bank  | 370,772        | +0.94        | +0.92        | +1.40        | +17.65        |
| Banks   | 82,726         | +0.02        | -0.47        | +2.87        | -11.45        |
| Resid's <sup>4</sup>                                | 21,084         | -0.08        | -0.24        | +1.57        | -14.19        |
| Non-res <sup>5</sup>                                | 22,453         | +0.08        | -0.86        | +5.84        | +4.31         |
| <b>Total</b>  | <b>497,035</b> | <b>+0.71</b> | <b>+0.56</b> | <b>+1.84</b> | <b>+9.37</b>  |
| <b>NDF IMPLIED YIELDS (%)</b>                       |                |              |              |              |               |
| 3m  | N/A            | N/A          | N/A          | N/A          | N/A           |
| 6m  | N/A            | N/A          | N/A          | N/A          | N/A           |
| 9m  | N/A            | N/A          | N/A          | N/A          | N/A           |
| 1yr   | N/A            | N/A          | N/A          | N/A          | N/A           |
| <b>LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)</b> |                |              |              |              |               |
| Mar '13   | N/A            | N/A          | N/A          | N/A          | N/A           |
| Jan '14   | N/A            | N/A          | N/A          | N/A          | N/A           |
| Aug '15 <sup>6</sup>                                | N/A            | N/A          | N/A          | N/A          | N/A           |
| <b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>      |                |              |              |              |               |
| CDS 5yr   | N/A            | N/A          | N/A          | N/A          | N/A           |
| Jun '16   | 58.83          | +32bp        | +217bp       | +806bp       | +22bp         |
| Jul '17   | 27.24          | +5bp         | +36bp        | +143bp       | -52bp         |
| Sep '20   | 13.43          | +0bp         | +7bp         | +27bp        | -542bp        |
| Sep '21   | 14.22          | +0bp         | +7bp         | +28bp        | -432bp        |
| Sep '22   | 13.08          | +1bp         | +5bp         | +21bp        | -317bp        |
| Feb '23   | 11.60          | +1bp         | +4bp         | -73bp        | -397bp        |

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.

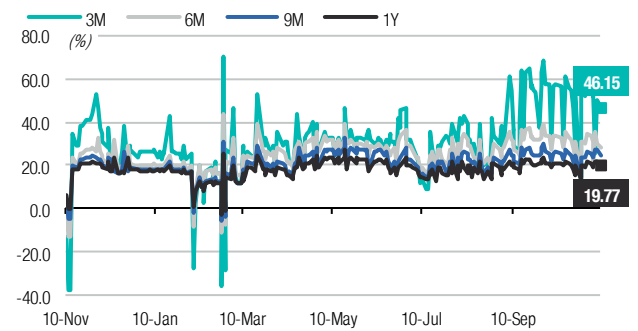
Chart page: Local bond market & Eurobond markets

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



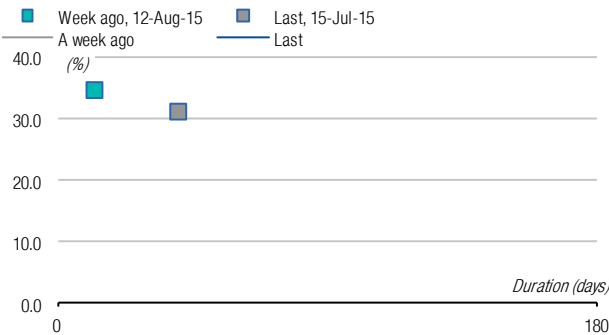
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



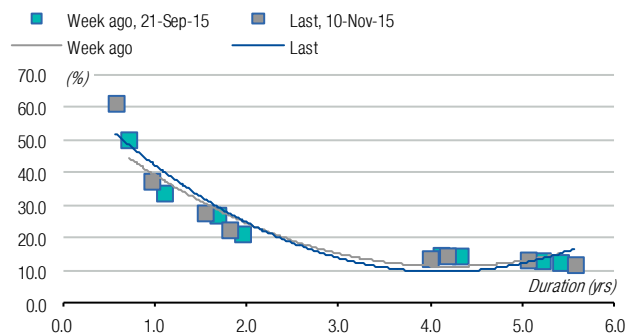
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 10 Nov 2015



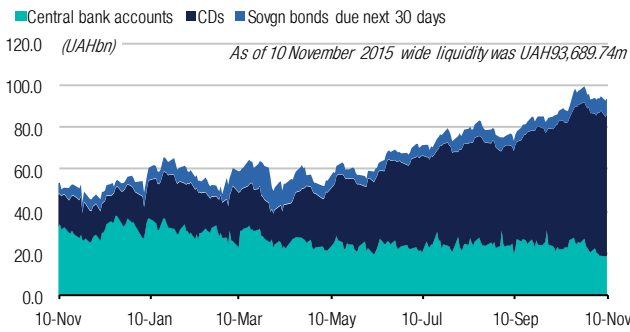
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 10 Nov 2015



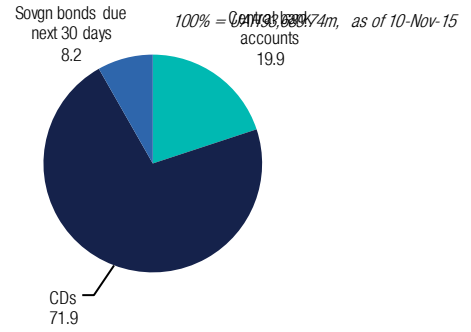
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



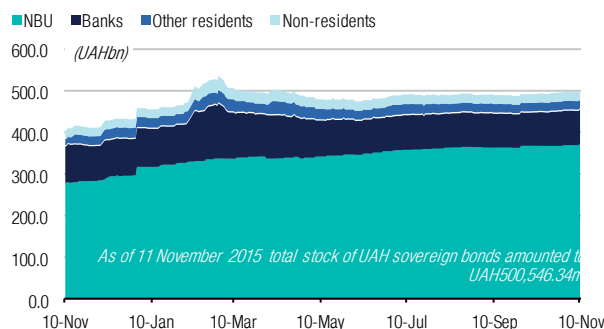
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 10 Nov 2015



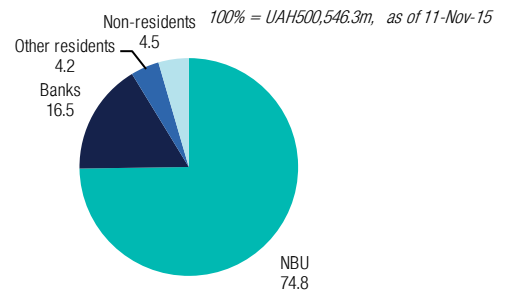
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 10 Nov 2015



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

Table 1. Ukrainian stocks (closing prices as of 10-Nov-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      | 9.88 GBp                           | +0.0  | -16.8 | -1.3   | -6.0   | 0.15             | 34.6           | -14.6   | 40.2                        | 13.9               | 0.0                          | 9.1                         | 0.01                | 16,467             | Neg. | N/A   | N/A       | 2.1  | N/A   | N/A      | Neg. | N/A   | N/A    | 0.4     | 15.3             |
| Centrenerg                   | CEEN UK          | Kiev, UX    | 5.17 UAH                           | +1.4  | -2.5  | -31.5  | -27.4  | 0.23             | 84.3           | 72.0    | 21.7                        | 18.3               | 18.8                         | 10.6                        | 0.06                | 1,607              | 27.0 | 6.0   | 5.0       | 0.2  | 2.1   | 2.0      | 0.2  | 0.2   | 0.1    | 0.8     | 4.2              |
| Coal Energy                  | CLE PW           | Warsaw      | 0.65 PLN                           | -3.0  | -8.5  | +4.8   | -9.7   | 0.16             | 7.4            | 80.0    | 25.0                        | 1.9                | 3.9                          | 1.6                         | 0.03                | 3,117              | 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    | 16.55 UAH                          | +1.6  | -10.9 | -49.8  | -44.5  | 0.73             | 17.3           | 28.2    | 14.2                        | 2.5                | 0.2                          | 2.8                         | 0.06                | 1,816              | 3.9  | Neg.  | N/A       | 0.0  | N/A   | N/A      | 0.1  | 0.2   | N/A    | 0.3     | 13.6             |
| JXK Oil & Gas                | JXK LN           | London      | 28.50 GBp                          | +0.0  | +11.8 | +137.5 | -25.0  | 0.43             | 74.2           | 84.9    | 47.2                        | 35.0               | 16.3                         | 160.2                       | 0.09                | 1,082              | Neg. | Neg.  | Neg.      | Neg. | 2.2   | 3.4      | 0.6  | 0.7   | 1.2    | 0.3     | 9.9              |
| Regal Petroleum              | RPT LN           | London      | 3.75 GBp                           | -11.8 | -2.6  | +20.0  | -40.0  | 0.06             | 18.2           | -15.2   | 80.9                        | 14.7               | 0.0                          | 1.9                         | 0.00                | 21,817             | 3.2  | N/A   | N/A       | Neg. | N/A   | N/A      | Neg. | Neg.  | N/A    | 0.3     | 0.0              |
| Zakhidenergo                 | ZAEN UK          | Kiev, PFTS  | 81.50 UAH                          | +0.6  | -37.3 | -45.0  | -41.8  | 3.60             | 46.0           | 80.4    | 5.0                         | 2.3                | 6.3                          | 0.5                         | 0.06                | 1,557              | Neg. | N/A   | N/A       | 0.1  | N/A   | N/A      | 0.1  | N/A   | N/A    | 0.5     | 11.6             |
| <b>METALLURGY</b>            |                  |             |                                    |       |       |        |        |                  |                |         |                             |                    |                              |                             |                     |                    |      |       |           |      |       |          |      |       |        |         |                  |
| Alchevsky Meta...            | ALMK UK          | Kiev, UX    | 0.01 UAH                           | +6.1  | -8.4  | -15.9  | -35.1  | 0.00             | 13.9           | 1,825.9 | 3.9                         | 0.5                | 0.1                          | 0.2                         | 0.07                | 1,346              | Neg. | Neg.  | N/A       | 0.6  | Neg.  | N/A      | 2.8  | 6.8   | N/A    | N/A     | 145.5            |
| Avdiivsky Cok...             | AVDK UK          | Kiev, UX    | 1.06 UAH                           | -1.8  | -7.7  | -38.6  | -47.3  | 0.05             | 9.1            | 8.1     | 4.0                         | 0.4                | 0.6                          | 0.9                         | 0.19                | 527                | Neg. | Neg.  | N/A       | Neg. | N/A   | N/A      | 0.0  | 0.0   | N/A    | 0.0     | 0.0              |
| Azovstal                     | AZST UK          | Kiev, UX    | 0.51 UAH                           | +0.0  | -31.3 | -31.3  | -25.3  | 0.02             | 95.0           | 33.6    | 4.1                         | 3.9                | 23.4                         | 2.2                         | 0.13                | 778                | 2.4  | 1.8   | N/A       | 0.0  | N/A   | N/A      | 0.0  | 0.0   | N/A    | 0.1     | 0.0              |
| Ferrexpo PLC                 | FXPO LN          | London      | 33.50 GBp                          | +0.8  | -16.3 | -31.5  | -54.2  | 0.51             | 298.9          | 955.5   | 22.4                        | 66.9               | 448.5                        | 427.7                       | 0.54                | 185                | 1.7  | 2.4   | 6.0       | 3.0  | 3.7   | 4.7      | 0.7  | 0.9   | 1.0    | 0.7     | 61.1             |
| Yasynivsky Cok...            | YASK UK          | Kiev, UX    | 0.18 UAH                           | +33.1 | -27.6 | -35.4  | -48.4  | 0.01             | 2.2            | 2.8     | 9.0                         | 0.2                | 0.1                          | 1.1                         | 0.70                | 143                | Neg. | Neg.  | N/A       | Neg. | N/A   | N/A      | 0.0  | 0.0   | N/A    | 0.0     | 0.0              |
| Yenakievo Steel              | ENMZ UK          | Kiev, UX    | 15.91 UAH                          | +0.1  | -2.9  | -24.1  | -18.1  | 0.70             | 7.4            | -7.8    | 9.4                         | 0.7                | 0.1                          | 1.6                         | 0.03                | 3,377              | Neg. | Neg.  | N/A       | Neg. | Neg.  | N/A      | Neg. | Neg.  | N/A    | 0.2     | 0.0              |
| <b>FOOD AND AGRIBUSINESS</b> |                  |             |                                    |       |       |        |        |                  |                |         |                             |                    |                              |                             |                     |                    |      |       |           |      |       |          |      |       |        |         |                  |
| AgroGeneration               | ALAGR FP         | EN Paris    | 0.44 EUR                           | +2.3  | +10.0 | +2.3   | -10.2  | 0.47             | 46.6           | 138.3   | 34.0                        | 15.8               | 8.3                          | 64.3                        | 0.77                | 129                | Neg. | Neg.  | 2.9       | Neg. | 7.0   | 4.7      | 2.0  | 2.2   | 1.7    | N/A     | 35.9             |
| Agroliga                     | AGL PW           | Warsaw      | 15.50 PLN                          | +0.0  | -10.1 | +72.2  | +35.4  | 3.93             | 6.0            | 6.8     | 16.7                        | 1.0                | 1.3                          | 1.8                         | 0.23                | 436                | 1.8  | N/A   | N/A       | 2.0  | N/A   | N/A      | 0.4  | N/A   | N/A    | 0.6     | 5.7              |
| Agroton                      | AGT PW           | Warsaw      | 1.21 PLN                           | +0.8  | +0.8  | -1.6   | -20.4  | 0.31             | 6.6            | 33.4    | 26.2                        | 1.7                | 6.9                          | 13.7                        | 1.40                | 71                 | Neg. | N/A   | N/A       | 1.4  | N/A   | N/A      | 0.6  | N/A   | N/A    | 0.2     | 33.4             |
| Astarta Holdin...            | AST PW           | Warsaw      | 35.60 PLN                          | -7.5  | +21.4 | +78.0  | +83.4  | 9.02             | 225.4          | 446.8   | 31.0                        | 69.9               | 256.7                        | 66.3                        | 0.06                | 1,690              | Neg. | 16.0  | 3.9       | 3.7  | 4.0   | 4.0      | 1.2  | 1.2   | 1.1    | 1.0     | 49.6             |
| Avangard                     | AVGR LI          | London Intl | 1.41 USD                           | +19.0 | +58.4 | -31.2  | -76.5  | 1.41             | 90.1           | 390.3   | 21.7                        | 19.5               | 13.2                         | 57.9                        | 0.05                | 2,070              | Neg. | Neg.  | Neg.      | 3.0  | 10.2  | 4.8      | 0.9  | 1.4   | 1.2    | 0.3     | 33.1             |
| IMC                          | IMC PW           | Warsaw      | 6.51 PLN                           | -2.8  | -3.6  | +14.8  | -4.1   | 1.65             | 51.6           | 152.1   | 23.9                        | 12.3               | 3.0                          | 3.8                         | 0.02                | 4,549              | Neg. | 2.8   | 1.7       | 2.7  | 2.7   | 2.8      | 1.1  | 1.2   | 1.1    | 1.9     | 69.8             |
| Kernel Holding...            | KER PW           | Warsaw      | 52.00 PLN                          | +0.0  | -0.8  | +82.7  | +124.9 | 13.17            | 1,049.6        | 1,384.2 | 58.8                        | 616.9              | 788.1                        | 1,902.9                     | 0.27                | 371                | 9.8  | 4.8   | 4.9       | 3.5  | 3.8   | 3.9      | 0.6  | 0.6   | 0.5    | 1.2     | 31.6             |
| KSG Agro                     | KSG PW           | Warsaw      | 1.00 PLN                           | -2.0  | -14.5 | -10.7  | -16.0  | 0.25             | 3.8            | 73.9    | 34.4                        | 1.3                | 7.0                          | 9.9                         | 1.24                | 81                 | 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 | 9.40 USD                           | -1.2  | +4.4  | +2.2   | -13.4  | 9.40             | 993.3          | 2,219.1 | 22.3                        | 221.7              | 246.2                        | 358.3                       | 0.08                | 1,185              | Neg. | 4.9   | 3.6       | 4.0  | 4.4   | 4.4      | 1.6  | 1.8   | 1.8    | 1.5     | 53.0             |
| Milkiland                    | MLK PW           | Warsaw      | 2.22 PLN                           | +12.1 | +53.1 | +50.0  | -15.3  | 0.56             | 17.6           | 121.9   | 20.0                        | 3.5                | 147.3                        | 59.6                        | 2.65                | 38                 | Neg. | Neg.  | Neg.      | 8.9  | 6.8   | 7.0      | 0.4  | 0.5   | 0.5    | 0.2     | 42.5             |
| Ovostar Union                | OVO PW           | Warsaw      | 87.55 PLN                          | +0.6  | +2.5  | +21.6  | +20.8  | 22.18            | 133.1          | 141.5   | 25.0                        | 33.3               | 9.3                          | 14.9                        | 0.01                | 11,836             | 5.3  | 6.2   | 6.5       | 4.8  | 5.8   | 5.3      | 1.8  | 1.9   | 1.4    | 1.6     | 9.4              |
| <b>CONSTRUCTION</b>          |                  |             |                                    |       |       |        |        |                  |                |         |                             |                    |                              |                             |                     |                    |      |       |           |      |       |          |      |       |        |         |                  |
| TMM                          | TR61 GF          | Frankfurt   | 0.02 EUR                           | +0.0  | +25.0 | -81.3  | -91.2  | 0.02             | 0.8            | 93.7    | 13.1                        | 0.1                | 0.0                          | 0.0                         | 0.00                | 188,466            | 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    | 0.08 UAH                           | +3.3  | -1.8  | -21.9  | -31.8  | 0.00             | 99.2           | N/A     | 3.8                         | 3.8                | 2.3                          | 5.4                         | 0.10                | 1,041              | N/A  | 5.2   | 5.2       | 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  | -1.1  | -30.9  | -38.6  | 0.00             | 98.0           | N/A     | 4.5                         | 4.4                | 0.6                          | 0.7                         | 0.00                | 45,388             | 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

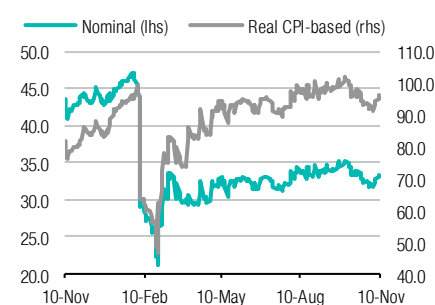
### UAH flat despite stronger dollar

Although the US dollar (in terms of DXY index) rose steadily in response to last week's positive jobs announcement, the hryvnia was rather stable. The dollar index added 0.32% to 99.293 points, very close to the 100-point threshold the index touched early this year, after the euro slid closer to the 1.05 level as divergence between the Fed and ECB policies has become more evident. While the US Fed is certain to start raising its policy rate this December, the ECB appears committed to continuing its QE program most likely well into next year. The hryvnia traded broadly in line with the previous day's level -- the weighted average rate was at 22.7613/USD, or just 0.03% lower than the previous day's rate of 22.7549/USD.

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

### ICU's UAH trade-weighted indices

(Last 12-month history to 11 Nov 2015)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 10 Nov 2015)

|   | Last      | Daily   | Weekly  | MoM     | YTD     |
|---|-----------|---------|---------|---------|---------|
|   | chg (%)   | chg (%) | chg (%) | chg (%) | chg (%) |
| <b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>           |           |         |         |         |         |
| Spot mkt  | 22.6000   | -0.77   | -2.80   | +3.96   | +42.86  |
| NBU avg   | 22.7613   | +0.03   | -1.12   | +5.89   | +44.35  |
| Ttl vlm <sup>1</sup>                                    | 272.33    | -23.80  | -8.31   | -12.74  | -36.80  |
| \$ volume <sup>2</sup>                                  | 206.21    | -10.84  | -3.50   | -9.13   | -41.80  |
| NDF 3M  | 25.6000   | +0.87   | -2.48   | +3.01   | +51.93  |
| NDF 6M  | 26.1000   | +0.86   | -2.43   | +2.95   | +50.00  |
| NDF 1Y  | 26.8500   | -0.65   | -2.36   | +2.87   | +45.53  |
| <b>TRADE-WEIGHTED INDICES (TWIs, points)</b>            |           |         |         |         |         |
| UAH nom'l   | 33.213    | +0.76   | +4.96   | +0.04   | -25.31  |
| UAH real CPI  | 95.869    | +0.76   | +4.96   | +0.04   | +10.78  |
| UAH real PPI  | 115.294   | +0.76   | +4.96   | +0.04   | -2.10   |
| USD nom'l   | 99.293    | +0.32   | +2.20   | +4.73   | +10.00  |
| <b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b> |           |         |         |         |         |
| USD/RUB   | 64.5585   | -0.11   | +3.14   | +4.95   | +6.29   |
| EUR/USD   | 1.0724    | -0.26   | -2.19   | -5.58   | -11.36  |
| USD/CNY   | 6.3621    | -0.01   | +0.41   | +0.27   | +2.52   |
| USD/PLN   | 3.9506    | -0.21   | +1.88   | +6.30   | +11.49  |
| USD/TRY   | 2.9165    | -0.14   | +3.08   | +0.18   | +24.90  |
| USD/BYR   | 17,640.00 | -0.03   | +1.26   | +2.71   | +60.36  |
| USD/KZT   | 306.6000  | -0.36   | +8.24   | +11.71  | +68.14  |
| <b>OTHER MAJOR CURRENCIES</b>                           |           |         |         |         |         |
| USD/JPY   | 123.1500  | -0.02   | +1.72   | +2.39   | +2.81   |
| GBP/USD   | 1.5119    | +0.03   | -1.96   | -1.32   | -2.94   |
| USD/CHF   | 1.0064    | +0.28   | +1.56   | +4.66   | +1.22   |
| AUD/USD   | 0.7032    | -0.21   | -2.14   | -4.14   | -13.98  |
| USD/CAD   | 1.3275    | -0.09   | +1.65   | +2.55   | +14.23  |
| USD/BRL   | 3.7478    | -1.36   | -0.57   | -0.41   | +41.02  |
| USD/KRW   | 1,156.82  | -0.05   | +2.11   | +1.10   | +6.03   |
| <b>COMMODITIES</b>                                      |           |         |         |         |         |
| Gold(\$/oz)   | 1,089.63  | -0.24   | -2.52   | -5.85   | -8.04   |
| WTI crude <sup>3</sup>                                  | 44.21     | +0.78   | -7.70   | -10.92  | -17.01  |
| Brent crd <sup>3</sup>                                  | 45.84     | -1.08   | -6.26   | -11.90  | -17.79  |
| Urals crd <sup>3</sup>                                  | N/A       | +0.00   | +0.00   | +0.00   | +0.00   |
| TR/J CRB <sup>4</sup>                                   | 189.42    | +0.10   | -4.12   | -6.55   | -17.63  |

Notes: [1] trading volume in all foreign currencies (US\$m); [2] trading volume in the pair USD/UAH (US\$m); [3] crude oil price (USD per barrel); [4] the Thomson Reuters/Jefferies CRB Index. A green-/red-shaded box means gain or loss, respectively, of the investment into the asset. Currencies are gaining when their exchange rates strengthen versus USD.

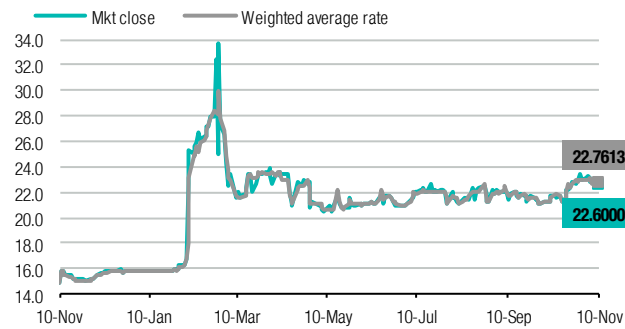
Sources: Bloomberg, Investment Capital Ukraine LLC.

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

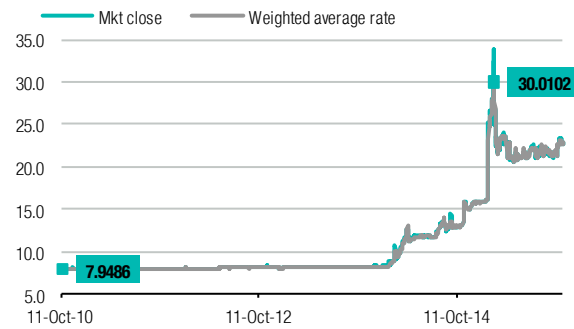
Section on FX market is continued on next page.

Chart page #1: Foreign-exchange market

Chart 9. Spot market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)

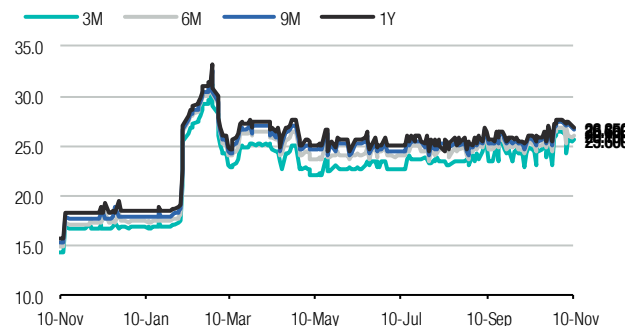


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

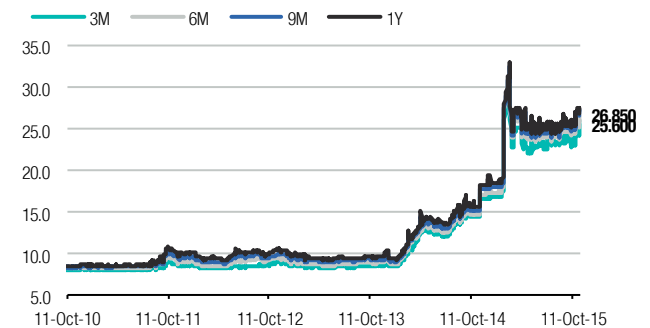


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

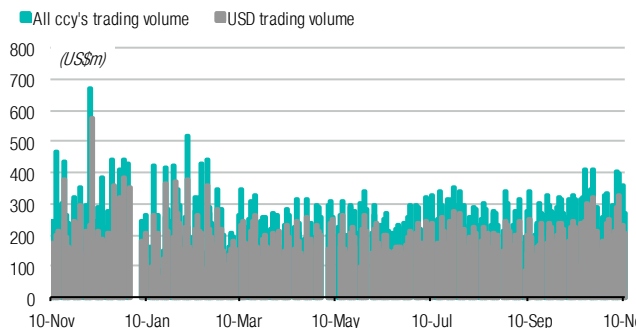


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

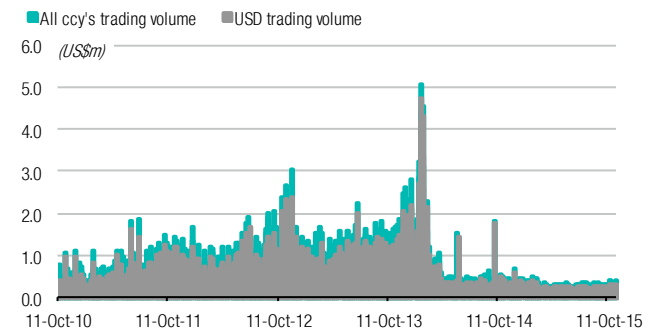


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

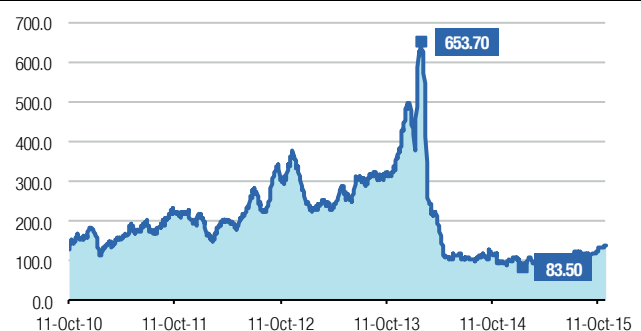


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

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

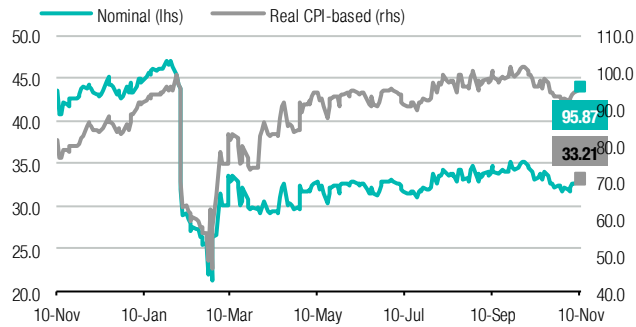


Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

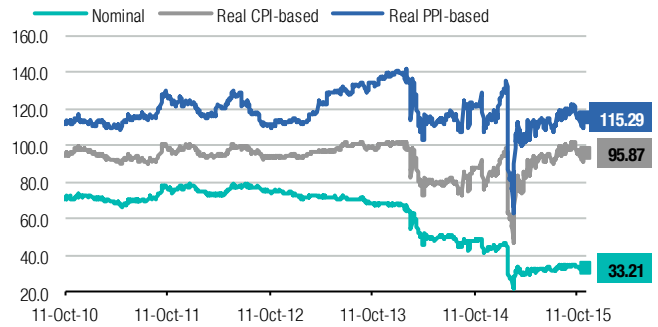
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



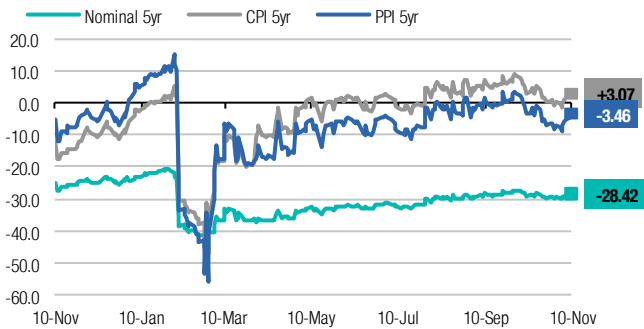
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

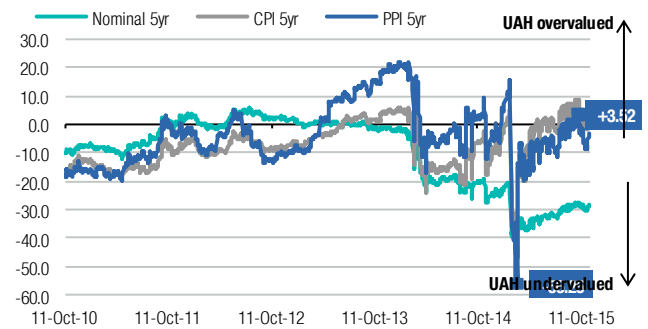


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**Chart 15. Deviation of UAH trade-weighted indices from their 5-year moving averages: last 12-month and 5-year periods (% , left and right respectively)**

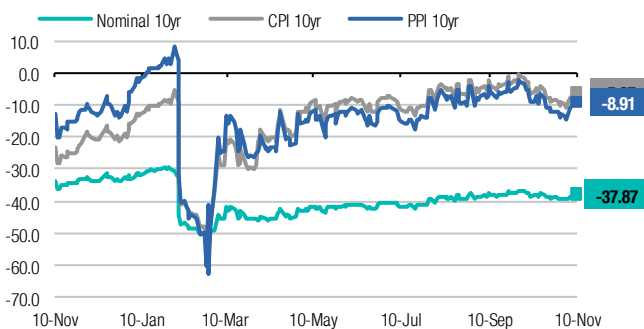


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

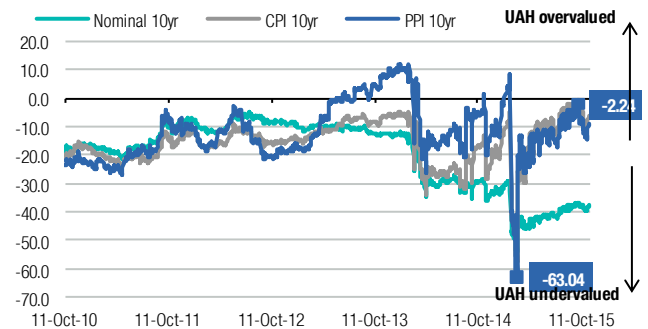


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**Chart 16. Deviation of UAH trade-weighted indices from their 10-year moving averages: last 12-month and 5-year periods (% , left and right respectively)**



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



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

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

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

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

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

### DEBT RATING DEFINITIONS

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**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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