

# Daily Insight

## NBU sells new portion of VAT bonds

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THURSDAY, 24 DECEMBER 2015

### UX Index (3 months to 24 Dec 2015)



Source: UX.

### Key market indicators (as of 23 Dec 2015)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	22.8500	-0.22	+44.44
USD/UAH (1Y NDF)	27.1000	-0.18	+46.88
EUR/USD	1.0912	-0.41	-9.80
USD/RUB	69.7448	-2.12	+14.83
KievPRIME O/N (%)	18.89	+0bp	-1bp
KievPRIME 1M (%)	22.30	+0bp	+240bp
<b>SOVEREIGN EUROBONDS: yields and spreads</b>			
Ukraine 15, Eurobond (%)	N/A	+0bp	-5,343bp
Ukraine 17, Eurobond (%)	29.14	+26bp	+139bp
Ukraine 22, Eurobond (%)	12.32	-1bp	-393bp
Ukraine 23, Eurobond (%)	11.85	+0bp	-371bp
Ukraine 5Y CDS	0bp	+0bp	-2,199bp
<b>EQUITIES</b>			
<b>Stock market indices</b>			
UX (Ukraine)	672.11	+1.08	-34.95
MSCI World	401.69	+1.27	-3.70
MSCI EM	803.13	+1.07	-16.02
RTS (Russia)	785.51	+3.03	-0.21
WIG-20 (Poland)	1,879.75	+0.32	-18.83
S&P 500 (USA)	2,064.29	+1.24	+0.26

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 continues to increase

Banks' correspondent accounts with the NBU declined UAH0.70bn to UAH30.89bn yesterday while total CDs outstanding rose UAH1.44bn to UAH71.50bn. This reallocation and additional increase in CDs outstanding resulted in banking sector liquidity to rise UAH0.74bn to UAH102.39bn.

**Investment implications:** Liquidity continued to increase slightly, including a reallocation of funds to CDs. Total CDs outstanding rose to UAH71.50bn, a new record high. Banks partially purchased CDs with redemption next year, signaling that a decline in liquidity at the end of the year could be insignificant. This week, we could see liquidity increase further with more fund reallocations to CDs, especially after yesterday's tender where the NBU had to offer 1-month and 3-month CDs.

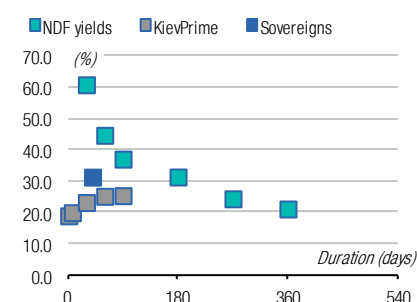
## NBU sells new portion of VAT bonds

The NBU sold UAH39.52m of VAT bonds from its portfolio at yesterday's auction at the Perspektiva stock exchange, slightly lower than the amount sold at the previous auction at all stock exchanges. Although demand amounted to UAH129.53m, which is quite lower/higher than before, the NBU reported that accepted bids were at 19.50%, which is higher than those accepted at the two debut auctions (19.12% and 19.24%, respectively), signaling that yields are unlikely to decline in the near weeks.

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## Yield curve of the local bond market

(as of market close on 23 Dec 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 23 Dec 2015)

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

### MONEY MARKET KIEV PRIME RATES (%)

O/n	18.89	+0bp	-35bp	-11bp	-1bp
1wk	20.05	+0bp	-20bp	-8bp	+105bp
1m	22.30	+0bp	+5bp	-8bp	+240bp
2m	23.50	+0bp	+12bp	+12bp	+350bp
3m	23.70	+0bp	+7bp	+7bp	+370bp

### LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's <sup>1</sup>	30,894	-2.22	-3.86	+12.57	-7.09
CDs <sup>2</sup>	71,500	+2.06	+11.57	+13.47	+352.9
Sovgns <sup>3</sup>	4,279	-20.66	-5.59	-56.62	-5.56
<b>Total</b>	<b>106,674</b>	<b>-0.35</b>	<b>+5.88</b>	<b>+6.33</b>	<b>+99.13</b>

### HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	379,839	+1.33	+1.29	+2.03	+19.40
Banks	80,189	-0.75	-0.36	-5.52	-14.18
Resid's <sup>4</sup>	21,217	-0.09	-0.46	-0.14	-13.57
Non-res <sup>5</sup>	21,765	-1.38	-1.04	-4.60	+1.03
<b>Total</b>	<b>503,010</b>	<b>+0.81</b>	<b>+0.85</b>	<b>+0.35</b>	<b>+9.91</b>

### NDF IMPLIED YIELDS (%)

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

### 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 <sup>6</sup>	N/A	N/A	N/A	N/A	N/A

### EUROBONDS USD SOVEREIGN BOND YIELDS (%)

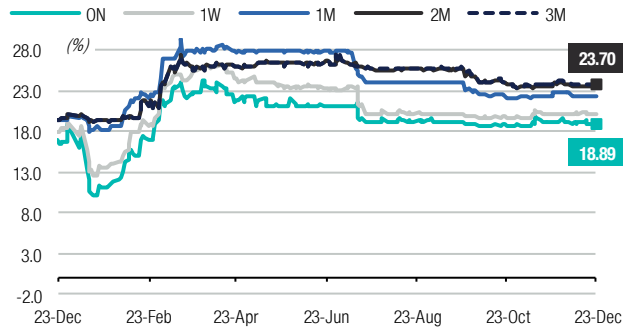
CDS 5yr	0	+0bp	+0bp	+0bp	-22ppt
Jun '16	67.67	+114bp	+0bp	+16bp	+31bp
Jul '17	29.14	+26bp	+0bp	+199bp	+139bp
Sep '20	14.02	+4bp	+0bp	+46bp	-483bp
Sep '21	14.22	+0bp	+0bp	+43bp	-432bp
Sep '22	12.32	-1bp	+3bp	+3bp	-393bp
Feb '23	11.85	+0bp	+5bp	+20bp	-371bp

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.

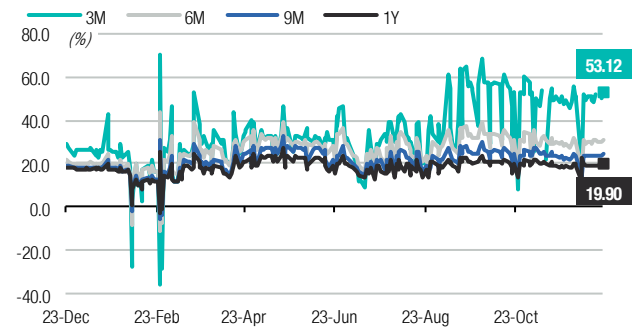
Chart page: Local bond market & Eurobond markets

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



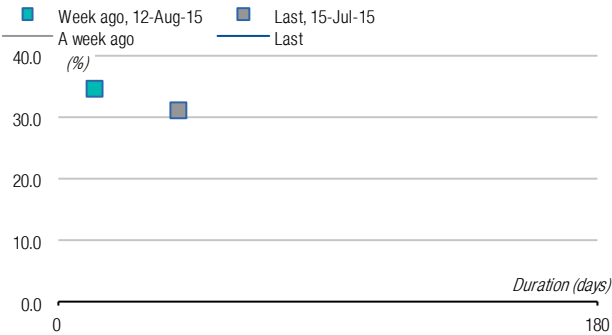
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



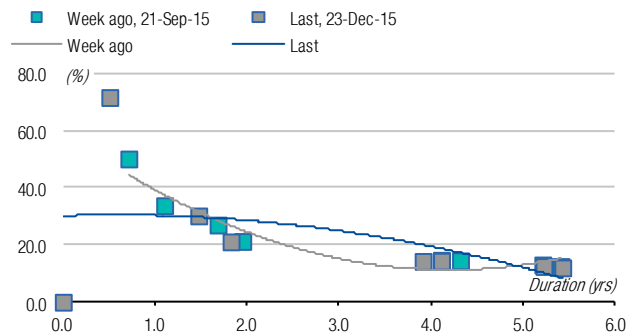
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 23 Dec 2015



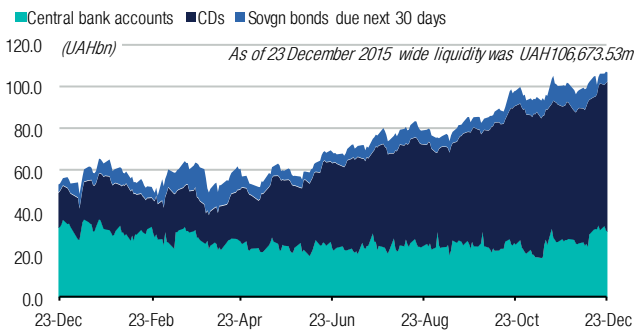
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 23 Dec 2015



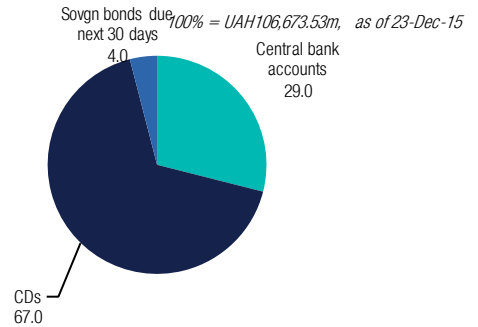
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



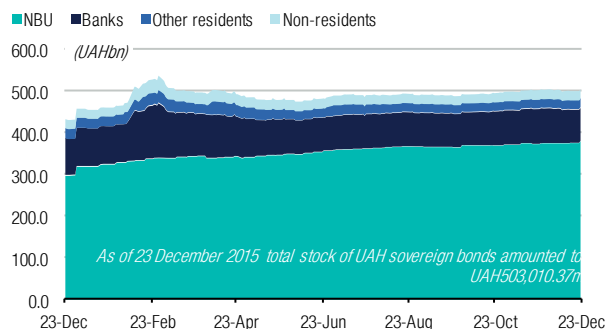
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 23 Dec 2015



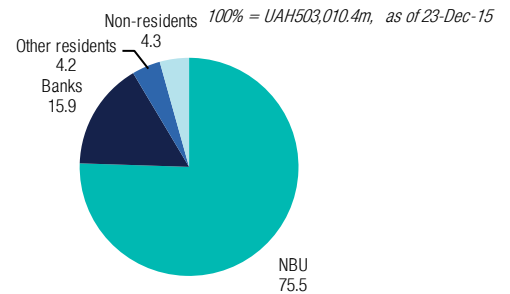
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 23 Dec 2015



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

Table 1. Ukrainian stocks (closing prices as of 23-Dec-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	8.13 GBp	-1.5	-5.8	-18.8	-18.8	0.12	28.0	-21.2	40.2	11.2	8.7	4.2	0.02	4,651	Neg.	N/A	N/A	3.0	N/A	N/A	Neg.	N/A	N/A	0.4	15.3
Centrenerg	CEEN UK	Kiev, UX	4.60 UAH	+0.0	-1.1	-39.1	-37.2	0.20	73.9	61.8	21.7	16.0	7.4	11.2	0.07	1,421	24.1	Neg.	5.3	0.2	Neg.	1.8	0.2	0.2	0.1	0.7	4.2
Coal Energy	CLE PW	Warsaw	0.52 PLN	-5.5	-13.3	-16.1	-18.8	0.13	6.0	77.5	25.0	1.5	1.6	1.0	0.06	1,578	Neg.	N/A	N/A	10.6	N/A	N/A	0.7	N/A	N/A	0.2	56.9
Donbasenergo	DOEN UK	Kiev, UX	15.08 UAH	+0.0	-16.1	-54.3	-52.9	0.66	15.5	26.3	14.2	2.2	0.1	2.0	0.14	718	3.5	Neg.	N/A	0.0	N/A	N/A	0.1	0.1	N/A	0.3	13.6
JKX Oil & Gas	JKX LN	London	27.25 GBp	+0.0	-5.2	+127.1	+118.0	0.41	69.7	80.4	47.2	32.9	1.6	33.0	0.03	2,958	Neg.	Neg.	Neg.	Neg.	3.1	3.2	0.5	0.7	1.1	0.3	9.9
Regal Petroleum	RPT LN	London	3.60 GBp	-12.2	-2.6	+15.2	+6.7	0.05	17.2	-16.2	80.9	13.9	2.0	0.9	0.01	10,770	3.0	N/A	N/A	Neg.	N/A	N/A	Neg.	Neg.	N/A	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	91.00 UAH	+0.0	-5.2	-38.6	-35.0	3.96	50.6	84.5	5.0	2.5	0.6	0.9	0.03	3,115	Neg.	N/A	N/A	0.1	N/A	N/A	0.2	N/A	N/A	0.5	11.6
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	+0.0	-18.0	-28.3	-29.8	0.00	11.7	1,798.5	3.9	0.5	0.0	0.2	0.06	1,769	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	1.03 UAH	+0.0	+0.3	-40.3	-42.6	0.04	8.8	7.8	4.0	0.4	0.0	0.9	0.36	279	Neg.	N/A	N/A	Neg.	N/A	N/A	0.0	N/A	N/A	0.0	0.0
Azovstal	AZST UK	Kiev, UX	0.39 UAH	+0.0	-11.7	-48.3	-44.7	0.02	70.4	9.9	4.1	2.9	0.0	3.8	0.05	2,086	1.8	1.4	N/A	0.0	N/A	N/A	0.0	0.0	N/A	0.1	0.0
Ferrexpo PLC	FXPO LN	London	19.75 GBp	+12.9	-26.9	-59.6	-56.5	0.29	173.1	829.8	22.4	38.8	652.6	252.9	0.84	119	1.0	1.5	8.2	2.6	3.3	4.8	0.6	0.8	0.9	0.4	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.33 UAH	+0.0	+0.0	+17.9	+22.2	0.01	3.9	4.6	9.0	0.4	32.6	4.7	1.72	58	Neg.	Neg.	N/A	Neg.	N/A	N/A	0.1	0.0	N/A	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	14.04 UAH	+0.0	-13.1	-33.0	-34.9	0.61	6.4	-8.6	9.4	0.6	0.0	0.6	0.15	682	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	0.39 EUR	+0.0	-9.3	-9.3	-11.4	0.43	42.0	96.9	34.0	14.3	9.0	51.8	0.15	683	Neg.	Neg.	2.6	4.8	4.8	3.2	1.4	1.5	1.2	0.6	83.5
Agroliga	AGL PW	Warsaw	11.85 PLN	+0.0	-12.9	+31.7	+27.4	3.05	4.7	5.4	16.7	0.8	0.0	1.3	0.12	866	1.4	N/A	N/A	1.6	N/A	N/A	0.3	N/A	N/A	0.5	5.7
Agroton	AGT PW	Warsaw	0.96 PLN	-3.0	-9.4	-22.0	-19.3	0.25	5.4	32.1	26.2	1.4	5.1	11.2	0.30	331	Neg.	N/A	N/A	1.4	N/A	N/A	0.5	N/A	N/A	0.1	33.4
Astarta Holdin...	AST PW	Warsaw	32.90 PLN	+1.4	-5.9	+64.5	+87.3	8.48	212.0	434.2	31.0	65.8	16.2	35.5	0.02	6,092	Neg.	13.5	3.4	3.6	3.5	3.6	1.1	1.3	1.1	0.9	49.6
Avangard	AVGR LI	London Intl	1.25 USD	+0.0	-19.9	-39.0	-45.7	1.25	79.8	370.6	21.7	17.3	15.6	10.8	0.01	7,365	Neg.	Neg.	Neg.	2.9	7.8	3.6	0.9	1.3	1.1	0.3	33.1
IMC	IMC PW	Warsaw	5.83 PLN	-2.2	-11.5	+2.8	-2.7	1.50	47.0	152.5	23.9	11.2	0.5	4.0	0.05	1,885	Neg.	3.5	2.4	2.7	2.9	3.7	1.1	1.0	1.0	1.7	69.8
Kernel Holding...	KER PW	Warsaw	46.11 PLN	+0.2	-3.0	+62.0	+55.7	11.88	946.9	1,328.5	58.8	556.5	1,506.3	2,497.0	0.57	176	8.9	4.9	4.7	3.3	3.9	3.9	0.6	0.6	0.5	1.1	31.6
KSG Agro	KSG PW	Warsaw	0.93 PLN	+1.1	-6.1	-17.0	-13.1	0.24	3.6	66.9	34.4	1.2	2.7	7.9	0.18	561	Neg.	N/A	N/A	6.7	N/A	N/A	2.1	N/A	N/A	N/A	67.4
MHP	MHPC LI	London Intl	9.25 USD	+10.0	-8.9	+0.5	+1.1	9.25	977.4	2,150.1	22.3	218.2	4.2	406.1	0.26	385	Neg.	4.5	3.8	3.9	4.4	4.5	1.6	1.7	1.7	1.4	53.0
Milkiland	MLK PW	Warsaw	1.47 PLN	+0.0	-13.5	-0.7	-8.1	0.38	11.8	127.3	20.0	2.4	9.0	41.4	0.41	246	Neg.	Neg.	Neg.	9.3	25.2	11.0	0.4	0.6	0.5	0.1	42.5
Ovostar Union	OVO PW	Warsaw	87.50 PLN	+1.7	+0.6	+21.5	+21.7	22.55	135.3	144.9	25.0	33.8	5.0	23.7	0.21	478	5.3	5.9	6.3	4.9	5.7	5.3	1.9	1.9	1.4	1.6	9.4
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Frankfurt	0.15 EUR	+8.9	+1,370.0	+83.8	+83.8	0.16	8.3	101.2	13.1	1.1	4.0	2.6	0.24	409	Neg.	N/A	N/A	Neg.	N/A	N/A	3.9	N/A	N/A	0.2	41.9
<b>FINANCIAL SERVICES</b>																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.07 UAH	+0.0	-3.3	-24.5	-23.4	0.00	94.6	N/A	3.8	3.6	0.0	7.5	0.29	342	N/A	5.1	5.0	N/A	N/A	N/A	N/A	N/A	N/A	0.6	N/A
Ukrsotsbank	USCB UK	Kiev, UX	0.11 UAH	+0.0	+11.7	-19.3	-18.2	0.00	112.7	N/A	4.5	5.1	0.0	0.7	0.03	3,664	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 strengthens during auction

The hryvnia strengthened yesterday as the FX market appears to have shown a greater supply of dollars. The central bank, which prior to yesterday auctioned foreign currency on December 9, took the stage again and held the auction, where it bought US\$5.4m into FX reserves and achieved a weighted-average rate slightly stronger than 23/USD. Please note, a month ago the market rate jumped to 24/USD. The external environment was favorable to the UAH yesterday as well, due to broad market sentiment that China's authorities promised to carry out flexible economic policies expected to support domestic demand via the manufacturing sector and hence this would support demand for commodities. Also, the crude oil market found support from the US with reports of lower-than-expected oil inventory. Crude oil rose about 4%, driving up commodity-dependent currencies, namely the RUB and KZT, which jumped nearly by 2% yesterday. On a trade-weighted basis, Ukraine's currency declined 0.15% as a result of the above-mentioned developments. On the negative side, Ukraine's lawmakers failed to pass several laws required for next year's state budget. These laws are likely to be reviewed today alongside the 2016 state budget law itself. Yesterday's twist by MPs on winging support to those two laws raises the risk of a general failure to pass a budget law that is in compliance with IMF requirements. As a consequence, all IMF funding is at risk in the near future. That being said, we retain our base-case scenario that sober politics will prevail today and the IMF-compliant 2016 budget law will be passed.

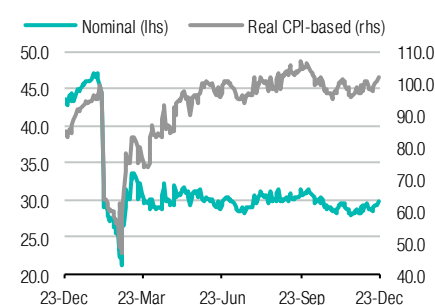
**Alexander Valchyshen, Kiev, +38044 2200120 ext.242**

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.

### ICU's UAH trade-weighted indices

(Last 12-month history to 24 Dec 2015)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 23 Dec 2015)

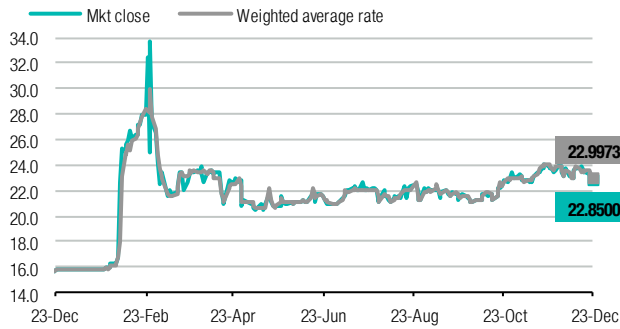
	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	22.8500	-0.22	-3.08	-4.59	+44.44
NBU avg	22.9973	-0.65	-2.22	-4.43	+45.84
Ttl vlm <sup>1</sup>	364.64	+17.22	-1.10	+44.22	-15.37
\$ volume <sup>2</sup>	261.52	+20.43	+23.41	+58.64	-26.19
NDF 3M	25.8500	-0.19	-2.08	-3.66	+53.41
NDF 6M	26.3500	-0.19	-2.77	-3.60	+51.44
NDF 1Y	27.1000	-0.18	-2.69	-3.50	+46.88
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	29.717	-0.15	+2.78	+5.60	-33.17
UAH real CPI	101.666	-0.15	+2.78	+5.60	+17.48
UAH real PPI	133.673	-0.15	+2.78	+5.60	+13.51
USD nom'l	98.341	+0.11	+0.48	-1.46	+8.94
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	69.7448	-2.12	-0.93	+5.94	+14.83
EUR/USD	1.0912	-0.41	+0.00	+2.59	-9.80
USD/CNY	6.4776	-0.01	+0.08	+1.38	+4.38
USD/PLN	3.8900	+0.29	-1.29	-2.75	+9.78
USD/TRY	2.9170	-0.46	-0.61	+2.33	+24.93
USD/BYR	18,340.00	-0.24	+0.16	+1.83	+66.73
USD/KZT	329.5000	-2.08	-0.71	+7.27	+80.70
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	120.9200	-0.12	-1.06	-1.56	+0.95
GBP/USD	1.4871	+0.29	-0.89	-1.67	-4.53
USD/CHF	0.9907	+0.36	+0.06	-2.69	-0.36
AUD/USD	0.7234	-0.03	+0.01	+0.58	-11.51
USD/CAD	1.3849	-0.51	+0.50	+3.62	+19.17
USD/BRL	3.9412	-1.20	+1.47	+5.60	+48.30
USD/KRW	1,173.20	+0.00	-0.26	+1.27	+7.54
<b>COMMODITIES</b>					
Gold(\$/oz)	1,070.50	-0.19	-0.17	+0.12	-9.65
WTI crude <sup>3</sup>	36.90	+4.86	+3.89	-7.87	-30.73
Brent crd <sup>3</sup>	36.19	+3.85	+0.14	-16.25	-35.10
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	175.22	+1.90	+1.98	-4.48	-23.80

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.

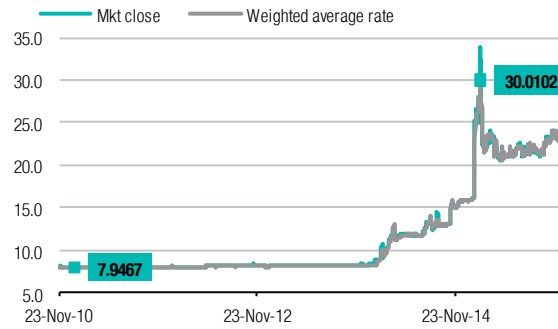
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

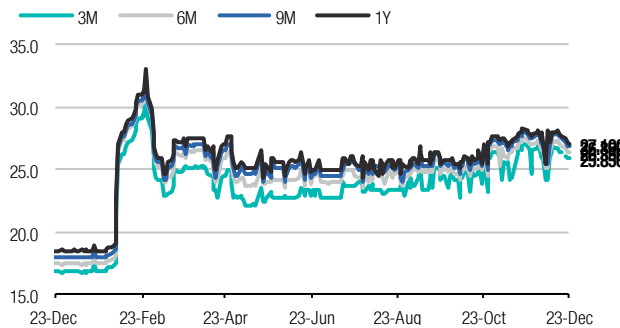


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

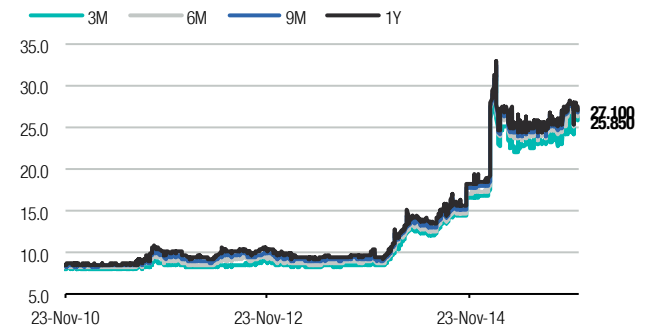


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

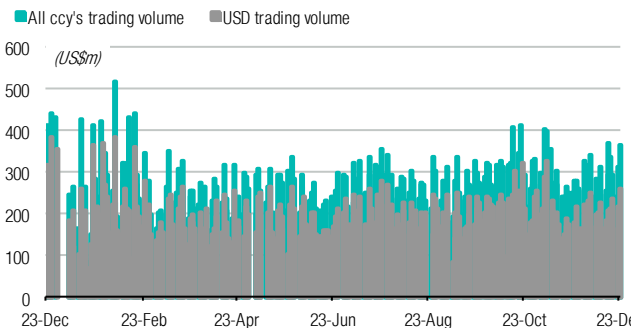


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

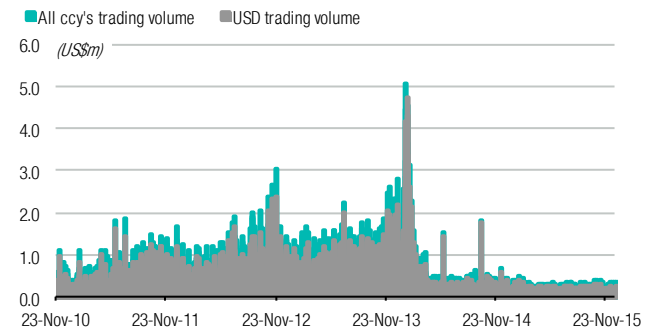


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)

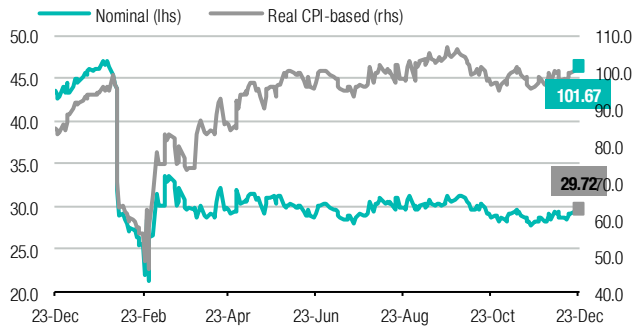


Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

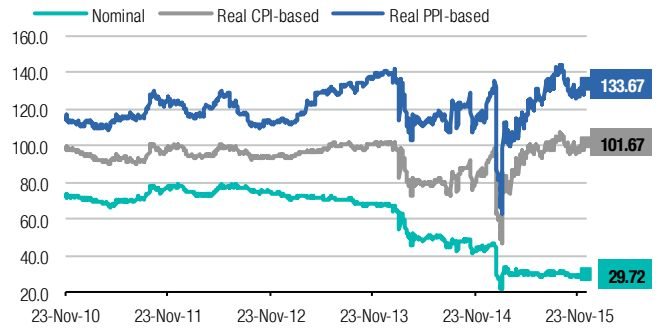
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



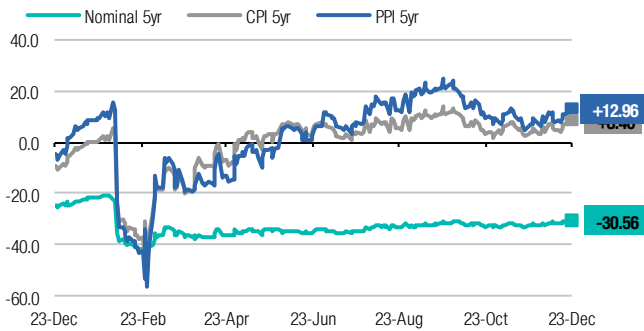
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

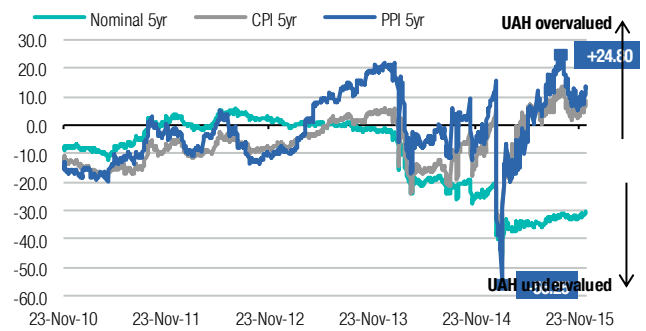


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

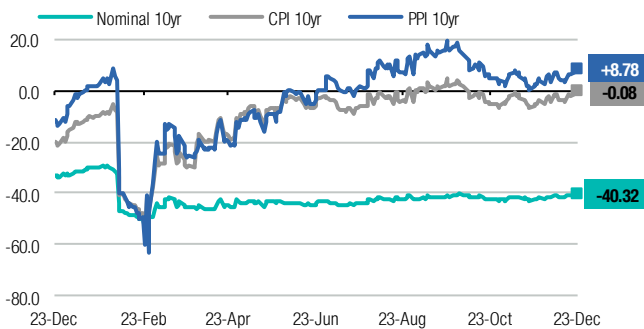


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

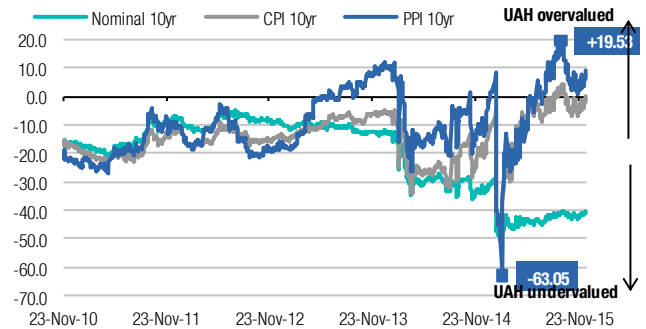


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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.

### 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



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