Focus
**Ukraine**

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

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# Daily Insight

## Banks prefer longer term CDs

**FRIDAY, 5 FEBRUARY 2016**

## Contents



**UX Index (3 months to 5 Feb 2016)**


Source: UX.

**Key market indicators (as of 4 Feb 2016)**

| | Last | Daily chg (%) | YTD chg (%) |
|---|---|---|---|
| **FX & MONEY RATES** | | | |
| USD/UAH | 25.8500 | +0.39 | +7.58 |
| USD/UAH (1Y NDF) | 30.1000 | +0.33 | +18.06 |
| EUR/USD | 1.1209 | +0.94 | +3.19 |
| USD/RUB | 76.8512 | +0.07 | +5.97 |
| KievPRIME O/N (%) | 18.93 | -5bp | -13bp |
| KievPRIME 1M (%) | 22.20 | -5bp | -5bp |
| **SOVEREIGN EUROBONDS: yields and spreads** | | | |
| Ukraine 15, Eurobond (%) | N/A | +0bp | +0bp |
| Ukraine 17, Eurobond (%) | 29.14 | +26bp | +0bp |
| Ukraine 22, Eurobond (%) | 12.32 | -1bp | +0bp |
| Ukraine 23, Eurobond (%) | 11.85 | +0bp | +0bp |
| Ukraine 5Y CDS | N/A | | |
| **EQUITIES** | | | |
| **Stock market indices** | | | |
| UX (Ukraine) | 630.17 | -1.20 | -8.12 |
| MSCI World | 371.99 | +0.70 | -6.85 |
| MSCI EM | 739.55 | +2.48 | -6.87 |
| RTS (Russia) | 738.82 | +6.01 | -2.41 |
| WIG-20 (Poland) | 1,788.65 | +2.85 | -3.79 |
| S&P 500 (USA) | 1,915.45 | +0.15 | -6.29 |

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

## Banks prefer longer term CDs

Banking sector liquidity remains steady, up UAH0.49bn to UAH119.27bn yesterday. Banks' correspondent accounts with the NBU rose UAH0.21bn to UAH38.55bn while total CDs outstanding was up UAH0.28bn to UAH80.

We note a few market changes as the indicators reflect Wednesday's tender on CDs. First, although the NBU decreased interest rates on 30-day and 3-month CDs, the weighted-average interest rates paid by banks declined even further to 20.68% and 20.59%, respectively. Second, the demand for longer maturities increased as banks moved about UAH2.0bn from ON CDs and UAH1.0bn from 7-day CDs to 14-day and longer maturities.

***Investment implications: Liquidity remained steady as funds refinanced to longer term CDs. It should continue to recover and possibly set a new record high this month.***

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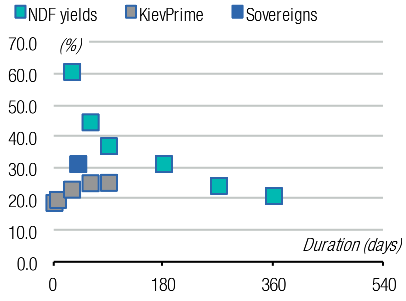
**Yield curve of the local bond market**
(as of market close on 4 Feb 2016)




Sources: Bloomberg, Investment Capital Ukraine LLC.

**Bond market indicators (as of 4 Feb 2016)**

| | Last | Daily chg (%) | Weekly chg (%) | MoM chg (%) | YTD chg (%) |
|---|---|---|---|---|---|
| **MONEY MARKET** KIEV PRIME RATES (%) | | | | | |
| O/n | 18.93 | -5bp | +5bp | -13bp | -13bp |
| 1wk | 19.96 | -2bp | -4bp | -4bp | -4bp |
| 1m | 22.20 | -5bp | +1bp | -5bp | -5bp |
| 2m | 23.25 | -6bp | -6bp | -25bp | -25bp |
| 3m | 23.45 | -11bp | +1bp | -30bp | -30bp |
| **LIQUIDITY** WIDE MEASUREMENT (UAHm) | | | | | |
| CB acc's[1] | 38,546 | +0.55 | -5.61 | +39.16 | +0.22 |
| CDs[2] | 80,729 | +0.35 | +4.90 | -9.56 | -6.99 |
| Sovgns[3] | 5,661 | +0.00 | -2.86 | -5.39 | +19.60 |
| **Total** | **124,936** | +0.39 | +1.06 | +1.62 | -3.89 |
| **HOLDERS OF UAH SOVEREIGN BONDS (UAHm)** | | | | | |
| C.bank | 389,988 | +0.00 | +0.01 | +0.01 | +2.68 |
| Banks | 102,573 | -0.41 | +17.95 | +25.73 | +25.75 |
| Resid's[4] | 11,252 | -0.22 | +0.90 | +0.54 | -46.41 |
| Non-res[5] | 23,149 | -0.61 | +3.02 | +3.05 | +3.78 |
| **Total** | **526,962** | -0.11 | +3.22 | +4.31 | +4.41 |
| **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[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 | 67.67 | +114bp | +0bp | +0bp | +0bp |
| Jul '17 | 29.14 | +26bp | +0bp | +0bp | +0bp |
| Sep '20 | 14.02 | +4bp | +0bp | +0bp | +0bp |
| Sep '21 | 14.22 | +0bp | +0bp | +0bp | +0bp |
| Sep '22 | 12.32 | -1bp | +0bp | +0bp | +0bp |
| Feb '23 | 11.85 | +0bp | +0bp | +0bp | +0bp |

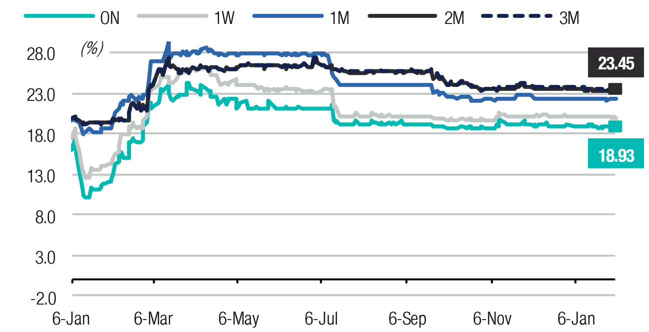
Notes: [1] banks' account balance at NBU; [2] certificates of deposits issued by NBU; [3] UAH sovereign bonds due next 30 days; [4] residents; [5] non-residents; [6] VAT bond.

Sources: Bloomberg, Investment Capital Ukraine LLC.

***Section on Bond market is continued on next page.***

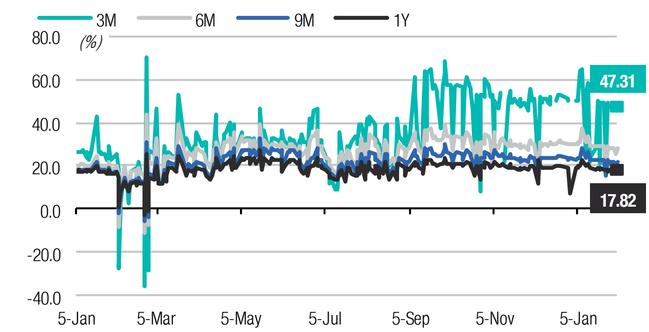
## Chart page: Local bond market & Eurobond markets

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



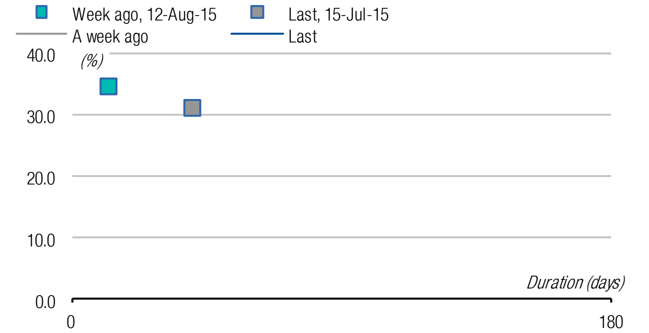

Sources: Bloomberg, Investment Capital Ukraine LLC.

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



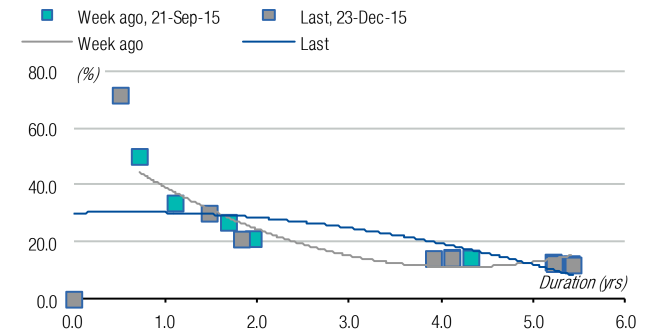

Sources: Bloomberg, Investment Capital Ukraine LLC.

### Chart 3. UAH sovereign yield curve (%) as of 4 Feb 2016



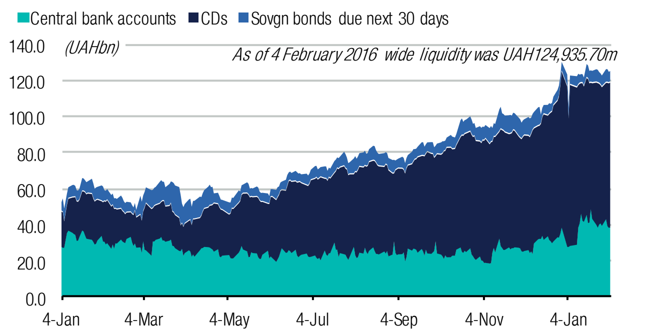

Sources: Bloomberg, Investment Capital Ukraine LLC.

### Chart 4. USD sovereign yield curve (%) as of 4 Feb 2016



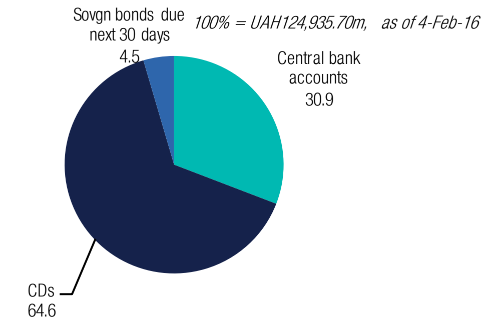

Sources: Bloomberg, Investment Capital Ukraine LLC.

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



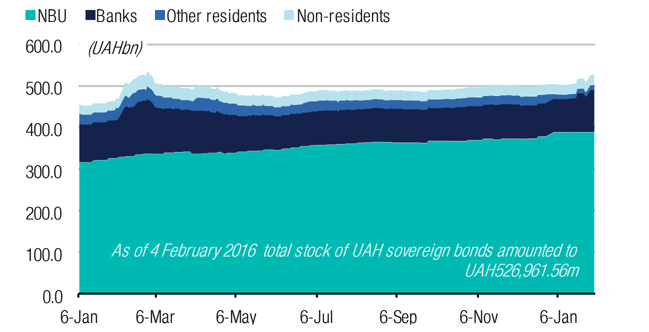

Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

### Chart 6. Breakdown of liquidity pool (%) as of 4 Feb 2016



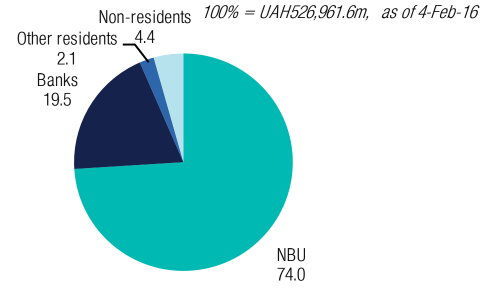

Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

### 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 4 Feb 2016




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

## Table 1. Ukrainian stocks (closing prices as of 4-Feb-2016)

| | | | Share price performance (% change) | | | | | Valuation (US$) | | | Free float (FF) & Liquidity | | | | | | P/E | | | EV/EBITDA | | | EV/Sales | | | Ratios | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Company | Bloomberg Ticker | Listing | Last price | Daily | MoM | YTD | YoY | Last price | Market cap (m) | EV (m) | FF (%) | FF mkt cap (US$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 | **10.63 GBp** | +6.3 | +30.8 | +30.8 | +2.4 | 0.15 | 35.8 | -13.4 | 40.2 | 14.4 | 3.9 | 21.2 | 0.31 | 327 | Neg. | N/A | N/A | 1.9 | N/A | N/A | Neg. | N/A | N/A | 0.5 | 15.3 |
| Centrenergo | CEEN UK | Kiev, UX | **4.32 UAH** | -1.6 | -4.1 | -5.4 | -38.8 | 0.17 | 61.8 | 51.1 | 21.7 | 13.4 | 3.6 | 8.3 | 0.05 | 2,136 | 22.6 | Neg. | 4.9 | 0.2 | Neg. | 1.6 | 0.2 | 0.2 | 0.1 | 0.7 | 4.2 |
| Coal Energy | CLE PW | Warsaw | **0.52 PLN** | +2.0 | +0.0 | -1.9 | -22.4 | 0.13 | 5.9 | 77.4 | 25.0 | 1.5 | 0.6 | 0.6 | 0.03 | 3,376 | 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 | **14.70 UAH** | -3.6 | -6.1 | -6.7 | -52.1 | 0.57 | 13.5 | 23.1 | 14.2 | 1.9 | 1.9 | 1.8 | 0.03 | 3,325 | 3.4 | 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 | **25.50 GBp** | +0.0 | -4.7 | -6.4 | +10.9 | 0.37 | 63.8 | 74.5 | 47.2 | 30.1 | 0.2 | 12.4 | 0.05 | 2,087 | Neg. | Neg. | Neg. | Neg. | 3.8 | 3.0 | 0.5 | 0.7 | 1.0 | 0.2 | 9.9 |
| Regal Petroleum | RPT LN | London | **2.65 GBp** | -15.9 | -29.3 | -29.3 | -37.6 | 0.04 | 12.4 | -21.0 | 80.9 | 10.0 | 100.4 | 4.0 | 0.06 | 1,541 | 2.2 | N/A | N/A | Neg. | N/A | N/A | Neg. | Neg. | N/A | 0.2 | 0.0 |
| Zakhidenergo | ZAEN UK | Kiev, PFTS | **75.00 UAH** | +0.0 | -10.7 | -10.7 | -54.3 | 2.91 | 37.2 | 67.4 | 5.0 | 1.9 | 0.0 | 0.8 | 0.03 | 3,617 | Neg. | N/A | N/A | 0.1 | N/A | N/A | 0.1 | N/A | N/A | 0.4 | 11.6 |
| **METALLURGY** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alchevsky Meta... | ALMK UK | Kiev, UX | **0.01 UAH** | +0.0 | +20.4 | +25.8 | +6.7 | 0.00 | 14.0 | 1,607.2 | 3.9 | 0.5 | 0.0 | 0.2 | 0.04 | 2,704 | Neg. | Neg. | N/A | 0.5 | Neg. | N/A | 2.8 | 6.8 | N/A | N/A | 145.5 |
| Avdiyivsky Cok... | AVDK UK | Kiev, UX | **1.14 UAH** | +0.0 | +3.7 | +3.7 | -2.4 | 0.04 | 8.6 | 7.8 | 4.0 | 0.3 | 0.0 | 1.2 | 0.27 | 368 | 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 | **0.33 UAH** | -0.9 | -18.3 | -18.3 | -54.7 | 0.01 | 53.3 | -0.6 | 4.1 | 2.2 | 0.1 | 3.0 | 0.04 | 2,669 | 1.5 | 1.2 | N/A | Neg. | N/A | N/A | Neg. | Neg. | N/A | 0.1 | 0.0 |
| Ferrexpo PLC | FXPO LN | London | **19.75 GBp** | +0.0 | -8.1 | -8.1 | -60.4 | 0.29 | 169.3 | 826.0 | 22.4 | 37.9 | 136.0 | 229.5 | 0.43 | 232 | 0.9 | 1.5 | 23.3 | 2.6 | 3.0 | 6.3 | 0.6 | 0.8 | 0.9 | 0.4 | 61.1 |
| Yasynivsky Cok... | YASK UK | Kiev, UX | **0.25 UAH** | +0.0 | +8.7 | +8.7 | -7.4 | 0.01 | 2.7 | 3.2 | 9.0 | 0.2 | 0.0 | 2.3 | 0.33 | 306 | Neg. | Neg. | N/A | Neg. | N/A | N/A | 0.0 | 0.0 | N/A | 0.1 | 0.0 |
| Yenakievo Steel | ENMZ UK | Kiev, UX | **13.41 UAH** | +0.2 | -4.2 | -4.2 | -28.3 | 0.52 | 5.5 | -7.9 | 9.4 | 0.5 | 0.6 | 0.4 | 0.02 | 4,366 | Neg. | Neg. | N/A | Neg. | Neg. | N/A | Neg. | Neg. | N/A | 0.2 | 0.0 |
| **FOOD AND AGRIBUSINESS** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AgroGeneration | ALAGR FP | EN Paris | **0.35 EUR** | +0.0 | -12.5 | -12.5 | +9.4 | 0.39 | 38.6 | 94.8 | 34.0 | 13.1 | 21.6 | 16.1 | 0.08 | 1,251 | Neg. | Neg. | 2.3 | 4.6 | 4.6 | 3.1 | 1.3 | 1.4 | 1.2 | 0.5 | 83.5 |
| Agroliga | AGL PW | Warsaw | **11.08 PLN** | +1.2 | +0.5 | -2.6 | +16.5 | 2.81 | 4.3 | 5.6 | 16.7 | 0.7 | 0.3 | 1.0 | 0.13 | 757 | 1.4 | N/A | N/A | 1.5 | N/A | N/A | 0.3 | N/A | N/A | 0.4 | 10.7 |
| Agroton | AGT PW | Warsaw | **0.83 PLN** | -1.2 | -17.8 | -17.8 | -34.1 | 0.21 | 4.6 | 31.3 | 26.2 | 1.2 | 4.9 | 4.5 | 0.40 | 248 | 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 | **29.50 PLN** | -2.0 | -15.7 | -14.5 | +21.0 | 7.47 | 186.7 | 414.2 | 31.0 | 57.9 | 0.9 | 15.6 | 0.03 | 3,646 | Neg. | 11.0 | 2.9 | 3.5 | 3.2 | 3.1 | 1.1 | 1.2 | 1.0 | 0.8 | 49.6 |
| Avangard | AVGR LI | London Intl | **0.90 USD** | -10.0 | -39.0 | -28.0 | -55.2 | 0.90 | 57.5 | 348.2 | 21.7 | 12.5 | 9.0 | 2.2 | 0.01 | 9,270 | Neg. | Neg. | Neg. | 2.7 | 7.3 | 3.4 | 0.8 | 1.3 | 1.0 | 0.2 | 33.1 |
| IMC | IMC PW | Warsaw | **5.90 PLN** | -3.8 | -4.7 | -1.2 | -3.3 | 1.49 | 46.8 | 152.3 | 23.9 | 11.2 | 2.0 | 3.3 | 0.01 | 8,091 | Neg. | 3.5 | 2.3 | 2.7 | 2.9 | 3.8 | 1.1 | 1.0 | 1.0 | 1.7 | 69.8 |
| Kernel Holding... | KER PW | Warsaw | **44.58 PLN** | -0.3 | -6.9 | -7.3 | +51.1 | 11.29 | 899.3 | 1,281.2 | 58.8 | 528.6 | 937.5 | 2,172.9 | 0.32 | 310 | 8.4 | 4.6 | 4.2 | 3.2 | 3.7 | 3.7 | 0.5 | 0.5 | 0.5 | 1.0 | 32.0 |
| KSG Agro | KSG PW | Warsaw | **0.84 PLN** | +1.2 | -8.7 | -9.7 | -20.8 | 0.21 | 3.2 | 66.5 | 34.4 | 1.1 | 0.5 | 2.5 | 0.12 | 815 | Neg. | N/A | N/A | 6.6 | N/A | N/A | 2.1 | N/A | N/A | N/A | 67.4 |
| MHP | MHPC LI | London Intl | **7.35 USD** | -2.0 | -13.5 | -21.0 | -21.0 | 7.35 | 776.7 | 1,949.3 | 22.3 | 173.3 | 3,826.7 | 370.0 | 0.22 | 452 | Neg. | 3.8 | 3.2 | 3.5 | 4.0 | 4.4 | 1.4 | 1.6 | 1.5 | 1.1 | 53.0 |
| Milkiland | MLK PW | Warsaw | **1.15 PLN** | -1.7 | -21.8 | -19.0 | -49.1 | 0.29 | 9.1 | 127.2 | 20.0 | 1.8 | 5.1 | 10.4 | 0.29 | 341 | Neg. | Neg. | Neg. | 9.2 | 24.8 | 10.3 | 0.4 | 0.6 | 0.5 | 0.1 | 42.5 |
| Ovostar Union | OVO PW | Warsaw | **92.02 PLN** | -1.0 | -1.1 | +1.7 | +30.5 | 23.30 | 139.8 | 149.4 | 25.0 | 34.9 | 4.1 | 26.3 | 0.01 | 7,007 | 5.5 | 6.1 | 6.5 | 5.1 | 5.9 | 5.4 | 1.9 | 2.0 | 1.4 | 1.7 | 9.4 |
| **CONSTRUCTION** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TMM | TR61 GF | Frankfurt | **0.07 EUR** | +0.0 | +20.7 | +0.0 | -2.8 | 0.08 | 4.1 | 96.9 | 13.1 | 0.5 | 0.0 | 1.6 | 0.04 | 2,535 | Neg. | N/A | N/A | Neg. | N/A | N/A | 3.7 | N/A | N/A | 0.1 | 41.9 |
| **FINANCIAL SERVICES** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Raiffeisen Ban... | BAVL UK | Kiev, UX | **0.07 UAH** | +0.1 | -2.9 | -5.1 | -21.0 | 0.00 | 83.2 | N/A | 3.8 | 3.2 | 0.9 | 5.1 | 0.06 | 1,771 | N/A | Neg. | 3.4 | N/A | N/A | N/A | N/A | N/A | N/A | 0.6 | N/A |
| Ukrsotsbank | USCB UK | Kiev, UX | **0.10 UAH** | +4.2 | +0.2 | +0.2 | -16.1 | 0.00 | 94.8 | N/A | 4.5 | 4.2 | 0.2 | 1.5 | 0.02 | 4,274 | Neg. | Neg. | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 0.4 | 38.2 |

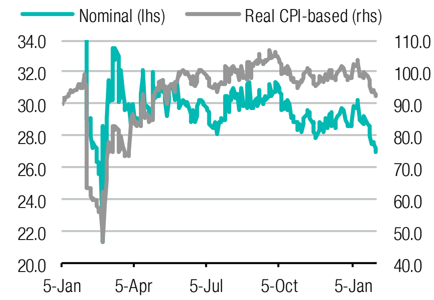
Notes: mln - millions; FF - free float; n/a - not available; neg. - negative; a company name (the left column of the table) is shortened to fit the column and hence in some cases is not displayed in full; *** - P/E is above 10,000x. Sources: Bloomberg, ICU.

ICU

# FX: News & Comments

**ICU's UAH trade-weighted indices**

(Last 12-month history to 5 Feb 2016)




Source: Investment Capital Ukraine LLC.

**FX market indicators (as of 4 Feb 2016)**

| | Last | Daily chg (%) | Weekly chg (%) | MoM chg (%) | YTD chg (%) |
|---|---|---|---|---|---|
| **USD/UAH MARKET** (HRYVNIA per US DOLLAR) | | | | | |
| Spot mkt | 25.8500 | +0.39 | +2.78 | +7.09 | +7.58 |
| NBU avg | 25.8927 | +0.76 | +2.95 | +8.84 | +8.84 |
| Ttl vlm[1] | 317.61 | +23.65 | +59.01 | -12.57 | -12.57 |
| $ volume[2] | 204.15 | -0.06 | +72.12 | -18.68 | -18.68 |
| NDF 3M | 28.8500 | +0.35 | +0.00 | +6.35 | +0.00 |
| NDF 6M | 29.3500 | +0.34 | +3.16 | +6.23 | +6.62 |
| NDF 1Y | 30.1000 | +0.33 | +3.08 | +6.07 | +18.06 |
| **TRADE-WEIGHTED INDICES** (TWIs, points) | | | | | |
| UAH nom'l | 26.951 | -0.85 | -3.74 | -5.80 | -5.76 |
| UAH real CPI | 92.204 | -0.85 | -3.74 | -5.80 | -5.76 |
| UAH real PPI | 121.231 | -0.85 | -3.74 | -5.80 | -5.76 |
| USD nom'l | 96.474 | -0.84 | -2.07 | -2.42 | -2.19 |
| **FX RATES OF KEY CURRENCIES** THAT SHAPE UAH's TWIs | | | | | |
| USD/RUB | 76.8512 | +0.07 | +0.72 | +5.35 | +5.97 |
| EUR/USD | 1.1209 | +0.94 | +2.46 | +3.49 | +3.19 |
| USD/CNY | 6.5695 | -0.11 | -0.09 | +0.55 | +1.17 |
| USD/PLN | 3.9447 | -1.01 | -3.24 | -0.65 | +0.56 |
| USD/TRY | 2.9119 | -0.13 | -1.93 | -1.77 | -0.18 |
| USD/BYR | 21,584.00 | -0.19 | +1.03 | +15.59 | +15.87 |
| USD/KZT | 364.9900 | -1.28 | -1.53 | +7.35 | +7.16 |
| **OTHER MAJOR CURRENCIES** | | | | | |
| USD/JPY | 116.7800 | -0.95 | -1.72 | -2.23 | -2.86 |
| GBP/USD | 1.4589 | -0.10 | +1.58 | -0.86 | -1.00 |
| USD/CHF | 0.9933 | -1.10 | -2.02 | -0.88 | -0.88 |
| AUD/USD | 0.7201 | +0.45 | +1.65 | +0.14 | -1.17 |
| USD/CAD | 1.3754 | -0.20 | -1.96 | -1.43 | -0.61 |
| USD/BRL | 3.8902 | -0.15 | -4.41 | -3.71 | -1.78 |
| USD/KRW | 1,202.06 | -1.42 | -0.54 | +1.22 | +2.30 |
| **COMMIDITIES** | | | | | |
| Gold($/oz) | 1,155.60 | +1.13 | +3.61 | +7.54 | +8.87 |
| WTI crude[3] | 31.72 | -1.73 | -4.52 | -13.71 | -14.36 |
| Brent crd[3] | 34.00 | -3.71 | +2.91 | -6.16 | -4.90 |
| Urals crd[3] | N/A | +0.00 | +0.00 | +0.00 | +0.00 |
| TR/J CRB[4] | 163.45 | -0.45 | -1.07 | -6.33 | -7.20 |

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.

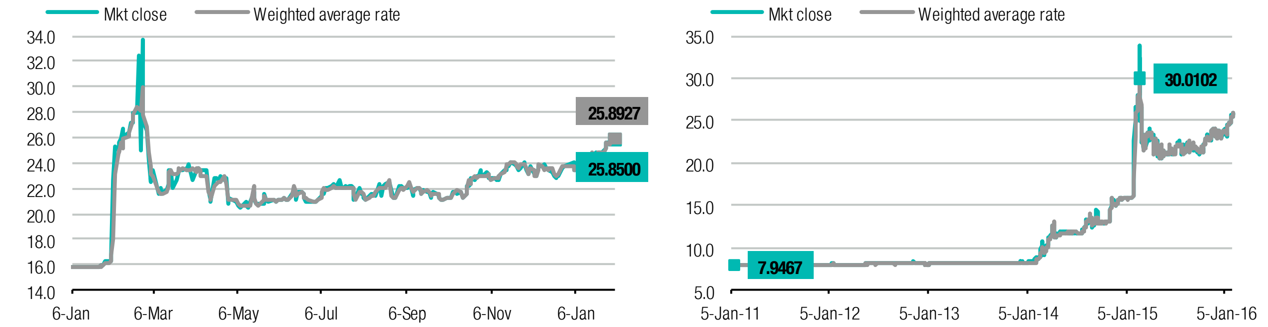
Sources: Bloomberg, Investment Capital Ukraine LLC.

**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.***

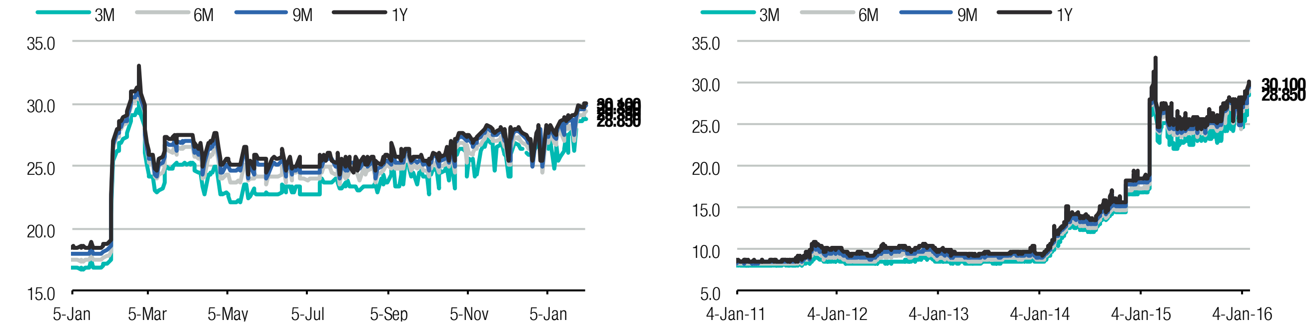
## Chart page #1: Foreign-exchange market

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



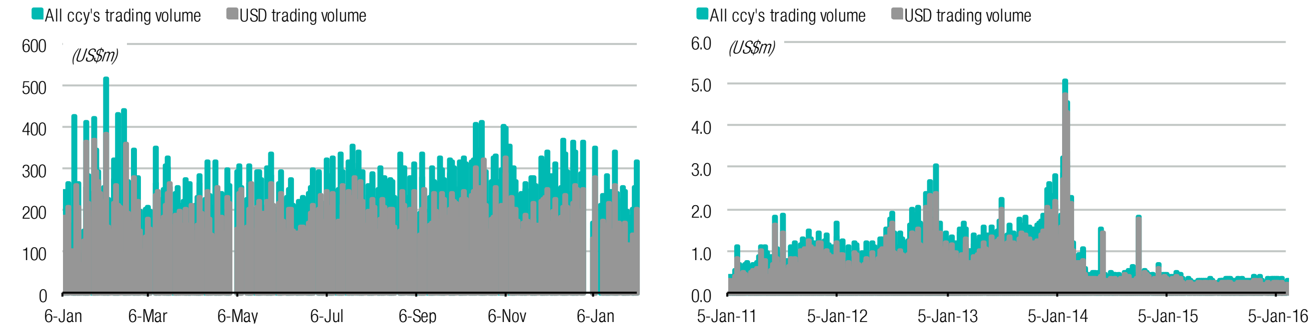

Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC. Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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



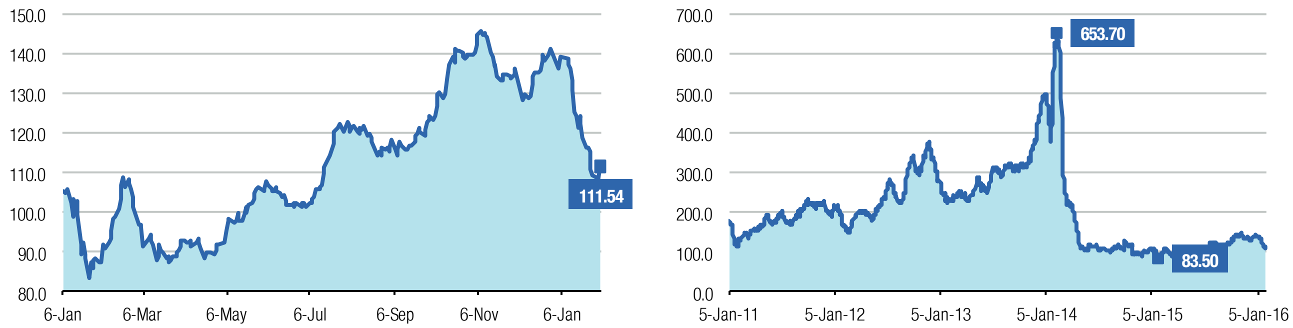

Sources: National Bank of Ukraine, Investment Capital Ukraine LLC. Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

**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)**

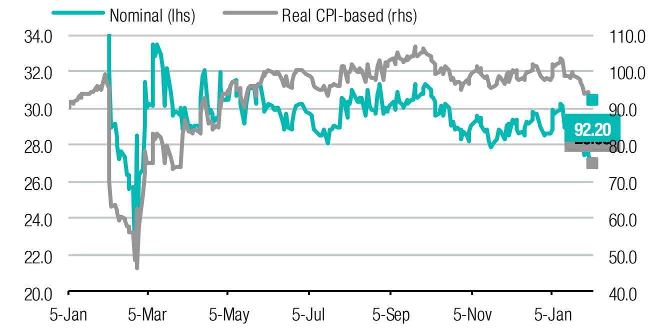



Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

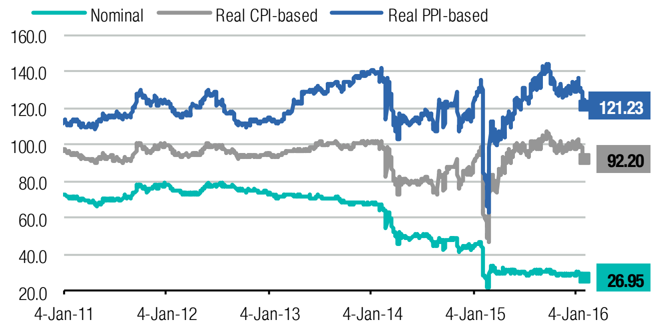
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit http://www.icu.ua/en/research/currency-indices).

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



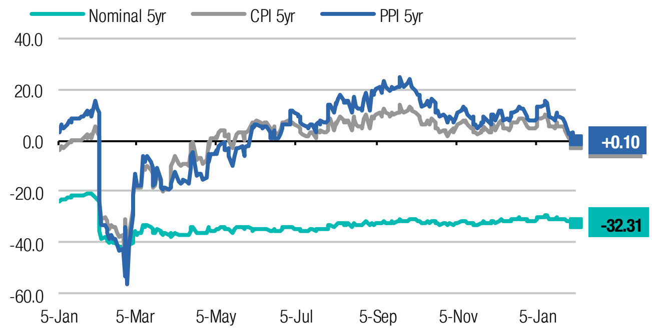

Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

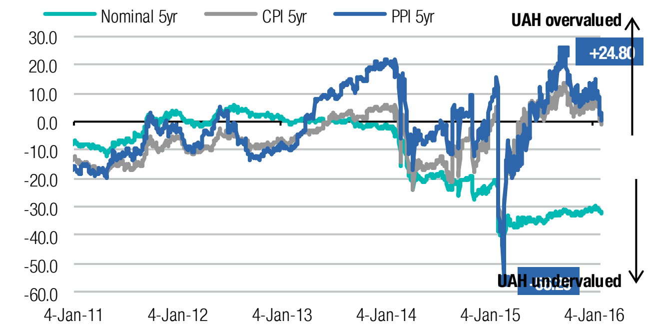



Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

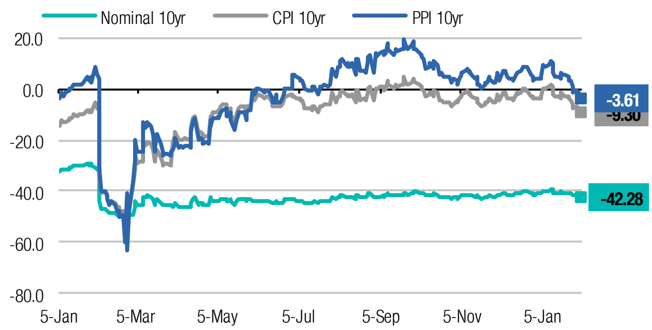



Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

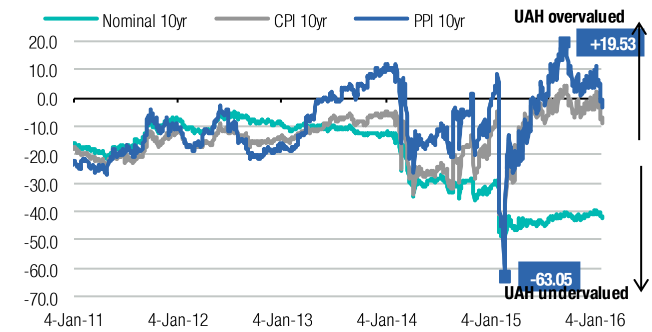



Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

**Chart 16. Deviation of UAH trade-weighted indices from their <u>10-year moving averages</u>**: 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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