


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity stable; Yields above 10%; Primary auction announcement; UAH hits new low

TUESDAY, 28 JANUARY, 2014

RESEARCH INSIGHT

Contents

Bonds: News & Comments	4
Liquidity stable with fund reallocations	4
YTMs rise above 10.0%	4
Primary auction announcement	4
Chart page: Local bond market & Eurobond markets	5
FX: News & Comments	6
UAH hits new low	6
Chart page #1: Foreign-exchange market	7
Chart page #2: ICU's UAH trade-weighted indices	8

UX Index (3 months to 28 Jan 2014)



Key market indicators (as of 27 Jan 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	8.4900	+0.65	+3.03
USD/UAH (1Y NDF)	9.7500	+0.52	+3.50
EUR/USD	1.3673	-0.04	-0.51
USD/RUB	34.7300	+0.52	+5.66
KievPRIME O/N (%)	2.56	+12bp	-524bp
KievPRIME 1M (%)	8.01	+32bp	-824bp
BONDS: yields and spreads			
Ukraine VAT bond (%)	N/A	+74bp	+0bp
Ukraine 17, Eurobond (%)	10.11	+37bp	+55bp
Ukraine 22, Eurobond (%)	9.81	+10bp	+46bp
Ukraine 23, Eurobond (%)	9.62	+37bp	+58bp
Ukraine 5Y CDS	933bp	+8bp	+117bp
EQUITIES			
Stock market indices			
UX (Ukraine)	864.51	+1.82	-5.00
MSCI World	393.13	-0.94	-3.77
MSCI EM	931.64	-1.92	-7.09
RTS (Russia)	1,346.51	-1.29	-6.67
WIG-20 (Poland)	2,318.06	-1.25	-3.45
S&P 500 (USA)	1,781.56	-0.49	-3.61
MOST ACTIVE: Top 3 stocks by value traded (US\$m)			
FXPO LN	3.51	37.5% of total ¹	
KER PW	2.50	26.7%	
MHPC LI	1.71	18.3%	
GAINERS: Top 3 stocks (in listed currency)			
AGL PW	PLN 24.50	+11.31	-5.51
YASK UK	UAH 0.56	+7.69	+5.66
AVDK UK	UAH 2.74	+4.79	-7.60
LOSERS: Top 3 stocks (in listed currency)			
ALAGR FP	EUR 1.19	-4.80	-4.03
RPT LN	GBp 13.25	-4.50	+1.92
AVGR LI	USD 11.00	-4.26	-6.38

Notes: Chg – percentage change, if not otherwise indicated;
 [1] – total traded volume for stocks listed in Table 1, pp. 2;
 green- or red-shaded box means gain or loss, respectively,
 of the index or security.

Sources: Bloomberg, UX, Investment Capital Ukraine LLC.

Table 1. Ukrainian stocks (closing prices as of 27-Jan-2014)

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)	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E	P/B (x)	Debt/Assets (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	11.63 GBP	-4.1	+12.0	+12.0	-13.9	0.19	44.6	-18.5	40.2	17.9	13.4	13.9	0.10	1,018	Neg.	Neg.	Neg.	2.8	2.8	5.8	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	4.40 UAH	+1.4	-6.6	-7.7	-27.1	0.52	191.5	266.2	21.7	41.6	26.8	69.8	0.11	891	7.0	6.5	4.6	0.5	3.9	2.7	0.2	0.3	0.3	0.7	12.2
Coal Energy	CLE PW	Warsaw	1.03 PLN	+0.0	+3.0	-1.9	-90.6	0.34	15.1	73.0	25.0	3.8	146.0	86.2	5.69	18	Neg.	Neg.	N/A	1.2	10.0	N/A	0.6	0.8	N/A	0.1	7.7
Donbasenergo	DOEN UK	Kiev, UX	29.70 UAH	+1.0	+9.8	+7.6	+45.6	3.50	82.7	138.7	14.2	11.8	29.9	53.0	0.15	666	22.7	3.0	4.4	0.5	2.5	2.4	0.3	0.2	0.2	1.1	17.8
JKX Oil & Gas	JKX LN	London	68.50 GBP	-0.7	-4.2	-4.2	+6.6	1.14	195.4	192.4	47.2	92.2	209.9	98.3	0.07	1,395	Neg.	6.0	5.5	1.4	1.9	2.1	0.9	1.0	0.9	0.4	2.5
Regal Petroleum	RPT LN	London	13.25 GBP	-4.5	+6.0	+1.9	-60.3	0.22	70.6	43.7	80.9	57.1	18.3	7.9	0.01	12,512	6.1	14.1	N/A	2.0	2.6	N/A	1.1	N/A	N/A	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.61 PLN	+0.0	+15.1	+15.1	-68.4	0.20	8.6	48.3	25.0	2.1	9.4	40.4	1.85	54	Neg.	N/A	N/A	24.1	N/A	N/A	1.2	N/A	N/A	0.2	42.7
Zakhidenergo	ZAEN UK	Kiev, PFTS	83.50 UAH	+4.1	-8.1	-7.6	-11.2	9.84	125.8	160.7	5.0	6.3	12.9	7.2	0.10	962	556.8	N/A	N/A	1.1	N/A	N/A	0.1	N/A	0.1	2.1	9.7
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+1.7	-8.5	-8.5	-31.3	0.00	107.8	1,761.4	3.9	4.2	8.9	18.2	0.21	478	Neg.	Neg.	N/A	N/A	Neg.	N/A	1.0	1.1	N/A	N/A	64.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	2.74 UAH	+4.8	-9.3	-7.6	-12.2	0.32	62.8	58.6	4.0	2.5	6.3	13.7	0.48	209	Neg.	Neg.	2.5	Neg.	1.4	0.8	0.1	0.1	0.1	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.59 UAH	+1.0	-12.2	-11.6	-14.7	0.07	293.2	283.3	4.1	12.0	6.0	19.2	0.05	1,984	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	157.90 GBP	-2.4	-16.8	-17.3	-39.7	2.62	1,543.8	2,131.0	22.4	345.8	3,511.2	2,296.8	0.86	116	7.2	6.1	6.6	5.4	4.5	4.7	1.5	1.4	1.3	1.0	37.0
Yasynivsky Cok...	YASK UK	Kiev, UX	0.56 UAH	+7.7	+5.7	+5.7	-20.0	0.07	18.0	19.7	9.0	1.6	1.3	1.9	0.05	1,835	2.3	1.5	1.1	0.1	0.7	0.6	0.0	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	31.00 UAH	+1.6	-5.4	-3.2	-13.9	3.65	38.5	32.4	9.4	3.6	47.7	10.2	0.28	352	4.7	Neg.	2.0	Neg.	Neg.	N/A	0.0	0.0	0.0	0.7	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	1.19 EUR	-4.8	-3.3	-4.0	-30.8	1.63	57.1	84.3	34.0	19.4	211.2	41.3	0.19	525	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	1.3	35.9
Agroliga	AGL PW	Warsaw	24.50 PLN	+11.3	-5.5	-5.5	+14.5	7.98	12.3	12.6	16.7	2.0	5.2	10.4	0.55	183	17.3	N/A	N/A	17.1	N/A	N/A	4.9	N/A	N/A	N/A	7.5
Agroton	AGT PW	Warsaw	2.26 PLN	+0.4	+14.1	+15.9	-79.3	0.74	15.9	63.3	26.2	4.2	77.2	120.1	7.25	14	2.4	3.3	2.2	4.4	6.8	4.1	0.7	0.9	0.8	0.1	28.0
Astarta Holdin...	AST PW	Warsaw	65.60 PLN	-0.2	+1.1	-1.9	+8.4	21.35	533.9	862.3	31.0	165.6	678.1	224.8	0.12	825	8.6	7.4	4.9	9.8	7.1	5.4	1.8	1.7	1.4	0.9	38.9
Avangard	AVGR LI	London Intl	11.00 USD	-4.3	-6.4	-6.4	-6.8	11.00	702.6	868.9	21.7	152.5	12.2	260.9	0.25	405	3.1	3.1	3.2	3.1	3.0	3.0	1.4	1.3	1.2	0.6	22.3
IMC	IMC PW	Warsaw	11.39 PLN	+1.7	-5.1	-6.3	-27.7	3.71	116.1	232.3	23.9	27.7	64.8	19.5	0.06	1,699	6.2	4.4	4.8	6.4	5.6	4.7	3.1	1.7	1.2	0.9	33.0
Kernel Holding...	KER PW	Warsaw	40.50 PLN	+1.3	+6.4	+6.4	-39.8	13.18	1,050.5	1,770.9	58.8	617.4	2,499.7	2,543.1	0.24	422	9.4	10.1	5.8	6.1	6.3	5.0	0.6	0.7	0.6	0.8	30.6
KSG Agro	KSG PW	Warsaw	9.50 PLN	+0.2	-14.5	-12.4	-28.0	3.09	46.4	168.3	34.4	16.0	13.0	19.6	0.10	1,023	5.7	3.8	3.9	39.9	5.7	4.6	4.5	2.5	1.6	0.5	29.2
MHP	MHPC LI	London Intl	16.69 USD	-4.0	-2.4	-2.1	-4.6	16.69	1,763.6	2,964.6	22.3	393.6	1,709.5	1,381.0	0.16	614	5.9	8.1	5.9	6.3	6.8	5.6	2.1	2.0	1.7	1.5	45.8
Milkiland	MLK PW	Warsaw	9.65 PLN	-1.8	-23.7	-22.8	-37.2	3.14	98.2	232.8	20.0	19.6	13.1	8.4	0.07	1,442	5.6	5.4	5.4	6.5	5.7	4.6	0.6	0.5	0.5	0.4	29.9
Mriya Agrohold...	MAYA GF	Frankfurt	5.17 EUR	+0.0	-6.6	-4.2	+12.8	7.07	751.7	1,483.5	20.0	150.3	0.0	1.7	0.00	54,482	4.3	4.7	5.0	6.4	5.6	6.0	4.3	4.0	3.5	0.8	34.8
Ovostar Union	OVO PW	Warsaw	83.70 PLN	-0.1	-14.6	-16.3	-18.7	27.25	163.5	175.6	25.0	40.9	1.5	45.3	0.27	375	7.0	6.4	4.4	6.3	5.8	3.6	2.5	2.2	1.6	1.6	3.7
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.32 EUR	+0.0	+6.7	+0.0	-3.9	0.43	22.5	181.8	13.1	2.9	0.0	0.0	N/A	N/A	Neg.	N/A	N/A	Neg.	N/A	N/A	8.4	N/A	N/A	0.2	44.1
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.11 UAH	+3.0	-4.8	-4.8	+12.1	0.01	381.4	N/A	3.8	14.6	17.0	44.4	0.12	828	10.2	5.8	3.1	N/A	N/A	N/A	N/A	N/A	N/A	0.4	28.3
UkrSotsbank	USCB UK	Kiev, UX	0.18 UAH	+2.0	-1.1	-1.5	+60.0	0.02	394.5	N/A	4.5	17.7	2.2	11.1	0.01	10,126	1,106.3	204.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	30.9

Table 1. Ukrainian stocks (closing prices as of 27-Jan-2014)

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)	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E	P/B (x)

Notes: mIn - 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; *** -- means that P/E ratio is above 10,000x.

Sources: Bloomberg, Investment Capital Ukraine LLC.

Bonds: News & Comments

Liquidity stable with fund reallocations

Banks' correspondent accounts with the NBU rose UAH0.81bn to UAH28.83bn while total CDs outstanding declined UAH0.78bn to UAH5.79bn. As total local currency debt repayments scheduled for the next 30 days rose UAH1.59bn UAH9.45bn, broader banking sector liquidity to rise UAH1.62bn to UAH44.07bn yesterday.

Money market interest rates continued to increase: the KyivPrime ON interest rate rose 12bp to 2.56% while the KyivPrime 1M interest rate rose 32bp to 8.01%.

Investment implications: Last Friday, the NBU issued UAH0.53bn of ON loans and repaid UAH0.78bn in CD redemptions. These inflows caused banks' correspondent accounts with the NBU to rise only UAH0.81bn, while the rest of the funds were probably transferred to the state budget as the result of month-end tax payments. The increase in broader banking sector liquidity was supported only by debt repayments, wherein the 30-day period included a new date at the end of February.

YTM's rise above 10.0%

Ukrainian Eurobond yields crossed the 10.0% threshold yesterday, based more on negative anticipations of the ongoing political crisis development and the potential for default. News of the approved resolution a week ago had no positive impact on the market. In contrast, recently published statistics of sovereign debt (see the comment below) show an increase in the debt burden, further increasing negative sentiment.

At the close, YTM's of Ukrainian Eurobonds diverged/rose as UKRAIN 6.875% '15 rose 57bp to 10.25%, UKRAIN 9.25% '17 rose 37bp to 10.10%, UKRAIN 7.95% '21 rose 18bp to 10.10% while UKRAIN 7.80% '22 rose 10bp to 9.79% and UKRAIN 7.50% '23 rose 37bp to 9.61%.

US Treasury YTM's slightly rose yesterday. At the close, the 5-year bond YTM rose 3bp to 1.57% and the 10-year bond YTM rose 3bp to 2.45%.

Primary auction announcement

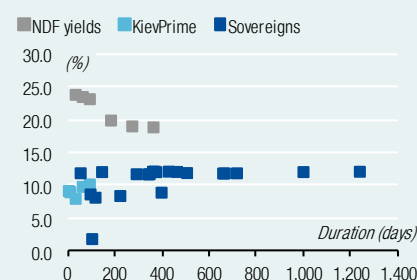
Following the January's schedule, the MoF announced the offering of three bonds, including 9-month, 5-year and 7-year local currency bonds. The 9-month bond will be a re-offering of the recently issued bond, while the other two bonds will be primary offerings.

Investment implications: The MoF is faced with large repayments this Wednesday, mostly denominated in local currency, and will probably make best efforts to refinance this debt. We could see new NBU support via domestic QE to create demand for long-term bonds. The market could be interested in the 9-month bond, but at low volumes.

Taras Kotovych, Kiev, +38044 2200120 ext.244

Yield curve of the local bond market

(as of market close on 27 Jan 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 27 Jan 2014)

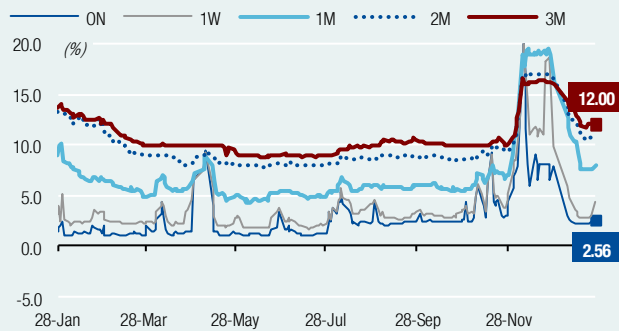
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	2.56	+12bp	+31bp	-394bp	-524bp
1wk	4.31	+130bp	+150bp	-14ppt	-549bp
1m	8.01	+32bp	+38bp	-11ppt	-824bp
2m	10.65	-10bp	+15bp	-623bp	-575bp
3m	12.00	+0bp	+25bp	-413bp	-400bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	28,828	+2.88	+3.20	-11.85	-11.85
CDs ²	6,698	-53.52	-56.55	+340.7	+340.7
Sovgns ³	9,762	+24.81	+21.62	+553.0	+553.0
Total	45,288	-9.88	-11.85	+26.80	+26.80
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	148,554	+0.00	+1.02	+2.56	+2.56
Banks	81,754	+0.01	+0.21	+1.98	+1.98
Resid's ⁴	13,100	-0.03	+2.09	+5.68	+5.68
Non-res ⁵	12,122	+0.00	+0.60	+3.62	+3.62
Total	255,530	+0.00	+0.79	+2.57	+2.57
NDF IMPLIED YIELDS (%)					
3m	19.58	+296bp	+10bp	+744bp	+744bp
6m	19.22	+324bp	+951bp	+594bp	+582bp
9m	15.49	+14bp	+415bp	+253bp	+148bp
1yr	15.50	-16bp	+393bp	+130bp	+51bp
LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)					
Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+119bp	-676bp	-676bp
Aug '15 ⁶	N/A	+74bp	+0bp	+0bp	+0bp
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	933	+8bp	+216bp	+133bp	+117bp
Jun '16	8.87	-39bp	+218bp	-3bp	-2bp
Jul '17	10.11	+37bp	+229bp	+55bp	+55bp
Sep '20	10.05	+22bp	+154bp	+87bp	+85bp
Sep '21	10.11	+17bp	+143bp	+91bp	+89bp
Sep '22	9.81	+10bp	+107bp	+48bp	+46bp
Feb '23	9.62	+37bp	+117bp	+60bp	+58bp

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.

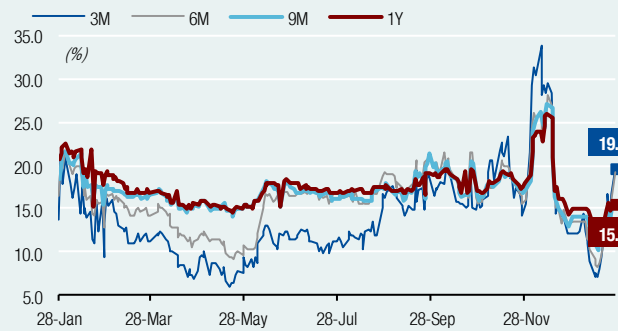
Chart page: Local bond market & Eurobond markets

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



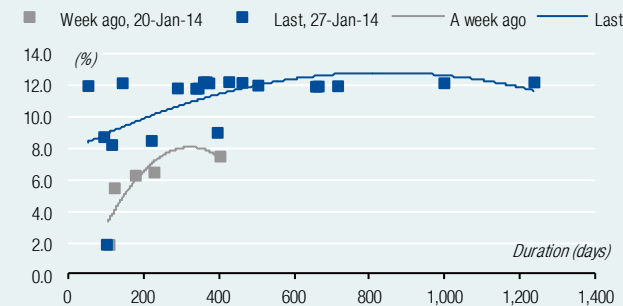
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



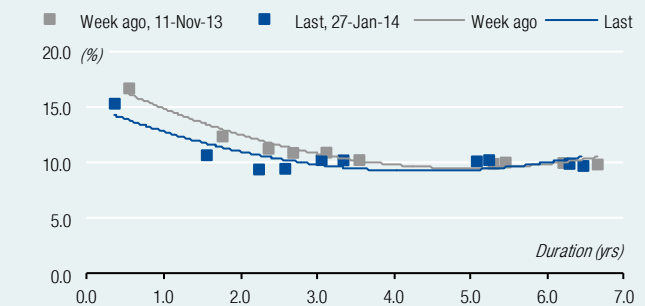
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 27 Jan 2014



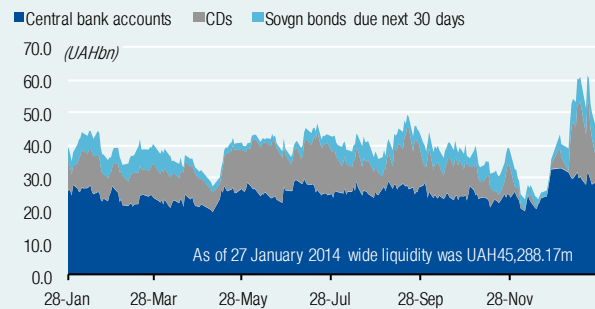
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 27 Jan 2014



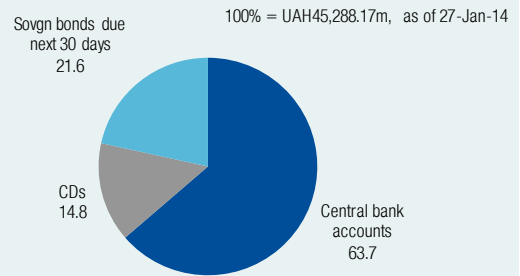
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



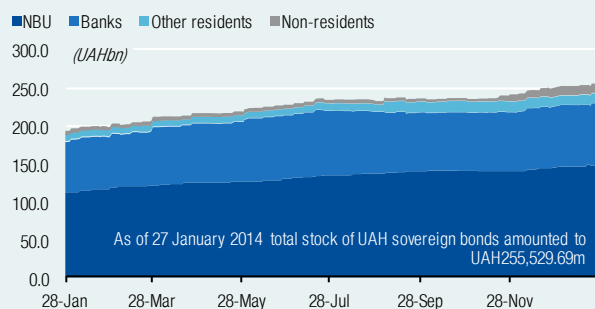
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 27 Jan 2014



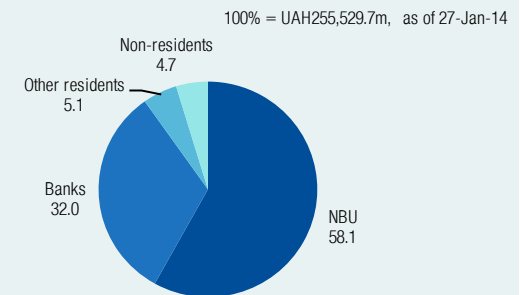
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 27 Jan 2014



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

FX: News & Comments

UAH hits new low

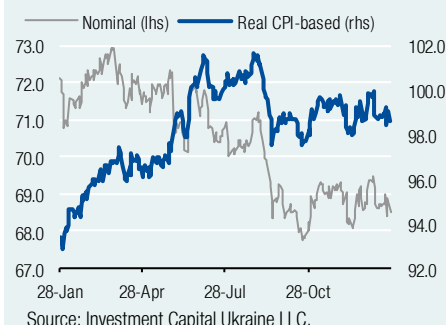
The hryvnia hit 8.625/USD, according to Interfax-Ukraine, despite the NBU intervention by selling USD at 8.40/USD. Although the NBU's offered rate was probably quite limited, the market extended its downward pressure. At the same time, Bloomberg reported that the FX rate fell 0.65% to 8.490/USD and the NBU's weighted average rate closed at 8.1535/USD, down 0.01% from last Friday.

The hryvnia's real trade-weighted rate declined 0.51% on the back of weaker RUB, which lost 0.52%, and the fairly stable EUR, which fell 0.04%. Other currencies' moves were less significant on the UAH's real rate.

Alexander Valchyshen, Kiev, +38044 2200120 ext.242

ICU's UAH trade-weighted indices

(Last 12-month history to 28 Jan 2014)



FX market indicators (as of 27 Jan 2014)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	8.4900	+0.65	+1.34	+3.03	+3.03
NBU avg	N/A	N/A	N/A	N/A	N/A
Ttl vlm ¹	N/A	N/A	N/A	N/A	N/A
\$ volume ²	N/A	N/A	N/A	N/A	N/A
NDF 3M	8.9000	+1.37	+3.67	+4.89	+4.89
NDF 6M	9.2929	+2.16	+5.30	+5.90	+5.84
NDF 1Y	9.7500	+0.52	+4.45	+4.22	+3.50
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	68.527	-0.51	-0.36	-0.06	-0.36
UAH real CPI	98.578	-0.51	-0.36	-0.06	-0.36
UAH real PPI	130.882	-0.51	-0.36	-0.06	-0.36
USD nom'l	80.524	+0.08	-0.86	+0.16	+0.61
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	34.7300	+0.52	+2.86	+6.60	+5.66
EUR/USD	1.3673	-0.04	+0.89	-0.55	-0.51
USD/CNY	6.0472	-0.02	-0.09	-0.36	-0.12
USD/PLN	3.0754	+0.27	+0.27	+1.95	+1.73
USD/TRY	2.2833	-2.28	+1.92	+5.96	+6.29
USD/BYR	9,630.00	+0.10	+0.23	+1.05	+0.94
USD/KZT	155.2700	+0.00	+0.00	+0.76	+0.65
OTHER MAJOR CURRENCIES					
USD/JPY	102.5500	+0.23	-1.56	-2.49	-2.62
GBP/USD	1.6585	+0.62	+0.95	+0.62	+0.17
USD/CHF	0.8962	+0.19	-1.52	+0.53	+0.37
AUD/USD	0.8739	+0.64	-0.82	-1.48	-2.00
USD/CAD	1.1116	+0.25	+1.53	+3.83	+4.64
USD/BRL	2.4227	+1.05	+3.39	+3.61	+2.57
USD/KRW	1,083.61	+0.30	+1.88	+2.77	+3.22
COMMODITIES					
Gold(\$/oz)	1,257.10	-1.02	+0.19	+3.61	+4.27
WTI crude ³	N/A	N/A	N/A	N/A	N/A
Brent crd ³	N/A	N/A	N/A	N/A	N/A
Urals crd ³	N/A	N/A	N/A	N/A	N/A
TR/J CRB ⁴	279.71	-1.00	+0.47	-1.57	-0.16

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

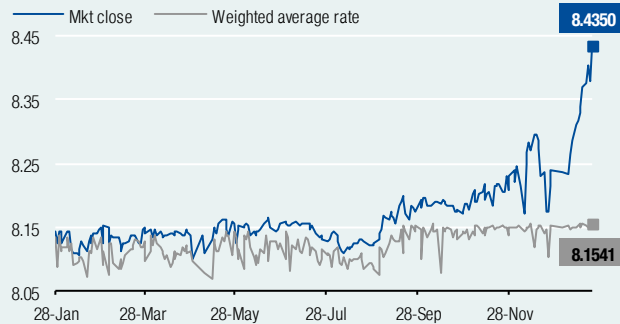
Section on FX market is continued on next page.

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.

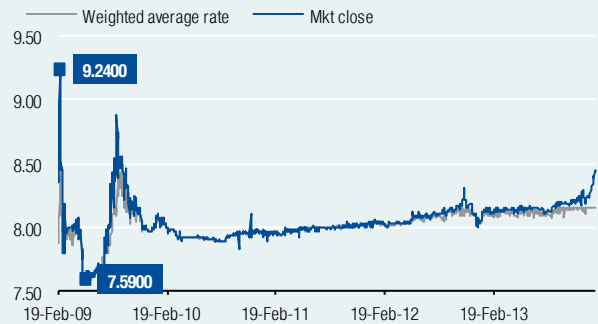
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

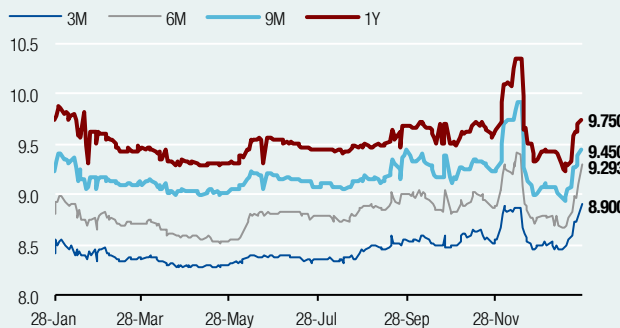


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

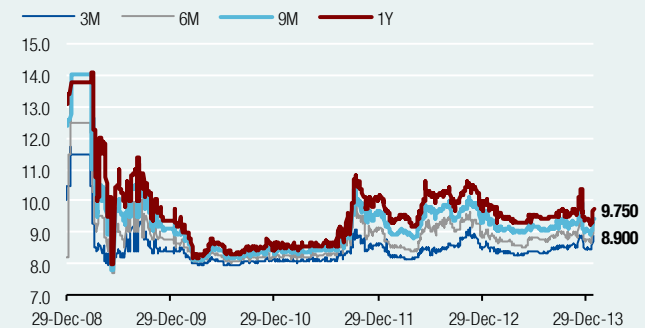


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

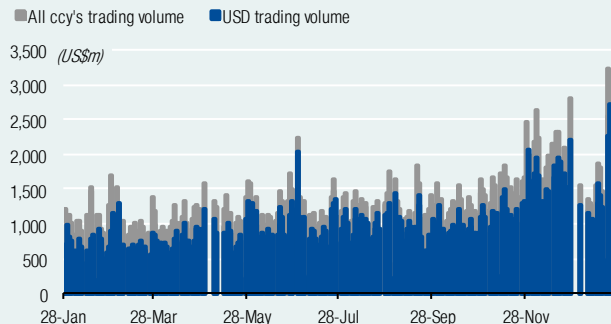


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

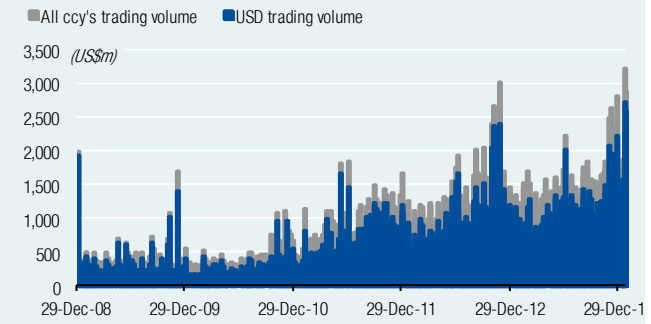


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)

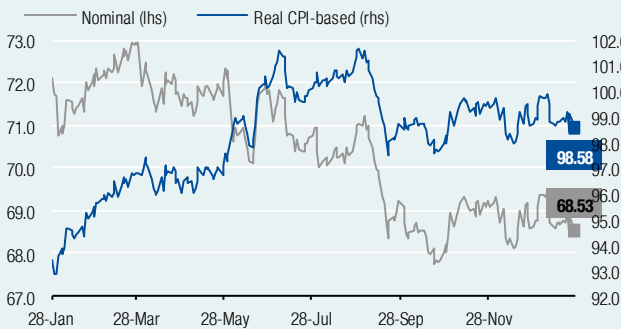


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

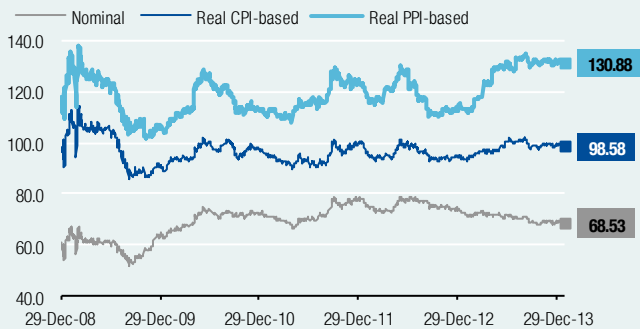
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August 2013.

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

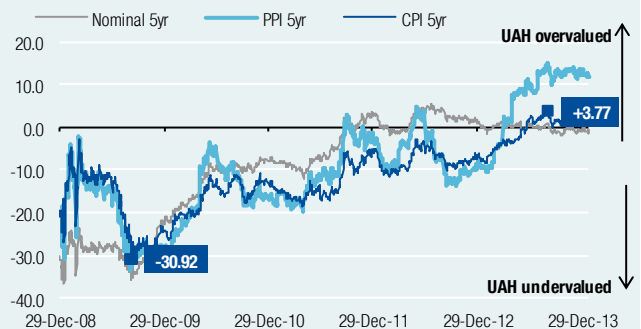


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

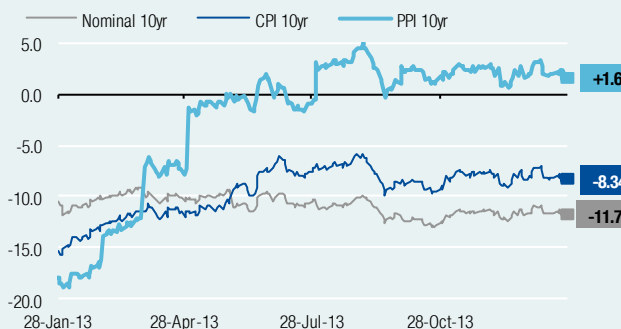


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.



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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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



INVESTMENT CAPITAL UKRAINE
INVESTMENT BANKING

Office 44, 11th floor, LEONARDO Business Centre
19-21 Bogdan Khmelnytsky Street
Kiev, 01030 Ukraine
Phone/Fax +38 044 2200120

CHAIRMAN OF THE BOARD OF DIRECTORS

Valeria Gontareva
valeria.gontareva@icu.ua

CORPORATE FINANCE TEL. +38 044 2200120

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

Volodymyr Demchyshyn, Director
volodymyr.demchyshyn@icu.ua

Ruslan Kilmukhametov, Director
ruslan.kilmukhametov@icu.ua

SALES AND TRADING TEL. +38 044 2201621

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

Vlad Sinani, Director,
Strategy and Corporate Development
vlad.sinani@icu.ua

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

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

RESEARCH DEPARTMENT TEL. +38 044 2200120

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

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