


**INVESTMENT CAPITAL UKRAINE**  
 INVESTMENT BANKING

# Daily Insight

Liquidity recovers slightly; YTM's down on US news; UAH falls further

TUESDAY, 4 FEBRUARY, 2014

RESEARCH INSIGHT

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### UX Index (3 months to 4 Feb 2014)



### Key market indicators (as of 3 Feb 2014)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	8.6550	+0.44	+5.04
USD/UAH (1Y NDF)	9.9798	+0.81	+5.94
EUR/USD	1.3525	+0.29	-1.59
USD/RUB	35.4498	+0.84	+7.85
KievPRIME O/N (%)	6.63	-412bp	-117bp
KievPRIME 1M (%)	14.00	+0bp	-225bp
<b>BONDS: yields and spreads</b>			
Ukraine VAT bond (%)	N/A	+74bp	+0bp
Ukraine 17, Eurobond (%)	10.69	-49bp	+114bp
Ukraine 22, Eurobond (%)	10.00	-31bp	+65bp
Ukraine 23, Eurobond (%)	9.57	-31bp	+53bp
Ukraine 5Y CDS	N/A		
<b>EQUITIES</b>			
<b>Stock market indices</b>			
UX (Ukraine)	882.60	-0.79	-3.02
MSCI World	385.66	-1.60	-5.60
MSCI EM	926.74	-1.05	-7.57
RTS (Russia)	1,293.20	-0.60	-10.36
WIG-20 (Poland)	2,369.57	+0.58	-1.31
S&P 500 (USA)	1,741.89	-2.28	-5.76
<b>MOST ACTIVE: Top 3 stocks by value traded (US\$m)</b>			
FXPO LN	2.74	39.8% of total <sup>1</sup>	
KER PW	2.00	29.1%	
MHPC LI	1.51	22.0%	
<b>GAINERS: Top 3 stocks (in listed currency)</b>			
FORM UK	UAH 0.70	+16.00	-8.42
ALAGR FP	EUR 1.23	+2.50	-0.81
MLK PW	PLN 9.97	+1.73	-20.24
<b>LOSERS: Top 3 stocks (in listed currency)</b>			
USCB UK	UAH 0.17	-5.95	-7.20
YASK UK	UAH 0.56	-3.81	+4.72
CAD LN	GBP 11.25	-2.17	+8.43

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 3-Feb-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 (%)
<b>ENERGY</b>																											
Cadogan Petrol...	CAD LN	London	11.25 GBP	-2.2	+9.8	+8.4	+7.1	0.18	42.3	-20.8	40.2	17.0	3.7	12.5	0.09	1,091	Neg.	Neg.	Neg.	3.2	3.2	6.5	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	4.42 UAH	-0.5	-7.3	-7.3	-26.9	0.51	188.2	261.4	21.7	40.9	185.8	71.1	0.10	1,009	7.0	6.5	4.6	0.5	3.9	2.6	0.3	0.3	0.3	0.7	12.2
Coal Energy	CLE PW	Warsaw	1.13 PLN	+0.9	+13.0	+7.6	-91.3	0.36	16.2	74.1	25.0	4.1	52.9	107.3	6.02	17	Neg.	Neg.	N/A	1.2	10.2	N/A	0.6	0.8	N/A	0.1	7.7
Donbasenergo	DOEN UK	Kiev, UX	32.00 UAH	-0.9	+16.0	+16.0	+58.2	3.69	87.2	142.0	14.2	12.4	13.2	49.0	0.19	534	24.4	3.2	4.7	0.5	2.6	2.5	0.3	0.2	0.3	1.1	17.8
JKX Oil & Gas	JKX LN	London	71.25 GBP	-0.3	-0.3	-0.3	+22.8	1.16	199.1	196.1	47.2	94.0	7.8	84.2	0.09	1,127	Neg.	6.1	5.6	1.4	2.0	2.2	1.0	1.0	0.9	0.4	2.5
Regal Petroleum	RPT LN	London	12.75 GBP	+0.0	+6.3	-1.9	-58.4	0.21	66.5	39.7	80.9	53.8	9.3	7.3	0.01	8,536	5.7	13.3	N/A	1.8	2.3	N/A	1.0	N/A	N/A	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.62 PLN	+0.0	+8.8	+17.0	-67.2	0.20	8.5	48.3	25.0	2.1	9.5	39.9	1.78	56	Neg.	N/A	N/A	24.1	N/A	N/A	1.2	N/A	N/A	0.2	42.7
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+0.0	-7.5	-7.5	-28.4	0.00	106.7	1,724.9	3.9	4.1	20.1	17.8	0.22	455	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	-0.3	-7.6	-7.6	-7.0	0.32	61.5	57.3	4.0	2.5	0.1	12.3	0.38	261	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	-0.8	-11.9	-11.9	-12.1	0.07	285.9	276.3	4.1	11.7	0.6	17.3	0.04	2,517	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	154.60 GBP	+1.7	-17.3	-19.1	-39.4	2.52	1,480.9	2,068.1	22.4	331.7	2,738.2	2,344.1	1.02	98	6.9	5.8	6.3	5.2	4.3	4.5	1.5	1.3	1.3	0.9	37.0
Yasynivsky Cok...	YASK UK	Kiev, UX	0.56 UAH	-3.8	+4.7	+4.7	-17.8	0.06	17.5	19.1	9.0	1.6	0.1	1.9	0.06	1,614	2.2	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	31.33 UAH	-0.9	-2.1	-2.1	-13.3	3.61	38.1	32.1	9.4	3.6	61.8	11.0	0.31	322	4.8	Neg.	2.0	Neg.	Neg.	N/A	0.0	0.0	0.0	0.7	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	1.23 EUR	+2.5	-2.4	-0.8	-28.5	1.66	58.4	85.2	34.0	19.9	0.4	42.3	0.18	560	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	1.3	35.9
Agroliga	AGL PW	Warsaw	25.93 PLN	-0.2	-9.2	+0.0	+19.5	8.28	12.7	13.1	16.7	2.1	10.1	11.0	0.50	202	18.1	N/A	N/A	17.7	N/A	N/A	5.1	N/A	N/A	N/A	7.5
Agroton	AGT PW	Warsaw	2.44 PLN	-1.6	+12.4	+25.1	-78.2	0.78	16.9	64.2	26.2	4.4	57.2	134.8	7.33	14	2.5	3.5	2.3	4.5	6.9	4.1	0.7	0.9	0.8	0.1	28.0
Astarta Holdin...	AST PW	Warsaw	66.27 PLN	+0.1	-2.5	-0.9	+4.4	21.15	528.7	853.4	31.0	164.0	59.2	210.2	0.10	1,006	8.6	7.4	4.3	9.7	7.1	4.7	1.8	1.7	1.4	0.9	38.9
Avangard	AVGR LI	London Intl	11.48 USD	-0.6	+0.7	-2.3	+0.3	11.48	733.2	899.6	21.7	159.1	51.4	253.7	0.24	422	3.3	3.2	3.3	3.2	3.1	3.1	1.4	1.3	1.2	0.6	22.3
IMC	IMC PW	Warsaw	9.92 PLN	-1.3	-22.3	-18.4	-36.8	3.17	99.1	215.4	23.9	23.7	40.6	16.2	0.11	936	5.3	3.8	4.1	5.9	5.2	4.3	2.9	1.6	1.1	0.8	33.0
Kernel Holding...	KER PW	Warsaw	38.60 PLN	+1.3	-6.3	+1.4	-41.6	12.32	981.6	1,702.0	58.8	576.9	2,000.9	1,978.6	0.27	376	8.8	9.3	5.3	5.9	6.1	4.8	0.6	0.7	0.6	0.8	30.6
KSG Agro	KSG PW	Warsaw	8.98 PLN	-0.2	-15.3	-17.2	-30.9	2.87	43.0	164.9	34.4	14.8	3.9	16.4	0.07	1,441	5.3	3.6	3.6	39.1	5.6	4.5	4.4	2.4	1.5	0.5	29.2
MHP	MHPC LI	London Intl	15.02 USD	-0.5	-15.4	-11.9	-13.6	15.02	1,587.1	2,788.1	22.3	354.2	1,510.7	1,287.0	0.24	425	5.3	7.4	5.4	6.0	6.5	5.3	2.0	1.9	1.6	1.3	45.8
Milkiland	MLK PW	Warsaw	9.97 PLN	+1.7	-15.5	-20.2	-36.1	3.18	99.4	232.5	20.0	19.9	4.5	8.0	0.07	1,421	5.8	5.6	5.5	6.5	5.7	4.6	0.6	0.5	0.5	0.4	29.9
Mriya Agrohold...	MAYA GF	Frankfurt	5.30 EUR	+0.0	+3.8	-1.9	+14.4	7.17	761.8	1,493.7	20.0	152.4	0.0	1.5	0.00	1,287,882	4.4	4.8	5.0	6.5	5.6	6.1	4.3	4.0	3.5	0.9	34.8
Ovostar Union	OVO PW	Warsaw	81.50 PLN	+0.3	-15.1	-18.5	-17.7	26.01	156.1	168.1	25.0	39.0	21.8	42.5	0.05	2,177	6.7	6.1	4.2	6.0	5.5	3.5	2.4	2.1	1.5	1.5	3.7
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	30.99 PLN	+0.3	-1.3	-1.3	+15.6	9.89	91.9	75.9	10.9	10.0	8.5	1.5	0.00	26,738	7.4	N/A	N/A	5.0	N/A	N/A	2.6	N/A	N/A	1.6	8.3
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Xetra	0.32 EUR	+0.0	+0.0	+0.0	-6.8	0.43	22.2	181.5	13.1	2.9	0.0	0.0	N/A	N/A	Neg.	N/A	N/A	Neg.	N/A	N/A	8.3	N/A	N/A	0.2	44.1
<b>FINANCIAL SERVICES</b>																											
Forum Bank	FORM UK	Kiev, UX	0.70 UAH	+16.0	-8.4	-8.4	+39.2	0.08	47.6	N/A	5.5	2.6	1.8	2.4	0.03	3,943	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	18.6
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.11 UAH	-1.1	-0.6	-0.6	+4.6	0.01	389.8	N/A	3.8	14.9	0.3	46.2	0.16	608	10.6	6.1	3.2	N/A	N/A	N/A	N/A	N/A	N/A	0.5	28.3

Table 1. Ukrainian stocks (closing prices as of 3-Feb-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 (%)		
Ukrsotsbank	USCB UK	Kiev, UX	0.17 UAH	-5.9	-7.2	-7.2	+35.1	0.02	363.8	N/A	4.5	16.3	0.2	10.4	0.01	9,109	1,042.7	192.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	30.9

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

Sources: Bloomberg, Investment Capital Ukraine LLC.

# Bonds: News & Comments

## Liquidity recovers slightly

After declining for four days, broader banking sector liquidity slightly rose UAH1.04bn to UAH32.47bn, up 3.31% yesterday, as banks' correspondent accounts with the NBU increased UAH1.36bn to UAH24.66bn and total NBU CDs outstanding declined UAH0.32bn to UAH1.06bn. Total local currency debt repayments scheduled for the next 30 days remained steady at UAH6.75bn.

Money market interest rates diverged: the KyivPrime ON interest rate fell 412bp to 6.63% while the KyivPrime 1M interest rate remained steady at 14.00%.

**Investment implications: Liquidity rose mostly due to NBU inflows. Although the NBU redeemed UAH0.32bn of CDs and issued UAH1.69bn of repos, it also issued UAH0.60bn of ON loans while banks had to repay only UAH0.08bn of loans issued the day before. Total inflows amounted to about UAH2.53bn while banks' correspondent accounts rose only UAH1.36bn. The remaining inflows could be reduced by the FX market, by repayments of earlier issued repos, and by other repayments of prior NBU support.**

## YTM's decline on US news

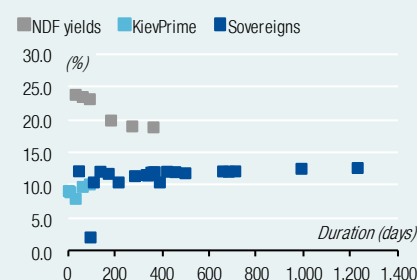
Lack of news about the Ukrainian political crisis and the minor impact of Moody's decision to downgrade Ukraine's sovereign rating by one notch was offset by the unexpected significant decline of the ISM manufacturing index in the US. The decline of this indicator signals that world economic growth has slowed, motivating investors to seek the safe havens of US Treasuries. The 5-year US Treasury bond YTM slid 5bp to 1.44% and the 10-year bond YTM slid 7bp to 2.58%.

Ukrainian Eurobonds mostly reflected the US Treasuries last Friday as UKRAIN 6.875% '15 fell 155bp to 11.70%, UKRAIN 9.25% '17 slid 49bp to 10.68%, UKRAIN 7.95% '21 slid 21bp to 10.40%, while UKRAIN 7.80% '22 declined 31bp to 9.99%.

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## Yield curve of the local bond market

(as of market close on 3 Feb 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 3 Feb 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
0/n	6.63	-412bp	+407bp	-117bp	-117bp
1wk	10.88	-137bp	+657bp	+108bp	+108bp
1m	14.00	+0bp	+599bp	-225bp	-225bp
2m	13.13	+25bp	+248bp	-327bp	-327bp
3m	13.38	+13bp	+138bp	-262bp	-262bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	24,663	+5.83	-14.45	-25.36	-24.58
CDs <sup>2</sup>	1,095	-60.75	-83.65	-66.93	-27.96
Sovgns <sup>3</sup>	6,829	+1.47	-30.05	+66.78	+356.8
<b>Total</b>	<b>32,587</b>	<b>-0.72</b>	<b>-28.05</b>	<b>-19.43</b>	<b>-8.76</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	148,781	+0.00	+0.15	+1.17	+2.71
Banks	79,076	-0.05	-3.28	-2.43	-1.36
Resid's <sup>4</sup>	13,028	+0.48	-0.55	+5.86	+5.09
Non-res <sup>5</sup>	12,211	+0.00	+0.73	+2.01	+4.38
<b>Total</b>	<b>253,095</b>	<b>+0.01</b>	<b>-0.95</b>	<b>+0.28</b>	<b>+1.60</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	23.15	+584bp	+357bp	+111bp	+111bp
6m	19.84	+545bp	+61bp	+643bp	+643bp
9m	16.61	+255bp	+112bp	+251bp	+259bp
1yr	15.96	+42bp	+46bp	+90bp	+97bp
<b>LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)</b>					
Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+0bp	-676bp	-676bp
Aug '15 <sup>6</sup>	N/A	+74bp	+0bp	+0bp	+0bp
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	N/A	N/A	N/A	N/A	N/A
Jun '16	10.69	+12bp	+182bp	+180bp	+180bp
Jul '17	10.69	-49bp	+59bp	+114bp	+114bp
Sep '20	10.42	-21bp	+38bp	+123bp	+123bp
Sep '21	10.41	-21bp	+30bp	+119bp	+119bp
Sep '22	10.00	-31bp	+19bp	+65bp	+65bp
Feb '23	9.57	-31bp	-5bp	+53bp	+53bp

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

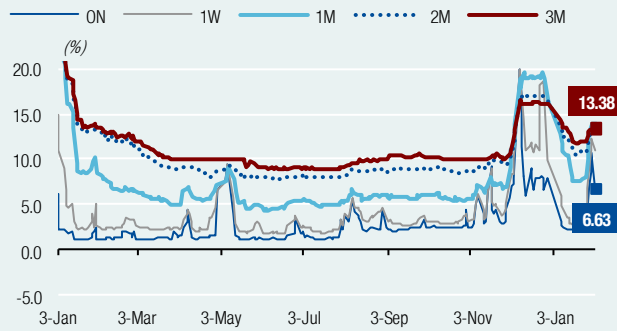


Chart 2. UAH NDF implied yields (%), last 12-month period



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

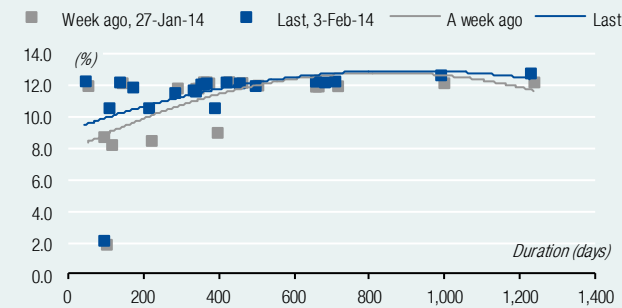


Chart 4. USD sovereign yield curve (%) as of 3 Feb 2014

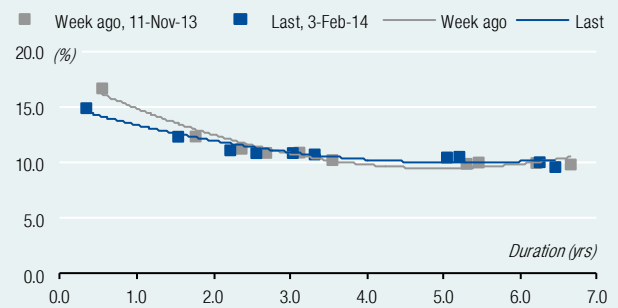


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

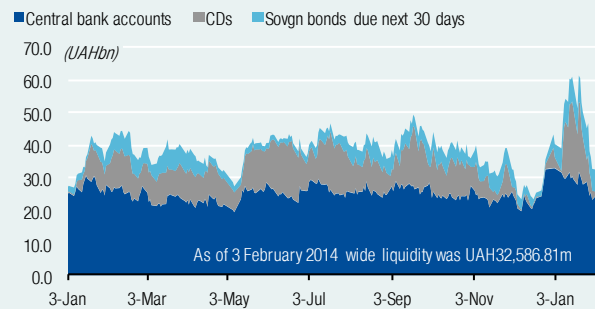


Chart 6. Breakdown of liquidity pool (%) as of 3 Feb 2014

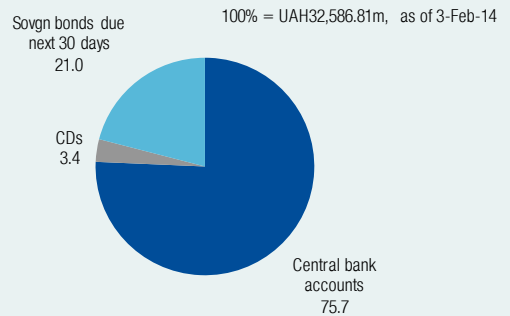


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

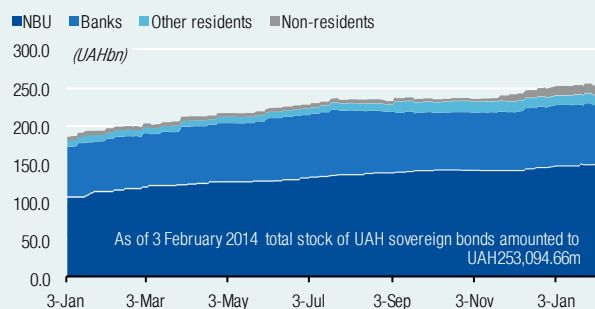
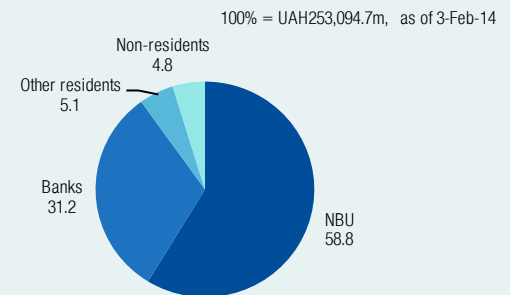


Chart 8. Domestic sovereign debt (%) as of 3 Feb 2014



# FX: News & Comments

## UAH continues its decline, no direct NBU intervention seen

Bloomberg reported the UAH's FX rate slid another 0.44% to close at 8.6550/USD, while *Interfax-Ukraine* reported the rate declining from 8.645/USD to 8.720/USD. UkrDealing also confirmed that rate closed at 8.72/USD. *Interfax-Ukraine* reported that the NBU did intervene directly, but rather state-run Oschadbank was selling USD. Yesterday's FX turnover again exceeded US\$4bn, up 27.7% from the previous trading session's volume. The UAH's real trade-weighted index slid 0.19%.

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### ICU's UAH trade-weighted indices

(Last 12-month history to 4 Feb 2014)



### FX market indicators (as of 3 Feb 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	8.6550	+0.44	+1.94	+5.10	+5.04
NBU avg	8.1478	-0.09	-0.07	-0.02	-0.04
Tt vlm <sup>1</sup>	4575.85	+24.35	+2.97	+193.2	+63.30
\$ volume <sup>2</sup>	4327.28	+27.70	+4.02	+241.9	+95.73
NDF 3M	9.1500	+1.84	+2.81	+7.84	+7.84
NDF 6M	9.5000	+2.98	+2.23	+8.26	+8.20
NDF 1Y	9.9798	+0.81	+2.36	+5.94	+5.94
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	67.980	-0.19	-0.80	-2.03	-1.15
UAH real CPI	97.792	-0.19	-0.80	-2.03	-1.15
UAH real PPI	129.838	-0.19	-0.80	-2.03	-1.15
USD nom'l	81.009	-0.37	+0.60	+0.27	+1.22
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	35.4498	+0.84	+2.07	+6.79	+7.85
EUR/USD	1.3525	+0.29	-1.08	-0.47	-1.59
USD/CNY	6.0606	-0.01	+0.22	+0.15	+0.10
USD/PLN	3.1387	-0.45	+2.06	+2.30	+3.83
USD/TRY	2.2835	+1.20	+0.01	+4.77	+6.30
USD/BYR	9,655.00	-0.05	+0.26	+0.89	+1.21
USD/KZT	155.5800	+0.05	+0.20	+0.80	+0.85
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	100.9800	-1.04	-1.53	-3.70	-4.11
GBP/USD	1.6305	-0.82	-1.69	-0.69	-1.52
USD/CHF	0.9009	-0.62	+0.52	-0.48	+0.90
AUD/USD	0.8753	-0.03	+0.16	-2.15	-1.84
USD/CAD	1.1119	-0.08	+0.03	+4.55	+4.67
USD/BRL	2.4403	+1.14	+0.73	+2.68	+3.31
USD/KRW	1,084.68	+0.34	+0.10	+2.79	+3.32
<b>COMMODITIES</b>					
Gold(\$/oz)	1,257.68	+1.05	+0.05	+1.67	+4.32
WTI crude <sup>3</sup>	N/A	N/A	N/A	N/A	N/A
Brent crd <sup>3</sup>	N/A	N/A	N/A	N/A	N/A
Urals crd <sup>3</sup>	N/A	N/A	N/A	N/A	N/A
TR/J CRB <sup>4</sup>	283.61	+0.11	+1.39	+2.56	+1.23

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)

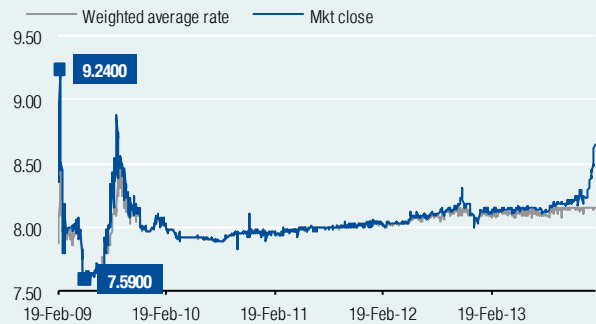


Chart 10. NDF market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)

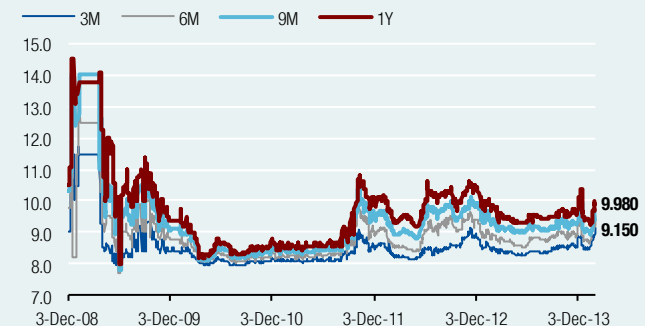
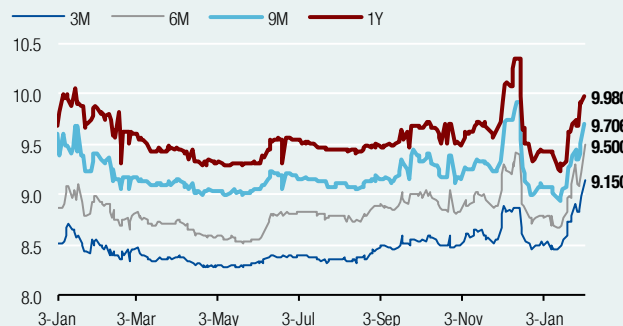


Chart 11. Trading volume: last 12-month and 5-year periods (US\$m, left and right respectively)

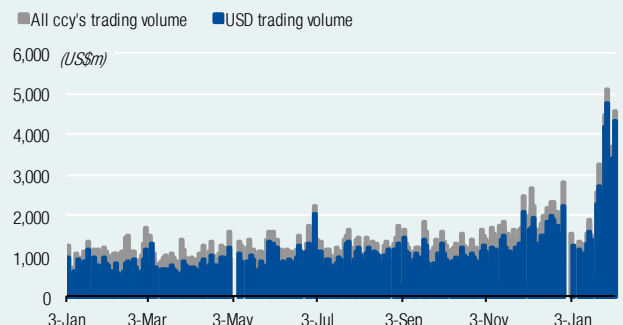


Chart 12. 30D MA\* ratio of FX market turnover to merchandise trade: last 12m and 5yr periods (% , left and right respectively)

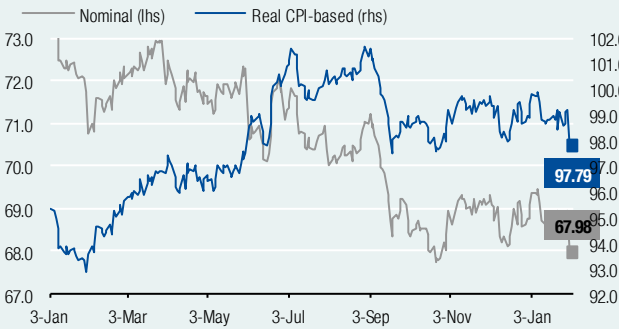


Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

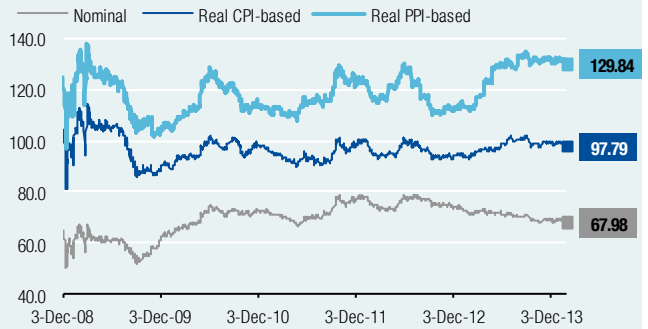
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

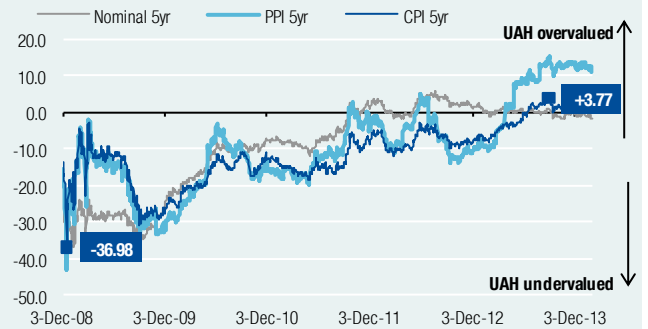


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

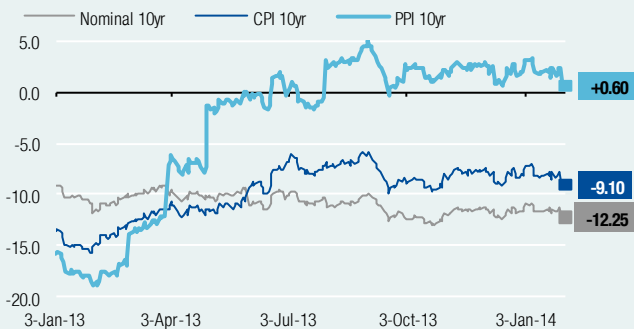


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

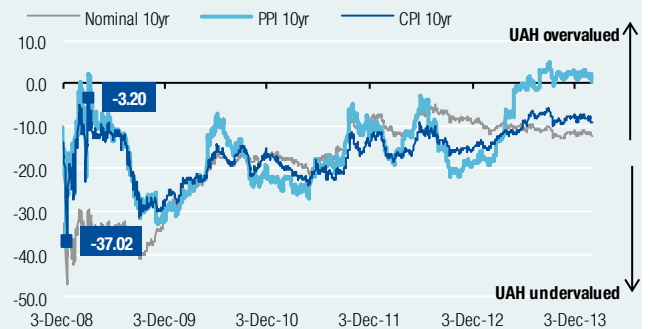


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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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## 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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