


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity and rates fall; YTM's increase; UAH returns to 8.8/USD

THURSDAY, 13 FEBRUARY, 2014

RESEARCH INSIGHT

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UX Index (3 months to 13 Feb 2014)



Key market indicators (as of 12 Feb 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	8.7000	+0.81	+5.58
USD/UAH (1Y NDF)	10.4625	+0.55	+11.07
EUR/USD	1.3593	-0.33	-1.09
USD/RUB	34.8296	+0.26	+5.96
KievPRIME O/N (%)	20.75	-48bp	+1,295bp
KievPRIME 1M (%)	22.75	+238bp	+650bp
BONDS: yields and spreads			
Ukraine VAT bond (%)	N/A	+74bp	+0bp
Ukraine 17, Eurobond (%)	12.81	+75bp	+325bp
Ukraine 22, Eurobond (%)	10.50	+20bp	+116bp
Ukraine 23, Eurobond (%)	10.08	+20bp	+103bp
Ukraine 5Y CDS	1,150bp	+29bp	+333bp
EQUITIES			
Stock market indices			
UX (Ukraine)	921.95	+1.82	+1.31
MSCI World	401.27	+0.27	-1.78
MSCI EM	953.30	+0.91	-4.93
RTS (Russia)	1,353.17	+0.84	-6.21
WIG-20 (Poland)	2,482.58	+1.59	+3.40
S&P 500 (USA)	1,819.26	-0.03	-1.57
MOST ACTIVE: Top 3 stocks by value traded (US\$m)			
FXPO LN	4.14	45.0% of total ¹	
KER PW	2.68	29.0%	
MHPC LI	1.37	14.8%	
GAINERS: Top 3 stocks (in listed currency)			
CEEN UK	UAH 4.62	+2.80	-3.10
ZAEN UK	UAH 121.00	+2.63	+33.85
AGT PW	PLN 2.64	+2.33	+35.38
LOSERS: Top 3 stocks (in listed currency)			
CAD LN	GBp 10.88	-5.43	+4.82
SGR PW	PLN 0.62	-4.62	+16.98
AGL PW	PLN 24.17	-4.28	-6.79

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 12-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 (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	10.88 GBP	-5.4	+6.1	+4.8	-6.5	0.18	41.7	-21.3	40.2	16.8	11.1	12.3	0.07	1,369	Neg.	Neg.	Neg.	3.2	3.3	6.7	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	4.62 UAH	+2.8	-1.6	-3.1	-22.2	0.53	196.2	269.1	21.7	42.6	26.7	65.4	0.09	1,143	7.3	6.7	4.7	0.5	3.9	2.7	0.3	0.3	0.3	0.7	12.2
Coal Energy	CLE PW	Warsaw	1.10 PLN	+0.0	-1.8	+4.8	-91.5	0.36	16.2	74.1	25.0	4.0	136.3	109.7	3.81	26	Neg.	Neg.	N/A	1.2	10.1	N/A	0.6	0.8	N/A	0.1	7.7
Donbasenergo	DOEN UK	Kiev, UX	32.44 UAH	+2.2	+14.3	+17.6	+45.0	3.73	88.2	142.8	14.2	12.5	6.5	47.0	0.17	588	24.8	3.3	4.8	0.6	2.6	2.5	0.3	0.2	0.3	1.2	17.8
JKX Oil & Gas	JKX LN	London	68.50 GBP	-1.4	-4.9	-4.2	+5.8	1.14	195.3	192.3	47.2	92.2	67.0	66.4	0.08	1,199	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	11.88 GBP	-1.0	-10.4	-8.7	-59.6	0.20	63.2	36.4	80.9	51.1	24.4	7.2	0.01	7,996	5.4	12.6	N/A	1.6	2.1	N/A	0.9	N/A	N/A	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.62 PLN	-4.6	+3.3	+17.0	-64.8	0.20	8.7	48.5	25.0	2.2	10.3	37.5	1.10	91	Neg.	N/A	N/A	24.2	N/A	N/A	1.2	N/A	N/A	0.2	42.7
Zakhidenergo	ZAEN UK	Kiev, PFTS	121.00 UAH	+2.6	+33.8	+33.8	+27.4	13.91	177.9	211.9	5.0	8.9	13.2	10.7	0.12	846	806.9	N/A	N/A	1.4	N/A	N/A	0.2	N/A	0.1	3.0	9.7
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	-0.3	-2.4	-7.0	-31.0	0.00	107.0	1,720.5	3.9	4.1	2.7	11.9	0.13	766	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	2.83 UAH	+1.1	+2.2	-4.4	-16.1	0.33	63.5	59.3	4.0	2.5	0.8	10.9	0.11	899	Neg.	Neg.	2.6	Neg.	1.4	0.9	0.1	0.1	0.1	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.62 UAH	+2.0	-2.5	-7.6	-11.4	0.07	299.1	289.5	4.1	12.3	2.3	16.5	0.03	3,653	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	165.60 GBP	+0.1	-6.2	-13.3	-41.5	2.75	1,618.5	2,205.7	22.4	362.5	4,144.2	2,621.3	0.97	103	7.6	6.3	7.0	5.6	4.6	4.9	1.5	1.4	1.4	1.0	37.0
Yasynivsky Cok...	YASK UK	Kiev, UX	0.55 UAH	-0.5	-0.5	+4.2	-19.9	0.06	17.4	19.0	9.0	1.6	0.3	1.9	0.05	1,845	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	31.70 UAH	+1.0	-0.8	-1.0	-11.9	3.64	38.4	32.5	9.4	3.6	8.8	9.8	0.27	376	4.8	Neg.	2.1	Neg.	Neg.	N/A	0.0	0.0	0.0	0.8	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	1.18 EUR	-1.7	-4.8	-4.8	-30.6	1.61	148.5	175.5	34.0	50.5	17.6	40.2	0.07	1,535	Neg.	N/A	N/A	Neg.	N/A	N/A	2.7	N/A	N/A	1.3	35.9
Agroliga	AGL PW	Warsaw	24.17 PLN	-4.3	-15.3	-6.8	+18.5	7.90	12.2	13.1	16.7	2.0	16.5	11.6	0.56	179	2.8	N/A	N/A	3.8	N/A	N/A	0.6	N/A	N/A	1.0	5.7
Agroton	AGT PW	Warsaw	2.64 PLN	+2.3	-7.0	+35.4	-74.2	0.86	18.7	66.0	26.2	4.9	179.1	154.9	4.44	23	2.8	3.9	2.5	4.7	7.1	4.2	0.8	1.0	0.8	0.1	28.0
Astarta Holdin...	AST PW	Warsaw	60.00 PLN	-2.5	-6.3	-10.3	-11.8	19.62	490.6	817.6	31.0	152.2	208.2	216.6	0.16	645	8.0	6.8	3.9	9.3	6.7	4.5	1.7	1.6	1.3	0.9	38.9
Avangard	AVGR LI	London Intl	10.59 USD	-1.9	-6.3	-9.9	+5.2	10.59	676.4	842.8	21.7	146.8	11.3	220.4	0.16	623	3.0	3.0	3.1	3.0	2.9	3.0	1.3	1.2	1.2	0.6	22.3
IMC	IMC PW	Warsaw	7.96 PLN	-4.1	-37.3	-34.5	-50.3	2.60	81.5	197.7	23.9	19.5	225.3	24.0	0.29	340	4.3	4.3	3.4	5.4	4.7	4.0	2.6	1.4	1.0	0.6	33.0
Kernel Holding...	KER PW	Warsaw	36.40 PLN	+1.3	-12.5	-4.4	-44.9	11.90	948.6	1,668.9	58.8	557.5	2,676.7	1,835.0	0.24	410	8.5	9.0	5.2	5.7	5.9	4.7	0.6	0.7	0.6	0.7	30.6
KSG Agro	KSG PW	Warsaw	7.97 PLN	-0.4	-21.9	-26.5	-38.0	2.61	39.2	161.0	34.4	13.5	17.7	15.4	0.09	1,141	4.8	3.2	3.3	38.2	5.5	4.4	4.3	2.3	1.5	0.4	29.2
MHP	MHPC LI	London Intl	14.92 USD	-0.5	-15.2	-12.5	-19.4	14.92	1,576.5	2,777.5	22.3	351.9	1,366.6	1,478.4	0.42	238	5.3	7.5	5.5	5.9	6.5	5.3	2.0	1.9	1.7	1.3	45.8
Milkiland	MLK PW	Warsaw	9.84 PLN	+0.0	-14.8	-21.3	-34.4	3.22	100.6	234.6	20.0	20.1	4.6	8.1	0.07	1,511	5.8	5.6	5.5	6.5	5.8	4.7	0.6	0.5	0.5	0.4	29.9
Mriya Agrohold...	MAYA GF	Frankfurt	5.04 EUR	+0.0	-5.0	-6.8	+6.0	6.86	729.0	1,460.9	20.0	145.8	0.0	1.4	0.00	1,223,488	4.2	4.6	4.8	6.3	5.5	5.9	4.2	3.9	3.4	0.8	34.8
Ovostar Union	OVO PW	Warsaw	74.50 PLN	+0.0	-19.0	-25.5	-24.7	24.37	146.2	158.2	25.0	36.5	4.6	39.5	0.03	2,879	6.2	5.6	3.9	5.7	5.7	3.6	2.2	1.9	1.4	1.4	3.7
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.28 EUR	+0.0	-10.4	-10.4	-33.6	0.39	20.0	179.4	13.1	2.6	0.0	0.0	N/A	N/A	Neg.	N/A	N/A	Neg.	N/A	N/A	8.2	N/A	N/A	0.2	44.1
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.11 UAH	+1.4	-0.8	+0.3	+3.6	0.01	392.1	N/A	3.8	15.0	26.3	43.3	0.17	572	10.7	6.2	3.3	N/A	N/A	N/A	N/A	N/A	N/A	0.5	28.3
UkrSotsbank	USCB UK	Kiev, UX	0.17 UAH	-1.1	-8.1	-10.4	+23.1	0.02	350.3	N/A	4.5	15.7	9.1	9.5	0.02	4,512	1,006.8	185.8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	30.9

Table 1. Ukrainian stocks (closing prices as of 12-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)

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 and interest rates decline

After rising for two days, broader banking-sector liquidity declined UAH1.07bn to UAH26.50bn yesterday as banks' correspondent accounts with the NBU declined UAH1.22bn to UAH20.18bn while total CDs outstanding rose UAH0.15bn to UAH0.53bn. Total local-currency debt repayments scheduled for the next 30 days remained steady at UAH5.79bn.

KyivPrime interest rates declined dramatically despite lower liquidity: the KyivPrime ON interest rate fell 239bp to 22.75% while the KyivPrime 1M interest rate declined 247bp to 22.75%.

Investment implications: Without significant inflows from the NBU prior to the primary auction, banking-sector liquidity declined, but as funds flowed into money markets, interest rates declined. The situation remains unstable, and the FX market appears to be poised for further instability, as reflected in the pervasively high money market and bond-market rates.

YTM's increase

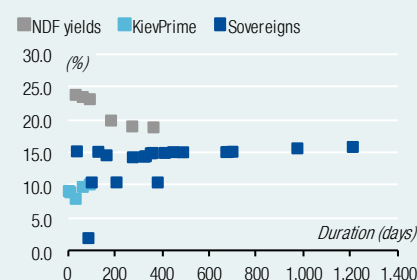
As the political crisis in Ukraine remains unresolved and the Ukrainian Eurobond market remained inactive, YTM's diverged yesterday. At the close, UKRAIN 6.875% '15 rose 99bp to 15.20%, UKRAIN 9.25% '17 rose 77bp to 12.82%, while UKRAIN 7.95% '21 rose 38bp to 11.03%, UKRAIN 7.80% '22 rose 23bp to 10.53% and UKRAIN 7.50% '23 rose 23bp to 10.11%.

US Treasury bond YTM's rose for the second straight session yesterday on worries of slow economic growth in the US, after new export data from China was published. At the close, the 5-year bond YTM rose 3bp to 1.54% and the 10-year bond YTM rose 4bp to 2.76%.

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Yield curve of the local bond market

(as of market close on 12 Feb 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 12 Feb 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	20.75	-48bp	+15bp	+19bp	+13bp
1wk	21.00	-23bp	+12bp	+17bp	+11bp
1m	22.75	+238bp	+850bp	+12bp	+650bp
2m	19.00	+183bp	+550bp	+687bp	+260bp
3m	18.00	+97bp	+425bp	+487bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	20,178	-5.70	-15.45	-32.42	-38.30
CDs ²	918	+119.6	-74.31	-94.74	-39.61
Sovgns ³	4,912	-15.05	+36.51	-29.96	+228.5
Total	26,008	-5.76	-16.21	-52.13	-27.18
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	147,698	+0.00	-0.73	+0.44	+1.97
Banks	80,389	-0.07	+1.75	-0.70	+0.28
Resid's ⁴	12,820	+0.39	-1.46	+3.52	+3.41
Non-res ⁵	12,962	-0.02	+5.39	+8.29	+10.80
Total	253,869	-0.01	+0.31	+0.60	+1.91
NDF IMPLIED YIELDS (%)					
3m	42.69	+10bp	+12bp	+34bp	+31bp
6m	34.85	+391bp	+659bp	+25bp	+21bp
9m	27.69	+391bp	+582bp	+15bp	+14bp
1yr	20.92	-31bp	+163bp	+681bp	+594bp
LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)					
Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+0bp	-383bp	-676bp
Aug '15 ⁶	N/A	+74bp	+0bp	+0bp	+0bp
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	1,150	+29bp	+150bp	+435bp	+333bp
Jun '16	13.75	+133bp	+173bp	+634bp	+486bp
Jul '17	12.81	+75bp	+170bp	+458bp	+325bp
Sep '20	11.02	+35bp	+63bp	+226bp	+183bp
Sep '21	11.00	+35bp	+49bp	+224bp	+178bp
Sep '22	10.50	+20bp	+28bp	+157bp	+116bp
Feb '23	10.08	+20bp	+34bp	+145bp	+103bp

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

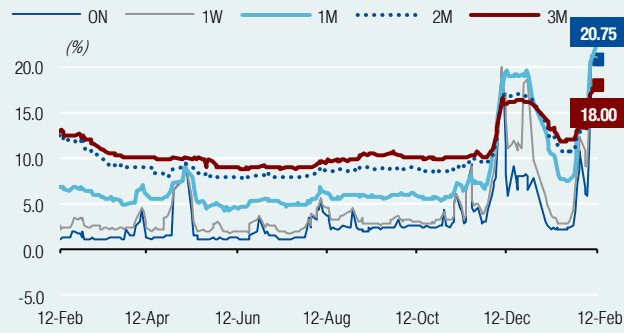


Chart 2. UAH NDF implied yields (%), last 12-month period



Chart 3. UAH sovereign yield curve (%) as of 12 Feb 2014

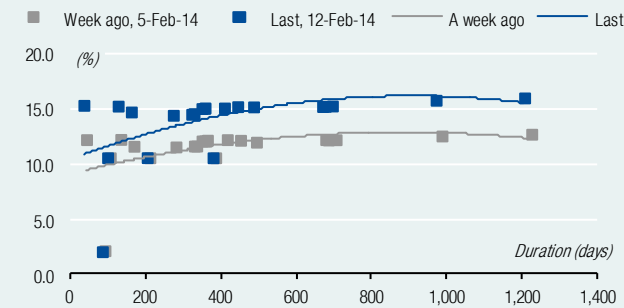


Chart 4. USD sovereign yield curve (%) as of 12 Feb 2014

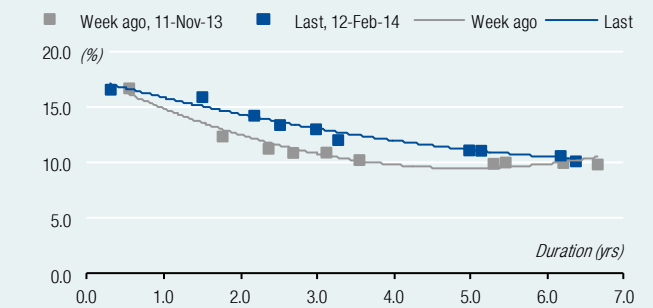


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

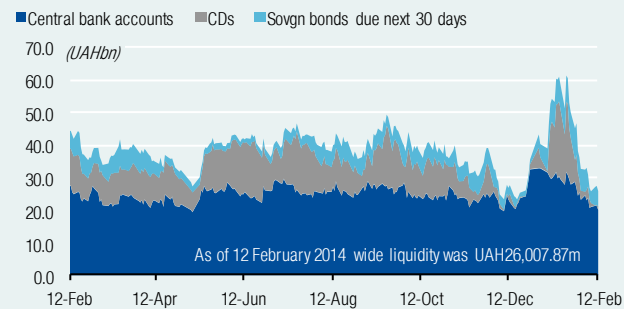


Chart 6. Breakdown of liquidity pool (%) as of 12 Feb 2014

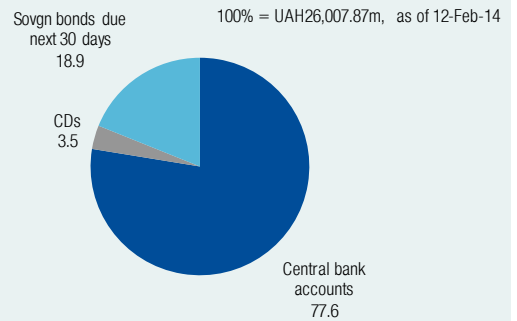


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

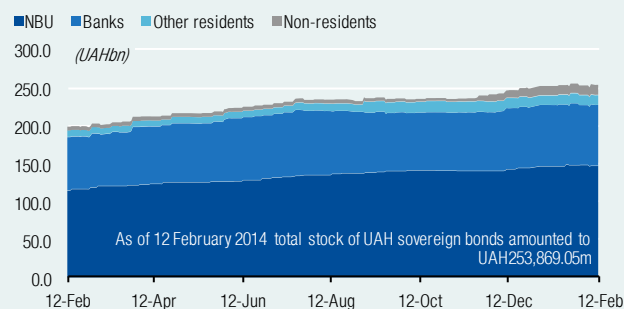
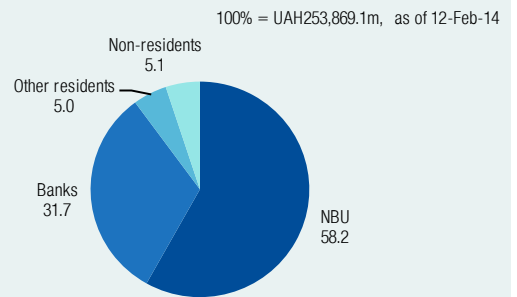


Chart 8. Domestic sovereign debt (%) as of 12 Feb 2014



FX: News & Comments

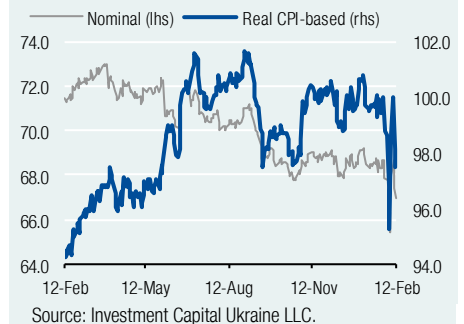
UAH moves closer to 8.8/USD

The FX market rate slid back to 8.80/USD after rising for several days this week. Although the additional capital controls imposed by the NBU worked temporarily, the hryvnia fell to as low as 8.76/USD at the end of the session and closed at 8.7/USD according to Bloomberg. The trading volume has fallen to a normal level of US\$0.7bn, signaling that state-run banks have stopped inflating the daily turnover data that occurred through forcing currency swap transactions. The steep devaluation of the KZT produced a shallow impact on UAH, ultimately having little impact on the Ukraine's FX market. However, the NBU has limited options this year. Ongoing poor macroeconomic conditions will force the UAH to devalue further, in our view. Its real trade-weighted value declined 0.62% on the weaker RUB and EUR.

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ICU's UAH trade-weighted indices

(Last 12-month history to 13 Feb 2014)



FX market indicators (as of 12 Feb 2014)

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

USD/UAH MARKET (HRYVNIA per US DOLLAR)

Spot mkt	8.7000	+0.81	-0.85	+5.01	+5.58
NBU avg	8.6178	+0.78	+5.69	+6.16	+5.73
Ttt vlm ¹	887.62	-11.38	-71.74	+605.6	-68.32
\$ volume ²	733.80	-12.82	-72.04	+619.7	-66.81
NDF 3M	9.6212	+3.18	+2.01	+13.66	+13.39
NDF 6M	10.2000	+2.51	+2.00	+17.24	+16.17
NDF 1Y	10.4625	+0.55	+0.50	+11.30	+11.07

TRADE-WEIGHTED INDICES (TWIs, points)

UAH nom'l	66.959	-0.62	+0.98	-2.19	-2.29
UAH real CPI	97.493	-0.62	+0.98	-2.19	-2.29
UAH real PPI	129.949	-0.62	+0.98	-2.19	-2.29
USD nom'l	80.679	+0.05	-0.44	+0.03	+0.80

FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs

USD/RUB	34.8296	+0.26	-0.23	+5.36	+5.96
EUR/USD	1.3593	-0.33	+0.44	-0.56	-1.09
USD/CNY	6.0627	+0.04	+0.04	+0.18	+0.14
USD/PLN	3.0611	+0.05	-1.15	+0.85	+1.26
USD/TRY	2.1928	-0.01	-2.03	+1.31	+2.08
USD/BYR	9,705.00	+0.10	+0.31	+1.41	+1.73
USD/KZT	184.5400	+0.01	+18.57	+19.37	+19.62

OTHER MAJOR CURRENCIES

USD/JPY	102.5300	-0.10	+1.06	-1.58	-2.64
GBP/USD	1.6596	+0.89	+1.76	+0.69	+0.24
USD/CHF	0.9006	+0.26	-0.32	-0.20	+0.86
AUD/USD	0.9027	-0.12	+1.31	+0.36	+1.23
USD/CAD	1.1003	-0.05	-0.72	+1.02	+3.58
USD/BRL	2.4260	+1.07	+0.98	+2.87	+2.71
USD/KRW	1,062.65	-0.77	-1.42	+0.12	+1.22

COMMODITIES

Gold(\$/oz)	1,291.18	-0.02	+2.64	+3.42	+7.09
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	291.74	+0.53	+1.61	+5.93	+4.13

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>).

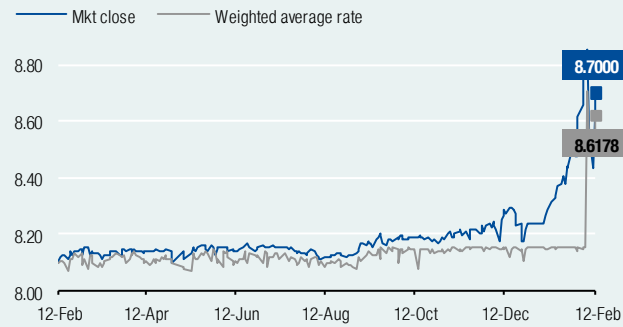
Section on FX market is continued on next page.

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.

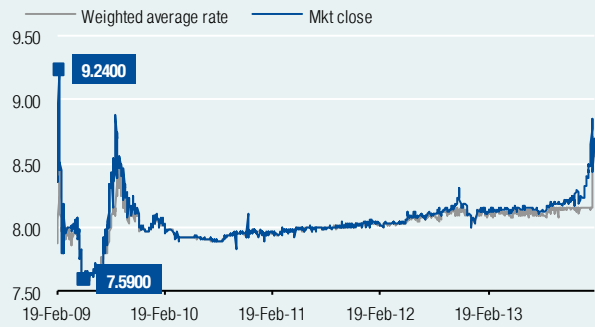
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

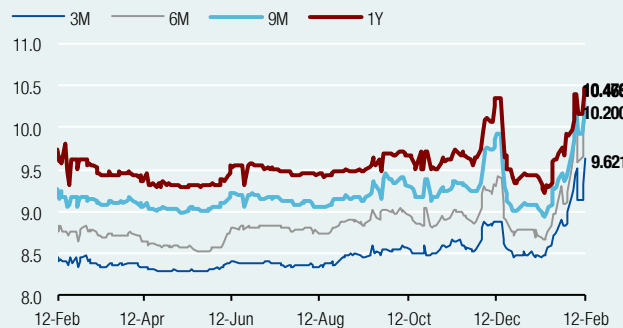


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

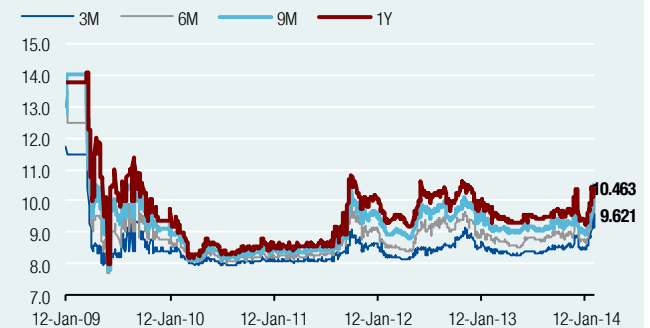


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

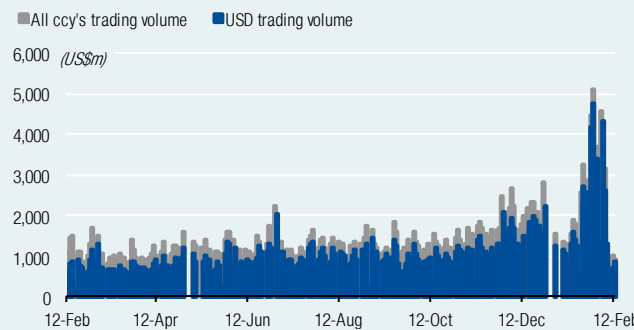


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.



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)



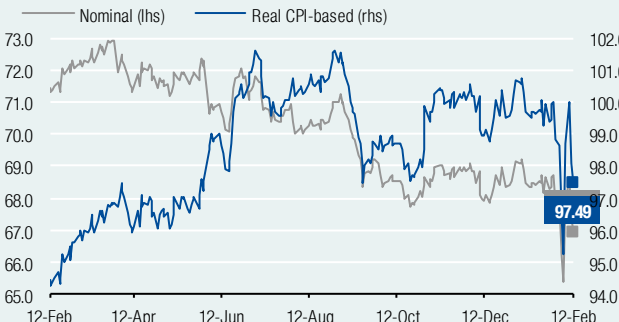
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

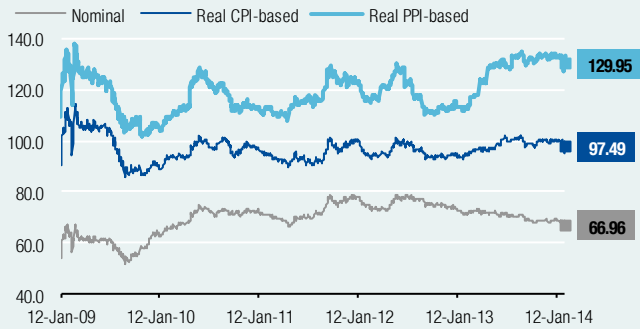
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

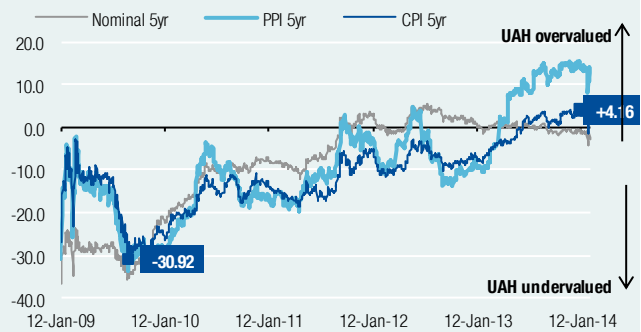


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

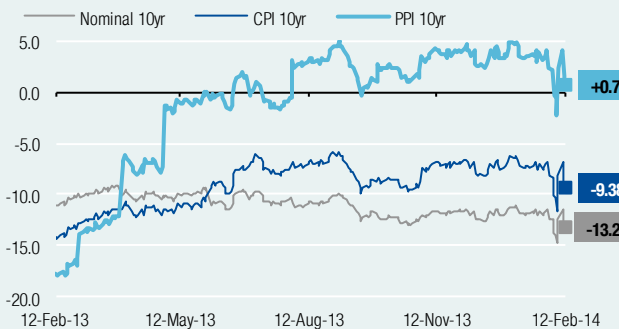


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

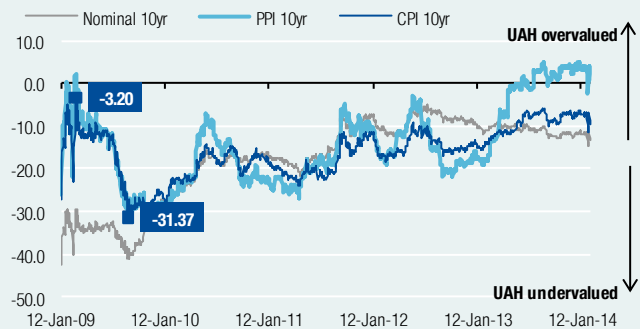


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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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

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Hold: Forecasted 12-month total return is in line with or modestly deviates from relevant benchmark

Sell: Forecasted 12-month total return significantly less than that of relevant benchmark



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