


**INVESTMENT CAPITAL UKRAINE**  
 INVESTMENT BANKING

# Daily Insight

## Ukraine on the brink: Death toll on the rise; YTM's decline

FRIDAY, 21 FEBRUARY, 2014

RESEARCH INSIGHT

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### UX Index (3 months to 21 Feb 2014)



### Key market indicators (as of 20 Feb 2014)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	8.9500	+0.00	+8.62
USD/UAH (1Y NDF)	11.1000	+0.45	+17.83
EUR/USD	1.3719	-0.10	-0.17
USD/RUB	35.7781	+0.35	+8.85
KievPRIME O/N (%)	15.67	+267bp	+787bp
KievPRIME 1M (%)	22.00	+0bp	+575bp

### BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	+74bp	+0bp
Ukraine 17, Eurobond (%)	14.18	+88bp	+463bp
Ukraine 22, Eurobond (%)	10.89	+14bp	+154bp
Ukraine 23, Eurobond (%)	10.42	+23bp	+137bp
Ukraine 5Y CDS	1,294bp	-35bp	+478bp

### EQUITIES

#### Stock market indices

UX (Ukraine)	905.23	+3.86	-0.53
MSCI World	405.18	-0.04	-0.82
MSCI EM	950.62	-0.88	-5.19
RTS (Russia)	1,303.15	-0.22	-9.67
WIG-20 (Poland)	2,462.84	-0.94	+2.58
S&P 500 (USA)	1,839.78	+0.60	-0.46

#### MOST ACTIVE: Top 3 stocks by value traded (US\$m)

MHPC LI	3.31	55.8% of total <sup>1</sup>
KER PW	0.94	15.8%
FXPO LN	0.51	8.7%

#### GAINERS: Top 3 stocks (in listed currency)

IMC PW	PLN 9.26	+7.93	-23.79
AGT PW	PLN 4.58	+6.51	+134.87
CLE PW	PLN 1.32	+6.45	+25.71

#### LOSERS: Top 3 stocks (in listed currency)

AGL PW	PLN 23.27	-5.79	-10.26
JKX LN	GBp 63.00	-4.18	-11.89
AVGR LI	USD 9.52	-4.18	-18.98

Notes: Chg – percentage change, if not otherwise indicated;  
 [1] – total traded volume for stocks listed in Table 1, pp. 3;  
 green- or red-shaded box means gain or loss, respectively,  
 of the index or security.

Sources: Bloomberg, UX, Investment Capital Ukraine LLC.

# Economics: News & Comments

## Ukraine on the brink: Death toll on the rise

Yesterday was supposed to be an official day of mourning for those who lost their lives earlier this week. A ceasefire had been reached between the opposition and Yanukovich, which started from late night Wednesday. However, the next day turned even more deadly. After the violence on Tuesday, when 18 were killed, the situation escalated on Thursday, as nearly 100 people were gunned down. Squads of riot police armed with Kalashnikovs shot into the crowd of protestors at Maidan, who defended themselves with wooden sticks and homemade metal and wooden shields. The stand-off was well documented by observation cameras installed to monitor the scene.

Outraged over the loss of life, a number of lawmakers quit the Party of Regions and opposition MPs called for an extraordinary session of Parliament. There were enough to declare a quorum, making the session open-ended (meaning they would remain in session until the crisis is resolved). They are seeking to adopt a resolution by 236 MPs to compel the government to demilitarise downtown Kiev and send riot police back to their hometowns.

Opposing sides are still far apart in negotiations. However, those at the barricades at Maidan, as well as those who are with them in spirit, will not accept anything less than Yanukovich's swift departure.

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Table 1. Ukrainian stocks (closing prices as of 20-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	10.75 GBP	+0.0	-14.0	+3.6	-20.4	0.18	41.3	21.7	40.2	16.6	0.0	12.2	0.03	3,012	Neg.	Neg.	Neg.	3.3	3.3	6.8	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	4.50 UAH	+1.2	-2.2	-5.6	-24.4	0.49	179.7	248.3	21.7	39.0	1.1	44.6	0.10	987	7.1	6.4	3.1	0.4	3.8	2.7	0.3	0.3	0.3	0.7	12.2
Coal Energy	CLE PW	Warsaw	1.32 PLN	+6.5	+3.1	+25.7	-88.8	0.43	19.6	77.4	25.0	4.9	296.2	178.6	4.82	21	Neg.	Neg.	N/A	1.3	10.6	N/A	0.6	0.9	N/A	0.2	7.7
Donbasenergo	DOEN UK	Kiev, UX	33.15 UAH	+0.2	+10.7	+20.2	+42.2	3.58	84.7	136.1	14.2	12.1	0.1	32.6	0.13	775	25.3	3.2	1.3	0.5	2.6	1.1	0.3	0.2	0.2	1.2	17.8
JKX Oil & Gas	JKX LN	London	63.00 GBP	-4.2	-11.3	-11.9	+2.4	1.05	180.0	177.0	47.2	85.0	86.1	61.3	0.09	1,098	Neg.	5.5	5.0	1.3	1.8	1.9	0.9	0.9	0.8	0.4	2.5
Regal Petroleum	RPT LN	London	11.13 GBP	+0.0	-21.2	-14.4	-63.4	0.19	59.4	32.5	80.9	48.0	1.5	7.0	0.02	6,472	5.1	11.9	N/A	1.5	1.9	N/A	0.8	N/A	N/A	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.68 PLN	+4.6	+3.0	+28.3	-63.0	0.22	9.6	49.4	25.0	2.4	30.2	47.8	1.39	72	Neg.	N/A	N/A	7.4	N/A	N/A	1.2	N/A	N/A	0.2	42.4
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.03 UAH	+0.3	-6.7	-13.2	-35.4	0.00	93.9	1,611.5	3.9	3.6	1.1	9.0	0.17	604	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	2.79 UAH	+0.0	+0.5	-5.7	-17.0	0.30	58.9	54.9	4.0	2.4	6.5	8.4	0.08	1,197	Neg.	Neg.	2.6	Neg.	1.4	0.9	0.1	0.1	0.1	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.61 UAH	+0.0	-2.6	-9.3	-11.9	0.07	276.3	267.3	4.1	11.3	7.4	11.7	0.03	2,967	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	161.00 GBP	+0.6	-6.1	-15.7	-34.4	2.68	1,577.0	2,164.2	22.4	353.3	514.2	2,702.6	1.05	96	7.4	6.2	6.8	5.5	4.5	4.8	1.5	1.4	1.3	1.0	37.0
Yasynivsky Cok...	YASK UK	Kiev, UX	0.53 UAH	+1.1	-3.3	+0.4	-25.1	0.06	15.7	17.3	9.0	1.4	0.1	1.6	0.05	2,026	2.1	1.4	1.0	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	+0.1	-2.8	-3.2	-14.3	3.35	35.4	29.7	9.4	3.3	0.1	7.4	0.21	484	4.7	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	1.16 EUR	-1.7	-8.7	-6.5	-31.0	1.59	146.9	174.1	34.0	49.9	4.1	38.0	0.05	1,929	Neg.	N/A	N/A	Neg.	N/A	N/A	2.7	N/A	N/A	1.2	35.9
Agroliga	AGL PW	Warsaw	23.27 PLN	-5.8	-15.1	-10.3	+23.8	7.66	11.8	12.7	16.7	2.0	1.5	12.3	0.80	125	2.7	N/A	N/A	3.7	N/A	N/A	0.6	N/A	N/A	0.9	5.7
Agroton	AGT PW	Warsaw	4.58 PLN	+6.5	+72.2	+134.9	-54.4	1.51	32.7	80.0	26.2	8.6	397.9	408.3	5.58	18	4.8	6.8	4.4	5.6	8.6	5.1	0.9	1.2	1.0	0.3	28.0
Astarta Holdin...	AST PW	Warsaw	53.80 PLN	+3.5	-20.3	-19.6	-18.4	17.71	442.7	771.7	31.0	137.3	27.2	166.1	0.18	570	7.1	7.3	3.6	8.8	7.5	4.3	1.6	1.6	1.2	0.8	38.9
Avangard	AVGR LI	London Intl	9.52 USD	-4.2	-18.6	-19.0	-9.2	9.52	608.1	774.4	21.7	131.9	105.5	204.3	0.05	2,140	2.7	2.7	2.8	2.8	2.6	2.7	1.2	1.1	1.1	0.5	22.3
IMC	IMC PW	Warsaw	9.26 PLN	+7.9	-22.6	-23.8	-42.8	3.05	95.4	211.7	23.9	22.8	156.3	57.6	0.63	158	5.1	5.1	3.9	5.8	5.1	4.2	2.8	1.5	1.1	0.8	33.0
Kernel Holding...	KER PW	Warsaw	34.00 PLN	+1.2	-17.3	-10.7	-50.3	11.19	891.7	1,612.0	58.8	524.1	936.8	1,795.2	0.35	284	8.0	7.4	4.9	5.5	5.4	4.5	0.6	0.6	0.6	0.7	30.6
KSG Agro	KSG PW	Warsaw	8.01 PLN	+4.0	-23.0	-26.2	-32.7	2.64	39.6	161.4	34.4	13.6	4.1	17.1	0.13	781	4.9	3.3	3.3	38.3	5.5	4.4	4.3	2.4	1.5	0.4	29.2
MHP	MHPC LI	London Intl	13.20 USD	+0.0	-25.4	-22.6	-29.6	13.20	1,394.8	2,595.8	22.3	311.3	3,311.7	902.4	0.60	168	4.7	6.8	4.9	5.5	6.2	5.0	1.8	1.7	1.6	1.2	45.8
Milkiland	MLK PW	Warsaw	10.00 PLN	+0.1	-1.0	-20.0	-34.8	3.29	102.9	237.7	20.0	20.6	8.8	9.1	0.04	2,799	5.9	5.8	5.7	6.6	5.8	4.7	0.6	0.5	0.5	0.4	29.9
Mriya Agrohold...	MAYA GF	Frankfurt	5.16 EUR	+0.0	-0.3	-4.5	+11.3	7.07	751.2	1,483.0	20.0	150.2	0.0	1.5	0.00	259,143	4.3	4.7	4.9	6.4	5.6	6.0	4.3	3.9	3.5	0.8	34.8
Ovostar Union	OVO PW	Warsaw	68.60 PLN	+5.5	-26.2	-31.4	-26.2	22.58	135.5	147.5	25.0	33.9	25.4	38.3	0.06	1,772	5.8	5.2	3.6	5.3	5.3	3.3	2.1	1.8	1.3	1.3	3.7
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	28.60 PLN	+0.0	-7.4	-8.9	+5.2	9.41	87.5	71.5	10.9	9.5	9.5	1.6	0.01	7,936	7.0	N/A	N/A	4.7	N/A	N/A	2.5	N/A	N/A	1.6	8.3
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Xetra	0.27 EUR	+0.0	-14.5	-14.5	-46.5	0.37	19.2	178.6	13.1	2.5	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
<b>FINANCIAL SERVICES</b>																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.11 UAH	+0.0	+0.8	-6.6	-11.5	0.01	343.5	N/A	3.8	13.1	1.1	34.8	0.25	404	10.0	5.7	3.0	N/A	N/A	N/A	N/A	N/A	N/A	0.4	28.3
UkrSotsbank	USCB UK	Kiev, UX	0.16 UAH	+0.0	-8.9	-16.3	+13.8	0.02	307.9	N/A	4.5	13.8	5.1	7.8	0.03	3,438	940.9	173.7	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 20-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

## YTM's decline

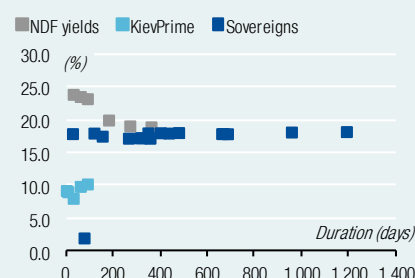
Yesterday's news that the continuing unrest in the capital had stopped escalating, provided hope that negotiations to resolve the problems would have positive results. At the close, UKRAIN 6.875% '15 lid 50bp to 18.26%, UKRAIN 9.25% '17 slid 57bp to 15.03%, while UKRAIN 7.95% '21 slid 49bp to 11.59%, UKRAIN 7.80% '22 slid 34bp to 11.34% and UKRAIN 7.50% '23 declined 44bp to 10.81%.

US Treasury bond YTM's rose yesterday on disappointing US economic data. At the close, the 5-year bond YTM rose 2bp to 1.54% and the 10-year bond YTM rose 1bp to 2.75%.

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### Yield curve of the local bond market

(as of market close on 20 Feb 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

### Bond market indicators (as of 20 Feb 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
0/n	15.67	+267bp	+167bp	+13bp	+787bp
1wk	18.00	-4bp	-75bp	+15bp	+820bp
1m	22.00	+0bp	+50bp	+14bp	+575bp
2m	17.67	-37bp	-38bp	+717bp	+127bp
3m	17.33	+9bp	-19bp	+558bp	+133bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
CDs <sup>2</sup>	N/A	N/A	N/A	N/A	N/A
Sovgns <sup>3</sup>	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	N/A	N/A	N/A	N/A	N/A
Banks	N/A	N/A	N/A	N/A	N/A
Resid's <sup>4</sup>	N/A	N/A	N/A	N/A	N/A
Non-res <sup>5</sup>	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	48.40	+897bp	+802bp	+39bp	+36bp
6m	33.33	+168bp	+317bp	+24bp	+20bp
9m	29.89	+186bp	+654bp	+19bp	+16bp
1yr	24.71	+56bp	+231bp	+13bp	+972bp
<b>LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)</b>					
Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+0bp	+119bp	-676bp
Aug '15 <sup>6</sup>	N/A	+74bp	+0bp	+0bp	+0bp
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	1,294	-35bp	+89bp	+577bp	+478bp
Jun '16	13.74	+101bp	+33bp	+705bp	+485bp
Jul '17	14.18	+88bp	+116bp	+636bp	+463bp
Sep '20	10.97	+21bp	+7bp	+246bp	+178bp
Sep '21	11.09	+29bp	+33bp	+241bp	+187bp
Sep '22	10.89	+14bp	+12bp	+215bp	+154bp
Feb '23	10.42	+23bp	+17bp	+196bp	+137bp

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

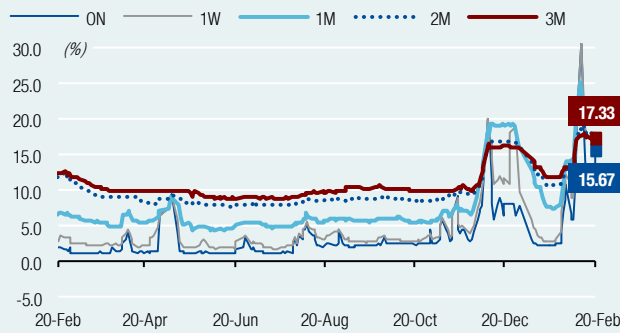


Chart 2. UAH NDF implied yields (%), last 12-month period



Chart 3. UAH sovereign yield curve (%) as of 20 Feb 2014

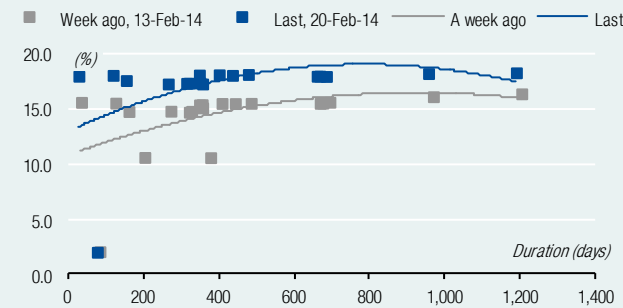


Chart 4. USD sovereign yield curve (%) as of 20 Feb 2014

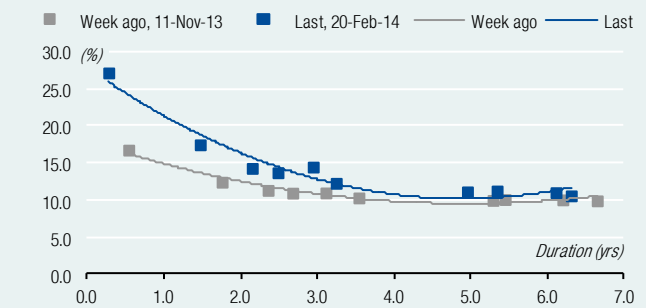


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

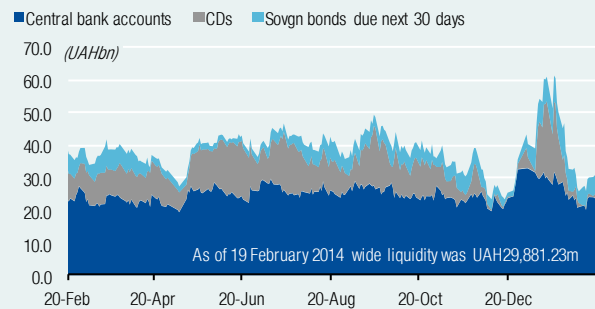


Chart 6. Breakdown of liquidity pool (%) as of 20 Feb 2014

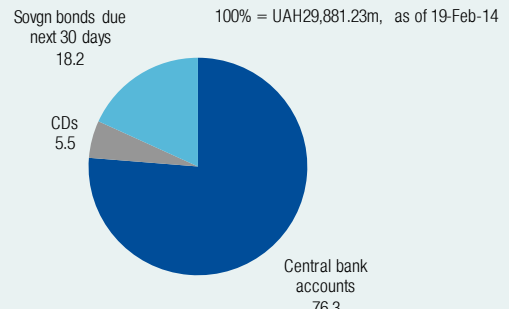


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

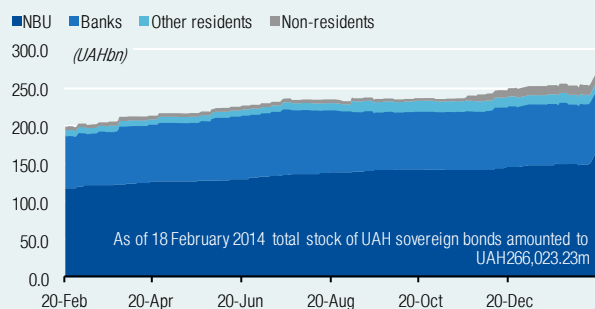
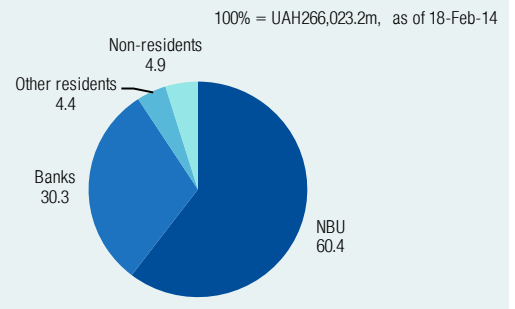


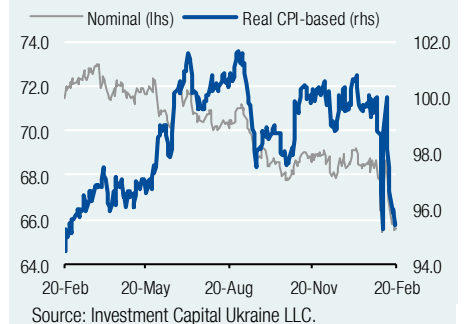
Chart 8. Domestic sovereign debt (%) as of 20 Feb 2014



# FX: News & Comments

## ICU's UAH trade-weighted indices

(Last 12-month history to 21 Feb 2014)



## FX market indicators (as of 20 Feb 2014)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	8.9500	+0.00	+1.82	+6.83	+8.62
NBU avg	8.8380	+0.60	+2.40	+8.42	+8.43
Ttl vlm <sup>1</sup>	1039.18	+22.70	-13.62	+45.56	-62.92
\$ volume <sup>2</sup>	842.43	+26.29	-12.56	+79.59	-61.90
NDF 3M	10.0250	+2.04	+3.67	+16.77	+18.15
NDF 6M	10.4250	+0.72	+3.22	+18.13	+18.74
NDF 1Y	11.1000	+0.45	+3.74	+18.91	+17.83
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	65.580	+0.12	-1.18	-4.30	-4.30
UAH real CPI	95.486	+0.12	-1.18	-4.30	-4.30
UAH real PPI	127.274	+0.12	-1.18	-4.30	-4.30
USD nom'l	80.286	+0.18	-0.05	-1.16	+0.31
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	35.7781	+0.35	+1.73	+5.97	+8.85
EUR/USD	1.3719	-0.10	+0.28	+1.23	-0.17
USD/CNY	6.0845	+0.13	+0.34	+0.52	+0.50
USD/PLN	3.0384	+0.06	-0.09	-0.94	+0.51
USD/TRY	2.2007	-0.62	+0.76	-1.76	+2.44
USD/BYR	9,740.00	-0.20	+0.36	+1.37	+2.10
USD/KZT	186.0800	+0.76	+0.85	+19.84	+20.62
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	102.2800	-0.03	+0.11	-1.82	-2.88
GBP/USD	1.6651	-0.17	-0.05	+1.35	+0.57
USD/CHF	0.8895	+0.10	-0.44	-2.25	-0.38
AUD/USD	0.9007	+0.08	+0.31	+2.22	+1.01
USD/CAD	1.1099	+0.17	+1.11	+1.37	+4.48
USD/BRL	2.3704	-0.97	-0.97	+1.16	+0.35
USD/KRW	1,072.30	+0.62	+0.57	+0.82	+2.14
<b>COMMODITIES</b>					
Gold(\$/oz)	1,322.94	+0.86	+1.54	+5.44	+9.73
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>	301.25	-0.15	+2.97	+8.20	+7.52

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>).

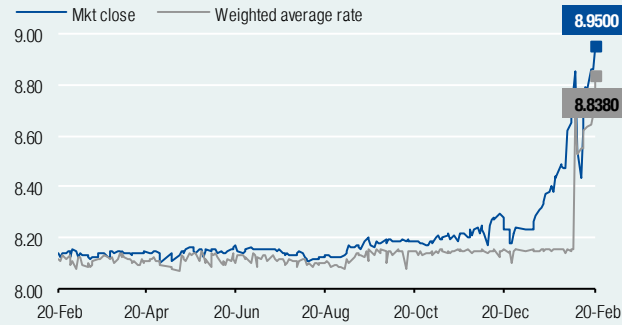
Section on FX market is continued on next page.

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.

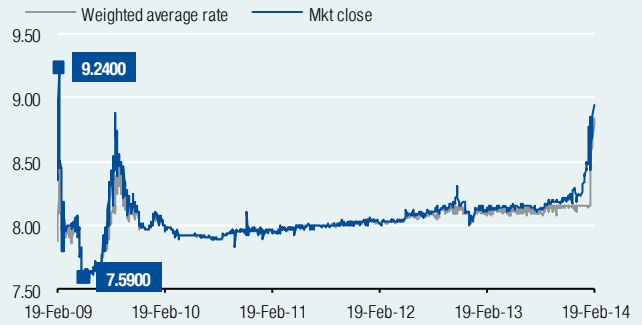
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

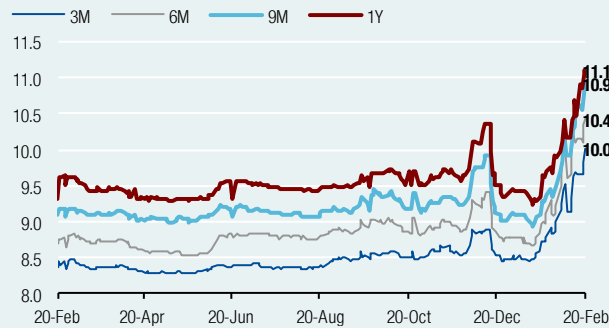


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

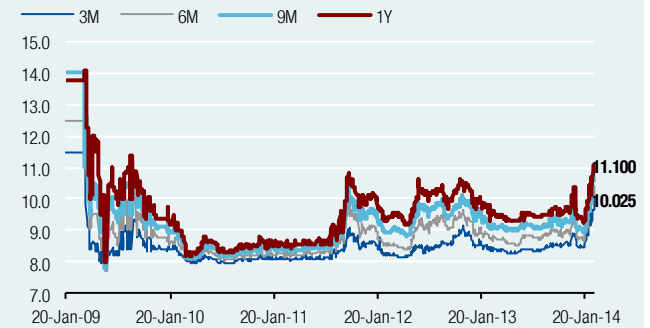


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

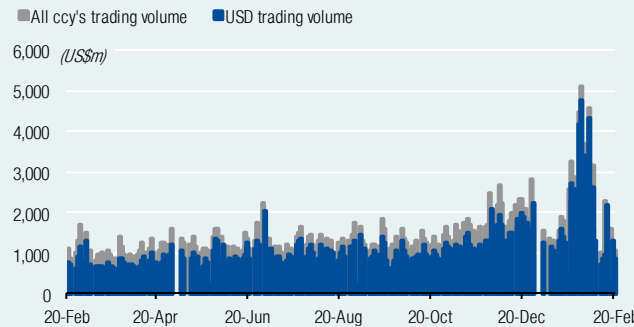


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

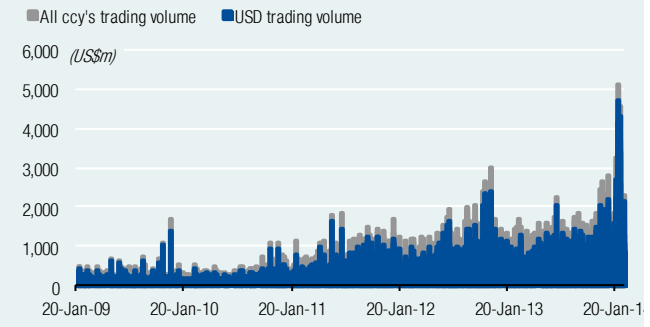


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)



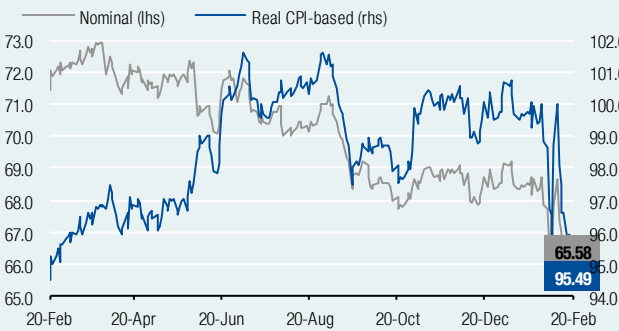
Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

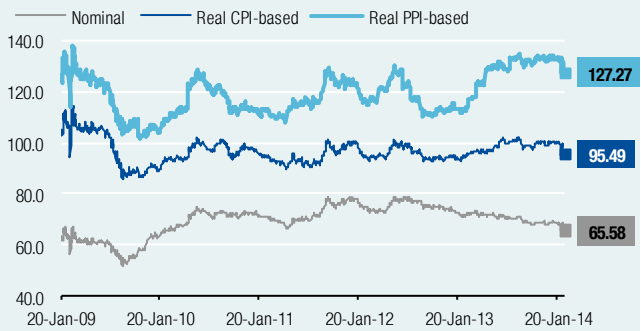
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



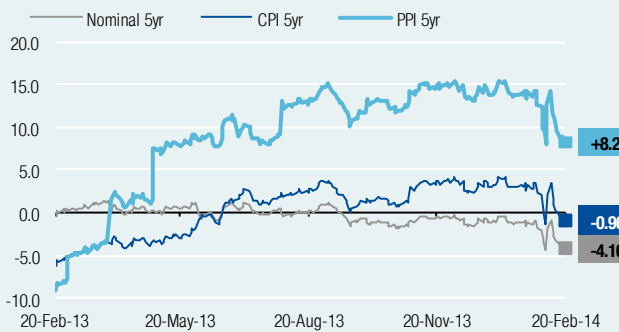
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

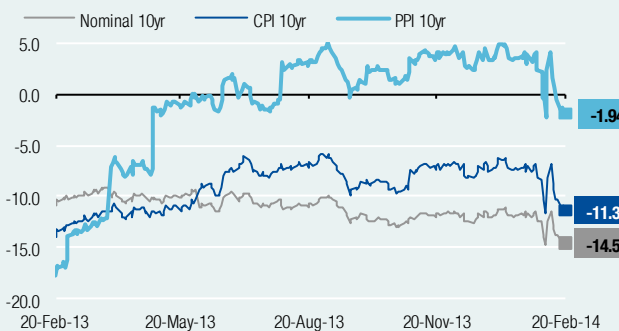


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

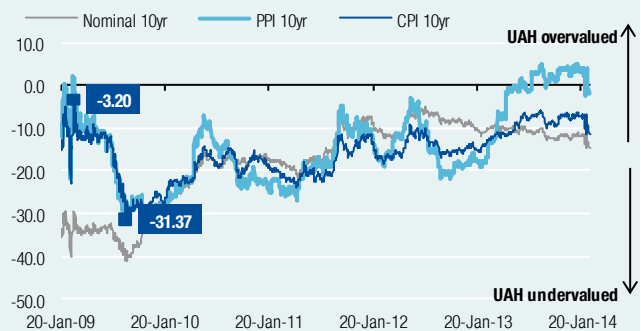


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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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**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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