


**INVESTMENT CAPITAL UKRAINE**  
 INVESTMENT BANKING

# Daily Insight

 Liquidity update; YTM's rebound; Auction results;  
 UAH strengthens

WEDNESDAY, 5 MARCH, 2014

RESEARCH INSIGHT

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### UX Index (3 months to 5 Mar 2014)



### Key market indicators (as of 4 Mar 2014)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	9.1000	-6.67	+10.44
USD/UAH (1Y NDF)	11.9000	-1.65	+26.33
EUR/USD	1.3743	+0.06	+0.00
USD/RUB	36.1033	-1.31	+9.84
KievPRIME O/N (%)	8.88	-12bp	+108bp
KievPRIME 1M (%)	23.00	-13bp	+675bp

### BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	+74bp	+0bp
Ukraine 17, Eurobond (%)	11.64	-147bp	+208bp
Ukraine 22, Eurobond (%)	9.90	-80bp	+55bp
Ukraine 23, Eurobond (%)	9.52	-85bp	+47bp
Ukraine 5Y CDS	1,184bp	+55bp	+367bp

### EQUITIES

#### Stock market indices

UX (Ukraine)	1,082.12	+9.53	+18.91
MSCI World	410.22	+1.27	+0.41
MSCI EM	956.19	+0.58	-4.64
RTS (Russia)	1,184.22	+6.20	-17.92
WIG-20 (Poland)	2,442.92	+2.22	+1.75
S&P 500 (USA)	1,873.91	+1.53	+1.38

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

MHPC LI	8.27	30.0% of total <sup>1</sup>
KER PW	7.97	28.9%
FXPO LN	7.37	26.7%

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

SGR PW	PLN 0.85	+16.44	+60.38
YASK UK	UAH 0.70	+15.32	+32.08
IMC PW	PLN 9.21	+15.13	-24.20

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

MAYA GF	EUR 4.83	-2.45	-10.65
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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 4-Mar-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	10.25 GBP	+5.1	-8.9	-1.2	-24.8	0.17	39.5	-23.6	40.2	15.9	3.0	12.0	0.07	1,500	Neg.	Neg.	Neg.	3.6	3.6	7.4	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	5.37 UAH	+9.4	+22.1	+12.6	-8.2	0.59	218.0	287.8	21.7	47.3	109.8	58.6	0.15	660	8.5	7.6	5.2	0.5	4.3	2.9	0.3	0.4	0.3	0.8	12.2
Coal Energy	CLE PW	Warsaw	1.63 PLN	+14.8	+45.5	+55.2	-83.9	0.53	24.1	81.9	25.0	6.0	591.6	350.0	9.44	11	Neg.	Neg.	N/A	1.3	11.2	N/A	0.7	0.9	N/A	0.2	7.7
Donbasenerg	DOEN UK	Kiev, UX	40.50 UAH	+13.8	+24.7	+46.8	+74.0	4.45	105.2	157.5	14.2	15.0	61.2	33.9	0.26	384	30.9	3.9	5.5	0.6	2.9	2.7	0.3	0.3	0.3	1.5	17.8
JKX Oil & Gas	JKX LN	London	56.75 GBP	+2.3	-19.5	-20.6	-14.0	0.95	162.5	159.5	47.2	76.7	48.3	57.0	0.09	1,064	Neg.	5.0	4.5	1.2	1.6	1.7	0.8	0.8	0.8	0.3	2.5
Regal Petroleum	RPT LN	London	12.00 GBP	+12.9	-4.0	-7.7	-60.0	0.20	64.2	37.3	80.9	51.9	2.9	9.8	0.02	4,656	5.5	12.8	N/A	1.7	2.2	N/A	0.9	N/A	N/A	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.85 PLN	+16.4	+39.3	+60.4	-57.3	0.28	12.0	51.7	25.0	3.0	229.5	99.6	5.87	17	Neg.	N/A	N/A	7.7	N/A	N/A	1.3	N/A	N/A	0.3	42.4
Zakhidenerg	ZAEN UK	Kiev, PFTS	122.50 UAH	+0.9	+3.0	+35.5	+31.0	13.46	172.2	204.7	5.0	8.6	3.2	10.2	0.05	1,820	2.7	N/A	N/A	1.4	N/A	N/A	0.2	N/A	N/A	3.0	9.7
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+6.2	+13.0	+5.4	-21.5	0.00	115.8	1,658.5	3.9	4.5	62.4	14.6	0.42	237	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	3.08 UAH	+5.6	+11.3	+4.0	-7.6	0.34	66.0	62.0	4.0	2.6	23.7	14.2	0.74	135	Neg.	Neg.	2.8	Neg.	1.6	1.0	0.1	0.1	0.1	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.74 UAH	+8.5	+23.6	+10.1	+6.8	0.08	340.9	331.7	4.1	14.0	53.3	16.9	0.12	857	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	148.20 GBP	+4.8	-3.8	-22.4	-29.4	2.47	1,455.0	2,042.2	22.4	325.9	7,369.2	3,110.8	1.54	65	6.8	5.7	6.3	5.2	4.3	4.5	1.4	1.3	1.3	0.9	37.0
Yasynivsky Cok...	YASK UK	Kiev, UX	0.70 UAH	+15.3	+26.1	+32.1	+2.2	0.08	21.0	22.6	9.0	1.9	2.1	3.0	0.13	748	2.8	1.9	1.4	0.1	0.9	0.8	0.1	0.1	0.1	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	37.65 UAH	+10.1	+19.9	+17.6	+4.2	4.14	43.7	37.9	9.4	4.1	5.6	14.9	0.61	163	5.7	Neg.	2.4	Neg.	Neg.	N/A	0.0	0.0	0.0	0.9	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	1.18 EUR	+0.0	+0.0	-4.8	-29.3	1.62	149.7	176.9	34.0	50.9	58.3	35.9	0.07	1,385	Neg.	N/A	N/A	Neg.	N/A	N/A	2.7	N/A	N/A	1.3	35.9
Agroliga	AGL PW	Warsaw	22.70 PLN	+8.1	-11.9	-12.5	+31.4	7.44	11.4	12.4	16.7	1.9	54.3	15.0	1.42	70	2.6	N/A	N/A	3.6	N/A	N/A	0.6	N/A	N/A	0.9	5.7
Agroton	AGT PW	Warsaw	4.25 PLN	+1.0	+77.8	+117.9	-54.9	1.39	30.2	77.5	26.2	7.9	1,166.0	539.0	12.28	8	4.5	6.3	4.1	5.5	8.3	5.0	0.9	1.1	0.9	0.2	28.0
Astarta Holdin...	AST PW	Warsaw	48.00 PLN	+2.1	-28.1	-28.3	-23.6	15.74	393.5	723.1	31.0	122.1	219.5	187.8	0.20	493	6.3	6.6	3.2	8.2	7.0	4.0	1.5	1.5	1.1	0.7	38.9
Avangard	AVGR LI	London Intl	8.55 USD	+1.8	-24.2	-27.2	-16.6	8.55	546.1	712.5	21.7	118.5	795.5	226.1	0.26	383	2.4	2.4	2.6	2.5	2.4	2.6	1.1	1.0	1.0	0.5	22.3
IMC	IMC PW	Warsaw	9.21 PLN	+15.1	+7.0	-24.2	-43.1	3.02	94.5	210.8	23.9	22.6	138.5	91.4	1.01	99	5.0	5.0	3.9	5.8	5.0	4.2	2.8	1.5	1.1	0.8	33.0
Kernel Holding...	KER PW	Warsaw	27.85 PLN	+9.2	-28.6	-26.8	-53.8	9.13	727.8	1,751.0	58.8	427.7	7,971.1	1,796.2	0.76	131	6.5	8.1	4.0	6.0	6.6	4.9	0.6	0.7	0.6	0.6	30.6
KSG Agro	KSG PW	Warsaw	6.67 PLN	+7.9	-25.7	-38.5	-33.2	2.19	32.9	154.7	34.4	11.3	71.5	20.0	0.39	256	4.1	2.7	2.8	36.7	5.3	4.3	4.2	2.3	1.4	0.4	29.2
MHP	MHPC LI	London Intl	13.80 USD	+3.8	-8.0	-19.1	-28.6	13.80	1,458.2	2,659.2	22.3	325.5	8,266.0	1,174.8	0.63	159	4.9	7.1	5.2	5.7	6.3	5.2	1.9	1.8	1.6	1.2	45.8
Milkiland	MLK PW	Warsaw	9.03 PLN	+6.2	-8.3	-27.8	-37.7	2.96	92.5	227.6	20.0	18.5	31.1	15.2	0.17	596	5.3	5.2	5.1	6.4	5.6	4.5	0.6	0.5	0.5	0.4	29.9
Mriya Agrohold...	MAYA GF	Frankfurt	4.83 EUR	-2.4	-4.2	-10.6	-2.5	6.63	704.0	1,435.9	20.0	140.8	0.0	1.9	0.00	66,291	4.0	4.4	4.6	6.2	5.4	5.8	4.1	3.8	3.4	0.8	34.8
Ovostar Union	OVO PW	Warsaw	66.00 PLN	+11.1	-17.5	-34.0	-32.3	21.65	129.9	141.9	25.0	32.5	23.7	49.7	0.17	590	5.5	5.0	3.5	5.1	5.1	3.2	2.0	1.7	1.3	1.2	3.7
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Xetra	0.31 EUR	+0.0	+1.3	-3.8	-35.8	0.42	21.7	181.0	13.1	2.8	0.0	0.1	0.01	10,853	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	0.77 UAH	+10.4	+11.1	+1.7	+24.7	0.08	50.4	N/A	5.5	2.8	0.8	3.0	0.06	1,630	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	18.6
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.16 UAH	+14.0	+40.4	+38.6	+31.3	0.02	518.2	N/A	3.8	19.8	134.1	58.7	0.33	299	14.8	8.5	4.5	N/A	N/A	N/A	N/A	N/A	N/A	0.7	28.3
UkrSotsbank	USCB UK	Kiev, UX	0.19 UAH	+5.8	+5.2	-0.1	+38.0	0.02	373.4	N/A	4.5	16.7	64.7	9.3	0.06	1,559	1,122.4	207.2	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 4-Mar-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 movements due to absorption

Broader banking sector liquidity declined just UAH0.02bn to UAH35.53bn yesterday after banks' correspondent accounts with the NBU fell UAH1.94bn to UAH24.97bn while the NBU increased total CDs outstanding UAH1.57bn to UAH5.00bn. At the same time total local currency debt repayments scheduled for the next 30 days rose slightly UAH0.35bn to UAH5.57bn.

KyivPrime interest rates slightly declined: the KyivPrime ON interest rate slid 12bp to 8.88% while the KyivPrime 1M interest rate slid 13bp to 23.00%.

**Investment implications: After significant inflows last Friday resulting from NBU bond purchases, the NBU issued UAH0.15bn more of ON loans on Monday than last Friday. Conversely, the NBU significantly increased CDs outstanding, absorbing more than UAH1.5bn from banks' correspondent accounts with the NBU. The NBU could have issued more loans or bank repos to support demand at the primary auction (see comment below).**

**Taras Kotovych, Kiev, +38044 2200120 ext.244**

## YTM's rebound

On positive developments in Crimea, the start of negotiations with the IMF mission in Ukraine, and a Gazprom proposal to issue a loan to Ukraine to resolve the gas debt problem, Ukrainian Eurobonds returned to levels similar to last Friday's yields. As a result, YTM's moved to the range of 9.53-13.31%, excluding UKRAIN 7.95% '14 and UKRAIN 5.00% '15. At the close, UKRAIN 6.875% '15 fell 265bp to 13.31%, UKRAIN 9.25% '17 declined 144bp to 11.65%, UKRAIN 7.95% '21 slid 76bp to 10.35%, while UKRAIN 7.80% '22 slid 76bp to 9.91% and UKRAIN 7.50% '23 slid 81bp to 9.53%. 5-year CDS rose to 1,184bp.

**Taras Kotovych, Kiev, +38044 2200120 ext.244**

## Primary auction results

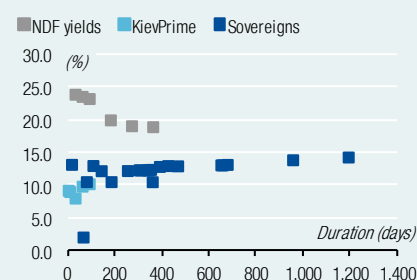
Only the 5-year local currency bond sold UAH1.0bn at last week's interest rate of 11.50% from a single bid yesterday, similar to last week's auctions. The remaining offered bonds received no bids. A new NBU governor and new government were appointed.

**Investment implications: Proceeds from yesterday's auction will be used for current budget expenditures, particularly as today's debt repayments will not exceed UAH100.0m. Also, due to challenging budget performance, these funds will most likely not be deposited for future debt repayments.**

**Taras Kotovych, Kiev, +38044 2200120 ext.244**

## Yield curve of the local bond market

(as of market close on 4 Mar 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

## Bond market indicators (as of 4 Mar 2014)

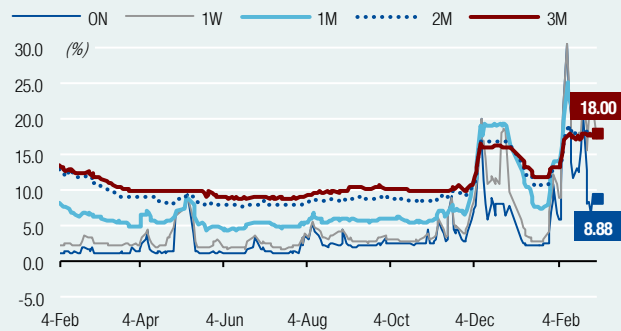
	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
0/n	8.88	-12bp	+88bp	+288bp	+108bp
1wk	17.65	+25bp	+205bp	+865bp	+785bp
1m	23.00	-13bp	+160bp	+875bp	+675bp
2m	18.13	+0bp	-7bp	+500bp	+173bp
3m	18.00	-5bp	+20bp	+470bp	+200bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	24,966	-7.21	-7.36	+7.85	-23.66
CDs <sup>2</sup>	8,118	+137.2	+982.4	+155.8	+434.1
Sovgns <sup>3</sup>	5,566	+0.00	-0.06	-18.50	+272.3
<b>Total</b>	<b>38,650</b>	<b>+7.68</b>	<b>+16.17</b>	<b>+16.59</b>	<b>+8.21</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	166,450	+0.00	+3.09	+11.88	+14.91
Banks	83,668	+1.75	+2.40	+5.80	+4.37
Resid's <sup>4</sup>	11,350	-0.96	-0.55	-12.85	-8.44
Non-res <sup>5</sup>	14,227	+2.47	+7.40	+16.51	+21.61
<b>Total</b>	<b>275,695</b>	<b>+0.61</b>	<b>+2.94</b>	<b>+8.93</b>	<b>+10.67</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	72.96	+19bp	+50bp	+51bp	+61bp
6m	49.33	+15bp	+29bp	+29bp	+36bp
9m	36.42	+928bp	+19bp	+20bp	+22bp
1yr	31.49	+670bp	+14bp	+16bp	+17bp
<b>LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)</b>					
Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+0bp	+0bp	-676bp
Aug '15 <sup>6</sup>	N/A	+74bp	+0bp	+0bp	+0bp
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	1,184	+55bp	+202bp	+202bp	+367bp
Jun '16	11.02	-144bp	-49bp	+44bp	+213bp
Jul '17	11.64	-147bp	-25bp	+95bp	+208bp
Sep '20	10.25	-124bp	+21bp	+15bp	+105bp
Sep '21	10.34	-80bp	+38bp	+26bp	+112bp
Sep '22	9.90	-80bp	+4bp	-2bp	+55bp
Feb '23	9.52	-85bp	+4bp	+3bp	+47bp

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.

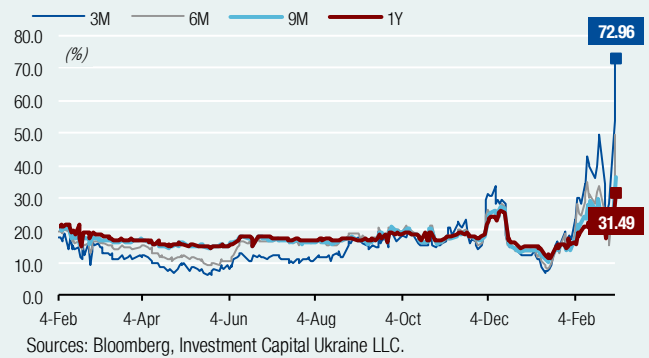
Sources: Bloomberg, Investment Capital Ukraine LLC.

### Chart page: Local bond market & Eurobond markets

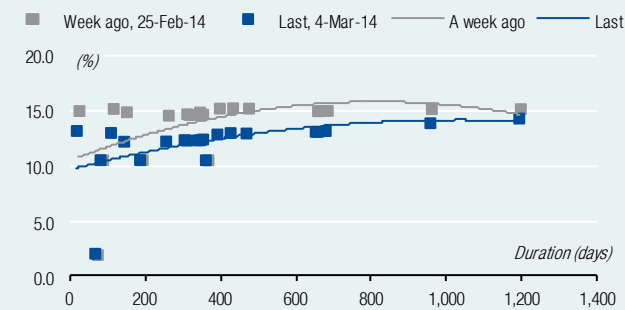
**Chart 1. Kiev Prime rates (%), last 12-month period**



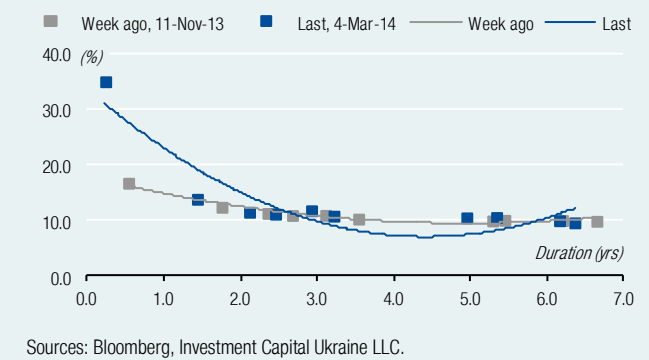
**Chart 2. UAH NDF implied yields (%), last 12-month period**



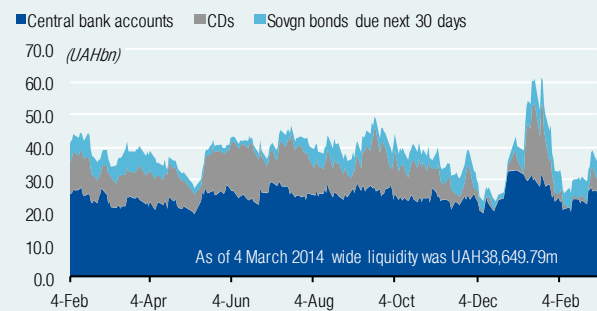
**Chart 3. UAH sovereign yield curve (%) as of 4 Mar 2014**



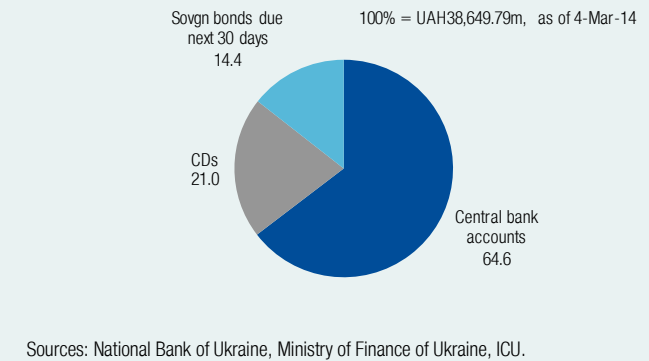
**Chart 4. USD sovereign yield curve (%) as of 4 Mar 2014**



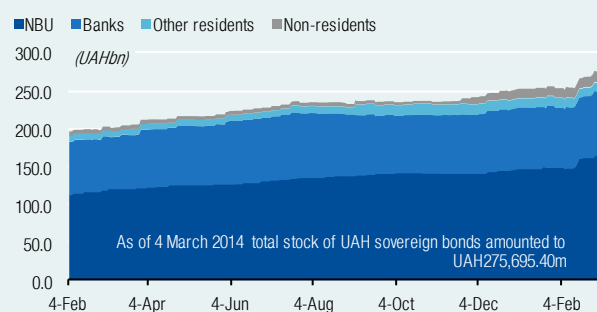
**Chart 5. Banking sector liquidity (UAHbn), last 12-month period**



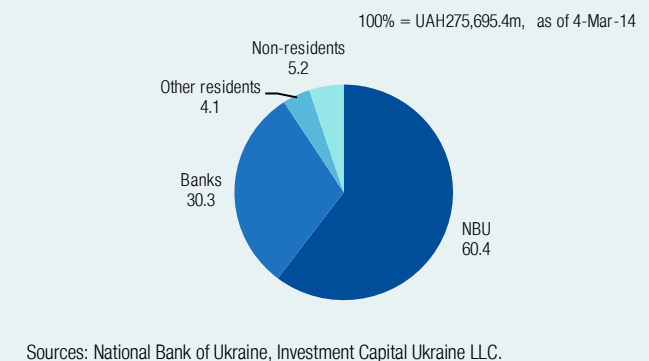
**Chart 6. Breakdown of liquidity pool (%) as of 4 Mar 2014**



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



**Chart 8. Domestic sovereign debt (%) as of 4 Mar 2014**



# FX: News & Comments

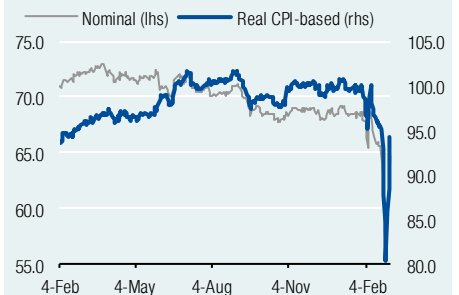
## UAH strengthens on the back of Russia's pullback

Russia's partial retreat from Ukraine's borders calmed the markets. The hryvnia rose to 9.1000/USD on trading volume that was 80.28% higher than the day before.

*Alexander Valchyshen, Kiev, +38044 2200120 ext.242*

### ICU's UAH trade-weighted indices

(Last 12-month history to 5 Mar 2014)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 4 Mar 2014)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	9.1000	-6.67	-6.43	+3.70	+10.44
NBU avg	9.7241	-2.69	+3.15	+19.29	+19.30
Ttl vlm <sup>1</sup>	660.42	+27.18	-2.09	-59.69	-76.43
\$ volume <sup>2</sup>	514.96	+80.28	-6.37	-62.00	-76.71
NDF 3M	10.7500	-2.71	+4.62	+16.22	+26.69
NDF 6M	11.3250	-0.66	+5.84	+17.36	+28.99
NDF 1Y	11.9000	-1.65	+4.85	+17.85	+26.33
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	64.699	+6.48	+7.34	-2.61	-5.59
UAH real CPI	94.202	+6.48	+7.34	-2.61	-5.59
UAH real PPI	125.563	+6.48	+7.34	-2.61	-5.59
USD nom'l	80.168	+0.11	+0.04	-1.17	+0.17
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	36.1033	-1.31	+1.22	+2.97	+9.84
EUR/USD	1.3743	+0.06	-0.01	+1.66	+0.00
USD/CNY	6.1431	-0.04	+0.32	+1.35	+1.47
USD/PLN	3.0443	-1.00	+0.71	-2.19	+0.70
USD/TRY	2.2060	-1.16	-0.28	-1.44	+2.69
USD/BYR	9,790.00	+0.00	+0.00	+1.35	+2.62
USD/KZT	181.9000	-0.58	-1.42	+16.89	+17.91
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	102.2100	+0.75	-0.03	+0.56	-2.94
GBP/USD	1.6664	-0.02	-0.10	+2.08	+0.65
USD/CHF	0.8873	+0.48	+0.06	-1.81	-0.63
AUD/USD	0.8950	+0.13	-0.77	+0.28	+0.37
USD/CAD	1.1092	+0.14	+0.06	+0.09	+4.41
USD/BRL	N/A	N/A	N/A	N/A	N/A
USD/KRW	1,073.50	+0.31	+0.06	-0.94	+2.26
<b>COMMODITIES</b>					
Gold(\$/oz)	1,334.34	-1.20	-0.47	+6.35	+10.67
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>	306.25	+0.13	+1.55	+6.92	+9.31

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>).

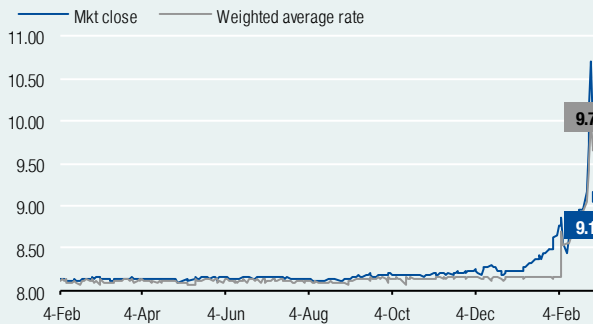
Section on FX market is continued on next page.

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.

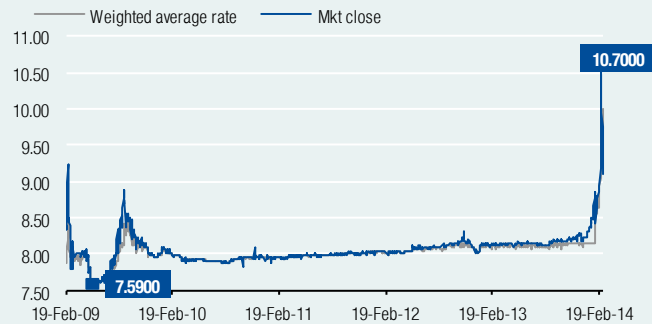
Sources: Bloomberg, Investment Capital Ukraine LLC.

### 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)**

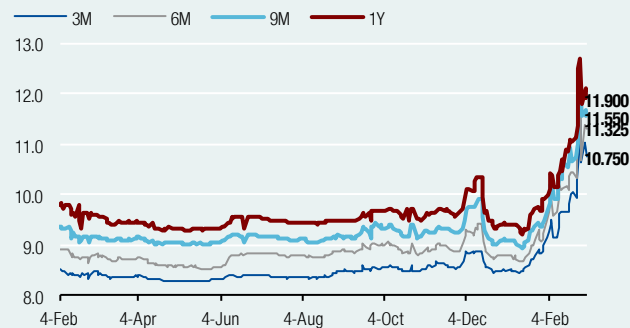


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

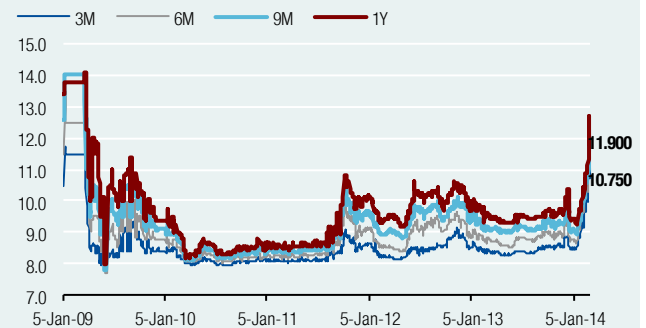


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

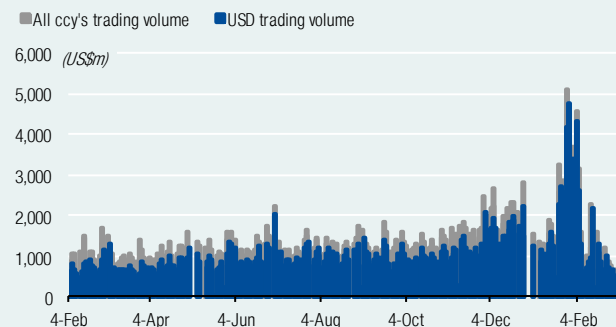


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.



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)**



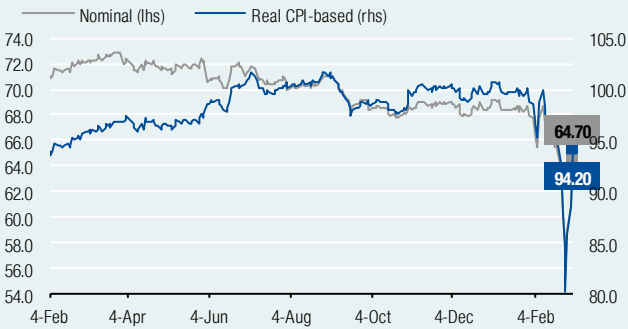
Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

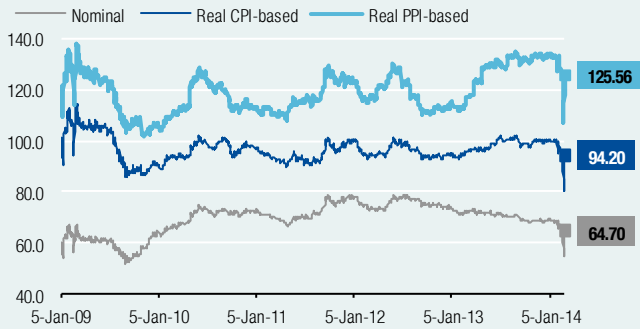
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



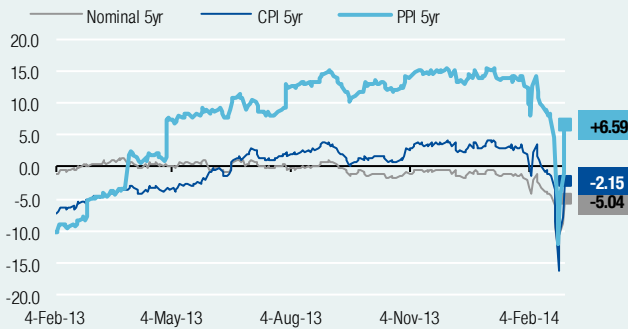
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

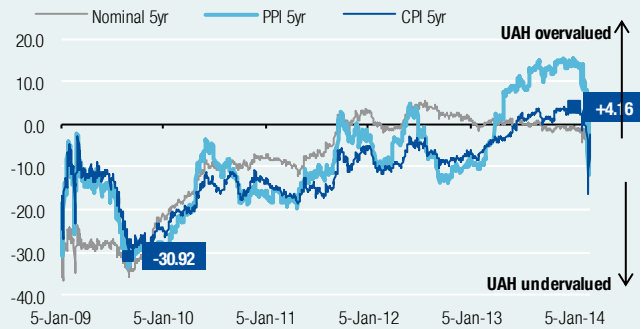


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

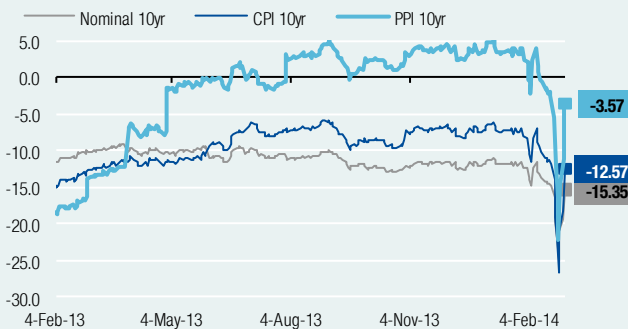


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

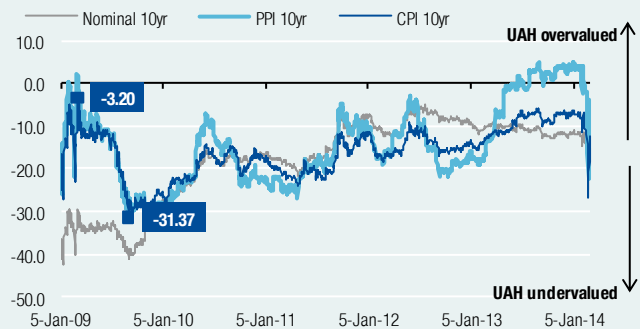


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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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**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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