


 INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity up on NBU injection; YTM's rise on Crimean crisis; Primary auction results; UAH suspiciously stable

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RESEARCH INSIGHT

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UX Index (3 months to 12 Mar 2014)



Key market indicators (as of 11 Mar 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	9.2300	-0.03	+12.01
USD/UAH (1Y NDF)	11.9500	+0.42	+26.86
EUR/USD	1.3860	-0.12	+0.85
USD/RUB	36.5151	+0.45	+11.09
KievPRIME O/N (%)	11.00	-100bp	+320bp
KievPRIME 1M (%)	23.20	+40bp	+695bp
BONDS: yields and spreads			
Ukraine VAT bond (%)	N/A	+74bp	+0bp
Ukraine 17, Eurobond (%)	13.78	+23bp	+423bp
Ukraine 22, Eurobond (%)	10.75	+37bp	+140bp
Ukraine 23, Eurobond (%)	10.44	+29bp	+140bp
Ukraine 5Y CDS	N/A		
EQUITIES			
Stock market indices			
UX (Ukraine)	1,055.12	-2.37	+15.94
MSCI World	408.97	-0.22	+0.10
MSCI EM	955.89	+0.09	-4.67
RTS (Russia)	1,132.05	-2.31	-21.53
WIG-20 (Poland)	2,401.03	+0.17	+0.00
S&P 500 (USA)	1,867.63	-0.51	+1.04
MOST ACTIVE: Top 3 stocks by value traded (US\$m)			
FXPO LN	3.34	35.1% of total ¹	
AGT PW	1.98	20.8%	
KER PW	1.66	17.4%	
GAINERS: Top 3 stocks (in listed currency)			
CLE PW	PLN 1.70	+10.39	+61.90
SGR PW	PLN 0.83	+9.21	+56.60
JKX LN	GBp 60.75	+4.29	-15.03
LOSERS: Top 3 stocks (in listed currency)			
KDM PW	PLN 14.79	-13.00	-52.88
AGT PW	PLN 3.39	-10.55	+73.85
FORM UK	UAH 0.77	-4.58	+1.32

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 11-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 (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	10.50 GBP	+0.0	-3.4	+1.2	-24.3	0.17	40.4	-22.7	40.2	16.2	0.0	12.1	0.06	1,567	Neg.	Neg.	Neg.	3.4	3.5	7.1	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	5.53 UAH	-2.5	+19.7	+16.0	-3.5	0.60	221.4	290.1	21.7	48.1	109.4	67.4	0.19	535	8.7	7.8	5.4	0.5	4.4	2.9	0.3	0.4	0.3	0.8	12.2
Coal Energy	CLE PW	Warsaw	1.70 PLN	+10.4	+54.5	+61.9	-83.2	0.56	25.1	83.0	25.0	6.3	621.3	393.3	10.11	10	Neg.	Neg.	N/A	1.4	11.4	N/A	0.7	0.9	N/A	0.2	7.7
Donbasenergo	DOEN UK	Kiev, UX	40.50 UAH	-2.9	+24.8	+46.8	+84.8	4.39	103.7	155.2	14.2	14.8	31.9	37.2	0.32	313	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	60.75 GBP	+4.3	-11.3	-15.0	-16.2	1.01	173.5	170.5	47.2	81.9	90.9	63.5	0.10	1,009	Neg.	5.3	4.9	1.2	1.7	1.9	0.8	0.9	0.8	0.4	2.5
Regal Petroleum	RPT LN	London	11.00 GBP	-4.3	-7.4	-15.4	-61.4	0.18	58.7	31.8	80.9	47.5	37.1	10.1	0.03	3,338	5.0	11.7	N/A	1.4	1.9	N/A	0.8	N/A	N/A	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.83 PLN	+9.2	+33.9	+56.6	-57.7	0.27	11.7	51.5	25.0	2.9	145.1	90.4	6.57	15	Neg.	N/A	N/A	7.7	N/A	N/A	1.3	N/A	N/A	0.3	42.4
Zakhidenergo	ZAEN UK	Kiev, PFTS	118.60 UAH	+4.1	-2.0	+31.2	+25.0	12.85	164.4	135.5	5.0	8.2	0.1	8.2	0.06	1,681	2.6	N/A	N/A	0.9	N/A	N/A	0.1	N/A	N/A	0.9	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	-1.3	+9.3	+1.8	-22.5	0.00	110.3	1,631.2	3.9	4.3	2.9	14.1	0.44	229	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	3.06 UAH	+1.5	+8.1	+3.3	-5.4	0.33	64.6	60.7	4.0	2.6	1.8	15.5	0.94	106	Neg.	Neg.	2.8	Neg.	1.6	1.0	0.1	0.1	0.1	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.69 UAH	-2.7	+11.6	+3.1	+4.4	0.07	314.7	305.7	4.1	12.9	5.5	15.2	0.15	675	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	139.20 GBP	+1.6	-15.9	-27.1	-35.2	2.32	1,362.8	1,950.1	22.4	305.3	3,338.2	3,136.6	1.71	59	6.4	5.4	5.7	4.9	4.1	4.2	1.4	1.2	1.2	0.9	37.0
Yasynivsky Cok...	YASK UK	Kiev, UX	0.72 UAH	+0.4	+30.4	+35.8	+13.7	0.08	21.3	22.9	9.0	1.9	0.6	3.0	0.15	674	2.9	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	36.11 UAH	+0.0	+13.9	+12.8	+2.0	3.91	41.3	35.6	9.4	3.9	6.4	14.6	0.67	148	5.5	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.9	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	1.18 EUR	-1.7	+0.0	-4.8	-33.0	1.64	151.0	178.5	34.0	51.4	39.0	36.2	0.09	1,150	Neg.	N/A	N/A	Neg.	N/A	N/A	2.7	N/A	N/A	1.3	35.9
Agroliga	AGL PW	Warsaw	21.40 PLN	-2.3	-11.5	-17.5	+12.6	7.02	10.8	11.7	16.7	1.8	25.5	15.0	1.64	61	2.5	N/A	N/A	3.4	N/A	N/A	0.5	N/A	N/A	0.8	5.7
Agroton	AGT PW	Warsaw	3.39 PLN	-10.6	+28.4	+73.8	-64.1	1.11	24.1	71.4	26.2	6.3	1,976.9	552.2	22.23	4	3.6	5.0	3.3	5.0	7.6	4.6	0.8	1.1	0.9	0.2	28.0
Astarta Holdin...	AST PW	Warsaw	40.24 PLN	-2.6	-32.9	-39.9	-34.6	13.20	329.9	662.5	31.0	102.3	253.0	169.4	0.22	449	5.3	5.5	2.7	7.5	6.4	3.6	1.3	1.4	1.0	0.6	38.9
Avangard	AVGR LI	London Intl	9.00 USD	+0.0	-15.0	-23.4	-8.6	9.00	574.8	741.2	21.7	124.7	53.5	325.2	0.49	203	2.5	2.5	2.8	2.6	2.5	2.7	1.2	1.1	1.0	0.5	22.3
IMC	IMC PW	Warsaw	8.20 PLN	-1.8	+3.0	-32.5	-48.1	2.69	84.2	200.4	23.9	20.1	193.0	91.0	1.19	84	4.5	4.5	3.5	5.5	4.8	4.0	2.7	1.4	1.0	0.7	33.0
Kernel Holding...	KER PW	Warsaw	25.00 PLN	-3.8	-31.3	-34.3	-59.9	8.20	653.2	1,676.5	58.8	383.9	1,660.2	1,777.4	0.97	103	5.9	7.3	3.6	5.8	6.4	4.7	0.6	0.7	0.6	0.5	30.6
KSG Agro	KSG PW	Warsaw	5.87 PLN	-3.8	-26.3	-45.9	-50.8	1.92	28.9	150.8	34.4	9.9	13.3	17.2	0.46	217	3.6	2.4	2.4	35.8	5.1	4.2	4.1	2.2	1.4	0.3	29.2
MHP	MHPC LI	London Intl	13.10 USD	-3.0	-12.2	-23.2	-31.1	13.10	1,384.2	2,585.2	22.3	309.0	781.0	1,142.9	0.60	168	4.7	6.8	5.0	5.5	6.2	5.1	1.8	1.7	1.6	1.2	45.8
Milkiland	MLK PW	Warsaw	8.01 PLN	+0.1	-18.6	-35.9	-47.5	2.63	82.1	218.4	20.0	16.4	1.2	14.1	0.21	474	4.6	4.6	4.5	6.1	5.3	4.3	0.5	0.5	0.4	0.3	29.9
Mriya Agrohold...	MAYA GF	Frankfurt	5.65 EUR	+0.0	+12.2	+4.6	+20.5	7.83	831.9	1,563.8	20.0	166.4	16.8	2.6	0.00	49,547	4.8	5.2	5.5	6.8	5.9	6.3	4.5	4.2	3.7	0.9	34.8
Ovostar Union	OVO PW	Warsaw	70.25 PLN	+1.8	-5.7	-29.8	-31.1	23.04	138.2	150.3	25.0	34.6	12.5	58.4	0.19	518	5.9	5.3	3.7	5.4	5.4	3.4	2.1	1.8	1.4	1.3	3.7
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	14.79 PLN	-13.0	-52.3	-52.9	-54.5	4.85	45.1	29.1	10.9	4.9	10.2	0.8	0.05	2,003	3.6	N/A	N/A	1.9	N/A	N/A	1.0	N/A	N/A	0.8	8.3
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.31 EUR	+0.0	+9.2	-2.2	-46.6	0.43	22.2	181.6	13.1	2.9	0.0	0.1	0.01	10,140	Neg.	N/A	N/A	Neg.	N/A	N/A	8.3	N/A	N/A	0.2	44.1
FINANCIAL SERVICES																											
Forum Bank	FORM UK	Kiev, UX	0.77 UAH	-4.6	+10.5	+1.3	+18.8	0.08	49.5	N/A	5.5	2.7	2.4	2.4	0.06	1,651	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	0.15 UAH	-4.2	+32.1	+32.4	+28.9	0.02	488.2	N/A	3.8	18.6	90.8	55.6	0.40	251	14.1	8.1	4.3	N/A	N/A	N/A	N/A	N/A	N/A	0.6	28.3

Table 1. Ukrainian stocks (closing prices as of 11-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 (%)		
Ukrsotsbank	USCB UK	Kiev, UX	0.19 UAH	+3.1	+12.1	+0.5	+42.5	0.02	370.3	N/A	4.5	16.6	0.6	9.3	0.05	1,835	1,129.0	208.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	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 increases due to inflows

Banks' correspondent accounts with the NBU rose a significant UAH2.49bn to UAH27.45bn while total CDs outstanding fell a similar UAH2.48bn to UAH0.95bn and total local-currency debt repayments scheduled for the next 30 days rose UAH0.66bn to UAH6.13bn. Broader banking-sector liquidity rose UAH0.38bn to UAH34.53bn.

KyivPrime interest rates diverged: the KyivPrime ON interest rate slid 100bp to 11.00% while the KyivPrime 1M interest rate rose 40bp to 23.20%.

Investment implications: The NBU made significant injections last Friday to the banking sector, redeemed UAH2.48bn of CDs, and purchased UAH1.10bn of government bonds at the primary auction held the day before. The second inflow had no impact on liquidity.

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YTM's continue to increase on Crimean crisis

YTM's of Ukrainian Eurobonds continued to move up yesterday to the range of 10.45-15.72%, excluding UKRAIN 7.95% '14, which YTM rose to 47.31% and UKRAIN 5.00% '15 which normally remain low. At the close, UKRAIN 6.875% '15 rose 80bp to 15.72%, UKRAIN 9.25% '17 rose 24bp to 13.78%, UKRAIN 7.95% '21 rose 34bp to 11.35%, while UKRAIN 7.80% '22 rose 39bp to 10.75% and UKRAIN 7.50% '23 31bp to 10.45%.

Investment implications: Ukrainian Eurobonds remain pressured by the Crimean crisis. Anticipation of a potential war increased the risks of possible debt-repayment default.

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Primary auction results

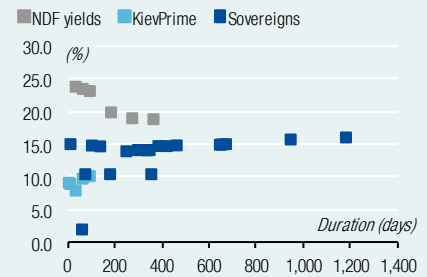
Despite the increase in liquidity (see comment above), yesterday's auction received no bids. This is unusual, as auctions over the past several weeks received one large bid.

Investment implications: The MoF has to repay UAH2.18bn in local currency, including UAH1.75bn of principal repayments, and US\$5.68m in FX on USD-denominated bond interest repayments. The MoF will likely hold another auction today with settlement today or tomorrow to fulfill today's repayments.

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Yield curve of the local bond market

(as of market close on 11 Mar 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 11 Mar 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
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MONEY MARKET KIEV PRIME RATES (%)

O/n	11.00	-100bp	+212bp	-12ppt	+320bp
1wk	19.20	+10bp	+155bp	-494bp	+940bp
1m	23.20	+40bp	+20bp	+6bp	+695bp
2m	18.10	+0bp	-3bp	-14bp	+170bp
3m	18.00	+0bp	+0bp	+38bp	+200bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	27,451	+9.98	+9.95	+28.29	-16.06
CDs ²	950	-86.81	-88.30	+127.3	-37.50
Sovgns ³	6,131	+12.16	+10.17	+6.04	+310.1
Total	34,532	-8.24	-10.65	+25.13	-3.32

HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	170,047	+0.65	+2.16	+15.13	+17.39
Banks	78,133	-2.19	-6.62	-2.88	-2.54
Resid's ⁴	11,306	-0.22	-0.39	-11.46	-8.80
Non-res ⁵	13,341	-1.32	-6.23	+2.90	+14.04
Total	272,827	-0.31	-1.04	+7.46	+9.52

NDF IMPLIED YIELDS (%)

3m	53.24	-531bp	-20ppt	+21bp	+41bp
6m	47.44	+387bp	-189bp	+16bp	+34bp
9m	36.92	+295bp	+51bp	+13bp	+23bp
1yr	30.19	+58bp	-130bp	+895bp	+15bp

LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)

Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+0bp	+0bp	-676bp
Aug '15 ⁶	N/A	+74bp	+0bp	+0bp	+0bp

EUROBONDS USD SOVEREIGN BOND YIELDS (%)

CDS 5yr	N/A	N/A	N/A	N/A	N/A
Jun '16	13.56	+63bp	+255bp	+115bp	+467bp
Jul '17	13.78	+23bp	+214bp	+173bp	+423bp
Sep '20	11.23	+17bp	+99bp	+56bp	+204bp
Sep '21	11.35	+32bp	+101bp	+70bp	+213bp
Sep '22	10.75	+37bp	+85bp	+44bp	+140bp
Feb '23	10.44	+29bp	+92bp	+57bp	+140bp

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

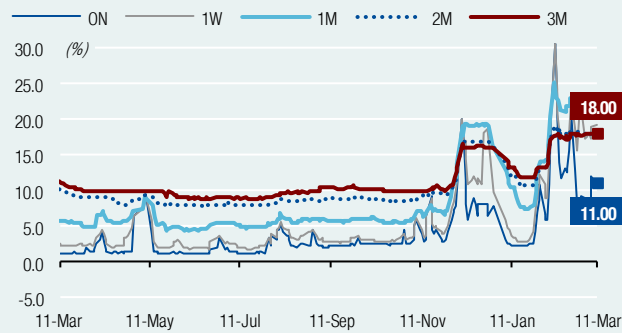


Chart 2. UAH NDF implied yields (%), last 12-month period



Chart 3. UAH sovereign yield curve (%) as of 11 Mar 2014

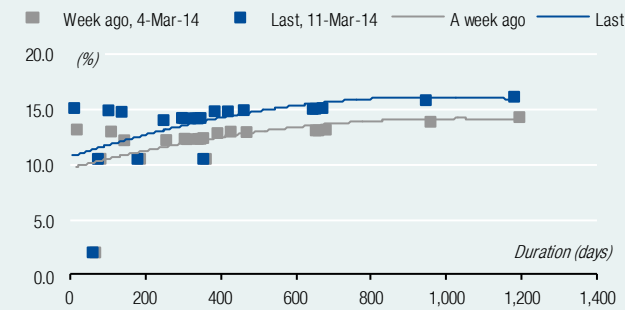


Chart 4. USD sovereign yield curve (%) as of 11 Mar 2014

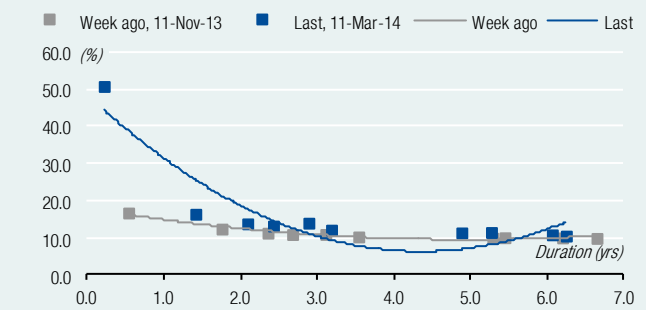


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

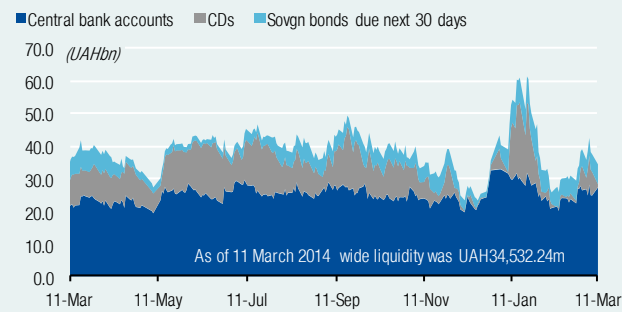


Chart 6. Breakdown of liquidity pool (%) as of 11 Mar 2014

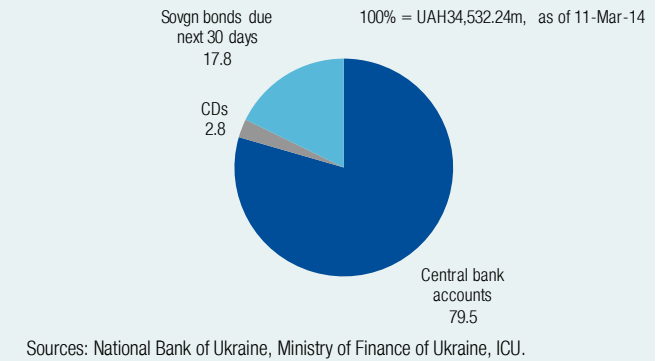


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

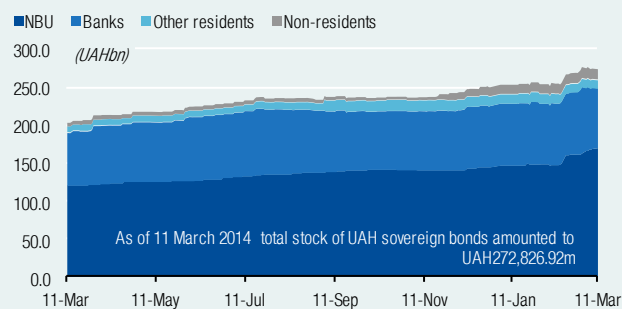
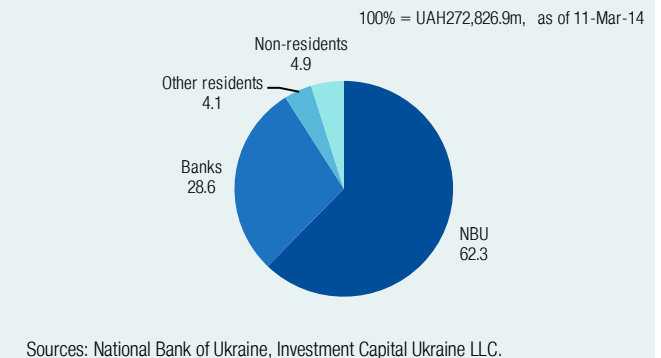


Chart 8. Domestic sovereign debt (%) as of 11 Mar 2014



FX: News & Comments

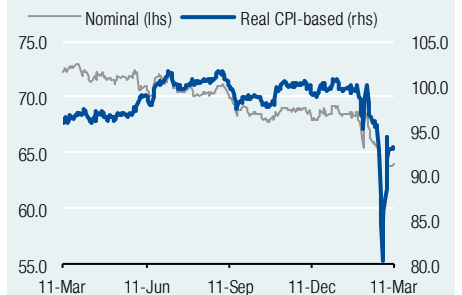
UAH suspiciously stable at 9.20/USD

The UAH closed at 9.23/USD, up 0.03% from the previous day, on US\$0.75bn in trading yesterday. Although the NBU has been gradually getting back to business after the appointment of a new chairman, monetary policy-making has not changed at all. As an example, a top official's rhetoric on the FX rate merely mimics that of the previous administration, causing greater volatility and market distortion. The UAH's real TWI rose 0.33% yesterday on a weaker RUB and EUR.

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ICU's UAH trade-weighted indices

(Last 12-month history to 12 Mar 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 11 Mar 2014)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	9.2300	-0.03	+1.43	+6.95	+12.01
NBU avg	9.2975	+0.67	-4.39	+8.73	+14.07
Ttl vlm ¹	865.31	+4.76	+31.02	-13.61	-69.12
\$ volume ²	753.83	+8.79	+46.39	-10.44	-65.90
NDF 3M	10.4500	-1.18	-2.79	+12.06	+23.16
NDF 6M	11.4000	+1.56	+0.66	+14.57	+29.84
NDF 1Y	11.9500	+0.42	+0.42	+14.85	+26.86
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	63.960	+0.33	-1.14	-5.07	-6.67
UAH real CPI	93.126	+0.33	-1.14	-5.07	-6.67
UAH real PPI	124.128	+0.33	-1.14	-5.07	-6.67
USD nom'l	79.736	-0.04	-0.54	-1.12	-0.37
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	36.5151	+0.45	+1.14	+5.12	+11.09
EUR/USD	1.3860	-0.12	+0.85	+1.63	+0.85
USD/CNY	6.1401	+0.00	-0.05	+1.32	+1.42
USD/PLN	3.0476	+0.38	+0.11	-0.39	+0.81
USD/TRY	2.2465	+1.26	+1.84	+2.43	+4.58
USD/BYR	9,840.00	+0.46	+0.51	+1.50	+3.14
USD/KZT	182.4000	+0.19	+0.27	-1.15	+18.23
OTHER MAJOR CURRENCIES					
USD/JPY	103.0200	-0.24	+0.79	+0.38	-2.17
GBP/USD	1.6617	-0.17	-0.28	+1.02	+0.36
USD/CHF	0.8783	+0.07	-1.01	-2.23	-1.64
AUD/USD	0.8977	-0.48	+0.30	-0.67	+0.67
USD/CAD	1.1106	-0.02	+0.13	+0.88	+4.55
USD/BRL	2.3637	+0.56	+0.83	-1.53	+0.07
USD/KRW	1,065.09	-0.13	-0.78	-0.54	+1.46
COMMODITIES					
Gold(\$/oz)	1,348.97	+0.69	+1.10	+4.45	+11.89
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	304.93	-0.35	-0.43	+5.07	+8.84

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>).

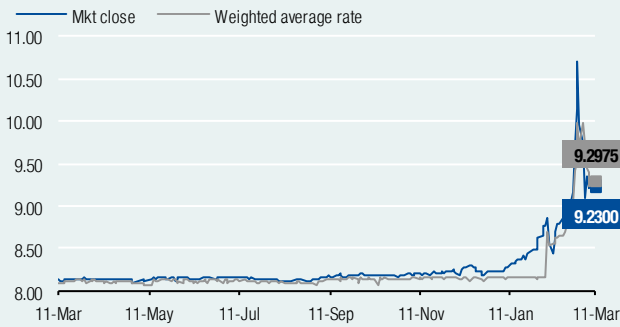
Section on FX market is continued on next page.

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.

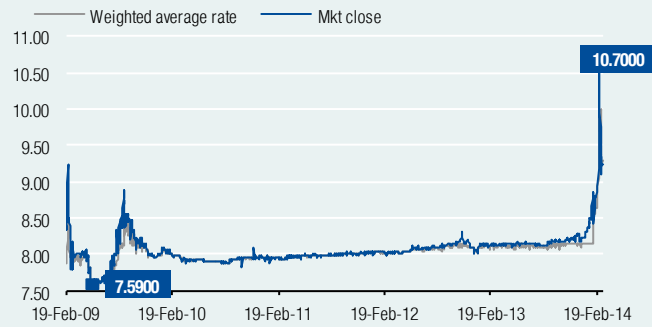
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

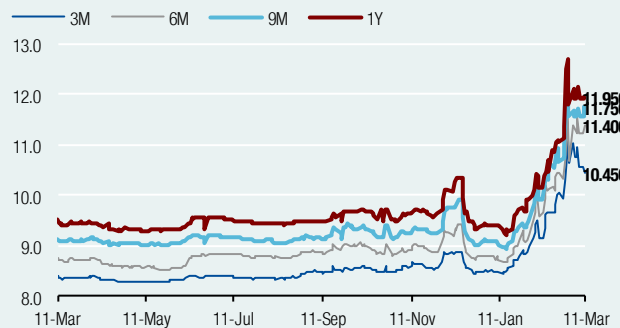


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

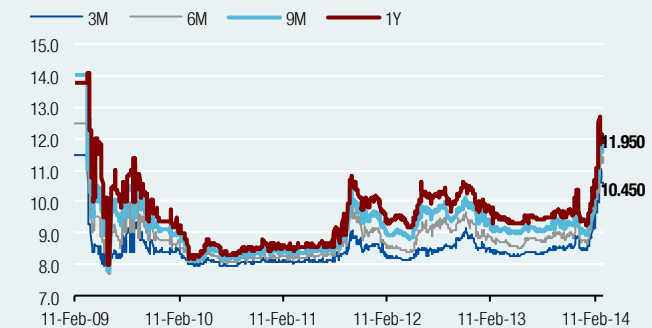


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

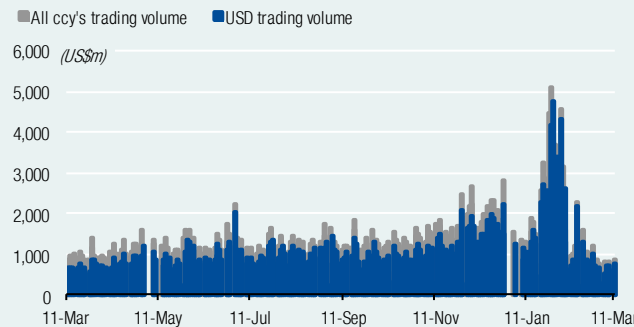


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

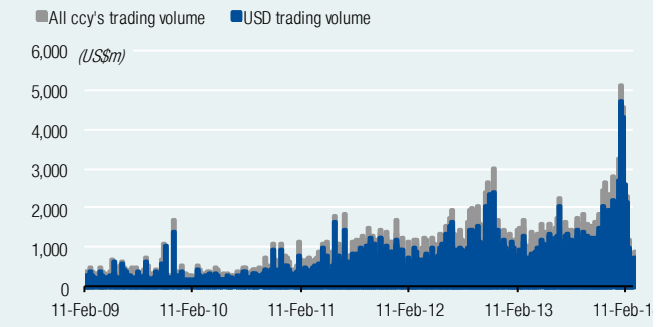


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)



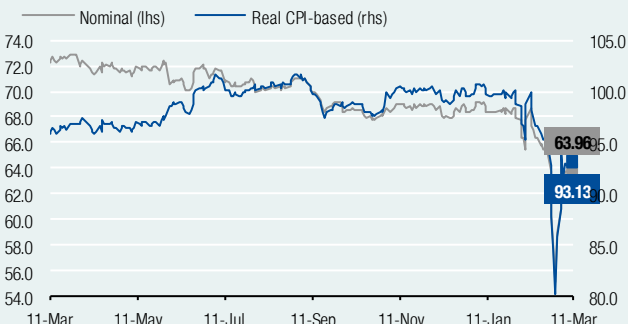
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

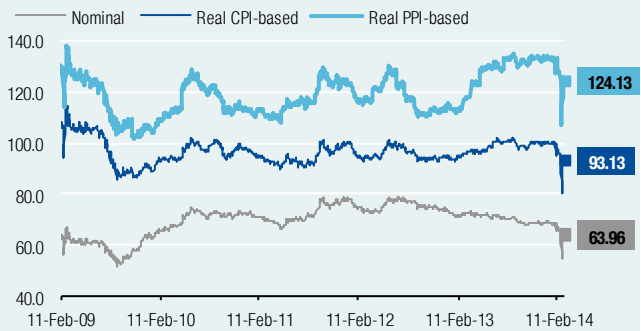
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

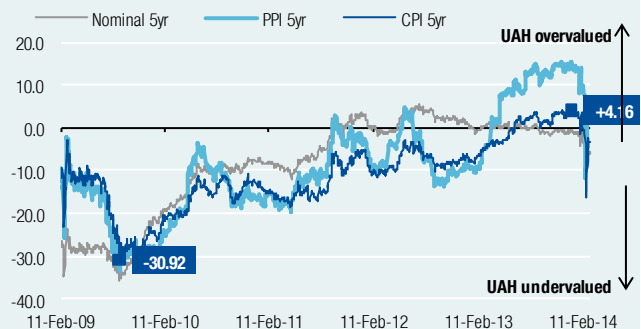


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

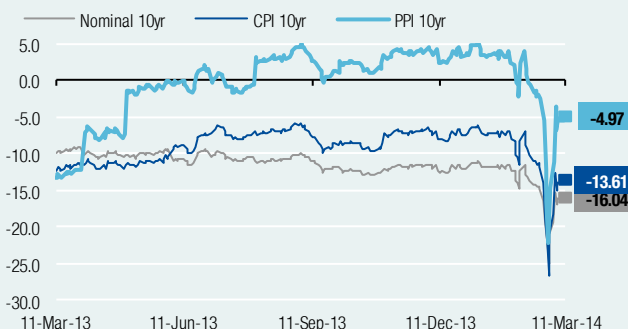


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.



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.

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

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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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