


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity up; YTM's volatile; UAH stays flat

MONDAY, 17 MARCH, 2014

RESEARCH INSIGHT

Contents

Bonds: News & Comments	4
Liquidity slightly increases.....	4
YTM's slightly volatile.....	4
Chart page: Local bond market & Eurobond markets.....	5
FX: News & Comments	6
UAH stays flat on unsupportive background.....	6
Chart page #1: Foreign-exchange market.....	7
Chart page #2: ICU's UAH trade-weighted indices.....	8

UX Index (3 months to 17 Mar 2014)



Key market indicators (as of 14 Mar 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	9.7000	+0.00	+17.72
USD/UAH (1Y NDF)	12.3000	+1.65	+30.57
EUR/USD	1.3914	+0.33	+1.24
USD/RUB	36.6326	+0.24	+11.45
KievPRIME O/N (%)	7.00	-175bp	-80bp
KievPRIME 1M (%)	23.38	+0bp	+713bp
BONDS: yields and spreads			
Ukraine VAT bond (%)	N/A	+74bp	+0bp
Ukraine 17, Eurobond (%)	14.27	-9bp	+472bp
Ukraine 22, Eurobond (%)	10.86	-8bp	+152bp
Ukraine 23, Eurobond (%)	10.49	-18bp	+144bp
Ukraine 5Y CDS	1,246bp	-9bp	+429bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,003.58	+0.18	+10.28
MSCI World	401.35	-0.63	-1.76
MSCI EM	937.69	-0.58	-6.48
RTS (Russia)	1,062.47	-1.43	-26.36
WIG-20 (Poland)	2,341.98	+0.11	-2.46
S&P 500 (USA)	1,841.13	-0.28	-0.39
MOST ACTIVE: Top 3 stocks by value traded (US\$m)			
FXPO LN	3.10	32.1% of total ¹	
KER PW	2.71	28.1%	
AGT PW	2.30	23.8%	
GAINERS: Top 3 stocks (in listed currency)			
AGT PW	PLN 3.05	+8.54	+56.41
ZAEN UK	UAH 110.80	+5.52	+22.57
IMC PW	PLN 7.94	+4.47	-34.65
LOSERS: Top 3 stocks (in listed currency)			
FORM UK	UAH 0.60	-22.08	-21.05
MLK PW	PLN 6.75	-10.95	-46.00
KSG PW	PLN 5.48	-6.32	-49.49

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 14-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	10.00 GBP	+2.6	-11.1	-3.6	-27.9	0.17	38.5	-24.6	40.2	15.5	7.2	11.2	0.07	1,368	Neg.	Neg.	Neg.	3.7	3.8	7.7	Neg.	Neg.	Neg.	0.2	0.0	
Centrenerg	CEEN UK	Kiev, UX	5.25 UAH	+0.0	+15.1	+10.1	-9.8	0.54	200.0	265.4	21.7	43.4	48.1	64.4	0.22	457	8.3	7.4	5.1	0.5	4.2	2.8	0.3	0.4	0.3	0.8	12.2	
Coal Energy	CLE PW	Warsaw	1.51 PLN	-5.6	+31.3	+43.8	-84.5	0.50	22.3	80.2	25.0	5.6	220.8	392.6	13.79	7	Neg.	Neg.	N/A	1.3	11.0	N/A	0.6	0.9	N/A	0.2	7.7	
Donbasenergo	DOEN UK	Kiev, UX	37.48 UAH	-0.1	+14.0	+35.8	+75.6	3.86	91.4	140.4	14.2	13.0	29.4	33.4	0.37	271	28.6	3.6	5.1	0.5	2.7	2.5	0.3	0.3	0.3	1.3	17.8	
JKX Oil & Gas	JKX LN	London	62.50 GBP	-0.8	-8.1	-12.6	-20.9	1.04	178.6	175.6	47.2	84.3	419.3	73.6	0.12	810	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	11.00 GBP	+0.0	-4.3	-15.4	-61.4	0.18	58.7	31.9	80.9	47.5	1.0	10.0	0.03	3,907	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	0.79 PLN	-4.8	+25.4	+49.1	-60.9	0.26	11.2	50.9	25.0	2.8	64.1	94.5	8.21	12	Neg.	N/A	N/A	7.6	N/A	N/A	1.3	N/A	N/A	0.2	42.4	
Zakhidenergo	ZAEN UK	Kiev, PFTS	110.80 UAH	+5.5	-5.3	+22.6	+14.0	11.42	146.1	118.6	5.0	7.3	0.1	7.4	0.06	1,727	2.5	N/A	N/A	0.8	N/A	N/A	0.1	N/A	N/A	0.8	0.0	
METALLURGY																												
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	-1.6	+3.1	-4.4	-25.8	0.00	98.6	1,545.8	3.9	3.8	11.0	13.0	0.48	207	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	2.91 UAH	-0.9	+5.0	-1.6	-8.2	0.30	58.6	54.8	4.0	2.3	8.9	16.1	1.26	80	Neg.	Neg.	2.7	Neg.	1.5	0.9	0.1	0.1	0.1	0.1	0.0	
Azovstal	AZST UK	Kiev, UX	0.67 UAH	-0.1	+9.8	+0.0	+5.0	0.07	290.4	281.8	4.1	11.9	11.5	14.8	0.18	549	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0	
Ferrexpo PLC	FXPO LN	London	139.00 GBP	+0.4	-19.0	-27.2	-30.8	2.31	1,361.5	2,022.6	22.4	305.0	3,096.5	3,222.0	1.65	61	5.2	5.5	6.9	4.0	4.2	4.8	1.3	1.3	1.3	0.8	35.1	
Yenakievo Steel	ENMZ UK	Kiev, UX	33.77 UAH	-1.8	+7.5	+5.5	-3.8	3.48	36.7	31.4	9.4	3.4	1.9	13.1	0.73	138	5.1	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.8	0.0	
FOOD AND AGRIBUSINESS																												
AgroGeneration	ALAGR FP	EN Paris	1.18 EUR	-0.8	-2.5	-4.8	-34.1	1.64	151.4	178.9	34.0	51.5	35.0	36.2	0.09	1,126	Neg.	N/A	N/A	Neg.	N/A	N/A	2.7	N/A	N/A	1.3	35.9	
Agroliga	AGL PW	Warsaw	21.44 PLN	-0.2	-15.1	-17.3	+17.2	7.04	10.8	11.8	16.7	1.8	7.2	15.3	1.63	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	3.05 PLN	+8.5	+7.4	+56.4	-71.0	1.00	21.7	69.0	26.2	5.7	2,297.3	584.7	28.67	3	3.2	4.5	2.9	4.9	7.4	4.4	0.8	1.0	0.8	0.2	28.0	
Astarta Holdin...	AST PW	Warsaw	37.01 PLN	-0.1	-38.3	-44.7	-38.1	12.15	303.8	637.2	31.0	94.2	189.2	157.8	0.26	392	4.8	5.2	2.6	7.2	6.4	3.7	1.3	1.3	1.0	0.5	38.9	
Avangard	AVGR LI	London Intl	8.75 USD	+0.0	-23.0	-25.5	-9.8	8.75	558.9	725.2	21.7	121.3	0.0	303.1	0.51	196	2.5	2.5	2.7	2.6	2.5	2.6	1.2	1.0	1.0	0.5	22.3	
IMC	IMC PW	Warsaw	7.94 PLN	+4.5	-8.7	-34.7	-48.8	2.61	81.6	197.9	23.9	19.5	30.9	97.0	1.28	78	4.4	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	24.00 PLN	+0.4	-37.3	-37.0	-61.0	7.88	627.9	1,651.2	58.8	369.0	2,714.4	1,794.2	1.05	95	5.6	6.0	3.4	5.7	5.9	4.6	0.6	0.7	0.6	0.5	30.6	
KSG Agro	KSG PW	Warsaw	5.48 PLN	-6.3	-31.2	-49.5	-56.4	1.80	27.0	148.9	34.4	9.3	17.1	16.4	0.47	214	3.3	2.2	2.3	35.3	5.1	4.1	4.0	2.2	1.4	0.3	29.2	
MHP	MHPC LI	London Intl	12.63 USD	+2.4	-10.4	-25.9	-32.3	12.63	1,334.6	2,535.6	22.3	297.9	388.4	1,114.9	0.61	165	4.5	6.5	4.8	5.4	6.1	5.0	1.8	1.7	1.6	1.1	45.8	
Milkiland	MLK PW	Warsaw	6.75 PLN	-10.9	-35.6	-46.0	-56.2	2.22	69.3	205.9	20.0	13.9	19.0	12.2	0.26	391	3.9	3.8	3.8	5.7	5.0	4.1	0.5	0.4	0.4	0.3	29.9	
Mriya Agrohold...	MAYA GF	Frankfurt	5.26 EUR	-2.4	+4.4	-2.6	+12.1	7.31	776.2	1,508.1	20.0	155.2	0.0	2.2	0.00	44,313	4.5	4.9	5.1	6.5	5.6	6.1	4.3	4.0	3.5	0.9	34.8	
Ovostar Union	OVO PW	Warsaw	69.00 PLN	+0.0	-8.0	-31.0	-31.3	22.65	135.9	148.0	25.0	34.0	1.4	58.1	0.20	493	5.8	5.2	3.7	5.3	5.3	3.3	2.1	1.8	1.4	1.3	3.7	
CONSTRUCTION																												
TMM	TR61 GF	Xetra	0.31 EUR	+0.0	+14.4	-2.2	-45.0	0.43	22.3	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	0.60 UAH	-22.1	-13.9	-21.1	-7.4	0.06	36.7	N/A	5.5	2.0	10.8	2.0	0.11	902	Neg.	N/A	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	0.15 UAH	+3.7	+29.9	+30.7	+31.4	0.02	458.3	N/A	3.8	17.5	24.5	53.4	0.42	239	13.9	8.0	4.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.6	28.3
Ukrsotsbank	USCB UK	Kiev, UX	0.17 UAH	+0.5	+2.4	-7.8	+41.9	0.02	323.3	N/A	4.5	14.5	5.7	8.2	0.06	1,714	1,036.2	191.2	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 14-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 slightly increases

Banks' correspondent accounts with the NBU rose UAH1.60bn to UAH30.23bn, the highest level this month and just slightly lower than this year's record seen in January. This increase was partially supported by the NBU via a CD redemption that decreased total CDs outstanding UAH0.88bn to UAH4.35bn last Friday while total local currency debt repayments scheduled for the next 30 days remained steady at UAH3.95bn.

KyivPrime interest rates slightly diverged: the KyivPrime ON interest rate fell 175bp to 7.00% while the KyivPrime 1M interest rate remained steady at 23.38%.

Investment implications: Liquidity become more stable and rose above UAH30.0bn last week, higher than levels seen in February and earlier this month. This increase caused interest rates to decline, but risks remained high. The ON interest rate fell while the 1M interest rate rose slightly. This week liquidity should remain steady without high volatility, but still requires NBU support.

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YTM's slightly volatile

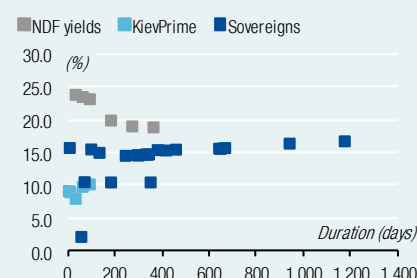
At the end of last week, Ukrainian Eurobond YTM's remained unstable with high intraday volatility on some issues; the yield curve moved to the range of 10.50-17.69%, excluding UKRAIN 7.95% '14 for which the YTM slightly rose to 44.97% and UKRAIN 5.00% '15 which usually remains low. At the close, UKRAIN 6.875% '15 remained steady at 17.69%, UKRAIN 9.25% '17 slid 24bp to 14.03%, while UKRAIN 7.95% '21 rose 2bp to 11.48%, UKRAIN 7.80% '22 rose 2bp to 10.88% and UKRAIN 7.50% '23 rose 2bp to 10.5%. 5-year CDS declined to 1,246bp.

Investment implications: The market appears to have been quite active last Friday on the last day prior to the voting in Crimea and possible beginning of a crisis escalation. Also, there were many positive news reports that Ukraine will be supported in financial and political sectors.

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Yield curve of the local bond market

(as of market close on 14 Mar 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 14 Mar 2014)

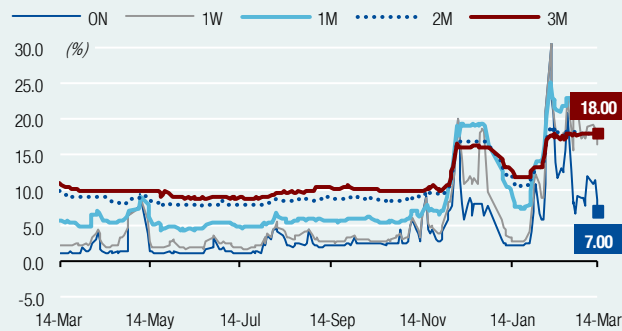
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	7.00	-175bp	-500bp	-470bp	-80bp
1wk	16.48	-127bp	-262bp	-130bp	+668bp
1m	23.38	+0bp	+58bp	+198bp	+713bp
2m	18.13	+0bp	+3bp	-7bp	+173bp
3m	18.00	+0bp	+0bp	+20bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	30,226	+5.58	+21.10	+25.03	-7.57
CDs ²	9,484	+14.97	+31.63	+771.7	+523.9
Sovgns ³	3,947	+0.00	-27.79	-19.63	+164.1
Total	43,658	+6.94	+16.01	+44.69	+22.23
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	169,691	+0.03	+0.44	+13.38	+17.15
Banks	78,608	+0.94	-1.59	-2.93	-1.95
Resid's ⁴	11,204	+0.81	-1.12	-1.09	-9.62
Non-res ⁵	13,618	+1.69	+0.73	+5.61	+16.41
Total	273,121	+0.40	-0.20	+7.16	+9.64
NDF IMPLIED YIELDS (%)					
3m	55.47	+464bp	-308bp	+16bp	+43bp
6m	43.70	+414bp	+14bp	+12bp	+30bp
9m	31.42	+276bp	-255bp	+264bp	+17bp
1yr	27.51	+207bp	-209bp	+776bp	+13bp
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	1,246	-9bp	+165bp	+47bp	+429bp
Jun '16	14.47	+32bp	+281bp	+106bp	+558bp
Jul '17	14.27	-9bp	+172bp	+125bp	+472bp
Sep '20	11.50	-7bp	+118bp	+60bp	+231bp
Sep '21	11.47	-8bp	+128bp	+71bp	+225bp
Sep '22	10.86	-8bp	+107bp	+9bp	+152bp
Feb '23	10.49	-18bp	+87bp	+24bp	+144bp

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.

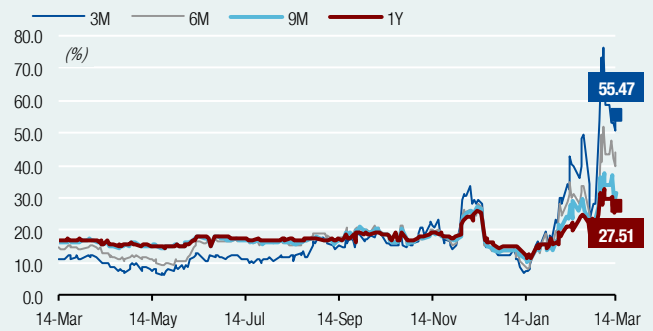
Chart page: Local bond market & Eurobond markets

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



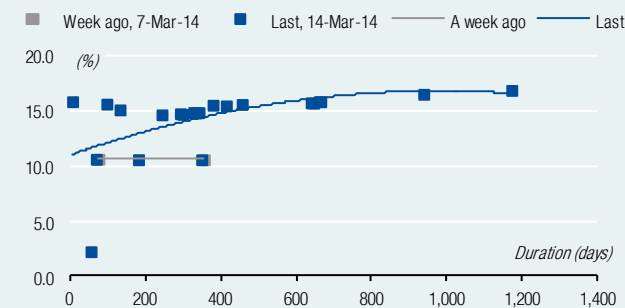
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



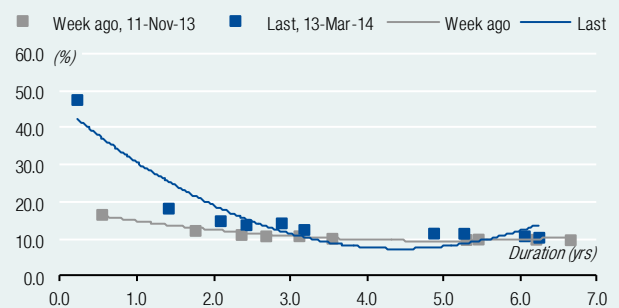
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 14 Mar 2014



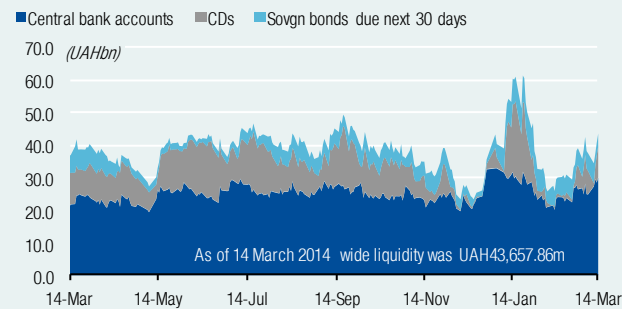
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 14 Mar 2014



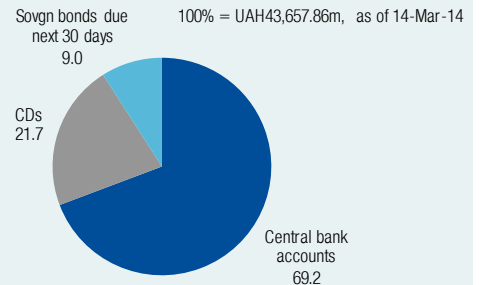
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



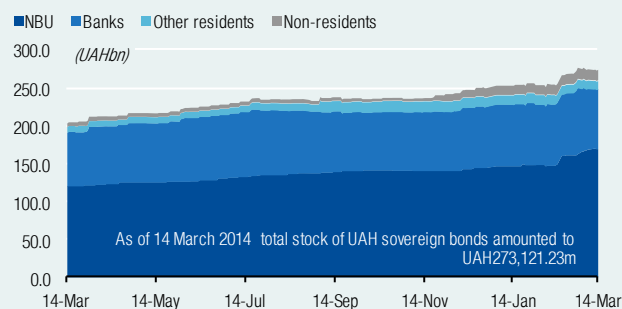
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 14 Mar 2014



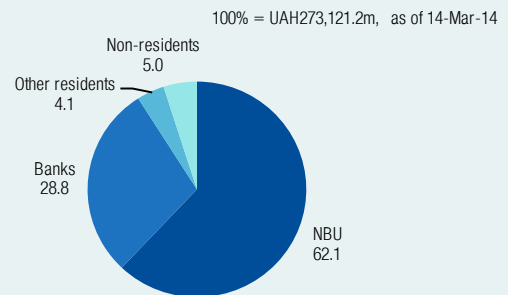
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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



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

Chart 8. Domestic sovereign debt (%) as of 14 Mar 2014



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

FX: News & Comments

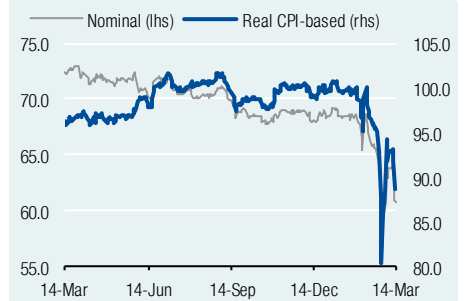
UAH stays flat on unsupportive background

Expectations that the Ukrainian-Russian conflict will escalate further and result in sanctions by the West on the Russian economy caused the downward pressure on UAH last week. Last Friday, the UAH's FX rate was flat at 9.7/USD on US\$0.71bn in trading. This week should be an extension of last week as the military situation intensifies. Two events are highly anticipated this week: first, Moscow's recognition of the Crimea referendum and, second, Ukraine's signing the political section of the association agreement with the EU. More weakness in the nominal FX rate of the UAH is quite likely. However, ICU estimates that the UAH's real trade-weighted value based on two parameters, namely the CPI- and PPI-based calculations, reveal that the UAH became negatively misaligned (undervalued) by both parameters last week. Hence, further nominal weakness of the UAH would make the currency more undervalued in real trade-weighted terms.

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ICU's UAH trade-weighted indices

(Last 12-month history to 17 Mar 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 14 Mar 2014)

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

USD/UAH MARKET (HRYVNIA per US DOLLAR)

Spot mkt	9.7000	+0.00	+5.06	+10.42	+17.72
NBU avg	9.6007	+1.32	+3.95	+11.11	+17.79
Ttl vlm ¹	915.59	+21.40	+10.85	-59.95	-67.33
\$ volume ²	714.86	+11.34	+3.17	-67.07	-67.67
NDF 3M	11.0360	+1.03	+4.36	+14.33	+30.06
NDF 6M	11.8000	+1.72	+5.12	+16.37	+34.40
NDF 1Y	12.3000	+1.65	+3.36	+17.56	+30.57

TRADE-WEIGHTED INDICES (TWIs, points)

UAH nom'l	60.812	-0.07	-4.64	-8.33	-11.26
UAH real CPI	88.544	-0.07	-4.64	-8.33	-11.26
UAH real PPI	118.020	-0.07	-4.64	-8.33	-11.26
USD nom'l	79.446	-0.22	-0.34	-0.86	-0.74

FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs

USD/RUB	36.6326	+0.24	+0.51	+4.17	+11.45
EUR/USD	1.3914	+0.33	+0.28	+1.61	+1.24
USD/CNY	6.1499	+0.21	+0.37	+1.38	+1.58
USD/PLN	3.0374	-0.61	+0.27	+0.37	+0.48
USD/TRY	2.2128	-0.88	+0.32	+1.35	+3.01
USD/BYR	9,840.00	+0.00	+0.51	+1.34	+3.14
USD/KZT	182.7300	+0.32	+0.37	-0.98	+18.45

OTHER MAJOR CURRENCIES

USD/JPY	101.3600	-0.47	-1.86	-0.43	-3.75
GBP/USD	1.6647	+0.14	-0.39	-0.60	+0.54
USD/CHF	0.8724	-0.26	-0.63	-2.25	-2.30
AUD/USD	0.9028	-0.03	-0.44	-0.07	+1.24
USD/CAD	1.1105	+0.26	+0.16	+1.16	+4.54
USD/BRL	2.3467	-0.73	+0.25	-1.77	-0.65
USD/KRW	1,072.78	+0.33	+1.13	+0.89	+2.19

COMMODITIES

Gold(\$/oz)	1,383.05	+0.94	+3.21	+4.88	+14.71
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	302.88	+0.08	-1.40	+3.29	+8.11

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.

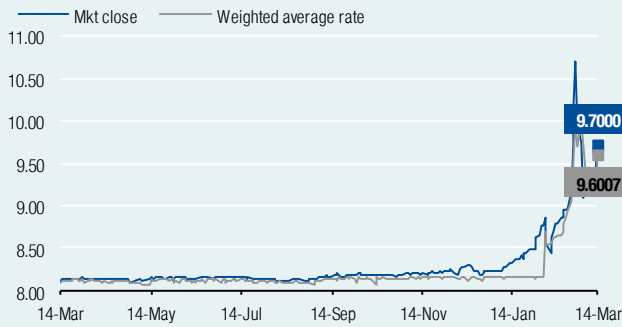
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

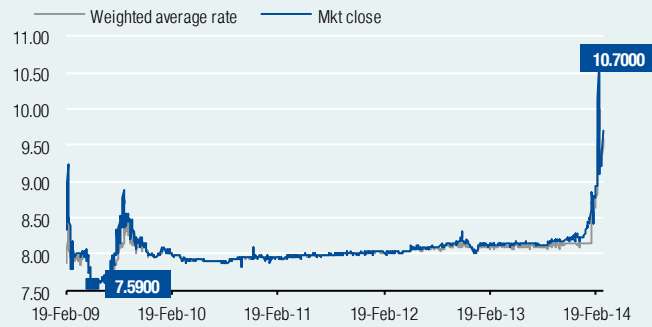
Section on FX market is continued on next page.

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)

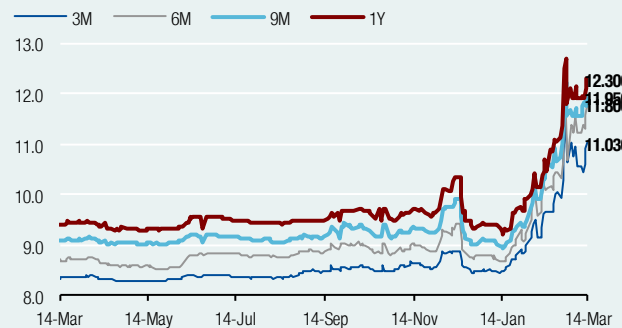


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

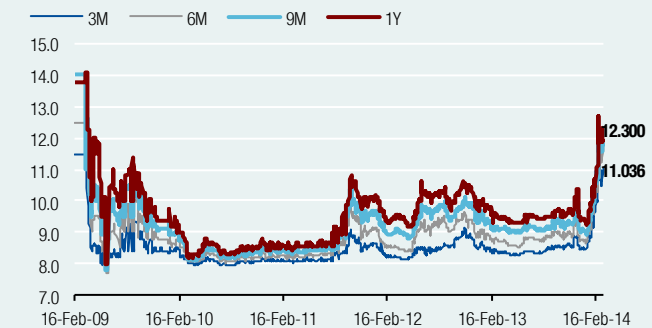


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

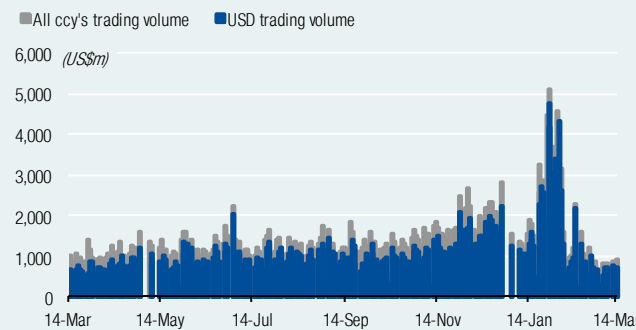


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

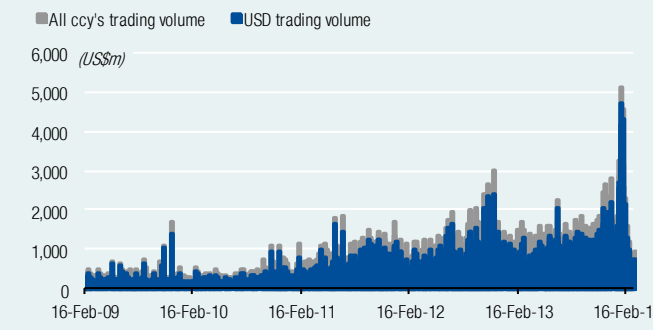


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)



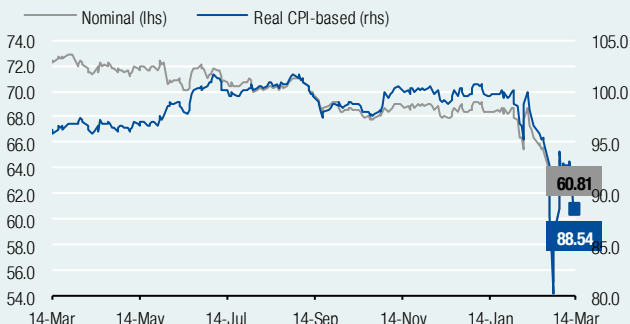
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

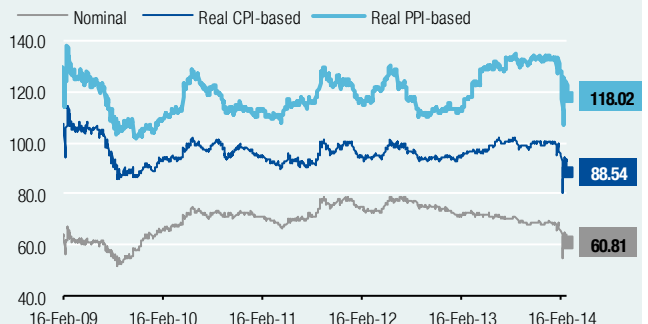
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

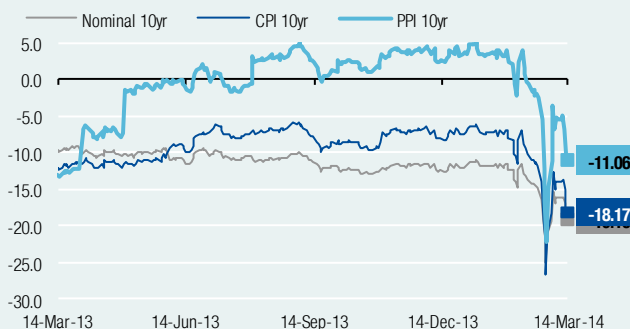


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.



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

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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