

# Daily Insight

Ukraine-Russia stand-off takes a bitter turn; Liquidity up; Yields up; Auction results; UAH held steady

WEDNESDAY, 30 APRIL, 2014

RESEARCH INSIGHT

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### UX Index (3 months to 30 Apr 2014)



### Key market indicators (as of 29 Apr 2014)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	11.5500	+0.00	+40.17
USD/UAH (1Y NDF)	14.1500	-0.53	+50.21
EUR/USD	1.3812	-0.28	+0.50
USD/RUB	35.6498	-0.63	+8.46
KievPRIME O/N (%)	5.20	+15bp	-260bp
KievPRIME 1M (%)	19.00	+0bp	+275bp

### BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	-8,900bp	-8,900bp
Ukraine 17, Eurobond (%)	12.20	-57bp	+265bp
Ukraine 22, Eurobond (%)	10.35	-19bp	+100bp
Ukraine 23, Eurobond (%)	10.07	+13bp	+102bp
Ukraine 5Y CDS	1,182bp	-20bp	+365bp

### EQUITIES

#### Stock market indices

UX (Ukraine)	1,113.62	-0.79	+22.37
MSCI World	413.12	+0.59	+1.12
MSCI EM	999.93	+0.69	-0.28
RTS (Russia)	1,153.36	+1.23	-20.06
WIG-20 (Poland)	2,451.35	+0.54	+2.10
S&P 500 (USA)	1,878.33	+0.48	+1.62

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

MHPC LI	3.25	46.9% of total <sup>1</sup>
KER PW	1.80	26.0%
FXPO LN	1.24	18.0%

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

TR61 GF	EUR 0.23	+25.00	-29.02
CLE PW	PLN 1.35	+3.85	+28.57
IMC PW	PLN 9.45	+2.72	-22.22

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

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

## The Ukraine-Russia stand-off takes a bitter turn

After the previous day's shooting of the mayor of the second largest city in Ukraine and the bloody stand-off between pro-Ukrainian and pro-Russian rallies in the city of Donetsk, political and civil unrest expanded in Luhansk, the third largest city in eastern Ukraine. A pro-Russian group of rallying protesters stormed and occupied the city hall, leaving official Kiev authorities in dismay over the development. The oblast's police stood aside, providing a blow to the interior ministry in Kiev. This occurred amidst two other significant developments. One was in Kiev, where parliament discussed changes to the constitution to allow greater self-rule in the oblasts. The other was that pro-Kremlin presidential candidate Oleg Tsariov declared his withdrawal from the May 25th presidential elections on the grounds that he could not campaign in the remaining parts of Ukraine except in the oblasts of Kharkiv, Donetsk and Lugansk. It appears that the Kremlin-driven plot to derail the elections and destabilize the country is working. The May 1st and May 9th national holidays marking Labor Day and Victory Day--are expected to see escalations of protesting and violence peak in the eastern oblasts and quite possibly spread to other parts of the country, including to the Kiev oblast and the capital itself.

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

Table 1. Ukrainian stocks (closing prices as of 29-Apr-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	9.13 GBP	+0.0	+2.8	-12.0	-34.2	0.15	35.4	-27.6	40.2	14.2	1.9	8.7	0.09	1,098	Neg.	Neg.	Neg.	4.2	4.3	8.6	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	6.05 UAH	+1.8	+15.9	+26.9	+45.9	0.52	192.8	247.6	21.7	41.9	115.2	117.1	0.37	273	9.6	5.1	7.6	0.4	3.8	3.3	0.3	0.4	0.3	0.9	12.2
Coal Energy	CLE PW	Warsaw	1.35 PLN	+3.8	-18.2	+28.6	-73.0	0.44	20.0	114.3	25.0	5.0	34.2	301.0	2.49	40	Neg.	Neg.	5.0	5.1	14.3	3.9	0.9	1.1	1.0	0.2	39.8
Donbasenergo	DOEN UK	Kiev, UX	43.81 UAH	-8.0	+10.6	+58.8	+118.9	3.78	89.4	130.4	14.2	12.7	79.8	40.7	0.42	237	1.9	2.7	2.7	0.5	1.7	1.5	0.3	0.2	0.2	1.6	17.8
JKX Oil & Gas	JKX LN	London	54.75 GBP	+0.5	-11.0	-23.4	-19.2	0.92	158.0	164.5	47.2	74.6	12.3	83.3	0.14	725	24.3	12.2	5.7	2.5	1.9	1.8	0.9	0.9	0.8	0.3	5.5
Regal Petroleum	RPT LN	London	8.75 GBP	-2.8	-22.2	-32.7	-66.7	0.15	47.2	20.3	80.9	38.2	4.4	6.7	0.02	4,027	Neg.	N/A	N/A	0.9	N/A	N/A	0.6	N/A	N/A	0.2	0.0
Sadova Group	SGR PW	Warsaw	0.82 PLN	+1.2	-11.8	+54.7	-18.8	0.27	11.6	51.4	25.0	2.9	4.5	107.4	2.11	47	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	137.90 UAH	+1.0	+12.6	+52.5	+62.2	11.90	152.2	129.2	5.0	7.6	0.2	5.4	0.04	2,806	3.0	N/A	N/A	0.9	N/A	N/A	0.1	N/A	N/A	3.4	0.0
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.03 UAH	+1.6	-9.1	-16.0	-23.3	0.00	72.5	1,283.8	3.9	2.8	4.5	9.9	0.41	246	Neg.	N/A	N/A	N/A	N/A	N/A	1.0	N/A	N/A	N/A	64.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	3.04 UAH	-0.4	+2.4	+2.6	+2.1	0.26	51.1	48.0	4.0	2.0	0.8	14.7	0.83	120	Neg.	1.9	0.8	Neg.	0.7	0.4	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.70 UAH	+2.0	+2.9	+4.5	+21.5	0.06	253.9	246.7	4.1	10.4	1.8	12.0	0.13	793	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	148.00 GBP	+0.0	-4.3	-20.4	-14.5	2.49	1,464.4	2,125.6	22.4	328.0	1,243.5	3,396.7	0.58	171	5.6	5.9	7.2	4.2	4.6	5.1	1.3	1.4	1.4	0.9	35.1
Yenakievo Steel	ENMZ UK	Kiev, UX	34.65 UAH	-0.2	+3.8	+8.2	+1.9	2.99	31.5	27.1	9.4	3.0	1.4	12.5	0.28	353	5.3	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.8	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	1.08 EUR	-0.9	-3.6	-12.9	-34.1	1.49	137.7	165.0	34.0	46.8	0.0	34.6	0.10	1,044	Neg.	N/A	N/A	Neg.	N/A	N/A	2.5	N/A	N/A	1.2	35.9
Agroliga	AGL PW	Warsaw	17.39 PLN	-0.2	-10.3	-32.9	+16.4	5.72	8.8	9.7	16.7	1.5	3.4	12.6	0.29	343	2.0	N/A	N/A	2.8	N/A	N/A	0.4	N/A	N/A	0.7	5.7
Agroton	AGT PW	Warsaw	2.42 PLN	+1.7	-17.4	+24.1	-11.0	0.80	17.3	64.6	26.2	4.5	102.5	492.0	5.01	20	2.6	3.6	2.3	4.6	6.9	4.1	0.7	1.0	0.8	0.1	28.0
Astarta Holdin...	AST PW	Warsaw	39.50 PLN	-1.3	-10.2	-41.0	-21.8	13.00	325.0	656.3	31.0	100.8	0.7	175.0	0.16	612	9.2	4.1	3.6	7.4	4.5	5.0	1.3	1.2	1.0	0.6	38.9
Avangard	AVGR LI	London Intl	9.00 USD	+2.2	-7.3	-23.4	+5.8	9.00	574.5	740.9	21.7	124.7	58.8	328.5	0.17	606	2.5	2.9	2.6	2.6	2.7	2.6	1.1	1.1	1.0	0.5	22.3
IMC	IMC PW	Warsaw	9.45 PLN	+2.7	+9.9	-22.2	-28.4	3.11	97.3	222.6	23.9	23.2	25.7	131.5	0.22	462	3.7	3.4	1.8	4.1	4.1	2.8	1.9	1.1	0.7	0.6	38.7
Kernel Holding...	KER PW	Warsaw	28.00 PLN	-2.9	-4.3	-26.5	-51.1	9.22	734.3	1,757.6	58.8	431.6	1,799.5	2,757.7	0.67	150	6.6	9.0	4.0	6.0	6.4	4.9	0.6	0.7	0.6	0.6	30.6
KSG Agro	KSG PW	Warsaw	4.95 PLN	+0.0	-16.0	-54.4	-45.0	1.63	24.5	146.3	34.4	8.4	2.0	18.4	0.18	553	3.0	2.0	2.1	34.7	5.0	4.0	3.9	2.1	1.4	0.3	29.2
MHP	MHPC LI	London Intl	12.00 USD	+0.4	-8.7	-29.6	-35.1	12.00	1,268.0	1,692.0	22.3	283.0	3,245.3	1,667.3	0.75	133	8.1	5.3	4.0	4.3	3.4	3.1	1.1	1.1	1.0	1.0	19.6
Milkiland	MLK PW	Warsaw	6.90 PLN	-1.0	-12.7	-44.8	-44.8	2.27	71.0	206.7	20.0	14.2	4.2	12.0	0.05	2,041	4.0	3.4	3.9	5.8	4.7	3.9	0.5	0.5	0.4	0.3	29.9
Mriya Agrohold...	MAYA GF	Frankfurt	4.70 EUR	+0.0	-4.1	-13.0	+6.8	6.49	689.2	1,421.1	20.0	137.8	129.7	6.1	0.01	9,976	4.0	4.9	7.9	6.2	5.5	5.3	4.1	3.8	3.4	0.8	34.8
Ovostar Union	OVO PW	Warsaw	69.00 PLN	+0.0	-1.4	-31.0	-21.1	22.71	136.3	148.3	25.0	34.1	1.7	32.5	0.02	4,868	5.8	5.3	3.7	5.3	5.3	3.3	2.1	1.8	1.4	1.3	3.7
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	11.00 PLN	-16.9	-18.5	-65.0	-70.0	3.62	33.7	17.7	10.9	3.7	0.0	2.2	0.15	676	2.7	N/A	N/A	1.2	N/A	N/A	0.6	N/A	N/A	0.6	8.3
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Xetra	0.23 EUR	+25.0	-27.4	-29.0	-52.8	0.31	16.1	175.4	13.1	2.1	0.0	0.2	0.02	5,935	Neg.	N/A	N/A	Neg.	N/A	N/A	8.1	N/A	N/A	0.1	44.1
<b>FINANCIAL SERVICES</b>																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.18 UAH	+0.3	+10.7	+58.1	+76.0	0.02	464.3	N/A	3.8	17.7	45.7	58.9	0.34	292	16.9	7.2	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	0.7	28.3

**Table 1. Ukrainian stocks (closing prices as of 29-Apr-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: mIn - 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 increase

Broader banking sector liquidity rose UAH2.46bn to UAH46.66bn yesterday as banks' correspondent accounts with the NBU increased UAH1.90bn to UAH31.87bn and total local currency debt repayments scheduled for the next 30 days rose UAH0.51bn to UAH5.49bn. Total CDs outstanding increased only UAH0.06bn to UAH9.30bn.

KyivPrime interest rates slightly diverged: the KyivPrime 1M interest rate remained steady at 19.00%, while the KyivPrime ON interest rate rose 15bp to 5.20% despite the increase in liquidity, likely due to the anticipation of liquidity falling at the end of the month.

**Investment implications: Liquidity rose after Monday's deals after the NBU purchased UAH1.5bn in new bonds, most likely to support today's debt repayment. The increase in liquidity could be short-lived effect and could decline today or on Monday after all payments to the state budget are completed.**

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

## Yields remain high on negative anticipations

The IMF is expected to announce its decision on Ukraine's new stand-by program and financing today. This is important not only to decrease the cost of financing, but, more importantly, to repay IMF loans that are coming due at the beginning of May. Despite positive anticipations, the uncertainty of the outcome continued to put negative pressure on yields and market sentiment. Ongoing escalations of violence in eastern Ukraine and the possibility of Russian expansion continue to be a threat.

As a result, YTMs remained high and mostly above 10.0%, as UKRAIN 6.875% '15 slid 64bp to 14.21%, UKRAIN 9.25% '17 slid 20bp to 12.57%, UKRAIN 7.95% '21 was down 6bp to 10.85%, while UKRAIN 7.80% '22 and UKRAIN 7.50% '23 slid 5bp and 16bp to 10.49% and 9.77%, respectively.

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

## Primary auction results

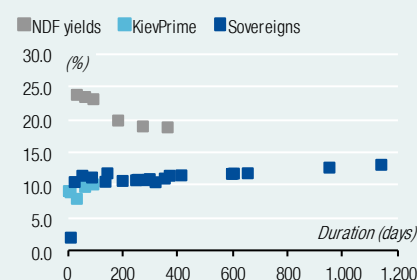
The MoF sold 3-month and 3-year local currency bonds yesterday, providing the state budget with UAH1.64bn of proceeds against UAH2.08bn in principal and interest repayments scheduled today.

**Investment implications: Although the 3-month bond received five market bids, the MoF accepted only one bid at the lowest interest rate. The 3-year bond received two bids for a total of UAH1.6bn, both of which were accepted. Demand for the 3-year bond was likely supported by domestic QE, particularly as the NBU purchased UAH1.5bn of bonds for its portfolio from banks.**

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

### Yield curve of the local bond market

(as of market close on 29 Apr 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

### Bond market indicators (as of 29 Apr 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
0/n	5.20	+15bp	+15bp	+124bp	-260bp
1wk	10.40	+15bp	+27bp	-690bp	+60bp
1m	19.00	+0bp	-38bp	-430bp	+275bp
2m	18.20	+7bp	+7bp	-10bp	+180bp
3m	18.00	+0bp	+0bp	-4bp	+200bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	31,870	+6.32	+1.57	+8.50	-2.55
CDs <sup>2</sup>	16,552	+78.98	+115.0	-9.36	+988.9
Sovgns <sup>3</sup>	5,622	+0.00	-14.12	+76.92	+276.1
<b>Total</b>	<b>54,044</b>	<b>+20.51</b>	<b>+18.46</b>	<b>+6.36</b>	<b>+51.31</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	175,188	+0.87	+1.77	+3.39	+20.94
Banks	84,578	-1.90	-0.48	+1.58	+5.50
Resid's <sup>4</sup>	10,767	+0.09	+0.17	-2.83	-13.14
Non-res <sup>5</sup>	15,838	-0.13	+1.06	+4.76	+35.39
<b>Total</b>	<b>286,372</b>	<b>-0.05</b>	<b>+0.99</b>	<b>+2.68</b>	<b>+14.96</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	52.31	+0bp	+772bp	+34bp	+40bp
6m	34.12	+217bp	+895bp	+16bp	+21bp
9m	27.01	-58bp	+550bp	+13bp	+13bp
1yr	23.18	-65bp	+116bp	+883bp	+820bp
<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	-89ppt	+0bp	-89ppt	-89ppt
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	1,182	-20bp	+61bp	+232bp	+365bp
Jun '16	13.95	-60bp	+134bp	+516bp	+506bp
Jul '17	12.20	-57bp	+33bp	+205bp	+265bp
Sep '20	10.70	-20bp	+46bp	+161bp	+150bp
Sep '21	10.66	-26bp	+41bp	+159bp	+144bp
Sep '22	10.35	-19bp	+47bp	+147bp	+100bp
Feb '23	10.07	+13bp	+42bp	+141bp	+102bp

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

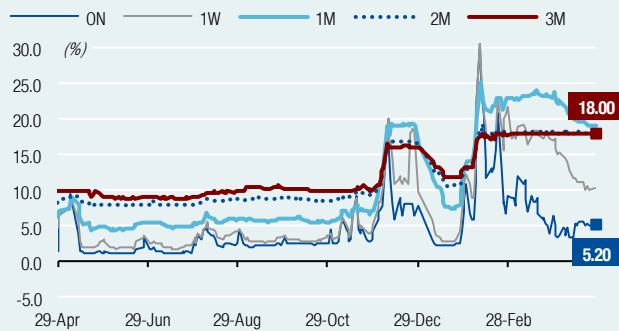


Chart 2. UAH NDF implied yields (%), last 12-month period

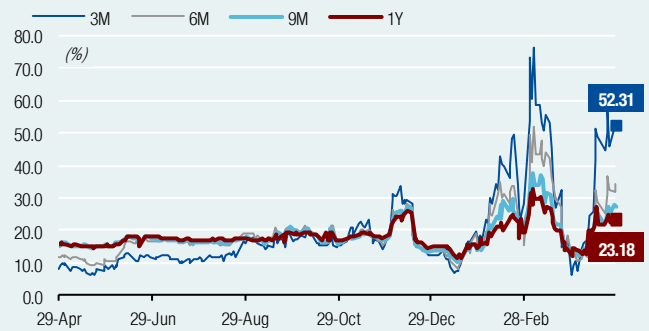


Chart 3. UAH sovereign yield curve (%) as of 29 Apr 2014

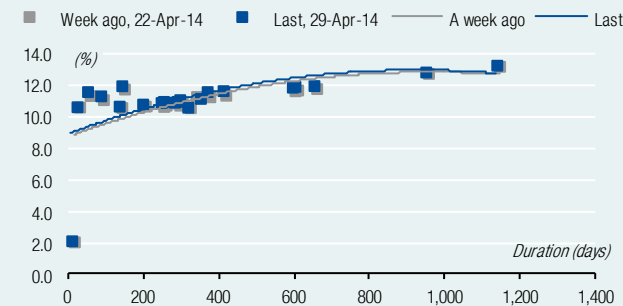


Chart 4. USD sovereign yield curve (%) as of 29 Apr 2014

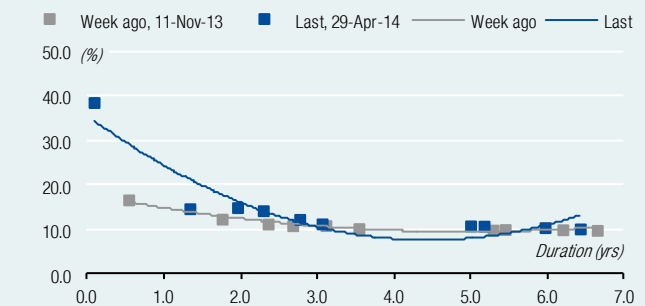


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

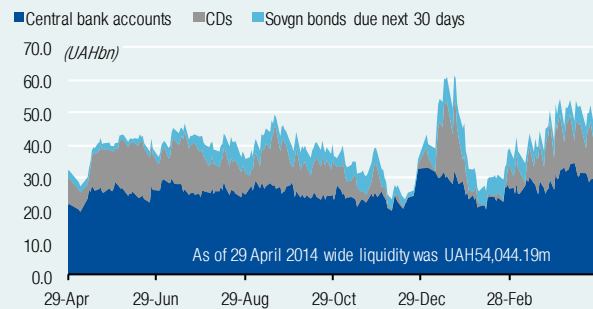


Chart 6. Breakdown of liquidity pool (%) as of 29 Apr 2014

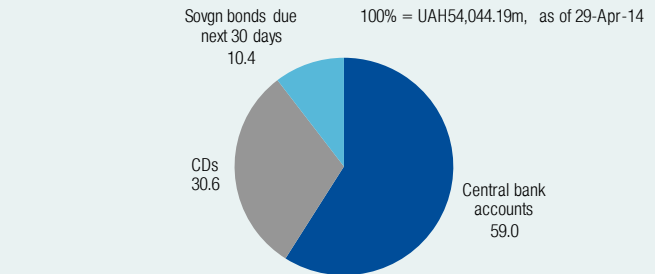


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

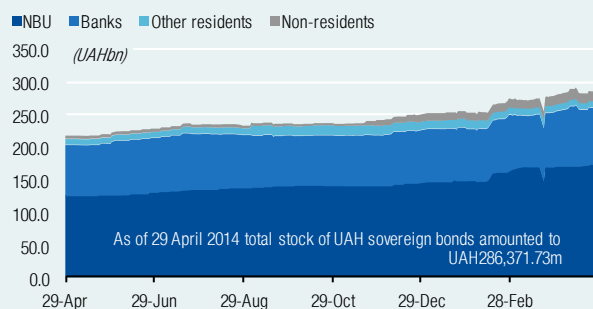
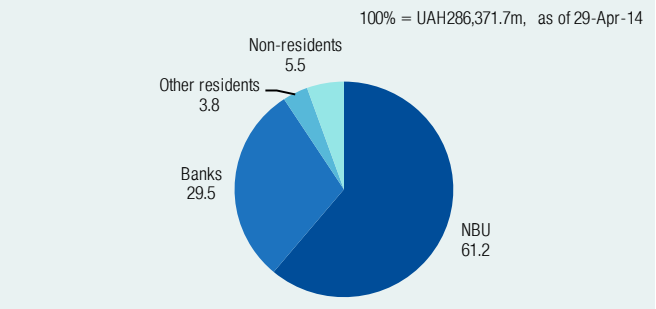


Chart 8. Domestic sovereign debt (%) as of 29 Apr 2014



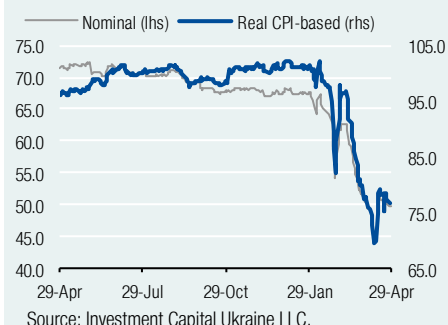
# FX: News & Comments

## UAH held steady during the day

Despite the increase in violence in the eastern oblasts where pro-Russian rallies staged by pro-Kremlin military squads gained ground by occupying key official buildings in the city of Lugansk, the FX market remained calm. The UAH closed at 11.5500/USD, being unchanged. Due to the RUB recovery versus the US dollar (thanks to limited sanctions on the Russian economy by the West), the UAH's real TWI declined 0.17%, extending the year-to-date depreciation of the real rate to 24.23%.

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

**ICU's UAH trade-weighted indices**  
(Last 12-month history to 30 Apr 2014)



## FX market indicators (as of 29 Apr 2014)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	11.5500	+0.00	-1.70	+4.05	+40.17
NBU avg	11.4081	+0.45	+1.43	+4.14	+39.96
Tt vlm <sup>1</sup>	N/A	N/A	N/A	N/A	N/A
\$ volume <sup>2</sup>	N/A	N/A	N/A	N/A	N/A
NDF 3M	13.0500	+0.00	+0.00	+12.62	+53.80
NDF 6M	13.5000	+0.93	+2.20	+11.62	+53.76
NDF 1Y	14.1500	-0.53	-0.77	+12.10	+50.21
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	49.669	-0.17	+1.67	-4.13	-26.46
UAH real CPI	76.583	-0.17	+1.67	-4.13	-24.23
UAH real PPI	106.083	-0.17	+1.67	-4.13	-23.56
USD nom'l	79.808	+0.16	-0.12	-0.46	-0.28
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	35.6498	-0.63	-0.12	-0.32	+8.46
EUR/USD	1.3812	-0.28	+0.05	+0.44	+0.50
USD/CNY	6.2578	+0.09	+0.33	+0.73	+3.36
USD/PLN	3.0366	-0.01	+0.04	+0.12	+0.45
USD/TRY	2.1202	-0.26	-0.99	-3.24	-1.30
USD/BYR	9,990.00	+0.00	+0.17	+1.11	+4.72
USD/KZT	182.0700	-0.26	+0.01	-0.01	+18.02
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	102.6400	+0.15	+0.02	-0.18	-2.54
GBP/USD	1.6827	+0.12	+0.02	+1.14	+1.63
USD/CHF	0.8835	+0.36	-0.17	-0.37	-1.05
AUD/USD	0.9268	+0.11	-1.06	+0.23	+3.94
USD/CAD	1.0944	-0.77	-0.74	-1.06	+3.02
USD/BRL	2.2361	+0.57	-0.07	-1.11	-5.33
USD/KRW	1,030.57	-0.45	-0.68	-3.61	-1.83
<b>COMMODITIES</b>					
Gold(\$/oz)	1,295.90	-0.06	+0.94	+0.05	+7.49
WTI crude <sup>3</sup>	101.28	+0.44	-0.83	-0.38	+2.91
Brent crd <sup>3</sup>	109.41	+0.93	+0.00	+1.99	-1.27
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	311.85	+0.65	+0.21	+2.18	+11.31

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)



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

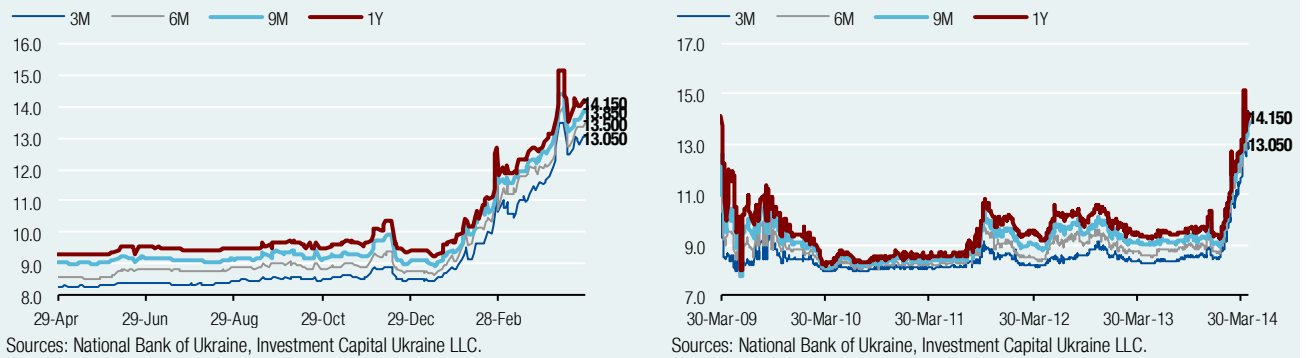
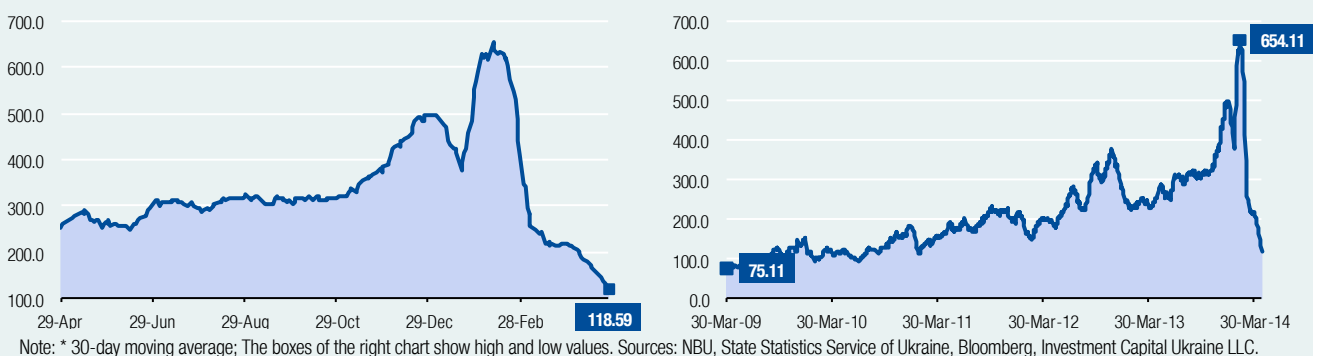


Chart 11. Trading volume: last 12-month and 5-year periods (US\$m, left and right respectively)



Chart 12. 30D MA\* ratio of FX market turnover to merchandise trade: last 12m and 5yr periods (% , left and right respectively)

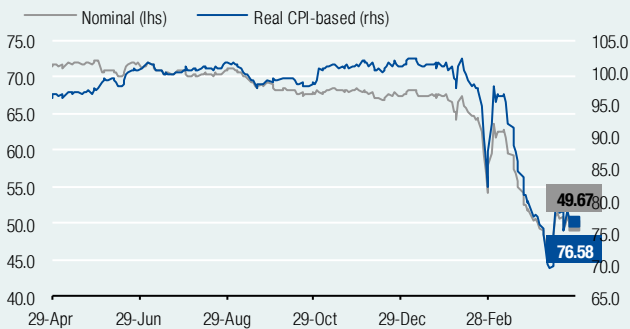




## Chart page #2: ICU's UAH trade-weighted indices

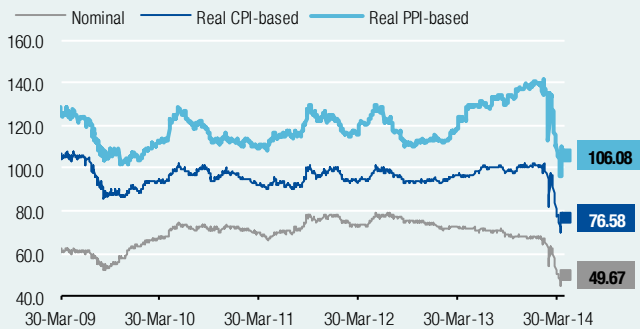
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

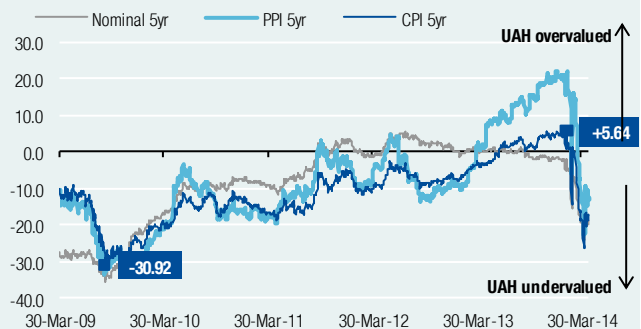


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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.

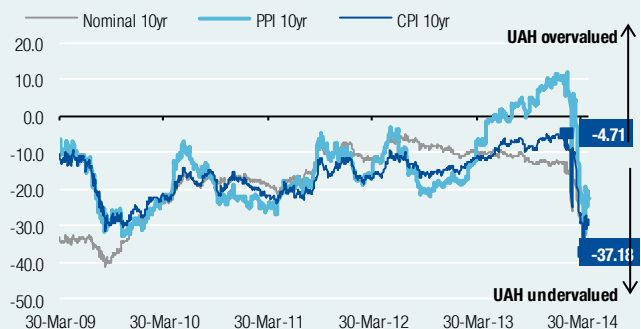


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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



**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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