



INVESTMENT CAPITAL UKRAINE
INVESTMENT BANKING

Daily Insight

Yield curve flattens; Auction announcement; Liquidity falls; UAH slides, reversing previous day's gain

MONDAY, 19 MAY, 2014

RESEARCH INSIGHT

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UX Index (3 months to 19 May 2014)



Key market indicators (as of 16 May 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	11.9600	+1.14	+45.15
USD/UAH (1Y NDF)	14.2000	+0.00	+50.74
EUR/USD	1.3694	-0.12	-0.36
USD/RUB	34.7535	-0.04	+5.73
KievPRIME O/N (%)	5.25	+12bp	-255bp
KievPRIME 1M (%)	18.10	+10bp	+185bp

BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	-8,900bp	-8,900bp
Ukraine 17, Eurobond (%)	11.92	-126bp	+236bp
Ukraine 22, Eurobond (%)	10.19	-30bp	+84bp
Ukraine 23, Eurobond (%)	9.83	-30bp	+78bp
Ukraine 5Y CDS	1,122bp	-18bp	+305bp

EQUITIES

Stock market indices

UX (Ukraine)	1,081.28	+0.68	+18.82
MSCI World	414.80	+0.10	+1.53
MSCI EM	1,031.95	+0.28	+2.92
RTS (Russia)	1,262.01	+0.72	-12.53
WIG-20 (Poland)	2,392.89	-0.11	-0.34
S&P 500 (USA)	1,877.86	+0.37	+1.60

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

KER PW	1.81	45.5% of total ¹
FXPO LN	1.36	34.1%
MHPC LI	0.19	4.7%

GAINERS: Top 3 stocks (in listed currency)

YASK UK	UAH 0.60	+6.19	+13.21
AGT PW	PLN 2.33	+2.19	+19.49
USCB UK	UAH 0.15	+2.00	-18.40

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. 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 16-May-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	9.13 GBP	-1.4	+0.0	-12.0	-37.1	0.15	35.5	-27.6	40.2	14.3	9.2	9.4	0.06	1,623	Neg.	Neg.	Neg.	4.2	8.6	17.2	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	5.95 UAH	-0.2	+1.7	+24.9	+46.7	0.50	186.3	240.1	21.7	40.5	168.4	129.1	0.32	314	4.5	7.4	3.1	0.4	3.3	2.0	0.4	0.3	0.3	0.9	12.2
Coal Energy	CLE PW	Warsaw	1.20 PLN	+1.7	-6.2	+14.3	-75.5	0.39	17.7	112.0	25.0	4.4	6.8	257.5	1.48	68	Neg.	Neg.	4.4	5.0	14.0	3.9	0.9	1.1	1.0	0.2	39.8
Donbasenergo	DOEN UK	Kiev, UX	41.84 UAH	+1.3	-1.3	+51.6	+107.5	3.55	83.8	124.1	14.2	11.9	51.9	43.5	0.44	227	1.9	2.5	2.5	0.5	1.6	1.4	0.3	0.2	0.2	1.5	17.8
JKX Oil & Gas	JKX LN	London	58.50 GBP	-0.4	+0.9	-18.2	+0.4	0.98	169.1	175.6	47.2	79.8	143.9	90.2	0.05	1,831	26.0	13.0	6.1	2.6	2.0	2.0	1.0	0.9	0.8	0.3	5.5
Regal Petroleum	RPT LN	London	8.88 GBP	+0.0	-13.4	-31.7	-61.4	0.15	47.9	21.1	80.9	38.7	0.5	6.9	0.01	7,226	Neg.	N/A	N/A	0.9	N/A	N/A	0.6	N/A	N/A	0.2	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.03 UAH	-0.9	-8.4	-18.6	-27.6	0.00	69.0	1,258.5	3.9	2.7	6.7	10.6	0.32	315	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	3.00 UAH	-0.5	+1.6	+1.5	-5.5	0.25	49.6	46.6	4.0	2.0	6.8	15.7	0.53	187	Neg.	1.9	0.8	Neg.	0.6	0.4	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.70 UAH	-0.4	-0.3	+4.2	+19.9	0.06	248.6	241.6	4.1	10.2	1.4	12.1	0.08	1,312	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	142.20 GBP	-4.2	-5.3	-23.5	-23.0	2.39	1,408.5	2,069.8	22.4	315.5	1,355.6	2,806.6	0.38	264	5.4	5.8	6.7	4.1	4.5	4.9	1.3	1.3	1.3	0.8	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.60 UAH	+6.2	-20.0	+13.2	+4.3	0.05	13.9	15.1	9.0	1.3	10.8	1.8	0.23	433	Neg.	0.8	0.7	0.1	0.5	0.4	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	33.90 UAH	-1.6	-3.5	+5.9	+2.6	2.87	30.3	25.9	9.4	2.8	0.7	12.0	0.15	655	5.2	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	0.99 EUR	+1.0	-10.0	-20.2	-36.5	1.36	125.4	152.6	34.0	42.6	13.8	39.3	0.10	1,049	Neg.	N/A	N/A	Neg.	N/A	N/A	2.3	N/A	N/A	1.1	35.9
Agroliga	AGL PW	Warsaw	17.80 PLN	-0.3	+5.3	-31.4	+2.9	5.83	9.0	9.9	16.7	1.5	5.0	12.0	0.27	373	2.1	N/A	N/A	2.9	N/A	N/A	0.5	N/A	N/A	0.7	5.7
Agroton	AGT PW	Warsaw	2.33 PLN	+2.2	+7.9	+19.5	-19.7	0.76	16.5	63.9	26.2	4.3	20.8	467.5	2.58	39	2.4	Neg.	2.4	4.5	6.1	4.0	0.7	0.7	0.8	0.1	28.0
Astarta Holdin...	AST PW	Warsaw	39.89 PLN	+0.0	+0.6	-40.4	-30.6	13.06	326.6	646.7	31.0	101.3	7.6	176.8	0.15	647	9.3	8.7	4.5	8.5	4.9	5.2	1.3	1.3	1.2	0.9	38.2
Avangard	AVGR LI	London Intl	8.85 USD	-1.6	-9.0	-24.7	-1.1	8.85	565.3	796.2	21.7	122.7	93.8	341.9	0.10	988	2.4	2.8	2.5	2.6	2.9	2.8	1.2	1.2	1.1	0.0	17.8
IMC	IMC PW	Warsaw	8.36 PLN	-6.5	-1.6	-31.2	-35.9	2.74	85.7	210.9	23.9	20.5	37.9	106.7	0.16	608	3.3	3.3	1.8	3.9	3.7	3.0	1.8	1.1	0.9	0.6	38.7
Kernel Holding...	KER PW	Warsaw	26.53 PLN	+0.0	-7.9	-30.3	-56.5	8.69	692.4	1,715.7	58.8	406.9	1,806.4	2,762.4	0.56	178	6.2	10.5	4.0	5.9	6.4	4.8	0.6	0.7	0.6	0.5	30.6
MHP	MHPC LI	London Intl	14.59 USD	-1.4	+21.6	-14.4	-22.2	14.59	1,541.7	2,702.5	22.3	344.1	187.0	1,885.8	0.62	161	9.9	5.7	5.0	6.9	5.5	5.1	1.8	1.8	1.6	2.7	19.6
Milkiland	MLK PW	Warsaw	5.74 PLN	-6.4	-23.4	-54.1	-49.0	1.88	58.7	190.1	20.0	11.7	6.1	10.8	0.05	1,902	4.0	6.6	2.1	5.7	3.6	3.3	0.4	0.4	0.4	0.3	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	4.90 EUR	+0.0	+7.8	-9.3	+14.0	6.72	713.9	1,445.7	20.0	142.8	0.0	7.6	0.01	8,427	4.1	5.0	8.2	6.3	5.6	5.3	4.2	3.9	3.4	0.8	34.8
Ovostar Union	OVO PW	Warsaw	65.20 PLN	-2.7	-5.5	-34.8	-23.7	21.35	128.1	137.0	25.0	32.0	10.3	29.2	0.01	9,458	4.2	6.4	6.3	3.7	4.7	4.3	1.5	1.5	1.2	0.9	8.5
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.14 EUR	+0.0	+0.0	-55.8	-66.4	0.19	9.9	169.3	13.1	1.3	0.0	0.1	0.02	4,948	Neg.	N/A	N/A	Neg.	N/A	N/A	7.8	N/A	N/A	0.1	44.1
FINANCIAL SERVICES																											
Forum Bank	FORM UK	Kiev, UX	0.63 UAH	-8.7	-13.9	-17.1	+5.2	0.05	31.7	N/A	5.5	1.7	0.4	1.2	0.01	9,241	Neg.	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	0.16 UAH	+0.0	-10.9	+38.1	+54.7	0.01	398.0	N/A	3.8	15.2	17.9	58.1	0.43	230	4.6	Neg.	14.2	N/A	N/A	N/A	N/A	N/A	N/A	0.7	28.3
UkrSotsbank	USCB UK	Kiev, UX	0.15 UAH	+2.0	-1.8	-18.4	+27.5	0.01	235.2	N/A	4.5	10.5	0.3	3.6	0.02	6,413	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	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 continues to decline

Banks' correspondent accounts with the NBU slid UAH0.34bn to UAH28.22bn last Friday and total CDs outstanding declined UAH0.57bn to UAH7.02bn, while total local currency debt repayments scheduled for the next 30 days remained steady at UAH3.91bn. As a result, broader banking sector liquidity declined UAH0.91bn to this month's low of UAH39.16bn.

KyivPrime interest rates slightly rose last Friday: the KyivPrime ON interest rate rose 12bp to 5.25% and the KyivPrime 1M interest rate rose 10bp to 18.10.

Investment implications: Liquidity declined without new injections from the NBU as funds were spent on bonds purchased last Wednesday. Also, quarterly tax payments began last week, to be completed tomorrow, prior to the beginning of month-end tax payments. Without NBU support, liquidity will most likely decline.

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Yield curve flattens

Ukrainian Eurobonds rose last Friday, mostly at the short end of the yield curve, causing it to flatten, adjusting it to the range of 9.74-13.60% as UKRAIN 6.875% '15 declined 123bp to 13.60%, UKRAIN 9.25% '17 rose 12bp to 12.03%, and UKRAIN 7.50% '23 slid 9bp to 9.74%, while UKRAIN 7.80% '22 and UKRAIN 7.95% '21 slid 16bp to 10.22% and 10.02%, respectively.

Investment implications: The situation improved following news of the successfully issued US-backed bond last Thursday. The yield curve flattened as yields mostly declined at the short-term end. Ukrainian risks adjusted for all bonds, becoming less dependent on short-term issues. Today, yields should reflect news that occurred over the weekend.

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Primary auction announcement

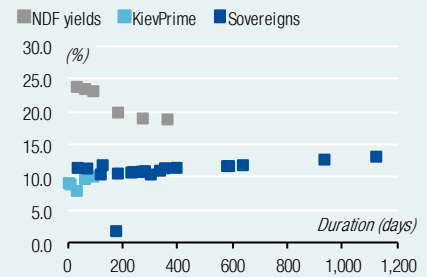
The MoF is going to offer the same set of bonds tomorrow as those offered last week. The 2-year bond was added prior to the auction announcement, most likely after last week's successful auction. For details of this offering, please see the next page.

Investment implications: This auction will be similar to the previous one and should provide the MoF with the necessary funds. We do not exclude the possibility of domestic QE support.

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Yield curve of the local bond market

(as of market close on 16 May 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 16 May 2014)

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

MONEY MARKET KIEV PRIME RATES (%)

0/n	5.25	+12bp	-70bp	+25bp	-255bp
1wk	10.10	+16bp	+0bp	-108bp	+30bp
1m	18.10	+10bp	-40bp	-190bp	+185bp
2m	18.10	-3bp	-30bp	-3bp	+170bp
3m	18.10	-3bp	-10bp	+10bp	+210bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	28,218	-1.18	-5.04	-8.40	-13.71
CDs ²	7,596	-44.72	-43.98	-52.58	+399.7
Sovgns ³	3,960	+0.00	+7.17	-26.42	+164.9
Total	39,774	-14.01	-15.32	-23.81	+11.36

HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	174,811	+0.00	+0.00	+2.41	+20.68
Banks	87,772	-0.50	+1.23	-3.48	+9.48
Resid's ⁴	10,701	-0.05	-0.41	-1.98	-13.68
Non-res ⁵	16,197	-0.73	+0.08	-4.52	+38.45
Total	289,482	-0.19	+0.36	-0.01	+16.20

NDF IMPLIED YIELDS (%)

3m	21.66	-313bp	-934bp	-29ppt	+952bp
6m	20.21	-252bp	-577bp	-12ppt	+680bp
9m	19.82	-175bp	-459bp	-689bp	+581bp
1yr	19.36	-136bp	-227bp	-765bp	+438bp

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	-89ppt	+0bp	+0bp	-89ppt

EUROBONDS USD SOVEREIGN BOND YIELDS (%)

CDS 5yr	1,122	-18bp	-3bp	-67bp	+305bp
Jun '16	12.62	-160bp	-99bp	+4bp	+373bp
Jul '17	11.92	-126bp	-118bp	-36bp	+236bp
Sep '20	10.39	-73bp	-42bp	+8bp	+120bp
Sep '21	10.39	-54bp	-52bp	+8bp	+117bp
Sep '22	10.19	-30bp	-17bp	+13bp	+84bp
Feb '23	9.83	-30bp	-15bp	+10bp	+78bp

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.

Table 2. Details of the auction, announced for 20 May, 2014

ISIN	Type of placement	Bond type	Currency	Tenor (days)	Maturity	Coupon rate (%)	Volume outstanding (UAHm)
	Primary	Zero-coupon	UAH	91	20-Aug-14	N/M	0.00
	Primary	Coupon-bearing, bullet	UAH	728	18-May-16	N/A	0.00
UA4000180541	Re-opening	Coupon-bearing, bullet	UAH	1078	3-May-17	15.00	100.00
UA4000180426	Re-opening	Coupon-bearing, bullet	UAH	1785	10-Apr-19	14.30	74.73

Notes: N/A - not available; N/M not meaningful.

Sources: Ministry of Finance of Ukraine, Investment Capital Ukraine LLC.

Chart page: Local bond market & Eurobond markets

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

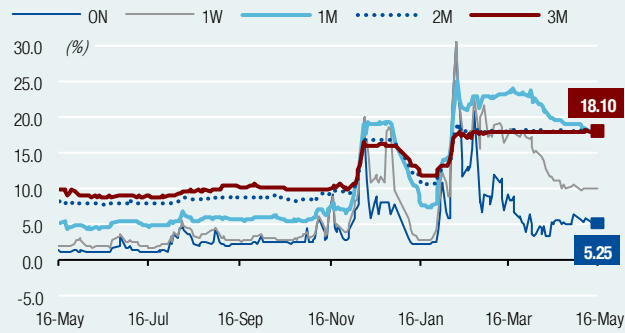


Chart 2. UAH NDF implied yields (%), last 12-month period



Chart 3. UAH sovereign yield curve (%) as of 16 May 2014

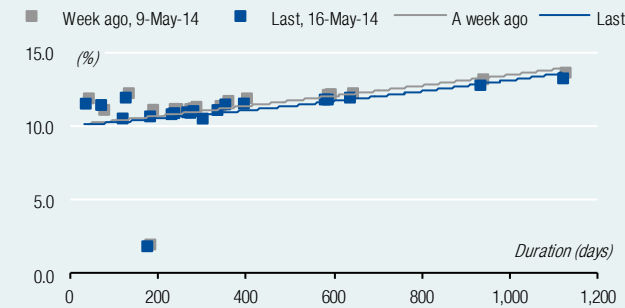


Chart 4. USD sovereign yield curve (%) as of 16 May 2014

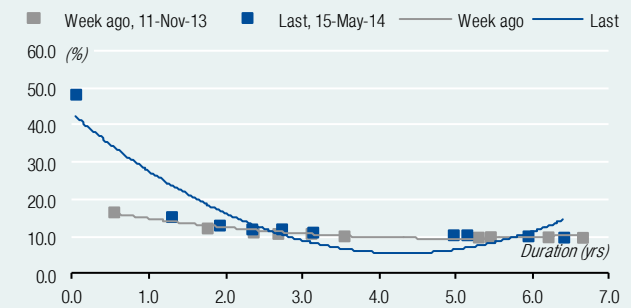


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

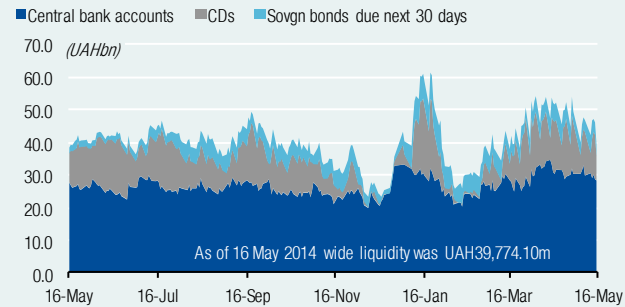


Chart 6. Breakdown of liquidity pool (%) as of 16 May 2014

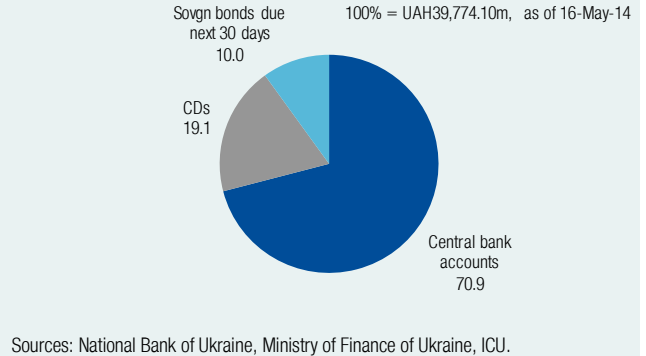


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

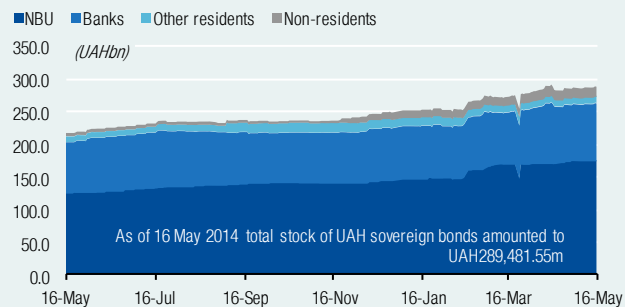
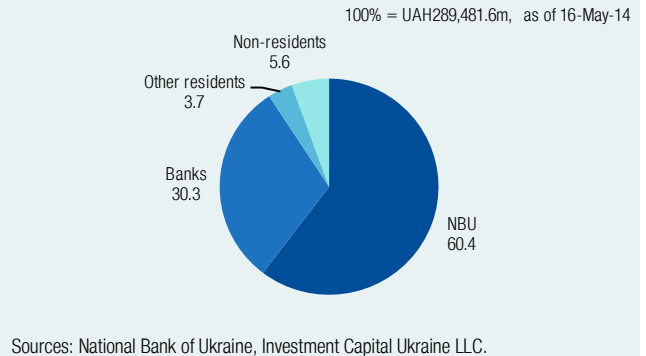


Chart 8. Domestic sovereign debt (%) as of 16 May 2014



FX: News & Comments

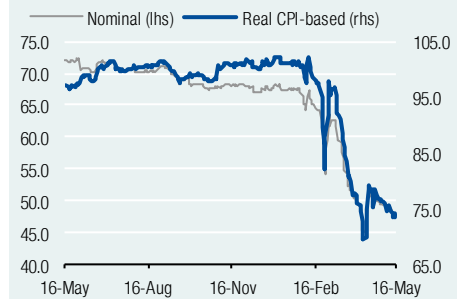
UAH slides, reversing the previous day's gain

Last Friday, the hryvnia closed down 1.14% to 11.9600/USD on volume of US\$239.66m, in line with the past week's average daily trading volume. The positive view on the hryvnia that prevailed on Thursday after the US\$1bn US-backed sovereign Eurobond placed the day before was short-lived due to negative global sentiment resulting from the weaker macro statistical data from the EU, China and the US. The EUR was up/down, and the US dollar index also rose/fell last Friday. In the end, the hryvnia's real trade-weighted index decreased 1.14%.

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ICU's UAH trade-weighted indices

(Last 12-month history to 19 May 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 16 May 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	11.9600	+1.14	+2.62	+5.84	+45.15
NBU avg	11.7552	+0.79	+1.39	+3.15	+44.22
Ttl vlm ¹	345.16	-9.48	-1.07	-12.30	-87.68
\$ volume ²	239.66	-9.13	-9.37	-20.20	-89.16
NDF 3M	12.6000	+0.40	+0.40	-1.06	+48.50
NDF 6M	13.1500	+0.00	+0.00	+0.19	+49.77
NDF 1Y	14.2000	+0.00	+0.71	-0.53	+50.74
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	47.628	-1.14	-2.77	-6.44	-29.48
UAH real CPI	73.436	-1.14	-2.77	-6.44	-27.34
UAH real PPI	101.724	-1.14	-2.77	-6.44	-26.71
USD nom'l	80.043	+0.05	+0.18	+0.30	+0.01
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	34.7535	-0.04	-1.34	-3.45	+5.73
EUR/USD	1.3694	-0.12	-0.47	-0.88	-0.36
USD/CNY	6.2334	+0.06	+0.09	+0.18	+2.96
USD/PLN	3.0607	+0.07	+0.68	+0.96	+1.25
USD/TRY	2.0985	+0.00	+1.04	-1.78	-2.31
USD/BYR	10,033.00	-0.12	+0.18	+0.65	+5.17
USD/KZT	182.0700	+0.00	+0.00	+0.02	+18.02
OTHER MAJOR CURRENCIES					
USD/JPY	101.5000	-0.08	-0.35	-0.71	-3.62
GBP/USD	1.6811	+0.13	-0.24	+0.08	+1.53
USD/CHF	0.8927	+0.19	+0.71	+1.24	-0.02
AUD/USD	0.9360	+0.04	-0.02	-0.12	+4.97
USD/CAD	1.0861	-0.22	-0.34	-1.36	+2.24
USD/BRL	2.2148	-0.22	+0.09	-1.27	-6.24
USD/KRW	1,024.16	-0.11	-0.03	-1.31	-2.44
COMMODITIES					
Gold(\$/oz)	1,293.46	-0.21	+0.36	-0.70	+7.28
WTI crude ³	102.02	+0.51	+2.03	-1.68	+3.66
Brent crd ³	110.27	+0.52	+2.41	+0.73	-0.50
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	305.92	-0.38	+0.44	-1.23	+9.19

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)

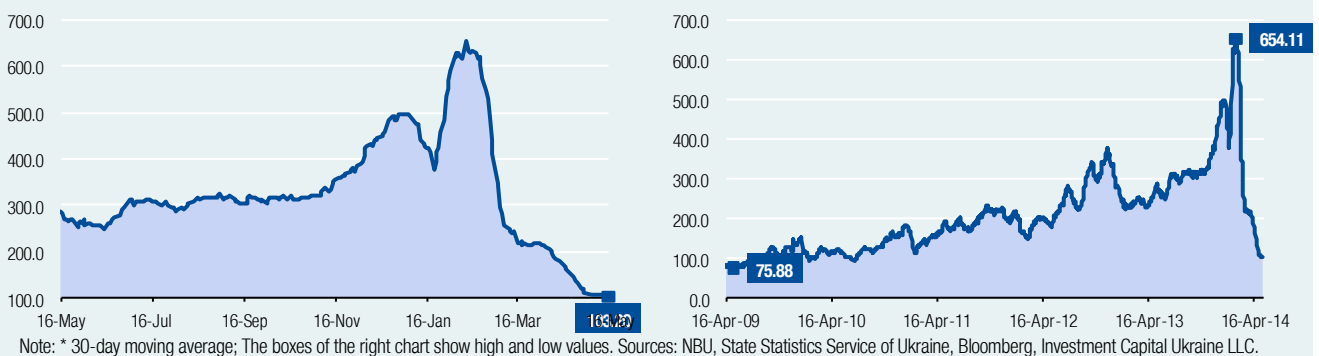
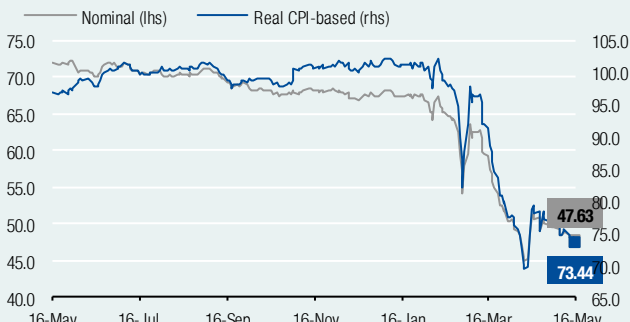


Chart page #2: ICU's UAH trade-weighted indices

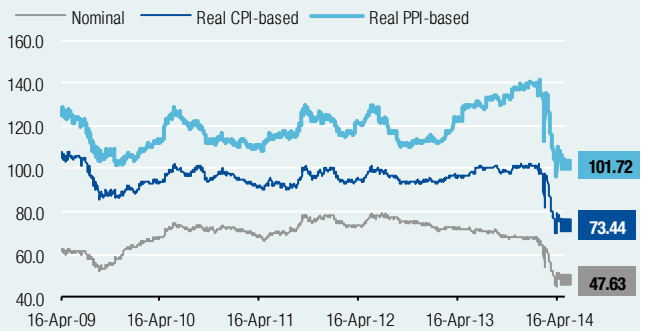
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



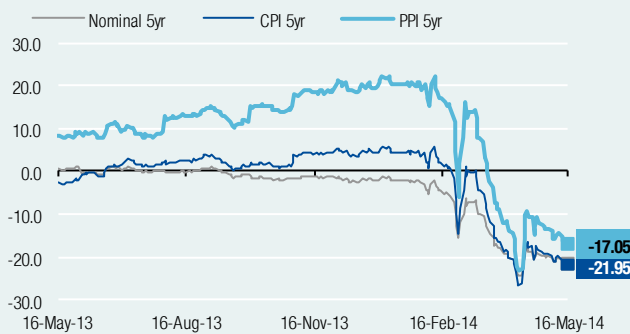
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

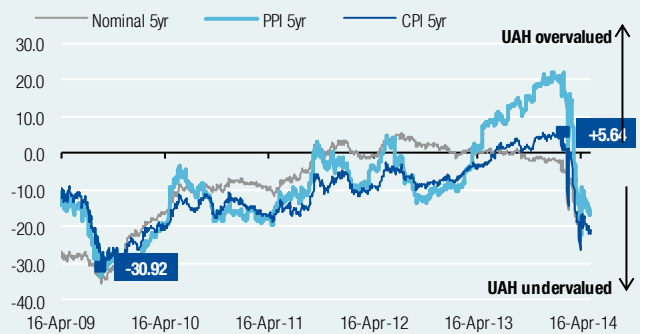


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

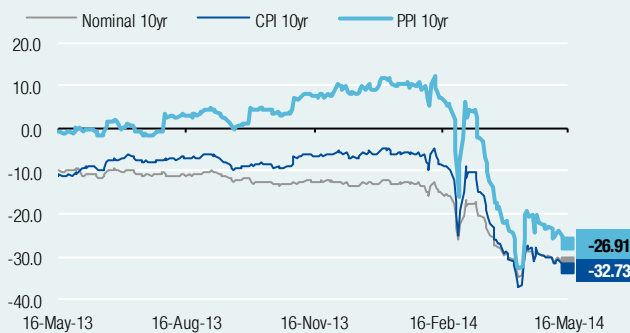


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

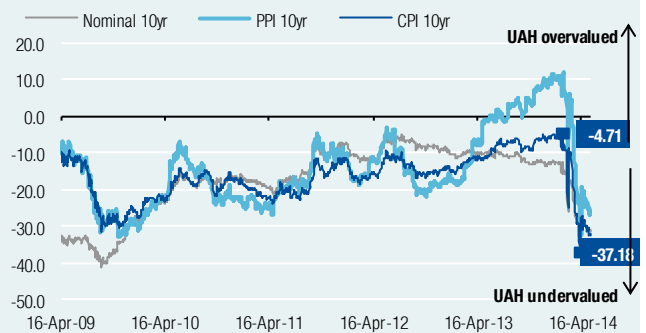


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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

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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