


**INVESTMENT CAPITAL UKRAINE**  
 INVESTMENT BANKING

# Daily Insight

Decline of investments reported for 1Q14; liquidity declines to new month low; new VAT bond issue

TUESDAY, 27 MAY, 2014

RESEARCH INSIGHT

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**UX Index (3 months to 27 May 2014)**

**Key market indicators (as of 26 May 2014)**

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	11.9150	-0.29	+44.60
USD/UAH (1Y NDF)	14.1500	-0.70	+50.21
EUR/USD	1.3646	+0.12	-0.71
USD/RUB	34.1950	+0.11	+4.03
KievPRIME O/N (%)	5.00	-5bp	-280bp
KievPRIME 1M (%)	16.88	-2bp	+63bp

**BONDS: yields and spreads**

Ukraine VAT bond (%)	N/A	-8,900bp	-8,900bp
Ukraine 17, Eurobond (%)	10.04	-11bp	+48bp
Ukraine 22, Eurobond (%)	9.21	-11bp	-14bp
Ukraine 23, Eurobond (%)	8.95	-6bp	-10bp
Ukraine 5Y CDS	945bp	-5bp	+128bp

**EQUITIES**
**Stock market indices**

UX (Ukraine)	1,230.43	+4.61	+35.21
MSCI World	419.52	+0.27	+2.69
MSCI EM	1,041.84	-0.10	+3.90
RTS (Russia)	1,335.73	+0.69	-7.42
WIG-20 (Poland)	2,471.98	+0.26	+2.96
S&P 500 (USA)	1,900.53	+0.42	+2.82

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

KER PW	5.45	76.6% of total <sup>1</sup>
AGT PW	0.64	8.9%
CEEN UK	0.35	4.9%

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

MLK PW	PLN 6.50	+23.81	-48.00
AGT PW	PLN 2.74	+16.60	+40.51
IMC PW	PLN 10.32	+14.67	-15.06

**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

## Decline of investments reported for 1Q14

Per yesterday's quarterly data on investments, the nominal volume of the investments made during the first quarter declined by 17.9% YoY; in constant prices and seasonally-adjusted terms (real terms), the YoY decline was 19.8%, the lowest point in real terms since 1Q11, versus the previous quarter's 6.9% contraction. In terms of financing sources, 72.4% of total investments (in real and seasonally-adjusted terms) came from corporate retained earnings (up from 56.6% in 1Q13), while 11.9% were borrowings from banks and other lenders. From the 1Q13 to 1Q14 there, the share of corporate retained earnings to fund investments has increased progressively, while the share from bank borrowing has declined from 22.3% to 11.9%. These developments underline the deteriorated environment for business investments both in terms of businesses' own operating conditions and of financing conditions set by banks. Going forward, in our view, investments should bottom out in 2Q14 and recover in 2H14. The presidential elections took place in a robustly democratic way despite the disruptions in the two oblasts hijacked by pro-Kremlin militants. The newly elected president appears committed to establish a stable government led by PM Yatsenyuk, cementing the foundation for a functioning IMF program that is vital for economic and sovereign creditworthiness. Business sentiment that suffered from the Russian threat of invasion should improve markedly as a result.

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Table 1. Ukrainian stocks (closing prices as of 26-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 (%)
<b>ENERGY</b>																											
Centrenergo	CEEN UK	Kiev, UX	7.12 UAH	+5.8	+15.5	+49.4	+65.1	0.60	221.1	274.5	21.7	48.0	350.4	164.0	0.30	331	5.4	5.4	3.6	0.5	3.7	2.3	0.4	0.3	0.3	1.1	12.2
Coal Energy	CLE PW	Warsaw	1.39 PLN	+8.6	+6.1	+32.4	-66.8	0.46	20.5	114.8	25.0	5.1	164.4	206.1	0.97	103	Neg.	Neg.	5.1	5.1	14.4	4.0	0.9	1.1	1.0	0.2	39.8
Donbasenergo	DOEN UK	Kiev, UX	47.40 UAH	+4.9	+5.3	+71.8	+125.9	3.98	94.2	134.1	14.2	13.4	30.8	49.1	0.40	251	2.1	2.4	2.9	0.5	2.1	1.6	0.3	0.2	0.2	1.7	17.8
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+5.7	+7.9	-8.8	-19.3	0.00	76.7	1,256.3	3.9	3.0	13.6	10.8	0.25	408	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	3.29 UAH	+2.6	+4.7	+11.3	+4.9	0.28	54.0	50.9	4.0	2.2	13.5	15.8	0.28	359	Neg.	64.2	0.9	Neg.	1.0	0.5	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.81 UAH	+4.3	+16.2	+20.1	+36.0	0.07	284.4	277.4	4.1	11.7	12.9	12.5	0.05	2,037	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1	N/A	0.2	0.0
Yasynivsky Cok...	YASK UK	Kiev, UX	0.64 UAH	+2.7	-15.1	+20.2	+14.4	0.05	14.6	15.8	9.0	1.3	6.2	2.0	0.24	417	Neg.	1.3	0.7	0.1	0.6	0.5	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	37.90 UAH	+7.6	+8.3	+18.4	+12.6	3.18	33.6	29.2	9.4	3.1	32.9	9.6	0.13	790	5.8	Neg.	Neg.	Neg.	Neg.	0.9	0.0	0.0	0.0	0.9	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	1.01 EUR	+1.0	-4.7	-18.5	-36.5	1.38	127.4	154.5	34.0	43.3	17.3	38.2	0.08	1,209	Neg.	N/A	N/A	Neg.	N/A	N/A	2.4	N/A	N/A	1.1	35.9
Agroliga	AGL PW	Warsaw	19.40 PLN	+9.9	+11.0	-25.2	+21.3	6.37	9.8	10.7	16.7	1.6	25.9	10.8	0.23	429	2.3	N/A	N/A	3.1	N/A	N/A	0.5	N/A	N/A	0.8	5.7
Agroton	AGT PW	Warsaw	2.74 PLN	+16.6	+18.1	+40.5	-9.9	0.90	19.5	66.8	26.2	5.1	635.6	462.7	1.87	53	2.9	Neg.	2.8	4.7	6.4	7.0	0.8	0.8	0.8	0.2	28.0
Astarta Holdin...	AST PW	Warsaw	43.49 PLN	+7.6	+9.3	-35.0	-23.1	14.27	356.9	675.7	31.0	110.7	60.5	178.6	0.12	847	10.2	7.7	5.0	8.9	5.1	5.4	1.3	1.3	1.3	1.0	38.2
IMC	IMC PW	Warsaw	10.32 PLN	+14.7	+14.7	-15.1	-12.8	3.39	106.0	231.3	23.9	25.3	111.7	102.4	0.32	311	4.1	4.1	2.3	4.3	4.0	3.3	2.0	1.2	0.9	0.7	38.7
Kernel Holding...	KER PW	Warsaw	30.11 PLN	+12.1	+3.8	-20.9	-47.6	9.88	787.5	1,810.8	58.8	462.9	5,448.6	3,147.2	0.47	214	7.1	11.7	4.6	6.2	6.8	5.1	0.6	0.7	0.7	0.6	30.6
Milkiland	MLK PW	Warsaw	6.50 PLN	+23.8	-3.7	-48.0	-36.9	2.13	66.7	197.5	20.0	13.3	62.5	9.9	0.07	1,336	4.5	7.5	3.4	6.0	3.8	3.5	0.4	0.4	0.4	0.3	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	5.00 EUR	+0.0	+0.0	-7.4	+20.6	6.83	725.4	1,457.3	20.0	145.1	0.0	7.7	0.01	8,820	4.2	5.1	8.3	6.3	5.7	5.4	4.2	3.9	3.4	0.8	34.8
Ovostar Union	OVO PW	Warsaw	68.00 PLN	+0.0	-1.4	-32.0	-19.9	22.32	133.9	142.7	25.0	33.5	24.7	26.0	0.05	1,959	4.4	6.7	6.6	3.9	5.4	4.9	1.6	1.7	1.3	1.0	8.5
<b>TRANSPORTATION</b>																											
KDM Shipping	KDM PW	Warsaw	10.95 PLN	-0.4	-17.2	-65.1	-69.6	3.59	33.4	17.5	10.9	3.6	14.3	2.3	0.02	4,235	4.9	N/A	N/A	1.6	N/A	N/A	0.6	N/A	N/A	0.5	5.6
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Xetra	0.17 EUR	+0.0	+8.2	-46.1	-51.8	0.23	12.1	171.4	13.1	1.6	0.0	0.2	0.01	13,570	Neg.	N/A	N/A	Neg.	N/A	N/A	7.9	N/A	N/A	0.1	44.1
<b>FINANCIAL SERVICES</b>																											
Forum Bank	FORM UK	Kiev, UX	0.80 UAH	-15.3	+9.3	+5.3	+40.4	0.07	39.9	N/A	5.5	2.2	0.6	1.6	0.02	5,806	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	0.17 UAH	+4.0	-7.3	+47.5	+60.4	0.01	421.7	N/A	3.8	16.1	73.0	56.7	0.38	261	4.9	Neg.	15.2	N/A	N/A	N/A	N/A	N/A	N/A	0.7	28.3
Ukrsootsbank	USCB UK	Kiev, UX	0.18 UAH	+5.6	+18.5	-5.7	+45.7	0.01	269.5	N/A	4.5	12.1	11.3	4.0	0.01	7,837	Neg.	14.9	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 declines to new month low

Broader banking sector liquidity fell UAH1.55bn yesterday to UAH38.04bn, this month's new low, after banks' correspondent accounts with the NBU slid UAH0.37bn yesterday to UAH26.74bn while total CDs outstanding fell UAH1.18bn to UAH7.70bn. Total local currency debt repayments scheduled for the next 30 days remained steady at UAH3.60bn.

KyivPrime interest rates slid: the KyivPrime ON interest rate slid 5bp to 5.00% while the KyivPrime 1M interest rate slid 2bp to 16.88%.

**Investment implications:** Liquidity remained under the pressure of month-end tax payments last Friday, causing the decline in yesterday's indicators. The NBU's injections via CD redemptions and slight increase in ON loans only slightly offset the decline in banks' accounts with the NBU but did not increase liquidity. This week we could see a new decline in liquidity due to tax payments, but the NBU could increase its support, especially to bolster demand at the primary auction.

## VAT bonds could be issued no earlier than next month

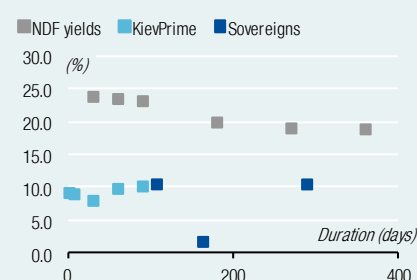
Ukraine's Cabinet of Ministers last week adopted a new resolution on the issuance of VAT bonds, the third time in Ukrainian history to issue debt to repay the VAT refund. This time, the bonds will have a traditional 5-year maturity with semi-annual coupon payments and the same frequency as amortization payments, with 10% of the principal amount being repaid with each coupon payment.

**Investment implications:** Adopting of this resolution does not mean that the bonds will be issued immediately. The Ministry of Taxation should provide the MoF with information on general indebtedness in two weeks, and then the MoF should submit a draft of the Cabinet of Ministers' resolution to schedule the offering. The Ministry of Taxation then has up to two months to register all tax payers and volumes of VAT refunds to be repaid with the bonds. Some of these deadlines will occur in June, and some later, but the process could be finalized next month if there is political expediency.

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### Yield curve of the local bond market

(as of market close on 26 May 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

### Bond market indicators (as of 26 May 2014)

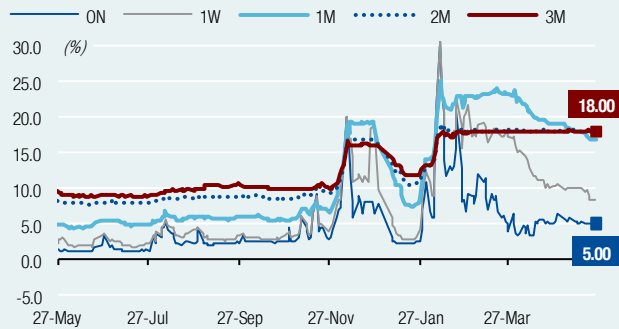
	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
O/n	5.00	-5bp	+0bp	-5bp	-280bp
1wk	8.50	+2bp	-110bp	-163bp	-130bp
1m	16.88	-2bp	-82bp	-212bp	+63bp
2m	18.00	-10bp	-20bp	-13bp	+160bp
3m	18.00	-10bp	-10bp	+0bp	+200bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	26,738	-1.37	-9.24	-8.93	-18.24
CDs <sup>2</sup>	7,704	-51.13	+15.78	-57.09	+406.8
Sovgns <sup>3</sup>	4,475	+24.22	-6.14	-12.47	+199.3
<b>Total</b>	<b>38,917</b>	<b>-16.26</b>	<b>-4.81</b>	<b>-25.77</b>	<b>+8.96</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	176,911	+0.00	+1.20	+1.86	+22.13
Banks	83,820	-0.13	-4.92	-3.38	+4.55
Resid's <sup>4</sup>	10,373	+0.40	-3.23	-2.88	-16.32
Non-res <sup>5</sup>	16,070	-0.11	-1.44	+1.32	+37.36
<b>Total</b>	<b>287,174</b>	<b>-0.03</b>	<b>-0.97</b>	<b>+0.07</b>	<b>+15.28</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	N/A	N/A	N/A	N/A	N/A
6m	N/A	N/A	N/A	N/A	N/A
9m	N/A	N/A	N/A	N/A	N/A
1yr	N/A	N/A	N/A	N/A	N/A
<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	+0bp	-89ppt
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	945	-5bp	-119bp	-253bp	+128bp
Jun '16	9.76	+0bp	-130bp	-419bp	+87bp
Jul '17	10.04	-11bp	-99bp	-241bp	+48bp
Sep '20	9.02	+2bp	-71bp	-127bp	-17bp
Sep '21	9.09	+2bp	-72bp	-125bp	-13bp
Sep '22	9.21	-11bp	-53bp	-109bp	-14bp
Feb '23	8.95	-6bp	-46bp	-76bp	-10bp

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.

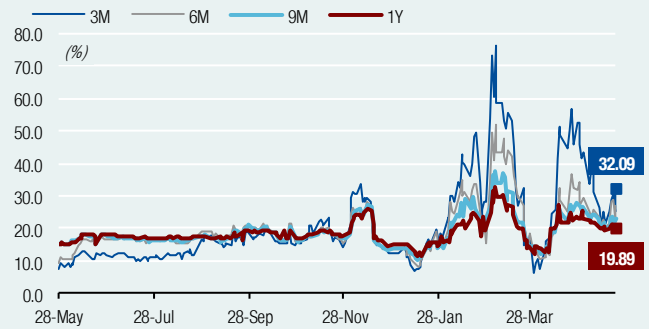
**Chart page: Local bond market & Eurobond markets**

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



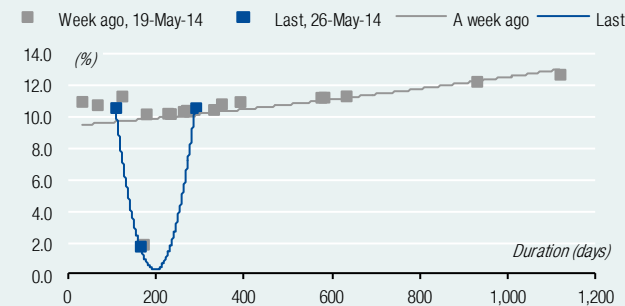
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



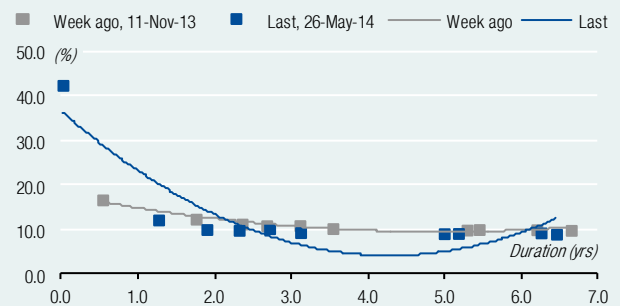
Sources: Bloomberg, Investment Capital Ukraine LLC.

**Chart 3. UAH sovereign yield curve (%) as of 26 May 2014**



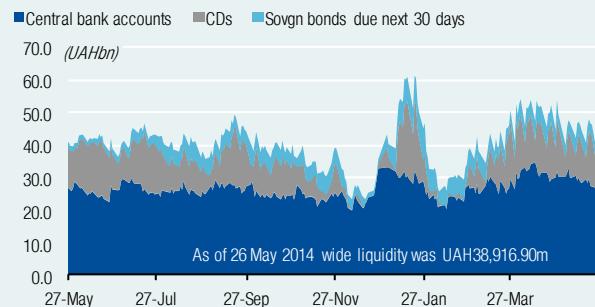
Sources: Bloomberg, Investment Capital Ukraine LLC.

**Chart 4. USD sovereign yield curve (%) as of 26 May 2014**



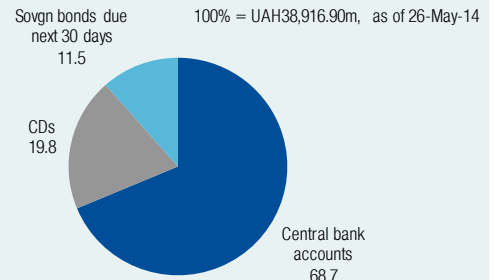
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



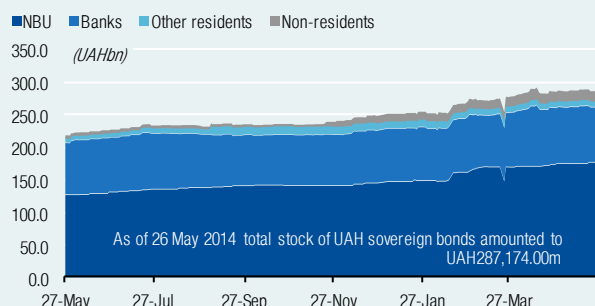
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

**Chart 6. Breakdown of liquidity pool (%) as of 26 May 2014**



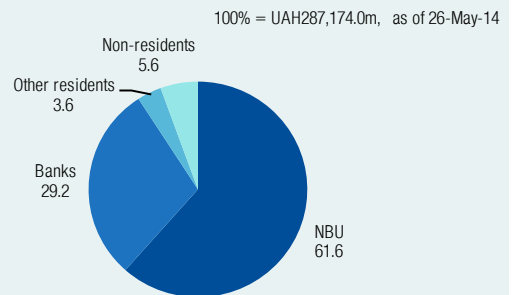
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

**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 26 May 2014**



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

# FX: News & Comments

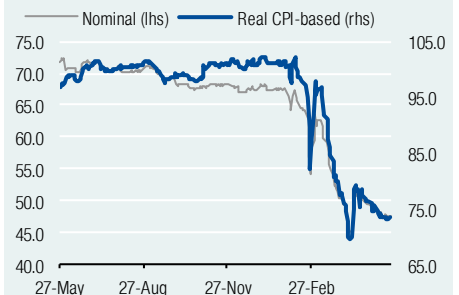
## UAH remains uninfluenced by the one-round presidential elections

The local FX market remained unchanged with the UAH's FX rate steady at 12/USD mark) on slim US holiday trading of US\$113m. As many currencies were mostly flat yesterday, the UAH's real trade-weighted value moved a very modest 0.34% up.

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### ICU's UAH trade-weighted indices

(Last 12-month history to 27 May 2014)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 26 May 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	11.9150	-0.29	-0.29	+3.61	+44.60
NBU avg	11.6608	-0.46	-0.78	+2.44	+43.06
Ttl vlm <sup>1</sup>	191.79	-40.61	-37.31	-56.66	-93.16
\$ volume <sup>2</sup>	113.39	-46.44	-44.34	-66.52	-94.87
NDF 3M	12.7750	-0.97	+0.59	-0.20	+50.56
NDF 6M	13.3750	-1.29	+1.33	+0.19	+52.33
NDF 1Y	14.1500	-0.70	-0.70	+1.07	+50.21
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	47.590	+0.34	+0.06	-4.97	-29.54
UAH real CPI	73.377	+0.34	+0.06	-4.97	-27.40
UAH real PPI	101.642	+0.34	+0.06	-4.97	-26.76
USD nom'l	80.393	+0.00	+0.50	+0.81	+0.45
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	34.1950	+0.11	-1.01	-5.12	+4.03
EUR/USD	1.3646	+0.12	-0.46	-1.36	-0.71
USD/CNY	6.2392	+0.05	+0.03	-0.22	+3.05
USD/PLN	3.0510	+0.12	-0.14	+0.22	+0.93
USD/TRY	2.0837	+0.10	-0.62	-2.36	-3.00
USD/BYR	10,070.00	+0.00	+0.00	+0.70	+5.56
USD/KZT	183.2100	+0.16	+0.59	+0.64	+18.76
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	101.9400	-0.03	+0.43	-0.22	-3.20
GBP/USD	1.6843	+0.07	+0.17	+0.24	+1.73
USD/CHF	0.8947	-0.12	+0.27	+1.46	+0.20
AUD/USD	0.9237	+0.06	-1.00	-0.47	+3.59
USD/CAD	1.0859	-0.02	-0.15	-1.63	+2.22
USD/BRL	2.2245	+0.05	+0.80	-0.85	-5.83
USD/KRW	1,023.95	-0.08	+0.18	-1.67	-2.46
<b>COMMODITIES</b>					
Gold(\$/oz)	1,292.75	+0.01	-0.02	-0.80	+7.22
WTI crude <sup>3</sup>	N/A	-100.0	-100.0	-100.0	-100.0
Brent crd <sup>3</sup>	111.30	-0.36	+0.53	+1.75	+0.43
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	N/A	N/A	N/A	N/A	N/A

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>).

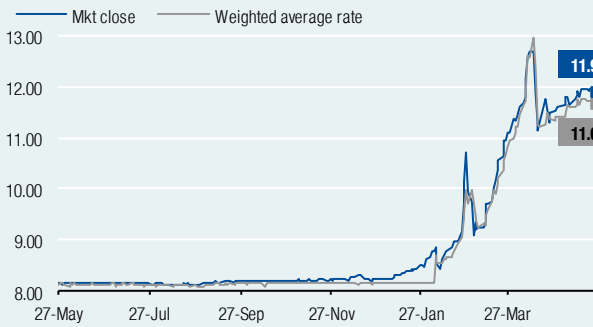
Section on FX market is continued on next page.

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.

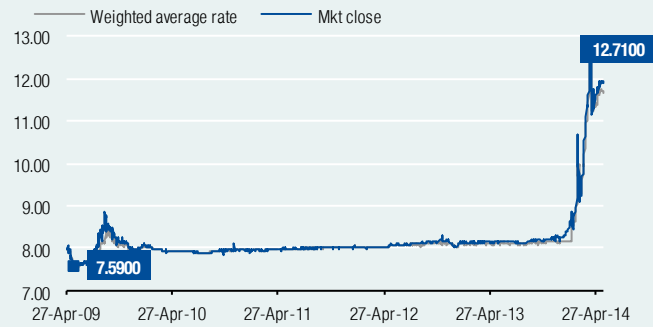
Sources: Bloomberg, Investment Capital Ukraine LLC.

**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)**

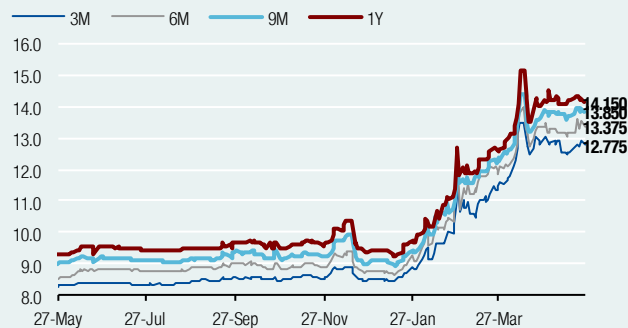


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

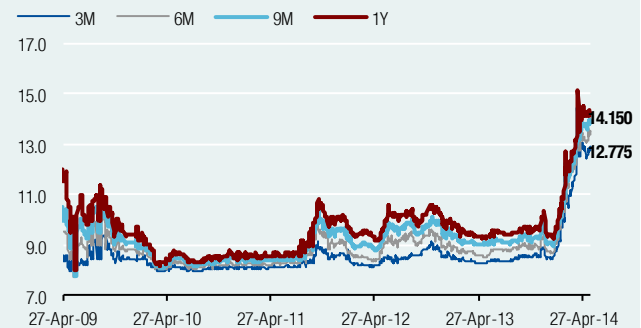


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

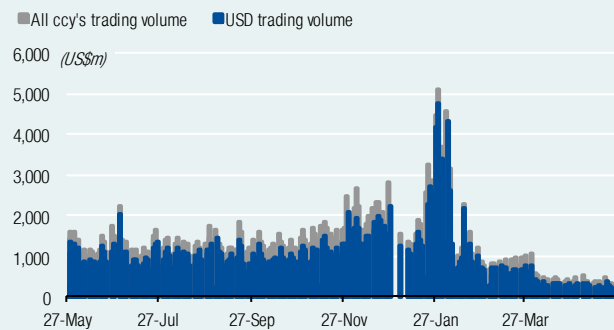


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

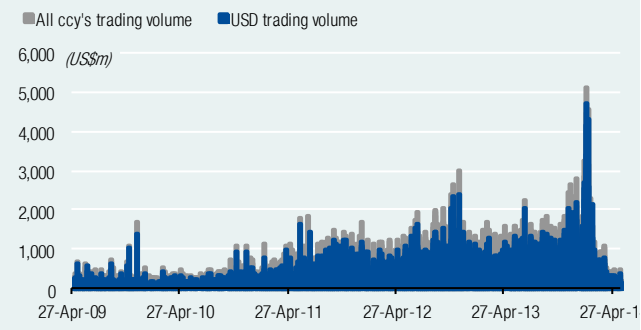


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

**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)**



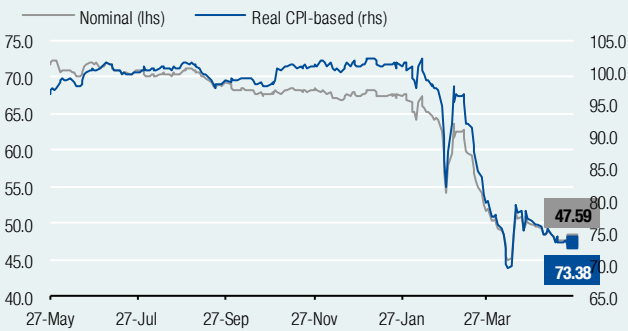
Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

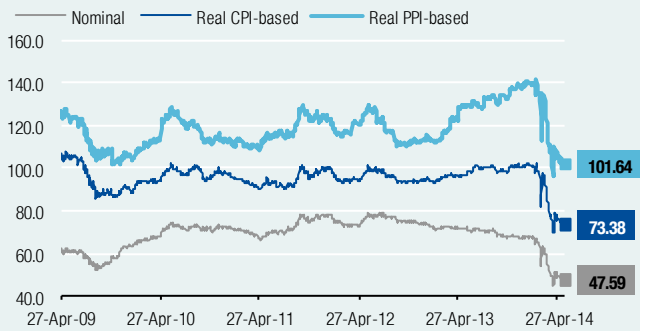
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



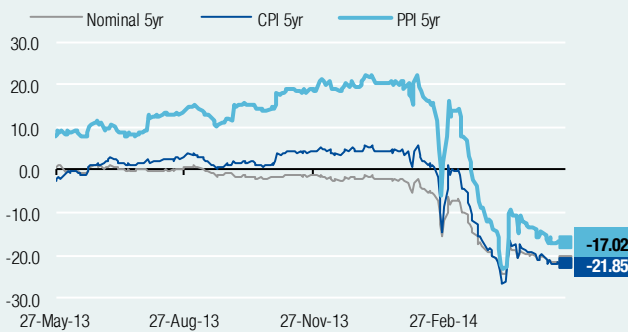
Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

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

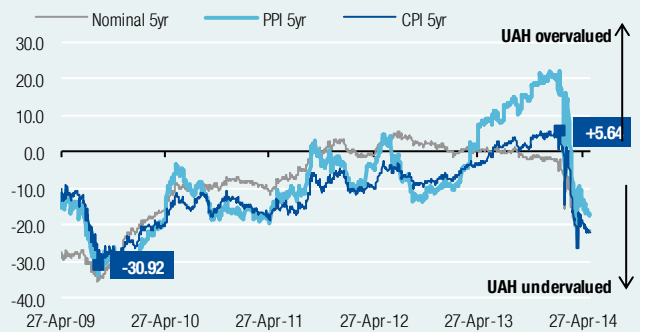


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

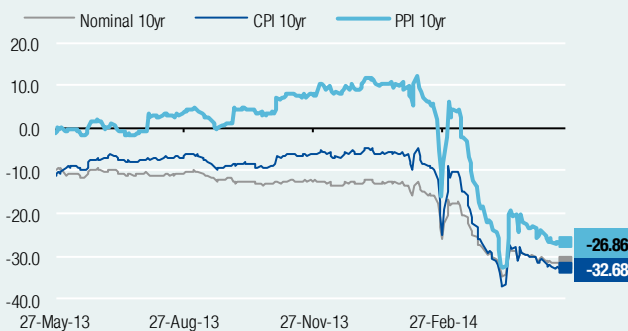


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

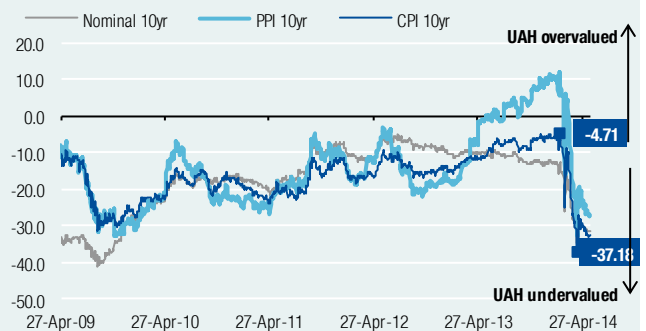


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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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**Hold:** Forecasted 12-month total return is in line with or modestly deviates from relevant benchmark

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