



INVESTMENT CAPITAL UKRAINE
INVESTMENT BANKING

Daily Insight

Electricity tariffs for households to rise 10-40% in June;
Liquidity increases slightly; UAH begins to rebound

FRIDAY, 30 MAY, 2014

RESEARCH INSIGHT

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UX Index (3 months to 30 May 2014)



Key market indicators (as of 29 May 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	11.8400	-0.55	+43.69
USD/UAH (1Y NDF)	14.0500	+0.00	+49.15
EUR/USD	1.3602	+0.08	-1.03
USD/RUB	34.6568	+0.25	+5.44
KievPRIME O/N (%)	5.00	-22bp	-280bp
KievPRIME 1M (%)	16.88	-12bp	+63bp

BONDS: yields and spreads

		Daily chg	YTD chg
Ukraine VAT bond (%)			
Ukraine 17, Eurobond (%)	9.51	+23bp	-5bp
Ukraine 22, Eurobond (%)	9.17	+24bp	-18bp
Ukraine 23, Eurobond (%)	8.79	+13bp	-26bp
Ukraine 5Y CDS	880bp	-10bp	+64bp

EQUITIES

Stock market indices

		Daily chg	YTD chg
UX (Ukraine)	1,237.14	+1.88	+35.94
MSCI World	421.59	+0.38	+3.19
MSCI EM	1,038.64	+0.04	+3.59
RTS (Russia)	1,314.71	+1.10	-8.87
WIG-20 (Poland)	2,465.30	+0.69	+2.68
S&P 500 (USA)	1,920.03	+0.54	+3.88

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

KER PW	3.43	48.9% of total ¹
FXPO LN	2.07	29.5%
MHPC LI	0.44	6.3%

GAINERS: Top 3 stocks (in listed currency)

ENMZ UK	UAH 43.79	+12.86	+36.80
ALMK UK	UAH 0.04	+6.57	-8.02
RPT LN	GBP 9.38	+5.63	-27.88

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 29-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	9.25 GBP	+0.0	-1.3	-10.8	-38.8	0.15	35.8	-27.3	40.2	14.4	0.0	8.7	0.04	2,656	Neg.	Neg.	Neg.	4.1	8.5	17.1	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.24 UAH	+2.2	+19.5	+51.7	+59.4	0.61	225.6	279.2	21.7	49.0	267.7	168.5	0.29	348	5.5	5.5	3.4	0.5	3.7	2.2	0.4	0.3	0.3	1.1	12.2
Coal Energy	CLE PW	Warsaw	1.32 PLN	-2.9	+4.8	+25.7	-61.6	0.43	19.5	113.8	25.0	4.9	34.9	175.4	0.99	101	Neg.	Neg.	4.9	5.1	14.2	3.9	0.9	1.1	1.0	0.2	39.8
Donbasenergo	DOEN UK	Kiev, UX	45.33 UAH	-0.9	+6.9	+64.3	+117.0	3.83	90.5	130.6	14.2	12.9	75.7	46.1	0.35	289	2.0	2.2	2.6	0.5	2.0	1.4	0.3	0.2	0.2	1.6	17.8
JKX Oil & Gas	JKX LN	London	61.75 GBP	+3.8	+13.3	-13.6	+2.9	1.03	177.5	183.9	47.2	83.8	38.8	88.8	0.05	1,866	27.3	15.7	6.4	2.8	2.3	2.1	1.0	1.0	0.9	0.4	5.5
Regal Petroleum	RPT LN	London	9.38 GBP	+5.6	+17.2	-27.9	-57.9	0.16	50.3	23.5	80.9	40.7	0.0	5.6	0.01	14,099	Neg.	25.2	N/A	1.1	0.9	N/A	0.6	0.5	N/A	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	142.50 UAH	-0.3	+9.2	+57.6	+90.0	12.03	153.8	131.3	5.0	7.7	1.2	2.6	0.00	20,834	3.2	N/A	N/A	0.9	N/A	N/A	0.1	N/A	N/A	3.5	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+6.6	+13.8	-8.0	-18.6	0.00	77.7	1,262.6	3.9	3.0	13.0	10.3	0.25	403	Neg.	Neg.	N/A	N/A	Neg.	N/A	1.0	0.7	N/A	N/A	64.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	3.29 UAH	+2.8	+10.1	+11.0	+2.1	0.28	54.1	51.1	4.0	2.2	8.0	14.3	0.28	358	Neg.	29.8	0.8	Neg.	1.0	0.4	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.79 UAH	+0.4	+11.8	+18.4	+30.9	0.07	281.4	274.3	4.1	11.5	13.2	13.6	0.09	1,101	Neg.	Neg.	Neg.	Neg.	Neg.	7.8	0.1	0.1	0.1	0.2	0.0
Ferrexpo PLC	FXPO LN	London	139.00 GBP	+0.6	-4.5	-25.2	-18.0	2.33	1,369.2	2,030.4	22.4	306.7	2,071.6	2,463.0	0.45	220	5.2	5.7	6.5	4.0	4.4	4.8	1.3	1.3	1.3	0.8	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.65 UAH	+2.7	+4.0	+22.1	+13.5	0.05	14.9	16.1	9.0	1.3	14.3	2.4	0.35	285	Neg.	1.3	0.7	0.1	0.6	0.4	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	43.79 UAH	+12.9	+25.8	+36.8	+27.7	3.70	39.0	34.6	9.4	3.7	71.0	12.3	0.25	398	6.7	Neg.	Neg.	Neg.	Neg.	1.0	0.0	0.0	0.0	1.0	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.97 EUR	-2.0	-6.7	-21.8	-38.6	1.32	121.8	148.8	34.0	41.4	49.5	36.8	0.08	1,296	Neg.	N/A	N/A	Neg.	N/A	N/A	2.3	N/A	N/A	1.0	35.9
Agroliga	AGL PW	Warsaw	18.99 PLN	-0.1	+11.1	-26.8	+21.7	6.24	9.6	10.5	16.7	1.6	2.6	9.6	0.28	358	2.2	N/A	N/A	3.0	N/A	N/A	0.5	N/A	N/A	0.8	5.7
Agroton	AGT PW	Warsaw	2.55 PLN	-3.4	+5.8	+30.8	-13.6	0.84	18.1	63.4	26.2	4.8	149.4	398.7	2.44	41	Neg.	2.6	2.3	23.7	6.7	4.0	0.8	0.7	0.8	0.2	28.4
Astarta Holdin...	AST PW	Warsaw	44.04 PLN	-1.6	+7.4	-34.2	-23.3	14.46	361.6	679.1	31.0	112.2	156.5	180.6	0.13	792	10.3	7.9	5.1	9.0	5.1	5.5	1.4	1.4	1.3	1.0	38.2
Avangard	AVGR LI	London Intl	8.98 USD	-0.2	-0.2	-23.6	-5.5	8.98	573.6	804.5	21.7	124.5	122.9	299.1	0.06	1,600	2.4	2.5	2.5	2.7	2.7	2.7	1.2	1.1	1.1	0.0	17.8
IMC	IMC PW	Warsaw	9.68 PLN	-0.3	+3.5	-20.3	-19.3	3.18	99.5	224.7	23.9	23.8	3.5	93.1	0.33	300	3.8	3.8	2.1	4.2	3.9	3.2	2.0	1.2	0.9	0.7	38.7
Kernel Holding...	KER PW	Warsaw	27.55 PLN	+0.2	-1.7	-27.6	-53.9	9.05	720.9	1,744.2	58.8	423.7	3,430.5	3,014.1	0.64	156	6.5	11.8	4.4	6.0	6.7	5.1	0.6	0.7	0.7	0.6	30.6
MHP	MHPC LI	London Intl	14.62 USD	+3.0	+24.3	-14.3	-21.0	14.62	1,544.8	2,705.7	22.3	344.8	438.6	1,655.2	0.18	550	9.9	5.7	5.0	6.9	5.6	5.1	1.8	1.8	1.6	2.7	19.6
Milkiland	MLK PW	Warsaw	6.35 PLN	+0.8	-8.0	-49.2	-38.3	2.09	65.2	195.5	20.0	13.0	21.9	10.9	0.12	868	4.4	7.3	3.3	5.9	3.8	3.5	0.4	0.4	0.4	0.3	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	4.85 EUR	+0.0	+3.2	-10.2	+11.5	6.60	700.8	1,432.7	20.0	140.2	0.0	7.9	0.00	53,939	4.0	4.9	8.1	6.2	5.6	5.3	4.1	3.8	3.4	0.8	34.8
Ovostar Union	OVO PW	Warsaw	66.95 PLN	+1.4	-4.3	-33.1	-21.1	21.99	131.9	140.7	25.0	33.0	7.0	24.5	0.05	1,900	4.3	6.6	6.5	3.8	5.4	4.8	1.6	1.7	1.3	1.0	8.5
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.17 EUR	+0.0	-24.4	-46.4	-62.2	0.23	12.0	171.3	13.1	1.6	0.0	0.2	0.01	6,741	Neg.	N/A	N/A	Neg.	N/A	N/A	7.9	N/A	N/A	0.1	44.1
FINANCIAL SERVICES																											
Forum Bank	FORM UK	Kiev, UX	0.71 UAH	+0.1	+18.9	-6.4	+23.9	0.06	35.6	N/A	5.5	2.0	0.7	1.4	0.03	3,086	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	-0.5	-7.6	+44.4	+55.2	0.01	414.7	N/A	3.8	15.8	15.0	55.1	0.41	244	4.8	Neg.	13.8	N/A	N/A	N/A	N/A	N/A	N/A	0.7	28.3
Ukrsotsbank	USCB UK	Kiev, UX	0.17 UAH	+1.3	+8.3	-9.4	+39.0	0.01	260.1	N/A	4.5	11.7	6.5	3.7	0.02	5,495	Neg.	14.3	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 29-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)

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 slightly

Broader banking sector liquidity rose only UAH0.51bn yesterday to UAH40.90bn as banks' correspondent accounts with the NBU increased UAH2.02bn to UAH29.72bn and total CDs outstanding declined UAH1.00bn to UAH7.22bn. Total local currency debt repayments scheduled for the next 30 days fell UAH0.51bn to UAH3.97bn after Wednesday's debt repayments.

KyivPrime interest rates slightly declined: the KyivPrime ON interest rate fell 22bp to 5.00% while the KyivPrime 1M interest rate slid 12bp to 16.88%.

Investment implications: Liquidity rose insignificantly as banks' correspondent accounts rose due to CD redemptions and debt repayments on Wednesday. The NBU's loans were insufficient to have an impact on liquidity.

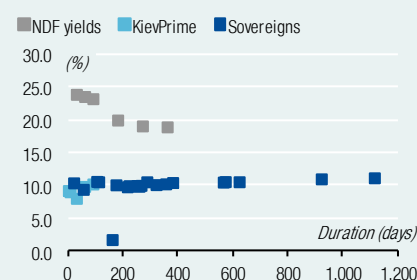
Eurobonds correct

After two weeks of price increases and yield declines, prices slightly corrected but the yield curve adjusted to the range of 8.40-9.98% yesterday, as UKRAIN 6.875% '15 declined 10bp to 9.98%, UKRAIN 9.25% '17 rose 23bp to 9.50%, UKRAIN 7.95% '21 was up 13bp to 8.88%, UKRAIN 7.80% '22 rose 23bp to 9.16%, while UKRAIN 7.50% '23 rose 13bp to 8.78%. The 5-year CDS slid to 880bp.

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Yield curve of the local bond market

(as of market close on 29 May 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 29 May 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	5.00	-22bp	+0bp	-20bp	-280bp
1wk	8.02	-20bp	-48bp	-238bp	-178bp
1m	16.88	-12bp	-12bp	-212bp	+63bp
2m	18.00	-10bp	-13bp	-20bp	+160bp
3m	18.00	-10bp	-13bp	+0bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	29,715	+7.28	+8.51	-6.76	-9.13
CDs ²	13,808	-3.88	-12.24	-16.58	+808.4
Sovgns ³	3,965	+0.00	+10.06	-29.47	+165.2
Total	47,489	+3.17	+1.64	-12.13	+32.96
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	177,263	+0.00	+0.20	+1.18	+22.38
Banks	83,726	-0.20	-0.18	-1.01	+4.44
Resid's ⁴	10,110	+0.11	-2.19	-6.11	-18.45
Non-res ⁵	16,064	-0.30	-0.20	+1.42	+37.31
Total	287,163	-0.07	-0.02	+0.28	+15.27
NDF IMPLIED YIELDS (%)					
3m	24.26	+232bp	-94bp	-28ppt	+12bp
6m	21.59	+121bp	-122bp	-13ppt	+819bp
9m	19.68	+84bp	-189bp	-733bp	+567bp
1yr	19.30	+65bp	-11bp	-388bp	+431bp
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	880	-10bp	-96bp	-302bp	+64bp
Jun '16	8.77	+15bp	-100bp	-519bp	-12bp
Jul '17	9.51	+23bp	-64bp	-270bp	-5bp
Sep '20	8.74	+9bp	-34bp	-196bp	-45bp
Sep '21	8.89	+14bp	-26bp	-177bp	-33bp
Sep '22	9.17	+24bp	-15bp	-119bp	-18bp
Feb '23	8.79	+13bp	-22bp	-128bp	-26bp

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.

Electricity tariffs for households in Ukraine to rise 10-40% in June

The National Electricity Regulatory Commission of Ukraine will raise electricity tariffs for households by 10-40% depending on their consumption volumes starting from 1 June, according to a press release issued yesterday.

The commission stated that as of May, the population pays only 24% of the actual cost of production, transmission and distribution of electricity, with the rest being cross-subsidized from tariffs paid by other electricity users.

Investment implication: The long-anticipated rise in household electricity tariffs bodes well for Ukrainian electricity producers and distributors, and primarily to the sector leader, DTEK, which earned 42% of its 2013 revenues from sales of electricity to domestic end customers, including households.

Table 2. DTEK Eurobond quotation as of market close, 29 May 2014

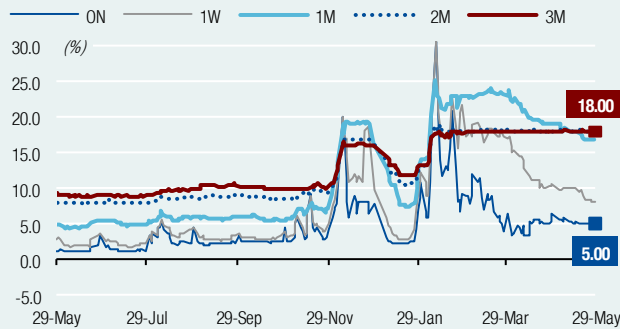
Issuer	Moody's/S&P/Fitch	Ccy	Volume	Coupon rate (%)	Maturity	Price (%)	YTW (%)	Spread (bp)
DTEK	Caa2/--/CCC	USD	500m	9.50	28-Apr-15	94.75	16.26	1601
DTEK	Caa2/--/CCC	USD	750m	7.875	04-Apr-18	84.25	13.233	1172

Source: Bloomberg

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Chart page: Local bond market & Eurobond markets

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



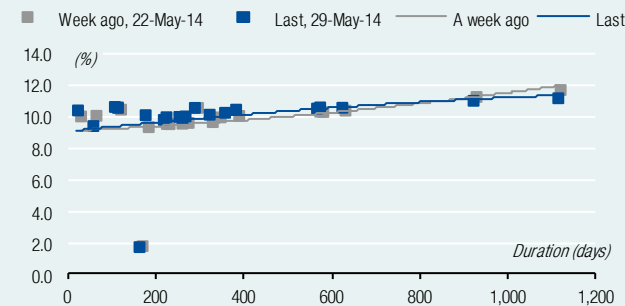
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



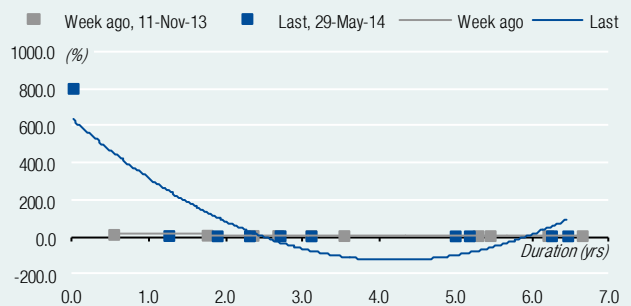
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



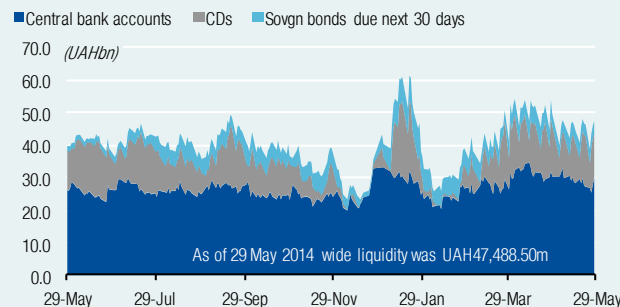
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



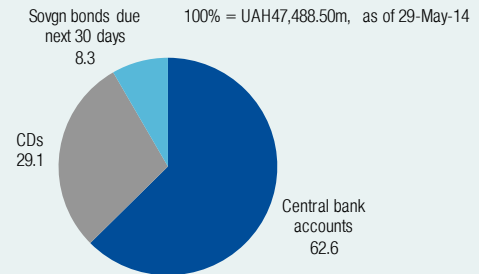
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



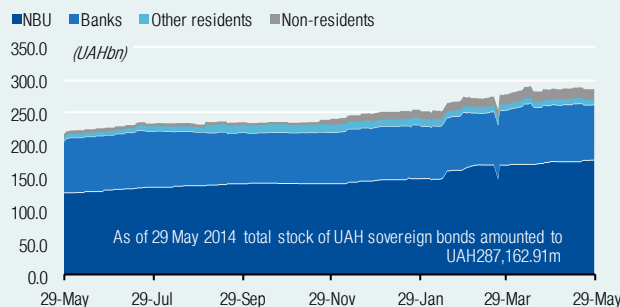
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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



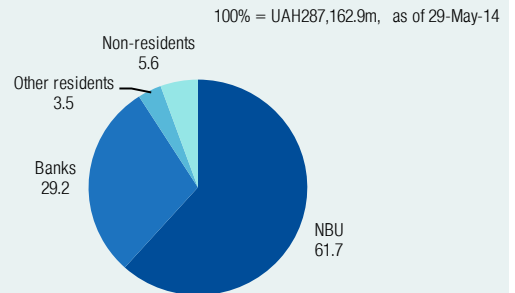
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 29 May 2014



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

FX: News & Comments

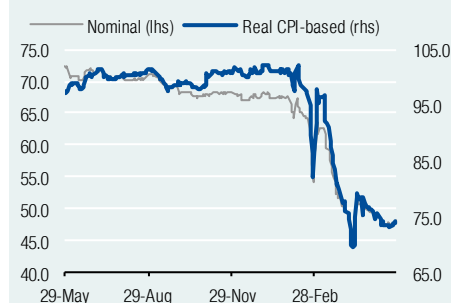
UAH begins to rebound

Despite ongoing deadly battles that sporadically erupted yesterday in the Donetsk oblast between Ukraine's army and pro-Kremlin militants, the hryvnia rose a slight 0.55% on US\$317m in trading. The Kremlin-driven insurgency has escalated as 14 soldiers died in a helicopter crash caused by militant gunfire, an event that contradicts the Kremlin's softening stance on Ukraine. The RUB fell as most major global currencies gained on the dollar, indicating negative investor sentiment arising from the Kremlin's hypocrisy. Meanwhile, the hryvnia's real trade-weighted index rose 0.50% on the mixed performance of its main trading partners' currencies, with the Euro up 0.08%, the ruble down 0.25%, and the Chinese yuan up 0.25%.

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ICU's UAH trade-weighted indices

(Last 12-month history to 30 May 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 29 May 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	11.8400	-0.55	-0.96	+2.51	+43.69
NBU avg	11.7656	+0.48	+0.30	+3.13	+44.35
Tt vlm ¹	432.79	+12.46	+33.26	+17.62	-84.56
\$ volume ²	317.16	+16.68	+49.68	+23.39	-85.65
NDF 3M	12.5500	+0.00	-1.18	-3.83	+47.91
NDF 6M	13.1000	+0.00	-1.50	-2.96	+49.20
NDF 1Y	14.0500	+0.00	-1.06	-0.71	+49.15
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	48.142	+0.50	+1.43	-3.07	-28.72
UAH real CPI	74.228	+0.50	+1.43	-3.07	-26.56
UAH real PPI	102.822	+0.50	+1.43	-3.07	-25.91
USD nom'l	80.494	-0.10	+0.30	+0.86	+0.57
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	34.6568	+0.25	+0.91	-2.79	+5.44
EUR/USD	1.3602	+0.08	-0.40	-1.52	-1.03
USD/CNY	6.2397	-0.25	+0.07	-0.29	+3.06
USD/PLN	3.0438	-0.42	-0.06	+0.24	+0.69
USD/TRY	2.0867	-0.60	+0.26	-1.58	-2.86
USD/BYR	10,080.00	-0.40	+0.40	+0.90	+5.66
USD/KZT	183.5100	-0.22	+0.44	+0.79	+18.95
OTHER MAJOR CURRENCIES					
USD/JPY	101.7900	-0.06	+0.05	-0.83	-3.34
GBP/USD	1.6717	+0.04	-0.91	-0.65	+0.97
USD/CHF	0.8979	-0.06	+0.41	+1.63	+0.56
AUD/USD	0.9307	+0.77	+0.88	+0.42	+4.37
USD/CAD	1.0837	-0.35	-0.50	-0.98	+2.01
USD/BRL	2.2242	-0.35	+0.37	-0.53	-5.84
USD/KRW	1,020.60	-0.09	-0.36	-0.97	-2.78
COMMODITIES					
Gold(\$/oz)	1,255.58	-0.20	-2.97	-3.11	+4.14
WTI crude ³	103.58	+0.84	-0.52	+2.27	+5.24
Brent crd ³	111.07	+0.10	-0.50	+1.52	+0.23
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	307.34	+0.43	-0.09	-1.45	+9.70

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>).

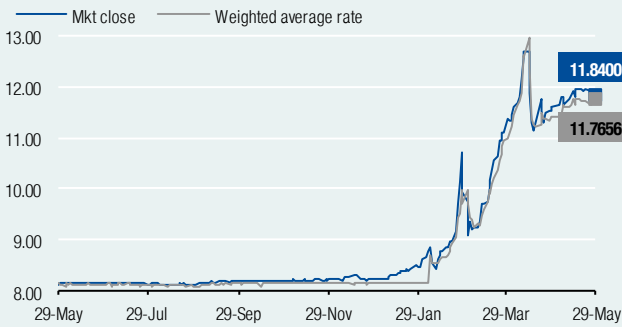
Section on FX market is continued on next page.

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.

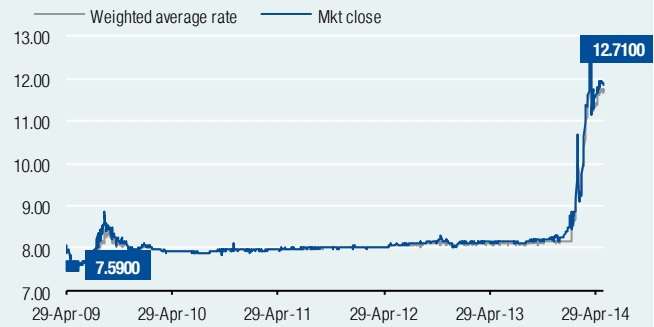
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

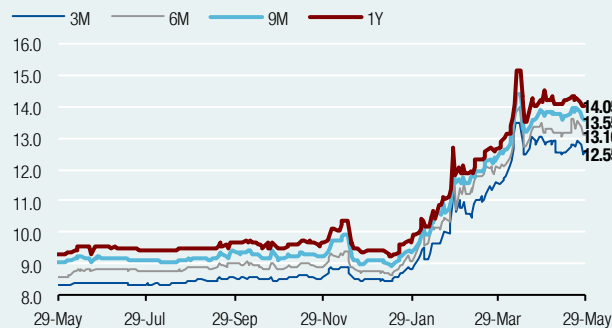


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

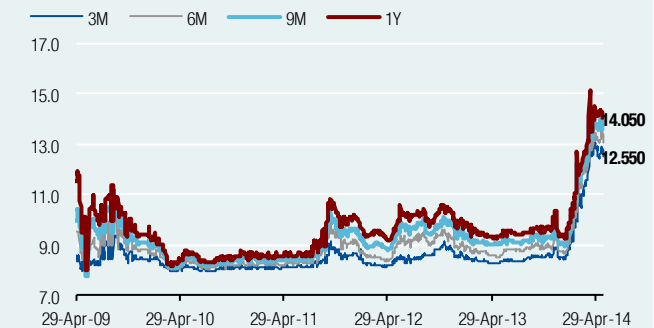


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

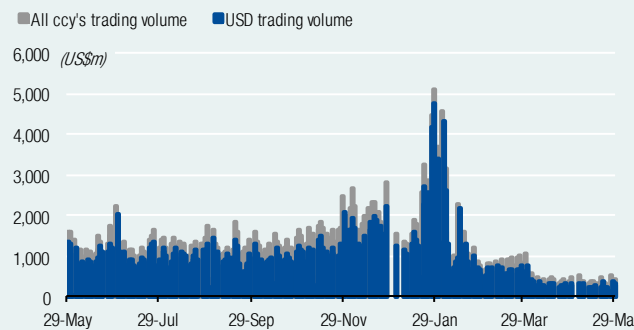


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

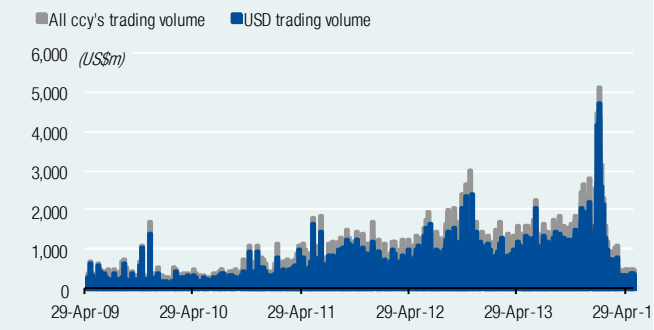


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

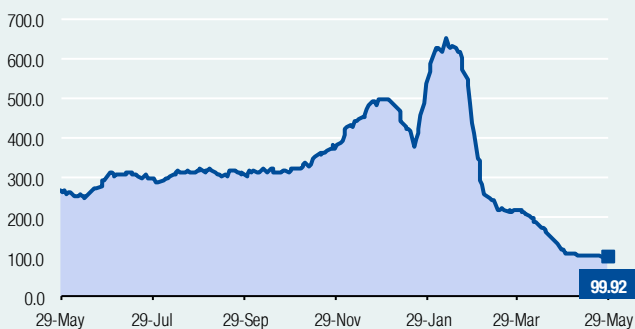


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)



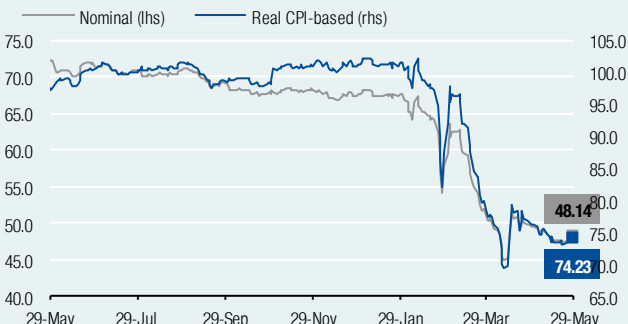
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

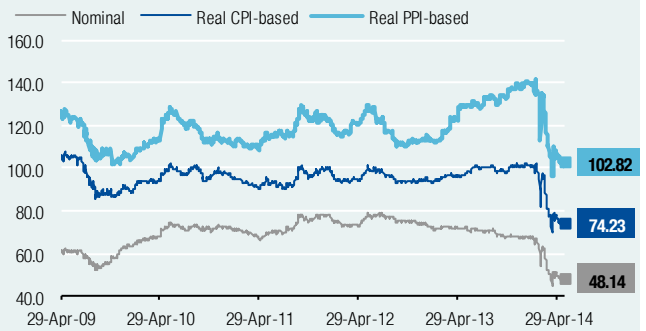
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



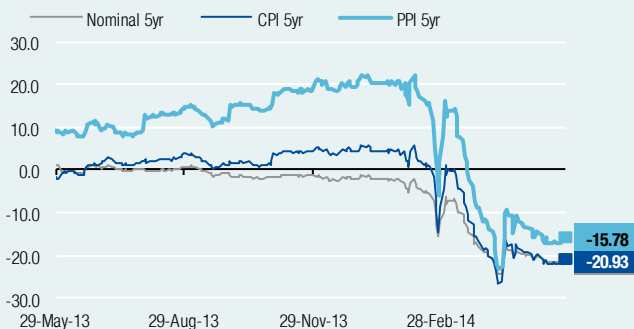
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

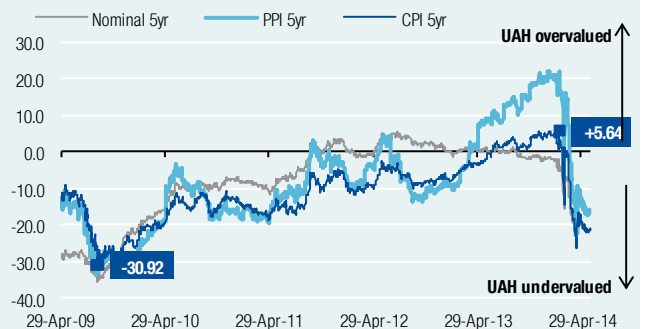


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

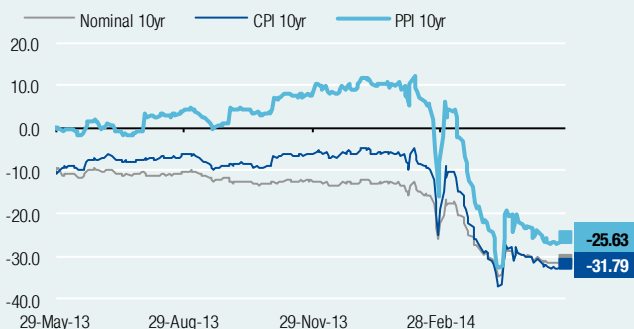


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

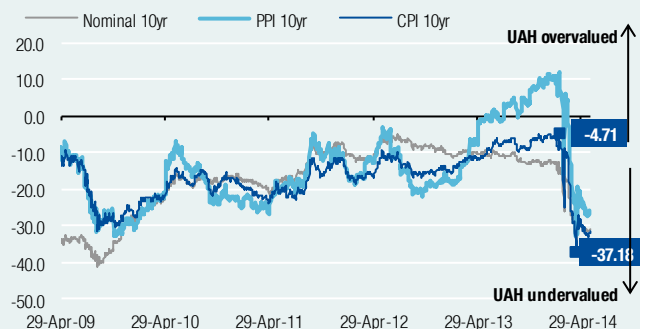


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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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.

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