


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity down; Yields up; UAH down on Russian invasion

FRIDAY, 13 JUNE, 2014

RESEARCH INSIGHT

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UX Index (3 months to 13 Jun 2014)



Key market indicators (as of 12 Jun 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	11.7000	+0.13	+41.99
USD/UAH (1Y NDF)	13.7050	+0.00	+45.49
EUR/USD	1.3552	+0.15	-1.39
USD/RUB	34.3232	-0.15	+4.42
KievPRIME O/N (%)	N/A		
KievPRIME 1M (%)	N/A		

BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	-8,900bp	-8,900bp
Ukraine 17, Eurobond (%)	9.08	+32bp	-48bp
Ukraine 22, Eurobond (%)	8.86	+16bp	-48bp
Ukraine 23, Eurobond (%)	8.62	+11bp	-42bp
Ukraine 5Y CDS	798bp	+39bp	-19bp

EQUITIES

Stock market indices

UX (Ukraine)	1,242.14	+0.84	+36.49
MSCI World	424.99	-0.31	+4.02
MSCI EM	1,054.74	-0.12	+5.19
RTS (Russia)	N/A		
WIG-20 (Poland)	2,476.39	-0.45	+3.14
S&P 500 (USA)	1,930.11	-0.71	+4.42

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

KER PW	1.88	35.0% of total ¹
FXPO LN	1.54	28.8%
CEEN UK	0.54	10.0%

GAINERS: Top 3 stocks (in listed currency)

AVGR LI	USD 10.00	+5.26	-14.89
YASK UK	UAH 0.74	+5.00	+38.68
ENMZ UK	UAH 45.94	+4.43	+43.52

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 12-Jun-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	+0.0	-1.4	-12.0	-44.3	0.15	35.8	27.3	40.2	14.4	1.5	8.8	0.06	1,785	Neg.	Neg.	Neg.	4.1	8.5	17.1	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.45 UAH	+1.9	+26.3	+56.3	+65.7	0.64	235.8	290.2	21.7	51.2	536.0	203.3	0.45	220	5.7	5.0	3.6	0.5	3.8	2.2	0.5	0.4	0.3	1.1	12.2
Coal Energy	CLE PW	Warsaw	1.34 PLN	-2.2	+14.5	+27.6	-62.4	0.44	19.9	114.2	25.0	5.0	53.2	128.4	0.85	118	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	41.65 UAH	-0.8	+3.9	+51.0	+90.2	3.57	84.3	125.0	14.2	12.0	163.6	46.7	0.51	197	1.9	2.0	2.4	0.5	1.9	1.3	0.3	0.2	0.2	1.5	17.8
JKX Oil & Gas	JKX LN	London	59.75 GBP	+0.4	+3.0	-16.4	+12.7	1.01	174.1	180.5	47.2	82.2	17.6	76.2	0.05	2,199	26.8	15.4	6.3	2.7	2.2	2.0	1.0	0.9	0.8	0.4	5.5
Regal Petroleum	RPT LN	London	8.75 GBP	+0.0	+0.0	-32.7	-55.7	0.15	47.6	20.8	80.9	38.5	0.0	4.8	0.01	15,588	Neg.	23.8	N/A	0.9	0.8	N/A	0.6	0.5	N/A	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	153.00 UAH	+0.4	+15.0	+69.2	+96.2	13.10	167.6	144.8	5.0	8.4	4.1	2.7	0.01	9,922	3.4	N/A	N/A	1.0	N/A	N/A	0.1	N/A	N/A	3.8	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+2.4	+21.8	-2.1	-10.6	0.00	83.9	1,286.2	3.9	3.2	42.6	13.6	0.52	193	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	3.32 UAH	+2.7	+12.2	+12.2	+1.5	0.28	55.5	52.4	4.0	2.2	46.6	17.6	1.02	98	Neg.	30.1	0.8	Neg.	1.0	0.4	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.77 UAH	+1.9	+12.5	+14.2	+24.0	0.07	275.4	268.3	4.1	11.3	13.6	14.7	0.18	556	Neg.	N/A	Neg.	Neg.	N/A	7.5	0.1	N/A	0.1	0.2	0.0
Ferrexpo PLC	FXPO LN	London	132.70 GBP	+0.2	-9.9	-28.6	-6.8	2.25	1,325.1	1,986.2	22.4	296.8	1,544.1	1,793.1	0.54	184	5.1	5.5	6.5	4.0	4.4	4.7	1.3	1.3	1.3	0.8	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.74 UAH	+5.0	+16.7	+38.7	+24.2	0.06	17.2	18.4	9.0	1.5	48.4	5.0	0.73	136	Neg.	1.5	0.8	0.1	0.7	0.5	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	45.94 UAH	+4.4	+40.2	+43.5	+29.0	3.93	41.5	37.1	9.4	3.9	47.2	16.2	0.52	193	7.0	N/A	Neg.	Neg.	N/A	1.1	0.0	N/A	0.0	1.1	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	1.14 EUR	+0.9	+11.8	-8.1	-27.4	1.55	142.9	169.8	34.0	48.6	6.1	42.7	0.07	1,427	Neg.	N/A	N/A	Neg.	N/A	N/A	2.3	N/A	N/A	1.2	35.9
Agroliga	AGL PW	Warsaw	20.40 PLN	-0.5	+18.1	-21.3	+14.6	6.72	10.3	11.3	16.7	1.7	13.5	7.6	0.29	346	2.4	N/A	N/A	3.3	N/A	N/A	0.5	N/A	N/A	0.8	5.7
Agroton	AGT PW	Warsaw	2.97 PLN	-0.7	+29.7	+52.3	+7.2	0.98	21.2	66.5	26.2	5.6	164.0	342.2	3.09	32	Neg.	3.0	2.7	24.9	7.0	4.2	0.8	0.8	0.8	0.2	28.4
Astarta Holdin...	AST PW	Warsaw	47.03 PLN	-1.0	+19.4	-29.7	-27.6	15.49	387.4	704.2	31.0	120.2	20.5	203.7	0.16	625	11.1	8.4	5.4	9.3	5.3	5.7	1.4	1.4	1.3	1.1	38.2
Avangard	AVGR LI	London Intl	10.00 USD	+5.3	+13.8	-14.9	+8.7	10.00	638.7	869.7	21.7	138.6	107.6	213.1	0.09	1,116	2.7	2.8	2.7	2.9	2.9	3.0	1.3	1.2	1.2	0.0	17.8
IMC	IMC PW	Warsaw	10.01 PLN	+0.1	+11.5	-17.6	-28.0	3.30	103.2	228.5	23.9	24.7	95.3	76.1	0.36	274	4.0	4.0	2.2	4.2	4.0	3.2	2.0	1.2	0.9	0.7	38.7
Kernel Holding...	KER PW	Warsaw	33.96 PLN	-0.1	+19.7	-10.8	-36.5	11.19	891.6	1,914.8	58.8	524.0	1,876.9	4,103.2	0.99	101	8.0	17.2	5.8	6.6	7.4	5.6	0.7	0.8	0.7	0.7	30.6
MHP	MHPC LI	London Intl	15.00 USD	+1.0	+2.1	-12.0	-18.7	15.00	1,585.0	2,745.9	22.3	353.8	216.3	1,609.6	0.26	388	10.2	5.8	5.3	7.0	5.7	5.3	1.8	1.8	1.6	2.7	19.6
Milkiland	MLK PW	Warsaw	7.36 PLN	-2.8	+19.7	-41.1	-38.7	2.42	75.8	205.8	20.0	15.2	8.1	12.8	0.13	745	5.2	N/A	3.8	6.2	4.0	3.6	0.4	0.5	0.4	0.3	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	4.65 EUR	+0.0	-0.5	-13.9	+9.5	6.31	670.0	1,401.8	20.0	134.0	10.2	13.5	0.02	5,522	3.8	4.7	7.7	6.1	5.5	5.2	4.0	3.8	3.3	0.8	34.8
Ovostar Union	OVO PW	Warsaw	71.37 PLN	-2.2	+8.1	-28.6	-16.0	23.51	141.1	149.9	25.0	35.3	0.9	18.2	0.08	1,251	4.6	7.0	6.9	4.1	5.7	5.1	1.7	1.8	1.4	1.0	8.5
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	9.95 PLN	-0.3	-9.5	-68.3	-68.9	3.28	30.5	14.5	10.9	3.3	1.0	2.0	0.05	2,182	4.5	N/A	N/A	1.3	N/A	N/A	0.5	N/A	N/A	0.5	5.6
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.19 EUR	+0.0	+24.2	-41.6	-60.0	0.25	13.0	172.3	13.1	1.7	0.0	0.2	0.01	14,663	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	0.55 UAH	-8.3	+37.5	-27.6	+0.4	0.05	28.0	N/A	5.5	1.5	0.4	1.1	0.09	1,105	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	-0.3	+1.5	+40.0	+59.4	0.01	408.0	N/A	3.8	15.6	322.9	68.1	0.66	153	4.7	Neg.	13.4	N/A	N/A	N/A	N/A	N/A	N/A	0.7	28.3
UkrSotsbank	USCB UK	Kiev, UX	0.17 UAH	-0.2	+14.5	-8.4	+44.9	0.01	266.8	N/A	4.5	12.0	0.8	4.4	0.06	1,798	Neg.	14.5	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 12-Jun-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 falls to month low

With broader banking sector liquidity above UAH40.00bn at the beginning of the month, this indicator fell UAH3.16bn yesterday to UAH39.54bn, this month's low. Banks' correspondent accounts with the NBU declined again, down UAH1.31bn to UAH28.14bn while UAH0.17bn was absorbed by the NBU as it increased total CDs outstanding to UAH7.04bn. Debt repayments had little impact on liquidity as total local currency debt repayments scheduled for the next 30 days fell UAH2.01bn to UAH4.37bn against bank purchases of UAH2.35bn in new government bonds on Wednesday.

Investment implications: *Although liquidity continues to decline, there was no significant outflow to the FX market due to scheduled budget payments, most likely on private or off-market loans last year or at the beginning of the year from NBU efforts to tighten FX demand.*

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Yields slightly volatile

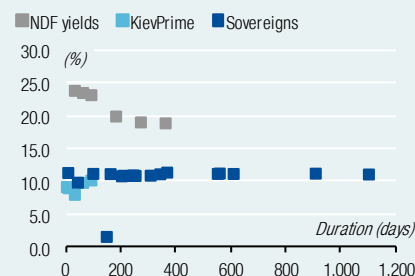
After increasing significantly on Wednesday, YTM's yesterday were slightly volatile and remained below 9.0%. At the close, the yield curve adjusted to the range of 8.39-9.05%, as UKRAIN 6.875% '15 rose 65bp to 8.76%, UKRAIN 9.25% '17 was up 29bp to 9.05%, UKRAIN 7.95% '21 increased 7bp to 8.39% and UKRAIN 7.80% '22 rose 16bp to 8.86%, while UKRAIN 7.50% '23 rose 11bp to 8.62%. The 5-year CDS rose to 798bp.

Investment implications: *The Russian invasion and uncertainty of gas price negotiations push yields higher, particularly with Naftogaz's upcoming Eurobond redemption scheduled in September.*

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Yield curve of the local bond market

(as of market close on 12 Jun 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 12 Jun 2014)

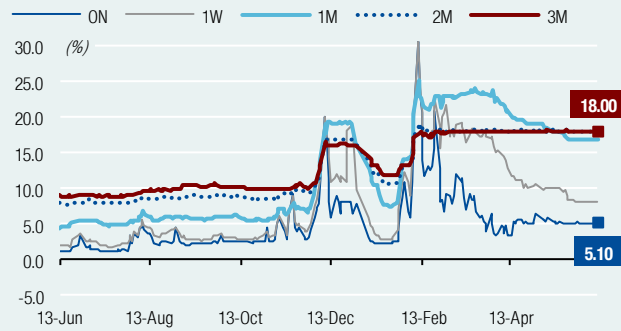
	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	N/A	N/A	N/A	N/A	N/A
1wk	N/A	N/A	N/A	N/A	N/A
1m	N/A	N/A	N/A	N/A	N/A
2m	N/A	N/A	N/A	N/A	N/A
3m	N/A	N/A	N/A	N/A	N/A
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	28,140	-4.46	-4.67	-7.57	-13.95
CDs ²	11,783	-1.96	-23.14	+86.94	+675.2
Sovgns ³	4,183	+0.00	-16.61	-25.21	+179.8
Total	44,106	-3.39	-11.55	+4.17	+23.49
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	N/A	N/A	N/A	N/A	N/A
Banks	N/A	N/A	N/A	N/A	N/A
Resid's ⁴	N/A	N/A	N/A	N/A	N/A
Non-res ⁵	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A
NDF IMPLIED YIELDS (%)					
3m	19.40	-54bp	+27bp	-684bp	+726bp
6m	18.34	-28bp	+59bp	-514bp	+493bp
9m	17.85	-19bp	+13bp	-482bp	+384bp
1yr	17.77	-15bp	+42bp	-252bp	+278bp
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	798	+39bp	-52bp	-380bp	-19bp
Jun '16	8.81	+77bp	-25bp	-569bp	-8bp
Jul '17	9.08	+32bp	-32bp	-441bp	-48bp
Sep '20	8.50	+19bp	-33bp	-246bp	-69bp
Sep '21	8.40	+8bp	-50bp	-262bp	-82bp
Sep '22	8.86	+16bp	-22bp	-171bp	-48bp
Feb '23	8.62	+11bp	-9bp	-159bp	-42bp

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



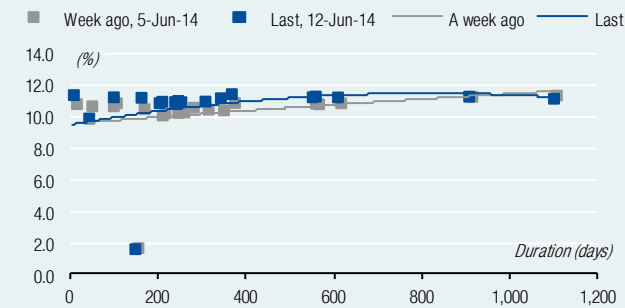
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



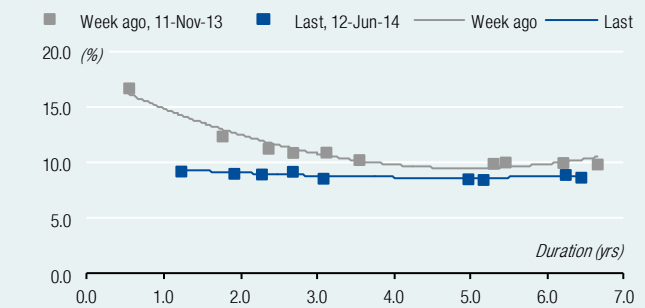
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 12 Jun 2014



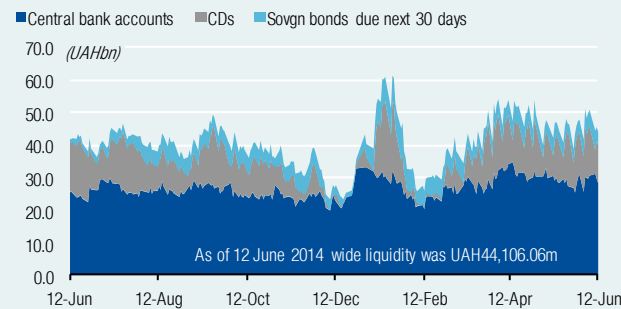
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 12 Jun 2014



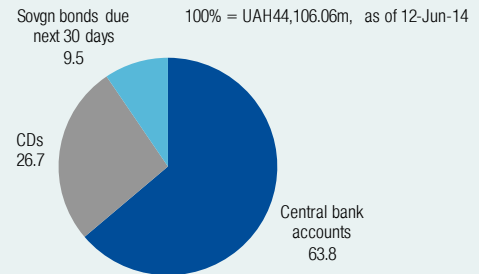
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



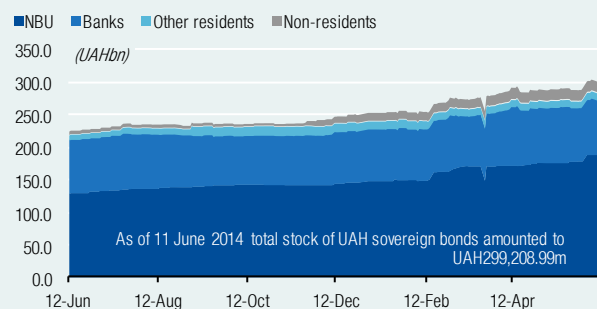
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 12 Jun 2014



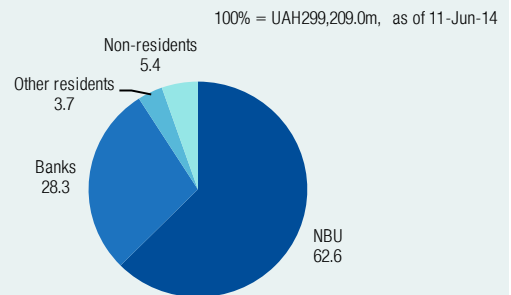
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 12 Jun 2014



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

FX: News & Comments

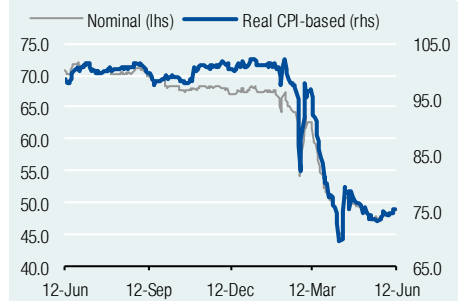
Russian invasion causes hryvnia to fall

The threat of a Russian invasion is no longer a threat, according to media reports, as Russian tanks crossed the Ukrainian border into a sleepy but pro-Kremlin militant stronghold town in the Donbass area. As the Ukrainian army destroyed part of the Russian convoy, newly inaugurated president Poroshenko made an emergency call to Putin. While details of the conversation are unavailable, the Kremlin appears to be intent on taking possession of Crimea, Donetsk, and Luhansk. Its tactics seem to be only one phase of a long-term strategy that no G7-influenced peace talk will impede. Although tougher sanctions on Russia might temporarily decrease Ukraine's geopolitical risk, the Kremlin appears to welcome the West's soft sanctions as Russian voters support Putin's aggressive moves. The hryvnia weakened, reportedly without NBU intervention, as it closed at 11.70/USD on US\$235.15m in trading. FX markets were mixed yesterday as the RUB rose 0.15% and the EUR added 0.15%, most likely in a positive reaction to news that Chinese authorities will increase public spending to stimulate the economy. The UAH's real trade-weighted index to fell 0.21%.

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ICU's UAH trade-weighted indices

(Last 12-month history to 13 Jun 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 12 Jun 2014)

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

USD/UAH MARKET (HRYVNIA per US DOLLAR)

Spot mkt	11.7000	+0.13	-1.39	-0.72	+41.99
NBU avg	11.6547	+0.20	-0.90	+0.42	+42.99
Tt1 vlm ¹	321.30	-29.04	-10.30	+1.33	-88.53
\$ volume ²	235.15	-28.09	-11.33	+1.28	-89.36
NDF 3M	12.2600	+0.00	-1.33	-2.31	+44.49
NDF 6M	12.7550	+0.00	-1.12	-3.00	+45.27
NDF 1Y	13.7050	+0.00	-1.05	-2.80	+45.49

TRADE-WEIGHTED INDICES (TWIs, points)

UAH nom'l	48.672	-0.21	+1.31	+0.56	-27.94
UAH real CPI	75.045	-0.21	+1.31	+0.56	-25.75
UAH real PPI	103.953	-0.21	+1.31	+0.56	-25.10
USD nom'l	80.576	-0.26	+0.26	+0.84	+0.68

FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs

USD/RUB	34.3232	-0.15	-1.06	-2.18	+4.42
EUR/USD	1.3552	+0.15	-0.79	-1.49	-1.39
USD/CNY	6.2191	-0.14	-0.57	-0.29	+2.72
USD/PLN	3.0369	+0.06	+0.42	-0.09	+0.46
USD/TRY	2.1116	-0.24	+0.73	+1.48	-1.70
USD/BYR	10,190.00	+0.10	+0.49	+1.60	+6.81
USD/KZT	183.5300	+0.00	+0.01	+0.82	+18.97

OTHER MAJOR CURRENCIES

USD/JPY	101.7000	-0.36	-0.69	-0.42	-3.43
GBP/USD	1.6929	+0.84	+0.65	+0.36	+2.25
USD/CHF	0.8985	-0.16	+0.80	+1.21	+0.63
AUD/USD	0.9426	+0.46	+0.92	+0.68	+5.71
USD/CAD	1.0856	-0.11	-0.63	-0.37	+2.19
USD/BRL	2.2312	-0.11	-1.37	+0.76	-5.54
USD/KRW	1,017.59	+0.18	-0.29	-0.67	-3.07

COMMODITIES

Gold(\$/oz)	1,273.45	+0.98	+1.58	-1.73	+5.62
WTI crude ³	106.53	+2.04	+3.95	+5.91	+8.24
Brent crd ³	112.60	+1.96	+3.12	+4.07	+1.61
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	308.62	+1.11	+1.43	+1.02	+10.15

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>).

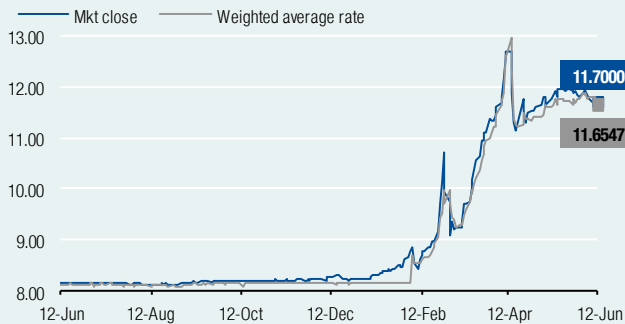
Section on FX market is continued on next page.

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.

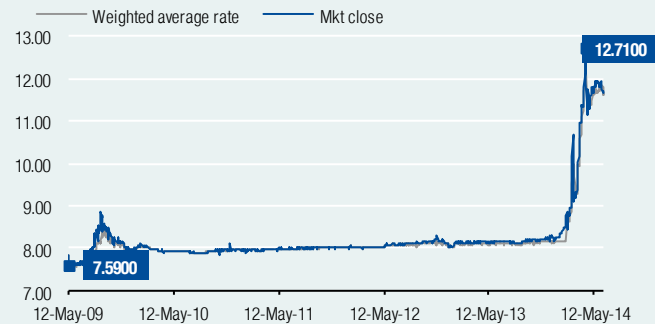
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

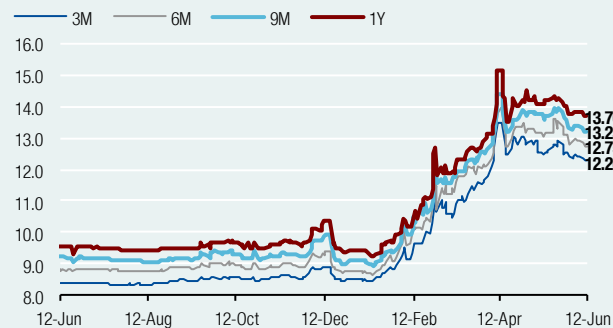


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

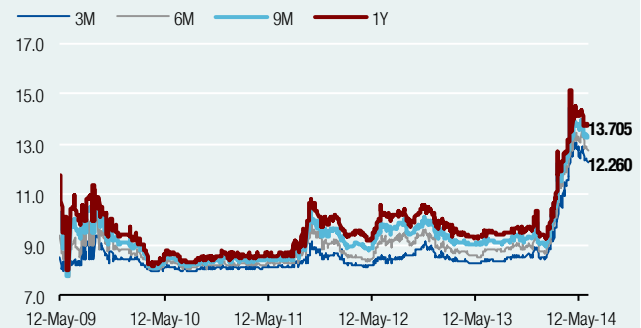


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)

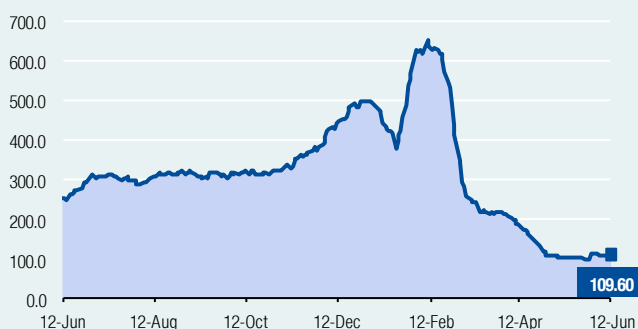


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)



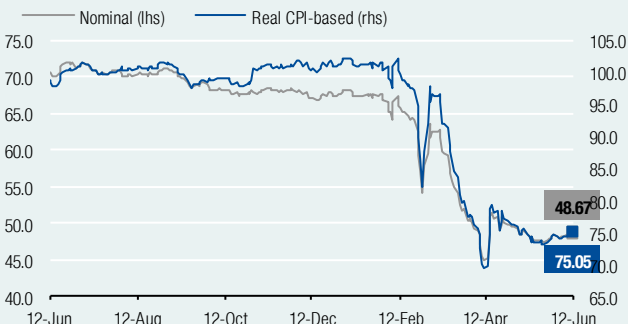
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

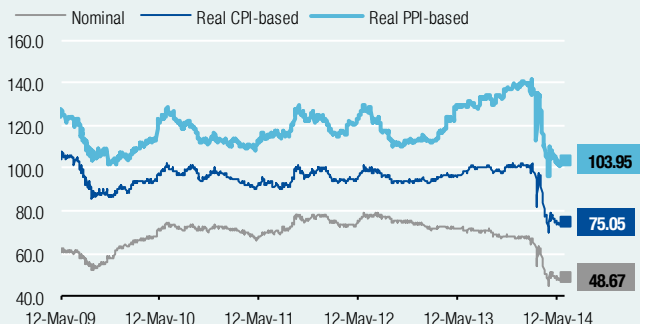
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

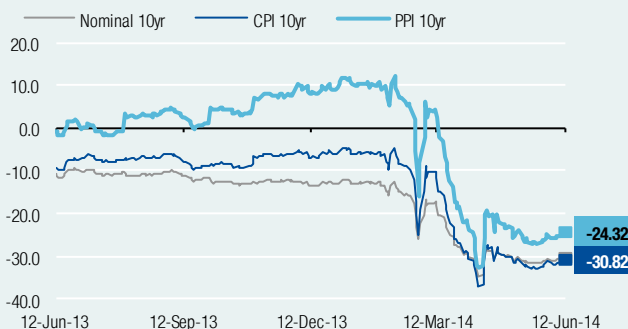


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.



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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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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