


**INVESTMENT CAPITAL UKRAINE**  
 INVESTMENT BANKING

# Daily Insight

Liquidity declines; Auction announcement; YTM's increase ; UAH flat at 11.7/USD, mixed in TWI terms

TUESDAY, 15 JULY, 2014

RESEARCH INSIGHT

## Contents

<b>Bonds: News &amp; Comments</b>	<b>4</b>
Liquidity declines slightly .....	4
Eurobond YTM's increase slightly .....	4
Primary auction announcement .....	4
Chart page: Local bond market & Eurobond markets .....	5
<b>FX: News &amp; Comments</b>	<b>6</b>
UAH flat at 11.7/USD, mixed in TWI terms .....	6
Chart page #1: Foreign-exchange market .....	7
Chart page #2: ICU's UAH trade-weighted indices .....	8

### UX Index (3 months to 15 Jul 2014)



### Key market indicators (as of 14 Jul 2014)

	Last	Daily chg (%)	YTD chg (%)
<b>FX &amp; MONEY RATES</b>			
USD/UAH	11.7200	+0.11	+42.23
USD/UAH (1Y NDF)	13.5250	+0.52	+43.58
EUR/USD	1.3619	+0.08	-0.90
USD/RUB	34.3302	+0.31	+4.44
KievPRIME O/N (%)	5.13	+3bp	-267bp
KievPRIME 1M (%)	17.00	-15bp	+75bp

### BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	+349bp	-8,551bp
Ukraine 17, Eurobond (%)	7.92	+25bp	-164bp
Ukraine 22, Eurobond (%)	8.40	+8bp	-94bp
Ukraine 23, Eurobond (%)	8.32	+10bp	-72bp
Ukraine 5Y CDS	764bp	+11bp	-53bp

### EQUITIES

#### Stock market indices

UX (Ukraine)	1,252.20	-0.44	+37.60
MSCI World	430.11	+0.62	+5.28
MSCI EM	1,063.66	+0.47	+6.08
RTS (Russia)	1,361.89	-1.54	-5.60
WIG-20 (Poland)	2,380.36	+0.35	-0.86
S&P 500 (USA)	1,977.10	+0.48	+6.97

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

FXPO LN	2.29	46.3% of total <sup>1</sup>
KER PW	0.93	18.8%
CEEN UK	0.70	14.2%

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

YASK UK	UAH 0.71	+2.90	+33.96
FXPO LN	GBp 142.70	+1.64	-23.22
ENMZ UK	UAH 42.93	+1.37	+34.11

#### 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 14-Jul-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	11.13 GBP	+0.0	+17.1	+7.2	-30.5	0.19	43.9	-19.2	40.2	17.7	0.0	11.1	0.07	1,417	Neg.	Neg.	Neg.	2.9	6.0	12.0	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.85 UAH	+0.3	+6.5	+64.6	+60.5	0.67	247.3	301.5	21.7	53.7	701.5	371.2	1.13	89	6.0	5.3	3.7	0.5	4.0	2.3	0.5	0.4	0.3	1.2	12.2
Coal Energy	CLE PW	Warsaw	1.14 PLN	-1.7	-13.0	+8.6	-47.0	0.38	16.9	111.2	25.0	4.2	10.8	37.8	0.46	218	Neg.	Neg.	4.2	4.9	13.9	3.8	0.9	1.1	1.0	0.2	39.8
Donbasenergo	DOEN UK	Kiev, UX	38.72 UAH	-2.0	-6.5	+40.3	+59.7	3.30	78.1	118.7	14.2	11.1	66.4	64.5	0.78	129	1.7	1.7	2.2	0.5	1.6	1.3	0.2	0.2	0.2	1.4	17.8
JKX Oil & Gas	JKX LN	London	56.75 GBP	+0.4	-4.4	-20.6	+8.6	0.97	166.4	172.9	47.2	78.6	46.1	39.9	0.04	2,286	25.6	14.7	6.0	2.6	2.1	1.9	1.0	0.9	0.8	0.3	5.5
Regal Petroleum	RPT LN	London	9.25 GBP	+0.0	+5.7	-28.8	-46.4	0.16	50.7	23.8	80.9	41.0	0.0	6.9	0.02	4,228	Neg.	25.3	N/A	1.1	0.9	N/A	0.6	0.5	N/A	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	140.00 UAH	+0.0	-8.5	+54.9	+72.8	11.95	152.8	130.0	5.0	7.6	0.1	3.0	0.06	1,541	3.1	N/A	N/A	0.9	N/A	N/A	0.1	N/A	N/A	3.5	0.0
<b>METALLURGY</b>																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	-1.1	-3.0	-6.0	-14.1	0.00	80.3	1,278.1	3.9	3.1	49.3	27.9	1.75	57	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	3.22 UAH	-2.4	-3.1	+8.6	-1.0	0.27	53.5	50.4	4.0	2.1	31.2	28.9	1.91	52	Neg.	29.2	0.8	Neg.	0.9	0.4	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.82 UAH	-0.4	+6.9	+21.9	+30.1	0.07	293.1	285.9	4.1	12.0	12.8	19.0	0.17	592	Neg.	N/A	Neg.	Neg.	N/A	8.0	0.1	N/A	0.1	0.2	0.0
Ferrexpo PLC	FXPO LN	London	142.70 GBP	+1.6	+10.3	-23.2	-5.2	2.44	1,434.6	2,095.8	22.4	321.3	2,293.4	1,794.9	0.66	152	5.5	6.8	8.1	4.2	4.8	5.4	1.3	1.4	1.4	0.9	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.71 UAH	+2.9	-1.4	+34.0	+24.3	0.06	16.6	17.8	9.0	1.5	0.1	7.9	0.56	177	Neg.	1.4	0.8	0.1	0.7	0.5	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	42.93 UAH	+1.4	-2.4	+34.1	+20.6	3.66	38.6	34.2	9.4	3.6	63.5	31.9	1.61	62	6.5	N/A	Neg.	Neg.	N/A	1.0	0.0	N/A	0.0	1.0	0.0
<b>FOOD AND AGRIBUSINESS</b>																											
AgroGeneration	ALAGR FP	EN Paris	1.00 EUR	+1.0	-7.4	-19.4	-35.9	1.36	125.8	152.8	34.0	42.8	2.5	30.0	0.02	4,195	Neg.	N/A	N/A	Neg.	N/A	N/A	2.1	N/A	N/A	1.1	35.9
Agroliga	AGL PW	Warsaw	19.49 PLN	-1.3	-0.1	-24.8	-25.0	6.41	9.9	10.8	16.7	1.6	0.0	3.7	0.08	1,251	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	2.88 PLN	-2.0	-0.7	+47.7	+15.2	0.95	20.5	65.8	26.2	5.4	62.5	158.9	2.65	38	Neg.	2.9	2.6	24.6	6.9	4.1	0.8	0.8	0.8	0.2	28.4
Astarta Holdin...	AST PW	Warsaw	43.00 PLN	-2.9	-8.3	-35.7	-33.5	14.15	353.7	671.5	31.0	109.7	37.6	180.2	0.18	551	10.1	7.7	4.9	8.9	5.1	5.4	1.3	1.3	1.3	1.0	38.2
Avangard	AVGR LI	London Intl	9.40 USD	+0.3	-3.1	-20.0	+10.5	9.40	600.1	831.0	21.7	130.2	30.4	205.5	0.26	387	2.5	2.6	2.6	2.8	2.7	2.8	1.3	1.1	1.1	0.0	17.8
IMC	IMC PW	Warsaw	9.51 PLN	+0.1	-6.3	-21.7	-38.5	3.13	97.9	248.9	23.9	23.4	6.6	88.5	0.57	177	3.8	8.9	2.1	4.6	4.3	3.5	2.2	1.3	1.0	0.6	38.7
Kernel Holding...	KER PW	Warsaw	30.78 PLN	-0.7	-8.8	-19.1	-42.3	10.13	806.9	1,713.5	58.8	474.3	930.4	3,208.2	0.35	282	7.3	15.6	5.3	5.9	6.6	5.0	0.6	0.7	0.6	0.7	30.6
MHP	MHPC LI	London Intl	14.70 USD	-2.3	-1.3	-13.8	-14.8	14.70	1,553.3	2,714.2	22.3	346.7	187.8	1,661.1	0.40	248	10.0	5.7	5.2	6.9	5.6	5.2	1.8	1.8	1.6	2.7	19.6
Milkiland	MLK PW	Warsaw	6.65 PLN	-0.7	-9.6	-46.8	-37.9	2.19	68.4	198.8	20.0	13.7	2.6	10.9	0.04	2,226	4.6	N/A	3.4	6.0	3.8	3.5	0.4	0.4	0.4	0.3	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	4.49 EUR	+0.0	-3.7	-16.9	-2.8	6.11	649.3	1,437.4	20.0	129.9	0.0	15.1	0.01	18,226	7.3	7.5	2.9	8.7	5.3	4.8	2.9	3.4	3.3	0.0	45.3
Ovostar Union	OVO PW	Warsaw	68.20 PLN	-2.5	-3.9	-31.8	-7.2	22.44	134.6	142.2	25.0	33.7	39.1	23.4	0.13	782	4.4	6.7	6.6	3.9	5.4	4.9	1.6	1.7	1.3	1.0	8.5
<b>CONSTRUCTION</b>																											
TMM	TR61 GF	Xetra	0.19 EUR	+0.0	-11.2	-39.7	-48.0	0.26	13.5	172.8	13.1	1.8	0.0	0.2	0.01	8,639	Neg.	N/A	N/A	Neg.	N/A	N/A	3.8	N/A	N/A	0.1	44.1
<b>FINANCIAL SERVICES</b>																											
Forum Bank	FORM UK	Kiev, UX	0.25 UAH	+0.0	N/A	N/A	N/A	0.02	12.7	N/A	5.5	0.7	0.0	N/A	N/A	N/A	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.1	18.6
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.15 UAH	-0.5	-4.1	+33.3	+55.7	0.01	387.0	N/A	3.8	14.8	378.8	168.3	2.22	45	4.5	Neg.	12.7	N/A	N/A	N/A	N/A	N/A	N/A	0.6	28.3
Ukrsotsbank	USCB UK	Kiev, UX	0.17 UAH	+0.2	-0.5	-9.6	+22.2	0.01	262.4	N/A	4.5	11.8	1.5	13.4	0.21	482	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 14-Jul-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 declines slightly

Banks' correspondent accounts with the NBU fell UAH0.71bn to UAH29.10bn yesterday while total CDs outstanding rose just UAH0.01bn to UAH10.80bn. Total local currency debt repayments scheduled for the next 30 days remained steady at UAH3.51bn, causing broader banking sector liquidity to decline UAH0.70bn to UAH43.40bn yesterday.

KyivPrime interest rates slightly diverged yesterday: the KyivPrime ON interest rate rose 3bp to 5.13% while the KyivPrime 1M interest rate declined 15bp to 17.00%.

**Investment implications: Liquidity slightly declined as the NBU did not support liquidity via government bond purchases or ON loan issuances. Without injections from the NBU under domestic QE to support today's auction, we do not expect liquidity to increase.**

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## Eurobond YTM's increase slightly

The ongoing unresolved situation in eastern Ukraine caused spreads to widen slightly and YTM's to increase. The minor increase in US Treasury yields also pushed the Ukrainian Eurobond yield curve to the range of 7.68-8.54%. UKRAIN 6.875% '15 rose 3bp to 7.68%, UKRAIN 9.25% '17 rose 26bp to 7.91%, UKRAIN 7.95% '21 rose 9bp to 8.54%, while UKRAIN 7.80% '22 and UKRAIN 7.50% '23 rose 11bp and 13bp to 8.41% and 8.33%, respectively. The 5-year CDS rose to 764bp.

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## Primary auction announcement

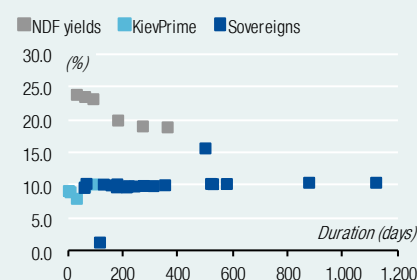
In accordance with its schedule, the MoF will offer four bonds at today's primary auction, including a 2.5-month bond, a new 6-month bond, and the routine 2-year and 5-year bonds.

**Investment implications: This auction should be routine as the MoF could collect low volumes of market demand for the zero-coupon and 2-year bonds, while demand for the 5-year bond the most likely will be supported by domestic QE, as before.**

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### Yield curve of the local bond market

(as of market close on 14 Jul 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

### Bond market indicators (as of 14 Jul 2014)

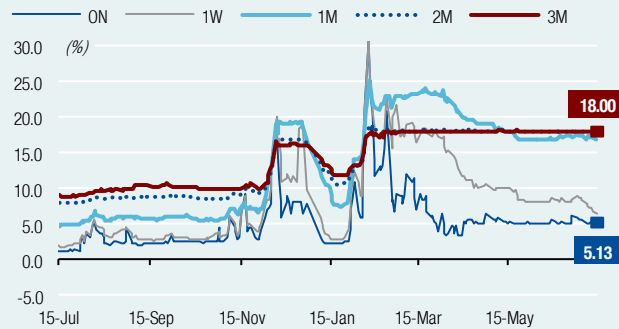
	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
<b>MONEY MARKET KIEV PRIME RATES (%)</b>					
0/n	5.13	+3bp	+10bp	-47bp	-267bp
1wk	6.55	-30bp	-135bp	-201bp	-325bp
1m	17.00	-15bp	+0bp	+10bp	+75bp
2m	18.00	+0bp	+0bp	+0bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp
<b>LIQUIDITY WIDE MEASUREMENT (UAHm)</b>					
CB acc's <sup>1</sup>	29,096	-2.39	-2.01	-0.51	-11.03
CDs <sup>2</sup>	10,797	+0.07	+3.24	+58.45	+1,431.5
Sovgns <sup>3</sup>	3,842	+9.10	-16.23	-12.06	+157.0
<b>Total</b>	<b>43,735</b>	<b>-0.87</b>	<b>-2.24</b>	<b>+8.18</b>	<b>+25.31</b>
<b>HOLDERS OF UAH SOVEREIGN BONDS (UAHm)</b>					
C.bank	189,801	+0.00	+1.06	+2.23	+31.03
Banks	83,661	+0.65	-0.27	-0.73	+4.36
Resid's <sup>4</sup>	13,239	-3.97	+25.22	+29.16	+6.79
Non-res <sup>5</sup>	16,223	-0.02	-0.99	+1.39	+38.67
<b>Total</b>	<b>302,924</b>	<b>+0.00</b>	<b>+1.43</b>	<b>+2.27</b>	<b>+21.60</b>
<b>NDF IMPLIED YIELDS (%)</b>					
3m	13.89	+470bp	-292bp	-195bp	+174bp
6m	14.88	+97bp	-404bp	-160bp	+148bp
9m	15.31	+64bp	-293bp	-126bp	+129bp
1yr	16.04	+48bp	-203bp	-74bp	+105bp
<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	+349bp	+349bp	+349bp	-86ppt
<b>EUROBONDS USD SOVEREIGN BOND YIELDS (%)</b>					
CDS 5yr	764	+11bp	+10bp	-54bp	-53bp
Jun '16	7.72	+20bp	-64bp	-110bp	-117bp
Jul '17	7.92	+25bp	-61bp	-141bp	-164bp
Sep '20	8.33	+10bp	-38bp	-18bp	-87bp
Sep '21	8.53	+10bp	-22bp	+13bp	-69bp
Sep '22	8.40	+8bp	-20bp	-65bp	-94bp
Feb '23	8.32	+10bp	-8bp	-44bp	-72bp

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**

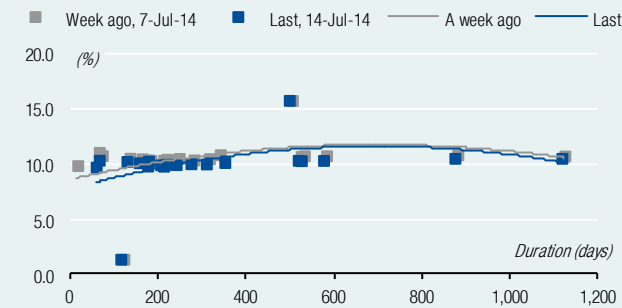
**Chart 1. Kiev Prime rates (%), last 12-month period**



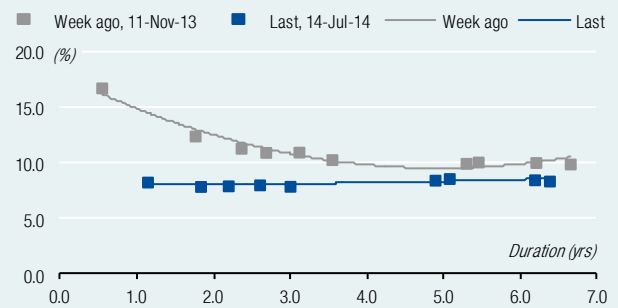
**Chart 2. UAH NDF implied yields (%), last 12-month period**



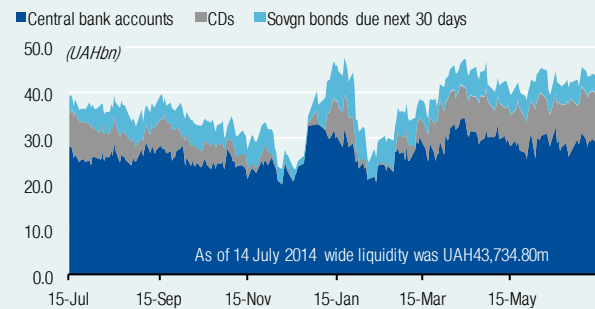
**Chart 3. UAH sovereign yield curve (%) as of 14 Jul 2014**



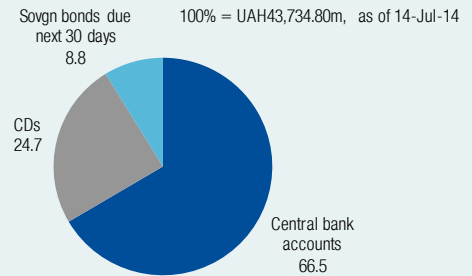
**Chart 4. USD sovereign yield curve (%) as of 14 Jul 2014**



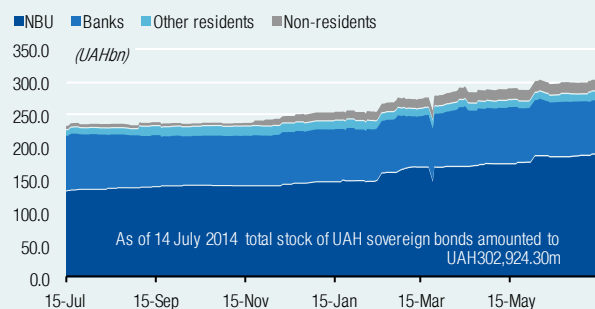
**Chart 5. Banking sector liquidity (UAHbn), last 12-month period**



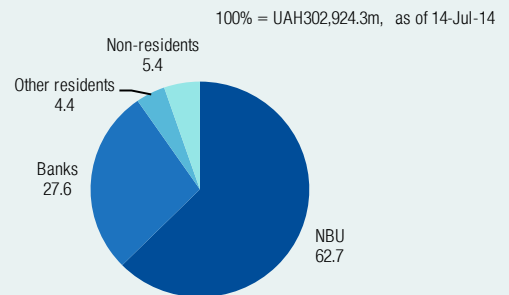
**Chart 6. Breakdown of liquidity pool (%) as of 14 Jul 2014**



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



**Chart 8. Domestic sovereign debt (%) as of 14 Jul 2014**



# FX: News & Comments

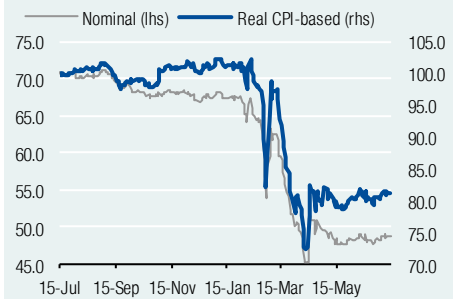
## UAH flat at 11.7/USD, mixed in TWI terms

The UAH traded mostly flat, closing just above 11.7/USD on the new norm of US\$300m in less active summer trading. The hryvnia's real trade-weighted index was rather mixed as the Russian ruble declined steadily during the session, reflecting increased tension as Russia delivered new supplies of weaponry and militants to the Donbass region over the weekend. The EUR gained on the US dollar, pulling up other European currencies like the PLN, which added 0.15%, and the TRY which rose 0.06%. The CPI-based hryvnia's real TWI slid 0.04%.

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### ICU's UAH trade-weighted indices

(Last 12-month history to 15 Jul 2014)



Source: Investment Capital Ukraine LLC.

### FX market indicators (as of 14 Jul 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
<b>USD/UAH MARKET (HRYVNIA per US DOLLAR)</b>					
Spot mkt	11.7200	+0.11	+0.04	-0.68	+42.23
NBU avg	11.6963	+0.02	-0.75	-0.28	+43.50
Tt vlm <sup>1</sup>	349.72	-0.69	-11.89	+13.84	-87.52
\$ volume <sup>2</sup>	289.00	+14.14	-4.95	+23.56	-86.93
NDF 3M	12.1200	+1.25	-0.66	-1.14	+42.84
NDF 6M	12.5750	+0.56	-1.80	-1.41	+43.22
NDF 1Y	13.5250	+0.52	-1.67	-1.31	+43.58
<b>TRADE-WEIGHTED INDICES (TWIs, points)</b>					
UAH nom'l	48.740	-0.04	-0.20	+0.53	-27.83
UAH real CPI	81.212	-0.04	-0.20	+0.53	-19.65
UAH real PPI	119.435	-0.04	-0.20	+0.53	-13.94
USD nom'l	80.188	+0.00	-0.04	-0.48	+0.19
<b>FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs</b>					
USD/RUB	34.3302	+0.31	-0.29	-0.23	+4.44
EUR/USD	1.3619	+0.08	+0.10	+0.58	-0.90
USD/CNY	6.2059	+0.04	+0.04	-0.08	+2.50
USD/PLN	3.0387	-0.15	-0.23	-0.11	+0.52
USD/TRY	2.1163	-0.06	-0.60	-0.15	-1.48
USD/BYR	10,245.00	+0.00	+0.20	+0.54	+7.39
USD/KZT	183.6300	+0.06	+0.05	+0.05	+19.03
<b>OTHER MAJOR CURRENCIES</b>					
USD/JPY	101.5400	+0.24	-0.31	-0.49	-3.58
GBP/USD	1.7084	-0.19	-0.26	+0.68	+3.18
USD/CHF	0.8919	-0.03	-0.19	-0.91	-0.11
AUD/USD	0.9393	+0.01	+0.21	-0.10	+5.34
USD/CAD	1.0712	-0.20	+0.26	-1.32	+0.84
USD/BRL	2.2122	-0.40	-0.57	-0.54	-6.35
USD/KRW	1,018.35	-0.06	+0.77	+0.05	-3.00
<b>COMMODITIES</b>					
Gold(\$/oz)	1,307.11	-2.35	-0.97	+2.37	+8.42
WTI crude <sup>3</sup>	100.91	+0.08	-2.53	-5.61	+2.53
Brent crd <sup>3</sup>	106.32	+0.46	-2.40	-5.63	-4.06
Urals crd <sup>3</sup>	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB <sup>4</sup>	297.47	+0.13	-2.07	-4.04	+6.17

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>).

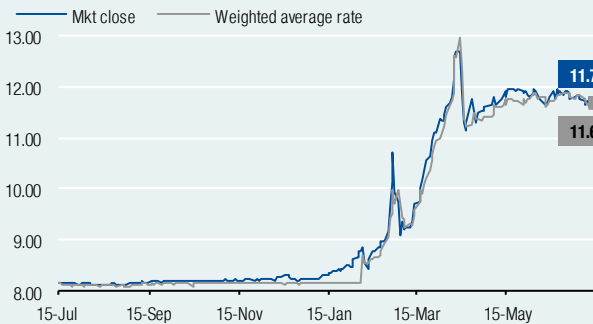
Section on FX market is continued on next page.

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.

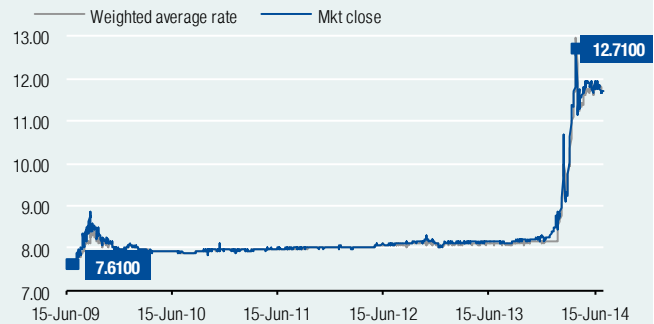
Sources: Bloomberg, Investment Capital Ukraine LLC.

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.

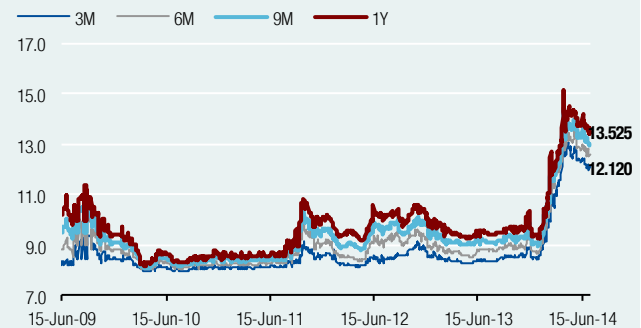


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

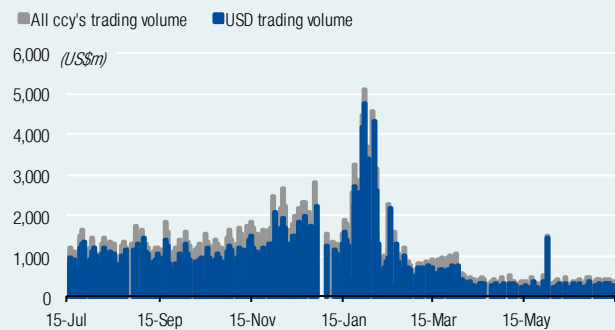


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

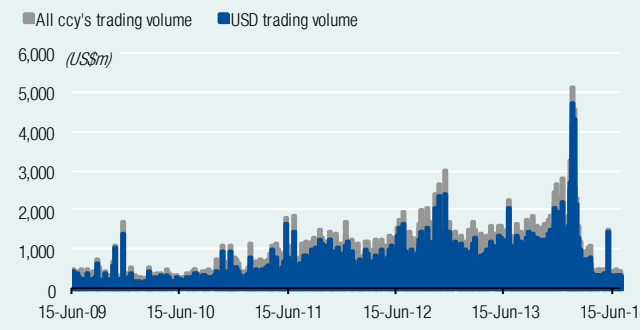


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

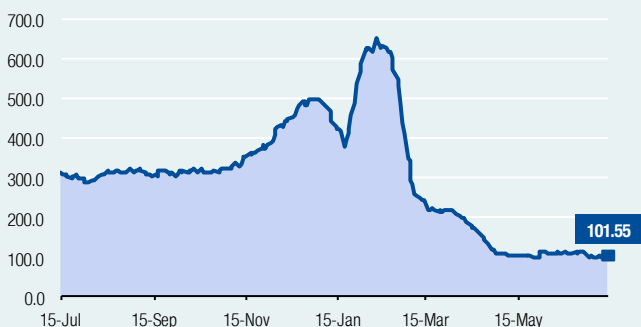


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)



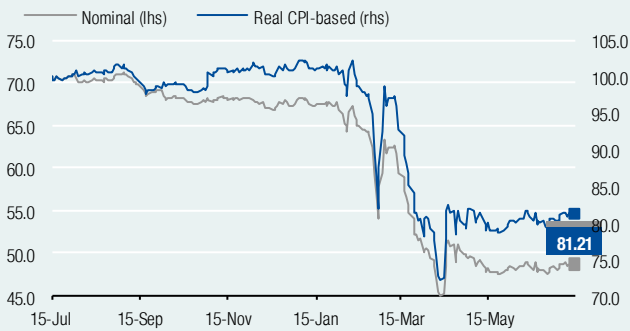
Note: \* 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

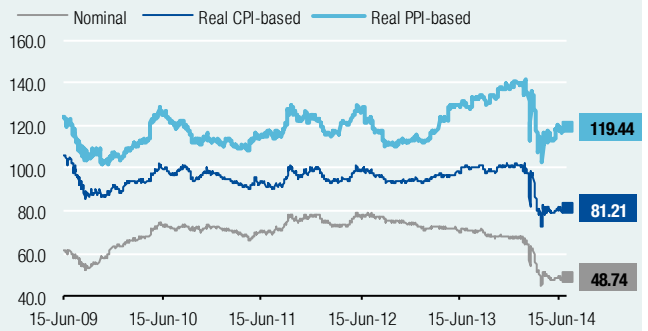
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

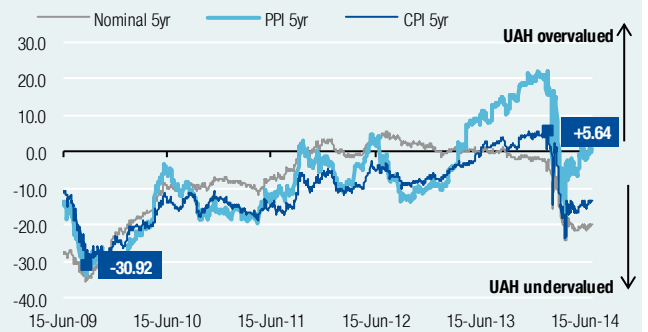


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

**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)**

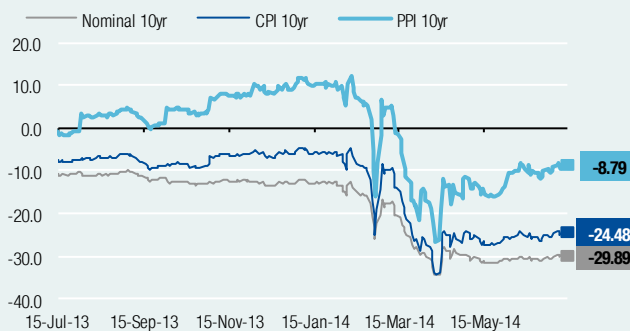


Note: The boxes indicate the last values of the depicted indicators.  
Source: Investment Capital Ukraine LLC.

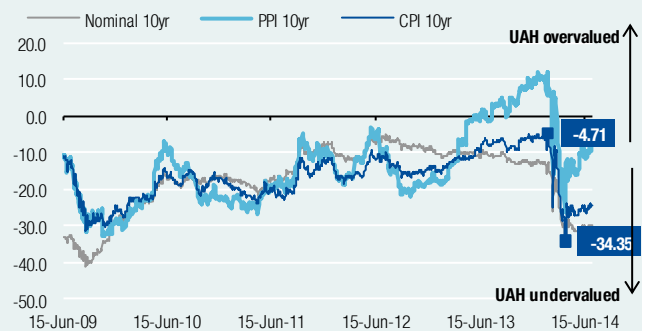


Note: the boxes indicate the high and low values of CPI-based TWI.  
Source: Investment Capital Ukraine LLC.

**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

**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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