


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity rises further; Eurobonds slightly volatile

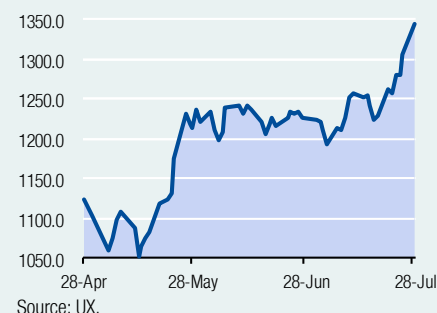
TUESDAY, 29 JULY, 2014

RESEARCH INSIGHT

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UX Index (3 months to 29 Jul 2014)



Key market indicators (as of 28 Jul 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	12.1500	+2.02	+47.45
USD/UAH (1Y NDF)	13.9220	+1.58	+47.79
EUR/USD	1.3440	+0.07	-2.20
USD/RUB	35.5024	+1.02	+8.01
KievPRIME O/N (%)	5.50	+0bp	-230bp
KievPRIME 1M (%)	15.38	-12bp	-87bp

BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	-19bp	-8,592bp
Ukraine 17, Eurobond (%)	8.76	+12bp	-79bp
Ukraine 22, Eurobond (%)	8.59	+3bp	-75bp
Ukraine 23, Eurobond (%)	8.45	+2bp	-60bp
Ukraine 5Y CDS	800bp	-20bp	-17bp

EQUITIES

Stock market indices

UX (Ukraine)	1,344.97	+2.99	+47.79
MSCI World	431.07	+0.01	+5.51
MSCI EM	1,079.24	+0.05	+7.63
RTS (Russia)	1,208.83	-3.00	-16.21
WIG-20 (Poland)	2,399.93	-0.27	-0.04
S&P 500 (USA)	1,978.91	+0.03	+7.06

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

MHPC LI	5.32	61.4% of total ¹
FXPO LN	0.75	8.6%
CEEN UK	0.70	8.1%

GAINERS: Top 3 stocks (in listed currency)

FORM UK	UAH 0.23	+16.75	N/A
AZST UK	UAH 0.91	+4.71	+35.97
MHPC LI	USD 13.29	+4.32	-22.05

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 28-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 (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	11.38 GBP	+1.1	+18.2	+9.6	-24.8	0.19	44.6	-18.5	40.2	17.9	170.6	12.9	0.13	744	Neg.	Neg.	Neg.	2.8	N/A	N/A	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	8.10 UAH	+2.5	+10.5	+69.9	+53.7	0.67	248.3	301.0	21.7	53.9	699.9	452.0	1.18	84	6.1	6.2	3.9	0.5	4.8	2.4	0.5	0.4	0.3	1.2	12.2
Coal Energy	CLE PW	Warsaw	1.04 PLN	-4.6	-17.5	-1.0	-47.7	0.34	15.2	125.4	25.0	3.8	15.5	26.3	0.38	265	Neg.	Neg.	3.8	5.6	15.7	4.3	1.0	1.2	1.1	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	41.11 UAH	+2.3	+4.1	+49.0	+66.7	3.41	80.7	120.1	14.2	11.5	232.1	76.7	0.74	134	1.8	1.8	2.3	0.5	1.7	1.3	0.3	0.2	0.2	1.5	17.8
JKX Oil & Gas	JKX LN	London	45.00 GBP	-3.2	-22.1	-37.1	-31.3	0.76	131.2	136.3	47.2	61.9	122.1	39.4	0.11	918	20.2	11.6	4.7	2.1	1.7	1.5	0.8	0.7	0.6	0.3	5.5
Regal Petroleum	RPT LN	London	9.13 GBP	+0.0	+8.9	-29.8	-42.1	0.15	49.7	22.8	80.9	40.2	0.0	6.2	0.01	8,673	Neg.	24.8	N/A	1.0	0.9	N/A	0.6	0.5	N/A	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	146.30 UAH	+0.0	+3.0	+61.8	+74.4	12.14	155.3	133.2	5.0	7.8	7.7	3.6	0.05	2,217	3.2	N/A	N/A	0.9	N/A	N/A	0.1	N/A	N/A	3.6	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+1.9	-0.3	-4.7	-5.9	0.00	79.1	1,244.0	3.9	3.1	50.4	36.1	1.80	56	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	3.26 UAH	+3.8	+0.6	+10.1	-0.5	0.27	52.8	49.8	4.0	2.1	40.4	31.7	1.59	63	Neg.	1.9	0.8	Neg.	0.7	0.4	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.91 UAH	+4.7	+16.3	+36.0	+45.3	0.08	317.8	310.9	4.1	13.0	25.3	20.9	0.11	910	Neg.	N/A	Neg.	Neg.	N/A	9.0	0.2	N/A	0.2	0.3	0.0
Ferrexpo PLC	FXPO LN	London	139.50 GBP	-1.1	+6.5	-24.9	-17.8	2.37	1,393.7	2,054.9	22.4	312.2	747.6	1,652.6	0.51	197	5.3	6.6	7.8	4.1	4.7	5.2	1.3	1.4	1.4	0.8	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.70 UAH	+1.4	-2.8	+32.1	+22.0	0.06	15.9	17.1	9.0	1.4	18.9	8.0	0.36	280	Neg.	1.4	0.8	0.1	0.6	0.5	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	44.58 UAH	+2.2	-0.2	+39.3	+29.4	3.70	39.0	34.7	9.4	3.7	67.7	40.7	1.39	72	6.8	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	0.96 EUR	-2.0	-8.6	-22.6	-36.0	1.29	119.1	145.7	34.0	40.5	7.3	23.3	0.02	4,516	Neg.	N/A	N/A	Neg.	N/A	N/A	2.0	N/A	N/A	1.0	35.9
Agroliga	AGL PW	Warsaw	19.09 PLN	-0.2	-1.6	-26.4	-20.5	6.18	9.5	10.4	16.7	1.6	0.4	3.0	0.06	1,808	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	2.62 PLN	-3.0	-10.9	+34.4	+46.4	0.85	18.4	63.7	26.2	4.8	65.3	121.8	1.78	56	Neg.	2.6	2.3	23.8	6.7	4.0	0.8	0.7	0.8	0.2	28.4
Astarta Holdin...	AST PW	Warsaw	38.98 PLN	-0.4	-11.0	-41.7	-47.3	12.63	315.7	629.3	31.0	97.9	6.7	155.5	0.13	780	9.1	9.5	4.7	8.3	4.9	5.2	1.3	1.3	1.2	0.9	38.2
Avangard	AVGR LI	London Intl	9.19 USD	+0.0	-7.2	-21.8	+5.1	9.19	587.0	817.9	21.7	127.4	9.9	187.9	0.22	456	2.5	2.6	2.7	2.7	2.9	1.2	1.1	1.1	0.0	17.8	
IMC	IMC PW	Warsaw	8.28 PLN	-1.1	-19.8	-31.9	-47.4	2.68	84.0	235.0	23.9	20.1	64.6	68.6	0.38	264	3.2	7.6	1.8	4.3	4.4	4.2	2.0	1.3	1.3	0.6	38.7
Kernel Holding...	KER PW	Warsaw	29.90 PLN	+0.0	-11.0	-21.5	-42.3	9.69	771.9	1,678.6	58.8	453.7	523.4	2,738.7	0.32	308	6.9	16.6	5.2	5.8	6.7	5.1	0.6	0.7	0.6	0.7	30.6
MHP	MHPC LI	London Intl	13.29 USD	+4.3	-9.4	-22.1	-25.8	13.29	1,404.3	2,565.2	22.3	313.4	5,319.3	1,107.2	0.47	214	9.0	5.2	4.7	6.6	5.3	4.9	1.7	1.7	1.5	2.4	47.0
Milkiland	MLK PW	Warsaw	5.96 PLN	+2.8	-17.0	-52.3	-50.3	1.93	60.3	189.0	20.0	12.1	5.4	9.9	0.06	1,658	4.1	N/A	3.1	5.7	3.7	3.4	0.4	0.4	0.4	0.3	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	4.55 EUR	-2.4	+1.0	-15.8	+0.9	6.11	648.7	1,436.9	20.0	129.7	0.0	14.8	0.00	52,093	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	68.05 PLN	-2.8	-6.8	-32.0	-10.5	22.05	132.3	139.9	25.0	33.1	0.0	29.6	0.17	586	4.3	6.5	6.2	3.8	4.7	4.1	1.6	1.6	1.3	1.0	8.5
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	7.20 PLN	+0.0	-27.6	-77.1	-78.7	2.33	21.7	5.1	10.9	2.4	16.8	0.7	0.05	2,107	3.2	N/A	N/A	0.5	N/A	N/A	0.2	N/A	N/A	0.3	5.6
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.22 EUR	+0.0	-2.2	-30.6	-36.8	0.30	15.3	190.9	13.1	2.0	0.0	0.2	0.01	6,827	Neg.	N/A	N/A	Neg.	N/A	N/A	5.6	N/A	N/A	0.2	45.5
FINANCIAL SERVICES																											
Forum Bank	FORM UK	Kiev, UX	0.23 UAH	+16.8	N/A	N/A	N/A	0.02	11.3	N/A	5.5	0.6	0.4	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	+1.0	-3.4	+31.3	+44.9	0.01	370.6	N/A	3.8	14.2	425.9	219.3	2.54	39	4.4	Neg.	12.5	N/A	N/A	N/A	N/A	N/A	N/A	0.6	28.3
UkrSotsbank	USCB UK	Kiev, UX	0.18 UAH	+1.6	+8.4	-3.1	+28.5	0.02	273.5	N/A	4.5	12.3	25.3	17.0	0.14	731	Neg.	15.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	30.9

Table 1. Ukrainian stocks (closing prices as of 28-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 continues to increase

As banks' correspondent accounts with the NBU declined UAH1.23bn to UAH28.18bn, the NBU absorbed UAH0.90bn as it increased total CDs outstanding to UAH15.27bn. Total local currency debt repayments scheduled for the next 30 days rose UAH1.55bn to UAH5.15bn, causing broader banking sector liquidity to rise UAH1.23bn to UAH48.59bn

KyivPrime interest rates diverged insignificantly: the KyivPrime ON interest rate remained unchanged yet again at 5.50% while the KyivPrime 1M interest rate slid 12bp to 15.38%.

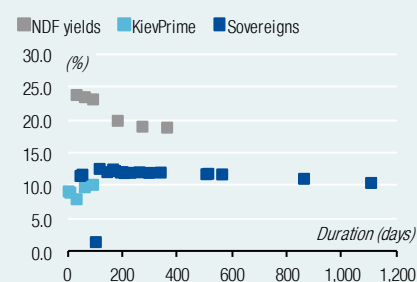
Investment implications: *The NBU continued to absorb liquidity from banks' correspondent accounts by increasing total CDs outstanding to a new record high this year. At the same time, ON CDs rose insignificantly as the NBU sold UAH0.77bn of 1-week CDs and a small volume of 2-week CDs. Broader banking sector liquidity also rose to a new high last seen in 2012.*

Ukrainian Eurobonds slightly volatile

With no jarring news events, Ukrainian Eurobonds remained volatile yet mostly followed the benchmark. Only several of the shortest term bonds saw spreads widening significantly compared with mostly unchanged spreads of other Eurobonds. The spread of UKRAIN 6.875% '15 widened 34bp to 951bp. At yesterday's close, the yield curve adjusted to the range of 8.44-10.00%, as UKRAIN 6.875% '15 rose 35bp to 10.00%, UKRAIN 6.58% '16 slid 1bp to 8.70%, UKRAIN 6.75% '17 rose 3bp to 8.63%, UKRAIN 9.25% '17 rose 12bp to 8.75%, UKRAIN 7.95% '21 rose 3bp to 8.85%, while UKRAIN 7.80% '22 and UKRAIN 7.50% '23 rose 2bp to 8.58% and 8.44%, respectively. The 5-year CDS declined to 800bp.

Yield curve of the local bond market

(as of market close on 28 Jul 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 28 Jul 2014)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	5.50	+0bp	-250bp	-63bp	-230bp
1wk	9.38	-12bp	+75bp	+107bp	-42bp
1m	15.38	-12bp	-75bp	-187bp	-87bp
2m	17.88	-12bp	-12bp	-12bp	+148bp
3m	18.13	+13bp	+0bp	+13bp	+213bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	28,177	-4.18	-10.31	+3.55	-13.84
CDs ²	15,267	+6.29	+43.69	+34.12	+2,065.5
Sovgns ³	5,585	+55.24	+40.59	+54.36	+273.6
Total	49,029	+3.51	+6.55	+16.15	+40.47
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	192,175	+0.00	+1.25	+3.23	+32.67
Banks	82,481	+3.14	-1.42	-2.74	+2.89
Resid's ⁴	13,188	-0.11	+0.89	+16.23	+6.38
Non-res ⁵	16,389	+1.18	+1.42	-0.25	+40.09
Total	304,233	+0.89	+0.50	+1.84	+22.13
NDF IMPLIED YIELDS (%)					
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
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	-19bp	-19bp	+308bp	-86ppt
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	800	-20bp	+0bp	+29bp	-17bp
Jun '16	8.57	+2bp	+34bp	+63bp	-32bp
Jul '17	8.76	+12bp	+33bp	+21bp	-79bp
Sep '20	8.82	+3bp	+23bp	+32bp	-37bp
Sep '21	8.86	+3bp	+8bp	+21bp	-36bp
Sep '22	8.59	+3bp	+1bp	-3bp	-75bp
Feb '23	8.45	+2bp	-6bp	+14bp	-60bp

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

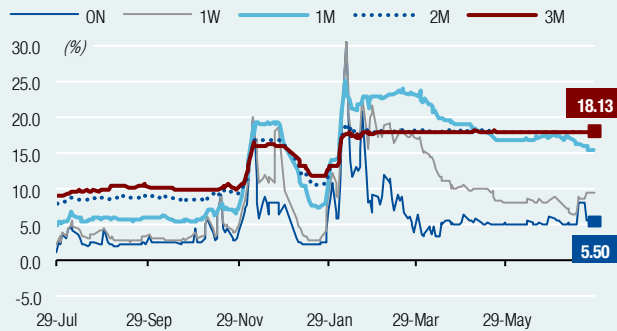


Chart 2. UAH NDF implied yields (%), last 12-month period



Chart 3. UAH sovereign yield curve (%) as of 28 Jul 2014

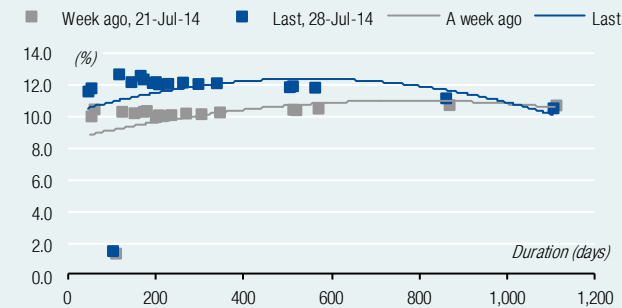


Chart 4. USD sovereign yield curve (%) as of 28 Jul 2014

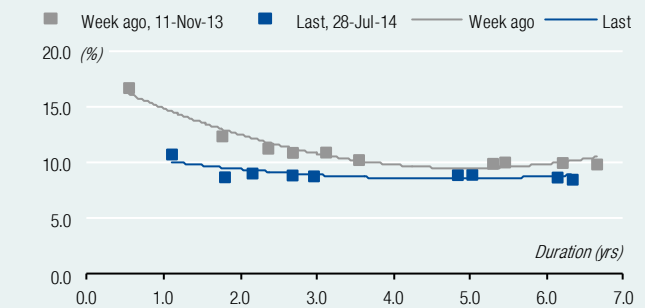


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

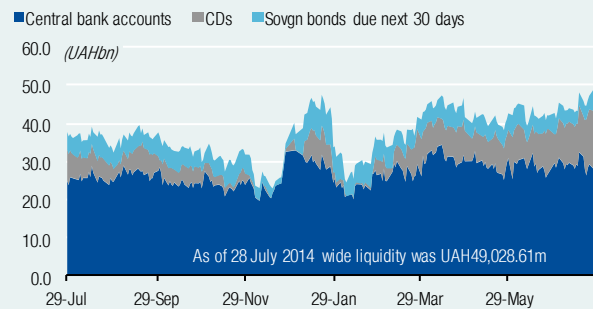


Chart 6. Breakdown of liquidity pool (%) as of 28 Jul 2014

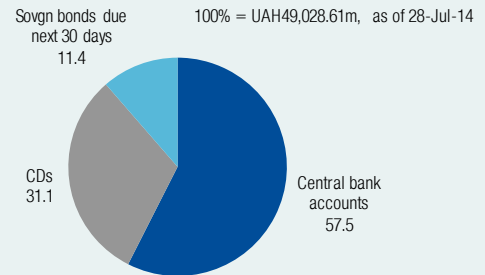


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

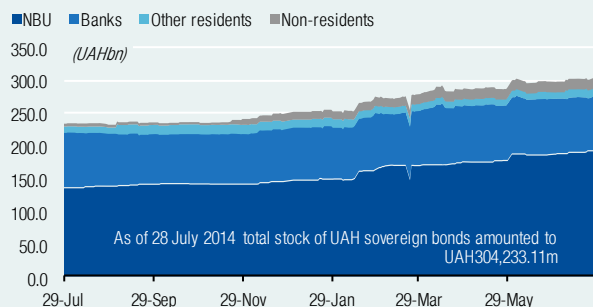
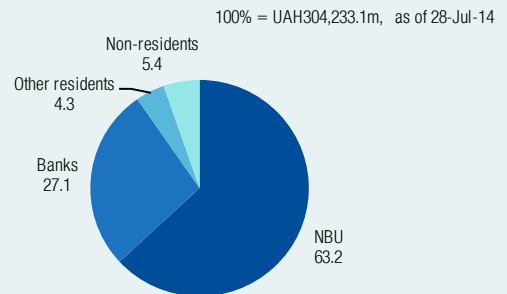


Chart 8. Domestic sovereign debt (%) as of 28 Jul 2014



FX: News & Comments

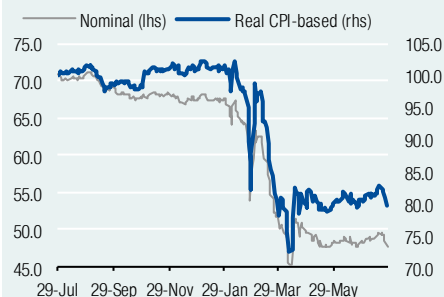
UAH down nearly 2%, confidence low

Following the market's reaction to PM Yatsenyuk's surprise resignation on Friday that extended into Monday's FX trading, confidence in the broader macro story is low. The hryvnia declined nearly 2% to close at 12.15/USD on US\$229m in trading. The last sizable one day decline occurred in late April. The PM's resignation amid the deepening recession and ongoing conflict with Russia in eastern Ukraine reflects the difficulties that face prominent politicians in this environment. It is reflected in the negative market sentiment. Following the RUB's 1.02% decline yesterday on the back of imminent sanctions by the EU, the hryvnia's real trade-weighted index declined less than it would have had the ruble traded flat.

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ICU's UAH trade-weighted indices

(Last 12-month history to 29 Jul 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 28 Jul 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	12.1500	+2.02	+3.85	+3.40	+47.45
NBU avg	11.8584	+0.90	+1.74	+0.30	+45.49
Ttl vlm ¹	320.92	+0.63	+3.74	-34.10	-88.55
\$ volume ²	229.03	+7.92	+13.33	-34.40	-89.64
NDF 3M	12.6401	+2.85	+4.03	+3.61	+48.97
NDF 6M	13.1538	+3.05	+4.19	+2.72	+49.82
NDF 1Y	13.9220	+1.58	+3.24	+1.21	+47.79
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	47.717	-1.67	-3.37	-1.22	-29.35
UAH real CPI	79.508	-1.67	-3.37	-1.22	-21.34
UAH real PPI	116.929	-1.67	-3.37	-1.22	-15.75
USD nom'l	81.025	+0.00	+0.58	+1.23	+1.24
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	35.5024	+1.02	+0.82	+5.27	+8.01
EUR/USD	1.3440	+0.07	-0.62	-1.53	-2.20
USD/CNY	6.1874	-0.07	-0.35	-0.49	+2.20
USD/PLN	3.0838	-0.09	+0.58	+1.35	+2.01
USD/TRY	2.0991	+0.24	-0.91	-1.12	-2.29
USD/BYR	10,290.00	+0.00	+0.05	+0.83	+7.86
USD/KZT	183.5600	-0.02	-0.02	-0.01	+18.99
OTHER MAJOR CURRENCIES					
USD/JPY	101.8600	+0.02	+0.45	+0.43	-3.28
GBP/USD	1.6983	+0.05	-0.54	-0.31	+2.57
USD/CHF	0.9040	-0.10	+0.67	+1.48	+1.24
AUD/USD	0.9406	+0.11	+0.35	-0.22	+5.48
USD/CAD	1.0799	-0.12	+0.57	+1.25	+1.66
USD/BRL	2.2224	-0.33	+0.06	+1.30	-5.91
USD/KRW	1,026.35	+0.02	-0.05	+1.26	-2.23
COMMODITIES					
Gold(\$/oz)	1,304.02	-0.24	-0.65	-0.92	+8.16
WTI crude ³	101.67	-4.39	-2.79	-3.85	+3.30
Brent crd ³	105.92	-0.69	-0.61	-6.17	-4.42
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	298.31	-0.01	-0.04	-4.02	+6.47

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>).

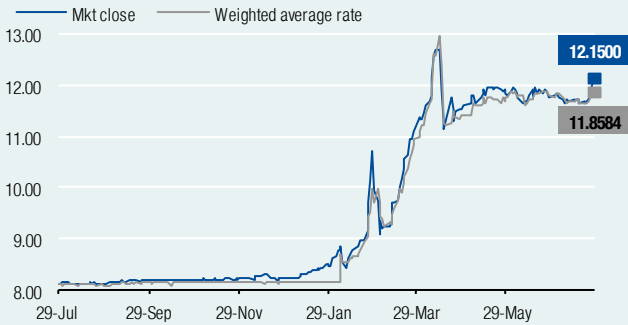
Section on FX market is continued on next page.

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.

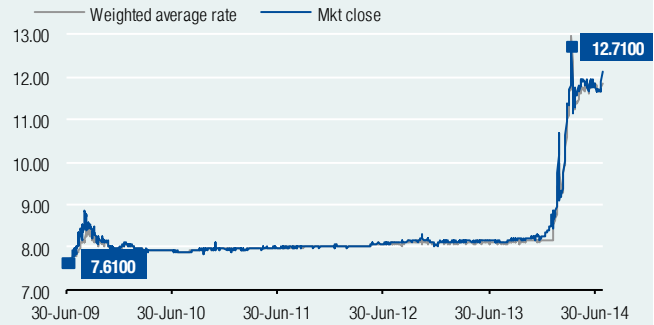
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

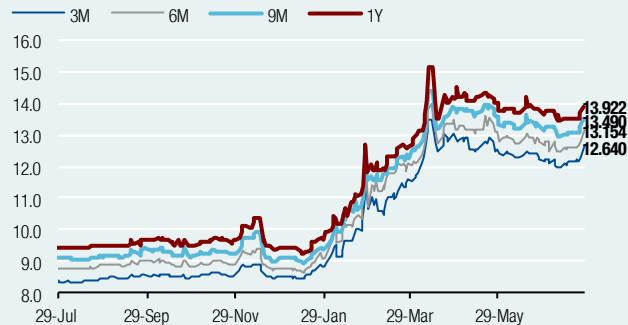


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

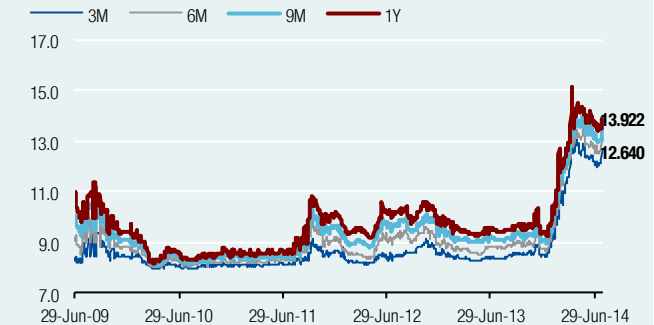


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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.

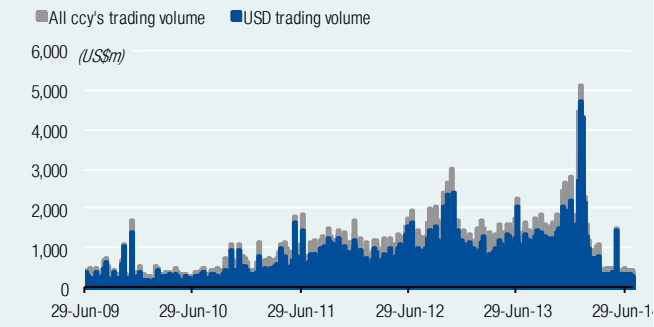


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

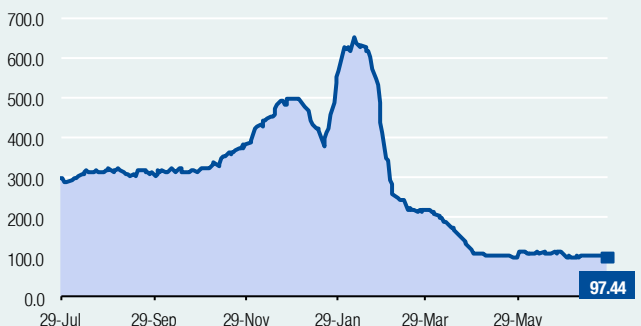


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)



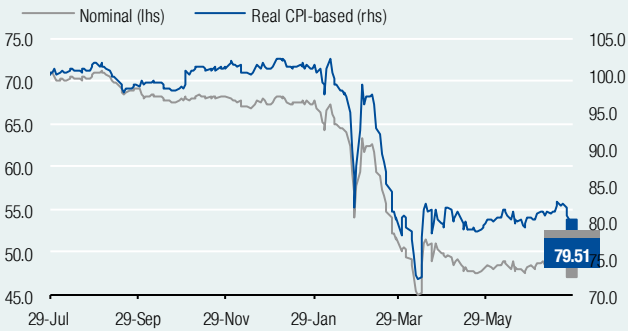
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

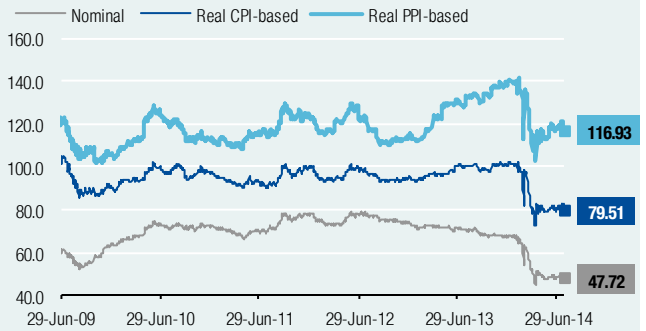
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



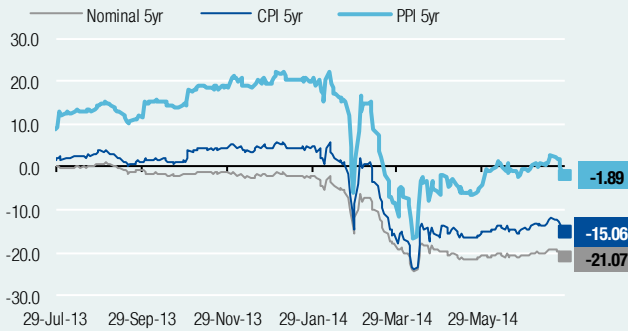
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

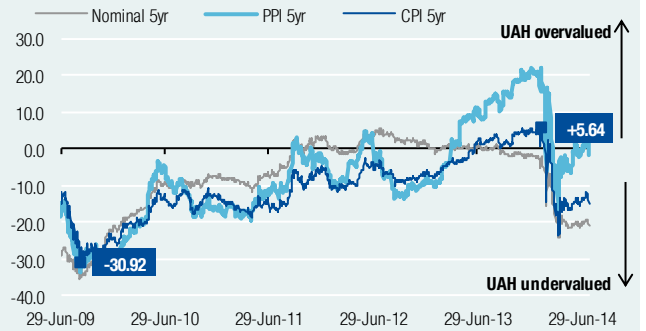


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

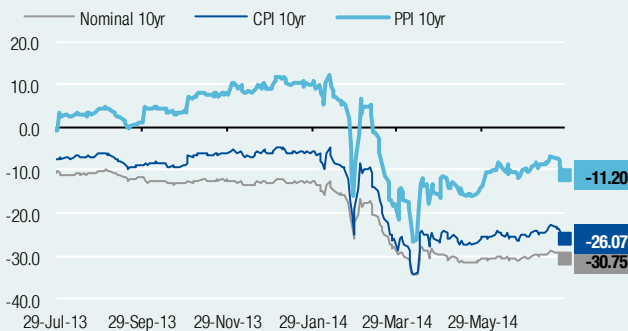


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

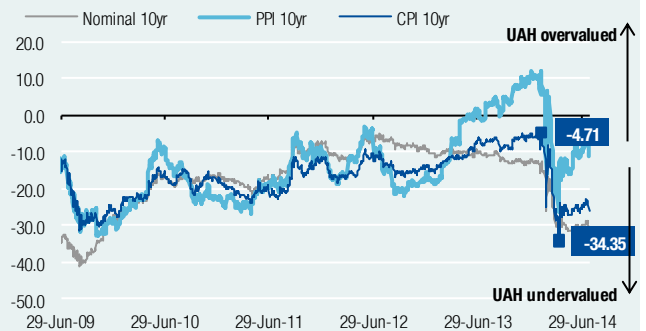


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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.

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