


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity up; YTM's rise further; Auction results

MONDAY, 11 AUGUST, 2014

RESEARCH INSIGHT

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UX Index (3 months to 11 Aug 2014)



Key market indicators (as of 8 Aug 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	12.5500	+0.40	+52.31
USD/UAH (1Y NDF)	14.5750	+0.00	+54.72
EUR/USD	1.3410	+0.34	-2.42
USD/RUB	36.1846	-0.37	+10.09
KievPRIME O/N (%)	5.90	+40bp	-190bp
KievPRIME 1M (%)	15.00	+0bp	-125bp

BONDS: yields and spreads

Ukraine VAT bond (%)	14.91	-160bp	-8,655bp
Ukraine 17, Eurobond (%)	10.44	+30bp	+89bp
Ukraine 22, Eurobond (%)	9.34	+12bp	-1bp
Ukraine 23, Eurobond (%)	9.31	+12bp	+27bp
Ukraine 5Y CDS	1,000bp	+12bp	+184bp

EQUITIES

Stock market indices

UX (Ukraine)	1,266.55	+0.07	+39.18
MSCI World	416.93	+0.25	+2.05
MSCI EM	1,045.51	-0.54	+4.27
RTS (Russia)	1,170.60	+1.09	-18.86
WIG-20 (Poland)	2,315.65	-0.73	-3.55
S&P 500 (USA)	1,931.59	+1.15	+4.50

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

FXPO LN	1.46	35.2% of total ¹
MHPC LI	1.16	28.0%
KER PW	0.77	18.5%

GAINERS: Top 3 stocks (in listed currency)

ALAGR FP	EUR 0.91	+7.06	-26.61
KER PW	PLN 27.39	+4.86	-28.05
OVO PW	PLN 69.99	+2.93	-30.01

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 8-Aug-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	-2.2	+2.2	+9.6	-28.9	0.19	44.1	-19.0	40.2	17.7	10.2	20.0	0.24	415	Neg.	Neg.	Neg.	2.9	N/A	N/A	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.82 UAH	+0.0	-0.1	+64.0	+50.3	0.62	227.5	277.4	21.7	49.4	85.8	402.4	0.86	117	5.9	6.0	3.7	0.5	4.6	2.3	0.5	0.4	0.3	1.2	12.2
Coal Energy	CLE PW	Warsaw	0.93 PLN	+0.0	-19.8	-11.4	-62.5	0.30	13.4	123.5	25.0	3.3	14.1	19.8	0.40	249	Neg.	Neg.	3.3	5.5	15.4	4.3	1.0	1.2	1.1	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	39.90 UAH	+1.0	+1.0	+44.6	+59.2	3.14	74.3	111.7	14.2	10.6	45.1	69.6	0.67	149	1.8	2.4	2.3	0.4	2.4	1.3	0.2	0.2	0.2	1.4	17.8
JKX Oil & Gas	JKX LN	London	36.50 GBP	-1.0	-35.4	-49.0	-44.5	0.61	105.1	110.3	47.2	49.6	11.6	33.1	0.14	732	16.2	9.3	3.8	1.7	1.5	1.2	0.6	0.6	0.5	0.2	5.5
Regal Petroleum	RPT LN	London	5.63 GBP	-13.5	-39.2	-56.7	-65.9	0.09	30.3	3.4	80.9	24.5	36.1	4.7	0.03	3,532	Neg.	15.1	N/A	0.2	0.1	N/A	0.1	0.1	N/A	0.1	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	149.00 UAH	+0.0	+6.4	+64.8	+78.7	11.73	150.1	129.1	5.0	7.5	0.0	3.4	0.03	3,104	3.3	N/A	N/A	0.9	N/A	N/A	0.1	N/A	N/A	3.7	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+0.0	-2.6	-7.5	-9.1	0.00	72.9	1,178.2	3.9	2.8	1.7	31.8	1.26	80	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	3.09 UAH	+1.6	-6.2	+4.4	-5.9	0.24	47.5	44.6	4.0	1.9	1.2	27.5	1.22	82	Neg.	1.8	0.8	Neg.	0.6	0.4	0.1	0.0	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.90 UAH	+2.4	+9.8	+34.3	+44.2	0.07	297.9	291.3	4.1	12.2	8.3	20.4	0.13	768	Neg.	N/A	Neg.	Neg.	N/A	8.9	0.2	N/A	0.2	0.3	0.0
Ferrexpo PLC	FXPO LN	London	128.70 GBP	+0.0	-8.3	-30.7	-31.5	2.16	1,270.8	1,473.3	22.4	284.7	1,459.2	1,528.4	0.43	231	4.9	5.1	7.4	2.9	3.0	3.9	0.9	1.0	1.0	1.1	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.69 UAH	+0.0	+0.0	+30.2	+24.5	0.05	14.9	16.0	9.0	1.3	0.0	7.1	0.21	483	Neg.	1.4	0.7	0.1	0.6	0.5	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	43.57 UAH	+0.4	+2.9	+36.1	+26.6	3.43	36.2	32.1	9.4	3.4	0.9	37.3	0.95	105	6.6	N/A	Neg.	Neg.	N/A	1.0	0.0	N/A	0.0	1.0	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.91 EUR	+7.1	-8.1	-26.6	-39.7	1.22	112.6	170.5	34.0	38.3	40.8	17.1	0.03	3,650	Neg.	N/A	N/A	Neg.	N/A	N/A	2.4	N/A	N/A	2.0	35.9
Agroton	AGT PW	Warsaw	2.10 PLN	-6.3	-28.6	+7.7	-16.7	0.67	14.5	59.8	26.2	3.8	151.2	92.0	1.80	56	Neg.	2.1	1.8	22.4	6.3	3.7	0.7	0.7	0.7	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	34.50 PLN	-5.2	-22.1	-48.4	-53.9	11.01	275.3	588.1	31.0	85.4	279.5	122.0	0.12	836	8.0	8.3	4.1	7.8	4.6	4.9	1.2	1.2	1.1	0.8	38.2
Avangard	AVGR LI	London Intl	8.44 USD	-2.1	-10.0	-28.2	-15.7	8.44	538.8	769.7	21.7	116.9	11.3	170.4	0.07	1,503	2.3	2.8	2.4	2.6	2.9	2.7	1.2	1.1	1.0	0.4	17.8
IMC	IMC PW	Warsaw	8.20 PLN	+0.0	-13.7	-32.5	-49.1	2.62	81.9	232.9	23.9	19.6	6.0	62.6	0.05	1,872	3.1	7.4	1.8	4.3	4.3	4.2	2.0	1.2	1.3	0.5	38.7
Kernel Holding...	KER PW	Warsaw	27.39 PLN	+4.9	-11.6	-28.1	-46.3	8.74	696.5	1,603.3	58.8	409.4	767.4	2,312.3	0.25	402	6.3	16.9	4.7	5.5	6.6	4.9	0.6	0.6	0.6	0.6	30.6
MHP	MHPC LI	London Intl	12.00 USD	-4.2	-20.3	-29.6	-32.4	12.00	1,268.0	2,428.9	22.3	283.0	1,160.8	1,035.0	0.52	192	8.1	4.7	4.1	6.2	5.0	4.6	1.6	1.6	1.4	2.2	47.0
Milkiland	MLK PW	Warsaw	5.00 PLN	-2.3	-25.4	-60.0	-57.4	1.60	49.9	178.2	20.0	10.0	5.5	7.4	0.04	2,281	3.4	N/A	2.5	5.4	3.5	3.2	0.4	0.4	0.4	0.2	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	2.38 EUR	+0.0	-48.2	-55.9	-47.1	3.19	338.9	1,066.7	20.0	67.8	1.0	6.4	0.01	9,786	3.8	3.9	1.5	6.5	3.9	3.6	2.1	2.5	2.5	0.8	45.3
Ovostar Union	OVO PW	Warsaw	69.99 PLN	+2.9	+0.0	-30.0	-10.2	22.34	134.0	141.6	25.0	33.5	38.3	30.2	0.09	1,074	4.4	7.2	6.3	3.8	5.2	4.2	1.6	1.8	1.3	1.0	8.5
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	7.41 PLN	+2.9	-25.0	-76.4	-78.1	2.36	22.0	5.4	10.9	2.4	3.6	1.0	0.09	1,129	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	+14.6	-30.6	-51.0	0.29	15.3	190.9	13.1	2.0	0.0	0.2	0.00	21,742	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	0.18 UAH	-11.1	N/A	N/A	N/A	0.01	8.2	N/A	5.5	0.5	0.7	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	0.14 UAH	+0.0	-6.2	+25.6	+40.2	0.01	336.4	N/A	3.8	12.8	4.5	193.9	1.89	53	4.2	Neg.	12.0	N/A	N/A	N/A	N/A	N/A	N/A	0.6	28.3
Ukrsotsbank	USCB UK	Kiev, UX	0.18 UAH	+1.8	+4.7	-5.5	+35.4	0.01	253.1	N/A	4.5	11.3	0.1	15.6	0.10	961	Neg.	15.0	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 8-Aug-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 UAH0.22bn last Friday to UAH42.30bn as banks' correspondent accounts with the NBU rose UAH0.047bn to UAH27.29bn. Total CDs outstanding declined UAH0.25bn to UAH11.56bn and total local currency debt repayments scheduled for the next 30 days remained steady at UAH3.3.44bn.

KyivPrime interest rates slightly diverged: the KyivPrime ON interest rate rose 40bp to 5.90% while the KyivPrime 1M interest rate remained steady at 15.00%.

Investment implications: With no significant cash flows last Thursday to bolster liquidity, last Friday's loan repayments to the NBU could cause liquidity to decline if they were not refinanced.

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YTM's rise further

The ongoing local instability, political turmoil, and economic volatility pushed YTM's to a higher level last Friday. As investor sentiment is driven as much by the negative impact of the sanctions against Russia on Ukraine, the situation in eastern Ukraine provides no relief. At the last Friday's close, yields rose mostly above 10% and the yield curve adjusted to the range of 9.56-12.95%. UKRAIN 6.875% '15 rose 53bp to 12.95%, UKRAIN 6.58% '16 was up 11bp to 10.96%, UKRAIN 6.75% '17 slid 5bp to 10.06%, while UKRAIN 9.25% '17 rose 47bp to 10.93%, UKRAIN 7.95% '21 rose 57bp to 10.42%, UKRAIN 7.80% '22 and UKRAIN 7.50% '23 rose 22bp to 9.59% and 9.56%, respectively. The 5-year CDS rose to 1,000bp.

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Primary auction results

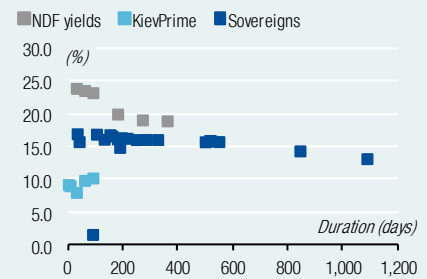
In an unprecedented week of four consecutive auctions, following two failed auctions on Tuesday and Wednesday, and then an auction that raised minimal proceeds on Thursday, Friday's auction provided the MoF with UAH1.54bn of proceeds. The fourth auction required both domestic QE support and higher interest rates to receive financing.

The MoF accepted all three bids for a total of UAH1.23bn (par value) in 2-year bonds at a cut-off interest rate 15bp higher to 17.00%. As the weighted average interest rate rose a bit less to 16.99%, most of the bonds were sold at the maximum interest rate. One bank purchased 5-year bonds at the routine 14.30% rate, likely in anticipation of or actually receiving domestic QE support. Part of the demand for the 2-year bond was most likely supported by domestic QE.

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Yield curve of the local bond market

(as of market close on 8 Aug 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 8 Aug 2014)

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

MONEY MARKET KIEV PRIME RATES (%)

0/n	5.90	+40bp	+40bp	+80bp	-190bp
1wk	9.75	+37bp	+25bp	+211bp	-5bp
1m	15.00	+0bp	-10bp	-230bp	-125bp
2m	18.00	+0bp	+10bp	+0bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	27,295	+1.77	-3.94	-2.74	-16.54
CDs ²	11,562	-2.13	+7.07	+6.42	+1,540.0
Sovgns ³	3,440	+0.00	-4.54	-24.99	+130.1
Total	42,296	+0.53	-1.22	-2.79	+21.19

HOLDERS OF UAH SOVEREIGN BONDS (UAHm)

C.bank	192,673	+0.34	+0.34	+2.59	+33.01
Banks	85,598	+1.73	+2.95	+2.29	+6.77
Resid's ⁴	15,948	-9.71	+3.40	+50.34	+28.65
Non-res ⁵	17,216	+0.72	+2.53	+5.39	+47.16
Total	311,435	+0.17	+1.32	+4.36	+25.02

NDF IMPLIED YIELDS (%)

3m	17.78	-328bp	+212bp	+555bp	+564bp
6m	16.63	-207bp	+92bp	-55bp	+323bp
9m	16.88	-60bp	+116bp	+1bp	+287bp
1yr	16.78	-47bp	+78bp	-45bp	+179bp

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	14.91	-160bp	+48bp	+245bp	-87ppt

EUROBONDS USD SOVEREIGN BOND YIELDS (%)

CDS 5yr	1,000	+12bp	+198bp	+250bp	+184bp
Jun '16	11.13	+120bp	+298bp	+328bp	+224bp
Jul '17	10.44	+30bp	+190bp	+229bp	+89bp
Sep '20	9.79	+42bp	+110bp	+139bp	+60bp
Sep '21	9.63	+32bp	+105bp	+113bp	+41bp
Sep '22	9.34	+12bp	+91bp	+99bp	-1bp
Feb '23	9.31	+12bp	+102bp	+99bp	+27bp

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

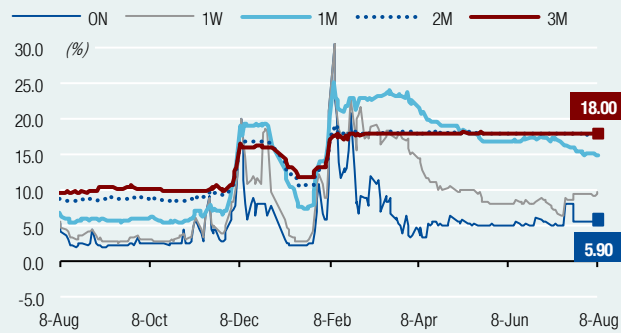


Chart 2. UAH NDF implied yields (%), last 12-month period



Chart 3. UAH sovereign yield curve (%) as of 8 Aug 2014

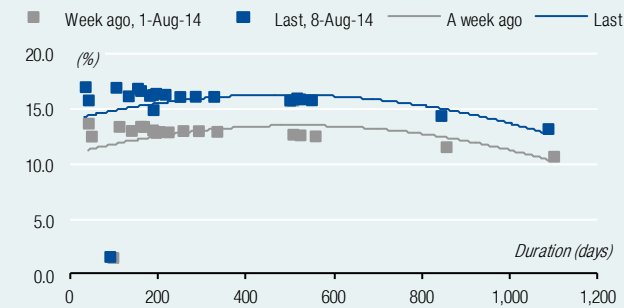


Chart 4. USD sovereign yield curve (%) as of 8 Aug 2014

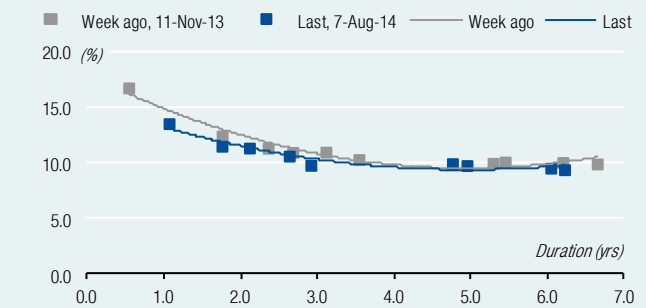


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

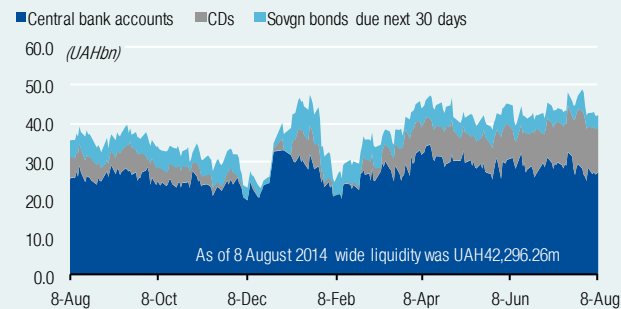


Chart 6. Breakdown of liquidity pool (%) as of 8 Aug 2014

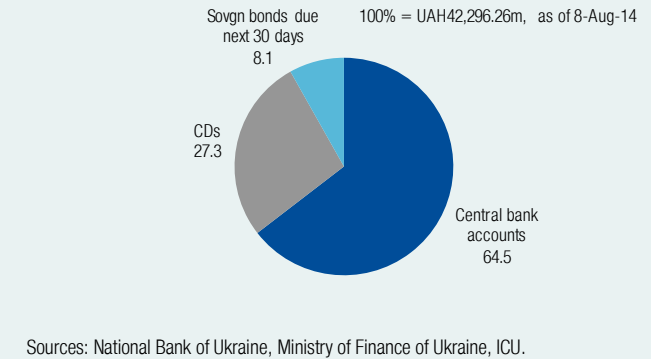


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

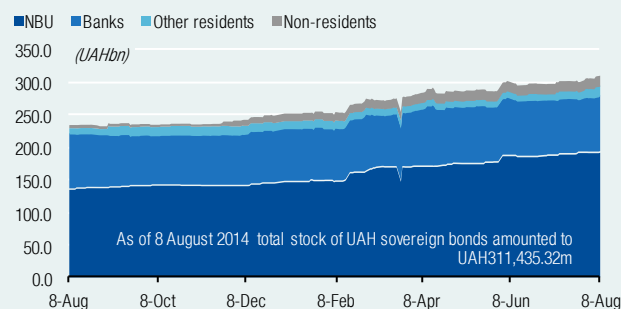
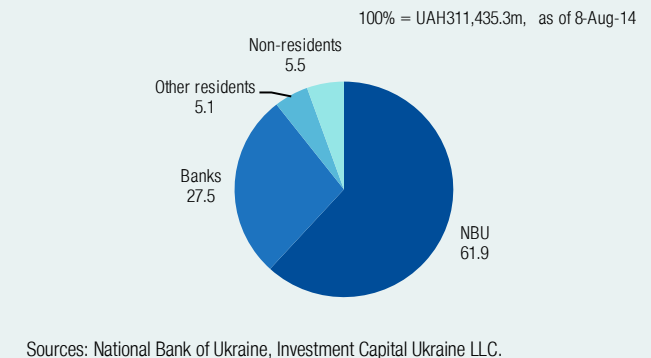


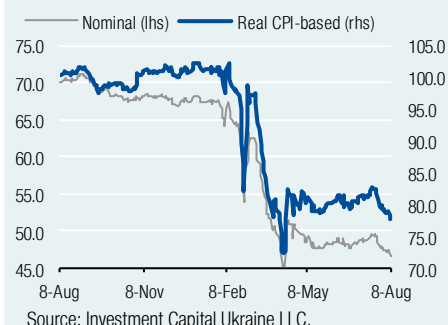
Chart 8. Domestic sovereign debt (%) as of 8 Aug 2014



FX: News & Comments

ICU's UAH trade-weighted indices

(Last 12-month history to 11 Aug 2014)



FX market indicators (as of 8 Aug 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	12.5500	+0.40	+1.83	+7.54	+52.31
NBU avg	12.6068	+1.19	+5.38	+7.64	+54.67
Ttl vlm ¹	N/A	N/A	N/A	N/A	N/A
\$ volume ²	N/A	N/A	N/A	N/A	N/A
NDF 3M	13.1000	-0.38	+2.34	+8.99	+54.39
NDF 6M	13.5750	-0.55	+2.26	+7.27	+54.61
NDF 1Y	14.5750	+0.00	+2.53	+7.13	+54.72
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	46.649	-0.73	-1.37	-4.64	-30.93
UAH real CPI	77.719	-0.73	-1.37	-4.64	-23.10
UAH real PPI	117.053	-0.73	-1.37	-4.64	-15.66
USD nom'l	81.389	-0.17	+0.11	+1.51	+1.69
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	36.1846	-0.37	+1.10	+5.61	+10.09
EUR/USD	1.3410	+0.34	-0.13	-1.48	-2.42
USD/CNY	6.1564	-0.07	-0.37	-0.74	+1.69
USD/PLN	3.1323	-0.71	+0.53	+3.30	+3.62
USD/TRY	2.1452	-1.01	+0.53	+0.96	-0.14
USD/BYR	10,340.00	+0.00	+0.19	+0.68	+8.39
USD/KZT	182.0600	+0.01	-0.27	-0.81	+18.01
OTHER MAJOR CURRENCIES					
USD/JPY	102.0400	-0.06	-0.56	+0.46	-3.11
GBP/USD	1.6773	-0.36	-0.29	-2.09	+1.30
USD/CHF	0.9054	-0.39	-0.06	+1.39	+1.40
AUD/USD	0.9275	+0.04	-0.40	-1.32	+4.01
USD/CAD	1.0973	+0.43	+0.52	+2.75	+3.29
USD/BRL	2.2833	-0.52	+1.13	+3.15	-3.34
USD/KRW	1,036.45	-0.10	-0.06	+2.44	-1.27
COMMODITIES					
Gold(\$/oz)	1,310.95	-0.13	+1.36	-0.63	+8.73
WTI crude ³	97.56	+0.23	-0.33	-5.65	-0.87
Brent crd ³	103.73	-0.98	+0.16	-4.09	-6.40
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	292.43	-0.22	-0.02	-3.63	+4.38

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>).

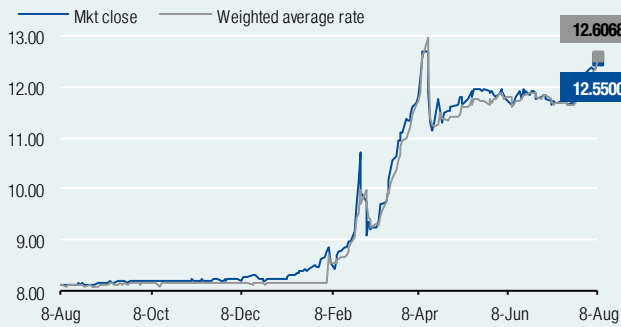
Section on FX market is continued on next page.

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.

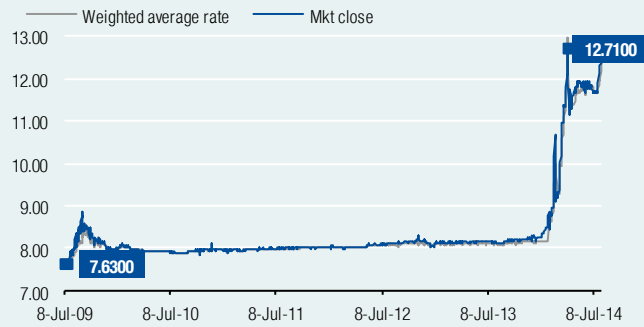
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

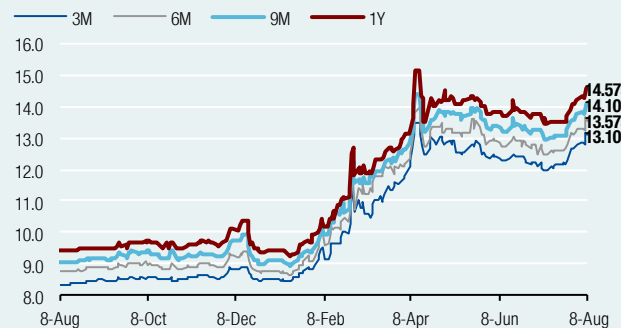


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

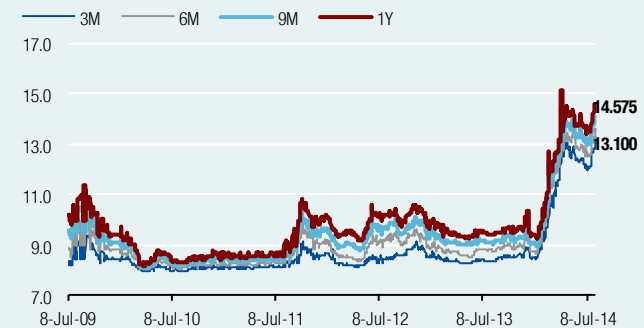


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

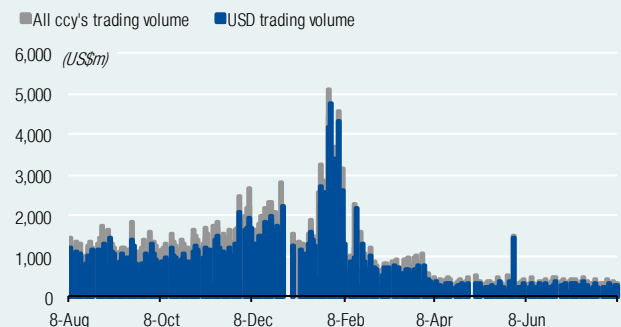


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.



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)



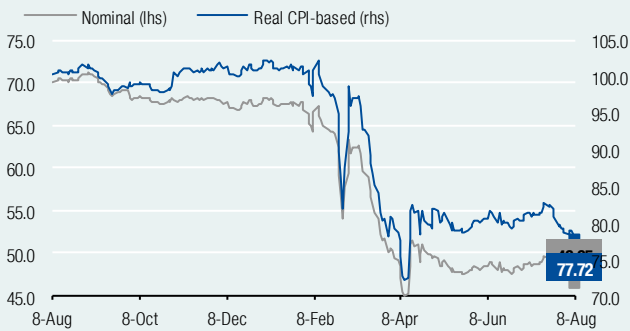
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

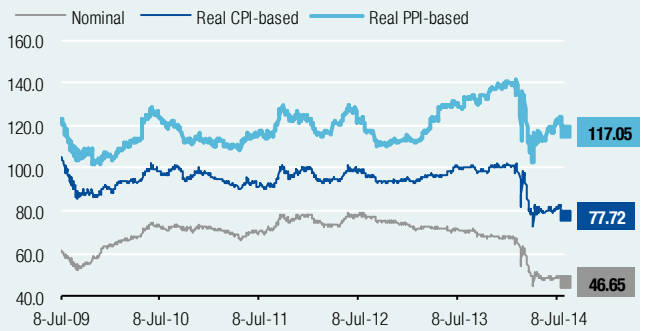
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

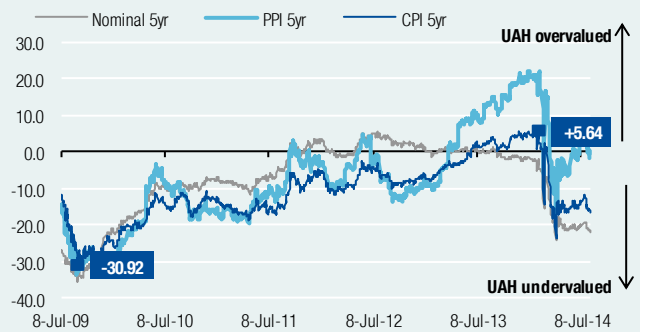


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

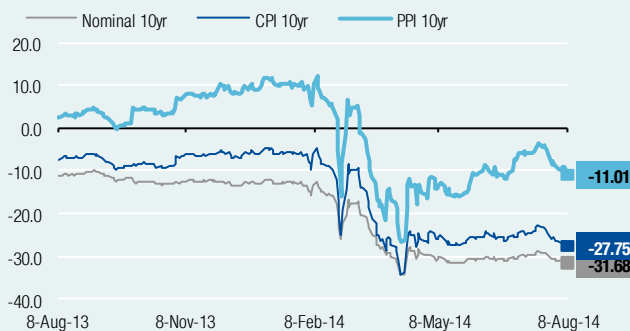


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.



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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