


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Liquidity declines; YTM's correct; Primary auction: four bonds to be offered

TUESDAY, 12 AUGUST, 2014

RESEARCH INSIGHT

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UX Index (3 months to 12 Aug 2014)



Key market indicators (as of 11 Aug 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	12.8250	+2.19	+55.64
USD/UAH (1Y NDF)	14.7750	+1.37	+56.85
EUR/USD	1.3385	-0.19	-2.60
USD/RUB	35.9408	-0.67	+9.34
KievPRIME O/N (%)	5.75	-15bp	-205bp
KievPRIME 1M (%)	15.00	+0bp	-125bp

BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	-160bp	-8,655bp
Ukraine 17, Eurobond (%)	10.23	-71bp	+67bp
Ukraine 22, Eurobond (%)	9.19	-40bp	-15bp
Ukraine 23, Eurobond (%)	9.27	-29bp	+23bp
Ukraine 5Y CDS	978bp	-22bp	+162bp

EQUITIES

Stock market indices

UX (Ukraine)	1,261.22	-0.42	+38.59
MSCI World	420.06	+0.75	+2.82
MSCI EM	1,061.41	+1.52	+5.86
RTS (Russia)	1,203.67	+2.83	-16.57
WIG-20 (Poland)	2,351.98	+1.57	-2.04
S&P 500 (USA)	1,936.92	+0.28	+4.79

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

FXPO LN	1.61	53.0% of total ¹
MHPC LI	0.57	18.8%
KER PW	0.41	13.7%

GAINERS: Top 3 stocks (in listed currency)

FORM UK	UAH 0.21	+21.59	N/A
YASK UK	UAH 0.75	+8.70	+41.51
AGT PW	PLN 2.24	+6.67	+14.87

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 11-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	+0.0	+2.2	+9.6	-26.0	0.19	44.1	-19.0	40.2	17.7	2.1	20.3	0.24	414	Neg.	Neg.	Neg.	2.9	N/A	N/A	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.89 UAH	+0.9	+0.8	+65.4	+50.9	0.62	227.4	277.0	21.7	49.4	138.0	400.8	0.80	125	6.0	6.1	3.8	0.5	4.7	2.3	0.5	0.4	0.3	1.2	12.2
Coal Energy	CLE PW	Warsaw	0.94 PLN	+1.1	-19.0	-10.5	-62.4	0.30	13.5	123.7	25.0	3.4	16.0	18.9	0.41	246	Neg.	Neg.	3.4	5.5	15.5	4.3	1.0	1.2	1.1	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	39.89 UAH	+0.0	+1.0	+44.6	+57.7	3.11	73.6	110.7	14.2	10.5	4.5	68.7	0.64	155	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	37.50 GBP	+2.7	-33.6	-47.6	-44.4	0.63	107.9	113.1	47.2	51.0	16.5	33.9	0.13	768	16.6	9.5	3.9	1.7	1.5	1.3	0.6	0.6	0.5	0.2	5.5
Regal Petroleum	RPT LN	London	5.45 GBP	-3.1	-41.1	-58.1	-68.9	0.09	29.3	2.5	80.9	23.7	6.3	4.6	0.03	3,267	Neg.	14.6	N/A	0.1	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	11.63	148.8	128.0	5.0	7.4	0.0	3.4	0.03	3,110	3.3	N/A	N/A	0.8	N/A	N/A	0.1	N/A	N/A	3.7	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.04 UAH	+1.1	-1.6	-6.5	-7.8	0.00	73.0	1,169.0	3.9	2.8	1.3	31.9	1.17	86	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	3.10 UAH	+0.3	-5.9	+4.7	-5.9	0.24	47.2	44.4	4.0	1.9	0.4	27.3	1.14	87	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	0.91 UAH	+1.6	+11.5	+36.4	+45.8	0.07	300.0	293.4	4.1	12.3	12.3	20.7	0.13	779	Neg.	N/A	Neg.	Neg.	N/A	9.0	0.2	N/A	0.2	0.3	0.0
Ferrexpo PLC	FXPO LN	London	136.30 GBP	+5.9	-2.9	-26.7	-28.0	2.28	1,344.9	1,547.4	22.4	301.3	1,605.8	1,643.8	0.40	252	5.1	5.4	7.8	3.1	3.2	4.1	1.0	1.0	1.0	1.2	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.75 UAH	+8.7	+8.7	+41.5	+35.1	0.06	16.0	17.1	9.0	1.4	0.4	7.5	0.19	522	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	43.57 UAH	+0.0	+2.9	+36.1	+26.3	3.40	35.9	31.8	9.4	3.4	8.7	37.1	0.88	113	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	0.90 EUR	-1.1	-9.1	-27.4	-39.6	1.20	111.1	168.9	34.0	37.8	1.6	16.6	0.03	3,625	Neg.	N/A	N/A	Neg.	N/A	N/A	2.4	N/A	N/A	2.0	35.9
Agroliga	AGL PW	Warsaw	18.09 PLN	-1.4	-8.4	-30.2	-34.2	5.76	8.9	9.8	16.7	1.5	0.6	2.5	0.09	1,161	2.1	N/A	N/A	2.8	N/A	N/A	0.5	N/A	N/A	0.7	5.7
Agroton	AGT PW	Warsaw	2.24 PLN	+6.7	-23.8	+14.9	-19.4	0.71	15.5	60.7	26.2	4.0	92.4	97.2	1.73	58	Neg.	2.2	1.9	22.7	6.4	3.8	0.7	0.7	0.7	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	36.70 PLN	+6.4	-17.1	-45.1	-51.3	11.68	292.1	604.3	31.0	90.6	25.0	129.5	0.11	895	8.5	8.8	4.4	8.0	4.7	5.1	1.2	1.2	1.2	0.8	38.2
Avangard	AVGR LI	London Intl	8.45 USD	+0.2	-9.8	-28.1	-15.5	8.45	539.7	770.7	21.7	117.1	91.9	167.8	0.07	1,449	2.3	2.8	2.4	2.6	3.2	3.0	1.2	1.1	1.0	0.4	17.8
IMC	IMC PW	Warsaw	8.49 PLN	+3.5	-10.6	-30.1	-46.4	2.70	84.6	235.6	23.9	20.2	1.6	65.0	0.05	1,984	3.2	7.7	1.8	4.4	4.4	4.3	2.1	1.3	1.3	0.6	38.7
Kernel Holding...	KER PW	Warsaw	27.45 PLN	+0.2	-11.5	-27.9	-45.9	8.74	696.4	1,603.1	58.8	409.3	413.9	2,300.2	0.24	413	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	+0.0	-20.3	-29.6	-31.4	12.00	1,268.0	2,428.9	22.3	283.0	570.2	1,025.9	0.53	190	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	5.25 PLN	+5.0	-21.6	-58.0	-55.9	1.67	52.2	180.3	20.0	10.4	2.6	7.8	0.04	2,392	3.6	N/A	2.7	5.4	3.5	3.2	0.4	0.4	0.4	0.2	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	2.35 EUR	-1.3	-48.9	-56.5	-47.8	3.14	333.8	1,061.6	20.0	66.8	5.8	6.5	0.01	9,270	3.8	3.8	1.5	6.4	3.9	3.6	2.1	2.5	2.4	0.8	45.3
Ovostar Union	OVO PW	Warsaw	70.00 PLN	+0.0	+0.0	-30.0	-10.3	22.29	133.7	141.3	25.0	33.4	0.6	30.5	0.09	1,142	4.4	7.2	6.2	3.8	5.2	4.2	1.6	1.8	1.3	1.0	8.5
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	7.20 PLN	-2.8	-27.1	-77.1	-78.7	2.29	21.3	4.8	10.9	2.3	0.0	1.0	0.09	1,096	3.1	N/A	N/A	0.4	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	-50.5	0.29	15.2	190.8	13.1	2.0	0.0	0.1	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	0.21 UAH	+21.6	N/A	N/A	N/A	0.02	9.9	N/A	5.5	0.5	1.8	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	+0.1	-6.1	+25.7	+39.6	0.01	334.0	N/A	3.8	12.8	7.7	191.9	1.75	57	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	+0.0	+4.7	-5.5	+35.7	0.01	250.9	N/A	4.5	11.2	0.0	15.4	0.10	967	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 11-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 declines

After significant outflows and a paltry injection from the NBU last Friday, broader banking sector liquidity declined UAH0.99bn to UAH41.30bn yesterday. Banks' correspondent accounts with the NBU declined UAH0.69bn to UAH26.60bn as total CDs outstanding declined UAH0.30bn to UAH11.26bn. Total local currency debt repayments scheduled for the next 30 days remained steady at UAH3.44bn.

KyivPrime interest rates slightly diverged as the KyivPrime ON interest rate slid 15bp to 5.75% while the KyivPrime 1M interest rate remained steady at 15.00%.

Investment implications: The NBU issued UAH0.90bn of new ON loans to two banks while one bank repaid a UAH0.34bn loan that it received earlier last week. As other outflows likely required other sources of funding as occurred with the UAH2.57bn one-year loan redemption and UAH1.54bn of bonds purchases last week, the decline in yesterday's indicators was not significant.

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YTM's correct

After the significant increase in yields last week, yesterday yields only declined slightly following no important negative news during the weekend. At yesterday's close, the yield curve adjusted to the range of 9.19-11.17%. UKRAIN 6.875% '15 slid 178bp to 11.17%, UKRAIN 6.58% '16 declined 86bp to 10.10%, UKRAIN 6.75% '17 drop 64bp to 9.42%, while UKRAIN 9.25% '17 slid 70bp to 10.23%, UKRAIN 7.95% '21 declined 74bp to 9.68%, UKRAIN 7.80% '22 and UKRAIN 7.50% '23 slid 40bp and 29bp to 9.19% and 9.27%, respectively. The 5-year CDS declined to 978bp.

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Primary auction: four bonds to be offered

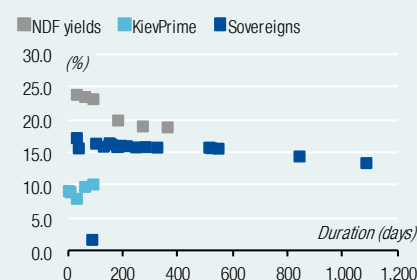
The MoF announced that it will offer four bonds today, including one USD-denominated bond. All bonds will have mid-term local currency bond and USD-denominated bonds with 2-year maturities due 3 August 2016. The two other bonds will have 5-year and 7-year maturities.

Investment implications: We do not anticipate demand for the 7-year bond, but the 5-year bond could see bids supported under domestic QE. At the same time, the 2-year bonds could collect moderate market demand and possibly domestic QE support as well.

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Yield curve of the local bond market

(as of market close on 11 Aug 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 11 Aug 2014)

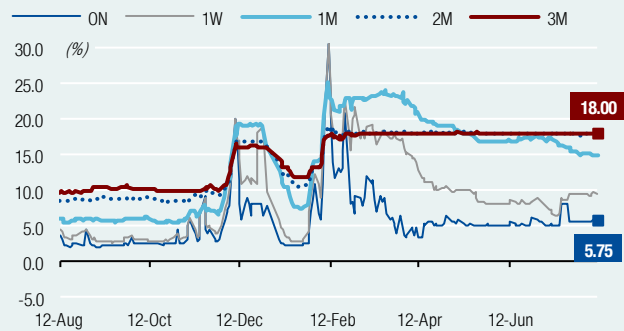
	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	5.75	-15bp	+25bp	+65bp	-205bp
1wk	9.50	-25bp	+12bp	+265bp	-30bp
1m	15.00	+0bp	-13bp	-215bp	-125bp
2m	18.00	+0bp	+0bp	+0bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	26,601	-2.54	-0.42	-10.76	-18.66
CDs ²	11,262	-2.59	-8.25	+4.38	+1,497.4
Sovgns ³	4,042	+17.52	+3.20	+14.81	+170.4
Total	41,906	-0.92	-2.33	-5.01	+20.07
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	194,819	+1.11	+1.46	+2.64	+34.50
Banks	86,377	+0.91	+4.52	+3.92	+7.74
Resid's ⁴	15,332	-3.87	-0.89	+11.21	+23.68
Non-res ⁵	17,390	+1.01	+4.55	+7.17	+48.65
Total	313,918	+0.80	+2.33	+3.63	+26.01
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	-160bp	+48bp	-104bp	-87ppt
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	978	-22bp	+150bp	+225bp	+162bp
Jun '16	10.25	-110bp	+132bp	+253bp	+136bp
Jul '17	10.23	-71bp	+113bp	+233bp	+67bp
Sep '20	9.94	-41bp	+96bp	+156bp	+74bp
Sep '21	9.68	-31bp	+72bp	+116bp	+46bp
Sep '22	9.19	-40bp	+45bp	+84bp	-15bp
Feb '23	9.27	-29bp	+55bp	+93bp	+23bp

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.

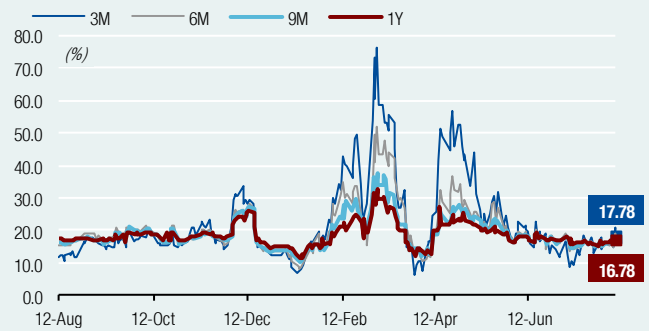
Chart page: Local bond market & Eurobond markets

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



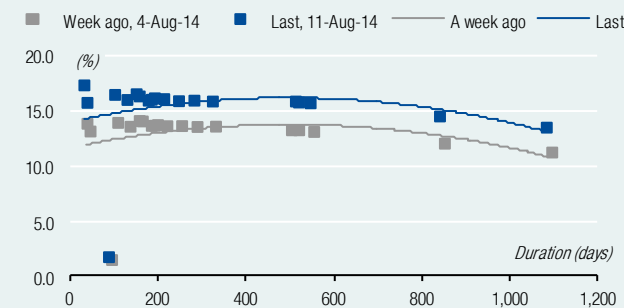
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



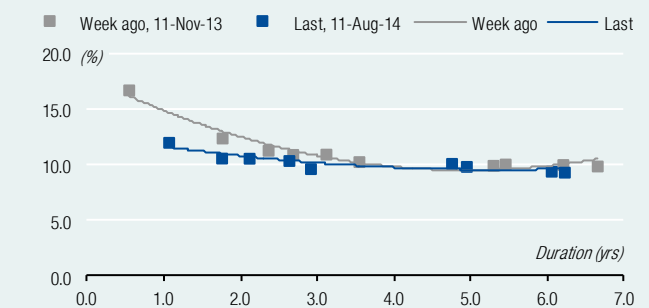
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 11 Aug 2014



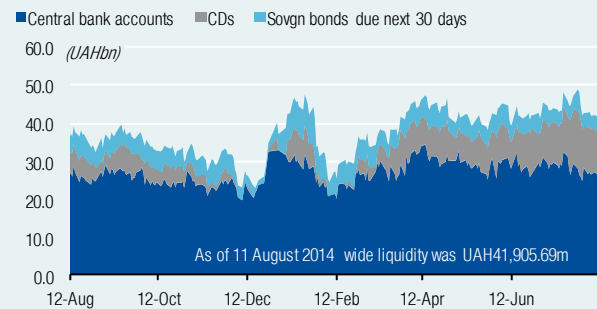
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 11 Aug 2014



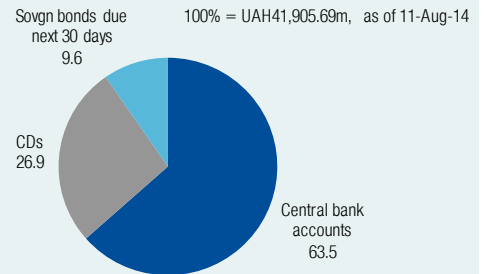
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



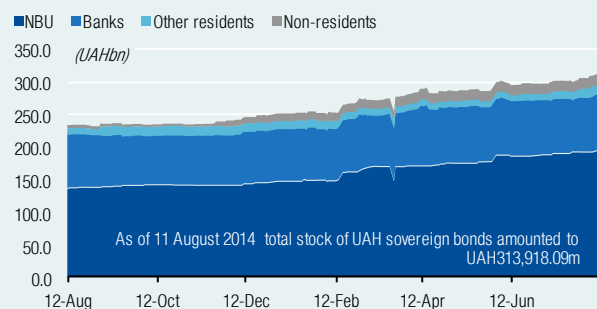
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 11 Aug 2014



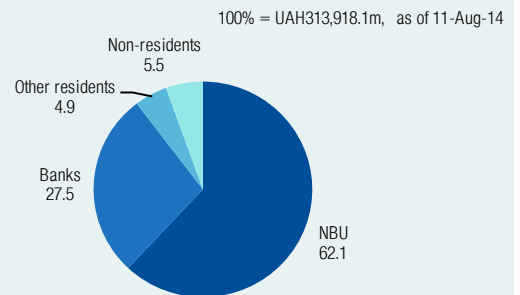
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 11 Aug 2014

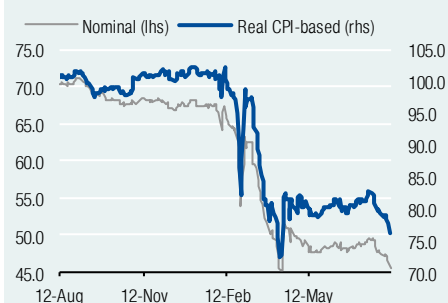


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

FX: News & Comments

ICU's UAH trade-weighted indices

(Last 12-month history to 12 Aug 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 11 Aug 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	12.8250	+2.19	+3.59	+9.55	+55.64
NBU avg	12.8260	+1.74	+5.28	+9.68	+57.36
TtI 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	13.3000	+1.53	+3.50	+11.11	+56.75
NDF 6M	13.7750	+1.47	+3.53	+10.16	+56.89
NDF 1Y	14.7750	+1.37	+3.21	+9.81	+56.85
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	45.576	-2.30	-3.24	-6.53	-32.52
UAH real CPI	75.932	-2.30	-3.24	-6.53	-24.87
UAH real PPI	114.361	-2.30	-3.24	-6.53	-17.60
USD nom'l	81.466	+0.09	+0.17	+1.60	+1.79
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	35.9408	-0.67	+0.30	+5.02	+9.34
EUR/USD	1.3385	-0.19	-0.28	-1.64	-2.60
USD/CNY	6.1542	-0.04	-0.41	-0.80	+1.65
USD/PLN	3.1348	+0.08	+0.79	+3.01	+3.70
USD/TRY	2.1505	+0.25	+0.91	+1.55	+0.11
USD/BYR	10,360.00	+0.19	+0.24	+1.12	+8.60
USD/KZT	182.0300	-0.02	-0.04	-0.81	+17.99
OTHER MAJOR CURRENCIES					
USD/JPY	102.1900	+0.15	-0.37	+0.88	-2.96
GBP/USD	1.6787	+0.08	-0.45	-1.92	+1.39
USD/CHF	0.9066	+0.13	-0.01	+1.61	+1.53
AUD/USD	0.9262	-0.14	-0.77	-1.38	+3.87
USD/CAD	1.0921	-0.47	+0.14	+1.74	+2.81
USD/BRL	2.2755	-0.34	+0.76	+2.45	-3.67
USD/KRW	1,030.75	-0.55	-0.27	+1.16	-1.81
COMMODITIES					
Gold(\$/oz)	1,308.55	-0.18	+1.57	-2.25	+8.53
WTI crude ³	98.08	+0.53	-0.21	-2.73	-0.35
Brent crd ³	103.65	-0.08	-0.56	-2.06	-6.47
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	293.81	+0.47	-0.12	-1.10	+4.87

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>).

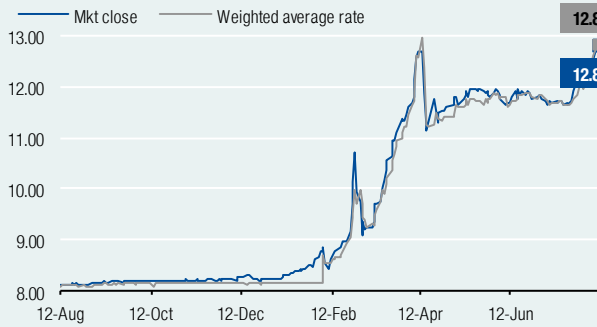
Section on FX market is continued on next page.

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.

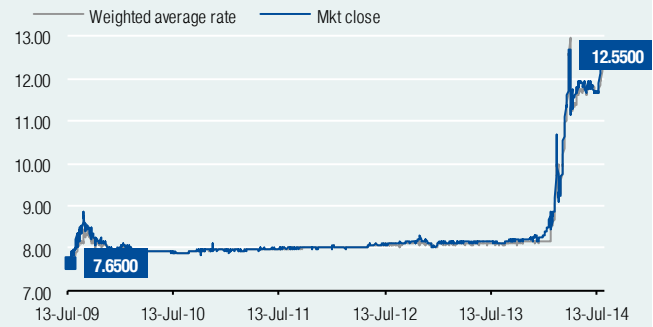
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

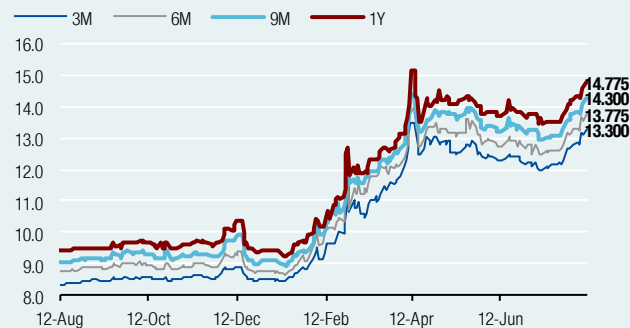


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

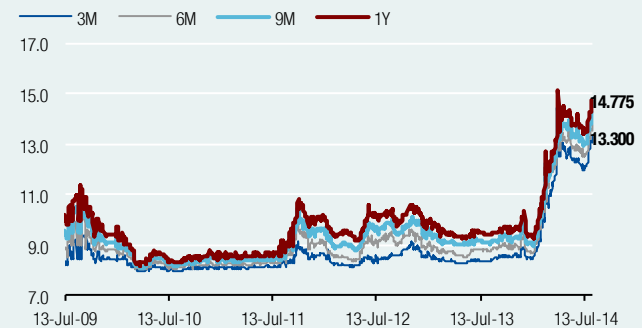


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

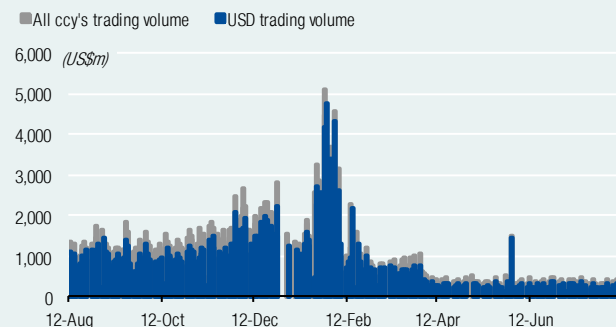


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

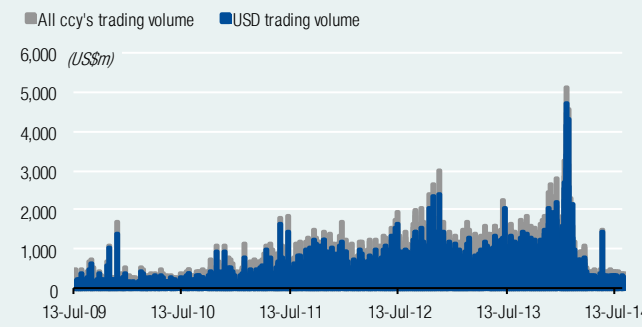


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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)



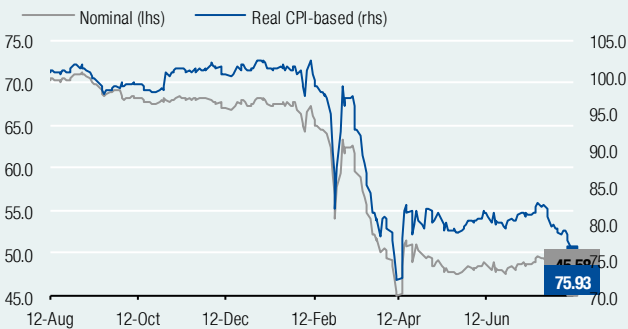
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

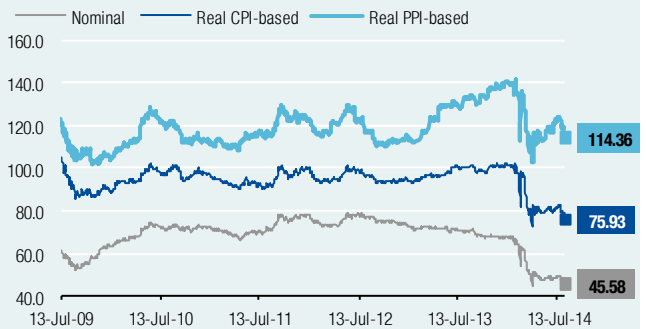
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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