


INVESTMENT CAPITAL UKRAINE
 INVESTMENT BANKING

Daily Insight

Primary auction results; NBU portfolio increases;
 UAH in a near free-fall

WEDNESDAY, 13 AUGUST, 2014

RESEARCH INSIGHT

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UX Index (3 months to 13 Aug 2014)



Key market indicators (as of 12 Aug 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	13.4000	+4.48	+62.62
USD/UAH (1Y NDF)	15.2700	+3.35	+62.10
EUR/USD	1.3369	-0.12	-2.72
USD/RUB	36.1542	+0.59	+9.99
KievPRIME O/N (%)	5.75	+0bp	-205bp
KievPRIME 1M (%)	15.13	+13bp	-112bp

BONDS: yields and spreads

Ukraine VAT bond (%)	N/A	-160bp	-8,655bp
Ukraine 17, Eurobond (%)	10.22	-1bp	+67bp
Ukraine 22, Eurobond (%)	9.20	+1bp	-14bp
Ukraine 23, Eurobond (%)	9.28	+1bp	+24bp
Ukraine 5Y CDS	983bp	+5bp	+167bp

EQUITIES

Stock market indices

UX (Ukraine)	1,268.53	+0.58	+39.39
MSCI World	419.69	-0.09	+2.73
MSCI EM	1,064.42	+0.28	+6.16
RTS (Russia)	1,198.72	-0.41	-16.91
WIG-20 (Poland)	2,349.48	-0.11	-2.14
S&P 500 (USA)	1,933.75	-0.16	+4.62

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

FXPO LN	1.83	61.6% of total ¹
KER PW	0.56	18.9%
MHPC LI	0.15	5.1%

GAINERS: Top 3 stocks (in listed currency)

KDM PW	PLN 7.92	+10.00	-74.77
JKX LN	GBp 40.13	+7.00	-43.88
FORM UK	UAH 0.22	+2.80	N/A

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-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	11.63 GBP	+2.2	+4.5	+12.0	-26.2	0.20	45.2	-17.9	40.2	18.2	0.9	20.5	0.24	423	Neg.	Neg.	Neg.	2.7	N/A	N/A	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	8.05 UAH	+2.0	+2.8	+68.7	+55.3	0.60	221.4	268.7	21.7	48.1	115.2	385.9	0.72	138	6.1	6.2	3.8	0.5	4.8	2.4	0.5	0.4	0.3	1.2	12.2
Coal Energy	CLE PW	Warsaw	0.92 PLN	-2.1	-20.7	-12.4	-60.0	0.29	13.2	123.4	25.0	3.3	7.7	18.3	0.40	253	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	40.20 UAH	+0.8	+1.8	+45.7	+59.8	2.99	70.8	106.2	14.2	10.1	6.0	65.1	0.62	163	1.8	2.4	2.3	0.4	2.4	1.3	0.3	0.2	0.2	1.4	17.8
JKX Oil & Gas	JKX LN	London	40.13 GBP	+7.0	-29.0	-43.9	-41.2	0.67	115.8	121.0	47.2	54.7	28.8	36.2	0.12	805	17.8	10.2	4.2	1.8	1.6	1.4	0.7	0.7	0.6	0.2	5.5
Regal Petroleum	RPT LN	London	5.33 GBP	-2.3	-42.4	-59.0	-69.6	0.09	28.7	1.9	80.9	23.2	16.5	4.7	0.03	2,932	Neg.	14.4	N/A	0.1	0.1	N/A	0.1	0.0	N/A	0.1	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	149.00 UAH	+0.0	+6.4	+64.8	+78.7	11.10	142.0	122.1	5.0	7.1	0.0	3.2	0.03	3,474	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	-2.2	-3.7	-8.5	-11.5	0.00	68.2	1,113.9	3.9	2.6	3.7	29.4	1.05	95	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	3.16 UAH	+1.9	-4.1	+6.7	-4.1	0.24	45.9	43.2	4.0	1.8	0.4	26.2	0.96	104	Neg.	1.9	0.8	Neg.	0.6	0.4	0.1	0.1	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.92 UAH	+0.3	+11.8	+36.9	+46.5	0.07	287.2	281.0	4.1	11.8	10.5	19.7	0.13	775	Neg.	N/A	Neg.	Neg.	N/A	9.0	0.2	N/A	0.2	0.3	0.0
Ferrexpo PLC	FXPO LN	London	132.50 GBP	-2.8	-5.6	-28.7	-30.9	2.23	1,311.1	1,513.6	22.4	293.7	1,827.5	1,605.9	0.42	240	5.0	5.3	7.6	3.0	3.1	4.0	1.0	1.0	1.0	1.2	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.75 UAH	+0.0	+8.7	+41.5	+33.0	0.06	15.3	16.3	9.0	1.4	0.0	7.0	0.19	526	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	43.36 UAH	-0.5	+2.4	+35.5	+25.9	3.23	34.1	30.2	9.4	3.2	3.1	34.7	0.79	127	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	+0.0	-9.1	-27.4	-35.7	1.20	111.1	168.8	34.0	37.8	6.1	16.4	0.03	3,604	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	+0.0	-8.4	-30.2	-30.4	5.75	8.8	9.8	16.7	1.5	0.0	2.4	0.07	1,507	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	2.12 PLN	-5.4	-27.9	+8.7	-21.5	0.67	14.6	59.9	26.2	3.8	23.5	90.9	1.66	60	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	36.80 PLN	+0.3	-16.9	-45.0	-51.9	11.71	292.7	604.6	31.0	90.8	1.6	127.8	0.11	903	8.5	9.4	4.6	8.0	4.7	5.3	1.2	1.2	1.2	0.8	38.2
Avangard	AVGR LI	London Intl	8.56 USD	+1.3	-8.6	-27.1	-14.2	8.56	546.7	777.7	21.7	118.6	150.9	169.7	0.07	1,366	2.3	2.8	2.5	2.6	3.3	3.0	1.2	1.1	1.0	0.4	17.8
IMC	IMC PW	Warsaw	8.22 PLN	-3.2	-13.5	-32.3	-47.6	2.62	81.8	232.8	23.9	19.5	1.8	62.0	0.05	2,055	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	27.10 PLN	-1.3	-12.6	-28.8	-46.6	8.62	687.0	1,593.6	58.8	403.8	561.3	2,243.2	0.24	420	6.2	17.0	4.8	5.5	6.4	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	151.6	1,012.7	0.52	191	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	5.20 PLN	-1.0	-22.4	-58.4	-56.7	1.65	51.7	179.7	20.0	10.3	1.8	7.7	0.04	2,446	3.6	N/A	2.6	5.4	3.5	3.2	0.4	0.4	0.4	0.2	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	2.34 EUR	-0.4	-49.1	-56.7	-48.0	3.13	332.2	1,060.0	20.0	66.4	0.2	6.4	0.01	9,215	3.8	3.8	1.5	6.4	3.9	3.5	2.1	2.5	2.4	0.8	45.3
Ovostar Union	OVO PW	Warsaw	69.50 PLN	-0.7	-0.7	-30.5	-13.1	22.11	132.7	140.2	25.0	33.2	4.4	29.9	0.08	1,228	4.3	7.1	6.2	3.8	5.2	4.1	1.6	1.8	1.3	1.0	8.5
TRANSPORTATION																											
KDM Shipping	KDM PW	Warsaw	7.92 PLN	+10.0	-19.8	-74.8	-76.6	2.52	23.4	6.9	10.9	2.6	0.3	1.1	0.08	1,205	3.5	N/A	N/A	0.6	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	0.22 UAH	+2.8	N/A	N/A	N/A	0.02	9.7	N/A	5.5	0.5	1.2	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	-6.2	+25.6	+39.9	0.01	318.2	N/A	3.8	12.2	41.1	180.7	1.62	62	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	+36.8	0.01	239.5	N/A	4.5	10.7	0.0	14.5	0.10	1,051	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 12-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

YTM's stable in anticipation of news

The Eurobond market yesterday anticipated news of a new humanitarian convoy from Russia, the approval of which would signal an invasion of Ukraine. With no official news by yesterday's close, yields diverged slightly and the yield curve adjusted to the range of 9.20-11.94%. UKRAIN 6.875% '15 rose 77bp to 11.94%, UKRAIN 6.58% '16 slid 1bp to 10.09%, UKRAIN 6.75% '17 drop 2bp to 9.40%, UKRAIN 9.25% '17 slid 1bp to 10.22%, UKRAIN 7.95% '21 remained steady at 9.68%, while UKRAIN 7.80% '22 and UKRAIN 7.50% '23 rose 1bp to 9.20% and 9.28%, respectively. The 5-year CDS rose to 983bp.

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Primary auction results

The MoF canceled yesterday's primary auction as it received no bids from either the market or under domestic QE. Due to the hryvnia's weakening, new bonds lost attractiveness for the market at current yields. As occurred last week, one or more new auctions could be announced later this week or possibly today.

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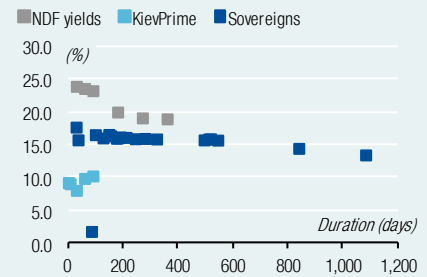
NBU portfolio increases

At the end of last week, when the NBU purchased UAH2.80bn of government bonds, the other residents' portfolio declined UAH2.33bn concurrently. It appears that the NBU purchased a new portion of bonds recently issued for a share capital increase, as the other residents' portfolio rose UAH2.22bn that day, seeming that the NBU did not purchase VAT-bonds instead.

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Yield curve of the local bond market

(as of market close on 12 Aug 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 12 Aug 2014)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
0/n	5.75	+0bp	+25bp	+65bp	-205bp
1wk	9.63	+13bp	+28bp	+278bp	-17bp
1m	15.13	+13bp	+3bp	-202bp	-112bp
2m	18.00	+0bp	+0bp	+0bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	25,461	-4.29	-6.74	-14.58	-22.14
CDS ²	12,113	+7.56	+1.30	+12.27	+1,618.2
Sovgns ³	4,042	+0.00	+3.20	+14.81	+170.4
Total	41,616	-0.69	-3.61	-5.67	+19.24
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	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	983	+5bp	+81bp	+230bp	+167bp
Jun '16	10.25	-1bp	+90bp	+273bp	+136bp
Jul '17	10.22	-1bp	+36bp	+256bp	+67bp
Sep '20	9.94	+0bp	+89bp	+172bp	+75bp
Sep '21	9.69	+1bp	+60bp	+126bp	+47bp
Sep '22	9.20	+1bp	+34bp	+88bp	-14bp
Feb '23	9.28	+1bp	+42bp	+106bp	+24bp

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

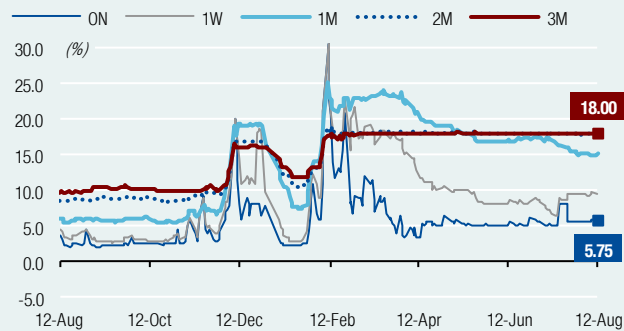


Chart 2. UAH NDF implied yields (%), last 12-month period

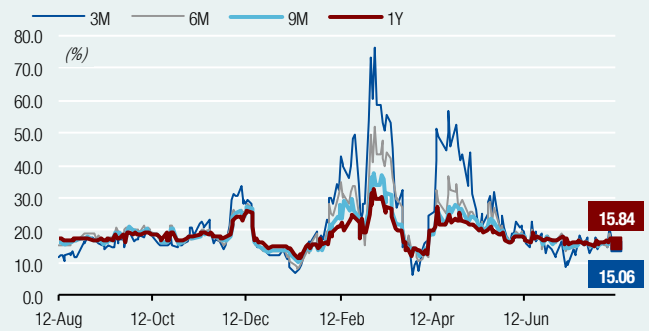


Chart 3. UAH sovereign yield curve (%) as of 12 Aug 2014

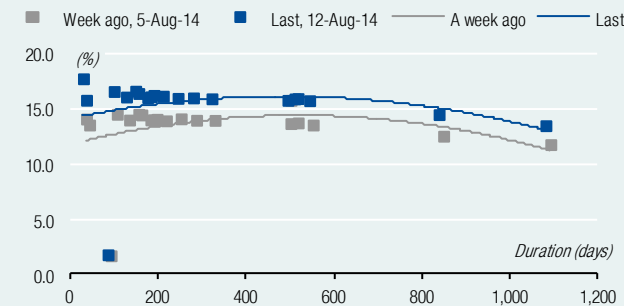


Chart 4. USD sovereign yield curve (%) as of 12 Aug 2014

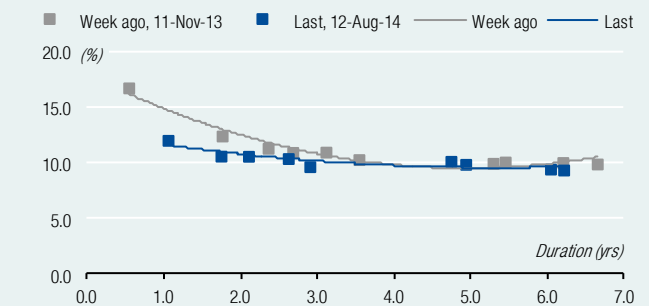


Chart 5. Banking sector liquidity (UAHbn), last 12-month period

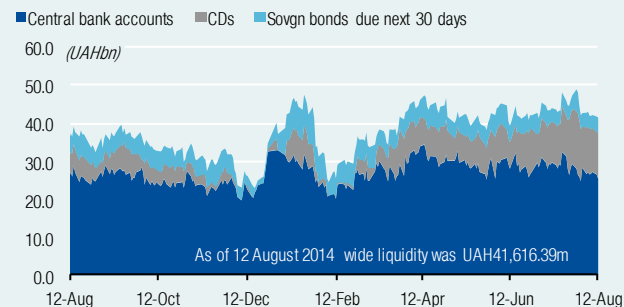


Chart 6. Breakdown of liquidity pool (%) as of 12 Aug 2014

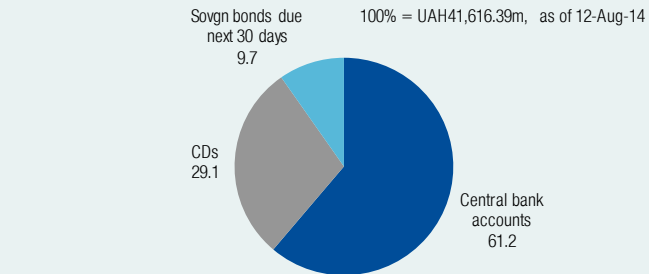


Chart 7. Holders of sovereign bonds (UAHbn), last 12 months

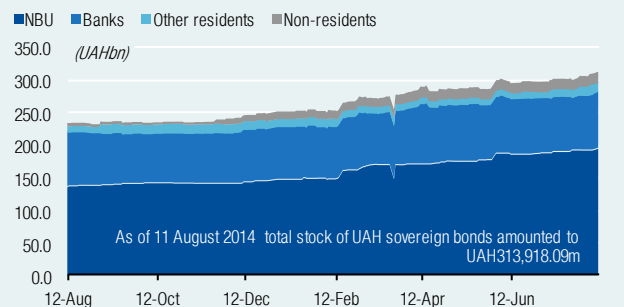
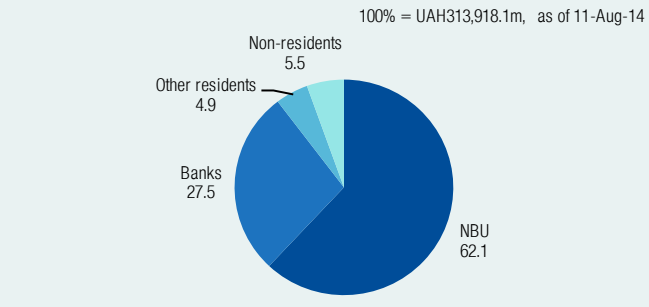


Chart 8. Domestic sovereign debt (%) as of 12 Aug 2014



FX: News & Comments

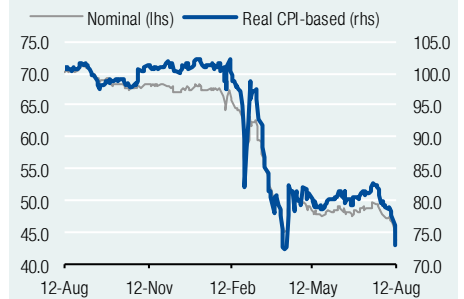
UAH in a near free-fall, NBU promises tough response

The steep decline of the hryvnia from the early opening of the market yesterday caused lawmakers to invite the central bank governor for testify on the abrupt developments. The appointment was set into the late hours of the day to enable the gathering to have a full-day picture of market developments. Overall, the market pushed the UAH down by a massive 4.5% to 13.40/USD. When the market closed, attention shifted to the parliament where the bank governor told lawmakers that this FX rate move was the result of panic selling of hryvnia unrelated to macroeconomic fundamentals. The NBU sees the fundamental value of the hryvnia with the 11.5-11.9 range and urged the public to calm down as panic sellers of the hryvnia today would lose in the near future. If necessary, the bank will toughen regulatory rules, most likely by raising the surrender requirement ratio from the current 50% possibly to 75% or even 100%. When the meeting concluded, many lawmakers, rather than criticize, urged to support the governor. We calculate the fundamental fair value of the hryvnia today to be 10.2-12.1/USD and expect it to drift gradually weaker because of inflation. Yesterday's decline of the nominal FX rate translated into a 4.04% real decline of the hryvnia in trade-weighted terms, making the UAH undervalued again by PPI-based real TWI (see Chart 15 on page 8).

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ICU's UAH trade-weighted indices

(Last 12-month history to 13 Aug 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 12 Aug 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	13.4000	+4.48	+8.50	+14.46	+62.62
NBU avg	13.1393	+2.44	+6.84	+12.36	+61.20
TtI vlm ¹	322.74	-18.79	-18.32	-8.35	-88.48
\$ volume ²	236.38	-31.20	-17.32	-6.65	-89.31
NDF 3M	13.8023	+3.78	+7.41	+15.31	+62.67
NDF 6M	14.2476	+3.43	+7.08	+13.94	+62.27
NDF 1Y	15.2700	+3.35	+6.67	+13.49	+62.10
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	43.735	-4.04	-7.73	-10.31	-35.24
UAH real CPI	72.865	-4.04	-7.73	-10.31	-27.91
UAH real PPI	109.743	-4.04	-7.73	-10.31	-20.93
USD nom'l	81.500	+0.04	+0.21	+1.64	+1.83
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	36.1542	+0.59	+0.32	+5.64	+9.99
EUR/USD	1.3369	-0.12	-0.05	-1.76	-2.72
USD/CNY	6.1581	+0.06	-0.21	-0.74	+1.71
USD/PLN	3.1429	+0.26	+0.37	+3.27	+3.97
USD/TRY	2.1640	+0.63	+0.54	+2.19	+0.74
USD/BYR	10,340.00	-0.19	-0.05	+0.93	+8.39
USD/KZT	181.9900	-0.02	-0.02	-0.83	+17.97
OTHER MAJOR CURRENCIES					
USD/JPY	102.2600	+0.07	-0.33	+0.95	-2.90
GBP/USD	1.6812	+0.15	-0.44	-1.78	+1.54
USD/CHF	0.9076	+0.11	-0.15	+1.73	+1.65
AUD/USD	0.9269	+0.08	-0.39	-1.31	+3.95
USD/CAD	1.0925	+0.04	-0.33	+1.78	+2.84
USD/BRL	2.2770	+0.07	-0.21	+2.52	-3.60
USD/KRW	1,026.60	-0.40	-0.17	+0.75	-2.21
COMMODITIES					
Gold(\$/oz)	1,309.45	+0.07	+1.60	-2.18	+8.61
WTI crude ³	97.37	-0.72	-0.01	-3.43	-1.07
Brent crd ³	102.05	-1.54	-1.75	-3.57	-7.91
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	291.78	-0.69	-0.21	-1.78	+4.14

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>).

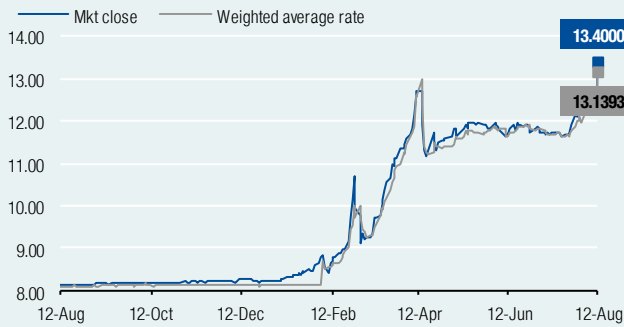
Section on FX market is continued on next page.

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.

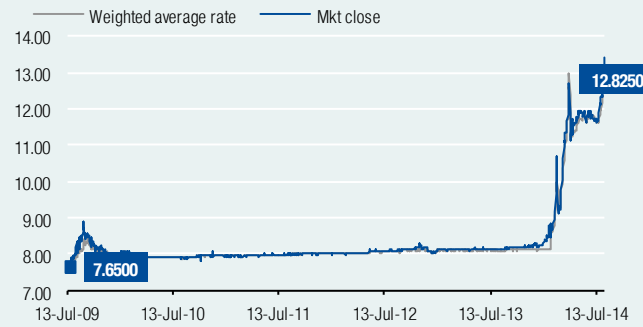
Sources: Bloomberg, Investment Capital Ukraine LLC.

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.

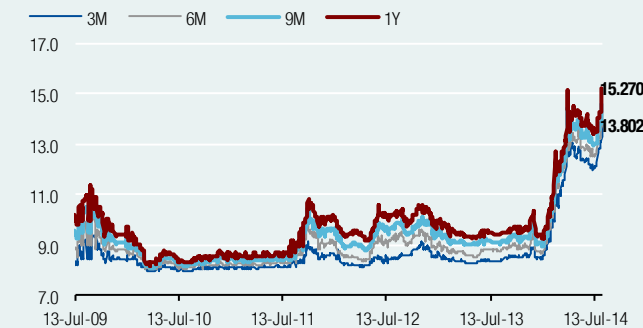


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

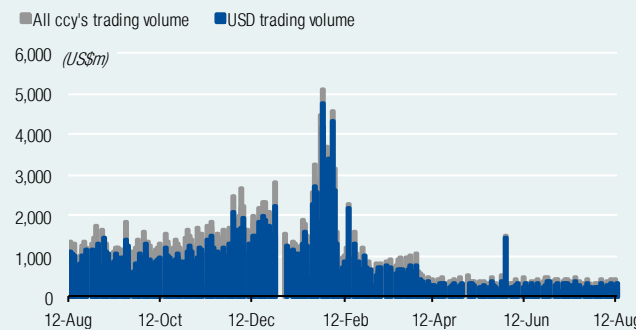


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.



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)

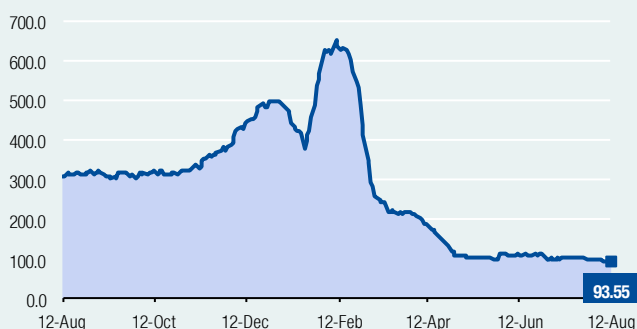


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)



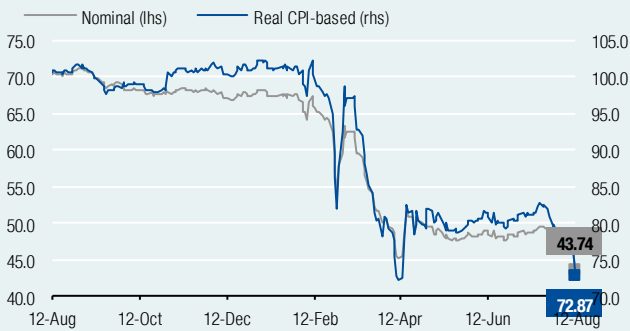
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

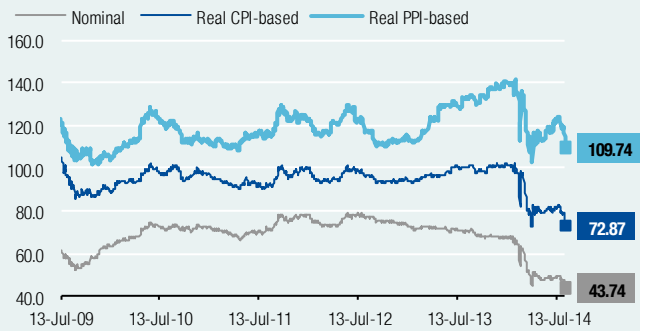
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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