



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
**Alexander Valchyshen
Taras Kotovych**

Daily Insight

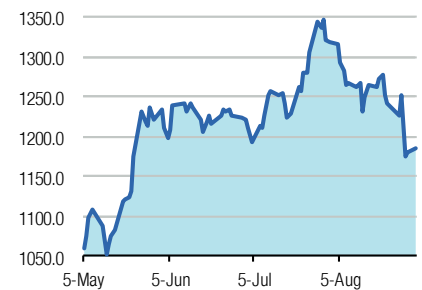
Hryvnia in an engineered gain

Contents

Bonds: News & Comments	2
Liquidity down significantly	2
New primary auction schedule	2
Chart page: Local bond market & Eurobond markets	3
FX: News & Comments	5
Hryvnia in an engineered gain	5
Chart page #1: Foreign-exchange market	6
Chart page #2: ICU's UAH trade-weighted indices	7

TUESDAY, 2 SEPTEMBER 2014

UX Index (3 months to 2 Sep 2014)



Source: UX.

Key market indicators (as of 1 Sep 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	12.5500	-4.92	+52.31
USD/UAH (1Y NDF)	14.9500	-6.27	+58.70
EUR/USD	1.3128	-0.03	-4.48
USD/RUB	37.2897	+0.46	+13.45
KievPRIME O/N (%)	8.00	+0bp	+20bp
KievPRIME 1M (%)	15.83	+66bp	-42bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	15.14	-1bp	+679bp
Ukraine 17, Eurobond (%)	12.49	+51bp	+293bp
Ukraine 22, Eurobond (%)	10.08	+23bp	+73bp
Ukraine 23, Eurobond (%)	10.03	+23bp	+98bp
Ukraine 5Y CDS	1,085bp	+0bp	+268bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,184.21	+0.26	+30.13
MSCI World	431.59	+0.01	+5.64
MSCI EM	1,090.57	+0.25	+8.76
RTS (Russia)	1,177.66	-1.06	-18.37
WIG-20 (Poland)	2,443.14	+1.08	+1.76
S&P 500 (USA)	2,003.37	+0.33	+8.39

Notes: Chg – percentage change, if not otherwise indicated; [1] – total traded volume for stocks listed in green- or red-shaded box means gain or loss, respectively, of the index or security.

Sources: Bloomberg, UX, Investment Capital Ukraine LLC.

Bonds: News & Comments

Liquidity down significantly

Banks' correspondent accounts with the NBU fell UAH1.60bn to UAH27.65bn yesterday and 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 remained steady at 8.00% while the KyivPrime 1M interest rate rose 66bp to 15.83%.

Investment implications: Last Friday was the last day of month-end tax payments when the main portion was most likely paid. This week, liquidity should recover as banks' correspondent accounts increase to about UAH30.0bn.

New primary auction schedule

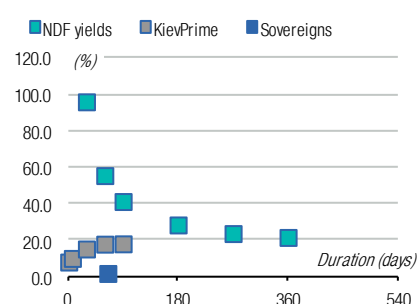
The MoF published the schedule of primary auctions for September to offer a very tight range of bonds that includes 2-year local currency bonds every week and one week offerings of 2-year FX-denominated bonds and 3-year USD-indexed bonds.

Investment implications: With a significant FX-denominated bond payment scheduled next week and a sizeable offering of FX-denominated bonds scheduled for 16 September, the MoF will attempt to replace the FX spent the week earlier.

Taras Kotovych, Kiev, +38044 2200120 ext.724

Yield curve of the local bond market

(as of market close on 1 Sep 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 1 Sep 2014)

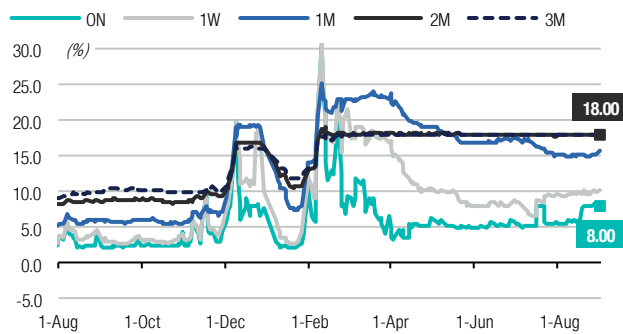
	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	8.00	+0bp	+0bp	+250bp	+20bp
1wk	10.08	+8bp	+33bp	+58bp	+28bp
1m	15.83	+66bp	+83bp	+73bp	-42bp
2m	18.00	+17bp	+0bp	+10bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	27,654	-5.47	-16.53	-2.68	-15.44
CDs ²	7,769	-53.18	-46.15	-28.06	+1,002.0
Sovgns ³	4,737	+37.84	+36.51	+31.47	+216.9
Total	40,161	-18.51	-21.30	-6.20	+15.07
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	236,722	+0.00	-0.03	+23.28	+63.42
Banks	91,504	+0.75	+2.93	+10.05	+14.14
Resid's ⁴	16,832	+0.12	+5.71	+9.13	+35.78
Non-res ⁵	20,398	+0.67	+1.46	+21.48	+74.36
Total	365,456	+0.23	+1.03	+18.89	+46.70
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	+0bp	+48bp	-87ppt
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	1,085	+0bp	+147bp	+283bp	+268bp
Jun '16	12.56	+50bp	+244bp	+441bp	+367bp
Jul '17	12.49	+51bp	+227bp	+394bp	+293bp
Sep '20	10.41	+3bp	+97bp	+172bp	+122bp
Sep '21	10.34	+3bp	+68bp	+176bp	+112bp
Sep '22	10.08	+23bp	+89bp	+165bp	+73bp
Feb '23	10.03	+23bp	+89bp	+174bp	+98bp

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.

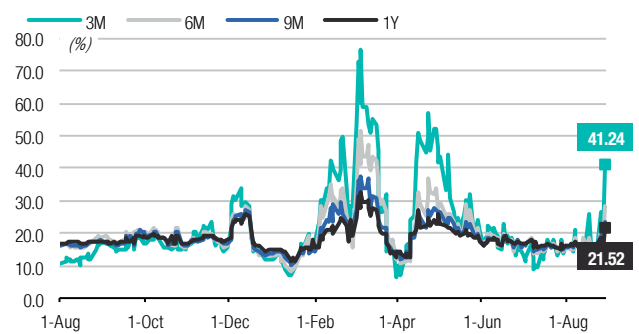
Chart page: Local bond market & Eurobond markets

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



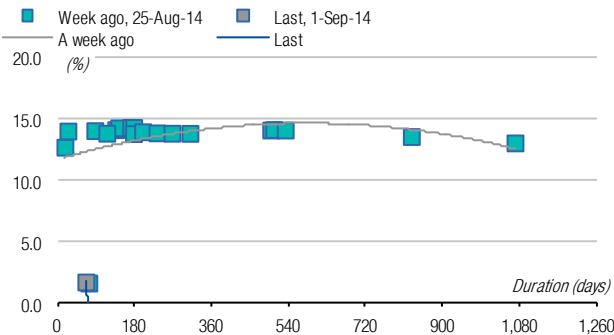
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



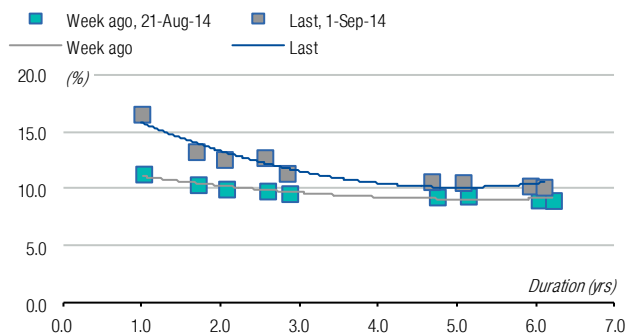
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 1 Sep 2014



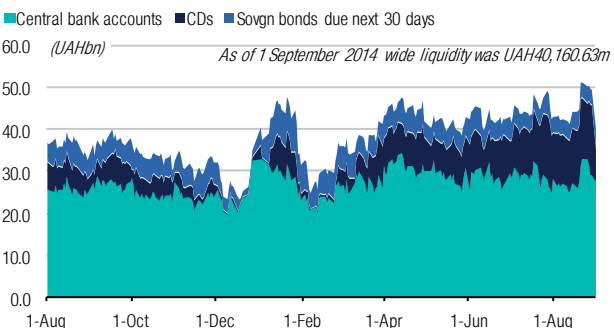
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 1 Sep 2014



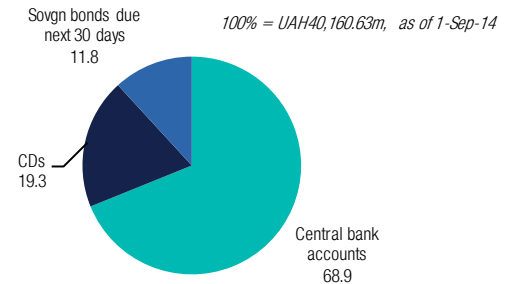
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



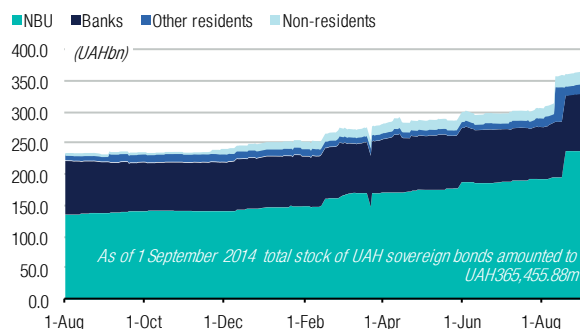
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 1 Sep 2014



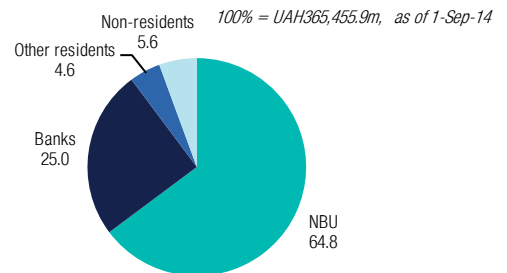
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 1 Sep 2014



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

Table 1. Ukrainian stocks (closing prices as of 1-Sep-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	11.50 GBP	+0.0	+0.0	+10.8	-25.2	0.19	44.1	-19.0	40.2	17.7	6.1	19.3	0.08	1,178	Neg.	Neg.	Neg.	2.9	N/A	N/A	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.76 UAH	+0.8	-4.3	+62.8	+57.4	0.62	228.4	279.0	21.7	49.6	16.4	383.4	0.16	644	5.9	5.4	3.7	0.5	4.3	2.3	0.5	0.4	0.3	1.2	12.2
Coal Energy	CLE PW	Warsaw	0.55 PLN	-12.7	-43.3	-47.6	-76.0	0.17	7.7	117.9	25.0	1.9	65.9	10.9	1.00	100	Neg.	Neg.	1.9	5.2	14.7	4.1	0.9	1.2	1.1	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	34.41 UAH	-1.7	-16.9	+24.7	+51.7	2.74	64.8	102.7	14.2	9.2	10.0	54.0	0.10	968	1.5	1.9	1.9	0.4	2.0	1.2	0.2	0.2	0.2	1.2	17.8
JKX Oil & Gas	JKX LN	London	44.88 GBP	-0.6	+11.5	-37.2	-34.5	0.74	127.8	132.9	47.2	60.3	8.0	35.1	0.03	3,171	19.7	11.3	4.6	2.0	1.8	1.5	0.7	0.7	0.6	0.3	5.5
Regal Petroleum	RPT LN	London	7.00 GBP	-6.7	-8.2	-46.2	-59.4	0.12	37.2	10.4	80.9	30.1	1.7	8.7	0.05	2,120	Neg.	18.6	N/A	0.5	0.4	N/A	0.3	0.2	N/A	0.1	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	130.00 UAH	+0.0	-12.8	+43.8	+56.6	10.35	132.4	111.2	5.0	6.6	0.0	3.1	0.00	25,833	2.9	N/A	N/A	0.7	N/A	N/A	0.1	N/A	N/A	3.2	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.03 UAH	+0.6	-11.7	-16.5	-13.2	0.00	66.5	1,184.6	3.9	2.6	1.2	29.0	0.14	714	Neg.	Neg.	N/A	N/A	Neg.	N/A	1.0	0.6	N/A	N/A	64.5
Avdiyivsky Cok...	AVDK UK	Kiev, UX	2.84 UAH	+1.5	-8.6	-4.2	-11.3	0.23	44.1	41.2	4.0	1.8	5.5	25.0	0.11	886	Neg.	276.7	0.7	Neg.	0.8	0.4	0.1	0.0	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.79 UAH	+0.4	-9.6	+18.2	+26.7	0.06	265.2	258.5	4.1	10.9	6.4	17.3	0.08	1,252	Neg.	N/A	Neg.	Neg.	N/A	6.8	0.1	N/A	0.1	0.2	0.0
Ferrexpo PLC	FXPO LN	London	131.90 GBP	-0.2	-0.5	-29.0	-23.5	2.19	1,287.7	1,490.1	22.4	288.4	593.1	1,489.6	0.42	240	4.9	4.6	7.3	3.0	2.9	3.9	0.9	1.0	1.0	1.2	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.60 UAH	+5.4	-16.7	+13.2	+7.1	0.05	13.1	14.2	9.0	1.2	1.0	5.6	0.17	603	Neg.	1.2	0.6	0.1	0.5	0.4	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	36.43 UAH	+0.0	-16.4	+13.8	+7.8	2.90	30.6	26.5	9.4	2.9	1.2	31.0	0.16	619	5.5	N/A	Neg.	Neg.	N/A	0.7	0.0	N/A	0.0	0.9	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.87 EUR	-1.1	-6.5	-29.8	-37.9	1.14	105.4	162.1	34.0	35.9	4.7	12.4	0.03	3,804	Neg.	N/A	N/A	Neg.	N/A	N/A	2.3	N/A	N/A	1.9	35.9
Agroliga	AGL PW	Warsaw	17.22 PLN	-0.1	-9.4	-33.6	-31.1	5.37	8.3	9.1	16.7	1.4	0.1	1.6	0.07	1,357	2.0	N/A	N/A	2.6	N/A	N/A	0.4	N/A	N/A	0.7	5.7
Agroton	AGT PW	Warsaw	1.87 PLN	+4.5	-23.0	-4.1	-21.4	0.58	12.6	57.9	26.2	3.3	47.7	69.9	1.50	67	Neg.	1.8	1.6	21.7	6.1	3.6	0.7	0.7	0.7	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	34.42 PLN	-4.4	-4.4	-48.6	-49.1	10.74	268.4	524.0	31.0	83.3	74.6	111.2	0.08	1,307	8.0	8.5	4.3	6.9	4.1	4.7	1.1	1.1	1.1	0.7	38.2
Avangard	AVGR LI	London Intl	8.40 USD	-4.5	-1.8	-28.5	-17.6	8.40	536.5	767.5	21.7	116.4	171.2	174.3	0.08	1,224	2.3	3.4	3.1	2.5	4.0	4.3	1.2	1.2	1.2	0.4	17.8
IMC	IMC PW	Warsaw	8.25 PLN	-1.8	-5.5	-32.1	-44.1	2.57	80.5	231.5	23.9	19.2	42.9	45.2	0.08	1,197	3.1	7.3	1.8	4.3	4.3	4.2	2.0	1.2	1.2	0.5	38.7
Kernel Holding...	KER PW	Warsaw	24.40 PLN	-5.2	-15.1	-35.9	-49.5	7.61	606.4	1,513.0	58.8	356.4	1,155.9	1,136.2	0.20	500	5.5	15.0	4.3	5.2	6.2	4.7	0.5	0.6	0.6	0.6	30.6
KSG Agro	KSG PW	Warsaw	0.52 PLN	+36.8	-88.5	-95.2	-94.9	0.16	2.4	113.5	34.4	0.8	392.8	13.3	4.50	22	Neg.	0.2	0.1	4.3	2.9	2.4	1.6	1.2	1.0	0.1	44.0
MHP	MHPC LI	London Intl	11.56 USD	-0.8	-10.8	-32.2	-22.9	11.56	1,221.5	2,431.8	22.3	272.6	2,334.7	1,022.1	0.32	312	7.8	7.7	4.2	6.2	5.1	4.8	1.6	1.7	1.5	2.1	47.0
Milkiland	MLK PW	Warsaw	4.25 PLN	-5.6	-25.3	-66.0	-63.0	1.33	41.4	167.1	20.0	8.3	6.1	4.1	0.04	2,408	2.9	N/A	2.1	5.0	3.3	3.0	0.4	0.4	0.4	0.2	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	1.81 EUR	-4.7	-47.5	-66.5	-59.5	2.38	252.4	980.2	20.0	50.5	0.0	6.5	0.01	6,691	2.9	2.9	1.1	5.9	3.6	3.3	2.0	2.3	2.3	0.6	45.3
Ovostar Union	OVO PW	Warsaw	67.59 PLN	-3.2	-3.4	-32.4	-17.9	21.08	126.5	134.1	25.0	31.6	1.6	35.2	0.13	777	4.1	6.8	5.9	3.6	5.0	4.0	1.5	1.7	1.3	0.9	8.5
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.19 EUR	+0.0	-12.7	-39.4	-55.2	0.25	13.0	188.6	13.1	1.7	0.0	0.1	N/A	N/A	Neg.	N/A	N/A	Neg.	N/A	N/A	5.6	N/A	N/A	0.1	45.5
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.13 UAH	+1.0	-13.0	+13.4	+35.7	0.01	307.3	N/A	3.8	11.7	7.7	25.4	0.17	604	3.8	Neg.	10.8	N/A	N/A	N/A	N/A	N/A	N/A	0.5	28.3
Ukrsotsbank	USCB UK	Kiev, UX	0.17 UAH	-0.1	-3.0	-8.8	+32.0	0.01	247.1	N/A	4.5	11.1	0.5	15.0	0.01	15,692	Neg.	12.7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	30.9

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; *** - P/E is above 10,000x. Sources: Bloomberg, ICU.

FX: News & Comments

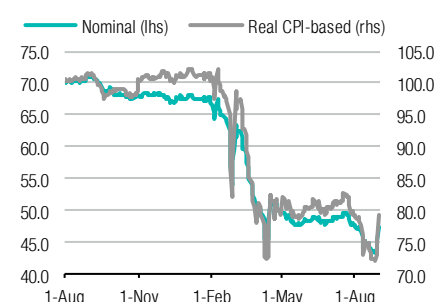
Hryvnia in an engineered gain

In response to IMF news of the next tranche to Ukraine, the hryvnia rose a significant 4.9% to close at 12.5500/USD yesterday on modest volume because of the national holiday in the US. In trade-weighted terms, the hryvnia was up 5.3%. The recent weakness of the Russian ruble on the back of Ukraine-Russia military stand-off contributed a great deal of support to the real UAH rate.

Alexander Valchyshen, Kiev, +38044 2200120 ext.242

ICU's UAH trade-weighted indices

(Last 12-month history to 2 Sep 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 1 Sep 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIYA per US DOLLAR)					
Spot mkt	12.5500	-4.92	-7.38	+1.83	+52.31
NBU avg	13.1141	-3.61	-1.88	+9.62	+60.89
Ttl vlm ¹	365.26	-4.89	+11.32	-10.20	-86.96
\$ volume ²	237.24	-16.79	+9.10	-30.30	-89.27
NDF 3M	13.5500	-6.87	-3.49	+5.86	+59.69
NDF 6M	14.0500	-6.64	-3.44	+5.84	+60.02
NDF 1Y	14.9500	-6.27	-3.80	+5.17	+58.70
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	47.446	+5.34	+9.21	+0.31	-29.75
UAH real CPI	79.048	+5.34	+9.21	+0.31	-21.79
UAH real PPI	119.054	+5.34	+9.21	+0.31	-14.22
USD nom'l	82.748	+0.00	+0.24	+1.78	+3.39
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	37.2897	+0.46	+3.11	+4.19	+13.45
EUR/USD	1.3128	-0.03	-0.49	-2.23	-4.48
USD/CNY	6.1433	+0.00	-0.17	-0.59	+1.47
USD/PLN	3.2017	-0.12	+0.96	+2.76	+5.91
USD/TRY	2.1603	-0.12	-0.82	+1.24	+0.56
USD/BYR	10,435.00	+0.05	+0.19	+1.11	+9.38
USD/KZT	182.1000	+0.02	+0.05	-0.25	+18.04
OTHER MAJOR CURRENCIES					
USD/JPY	104.3500	+0.25	+0.29	+1.70	-0.91
GBP/USD	1.6608	+0.06	+0.17	-1.27	+0.31
USD/CHF	0.9196	+0.15	+0.46	+1.51	+2.99
AUD/USD	0.9332	-0.07	+0.38	+0.21	+4.65
USD/CAD	1.0871	-0.06	-1.03	-0.41	+2.33
USD/BRL	2.2459	+0.45	-1.86	-0.52	-4.92
USD/KRW	1,013.15	-0.07	-0.68	-2.31	-3.49
COMMODITIES					
Gold(\$/oz)	1,286.00	-0.14	+0.71	-0.57	+6.66
WTI crude ³	N/A	-100.0	-100.0	-100.0	-100.0
Brent crd ³	101.37	+0.11	+0.62	-2.11	-8.53
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	N/A	N/A	N/A	N/A	N/A

Readers may follow the ICU trade-weighted indices of the local-currency, the hryvnia (UAH), on the ICU [website](#) and Bloomberg (type: ALLX UTWI <GO>).

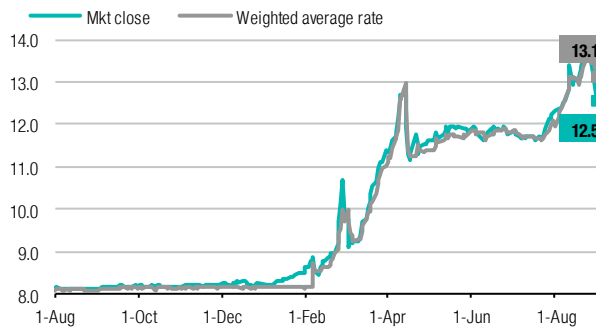
Section on FX market is continued on next page.

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.

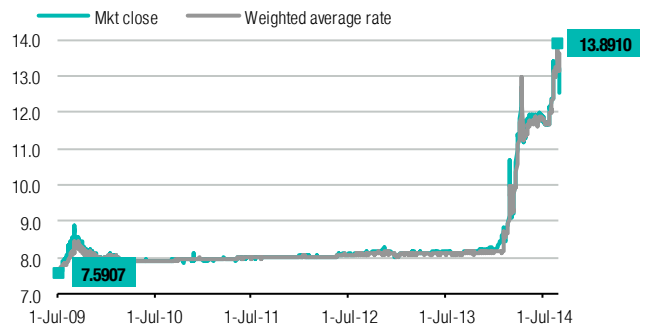
Sources: Bloomberg, Investment Capital Ukraine LLC.

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)

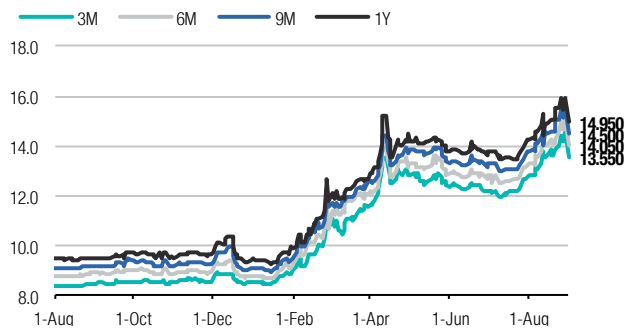


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

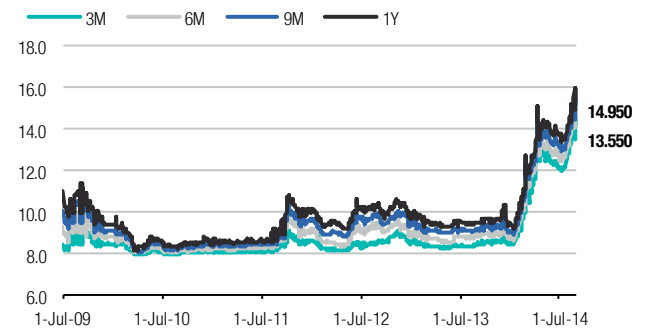


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

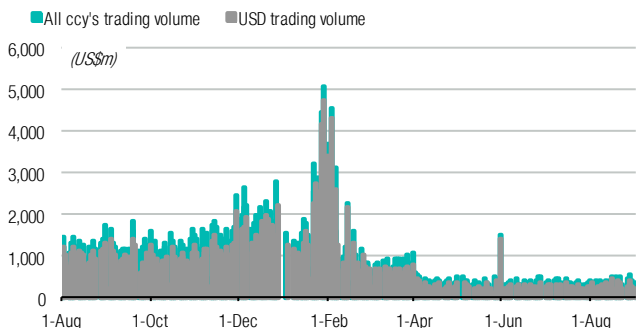


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

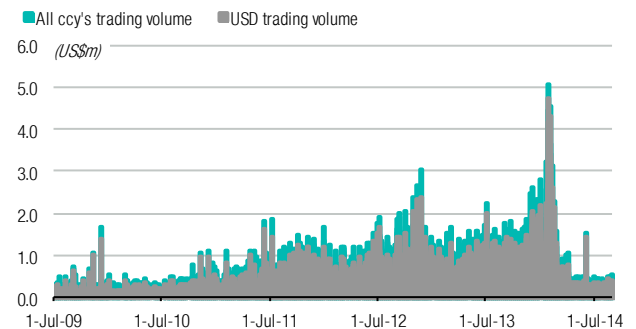


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

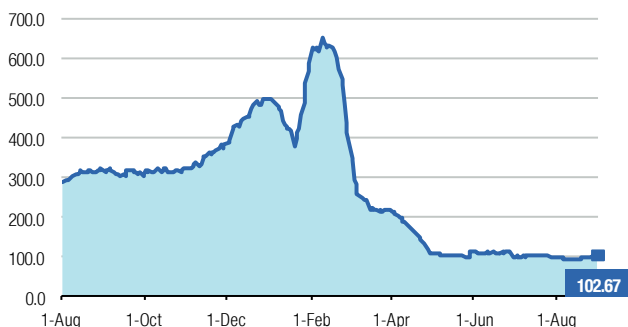


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)



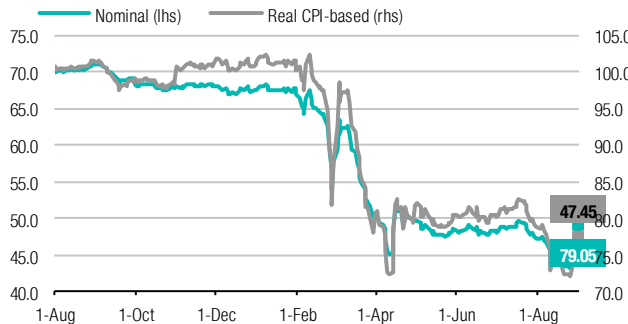
Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

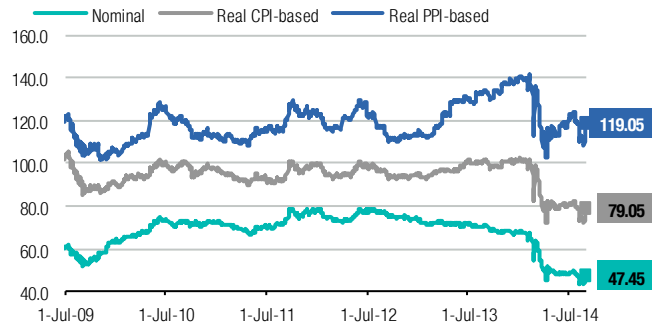
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



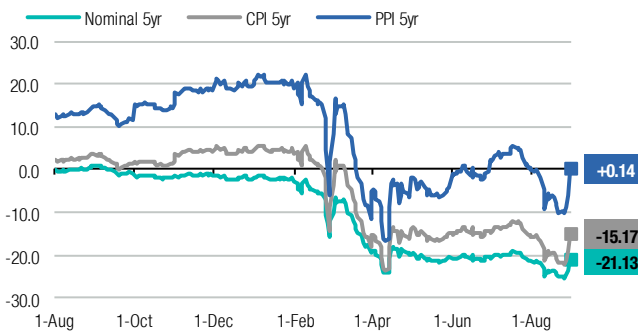
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

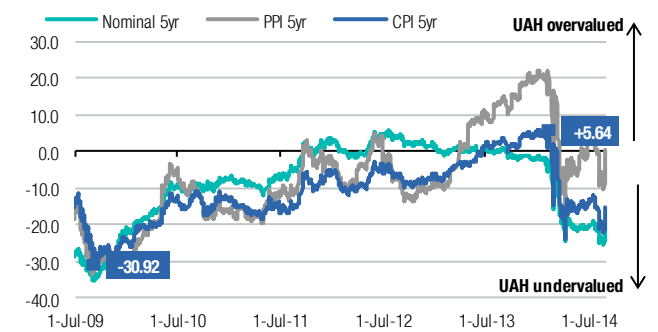


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

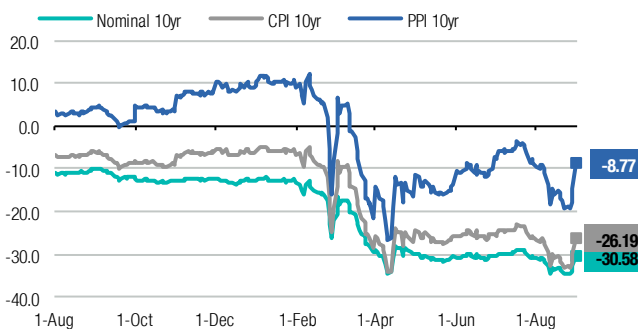


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

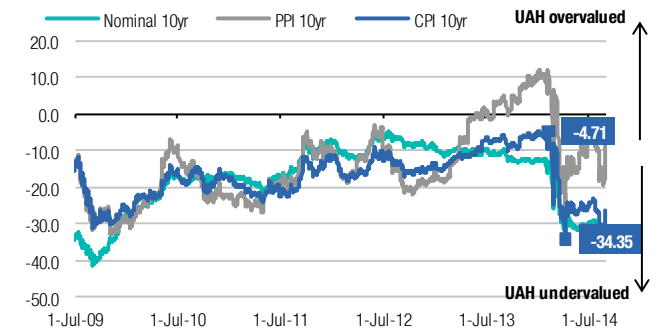


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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.

This page is intentionally left blank

Disclosures

ANALYST CERTIFICATION

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



Office 44, 11th floor, LEONARDO Business Centre
19-21 Bogdan Khmelnytsky Street
Kiev, 01030 Ukraine
Phone/Fax +38 044 2200120

CORPORATE FINANCE TEL. +38 044 2200120

Makar Paseniuk, Managing Director
makar.paseniuk@icu.ua

Ruslan Kilmukhametov, Director
ruslan.kilmukhametov@icu.ua

SALES AND TRADING TEL. +38 044 2201621

Konstantin Stetsenko, Managing Director
konstantin.stetsenko@icu.ua

Sergiy Byelyayev, Fixed-Income Trading
sergiy.byelyayev@icu.ua

Vitaliy Sivach, Fixed-Income & FX Trading
vitaliy.sivach@icu.ua

Vlad Sinani, Director,
Strategy and Corporate Development
vlad.sinani@icu.ua

Julia Pecheritsa,
Ukraine and CIS International Sales
julia.pecheritsa@icu.ua

Yevgeniya Gryshchenko,
Fixed-Income Sales
yevgeniya.gryshchenko@icu.ua

RESEARCH DEPARTMENT TEL. +38 044 2200120

Alexander Valchyshen
Head of Research
alexander.valchyshen@icu.ua

Alexander Martynenko
Head of corporate research
alexander.martynenko@icu.ua

Bogdan Vorotilin
Financial analyst (Food & Agribusiness)
bogdan.vorotilin@icu.ua

Taras Kotovych
Senior financial analyst (Sovereign debt)
taras.kotovych@icu.ua

Mykhaylo Demkiv
Financial analyst (Banks)
mykhaylo.demkiv@icu.ua

Lee Daniels, Rolfe Haas
Editors

Investment Capital Ukraine LLC is regulated by Securities and Stock Market State Commission of Ukraine (license numbers: dealer activity AE 263019, broker activity AE 263018, underwriting activity AE 263020 dated 11 April 2013).

DISCLAIMER

This research publication has been prepared by Investment Capital Ukraine LLC solely for information purposes for its clients. It does not constitute an investment advice or an offer or solicitation for the purchase or sale of any financial instrument. While reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, Investment Capital Ukraine makes no representation that it is accurate or complete. The information contained herein is subject to change without notice. Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of Investment Capital Ukraine LLC. All rights are reserved. Any investments referred to herein may involve significant risk, are not necessarily available in all jurisdictions, may be illiquid and may not be suitable for all investors. The value of, or income from, any investments referred to herein may fluctuate and/or be affected by changes in exchange rates. Past performance is not indicative of future results. Investors should make their own investigations and investment decisions without relying on this report. Only investors with sufficient knowledge and experience in financial matters to evaluate the merits and risks should consider an investment in any issuer or market discussed herein and other persons should not take any action on the basis of this report.



Additional information is available upon request.