



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
**Alexander Valchyshen
Taras Kotovych**

Daily Insight

EU agreements and peace bill passed

WEDNESDAY, 17 SEPTEMBER 2014

UX Index (3 months to 17 Sep 2014)



Source: UX.

Key market indicators (as of 16 Sep 2014)

	Last	Daily chg (%)	YTD chg (%)
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FX & MONEY RATES

USD/UAH	12.8950	-0.46	+56.49
USD/UAH (1Y NDF)	16.2500	+6.21	+72.51
EUR/USD	1.2960	+0.15	-5.70
USD/RUB	38.2740	-0.15	+16.44
KievPRIME O/N (%)	8.25	-8bp	+45bp
KievPRIME 1M (%)	15.50	-33bp	-75bp

SOVEREIGN EUROBONDS: yields and spreads

Ukraine 15, Eurobond (%)	17.07	+54bp	+872bp
Ukraine 17, Eurobond (%)	13.58	+90bp	+403bp
Ukraine 22, Eurobond (%)	10.31	+10bp	+96bp
Ukraine 23, Eurobond (%)	10.26	+15bp	+121bp
Ukraine 5Y CDS	1,160bp	+10bp	+343bp

EQUITIES

Stock market indices

UX (Ukraine)	1,086.94	+2.47	+19.44
MSCI World	426.50	+0.27	+4.39
MSCI EM	1,054.07	-0.16	+5.12
RTS (Russia)	1,202.00	+0.61	-16.69
WIG-20 (Poland)	2,498.48	+0.35	+4.06
S&P 500 (USA)	1,998.98	+0.75	+8.15

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.

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Economics: News & Comments

Politics: EU AA ratified, Poroshenko peace bill and lustration bill passed

Ukraine's politics adopted groundbreaking legislation yesterday. Although the EU association agreement was successfully ratified, the cease-fire bill met much more opposition but was finally approved with President Poroshenko's influence. Numerous MPs, political observers and Maidan activists are critical of Poroshenko's peace bill because it grants additional privileges to the pro-Kremlin militants that are denied to other citizens, and it will be used as political leverage in the upcoming parliamentary elections on October 26. The current mayor of the city of Lviv, a rising star in the Ukrainian political front who is also a leader of the Samopomich (Self assistance) political party, said that the peace bill is so inappropriate that it should be abolished by newly elected MPs. Public trust of Poroshenko is eroding quickly because it is believed that he made a secret deal with the Kremlin for the sake of peace. Although the Kremlin is withdrawing its army from Donbass, it is still annexing Crimea. Moreover, pro-Kremlin militants are said to be against the Poroshenko peace plan and may violate it. Pushed through by heavy lobbying by Maidan activists despite strong resistance from the political establishment, the last bill, a lustration bill (the purging of political undesirables), passed by a thin margin.

Alexander Valchyshen, Kiev, +38044 2200120 ext.721

Bonds: News & Comments

Liquidity up significantly

Banking sector liquidity significantly rose yesterday, as the broader indicator rose UAH2.80bn to a new record high of UAH53.79bn not seen since the beginning of 2012. This increase was caused by banks' correspondent accounts with the NBU rising UAH1.04bn to UAH33.44bn, this month's record high. Total CDs outstanding rose UAH0.90bn to UAH13.38bn and total local currency debt repayments scheduled for the next 30 days increased UAH0.86bn to UAH6.97bn yesterday.

KyivPrime interest rates declined only slightly yesterday: the KyivPrime ON interest rate slid 8bp to 8.25% while the KyivPrime 1M interest rate declined 33bp to 15.50%, the same level seen last Friday.

Investment implications: *Although the liquidity increase was significant, the NBU increased its CDs outstanding on Monday mostly in ON CDs, the volume of which rose UAH0.99bn more than the ON CDs redeemed that day. KyivPrime interest rates remained high, not reacting significantly to the increased liquidity.*

Eurobond YTM's continue to rise

Despite the EU association agreement being ratified by Parliament, Ukrainian Eurobond prices continued to decline yesterday as spreads to the benchmark widened further. At yesterday's close, the yield curve adjusted to the range of 10.27-17.08%, as UKRAIN 6.875% '15 rose 54bp to 17.08%, UKRAIN 6.58% '16 was up 24bp to 11.73%, and UKRAIN 6.75% '17 rose 114bp to 13.45%, while UKRAIN 9.25% '17 rose 91bp to 13.59%, UKRAIN 7.95% '21 was up 39bp to 10.87%, UKRAIN 7.80% '22 and UKRAIN 7.50% '23 increased 9bp and 14bp to 10.32% and 10.27%, respectively. The 5-year CDS rose to 1,160bp.

Primary auction results

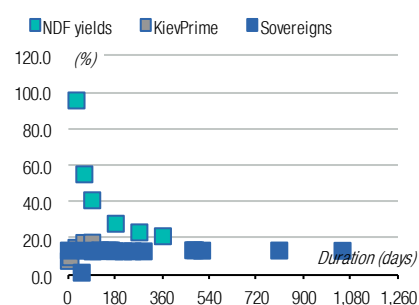
After several failed auctions of similar bonds since January of this year, the MoF yesterday sold US\$8.0m in 2-year USD-denominated bonds at 8.10% to only one bidder.

Investment implications: *Proceeds from yesterday's auction are insufficient amidst the paltry demand for FX-denominated bonds offered after because of the local currency devaluation. No trend is apparent.*

Taras Kotovych, Kiev, +38044 2200120 ext.724

Yield curve of the local bond market

(as of market close on 16 Sep 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 16 Sep 2014)

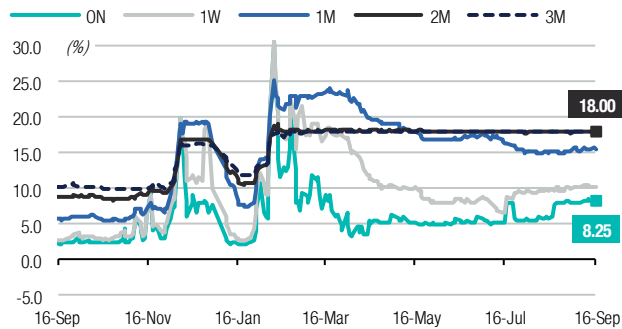
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	8.25	-8bp	+0bp	+250bp	+45bp
1wk	10.31	-2bp	-7bp	+81bp	+51bp
1m	15.50	-33bp	+0bp	+37bp	-75bp
2m	18.00	+0bp	+0bp	+0bp	+160bp
3m	18.00	+0bp	+0bp	+0bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	33,441	+3.21	+15.24	+22.06	+2.26
CDs ²	13,379	+7.20	+1.11	+3.69	+1,797.7
Sovgns ³	6,980	+0.00	+3.92	+87.53	+366.9
Total	53,800	+3.74	+9.87	+22.21	+54.15
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	240,719	+0.00	+1.69	+23.56	+66.18
Banks	87,311	+0.08	-1.55	-1.23	+8.91
Resid's ⁴	38,133	-0.67	+89.61	-33.33	+207.6
Non-res ⁵	19,493	-0.22	-0.23	+8.79	+66.63
Total	385,656	-0.06	+5.64	+7.62	+54.81
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	+542bp	+542bp	+542bp	-81ppt
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	1,160	+10bp	+95bp	+195bp	+343bp
Jun '16	14.29	+141bp	+181bp	+398bp	+540bp
Jul '17	13.58	+90bp	+125bp	+380bp	+403bp
Sep '20	10.82	+34bp	+39bp	+126bp	+162bp
Sep '21	10.86	+39bp	+34bp	+127bp	+164bp
Sep '22	10.31	+10bp	-3bp	+111bp	+96bp
Feb '23	10.26	+15bp	-3bp	+113bp	+121bp

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.

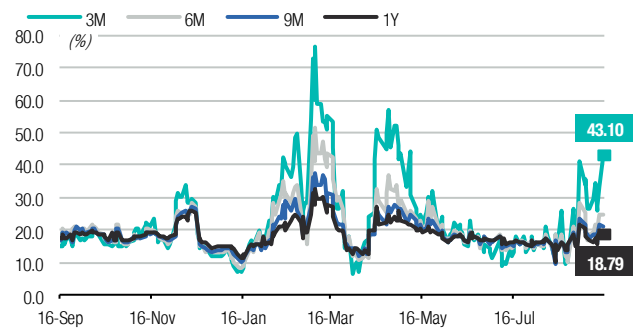
Chart page: Local bond market & Eurobond markets

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



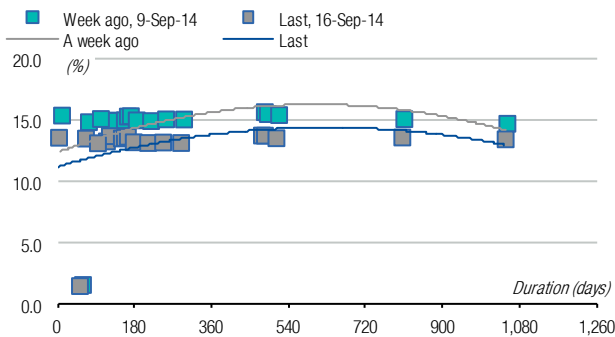
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



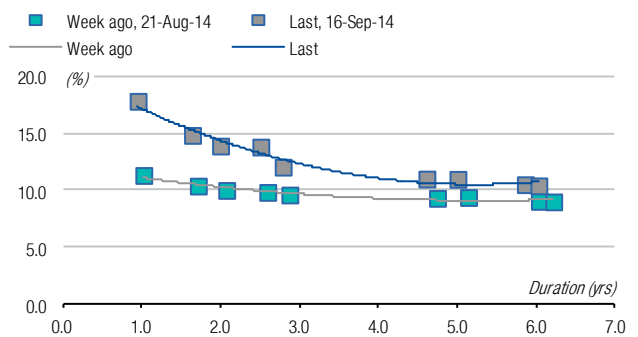
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 16 Sep 2014



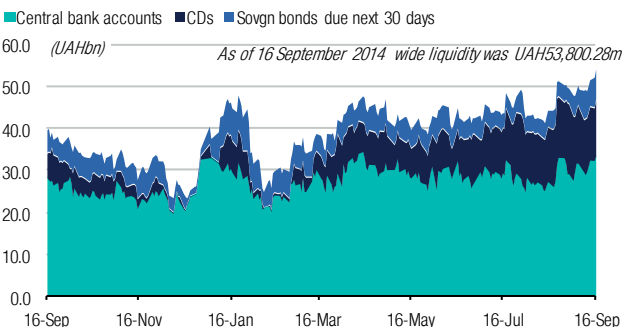
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 16 Sep 2014



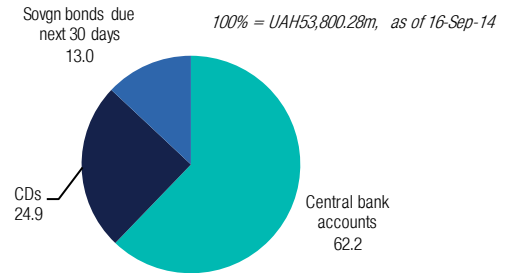
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



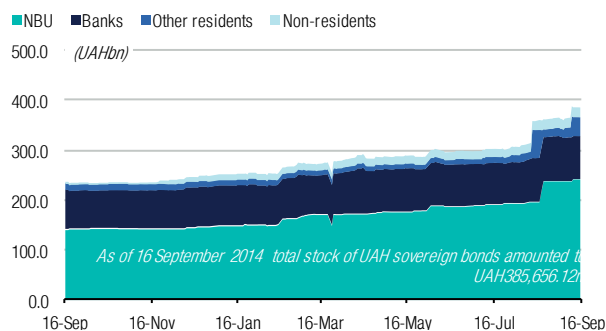
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 16 Sep 2014



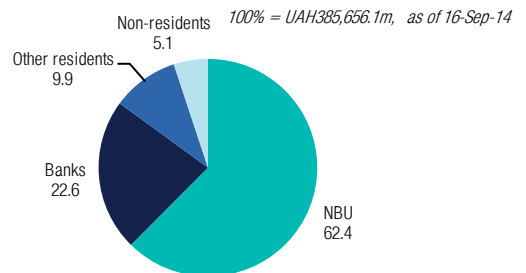
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 16 Sep 2014



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

Table 1. Ukrainian stocks (closing prices as of 16-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)	2013	2014E	2014E	2013	2014E	2014E	2013	2014E	2014E	P/B (x)	Debt/ Assets (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	11.75 GBp	+0.0	+1.1	+13.3	-26.6	0.19	44.3	-18.8	40.2	17.8	5.3	28.4	0.21	488	Neg.	Neg.	Neg.	2.9	N/A	N/A	Neg.	Neg.	Neg.	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.44 UAH	+0.0	-7.5	+56.0	+48.8	0.58	213.1	262.3	21.7	46.3	49.7	310.7	0.12	864	5.6	5.1	7.4	0.5	4.0	3.9	0.5	0.3	0.3	1.1	12.2
Coal Energy	CLE PW	Warsaw	0.98 PLN	-3.9	+4.3	-6.7	-62.7	0.30	13.6	139.6	25.0	3.4	22.1	51.3	3.50	29	Neg.	N/A	N/A	6.2	N/A	N/A	1.1	N/A	N/A	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	27.10 UAH	+0.0	-32.4	-1.8	+25.2	2.10	49.7	86.5	14.2	7.1	8.0	37.0	0.22	447	1.2	1.2	1.3	0.3	1.4	1.1	0.2	0.2	0.2	1.0	17.8
JKX Oil & Gas	JKX LN	London	43.75 GBp	+1.7	+0.0	-38.8	-33.2	0.71	122.4	127.6	47.2	57.8	68.9	34.0	0.03	3,678	18.8	20.4	3.7	1.9	2.4	2.0	0.7	0.8	0.7	0.2	5.5
Regal Petroleum	RPT LN	London	8.75 GBp	-1.4	+52.2	-32.7	-36.9	0.14	45.7	18.9	80.9	37.0	19.1	11.3	0.03	3,197	Neg.	22.9	N/A	0.9	0.7	N/A	0.5	0.4	N/A	0.2	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	129.00 UAH	+0.0	-1.5	+42.7	+59.3	10.00	128.0	107.3	5.0	6.4	0.0	2.5	0.01	12,598	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	+0.0	-24.9	-32.5	-31.3	0.00	52.4	1,141.0	3.9	2.0	5.1	20.1	0.25	408	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	2.29 UAH	+0.0	-25.5	-22.7	-27.0	0.18	34.6	31.8	4.0	1.4	11.5	15.8	0.61	163	Neg.	223.1	0.6	Neg.	0.6	0.3	0.1	0.0	0.0	0.1	0.0
Azovstal	AZST UK	Kiev, UX	0.63 UAH	+0.0	-30.6	-6.4	+0.3	0.05	204.4	197.9	4.1	8.4	10.6	12.0	0.12	823	Neg.	N/A	Neg.	Neg.	N/A	5.4	0.1	N/A	0.1	0.2	0.0
Ferrexpo PLC	FXPO LN	London	128.40 GBp	+1.7	-4.7	-30.9	-28.2	2.09	1,231.8	1,434.1	22.4	275.9	649.2	1,404.4	0.40	250	4.7	4.4	7.7	2.9	2.9	3.9	0.9	1.0	1.0	1.1	35.1
Yasinivsky Cok...	YASK UK	Kiev, UX	0.49 UAH	+0.0	-30.0	-7.5	-11.2	0.04	10.4	11.5	9.0	0.9	2.2	5.1	1.00	100	Neg.	0.9	0.5	0.1	0.4	0.3	0.1	0.0	0.0	0.1	0.1
Yenakievo Steel	ENMZ UK	Kiev, UX	26.24 UAH	+0.0	-37.3	-18.0	-21.0	2.03	21.5	17.4	9.4	2.0	4.2	19.7	0.30	331	4.0	N/A	Neg.	Neg.	N/A	0.5	0.0	N/A	0.0	0.6	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.83 EUR	+0.0	-6.7	-33.1	-39.4	1.08	99.3	155.3	34.0	33.8	4.8	7.8	0.02	4,865	Neg.	N/A	N/A	Neg.	N/A	N/A	2.2	N/A	N/A	1.8	35.9
Agroliga	AGL PW	Warsaw	14.97 PLN	-9.5	-17.2	-42.3	-48.0	4.63	7.1	8.0	16.7	1.2	3.3	1.6	0.28	361	1.7	N/A	N/A	2.3	N/A	N/A	0.4	N/A	N/A	0.6	5.7
Agroton	AGT PW	Warsaw	2.15 PLN	-1.8	+3.4	+10.3	-5.3	0.66	14.4	59.7	26.2	3.8	16.3	91.3	3.57	28	Neg.	2.1	1.8	22.3	6.3	3.7	0.7	0.7	0.7	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	37.39 PLN	+2.2	-0.8	-44.1	-46.7	11.56	289.1	541.4	31.0	89.7	109.3	97.5	0.07	1,538	8.7	27.9	4.4	7.1	4.3	4.7	1.1	1.1	1.1	0.8	38.2
Avangard	AVGR LI	London Intl	8.00 USD	-3.4	-7.9	-31.9	-29.2	8.00	511.0	741.9	21.7	110.9	143.3	157.7	0.15	647	2.2	3.3	2.9	2.5	3.9	4.1	1.1	1.2	1.1	0.4	17.8
IMC	IMC PW	Warsaw	8.10 PLN	-0.1	-2.3	-33.3	-47.1	2.51	78.4	229.4	23.9	18.7	259.3	44.1	0.17	603	3.0	7.8	1.7	4.2	4.2	4.1	2.0	1.2	1.2	0.5	38.7
Kernel Holding...	KER PW	Warsaw	25.03 PLN	-0.5	-7.6	-34.3	-52.8	7.74	616.8	1,523.5	58.8	362.5	1,446.0	1,085.4	0.38	264	5.5	18.3	4.4	5.2	6.4	4.7	0.5	0.6	0.6	0.6	30.6
KSG Agro	KSG PW	Warsaw	1.45 PLN	-3.3	-68.0	-86.6	-85.7	0.45	6.7	117.8	34.4	2.3	156.7	206.9	21.01	5	Neg.	0.6	0.3	4.5	3.0	2.5	1.7	1.2	1.1	0.4	44.0
MHP	MHPC LI	London Intl	12.65 USD	+0.4	+3.3	-25.8	-20.9	12.65	1,336.7	2,547.0	22.3	298.3	667.7	1,396.7	0.59	169	8.6	11.5	4.6	6.5	5.3	5.0	1.7	1.8	1.6	2.3	47.0
Milkiland	MLK PW	Warsaw	4.50 PLN	-2.8	-13.1	-64.0	-55.9	1.39	43.5	173.7	20.0	8.7	21.7	5.4	0.12	851	3.1	Neg.	2.3	5.2	4.4	4.9	0.4	0.4	0.4	0.2	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	1.77 EUR	+0.0	+22.4	-67.3	-58.4	2.29	243.1	970.9	20.0	48.6	0.0	4.3	0.02	5,994	2.7	2.8	1.1	5.9	3.6	3.2	1.9	2.3	2.2	0.6	45.3
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.24 EUR	+0.0	+9.1	-24.3	-46.4	0.31	16.1	191.7	13.1	2.1	0.0	0.2	0.02	4,691	Neg.	N/A	N/A	Neg.	N/A	N/A	5.6	N/A	N/A	0.2	45.5
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.13 UAH	+0.0	-6.8	+15.8	+46.6	0.01	305.5	N/A	3.8	11.7	20.9	27.7	0.26	391	3.9	Neg.	13.4	N/A	N/A	N/A	N/A	N/A	N/A	0.5	28.3
Ukrsotsbank	USCB UK	Kiev, UX	0.15 UAH	+0.0	-13.2	-18.2	+21.4	0.01	215.7	N/A	4.5	9.7	0.4	10.9	0.01	8,377	Neg.	11.4	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

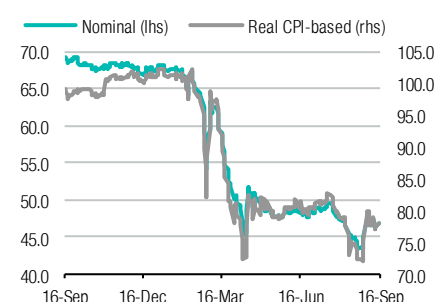
Hryvnia holding at 12.9/USD

Although private sector market players bid the hryvnia's rate to a low of 14/USD, the NBU held its quote steady at 12.9/USD. In our view, the US dollar's appreciation and depreciation of other currencies (like the Russian ruble) could put pressure on the NBU to reduce its rigid support of the hryvnia.

Alexander Valchyshen, Kiev, +38044 2200120 ext.242

ICU's UAH trade-weighted indices

(Last 12-month history to 17 Sep 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 16 Sep 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	12.8950	-0.46	+1.94	-1.75	+56.49
NBU avg	12.9882	+0.66	+0.48	-1.12	+59.35
Ttl vlm ¹	295.86	-2.95	-22.97	-40.50	-89.44
\$ volume ²	193.93	-3.49	-24.94	-55.49	-91.23
NDF 3M	14.7500	+2.86	+7.39	+8.19	+73.84
NDF 6M	15.3000	+5.15	+9.29	+8.86	+74.26
NDF 1Y	16.2500	+6.21	+9.80	+9.28	+72.51
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	46.861	+0.34	-0.85	+5.01	-30.62
UAH real CPI	78.074	+0.34	-0.85	+5.01	-22.75
UAH real PPI	117.587	+0.34	-0.85	+5.01	-15.27
USD nom'l	84.074	-0.23	-0.24	+3.25	+5.05
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	38.2740	-0.15	+3.31	+5.77	+16.44
EUR/USD	1.2960	+0.15	+0.18	-3.29	-5.70
USD/CNY	6.1463	+0.08	+0.15	-0.01	+1.52
USD/PLN	3.2309	-0.34	-0.58	+2.94	+6.88
USD/TRY	2.2032	-0.51	+0.31	+1.66	+2.56
USD/BYR	10,515.00	+0.10	+0.29	+1.20	+10.22
USD/KZT	182.0200	+0.02	+0.01	-0.01	+17.99
OTHER MAJOR CURRENCIES					
USD/JPY	107.1300	-0.06	+0.88	+4.66	+1.73
GBP/USD	1.6277	+0.27	+1.06	-2.49	-1.69
USD/CHF	0.9326	-0.28	-0.03	+3.32	+4.45
AUD/USD	0.9094	+0.73	-1.18	-2.45	+1.98
USD/CAD	1.0970	-0.77	-0.13	+0.67	+3.27
USD/BRL	2.3317	-0.48	+2.06	+3.17	-1.29
USD/KRW	1,036.75	-0.12	+0.50	+1.98	-1.24
COMMODITIES					
Gold(\$/oz)	1,235.59	+0.19	-1.59	-5.31	+2.48
WTI crude ³	94.88	+2.11	+2.30	-2.54	-3.60
Brent crd ³	97.34	+0.83	-1.25	-4.56	-12.16
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	284.39	+0.90	-0.49	-1.91	+1.51

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.

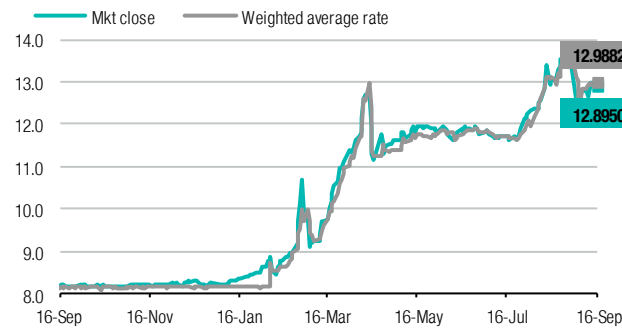
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

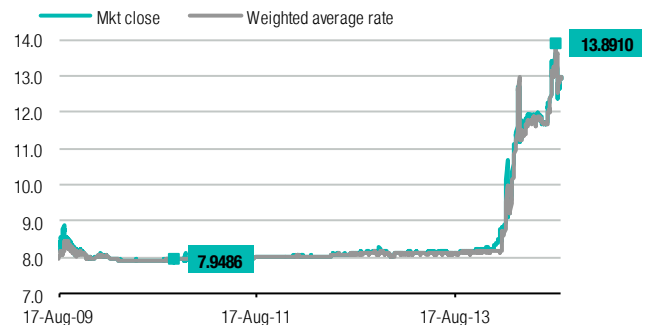
Section on FX market is continued on next page.

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)

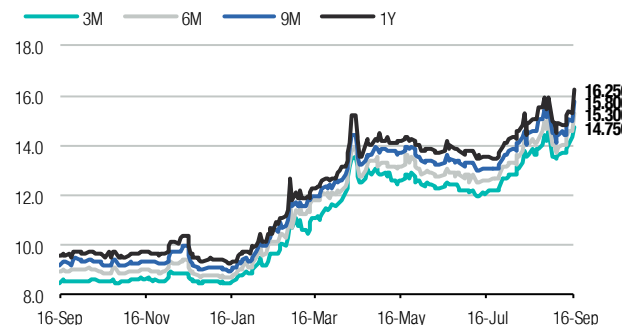


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

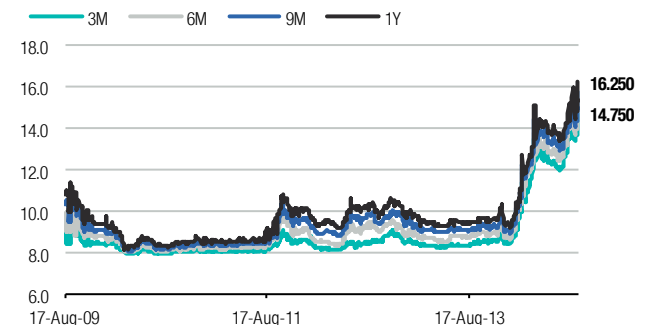


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

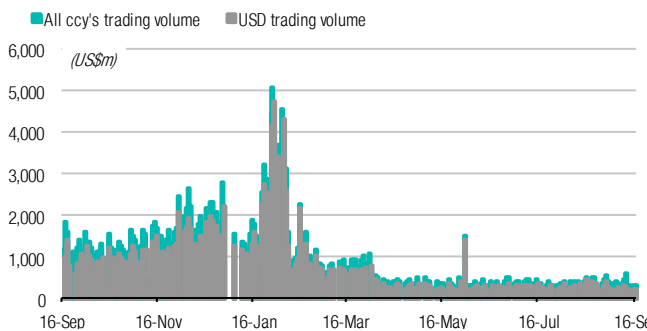


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

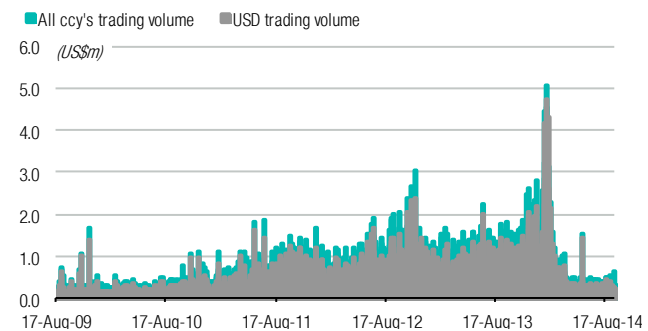


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

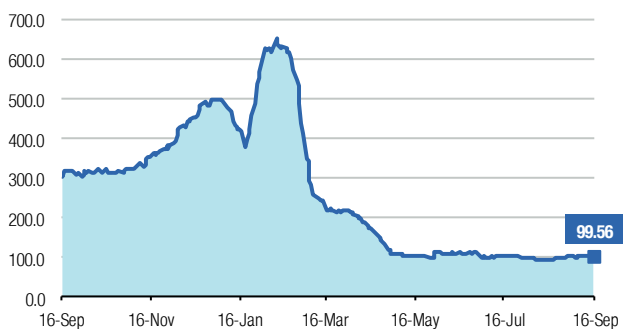


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

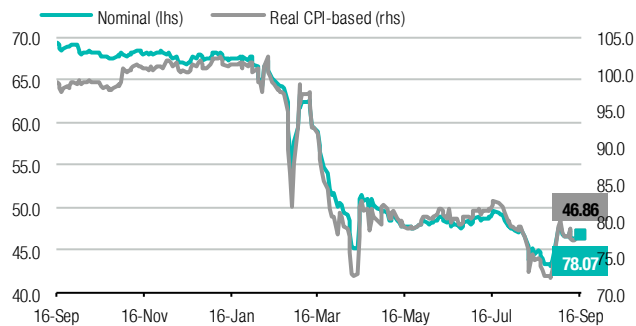


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

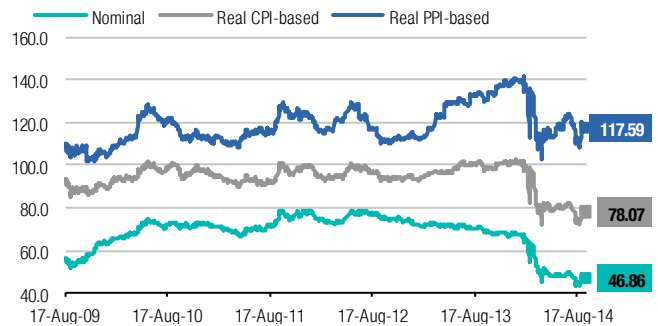
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



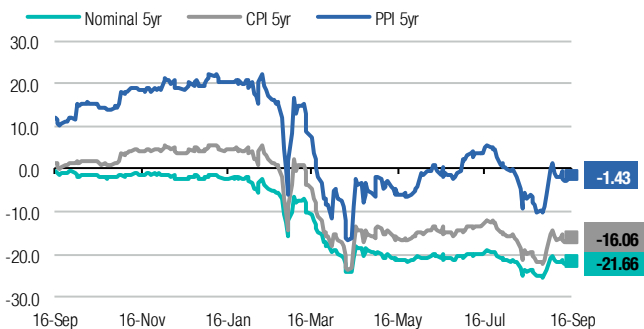
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

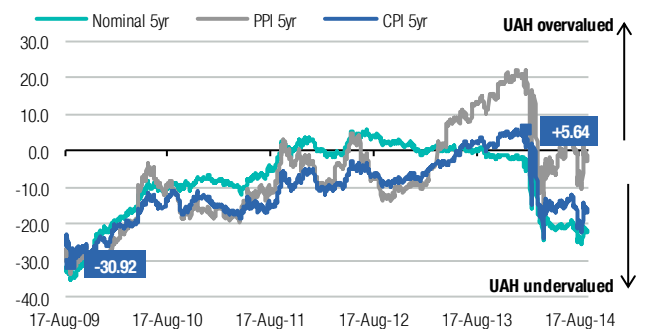


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

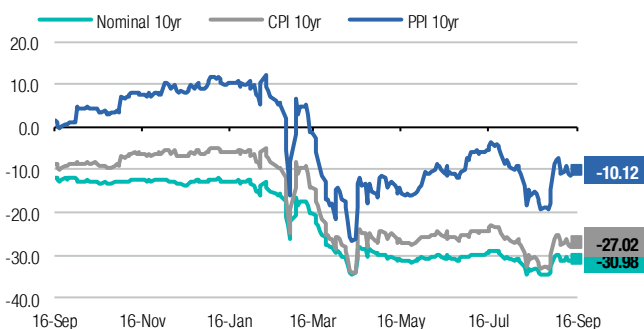


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

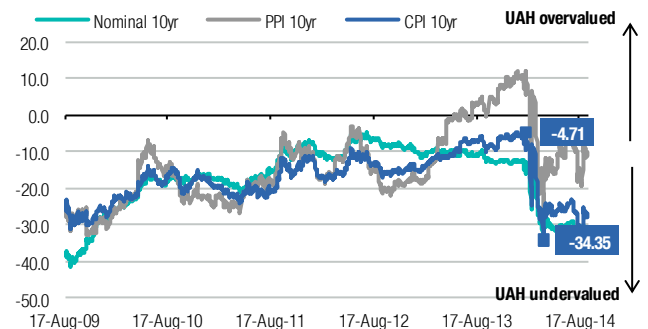


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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.

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

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