



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
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Daily Insight

Primary auction cancelled

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WEDNESDAY, 22 OCTOBER 2014

UX Index (3 months to 22 Oct 2014)



Source: UX.

Key market indicators (as of 21 Oct 2014)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	13.0000	+0.78	+57.77
USD/UAH (1Y NDF)	15.7500	+0.00	+67.20
EUR/USD	1.2716	-0.66	-7.47
USD/RUB	40.9098	-0.13	+24.46
KievPRIME O/N (%)	9.60	-23bp	+180bp
KievPRIME 1M (%)	16.00	-33bp	-25bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	20.09	-45bp	+1,173bp
Ukraine 17, Eurobond (%)	15.03	-19bp	+547bp
Ukraine 22, Eurobond (%)	11.09	+1bp	+174bp
Ukraine 23, Eurobond (%)	10.82	+1bp	+178bp
Ukraine 5Y CDS	1,331bp	-8bp	+514bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,095.49	-0.54	+20.38
MSCI World	405.45	+1.38	-0.76
MSCI EM	981.78	+0.03	-2.09
RTS (Russia)	1,063.86	+0.68	-26.26
WIG-20 (Poland)	2,423.29	+1.54	+0.93
S&P 500 (USA)	1,941.28	+1.96	+5.03

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 recovers

Broader banking sector liquidity recovered UAH1.49bn to UAH47.14bn as banks' correspondent accounts with the NBU rose UAH0.28bn to UAH29.05bn, total CDs outstanding rose UAH0.67bn to UAH11.70bn, and total local currency debt repayments scheduled for the next 30 days rose UAH0.54bn to UAH6.40bn.

KyivPrime interest rates slightly declined: the KyivPrime ON interest rate slid 23bp to 9.60% while the KyivPrime 1M interest rate declined 33bp to 16.00%.

Investment implications: With no support from the NBU, liquidity recovered prior the month-end tax payments that began yesterday. Banks purchased UAH1.0bn of new bonds on Monday, which most likely were sold immediately to the NBU. There were no additional inflows from the MoF or the NBU to support liquidity.

Eurobond YTM declines

Ukrainian Eurobond YTM adjusted to the range of 10.82-20.10% yesterday. UKRAIN 6.875% '15 declined 45bp to 20.10%, UKRAIN 6.58% '16 and UKRAIN 6.75% '17 slid 24bp to 15.16% and 13.17% respectively, UKRAIN 9.25% '17 declined 21bp to 15.03%, UKRAIN 7.95% '21 declined 9bp to 11.47%, while UKRAIN 7.80% '22 and UKRAIN 7.50% '23 slid 4bp to 11.09% and 10.82%, respectively. The 5-year CDS declined to 1,331bp.

Primary auction cancelled

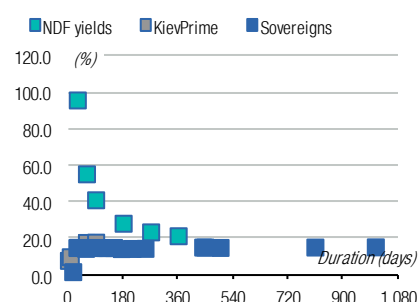
After a slight change to its scheduled offerings at yesterday's auction, the MoF received no bids for the 12-month bond (that sold two weeks ago), the 10-year bonds (that sold three times earlier this month) and the rarely offered 2-year USD-denominated bond.

Investment implications: As recent auctions were supported by domestic QE, yesterday's auction was expected to be supported similar to that held last Tuesday. However, the MoF likely decided to use available funds for today's debt repayments ahead of anticipated tax payments or new borrowings. As a result, we could see an additional auction later this week.

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Yield curve of the local bond market

(as of market close on 21 Oct 2014)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 21 Oct 2014)

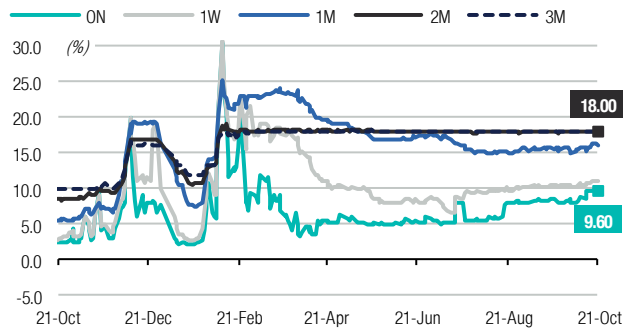
	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	9.60	-23bp	+0bp	+110bp	+180bp
1wk	11.00	+0bp	+19bp	+58bp	+120bp
1m	16.00	-33bp	+70bp	+17bp	-25bp
2m	17.80	-20bp	-10bp	-20bp	+140bp
3m	18.00	+0bp	+0bp	+0bp	+200bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	29,053	+0.96	-0.30	-11.11	-11.16
CDs ²	11,695	+6.12	-14.54	-22.33	+1,558.9
Sovgns ³	6,320	+0.00	-4.66	-1.54	+322.7
Total	47,068	+2.06	-4.83	-13.10	+34.86
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	273,642	+0.37	+1.00	+13.39	+88.91
Banks	83,611	+0.07	+0.22	-5.73	+4.29
Resid's ⁴	14,532	-0.38	-1.15	-61.94	+17.22
Non-res ⁵	19,391	+0.00	-0.15	-3.54	+65.75
Total	391,176	+0.26	+0.69	+0.74	+57.03
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	+17bp	+301bp	+301bp	-78ppt
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	1,331	-8bp	-2bp	+149bp	+514bp
Jun '16	15.70	-39bp	-67bp	+101bp	+681bp
Jul '17	15.03	-19bp	-47bp	+107bp	+547bp
Sep '20	11.50	-4bp	-46bp	+77bp	+231bp
Sep '21	11.47	-4bp	-40bp	+70bp	+225bp
Sep '22	11.09	+1bp	-5bp	+81bp	+174bp
Feb '23	10.82	+1bp	-19bp	+53bp	+178bp

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.

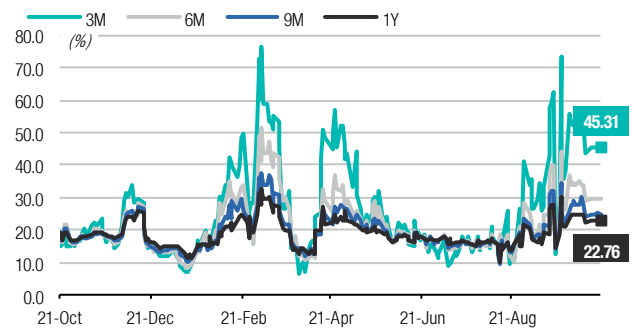
Chart page: Local bond market & Eurobond markets

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



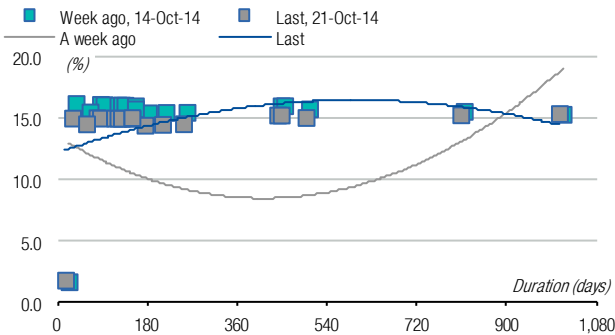
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



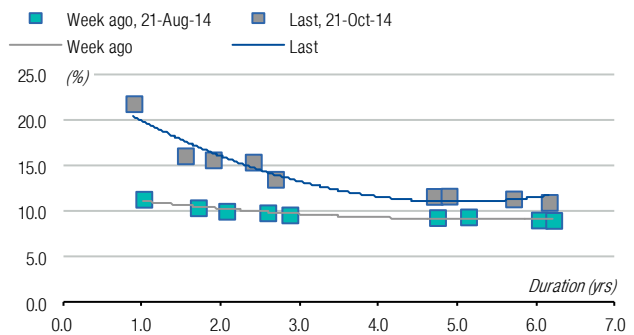
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 21 Oct 2014



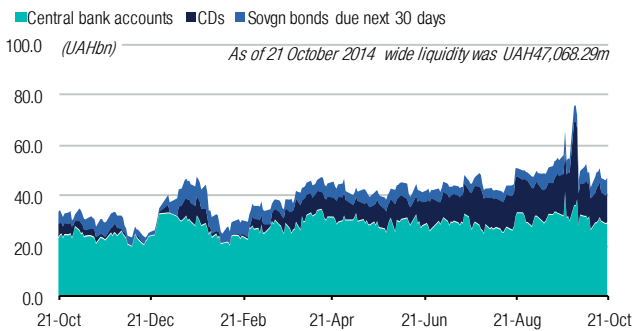
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 21 Oct 2014



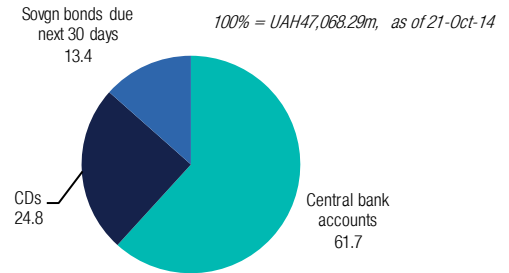
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



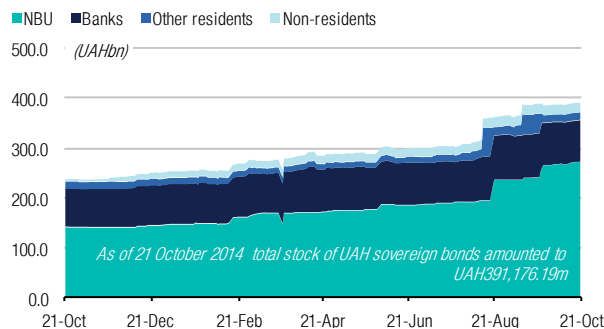
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 21 Oct 2014



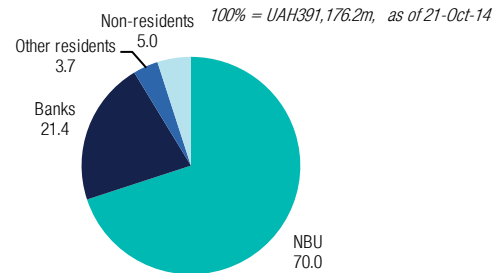
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 21 Oct 2014



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

Table 1. Ukrainian stocks (closing prices as of 21-Oct-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	9.50 GBP	+0.0	-18.3	-8.4	-35.0	0.15	35.4	-12.2	40.2	14.2	13.5	24.9	0.10	1,045	Neg.	N/A	N/A	1.8	N/A	N/A	Neg.	N/A	N/A	0.2	0.0
Centrenerg	CEEN UK	Kiev, UX	7.53 UAH	+0.3	+4.0	+57.9	+48.3	0.58	213.8	268.3	21.7	46.4	20.8	110.8	0.06	1,804	5.7	5.0	7.5	0.3	3.9	4.1	0.5	0.3	0.3	1.1	16.3
Coal Energy	CLE PW	Warsaw	0.76 PLN	+0.0	-26.2	-27.6	-70.4	0.23	10.3	136.2	25.0	2.6	4.9	41.3	0.44	225	Neg.	N/A	N/A	6.1	N/A	N/A	1.1	N/A	N/A	0.1	39.8
Donbasenergo	DOEN UK	Kiev, UX	30.50 UAH	-1.2	+16.8	+10.5	+27.1	2.34	55.4	116.5	14.2	7.9	3.5	20.2	0.11	949	1.4	1.3	1.4	0.1	1.9	1.5	0.3	0.2	0.3	1.1	25.1
JXK Oil & Gas	JXK LN	London	37.50 GBP	+2.0	-12.8	-47.6	-47.7	0.60	103.8	109.0	47.2	49.0	44.9	32.1	0.07	1,397	16.0	17.3	3.1	1.6	2.2	1.7	0.6	0.7	0.6	0.2	5.5
Regal Petroleum	RPT LN	London	6.50 GBP	-3.7	-23.5	-50.0	-57.7	0.10	33.6	3.5	80.9	27.2	0.5	8.2	0.04	2,722	Neg.	16.8	N/A	0.0	0.2	0.3	0.1	0.1	0.1	0.3	0.0
Zakhidenergo	ZAEN UK	Kiev, PFTS	162.00 UAH	+0.0	+21.9	+79.2	+110.4	12.45	159.3	248.7	5.0	8.0	1.2	2.6	0.06	1,568	3.6	N/A	N/A	1.6	N/A	N/A	0.3	N/A	N/A	1.4	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.03 UAH	-0.8	+1.3	-35.6	-39.8	0.00	49.5	2,251.2	3.9	1.9	0.1	7.2	0.11	919	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.2	N/A	N/A	85.7
Avdiyivsky Cok...	AVDK UK	Kiev, UX	2.42 UAH	-4.3	-15.0	-18.2	-25.2	0.19	36.3	32.5	4.0	1.5	0.2	7.4	0.16	630	Neg.	236.0	0.6	0.1	0.6	0.3	0.1	0.0	0.0	0.1	0.1
Azovstal	AZST UK	Kiev, UX	0.70 UAH	+3.6	+12.0	+4.2	+4.5	0.05	225.5	N/A	4.1	9.2	17.2	13.7	0.21	476	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.2	0.0
Ferrexpo PLC	FXPO LN	London	88.90 GBP	-2.8	-31.6	-52.2	-52.9	1.43	843.7	1,046.2	22.4	189.0	1,362.4	1,018.0	0.94	107	3.2	3.1	7.0	2.1	2.1	3.4	0.7	0.7	0.8	0.8	35.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.45 UAH	+3.9	-2.2	-15.1	-22.3	0.03	9.5	10.3	9.0	0.9	0.1	3.8	0.12	820	Neg.	0.9	0.5	0.1	0.4	0.3	0.0	0.0	0.0	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	28.90 UAH	+0.9	+13.7	-9.7	-13.1	2.22	23.4	13.3	9.4	2.2	0.4	8.2	0.14	710	Neg.	Neg.	N/A	2.3	0.4	N/A	0.0	0.0	N/A	1.3	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.50 EUR	+0.0	-36.7	-59.7	-63.5	0.64	58.8	113.8	34.0	20.0	0.1	9.7	0.12	808	Neg.	N/A	N/A	Neg.	N/A	N/A	1.7	N/A	N/A	1.1	35.9
Agroliga	AGL PW	Warsaw	12.60 PLN	-1.9	-18.1	-51.4	-59.7	3.80	5.8	6.7	16.7	1.0	1.5	2.2	0.34	296	1.5	N/A	N/A	1.9	N/A	N/A	0.3	N/A	N/A	0.5	5.7
Agroton	AGT PW	Warsaw	1.81 PLN	-5.7	-15.4	-7.2	-26.1	0.55	11.8	57.1	26.2	3.1	37.7	53.4	0.62	162	Neg.	1.7	1.5	21.4	19.0	N/A	0.7	0.7	0.7	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	33.99 PLN	+2.8	-9.8	-49.2	-53.9	10.25	256.2	504.1	31.0	79.5	14.2	102.7	0.17	588	7.8	25.2	3.9	6.7	4.0	4.5	1.1	1.0	1.1	0.7	38.2
Avangard	AVGR LI	London Intl	6.47 USD	-0.5	-19.1	-45.0	-48.2	6.47	412.9	546.7	21.7	89.6	114.5	90.2	0.10	1,018	1.7	2.9	2.5	1.8	3.1	3.0	0.8	0.9	0.9	0.4	17.8
IMC	IMC PW	Warsaw	6.85 PLN	+0.0	-11.0	-43.6	-53.6	2.07	64.6	205.8	23.9	15.4	1.3	16.4	0.11	923	2.5	Neg.	1.7	3.8	3.8	3.7	1.8	1.1	1.1	0.4	38.7
Kernel Holding...	KER PW	Warsaw	22.90 PLN	+3.4	-10.1	-39.8	-57.2	6.90	550.2	1,235.2	58.8	323.3	1,466.4	786.7	0.18	552	Neg.	3.8	3.2	6.6	3.9	3.8	0.5	0.5	0.5	0.5	39.1
KSG Agro	KSG PW	Warsaw	1.01 PLN	-9.8	-32.7	-90.7	-91.7	0.30	4.6	115.7	34.4	1.6	71.8	165.4	3.67	27	Neg.	0.4	0.2	4.4	N/A	N/A	1.6	1.2	1.0	0.3	44.0
MHP	MHPC LI	London Intl	11.50 USD	+2.0	-8.7	-32.6	-27.0	11.50	1,215.2	2,425.5	22.3	271.2	10.8	1,053.0	0.07	1,500	7.8	10.7	4.2	6.2	5.1	4.8	1.6	1.7	1.5	2.1	47.0
Milkiland	MLK PW	Warsaw	3.50 PLN	+0.9	-16.3	-72.0	-73.8	1.06	33.0	160.9	20.0	6.6	9.4	7.3	0.15	673	2.4	Neg.	7.6	4.9	4.2	4.6	0.4	0.4	0.4	0.2	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	0.58 EUR	+0.0	-60.3	-89.4	-87.3	0.73	77.8	805.5	20.0	15.6	0.0	1.3	0.01	18,299	0.9	0.9	0.3	4.9	3.0	2.7	1.6	1.9	1.9	0.2	45.3
Ovostar Union	OVO PW	Warsaw	71.00 PLN	+6.0	+1.4	-29.0	-28.3	21.41	128.4	136.0	25.0	32.1	19.3	24.5	0.05	1,900	4.2	6.6	6.5	3.7	5.1	4.8	1.5	1.8	1.4	0.9	8.5
CONSTRUCTION																											
TMM	TR61 GF	Xetra	0.16 EUR	+0.0	-32.5	-48.9	-53.0	0.21	10.7	186.3	13.1	1.4	0.0	0.1	0.01	13,032	Neg.	N/A	N/A	Neg.	N/A	N/A	5.5	N/A	N/A	0.1	45.5
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.12 UAH	-0.6	-5.5	+8.4	+34.7	0.01	283.4	N/A	3.8	10.8	10.9	18.7	0.11	910	3.6	Neg.	12.5	N/A	N/A	N/A	N/A	N/A	N/A	0.5	22.4
Ukrsotsbank	USCB UK	Kiev, UX	0.14 UAH	+3.7	-3.4	-25.3	-24.6	0.01	195.2	N/A	4.5	8.7	0.1	2.6	0.00	37,966	Neg.	10.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.3	28.2

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

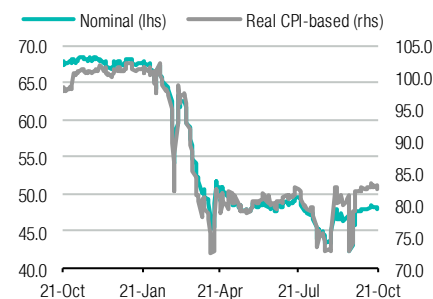
FX markets warm to ECB proper QE

While the hryvnia has fallen from 8 to 13 per US dollar over the past year, its trade-weighted value is a far more relevant measure. While the nominal TWI has dropped as a result of the devaluation, high inflation over the past six months has caused the competitiveness gain to erode. The US dollar's appreciation, although slowed over the past week because of decelerating global growth, has caused the hryvnia's TWI to increase as well. Over the past month, the USD has gained 0.9% (7.5% YTD) to the euro and the Russian ruble has lost 6.5% (24.5% YTD). Yesterday, following the ECB's announcement that it would purchase corporate bonds as a QE stimulus, the US dollar gained 0.7% more versus the euro. Meanwhile, the US dollar lost 0.1% versus the ruble as the price of crude oil regained some ground yesterday. In the end, the hryvnia's real TWI declined 0.63%. If the previously mentioned two factors persist as expected, then a stable FX rate of 12.95/USD should cause real appreciation of the currency in trade weighted terms. This is a damaging development in macroeconomic terms. A "stable" FX policy is temporary and likely to be phased out sooner than later. Ukrainian authorities most likely are awaiting the most opportunistic moment to make this move less damaging, preferably when some business confidence has been restored.

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ICU's UAH trade-weighted indices

(Last 12-month history to 22 Oct 2014)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 21 Oct 2014)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	13.0000	+0.78	+0.78	-9.72	+57.77
NBU avg	12.9506	+0.00	-0.01	-3.60	+58.89
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	14.3500	+0.00	+0.00	-3.37	+69.12
NDF 6M	14.8000	+0.00	+0.00	-3.90	+68.56
NDF 1Y	15.7500	+0.00	+0.00	-3.67	+67.20
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	47.888	-0.63	-0.91	+13.50	-29.10
UAH real CPI	82.432	-0.63	-0.91	+13.50	-18.44
UAH real PPI	125.262	-0.63	-0.91	+13.50	-9.74
USD nom'l	85.303	+0.41	-0.60	+0.67	+6.58
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	40.9098	-0.13	+0.11	+6.46	+24.46
EUR/USD	1.2716	-0.66	+0.46	-0.88	-7.47
USD/CNY	6.1230	-0.02	-0.03	-0.29	+1.13
USD/PLN	3.3190	+0.53	-0.04	+1.80	+9.79
USD/TRY	2.2450	+0.05	-1.23	+0.47	+4.51
USD/BYR	10,700.00	-0.05	+0.00	+1.47	+12.16
USD/KZT	181.1500	-0.34	-0.36	-0.44	+17.42
OTHER MAJOR CURRENCIES					
USD/JPY	107.0000	+0.05	-0.05	-1.87	+1.60
GBP/USD	1.6113	-0.32	+1.31	-1.07	-2.68
USD/CHF	0.9491	+0.67	-0.48	+0.88	+6.29
AUD/USD	0.8779	-0.06	+0.76	-1.64	-1.55
USD/CAD	1.1221	-0.57	-0.67	+2.35	+5.63
USD/BRL	2.4833	+0.77	+3.46	+4.86	+5.13
USD/KRW	1,054.76	-0.47	-0.92	+0.96	+0.47
COMMODITIES					
Gold(\$/oz)	1,248.64	+0.14	+1.28	+2.71	+3.57
WTI crude ³	82.81	+0.12	+1.19	-10.39	-15.86
Brent crd ³	85.31	+1.22	+0.28	-12.01	-23.02
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	273.00	+0.69	-0.33	-2.29	-2.56

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.

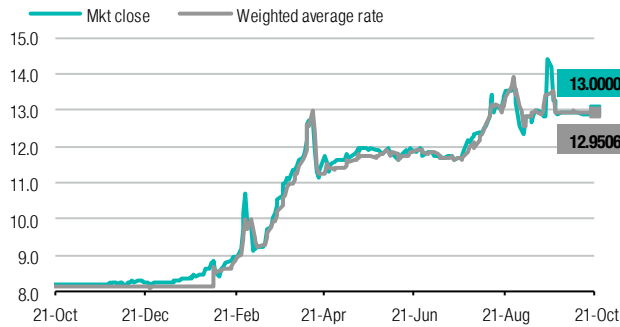
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

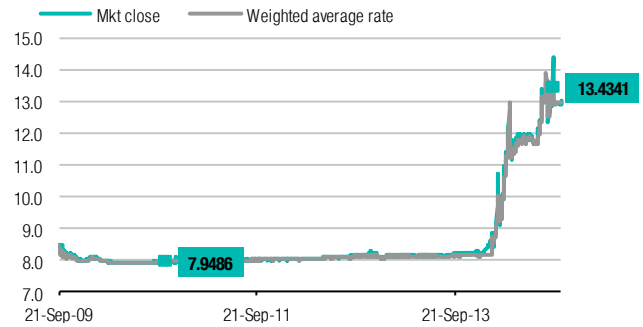
Section on FX market is continued on next page.

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)

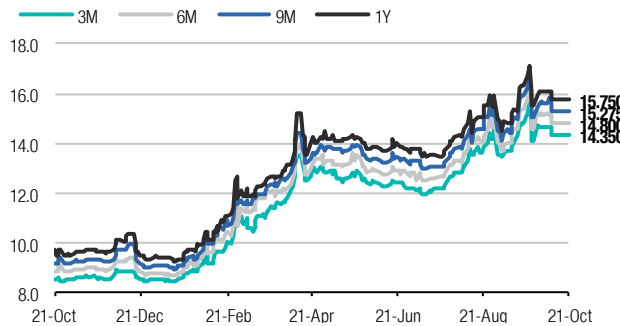


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

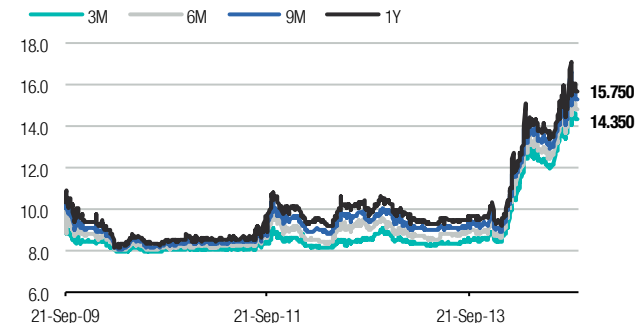


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

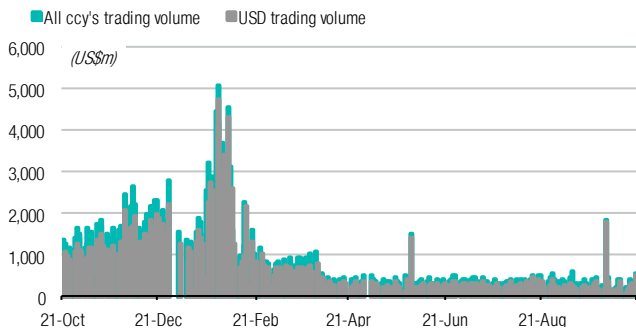


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

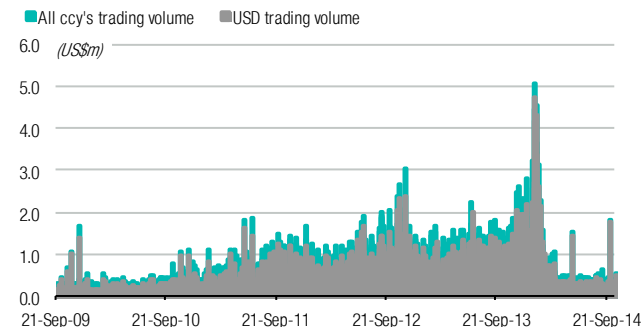


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

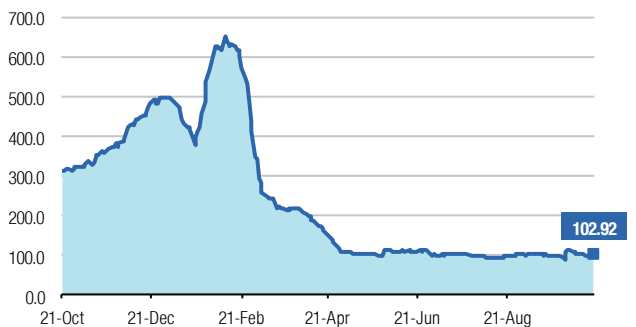


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

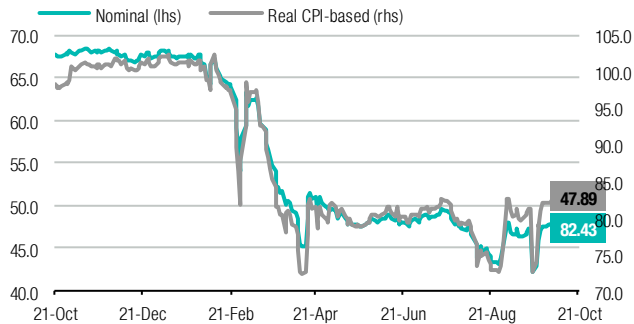


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

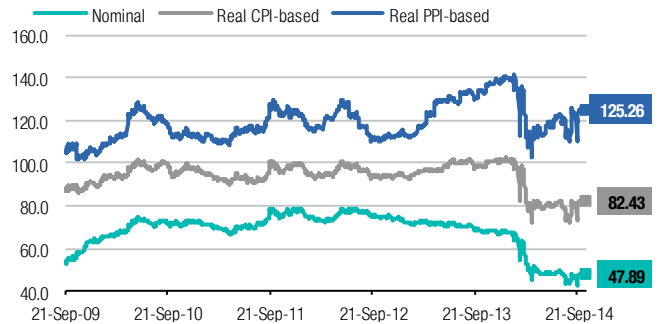
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August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

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



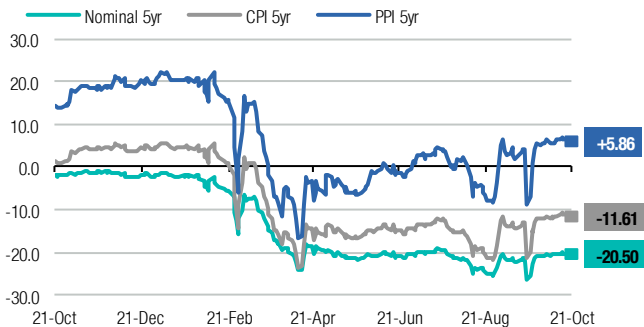
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

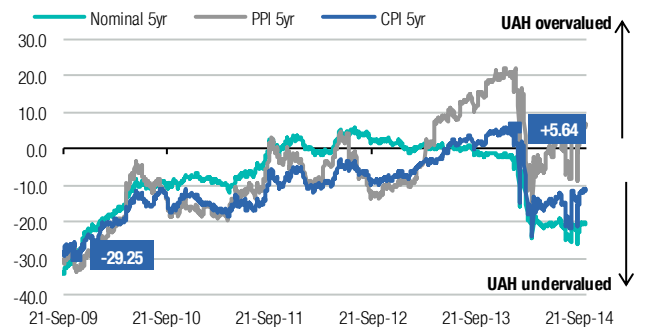


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

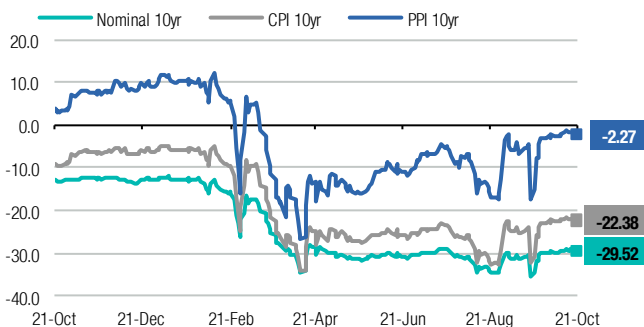


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

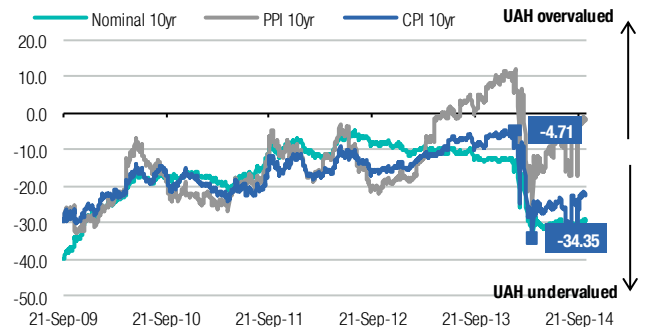


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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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.

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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



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