

## Stock Market Update

### Equity

Ukraine's domestic stock market got a boost last week after several encouraging corporate announcements. First of all, the country's largest oil company UkrNafta finally received an extension of 9 of its core production licenses. Also there was news about increased activity on Ukraine's M&A market involving foreign investors, and we believe that investors are starting to see more reasons for optimism about economic growth. The latest UkrStat statistics back such assumptions, with output in the manufacturing sector surging by 5.6% YoY in August.

On the political front, however, Ukraine once again made negative global headlines after a huge arms depot storing missiles caught fire in Vinnytsia province, forcing large evacuations of the local population in what looked like a clear case of sabotage.

The UX index added 4.8% to close at 1185 points. UkrNafta (UNAF) was in the spotlight, jumping 13.8% to UAH 142 per share thanks to the production license restoration, and Motor Sich (MSICH) shot up by 12.7% to UAH 2900 after an appearance at the company's headquarters by prominent MP Oleg Lyashko. On the downside, CentrEnergO (CEEN) suffered a 6.1% drop after the company announced its intention to de-list its shares from public trading. The issue will be voted on at a shareholder meeting scheduled for Oct 11.

In London trading, Ferrexpo (FXPO) was rather inactive, ending the week essentially unchanged at GBP 290. Warsaw-listed Kernel (KER) declined by 1.3% to PLN 55.60 and low-liquidity Agroton (AGT) fell 8.5% to PLN 4.22.

The hryvnia remained in its local downward trend, giving up another 1.2% against the dollar to close at 26.58 UAH/USD.

## Highlights

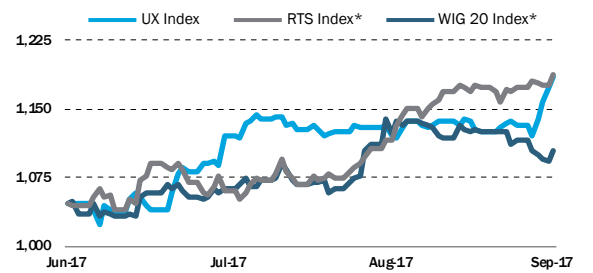
### POLITICS AND ECONOMICS

- > Weapons Depot Fire Shuts Down Major Transport Corridor
- > Industrial Output Up 1.2% YoY in August Amid Strong M'facturing

### STOCKS IN THE NEWS

- > Gov't Extends UkrNafta Production Licenses for 20 Years

## STOCK MARKET PERFORMANCE

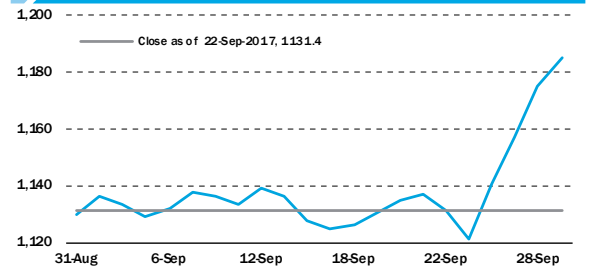


\*rebased

## MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1185.3	4.8%	5.8%	48.9%
RTS	1136.8	1.2%	6.5%	-1.4%
WIG20	2453.5	-1.1%	-1.8%	26.0%
MSCI EM	1081.7	-1.9%	0.0%	25.5%
S&P 500	2519.4	0.7%	3.0%	12.5%

## UX 1M PERFORMANCE



## FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	308	-1.3%	-5.4%	-15.8%
NBU Key Rate	12.5%	0.0 p.p.	0.0 p.p.	-1.5 p.p.
Ukraine-19	4.6%	-1.9 p.p.	-2.5 p.p.	-2.7 p.p.
Ukraine-27	7.4%	0.1 p.p.	-0.2 p.p.	-1.3 p.p.
MHP-20	4.6%	0.0 p.p.	-0.7 p.p.	-4.9 p.p.
UZ Rail-21	7.0%	0.1 p.p.	-0.7 p.p.	-4.7 p.p.

## CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.58	1.2%	4.3%	-2.6%
EUR	31.46	0.1%	3.2%	11.2%
RUB	0.46	-0.1%	5.3%	3.5%

## COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	176.0	0.0%	8.3%	1.7%
Steel, USD/t	592.5	-0.8%	5.8%	19.7%
Oil, USD/bbl	56.8	0.7%	9.9%	-0.1%
Gold, USD/oz	1280.2	-1.3%	-2.2%	11.1%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Weapons Depot Fire Shuts Down Major Transport Corridor

by Will Ritter  
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### NEWS

A major fire at a military storage site near the town of Kalynivka in central Ukraine shut down rail and auto transport along a busy corridor on Wednesday (Sept 27) and forced the evacuation of some 25,000 people from a nearby town for 36 hours, domestic media reported. The fire resulted in ongoing isolated explosions of weapons for 2-3 days afterwards. At least 16 buildings were destroyed and around 5,000 windows were broken. Although no civilians were reported killed, the government was notably silent on casualties of military staff at the facility. Rail transport between Kyiv and the provincial capital cities of Vinnytsia and Khmelnytskyi was suspended for more than 24 hours. General Prosecutor Yuriy Lutsenko said on Ukrainian television that there were signs a detonator had been placed at the depot by saboteurs, and that the operation was likely directed by Russia as part of its “war activity” against Ukraine.

### COMMENTARY

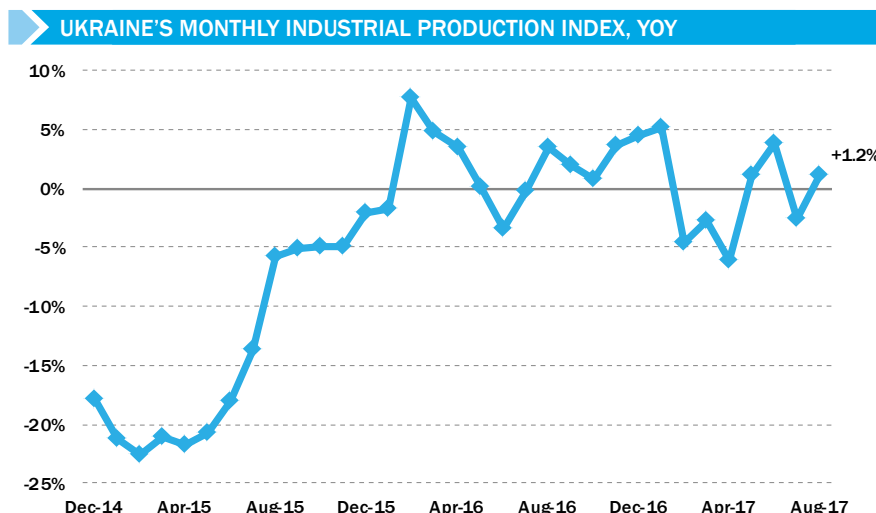
We see at least 4 possibilities for the source of the likely sabotage of the Kalynivka depot: 1) Russian intelligence; 2) a group associated with the Donbass occupied territories; 3) Ukrainian paramilitaries opposed to the current authorities in Kyiv; or 4) an inside job by someone in Ukraine’s own defense hierarchy as an attempt to receive increased military budget funding or to damage the position of the top Ukrainian defense officials. This is the second such major military fire of 2017, with a reported half billion dollars in weaponry destroyed at a depot in Kharkiv province in March of this year. We doubt that such a huge fire could have occurred without resulting in fatalities of staff at the facility, and we find it disturbing that the Ukrainian government and local press appear to be hushing up that angle of the story. The failure to protect key military facilities also exposes incompetence at Ukraine’s Defense Ministry, and could have repercussions for the job security of Stepan Poltorak, one of 3 direct ministerial appointees of President Poroshenko.

**Industrial Output Up 1.2% YoY in August Amid Strong M'facturing**

by Dmitry Churin  
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**NEWS**

Ukraine's industrial output rose by 1.2% YoY in August after declining by 2.6% YoY in July, according to data from the State Statistics Committee released on Sept 22. On a month-on-month basis, UkrStat's industrial index increased by 3.0% MoM in August. For January-August 2017, industrial production has posted a 0.4% YoY drop.



Source: State Statistics Committee

**COMMENTARY**

Although the overall industrial index performance remains unimpressive, it should be kept firmly in mind that the headline figure is heavily distorted by a plunge in coal output of almost 25% this year that has occurred due to the cutoff in trading links with the occupied Donbass territories. Ukraine's manufacturing sector has demonstrated solid growth all year (3.8% YoY for 8M17), and this continued in August with a 5.6% YoY rise. Among individual industries, machinery (+8.1% YoY in 8M17), engineering (+8.7% YoY), and textiles (+7.0% YoY) have particularly stood out, and the small durable consumer goods sector has seen its output jump by 14.0% YoY for the period.

Clearly, given the Donbass situation, the government's latest forecast of industrial growth of 1.2% YoY in full-year 2017 is too optimistic. In our view, the best-case situation for the headline figure would be growth of around half a percent. Nevertheless, for 2018 we remain upbeat and expect 2.5% YoY growth in industrial output in Ukraine.

In other macroeconomic data, UkrStat reported that retail sales continued to hum along at an impressive pace, rising 6.8% YoY in July, and the construction index jumped by 17.3% YoY during the month.

## Gov't Extends UkrNafta Production Licenses for 20 Years

by Dmitry Churin  
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### UKRNAFTA (UNAF UK)

Price: UAH 142 Market Cap: USD 291mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2016	8.6	0.3	neg	2.5	n/a
2017E	6.5	0.3	4.0	1.9	n/a

### NEWS

UkrNafta, Ukraine's largest oil producer, has resumed oil & gas extraction at nine fields after the State Geological Service finally granted new licenses for these fields, the company reported on its official website on Sept 27. The licenses were extended for 20 years. The fields are located in Lviv province in the west of the country and in Sumy province in north-central Ukraine. UkrNafta said it was forced to suspend extraction at the fields in April and has lost about UAH 1.0bn in revenue since then.

The State Geological Service, on the orders of Ukraine's top authorities, had repeatedly refused to extend the licenses, citing UkrNafta's large tax debt. UkrNafta has the advantage of a ruling from the District Administrative Court of Ukraine, which was sustained in the court of appeals and entered into force on 17 January 2017, stating that the existence of the tax debt is not a lawful reason to deny the extension of the licenses.

### COMMENTARY

UkrNafta hopes it will not face the same problem with the government when it has to renew another 27 licenses that are expiring next year. Nevertheless, this regulatory risk continues to harm the company's investment attractiveness. A separate unresolved problem remains UkrNafta's UAH 13bn (USD 490mn) tax debt, which was accrued when long-time UkrNafta controlling shareholder Igor Kolomoyskiy refused pay higher oil & gas production taxes that were imposed back in August 2014. In his latest statement, UkrNafta CEO Mark Rollins admitted that the company has still not reached a deal with the government on a restructuring of this debt. The company sent a detailed restructuring proposal to the State Fiscal Service (SFS) in May, but the SFS says it needs further consultation with the Finance Ministry on the UkrNafta case. Meanwhile, Mr. Rollins told the press that when the company tried to discuss the matter directly with the Finance Ministry, there was no response for a meeting. In our view, the government is playing a bureaucratic game with UkrNafta for political reasons. It remains unclear whether President Poroshenko, Prime Minister Groysman, and Ukraine's fiscal authorities want to force Kolomoyskiy to sell his stake or whether they simply have not been able to decide on how to deal with the tax debt issue amid controversy inside the SFS. This second point could be related to former SFS Roman Nasirov, who was arrested in March after allegations that he illegally allowed a delay in rent payments from certain private natural gas producers.

The Kyiv-listed UNAF stock surged by 10% almost immediately after the news first appeared. The stock advanced by 14% over the week to close at UAH 142 per share.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	55.6	80.0	44%	HOLD	With some 95% of its revenue linked to major foreign currencies, hryvnia devaluation is positive for Kernel, and recent changes in Ukraine's tax regime should also benefit the group. With on-demand borrowing access, Kernel is well placed to further consolidate its position in the oilseed crushing industry.
MHP	MHPC LI	11.2	14.0	25%	BUY	MHP could start process of deleveraging which in turn would boost the company's MCap. Also the company has a declared strategy to expand its presence on the MENA and EU markets. MHP continued to increase its export sales, which accounted for 51% of total revenue in 9M16 compared to 45% a year ago.
Astarta	AST PW	53.0	70.0	32%	HOLD	The new VAT regime for agro producers will be largely neutral for Astarta, in our view, while recovery of sugar prices bode well for the company's earnings. Astarta is focused on business diversification and cost optimization via improving its energy and operational efficiency.
Agroton	AGT PW	4.22	12.0	184%	BUY	Agroton unveiled a strategy to increase its land bank from 122,000 ha to 200,000 ha by mid-2019 securing additional lease rights and by acquiring companies that control land plots in Luhansk and Kharkiv region.
IMC	IMC PW	10.9	13.0	19%	BUY	The recent changes in Ukraine's tax legislation are positive for IMC, which is focused growing exportable crops; some 95% of the company's revenue is tied to the dollar. Land bank is targeted to expand by 50% over 2015-20. A high standard of corporate governance makes the stock an attractive play in spite of its low liquidity.
AvangardCo	AVGR LI	0.6	0.3	-49%	SELL	Ukraine's new VAT regime for agro producers is negative for Avangard, as its subsidy reimbursements will be reduced. Large room for cost optimization provides a theoretical upside to earnings, but the company's highly volatile financial results have rendered forecasting unreliable.
Ovostar Union	OVO PW	109.9	110.0	0%	HOLD	The company has a strong focus on domestic branded egg sales and successfully expands its export sales to mitigate negative effect from devaluation. Ovostar is in the midst of a long-term expansion that will ultimately see egg output triple over 2012-18E.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	292.4	--	--	U/R	An impressive reduction in the production and other operating cost led to higher profitability. A separate positive factor was an upward price trend for iron ore and steel on global markets.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	2902	5250	81%	BUY	The reported profit for FY16 represents UAH 1052 per share, which means the stock is still valued at P/E of barely more than 2.0x. Our base case scenario forecast for Motor Sich's net profit for FY17 is UAH 2.0bn, implying EPS of UAH 960.
<b>Oil &amp; Gas</b>						
UkrNafta	UNAF	142	270	91%	BUY	UNAF stock has been in a local upward trend since December after Parliament cut the production tax for oil for 2017.
Concern Galnaftogaz	GLNG	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT LN	4.5	15.0	237%	BUY	Taking into account that Regal acquired PEP's assets for an estimated value of USD 6.8/boe of 2P reserves, we assume that Regal's potential enterprise value could be as much as USD 92mn.
JKX Oil & Gas	JKX LN	13.0	--	--	U/R	The company's balance sheet looks healthy after it successfully restructured its Eurobonds. An overall demand for natural gas in Ukraine remains strong.
<b>Power Utilities</b>						
DonbasEnergO	DOEN	14.8	9.0	-39%	SELL	The Donetsk separatist government has nationalized DonbasEnergO's Starobeshevo power plant, which previously accounted for about 70% of the company's installed power-generating capacity.
CenterEnergO	CEEN	10.22	15.00	47%	BUY	CenterEnergO's privatization has been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.282	0.27	-4%	HOLD	Raiffeisen Aval's 1Q17 net profit was at a record high UAH 1.45bn (USD 54mn), implying earnings per share of 2.36 kopecks. We forecast that the bank will post a net profit of UAH 3.50bn in FY17 and will pay a 5.40 kopeck dividend next year.

Source: Eavex Research

PRICES AND QUOTES												
Name	Ticker	Today, UAH*	52 high, UAH*	52 low, UAH*	1W	Absolute performance			Performance relative to the UX index			
						1M	3M	YtD	1W	1M	3M	YtD
UX Index	UX	1185.31	1192.10	706.27	4.8%	5.8%	13.1%	48.9%	0.0%	0.0%	0.0%	0.0%
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	292.40	323.20	74.25	2.2%	-0.5%	41.0%	117.4%	1.6%	-2.6%	-6.3%	68.5%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	9.55	n/a	n/a	12.4%	12.4%	-3.9%	8.5%	7.6%	6.6%	-17.0%	-40.4%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	2902	2999	934	12.7%	16.1%	11.6%	56.2%	7.9%	10.3%	-1.5%	7.3%
Turboatom	TATM	11.42	12.77	8.59	0.5%	-0.3%	-6.0%	22.1%	-4.2%	-6.0%	-19.1%	-26.8%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.140	n/a	n/a	-12.5%	3.7%	2.9%	-15.2%	-17.3%	-2.1%	-10.2%	-64.1%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	4.45	5.50	2.75	-1.1%	22.8%	-6.3%	19.1%	-0.3%	-5.9%	17.0%	-29.8%
JKX Oil	JKX	13.00	33.50	12.25	0.0%	-3.7%	-33.3%	-57.0%	-0.9%	-4.8%	-9.5%	-106.0%
Ukrnafta	UNAF	141.5	n/a	n/a	13.8%	13.6%	20.8%	37.1%	9.1%	7.8%	7.7%	-11.8%
<b>Power Utilities</b>												
Centrenergo	CEEN	10.22	12.00	9.70	-6.1%	-6.1%	-3.1%	-1.3%	-10.8%	-11.9%	-16.2%	-50.2%
Donbasenergo	DOEN	14.77	n/a	n/a	1.1%	2.2%	17.7%	40.5%	-3.7%	-3.6%	4.6%	-8.4%
Zakhidenergo	ZAEN	145.00	164.00	55.00	16.4%	22.2%	20.8%	132.0%	11.6%	16.4%	7.7%	83.1%
<b>Consumer</b>												
Agroton	AGT	4.22	7.70	2.54	-8.5%	-31.8%	-30.8%	4.2%	-1.1%	-13.2%	-37.6%	-44.7%
Astarta	AST	53.00	72.00	50.00	4.1%	-3.6%	-20.6%	-1.9%	-0.9%	-0.6%	-9.4%	-50.9%
Avangardo	AVGR	0.59	1.00	0.35	0.0%	16.8%	-9.2%	68.6%	-0.9%	-4.8%	11.1%	19.6%
Industrial Milk Company	IMC	10.90	10.98	6.50	2.3%	4.8%	9.2%	35.4%	1.5%	-2.4%	-1.0%	-13.5%
Kernel	KER	55.64	80.00	55.64	-1.3%	-3.4%	-14.2%	-12.9%	-1.5%	-6.1%	-9.1%	-61.8%
MHPC	MHPC	11.20	12.05	8.54	0.4%	-0.9%	14.8%	27.4%	0.9%	-4.3%	-6.7%	-21.5%
Milkiland	MLK	1.69	2.80	1.59	1.8%	2.4%	-4.0%	-15.5%	-0.9%	-3.0%	-3.4%	-64.4%
Ovostar Union	OVO	109.90	128.05	84.00	-1.4%	-0.1%	2.4%	27.1%	-0.9%	-6.2%	-5.9%	-21.9%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.282	n/a	n/a	1.4%	2.4%	24.4%	113.4%	-3.3%	-3.4%	11.3%	64.5%

Source: Bloomberg  
\* companies listed abroad are in traded currency

**MAIN FINANCIAL FORECASTS, USD mn**

Name	Ticker	Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2015	2016	2017E	2015	2016	2017E	2015	2016	2017E	2015	2016	2017E	2015	2016	2017E
<b>Iron Ore Mining</b>																
Ferrexpo	FXPO	961	986	1,282	313	375	495	32.6%	38.0%	38.6%	31	189	255	3.3%	19.2%	19.9%
<b>Railcar Manufacturing</b>																
Kryukiv Wagon	KVBZ	41	67	55	-15	1	6	-37.1%	0.9%	11.0%	-19	-4	2	-46.3%	-5.9%	3.3%
<b>Specialized Machinery</b>																
Turboatom	TATM	128	98	99	87	33	35	67.9%	34.0%	35.2%	75	27	28	58.3%	28.0%	27.8%
Motor Sich	MSICH	697	414	426	237	166	151	33.9%	40.1%	35.3%	158	77	74	22.6%	18.6%	17.2%
<b>Oil &amp; Gas</b>																
Ukrnafta	UNAF	1,319	885	1,079	-101	116	151	-7.7%	13.1%	14.0%	-250	-343	74	-18.9%	-38.7%	6.8%
Regal Petroleum	RPT	22	25	27	10	10	15	45.5%	40.4%	55.6%	-1	0	1	na	0.0%	3.7%
JKX Oil	JKX	89	80	95	17	29	34	19.1%	36.3%	35.8%	-82	-20	3	-92.1%	-25.0%	3.2%
<b>Electric Utilities</b>																
Centrenergy	CEEN	315	419	492	12	46	69	3.7%	11.1%	14.1%	3	15	51	1.0%	3.6%	10.5%
Donbasenergo	DOEN	190	157	147	8	7	5	4.3%	4.4%	3.3%	-9	-2	1	-4.6%	-1.1%	1.0%
<b>Consumer</b>																
MHP	MHPC	1,183	1,135	1,300	459	415	490	38.8%	36.6%	37.7%	-126	59	300	-10.6%	5.2%	23.1%
Kernel	KER	2,330	1,989	2,128	397	346	381	17.0%	17.4%	17.9%	101	225	270	4.3%	11.3%	12.7%
Astarta	AST	349	402	445	144	167	170	41.4%	41.6%	38.1%	18	90	113	5.1%	22.4%	25.3%
Avangardco	AVGR	230	191	180	-69	1	22	-30.2%	0.4%	12.2%	-158	-57	2	-68.9%	-29.6%	1.1%
Ovostar	OVO	76	84	90	35	40	43	46.0%	47.7%	48.2%	32	35	37	42.3%	41.8%	41.1%
<b>Banks</b>																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	1,958	2,113	2,080	261	381	347	216	0	228	-66	150	228	-25.3%	39.4%	65.7%

Source: Eavex Research

**MAIN TRADING MULTIPLES**

Name	Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			
					2015	2016	2017E	2015	2016	2017E	2015	2016	2017E	
<b>Iron Ore Mining</b>														
Ferrexpo	FXPO	2,300	24.0%	552	3,050	>30	12.2	9.0	9.7	8.1	6.2	3.2	3.1	2.4
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ	41	5.0%	2	36	neg	neg	22.4	neg	>30	5.9	0.9	0.5	0.7
<b>Specialized Machinery</b>														
Turboatom	TATM	56	5.8%	3	-30	0.7	2.0	2.0	-0.3	-0.9	-0.9	-0.2	-0.3	-0.3
Motor Sich	MSICH	227	24.0%	54	190	1.4	2.9	3.1	0.8	1.1	1.3	0.3	0.5	0.4
<b>Oil &amp; Gas</b>														
Ukrnafta	UNAF	289	3.0%	9	283	neg	neg	3.9	neg	2.4	1.9	0.2	0.3	0.3
Regal Petroleum	RPT	19	21.6%	4	0	neg	n/a	19.1	n/a	n/a	n/a	n/a	n/a	n/a
JKX Oil & Gas	JKX	30	50.4%	15	138	neg	neg	9.9	8.2	4.8	4.1	1.6	1.7	1.5
<b>Electric Utilities</b>														
CentrEnergO	CEEN	142	21.7%	31	54	>30	9.4	2.8	4.6	1.2	0.8	0.2	0.1	0.1
DonbasEnergO	DOEN	13	14.2%	2	27	neg	neg	8.9	3.4	3.9	5.7	0.1	0.2	0.2
<b>Consumer</b>														
MHP	MHPC	1,183	34.1%	404	2,253	neg	20.0	3.9	4.9	5.4	4.6	1.9	2.0	1.7
Kernel	KER	1,211	61.8%	748	1,537	12.0	5.4	4.5	3.9	4.4	4.0	0.7	0.8	0.7
Astarta	AST	362	37.0%	134	509	20.4	4.0	3.2	3.5	3.0	3.0	1.5	1.3	1.1
Avangardco	AVGR	38	22.5%	8	369	neg	neg	18.8	neg	>30	16.8	1.6	1.9	2.1
Ovostar	OVO	180	25.0%	45	185	5.6	5.1	4.9	5.3	4.6	4.3	2.4	2.2	2.1
<b>Banks</b>														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	651	1.8%	12		neg	4.3	3.9	2.5	1.7	1.9	0.33	0.31	0.31

Source: Eavex Research



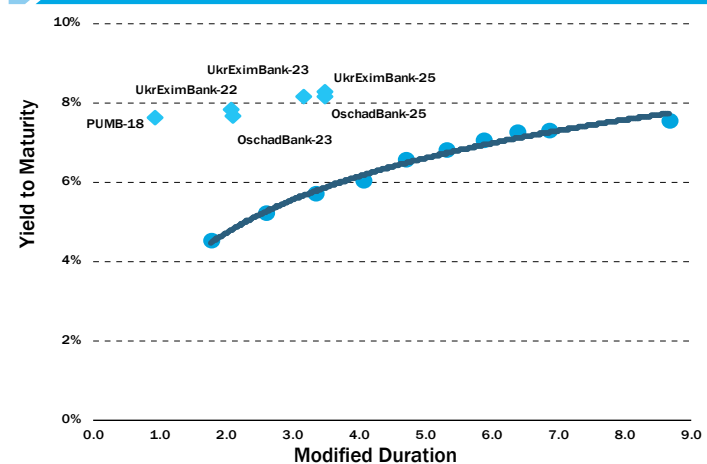
**UKRAINIAN EUROBONDS**

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings <sup>1</sup>
<b>Sovereign Eurobonds</b>											
Ukraine, 2019	105.4	105.9	4.8%	4.5%	4.6%	1.8	7.75%	S/A	1 Sept 2019	1,744	Caa2/B-/B-
Ukraine, 2020	105.9	106.4	5.5%	5.3%	7.0%	2.6	7.75%	S/A	1 Sept 2020	1,780	Caa2/B-/B-
Ukraine, 2021	106.1	106.6	6.0%	5.8%	8.5%	3.3	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	106.1	106.6	6.3%	6.2%	9.7%	4.1	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	105.1	106.1	6.7%	6.5%	10.2%	4.7	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	104.4	105.0	6.9%	6.8%	10.2%	5.3	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	103.6	104.3	7.1%	7.0%	10.6%	5.9	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	102.6	103.1	7.3%	7.3%	9.7%	6.4	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	102.5	103.0	7.4%	7.3%	9.9%	6.8	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	97.5	98.0	7.7%	7.6%	-2.3%	8.6	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	54.0	54.5	n/a	n/a	77.9%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	14.4	18.8	179%	147%	-17.2%	0.9	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	109.6	110.4	6.2%	6.0%	10.0%	3.6	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	108.0	108.9	4.8%	4.4%	12.3%	2.3	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	107.8	108.5	6.3%	6.2%	8.1%	5.0	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	22.2	27.0	258%	213%	-16.9%	0.5	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	26.8	27.9	568%	539%	-10.9%	0.1	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	5.0	7.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	5.0	7.0	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	99.0	100.0	10.9%	10.8%	11.2%	5.3	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	91.0	94.0	13.5%	12.6%	-0.5%	3.5	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	106.0	106.9	6.2%	5.6%	5.6%	0.9	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	106.0	106.9	6.2%	5.5%	5.3%	0.9	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	105.4	106.3	8.2%	8.0%	10.9%	2.0	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	23.0	26.0	n/a	n/a	-10.9%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JXX Oil&Gas, 2018	85.0	95.0	23.1%	17.2%	19.8%	1.9	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	0.6	1.5	n/a	n/a	6.3%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	102.8	104.8	8.6%	7.0%	2.3%	1.0	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.2	1.4	n/a	n/a	-17.0%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	19.0	22.0	n/a	n/a	20.6%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	7.0	13.0	n/a	n/a	-23.1%	1.5	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	20.1	23.8	n/a	n/a	64.5%	0.1	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	107.0	107.7	7.8%	7.6%	9.6%	2.1	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	99.2	101.3	8.7%	8.2%	21.5%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	107.3	108.1	8.4%	8.2%	13.4%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
VAB Bank, 2019	n/a	n/a	n/a	n/a	n/a	n/a	9.00%	Q	14 Jun 2019	88	IN DEFAULT
Oschadbank, 2023	106.0	106.8	8.0%	7.8%	9.1%	2.1	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	106.9	107.7	8.4%	8.2%	13.5%	3.1	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	65.3	70.3	n/a	n/a	-11.7%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

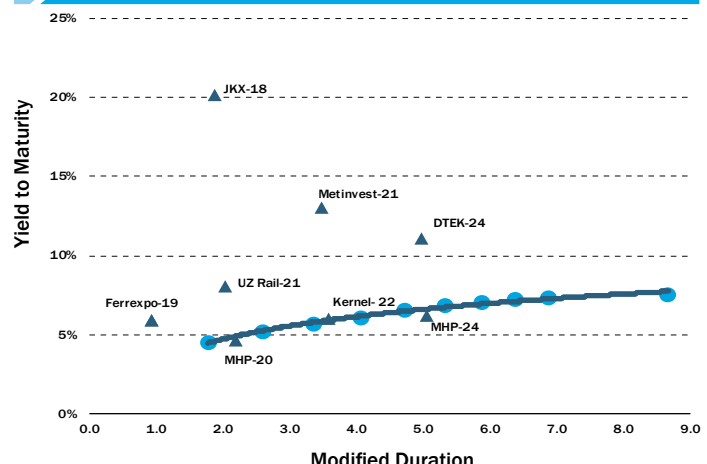
<sup>1</sup> Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

**SOVEREIGNS vs. BANKING EUROBONDS**



**SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS**



**UKRAINIAN DOMESTIC BONDS**

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume UAH mn
<b>UAH denominated Bonds</b>									
UA4000194591			15.10%	14.90%	n/a	16.62%	S/A	11 Jul .2018	1,454
<b>VAT Bonds</b>									
UA4000185151			15.50%	15.10%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			15.50%	15.10%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			15.50%	15.10%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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