

Stock Market Update

Equity

Ukrainian stocks came under pressure early last week after an incident in the Kerch Strait (between the Azov and Black Seas) in which Russian border guards opened fire on two Ukrainian gunboats that had approached the coast of disputed Crimea. Kyiv condemned the event as an “act of Russian aggression” and President Poroshenko asked Parliament to support a declaration of martial law for one month. However, exactly what this martial law declaration, which is valid in only 10 of the country’s 25 provinces, actually means is unclear. US president Trump cancelled a meeting with Russian President Putin that had been scheduled for G20 summit in Buenos Aires on Dec 2, citing the Kerch incident as justification.

Kyiv-listed stocks erased much of their losses as the situation quieted down, but they still finished lower for the week due to the sharp drop on Nov 26, the day when the martial law order was imposed. The UX index ended down 1.0% at 1748 points. Some buying support came from strong earnings reports for 3Q18 which had been published earlier in November. In particular, UkrNafta (UNAF) posted a net profit of UAH 49 per share for the Jul-Sept quarter, sending the UNAF stock to as high as UAH 125 per share in mid-November, and the stock retreated only 1.1% last week. Meanwhile, CentrEnerg (CEEN) was the only gainer last week advancing by 7.7% to UAH 17.56 on expectations that privatization of the company will finally take place as scheduled later this month (on Dec 13).

In London, Ferrexpo (FXPO) slumped 8.3% to close at GBp 175 and Regal Petroleum (RPT) fell 7.0% to GBp 43.70 per share.

In Warsaw trading, Agrotin (AGT) dropped by 10% to PLN 3.60 and Kernel (KER) gave up 4.0% to close at PLN 53.30 despite the company reporting outstanding financial results for the Jul-Sept quarter in a late-week report. Kernel’s net profit tripled to USD 75mn in the period. As with Ferrexpo, we assume that increased perceptions of Ukraine’s political risk pushed down the value of these 2 top liquid issues.

On the domestic currency market, the hryvnia weakened by 1.6% against the dollar to finish the week at 28.20 UAH/USD, reacting to the martial law news.

Highlights

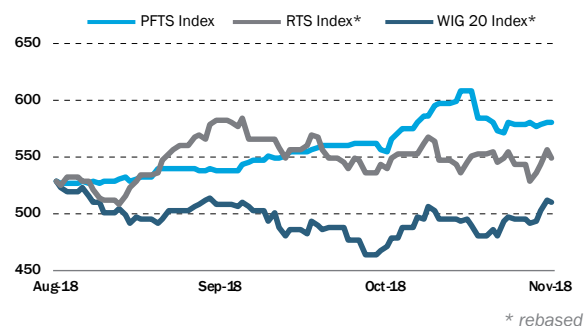
POLITICS AND ECONOMICS

- > Presidential Election Set for Mar. 31 Despite Martial Law Declaration
- > Industrial Production Rises 1.4% YoY in October, 1.8% in 10M18

STOCKS IN THE NEWS

- > Kernel Triples Net Profit YoY to USD 76mn in Jul-Sept Quarter

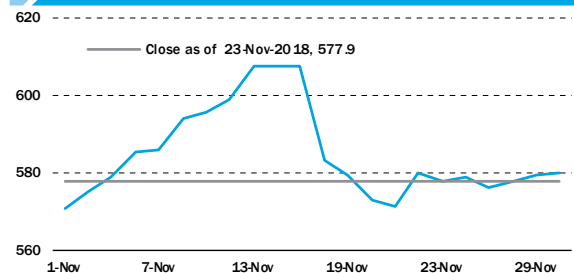
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1W ch	1M ch	YTD
PFTS	580.0	0.4%	4.6%	84.1%
RTS	1126.1	1.1%	1.9%	-2.5%
WIG20	2291.1	3.0%	7.9%	-6.9%
MSCI EM	994.7	2.6%	6.2%	-14.1%
S&P 500	2760.2	4.8%	2.9%	3.2%

PFTS 1M PERFORMANCE



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	420	-0.8%	6.2%	35.0%
NBU Key Rate	18.0%	0.0 p.p.	0.0 p.p.	3.5 p.p.
Ukraine-19	8.9%	-0.6 p.p.	0.1 p.p.	4.5 p.p.
Ukraine-27	10.4%	0.4 p.p.	1.1 p.p.	3.2 p.p.
DTEK-24	11.5%	0.1 p.p.	1.5 p.p.	2.1 p.p.
UZ Rail-21	11.7%	1.6 p.p.	2.0 p.p.	5.3 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	28.20	1.6%	0.2%	0.3%
EUR	31.90	1.5%	-0.1%	-5.3%
RUB	0.42	0.1%	-2.3%	-13.6%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	216.0	0.0%	0.9%	20.3%
Steel, USD/t	432.5	-4.4%	-4.9%	-16.8%
Oil, USD/bbl	59.5	0.7%	-21.7%	-6.6%
Gold, USD/oz	1222.5	-0.1%	0.0%	-6.2%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Presidential Election Set for Mar. 31 Despite Martial Law Declaration

by Will Ritter
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NEWS

Ukraine's Parliament on Monday (Nov 26) confirmed the date of the country's next presidential election for 31 March 2019 (with a likely 2nd round of voting on Apr 21) on the same date as it approved a request from President Poroshenko to declare martial law in 10 of the country's 25 provinces. The martial law measure came in response to Russia's seizure of 3 Ukrainian military boats that had been sailing in disputed territorial waters off Crimea. Russia's aggressive actions alarmed the international community and drew condemnation from the United States, European Union, NATO, and the United Kingdom.

COMMENTARY

If the Kremlin's intent in escalating the situation in the Azov Sea was to create instability in Kyiv by delaying the presidential election, the move appears to have failed. With the election now less than 4 months away, the window is closing for the emergence of any new "surprise candidates" to challenge Poroshenko. Despite the current lead over Poroshenko held by left-wing populist Yulia Tymoshenko, we believe that the re-election landscape for Poroshenko looks reasonably good, especially considering where he was 7 or 8 months ago. Tymoshenko continues to poll only in the 20s despite leading the race, implying that a large part of the electorate has yet to focus on making a choice. Further, it will be very difficult for Tymoshenko to overcome the steady drip of accusations that she is the Kremlin's favored candidate, as such an image is anathema to voters in Central and Western Ukraine, and Tymoshenko has also never been a popular figure in Southern/Eastern Ukraine in any of her previous 3 unsuccessful runs (2004, 2010, 2014) for the country's presidency. The other declared opponents in the race look quite convenient for Poroshenko: conservative nationalist Anatoliy Grytsenko is a rather stodgy 15-year veteran of the political scene whose popularity has never risen above the mid-teens; Lviv mayor Andriy Sadoviy is a regional candidate with questionable reform credentials and minimal appeal outside his home city; Opposition Bloc standard-bearer Yuriy Boyko cannot hope for any support in the Ukrainian-speaking part of the country; and Russophone comedian Volodymyr Zelenskiy is literally difficult to take seriously, even if his poll rating of around 10% is moderately impressive. Three candidates who could represent a serious challenge to Poroshenko among his core voter base - Prime Minister Volodymyr Groysman, People's Front party leader Arseniy Yatseniuk, and popular music star Sviatoslav Vakarchuk - have thus far stayed out of the race.

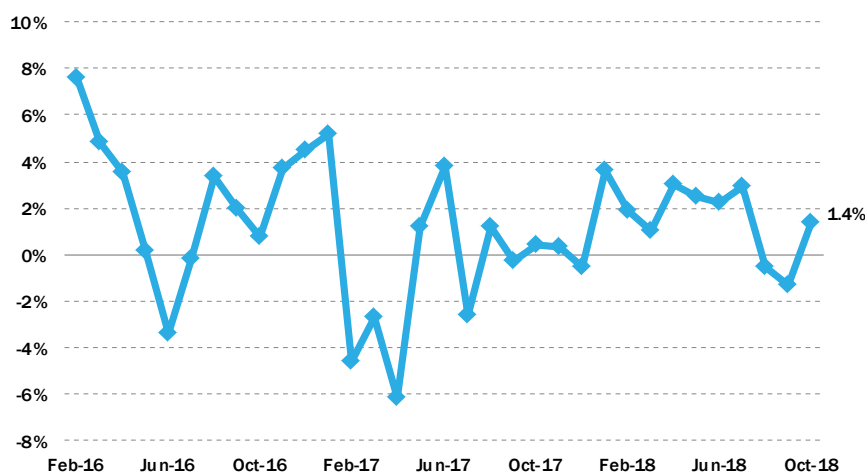
Industrial Production Rises 1.4% YoY in October, 1.8% in 10M18

by Dmitry Churin
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NEWS

Ukraine's nationwide industrial production rose 1.4% YoY in October after declining by 1.3% YoY in September, according to data from the State Statistics Committee released in mid-November. In the extraction sector, the output increase was 5.2% YoY in October after a rise of 0.7% YoY in September. The manufacturing sector index grew by 1.0% and the utility sector had a drop in output of 3.6% YoY in October, extending its downward trend this year. Year-to-date through October, the overall industrial output in Ukraine is up by 1.8% compared to 10M17.

UKRAINE'S MONTHLY INDUSTRIAL PRODUCTION INDEX, YOY



Source: State Statistics Committee

COMMENTARY

The main takeaway after October's data is that the Ukrainian economy remains on the expected growth path despite the pause seen in September. The 1.8% YoY rise in the industrial index through 10M18 is not far off from our base case forecast of full-year industrial growth at 2.2% YoY. In October alone, we were pleased to see that the country's natural gas extraction increased by 3.7% YoY to 1.8bn cubic meters. Meanwhile, the output drop in the utility sector - which mainly reflects electricity usage - can be taken as a positive sign that Ukrainian industry is becoming more energy efficient.

In the individual sub-sectors which form the manufacturing output index, the steel production index edged down by 1.2% YoY in October, the machinery sub-sector's output shed 0.3% YoY, and oil processing rose by 5.4% YoY in volume. Over 10M18, the machinery sector output increased by 1.6% YoY.

In other macroeconomic data, UkrStat said the government's agricultural production index rose 9.0% YoY over the 10M18 period, the construction index rose 6.4% YoY (5.8% YoY in October alone), and retail sales are up by a solid 5.4% YoY.

Kernel Triples Net Profit YoY to USD 76mn in Jul-Sept Quarter

by Dmitry Churin
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KERNEL (KER PW)

Price: PLN 53.30 Market Cap: USD 1,127mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2018FY	1.0	0.7	21.6	7.9	1.8%
FY19E	0.8	0.6	6.6	5.6	1.8%

NEWS

Kyiv-based, Warsaw-listed sunflower oil giant and crop grower Kernel boosted its net profit by 3.3x YoY to USD 75.5mn in the Jul-Sept quarter (1Q19; the company's financial year runs from July to June), according to results published on Nov 29. On the top line, Kernel's revenue more than doubled YoY (+2.1x) to USD 1.14bn, driven by strong grain export volumes in the reported period. The company's EBITDA also doubled, rising 2.2x YoY to USD 101mn, while the EBITDA margin was essentially unchanged at 8.8%. On the balance sheet side, Kernel's net debt increased by 10.3% from the previous reporting quarter, to USD 686mn as of 30 Sept 2018, implying a Net Debt/EBITDA ratio of 2.5x. The company's total assets grew by 6.1% QoQ to USD 2.36bn.

KERNEL FINANCIAL RESULTS

USD mn	1Q18FY	1Q17FY	YoY
Net revenue	1140	536	113%
EBITDA	101	46	118%
EBITDA margin	8.8%	8.6%	+0.2 p.p.
Net Income	76	23	231%
Net margin	6.6%	4.3%	+2.4 p.p.

Source: Company data,

COMMENTARY

With these results, Kernel finally met our expectations by reporting much bigger financial numbers to reflect the company's growing asset base after several major acquisitions in recent years. However, we have to say that it took quite a long time for Kernel to integrate the operations of its new farming businesses totaling 190,000 hectares after the acquisition of UAI Holding back in mid-2017. Kernel said it achieved record high crop yields and production volumes for this year's harvesting campaign. The company's farming segment tripled its EBITDA to USD 53mn in Jul-Sept, while EBITDA from the oilseeds processing segment decreased by 23% YoY to USD 16.2mn in the period due to a lower "crushing margin" in the sunflower oil business this year. This margin fell to USD 40 per tonne of sunflower oil sold in the reporting period compared to USD 50 per tonne a year earlier and USD 44 per tonne in the Apr-Jun quarter this year. Kernel states that the "crushing margin" is now expected to recover somewhat as a result of ample sunflower seed supplies on the Ukrainian market following the country's record harvest of sunflower seeds estimated at near 16mn tonnes this year.

Kernel's shares showed little immediate reaction to the quarterly report's publication, with the stock inching higher by only 0.2% to PLN 52.70 on Nov 29.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	53.5	82.0	53%	BUY	With on-demand borrowing access, Kernel is well placed to further consolidate its position in the oilseed crushing industry. The company reported that its sunflower oil sales in bulk rose by 29.4% YoY to some 508,000 tonnes in July-December 2017. The company aims to achieve EBITDA of USD 500mn by 2021.
MHP	MHPC LI	10.6	16.5	56%	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. MHP also reported that its poultry exports rose 16% YoY to near 221,000 tonnes in 2017, accounting for 41% of total sales volume, up from a share of 36% a year before.
Astarta	AST PW	27.4	70.0	155%	BUY	Astarta is focused on business diversification and cost optimization via improving its energy and operational efficiency. We expect the company to increase sales by 12% in FY18.
Agroton	AGT PW	3.40	12.0	253%	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	12.7	13.0	3%	HOLD	IMC's 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	0.3	0.3	7%	SELL	AvangardCo's revenue fell by 33% YoY in FY17 despite an increase in egg sales volume by 23% YoY. We attribute this negative development to weak results in the value-added egg powder segment. AvangardCo said that its egg product sales volume had plunged by 64% YoY to some 3300 tonnes, with the average pricing dropping by 23% YoY to USD 4.30/kg.
Ovostar Union	OVO PW	113.0	110.0	-3%	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.
Iron Ore						
Ferrexpo	FXPO LN	175	230	31%	BUY	Iron ore market has seen a major shift over the past two years as China's anti-pollution drive spurs demand for cleaner ore, exploding the spreads between top-quality material and lower-grade cargoes, which benefits Ferrexpo as top-quality pellets producer.
Specialized Machinery						
Motor Sich	MSICH	5390	6750	25%	BUY	Motor Sich is closing in on a solid contract with Chinese company Avicopter (AVIC) to supply helicopter engines for a Russian-Chinese project. Our base case scenario forecast for Motor Sich's net profit for FY18 is UAH 2.6bn, implying EPS of UAH 1,270.
Oil & Gas						
UkrNafta	UNAF	125	270	116%	BUY	UkrNafta's fundamental value should see an immediate jump after the company reaches a deal with the government on restructuring its huge UAH 12bn tax debt. We believe that with the state owning a 50% stake in UkrNafta, the resolution of the tax debt issue is only a matter of time.
Concern Galnaftogaz	GLNG	0.27	0.33	22%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT LN	44.4	30.0	-32%	BUY	The RPT stock has been enjoying aggressive buying from an unidentified investor since the start of the year. From the chart point of view, the stock hit a local maximum of GBP 31, and we believe that this peak is likely to be repeated sometime before the end of 2018.
JKX Oil & Gas	JKX LN	31.3	33.0	5%	HOLD	The company's balance sheet looks healthy after it successfully restructured its Eurobonds. An overall demand for natural gas in Ukraine remains strong.
Power Utilities						
DonbasEnergO	DOEN	23.2	9.0	-61%	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	17.56	25.60	46%	BUY	CentrEnergO posted net profit of UAH 5.12 per share in FY17, and the company decided to distribute 75% of this profit in shareholder dividends. CentrEnergO's privatization has repeatedly been postponed, but the company retains a strong fundamental value due to its large installed electricity generation capacity.
Banks						
Raiffeisen Bank Aval	BAVL	0.352	0.47	34%	BUY	We forecast that Raiffeisen Aval will raise its net profit by 7.3% YoY to UAH 4.80bn in FY18, implying EPS of 7.81 kopecks. We also believe the bank will continue its practice of large dividend payouts, with the FY18 dividend possibly around 7.50 kopecks per share. Raiffeisen Aval, about 70% of which is held by Raiffeisen International, has been the most dividend-rich stock in the Ukrainian equity universe since 2016. The stock's dividend yield last year was 20% and this year it was around 22%. Raiffeisen Aval posted a net profit of UAH 4.47bn for full-year 2017 (USD 170mn at the average UAH/USD rate for the period), compared to UAH 3.82bn for full-year 2016 and a net loss of UAH 1.44bn in FY15.

Source: Eavex Research

PRICES AND QUOTES

Name	Ticker	Today, UAH*	52 high, UAH*	52 low, UAH*	Absolute performance				Performance relative to the UX index			
					1W	1M	3M	YtD	1W	1M	3M	YtD
PFTS Index	UX	580.02	608.78	303.49	0.4%	4.6%	10.0%	84.1%	--	--	--	--
Iron Ore Mining												
Ferrexpo	FXPO	175.30	316.10	143.50	-8.3%	-18.8%	13.1%	-40.2%	-8.7%	-23.4%	3.1%	-124.3%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	11.90	12.20	10.00	0.0%	-2.5%	-0.8%		-0.4%	-7.0%	-10.8%	
Specialized Machinery												
Motor Sich	MSICH	5390	n/a	n/a								
Turboatom	TATM	13.55	14.15	13.00	-0.4%	0.4%			-0.7%	-4.2%		
Telecom												
Ukrtelecom	UTLM	0.14	0.143	0.130	0.0%	5.9%			-0.4%	1.3%		
Oil & Gas												
Regal Petroleum	RPT	43.70	62.00	6.41	-7.0%	-13.2%	31.6%	523.8%	-7.4%	-17.8%	21.6%	439.7%
JKX Oil	JKX	31.30	47.00	11.00	-13.1%	-26.4%	6.1%	184.5%	-13.4%	-30.9%	-3.9%	100.4%
Ukrnafta	UNAF	125.1	140.00	98.00	-1.1%	8.8%			-1.5%	4.2%		
Power Utilities												
Centrenergo	CEEN	17.56	23.70	11.35	7.7%	0.1%	19.8%	38.4%	7.4%	-4.5%	9.8%	-45.7%
Donbasenergo	DOEN	32.21	38.00	21.10	-0.6%	19.3%			-0.9%	14.7%		
Consumer												
Agroton	AGT	3.60	6.06	2.83	-10.0%	10.8%	-11.5%	-21.4%	-10.4%	6.2%	-21.5%	-105.5%
Astarta	AST	27.40	57.60	27.20	-7.4%	-7.7%	-17.0%	-46.8%	-7.8%	-12.3%	-27.0%	-130.9%
Avangardo	AVGR	0.28	0.41	0.27	0.0%	0.0%	-15.2%	-22.2%	-0.4%	-4.6%	-25.1%	-106.3%
Industrial Milk Company	IMC	12.65	14.80	11.05	-14.5%	1.2%	1.6%	1.4%	-14.9%	-3.4%	-8.4%	-82.7%
Kernel	KER	53.30	55.50	45.60	-4.0%	7.7%	7.8%	12.2%	-4.3%	3.1%	-2.2%	-71.9%
MHPC	MHPC	10.60	15.45	10.30	0.0%	-9.0%	-15.2%	-7.8%	-0.4%	-13.6%	-25.2%	-91.9%
Milkiland	MLK	0.22	1.72	0.22	-37.1%	-51.1%	-74.1%	-85.7%	-37.5%	-55.7%	-84.1%	-169.8%
Ovostar Union	OVO	113.00	114.00	88.00	-0.9%	2.7%	15.3%	28.4%	-1.2%	-1.9%	5.3%	-55.7%
Banks												
Raiffeisen Bank Aval	BAVL	0.352	0.36	0.26	-1.0%	4.8%	11.0%		-1.3%	0.2%	1.0%	

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		
		2016	2017	2018E	2016	2017	2018E	2016	2017	2018E	2016	2017	2018E	2016	2017	2018E
Iron Ore Mining																
Ferrexpo	FXPO	986	1,197	1,257	375	551	579	38.0%	46.0%	46.0%	189	394	414	19.2%	32.9%	32.9%
Railcar Manufacturing																
Kryukiv Wagon	KVBZ	84	141	80	-1	14	9	-1.0%	9.9%	10.7%	-4	12	4	-5.2%	8.6%	5.0%
Specialized Machinery																
Turboatom	TATM	85	87	93	49	37	40	57.1%	42.6%	43.1%	42	26	28	49.2%	29.9%	29.9%
Motor Sich	MSICH	414	436	388	166	156	88	40.1%	35.8%	22.7%	77	117	51	18.6%	26.7%	13.3%
Oil & Gas																
Ukrnafta	UNAF	885	1,011	1,326	116	65	333	13.1%	6.5%	25.1%	-343	17	191	-38.7%	1.7%	14.4%
Regal Petroleum	RPT	26	35	60	12	17	59	44.9%	49.8%	98.3%	0	2	42	na	6.5%	70.0%
JKX Oil	JKX	80	82	88	29	18	29	36.3%	22.0%	33.0%	-20	-12	1	-25.0%	-14.6%	1.1%
Electric Utilities																
Centrenergo	CEEN	419	412	532	46	104	40	11.1%	25.2%	7.6%	15	71	27	3.6%	17.3%	5.0%
Donbasenergo	DOEN	157	147	222	7	8	23	4.4%	5.8%	10.2%	-2	2	13	-1.1%	1.4%	5.7%
Consumer																
MHP	MHPC	1,135	1,289	1,456	415	549	550	36.6%	42.6%	37.8%	59	230	327	5.2%	17.8%	22.5%
Kernel	KER	1,989	2,169	2,403	346	319	223	17.4%	14.7%	9.3%	225	176	52	11.3%	8.1%	2.2%
Astarta	AST	402	514	452	167	134	162	41.6%	26.1%	35.9%	90	69	75	22.4%	13.5%	16.7%
Avangardco	AVGR	191	130	127	1	12	15	0.4%	9.1%	11.8%	-57	-8	-5	-29.6%	-5.8%	-3.9%
Ovostar	OVO	84	80	87	40	15	20	47.7%	19.2%	23.4%	35	10	14	41.8%	12.5%	16.1%
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	2,113	2,455	2,482	381	404	408	192	234	236	150	169	236	39.4%	41.8%	58.0%

Source: Eavex Research

MAIN TRADING MULTIPLES

Name	Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			
					2016	2017	2018E	2016	2017	2018E	2016	2017	2018E	
Iron Ore Mining														
Ferrexpo	FXPO	1,320	24.0%	317	1,723	7.0	3.4	3.2	4.6	3.1	3.0	1.7	1.4	1.4
Railcar Manufacturing														
Krukiv Wagon	KVBZ	48	5.0%	2	18	neg	4.0	12.1	neg	1.3	2.1	0.2	0.1	0.2
Specialized Machinery														
Turboatom	TATM	203	3.8%	8	195	4.9	7.8	7.3	4.0	5.2	4.9	2.3	2.2	2.1
Motor Sich	MSICH	398	24.0%	96	375	5.2	3.4	7.7	2.3	2.4	4.3	0.9	0.9	1.0
Oil & Gas														
Ukrnafta	UNAF	241	3.0%	7	234	neg	14.4	1.3	2.0	3.6	0.7	0.3	0.2	0.2
Regal Petroleum	RPT	179	21.6%	39	139	n/a	>30	4.3	12.1	8.0	2.4	5.4	4.0	2.3
JKX Oil & Gas	JKX	69	50.4%	35	177	neg	neg	>30	6.1	9.8	6.1	2.2	2.2	2.0
Electric Utilities														
CentrEnergO	CEEN	230	21.7%	50	200	15.2	3.2	8.7	4.3	1.9	5.0	0.5	0.5	0.4
DonbasEnergO	DOEN	27	14.2%	4	33	neg	12.8	2.1	4.7	3.8	1.4	0.2	0.2	0.1
Consumer														
MHP	MHPC	1,120	34.1%	382	2,300	18.9	4.9	3.4	5.5	4.2	4.2	2.0	1.8	1.6
Kernel	KER	1,127	61.8%	696	1,127	5.0	6.4	21.6	3.3	3.5	5.1	0.6	0.5	0.5
Astarta	AST	182	37.0%	67	408	2.0	2.6	2.4	2.4	3.0	2.5	1.0	0.8	0.9
Avangardco	AVGR	18	22.5%	4	349	neg	neg	neg	>30	29.6	23.3	1.8	2.7	2.8
Ovostar	OVO	180	25.0%	45	182	5.1	18.0	12.9	4.5	11.8	8.9	2.2	2.3	2.1
Banks														
						P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	768	1.8%	14		5.1	4.6	4.4	2.0	1.9	1.9	0.36	0.31	0.31

Source: Eavex Research

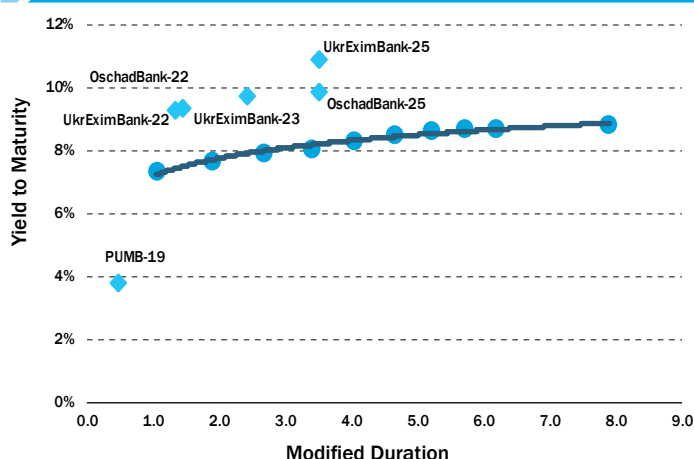
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume USD mn	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2019	98.7	99.7	9.5%	8.1%	-5.8%	0.7	7.75%	S/A	1 Sept 2019	661	Caa2/B-/B-
Ukraine, 2020	96.8	97.2	9.8%	9.5%	-8.7%	1.6	7.75%	S/A	1 Sept 2020	1,365	Caa2/B-/B-
Ukraine, 2021	94.2	95.2	10.2%	9.8%	-11.3%	2.4	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	92.2	93.2	10.3%	10.0%	-13.1%	3.1	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	90.8	91.8	10.2%	10.0%	-14.3%	3.8	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	89.0	90.0	10.3%	10.1%	-15.2%	4.4	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2024-2	94.1	95.1	10.5%	10.3%	-5.4%	4.0	8.99%	S/A	1 Feb 2024	750	/B-/B-
Ukraine, 2025	87.3	88.3	10.4%	10.2%	-15.9%	4.9	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	85.8	86.8	10.5%	10.3%	-16.6%	5.4	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	84.3	85.3	10.4%	10.2%	-18.0%	5.9	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2028	94.2	94.7	10.7%	10.6%	-5.5%	6.1	9.75%	S/A	1 Nov 2018	1,250	/B-/B-
Ukraine, 2032	80.5	81.5	10.0%	9.9%	-17.7%	7.6	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	55.6	56.6	n/a	n/a	1.8%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agroton, 2019	16.0	20.6	829%	617%	10.6%	0.1	6.00%	S/A	14 Jul 2019	8	//
Kernel, 2022	95.8	96.8	10.3%	9.9%	-12.8%	2.6	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	102.1	103.0	6.5%	5.9%	-5.8%	1.2	8.25%	S/A	2 Apr 2020	79	/B/B
MHP, 2024	94.8	95.3	9.0%	8.9%	-12.6%	4.3	7.75%	S/A	10 May 2024	500	/B/B
MHP, 2026	86.4	86.9	9.6%	9.5%	-13.4%	5.4	6.95%	S/A	4 Apr 2026	550	/B/B
Avangardco, 2018	20.8	22.5	n/a	n/a	n/a	n/a	10.00%	S/A	29 Oct 2018	214	//
UkrLandFarming, 2018	13.1	14.8	n/a	n/a	n/a	n/a	10.88%	S/A	26 Mar 2018	543	//
Mriya, 2016	8.0	12.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	8.0	12.0	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	96.2	97.2	11.6%	11.4%	-10.1%	4.4	10.75%	S/A	31 Dec 2024	1,344	//
Metinvest, 2021	100.0	102.0	7.4%	6.7%	-3.9%	n/a	9.37%	S/A	31 Dec 2021	117	//B
Metinvest, 2023	90.7	91.2	10.4%	10.3%	-8.1%	3.5	7.75%	S/A	23 Apr 2023	945	//B
Metinvest, 2026	89.9	90.4	10.5%	10.4%	-8.5%	5.2	8.50%	S/A	23 Apr 2026	648	//B
Ferrexpo, 2019	100.5	100.9	8.7%	7.5%	-4.0%	0.3	10.375%	S/A	07 Apr 2019	93	Caa3/CCC/CC
Ferrexpo, 2019	100.4	100.9	9.1%	7.6%	-4.2%	0.3	10.375%	S/A	07 Apr 2019	80	Caa3/CCC/CC
UZ Rail, 2021	97.8	98.5	10.8%	10.5%	-7.9%	1.0	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	30.0	33.1	n/a	n/a	11.4%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	78.0	85.0	38.2%	29.5%	-1.8%	1.0	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
PUMB, 2018	100.2	101.2	8.5%	-5.5%	-3.5%	0.1	11.00%	Q	31 Dec 2018	103	//
PrivatBank, 2018-2	20.0	30.0	n/a	n/a	-25.4%	1.5	10.25%	S/A	23 Jan 2018	160	IN DEFAULT
PrivatBank, 2021	8.6	13.6	n/a	n/a	-28.2%	1.0	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	21.2	22.1	n/a	n/a	-46.3%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	97.5	97.9	10.5%	10.4%	-8.7%	1.1	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	93.8	95.4	11.8%	11.3%	-5.8%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3/CCC
UkrEximBank, 2025	94.4	94.7	11.0%	10.9%	-12.8%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
Oschadbank, 2023	98.7	99.2	9.7%	9.6%	-7.6%	1.0	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	94.8	95.0	10.7%	10.6%	-11.9%	2.1	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2015	91.6	92.2	10.1%	9.9%	-8.1%	2.7	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

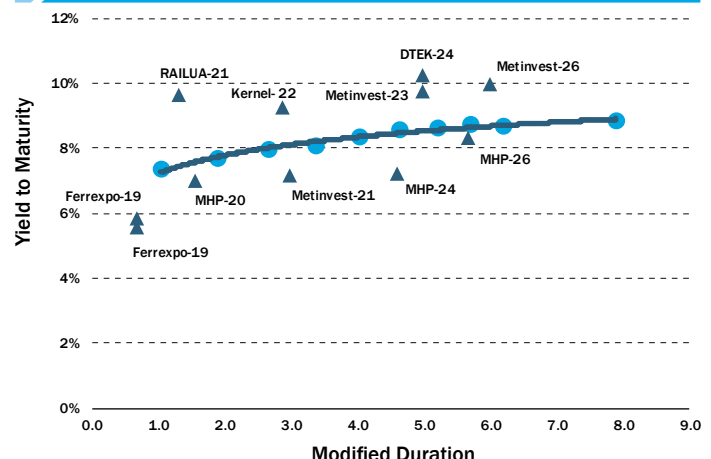
¹ Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE EUROBONDS



UKRAINIAN DOMESTIC BONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume UAH mn
UAH denominated Bonds									
UA80426			19.75%	18.00%	n/a	n/a	S/A	10 Apr .2019	n/a
VAT Bonds									
UA4000185151			20.25%	18.50%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			20.25%	18.50%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			20.25%	18.50%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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