

Stock Market Update

Equity

Kyiv-listed stocks demonstrated their third straight week of growth as the country's latest economic data provided more reasons for investor optimism. Ukraine's retail sales continued to grow at a solid 6.2% pace in 1H18 and overall industrial output rose by 2.5%, while the machinery sector alone showed a firm 6.6% YoY output increase in the period.

The UX index added 1.9% to close at 1636 points. However, the trading activity was low amid the continued closure of the largest platform, which led to a wider bid/ask spread for most blue chip stocks. The spreads of around 5% somewhat distort the UX index's performance since the average spread midpoint is larger than the overall index gain. Raiffeisen Bank Aval (BAVL) advanced by 4.7% to 30.00 kopecks ahead of the bank's 2Q18 earnings report. We forecast that the bank will post 1.80 kopecks of net profit per share for April-June. UkrNafta (UNAF) corrected from its recent upward move, declining by 3.5% to UAH 110 per share. CentrEnergO (CEEN) barely reacted to the company's disappointing 2Q18 earnings of UAH 0.73 per share. The stock was little-changed at UAH 15.00. DonbasEnergO (DOEN) remained on a growth path climbing 3.4% to UAH 24.00. Earlier this month there was news that the company's majority stake of 60.8% was acquired by Maxim Yefimov, an MP from the Poroshenko Bloc. The price for the deal has not been disclosed. In London trading, Ferrexpo (FXPO) was a bright spot for the second week in a row, surging 12% to GBp 194 per share after a solid advance of 8.8% over preceding week. The company is due to report its 1H18 financial results on Thursday (Aug 2). Poultry producer MHP (MHPC) slipped 2.7% to USD 12.50 per share. In Warsaw, Kernel (KER) failed to stay above PLN 50 level, dipping 1.2% to PLN 49.90. Astarta (AST) shed 2.1% to PLN 32.00 after the company unveiled a mixed operating report for 2Q18.

On the currency market, the hryvnia weakened notably by 1.0% against the dollar to end the week at 26.70 UAH/USD, as the traditional early autumn season of hryvnia devaluation appeared to get an early start. The National Bank was forced to intervene on the interbank market with forex sales from its reserves to maintain balance.

Highlights

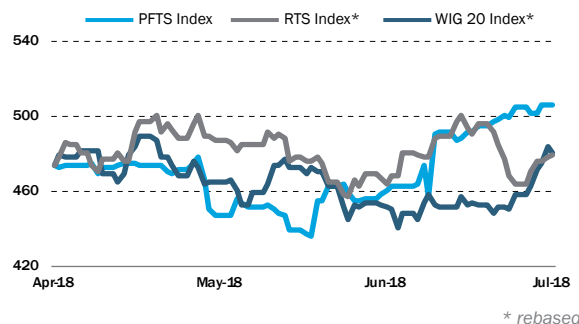
POLITICS AND ECONOMICS

- > NABU Accuses People's Front MP in Attack on its Office
- > Ukraine's 1H18 Industrial Output Rise Comes in at 2.5%

STOCKS IN THE NEWS

- > CentrEnergO Net Profit Drops 77% to UAH 271mn in 2Q18

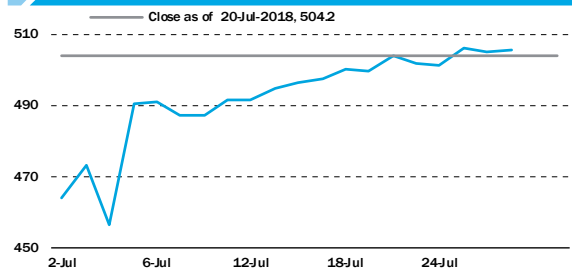
STOCK MARKET PERFORMANCE



MARKET INDEXES

	Last	1W ch	1M ch	YTD
PFTS	505.5	0.3%	9.8%	60.5%
RTS	1151.7	3.3%	3.4%	-0.2%
WIG20	2290.8	4.9%	6.4%	-6.9%
MSCI EM	1092.4	2.1%	2.3%	-5.7%
S&P 500	2818.8	0.6%	3.5%	5.4%

PFTS 1M PERFORMANCE



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	349	-3.5%	-9.1%	12.4%
NBU Key Rate	17.5%	0.0 p.p.	0.5 p.p.	3.0 p.p.
Ukraine-19	6.0%	-2.1 p.p.	-2.4 p.p.	1.5 p.p.
Ukraine-27	8.4%	-0.3 p.p.	-0.5 p.p.	1.1 p.p.
MHP-20	6.3%	0.0 p.p.	0.5 p.p.	2.2 p.p.
UZ Rail-21	8.4%	-0.5 p.p.	0.2 p.p.	2.0 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.68	0.9%	1.8%	-5.1%
EUR	31.09	0.3%	1.8%	-7.7%
RUB	0.42	1.9%	2.2%	-12.7%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	189.0	0.0%	1.1%	5.3%
Steel, USD/t	500.0	-1.0%	-2.9%	-3.8%
Oil, USD/bbl	74.3	1.7%	-2.4%	11.1%
Gold, USD/oz	1223.3	-0.7%	-2.8%	-6.1%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

NABU Accuses People's Front MP in Attack on its Office

by Will Ritter
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NEWS

A group of men broke into the office of the National Anti-Corruption Bureau (NABU) in Kyiv on Tuesday (Jul 17), smashing down doors and destroying a security camera, domestic media reported. NABU released a statement accusing People's Front MP Yevgeniy Deydey of being behind the incident. Deydey, a former fighter for Ukraine in the Donbass war, has been under investigation by NABU in an unlawful enrichment case for more than a year. In a related incident, anti-corruption activist Vitaliy Shabunin suffered minor injuries after being sprayed with green paint at a rally on the same day calling for the firing of Special Anti-Corruption Prosecutor (SAP) Nazar Kolodnytskiy due to the latter's refusal to pursue a corruption case against Oleksandr Avakov, the son of Interior Minister and People's Front leader Arseniy Avakov. The Kyiv Post newspaper reported that Deydey had made physical threats against one of its journalists for pursuing the NABU story.

COMMENTARY

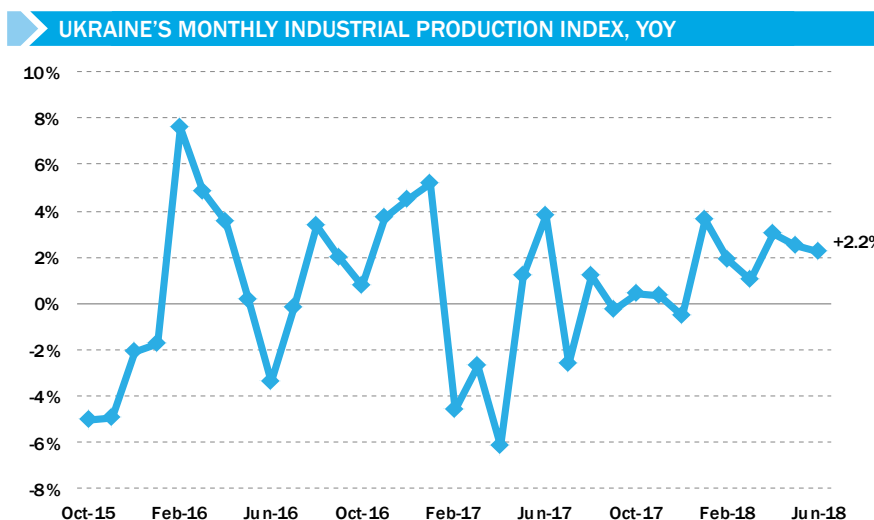
While NABU is supposed to be working closely with Kolodnytskiy to prosecute corruption cases, in fact the two agencies, NABU and SAP, have been at war with each other since at least last autumn. Most of the anti-corruption NGO community has sided with NABU, while those concerned with state stability have been more willing to cut Kolodnytskiy some slack. Still, in our view, after more than two years, it is clear that Kolodnytskiy has been unable to show any results in obtaining major convictions; in the most high-profile case, fired State Fiscal Service chief Roman Nasirov still has not been prosecuted despite being arrested in a NABU sting operation almost 18 months ago, and he had the gall to announce yesterday that he intends to run for Ukraine's presidency in next year's election. Despite placating the powerful Avakov faction, the writing seems to be on the wall for Kolodnytskiy after the US Embassy issued a statement calling for his ouster last week. However, the job of prosecuting politically powerful figures in Ukraine looks to be a nearly impossible one, and we are skeptical that any replacement for Kolodnytskiy will have much more success.

Ukraine's 1H18 Industrial Output Rise Comes in at 2.5%

by Dmitry Churin
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NEWS

Ukraine's nationwide industrial production rose by 2.5% YoY in the first half of 2018, with the increase for June alone at 2.2% YoY, according to data from the State Statistics Committee released last week. In the extraction sector, the output increase was 1.6% YoY in 1H18, and in the manufacturing sector it was +2.8% YoY, and in the utility sector it was +4.3% YoY.



Source: State Statistics Committee

COMMENTARY

The industrial production growth of 2.2% YoY in June, despite being marginally below average for the year thus far, is still on track to deliver our forecasted growth of 2.3% YoY for full-year 2018.

In particular sub-sectors, there was a strong 19.1% YoY output increase in auto machinery manufacturing in 1H18 and almost 40% YoY growth in chemical products output - which includes fertilizers - in the period. The worst performing sub-sector was electricity equipment machinery, which demonstrated an output contraction of 5.9% YoY in 1H18. Meanwhile, the overall machinery industry output index grew at a solid 6.6% pace YoY in January-June, partly due to additional military orders. Ukraine's defense budget was raised by 34% YoY to UAH 86bn (USD 3.2bn) for 2018. It is expected that military spending will be equivalent of 2.6% of Ukrainian GDP.

In other important macroeconomic data, UkrStat said the agricultural production index surged by 11.4% YoY in 1H18 (possibly due to a weather-related early start to the harvest season this year), the construction index advanced by 2.8% YoY, and retail sales rose by 6.2% YoY in the period.

CentrEnergO Net Profit Drops 77% to UAH 271mn in 2Q18

by Dmitry Churin
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CENTRENERGO (CEEN UK)

Price: UAH 15.00 Market Cap: USD 208mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2017	0.8	0.4	2.9	1.6	25.6%
2018E	0.8	0.3	5.9	3.5	12.8%

NEWS

CentrEnergO, Ukraine's second largest thermal electricity generation company by installed capacity, reported a 77% YoY drop in its net profit to UAH 271mn (USD 10.1mn) in 2Q18, according to the company's financials published on Jul 27. On the top line the company's net revenue rose by 33.5% YoY to UAH 3.83bn while EBITDA sank from UAH 1.53bn in 2Q17 to UAH 406mn in 2Q18. For the 1H18 period, CentrEnergO's net revenue grew by 32.2% YoY to UAH 7.97bn, EBITDA slumped 3.8x YoY to UAH 705mn, and net profit was UAH 439mn compared to net profit of UAH 2.02bn a year ago. On the balance sheet side, the company reported available cash of UAH 1.0bn (USD 37mn) and no interest bearing debt as of 30 June 2018.

CENTRENERGO'S FINANCIAL RESULTS

UAH mn	2Q18	2Q17	1Q18	QoQ	YoY	1H18	1H17	YoY
Net revenue	3,828	2,867	4,146	-7.7%	33.5%	7,974	6,034	32.2%
EBITDA	406	1,529	299	36.0%	-73.4%	705	2,677	-73.7%
EBITDA margin	10.6%	53.3%	7.2%	+3.4p.p.	-42.7p.p.	8.8%	44.4%	-35.5p.p.
Net Income	271	1,168	168	60.7%	-76.8%	439	2,019	-78.2%
Net margin	7.1%	40.7%	4.1%	+3.0p.p.	-33.7p.p.	5.5%	33.5%	-28.0p.p.

Source: Company data,

COMMENTARY

CentrEnergO's net profit for 1H18 implies earnings per share of UAH 1.19, which was sharply below our expectation of EPS of UAH 3.00 for the period. The company's elevated net profit last year was a result of special payments from the state electricity wholesale operator for so-called reserve capacity. This year CentrEnergO substantially raised electricity output, leading to lower payments for the reserve capacity. The company's output rose 57% YoY to 4.1 TWh in 1H18. Although it seems that it might be more profitable for the company to simply take the reserve capacity payment from the state instead of raising electricity production, the market regulator forbids such a practice. Therefore we now see that CentrEnergO's outstanding financial performance last year was a kind of an anomaly for the company. However, we do believe that CentrEnergO should consistently be able to operate with an EBITDA margin of 22-25% compared to the actual margin of 8.8% for 1H18.

With the appearance of the 1H18 financial report, we are revising our full-year forecast for CentrEnergO's net profit from UAH 5.20 per share down to UAH 2.70 per share. The company's P/E valuation multiple is now roughly 5.9x, which in our view is still attractive for the electricity generation sector. We confirm our BUY recommendation for the stock with a target price of UAH 25.60 per share, which implies 72% upside. The expected privatization of the government's three-quarters stake in CentrEnergO remains a major growth driver for the stock.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	49.9	82.0	64%	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	12.5	16.5	32%	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	32.0	70.0	119%	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	3.55	12.0	238%	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	12.0	13.0	9%	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	-9%	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	98.0	110.0	12%	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	191	230	21%	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	108	270	150%	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	18.0	30.0	67%	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	30.0	33.0	10%	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	15.25	25.60	68%	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	0.297	0.47	59%	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	505.52	506.66	284.78	0.3%	9.8%	6.6%	60.5%	--	--	--	--
Iron Ore Mining												
Ferrexpo	FXPO	194.75	323.20	158.20	12.7%	0.4%	-15.3%	-33.6%	2.3%	12.7%	1.7%	-47.5%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.50	11.00	10.50	0.0%	-4.5%			-0.3%	-14.3%		
Specialized Machinery												
Motor Sich	MSICH	5390	5695	2431								
Turboatom	TATM	14.05	14.15	13.95	0.0%							
Telecom												
Ukrtelecom	UTLM	0.140	n/a	n/a								
Oil & Gas												
Regal Petroleum	RPT	17.95	25.50	3.43	-18.0%	16.2%	-18.0%	156.2%	-1.6%	-18.0%	17.5%	142.3%
JKX Oil	JKX	29.50	33.00	11.00	0.0%	1.7%	20.4%	168.2%	0.0%	0.0%	3.1%	154.3%
Ukrnafta	UNAF	108.0	115.00	98.00	-6.1%	10.2%			-6.4%	0.4%		
Power Utilities												
Centrenerg	CEEN	15.25	23.70	10.20	2.4%	3.7%	-25.6%	20.2%	2.1%	-6.0%	-32.3%	-40.3%
Donbasenerg	DOEN	n/a	25.50	14.13								
Consumer												
Agroton	AGT	3.54	6.59	2.83	1.1%	18.0%	-27.2%	-22.7%	2.9%	1.1%	19.4%	-36.6%
Astarta	AST	32.00	69.00	31.60	-2.1%	-4.5%	-30.4%	-37.9%	-0.6%	-2.1%	-3.1%	-51.8%
Avangardo	AVGR	0.33	0.60	0.33	0.0%	0.0%	-10.8%	-8.3%	0.0%	0.0%	1.4%	-22.3%
Industrial Milk Company	IMC	11.90	13.90	9.95	-2.1%	-1.2%	-11.2%	-4.6%	0.0%	-2.1%	0.1%	-18.6%
Kernel	KER	49.90	63.82	45.51	-1.2%	5.2%	3.9%	5.0%	-0.4%	-1.2%	6.5%	-8.9%
MHPC	MHPC	12.50	15.45	9.81	-2.7%	-3.8%	-5.3%	8.7%	-1.2%	-2.7%	-2.5%	-5.2%
Milkiland	MLK	1.00	1.85	1.00	-2.9%	-15.3%	-32.0%	-35.1%	0.0%	-2.9%	-13.9%	-49.0%
Ovostar Union	OVO	98.00	117.00	88.00	2.1%	2.6%	3.2%	11.4%	0.0%	2.1%	4.0%	-2.6%
Banks												
Raiffeisen Bank Aval	BAVL	0.297	0.36	0.26	2.6%	-4.8%	-17.8%		2.3%	-14.6%	-24.4%	

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	67	55	60	1	6	7	0.9%	11.0%	12.4%	-4	2	3	-5.9%	3.3%	4.2%
Specialized Machinery																
Turboatom	TATM	98	99	102	33	35	35	34.0%	35.2%	34.6%	27	28	28	28.0%	27.8%	27.5%
Motor Sich	MSICH	414	436	368	166	156	101	40.1%	35.8%	27.5%	77	117	74	18.6%	26.7%	20.0%
Oil & Gas																
Ukrnafta	UNAF	885	1,011	1,039	116	65	153	13.1%	6.5%	14.7%	-343	17	88	-38.7%	1.7%	8.5%
Regal Petroleum	RPT	26	35	49	12	17	19	44.9%	49.8%	38.7%	0	2	5	na	6.5%	10.2%
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																
Centrenergy	CEEN	419	412	532	46	104	49	11.1%	25.2%	9.2%	15	71	35	3.6%	17.3%	6.7%
Donbasenergo	DOEN	157	147	116	7	8	8	4.4%	5.8%	6.5%	-2	2	1	-1.1%	1.4%	0.9%
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	2,386	346	319	306	17.4%	14.7%	12.8%	225	176	190	11.3%	8.1%	8.0%
Astarta	AST	402	475	551	167	176	197	41.6%	37.0%	35.8%	90	104	112	22.4%	21.9%	20.4%
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	2,050	381	404	342	192	234	236	150	169	236	39.4%	41.8%	69.2%

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	1,503	24.0%	361	1,906	7.9	3.8	3.6	5.1	3.5	3.3	1.9	1.6	1.5
Railcar Manufacturing														
Krukiv Wagon	KVBZ	46	5.0%	2	40	neg	24.8	17.9	>30	6.7	5.4	0.6	0.7	0.7
Specialized Machinery														
Turboatom	TATM	224	5.8%	13	138	8.2	8.1	8.0	4.2	4.0	3.9	1.4	1.4	1.4
Motor Sich	MSICH	423	24.0%	102	342	5.5	3.6	5.8	2.1	2.2	3.4	0.8	0.8	0.9
Oil & Gas														
Ukrnafta	UNAF	221	3.0%	7	211	neg	13.3	2.5	1.8	3.2	1.4	0.2	0.2	0.2
Regal Petroleum	RPT	75	21.6%	16	51	n/a	>30	15.1	4.4	2.9	2.7	2.0	1.5	1.0
JKX Oil & Gas	JKX	66	50.4%	33	175	neg	neg	>30	6.0	9.7	6.0	2.2	2.1	2.0
Electric Utilities														
CentrEnergO	CEEN	213	21.7%	46	175	14.0	3.0	6.0	3.8	1.7	3.6	0.4	0.4	0.3
DonbasEnergO	DOEN	21	14.2%	3	36	neg	10.2	20.6	5.1	4.2	4.7	0.2	0.2	0.3
Consumer														
MHP	MHPC	1,321	34.1%	450	2,379	22.3	5.7	4.0	5.7	4.3	4.3	2.1	1.8	1.6
Kernel	KER	1,081	61.8%	668	1,081	4.8	6.1	5.7	3.1	3.4	3.5	0.5	0.5	0.5
Astarta	AST	218	37.0%	81	328	2.4	2.1	1.9	2.0	1.9	1.7	0.8	0.7	0.6
Avangardco	AVGR	21	22.5%	5	353	neg	neg	neg	>30	29.9	23.5	1.8	2.7	2.8
Ovostar	OVO	160	25.0%	40	162	4.5	16.0	11.4	4.0	10.5	8.0	1.9	2.0	1.9
Banks														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	689	1.8%	12		4.6	4.1	3.9	1.8	1.7	2.0	0.33	0.28	0.34

Source: Eavex Research

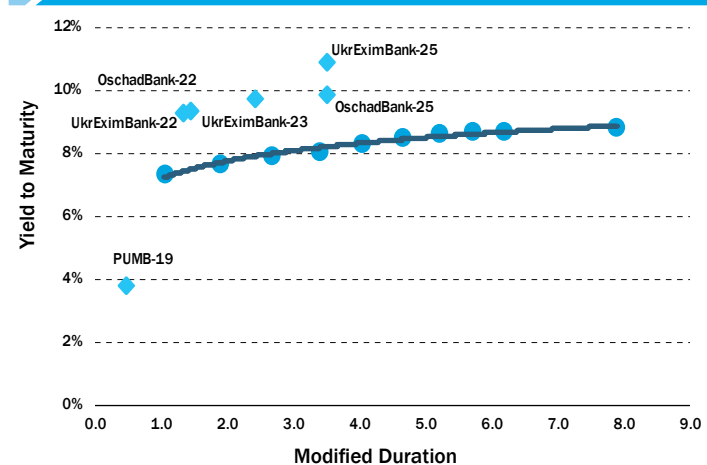
UKRAINIAN EUROBONDS

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	101.6	102.1	6.2%	5.7%	-3.2%	1.0	7.75%	S/A	1 Sept 2019	661	Caa2/B-/B-
Ukraine, 2020	101.6	102.3	6.9%	6.5%	-4.0%	1.8	7.75%	S/A	1 Sept 2020	1,365	Caa2/B-/B-
Ukraine, 2021	101.8	102.6	7.1%	6.8%	-4.3%	2.6	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	101.2	102.0	7.4%	7.2%	-4.7%	3.4	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	100.4	101.1	7.7%	7.5%	-5.4%	4.0	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	99.2	100.2	7.9%	7.7%	-5.4%	4.6	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	97.8	98.8	8.2%	8.0%	-5.9%	5.2	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	96.5	97.5	8.3%	8.2%	-6.2%	5.7	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	95.7	96.7	8.4%	8.3%	-7.0%	6.2	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	90.7	91.7	8.5%	8.4%	-7.3%	7.9	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	63.1	64.2	n/a	n/a	15.5%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agrotom, 2019	16.0	20.6	352%	281%	10.6%	0.4	6.00%	S/A	14 Jul 2019	8	//
Kernel, 2022	102.3	102.9	8.0%	7.8%	-7.1%	3.0	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	102.7	103.4	6.5%	6.0%	-5.3%	1.5	8.25%	S/A	2 Apr 2020	79	/B/B
MHP, 2024	99.8	100.3	7.8%	7.7%	-8.0%	4.5	7.75%	S/A	10 May 2024	500	/B/B
MHP, 2026	95.6	96.2	7.7%	7.6%	-4.1%	5.7	6.95%	S/A	4 Apr 2026	550	/B/B
Avangardco, 2018	20.4	22.4	n/a	n/a	-11.4%	0.1	10.00%	S/A	29 Oct 2018	214	//
UkrLandFarming, 2018	20.2	22.0	n/a	n/a	1.4%	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	102.3	103.3	10.3%	10.1%	-4.4%	4.7	10.75%	S/A	31 Dec 2024	1,344	//
Metinvest, 2021	100.0	102.0	7.4%	6.8%	-3.9%	n/a	9.37%	S/A	31 Dec 2021	117	//B
Metinvest, 2023	96.3	96.5	8.7%	8.7%	-2.7%	3.8	7.75%	S/A	23 Apr 2023	945	//B
Metinvest, 2026	96.1	96.7	9.2%	9.1%	-2.2%	5.4	8.50%	S/A	23 Apr 2026	648	//B
Ferrexpo, 2019	103.4	103.7	5.3%	4.8%	-1.3%	0.6	10.375%	S/A	07 Apr 2019	93	Caa3/CCC/CC
Ferrexpo, 2019	102.8	103.5	6.1%	5.1%	-1.8%	0.6	10.375%	S/A	07 Apr 2019	80	Caa3/CCC/CC
UZ Rail, 2021	101.6	102.2	9.3%	9.0%	-4.3%	1.3	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interpipe, 2017	30.0	34.4	n/a	n/a	13.7%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	85.0	95.0	26.2%	17.7%	5.9%	1.2	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
PUMB, 2018	103.1	104.1	3.4%	1.1%	-0.7%	0.4	11.00%	Q	31 Dec 2018	103	//
PrivatBank, 2018-2	21.8	31.8	n/a	n/a	-20.0%	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	25.0	30.0	n/a	n/a	-31.7%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	103.0	103.7	8.7%	8.4%	-3.5%	1.4	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	94.8	95.5	11.0%	10.8%	-5.2%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	102.9	103.3	9.2%	9.0%	-4.9%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
Oschadbank, 2023	102.8	103.5	8.6%	8.4%	-3.8%	1.3	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	102.6	103.2	9.2%	9.0%	-4.6%	2.4	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2015	87.6	89.3	n/a	n/a	6.8%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

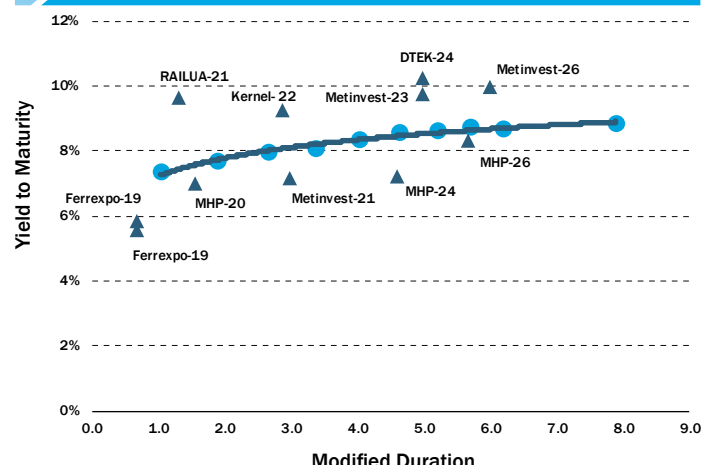
¹ Moody's/S&P/Fitch

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			17.90%	16.70%	n/a	n/a	S/A	10 Apr .2019	n/a
VAT Bonds									
UA4000185151			17.95%	17.25%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			17.95%	17.25%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			17.95%	17.25%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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