

Stock Market Update

Equity

Kyiv-listed stocks suffered a steep sell-off last week after the Ukrainian Exchange, which is the main trading platform for equity investors, faced a ban on its operating software after Ukraine's National Security & Defense Council (RNBO) imposed sanctions against software produced in Russia. Currently the UX has no software to replace the existing electronic trading systems provided by the Moscow Stock Exchange, which until 2014 was the UX's owner. The Ukrainian Exchange said it is working on a solution to this issue and has launched a tender for procurement of a new trading and clearing platform. The UX index slumped by 3.9% to close at 1610 points on Friday as a result of market players' concern regarding a possible suspension in all trading.

Low-liquidity UX index component TurboAtom (TATM) was the biggest decliner, plummeting 8.0% to UAH 13.50 per share. Raiffeisen Bank Aval (BAVL), which had been immune to the previous week's downward move in the gauge, dropped by 7.8% to 31.00 kopecks. The bank still has not announced the ex-rights date for its hefty 6.80 kopeck-per-share dividend from FY17 profit. UkrNafta (UNAF) fell 4.5% to trade near the strong technical support level of UAH 100 after the appearance of a rumor that NaftoGaz is considering a forced liquidation of part of UkrNafta's assets in order to pay off the company's tax debt. Meanwhile, Motor Sich's (MSICH) stock remained frozen into a second month with no announcement on when circulation might be resumed.

London-listed Ferrexpo (FXPO) stopped its run of losses, edging up 1.5% to GBP 224, while MHP (MHPC) slipped 1.5% to close at USD 13.30. In Warsaw trading, Kernel (KER) shed 1.9% to PLN 51.50.

The hryvnia had only a muted reaction to the firing of well-respected Finance Minister Oleksandr Danyliuk, inching down 0.1% against the dollar last week to close at 26.15 UAH/USD. The National Bank reported that its foreign currency reserves decreased by 1.6% to USD 18.1bn in May, with the outflow mostly due to a USD 455mn redemption to the IMF. The NBU reported that it purchased a net of USD 181mn on the interbank currency market last month.

Highlights

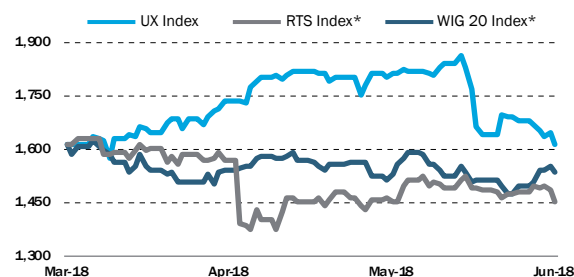
POLITICS AND ECONOMICS

- ▶ Poroshenko Silent on Trump Call for G7 to Re-Admit Russia
- ▶ Finance Minister Danyliuk Forced Out after 2 Years in Office

STOCKS IN THE NEWS

- ▶ UkrNafta Raises Oil Output Forecast to 10.6mn Barrels for 2018 Despite Liquidation Rumor

STOCK MARKET PERFORMANCE

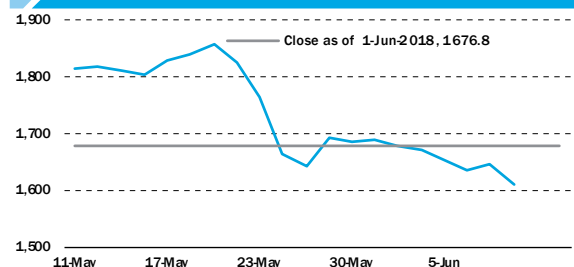


*rebased

MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1610.7	-3.9%	-11.0%	18.2%
RTS	1142.9	-1.8%	0.1%	-1.0%
WIG20	2250.1	2.7%	0.6%	-8.6%
MSCI EM	1135.4	0.5%	-0.6%	-2.0%
S&P 500	2779.0	1.6%	4.0%	3.9%

UX 1M PERFORMANCE



FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	368	0.5%	1.7%	18.3%
NBU Key Rate	17.0%	0.0 p.p.	0.0 p.p.	2.5 p.p.
Ukraine-19	5.7%	-1.9 p.p.	-2.2 p.p.	1.3 p.p.
Ukraine-27	8.2%	0.0 p.p.	-0.2 p.p.	0.9 p.p.
MHP-20	4.7%	0.5 p.p.	0.8 p.p.	0.6 p.p.
UZ Rail-21	7.4%	0.0 p.p.	0.0 p.p.	1.0 p.p.

CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.15	0.1%	-0.3%	-7.0%
EUR	30.79	1.1%	-1.0%	-8.6%
RUB	0.42	-0.1%	0.8%	-13.8%

COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	197.5	0.0%	-1.5%	10.0%
Steel, USD/t	505.0	-2.9%	-1.0%	-2.9%
Oil, USD/bbl	76.5	-0.4%	2.5%	14.3%
Gold, USD/oz	1299.4	0.4%	-1.2%	-0.3%

*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

Poroshenko Silent on Trump Call for G7 to Re-Admit Russia

by Will Ritter
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NEWS

US President Trump stunned major Western leaders on Thursday (Jun 7) ahead of a summit meeting of the leaders of the G7 group of major industrialized democracies by calling for the re-admission of Russia into the exclusive club. Russia was thrown out of the group in 2014 after annexing Ukraine's province of Crimea by force and instigating the Donbass war in Eastern Ukraine. Trump's position received support from new conservative-populist Italian prime minister Giuseppe Conte, but was rejected by France, Britain, Germany and Canada. Although the G7 leaders signed a summit-closing communique on issues of common concern, Trump refused to attach his name due to a disagreement with Canadian prime minister Justin Trudeau that degenerated into a war of words over trade tariffs. The communique, among other things, called on Russia to stop its effort to undermine Western democracies and named support for Ukraine as a continuing common priority. President Poroshenko avoided commenting on Trump's new Russia-friendly position, issuing a statement on his social media page that said, "The [G7] summit... confirms that Ukraine remains among key priorities of the Free World."

COMMENTARY

This sudden foreign policy overture by Trump came as a nasty surprise not only to Kyiv, the major European democracies, and the professional US foreign policy class, but also probably to some of the top officials working in Trump's own administration. It further strengthens the impression of a Trump-Putin alliance against the Western establishment, even if such an agenda is not shared by Trump's own national security team. We suppose that this initiative was coordinated with Italy's new right-wing government and that Trump would not have put it forward if he had been entirely isolated inside the G7. It puts President Poroshenko in a difficult position, as Poroshenko simply cannot afford to fall out of Trump's graces by publicly criticizing him, but on the other hand, a lack of response could make him look weak domestically ahead of an election campaign in which he will need to project a tough image. Trump's statements should be taken as a stark reminder that he is capable of making a back-door agreement with Putin to sell out Ukraine at any time, and the only barriers standing in the way of such a negative development are the influence of establishment Republican figures in the US administration and Poroshenko's ability to stay on Trump's good side.

Finance Minister Danyliuk Forced Out after 2 Years in Office

by Dmitry Churin
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NEWS

Ukraine's Finance Minister Oleksandr Danyliuk was fired last week by Prime Minister Volodymir Groysman, with the dismissal confirmed in Parliament on Thursday (Jun 7) with 254 votes in favor out the chamber's 422 seats. Danyliuk took up his post in April 2016 when Groysman was appointed as PM.

The Cabinet of Ministers appointed Oksana Markarova, the deputy Finance Minister under Danyliuk, as acting Finance Minister effective from Jun 8.

COMMENTARY

The shake-up in the Finance Ministry resulted from a long-running conflict between Danyliuk and Prime Minister; we assume that Groysman needed to get behind-the-scenes approval for the firing from President Poroshenko, who has made no public statements on the situation. The conflict came to a head after Groysman took away control over the State Fiscal Service from the Finance Ministry. Danyliuk, who is well-respected by the IMF and foreign investors, had become an obstacle to populist increases in the government's social spending ahead of the 2019 election cycle; his ouster may cause some damage to the standing of Groysman in the eyes of Western governments. Among Danyliuk's achievements, we should mention a nearly-balanced national budget performance last year and successful placement of USD 3.0bn in reasonably-priced Eurobonds last September.

At least in the short term, there should be some continuity at the Finance Ministry, as acting minister Oksana Markarova has an excellent background with an MBA from Indiana University (US) and 15 years of experience in the investment banking field. However, if Prime Minister Groysman manages to appoint one of his own loyalists as Finance Minister, this will likely be a setback for the reform agenda in the ministry, in our view.

Among current challenging tasks for the Finance Ministry's position is forming realistic national budget for 2019, when the country has to repay USD 5.81bn in foreign debt, including USD 1.77bn in interest payments. Although Ukraine had USD 18.1bn in foreign currency reserves at the beginning of June, the hoped-for scenario is that the debt redemptions can be financed from new borrowings. It could, however, be problematic to attract such borrowings at an affordable interest rate.

UkrNafta Raises Oil Output Forecast to 10.6mn Barrels for 2018 Despite Liquidation Rumor

by Dmitry Churin
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UKRNAFTA (UNAF UK)

Price: UAH 101 Market Cap: USD 209mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2017	1.8	0.2	12.8	3.1	n/a
2018E	1.1	0.2	2.4	1.3	n/a

NEWS

UkrNafta, Ukraine's national flagship oil producer, raised its oil output forecast by 5% to 1.45mn tonnes (10.6mn barrels) from its initial plan to produce 1.38mn tonnes in full-year 2018, according to press statement published on the company's official website on Jun 4. UkrNafta also unveiled a forecast that its natural gas extraction will be 1.07bn cubic meters in FY18, which is 10% above the initial forecast.

COMMENTARY

The initial UkrNafta production forecast for 2018 was based on the assumption that the company would keep oil&gas output at the 2017 level. However, amid the strong rise in global oil prices this year, the company clearly has an incentive to produce more. Importantly, UkrNafta continues to face the risk of a sharp output decline if it is unable to resolve its ongoing corporate conflict with the government, which could refuse to extend the company's key production licenses. UkrNafta's majority shareholder, the state-owned energy giant NaftoGaz, threatened UkrNafta last week with the forced liquidation of some of UkrNafta's assets to pay the company's huge tax debt; the debt was accrued during 2014-2015 when dominant minority shareholder Igor Kolomoyskiy refused to pay UkrNafta's production taxes to the state. Information regarding NaftoGaz's call for asset liquidation was leaked to the press without official confirmation, so we would be cautious in evaluating the probability of this scenario actually taking place. On the other hand, there is an ongoing deadlock in UkrNafta's negotiations with the State Fiscal Service about a deal on the tax debt, which means we can not rule out potential bankruptcy of the company or some sort of break-up. In another twist, it looks as though Kolomoyskiy's Privat Group would be the primary bidder for the company's assets in case of their forced sale. Taking into account Ukrainian reality, we do not believe that UkrNafta could get fair value from Privat for these assets, and therefore an asset liquidation scenario would be **NEGATIVE** for the UNAF stock. In our view, the government should accept UkrNafta's standing offer on restructuring the tax bill; otherwise a majority-state-owned UkrNafta will no longer exist in its current form and scale.

According to UkrNafta's 1Q18 financials, the company has a tax debt of UAH 13.0bn (USD 490mn), while its total assets stand at UAH 36.7bn (USD 1.38bn).

The Kyiv-listed UNAF stock plummeted by 10% to UAH 98 per share after the scenario of an asset liquidation was leaked.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
Agriculture						
Kernel	KER PW	51.5	82.0	59%	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	13.3	16.5	24%	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	41.4	70.0	69%	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	3.95	12.0	204%	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	12.6	13.0	4%	HOLD	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	0.4	0.3	-19%	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	96.5	110.0	14%	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	224	350	56%	HOLD	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.
Specialized Machinery						
Motor Sich	MSICH		6750		BUY	The reported profit for 9M17 represents UAH 1240 per share, which means the stock is still valued at P/E of barely more than 3.0x. Our base case scenario forecast for Motor Sich's net profit for FY17 is UAH 3.0bn, implying EPS of UAH 1440.
Oil & Gas						
UkrNafta	UNAF	101	270	166%	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	0.15	0.24	60%	BUY	Galnaftogaz is pursuing a plan to aggressively expand its filling station network.
Regal Petroleum	RPT LN	19.9	30.0	51%	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	30.5	23.0	-25%	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	22.5	9.0	-60%	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	15.95	25.60	61%	BUY	CentrEnergO posted net profit of UAH 5.12 per share in FY17, and the company is likely 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	0.310	0.47	51%	BUY	Raiffeisen Aval's FY17 net profit came in at a record high of UAH 4.5bn (USD 170mn), implying earnings per share of 7.27 kopecks, most of which is likely to be paid out; our expectation is a 6.90 kopeck dividend. Based on the recent case of Raiffeisen Aval's close peer UkrSibBank, which conducted a share squeeze-out at a valuation of 6.5x P/E, we estimate Raiffeisen Aval's fair value at 47 kopecks per share.

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	1610.73	1911.45	1010.49	-3.9%	-11.0%	0.0%	18.2%	0.0%	0.0%	0.0%	0.0%
Iron Ore Mining												
Ferrexpo	FXPO	223.80	323.20	179.10	1.5%	-3.9%	-23.6%	-23.6%	3.2%	5.5%	7.1%	-41.8%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	10.80	n/a	n/a	-10.0%	-9.1%	-18.9%	3.0%	-6.1%	1.9%	-18.8%	-15.2%
Specialized Machinery												
Motor Sich	MSICH	n/a	5695	2334								
Turboatom	TATM	13.50	n/a	n/a	-6.3%	-4.3%	-2.3%	2.6%	-2.3%	6.7%	-2.3%	-15.6%
Telecom												
Ukrtelecom	UTLM	0.160	n/a	n/a	2.9%	-9.6%	-3.0%	7.4%	6.8%	1.4%	-3.0%	-10.8%
Oil & Gas												
Regal Petroleum	RPT	19.90	25.50	3.43	-2.5%	-2.0%	20.6%	184.1%	8.3%	1.5%	9.0%	165.9%
JKX Oil	JKX	31.00	33.00	11.00	0.0%	0.0%	52.7%	181.8%	2.2%	3.9%	11.0%	163.6%
Ukrnafta	UNAF	101.4	n/a	n/a	-4.5%	-10.3%	-7.4%	-28.1%	-0.6%	0.7%	-7.3%	-46.3%
Power Utilities												
Centrenerg	CEEN	15.95	23.94	10.10	-4.8%	-25.0%	-14.9%	25.9%	-0.8%	-14.0%	-14.8%	7.7%
Donbasenerg	DOEN	22.50	n/a	n/a	-2.8%	2.3%	16.9%	23.3%	1.1%	13.3%	16.9%	5.1%
Consumer												
Agroton	AGT	3.95	7.11	3.74	-2.5%	-17.7%	-27.8%	-13.8%	-0.8%	1.5%	-6.7%	-31.9%
Astarta	AST	41.40	69.00	40.60	1.0%	-10.6%	-19.8%	-19.6%	2.2%	4.9%	0.4%	-37.8%
Avangardo	AVGR	0.37	0.72	0.33	0.0%	0.0%	12.1%	2.8%	2.2%	3.9%	11.0%	-15.4%
Industrial Milk Company	IMC	12.55	13.90	9.76	0.0%	-7.0%	-4.2%	0.6%	1.8%	3.9%	3.9%	-17.6%
Kernel	KER	51.50	69.80	45.51	-1.9%	1.4%	1.6%	8.4%	1.2%	2.0%	12.4%	-9.8%
MHPC	MHPC	13.30	15.45	9.55	-1.5%	-1.8%	2.7%	15.7%	1.8%	2.5%	9.1%	-2.5%
Milkiland	MLK	1.23	1.87	1.16	-1.6%	-12.1%	-14.6%	-20.1%	2.2%	2.3%	-1.2%	-38.3%
Ovostar Union	OVO	96.50	128.05	88.00	-0.5%	1.6%	2.7%	9.7%	2.2%	3.4%	12.6%	-8.5%
Banks												
Raiffeisen Bank Aval	BAVL	0.310	0.37	0.19	-7.8%	-13.2%	-6.7%	5.8%	-3.8%	-2.2%	-6.7%	-12.4%

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	426	464	166	153	138	40.1%	35.8%	29.8%	77	114	96	18.6%	26.7%	20.6%
Oil & Gas																
Ukrnafta	UNAF	885	989	1,027	116	64	151	13.1%	6.5%	14.7%	-343	16	87	-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																
Centrenergo	CEEN	419	412	465	46	104	113	11.1%	25.2%	24.2%	15	71	78	3.6%	17.3%	16.9%
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	2,711	346	319	346	17.4%	14.7%	12.8%	225	176	238	11.3%	8.1%	8.8%
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	1,768	24.0%	424	2,171	9.3	4.5	4.3	5.8	3.9	3.8	2.2	1.8	1.7	
Railcar Manufacturing															
Krukiv Wagon	KVBZ	47	5.0%	2	42	neg	25.8	18.6	>30	7.0	5.7	0.6	0.8	0.7	
Specialized Machinery															
Turboatom	TATM	218	5.8%	13	132	8.0	7.9	7.8	4.0	3.8	3.8	1.4	1.3	1.3	
Motor Sich	MSICH		24.0%												
Oil & Gas															
Ukrnafta	UNAF	211	3.0%	6	200	neg	12.9	2.4	1.7	3.1	1.3	0.2	0.2	0.2	
Regal Petroleum	RPT	86	21.6%	18	61	n/a	>30	17.1	5.3	3.5	3.2	2.4	1.7	1.2	
JKX Oil & Gas	JKX	71	50.4%	36	180	neg	neg	>30	6.2	10.0	6.2	2.2	2.2	2.0	
Electric Utilities															
CentrEnergO	CEEN	226	21.7%	49	140	14.9	3.2	2.9	3.0	1.3	1.2	0.3	0.3	0.3	
DonbasEnergO	DOEN	20	14.2%	3	35	neg	9.7	19.5	5.0	4.1	4.6	0.2	0.2	0.3	
Consumer															
MHP	MHPC	1,405	34.1%	479	2,463	23.7	6.1	4.3	5.9	4.5	4.5	2.2	1.9	1.7	
Kernel	KER	1,135	61.8%	701	1,631	5.0	6.4	4.8	4.7	5.1	4.7	0.8	0.8	0.6	
Astarta	AST	286	37.0%	106	396	3.2	2.7	2.6	2.4	2.3	2.0	1.0	0.8	0.7	
Avangardco	AVGR	24	22.5%	5	355	neg	neg	neg	>30	>30	23.7	1.9	2.7	2.8	
Ovostar	OVO	160	25.0%	40	162	4.5	16.0	11.4	4.0	10.6	8.0	1.9	2.0	1.9	
Banks															
							P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	731	1.8%	13		4.9	4.3	4.2	1.9	1.8	2.1	0.35	0.30	0.36	

Source: Eavex Research

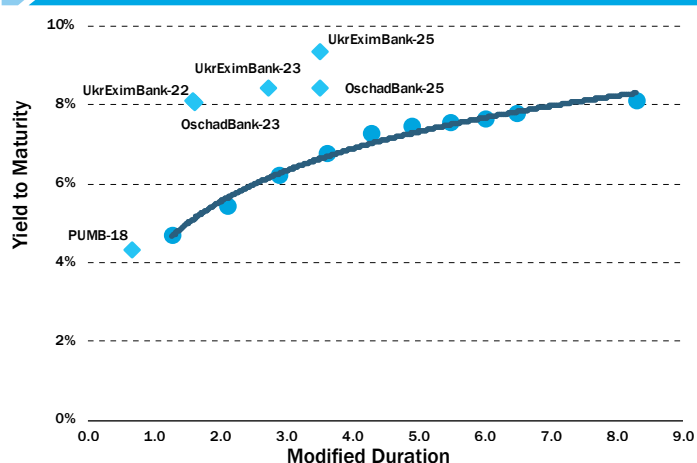
UKRAINIAN EUROBONDS

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	102.1	102.6	6.0%	5.5%	-2.8%	1.1	7.75%	S/A	1 Sept 2019	661	Caa2/B-/B-
Ukraine, 2020	102.5	103.3	6.5%	6.1%	-3.2%	2.0	7.75%	S/A	1 Sept 2020	1,365	Caa2/B-/B-
Ukraine, 2021	102.5	103.2	6.9%	6.6%	-3.7%	2.8	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	101.7	102.4	7.3%	7.1%	-4.3%	3.5	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	100.7	101.4	7.6%	7.4%	-5.1%	4.2	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	99.1	100.1	7.9%	7.7%	-5.6%	4.8	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	97.8	98.8	8.2%	8.0%	-5.9%	5.3	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	96.9	97.9	8.3%	8.1%	-5.9%	5.8	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	96.6	97.6	8.3%	8.1%	-6.1%	6.3	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	91.5	92.5	8.4%	8.3%	-6.5%	8.1	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	69.0	70.0	n/a	n/a	26.0%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
Corporate Eurobonds											
Agrotan, 2019	16.0	20.6	326%	258%	10.6%	0.4	6.00%	S/A	14 Jul 2019	8	//
Kernel, 2022	103.2	104.1	7.7%	7.4%	-6.1%	3.0	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	105.3	106.8	5.1%	4.3%	-2.6%	1.7	8.25%	S/A	2 Apr 2020	79	/B/B
MHP, 2024	102.5	103.0	7.2%	7.1%	-5.5%	4.7	7.75%	S/A	10 May 2024	500	/B/B
MHP, 2026	96.6	97.5	7.5%	7.4%	-2.9%	5.8	6.95%	S/A	4 Apr 2026	550	/B/B
Avangardco, 2018	20.0	22.9	n/a	n/a	-11.2%	0.1	10.00%	S/A	29 Oct 2018	214	//
UkrLandFarming, 2018	20.3	24.5	n/a	n/a	7.7%	n/a	10.88%	S/A	26 Mar 2018	543	//
Mriya, 2016	7.0	9.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	7.5	9.5	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	105.4	106.4	9.7%	9.5%	-1.5%	4.9	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	97.9	98.6	8.3%	8.1%	-0.8%	3.9	7.75%	S/A	23 Apr 2023	945	//B
Metinvest, 2026	97.5	98.3	8.9%	8.8%	-0.7%	5.6	8.50%	S/A	23 Apr 2026	648	//B
Ferrexpo, 2019	103.0	104.1	6.5%	5.2%	-1.3%	0.8	10.375%	S/A	07 Apr 2019	93	Caa3/CCC/CC
Ferrexpo, 2019	102.9	104.0	6.6%	5.3%	-1.4%	0.8	10.375%	S/A	07 Apr 2019	80	Caa3/CCC/CC
UZ Rail, 2021	103.2	104.1	8.7%	8.4%	-2.7%	1.4	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	29.3	34.6	n/a	n/a	12.7%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	85.1	95.1	25.3%	17.5%	6.0%	1.4	8.00%	S/A	19 Feb 2018	16	//
Bank Eurobonds											
PUMB, 2018	102.5	104.4	6.3%	2.8%	-0.8%	0.5	11.00%	Q	31 Dec 2018	103	//
PrivatBank, 2018-2	20.7	30.7	n/a	n/a	-23.4%	1.5	10.25%	S/A	23 Jan 2018	160	IN DEFAULT
PrivatBank, 2021	8.6	13.6	n/a	n/a	-28.2%	1.2	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	29.0	29.1	n/a	n/a	-28.0%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	103.6	104.5	8.5%	8.2%	-2.8%	1.6	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	96.6	98.3	10.4%	9.9%	-2.9%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	103.4	104.2	9.1%	8.9%	-4.3%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
Oschadbank, 2023	103.0	103.9	8.6%	8.3%	-3.4%	1.5	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	102.8	103.9	9.0%	8.8%	-4.1%	2.6	8.88%	S/A	20 Mar 2025	500	Caa3//B-
Municipal Eurobonds											
City of Kyiv, 2015	88.1	90.0	n/a	n/a	7.5%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

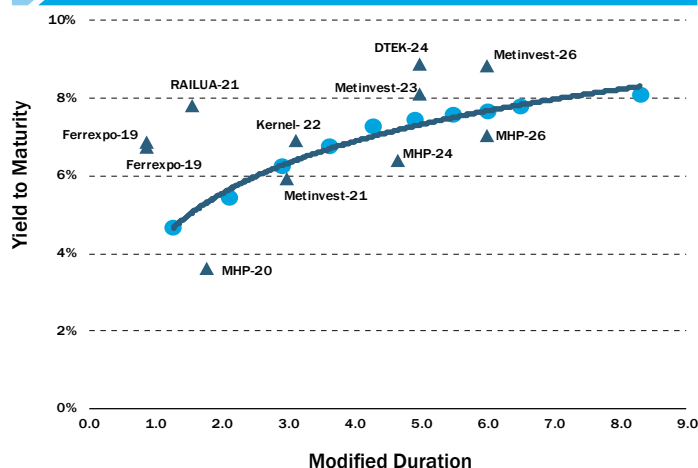
¹ Moody's/S&P/Fitch

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE 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
UAH denominated Bonds									
UA80426			17.90%	16.70%	n/a	n/a	S/A	10 Apr .2019	n/a
VAT Bonds									
UA4000185151			17.75%	16.50%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			17.75%	16.50%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			17.75%	16.50%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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