

## Stock Market Update

### Equity

Kyiv-listed stocks opened the month of March by finishing higher for a third consecutive week in a shortened 3-day trading period due to the Women's Day national holiday. Market players increased their long positions across the board in blue chip UX index basket names while second tier stocks remained inactive. The only exception was TurboAtom (TATM), which added 4.4% to UAH 13.82 on an announcement that the stock will be included in the UX basket starting from Mar 16. An encouraging piece of business news was the successful auction for 4G licenses in the 1800 MHz band. The country's three largest mobile operators acquired the licenses from the state for a total sum of UAH 5.4bn (USD 200mn); this should lead to a marked improvement in Ukraine's national telecommunications infrastructure.

The UX index picked up 1.0% to close at 1611 points. Motor Sich (MSICH) added 0.7% to UAH 4500 per share. The company has not yet reported its FY17 earnings, but there are expectations that per-share profit will be announced in the range of UAH 1440. CentrEnergO (CEEN) remained in its growth trend, rising 1.2% to UAH 18.75, and DonbasEnergO (DOEN) climbed 2.2% to UAH 19.25. Meanwhile UkrNafta (UNAF) was little changed at UAH 110.

London-listed MHP (MHPC) edged down 0.4% to USD 13.00 after reporting USD 2.18 earnings per share for FY17. Ferrexpo (FXPO) failed to hold its position above the GBp 300 line, decreasing by 3.7% to GBp 293. In Warsaw trading, Agroton (AGT) was listed at PLN 5.50 amid trades with large price volatility, while Kernel (KER) grew by 3.9% to PLN 50.70.

The hryvnia expanded its strengthening momentum, spurred by the previous week's rise in the National Bank's key policy rate from 16.00% to 17.00%, gaining another 2.2% to 26.05 UAH/USD. Confidence in the currency was partly supported by information that the NBU's foreign currency reserves did not lose any ground in February, remaining steady at USD 18.4bn.

## Highlights

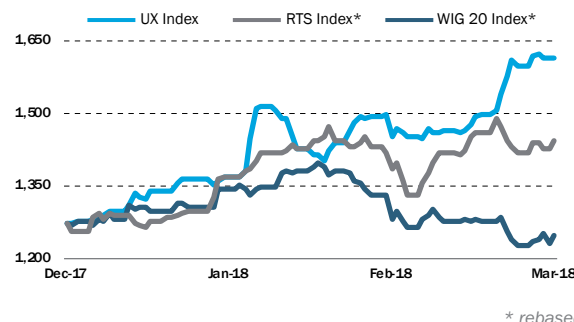
### POLITICS AND ECONOMICS

- > Poroshenko Tries to Score Points with NATO Membership Plan

### STOCKS IN THE NEWS

- > MHP Reports FY17 Profit of USD 2.18/Share Despite 4Q FX Loss

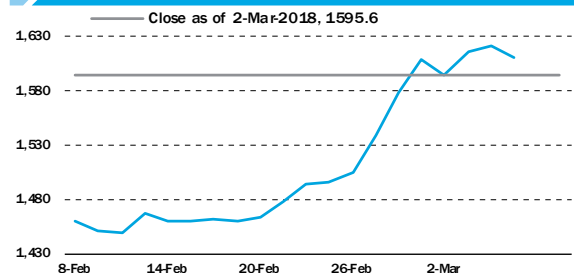
## STOCK MARKET PERFORMANCE



## MARKET INDEXES

	Last	1W ch	1M ch	YTD
UX	1611.5	1.0%	11.1%	18.2%
RTS	1285.5	1.9%	4.3%	11.4%
WIG20	2354.5	1.7%	-2.4%	-4.3%
MSCI EM	1207.2	2.1%	2.6%	4.2%
S&P 500	2786.6	3.5%	3.4%	4.2%

## UX 1M PERFORMANCE



## FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	311	-1.5%	2.5%	-0.1%
NBU Key Rate	17.0%	0.0 p.p.	1.0 p.p.	2.5 p.p.
Ukraine-19	4.6%	-2.1 p.p.	-1.5 p.p.	0.2 p.p.
Ukraine-27	7.3%	0.0 p.p.	0.3 p.p.	0.1 p.p.
MHP-20	3.4%	-0.9 p.p.	-0.6 p.p.	-0.7 p.p.
UZ Rail-21	6.1%	0.0 p.p.	0.0 p.p.	-0.3 p.p.

## CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	26.03	-2.2%	-5.1%	-7.4%
EUR	32.11	-2.1%	-5.4%	-4.7%
RUB	0.46	-1.7%	-4.4%	-5.3%

## COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	194.0	0.0%	3.7%	8.1%
Steel, USD/t	545.0	1.9%	10.1%	4.8%
Oil, USD/bbl	65.5	1.7%	-1.5%	-2.1%
Gold, USD/oz	1323.3	0.0%	-0.1%	1.6%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Poroshenko Tries to Score Points with NATO Membership Plan

by Will Ritter  
w.ritter@eavex.com.ua

### NEWS

The official website of the North Atlantic Treaty Organization (NATO) added Ukraine to the short list of nations aspiring to membership last week. However, an alliance spokesman, quoted by the US-funded RFE/RL news service, said that the addition was only a reflection of Ukraine's interest, and does not represent a change in NATO policy, according to which no invitations have been extended to Kyiv. President Poroshenko then stated on his social media page on Saturday (Mar 10) that he is seeking a so-called "membership action plan" to put Ukraine on a path to joining the alliance. "This is what my letter to Jens Stoltenberg [NATO General Secretary] in February was about, where, with reference to Article 10 of the North Atlantic Treaty, I officially fixed Ukraine's aspirations to become a member of the alliance," Poroshenko wrote. The other three countries on the membership aspirant list are Bosnia, Georgia and Macedonia.

### COMMENTARY

Joining the NATO military alliance represents neither a short-term nor a medium-term solution to any of Ukraine's problems. In fact, as long as Russia-friendly Donald Trump is President of the United States, NATO looks like a rather toothless organization without the full backing of the country that is its defining member. There are ongoing concerns that NATO is simply too outdated to deal with the new Russian hybrid warfare threat to the West, of which information warfare and cyber-warfare, rather than military maneuvers, are the key components. This challenges NATO's ability to protect its already-existing members, much less a new member as large and vulnerable as Ukraine. We see Poroshenko's return to recycling the tired NATO membership theme as an attempt to score a few cheap political points in an environment that looks increasingly tough for his re-election campaign (the election is due in just over a year). Far more important than NATO is Ukraine's relationship with the European Union, and the news on that front has been a bit more encouraging lately, with the EU having approved a new EUR 1bn worth of assistance and top diplomat Federica Mogherini visiting Kyiv this past weekend in a show of support on the 4th anniversary of the annexation of Crimea.

## MHP Reports FY17 Profit of USD 2.18/Share Despite 4Q FX Loss

by Dmitry Churin  
d.churin@eavex.com.ua

### MHP (MHPC LI)

Price: USD 13.00 Market Cap: USD 1374mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2017	1.7	1.8	6.0	4.3	5.8%
2018E	1.7	1.6	4.2	4.3	5.8%

### NEWS

London-listed MHP, Ukraine's largest poultry producer, reported an increase in its net profit by 3.3x YoY to USD 230mn (earnings per share of USD 2.18) in full-year 2017, according to financials released on Mar 7. On the top line, revenue grew by 13% YoY to USD 1.28bn in the period and EBITDA rose by 11% YoY to USD 459mn, implying an EBITDA margin of 36%.

In 4Q17 alone, MHP reported revenue of USD 318mn (+2% YoY), EBITDA of USD 88mn (+22% YoY), and a net loss of USD 27mn, which it attributed to a non-cash foreign exchange translation loss of USD 62mn.

On the balance sheet side, MHP said that its debt structure changed, with the share of long-term debt increasing from 80% at end-2016 to 96% at end-2017. The company's total debt amounted to USD 1.16bn as of 31 Dec 2017. The Net Debt/EBITDA ratio was 2.25x on the same date, compared to 2.60x one year earlier.

### MHP FINANCIALS

USD mn	4Q17	4Q16	chg	2017	2016	chg
Net revenue	318	313	+2%	1,289	1,135	+13%
EBITDA	88	72	+22%	459	415	+11%
margin	28%	23%	+5 p.p.	36%	37%	-1 p.p.
Net Income (loss)	-27	-28	+/-	230	69	+233%
net margin	-8%	-9%	-4 p.p.	18%	6%	+12 p.p.

Source: Company data.

### COMMENTARY

MHP's reported FY17 net profit was below our forecast of USD 300mn, and even excluding the non-cash foreign exchange translation loss of USD 36mn, it was still under our expectations. We attribute this worse than expected result to a weak 4Q17 operating performance. MHP said that both chicken production and chicken exports declined by 5% YoY in the period, although for full-year 2017, the production decrease was just 1%, to 566,000 tonnes. On the other hand, on the EBITDA level, MHP outperformed our forecast by 15% in FY17. Therefore, we can not say that the company's financial results disappointed us. In a segment breakdown, the company's chicken sales brought in 82% of revenue during 2017, while grain growing and other miscellaneous agriculture operations each contributed 9% to the revenue. Exports accounted for 57% of total revenue last year. MHP has three international offices and says that it exports to 63 countries.

In its outlook for 2018, MHP said it plans to increase chicken production by 40,000 tonnes (+7% YoY) thanks to expansion at its Vinnytsa Poultry Complex (Phase 2). The company spent USD 47mn on CapEx in 2017 after spending USD 108mn in 2016.

We forecast that MHP will increase its net profit by 42% YoY to USD 327mn (EPS of 3.09) in FY18.

The MHPC stock, which has a current price of USD 13.00 per share, is trading at P/E of 6.0x. The stock remains a high yield dividend story (a policy that benefits MHP majority owner Yuriy Kosyuk) with an announced DPS of near 75 cents, representing a 5.8% yield. Eavex Capital has a BUY recommendation for MHP with a target price of USD 16.50, implying 27% upside.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	50.7	82.0	62%	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	13.0	16.5	27%	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	51.6	70.0	36%	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	5.47	12.0	119%	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	13.1	13.0	-1%	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	0.3	0.3	-9%	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	94.0	110.0	17%	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	293	350	19%	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.
<b>Specialized Machinery</b>						
Motor Sich	MSICH	4500	6750	50%	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.
<b>Oil &amp; Gas</b>						
UkrNafta	UNAF	110	270	147%	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	16.5	30.0	82%	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	20.3	23.0	13%	HOLD	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	19.3	9.0	-53%	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	18.74	25.60	37%	BUY	CenterEnergO 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. CenterEnergO's privatization has repeatedly 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	0.333	0.47	41%	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*	Absolute performance				Performance relative to the UX index			
					1W	1M	3M	YtD	1W	1M	3M	YtD
UX Index	UX	1611.53	1633.20	913.99	1.0%	11.1%	26.1%	18.2%	0.0%	0.0%	0.0%	0.0%
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	293.00	323.20	137.20	-3.7%	2.7%	15.4%	0.0%	-3.0%	-4.7%	-8.4%	-18.3%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	13.31	n/a	n/a	0.0%	11.8%	29.6%	26.9%	-1.0%	0.8%	3.5%	8.7%
<b>Specialized Machinery</b>												
Motor Sich	MSICH	4500	4660	1951	0.7%	5.3%	39.3%	21.6%	-0.3%	-5.8%	13.1%	3.4%
Turboatom	TATM	13.82	n/a	n/a	4.4%	7.5%	6.7%	5.0%	3.4%	-3.5%	-19.4%	-13.2%
<b>Telecom</b>												
Ukrtelecom	UTLM	0.165	n/a	n/a	0.0%	37.5%	10.0%	10.7%	-1.0%	26.4%	-16.1%	-7.5%
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	16.50	25.50	2.75	-9.6%	-25.7%	124.6%	135.5%	-7.0%	-10.6%	-36.7%	117.3%
JKX Oil	JKX	20.30	26.50	11.00	1.5%	-7.7%	69.2%	84.5%	0.0%	0.5%	-18.8%	66.3%
Ukrnafta	UNAF	109.5	n/a	n/a	-1.5%	-6.4%	-22.9%	-22.3%	-2.5%	-17.5%	-49.0%	-40.6%
<b>Power Utilities</b>												
Centrenergo	CEEN	18.74	19.12	9.91	1.2%	24.9%	63.4%	47.8%	0.2%	13.8%	37.2%	29.6%
Donbasenergo	DOEN	19.25	n/a	n/a	2.2%	15.1%	3.4%	5.5%	1.2%	4.1%	-22.7%	-12.8%
<b>Consumer</b>												
Agroton	AGT	5.47	7.70	3.74	1.3%	25.5%	15.4%	19.4%	-3.2%	0.3%	14.4%	1.2%
Astarta	AST	51.60	72.00	49.06	-1.5%	-0.8%	2.3%	0.2%	-0.8%	-2.5%	-11.8%	-18.0%
Avangardo	AVGR	0.33	1.00	0.33	0.0%	-5.7%	-19.5%	-8.3%	0.0%	-1.0%	-16.8%	-26.6%
Industrial Milk Company	IMC	13.10	13.90	9.27	0.8%	0.8%	7.4%	5.0%	-0.8%	-0.2%	-10.3%	-13.3%
Kernel	KER	50.70	75.46	45.51	3.9%	6.2%	0.2%	6.7%	2.6%	2.9%	-4.9%	-11.5%
MHPC	MHPC	12.95	15.45	9.09	-0.4%	-8.2%	13.1%	12.6%	0.4%	-1.4%	-19.2%	-5.6%
Milkiland	MLK	1.44	2.48	1.40	-2.0%	-6.5%	-13.3%	-6.5%	0.0%	-3.0%	-17.6%	-24.7%
Ovostar Union	OVO	94.00	128.05	88.00	0.0%	-1.6%	-10.5%	6.8%	0.0%	-1.0%	-12.6%	-11.4%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.333	n/a	n/a	2.1%	10.1%	17.1%	13.4%	1.1%	-1.0%	-9.0%	-4.8%

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	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E
<b>Iron Ore Mining</b>																
Ferrexpo	FXPO	986	1,282	1,346	375	495	520	38.0%	38.6%	38.6%	189	255	268	19.2%	19.9%	19.9%
<b>Railcar Manufacturing</b>																
Kryukiv Wagon	KVBZ	67	55	60	1	6	7	0.9%	11.0%	12.4%	-4	2	3	-5.9%	3.3%	4.2%
<b>Specialized Machinery</b>																
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	110	93	18.6%	25.9%	20.0%
<b>Oil &amp; Gas</b>																
Ukrnafta	UNAF	885	1,079	1,121	116	151	163	13.1%	14.0%	14.5%	-343	74	81	-38.7%	6.8%	7.3%
Regal Petroleum	RPT	25	33	46	10	15	19	40.4%	45.5%	41.1%	0	3	5	na	9.1%	10.8%
JKX Oil	JKX	80	82	88	29	18	29	36.3%	22.0%	33.0%	-20	-12	1	-25.0%	-14.6%	1.1%
<b>Electric Utilities</b>																
Centrenergo	CEEN	419	505	569	46	94	106	11.1%	18.6%	18.6%	15	71	78	3.6%	14.1%	13.8%
Donbasenergo	DOEN	157	147	116	7	8	8	4.4%	5.8%	6.5%	-2	1	1	-1.1%	1.0%	0.6%
<b>Consumer</b>																
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	115	127	1	5	15	0.4%	4.3%	11.8%	-57	-10	-5	-29.6%	-8.3%	-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%
<b>Banks</b>																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	2,113	2,080	2,050	381	398	342	192	228	236	150	164	236	39.4%	41.3%	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	2017E	2018E	2016	2017E	2018E	2016	2017E	2018E		
<b>Iron Ore Mining</b>															
Ferrexpo	FXPO	2,393	24.0%	575	3,143	12.6	9.4	8.9	8.4	6.3	6.0	3.2	2.5	2.3	
<b>Railcar Manufacturing</b>															
Krukiv Wagon	KVBZ	57	5.0%	3	52	neg	>30	22.5	>30	8.6	7.0	0.8	0.9	0.9	
<b>Specialized Machinery</b>															
Turboatom	TATM	219	5.8%	13	133	8.0	8.0	7.8	4.0	3.8	3.8	1.4	1.3	1.3	
Motor Sich	MSICH	351	24.0%	84	313	4.6	3.2	3.8	1.9	2.0	2.3	0.8	0.7	0.7	
<b>Oil &amp; Gas</b>															
Ukrnafta	UNAF	223	3.0%	7	208	neg	3.0	2.7	1.8	1.4	1.3	0.2	0.2	0.2	
Regal Petroleum	RPT	73	21.6%	16	49	n/a	24.5	14.7	4.8	3.3	2.6	2.0	1.5	1.1	
JKX Oil & Gas	JKX	48	50.4%	24	157	neg	neg	>30	5.4	8.7	5.4	2.0	1.9	1.8	
<b>Electric Utilities</b>															
CentrEnergO	CEEN	260	21.7%	56	220	17.1	3.6	3.3	4.7	2.3	2.1	0.5	0.4	0.4	
DonbasEnergO	DOEN	17	14.2%	2	31	neg	11.6	23.5	4.5	3.7	4.2	0.2	0.2	0.3	
<b>Consumer</b>															
MHP	MHPC	1,368	34.1%	467	2,372	23.1	5.9	4.2	5.7	4.3	4.3	2.1	1.8	1.6	
Kernel	KER	1,189	61.8%	734	1,685	5.3	6.7	5.0	4.9	5.3	4.9	0.8	0.8	0.6	
Astarta	AST	380	37.0%	140	490	4.2	3.6	3.4	2.9	2.8	2.5	1.2	1.0	0.9	
Avangardco	AVGR	21	22.5%	5	353	neg	neg	neg	>30	>30	23.5	1.8	3.1	2.8	
Ovostar	OVO	166	25.0%	41	168	4.7	16.6	11.9	4.2	10.9	8.2	2.0	2.1	1.9	
<b>Banks</b>															
							P/E			P/Book			P/Assets		
Raiffeisen Bank Aval	BAVL	769	1.8%	14		5.1	4.7	4.4	2.0	1.9	2.2	0.36	0.37	0.37	

Source: Eavex Research

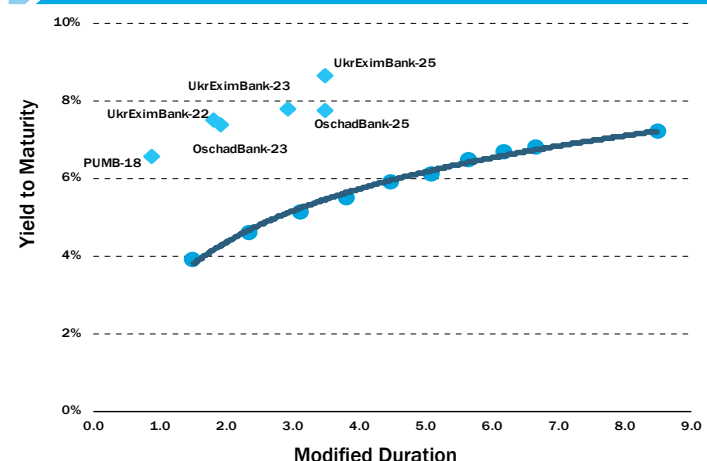
## UKRAINIAN EUROBONDS

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	104.1	104.6	4.8%	4.4%	-0.8%	1.4	7.75%	S/A	1 Sept 2019	1,744	Caa2/B-/B-
Ukraine, 2020	105.2	105.7	5.5%	5.3%	-0.8%	2.2	7.75%	S/A	1 Sept 2020	1,780	Caa2/B-/B-
Ukraine, 2021	105.4	105.9	6.0%	5.8%	-1.0%	3.0	7.75%	S/A	1 Sept 2021	1,409	Caa2/B-/B-
Ukraine, 2022	105.3	105.8	6.4%	6.2%	-1.0%	3.8	7.75%	S/A	1 Sept 2022	1,384	Caa2/B-/B-
Ukraine, 2023	104.2	104.9	6.8%	6.7%	-1.8%	4.4	7.75%	S/A	1 Sept 2023	1,355	Caa2/B-/B-
Ukraine, 2024	103.7	104.4	7.0%	6.9%	-1.3%	5.0	7.75%	S/A	1 Sept 2024	1,339	Caa2/B-/B-
Ukraine, 2025	102.8	103.5	7.3%	7.1%	-1.3%	5.6	7.75%	S/A	1 Sept 2025	1,329	Caa2/B-/B-
Ukraine, 2026	102.7	103.4	7.3%	7.2%	-0.4%	6.2	7.75%	S/A	1 Sept 2026	1,318	Caa2/B-/B-
Ukraine, 2027	102.5	103.3	7.4%	7.3%	-0.5%	6.7	7.75%	S/A	1 Sept 2027	1,307	Caa2/B-/B-
Ukraine, 2032	96.6	97.4	7.8%	7.7%	-1.5%	8.2	7.375%	S/A	25 Sept 2032	3,000	//B-
Ukraine, GDP-linked (VRI)	67.8	68.8	n/a	n/a	23.9%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	16.0	20.6	229%	186%	-12.8%	0.6	6.00%	S/A	14 Jul 2019	18	//
Kernel, 2022	108.6	108.9	6.2%	6.1%	-2.0%	3.3	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	109.3	109.7	3.5%	3.3%	0.6%	1.8	8.25%	S/A	2 Apr 2020	750	/B-/B-
MHP, 2024	108.3	108.8	6.1%	6.0%	0.5%	4.8	7.75%	S/A	10 May 2024	500	//
Avangardco, 2018	20.0	22.1	n/a	n/a	-12.9%	0.1	10.00%	S/A	29 Oct 2018	206	//
UkrLandFarming, 2018	20.1	22.4	n/a	n/a	2.1%	0.0	10.88%	S/A	26 Mar 2018	500	/CC/
Mriya, 2016	6.0	8.0	n/a	n/a	n/a	n/a	10.95%	S/A	30 Mar 2016	72	IN DEFAULT
Mriya, 2018	6.0	8.0	n/a	n/a	n/a	n/a	9.45%	S/A	19 Apr 2018	400	IN DEFAULT
DTEK, 2024	107.0	107.8	9.3%	9.1%	0.0%	4.6	10.75%	S/A	31 Dec 2024	1,275	//
Metinvest, 2021	103.1	103.6	n/a	n/a	11.2%	n/a	9.37%	S/A	31 Dec 2021	1,197	//B
Ferrexpo, 2019	103.2	103.5	7.2%	6.9%	-1.5%	0.5	10.375%	S/A	07 Apr 2019	186	Caa3/CCC/CC
Ferrexpo, 2019	103.1	103.7	7.3%	6.8%	-1.5%	0.5	10.375%	S/A	07 Apr 2019	161	Caa3/CCC/CC
UZ Rail, 2021	106.2	106.7	7.8%	7.7%	-0.1%	1.6	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	31.5	33.8	n/a	n/a	18.7%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JXX Oil&Gas, 2018	85.0	95.0	24.1%	17.1%	5.9%	1.6	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
Fin&Credit Bank, 2019	0.7	1.5	n/a	n/a	0.0%	n/a	9.25%	S/A	25 Jan 2019	100	IN DEFAULT
PUMB, 2018	104.0	104.4	5.8%	5.3%	-0.1%	0.7	11.00%	Q	31 Dec 2018	275	//
Nadra Bank, 2018	0.9	1.4	n/a	n/a	3.5%	n/a	6.25%	A	31 Jul 2018	60	IN DEFAULT
PrivatBank, 2018-2	22.0	25.0	n/a	n/a	-29.9%	1.5	10.25%	S/A	23 Jan 2018	200	IN DEFAULT
PrivatBank, 2021	12.0	17.0	n/a	n/a	-6.5%	1.6	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	<b>28.6</b>	<b>31.6</b>	<b>n/a</b>	<b>n/a</b>	<b>-25.4%</b>	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	106.0	106.3	7.9%	7.8%	-0.9%	1.7	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	99.8	100.5	9.3%	9.1%	-0.3%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	107.4	107.5	8.3%	8.3%	-0.9%	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	105.5	106.0	8.0%	7.9%	-1.3%	1.7	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	107.1	107.3	8.3%	8.2%	-0.6%	2.7	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2015	85.0	88.6	n/a	n/a	4.8%	n/a	8.00%	S/A	6 Nov 2015	101	IN DEFAULT

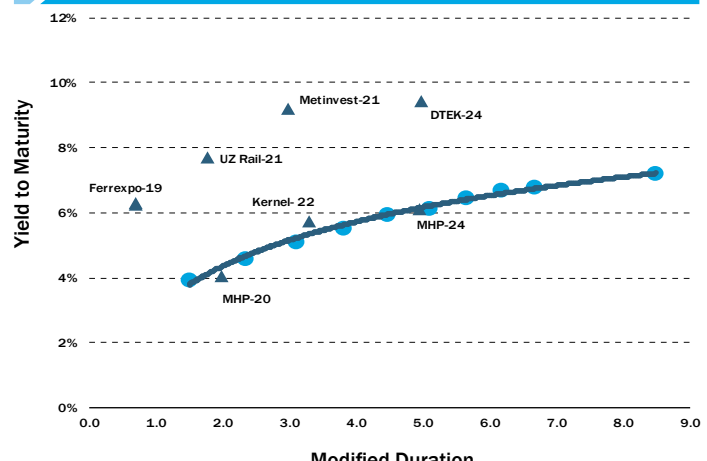
<sup>1</sup> Moody's/S&P/Fitch

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>									
UA80426			16.85%	15.90%	n/a	n/a	S/A	10 Apr .2019	n/a
<b>VAT Bonds</b>									
UA4000185151			17.00%	15.75%	1.9	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			17.00%	15.75%	1.9	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			17.00%	15.75%	1.9	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

## Eavex Capital

7 Klovsky uzviz, 16th Floor  
Carnegie Center  
Kyiv, 01021, Ukraine

Telephone: +38 044 590 5454  
Facsimile: +38 044 590 5464  
E-mail: office@eavex.com.ua  
Web-page: www.eavex.com.ua

Yuriy Yakovenko  
**Chairman of the Board**  
yuriy.yakovenko@eavex.com.ua

**SALES & TRADING**  
Pavel Korovitskiy  
**Managing Director**  
**Equity and Fixed Income**  
p.korovitsky@eavex.com.ua

Alexander Klymchuk  
**Equity and Fixed Income**  
a.klymchuk@eavex.com.ua

Eugene Klymchuk  
**Fixed Income Sales and Trading**  
e.klymchuk@eavex.com.ua

Serhiy Scherbaniuk  
**Equity Trading**  
s.shcherbaniuk@eavex.com.ua

**RESEARCH**  
Dmitry Churin  
**Head of Research**  
d.churin@eavex.com.ua

Will Ritter  
**Research editor**  
w.ritter@eavex.com.ua