

## Stock Market Update

### Equity

The Ukrainian equity universe remained in a turbulent mode amid political uncertainty due to the unpredictable presidential election in the country; voting on Sunday (Mar 31) showed that President Poroshenko will advance to the Apr 21 runoff round as an underdog against Eastern Ukrainian entertainment mogul Vladimir Zelenskiy. The PFTS index, which tracks seven Kyiv-listed stocks, advanced by 3.6% to 573 points, thanks to a gain of 32% in UkrNafta (UNAF). The stock surged to UAH 192 after the company unveiled a preliminary net profit of UAH 122 per share for FY18 and proposed a dividend payout of 50%. On the downside, Raiffeisen Bank Aval (BAVL) shed 3.0% to 36.70 kopecks after the bank proposed a 70% dividend payout from FY18 profit, well short of the bank's recent history of 95% payouts. Still, the proposed dividend of 5.79 kopecks per share implies a hefty dividend yield of 16%. In the utility sector, DonbasEnergy (DOEN) declined by 3.3% to UAH 28.00 per share and CentrEnergy (CEEN) was little changed at UAH 12.00.

In London trading, JKX Oil&Gas (JKX) advanced by 6.3% to GBp 55.00 after the company reported its first full-year net profit since 2013. JKX earned a solid USD 13mn in net profit in 2H18 bringing the full-year net profit to USD 15mn after a net loss of USD 18mn back in FY17. Iron ore producer Ferrexpo (FXPO) closed flat at GBp 247. After peaking in February, the stock was in a local downward move for almost the entire month of March.

On the Warsaw Stock Exchange, Kernel (KER) once again dipped below PLN 50 line, losing 4.5% to close at PLN 49.20, and Astarta (AST) dropped by 4.6% to PLN 27.20 after several news outlets reported incidents of mismanagement inside one of the company's farming divisions.

## Highlights

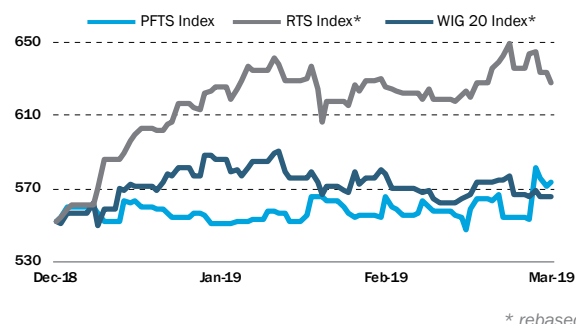
### POLITICS AND ECONOMICS

- ▶ Poroshenko Beats Tymoshenko, Faces Uphill Battle Against Zelenskiy on Apr 21
- ▶ Industrial Output Falls 1.8% YoY in February with Chemical Sector Leads Decline

### STOCKS IN THE NEWS

- ▶ UkrNafta Proposes UAH 61 Dividend from FY18 Profit of UAH 122/ Share
- ▶ Raiffeisen Aval Proposes 5.79-Kopeck Dividend for FY18

## STOCK MARKET PERFORMANCE

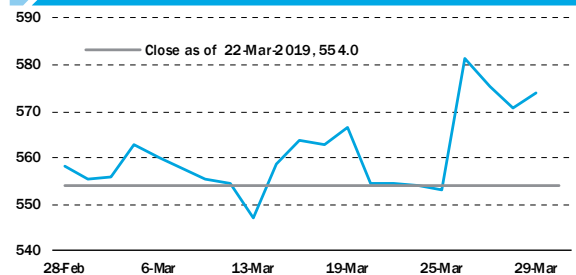


\* rebased

## MARKET INDEXES

	Last	1W ch	1M ch	YTD
PFTS	573.8	3.6%	1.5%	2.6%
RTS	1198.1	-1.3%	0.4%	12.4%
WIG20	2312.1	-0.3%	-2.3%	1.6%
MSCI EM	1058.1	-0.1%	-0.6%	9.9%
S&P 500	2834.4	1.2%	1.4%	14.0%

## PFTS 1M PERFORMANCE



## FIXED INCOME

	Last	1W ch	1M ch	YTD
EMBI+Global	373	-0.2%	-0.1%	-13.6%
NBU Key Rate	18.0%	0.0 p.p.	0.0 p.p.	0.0 p.p.
Ukraine-19	6.3%	-2.1 p.p.	-2.5 p.p.	-2.5 p.p.
Ukraine-27	8.9%	0.0 p.p.	-0.2 p.p.	-1.6 p.p.
DTEK-24	10.7%	0.0 p.p.	-0.9 p.p.	-0.9 p.p.
UZ Rail-21	9.2%	-0.2 p.p.	-0.8 p.p.	-2.9 p.p.

## CURRENCY

	Last, UAH	1W ch	1M ch	YTD
USD	27.31	1.5%	1.1%	-1.5%
EUR	30.62	0.8%	-0.4%	-3.4%
RUB	0.42	0.1%	1.3%	4.9%

## COMMODITIES

	Last	1W ch	1M ch	YTD
Wheat, USD/t*	215.0	0.0%	-2.3%	-2.7%
Steel, USD/t	450.0	0.0%	2.3%	9.8%
Oil, USD/bbl	67.6	1.2%	3.4%	27.0%
Gold, USD/oz	1292.3	-1.6%	-2.8%	0.9%

\*Ukraine FOB

Source: Bloomberg, Ukrainian Exchange

## Poroshenko Beats Tymoshenko, Faces Uphill Battle Against Zelenskiy on Apr 21

by Will Ritter  
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### NEWS

Incumbent President Petro Poroshenko defeated his main rival, leftist opposition leader Yulia Tymoshenko, in the first round of Ukraine's presidential election on Sunday (Mar 31), according to 5 different exit polls as well as actual election returns that have counted just over half of the nationwide vote as of this morning (Apr 1). Poroshenko will thus advance to a runoff against the first-place finisher, Eastern Ukrainian actor and entertainment mogul Volodymyr Zelenskiy. Results from the Central Election Commission, with 53% of the ballots counted, are as follows: Zelenskiy - 30.2%; Poroshenko - 16.7%; Tymoshenko - 13.1%; Yuriy Boyko (pro-Russian For Life party) - 11.5%; Anatoliy Grytsenko (pro-Western Civil Position party) - 7.1%; Igor Smeshko (pro-Western former director of the Ukrainian Security Service) - 5.9%; Oleg Lyashko (populist Radical party) - 5.1%; Alexander Vilkul (pro-Russian Opposition Bloc) - 4.2%. All other candidates received less than 2%. The CEC reported the nationwide participation turnout figure at 64%.

### COMMENTARY

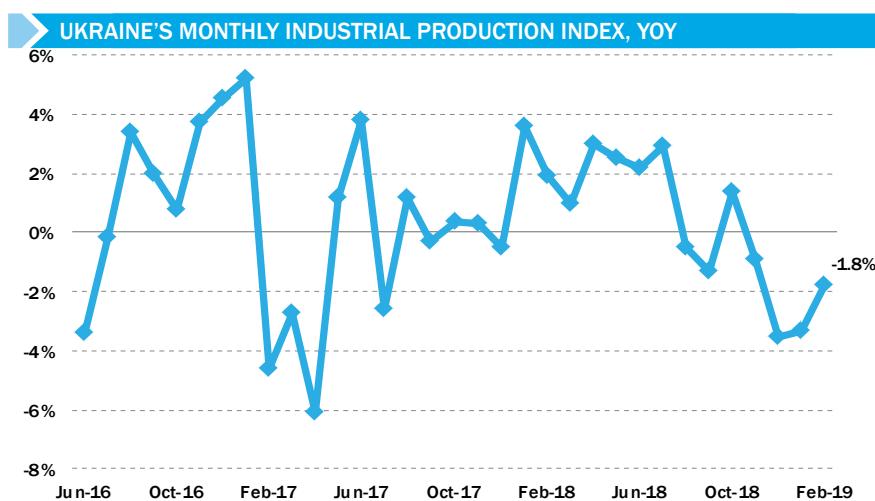
Although Sunday's result looks very good for Zelenskiy, it is important to note that the popular actor now finds himself in a position which has never been in before; after spending his entire career using his television show to attack Ukrainian politicians, he has become a leading politician in his own right who will be the prime target of attacks himself. Zelenskiy's ability, or lack thereof, to hold his nerve amid such attacks over the coming 20 days will determine whether or not he becomes Ukraine's next president. Early reports indicate that there will be a one-on-one Poroshenko-Zelenskiy debate before the runoff, which should make for riveting television. Although Zelenskiy was strongest among Russian-speaking voters in southeastern Ukraine, he also polled fairly well in Central Ukraine, finishing ahead of Poroshenko in all 9 of the region's provinces according to the latest available results. The beaten Tymoshenko made an effort on Sunday evening to align herself with Zelenskiy, offering her support to him against Poroshenko in exchange for a deal that would presumably allow her to become Prime Minister later this year; however, we believe that Zelenskiy would be unwise to accept such an arrangement, since Tymoshenko is widely despised by many of Zelenskiy's voters. For his part, Poroshenko will need to drastically improve his performance in Central Ukraine three weeks from now in order to have any hope of winning re-election, as dominating the Western provinces will simply not be enough to get him over the finish line. In our view, it is definitely positive for Ukraine that the first round of the election came off without major conflicts, and that voters now have a clear choice between two candidates who are presenting contrasting visions for the country's future. Even if Poroshenko is unable to make up the gap against Zelenskiy, the mere fact that he will be on the ballot in the runoff represents a significant defeat for the Putin regime in its efforts to undermine the Ukrainian electoral process.

**Industrial Output Falls 1.8% YoY in February with Chemical Sector Leads Decline**

by Dmitry Churin  
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**NEWS**

Ukraine’s aggregate industrial output fell by 1.8% YoY in February following a 3.3% YoY output drop registered in January, the State Statistics Committee (UkrStat) reported in late March. The month-on-month change (unadjusted for the different number of days) was a decline of 1.9%. In the manufacturing sectors the aggregate production decline was 2.5% and in the utility sector contraction was 4.9% YoY thanks partly to a warmer than average weather during the month. Meanwhile in the extraction industry the output growth was 1.7% YoY due to 9.0% YoY increase in coal production. For 2M19, the IP index is down by 2.5% YoY.



Source: State Statistics Committee

**COMMENTARY**

The chemical sector remained a highly volatile story as major fertilizers production facilities have been working in a disruptive mode amid tight competition from imported products. Therefore we assume that the chemical sector will continue to have a negative influence on overall Ukrainian industrial statistics. On the other hand, a more concerning situation was observed in the machinery sector with the aggregate output measured by the index declined by 4.3% YoY in February. We will pay close attention to the machinery sector for determining the nature of such contraction whether this could be a temporary situation or this was a signal of a broader slowdown in the countries manufacturing industry.

In other macroeconomic statistics, UkrStat said that retail sales kept up their steady pace, rising 7.2% in February and the construction sector’s index increased by impressive 19.5% YoY in the period on the back of commission of several large infrastructure projects. The index measuring agricultural production grew by 3.2% YoY in 2M18.

## UkrNafta Proposes UAH 61 Dividend from FY18 Profit of UAH 122/Share

by Dmitry Churin  
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### UKRNAFTA (UNAF UK)

Price: UAH 192 Market Cap: USD 382mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2018	1.5	0.3	1.6	1.1	31.8%
2019E	0.7	0.1	0.7	0.4	n/a

### NEWS

UkrNafta, Ukraine's national flagship oil producer, unveiled an impressive preliminary net profit of UAH 6.63bn (USD 244mn) for full-year 2018, in an announcement for its shareholder meeting scheduled on Apr 25. The company has not published its full set of financial results for 2018 yet. Among other items for the shareholders meeting, there was a proposal to distribute 50% of the FY18 net profit in a dividend, which would imply a UAH 61.10 dividend per share.

Meanwhile, at its Mar 28 UkrNafta special shareholders meeting last week, the company approved a large deal which envisages the sale of 4.1bn cubic meters of natural gas to the state energy giant NaftoGaz. In its press release UkrNafta said that the contract with NaftoGaz (which itself owns a 50 percent stake in UkrNafta) includes some 2.1bn cubic meters of gas which was transferred by UkrNafta to the underground gas storages in the past and an additional 2.0bn cubic meters of gas to be produced in the future. It is envisaged that the payments for the gas will be made with cash received by NaftoGaz from the Ukrainian government as compensation for its public service obligations in the gas market to supply gas to household consumers and utility companies that provide household heating. In its turn, UkrNafta is obligated to allocate all proceeds from the deal to pay its large outstanding tax debt and other tax obligations arising in the course of execution of the contracts.

In a separate vote, UkrNafta's shareholders elected a new Supervisory Board and decided to terminate the contract of current CEO Mark Rollins, effective on Apr 30.

### COMMENTARY

Although UkrNafta posted an outstanding net profit of UAH 122 per share for FY18 and proposed a large dividend, the company admitted that its FY18 financial results have not been approved by its auditor yet. Unfortunately, there is a precedent in UkrNafta's history when the auditor forced the company to allocate substantial charges to reserves for bad receivables, leading to a huge difference between the preliminary net profit announcement and the audited financial results. Currently we have no tools to evaluate what the chances are that the auditor will not confirm UkrNafta's UAH 6.63bn net profit for FY18. Nevertheless, we assume that this probability is not higher than 25%.

Also we have no understanding why the shareholders (i.e. the government and Privat Group beneficiary Igor Kolomoyskiy) decided to terminate the contract with CEO Mark Rollins.

UkrNafta has total assets of UAH 40.6bn while its current liabilities are UAH 31.5bn (both figures as of 31 Dec 2018). The Kyiv-listed UNAF stock advanced by 5% to UAH 195 per share after the gas deal with NaftoGaz was approved.

## Raiffeisen Aval Proposes 5.79-Kopeck Dividend for FY18

by Dmitry Churin  
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### RAIFFEISEN BANK AVAL (BAVL UK)

Price: UAH 0.367 Market Cap: USD 830mn

	P/Assets	P/Book	P/E	Div. Yield
2018	0.33	2.0	4.4	16%
2019E	0.34	1.9	3.8	19%

### NEWS

Raiffeisen Bank Aval, the Ukrainian subsidiary of Vienna-based Raiffeisen International, proposed its shareholders to approve UAH 3.56bn in dividends from its full-year 2018 profit (5.79 kopecks per share), according to the announcement for the bank's annual shareholders meeting scheduled for Apr 24 in Kyiv. The ex-rights date for the dividend was not announced. Raiffeisen Aval posted a net profit of UAH 5.09bn for FY18 (USD 187mn at the average UAH/USD rate for the period), which was 14% YoY higher compared FY17. On the balance sheet side, the bank had total assets of UAH 73.3bn (USD 2.6bn) and its equity was UAH 11.6bn (USD 419mn) as of 31 Dec 2018.

### COMMENTARY

Raiffeisen Aval's proposal represents a dividend payout of 70%, down from the payout ratio from both FY16 and FY17 of near 95%. The high payout allows majority owner Raiffeisen International to immediately take custody of its subsidiary's profit and so was widely expected by the market; therefore, the drop in the payout ratio this year somewhat disappointed local traders, which had assumed that the FY18 dividend would be close to 8 kopecks per share. Nevertheless, the proposed 5.79 kopeck dividend implies a very impressive dividend yield of 16%, taking into account the current BAVL stock price of 36.70 kopecks per share.

Raiffeisen Aval is currently traded at 2.0x of its book value (Price-to-Book multiple) while its Price-to-Earnings multiple (P/E) is estimated at 4.4x. We maintain a positive outlook regarding Raiffeisen Aval's medium-term future as it continues to be the top foreign-owned bank in Ukraine. We forecast that the bank will earn UAH 6.2bn in net profit in FY19, which would imply earnings per share of 10 kopecks.

## EAVEX RECOMMENDATIONS

Name	Ticker	Price, per share	Target price, per share	Upside, %	Rating	Commentary
<b>Agriculture</b>						
Kernel	KER PW	49.3	82.0	66%	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	10.3	16.5	61%	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	27.7	70.0	153%	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	3.54	12.0	239%	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	14.0	13.0	-7%	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	20%	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	107.0	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.
<b>Iron Ore</b>						
Ferrexpo	FXPO LN	255	230	-10%	HOLD	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.
<b>Specialized Machinery</b>						
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.
<b>Oil &amp; Gas</b>						
UkrNafta	UNAF	192	270	41%	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	43.5	-	-	U/R	Natgas extractor Regal Petroleum (RPT) got hammered, plunging 30% to GBP 38.00 per share after news that the Ukrainian State Geological Service issued an order to suspend production on one of Regal's licenses. The company said that it is seeking to obtain further information on the basis for the order, and is taking measures to protect its rights.
JKX Oil & Gas	JKX LN	53.8	-	-	U/R	The company's balance sheet looks healthy after it successfully restructured its Eurobonds. An overall demand for natural gas in Ukraine remains strong.
<b>Power Utilities</b>						
DonbasEnergO	DOEN	28.1	33.5	19%	SELL	We believe that the DOEN stock price will be supported until Apr 18, when the ex-rights date for participation in the company's shareholders meeting arrives. The agenda for the meeting contains an item for so called 'substantial deals' so shareholders who vote against this item would have an option to sell their shares to the company at estimated price of near UAH 33.50, which is the average DOEN price for the Dec 19 - Mar 19 3-month period. This period determines the buyback price in this case, according to Ukrainian legislation.
CenterEnergO	CEEN	11.93	25.60	115%	BUY	The CEEN stock has been in a downward trend since October, falling from a level of UAH 18 to the current level of UAH 13 per share after yet another failed attempt to privatize the company in early December. Persisting uncertainty about whether CentrEnergO can really be privatized at a fair price has made the company a hostage of Ukrainian behind-the-scenes politics. We forecast that CentrEnergO will earn UAH 725mn this year, representing EPS of UAH 1.96. The company has recently switched another one of its power units from expensive anthracite coal to cheaper steam coal, which should improve its electricity production profitability.
<b>Banks</b>						
Raiffeisen Bank Aval	BAVL	0.366	0.47	29%	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 in 2017 was 20% and in 2018 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	573.77	608.78	353.87	3.6%	1.5%	2.6%	2.6%	--	--	--	--
<b>Iron Ore Mining</b>												
Ferrexpo	FXPO	247.60	275.30	143.50	0.0%	-7.5%	28.4%	27.2%	-3.5%	-9.1%	25.8%	24.6%
<b>Railcar Manufacturing</b>												
Kryukiv Wagon	KVBZ	n/a	12.20	10.00								
<b>Specialized Machinery</b>												
Motor Sich	MSICH	5390	n/a	n/a								
Turboatom	TATM	10.50	14.15	10.50	-8.7%	-4.5%	-23.4%	-23.4%	-12.3%	-6.1%	-25.9%	-25.9%
<b>Telecom</b>												
Ukrtelecom	UTLM	n/a	0.143	0.127								
<b>Oil &amp; Gas</b>												
Regal Petroleum	RPT	43.50	63.00	15.45	1.9%	3.8%	-24.0%	-31.0%	-1.7%	2.3%	-26.6%	-33.5%
JKX Oil	JKX	55.00	64.50	22.40	6.3%	19.6%	50.7%	39.2%	2.7%	18.1%	48.1%	36.7%
Ukrnafta	UNAF	192.0	195.00	98.00	32.4%	47.7%	37.1%	37.1%	28.8%	46.2%	34.6%	34.6%
<b>Power Utilities</b>												
Centrenergo	CEEN	11.90	23.70	11.70	0.3%	-13.9%	-16.8%	-16.8%	-3.2%	-15.4%	-19.4%	-19.4%
Donbasenergo	DOEN	28.05	38.00	21.10	-3.3%	-26.2%	-12.1%	-12.1%	-6.8%	-27.7%	-14.6%	-14.6%
<b>Consumer</b>												
Agroton	AGT	3.42	5.47	2.83	-4.1%	0.4%	-1.9%	-1.9%	-7.6%	-1.1%	-4.4%	-4.4%
Astarta	AST	27.20	48.00	23.00	-4.6%	-6.2%	18.3%	18.3%	-8.1%	-7.7%	15.7%	15.7%
Avangardo	AVGR	0.25	0.39	0.25	0.0%	-10.7%	-10.7%	-10.7%	-3.6%	-12.2%	-13.3%	-13.3%
Industrial Milk Company	IMC	13.85	14.80	11.05	-1.1%	-1.1%	5.3%	5.3%	-4.6%	-2.6%	2.7%	2.7%
Kernel	KER	49.20	55.50	45.60	-4.5%	1.2%	0.5%	0.5%	-8.0%	-0.3%	-2.1%	-2.1%
MHPC	MHPC	10.25	13.90	9.80	-8.1%	-10.1%	-1.0%	-1.0%	-11.6%	-11.6%	-3.5%	-3.5%
Milkiland	MLK	0.49	1.48	0.21	-12.2%	-2.0%	133.3%	133.3%	-15.8%	-3.5%	130.8%	130.8%
Ovostar Union	OVO	108.00	114.00	93.00	-0.9%	-1.8%	-4.4%	-4.4%	-4.5%	-3.3%	-7.0%	-7.0%
<b>Banks</b>												
Raiffeisen Bank Aval	BAVL	0.367	0.39	0.26	-3.0%	2.5%	4.9%	4.9%	-6.6%	1.0%	2.4%	2.4%

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		
		2017	2018E	2019E	2017	2018E	2019E	2017	2018E	2019E	2017	2018E	2019E	2017	2018E	2019E
<b>Iron Ore Mining</b>																
Ferrexpo	FXPO	1,197	1,257	1,571	551	579	723	46.0%	46.0%	46.0%	394	414	517	32.9%	32.9%	32.9%
<b>Railcar Manufacturing</b>																
Kryukiv Wagon	KVBZ	141	81	89	14	9	10	9.9%	10.7%	11.4%	12	4	5	8.6%	5.0%	5.5%
<b>Specialized Machinery</b>																
Turboatom	TATM	87	94	94	37	40	41	42.6%	43.1%	43.6%	26	28	28	29.9%	29.9%	29.2%
Motor Sich	MSICH	436	388	333	156	88	92	35.8%	22.7%	27.7%	117	51	59	26.7%	13.3%	17.7%
<b>Oil &amp; Gas</b>																
Ukrnafta	UNAF	1,011	1,326	2,531	65	333	866	6.5%	25.1%	34.2%	17	244	581	1.7%	18.4%	23.0%
Regal Petroleum	RPT	35	60	50	17	54	22	49.8%	90.0%	44.0%	2	42	10	na	70.0%	20.0%
JKX Oil	JKX	82	93	111	9	31	34	11.5%	33.2%	30.5%	-12	15	18	-14.6%	16.5%	16.5%
<b>Electric Utilities</b>																
Centrenergy	CEEN	412	551	589	104	42	38	25.2%	7.6%	6.5%	71	18	25	17.3%	3.3%	4.3%
Donbasenergo	DOEN	147	224	225	8	23	19	5.8%	10.2%	8.4%	2	4	3	1.4%	1.7%	1.1%
<b>Consumer</b>																
MHP	MHPC	1,289	1,556	1,789	459	450	490	35.6%	28.9%	27.4%	230	128	250	17.8%	8.2%	13.9%
Kernel	KER	2,169	2,403	3,364	319	223	310	14.7%	9.3%	9.2%	176	52	210	8.1%	2.2%	6.2%
Astarta	AST	514	445	578	134	160	165	26.1%	35.9%	28.5%	69	74	100	13.5%	16.7%	17.3%
Avangardco	AVGR	130	127	135	12	15	17	9.1%	11.8%	12.6%	-8	-5	2	-5.8%	-3.9%	1.5%
Ovostar	OVO	80	126	139	15	23	25	19.2%	18.3%	18.3%	10	18	20	12.5%	14.6%	14.6%
<b>Banks</b>																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	2,455	2,491	2,415	404	420	433	234	239	253	169	187	218	41.8%	44.6%	50.2%

Source: Eavex Research



**MAIN TRADING MULTIPLES**

Name	Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			
					2017	2018E	2019E	2017	2018E	2019E	2017	2018E	2019E	
<b>Iron Ore Mining</b>														
Ferrexpo	FXPO	1,905	24.0%	457	2,308	4.8	4.6	3.7	4.2	4.0	3.2	1.9	1.8	1.5
<b>Railcar Manufacturing</b>														
Krukiv Wagon	KVBZ		5.0%											
<b>Specialized Machinery</b>														
Turboatom	TATM	164	3.8%	6	155	6.3	5.8	6.0	4.2	3.8	3.8	1.8	1.7	1.6
Motor Sich	MSICH	414	24.0%	99	391	3.6	8.0	7.0	2.5	4.4	4.2	0.9	1.0	1.2
<b>Oil &amp; Gas</b>														
Ukrnafta	UNAF	385	3.0%	12	379	23.1	1.6	0.7	5.8	1.1	0.4	0.4	0.3	0.1
Regal Petroleum	RPT	182	21.6%	39	142	>30	4.3	18.2	8.2	2.6	6.5	4.1	2.4	2.8
JKX Oil & Gas	JKX	123	50.4%	62	232	neg	8.1	6.7	24.6	7.5	6.8	2.8	2.5	2.1
<b>Electric Utilities</b>														
CentrEnergO	CEEN	163	21.7%	35	129	2.3	8.9	6.4	1.2	3.1	3.4	0.3	0.2	0.2
DonbasEnergO	DOEN	25	14.2%	3	30	11.6	6.4	9.6	3.6	1.3	1.6	0.2	0.1	0.1
<b>Consumer</b>														
MHP	MHPC	1,083	34.1%	369	2,249	4.7	8.5	4.3	4.9	5.0	4.6	1.7	1.4	1.3
Kernel	KER	1,025	61.8%	633	1,025	5.8	19.7	4.9	3.2	4.6	3.3	0.5	0.4	0.3
Astarta	AST	178	37.0%	66	404	2.6	2.4	1.8	3.0	2.5	2.5	0.8	0.9	0.7
Avangardco	AVGR	16	22.5%	4	347	neg	neg	8.0	29.4	23.2	20.4	2.7	2.7	2.6
Ovostar	OVO	169	25.0%	42	162	16.9	9.2	8.4	10.5	7.0	6.4	2.0	1.3	1.2
<b>Banks</b>														
							P/E			P/Book			P/Assets	
Raiffeisen Bank Aval	BAVL	836	1.8%	15		5.0	4.5	3.8	2.1	2.0	1.9	0.34	0.34	0.35

Source: Eavex Research

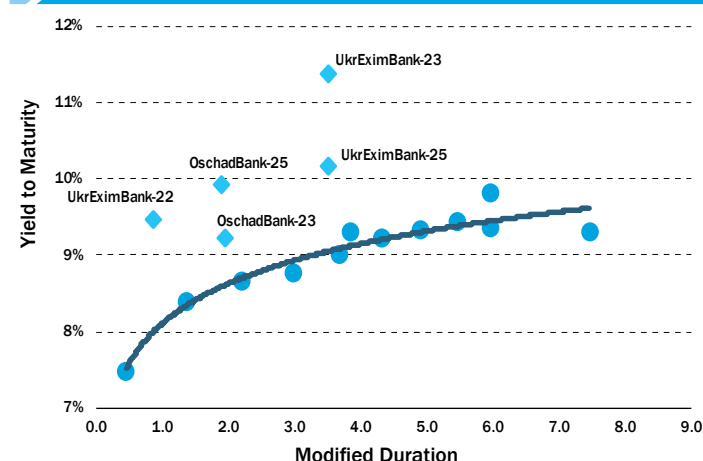
## UKRAINIAN EUROBONDS

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	100.2	100.9	7.0%	5.1%	1.3%	0.4	7.75%	S/A	1 Sept 2019	661	Caa1/B-/B-
Ukraine, 2020	99.6	100.1	8.0%	7.7%	3.0%	1.3	7.75%	S/A	1 Sept 2020	1,365	Caa1/B-/B-
Ukraine, 2021	99.1	99.9	8.1%	7.8%	5.4%	2.1	7.75%	S/A	1 Sept 2021	1,409	Caa1/B-/B-
Ukraine, 2022	98.5	99.3	8.3%	8.0%	7.3%	2.9	7.75%	S/A	1 Sept 2022	1,384	Caa1/B-/B-
Ukraine, 2023	97.1	98.1	8.5%	8.3%	8.0%	3.6	7.75%	S/A	1 Sept 2023	1,355	Caa1/B-/B-
Ukraine, 2024	96.1	97.1	8.7%	8.4%	8.9%	4.3	7.75%	S/A	1 Sept 2024	1,339	Caa1/B-/B-
Ukraine, 2024-2	100.4	101.1	8.9%	8.7%	7.8%	3.8	8.99%	S/A	1 Feb 2024	750	/B-/B-
Ukraine, 2025	95.0	96.0	8.8%	8.6%	9.1%	4.9	7.75%	S/A	1 Sept 2025	1,329	Caa1/B-/B-
Ukraine, 2026	93.7	94.7	8.9%	8.7%	10.0%	5.4	7.75%	S/A	1 Sept 2026	1,318	Caa1/B-/B-
Ukraine, 2027	93.0	94.0	8.8%	8.7%	10.0%	6.0	7.75%	S/A	1 Sept 2027	1,307	Caa1/B-/B-
Ukraine, 2028	103.1	103.6	9.3%	9.2%	10.5%	6.0	9.75%	S/A	1 Nov 2018	1,250	Caa1/B-/B-
Ukraine, 2032	88.8	89.8	8.8%	8.7%	11.3%	7.9	7.375%	S/A	25 Sept 2032	3,000	Caa1//B-
Ukraine, GDP-linked (VRI)	63.7	64.7	n/a	n/a	10.1%	n/a	0.00%	S/A	31 May 2040	3,214	/B-/
<b>Corporate Eurobonds</b>											
Agroton, 2019	16.0	20.6	1748%	1304%	0.0%	0.1	6.00%	S/A	14 Jul 2019	8	//
Kernel, 2022	102.3	102.9	7.8%	7.6%	6.6%	2.4	8.75%	S/A	31 Jan 2022	500	/B/B+
MHP, 2020	102.3	102.9	5.9%	5.2%	0.1%	1.0	8.25%	S/A	2 Apr 2020	79	B3/B/B
MHP, 2024	100.8	101.3	7.5%	7.4%	6.4%	4.0	7.75%	S/A	10 May 2024	500	B3/B/B
MHP, 2026	94.1	94.6	8.1%	8.0%	9.7%	5.4	6.95%	S/A	4 Apr 2026	550	B3/B/B
Avangardco, 2018	17.9	19.6	n/a	n/a	n/a	n/a	10.00%	S/A	29 Oct 2018	214	//
UkrLandFarming, 2018	14.0	15.0	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	99.8	100.8	10.8%	10.6%	-6.7%	4.1	10.75%	S/A	31 Dec 2024	1,344	//
Metinvest, 2021	100.0	102.0	7.4%	6.6%	0.0%	n/a	9.37%	S/A	31 Dec 2021	117	B3//B
Metinvest, 2023	97.9	98.1	8.4%	8.3%	8.0%	3.4	7.75%	S/A	23 Apr 2023	945	B3//B
Metinvest, 2026	98.4	99.0	8.8%	8.7%	9.4%	5.0	8.50%	S/A	23 Apr 2026	648	B3//B
Ferrexpo, 2019	100.0	100.8	8.5%	-42.3%	-0.4%	0.0	10.375%	S/A	07 Apr 2019	93	B3/CCC/CC
Ferrexpo, 2019	100.0	100.1	9.6%	4.8%	-0.7%	0.0	10.375%	S/A	07 Apr 2019	80	B3/CCC/CC
UZ Rail, 2021	100.3	101.1	9.7%	9.3%	2.8%	1.1	9.88%	S/A	15 Sept 2021	500	/CCC+/CCC
Interepipe, 2017	29.3	33.3	n/a	n/a	0.3%	n/a	10.25%	S/A	2 Aug 2017	200	IN DEFAULT
JKX Oil&Gas, 2018	90.0	95.0	27.4%	20.4%	18.6%	0.8	8.00%	S/A	19 Feb 2018	16	//
<b>Bank Eurobonds</b>											
PrivatBank, 2018-2	20.0	30.0	n/a	n/a	0.0%	1.5	10.25%	S/A	23 Jan 2018	160	IN DEFAULT
PrivatBank, 2021	8.6	13.6	n/a	n/a	0.0%	0.9	11.00%	S/A	09 Feb 2021	220	IN DEFAULT
PrivatBank, 2018	20.0	21.0	n/a	n/a	-6.2%	n/a	10.88%	S/A	28 Feb 2018	175	IN DEFAULT
UkrEximBank, 2022	100.9	101.5	9.3%	9.1%	3.2%	0.8	9.625%	S/A	27 Apr 2022	750	Caa3//B-
UkrEximBank, 2023	94.2	95.8	11.6%	11.0%	1.2%	3.5	7.51%	S/A	9 Feb 2023	125	Caa3//CCC
UkrEximBank, 2025	101.1	101.5	9.5%	9.3%	7.7%	3.5	9.75%	S/A	22 Jan 2025	600	Caa3//B-
Oschadbank, 2023	100.8	101.3	9.1%	9.0%	2.3%	1.9	8.25%	S/A	10 Mar 2023	700	Caa3//B-
Oschadbank, 2025	101.1	101.6	9.4%	9.3%	6.6%	2.0	8.88%	S/A	20 Mar 2025	500	Caa3//B-
<b>Municipal Eurobonds</b>											
City of Kyiv, 2022	97.3	97.9	8.4%	8.2%	8.1%	2.5	7.50%	S/A	15 Dec 2022	115	Caa2//B-

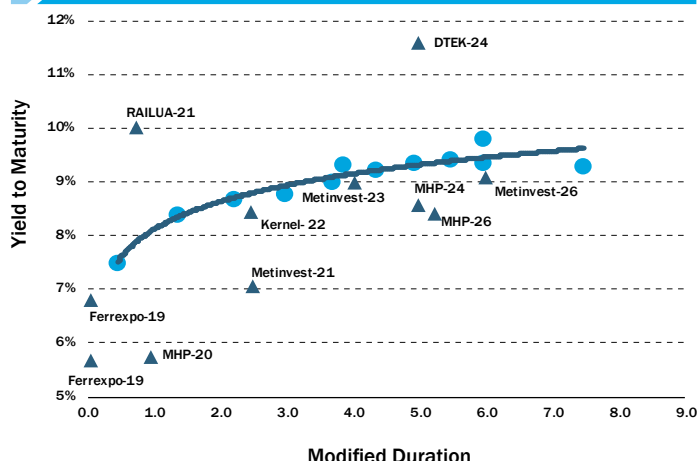
<sup>1</sup> Moody's/S&P/Fitch

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
<b>UAH denominated Bonds</b>									
UA4000195580			19.75%	18.25%	n/a	n/a	S/A	04 Sept 2019	n/a
UA4000196620			19.75%	18.25%	n/a	n/a	S/A	15 Jan 2020	n/a
UA4000200174			19.75%	18.00%	n/a	n/a	S/A	20 Jan 2021	n/a
<b>VAT Bonds</b>									
UA4000185151			19.75%	18.25%	n/a	9.50%	S/A	8 Jul 2019	3,577
UA4000185557			19.75%	18.25%	n/a	9.50%	S/A	22 Jul 2019	2,171
UA4000186159			19.75%	18.25%	n/a	9.50%	S/A	20 Aug 2019	955

Source: Bloomberg, Cbonds, Eavex Research

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