

Market Update

Equity

Ukraine's equity market was solidly higher on Thursday (Jan 26) as optimism that Europe's sovereign debt problems can be contained continued to grow. The yield on Italian 10-year bonds fell below 6% for the first time in 7 weeks, spurring positive sentiment. The UX index rose by 2.7% to 1465 points, with all blue chips higher except for black sheep UkrTelecom (UTLM, -0.9%). Index heavyweights Motor Sich (MSICH) and CentrEnerg (CEEN) added 4.0% and 3.0% respectively. Among other blue chips, Stakhanov Wagon (SVGZ) was the growth leader with a gain of 7.7% thanks to a solid profit reported for FY11. Meanwhile, In second tier names, coal producers Komsomolets Donbasa Mine (SHKD) and Pokrovske Mine (SHCHZ) shot up by 11.3% and 5.2% respectively. London listed Ferrexpo (FXPO LN) continued its strong upward run, advancing 6.3% for the session.

Fixed Income

Ukrainian sovereign Eurobonds were broadly higher on Thursday. Ukrainian mid-term Eurobonds rose by 1.0p.p., trading at 88.0/90.5 (9.74%/9.04%), while long-terms edged up 0.25p.p. and closed at 89.5/90.5 (9.69%/9.51%). Corporate names followed the general trend and were higher as well. The biggest gainer was Metinvest-15s, which increased 1.6p.p. to 98.2/99.0 (10.91%/10.62%). Ferrexpo-16s and DTEK-15s both rose 1.2p.p. and closed at 88.8/92.0 (11.27%/10.11%) and 95.9/97.4 (11.02%/10.42%) respectively.

Volume Leaders	Ticker	Last, USD	1D ch	Volume, USD mn	Number of Trades
Avdyivka Coke	AVDK	0.76	2.9%	1.3	427
Motor Sich	MSICH	271.91	4.0%	1.3	437
Alchevsk Steel	ALMK	0.0131	2.4%	1.0	627

Growth Leaders

Komsomolets Donbasa	SHKD	0.16	11.3%	0.02	19
Stakhanov Wagon	SVGZ	0.42	7.7%	0.12	166
Yasynivsky Coking	YASK	0.19	6.0%	0.08	98

Loss Leaders

Interpipe NMPP	NVTR	0.09	-15.7%	0.01	9
Mostobud	MTBD	11.57	-13.9%	0.00	11
Ukrtelecom	UTLM	0.05	-0.9%	0.04	29

Highlights

POLITICS AND ECONOMICS

- > No Breakthrough in Latest Round of Ukraine-IMF Talks

STOCKS IN THE NEWS

- > UkrSotsbank Reports UAH 15mn in Net Profit in 2011
- > LuhanskTeplovoz Top Line Up by 1.5x to USD 291mn in FY12

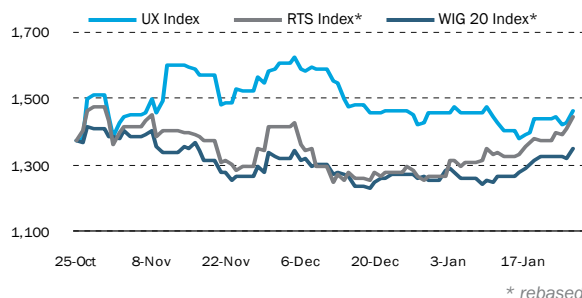
FIXED INCOME

- > OschadBank Reports UAH 531mn in Net Profits in FY11

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STOCK MARKET PERFORMANCE

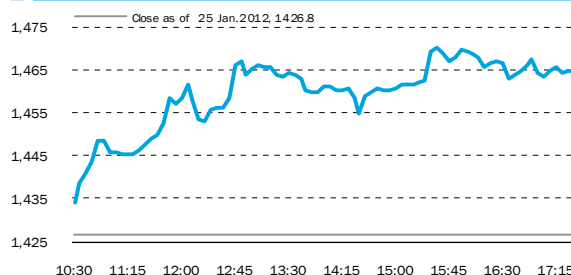


* rebased

MARKET INDEXES

	Last	1D ch	1M ch	YTD
UX	1465.3	2.7%	0.0%	0.4%
RTS	1573.0	2.5%	11.3%	13.8%
WIG20	2305.6	2.3%	6.3%	7.5%
MSCI EM	1015.0	1.5%	9.4%	10.8%
S&P 500	1318.4	-0.6%	4.2%	4.8%

UX INTRADAY JANUARY 26, 2012



FIXED INCOME

	Last	1D ch	1M ch	YTD
EMBI+Global	408.0	0.3%	0.2%	-4.3%
CDS 5Y UKR	820.9	-3.0%	-2.8%	-3.2%
Ukraine-13	9.74%	0.2 p.p.	-0.4 p.p.	-0.2 p.p.
Naftogaz Ukr-14	11.09%	-0.5 p.p.	-1.2 p.p.	-1.1 p.p.
Ukraine-20	9.56%	-0.3 p.p.	-0.5 p.p.	-0.5 p.p.
Privatbank-16	20.23%	0.1 p.p.	-0.5 p.p.	-0.5 p.p.

CURRENCY

	Last, UAH	1D ch	1M ch	YTD
USD	8.04	-0.1%	0.1%	-0.1%
EUR	10.54	0.1%	0.5%	1.6%
RUB	0.27	0.8%	2.8%	6.6%

COMMODITIES

	Last	1D ch	1M ch	YTD
Wheat, USD/t	188.0	0.0%	3.9%	3.9%
Steel, USD/t	625.0	0.0%	8.2%	8.2%
Oil, USD/bbl	99.7	0.3%	-0.1%	0.7%
Gold, USD/oz	1720.7	0.6%	7.1%	10.0%

Source: Bloomberg, Ukrainian Exchange

Real Wages Rose 11.5% YoY in 2011

by Sergiy Kulpinsky
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NEWS

Real wages were up by 11.5% in 2011 compared to 10.2% in 2010. The highest increase in nominal wages, +24.4% YoY, was registered in the agriculture, where productivity gains and strong output dynamics enabled the sector to invest in its labour. It was followed by construction (+23.2%) where new housing construction nearly approached the pre-crisis level of 2007. Wages in financial sector were among the laggards growing by 8.1% YoY as banks are slowly recovering from crisis and not expanding their main activities.

COMMENTARY

This strong growth level in real wages is partly due to record 8-year low inflation. It has so far had an impact on much higher foreign currency purchases by households compared to 2010 as uncertainty kept them from increasing spending. We expect both real wages and incomes to continue growing on a level slightly lower compared to 2011 this year but to keep the consumption momentum high.

No Breakthrough in Latest Round of Ukraine-IMF Talks

by Will Ritter
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NEWS

The latest round of talks between Ukraine and the International Monetary Fund have apparently yielded no change in either side's position, and Ukraine's USD 15bn standby loan remains locked. Local and international media reported on Thursday (Jan 26) that new Finance Minister Valeriy Khoroshkovskiy traveled to IMF headquarters in Washington earlier this week and that Prime Minister Nikolay Azarov met with IMF managing director Christine Lagarde in Zurich. Deputy PM Serhiy Tigipko, another official who has been heavily involved in the negotiations, was quoted by Interfax as saying that the dialogue will resume "in two or three weeks".

COMMENTARY

We believe that the IMF is continuing to stick to its demand that Ukraine raise gas/heating tariffs for household users and associated heating companies before loaning the country any more money, while the Ukrainian government is holding to the position that it can offset the losses due to ongoing gas subsidies via budget cuts in other areas. Top Ukrainian officials have continued to publicly insist that household users can be supplied by domestically produced Ukrainian natural gas at rock-bottom prices which are some 5x less than the Russian import price. After having failed to raise the tariffs in election-free 2011, the government would appear even less inclined to do so in 2012, a parliamentary election year. Yet given the fact that Ukraine this year has to repay USD 3.7bn in funds previously borrowed from the IMF, and the relatively small impact that a post-winter gas tariff increase would have on consumer inflation (gas tariffs are nearly negligible in the CPI basket, while heating tariffs are quite significant), we see a strong chance that Ukraine could change its stance and offer to meet this requirement at least partially in the coming months.

UkrSotsbank Reports UAH 15mn in Net Profit in FY11

by Dmytriy Biriuk
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NEWS

UkrSotsbank released its 4Q11 and FY11 UAS financials yesterday (Jan 26). The bank said its net interest income remained almost unchanged from the previous quarter, increasing by 1.3% QoQ to UAH 729mn. Net interest income for FY11 was UAH 2.9bn, or 2% YoY lower compared to what was reported in 2010. Total income for 4Q11 rose by 7.5% QoQ to UAH 923mn and increased by 1.6% YoY to UAH 3.6bn in FY11. The bank's cost/income ratio continued to creep up, closing 2011 at 40%, up from 35.2% at the end of the previous year. UkrSots reported a very small profit of UAH 15mn for 2011, implying an ROE of just 0.2%.

On the balance sheet we note continuous and successful efforts by UkrSotsbank directed at deleveraging. In particular, the loan/deposit ratio stood at 205% on 31 December 2011, down from 244% at the end of the previous year. The portfolio of gross corporate loans was slightly up, closing the year at UAH 18.7bn, a 4.6% YoY increase. Retail loans declined by 5.4% YoY.

UKRSOTSBANK UAS STATISTICS					
UAH mn	4Q'10	3Q'11	4Q'11	QoQ, %	YoY, %
Interest income	1,284	1,163	1,179	1.3%	-8.2%
Interest expense	(532)	(444)	(450)	1.3%	-15.5%
Net interest income	751	719	729	1.3%	-3.0%
Net fees and commissions income	139	147	167	13.6%	19.8%
Trading and other income/loss	36	(7)	28	-/+	-22.1%
Total income	926	859	923	7.5%	-0.3%
Operating expenses	-376	(313)	(468)	49.5%	24.5%
Profit from operations	552	532	489	-8.0%	-11.4%
Provisions for loan impairment	-492	(531)	(478)	-10.0%	-2.8%
Profit/loss before tax	61	1	12	918.8%	-81.1%
Corporate tax	-73	-	(3)	na	-96.0%
Net profit/loss	-12	1	9	658.5%	-168.9%
Loans to corporate borrowers	17,916	18,683	18,744	0.3%	4.6%
Loans to individuals	19,558	18,703	18,507	-1.0%	-5.4%
Current account of legal entities	3,600	5,880	3,826	-34.9%	6.3%
Term deposits of legal entities	1,841	2,066	3,199	54.8%	73.8%
Current accounts of individuals	2,807	3,372	3,058	-9.3%	8.9%
Term deposits of individuals	7,090	6,888	7,626	10.7%	7.6%

Source: National Bank of Ukraine, Eavex Research

COMMENTARY

This is a "typical" reporting package for UkrSotsbank of recent times. It features stagnancy in both revenue and volume of interest-earning assets. Operating profits which the company makes are used to make loan loss provisions up to the limit which would allow leaving a small, essentially negligible profit for the company. The bank's provisions/gross loans ratio was 30% on the reporting date, which indicates that this policy may be relaxed in 2012 and that the bank will finally start reporting significant profits.

LuhanskTeplovoz Top Line Expected Up by 1.5x to USD 291mn in FY12

by Iryna Levkivska
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LUHANSKTEPLOVOZ (LTPL UK)

Price: USD 0,318 Market Cap: USD 70mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2011E	-27.2	0.4	88.7	9.3	0.0%
2012E	168.4	0.3	23.8	6.6	0.0%

NEWS

LuhanskTeplovoz's, Ukraine's largest manufacturer of locomotives, announced yesterday (Jan 27) its top line guidance for FY12. Sergey Mikheev, the company's CEO, stated in a press interview yesterday that the company's orderbook for 2012 have increased by 50% YoY and already reached UAH 2.4bn (USD 291mn). LuhanskTeplovoz will produce 152 diesel locomotives for Russian State Railways (RZhD) in 2012.

COMMENTARY

We consider this news as positive for LuhanskTeplovoz's stocks. We believe that company will reach its FY12 top line guidance of USD 291mn. We also expect that LuhanskTeplovoz will increase its profitability in 2012. We will revise our model upward shortly. As of now, our model is built on the assumption of USD 196mn in revenue and USD 3mn in net profit in 2012. Our target price for LuhanskTeplovoz of USD 0.64 suggests a potential upside of 124% to the LTPL stock's current price.

OschadBank Reports UAH 531mn in Net Profit in FY11

by Dmytriy Biriuk
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BOND INFORMATION

			Current	3M ch.
USSB 2016				
Coupon	8.25%	Mid-Price	86.8	-1%
Volume, mn USD	700	Mid-YTM*	12.4%	60
Maturity	2016	Z-Spread	1166	10%
Rating*	B2/-/-	MDuration	3.2	nm

* Moody's/S&P/Fitch; *YTM ch in bps Source: Bloomberg, Eavex Capital

NEWS

Government-owned OschadBank published its 4Q11 and FY 2011 UAS financials on Jan 26. According to the release, the bank's net interest income for 4Q11 increased by 8.3% QoQ to UAH 1.3bn and for FY11 this indicator increased by 8.5% YoY to UAH 4.5bn. Simultaneously, OschadBank earned UAH 5.8bn in total income in 2011, which was 19.2% higher compared to 2010. The bank's operating expenses increased by 21.5% QoQ in 4Q11 and by 27.1% YoY in FY11. The provisions for loan impairment remained almost unchanged in 2011 YoY and amounted UAH 2.7bn. Net profit increased by 15.3% YoY to UAH 530mn in FY11.

FINANCIALS OF OSCHADBANK

UAH mn	4Q'10	3Q'11	4Q'11	QoQ, %	YoY, %
Interest income	1,890.9	2,243.8	2,360.6	5.2%	24.8%
Interest expense	-833.4	-1,059.6	-1,078.2	1.8%	29.4%
Net interest income	1,057.5	1,184.2	1,282.3	8.3%	21.3%
Net fees and commissions income	248.4	230.5	238.7	3.6%	-3.9%
Trading and other income/loss	114.1	98.4	94.9	-3.5%	-16.8%
Total income	1,420.1	1,513.1	1,616.0	6.8%	13.8%
Operating expenses	-552.3	-633.2	-769.3	21.5%	39.3%
Profit from operations	867.8	879.9	846.7	-3.8%	-2.4%
Provisions for loan impairment	-655.0	-742.4	-798.2	7.5%	21.9%
Profit/loss before tax	212.8	137.5	48.5	-64.8%	-77.2%
Corporate tax	-183.5	-	97.6	nm	nm
Net profit/loss	29.3	137.5	146.1	6.2%	398.5%
Loans to corporate borrowers	34,801	45,844	46,650	3.0%	36.8%
Loans to individuals	4,402	3,979	3,834	-2.5%	-11.1%
Current account of legal entities	3,871	3,943	4,288	8.7%	10.8%
Term deposits of legal entities	1,069	9,792	9,069	-7.4%	748.2%
Current accounts of individuals	8,749	9,325	9,378	0.6%	7.2%
Term deposits of individuals	10,731	15,195	15,850	4.3%	47.7%

Source: National Bank of Ukraine, Eavex Research

COMMENTARY

Among the balance sheet developments we note increases of 3% QoQ and 36.8% YoY in the volume of loans to corporate clients. Given that OschadBank has long been something of a government "special agent" for channeling money to the loss-making state energy monopoly Naftogaz, we presume that a significant chunk of this increase in loans has actually been going to this entity. Retail loans decreased by 2.5% QoQ and by 11.1% YoY to UAH 3.8bn.

EAVEX RECOMMENDATIONS

Name	Ticker	Price, USD per share	Target price, USD per share	Upside, %	Rating	Commentary
Steel						
Azovstal	AZST	0.18	0.15	-14%	SELL	AZST is expected to post poor earnings in FY12 on a 10% YoY drop in steel prices and weak demand.
Iron Ore						
Ferrexpo	FXPO LN	5.51	5.71	4%	BUY	Ferrexpo plans to expand iron ore pellet making capacity from its own ore by 33% to 12mm tonnes by 1Q13.
Pivnichny GOK	SGOK	1.25	1.77	41%	BUY	We expect SGOK to distribute USD 550mn in dividends in spring 2012, implying a DPS of USD 0.24.
Centralny GOK	CGOK	0.88	1.30	48%	BUY	CGOK is a strong dividend play. A DPS of USD 0.23 is expected to be declared in spring 2012.
Coke						
Avdyivka Coke	AVDK	0.76	1.86	143%	BUY	AVDK's order book is secure thanks to its integration with Metinvest, Ukraine's largest M&M holding.
Yasynivsky Coke	YASK	0.19	0.44	131%	BUY	Secured supply of high quality coking coal, main inputs, allows YASK to produce premium-class coke.
Alchevsk Coke	ALKZ	0.025	0.030	19%	SELL	ALKZ heavily distorts its financial results, with no expected improvement in the medium term.
Coal						
Pokrovske Mine	SHCHZ	0.17	0.36	117%	BUY	We expect SHCHZ to double its coking coal extraction to 9.5mm tonnes over 2010-15.
Railcar Manufacturing						
Stakhanov Wagon	SVGZ	0.42	1.69	300%	BUY	We expect a 18% CAGR in sales for 2010-2015E, as the company's key clients should resubmit orders which were deferred due to the global economic downturn.
Krukiv Wagon	KVBZ	2.97	6.44	117%	BUY	Krukiv Wagon is well-positioned to benefit from rebounding demand on the CIS railcar market. We estimate that its revenue will rise at a 11% CAGR in 2010-2015E.
LuhanskTeplovoz	LTPL	0.28	0.64	125%	BUY	LuhanskTeplovoz's incorporation into TransMashHolding should help it to exploit its already-dominant position on the Russian market for diesel locomotives.
Specialized Machinery						
Bogdan Motors	LUAZ	0.026	0.064	145%	BUY	Bogdan Motors is set to see its top line jump by 2.3x YoY to USD 534mn in 2011, thanks in large part to the consolidation of Hyundai import sales on its income statement.
Motor Sich	MSICH	272	616	126%	BUY	Motor Sich should see its sales grow with a 2010-2014E CAGR of 15%. For 2011-2014, we forecast average EBITDA of 31% and net margin of 26%.
Sumy Frunze	SMASH	0.5	--	--	SELL	A selloff of a majority of production assets will adversely impact the company's earning power.
Turboatom	TATM	0.62	1.09	75%	BUY	Turboatom's order book is valued at \$310mn, representing growth of 25% since June 2010.
Telecom						
Ukrtelecom	UTLM	0.055	--	--	SELL	Fixed-line long distance revenue is stagnating, with increasing competition from mobile operators.
Oil & Gas						
JKX Oil & Gas	JKX	2.4	6.0	154%	BUY	The expected start of operations in JKX's Russian gas field should lift output.
Power Utilities						
DonbasEnergO	DOEN	3.48	8.90	156%	BUY	DonbasEnergO recently launched Ukraine's most efficient power generation unit.
KrymEnergO	KREN	0.19	0.68	264%	BUY	We forecast that KrymEnergO's EBITDA margin will jump by 8 p.p. by 2014
CenterEnergO	CEEN	1.05	2.60	148%	BUY	CenterEnergO is expected to return to profits in 2011-2012.
DniproEnergO	DNEN	80.9	74.0	-9%	SELL	
ZakhidEnergO	ZAEN	31.2	37.8	21%	SELL	The company has a large debt burden. Its debt-to-equity ratio was 2.7x in 1Q11.
Consumer						
MHP	MHPC	12.0	24.0	101%	BUY	We forecast that MHP's sales will grow by a CAGR of 12.6% in 2010-2018.
Astarta	AST	17.50	30.0	71%	BUY	Astarta's revenue should grow by 54% YoY to USD 450mn in 2011, and with a 2011-2016 CAGR of 15%. 2011E EBITDA of USD 138mn implies a margin of 31%, compared the peer median of 16%.
Avangardco	AVGR	7.20	28.3	293%	BUY	Avangard operates with a gross margin of 36% vs. the industry avg of 22% and expects to raise its output by 56% by 2015, to 6.8bn eggs. Exports to the EU and MENA markets will be sales growth drivers.
Agroton	AGT	6.09	11.45	88%	SELL	Despite expected net profit growth of 43% CAGR during 2010-2015, our DCF and comparative valuations both show that the stock trades at a significant premium to its peers.
Sintal	SNPS	1.61	4.33	169%	HOLD	We model sales as growing at 25% CAGR to USD 182mn and EBITDA increasing at 3.5% CAGR to USD 42mn over 2011-2016. We like Sintal fundamentally, but we believe the stock is fairly valued.
MCB Agricole	4GW1	1.68	4.53	170%	BUY	Sales should grow by a 2011-2016 CAGR of 13.5% to USD 112mn with a gross margin of 28%. EBITDA is modeled as moving up at 3.5% per year to USD 23.5mn in 2016, implying an EBITDA margin of 21%.
Concern Galnaftogaz	GLNG	0.024	0.030	24%	BUY	Galnaftogaz has announced a plan to aggressively expand its filling station network.
Chemicals						
Stirol	STIR	4.17	9.20	121%	BUY	A new deal between the Ukrainian and Russian governments on a revised import gas pricing formula for Ukraine should be a strong trigger for Stirol's share price.
Banks						
Raiffeisen Bank Aval	BAVL	0.017	0.063	275%	HOLD	The bank enjoys a high net interest margin of 7%. RBA will return to profitability in 2011.
Urksotsbank	USCB	0.02	0.13	462%	BUY	USCB is the best listed Ukrainian bank in terms of cost efficiency, with a cost/income ratio of ~30%.
Bank Forum	FORM	0.18	--	--	SELL	Forum suffers from a low quality of earnings, a low net interest margin of 2.9%, and a high cost/income ratio of 100%+.

Source: Eavex Research

PRICES AND QUOTES

Name	Ticker	Today, UAH*	52 high, UAH*	52 low, UAH*	Absolute performance				Performance relative to the UX index			
					1d	1w	1m	ytd	1d	1w	1m	ytd
UX Index	UX	1465.34	2962.58	1258.08	2.7%	1.9%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%
Steel												
Alchevsk Steel	ALMK	0.105	0.26	0.04	2.4%	-0.5%	2.4%	3.1%	-0.3%	-2.4%	2.5%	2.7%
Azovstal	AZST	1.42	3.35	0.80	2.2%	-0.6%	0.4%	3.0%	-0.5%	-2.6%	0.5%	2.6%
Dniprospezstal	DNSS	1,500	2,400	1,000	0.0%	-25.0%	35.1%	-25.0%	-2.7%	-26.9%	35.2%	-25.4%
Enakievo Steel	ENMZ	67	195	37	3.0%	-3.5%	-5.0%	-3.9%	0.3%	-5.4%	-5.0%	-4.3%
Arcelor Mittal KR	KSTL	3.50	7.10	2.15	0.0%	0.0%	-48.1%	-48.1%	-2.7%	-1.9%	-48.1%	-48.6%
Mariupol Ilyicha	MMKI	0.24	0.90	0.20	0.0%	9.1%	-4.0%	-14.3%	-2.7%	7.1%	-4.0%	-14.7%
Zaporizhstal	ZPST	3.90	5.99	3.00	0.0%	0.0%	-2.5%	-2.5%	-2.7%	-1.9%	-2.5%	-2.9%
Coke												
Alchevsk Coke	ALKZ	0.20	0.67	0.13	0.0%	-16.7%	5.3%	5.3%	-2.7%	-18.6%	5.3%	4.8%
Avdyvka Coke	AVDK	6.1	18.0	5.7	2.8%	1.8%	-5.0%	-0.8%	0.1%	-0.1%	-4.9%	-1.3%
Yasynivsky Coking	YASK	1.53	5.47	0.94	6.3%	4.1%	10.9%	10.1%	3.5%	2.1%	10.9%	9.6%
Iron Ore Mining												
Centralny GOK	CGOK	7.05	9.20	5.00	5.7%	6.8%	9.5%	9.5%	3.0%	4.9%	9.5%	9.0%
Ferrexpo	FXPO	5.52	8.30	3.67	7.0%	4.9%	30.7%	32.3%	4.3%	2.9%	30.7%	31.9%
Pivnichny GOK	SGOK	10.1	15.9	8.2	1.4%	0.7%	14.3%	9.6%	-1.3%	-1.2%	14.4%	9.2%
Coal Mining												
Pokrovske Mine	SHCHZ	1.33	5.39	0.95	4.7%	3.1%	25.5%	22.0%	2.0%	1.2%	25.5%	21.6%
Komsomolets Donbasa	SHKD	1.28	5.25	0.90	11.3%	15.3%	33.3%	34.7%	8.6%	13.4%	33.4%	34.3%
Energy Coal	CLE	6.53	8.10	5.15	2.0%	0.7%	5.7%	4.5%	-0.7%	-1.2%	5.8%	4.1%
Mining Machinery												
Druzhkivka Machinery	DRMZ	1.79	4.00	0.90	0.0%	0.0%	-4.8%	0.0%	-2.7%	-1.9%	-4.7%	-0.4%
Svitlo Shakhtara	HMBZ	0.45	1.69	0.22	0.0%	0.0%	0.0%	7.1%	-2.7%	-1.9%	0.0%	6.7%
Pipe Manufacturing												
Khartsyzk Pipe	HRTR	1.06	1.39	0.83	1.0%	-0.9%	12.8%	14.0%	-1.8%	-2.9%	12.8%	13.5%
Interpipe NTRP	NITR	2.60	14.60	2.35	0.0%	0.0%	10.6%	10.6%	-2.7%	-1.9%	10.7%	10.2%
Interpipe NMPP	NVTR	0.75	2.75	0.38	-15.7%	-6.3%	13.6%	19.0%	-18.4%	-8.2%	13.7%	18.6%
Railcar Manufacturing												
Kryukiv Wagon	KVBZ	23.9	39.6	15.1	3.2%	3.7%	1.9%	3.7%	0.5%	1.8%	2.0%	3.3%
Luhanskeplovoz	LTPL	2.29	5.16	1.95	0.9%	-0.4%	12.3%	-0.4%	-1.8%	-2.4%	12.3%	-0.9%
Mariupol Heavy Machine	MZVM	0.2	16.3	0.1	10.5%	-4.5%	5.0%	0.0%	7.8%	-6.5%	5.0%	-0.4%
Stakhanov Wagon	SVGZ	3.39	11.63	2.73	7.6%	11.1%	12.6%	11.5%	4.9%	9.2%	12.7%	11.1%
Specialized Machinery												
Bogdan Motors	LUAZ	0.21	0.34	0.15	0.0%	-6.3%	-2.4%	-8.7%	-2.7%	-8.3%	-2.4%	-9.2%
Motor Sich	MSICH	2,185	3,868	1,609	3.9%	3.4%	1.4%	-2.0%	1.2%	1.5%	1.4%	-2.5%
Sumy Frunze Engineering	SMASH	4.1	17.0	2.5	0.7%	-8.0%	11.6%	19.1%	-2.0%	-9.9%	11.6%	18.7%
Turboatom	TATM	5.00	5.85	3.72	0.0%	0.0%	23.5%	0.0%	-2.7%	-1.9%	23.5%	-0.4%
WESTA ISIC	WES	1.09	4.33	0.80	3.4%	20.9%	23.8%	25.3%	0.7%	18.9%	23.8%	24.8%
Telecom												
Ukrtelecom	UTLM	0.44	0.65	0.35	-0.9%	0.7%	-3.2%	-1.2%	-3.6%	-1.3%	-3.1%	-1.6%
Oil & Gas												
Concern Galnaftogas	GLNG	0.20	n/a	n/a	0.0%	0.0%	0.0%	0.0%	-2.7%	-1.9%	0.0%	-0.4%
JKX Oil	JKX	2.37	5.37	1.85	0.8%	0.7%	10.6%	12.3%	-1.9%	-1.2%	10.6%	11.8%
Ukrnafta	UNAF	358	934	295	3.8%	4.8%	-13.3%	-1.3%	1.1%	2.9%	-13.3%	-1.7%
Power Utilities												
Centrenergo	CEEN	8.4	20.00	6.45	3.0%	-0.2%	-2.0%	-1.4%	0.3%	-2.2%	-2.0%	-1.9%
Dniproenergo	DNEN	650	1,330	488	0.0%	0.8%	3.5%	0.0%	-2.7%	-1.1%	3.5%	-0.5%
Donbasenergo	DOEN	28.0	83.7	21.0	3.9%	-0.7%	1.5%	-2.3%	1.2%	-2.6%	1.5%	-2.7%
Zakhidenergo	ZAEN	251	457	121	4.5%	-0.8%	0.7%	0.3%	1.8%	-2.8%	0.8%	-0.1%
Consumer												
Agroton	AGT	6.1	15.4	5.3	4.3%	11.0%	7.9%	13.4%	1.6%	9.1%	8.0%	12.9%
Astarta	AST	17.6	35.8	12.9	2.2%	23.3%	13.4%	16.6%	-0.5%	21.4%	13.5%	16.2%
Avangardo	AVGR	7.2	21.0	6.0	1.6%	11.6%	15.2%	8.4%	-1.2%	9.7%	15.2%	8.0%
Industrial Milk Company	IMC	2.6	4.2	2.1	3.5%	6.1%	16.5%	15.5%	0.8%	4.2%	16.6%	15.1%
Kernel	KER	21.0	31.1	17.8	2.8%	4.8%	4.4%	4.3%	0.1%	2.9%	4.5%	3.8%
Mriya Agro Holding	MAYA	6.18	11.15	5.83	0.6%	3.1%	1.4%	4.0%	-2.2%	1.2%	1.4%	3.6%
MHPC	MHPC	12.0	19.9	8.0	-2.3%	4.1%	11.3%	11.8%	-5.0%	2.1%	11.4%	11.3%
Milkiland	MLK	4.8	15.3	3.1	5.6%	-3.1%	53.9%	18.0%	2.9%	-5.1%	54.0%	17.5%
Ovostar Union	OVO	28.26	28.26	14.68	3.0%	9.5%	35.4%	45.2%	0.3%	7.6%	35.4%	44.8%
Sintal	SNPS	1.6	4.9	0.8	1.0%	1.9%	3.2%	30.9%	-1.7%	0.0%	3.3%	30.5%
MCB Agricole	4GW1	1.7	3.6	1.1	-8.3%	-10.7%	-21.8%	-15.9%	-11.0%	-12.7%	-21.7%	-16.3%
Chemicals												
Stirol	STIR	33.5	90.7	27.5	2.3%	0.5%	-8.9%	-8.7%	-0.4%	-1.5%	-8.9%	-9.2%
Banks												
Raiffeisen Bank Aval	BAVL	0.135	0.5	0.1	2.4%	6.4%	6.4%	2.2%	-0.4%	4.5%	6.4%	1.8%
Bank Forum	FORM	1.5	6.1	1.0	2.8%	4.3%	1.4%	5.0%	0.1%	2.3%	1.4%	4.6%
UkrSotsbank	USCB	0.186	0.7	0.1	2.3%	7.3%	16.3%	9.6%	-0.4%	5.4%	16.3%	9.1%

Source: Bloomberg

* companies listed abroad are in USD

MAIN FINANCIAL FORECASTS, USD MN

Name	Ticker	Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E
Steel																
Mariupol Ilyicha	MMKI	3,133	3,866	3,358	61	19	12	2.0%	0.5%	0.4%	-53	-125	-165	neg	neg	neg
Arcelor Mittal KR	KSTL	2,956	3,234	2,841	348	488	410	11.8%	15.1%	14.4%	152	238	166	5.2%	7.4%	5.9%
Alchevsk Steel	ALMK	1,341	2,392	2,173	-15	144	88	neg	6.0%	4.0%	-128	48	9	neg	2.0%	0.4%
Yenakievo Steel	ENMZ	1,117	1,647	1,315	-161	-110	-146	neg	neg	neg	-98	-138	-175	neg	neg	neg
Azovstal	AZST	3,000	3,805	3,458	27	71	55	0.9%	1.9%	1.6%	-22	-49	-55	neg	neg	neg
Zaporizhstal	ZPST	1,662	2,129	1,913	80	43	34	4.8%	2.0%	1.8%	30	-6	-9	1.8%	neg	neg
DniproSpetzStal	DNSS	505	726	616	41	75	58	8.2%	10.4%	9.4%	7	43	21	1.4%	5.9%	3.4%
Coke																
Avdyivka Coke	AVDK	886	1,375	1,198	68	65	52	7.6%	4.7%	4.4%	-3	13	3	neg	1.0%	0.2%
Alchevsk Coke	ALKZ	747	789	716	7	9	3	0.9%	1.1%	0.4%	-4	-2	-9	neg	neg	neg
Yasnyivsky Coke	YASK	443	569	486	21	43	37	4.8%	7.5%	7.6%	9	22	19	2.0%	3.9%	3.9%
Iron Ore Mining																
Centralny GOK	CGOK	558	757	682	300	455	394	53.7%	60.0%	57.8%	162	295	245	29.0%	38.9%	36.0%
Pivnichny GOK	SGOK	1,256	1,732	1,583	747	1,117	978	59.5%	64.5%	61.8%	333	687	580	26.5%	39.7%	36.6%
Ferrexpo	FXPO	1,295	1,730	1,603	585	804	695	45.2%	46.5%	43.4%	425	600	500	32.8%	34.7%	31.2%
Coal Mining																
Komsomolets Donbasa	SHKD	151	161	187	47	50	57	31.4%	31.0%	30.7%	-3	6	8	neg	3.5%	4.5%
Pokrovske Mine	SHCHZ	388	414	476	71	125	152	18.4%	30.2%	31.9%	-10	29	52	neg	7.0%	10.8%
Mining Machinery																
Druzhkivka Machinery	DRMZ	125	85	95	15	11	12	11.9%	12.3%	13.0%	11	6	8	9.0%	6.6%	8.0%
Svitlo Shakhtara	HMBZ	52	61	66	13	15	16	24.7%	24.3%	23.7%	7	8	9	13.8%	14.0%	13.8%
Pipe Manufacturing																
Khartsyzk Pipe	HRTR	336	565	485	48	79	68	14.2%	14.0%	14.0%	22	79	41	6.4%	13.9%	8.6%
Interpipe NTRP	NITR	586	678	773	40	81	108	6.9%	12.0%	14.0%	-32	10	38	neg	1.4%	4.9%
Interpipe NMPP	NVTR	150	181	212	10	11	21	6.6%	5.9%	10.0%	-8	-5	3	neg	neg	1.3%
Railcar Manufacturing																
Mariupol Heavy Machine	MZVM	332	97	99	12	-14	-17	3.7%	neg	neg	-21	-25	-17	neg	neg	neg
LuganskTeplovoz	LTPL	108	166	196	0	8	11	neg	4.9%	5.8%	-1	1	3	neg	0.4%	1.3%
Krjukiv Wagon	KVBZ	509	730	795	73	97	103	14.4%	13.3%	13.0%	38	61	67	7.4%	8.4%	8.4%
Stakhanov Wagon	SVGZ	363	437	602	37	45	54	10.1%	10.3%	9.0%	33	26	38	9.0%	5.9%	6.3%
Specialized Machinery																
Sumy Frunze Engineering	SMASH	287	318	339	35	36	37	12.1%	11.4%	10.9%	40	8	11	14.1%	2.6%	3.2%
Turboatom	TATM	119	150	180	36	47	55	30.1%	31.2%	30.6%	24	32	37	20.0%	21.2%	20.3%
Motor Sich	MSICH	631	767	873	220	242	272	34.9%	31.6%	31.1%	157	208	234	25.0%	27.1%	26.8%
Auto Industry																
Bogdan Motors	LUAZ	229	534	627	35	53	62	15.5%	10.0%	9.9%	-34	4	13	neg	0.7%	2.1%
Telecom																
Ukrtelecom	UTLM	848	908	900	165	200	234	19.5%	22.0%	26.0%	-33	31	70	neg	3.4%	7.8%
Oil & Gas																
Ukrnafta	UNAF	2,501	3,000	2,404	553	492	841	22.1%	16.4%	35.0%	331	429	551	13.2%	14.3%	22.9%
Concern Galnaftogaz	GLNG	1,141	1,426	1,659	82	117	141	7.2%	8.2%	8.5%	39	50	67	3.4%	3.5%	4.0%
JXX Oil & Gas	JKX	193	266	392	128	173	255	66.4%	65.0%	65.0%	21	75	121	11.0%	28.2%	30.9%
Electric Utilities																
CentrEnergo	CEEN	708	896	1,051	28	73	109	4.0%	8.2%	10.4%	1	40	61	0.2%	4.5%	5.8%
DniproEnergo	DNEN	770	918	1,058	85	127	128	11.0%	13.8%	12.1%	24	36	55	3.1%	3.9%	5.2%
DonbasEnergo	DOEN	379	491	589	-6	17	32	neg	3.5%	5.4%	-18	3	11	neg	0.6%	1.9%
ZakhidEnergo	ZAEN	618	784	920	11	31	54	1.7%	4.0%	5.9%	-23	24	24	neg	3.0%	2.6%
Consumer																
Slavutych Brewery	SLAV	355	448	469	97	120	124	27.4%	26.7%	26.4%	53	63	72	14.9%	14.1%	15.3%
Sun InBev Ukraine	SUNI	436	494	543	114	139	155	26.2%	28.1%	28.6%	54	78	92	12.3%	15.8%	16.9%
MHP	MHPC	944	999	1,061	325	355	375	34.4%	35.5%	35.3%	215	211	208	22.8%	21.1%	19.6%
Kernel	KER	1,020	1,550	1,590	190	300	290	18.6%	19.4%	18.2%	152	194	187	14.9%	12.5%	11.8%
Astarta	AST	245	375	425	119	138	127	40.5%	30.6%	24.9%	91	105	95	31.2%	23.2%	18.6%
Avangardco	AVGR	440	603	689	194	255	305	44.0%	42.3%	44.3%	185	220	252	42.0%	36.5%	36.6%
Agroton	AGT	57	103	122	6	33	42	9.7%	32.6%	34.4%	-14	12	19	neg	11.2%	15.3%
Sintal	SNPS	45	60	83	6	14	23	12.8%	24.0%	27.6%	2	11	18	4.4%	17.7%	21.7%
MCB Agricole	4GW1	37	59	70	8	20	21	20.2%	33.3%	29.5%	6	17	19	15.6%	29.2%	27.1%
Chemicals																
Stirol	STIR	270	584	749	-56	6	52	neg	1.0%	7.0%	-83	-26	13	neg	neg	1.7%
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	6,948	7,020	7,476	812	861	924	708	722	642	0	51	63	0.0%	6.2%	7.0%
Ukrsotsbank	USCB	5,227	4,971	5,021	825	879	873	445	476	466	4	66	88	0.5%	7.7%	10.1%
Bank Forum	FORM	1,761	1,935	2,126	96	281	306	72	164	186	72	164	186	43.5%	86.8%	63.5%

Source: Eavex Research

MAIN TRADING MULTIPLES

Ticker	MCap USD mn	Free Float % USD mn	EV USD mn	P/E			EV/EBITDA			EV/Sales			EV/Output			Units		
				2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E			
Steel																		
Mariupol Ilyicha	MMKI	370	0.9%	3	341	neg	neg	neg	5.6	17.7	27.6	0.1	0.1	0.1	62	54	50	\$/tonne
Arcelor Mittal KR	KSTL	n/a	2.9%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$/tonne
Alchevsk Steel	ALMK	336	3.9%	13	959	neg	7.0	>30	neg	6.7	11.0	0.7	0.4	0.4	331	285	257	\$/tonne
Yenakievo Steel	ENMZ	87	9.0%	8	64	neg	neg	neg	neg	neg	neg	0.1	0.0	0.0	26	24	24	\$/tonne
Azovstal	AZST	743	4.1%	30	707	neg	neg	neg	26.7	9.9	12.8	0.2	0.2	0.2	126	119	113	\$/tonne
Zaporizhstal	ZPST	1,283	2.7%	35	1,480	>30	neg	neg	18.5	>30	>30	0.9	0.7	0.8	435	389	353	\$/tonne
DniproSpetzStal	DNSS	201	14.5%	29	361	27.8	4.7	9.4	8.7	4.8	6.2	0.7	0.5	0.6	950	791	659	\$/tonne
Coke																		
Avdivka Coke	AVDK	149	9.0%	13	147	neg	11.3	>30	2.2	2.3	2.8	0.2	0.1	0.1	42	32	27	\$/tonne
Alchevsk Coke	ALKZ	75	2.3%	2	98	neg	neg	neg	13.9	11.4	>30	0.1	0.1	0.1	33	28	27	\$/tonne
Yasynivsky Coke	YASK	52	9.0%	5	138	6.0	2.3	2.8	6.4	3.2	3.8	0.3	0.2	0.3	6.4	3.2	3.8	\$/tonne
Iron Ore Mining																		
Centralny GOK	CGOK	1,028	0.5%	5	1,024	6.4	3.5	4.2	3.4	2.3	2.6	1.8	1.4	1.5				
Pivnichny GOK	SGOK	2,882	0.5%	16	3,000	8.7	4.2	5.0	4.0	2.7	3.1	2.4	1.7	1.9				
Ferrexpo	FXPO	3,246	24.0%	779	3,221	7.6	5.4	6.5	5.5	4.0	4.6	2.5	1.9	2.0				
Coal Mining																		
Komsomolets Donbasa	SHKD	53	5.4%	3	156	neg	9.5	6.3	3.3	3.1	2.7	1.0	1.0	0.8	38	37	35	\$/tonne
Pokrovskoe Mine	SHCHZ	140	2.0%	3	172	neg	4.8	2.7	2.4	1.4	1.1	0.4	0.4	0.4	2.4	1.4	1.1	\$/tonne
Mining Machinery																		
Druzhkivka Machinery	DRMZ	46	13.0%	6	46	4.1	8.2	6.1	3.1	4.4	3.7	0.4	0.5	0.5				
Svitlo Shakhtara	HMBZ	19	22.8%	4	18	2.6	2.2	2.1	1.4	1.2	1.1	0.4	0.3	0.3				
Pipe Manufacturing																		
Khartsyzk Pipe	HRTR	343	2.0%	7	383	15.9	4.4	8.3	8.0	4.8	5.6	1.1	0.7	0.8	1303	881	1094	\$/tonne
Interpipe NTRP	NITR	n/a	4.6%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$/tonne
Interpipe NMPP	NVTR	19	7.4%	1	37	neg	neg	6.9	3.8	3.5	1.8	0.2	0.2	0.2	202	176	157	\$/tonne
Railcar Manufacturing																		
Mariupol Heavy Machine	MZVM	0	19.5%	0	-328	neg	neg	neg	-26.5	neg	neg	-1.0	-3.4	-3.3				
LuganskTeplovoz	LTPL	62	24.0%	15	75	neg	>30	23.7	neg	9.3	6.6	0.7	0.5	0.4				
Kruviv Wagon	KVBZ	340	5.0%	17	380	9.0	5.6	5.1	5.2	3.9	3.7	0.7	0.5	0.5				
Stakhanov Wagon	SVGZ	96	8.0%	8	123	2.9	3.7	2.5	3.3	2.7	2.3	0.3	0.3	0.2				
Specialized Machinery																		
Sumy Frunze Engineering	SMASH	36	8.0%	3	63	0.9	4.3	3.3	1.8	1.7	1.7	0.2	0.2	0.2				
Turboatom	TATM	263	12.8%	34	241	11.0	8.3	7.2	6.7	5.1	4.4	2.0	1.6	1.3				
Motor Sich	MSICH	565	24.0%	136	576	3.6	2.7	2.4	2.6	2.4	2.1	0.9	0.8	0.7				
Auto Industry																		
Bogdan Motors	LUAZ	113	11.0%	12	463	neg	>30	8.7	13.1	8.7	7.5	2.0	0.9	0.7				
Telecom																		
Ukrtelecom	UTLM	1,021	7.2%	73	1,368	neg	>30	14.5	8.3	6.8	5.8	1.6	1.5	1.5				
Oil & Gas																		
Ukrnafta	UNAF	2,413	8.0%	193	2,414	7.3	5.6	4.4	4.4	4.9	2.9	1.0	0.8	1.0	n/a	n/a	n/a	\$/boe
Concern Galnaftogaz	GLNG	486	8.5%	41	775	12.6	9.6	7.3	9.4	6.6	5.5	0.7	0.5	0.5	n/a	n/a	n/a	\$/boe
JKX Oil & Gas	JKX	406	50.4%	205	515	19.2	5.4	3.4	4.0	3.0	2.0	2.7	1.9	1.3	135	94	71	\$/boe
Electric Utilities																		
CentrEnerg	CEEN	387	21.7%	84	467	>30	9.7	6.4	16.5	6.4	4.3	0.7	0.5	0.4	32	33	30	\$/MWh
DniproEnerg	DNEN	483	2.5%	12	531	20.2	13.5	8.8	6.3	4.2	4.1	0.7	0.6	0.5	34	35	32	\$/MWh
DonbasEnerg	DOEN	82	14.2%	12	120	neg	26.3	7.5	neg	7.0	3.7	0.3	0.2	0.2	15	14	14	\$/MWh
ZakhidEnerg	ZAEN	399	4.8%	19	469	neg	16.8	16.5	>30	14.9	8.6	0.8	0.6	0.5	41	38	35	\$/MWh
Consumer																		
Slavutych Brevery	SLAV	n/a	6.7%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a				
Sun InBev Ukraine	SUNI	n/a	13.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a				
MHP	MHPC	1,291	34.4%	444	2,088	6.0	6.1	6.2	6.4	5.9	5.6	2.2	2.1	2.0	6525	6525	6525	\$/tonne
Kernel	KER	1,549	58.4%	905	2,015	10.2	8.0	8.3	10.6	6.7	6.9	2.0	1.3	1.3				
Astarta	AST	440	31.0%	137	587	4.8	4.2	4.6	4.9	4.3	4.6	2.4	1.6	1.4	2976	1812	1505	\$/tonne
Avangardco	AVGR	460	22.5%	104	548	2.5	2.1	1.8	2.8	2.1	1.8	1.2	0.9	0.8	124	94	89	\$/mneeggs
Agroton	AGT	133	44.6%	59	165	neg	11.5	7.1	29.7	4.9	3.9	2.9	1.6	1.4	1.2	1.1	0.9	\$/'000/ ha
Sintal	SNPS	53	36.3%	19	54	26.9	5.0	3.0	9.2	3.7	2.3	1.2	0.9	0.6	0.6	0.6	0.5	\$/'000/ ha
MCB Agricole	4GW1	29	24.4%	7	25	5.0	1.7	1.5	3.4	1.3	1.2	0.7	0.4	0.4	0.3	0.3	0.3	\$/'000/ ha
Chemicals																		
Stirol	STIR	113	9.7%	11	164	neg	neg	8.7	neg	28.0	3.1	0.6	0.3	0.2	164	66	60	\$/tonne
Banks																		
Raiffeisen Bank Aval	BAVL	504	4.0%	20		>30	9.9	8.0	0.6	0.6	0.5	0.07	0.07	0.07				
Ukrsofsbank	USCB	293	4.5%	13		>30	5.3	4.0	0.4	0.3	0.3	0.07	0.07	0.07				
Bank Forum	FORM	109	4.0%	4		6.7	3.0	2.6	1.1	0.4	0.4	0.27	0.25	0.23				

Source: Eavex Research

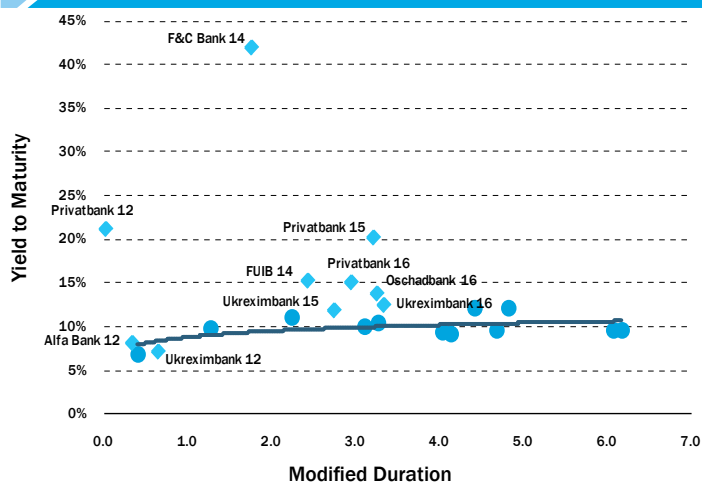
UKRAINIAN EUROBONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Price chg. (YTD)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn USD	Ratings ¹
Sovereign Eurobonds											
Ukraine, 2012	99.4	100.1	7.89%	6.02%	-2.68%	0.4	6.385%	S/A	06.26.2012	500	/B+/B
Ukraine, 2013	97.1	97.6	9.91%	9.50%	0.39%	1.3	7.65%	S/A	06.11.2013	1000	/B+/B
Naftogaz Ukraine, 2014	95.8	97.0	11.33%	10.79%	2.73%	2.2	9.50%	S/A	09.30.2014	1595	//B
Ukraine, 2015 (EUR)	82.8	84.8	10.81%	10.04%	0.90%	3.3	4.95%	A	10.13.2015	600*	B2/B+/B
Ukraine, 2015	90.3	91.3	10.11%	9.76%	0.55%	3.1	6.875%	S/A	09.23.2015	500	B2/B+/B
Ukraine, 2016	88.0	90.5	9.74%	9.04%	1.42%	4.0	6.58%	S/A	11.21.2016	1000	B//B
Ukraine, 2016-2	88.5	89.5	9.21%	8.93%	na	4.1	6.25%	S/A	06.17.2016	1250	B2/B+/B
Ukraine, 2017	86.0	88.8	9.97%	9.29%	0.43%	4.7	6.75%	S/A	11.14.2017	700	B2/CCC+/B
Ukraine, 2017 Infr. projects	83.0	86.0	12.58%	11.76%	0.30%	4.4	8.375%	S/A	11.03.2017	568	B2/-/-
Ukraine, 2018 Infr. projects	78.7	80.9	12.38%	11.79%	na	4.8	7.40%	S/A	04.20.2018	690	B2/-/-
Ukraine, 2020	89.0	90.0	9.64%	9.45%	3.02%	6.1	7.75%	S/A	09.23.2020	1500	B2/B+/B
Ukraine, 2021	89.5	90.5	9.69%	9.51%	na	6.2	7.95%	S/A	23.02.2021	1500	B2/B+/B
Corporate Eurobonds											
Agroton, 2014	80.0	84.8	23.60%	20.65%	na	2.1	12.50%	S/A	07.14.2014	50	-/-/B-
MHP, 2015	93.2	94.7	12.84%	12.54%	-9.78%	2.7	10.25%	S/A	04.29.2015	585	B3//B
Avangardco, 2015	73.4	78.5	20.42%	18.09%	-20.87%	3.0	10.00%	S/A	10.29.2015	200	-/-/B
Mriya, 2016	88.8	90.6	14.60%	13.95%	na	3.2	10.95%	S/A	3.30.2016	250	-/B/B-
DTEK, 2015	95.9	97.4	11.02%	10.42%	5.01%	2.7	9.50%	S/A	04.28.2015	500	B2//B
Metinvest, 2015	98.2	99.0	10.91%	10.62%	-8.32%	2.7	10.25%	S/A	05.20.2015	500	B3//B-
Metinvest, 2018	87.3	88.8	11.70%	11.34%	na	4.4	8.75%	S/A	02.14.2018	750	B2/-/B-
Ferrexpo, 2016	88.8	92.0	11.27%	10.11%	na	3.4	7.875%	S/A	04.07.2016	500	B2/B+/B
Interepipe, 2017	n/a	n/a	n/a	n/a	n/a	n/a	10.25%	S/A	08.02.2017	200	-/B+/B+
Bank Eurobonds											
Alfa Bank Ukr, 2012	100.5	101.7	10.60%	5.59%	-2.10%	0.3	13.00%	Q	07.30.2012	841	/CCC+/
Fin&Credit Bank, 2014	55.0	65.0	47.79%	36.60%	0.00%	1.8	10.50%	S/A	01.25.2014	100	Caa1//
FUIB, 2014	88.9	91.5	15.80%	14.62%	4.11%	2.4	11.00%	Q	12.31.2014	275	B2//B-
Nadra Bank, 2017	n/a	n/a	n/a	n/a	n/a	4.1	8.00%	A	06.22.2017	175	WD//WD
PrivatBank, 2012	99.1	100.0	38.92%	4.74%	-0.44%	0.0	8.00%	S/A	02.06.2012	500	B1//B
PrivatBank, 2015	84.0	84.9	15.20%	14.83%	-14.17%	2.9	9.38%	S/A	09.23.2015	200	B1//B
PrivatBank, 2016	60.0	63.0	20.91%	19.39%	2.31%	3.2	8.75%	S/A	02.09.2016	150	B1//B
UkrEximBank, 2012	99.3	100.3	7.85%	6.33%	1.52%	0.6	6.80%	S/A	10.04.2012	250	B1//B
UkrEximBank, 2015	90.0	91.8	12.16%	11.46%	3.87%	2.7	8.38%	S/A	04.27.2015	750	B1//B
UkrEximBank, 2016	74.8	76.9	14.13%	13.34%	-22.37%	3.2	8.40%	S/A	02.09.2016	125	B1//B
VAB Bank, 2014	n/a	n/a	n/a	n/a	n/a	n/a	10.50%	Q	06.14.2014	125	WD
Oschadbank, 2016	85.8	87.8	12.8%	12.1%	na	3.3	8.25%	S/A	03.10.2016	700	B2//B
Municipal Eurobonds											
City of Kyiv, 2012	98.0	100.0	10.74%	8.18%	1.54%	0.8	8.25%	S/A	11.26.2012	250	B1/CCC+/B
City of Kyiv, 2015	86.0	88.0	12.76%	12.02%	7.45%	3.2	8.00%	S/A	11.06.2015	250	B1/CCC+/B
City of Kyiv, 2016	86.0	88.5	13.66%	12.84%	na	3.4	9.375%	S/A	06.30.2016	300	B1/CCC+/B

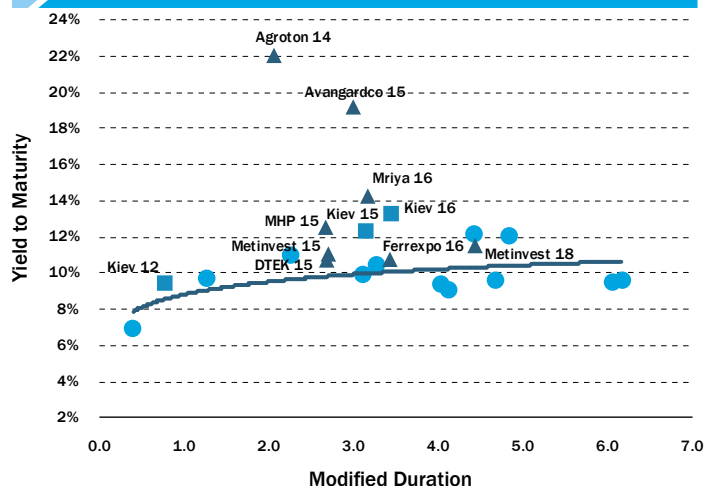
¹ Moody's/S&P/Fitch; * EUR

Source: Bloomberg, Cbonds, Eavex Research

SOVEREIGNS vs. BANKING EUROBONDS



SOVEREIGNS vs. CORPORATE and MUNICIPAL EUROBONDS

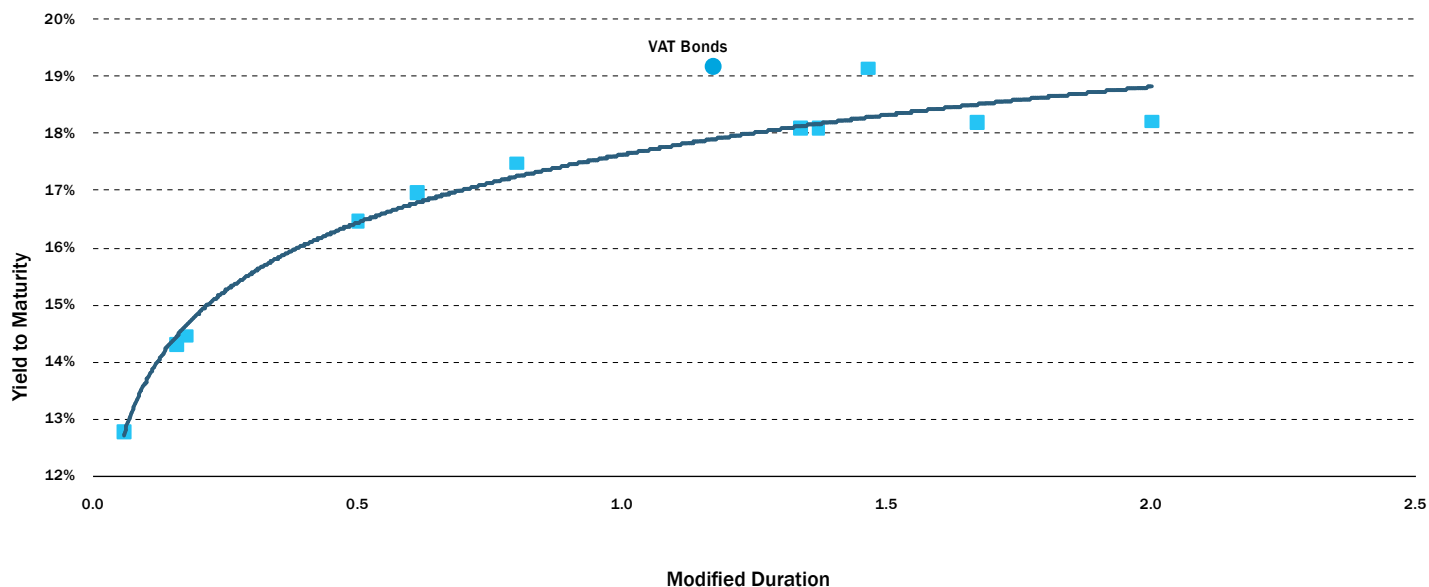


Source: Bloomberg, Cbonds, Eavex Research

UKRAINIAN DOMESTIC BONDS

Issue	Price (Bid)	Price (Ask)	YTM (Bid)	YTM (Ask)	Modified Duration	Coupon	Coupon Period	Maturity Date	Volume mn USD
UA4000048219	100.1	100.3	14.94%	10.65%	0.1	15.60%	S/A	02.22.2012	363
UA4000053920	100.1	100.5	15.48%	13.14%	0.2	15.70%	Q	4/4/2012	88
UA4000053912	100.1	100.5	15.49%	13.42%	0.2	15.70%	S/A	11/4/2012	174
UA4000063564	101.5	103.2	17.98%	14.96%	0.5	20.00%	S/A	12/9/2012	275
UA4000061451	101.8	103.2	17.99%	15.96%	0.6	20.00%	S/A	10.31.2012	177
UA4000064018	102.2	103.9	18.49%	16.48%	0.8	20.00%	S/A	02.20.2013	121
UA4000048508	90.5	94.0	19.51%	16.75%	1.3	12.00%	S/A	10.23.2013	93
UA4000048391	90.3	93.9	19.50%	16.74%	1.4	12.00%	S/A	6/11/2013	52
UA4000108823	87.1	89.2	19.91%	18.41%	1.5	10.97%	S/A	01.29.2014	338
UA4000051403	94.2	99.1	19.74%	16.73%	1.7	15.60%	S/A	05.14.2014	125
UA4000064166	91.5	97.5	19.76%	16.75%	2.0	15.00%	S/A	01.28.2015	57
VAT Bonds									
UA4000082531	81.1	82.7	19.92%	18.42%	1.17	5.50%	S/A	08.21.2015	256
UA4000082622	81.0	82.6	19.92%	18.42%	1.18	5.50%	S/A	08.24.2015	1039
UA4000083059	81.0	82.6	19.93%	18.42%	1.18	5.50%	S/A	08.25.2015	756

Source: Bloomberg, Cbonds, Eavex Research

DOMESTIC BONDS YIELD CURVE


Source: Bloomberg, Cbonds, Eavex Research

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