

Stock Market Update

Ferrexpo, Astarta Drop While MHP Gains; Hryvnia Strengthens on FX-Reserve High

Shares of Ukrainian companies listed abroad mostly declined last week. Ferrexpo (FXPO) tumbled nearly 11% to GBp 66.50, valuing the miner at about USD 530mn. Astarta (AST) slid 5% to PLN 44.60 (MCap of USD 300mn). MHP (MHPC) outperformed, with the stock gaining 5% to USD 6.32 (MCap of USD 676mn).

Kyivstar (KYIV) decreased by 1.8% to USD 13.90 (MCap of USD 3.2bn) remaining in the highly volatile mode. The company reported that together with the AI Center of Excellence under Ukraine’s Ministry of Digital Transformation, has selected Google Gemma as the base model for developing Ukrainian LLM.

As a strategic partner in this project, Kyivstar will operationally lead the development. By anchoring the project on an open-source model from a global technology leader, Ukraine is positioning itself to build an LLM that reflects the country’s linguistic depth and cultural identity, while also addressing security requirements.

Once completed, the Ukrainian LLM is expected to serve as the foundation for a new generation of AI-powered services across the public and private sectors in Ukraine. Potential use cases range from regulatory and legal analysis tools to domain-specific solutions in education, finance, healthcare, and beyond. By training the model on Ukrainian data, Kyivstar aims to deliver more accurate, locally relevant, and actionable outputs than general-purpose global models.

Highlights

POLITICS AND ECONOMICS

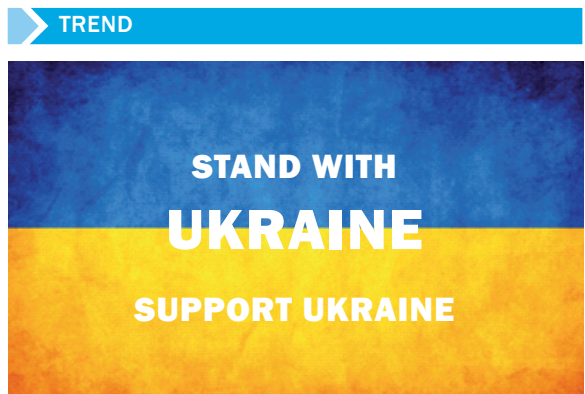
- > Weakened Zelenskiy Still Without Admin Head after Yermak Firing
- > Ukraine’s FX Reserves Hit Record USD 54.7bn on EU Funding Boost

The National Bank of Ukraine has opened a special fundraising account to support the Armed Forces of Ukraine. Please find more at the National Bank’s official website under the link below:

www.bank.gov.ua/en/about/support-the-armed-forces

The National Bank also opened fundraising account for Humanitarian Assistance to Ukrainians. Please see details under the link below:

www.bank.gov.ua/en/about/humanitarian-aid-to-ukraine



UNITED24 charitable donations will be transferred to the official accounts of the National Bank of Ukraine and allocated by assigned ministries to cover the most pressing needs:

www.u24.gov.ua

MARKET INDEXES

	Last	1W ch	YTD
UX	1194	0.0%	0.0%
RTS	1122	4.1%	25.6%
WIG20	2950	-1.7%	34.6%
MSCI EM	1385	1.3%	28.8%
MSCI Global	1011	0.6%	20.2%
S&P 500	6870	0.3%	16.8%

FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	15.5%	0.0 p.p.	2.0 p.p.
UAH 1-year bond yield	16.4%	0.0 p.p.	0.0 p.p.
Ukraine-2029 yield	21.0%	1.8 p.p.	5.1 p.p.
Ukraine-2036 yield	15.9%	0.9 p.p.	1.5 p.p.

CASH EXCHANGE RATES

	Last, UAH	1W ch	YTD
USD/UAH	42.25	-0.4%	0.0%
EUR/UAH	49.37	0.7%	11.4%

Source: Eavex Capital

Weakened Zelenskiy Still Without Admin Head after Yermak Firing

by Will Ritter
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NEWS

President Zelenskiy's administration remains without a new head of office more than a week after longtime top aide Andriy Yermak was fired last month. Domestic outlet Ukrayinska Pravda reported today (Dec 8) that Zelenskiy has hesitated to appoint the initial favorite to replace Yermak, Digital Transformation Minister Mykhailo Fedorov, due to the latter's "radical views on personnel purges", and is looking at additional candidates. These include current Defense Minister Dennis Shmyhal, head of military intelligence (HUR) Kyrilo Budanov, presidential military affairs head Pavlo Palisa, deputy foreign minister Serhiy Kislytsia, and former ambassador to Washington Oksana Markarova.

Yermak was fired on Nov 28 immediately after investigators from the NABU anti-corruption agency raided his apartment, amid a reported lobbying campaign by officials across the Zelenskiy government to have him removed.

Ukrayinska Pravda wrote that the anti-Yermak effort was spearheaded by the majority faction head in Parliament, David Arakhamia, but also included Yermak's own allies such as Prime Minister Yulia Svyridenko and Parliament Speaker Ruslan Stefanchuk. The outlet also stated that in the days leading up to his firing, Yermak was attempting to have the Ukrainian Security Service (SBU) arrest Arakhamia on treason charges. Following the dismissal, Zelenskiy removed Yermak from his membership on the National Security & Defense Council (RNBO) and the presidential war council (known as the Stavka).

COMMENTARY

It remains to be seen how well Zelenskiy will manage to withstand the apparent sudden fall of his key partner in governance for the last 6 years, especially given the possibility that Yermak may soon be charged by NABU with involvement in corruption schemes.

The initial indications are that Zelenskiy's administration will be weakened at the expense of Ukraine's other branches of government, i.e. the Cabinet of Ministers (currently led by Svyridenko) and Parliament, with Arakhamia likely to enjoy a substantial rise in influence.

With Fedorov's candidacy to replace Yermak seemingly on the rocks, we expect Zelenskiy to make the less controversial choice of Shmyhal or Kislytsia, either of whom would likely be well-received by Western governments.

The reconfigured state apparatus could be in place for at least 6 months, as elections are not on the horizon due to the stalled peace process.

Ukraine's negotiations with Russia (with the Trump administration mediating) are hung up on the Putin regime's demand that Ukraine abandon the heavily-fortified cities of Slavyansk and Kramatorsk (Donetsk province) without a fight. If Zelenskiy refuses, Putin has claimed that he can continue the war and capture the cities by military force. Neither the Trump administration nor Trump himself have taken a public position on this key territorial issue in the talks.

Ukraine's FX Reserves Hit Record USD 54.7bn on EU Funding Boost

by Dmitry Churin
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NEWS

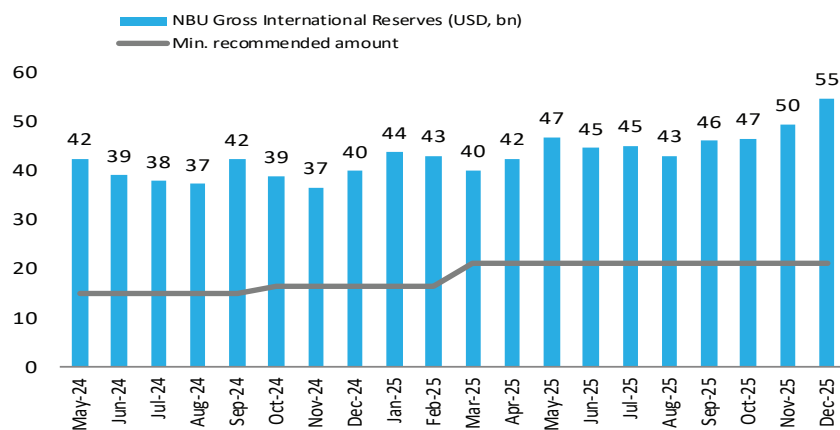
Ukraine's international reserves climbed to a fresh all-time high of USD 54.7bn in November, after rising by USD 5.2bn during the month, the National Bank reported.

The central bank received USD 8.1bn in foreign currency inflows, including USD 6.9bn in support from the European Union. Revaluation gains added another USD 582mn to the total.

Reserve outflows reached USD 3.5bn, driven mainly by USD 2.7bn in net FX sales on the interbank market.

Ukraine's current reserve stockpile covers 5.6 months of future imports – well above the commonly recommended minimum of three months.

UKRAINE'S FX RESERVES, USD bn



Source: National Bank of Ukraine

COMMENTARY

The jump in reserves reflects accumulated external financial support, much of which is expected to be used to cover next year's budget shortfall.

A strong reserve position should allow the central bank to maintain its strategy of a managed flexible exchange rate. Between January and November, the National Bank spent a record USD 31.4bn on FX interventions to keep the hryvnia broadly stable against the dollar throughout the year.

Still, uncertainty over the scale of external financing in 2026 – coupled with the IMF's signals that some depreciation may be warranted – raises the risk of a shift in the National Bank's exchange-rate approach.

The base case assumes the central bank could allow the hryvnia to weaken by roughly 10% next year, taking the official rate to around 46.4 per dollar by end-2026.

The draft state budget is built on an assumed average exchange rate of 45.7 per dollar for 2026.

QUOTES AND MULTIPLES FOR SELECTED UKRAINIAN LISTED COMPANIES

	Ticker	Last Price*	Absolute performance		MCap USD mn	EV USD mn	Free float	P/E		EV/EBITDA		EV/Sales 2025E
			1W	YtD				2024	2025E	2024	2025E	
UX Index	UX	1194	0.0%	0.0%								
Iron Ore Mining												
Ferrexpo	FXPO	66.6	-10.6%	-41.1%	530	418	25.5%	4.4	3.1	2.5	1.8	0.4
Oil & Gas												
Enwell Energy	ENW	19.5	-2.5%	-11.4%	83	-11	21.6%	3.3	2.8	na	na	na
Telecom												
Kyivstar	KYIV	13.90	-1.8%	12.7%	3,209	3,649	10.0%	11.3	10.9	6.2	6.0	3.7
Agro sector												
MHP	MHPC	6.32	5.3%	26.9%	676	1,918	33.7%	4.7	5.6	3.4	4.3	0.6
Kernel (FY24, FY25, FY26E)	KER	20.70	-1.9%	59.2%	1,673	1,816	5.4%	7.0	6.7	3.9	4.5	0.4
Astarta	AST	44.60	-5.1%	9.3%	300	522	37.0%	3.4	4.3	2.6	3.2	1.1
IMC	IMC	29.60	0.7%	85.0%	289	282	18.3%	5.3	5.6	3.5	3.3	1.7
										Price/Book	Price/Assets	
Raiffeisen Bank Aval	BAVL	0.33	0.0%	32.0%	480		1.8%	4.8	4.9	0.8	0.7	0.10

Source: UX, PFTS, LSE, WSE, Eavex Research
* prices are in traded currency

QUOTES AND MULTIPLES FOR SELECTED U.S. COMPANIES

	Ticker	Price USD	Absolute performance		MCap USD bn	EV USD bn	P/E		EV/EBITDA		EV/Sales 2025E	
			1W	YtD			2024	2025E	2024	2025E		
Индекс S&P 500	S&P 500	6870	0.3%	16.8%								
Technology sector												
Apple	AAPL	279	0.0%	9.0%	4,352	4,392		46	48	33	32	11
Microsoft	MSFT	483	-1.8%	12.3%	3,588	3,578		41	37	27	24	14
NVIDIA	NVDA	182	2.8%	35.8%	4,457	4,427		69	54	59	47	31
Palantir Technologies	PLTR	181.8	7.9%	129.9%	396	392		793	495	654	436	96
Electric Utilities												
American Electric Power	AEP	117.5	-5.1%	27.0%	63	107		23.2	20.2	13.8	13.3	5.1
Dominion Energy	D	58.5	-6.8%	8.5%	49	92		20.5	19.7	13.7	12.9	6.1
Oil & Gas												
Exxon Mobil	XOM	117	0.9%	9.9%	515	530		15.1	14.7	7.4	7.0	1.5
Devon Energy	DVN	37.5	1.1%	20.2%	25	33		7.2	6.8	4.4	4.2	2.0
PBF Energy	PBF	33.4	-3.2%	31.5%	5.0	6.1		25.1	10.0	15.3	7.6	0.2
Iron Ore Mining												
VALE	VALE	12.9	2.3%	45.4%	55	67		5.9	5.5	4.4	3.9	1.5
Pharmaceutical												
Pfizer	PFE	26	1.2%	-2.3%	147	204		34.3	30.1	14.8	14.1	3.3
Bristol-Myers Squibb	BMJ	52.2	6.1%	-9.5%	106	149		neg	16.3	29.2	12.0	3.1

Source: Bloomberg

MAIN FINANCIAL FORECASTS FOR UKRAINIAN COMPANIES, USD mn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E
Iron Ore Mining																
Ferrexpo	FXPO	750	950	1,100	140	170	230	18.7%	17.9%	20.9%	80	120	170	10.7%	12.6%	15.5%
Oil & Gas																
Enwell Energy	ENW	80	55	65	49	52	57	61.3%	94.5%	87.7%	28	25	30	35.0%	45.5%	46.2%
Telecom																
Kyivstar	KYIV	915	919	990	604	592	610	66.0%	64.4%	61.6%	281	283	295	30.7%	30.8%	29.8%
Agro sector																
MHP	MHPC	3,021	3,046	3,150	445	566	450	14.7%	18.6%	14.3%	142	144	120	4.7%	4.7%	3.8%
Kernel (FY24, FY25, FY26E)	KER	3,800	4,115	4,300	680	466	400	17.9%	11.3%	9.3%	370	238	250	9.7%	5.8%	5.8%
Astarta	AST	628	645	482	199	202	164	31.7%	31.3%	34.0%	85	89	70	13.5%	13.8%	14.6%
IMC	IMC	139	180	170	3	80	85	2.4%	44.4%	50.0%	-21	55	52	-15.1%	30.6%	30.6%
Banks																
		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	4,977	4,643	4,886	575	615	683	594	488	453	126	100	98	21.9%	16.3%	14.3%

Source: Eavex Research

FINANCIAL FORECASTS FOR SELECTED U.S. COMPANIES, USD bn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E
Technology sector																
Apple	AAPL	383	391	395	126	135	137	32.8%	34.5%	34.7%	97	94	90	25.3%	24.0%	22.8%
Microsoft	MSFT	212	245	265	105	133	147	49.5%	54.3%	55.5%	72	88	96	34.0%	35.9%	36.2%
NVIDIA	NVDA	61	118	145	36	75	95	59.0%	63.6%	65.5%	30	65	83	49.2%	55.1%	57.2%
Palantir Technologies	PLTR	2.2	2.9	4.1	0.3	0.6	0.9	13.6%	20.7%	22.0%	0.2	0.5	0.8	9.1%	17.2%	19.5%
Electric Utilities																
American Electric Power	AEP	19.0	19.8	20.7	7.2	7.7	8.0	37.9%	38.9%	38.6%	2.2	2.7	3.1	11.6%	13.6%	15.0%
Dominion Energy	D	14.4	14.7	15.1	6.8	6.7	7.1	47.2%	45.6%	47.0%	1.9	2.4	2.5	13.2%	16.3%	16.6%
Oil & Gas																
Exxon Mobil	XOM	335	344	352	74	72	76	22.1%	20.9%	21.6%	36	34	35	10.7%	9.9%	9.9%
Devon Energy	DVN	15.3	15.8	16.2	7.5	7.6	7.9	49.0%	48.1%	48.8%	3.7	3.4	3.6	24.2%	21.5%	22.2%
PBF Energy	PBF	38.3	34.9	35.3	3.5	0.4	0.8	9.1%	1.1%	2.3%	2.1	0.2	0.5	5.5%	0.6%	1.4%
Iron Ore Mining																
VALE	VALE	41.8	41.0	44.0	15.6	15.2	17.0	37.3%	37.1%	38.6%	7.9	9.3	10.0	18.9%	22.7%	22.7%
Pharmaceutical																
Pfizer	PFE	58.5	59.4	62.0	9.6	13.8	14.5	16.4%	23.2%	23.4%	2.1	4.3	4.9	3.6%	7.2%	7.9%
Bristol-Myers Squibb	BMJ	45.0	47.4	48.8	19.4	5.1	12.4	43.1%	10.8%	25.4%	8.0	-7.3	6.5	17.8%	-15.4%	13.3%

Source: Bloomberg

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