



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

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Daily Insight

DTEK announces its restructuring offer

Contents

Bonds: News & Comments	2
DTEK announces its offer to restructure 2015 Eurobonds	2
Liquidity increases due to future debt repayments	3
Chart page: Local bond market & Eurobond markets	4
FX: News & Comments	6
UAH's negative sentiment persists	6
Chart page #1: Foreign-exchange market	7
Chart page #2: ICU's UAH trade-weighted indices	8

WEDNESDAY, 25 MARCH 2015

UX Index (3 months to 25 Mar 2015)



Source: UX.

Key market indicators (as of 24 Mar 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	23.2250	+2.54	+46.81
USD/UAH (1Y NDF)	27.2800	+0.52	+47.86
EUR/USD	1.0924	-0.20	-9.70
USD/RUB	57.7346	-1.73	-4.94
KievPRIME O/N (%)	22.40	-10bp	+350bp
KievPRIME 1M (%)	27.90	+10bp	+800bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	260.96	-129bp	+19,919bp
Ukraine 17, Eurobond (%)	57.49	-90bp	+2,973bp
Ukraine 22, Eurobond (%)	26.86	+31bp	+1,061bp
Ukraine 23, Eurobond (%)	24.77	+114bp	+921bp
Ukraine 5Y CDS	4,964bp	+426bp	+2,765bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,054.36	+0.27	+2.04
MSCI World	431.83	-0.25	+3.53
MSCI EM	978.25	+0.29	+2.29
RTS (Russia)	880.28	+2.46	+11.83
WIG-20 (Poland)	2,412.32	-0.09	+4.16
S&P 500 (USA)	2,091.50	-0.61	+1.58

Notes: Chg – percentage change, if not otherwise indicated; [1] – total traded volume for stocks listed in green- or red-shaded box means gain or loss, respectively, of the index or security.

Sources: Bloomberg, UX, Investment Capital Ukraine LLC.

Bonds: News & Comments

DTEK announces its offer to restructure 2015 Eurobonds

Yesterday, DTEK announced its offer to exchange its US\$200m in outstanding Eurobonds with a 9.50% coupon due 28 April 2015 for US\$200 cash per Eurobond and up to US\$170m of new notes with a 10.375% coupon with maturity in April 2019. The offer expires on 22 April and requires accepting a minimum of 85% of bondholders' amount except for the US\$19m in bonds held by DTEK. Ultimately, this amounts to US\$131m. The bondholders will be eligible for an early redemption fee of US\$20 per Eurobond if they accept the offer before 8 April.

The company also plans to apply to the High Court of Justice of England and Wales to be sanctioned to implement a "Scheme", an action which obligates the bondholders to participate in the note exchange. DTEK intends to preserve the right to apply the Scheme even if the minimum acceptance threshold is met. DTEK has stated that if its appeal is not satisfied by the Court, and if the minimum acceptance threshold is not met and the exchange offer is not consummated, the company will default on the existing notes, thus triggering cross defaults under certain other debt obligations. An initial court hearing at which DTEK will seek leave to convene a meeting of the bondholders to consider the Scheme is expected to be held on 14 April 2015. The meeting of the bondholders is expected to occur on 23 April 2015. It is also planned that the court would sanction the Scheme in a court hearing on 27 April 2015.

Investment implications: The terms of DTEK's offer appear less attractive than similar exchange offers of the company's peers, Metinvest and Ferrexpo, which agreed to a 25% cash consideration for exchanging their Eurobonds. As the offer announcement comes somewhat delayed, there is little time left for negotiations between the company and the numerous bondholders, as well as for meeting the minimum acceptance threshold. As a consequence, DTEK is trying to secure the note exchange as binding with the help of the court, a move which makes renegotiating any terms of the offer even less likely. Given the limited time and choices that the bondholders have, we estimate the chance of meeting the minimum acceptance threshold and the offer coming through as high.

Table 1. DTEK Eurobond quotation as of market close, 24 March 2015

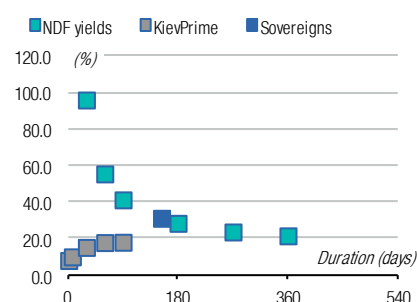
Issuer	Moody's/S&P /Fitch	Ccy	Volume	Coupon rate (%)	Maturity	Price (%)	YTW (%)	Spread (bp)
DTEK	Caa3/--/CCC	USD	180m	9.50	28-Apr-15	66.791	541.27	54,102
DTEK	Caa3/--/CCC	USD	750m	7.875	04-Apr-18	36.75	51.169	5,027

Source: Bloomberg

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Yield curve of the local bond market

(as of market close on 24 Mar 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 24 Mar 2015)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	22.40	-10bp	-160bp	+540bp	+350bp
1wk	25.10	+30bp	+10bp	+635bp	+610bp
1m	27.90	+10bp	-135bp	+540bp	+800bp
2m	26.00	+0bp	-150bp	+412bp	+600bp
3m	26.00	+0bp	-125bp	+412bp	+600bp
LIQUIDITY WIDE MEASUREMENT (UAHm)					
CB acc's ¹	N/A	N/A	N/A	N/A	N/A
CDs ²	N/A	N/A	N/A	N/A	N/A
Sovgns ³	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A
HOLDERS OF UAH SOVEREIGN BONDS (UAHm)					
C.bank	N/A	N/A	N/A	N/A	N/A
Banks	N/A	N/A	N/A	N/A	N/A
Resid's ⁴	N/A	N/A	N/A	N/A	N/A
Non-res ⁵	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A
NDF IMPLIED YIELDS (%)					
3m	N/A	N/A	N/A	N/A	N/A
6m	N/A	N/A	N/A	N/A	N/A
9m	N/A	N/A	N/A	N/A	N/A
1yr	N/A	N/A	N/A	N/A	N/A
LOCAL CURRENCY UAH SOVEREIGN BOND YIELDS (%)					
Mar '13	N/A	-52ppt	+0bp	+0bp	+0bp
Jan '14	N/A	+320bp	+0bp	+0bp	+0bp
Aug '15 ⁶	31.14	+16bp	+25bp	+0bp	+685bp
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	4,964	+426bp	+221bp	+767bp	+28bp
Jun '16	106.44	+430bp	+459bp	+14bp	+70bp
Jul '17	57.49	-90bp	-58bp	+133bp	+30bp
Sep '20	29.70	-196bp	-191bp	+27bp	+11bp
Sep '21	30.57	+1bp	-13bp	+3bp	+12bp
Sep '22	26.86	+31bp	+19bp	+29bp	+11bp
Feb '23	24.77	+114bp	-4bp	-65bp	+921bp

Notes: [1] banks' account balance at NBU; [2] certificates of deposits issued by NBU; [3] UAH sovereign bonds due next 30 days; [4] residents; [5] non-residents; [6] VAT bond.

Sources: Bloomberg, Investment Capital Ukraine LLC.

Liquidity increases due to future debt repayments

Broader banking sector liquidity rose UAH1.52bn to UAH63.58bn yesterday, mostly due to the UAH1.52bn increase in total local currency debt repayments scheduled for the next 30 days to UAH11.71bn. Banks' correspondent accounts with the NBU rose UAH0.61bn to UAH31.81bn and total CDs outstanding increased UAH0.77bn to UAH20.06bn.

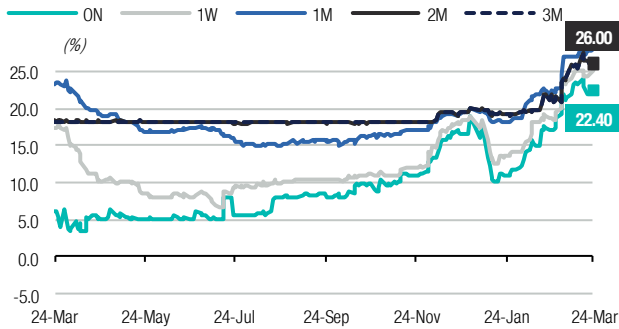
KyivPrime interest rates slightly diverged: the KyivPrime ON interest rate slid 10bp to 22.40% while the KyivPrime 1M interest rate rose 10bp to 27.90%.

Investment implications: The real increase in liquidity was just UAH1.38bn. As short-term bonds receive the most market demand, they could provide banks with quick liquidity. The recent increase in indicators could be the result of the postponement of tax payments to the end of this week.

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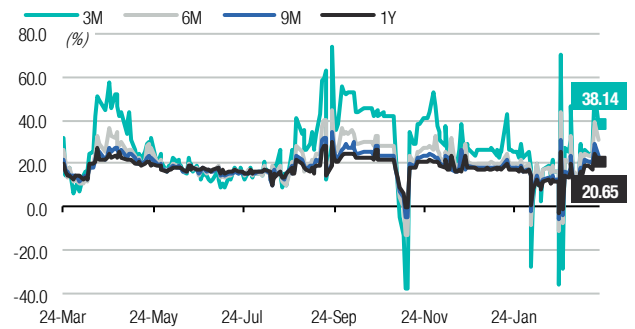
Chart page: Local bond market & Eurobond markets

Chart 1. Kiev Prime rates (%), last 12-month period



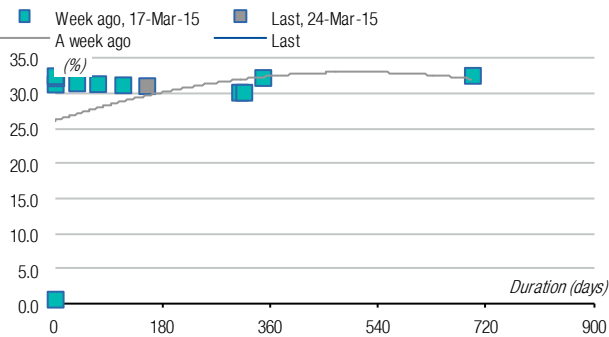
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 2. UAH NDF implied yields (%), last 12-month period



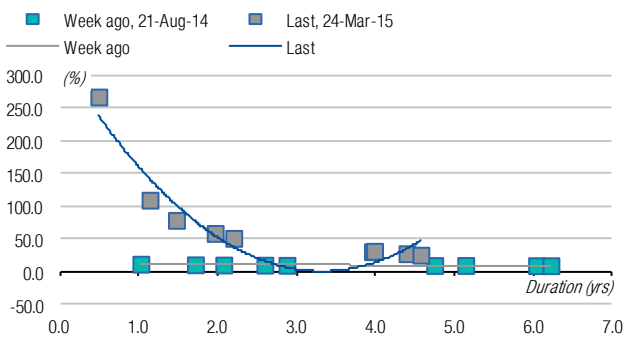
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 24 Mar 2015



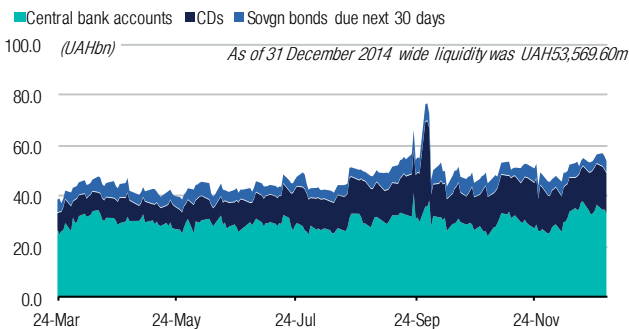
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 24 Mar 2015



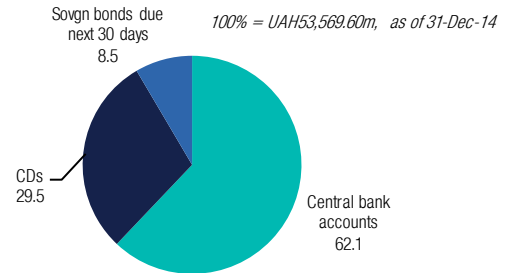
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 5. Banking sector liquidity (UAHbn), last 12-month period



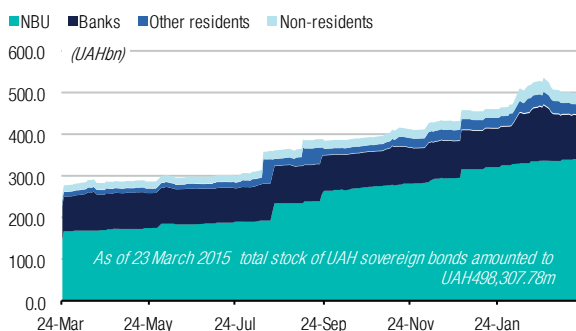
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 24 Mar 2015



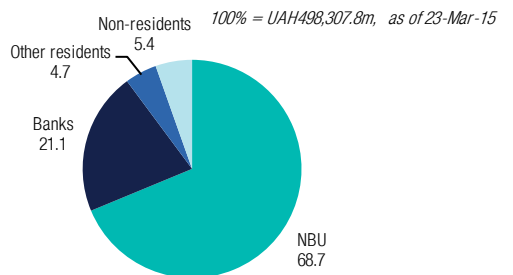
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 7. Holders of sovereign bonds (UAHbn), last 12 months



Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 8. Domestic sovereign debt (%) as of 24 Mar 2015



Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Table 2. Ukrainian stocks (closing prices as of 24-Mar-2015)

Company	Bloomberg Ticker	Listing	Share price performance (% change)				Valuation (US\$)			Free float (FF) & Liquidity					P/E			EV/EBITDA			EV/Sales			Ratios			
			Last price	Daily	MoM	YTD	YoY	Last price	Market cap (m)	EV (m)	FF (%)	FF mkt cap (US\$m)	Last day turnover (US\$ 000)	3M avg. turnover (US\$ 000)	FF share traded (%)	FF turnover (days)	2014	2015E	2016E	2014	2015E	2016E	2014	2015E	2016E	P/B (x)	Debt/Assets (%)
ENERGY																											
Cadogan Petrol...	CAD LN	London	8.75 GBp	+0.0	-9.1	-12.5	-5.4	0.13	30.0	-17.6	40.2	12.1	0.8	8.2	0.07	1,411	Neg.	N/A	N/A	2.6	N/A	N/A	Neg.	N/A	N/A	0.2	0.0
Centrenergo	CEEN UK	Kiev, UX	8.01 UAH	-1.0	+1.4	+6.2	+53.0	0.34	126.5	118.4	21.7	27.5	47.9	34.3	0.15	684	6.1	6.1	Neg.	0.2	3.2	Neg.	0.4	0.2	0.4	1.1	16.3
Coal Energy	CLE PW	Warsaw	0.64 PLN	-1.5	+8.5	+3.2	-56.8	0.17	7.7	84.6	25.0	1.9	0.1	6.2	0.26	382	Neg.	N/A	N/A	11.6	N/A	N/A	0.8	N/A	N/A	0.3	56.9
Donbasenergo	DOEN UK	Kiev, UX	22.62 UAH	+3.9	-25.1	-31.5	-42.6	0.97	22.9	56.8	14.2	3.3	1.5	5.4	0.25	393	1.0	0.6	4.1	0.1	1.0	2.2	0.2	0.1	0.4	0.8	25.1
JKX Oil & Gas	JKX LN	London	33.25 GBp	-0.7	-5.0	+177.1	-42.4	0.49	85.0	95.5	47.2	40.1	240.7	461.0	1.89	53	Neg.	Neg.	Neg.	Neg.	1.9	N/A	0.7	0.7	1.2	0.3	9.9
Regal Petroleum	RPT LN	London	4.25 GBp	-6.6	+4.3	+36.0	-61.4	0.06	20.2	-9.9	80.9	16.4	0.8	2.9	0.02	5,583	Neg.	10.1	N/A	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0	
Sadova Group	SGR PW	Warsaw	0.22 PLN	+0.0	-24.1	-72.2	-73.5	0.06	2.5	42.4	25.0	0.6	5.2	1.1	0.84	119	Neg.	N/A	N/A	Neg.	N/A	N/A	20.7	N/A	N/A	0.2	54.9
Zakhidenergo	ZAEN UK	Kiev, PFTS	176.50 UAH	+0.7	+10.3	+19.2	+48.6	7.54	96.5	104.6	5.0	4.8	1.7	1.1	0.04	2,263	3.9	N/A	N/A	0.7	N/A	N/A	0.2	N/A	N/A	1.5	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	+1.7	-17.0	-15.2	-66.0	0.00	13.5	1,237.6	3.9	0.5	0.1	0.7	0.08	1,219	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.1	N/A	N/A	85.7
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.38 UAH	-0.1	-1.5	-20.3	-53.3	0.06	11.5	-15.2	4.0	0.5	0.0	1.7	0.28	357	Neg.	Neg.	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.1	0.1
Azovstal	AZST UK	Kiev, UX	0.78 UAH	-1.3	-8.4	+4.2	+14.5	0.03	139.4	115.6	4.1	5.7	1.9	6.7	0.18	551	Neg.	Neg.	N/A	Neg.	4.9	N/A	0.1	0.1	N/A	0.3	0.0
Ferrexpo PLC	FXPO LN	London	60.00 GBp	+1.7	+0.0	+22.7	-54.7	0.89	524.6	1,210.9	22.4	117.5	874.8	990.4	0.95	106	2.9	6.5	5.3	2.9	4.6	4.5	0.9	1.1	1.0	0.7	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	0.38 UAH	+0.0	+26.9	+34.6	-50.4	0.02	4.4	4.9	9.0	0.4	0.0	0.4	0.03	3,182	Neg.	0.7	0.4	0.0	0.4	N/A	0.0	0.0	0.0	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	17.87 UAH	+2.1	-2.1	-14.7	-46.6	0.76	8.1	2.4	9.4	0.8	0.1	2.6	0.21	487	Neg.	Neg.	N/A	0.4	0.1	N/A	0.0	0.0	N/A	0.8	0.0
FOOD AND AGRIBUSINESS																											
AgroGeneration	ALAGR FP	EN Paris	0.46 EUR	+2.2	+21.1	+7.0	-59.3	0.50	46.4	93.6	34.0	15.8	24.9	53.9	0.73	137	Neg.	N/A	N/A	Neg.	N/A	N/A	1.6	N/A	N/A	1.0	35.9
Agroliga	AGL PW	Warsaw	8.65 PLN	+0.0	-4.4	-3.9	-54.9	2.31	3.5	4.3	16.7	0.6	0.4	2.2	0.17	605	1.0	N/A	N/A	1.2	N/A	N/A	0.2	N/A	N/A	0.3	5.7
Agroton	AGT PW	Warsaw	1.24 PLN	+0.0	-7.5	+0.8	-58.0	0.33	7.2	52.5	26.2	1.9	4.6	28.8	0.86	117	Neg.	N/A	N/A	19.6	17.5	N/A	0.6	0.6	N/A	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	22.50 PLN	-0.7	-8.9	+12.5	-49.7	6.00	150.0	383.7	31.0	46.5	30.8	56.8	0.06	1,615	5.3	Neg.	Neg.	5.1	3.3	5.9	1.0	0.8	1.0	0.5	38.2
Avangard	AVGR LI	London Intl	3.05 USD	+0.0	-11.1	+48.5	-69.5	3.05	194.5	405.7	21.7	42.2	0.0	71.0	0.05	1,835	0.8	4.5	1.9	1.3	2.9	2.6	0.6	0.8	0.8	0.2	17.8
IMC	IMC PW	Warsaw	5.46 PLN	-0.7	-11.2	-3.7	-34.8	1.46	45.6	184.8	23.9	10.9	0.7	3.9	0.04	2,624	1.7	Neg.	5.6	3.4	3.6	3.7	1.6	1.2	1.1	0.3	38.7
Kernel Holding...	KER PW	Warsaw	36.00 PLN	-5.7	+22.4	+26.5	+24.4	9.60	765.0	1,492.5	58.8	449.6	832.6	1,644.8	0.56	179	Neg.	5.3	5.1	6.7	4.5	4.5	0.6	0.6	0.6	0.8	39.1
KSG Agro	KSG PW	Warsaw	1.05 PLN	+0.0	-7.1	-6.3	-82.2	0.28	4.2	85.9	34.4	1.4	1.2	13.4	0.38	261	Neg.	N/A	0.2	9.9	N/A	N/A	1.2	0.9	0.8	0.3	44.5
MHP	MHPC LI	London Intl	9.20 USD	-0.4	-3.2	+0.0	-30.8	9.20	972.1	2,102.6	22.3	217.0	328.1	531.6	0.34	291	6.2	Neg.	3.4	5.4	4.0	4.2	1.4	1.5	1.5	1.9	47.0
Milkiland	MLK PW	Warsaw	2.64 PLN	-4.3	-18.3	+78.4	-65.3	0.70	22.0	131.9	20.0	4.4	19.8	51.7	1.53	66	1.9	Neg.	Neg.	4.0	4.1	4.4	0.4	0.4	0.5	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	0.43 EUR	+0.0	+7.2	-23.7	-92.2	0.47	49.8	777.6	20.0	10.0	0.0	0.7	0.00	33,564	0.6	0.6	0.2	4.7	N/A	N/A	1.6	1.8	1.8	0.1	45.3
CONSTRUCTION																											
TMM	TR61 GF	Frankfurt	0.08 EUR	+0.0	-31.8	-6.2	-75.8	0.08	4.2	131.4	13.1	0.6	0.0	0.1	0.03	3,558	Neg.	N/A	N/A	Neg.	N/A	N/A	3.9	N/A	N/A	0.0	45.5
FINANCIAL SERVICES																											
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.10 UAH	+0.7	+0.5	+4.9	-32.7	0.00	129.0	N/A	3.8	4.9	1.5	9.7	0.28	355	3.0	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	0.5	22.4
Ukrsotsbank	USCB UK	Kiev, UX	0.11 UAH	+0.0	-1.4	-16.7	-31.4	0.00	114.4	N/A	4.5	5.1	0.0	0.5	0.00	28,284	Neg.	9.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.2	28.2

Notes: mln - millions; FF - free float; n/a - not available; neg. - negative; a company name (the left column of the table) is shortened to fit the column and hence in some cases is not displayed in full; *** - P/E is above 10,000x. Sources: Bloomberg, ICU.

FX: News & Comments

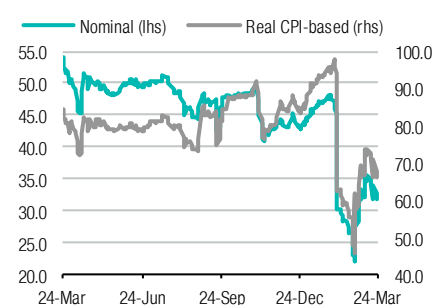
UAH's negative sentiment persists

The hryvnia extended its downward trend it closed at 23.2250/USD on modest trading of US\$189.93m. Influenced by bearish sentiment in regard to Eurobonds, the market is anticipating the results of Minister of Finance Natalie Jaresko's current discussions in London after having spent the last several days in North America negotiating with Ukraine sovereign debt holders. The key topic is the principal haircut and coupon reduction sought by Ukraine for the sovereign debt restructuring. Meanwhile, the Russian ruble increased 1.73% as a result of improving sentiment and the euro rose yesterday thanks to a positive reading of March's PMI. While the EUR and RUB should support the hryvnia, the domestic economic outlook does not correspond with that of the global economy.

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ICU's UAH trade-weighted indices

(Last 12-month history to 25 Mar 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 24 Mar 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	23.2250	+2.54	+3.80	-28.54	+46.81
NBU avg	23.2878	+0.60	+4.68	-17.69	+47.69
Ttl vlm ¹	242.95	+30.25	-21.18	+4.01	-43.62
\$ volume ²	189.93	+52.68	-10.22	+6.49	-46.39
NDF 3M	24.9300	+0.56	+5.23	-15.75	+47.95
NDF 6M	26.2800	+0.54	+5.37	-14.37	+51.03
NDF 1Y	27.2800	+0.52	+3.96	-13.09	+47.86
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	31.689	-3.02	-6.81	+38.36	-28.73
UAH real CPI	65.816	-3.02	-6.81	+38.36	-24.07
UAH real PPI	90.150	-3.02	-6.81	+38.36	-23.45
USD nom'l	97.193	+0.16	-2.40	+2.86	+7.67
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	57.7346	-1.73	-6.05	-8.22	-4.94
EUR/USD	1.0924	-0.20	+3.09	-3.67	-9.70
USD/CNY	6.2056	-0.14	-0.71	-0.80	+0.00
USD/PLN	3.7458	-0.23	-4.06	+2.17	+5.71
USD/TRY	2.5521	+0.39	-2.32	+3.60	+9.30
USD/BYR	14,600.00	-1.02	-3.31	-2.01	+32.73
USD/KZT	186.0100	+0.00	+0.33	+0.60	+2.01
OTHER MAJOR CURRENCIES					
USD/JPY	119.7600	+0.03	-1.33	+0.66	-0.02
GBP/USD	1.4851	-0.68	+0.69	-3.90	-4.66
USD/CHF	0.9582	-0.83	-4.77	+0.79	-3.63
AUD/USD	0.7877	-0.04	+3.41	+0.59	-3.65
USD/CAD	1.2493	-0.24	-2.31	+0.06	+7.50
USD/BRL	3.1395	+0.23	-3.09	+10.98	+18.13
USD/KRW	1,104.72	-0.89	-2.14	-0.46	+1.26
COMMODITIES					
Gold(\$/oz)	1,193.33	+0.32	+3.81	-0.59	+0.71
WTI crude ³	47.11	+0.55	+8.40	-3.03	-11.56
Brent crd ³	53.22	-1.06	+3.68	-8.73	-4.56
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	215.53	-0.10	+3.12	-3.03	-6.27

Notes: [1] trading volume in all foreign currencies (US\$m); [2] trading volume in the pair USD/UAH (US\$m); [3] crude oil price (USD per barrel); [4] the Thomson Reuters/Jefferies CRB Index. A green-/red-shaded box means gain or loss, respectively, of the investment into the asset. Currencies are gaining when their exchange rates strengthen versus USD.

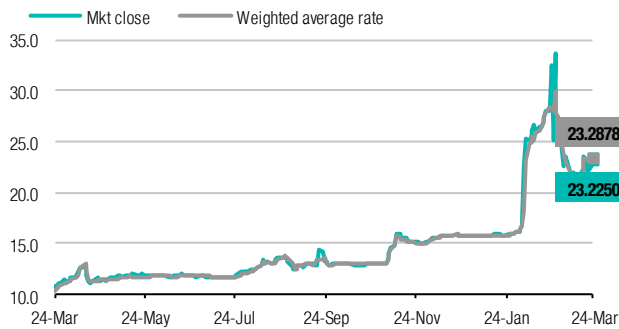
Sources: Bloomberg, Investment Capital Ukraine LLC.

Readers may follow the ICU trade-weighted indices of the local-currency, the hryvnia (UAH), on the ICU [website](#) and Bloomberg (type: ALLX UTWI <GO>).

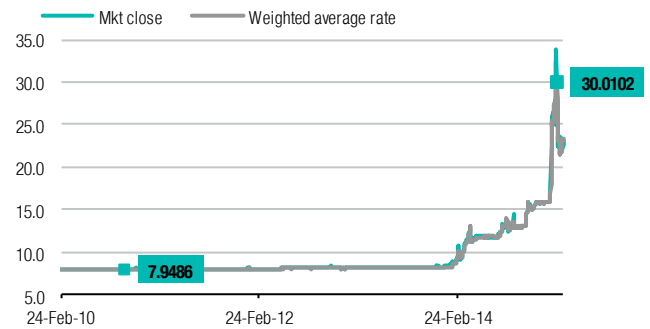
Section on FX market is continued on next page.

Chart page #1: Foreign-exchange market

Chart 9. Spot market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)

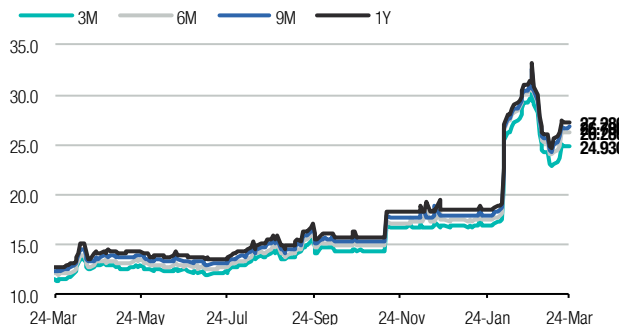


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

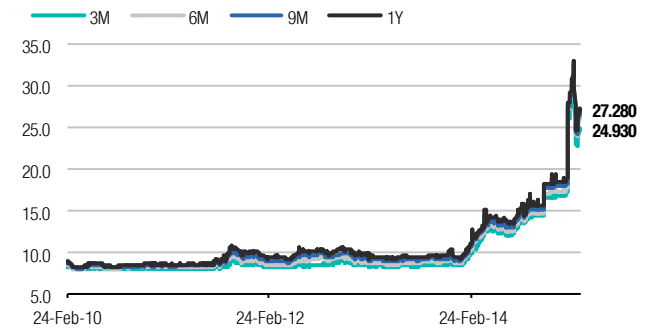


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 10. NDF market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)

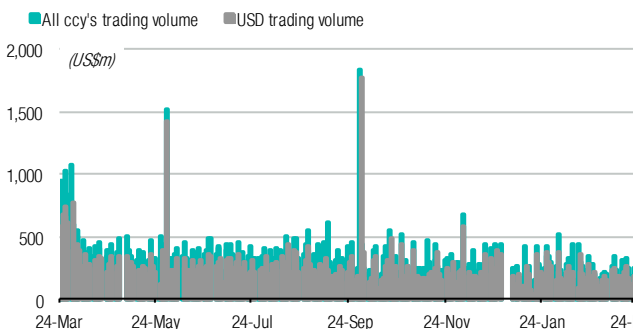


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

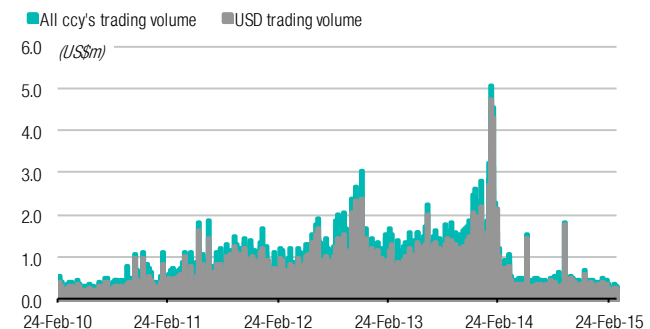


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 11. Trading volume: last 12-month and 5-year periods (US\$m, left and right respectively)



Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 12. 30D MA* ratio of FX market turnover to merchandise trade: last 12m and 5yr periods (% , left and right respectively)



Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

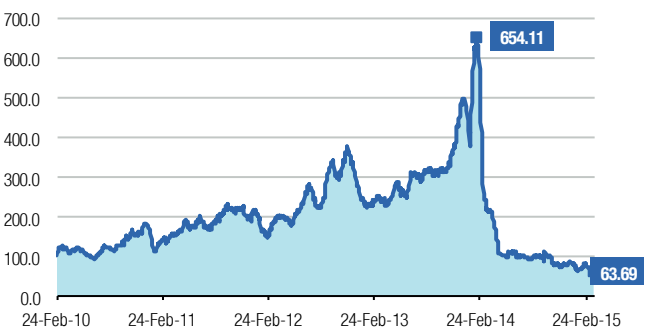
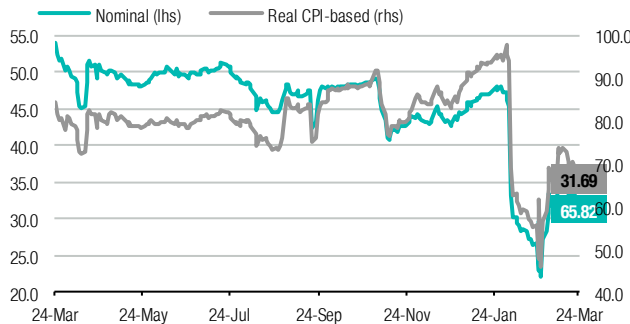


Chart page #2: ICU's UAH trade-weighted indices

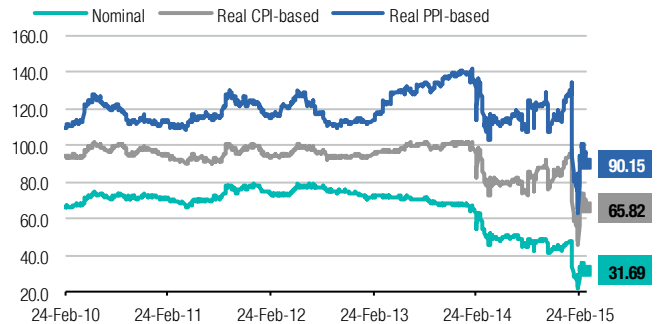
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the [Quarterly Report "Keep the music playing"](#) dated 31 January 2013 and, then, updated, in the [Quarterly Report "Muddling through no more"](#) dated 14 August 2013.

Chart 13. Nominal and CPI-based real TWIs of UAH, history of last 12-month period



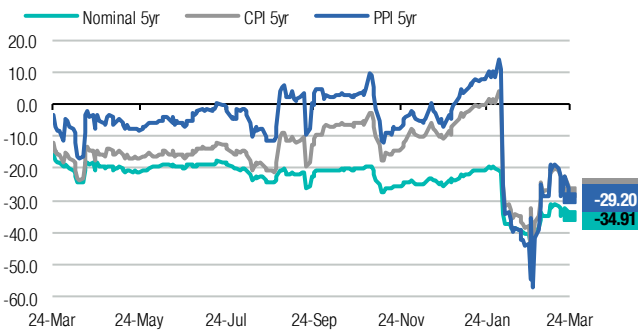
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

Chart 14. Nominal, CPI- and PPI-based TWIs of UAH, history of last 5-year period

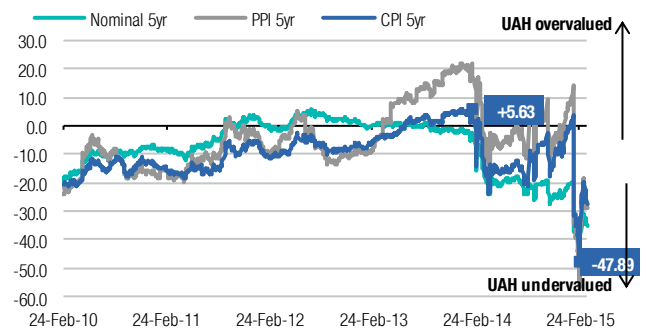


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

Chart 15. Deviation of UAH trade-weighted indices from their 5-year moving averages: last 12-month and 5-year periods (% , left and right respectively)

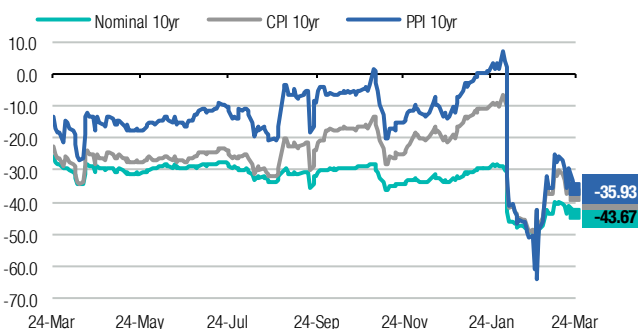


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

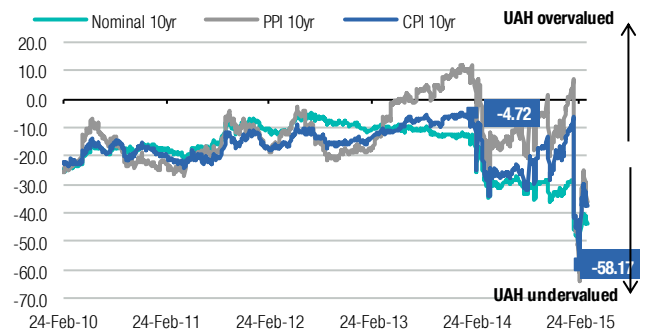


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

Chart 16. Deviation of UAH trade-weighted indices from their 10-year moving averages: last 12-month and 5-year periods (% , left and right respectively)



Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.



Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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Disclosures

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Buy: Forecasted 12-month total return greater than 20%

Hold: Forecasted 12-month total return 0% to 20%

Sell: Forecasted 12-month total return less than 0%

Note: total return is share price appreciation to a target price in relative terms plus forecasted dividend yield.

DEBT RATING DEFINITIONS

Buy: Forecasted 12-month total return significantly greater than that of relevant benchmark

Hold: Forecasted 12-month total return is in line with or modestly deviates from relevant benchmark

Sell: Forecasted 12-month total return significantly less than that of relevant benchmark



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