Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
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Daily Insight

New industrial orders in February

WEDNESDAY, 1 APRIL 2015

Contents

UX Index (3 months to 1 Apr 2015)

Source: UX.

Key market indicators (as of 31 Mar 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	23.4430	-0.67	+48.19
USD/UAH (1Y NDF)	27.5000	+0.22	+49.05
EUR/USD	1.0731	-0.94	-11.30
USD/RUB	58.1861	+1.17	-4.20
KievPRIME O/N (%)	24.15	+140bp	+525bp
KievPRIME 1M (%)	28.10	+43bp	+820bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	282.73	+578bp	+22,096bp
Ukraine 17, Eurobond (%)	61.74	+165bp	+3,398bp
Ukraine 22, Eurobond (%)	26.30	-28bp	+1,005bp
Ukraine 23, Eurobond (%)	24.07	-25bp	+850bp
Ukraine 5Y CDS	4,884bp	-3bp	+2,685bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,022.82	+0.54	-1.01
MSCI World	424.76	-0.78	+1.83
MSCI EM	974.57	+0.58	+1.91
RTS (Russia)	880.42	+0.17	+11.85
WIG-20 (Poland)	2,395.94	-0.02	+3.45
S&P 500 (USA)	2,067.89	-0.88	+0.44

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.

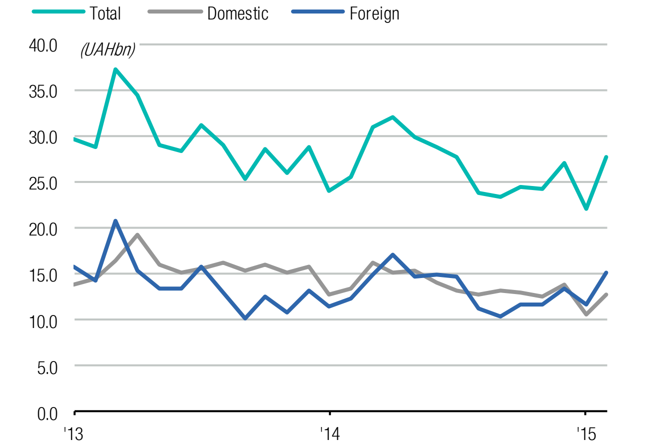
Economics: News & Comments

New industrial orders in February

Recently released statistical data on industrial orders for February showed that the devalued hryvnia had a visible impact. Inflation adjusted data showed encouraging results. External orders rose 23.7% YoY while domestic orders contracted a further 4.7% albeit at a slower pace than a month ago. Total monthly orders rose 8.9% YoY in price adjusted terms. Overall, February is the first month in last eight months that new orders have stopped declining. The benefits of the currency devaluation came through this February as foreign industrial orders increased.

Chart 1. Monthly volume of new industrial orders (UAHbn)

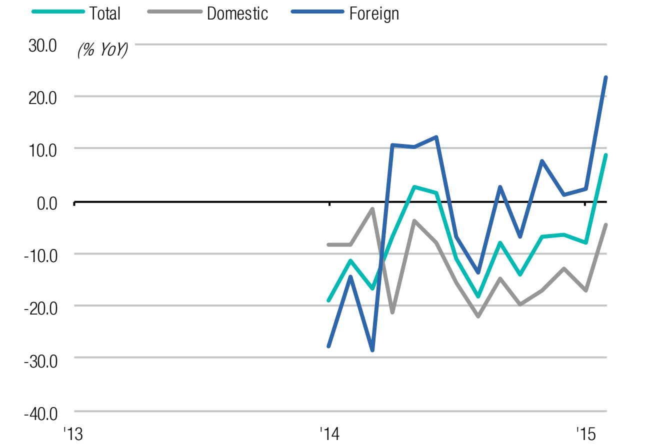
Inflation-adjusted data. Monthly history from January 2013 through February 2015



Source: State Statistics Committee of Ukraine, ICU.

Chart 2. Growth rate of new industrial orders (% YoY)

Inflation-adjusted data. Monthly history from January 2013 through February 2015



Source: State Statistics Committee of Ukraine, ICU.

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Bonds: News & Comments

Liquidity declines on tax payments

Banking sector liquidity declined significantly on the final day of March after the last day of month-end tax payments on Monday. Banks' correspondent accounts with the NBU slid only UAH0.16bn to UAH25.32bn while total CDs outstanding fell UAH4.00bn to UAH14.28bn. As total local currency debt repayments scheduled for the next 30 days rose UAH0.66bn to UAH16.58bn, broader banking sector liquidity fell UAH6.51bn to UAH56.19bn.

KyivPrime interest rates rose significantly: the KyivPrime ON interest rate rose 140bp to 24.15% while the KyivPrime 1M interest rate rose a less significant 43bp to 28.10%.

Investment implications: The NBU did not issue a large volume of ON loans this Monday, but banks significantly decreased the volume of ON CDs in their portfolios, causing a dramatic decline in total CDs outstanding. Today, liquidity could recover slightly, but the results will most likely appear tomorrow as the MoF prefers to retain funds in the treasury accounts at the beginning of the month to show a high level of available funds in its statistics. As expenditures should begin the following day, these cash-flows could be seen in today's NBU statistics on liquidity. Only yesterday's repayment of UAH0.50bn of loans to the NBU will have a negative impact on liquidity.

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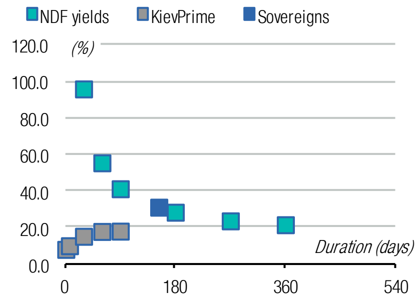
Yield curve of the local bond market

(as of market close on 31 Mar 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 31 Mar 2015)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
MONEY MARKET KIEV PRIME RATES (%)					
O/n	24.15	+140bp	+175bp	+535bp	+525bp
1wk	25.75	+17bp	+65bp	+615bp	+675bp
1m	28.10	+43bp	+20bp	+530bp	+820bp
2m	26.00	+33bp	+0bp	+450bp	+600bp
3m	26.00	+33bp	+0bp	+450bp	+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	343,375	+0.00	+0.25	+1.41	+7.94
Banks	101,586	-0.67	-3.41	-23.40	+8.72
Resid's[4]	22,923	+0.13	-2.80	-23.83	-6.63
Non-res[5]	27,184	-0.25	+1.06	-20.12	+26.18
Total	**495,067**	-0.15	-0.62	-7.52	+8.18
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	N/A	N/A	N/A	N/A
Jan '14	N/A	N/A	N/A	N/A	N/A
Aug '15[6]	N/A	N/A	N/A	N/A	N/A
EUROBONDS USD SOVEREIGN BOND YIELDS (%)					
CDS 5yr	4,884	-3bp	-80bp	+361bp	+27bp
Jun '16	109.72	+765bp	+328bp	+16bp	+73bp
Jul '17	61.74	+165bp	+425bp	+529bp	+34bp
Sep '20	32.91	+157bp	+321bp	+342bp	+14bp
Sep '21	30.64	+12bp	+6bp	+5bp	+12bp
Sep '22	26.30	-28bp	-56bp	-30bp	+10bp
Feb '23	24.07	-25bp	-71bp	-139bp	+850bp

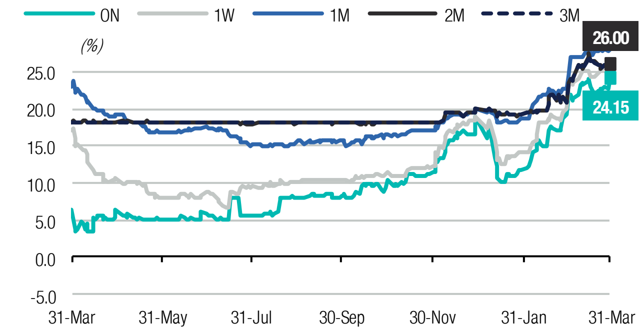
Notes: [1] banks' account balance at NBU; [2] certificates of deposits issued by NBU; [3] UAH sovereign bonds due next 30 days; [4] residents; [5] non-residents; [6] VAT bond.

Sources: Bloomberg, Investment Capital Ukraine LLC.

Section on Bond market is continued on next page.

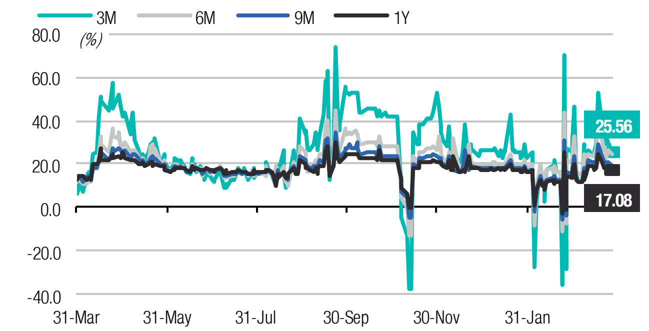
Chart page: Local bond market & Eurobond markets

Chart 3. Kiev Prime rates (%), last 12-month period



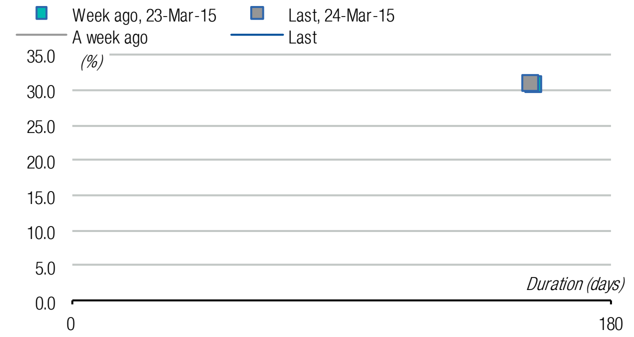
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. UAH NDF implied yields (%), last 12-month period



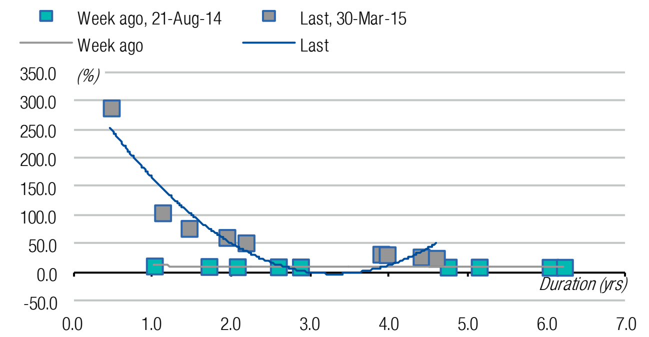
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 5. UAH sovereign yield curve (%) as of 31 Mar 2015



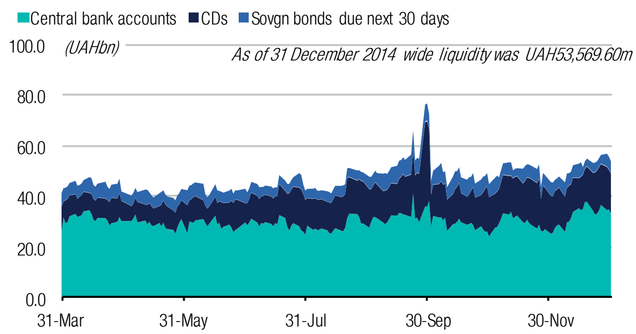
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 6. USD sovereign yield curve (%) as of 31 Mar 2015



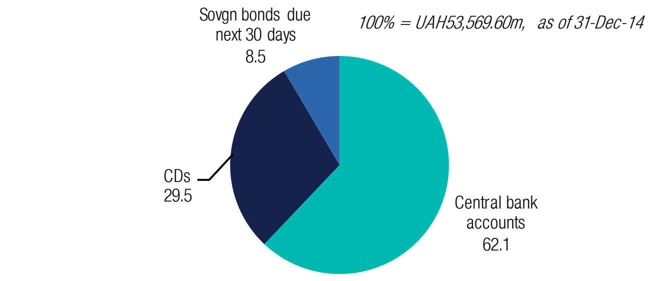
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 7. Banking sector liquidity (UAHbn), last 12-month period



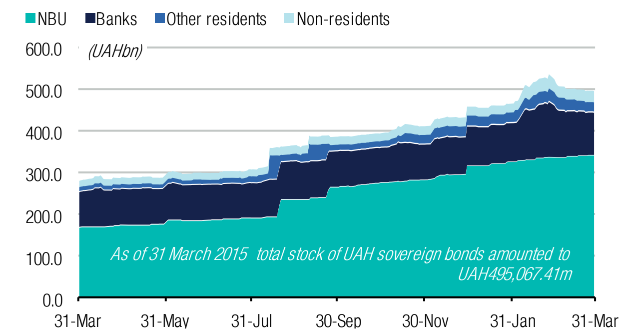
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 8. Breakdown of liquidity pool (%) as of 31 Mar 2015



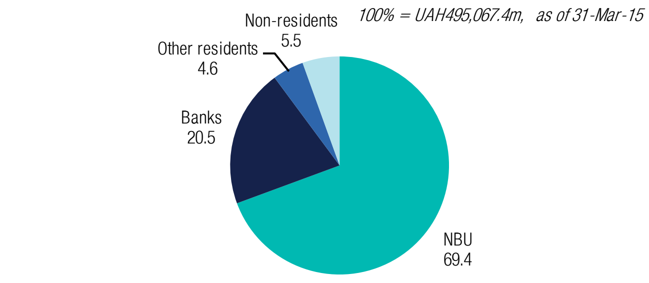
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 9. Holders of sovereign bonds (UAHbn), last 12 months



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

Chart 10. Domestic sovereign debt (%) as of 31 Mar 2015



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

Table 1. Ukrainian stocks (closing prices as of 31-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	**8.50 GBp**	-1.4	-11.7	-15.0	-6.8	0.13	29.2	-18.4	40.2	11.7	6.3	7.6	0.08	1,317	Neg.	N/A	N/A	2.7	N/A	N/A	Neg.	N/A	N/A	0.2	0.0
Centrenergo	CEEN UK	Kiev, UX	**7.77 UAH**	-0.9	-2.9	+3.0	+43.9	0.33	122.4	114.4	21.7	26.6	17.2	32.8	0.13	793	5.9	12.5	Neg.	0.1	4.4	Neg.	0.4	0.2	0.2	1.1	16.3
Coal Energy	CLE PW	Warsaw	**0.63 PLN**	+0.0	-4.5	+1.6	-62.7	0.17	7.5	84.5	25.0	1.9	3.9	5.9	0.20	497	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	**22.87 UAH**	+0.2	-23.5	-30.7	-44.7	0.98	23.1	56.9	14.2	3.3	0.2	4.7	0.25	408	1.0	1.0	Neg.	0.1	1.2	17.6	0.2	0.1	0.3	0.8	25.1
JKX Oil & Gas	JKX LN	London	**30.50 GBp**	-5.4	-15.6	+154.2	-50.0	0.45	77.9	88.5	47.2	36.8	39.7	410.7	0.31	325	Neg.	101.3	Neg.	Neg.	1.6	N/A	0.7	0.6	1.1	0.3	9.9
Regal Petroleum	RPT LN	London	**4.75 GBp**	+0.0	+3.9	+52.0	-56.8	0.07	22.6	-7.5	80.9	18.3	0.0	2.7	0.02	6,365	Neg.	11.3	7.5	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	0.2	0.0
Sadova Group	SGR PW	Warsaw	**0.17 PLN**	+0.0	-64.6	-78.5	-81.3	0.05	1.9	41.8	25.0	0.5	1.7	1.1	0.53	189	Neg.	N/A	N/A	Neg.	N/A	N/A	20.4	N/A	N/A	0.1	54.9
Zakhidenergo	ZAEN UK	Kiev, PFTS	**163.00 UAH**	-1.3	+3.9	+10.1	+28.3	6.95	88.9	97.1	5.0	4.4	8.9	0.9	0.05	1,900	3.6	N/A	N/A	0.6	N/A	N/A	0.2	N/A	N/A	1.4	0.0
METALLURGY																											
Alchevsky Meta...	ALMK UK	Kiev, UX	**0.01 UAH**	+4.2	-17.4	-13.8	-66.2	0.00	13.7	1,235.2	3.9	0.5	0.6	0.4	0.06	1,654	Neg.	Neg.	N/A	Neg.	Neg.	N/A	2.0	1.1	N/A	N/A	85.7
Avdiyivsky Cok...	AVDK UK	Kiev, UX	**1.35 UAH**	+0.1	-11.6	-22.1	-56.3	0.06	11.2	-15.5	4.0	0.4	0.0	1.0	0.11	922	Neg.	Neg.	Neg.	Neg.	0.3	0.3	Neg.	Neg.	Neg.	0.1	0.1
Azovstal	AZST UK	Kiev, UX	**0.79 UAH**	+2.9	-6.8	+6.0	+8.7	0.03	141.6	117.8	4.1	5.8	2.0	6.6	0.15	686	Neg.	Neg.	N/A	Neg.	5.0	N/A	0.1	0.1	N/A	0.3	0.0
Ferrexpo PLC	FXPO LN	London	**63.00 GBp**	-1.6	+4.2	+28.8	-56.2	0.94	550.6	1,236.9	22.4	123.3	551.7	1,047.6	0.95	105	3.1	7.1	5.6	3.0	4.8	4.6	0.9	1.1	1.0	0.8	61.1
Yasynivsky Cok...	YASK UK	Kiev, UX	**0.38 UAH**	+0.0	+8.0	+34.6	-49.4	0.02	4.4	4.9	9.0	0.4	0.0	0.2	0.01	9,828	Neg.	Neg.	11.5	0.0	0.4	Neg.	0.0	0.0	0.0	0.1	0.0
Yenakievo Steel	ENMZ UK	Kiev, UX	**17.99 UAH**	-0.1	-2.5	-14.1	-49.3	0.77	8.1	2.5	9.4	0.8	0.8	2.3	0.18	560	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**	+7.0	+21.1	+7.0	-58.9	0.50	45.8	92.3	34.0	15.6	6.4	52.1	0.28	352	Neg.	N/A	N/A	Neg.	N/A	N/A	1.6	N/A	N/A	1.0	35.9
Agroliga	AGL PW	Warsaw	**8.72 PLN**	+2.5	-2.7	-3.1	-54.1	2.31	3.6	4.3	16.7	0.6	0.1	1.9	0.16	643	1.0	N/A	N/A	1.2	N/A	N/A	0.2	N/A	N/A	0.4	5.7
Agroton	AGT PW	Warsaw	**1.11 PLN**	+1.8	-15.9	-9.8	-64.0	0.29	6.4	51.7	26.2	1.7	18.6	26.0	1.13	89	Neg.	N/A	N/A	19.3	17.2	N/A	0.6	0.6	N/A	0.1	28.4
Astarta Holdin...	AST PW	Warsaw	**21.25 PLN**	-4.3	-14.3	+6.3	-52.8	5.63	140.7	371.1	31.0	43.6	43.1	50.8	0.07	1,533	5.1	Neg.	Neg.	4.9	3.0	5.8	0.9	0.9	1.0	0.5	38.2
Avangard	AVGR LI	London Intl	**2.75 USD**	-8.3	-4.5	+34.1	-73.2	2.75	175.6	429.0	21.7	38.1	78.2	64.4	0.13	792	Neg.	2.0	1.2	3.3	3.3	2.3	1.0	0.9	0.7	0.2	33.1
Kernel Holding...	KER PW	Warsaw	**36.89 PLN**	-2.3	+15.3	+29.6	+19.0	9.77	778.3	1,505.9	58.8	457.4	458.7	1,628.6	0.48	207	Neg.	5.4	5.2	6.8	4.5	4.5	0.6	0.6	0.6	0.8	39.1
KSG Agro	KSG PW	Warsaw	**0.89 PLN**	+0.0	-17.6	-20.5	-85.1	0.24	3.5	85.3	34.4	1.2	6.2	11.2	0.43	232	Neg.	N/A	0.2	9.8	N/A	N/A	1.1	0.9	0.8	0.3	44.5
MHP	MHPC LI	London Intl	**9.41 USD**	-0.9	+1.7	+2.3	-30.3	9.41	994.3	2,124.7	22.3	221.9	4,197.4	661.7	0.43	233	6.4	Neg.	3.5	5.4	4.1	4.2	1.4	1.5	1.5	2.0	47.0
Milkiland	MLK PW	Warsaw	**2.16 PLN**	-9.2	-26.5	+45.9	-72.7	0.57	17.9	126.3	20.0	3.6	42.4	41.7	1.50	66	1.5	Neg.	Neg.	3.8	4.0	4.3	0.3	0.3	0.5	0.1	30.8
Mriya Agrohold...	MAYA GF	Frankfurt	**0.43 EUR**	-4.7	+17.9	-23.7	-91.6	0.46	49.1	776.9	20.0	9.8	0.0	0.7	0.01	17,098	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**	+8.0	-26.4	+1.3	-73.9	0.09	4.5	131.6	13.1	0.6	0.0	0.1	0.02	4,996	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**	+4.8	-7.5	+1.7	-44.7	0.00	124.8	N/A	3.8	4.8	35.6	10.1	0.28	351	2.9	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	-34.7	0.00	114.2	N/A	4.5	5.1	0.0	0.4	0.00	42,981	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.

5

FX: News & Comments

UAH stays at 23.5/USD, dollar resumes rise

The hryvnia held steady at 23.5/USD on US$205m, relatively low trading volume, yesterday. Following February's deep devaluation episode, the NBU appears to be controlling capital operations. The USD resumed its strengthening (up 0.39% yesterday) amidst concerns over Eurozone affairs and ahead of a positive US job report due this Friday.

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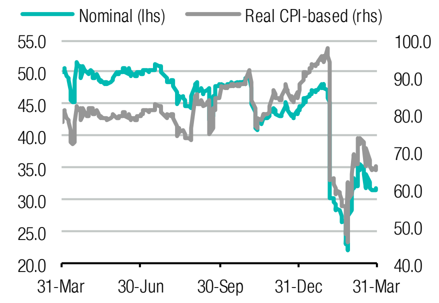
ICU's UAH trade-weighted indices

(Last 12-month history to 1 Apr 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 31 Mar 2015)

	Last	Daily chg (%)	Weekly chg (%)	MoM chg (%)	YTD chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	23.4430	-0.67	+0.94	-13.97	+48.19
NBU avg	N/A	N/A	N/A	N/A	N/A
Ttl vlm[1]	N/A	N/A	N/A	N/A	N/A
$ volume[2]	N/A	N/A	N/A	N/A	N/A
NDF 3M	25.1500	+0.24	+0.88	-13.45	+49.26
NDF 6M	26.5000	+0.23	+0.84	-12.14	+52.30
NDF 1Y	27.5000	+0.22	+0.81	-10.89	+49.05
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	31.692	+1.27	+0.01	+16.05	-28.73
UAH real CPI	65.821	+1.27	+0.01	+16.05	-24.06
UAH real PPI	90.157	+1.27	+0.01	+16.05	-23.44
USD nom'l	98.357	+0.39	+1.20	+3.22	+8.96
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	58.1861	+1.17	+0.78	-5.78	-4.20
EUR/USD	1.0731	-0.94	-1.77	-4.15	-11.30
USD/CNY	6.1997	-0.13	-0.10	-1.11	-0.09
USD/PLN	3.7970	+0.60	+1.37	+2.48	+7.15
USD/TRY	2.5975	-0.40	+1.78	+3.56	+11.24
USD/BYR	14,690.00	+0.34	+0.62	-0.74	+33.55
USD/KZT	185.8100	+0.05	-0.11	+0.40	+1.90
OTHER MAJOR CURRENCIES					
USD/JPY	120.1300	+0.05	+0.31	+0.42	+0.29
GBP/USD	1.4818	+0.05	-0.22	-4.02	-4.87
USD/CHF	0.9727	+0.59	+1.51	+1.93	-2.17
AUD/USD	0.7607	-0.61	-3.43	-2.57	-6.95
USD/CAD	1.2686	+0.09	+1.54	+1.37	+9.16
USD/BRL	3.1967	-1.03	+1.82	+12.51	+20.29
USD/KRW	1,109.69	+0.42	+0.45	+1.06	+1.71
COMMIDITIES					
Gold($/oz)	1,183.68	-0.20	-0.81	-2.43	-0.10
WTI crude[3]	47.60	-2.22	+1.04	-4.34	-10.64
Brent crd[3]	53.34	-2.65	+0.23	-13.70	-4.34
Urals crd[3]	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB[4]	211.86	-1.12	-1.70	-5.45	-7.87

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.

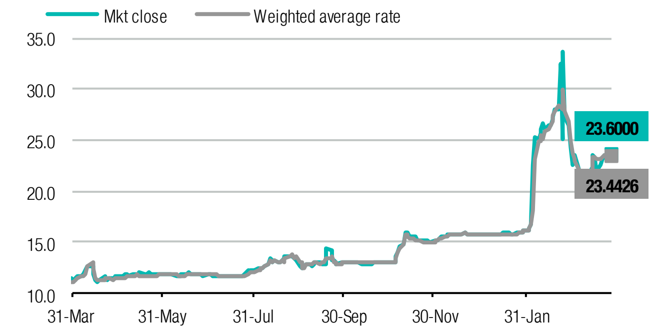
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

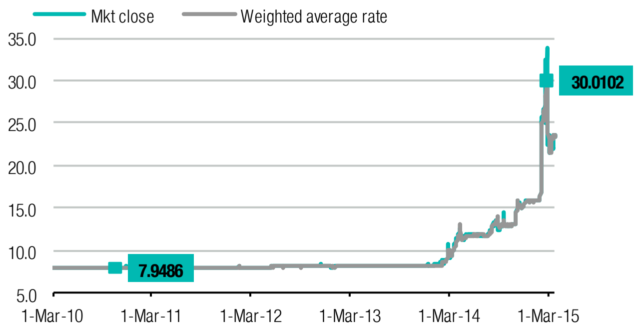
Section on FX market is continued on next page.

Chart page #1: Foreign-exchange market

Chart 11. Spot market rates USD/UAH: last 12-month and 5-year periods (UAH per USD, left and right respectively)

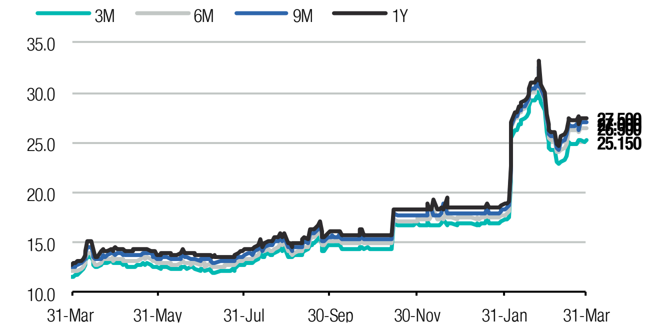


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

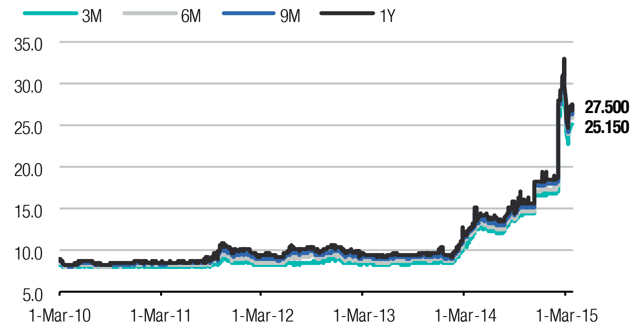


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

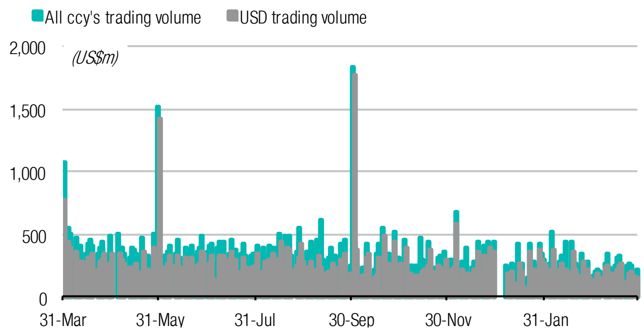


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

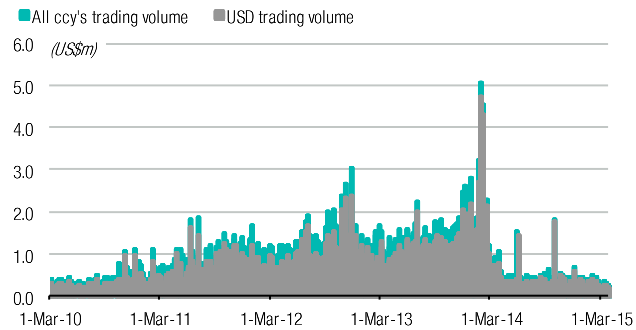


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

Chart 13. Trading volume: last 12-month and 5-year periods (US$m, left and right respectively)

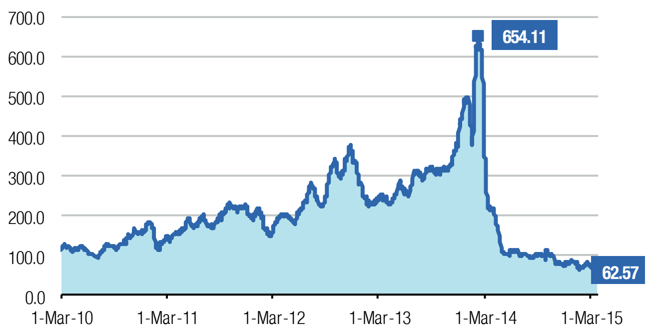


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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

Chart 14. 30D MA* ratio of FX market turnover to merchandise trade: last 12m and 5yr periods (%, left and right respectively)

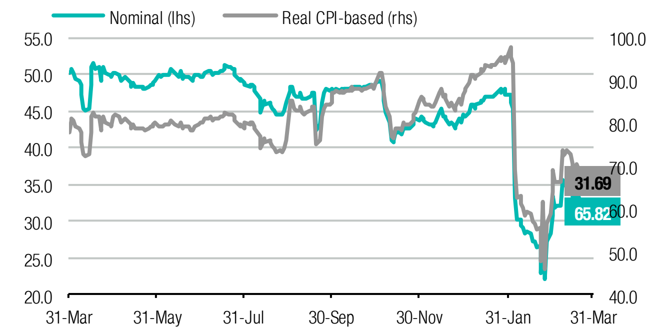


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

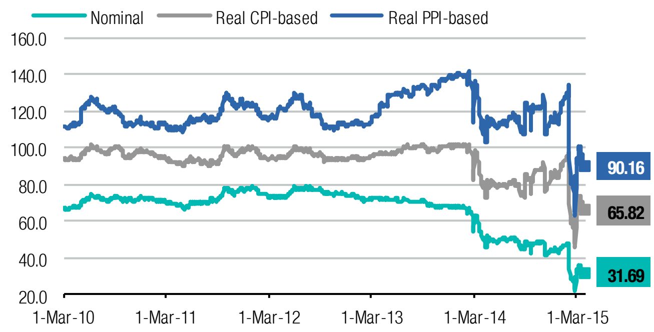
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology published in the *Quarterly Report* "Keep the music playing" dated 31 January 2013 and, then, updated, in the *Quarterly Report* "Muddling through no more" dated 14 August 2013.

Chart 15. Nominal and CPI-based real TWIs of UAH, history of last 12-month period



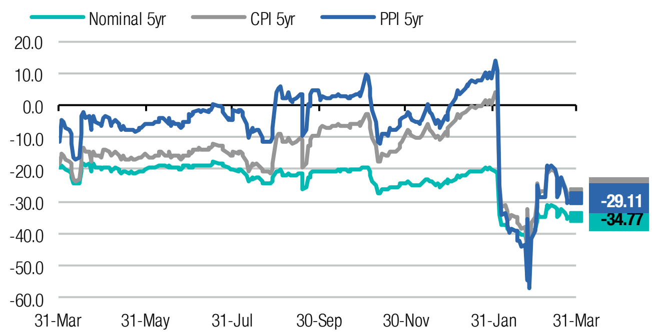
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

Chart 16. Nominal, CPI- and PPI-based TWIs of UAH, history of last 5-year period

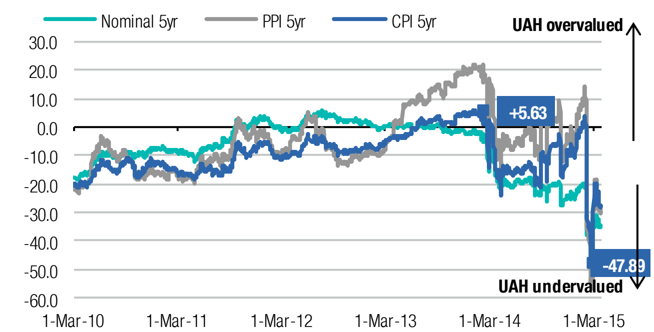


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

Chart 17. Deviation of UAH trade-weighted indices from their 5-year moving averages: last 12-month and 5-year periods (%, left and right respectively)

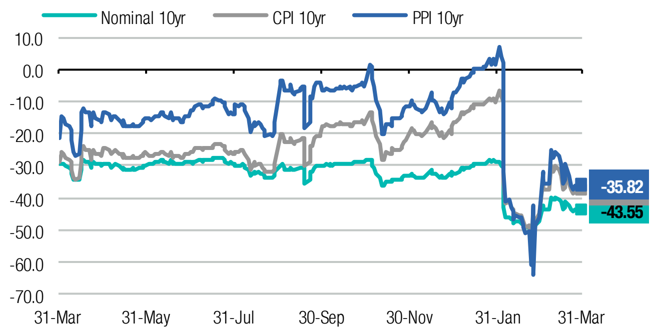


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

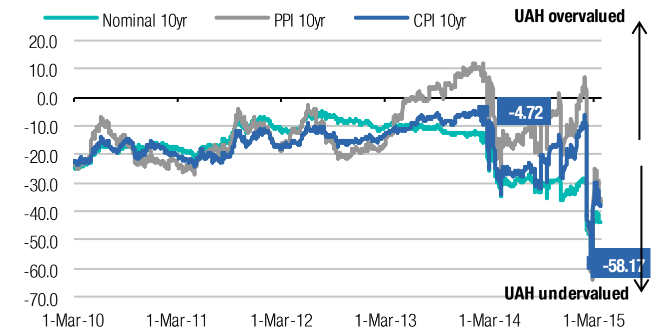


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

Chart 18. 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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This research publication has been prepared by the analyst(s), whose name(s) appear on the front page of this publication. The analyst(s) hereby certifies that the views expressed within this publication accurately reflect her/his own views about the subject financial instruments or issuers and no part of her/his compensation was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views within this research publication.

EQUITY RATING DEFINITIONS

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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