



Focus
Ukraine

Scope
Economics, bonds, equity & FX markets

Research team
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Daily Insight

Construction report for May

Contents

Economics: News & Comments	2
Construction report for May	2
Bonds: News & Comments	3
Liquidity hits new yearly high	3
Chart page: Local bond market & Eurobond markets	4
FX: News & Comments	6
Fed cautiousness causes dollar to drop	6
Chart page #1: Foreign-exchange market	7
Chart page #2: ICU's UAH trade-weighted indices	8

THURSDAY, 18 JUNE 2015

UX Index (3 months to 18 Jun 2015)



Source: UX.

Key market indicators (as of 17 Jun 2015)

	Last	Daily chg (%)	YTD chg (%)
FX & MONEY RATES			
USD/UAH	21.7500	+0.00	+37.48
USD/UAH (1Y NDF)	25.6500	-2.84	+39.02
EUR/USD	1.1337	+0.79	-6.29
USD/RUB	53.6434	-0.27	-11.68
KievPRIME 0/N (%)	21.13	+0bp	+223bp
KievPRIME 1M (%)	27.75	-25bp	+785bp
SOVEREIGN EUROBONDS: yields and spreads			
Ukraine 15, Eurobond (%)	349.08	+1,366bp	+28,732bp
Ukraine 17, Eurobond (%)	54.47	+36bp	+2,671bp
Ukraine 22, Eurobond (%)	21.49	+23bp	+524bp
Ukraine 23, Eurobond (%)	19.22	-58bp	+366bp
Ukraine 5Y CDS	3,118bp	+86bp	+919bp
EQUITIES			
Stock market indices			
UX (Ukraine)	1,024.64	-0.37	-0.84
MSCI World	429.16	-0.03	+2.89
MSCI EM	969.40	+0.42	+1.37
RTS (Russia)	966.55	-1.20	+22.79
WIG-20 (Poland)	2,321.39	-1.50	+0.24
S&P 500 (USA)	2,100.44	+0.20	+2.02

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

Construction report for May

Following the previous day's sector reports for May on agriculture, retail trade and transportation, the construction sector fell 31.7% YoY over January-May in real terms per yesterday's release. However, in a more detailed analysis, the results provided the hint of a possible stabilization of the sector in the coming months (please see the table below). The report on industrial production will be released later today, and we expect that it will indicate that the sector has neared its bottom and will begin a recovery soon.

Table 1. Construction sector and other key sectors of the economy (excluding industrial sector) in May versus previous month after inflation and seasonal adjustment

	Apr-15			May-15			Change (%MoM)		
	Raw	Seasonally-adjusted	Trend	Raw	Seasonally-adjusted	Trend	Raw	Seasonally-adjusted	Trend
Agri index	122.5	135.8	135.9	120.0	135.7	135.8	-2.0	-0.1	-0.1
Retail trade, retailers (UAHm, CPI-adj)	6,049	6,161	6,177	6,341	6,230	6,215	+4.8	+1.1	+0.6
Transport turnover, cargo (000 tonne*km)	25,091	27,577	26,389	27,318	26,543	26,570	+8.9	-3.7	+0.7
Transport turnover, passenger (000 passenger*km)	8,041	8,408	8,347	8,279	7,958	8,249	+3.0	-5.4	-1.2
Construction (UAHm, CPI-adj)	757	985	990	799	915	932	+5.6	-7.1	-5.8

Note: seasonal adjustment and trend by Demetra v2.2 Tramo-Seats. Sources: State Statistics Service of Ukraine, ICU.

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Bonds: News & Comments

Liquidity hits new yearly high

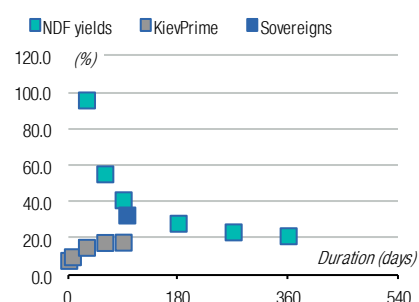
Broader liquidity rose once more yesterday, setting a new record high, up UAH2.57bn to UAH69.74bn, as banks' correspondent accounts with the NBU increased UAH1.33bn to UAH25.91bn and total CDs outstanding rose UAH1.25bn to UAH38.26bn, the record high since 2011. Total debt repayments scheduled for the next 30 days remained steady at UAH5.57bn.

Investment implications: Yesterday's debt repayments will be included in today's NBU data, but liquidity hit a new record high. The NBU continued to absorb extra liquidity via CDs. However, despite this absorption, banks' accounts continued to increase. Broader liquidity could set new record high since 2012. It could rise by more than UAH6.0bn through the end of this week.

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Yield curve of the local bond market

(as of market close on 17 Jun 2015)



Sources: Bloomberg, Investment Capital Ukraine LLC.

Bond market indicators (as of 17 Jun 2015)

	Last	Daily	Weekly	MoM	YTD
		chg (%)	chg (%)	chg (%)	chg (%)

MONEY MARKET KIEV PRIME RATES (%)

O/n	21.13	+0bp	-7bp	+13bp	+223bp
1wk	23.50	+12bp	+10bp	-50bp	+450bp
1m	27.75	-25bp	-5bp	-25bp	+785bp
2m	26.25	-25bp	-15bp	-25bp	+625bp
3m	26.25	-25bp	-15bp	-25bp	+625bp

LIQUIDITY WIDE MEASUREMENT (UAHm)

CB acc's ¹	25,911	+5.39	+16.33	-1.47	-22.08
CDs ²	0	+0.00	+0.00	+0.00	+0.00
Sovgns ³	4,067	-22.42	+4.32	-6.97	-10.25
Total	29,979	+0.50	+14.54	-2.26	-20.66

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	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 (%)

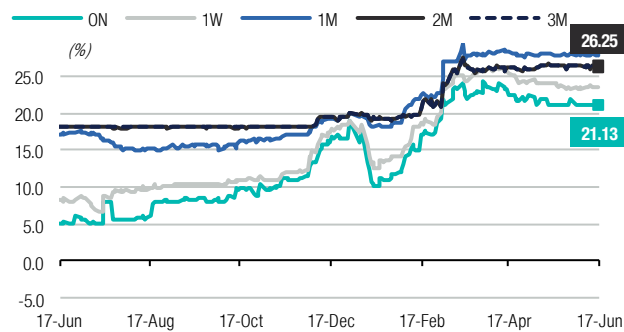
CDS 5yr	3,118	+86bp	+113bp	-21bp	+919bp
Jun '16	101.20	+49bp	+10bp	+693bp	+64bp
Jul '17	54.47	+36bp	+643bp	+184bp	+27bp
Sep '20	26.55	-5bp	+242bp	-35bp	+770bp
Sep '21	23.78	-11bp	+79bp	-237bp	+525bp
Sep '22	21.49	+23bp	+104bp	-133bp	+524bp
Feb '23	19.22	-58bp	+166bp	-181bp	+366bp

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.

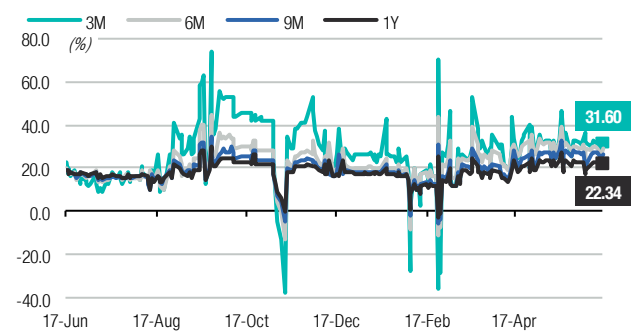
Chart page: Local bond market & Eurobond markets

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



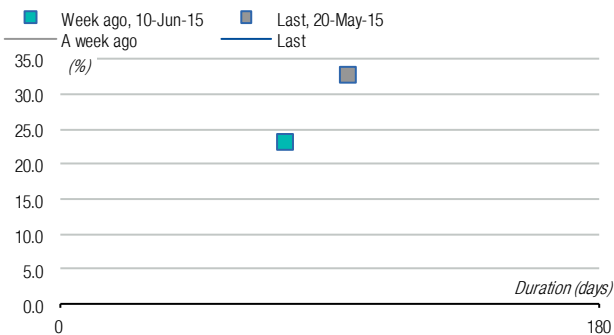
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



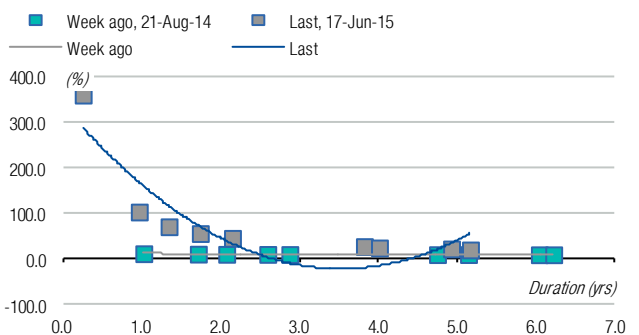
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 3. UAH sovereign yield curve (%) as of 17 Jun 2015



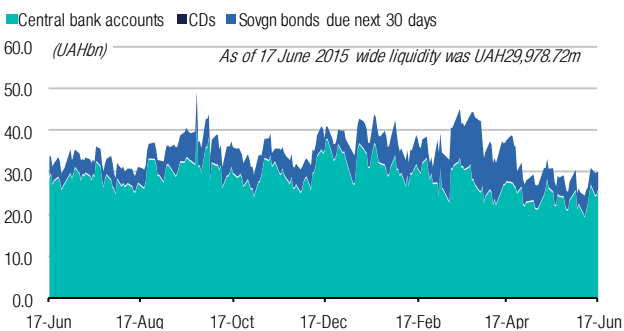
Sources: Bloomberg, Investment Capital Ukraine LLC.

Chart 4. USD sovereign yield curve (%) as of 17 Jun 2015



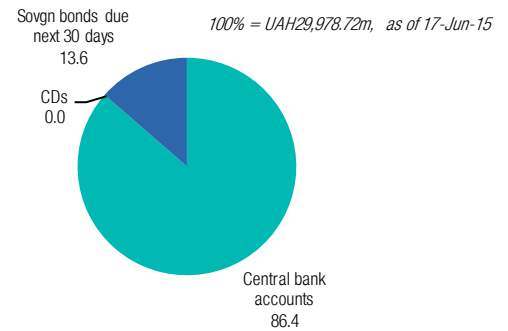
Sources: Bloomberg, Investment Capital Ukraine LLC.

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



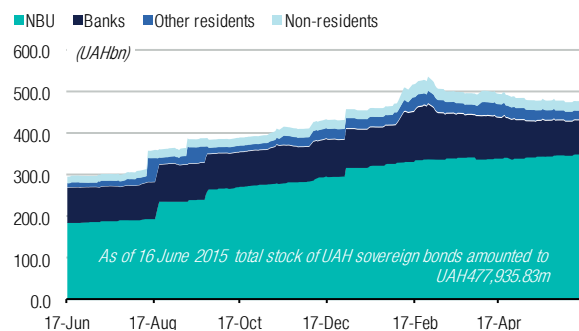
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

Chart 6. Breakdown of liquidity pool (%) as of 17 Jun 2015



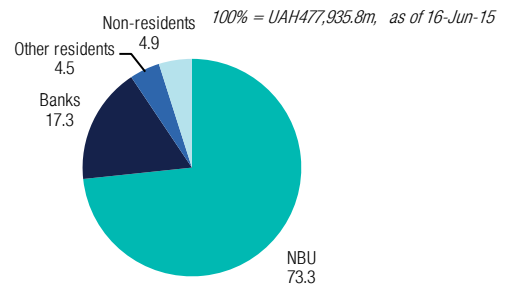
Sources: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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 17 Jun 2015



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

Table 2. Ukrainian stocks (closing prices as of 17-Jun-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	12.38 GBp	+0.0	+45.6	+23.8	+35.6	0.20	45.2	13.9	40.2	18.2	16.1	18.2	0.14	697	Neg.	N/A	N/A	Neg.	N/A	N/A	0.4	N/A	N/A	0.5	15.3	
Centrenerg	CEEN UK	Kiev, UX	7.83 UAH	-0.8	-3.4	+3.8	+7.5	0.36	133.0	138.0	21.7	28.9	23.7	20.4	0.07	1,357	41.0	Neg.	N/A	0.4	Neg.	N/A	0.4	0.3	N/A	1.3	4.2	
Coal Energy	CLE PW	Warsaw	0.57 PLN	+0.0	+3.6	-8.1	-57.1	0.16	7.0	79.5	25.0	1.7	0.0	1.8	0.05	2,150	Neg.	N/A	N/A	10.9	N/A	N/A	0.7	N/A	N/A	0.3	56.9	
Donbasenergo	DOEN UK	Kiev, UX	21.65 UAH	-1.6	-8.3	-34.4	-47.2	1.00	23.5	37.1	14.2	3.3	8.0	5.9	0.14	724	5.1	Neg.	N/A	0.0	10.6	N/A	0.2	0.2	N/A	0.3	13.6	
JXK Oil & Gas	JXK LN	London	28.25 GBp	-0.9	-0.9	+135.4	-52.3	0.45	76.9	88.0	47.2	36.3	4.1	205.2	1.57	64	Neg.	Neg.	Neg.	Neg.	1.7	N/A	0.6	0.6	1.1	0.3	9.9	
Regal Petroleum	RPT LN	London	4.75 GBp	+0.0	+9.1	+52.0	-44.1	0.08	24.1	-7.7	80.9	19.5	0.0	3.5	0.01	7,423	4.2	8.0	N/A	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.3	0.0	
Zakhidenergo	ZAEN UK	Kiev, PFTS	167.00 UAH	+7.1	+0.6	+12.8	+19.3	7.68	98.2	148.0	5.0	4.9	0.9	0.9	0.00	120,062	Neg.	N/A	N/A	0.1	N/A	N/A	0.3	N/A	N/A	0.7	11.6	
METALLURGY																												
Alchevsky Meta...	ALMK UK	Kiev, UX	0.01 UAH	+2.9	-5.3	-2.1	-59.8	0.00	16.8	1,904.7	3.9	0.7	0.4	0.8	0.12	856	Neg.	Neg.	N/A	0.6	Neg.	N/A	2.8	6.3	N/A	N/A	145.5	
Avdiyivsky Cok...	AVDK UK	Kiev, UX	1.16 UAH	-1.2	-13.1	-33.2	-64.5	0.05	10.4	8.0	4.0	0.4	0.4	1.0	0.25	403	Neg.	Neg.	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	
Azovstal	AZST UK	Kiev, UX	0.80 UAH	+0.1	-2.9	+7.4	+2.4	0.04	154.6	113.3	4.1	6.3	10.1	6.4	0.13	786	3.7	2.9	N/A	0.1	1.0	N/A	0.1	0.1	N/A	0.2	0.0	
Ferrexpo PLC	FXPO LN	London	69.25 GBp	-1.1	-5.5	+41.6	-42.5	1.10	644.7	1,341.6	22.4	144.4	590.7	906.6	0.48	206	3.6	11.4	13.7	3.2	6.3	7.5	1.0	1.3	1.3	0.9	61.1	
Yasynivsky Cok...	YASK UK	Kiev, UX	0.29 UAH	+0.0	-5.0	+1.8	-65.0	0.01	3.6	4.3	9.0	0.3	0.0	0.0	0.00	267,191	Neg.	8.7	N/A	Neg.	Neg.	N/A	0.0	0.0	N/A	0.1	0.0	
Yenakievo Steel	ENMZ UK	Kiev, UX	17.57 UAH	+4.3	-0.5	-16.1	-60.3	0.81	8.5	0.8	9.4	0.8	2.4	2.4	0.53	190	Neg.	Neg.	N/A	0.0	0.0	N/A	0.0	0.0	N/A	0.3	0.0	
FOOD AND AGRIBUSINESS																												
AgroGeneration	ALAGR FP	EN Paris	0.46 EUR	-2.1	-6.1	+7.0	-57.0	0.52	48.2	97.2	34.0	16.4	2.3	13.2	0.02	4,257	Neg.	N/A	N/A	Neg.	N/A	N/A	1.3	N/A	N/A	1.0	35.9	
Agroliga	AGL PW	Warsaw	10.80 PLN	-2.8	+10.2	+20.0	-45.4	2.95	4.5	5.3	16.7	0.8	0.0	2.0	0.33	302	1.3	N/A	N/A	1.5	N/A	N/A	0.3	N/A	N/A	0.4	5.7	
Agroton	AGT PW	Warsaw	1.13 PLN	-5.0	+18.9	-8.1	-59.1	0.31	6.7	34.0	26.2	1.7	16.8	13.4	0.60	168	Neg.	N/A	N/A	1.5	N/A	N/A	0.6	N/A	N/A	0.1	33.4	
Astarta Holdin...	AST PW	Warsaw	28.50 PLN	+3.3	+19.2	+42.5	-38.0	7.77	194.3	433.4	31.0	60.3	35.2	209.5	0.18	558	Neg.	Neg.	4.0	3.6	3.6	4.6	1.1	1.0	1.0	1.2	49.6	
Avangard	AVGR LI	London Intl	1.50 USD	+0.0	-44.4	-26.8	-85.2	1.50	95.8	358.0	21.7	20.8	4.1	31.3	0.14	718	Neg.	Neg.	2.6	2.8	5.2	4.4	0.9	0.9	0.8	0.3	33.1	
Kernel Holding...	KER PW	Warsaw	38.25 PLN	+0.0	+4.4	+34.4	+15.8	10.43	831.1	1,305.5	58.8	488.5	414.2	1,610.4	0.25	405	Neg.	6.3	5.1	5.8	3.8	3.8	0.5	0.5	0.5	1.0	39.1	
KSG Agro	KSG PW	Warsaw	0.65 PLN	+6.6	-18.8	-42.0	-85.7	0.18	2.7	67.7	34.4	0.9	1.3	4.3	0.62	163	Neg.	N/A	0.1	7.8	N/A	N/A	0.9	0.7	0.6	N/A	44.5	
MHP	MHPC LI	London Intl	10.45 USD	+0.0	-12.6	+13.6	-28.2	10.45	1,104.2	2,264.2	22.3	246.5	4.3	735.1	0.29	346	Neg.	5.1	4.2	4.1	4.5	4.5	1.6	1.8	1.8	2.6	53.0	
Milkiland	MLK PW	Warsaw	1.90 PLN	+0.0	-19.1	+28.4	-72.1	0.52	16.2	132.1	20.0	3.2	3.7	15.6	0.19	526	Neg.	Neg.	2.1	9.6	4.4	4.0	0.4	0.5	0.5	0.2	42.5	
Ovostar Union	OVO PW	Warsaw	79.00 PLN	-1.3	+2.3	+9.7	+9.7	21.54	129.3	139.5	25.0	32.3	2.0	128.0	0.21	483	5.1	5.6	6.4	4.8	5.4	4.7	1.8	1.8	1.6	1.6	9.4	
CONSTRUCTION																												
TMM	TR61 GF	Frankfurt	0.03 EUR	+0.0	-32.4	-68.8	-88.4	0.03	1.5	128.6	13.1	0.2	0.0	0.3	0.00	84,810	Neg.	N/A	N/A	Neg.	N/A	N/A	3.8	N/A	N/A	0.0	45.5	
FINANCIAL SERVICES																												
Raiffeisen Ban...	BAVL UK	Kiev, UX	0.09 UAH	-2.0	-1.9	-3.4	-38.2	0.00	127.8	N/A	3.8	4.9	2.3	10.5	0.18	567	N/A	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.7	N/A
Ukrsofsbank	USCB UK	Kiev, UX	0.09 UAH	-13.0	-15.1	-33.2	-47.6	0.00	98.7	N/A	4.5	4.4	1.1	0.2	0.01	7,051	Neg.	Neg.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.4	38.2

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

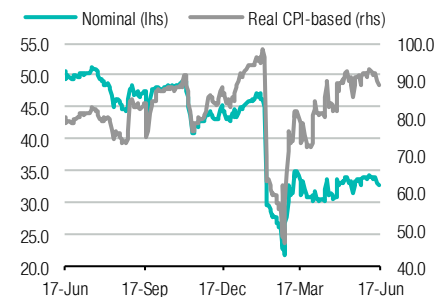
Fed cautiousness causes dollar to drop

Yesterday's Fed statement following the conclusion of the monetary policy committee meeting once again confirmed that the interest rate hike will be shallow. The dollar index dropped following the news, suggesting that the dollar will not stage a grand rally similar to that from June of last year to April of this year. For the hryvnia, this is positive.

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ICU's UAH trade-weighted indices

(Last 12-month history to 18 Jun 2015)



Source: Investment Capital Ukraine LLC.

FX market indicators (as of 17 Jun 2015)

	Last	Daily	Weekly	MoM	YTD
	chg (%)	chg (%)	chg (%)	chg (%)	chg (%)
USD/UAH MARKET (HRYVNIA per US DOLLAR)					
Spot mkt	21.7500	+0.00	+3.20	+4.07	+37.48
NBU avg	21.6502	-2.25	+2.35	+4.60	+37.30
Ttl vlm ¹	221.38	+10.16	-12.48	+9.24	-48.62
\$ volume ²	160.99	+9.38	-19.73	+3.96	-54.56
NDF 3M	23.3000	-0.64	+2.19	+5.19	+38.28
NDF 6M	24.6500	-1.00	+1.86	+4.01	+41.67
NDF 1Y	25.6500	-2.84	-0.19	+2.19	+39.02
TRADE-WEIGHTED INDICES (TWIs, points)					
UAH nom'l	32.519	-0.34	-3.42	-0.32	-26.87
UAH real CPI	88.408	-0.34	-3.42	-0.32	+2.16
UAH real PPI	105.735	-0.34	-3.42	-0.32	-10.22
USD nom'l	94.296	-0.74	-0.37	+1.25	+4.46
FX RATES OF KEY CURRENCIES THAT SHAPE UAH's TWIs					
USD/RUB	53.6434	-0.27	-1.31	+8.30	-11.68
EUR/USD	1.1337	+0.79	+0.11	-1.00	-6.29
USD/CNY	6.2095	+0.02	+0.06	+0.05	+0.06
USD/PLN	3.6637	-0.56	+0.18	+3.79	+3.39
USD/TRY	2.7069	-1.01	-1.05	+5.11	+15.93
USD/BYR	15,500.00	+0.65	+0.32	+9.15	+40.91
USD/KZT	186.0600	+0.00	-0.01	+0.00	+2.03
OTHER MAJOR CURRENCIES					
USD/JPY	123.4300	+0.06	+0.61	+3.51	+3.05
GBP/USD	1.5833	+1.18	+1.95	+0.67	+1.64
USD/CHF	0.9220	-1.09	-1.02	+0.63	-7.27
AUD/USD	0.7749	-0.04	-0.15	-3.55	-5.21
USD/CAD	1.2228	-0.54	-0.22	+1.78	+5.22
USD/BRL	3.0566	-1.05	-1.97	+1.99	+15.01
USD/KRW	1,117.73	-0.07	+0.88	+2.95	+2.45
COMMODITIES					
Gold(\$/oz)	1,185.58	+0.29	-0.06	-3.14	+0.06
WTI crude ³	59.92	-0.08	-2.46	+0.39	+12.48
Brent crd ³	61.51	-0.95	-4.77	-6.51	+10.31
Urals crd ³	N/A	+0.00	+0.00	+0.00	+0.00
TR/J CRB ⁴	223.52	-0.12	-2.05	-3.43	-2.80

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.

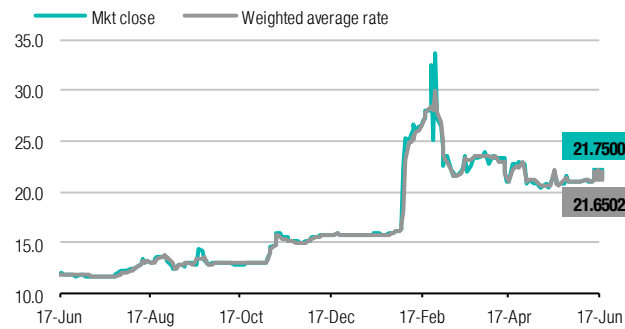
Sources: Bloomberg, Investment Capital Ukraine LLC.

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>).

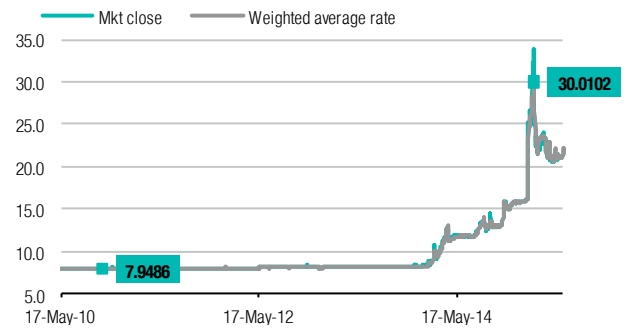
Section on FX market is continued on next page.

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)

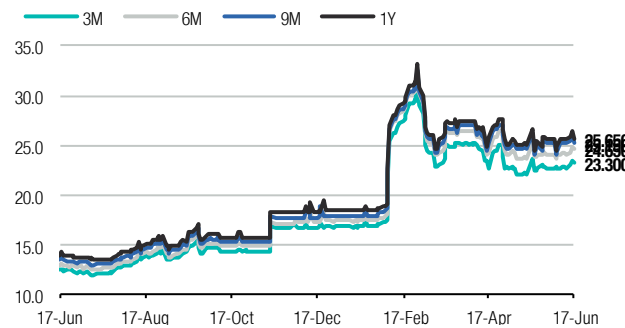


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

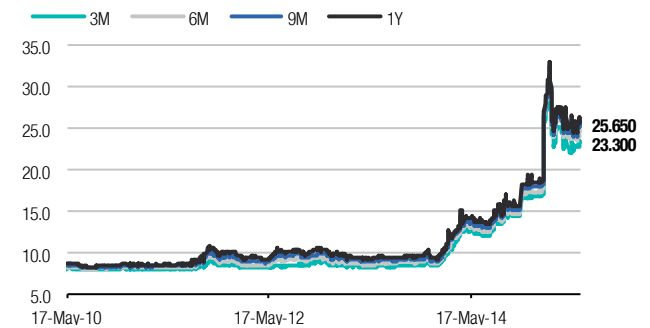


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

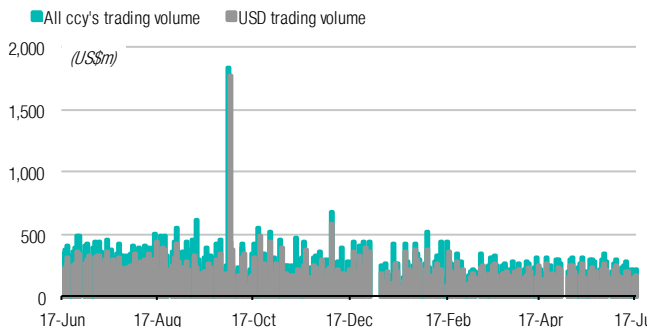


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

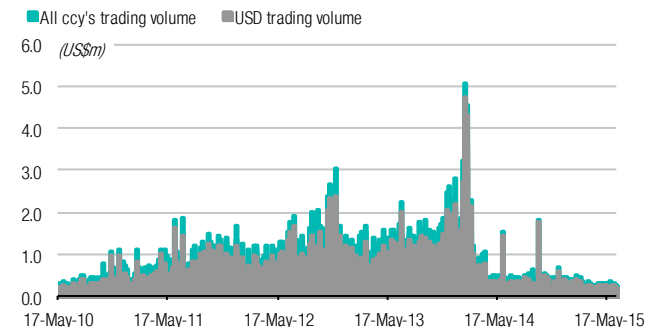


Sources: National Bank of Ukraine, Investment Capital Ukraine LLC.

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

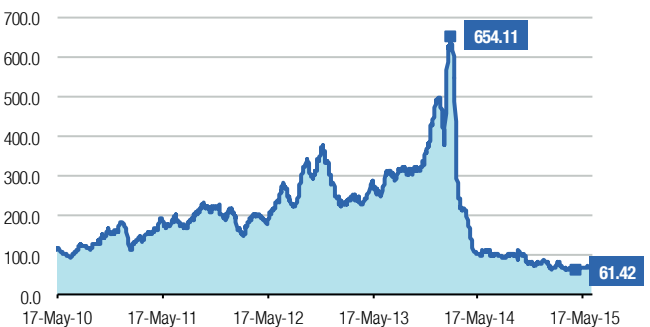


Sources: National Bank of Ukraine, Bloomberg, Investment Capital Ukraine LLC.



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)

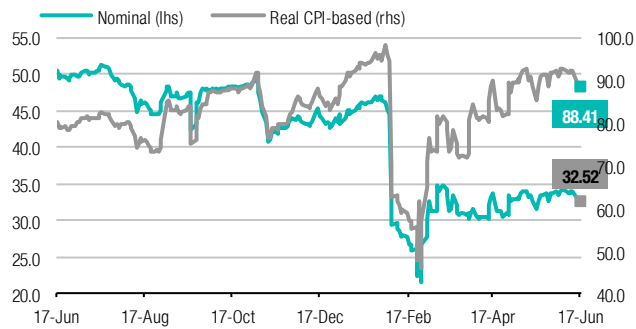


Note: * 30-day moving average; The boxes of the right chart show high and low values. Sources: NBU, State Statistics Service of Ukraine, Bloomberg, Investment Capital Ukraine LLC.

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

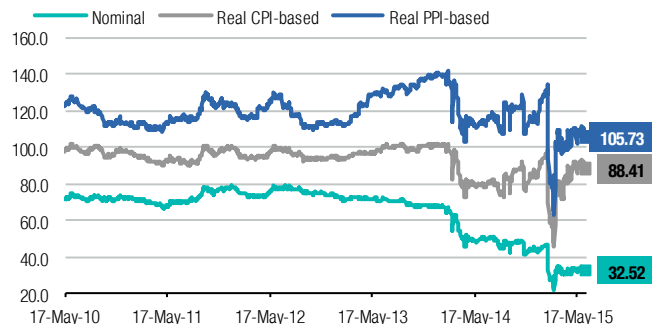
The following charts depict ICU's Ukrainian hryvnia trade-weighted indices which were calculated in accordance with methodology (for more details visit <http://www.icu.ua/en/research/currency-indices>).

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



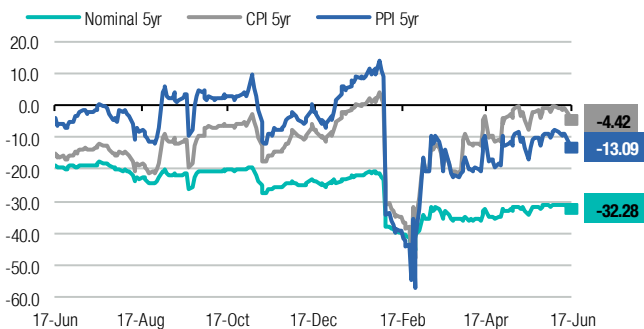
Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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

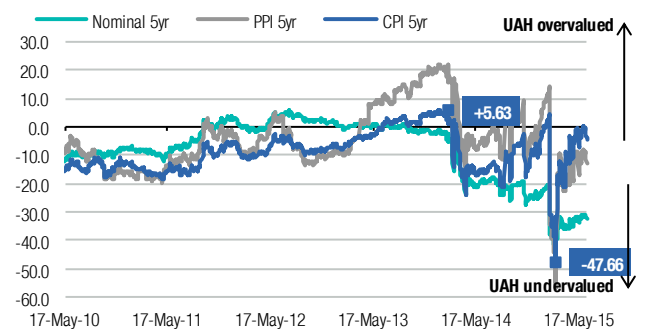


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

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)

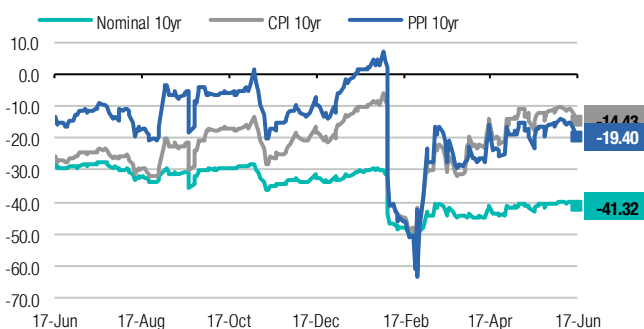


Note: The boxes indicate the last values of the depicted indicators.
Source: Investment Capital Ukraine LLC.

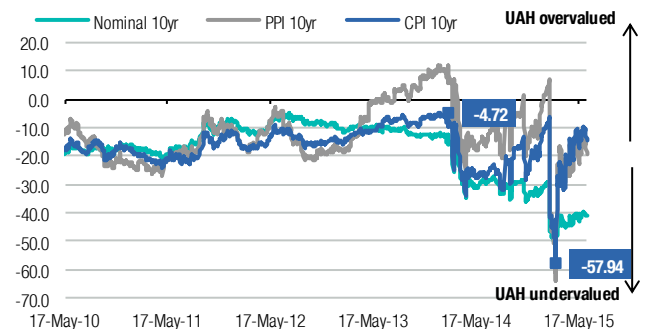


Note: the boxes indicate the high and low values of CPI-based TWI.
Source: Investment Capital Ukraine LLC.

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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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.

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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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