



# Daily Insight

NBU on 2010 BoP, current FX market; Bond auction preview; KGOKOR; MHP; sunflower seeds exports

MONDAY, 31 JANUARY, 2011

RESEARCH INSIGHT

## Economics

### NBU reports its assessment of 2010 BoP

The central bank's monthly report, with its preliminary assessment of the balance of payments for December and the entire year 2010, contained the following findings. Firstly, Ukraine's economy, which grew at an estimated growth rate of 4.3% YoY in real terms, provided a faster pace of growth for merchandise imports than for exports growth, with the former increasing by 35.4%, to US\$60.5bn in the full-year 2010 from the previous year, and the latter rising by 29.0%, to US\$52.1bn. This resulted in a widening of the current account deficit, to US\$2.6bn, or 1.9% of GDP, according to the NBU's calculations. The capital and financial account saw an inflow of capital of US\$7.7bn, of which US\$5.7bn was in foreign direct investments (FDI).

**Investment implications:** *The economic growth story of 2010 showed that not only did merchandise trade recover, but also, credibility was restored with private creditors and direct investors. The former provided a net inflow of credit to the country in the form of loans and Eurobond issuance. The latter were encouraged by, most likely, greater political stability, which opened up greater prospects for (other than banking) sectors: the NBU reported that non-banking FDI increased by 1.5x in 2010. In our view, in 2011, the same situation with regard to the BoP composition as in 2010 has a high likelihood of being repeated; with the C/A deficit poised to reach US\$2-3bn, however, inflow of funds in net terms from lenders and direct investors will cover the gap (the IMF alone is to provide US\$6bn this year under the condition that agreed-upon economic policymaking guidelines are met).*

Alexander Valchyshen, Kiev, +38044 2200120 ext.242

### NBU reports on FX market conditions

In its regular weekly review of the FX market conditions, the central bank said that during the last week, there was a prevailing trend of greater supply of hard currencies over demand. This allowed the NBU to stockpile its FX reserves, as the bank adheres to the policy of managing the UAH exchange rate in a narrow band. According to the NBU, the UAH has strengthened since the very beginning of January by 0.35%, to 7.9336/USD.

**Investment implications:** *While the NBU and other monetary authorities hesitate to allow more flexibility of the FX market, there is a high chance that the NBU will withstand devaluation pressure on the currency if it were to appear. In this light, we believe that future path of the exchange rate, i.e., in 1Q11, will continue within the same narrow and unofficial band of 7.93-7.98/USD. Further on, there is a chance (40% probability) that the*

### Key rates and indices (as of 28 Jan 2011)

	Last	Daily chg <sup>1</sup> (%)	YTD chg <sup>1</sup> (%)
<b>Currencies</b>			
USD/UAH (spot)	7.9420	0.21	-0.29
USD/UAH (1Y NDF)	8.6750	1.39	0.00
EUR/USD (spot)	1.3609	-0.90	1.71
<b>Money market</b>			
KievPRIME O/N (%)	1.25	15bp	-950bp
KievPRIME 1M (%)	3.94	9bp	-681bp
<b>Bond markets</b>			
Ukraine 5Y CDS	477bp	27bp	-36bp
<b>Equity markets</b>			
UX (Ukraine)	2,641.82	-0.77	8.11
PFTS (Ukraine)	1,057.64	0.18	8.47
RTS (Russia)	1,911.55	0.93	7.98
WIG (Poland)	47,223.01	-0.65	-0.56
S&P 500 (USA)	1,276.34	-1.79	1.49

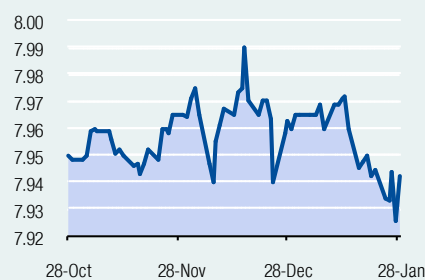
Note: 1) percentage change if not otherwise stated.  
Sources: NBU, PFTS, Bloomberg, Cbonds, ICU.

### PFTS Index (3 months to 31 Jan 2011)



Source: PFTS.

### USD/UAH (3 months to 31 Jan 2011)



Source: Bloomberg.

### Research team

Alexander Valchyshen  
Olga Nosova  
Andriy Tovstopyat  
Alexander Martynenko

**authorities will make a step towards greater flexibility of the UAH exchange rate, albeit still, the latter is to be managed via interventions by the NBU, which will be buying/selling on the each side of the band.**

**Alexander Valchyshen, Kiev, +38044 2200120 ext.242**

## Capital markets

### Government bond auction preview

Tomorrow, a week after the previous auction, which turned out to be quite fruitful in terms of size of proceeds and successful in terms of yields, the MoF is preparing to offer to the market the following list of securities (see table below). This week, market conditions are also rather favourable for the government, which is likely to tap the market at a yield curve that is similar to the previous auction, as the banking sector's liquidity position has remained awash with spare funds. Thus, the central bank was draining spare liquidity last week via selling certificates of deposit, or CDs (taking in more than UAH2.4bn in proceeds on 27 January) at interest rates that did not vary from the previous sizable placement a week ago. The longest CD, with a tenor of 89 days, was sold at a 5% rate. This shows that the authorities (monetary and fiscal) will be pushing the interest rates down at this auction as well.

**Table 1. List of bonds to be offered at tomorrow's government bond auction**

ISIN	Placement type	Tenor (days)	Maturity
UA4000106165	Re-opening	84	27-Apr-11
UA4000105423	Re-opening	161	13-Jul-11
N/A	Primary	1,092	29-Jan-14

Sources: Ministry of Finance of Ukraine, Investment Capital Ukraine LLC.

**Investment implications: In our view, market conditions prove to be favourable for another successful placement of government bonds, as the MoF needs to pay back UAH1.8bn of local-currency debt. The fact that banks have bought central banks' CDs at a volume that is 2x higher than the previous sale of a full range of CDs (from 1 week to 89 days) shows that banks are demanding low-risk and short-term assets (like NBU CDs, and hence government bonds). In our view, the yield curve tomorrow is likely to have the same shape, and yield levels across the durations of bonds the same as at the previous auction.**

**Alexander Valchyshen, Kiev, +38044 2200120 ext.242**

### KGOKOR readies for privatisation by end-2011

The Ukrainian government has finally begun its programme for privatising of Kriviy Rih Oxidized Iron Ore Mining and Processing Combine (KGOKOR) by the end of 2011, UGMK reported. According to a spokesperson for the government, it is about to approve a schedule for KGOKOR's privatisation process. Still, the final mechanism of KGOKOR's sale has not been worked out yet. Meanwhile, Interfax Ukraine reported that one of Russia's leading iron-ore-making groups, Metalloinvest, continues to show interest in participating in KGOKOR's construction. The Antimonopoly Committee of Ukraine granted Metalloinvest permission to acquire a 25% stake in Ukrainian Ore-Metallurgical Company Ltd. (UOMC), which had been earlier assigned by the government to finalise construction of KGOKOR. The remaining stake in UOMC is reportedly controlled by Ukraine's Smart Group.

**Investment implications:** *The Ukrainian government's statements imply that KGOKOR is unlikely to be privatised in 2011. The key obstacle to the privatisation is most likely to be conflicting interests of KGOKOR's potential buyers, as Evraz, Metalloinvest, Smart Group and ArcelorMittal have repeatedly expressed their interests in acquiring the plant. Furthermore, the government still has to solve the problem of paying a US\$0.5bn debt to countries which participated in KGOKOR's construction (Romania, Slovakia, Bulgaria, and Germany).*

*Alexander Martynenko, Kiev, +38044 2200120 ext.245*

### **One of MHP's hatcheries gains access to the Russian market**

The Staryn poultry farm, one of MHP's farms, was given access to the Russian market for eggs hatcheries and one-day-old chicks. According to the company's press release, MHP has already signed a contract with one of the Russian poultry producers for delivery of some 10.5m eggs; the first part of this delivery has already been made.

**Investment implications:** *Certainly, the egg hatchery supply is not an essential segment in the framework of MHP's business model; however, its ability to keep exporting to Russia is good for the company's positive track record. We should remind our readers that Russian sanitary officials temporarily suspended broiler meat deliveries from MHP's Myronivska poultry farm into the country as of November, 2010. At the same time, the Snyatyn farm, another arm of MHP, may still export poultry meat to Russia. We do not know the exact parameters of the contract, but roughly estimated, the cost of one hatching egg may reach up to US\$0.5-1.00 per unit.*

*Andriy Tovstopyat, Kiev, +38044 2200120 ext.242*

### **Ukrainian traders increase sunflower seeds export**

The Ukrainian association for edible oil producers, Ukroliaprom, increased its estimate on sunflower seeds outflow from Ukraine from 0.5mt to 0.8mt for the 2010-11 MY. In the last season, only a total of 0.35mt was exported. Since the beginning of the current season, some 1.3mt of 1.5mt produced rapeseed was exported.

**Investment implications:** *Exports of activated sunflower seeds have already increased competition for feedstock among oil producers and caused new hikes in domestic prices for seeds (for the last two weeks, the EXW price added UAH300 per tonne, or 7%). Activated seeds export was one of consequences of imposed quotas for grain: to maintain at least some activity, traders had to turn from grain to oil crops. The market has been squeezed tighter for such names as Kernel Holding and Creative, as on one hand, feedstock appears to be more costly, while on the other hand, such measures like the Antimonopoly Committee's cases of preventing high wholesale prices for bottled oil are narrowing producers' margins.*

*Andriy Tovstopyat, Kiev, +38044 2200120 ext.242*

## Foreign exchange market

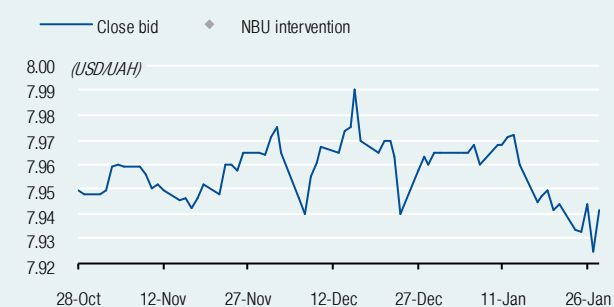
Table 2. Spot exchange rates of USD/UAH and USD/EUR and offshore NDF market exchange rates of USD/UAH

	Last close (28-Jan-2011)	Previous (27-Jan-2011)	Daily change (%)	YoY change (%)	YTD change (%)
USD/UAH (spot)	7.9420	7.9250	0.21	-0.74	-0.29
USD/UAH NDF (3M)	8.1150	8.0775	0.46	-3.39	0.81
USD/UAH NDF (6M)	8.3000	8.2238	0.93	-4.05	0.00
USD/UAH NDF (1Y)	8.6750	8.5562	1.39	-5.71	0.00
EUR/USD (spot)	1.3609	1.3733	-0.90	-2.53	1.71

Source: Bloomberg.

Chart 1. Exchange rate (USD/UAH) and NBU interventions

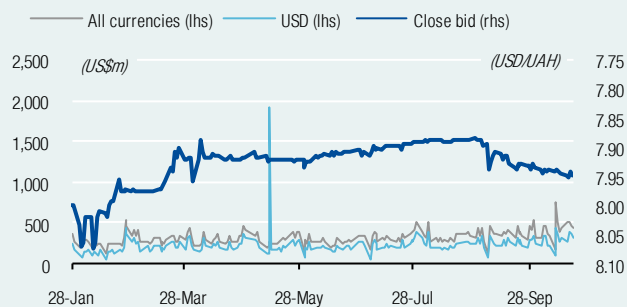
Last 3 months to 31-Jan-2011



Sources: National Bank of Ukraine, Bloomberg.

Chart 2. FX market turnover

Last 12 months to 31-Jan-2011



Note: right-hand scale is inverted.

Sources: National Bank of Ukraine, Bloomberg.

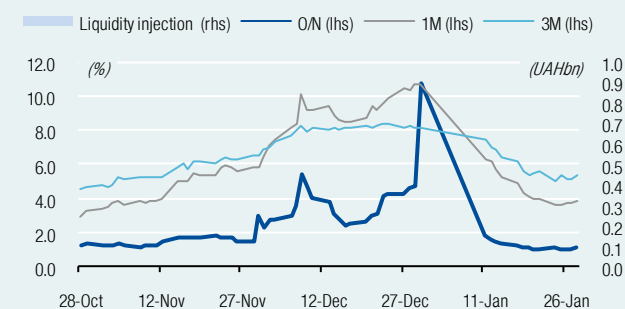
## Money market

Table 3. Money market rates KievPRIME (% per year)

	Last close (28-Jan-2011)	Previous (27-Jan-2011)	Daily change (bp)	MoM change (bp)	YTD change (bp)
Overnight	1.25	1.10	15	-339	-950
1 week	2.34	1.76	58	-817	-829
1 month	3.94	3.85	9	-651	-681
2 months	4.71	4.56	15	-329	-342
3 months	5.36	5.19	17	-293	-289

Source: Bloomberg.

Chart 3. Money market rates (Kiev PRIME)



Sources: National Bank of Ukraine, Bloomberg.

Chart 4. Liquidity indicators



Sources: National Bank of Ukraine, State Treasury of Ukraine.

## Bonds

**Chart 5. Ukraine 5-year CDS spread**

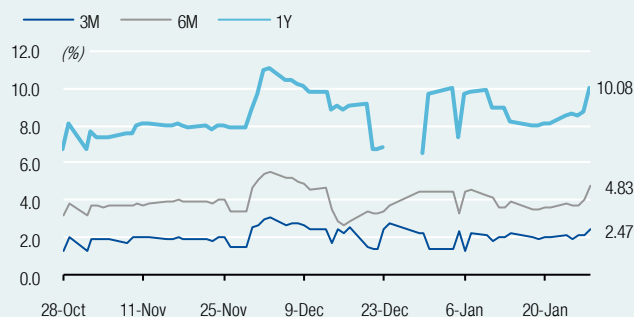
Last 3 months to 31-Jan-2011



Source: Bloomberg.

**Chart 6. Implied yields of USD/UAH offshore NDF market**

Last 3 months to 31-Jan-2011



Sources: Bloomberg, Investment Capital Ukraine LLC.

**Table 4. Domestic bond market quotations: government bonds (closing prices as of 28-Jan-2011)**

Ticker	Issuer	Coupon rate (%)	Maturity	Bid (% of par)	Ask (% of par)	Last price (% of par)	Bid YTM (%)	Ask YTM (%)	Last YTM (%)	Trade volume (UAH)
74173	Ministry of Finance	0.00	2-Feb-11	99.940			4.48			0.00
65965	Ministry of Finance	0.00	16-Feb-11	99.785			4.22			0.00
85393	Ministry of Finance	0.00	16-Mar-11	99.336			5.31			0.00
65411	Ministry of Finance	0.00	30-Mar-11	99.111			5.49			0.00
64794	Ministry of Finance	11.00	13-Apr-11	97.735			23.61			0.00
75501	Ministry of Finance	0.00	20-Apr-11	98.705			5.97			0.00
54456	Ministry of Finance	20.00	27-Apr-11	98.154			29.29			0.00
66526	Ministry of Finance	0.00	18-May-11	98.187			6.26			0.00
86300	Ministry of Finance	0.00	22-Jun-11	97.549			6.45			0.00
76780	Ministry of Finance	0.00	27-Jul-11	96.678			7.09			0.00
83075	Ministry of Finance	0.00	31-Aug-11	95.784			7.59			0.00
64802	Ministry of Finance	11.00	14-Sep-11	98.175			14.52			0.00
22509	Ministry of Finance	9.50	28-Sep-11	100.708	100.888		8.67	8.37		0.00
62012	Ministry of Finance	20.00	23-Nov-11	105.464			13.08			0.00
48219	Ministry of Finance	15.60	22-Feb-12	98.440			17.92			0.00
64893	Ministry of Finance	13.00	21-Mar-12	99.427			13.96			0.00
53912	Ministry of Finance	15.70	11-Apr-12	102.065			14.19			0.00
63564	Ministry of Finance	20.00	12-Sep-12	107.628			15.04			0.00
60883	Ministry of Finance	20.00	26-Sep-12	112.578			11.77			0.00
61451	Ministry of Finance	20.00	31-Oct-12	111.222			13.06			0.00
64018	Ministry of Finance	20.00	20-Feb-13	107.733			16.06			0.00
65221	Ministry of Finance	15.00	20-Mar-13	106.825			11.66			0.00
65429	Ministry of Finance	14.50	27-Mar-13	102.645			13.47			0.00

Note: Bid, Ask and Last price are clean prices that are indicated as a percentage of face value. Source: PFTS, ICU.

**Table 5. Domestic bond market quotations: corporate bonds (closing prices as of 28-Jan-2011)**

Sector	Ticker	Issuer and bond's series	Coupon rate (%)	Put/ Maturity	Bid (% of par)	Ask (% of par)	Last price (% of par)	Bid YTM (%)	Ask YTM (%)	Last YTM (%)	Trade volume (UAH 000)
<b>FINANCIAL SERVICES</b>											
Commercial banking											
	<b>OUGZBD</b>	Ukrgazbank (D)	16.00	20-Sep-11	96.334			24.15			0.00
Savings banks											
	<b>OSCHDB</b>	Oshchadbank (B)	14.00	7-Feb-13	97.009			16.68			0.00

Note: 1) bonds with total outstanding higher than or equal to UAH100m are listed; 2) Bid, Ask and Last price are clean prices that are indicated as a percentage of face value. Sources: PFTS, ICU.

# Equities

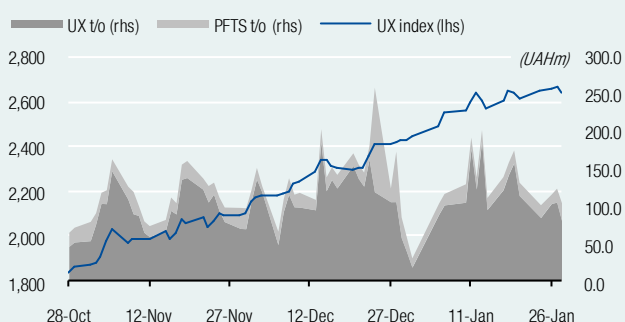
Table 6. Key equity market indicators

	Close (28-Jan-2011)	Daily change (%)	MoM change (%)	YoY change (%)	YTD change (%)
<b>UX Index</b>	2,641.82	-0.77	9.05	57.15	8.11
Trade turnover (UAHm)	78.12				
<b>PFTS Index</b>	1,057.64	0.18	9.40	65.90	8.47
Trade volume (UAHm)	20.64				

Note: trade volume is US dollar equivalent of reported total share turnover in Ukrainian hryvnia. Sources: UX, PFTS, Investment Capital Ukraine LLC.

Chart 7. Equity market index and trade turnover at UX and PFTS

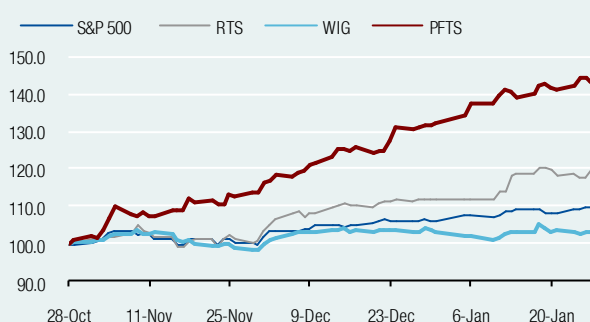
Last 3 months to 31-Jan-2011



Note: t/o – trading turnover. Sources: UX, PFTS, Investment Capital Ukraine LLC.

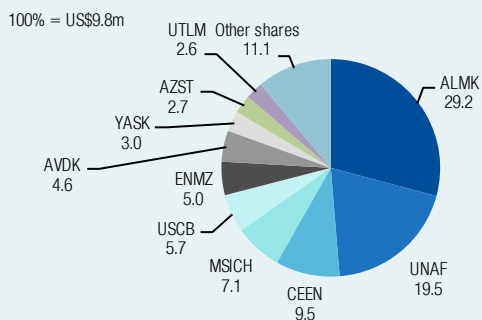
Chart 8. Relative performance of equity indices

Last 3 months to 31-Jan-2011



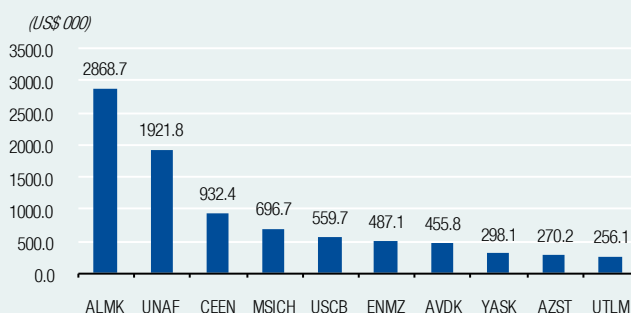
Sources: Reuters, PFTS, Investment Capital Ukraine LLC.

Chart 9. Breakdown of turnover by UX-listed equities (%)



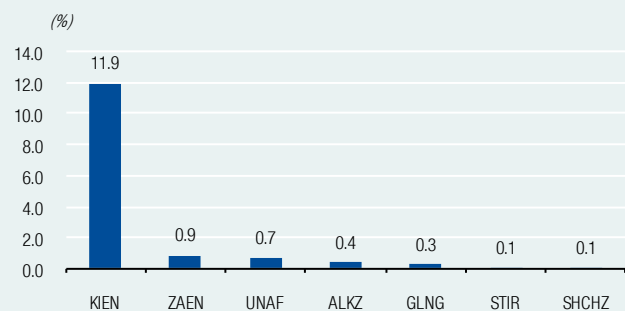
Sources: UX, Investment Capital Ukraine LLC.

Chart 10. Top 10 most traded shares at UX



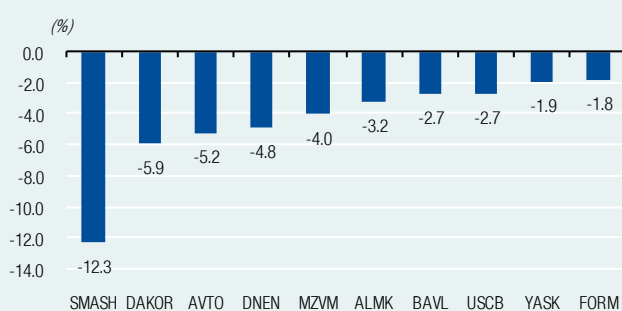
Sources: UX, Investment Capital Ukraine LLC.

Chart 11. Gainers – top 10 shares by daily price increase at UX



Sources: UX, Investment Capital Ukraine LLC.

Chart 12. Losers – top 10 shares by daily price decline at UX



Sources: UX, Investment Capital Ukraine LLC.

Table 7. UX shares (closing prices as of 28-Jan-2011)

Sector	Ticker	Company	Last price (UAH)	Last price <sup>1</sup> (US\$)	Daily Chg (%)	3mth Chg (%)	YTD Chg (%)	Volume (US\$ 000)	3mth avg daily t/o <sup>2</sup> (US\$ 000)	Market Cap <sup>3</sup> (US\$m)
<b>ENERGY</b>										
Fossil fuel electric power generation										
	<b>DNEN</b>	Dniproenergo	1,225.00	<b>154.24</b>	-4.84	18.71	-6.57	6.19	18.56	920.44
	<b>DOEN</b>	Donbasenergo	76.25	<b>9.60</b>	-1.06	37.58	6.21	185.05	170.59	227.01
	<b>KIEN</b>	Kyivenergo	17.95	<b>2.26</b>	11.95			5.47	3.64	244.92
	<b>ZAEN</b>	Zakhidenergo	445.89	<b>56.14</b>	0.88	-17.34	-2.79	37.99	67.86	718.10
	<b>CEEN</b>	Centrenergo	17.70	<b>2.23</b>	-1.68	39.79	20.87	932.39	1,195.41	823.28
Oil and gas										
	<b>UNAF</b>	Ukrnafta	625.55	<b>78.76</b>	0.68	118.95	5.35	1,921.82	2,959.84	4,271.30
Coal mining										
	<b>SHCHZ</b>	Chervonoarmiyiska-Zakhidna No.1	5.07	<b>0.639</b>	0.06	19.51		27.46	62.75	542.11
	<b>SHKD</b>	Komsomolets Donbas Coal Mine	5.14	<b>0.647</b>	-1.06		3.87	2.03	19.32	216.52
<b>METALLURGY</b>										
Iron ore mining										
	<b>SGOK</b>	Northern Iron Ore	14.90	<b>1.88</b>	-1.51	44.13	13.22	131.40	143.26	4,323.26
	<b>PGOK</b>	Poltavsky Iron Ore	45.90	<b>5.78</b>	-0.43	20.85	5.94	28.54	46.54	1,103.87
Iron and steel mills										
	<b>ALMK</b>	Alchevsky Metallurgical Plant	0.24	<b>0.031</b>	-3.20	76.70	9.78	2,868.71	1,550.28	788.32
	<b>AZST</b>	Azovstal	3.24	<b>0.408</b>	-1.73	34.21	13.53	270.19	548.47	1,716.11
	<b>MMKI</b>	Mariupol Iron and Steel Works	0.88	<b>0.111</b>	-1.22	-8.24	-6.51	1.39	32.61	1,370.78
	<b>ENMZ</b>	Yenakievo Steel	190.70	<b>24.01</b>	-1.78	19.46	9.76	487.13	649.77	253.34
Pipe and tube manufacturing										
	<b>HRTR</b>	Khartsyzk Pipe Plant	1.19	<b>0.150</b>	-0.99	0.13	-0.47	0.15	9.91	389.55
	<b>NVTR</b>	Novomoskovsky Pipe Plant	2.40	<b>0.302</b>		-3.86	-2.87	0.33	4.87	60.44
Foundry coke manufacturing										
	<b>ALKZ</b>	Alchevsky Coke Plant	0.64	<b>0.081</b>	0.41		21.86	0.49	7.88	244.23
	<b>AVDK</b>	Avdiyivsky Coke Plant	16.69	<b>2.10</b>	-0.73	12.17	12.33	455.78	769.98	409.90
	<b>YASK</b>	Yasynivsky Coke Plant	5.12	<b>0.645</b>	-1.94	58.15	14.42	298.10	430.36	176.35
<b>CHEMICALS</b>										
Nitrogenous fertilizer manufacturing										
	<b>STIR</b>	Concern Stirol	85.90	<b>10.82</b>	0.08	18.93	8.43	181.30	364.55	293.38
<b>MACHINERY</b>										
Railroad rolling stock manufacturing										
	<b>KVBZ</b>	Kryukovsky Rail Car Plant	38.05	<b>4.79</b>	-0.87	15.45	7.04	18.28	66.78	549.43
	<b>LTPL</b>	Luganskteplovoz	4.14	<b>0.521</b>	-1.64	42.41	-2.19	67.82	126.57	114.26
	<b>MZVM</b>	Mariupol Heavy Machinery Plant	10.00	<b>1.26</b>	-4.04	-43.92	-8.79	4.25	33.91	19.37
	<b>SVGZ</b>	Stakhanov carriage-building plant	11.25	<b>1.42</b>	-0.66	50.94	22.39	70.03	319.11	320.66
Oil and gas machinery manufacturing										
	<b>SMASH</b>	Sumy NVO Frunze	12.95	<b>1.63</b>	-12.28	-53.96	-10.45	49.04	25.54	115.90
Motor vehicle manufacturing										
	<b>KRAZ</b>	AutoKraz	0.21	<b>0.026</b>	-1.16	23.27		2.60	11.63	59.27
Automobile manufacturing										
	<b>LUAZ</b>	Bogdan Motors (LuAZ)	0.23	<b>0.029</b>	-0.82	35.03	10.63	83.65	49.88	125.31
	<b>AVTO</b>	Ukrainian automobile corporation	152.00	<b>19.14</b>	-5.20	24.72	-12.39	3.83	7.18	121.16
Aircraft product and parts manufacturing										
	<b>MSICH</b>	Motor Sich	3,021.05	<b>380.39</b>	-0.34	62.14	1.75	696.66	1,312.70	790.44
<b>COMMUNICATIONS</b>										
Wired telecommunications										



Sector	Ticker	Company	Last price (UAH)	Last price <sup>1</sup> (US\$)	Daily Chg (%)	3mth Chg (%)	YTD Chg (%)	Volume (US\$ 000)	3mth avg daily t/o <sup>2</sup> (US\$ 000)	Market Cap <sup>3</sup> (US\$m)
	<b>UTLM</b>	Ukrtelecom	0.56	<b>0.071</b>	-0.99	9.87	3.24	256.12	880.07	1,320.41
<b>CONSTRUCTION</b>										
Civil construction										
	<b>MTBD</b>	Mostobud	297.00	<b>37.40</b>			-6.85	3.11	10.33	21.69
<b>TRADE</b>										
Gasoline stations										
	<b>GLNG</b>	Concern Galnaftogaz	0.15	<b>0.019</b>	0.26	4.67		7.56	1.94	366.34
<b>FINANCIAL SERVICES</b>										
Commercial banking										
	<b>FORM</b>	Forum Bank	5.85	<b>0.737</b>	-1.81	-4.45	-3.31	6.14	49.86	326.76
	<b>BAVL</b>	Raiffeisen Bank Aval	0.42	<b>0.053</b>	-2.68	3.78	7.13	80.00	344.97	1,596.65
	<b>USCB</b>	Ukrsotsbank	0.62	<b>0.077</b>	-2.67	44.63	11.00	559.73	801.29	983.85

Note: 1) USD share price is calculated from UAH share price by dividing the latter by the closing bid of the USD/UAH exchange rate as of the date of the report; 2) average daily turnover in the stock during the last 3- month period; 3) market capitalisation. Sources: UX, Investment Capital Ukraine LLC.

## Disclosures

### ANALYST CERTIFICATION

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.

### 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 deviate from relevant benchmark

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

Note: [xxx].

### 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.



**INVESTMENT CAPITAL UKRAINE**  
INVESTMENT BANKING

Office 44, 11th floor, LEONARDO Business Centre  
19-21 Bogdan Khmelnytsky Street  
Kiev, 01030 Ukraine  
Phone/Fax +38 044 2200120

**CHAIRMAN OF THE BOARD OF DIRECTORS**

**Valeria Gontareva**

valeria.gontareva@icu.ua

**CORPORATE FINANCE TEL. +38 044 2200120**

**Makar Paseniuk**, Managing Director

makar.paseniuk@icu.ua

**Volodymyr Demchyshyn**, Director

volodymyr.demchyshyn@icu.ua

**FIXED-INCOME SALES AND TRADING TEL. +38 044 2201621**

**Konstantin Stetsenko**, Managing Director

konstantin.stetsenko@icu.ua

**Sergiy Byelyayev**, Fixed-Income Trading

sergiy.byelyayev@icu.ua

**EQUITY SALES AND TRADING TEL. +38 044 2201621**

**Vlad Sinani**, Director, Equities

vlad.sinani@icu.ua

**Javier Reyes**, Director, International Equity Sales

javier.reyes@icu.ua

**Svetlana Shevchun**, Equity Trading

svetlana.shevchun@icu.ua

**Julia Pecheritsa**, International Equity Sales

julia.pecheritsa@icu.ua

**RESEARCH DEPARTMENT TEL. +38 044 2200120**

**Alexander Valchyshen**, Head of Research

alexander.valchyshen@icu.ua

**Olga Nosova**, Analyst (Economy)

olga.nosova@icu.ua

**Lee Daniels**, Editor

lee.daniels@icu.ua

**Andriy Tovstopyat**

Equity analyst (Food & Agribusiness)

andriy.tovstopyat@icu.ua

**Alexander Martynenko**

Equity analyst (Metals & Mining)

alexander.martynenko@icu.ua

Investment Capital Ukraine LLC is regulated by Securities and Stock Market State Commission of Ukraine (licence numbers: dealer activity AB 440399, broker activity AB 440398, underwriting activity AB 440400 dated 17 November 2008).

---

## DISCLAIMER

This research publication has been prepared by Investment Capital Ukraine solely for information purposes for its clients. It does not constitute an investment advice or an offer or solicitation for the purchase or sale of any financial instrument. While reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, Investment Capital Ukraine makes no representation that it is accurate or complete. The information contained herein is subject to change without notice. Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of Investment Capital Ukraine LLC. All rights are reserved. Any investments referred to herein may involve significant risk, are not necessarily available in all jurisdictions, may be illiquid and may not be suitable for all investors. The value of, or income from, any investments referred to herein may fluctuate and/or be affected by changes in exchange rates. Past performance is not indicative of future results. Investors should make their own investigations and investment decisions without relying on this report. Only investors with sufficient knowledge and experience in financial matters to evaluate the merits and risks should consider an investment in any issuer or market discussed herein and other persons should not take any action on the basis of this report.

**Additional information is available upon request.**