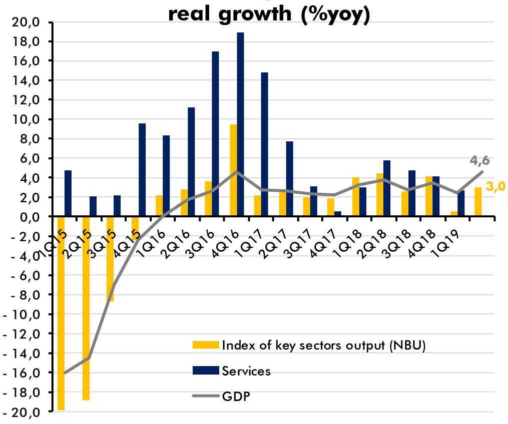
Raiffeisen BANK AVAL

July 2019
Issue 7

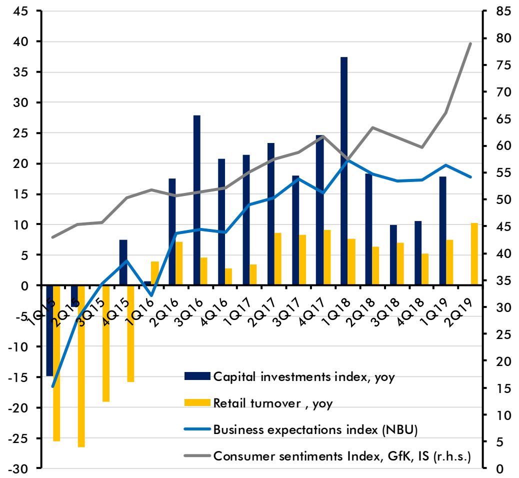
FOCUS UKRAINE

Economic development indicators, real growth (%yoy)



Source: SSSU, NBU, Raiffeisen Bank Aval Research

Consumer and investment demand indicators, %



Source: SSSU, NBU, MFU, Raiffeisen Bank Aval Research

Ukraine: Sovereign ratings

LCY rating	S&P	Moody's	Fitch
Long-term	B- =	Caa1 ↑	B- =
Short-term	B =	-	B =
Outlook	Stable	Stable	Stable
FCY rating			
Long-term	B- =	Caa1 ↑	B- =
Short-term	B =	-	B =
Outlook	Stable	Stable	Stable
Latest assessment	**Apr-19**	Dec-18	**Mar-19**

Source: Official websites of rating agencies

Financial Analysts:
Mykhailo Rebryk, *mykhailo.rebryk@aval.ua*
Oleksandr Sukhomlyn, *oleksandr.sukhomlyn@aval.ua*
Raiffeisen Bank Aval, Kyiv
+380 44 590 5621

Editor:
Vladimir Kravchenko, *Head of Treasury,*
vladimir.kravchenko@aval.ua
Raiffeisen Bank Aval, Kyiv
+380 44 495 4220

HIGHLIGHTS

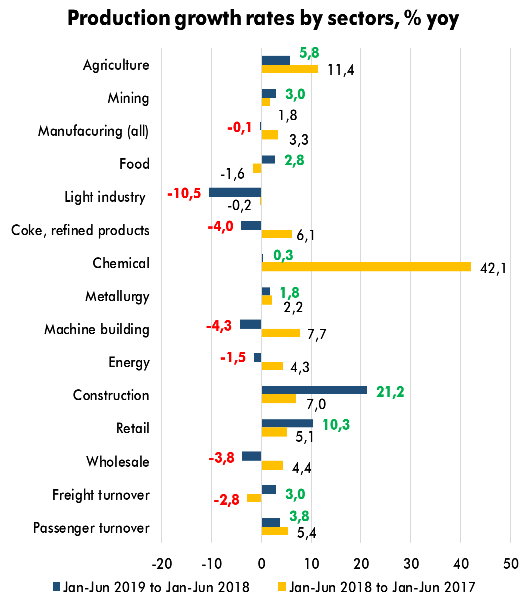
- **Ukraine's real GDP growth rate accelerated to 4.6% in 2Q2019** amid strong consumer demand, favorable foreign trade conditions and the record-breaking grain harvest. Thus, with a high degree of probability, the real GDP growth rate will speed up to 3.3-3.5% in 2019. However, it is worth noting that such a remarkable growth was fueled largely by situational, highly variable factors like favorable weather conditions, pricing environment and consumer sentiments. At the same time, industrial output remains weak. To achieve more sustainable economic growth in Ukraine, comprehensive structural reforms and strong improvement of investment climate are needed.
- **The annual consumer price index rose to 9.1%yoy in July after 9.0%yoy a month earlier,** despite the tight monetary policy, hryvnia revaluation, lower fuel and natural gas prices, and seasonal decline of food prices. Given the expectations of relatively stable situation in the foreign exchange market in the coming months, we project the resumption of disinflation trend.
- **The state of the balance of payments remains fundamentally favorable, and the volume of international reserves is sufficient to smoothen out traditional autumn FX trends**. However, devaluation risks may intensify amid deteriorating pricing environment for Ukrainian exports (in particular, iron ore and grains) and declining interest of portfolio investors in local hryvnia bonds due to gradual cooling down of the global economy, intensification of trade conflicts and currency dumping.
- **High demand for Ukrainian bonds contributed to a significant increase in the balances of government accounts:** up to UAH 49bn on the Single Treasury Account and 76.8bn in the hryvnia equivalent (almost USD 3bn) on foreign-currency accounts as of early August. These funds are generally sufficient to service and pay off external public debt in 2019. However, the gap between the revenue plan and the underfunding of certain state budget programs is widening.
- **In September, we expect the key rate lowering cycle to continue, dropping by another 0.5pp.** An obstacle to a more substantial decline of the key rate may, in our opinion, be the persistently high inflationary pressure from stronger consumer demand and increasing share of labor and electricity in the production costs, which entails a slower-than-anticipated return of the consumer price index to the target range in the NBU forecast trajectory. In particular, most analysts doubt the feasibility of lowering consumer inflation to 6.3%yoy in December 2019.

Ukraine: Key economic indicators and forecasts

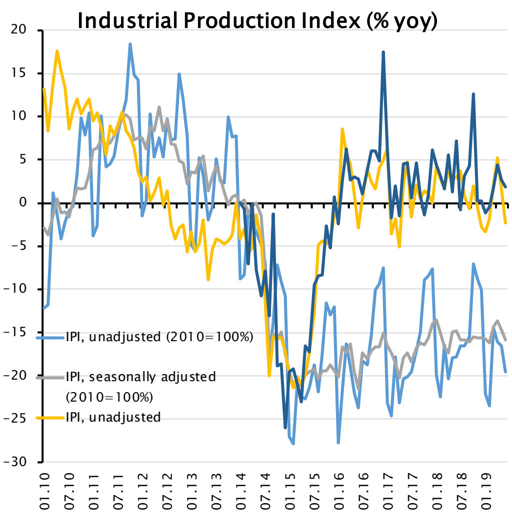
	2016	2017	2018	2019п	2020п	2021п
Real Sector						
Real GDP (%yoy) *	2,4	2,5	3,3	2,7	3,1	2,5
CPI (avg, %yoy)*	13,9	14,4	10,9	8,3	7,7	6,9
CPI (eop, %yoy)*	12,4	13,7	9,8	8,3	7,0	6,5
Industrial output (%yoy)*	2,8	0,4	1,6	1,8	2,0	2,3
Unemployment rate (avg, %)	9,3	9,5	8,8	8,7	8,5	8,3
Average gross wages (%yoy)	23,5	37,1	24,8	18,0	15,0	13,0
External Sector						
Total external debt (% of GDP)*	120,6	102,9	89,4	78,0	70,3	67,4
Official FX reserves (USD bn)*	15,5	18,8	20,8	19,5	18,0	18,0
Monetary Sector						
USD/UAH(eop)*	27,2	28,1	27,7	28,5	29,5	31,0
USD/UAH(avg)*	25,6	26,6	27,2	28,05	28,5	30,25
Fiscal Sector						
General budget balance (% of GDP)*	-2,9	-1,6	-1,7	-2,1	-2,0	-2,0
Public debt (% of GDP)*	76,0	68,0	59,9	59,5	56,5	55,0

** Forecasts are under revision*
Source: SSSU (State Statistics Service of Ukraine), NBU (National Bank of Ukraine), MFU (Ministry of Finance of Ukraine), Raiffeisen RESEARCH

Please note the risk notifications and explanations at the end of this document



Source: SSSU, Raiffeisen Bank Aval Research



Source: SSSU, NBU

ECONOMIC DEVELOPMENT

According to a preliminary official assessment, Ukraine's real GDP growth rate accelerated to 4.6%yoy in 2Q2019. Thus, the economy has been growing for 14 quarters in a row. A sectoral breakdown of GDP growth has not been published yet, but the agriculture, retail, construction, transportation and service sectors are likely to remain key drivers of economic development.

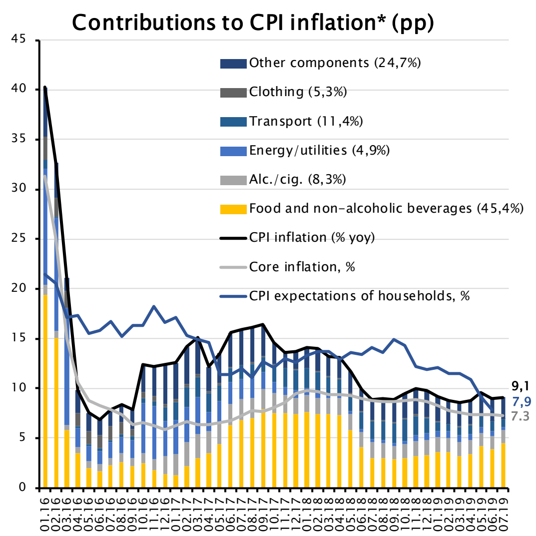
Due to the high yield and solid pace of grain harvesting, **agriculture showed a 12.2%yoy increase in June 2019** despite high comparison base (+36.4%yoy in June 2018). In general, the agricultural production output increased by +5.8%yoy in 1H2019, including a +19.1%yoy growth in crop production but only +1.9%yoy in animal husbandry. It is worth noting that as of early August, 80% of the planned harvest of early grain and leguminous crops had already been gathered. In general, a record-breaking grain harvest is expected in Ukraine this year: 70.8mn tons according to forecasts of the Ministry of Agriculture of Ukraine or 75.35mn tons as forecasted by the U.S. Department of Agriculture, comparing to 70.1mn tons in 2018.

The retail boom continues: in 2Q2019, the average monthly turnover increased by 10.3%yoy amid positive consumer sentiment. At the same time, the wholesale trade turnover continues to decline since December 2018 (-2.4%yoy in 2Q2019 versus 2.3%yoy a year earlier).

Also, **a significant positive contribution to GDP growth can be expected from the growth in the construction** (+15.5%yoy per month on average in 2Q2019), **passenger** (+ 4.7%yoy) **and freight** (+3.9%yoy) **transportation sectors**. Since February, the extraction industry has also experienced a steady recovery (+3.9%yoy per month on average in 2Q2019 versus + 1%yoy a year earlier).

It is worth noting that in general, **June saw a 2.3%yoy (-3.7%mom) drop in manufacturing output. During the first six months of 2019, the industrial production index remained in the positive zone (+0.5%yoy).** In particular, the decline in production output has accelerated in the light industry (-10.5%yoy in January-June), mechanical engineering (-4.6%yoy), and oil refining (-4%yoy) sectors.

mykhailo.rebryk@aval.ua & oleksandr.sukhomlyn@aval.ua



**Figures in () are weights in the CPI basket in 2019*

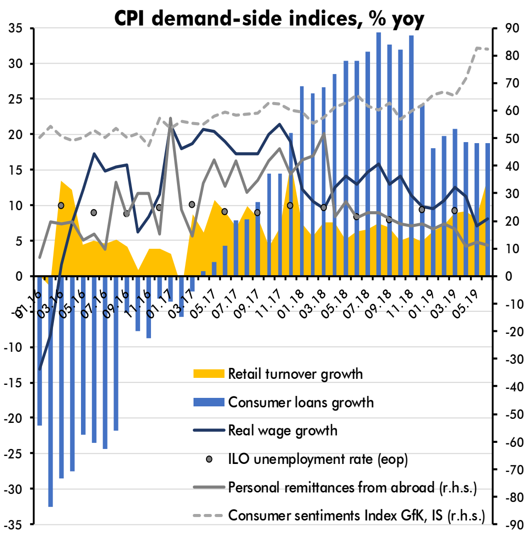
Source: SSSU, NBU, Raiffeisen Bank Aval Research

INFLATION

July saw a traditional seasonal decline in prices (-0.6%mom). The strengthening of the hryvnia exchange rate drove down the prices for imported goods, particularly clothes and shoes (-4.5%mom). The decline in global oil prices contributed to a 3.2%mom decrease in fuel prices, while the cheapening of natural gas (-10.4%mom) led to a general decrease in utility tariffs by -2.3%mom. However, the seasonal decline in food prices was relatively insignificant (-0.7%mom) due to the poor harvest of certain fruits and vegetables. **As a result, the annualized consumer price index rose to 9.1%yoy in July (9.0% in June).**

In addition, despite the favorable influence of the above factors and the NBU's tight monetary policy, core inflation has not been decreasing for four consecutive months (7.4%yoy).

Consumer demand remains high, as evidenced by the accelerated growth in retail sales (+13.6%yoy, +4.1%mom in June) and in passenger transportation turnover (+3.8%yoy in January-June). Consumer sentiment remains at a record high (InfoSapiens index in July was 88.0% after 82.4% in June).



Source: SSSU, Raiffeisen Bank Aval Research

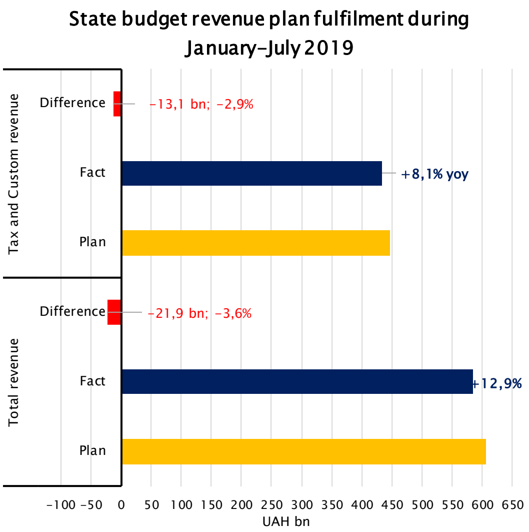
Consumption is fueled by a solid increase in the household income: in June, nominal wages rose by 18.0%yoy and real wages by 8.1%yoy. Also, there was an increase in the subsistence level by 4.5% starting from 1 July. Remittances from economic migrants continued to increase (USD 997mn, or +11.1%yoy). In addition, intensive consumer lending (+18.7%yoy) remains among the key sources of financing consumer demand. It is worth noting that in June, public expectations regarding the future inflation reached the minimum over the past five years (7.9%).

The growth of payrolls was also among the reasons for the increase in production costs. Moreover, with the launch of a new model of the wholesale electricity market the prices for industrial enterprises have risen. **Therefore, despite the decrease in prices for fuel and natural gas, the industrial producer price index rose to 6.7%yoy in July after 4.5%yoy a month earlier.** This growth is likely to continue, and it may possibly influence consumer inflation with some time lag.

In August, we expect the consumer inflation decline trend to continue due to a further drop in fuel and gas prices for households, as well as a relatively stable situation in the foreign exchange market.

mykhailo.rebryk@aval.ua & oleksandr.sukhomlyn@aval.ua

FISCAL SECTOR



Source: State Treasury Service of Ukraine

After January-July 2019, the state budget was executed with a surplus of UAH 7.6bn. While the general fund was executed with a small deficit of UAH -1.1bn, the special fund ended up with a UAH 8.7bn surplus, which could be explained, in particular, by greater-than-expected revenues from preferential “customs clearance” of motor vehicles with foreign registration.

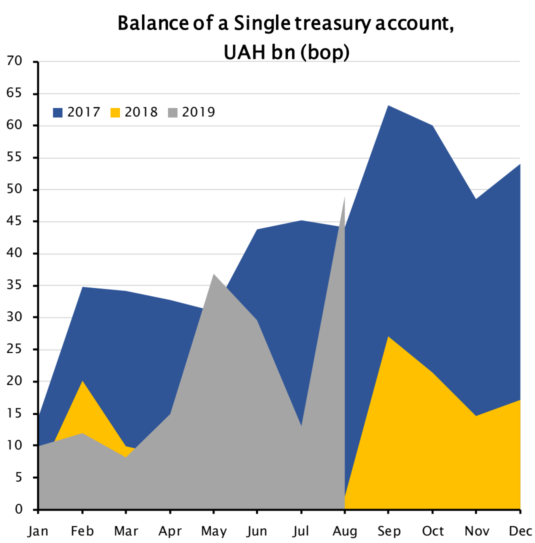
In January-July 2019, state budget revenues have increased by 13.8%yoy to UAH 584.2bn; however, the lagging behind the plan reached 3.6% or UAH 21.9bn. In particular, the underfulfilment of the customs revenue plan continued to grow, reaching -9.6% or UAH 19.2bn. Among the main reasons were the difference between the actual and budgeted hryvnia exchange rate, decline in the price of imported natural gas, restrictions placed by the Russian Federation on the exports of certain goods to Ukraine, and introduction of tax benefits for certain categories of imported goods.

In January-July, expenditures of the state budget’s general fund were financed by only 91.5%, and therefore, the lagging behind the plan reached UAH 49bn.

Also, the failure of the privatization program remains among the sources of fiscal risks: after seven months, the proceeds amounted to only UAH 0.4bn, or 2% of the annual plan.

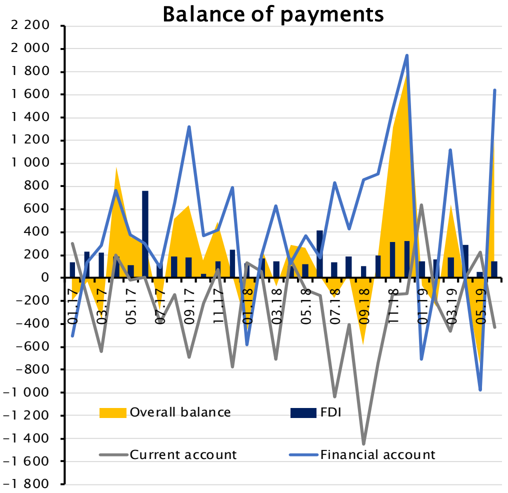
At the same time, the situation with liquidity has improved significantly: in July, the balance of the Single Treasury Account increased by UAH 36.1bn and amounted to UAH 49bn. The increase was driven by large-scale domestic borrowing (UAH +30.1bn, including UAH 29.2bn from non-residents) and dividend payments by state-owned corporations (including UAH 8.3bn paid by Naftogaz). In August, additional substantial inflows to the Single Treasury Account in the form of quarterly tax revenues could be expected.

In addition, 76.8bn in the hryvnia equivalent, which corresponds to USD 3bn, was accumulated in the government’s foreign-currency accounts as of the beginning of August. These funds are sufficient to service and pay off external government debt in 2019.

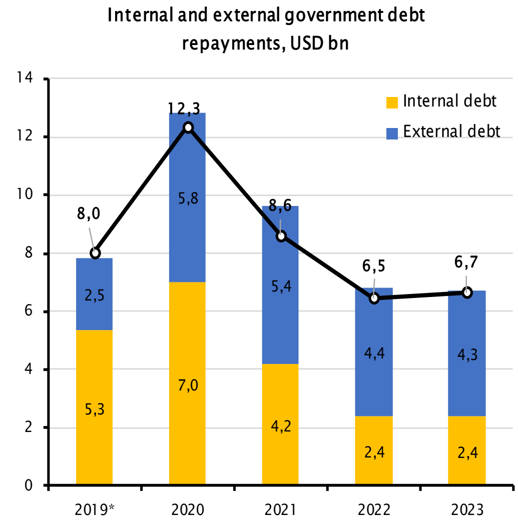


Source: State Treasury Service of Ukraine

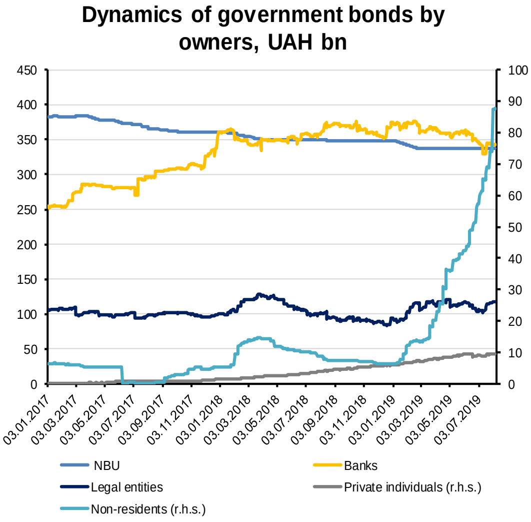
mykhailo.rebryk@aval.ua & oleksandr.sukhomlyn@aval.ua



Source: SSSU, NBU, Raiffeisen Bank Aval Research



** Data for 3Q'2019 and 4Q'2019*
Source: MFU



Source: NBU, Raiffeisen Bank Aval Research

EXTERNAL SECTOR

Largely due to the placement of EUR 1bn worth of Eurobonds, the balance of payments was executed with a surplus of USD 1.21bn in June. In 1H2019, the cumulative balance amounted to USD 0.7bn, which is 2.4 times higher than during the same period of 2018.

The financial account balance reached USD 1.64bn on the "plus" side in June, securing a surplus of USD 0.97bn over six months.

Despite the favorable pricing environment for Ukrainian exports and low global energy prices, **the cumulative trade deficit continued to grow (+46%yoy or +82%mom in June), reaching USD 4.4bn in 1H2019 (+12.8%yoy).** Amid the appreciation of the hryvnia exchange rate, imports of goods and services prevailed over the exports in terms of both the volume (USD 34.9bn vs USD 30.6bn in January-June) and the growth pace (7.9%yoy vs 7.2%).

As a result, despite USD 6bn in remittances from economic migrants, **the cumulative current account balance fell to USD 0.22bn below zero in 1H2019** (vs USD -0.65bn a year earlier).

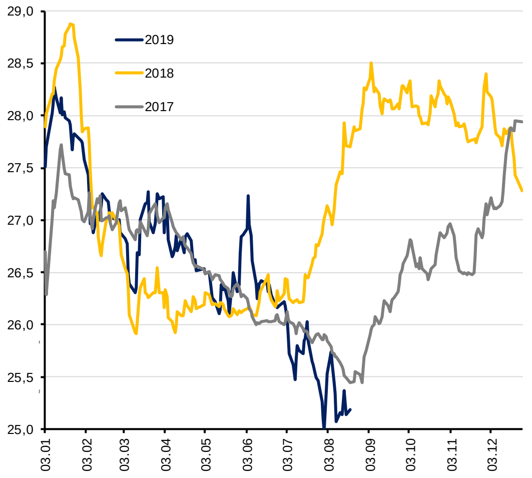
In July, **the trade balance was favorably affected by the pricing environment for Ukrainian agricultural exports** (wheat prices fluctuated close to the previous year's levels, while corn prices rose by 10-15%yoy) **amid the falling global energy prices.** However, **the gradual cooling of the global economy and intensification of trade and currency wars between the United States and China** (the United States announced the possible introduction of an additional 10% duty on goods imported from China in the amount of USD 300bn, while China plans to stop importing agricultural products from the United States), which led to **a sharp drop in the price of iron ore** (from USD 120 per ton in late July to USD 100 per ton in early August), **could have a negative impact on Ukraine's trade balance. In addition, a negative effect could be expected from declining grain prices.**

Amidst the rising political and financial turbulence in the world, the investors' appetite for risk has decreased, resulting in the growing outflow of investments from emerging (in particular, Latin American and Asian) markets. On the one hand, this may adversely affect the demand for Ukrainian financial instruments, but on the other hand, the trend toward lower key rates in the U.S. and the EU is likely to prop up, to some extent, the appetite of investors for risk. Therefore, continuing strong economic growth, relative political stability, formation of a technocratic government, intensification of structural reforms in Ukraine and resumption of cooperation with the IMF are likely to help preserve the attractiveness of Ukrainian financial instruments amid more turbulent markets in developing countries and the slowdown of global economy.

In this context, it is also important to note **that after seven months of 2019, the plan for internal borrowing was executed ahead of schedule** (76.5%), and therefore, we can expect a slight decrease in the volume of T-bills placed in the primary market. **Accordingly, it is highly probable that the inflow of foreign capital to the government bonds market will slightly decrease in 1H2019, thus creating additional pressure on the financial account of Ukraine's balance of payments.**

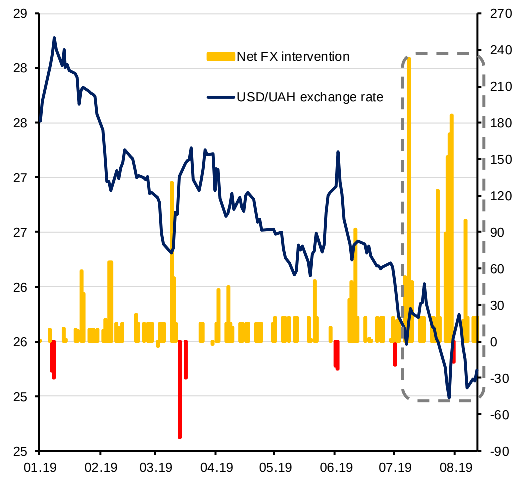
mykhailo.rebryk@aval.ua & oleksandr.sukhomlyn@aval.ua

USD/UAH FX rate dynamics



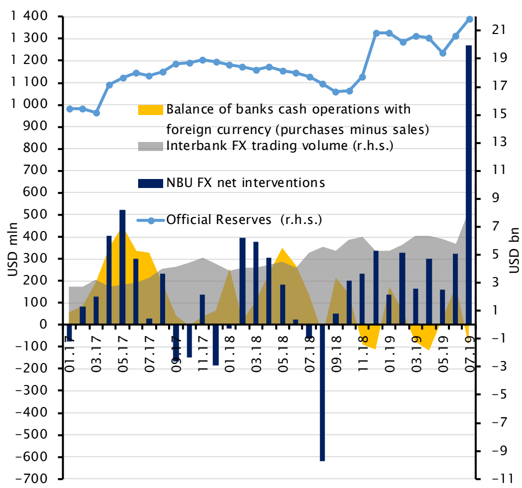
Source: NBU

USD/UAH exchange rate dynamics and net FX intervention of the NBU



Source: NBU

Main indicators of FX market in Ukraine



Source: NBU

FX MARKET

In July, the hryvnia's traditional seasonal appreciation was additionally strengthened by the massive sales of foreign currency by non-residents purchasing T-bills and by exporters of metallurgical and agricultural products. The average USD/UAH FX rate fell to 25.68 from 26.47 in June. Taking advantage of high demand, the Finance Ministry increased the placement of hryvnia government bonds in the second half of the month: UAH 31.6bn during three auctions, including USD 17.2bn on 30 July. As a result of active borrowing, another impulse of the strengthening hryvnia FX rate followed after some correction and was stopped at 24.95 largely thanks to the NBU's purchases.

In general, **the net volume of NBU's purchases in the interbank FX market amounted to USD 1.27bn in July**, which is an absolute record since April 2010. It is worth noting that in July, the portfolio of non-residents in government bonds has increased by a comparable amount.

Of course, rapid revaluation has a number of negative consequences: in particular, it reduces the competitiveness of domestic exporters, stimulates imports and drives the growth of the budget deficit due to the failure to fulfill the plan for tax and export-import duty revenues. However, in the context of public discussion as to whether the NBU should intervene more actively in the FX rate formation processes, we think that *the central bank's actions* remain logical and consistent, *being conformant with*:

1) *the priority of monetary policy* (the strengthening of FX rate helps lower inflation expectations and reduce inflation itself, as well as return it to the target range. On the other hand, larger purchases of foreign currency at a higher rate would lead to large volumes of additional hryvnia emission, which would contradict that priority);

2) *the principles of floating exchange rate regime and the declared approach of smoothening out only peak FX rate fluctuations without distorting market trends* (an explicit designation of the "bottom" by the NBU would most likely entail a change in the trend as market participants would begin to defer sales in anticipation of a more favorable FX rate);

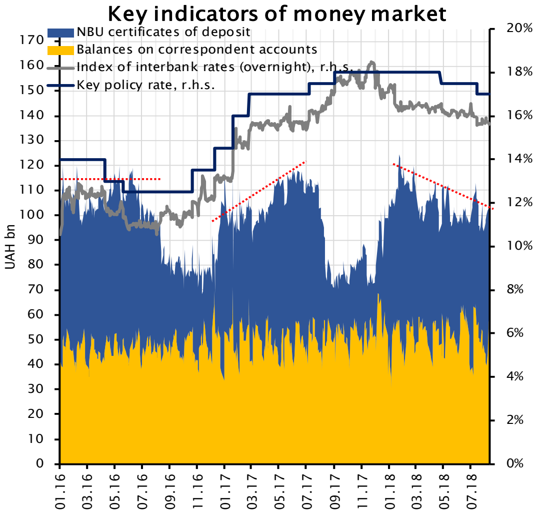
3) *the intention to reduce the economy dollarization level* (the strengthening of FX rate weakens speculative motives and increases confidence in the national currency).

Largely due to FX interventions, **Ukraine's international reserves increased by 5.8% to USD 21.8bn in July**, enough to cover 3.4 months of imports.

Thus, the state of the balance of payments and the volume of international reserves remain fundamentally favorable for maintaining a stable exchange rate. A strong hryvnia is propped up by the record-breaking grain harvest and relatively low global energy prices. On the other hand, we expect that the NBU will increase the volume of purchases if USD/UAH FX rate approaches the 25 mark, not allowing the hryvnia to strengthen significantly. In addition, some slackening of foreign currency sales could be expected from non-resident investors in government bonds and from Ukrainian exporters due to the worsening of trade conditions. Devaluation expectations, which are traditional for autumn, remain a strong psychological factor that could strengthen if political turbulence increases. **In general, it is likely that traditional autumn trends will be smoothened out this year. In the baseline case scenario, we expect the USD/UAH rate to return to the 25.5-26.5 range with a possible situational weakening to 27.5.**

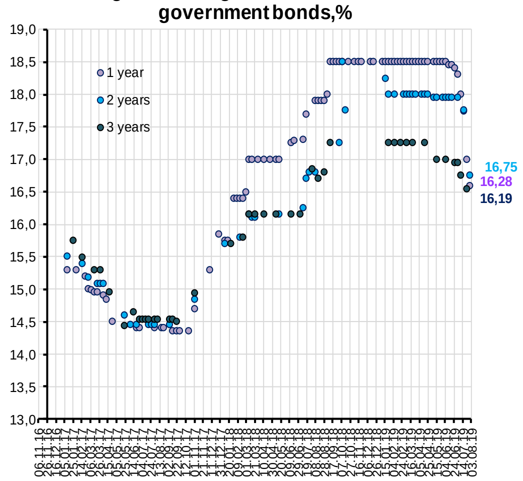
mykhailo.rebryk@aval.ua

Key indicators of money market



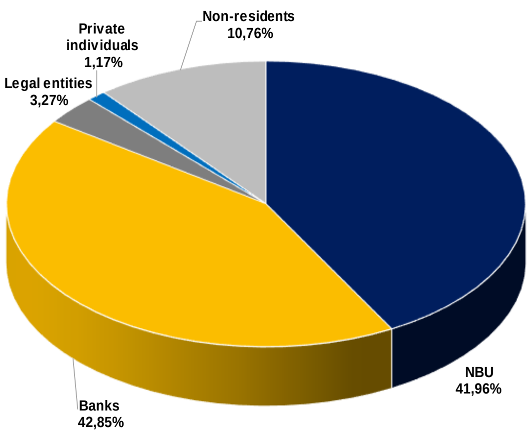
Source: NBU

Weighted average rate of return on UAH government bonds,%



Source: MFU, Raiffeisen Bank Aval Research

Ownership structure of government internal bonds (as of 01.08.2019)



Source: NBU, Raiffeisen Bank Aval Research

MONEY MARKET AND MONETARY POLICY

In July, despite the record-high purchases of foreign currency by the NBU (UAH +32.3bn), the average hryvnia liquidity of banks amounted to UAH 101.9bn, which is 8.8% lower than during the same period of 2018 and only 2.4% higher than a month before. It is worth noting that the liquidity shortage period, which traditionally runs from mid-August to mid-December, is coming soon.

The outflow of hryvnia liquidity from the banking system in July has occurred mainly due to the overflow to government accounts (UAH -35.2bn). In addition, banks repaid UAH 2.8bn more in loans than they took up under refinancing programs. On the other hand, an inflow of UAH 3.4bn in cash was observed (in particular, due to predominance of foreign-currency cash purchases by the public). The average balances of banks' correspondent accounts have decreased by UAH 5.6bn (-10%mom) during this month. However, the volume of investments in NBU's deposit certificates increased by UAH 8bn (+18.3%) to UAH 51.7bn. At the same time, bank portfolios in T-bills fell by UAH 2.7bn (-0.8%) in July.

In July, the NBU key rate was lowered by 0.5pp to 17% as expected. At the same time, the central bank kept its inflation forecast unchanged (6.3%yoy at the end of 2019). Also, the baseline scenario of the key rate's future dynamics was published for the first time; according to this scenario, the key rate is going to decline to 15% by the end of 2019 and all the way down to 8% by the end of 2021.

Given the prospects of resuming disinflationary trend and improving inflation expectations, **we expect, with a high degree of probability, the continuation of the key rate lowering cycle by 0.5pp in September.** At the same time, we believe that a slower-than-expected return of the consumer price index to the target range in the NBU forecast trajectory due to persistently high consumer demand and the growing production costs may oppose a more substantial decline of the key rate.

mykhailo.rebryk@aval.ua

BOND MARKET

In the primary market, the yields on government bonds continued to rapidly decline along the entire length of the curve, brought down by high demand for securities on part of non-residents in July and a 0.5pp decrease in the NBU's key rate. This led to a decrease in profitability in the secondary market. In order to optimize the term structure of government debt (by increasing the share of long-term securities), **the Ministry of Finance extended the restriction on the offer of three-month, six-month and annual government bonds and, at the first auction in August, also the three-year bonds.** These restrictions **will presumably stay in place**, since the annual plan for government borrowings has already been implemented by 76.5%, and therefore, the Finance Ministry will not have an urgent need in placing large volumes of securities. In addition to **increasing investor activity in the secondary market**, this will trigger a further decline in the yields amid high demand and limited supply.

In early August, the "shortest" (3- and 6-month) bonds were placed with the yields of 16.50% and 16.52%, respectively, while a month ago, these bonds yielded 17.44% and 17.94% (losing 0.94pp and 1.42pp). The 1-year and 2-year government bonds also lost 2.02pp and 1.2pp in July. As for long-term securities, 3-year bonds were traded at recent auctions with the yield of 16.19%. In addition, Ukraine sold 5.5-year bonds at the 30 July auction for the record-high UAH 10.1bn, whose yield has slightly decreased to 15.50% (from 15.85% a month ago).

UAH Government Bonds yields (08.08.2019)

Maturity	Yields	
	purchases	sales
6M	16.90 – 18.25%	15.75 – 16.20%
1Y	17.20 – 18.50%	16.00 – 16.90%
2Y	17.25 – 18.55%	16.00 – 16.80%
3Y	17.55 – 18.00%	16.25 – 16.50%

Source: Raiffeisen Bank Aval Trading Desk

Foreign currency Government Bonds yields (08.08.2019)

Maturity	Yields, USD/UAH	
	purchases	sales
6M	5.00 – 6.25%/ 25.10 – 25.30	3.45 – 3.50%/ 25.31 – 25.75
1Y	5.51 – 6.77%/ 25.10 – 25.30	4.01 – 4.51%/ 25.31 – 25.75
2Y	6.21 – 6.25%/ 25.10 – 25.30	4.90 – 4.94%/ 25.31 – 25.75

Source: Raiffeisen Bank Aval Trading Desk

In the secondary market for T-bills, yields on securities of all maturity terms have declined by more than 1pp in June. A significant decrease has occurred in the middle of the curve (by over 1.5pp for one- and two-year securities), while the yields on government bonds with the maturity term of 0.5 and 3 years decreased less significantly (by over 1pp). **For medium-term securities, a significant narrowing of spreads was observed** (by 0.4-0.7 UAH), while the spread for short-term bonds has narrowed by 0.05 UAH. This was due to the stabilization of supply and demand for bonds with medium maturities.

The hryvnia exchange rate also strengthened in July, presently fluctuating within the 25.10-25.30 range (comparing to 25.60-25.66 in June).

In general, **the liquidity of Ukraine's banking system remains fairly high**, and the Ukrainian bond market continues to show a gradual and consistent decline in yields and continuing increase of the share of non-residents (which has reached 10.8% versus 0.8% at the beginning of 2019). **The increasing demand for government bonds observed in July is associated with a stable macroeconomic and macro-financial situation, the Finance Ministry's consistent efforts to bring in loans and the launch of ClearStream, a link to international depository.**

oleg.klimas@aval.ua & aevdokimov@aval.ua & oleksandr.sukhomlyn@aval.ua

	Maturity															
	3M		6M		9M		1Y		1,5Y		2Y		3Y		6Y	
	UAH	USD	UAH	USD	UAH	USD	UAH	USD	UAH	USD	UAH	USD	UAH	USD	UAH	USD
Auction results as of 09.07.2019																
Yield cutoff, %	17,24	X	17,60	X	X	X	18,00	X	X	3,85*	X	X	16,75	X	15,85	X
Volume of satisfied bids (nominal), mn	500,00	X	500,00	X	X	X	1000,00	X	X	99,00	X	X	1159,31	X	2762,12	X
Auction results as of 16.07.2019																
Yield cutoff, %	17,00	X	17,40	X	X	X	17,74	6,50	X	7,25	17,75	7,00	X	X	X	X
Volume of satisfied bids (nominal), mn	500,00	X	500,00	X	X	X	1000,00	671,62	X	0,66	5290,97	367,53	X	X	X	X
Auction results as of 23.07.2019																
Yield cutoff, %	16,63	X	16,73	X	X	X	16,99	X	X	X	X	X	16,55	X	X	X
Volume of satisfied bids (nominal), mn	367,76	X	500,00	X	X	X	500,00	X	X	X	X	X	5408,44	X	X	X
Auction results as of 30.07.2019																
Yield cutoff, %	16,40	X	16,52	X	X	X	16,59	X	X	X	16,75	X	X	X	15,50	X
Volume of satisfied bids (nominal), mn	20,12	X	434,04	X	X	X	500,00	X	X	X	5234,92	X	X	X	10112,26	X
Auction results as of 06.08.2019																
Yield cutoff, %	16,50	X	X	X	X	X	16,28	X	X	X	X	X	16,19	X	X	X
Volume of satisfied bids (nominal), mn	176,49	X	X	X	X	X	500,00	X	X	X	X	X	2000,00	X	X	X

* - put option, ** - EUR

Source: MFU, Raiffeisen Bank Aval Trading Desk

CONTACT INFORMATION

Raiffeisen Bank Aval

9, Leskova Str., 01011 Kyiv, Ukraine
Tel. +380 44 490 8888

Treasury:

Head:
Vladimir Kravchenko (+380 44 495 4220)

Forex, money market:
Yuriy Grinenko (+380 44 490 8988),
Olexandr Varenytsia (+380 44 495 4227),
Nikolay Vysotsky (+380 44 495 4023)

Banknote and gold transactions:
Sergey Bigun (+380 44 490 8783),
Nikolay Belanovskiy (+380 44 495 4020)

Treasury sales:
Marina Lukashenko (+380 44 495 4202),
Alexander Korenev (+380 44 495 4295),
Tatiana Kornienko (+380 44 495 4201)

Securities:
Oleg Klimas (+380 44 495 4208),
Alexey Evdokimov (+380 44 495 4206),
Daria Shatskykh (+380 44 495 4204)

Analysis and research:
Mykhailo Rebryk (+380 44 590 5621),
Oleksandr Sukhomlyn (+380 44 590 5621)

Investment banking:
Victoria Masna (+380 44 230 2344)

Department of Multinational Companies and Trade Finance:

Head:
Sergey Kostogryz (+380 44 495 4100)

Relationship Manager:
Anna Prydybailo (+380 44 230 9981)

Corporate Accounts Department:

Head:
Yuriy Kozak (+380 44 490 8702)

Managers:
Vladimir Kirilyuk (+380 50 332 8919),
Alexander Yatsentiuk (+380 44 495 4243)

Risk notifications and explanations