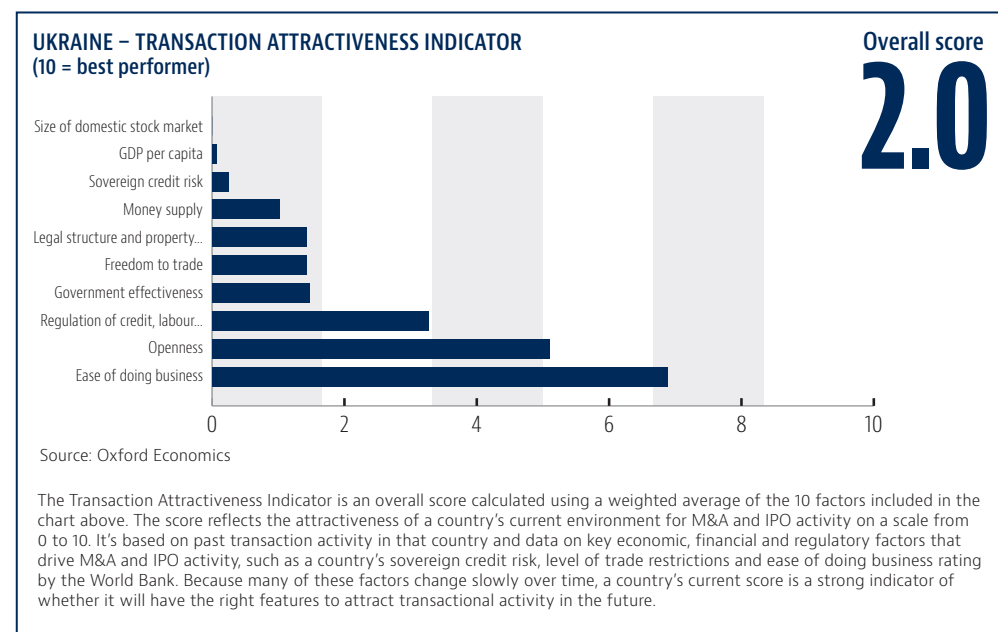


With the peaceful political changeover having strengthened prospects for continued steady economic expansion, the M&A market in Ukraine witnessed a substantial rise in deal values this year. We expect similar trends to be sustained in coming years, as investors regain confidence in the medium to long-term prospects of Ukraine.

SUMMARY OF KEY DRIVERS (AVERAGE 2019-2022)		
	Ukraine	Global
GDP growth (% annual)	2.9	2.8
Stock market capitalization (% of GDP)	3	97
Money supply (% of GDP)	37	111
Trade (% of GDP)	54	45
Ease of doing business (World Bank, DTF score, higher=better)	68	77
Legal structure (Fraser Institute)	14	66
Freedom to trade (Fraser Institute)	14	74

Source: Oxford Economics



UKRAINE – M&A AND IPO TRANSACTIONS							
	2016	2017	2018	2019	2020	2021	2022
<b>Total M&amp;A transactions (US\$bn)</b>	<b>62.2</b>	<b>461.6</b>	<b>17.5</b>	<b>213.9</b>	<b>191.5</b>	<b>224.7</b>	<b>244.8</b>
<b>% of Global M&amp;A transactions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Domestic (US\$bn)	12.2	365.1	12.5	151.3	126.3	138.7	151.1
Cross-border, inbound (US\$bn)	49.9	96.5	5.0	62.5	65.2	86.0	93.7
<b>Total volume of M&amp;A transactions (Number of deals)</b>	<b>153</b>	<b>142</b>	<b>107</b>	<b>60</b>	<b>40</b>	<b>63</b>	<b>77</b>
Domestic (Number of deals)	74	57	44	20	18	20	22
Cross-border, inbound (Number of deals)	79	85	63	40	22	43	55
<b>Total IPO transactions (US\$m)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>% Global IPO transactions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Domestic (US\$m)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cross-border (US\$m)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Oxford Economics, Reuters

UKRAINE – FORECAST FOR THE ECONOMY							
	2016	2017	2018	2019	2020	2021	2022
<b>Macroeconomic drivers</b>							
Real GDP growth (% yoy)	2.4	2.5	3.0	2.7	2.9	3.1	2.8
CPI (% yoy)	13.9	14.4	11.0	8.1	7.3	6.9	6.8
Merchandise trade (% of GDP)	67%	53%	56%	55%	55%	54%	54%
<b>Financial drivers</b>							
10-year government bond yield (%)	9.5	8.0	8.2	9.5	8.5	8.5	8.5
Equity prices (LCU, end of year % change)	-30.8	20.4	63.8	14.0	-1.9	5.3	4.5
Stock market capitalisation (US\$bn)	8.8	5.2	4.4	4.9	4.7	4.9	5.0

Source: Oxford Economics

IPO calculations account for the tentative Aramco listing in 2020 that has the potential to raise up to US 100 billion.