

EU bans poultry imports from Ukraine

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KYIV, Dec 7, 2016 (UBO) - The European Union has banned poultry imports from Ukraine due to concerns over avian flu, Concorde Capital informed clients today, based on an announcement by Ukraine's food safety watchdog agency. The ban for an undetermined period is linked to a recent case of avian flu in the southern Ukrainian region of Kherson, the statement said. The reported outbreak, the first in Ukraine since 2008, was discovered by officials in early December at household farms. Concorde analyst Igor Zholonkivskyi added: "The ban might have a certain impact on the operations of Ukraine's leading poultry producer and grain farmer MHP (MHPC LI, MHPSA), but the effect is likely to be negligible. During 2015, MHP exported 27.3 kt of fresh and frozen poultry meat to the EU, which was only 5% of total poultry sales. So we do not expect that the ban, even if imposed for several months, will have any tangible adverse effect on the company's free cash flow. Our view on the MHPSA Eurobond remains neutral."

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