



Focus
Ukraine

Markets
Government bonds,
FX market, and macro

Research team
Alexander Martynenko
Taras Kotovych

Weekly Insight

Rollover declines in June

Key messages of the today's comments

Ukrainian bond market

Rollover declines in June

Refinancing of local debt redemptions remains sluggish, with YTD local debt rollover ratios slightly down vs. 5m25.

Foreign exchange market

NBU smooths excessive UAH fluctuations

The FX market deficit surged up in June forcing the NBU to increase interventions substantially to prevent hryvnia weakening below UAH42/US\$.

MONDAY, 30 JUNE 2025

Banks' reserves market (27 June 2025)

	Last	Weekly chg (%)	YoY chg (%)
NBU rate (%) ¹	15.50	+0bp	+250bp
ON rate (%)	15.48	+1bp	+248bp
Reserves (UAHm) ²	255,036	-1.5	+7.5
CDs (UAHm) ³	540,858	-2.1	+5.3

Notes: [1] NBU's key policy rate; [2] stock of banks' reserves held at NBU; [3] stock of NBU's certificates of deposit.

Source: NBU, Bloomberg, ICU.

Breakdown of govt bond holders (UAHm) (27 June 2025)

	Last	Weekly chg (%)	YoY chg (%)
NBU	672,522	+0.0	-0.8
Banks	848,136	+0.6	+19.1
Residents	203,665	+0.0	+30.6
Individuals	93,936	+1.2	+74.5
Foreigners	20,199	+4.2	-37.8
Total	1,838,978	+0.4	+12.6

Source: NBU, ICU.

FX market indicators (27 June 2025)

	Last	Weekly chg (%)	YoY chg (%)
USD/UAH	41.7254	-0.5	+3.1
EUR/USD	1.1718	+1.7	+9.5
DXY	97.401	-1.3	-8.0

Source: Bloomberg, ICU.

Market gov't bond quotes (30 June 2025)

Maturity	Bid (%)	Ask(%)
6 months	15.50	14.75
12 months	17.50	16.00
2 years	18.25	16.75
3 years	18.75	18.00
12 months (\$)	5.00	4.50
2 years (\$)	N/A	N/A

Source: ICU.

Ukrainian bond market

Rollover declines in June

Refinancing of local debt redemptions remains sluggish, with YTD local debt rollover ratios slightly down vs. 5m25.

In June, the MoF borrowed UAH35.8bn while redeeming UAH48.5bn of UAH bonds. As a result, the rollover rate was just 74% in June, taking the YTD number to 91%. That includes a swap of reserve bonds whereby the MoF exchanged a portion of paper due in August for a new security. There were no issuances or redemptions of FX papers in June.

Table 1. Monthly and YTD rollover in 2025

	UAH		USD		EUR		All currencies	
	Month	YTD	Month	YTD	Month	YTD	Month	YTD
January	140%	140%	-	-100%*	-	-	79%	79%
February	39%	71%	-	71%*	-	-	64%	71%
March	125%	86%	63%	67%	59%	59%	91%	79%
April	76%	82%	68%	67%	-	59%	75%	78%
May	256%	97%	-	67%	128%	82%	211%	90%
June	74%	91%	-	67%	-	82%	74%	87%

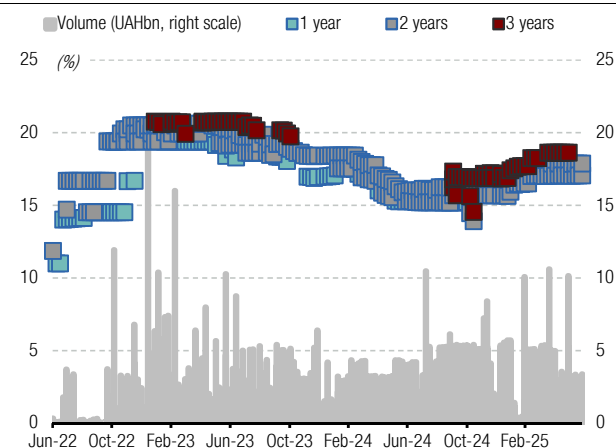
* only redemptions were registered in January and only borrowings reported in February

Source: MFU, ICU.

ICU view: In the UAH segment, the MoF is experiencing moderate demand, as it has not offered any short-term bonds and reserve notes. Consequently, the MoF is unable to refinance all redemptions. The MoF's reluctance to scale up borrowings may imply it expects that yields might start declining later as the NBU may switch to monetary policy easing cycle from September. However, due to low UAH redemptions in 3Q25, the MoF may secure the monthly rollover rate for UAH debt above 100%.

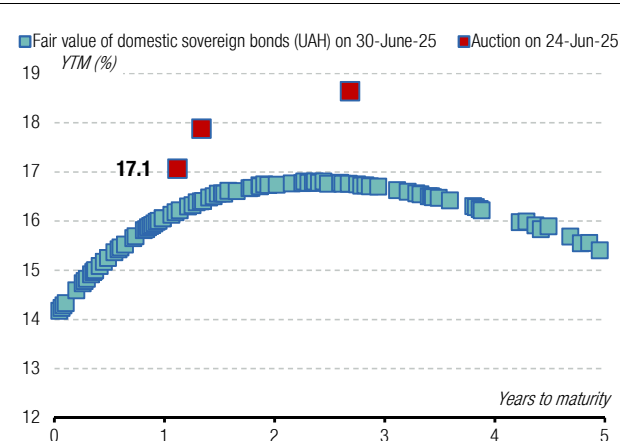
Chart 1. Local-currency bonds

Three-year history of domestic government bond placements at primary market: proceeds (in billions) and yields-to-maturity (%)



Source: MFU, ICU.

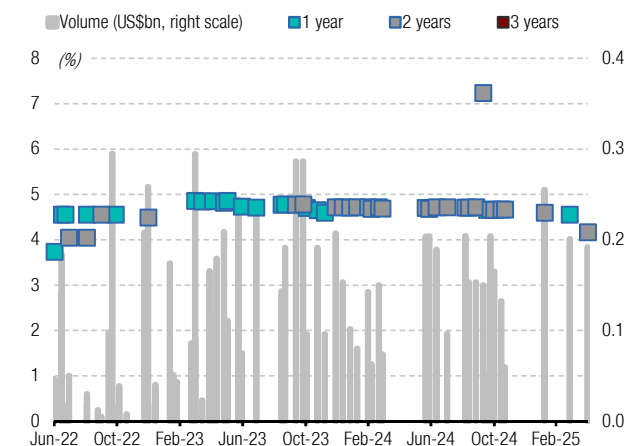
YTM's of domestic government bonds as calculated by NBU versus placements via primary market auctions



Source: NBU, MFU, ICU.

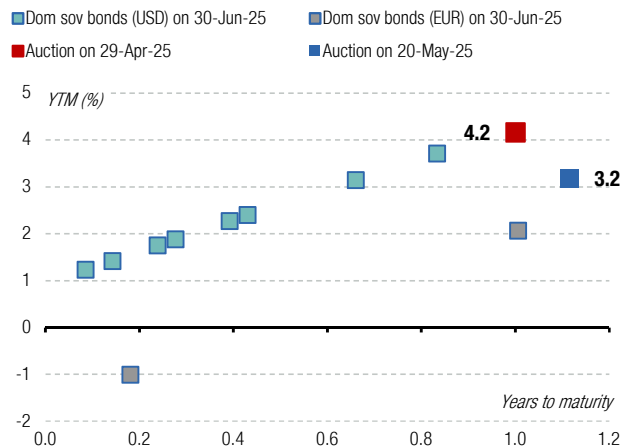
Chart 2. FX-denominated bonds

Three-year history of domestic government bond placements at primary market: proceeds (in billions) and yields-to-maturity (%)



Source: MFU, ICU.

YTM of domestic government bonds as calculated by NBU versus placements via primary market auctions



Source: NBU, MFU, ICU.

Foreign exchange market

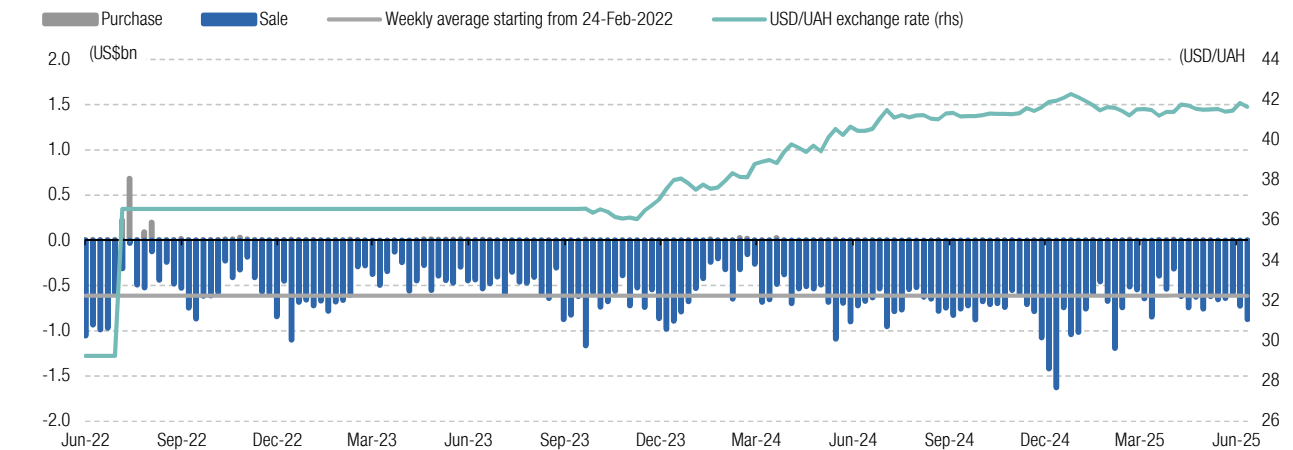
NBU smooths excessive UAH fluctuations

The FX market deficit surged up in June forcing the NBU to increase interventions substantially to prevent hryvnia weakening below UAH42/US\$.

The daily shortage of hard currency in the interbank FX market exceeded US\$100m for nearly two weeks, while net purchases by households remained steady at approximately US\$60-70m per week. As a result, the NBU had to increase its interventions to US\$724m two weeks ago and to US\$875m last week, the largest amount since February.

The official USD rate reached a peak last Monday at UAH41.87/US\$, the highest level since January. However, sizeable interventions reversed the trend, and the hryvnia strengthened to about UAH41.6/US\$ by the end of last week.

ICU view: *This year, the NBU has not yet encountered such a prolonged foreign currency deficit in the interbank market. In recent weeks, the NBU's continues demonstrating its reluctance to move with a noticeable weakening of the hryvnia. However, the NBU may choose a marginally weaker hryvnia than in April-May and the first half of June.*

Chart 3. FX market indicators, 3-year history*Ukraine hryvnia UAH exchange rate per US dollar at the interbank market and NBU interventions (weekly data and weekly average starting from 24-Feb-2022)*

Source: NBU, Bloomberg, ICU.

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11th floor, LEONARDO Business Centre
19-21 Bogdan Khmelnytsky Street
Kyiv, 01030 Ukraine
Phone/Fax +38 044 3777040

WEB www.icu.ua



RESEARCH

Alexander Martynenko

Head of corporate research
alexander.martynenko@icu.ua

Mykhaylo Demkiv

Financial analyst (Banks)
mykhaylo.demkiv@icu.ua

Taras Kotovych

Senior financial analyst (Sovereign debt)
taras.kotovych@icu.ua

Dmitriy Dyachenko

Financial analyst
dmitriy.dyachenko@icu.ua

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