

Bond Market Insight

MoF satisfies all bids

Comment on government bond placement

Yesterday, the Ministry of Finance satisfied all bids at the auction, as none required a yield revision.

Table 1. Details of domestic government bonds placed at the auction (UAHbn)

ISIN	Coupon rate (%)	Payment frequency	Maturity	Qty of bonds sold	Price (UAH)	Proceeds ² (UAHm)	Volume ² (UAHm)	YTM ³ (%)	Outstanding (m) ⁴
UA4000239016	15.15	SA	21-Jul-27	316,195	1,048.98	331.68	316.20	15.76	2,088.91
UA4000239008	15.78	SA	14-Jun-28	1,862,521	1,064.88	1,983.35	1,862.52	16.55	6,635.24
Total UAH				2,178,716		2,315.03	2,178.72		8,724.15

Note: [1] payment frequency abbreviations: M - monthly, Qtly - quarterly, SA - semi-annually, @Mty - at maturity date; [2] proceeds and volumes for the USD-denominated bonds are calculated based on the previous day's exchange rate 43.95/USD, 51.44/EUR; [3] yields on coupon-bearing bonds are effective yields to maturity. Sources: Ministry of Finance of Ukraine, Bloomberg, ICU.

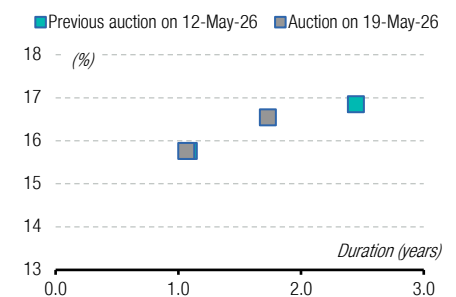
14-month military bills received 28 bids, but only for UAH0.3bn. The bid yields were in the usual narrow range of 15.1–15.15%, so the Ministry of Finance satisfied all of them without changing the cut-off and weighted-average rates.

The bid quantity for the two-year security doubled from the offer two weeks ago. Still, the volume of demand increased dramatically - from less than UAH0.2bn in early May to almost UAH1.9bn yesterday. In addition, the bid yields ranged from 15.8% to 15.87%, so no bid required an increase in the cut-off rate. Therefore, the ministry fully satisfied all of them.

The increase in demand for two-year instruments could have been supported by the UAH bond redemptions last week and today, as some investors could reinvest funds into such maturity.

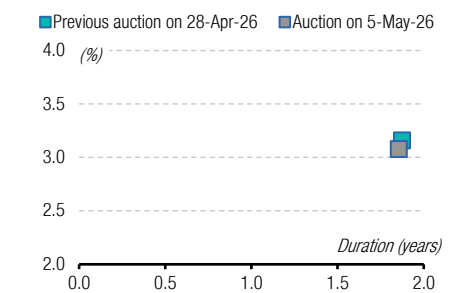
WEDNESDAY, 20 MAY 2026

UAH-denominated domestic gov't bonds: yield curve in past two auctions



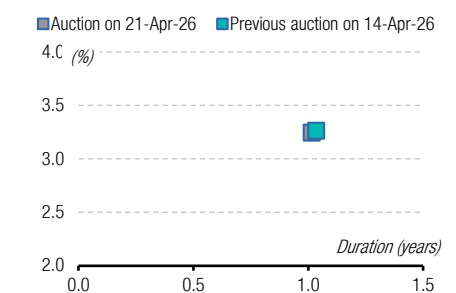
Source: Ministry of Finance of Ukraine, ICU.

USD-denominated domestic gov't bonds: yield curve in past two auctions



Source: Ministry of Finance of Ukraine, ICU.

EUR-denominated domestic gov't bonds: yield curve in past two auctions

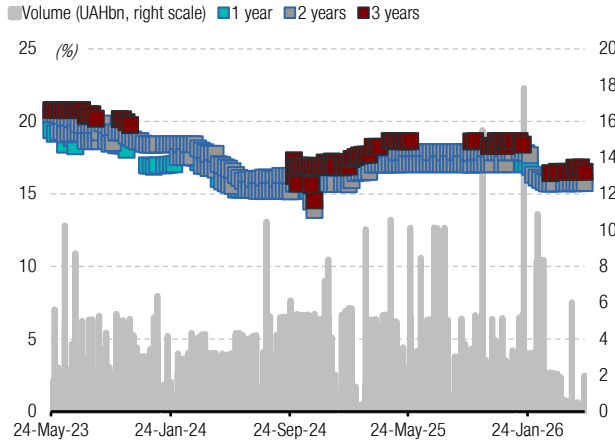


Source: Ministry of Finance of Ukraine, ICU.

Appendix: Yields-to-maturity, repayments

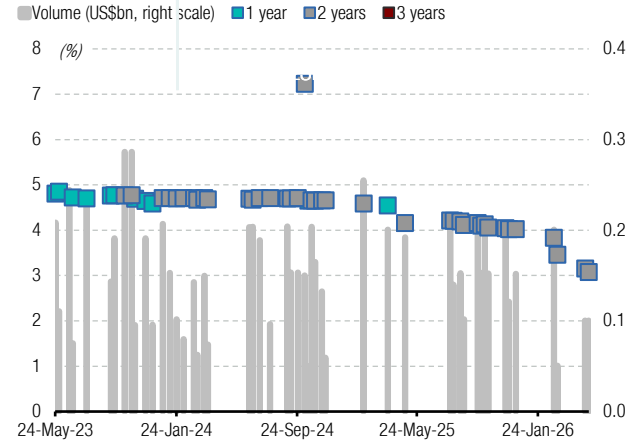
Chart 1. Three-year history of domestic government bond placements at primary market: proceeds (in billions) and yields-to-maturity (%)

UAH-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

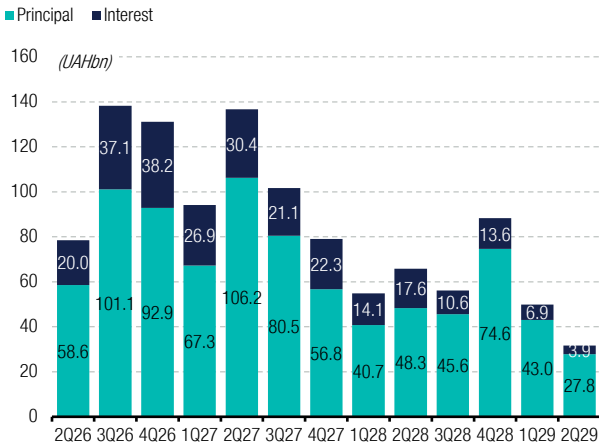
USD-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

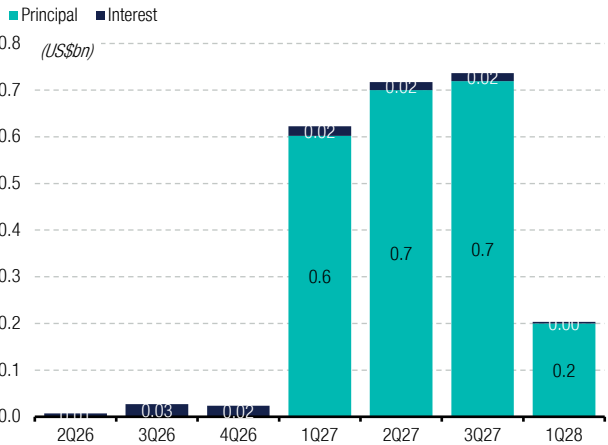
Chart 2. Future repayments on domestic government bonds (in billions of currency)

UAH-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

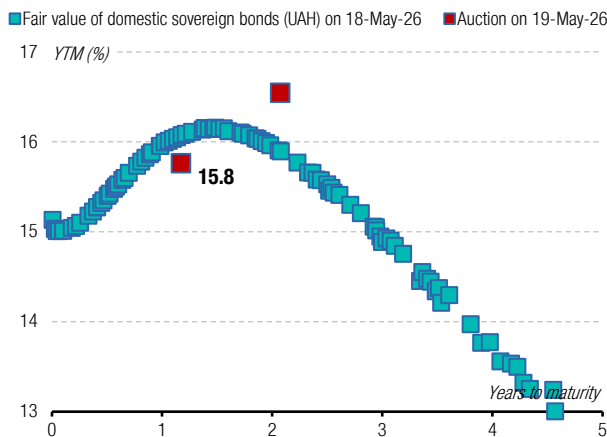
USD-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

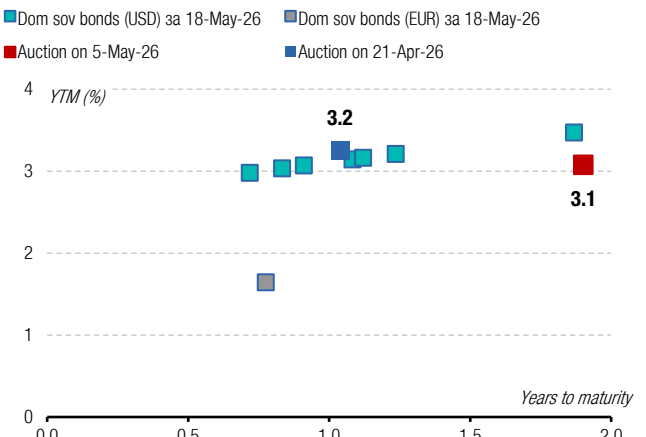
Chart 3. YTM of domestic government bonds as calculated by NBU versus placements via primary market auctions

UAH-denominated domestic government bonds



Source: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

USD- and EUR-denominated domestic government bonds



Source: National Bank of Ukraine, Ministry of Finance of Ukraine, ICU.

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