

Bond Market Insight

MoF in no hurry to borrow

Comment on government bond placement

WEDNESDAY, 17 JUNE 2026

Yesterday, the Ministry of Finance borrowed almost UAH4.1bn for the budget from three UAH-denominated bonds.

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	1,270,679	1,060.75	1,347.88	1,270.68	15.77	6,631.96
UA4000239040	15.85	SA	26-Apr-28	2,000,000	1,021.33	2,042.67	2,000.00	16.49	8,000.00
UA4000238992	16.16	SA	25-Apr-29	675,412	1,022.39	690.53	675.41	16.80	8,368.64
Total UAH				3,946,091		4,081.08	3,946.09		23,000.59

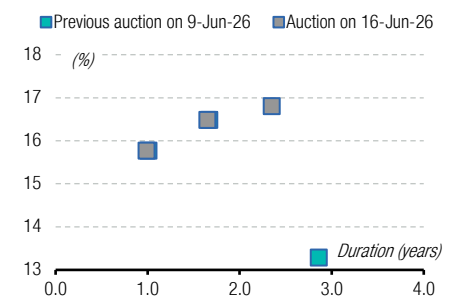
Note: [1] payment frequency abbreviations: M - monthly, Qtly - quarterly, SA - semi-annually, @Mty - at maturity date; [2] proceeds and volumes for the USD-denominated bonds are calculated based on the previous day's exchange rate 43.95/USD, 51.44/EUR; [3] yields on coupon-bearing bonds are effective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

The shortest paper received 26 bids totalling UAH1.3bn, but, as last week, the MoF refused to increase the cut-off rate by 3bp and rejected one bid for UAH50m, and raised UAH1.3bn for the budget without changes in yields.

The 1.9-year security was the only one to receive oversubscription yesterday. The total volume of bids was UAH3.8bn vs the cap of UAH2bn. As a result, the Ministry of Finance rejected two bids in full, but the rest were partially satisfied in accordance with the rules. Accordingly, the budget received UAH2bn with a cut-off rate decline of 1bp.

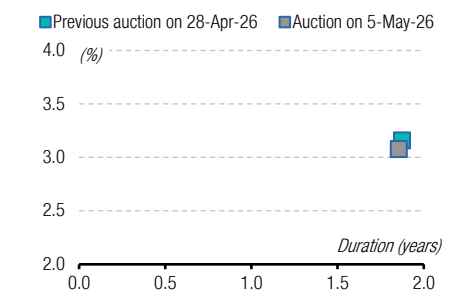
A note maturing in April 2029 received the least demand, yet still saw noticeable competition. The minimum bid rate decreased by 10 bp to 16%, which ultimately reduced the weighted average auction rate by 5 bp to 16.1% with the cut-off rate unchanged.

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



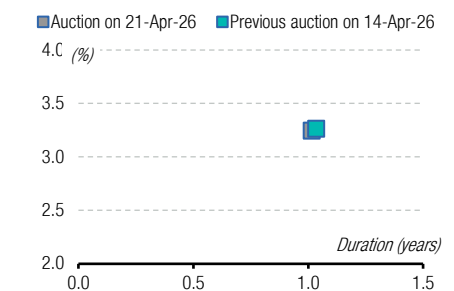
Source: Ministry of Finance of Ukraine, ICU.

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

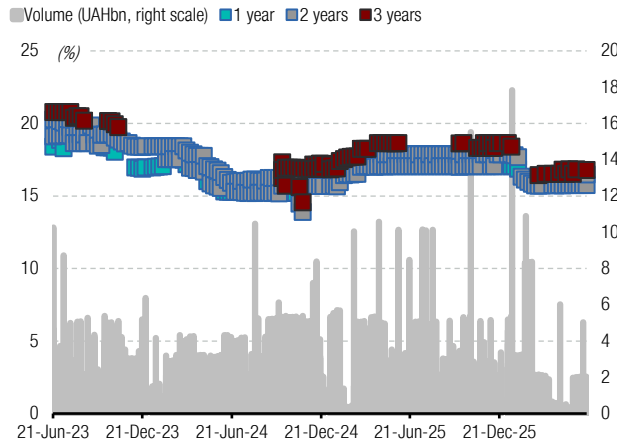


Source: Ministry of Finance of Ukraine, ICU.

Appendix: Yields-to-maturity, repayments

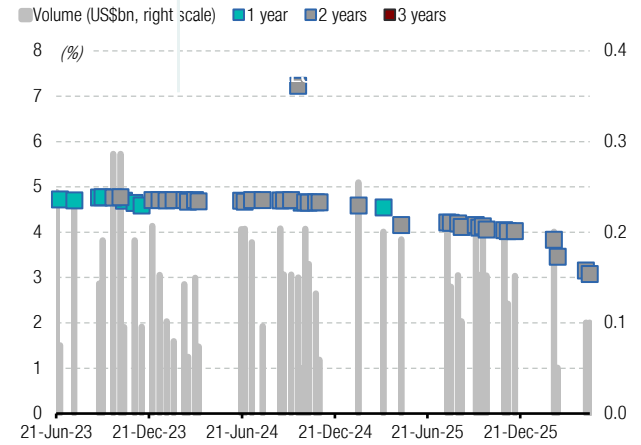
Chart 1. Three-year history of domestic government bond placements at primary market: proceeds (in billions) and yields-to-maturity (%)

UAH-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

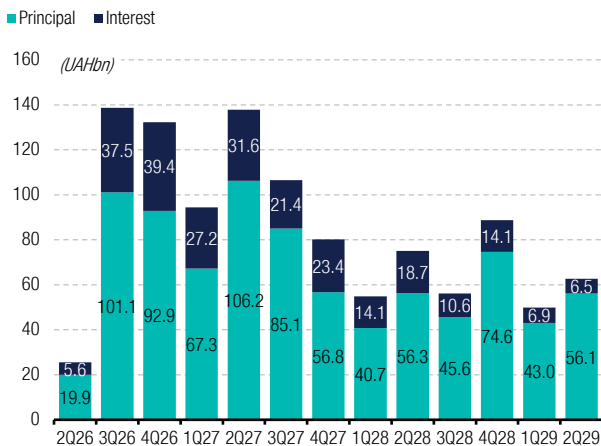
USD-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

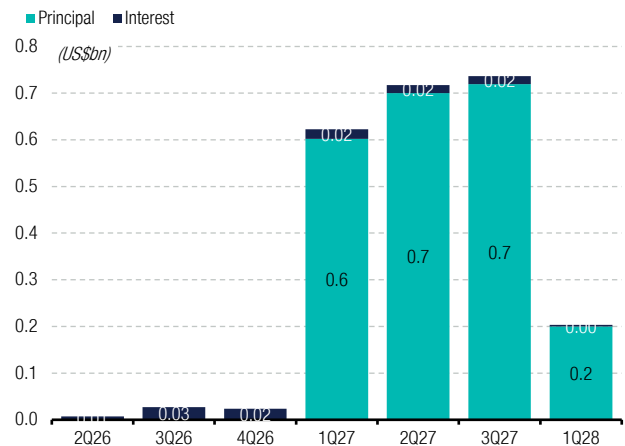
Chart 2. Future repayments on domestic government bonds (in billions of currency)

UAH-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

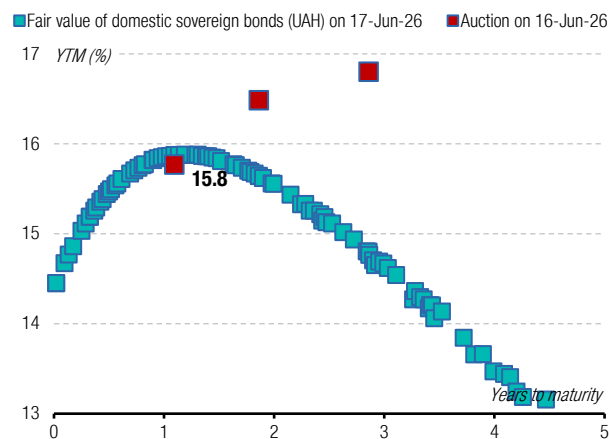
USD-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

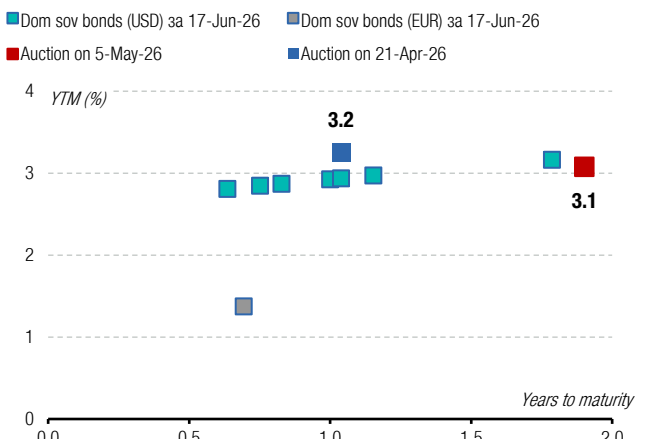
Chart 3. YTM of domestic government bonds as calculated by NBU versus placements via primary market auctions

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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