Focus: **Ukraine**

Markets: **Domestic government bonds**

Analyst(s): **Taras Kotovych**

Bond Market Insight

MoF stands firm on rates

Comment on government bond placement

WEDNESDAY, 11 NOVEMBER 2026

Yesterday, the Ministry of Finance held another primary auction, placing a slightly smaller volume of bonds than planned, as it refused to up the cut-off rate for the shorter-term instrument.

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

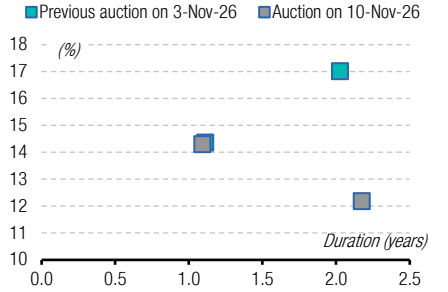
ISIN	Coupon rate (%)	Payment freq[1]	Maturity	Qty of bonds sold	Price (UAH)	Proceeds[2] (UAHm)	Volume[2] (UAHm)	YTM[3] (%)	Outstanding (m)[4]
UA4000239149	15.10	SA	19-Jan-28	1,882,317	1,046.23	1,969.34	1,882.32	14.30	3,882.32
UA4000236632	14.84	SA	27-Jun-29	5,000,000	1,121.01	5,605.07	5,000.00	12.18	25,000.00
Total UAH				**6,882,317**		**7,574.41**	**6,882.32**		**28,882.32**

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 44.48/USD, 51.04/EUR; [3] yields on coupon-bearing bonds are effective yields to maturity. Sources: Ministry of Finance of Ukraine, Bloomberg, ICU.

The ministry reopened "reserve" bond maturing in June 2029 for an additional UAH5bn. Typically for such paper, there was significant oversubscription — nearly 4.5x. Consequently, compared with the placement of a slightly shorter-term reserve bond a few weeks ago, the MoF lowered the cut-off rate by 15bp to 11.92%, and the weighted average yield by 23bp to 11.8%.

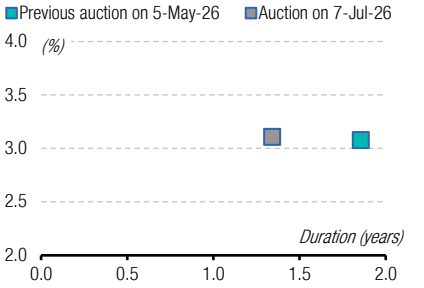
Meanwhile, demand for the 14-month bill was quite varied. In total, the ministry received bids amounting to UAH2.1bn vs the UAH2bn cap. The yields were slightly narrower than last week—from 14.8% to 15.3% (compared with 14.9%–16% last Tuesday)—but the MoF declined to increase the cut-off rate, maintaining it at 15.1%. As a result, three bids were rejected. Ultimately, the ministry placed nearly UAH1.9bn of bonds, with a weighted average yield of 15.06%—4bp lower than at the previous auction.

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



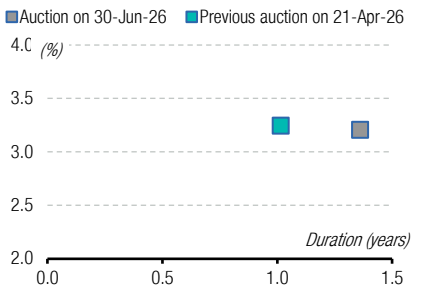
Source: Ministry of Finance of Ukraine, ICU.

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



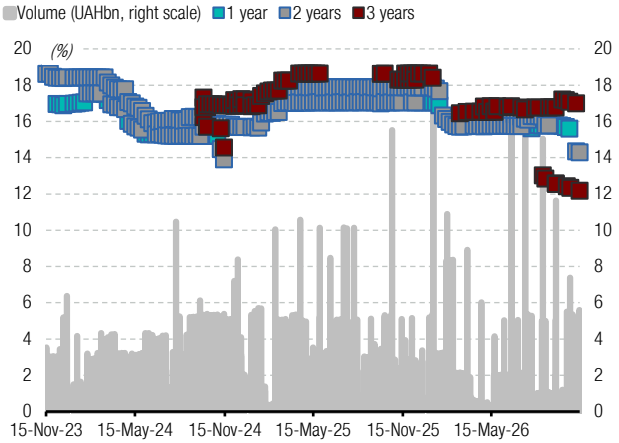
Source: Ministry of Finance of Ukraine, ICU.

READ FIRST THE DISCLOSURES SECTION (ON LAST PAGE) FOR IMPORTANT DISCLOSURES AND ANALYST CERTIFICATION

Appendix: Yields-to-maturity, repayments

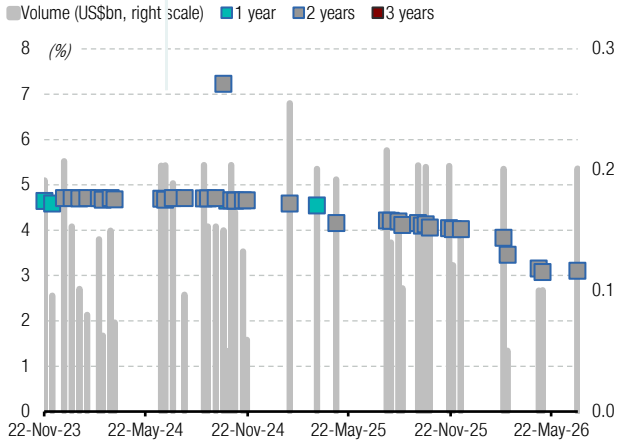
Chart 1. Three-year history of domestic government bond placements at primary market: proceeds (in billions) and yields-to-maturity (%)

UAH-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

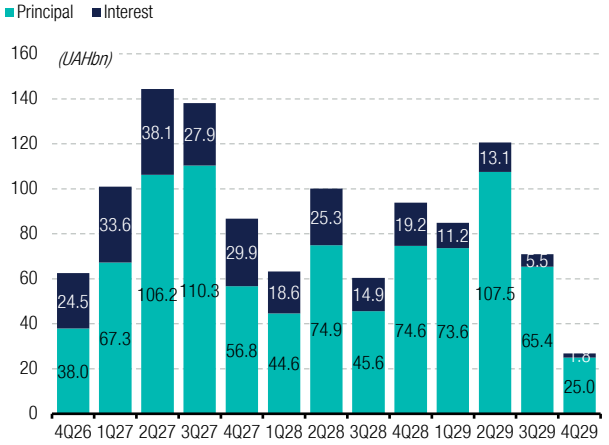
USD-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

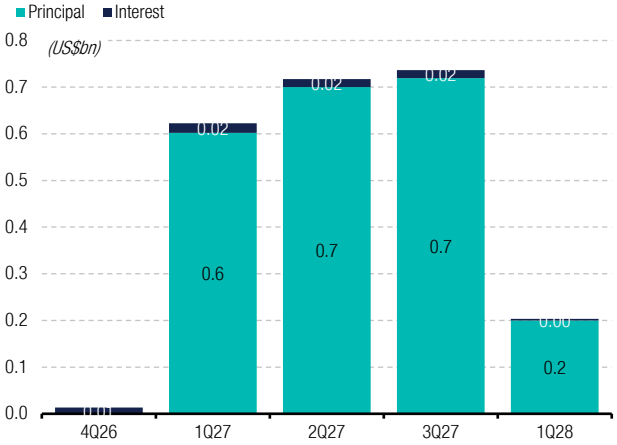
Chart 2. Future repayments on domestic government bonds (in billions of currency)

UAH-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

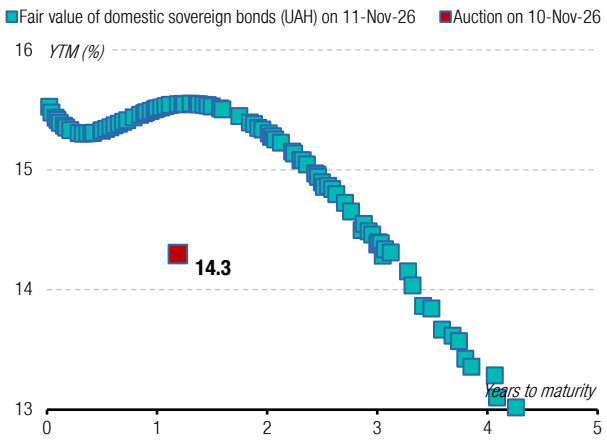
USD-denominated domestic government bonds



Source: Ministry of Finance of Ukraine, ICU.

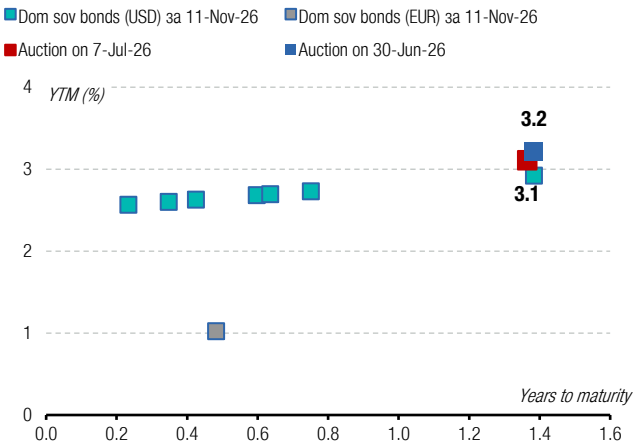
Chart 3. YTMs of domestic government bonds as calculated by NBU versus placements via primary market auctions

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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