

# Bond Market Insight

## MoF issues new three-year note

### Comment on government bond placement

Yesterday, the MoF replaced three-year bonds due in November 2028 with a new three-year bond due in September 2028.

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

ISIN	Coupon rate (%)	Payment frequency <sup>1</sup>	Maturity	Qty of bonds sold	Price (UAH)	Proceeds <sup>2</sup> (UAHm)	Volume <sup>2</sup> (UAHm)	YTM <sup>3</sup> (%)	Outstanding (m) <sup>4</sup>
UA4000235865	16.35	SA	16-Sep-26	2,216,482	1,055.91	2,340.41	2,216.48	17.07	15,908.24
UA4000236228	17.10	SA	10-Mar-27	2,318,998	1,061.79	2,462.29	2,319.00	17.88	4,866.86
UA4000236475	17.77	SA	27-Sep-28	2,004,709	1,053.80	2,112.57	2,004.71	18.61	2,004.71
UA4000236418	14.31	SA	30-May-29	10,000,000	1,009.62	10,096.20	10,000.00	15.21	20,000.00
<b>Total UAH</b>				<b>16,540,189</b>	<b>17,011.48</b>	<b>16,540.19</b>		<b>42,779.81</b>	

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 41.53/USD, 48.99/EUR; [3] yields on coupon-bearing bonds are effective yields to maturity. Sources: Ministry of Finance of Ukraine, Bloomberg, ICU.

Demand for the 14-month bill grew slightly to UAH2.3bn with unchanged interest rates, as the MoF offered only this military bond.

Demand for 20-month paper rose sharply WoW from UAH45m to UAH2.3bn without changes in interest rates.

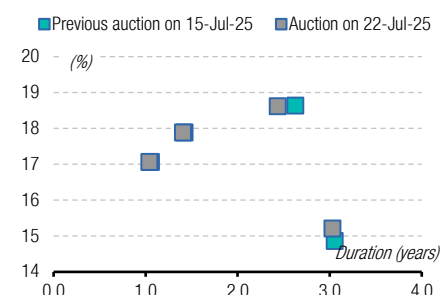
The most interesting offering was the new three-year paper. The MoF replaced the note due in November 2028 with a new bond due in September 2028. However, the shorter maturity did not impact conditions for the new bond. The cut-off rate remained unchanged at 17.8%, while the weighted-average rate slid a mere 3bp to 17.77%.

There were no surprises at the four-year bond offering. The MoF received 4x oversubscription and sold the planned amount of bonds. However, competition was low, as the cut-off rate rose by 5bp to 14.84% and the weighted-average rate was up 32bp to 14.63%.

Changes in interest rates were insignificant as bidders are waiting for the NBU's new macro update, which will come tomorrow.

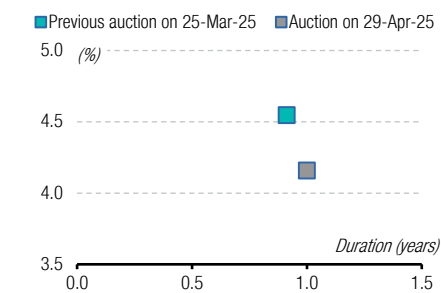
WEDNESDAY, 23 JULY 2025

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



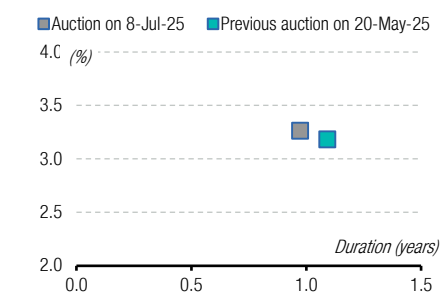
Source: Ministry of Finance of Ukraine, ICU.

### 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

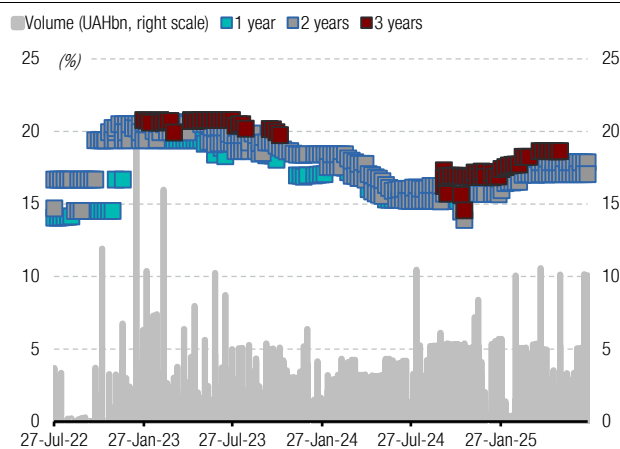


Source: Ministry of Finance of Ukraine, ICU.

# Appendix: Yields-to-maturity, repayments

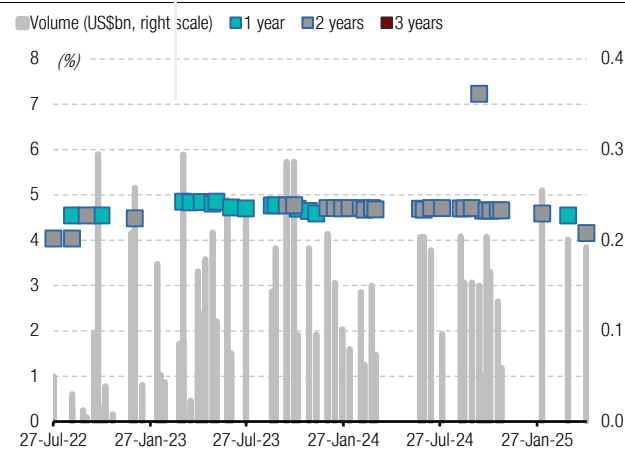
**Chart 1. Three-year history of domestic government bond placements at primary market: proceeds (in billions) and yields-to-maturity (%)**

*UAH-denominated domestic government bonds*



Source: Ministry of Finance of Ukraine, ICU.

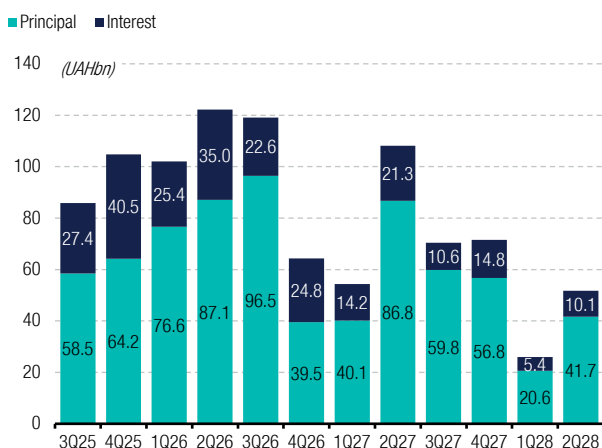
*USD-denominated domestic government bonds*



Source: Ministry of Finance of Ukraine, ICU.

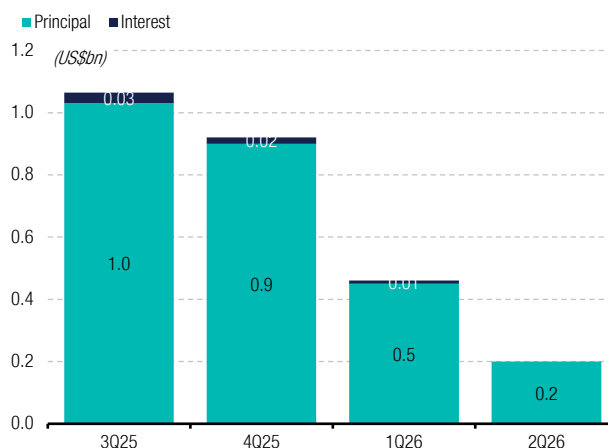
**Chart 2. Future repayments on domestic government bonds (in billions of currency)**

*UAH-denominated domestic government bonds*



Source: Ministry of Finance of Ukraine, ICU.

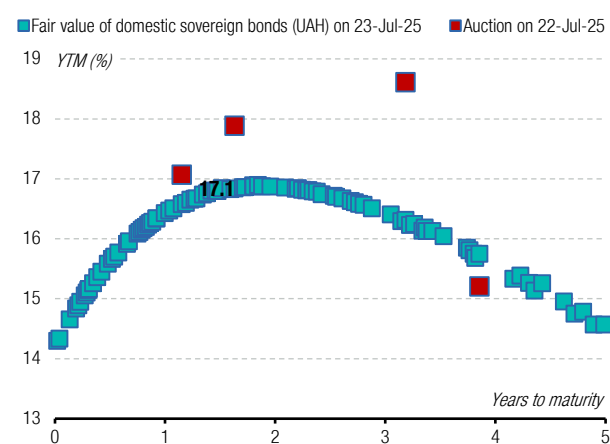
*USD-denominated domestic government bonds*



Source: Ministry of Finance of Ukraine, ICU.

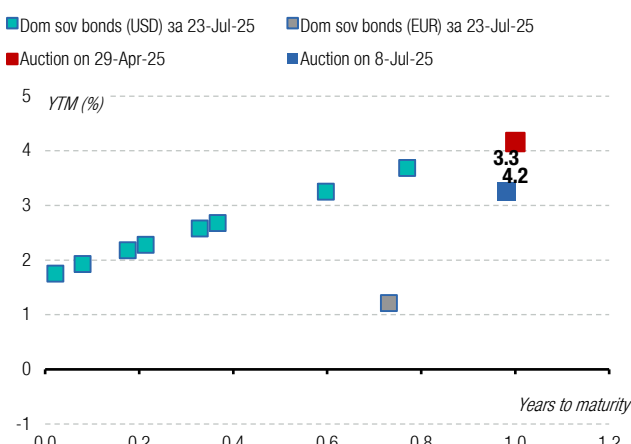
**Chart 3. YTM of domestic government bonds as calculated by NBU versus placements via primary market auctions**

*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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