

Trends

Ukraine Eurobonds Extend Rally as URC 2026 Financing Supports Corporate Debt

Ukraine's sovereign Eurobond market extended its rally. The benchmark Ukraine-2036 issue gained 2.7% to 68.7 cents on the dollar, implying a yield to maturity of 12.2%.

The Ukraine-2029 bond rose 1.4% to 84.6 cents on the dollar, with its implied yield easing to 14.3%.

Among corporate Eurobonds, DTEK's 2027 notes and Ukrenergo's 2028 bonds each advanced 0.8%, with implied yields of 17.2% and 8.0%, respectively. The gains were likely supported by additional financing commitments secured during the Ukraine Recovery Conference (URC 2026). Under the energy platform launched at URC 2026, 28 international agreements worth nearly EUR 2 billion were signed to support decentralized power generation and the restoration of damaged energy infrastructure.

At the June 30 primary auction, Ukraine's Finance Ministry raised the equivalent of UAH 14.5bn, driven primarily by the placement of EUR 200mn in euro-denominated domestic government bonds. The securities, which mature in November 2027, were sold at a yield of 3.2%. Hryvnia-denominated domestic bonds maturing in April 2028 were placed at a yield of 15.79%, while one-year notes were sold at 15.15%.

In the war development, The Ukrainian Air Force says a "serious shortage" of interceptor missiles meant none of the 23 ballistic missiles fired by Russia at Kyiv on Sunday night were shot down. At least 12 people were killed in the second large-scale Russian attack on the Ukrainian capital in a week, Kyiv's top military administrator said. Ukrainian President Volodymyr Zelensky has appealed for allies to take "strong decisions" at the this week's Nato summit to provide Kyiv with air defences.

Several reports suggest Zelensky will be meeting US President Donald Trump on the sidelines of the Nato summit, which begins in Ankara in Turkey on Tuesday.

Highlights

- Ukraine's State and State-Guaranteed Debt Reaches USD 211bn, Equivalent to 96% of GDP

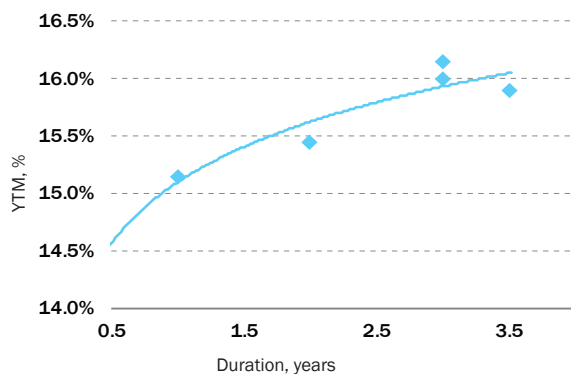
The National Bank of Ukraine has opened a special fundraising account to support the Armed Forces of Ukraine. Please find more at the National Bank's official website under the link below:

www.bank.gov.ua/en/about/support-the-armed-forces

The National Bank also opened fundraising account for Humanitarian Assistance to Ukrainians. Please see details under the link below:

www.bank.gov.ua/en/about/humanitarian-aid-to-ukraine

UAH-DENOMINATED BOND YIELD CURVE



Source: Bloomberg, Eavex Capital

FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	15.0%	0.0 p.p.	-0.5 p.p.
UAH 1-year bond yield	15.2%	0.0 p.p.	-1.2 p.p.
Ukraine-2029 yield	14.3%	-0.6 p.p.	-3.7 p.p.
Ukraine-2036 yield	12.2%	-0.4 p.p.	-2.3 p.p.

OFFICIAL EXCHANGE RATES

	Last, UAH	1W chg.	YTD
USD/UAH	44.80	-0.3%	5.7%
EUR/UAH	51.08	0.3%	2.4%

Source: Eavex Capital

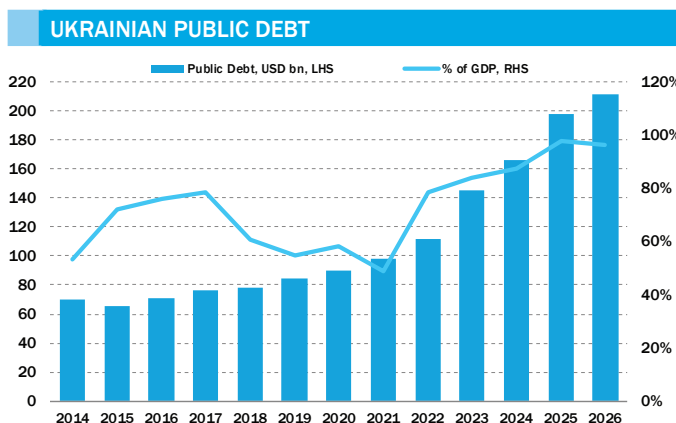
Ukraine's State and State-Guaranteed Debt Reaches USD 211bn, Equivalent to 96% of GDP

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NEWS

Ukraine's Finance Ministry on June 30 published data on the country's state and state-guaranteed debt as of May 31.

Total state and state-guaranteed debt stood at USD 211bn, including the equivalent of USD 45bn in domestic hryvnia government bonds, USD 160bn in external debt and USD 5.9bn in state-guaranteed liabilities.



Source: MinFln

COMMENTARY

Ukraine's public debt has risen to 96% of GDP, compared with about 50% before Russia's full-scale invasion. The European Union accounts for the largest share of the country's external obligations, with nearly USD 82bn in outstanding loans.

Outstanding Eurobonds total about USD 19bn, representing roughly 9% of Ukraine's overall debt stock.

Since the start of the war, Ukraine's debt has increased by USD 113bn, while total external and domestic financing raised during the period reached USD 246bn. Grants provided by the U.S. and several other international partners did not create debt obligations, helping to prevent an even sharper increase in the country's debt burden.

Another key factor is that loans from the European Union have been provided on highly concessional terms, effectively carrying little or no interest. As a result, the average cost of Ukraine's external debt has declined to 1.9% from about 4.5% before the war.

According to the government's debt repayment schedule, Ukraine is expected to allocate about USD 10.7bn to debt servicing and redemptions by the end of this year.

Total debt payments are projected to rise to USD 23.4bn in 2027. Most of those obligations relate to domestic hryvnia-denominated debt and are expected to be refinanced through new local bond issuance. External debt servicing and repayments will amount to about USD 7.2bn in 2027.

SELECTED UKRAINIAN EURO BONDS								
Issue	Indicative Price	Price change in one week	YTM, %	Coupon	Maturity Date	Volume USD mn	Currency	Ratings ¹
Sovereign Eurobonds								
Ukraine, 2029	84.6	1.4%	14.3%	4.50%	1 Feb 2029	1,168	USD	Ca/CCC+/CCC
Ukraine, 2030 (B)	71.7	2.0%	9.7%	-	1 Feb 2030	531	USD	Ca/CCC+/CCC
Ukraine, 2034	70.5	2.5%	12.5%	4.50%	1 Feb 2034	3,150	USD	Ca/CCC+/CCC
Ukraine, 2035	69.7	2.8%	12.3%	4.50%	1 Feb 2035	2,946	USD	Ca/CCC+/CCC
Ukraine, 2036	68.7	2.7%	12.2%	4.50%	1 Feb 2036	2,456	USD	Ca/CCC+/CCC
Corporate Eurobonds								
MHP, 2029	104.1	0.0%	8.9%	10.5%	28 Jul 2029	550	USD	//
Kernel, 2027	94.7	0.0%	11.2%	6.75%	27 Oct 2027	300	USD	//
DTEK Energy, 2027	88.7	1.0%	17.2%	5.00%	31 Dec 2027	1,645	USD	//
UkrEnergo, 2028	97.8	0.7%	8.0%	6.875%	09 Nov 2028	825	USD	//
Metinvest, 2029	93.9	0.8%	9.9%	7.75%	17 Oct 2029	500	USD	Caa3//CCC
NaftoGaz, 2028	88.5	1.4%	n/a	7.625%	8 Nov 2028	500	USD	//
Ukrainian Railways, 2026	82.3	-0.5%	n/a	8.25%	9 Jul 2026	500	USD	//

¹ Moody's/S&P/Fitch

Source: Boerse-Berlin, Boerse-Stuttgart. TR Data, Eavex Research

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