Fixed Income Weekly Monitor

July 27, 2026

Trends

Ukrainian Eurobonds Slide as Renewed Russian Attacks Weigh on Investor Sentiment

Indicative prices for Ukraine's sovereign Eurobonds declined sharply over the week, losing an average of 2.8%. The benchmark Ukraine-2029 issue fell 2.1% to 83.8 cents on the dollar, implying a yield to maturity of 15.1%, while the longer-dated Ukraine-2036 bond dropped 3.9% to 67.4 cents, lifting its implied yield to 12.6%.

The selloff came amid a renewed wave of Russian attacks, further undermining expectations for any near-term diplomatic resolution to the war and weighing on investor sentiment toward Ukrainian sovereign debt.

Meanwhile, Ukraine's receipt of a USD 690 million disbursement from the IMF under its Extended Fund Facility had largely been priced into the market after sovereign bonds rallied strongly during the first half of July. In its latest review, the IMF said that despite Russia's ongoing war, a more challenging external environment and exceptionally high risks, Ukraine has maintained macroeconomic and financial stability.

On the currency front, the hryvnia edged lower by 0.4% over the week to close at 44.81 UAH/USD. The dollar rose by 5.7% against the hryvnia since the start of the year. The National Bank spent USD 26.8 billion on FX interventions to defend the hryvnia as the country's merchandise trade deficit widened sharply to USD 28.2 billion in 1H2026 from USD 18.2 billion in 1H2025.

In the latest war news, Moscow said on Monday that it had not seen any specific information regarding new proposals for a peace settlement in Ukraine ahead of a meeting in Washington between U.S. President Donald Trump and Ukrainian President Volodymyr Zelenskiy. Trump and Zelenskiy are due to hold talks in Washington on Tuesday.

A Ukrainian source said last week that U.S. and Ukrainian officials had been discussing a proposal for an air ceasefire to take to Russian counterparts as part of a new round of peace talks.

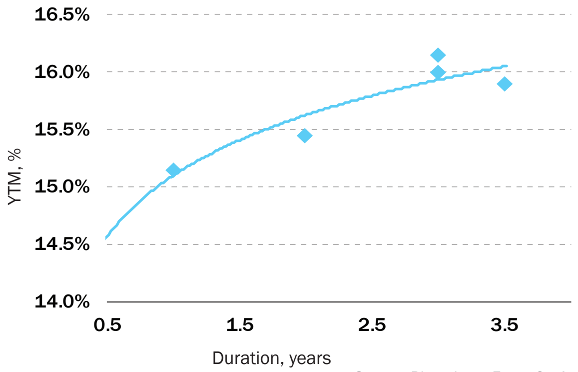
Highlights

- Kernel Doubles Quarterly Grain Exports to 2 Million Tons Despite Rising Black Sea Risks

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	15.1%	0.0 p.p.	-1.3 p.p.
Ukraine-2029 yield	15.1%	1.1 p.p.	-2.9 p.p.
Ukraine-2036 yield	12.6%	0.7 p.p.	-1.9 p.p.

OFFICIAL EXCHANGE RATES

	Last, UAH	1W chg.	YTD
USD/UAH	44.81	0.4%	5.7%
EUR/UAH	51.06	-0.2%	2.4%

Source: Eavex Capital

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Kernel Doubles Quarterly Grain Exports to 2 Million Tons Despite Rising Black Sea Risks

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KERNEL (KER PW)

Price: PLN 19.22 Market Cap: USD 1,484mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
FY25	0.7	0.4	6.2	3.5	0.0%
FY26E	0.0	0.4	5.9	3.3	0.0%

NEWS

Kernel Holding, one of Ukraine's largest agricultural groups, doubled grain exports to 2.01 million metric tons in the April–June quarter, compared with the same period a year earlier. Over the past 12 months, total grain exports increased 15% to 6.27 million tons.

Among other operating metrics, the company reported that oilseed processing for the financial year ended June declined 8% to 3.19 million tons. Vegetable oil sales rose 4% to 1.44 million tons, while agricultural cargo transshipment through its port terminals increased 5% to 9.59 million tons.

KERNEL OPERATIONAL UPDATE

Volume	4Q FY25	4Q FY26	Change	FY25	FY26	Change
Grain export, tonnes	984,000	2,011,000	+2.0x	5,427,000	6,265,000	+15%
Sunflower oil sales, tonnes	384,000	338,000	-12%	1,407,000	1,438,000	+4%
Oilseeds processed, tonnes	952,000	645,000	-32%	3,453,000	3,185,000	-8%
Export terminals throughput, tonnes	1,806,000	2,699,000	+49%	9,136,000	9,587,000	+5%

Source: Companies' data

COMMENTARY

Kernel's operating performance was broadly positive, though repeated Russian attacks on the company's assets in Chornomorsk continue to pose a significant risk to its operations.

Amid a deteriorating security environment, Agriculture Minister Taras Vysotskyi said vessel traffic to Ukrainian ports had been temporarily suspended, although authorities do not currently view the situation as a blockade of maritime exports. He said the government is working to resolve the issue, describing the uninterrupted operation of Ukraine's Black Sea shipping corridor as a matter of national security. According to Vysotskyi, conditions at the ports can change on a daily basis, and there is still no clear timeline for when normal operations may resume.

Shipping giant Maersk announced it had suspended services through the Ukrainian port of Chornomorsk after Russia intensified attacks on Kyiv's maritime export routes, according to Reuters. Maersk became the second major company this month to halt operations in the port after Kernel suspended activity at its main Chornomorsk facility following a series of Russian strikes. The Ukrainian Agribusiness Association said the country has lost roughly one-third of its grain export capacity through key Black Sea ports as a result of the escalating attacks.

Kernel shares have fallen 8.3% since the start of the year to PLN 19.22. Over the past 12 months, the stock traded in a range of PLN 17.72 to PLN 22.60. During the last three months, the shares have largely moved within a narrow PLN 19 – 20 range, suggesting a consolidation phase.

Kernel's 2027 Eurobond trades at 94.6 cents on the dollar, implying a yield to maturity of 11.6%.

SELECTED UKRAINIAN EUROBONDS

Issue	Indicative Price	Price change in one week	YTM, %	Coupon	Maturity Date	Volume USD mn	Currency	Ratings[1]
Sovereign Eurobonds								
Ukraine, 2029	83.8	-2.1%	15.1%	4.50%	1 Feb 2029	1,168	USD	Ca/CCC+/CCC
Ukraine, 2030 (B)	72.1	-1.5%	9.7%	-	1 Feb 2030	531	USD	Ca/CCC+/CCC
Ukraine, 2034	69.3	-3.3%	13.0%	4.50%	1 Feb 2034	3,150	USD	Ca/CCC+/CCC
Ukraine, 2035	68.3	-3.4%	12.8%	4.50%	1 Feb 2035	2,946	USD	Ca/CCC+/CCC
Ukraine, 2036	67.4	-3.9%	12.6%	4.50%	1 Feb 2036	2,456	USD	Ca/CCC+/CCC
Corporate Eurobonds								
MHP, 2029	103.8	-0.3%	9.0%	10.5%	28 Jul 2029	550	USD	//
Kernel, 2027	94.6	0.2%	11.6%	6.75%	27 Oct 2027	300	USD	//
DTEK Energy, 2027	89.6	-0.1%	15.7%	5.00%	31 Dec 2027	1,645	USD	//
UkrEnergo, 2028	98.1	-0.1%	7.8%	6.875%	09 Nov 2028	825	USD	//
Metinvest, 2029	93.5	-0.2%	10.1%	7.75%	17 Oct 2029	500	USD	Caa3//CCC
NaftoGaz, 2028	86.4	-3.9%	n/a	7.625%	8 Nov 2028	500	USD	//
Ukrainian Railways, 2026	83.9	0.0%	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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