Fixed Income Weekly Monitor

September 28, 2026

Trends

Ukrainian Sovereign Eurobonds Slide for Second Week in a Row

Indicative prices for Ukrainian sovereign Eurobonds were lower for the second straight week. The benchmark 10-year Ukraine-2036 issue declined by 2.5% to 62.5 cents on the dollar, implying a yield to maturity of 13.7%. The Ukraine-2034 dept papers decreased by 3.3% to 64.5 (14.2% YTM) and the Ukraine-2029 fell by 2.4% to 80.4 (17.2% YTM).

In the corporate debt universe, Eurobonds of poultry maker MHP with maturity in 2029 declined by 1.5% to 98.7 cents on the dollar (10.8% YTM) and Kernel-2027 issue decreased by 1.1% to 92.7 (14.6% YTM).

On the interbank currency market, the hryvnia devaluated by 0.4% against the dollar last week to close at 44.84 UAH/USD. The Ukrainian currency has weakened by 5.8% so far this year.

In political news, Ukrainian attacks inside Russia are helping push Moscow and Kyiv closer to the negotiating table, U.S. Ambassador to NATO Matt Whitaker said on Saturday, as President Donald Trump continues pressing Russian President Vladimir Putin and Ukrainian President Volodymyr Zelenskyy to negotiate an end to the war.

The ambassador cautioned that Moscow and Kyiv still remain “a long way apart” on key issues, adding that the resolution would not come through hostilities. Russia alone has lost as many as 450,000 soldiers since invading Ukraine in 2022, according to the Center for Strategic & International Studies (CSIS).

Ukrainian Battlefield Assessment. Ukrainian forces appear to be changing their counteroffensive tactics in several areas of the front, targeting Russian supply routes and reinforcements before moving against Russian troops that have infiltrated Ukrainian positions, according to an assessment by the Institute for the Study of War.

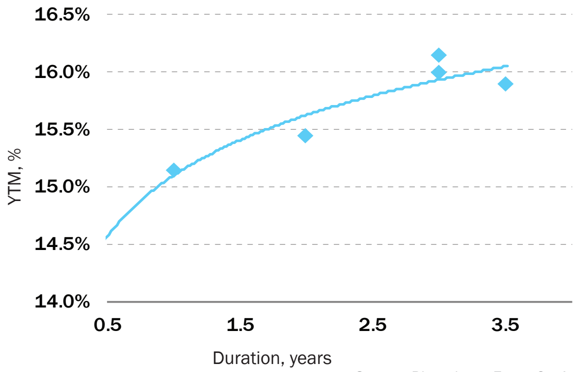
Highlights

- Ukraine’s Economy Loses Momentum as GDP Growth Slows to 0.4%

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	16.0%	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	17.2%	1.5 p.p.	-0.8 p.p.
Ukraine-2036 yield	13.7%	0.5 p.p.	-0.8 p.p.

OFFICIAL EXCHANGE RATES

	Last, UAH	1W chg.	YTD
USD/UAH	44.84	0.4%	5.8%
EUR/UAH	51.14	-0.2%	2.6%

Source: Eavex Capital

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Ukraine's Economy Loses Momentum as GDP Growth Slows to 0.4%

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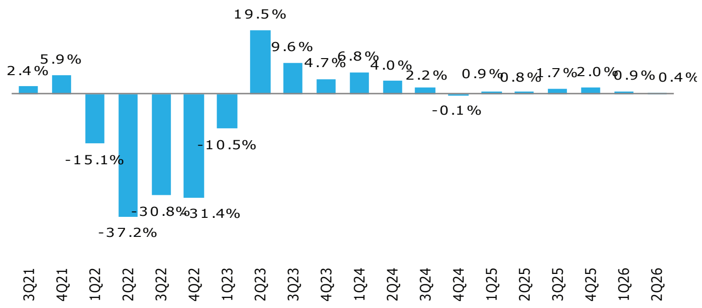
NEWS

Ukraine's economy continues to expand, but the recovery is losing momentum. Real gross domestic product rose just 0.4% in the second quarter of 2026 from a year earlier, slowing from 0.9% growth in the first quarter, 2.0% in the fourth quarter of 2025 and 1.7% in the third quarter, according to preliminary data.

QUARTERLY GDP CHANGE IN UKRAINE, YOY



Source: State Statistics Committee, Eavex Research

COMMENTARY

The latest figures point to a further cooling in economic activity after a relatively strong finish to 2025. While the economy was still expanding at a positive pace at the start of the year, the recovery had lost much of its momentum by the second quarter.

The key question for investors is no longer whether Ukraine's economy is growing, but how sustainable that growth is. At 0.4% year-on-year, GDP is effectively moving forward with very little room for acceleration.

The trajectory is particularly telling: 1.7% → 2.0% → 0.9% → 0.4%. That points to more than a single weak quarterly reading — it shows a clear deceleration in economic activity.

For the National Bank of Ukraine, the picture is mixed. A weaker economy would normally support a case for a more accommodative monetary stance, but slowing growth does not eliminate inflation risks. With inflation still elevated, the central bank faces a difficult trade-off between supporting economic activity and keeping price pressures under control.

For investors, the composition of GDP growth will therefore matter almost as much as the headline number. Weakness concentrated in domestic consumption, construction or investment would carry different implications from a slowdown driven by temporary export or agricultural factors.

The main market signal is that Ukraine is not yet slipping into recession, but neither is it generating the acceleration needed for a rapid recovery. Against the backdrop of the war, labor shortages, energy risks and a high cost of capital, even positive GDP growth does not necessarily translate into a rapid improvement in corporate earnings.

For Ukrainian assets, that makes the quality of growth increasingly important. Investors will need to look beyond the headline GDP number and focus on which parts of the economy are expanding — and which are losing momentum.

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	80.4	-2.4%	17.2%	4.50%	1 Feb 2029	1,168	USD	Ca/CCC+/CCC
Ukraine, 2030 (B)	69.2	-2.0%	11.6%	-	1 Feb 2030	531	USD	Ca/CCC+/CCC
Ukraine, 2034	64.5	-3.3%	14.2%	4.50%	1 Feb 2034	3,150	USD	Ca/CCC+/CCC
Ukraine, 2035	63.4	-2.6%	13.9%	4.50%	1 Feb 2035	2,946	USD	Ca/CCC+/CCC
Ukraine, 2036	62.5	-2.5%	13.7%	4.50%	1 Feb 2036	2,456	USD	Ca/CCC+/CCC
Corporate Eurobonds								
MHP, 2029	98.7	-1.5%	10.8%	10.5%	28 Jul 2029	550	USD	//
Kernel, 2027	92.7	-1.1%	14.6%	6.75%	27 Oct 2027	300	USD	//
DTEK Energy, 2027	86.3	-0.7%	20.1%	5.00%	31 Dec 2027	1,645	USD	//
UkrEnergo, 2028	98.8	0.1%	7.5%	6.875%	09 Nov 2028	825	USD	//
Metinvest, 2029	86.0	0.0%	13.4%	7.75%	17 Oct 2029	500	USD	Caa3//CCC
NaftoGaz, 2033	86.5	-1.3%	9.0%	6.00%	15 Jan 2033	500	USD	//CC
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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