

**Ministry of finance of Ukraine**

# Ukraine Investor Presentation

March 2014

## Executive summary

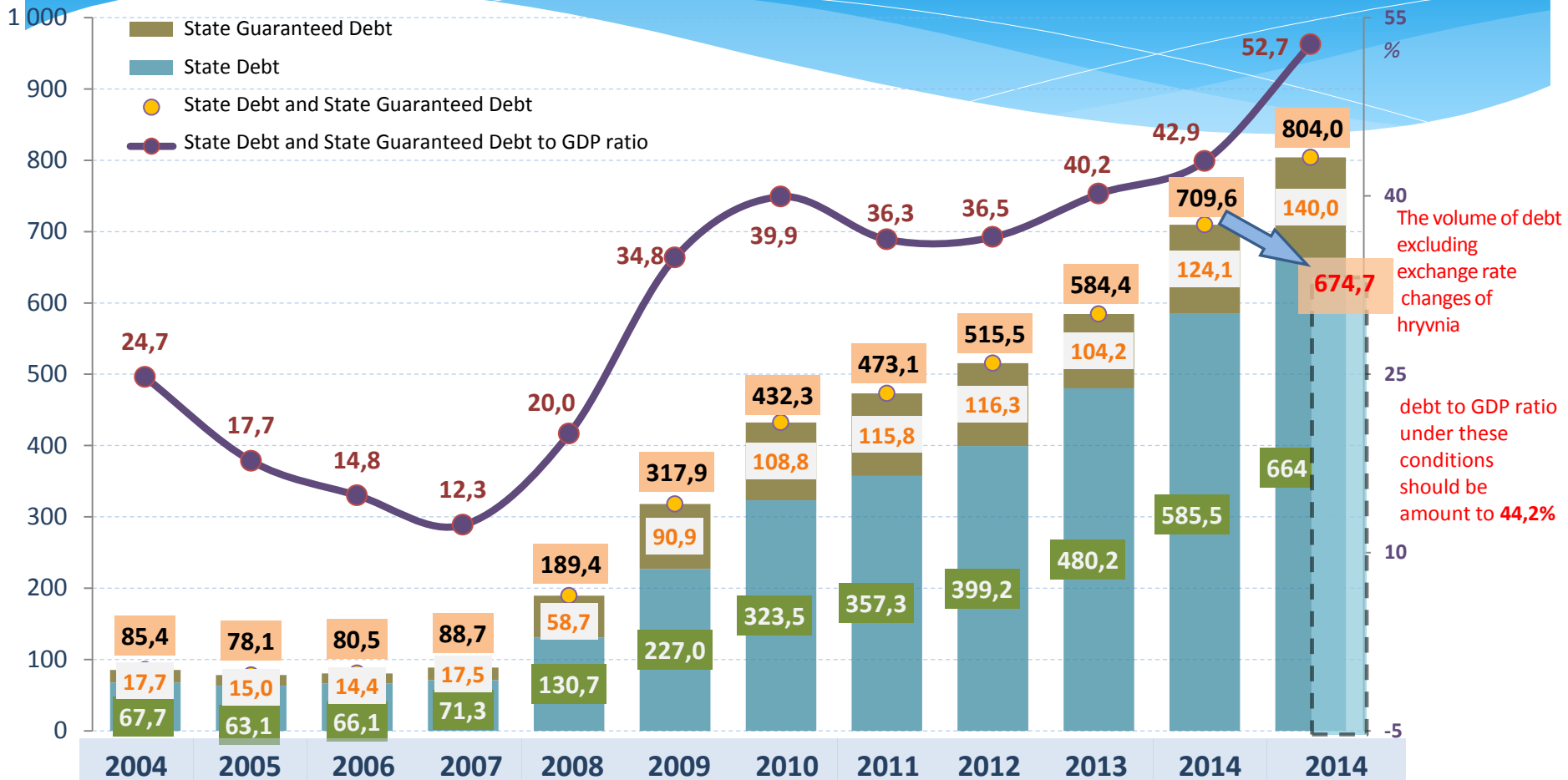
- **Nominal GDP** amounted to USD 176 bn in 2012 and USD 182 bn in 2013.
- **Total Debt** amounted to USD 64.5 bn or 36.5% of GDP at the end of 2012. In 2013 there was a moderate increase of 7.2%. Total Debt amounted to USD 73,1 bn or 40.2% of GDP at the end of 2013
- **Inflation** is at a relatively low level as reflected in change of CPI index of -0.2% in 2012 and 0.5 in 2013
- **Labour market** is growing with average monthly real wage increase of 7.9% in 2013 y-o-y and unemployment rate decrease of 0.5 %. in 2013 y-o-y
- Official USD/hryvnia **exchange rate** is stable at 7.99, while the difference with the market rate was not higher than 1.90% in 2013
- **Banking sector** showed positive dynamics with profits of UAH 4.9 bn in 2012 and UAH 1.4 bn in 2013.

	2011	2012	2013	
Nominal GDP, USD bn	163	176	182	
Real GDP Growth, y-o-y	5.2%	0.2%	0%	
Nominal GDP Per Capita, USD	3,576	3,867	4,003	
Consolidated Budget Deficit, % of GDP	1.8%	3.6%	4,4%	
Total State Debt, % of GDP	36.3%	36.5%	40,2%	
	2010	2011	2012	2013
CPI, y-o-y	9.1%	4.6%	-0.2%	0.5%
UAH/USD, average	7.94	7.97	7.99	7.99
	2010	2011	2012	2013
Current account, USD bn	-3.0	-10.2	-14.3	-16.1
Credit ratings, S&P/Moody's/Fitch	CCC/Caa3/CCC			

# The dynamics of State Debt and State Guaranteed Debt

billion UAH

threshold level 60%



The volume of debt excluding exchange rate changes of hryvnia

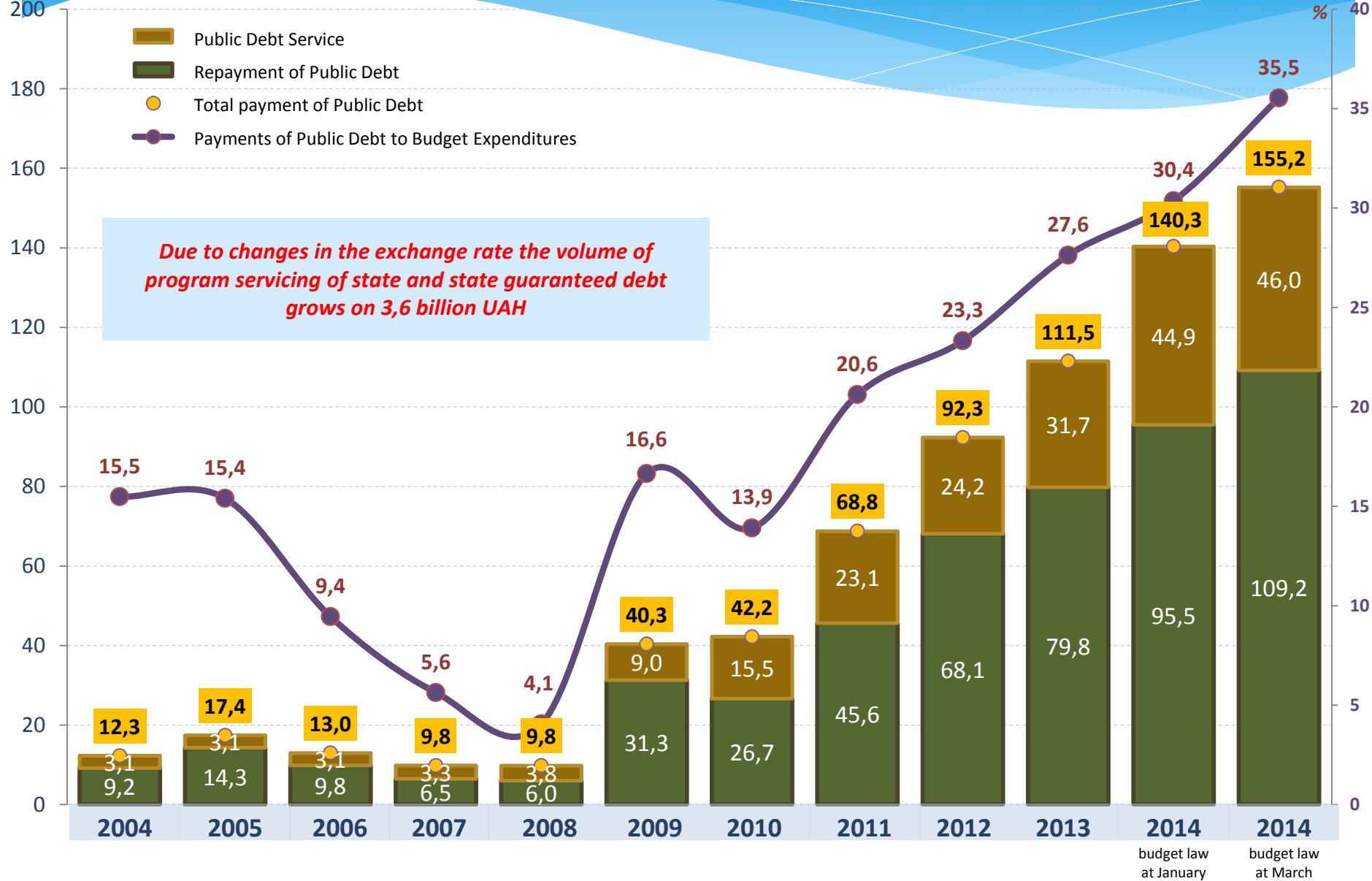
debt to GDP ratio under these conditions should be amount to 44,2%

## Evaluation of growth factors volume of debt at 219.6 billion UAH in a new version of the Law of Ukraine on State Budget for 2014 as compared to the results for 2013:

- Due to the growth the exchange rate UAH to USD, Euro, SDR - 129.3 billion. UAH (growth of body debt);
- The need to finance the national budget on debt transactions - 90.3 billion. UAH of which:
  - Naftogaz capitalization - 33,3 billion UAH;
  - 68 billion. UAH Financing the budget deficit without privatization;
  - banks capitalization - 5.2 billion UAH.

# Payments on the State debt of Ukraine

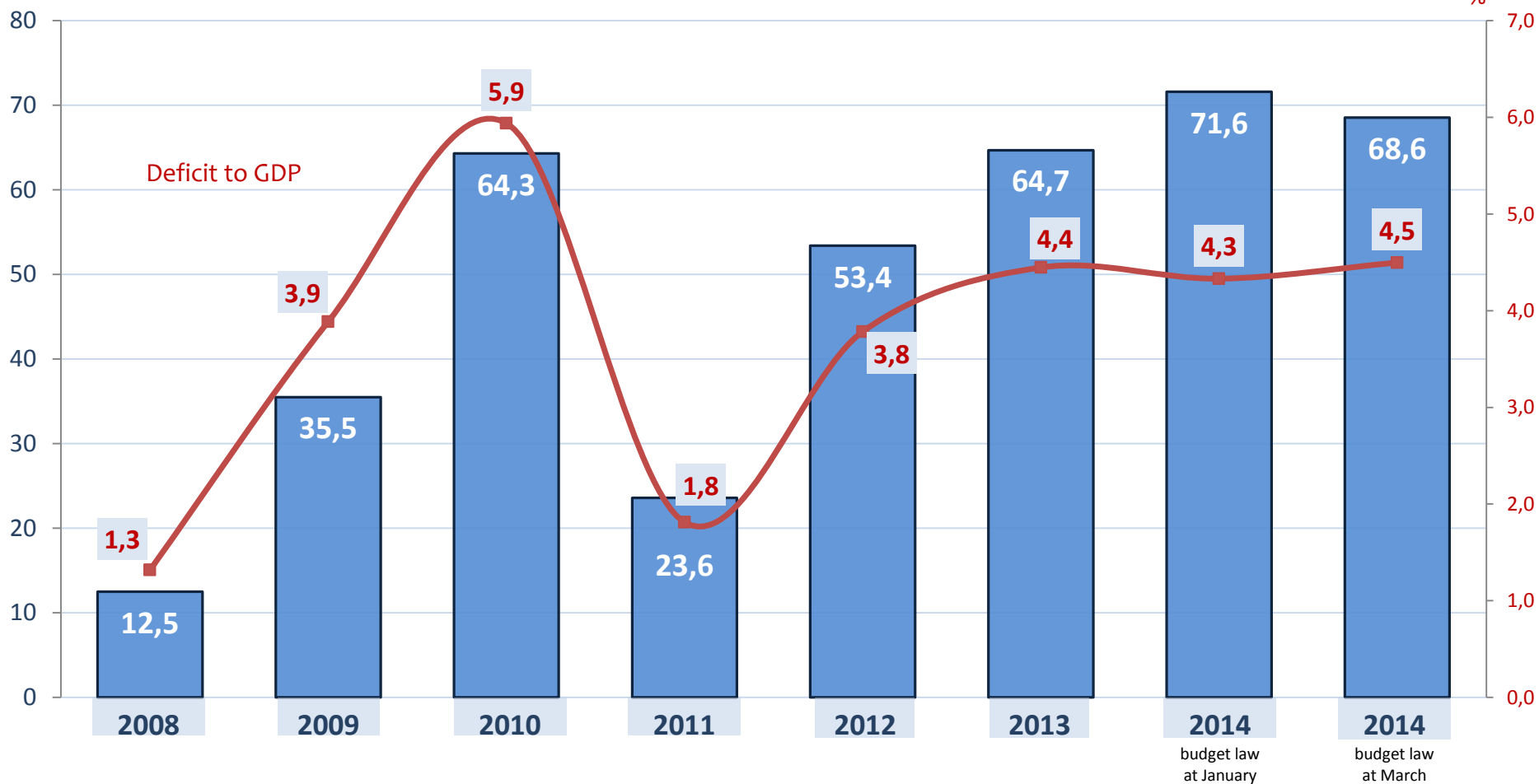
Billion UAH.



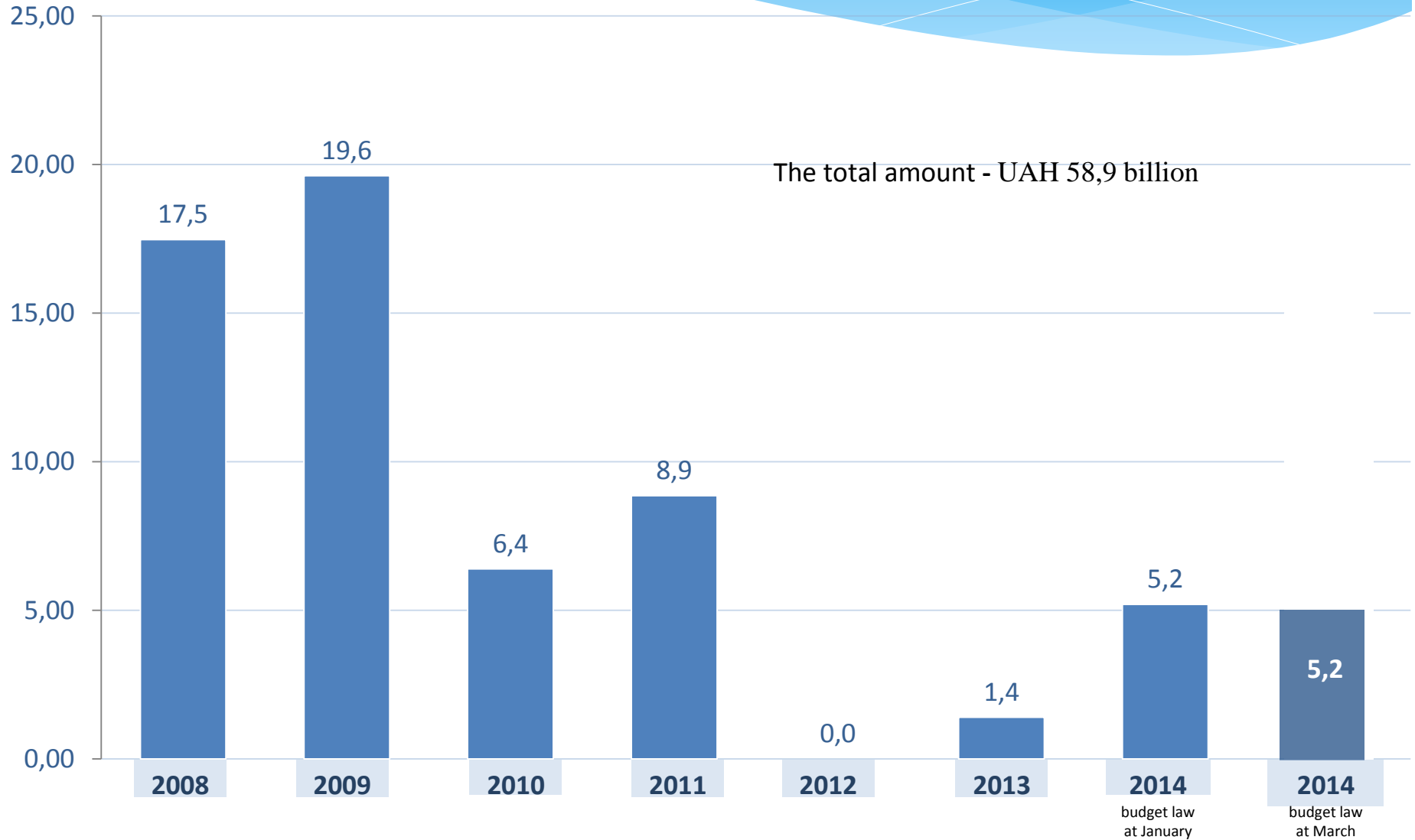
# The deficit of the state budget of Ukraine

2008-2014

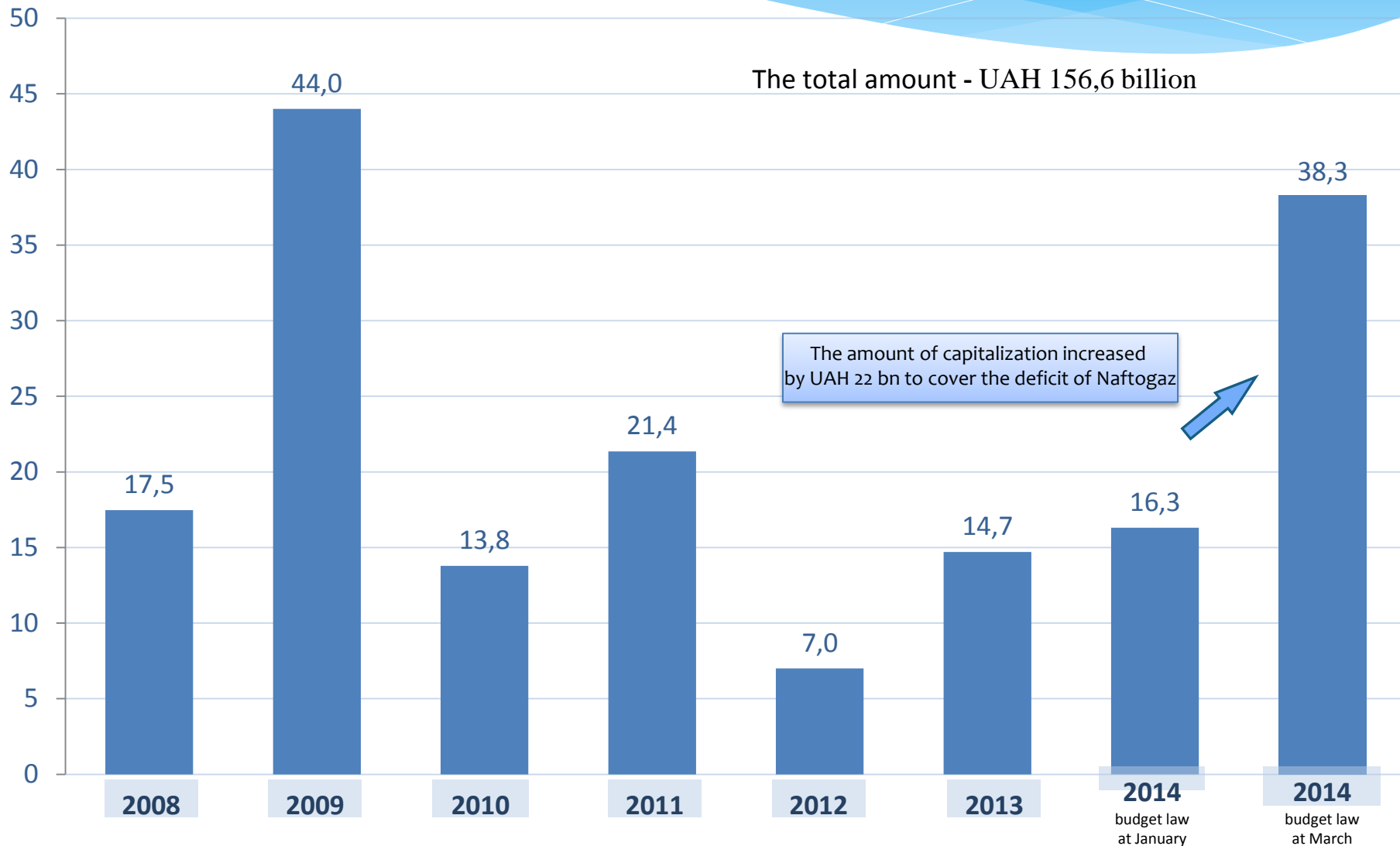
billion UAH



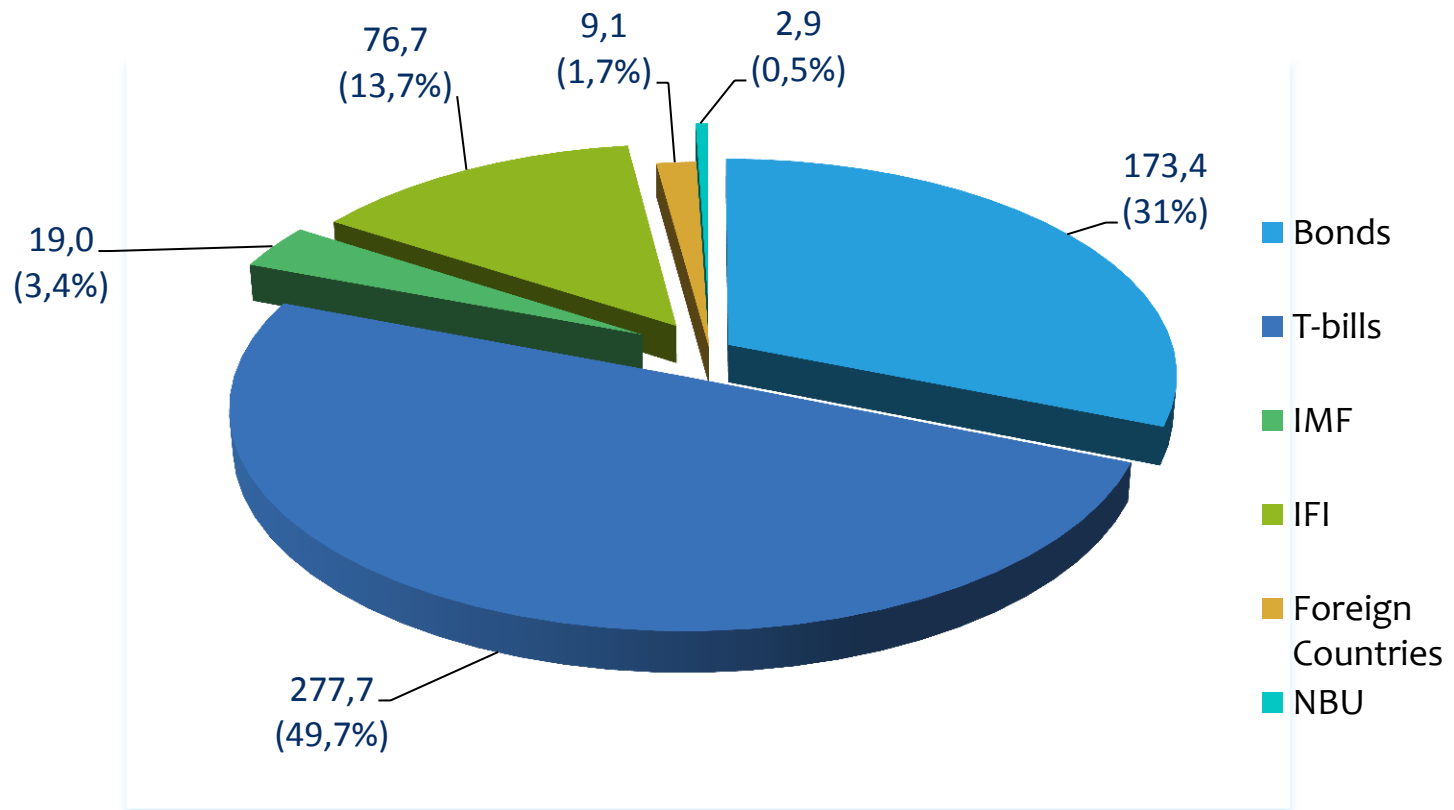
# Capitalization of banks, that carried out by increasing public debt 2008-2014



# Capitalization, that carried out by increasing public debt 2008-2014

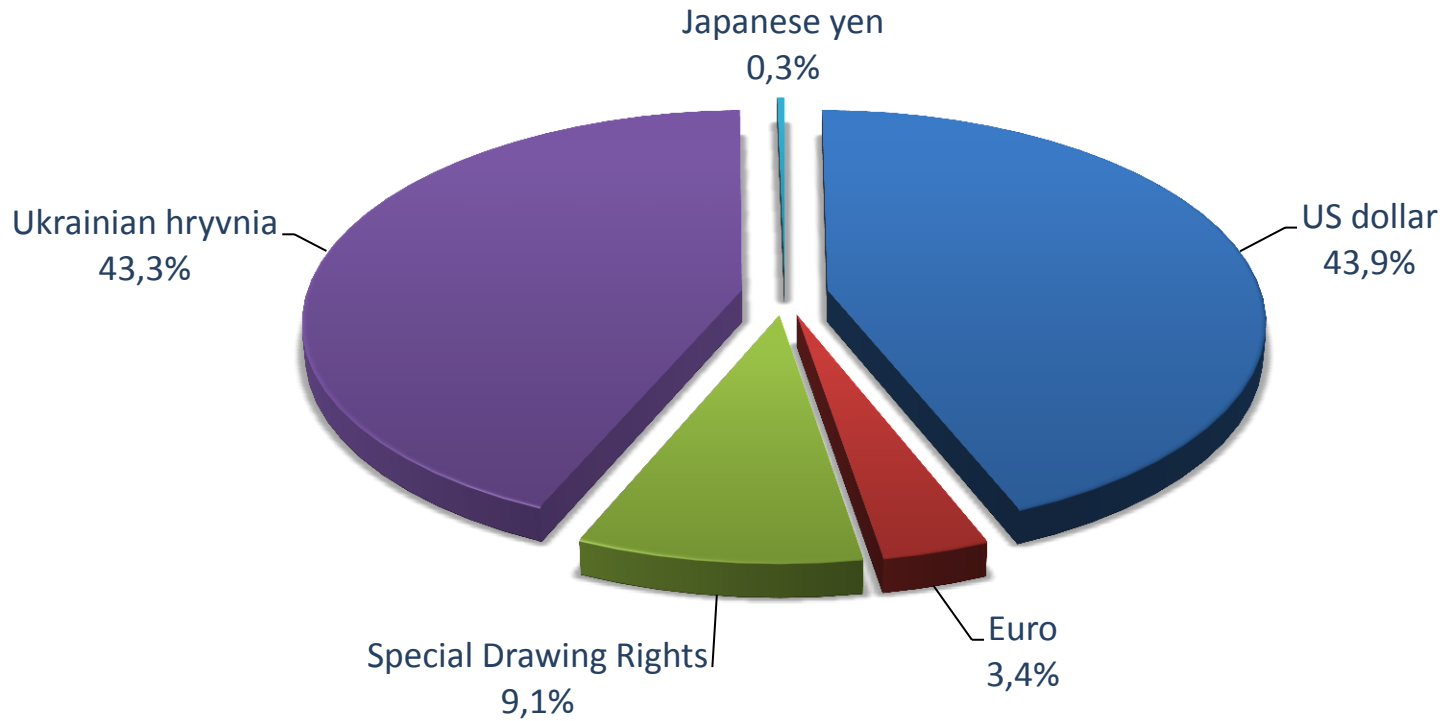


## The State Debt Structure by borrowing as of 28.02.2014 (billion UAH)



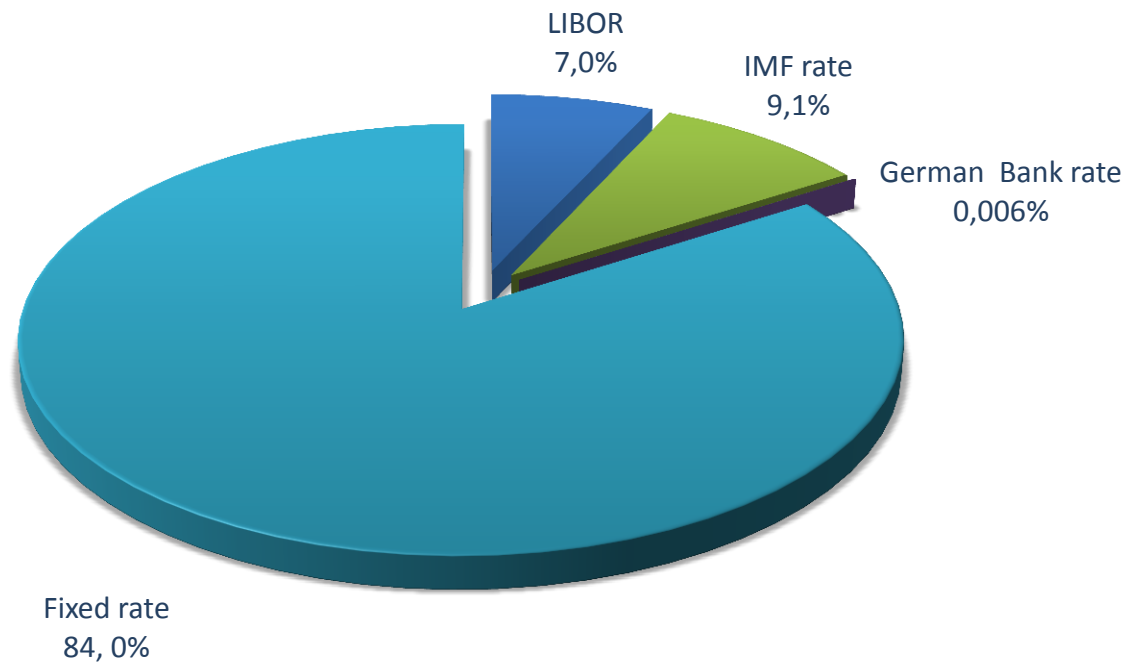


## The State Debt Structure by currency as of 31.12.2013



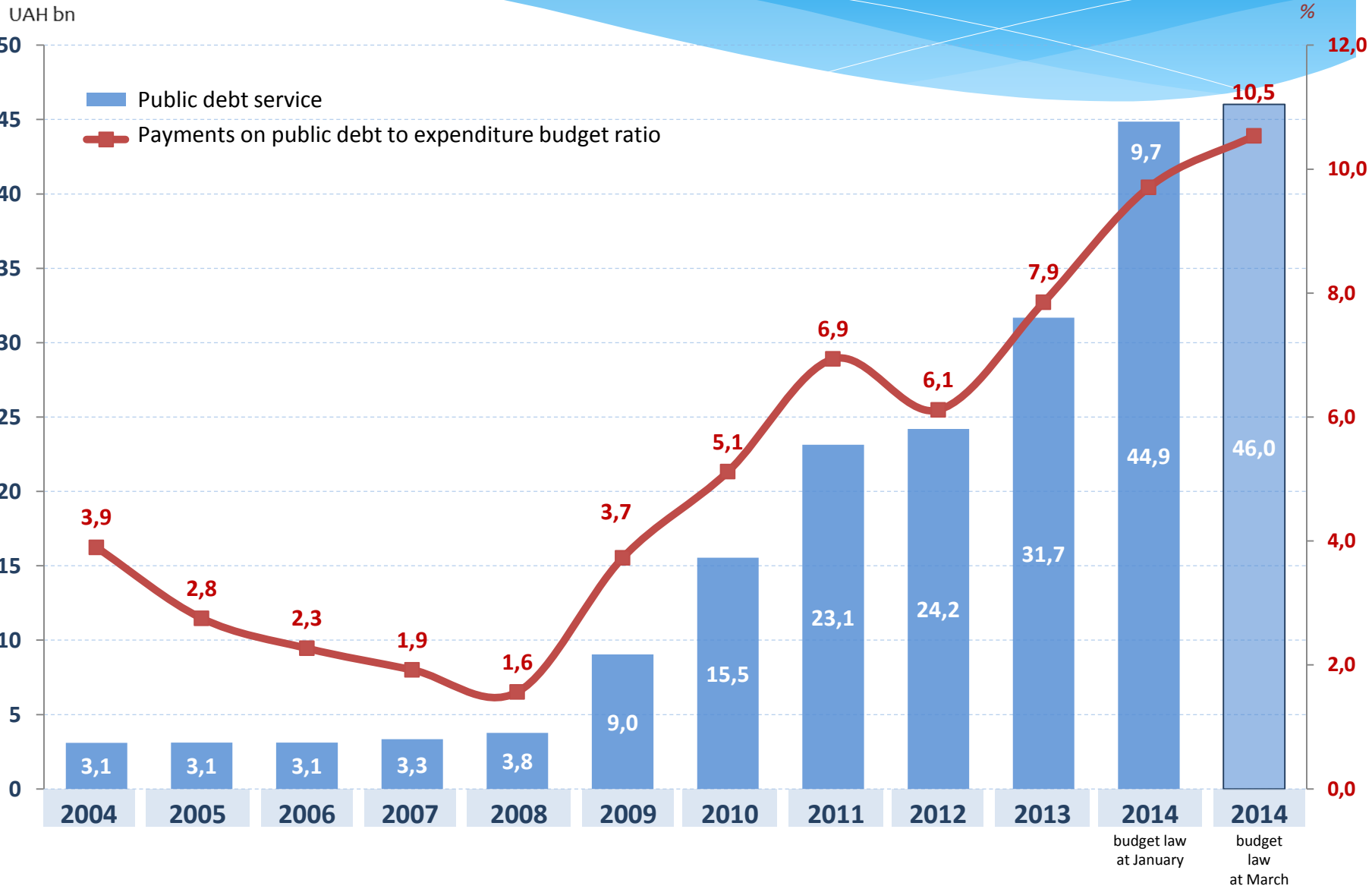
The volume of public debt – UAH 480,2 billion.

## The State Debt Structure by interest rate as of 31.12.2013



The volume of public debt - 480,2 UAH billion

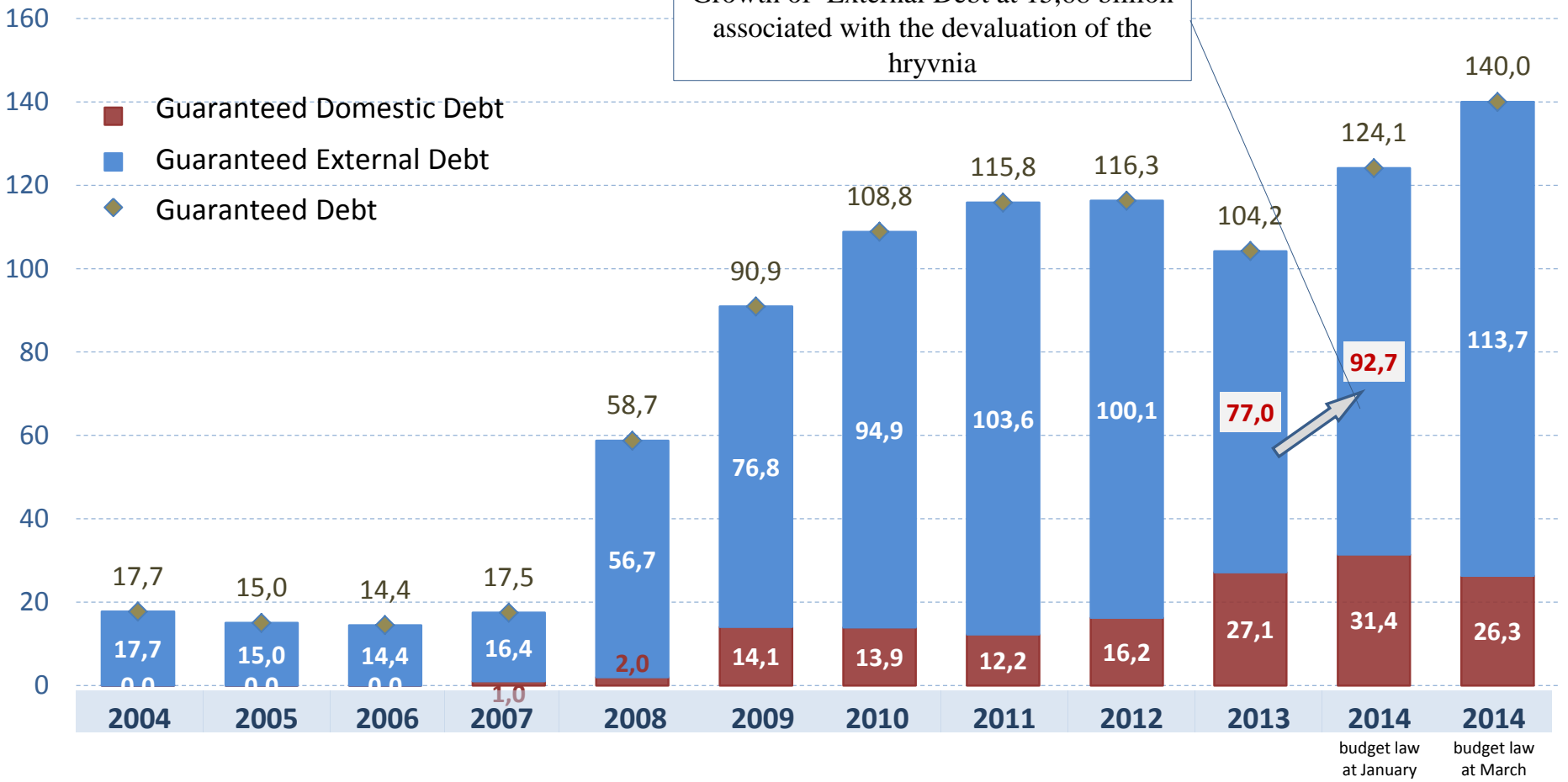
# Public Debt Management (2010-2014)



# Guaranteed Debt (2004-2014)

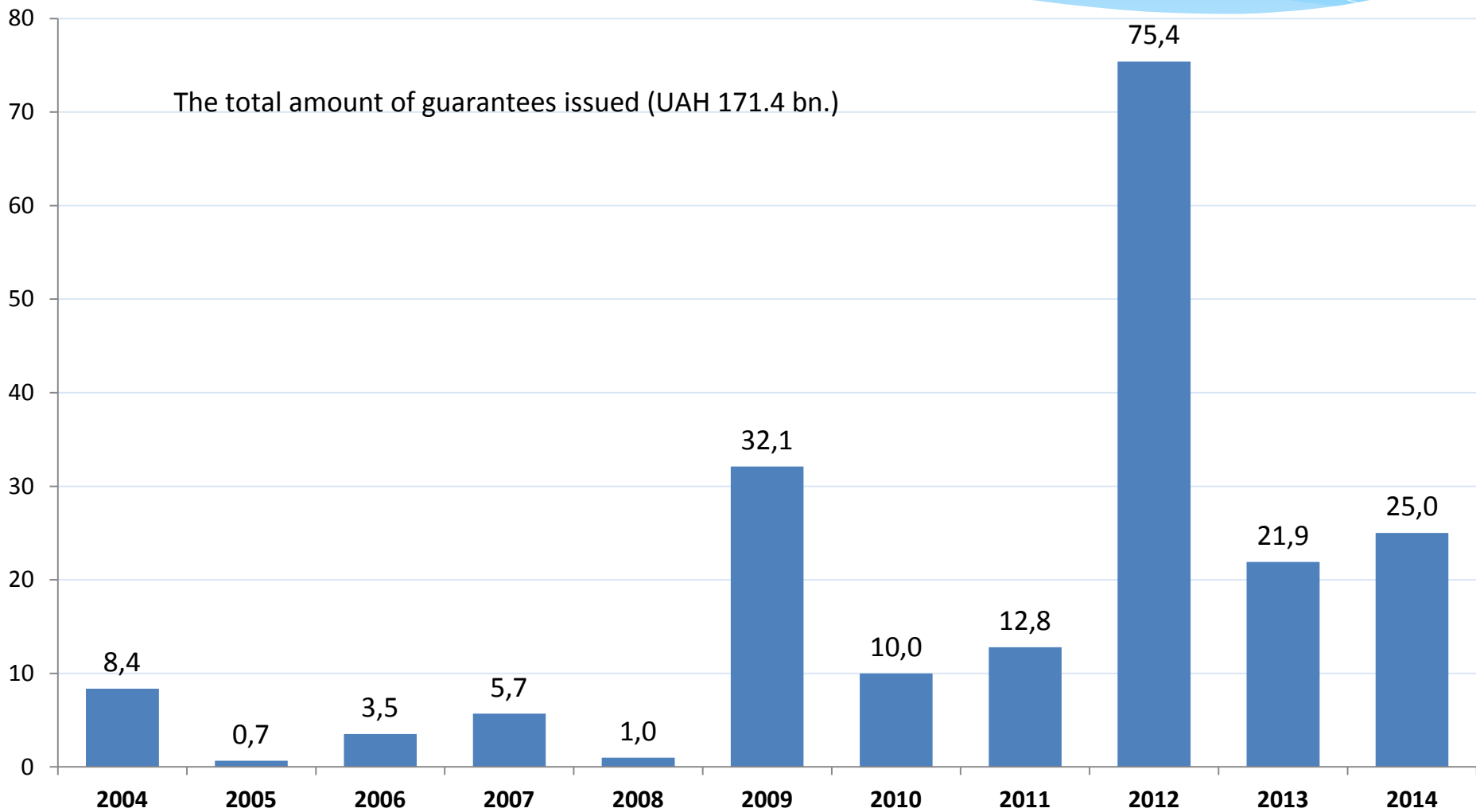
(UAH bn)

Growth of External Debt at 15,68 billion associated with the devaluation of the hryvnia

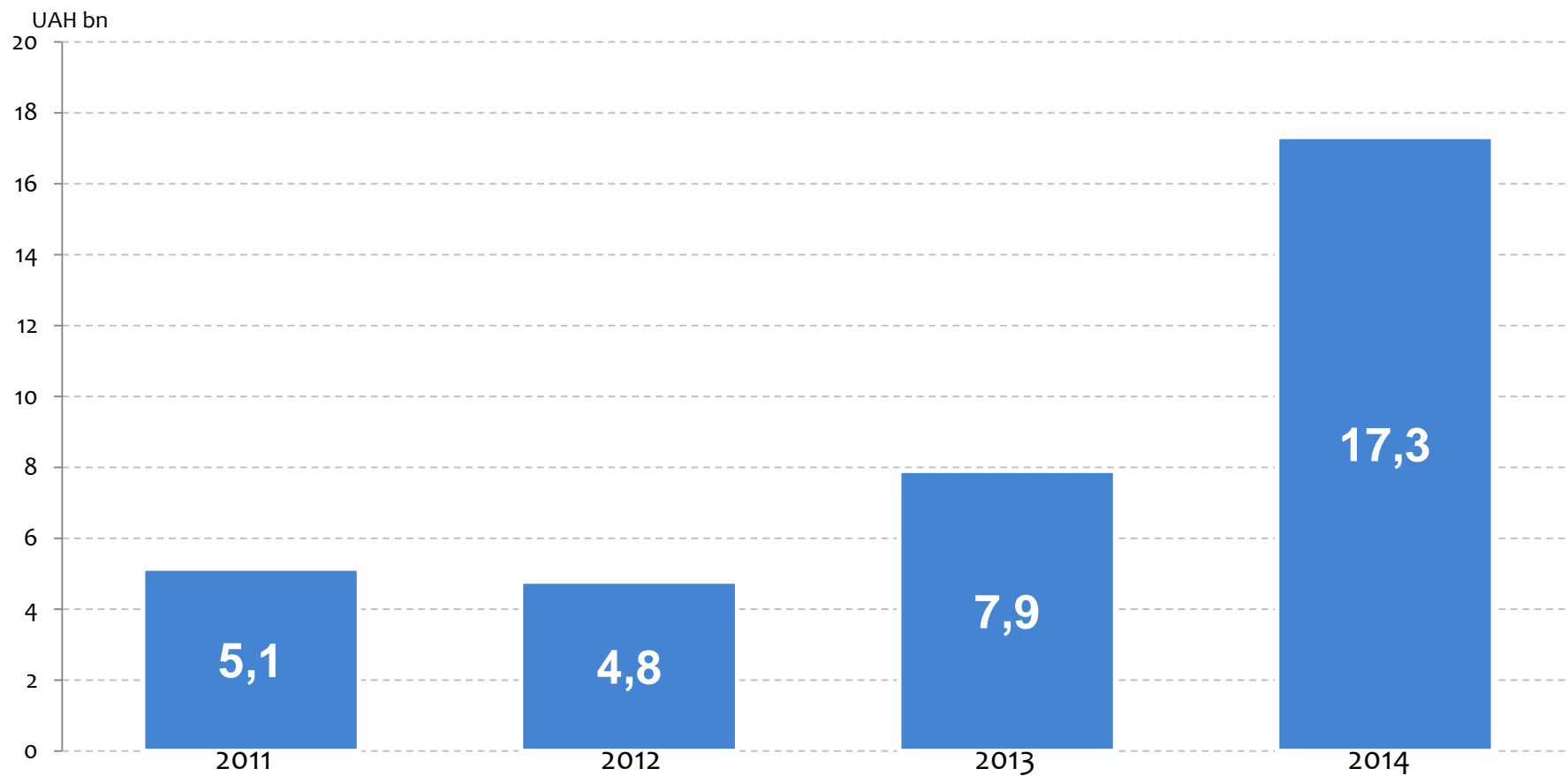


UAH 1,266 bn - provided in the State Budget for 2014 to cover the risk of warranty cases

## Sovereign Guarantee (2010-2014)



## Expenditure of Guaranteed Credits. Service envisaged by the budget (40% of the total Guaranteed Debt)



# Ukraine State Debt in percent of GDP (Ukraine and some countries of Europe)

