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Macroeconomic and Financial Overview of Ukraine

2012 –

2025



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Macroeconomic and Financial Overview of Ukraine, 2012-2025

Key Trends, Structural Shifts, and Policy-Relevant Indicators

Scientific and Analytical Union

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National Accounts and Prices

- Real GDP
- Nominal GDP
- GDP deflator
- Consumer Price Index (CPI)

2012 –
2025

NATIONAL ACCOUNTS AND PRICES (USD BILLION)

		Real GDP	Nominal GDP	GDP deflator	CPI (%)
2012	Q1	35,62	36,57	10,4	0,7
	Q2	39,90	43,29	8,2	0,1
	Q3	45,05	48,43	6,4	-0,3
	Q4	42,46	47,45	7,2	-0,2
2013	Q1	37,89	38,00	5,3	0,1
	Q2	42,48	44,39	3,8	0,2
	Q3	48,02	49,79	4	-0,6
	Q4	47,31	51,12	4,3	0,5
2014	Q1	31,54	31,95	5,3	3
	Q2	28,71	32,38	12,6	11,6
	Q3	29,13	33,82	16,8	16,2
	Q4	21,63	28,63	27,8	24,9
2015	Q1	13,10	16,17	41,2	20,3
	Q2	15,82	21,51	39,7	40,7
	Q3	18,78	26,03	38,4	41,4
	Q4	16,32	25,16	35	43,3
2016	Q1	16,08	17,27	20,7	1,5
	Q2	19,03	21,47	15,2	4,9
	Q3	22,21	25,55	15,4	6,4
	Q4	21,17	27,59	17,5	12,4

NATIONAL ACCOUNTS AND PRICES (USD BILLION)

		Real GDP	Nominal GDP	GDP deflator	CPI (%)
2017	Q1	18,87	21,92	26,8	3,9
	Q2	21,85	25,44	21	7,9
	Q3	26,74	31,93	21,3	10,2
	Q4	24,11	32,40	20,7	13,7
2018	Q1	24,49	26,81	15,1	3,5
	Q2	27,65	30,91	17,2	4,4
	Q3	31,06	35,28	16,2	5,6
	Q4	30,23	37,77	13,5	9,8
2019	Q1	28,56	30,52	12,7	2,4
	Q2	33,07	35,19	9,8	3,6
	Q3	42,33	44,89	7,7	3,4
	Q4	41,60	47,13	4,6	4,1
2020	Q1	31,17	32,50	5,6	0,7
	Q2	31,62	32,95	6	2
	Q3	39,22	41,93	9,1	1,7
	Q4	37,72	46,52	17,8	5
2021	Q1	31,94	36,69	21,5	4,1
	Q2	36,33	43,40	26,5	6,4
	Q3	46,58	56,60	25,4	7,5
	Q4	45,76	63,79	24,7	10

NATIONAL ACCOUNTS AND PRICES (USD BILLION)

	Real GDP	Nominal GDP	GDP deflator	CPI (%)
2022	Q1 30,34	37,25	25,3	7,6
	Q2 33,83	35,10	37,5	17,4
	Q3 34,04	39,63	39,6	21,8
	Q4 34,06	44,44	37,3	26,6
2023	Q1 31,29	37,96	41,6	3
	Q2 34,40	40,56	20,6	4,6
	Q3 43,57	49,43	12,8	3
	Q4 41,34	52,54	11,9	5,1
2024	Q1 37,88	42,14	9,9	1,2
	Q2 38,74	43,05	13	4,3
	Q3 47,34	50,73	13,2	6,5
	Q4 43,96	52,56	12,8	12
2025	Q1 46,36	46,36	16,9	3,5
	Q2 48,62	48,62	15,2	6,5

In **2012–2013** the economy operates in a low-inflation regime. CPI fluctuates around zero with several negative readings, while the GDP deflator gradually declines from double-digit values toward about 4–5. Nominal GDP remains close to real GDP, implying a limited inflation contribution to current-price output. Quarter-to-quarter movements display pronounced seasonality, with peaks in Q3, but these changes are primarily real rather than nominally inflated. This period looks like macro “quietness” before a structural break.

The structural break emerges in **2014** through simultaneous real contraction and rapid price acceleration. Real GDP drops sharply from late-2013 levels,

reaching a low by Q4 2014, while CPI and the deflator rise quickly throughout the year. This co-movement indicates an economy hit by a shock that compresses productive capacity and triggers broad price re-pricing. Nominal GDP declines, but less than real GDP, because inflation compensates part of the volume loss in current prices. The widening wedge between nominal and real output is the key symptom of destabilization.

The year **2015** is dominated by inflation as the principal driver of nominal dynamics. CPI reaches extremely high levels across quarters and the GDP deflator stays comparably elevated. Real GDP remains depressed and volatile within a relatively narrow band, which means nominal GDP movements are overwhelmingly price-driven. Importantly, the proximity between CPI and the deflator indicates that inflation was economy-wide rather than restricted to household consumption. In macro terms, the nominal economy expands through price escalation rather than through real recovery.

During **2016–2021** the system stabilizes, but the stabilization is incomplete and uneven across price indicators. CPI moderates substantially compared to 2015, yet the GDP deflator at times remains much higher than CPI, implying that production and traded-sector prices moved more strongly than consumer prices. Real GDP gradually recovers and reaches high quarterly peaks by 2019–2021, while nominal GDP accelerates faster, particularly in 2021, when the gap between nominal and real GDP becomes large. The interpretation is straightforward. Recovery in output is present, but aggregate nominal expansion remains strongly shaped by price-level dynamics.

The wartime macro regime of **2022–2025** shows high inflation coupled with a non-linear real output adjustment. By 2025, the data show continued recovery in real GDP, accompanied by persistently elevated deflator values, which confirms that post-shock reconstruction operates in a price-sensitive macro environment rather than under stable nominal anchors.



General Government Expenditure

- Total central government expenditure
- Primary expenditure
- Debt service expenditure
- Capital expenditure
- Current expenditure
- Defence and security expenditure
- Social protection expenditure
- Health expenditure
- Education expenditure
- Economic affairs expenditure

2012 –
2025

EXPENDITURE AGGREGATES AND ECONOMIC CLASSIFICATION (USD BILLION)

	Government expenditure	Primary expenditure	Debt service expenditure	Capital expenditure	Current expenditure
2012	Q1	9,50	8,77	0,73	0,44
	Q2	11,52	10,70	0,82	0,87
	Q3	12,41	11,66	0,75	1,12
	Q4	16,07	15,15	0,92	14,80
2013	Q1	10,99	10,06	0,93	0,25
	Q2	12,21	11,13	1,08	0,50
	Q3	12,49	11,46	1,03	0,63
	Q4	14,78	13,51	1,27	13,92
2014	Q1	9,36	8,44	0,91	0,08
	Q2	8,87	7,74	1,13	0,08
	Q3	7,77	6,92	0,85	0,21
	Q4	8,42	7,29	1,13	0,19
2015	Q1	4,68	3,91	0,77	0,04
	Q2	6,45	5,29	1,16	0,09
	Q3	5,86	4,96	0,90	0,19
	Q4	8,70	7,65	1,05	0,45
2016	Q1	5,32	4,25	1,06	0,06
	Q2	6,42	5,64	0,78	0,10
	Q3	6,48	5,34	1,14	0,29
	Q4	8,17	7,41	0,76	0,57

EXPENDITURE AGGREGATES AND ECONOMIC CLASSIFICATION (USD BILLION)

	Government expenditure	Primary expenditure	Debt service expenditure	Capital expenditure	Current expenditure
2017	Q1	6,84	5,66	1,17	0,04
	Q2	6,95	6,12	0,83	6,82
	Q3	7,85	6,48	1,38	7,49
	Q4	9,75	8,94	0,81	8,78
2018	Q1	8,13	6,98	1,16	8,04
	Q2	9,34	8,36	0,97	8,91
	Q3	7,89	6,79	1,10	7,31
	Q4	10,96	9,91	1,05	9,52
2019	Q1	8,84	7,65	1,19	8,67
	Q2	10,23	9,15	1,09	9,71
	Q3	10,11	8,83	1,28	9,26
	Q4	13,39	12,22	1,17	11,83
2020	Q1	9,26	8,04	1,22	8,95
	Q2	10,95	9,84	1,11	10,44
	Q3	10,95	9,62	1,33	10,08
	Q4	15,79	15,02	0,77	14,05
2021	Q1	9,95	8,59	1,37	9,79
	Q2	13,10	11,74	1,37	12,40
	Q3	12,24	10,87	1,37	11,01
	Q4	19,49	17,98	1,51	16,64

EXPENDITURE AGGREGATES AND ECONOMIC CLASSIFICATION (USD BILLION)

	Government expenditure	Primary expenditure	Debt service expenditure	Capital expenditure	Current expenditure
2022	Q1	6,84	5,66	1,17	0,04
	Q2	6,95	6,12	0,83	0,13
	Q3	7,85	6,48	1,38	0,36
	Q4	9,75	8,94	0,81	0,97
2023	Q1	8,13	6,98	1,16	0,09
	Q2	9,34	8,36	0,97	0,42
	Q3	7,89	6,79	1,10	0,58
	Q4	10,96	9,91	1,05	1,44
2024	Q1	8,84	7,65	1,19	0,17
	Q2	10,23	9,15	1,09	0,52
	Q3	10,11	8,83	1,28	0,85
	Q4	13,39	12,22	1,17	1,56
2025	Q1	9,26	8,04	1,22	0,30
	Q2	10,95	9,84	1,11	0,51

In **2012–2013** total expenditures are relatively stable and predictable, with a clear quarterly seasonality. Q4 values are systematically higher than earlier quarters, which is consistent with end-year budget execution dynamics.

Primary spending tracks total expenditures closely, indicating that debt service did not materially distort budget composition in that period. Current expenditures constitute the overwhelming share, while capital spending is modest but visible, peaking in Q3–Q4 2012 and Q4 2013. This is the baseline regime with comparatively “normal” fiscal mechanics and limited crisis-driven reprioritization.

The **2014–2015** period exhibits a sharp fiscal compression in USD terms, aligned with the macroeconomic shock. Total expenditures fall dramatically from 2013 levels to low single-digit billions in early 2015, reflecting a combined effect of output loss, exchange-rate devaluation, and constrained fiscal capacity in hard currency terms. Capital expenditures collapse to near-zero levels in 2014–2015, particularly in Q1 2015, where capital spending is only 0.04, which is an empirical signature of forced austerity in public investment. Current expenditures remain dominant even during contraction, meaning the budget prioritizes operational continuity over development.

From 2016 to 2019 the data show gradual fiscal normalization, but the structure remains conservative. Total expenditures recover from crisis lows and return to a stable growth trajectory with continued Q4 concentration. Primary expenditures rise in parallel, suggesting that expenditure growth is not primarily debt-driven. Capital expenditures improve relative to 2014–2015, yet they remain a small fraction of the total and behave pro-cyclically. In practice this indicates that Ukraine restores a functioning expenditure system, but does so mainly through current spending rather than through sustained scaling of capital formation via the budget.

The **2020–2021** segment demonstrates crisis-response capacity with a clear expansionary Q4 profile. Total expenditures jump markedly in Q4 2020 and Q4 2021, and capital outlays rise especially strongly in Q4 2021 to 2.85, the highest pre-war observation in the table. This looks like a temporary window where investment spending becomes feasible within broader expenditure expansion. At the same time, the debt service indicator remains relatively contained compared with later wartime readings, implying that fiscal space was still supported by manageable servicing conditions and the overall macro recovery environment.

The wartime regime of **2022–2025** is defined by an elevated expenditure scale and a further dominance of current spending. Total expenditures reach their highest levels in 2023–2024, with a pronounced Q4 2024 peak of 36.18, while capital spending rises in absolute terms but still lags far behind current obligations. A critical feature is the volatility and upward drift in the debt service indicator, with pronounced peaks in 2023 Q2, 2023 Q4, 2024 Q2, 2024 Q4, and 2025 Q2. This suggests that macro-financial stress re-enters the fiscal architecture even when expenditure volumes are high.

EXPENDITURE BY FUNCTION (USD BILLION)

	Defence and security expenditure	Social protection expenditure	Health expenditure	Education expenditure	Economic affairs expenditure
2012	Q1	0,34	1,88	0,22	0,87
	Q2	0,43	2,45	0,26	1,03
	Q3	0,48	2,61	0,41	1,56
	Q4	0,56	2,48	0,53	1,07
2013	Q1	0,36	2,69	0,22	0,91
	Q2	0,40	2,84	0,32	1,04
	Q3	0,46	2,74	0,44	0,83
	Q4	0,64	2,80	0,63	2,40
2014	Q1	0,31	2,15	0,17	0,67
	Q2	0,39	1,93	0,16	0,68
	Q3	0,54	1,53	0,17	0,47
	Q4	0,81	1,06	0,30	1,02
2015	Q1	0,33	0,89	0,06	0,27
	Q2	0,60	1,07	0,08	0,38
	Q3	0,56	0,95	0,10	0,28
	Q4	0,83	1,68	0,27	0,42
2016	Q1	0,46	1,00	0,06	0,26
	Q2	0,56	1,60	0,08	0,35
	Q3	0,53	1,49	0,07	0,35
	Q4	0,74	1,78	0,27	0,38

EXPENDITURE BY FUNCTION (USD BILLION)

	Defence and security expenditure	Social protection expenditure	Health expenditure	Education expenditure	Economic affairs expenditure
2017	Q1	0,43	1,01	0,07	0,33
	Q2	0,61	1,22	0,08	0,42
	Q3	0,68	1,17	0,21	0,33
	Q4	1,06	1,99	0,26	0,47
2018	Q1	0,50	1,42	0,07	0,36
	Q2	0,92	1,53	0,13	0,46
	Q3	0,74	1,35	0,20	0,33
	Q4	1,39	1,75	0,42	0,94
2019	Q1	0,71	1,99	0,24	0,40
	Q2	0,97	2,18	0,33	0,55
	Q3	1,06	1,82	0,39	0,42
	Q4	1,52	2,63	0,58	1,35
2020	Q1	0,74	2,91	0,29	0,44
	Q2	1,04	3,11	0,94	0,51
	Q3	1,07	2,68	1,06	0,39
	Q4	1,53	3,12	2,21	3,38
2021	Q1	0,75	3,08	1,25	0,48
	Q2	1,23	3,04	1,53	0,65
	Q3	0,95	2,74	1,25	0,49
	Q4	1,75	3,59	2,25	3,26

EXPENDITURE BY FUNCTION (USD BILLION)

	Defence and security expenditure	Social protection expenditure	Health expenditure	Education expenditure	Economic affairs expenditure
2022	Q1	2,59	3,50	1,37	0,46
	Q2	8,83	3,69	1,52	0,53
	Q3	10,02	2,80	1,18	0,32
	Q4	12,10	3,10	1,55	1,53
2023	Q1	11,03	3,22	1,07	0,34
	Q2	14,73	3,24	1,19	0,46
	Q3	15,55	2,94	1,25	0,33
	Q4	15,82	3,38	1,37	1,43
2024	Q1	10,96	2,93	1,07	0,35
	Q2	13,85	2,76	1,20	0,45
	Q3	12,50	2,53	1,20	0,38
	Q4	19,29	3,25	1,49	1,63
2025	Q1	16,88	2,52	1,05	0,34
	Q2	15,44	2,40	1,27	0,45

In **2012–2013** the spending profile is broadly consistent with a conventional expenditure mix. Social protection is the largest component, staying in the range of roughly 1.9 to 2.8 per quarter, while defense and security remain comparatively low at around 0.34 to 0.64. Education and economic affairs are material and show strong seasonality, with pronounced Q4 uplifts, especially for economic affairs, which reach 2.87 in Q4 2012 and 2.40 in Q4 2013. The budget in this period behaves as a routine redistributive system with visible year-end execution dynamics.

The shock of **2014–2015** reconfigures the expenditure system primarily through

USD compression rather than through an immediate functional reprioritization. Defense rises relative to the baseline, but it does not yet dominate the expenditure portfolio. The more striking feature is the contraction of social and human-capital functions in hard currency terms. Social protection declines from above 2 in 2013 to as low as 0.89 in Q1 2015, while education and healthcare fall to exceptionally low levels, such as 0.27 for education and 0.06 for healthcare in Q1 2015. Economic affairs spending also collapses. Empirically, this indicates a fiscal system constrained by macro-financial conditions and exchange-rate dynamics, where the reduction of real fiscal capacity affects civilian functions most strongly.

Between 2016 and 2021 the data show a gradual normalization and partial rebuilding of the civilian expenditure state. Social protection recovers steadily and reaches above 3 in 2020–2021, healthcare expands markedly and peaks in Q4 2020 at 2.21 and in Q4 2021 at 2.25, and economic affairs exhibit a strong cyclical pattern with large Q4 values. Defense and security also rise compared with pre-2014 levels, reaching 1.75 in Q4 2021, yet it remains far below civilian aggregates. The implicit policy regime here is mixed. Strengthening security spending while simultaneously restoring redistribution and public services.

The structural break occurs in **2022** and is unambiguous in magnitude. Defense and security jumps from 1.75 in Q4 2021 to 2.59 in Q1 2022, then to 8.83 in Q2 2022 and 12.10 by Q4 2022, representing an order-of-magnitude shift relative to the pre-war baseline. This establishes defense as the fiscal core. Social protection remains high and resilient, broadly around 2.8 to 3.7 in 2022, suggesting an explicit stabilization objective aimed at sustaining household incomes and social cohesion during wartime. Education drops sharply within 2022, reaching 0.32 in Q3 2022, which is consistent with forced deprioritization and operational disruptions.

In **2023–2025** the wartime allocation regime becomes institutionalized. Defense remains extremely high and increases further in peaks such as 15.82 in Q4 2023 and 19.29 in Q4 2024, while social protection stabilizes around 2.4 to 3.4, functioning as the second pillar of wartime fiscal policy. Healthcare stays around 1.0 to 1.5, indicating preservation of the health system under stress rather than expansion. Education remains persistently low in absolute USD terms compared with pre-war trajectories, generally within 0.33 to 0.51, which signals a long-term human-capital risk if sustained. Economic affairs partially recover in later quarters, especially in Q4 2024 at 1.63 and through 2025.



General Government Revenue

- Total revenue
- Tax revenue
- Non-tax revenue
- EU grants and programmes in budget revenue

2012 –
2025

GENERAL GOVERNMENT REVENUE (USD BILLION)

	Total revenue	Tax revenue	Non-tax revenue	EU grants & programmes	EU grants & programmes (%)
2012	Q1 9,66	7,71	2,15	N/A	N/A
	Q2 10,72	7,19	2,34	N/A	N/A
	Q3 10,43	8,14	2,29	N/A	N/A
	Q4 12,48	9,73	2,74	N/A	N/A
2013	Q1 10,48	7,71	2,15	0,16	1,54
	Q2 9,87	7,11	2,03	0,31	3,15
	Q3 11,02	8,60	2,42	0,62	5,61
	Q4 11,07	8,63	2,43	0,44	3,96
2014	Q1 8,95	6,98	1,97	0,57	6,37
	Q2 7,38	5,76	1,62	1,09	14,84
	Q3 6,52	5,09	1,43	2,18	33,35
	Q4 6,16	4,81	1,36	1,54	25,05
2015	Q1 4,87	3,80	1,07	0,19	3,92
	Q2 6,19	4,83	1,36	0,37	5,91
	Q3 6,41	5,00	1,41	0,73	11,35
	Q4 6,42	5,01	1,41	0,52	8,04
2016	Q1 4,90	3,82	1,08	0,44	8,88
	Q2 5,47	4,27	1,20	0,84	15,28
	Q3 5,40	4,21	1,19	1,66	30,74
	Q4 7,97	6,21	1,75	1,18	14,79

GENERAL GOVERNMENT REVENUE (USD BILLION)

		Total revenue	Tax revenue	Non-tax revenue	EU grants & programmes	EU grants & programmes (%)
2017	Q1	6,47	5,05	1,42	0,17	2,63
	Q2	8,43	6,58	1,86	0,33	3,88
	Q3	7,31	5,70	1,61	0,65	8,89
	Q4	7,55	5,88	1,66	0,46	6,10
2018	Q1	7,35	5,97	1,38	0,002	0,03
	Q2	9,75	7,92	1,83	0,003	0,03
	Q3	8,01	6,50	1,50	0,03	0,36
	Q4	9,12	7,40	1,71	0,0001	0,001
2019	Q1	7,84	6,28	1,56	0,001	0,02
	Q2	11,18	8,96	2,22	0,02	0,20
	Q3	9,41	7,53	1,87	0,001	0,01
	Q4	10,94	8,77	2,18	0,02	0,19
2020	Q1	7,99	6,32	1,67	0,01	0,09
	Q2	11,55	9,13	2,41	0,01	0,10
	Q3	8,78	6,95	1,84	0,02	0,19
	Q4	11,04	8,73	2,31	0,003	0,03
2021	Q1	9,07	7,73	1,32	0,002	0,02
	Q2	12,47	10,67	1,83	0,004	0,03
	Q3	12,44	10,62	1,82	0,01	0,10
	Q4	13,68	11,68	2,00	0,03	0,21

GENERAL GOVERNMENT REVENUE (USD BILLION)

	Total revenue	Tax revenue	Non-tax revenue	EU grants & programmes	EU grants & programmes (%)
2022	Q1 11,24	5,97	5,27	0,13	1,15
	Q2 10,23	5,43	4,80	2,59	25,34
	Q3 17,05	9,06	8,00	7,18	42,13
	Q4 14,65	7,78	6,87	3,79	25,89
2023	Q1 14,38	6,48	7,90	3,66	25,44
	Q2 21,23	9,56	11,67	3,72	17,51
	Q3 19,53	8,79	10,73	2,55	13,06
	Q4 17,69	7,96	9,71	1,90	10,73
2024	Q1 16,61	8,76	7,85	0,97	5,84
	Q2 16,67	8,79	7,87	0,07	0,44
	Q3 20,67	10,90	9,76	5,63	27,22
	Q4 22,85	12,05	10,79	4,82	21,11
2025	Q1 22,33	12,45	9,88	2,36	10,58
	Q2 22,65	12,63	10,02	2,81	12,42

During **2012–2013** the revenue system behaves as a conventional tax-based regime. Total revenues lie around 9.7 to 12.5 per quarter, with taxes providing the dominant share and non-tax revenues acting as a stable complement. EU grants appear only from 2013 and remain modest in magnitude, with shares from 1.54 to 5.61. The critical feature is that fiscal capacity is primarily domestic, and the overall revenue mix is relatively predictable quarter to quarter.

The **2014** shock compresses revenues sharply in USD terms and simultaneously raises the relative role of EU grants. Total revenues drop from **2013** levels toward 6.2 to 9.0, while EU support rises to 0.57 to 2.18 and reaches very high

shares, 6.37 in Q1 2014, 14.84 in Q2 2014, 33.35 in Q3 2014, and 25.05 in Q4 2014. This is an empirical signature of a balance-of-payments and fiscal capacity crisis translated into the budget. Domestic taxation falls in hard currency terms, and external support temporarily substitutes for weakened tax bases.

From 2015 to 2017 the system partially stabilizes but remains externally assisted. Total revenues recover from the 2015 trough, while EU grants continue to contribute non-trivially and peak again in 2016, with 30.74 in Q3 2016. The underlying structure shows that fiscal rebuilding is gradual and hybrid. Taxes regain weight, yet the state still relies on episodic external inflows to smooth quarterly financing and reduce pro-cyclical cuts. After 2017 the EU component fades rapidly.

The **2018–2021** period is a near-pure domestic revenue regime. EU grants become negligible both in absolute terms and as a share of revenues, often close to zero. Revenues and taxes increase in USD terms, consistent with improved macro conditions and a stronger tax base. Non-tax revenues remain meaningful but secondary. This is the closest segment in the series to a standard fiscal state where budget funding is overwhelmingly endogenous.

A second structural break occurs in **2022** and is larger than the 2014 episode in compositional terms. Tax revenues collapse in early 2022 relative to the surge in non-tax revenues, and EU grants expand to a major revenue pillar. The EU share reaches 25.34 in Q2 2022, 42.13 in Q3 2022, and 25.89 in Q4 2022, with large absolute inflows such as 7.18 in Q3 2022. This implies a wartime fiscal architecture in which domestic tax capacity is impaired and the budget is stabilized by external concessional support, both directly and through associated program financing.

In **2023–2025** the system transitions from acute wartime stabilization toward partial normalization, but without returning to the pre-war domestic baseline. EU grants remain substantial in 2023 and then become more volatile in 2024–2025. The pattern is clearly non-linear, with low shares in 2024 Q2 and renewed jumps in 2024 Q3 and Q4, followed by double-digit shares in 2025 Q1 and Q2. Concurrently, total revenues rise above 20 per quarter by 2024–2025 and tax revenues exceed 12 by 2025, indicating recovering domestic capacity. The key interpretation is that Ukraine's post-2022 revenue model is a dual pillar regime. taxation is rebuilding, but external EU-linked support remains a meaningful stabilizer and is deployed in irregular quarterly tranches rather than smoothly.



Fiscal Balances and Financing

- Primary balance
- Overall budget balance (deficit/surplus)
- Borrowing (budget)
- Debt redemption (repayments)
- Loans from foreign banks, IFIs and governments
- Monetary/quasi-fiscal financing

2012 –
2025

FISCAL BALANCES (USD BILLION)

		Primary balance	Overall budget balance (deficit/surplus)
2012	Q1	-0,57	-0,12
	Q2	-1,62	0,96
	Q3	-2,73	2,21
	Q4	-4,51	3,64
2013	Q1	-1,44	0,57
	Q2	-3,42	2,28
	Q3	-2,50	1,56
	Q4	-4,98	3,69
2014	Q1	-1,32	0,41
	Q2	-2,62	1,57
	Q3	-2,10	1,34
	Q4	-3,38	2,43
2015	Q1	-0,58	-0,18
	Q2	-1,42	0,30
	Q3	-0,36	-0,50
	Q4	-3,32	2,31
2016	Q1	-1,48	0,40
	Q2	-1,73	0,98
	Q3	-2,22	1,08
	Q4	-0,96	0,26

FISCAL BALANCES (USD BILLION)

		Primary balance	Overall budget balance (deficit/surplus)
2017	Q1	-1,53	0,36
	Q2	0,65	-1,49
	Q3	-1,92	0,54
	Q4	-3,02	2,28
2018	Q1	-1,94	0,78
	Q2	-0,56	-0,41
	Q3	-0,98	-0,09
	Q4	-2,90	1,87
2019	Q1	-2,18	0,97
	Q2	-0,14	-0,95
	Q3	-1,98	0,80
	Q4	-3,61	2,56
2020	Q1	-2,48	1,24
	Q2	-0,51	-0,52
	Q3	-3,50	2,25
	Q4	-5,53	4,82
2021	Q1	-2,25	0,91
	Q2	-2,00	0,65
	Q3	-1,18	-0,13
	Q4	-7,31	5,85

FISCAL BALANCES (USD BILLION)

	Primary balance	Overall budget balance (deficit/surplus)
2022	Q1 -3,21	1,92
	Q2 -13,78	12,04
	Q3 -2,91	2,38
	Q4 -12,96	11,47
2023	Q1 -6,78	6,05
	Q2 -9,70	7,02
	Q3 -10,45	8,88
	Q4 -16,44	14,40
2024	Q1 -6,31	5,12
	Q2 -12,59	10,29
	Q3 -6,50	4,57
	Q4 -15,50	13,33
2025	Q1 -7,18	5,71
	Q2 -10,42	7,43

In **2012–2014** the data show persistent primary deficits that deepen into Q4 each year. Primary balances move from around minus 0.6 to minus 1.6 in early quarters toward large Q4 shortfalls such as minus 4.51 in Q4 2012 and minus 4.98 in Q4 2013. At the same time, the overall balance is often positive and rises sharply in Q3 to Q4, reaching 3.64 in Q4 2012 and 3.69 in Q4 2013. This combination indicates strong end-year fiscal closure effects and potentially sizeable financing receipts or accounting adjustments that improve the measured overall balance despite a worsening primary position. In plain terms, the cash outcome does not mirror the underlying primary stance.

The **2015–2016** segment reflects crisis adjustment with some stabilization. Primary deficits shrink in magnitude in 2015 Q3 to minus 0.36 and remain moderate in early 2016, yet the overall balance oscillates around zero with small surpluses in most quarters. The macro interpretation is that fiscal consolidation occurs mainly through compression of primary expenditures, but the budget still displays timing effects, particularly in Q4. The persistence of negative primaries indicates that structural revenue capacity remains insufficient to fully cover non-interest spending even after the shock adjustment.

During **2017–2019** the series shows a more normalized pattern but still exhibits frequent disconnections between the two balances. A notable anomaly is 2017 Q2, where the primary balance turns positive at 0.65 while the overall balance becomes negative at minus 1.49, a configuration that is only plausible under high interest payments or adverse debt-service timing within the quarter. Similar contrasts appear in Q2 2018 and Q2 2019 where overall balances are negative even when primary deficits are close to zero. This indicates that debt-service scheduling and financing conditions meaningfully shape within-year fiscal outcomes and can invert the sign of the overall balance independent of the primary stance.

The wartime break in **2022** is extreme and persistent, driven primarily by a collapse in the primary balance. The primary deficit reaches minus 13.78 in Q2 2022 and minus 12.96 in Q4 2022. Simultaneously, the overall balance turns strongly positive at 12.04 in Q2 2022 and 11.47 in Q4 2022. Economically, this combination indicates that external financing and extraordinary revenue inflows compensate for huge wartime primary gaps, producing a positive overall balance despite a massive underlying fiscal shortfall. The data are consistent with a wartime budget model where domestic fiscal capacity is insufficient and the system is stabilized by grants and concessional financing recorded in ways that improve the overall balance.

In **2023–2025** the wartime fiscal regime becomes institutionalized and the magnitude of imbalances increases further. Primary deficits deepen monotonically within 2023 and reach minus 16.44 in Q4 2023 and minus 15.50 in Q4 2024. The overall balance remains strongly positive, peaking at 14.40 in Q4 2023 and 13.33 in Q4 2024. The key inference is that Ukraine's fiscal sustainability in wartime, as reflected in the recorded overall outcome, is a function of continuous external support and financing architecture rather than endogenous revenue capacity.

BUDGET FINANCING AND DEBT OPERATIONS (FLOWS) (USD BILLION)

	Borrowing (budget)	Debt redemption (repayments)	Loans	Monetary/quasi-fiscal financing
2012	Q1 2,96	-1,34	-4,52	10,84
	Q2 3,34	-2,77	-5,01	11,22
	Q3 4,59	-2,18	-4,15	11,62
	Q4 2,85	-2,22	-8,26	13,21
2013	Q1 5,53	-1,85	-4,13	15,26
	Q2 4,13	-2,54	-4,58	16,40
	Q3 3,72	-2,47	-3,79	17,61
	Q4 6,74	-3,13	-7,55	18,40
2014	Q1 2,74	-1,74	8,73	17,08
	Q2 7,03	-2,60	9,68	15,77
	Q3 8,92	-1,75	8,01	20,46
	Q4 6,17	-3,20	15,96	20,37
2015	Q1 3,91	-1,47	18,25	14,76
	Q2 3,14	-1,94	20,24	16,78
	Q3 2,41	-1,03	16,75	16,95
	Q4 12,98	-13,61	33,39	16,66
2016	Q1 2,18	-0,94	1,51	14,53
	Q2 2,29	-0,98	1,67	14,87
	Q3 2,11	-1,33	1,38	13,79
	Q4 5,24	-1,04	2,76	13,76

BUDGET FINANCING AND DEBT OPERATIONS (FLOWS) (USD BILLION)

	Borrowing (budget)	Debt redemption (repayments)	Loans	Monetary/quasi-fiscal financing
2017	Q1 1,38	-0,32	-0,10	14,19
	Q2 1,06	-1,14	-0,12	14,21
	Q3 4,67	-2,79	-0,10	13,87
	Q4 10,62	-9,17	-0,19	13,10
2018	Q1 1,92	-2,16	-0,32	13,26
	Q2 1,38	-1,83	-0,48	13,37
	Q3 1,93	-1,70	-0,33	12,35
	Q4 5,23	-2,94	0,68	12,53
2019	Q1 4,29	-3,51	0,26	12,55
	Q2 4,96	-4,39	-0,31	12,72
	Q3 4,64	-3,52	-0,42	13,61
	Q4 2,71	-2,01	0,47	14,28
2020	Q1 3,75	-2,32	-0,23	12,29
	Q2 6,14	-3,55	2,43	12,15
	Q3 5,35	-6,24	-0,35	11,60
	Q4 8,02	-1,95	1,27	11,52
2021	Q1 4,31	-3,85	-0,46	11,59
	Q2 5,32	-4,56	0,18	11,65
	Q3 3,97	-4,74	2,06	11,70
	Q4 9,09	-3,07	3,25	11,49

BUDGET FINANCING AND DEBT OPERATIONS (FLOWS) (USD BILLION)

	Borrowing (budget)	Debt redemption (repayments)	Loans	Monetary/quasi-fiscal financing
2022	Q1 5,59	-3,29	6,89	11,28
	Q2 13,79	-4,06	3,65	18,15
	Q3 5,69	-2,46	2,03	16,94
	Q4 14,60	-3,94	8,09	19,26
2023	Q1 11,06	-2,68	6,84	19,06
	Q2 13,05	-4,05	8,78	18,92
	Q3 9,42	-2,85	5,93	18,89
	Q4 12,89	-2,32	8,00	18,60
2024	Q1 12,45	-2,98	8,74	17,60
	Q2 6,79	-3,55	2,57	16,74
	Q3 23,69	-16,80	4,50	16,43
	Q4 19,28	-3,78	12,56	16,23
2025	Q1 8,81	-3,85	5,59	16,31
	Q2 12,44	-3,91	8,49	16,17

In **2012–2013** the financing picture is relatively stable. Borrowing volumes are moderate with a visible Q4 intensification, repayments are negative and increase in magnitude toward year-end, and the series for foreign loans is negative across all quarters. That negative sign indicates that net external loan flows were not financing the budget in this period, the state was effectively a net payer to foreign creditors or reducing external exposure. In contrast, monetary or quasi-fiscal financing is already large and persistent, rising from about 10.8 to 18.4. This implies that even before the crisis the financing mix contained a significant monetary component, which likely reflects refinancing operations, liquidity support to the fiscal system, or quasi-fiscal channels associated with public-sector entities.

The structural break occurs in **2014**. Foreign loans immediately switch from strongly negative values in 2013 to large positive inflows, 8.73 in Q1 2014 and 15.96 in Q4 2014. Borrowing also rises sharply, reaching 8.92 in Q3 2014. This is the empirical footprint of a sudden transition into official external financing as a stabilization instrument. Monetary financing remains elevated and even increases further, peaking at 20.46 in Q3 2014.

The **2015** profile intensifies these dynamics. Foreign loans climb to 18.25 in Q1 2015, 20.24 in Q2 2015, and 33.39 in Q4 2015, while borrowing spikes to 12.98 in Q4 2015. Repayments display an exceptional value of minus 13.61 in Q4 2015, signaling a large repayment operation, likely linked to rollover, restructuring, or the settlement of accumulated obligations. Monetary financing remains high around 16 to 17. In economic terms, 2015 looks like a peak crisis-financing year when the state simultaneously expands borrowing, executes large-scale repayment operations, and relies on substantial external disbursements to maintain solvency and liquidity.

Between 2016 and 2021 the system shifts toward partial normalization. Foreign loan flows become small or close to zero in 2016–2018 and only turn modestly positive again in 2020–2021. Borrowing continues with strong Q4 seasonality and occasional spikes, for example, 10.62 in Q4 2017 and 9.09 in Q4 2021. Monetary financing gradually declines from the mid-teens toward around 11.5 by 2021. This suggests an attempt to reduce monetary dependence and rely more on conventional debt operations, while still using Q4 financing to close annual budget execution.

A second regime shift occurs in **2022** and is marked by a sharp scaling of all channels. Borrowing jumps to 13.79 in Q2 2022 and 14.60 in Q4 2022, foreign loans remain substantial and positive, and monetary financing surges to 18.15 in Q2 2022 and 19.26 in Q4 2022. This combination indicates a wartime liquidity environment where the budget requires continuous, high-volume funding and where external disbursements and monetary mechanisms jointly underwrite fiscal continuity. Repayments remain sizeable but do not dominate, suggesting that refinancing and maturity management are subordinated to the priority of securing gross inflows.

In **2023–2025** the wartime financing architecture becomes persistent rather than exceptional. Borrowing stays high in double digits, foreign loans remain consistently positive and large, including 12.56 in Q4 2024, and monetary financing stays elevated around 16 to 19. A notable feature is the extreme

repayment value of minus 16.80 in Q3 2024, coinciding with exceptionally high borrowing of 23.69 in the same quarter. Empirically, this indicates an active debt management operation, where large repayments are executed but fully offset by equally large gross borrowing, consistent with rollover, restructuring, or synchronized maturity profiles. The broader interpretation is that Ukraine's wartime budget financing is not merely deficit funding. It is a high-frequency liquidity management regime that blends external official loans with sustained monetary support, reflecting both extraordinary funding needs and limited access to stable market-based financing at reasonable cost.



Public Debt and Debt Structure

- Public and publicly guaranteed debt
- Domestic public debt
- External public debt
- FX-denominated debt share

2012 –
2025

PUBLIC DEBT AND DEBT STRUCTURE (USD BILLION)

	Public and publicly guaranteed debt	Domestic public debt	External public debt	FX-denominated debt share (%)
2012	Q1 60,47	37,01	23,45	40,11
	Q2 60,02	34,53	25,49	45,34
	Q3 62,03	36,66	25,36	41,39
	Q4 64,50	38,66	25,84	40,25
2013	Q1 67,42	37,90	29,51	47,40
	Q2 68,20	36,74	31,45	47,29
	Q3 69,06	36,34	32,72	48,54
	Q4 73,08	37,54	35,54	49,45
2014	Q1 72,77	40,81	31,95	44,18
	Q2 69,60	41,19	28,40	41,18
	Q3 73,87	41,50	32,37	43,83
	Q4 60,06	29,24	30,82	51,92
2015	Q1 54,06	21,28	32,78	61,31
	Q2 57,52	23,40	34,12	59,57
	Q3 58,50	22,99	35,50	61,04
	Q4 55,59	21,17	34,43	61,93
2016	Q1 55,60	20,31	35,29	65,12
	Q2 57,79	22,14	35,65	63,37
	Q3 58,09	21,46	36,63	64,03
	Q4 60,71	24,66	36,05	60,28

PUBLIC DEBT AND DEBT STRUCTURE (USD BILLION)

		Public and publicly guaranteed debt	Domestic public debt	External public debt	FX-denominated debt share (%)
2017	Q1	62,13	25,93	36,20	58,26
	Q2	63,26	26,01	37,25	58,94
	Q3	65,04	26,38	38,65	60,21
	Q4	65,33	26,84	38,49	61,08
2018	Q1	66,79	28,28	38,51	59,04
	Q2	66,14	28,62	37,52	58,18
	Q3	64,58	26,73	37,85	59,69
	Q4	67,19	27,49	39,70	61,17
2019	Q1	68,23	28,05	40,18	60,48
	Q2	70,02	29,90	40,12	59,18
	Q3	73,01	34,33	38,68	55,10
	Q4	74,36	35,02	39,34	53,93
2020	Q1	70,87	30,53	40,34	58,83
	Q2	75,03	33,07	41,96	57,11
	Q3	72,99	31,03	41,95	58,81
	Q4	79,90	35,39	44,51	57,57
2021	Q1	80,14	36,72	43,43	55,39
	Q2	81,87	36,84	45,03	56,38
	Q3	81,61	37,14	44,47	54,93
	Q4	86,62	38,95	47,66	56,68

PUBLIC DEBT AND DEBT STRUCTURE (USD BILLION)

	Public and publicly guaranteed debt	Domestic public debt	External public debt	FX-denominated debt share (%)
2022	Q1 86,28	35,91	50,37	58,58
	Q2 94,73	41,94	52,80	56,54
	Q3 88,51	35,31	53,20	60,85
	Q4 101,59	38,00	63,59	64,03
2023	Q1 110,62	39,51	71,11	65,07
	Q2 119,68	39,79	79,89	68,20
	Q3 124,71	40,50	84,21	68,03
	Q4 136,59	41,80	94,79	70,27
2024	Q1 143,10	41,25	101,85	72,07
	Q2 144,31	40,52	103,79	72,31
	Q3 148,74	42,00	106,74	72,36
	Q4 159,20	44,32	114,88	72,64
2025	Q1 165,20	44,26	120,94	73,60
	Q2 177,77	44,20	133,57	75,36

In **2012–2013** total debt increases gradually from 60.47 to 73.08, while domestic debt remains the larger component, around 35 to 39, with external debt rising from 23.45 to 35.54. The FX share rises from 40.11 to 49.45, signaling increasing exposure to currency risk even before the major shocks. This early trend matters because it implies that debt vulnerability was accumulating through composition even when overall debt growth appeared manageable. In other words, the risk profile worsened faster than the headline stock.

The **2014** turning point is expressed less through monotonic debt growth and more through a compositional rupture. Total debt does not surge in USD terms in 2014 and even drops sharply in Q4 2014 to 60.06, but this is mechanically consistent with devaluation effects and revaluation of debt stocks in USD

reporting. What changes structurally is the currency and external dependence. FX share jumps to 51.92 in Q4 2014. External debt becomes comparable to domestic debt, and from 2015 onward it becomes dominant. The debt system effectively shifts from a domestically anchored portfolio to one increasingly exposed to exchange-rate movements and external creditor conditions.

The **2015–2016** segment is characterized by a persistent externalization and high FX exposure. Total debt in USD remains around 54 to 61, but the FX share rises further to 61.31 in Q1 2015 and peaks at 65.12 in Q1 2016. Domestic debt is compressed to about 20 to 24, while external debt stabilizes around 34 to 37, implying a structural shift in the financing base. This is not merely a debt stock story. It is a vulnerability story, where solvency and liquidity become increasingly conditional on exchange-rate stability and continued access to external concessional flows.

From 2017 to 2021 the system stabilizes in levels, but the risk composition remains elevated. Total debt inches upward from 62.13 to 86.62, domestic debt gradually rises to about 39, and external debt to about 48. Yet the FX share stays high, typically around 54 to 61. This indicates that macro stabilization did not reverse currency mismatch. Instead, Ukraine operates in a constrained equilibrium where debt is manageable in stock terms but structurally sensitive to external shocks. The decline in FX share in 2019–2021 relative to 2015–2016 signals partial dedollarization, but not a regime change.

A second structural break begins in **2022** and accelerates in **2023–2025**. Total debt rises steeply from 86.28 in Q1 2022 to 101.59 in Q4 2022, then to 136.59 in Q4 2023 and 159.20 in Q4 2024, reaching 177.77 by Q2 2025. The increase is overwhelmingly external. External debt expands from 50.37 in Q1 2022 to 133.57 by Q2 2025, while domestic debt remains relatively flat and capped around 35 to 44. Simultaneously, FX share increases from 58.58 in Q1 2022 to 64.03 in Q4 2022, and further to 70.27 in Q4 2023 and 75.36 in Q2 2025. This shows that wartime sustainability is maintained through external, FX-denominated financing, which supports budget continuity but deepens currency risk. The debt portfolio becomes more dependent on official external creditors and implicitly on geopolitical and program stability.



Monetary and Financial Indicators

- NBU policy rate
- NBU overnight CD rate
- Monetary base
- Broad money (M2)
- Credit to the private sector
- Domestic government bond yields (primary auctions)
- Domestic government bond issuance (volume)

2012 –
2025

MONETARY POLICY AND INTEREST RATES (%)

		NBU policy rate	NBU overnight CD rate
2012	Q1	7,73	1,00
	Q2	7,50	1,00
	Q3	7,50	1,00
	Q4	7,50	1,00
2013	Q1	7,50	0,00
	Q2	7,38	0,70
	Q3	6,73	1,38
	Q4	6,50	2,00
2014	Q1	6,50	1,98
	Q2	9,04	4,00
	Q3	11,98	6,22
	Q4	13,30	7,50
2015	Q1	20,57	14,12
	Q2	30,00	20,00
	Q3	28,57	18,31
	Q4	22,00	18,00
2016	Q1	22,00	18,00
	Q2	19,19	16,81
	Q3	15,72	13,73
	Q4	14,29	12,28

MONETARY POLICY AND INTEREST RATES (%)

		NBU policy rate	NBU overnight CD rate
2017	Q1	14,00	12,00
	Q2	12,95	10,95
	Q3	12,50	10,50
	Q4	13,40	11,37
2018	Q1	15,92	13,93
	Q2	17,00	15,00
	Q3	17,57	15,55
	Q4	18,00	16,00
2019	Q1	18,00	16,00
	Q2	17,64	15,66
	Q3	16,96	14,98
	Q4	15,35	13,39
2020	Q1	11,62	9,57
	Q2	8,09	6,33
	Q3	6,00	5,00
	Q4	6,00	5,00
2021	Q1	6,15	5,15
	Q2	7,34	6,32
	Q3	7,99	6,99
	Q4	8,62	7,62

MONETARY POLICY AND INTEREST RATES (%)

		NBU policy rate	NBU overnight CD rate
2022	Q1	9,78	8,81
	Q2	14,62	13,31
	Q3	25,00	23,00
	Q4	25,00	23,00
2023	Q1	25,00	23,00
	Q2	25,00	20,18
	Q3	22,53	18,25
	Q4	16,95	15,83
2024	Q1	14,91	14,92
	Q2	13,68	13,71
	Q3	13,00	13,00
	Q4	13,10	13,25
2025	Q1	14,52	14,52
	Q2	15,50	15,50

In **2012–2013** monetary conditions are stable. The policy rate fluctuates narrowly around 7.5 and declines to 6.5 by Q4 2013. The overnight deposit certificate rate is extremely low, around 1.0 in 2012 and still below 2.0 by end-2013. The spread between the policy rate and the overnight floor is therefore very wide. This indicates a corridor with a weak immediate transmission to market rates and suggests an environment where liquidity management rather than interest-rate signaling dominated the operational framework. In such a regime, inflation pressures are not the binding constraint, and the central bank does not need to defend the currency via high short-term rates.

The **2014** episode is a sharp break toward tightening, reflecting macro-financial shock conditions. The policy rate rises from 6.5 in Q1 2014 to 13.30 in Q4 2014, while the overnight certificate rate increases from 1.98 to 7.50. The tightening is rapid and sequential, consistent with a reaction function dominated by exchange-rate pressures and inflation pass-through. Importantly, the overnight rate increases in parallel, meaning the NBU strengthens operational control over short-term liquidity. This is the first point in the series where the corridor becomes actively binding and policy signaling becomes credible through higher administered floor rates.

The peak tightening occurs in **2015**. The policy rate jumps to 20.57 in Q1 2015 and reaches 30.00 in Q2 2015, while the overnight deposit certificate rate rises to 20.00. This is a classic stabilization stance. High nominal rates used to suppress inflation expectations and reduce currency substitution. The gap between the policy rate and the overnight floor narrows materially compared to 2012–2013, suggesting a more disciplined corridor implementation and stronger transmission to short-term market rates. From Q3 2015 onward the policy rate declines but remains elevated, indicating gradual disinflation rather than a rapid return to pre-crisis conditions.

Between 2016 and 2019 the series displays normalization with a residual tightness. The policy rate declines from 22.00 in early 2016 toward 14.29 by Q4 2016 and then fluctuates around 12.5 to 18.0 through 2019. The overnight certificate rate follows, ranging roughly from 10.5 to 16.0. The pattern is not monotonic. It includes tightening in 2018–2019 to 18.0, which is consistent with inflation management and credibility building in an economy with persistent de-anchoring risks. The policy framework in this phase resembles conventional inflation targeting behavior. Tightening when inflation risks rise, easing when disinflation consolidates.

The **2020–2021** period reflects rapid easing and then controlled normalization. The policy rate falls sharply to 6.00 in Q3–Q4 2020, while the overnight rate stabilizes at 5.00. This is consistent with countercyclical accommodation during the pandemic shock. In 2021 the policy rate increases gradually from 6.15 to 8.62, and the overnight floor moves almost one-to-one. This implies a more coherent corridor operation than in the early 2010s. The policy stance is effectively transmitted to short-term liquidity pricing, suggesting improved monetary governance.

A second structural break emerges in **2022** due to the full-scale invasion. The

policy rate increases from 9.78 in Q1 2022 to 25.00 in Q3–Q4 2022, while the overnight certificate rate rises to 23.00 and remains high into 2023. This reflects a defensive monetary posture aimed at preventing inflation spirals, limiting FX pressure, and sustaining nominal anchors under extreme fiscal-monetary stress. The gradual easing in 2023 and 2024, down to around 13.0 by 2024 Q3, signals partial stabilization and improved inflation outlook. However, the rebound to 14.52 in Q1 2025 and 15.50 in Q2 2025 indicates that disinflation is not linear and that the NBU continues to face recurring price and FX risks. The overarching conclusion is that Ukraine's monetary policy since 2014 has operated under recurrent shock dominance. Operational transmission has strengthened markedly, but the rate level remains hostage to macro-financial stress cycles rather than converging smoothly toward low steady-state inflation.

MONETARY AGGREGATES AND CREDIT (USD BILLION)

	Monetary base	Broad money (M2)	Credit to the private sector
2012	Q1 29,17	86,09	99,99
	Q2 30,43	88,49	100,38
	Q3 31,02	91,22	101,40
	Q4 31,94	96,48	103,12
2013	Q1 32,05	99,88	103,42
	Q2 34,50	104,37	104,81
	Q3 35,60	108,69	108,13
	Q4 38,43	113,38	113,95
2014	Q1 33,17	94,70	100,96
	Q2 29,72	80,08	83,13
	Q3 26,98	76,17	76,16
	Q4 21,34	61,18	65,36
2015	Q1 14,28	44,05	50,77
	Q2 15,56	45,91	48,93
	Q3 14,75	42,97	45,30
	Q4 14,35	42,46	41,93
2016	Q1 12,42	38,20	38,61
	Q2 14,13	41,51	38,56
	Q3 13,52	40,11	37,68
	Q4 14,56	42,07	38,11

MONETARY AGGREGATES AND CREDIT (USD BILLION)

		Monetary base	Broad money (M2)	Credit to the private sector
2017	Q1	13,22	39,80	35,80
	Q2	14,62	42,25	36,59
	Q3	14,30	43,04	37,29
	Q4	14,50	43,92	36,95
2018	Q1	14,93	44,35	39,12
	Q2	16,03	46,20	39,12
	Q3	15,05	44,19	39,10
	Q4	15,68	45,84	38,62
2019	Q1	15,77	46,51	39,25
	Q2	16,80	48,52	38,66
	Q3	17,80	52,57	40,00
	Q4	20,22	60,79	41,16
2020	Q1	18,24	57,32	39,15
	Q2	19,94	60,20	37,15
	Q3	20,30	61,46	34,98
	Q4	21,16	65,58	33,67
2021	Q1	21,90	66,55	34,25
	Q2	23,68	70,11	35,96
	Q3	24,11	71,97	38,07
	Q4	24,34	76,05	38,37

MONETARY AGGREGATES AND CREDIT (USD BILLION)

	Monetary base	Broad money (M2)	Credit to the private sector
2022	Q1	25,05	71,04
	Q2	24,93	73,36
	Q3	20,25	62,23
	Q4	21,67	68,38
2023	Q1	23,62	69,94
	Q2	24,82	74,60
	Q3	25,36	76,52
	Q4	26,34	82,94
2024	Q1	26,05	80,89
	Q2	26,67	80,54
	Q3	25,44	79,10
	Q4	25,20	83,54
2025	Q1	24,39	83,28
	Q2	26,43	86,44

In **2012–2013** the system expands steadily. The monetary base rises from 29.17 to 38.43 and M2 from 86.09 to 113.38, while private-sector credit grows to 113.95 by Q4 2013. The broad money multiplier is high and stable, and credit broadly tracks M2, consistent with normal banking intermediation. This is the last segment in the sample where liquidity creation and credit deepening move together in a conventional way. Even here, the scale of credit relative to base implies a system strongly leveraged through deposits and banking balance sheets.

The **2014** shock is immediate and large. Monetary base falls from 33.17 in Q1

2014 to 21.34 in Q4 2014, M2 collapses from 94.70 to 61.18, and private credit drops from 100.96 to 65.36. This synchronous contraction is characteristic of a combined currency and banking shock. In USD reporting, the collapse reflects not only monetary tightening or deleveraging but also devaluation. The key point is that all three aggregates compress together, indicating that the monetary system contracts in both liquidity and intermediation dimensions rather than simply shifting composition inside the balance sheet.

The contraction continues into **2015–2016** and forms a second stage of adjustment. By Q1 2016 monetary base is only 12.42, M2 is 38.20, and credit is 38.61. Relative to 2013 Q4, this implies a reduction of roughly two thirds in broad money and credit in USD terms. The dynamics suggest that the banking system undergoes forced deleveraging and balance-sheet cleanup, including non-performing loan recognition, bank resolution, and a shrinkage of deposit funding. The monetary base becomes low and stable around 12 to 15, while M2 stabilizes around 38 to 42, indicating a compressed but more internally consistent post-crisis equilibrium.

From 2017 to 2019 broad liquidity gradually expands but credit recovers slowly. M2 moves from 39.80 in Q1 2017 to 60.79 by Q4 2019, and the monetary base increases from 13.22 to 20.22. Credit to the private sector, however, remains in the high 30s to low 40s and reaches only 41.16 by Q4 2019. This creates a clear liquidity-credit decoupling. Money grows faster than credit. Economically, this reflects a banking system that restores deposits and liquidity while remaining risk-averse or constrained in lending, due to capital requirements, high NPL legacy, weak borrower balance sheets, and elevated uncertainty.

In **2020–2021** liquidity expands further, yet credit deteriorates in 2020 and only partially rebounds in 2021. M2 rises from 57.32 in Q1 2020 to 76.05 in Q4 2021, while credit declines from 39.15 to 33.67 during 2020 and returns to 38.37 by Q4 2021. This divergence suggests that broad money growth is driven more by nominal income effects, fiscal operations, or portfolio shifts into deposits than by genuine credit expansion.

The full-scale invasion generates another structural reconfiguration in **2022–2025**. Monetary base and M2 initially hold up but then drop in Q3 2022, with base falling to 20.25 and M2 to 62.23, while private credit collapses to 29.20 and continues down to 27.55 by Q4 2022. After this shock, liquidity gradually recovers. M2 rises to 82.94 by Q4 2023 and remains around 80 to 86 through 2024–Q2 2025.

DOMESTIC GOVERNMENT SECURITIES MARKET (USD BILLION)

		Domestic government bond yields (%)	Domestic government bond issuance
2012	Q1	9,37	0,80
	Q2	9,04	1,72
	Q3	6,11	0,31
	Q4	5,61	0,12
2013	Q1	7,90	2,45
	Q2	7,69	0,80
	Q3	8,17	0,59
	Q4	7,32	1,63
2014	Q1	5,00	0,20
	Q2	3,00	0,26
	Q3	9,50	0,01
	Q4	8,37	0,36
2015	Q1	8,75	0,30
	Q2	8,66	0,14
	Q3	8,79	0,21
	Q4	8,79	0
2016	Q1	7,74	0,92
	Q2	7,66	0,97
	Q3	6,77	0,57
	Q4	6,30	0,55

DOMESTIC GOVERNMENT SECURITIES MARKET (USD BILLION)

		Domestic government bond yields (%)	Domestic government bond issuance
2017	Q1	5,49	0,00
	Q2	5,49	0,04
	Q3	5,38	0,51
	Q4	4,57	1,41
2018	Q1	5,26	0,93
	Q2	5,51	0,96
	Q3	5,74	0,69
	Q4	6,88	1,40
2019	Q1	6,69	1,08
	Q2	5,79	1,32
	Q3	6,05	1,55
	Q4	3,86	0,76
2020	Q1	3,22	1,35
	Q2	3,41	0,89
	Q3	3,51	0,97
	Q4	3,53	1,49
2021	Q1	3,81	0,96
	Q2	3,81	1,13
	Q3	3,80	0,36
	Q4	3,68	1,43

DOMESTIC GOVERNMENT SECURITIES MARKET (USD BILLION)

		Domestic government bond yields (%)	Domestic government bond issuance
2022	Q1	3,70	0,18
	Q2	3,67	0,77
	Q3	4,06	0,66
	Q4	4,06	1,46
2023	Q1	4,39	0,87
	Q2	4,79	1,73
	Q3	4,75	0,63
	Q4	4,70	1,19
2024	Q1	4,65	1,28
	Q2	4,63	0,56
	Q3	4,66	0,88
	Q4	4,62	0,76
2025	Q1	4,52	0,65
	Q2	4,17	0,39

In **2012–2013** yields remain high by international standards, between roughly 5.6 and 9.4, while volumes are volatile. The peak placement is 2.45 in Q1 2013, followed by lower placements. Importantly, yields fall sharply from 9.37 in Q1 2012 to 5.61 in Q4 2012 while volumes collapse from 1.72 in Q2 2012 to 0.12 in Q4 2012. This inverse co-movement suggests that yields were not the binding market-clearing price. Instead, the government's issuance strategy and liquidity preferences likely dominated auction outcomes, consistent with a market where issuance timing matters more than marginal pricing.

The **2014** shock produces the clearest evidence of market disruption. Yields

behave inconsistently with volumes. Yields drop to 3.00 in Q2 2014 while volumes remain negligible, then spike to 9.50 in Q3 2014 with almost zero issuance, only 0.01. This pattern indicates that the auction market becomes thin and episodic. high yields coincide with the inability or unwillingness to issue at scale. the market price exists, but quantity is rationed. This is a typical crisis signature where uncertainty, currency risk, and liquidity fragmentation prevent domestic debt markets from serving as a stable refinancing pillar.

In **2015–2016** yields stabilize at elevated levels around 6.3 to 8.8, but volumes remain modest, mostly below 1.0. Notably, Q4 2015 records zero placement volume with yields still at 8.79, implying that the government did not or could not issue despite an observable yield level. The post-crisis market appears constrained. The sovereign can issue, but cannot scale domestic placements without paying very high premia or relying on captive demand. In this environment, the domestic debt market functions more as a tactical liquidity tool than as a strategic funding base.

From 2017 to 2019 the series shows normalization and a gradual deepening of placements. Yields decline to 4.57 by Q4 2017, while volumes rise sharply to 1.41. In 2018–2019 volumes stay relatively high, with placements often between 0.9 and 1.55, while yields move in a moderate corridor around 5.3 to 6.9 before falling to 3.86 in Q4 2019. This period resembles a conventional stabilization phase.

The pandemic period **2020–2021** exhibits unusually low yields, around 3.2 to 3.8, with stable issuance volumes around 0.9 to 1.5 in most quarters. This combination is consistent with accommodative monetary policy and abundant liquidity, where government borrowing is supported by lower short-term rates and reduced inflation pressure.

The wartime regime **after 2022** is characterized by a striking yield compression relative to underlying macro risk. Yields remain in a narrow band of roughly 3.7 to 4.8 even under extreme fiscal stress, while volumes become uneven but at times large, with 1.46 in Q4 2022 and 1.73 in Q2 2023. The most plausible interpretation is that yields become administratively influenced or indirectly anchored by policy and regulatory mechanisms, while issuance volumes reflect episodic funding needs and the availability of domestic liquidity. By 2024–2025 yields remain around 4.2 to 4.7 and volumes decline, reaching 0.39 in Q2 2025.



Exchange Rate and International Reserves

- Exchange rate
- NBU international reserves

2012 –
2025

EXCHANGE RATE AND INTERNATIONAL RESERVES

	Exchange rate (UAH/USD)	NBU international reserves (USD billion)
2012	Q1 8,0	31,13
	Q2 8,0	29,32
	Q3 8,0	29,25
	Q4 8,0	24,55
2013	Q1 8,0	24,73
	Q2 8,0	23,25
	Q3 8,0	21,64
	Q4 8,0	20,42
2014	Q1 9,9	15,09
	Q2 11,8	17,08
	Q3 13,0	16,39
	Q4 15,6	7,53
2015	Q1 23,3	9,97
	Q2 21,2	10,26
	Q3 21,8	12,77
	Q4 23,4	13,30
2016	Q1 26,4	12,72
	Q2 25,0	13,98
	Q3 26,3	15,59
	Q4 26,2	15,54

EXCHANGE RATE AND INTERNATIONAL RESERVES

	Exchange rate (UAH/USD)	NBU international reserves (USD billion)
2017	Q1 27,0	15,12
	Q2 26,1	17,97
	Q3 26,1	18,64
	Q4 27,5	18,81
2018	Q1 26,3	18,19
	Q2 26,2	17,98
	Q3 28,2	16,64
	Q4 27,8	20,82
2019	Q1 26,9	20,63
	Q2 26,5	20,64
	Q3 24,8	21,44
	Q4 23,6	25,30
2020	Q1 26,4	24,92
	Q2 26,7	28,52
	Q3 28,0	26,53
	Q4 28,2	29,13
2021	Q1 27,8	27,03
	Q2 27,2	28,36
	Q3 26,7	28,71
	Q4 27,2	30,94

EXCHANGE RATE AND INTERNATIONAL RESERVES

	Exchange rate (UAH/USD)	NBU international reserves (USD billion)
2022	Q1 29,3	28,11
	Q2 29,3	22,80
	Q3 36,6	23,93
	Q4 36,6	28,49
2023	Q1 36,6	31,89
	Q2 36,6	39,03
	Q3 36,6	39,72
	Q4 37,1	40,51
2024	Q1 38,7	43,77
	Q2 40,5	37,90
	Q3 41,2	38,90
	Q4 41,8	43,80
2025	Q1 41,5	42,38
	Q2 41,6	45,07

In **2012–2013** Ukraine maintains a de facto fixed exchange rate at 8.0 UAH/USD, while reserves steadily decline from 31.13 to 20.42. This pattern is the textbook signature of an unsustainable peg. The exchange rate is held constant at the cost of running down reserve buffers. The decline is economically meaningful. By Q4 2013 reserves have fallen by roughly one third relative to Q1 2012, reducing the central bank's ability to defend the peg against future shocks.

The **2014** episode represents a structural collapse of the pre-crisis regime. The exchange rate depreciates stepwise from 9.9 in Q1 2014 to 15.6 by Q4 2014, while reserves fall sharply to 7.53. This co-movement indicates simultaneous

pressure on the currency and depletion of policy buffers. The most severe point is Q4 2014, where devaluation coincides with near-exhaustion of reserves. In such conditions, the central bank's credibility and the private sector's ability to form stable FX expectations deteriorate, leading to self-reinforcing depreciation risks. Empirically, this is a classic "sudden stop" macro-financial crisis configuration.

In **2015** the exchange rate remains highly depreciated, fluctuating around 21 to 23, but reserves begin to recover from 9.97 to 13.30. This signals a shift in the policy mix. A move away from defending an overvalued peg and toward rebuilding liquidity buffers under a more flexible regime. The combination of a weaker currency and improving reserves implies external adjustment. Import compression and current account rebalancing, supported by external financing and tighter macro policy. Importantly, the reserve recovery occurs without an appreciation, indicating that the central bank prioritizes buffer rebuilding and macro stabilization over exchange-rate targeting.

During **2016–2019** the exchange rate stabilizes broadly in the mid-20s, while reserves rise substantially from around 12.7 to 25.3. The key structural signal is that reserve accumulation becomes feasible without restoring the pre-2014 exchange-rate level. This suggests that the post-crisis equilibrium exchange rate is structurally lower, reflecting persistent productivity, risk, and terms-of-trade effects, while external buffers are gradually rebuilt through improved macro management and external inflows. A notable sub-period is 2019, where the hryvnia appreciates from 26.9 to 23.6 while reserves increase.

The pandemic period **2020–2021** shows resilience. Despite volatility, reserves increase from 24.92 to 30.94, while the exchange rate remains in a relatively narrow band around 26 to 28. This indicates that the external position and policy credibility were materially stronger than in 2012–2014. Ukraine enters the pandemic shock with buffers and maintains them. The macro regime appears capable of absorbing turbulence without regime collapse. This phase is relevant because it forms the baseline from which wartime external management becomes possible.

The wartime phase **from 2022** introduces a distinctive configuration. In Q1–Q2 2022 the exchange rate moves to 29.3 while reserves decline from 28.11 to 22.80, reflecting the shock and emergency FX market pressures. In Q3 2022 the exchange rate jumps discontinuously to 36.6, while reserves begin recovering and then rise strongly, reaching 40.51 by Q4 2023 and 45.07 by Q2 2025.



External Sector

- Goods exports
- Goods imports
- Trade balance
- Current account balance

2012 –
2025

TRADE IN GOODS AND CURRENT ACCOUNT (USD BILLION)

		Goods exports	Goods imports	Trade balance	Current account balance
2012	Q1	14,79	19,09	-4,29	-1,91
	Q2	16,49	22,31	-5,82	-3,70
	Q3	16,36	21,86	-5,50	-3,95
	Q4	16,78	23,02	-6,23	-4,78
2013	Q1	14,36	18,99	-4,64	-3,21
	Q2	14,48	18,16	-3,68	-2,27
	Q3	14,56	22,44	-7,88	-6,02
	Q4	15,71	21,65	-5,94	-5,02
2014	Q1	13,06	15,25	-2,20	-1,27
	Q2	13,61	14,79	-1,19	-0,76
	Q3	12,59	14,00	-1,41	-1,16
	Q4	11,30	13,64	-2,34	-1,41
2015	Q1	8,80	9,94	-1,15	3,66
	Q2	8,50	9,00	-0,50	-1,40
	Q3	9,03	9,72	-0,69	0,63
	Q4	9,09	10,22	-1,12	2,14
2016	Q1	7,05	8,97	-1,92	-0,18
	Q2	8,19	8,85	-0,67	-0,24
	Q3	8,52	10,65	-2,13	-1,24
	Q4	9,81	12,03	-2,23	-0,21

TRADE IN GOODS AND CURRENT ACCOUNT (USD BILLION)

	Goods exports	Goods imports	Trade balance	Current account balance
2017	Q1 9,60	11,11	-1,51	-0,99
	Q2 9,39	11,38	-1,99	-0,24
	Q3 9,71	12,61	-2,90	-1,12
	Q4 10,99	14,26	-3,26	-1,12
2018	Q1 10,43	12,52	-2,09	-1,96
	Q2 10,78	13,04	-2,26	-0,28
	Q3 10,33	14,87	-4,54	-2,07
	Q4 11,80	15,63	-3,83	-2,12
2019	Q1 11,27	13,51	-2,25	-0,57
	Q2 11,20	14,43	-3,23	-1,27
	Q3 11,64	16,09	-4,46	-3,73
	Q4 11,99	16,32	-4,33	1,45
2020	Q1 11,26	13,00	-1,74	2,05
	Q2 9,85	10,41	-0,57	2,00
	Q3 11,00	13,09	-2,09	0,55
	Q4 13,04	15,42	-2,38	0,67
2021	Q1 12,48	14,25	-1,77	-0,49
	Q2 14,96	15,25	-0,29	0,32
	Q3 17,14	18,57	-1,44	-1,37
	Q4 18,53	21,68	-3,15	-2,35

TRADE IN GOODS AND CURRENT ACCOUNT (USD BILLION)

	Goods exports	Goods imports	Trade balance	Current account balance
2022	Q1	12,77	13,75	-0,98
	Q2	7,94	11,45	-3,51
	Q3	9,70	13,85	-4,15
	Q4	10,49	16,50	-6,01
2023	Q1	9,85	15,84	-5,99
	Q2	8,72	14,74	-6,02
	Q3	7,41	16,18	-8,77
	Q4	8,70	17,06	-8,36
2024	Q1	10,10	16,29	-6,19
	Q2	9,63	17,66	-8,03
	Q3	9,26	18,24	-8,98
	Q4	10,34	20,13	-9,79
2025	Q1	9,43	19,52	-10,09
	Q2	9,50	21,18	-11,68

In **2012–2013** the economy exhibits a classic pre-crisis external imbalance. Exports are relatively stable around 14.4–16.8 per quarter, while imports run materially higher, 18.2–23.0, generating large goods deficits between about -3.7 and -7.9. The current account is also strongly negative, reaching -6.02 in Q3 2013. This configuration is consistent with an over-heated domestic demand regime and an overvalued exchange-rate environment that encourages imports while limiting competitiveness. The trade deficit is persistent rather than episodic, implying that it is driven by structural composition. Energy dependence, capital goods needs, and weak export diversification.

The **2014** adjustment is severe but also mechanically stabilizing. Both exports and imports fall, yet imports contract faster, narrowing the trade deficit to roughly -1.2 to -2.3 per quarter. The current account deficit also shrinks to about -0.8 to -1.4. This is not an export-led correction. It is an import-compression correction, typical for economies facing currency depreciation, financial stress, and collapsing domestic demand. In macro terms, the external balance improves because households and firms cannot import at previous scale, not because the export base suddenly strengthens.

The **2015** pattern becomes analytically interesting because the current account turns positive in several quarters despite a still-negative trade balance. In Q1 2015 the trade deficit is -1.15 while the current account records a surplus of 3.66, and Q4 2015 shows a similar divergence. This wedge demonstrates the quantitative importance of non-goods components. In Ukraine's context, these can include services trade, remittances, and other transfers. The implication is that Ukraine's external position is highly sensitive to private transfers and external support channels. They can dominate the aggregate balance even when the goods sector remains structurally in deficit.

From 2016 to 2021 the system stabilizes in a moderate-deficit regime. Trade deficits persist, typically between -0.6 and -4.5, while the current account fluctuates near balance, with occasional surpluses in 2019 Q4 and throughout 2020. The pandemic year stands out. In 2020 the goods deficit is relatively small (as low as -0.57 in Q2 2020), and the current account remains positive in all quarters. This again reflects import compression and reduced outbound payments rather than a fundamental export breakthrough. Meanwhile, 2021 shows import recovery and widening deficits, especially Q4 2021, where trade deficit reaches -3.15 and the current account falls to -2.35, indicating that once demand and logistics normalize, the underlying import propensity reasserts itself.

The wartime period **from 2022** onward reveals a structural external reconfiguration with two layers. First, goods trade deteriorates dramatically, because import needs become rigid while export capacity is constrained by production damage, logistics, and security risk. Trade deficits widen to -6.01 by Q4 2022 and further to -8.77 in Q3 2023. Second, the current account temporarily improves in Q1 and Q3 2022, with a large surplus of 5.04 in Q3 2022, even as trade remains negative. This can only be explained by large-scale external transfers and official inflows that shift the overall external balance.

In **2023–2025** the trade deficit becomes persistently large and worsening, reaching -9.79 in Q4 2024 and -11.68 in Q2 2025, while the current account also turns deeply negative, -8.19 by Q2 2025. This is the most critical forward-looking signal in the table. It implies that the scale of import demand now materially exceeds export recovery capacity, and the “offset” mechanisms that previously stabilized the current account are no longer sufficient. If sustained, such a configuration increases external financing needs, tightens the constraint on FX reserves, and raises the macroeconomic value of policies that rebuild export logistics, reduce energy import intensity, and expand tradable production. In other words, the external constraint becomes growth-determining rather than merely cyclical.



Commodity and Energy Prices

- Energy price index
- Wheat price index
- Iron ore price index

2012 –
2025

COMMODITY AND ENERGY PRICES

	Energy price index	Wheat price index	Iron ore price index
2012	Q1 117,79	278,18	141,77
	Q2 90,73	268,96	139,64
	Q3 106,28	349,50	111,64
	Q4 101,19	355,66	120,94
2013	Q1 102,52	321,39	148,33
	Q2 99,74	313,79	125,40
	Q3 108,76	305,15	132,81
	Q4 105,48	307,33	134,89
2014	Q1 104,04	297,13	120,44
	Q2 108,37	322,66	102,63
	Q3 95,85	262,47	90,35
	Q4 60,70	257,94	74,39
2015	Q1 52,83	238,71	63,01
	Q2 61,31	216,18	58,40
	Q3 46,28	183,23	55,18
	Q4 36,57	179,68	46,83
2016	Q1 37,34	190,46	48,97
	Q2 47,69	177,47	56,01
	Q3 45,04	150,53	58,65
	Q4 52,62	148,08	70,74

COMMODITY AND ENERGY PRICES

		Energy price index	Wheat price index	Iron ore price index
2017	Q1	50,90	154,20	85,83
	Q2	46,17	178,70	63,38
	Q3	52,95	184,09	71,78
	Q4	61,19	179,80	66,05
2018	Q1	64,17	192,17	74,71
	Q2	71,98	215,69	65,63
	Q3	75,36	222,42	66,72
	Q4	53,96	209,44	71,94
2019	Q1	63,79	211,52	83,62
	Q2	59,76	201,72	100,93
	Q3	60,04	188,32	102,13
	Q4	63,35	204,54	88,72
2020	Q1	32,20	216,30	90,81
	Q2	39,46	207,72	93,89
	Q3	40,60	230,93	117,78
	Q4	48,73	271,30	133,19
2021	Q1	63,83	283,28	167,20
	Q2	71,80	288,58	200,66
	Q3	72,80	318,78	166,27
	Q4	72,87	370,31	112,04

COMMODITY AND ENERGY PRICES

	Energy price index	Wheat price index	Iron ore price index
2022	Q1 112,40	417,01	142,48
	Q2 116,80	492,39	137,73
	Q3 88,22	394,83	105,74
	Q4 78,07	415,65	99,25
2023	Q1 76,47	381,66	126,07
	Q2 73,26	363,81	112,00
	Q3 92,22	325,33	115,20
	Q4 75,72	290,92	129,03
2024	Q1 83,55	279,08	123,33
	Q2 81,21	275,76	113,03
	Q3 72,42	260,27	99,86
	Q4 72,31	259,59	101,37
2025	Q1 70,70	258,02	101,59
	Q2 69,15	242,21	95,51

In **2012–2013** the dataset shows relatively high energy prices (roughly 90–118) combined with elevated wheat (around 268–356) and relatively strong iron ore (112–148). This is a “high nominal trade” environment, but for Ukraine it is ambiguous. High wheat and ore prices are supportive for exports, yet the contemporaneously high energy prices increase import costs, especially given Ukraine’s historical energy intensity. The presence of repeated current account deficits in pre-crisis years (as seen in the external balance table you provided earlier) is consistent with the interpretation that the energy bill and structural import dependence outweighed commodity export gains.

The **2014–2016** period marks a regime shift in the external price environment. Energy prices collapse from around 104–108 in early 2014 to 60.7 by Q4 2014 and further to 36.6 in Q4 2015. Wheat also declines sharply from about 297–323 in early 2014 to around 150 by Q3 2016, while iron ore falls even more dramatically to the 46–59 range in 2015–2016. For Ukraine, the effect is asymmetric. The energy-price collapse reduces the import bill and eases external pressure, but the simultaneous collapse of wheat and iron ore prices hits export receipts and fiscal capacity. Given that Ukraine's industrial and metallurgical exports are sensitive to iron ore price conditions, the 2015–2016 trough likely contributed to depressed export values even when volumes stabilized.

In **2017–2019** commodity dynamics normalize into a moderate recovery with sectoral divergence. Energy recovers to 46–75, wheat stabilizes around 178–222, and iron ore strengthens markedly, particularly in 2019 (rising into the 88–102 range). This composition is relatively favorable for Ukraine. Iron ore price recovery directly supports metal-related export earnings and improves the profitability of export-oriented industry, while energy prices remain below the pre-2014 peaks. Wheat prices are not exceptionally high, but stable enough to support agrarian export revenues. This is consistent with a macro setting in which reserves accumulated and FX stability improved, because the external environment is no longer systematically adverse.

The pandemic shock in **2020** generates a structurally important pattern. Energy prices collapse to 32.2 in Q1 2020 and remain low through mid-2020, while wheat prices rise sharply across 2020, reaching 271.3 in Q4 2020, and iron ore prices surge from 90.8 to 133.2 by Q4 2020. For Ukraine, this is close to an ideal external price configuration. The energy import bill falls while two export-linked commodities rise. This creates terms-of-trade relief, increases FX inflows from exports, and can support fiscal revenues without requiring higher domestic taxation. It helps explain why many commodity exporters exhibited resilience in 2020–2021 despite global disruption. Ukraine's combination is specific. Cheaper energy plus stronger wheat and ore is a dual stabilizer.

In **2021–2022**, the table shows a global commodity super-cycle shock. Energy rises steeply, reaching 112–117 in the first half of 2022, while wheat spikes to 417–492 and iron ore remains elevated but starts weakening into 105–142. For Ukraine, the interpretation is nuanced. Nominally, wheat prices surge massively, which should boost export revenues. Yet in wartime conditions export capacity is constrained by logistics, ports, and risk premia. Thus, the

“price signal” does not fully convert into realized export income. At the same time, the energy shock raises import costs across the economy. The result is a classic divergence between potential terms-of-trade gains and realized balance-of-payments outcomes. Empirically, this helps rationalize why the trade deficit widened materially after 2022 even amid high agricultural prices. Constraints on volumes dominate prices.

Finally, **2023–2025** exhibits partial normalization but with an external-price environment that is less supportive than 2020. Energy prices fall to the 69–92 range, wheat declines from 381 to 242, and iron ore stabilizes around 95–129. This implies that export-price tailwinds weaken, while import costs remain non-trivial. For Ukraine, this combination is consistent with the observed deterioration of the trade deficit in 2024–2025. When wheat prices normalize downward and energy remains elevated relative to 2020 lows, the external constraint tightens. The policy implication is straightforward. The economy cannot rely on commodity upswings to finance large import needs; strengthening export logistics, processing capacity, and diversification becomes the central structural lever.



Short-Term Economic Indicators

- Industrial Production Index (IPI)
- Retail trade turnover
- Construction output (work performed)

2012 –
2025

SHORT-TERM ECONOMIC INDICATORS (USD BILLION)

	Industrial Production Index (IPI)	Retail trade turnover	Construction output (work performed)
2012	Q1 110,3	20,1	1,3
	Q2 105,3	24,4	2,0
	Q3 107,4	27,8	2,2
	Q4 107,8	28,3	2,6
2013	Q1 105,2	23,1	1,1
	Q2 99,5	26,6	1,7
	Q3 102,3	30,1	2,1
	Q4 107,8	30,8	2,5
2014	Q1 117,6	20,7	1,0
	Q2 109,6	18,0	1,0
	Q3 103	17,9	1,0
	Q4 110,2	16,2	1,0
2015	Q1 97,3	9,4	0,4
	Q2 93,6	11,7	0,6
	Q3 96,3	12,2	0,7
	Q4 104,6	12,1	0,9
2016	Q1 100,3	9,7	0,2
	Q2 91,8	10,9	0,6
	Q3 101,1	11,5	0,8
	Q4 111,5	12,6	1,5

SHORT-TERM ECONOMIC INDICATORS (USD BILLION)

	Industrial Production Index (IPI)	Retail trade turnover	Construction output (work performed)
2017	Q1 101,1	6,1	0,5
	Q2 97,4	7,6	1,2
	Q3 101,9	8,3	1,4
	Q4 110,9	8,7	1,9
2018	Q1 105,5	8,0	0,7
	Q2 99,6	8,4	1,3
	Q3 103,5	8,2	1,3
	Q4 112,1	9,7	3,1
2019	Q1 108,1	8,8	0,8
	Q2 100,1	10,0	2,2
	Q3 103,8	11,4	2,4
	Q4 104,6	13,2	3,5
2020	Q1 100,8	10,3	0,7
	Q2 95,4	9,6	1,2
	Q3 100,3	11,6	1,6
	Q4 110,1	12,7	3,4
2021	Q1 103,5	11,4	0,6
	Q2 97,7	12,4	1,2
	Q3 100,5	14,0	1,4
	Q4 109,8	15,2	3,2

SHORT-TERM ECONOMIC INDICATORS (USD BILLION)

	Industrial Production Index (IPI)	Retail trade turnover	Construction output (work performed)
2022	Q1	48,1	N/A
	Q2	58,2	N/A
	Q3	60,9	N/A
	Q4	61,5	N/A
2023	Q1	69,3	N/A
	Q2	66,6	N/A
	Q3	68,5	N/A
	Q4	76,1	N/A
2024	Q1	73,7	N/A
	Q2	67,2	N/A
	Q3	71	N/A
	Q4	74,5	N/A
2025	Q1	69,6	N/A
	Q2	68,9	N/A

In **2012–2013** the system behaves like a relatively normal emerging-market cycle. IPI stays above 100 in most quarters (roughly 99.5–110.3), while retail turnover rises from 20.1 to above 30 by late 2013, indicating an expanding consumption base. Construction also trends up within 2012–2013 (from 1.3 to 2.6 by Q4 2012 and around 2.5 by Q4 2013), consistent with a demand-driven expansion. What matters here is the joint pattern. Consumption growth is not accompanied by an equivalent productivity jump in industry, implying that part of demand likely leaks into imports. This aligns with Ukraine's pre-2014 external imbalance profile.

The year **2014** shows an abrupt structural break with a particularly revealing configuration. Retail turnover falls sharply from 30.8 (Q4 2013) to 20.7 (Q1 2014) and continues down to 16.2 by Q4 2014. Construction compresses to around 1.0 per quarter. Yet IPI appears relatively high in 2014 (117.6 in Q1 and still above 103 later). In a strict interpretation, this asymmetry suggests that “industry” in the index is not purely domestic-demand dependent, and may reflect different sectoral composition, base effects, or temporary production shifts.

The **2015** collapse is a synchronized demand–investment shock. Retail turnover drops to single-digit values (9.4 in Q1 2015) and remains near 11–12 through Q4. Construction shrinks to 0.4–0.9. IPI falls below 100 in three quarters (93.6–97.3) and only returns above 100 by Q4 2015 (104.6). This pattern is consistent with a severe macro adjustment. devaluation, real income compression, and credit contraction simultaneously weaken household demand and capital formation, while industry stabilizes last.

The **2016–2019** segment shows a gradual, investment-supported normalization. Retail turnover remains modest compared to the pre-2014 scale but stabilizes around 9.7–13.2 by 2019. Construction is the most cyclical. it rises from 0.2 in Q1 2016 to 3.5 by Q4 2019, indicating a resumption of fixed capital activity and likely public/infrastructure impulses. IPI oscillates around 100 with strong Q4 effects (111.5 in Q4 2016, 110.9 in Q4 2017, 112.1 in Q4 2018). The repeated Q4 peaks suggest seasonality and inventory cycles, but also indicate that post-crisis recovery is real-sector anchored. Importantly, it is not consumption-led. It is partially rebuilt through construction and industry.

The pandemic year **2020** produces a typical “short recession” profile with rapid reopening. IPI declines to 95.4 in Q2 2020 but recovers to 110.1 by Q4. Retail also dips in Q2 2020 (9.6) and rebounds to 12.7 by Q4. Construction returns strongly to 3.4 in Q4. This co-movement contrasts with the 2014–2015 shock. In 2020, the economy is temporarily constrained by restrictions, not by structural disorganization. Hence, the recovery is quick, and the three sectors reconnect.

The **2022** shock is a fundamentally different regime. IPI collapses to 48.1 in Q1 2022 and remains deeply depressed throughout 2022 (around 58–62).



Labour Market

- Unemployment rate

2012 –
2025

UNEMPLOYMENT / EMPLOYMENT (%)

		Unemploy- ment rate			Unemploy- ment rate			Unemploy- ment rate	
		Q1	Q1	Q1	Q1	Q1	Q1	Q1	
2012	Q2	8,4	Q2	10,1	Q2	18,5	Q2	18,5	
	Q3	7,8	Q3	9,6	Q3	18,5	Q3	18,5	
	Q4	7,4	Q4	9,4	Q4	18,5	Q4	18,5	
	Q1	7,5	Q1	9,5	Q1	18,5	Q1	18,5	
2013	Q2	8	Q2	9,7	Q2	17,4	Q2	17,4	
	Q3	7,5	Q3	8,3	Q3	17,4	Q3	17,4	
	Q4	7	Q4	8	Q4	17,4	Q4	17,4	
	Q1	7,2	Q1	9,3	Q1	17,4	Q1	17,4	
2014	Q2	9	Q2	9,1	Q2	14,3	Q2	14,3	
	Q3	8,6	Q3	7,7	Q3	14,3	Q3	14,3	
	Q4	8,9	Q4	7,2	Q4	14,3	Q4	14,3	
	Q1	9,3	Q1	8,7	Q1	14,3	Q1	14,3	
2015	Q2	9,6	Q2	8,5	Q2	15,5	Q2	15,5	
	Q3	9,2	Q3	9,8	Q3	15,5	Q3	15,5	
	Q4	9	Q4	9,5	Q4	15,5	Q4	15,5	
	Q1	9,1	Q1	10,1	Q1	15,5	Q1	15,5	
2016	Q2	9,9	Q2	10,4	Q2	15,5	Q2	15,5	
	Q3	9,4	Q3	9,3	Q3	15,5	Q3	15,5	
	Q4	9,2	Q4	9,1	Q4	15,5	Q4	15,5	
	Q1	9,3	Q1	10,5	Q1	15,5	Q1	15,5	

The unemployment series outlines a clear regime pattern in Ukraine rather than a smooth business-cycle fluctuation. In **2012–2013**, unemployment stays within a relatively narrow corridor ($\approx 7.0\text{--}8.4$), consistent with a labor market anchored by pre-crisis sectoral structures and still-functioning internal mobility. Importantly, the quarterly profile is mild. It signals limited seasonality and suggests that employment adjustment occurs through hours, wages, or informal channels rather than large open unemployment swings.

A first structural deterioration appears in **2014–2015**. Unemployment shifts upward from the pre-2014 band to around 8.6–9.3 in 2014 and 9.0–9.6 in 2015. This level shift is economically meaningful even if the absolute increase looks modest. It implies that the macro shock of 2014 translated into labor displacement and mismatch. Regions/industries disrupted faster than workers could reallocate. At the same time, the absence of an extreme spike indicates that a part of adjustment likely occurred outside the standard unemployment statistic (informality, migration, labor-force exit).

The years **2016–2019** show a “high plateau” dynamic. Unemployment remains persistently elevated around 9–10 (peaking at 10.1 in Q1 2017 and easing to 7.2–7.7 mid-2019). This pattern is typical for post-crisis hysteresis. Once jobs are destroyed and firms reorganize, unemployment becomes structural, not purely cyclical. The short-lived improvement in 2019 suggests partial normalization, but it does not restore the pre-2014 equilibrium. This is a key inference. Ukraine’s labor market did not fully revert, even before the next global and security shocks.

The pandemic period adds cyclical volatility on top of a structurally weakened baseline. Unemployment rises to 9.8–10.1 in **2020** and reaches 10.4–10.5 in 2021. Notably, the peak is not in 2020 but in late 2021, indicating lagged labor-market transmission. Demand shocks and supply disruptions first hit output, then hiring and separation decisions adjust with delay. This lag is consistent with observed behavior in economies where employment protection, informality, and delayed firm closures smooth the immediate impact.

A decisive regime break occurs in **2022**, with unemployment **фиксед** at 18.5 in every quarter. Economically, this is not a normal labor-market response. It is a wartime equilibrium reflecting job destruction, displacement, reduced matching efficiency, and constrained labor demand under security risk. The constant quarterly value itself is a strong methodological signal. It suggests either a model-based estimate or an administrative/statistical smoothing

rather than fully observed quarterly measurement.

Post-2022 dynamics point to partial adaptation rather than full recovery.

Unemployment declines from 18.5 in 2022 to 17.4 in 2023 and 14.3 in 2024, then rises again to 15.5 in the first half of 2025. This reversal indicates that stabilization mechanisms improve labor absorption, but the economy remains fragile. Labor demand is still sensitive to financing conditions, energy constraints, and security expectations.



Infrastructure Reliability

- SAIDI (System Average Interruption Duration Index)

2012 –
2025

SAIDI (SYSTEM AVERAGE INTERRUPTION DURATION INDEX)

		SAIDI		SAIDI		
		Q1	Q2	Q1	Q2	
2012	Q3	300	Q4	58	Q3	4924
	Q1	240	Q2	46	Q2	3939
	Q4	360	Q3	70	Q4	5908
	Q1	300	Q4	58	Q1	4923
2013	Q1	250	Q2	56	Q1	3368
	Q2	200	Q3	45	Q2	2695
	Q3	300	Q4	68	Q3	4042
	Q4	250	Q1	56	Q4	3369
2014	Q1	97	Q2	352	Q1	7577
	Q2	78	Q3	281	Q2	6062
	Q3	117	Q4	422	Q3	9093
	Q4	97	Q1	352	Q4	7577
2015	Q1	75	Q2	401	Q1	7543
	Q2	60	Q3	320	Q2	6035
	Q3	90	Q4	481		
	Q4	74	Q1	400		
2016	Q1	53	Q2	433		
	Q2	42	Q3	346		
	Q3	63	Q4	520		
	Q4	53	Q1	433		
		2017		2022		
		Q1	Q2	Q1	Q2	
		Q3	70 <th>Q3</th> <td>5908</td>	Q3	5908	
		Q4	58	Q4	4923	
		Q1	56	Q1	3368	
		Q2	45	Q2	2695	
		Q3	68	Q3	4042	
		Q4	56	Q4	3369	
		Q1	352	Q1	7577	
		Q2	281	Q2	6062	
		Q3	422	Q3	9093	
		Q4	352	Q4	7577	
		Q1	401	Q1	7543	
		Q2	320	Q2	6035	
		Q3	481			
		Q4	400			
		Q1	433			
		Q2	346			
		Q3	520			
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		Q1	433			
		Q2	346			
		Q3	520			

The SAIDI series captures a sharp transformation in Ukraine's electricity supply reliability, with three distinct regimes. During **2012–2018** SAIDI declines steadily from 300–360 to roughly 45–68 minutes, implying systematic improvements in distribution network performance and outage management. The quarterly variation is limited and broadly seasonal, consistent with weather-driven outages and routine maintenance rather than large-scale system stress. In reliability terms, this period reflects convergence toward a more stable operational baseline.

A reversal emerges in 2019–2021. SAIDI jumps back to 281–422 in 2019 and further to 320–520 in 2020–2021, indicating rising outage duration even before the full-scale invasion. The magnitude suggests that the system shifted from "operational efficiency gains" to a regime where infrastructure fatigue, underinvestment, extreme weather exposure, or managerial constraints dominate. Importantly, the quarterly pattern becomes more volatile, which often signals that interruptions are not only more frequent but also slower to restore due to weaker redundancy and constrained repair capacity.

The decisive structural break occurs in **2022**. SAIDI spikes to 3939–5908 (with quarterly values concentrated at extremely high levels), which is orders of magnitude above pre-war benchmarks. This is not a marginal deterioration. It is a regime collapse driven by wartime destruction, deliberate targeting of energy infrastructure, supply chain disruption for spare parts, and constraints in maintenance logistics under security risk. In empirical identification terms, 2022 is a discontinuity that dominates the entire time series and must be treated as a separate state rather than an extreme observation.

The **post-2022** trajectory confirms that recovery is partial and fragile. SAIDI declines in 2023 to 2,695–4,042, which implies adaptive learning, improved repair coordination, grid reconfiguration, and the gradual stabilization of restoration processes. Yet 2024 shows renewed stress and even higher levels than 2022 in some quarters (6062–9093). This pattern is consistent with intensified system pressure, likely combining renewed attacks, harder winter operating conditions, and the exhaustion of "easy repairs" where the remaining damaged nodes are more complex to restore. The large Q3 2024 value suggests that summer may not be a safe period either, pointing to the predominance of security-related disruptions over purely seasonal drivers.

In **2025** the first half-year remains at extremely elevated levels (6035–7543), indicating that the system is still operating in a chronic emergency equilibrium

rather than returning to pre-war reliability. From a macroeconomic perspective, SAIDI at this scale implies a persistent negative supply shock. It raises production costs (backup power, downtime), increases working capital needs, accelerates equipment depreciation, and lowers productivity via uncertain operating schedules. The implications are especially severe for manufacturing, metallurgy, logistics services, and SMEs lacking autonomous energy buffers, reinforcing a structural drag on potential output.

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