KSE Institute

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UKRAINE BANKING SECTOR TRACKER

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EXECUTIVE SUMMARY

In its monthly Ukraine Banking Sector Tracker, KSE Institute conducts a regular, comprehensive assessment of Ukraine's banking system, tracking the dynamics of loans, deposits, government bonds, liquidity, asset quality, and their rates. Cut-off date for available data and events is November 3, 2026: the majority of indicators run to September 2026; profitability to August; government bonds, liquidity, NBU certificates of deposit to October.

Key points

- **The NBU has raised the policy rate by 1.5 pp since June, but the pass-through into UAH short-term bank rates and bond yields has been limited; the daily data indicates an increase in rates in October.** The NBU raised the KPR to 16.5%, but the UAH corporate lending rate (15.8%), the UAH household up-to-one-year deposit rate (11.8%), and the one-year OVDP yield (15.0% at the October 20 auction) all remain close to their June levels – the last month before the intensified attacks on the logistical infrastructure. The real rates fell as inflation accelerated to 10.0% y-o-y in September. The first signs of pass-through appeared in October, in daily rates on new household term deposits and in yields on longer-term bonds.
- **Credit set a record in August and hryvnia corporate lending stalled in September.** Net loans grew a record 4.1% m-o-m in August and 2.0% in September (33% y-o-y), but in September gross hryvnia loans to non-financial corporations added only 0.2% m-o-m, with subsidized 5-7-9 loans carrying the increase. The expansion was not broad-based, as SME lending increased while the portfolio of large businesses declined. Meanwhile, foreign-currency loans share increased, and hryvnia working-capital credit under one year contracted.
- **Banks are shifting their risk appetite from firms to households, and the retail non-performing stock is rising.** Net retail credit grows 38.4% y-o-y at a record pace, banks eased household standards and tightened corporate ones in Q3, and the retail non-performing stock is up 13% since the end of 2025 while the headline NPL ratio (11.5%) falls only on the denominator.
- **New corporate credit is concentrated in the sectors most exposed to the strikes.** Agriculture, trade, manufacturing, and energy supplied 94% of the Q3 increase in hryvnia corporate loans; agriculture borrows to carry an unsold harvest (+13% in Q3 in all currencies) while its deposits fall, and trade borrowed UAH 15.5 billion in August, likely in part to replace destroyed stocks.
- **Funding growth is slowing, and households are moving to bonds and foreign currency.** Deposits grew 15.5% y-o-y against 33.1% for net credit; hryvnia household deposits added UAH 15 billion in Q3 against UAH 12 billion into hryvnia retail OVDP (UAH 18 billion including foreign-currency bonds), and the gross hryvnia loan-to-deposit ratio rose to 47.9% in September from 44.8% in June.
- **Liquidity remains ample, and loans are taking a larger share of banks' earning assets**. Loans reached 49.3% of banks' main earning assets in September from 46.1% in June, and NBU certificates fell by UAH 73.6 billion over the same period but returned to about UAH 650 billion on average in October, as the NBU cut three-month tender supply and the surplus moved to overnight certificates. The median LCR of 252% is the lowest in the series, with no bank near the limits.
- **Profitability nearly halved on the 50% profit tax, but capital is still growing.** Return on equity was 22.1% in January–August against 39.6% a year earlier, the annualized return has been flat since March at a 2.7% ROA, and capital adequacy rose to 17.3% in September, so the strikes on production and logistics had not reached bank earnings through August.

LOANS

The credit expansion reached a record in August 2026 and lost momentum in September. Net loans stood at UAH 1,312 billion in August, up 4.1% m-o-m, the largest monthly increase in the series, and reached UAH 1,339 billion in September according to preliminary operational data (+2.0% m-o-m, +33.1% y-o-y, about 21% in real terms). September gross data show total loans adding 1.7% m-o-m after 3.8% in August, while hryvnia corporate loans rose only 0.2% m-o-m (+UAH 1.5 billion) after increases of UAH 27.7 billion in July and UAH 23.4 billion in August, the weakest corporate month since the expansion began in early 2025 (see Figure 1). One month of data does not establish a turning point, and three-month annualized growth of the gross portfolio was still 40% in September, but the pause coincides with the second policy rate hike of the cycle on September 17 and with the tighter corporate lending standards and the first decline in corporate approval rates since mid-2024 reported in the NBU's Q4 lending survey. The composition of the September increase, with foreign-currency and subsidized loans and no market-priced hryvnia credit, points to a pause on both sides of the market: banks tightened standards, while firms surveyed by the NBU in July–August already reported weaker borrowing needs in most sectors. In addition, the increase is driven by small and medium-sized enterprises, while the loan portfolio of large businesses is decreasing.

Retail remains the faster segment, and banks are directing their risk appetite toward it. Net retail credit grew 4.2% m-o-m in August, a record for the series, and 2.6% in September, when it was up 38.4% y-o-y against 31.4% for corporate credit, lifting retail to 28.6% of the net portfolio. Gross household loans added 2.2% m-o-m in September (+UAH 10.1 billion) and 32.4% y-o-y, the highest annual rate on record, with loans of one to five years up 55.3% y-o-y and loans under one year up 26.2%. In the Q4 lending survey, banks approved household applications more often, eased standards for mortgages and consumer loans, and expect further easing in Q4, while they tightened corporate standards; the household rate of 29.3% (see Methodology) carries a margin wide enough to absorb high losses, which keeps the segment profitable but not riskless (see Liquidity and Financial Stability).

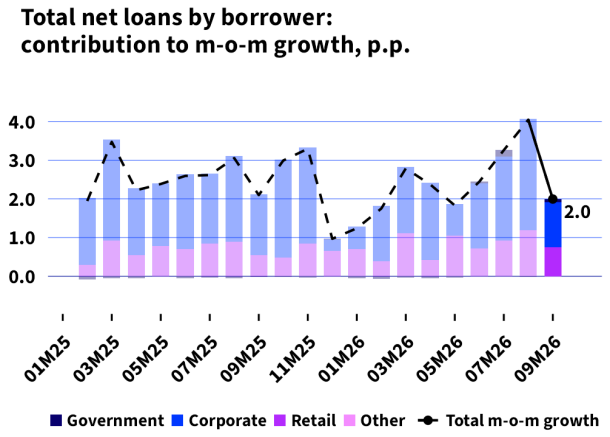
The foreign-currency corporate portfolio resumed growth in August and September, and exchange-rate effects were negligible. Foreign-currency loans to non-financial corporations rose 3.9% m-o-m in August and 3.3% in September to UAH 323 billion (+24.4% y-o-y), after a 1.9% contraction in June. Measured in the currencies of denomination, dollar loans grew 4.6% and 3.9% in August and September to USD 4.5 billion, and euro loans 2.2% and 3.0% to EUR 2.4 billion, while the official hryvnia rate was flat at 44.5–44.9 UAH/USD over July–September, so the whole increase reflects new borrowing (see Figure 2). Manufacturing (+UAH 8.9 billion), energy (+UAH 7.6 billion, in the July one-off discussed below), agriculture (+UAH 6.6 billion), and trade (+UAH 5.8 billion) account for the UAH 30 billion of foreign-currency corporate growth since June, and the foreign-currency share of the corporate portfolio rose to 34.1% from 33.4% in August. At 5.8%, the average foreign-currency corporate rate is 10 pp below the hryvnia rate, and the October depreciation to 45.5 UAH/USD by the end of the month raises the hryvnia cost of this debt for borrowers whose export revenue the port blockade has interrupted.

Both sides of the market continue to lengthen maturities. Corporate working-capital credit contracted in September: hryvnia corporate loans under one year fell UAH 4.2 billion (-1.8% m-o-m), while the one-to-five-year bucket added UAH 5.3 billion (+1.6%) and now makes up 55.1% of the hryvnia corporate portfolio, up from 54.5% in June. On the household side, loans with maturities over one year reached 44.2% of the portfolio in September, from 43.6% in June, as one-to-five-year loans grew 3.1% m-o-m and 55.3% y-o-y.

Pricing confirms the duration shift, and the household part of it still reflects the rewriting of short-term consumer credit onto longer contracts. The hryvnia corporate curve flattened back toward its norm: the spread between over-five-year and under-one-year rates was 2.3 pp in September (1.3 pp in August, 3.2 pp in June) against the average of about 1.3 pp through 2024–25, with the over-five-year rate at 17.1% and the under-one-

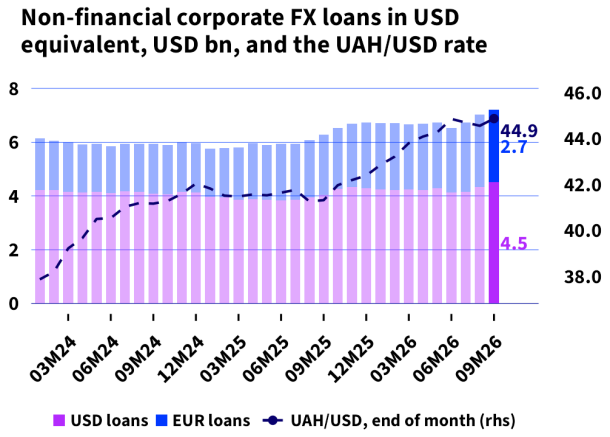
year rate at 14.8%. The household curve stays inverted the other way: the one-to-five-year rate reached 45.2% in September against 33.6% for loans under one year, a gap of 11.6 pp that stood at -10.5 pp in January. One possible explanation is that the 45% average rate reflects unsecured cash and installment credit rewritten onto one-to-five-year contracts, which inflates both the volume growth and the average rate of the medium bucket.

Figure 1: Net loans saw a record m-o-m increase in August 2026, driven by corporate and retail alike.



Source: National Bank of Ukraine, KSE Institute

Figure 2: The August and September increase in foreign-currency corporate loans is new borrowing.



Source: National Bank of Ukraine, KSE Institute

Subsidized credit still outgrows the rest of the hryvnia corporate portfolio, and state arrears under the program keep accumulating. The 5-7-9 program stock rose 1.7% m-o-m in September after 3.1% in August and 4.8% in July, to UAH 208 billion, up 41% y-o-y, and equals approximately a third of gross hryvnia corporate loans. Private hryvnia corporate credit outside the 5-7-9 program added 5.5% in July and 3.0% in August, so the gap in monthly pace narrowed over July-August, although three-month annualized growth over June-September remains 45% for the program against 39% for the rest, and in September the program was the only source of hryvnia corporate growth. State arrears to banks on interest compensation stood at UAH 8.8 billion in July, according to the comment by the National Development Institution, and the NBU expects them to reach about UAH 10 billion by the end of 2026 despite a Treasury transfer of UAH 2.8 billion on October 20. Some banks have begun charging borrowers the full rate, which the program rules allow once compensation is more than nine months overdue, while the August extension of the program to farmers' working-capital loans adds demand for 2027 sowing.

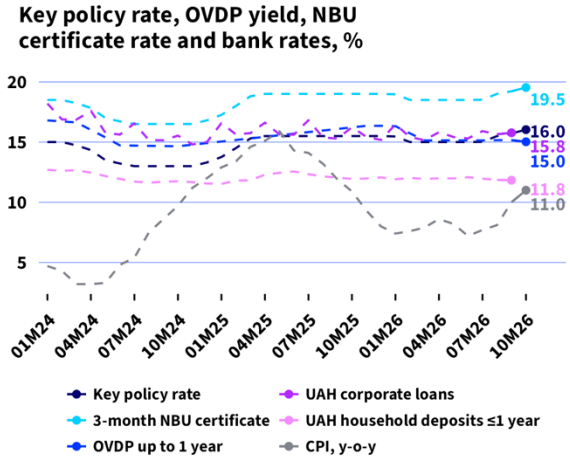
DEPOSITS AND GOVERNMENT BONDS

The three policy rate hikes have only begun to reach bank pricing: deposit rates and yields on longer-term government bonds started to rise in October, while flat short-term bond yields still hold back the pass-through. The NBU raised the key policy rate (KPR) from 15.0% to 15.5% on July 30, to 16.0% on September 17, and to 16.5% on October 29. The hryvnia corporate lending rate was nonetheless 15.8% in September against 15.3% in June, only 0.1 pp above the monthly average KPR of 15.7% and the narrowest absolute spread in the series, while the household rate stayed at 29.3%. Primary-market yields on domestic government bonds (OVDP) barely moved at the short end: the yield on one-year paper was 15.2% in September and 15.0–15.1% in October, while the Ministry of Finance accepted 16.4–16.5% on two-and-a-half-year paper in October, up from 16.1% in September at a comparable maturity (see Figure 3). At the October 20 auction the Ministry of Finance placed 11-month paper at 15.01%, below the September level, although bids exceeded the offer more than five times, so the Ministry is choosing lower yields over larger borrowing. Banks hold UAH 923 billion of OVDP, 31% of their main interest-earning assets at end-September, and as long as short-term auction yields stay fixed, they have little reason to reprice loans or to pay more for funding while their largest alternative asset yields the same as a year

ago. With headline inflation at 10.0% y-o-y in September (8.1% in August), the real ex-post hryvnia corporate rate fell to 5.8% from 8.1% in June, while the ex-ante rate, deflated by the 12-month inflation expectations of businesses, rose from 3.7% to 4.3% over the same period, because expectations have not yet caught up with the acceleration in prices. Monetary conditions for borrowers therefore give a mixed signal while the KPR rises; KSE Institute expects the ex-ante rate to fall as expectations adjust in the coming months.

Deposit rates did not respond to the hikes through September, when their gap to the policy rate was the widest since 2024, but they started to rise in October. The rate on hryvnia household term deposits up to one year fell to 11.8% in September from 12.1% in June (before the intensified attacks on the logistics infrastructure) and 12.0% a year earlier; the one-to-two-year rate rose to 13.4% from 13.2% in June, and hryvnia demand balances earn 2.8%. The average rate on all new household hryvnia deposits, demand included, is 10.3%, 5.4 pp below the KPR against 4.4 pp in June. Corporate hryvnia term deposits saw a repricing: up to one year segment rate rose to 10.7% in September from 10.3% in June. With inflation at 10.0%, the real reward is about 2 pp on a one-year term deposit (less with the tax on profits accounted for); the alternative is a tax-exempt one-year government bond at 15.0% (see Figure 4). The NBU's operational design, which ties access to three-month certificates to a bank's retail term-deposit performance, has not forced term funding to reprice in its first three months. The first signal came in October, when the average rate on new household term deposits in daily NBU reporting rose 0.4 pp to a monthly average of 13.9%, and the rate on long-term deposits to 15.3%, slightly above the one-year bond yield before tax (see the October 2026 Ukraine Monthly Economic Update), and in the Q4 lending survey banks expect funding costs to rise in Q4 2026, with much stronger answers for corporate funds (+38%) than for household deposits (+9%).

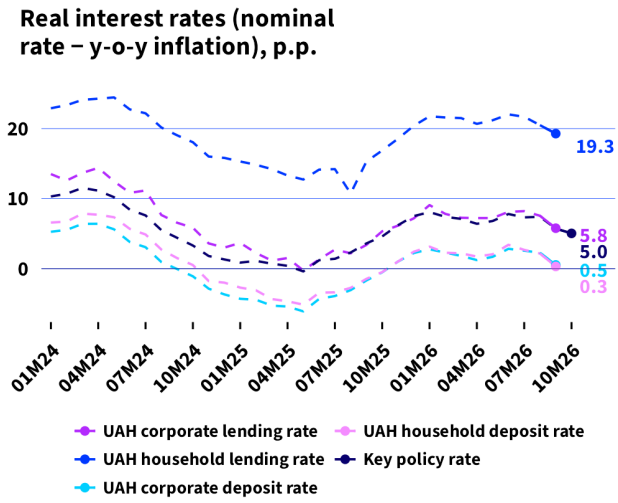
Figure 3: Three policy rate hikes since July have not moved bank rates or government bond yields.



NBU certificate: key policy rate + 3.5 p.p.; OVDP: primary auctions

Source: National Bank of Ukraine, KSE Institute

Figure 4: Real returns moved against depositors in favor of borrowers as inflation reached double digits.



Source: National Bank of Ukraine, KSE Institute

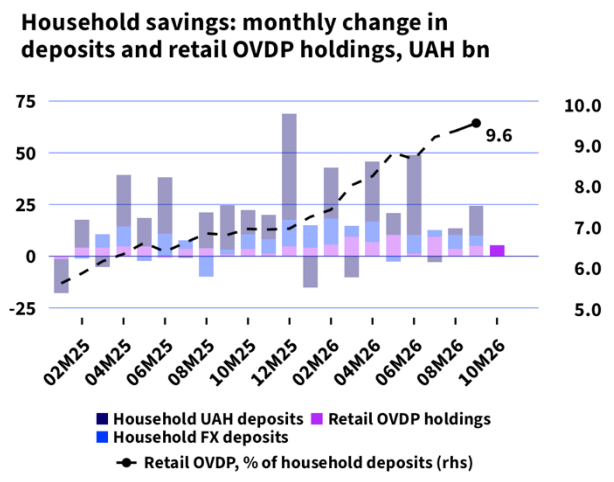
Funding growth slowed in Q3 2026 as households redirected savings into government bonds and foreign currency. Total deposits reached UAH 3,341 billion in September, up 15.5% y-o-y against 16.4% in August, compared with 33.1% for net credit in September, and the gross hryvnia loan-to-deposit ratio rose to 47.9% from 44.8% in June. Household deposits grew 17.0% y-o-y (17.7% in June) and household hryvnia deposits 16.9% (20.0% in June). Over July–September, hryvnia household balances added UAH 15.1 billion in total (-2.7, +3.4, and +14.5 billion by month) against UAH 38.6 billion in June alone, while retail OVDP holdings added UAH 18.1 billion over the same three months (UAH 12.1 billion in hryvnia bonds), to UAH 168 billion (+63.9% y-o-y), and household foreign-currency deposits added UAH 14.8 billion. In September, however, these deposits barely grew in dollar terms (about +USD 15 million total in all foreign currencies), although households bought a net USD 0.9 billion of foreign currency, so most of the currency bought stayed outside the banking system. Retail bond

holdings now equal 9.6% of household deposits, from 6.8% a year earlier (see Figure 5), and corporate deposits have been flat at UAH 1,340–1,350 billion since July (+13.1% y-o-y). Household deposits keep shortening: demand balances hold 67.1% of the household portfolio, and balances over two years fell 33.0% y-o-y to UAH 8.5 billion.

LIQUIDITY AND FINANCIAL STABILITY

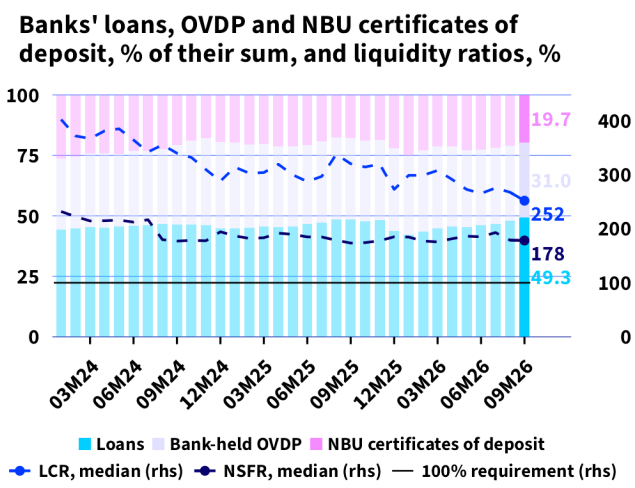
Liquidity remains ample, but the trend has shifted towards a decline, which accelerated in Q3 2026. In September, certificates of deposit fell to UAH 587 billion from UAH 660 billion in June, but the October average is back to about UAH 650 billion, and bank OVDP holdings stayed near UAH 923 billion (+3.4% y-o-y, below the February peak of UAH 960.8 billion). The median liquidity coverage ratio (LCR) declined to 252% in September from 275% in July and 308% in March, the lowest reading since the series began in 2023, with the tenth percentile at 164%. The median net stable funding ratio (NSFR) was 178%, with a tenth percentile of 130% and a minimum of 111% against the 100% requirement, so no bank is near the limits (see Figure 6). In October, the stock of three-month certificates fell to UAH 167 billion from UAH 200 billion in July as the NBU cut tender supply (UAH 10 billion offered against UAH 25.3 billion of demand on October 30), while average overnight certificates rose to UAH 483.2 billion in October. The surplus thus migrated to the overnight facility at the KPR, which lowers banks' return on idle liquidity and reinforces the case for lending, while the usual December budget injection is likely to enlarge it further in early 2027.

Figure 5: Households directed the Q3 savings flow into government bonds and foreign currency.



Source: National Bank of Ukraine, KSE Institute

Figure 6: Liquidity surplus is decreasing and median LCR is at a series low, yet still above the requirement.



Source: National Bank of Ukraine, KSE Institute

The improvement in the headline non-performing loan ratio comes from the denominator, while the non-performing stock is rising in retail. The non-performing loan ratio edged down to 11.5% in September (11.46% after 11.52% in August), from 12.5% in June and 13.9% at the end of 2025, while the stock of non-performing loans was flat at UAH 188 billion and the loans in the denominator grew 8.2% over July–September. In September, the denominator grew only 0.6% as interbank placements fell, and the ratio barely moved. The corporate ratio was 13.7% (8.4% in hryvnia, 23.7% in foreign currency, which the October depreciation will push up mechanically), and the retail ratio 9.6%, but the retail non-performing stock grew 3.6% over June–September and 13% since the end of 2025, to UAH 45.0 billion. By ownership, state-owned banks carry a 16.5% ratio (22.2% excluding PrivatBank and 6.5% at PrivatBank), foreign-owned banks 4.9%, and private domestic banks 7.5%. In the Q4 lending survey, credit risk rose the most among all risks banks track, and banks expected corporate loan quality to deteriorate and household loan quality to deteriorate for a fifth consecutive quarter. With the approval

rate for corporate applications down for the first time since mid-2024, the corporate ratio is unlikely to keep falling once the denominator slows.

Profitability nearly halved in 2026 because of the 50% profit tax, but the after-tax return has been stable since March and still adds to capital. Return on assets (ROA) was 2.7% in January–August 2026 on an annualized basis, against 4.6% a year earlier and 5.3% in the same period of 2024, and return on equity (ROE) was 22.1% against 39.6% and 47.2%. The decline follows the increase in the bank profit tax rate to 50% for 2026: net profit for January–August fell by about a third y-o-y while the tax paid more than doubled to about UAH 71.5 billion, which implies a pre-tax result close to last year's despite the strikes on the borrowers' sectors. The annualized ROA has stayed between 2.6% and 2.7% every month since March and ROE between 21.7% and 22.5%, so the summer strikes had not reached bank earnings by August. Regulatory capital adequacy rose to 17.3% in September from 17.0% in August, which shows that retained earnings still outpace the growth of risk-weighted assets in a portfolio growing 33% a year. Retail lending supports the margin for now, as household loans priced at an average 29% carry spreads wide enough to absorb the losses forming in the segment, while hryvnia corporate credit priced at 15.8% leaves less room for provisioning if the quality deterioration that banks expect materializes. Profit is the first buffer against credit losses, and the 50% rate halves the capital the sector builds from each hryvnia of pre-tax earnings, which is the argument the NBU uses against extending the rate into 2027.

New corporate credit is concentrated in the sectors most exposed to the strikes, and the data show the first signs of banks pricing that risk. Agriculture, trade, manufacturing, and energy supplied 94% of the Q3 increase in hryvnia loans to non-financial corporations (UAH 49 billion of UAH 53 billion). Loans to agriculture reached UAH 189 billion in September, up 4.3% m-o-m, 13.1% over June–September and 33.2% since December 2025, lifting the sector's share of the corporate portfolio to 19.9% from 18.3% in December. The sector added UAH 15.2 billion in hryvnia and UAH 6.6 billion in foreign currency over the quarter while its deposits fell 5.8% y-o-y to UAH 119 billion, so agricultural companies' hryvnia loans are now almost twice their hryvnia deposits, the only sector in that position. The pattern is consistent with a larger harvest that cannot be shipped: agricultural exports ran at 2.4 million tons in September, less than half the required volume, with no shipments through the Greater Odesa ports, and the gap falls on farm-gate prices and working capital. Loans to trade rose UAH 15.5 billion in August (+5.5% m-o-m), possibly reflecting the replacement of inventories destroyed in the August strikes on warehouses and distribution centers, before edging down 0.3% in September, and manufacturing loans reached UAH 231 billion (+8.3% over the quarter). Loans to the energy sector rose 29.3% over the quarter, almost entirely in July, when the stock rose UAH 15.6 billion (UAH 8.3 billion in hryvnia and UAH 7.4 billion in foreign currency) in a single month, likely financing ahead of the heating season. Rates show only a tentative sign that banks are pricing sector risk. Between March and August, the average hryvnia corporate rate rose 0.5 pp, in line with the KPR. The rate for manufacturing rose 1.1 pp to 16.9%, about 0.6 pp more than its usual co-movement with the average implies, while trade rose broadly in line with it and agriculture, at 17.0%, did not reprice. The September contraction in corporate loans under one year is the first volume sign of the tightening that banks report. Regional data show no retreat yet: corporate loans in frontline regions grew 10.6% over June–September, Kyiv city and region (55% of the corporate portfolio) 9.6%, and rear regions 8.9%. Real estate is in contraction, down 1.5% over the quarter and 24.2% y-o-y.

EVENTS AND CONTEXT THROUGH OCTOBER

Events and context through October 31 point to tighter policy and a harder operating environment for the next prints.

- **The NBU raised the KPR to 16.0% on September 17 and to 16.5% on October 29, and expects to hold it until Q2 2027.** Headline CPI accelerated to 10.0% y-o-y in September from 8.1% in August, and core

inflation to 8.8%. The October macroeconomic forecast raised end-2026 inflation to 12.5% from 10.0% in July and cut 2026 real GDP growth to -0.4% from 1.8%, citing the blockade of seaports and strikes on production and logistics. KSE Institute expects a further 0.5 pp hike in December, to 17%, with easing only from Q4 2027 (see the Q4 Ukraine Macroeconomic Handbook).

- **Russian strikes since August have destroyed productive, logistics and energy capacity on a scale that the Ministry of Economy puts at up to USD 10 billion of business losses in 2026.** The three largest steel plants (Zaporizhstal, Kametstal, and ArcelorMittal Kryvyi Rih, about 90% of capacity) stopped after the August and September strikes. The attacks on Kyiv region on August 5 and in the following weeks destroyed the main distribution centers of Rozetka, Epicentr (three hubs, the last on October 13 in Khmelnytskyi), Nova Poshta, and Silpo, several pharmaceutical warehouses, and tile, plastics, and lubricants plants, and the Minister of Agrarian Policy said on August 28 that about 90% of food-chain logistics had been destroyed. Strikes on the Trypilska plant on September 30 and on a Kyiv combined heat and power plant on October 13–14 brought back outage schedules, and Ukrenergo has limited power to industry in several regions since October 8. For banks the losses work through three channels: borrowers in trade, agriculture, manufacturing, and energy, which took 94% of the Q3 increase in hryvnia corporate credit, lose revenue and inventories; warehouses and plants that served as collateral are gone, which is why banks cite collateral risk in the Q4 survey; and foreign-currency borrowers lose the export revenue that hedged their debt. The NBU's three credit-support packages since August ease collateral treatment and war-related restructuring, and the Point of Support program pays employers with damaged facilities up to two minimum wages per worker for six months, but neither replaces lost capacity.
- **Strikes on the Odesa ports cut Q3 exports and are now visible in bank data.** Customs data show July–September export volumes 7 million tons below Q3 2025, goods exports fell 19.0% y-o-y in August to USD 2.4 billion, the lowest since July 2023, and the Ministry of Agrarian Policy expects wheat exports in the 2026/27 season to fall to 8.3 million tons from 17.6 million. Ukraine needs about 11 million tons of additional storage, the extra logistics cost is about EUR 50 per ton, and the modal shift to road transport raises the cost per ton further. With agriculture the fastest-growing segment of the loan portfolio and agricultural deposits already contracting, this is the main downside risk to corporate asset quality in H1 2027.
- **The Q4 2026 lending survey, published October 21, shows tighter corporate standards, the first decline in corporate approval rates since mid-2024, and continued easing for households.** The approval rate for corporate applications declined for the first time since mid-2024, with banks citing higher rates, stricter collateral requirements, the economic outlook, and exchange-rate expectations, and banks tightened most for large-firm, long-term and foreign-currency loans, while approval rates for households rose, mainly for mortgages. Banks still expect corporate and retail portfolios to grow over the next 12 months, but the balance of answers on corporate volumes is the lowest since Q2 2023, and firms surveyed in July–August reported weaker borrowing needs in most sectors, with a notable increase only in agriculture.
- **The Rada adopted bill 15262 in first reading on October 27, keeping the 50% profit tax for banks in 2027 and barring the deduction of past losses until January 1, 2028.** Sector net profit for January–August 2026 fell by about a third y-o-y as profit tax more than doubled to about UAH 71.5 billion, although return on equity was still 22.1% in August. The NBU opposes the extension on the grounds that it erodes the capital needed to sustain lending; the second reading is pending, and the Ministry of Finance expects about UAH 50 billion of additional revenue.

- **Two regulatory changes widen banks' room for lending: the new operational design restricts three-month certificates of deposit by volume, and the FX position rules are being relaxed.** The NBU has run fortnightly certificate tenders since August 7 with a rate ceiling of the KPR plus 3.5 pp. On October 16 it offered UAH 20 billion against UAH 24.3 billion of bids, and on October 30 UAH 10 billion against UAH 25.3 billion, with certificates clearing about 3.2 pp above the KPR, which moves surplus liquidity to the overnight facility and lowers the return on idle funds. From September 1, the NBU is phasing reserves against foreign-currency assets back into banks' FX position calculations at 10% a month until June 2027, which supports foreign-currency lending at the moment banks report tightening standards for exactly those loans.
- **Foreign-exchange pressure intensified in October: the NBU sold almost USD 6 billion, the largest monthly intervention on record, and the official rate reached 45.60 UAH/USD on October 28.** For the banking sector this raises the hryvnia value of the foreign-currency corporate portfolio (UAH 323 billion in September), of foreign-currency non-performing loans (23.7% of that portfolio), and of foreign-currency deposits, and in the Q4 lending survey banks named currency risk, together with credit risk, as the risks they expect to rise most, and KSE Institute expects the rate to reach about 46 UAH/USD by December.
- **The government advanced the sale of state banks: a Cabinet commission for the sale of Sense Bank and Ukrgasbank was created on October 18, and the Ministry of Finance and both banks signed agreements with a transaction adviser on October 23.** The Cabinet program envisages conditions for the sales in 2026–27, and the July banking sector strategy keeps PrivatBank for sale only after martial law ends.

METHODOLOGY

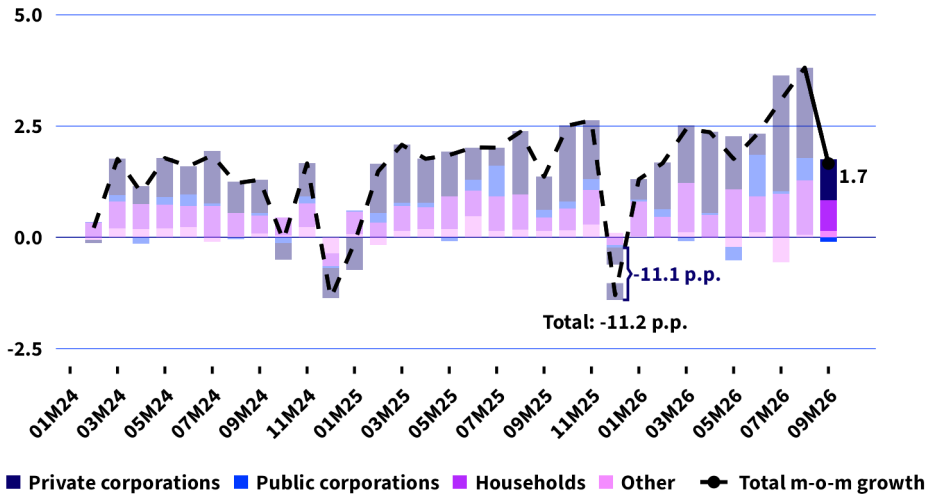
Annual loan growth rates in this text use the net series wherever the gross series is distorted, because gross hryvnia corporate loans carry a level break in December 2025. Banks derecognized UAH 182.6 billion of fully provisioned legacy bad debt that month (UAH 150.0 billion of it PrivatBank's pre-nationalization portfolio), so total gross loans fell UAH 150.8 billion while net loans rose. Gross y-o-y rates for hryvnia corporate loans remain unusable until the December 2026 print, and sectoral and regional growth below is therefore measured from December 2025 where the break distorts the annual comparison; household and foreign-currency loans and all deposit series were barely affected. Every lending and deposit interest rate is a statistic on new business.

Interest rates on households' new loans and cover individuals together with individual entrepreneurs. The Ukraine Monthly Economic Update instead cites the NBU's operational monetary statistics, which defines households as individuals only, excluding individual entrepreneurs, and their loan rates exclude overdrafts. Entrepreneurs borrow at lower rates than individuals, so leaving them out raises the average lending rate: in September 2026 the operational data show 36.1% for households, compared with 29.3% in this tracker.

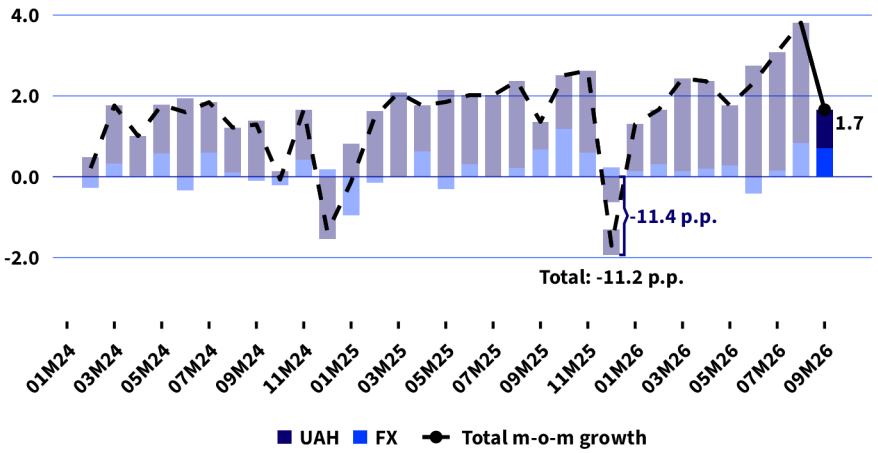
Deposit rates are affected less (7.8% vs 8.0%). Operational data are preliminary and may be revised. Similarly, interest rates on new loans to and deposits from non-financial cover non-financial corporations only. NBU's operational monetary statistics report a broader "corporate sector", which includes non-financial corporations, other financial corporations other than deposit-taking corporations, non-profit institutions serving households and individual entrepreneurs, excluding overdraft. The two series are therefore not directly comparable.

APPENDIX: LOANS – DECOMPOSITION OF CONTRIBUTIONS TO M-O-M GROWTH (1/2)

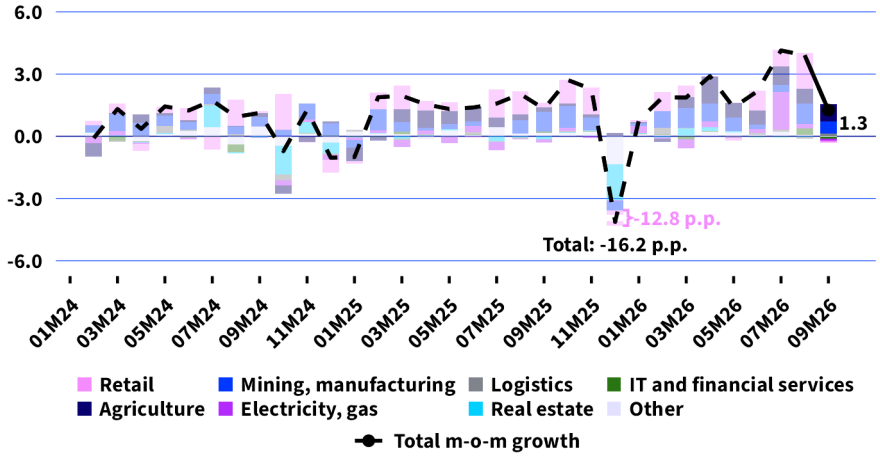
Bank loans by borrower sector: contribution to m-o-m growth, p.p.



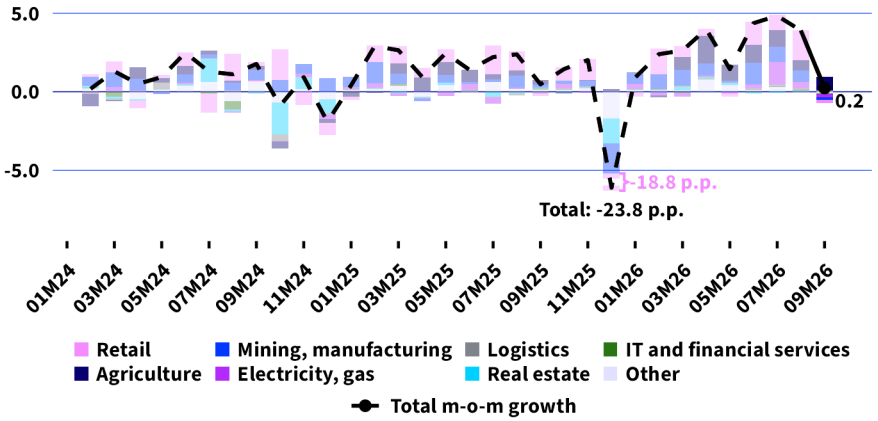
Bank loans by currency type: contribution to m-o-m growth, p.p.



Loans to businesses by industry: contribution to m-o-m growth

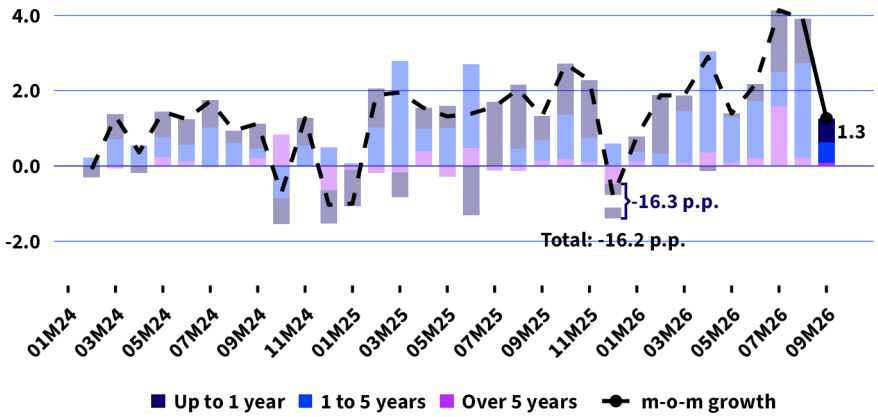


UAH loans to businesses by industry, contribution to m-o-m growth, p.p.

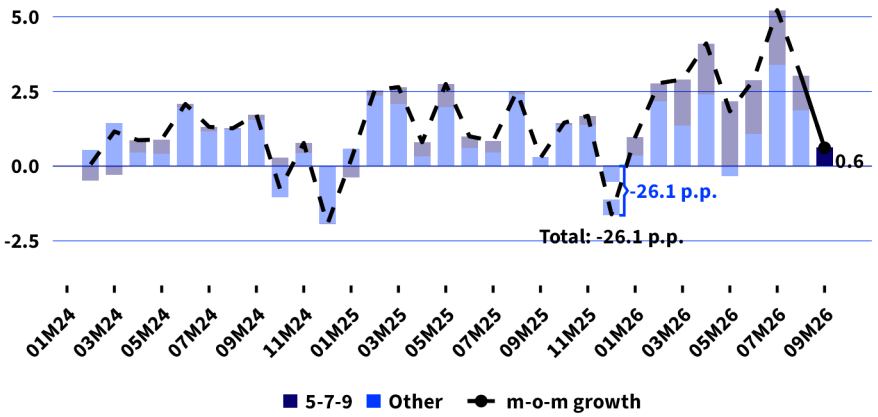


APPENDIX: LOANS – DECOMPOSITION OF CONTRIBUTIONS TO M-O-M GROWTH (2/2)

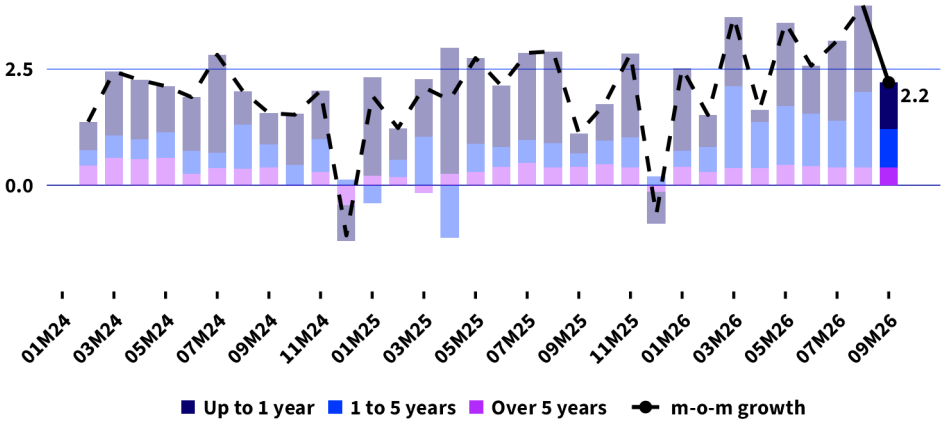
Non-financial corporate bank loan volumes by maturity: contribution to m-o-m growth, p.p.



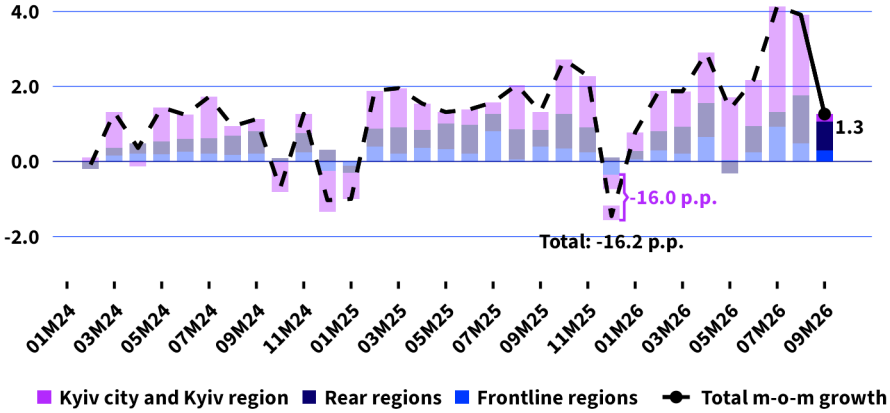
5-7-9 program and other UAH loans to other non-financial corporations: contribution to m-o-m growth, p.p.



Household bank loan volumes by maturity: contribution to m-o-m growth, p.p.

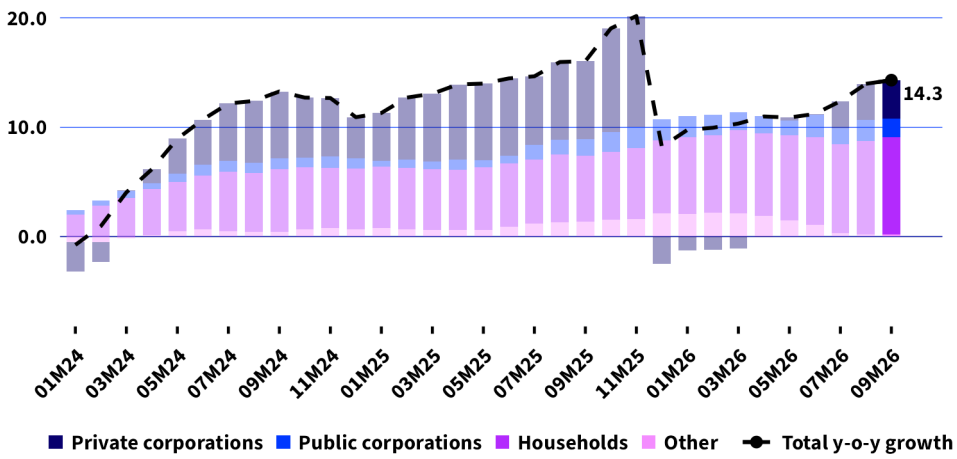


Total corporate loans granted in rear vs frontline regions: contribution to m-o-m growth, p.p

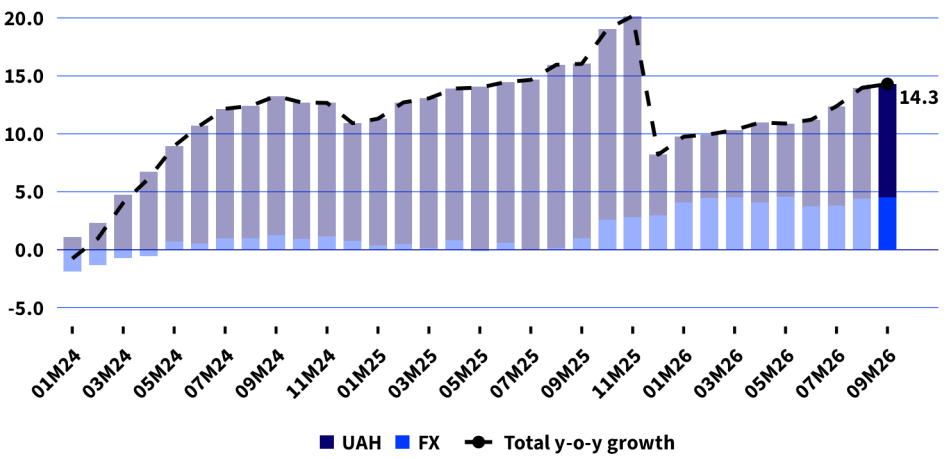


APPENDIX: LOANS – DECOMPOSITION OF CONTRIBUTIONS TO Y-O-Y GROWTH (1/2)

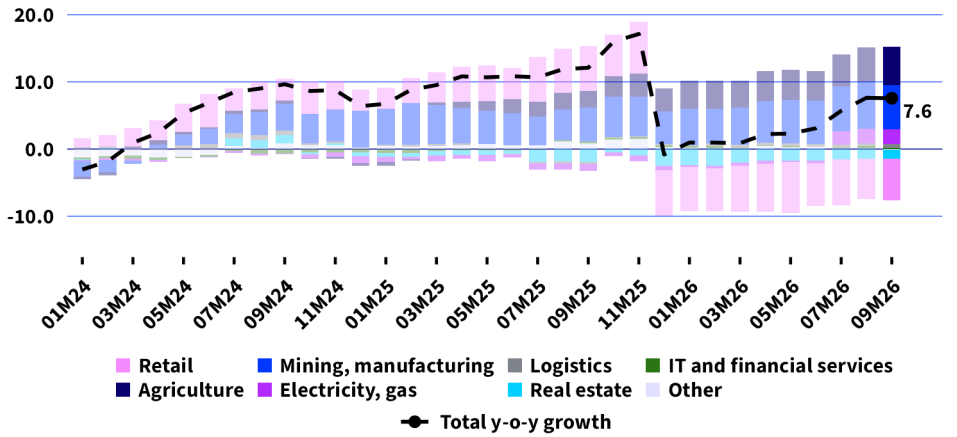
Bank loans by borrower sector: contribution to y-o-y growth, p.p.



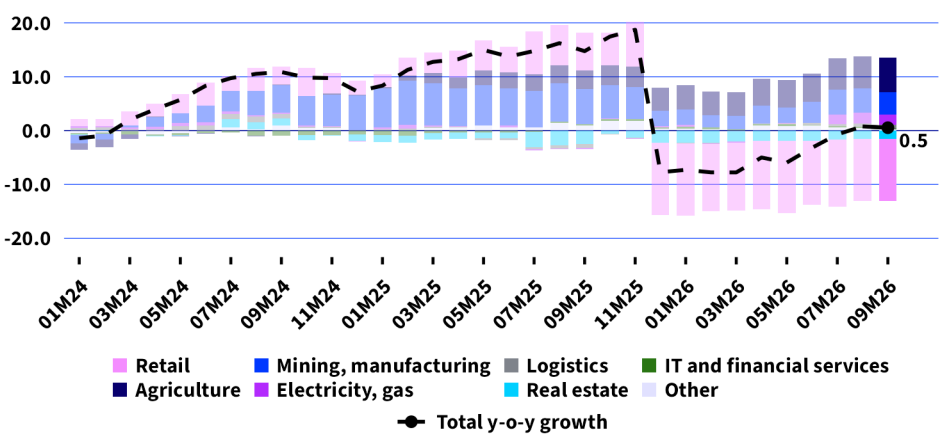
Bank loans by currency type: contribution to y-o-y growth, p.p.



Loans to businesses by industry: contribution to y-o-y growth

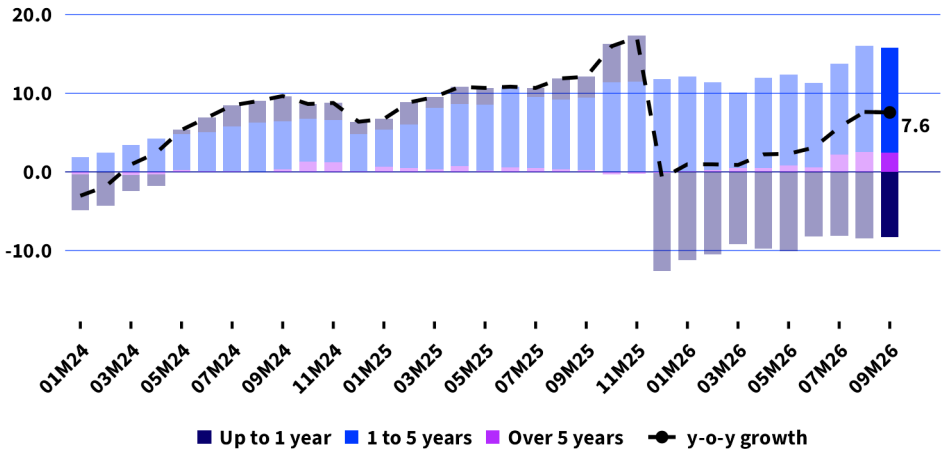


UAH loans to businesses by industry, contribution to y-o-y growth, p.p.

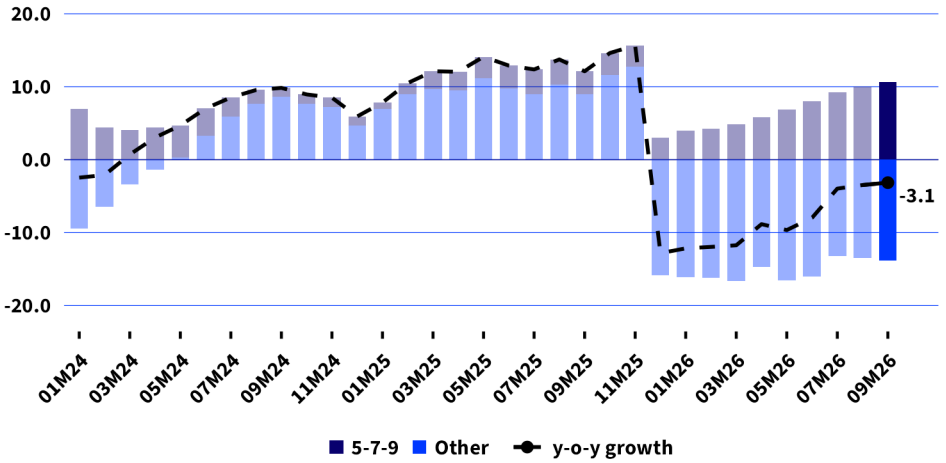


APPENDIX: LOANS – DECOMPOSITION OF CONTRIBUTIONS TO Y-O-Y GROWTH (2/2)

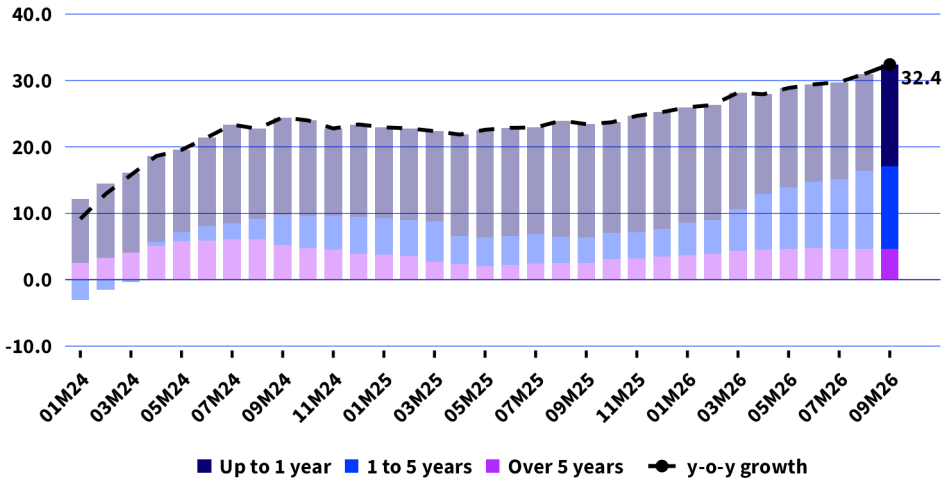
Non-financial corporate bank loan volumes by maturity: contribution to y-o-y growth, p.p.



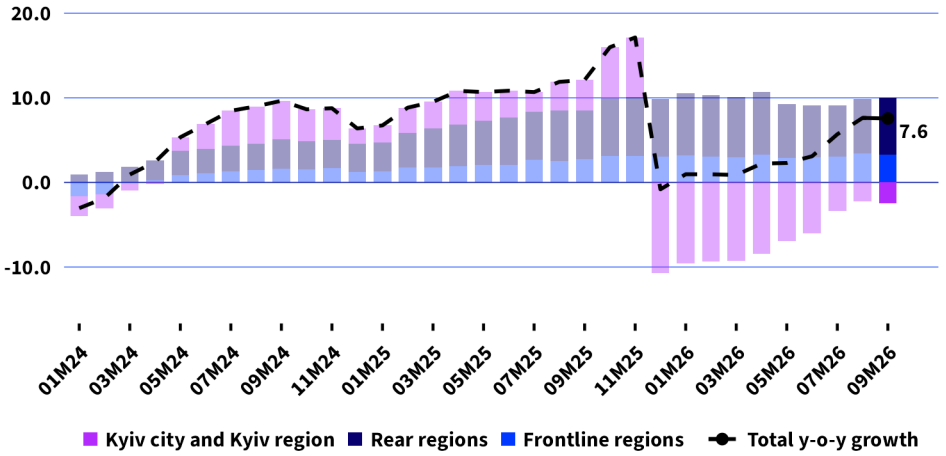
5-7-9 program and other UAH loans to other non-financial corporations: contribution to y-o-y growth, p.p.



Household bank loan volumes by maturity: contribution to y-o-y growth, p.p.

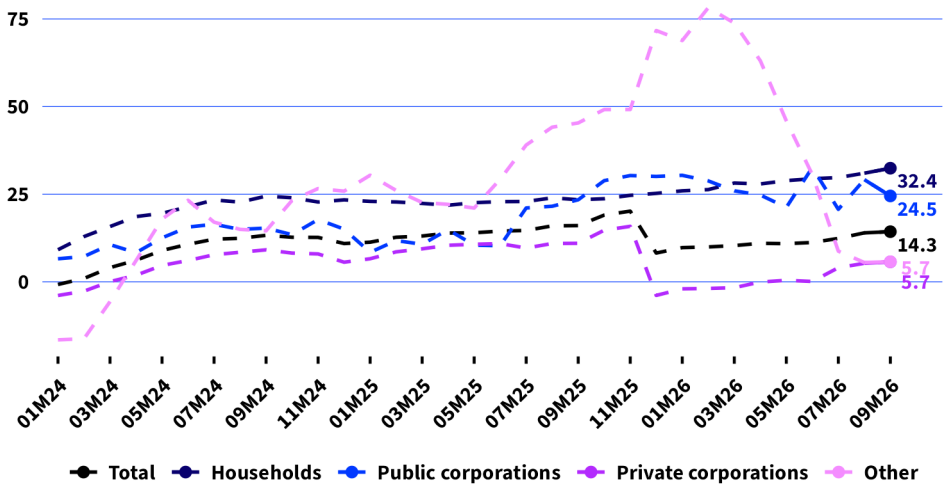


Total corporate loans granted in rear vs frontline regions: contribution to y-o-y growth, p.p.

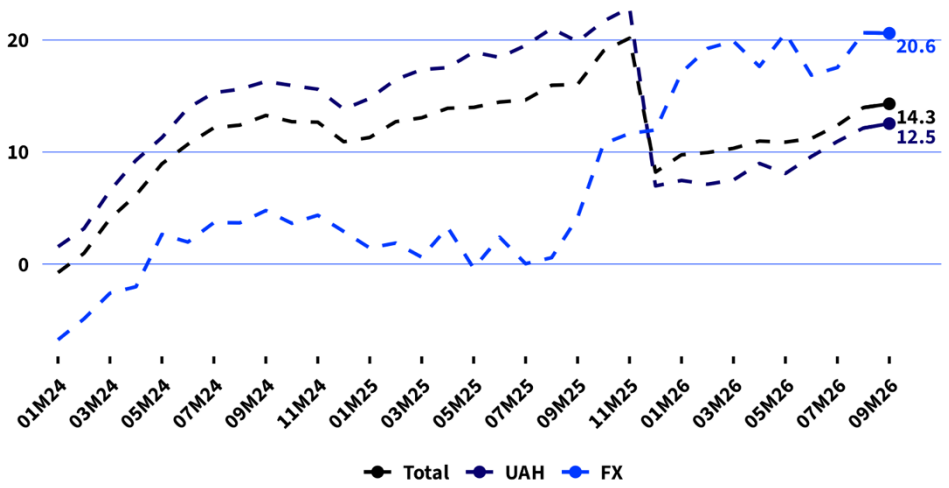


APPENDIX: LOANS – Y-O-Y DYNAMICS (1/3)

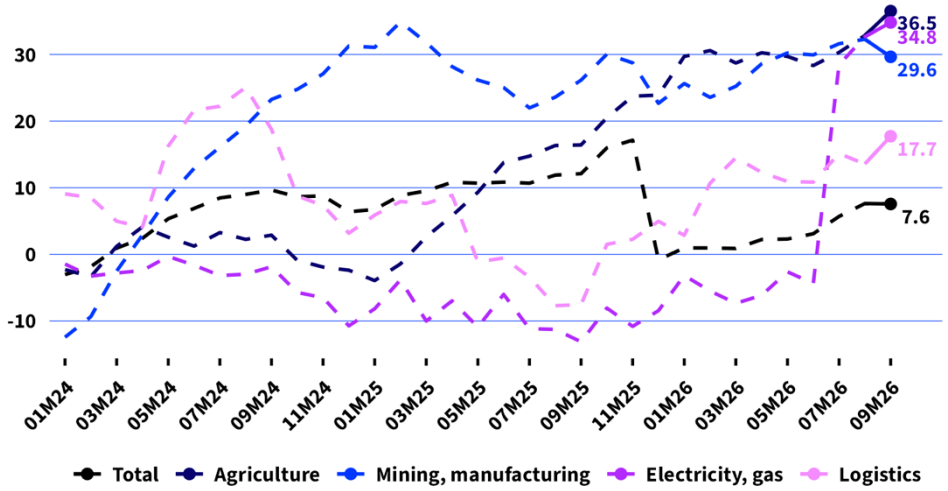
Bank loans by borrower sector: y-o-y growth, %



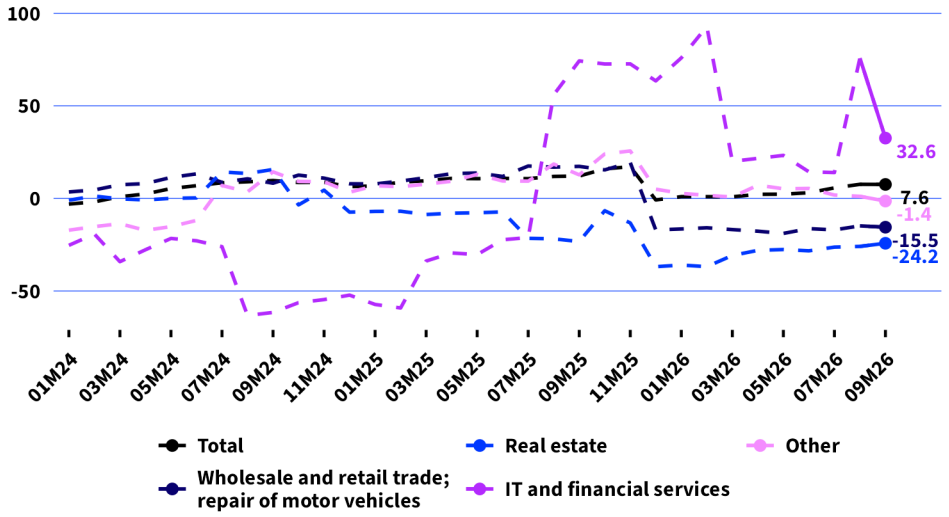
Bank loans by currency type: y-o-y growth, %



Loans to businesses by industry (1/2): y-o-y growth, %

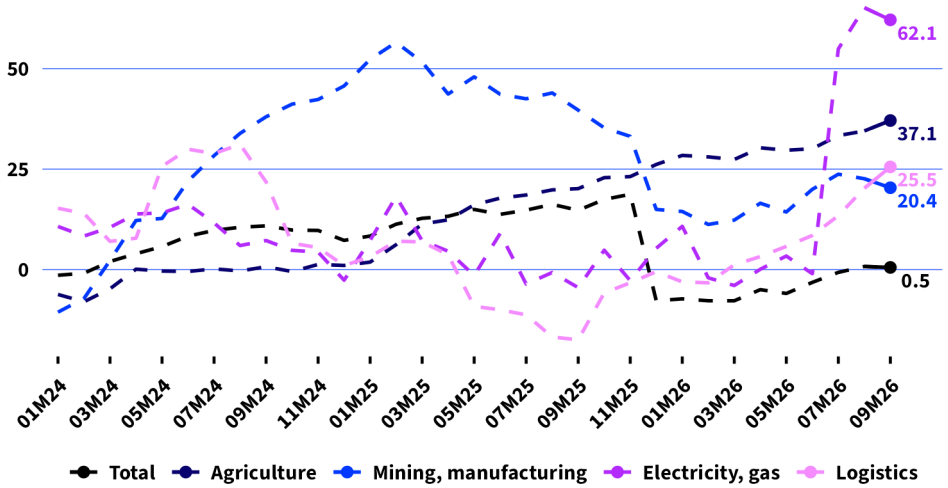


Loans to businesses by industry (2/2): y-o-y growth, %

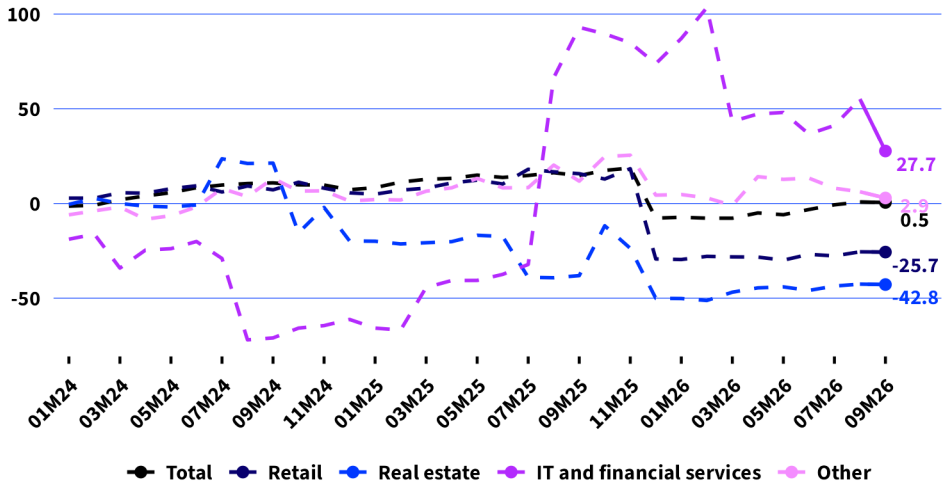


APPENDIX: LOANS – Y-O-Y DYNAMICS (2/3)

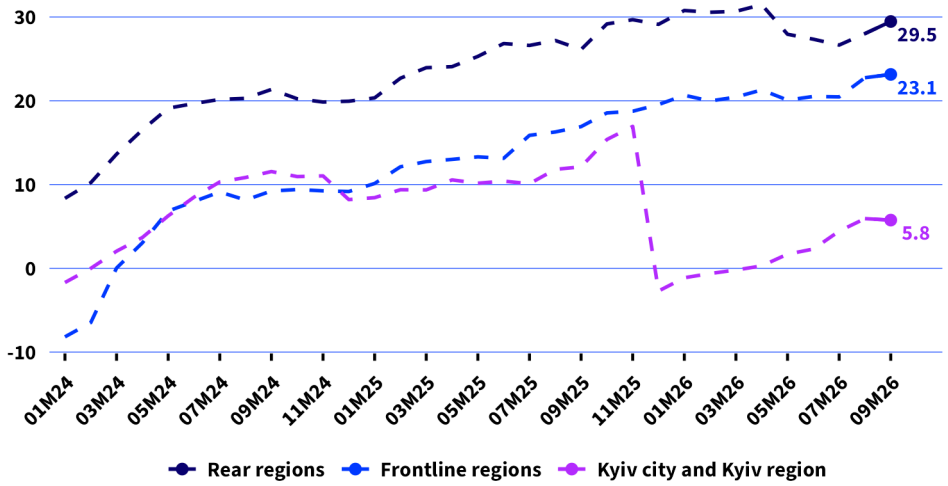
UAH loans to businesses by industry (1/2): y-o-y growth, %



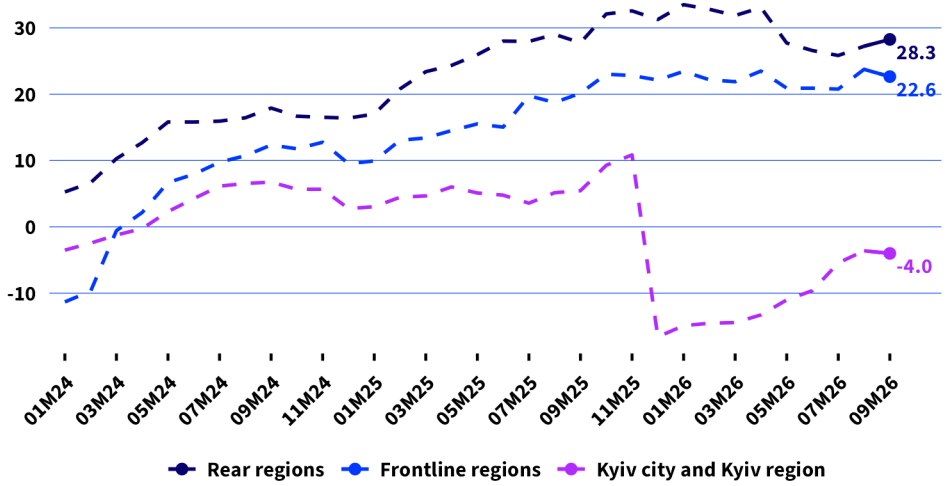
UAH loans to businesses by industry (2/2): y-o-y growth, %



Total loans granted in rear vs frontline regions: y-o-y growth, %

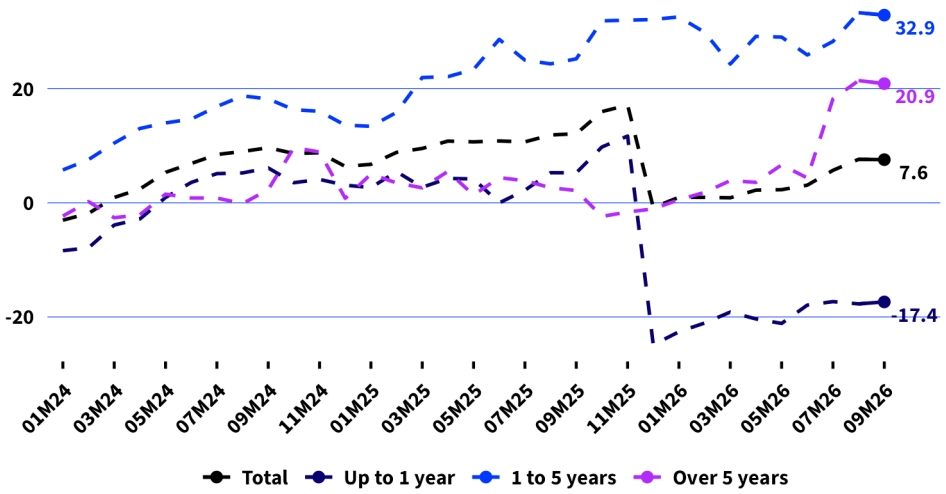


Total corporate loans granted in rear vs frontline regions: y-o-y growth, %

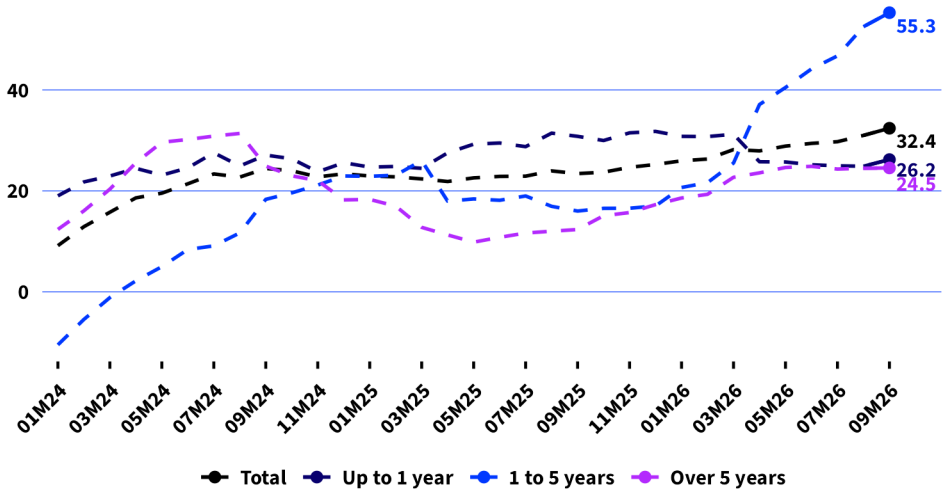


APPENDIX: LOANS – Y-O-Y DYNAMICS (3/3)

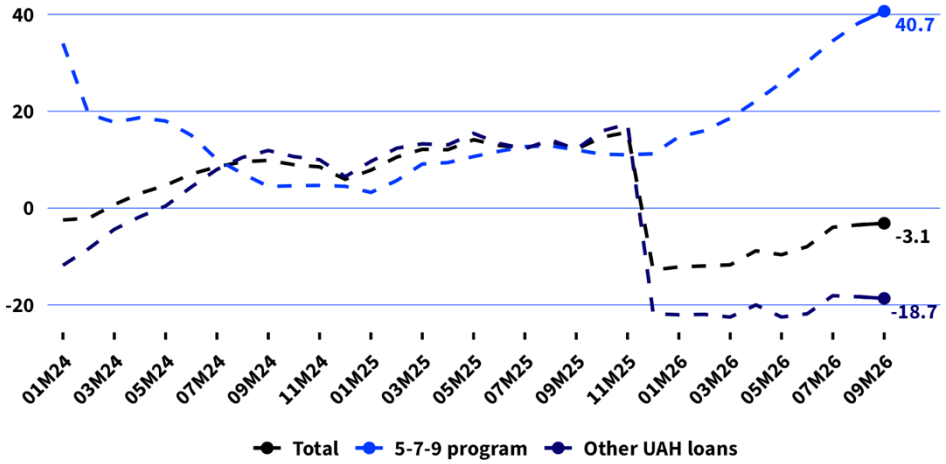
Non-financial corporate bank loan volumes by maturity: y-o-y growth, %



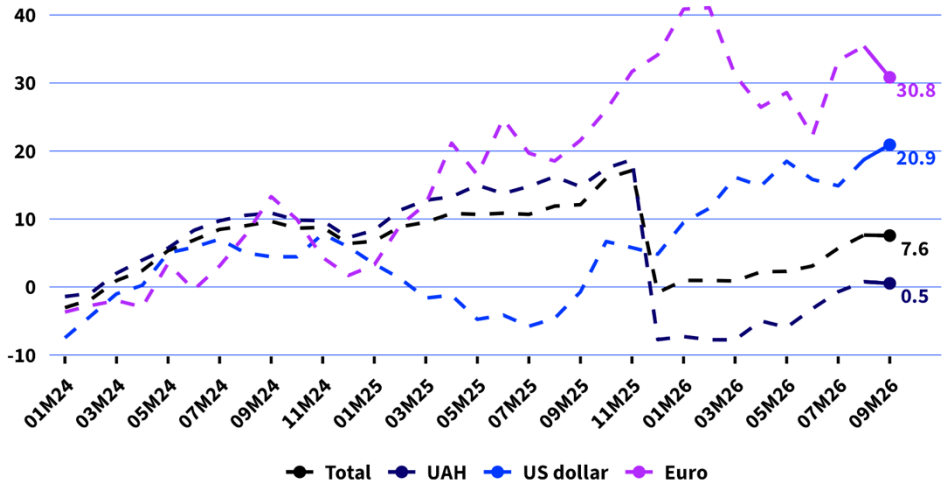
Household bank loan volumes by maturity: y-o-y growth, %



5-7-9 program and other UAH loans to other non-financial corporations: y-o-y growth, %

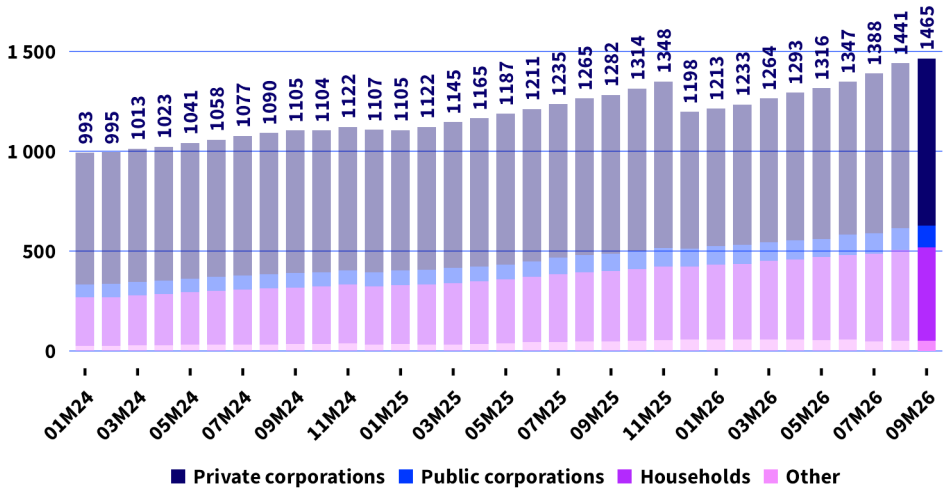


Non-financial corporate bank loan volumes by currency: y-o-y growth, %

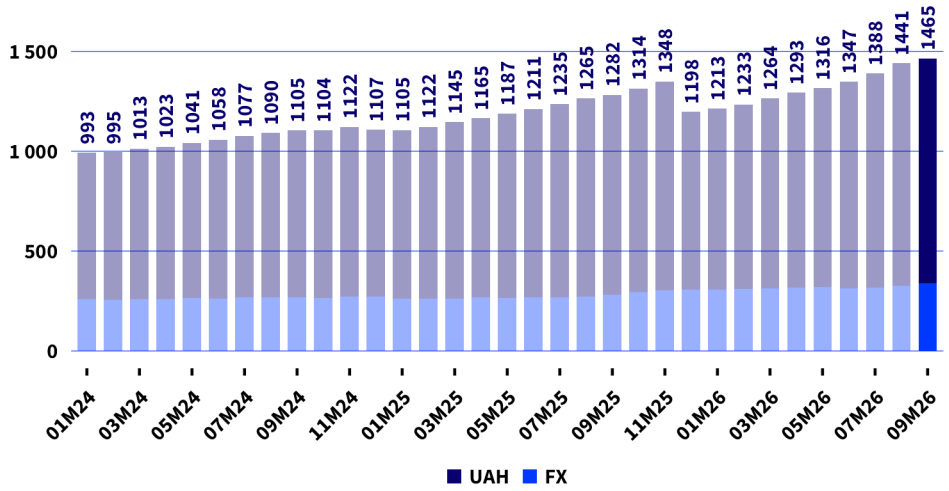


APPENDIX: LOANS – GROSS VOLUMES (1/2)

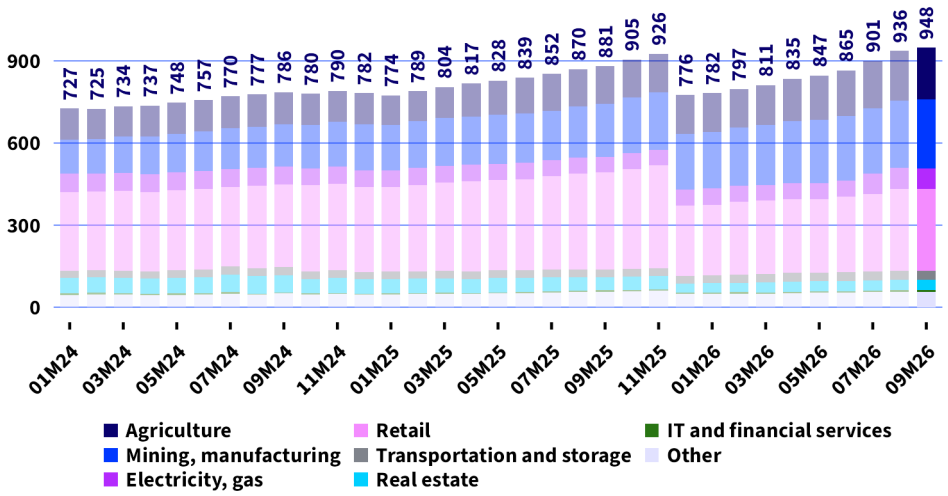
Bank loan volumes by borrower sector, UAH bn



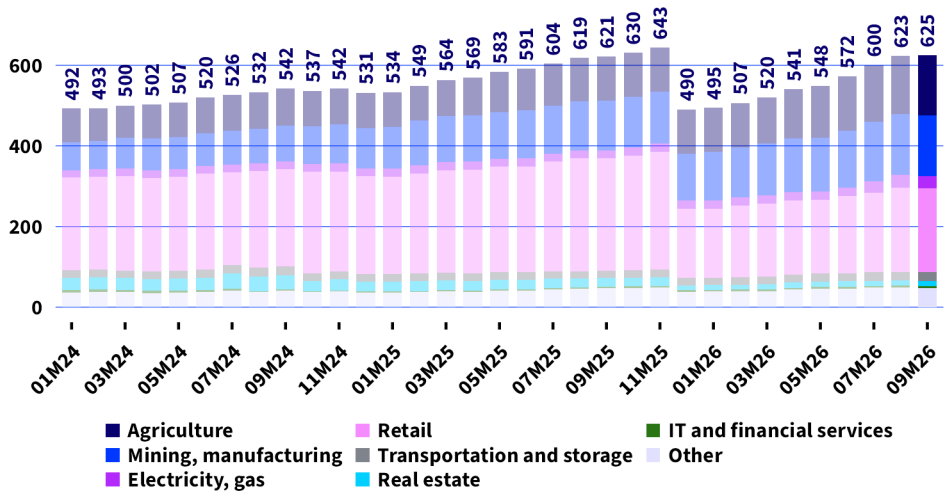
Bank loans by currency type



Loans to businesses by industry

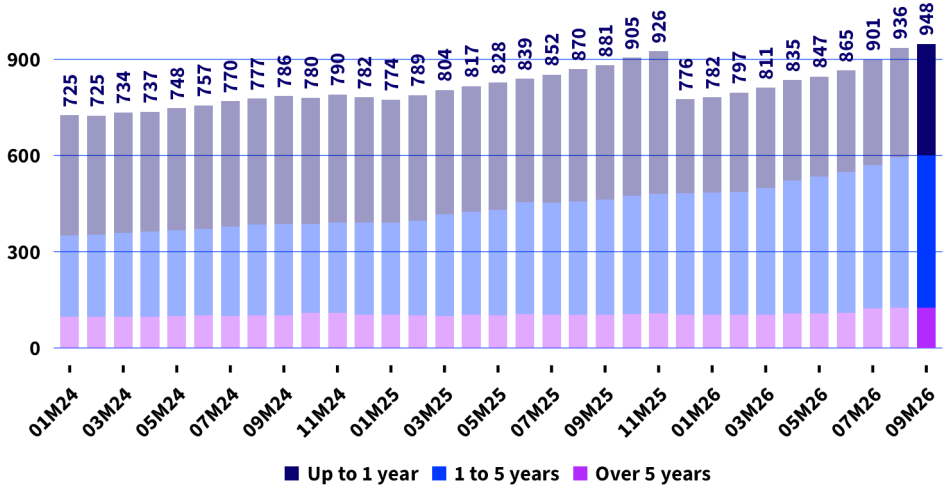


UAH loans to businesses by industry

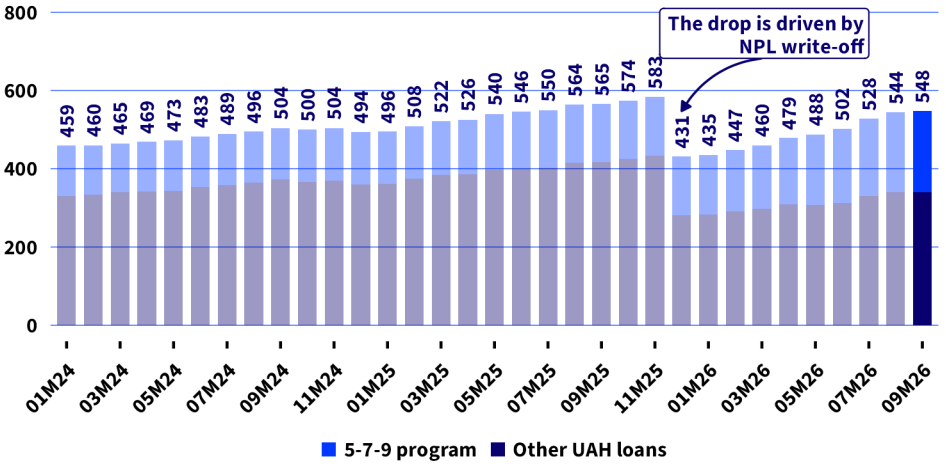


APPENDIX: LOANS – GROSS VOLUMES (2/2)

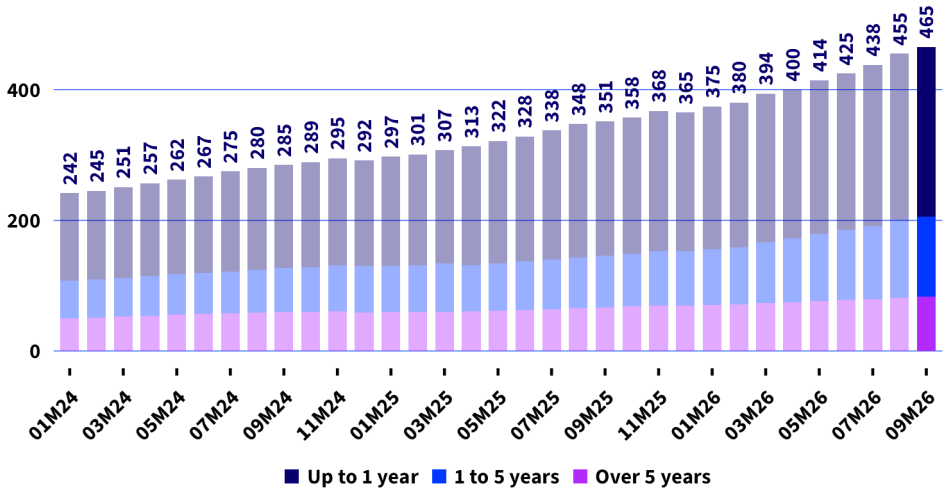
Non-financial corporate bank loan volumes by maturity, UAH bn



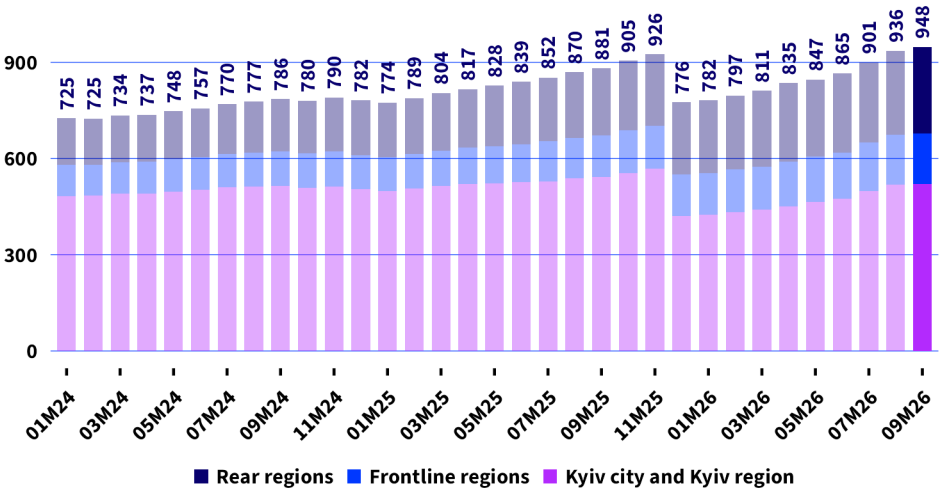
5-7-9 program and other UAH loans to other non-financial corporations, UAH bn



Household bank loan volumes by maturity, UAH bn

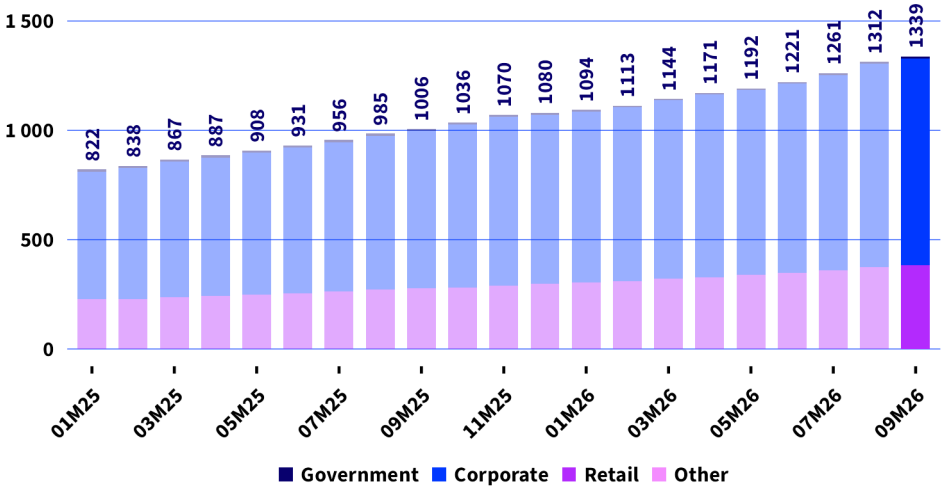


Total corporate loans granted in rear vs frontline regions, UAH bn

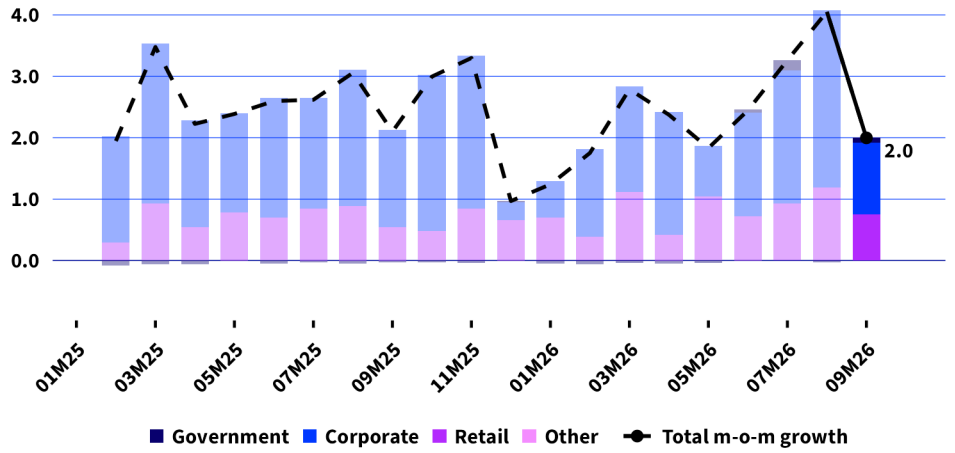


APPENDIX: LOANS – NET VOLUMES AND CONTRIBUTIONS TO M-O-M GROWTH (1/2)

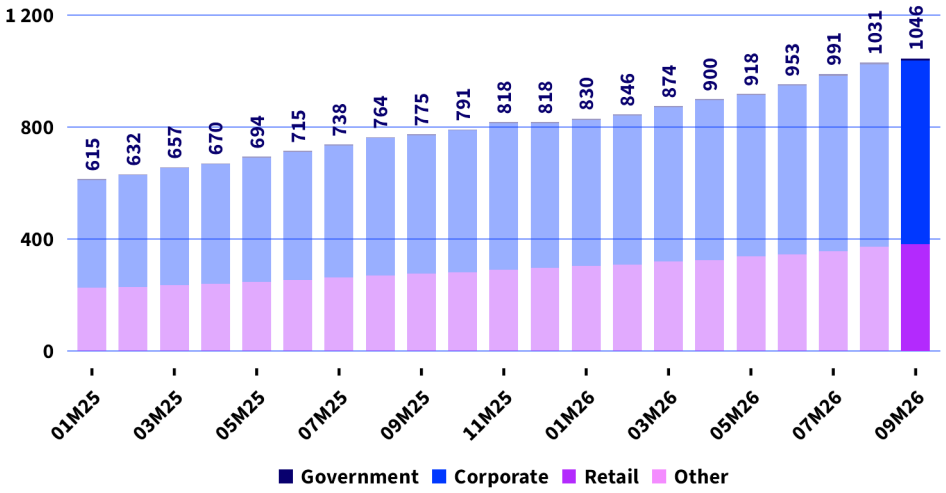
Total net loans by borrower, UAH bn



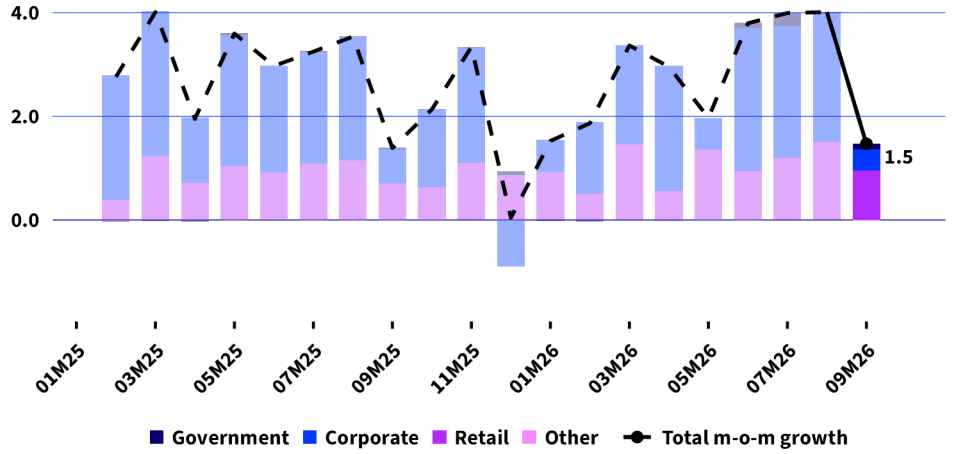
Total net loans by borrower: contribution to m-o-m growth, p.p



Total net UAH loans by borrower, UAH bn

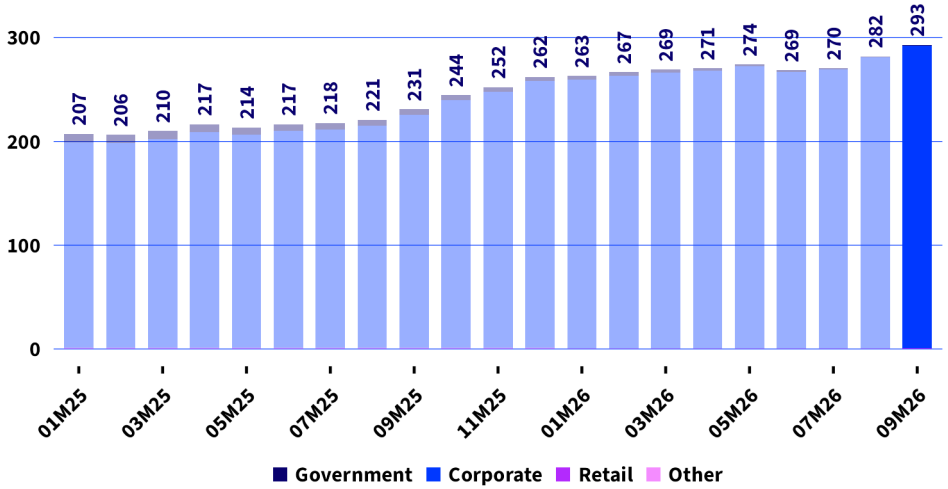


Total net UAH loans by borrower: contribution to m-o-m growth, p.p

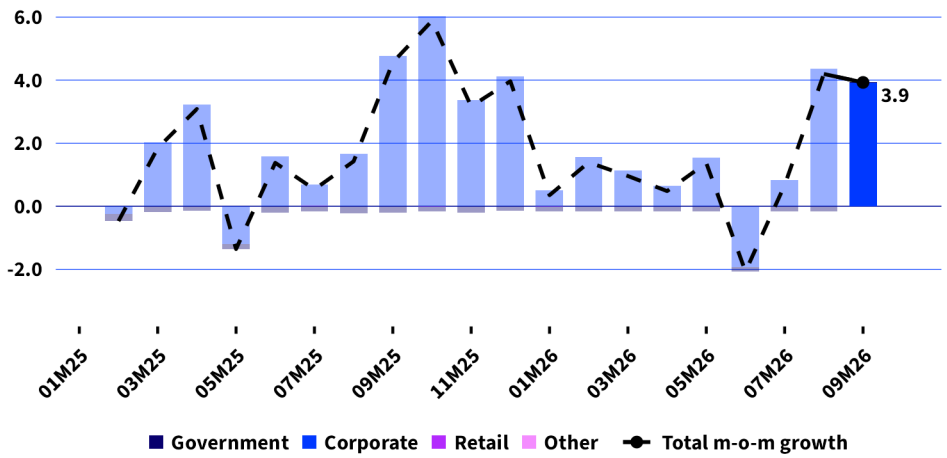


APPENDIX: LOANS – NET VOLUMES AND CONTRIBUTIONS TO M-O-M GROWTH (2/2)

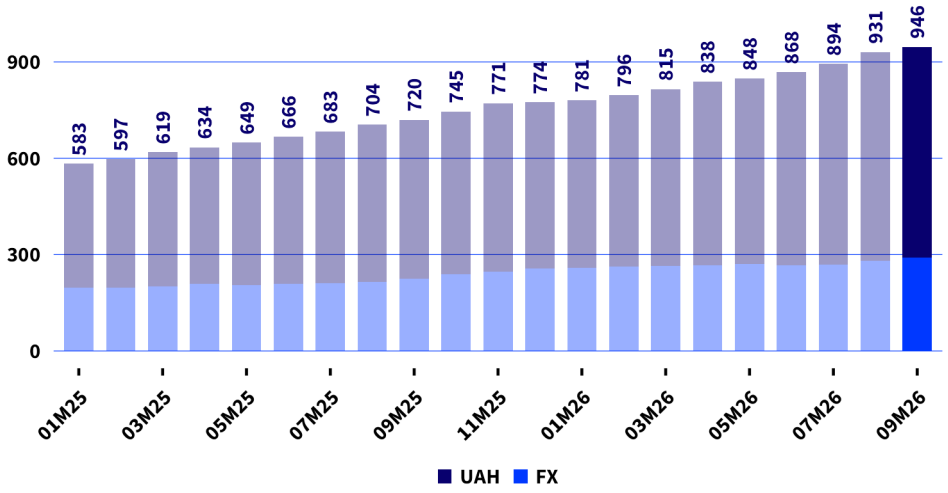
Total net FX loans by borrower, UAH bn



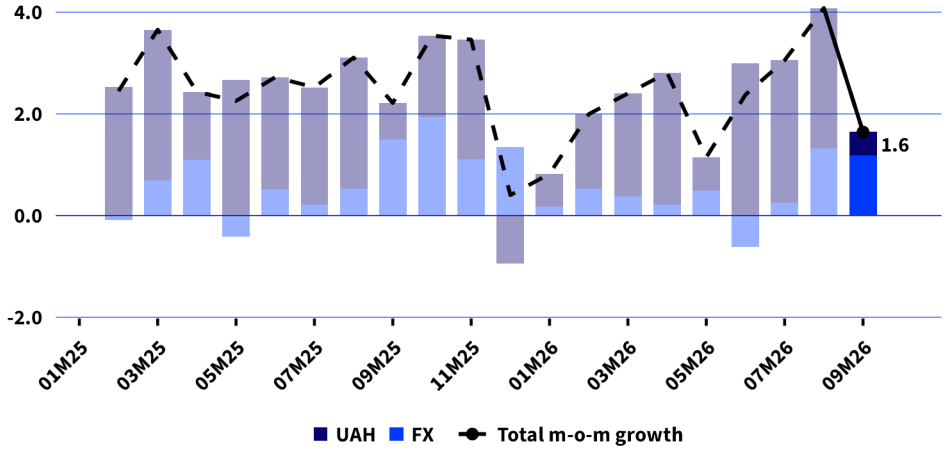
Total net FX loans by borrower: contribution to m-o-m growth, p.p



Net corporate loans by currency, UAH bn

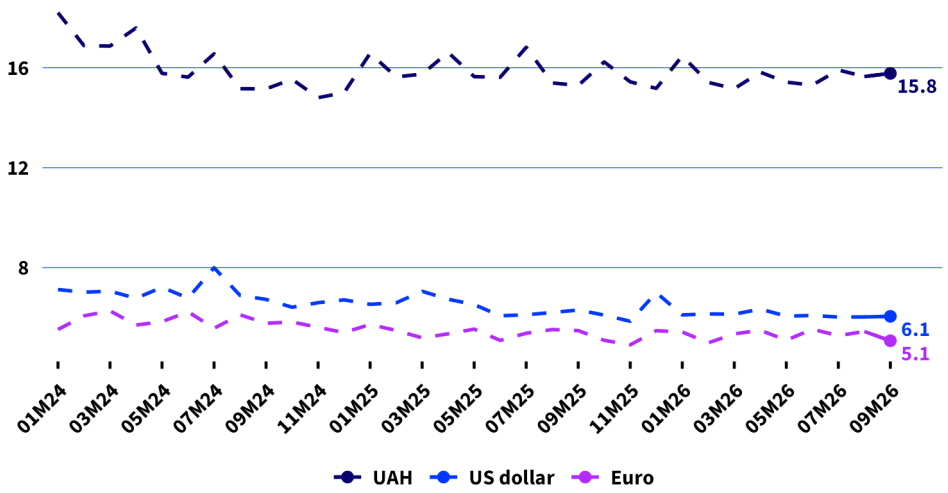


Net corporate loans by currency, contribution to m-o-m growth

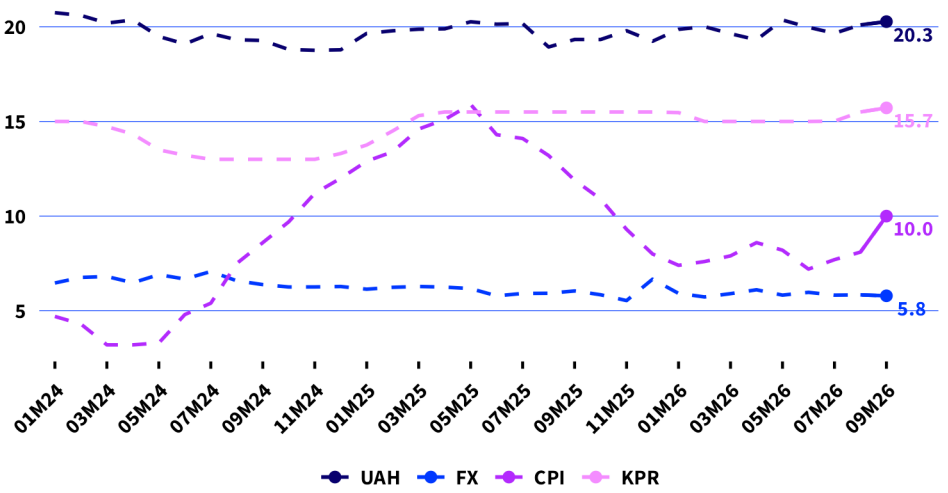


APPENDIX: LOANS – INTEREST RATES ON NEW BUSINESS (1/3)

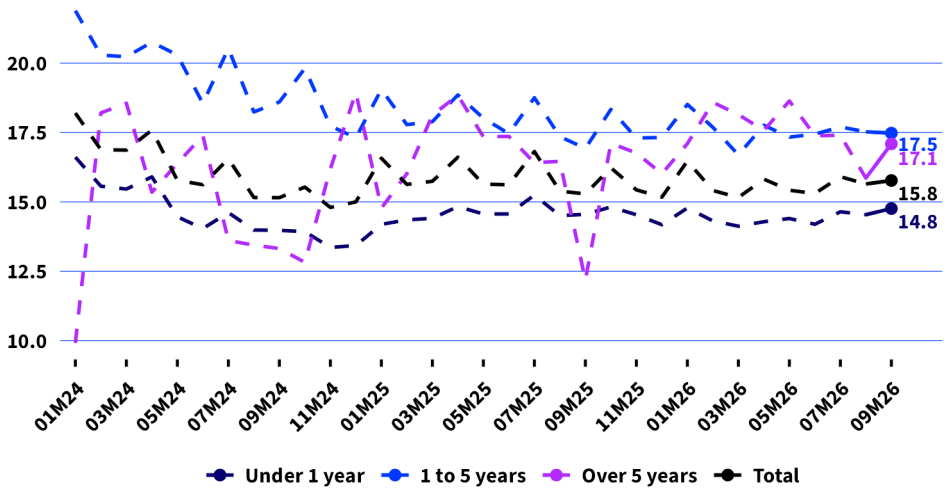
Non-financial corporate bank lending rates by currency, %



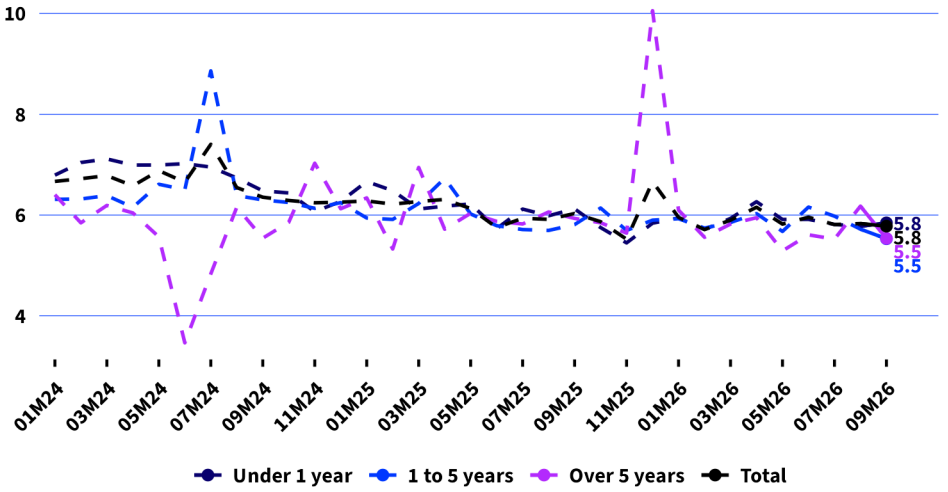
Average bank lending rates by currency type, %



Interest rates on UAH corporate loans by maturity

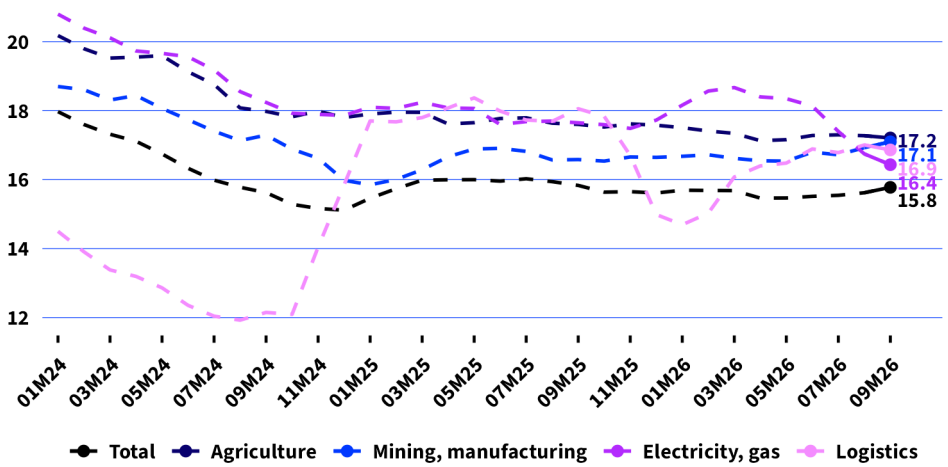


Interest rates on FX corporate loans by maturity, %

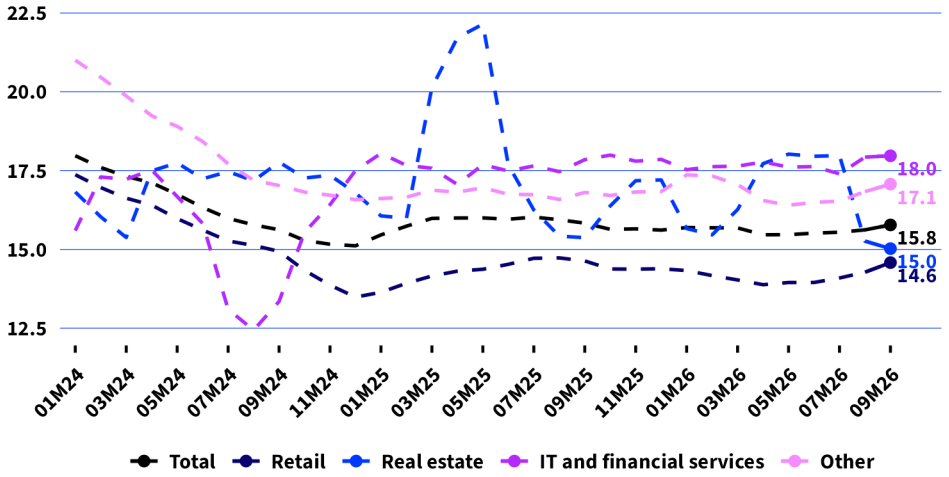


APPENDIX: LOANS – INTEREST RATES ON NEW BUSINESS (2/3)

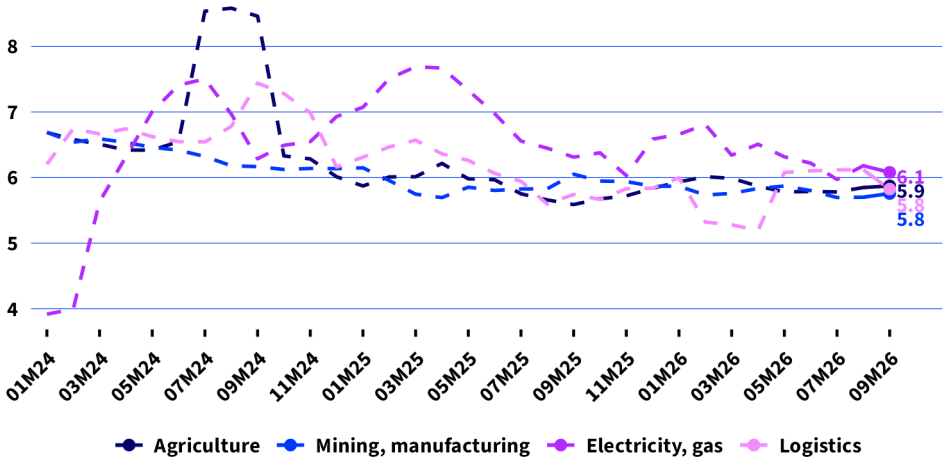
Average UAH corporate lending rates by industry (1/2), 3-month trailing average, %



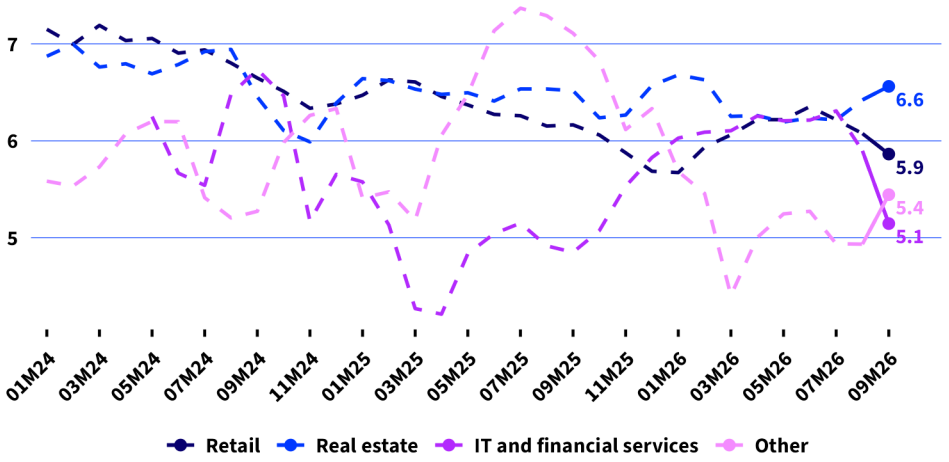
Average UAH corporate lending rates by industry (2/2), 3-month trailing average, %



Average FX corporate lending rates by industry (1/2), 3-month trailing average, %

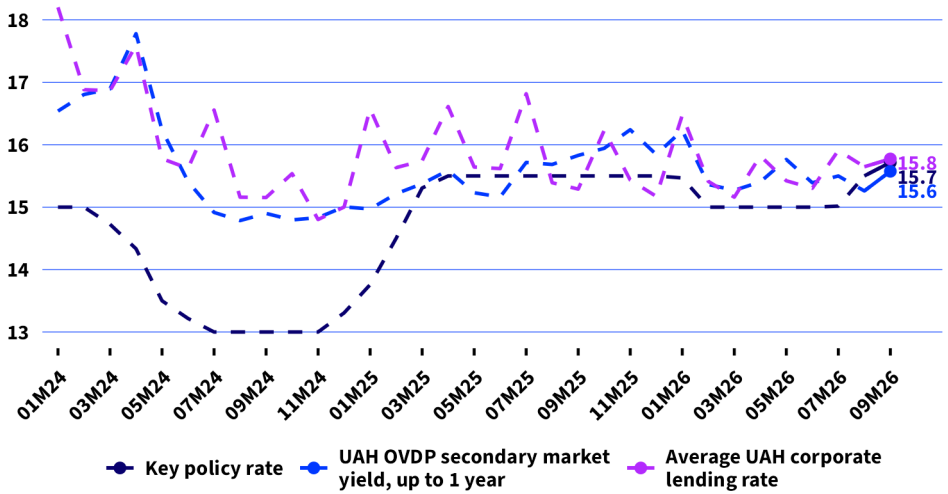


Average FX corporate lending rates by industry (2/2), 3-month trailing average, %

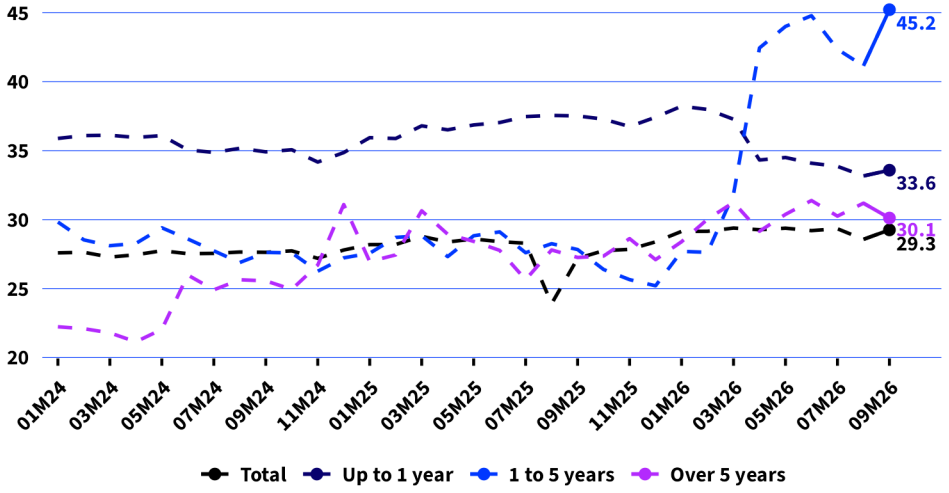


APPENDIX: LOANS – INTEREST RATES ON NEW BUSINESS (3/3)

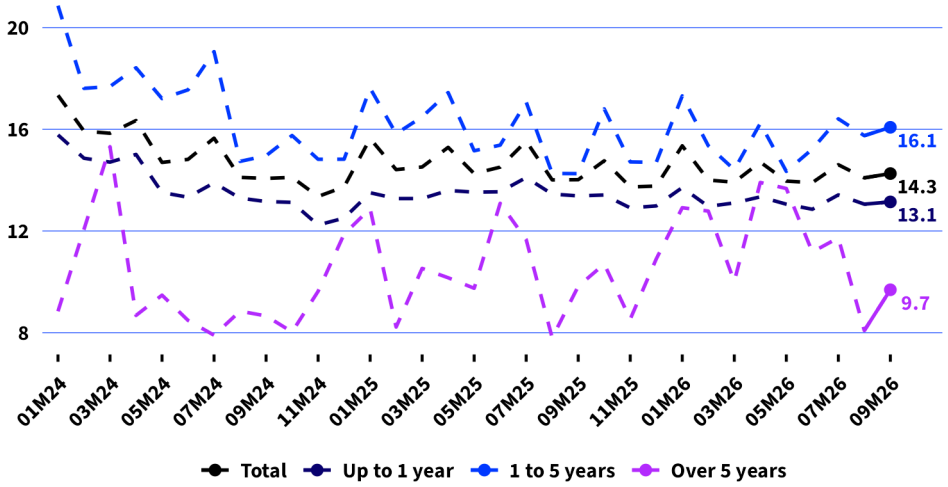
Key policy rate, short-term UAH OVDP yield and corporate lending rate, %



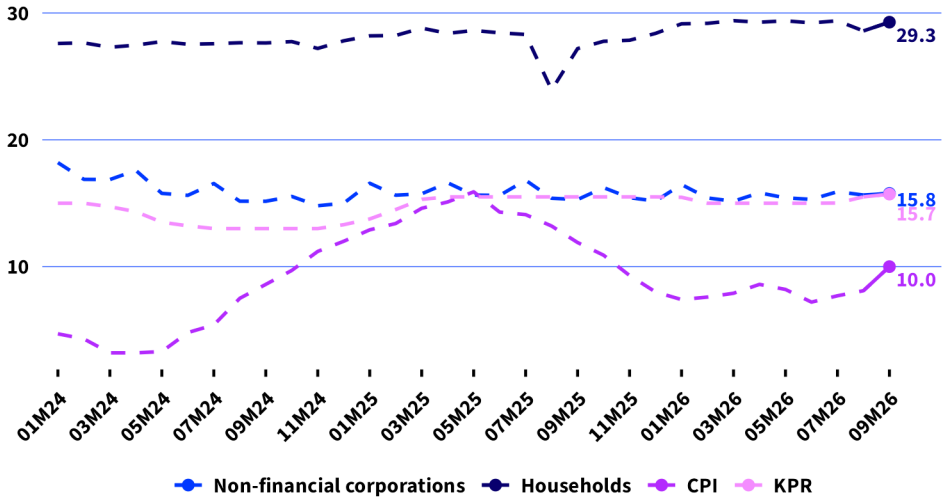
Household bank lending rates by maturity, %



Non-financial corporate bank lending rates by maturity, %

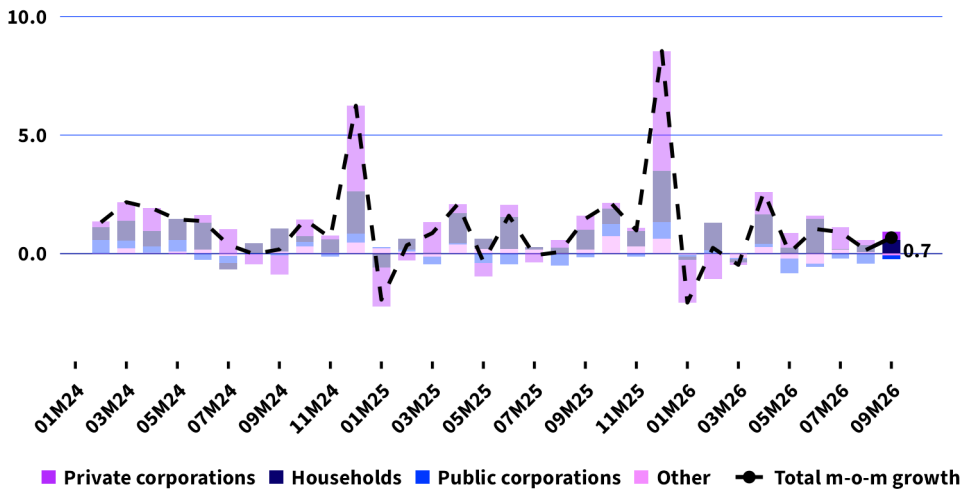


Interest rates on UAH loans by borrower type, %

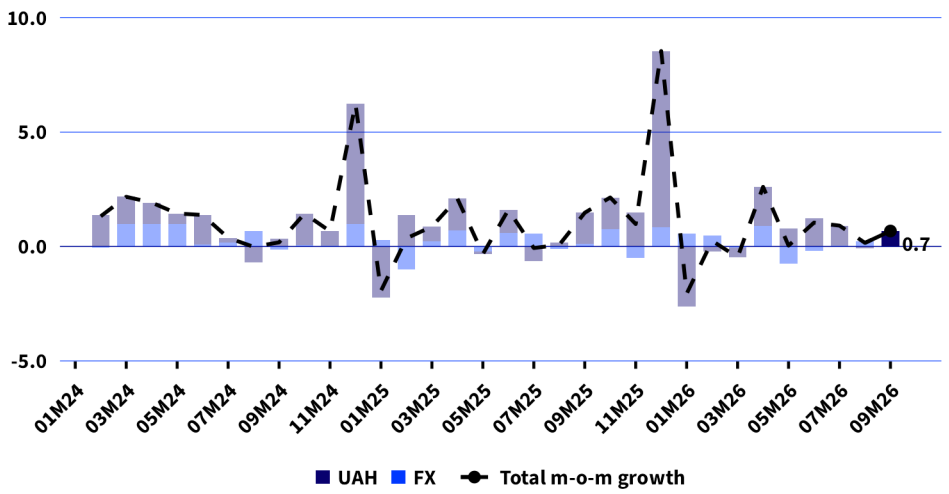


APPENDIX: DEPOSITS – DECOMPOSITION OF CONTRIBUTIONS TO M-O-M GROWTH (1/2)

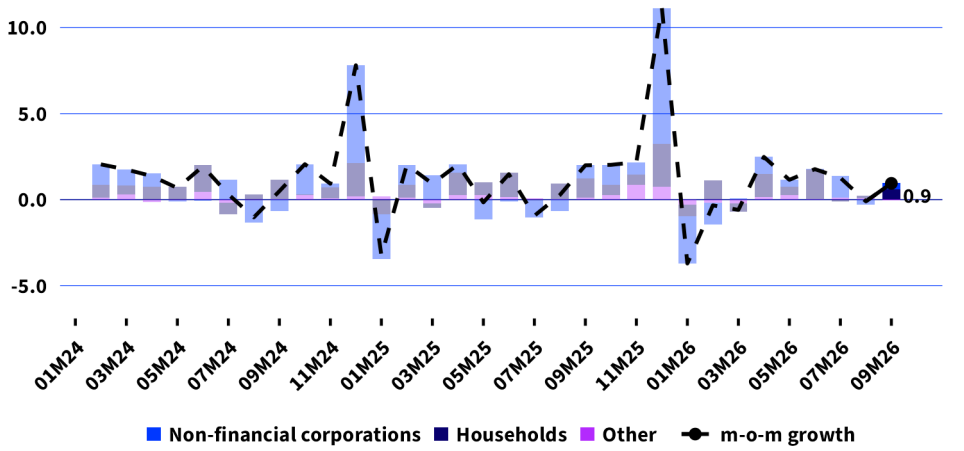
Bank deposits by depositor sector: contribution to m-o-m growth, p.p.



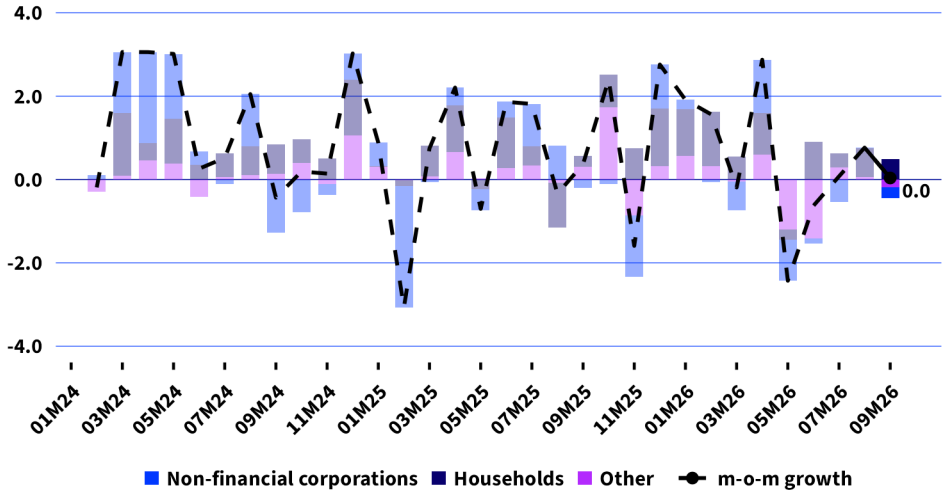
Bank deposits by currency type: contribution to m-o-m growth, p.p.



UAH deposits by depositor sector: contribution to m-o-m growth, p.p.

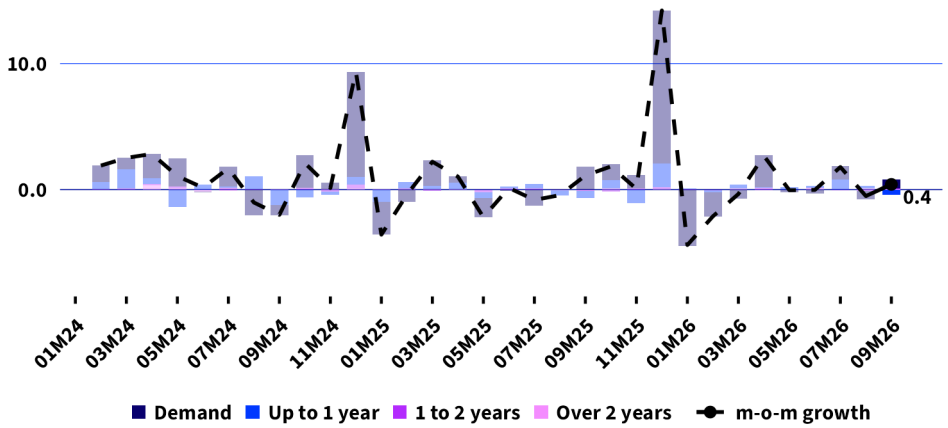


FX deposits by depositor sector: contribution to m-o-m growth, p.p.

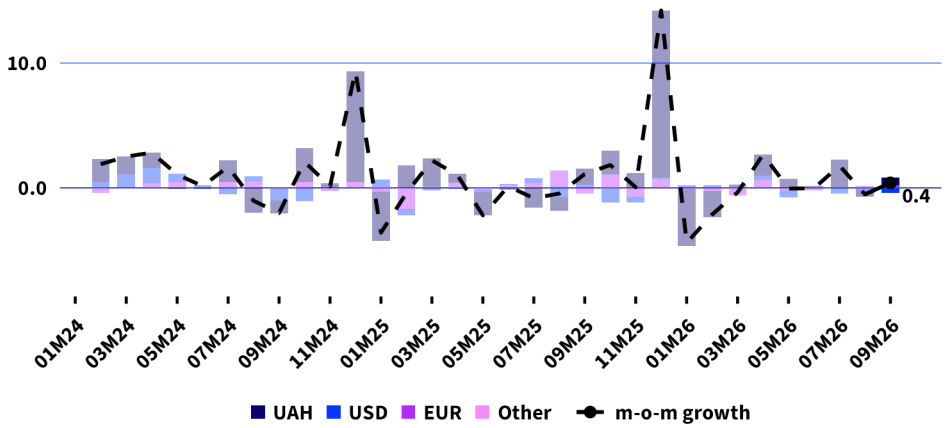


APPENDIX: DEPOSITS – DECOMPOSITION OF CONTRIBUTIONS TO M-O-M GROWTH (2/2)

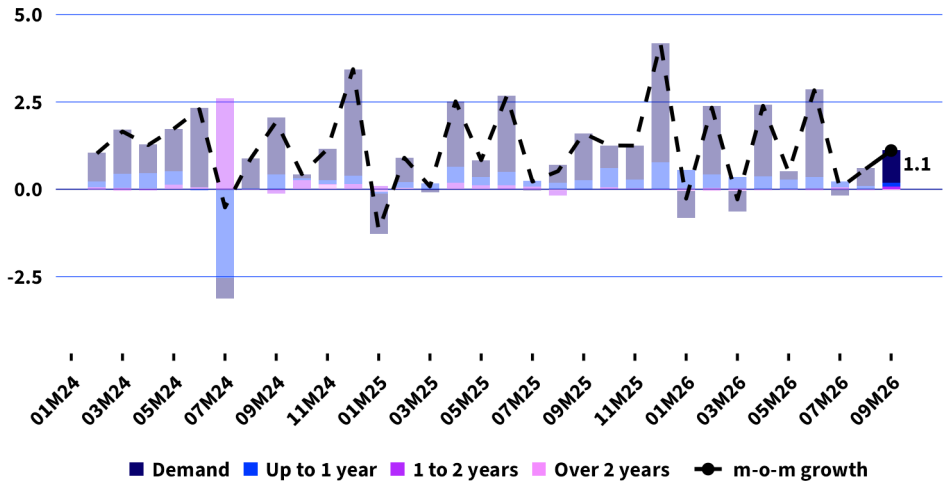
Non-financial corporate bank deposits by maturity: contribution to m-o-m growth, p.p.



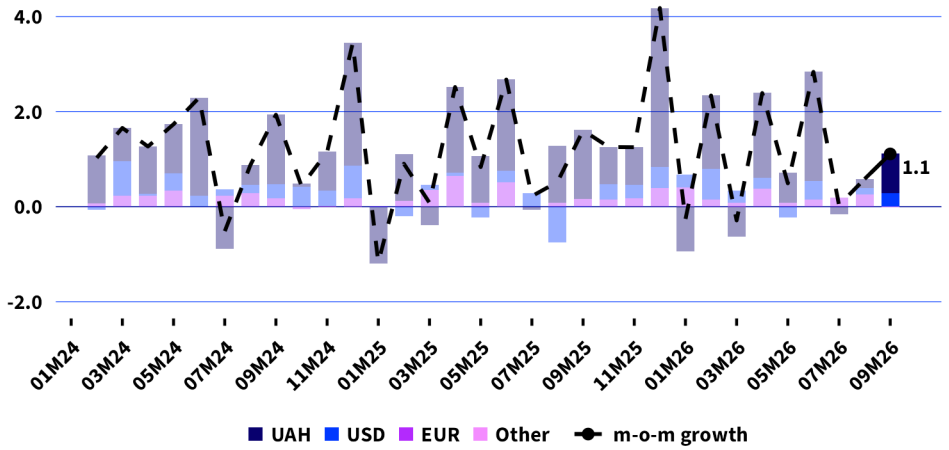
Non-financial corporate bank deposits by currency: contribution to m-o-m growth, p.p.



Household bank deposits by maturity: contribution to m-o-m growth, p.p.

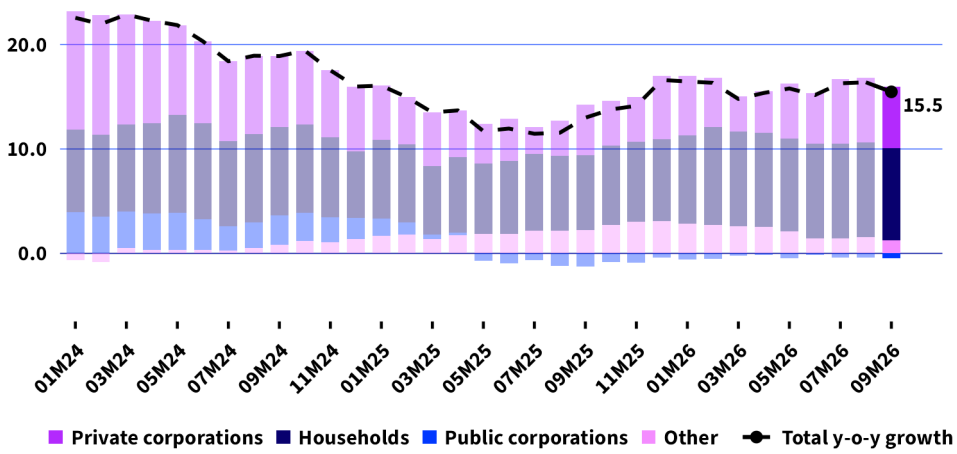


Household bank deposits by currency: contribution to m-o-m growth, p.p.

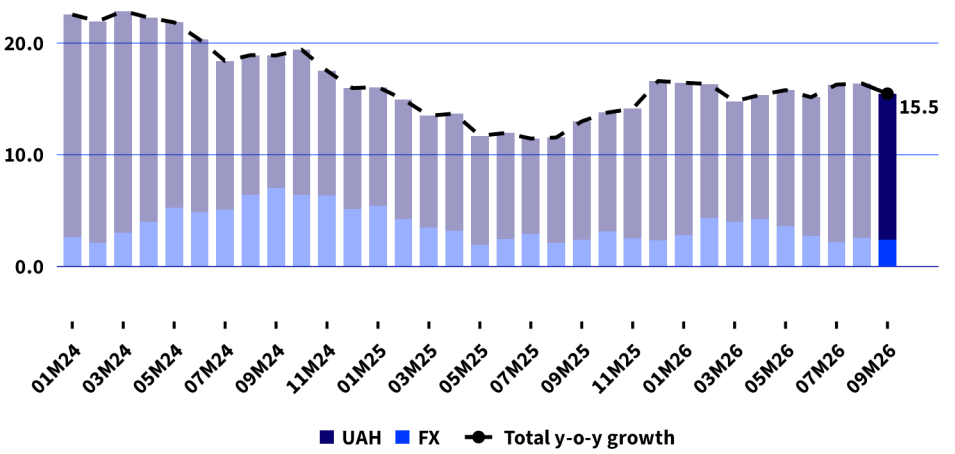


APPENDIX: DEPOSITS – DECOMPOSITION OF CONTRIBUTIONS TO Y-O-Y GROWTH (1/2)

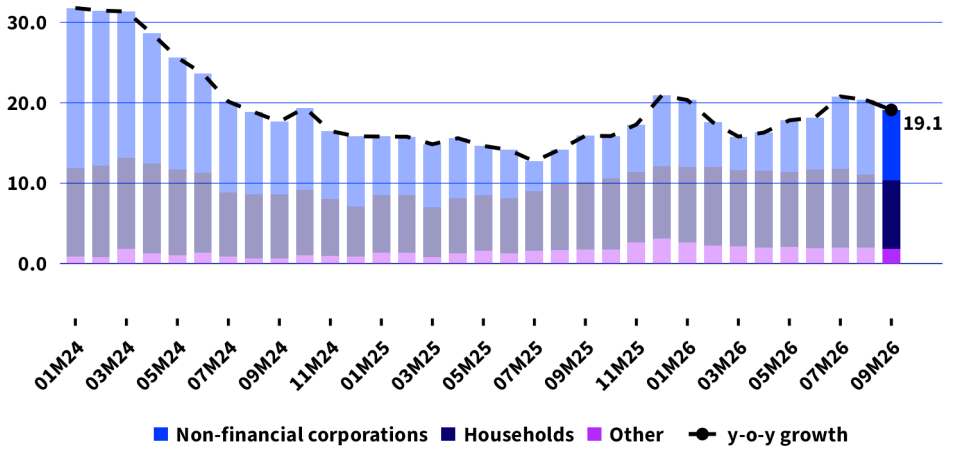
Bank deposits by depositor sector: contribution to y-o-y growth, p.p.



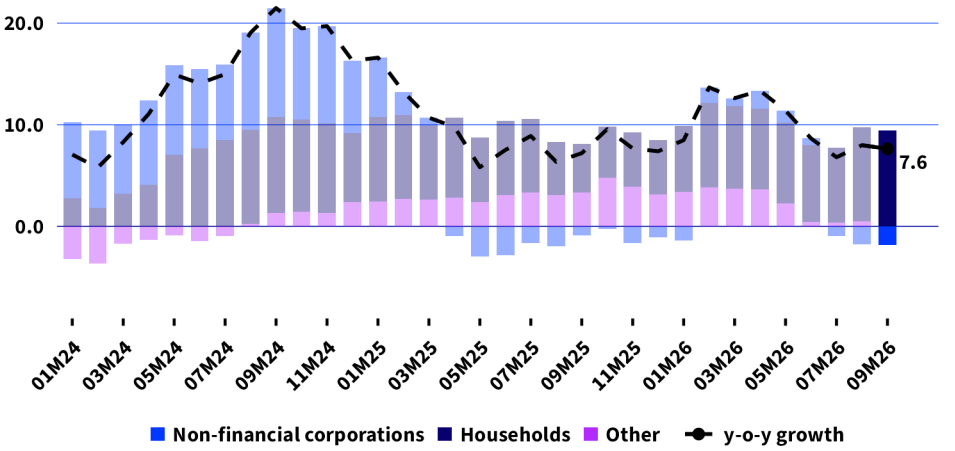
Bank deposits by currency type: contribution to y-o-y growth, p.p.



UAH deposits by depositor sector: contribution to y-o-y growth, p.p.

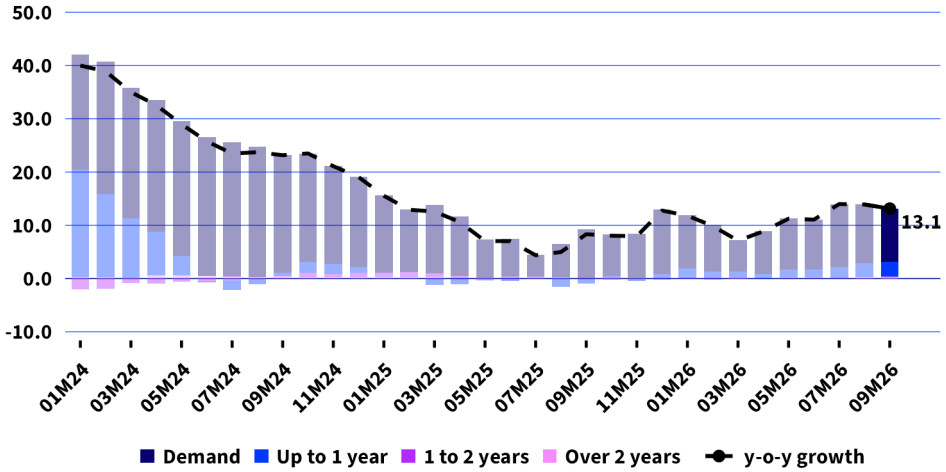


FX deposits by depositor sector: contribution to y-o-y growth, p.p.

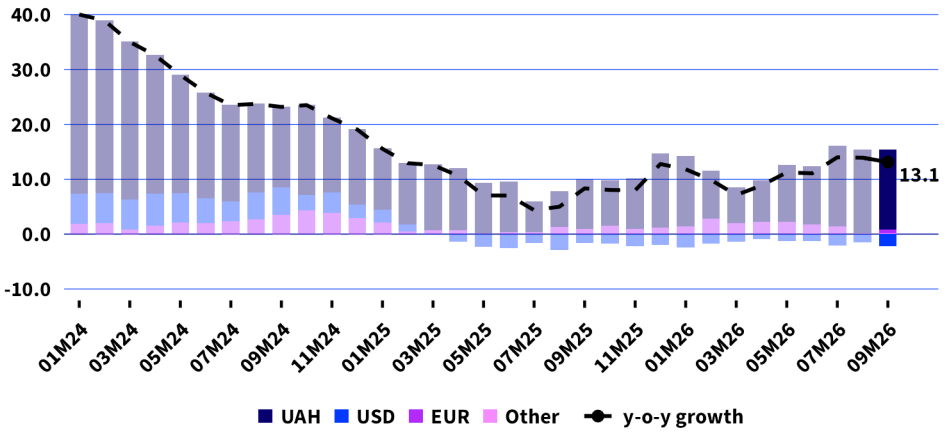


APPENDIX: DEPOSITS – DECOMPOSITION OF CONTRIBUTIONS TO Y-O-Y GROWTH (2/2)

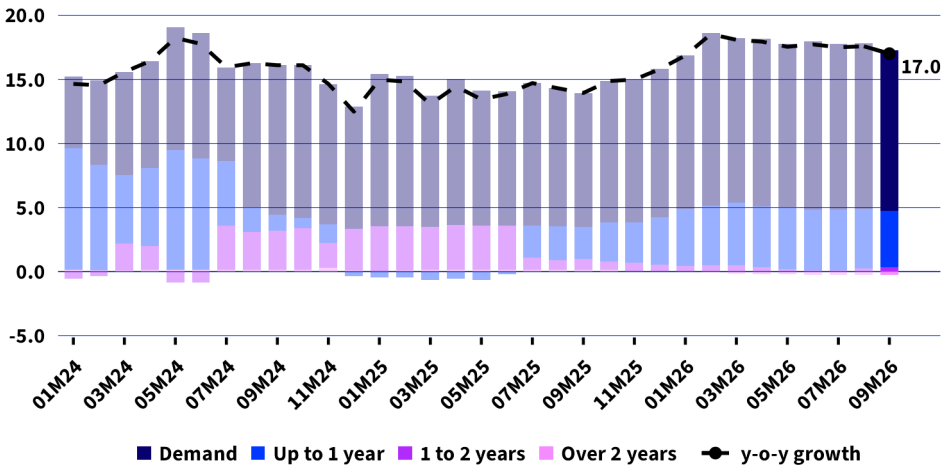
Non-financial corporate bank deposits by maturity: contribution to y-o-y growth, p.p.



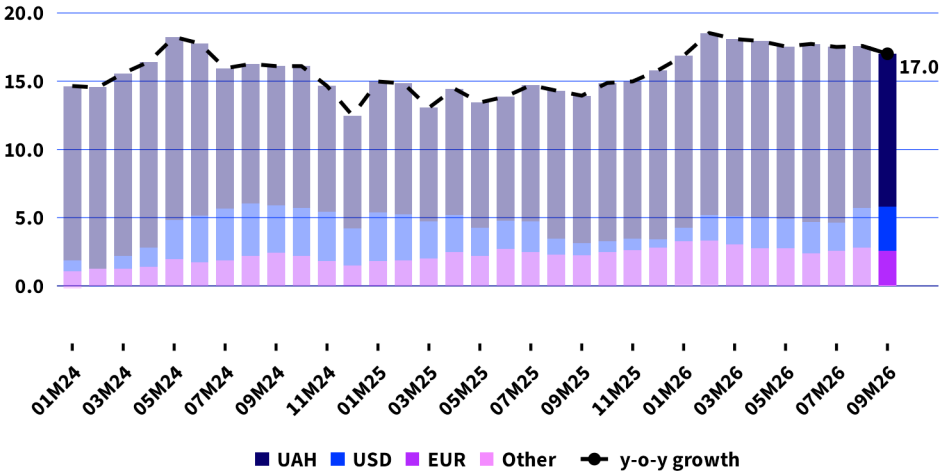
Non-financial corporate bank deposits by currency: contribution to y-o-y growth, p.p.



Household bank deposits by maturity: contribution to y-o-y growth, p.p.

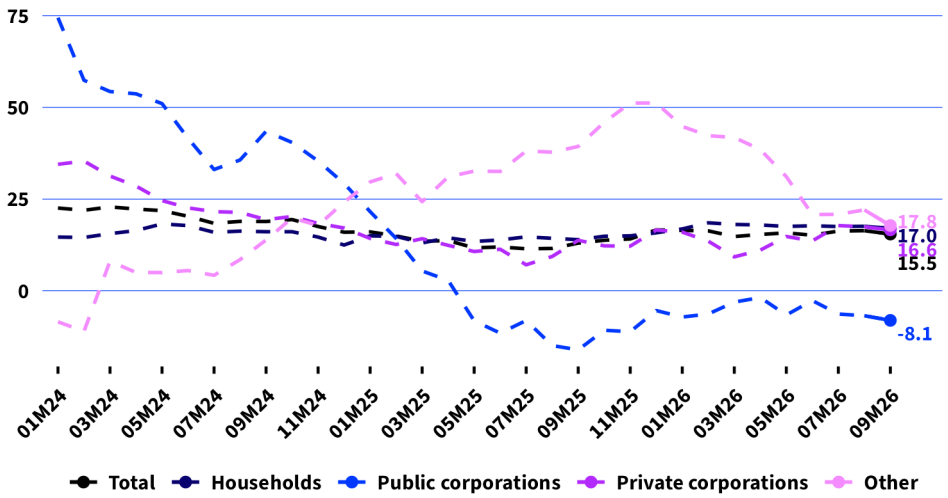


Household bank deposits by currency: contribution to y-o-y growth, p.p.

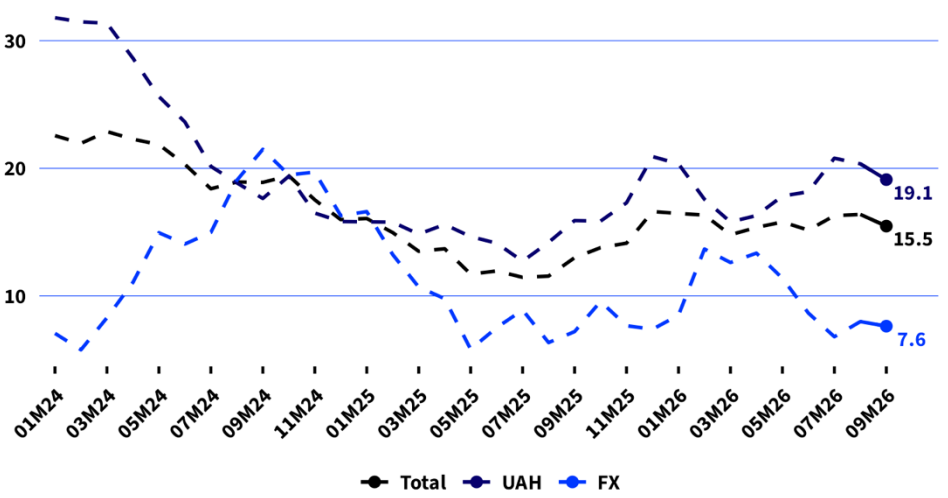


APPENDIX: DEPOSITS – Y-O-Y DYNAMICS (1/2)

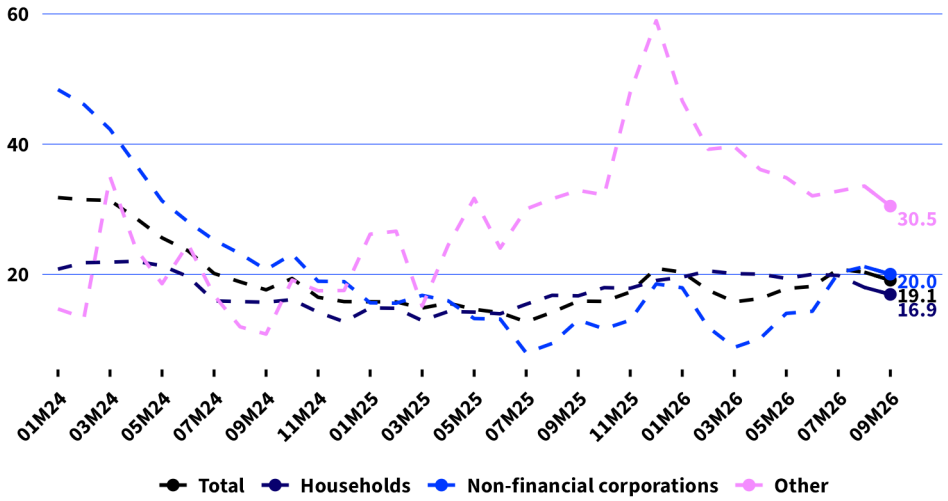
Bank deposits by depositor sector: y-o-y growth, %



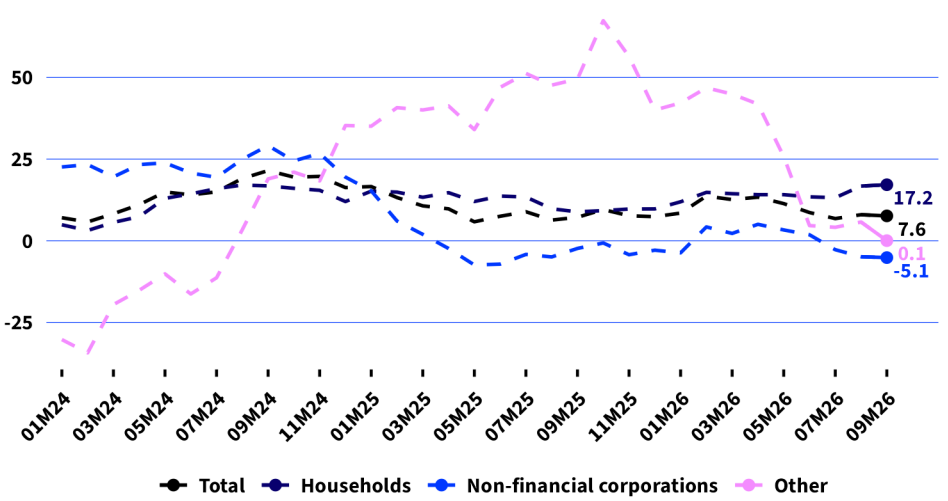
Bank deposits by currency: y-o-y growth, %



UAH bank deposits by depositor sector: y-o-y growth, %

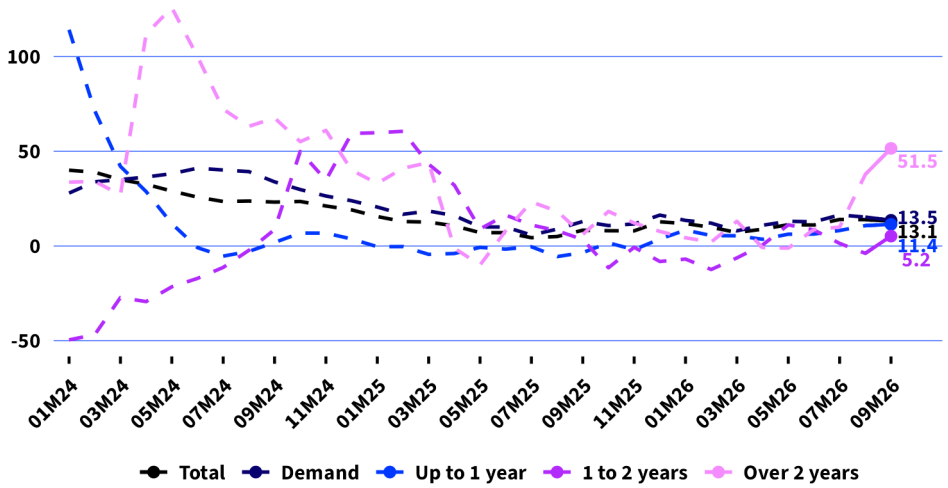


FX bank deposits by depositor sector: y-o-y growth, %

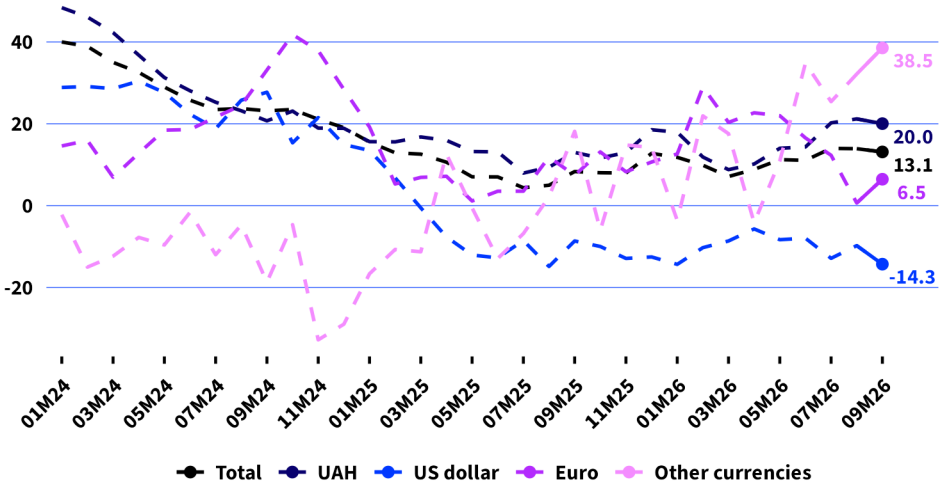


APPENDIX: DEPOSITS –Y-O-Y DYNAMICS (2/2)

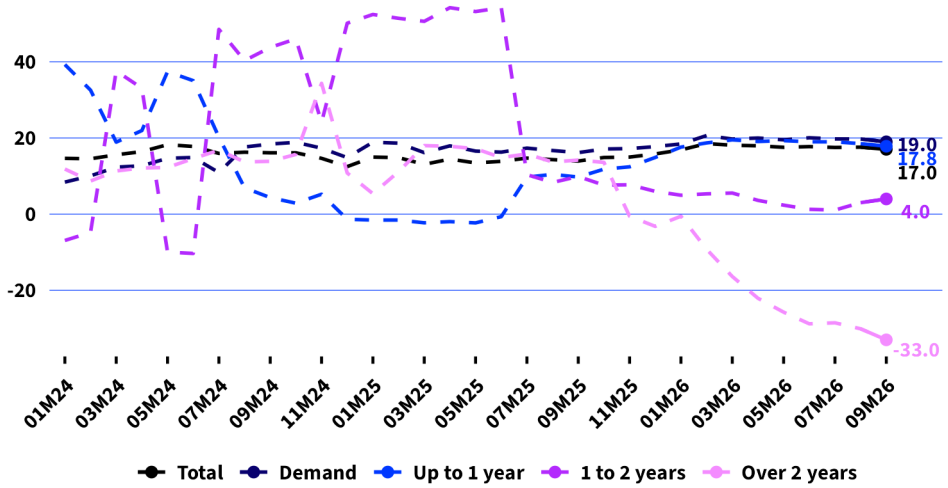
Non-financial corporate bank deposits by maturity: y-o-y growth, %



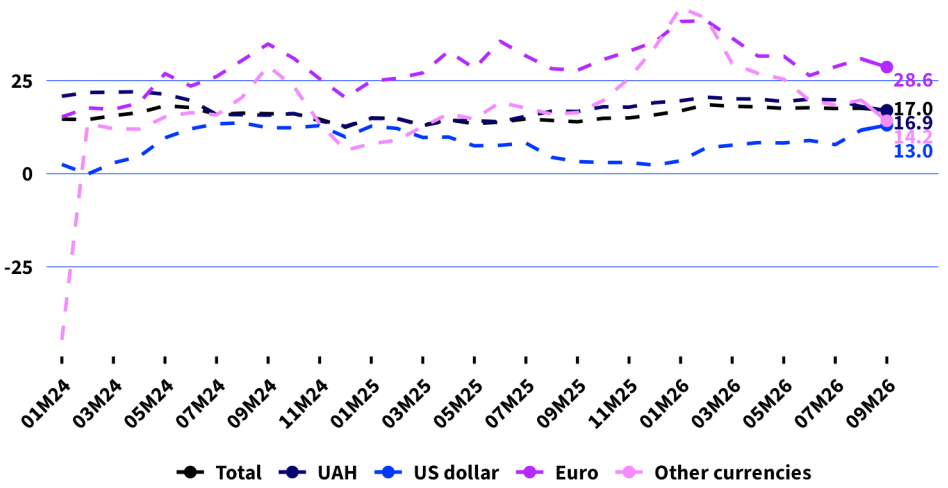
Non-financial corporate bank deposits by currency: y-o-y growth, %



Household bank deposits by maturity: y-o-y growth, %

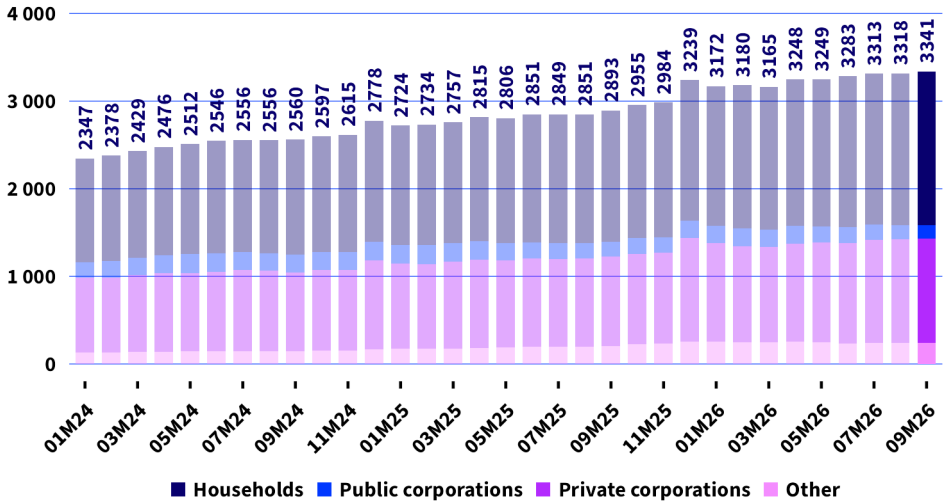


Household bank deposits by currency: y-o-y growth, %

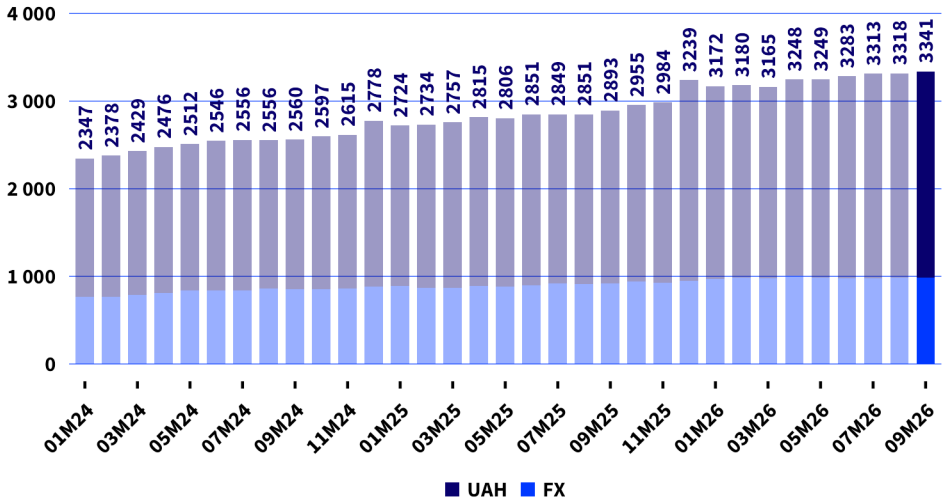


APPENDIX: DEPOSITS – VOLUMES (1/2)

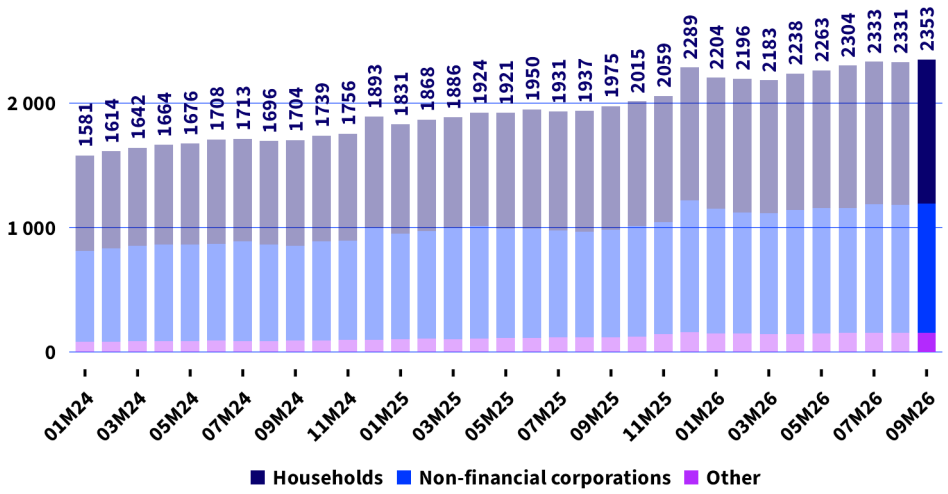
Bank deposit volumes by depositor sector, UAH bn



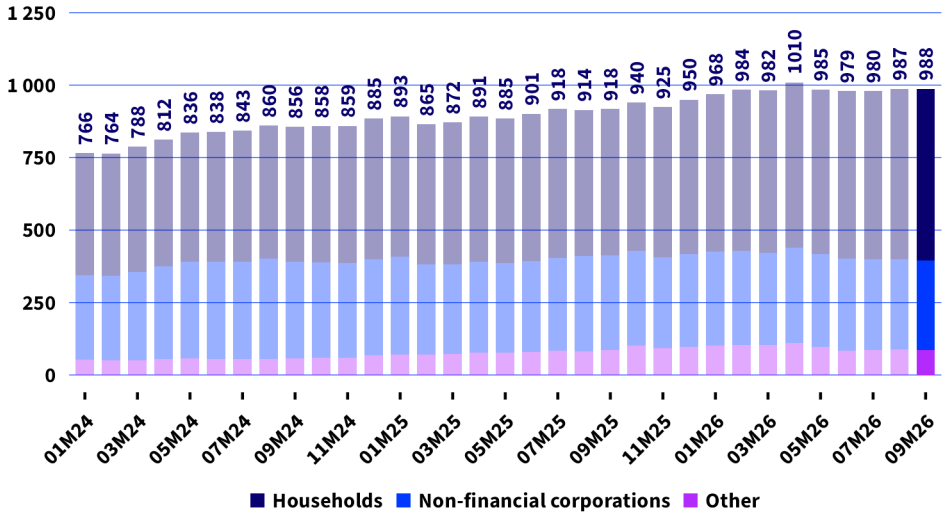
Bank deposits by currency type, UAH bn



UAH deposits by depositor sector, UAH bn

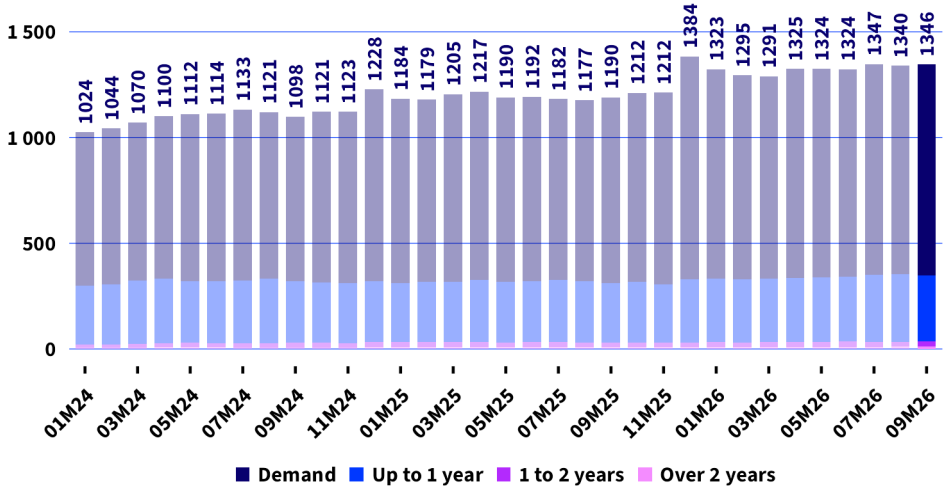


FX deposits by depositor sector, UAH bn

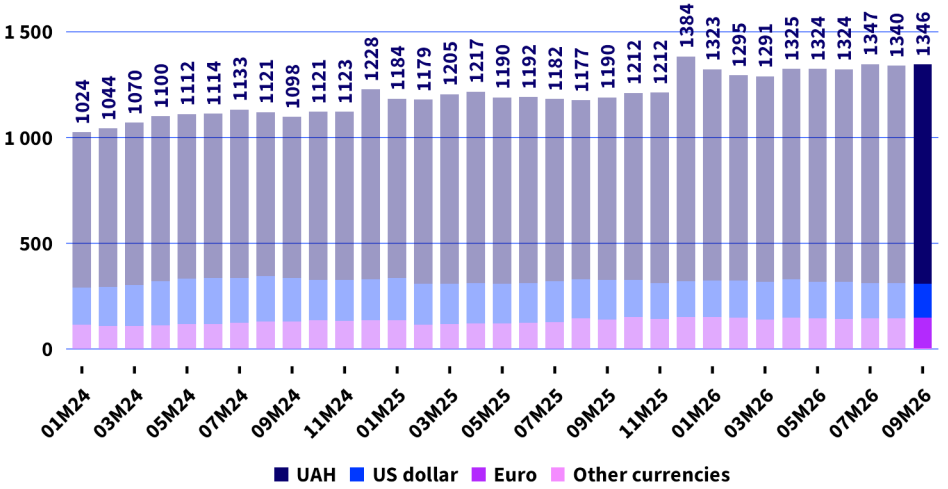


APPENDIX: DEPOSITS –VOLUMES (2/2)

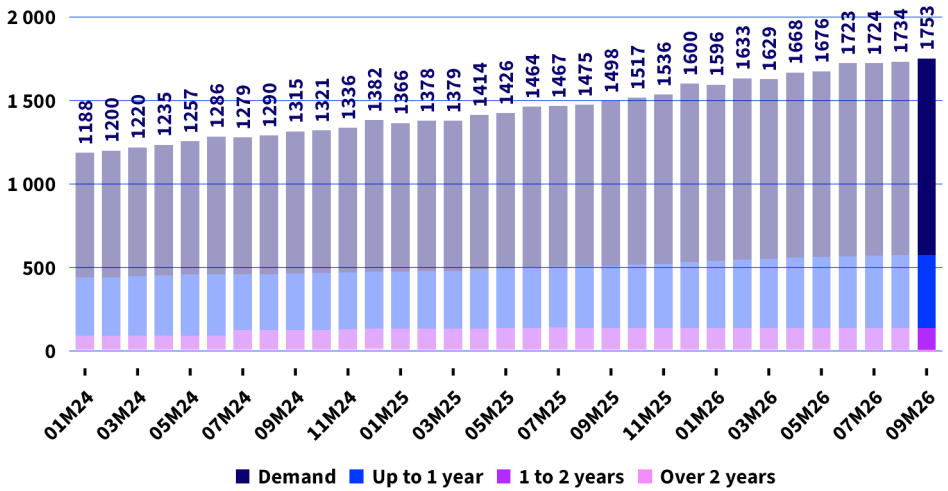
Non-financial corporate bank deposit volumes by maturity, UAH bn



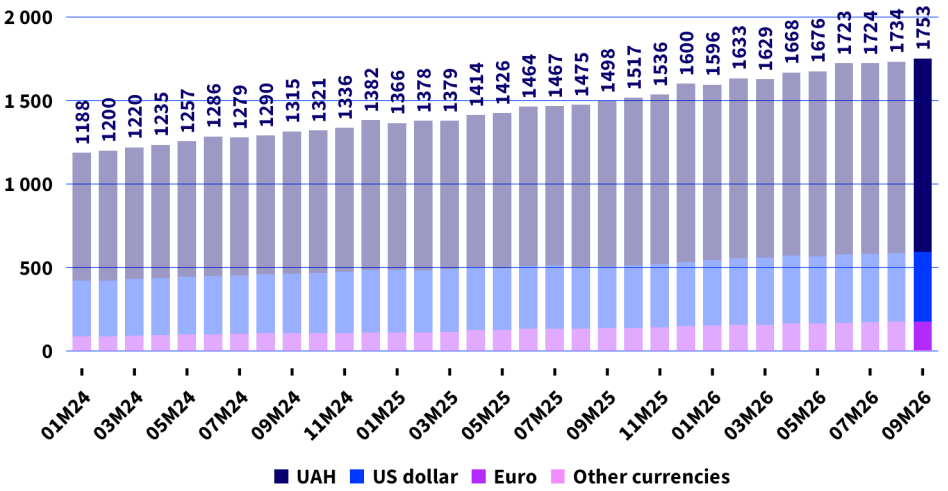
Non-financial corporate bank deposit volumes by currency, UAH bn



Household bank deposit volumes by maturity, UAH bn

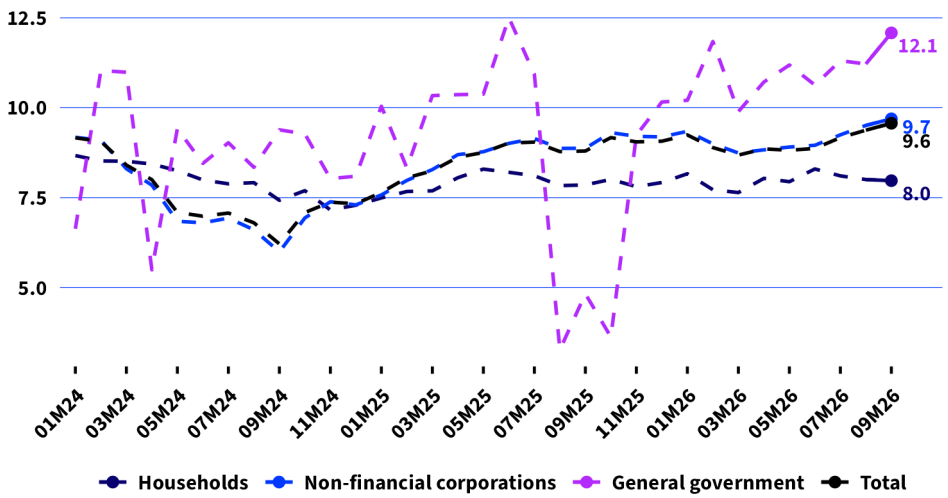


Household bank deposit volumes by currency, UAH bn

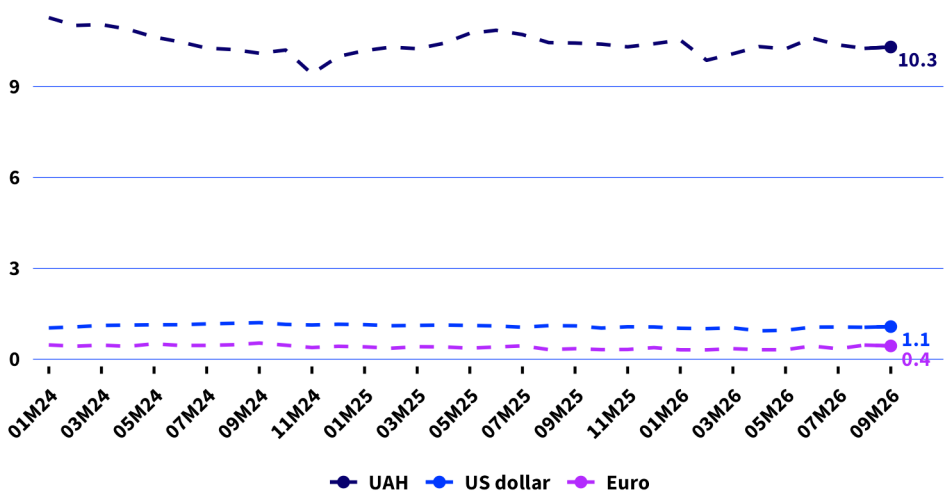


APPENDIX: DEPOSITS – INTEREST RATES (1/2)

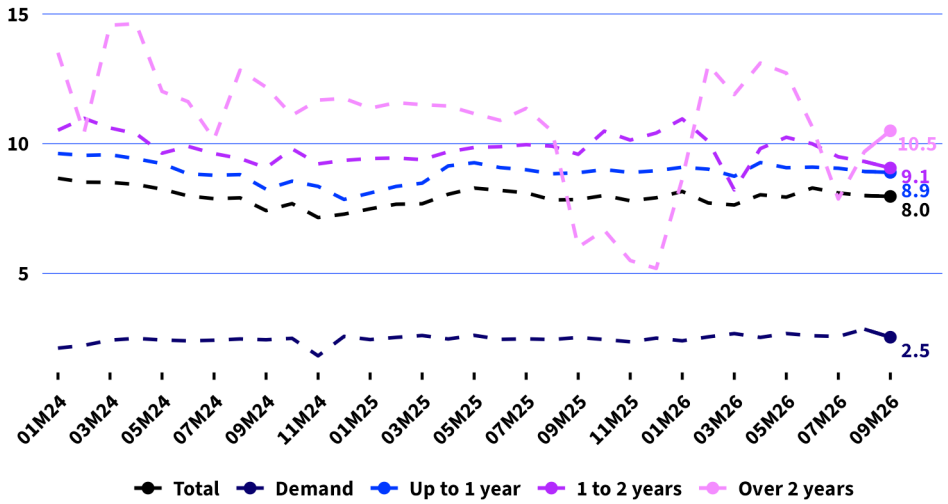
Average bank deposit rates by depositor sector, %



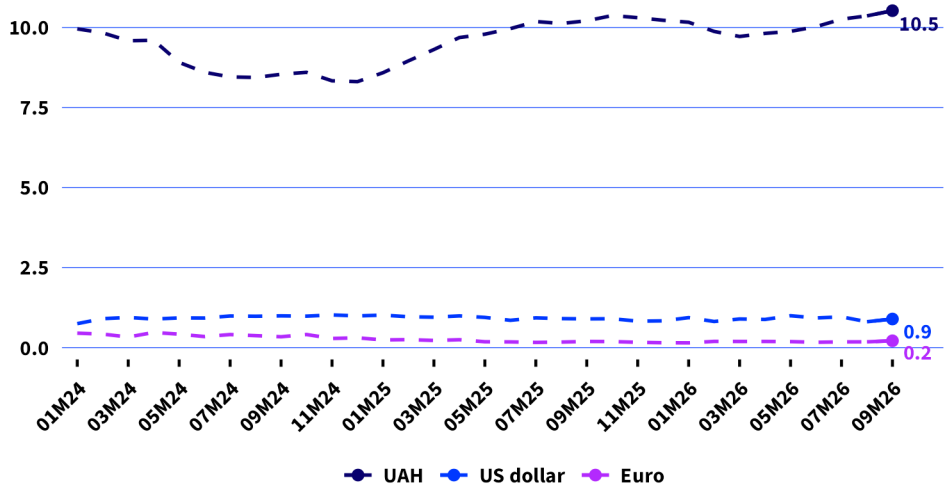
Household bank deposit rates by currency, %



Household bank deposit rates by maturity, %

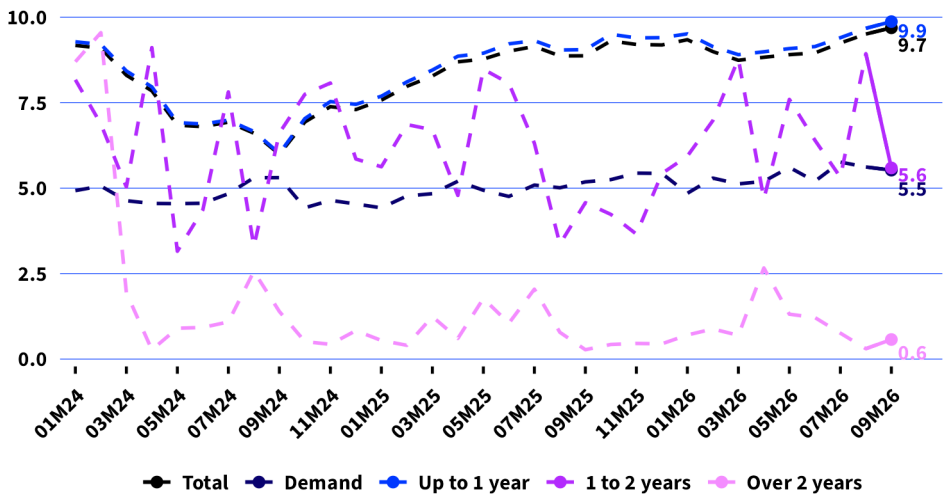


Non-financial corporate bank deposit rates by currency, %

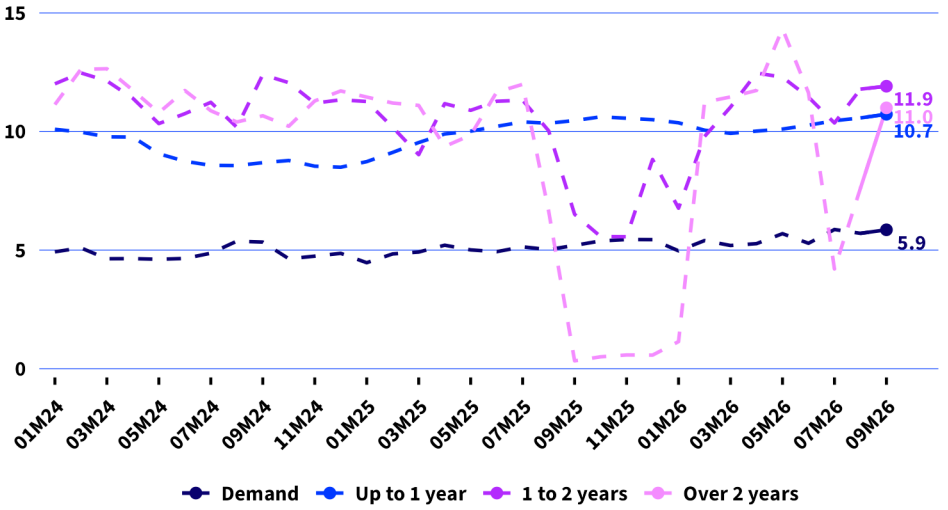


APPENDIX: DEPOSITS – INTEREST RATES (2/2)

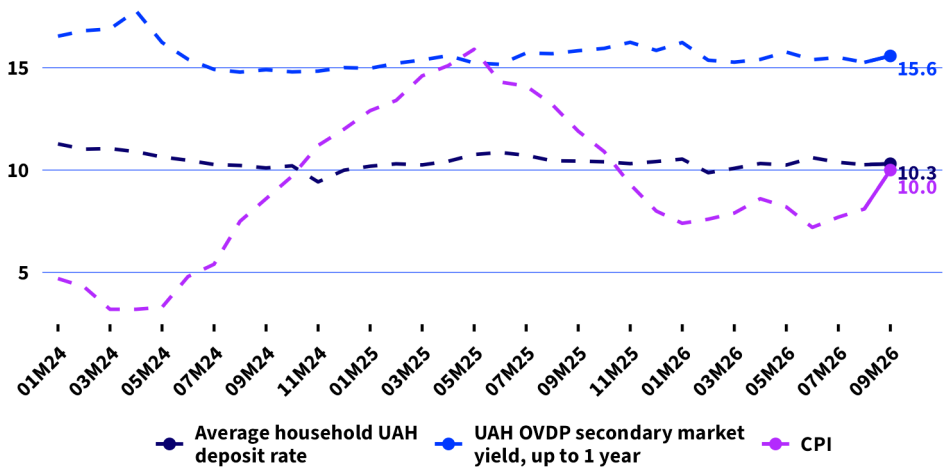
Non-financial corporate bank deposit rates by maturity, %



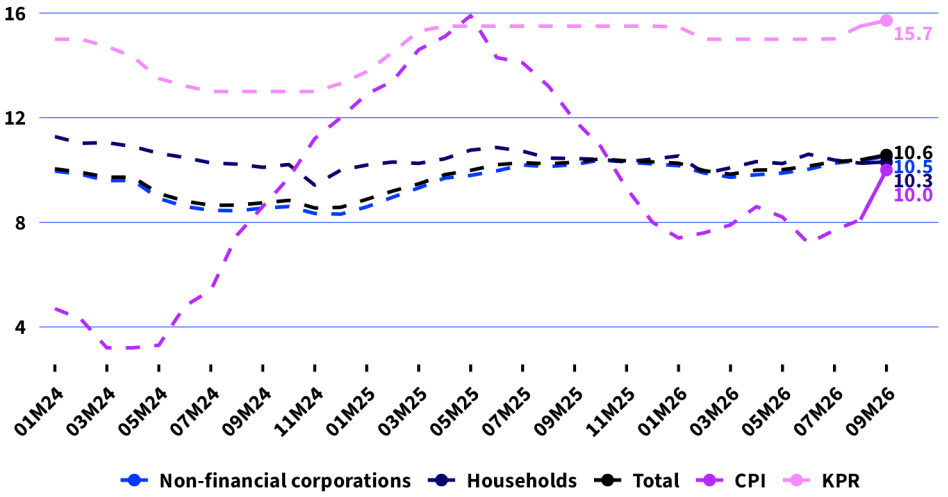
Interest rates on UAH corporate deposits by maturity, %



Average household UAH deposit rate versus short-term UAH OVDP secondary market yield, %

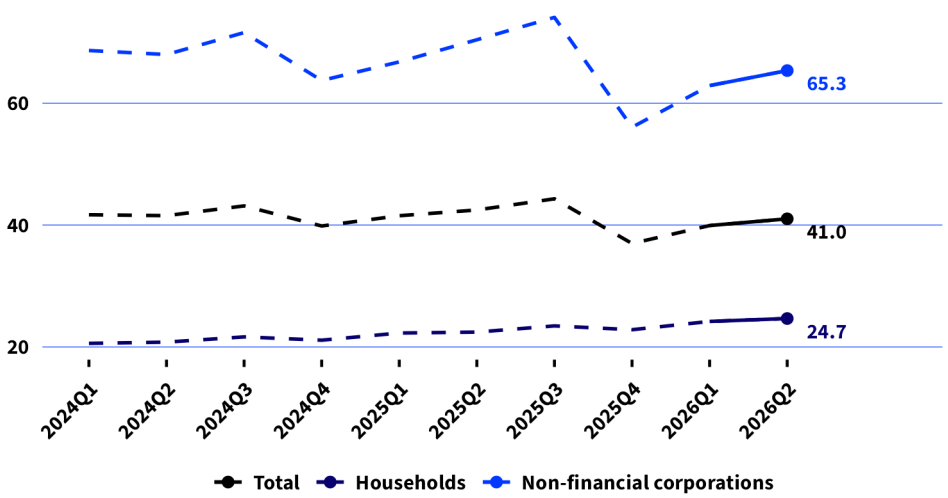


Interest rates on UAH deposits by depositor type, %

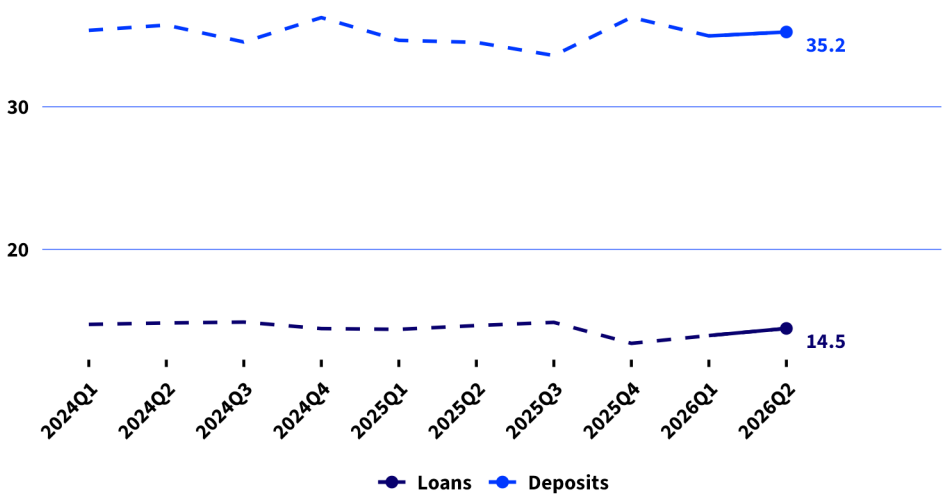


APPENDIX: ASSET MIX AND RATIOS TO GDP (1/2)

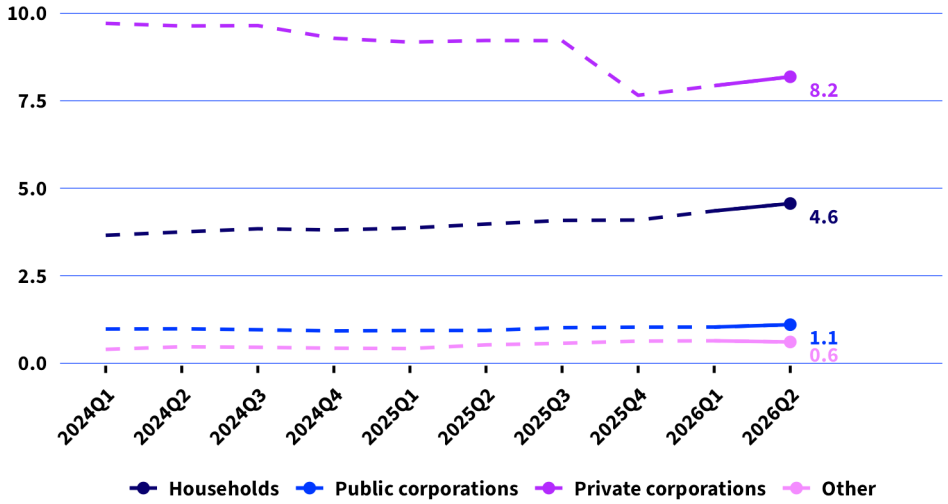
Loan-to-deposit ratio by sector, %



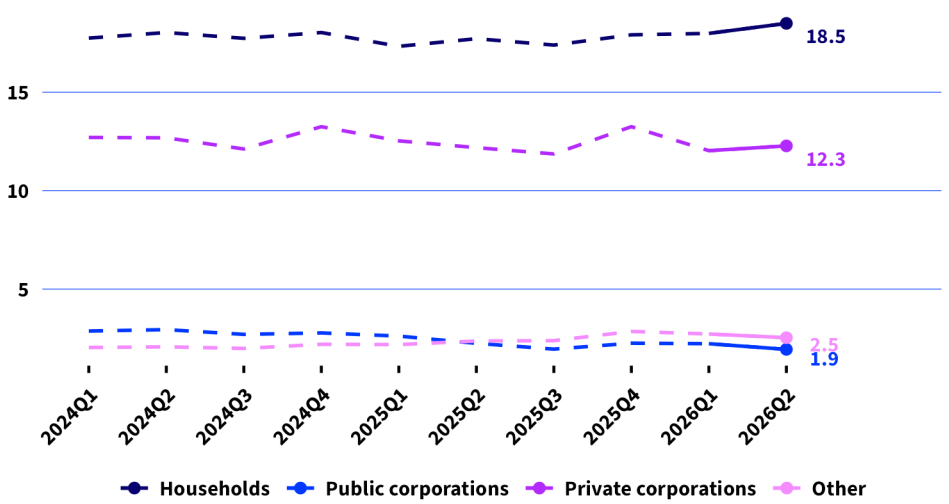
Bank loans and deposits, % of GDP



Bank loans by borrower sector, % of GDP

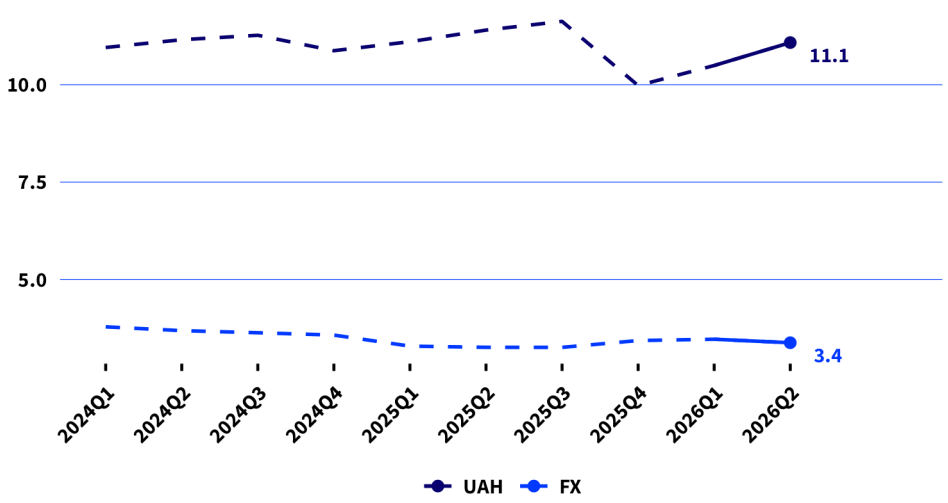


Bank deposits by depositor sector, % of GDP

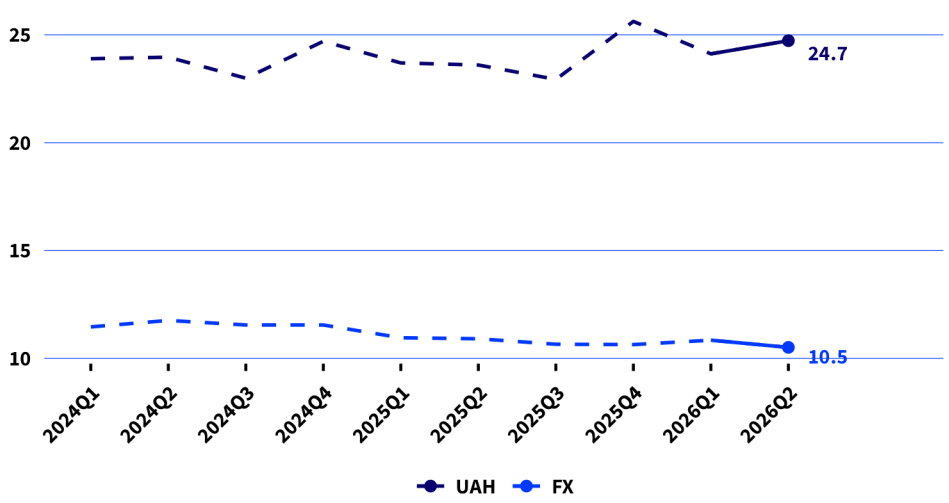


APPENDIX: ASSET MIX AND RATIOS TO GDP (2/2)

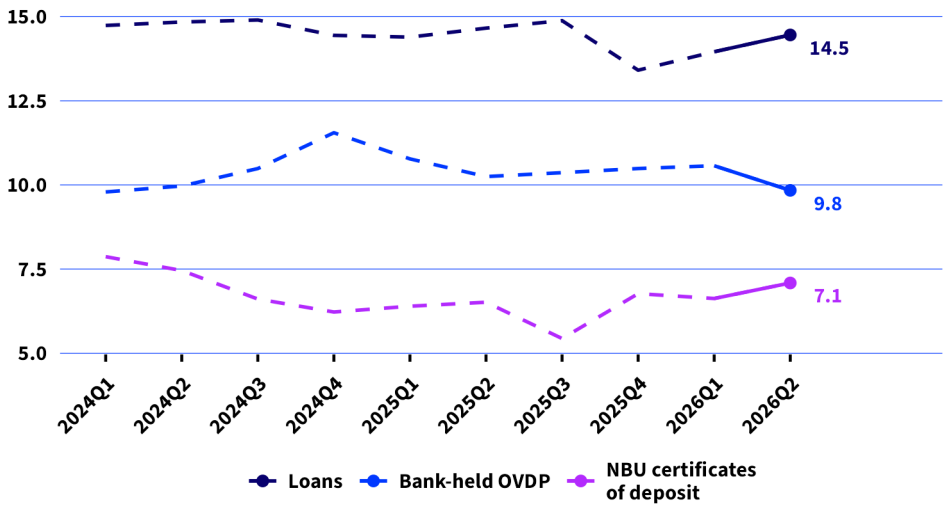
UAH and FX loans, % of GDP



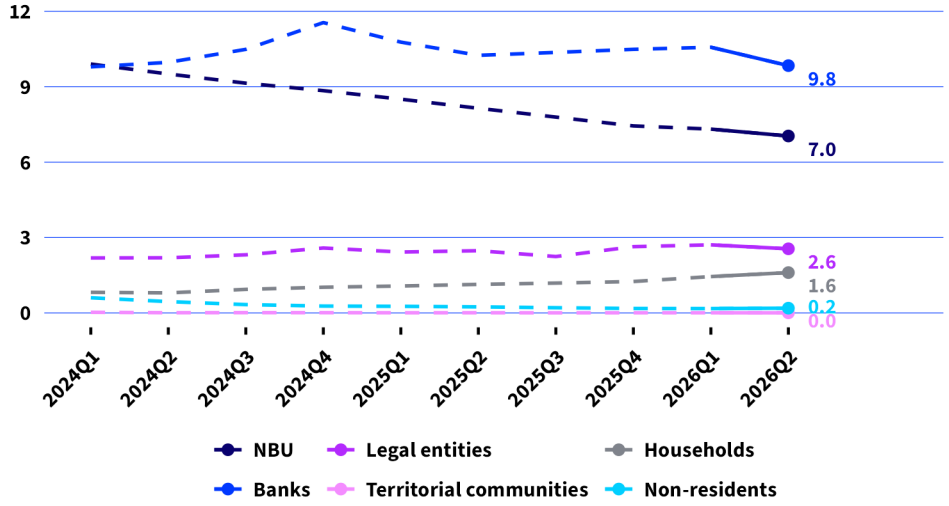
UAH and FX deposits, % of GDP



Bank loans, OVDP and NBU certificates of deposit, % of GDP

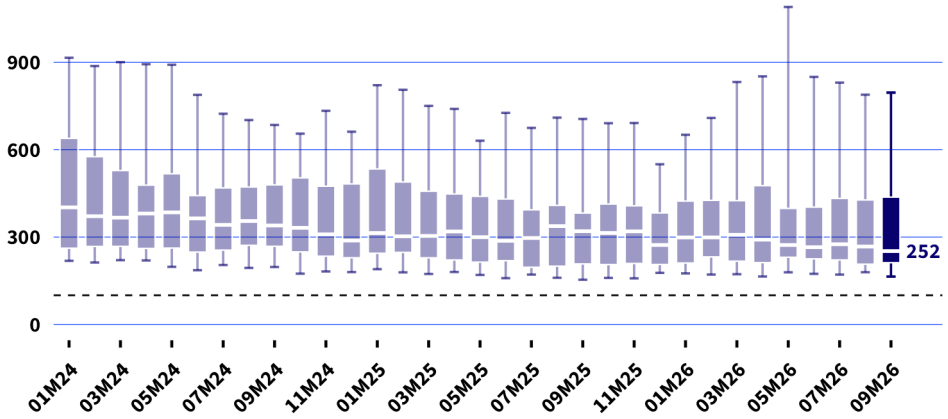


OVDP outstanding by holder, % of GDP



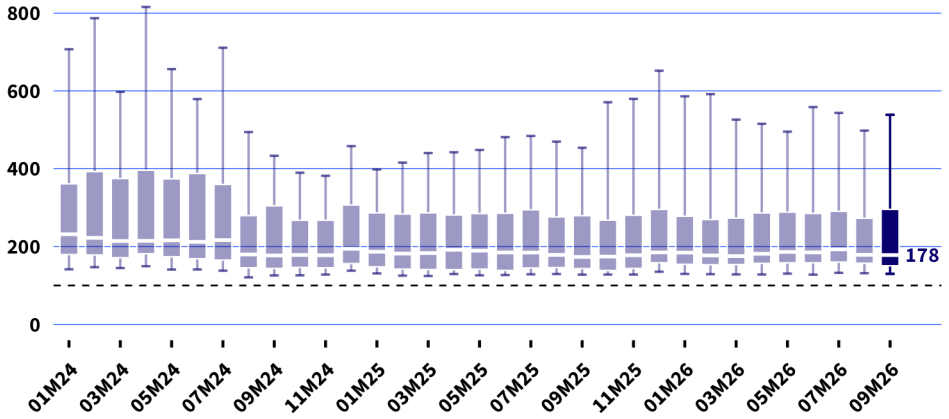
APPENDIX: LIQUIDITY, PROFITABILITY AND ASSET QUALITY (1/4)

Liquidity coverage ratio (LCR), all currencies, across banks, %



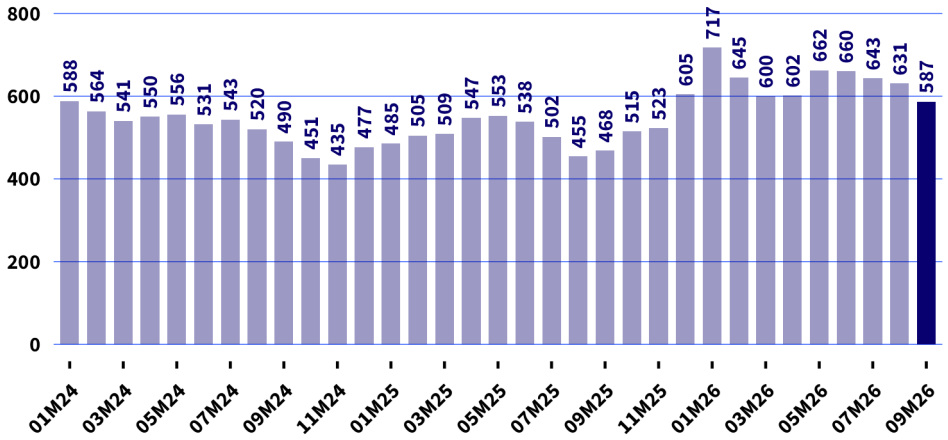
Box: 25th-75th percentile across banks, white line: median. Whiskers: 10th and 90th percentile. Dashed line: 100% minimum requirement. Latest month: 59 banks.

Net stable funding ratio (NSFR) across banks, %



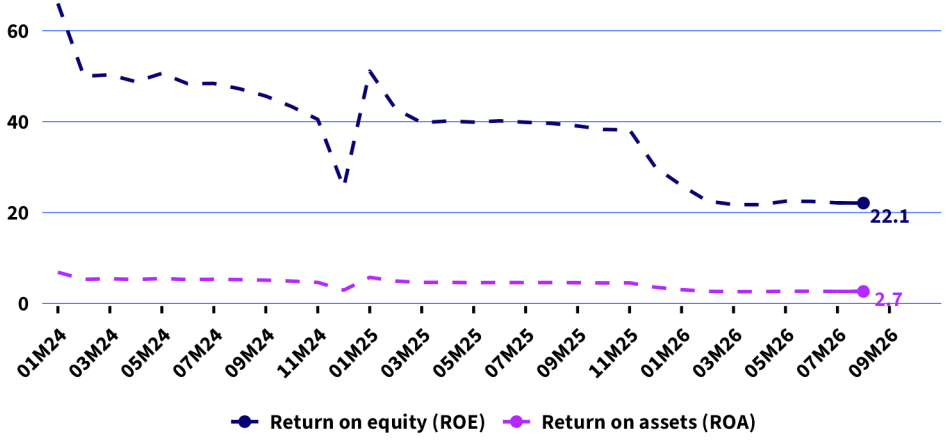
Box: 25th-75th percentile across banks, white line: median. Whiskers: 10th and 90th percentile. Dashed line: 100% minimum requirement. Latest month: 59 banks.

NBU certificates of deposit held by banks, UAH bn



Monthly average of daily outstanding amounts, overnight and tender certificates.

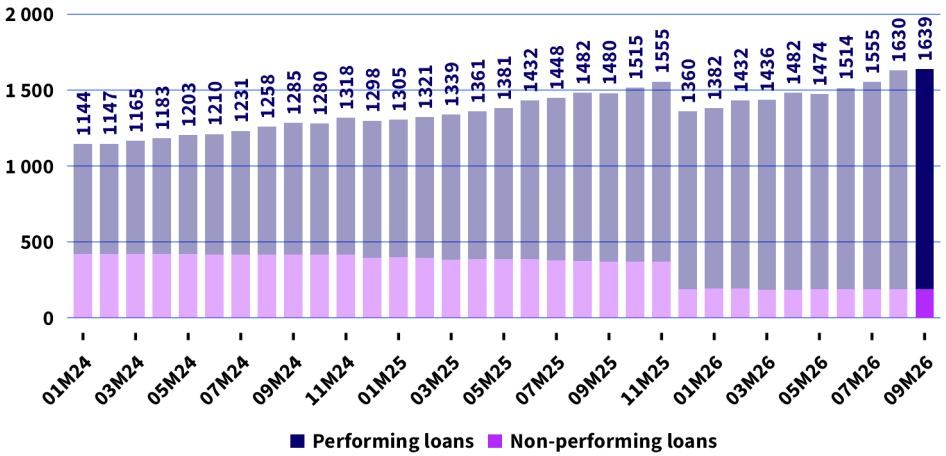
Banking system: return on assets and return on equity, %



Annualised, based on the result since the start of the year; the ratios restart every January.

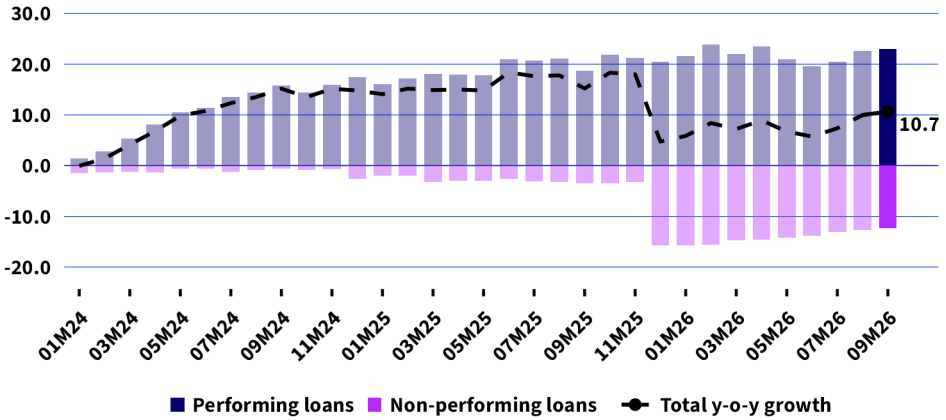
APPENDIX: LIQUIDITY, PROFITABILITY AND ASSET QUALITY (2/4)

Bank loans: performing and non-performing, UAH bn



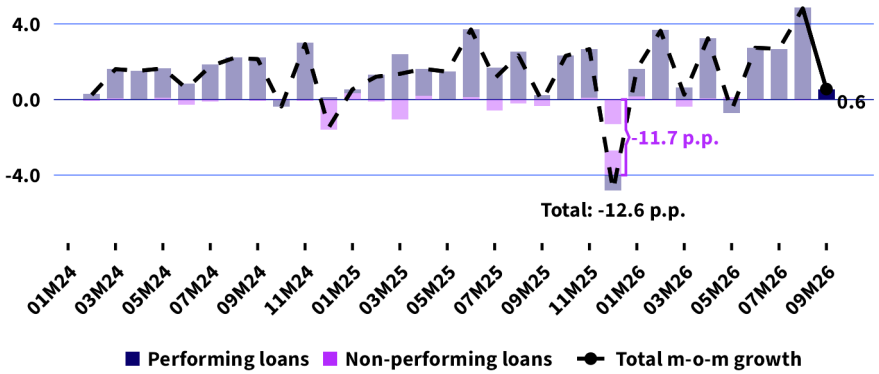
Gross loans (provisions not deducted).

Bank loans, performing and non-performing: contribution to y-o-y growth, p.p.



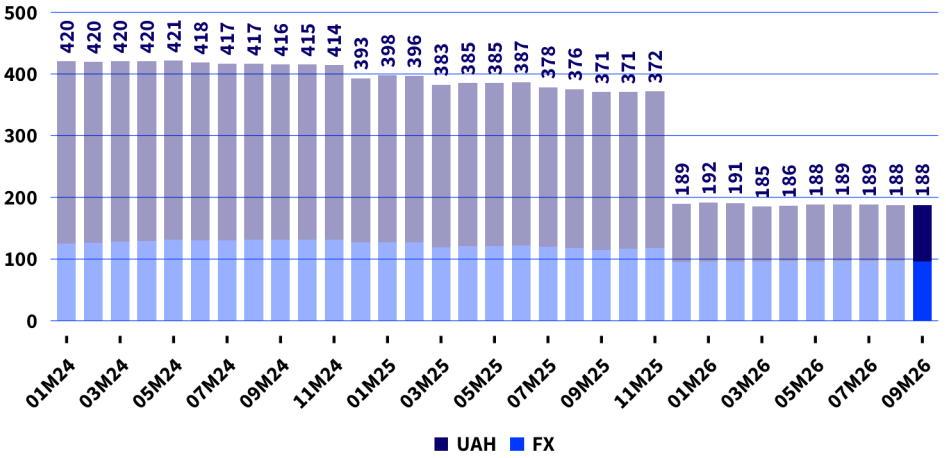
Gross loans (provisions not deducted).

Bank loans, performing and non-performing: contribution to m-o-m growth, p.p.



Gross loans (provisions not deducted).

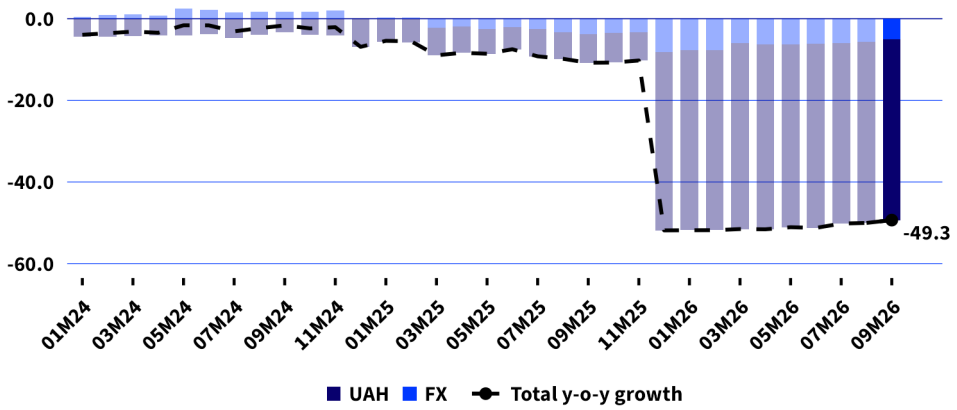
Non-performing loans by currency type, UAH bn



Gross non-performing loans (provisions not deducted).

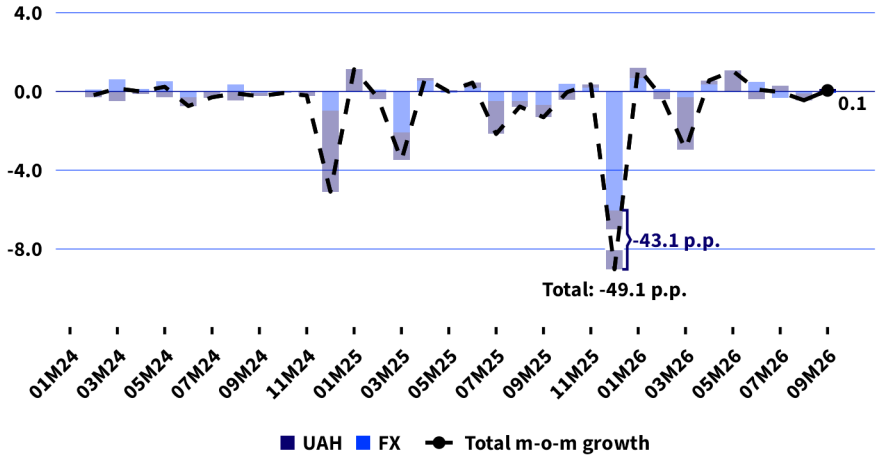
APPENDIX: LIQUIDITY, PROFITABILITY AND ASSET QUALITY (3/4)

Non-performing loans by currency type: contribution to y-o-y growth, p.p.



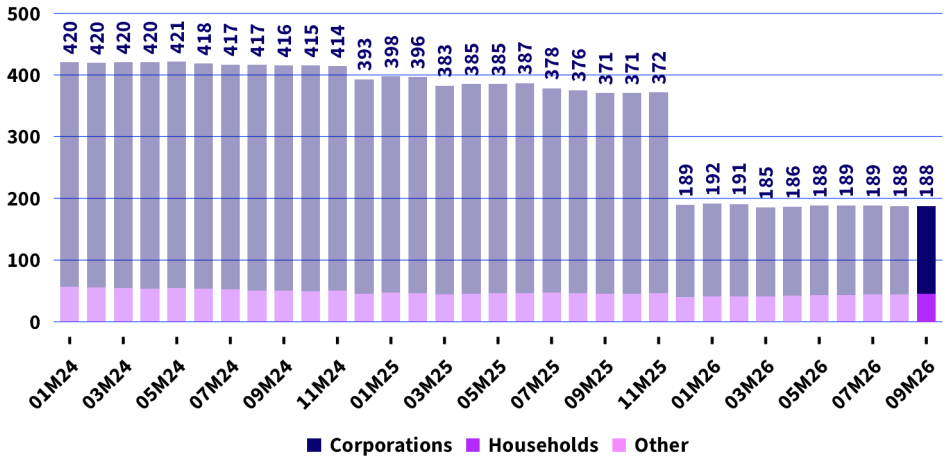
Gross non-performing loans (provisions not deducted).

Non-performing loans by currency type: contribution to m-o-m growth, p.p.



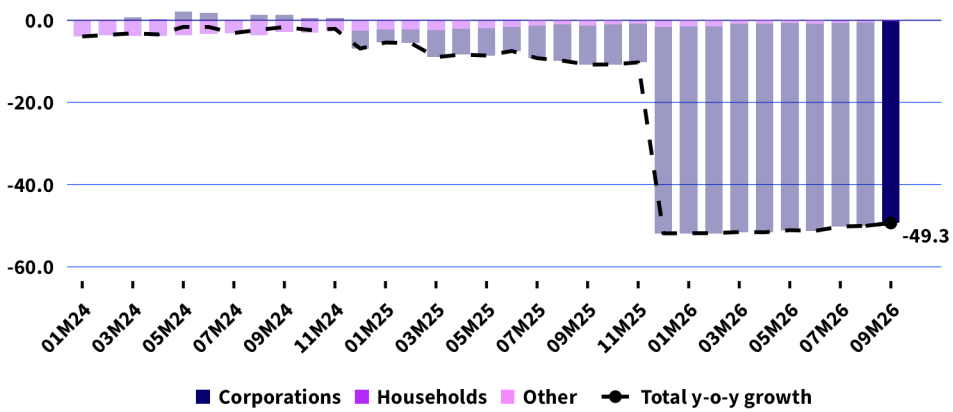
Gross non-performing loans (provisions not deducted).

Non-performing loans by borrower, UAH bn



Gross non-performing loans (provisions not deducted).

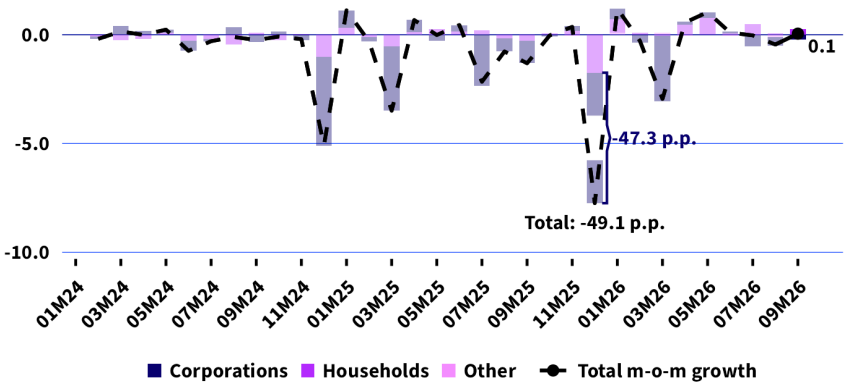
Non-performing loans by borrower: contribution to y-o-y growth, p.p.



Gross non-performing loans (provisions not deducted).

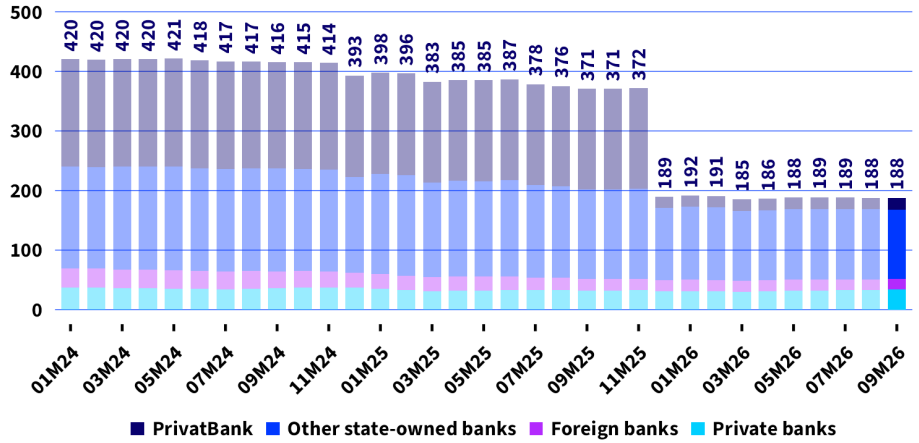
APPENDIX: LIQUIDITY, PROFITABILITY AND ASSET QUALITY (4/4)

Non-performing loans by borrower: contribution to m-o-m growth, p.p.



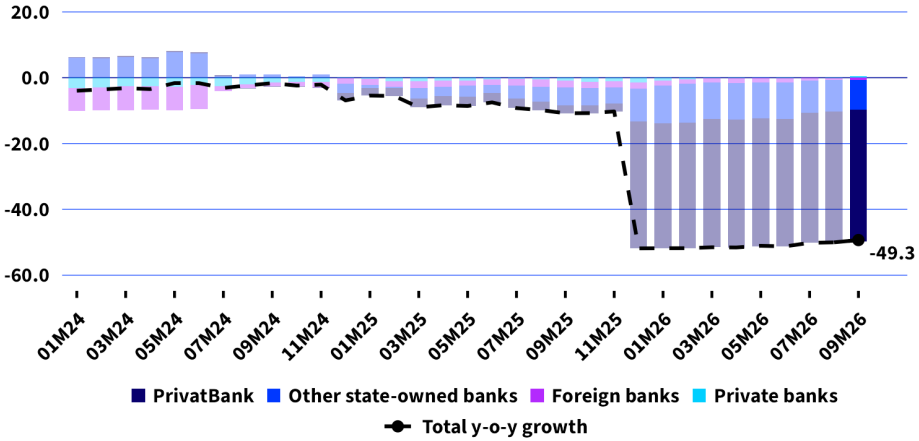
Gross non-performing loans (provisions not deducted).

Non-performing loans by bank type, UAH bn



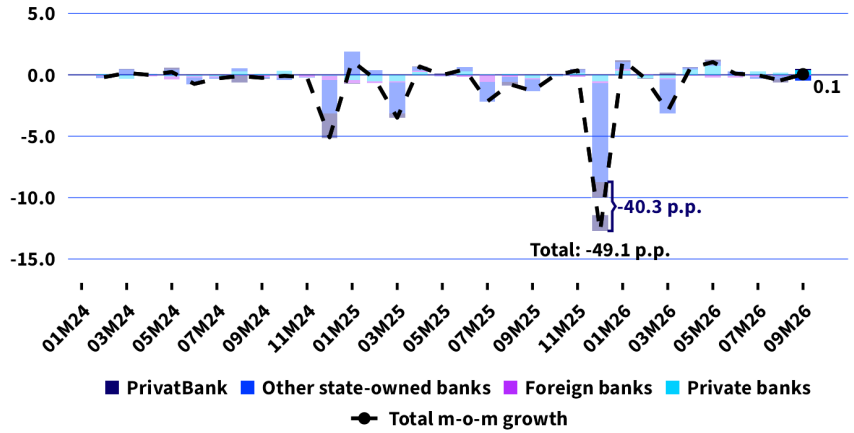
Gross non-performing loans (provisions not deducted).

Non-performing loans by bank type: contribution to y-o-y growth, p.p.



Gross non-performing loans (provisions not deducted).

Non-performing loans by bank type: contribution to m-o-m growth, p.p.



Gross non-performing loans (provisions not deducted).

Source: Natinal Bank of Ukraine, KSE Institute