National Bank of Ukraine

Banking Sector Review

August 2021

The growth in corporate and mortgage loan portfolios accelerated markedly in Q2. Growth rates of consumer loans are returning to pre-crisis levels, despite the introduction of the increased risk weights. Demand deposits – especially foreign currency ones – grew as a share of retail bank deposits. In annual terms, the growth in net interest income in Q2 2021 was the fastest in a decade due to the lower cost of liabilities. Net fee and commission income rose thanks to an increase in cashless payments and high demand for durable goods. The asset quality review of banks is drawing to an end. Its first results show that financial institutions mostly categorize their loans by quality class correctly. Results of the banks' asset quality review and stress tests will be published this autumn.

Sector Structure

The number of solvent banks remained unchanged in Q2 2021, with 73 banks operating in Ukraine. The share of domestic private banks in net assets of the sector increased by 1.2 pp over the quarter, which reduced the sector's concentration. The share of state-owned banks declined by 1.5 pp in Q2, although they continued to account for more than half of the sector's net assets.

Assets

The banking sector's net assets grew by 3.1% in Q2, driven mainly by stronger demand for corporate and retail loans and by an increase in Ukrainian banks' accounts abroad.

The growth in net hryvnia corporate loans accelerated in Q2 to 14.9%, up from 5.3% in the previous quarter. The growth reached an eight-year high of 29.8% yoy. Such rapid growth was largely due to the low comparison base of Q2 2020: bank loan portfolios then shrank in the wake of the first COVID-19 lockdown. Ukrainian private nonfinancial corporations were the only borrower category that significantly increased the size of its loan portfolio – by 20.0% qoq. The growth in loans to subsidiaries of foreign corporations and state-owned companies was weak. Foreign currency loans in the U.S. dollar equivalent increased by 0.8% qoq, yet dropping by 3.1% yoy.

Retail lending was on the rise: volumes of net hryvnia retail loans increased by 8.7% qoq and 23.8% yoy. Loans[1] for house purchase grew even more rapidly – by 16.0% qoq and 41.7% yoy.

Loan quality indicators improved on the back of the faster growth in lending and writing off nonperforming exposures. The nonperforming loan (NPL) ratio declined by 2.8 pp over the quarter, to 37.2%.

Funding

Banks' liabilities grew by 4.0% in Q2. The growth in liabilities was significant across all items, except Eurobonds and subordinated debt. Overall, funds due to the NBU rose by 21.1% qoq. At the same time, they declined somewhat due to the NBU's decision to phase out long-term refinancing. The share of funds due to the NBU in the banking sector's liabilities peaked in May, reaching 5.2%. At the end of the quarter, account balances of retail and corporate customers decreased by 1.3 pp, to 83.3% of total liabilities.

Hryvnia retail deposits continued to grow (by 5.5% qoq and 18.0% yoy). The growth came from demand deposits, whereas term deposits remained almost unchanged in Q2. FX retail deposits dropped by 1% qoq, but rose by 1.9% yoy in U.S. dollar equivalent.

Hryvnia corporate deposits grew by 4.8% qoq and 34.9% yoy. FX corporate deposits in U.S. dollar terms increased by 2.1% qoq and 7.3% yoy.

With hryvnia components of the funding base growing faster than FX components, the dollarization of retail and corporate deposits declined by 1.7 pp over the quarter, to 36.7%.

Interest Rates

In view of inflation risks, the NBU hiked its key policy rate twice in April–July 2021, to 8.0% per annum. However, banks did not rush to raise interest rates on deposits, while state-owned banks even lowered their deposit rates. Interest rates on new 12-month hryvnia retail deposits stopped declining, currently being at the level of the NBU key policy rate. At the same time, interest rates on new 3-month deposits declined by 0.5 pp qoq, while the spread between interest rates on 3-month and 12-month deposits exceeded 1 pp. Interest rates were at their lowest in late May, but then increased slightly. Rates on U.S. dollar deposits hovered below 1% per annum.

[1] For the purchase, construction, and renovation of real estate (including land plots).

Interest rates on new hryvnia corporate loans increased to 9.5% per annum. This was driven by an increase in ultra-short loans (up to 1 month) that are sensitive to changes in the key policy rate. Meanwhile, rates on longer-term loans to small and micro business declined by 0.3 pp qoq. Consumer lending remained the most profitable segment. Rates on retail loans fluctuated around 30% per annum.

Financial Results and Capital

In Q2, the banking sector posted profits 2.5 times higher than in the same period of 2020. Return on equity rose to 29% from 23% last year. This was due to two factors: a rapid growth in operating income and a significant reduction in provisions. Net interest income and fee and commission income grew by about 40% yoy due the lower cost of funding, a recovery in consumer lending, and an increase in cashless retail transactions. Operational efficiency improved compared with Q1, almost reaching the last year's level. The ratio of operating costs to operating income (cost-to-income ratio, CIR) was 49.9%, compared with 48.5% in Q2 2020.

In H1 2021, the banking sector's profit was by almost a quarter larger than in H1 2020, totaling UAH 31 billion. Ten banks reported losses in H1, but their total loss was insignificant.

Prospects and Risks

The recovery from the coronavirus crisis contributed to an increase in lending volumes in Q2 and an easing of lending standards as reported by banks in the Lending Survey. Although macroeconomic threats are weakening, banks should continue to make proper risk assessments. Thus, to create a capital cushion for covering potential losses if the quality of the unsecured consumer loan portfolio deteriorates, on 1 July the NBU began the first stage of raising the risk weights for these loans to 125%. From the start of 2022, the risk weights will be increased to 150%.

The quality of bank loan portfolios is assessed annually at asset quality reviews. The large corporate borrowers' resilience to potential future shocks is additionally assessed through stress testing. Asset quality reviews will be completed in Q3. Their first results indicate that, despite the crisis, the loan portfolio quality remains acceptable, and the risks are assessed properly. The aggregated results of banks' stress tests will be published this autumn, and a breakdown by banks will be available by the end of 2021.

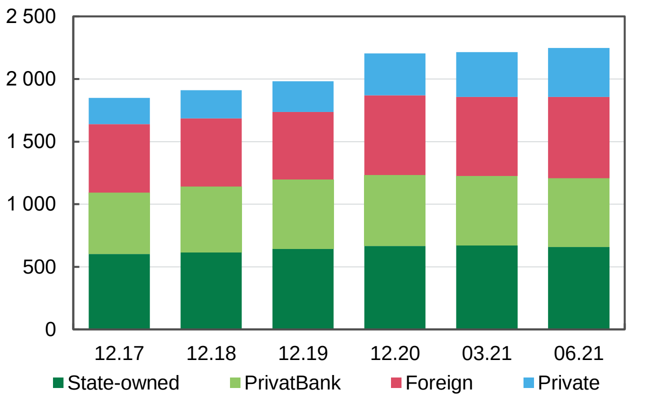
The share of demand deposits in retail deposits has been on the rise since the start of the coronavirus crisis. On the one hand, such funding is less costly for banks, but, on the other hand, a large share of demand deposits increases long-term liquidity risks. Therefore, the current net stable funding ratio (NSFR) is designed to encourage banks to attract term deposits.

Deposit rates declined more slowly in H1, mostly supported by a decrease in retail deposit rates at state-owned banks. The effect of lower deposit rates will fade away by the end of the year, causing a general narrowing of the interest rate spread.

Sector Structure

The number of going-concern banks did not change in Q2 2021. Total assets increased by 1.6% qoq, with domestic private banks showing the fastest growth. State-owned banks continued to write off provisioned nonperforming loans, and their total assets decreased.

Figure 1. Banks' total assets, UAH billions*



* Solvent banks have been grouped in accordance with their classification in the respective reporting period.

Table 1. Number of banks*

	2017	2018	2019	2020	6M21
Solvent	82	77	75	73	73
Change	-14	-5	-2	-2	0
State-owned**	5	5	5	5	5
Change	-1	0	0	0	0
Foreign	23	21	20	20	20
Change	-2	-2	-1	0	0
Private	54	51	50	48	48
Change	-11	-3	-1	-2	0

* As of end of period.
** Including PrivatBank.

The share of state-owned banks in net assets and retail deposits decreased by 1.5 pp, to 50.4%, and 0.7 pp, to 58.6%, respectively. Private banks continue recovering their market positions, with their share in net assets growing to 19.6%, the highest level since 2015.

Figure 2. Distribution of net assets across groups of banks

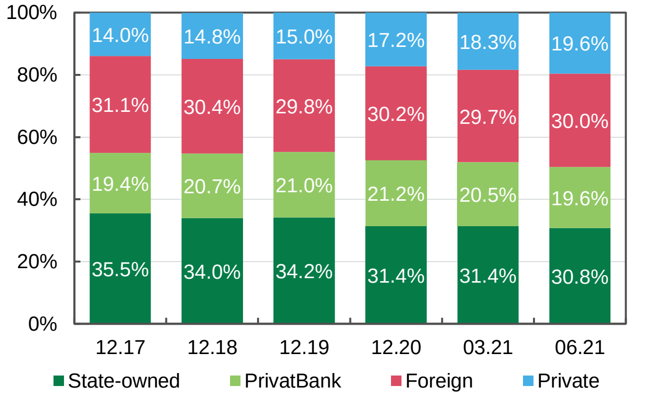
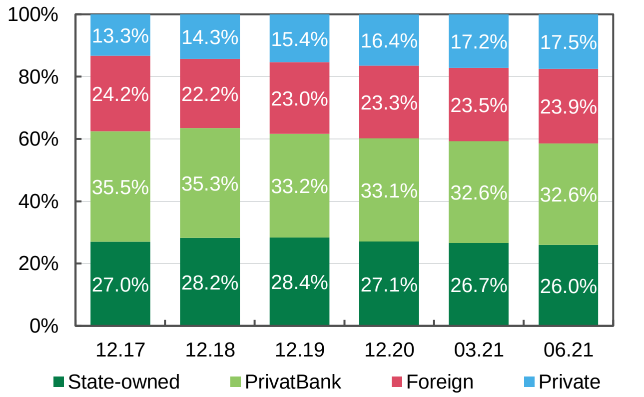


Figure 3. Distribution of retail deposits across groups of banks



Rapid development of private banks led to a decrease in asset concentration. The share of largest 20 banks in the sector's net assets dropped by 1.0 pp over the quarter, to 90.3%.

Figure 4. The largest banks' share of the sector's net assets

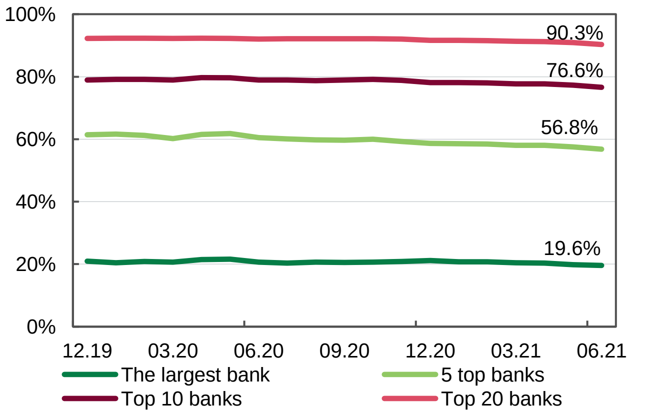
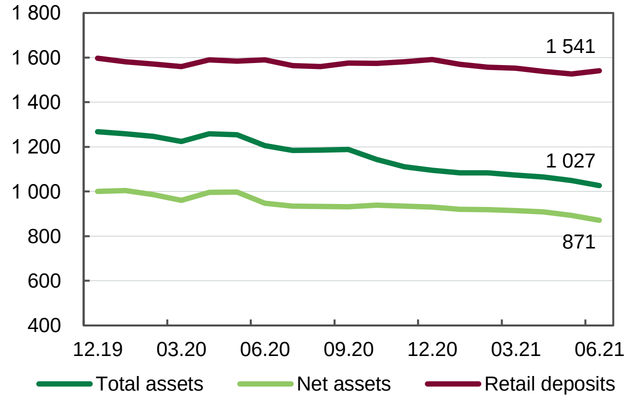


Figure 5. Concentration as defined by the HHI indicator*

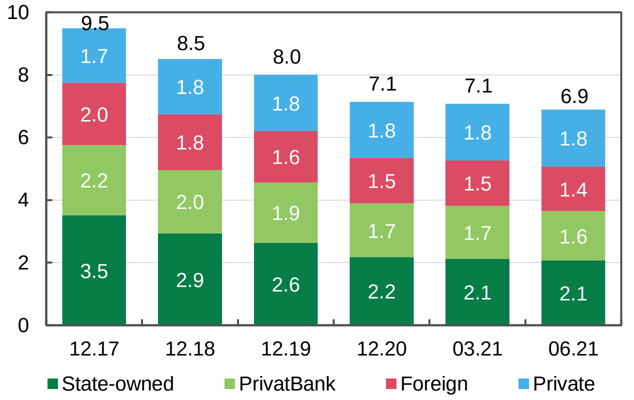


* The Herfindahl-Hirschman Index (HHI) is an indicator of banking sector concentration. It is calculated by summing the squared market shares of individual banks. The index ranges from 0 to 10,000, with values below 1,000 indicating low market concentration. Retail deposits include certificates of deposit.

Banking Infrastructure

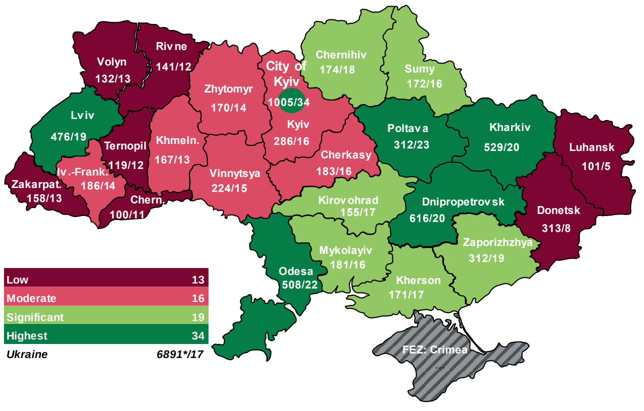
In Q2, banks were actively reducing their branch networks, especially PrivatBank and Oschadbank (closed 110 and 54 branches respectively). Foreign banks closed 24 branches. Only private banks opened new branches (17). By region, the largest decrease in the number of standalone units was seen in Kyiv and Odesa oblasts (32 and 22 respectively).

Figure 6. Number of bank structural units*, thousands



* Standalone bank structural units and head offices.

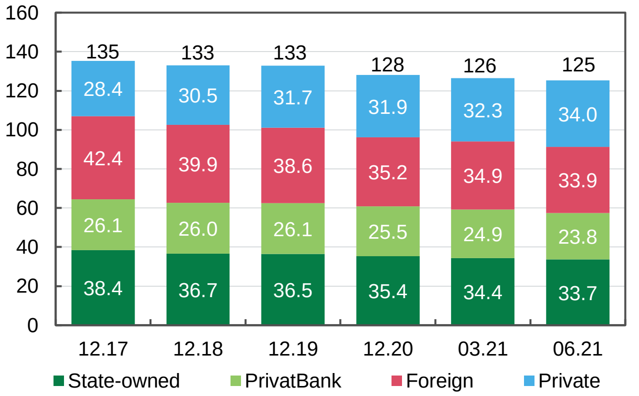
Figure 7. Operating bank structural units in selected regions as of 1 July 2021, structural units / structural units per 100,000 individuals



* Excluding four structural units abroad.

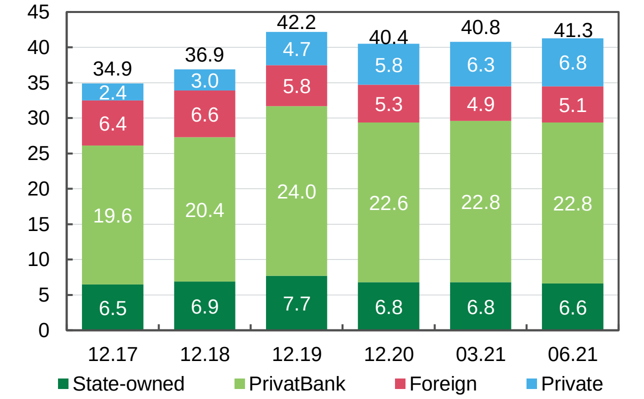
Banks laid off 1,100 employees in Q2, with state-owned and foreign banks leading the way. That said, private banks hired almost 1,700 employees.

Figure 8. Bank staff headcount, thousands of employees



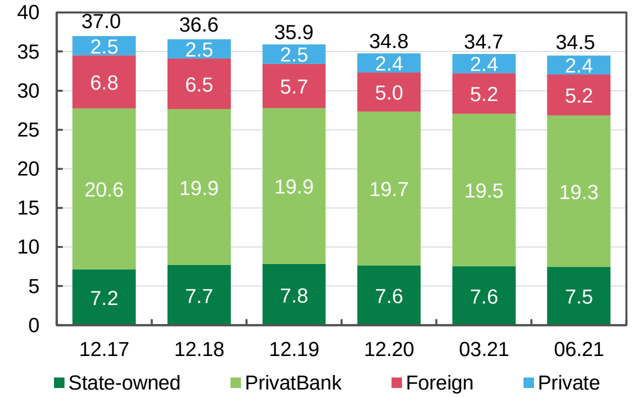
The number of active payment cards increased in Q2. The increase has been the largest at private banks for three quarters running.

Figure 9. Number of active payment cards by groups of bank, millions of units



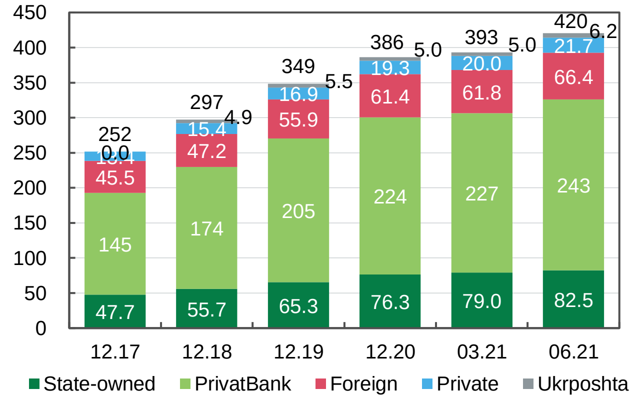
Banks significantly expanded their POS-terminal networks in Q2. The increase in POS-terminal networks was driven by PrivatBank (+16,200 terminals) and foreign banks (+4,700 terminals). The number of ATMs declined across all groups: banks disconnected 198 ATMs over the quarter.

Figure 10. Number of ATMs*, thousands of units



* Number of self-service bank machines (ATMs, deposit ATMs, and self-service kiosks).

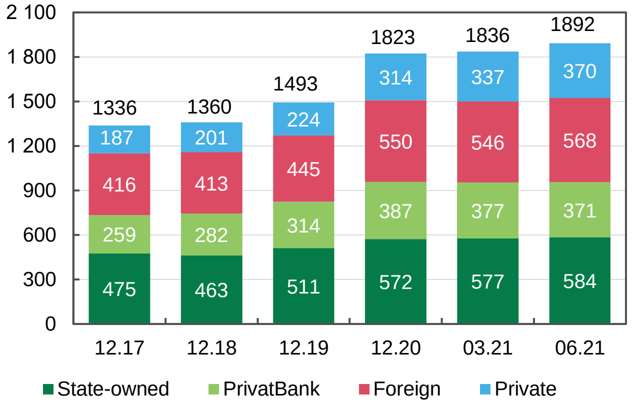
Figure 11. Number of POS terminals, thousands of units



Assets

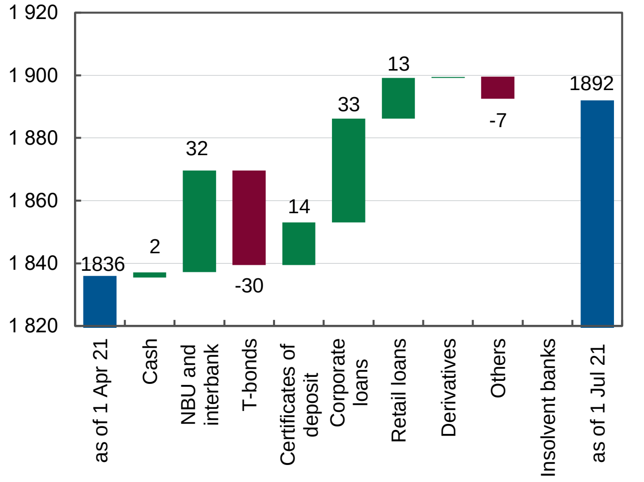
The banking sector's net assets grew by 3.1% in Q2, with the fastest growth recorded by domestic private banks (+9.9%). Across net asset components, customer loan portfolios and FX interbank accounts increased the most in nominal terms.

Figure 12. Banks' net assets*, UAH billions



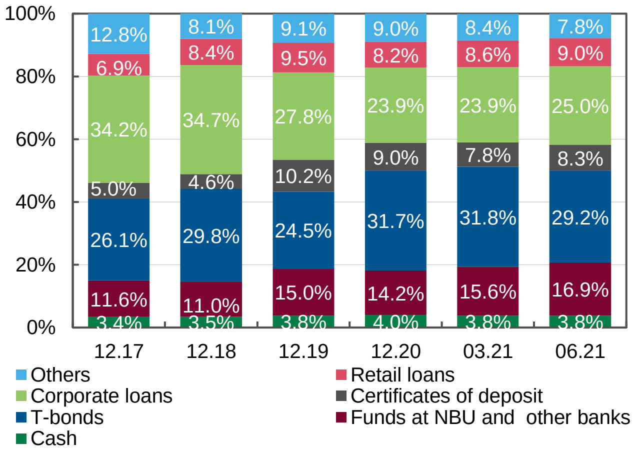
* Adjusted for loan loss provisions of banks.

Figure 13. Change in net assets by component in Q2 2021, UAH billions



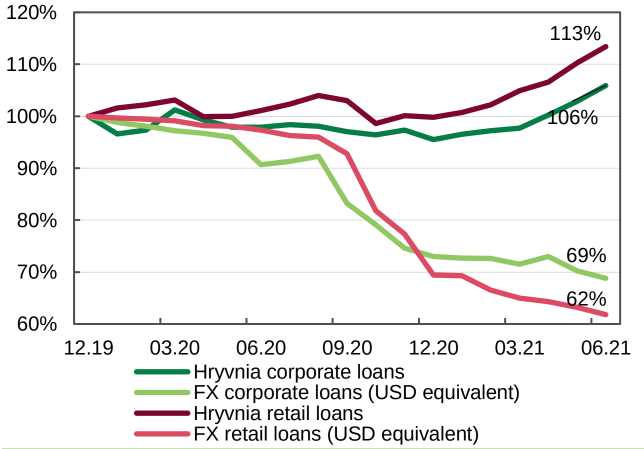
The share of customer loan portfolios in net assets increased by 1.5 pp over the quarter, to 33.9%. Interbank accounts grew by 1.2 pp, to 16.9%, due to an increase in FX funds. On the other hand, the share of domestic government debt securities shrank by 2.5 pp.

Figure 14. Sector net assets by component



* Adjusted for loan loss provisions of banks.

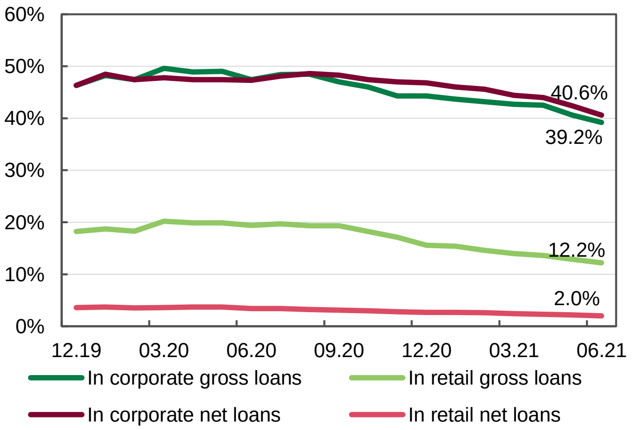
Figure 15. Gross corporate and retail loans, 2019 = 100%



* Issued by banks solvent as of 1 July 2021.

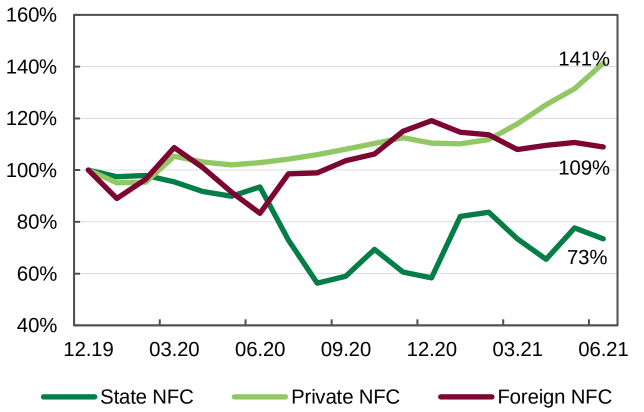
The growth in net hryvnia corporate loans reduced the dollarization by 3.8 pp in Q2, to 40.6%.

Figure 16. Share of FX loans



Volumes of net hryvnia loans to Ukrainian private corporations rose by 20.0% qoq and by 37.3% yoy.

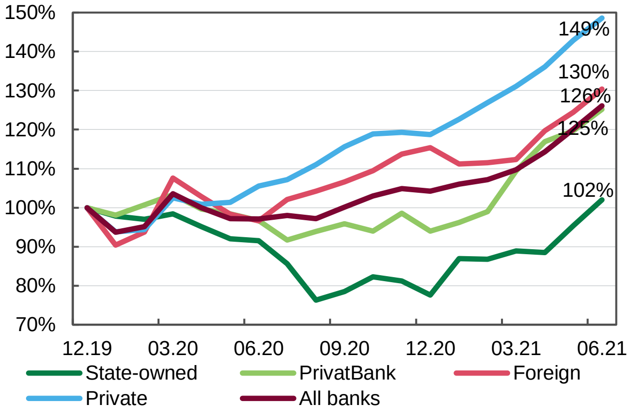
Figure 17. Net loans to nonfinancial corporations (NFCs) in UAH, 2019 = 100%*



* Issued by banks solvent as of 1 July 2021.

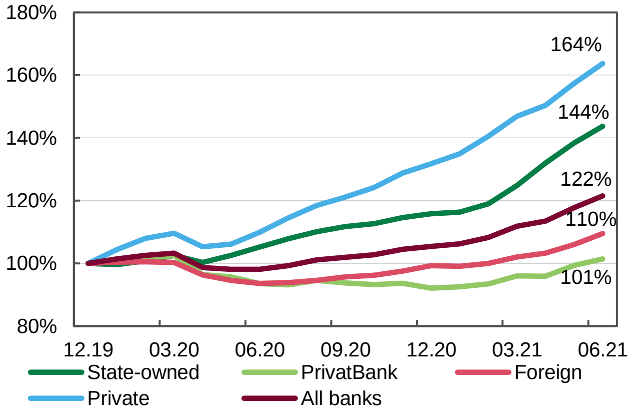
Volumes of net hryvnia corporate loans grew by 14.9% qoq, the growth being even across groups of banks. In annual terms, the net hryvnia corporate loan portfolio grew by 29.8%. Growth rates of hryvnia retail loans are returning to the levels observed before the coronavirus crisis (8.7% qoq and 23.8% yoy).

Figure 18. Net hryvnia corporate loans, 2019 = 100%*



* Issued by banks solvent as of 1 July 2021.

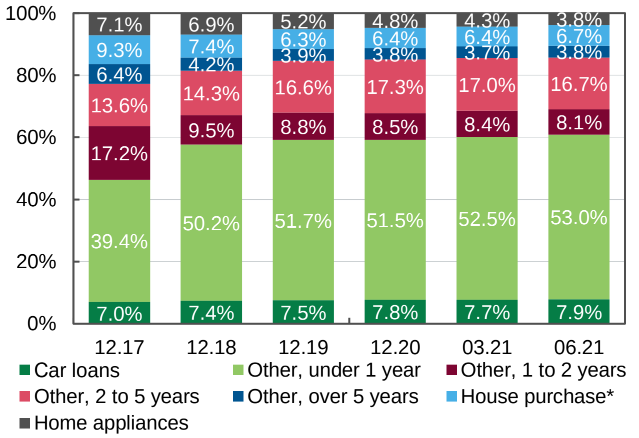
Figure 19. Net hryvnia retail loans, 2019 = 100%*



* Issued by banks solvent as of 1 July 2021.

The share of loans for house purchase increased by 0.3 pp over the quarter, reaching 6.7%.

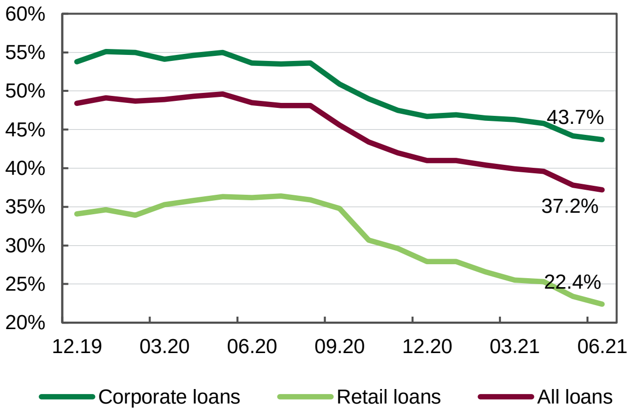
Figure 20. Gross hryvnia retail loans by purpose



* For the purchase, construction, and renovation of real estate (including land plots).

The growth in loan portfolios pushed down the NPL ratio, which declined by 2.8% qoq, to 37.2%.

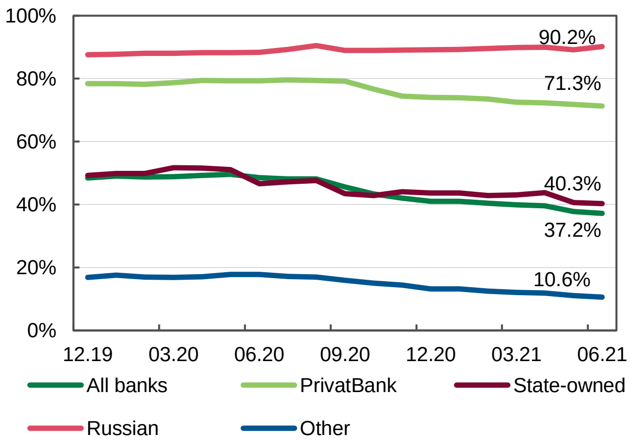
Figure 21. Banks' NPL ratios*



* At all banks, including insolvent ones; excluding off-balance sheet liabilities. Individuals, including sole proprietors.

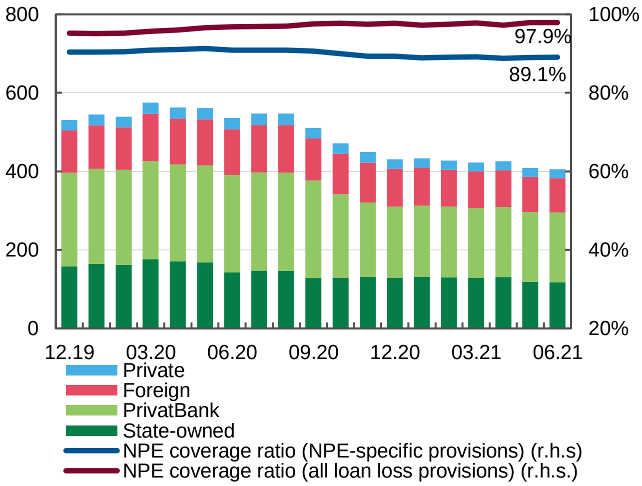
State-owned banks (except PrivatBank) writing off fully provisioned NPLs was an important factor behind the decline in the NPL ratio. The NPL coverage with all loan loss provisions reached a new maximum of 97.9% as of end-June.

Figure 22. NPL ratio across groups of banks*



* Including interbank loans; at all banks, including insolvent ones; excluding off-balance sheet liabilities.

Figure 23. Non-performing exposures (NPE) and provisions



Funding

Banks' liabilities increased by 4.0% in Q2. The budgetary accounts and NBU refinancing loans grew at the fastest pace.

Figure 24. Liabilities by groups of banks, UAH billions

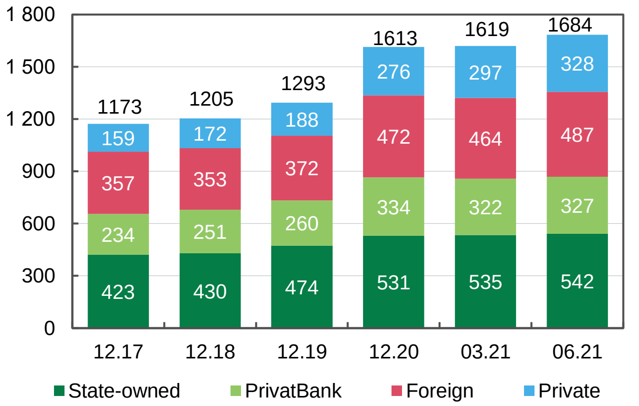
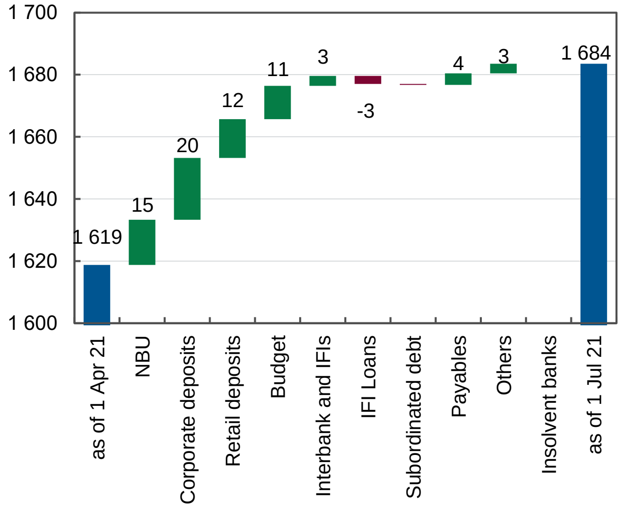
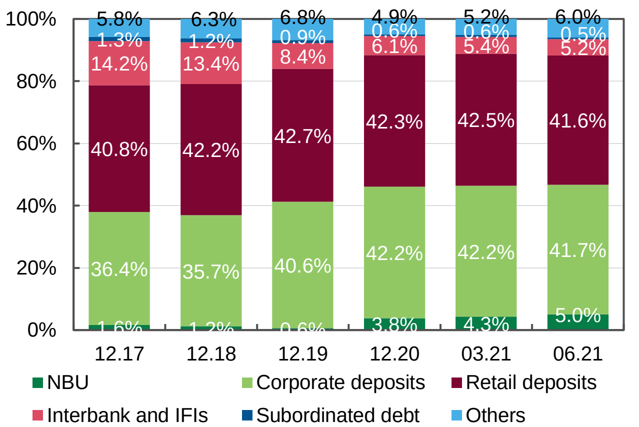


Figure 25. Changes in liabilities in Q2 2021 by factor, UAH billions



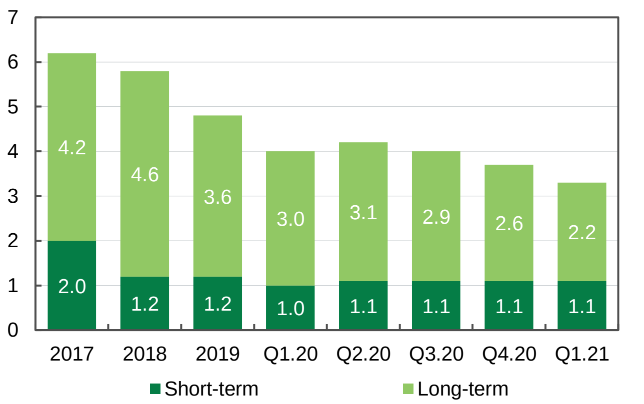
In Q2, the share of customer deposits decreased by 1.3 pp, to 83.3%.

Figure 26. Breakdown of liabilities



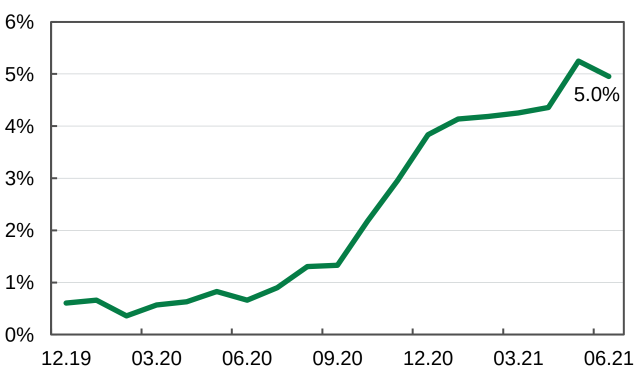
In Q1 2021, banks' gross external debt declined by USD 408 million as a result of Eurobond redemptions by Ukreximbank and Oschadbank.

Figure 27. Banks' gross external debt, USD billions



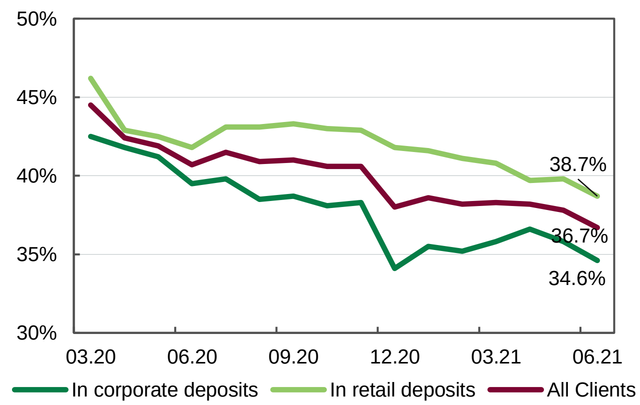
The share of funds due to the NBU in banks' liabilities reached a local maximum of 5.2% in May, having grown by 0.7 pp qoq, to 5.0%.

Figure 28. Share of NBU funds in bank liabilities



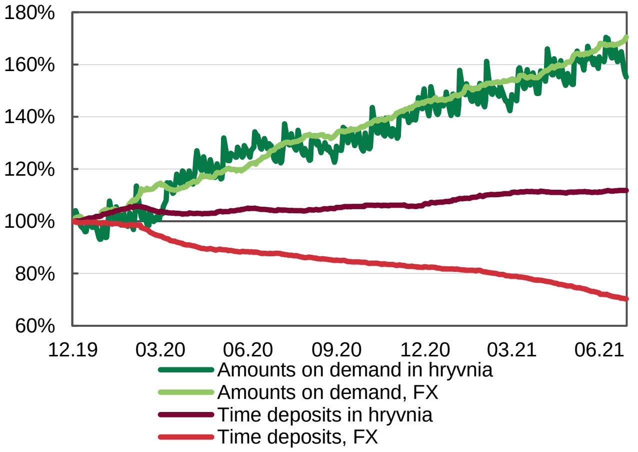
The dollarization rate of customer deposits fell by 1.7 pp (to 36.7%) in Q2 as hryvnia deposits grew.

Figure 29. Percentage of FX deposits



Hryvnia retail deposits increased by 5.5% qoq (+18% yoy) as demand deposits grew by 9.8% over the quarter.

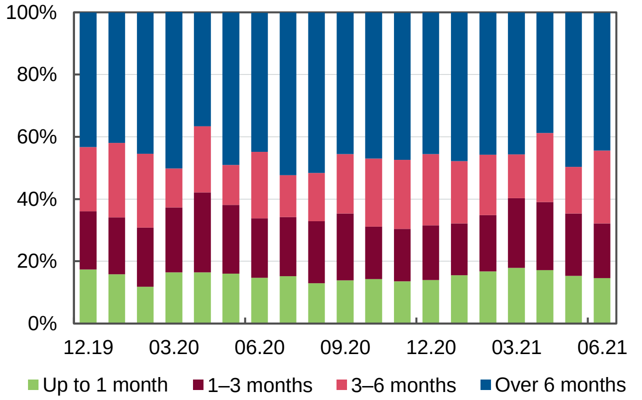
Figure 30. Retail deposits, 2019 = 100%*



* At solvent banks as of 1 July 2021.

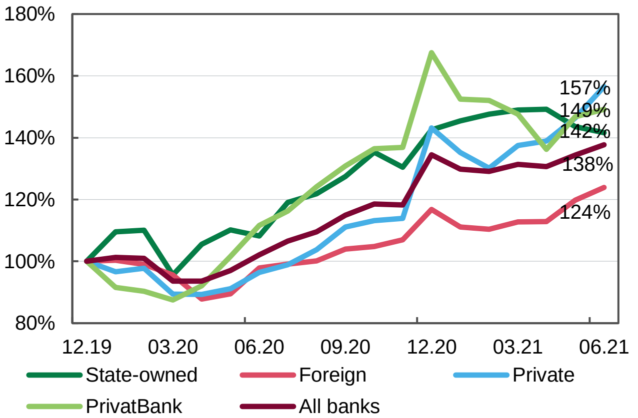
In Q2 2021, the share of new hryvnia term deposits with maturity of three month and more was 64.6%, remaining almost unchanged compared with the previous quarter.

Figure 31. New hryvnia retail deposits by maturity



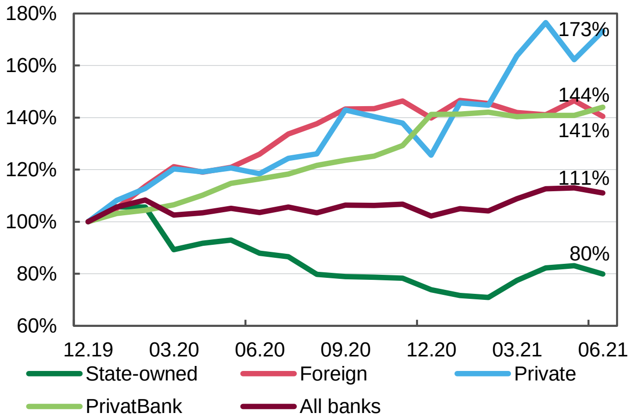
Hryvnia corporate deposits grew by 4.8% qoq and 34.9% yoy. The growth was the fastest at domestic private banks, while state-owned banks saw a decline in hryvnia corporate deposits. FX corporate loans rose in U.S. dollar terms by 2.1% qoq and 7.3% yoy.

Figure 32. Hryvnia corporate deposits by groups of banks, 2019 = 100%*



* At solvent banks as of 1 July 2021.

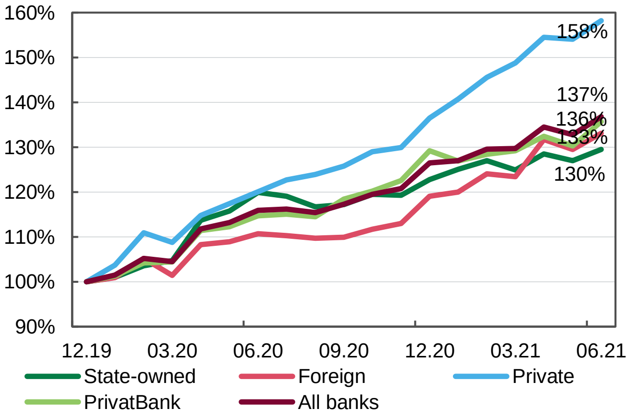
Figure 33. FX corporate deposits (in US dollar equivalent) by groups of banks, 2019 = 100%*



* At solvent banks as of 1 July 2021.

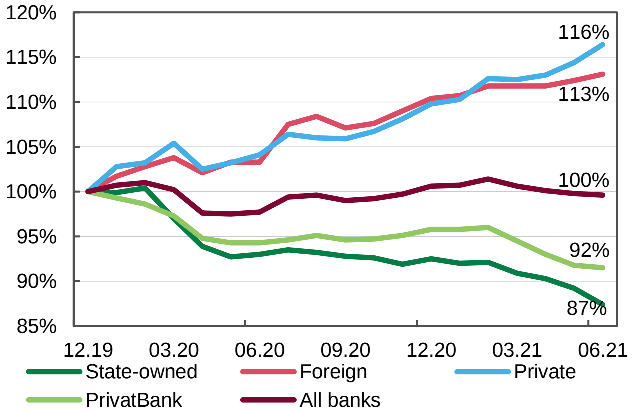
Hryvnia retail deposits grew evenly across all groups of banks. The growth was the fastest at foreign banks – 7.7% qoq. FX deposits decreased at state-owned banks (including PrivatBank), which drove an overall decline in FX deposits by 1.0% qoq in U.S. dollar equivalent.

Figure 34. Hryvnia retail deposits by groups of banks, 2019 = 100%*



* At solvent banks as of 1 July 2021.

Figure 35. FX retail deposits (in US dollar equivalent) by groups of banks, 2019 = 100%*

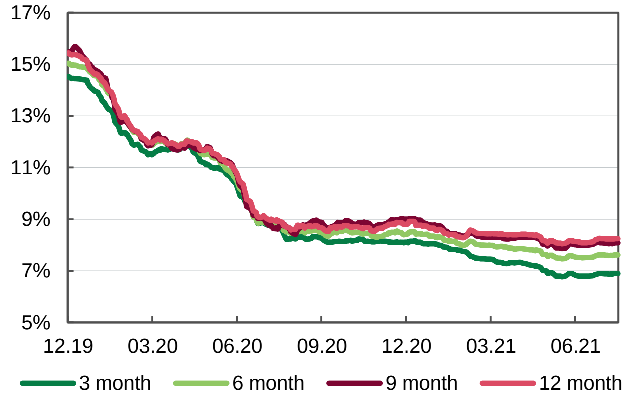


* At solvent banks as of 1 July 2021.

Interest Rates

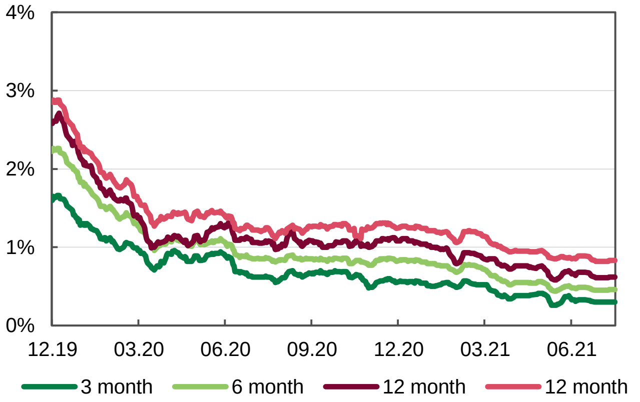
Interest rates on 12-month hryvnia deposits fell by 0.2 pp (to 8.2% per annum), and those on 3-month deposits declined by 0.5 pp (to 6.8% per annum). U.S. dollar deposit rates hovered below 1.0% per annum.

Figure 36. Ukrainian Index of Retail Deposit Rates for hryvnia deposits, % per annum*



* Thomson Reuters data, 5-day moving average.

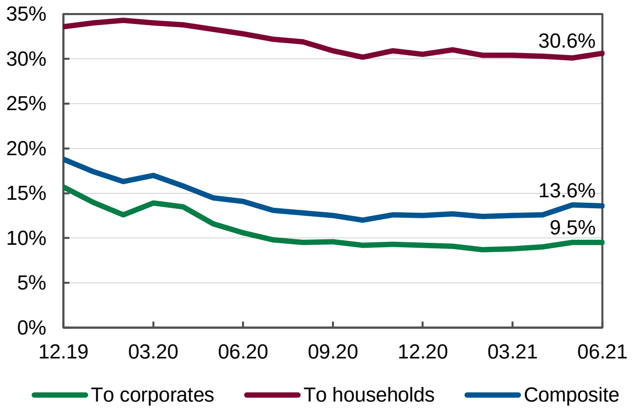
Figure 37. Ukrainian Index of Retail Deposit Rates for US dollar deposits, % per annum*



* Thomson Reuters data, 5-day moving average.

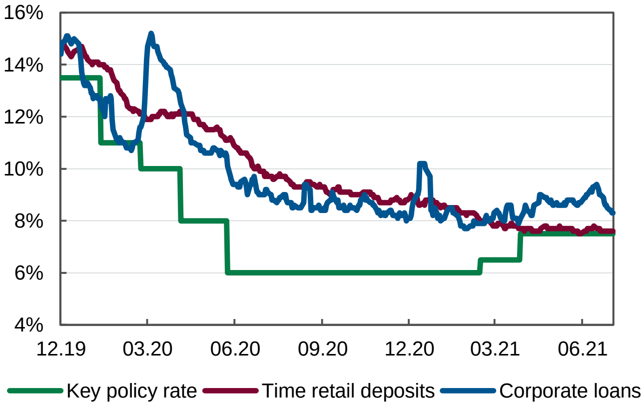
Interest rates on hryvnia corporate loans increased by 0.7 pp in Q2 (to 9.5% per annum). Retail loan rates remained close to 30% per annum.

Figure 38. Interest rates on new hryvnia loans*, % per annum



* No loan rescheduling or any other amendments to lending terms.

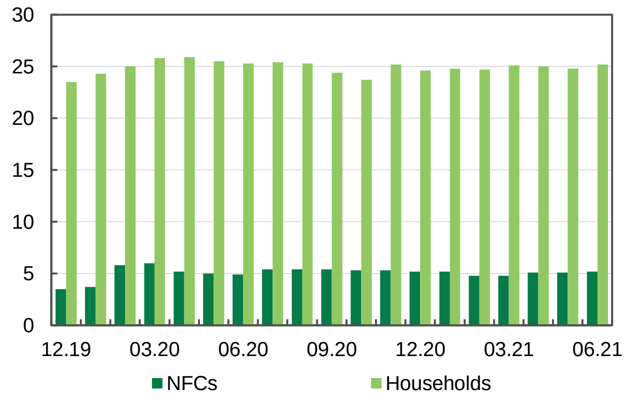
Figure 39. NBU key policy rate and interest rates on new hryvnia deposits and loans*, % per annum



* Daily rates, 5-day moving average.

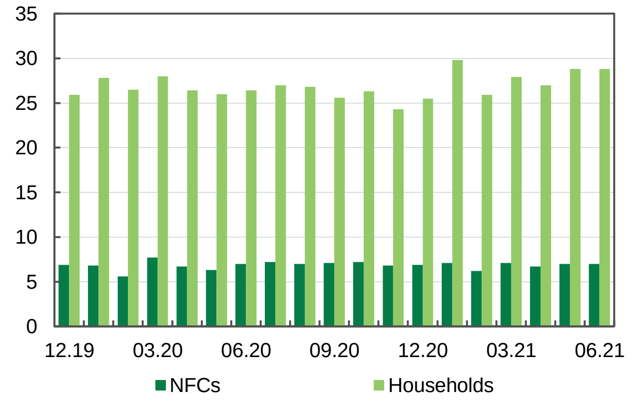
In the corporate segment, the interest rate spread between new loans and deposits increased, remaining almost unchanged for outstanding loans and deposits. In the retail segment, the spread continued to exceed 20 pp.

Figure 40. Spread between rates on new** loans and deposits, pp*



* Including insolvent banks.
** New loans and deposits include amounts under primary agreements that were entered into during the reporting period, as well as those under addendum agreements that changed either the amount or interest rate.

Figure 41. Spread between rates on outstanding loans and deposits, pp*

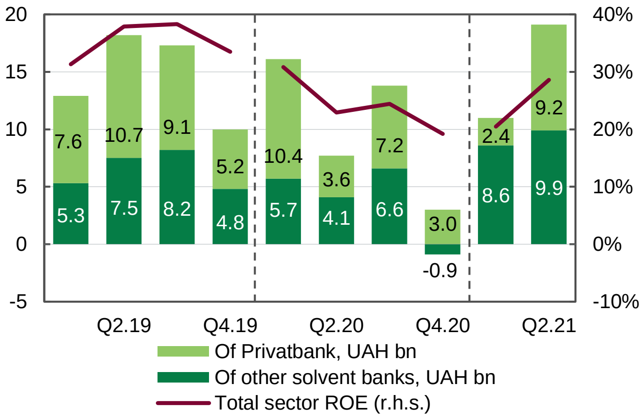


* Including insolvent banks.

Financial Results and Capital

The sector's profit in Q2 was 2.5 times larger than in the same period last year thanks to an increase in operating income and a decrease in provisioning.

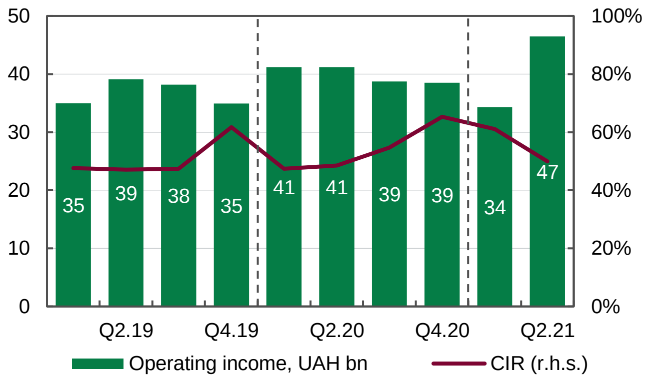
Figure 42. Profit/loss* and return on equity of banks



* Quarterly data, including adjusting entries.

Banks' operational efficiency improved in Q2 compared with Q1, almost reaching the last year's level: the CIR* was 49.9%, versus 61.0% in Q1 and 48.5% in 2020.

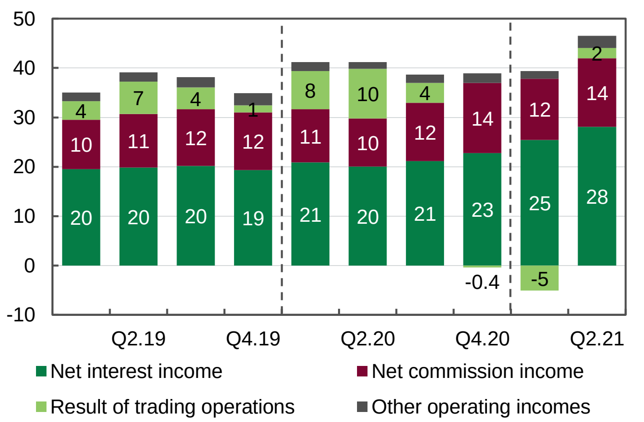
Figure 43. Operating income and operational efficiency of banks



* The CIR (cost-to-income ratio) measures the ratio of operating expenses to operating income.

Operating income increased in Q2 by 12.9% yoy on account of larger interest income and fee and commission income and gains from PrivatBank's FX transactions.

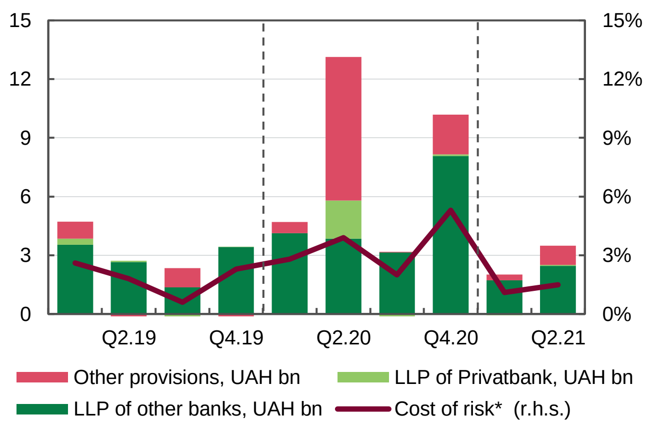
Figure 44. The banks' operating income components for the period*, UAH billions



* Including adjusted entries.

Provisioning declined by 73.4% in Q2. Compared with Q1, loan loss provisions grew by 51.3%, remaining much below the last year's level.

Figure 45. Loan loss provisions (LLP)**



* LLP (annualized)/Net loan portfolio; ** Including adjusting entries.

Regulatory capital grew by 7.2% in Q2, while authorized capital increased by 0.3%. The sector's regulatory capital adequacy declined by 0.9 pp due to the rapid growth in assets and the introduction of increased risks weights. However, it remained significantly higher than the required minimum.

Figure 46. Regulatory capital and the regulatory capital adequacy ratio

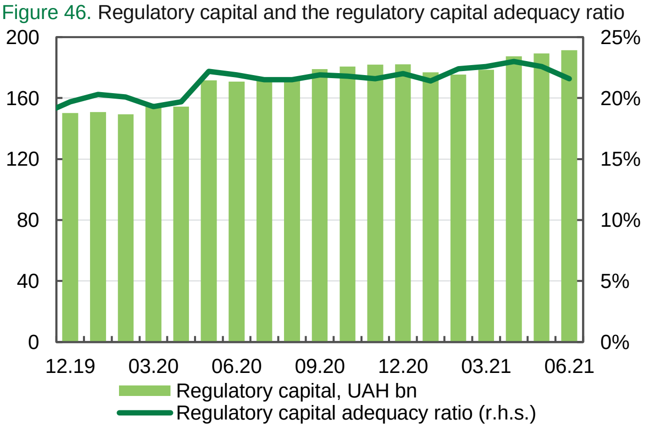
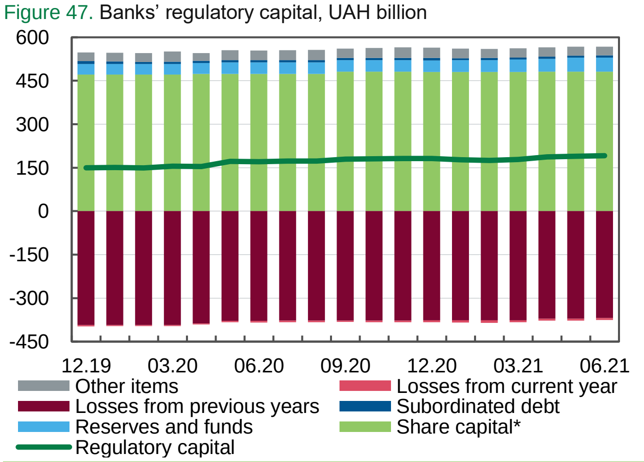


Figure 47. Banks' regulatory capital, UAH billion



* Registered and unregistered authorized capital.

Table 2. **Key banking sector indicators** [1]

	2014	2015	2016	2017	2018	2019	2020	Q1.21	Q2.21
Number of operating banks	145	117	96	82	77	75	73	73	73
General balance sheet indicators (UAH billion)[2]									
Total assets	1 477	1 571	1 737	1 840	1 911	1 982	2 206	2 214	2 249
of which in foreign currency	667	800	788	755	779	718	746	740	719
Net assets	1 290	1 254	1 256	1 334	1 360	1 493	1 823	1 836	1 892
of which in foreign currency	565	582	519	507	495	492	585	585	586
Gross corporate loans[3]	820	831	847	864	919	822	749	751	767
of which in foreign currency	400	492	437	423	460	381	332	320	301
Net corporate loans[3]	710	614	477	451	472	415	432	439	472
Gross retail loans	208	176	157	171	197	207	200	206	218
of which in foreign currency	101	97	83	68	61	38	31	29	27
Net retail loans	144	96	76	92	114	143	149	157	170
Corporate deposits[3]	283	349	413	427	430	525	681	683	702
of which in foreign currency	114	141	177	163	150	191	233	244	243
Retail deposits[4]	403	402	437	478	508	552	682	688	700
of which in foreign currency	214	215	239	244	241	238	285	281	271
Change (yoy, %)									
Total assets	4.8%	6.4%	10.6%	5.9%	3.8%	3.7%	11.3%	5.7%	7.6%
Net assets	1.0%	-2.8%	0.2%	6.2%	1.9%	9.8%	22.1%	17.3%	19.0%
Gross corporate loans[3]	12.8%	1.3%	2.0%	2.0%	6.3%	-10.6%	-8.8%	-15.2%	-6.5%
Gross retail loans	10.3%	-15.7%	-10.4%	8.5%	15.3%	5.0%	-3.5%	-5.8%	2.7%
Corporate deposits[3]	9.5%	23.5%	18.2%	3.4%	0.8%	22.1%	29.7%	25.4%	24.6%
Retail deposits[4]	-8.9%	-0.3%	8.7%	9.4%	6.3%	8.6%	23.5%	12.7%	11.9%
Penetration[5] (%)									
Gross corporate loans[3] / GDP	51.7%	41.8%	35.5%	29.0%	25.8%	20.7%	17.9%	17.2%	16.7%
Net corporate loans[3] / GDP	44.7%	30.9%	20.0%	15.1%	13.3%	10.4%	10.3%	10.0%	10.3%
Gross retail loans/ GDP	13.1%	8.8%	6.6%	5.7%	5.5%	5.2%	4.8%	4.7%	4.7%
Net retail loans/ GDP	9.1%	4.8%	3.2%	3.1%	3.2%	3.6%	3.5%	3.6%	3.7%
Corporate deposits[3] / GDP	17.8%	17.6%	17.3%	14.3%	12.1%	13.2%	16.2%	15.6%	15.3%
Retail deposits/ GDP	25.4%	20.2%	18.3%	16.0%	14.3%	13.9%	16.3%	15.7%	15.2%
Profit or Loss[6] (UAH billion)									
Net interest income	52.2	39.1	44.2	53.0	73.0	78.9	84.8	25.4	28.1
Net commission income	23.1	22.6	24.2	27.5	37.8	44.0	46.5	12.4	13.9
Provisions	84.4	114.5	198.3	49.2	23.8	10.7	31.0	2.0	3.5
Net profit/loss	-33.1	-66.6	-159.4	-26.5	22.3	58.4	39.7	10.9	19.1
Memo items:									
UAH/USD (period average)	11.89	21.84	25.55	26.60	27.20	25.85	26.96	27.97	27.59
UAH/USD (end-of-period)	15.77	24.00	27.19	28.07	27.69	23.69	28.27	27.89	26.98
UAH/EUR (period average)	15.72	24.23	28.29	30.00	32.14	28.95	30.79	33.76	33.23
UAH/EUR (end-of-period)	19.23	26.22	28.42	33.50	31.71	26.42	34.74	32.72	31.81

[1] Data for solvent banks for each reporting date.

[2] Including accrued income/expenses.

[3] Including non-banking financial institutions.

[4] Including certificates of deposits.

[5] GDP is calculated as defined in the 2008 national accounts system methodology. From 2008 through 2013 it includes data for the temporarily occupied Republic of Crimea and City of Sevastopol; from 2014 it excludes data for the temporarily occupied Autonomous Republic of Crimea and City of Sevastopol and a part of the zone of joint forces operation.

Data for Q2 2021 – readings for the last 12 month based on NBU forecast as published in Inflation Report.

[6] Taking into consideration adjustment entries, except for the Q4 2020 data.

Remarks:

The source for the data is the National Bank of Ukraine, unless otherwise noted.

The sample of banks consists of the banks that were solvent at each reporting date, unless otherwise stated.

The sample of banks that were solvent as of the last reporting date includes those banks that merged with other banks using a simplified procedure.

Groups of banks for 2017 were formed pursuant to NBU Board Decision No. 76-D, dated 10 February 2017. Data for 2018 and beyond were prepared pursuant to Decision No. 444 by the Committee on Banking Regulation and Supervision, dated 29 December 2017.

State-owned banks are Ukrainian banks with public capital excluding PrivatBank, unless otherwise specified.

Foreign banks are banks where the share of capital owned by at least one foreign investor (including foreign states) is no less than 10 percent.

Private banks are banks whose qualifying holders are exclusively residents of Ukraine.

The data include accrued interest as of the end of the period (month, quarter, year), unless otherwise specified.

Gross loans are loans not adjusted for provisions against asset-side banking transactions.

"Fixed-exchange-rate-based change" refers to the foreign-currency sum of an instrument being calculated using the exchange rate at the beginning of the period.

Data on corporate loans and deposits include data on nonbank financial institutions.

Retail deposits include certificates of deposit, unless otherwise specified.

The sum of individual components and the total may differ due to rounding.

Terms and Abbreviations:

ATM	Automated teller machine / cash dispenser
CIR	Cost-to-Income Ratio
FX	Foreign currency
GDP	Gross domestic product
HHI	Herfindahl-Hirschman Index
IFI	International financial institution
NBU	National Bank of Ukraine
NFC	Non-financial corporation
NPL / NPE	Non-performing loan / non-performing exposures
NSFR	Net stable funding ratio
POS	Point of sale
T-bond	Domestic government debt securities and debt securities refinanced by the NBU, which are carried at (1) fair value through profit or loss, (2) fair value through other comprehensive income, and (3) amortized cost.
PJSC	Public Joint Stock Company
ROE	Return on equity
UIRD	Ukrainian Index of Retail Deposit Rates
pp	Percentage point
EUR	Euro
UAH	Ukrainian Hryvnia
USD, US dollar	United States dollar
H	Half of the year
Q	Quarter
M	Month
bn	Billion
r.h.s.	right-hand scale
qoq	Quarter-on-quarter
yoy	year-on-year