National Bank of Ukraine

Banking Sector Review

November 2021

In Q3, the growth in bank assets was primarily driven by lending to customers. Growth rates of mortgages and corporate loans reached decade highs. In annual terms, the growth in retail loans outpaced the pre-crisis rate, despite the tightening of capital requirements due to increased risk weights. Hryvnia retail demand deposits declined for the first time since the start of the coronavirus crisis, because of a seasonal increase in consumer spending. The increase in net interest income of banks since the beginning of the year was the highest in 10 years due to lower liabilities. Net commission income continues to surge. All of these factors left the sector with record profits. At least some of these gains should go towards building up capital buffers. The banking system is ready to meet the previously scheduled capital requirements, a resilience assessment of banks has shown.

Sector Structure

During Q3 2021, the number of operating banks decreased to 71. The state-owned bank Settlement Center was transformed into a nonbank financial institution due to amendments to Ukrainian legislation, and the private bank Land Capital was declared insolvent. Net assets of state-owned banks decreased, shrinking their share of net assets by 2.9 pp to 47.5% in Q3. In contrast, assets of private and foreign banks increased, as did their shares in assets. As a result, the sector's concentration rate declined for the third straight quarter.

Assets

Banks' net assets grew by 2.1% in Q3 as corporate and retail lending revived. At the same time, banks' holdings of domestic government debt securities and NBU certificates of deposit fell significantly.

Net hryvnia corporate loans grew by 13.1% qoq and 42.7% yoy in Q3 due to the economic recovery. Corporations under foreign control showed the highest quarterly growth rates of net hryvnia loans: up 21.8% qoq. In annual terms, the highest rates were posted by private domestic corporations: up 46.5% yoy. An important driver of this was a state-funded program known as Affordable Loans 5%–7%–9%. FX loans increased by 4% qoq in U.S. dollar terms, but were little changed on an annual basis.

The growth in net hryvnia retail loans also accelerated to 31.2% yoy. Net hryvnia loans for house purchase[1] grew by more than 16% qoq for the second quarter running, and by 54.5% yoy.

The NPL ratio shrank by 3.9 pp in Q3 (to 33.3%) due to this year's largest quarterly write-offs of NPLs and the pickup in lending. At the same time, the NPL ratio of private and foreign banks (excluding Russian banks) decreased to 8.8% as of the end of Q3.

Funding

Banks' liabilities rose by 1.1% during Q3. Deposits remain the main source of bank funding: as of the end of Q3, their share was unchanged at 83.3%. Funds owed to the NBU as a share of bank liabilities increased to 5.3% as of end-September.

Hryvnia retail deposits decreased by 1.4% qoq in Q3, primarily due to demand deposits (down 3.9% qoq), while hryvnia time deposits continued to grow. In annual terms, however, hryvnia retail deposits increased by 15%. The most significant growth occurred in banks with private capital: up 5.6% qoq and 33% yoy. FX retail deposits did not change substantially on a quarterly basis, although they rose by 9.2% qoq in dollar terms.

Hryvnia corporate deposits in Q3 gained 6.9% qoq and 28.1% yoy. A large portion of this increase was driven by state-owned energy companies. FX corporate deposits increased by 4.7% yoy in dollar terms and remained unchanged on a quarter-on-quarter basis.

With FX deposits having changed only marginally amid a stronger hryvnia, the growth in hryvnia retail deposits resulted in a lower deposit dollarization rate. The share of FX deposits declined by 1.1 pp to 35.6% in Q3.

Interest Rates

The NBU raised its key policy rate twice during Q3, to 8.5% per annum. Banks gradually responded by refraining from further cuts to their rates on hryvnia retail deposits. Only one-third of the twenty banks with the most assets raised their interest rates after the NBU made the key policy rate hikes. The average rate on a 12-month deposit increased by 0.4 pp to 8.6% per annum. The average interest on three-month deposits grew more slowly. As a result, the spread between

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

three-month and 12-month deposits as of late Q3 widened to 1.5 pp for the first time since the start of 2017. Interest rates on U.S. dollar deposits remained unchanged overall, not exceeding 1% per annum during Q3, but edging higher in October.

Rates on hryvnia corporate loans were little changed: they increased slightly in August, particularly those on loans to small and micro enterprises, but went back to 9.6% per annum in September. Ultra-short (under one month) loans were still the most sensitive to changes in the key policy rate. Rates on retail loans remained at about 30% per annum.

Financial Results and Capital

The banking sector's profit in Q3 was 1.5 times the level of the same period in 2020. The number of loss-making banks declined to 7 in Q3 from 10 in Q2, their joint losses remaining marginal. Return on equity increased to 32.1% versus 24.4% last year. In the first nine months of 2021, the banking sector made UAH 51.4 billion in profits, up by more than one-third from January–September 2020. This is also more than the banks earned in the same period of the pre-crisis 2019.

Profit grew in Q3 due to a significant increase in net interest and commission income, by 44.1% yoy and 28.8% yoy, respectively. This was driven by the growth in interest income from lending, which made a notable recovery after the crisis. The second contributor was interest income on securities. Banks held more of them than last year. At the same time, interest expenses remained moderate. Further growth in cashless transactions fueled an increase in banks' commission income. Although operating costs increased somewhat, operating performance continued to improve. The cost-to-income ratio (CIR) was 47.0%, down from 47.4% in Q3 of the pre-crisis 2019. Banks almost halved their loan loss provisions in the first nine months of 2021.

Prospects and Risks

As the cost of funding stabilized at historical lows, higher interest rates on loans gave banks an ad hoc boost in terms of interest margins. Time deposits, which are more expensive for banks, may become more attractive this year and going forward. Thus, profitability risk remains.

By lengthening the maturity of deposits, banks will be able to make their funding base more stable and predictable. This is especially true amid the rapid growth in long-term mortgages, which stand to attract increasingly more demand. The current net stable funding ratio (NSFR) is designed to encourage the banks to attract time deposits.

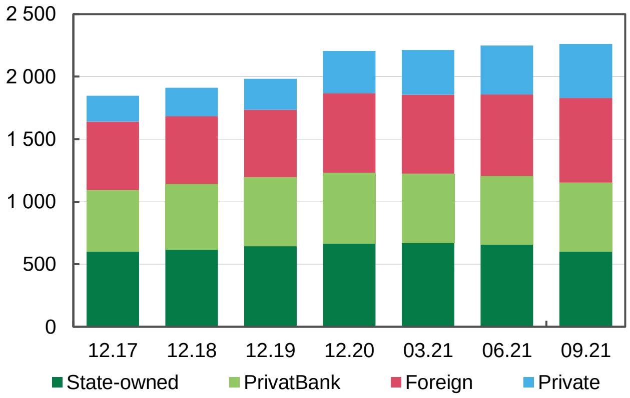
Dynamic increases in lending in certain segments require a proper assessment of risks by banks. It becomes increasingly important to build up capital to cover portfolio risks. To this effect, minimum requirements for operational risk coverage by capital will take effect at the start of 2022. In the near future, the NBU will also approve a schedule for the gradual resumption of capital buffers deactivated during the crisis. In addition, starting in 2022, the risk weight of unsecured consumer loans will increase to 150% from the current 125%. The current high profitability and the available capital buffer will allow the banks to easily meet such regulatory requirements.

State-owned banks will continue to implement their NPL resolution strategies. This will have a positive effect on their investment appeal and bring them closer to the strategic goal of privatization.

Sector Structure

During Q3, the number of operating banks decreased by two. Total assets remained almost unchanged over the quarter.

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.

For the first time since late 2016, the share of state-owned banks in the sector's net assets dropped below 50%. In contrast, private and foreign banks continue to ramp up their share of net assets and retail deposits: by 2.9 pp and 1.7 pp (to 52.5% and 43.1%), respectively.

Figure 2. Distribution of net assets by groups of banks

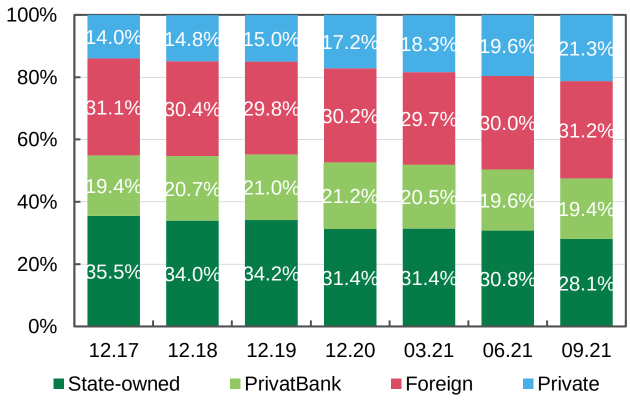
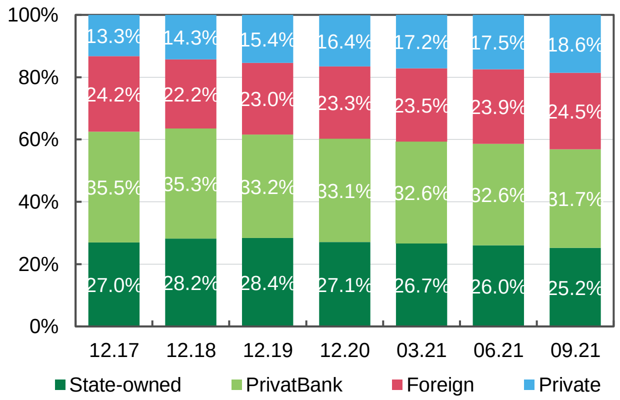


Figure 3. Distribution of retail deposits by groups of banks



The pickup in lending in the nonpublic segment continues to reduce concentration. The top five banks accounted for most of the market share reduction. Their share in the sector's net assets shrank by 2.9 pp (to 53.9%).

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

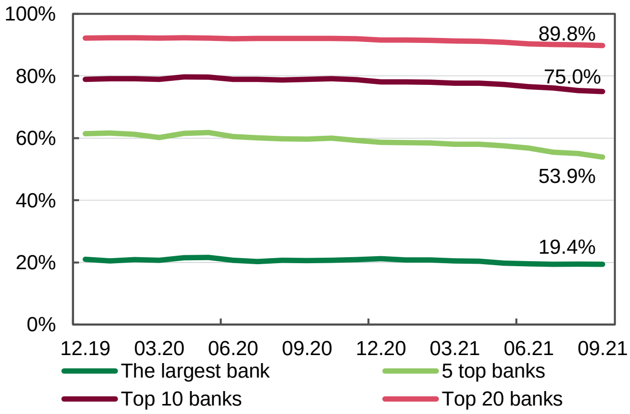
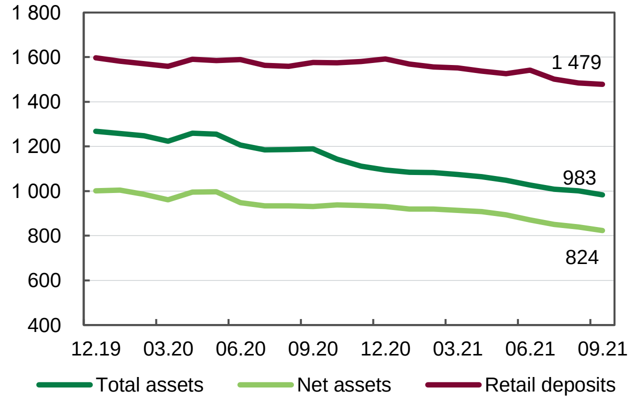


Figure 5. Concentration as defined by the HHI indicator*

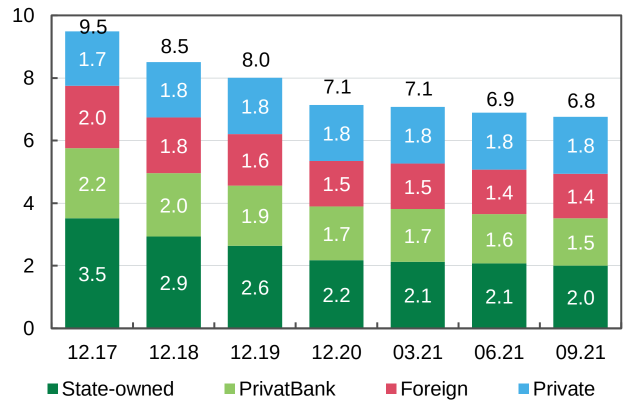


* The Herfindahl-Hirschman Index (HHI) is an indicator of banking sector concentration. It is calculated by summing the squared market shares of individual banks. The index ranges from 0 to 10,000, with values below 1,000 indicating low market concentration. Retail deposits include certificates of deposit.

Banking Infrastructure

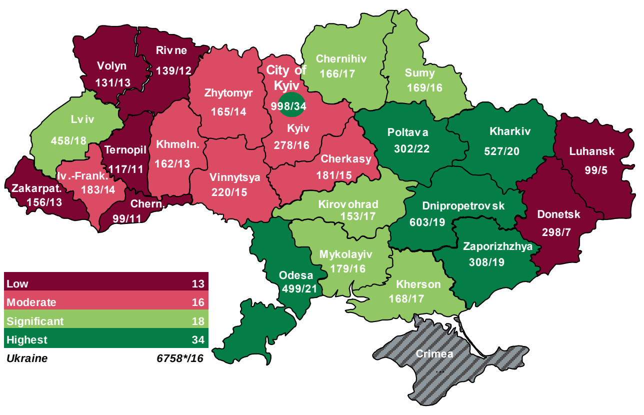
Banks continued to optimize their branch networks in Q3. Oschadbank and PrivatBank closed the most branches (64 and 53, respectively). Foreign banks lost only eight branches in Q3, while the number of private banks' branches did not change. By region, the largest number of standalone units were shut down in Lviv and Donetsk oblasts (18 and 15, respectively).

Figure 6. Number of banking units*, thousand



* Standalone bank structural units and head offices.

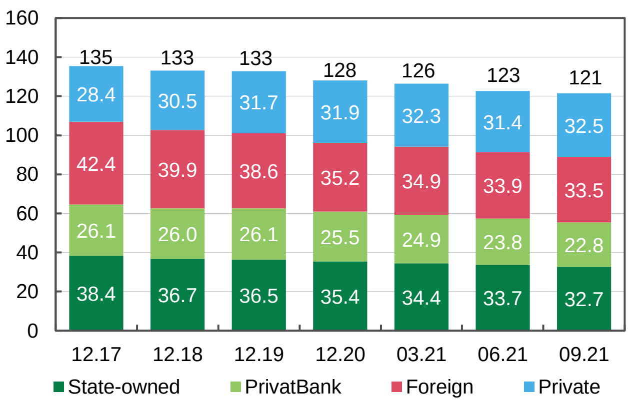
Figure 7. Operating banking units by regions as of 1 October 2021, units per 100,000 individuals



* Excluding five structural units, including three of them abroad.

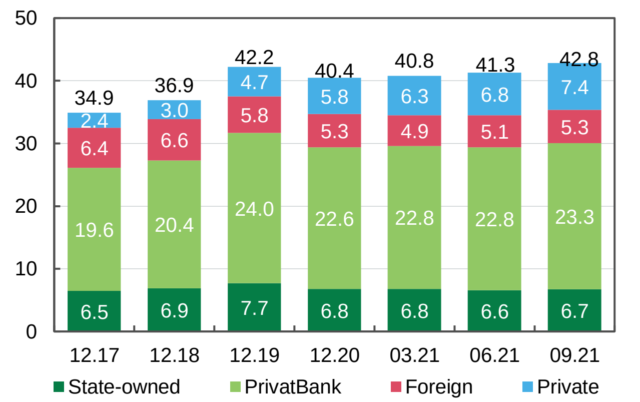
Banks laid off a total of 1,300 employees in Q3. Most layoffs occurred in state-owned banks. In contrast, private banks hired almost 1,100 people.

Figure 8. Staffing level at banks, thousand employees



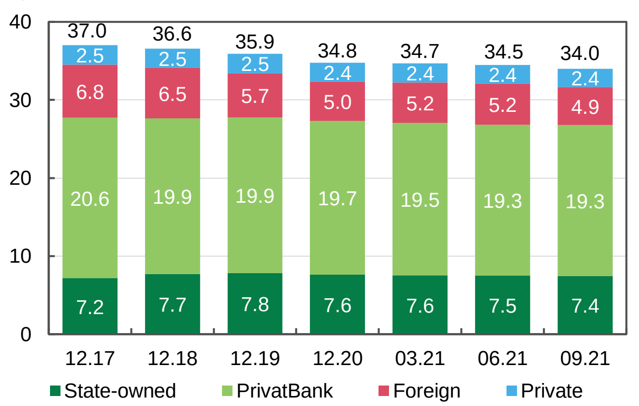
The number of active payment cards in Q3 returned to pre-crisis levels. State-owned and private banks led the way in terms of payment cards revival.

Figure 9. Number of active payment cards by groups of banks, million units



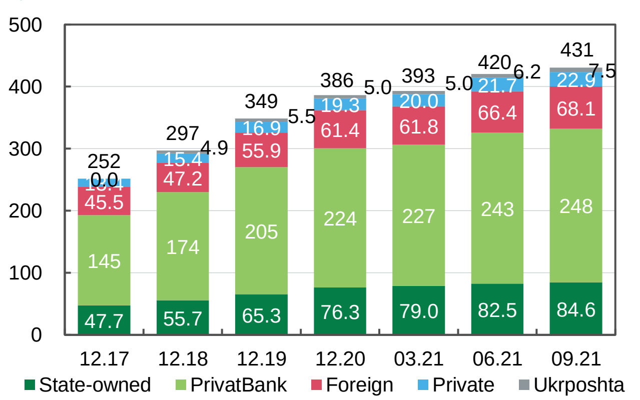
Banks expanded their POS-terminal network in Q3. This increase was primarily driven by PrivatBank (+4,200) and other state-owned banks (+2,000 terminals). The number of ATMs fell across all groups: banks pulled 494 ATMs off the network in Q3.

Figure 10. Number of ATMs*, thousand units



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

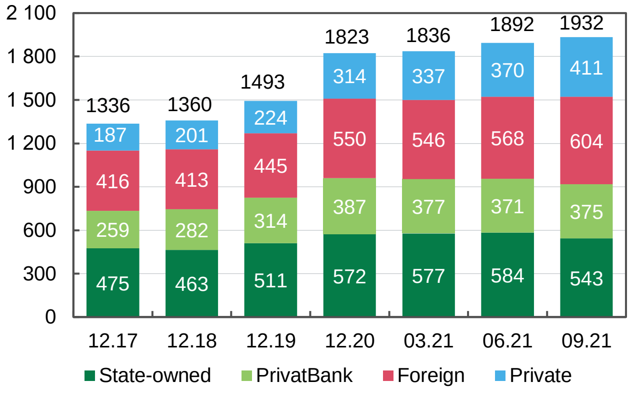
Figure 11. Number of POS terminals, thousand units



Assets

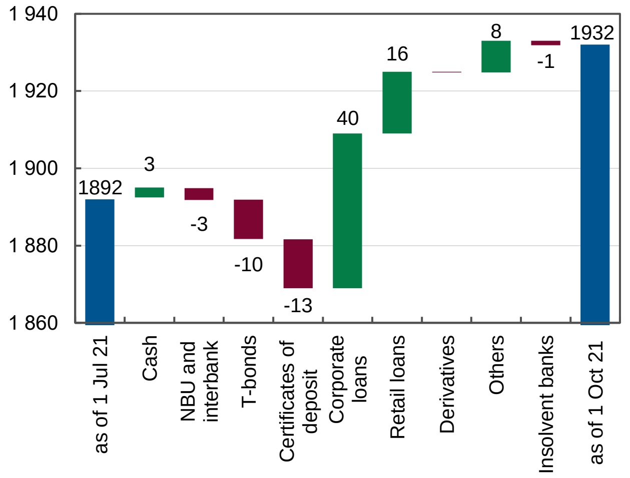
Net assets grew by 2.1% qoq in Q3, while those of private banks rose by about 10% qoq for two quarters running. The corporate and retail loan portfolio increased the most. Holdings of government securities declined the most.

Figure 12. Banks' net assets*, UAH billions



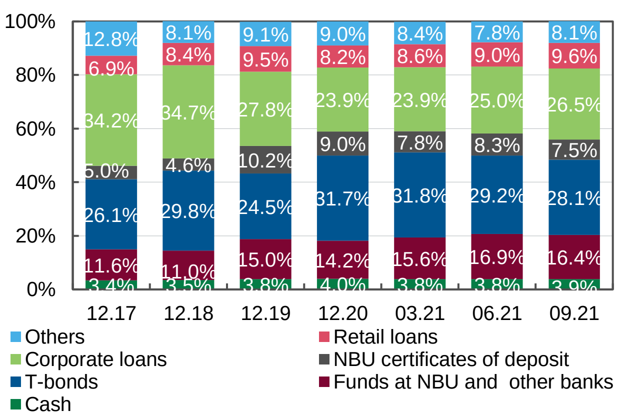
* Adjusted for loan loss provisions of banks.

Figure 13. Change in net assets by components, UAH billion



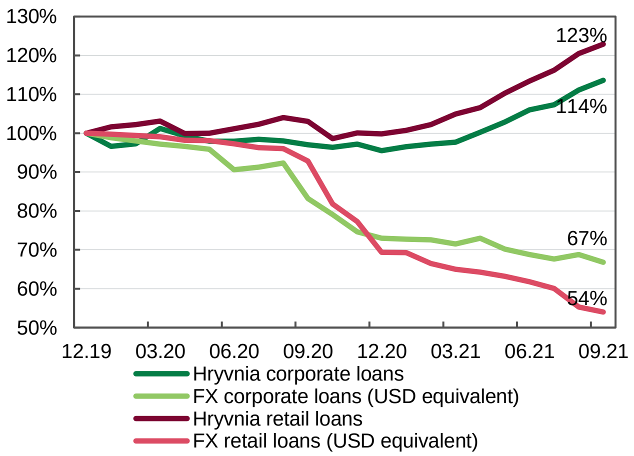
Loans as a share of net assets increased by 2.2 pp in Q3 (to 36.1%). The share of domestic government debt securities and NBU certificates of deposit fell by 2.0 pp. Gross hryvnia loans grew, while FX loans decreased in dollar terms.

Figure 14. Sector's net assets by components*



* Adjusted for loan loss provisions of banks.

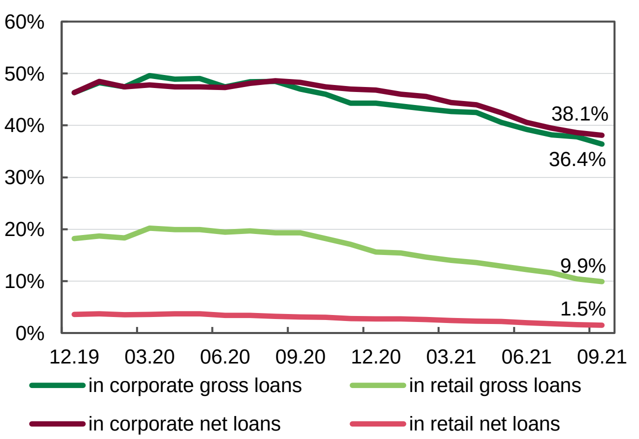
Figure 15. Gross corporate and retail loans*, 2019=100%



* Issued by banks that were solvent as of 1 October 2021.

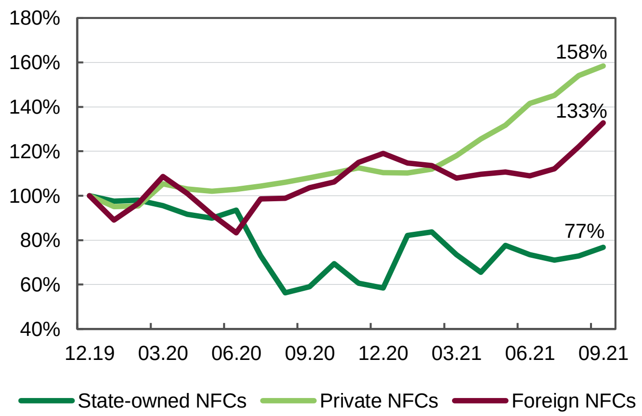
The dollarization rate declined for all components of loans due to the strengthening of the hryvnia and active hryvnia lending.

Figure 16. FX loans ratio



Growth leaders in terms of net hryvnia loans in Q3 were companies under foreign control: + 21.8%. In annual terms, private Ukrainian companies led the way: + 46.5%.

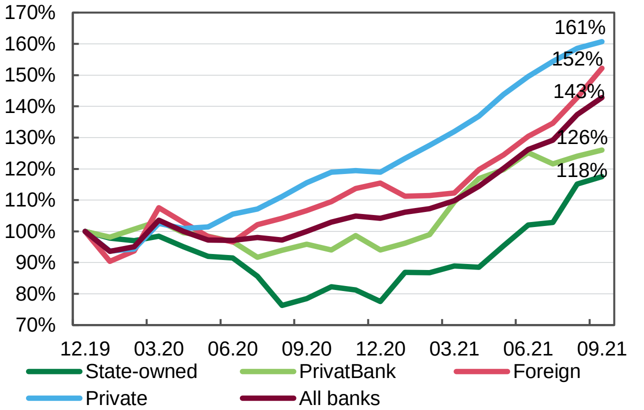
Figure 17. Net loans to nonfinancial corporations (NFCs) in UAH, 2019 = 100%*



* Issued by banks that were solvent as of 1 October 2021, including accrued interest.

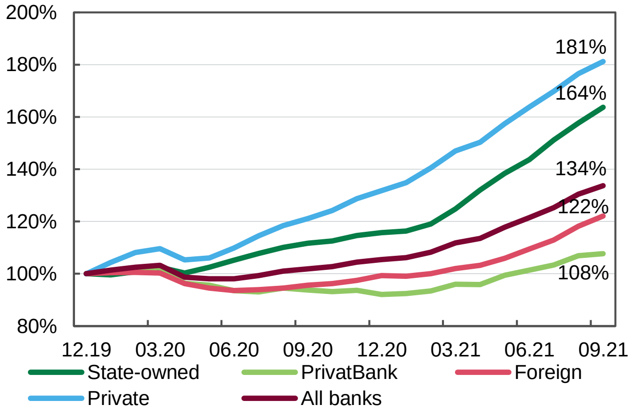
Net hryvnia corporate loans grew by 13.1% qoq and 42.7% yoy in Q3. Foreign and state-owned banks (excluding PrivatBank) did most of the lending to businesses: +16.8% qoq and +15.1% qoq, respectively. The year-on-year growth rates of net hryvnia retail loans were higher than in the pre-crisis 2019: +31.2% yoy as of end-September.

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



* Issued by banks that were solvent as of 1 October 2021, incuding accrued interest.

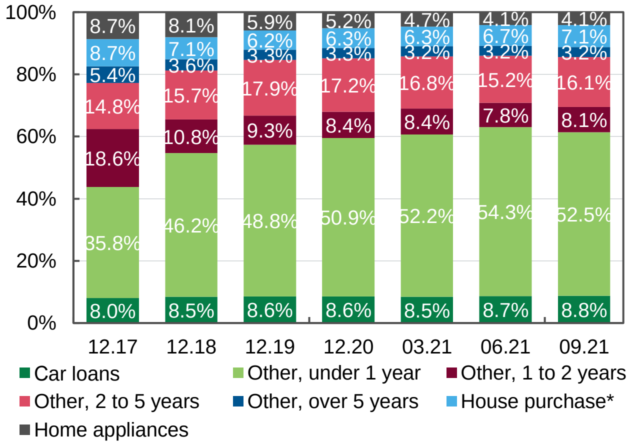
Figure 19. Net retail loans in UAH, 2019=100%*



* Issued by banks that were solvent as of 1 October 2021, incuding accrued interest.

Net hryvnia retail loans grew by 16.6% qoq and 54.5% yoy in Q3. As a result, their share increased to 7.1%.

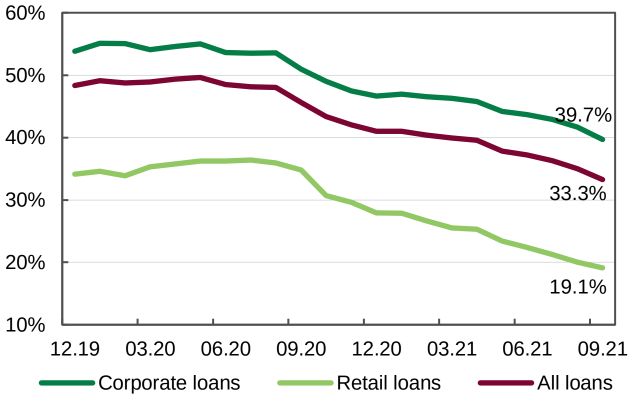
Figure 20. Net hrynnia retail loans by purpose



* For house purchase, construction or reconstruction of real estate (including land).

The growth in loan portfolios reduced the NPL ratio by 3.9% qoq (to 33.3%).

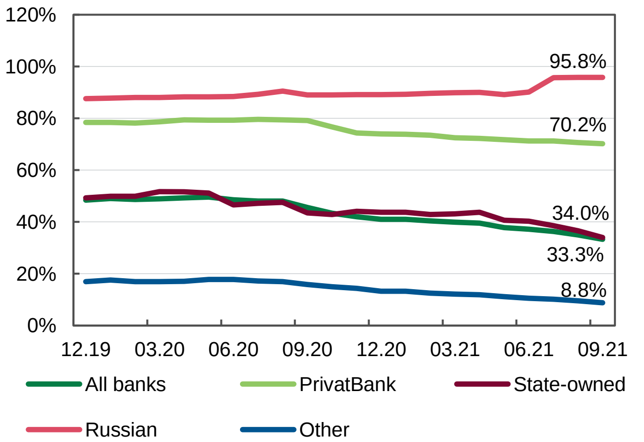
Figure 21. NPL ratio in bank portfolios*



* At all banks including insolvent ones, excluding off-balance sheet liabilities. Retail loans including loans individual entrepreneurs.

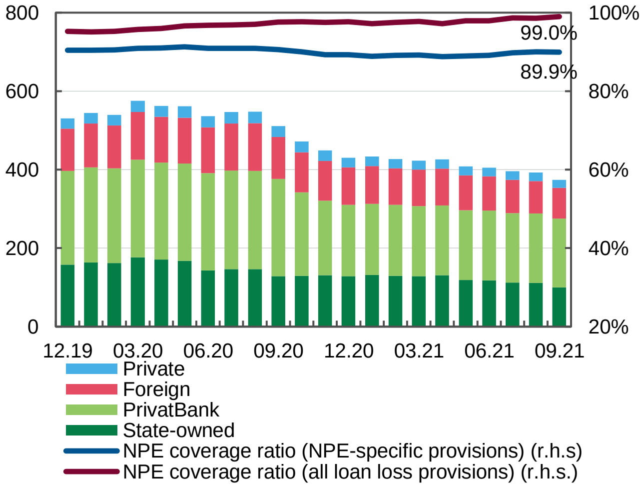
Write-offs of fully provisioned debt also reduced the NPL ratio. Coverage of NPLs by provisions against all loans reached a new high of 99% as of end-September.

Figure 22. NPLs in loan portfolios by 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*



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

Funding

Banks' liabilities increased by 1.1% in Q3, primarily due to the growth in corporate deposits.

Figure 24. Liabilities by groups of banks, UAH billions

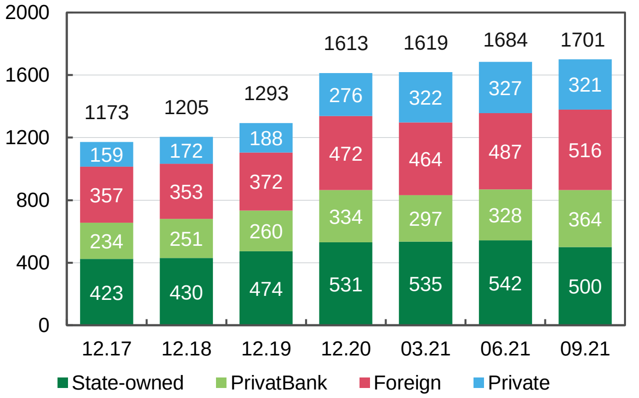
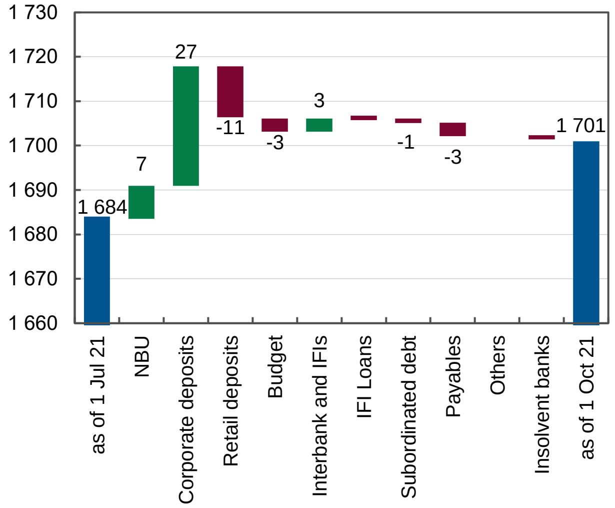
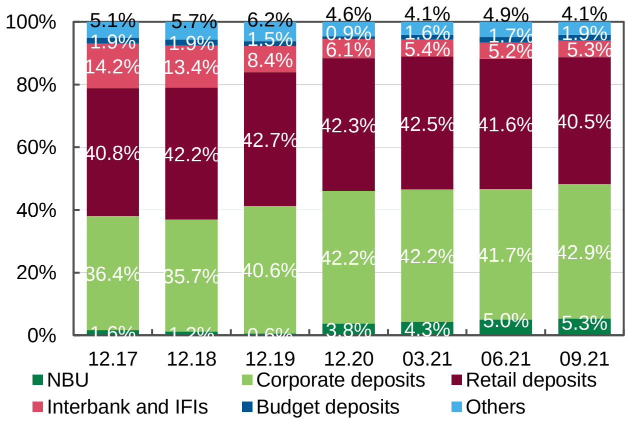


Figure 25. Changes in liabilities in Q3 2021 by factor, UAH billions



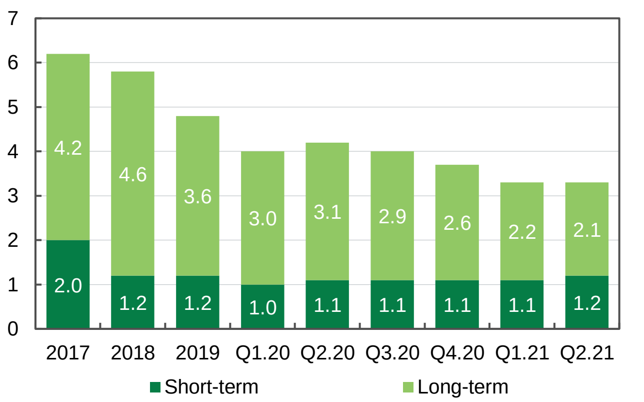
The share of retail deposits remained unchanged at 83.3% during Q3. The growth in corporate deposits was partially offset by a decrease in retail deposits.

Figure 26. The structure of liabilities



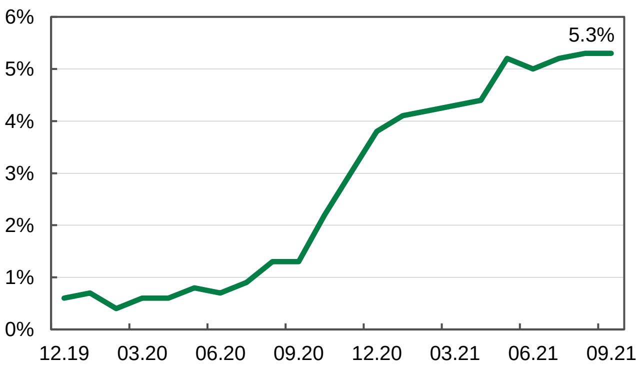
In Q2 2021, banks' gross external debt did not change significantly.

Figure 27. Banks' gross external debt, USD billions



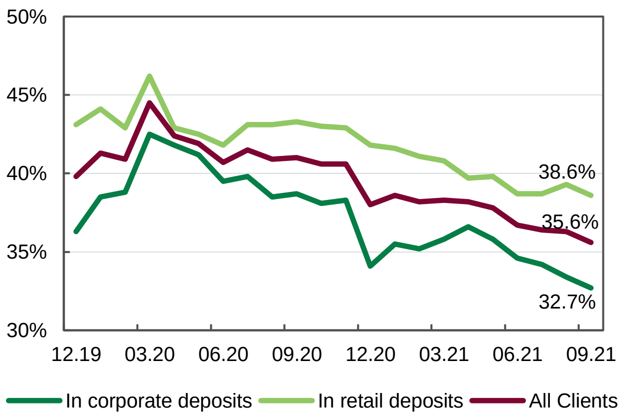
Funds owed to the NBU as a share of liabilities increased by 0.3 pp in Q3 (to 5.3%). Two thirds of refinancing loans went to domestic private banks.

Figure 28. NBU funds in banks' liabilities



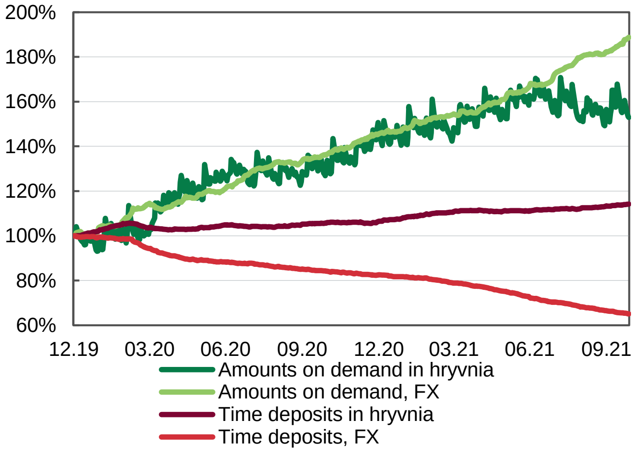
The dollarization rate of customer deposits fell by 1.1 pp (to 35.6%) in Q3, primarily due to the growth in hryvnia corporate deposits.

Figure 29. Share of FX Loans



Hryvnia retail deposits declined by 1.4% qoq (were up 15% yoy). Hryvnia demand deposits declined by 3.9% qoq, while FX demand deposits grew by 9.2% qoq in dollar terms.

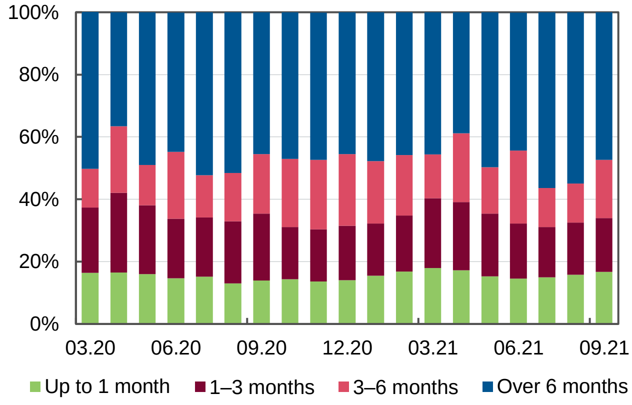
Figure 30. Retail deposits, 2019=100%*



* At solvent banks as of 1 October 2021, including certificates of deposit.

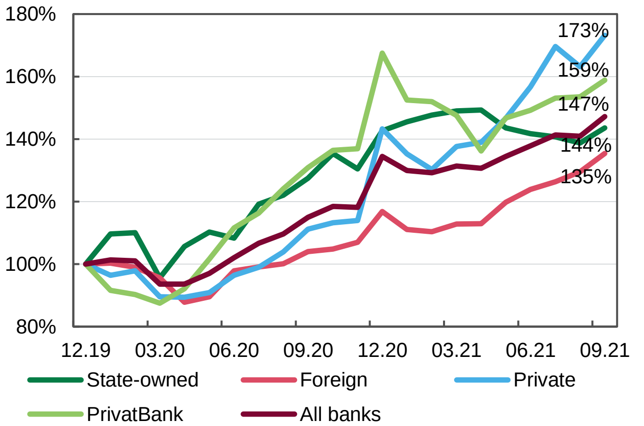
In Q3 2021, the share of new hryvnia time deposits with maturity of three month and more was 66.0%, remaining almost unchanged compared with the previous quarter.

Figure 31. New hryvnia retail deposits by maturity



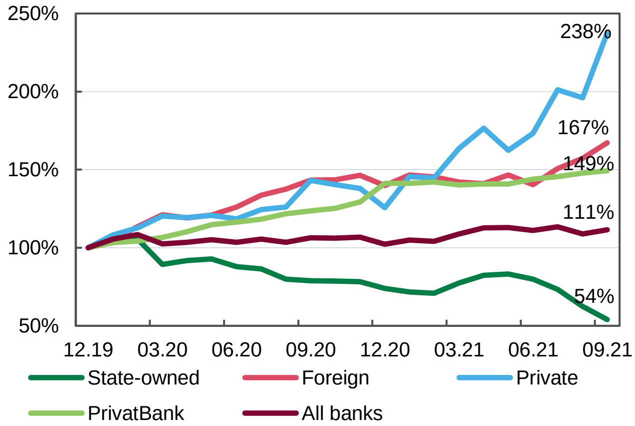
Hryvnia corporate deposits increased by 6.9% qoq and 28.1% yoy in Q3. The highest quarterly pace of growth in these deposits occurred in private and foreign banks. FX corporate deposits grew by 4.7% in dollar terms.

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



* At solvent banks as of 1 October 2021.

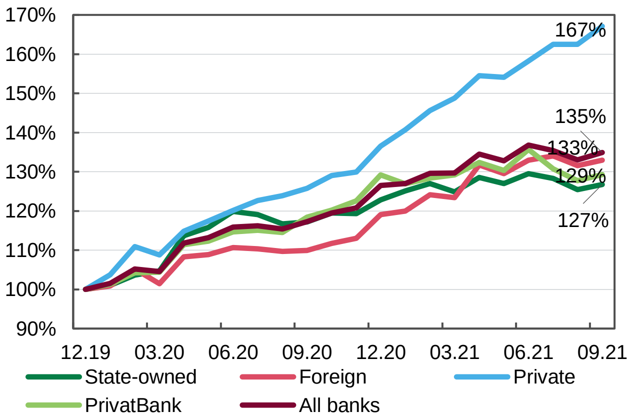
Figure 33. FX corporate deposits (in US dollar equivalent) by groups of banks, 2019 = 100%*



* At solvent banks as of 1 October 2021.

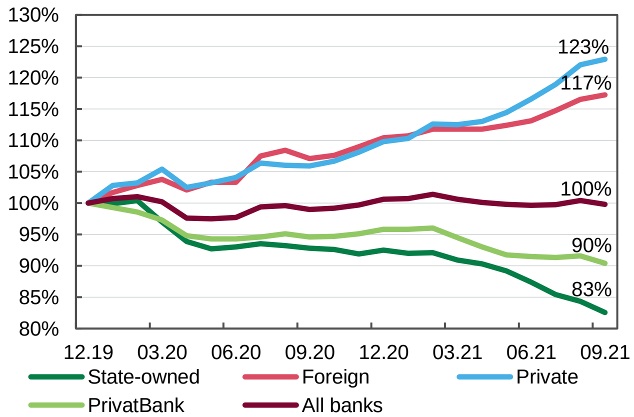
The only group of banks where hryvnia retail deposits increased in Q3 were private banks: +5.6%. FX deposits declined in state-owned banks (including PrivatBank), which was offset by an increase in FX retail deposits in private banks and banks with foreign capital.

Figure 34. Retail deposits in hryvnia by groups of banks, 2019 = 100%*



* At solvent banks as of 1 October 2021.

Figure 35. Retail deposits in FX (in USD equivalent) by groups of banks, 2019 = 100%*

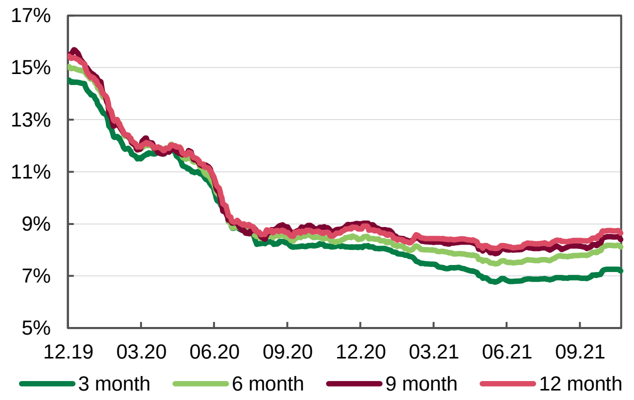


* At solvent banks as of 1 October 2021.

Interest Rates

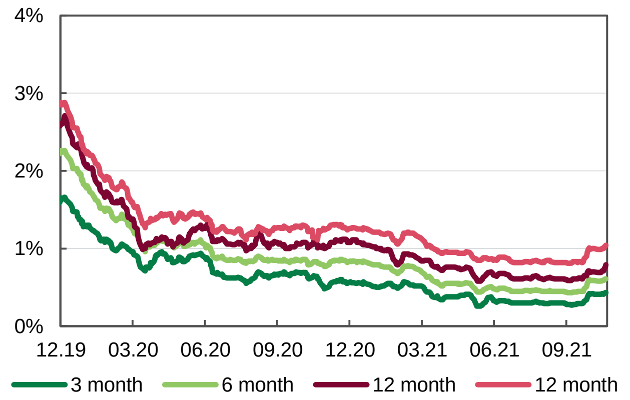
Interest on 12-month hryvnia deposits increased by 0.4 pp in Q3, to 8.6% per annum, while that on 3-month hryvnia deposits was up 0.2 pp to 7.1% per annum. Interest rates on 12-month U.S. dollar deposits hovered around 0.8% per annum during Q3 and increased slightly in October.

Figure 36. Ukrainian Index of Retail Deposit rates in UAH, % per annum*



* Thomson Reuters data, 5-day moving average.

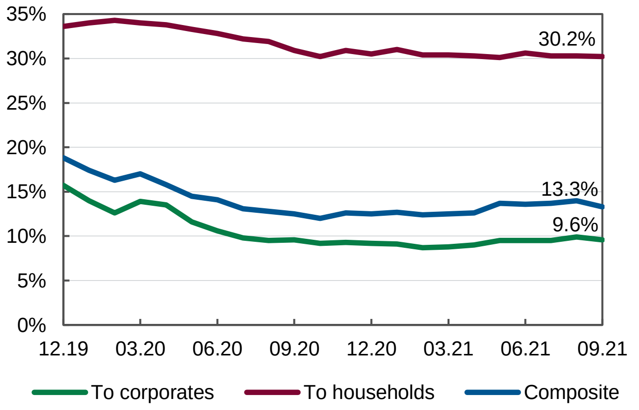
Figure 37. Ukrainian Index of USD Retail Deposit rates, % per annum*



* Thomson Reuters data, 5-day moving average.

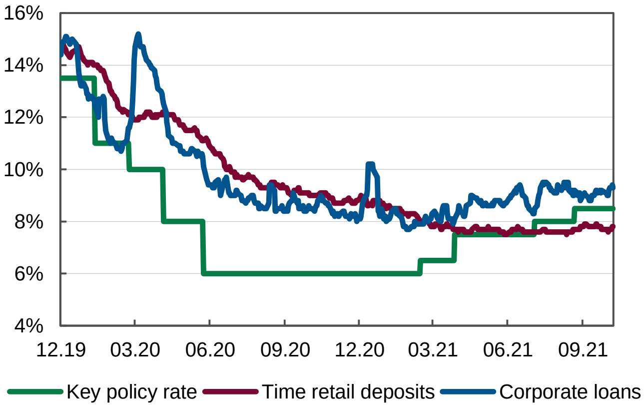
In September, interest rates on hryvnia corporate loans stood at 9.6% per annum. Retail loan rates remained close to 30% per annum.

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



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

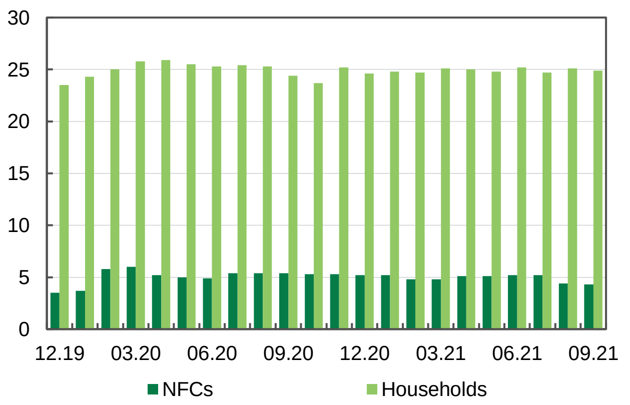
Figure 39. NBU key policy rate and interest rates on new hryvnia deposits and loans*, % per annum



* Daily rates, 5-day moving average.

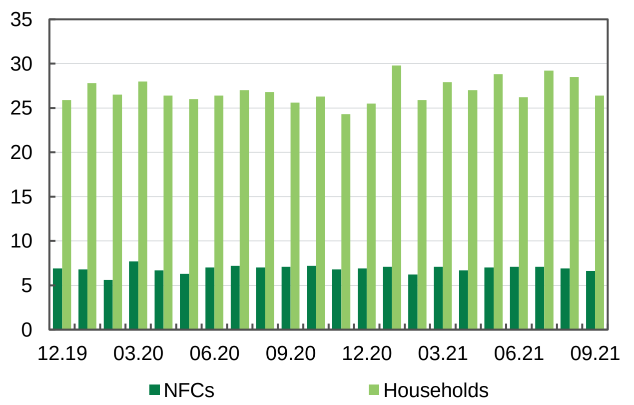
The spread between interest rates on loans and deposits in the corporate segment narrowed. The spread in the retail segment was still wider than 25 pp.

Figure 40. Spread between new*** loan rates and deposit rates, pp*



* * Including insolvent banks;
** New loans and deposits are loans and deposits issued or obtained under primary agreements that were entered into in the reporting period, as well as those under additional agreements, with changes in the amount, interest rate, or both.

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

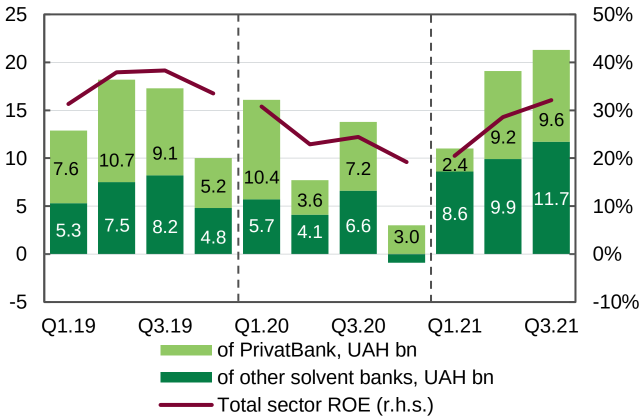


* Including insolvent banks.

Financial Results and Capital

The sector's profit in Q3 was 1.5 times the level of the same period last year thanks to the ongoing increase in operating income and a decrease in provisioning.

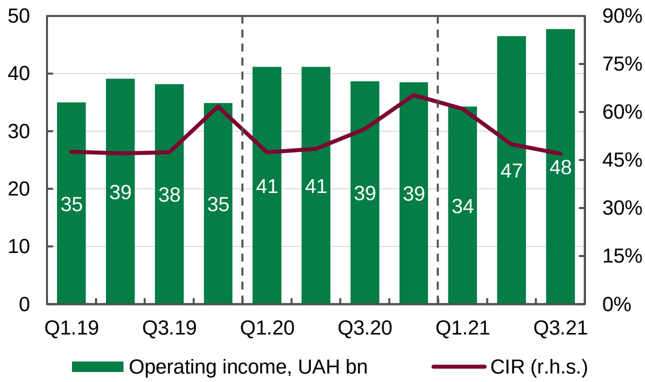
Figure 42. Profit/loss* and return on equity



* Quarterly data, including adjusting entries.

Banks continued to improve their operating performance: CIR* in Q3 was 47.0% versus 54.7% last year.

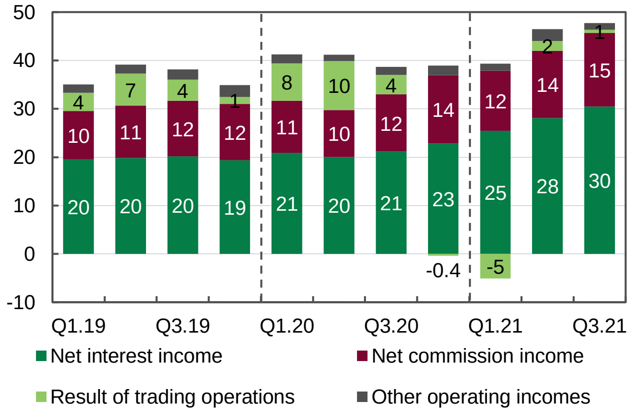
Figure 43. Operating income and operating efficiency



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

Net interest and commission incomes grew significantly in Q3, by 44.1% yoy and 28.8% yoy, respectively.

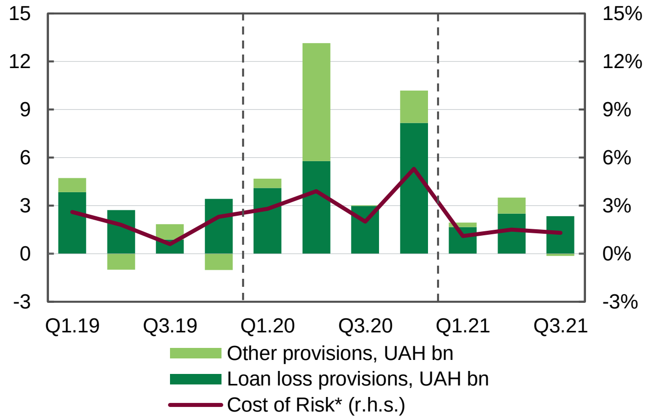
Figure 44. Operating income components for the period*, UAH billion



* Including adjusted entries.

Provisioning fell by 21.8% yoy in Q3 and by 49.5% yoy in the first nine months of 2021.

Figure 45. Loan loss provisions **



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

Regulatory capital grew by 6.4% during Q3, while authorized capital increased by 0.1%. The sector's overall capital adequacy remained significantly higher than the required minimum.

Figure 46. Regulatory capital and regulatory capital adequacy levels

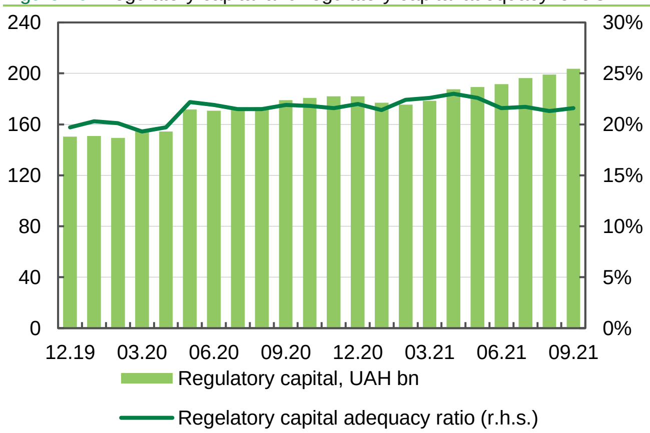
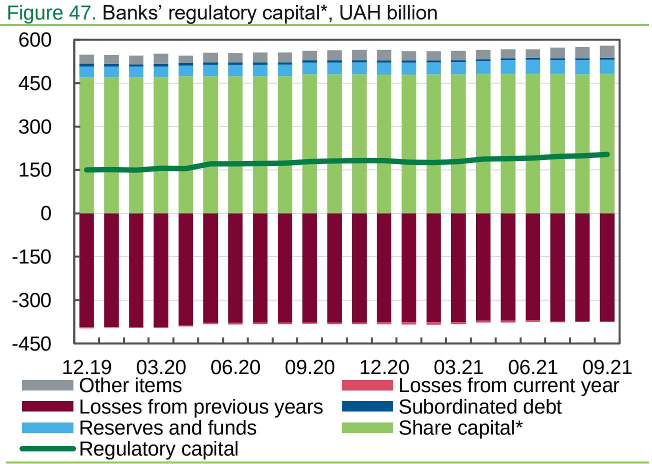


Figure 47. Banks' regulatory capital*, UAH billion



* Includes registered and non-registered share capital.

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

	2014	2015	2016	2017	2018	2019	2020	Q1.21	Q2.21	Q3.21
Number of operating banks	145	117	96	82	77	75	73	73	73	71
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	2 262
of which in foreign currency	667	800	788	755	779	718	746	740	719	702
Net assets	1 290	1 254	1 256	1 334	1 360	1 493	1 823	1 836	1 892	1 932
of which in foreign currency	565	582	519	507	495	492	585	585	586	591
Gross corporate loans[3]	820	831	847	864	919	822	749	751	767	785
of which in foreign currency	400	492	437	423	460	381	332	320	301	285
Net corporate loans[3]	710	614	477	451	472	415	432	439	472	512
Gross retail loans	208	176	157	171	197	207	200	206	218	230
of which in foreign currency	101	97	83	68	61	38	31	29	27	23
Net retail loans	144	96	76	92	114	143	149	157	170	186
Corporate deposits[3]	283	349	413	427	430	525	681	683	702	729
of which in foreign currency	114	141	177	163	150	191	233	244	243	238
Retail deposits[4]	403	402	437	478	508	552	682	688	700	688
of which in foreign currency	214	215	239	244	241	238	285	281	271	266
Change (yoy, %)										
Total assets	4.8%	6.4%	10.6%	5.9%	3.8%	3.7%	11.3%	5.7%	7.6%	4.1%
Net assets	1.0%	-2.8%	0.2%	6.2%	1.9%	9.8%	22.1%	17.3%	19.0%	13.1%
Gross corporate loans[3]	12.8%	1.3%	2.0%	2.0%	6.3%	-10.6%	-8.8%	-15.2%	-6.5%	-2.6%
Gross retail loans	10.3%	-15.7%	-10.4%	8.5%	15.3%	5.0%	-3.5%	-5.8%	2.7%	6.8%
Corporate deposits[3]	9.5%	23.5%	18.2%	3.4%	0.8%	22.1%	29.7%	25.4%	24.6%	16.5%
Retail deposits[4]	-8.9%	-0.3%	8.7%	9.4%	6.3%	8.6%	23.5%	12.7%	11.9%	6.0%
Penetration[5] (%)										
Gross corporate loans[3] / GDP	51.7%	41.8%	35.5%	29.0%	25.8%	20.7%	17.9%	17.3%	16.5%	15.7%
Net corporate loans[3] / GDP	44.7%	30.9%	20.0%	15.1%	13.3%	10.4%	10.3%	10.1%	10.2%	10.2%
Gross retail loans/ GDP	13.1%	8.8%	6.6%	5.7%	5.5%	5.2%	4.8%	4.7%	4.7%	4.6%
Net retail loans/ GDP	9.1%	4.8%	3.2%	3.1%	3.2%	3.6%	3.5%	3.6%	3.7%	3.7%
Corporate deposits[3] / GDP	17.8%	17.6%	17.3%	14.3%	12.1%	13.2%	16.3%	15.7%	15.1%	14.6%
Retail deposits/ GDP	25.4%	20.2%	18.3%	16.0%	14.3%	13.9%	16.3%	15.8%	15.1%	13.8%
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	30.5
Net commission income	23.1	22.6	24.2	27.5	37.8	44.0	46.5	12.4	13.9	15.2
Provisions	84.4	114.5	198.3	49.2	23.8	10.7	31.0	2.0	3.5	2.2
Net profit/loss	-33.1	-66.6	-159.4	-26.5	22.3	58.4	39.7	10.9	19.1	21.3
Memo items:										
UAH/USD (period average)	11.89	21.84	25.55	26.60	27.20	25.85	26.96	27.97	27.59	26.91
UAH/USD (end-of-period)	15.77	24.00	27.19	28.07	27.69	23.69	28.27	27.89	27.18	26.58
UAH/EUR (period average)	15.72	24.23	28.29	30.00	32.14	28.95	30.79	33.76	33.23	31.74
UAH/EUR (end-of-period)	19.23	26.22	28.42	33.50	31.71	26.42	34.74	32.72	32.30	30.98

[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 Q3 2021 – readings for the last 12 month based on NBU forecast as published in Inflation Report.

[6] Taking into consideration adjustment entries.

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