In Q2 2022, the gross external debt of Ukraine has increased by USD 0.2 billion to USD 128.0 billion (has decreased by USD 1.7 billion since the beginning of the year). Debt-to-GDP ratio increased to 67.5%\(^1\) from 63.3% as of the end of Q1 2022 (as of the beginning of 2022 it amounted to 64.6%).

The growth of the external debt was resulted from the rise in external liabilities of the general government and central bank, that have increased by USD 2.1 billion and amounted to USD 60.1 billion (31.7% of GDP). At the same time private sector’s external liabilities have decreased by USD 1.9 billion, and as of the end of Q2 2022 totaled USD 67.9 billion (35.8% of GDP).

The external debt of the general government has increased by USD 2.5 billion and amounted to USD 55.4 billion (29.2% of GDP), due to such oppositely directed factors:

- USD 3.9 billion net borrowing on loans from international partners;
- USD 0.2 billion net repayments on domestic government bonds and securities of local authorities;
- USD 1.2 billion decrease of liabilities due to exchange rate changes (mainly due to depreciation of the euro against the US dollar).

The external liabilities of central bank have decreased by USD 0.4 billion in Q2 2022, mainly resulted from the repayment of debt to IMF (USD 0.3 billion), and as of the end of Q2 2022 totaled USD 4.7 billion (2.5% of GDP).

Due to exchange rate changes the external debt of the general government and central bank decreased by USD 1.4 billion in Q2 2022, USD 0.6 billion of which were due to SDR exchange rate changes.

The external liabilities of deposit-taking corporations except the central bank have decreased by USD 190 million and amounted to USD 2.4 billion (1.3% of GDP). The decrease was mainly resulted from the decline in external liabilities on loans (by USD 128 million).

Other sectors’ external debt has decreased by USD 1.6 billion in Q2 2022, and amounted to USD 45.0 billion (23.7% of GDP), resulted from such factors:

- USD 1.4 billion decrease of external liabilities on trade credits;
- USD 0.2 billion decrease of external liabilities on loans.

\(^1\) GDP’s preliminary data, based on NBU’s own estimates, is used in calculations as of the end of Q2 2022.
The liabilities on intercompany lending have decreased by USD 92 million, and as of the end of Q2 2022 they amounted to USD 20.5 billion (10.8% of GDP). The decrease was caused by such oppositely directed factors:

USD 181 million decrease of external liabilities on loans from direct investors;

USD 67 million increase of external liabilities on loans between fellow enterprises.

The gross external debt of other sectors (including intercompany lending) has decreased by USD 1.7 billion in Q2 2022 and totaled USD 65.5 billion (34.5% of GDP).

The external liabilities of real sector decreased by USD 0.6 billion due to exchange rate changes.

The amount of arrears on the real sector’s nonguaranteed loans (including loans from direct investors) has increased by USD 0.5 billion, and as of the end of Q2 2022 amounted to USD 23.9 billion (12.6% of GDP).

According to the geographical structure of the private sector’s liabilities on nonguaranteed loans (including intercompany lending) Cyprus remained the main country-creditor: its share has increased by 0.2 percentage point in Q2 2022 and amounted to 47.9% of the total amount of liabilities. The share of Great Britain decreased by 0.5 percentage point and amounted to 11.2%. The share of Germany also decreased (by 0.1 percentage point) and amounted to 2.8%. The shares of the Netherlands, the USA and the Virgin Islands (Brit.) remained unchanged in Q2 2022 and totaled 7.9%, 3.0% and 2.7% respectively. At the same time Luxemburg’s share increased by 0.2 percentage point in Q2 2022 and totaled 2.8%. The share of Cyprus in real sector’s arrears on these instruments has decreased by 1.2 percentage points in Q2 2022 and amounted to 6.0%.

US dollar has remained the main currency of external debt of Ukraine as of the end of Q2 2022, its share amounted to 60.1% of the total amount of external debt (it has decreased by 0.3 percentage point in Q2 2022). The share of liabilities to IMF in SDR has decreased from 11.7% to 11.0%. At the same time the shares of external liabilities in Euro and hryvnia remained the same as in Q1 2022 and totaled 24.1% and 2.8% respectively.

The gross external debt on a short-term remaining maturity basis has decreased by USD 1.8 billion in Q2 2022, and as of the end of Q2 2022 it amounted to USD 44.02 billion.

The liabilities of general government due to be paid in one year or less remained nearly the same as in Q1 2022 and totaled USD 3.1 billion: the increase on future repayments on domestic government bonds were offset by the lower repayments on Eurobonds and IMF’s loans.

Future repayments of central bank’s liabilities have decreased by USD 66 million due to the repayments of debt to IMF.

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2 Statistics of the external debt on a short-term remaining maturity were compiled on the basis of information that was current on 01.07.2022. That was before Ukraine announced completion its liability management transaction and amendments to the conditions of all of Ukraine’s sovereign international Eurobonds and GDP warrants, as well as state-guaranteed Eurobonds.
Banking sector’s future repayments have decreased by USD 76 million and amounted to USD 1.7 billion as of the end of Q2 2022, mainly due to the decrease of future repayments on loans and debt securities.

Other sector’s liabilities (including intercompany lending) due to be paid in one year or less have decreased by USD 1.7 billion (and totaled USD 37.6 billion). It was resulted from the decrease in liabilities on trade credits (by USD 1.3 billion) and the decline of repayments on long-term securities (by USD 0.4 billion).