

Ukraine

Rating report

Rating rationale

Material progress in the restructuring of external commercial claims: More than 90% of the external commercial claims subject to the moratoria introduced in August 2024 were restructured to date, and the claims for which the restructuring remains pending (USD 1.6bn) account for about 0.7% of the State and State guaranteed debt. Regarding the loan due to Cargill and State guaranteed bonds issued by Ukrenergo, the authorities continue discussions with commercial creditors and expect to reach an agreement as soon as possible.

Improved debt structure and manageable near-term external debt service: The restructuring of the bulk of external commercial claims subject to the 2024 moratorium has improved Ukraine's debt structure. The share of external commercial debt in State and State guaranteed debt has steadily declined, while the share of external official debt has significantly increased. Ukraine's improved debt restructure supports its debt service profile, among which external debt that is mainly due to official international financial institutions. Regarding domestic debt, the authorities have so far excluded those claims from the debt restructuring perimeter, as domestic financial institutions (mostly government-owned) remain a key source of funding for the government.

Exceptionally high uncertainty and commitment to a second stage restructuring: Ukraine's external gross financing needs would materially increase according to the IMF should a downside scenario materialise over the coming years. This would require additional financing, including through a deeper debt restructuring, that would be consistent with the authorities' commitment to a potential second stage restructuring of external commercial claims, as needed.

Rating challenges: i) exceptionally high uncertainty related to the ongoing military conflict and high geopolitical risk; ii) the possibility of a second stage debt restructuring if the IMF downside scenario materialises over the coming years; iii) long-run debt-sustainability risks amid a protracted war; iv) continued risks for external-sector resilience and elevated dollarisation; and v) vulnerabilities of the banking system.

Figure 1: Ukraine sovereign-rating drivers

Risk pillars	Quantitative		Reserve currency	Political risk	Qualitative	Final rating	
	Weight	Indicative rating	Notches	Notches	Notches		
Domestic economic risk	35%	b+	UAH [+0]	Ukraine [-3]	0	CCC	
Public finance risk	25%	b+			-1/3		
External economic risk	10%	b			+3/3		
Financial stability risk	10%	bb+			+2/3		
ESG risk	Environmental factors	3%			bb-		-1/3
	Social factors	3%			a+		-1/3
	Governance factors	14%			ccc		-1/3
Sovereign Quantitative Model*					ccc		0
Additional considerations					0		

*Scope's Sovereign Quantitative Model (SQM) signals an indicative credit rating of 'ccc' for Ukraine which was approved by the rating committee. For details, please see Scope's [Sovereign Rating Methodology](#).

Foreign currency

Long-term issuer rating/Outlook

CCC/Stable

Senior unsecured debt/Outlook

CCC/Stable

Short-term issuer rating

S-4

Local currency

Long-term issuer rating/Outlook

CCC/Stable

Senior unsecured debt/Outlook

CCC/Stable

Short-term issuer rating

S-4

Lead Analyst

Thomas Gillet
+49 30 278911-25
t.gillet@scoperatings.com

Team Leader

Alvise Lennkh-Yunus
+49 69 6677389-85
a.lennkh@scoperatings.com

Table of contents

- Rating analysis
- Appendix 1. Debt sustainability analysis
- Appendix 2. Rating peers
- Appendix 3. Economic development and default indicators
- Appendix 4. Statistical table for selected SQM indicators

Credit strengths and challenges

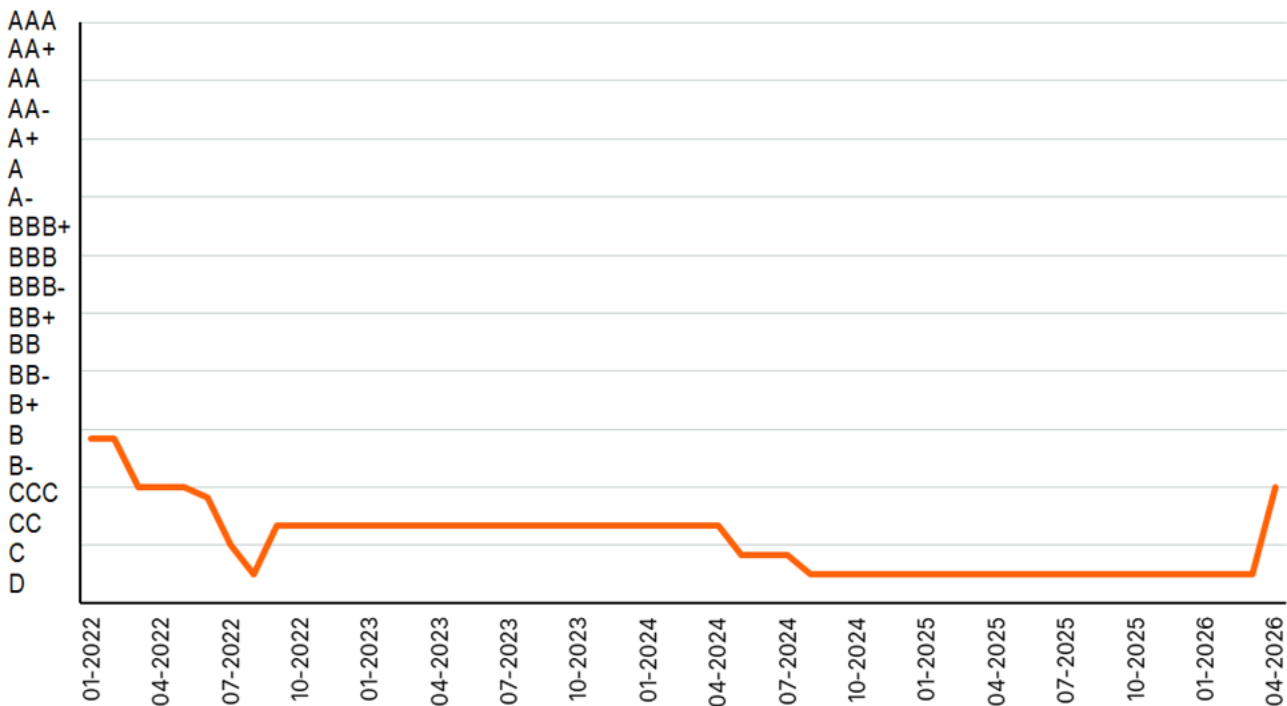
Credit strengths	Credit challenges
<ul style="list-style-type: none"> • Significant international financial support • Improved public debt structure • Strengthened external-sector resilience • A resilient banking system under exceptional circumstances • Adept central-bank response to high uncertainty 	<ul style="list-style-type: none"> • Exceptionally high uncertainty • Second stage restructuring in a downside scenario • Long-run debt sustainability risks • External-sector risks • Banking-system vulnerabilities

Outlook and rating triggers

The **Stable Outlook** reflects the view that risks for the ratings are balanced.

Positive rating-change drivers	Negative rating-change drivers
<ul style="list-style-type: none"> • Sustained improvement in domestic security conditions support materially stronger economic and fiscal outlooks, reducing the likelihood of a debt restructuring 	<ul style="list-style-type: none"> • Materialisation of downside risks significantly weakens public debt sustainability, increasing the likelihood of a debt restructuring

Figure 2: Rating history



Foreign-currency long-term issuer rating. Positive/Negative Outlooks are treated with a +/-0.33-notch adjustment. Credit Watch positive/negative with a +/-0.67-notch adjustment. Source: Scope Ratings

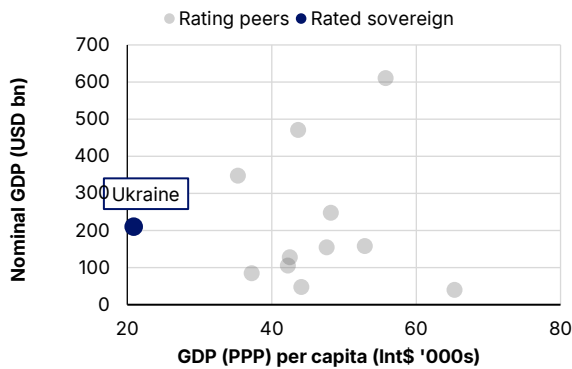
Rating analysis

Domestic economic risk

Overview of Scope's assessments of Ukraine's Domestic Economic Risk

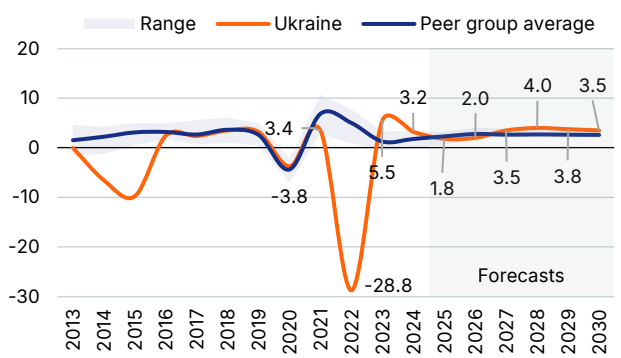
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
b+	Growth potential and outlook	Neutral	0	Moderate long-run growth potential but significant uncertainties around the recovery trajectory given high geopolitical risks
	Monetary policy framework	Strong	1/3	Central-bank measures have been crucial in the anchoring of economic and financial stability; monetary financing has been eliminated
	Macroeconomic stability and sustainability	Weak	-1/3	Moderate economic diversification and labour-market flexibility; the protracted military conflict undermines longer-run macroeconomic stability

Figure 3: Nominal GDP and GDP per capita (2025E)



Source: IMF World Economic Outlook (WEO), Scope Ratings

Figure 4: Real GDP growth, %



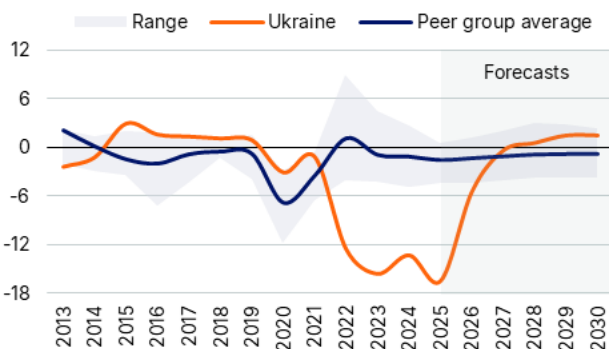
Source: IMF WEO, Scope Ratings forecasts

Public finance risk

Overview of Scope's assessments of Ukraine's Public Finance Risk

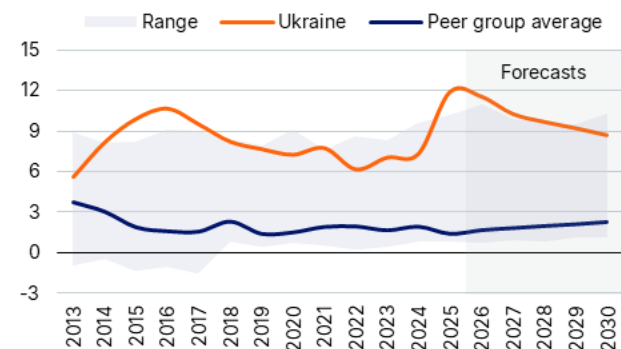
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
b+	Fiscal policy framework	Weak	-1/3	A pre-war record of fiscal discipline with the oversight of the IMF and bilateral creditors; reduced spending flexibility due to the war; high fiscal sustainability risks
	Long-term debt trajectory	Weak	-1/3	Long-run debt sustainability remains challenging even following external commercial debt restructuring and an expectation of bilateral-official debt restructuring
	Debt profile and investor base	Strong	1/3	Restricted international market access, high foreign currency risks, but domestic market access and extraordinary access to official creditors and donors

Figure 5: Primary balance, % of GDP



Source: IMF WEO forecasts, Scope Ratings

Figure 6: Net interest payments, % of government revenue



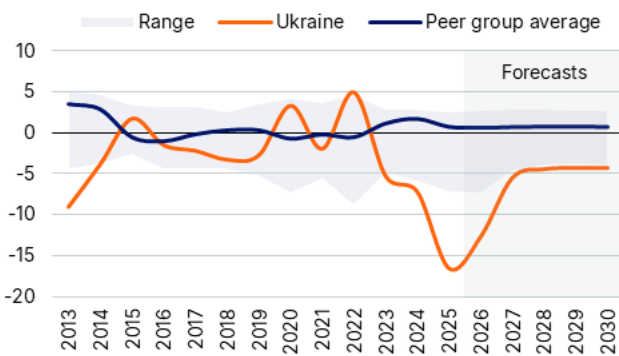
Source: IMF WEO forecasts, Scope Ratings

External economic risk

Overview of Scope's assessments of Ukraine's External Economic Risk

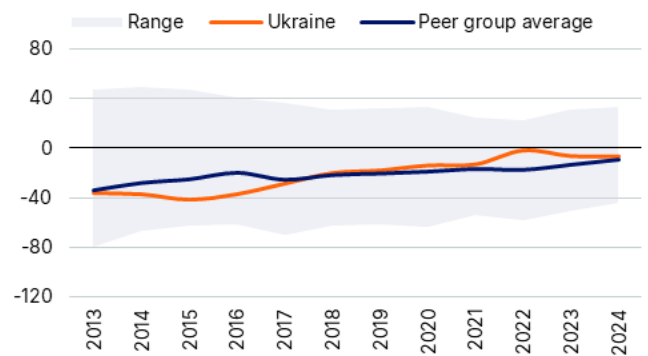
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
b	Current account resilience	Strong	1/3	Out-sized current-account deficits counter-balanced by significant inflows comprising grants and concessional debt funding; sizeable remittances
	External debt structure	Strong	1/3	Improved debt structure, mainly public debt due to official creditors, following the near completion of the external commercial debt restructuring started in 2024
	Resilience to short-term external shocks	Strong	1/3	Very high levels of international reserves; significantly improved reserves coverage of short-term external debt compared to 2022 lows; robust official support

Figure 7: Current-account balance, % of GDP



Source: IMF WEO forecasts, Scope Ratings

Figure 8: Net international investment position (NIIP), % GDP



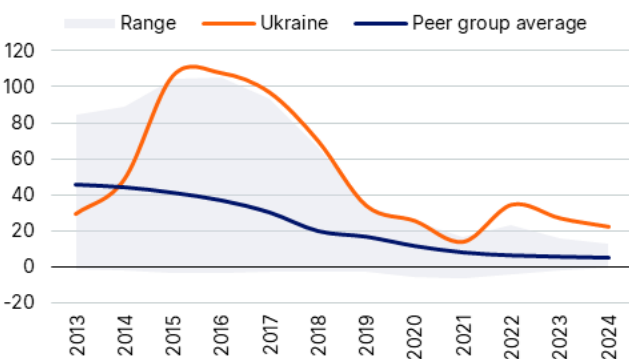
Source: IMF, Scope Ratings

Financial stability risk

Overview of Scope's assessments of Ukraine's Financial Stability Risk

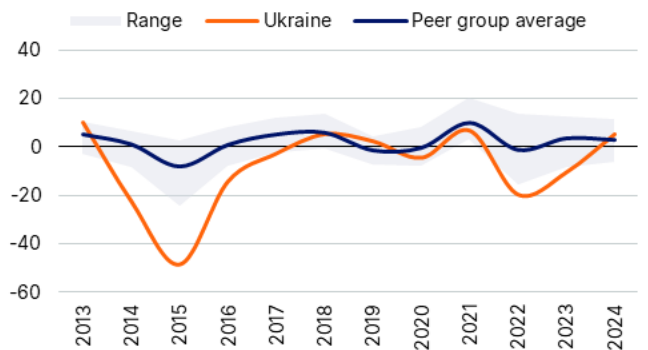
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
bb+	Banking sector performance	Neutral	0	Resilient banking sector under exceptional circumstances; high NPLs and vulnerabilities at smaller, privately-owned banks
	Financial sector oversight and governance	Strong	1/3	A history of challenges in financial supervision, but exceptional management of financial stability by the National Bank of Ukraine
	Financial imbalances	Strong	1/3	Low levels of private-sector debt and a lack of credit imbalances given developing domestic capital markets; but strong sovereign-banks nexus

Figure 9: Non-performing loans net of provision, % of capital



Source: IMF, Scope Ratings

Figure 10: Private sector credit growth, %



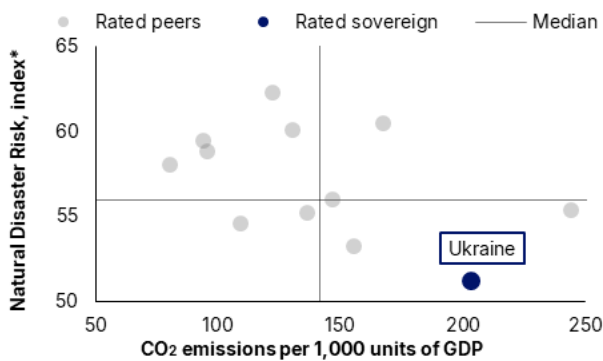
Source: World Bank (WB), Scope Ratings

Environmental, Social and Governance (ESG) risk

Overview of Scope's assessments of Ukraine's ESG Risk

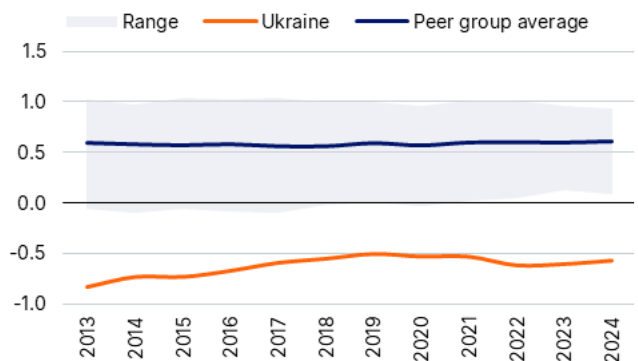
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
CCC	Environmental factors	Weak	-1/3	Elevated transition risks for a higher carbon-intensity developing economy; the war is causing long-lasting environmental damages
	Social factors	Weak	-1/3	Poverty, emigration and internal displacement of persons; moderate income inequality and performance on education, weaker wealth dynamics
	Governance factors	Weak	-1/3	War on sovereign territory and associated exceptional adverse credit implications; high geopolitical risk

Figure 11: Natural disaster and transition risks



Source: European Commission, Notre Dame Global Adaptation Initiative, Scope Ratings
 *Higher scores indicate lower vulnerability to physical risks. Median of SQM peers.

Figure 12: Governance, index score*



Source: World Bank (WB), Scope Ratings
 *Mean of the WB estimates for Control of Corruption, Government Effectiveness, Regulatory Quality, and Rule of Law.

Reserve-currency adjustment

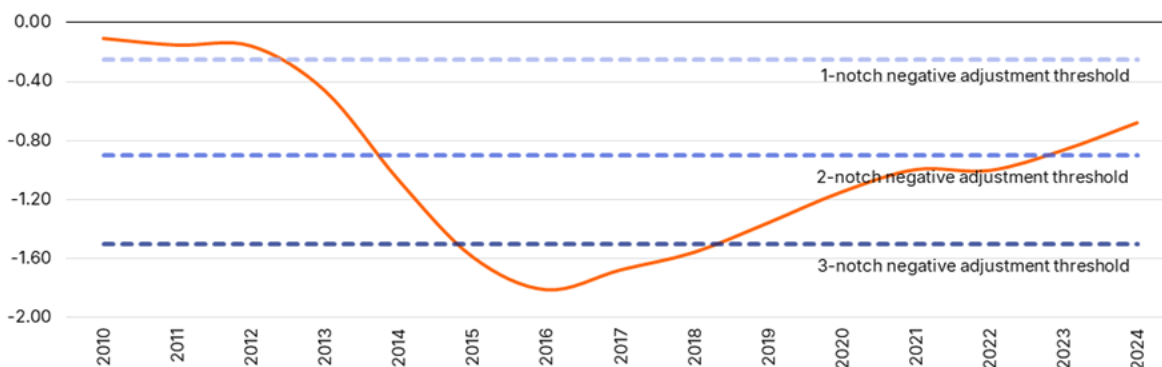
IMF SDR basket and Scope reserve-currency adjustment

Currency	U.S. dollar	Euro	Chinese yuan	Japanese yen	Pound sterling	Other
IMF SDR basket weights, %	43.4	29.3	12.3	7.6	7.4	0.0
Positive adjustment, notches	3	1	1	1	1	0

Source: IMF, Scope Ratings

Political-risk adjustment

Figure 13: WB Political Stability & Absence of Violence/Terrorism index, Ukraine, three-year moving average

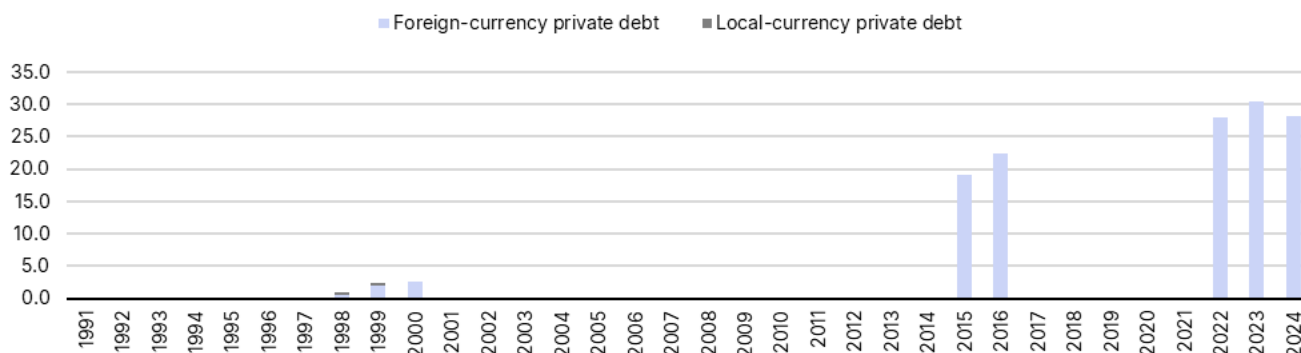


The rating committee agreed to apply an additional two-notch negative adjustment to account for political risks given the ongoing war.

Source: WB, Scope Ratings

Sovereign default history and applicability of the default cap

Figure 14: Sovereign default history, USD bn



Depicted private-debt defaults may not always constitute a credit event under [Scope's credit-rating definitions](#).

Source: [Bank of Canada–Bank of England Sovereign Default Database](#), Scope Ratings

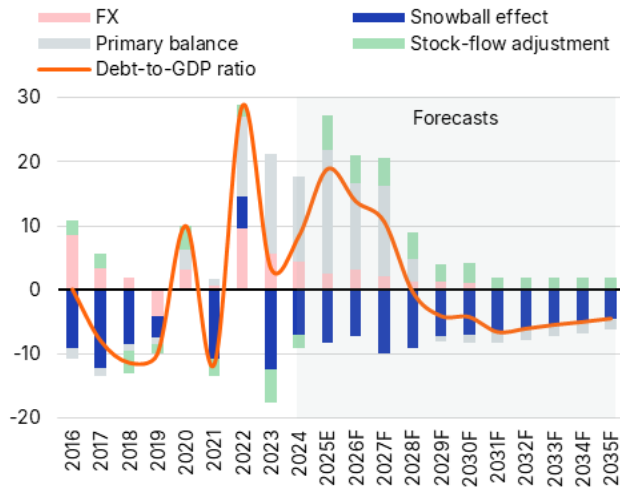
The rating committee decided that the SQM indicative rating should be capped at 'bb-', in line with the methodology, based on Ukraine's sovereign default history on foreign-currency commercial debt. The most recent default on foreign-currency commercial debt occurred in 2025. However, the 'bb-' cap has no impact on the ratings as it is above the SQM indicative ratings of 'ccc'.

Additional considerations

No adjustment was applied to the rating from additional considerations. The three-notch extraordinary downside adjustment previously applied to Ukraine's long-term issuer rating in foreign-currency was removed on the basis that the bulk of external commercial claims subject to the moratoria introduced in 2024 has been successfully restructured to date.

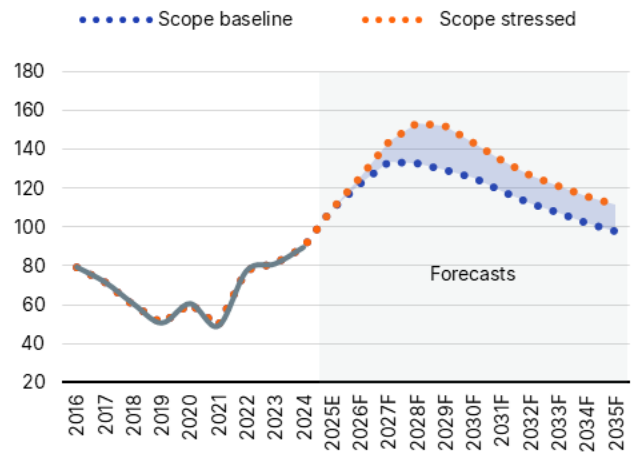
Appendix 1. Debt sustainability analysis

Figure 15: Contributions to change in debt-to-GDP ratio
pps of GDP



Source: IMF WEO, Scope Ratings forecasts

Figure 16: Debt-to-GDP forecasts
% of GDP



Source, IMF WEO: Scope Ratings forecasts

Scope DSA Baseline, % of GDP (unless stated otherwise)

	2025E	2026F	2027F	2028F	2029F	2030F	avg. 2031F-2035F
Real GDP growth (%)	1.8	2.0	3.5	4.0	3.8	3.5	3.5
Deflator (%)	13.8	10.5	8.5	6.5	5.0	5.0	5.0
Primary Balance	-19.3	-13.3	-14.1	-3.5	0.9	1.4	1.7
Net Interest payments	4.0	5.1	3.6	3.9	3.8	3.4	3.5
General government debt (gross)	108.7	122.5	133.3	133.1	129.1	125.0	97.9*

* Figure refers to end-2035 forecast.
Source: Scope Ratings

Appendix 2. Rating peers

Rating peers are related to sovereigns with an indicative rating in the same rating category or adjacent categories, as assigned by Scope's SQM after accounting for methodological reserve-currency and political-risk adjustments.

Peer group*
n/a

*Selected publicly-rated sovereigns only; the full sample of sovereign-rating peers may be larger.

The shaded range in the charts above represents the distribution of sovereign-rating peers between the 10th and 90th percentiles of the full sample.

Appendix 3. Economic development and default indicators

IMF Development Classification

Emerging market and developing economy

5-year USD CDS spread (bps) as of 17 April 2026

n/a

Appendix 4. Statistical table for selected SQM indicators

This table presents a selection of the indicators (22 out of 27 – with the governance indicator reflecting a composite of four indicators) used in Scope's quantitative model, in line with Scope's Sovereign Rating Methodology. The metrics and sources used ensures comparability across global sovereign peers and may therefore differ from national or other international statistical series; as a result they may not immediately reflect the latest national updates.

Pillar	Core variable	Source	2020	2021	2022	2023	2024	2025E
Domestic Economic	GDP per capita (PPP), Int\$ '000s	IMF	15.8	18.2	16.5	18.3	19.7	20.9
	Nominal GDP, USD bn	IMF	157	200	162	181	191	210
	Real GDP growth, %	IMF	-3.8	3.4	-28.8	5.5	3.2	1.8
	CPI inflation, %	IMF	2.7	9.4	20.2	12.9	6.5	12.7
	Working-age population growth, %	UN	-1.0	-1.1	-7.5	-8.3	0.3	-
Public Finance	General government debt, % of GDP	IMF	60.5	48.9	77.7	81.2	89.7	108.6
	Net interest payments, % of government revenue	IMF	7.3	7.8	6.2	7.1	7.4	11.9
	Primary balance, % of GDP	IMF	-3.0	-1.1	-12.5	-15.5	-13.2	-16.4
External Economic	Current-account balance, % of GDP	IMF	3.3	-1.9	4.9	-5.3	-7.2	-16.5
	Total reserves, months of imports	WB	4.9	3.6	3.9	5.0	5.0	-
	NIIP, % of GDP	IMF	-14.0	-13.1	-1.7	-6.3	-6.5	-
Financial stability	Non-performing loans net of provisions, % of capital	IMF	25.3	13.8	34.4	26.8	22.1	-
	Private sector credit growth, (7yr av. YoY change, %)	WB	-12.2	-8.0	-3.9	-3.3	-2.2	-
ESG	CO ₂ per EUR 1,000 of GDP, kgCO ₂ e	EC	275.6	260.1	224.4	216.8	203.9	-
	Income share of bottom 50%, %	WID	25.4	25.4	25.4	25.4	-	-
	Labour-force participation rate, %	WB	67.1	66.8	66.8	66.8	66.8	-
	Unemployment rate, %	WB	9.5	9.8	-	-	-	-
	Composite governance indicators*, index	WB	-0.5	-0.5	-0.6	-0.6	-0.6	-
	Political stability, index	WB	-1.1	-1.0	-1.0	-0.9	-0.7	-

*Average of the following four World Bank Worldwide Governance Indicators: Control of Corruption, Rule of Law, Government Effectiveness, Regulatory Quality.

Lead Analyst

Thomas Gillet
+49 30 278911-25
t.gillet@scoperatings.com

Team Leader

Alvise Lennkh-Yunus
+49 69 6677389-85
a.lennkh@scoperatings.com

Applied methodology

[Sovereign Rating Methodology](#), March 2026

Scope Ratings GmbH

Lennéstraße 5, D-10785 Berlin
Phone: +49 30 27891-0
Fax: +49 30 27891-100
info@scoperatings.com

Scope Ratings UK Limited

1 King William Street
London, EC4N 7AF
Phone: +44 20 3059 1051
info@scoperatings.com



Bloomberg: RESP SCOP
[Scope contacts](#)
scoperatings.com

Disclaimer

© 2026 Scope SE & Co. KGaA and all its subsidiaries including Scope Ratings GmbH, Scope Ratings UK Limited, Scope Fund Analysis GmbH, Scope Innovation Lab GmbH and Scope ESG Analysis GmbH (collectively, Scope). All rights reserved. The information and data supporting Scope's ratings, rating reports, rating opinions and related research and credit opinions originate from sources Scope considers to be reliable and accurate. Scope does not, however, independently verify the reliability and accuracy of the information and data. Scope's ratings, rating reports, rating opinions, or related research and credit opinions are provided 'as is' without any representation or warranty of any kind. In no circumstance shall Scope or its directors, officers, employees and other representatives be liable to any party for any direct, indirect, incidental or other damages, expenses of any kind, or losses arising from any use of Scope's ratings, rating reports, rating opinions, related research or credit opinions. Ratings and other related credit opinions issued by Scope are, and have to be viewed by any party as, opinions on relative credit risk and not a statement of fact or recommendation to purchase, hold or sell securities. Past performance does not necessarily predict future results. Any report issued by Scope is not a prospectus or similar document related to a debt security or issuing entity. Scope issues credit ratings and related research and opinions with the understanding and expectation that parties using them will assess independently the suitability of each security for investment or transaction purposes. Scope's credit ratings address relative credit risk, they do not address other risks such as market, liquidity, legal, or volatility. The information and data included herein is protected by copyright and other laws. To reproduce, transmit, transfer, disseminate, translate, resell, or store for subsequent use for any such purpose the information and data contained herein, contact Scope Ratings GmbH at Lennéstraße 5, D-10785 Berlin. Public Ratings are generally accessible to the public. Subscription Ratings and Private Ratings are confidential and may not be shared with any unauthorised third party.