


War Bonds: Invest to Support Ukraine


To raise the required financing and support the army, the Ministry of Finance of Ukraine has decided to issue series of war bonds that can be purchased both by Ukrainian legal entities and individuals, and foreign investors who want to support Ukraine. These bonds can be nominated and purchased either in UAH or USD.


To promote the bonds, the National Bank of Ukraine has introduced a simplified identification and verification mechanism exclusively for foreign individual buyers of war bonds and for Ukrainian nationals who permanently or temporarily reside abroad. This new mechanism enables remote identification and verification. The client would only have to send the documents to the broker/bank through protected communication channels and pass verification by videoconference. Simplified procedure is available for transactions for the total amount of up to UAH 400,000 (approximately EUR 12,273.70) per month.

The most recent auction on 29 March 2022 showed that the interest in Ukrainian military bonds is on the rise. During this auction, the Ministry of Finance issued and placed bonds for total amount of UAH 3.3 billion. The interest rate for the military bonds in UAH with a 15-month redemption period was set at 11%, and with the 6 month redemption period at 10%.





ON 29 MARCH WAR BOND AUCTIONS WILL BE HELD. WHERE CAN YOU BUY WAR BONDS?





Minimum investment 

from **UAH 1 thousand**



Primary dealer banks

-  **український банк**
-  **банк ПІВДЕННИЙ**


Licensed brokers

-  **ПУМБ**
-  **EXIM BANK**



of the custodian and broker

-  **ICU**
-  **Dragon Capital**


from **UAH 50 thousand**

-  **ОЩАДБАНК**



from **UAH 100 thousand**


-  **ПриватБанк**
-  **otpbank**


from **UAH 300 thousand**


-  **TAC**


from **UAH 500 thousand**


-  **KredoBank**
-  **Raiffeisen BANK**

 Domestic government bonds are available for purchase via mobile app

 Fees have been cancelled

 Simplified procedure

 For war domestic government bonds: securities account opening fee is UAH 1; security transaction (crediting) fee is UAH 1

 Via Wotan app

Source: [Мінфін оголосив черговий аукціон з продажу військових облигацій на 29 березня \(espreso.tv\)](https://www.espreso.tv)

Previously, the Ministry of Finance already issued the following war bonds, which also should be available on the secondary market:

ISIN	Currency	Interest rate	Volume	Redemption period
UA4000225668	UAH	11%	8,122,452,444.50	One year
UA4000221436	UAH	10%	20,748,677.63	Two months
UA4000225775	USD	3,7%	11,739,000	One year

Military bonds are traded through primary dealers that participate in auctions held by the Ministry of Finance in the interests of their clients. Among the primary dealers are two international and two local banks. In particular, the local banks include Oschadbank and PrivatBank. International banks acting as primary dealers are Citibank and Raiffeisen Bank. More detailed information on the list of the primary dealers can be found at this link: <https://mof.gov.ua/en/perelik-pervinnih-dileriv>.

For direct purchases, a foreign investor has to follow these steps:

- choose and conclude an agreement with a Ukrainian broker with primary dealer status (the Broker);
- open a securities account in one of the Ukrainian depository institutions;
- place an order with the Broker.

If they do not have direct access to Ukrainian depository system or brokers, foreign investors can also consider using their foreign custodians as intermediaries in the process. Several foreign custodians have access to the Ukrainian depository system through nominee accounts foreign custodians hold with Ukrainian custodians. These foreign custodians are able to purchase and hold Ukrainian securities on behalf of their clients without the need for their clients to open Ukrainian accounts. Ukrainian war bonds can also be purchased via Clearstream.

For more information on the economic situation in Ukraine and conducting business during the crisis, contact your CMS partner or local CMS experts.



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