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UKRAINE NEWSLETTER Q4/2016
POLITICAL AND ECONOMIC NEWS

- The World Bank recently presented the Global Indicators of Regulatory Governance Project according to which the consolidated course of Ukraine 5.2 out of 6 that is a ranking comparable with such leading countries as Germany (5.2), France (5.6), Finland (5.0), Sweden (5.4).
- Fitch Upgrades Ukraine to 'B-'; Outlook Stable. The issue ratings on Ukraine's long-term senior unsecured foreign-and local-currency bonds are also upgraded to 'B-' from 'CCC', and the sovereign's short-term senior unsecured foreign- and local-currency bonds are upgraded to 'B' from 'C'
- Fitch Ratings cited the easing of external financing pressures as being among its reasons for improving the rating, this being evident from a number of factors, including a \$2 billion increase in Ukraine's international reserves during the first 10 months of 2016, and a \$1 billion loan payout from the International Monetary Fund in September.
- The European Investment Bank will grant a €200 million loan to upgrade the infrastructure of public transportation in 20 cities around Ukraine, according to Ukraine's Infrastructure Ministry.
- The Government of Ukraine expects to complete 2016 with economic growth of at least 1% with inflation at 14.1%, laying down for 2017 the economic growth of at least 3%.
- "For the first time ever, more than 100,000 top officials, including the president, members of the cabinet, MPs, judges, prosecutors and civil servants, declared their assets under our new e-declaration system", Volodymyr Groysman, the Prime Minister of Ukraine said. In a statement endorsed by all of Ukraine's leading civil society organisations, none of whom has been shy to criticise the authorities, they hailed the system as "a truly revolutionary step towards eradicating corruption". (The Guardian)

UPCOMING EVENTS AND FAIRS

EXPO Techmash

08-16.02.2017 | Kyiv Expo Plaza Exhibition Center | Kyiv | Ukraine | Tel.: + 380 44 461 99 21

UKRAINIAN DEFENSE & SECURITY FORUM

16.02.2017 | InterContinental Hotel | Kyiv | Ukraine | Tel. +380 44 219 19 19

LOGISTICS Trade Show

21-23.02.2016 | Kyiv Expo Plaza Exhibition Center | Kyiv | Ukraine | Tel.: + 380 44 461 99 21

WASTEECO

28-30.03.2017 | Sports Complex of Kharkiv Polytechnic Institute | Kharkiv | Ukraine

INTERNATIONAL CONFERENCE MICE UKRAINE – BUSINESS TOURISM

30.03.2017 | PremierExpo Business city Forum | Kyiv | Ukraine | Tel.: + 380 44 496 86 45

ABOUT VI2 PARTNERS

VI2 Partners GmbH is an international M&A and corporate finance advisor, based in Vienna, Kyiv and London, with a focus on M&A, Debt Restructuring, and Consulting/Lobbying. Our core markets are CEE and Germany/Austria/Switzerland. We support prime international clients to acquire, protect, restructure and develop critical assets in Ukraine.

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STATISTICS



Source: National Bank of Ukraine (2016)

Doing business 2016 Distance to frontier across indicators



Source: World Bank (2016)

Other Figures of Interest

- According to the National Bank of Ukraine, the share of the largest 5 banks (CR5) is at 54%, close to average European level
- Ukraine's GDP from construction skyrockets in Q4 2016 to UAH 5,6 bln after a decrease to UAH 3,2 bln in Q2 2016 (Source: The State Statistics Service of Ukraine)
- Fitch forecasts a general government deficit of 3.7% of GDP, reflecting improvement in tax revenues

RECENT CASE WORK

- Mediation and re-financing of a USD 50 mln loan between a major international bank and a local debtor for a Ukrainian shopping mall complex
- M&A support for an international bank to sell their Ukrainian banking branch, including asset reduction and preparation of sales documentation and investor search.