



National Bank
of Ukraine

Presentation to the press briefing on monetary policy

July 2024



Key messages

- The NBU has left its key policy rate unchanged at 13%. This decision is intended to ensure the sustainability of the FX market and bring inflation closer to its 5% target within the forecast horizon
- The NBU will also maintain an active presence on the FX market to cover the structural deficit of foreign currency, support two-way fluctuations in the exchange rate, and smooth out excessive volatility
- The baseline scenario of the forecast assumes that the NBU will return to an easing cycle of the key policy rate only in early 2025. However, the NBU will respond flexibly to changes in the balance of risks to inflation and the FX market

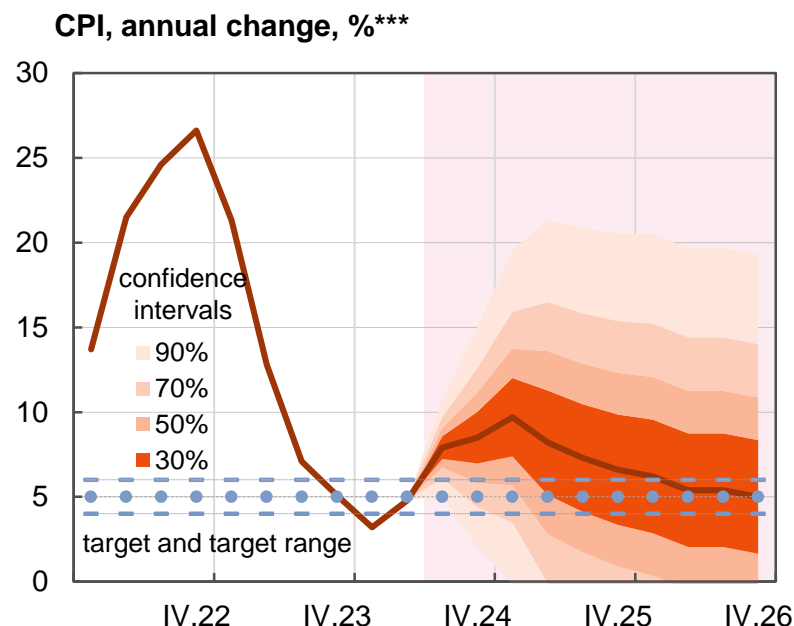
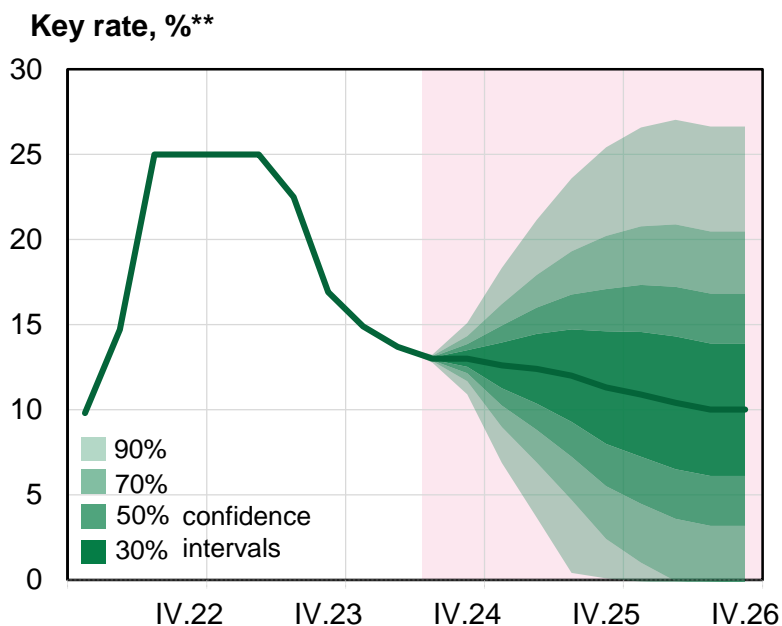
Key macroeconomic indicators*

	2023	2024	2025	2026
Real GDP, change, %	5.3	3.7 (3.0)	4.1 (5.3)	4.8 (4.5)
Nominal GDP, UAH bn	6 538	7 590 (7 590)	8 620 (8 705)	9 625 (9 685)
CPI, y-o-y, % (eop)**	5.1	8.5 (8.2)	6.6 (6.0)	5.0 (5.0)
Core CPI, y-o-y, % (eop)**	4.9	7.1 (6.7)	4.5 (3.6)	3.1 (3.0)
Current account balance, USD bn	-9.7 (-9.2)	-14.2 (-20.2)	-19.0 (-18.2)	-23.5 (-23.1)
International reserves, USD bn	40.5	41.2 (43.4)	37.3 (44.3)	32.0 (39.3)

* in brackets – previous forecast (Inflation report, April 2024)

** end of period (December to December of previous year)

Key rate and inflation forecast*



* The forecast is given in a fan chart. This chart type is used to illustrate uncertainty with regard to predicted future values. For instance, the probability that the indicator will be in the range of the darkest shaded area in the chart (around the central line) is 30%. The same applies to other chart areas, implying the 90% probability that the indicator will be in the range of the lightest shaded area.

** quarter average

*** end of quarter