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UKRAINE

# Fiscal and Default Threats

## Executive Summary

Orderly presidential elections (without the drama of subsequent turmoil) look to be the first step toward stabilization for Ukraine. For sure, we cannot claim that Viktor Yanukovich is the best choice for president; however, we believe that deliverance of Ukraine from the never-ending quarrel between president and prime minister could be a good step forward. Moreover, under the current economic stance, there is a high chance that new Cabinet will finally start implementing at least part of long-awaited reforms.

Although confrontation between key branches of power seems likely to fade, the outlook for economic development is still questionable >>>