

UKRAINE

# Another Game of Chicken with the IMF

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The president's family keeps strengthening its position, and gaining more influence over the media. Yet the ruling group seems to have lost control over Parliament: the opposition has been blocking it for three weeks.

The IMF left Ukraine with nothing, promising to return in March. Though Ukrainian authorities claim an agreement is close, there was no commitment to increase tariffs, and the currency policy is disputable. In reality, the ruling group is stalling for time, to keep Eurobond holders on a string as long as they can. With liquidity on external markets abundant, the Ukrainian government is unlikely to commit to painful policies: they only hope to keep IMF missions coming to Kyiv, to maintain the image of constructive talks. We doubt negotiations>>>