

Author: **Iryna Ivaschenko**

Title: **Ukrainian Banking System Vulnerability: Sources and Solutions.**

### **ABSTRACT**

In the context of the possibility of a banking crises in Ukraine, this paper presents the analysis of the main sources of Ukrainian banking system vulnerability. The analysis reveals the great importance of the overall macroeconomic situation for the health of the banking sector. Both bank-specific issues and factors that determine overall fragility of the banking system are discussed. Some policy measures aimed at strengthening the soundness of the Ukrainian banking system are suggested: those feasible to implement in the short and in the longer run.

Key words: systemic risk, macroeconomic factors, bank-specific data, aggregate banking system characteristics, government intervention.