



Where did the money go? Ukraine set to default on loans after American taxpayers provided tens of billions in aid

Description

UKRAINE: Once again, the American taxpayer has been fleeced, this time in Ukraine.

For months, the Biden regime and the bipartisan ‘deep state’ has been expending tens of billions in American treasure and military equipment in Ukraine, where Joe Biden’s son, Hunter Biden, made millions of dollars for years as part of corrupt business deals — 10 percent of which went to his dad, according to published emails derived from his abandoned laptop computer.

But now, according to former Texas congressman Ron Paul’s website, Kyiv is set to default on billions in foreign debts even though U.S. taxpayers have provided President Volodymyr Zelenskyy’s government with all of that money:

Western governments have allocated well over \$100 billion to prop up Ukraine in its war against Russia, with countless billions more flooding into the country at an increasing pace. Yet as each day passes, it’s becoming more and more clear that all of the money awarded and assigned to Ukraine continues to dissolve into a black hole of secrecy, corruption, deceit, and now, default,” Jordan Schachtel writes, adding:

On Wednesday, Ukraine finance ministry asked foreign creditors to accept a delay in its debt repayments, requesting a two year freeze on billions of dollars in Eurobonds. Per the Financial Times, “a rescheduling would amount to a Ukrainian default” on Kiev’s tens of billions in foreign debt.

“Although western financial support has increased since May, Kyiv is still counting on Ukraine’s central bank to buy its debt by selling foreign reserves or printing money, at the risk of setting off an inflationary spiral,” the *Financial Times* noted in a tweet with a link to the site’s report.

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<https://t.co/1RjuDJun7X>

— Financial Times (@FinancialTimes) [July 19, 2022](#)

The news of this potential default comes as the European Union ambassador to Ukraine [claimed that the country won't default on its foreign debts](#). According to *Bloomberg News*, the country — whose credit is junk-rated — has incurred a foreign debt tab of around \$25 billion.

But this is despite all of the money that has come from the United States and several other nations around the world. Also, Ukraine's budget deficit is spiraling out of control, adding \$9 billion worth of debt a month — an 80 percent increase just from a month ago.

“Ukraine's dollar bonds due in 2033 are trading around 18 cents on the dollar, down from about 25 cents at the end of last month and more than 80 cents before Russia's invasion in February,” the Bloomberg report noted, adding that creditors are continuing to lose confidence in the East European country as Russia's invasion grinds on.

What's more, the country's income has been severely impacted by the invasion: Zelenskyy's government is estimating that gross domestic product will crater 35 to 45 percent this year, as grain and other high-value exports are shunted due to the war.

“Ukraine is losing both the economic war and the war on the physical battlefield, but the Zelensky government continues to dismiss the prospect of an armistice or peace deal with Moscow,” Schachtel writes.

“In addition to the government as a whole, Ukraine's [state-owned infrastructure and national energy companies](#) have also announced their intent to default on international bonds. Earlier this week, Kiev announced that it has sold some \$12+ billion in gold reserves since the start of the war,” he continued.

Without question, the outlook is bleak for Ukraine, and while Russia is suffering as well, clearly Moscow is coming out on the better end, especially since China is backing up the Russian offensive with mass purchases of oil and gas.

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