Ukraine | Joint Market Monitoring Initiative (JMMI)

10 - 20 February 2024

MARKET OVERVIEW

INTRODUCTION

Since 24 February 2022, the full-scale war across Ukraine has prompted mass displacement and humanitarian crisis. Given the prominence of multi-purpose cash as a modality for assistance, market monitoring is a key initiative to ensure humanitarian intervention is effective, sustainable and does not harm local markets.

Due to the ongoing full-scale war in Ukraine, humanitarian market data is limited and incomplete, especially from conflict-affected areas. The Joint Market Monitoring Initiative (JMMI) seeks to fill this information gap by providing useful and timely data on price trends and market functionality indicators.

Marketplaces across Ukraine are assessed on a monthly basis. In each location, field teams record prices and other market indicators through retailer and customer key informants (KIs) interviews that characterize monthly changes in the local markets.

The goal of the JMMI is to: track prices and availability of basic commodities in Ukraine markets on a monthly basis; assess the impact of the current humanitarian crisis on market systems in Ukraine; contribute to a broader understanding of the market environment in Ukraine for the benefit of humanitarian actors across all sectors.

ASSESSMENT COVERAGE

KEY FINDINGS

- **Essential items such as food and hygiene items, as well as medication and warm clothes, were widely available across the country, except in the eastern and southern areas closer to the frontline.** Security-related factors reportedly restricted access to shops for customers in these areas, while inability to afford the items available in the stores constrained access to goods for 36% of customer KIs in the South and 21% in the East. Moreover, customer KIs in Zaporizka, Khersonska, and Donetska oblasts more frequently reported inaccessibility of financial services due to the unavailability of functioning banks and ATMs.
- **The issue of affordability remained crucial nationwide, with 55% of customer KIs reporting increased prices as their primary barrier to accessing goods in markets**. The North and Kyiv account for the highest cost of the food JMMI basket and the greatest percentages of customers reporting that high prices limited their access to goods (58% and 78%, respectively). Retailers in the North also expressed concerns about rising prices (77%) and reduced purchasing power (70%) in the coming months.
- Considering the above, multi-purpose cash assistance could still be relevant for most of the country, in terms of humanitarian response. However, **a differentiated approach to aid selection, whether cash or in-kind assistance, may be necessary in Donetska, Khersonska, Zaporizka, and Mykolaivska oblasts,** given the worst situation with the availability of essential items in these oblasts and limited access to financial providers that could be involved in the delivery of cash assistance. Furthermore, ongoing monitoring of the market situation is essential in these regions and in the North due to deteriorating security conditions.

KEY INDICATORS

Key Monthly Changes In JMMI Basket

Median cost of overall JMMI basket

1071 UAH	▼ -2.5%
28.06 USD	▼ -1.6%
26.02 EUR	▲ +0.4%
Food items ▼ -3.3%	**Hygiene items** ▼ -1.7%

Median Cost Of JMMI Basket By Region

West	1103 UAH	+4.3% ▲
East*	1047 UAH	+0.6% ▲
North	1179 UAH	-2.7% ▼
Kyiv	1061 UAH	-6.8% ▼
Centre	1025 UAH	-6.2% ▼
South	1128 UAH	+4.8% ▲

* East includes Kharkivska, Luhanska, and Donetska oblasts.

Exchange Rates**

38.17 **USD/UAH** *official* ▲ +0.9%	38.16 **USD/UAH** *parallel market* ▼ -1.0%	41.15 **EUR/UAH** *parallel market* ▼ -2.8%

** Median exchange rate on February 15, 2024. Data available at http://minfin.com.ua.

15	Participating partners
23	Assessed *oblasts*
135	Assessed *hromadas*
1318	Key informant interviews (KIIs)
500	Retailers surveyed
818	Customers surveyed
20	Commodities assessed

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JMMI BASKET

The JMMI basket is a subset of the 335-item set of consumer goods (and services) maintained by the State Statistics Service of Ukraine (SSSU), focusing on core food and hygiene items that an average household must purchase regularly. The JMMI basket was defined in consultation with the Ukraine Cash Working Group (CWG).

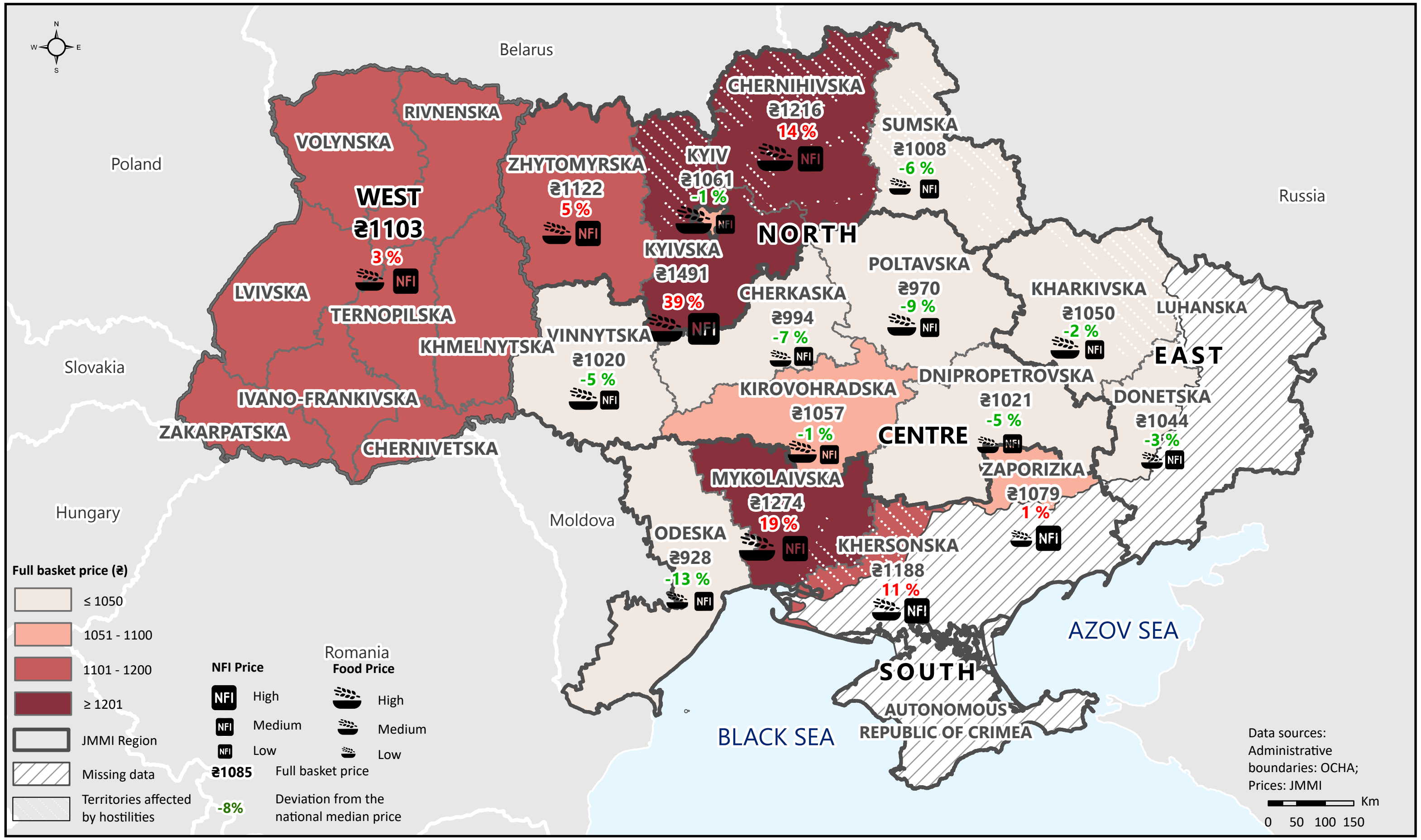
Food Items

Bread	500 g
Buckwheat	1 kg
Cabbage	1 kg
Carrots	1 kg
Chicken (legs)	1 kg
Complementary cereal for babies	200 g
Drinking water	1 bottle (1.5 L)
Eggs (chicken)	10 pcs
Milk (2.5%)	900 mL
Oil (sunflower)	900 mL
Onion	1 kg
Potato	1 kg
Rice (round)	1 kg
Wheat flour (white)	1 kg

Non-Food Items

Body soap	1 bar (75 g)
Diapers (infant, size 3)	1 pack (40-60 pcs)
Hygiene/sanitary pads	1 pack (10 pcs)
Laundry soap	1 bar (200 g)
Toothpaste	1 tube (75 ml)
Washing powder (machine)	1 box (500 g)

Map 2: Median prices (UAH) of food and non-food baskets in February 2024, by oblast



525 UAH

Median cost of the food basket

546 UAH

Median cost of the non-food (hygiene) basket

JMMI basket primary trends

- The cost of the full JMMI basket calculated at the national level amounted to 1,071 UAH in February 2024, a 2% decrease compared to the prices reported in both January 2024 and February 2023.
- The most expensive JMMI basket was calculated based on prices reported in the North (1179 UAH), followed by the South (1128 UAH), whereas JMMI basket prices were reported to be the lowest in the Centre (1025 UAH).
- The decrease in the cost of the full JMMI basket in February compared to the same month of the previous year was mainly due to a decrease in prices in the food basket (by 12%), while the cost of the non-food (hygiene) basket increased by 9% over the year.

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Table 1: Median prices (UAH) of food basket in February 2024, by region

		West		Centre		South		North		Kyiv		East		National	
Item	**Unit**	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024
Bread	500 g	20	▲1%	18	▲1%	18	▲7%	17	▼29%	24	▼2%	18	▼12%	18	▼9%
Buckwheat	1 kg	28	▼4%	27	▼10%	33	▲6%	34	▲1%	30	0%	30	▼1%	30	0%
Cabbage	1 kg	15	▲4%	14	▼2%	15	▲6%	16	▲3%	16	▲3%	14	▼4%	15	▲4%
Carrots	1 kg	14	▼11%	15	▼5%	16	▼17%	14	▼17%	17	0%	14	▼5%	15	▼9%
Chicken (legs, fresh)	1 kg	109	▲3%	105	▼7%	104	▼2%	104	▼5%	127	0%	90	▼16%	105	▼4%
Complementary cereal	200 g	90	▼11%	83	▲17%	73	▼6%	98	▼2%	88	▼11%	81	▼3%	86	▼6%
Eggs (chicken)	10 pcs	50	▼6%	50	▼5%	51	▼3%	50	▼8%	51	▼9%	52	▲6%	50	▼4%
Milk (2.5%, fresh)	900 ml	33	▼2%	33	▼6%	36	▼1%	36	▲2%	33	▼6%	34	▼3%	34	▼5%
Oil (sunflower, refined)	900 ml	44	0%	45	▼5%	45	▼8%	52	▲3%	50	▼3%	48	▲3%	47	▼3%
Onions	1 kg	18	▲7%	16	0%	17	0%	18	▲3%	18	▼2%	20	▲12%	18	▲3%
Potatoes	1 kg	23	▲4%	24	▲11%	24	▲8%	22	▲10%	25	▲9%	25	▲14%	24	▲10%
Rice (round)	1 kg	50	▼6%	50	▼12%	52	▼2%	52	▼1%	55	▼8%	48	▼2%	51	▼5%
Water	1.5 L	15	▼6%	15	0%	16	▲11%	17	▲15%	14	▼6%	15	▲6%	15	▲2%
Wheat flour (white)	1 kg	18	▼8%	16	▼8%	19	▲3%	17	▼14%	20	▲6%	15	▼15%	18	▼4%
Total		**526**	▼3%	**511**	▼3%	**519**	▼2%	**547**	▼3%	**568**	▼4%	**504**	▼3%	**525**	▼3%

Table 2: Median prices (UAH) of non-food (hygiene) basket in February 2024, by region

		West		Centre		South		North		Kyiv		East		National	
Item	**Unit**	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024	**Median Price** in UAH	**Change** since Jan 2024
Body soap	1 bar (75 g)	13	▼7%	12	0%	16	▲3%	12	▲1%	12	▼5%	11	▼17%	12	▼6%
Diapers (infant, 5-9 kg)	1 pack (40-60 pcs)	405	▲20%	354	▼12%	442	▲14%	457	▼5%	348	▼13%	361	▲4%	383	▼2%
Hygiene/sanitary pads	1 pack (10 pcs)	45	0%	41	▼8%	43	▲1%	42	▲6%	38	▼4%	41	▲2%	41	0%
Laundry soap	1 bar (200 g)	23	▲27%	20	0%	22	▼1%	22	▼7%	21	▼12%	19	▼7%	21	▲1%
Toothpaste	1 tube (75 ml)	40	▼9%	36	▼1%	37	▲18%	50	▲8%	33	▲13%	64	▲23%	39	▼3%
Washing powder	1 box (500 g)	50	▼7%	50	▼7%	49	▲2%	49	▲7%	41	▼9%	46	▲6%	49	▲4%
Total		**576**	▲12%	**513**	▼9%	**609**	▲11%	**632**	▼2%	**493**	▼10%	**543**	▲5%	**546**	▼2%

Map 3: Median prices (UAH) of food baskets in February 2024, by oblast

PRICES IN JMMI BASKET

In February, the cost of the food basket decreased in all regions, with price reductions ranging from 2% in the South to 4% in Kyiv. Nationally, it amounted to 525 UAH, representing a 3% decrease compared to January.

The decrease in prices in the food basket was mainly attributed to declines in the prices of carrots and bread, each decreasing by 9%. Experts suggest that the decline in carrot prices was influenced by the relatively warm weather, which led to a deterioration in the quality of this item in local producers' storage facilities[1]. Conversely, potato prices saw considerable increases, ranging from 14% in the East to 4% in the West. Notably, **the potato price in February was 147% higher than the price reported by retailer KIs in February of the previous year.** This high price increase was primarily driven by limited stocks of high-quality potatoes on farms, coupled with increasing demand for them[2].

Consistent with the previous month, the most expensive food basket was calculated based on prices reported by retailers in Kyiv (568 UAH) and the North (547 UAH), while the cheapest was in the East (504 UAH).

The cost of the non-food (hygiene) item (NFI) basket amounted to 546 UAH nationwide in February, reflecting a 2% decrease compared to January. The most expensive NFI basket was recorded in the North, totaling 632 UAH, while the least expensive, amounting to 493 UAH, was found in Kyiv.

MARKET PRICES

According to the State Statistics Service of Ukraine (SSSU), average consumer prices for vehicle fuel remained nearly at the level of January[3] (see Figure 2).

However, **the upward trend is expected to resume due to rising global crude oil prices, as well as supply chain disruptions, which mainly affect the price of liquefied petroleum gas (LPG) for automobiles**[4].

Figure 1: Monthly evolution of the JMMI basket price (in UAH), nationally

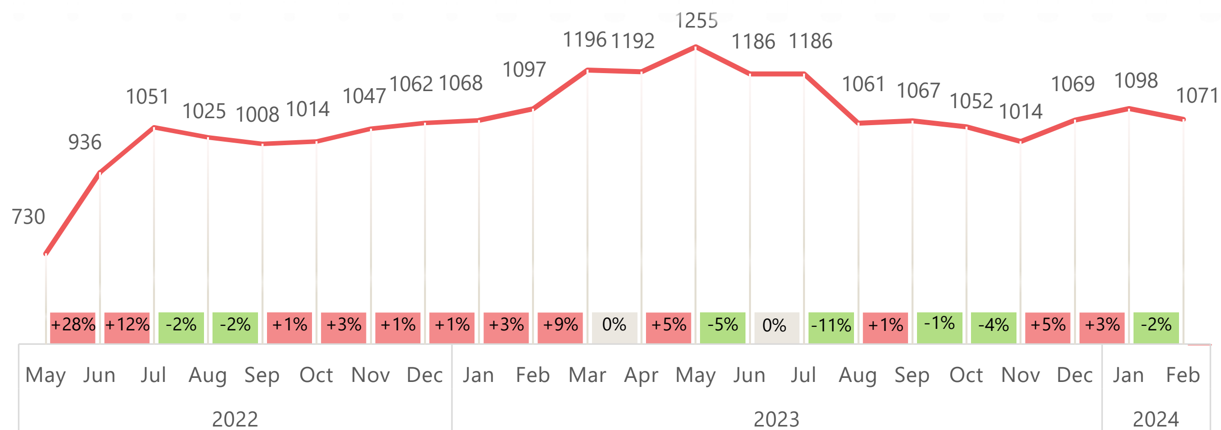
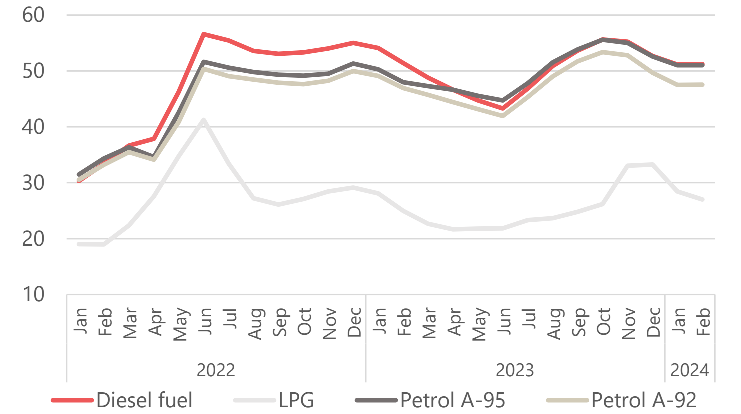


Figure 2: Average consumer price for vehicle fuel (UAH per liter), nationally



Source: SSSU

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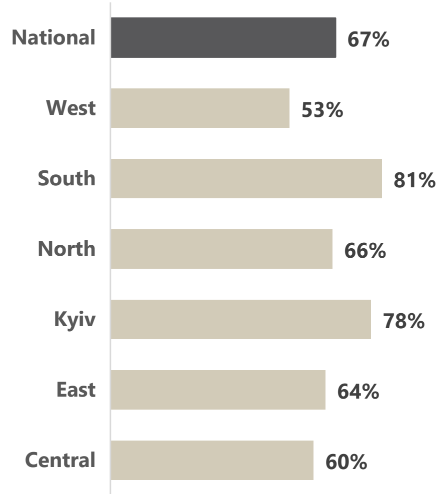
Figure 3: % of customer KIs reporting that financial factors have affected their access to goods in stores or marketplaces, by region



AFFORDABILITY

JMMI findings continue to highlight financial challenges that persistently impact customer KIs' access to goods in stores and marketplaces across Ukraine, with 67% of respondents reporting this in February (Figure 3).

Rising prices were cited as the primary reason for financial challenges, mentioned by 55% of customer KIs (see Figure 4). The highest percentages were observed in Kyiv (78%), followed by the North (58%).

Furthermore, 36% of customer KIs in the South, 21% in the East, and 20% in the North indicated they could not afford goods available in stores.

The high cost of vehicle fuel emerged as another reported financial barrier affecting customers' access to shops nationwide, with responses ranging from 22% in the North to 10% in the South.

Expensive public transport was also cited as a constraint, notably in the West (18%) and East (11%). According to the SSSU, the highest average ticket prices for public transport were in Lvivska (15.74 UAH), Chernihivska (12 UAH), and Chernivetska (11.83 UAH) oblasts[5].

It is noteworthy that **customer KIs in the South faced payment issues, as 10% of them noted a lack of physical cash, and vendors were reluctant to accept other payment options.** This challenge was particularly pronounced in Donetska, Mykolaivska, Zaporizka, and Khersonska oblasts.

In addition, **this issue of affordability remained crucial nationwide, but especially affected customers in the South, North, East, and Kyiv, where it represented a significant barrier to accessing goods in stores and markets.**

Figure 4: Main financial barriers* to accessing goods in stores or marketplaces reported by customer KIs, nationally

* The percentages were obtained from multi-choice question.

ACCESS TO STORES

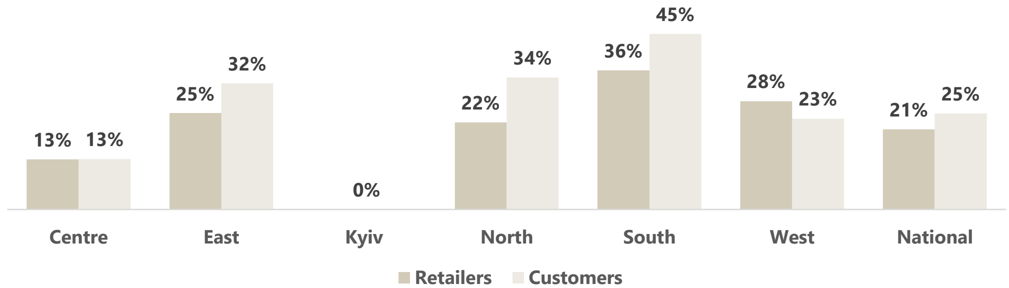
In February at the national level, 25% of customer KIs indicated that the full-scale war was affecting their ability to physically access stores or marketplaces. Among retailer KIs, the figure was slightly lower, at 21% (Figure 5).

Difficulties in accessing stores were most frequently reported in the eastern Kharkivska and Donetska oblasts, as well as in the southern Khersonska, Mykolaivska, and Zaporizka oblasts, where customers faced a variety of security-related factors.

Specifically, in these oblasts, customer KIs reported active fighting or shelling, with the highest percentages in Donetska (87%) and Khersonska (33%) oblasts. Restrictions on movement related to martial law had the biggest impact on customers in Donetska (67%) and Mykolaivska (21%) oblasts. Surveyed residents of Donetska (73%) and Khersonska (24%) oblasts mainly limited their access to local shops and markets due to feeling unsafe while in or approaching shops, driven by fears of being targeted.

Additionally, customer KIs in Khersonska and Donetska oblast reported **damage to buildings or infrastructure in stores or marketplaces (33% in each oblast), as well as damage or blockages on roads leading to these locations (13% to 14%)**. **Lack of transportation** mainly restricted access to stores for customers in Donetska oblast (reported by 47% of respondents in this oblast).

Figure 5: % of customer and retailer KIs reporting that the full-scale war has affected the ability to access stores, by region



Moreover, 33% of customer KIs in Donetska, 16% in Khersonska, as well as 11% in Zaporizka and Kharkivska oblasts indicated **a temporary interruption in shop operations due to power outages.**

It should be noted that air alerts also temporarily restricted customers' access to shops, most frequently reported in the North (25%), with the highest percentage of such respondents in Chernihivska oblast (67%).

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AVAILABILITY OF GOODS

Food and hygiene items

In February, 98% of customer KIs reported full availability of food items nationally.

However, food unavailability or shortages were mentioned by customer KIs in southern and eastern areas closer to the frontline, with the lowest percentages of full availability reported in Donetska (74%), Mykolaivska (90%), and Khersonska (92%) oblasts (see Figure 7).

Notably, no respondents in Bereznehuvatska hromada of Mykolaivska oblast reported full availability of food items (n=5). Similarly, in Beryslavska hromada of Khersonska oblast and in Marinska hromada of Donetska oblast, full availability was reported by only 2 out of 5 customers surveyed.

Figure 6: % of customer KIs reporting full availability of goods, nationally

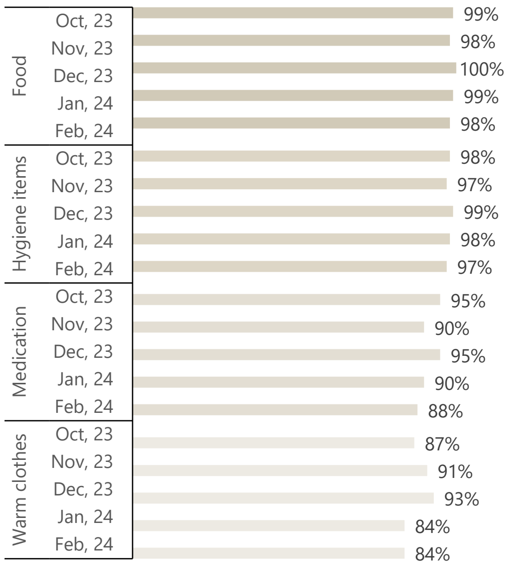
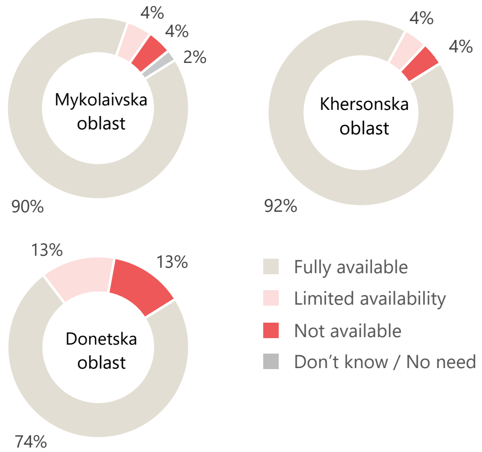


Figure 7: % of customer KIs reporting availability of food items, by oblast*



The lowest availability of hygiene items was also reported in the southern and eastern areas closer to the frontline, with 26% of customer KIs in Donetska, 16% in Mykolaivska, and 10% in Khersonska oblasts reporting that hygiene items were not fully available*. This is in contrast to the national percentage of 97% full availability calculated for February. Similarly, no respondents in Bereznehuvatska hromada of Mykolaivska oblast reported full availability of hygiene items (n=5). In Beryslavska hromada of Khersonska oblast, full availability was reported by 1 out of 5 customer KIs, and in Marinska hromada of Donetska oblast, by 2 out of 5.

On the other hand, retailer KIs in Zaporizka oblast reported availability issues for 19 of the 20 items included in the JMMI basket, notably for vegetables and baby items. Between 13% and 19% of retailers surveyed indicated a shortage or the need to order potatoes, cabbage, carrots, and onions, while 25% reported a shortage of complementary cereal for babies and infant diapers.

Figure 8: % of customer KIs reporting availability of hygiene items, by oblast*

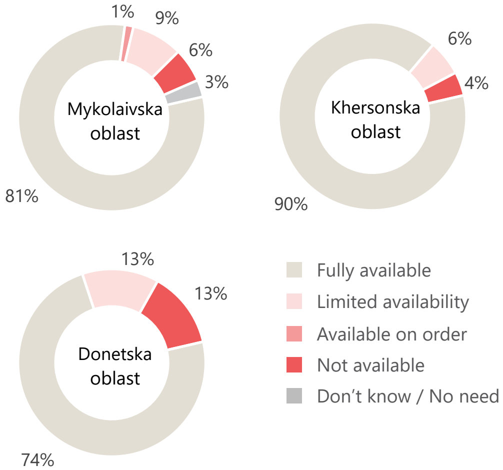
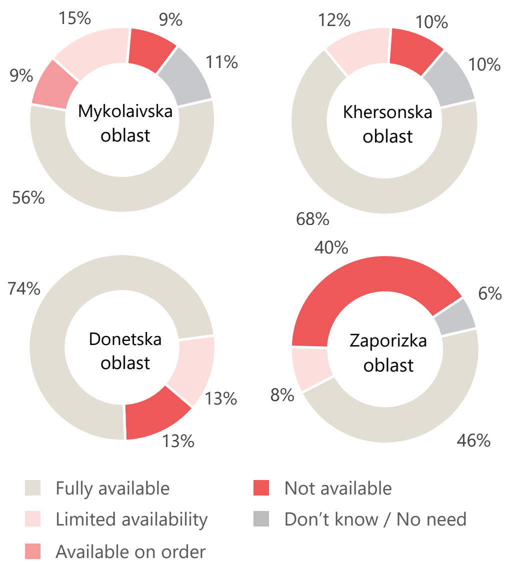


Figure 9: % of customer KIs reporting availability of medications, by oblast*

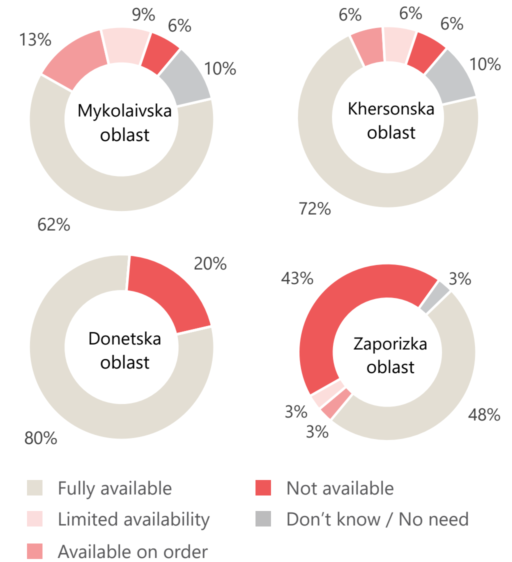


Medications

The availability of over-the-counter medication has slightly worsened compared to previous months. While in December and January, 95% and 90% of customer KIs, respectively, reported full availability of medication, this figure decreased to 88% in February.

Of particular concern was the situation in the South, where 14% of surveyed customers reported medication unavailability, with an additional 11% reporting limited availability. The situation in Zaporizka oblast is especially concerning, with 40% of customer KIs reporting complete medication unavailability and 8% reporting limited availability. Similar challenges were observed in Mykolaivska (9% of customer KIs reported medication unavailability and 15% reported limited availability) and Khersonska (10% and 12%, respectively) oblasts. Additionally, 13% of customer KIs in Donetska oblast reported medication unavailability, with 13% reporting limited availability.

Figure 10: % of customer KIs reporting availability of warm clothes, by oblast*



* In southern and eastern oblasts with the lowest reported availability in the period under review.
** This option includes the responses "not available", "limited availability", and "available on order".

Warm clothes

The findings of the JMMI customer KIs survey continue to highlight significant availability issues for warm clothes, particularly in the eastern and southern areas closer to the frontline.

Specifically, the lowest percentages of full availability of warm clothes were reported in the South and East - 67% and 79%, respectively, while the national figure in February stood at 84%. The situation in Zaporizka oblast was particularly concerning, with 43% of customer KIs reporting unavailability of warm clothes, followed by Donetska oblast (20%).

Additionally, customer KIs in Mykolaivska and Khersonska oblasts faced various availability issues such as unavailability, limited availability or the need to order warm clothes (see Figure 6 on the previous page).

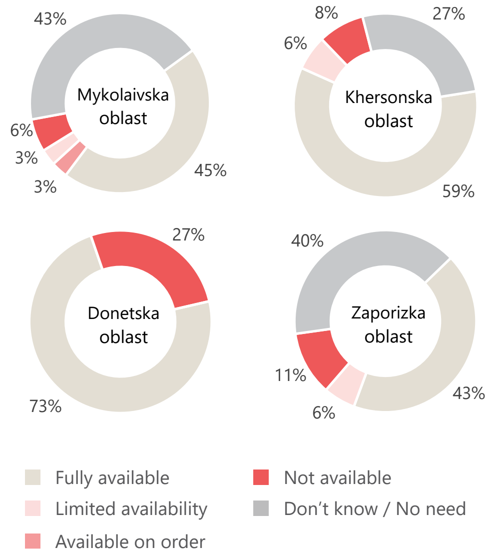
AVAILABILITY OF ENERGY RESOURCES

According to the JMMI customer survey, less than half of the surveyed customer KIs (40%) regularly purchased vehicle fuel for household or professional use. It mostly consisted of petrol, diesel, and natural gas. Only a very limited number of respondents indicated they made use of electrically-powered cars.

In February, due to sufficient market supply, vehicle fuel was fully available for more than half of customer KIs (68%), a figure nearly identical to the previous month (70%).

However, some availability issues were found in Donetska oblast, where 27% of respondents reported its unavailability, as well as in Zaporizka and Khersonska oblasts, where 17% and 14% of respondents, respectively, indicated either unavailability or limited availability.

Figure 11: % of customer KIs reporting availability of vehicle fuel, by oblast*



In terms of heating fuel, the lowest percentages of full availability were reported in the South (71%) and East (78%), with a country-wide rate of 86%, a figure nearly identical to the previous month (87%).

The greatest availability issues were found in Khersonska oblast, with 24% of respondents reporting incomplete availability. Additionally, in Donetska and Chernihivska oblast, 40% and 20% of respondents, respectively, reported the need to order heating fuel rather than purchasing it directly.

ACCESSIBILITY OF FINANCIAL SERVICES

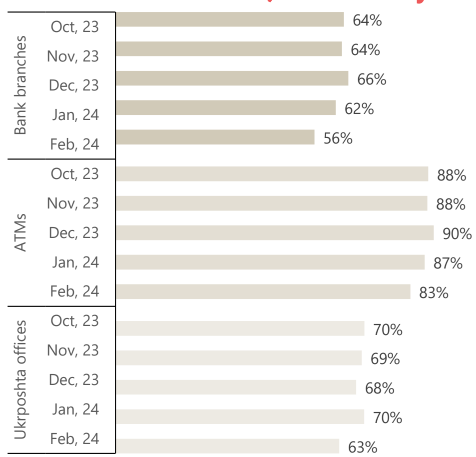
Banks

In February, 56% of customer KIs reported full availability of bank branches providing all services, indicating a slight decrease from the 62% reported in January. **This decline also echoed a doubling of the share of responses reporting the inaccessibility of bank branches in their communities, rising from 9% in January to 18% in February.**

Air attacks reportedly restricted the opening hours of bank branches across the country except in Kyiv, with the highest proportion of respondents noting this in the North (43%), and Centre (38%).

Meanwhile, the greatest difficulties in accessing the full spectrum of banking services were experienced by respondents in the South and East, with 42% and 24% of surveyed customers, respectively, indicating the unavailability of functioning banks in their communities.

Figure 12: % of customer KIs reporting full availability of financial services, nationally



These challenges were particularly pronounced in Zaporizka (with 71% of respondents), Khersonska (69%), and Donetska (40%) oblasts.

ATMs

The percentage of customer KIs reporting the full availability of functioning ATMs slightly decreased from 87% in January to 83% in February.

Access issues were still notable in the South, with 38% of customer KIs in February reporting the absence of ATMs in their communities. At the oblast level, the highest percentages were found in Khersonska (65%) and Zaporizka (63%) oblasts, as well as in Donetska oblast (33%). Additionally, 13% of customer KIs in Donetska oblast reported a longer-term interruption in services such as cash withdrawal.

Ukrposhta**

In February, 63% of customer KIs reported that Ukrposhta offices operated daily and provided all of their regular financial services, showing a slight decrease from the 70% reported in January.

Similar to bank branches, Ukrposhta offices were temporarily inaccessible during air alerts, with customers in the North and Centre being the most likely to find this an obstacle to accessing Ukrposhta services (reported by 44% and 33% of respondents, respectively).

An additional barrier to accessing Ukrposhta was the irregular operation of its offices, such as operating only several days a week. This irregularity was most commonly reported by respondents in Zaporizka oblast (31%). Moreover, 47% of customer KIs in Khersonska oblast and 33% in Donetska oblast mentioned the availability of only mobile post offices in their communities.

* In southern and eastern oblasts with the lowest reported availability in the period under review.

** Ukrposhta is Ukraine's national post.

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MARKET FUNCTIONALITY

Current difficulties

In February, 28% of retailer KIs reported challenges in maintaining operational and well-stocked stores. Notably, **retailers in the South faced difficulties more frequently than those in other regions of Ukraine, with 49% reporting challenges. The highest percentage of retailer KIs reporting challenges was found in Mykolaivska, Khersonska oblasts, reaching 78%, as well as in Donetska oblast (80%).**

Consistent with previous months, the primary difficulty reported by retailers nationwide was high prices from suppliers, affecting 19% of retailer KIs across the country. This challenge was particularly pronounced in the West (33%), South (26%), and East (21%).

Challenges in fully staffing the shop and storing goods during electricity outages ranked second on the list of difficulties faced by retailers. Staffing problems were most often mentioned by retailer KIs in Mykolaivska oblast (17%), while stocking goods in the absence of electricity was more frequently cited by retailer KIs in Khersonska (61%) and Donetska (60%) oblasts.

Map 4: Approximate percentage of working retailers in February 2024 from the pre-war level, reported by retailer KIs, by hromada

It should be noted, that, **retailer KIs in some hromadas of Kharkivska, Mykolaivska, Dnipropetrovska, and Sumska oblasts faced restocking issues as they reportedly needed 7 to 30 days to resupply some items within the JMMI basket.**

According to retailer KIs' estimates in February, the lowest percentage of usual retailers that were operating (in comparison to pre-war levels) was reported in the South and East, particularly in several hromadas of Kharkivska and Khersonska oblasts, as well as in Konotopska hromada of Sumska oblast, ranging from 25% to 50%. The estimated percentages of working retailers at the national level were indicated to vary from 75% to 100%.

Moreover, retailer KIs in the South, East, and North were more likely to report that stores in their marketplaces were affected by the war, sustaining severe or some structural damage, with the highest percentages in Khersonska, Mykolaivska, Donetska, Kharkivska, and Kyivska oblasts.

Figure 13: % of retailer KIs reporting difficulties in keeping their stores operational and anticipating new challenges due to the full-scale war, by region

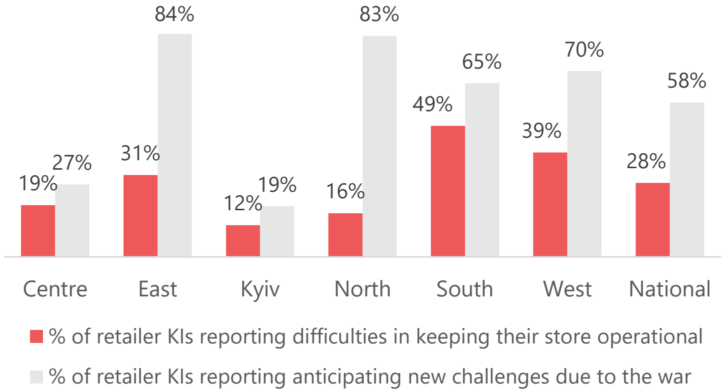


Table 3: Hromadas where retailer KIs reported that they needed 7 days or more to fully restock food items from the JMMI basket

Oblast	Hromada	Items
Kharkivska	Barvinkivska	potatoes, carrots, cabbage, onions, flour, rice, oil, buckwheat, cereal porridge
Kharkivska	Iziumska	potatoes, carrots, cabbage, onions, flour, rice, oil, buckwheat, cereal porridge
Kharkivska	Savynska	potatoes, carrots, cabbage, onions, flour, rice, oil, buckwheat, cereal porridge
Mykolaivska	Doroshivska	potatoes, carrots, cabbage, onions, flour, rice, oil, buckwheat, cereal porridge, chicken, water
Mykolaivska	Novoodeska	oil, buckwheat, cereal porridge
Dnipropetrovska	Slovianska	onions, flour, rice, oil, buckwheat, water
Sumska	Lebedynska	cereal porridge

Challenges in the coming months

The survey findings revealed that **58% of retailers surveyed nationally in February anticipated encountering new difficulties in the near future due to the full-scale war,** a slight increase from the 53% reported in January.

Top 2 challenges retailer KIs expected to face in the coming months due to the full-scale war, nationally

1. 47% Rising prices
2. 40% Reduced purchasing power of customers

The most concerning situation was identified in the North, where 77% of retailer KIs reported expecting an increase in prices, and 70% anticipated a decrease in the purchasing power of customers, with the highest percentages in Sumska oblast (92% and 96% respectively).

MACROECONOMICS

According to the data from the SSSU, the annual inflation rate decelerated to 4.3% in February 2024[6], its lowest level since November 2020[7]. On a monthly basis, inflation eased to 0.3% from 0.4% in January[8,9]. Food and non-alcoholic beverages became more expensive by 0.4% (see Figure 15).

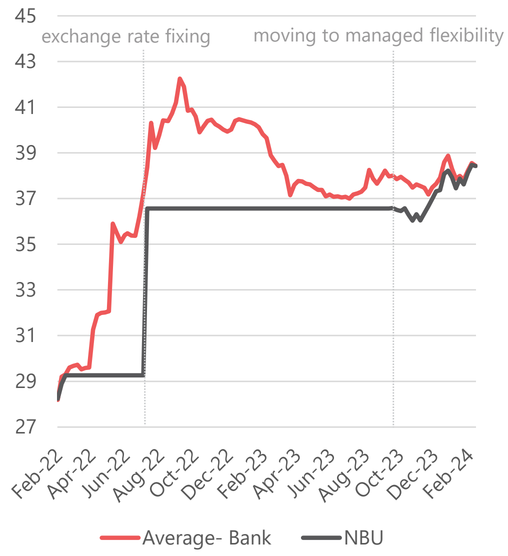
Inflation decelerated faster than the National Bank of Ukraine (NBU) had forecast[10]. Such dynamics were driven by an increase in the supply of certain food products, second-round effects from strong harvests, controlled conditions in the foreign exchange market, and the sustained moratorium on increases in utility tariffs. At the same time, core inflation decreased more slowly than projected under the pressure from a contraction in the import supply of certain goods and an increase in labor costs[10].

In February, the revival of economic activity continued thanks to the stable situation in the energy sector, the growth of maritime and railway transportation, and warm weather[11]. However, **the activity of trade enterprises was restrained by problems with the delivery of products due to the blockade of the Polish border, and a shortage of personnel**[11].

Due to the blockade of the Ukrainian-Polish border, operators were forced to look for alternative routes for the supply of products, which increased the cost of each delivery by EUR 600-1000[12]. **This will inevitably lead to higher prices for a number of products in supermarkets**[12]. The situation is most critical for retailers importing food products, including vegetables, fruits, fish, cereals and dairy products, if they are unable to ensure proper temperature conditions.

On the other hand, the reasons for the shortage of staff were migration, mobilisation, falling consumer demand and men's reluctance to officially take up employment[13].

Figure 14: Mid-market exchange rate for the US Dollar (USD)



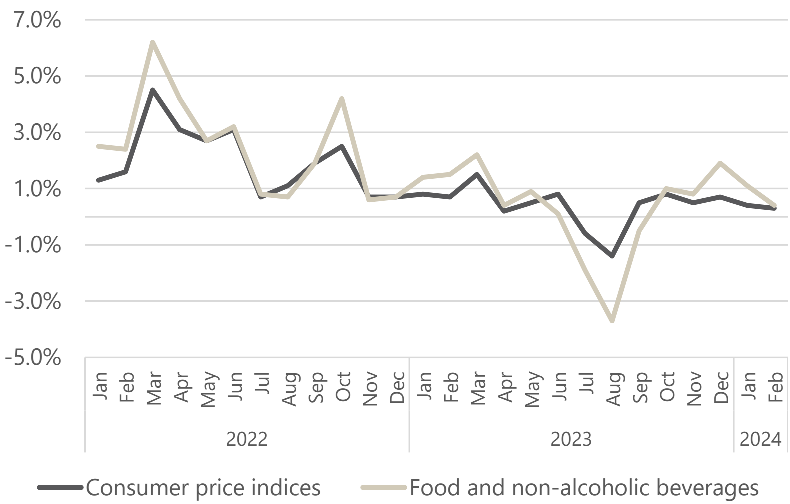
Source: MINFIN

Table 4: Top 10 oblasts with the highest average monthly rent for a one-bedroom apartment (UAH) in February 2024

Oblast	Average rent in UAH	Change since Jan 2024	Change since Feb 2023
Zakarpatska	11918	▼1%	▼9%
Lvivska	11686	▼2%	▲6%
Rivnenska	9744	0%	▲71%
Kyiv City	8989	0%	▲22%
Chernivetska	8051	0%	▲13%
Khmelnytska	7750	0%	▲10%
Cherkaska	7518	0%	▲23%
Volynska	7473	0%	▲35%
Ivano-Frankivska	7157	0%	▲49%
Vinnytska	6480	▲2%	▲23%
Ukraine	**6819**	**0%**	**▲14%**

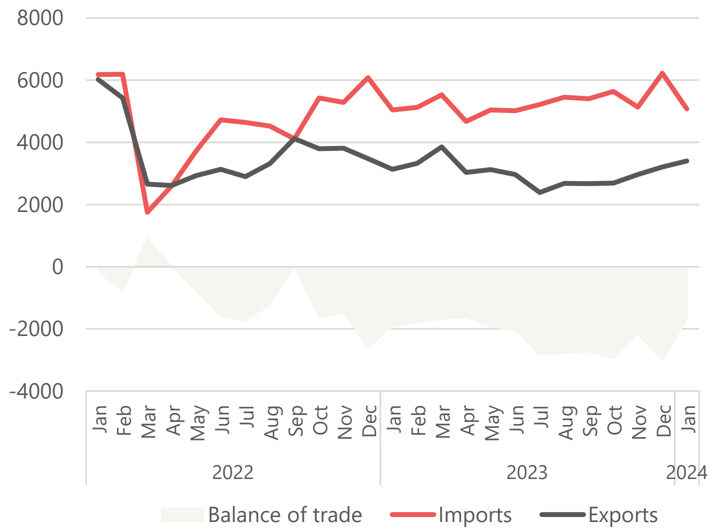
Source: SSSU

Figure 15: Monthly inflation rate (%)



Source: SSSU

Figure 16: Changes in gross value of exports and imports of Ukraine (million USD)



Source: SSSU

Table 5: Price increase of selected medicines, nationally

Representatives goods	Average consumer prices in UAH	Change since Jan 2024	Change since Feb 2023
Antibiotics of domestic brands	53.83	0%	▲21%
Antibiotics of imported brands	197.05	▲1%	▲5%
Antipyretic and analgesics of domestic brands	21.06	▲1%	▲25%
Antipyretic and analgesics of imported brands	27.87	▲1%	▲9%
Vasodilating agents of domestic brands	15.62	▲1%	▲14%
Vasodilating agents of imported brands	71.26	▲1%	▲7%

Source: SSSU

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Methodology

Data collection is a joint, partner-led exercise carried out once per month by participating CWG members across the country. The methodology for collecting primary data focuses on quantitative, structured interviews with purposively sampled interviewees. Two harmonized questionnaires are used: one targeting retail market traders who act as key informants (KIs) for their respective markets, and another targeting customers in monitored stores and marketplaces for individual interviews.

Field teams must aim to collect a minimum of three prices per item per assessed hromada, interviewing retailer KIs until this threshold is met, and must also submit a minimum of five customer KI interviews per assessed hromada. Only the price of the least expensive commonly purchased brand or variety is recorded for each item. All data is collected by field staff trained on the common JMMI methodology and tools; it is then submitted to a common CWG KoBo server and is cleaned and analyzed by REACH on behalf of the CWG.

Secondary data, in particular data from the State Statistics Service of Ukraine, are also integrated into the JMMI and used for triangulation where possible.

The prices reported in this factsheet are 'location medians', designed to minimize the effects of outliers and unequal numbers of prices submitted from diverse locations. First, the median prices of each assessed item is calculated within each assessed hromada; then, for each item, REACH calculates the median of this list of hromada-level medians across larger geographical areas (raions, oblasts, regions, and the whole of Ukraine).

More details on the methodology can be found in the JMMI terms of reference (ToR), available here.

Challenges and Limitations

As the JMMI relies on purposive sampling methodologies, the results must be regarded as indicative and not representative. Furthermore, results are indicative only of market conditions during the time frame in which they were collected.

The JMMI methodology records the price of the least expensive commonly purchased brand or variety available in the store for each item. As brand availability may vary from area to area, price comparisons across areas may sometimes be based on slightly varying products.

In some cases, partners were unable to collect the minimum number of retailer KI or customer KI interviews required by the JMMI methodology. Where necessary, imputation from raion-level or oblast-level medians was used to compensate for missing prices and enable the cost of the JMMI basket to be calculated.

While the JMMI's remote monitoring methodology produces reliable data on prices and availability, further data on market functionality cannot be collected using this methodology.

As the JMMI continues to expand into new hromadas, some changes in the overall median prices may be driven by shifts in coverage rather than by true price.

About REACH

REACH Initiative facilitates the development of information tools and products that enhance the capacity of aid actors to make evidence-based decisions in emergency, recovery and development contexts. The methodologies used by REACH include primary data collection and in-depth analysis, and all activities are conducted through inter-agency aid coordination mechanisms. REACH is a joint initiative of IMPACT Initiatives, ACTED and the United Nations Institute for Training and Research - Operational Satellite Applications

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Endnotes

Page 4

[1] AgroPortal, Ukrainian potatoes are getting more expensive and carrots are getting cheaper, 8 March 2024, available here

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Page 5

[5] State Statistics Service of Ukraine, Average consumer prices for goods (services) in Ukraine in 2024, 13 March 2024, available here

Page 9

[6] State Statistics Service of Ukraine, Price indices, 8 March 2024, available here

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[8] State Statistics Service of Ukraine, Price indices, 8 February 2024, available here

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[11] National Bank of Ukraine, Macroeconomic and Monetary Review, March 2024, 6 March 2024, available here

[12] Ukrainian council of shopping centers, Losses of UAH 100 million a week: how the blockade of the Polish border can affect Ukrainian retailers, 22 February 2024, available here

[13] Ukrainian council of shopping centers, "ATB", "Foxtrot", "Comfy" and others. The largest Ukrainian retailers lack men to work, 21 February 2024, available here

About the CWG

The Ukraine Cash Working Group (CWG) was established in 2016 and is currently co-chaired by ACTED and OCHA. It is a technical working group within the Inter Cluster Coordination Group (ICCG) under the overall strategic and programmatic direction of the Humanitarian Country Team (HCT). The CWG focuses on the operational coordination of Multi-Purpose Cash (MPC) programming and the support to the coherence of the use of cash as a modality in the wider humanitarian response.

Participating partners

Donors