

Ukraine | Joint Market Monitoring Initiative (JMMI)

April - June 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 informant (KI) 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 IN JUNE



KEY FINDINGS

- Economic recovery appears to have slowed down due to power outages caused by electricity shortages*.** The proportion of retailer KIs reporting difficulties in keeping their stores operational and well-stocked more than doubled in the second quarter, reaching 48% in June. The primary issue was the storage of goods during power outages.
- Monthly inflation accelerated to 2.2% in June, the highest since October 2022. The 63.3% increase in electricity tariffs was the primary contributing factor.** This rise in tariffs, coupled with increased costs of producers due to power outages, could push up prices for essential goods and services. The proportion of retailer KIs indicating that rising prices would be a major concern in the coming months increased from 32% in March to 59% in June.
- Affordability issues escalated by June, with 68% of customer KIs reporting price rises as a main financial barrier to accessing goods (in March - 59%).**
- Access to stores and financial services worsened nationally, mainly due to prolonged power outages.** Customers in the East and South continued to reportedly face the greatest access difficulties, with security concerns affecting their ability to access stores and the unavailability of functioning banks and ATMs affecting their access to cash.
- Essential items remained fully available nationally, except in the East and South, where consumer KIs reported unavailability or shortages. Meanwhile, **the heating challenge in winter may affect a large share of households across the whole country**, as almost 20% of customer KIs reported buying electricity for heating.

KEY INDICATORS

Median Cost Of JMMI Basket

	April	May	June
1051 UAH	1089 UAH	1076 UAH	
▼ -2.6%**	▲ +3.7%**	▼ -1.2%**	
26.64 USD	27.39 USD	26.38 USD	
24.74 EUR	25.34 EUR	24.54 EUR	

** Change to the previous month.

Exchange Rates***

	April	May	June
USD/UAH			
official	39.40	39.68	40.69
change to the previous month	▲ +1.8%	▲ +0.7%	▲ +2.5%
USD/UAH			
parallel market	39.44	39.78	40.80
change to the previous month	▲ +1.8%	▲ +0.9%	▲ +2.6%
EUR/UAH			
parallel market	42.48	43.00	44.03
change to the previous month	▲ +0.4%	▲ +1.2%	▲ +2.4%

*** Median exchange rate on the 15th of the month. Data available at <http://minfin.com.ua>.

	April	May	June
Participating partners	12	13	12
Assessed oblasts	23	23	21
Assessed hromadas	103	112	102
Key informant interviews (KIs)	975	1034	935
Retailers surveyed	416	412	367
Customers surveyed	559	622	568
Commodities assessed	20	20	20

* Please see page 10 for more specific information.

AVAILABILITY OF GOODS

Food and hygiene items

Food and hygiene items remained widely available across the country throughout the second quarter, with 95% to 98% of customers surveyed by JMMI reporting full availability of food and 95% to 96% reporting full availability of hygiene items.

However, the situation was found to be slightly different in areas close to the frontline, such as the eastern* and southern regions. Larger proportions of customer KIs in these areas reported difficulty accessing food and hygiene items due to their unavailability, shortages, or the need to order items (see Figure 2).

During the period under review, partial or complete unavailability of food

items was reported by customer KIs in Marinska hromada of Donetsk oblast, Berezhnevatska hromada of Mykolaivska oblast, and Beryslavska hromada of Khersonska oblast. All these hromadas are in close proximity to the frontline.

Similarly, limited availability, unavailability, or the need to order hygiene items were reported by customer KIs in Marinska and Kostiantynivska hromadas of Donetsk oblast, Berezhnevatska hromada of Mykolaivska oblast, Rohanska and Bezliudivska hromadas of Kharkivska oblast, Beryslavska hromada of Khersonska oblast.

It is worth noting that retailer KIs in Kharkivska oblast more frequently reported incomplete availability of items from the JMMI basket during April, May, and June, compared to other oblasts.

Medication and warm clothes

Although the percentage of customer KIs reporting full availability of over-the-counter medications nationally varied between 90% and 93% in the second quarter and for warm clothes, it was between 85% and 88% (see Figure 1), availability issues for both continued to be observed in the eastern and southern regions (see Figure 3).

Zaporizka and Donetsk oblasts, followed by Mykolaivska and Khersonska oblasts, topped the list of oblasts where, in April, May, and June, customer KIs reported that medications and warm clothes were either unavailable or partly available.

AVAILABILITY OF ENERGY RESOURCES

The situation with the energy system has become extremely difficult due to Russian shelling of energy infrastructure^{1,2}.

As of the beginning of June, according to the President of Ukraine, half of the generation capacity from last winter's peak electricity consumption had been lost³.

Although the cold season was still months away, experts and governments urge preparations for winter⁴. They also warned that the ongoing massive shelling of the power grid and the huge loss of power generation will severely affect the hours during which electricity would be available in winter⁵.

Figure 1: % of customer KIs reporting full availability of goods, nationally

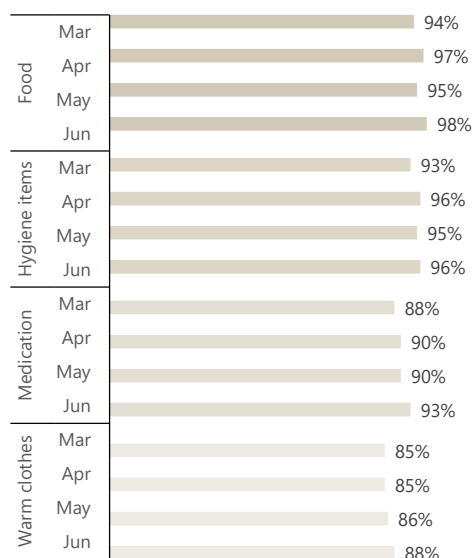


Figure 2: % of customer KIs reporting availability issues with food and hygiene items in the East and South**

Food items			
	Apr	May	Jun
East	9%	7%	4%
South	5%	3%	6%
National	3%	5%	2%

Hygiene items			
	Apr	May	Jun
East	19%	18%	13%
South	7%	2%	6%
National	4%	4%	3%

* Here and hereafter, East includes Kharkivska, Luhanska, and Donetsk oblasts.

** This option includes the responses "not available", "limited availability", and "available on order".

Figure 3: % of customer KIs reporting availability issues with medications and warm clothes in the East and South**

Over-the-counter medications			
	Apr	May	Jun
East	15%	18%	12%
South	23%	18%	16%
National	8%	7%	6%

Warm clothes			
	Apr	May	Jun
East	30%	24%	11%
South	24%	14%	17%
National	11%	7%	5%

Figure 4: % of customer KIs reporting they regularly purchase electricity for heating purposes compared to other heating fuels, nationally

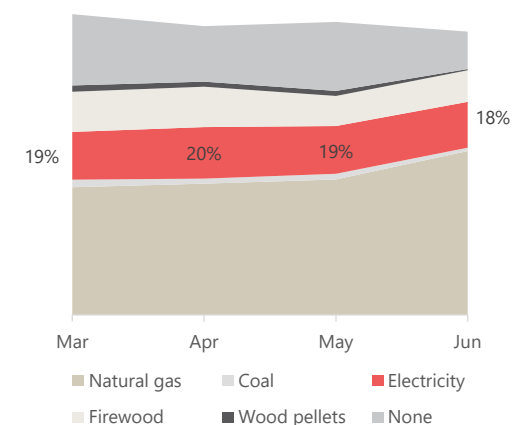


Figure 5: % of customer KIs reporting availability issues* with heating fuel, by region

	Apr	May	Jun
Centre	1%	1%	5%
East	17%	8%	9%
North	4%	8%	9%
Kyiv	0%	0%	0%
South	19%	8%	11%
West	0%	2%	0%
National	7%	4%	6%

The JMMI customer survey findings indicate that every fifth customer KI purchased electricity for heating, suggesting that a substantial proportion of households may face challenges in heating their houses during the winter.

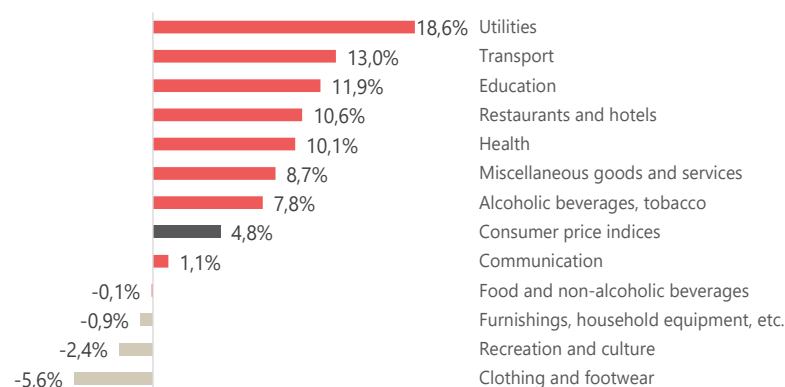
Customer KIs reporting full availability of heating fuel (natural gas, coal, firewood, electricity, wood pellets) gradually increased nationally from 78% in April to 85% in June due to a decrease in the proportion of "Don't know/ No need" respondents from 15% to 9%. This may indicate growing attention to winter preparedness. The share of customer KIs reporting availability issues remained steady between April and June (6%-7%), with the highest rates in the East, South, and North (see Figure 5).

The JMMI customer survey did not indicate any national-level availability issues with vehicle fuel, which can also be used for generators to produce electricity during power outages.

Figure 6: % of customer KIs reporting availability issues* with vehicle fuel, by region

	Apr	May	Jun
Centre	3%	4%	0%
East	8%	2%	5%
North	0%	0%	0%
Kyiv	0%	0%	0%
South	10%	9%	10%
West	0%	0%	0%
National	4%	3%	2%

Figure 7: Consumer price changes (%) for groups of food and services, from June 2023 to June 2024



The lower percentage of full availability for this type of fuel (69%-74% nationally) compared to other items was obtained due to "Don't know / No need" responses (25%-29%), which were higher among women than men (42% vs. 15% in June**).

The data shows that among the customer KIs interviewed, women were less likely than men to buy vehicle fuel (29% vs. 68% in June**) and were therefore probably less aware of its availability.

Some regional differences in the availability of vehicle fuel were also observed: closer to the frontline, in the eastern and southern regions, customer KI survey responses indicated unavailability, partial availability, or the need to order fuel (see Figure 6). Customer KIs in Donetsk, Zaporizka, Khersonska, and Mykolaivska oblasts were more likely to report these issues.

PRICES

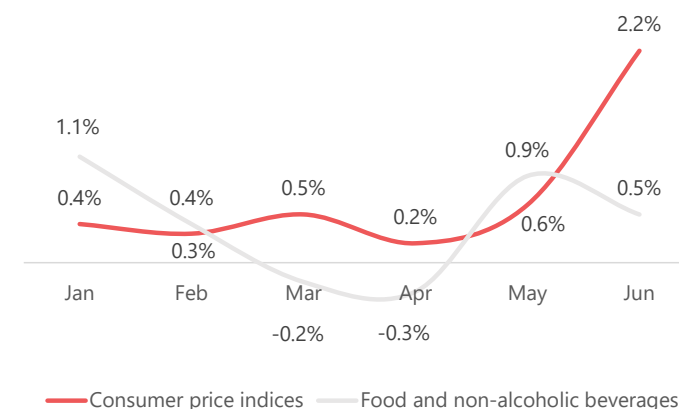
Inflation

According to the data from the State Statistics Service of Ukraine (SSSU)⁶, the annual inflation rate in June surged to 4.8% from 3.3% in May, the highest since the start of the year⁷.

Utilities saw the largest price increase, due to the government's decision to increase the electricity tariff for households by 63.6%⁸. Price growth also picked up for transportation, education, and healthcare, while prices fell at a slower pace for food and non-alcoholic beverages, furnishings, household equipment and routine house maintenance, recreation and culture, and clothing and footwear (see Figure 7).

The monthly rise in the consumer price index in June (2.2%, as shown in Figure 8) was the highest since October 2022.

Figure 8: Monthly inflation rate (%)



Source: SSSU

Source: SSSU

* This option includes the responses "not available", "limited availability", and "available on order".

** Data disaggregated by gender is available from June.

JMMI BASKET

The JMMI basket is a subset of the 335-item set of consumer goods (and services) maintained by the 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)

In June 2024:

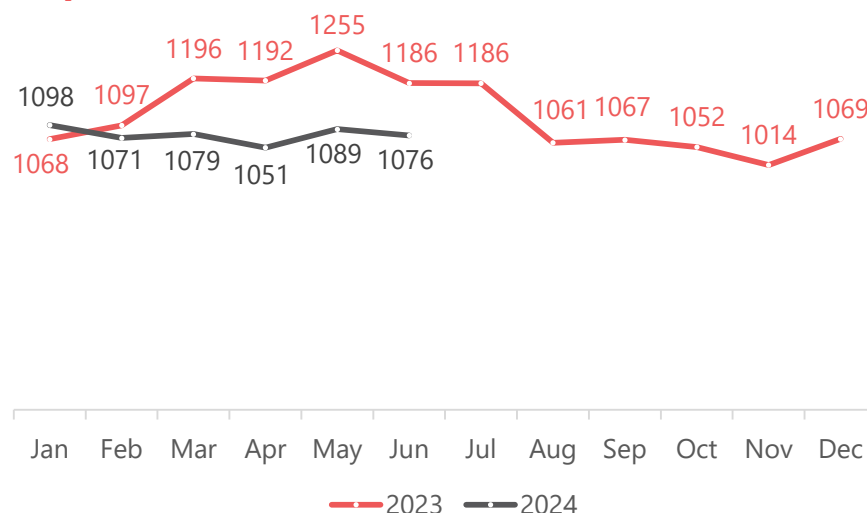
1140 UAH

Rural JMMI Basket

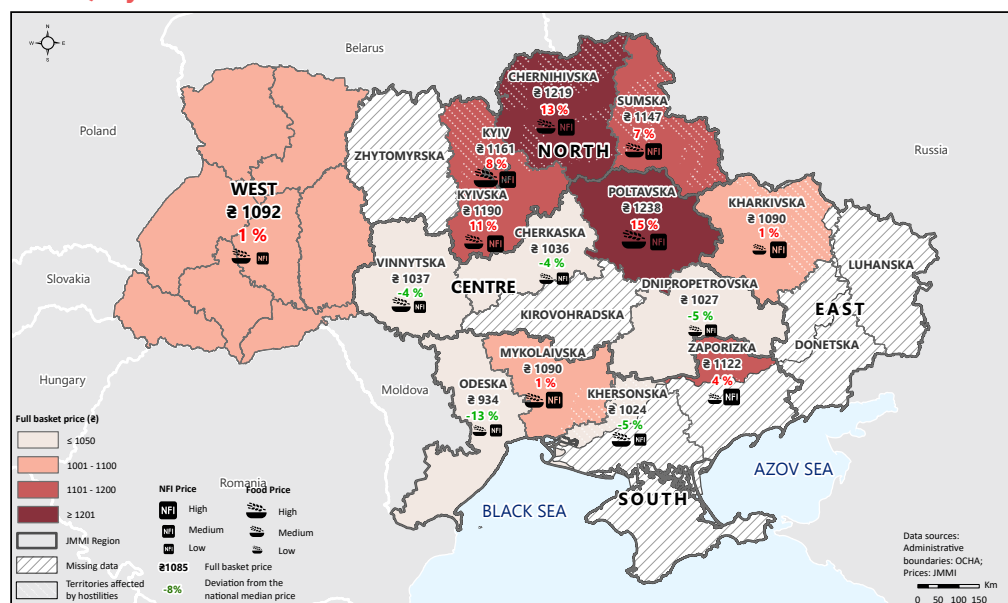
1059 UAH

Urban JMMI Basket

Figure 9: Monthly evolution of the JMMI basket price (in UAH), nationally



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



JMMI basket primary trends

- In the second quarter, the trend towards a lack of major price growth in the JMMI basket continued.** The median values of the full basket calculated nationally remained slightly lower than a year ago.
- This price situation was most likely due to weak consumer demand, which did not keep pace with the gradual recovery in domestic supply, partially due to the high 2023 harvest and imports, which ensured market saturation while export opportunities remained limited⁹.**
- Although the cost of the full JMMI basket fluctuated slightly throughout April, May and June, its total median cost in June remained consistent with the cost calculated in March and amounted to 1,076 UAH.
- By region, the North experienced the largest increase in the full basket median cost,** rising by 13% in June compared to May, reaching 1,228 UAH. This was the highest value among all regions over the three months and was 14% higher than the national basket value in June.
- In June, the median cost of the full JMMI basket in rural areas* was 8% higher than the cost of the basket in urban areas** (UAH 1,140 vs. UAH 1,059), both due to the higher cost of food (4%) and non-food (11%) items. This difference was found in all regions, except the eastern one, and the biggest difference between the rural and urban JMMI baskets was observed in the South (21%, or 1,116 UAH vs. 920 UAH).

* Data disaggregated by area is available from June.

Table 1: The median value (UAH) of JMMI basket, by region

Region	JMMI basket in April in UAH	Change since March	JMMI basket in May in UAH	Change since April	JMMI basket in June in UAH		Change since May	
East	1131	▲1%	1127	0%	1090	▼3%	▼3%	▼2%
North	1092	▼2%	1089	0%	1228	▲13%	▲13%	▲10%
Kyiv	978	▼11%	1065	▲9%	1161	▲9%	▲9%	▲6%
Centre	982	▼6%	1065	▲8%	1079	▲1%	▲1%	▲3%
West	1176	▲3%	1133	▼4%	1092	▼4%	▼4%	▼4%
South	978	▼3%	1008	▲3%	1043	▲4%	▲4%	▲4%
Overall	1051	▼3%	1089	▲4%	1076	▼1%	▼1%	0%

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

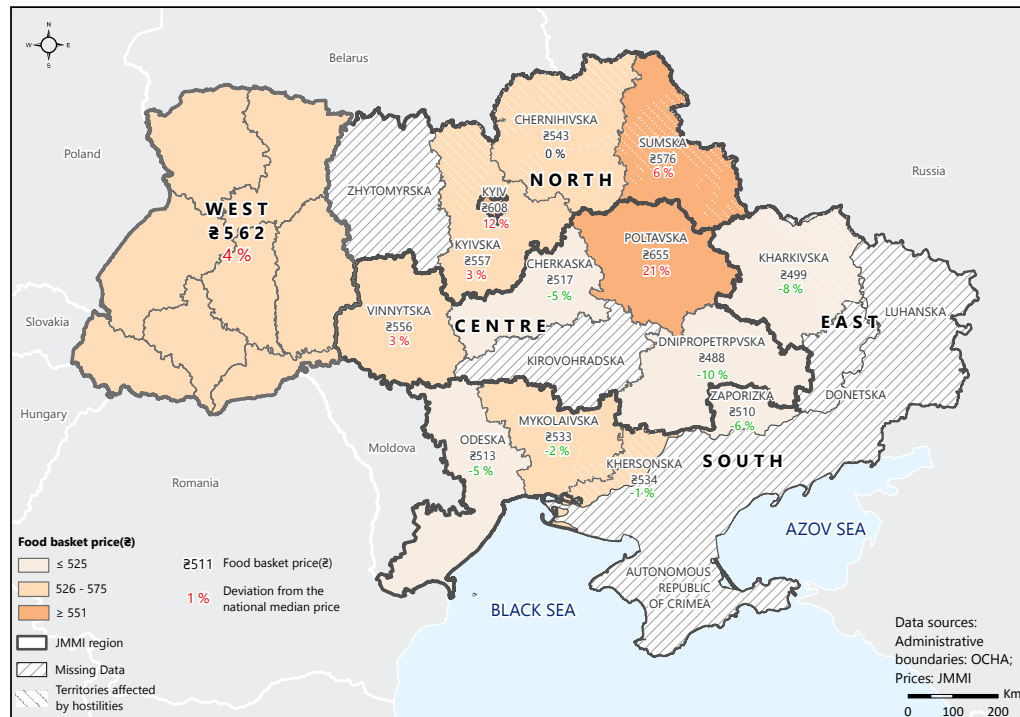


Table 2: Median prices (UAH) of food basket, nationally

Item	Unit	Median price in April in UAH	Change since March	Median price in May in UAH	Change since April	Median price in June in UAH	Change since May
Bread	500 g	18	▼5%	18	▲2%	18	▲2%
Buckwheat	1 kg	25	▼8%	27	▲8%	29	▲5%
Cabbage	1 kg	14	▼7%	16	▲15%	12	▼26%
Carrots	1 kg	13	▲2%	19	▲45%	26	▲36%
Chicken (legs, fresh)	1 kg	97	▼9%	109	▲12%	109	0%
Complementary cereal	200 g	90	▼4%	92	▲2%	96	▲4%
Eggs (chicken)	10 pcs	30	▼25%	28	▼8%	35	▲26%
Milk (2.5%, fresh)	900 ml	34	▼1%	34	▲2%	34	▼1%
Oil (sunflower, refined)	900 ml	44	▼2%	45	▲2%	49	▲9%
Onions	1 kg	16	▼6%	31	▲95%	23	▼25%
Potatoes	1 kg	22	▼6%	25	▲13%	29	▲17%
Rice (round)	1 kg	50	0%	49	▼2%	49	0%
Water	1.5 L	16	▲11%	15	▼3%	16	▲2%
Wheat flour (white)	1 kg	16	▼4%	19	▲15%	17	▼8%
Total		485	▼6%	528	▲9%	542	▲3%

Table 3: Median prices (UAH) of non-food (hygiene) basket, nationally

Item	Unit	Median price in April in UAH	Change since March	Median price in May in UAH	Change since April	Median price in June in UAH	Change since May
Body soap	1 bar (75 g)	13	▲4%	14	▲9%	14	▼4%
Diapers (infant, 5-9 kg)	1 pack (40-60 pcs)	401	0%	394	▼2%	373	▼5%
Hygiene/sanitary pads	1 pack (10 pcs)	42	▼3%	47	▲13%	40	▼15%
Laundry soap	1 bar (200 g)	21	▲5%	21	▼1%	19	▼7%
Toothpaste	1 tube (75 ml)	40	▲3%	37	▼7%	39	▲7%
Washing powder	1 box (500 g)	49	▲3%	49	▲1%	49	0%
Total		565	0%	562	▼1%	535	▼5%

Prices in the JMMI basket

In April, the median cost of the JMMI food basket, calculated nationally based on prices reported by retailer KIs, reached its lowest level since the beginning of the survey at 485 UAH. Since then, the cost of the food basket has resumed its upward trend (see Figure 10).

The decline in prices in April was likely due to the effects of this year's warm weather and reduced business costs from cheaper raw materials following last year's bumper harvest, as well as producers' reorientation to the domestic market due to the blockade of the western borders¹⁰.

The lowest cost of the food basket in April was mainly driven by the lowest reported prices (from January to June) for JMMI items such as eggs, chicken, buckwheat, wheat flour, sunflower oil, and onions.

However, by May, the cost of the food JMMI basket increased by 9%, and in June, it rose another 3%, reaching 542 UAH, as the factors that influenced the price decrease in April were temporary. The most noticeable price increases were observed in vegetables, including carrots, onions, and potatoes.

In June, the rate of decline in egg prices slowed, likely due to reduced output and higher production costs because of more expensive power amid a heat wave¹¹. The fall in flour and cereal prices also slowed. Some vegetables fell in price due to hot weather and increased sales of warehouse products amid rising storage costs, including due to power supply disruptions. Due to a limited supply of quality produce, potato prices remained high¹¹.

It should be noted that potato prices in the second quarter of this year were more than twice as high as during the same period last year.

Among the regions, the cost of the JMMI food basket, based on prices reported by retailer KIs, increased most noticeably in Kyiv (+15% in May and +12% in June), resulting in the highest food basket cost being recorded in Kyiv in June at 608 UAH, or 12% above the national level.

The cost of the non-food (hygiene) item (NFI) basket remained almost unchanged, fluctuating between 564 UAH in March and 562 UAH in May, slightly decreasing to 535 UAH in June.

Thus, the change in the cost of the full JMMI basket during the second quarter was entirely due to changes in the price of food items included in it.

The rise in food prices is expected to escalate in the coming months*.

Market prices

The increase in vehicle fuel prices accelerated, with prices rising by 25.5% since June 2023¹².

This increase reflected the rise in global oil prices¹³, the weakening of the hryvnia exchange rate, and increased fuel purchases ahead of the expected increase in excise tax*.

According to the SSSU¹⁴, average consumer prices for petrol continued their upward trend in the second quarter (Figure 11). In June, average consumer prices for petrol A-92 and petrol A-95 were 8% higher than in March 2024 and 26% higher than in June 2023.

Meanwhile, diesel and liquefied petroleum gas (LPG) prices decreased slightly during the second quarter but remained 22% and 21% higher in June, respectively, than a year ago. It should be noted, however, that by July both types of vehicle fuel resumed their upward trend¹⁵.

* The Cabinet of Ministers approved a draft law that proposes a gradual increase in excise taxes on all types of fuel. The increase in excise rates is stretched over time and will take place in five stages: the first was to take place in July 2024, and the last in 2028¹⁶.

Figure 10: Monthly evolution of the JMMI food basket price (in UAH), nationally

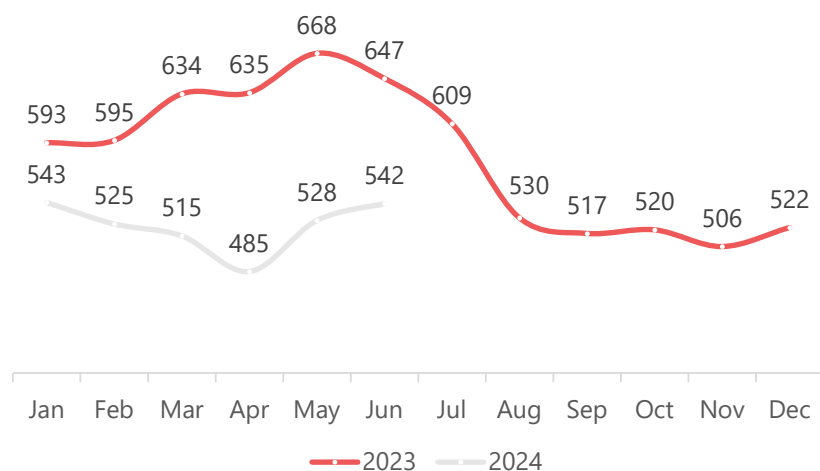
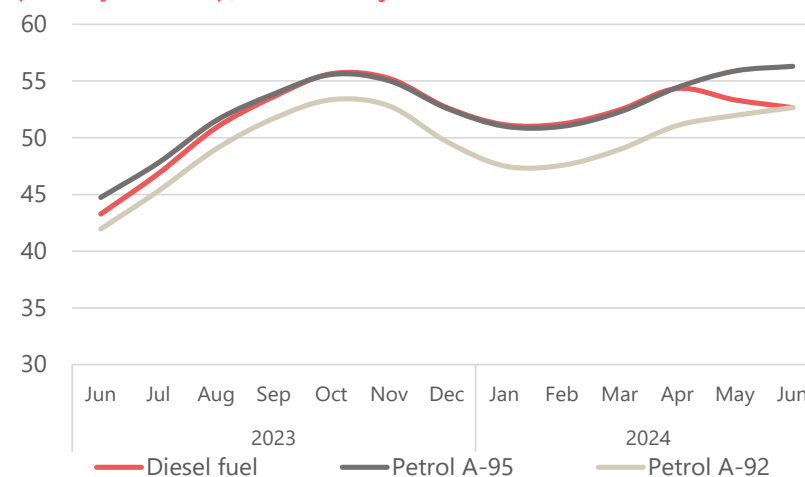


Figure 11: Average consumer price for vehicle fuel (UAH per liter), nationally



Source: SSSU

* Please see "Challenges in the coming months" on page 9.

AFFORDABILITY

JMMI findings continue to highlight persistent financial-related challenges that impact customers' access to goods in stores and marketplaces across the country. The proportion of customer KIs reporting these challenges increased from 72% in March to 75% in June (the highest since the start of 2023), with the largest proportion among older customer KIs aged 60 and above at 90%. This could indicate the greater vulnerability of elderly people, who are most at risk of not being able to meet their basic needs.

Rising prices were cited as the primary reason for financial challenges to accessing goods, mentioned by 68% of customer KIs in June, a marked increase from 59% in March. The highest percentages in June were observed in Kyiv (93%) and the East (89%).

Furthermore, the proportion of customer KIs reporting being unable to afford the

goods available in stores remained sizeable, ranging from 24% in March to 21% in June. The highest level was observed in the East, particularly, in Donetska oblast.

The ongoing rise in fuel prices* continued to limit consumers' ability to make purchases, as indicated by the persistently high proportion of consumer KIs who reported that high fuel prices affected their access to items in stores (fluctuating from 17% in March to 16% in June).

Expensive public transport also impacted customers' access to stores across the country, with the proportion of customer KIs reporting this increasing from 6% in March to 10% in June (see Figure 12).

Therefore, the issue of affordability remained pressing across the country, representing a significant barrier to access to goods in shops and markets.

It should be noted that, according to the Centre for Economic Strategy the proportion of people surveyed who have to save on food was 25.6% in June¹⁷.

ACCESS TO STORES

JMMI findings show that at the national level the proportion of customer KIs indicating that the full-scale war affecting their ability to physically access stores or marketplaces remained largely unchanged, ranging from 25% in March to 24% in June.

At the same time, among retailer KIs, this figure increased markedly, doubling from 18% in May to 35% in June (see Figure 13). This was due to an increase in the proportion of retailer KIs reporting that power cuts restricted customers' access to shops (from 5% in May to 21% in June). Among consumer KIs, this proportion increased slightly (from 4% to 7%) and was the highest in regions close to the frontline (11%-12%).

Similar to previous periods, difficulties in accessing stores were most frequently reported in the eastern and southern regions, where customers faced a

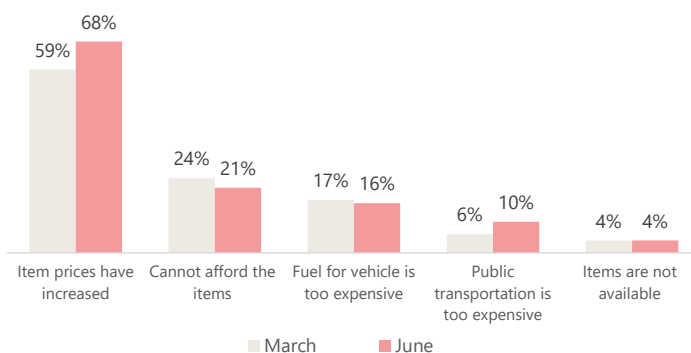
variety of security-related challenges.

Specifically, some customer KIs in Donetska oblast, followed by Zaporizka, Khersonska, and Mykolaivska oblasts in all months of the second quarter, as well as customer KIs in Kharkivska oblast in June, reported active fighting or shelling, restrictions on movement related to martial law, and limited 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 the above-mentioned areas most often reported damage to buildings or infrastructure in stores or marketplaces, as well as damage or blockages on roads leading to these locations. Lack of transportation mainly restricted access to stores for customers in Donetska oblast.

It should be noted that air alerts, which were warnings of imminent attack, temporarily restricted customers' access to shops across the whole country (reported by 10%-11% of customer KIs).

Figure 12: Main financial barriers to accessing goods in stores or marketplaces reported by customer KIs, nationally**



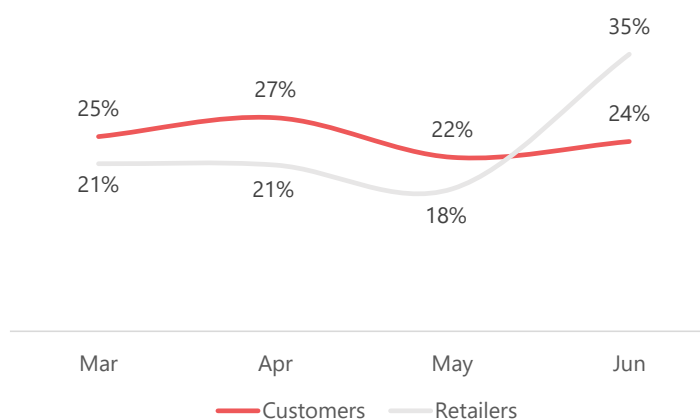
* See "Market prices" on page 6.

** Respondents could select more than one option.

Table 4: % of customer KIs reporting financial barriers to accessing goods in June, by age group, and by gender, nationally**

Reported financial barrier	18-59 years old	60 years and over	Women	Men
Item prices have increased	58%	80%	68%	60%
Cannot afford the items	16%	47%	28%	18%
Fuel for vehicle is too expensive	19%	9%	9%	28%
Public transportation is too expensive	8%	13%	12%	5%
Items are not available	3%	6%	5%	5%
Do not have enough physical cash	2%	2%	2%	1%

Figure 13: % of customer and retailer KIs reporting that the full-scale war has affected the ability to access stores, nationally



ACCESSIBILITY OF FINANCIAL SERVICES

In the second quarter, a downward trend was observed in the accessibility of financial services, most noticeable in June, with a higher proportion of KIs reporting a lack of access to banks and ATMs during power outages (Figure 14).

Cash can be withdrawn in the absence of electricity at bank branches connected to generators and those connected to the Power Banking system^{18,19}. Additionally, cash can be withdrawn at the cash desks of supermarkets, shops (mostly large ones), pharmacies, and petrol stations offering this service²⁰.

According to the June JMMI survey, only 38% of retailer KIs reported allowing customers to withdraw cash using bank cards. It is important to note that money can only be withdrawn when paying for a purchase with a card, and there were limits on cash withdrawals, which vary depending on the retailer's network¹⁹.

Banks

The percentage of customer KIs reporting full availability of bank branches providing all services in their communities decreased from 58% in March to 47% in June nationwide, with the highest declines seen in Kyiv and the North.

This decrease was due to a marked increase in the proportion of respondents indicating that air alerts (from 28% in May to 43% in June nationally) and power outages (from 2% to 10%) restricted their access to bank branches.

The greatest difficulties in accessing the full spectrum of banking services were consistently experienced by respondents in the South and East, where customer KIs more often than in other regions reported the absence of functioning bank branches or their availability only in nearby communities.

These challenges were particularly pronounced in Donetsk, Kharkiv, Zaporizka, Kherson, and Mykolaivsk oblasts.

ATMs

The percentage of customer KIs reporting full availability of ATMs providing all services decreased from 84% in March to 68% in June across the country. This was driven by a substantial increase in the proportion of customer KIs citing power outages as a barrier to accessing ATMs, from 4% in May to 24% in June, and was particularly notable in Kyiv and the North.

As in the previous months, **respondents in the South and East experienced the greatest difficulty in accessing ATMs primarily due to the unavailability of ATMs in their communities.** These were mostly residents of Donetsk, Zaporizka, Kherson, and Mykolaivsk oblasts.

The insufficient number of ATMs and long interruptions in the provision of services such as cash withdrawal also limited access to financial services in the southern and eastern regions.

Ukrposhta*

The percentage of customer KIs reporting full access to Ukrposhta offices varied slightly throughout April, May, and June, ranging from 70% to 63%.

Similar to bank branches and ATMs, power outages temporarily restricted access to Ukrposhta offices, with the largest proportion of customer KIs reporting this in June (11%). Access to Ukrposhta offices was also affected by air alerts, unstable opening days (several days a week or a month), or the availability of mobile offices only.

At the same time, the JMMI survey in June revealed a notable share of respondents reporting the absence of functioning Ukrposhta offices and mobile post offices, with the highest percentages in Donetsk oblast (18%).

Accessibility of financial services by type of area**

The JMMI consumer KIs survey in June indicated that the availability of financial services, such as banks and ATMs, was reported to be lower in rural areas than in urban areas (see Figure 15).

In eastern and southern rural areas, customer KIs were more likely to report the unavailability of bank branches in their communities as well as the absence or limited number of ATMs.

Payment modalities

The main payment modalities accepted by retailer KIs throughout April, May, and June nationally were as follows:

- cash (100%)
- credit cards (varied from 94% to 96%)
- debit cards (75%-82%)
- mobile apps (60%-67%)
- vouchers from UN or NGOs (10%-17%).

Figure 14: % of customer KIs reporting full availability of functioning financial services, nationally

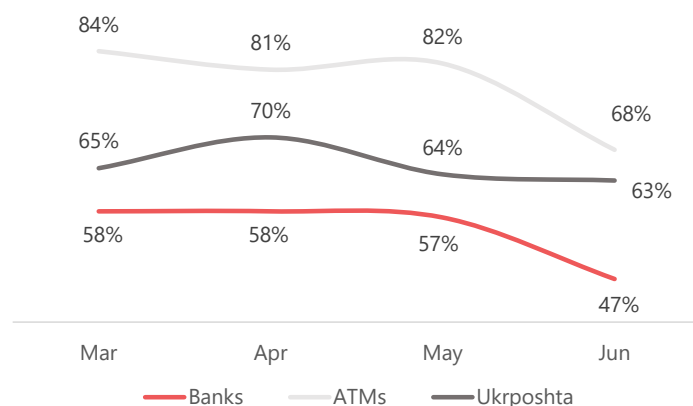
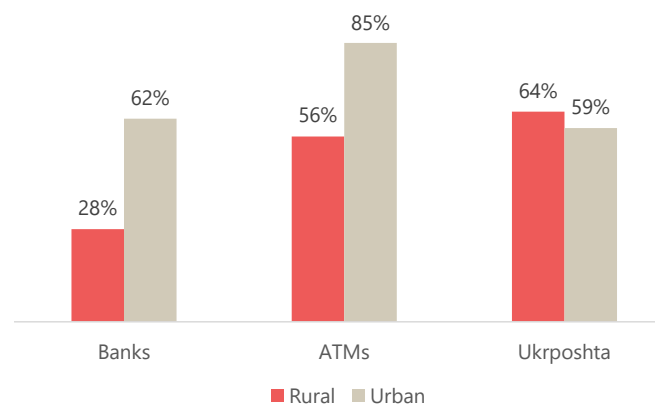


Figure 15: % of customer KIs reporting full availability of functioning financial services in June, by type of area**



* Ukrposhta is Ukraine's national post.

** Data disaggregated by area is available from June.

MARKET FUNCTIONALITY

Current difficulties

The destruction of the energy infrastructure caused by massive shelling in May led to widespread power outages²¹, significantly affecting retailers' operations. **In June, nearly half of retailer KIs (48%) reported ongoing difficulties in keeping their stores operational and stocked with goods**, a figure similar to December 2022 when massive power outages also occurred.

Difficulties related to the storage of goods in the absence of electricity ranked first among the difficulties reported by retailer KIs, increasing considerably from 5% in March to 29% in June. This issue overtook increased prices from suppliers, which moved down to second place among the main current difficulties for retailer KIs (reported by 19% of surveyed retailers in June, up slightly from 16% in March and April).

Top 3 difficulties faced by retailer KIs in keeping their store operational and well-stocked due to the full-scale war in June, nationally

- 1 Storage of goods during the absence of electricity
- 2 Price increase among suppliers
- 3 Full staffing

The equipment that grocery chains purchased during the 2022 blackout has helped to keep stores open during planned and emergency power outages this summer. However, prolonged power outages have forced retailers to optimise their product range by reducing supplies and refusing to sell perishable products (meat, milk and dairy products, etc.)²².

The proportion of retailer KIs reporting difficulties with fully staffing their stores doubled from 6% reported in March and April to 12% in June. Migration and mobilization were reportedly the main drivers of this increase²³.

In addition to the above-mentioned difficulties, retailers closer to the frontline reportedly continued to be affected by physically dangerous conditions in the area. Moreover, **retailer KIs in the South, East, and North were more likely to report that stores in their marketplaces were physically affected by the war, sustaining severe or some structural damage.**

Top 3 challenges retailer KIs expected to face in the coming months due to the full-scale war in June, nationally

- 1 Rising prices
- 2 Reduced purchasing power of customers
- 3 Reduced mobility of customers / Scarcity of new employees to fully staff store

Maintaining enough stock was mentioned as a challenge by some retailers in Barvinkivska (n=1/6) and Savynska (n=2/5) hromadas of Kharkivska oblast. Furthermore, retailer KIs in certain hromadas in Kharkivska and Sumska oblasts reported needing more than 5 days to restock food items within the JMMI basket, such as oil, flour, rice, buckwheat, cereal porridge, and up to 14 days to restock all items within the non-food JMMI basket.

Challenges in the coming months

The survey findings revealed a negative trend of an increasing share of retailer KIs anticipating encountering new difficulties in the near future due to the full-scale war, rising notably from 42% in March and 38% in April to 65% in June.

The obtained results align with data from the National Bank of Ukraine²⁴, indicating that traders maintained negative expectations about their performance amid a deteriorating energy supply situation, an increase in electricity tariffs, and worsening exchange rate expectations.

It is worth noting that the proportion of retailer KIs considering price rises to be a major concern in the coming months rose from 32% reported in March and April to 59% in June. This concern likely stems from accelerated producer price growth, primarily driven by higher energy prices, intensified exports, and increased raw material costs in previous periods²⁵.

Power outages have increased production costs, causing prices to resume an upward trend after a long slump²⁶.

Figure 16: % of retailer KIs reporting difficulties in keeping their stores operational and well-stocked due to the full-scale war, nationally

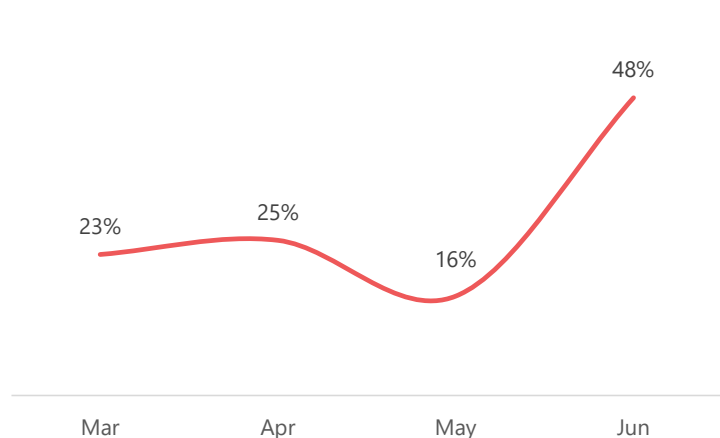
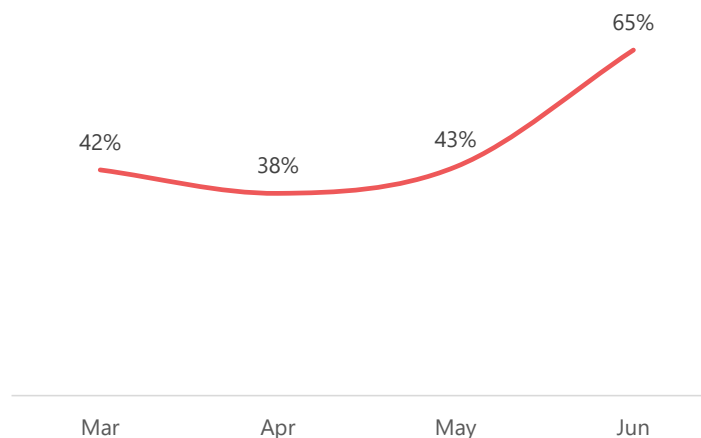


Figure 17: % of retailer KIs reporting anticipating new challenges due to the full-scale war, nationally



Note. It should be noted that due to security factors, the JMMI survey did not cover retailers in Donetsk oblast in April and June, which may affect the results obtained.

MACROECONOMICS

Economic recovery slowed slightly likely due to electricity outages caused by shortages. According to the Ministry of Economy, Ukraine's gross domestic product (GDP) growth in June 2024 compared to June last year was approximately 1.1%. It was lower than the May and April figures of 3.7% and 4.3%, respectively²⁷. Meanwhile, according to the SSSU²⁸, real GDP increased by 6.5% in the first quarter of 2024 compared to the first quarter of 2023. **Further economic recovery is expected to slow down**²⁹.

Russian missile attacks caused significant damage to critical infrastructure in the spring, primarily in the energy sector. Thus, there was a shortage of electricity in the country, which has weakened activity in several industries³⁰.

Business expectations fell for the second month (June) due to the deteriorating security situation, massive power outages, rising production costs, unfavorable exchange rate

expectations, unfavourable labour market trends, and a considerable shortage of skilled workers³¹.

Underlying inflationary pressures remained resilient amid rising business costs for electricity and labour, as well as a weaker hryvnia exchange rate³⁰.

Although the National Bank of Ukraine continued to adhere to the principles of managed flexibility* regarding the hryvnia exchange rate, in June the devaluation process prevailed, and the hryvnia weakened to 40.8 UAH per 1 USD³² (Figure 19).

The labor market recovery has slowed down. Outbound migration picked up, likely due to problems with the electricity supply³⁰.

As in previous months, the balance of goods and services remained negative³³ (Figure 18).

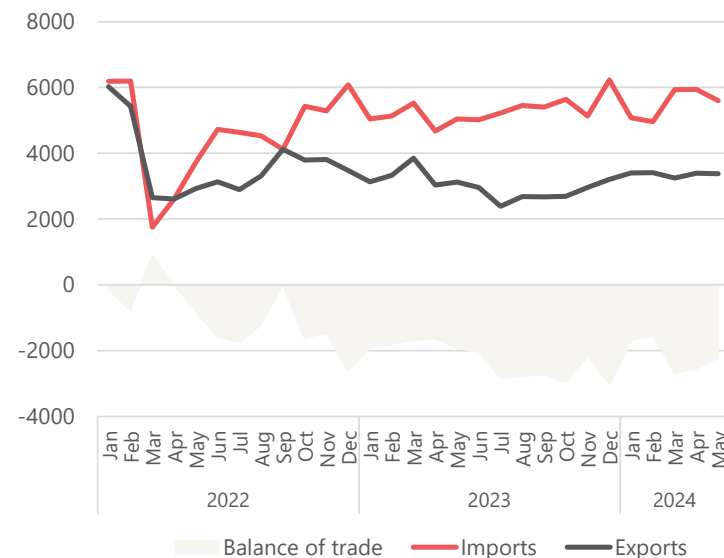
Agricultural activity grew at a high rate due to faster harvesting compared to last year, and transportation volumes in ports increased given the stable operation of the sea corridor³⁴.

Table 5: Price increase of selected medicines, nationally

Representatives goods	Average consumer prices in April 2024 in UAH	Change since Mar 2024	Average consumer prices in May 2024 in UAH	Change since Apr 2024	Average consumer prices in June 2024 in UAH	Change since May 2024	Change since Jun 2023
Antibiotics of domestic brands	54.70	▲1%	55.59	▲2%	56.10	▲1%	▲21%
Antibiotics of imported brands	207.26	▲3%	215.84	▲4%	219.08	▲2%	▲17%
Antipyretic and analgesics of domestic brands	22.21	▲3%	22.56	▲2%	22.52	0%	▲30%
Antipyretic and analgesics of imported brands	28.93	▲2%	29.30	▲1%	29.11	▼1%	▲13%
Vasodilating agents of domestic brands	16.03	▲2%	16.23	▲1%	16.30	0%	▲14%
Vasodilating agents of imported brands	72.80	▲1%	73.43	▲1%	74.26	▲1%	▲7%

Source: SSSU

Figure 18: Changes in gross value of exports and imports of Ukraine (million USD)



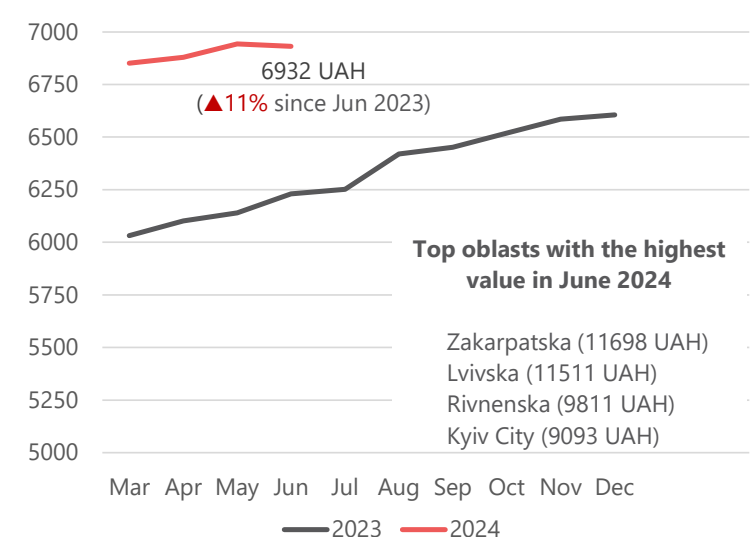
Source: SSSU

Figure 19: Mid-market exchange rate for the US Dollar (USD)



Source: MINFIN

Figure 20: Average monthly rent for a one-bedroom apartment (UAH)



Source: SSSU

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 customer KI 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

Donors



Participating partners



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.

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