FACTSHEET

Joint market monitoring initiative (JMMI)

January, 2023
Ukraine

KEY MESSAGES

- **Essential items**, such as food and hygiene items remain widely available. The availability of **medicines** has increased, reaching 88% nationwide after the 76% reported in December. Warm clothes are also slightly more available than in the past month, reaching 89%.
- **Median price of the full JMMI basket** continued to rise across macro regions (mostly in the South and East, up 9% and 4%, respectively). **The most expensive** set of JMMI basket products was in the North, amounting to **1270 UAH**.
- **Affordability** remains a key issue, with **25%** of retailers anticipating that it will be a challenge in the next months, and **44%** of costumers reporting **increases in prices** was their main financial barrier in accesing good**.**
- The **East** experiences the **highest difficulties** in maintaining functioning markets: **74%** of retailers report issues in keeping their **shop operational**, **79%** of consumers indicate the presence of barriers to physically **accessing shops**, and **65%** report not having access to fully functional **ATMs**.

CONTEXT & RATIONALE

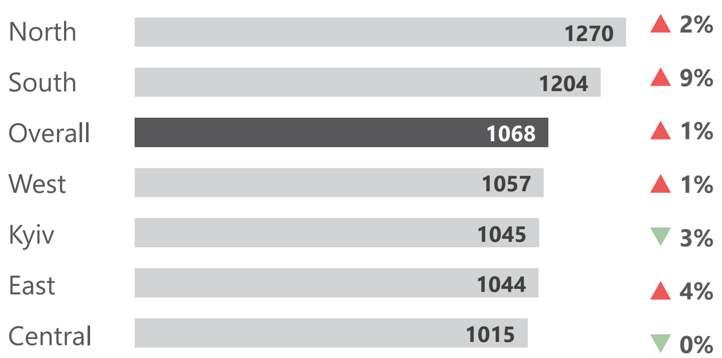
Since 24 February 2022, the full-scale war across Ukraine has prompted mass displacement and humanitarian crisis. Given the prominence of multi-purpose cash as a modality for assistance, market monitoring is a key initiative to ensure humanitarian intervention is effective, sustainable and does not harm local markets. Due to the widening of areas beyond the control of the Government of Ukraine, humanitarian market data from conflict-affected areas is limited and incomplete. The Joint Market Monitoring Initiative seeks to fill this information gap by providing useful and timely data on price trends and market functionality indicators.

1068 UAH

Cost of JMMI basket

26.43 USD (▼ 1%) 25.00 EUR (▼ 1%)

Median values of the full JMMI basket in January 2023



JMMI in January 2023:
12 participating partners
1513 interviews conducted
750 retailers surveyed
763 customers surveyed (37% **men** and 63% **women**)
23 oblasts monitored
145 hromadas monitored

ASSESSMENT OVERVIEW

- 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.

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

REACH Informing more effective humanitarian action

AVAILABILITY OF GOODS

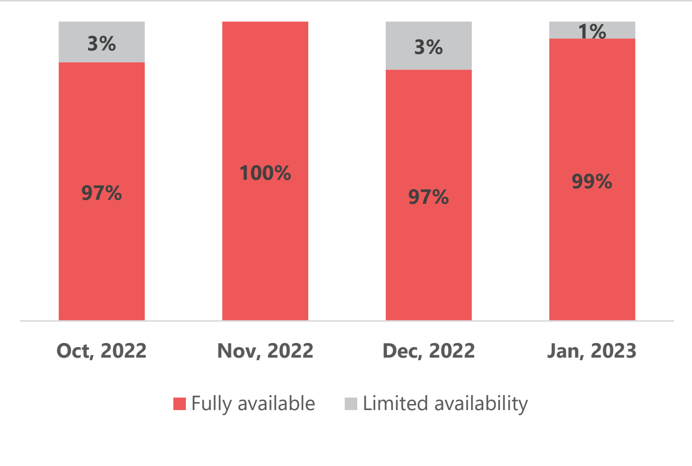
While in January 2023 countrywide **food** items availability reached 99% and **hygiene items** availability was attested at 98% (Figure 1 and Figure 2), 6% of customers in the South of Ukraine and 1% in the West reported limited access to food. Similarly, 9% of customers in the South and 1% in the West had limited access to hygiene items.

The proportion of respondents reporting access to **warm clothes** in January 2023 returned to the November 2022 levels, after having decreased in December* (Figure 4). For 4% of respondents in the East, 1% in the South and 1% in the West warm clothes were not available. Nevertheless, in January 2023 full availability of warm clothes was reported by 89% of respondents, compared to 84% in December 2022.

Over-the-counter **medication** became more available to consumers in January compared to the previous months. Indeed, while in December 2022 only 76% of respondents countrywide had full access to medication, in January 2023 the proportion reached 88% (Figure 3). However, 13% of respondents in the South reported limited access to medication, whereas this percentage was considerably lower for the East (2%), Centre (1%), and West (1%).

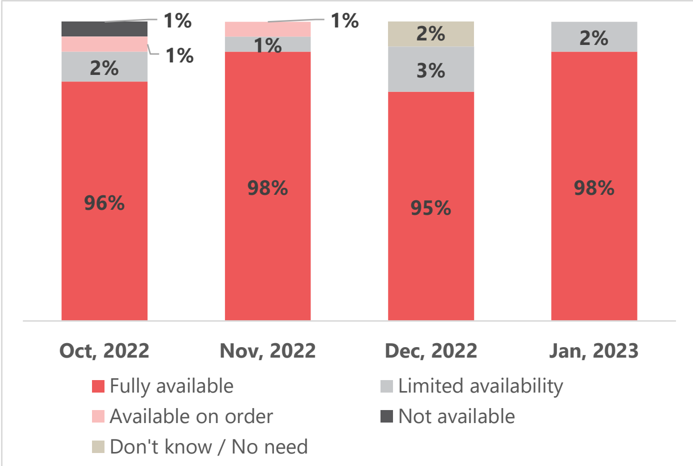
* *The deterioration in the availability of goods in December is caused to the start of JMMI data collection in the recently liberated territory of southern Ukraine in Kherson region*

Figure 1: % of customers reporting availability of food items, national



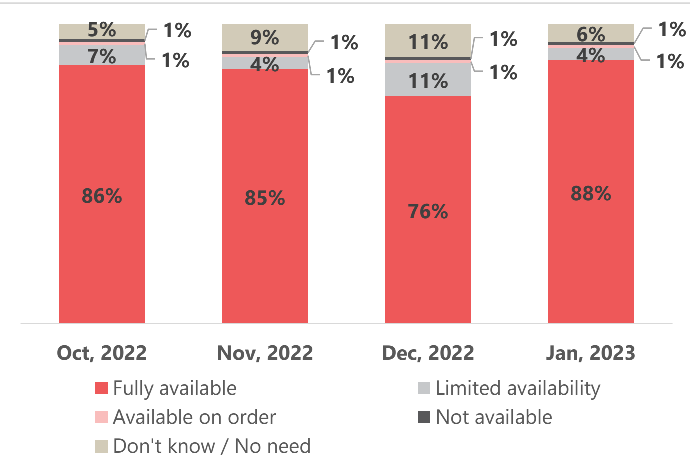
Source: JMMI

Figure 2: % of customers reporting availability of hygiene items, national



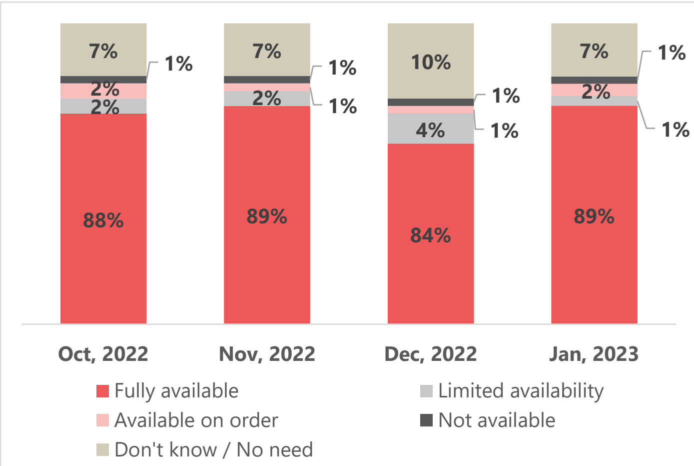
Source: JMMI

Figure 3: % of customers reporting availability of medication, national



Source: JMMI

Figure 4: % of customers reporting availability of warm clothes, national



Source: JMMI

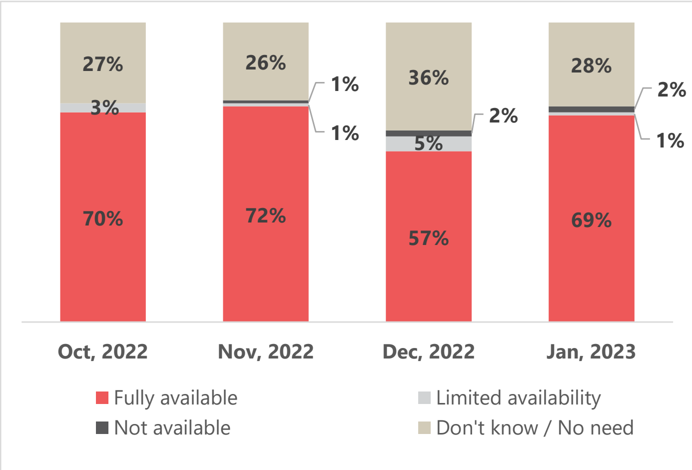
AVAILABILITY OF ENERGY RESOURCES AND MARKET PRICES

Availability

Every second surveyed customer 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.

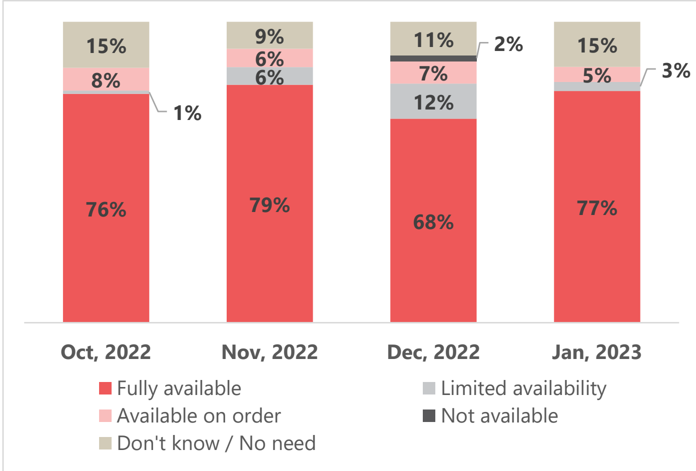
For the majority of respondents in January 2023 (69%) vehicle fuel was fully available (Figure 5), increasing from the percentage reported in December 2022 (57%). However, 4% of consumers in the Centre and 4% in the East, and 1% in the West noted that the fuel needed for their vehicles was still unavailable.

Figure 5: % of customers reporting availability of vehicle fuel, national



Source: JMMI

Figure 6: % of customers reporting availability of heating fuel, national



Source: JMMI

In January 2023, 80% of the surveyed customers reported regularly purchasing **heating fuel** for household or professional use. They mainly used natural gas (49%), electricity (16%) or firewood (14%). Only a small fraction of those surveyed bought coal or wood pellets.

There was an increase in the number of respondents who reported full availability of heating fuel: from 68% in December 2022 to 77% in January 2023 (Figure 6). However, power outages continued to affect the availability of electricity used to heat homes.

Market prices

Prices for all types of **vehicle fuel** in the consumer market decreased slightly in January 2023. The price of liquefied petroleum gas for automobiles fell by 4%, representing the sharpest decrease among the types of fuel. Meanwhile the average consumer price for petrol A-95, petrol A-92 and diesel fuel decreased by 2% (Figure 8).

It should be noted that the level of fuel prices has been much higher after the full-scale war that began in February 2022. Indeed, the average price for diesel in January 2023 was 78% higher than in January 2022, for petrol A-92 – 61% higher, for petrol A-95 – 60% and for liquefied petroleum gas – 48% (Figure 8).

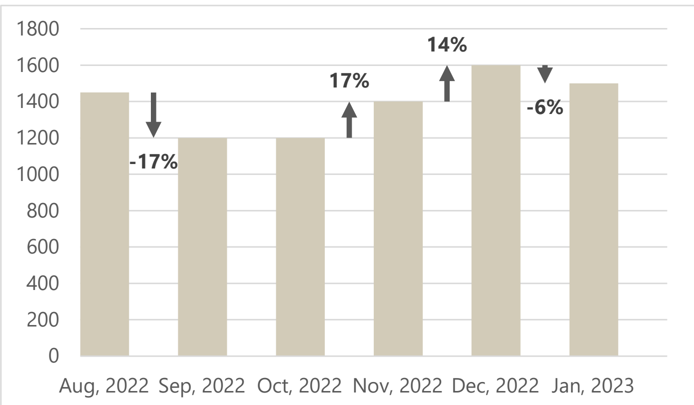
According to the survey, the estimated price of petrol and diesel fuel purchased through unofficial sources was equal to the estimated price of those purchased through official sources.

A moratorium on raising utility tariffs contained price increases of **fuel used for domestic heating,** such as natural gas and electricity[1].

Thus, natural gas in all regions of Ukraine was available to the residents at a price of 8 UAH per cubic metre. On the other hand, the price of electricity varied across the country from 1.44 UAH to 1.68 UAH per kWh depending on the amount of electricity consumed. In January, consumers in the Center and South used coal for heating at a price of 7 to 10 thousand UAH per ton.

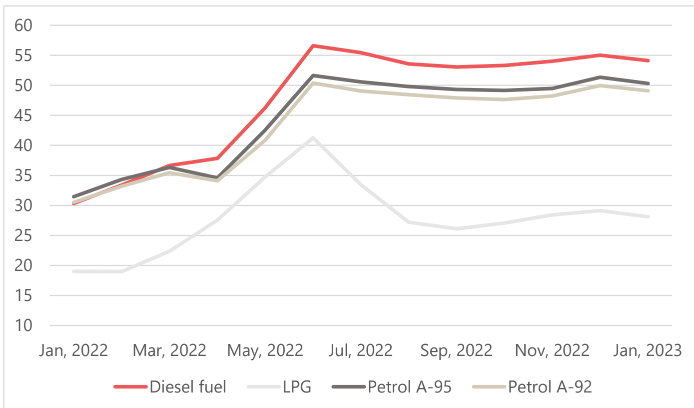
The price of firewood, after its gradual increase during previous months, dropped in January 2023 to 1500 UAH per cubic meter. This figure is 6% lower than in December 2022 (Figure 7).

Figure 7: Estimated firewood price, national, UAH per cubic meter



Source: JMMI

Figure 8: Average consumer price for vehicle fuel, national, UAH



Source: SSSU

THE BASKET

Median value of the full JMMI basket

The JMMI Basket is a subset of the 335-item Minimum Expenditure Basket (MEB) maintained by the State Statistics Service of Ukraine (SSSU), focusing on core food and hygiene items that an average household must purchase on a regular basis. The JMMI Basket was defined in consultation with the Ukraine Cash Working Group. Trends in the price of the basket are indicative of consumer price inflation.

In January 2023, the cost of the **JMMI basket** increased by 1%. The biggest rises in value occurred in the South of Ukraine (9%) and in the East (4%). At the same time, the cost of the JMMI basket in Kyiv decreased by 3% compared to the previous month. JMMI items remain more costly in the Northern (1270 UAH) and Southern (1204 UAH) region, whereas in the Central part of the country the lowest prices were observed (1015 UAH).

Prices

In January, the cost of the **food basket** increased in all regions except the Eastern. The most expensive food basket was registered in the South (620 UAH) and in the North (602 UAH), and the cheapest one in the East (559 UAH). Chicken (legs, fresh), carrots, bread and eggs show the highest price increase in the national JMMI **food basket** (by 11%, 8%, 7% and 6% respectively).

For consumers in the West, South and East, water was available at a higher price than in the previous month (16%, 14%, and 11% higher, respectively). At the same time, the extremely high price of buckwheat began to decline gradually in all regions (by 9% on average).

Prices for the items in the JMMI **non-food item** (NFI) **basket**, as in previous months, were characterized by relative heterogeneity in the regional context. This was especially true for diapers, the price of which ranged from 283 UAH in the Central part of the country to 500 UAH in the Northern part of the country.

In January, the cost of NFIs basket amounted to 475 UAH on average across Ukraine, decreasing by 1% compared to December. The cost of the basket decreased in Kiev (by 7%); on the contrary, it sharply increased in the South (by 19%). The most expensive basket was registered in the North, totalling 668 UAH, while the cheapest, amounting to 427 UAH, was found in the Centre. Moreover, there was an increase in prices for all non-food items in the East and a decrease in prices for all non-food items in the Centre.

JMMI BASKET

Food

Bread	500 g
Buckwheat	1 kg
Cabbage	1 kg
Carrots	1 kg
Chicken (legs)	1 kg
Complement 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 (NFIs)

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 (400 g)

Map 1: Median values of food and non-food items in January 2023, by oblast

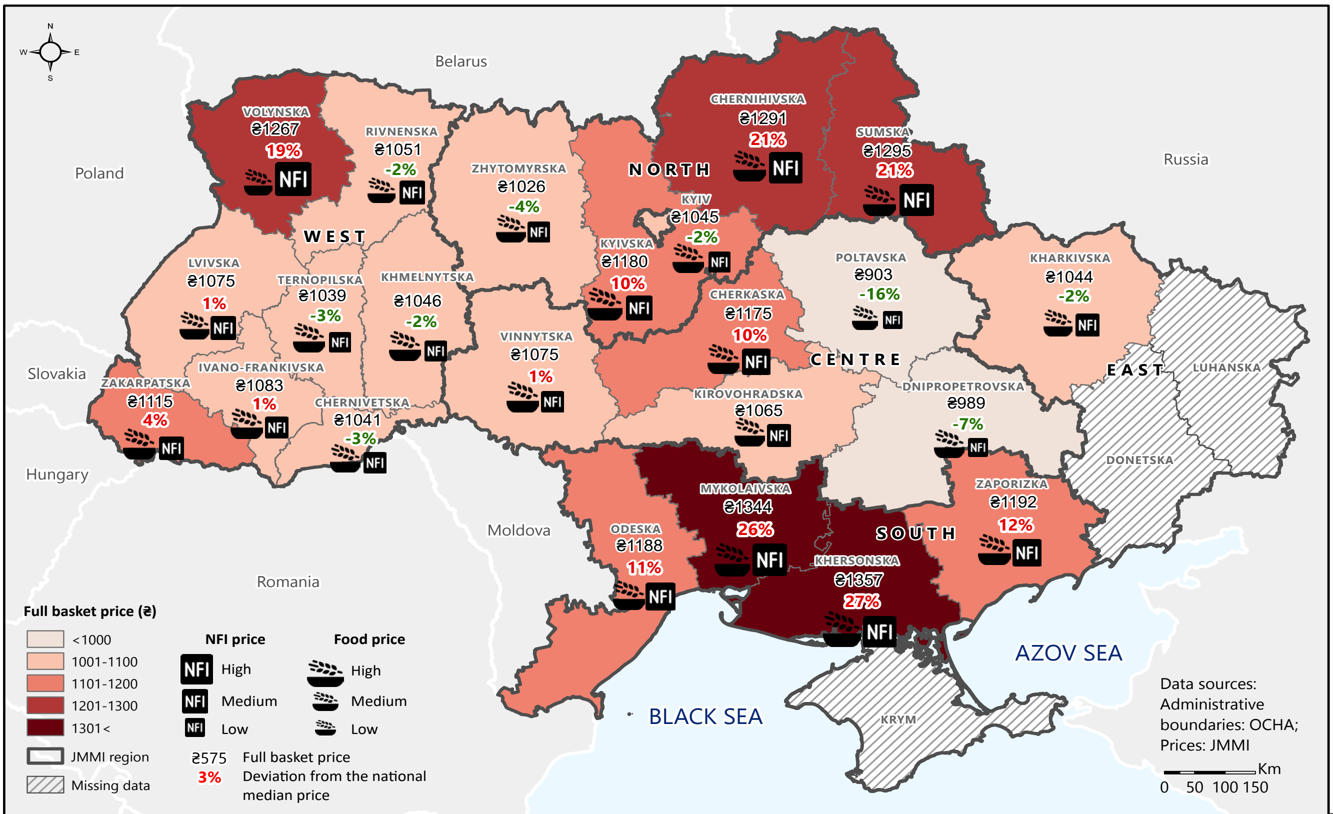


Table 1: Median prices of food items in January 2023 by region, UAH

		West		Centre		South		North		Kyiv		East		National	
Item	**Unit**	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change
Bread	500 g	20	9%	17	-2%	19	1%	20	9%	24	17%	15	0%	20	7%
Buckwheat	1 kg	66	-4%	67	-5%	75	-12%	70	-7%	69	-8%	65	-12%	68	-9%
Cabbage	1 kg	12	0%	15	0%	16	-6%	13	-13%	13	-13%	15	-6%	14	-8%
Carrots	1 kg	25	0%	27	2%	28	17%	27	4%	26	16%	27	8%	27	8%
Chicken (legs, fresh)	1 kg	95	14%	95	9%	95	9%	100	18%	107	1%	78	3%	95	11%
Complementary cereal	200 g	81	9%	73	6%	72	-4%	70	0%	72	2%	72	7%	72	3%
Eggs (chicken)	10 pcs	65	3%	65	8%	68	4%	64	3%	60	1%	61	2%	65	6%
Milk (2.5%, fresh)	900 mL	31	3%	32	0%	35	3%	33	0%	32	7%	29	-7%	32	2%
Oil (sunflower, refined)	900 mL	60	3%	61	-1%	67	3%	65	3%	63	5%	62	2%	63	2%
Onions	1 kg	34	6%	34	0%	35	19%	35	6%	32	-3%	35	0%	34	4%
Potatoes	1 kg	9	6%	11	4%	12	0%	8	-4%	10	-1%	10	-4%	10	-3%
Rice (round)	1 kg	61	-5%	61	-5%	62	0%	61	-1%	62	1%	57	-3%	61	-1%
Water	1.5 L	14	16%	14	-4%	15	14%	16	-2%	13	-14%	16	11%	14	3%
Wheat flour (white)	1 kg	20	5%	18	-4%	20	-13%	19	-2%	19	-4%	18	6%	19	-1%
Total		593	4%	588	1%	620	1%	602	2%	602	1%	559	0%	593	2%

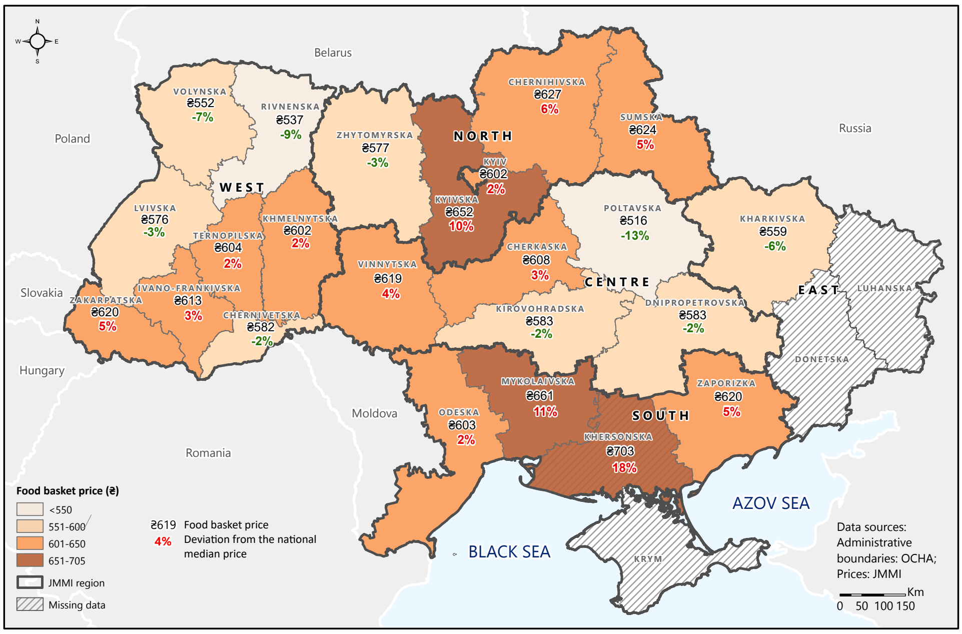
Source: JMMI

Table 2: Median prices of non-food (hygiene) items in January 2023 by region, UAH

		West		Centre		South		North		Kyiv		East		National	
Item	**Unit**	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change	Median price	1 month change
Body soap	1 bar (75 g)	14	5%	11	-3%	14	-7%	15	0%	12	-3%	12	2%	13	1%
Diapers (infant, 5-9 kg)	1 pack (40-60 pcs)	313	-7%	283	-2%	425	27%	500	2%	299	-8%	329	11%	321	-3%
Hygiene/sanitary pads	1 pack (10 pcs)	38	8%	35	-2%	38	-5%	38	0%	33	-7%	40	1%	38	3%
Laundry soap	1 bar (200 g)	18	0%	19	-3%	22	-11%	22	10%	22	5%	19	2%	21	4%
Toothpaste	1 tube (75 ml)	35	3%	34	-9%	38	12%	48	0%	37	-1%	39	3%	37	0%
Washing powder	1 box (400 g)	46	2%	45	-1%	47	8%	45	3%	40	-9%	45	1%	45	2%
Total		464	-4%	427	-3%	585	19%	668	2%	443	-7%	484	8%	475	-1%

Source: JMMI

Map 2: Median values of food items in January 2023, by oblast



ACCESS TO STORES

In January 2023, 26% of customers indicated that the full-scale war that began in February 2022 had affected their ability to **physically access** stores or marketplaces (Figure 9).

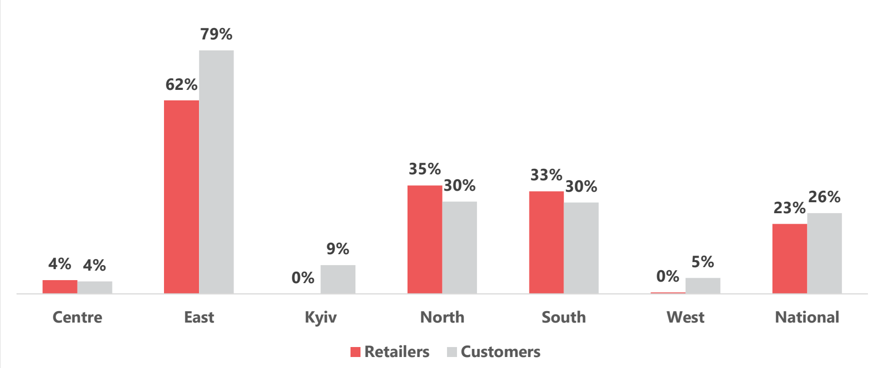
The highest percentages were found in the **East**, where 79% of customers, more than double the national average, reported difficulties in accessing shops. The main reported reason was the lack of transportation (30%), followed by the presence of active fighting or shelling in the area (21%), and by movement restrictions related to martial law (20%).

Additionally, customers indicated that air attacks and prolonged power outages affected their ability to access their usual stores and marketplaces.

Financial factors also negatively affected customers' access to stores or marketplaces across Ukraine (74%). The main factors were the increase in prices (44%) and not being able to afford items (11%).

Considerably higher percentages were observed in the North (98%), and East (90%), where the vast majority of consumers reported financial issues. 48% of respondents in the North and 51% in the East reported the increase of prices as their main financial constraint. Moreover, 20% of respondents in the North and 17% in the East indicate that they cannot afford items. As such, the issue of **affordability** remains crucial, especially in the North and East, where it represents a huge barrier in accessing markets.

Figure 9: % of customers and retailers reporting that the full-scale war has affected the ability to access shops, by region



Source: JMMI

MARKET FUNCTIONALITY

Nationwide, 34% of retailers surveyed indicated **difficulties in keeping stores** operational and well-stocked. The largest share was in the East and North of the country (74% and 54%, respectively). In the West and South, 34% and 28% of retailers faced such issues (Figure 10).

The main reason for this difficulty was higher prices by suppliers, as reported nationally by 17% of vendor KIs, with 38% reporting this in the North, 27% in the East (Figure 12, following page). In addition, difficulties related to movement restrictions were experienced by 27% of suppliers in the East, and dangerous conditions by 14%.

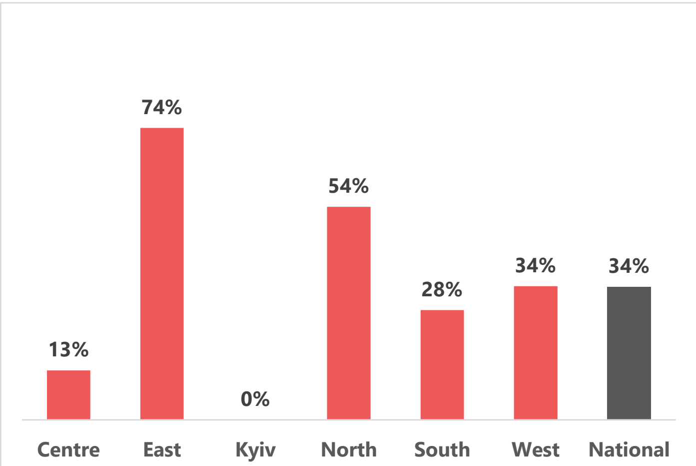
In addition, retailers often reported problems with food storage due to frequent and prolonged power outages. Installing and maintaining generators to keep stores running in turn resulted in higher prices for goods and services.

In addition, two out of three retailers **expected new difficulties** in the near future (Figure 11). The two most anticipated challenges were rising prices (25%) and reduced purchasing power of customers (22%).

However, the percentages of retailers anticipating new challenges were much higher in the **North** (90%) and the **East** (89%).

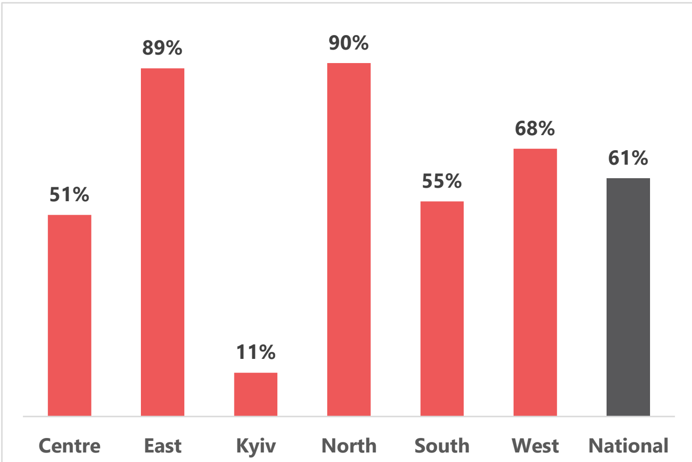
In the North, 40% indicated rising prices and 34% reduced purchasing power as the main challenges. In the East, along with rising prices (30%) and reduced purchasing power (26%), the reduced mobility of costumers due to martial law was mentioned (27%). In the **West,** while the percentage of retailers anticipating new challenges is lower than the national average, 36% of them anticipate rising prices.

Figure 10: % of retailers reporting difficulties in keeping their store operational and well-stocked, by region



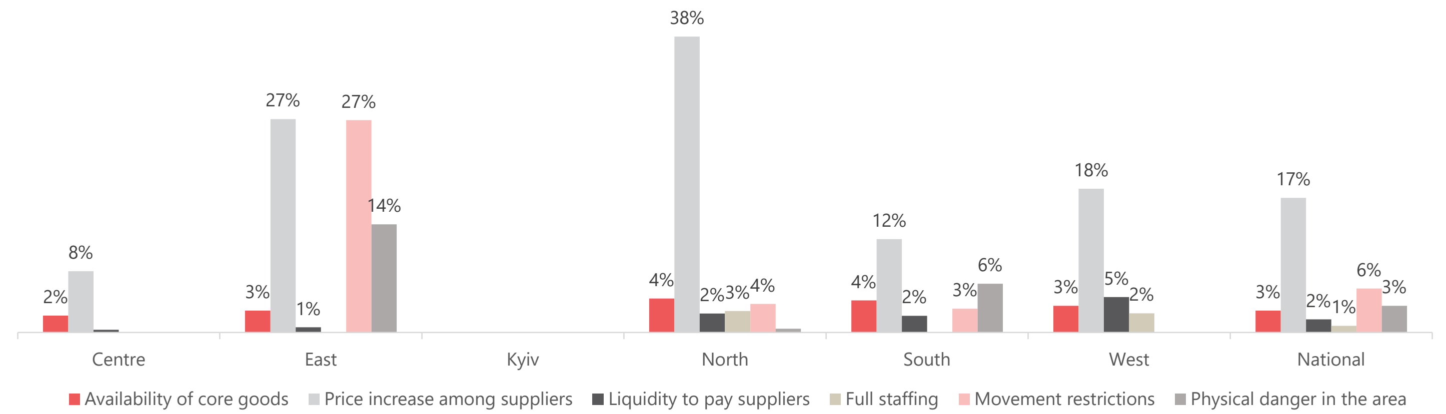
Source: JMMI

Figure 11: % of retailers reporting anticipating new challenges due to the crisis, by region



Source: JMMI

Figure 12: % of retailers reporting on new challenges faced since the start of the crisis, by type of challenge and region



Source: JMMI

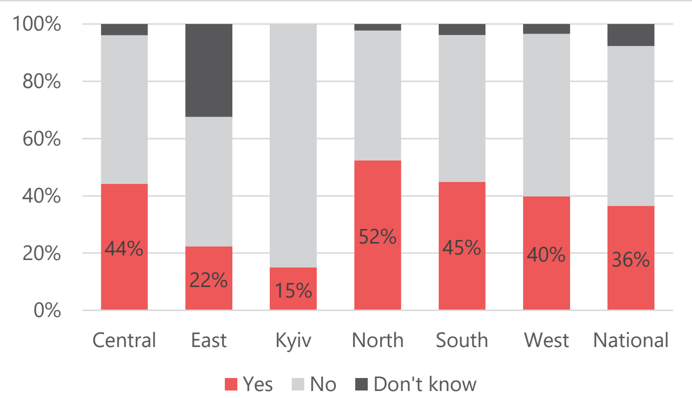
SUPPLY

Across Ukraine, 36% of retailers depend on a **single** food **supplier** and 45% on one supplier of hygiene products (Figure 13 and Figure 14). This represents a potential source vulnerability of the stores, in maintaining adequate stock.

The greatest risks are faced by enterprises in the Northern regions. Every second respondent in the North reported buying food items from one supplier, and two out of three retailers noted buying non-food products from a single supplier.

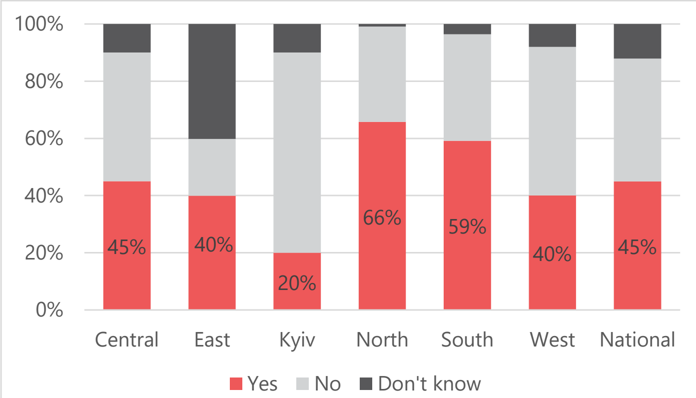
On the other hand, in the South, the share of retailers buying food and non-food products from a single supplier was 45% and 59% respectively.

Figure 13: % of retailers reporting in January 2023 that they mostly rely on a single supplier for food items, country-wide



Source: JMMI

Figure 14: % of retailers reporting in January 2023 that they mostly rely on a single supplier for hygiene items, country-wide



Source: JMMI

FINANCIAL SERVICES

Air attacks and power outages limited the opening hours of banks and Ukrposhta branches across the whole country and affected the availability of ATMs. However, for the South and East, access to financial service providers was more constrained than for other regions.

Indeed, in the South, 23% of respondents reported limited or no availability of **bank branches,** followed by 13% in the East, whereas the national average was 9%. For instance, 40% of surveyed customers in Khersonska oblast, 20% in Mykolaivska and Zaporizka oblasts and 17% in Ivano-Frankivska oblast functioning **bank** branches and mobile bank offices remained unavailable in their communities.

In the East, 65% of respondents reported limited or no availability of **ATMs,** followed by 25% in the South, whereas the national average was 22%. Specifically, 50% of customers surveyed in Zaporizka oblast and 40% in Chernihivska oblast reported the absence of ATMs. ATMs in the community were not functioning according to 48% of respondents in Khersonska oblast and 22% in Mykolaivska oblast. ATMs could not provide their usual services due to the war for 22% of customers of Kharkivska oblast. Other accessibility issues included cuts of electricity, lack of cash.

Nationwide, 80% of customers reported that **Ukrposhta** offices work daily and provide all of their usual financial services regularly. For 2% of respondents, only mobile post offices were accessible in their communities.

The **main payment modalities** accepted by retailers in January were cash (39%), credit cards (26%), debit cards (19%), and mobile apps (15%).

MACROECONOMICS

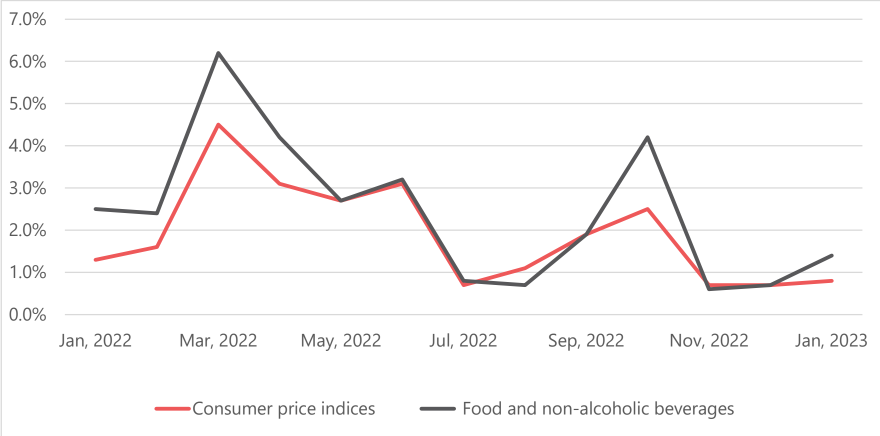
The price outlook in the consumer market was characterized by strong **inflation**: in January 2023, prices were 26% higher than in January 2022[2]. Prices for transport, food and non-alcoholic beverages and household appliances increased the most over the past year (by 41.0%, 33.0%, and 27.8%, respectively), as shown in Figure 16.

The rise in prices in the transportation sector was driven by a considerable rise in fuels and lubricants prices (by 61.8%), which in turn led to an increase in prices for passenger transport by road (by 30.2%).

Among food items, fruit, eggs and fish increased the most (by 77.0%, 73.3%, and 45.5%, respectively), as shown in Figure 18.

The adjustment of the official hryvnia exchange rate in July 2022 resulted in an increase in prices in product groups with a high share of imports, such as household appliances.

Figure 15: Inflation rates, % to previous month



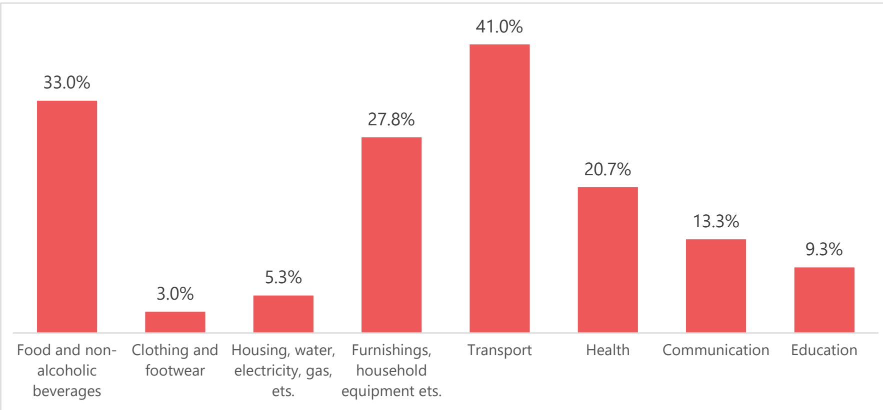
Source: SSSU

Concerning health care, the annual price increase was 20.7%. Pharmaceutical products, medical products, appliances and equipment increased in price by 22.3% and out-patient services by 18.4%.

In the field of education, pre-primary and primary education costs have risen the most (by 21.1%).

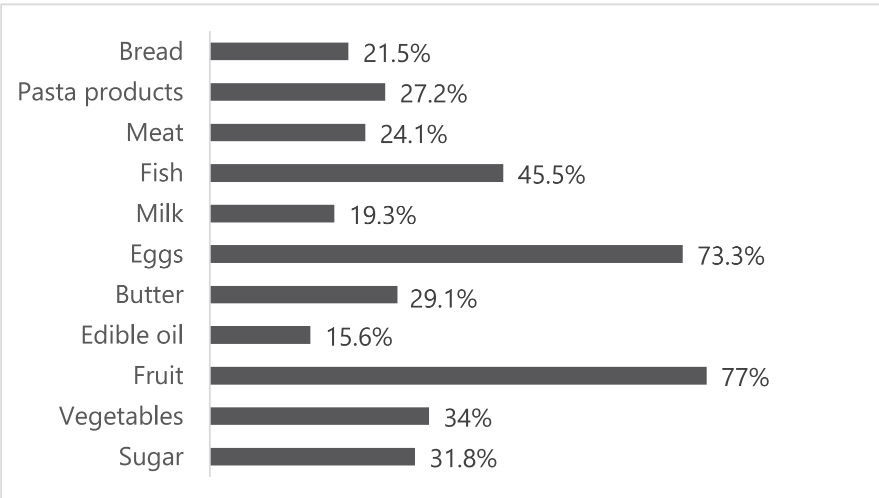
The moratorium on raising utility tariffs for households kept them well below market levels, making a substantial negative contribution to consumer price indices growth[1].

Figure 16: Consumer price indices for selected groups of food and services in January 2023, % increases from January 2022



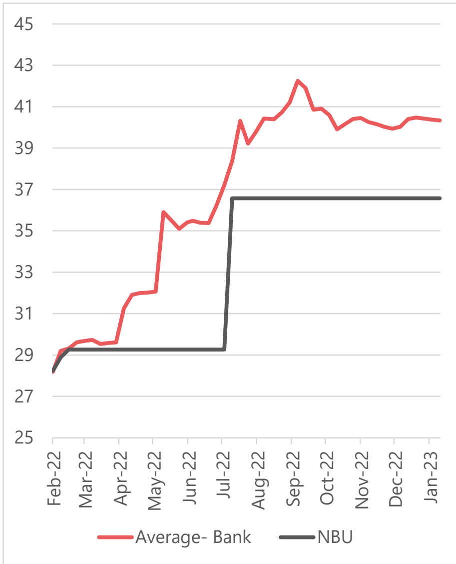
Source: SSSU

Figure 18: Consumer price indices for selected food items in January 2023, % increases from January 2022



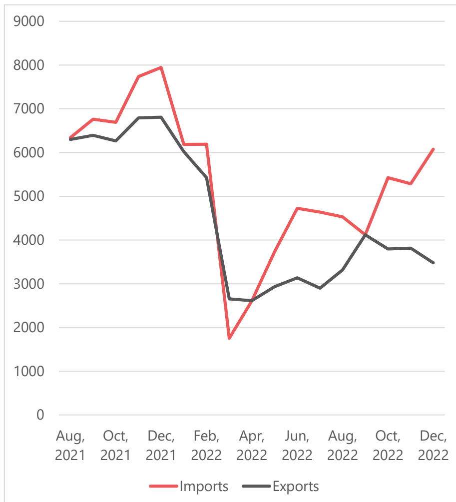
Source: SSSU

Figure 17: Mid-market exchange rate for the US Dollar (USD)



Source: MINFIN

Figure 19: Changes in gross value of exports and imports of Ukraine, by million USD



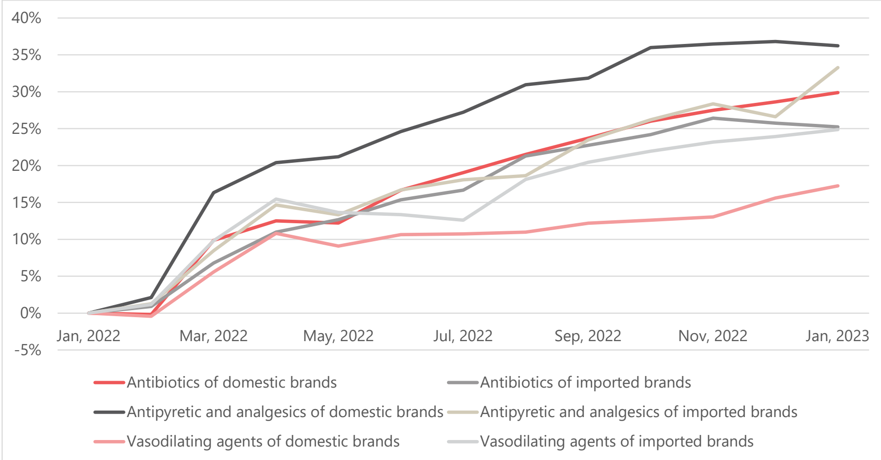
Source: SSSU

MEDICINE

In January 2023, the highest increase in price was observed for imported brands' antipyretics and analgesics, whose price rose by 5% .

Compared to January 2022, domestic brands' antipyretics and analgesics prices increased by 36%, imported brands' antipyretic and analgesics by 33%, domestic brands' antibiotics by 30%, imported brands' antibiotics and vasodilating agents by 25%, domestic brands' vasodilating agents by 17% (Figure 20)[3].

Figure 20: Cumulative price increase of selected medicines, national average, as % increase from January 2022



Source: SSSU

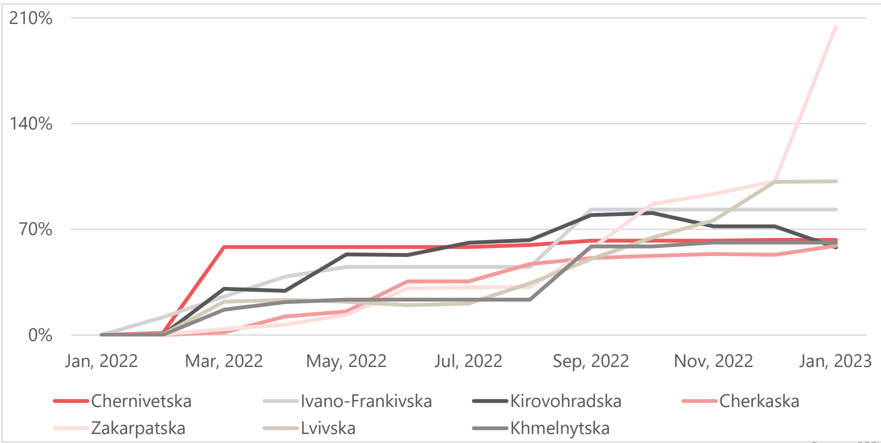
RENT

Rental prices for one-bedroom apartments in Ukraine continued to rise in January 2023. In fact, the average rent for a one-room apartment was 37% higher than in January 2022.

The largest increase in rents as compared with January 2022 was recorded in Zakarpatska (three times more than the past year), Lvivska (twice as much), Ivano-Frankivska (by 83%), Chernivetska (by 63%) and Khmelnytska (by 61%) oblasts (Figure 21).

The highest nominal value for rent increases was registered in Zakarpatska oblast (13123 UAH), whereas the lowest - in Sumska (2687 UAH), Zaporizka (2862 UAH) and Khersonska (2905 UAH) oblasts[3].

Figure 21: Top oblasts by increase of rent for a one-room apartment, as % from January 2022

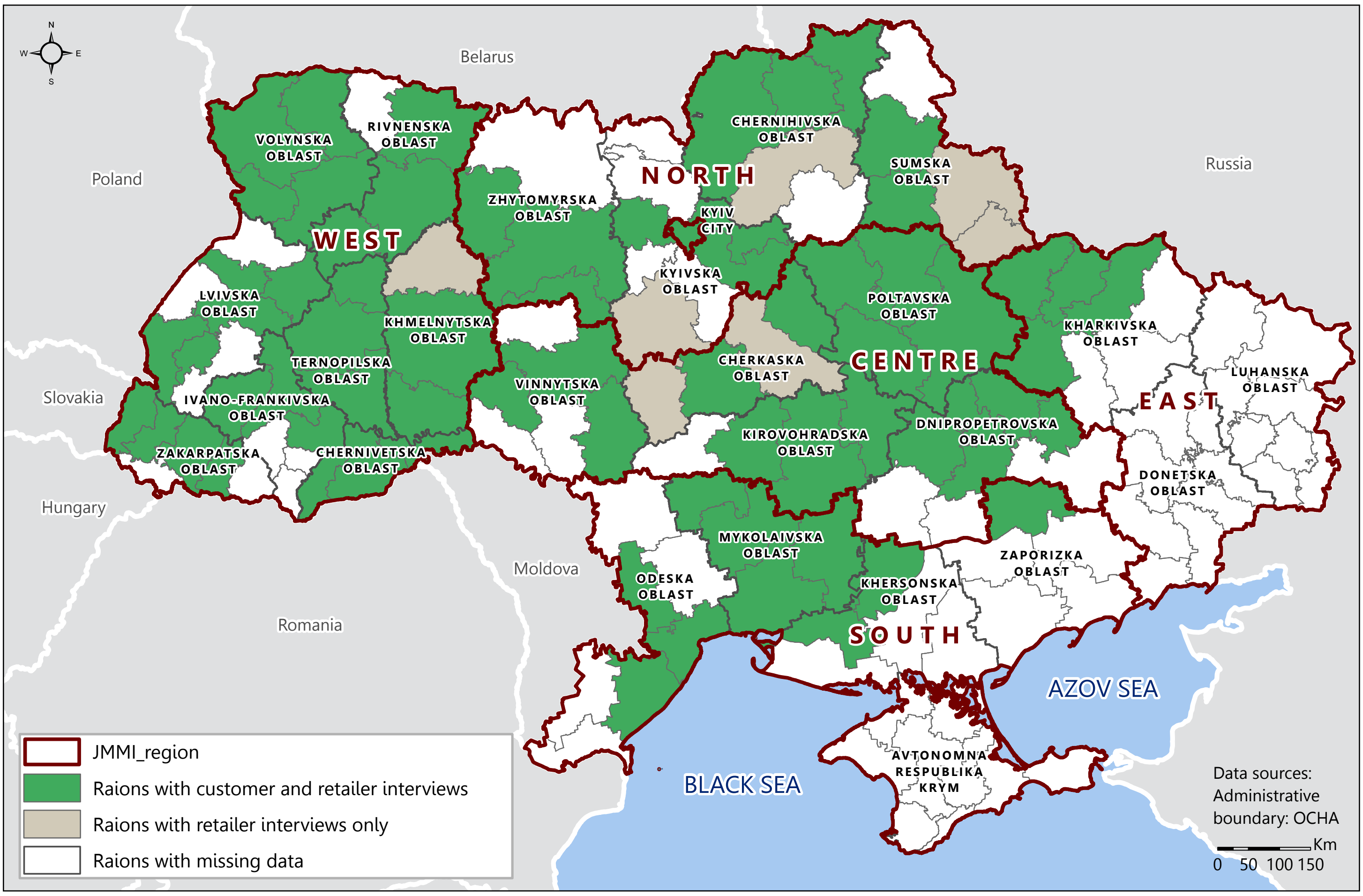


Source: SSSU

METHODOLOGY OVERVIEW

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 harmonised 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 retailers until this threshold is met, and must also submit a minimum of five customer 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 analysed by REACH on behalf of the CWG.
The JMMI also integrates secondary data via a remote price monitoring component from ATB, one of Ukraine's largest supermarket chains. Secondary data from other sources, particularly the State Statistics Service of Ukraine, is also integrated into the JMMI and used for triangulation where possible.
The prices reported in this factsheet are 'location medians', designed to minimise the effects of outliers and unequal numbers of prices submitted from diverse locations.

ASSESSMENT COVERAGE



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 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 or customer 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.

Due to the remote monitoring methodology's reliance on ATB's online services, remote data is available only from areas where ATB continues to offer these services. These areas generally do not include non-government-controlled areas (NGCAs) or areas that remain heavily affected by the conflict.

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.

ENDNOTES

[1] Monthly Macroeconomic and Monetary Review January 2023, 3 January2023, available **here**

[2] State Statistics Service of Ukraine "Consumer price indices for goods and services in 2023", 13 February 2023, available **here**

[3] State Statistics Service of Ukraine 'Average consumer prices for goods (services) in Ukraine in 2023", 13 February 2023, available **here**

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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 Programme (UNITAR-UNOSAT).