ABOUT

In an effort to inform cash-based interventions and better understand market dynamics in Ukraine, the Joint Market Monitoring Initiative (JMMI) was created by the Ukraine Cash Working Group (CWG) in March 2022. The initiative is guided by the CWG Task Team 4 on Monitoring (CWG TT4), led by ACTED and REACH and supported by the CWG members.

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. In addition to the interviews, REACH conducts online price monitoring across the country. This factsheet presents an overview of prices for key foods and non-food items (NFIs) in the assessed areas, as well as the costs associated with key elements of the JMMI Basket, which consists of 20 core food and hygiene items.

KEY FINDINGS

Vehicle fuel availability is improving, with 64% of customers interviewed reporting full availability and 9% limited availability. **Fuel prices** saw a decrease in August but remain high.

Regional prices for food items are homogenous compared to July for all regional excluding Kyiv, where the prices were higher.

This year's wheat harvest is **40% lower than at the same time last year,** mainly due to smaller harvested areas, while yields are only 12% lower than last year.

Preparations for the **winter period** are underway. **The availability of heating fuel has increased to a high degree** compared to the previous months. This is accompanied by an **increase in the level of awareness of the availability of warm clothing.**

August demonstrated a **high degree of increase in the vulnerability of stores** in terms of food supply.

Cost of JMMI basket

1025 UAH ▼ 2%

25.76 USD ▼ -9%

25.28 EUR ▼ -10%

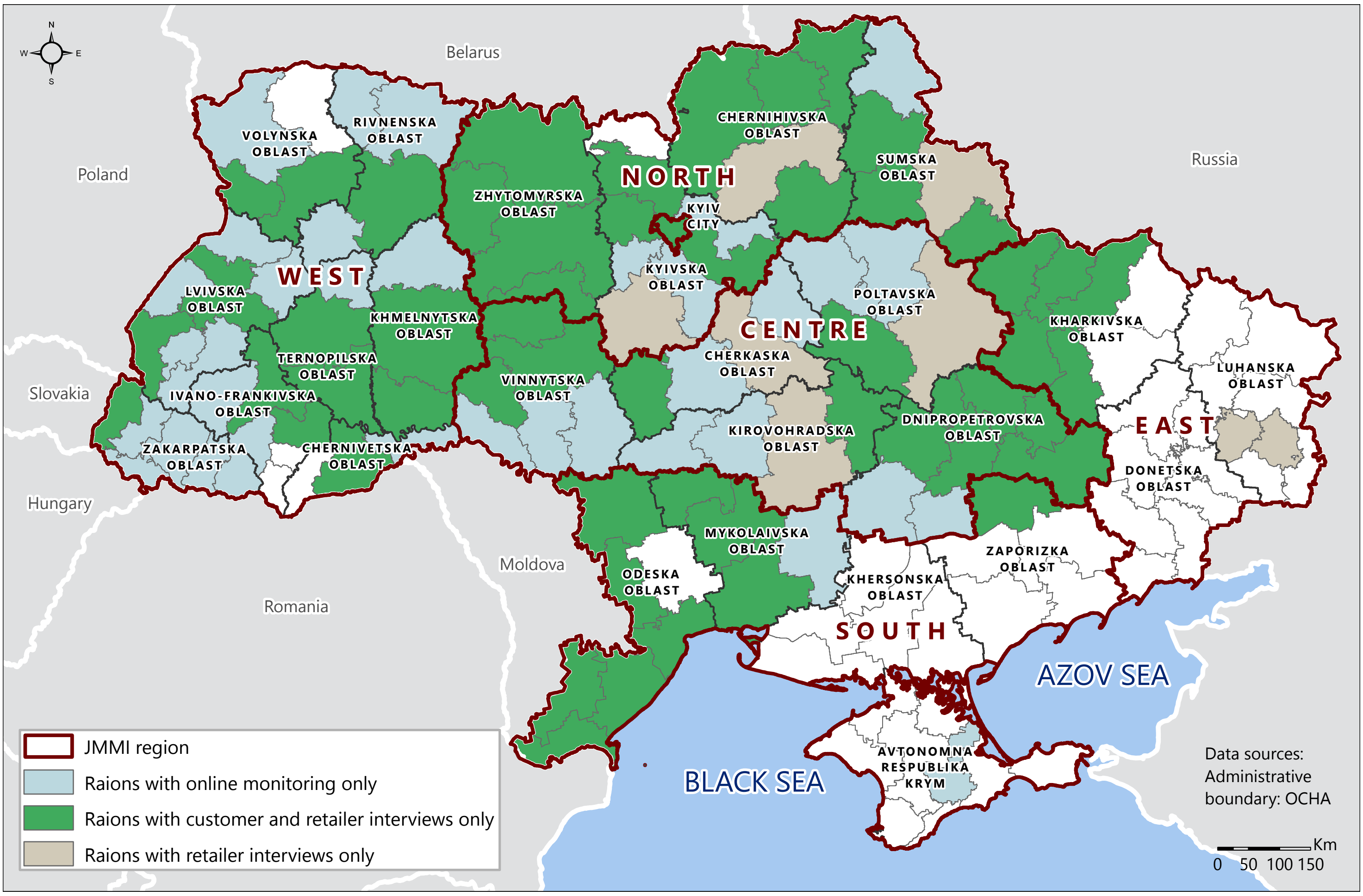
Exchange rates*

UAH/USD	UAH/EUR
39.80 ▲ +8%	40.55 ▲ +8%

17	**participating partners**
1071	**interviews conducted**
514	*retailers surveyed*
557	*customers surveyed*
24	oblasts monitored
118	hromadas monitored

*Median exchange rate on August 15, parallel market. Data available at **http://minfin.com.ua**

Map 1: Coverage (in-person and online)



AVAILABILITY

The availability of vehicle fuel during the summer gradually increased. At the beginning of the summer, only 9% of respondents reported full availability of fuel, then in August this indicator rose to 64% (Figure 1).

The availability of heating fuel is extremely important in the early autumn. It should be noted that the proportion of households reporting full availability of heating fuel increased to 61% in August, compared to 49% in June and in July, which is a 12% increase compared to previous months. (Figure 2).

Furthermore an increase in the level of awareness of the availability of warm clothing was observed, which indicates the beginning of preparations for the autumn-winter period. In July full availability was reported by 60% of consumers, but in August it increased to 73%. At the same time, in accordance with the changes in the structure of the distribution of answers, this growth was due to a decline in "Don't know or No need" responses from 28% to 16%. This suggests an interest in advance preparation for cold weather (Figure 6).

Fig 1: % of customers reporting availability of vehicle fuel, national

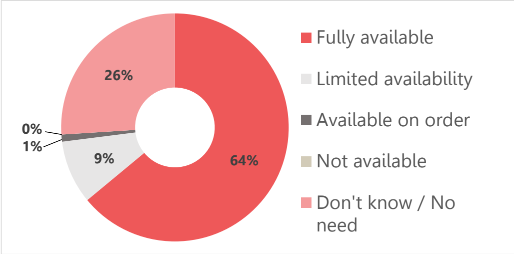


Fig 2: % of customers reporting availability of heating fuel, national

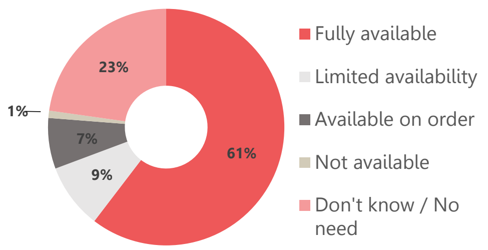


Fig 3: % of customers reporting availability of food items, national

Fig 4: % of customers reporting availability of hygiene items, national

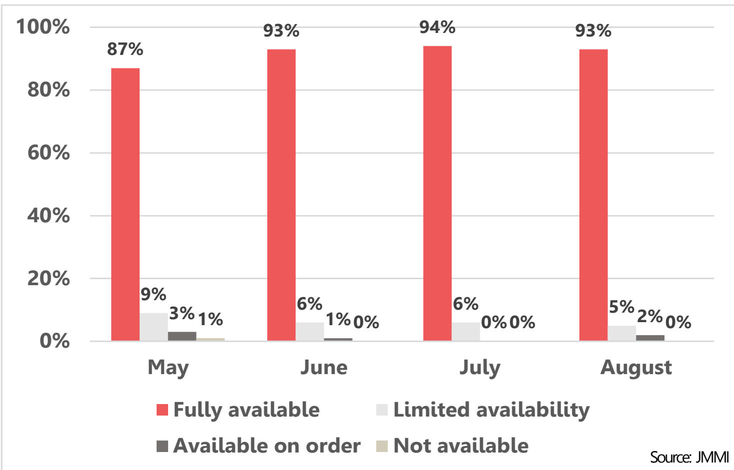


Fig 5: % of customers reporting availability of medication, national

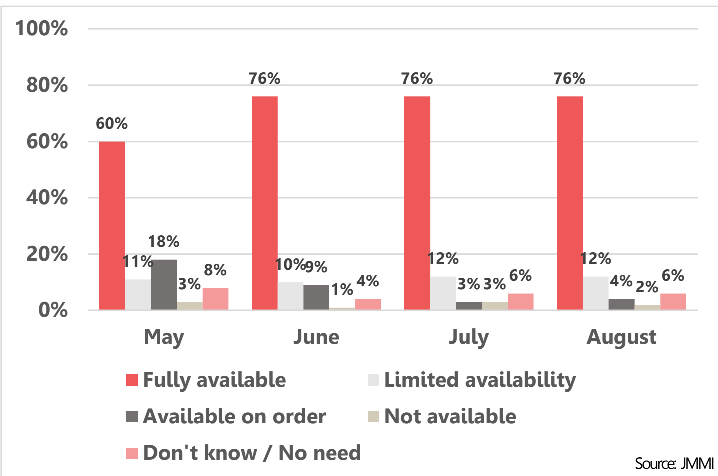
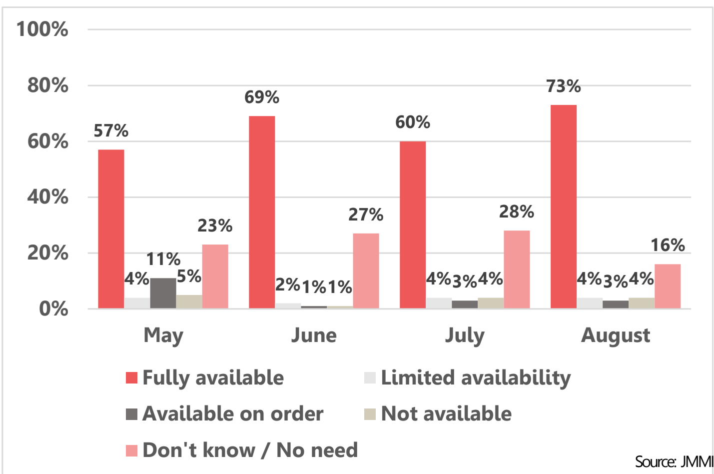


Fig 6: % of customers reporting availability of warm clothes, national



THE BASKET

The JMMI Basket is a subset of the 296-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 August the cost of the JMMI basket decreased by 2%. The largest reduction in cost occurred in the East, North and Centre of Ukraine. At the same time, the cost of the JMMI basket in the South increased by a few hryvnias compared to the previous month. The highest cost of JMMI items remains in the Northern regions and in Kyiv, and the cheapest prices are in the West (Figure 7).

JMMI BASKET

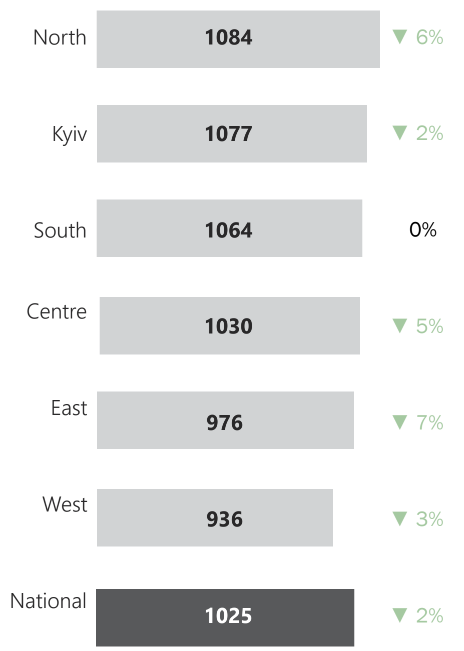
Food

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 (1.5L)
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)

Fig 7: Median values of the full JMMI baskets by region, in Ukrainian Hryvnia (UAH)



Map 2: Median values of the JMMI basket, by oblast

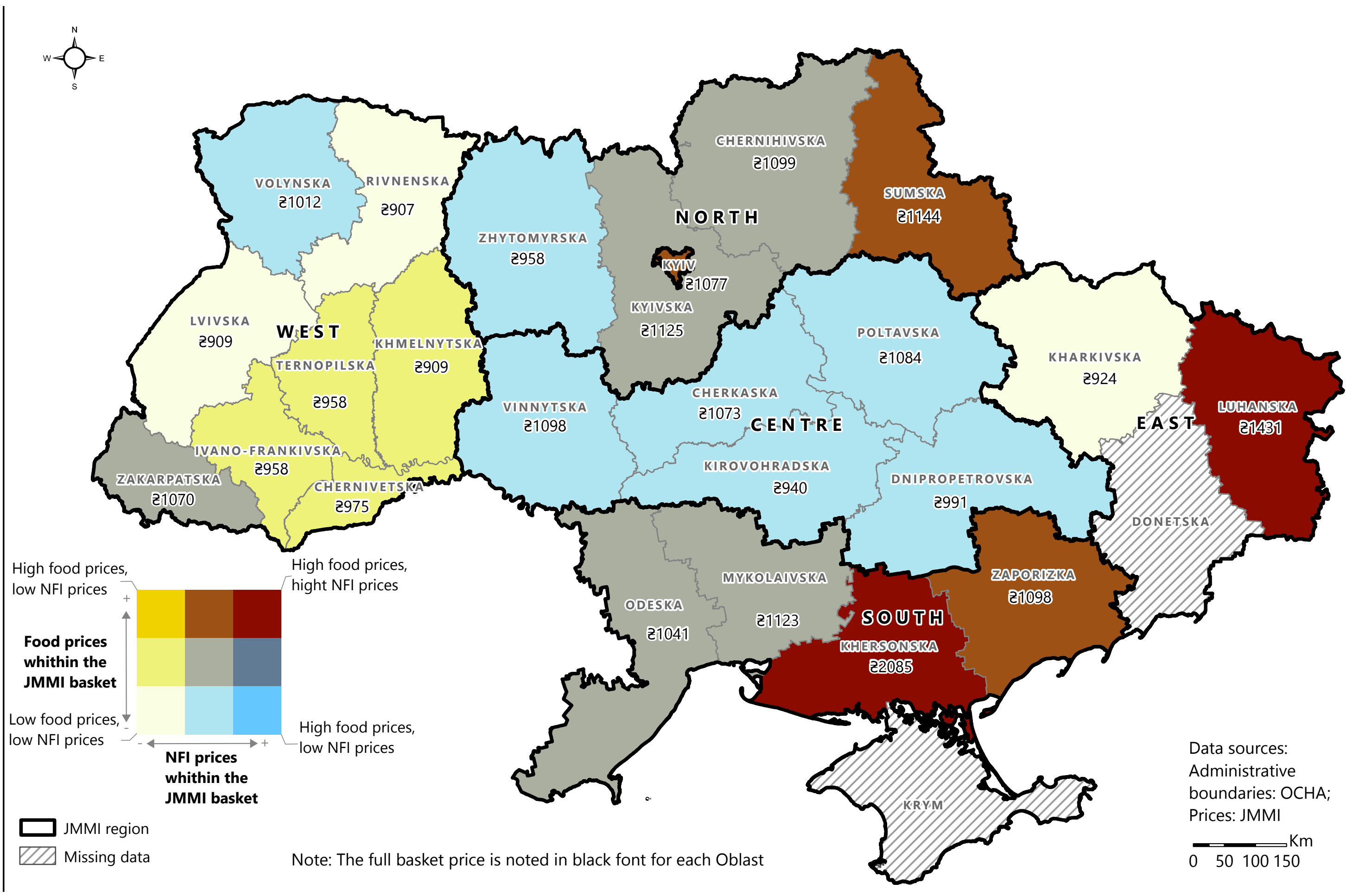


Table 1: Median prices of food items by region, UAH

		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	18	6%	16	0%	19	6%	18	3%	22	7%	14	0%	18	4%
Buckwheat	1 kg	97	1%	97	-3%	95	-5%	99	-12%	99	-1%	95	-5%	97	-3%
Cabbage	1 kg	31	-9%	29	-17%	31	13%	32	-19%	32	-12%	31	-13%	31	-12%
Carrots	1 kg	30	-12%	26	-25%	30	-10%	28	-20%	29	-12%	30	-14%	29	-14%
Chicken (legs, fresh)	1 kg	77	-11%	76	-13%	77	14%	77	-3%	98	4%	75	-2%	77	-7%
Complementary cereal	200 g	57	-14%	55	-30%	60	-40%	58	-8%	65	-47%	59	7%	58	-19%
Eggs (chicken)	10 pcs	29	13%	29	12%	30	12%	29	3%	31	25%	30	17%	29	15%
Milk (2.5%, fresh)	900 mL	26	-11%	26	-8%	30	-11%	27	-14%	30	6%	29	0%	28	-3%
Oil (sunflower, refined)	900 mL	60	1%	60	-7%	65	-1%	60	-11%	61	14%	60	0%	60	-4%
Onions	1 kg	33	22%	31	4%	30	16%	35	17%	35	21%	33	10%	33	12%
Potatoes	1 kg	11	-36%	11	-39%	13	-14%	12	-52%	13	-33%	14	-26%	12	-34%
Rice (round)	1 kg	59	7%	59	8%	59	0%	59	4%	60	22%	59	3%	59	5%
Water	1.5 L	13	27%	13	1%	14	-7%	13	-17%	15	22%	14	3%	13	2%
Wheat flour (white)	1 kg	25	14%	23	20%	23	10%	22	3%	21	16%	23	22%	23	13%
Total		565	-2%	550	-9%	575	-5%	568	-9%	610	-5%	565	-1%	568	-5%

Source: JMMI

Table 2: Prices of non-food (hygiene) items 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)	20	63%	20	80%	20	58%	15	13%	16	44%	12	15%	18	54%
Diapers (infant, 5-9 kg)	1 pack (40-60 pcs)	240	-9%	349	5%	344	15%	388	-2%	309	2%	292	-22%	327	3%
Hygiene/sanitary pads	1 pack (10 pcs)	30	7%	32	2%	35	N/A	30	-6%	30	N/A	27	162%	30	2%
Laundry soap	1 bar (200 g)	17	0%	17	-8%	20	22%	18	7%	18	-6%	16	15%	17	5%
Toothpaste	1 tube (75 ml)	30	-1%	30	-30%	35	-38%	35	-14%	58	3%	30	5%	33	-23%
Washing powder	1 box (400 g)	32	1%	32	-26%	36	-4%	30	-11%	36	-7%	34	-10%	33	-12%
Total		368	-4%	480	0%	489	16%	516	-3%	466	9%	411	-14%	457	0%

Source: JMMI

PRICES

Prices for the JMMI food basket were characterized by relative homogeneity in the regional context. Thus, the cost of the food basket in all regions, except for Kyiv, varied in the range of 25 UAH. This indicates a stabilization of the market situation compared to July, when such deviations exceeded 50 UAH.

It should be noted that the cost of the JMMI food basket fell compared to the previous month. The main reason for this decline was the lower cost of seasonal vegetables, with price dropping in August and September each year. Thus, the largest reduction in cost was observed in potatoes, with 52% in the North and 34% on average countrywide. Also, a reduction in cost was observed for cabbages and carrots by 12% and 14%, respectively. Meanwhile, eggs, wheat flour and onions increased in price in August by 15%, 13% and 12%, respectively.

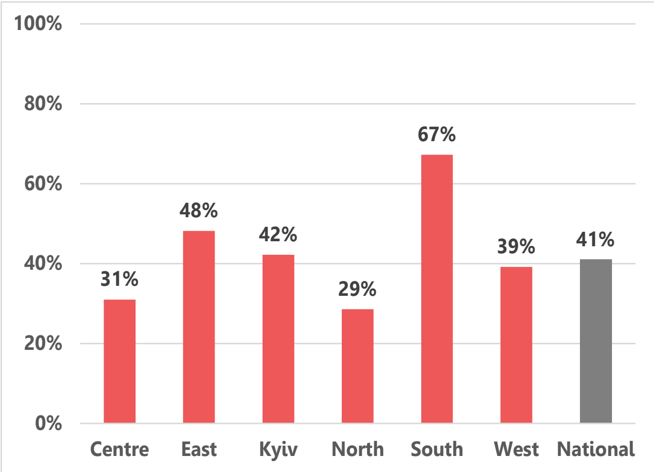
It is worth to note the overall countrywide reduction in the cost of complementary cereal by 19%. In Kyiv and South this reduction was 47% and 40%, respectively. This could indicate the availability of cheaper offers on the market hence a reduction in the cost pressure on families with infants in these regions.

The cost of the NFI basket varied greatly across the assessed regions. The cheapest basket of 368 UAH was registered in the West, while the most expensive one of 516 UAH was found in the North. However, it should be noted that such heterogeneity is caused by a large price disparity of diapers. Prices for all other NFI's in all regions, except for toothpaste in Kyiv, remained at approximately the same level. This also indicates a fairly good level of market functionality.

It should be noted that body soap showed a large price increase in August, by an average of 54% compared to the previous month. At the same time, the price of toothpaste decreased.

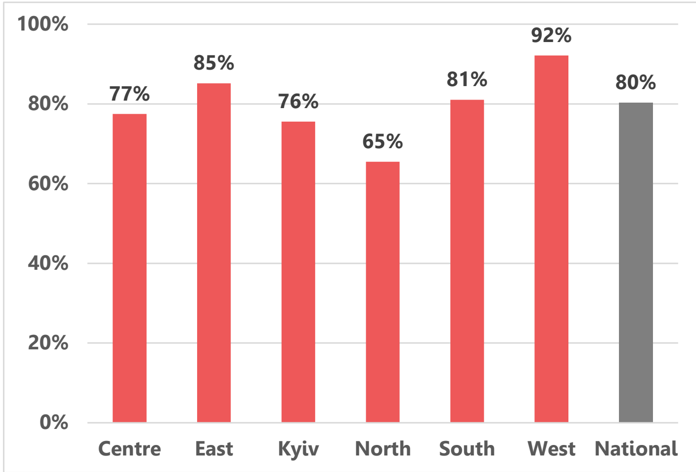
However, changes in the prices of all NFI's offset each other, so the total cost of the non-food basket in August compared to July remained unchanged.

Fig 8: % of retailers reporting difficulties keeping store operational and well-stocked, by region



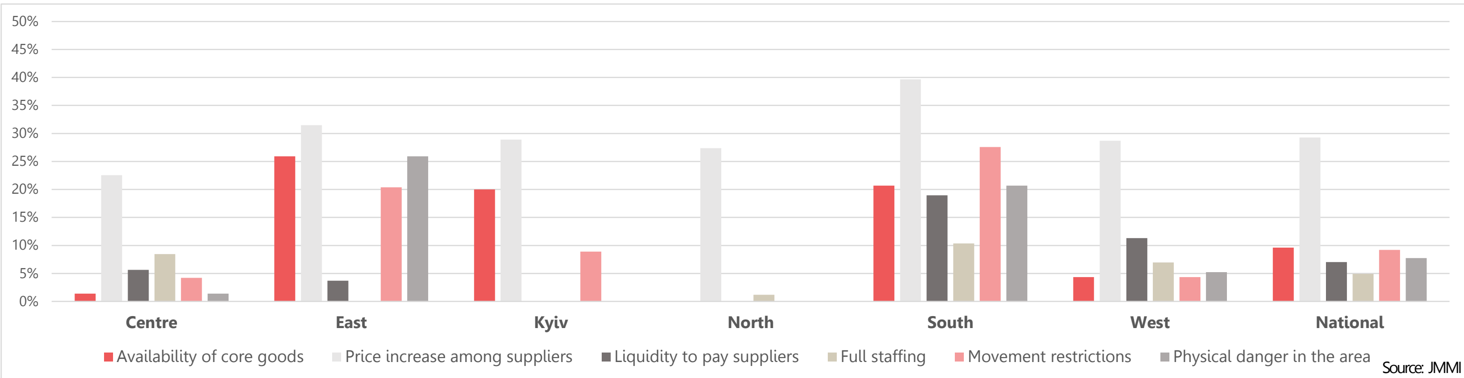
Source: JMMI

Fig 9: % of retailers reporting that they expect new challenges due to the conflict, by region



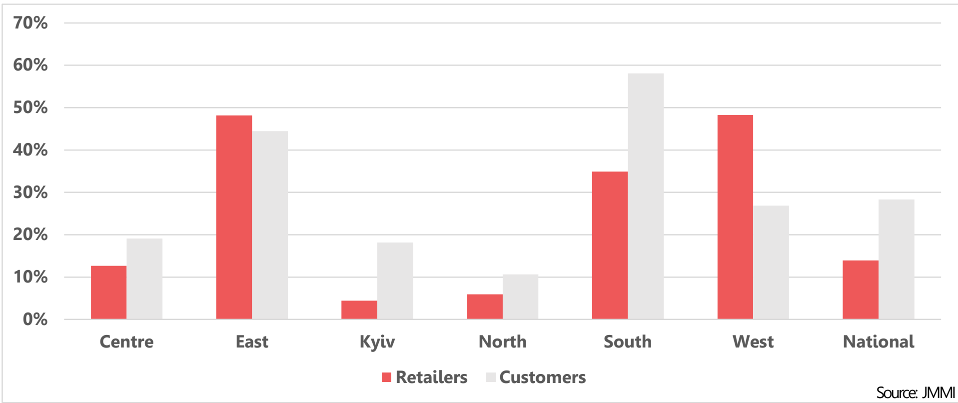
Source: JMMI

Fig 10: % of retailers reporting new challenges faced since the start of the conflict, by type of challenge and region



Source: JMMI

Fig 11: % of customers and retailers reporting that the conflict has affected the ability to access shops, by region



Source: JMMI

ACCESS AND FUNCTIONALITY

The possibility to ensure normal operation of stores in August remained almost at the same level as in July.

While in July, a higher proportion of retailers in the East reported difficulties in keeping stores open and stocked, in August, the highest proportion of respondents in the South reported the same difficulties.

In addition, in July the emergence of new challenges was most often reported by retailers in the East. Such challenges in the East included primarily: psychological danger in the area, price increase among suppliers, and moving restrictions. In August, the frequency of reports of new challenges somewhat equalized in regional comparison. However, most often the emergence of new challenges was reported by retailers in the South.

The main challenge reported by retailers in all regions was the increase in supplier prices. This, in turn, may lead to an increase in the price of the JMMI basket in the coming months.

It is important to note a considerable rise in the overall concern of retailers about the future risks of their activities. While in July 64% of respondents reported expecting new challenges that may be caused by the military conflict, in August, this figure increased to 80%.

In addition, the most problems with access to stores were observed in the East, West and South regions.

Fig 12: % of retailers reporting that they mostly rely on a single supplier for food items, country-wide

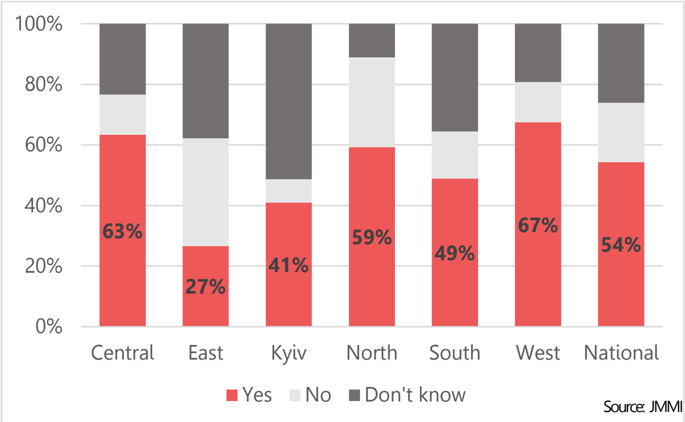
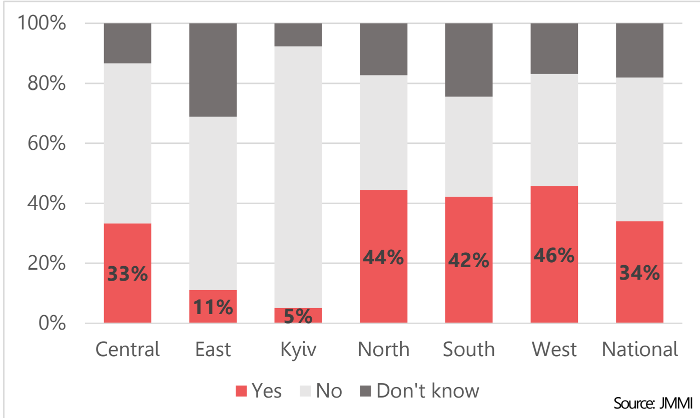


Fig 13: % of retailers reporting that they mostly rely on a single supplier for hygiene items, country-wide



SUPPLY

August demonstrated a major growth in the vulnerability of stores in terms of food supply. While the share of retailers in July that reported purchasing food from only one supplier was 41% this figure increased in August to 54%. The greatest challenges in this regard were observed in the central and western regions, where this figure exceeded 60%.

The supply of non-food items showed a much lower level of retailer vulnerability, with only one-third of retailers reporting purchasing non-food items from one supplier. At the same time, the fewest challenges were observed in the East and the city of Kyiv.

FINANCIAL SERVICES

The market of financial services for household needs was functioning well. Namely:

- 83% of respondents indicated that they did not have any difficulties with access to banking institutions;
- 87% of respondents indicated that they had no difficulties using payment terminals;
- 84% of respondents indicated that Ukrposhta delivered cash on time and every month.

FUEL

The market of petroleum products in Ukraine stabilized and there was a gradual decline in fuel prices. Gasoline and diesel prices decreased by 1-3% compared to the previous month. Furthermore, LPG prices showed a considerable reduction compared to the previous month, by 19%. However, prices remained high compared to the period before the escalation of the conflict. Relative to January, the price of diesel increased by 177%, of A-92 petrol by 159%, of A-95 petrol by 158% and of LPG 143%.

Fig 14: Month-on-month change on the price of vehicle fuel, UAH

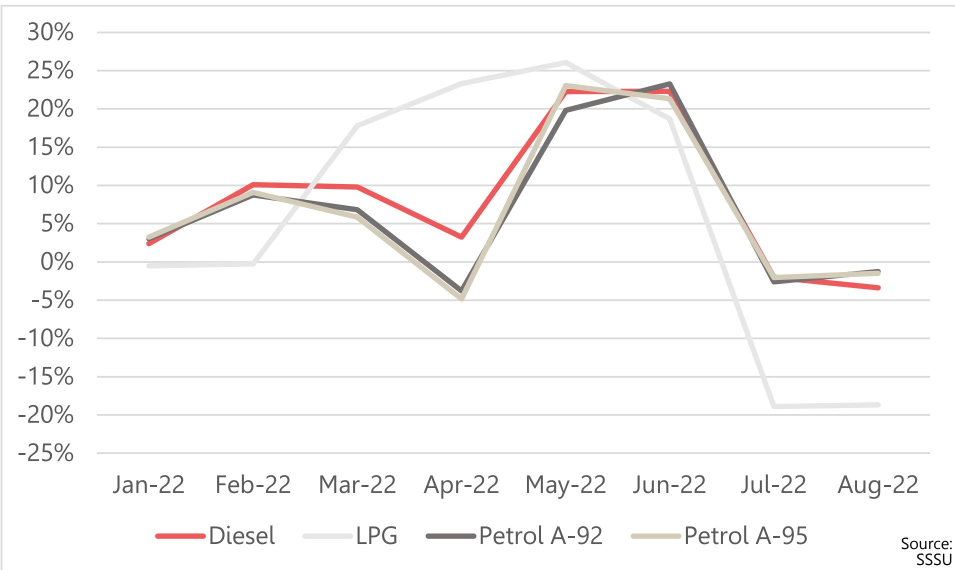
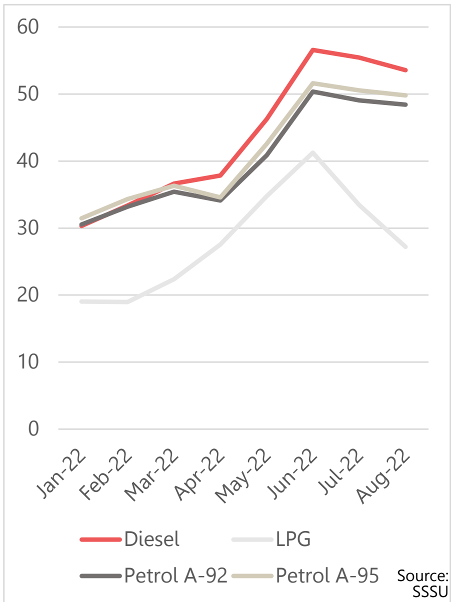


Fig 15: Price of vehicle fuel, UAH



MACROECONOMICS

The financial position of businesses is improving, but the growth of production costs is an obstacle to their recovery.

Harvesting of early grains and rapeseed is almost finished this year. Wheat harvest is currently 40% lower than last year mainly due to smaller harvested areas, while yields are only 12% lower than last year. However, lower domestic demand and large stocks are restraining price growth.

In the energy sector, preparations for the heating season are underway;10 out of 15 available nuclear power units were operational in August; revenues from electricity exports are growing.

The decline in imports deepened against the background of the abolition of preferential taxation, and the reduction in the supply of mining and metallurgical products led to a greater decline in exports of goods. According to the recent available data, in value terms imports in July remained almost at the level of June, while exports declined. Thus, the merchandise trade deficit continued to widen.[1]

RENT

Rental prices for one-bedroom apartments in Ukraine continued to rise. In August, the average rent for a one-bedroom apartment was 18% higher compared to the same indicator in January 2022. In August, the oblasts with the largest relative increase in rent compared to January were Kirovohradska (61.5%), Chernivetska (58%) and Ivano-Frankivska (45%).[2]

MEDICINE

The price of basic medicine items, such as antibiotics, analgesics, and vasodilating agents, continued to increase in August, with vasodilating agents of imported brands being an exception.

Fig 17: Inflation rates, month-on-month

Fig 19: Cumulative price increase of selected medicines, national averages, as % from January 2022

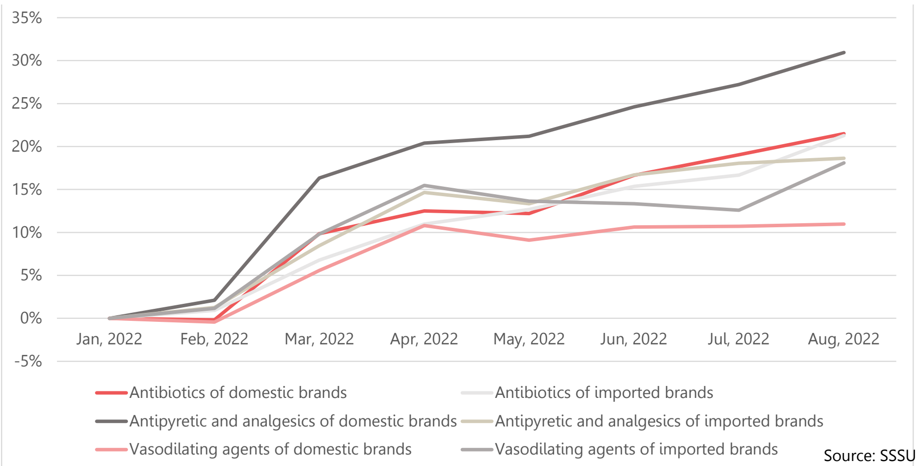


Fig 16: Mid-market exchange rate for the US Dollar (USD)

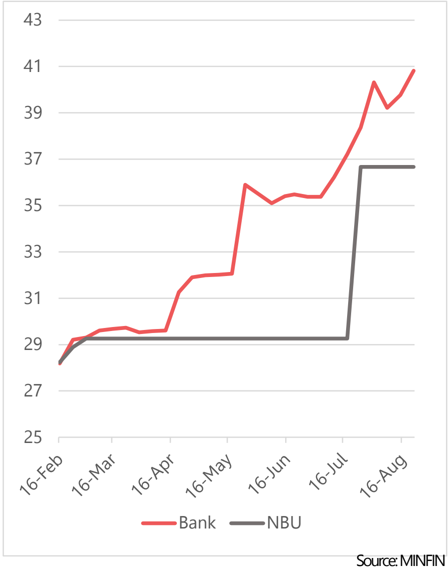


Fig 18: Changes in gross value of exports and imports of Ukraine, by million USD

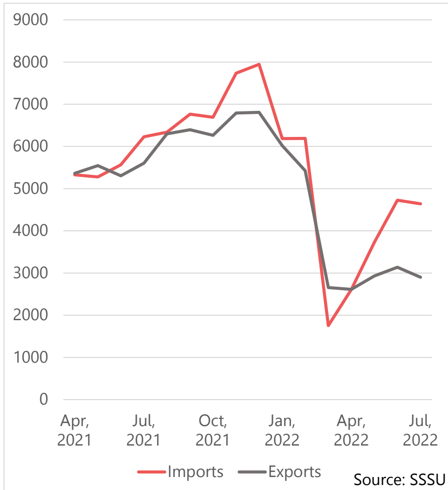
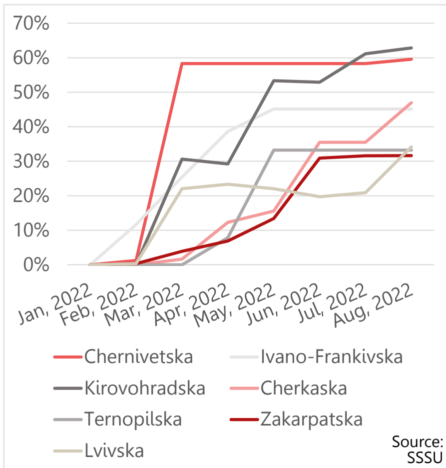


Fig 20: Top oblasts by increase of rent for a 1-room apartment, as % from January 2022



BACKGROUND

Since 24 February 2022, the escalation of military clashes across Ukraine has prompted mass displacement and humanitarian crisis. Given the prominence of multi-purpose cash as a modality for assistance, market monitoring is key to ensure humanitarian intervention is effective, sustainable and does not harm local economic systems. Due to the conflict's sudden expansion to areas of Ukraine that were previously untouched, 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.

METHODOLOGY

The JMMI is conducted in partnership with the Ukraine Cash Working Group (CWG) through its Task Team 4 on Monitoring, co-led by ACTED and REACH. 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 centres 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. Partners focus on interviewing retailers, rather than wholesalers or distributors, as these are the market actors who have the greatest interaction with vulnerable populations.

Primary data is collected and analysed on a hromada level, with partners submitting data from each hromada's largest marketplaces devoted to retail, as well as from larger standalone chain stores. 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. In line with the purpose of the Minimum Expenditure Basket, 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 in 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. REACH collects data on the prices and availability of all JMMI items from ATB, one of Ukraine's largest supermarket chains. The accuracy of this remote monitoring methodology is verified via in-person spot checks of monitored ATB stores. 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. 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).

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 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 changes.

PARTNERS

ACTED, Action Against Hunger, Карітас України / Caritas Ukraine, Eesti Pagulasabi, HEKS EPER, International Rescue Committee, CORE Community Organized Relief Effort, Joint Emergency Response in Ukraine (Welthungerhilfe, Concern Worldwide, Cesvi – Alliance 2015), KIS, Mercy Corps, People in Need, REACH, Save the Children, World Vision, WFP World Food Programme

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). For more information about REACH, please visit http://reach-initiative.org.

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1. National bank of Ukraine **"Macroeconomic and Monetary Review, September 2022"**, 9 September 2022
2. State Statistics Service of Ukraine **"Average consumer prices for goods (services) in Ukraine in 2022"**, 15 September 2022