



UKRAINE MONTHLY ECONOMIC UPDATE

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EXECUTIVE SUMMARY

In its *Ukraine Monthly Economic Update*, KSE Institute assesses the **state of Ukraine's economy** across the real sector, external accounts, public finances, prices, monetary policy, exchange rate, banking system, and labor market. Each section closes with a **KSE Institute comment**, which sets out the Institute's own reading and forward view; these are our judgments and distinct from the reported data. The underlying series and their sources are presented in the statistical annex. The data and events **cut-off date are October 27, 2026**.

The key takeaways from KSE Institute's *October 2026 Ukraine Monthly Economic Update* are:

- **The port blockade and the loss of steel capacity are visible in the external accounts.** Goods exports fell 19.0% y-o-y in August to USD 2.4 billion, the lowest level since July 2023, and the current account deficit of USD 4.8 billion was the largest since 2010. The steel plants have lost capacity, so reopening the ports would not restore their exports, with the latter likely to continue on USD 2-3 billion level for months.
- **The September revenue shortfall was largely technical, but the cash constraint is real.** General fund revenues reached 44.3% of plan as USL assistance was credited to the special fund, and ~92% excluding this effect. The general fund ran a deficit of UAH ~104 billion against a planned surplus, and from October allocations are restricted to priority spending. Q4 financing sits on MFA tranche cleared on October 22.
- **Inflation returned to double digits at 10.0% y-o-y in September.** Core inflation rose to 8.8%, and ~70% of core items rose by at least 1% in the month. Firms with compressed margins are passing costs on, despite weakening demand. With several quarters of double-digit inflation, the risk is that elevated expectations for all agents would increase further and become the reference for wage and price setting.
- **The NBU front-loaded its tightening, but inflation has already eroded its real effect.** The key policy rate stands at 16% after hikes in July and September, yet the ex post real rate fell to about 5.7% from 7.3% before the cycle began. The real after-tax return on a new term deposit remains about -3.4%. KSE Institute expects 0.5 pp hikes in October and December, to 17%, with easing only from Q4 2027.
- **Market-priced hryvnia lending to firms stalled in September, and credit risk is shifting.** Net hryvnia corporate loans rose 0.7% m-o-m after 4.0–4.5% a month in June–August, entirely on the subsidized 5-7-9% program, while FX loans supplied almost 75% of the corporate increase. Banks tightened corporate standards and eased household ones, and household savings keep flowing to government bonds.
- **The NBU let the hryvnia go in late October, ahead of the usual year-end pressure and of the October 29 rate decision.** The interbank rate has settled above 45 since October 19 on reduced sales, with the client-market gap unchanged, which makes the move a policy choice that saves reserves at a bill of over USD 5 billion a month but costs credibility and speeds pass-through. KSE Institute expects about 46 by December, and halting depreciation there may prove costly.
- **The loss of capacity is now in the output data.** Industrial production fell 6.1% y-o-y in August, with metallurgy down 48.6% and ore extraction halved, and steel fell a further 53% m-o-m in September after the three largest plants stopped. Strikes since August has also destroyed warehouses and tile, plastics, and lubricants plants, and from October 8 Ukrenergo limits power to industry in several regions.
- **Firms are absorbing the strikes through pay and working hours, not firing people, because skilled labor loss would be costly to revert.** The difficulty in finding qualified workers rose in September again, even as Work.ua vacancies fell 11% below last year by early October and the largest employers cut bonuses, hours, and administrative staff. Real wages still grew 13.9% y-o-y in August.
- **September's government actions served winter readiness and reform delivery, while air defense has become the defining macroeconomic variable.** The parcel VAT laws adopted in mid-October cleared the conditions for the EUR 3.7 billion MFA tranche. With lower capabilities to defend from Russian air attacks, the adverse scenario and risk of significant economy slowdown in 2027 is gaining weight.

EXTERNAL SECTOR

Ukraine's **goods trade deficit** reached **USD 5.8 billion** in August and **USD 41.6 billion** over January–August, 49.4% more than a year earlier.¹ **Goods exports** fell 19.0% y-o-y to **USD 2.4 billion** in August (-17.8% m-o-m). It was the second consecutive annual decline and the lowest monthly level since July 2023, when Russia exited the Black Sea Grain Initiative. The decline was broad-based: **agricultural exports** fell 22.5% and **metal exports** almost halved (-48.1%). Cumulative exports (**USD 24.9 billion**) were therefore only 0.7% higher than a year earlier, after 3.3% growth through July. Agriculture accounted for all of the cumulative growth (+5.3%; 61.8% of the basket against 59.1% a year earlier). Non-agricultural exports were **USD 0.6 billion** (-6.0%) lower, led by **machinery** (-25.0%), **mineral products** (-12.1%), and **metals** (-11.3%). **Imports** rose 22.9% y-o-y in August and 26.5% to **USD 66.5 billion** over January–August. The 7.9% m-o-m decline in August was in line with the usual seasonal pattern (-10.0% in August 2025). **Machinery and equipment** made up 50.2% of the August import bill, the highest share since at least 2010. They also supplied almost two-thirds of the cumulative increase in imports (+42.5%), followed by **mineral products** (+42.2%). The cumulative **services deficit** narrowed slightly to **USD 5.6 billion**. The **primary income deficit** doubled to **USD 1.7 billion**, as compensation of Ukrainians employed abroad fell 22.9%.

The **current account** deficit widened to **USD 4.8 billion** in August, against USD 2.2 billion a year earlier, the largest monthly deficit since at least 2010. Of the **USD 2.2 billion** in August **secondary income**, official transfers were only **USD 1.0 billion** after the large disbursements in June–July, leaving most of the monthly trade gap uncovered. Over January–August, the **deficit** narrowed to **USD 15.0 billion** from USD 20.3 billion, but only because **official transfers** tripled to **USD 24.8 billion**; excluding them, it widened 40.1% to **USD 39.8 billion**. **Non-resident capital inflows** fell to **USD 9.5 billion** over January–August (-65.2%). **Loans to the public sector** fell to **USD 5.2 billion** from USD 22.6 billion, largely because **USL funds** are recorded as grants, while **FDI** rose 10.0% to **USD 1.5 billion**. **Resident capital outflows** declined to **USD 5.6 billion** (-14.2%), as the NBU drew down **USD 4.5 billion** of the earmarked partner funds it held abroad as non-reserve assets in August.

KSE Institute comment

Exports have stabilized at a level set by the capacity of alternative routes. Preliminary customs data imply total goods exports of about USD 2.9 billion in September, up from about USD 2.5 billion in August on the same basis. This remains well below the BoP-based monthly average of USD 3.3 billion in H1 2026. Agricultural exports recovered to 2.4 million tons in September. This was broadly in line with the NBU's assumption of about 2.5 million tons a month for August–October, but only 46% of what the Ministry of Agrarian Policy considers the required volume, and 38% for grain. All of it moved via the Danube (54%), rail (41%), and road (5%), and the ratio has not changed since September 20. The minister puts the ceiling for existing routes at 45–50% and estimates the loss for the current marketing year at about 30 million tons, worth roughly USD 30 billion. KSE Institute's Q4 forecast of USD 35.4 billion in 2026 goods exports implies about USD 2.6 billion a month over September–December, roughly in line with what Ukraine is exporting now. The upside rests on a resumption of deep-water agricultural shipments from Greater Odesa, which carried none of September's agricultural exports, and in late October Russia claimed strikes on cargo vessels bound for Chornomorsk and Odesa. Any damage to Danube or rail capacity would cut volumes further. Rail is already stretched: Russian strikes damage about 45 Ukrzaliznytsia locomotives a month, according to the infrastructure minister. Producers bear the cost first. Ukraine has asked the EU for at least EUR 1.1 billion to offset about EUR 50 per

¹ In its latest release, the NBU retrospectively revised balance of payments data for 2020–2025 and Q1 2026 (updated customs data on postal and express shipments, international technical assistance, trade in services, and remittances); the 2025 current account deficit was narrowed by USD 4.6 billion. Some year-on-year comparisons may therefore look unusual relative to figures published in previous issues.

ton in extra logistics costs, and estimates it needs around 11 million tons of additional storage. Both bear on autumn sowing decisions and on 2027 export capacity.

Metallurgy has effectively ceased to be an export pillar. Metal exports fell to USD 0.19 billion in August, 7.9% of the monthly basket against 12.3% a year earlier, and September indicators point lower still. Crude steel output fell to 131,000 tons in September (−78.5% y-o-y; −52.7% m-o-m). ArcelorMittal Kryvyi Rih moved to cold standby after announcing on September 25 that it could not safely restart operations. Customs data show September exports of long products down 81% y-o-y and of semi-finished products down 69%. According to Ukrmetallurzhprom, strikes since August have destroyed practically all working blast furnaces. Since the loss is carried through the productive capacity, reopening the ports would not restore these exports; recovery requires reconstruction and decrease in the risk of destruction that is among largest limiting factors for the decision to reopen production. Import substitution has not yet appeared in the data, with metal imports down 11.4% y-o-y in August. It therefore remains also as a risk to the future import bill.

Defense continues to anchor import demand, while the energy risk is shifting toward electricity. Machinery exceeding half of the August import bill reflects partner-financed procurement, and EU defense disbursements have continued. The EU paid under USL mechanism the EUR 3.3 billion on September 18 and EUR 1.24 billion on October 8, the latter for drones, interceptors, and missiles made by Ukrainian producers, whose output itself relies heavily on imported components. On energy, mineral product imports rose 42.2% over January–August. However, gas storage reached 16 billion cubic meters by mid-October, the highest level since 2020, and Naftogaz has contracted more than 1 billion cubic meters of imports for December–March. This limits the need for emergency gas purchases this winter, provided production, storage, and transport assets withstand further attacks; Naftogaz facilities were attacked more than 400 times this year. The larger upside risk to the import bill is now electricity and fuel, if strikes on generation intensify during the heating season.

FISCAL SECTOR

In September, **revenues of the state budget general fund** amounted to **UAH 196 billion** (USD 4.4 billion), only 44.3% of the monthly plan, a shortfall of UAH 245.9 billion. Around 93% of the gap (UAH 229.5 billion) relates to EU military assistance under the Ukraine Support Loan (USL), which the budget schedule had planned as general fund revenue for September. The EUR 3.3 billion (about UAH 170 billion) that actually arrived was credited to the special fund instead, whose receipts reached UAH 322.5 billion, while the remaining roughly UAH 60 billion of USL funds scheduled for September was not received during the month. Excluding the planned USL funds, general fund revenues would have reached about 92% of the plan. The remaining shortfall reflects underperformance across most major taxes, notably excise (−23.7%), resource rents (−22.7%) and import VAT (−17.2%), as Russian attacks on production, energy and logistics infrastructure continued to weigh on economic activity and taxable imports declined. Net domestic VAT exceeded the plan by 7.9%, but only because VAT refunds were sharply cut. Revenues were also supported by a UAH 34.5 billion (USD 0.8 billion) World Bank grant under the PEACE project. **General fund expenditures** reached **UAH 300 billion** (USD 6.7 billion), equivalent to 88.3% of the revised monthly plan. During the month, the expenditure plan was increased by UAH 30 billion (9.7%). Had the original monthly plan remained unchanged, expenditure execution would have stood at 96.9%, implying a 3.1% shortfall. Spending financed from USL funds is likewise executed through the special fund, where in September expenditures reached UAH 314.7 billion, almost entirely on defense and security (UAH 308.5 billion). Instead of the planned surplus of UAH 102.6 billion, the **general fund ran a deficit** estimated by KSE Institute at **UAH 103.6 billion** (USD 2.3 billion), as the Ministry of Finance did not publish the actual figure. Budget financing was supported by **domestic** borrowing of **UAH 30.1 billion** (USD 0.7 billion) and **external** borrowing of **UAH 42.4 billion** (USD 0.9 billion). External sources included **World Bank** loans of UAH 37.4 billion (USD 840 million) under

the PEACE project, UAH 2.7 billion (USD 60 million) under the LEARN program, and UAH 2.3 billion (USD 51.5 million) under additional financing for the THRIVE program. Total **borrowing** in September amounted to **UAH 72.5 billion** (USD 1.6 billion), only 47.3% of the monthly plan.

KSE Institute comment

The sharp headline shortfall in September revenues is largely technical, but the underlying tax performance continues to deteriorate. Russian attacks on production, energy and logistics infrastructure are increasingly feeding through to the tax base: have declined for two months in a row since their June peak, to UAH 31,892 in August, (see [Labor Market](#)) holding back personal income tax, while corporate income tax advance payments point to weaker business results in the third quarter. Excise revenues were hit by lower fuel imports amid the disruption of maritime logistics, the zero-rating of diesel supplied to the Ministry of Defense, and the illicit tobacco market, which rose to 21.6%, its highest level in two years. The overperformance of net domestic VAT is misleading: gross receipts declined, while refunds were cut to UAH 9.9 billion (UAH 11.7 billion less than in August), with about UAH 18 billion of refunds suspended, according to the Minister of Finance. This mainly reflects liquidity constraints in the budget: government deposits with the NBU declined for a second consecutive month, by UAH 36.8 billion in September after UAH 336.2 billion in August, to UAH 338.4 billion, a quarter below their end-2025 level. Suspending refunds shifts the burden onto businesses while building up obligations the state will have to meet later.

On the expenditure side, the availability of financial resources has become the binding constraint. September spending was well below the January–August monthly average of UAH 371.5 billion, and at the end of the month the Government introduced a mechanism for prioritizing budget expenditures. From October, the opening of allocations will be temporarily restricted when forecast resources are insufficient, with defense, debt service, pensions, wages and social assistance financed first, while most capital spending, including new construction, reconstruction and capital repairs, was put on hold. More recently, after Parliament passed laws that unlock part of international financing, the Government reported that it had begun gradually restoring funding for temporarily suspended expenditures, including for regions, although the scale of the unfreezing has not been disclosed. Planned spending for October (UAH 270.4 billion) and November (UAH 275.3 billion) remains substantially below earlier levels, and the cut is sharpest for the Ministry of Defense, whose planned spending is 68.5% and 73.4% below its January–August monthly average, respectively. The December plan of UAH 474.8 billion also looks low, given that December is traditionally the peak month (UAH 649.9 billion in December 2025). This raises the risk of underfunding military pay, weapons procurement and other critical defense needs.

Financing conditions improved somewhat compared with August thanks to World Bank disbursements, but total borrowing reached less than half of the monthly plan, and debt repayment and servicing (UAH 72.8 billion, of which 78% on domestic debt) slightly exceeded new borrowing. The domestic market remains an important buffer: average yields on hryvnia bonds fell to 13.17%, retail holdings of government bonds reached a new record of UAH 167.8 billion (+63.7% y-o-y), and another exchange auction (UAH 11.5 billion) moved October 2026 maturities to 2029, bringing exchanges since the start of the year to UAH 106.3 billion. Such operations ease short-term refinancing pressure but do not reduce the overall financing need. In September, the Government also approved the Medium-Term Debt Management Strategy for 2027–2029, which retains last year's four objectives, including maximizing concessional and grant financing and developing the domestic capital market.

External support for the final quarter has become more visible. After Ukraine met ten indicators under the Ukraine Plan, the EU Council approved the eighth regular Ukraine Facility payment, and EUR 2.9 billion arrived in the state budget in early October. At the same time, timely disbursements will depend on tax measures linked to commitments to the EU and the IMF, including improvements to VAT administration (draft law No. 16037), transfer pricing rules (No. 16035), and measures against abuse of the simplified tax system. Recent VAT legislation pulls in different directions: the VAT exemption for components and equipment used to produce

defense goods, such as drones and electronic warfare systems, will narrow the tax base while supporting domestic defense producers, whereas abolishing the exemption for parcels worth up to EUR 150 from foreign marketplaces is expected by the Ministry of Finance to bring around UAH 10 billion in additional revenue next year.

Looking ahead, fiscal risks remain high. Intensifying attacks on energy, production and logistics infrastructure ahead of winter may further narrow the tax base. If external financing is not received on time and domestic resources prove insufficient, the Government will have to rely more on reallocations and on cutting or postponing lower-priority programmes, which significantly increases the likelihood of a budget sequester at the end of the year. While pensions and social payments are protected as priority expenditures, other social programmes outside the priority list face irregular financing.

INFLATION

Annual **headline inflation** accelerated to **10.0% y-o-y** in September from 8.1% in August and reached the first double-digit reading since October 2025. Meanwhile, **core inflation** increased to **8.8% y-o-y** from 8.1%, at which it had been for the last three months. In monthly terms, **consumer prices** rose by **2.1% m-o-m**, the largest monthly increase since June 2024, and core CPI rose by 2.0% m-o-m, the strongest monthly rise since early 2024. Industrial **producer-price inflation** edged up to **38.4% y-o-y** (37.3% in August), even though producer prices fell by 2.8% m-o-m (due to a 6.8% decline in electricity, gas and steam supply)

Food and non-alcoholic beverage prices reversed the August decline, rising **1.9% m-o-m**, while in annual terms, food inflation accelerated to **8.9%** from 6.0%. **Raw-food inflation** increased to **6.7% y-o-y** from 1.0%. The main driver was **eggs**, up **12.2% y-o-y** after -24.1% in August, following three months of declines. **Vegetable prices** were up **10.3% y-o-y** (0.9% in August), while fruit prices were 5.1% lower than a year ago (-11.3% in August), as the decline in apple prices slowed on last year's low base. Sugar rose this month and turned positive in annual terms (4.4% y-o-y) for the first time in more than a year. **Milk** price growth accelerated to **9.6% y-o-y** from 6.9% and cheese to 5.6% (4.9%), while butter remained cheaper than a year ago (-1.4%). **Processed-food inflation** increased to **10.7% y-o-y** from 10.0%.

Services inflation rose to **13.7% y-o-y** from 13.4%. Education was the main driver (19.6% y-o-y from 14.6%), as universities raised tuition at the start of the new academic year: higher-education prices rose 23.3% m-o-m. Rent accelerated to 13.7% y-o-y from 12.2% amid continued internal migration; transport services to 38.4% from 35.9% (road passenger transport 41.7%); and communication to 13.9% from 13.6%, while restaurants and hotels eased to 13.2% from 13.7%. **Non-food inflation** more than doubled to **2.4% y-o-y** from 1.1%, as Russian strikes on the warehouses of retail and pharmaceutical companies raised costs: household appliances rose 7.7% y-o-y (5.9% in August), and the annual decline in pharmaceuticals narrowed to -1.2% from -2.8%; clothing and footwear remained 4.7% cheaper than a year ago. **Administered prices** rose **13.6% y-o-y** from 13.0%. **Water-supply** and sewerage tariffs were up **87.6%** and **83.1% y-o-y** (77.6% and 73.6% in August), waste collection 19.0%, and **alcoholic beverages** **8.1%**, while **tobacco inflation** was unchanged at **23.7%** and household electricity, gas and heating tariffs remained frozen. **Fuel inflation** reached a new high of **46.2% y-o-y** from 38.7%, with fuel prices up 5.2% m-o-m: A-95 gasoline rose 6.3% m-o-m, A-92 5.5% and diesel 4.1%, while LPG rose only 1.7% after its 7.8% jump in August.

The year-ahead expectations of expert groups have deteriorated. The **banks' expectations** increased by 1.3 pp (to **10.0%**) in October from the July reading of 8.7%, reversing the year-long downward trend. The **expectations of financial analysts** have been largely steady over the last 12 months, remaining in the 7-8% corridor until September, when they edged up to 8.3%. In October, they rose further, to **8.8%**. Since March 2026, **household year-ahead inflation expectations** have been volatile, with sharp month-to-month swings, however, they remained broadly unchanged in August and September, at 14.1% and **14.2%**, respectively.

KSE Institute comment

September shows a broad-based repricing across the consumer basket. Based on our estimates, seasonally adjusted annualized headline inflation reached 16.2% on the three-month basis (8.5% in August), while core inflation accelerated to 10.9% (9.5% in August)². Decomposing the 2.1% monthly increase with SSSU item-level data, core items contributed 1.1 pp, raw food 0.5 pp, administered prices 0.2 pp and fuel 0.2 pp³. The breadth is a telling signal, as more than 65% of core items rose by at least 1% in September, against ~45% a year earlier and ~30% in August. More than 40% of total items rose by 2% or more m-o-m. September is seasonally a strong month for core prices, as autumn clothing and new tuition fees enter the index, but this does not fully explain the acceleration: excluding clothing and education, core prices rose 1.3% m-o-m, against 0.6% a year earlier. Processed food rose 1.4% m-o-m (0.8% a year earlier), and pharmaceuticals, household chemicals and appliances all accelerated, which indicates the pass-through of fuel, logistics and warehousing costs that we expected in the previous edition.

Raw food was the volatile part of September's increase, and the harvest relief that held it down is over. Eggs alone contributed 0.3 pp to the monthly headline increase, making them the largest single item. Since egg prices were still a quarter below their year-earlier level in August, part of this jump is a reversal, and some of it is likely to unwind. Vegetables and sugar signal the end of the harvest relief: with smaller harvests and inventories depleting, the so-called Borscht basket price growth has accelerated to double digits, and sugar turned positive in annual terms for the first time in more than a year. The disinflationary effect of the port blockade on domestic food prices, which we described as limited and transitory, is already fading: food inflation rose from 6.0% to 8.9% in a single month, and the low base of late 2025 will lift it further.

Firms are passing rising production costs on to consumers across the board. Headline inflation reached 10.0%, that were predicted by July's NBU forecast only at the end of 2026, already in September, three months earlier; core came in above forecast, and the central bank itself attributes the overshoot to supply shocks that will persist in the coming months. The September analysis rested on the possibility that cooling demand would offset these price pressures; the item-level data show the opposite, as firms whose margins are squeezed by 38% producer-price inflation are repricing across the board. The September decline in producer prices (-2.8% m-o-m) does not bring relief to consumers, since it was driven by electricity, gas and steam supply, whose household tariffs are frozen.

Early signs of cooling consumer demand are emerging, but they are not yet broad enough to restrain prices. In September, real retail turnover fell by 6.6% m-o-m in seasonally adjusted terms, the steepest drop since March 2022, and its annual growth slowed to 2.7% from 7.6% in August. Much of the decline reflects Russian strikes on retailers' stores and warehouses, yet other indicators also point to softer demand. Retailers' turnover expectations in the NBU's monthly business survey fell to 44.5 in September from 53.2 in July (50 = neutral), new passenger car sales were 29% lower y-o-y, and the ratio of new CVs to vacancies on Work.ua rose to 2.33 from 2.22, signaling looser labor demand (see Labor Market). Wage growth is also moderating: the three-month annualized growth of the nominal average wage slowed to about 18% in August from 28% in May-June. On the other hand, incomes and credit continue to support spending. Real wages were still 14% higher y-o-y in August, and hryvnia consumer loans grew by 33% y-o-y in September, accelerating from 31.5% in August (see Banking Sector). The signals therefore point to slower growth rather than contraction.

² KSE Institute estimates based on State Statistics Service and NBU data. Monthly price levels are seasonally adjusted on log levels with X-13ARIMA-SEATS over a 2016-01-2026-09 sample, with 2022 neutralized through additive-outlier regressors, and annualized by compounding: $SAAR\ 1m = ((SA(t)/SA(t-1))^{12-1})$, $SAAR\ 3m = ((SA(t)/SA(t-3))^{4-1})$. End-of-sample estimates are preliminary and revised with each new month; the one-month series is volatile, so the three-month series is the better trend indicator

³ KSE Institute calculations based on SSSU item-level CPI and the price-updated expenditure weights following SSSU methodology. Items are grouped into core, raw food, administered prices, and fuel following the NBU's grouping. The reconstructed headline m-o-m is 2.05% against the official 2.1%; contributions are rounded

The balance of risks to the forecast is tilted upwards. Another winter of strikes on energy infrastructure and delayed external financing and a weaker hryvnia (see [Exchange Rate](#)) could lift prices beyond the baseline forecast, which already predicts headline inflation at 13.2% at the end of 2026 and above 13% through Q3 2027 (see the [Q4 Ukraine Macroeconomic Handbook](#)), re-evaluated upward from the Q3 edition due to the severe Russian attacks on Ukrainian businesses and infrastructure that pushes costs of production. In September-October, Brent oil prices averaged USD ~110-130 per barrel FOB⁴; if the oil prices remain elevated, the upward pressure on inflation will likely push the reading towards the adverse forecast scenario. The expectations channel can also turn a cost shock into persistent pressure. In the previous edition, we noted that the steadiness of banks' and analysts' expectations suggested confidence in the framework was intact, with households as the outlier. However, that distinction has narrowed: banks' year-ahead expectations increased to 10.0% in October, ending a year of declines. In addition, analysts' expectations rose for a second consecutive month, to 8.8%, their highest since late 2023, while household expectations have not fallen below 10% in over a year. With the baseline implying five consecutive quarters of double-digit inflation from Q4 2026, the risk is that this becomes the reference point for wage and price setting. Cooling demand and the extended household electricity tariff freeze work in the opposite directions, but the former cannot offset a cost shock of this size, and the latter only defers the pressure into 2027.

MONETARY POLICY AND MONEY MARKET

After front-loading its tightening with two 0.5 pp steps, in [July](#) and [September](#), the NBU ended the third quarter with the **key policy rate** (KPR) at **16%**, 1 pp above its June level. The Board justified both moves by persistent fundamental price pressure, second-round effects of supply shocks, and stronger medium-term inflation risks, as well as by the need to keep hryvnia assets attractive and the FX market sustainable. Its guidance, however, now points both ways: further tightening remains possible should risks to inflation expectations intensify, while a noticeable cooling of consumer demand and the labor market could open the way to easing. Seven of the ten Monetary Policy Committee (MPC) members present [supported the September hike](#), against nine of eleven in July. Most of them saw 16% as sufficient for the coming months, with cautious easing in 2027; two expected at least one more hike, and one saw scope to start cutting before the end of 2026. The NBU's [July forecast](#) holds the KPR at 16% through Q1 2027, but this path is likely to be revisited in the October macroeconomic forecast, to be released together with the next decision on 29 October.

Rationing at the biweekly tenders for three-month NBU certificates of deposit (CDs) nearly disappeared in September. On 4 September, banks bid UAH 22.5 billion against an offer of UAH 25.0 billion, and all 68 bids were met at a weighted-average rate of 18.24%. On 18 September, the first tender after the rate ceiling rose to 19.5% with the KPR, the NBU offered UAH 20.0 billion and received bids worth UAH 20.6 billion; 64 of 68 bids were met, at a weighted-average rate of 18.81% and a cutoff of 19.29%. The **effective policy rate**, the weighted-average rate on NBU absorption instruments, rose to **16.70%** from 16.38% in August, or by 0.32 pp, slightly more than the 0.23 pp increase in the average KPR.

The **structural liquidity surplus**⁵ contracted for a third month in a row, averaging **UAH 585 billion** (-6% m-o-m, +30% y-o-y). **NBU certificates of deposit** fell to **UAH 585 billion** (-7% m-o-m, +25% y-o-y), mostly because **overnight CDs** declined by UAH 37 billion to **UAH 408 billion**. **Three-month CDs** fell by a smaller UAH 5.5 billion to **UAH 176 billion**, so their **share** in total CDs edged up to **30.1%** from 29.0% in August. Average **correspondent accounts** rose to **UAH 292 billion** (+2.5% m-o-m, +19% y-o-y). The balance of liquidity flows turned: **net treasury**

⁴FOB (Free On Board, Incoterms): Brent crude oil price at the port of loading, excluding freight and insurance costs

⁵The structural liquidity surplus is calculated as the difference between the NBU's liabilities to banks (CDs) and banks' liabilities to the NBU (refinancing loans), adjusted for balances on banks' correspondent accounts net of the required reserves that cannot be covered by benchmark domestic government bonds in the given reserve maintenance period.

operations injected **UAH 267 billion**, the most since December 2025 and UAH 108 billion more than in August, exceeding the UAH 243 billion absorbed through NBU FX sales for the first time since May, while cash operations added another UAH 9 billion. Demand for central-bank funding remained negligible, with outstanding **refinancing loans** at **UAH 28 billion** (-10% y-o-y).

KSE Institute comment

The NBU front-loaded its tightening sooner than KSE Institute had expected, but accelerating inflation has already eroded its real effect, calling for further hikes. In our Q3 2026 Ukraine Macroeconomic Handbook, we expected a single signaling hike in October; the NBU instead moved twice, in July and September, and the case for tightening only strengthened further, as inflation rose to 10.0% y-o-y in September, well above the NBU's July path (see Inflation section). Yet prices are outpacing the policy rate. The ex post real KPR fell to about 5.7% in September from 7.3% in July, before the tightening began, while the ex ante real rate is around 5.1% based on average expectations across respondent groups, down from 5.5% in July, and only 1.5% based on households' expectations. By either measure, the interest-rate component of monetary conditions is no tighter in real terms than before the first hike, and the burden of restraint has shifted toward the exchange rate, held broadly stable by record FX interventions (see Exchange Rate section).

The October tenders show banks bidding higher, even as rationing has returned. On 2 October, the NBU offered UAH 25.0 billion against UAH 30.5 billion of matured CDs, and banks bid UAH 27.0 billion, or 89% of the matured amount, compared with 78% at the previous tender (NBU). With the KPR unchanged, the entire bid distribution shifted higher: the minimum bid rate rose by 30 bp to 18.55%, and the weighted-average placement rate by 27 bp to 19.08%. On 16 October, the NBU cut the offer to UAH 20.0 billion, while banks sought to roll over 98% of the CDs that had matured a week earlier, bidding UAH 24.3 billion. Unmet demand thus jumped to ~18%, the largest since 21 August and up from ~3% and ~7% at the two previous tenders. Even so, while the cutoff rate eased to 19.27% from 19.35%, the weighted-average placement rate edged up by another 7 bp to 19.15%, widening its spread over the KPR to 3.15 pp, the widest since the first tender in August. The bid range narrowed from both ends: the minimum bid rate rose by 15 bp to 18.70%, while the maximum fell by 14 bp to 19.35%, exactly the previous cutoff, and the average across all bids rose by 7 bp to 19.18%. Banks thus seem reluctant to bid above the last cutoff but feel less need to hedge with cheap bids, likely because two almost unrationed tenders in September and the NBU's repeated emphasis on keeping hryvnia assets attractive have eased their fear of being cut off at higher rates. Still, at the margin, the three-month rate is only 0.65 pp higher than before July, compared with a 1 pp rise in the KPR.

The newly disclosed principle for tender volumes adds some predictability, but without numbers it leaves the key uncertainty in place. In early October, the NBU explained that it sets the volume of three-month CDs on offer based on banks' aggregate limit for these CDs, so that changes in the limit feed directly into placement volumes. The NBU also promised to make placement parameters more transparent as the framework evolves. This is, however, a softer version of the proposal discussed at the September MPC meeting, which would tie the offer to a fixed, pre-announced utilization rate of the aggregate limit. With neither the target rate nor the limit itself published, banks still cannot tell what share of their limits they can use, and tender results have to be read between the lines, adding to the uncertainty. The 16 October tender illustrates the point: the NBU cut the offer by a fifth even as demand rose, a change that could hardly be anticipated. The jump in rationing has two plausible readings: either the NBU deliberately assumed a lower utilization of limits, or it relied on past utilization while banks used more of their limits, as the rollover jump to 98% suggests. Publishing at least the aggregate spare limit alongside tender results, as well as the target utilization rate, and committing to keep the latter stable, would be the natural next steps.

Deposit rates have finally started to respond to KPR hikes, while domestic government bond (OVDP) yields have moved only at the longer end. According to NBU daily data, the average rate on new household term hryvnia deposits was 13.49% in September, virtually unchanged from 13.47% in August, and after the 18 September hike it even slipped to 13.46% from 13.51% in the first half of the month, mainly on shorter

deposits. In 1–22 October, however, it rose to 13.90%, up 0.44 pp from the second half of September. The increase is broad-based: rates on short-term deposits rose by 0.46 pp to 13.80% and on long-term deposits by 0.32 pp to 15.21%, extending their gradual climb from 14.54% in July. Corporate term deposit rates added a more modest 0.11 pp, to 10.79%, but term deposits are not firms' main savings vehicle, as about three-quarters of their hryvnia funds sit in demand accounts. Measured against 1–17 September, before the hike took effect, the average rate is up 0.4 pp, close to the 0.5 pp step. Against July, however, it has risen by only about 0.3 pp, compared with 1 pp of cumulative tightening. The evidence also rests on just 16 business days of noisy data. Even so, with household inflation expectations at 14.1%, the real after-tax return on a new term deposit remains about -3.4%. OVDP yields have moved only at the longer end. On constant-maturity curves, the 2.5-year point rose to 16.44% on average in October from 16.09% in September, but the Ministry of Finance has since been trimming yields: at the [20 October auction](#), it placed 11-month paper at 15.01% and 2.4-year notes at 16.38%, 8 bp and 7 bp below a week earlier, even though bids exceeded the UAH 1 billion offers 5.5 and 3.4 times. The one-year point has thus slipped below its September level (15.16%) despite the hike. With demand this strong, and part of international aid unblocked, the Ministry chose lower yields over larger borrowing.

September's budget injection interrupted the drain of surplus liquidity, and the year-end budget surge is likely to reverse it. From June to August, NBU FX sales absorbed more hryvnia than the Treasury injected, and the average structural surplus has fallen by about UAH 74 billion since June. A shrinking surplus is what would eventually push banks to compete harder for term funding and strengthen transmission. Yet December usually tilts the balance the other way: net treasury injections exceeded hryvnia absorbed through FX sales by about UAH 106 billion in December 2024 and UAH 225 billion in December 2025. Even with interventions now running at about UAH 240 billion per month, a year-end spending surge could replenish the surplus in early 2027 and soften transmission again.

We expect the NBU to raise the KPR by 0.5 pp in both October and December to 17%, and to hold it there until inflation steadily declines. As set out in our [Q4 2026 Ukraine Macroeconomic Handbook](#), inflation is likely to peak above 14% in early 2027, the risk of de-anchored expectations is rising, and FX-market pressure keeps interventions at record levels, so we see easing starting only in Q4 2027, with the KPR at 15% by the end of 2027. This path is tighter than both the NBU's July baseline and the views most MPC members held in mid-September, but the September inflation surprise came after that discussion. The two-sided guidance remains the main risk to our call: the NBU may choose to look through the spike if strikes and power outages cool demand faster. With real rates eroding and the hryvnia weakening markedly, such a pause would likely require a later, sharper response, and delays in partner financing or a further deterioration in expectations could push the KPR above 17%.

BANKING SECTOR

Capital and liquidity ratios remained comfortably above regulatory minimums in September. **Regulatory capital adequacy** rose to **17.3%** from 17.0%, and the median **net stable funding ratio** held at **178%**, while the median liquidity coverage ratio in all currencies fell to 252% from 267%, its lowest level since at least the start of 2024. **Return on equity** stood at 22.1% and **return on assets** at 2.7% in August (latest available).

In September, total gross loans to residents reached UAH 1.46 trillion (+1.6% m-o-m), with **UAH gross corporate loans** at **UAH 695 billion** (+0.5% m-o-m) and **UAH gross retail loans** at **UAH 424 billion** (+2.2% m-o-m). **Total net loans** rose to **UAH 1.34 trillion** (+2.0% m-o-m, +33% y-o-y), while **UAH net loans** grew more slowly, to **UAH 1.05 trillion** (+1.5% m-o-m, +35% y-o-y). **Total net corporate loans** reached **UAH 946 billion** (+1.6% m-o-m), with almost three quarters of the increase coming from foreign-currency loans (+UAH 11.1 billion), whereas **UAH net corporate loans** added only UAH 4.3 billion to **UAH 655 billion** (+0.7% m-o-m, +32% y-o-y), after UAH 24.7 billion

in August. Retail lending was steadier: **total net retail loans** rose to **UAH 383 billion** (+2.6% m-o-m) and **UAH net retail loans** to **UAH 382 billion** (+38% y-o-y). Despite the key policy rate hikes, the weighted average **interest rate on new UAH corporate loans** was broadly unchanged at **15.4%**, and the **rate on new FX corporate loans** stayed at **5.8%**, while the **rate on new UAH retail loans** rose by 1 pp to **36.1%**. The aggregate **non-performing loan (NPL) ratio** fell to **11.5%** in August (latest available) from 12.1%, with NPL ratios of 13.9% for firms and 9.7% for households, and declined across all bank groups, to 16.6% in state-owned, 7.3% in private and 5.0% in foreign-owned banks.

Total resident deposits rose to **UAH 3.34 trillion** (+0.6% m-o-m, +15% y-o-y). **Total corporate deposits** were broadly flat at **UAH 1.73 trillion** (+0.3% m-o-m), with **UAH corporate deposits** up UAH 7 billion to **UAH 1.30 trillion**. **Total retail deposits** grew 1.3% m-o-m to **UAH 1.55 trillion**, as **UAH retail deposits** rebounded by UAH 15 billion to **UAH 1.03 trillion** (+1.5% m-o-m, +17% y-o-y) and retail FX deposits added UAH 5 billion. **Retail deposit dollarization** eased to **33.2%** from 33.3%, and **corporate deposit dollarization** to **24.8%** from 24.9%. The **share of term deposits** in retail hryvnia deposits rose to **34.6%** in August (latest available) from 34.3%, with state-owned banks holding 56% of these term deposits and private banks a third. In September, the **interest rate on new UAH corporate deposits** rose to **10.6%** from 10.4%, and the rate on new UAH retail deposits to 10.6% from 10.5%. **Total holdings of domestic government bonds** (OVDPs) averaged **UAH 2.00 trillion** (-0.2% m-o-m). **Firms' average hryvnia OVDP holdings** fell to **UAH 192 billion** (-3.3% m-o-m), while **households' hryvnia OVDP holdings** rose to **UAH 101 billion** (+1.7% m-o-m, +80% y-o-y), with the average held back by a redemption on September 17, and their FX-denominated bonds rose 3.6% m-o-m to UAH 64 billion. On the primary market, the weighted average yield on hryvnia OVDPs excluding reserve-eligible and prospective benchmark issues fell to 15.5% from 15.9%, but on a much shorter average tenor (1.5 years against 2.4 a month earlier), while the yield curve remained broadly unchanged.

KSE Institute comment

In September, the hryvnia corporate book grew only on the back of the subsidized program. So far, this is one weak month rather than a trend: net hryvnia corporate loans rose 0.7% m-o-m in September after 4.0–4.5% m-o-m in June–August, and the book still grew 8.8% over Q3, down from 9.5% in Q2. Its composition, however, is telling. The 5-7-9% portfolio added UAH 4.9 billion (+2.4% m-o-m, +41% y-o-y), exceeding the UAH 3.7 billion increase in gross hryvnia corporate loans overall. Even allowing for the program's loans to sole proprietors, whom monetary statistics record as households, market-priced hryvnia lending to firms appears to have stalled. The program's share of the hryvnia corporate book rose back to 30.0% from 29.4%, as we expected.

NBU surveys show that both demand and supply are now holding back hryvnia credit to firms. On the demand side, **firms' assessment** of their need for borrowed funds weakened in Q3 (a balance of 32.6% against 35.3% a quarter earlier), most of all in mining, manufacturing, and energy and water supply, and rose noticeably only in agriculture, although the share of firms planning to take a bank loan barely changed (35.6%). **Banks' own readings** of demand are mixed: overall corporate demand still grew in Q3, but fewer banks reported an increase, and for the first time since early 2023 they saw no rise in demand for hryvnia and SME loans. On the supply side, banks tightened standards for corporate loans in Q3 and plan to tighten them further in Q4. Approval rates fell across all main loan types for the first time since mid-2024, as banks raised rates and collateral requirements, citing the economic outlook, sector- and firm-specific risks, exchange-rate expectations and collateral risk. Firms surveyed in July–August still saw access to bank credit as less tight than a quarter earlier, suggesting the tightening is recent. The NBU's three packages of measures for credit support since August, which mostly ease collateral treatment and war-related restructuring, are unlikely to offset this in the short run. Firms' own liquidity also dampens demand: non-financial corporations held UAH 1.03 trillion in hryvnia deposits at end-August, 76% of it in transferable (current-account) deposits, against UAH 0.62 trillion in gross hryvnia loans. In energy, hryvnia deposits exceed loans by more than threefold, and agriculture is the only sector in which hryvnia loans exceed deposits by almost 1.9 times. In the NBU's business survey,

42% of firms cite alternative funding sources as a reason not to borrow, second only to high interest rates (45.5%).

Corporate demand is tilting toward FX loans, adding exchange-rate sensitivity to credit risk. Banks report that corporate demand in Q3 rose most for loans to large firms, long-term loans and FX loans. The data confirm this: gross FX corporate loans rose by UAH 10.2 billion (+3.2% m-o-m) in September after UAH 12.1 billion in August. In original currencies, the book grew even faster, by about 3.5%, because the exchange-rate effect was slightly negative (about -0.3%): the hryvnia weakened 0.7% against the dollar but strengthened 1.8% against the euro, with the US dollar and the euro accounting for about 62% and 38% of FX loans to non-financial corporations at end-August. FX loans thus accounted for almost three-quarters of the increase in gross corporate loans, and their share of the corporate book rose to 32.0% from 31.4%. The gap between rates on new hryvnia and FX corporate loans has stayed at about 9.5 pp since August, and with the key policy rate at 16% and further tightening not ruled out, cheaper FX funding is attractive to firms with FX revenue. On the supply side, from September 1, the NBU began phasing reserves against FX assets back into banks' FX position calculations, 10% per month until June 2027, a change it expects to support banks' lending and other active operations in foreign currency. The first 10% step can hardly explain a surge of this size, and the August increase came before it took effect, so demand has probably dominated so far. Banks' own credit policy, by contrast, leans against the move: they tightened standards most for large-firm, long-term and FX loans in Q3, plan to keep doing so in Q4, and expect corporate demand in Q4 to rise most for short-term and hryvnia loans, so the FX surge may prove front-loaded even as the regulatory room widens every month. In September, manufacturing alone accounted for about two-thirds of the increase in FX loans to non-financial corporations, and agriculture for almost a quarter; the entire increase was in loans with maturities of up to one year, which points to working capital and trade financing rather than investment. Even where borrowers have FX revenue, the hedge holds only as long as that revenue keeps flowing: with exports disrupted by the port blockade and strikes on industry, some firms may have to service FX debt from hryvnia income, and the hryvnia depreciation we expect into year-end (see Exchange Rate section) could then raise their debt burden.

New corporate loans are being serviced well so far, but they are concentrated in the sectors most exposed to strikes, and banks are already responding to that risk. The corporate NPL ratio fell to 13.9% in August from 17.0% at the start of the year, as the corporate book in the NBU's NPL data grew by 17% while the stock of non-performing corporate loans shrank by 4.3%. That record rests on rapid growth; however, this support is fading: gross corporate loans grew only 1.4% in September, down from 3.8% in August. And new lending is concentrated where the strikes are: trade, agriculture, manufacturing, and energy supplied 93% of the June–September increase in hryvnia loans to non-financial corporations, and trade alone took UAH 11.5 billion, or almost half, of the August increase, possibly in part to replace destroyed inventories, before edging down in September. Banks see this: in the October survey, credit risk rose the most among all risks they track; they expect the quality of corporate loans to deteriorate, and, as noted above, they are tightening corporate lending standards.

As banks grow more cautious with firms, their risk appetite is moving to households. In the same survey, banks eased standards for mortgages and consumer loans in Q3, approved household applications more often, and expected further easing in Q4, even though they have expected the quality of household loans to deteriorate for five consecutive quarters. The NPL data already point that way: the stock of non-performing household loans, including those of sole proprietors, has grown 12% since January, and the household NPL ratio has fallen to 9.7% only because the book expanded by almost a quarter. Retail lending is already the faster-growing segment: net hryvnia retail loans rose 2.6% m-o-m in September and are up 38% y-o-y. Consumer loans priced at about 36% amortize quickly and carry margins wide enough to absorb high losses, so performing borrowers in effect pay for those who default. That keeps the segment profitable for now, but it does not make it riskless. Bank retail credit is also increasingly financing consumption, much of which is met by imports, adding pressure not only on prices but also on the FX market.

Seasonality accounts for almost half of the September rebound in household hryvnia deposits, and the underlying pace remains below its early-summer level. Hryvnia retail deposits rose by UAH 15 billion (+1.5% m-o-m), of which seasonality accounts for about 0.6 pp: adjusted for it,⁶ growth was about 0.8% m-o-m, or 10% annualized, up from 0.6% in August yet below the 1.4–1.5% a month recorded in June and July. The smoother three-month annualized pace slowed further, to about 12% from 14% in August. The slowdown is not a flight from the hryvnia, however. According to the [NBU](#), term hryvnia deposits rose by another UAH 3.2 billion in September (+0.9% m-o-m), although this was only about a fifth of the monthly inflow. Households' preference for foreign currency is rising, but it largely bypasses banks. They bought a net USD 920 million of foreign currency in September (see [Exchange Rate](#) section), yet their FX deposits added only about USD 20-30 million and their FX government bonds about USD 38 million,⁷ so most of the currency bought stayed outside the banking system. Unless October brings a pickup, the deceleration in household hryvnia deposits that started in August is better read as a trend than as a one-off dip.

Households keep buying government bonds at a steady pace, as the tax exemption keeps them well ahead of deposits. The slower growth of their average holdings in September reflects redemptions rather than weaker demand. Daily depository data show that, excluding redemption days, households' hryvnia OVDP holdings rose by about UAH 10 billion in September, after UAH 8–9 billion in July and August, but a redemption on September 17 took out UAH 6.9 billion, cutting the net increase to UAH 3.0 billion at end-month (after UAH 0.8 billion in August, when UAH 8.3 billion matured on August 20). Purchases have continued in October at a similar pace: about UAH 8 billion by October 22, excluding a UAH 6.1 billion redemption on October 15. After the September key policy rate hike, the Ministry of Finance let the yield on new two-and-a-half-year bonds rise to 16.4–16.5% at the October auctions from 16.1% in September at a comparable tenor, while heavily oversubscribed one-year bonds (bid-to-cover of up to 5.5) cleared at 15.0% on October 20, down from 15.2%. Before tax, long-term retail deposits now pay about as much as the one-year bond: on daily data, their average rate over the five business days to October 20 rose to 15.1% from 14.8% in September, slightly above the 15.0% one-year yield. After the 23% tax on deposit income, however, the deposit yields about 11.6%, leaving the tax-exempt bond about 3.4 pp ahead. Taken together, these patterns suggest that returns matter for household savings: tax-exempt bonds continue to attract money at a steady pace, while the underlying growth of hryvnia deposits slowed in August–September, when deposit rates barely moved.

EXCHANGE RATE

In September, the hryvnia gave back its August gains against the US dollar. The official USD/UAH rate averaged **44.68**, flat on the month (-0.01% m-o-m), but the intramonth path reversed August's: after touching **44.46** on 2 September, its lowest level since early June, the exchange rate (ER) weakened through the second half of the month, peaking at **44.97** on 25 September and closing the month at **44.86**, 0.7% weaker than at end-August. The fluctuation band widened to 0.52 UAH from 0.32 UAH in August. Official EUR/UAH averaged **51.48** (-0.6% m-o-m) and slid to **50.93** by end-September as the euro weakened globally. In the first half of October, the depreciation extended: official USD/UAH averaged 44.90, 0.5% above the September average, and twice reached the weakest level of the hryvnia on record, 45.06 on 6 October and 45.08 on 14 October. EUR/UAH averaged 50.43 and fell to 50.14 on 9 October, its lowest level since early January. In October, the depreciation extended and accelerated in the last decade of the month: over 1–28 October, official USD/UAH averaged 44.99, 0.7% above the September

⁶Seasonally adjusted by KSE Institute with X-13ARIMA-SEATS (X-11 filters, multiplicative, ARIMA (3 1 1)(0 1 1), automatic outlier detection) on NBU data for 2015M12–2026M09; identifiable seasonality is confirmed ($Q = 0.44$). Estimates for the most recent months are subject to revision as new observations arrive.

⁷KSE Institute calculations based on NBU monetary statistics (FX deposits in US dollar equivalent, which also reflects euro movements against the dollar) and NBU depository data on government bond holdings (end-August and end-September, converted at official exchange rates on these dates).

average, and repeatedly set new record highs, reaching 45.60 on 28 October. EUR/UAH averaged 50.47, rebounding to 50.85 on 26 October from 50.14 on 9 October, its lowest level since early January.

Household FX demand accelerated. **Household net FX demand** reached **USD 41.8 million** per day (+56% m-o-m, 2.6 times the September 2025 level), the highest since March. Most of the increase came from the cash segment, where net purchases rose to USD 33.6 million per day (+58% m-o-m): gross cash purchases grew by only 3%, while cash sales fell by 13% to their lowest level since February. Non-cash net purchases rose to USD 8.2 million per day from USD 5.4 million and exceeded sales on every trading day of the month. The **cash-official ER spread** averaged **0.59%**, unchanged from August, although it peaked at **0.93%** on 9 September. The latest available surveys put 12-month-ahead ER expectations at 47.7 among households (September round), **46.9 among businesses** (Q3 2026 survey, up from 46.1), 47.2 among banks (Q3 2026 survey, up from 46.5), and 47.8 among financial analysts (October round).

Client operations also pointed to intensifying pressure. Average daily FX purchases by bank clients rose to USD 412 million (+2% m-o-m, +32% y-o-y), the highest monthly average since at least 2024, while sales edged down to USD 232 million (-2% m-o-m, -9% y-o-y). The **daily gap** widened to **USD 180 million** from USD 168 million, and the monthly **client-market deficit** reached **USD 4.0 billion** (+13% m-o-m), surpassing June's USD 3.8 billion as the largest since at least the start of 2024. The NBU **attributed** the rise in demand to the needs of the defense industry and the fuel and energy sector, and to imports linked to the aftermath of Russian attacks on infrastructure. **Liquidity injections from government spending** rebounded to **UAH 267 billion** (+68% m-o-m, +103% y-o-y), the most since December 2025, serving as another channel of pressure.

The NBU responded with record sales. **Net FX interventions** reached **USD 5.5 billion** (+15% m-o-m, +141% y-o-y), the largest monthly volume on record, above the previous peak of USD 5.3 billion in December 2024. Weekly sales ranged between USD 1.17 billion and USD 1.33 billion, extending the streak of weeks above USD 1 billion that began in mid-July. Turnover between banks without the NBU rose to USD 4.2 billion from USD 3.2 billion, the most since December 2025, lifting the **share of interbank FX turnover without the NBU** to **43%** from 40%. **International reserves** fell by 3.2% to **USD 47.1 billion** as of 1 October, enough to cover four months of future imports: inflows of USD 3.8 billion under the USL and USD 0.9 billion via World Bank accounts fell short of the NBU's FX sales, USD 0.45 billion of debt payments, including to the IMF, and negative revaluation.

KSE Institute comment

After four months in a horizontal corridor, the hryvnia has broken out of it on the interbank market.

Corridors, fitted purely technically to the ER path without implying a date for any change in the NBU's approach, show that the crawl-like depreciation of the first half of the year gave way to a near-horizontal band: since mid-June, official USD/UAH moved within the corridor, ranging between 44.46 and 45.08 until mid-October, and since mid-August to late October it stayed below the lower bound of the $\pm 1\%$ corridor around the earlier crawl. Since September, the ER has drifted into the upper half of the horizontal band, and in the last decade of October the interbank ER broke through: it has closed above 45 in every session since 19 October, reaching about 45.7 on 27 October. The official rate followed, rising to a record 45.60 on 28 October, above the horizontal corridor's upper bound and back within the $\pm 1\%$ corridor around the earlier crawl.

The breakout through 45 came on lower NBU sales, but the NBU has since stepped up its supply. The market kept pressing against 45, and the NBU has given way. According to intraday quotes, over June–September the interbank ER closed above 45 only once (10 June) and nearly touched it on seven other sessions across four episodes. In October, it also closed above 45 on 5, 12 and 13 October before settling above this level. The NBU did not step up sales near 45 recently: weekly sales stayed within USD 1.17–1.33 billion from September to mid-October and eased to USD 1.19 billion in the week to 23 October (-4.5% w-o-w), when the ER slid furthest, even though the client-market gap barely changed (USD 176 million per day in 19–22 October, as in the previous week). Meanwhile, the correlation between daily sales (estimated from liquidity data) and the ER level fell from 0.79 in June to -0.54 in August, 0.12 in September, and -0.14 in 1–22 October.

Earlier pullbacks from 45 thus seem to reflect steady NBU supply combined with stronger client sales as the rate neared 45 (+12% in 1–22 October on the same period of September), rather than larger interventions. However, as the ER moved toward 45.4–45.7, estimated daily sales increased to about USD 330 million per day during 23–27 October compared to USD 197–232 million on 20–22 October and USD 243 million in 1–22 October, suggesting the NBU has begun to smooth the move.

Pressure has been building since June, and the fiscal impulse explains only part of it, although its role grew in October. Since January 2024, monthly interventions and Treasury injections have correlated at +0.64, but from June onward interventions have run USD 1.0–1.4 billion per month above what that relationship would imply, including USD 1.2 billion in September: over June–September, FX demand outgrew the contemporaneous fiscal impulse. In October, the fiscal channel gained weight: in 1–22 October, Treasury injections (UAH 216 billion) exceeded the hryvnia absorbed through interventions (about UAH 175 billion, estimated from liquidity data) by about UAH 41 billion, whereas in the same period of September interventions absorbed about UAH 9 billion more than the Treasury injected.

The drivers of this pressure are unlikely to fade soon. Russian strikes on production, logistics, and energy continue, raising import needs to compensate for production losses and rebuild damaged facilities while curtailing export receipts. Households add a precautionary layer. The fall in cash sales behind September's jump in net demand is not purely seasonal, although part of it reverses an unusually high August, and since the NBU quadrupled the monthly limit on household non-cash FX purchases to UAH 200,000 from 11 August, non-cash net purchases have persisted beyond the first days of each month. In 1–22 October, household net demand rose further, to USD 46.8 million per day (8% above the same period of September), although it eased to USD 40.6 million in 19–22 October. The cash market ran ahead of the interbank: the cash selling ER, which averaged just below 45 in June–September, stayed above 45 every day in October (45.26 on average through 25 October), well before the interbank settled above this level, and the cash-official spread widened to 0.74% from 0.59% in September. Repeated approaches to 45 seem to have shaped expectations even before the interbank rate broke through. Survey expectations have drifted markedly higher despite the flat ER path since June, although the implied depreciation of about 4–6% over the next 12 months remains slower than the roughly 9% annualized pace seen in the first half of the year.

Holding the corridor was justified, but its cost kept rising. With headline inflation back in double digits (10.0% y-o-y in September), restraint on the ER limited further pass-through to prices and shifted part of the burden of tightening from the key policy rate to interventions. The restraint was more evident in basket terms: as the euro weakened globally, the hryvnia strengthened by 0.7% against the 50/50 EUR+USD basket between end-August and end-September, and only returned to its end-August level after the late-October slide. At the same time, the NBU sold USD 20.2 billion over June–September and about USD 4.2 billion more in 1–23 October, a pace of over USD 5 billion a month. Thanks to partner inflows, reserves as of 1 October were still USD 1.4 billion above their 1 June level, but they shed USD 4.1 billion over August–September. With Q4 bringing year-end seasonality on top of the pressures above, holding the line would have kept the monthly bill above USD 5 billion, with its sustainability hinging on the timely arrival of USL tranches and other external financing, which is already lagging and depends on Ukraine meeting its commitments to partners.

Returning to depreciation earlier than we expected makes sense for reserves but carries a cost for credibility. Until October, the pattern echoed 2024, when the monthly average moved by less than 0.4% between August and November, and depreciation resumed in December (+1.0% m-o-m) and January (+0.9%), coinciding with a year-end surge in Treasury spending (UAH 328 billion in December 2024, up from UAH 79 billion in November), so we expected a gradual return to the crawl-like path by December. This year, however, the NBU has moved earlier, which is logical: the flat path did not calm expectations, and FX demand kept rising, so the ER's approach toward 46, with the corresponding pass-through to inflation, was only a matter of time. In such a situation, a quick adjustment with some overshooting usually saves more reserves than a gradual drift, which keeps a one-way bet on further depreciation alive and invites FX purchases at every step. This works, however, only if the ER move is credibly communicated, which is where the timing carries a cost.

Depreciation in December–January, amid the year-end fiscal surge, would have been easier to explain as a usual market adjustment. Now, with NBU sales cut as the ER broke through 45 and the client-market gap broadly unchanged despite larger Treasury injections, the move looks more like a policy choice, which may signal that the NBU sees market conditions deteriorating even before the traditional year-end pressure. Its fiscal side effects, from more favorable conversion of external aid to higher import-related revenue, are also hard to overlook. This may weaken trust, further worsen expectations, and amplify market pressure. Another cost is faster pass-through to prices, which strengthens the case for further key policy rate hikes to keep hryvnia assets attractive ([see Monetary Policy and Money Market](#)).

We expect the ER to reach about 46 by December, but halting depreciation around the turn of the year may prove difficult and costly. KSE Institute’s updated baseline ([see Q4 2026 Macroeconomic Handbook](#)) projects USD/UAH to average about 46.2 in December 2026. If expectations continue to deteriorate, including through this credibility channel, and emotional FX purchases set in against this backdrop, stopping the depreciation would be hard and expensive in terms of reserves. Yet, in our baseline, with reserves sufficient for this, the NBU will have to do so. Delays in external financing would steepen this path, while front-loaded partner inflows and further key policy rate hikes could slow it.

LABOR MARKET

In August 2026, the **average nominal wage** continued to decrease to **USD 713** (UAH 31,892) from **USD 721** (UAH 32,243) in July, by 1.1% m-o-m. Still, it remained well above **USD 623** a year ago, according to the SSSU, with the **Work.ua estimate** unchanged at **USD 671** (UAH 30,000). **Annual nominal wages** rose by **23.1% y-o-y** in UAH terms after 21.7% in July. **Real wages continued** to increase by **13.9% y-o-y**.

By mid-October, Work.ua data showed that **candidate salary expectations** slightly increased to **USD 761** (UAH 34,054) from **USD 758** in mid-September. **Weekly active candidate CVs** decreased to **143,683** by mid-October against **145,960** a month earlier; on the other hand, the **number of vacancies** fell sharply to **61,784** from **66,275**, raising the **ratio of active CVs** to vacancies to **2.33** from **2.22**, which points to softening labor demand, and is in line with the recent cooling of wage growth.

According to the monthly enterprise survey run by the Institute for Economic Research and Policy Consulting (IER), **the index of difficulty in finding qualified workers** increased again to **0.60** in September from **0.57** in August, and **the index for unqualified workers** to **0.35** from **0.32**. Yet only 1.7% of firms plan to increase headcount over the next three to four months, against 8.4% planning cuts and 2.9% considering forced leave. Security is the main new pressure: 59% of firms named dangerous working conditions due to Russian attacks as an obstacle, up from 48% in August. Other obstacles were transport difficulties (31%) and falling demand (30%). The NBU’s quarterly survey of businesses’ expectations points the same way: firms expect to cut staff over the next 12 months, with the balance of responses falling to –6.7% from –3.3% in the previous survey. Managers in all surveyed sectors except “other” planned cuts, most of all in mining, while still naming the shortage of qualified workers among the main constraints on output. Since the survey was conducted between 30 July and 28 August, it does not yet capture the September strikes on the main steel plants.

KSE Institute comment

The strikes have moved from warehouses to payrolls. Last month, we expected market-driven hiring to stay weak until damaged capacity is rebuilt. The timeliest indicators confirm it: Work.ua vacancies in early October were about 11% below last year’s level, well beyond the seasonal norm, and the IER’s [September round](#) shows the weakest business activity in over three years. Company announcements in September–October suggest the adjustment is now spreading from hiring freezes to job and pay cuts, and from retail and logistics to

metallurgy and rail, the two sectors most exposed to the port blockade. Official statistics, which run only to August, do not capture this yet.

Firms are so far retaining staff on reduced pay and hours, since skilled workers lost now would be costly to rehire. According to NBU Macroeconomic and Monetary Review in October, employment was still 2.8% higher y-o-y in August. The largest employers are cutting pay and hours instead of the headcount. ArcelorMittal Kryvyi Rih, that halted its primary metallurgical production following a series of four missile attacks by Russia. The plant will be taken out of operation and preserved for restart over about two months, while nearly 16,000 workers stay on the payroll, so the company is carrying its wage bill without actual output. Under the Labor Code, downtime pay is at least two-thirds of the base rate, and bonuses, which make up 40–50% of metallurgists' earnings, are suspended. The company does not plan to restart before the war ends, and workers expect to hold on only for two months. Moving workers to safer regions would mean housing and retraining costs at a time when internal migration is already pushing up rents, and would leave Kryvyi Rih region without the workforce needed to restart the metallurgical capacity in future. Keeping workers on the payroll is cheaper. The government already runs a program, "Tochka Opory" (Point of Support), that pays employers whose facilities were damaged by Russian attacks up to two minimum wages (about UAH 17,300) a month per worker on downtime, for up to six months. Even at this maximum, supporting all 16,000 ArcelorMittal workers for six months would cost about UAH 1.7 billion. Ukrzaliznytsia has cancelled bonuses and moved administrative staff to a four-day week, and Metinvest plans to start any cuts with administrative staff and contractors. With industrial firms reporting harder hiring for the third month in a row, letting skilled workers go would be costly to reverse. Hoarding, however, has a horizon, so we expect it to turn into layoffs in Q1 2027.

On October 21, the parliamentary Budget Committee recommended adopting **the draft State Budget 2027** in the first reading after reviewing a record 5,236 amendments; the vote, originally due by October 20, is now expected around October 28. Among the committee's proposals relevant to the labor market are an increase in military pay, funding for a pilot reform of teacher remuneration, and the allocation of 4% of personal income tax to local budgets (excluding tax on military pay). The government will then have 14 days to revise the draft for the second reading, with final adoption due by December 1, so the macroeconomic and wage assumptions remain unchanged for now.

INDUSTRIAL OUTPUT

Industrial production fell by **6.1% y-o-y** in August, the second consecutive annual decline and the steepest since January 2026. The **mining industry** turned negative, with output **down 8.8%** after a 0.3% increase in July. **Natural gas and crude oil extraction** continued to expand, albeit at a slower pace (**+3.9%** after +5.8%, roughly the same in size to the previous month). **Gas injections** into underground storage continued ahead of the 2026–27 heating season and brought stocks to 16 billion cubic meters by mid-October, the highest level since 2020 (see External Sector). **Coal mining** fell by **19.5%** after 10.4% in July, and **other mining and quarrying activities** declined by **9.9%** after a near-flat July (–0.5%). **Metal ore extraction** halved (**–51.4%** after –14.4%), as the shutdown of the largest steel plants after the August missile strikes removed domestic demand for ore on top of high energy costs and logistics constraints. **Electricity, gas, steam, and air conditioning supply** remained a major drag on industrial production, although its decline narrowed to **10.8%** in August from 12.4% in July; **electricity generation** was **13.3%** lower than a year earlier (–17.8% in July) and **gas supply 18.4% lower** (–8.1% in July). Over January-August, the sector's output was 12.7% below a year earlier and electricity generation 20.3% below. The sector continued to operate under accumulated war-related damage, and supply conditions deteriorated from the end of September. Strikes damaged the Trypilska thermal power plant on September 30 and a major Kyiv combined heat and power plant on the night of October 13–14. Ukrenergo reintroduced hourly

outage schedules for households in several regions from October 6, and round-the-clock capacity limits for industrial consumers applied in some regions from October 8 (see [Focus Areas and Risks](#)).

Manufacturing output fell by **3.9% y-o-y** in August, after a 0.2% y-o-y decline in July, the steepest fall since January 2026 (−6.0%); over January–August, output was still 0.9% higher than a year earlier. Performance remained highly uneven across subsectors, with defense-related segments still growing. **Fabricated metal products** rose by **28.7%** y-o-y (July: +23.5%), **machinery and equipment** by **30.2%** (July: +62.1%), **other transport equipment** by **11.1%** (July: +7.7%), and **computers, electronics, and optical products** by **17.6%** (July: −8.5%), with all four categories likely benefiting in part from continued defense-related demand. **Beverage production** rose by **8.3%** y-o-y (July: +8.7%), a second month of growth after a prolonged run of declines. **Pharmaceuticals** returned to growth, **up 6.5% y-o-y** (July: −27.7%), **chemicals** rose by **5.1%** (July: +10.4%), **printing** by **14.0%** (July: +18.6%), and **food manufacturing** by **0.5%** (July: −1.7%).

Basic metals output almost halved (**−48.6% y-o-y**; July: −18.1%), as Zaporizhstal halted production after the strikes of August 11 and 27 and ArcelorMittal Kryvyi Rih cut capacity after the missile strike of August 16, which left metallurgical output 13.3% lower over January–August. **Coke and refined petroleum products** fell by **35.5%** (coke −41.4%, refining −27.6%; July: −15.2%), as the loss of blast-furnace demand reached coke plants. **Electrical equipment** fell by **26.5%** (July: −20.5%), **apparel** by **42.4%** (July: −21.1%), **tobacco** by **12.7%** (July: −13.5%), **rubber and plastic products** by **5.4%** (July: −4.2%), and **other non-metallic mineral products** by **2.2%** (July: +1.1%), amid weaker demand, competition from imports, and security-related production disruptions, including the destruction of the Planeta Plastik and Epicentr Ceramic plants.

KSE Institute comment

The August decline captures only the first weeks of the capacity losses after increased attacks density.

Seasonally adjusted, industrial production fell by 3.0% m-o-m in August and metallurgy by 32.6%, to the lowest level in the SSSU series. According to Ukrmetallurhprom, steel output fell to 277,000 tons in August (−57.3% y-o-y) and to 131,000 tons in September (−78.5% y-o-y and −53% m-o-m), with pig iron at 113,000 tons (−83.5% y-o-y) and rolled products at 137,000 tons (−77%). January–September steel output of 4.43 million tons was therefore 19.8% below a year earlier, after a 3.2% decline in H1 2026. Zaporizhstal has been idle since mid-August and Kametstal stopped in early September. ArcelorMittal Kryvyi Rih announced on September 25 that it would halt primary steelmaking until the end of the war after four missile strikes, and moved the plant to cold standby in mid-October. The three plants accounted for about 90% of Ukraine's steel capacity, and Ukrmetallurhprom reports that practically all working blast furnaces have been destroyed since August. Coke production, which feeds the blast furnaces, fell by 41.4% y-o-y in August (−7.5% in January–August). Zaporizhskoks, Metinvest's coke plant, produced 38.1 thousand tons, about half its August 2025 level. The company attributed the cut to lower deliveries of coal concentrate after Russian attacks on merchant shipping blocked the Black Sea ports. The August strikes also damaged the coke facilities at Zaporizhstal, and with the blast furnaces lost, domestic demand for coke has largely disappeared. On current sales-value weights, which approximate the index weights only roughly, metallurgy and ore mining account for about half of the August decline in industrial production and electricity and gas supply for most of the remainder, while fabricated metals, machinery, and transport equipment add back about 2.4 pp. Metallurgy employs more than 70,000 people directly and paid close to USD 1 billion a year in taxes. Its loss is a loss of capacity, so the reopening of the Odesa ports would not restore this output.

Beyond steel, the strikes since August have removed finished-goods capacity and the logistics that connect producers to consumers, which is why the pressure now reaches food, pharmaceuticals, and consumer goods. The attack on Kyiv and Kyiv region on the night of August 5 destroyed Rozetka's main distribution center in Brovary, valued at about USD 70 million and not to be rebuilt, two Epicentr warehouse complexes, the Nova Poshta sorting center in Kyiv, two Silpo distribution centers, and the warehouses of Puma, Intertop, Bosch, and Novus. The same attack destroyed the Epicentr Ceramic Corporation tile plant in Kalynivka, one of the largest in Ukraine, which the company estimates will take 1.5–2 years to restore and

whose output is being moved partly to its plants abroad. Strikes in late August and early September hit Auchan, Varus, Dnipro-M, and Avrora facilities, a Ukrzaliznytsia depot, the Planeta Plastik plant in Irpin, a Coca-Cola plant, and the Biokon and Teva pharmaceutical warehouses. On October 10–11, drones destroyed the KSM Protek lubricants plant in Kyiv region, and on October 13 ten strikes burned about 85% of the goods at Epicentr's logistics center in Khmelnytskyi, the company's last large warehouse after the loss of its two Kyiv-region hubs. Epicentr says the loss puts thousands of jobs at risk after the 7,000 it lost in September alone. The Ministry of Economy estimates business losses in 2026 at up to USD 10 billion, and the Minister of Agrarian Policy said on August 28 that about 90% of food-chain logistics had been destroyed. The losses work through three channels: inventories and warehouses are replaced from imports, which is visible in the UAH 11.5 billion of August hryvnia lending to trade (see [Banking Sector](#)) and in the record import bill. Production lines for tiles, plastics, lubricants, and beverages are lost for one to two years or moved abroad, so this output leaves the domestic index for the duration. Surviving plants carry higher insurance, transport, and security costs, and with producer prices up 37.3% y-o-y against 2.4% for non-food consumer goods, they have little margin to absorb them (see [Inflation](#)).

Defense-related manufacturing still grows, but it no longer offsets the losses, and the October power restrictions limit the growth. Fabricated metals (+28.7% y-o-y), machinery and equipment (+30.2%), other transport equipment (+11.1%), and electronics (+17.6%) all expanded in August, and the first two are 24.8% and 34.8% above a year earlier over January–August. The broader machine-building aggregate nonetheless grew by only 3.4%, held down by electrical equipment (–26.5%). The four defense-related industries, fabricated metals, machinery and equipment, electronics, and other transport equipment, account for about 15% of industrial sales, so their growth now offsets a smaller share of the losses in metallurgy, energy, and consumer goods than in H1 2026. Firms report the shift in conditions directly: in the IER September survey, 59% named dangerous working conditions due to Russian attacks as an obstacle, up from 48% in August, 31% cited transport difficulties and 30% falling demand (see [Labor Market](#)). Only 1.7% of firms plan to increase headcount over the next three to four months, against 8.4% planned cuts. The capacity limits for industrial consumers that Ukrenergo applied in several regions from October 8, after the damage to the Trypilska plant and the Kyiv heat and power plant, fall first on energy-intensive producers of building materials, chemicals, and processed food. Ukrenergo has also said that Russia has shifted to continuous strikes on substations and transmission lines, which restrict supply in specific directions even where generation is available. The Q4 2026 Ukraine Macroeconomic Handbook baseline assumes large-scale strikes on energy during the 2026/27 heating season, with the peak effect in Q1 2027, and projects GDP to contract by 0.3% in 2026 and 0.6% in 2027. The industrial data through September are consistent with the lower part of that range and leave no basis for a recovery in Q4.

OTHER OUTPUT

Agricultural production fell by **9.1% y-o-y** in August (July: +29.7%), as the early grain harvest had been brought in faster than in 2025 and shifted output between the two months. By October 19, farmers had harvested 39.1 million tons of grains and pulses from 68% of the planned area, 4.3 million tons more than at the same stage of 2025, according to the Ministry of Agrarian Policy. The average yield reached 4.95 tons per hectare against 4.35 a year earlier. Sunflower output reached 9.1 million tons from 79% of the area (+26%, with the yield up to 2.2 tons per hectare from 1.84), and corn 5.4 million tons from 20% of the area, with the yield up 7% to 5.88 tons per hectare. Weather conditions were more favorable than in 2025 across most regions, although the corn harvest is proceeding more slowly.

Freight volumes fell by **6.5% y-o-y** in August (July: +9.1%) and **freight turnover** by **11.2%** (July: +9.2%). Over January–August, freight volumes were 2.8% higher than a year earlier while turnover was 8.8% lower. The modal shift continued, as road transport recorded strong growth, with freight volumes up by 23.6% and freight turnover

by 18.4%, as shippers moved to land-based logistics amid the closure of the Greater Odesa ports. Rail freight contracted sharply, with volumes down by 28.5% to 10.3 million tons and turnover by 27.7%, as grain shipments to the Black Sea ports stopped and Russian attacks on locomotives and rail infrastructure continued to constrain capacity.

Passenger transport performance weakened in aggregate, with rail demand still concentrated in longer-distance journeys. The number of **passengers transported** declined by **7.6% y-o-y**, while **passenger turnover** fell by **4.3%**. Rail remained the weak segment: passenger numbers declined by 21.7%, but passenger turnover decreased by only 9.0%, as the loss of short suburban trips (1.9 million passengers against 3.2 million a year earlier) outweighed unchanged long-distance travel of 2.8 million. Road passenger transport was more resilient, with passenger numbers down by 3.5% and passenger turnover up by 2.2%, while urban electric transport weakened (trams -10.7%, trolleybuses -10.0%).

Construction activity contracted at a slower pace in August, with output falling by **3.7% y-o-y** (July: -25.9%), and by 9.9% over January–August. The decline was concentrated in **engineering structures** (**-12.2%**; July: -36.0%), while **buildings** rose by **6.2%** (July: -11.3%), as **non-residential construction** increased by **9.8%** (July: -15.9%) and **residential construction** fell by **2.3%** (July: +0.5%). In nominal terms, the volume of construction work rose by 21.8%, with power-station structures up 73% and local pipelines and power lines up 51% on energy repairs, while bridges and tunnels fell by 57% and railway works by 32%. The improvement came against a backdrop of rapidly rising construction prices and persistent supply-side and financial constraints: the implied construction price growth was about 26%, while construction companies continued to cite labor shortages and financial constraints as the main factors limiting activity. Order volumes also remained relatively weak, although there were some signs of improvement. The seasonally adjusted balance of companies' assessments of their current order volumes stood at -35.2% in the third quarter, up from -41.5% in the second quarter, while the construction confidence indicator improved by 4 pp to -21.1%.

Retail trade continued to expand, although at a slower pace. **Retail trade turnover** increased by **7.6% y-o-y** in August (July: +8.7%), the slowest growth since March. The continued expansion was supported by wage growth: the average nominal wage of a full-time employee was 23.1% higher in August, substantially exceeding consumer price inflation of 8.1%. Retail business sentiment remained positive, although the strikes on distribution centers and retail premises since August and the October power restrictions weigh on the sector's ability to keep stocks and trading hours.

KSE Institute comment

The harvest is the one real-sector series running above last year, and logistics now decide how much of it reaches the market. Grain and pulses output is 4.3 million tons ahead of the same stage of 2025 on yields 14% higher, and sunflower is 26% ahead, so the agricultural production index, which measures what is grown, will support Q3 and Q4 GDP. Sales are another matter. Agricultural exports ran at 2.4 million tons in September, less than half of the volume the Ministry of Agrarian Policy considers required, with none of it through the Greater Odesa ports. Ukraine estimates that it needs about 11 million tons of additional storage, and the extra logistics cost is about EUR 50 per ton. The gap between a larger crop and smaller shipments falls on farm-gate prices and on producers' working capital, which is why the August cut in minimum export prices and the extension of the 5-7-9% program to farmers' working-capital loans matter more for 2027 sowing than for 2026 output. A better harvest therefore raises production in the national accounts while lowering farm incomes and export receipts, and its disinflationary effect on food prices has already faded (see [Inflation](#)).

Transport confirms the rerouting at a higher cost per ton. Rail freight turnover was 15.9% lower over January–August and 27.7% lower in August alone, while road turnover was 14.2% higher over January–August and 18.4% higher in August. The system is thus moving a similar tonnage over shorter distances with trucks that cost more per ton-kilometer, carry smaller loads, and depend on fuel whose price rose 46.2% y-o-y in September (see [Inflation](#)). The 492 locomotives damaged since February 2022, 250 of them in the six months

to August, limit the rail alternative, and the destruction of a Ukrzaliznytsia depot in late August added to the losses. The passenger figures carry the same signal from the other side: suburban rail trips fell by about 40% while long-distance travel was unchanged, reflecting the strikes on the Kyiv region and the reduction of commuting where workplaces were destroyed.

Consumption remains the support for total output, and the September data show it weakening. Retail turnover grew 7.6% y-o-y in August on real wages up 13.9%, but hiring is falling, with vacancies down 7% between mid-September and mid-October on Work.ua data and 8.4% of firms planning cuts (see [Labor Market](#)). Construction will not fill the gap, as engineering structures are still falling by double digits and the October prioritization of budget expenditures puts most capital spending, including new construction and reconstruction, on hold (see [Fiscal Sector](#)). The recovery in non-residential building (+9.8%) and the 73% nominal increase in power-station structures reflect the replacement of destroyed warehouses and generation, which adds to construction output without adding to productive capacity. The depth of the strikes on generation during the heating season will determine whether the adverse scenario, which assumes daily 12-hour outages in January–February 2027, replaces the baseline in Q4 2026 Ukraine’s Macroeconomic Handbook (see [Focus Areas and Risks](#)).

REFORMS

Strengthening energy resilience was a central focus of government action in September. The Government revised budget allocations under the Ministry of Energy, reducing funding for the rehabilitation of Ukrhydroenergo's hydropower plants while increasing allocations for energy sector reform and the construction of the 750 kV Zaporizhzhia NPP–Kakhovka and Rivne NPP–Kyivska transmission lines. These adjustments concern projects financed through the European Investment Bank and the International Bank for Reconstruction and Development. In parallel, the Government approved the terms of a loan of up to EUR 45.75 million from Deutsche Bank AG, backed by Finland's export credit agency Finnvera, to finance equipment for gas-fired power generation facilities at four Ukrnafta sites. With a combined planned capacity of approximately 60 MW, the facilities will contribute to expanding distributed generation and reducing dependence on large centralised power assets.

Restoring war-damaged infrastructure received additional funding, particularly in regions exposed to continued attacks. The Government increased allocations from the Fund for the Liquidation of the Consequences of Armed Aggression from UAH 338.1 million to UAH 736.5 million, including funding for emergency repairs to residential buildings and a dormitory in Kharkiv region. Another UAH 107.1 million from the state budget reserve fund was allocated to urgent restoration works at the Sumy Combined Heat and Power Plant, which sustained damage during the Russian attack of 30 June 2026. The works cover essential gas supply, electricity, water treatment and boiler systems, with the aim of restoring the facility's operational capacity ahead of the heating season.

Preparations for winter also included additional financial support for vulnerable households in areas affected by hostilities. Approximately UAH 2.24 billion from a humanitarian assistance account, together with an additional UAH 5.6 million in remaining funds, was allocated for one-off payments during the 2026/27 heating season. The Government also approved procedures governing assistance financed through this account and by international and national organisations. These measures establish a framework for delivering winter-related support to vulnerable groups in areas where security conditions and damage to infrastructure place additional pressure on households.

The Government also approved a roadmap for introducing ESG principles and sustainable finance instruments for 2026–2028. The roadmap provides for the development of a sustainable finance taxonomy, the integration of climate-related criteria into public investment planning and the introduction of corporate

sustainability due diligence. These measures aim to bring Ukraine's investment framework closer to European sustainability standards and facilitate access to sustainable financing.

The regulatory framework for international technical assistance was also adjusted. Amendments to the existing procedures clarify the distinction between technical assistance and international military or humanitarian aid, remove certain administrative formalities and establish a deadline of 1 November 2026 for submitting monitoring reports for the first half of the year. The Government also restricted the publication of consolidated information on international technical assistance during martial law. Although largely procedural, these changes affect the administration, reporting and transparency arrangements for internationally financed activities.

Digital public services and citizen participation were another area of reform. A new two-year pilot project, eDumka, will allow individuals to submit electronic appeals and proposals, participate in discussions, support initiatives and respond to surveys organised by local authorities and military administrations through Diia. Separately, the Government introduced a differentiated air raid warning system with red and yellow threat levels, establishing different arrangements for business operations, education and metro services depending on the level of threat. A transition period for businesses was established until 4 December 2026, while the relevant authorities were instructed to update Diia and other public warning systems by 1 December to support the new approach.

Several decisions addressed longer-term reforms in education and healthcare. The Government updated the implementation plan for the New Ukrainian School reform through 2029, revising implementation deadlines and introducing additional measures related to secondary education standards, Ukrainian-language education and specialised scientific education. In healthcare, a two-year pilot project was approved to finance osseointegrated prosthetics through the state budget. The programme provides for 25 patients in 2026, with estimated funding of UAH 30 million, and will be administered by the National Health Service of Ukraine. The measure introduces a new publicly financed option for patients requiring advanced prosthetic rehabilitation.

Alongside these initiatives, the Government continued to address defence-related requirements, make technical adjustments following the reorganisation of ministries and register additional industrial parks. While many of these decisions were administrative in nature, they formed part of the broader effort to maintain essential government functions, support economic activity and adapt public institutions to wartime conditions.

KSE Institute comment

September's government decisions were largely shaped by the need to prepare Ukraine's energy and social infrastructure for another winter under wartime conditions. Significant resources were directed towards restoring damaged facilities, expanding distributed power generation and supporting vulnerable households in frontline areas. With limited fiscal space, the emphasis remained on redirecting existing resources and mobilising external financing, including the EUR 45.75 million loan backed by Finnvera. The main challenge is implementation: whether funding can be translated into operational energy capacity and restored infrastructure before winter demand peaks.

The longer-term reform agenda progressed mainly through regulatory measures. The ESG and sustainable finance roadmap for 2026–2028 creates a framework for aligning investment practices with European standards, while adjustments to international technical assistance procedures simplify certain administrative requirements but reduce public disclosure during martial law. These measures may improve the investment and institutional environment over time, although their practical impact will depend on implementation rather than formal adoption.

The greatest immediate economic risk remains energy security. The planned 60 MW of additional gas-fired generation and UAH 107.1 million allocated to restoring the Sumy Combined Heat and Power Plant are targeted interventions rather than system-wide solutions. Their effectiveness will depend on timely delivery

and the resilience of infrastructure to further attacks. Continued disruptions could increase business costs, electricity import requirements and pressure on public finances, making the pace of energy restoration a key factor for economic stability during the coming winter.

FOCUS AREAS AND RISKS

The air defense risk has materialized at the start of the heating season. Repeated strikes on generation brought back hourly outage schedules for households and capacity limits for industry in several regions in October. They included the Trypilska thermal power plant on September 30 and a major Kyiv power plant overnight on October 13–14, which left 600,000 people without power. Jet-powered drones now make up about 40% of Russian launches, and jet interceptor drones are not expected at scale before end-November. Ukraine reportedly had about 10 Patriot interceptors left as of October 7, and President Zelensky said the US is supplying about 12 a month, roughly a quarter of the pace under the previous administration, which is not covering the ballistic defense gap. The “energy ceasefire” announced by President Trump on October 11 did not hold, and Ukraine resumed strikes on Russian refineries on October 15. Putin agreed on October 21 to resume US-mediated talks, likely in Abu Dhabi in mid-November, but neither side has moved on territory or security guarantees.

Ukraine’s economy is sliding into recession, and forecasts are catching up. Preliminary estimates by IER show GDP fell 2.4% y-o-y in September. Domestic forecasters now expect output to contract in both 2026 and 2027: KSE Institute in the Q4 2026 Ukraine’s Macroeconomic Handbook gives a 0.3% and 0.6% contraction for 2026-27, Dragon Capital by 0.5% and 1.0%, and ICU by 0.6% and 1.9%, while IER expects a contraction of about 0.5% in 2026. The Ministry of Economy is revising its 2026 forecast down again – by 1–1.5 pp from the 1.6% set in June (itself cut from 2.4%). The World Bank cut its forecast to 1.2% from 1.8%, while the IMF kept 1.0%. Behind the downgrades is the destruction of productive and distribution capacity. For example, on October 13, Russia destroyed Epicentr’s last major logistics hub, the retailer’s third in two and a half months, and it’s just one of many destroyed logistics hubs and warehouses. The Ministry of Economy puts this year’s business losses at about USD 10 billion, and steel production has almost stopped (see External Sector). Additionally, hiring is falling: Work.ua vacancies were about 11% below last year in October, while new CVs rose by 24%. On October 23, the Cabinet tightened booking rules. It capped reservation at 95% of eligible staff and separated “criticality” from wage and tax criteria. The government also plans a new mobilization “social contract” with business by December 1.

The financing risk has shifted to 2027. On October 14–15, the Rada adopted the parcel VAT laws and related decisions, and the President signed them on October 22 along with the long-delayed digital platforms law. This cleared the parliamentary conditions for the EUR 3.7 billion MFA tranche. Other IMF benchmarks that require legislation remain pending, including transfer pricing, bank secrecy, and anti-avoidance rules for simplified taxpayers. They precede the November mission and the combined second and third reviews (about USD 1.65 billion), which are targeted for December. For 2027, Ukraine has requested EUR 70 billion on top of the EUR 45 billion already allocated under the USL. The EU expects to cover about two-thirds, probably through a new jointly financed loan, without using immobilized Russian assets and without four member states.

KSE Institute comment

Ukraine is entering a recession in which inflation rises, and that rules out the usual policy response. In September, output fell while consumer prices jumped 2.1% m-o-m, a combination that marks a supply shock. The strikes destroy capacity, with warehouses, steel plants, rolling stock, and power generation lost, and goods become scarcer and costlier to produce and deliver. Incomes, meanwhile, are still supported by wage growth and partner-financed budget spending. KSE Institute’s Q4 forecast combines two years of contraction

with average inflation of 13.0% in 2027. The only lever that lifts output without fueling inflation is restoring and protecting capacity.

Air defense now determines the depth of the 2026–27 contraction and the speed of the recovery after it, because every strike that reaches generation or industry removes capacity that cannot be replaced easily. KSE Institute’s Q4 baseline already assumes large-scale winter strikes on energy, with the peak impact in Q1 2027. October’s pattern, with generation hit by ballistic missiles that can no longer be reliably intercepted, shifts the balance toward adverse scenario. That scenario combines daily 12-hour outages in January–February 2027 with persistent port and steel disruptions and implies a higher contraction in 2027. Each prolonged outage also cuts industrial output and adds to energy imports and FX demand (see Industrial Output and External Sector). Interceptor supply partly depends on US approvals and foreign production lines, which makes the protection of Ukraine’s economy and civilian infrastructure a matter of partners’ political decisions on interceptor supply, outside the reach of domestic policy. The practical priorities are decentralization and physical protection of generation, faster scaling of jet interceptors, and European transfers of Patriot interceptors from national stocks, as the EU’s High Representative proposed in late September. Large businesses can add their own layer of protection: Nova Poshta already runs a private air-defense unit that has downed Shaheds, but scaling such projects requires full state support, as procuring weapons is heavily regulated and private units must be integrated into the military air-defense network. Unless businesses can safely restart stalled operations and rebuild the capacity destroyed by Russian attacks, the contraction would last longer and become structural, and the probability of the adverse scenario, described in Q4 2026 Ukraine’s Macroeconomic Handbook, with daily 12-hour outages in January–February 2027, would rise accordingly.

TABLES: EXTERNAL INDICATORS

Current account, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-2.6	-2.8	-1.1	-1.3	-3.3	-3.1	-3.9	-2.2	-2.9	-1.6	-3.0	-1.0
2026	-0.5	-4.3	-3.6	-4.4	-3.5	6.2	-0.1	-4.8				
Goods balance, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-2.7	-2.9	-3.6	-3.2	-3.2	-4.2	-4.3	-3.7	-4.6	-4.1	-4.3	-6.1
2026	-3.7	-5.2	-5.4	-5.0	-4.9	-5.6	-6.0	-5.8				
Goods exports, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	3.0	2.9	3.5	3.2	3.4	2.9	3.1	2.9	3.0	3.5	3.4	3.4
2026	3.0	3.0	3.5	3.5	3.4	3.2	2.9	2.4				
Goods imports, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	5.7	5.8	7.1	6.4	6.6	7.0	7.4	6.6	7.5	7.6	7.7	9.5
2026	6.7	8.2	8.9	8.6	8.3	8.8	8.8	8.1				
Services balance, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-0.8	-0.6	-0.6	-0.6	-0.7	-0.9	-0.7	-0.8	-0.8	-0.9	-0.8	-0.7
2026	-0.8	-0.7	-0.7	-0.6	-0.7	-0.7	-0.7	-0.7				
Primary income balance, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-0.2	-0.2	0.0	0.1	0.0	-0.2	-0.2	-0.2	-0.1	0.1	0.0	-0.2
2026	-0.2	-0.2	0.0	-0.1	-0.2	-0.3	-0.1	-0.5				
Secondary income balance, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1.1	0.9	3.1	2.5	0.7	2.1	1.3	2.5	2.4	3.2	2.2	6.0
2026	4.1	1.8	2.6	1.3	2.3	12.8	6.7	2.2				
Non-res. capital flows, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	4.2	-0.3	5.0	6.2	1.7	3.7	1.8	5.1	3.1	5.4	7.7	7.3
2026	0.5	1.4	0.6	1.7	0.3	4.5	0.6	-0.2				
Loans to public sector, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	3.1	-0.1	3.8	5.4	1.1	3.0	1.8	4.6	1.5	4.9	7.0	6.7
2026	0.0	-0.1	0.0	1.0	-0.2	4.2	0.5	-0.1				
Resident capital flows, USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	2.8	-0.1	1.7	1.2	0.6	-0.1	0.3	0.1	-0.3	0.9	-0.2	0.4
2026	0.9	-0.4	0.3	1.2	-0.7	4.7	1.4	-1.8				
Reserves (eop), USD billion												Update: 30.09.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	43.0	40.1	42.4	46.7	44.5	45.1	43.0	46.0	46.6	49.5	54.8	57.3
2026	57.7	54.8	52.0	48.2	45.7	51.3	51.2	48.7	47.1			

Source: NBU, KSE Institute

TABLES: FISCAL INDICATORS

Budget revenues (General Fund), UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	128	133	321	275	205	241	163	243	208	186	229	330
2026	242	225	268	303	319	542	166	228				

Budget revenues (State Budget), UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	283	253	390	340	275	327	227	315	302	261	322	539
2026	304	321	394	410	417	681	722	356				

Tax Revenues (General Fund), UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	132	136	225	146	186	144	159	201	159	153	197	178
2026	144	167	258	178	225	185	154	216				

Budget expenditures (General Fund), UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	214	324	318	330	353	337	296	334	313	347	380	650
2026	244	303	369	433	449	432	346	396				

Budget expenditures (State Budget), UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	354	413	397	391	431	432	360	460	401	440	462	933
2026	286	372	492	555	551	575	606	740				

Expenditures, defense & security (General Fund), UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	135	211	228	208	223	192	190	219	215	225	226	454
2026	154	182	249	288	292	269	222	215				

Budget balance (General Fund), UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-86	-191	3	-55	-148	-96	-132	-91	-104	-161	-151	-321
2026	-2	-78	-101	-130	-130	110	-185	-167				

Domestic Financing, UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	27	26	47	54	43	36	70	43	37	91	39	69
2026	61	64	25	26	16	38	69	33				

External Financing, UAH billion

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	131	0	134	185	47	127	71	195	48	211	293	278
2026	0	0	66	2	0.3	187	53	4				

Source: Ministry of Finance, KSE Institute

TABLES: INFLATION INDICATORS (1/2)

Headline CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	12.9	13.4	14.6	15.1	15.9	14.3	14.1	13.2	11.9	10.9	9.3	8.0
2026	7.4	7.6	7.9	8.6	8.2	7.2	7.7	8.1	10.0			
Headline CPI, m-o-m, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1.2	0.8	1.5	0.7	1.3	0.8	-0.2	-0.2	0.3	0.9	0.4	0.2
2026	0.7	1.0	1.7	1.4	0.9	-0.1	0.3	0.1	2.1			
Core CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	11.7	12.0	12.4	12.1	12.3	12.1	11.7	11.4	11.0	10.1	9.3	8.0
2026	7.0	7.0	7.1	7.6	7.9	8.1	8.1	8.1	8.8			
Raw-food CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	11.8	13.0	17.0	22.2	26.4	28.7	28.0	23.9	18.1	15.2	9.6	7.4
2026	8.2	9.6	8.4	8.3	4.6	-0.2	2.2	1.0	6.7			
Administered-price CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	17.5	18.1	19	19.5	19.8	10.9	11.0	10.8	10.7	10.6	10.4	9.7
2026	9.1	8.8	8.6	9.4	10.2	10.7	11.8	13.0	13.6			
Fuel CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	12.1	13.9	9.9	3.7	1.2	3.1	6.7	6.0	4.7	3.9	5.3	6.4
2026	5.7	8.0	23.4	36.1	38.7	33.4	28.0	38.7	46.2			
Processed-food CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	15.9	16.7	17.3	17.3	18.0	18.2	18.0	17.7	16.8	15.6	14.0	12.1
2026	10.8	9.9	10.0	10.2	10.4	10.4	10.0	10.0	10.7			
Non-food CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	4.3	4.4	4.7	3.8	3.8	3.6	3.2	2.8	2.3	1.6	0.8	0.0
2026	-0.4	-0.4	-0.5	0.3	0.3	0.5	0.8	1.1	2.4			
Services CPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	14.2	14.3	14.6	14.6	14.6	14.4	14.0	14.1	14.1	13.8	13.4	12.3
2026	11.2	12.3	12.8	13.3	13.6	13.7	13.7	13.4	13.7			
Industrial PPI, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	32.5	37.0	51.9	41.6	28.9	13.1	4.7	7.3	1.3	5.5	9.9	8.2
2026	11.2	34.5	36.6	40.2	45.2	39.1	42.5	37.3	38.4			

Source: NBU, SSSU, KSE Institute

TABLES: INFLATION INDICATORS (2/2)

Households' year-ahead inflation expectations, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	11.0	9.9	9.2	10.1	10.2	10.8	10.7	10.1	10.8	10.3	10.4	10.5
2026	10.9	13.5	14.4	10.9	13.7	12.7	10.0	14.1	14.2			
Analysts' year-ahead inflation expectations, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	7.8	7.8		7.7	7.9		7.5		7.2	7.4		7.5
2026	7.5		7.7	7.6		7.5	7.9		8.3	8.8		
Water supply prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
2026	0.0	0.0	0.0	0.0	0.0	15.3	52.1	77.6	87.6			
Food and non-alcoholic beverage prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	14.3	15.2	17.4	19.8	22.1	23.2	22.6	20.5	17.4	15.6	12.1	10.2
2026	9.7	9.9	9.5	9.6	7.9	5.6	6.5	6.0	8.9			
Egg prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-5.1	1.8	44.7	74.6	86.0	59.2	82.4	74.3	50.9	41.9	3.3	10.8
2026	33.0	32.4	20.1	19.0	10.4	-19.4	-25.4	-24.1	12.2			
Vegetable prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	33.9	29.4	32.3	35.8	35.7	24.2	17.5	-2.5	-16.0	-21.5	-27.8	-29.8
2026	-23.7	-14.6	-15.1	-14.3	-16.8	-12.8	7.8	0.9	10.3			
Meat prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	5.3	6.8	8.5	12.6	18.2	22.9	24.2	25.2	24.8	25.2	23.1	21.0
2026	18.5	16.4	15.3	13.2	7.9	4.4	2.4	1.3	1.8			
Milk prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	18.1	18.3	19.5	19.9	20.9	20.9	20.3	20.0	17.1	17.7	12.3	8.5
2026	8.3	7.7	7.3	8.0	7.4	7.6	8.0	6.9	9.6			
Tobacco prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	24.3	25.1	26.4	27.6	28.3	28.4	30.1	30.9	29.3	28.8	28.7	27.7
2026	26.8	26.3	25.0	24.5	24.6	24.6	23.6	23.7	23.7			
Alcoholic beverage prices, y-o-y, %										Update: 23.10.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	3.8	4.3	6.1	6.2	6.9	6.6	6.7	5.6	6.6	6.4	6.1	4.7
2026	4.4	4.6	4.2	4.5	5.5	6.1	6.5	7.9	8.1			

Source: NBU, SSSU, KSE Institute

TABLES: MONETARY POLICY INDICATORS

Key policy rate, % (eop)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	14.5	14.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
2026	15.0	15.0	15.0	15.0	15.0	15.0	15.5	15.5	16.0			
Effective policy rate, % (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	14.0	14.7	15.5	15.8	15.9	16.1	16.2	16.3	16.3	16.3	16.4	16.3
2026	16.2	16.0	16.2	16.2	16.0	16.0	16.1	16.4	16.6			
Structural liquidity surplus (+)/deficit (-), UAH billion (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	496.5	496.8	499.5	539.1	545.8	534.5	494.6	453.5	451.1	499.1	517.1	594.4
2026	707.0	656.1	586.7	591.8	651.4	658.7	638.5	623.1	584.7			
Correspondent accounts, UAH billion (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	258.3	240.7	243.9	239.1	252.4	253.5	251.9	257.3	244.4	244.5	260.9	258.0
2026	260.8	290.0	264.5	269.0	275.7	290.0	287.1	284.6	291.8			
NBU certificates of deposit, UAH billion (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	481.7	509.1	502.9	553.2	546.5	537.6	498.9	454.6	469.0	518.2	522.6	613.4
2026	718.8	645.5	599.4	607.8	661.9	656.4	641.0	627.0	584.6			
Overnight certificates of deposit, UAH billion (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	430.4	458.4	435.8	475.7	464.6	450.3	397.6	348.6	356.3	401.8	395.5	481.9
2026	580.6	474.5	407.9	409.8	468.6	461.2	442.7	445.3	408.4			
3-month certificates of deposit, UAH billion (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	51.2	50.7	67.0	77.4	81.9	87.3	101.3	105.9	112.7	116.4	127.1	131.5
2026	136.8	171.1	191.6	197.9	193.3	195.2	198.3	181.7	176.2			
Share of 3-month certificates of deposit, % (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	10.6	10.0	13.3	14.0	15.0	16.2	20.3	23.3	24.0	22.5	24.3	21.4
2026	19.0	26.5	32.0	32.6	29.2	29.7	30.9	29.0	30.1			
Refinancing loans outstanding, UAH billion (avg)												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	32.2	32.1	32.1	31.8	31.5	31.6	31.4	31.4	31.4	31.2	31.0	30.9
2026	29.0	28.9	28.8	28.7	28.3	28.2	28.2	28.2	28.2			
Net treasury operations, UAH billion												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	76.2	188.0	68.5	167.2	110.6	122.2	84.3	95.5	131.9	160.9	147.4	422.8
2026	61.2	110.2	116.1	241.4	198.1	216.8	202.0	159.5	267.3			

Source: NBU, KSE Institute

TABLES: BANKING INDICATORS (1/3)

Regulatory capital adequacy, %											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	17.0	16.9	16.2	15.5	15.5	15.5	15.3	15.0	15.4	15.3	15.1	16.4
2026	16.0	15.8	15.8	17.6	17.7	17.6	17.2	17.0	17.3			
Net stable funding ratio, % (median, eop)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	187	182	183	192	190	185	185	179	173	174	178	185
2026	185	177	176	181	186	185	193	179	178			
ROE, %											Update: 23.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	51.1	42.8	39.8	40.1	39.9	40.2	39.9	39.6	39.1	38.3	38.2	29.9
2026	26.0	22.5	21.8	21.7	22.5	22.5	22.1	22.1				
ROA, %											Update: 23.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	5.8	4.9	4.6	4.7	4.6	4.6	4.6	4.6	4.6	4.5	4.6	3.6
2026	3.1	2.7	2.6	2.6	2.7	2.7	2.7	2.7				
NPL ratio, eop, %											Update: 20.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	30.5	30.0	28.6	28.3	27.9	27.0	26.1	25.4	25.0	24.5	23.9	13.9
2026	13.9	13.3	12.9	12.6	12.8	12.5	12.1	11.5				
Total gross loans to residents, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1105	1122	1145	1165	1187	1211	1235	1265	1282	1314	1349	1198
2026	1213	1233	1264	1293	1316	1347	1388	1441	1464			
UAH gross corporate loans, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	570	585	602	610	627	641	656	673	678	690	707	555
2026	560	572	587	609	615	641	666	691	695			
UAH gross retail loans, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	269	272	279	284	291	298	307	316	320	325	335	332
2026	341	346	359	364	377	386	399	415	424			
Total net loans, UAH billion (eop)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	822	838	867	887	908	933	956	985	1006	1036	1070	1080
2026	1094	1113	1144	1171	1192	1221	1261	1312	1339			
UAH net loans, UAH billion (eop)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	615	632	657	670	694	716	738	764	775	791	818	818
2026	830	846	874	900	918	953	991	1031	1046			

Source: NBU, KSE Institute

TABLES: BANKING INDICATORS (2/3)

Total net corporate loans, UAH billion (eop)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	583	597	619	634	649	668	683	704	720	745	771	774
2026	781	796	815	838	848	868	894	931	946			
UAH net corporate loans, UAH billion (eop)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	385	400	418	426	443	459	473	490	495	507	524	517
2026	522	534	550	571	576	602	626	651	655			
Total net retail loans, UAH billion (eop)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	227	229	237	242	249	255	263	271	277	282	290	297
2026	305	309	321	326	338	347	358	373	383			
UAH net retail loans, UAH billion (eop)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	226	228	236	241	248	254	262	270	276	281	289	296
2026	304	308	321	325	338	346	358	372	382			
Total resident deposits, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	2724	2734	2757	2815	2806	2851	2849	2851	2893	2955	2984	3239
2026	3172	3180	3165	3248	3249	3283	3313	3318	3339			
Total corporate deposits, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1458	1452	1481	1500	1481	1492	1485	1484	1503	1544	1556	1755
2026	1685	1649	1643	1682	1705	1704	1729	1726	1732			
UAH corporate deposits, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1029	1050	1079	1091	1077	1083	1066	1059	1078	1108	1142	1328
2026	1255	1217	1217	1239	1263	1268	1300	1296	1303			
Total retail deposits, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1213	1227	1222	1257	1265	1296	1300	1302	1322	1341	1355	1399
2026	1408	1449	1439	1478	1478	1519	1519	1526	1546			
UAH retail deposits, UAH billion (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	793	809	798	823	834	856	855	867	885	897	905	940
2026	940	969	955	986	988	1022	1019	1018	1033			
Share of term deposits in total retail UAH deposits, %											Update: 20.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	33.9	33.5	34.3	34.0	34.1	34.0	34.4	34.2	33.9	34.1	34.3	33.8
2026	34.5	34.0	34.8	34.1	34.4	33.9	34.3	34.6				

Source: NBU, KSE Institute

TABLES: BANKING INDICATORS (3/3)

Retail deposits dollarization, % (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	34.6	34.1	34.7	34.5	34.1	34.0	34.2	33.4	33.0	33.1	33.2	32.8
2026	33.3	33.1	33.6	33.3	33.2	32.7	33.0	33.3	33.2			
Corporate deposits dollarization, % (eop)											Update: 27.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	29.4	27.7	27.2	27.3	27.3	27.4	28.2	28.6	28.3	28.3	26.6	24.3
2026	25.5	26.2	26.0	26.3	25.9	25.6	24.9	24.9	24.8			
Total G-bonds holdings, UAH billion (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1862	1861	1831	1831	1832	1840	1858	1871	1878	1882	1899	1923
2026	1986	1996	2014	2015	1996	1988	1992	2006	2002			
UAH G-bonds holdings (firms), UAH billion (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	145	148	147	150	151	150	148	150	146	141	144	156
2026	192	196	200	201	200	197	195	198	192			
UAH G-bonds holdings (households), UAH billion (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	39	41	42	47	48	50	52	55	56	57	60	64
2026	68	74	81	85	89	92	96	100	101			
Interest rate on new UAH corporate loans, % (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	16.6	15.4	15.6	16.8	15.4	15.5	16.9	15.1	15.0	16.2	15.2	15.1
2026	16.5	15.1	14.8	15.8	15.1	15.0	15.9	15.4	15.4			
Interest rate on new FX corporate loans, % (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	6.3	6.2	6.3	6.3	6.2	5.8	5.9	5.9	6.0	5.9	5.5	6.7
2026	5.9	5.7	5.9	6.1	5.8	6.0	5.8	5.8	5.8			
Interest rate on new UAH retail loans, % (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	35.1	35.0	35.9	35.7	35.8	35.9	36.2	36.2	35.9	35.9	35.0	35.2
2026	37.0	36.5	36.6	37.0	36.7	36.7	36.6	35.1	36.1			
Interest rates on UAH corporate deposits, % (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	8.7	9.1	9.4	9.7	9.9	10.1	10.2	10.2	10.3	10.4	10.3	10.3
2026	10.2	10.0	9.8	9.9	10.0	10.1	10.3	10.4	10.6			
Interest rates on UAH retail term deposits, % (avg)											Update: 16.10.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	12.4	12.5	12.4	12.8	12.9	13.0	12.9	12.9	12.7	12.6	12.7	12.9
2026	12.8	12.5	12.2	12.8	12.8	12.9	12.9	12.8				

Source: NBU, KSE Institute

TABLES: EXCHANGE RATE INDICATORS

USD/UAH official (avg)								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	42.1	41.7	41.5	41.4	41.5	41.6	41.8	41.4	41.3	41.6	42.1	42.2
2026	42.9	43.1	43.8	43.8	44.1	44.7	44.7	44.7	44.7			
EUR/UAH official (avg)								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	43.6	43.4	44.8	46.4	46.9	47.8	48.9	48.2	48.4	48.5	48.7	49.4
2026	50.4	51.0	50.7	51.1	51.5	51.5	51.0	51.8	51.5			
USD/UAH spread (official/cash(ask)), % (avg)								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1.1	0.8	0.7	0.6	0.6	0.6	0.5	0.6	0.6	0.6	0.5	0.6
2026	0.7	0.6	0.7	0.7	0.5	0.5	0.5	0.6	0.6			
Households' net FX demand, USD million (avg)								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1480	958	720	190	248	282	270	351	356	736	737	724
2026	821	541	1019	349	231	482	447	562	920			
Households' net FX demand, USD million (daily avg)								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	64	48	34	9	11	13	12	16	16	32	35	33
2026	36	26	46	16	10	22	19	27	42			
Bank clients' net demand for FX, USD million (avg)								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	1832	1711	1360	1563	1958	2021	2332	1541	1261	1453	1423	3010
2026	2268	1864	2968	2563	2207	3778	3492	3520	3970			
Bank clients' net demand for FX, USD million (daily avg)								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	80	86	65	71	85	96	101	73	57	63	68	131
2026	99	89	135	116	100	172	152	168	180			
NBU net FX interventions, USD billion								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-3.7	-3.1	-2.6	-2.2	-2.9	-3.0	-3.4	-2.7	-2.3	-2.9	-2.9	-4.5
2026	-3.7	-3.0	-4.8	-3.6	-3.2	-5.1	-4.8	-4.8	-5.5			
Share of interbank FX turnover without the NBU, %								Update: 23.10.26				
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	38	48	54	58	52	53	52	55	65	58	55	49
2026	48	51	42	51	55	41	43	40	43			

Source: NBU, KSE Institute

TABLES: LABOR INDICATORS

Average nominal wage, USD												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	555	559	597	606	606	632	642	623	632	638	645	733
2026	652	657	693	697	702	733	721	713				
Average nominal wage, UAH thousand												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	22.9	23.1	24.8	25.2	25.3	26.1	26.5	25.9	26.6	26.9	27.2	30.9
2026	27.9	28.3	30.4	30.5	30.9	32.8	32.2	31.9				
Nominal wage growth, % y-o-y												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	25.5	23.3	25.5	21.5	21.6	21.3	21.4	21.1	17.2	19.2	18.2	13.7
2026	21.7	22.4	22.6	21.3	22.6	25.4	21.7	23.1				
Real wage growth, % y-o-y												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	12.6	9.9	10.9	6.4	5.7	7.0	7.3	7.9	5.3	8.3	8.9	5.7
2026	13.3	13.8	13.6	11.7	13.3	17.0	13.0	13.9				
Nominal wage Work.ua, USD												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	543	568	578	590	600	604	605	601	606	623	641	
2026	641	645	651	662	680	671	671	671	671			
Qualified workers shortage, index												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	0.50	0.46	0.48	0.46	0.48	0.50	0.45	0.48	0.53	0.47	0.51	0.57
2026	0.53	0.53	0.61	0.65	0.62	0.47	0.55	0.57	0.60			
Unqualified workers shortage, index												Update: 23.10.26
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	0.29	0.29	0.35	0.33	0.34	0.31	0.35	0.33	0.37	0.30	0.31	0.31
2026	0.29	0.30	0.31	0.31	0.36	0.27	0.30	0.32	0.35			

Source: SSSU, Work.ua, IER, KSE Institute

TABLES: OUTPUT INDICATORS (1/2)

Agricultural production index, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-5.7	-2.7	-4.0	-7.8	-6.7	-35.5	-19	20.8	-23.7	-1.1	84.7	-18.9
2026	3.2	0.1	0.4	2.9	0.5	-8.4	29.7	-9.1				
Industry production index, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-2.7	-8.2	-5.1	-5.4	0.1	4.3	4.5	1.9	1.8	-3.0	-4.9	-2.1
2026	-8.1	-2.6	4.5	1.2	0.3	1.1	-1.7	-6.1				
Mining production index, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-0.7	-24.4	-19.7	-17.3	-7.7	-5.4	-1.6	-3.9	0.5	-19.4	-14.5	-10.1
2026	-9.7	9.0	10.8	8.9	2.8	1.3	0.3	-8.8				
Manufacturing production index, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-1.1	-3.9	2.2	-3.1	3.2	7.5	5.7	3.7	1.3	2.1	1.5	4.6
2026	-6.0	-1.2	6.2	1.1	1.8	3.3	-0.2	-3.9				
Energy production index, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-10.8	2.3	-8.7	7.8	0.5	9.9	11.8	6.0	7.5	2.9	-17.5	-16.1
2026	-12.7	-21.2	-11.8	-10.7	-11.5	-10.1	-12.4	-10.8				
Construction production index, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	13.4	9.8	-22.3	-15.4	9.1	48.6	45.1	23.2	22.4	-7.8	6.9	15.9
2026	3.3	-8.4	-9.4	2.8	-17.8	-13.9	-25.9	-3.7				
Buildings, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	22.3	15.7	16.2	7.0	29.7	37.3	23.8	28.6	31.3	10.2	22.1	20.7
2026	-6.5	-17.3	-14.3	-3.5	-14.5	1.4	-11.3	6.2				
Residential buildings, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	0.0	-4.9	5.0	-14	14.9	36	2.8	30.5	24.5	10.9	28.4	25.6
2026	-12	-15.9	-16.2	5.8	-5.9	0.2	0.5	-2.3				
Non-residential buildings, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	36.7	28.1	21.9	19.2	36.9	37.9	34.6	27.8	34.2	9.9	19.9	19.3
2026	-4.0	-18.0	-13.4	-7.4	-18.1	1.9	-15.9	9.8				
Engineering structures, %, y-o-y										Update: 22.09.26		
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	4.0	3.3	-43.8	-31.1	-3.6	57.2	64.8	18.9	15.2	-19.9	-5.1	11.5
2026	15.5	2.7	-3.7	9.7	-20.4	-24.1	-36	-12.2				

Source: SSSU, KSE Institute

TABLES: OUTPUT INDICATORS (2/2)

Cargo transported, %, y-o-y											Update: 22.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-9.3	-12.3	-24.1	-22.7	-4.6	3.5	-5.7	-1.8	-4.8	-12	-7.4	-4.8
2026	-5.3	-7.3	12.6	22	1.4	0.7	9.1	-6.5				
Freight turnover, %, y-o-y											Update: 22.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	-7.0	-11.3	-23.7	-27.1	-4.8	4.7	-20.4	-14.8	-11.8	-18.1	-14.9	-18.1
2026	-18.4	-19.6	0.9	10.5	-16.3	-16.4	9.2	-11.2				
Passengers carried, %, y-o-y											Update: 22.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	3.7	-6.1	0.3	0.2	-0.2	2.9	2.0	0.2	3.0	-1.7	0.5	-1.4
2026	-8.3	-15.3	-3.1	-2.4	-0.4	-1.1	-1.8	-7.6				
Passenger turnover, %, y-o-y											Update: 22.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	5.4	3.5	4.8	6.9	3.0	9.7	5.0	6.7	6.0	1.8	-0.6	-2.0
2026	19.8	-39.4	-7.2	-4.6	-3.0	-4.3	-1.5	-4.3				
Retail trade turnover, %, y-o-y											Update: 22.09.26	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
2025	5.9	4.0	5.3	6.6	7.0	7.3	3.9	6.3	7.1	10.1	14.1	16.5
2026	13.4	7.5	12.8	7.8	10.9	8.4	8.7	7.6				

Source: SSSU, KSE Institute