

# The economy of Ukraine under the conditions of war

Macroeconomic and social events  
Forecast for the future



# QUANTITATIVE RESULTS



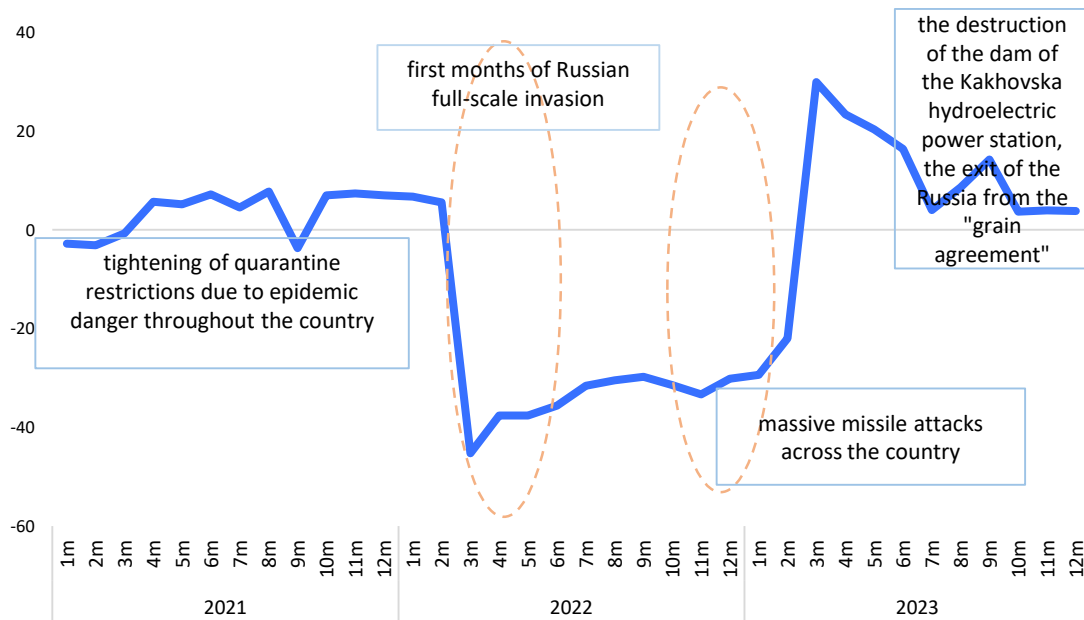
# GROSS DOMESTIC PRODUCT

According to the estimates of the Ministry of Economy, in 2023, compared to 2022, GDP growth is within 5% (in 2022, the fall in GDP was 28.8%).

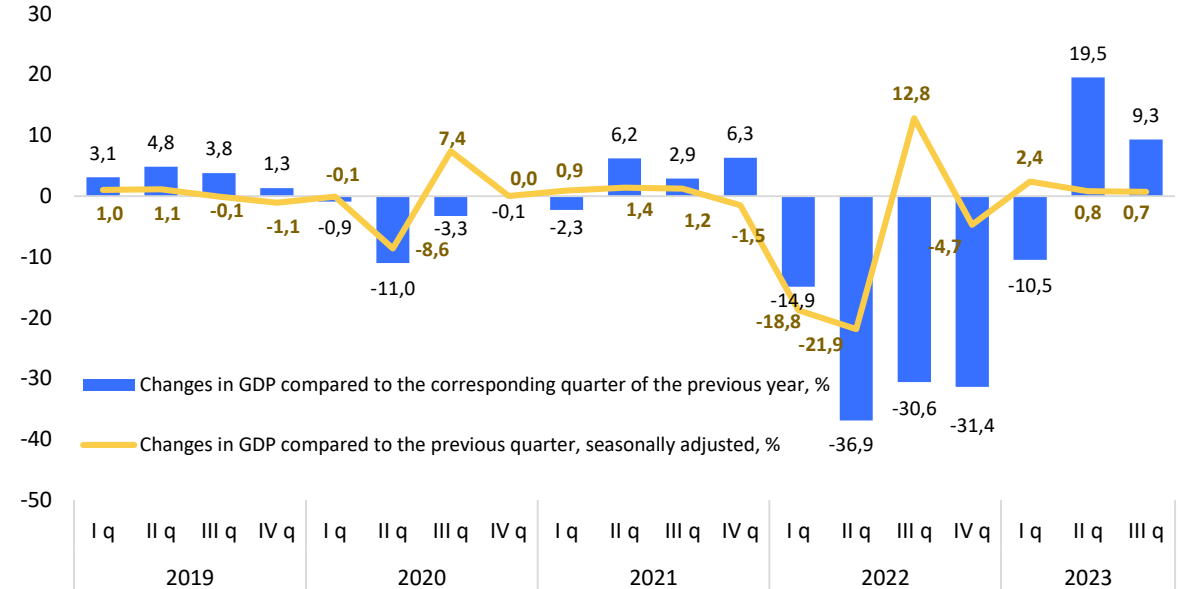
The fastest recovery rates:

- ✓ public administration and defense
- ✓ construction
- ✓ agriculture
- ✓ internal trade
- ✓ processing industry

## GDP, CHANGE, % COMPARED TO THE CORRESPONDING MONTH OF THE PREVIOUS YEAR



## GDP, CHANGE QUARTERLY, %

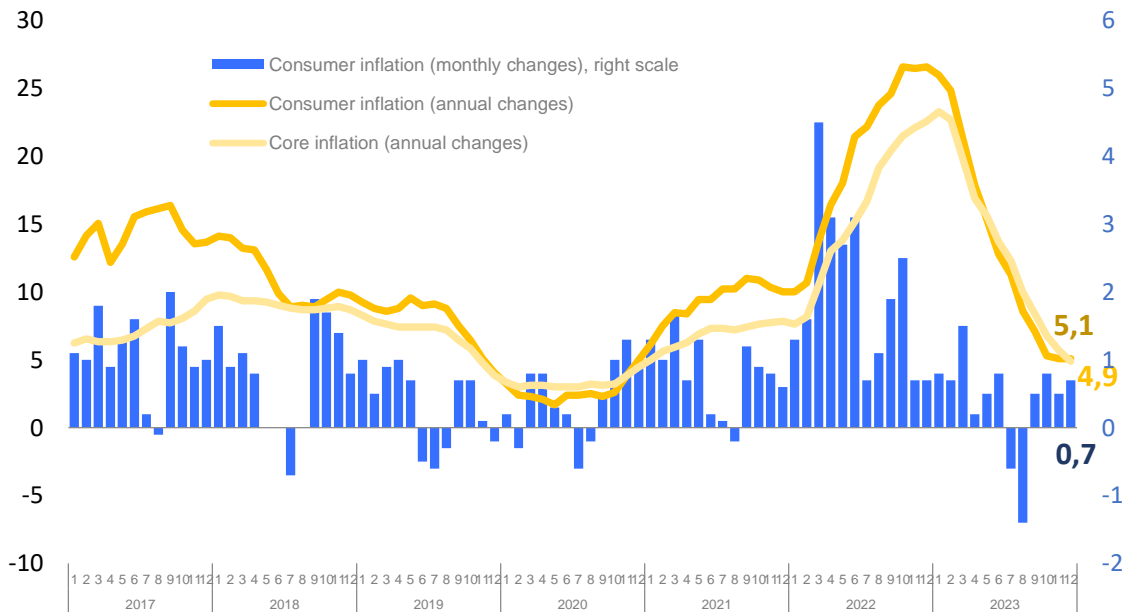


# ENSURING OF ACCEPTABLE PRICE DYNAMICS

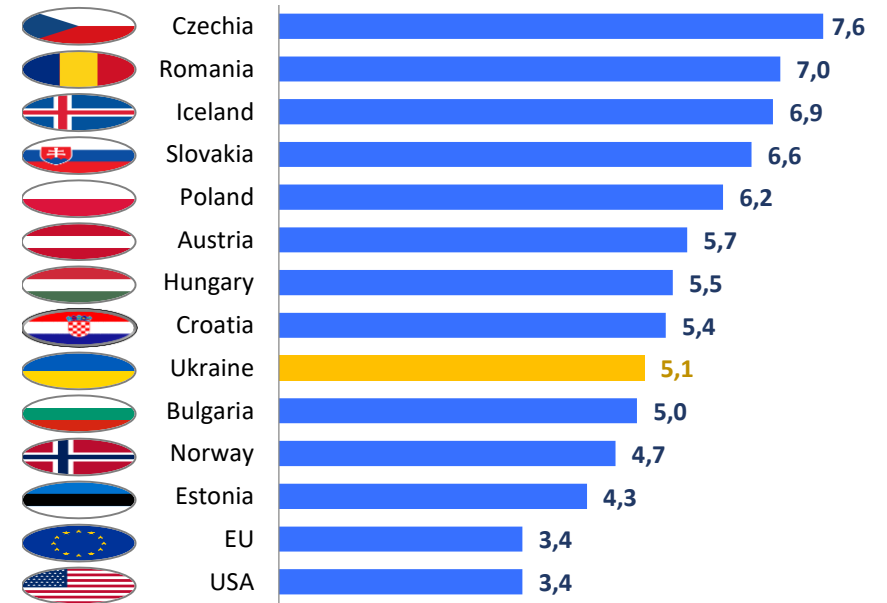
In general, the growth rate of consumer prices throughout 2023 corresponds to the calmest, from the point of view of inflation, peacetime years, and in annual terms (5.1%) it reached the lowest level in the last 3 years.

That is, despite the temporary loss of the occupied territory, significant destruction of fixed assets as a result of the war, and the permanent threat of missile terror, the economy of Ukraine works as a whole mechanism. And the moderate dynamics of growth of consumer prices, which is relatively close to the dynamics of inflation in some European countries, whose economies are not subject to any shocks of the war, continues to be an additional confirmation of this.

## CONSUMER AND CORE INFLATION, CHANGE, %

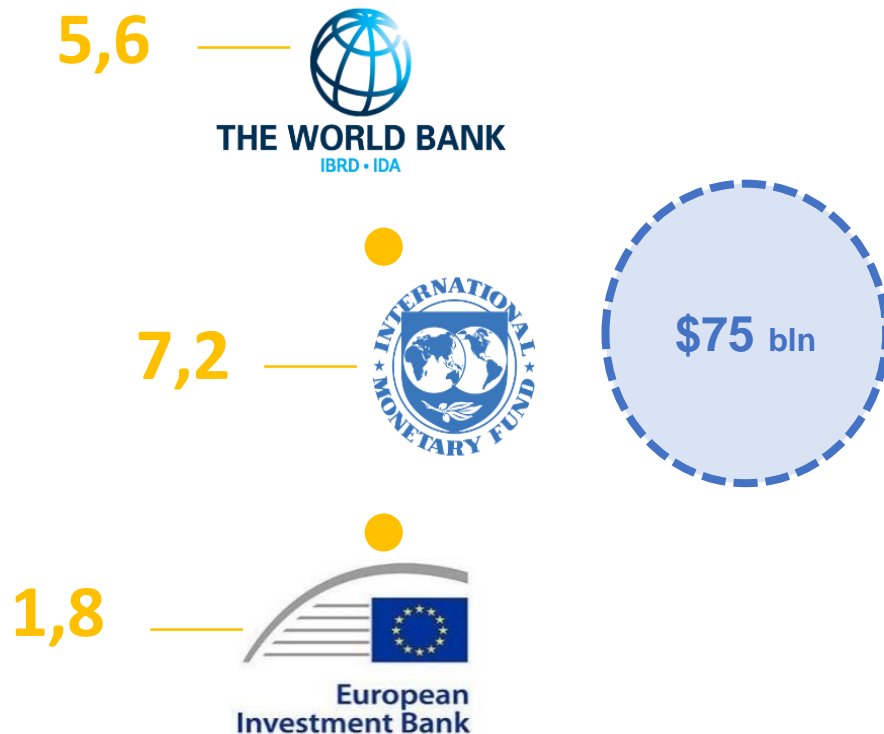


## CHANGES (HARMONIZED) IN CONSUMER PRICES OF SOME COUNTRIES AND UKRAINE, DECEMBER 2023, % ANNUAL RATE

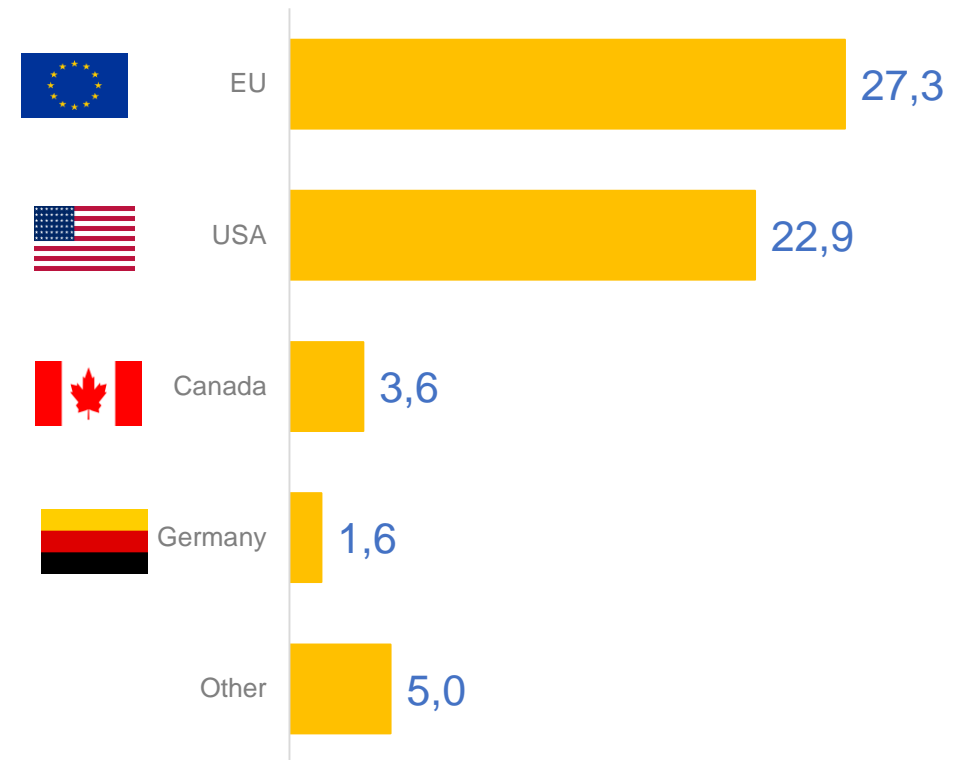


# INTERNATIONAL FINANCIAL ASSISTANCE (FEBRUARY 2022 – DECEMBER 2023)

## OFFICIAL TRANSFERS FROM INTERNATIONAL ORGANIZATIONS TO THE STATE BUDGET OF UKRAINE, BLN USD



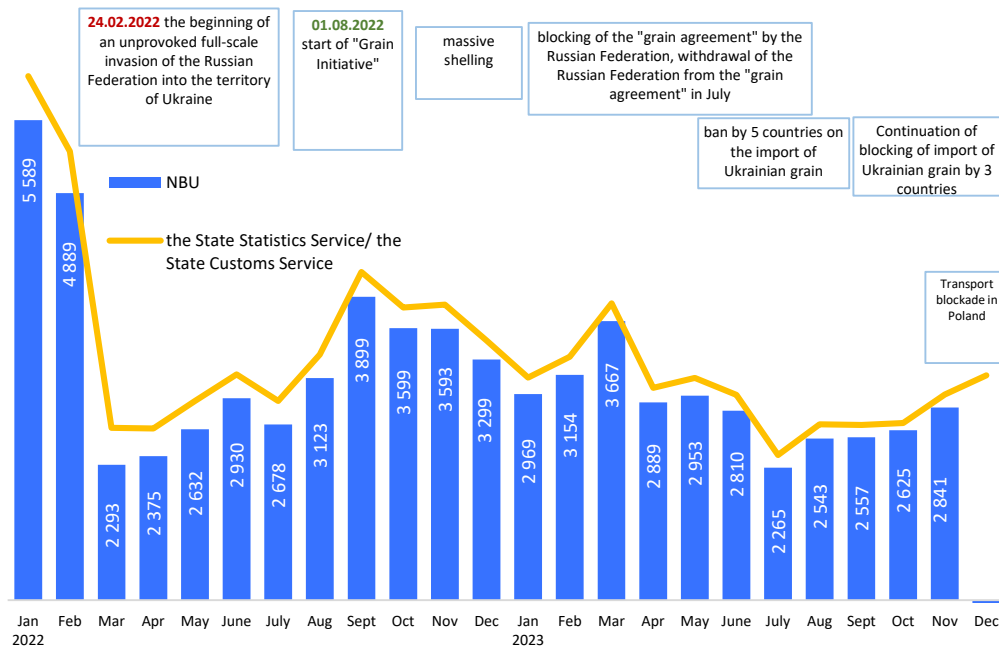
## OFFICIAL TRANSFERS FROM EU COUNTRIES AND THE WORLD TO THE STATE BUDGET OF UKRAINE, BLN USD



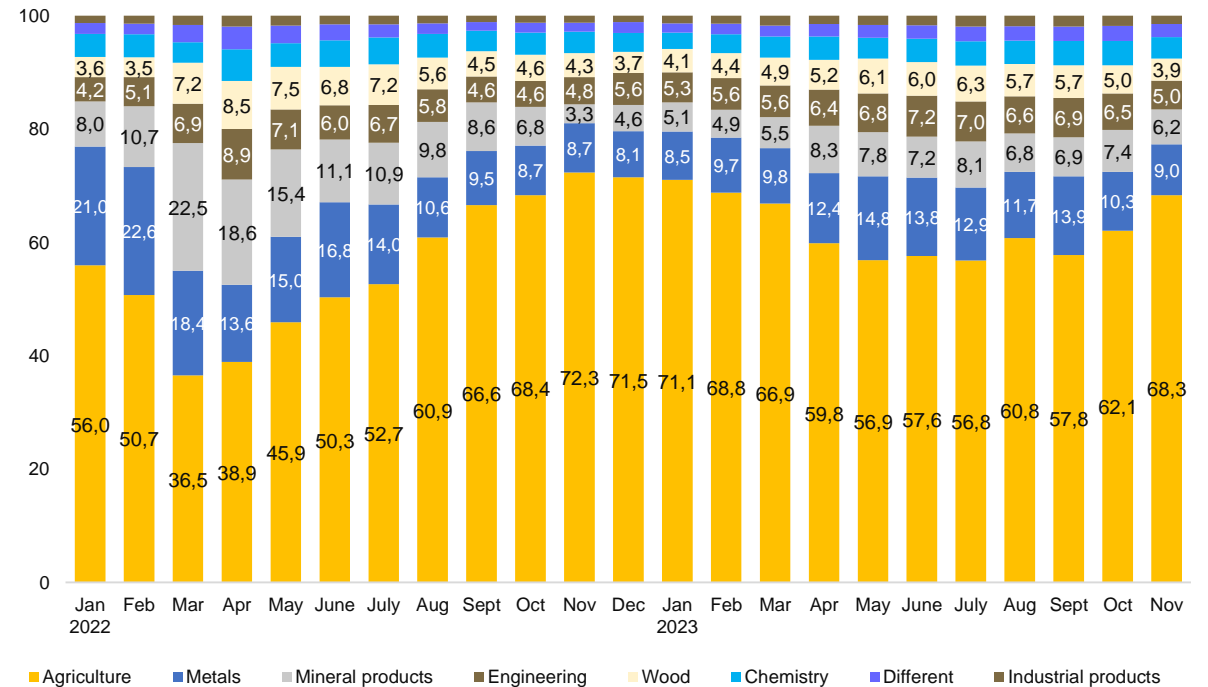
# EXPORT DURING HOSTILITIES

In 2023, there was a purposeful destabilization of the situation regarding the inspection of vessels in the Black Sea by the Russian Federation, which led to a decrease in the volume of exports of agricultural products through the ports of Odesa, Pivdenny, and Chornomorsk. And already in July, the Russian Federation generally withdrew from the "grain agreement". Because of this and the continuation of the negative factors of 2022, in particular, logistical restrictions, the loss of certain export-oriented enterprises due to the destruction/damage and occupation of the Russian Federation, the narrowing of the economic activity of the production sector, as well as the introduction by five countries of a ban on the import of Ukrainian grain from May 2023 and the beginning of blocking cargo on the Polish border in January-November 2023, a decrease in the export of goods and services was observed by 12.4% (compared to January-November 2022).

## EXPORT OF GOODS IN 2022-2023, MONTHLY, MLN USD



## THE STRUCTURE OF EXPORT OF GOODS, % TO THE TOTAL VOLUME OF EXPORT OF GOODS

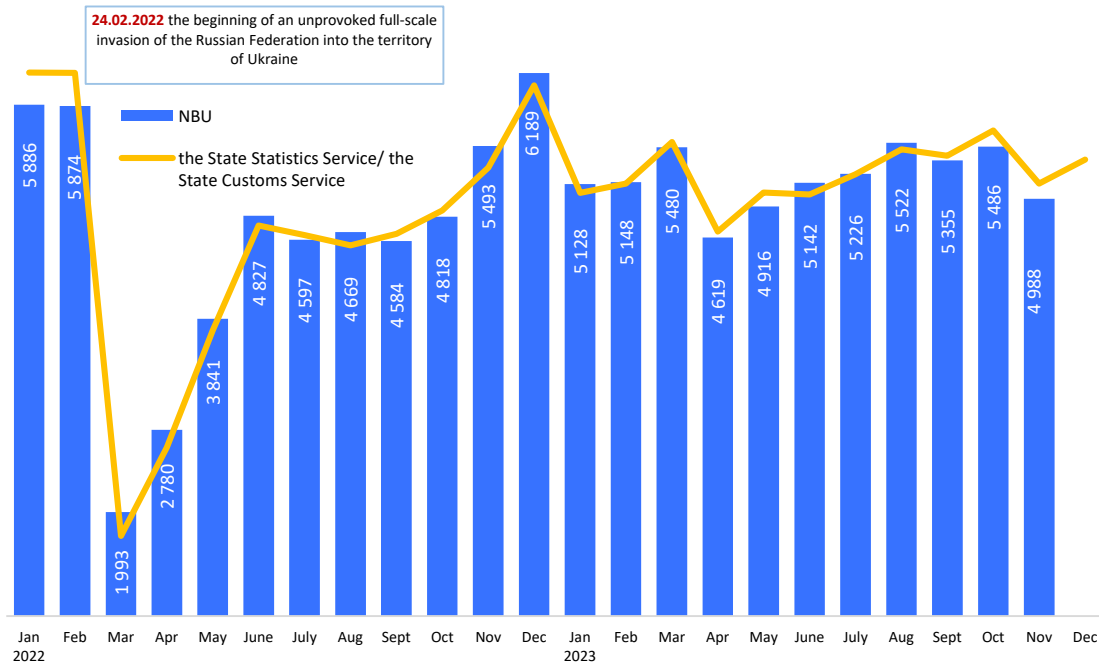


# IMPORT DURING HOSTILITIES

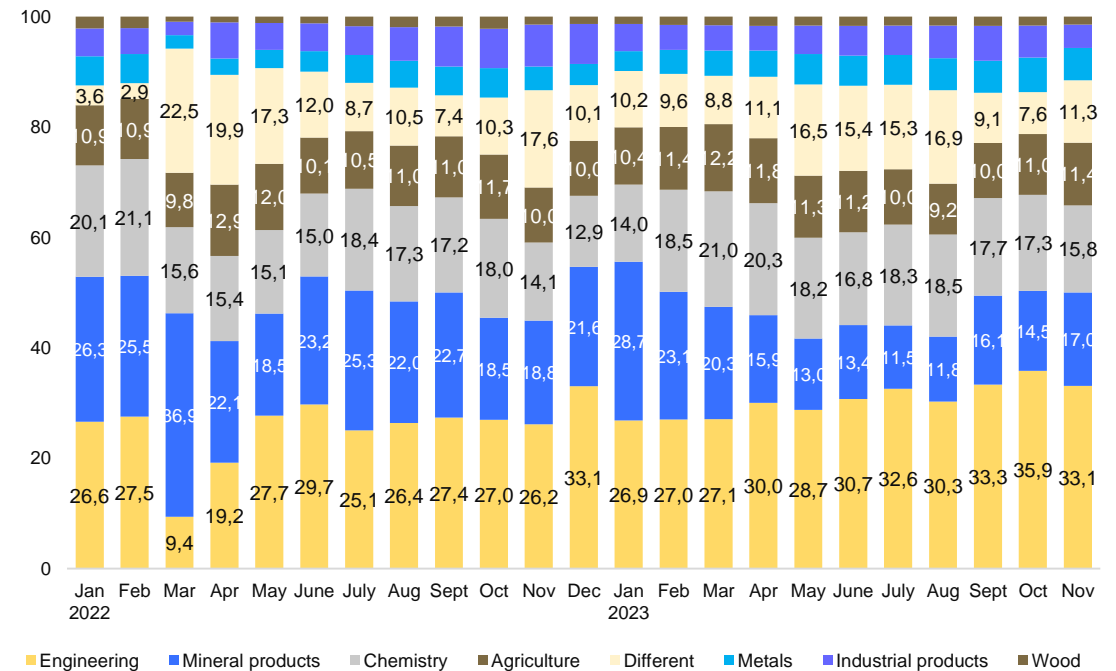
The import of goods was characterized by positive dynamics - there was an increase in value volumes in January-November 2023, together with January-November 2022, by 15.5%. In general, the import of goods and services increased by 8.3%, respectively, taking into account the decrease in the import of services by 6.1%.

In the structure of import of services, the import of travel in January-November 2023 was 70.6% (taking into account migration land in the country) (in January-November 2022, it was 71.5%, respectively).

## IMPORT OF GOODS IN 2022-2023, MONTHLY, MLN USD



## THE STRUCTURE OF IMPORT OF GOODS, % TO THE TOTAL VOLUME OF IMPORT OF GOODS



# QUALITATIVE RESULTS (STRUCTURAL SHIFT)



# STRUCTURAL SHIFTS

## Changes in the GDP structure

FEATURES / PRIORITIES OF THE WARTIME ECONOMY	NAME OF COMPONENTS OF GDP	SHARE in GDP in 2021	SHARE in GDP in 2023 (9 months)	CHANGE in STRUCTURE
<b>INCREASING THE COUNTRY'S DEFENSE CAPABILITY – INCREASING THE NUMBER OF MILITARY PERSONNEL</b>	Gross Value Added by Types of Economic Activity "GOVERNMENT ADMINISTRATION; MANDATORY SOCIAL INSURANCE"	6,2%	21,2%	↑ +15,0 p.p.
REPLACEMENT OF PRODUCTS OF LOST (DESTROYED/OCCUPIED) FACTORIES, INCREASE IN DEMAND FOR PRODUCTS OF MILITARY INDUSTRY, IMPORT OF SERVICES (DUE TO HIGH MIGRATION)	IMPORT OF GOODS AND SERVICES	42,0%	52,9%	↑ +10,9 p.p.
<b>INCREASING THE COUNTRY'S DEFENSE CAPABILITY – RAPID INCREASE IN DEMAND FOR MILITARY-INDUSTRIAL COMPLEX PRODUCTS, RESTORATION OF DESTROYED INFRASTRUCTURE</b>	GROSS CAPITAL ACCUMULATION	13,2%	17,1%	↑ +3,9 p.p.
<b>INCREASING THE DEFENSE CAPABILITY OF THE COUNTRY – INCREASING THE PRODUCTION OF MILITARY-INDUSTRIAL COMPLEX PRODUCTS AND PRODUCTS FOR THE RECONSTRUCTION OF THE DESTROYED</b>	THE SHARE OF MECHANICAL ENGINEERING IN THE STRUCTURE OF THE SALE OF INDUSTRIAL PRODUCTS	5,7%	6,8%	↑ +1,1 p.p.
POSTPONEMENT OF DEMAND FOR NON-ESSENTIAL GOODS AND SERVICES "FOR LATER", MORE THAN 6 MILLION MIGRANTS	FINAL CONSUMER EXPENDITURES OF HOUSEHOLDS	68,2%	66,3%	↓ -1,9 p.p.
LOSS OF DOMESTIC ENTERPRISES DUE TO WAR. LOGISTICAL CONSTRAINTS	EXPORT OF GOODS AND SERVICES	40,7%	30,5%	↓ -10,2 p.p.