

UKRAINE

# Nerve-wracking Times

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Brace for fall: this typically quiet summer is just a lull. Soon, economic hardship plus campaign season stress will make for a turbulent stretch – with a very uncertain outcome.

The weak harvest is the biggest front-burner news. Grain crops in July were down 20.9%, y/y. The full harvest is still expected to come in at 40 million tons, a fairly sound volume for Ukraine. But, against a backdrop of rising food prices, a weak harvest is especially serious. Real agricultural growth statistics will be deep into the red by yearend.

Though it made headlines, the recent ratification of the Free Trade Agreement with the CIS doesn't change Ukraine's relations with CIS countries much>>>