

**Overview: Economic Model  
Outlines Shock Scenario**

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Shock**

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Import Growth Posed Mid-Term  
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# Drifting toward Currency Shock

At the start of the year, when Christmas holidays in this part of the world created something of an information vacuum, we decided to invest more time in our mid-term forecast exercises, to identify opportunities and restrictions Ukraine will face over the next five years.

Summing up the results of 2010, we see quite a controversial picture. On the one hand, the economy has been gradually recovering, the political situation has stabilized, the IMF has established a new stand-by program and economic reforms look as though they are heading for the next stage. On the other hand, we've observed a dampened democracy, an upsurge in corruption and a steady increase in social tension.

Though the overall result of 2010 is debatable, in the economic sphere, the year generated several trends that helped us telegraph 2011 [>>>](#)