FY 2026/27 July Edition	Microeconomic Indicators and Developments

A) Microeconomic Developments

Issue	Market Updates
Employment	There were no officially registered migrant workers in July 2026, following travel restrictions imposed by Saudi Arabia, the UAE, Qatar and Kuwait in response to the Ebola outbreak in Uganda.
Living Standards	Monthly inflation for Food & Non-alcoholic Beverages reduced by 0.5% in July 2026 compared to the no change registered in June 2026. This was mainly attributed to monthly food inflation, which decreased by 0.5% in July 2026 from the 0.2% drop recorded in June 2026. On the other hand, monthly Energy, Fuels and Utilities (EFU) inflation reduced by 2.9% in July 2026, compared to 3.4% increase registered in June 2026. This was mainly attributed to a reduction in diesel prices by 1.3% in July 2026 compared to the 13.2% reduction registered in June 2026. The average cost of 1GB data increased by 44% from Ushs. 2,039 in March 2026 to Ushs. 2,930 in June 2026.
Equity and Economic Inclusion	The volume of agent banking transactions increased by 37% from 10.9 million in March 2025 to 15 million in March 2026. On the other hand, transaction values increased by 65.2% from Shs25 trillion to Shs41.3 trillion during the same period. The growth in the volume of transactions was mainly attributed to higher transactions of float purchase and cash deposits.
Environmental Sustainability	Air quality in Kampala further deteriorated, with particulate matter increasing by 42% from 37.7µg/m³ in June 2026 to 53.4µg/m³ in July 2026. This was attributed to dry and dusty weather conditions during July 2026.
Productivity	Malaria prevalence reduced by 43% from 2.3 deaths per 1,000 persons in June 2026 to 1.3 deaths in July 2026.
Competitiveness	Monthly inflation for Liquid Energy Fuels increased by 1.5% in July 2026, compared to the 8.9% increase recorded in June 2026. This was attributed to a reduction in the prices of Liquid Energy Fuels components such as petrol, diesel, kerosene and liquefied gas. The rate for off-net voice across all networks reduced by 26% from Shs0.45 per second in December 2025 to Shs0.332 per second in June 2026.
Markets & Regulation	The International Monetary Fund (IMF) Commodity Price Index reduced by 11% from 216.61 in June 2026 to 193.20 in July 2026. The reduction was partly attributed to a 4% price drop in precious metals, including gold, silver, palladium and platinum. The USE All-Share Price Index increased by 4% from 2,063.98 in June 2026 to 2,141.28 in July 2026. This was attributed to significant price gains from Stanbic Bank Uganda, Equity Bank, and KCB Group. New business registrations increased by 25% from 1,675 new businesses in June 2026 to 2,092 in July 2026.
Local Content	The monthly trade deficit significantly increased by 417% from US$115.69 million in May 2026 to US$597.93 million in June 2026. This was mainly attributed to an increase in import bills of mineral products (excluding petroleum) and machinery, equipment, vehicles and accessories from US$480.36 million and US$261.89 million in May 2026 to US$616.94 million and US$298.33 million in June 2026, respectively. In addition, there was a notable reduction in export receipts of Gold from US$814.78 million in June 2026 to US$684.78 million in July 2026.

B) Policy Response Measures: This edition of the MIND focuses on Competitiveness as a thematic area, with specific focus on Fuel Prices (Liquid Fuel Energy).

<table>
<tr><th>Objective</th><th>Interventions</th></tr>
<tr><td>Improved energy supply and affordability</td><td>The NDPIV Sustainable Energy Development Programme emphasizes the need to improve energy supply, energy security and diversification of energy resources, which are expected to contribute to more stable energy costs over time. To achieve the above, Government is undertaking the following interventions:
1. Strengthening the Policy and Regulatory Framework:
a) Finalized the National Petroleum Policy 2025, replacing the 2008 Policy framework, to respond to significant changes in Uganda’s petroleum sector and the wider global energy landscape. The updated Policy strengthens the framework for petroleum commercialization, technological advancement, regional integration, environmental sustainability and management of the global energy transition.
b) The Uganda National Oil Company (UNOC) acquired the sole importation mandate through the Petroleum Supply (Amendment) Act, 2023. Government established a state-owned entity (UNOC) as the sole importer of refined petroleum products into the country. This has eliminated middlemen in the petroleum value chain and enhanced Uganda’s resilience by diversifying sourcing beyond the Middle East.
c) Ministry of Energy and Mineral Development (MEMD) finalized the new Liquefied Petroleum Regulations, which will soon be gazetted to improve safety, quality control and regulation across Uganda’s growing cooking gas sector.
2. Developing and constructing strategic fuel reserves & storage infrastructure. These will ensure that the country withstands temporary or international supply disruptions without sliding into shortages. These include:
a) Refurbishment of Jinja Storage Terminal (JST), one of Uganda’s main strategic fuel reserve facilities. The facility’s current storage capacity of 30 million litres is expected to increase to 40 million litres after the upgrade.
b) Developing the Kampala Storage Terminal located in Mpigi and a refined products reservoir at Namwabula as part of the Uganda Refinery Project. This planned facility will have the capacity to store over 320 million litres of fuel.
c) Partnered with Lake Victoria Logistics, also known as Mahathi Infra Terminal, to improve fuel transportation and diversify supply routes into Uganda and wider regions. The facility has a storage capacity of 70 million litres.
3. Prioritizing investments in domestic oil refining capabilities:
a) Hoima Crude Oil Refinery. This proposed refinery, valued at US$4 billion, once operational, will process 60,000 barrels of crude oil per day. As of June 2026, pre-Final Investment Decision (FID) technical studies at the planned Hoima Refinery were at 28% completion.
b) Government is also looking beyond the existing oil discoveries and plans to launch its Third Petroleum Licensing Round during FY2026/27, offering new exploration blocks in the Albertine Graben and Frontier basins such as Moroto-Kadam Basin, Hoima Basin, and Lake Kyoga Basin. Relatedly, UNOC has begun additional seismic surveys in the Kasurubani area to identify new petroleum prospects.</td></tr>
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C) Microeconomic Outlook: Continued Government interventions in the Oil and Gas sector are expected to reduce exposure to imported fuel prices and exchange rate shocks, increase energy security, stimulate growth of related industries and create employment opportunities. In addition, the forecasted increase of Government revenue from oil production is expected to provide additional funding for other public investments and broader socio-economic development initiatives.

MEDIA WATCH POST

JULY 2026

MICROECONOMIC ISSUES IN THE NEWS & REPORTS

FUEL PRICES AND BUNYORO ZONAL SUMMARY

Liquid Energy Fuel Prices	**The Global Commodity Prices Report for April 2026 highlighted the following:** a) Global Oil prices registered a significant increase, rising to about $100 per barrel in March and April 2026 from $69 per barrel in January and February 2026. The increase was attributed to the conflicts in the Middle East that disrupted oil supply through the Strait of Hormuz. b) There was a historic oil supply disruption with global losses reaching about 10 million barrels per day in March 2026. Notable supply reductions were in Iraq, Kuwait, Qatar, Saudi Arabia and the United Arab Emirates. c) By 2027, Oil prices are expected to reduce to an average of $70 per barrel, provided production resumes and trade routes clear in the second half of 2026. **The Consumer Price Index Report for July 2026 highlighted the following:** d) Petrol and Diesel prices increased by 2% and 1% from Ushs. 6,416 and Ushs. 6,540 per litre in June 2026 to Ushs. 6,538 and Ushs. 6,603 per litre, respectively, in July 2026. Liquefied Gas prices increased by 1.5% in July 2026 compared to the 4.3% increase in June 2026.
Bunyoro Sub-Region: Economy, Public Services, Industry and Oil Production	**Bunyoro sub-region** is located in the Western part of Uganda, with a population size of 2.7 million people (6% of the National Population in 2024). **1. State of the Economy:** Households comprise of 4.2 persons on average. The income poverty rate of the sub-region increased from 9.8% in 2019/20 to 15.8% in 2023/24, while income inequality reduced from 0.347 in 2019/20 to 0.345 in 2023/24, below the national average of 0.382. About 31.4% of the households are in the subsistence economy, slightly below the national average of 33% in 2024. Unemployment rate in the sub-region stands at 9.9%, below the national average of 12.2%. **2. Public Spending and Service Delivery:** The sub-region has a Uganda Registration Services Bureau (URSB) regional office in Hoima, a Zonal Land Office in Masindi, and two Uganda Revenue Authority (URA) service stations in Hoima and Masindi. In addition, the sub-region has two High Courts located in Hoima and Masindi, and Magistrate Courts in Hoima, Masindi, Kiryandongo and Kibaale. Each district in the sub-region has a NIRA Office. **3. Trade, Industry and Local Economic Development:** The leading value chains are bananas, oil and gas. The sub-region is home to Kabalega Industrial and Business Park, which is under development and has transitioned into the investor mobilization phase. In addition, Kabalega International Airport, located in the sub-region, is approximately 98% complete, with major physical works completed. Furthermore, the newly constructed Hoima City Stadium, which is expected to host the 2027 Africa Cup of Nations (AFCON), is located in the sub-region. This infrastructure is vital for Uganda's socioeconomic and industrial transformation. **4. Oil Production in Bunyoro sub-region:** The sub-region is Uganda's petroleum and energy hub, with significant progress on Tilenga, Kingfisher Project and East African Crude Oil Pipeline (EACOP). As at June 2026, physical works on the Tilenga and Kingfisher projects had reached 74% and 79% completion, respectively, while the Pre-Final Investment Decision (FID) technical studies for the planned Hoima Refinery had reached 28% completion. In addition, physical works at EACOP had reached 91% completion as at August 2026. This transition to domestic oil production and refinery is expected to reduce dependence on imported petroleum products and moderate fuel price pressures.

Microeconomic Indicator Dashboard (MIND)

MIND UPDATE

FY2026/27

DASHBOARD: JULY 2026

Version 1.0

Issues	Indicators		Frequency	Status	
Employment	Jobs	Formal Sector[1]	Monthly (-2)	805,428	
		Informal Sector	Yearly (-1)	7,350,199 (-16.4%)	▼
		Migrant Workers	Monthly (-1)	1,241	
	Incomes	Per-capita GDP (US$): 2025/26	Yearly	1,420 (4%)	▲
		Income Poverty (%)	Yearly (-2)	16.1% (20.6%)	▼
		Remittances (US$, M): CY2025	Yearly	2,500 (59.4%)	▲
Living Standards	Utilities (Retail Tariff Rates)	Water (M^3)	Quarterly	4,307 (1.96%)	▲
		Power/Domestic	Quarterly	779.4 (3%)	▲
		Data (Ushs, 1GB)	Monthly	2,930 (44%)	▲
	Household Expenditure (HFCE), Ushs Bn		Quarterly (-1)	36,102 (-14%)	▼
	Healthcare Expenditure (HH, Ushs)		Yearly (-2)	32,000 (113.3%)	▲
	Food Inflation (%)		Monthly	-0.5 (3.1)	▼
	EFU Inflation[2] (%)		Monthly	2.9 (14.9)	▼
	Residential Property Price Index (RPPI) for GKMA		Quarterly	121.07 (1.9%)	▲
	Crime Rate (per 100,000):2025		Yearly	427.8 (-10%)	▼
Equity and Economic Inclusion	Private Pension: Active Members		Yearly (-2)	733,588 (12.5%)	▲
	Private Pension: Registered Members		Yearly (-1)	3,604,189 (47%)	▲
	Public Pension (Beneficiaries)		Yearly (-1)	365,000 (-4.6%)	▼
	SAGE (Beneficiaries)		Yearly	489,673 (60%)	▲
	Agent Banking (Volume of Transactions, Mn)		Yearly	15	▲
Environmental Sustainability	Water Quality ($PM_{2.5}$)[3]		Quarterly	Low, 20.54	
	Air Quality ($PM_{2.5}$)[4]		Monthly	53.4µg/m^3 (38.6%)	▲
	Noise Pollution (Decibels, Kampala)		Monthly	High, 64.17 (0.76%)	
	Seasonal Changes in Rainfall		Monthly	Near Normal	
	Natural Disaster Incidences[5]		Monthly	120,936	

Issues	Indicators		Frequency	Status	
Productivity	Literacy Rate (Grade 6)[6]		Yearly	42.7% (97.8%)	▲
	Numeracy Rate (Grade 6)		Yearly	58% (40.8%)	▲
	Morbidity Rate (Malaria Incidence)[7]		Monthly	1.3 (43%)	▼
	PIP Budget Absorption (GoU, IFMS %)[8]		Yearly	83.3% (-8.5%)	▼
Competitiveness	Power Tariff (Ushs per Unit)	Medium	Quarterly	363.8 (2.4%)	▲
		Large	Quarterly	308.1 (2.5%)	▲
		Extra Large	Quarterly	207.7 (2%)	▲
	Av. Freight Costs (US$, Mom-Kla, 40ft)		Monthly	3,500	
	Commercial Case Backlog[9]		Yearly (-1)	2,135 (29.8%)	▲
	Fuel Prices (Liquid Energy Fuel Inflation)[10]		Monthly	1.5%	▲
	Customs Clearance (Hours)		Monthly	5.13 (0%)	
	Transit Times (Mom-Kla, Days)		Monthly	4.8 (0%)	
	Investment Registration (Days)		Yearly	2	
	Export Growth		Quarterly (-1)	11%	▲
	Electricity Connection (Days)		Monthly	28 (0%)	
	Water Connection (Days)		Monthly	3 (0%)	
	Investment Growth (GFCF)		Quarterly (-1)	1.4%	▲
	Communication Rates	Voice (Ushs Per Sec)	Quarterly	0.33 (26%)	▼
		Data[11]	Monthly	100,000 (-43%)	▼
Markets and Regulations	IMF Primary Commodity Price Index		Monthly	193.20 (-11%)	▼
	Average Monthly Net Salary (After Tax)		Yearly	628,611	
	Retail Sales/EFRIS[12]		Quarterly (-1)	63% (-25%)	
	USE All Share Price Index		Monthly	2,141.28 (4%)	▲
	New Business Registrations		Monthly	2,092 (25%)	▲
Local Content	Hotel Occupancy Rate (Kla)		Yearly	53.2% (13.4%)	▲
	Plant Utilization Rates (SME-Large Firms)		Yearly	53.6%	
	MUG Shelf-Presence[13]		Yearly	N/A	
	Trade Balance (US$, Millions)		Monthly (-1)	-597.93 (417%)	▲
	Contracts Awarded to Local Providers[14]		Yearly	60%	▼

*Unless indicated all quarterly figures are for Q4, FY2025/26.[1] Active PAYE Register Jobs|[2]Energy, Fuel and Utilities |[3] Particulate Matter |[4] 35.5-55.4 is Unhealthy|[5] Total number of individuals affected by Natural Hazards |[6] Persons aged 10 years and above |[7]Cases per 1,000 population |[8] Cumulative Absorption in FY2024/25 |[9] June 2025|[10] Percentage Average Change|[11] Highest Mbps Airtel|[12] Electronic Fiscal Receipting and Invoicing System |[13] Made in Uganda (MUG)|[14] By Value.