



National Bank
of Ukraine

Business Outlook Survey of Vinnytsia Oblast*

Q1 2025



*This survey only reflects the opinions of respondents in Vinnytsia oblast (top managers of companies) who were polled in Q1 2025, and does not represent NBU forecasts or estimates

A survey of companies carried out in **Vinnytsia oblast** in Q1 2025 showed that, despite the war, high energy, raw material and supplies prices, respondents continued to **expect an increase in the output of Ukrainian goods and services** over the next 12 months. Respondents had **positive expectations for the performance of their companies** over that period. Inflation and depreciation processes were expected to continue.

The top managers of companies said they expected that over the next 12 months:

- **the output of Ukrainian goods and services would increase at a faster pace:** the balance of responses was 72.7% (these were some of the firmest expectations among the regions), compared to 42.9% in the previous quarter (Figure 1). Overall, across Ukraine, the balance of responses was 15.6%
- **prices for consumer goods and services would grow:** the share of respondents who expected that the inflation rate would exceed 10.0% was 59.1%, compared to 57.1% in Q4 2024, the figure across Ukraine being 39.7%. Respondents referred to production costs (mentioned by 95.5% of the respondents), the hryvnia exchange rate and tax changes (the impact of the latter factor was reported to have increased) as the main inflation drivers (Figure 2)
- **the hryvnia would depreciate:** 95.5% of respondents expected the hryvnia to weaken against the US dollar, compared to 95.2% in the previous quarter and 89.1% across Ukraine
- **the financial and economic standings of their companies would improve at a faster pace:** the balance of expectations was 27.3%, compared to 4.8% in Q4 2024 (see Table). Overall, across Ukraine, the balance of responses was 4.7%
- **total sales would grow more quickly:** the balance of responses was 50.0%, compared to 28.6% in the previous quarter (see Table), and 20.7% across Ukraine
- **investment in construction and in machinery, equipment, and tools would increase more quickly:** the balances of responses were 35.0% and 70.0% respectively, up from 27.8% and 55.6% in the previous quarter (see Table). Across Ukraine, the balances of responses were 2.7% and 13.4% respectively
- **staff numbers at their companies would remain unchanged:** the balance of responses was 0.0%, as in Q4 2024 (Figure 4). Overall, across Ukraine, the balance of responses was (-0.6%)
- **purchase and selling prices would rise:** the balances of responses were 95.5% for each, compared to 85.0% for each in the previous quarter (Figure 6). Respondents referred to high raw material and supplies prices, energy prices and wage costs as the main selling price drivers (Figure 7)
- **both per-unit production costs and wage costs per staff member would grow:** the balances of responses were 100.0% and 81.8% respectively, compared to 80.0% and 81.0% in the previous quarter (Figures 4 and 6).

Companies cited high raw material and supplies prices, energy prices, and military actions and their consequences as the main drags on their ability to boost production (Figure 5).

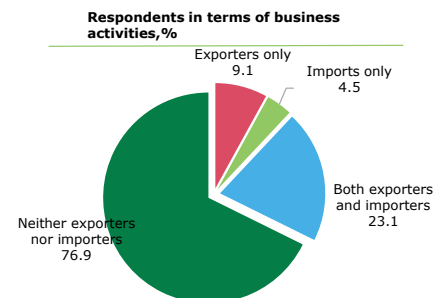
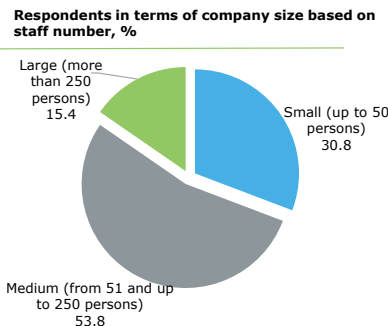
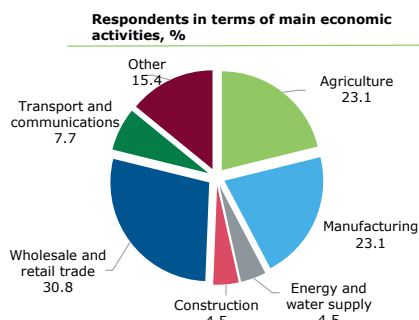
Respondents reported stronger expectations of an increase in their borrowing needs in the near future (Figure 8). The respondents who planned to take out loans (27.3% of those surveyed) preferred domestic currency loans. Respondents said that lending standards had remained unchanged (Figure 9). Companies cited the availability of other funding sources, high loan rates, complicated paperwork and collateral requirements as the main factors deterring them from taking out loans (Figure 10).

All of the respondents said that they had encountered no difficulties in effecting transactions with funds deposited in bank accounts (96.6% across Ukraine).

Assessments of financial and economic standings as of the time of the survey (Figure 3)

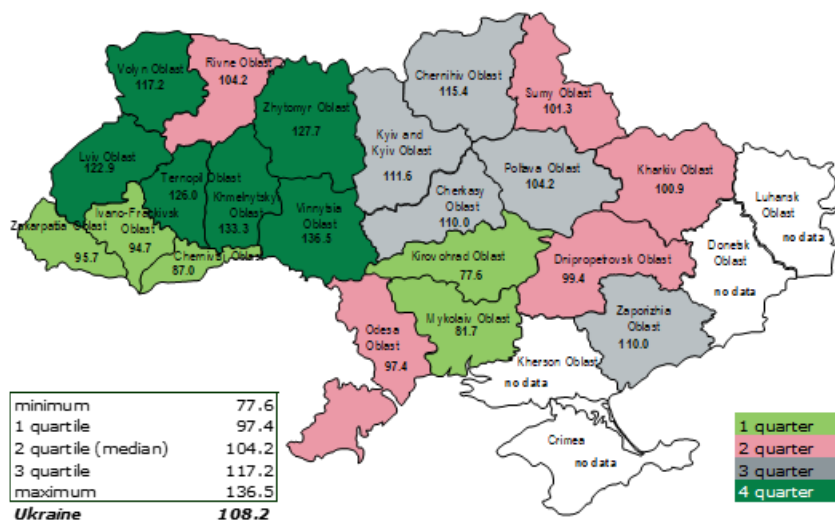
- **Respondents assessed their current financial and economic standings as bad:** the balance of responses was (-4.5%), compared to (-9.5%) in the previous quarter and (-3.4%) across Ukraine.
- **Finished goods stocks were assessed at higher than normal levels:** the balance of responses was 7.1%, compared to 7.7% in Q4 2024.
- **Companies had a sufficient amount of unutilized production capacity to meet any unexpected rise in demand:** the balance of responses was 4.8%, compared to 0.0% in the previous quarter.

Survey Details^{1,2}



- Period: 3 February through 27 February 2025.
- A total of 22 companies were polled.
- A representative sample was generated on the basis of the agricultural sector and the manufacturing industry.

Business Outlook Index for Next 12 Months in Terms of Oblasts³, %



*a quartile is the value of the BOI where an ordered sample is divided into four equal-sized subgroups

**a median is the value of the BOI in the middle of an ordered sample where the sample is divided into two equal-sized subgroups

Table. The Business Outlook Index of Companies in Vinnytsia Oblast and Its Components

Expectations over next 12 months for	Balances of responses, %				
	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25
Financial and economic standings	4.5	0.0	33.3	4.8	27.3
Total sales	28.6	20.0	57.1	28.6	50.0
Investment in construction	22.2	10.0	11.1	27.8	35.0
Investment in machinery, equipment, and tools	27.8	20.0	44.4	55.6	70.0
Staff numbers	-9.1	0.0	-4.8	0.0	0.0

¹ This sample was generated in proportion to the contribution of each oblast and each economic activity to Ukraine's gross value added.

² Data for totals and components may be subject to rounding effects.

³ The business outlook index (BOI) is an aggregate indicator for expected business performance over the next 12 months. It is calculated using the balances of respondents' responses regarding changes in the financial and economic standings of their companies and future economic activity.

Figure 1

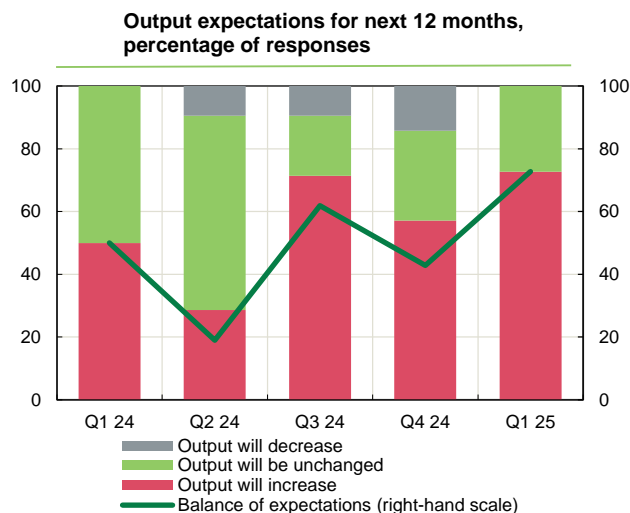


Figure 2

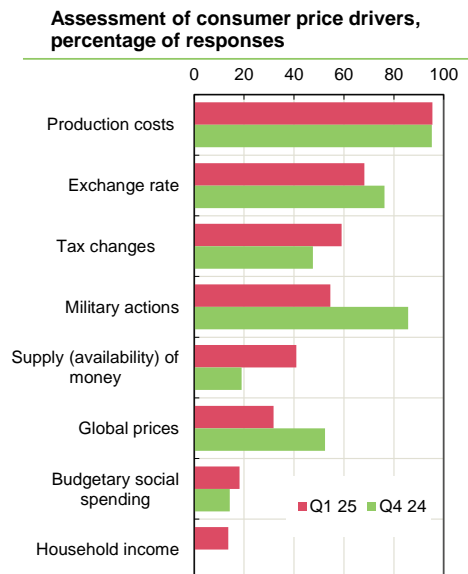


Figure 3

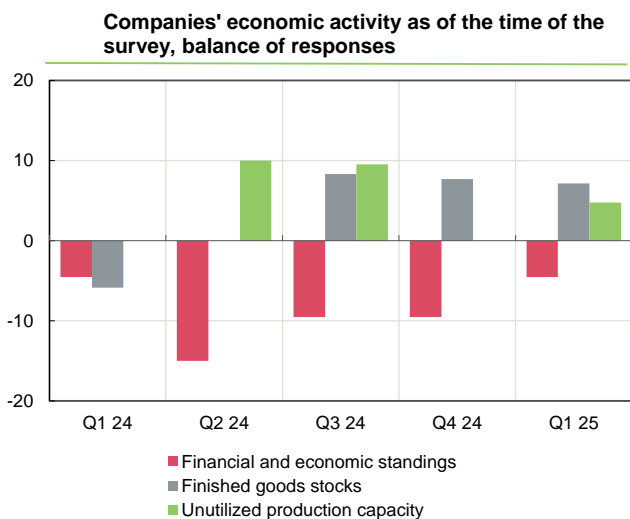


Figure 4



Figure 5

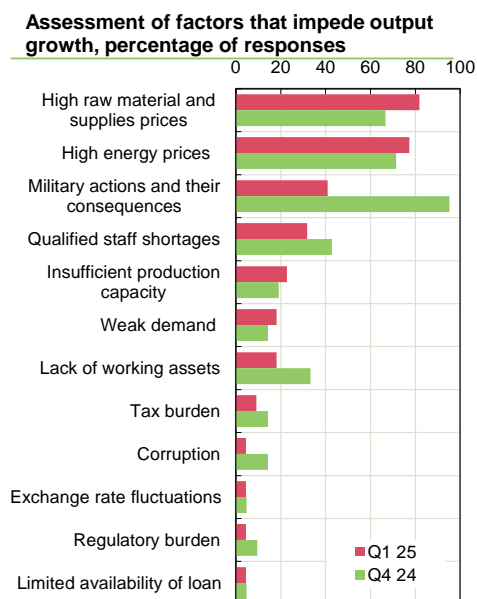


Figure 6

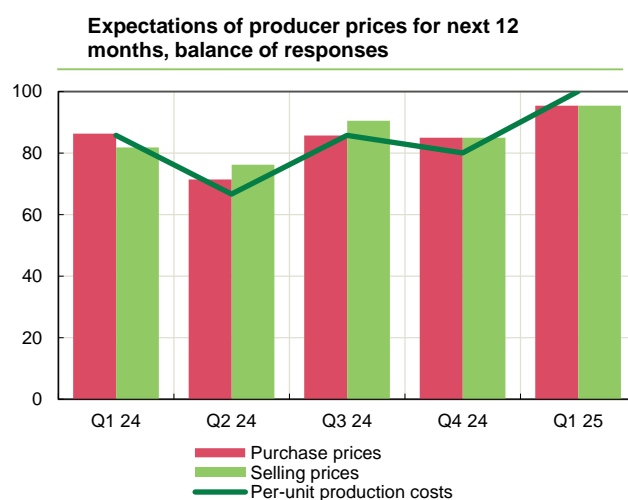


Figure 7

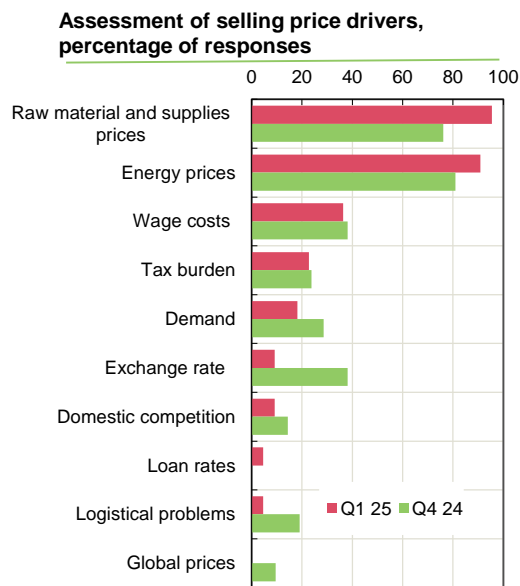


Figure 8

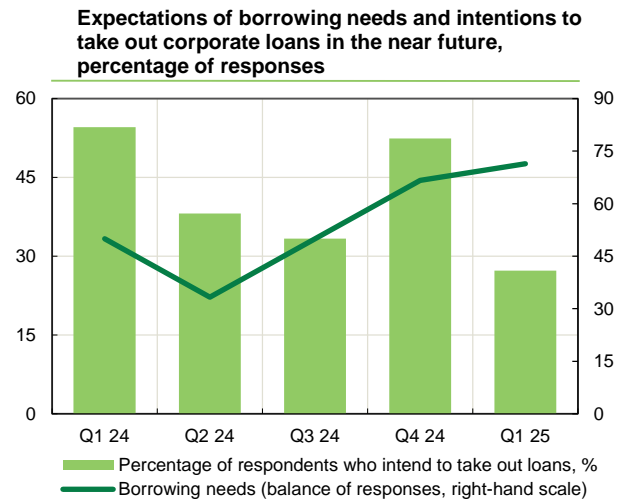


Figure 9

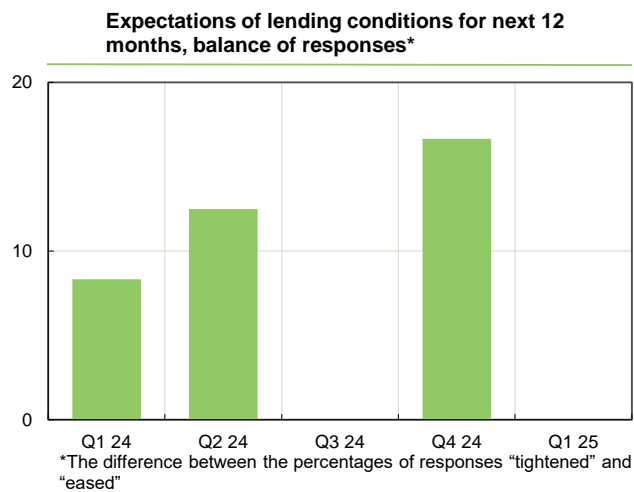


Figure 10

