



National Bank  
of Ukraine

## Business Outlook Survey of Cherkasy Oblast\*

Q1 2025



\*This survey only reflects the opinions of respondents in Cherkasy 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 **Cherkasy oblast** in Q1 2025 showed that, despite the war, qualified staff shortages and high energy prices, respondents **expected growth in the output of Ukrainian goods and services** over the next 12 months. They had **positive expectations for the performance of their companies** over this period. Prices were expected to rise. Depreciation expectations strengthened.

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

- **the output of Ukrainian goods and services would grow:** the balance of expectations was 10.0%, compared to (-10.0%) in Q4 2024. Overall, across Ukraine, the balance of responses was 15.6% (Figure 1)
- **prices for consumer goods and services would rise:** a total of 55.0% of respondents expected the inflation rate not to exceed 10.0% (as in the previous quarter and compared to 39.7% across Ukraine). Respondents referred to military actions, production costs, and the hryvnia exchange rate as the main inflation drivers (Figure 2)
- **the hryvnia would depreciate more slowly:** a total of 70.0% of respondents expected the hryvnia to weaken against the U.S. dollar, compared to 80.0% in the previous quarter and 89.1% across Ukraine
- **the financial and economic standings of their companies would improve:** the balance of expectations was 5.0%, compared to (-5.0%) in Q4 2024 (see Table). Overall, the figure across Ukraine was 4.7%
- **total sales would grow:** the balance of responses was 10.0%, up from 5.3% in Q4 2024. Meanwhile, external sales were expected to drop: the balance of responses was (-12.5%), compared to 16.7% in the previous quarter (see Table). Across Ukraine, the balances of responses were 20.7% and 19.5% respectively
- **investment in construction and in machinery, equipment, and tools would increase at a faster pace:** the balances of responses were 25.0% and 20.0% respectively, compared to 15.0% and 5.0% respectively in the previous quarter (see Table). The balances of responses across Ukraine were 2.7% and 13.4% respectively (see Table)
- **staff numbers at their companies would decrease:** the balance of responses was (-10.0%), compared to (-15.0%) in Q4 2024 (Figure 4). Across Ukraine, the balance of responses was (-0.6%)
- **purchase and selling prices would rise:** the balances of responses were 85.0% and 65.0% respectively, compared to 85.0% and 55.0% in the previous quarter (Figure 6). Energy prices, raw material and supplies prices, the hryvnia exchange rate and wage costs were cited as the main selling price drivers. The impact of global prices and the tax burden was reported to have increased compared to the previous quarter (Figure 7)
- **per-unit production costs and wage costs per staff member would rise more quickly:** the balances of responses were 75.0% and 70.0% respectively, compared to 45.0% and 42.1% in Q4 2024 (Figures 4 and 6).

Companies named military actions and their consequences, qualified staff shortages and high energy prices (the impact of this factor was reported to have increased significantly) as the main drags on their ability to boost production (Figure 5).

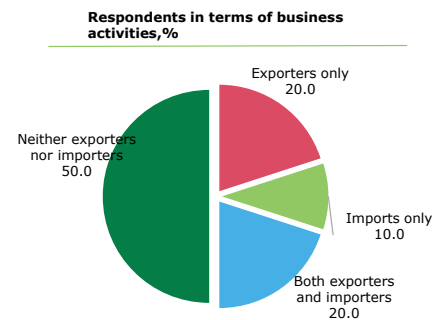
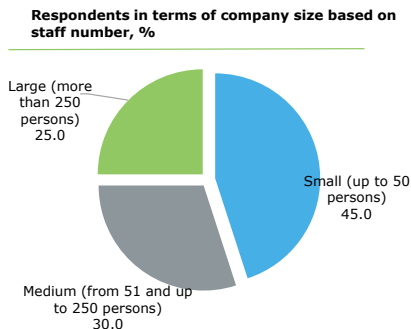
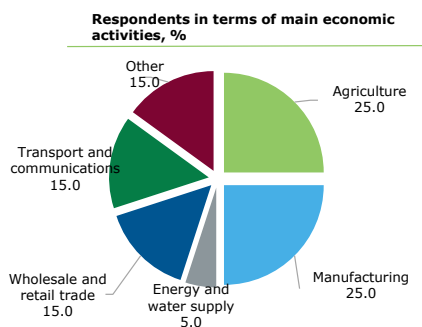
Respondents said that their borrowing needs would increase in the near future (Figure 8). The respondents who planned to take out bank loans usually opted for domestic currency loans. Respondents said that bank lending conditions had remained unchanged (Figure 9). Respondents cited high loan rates, the hryvnia exchange rate, the availability of other funding sources and collateral requirements (the impact of this factor was reported to have increase significantly) as the main factors deterring them from taking out loans (Figure 10).

A total of 85.0% of respondents said 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)

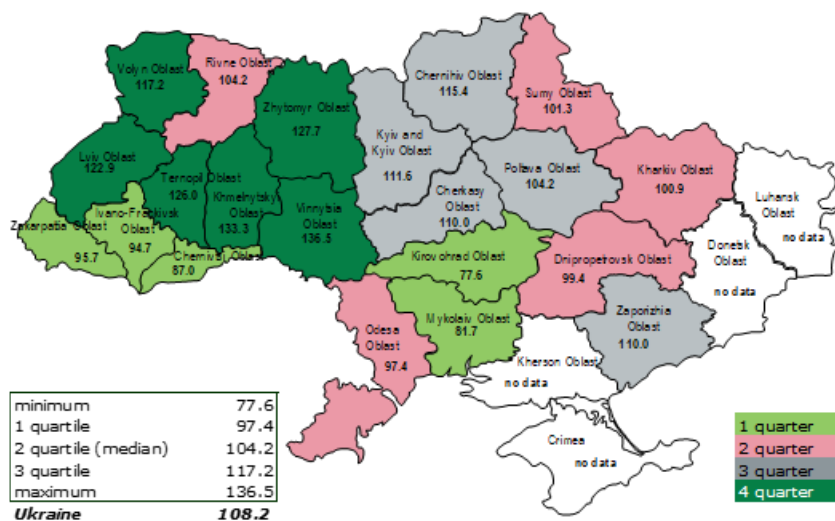
- **Companies assessed their current financial and economic standings as satisfactory:** the balance of responses was 0.0%, up from (-15.0%) in Q4 2024. Across Ukraine, the balance of responses was (-3.4%).
- **Finished goods stocks were assessed as lower than normal:** the balance of responses was (-18.2%), down from (-16.7%) in Q4 2024.
- **Companies in the oblast had sufficient spare production capacity to meet any unexpected rise in demand:** the balance of responses was 10.0%, compared to 15.0% in Q4 2024.

### Survey Details<sup>1,2</sup>



- Period: 3 February through 3 March 2025.
- A total of 20 companies were polled.
- A representative sample was generated on the basis of the following economic activities: agriculture and the manufacturing industry.

### Business Outlook Index for Next 12 Months in Terms of Oblasts<sup>3</sup>, %



<sup>1</sup>a quartile is the value of the BOI where an ordered sample is divided into four equal-sized subgroups

<sup>2</sup>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 Cherkasy Oblast and Its Components**

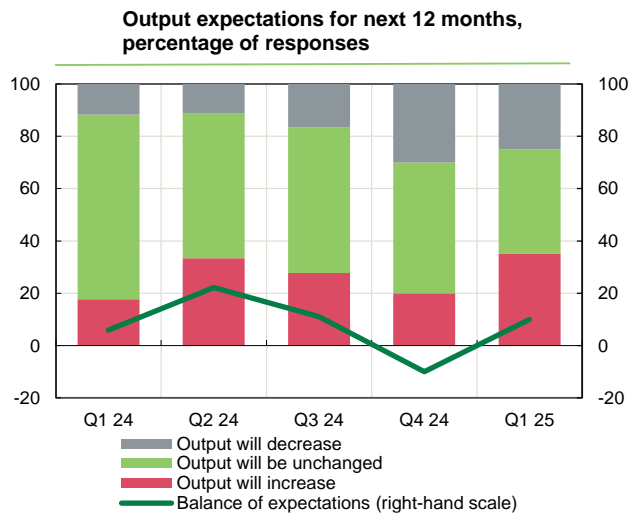
Expectations over next 12 months for	Balances of responses, %				
	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25
Financial and economic standings	5.6	0.0	11.8	-5.0	5.0
Total sales	-5.6	11.1	33.3	5.3	10.0
Investment in construction	-11.1	-23.5	-11.8	15.0	25.0
Investment in machinery, equipment, and tools	-16.7	-11.8	5.9	5.0	20.0
Staff numbers	-11.1	-11.1	-11.1	-15.0	-10.0

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

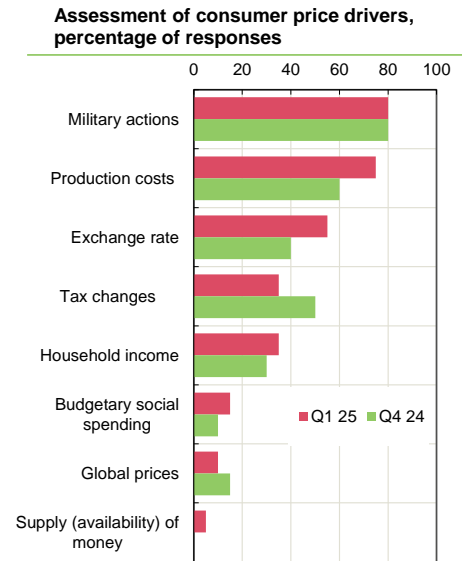
<sup>2</sup> Data for totals and components may be subject to rounding effects.

<sup>3</sup> 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.

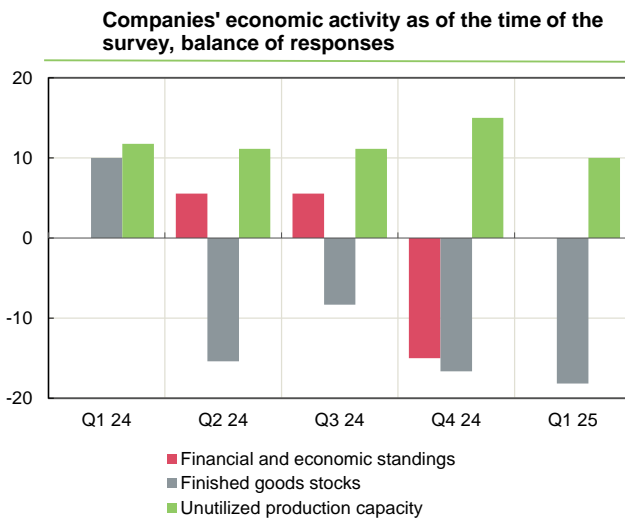
**Figure 1**



**Figure 2**



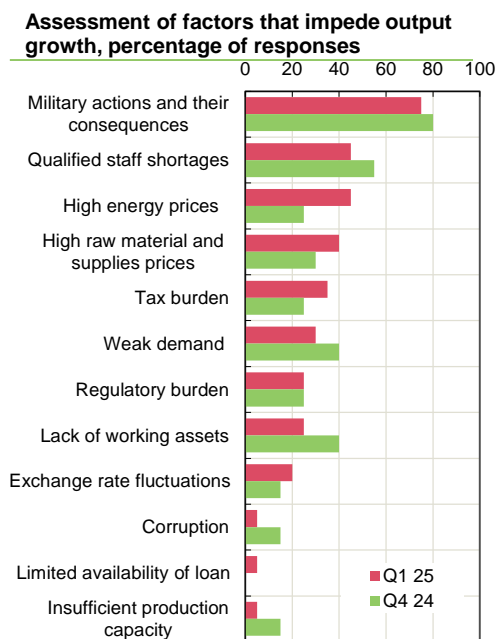
**Figure 3**



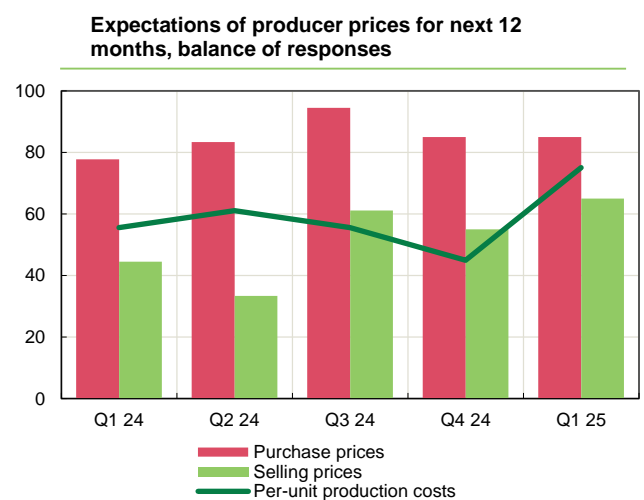
**Figure 4**



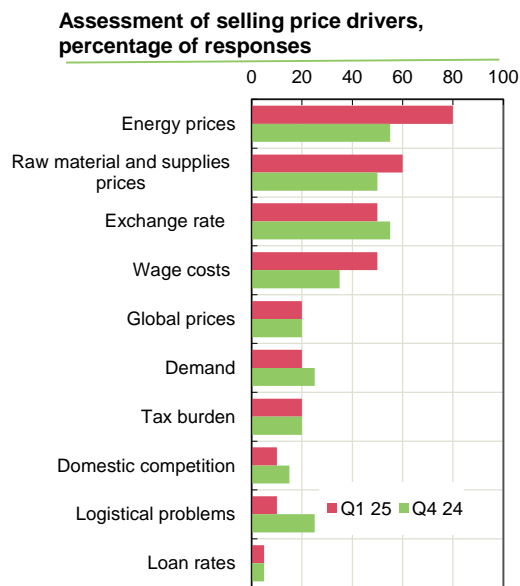
**Figure 5**



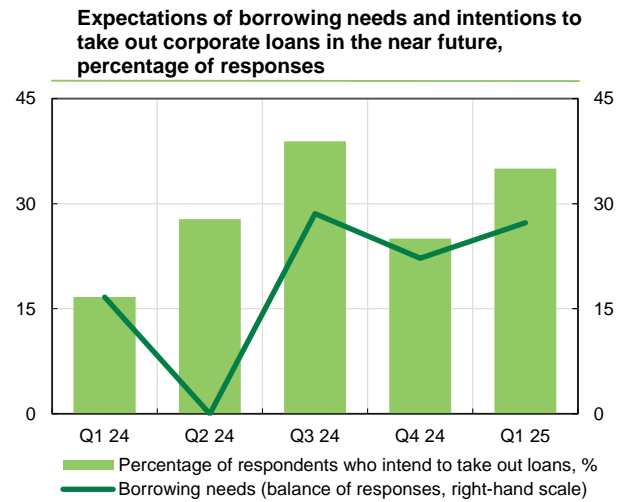
**Figure 6**



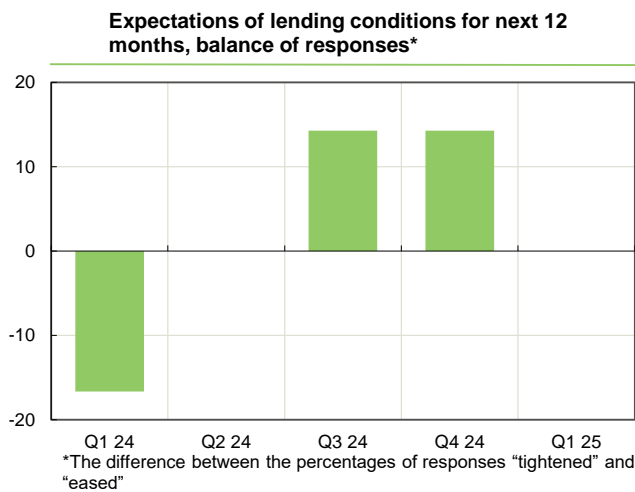
**Figure 7**



**Figure 8**



**Figure 9**



**Figure 10**

