



National Bank  
of Ukraine

# Business Outlook Survey of Zaporizhzhia Oblast\*

Q1 2025



\*This survey only reflects the opinions of respondents in Zaporizhzhia 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 **Zaporizhzhia oblast** in Q1 2025 showed that, despite the war, high energy prices and qualified staff shortages, respondents **expected that the output of Ukrainian goods and services would increase more quickly** over the next 12 months. They reported guarded expectations for the performance of their companies over the same period. Prices were expected to rise further. Depreciation expectations strengthened.

### The top managers of companies 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 57.1% (compared to 37.5% in the previous quarter) (Figure 1). Overall, across Ukraine, the balance of responses was 15.6%
- prices for consumer goods and services would rise: 61.9% of respondents expected that the inflation rate would exceed 10.0% (compared to 62.5% in the previous quarter and 60.3% across Ukraine). Respondents referred to the hryvnia exchange rate, military actions, and production costs as the main inflation drivers (Figure 2)
- the hryvnia would depreciate more sharply: 100.0% of respondents expected the hryvnia to weaken against the US dollar, compared to 93.3% in Q4 2024 and 89.1% across Ukraine
- the financial and economic standings of their companies would remain unchanged: the balance of expectations was 0.0%, up from (-6.3%) in the previous quarter. Overall, across Ukraine, the balance of responses was 4.7% (see Table)
- **total sales, including external sales, would increase at a faster pace:** the balances of responses were 28.6% and 37.5% respectively (compared to 6.7% and 0.0% in the previous quarter) (see Table). Overall, across Ukraine, the balances of responses were 20.7% and 19.5% respectively
- **investment in construction and in machinery, equipment, and tools would rise:** the balances of responses were 15.0% and 30.0% respectively, up from (-14.3%) and 0.0% 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 decrease: the balance of responses was (-23.8%) (compared to (-31.3%) in Q4 2024) (Figure 4). Across Ukraine, the balance of responses was (-0.6%)
- purchase and selling prices would increase at a faster pace: the balances of responses were 95.2% and 81.0% respectively, compared to 87.5% and 68.8% in the previous quarter (Figure 6). Energy prices, raw material and supplies prices and the hryvnia exchange rate were cited as the main selling price drivers (Figure 7)
- per-unit production costs and wage costs per staff member would rise: the balances of responses were 81.0% and 66.7% respectively, compared to 80.0% and 53.3% in the previous quarter (Figures 4 and 6).

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

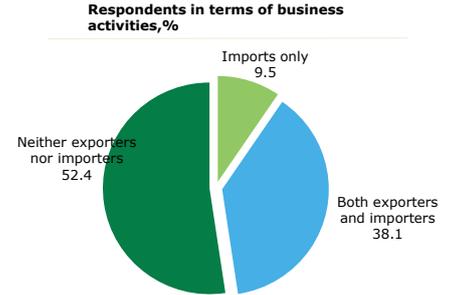
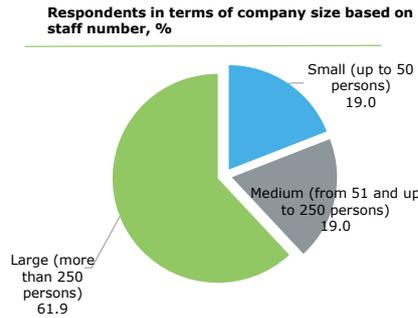
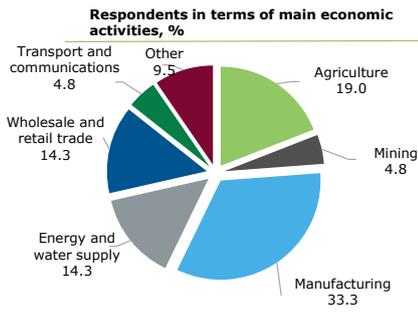
Respondents reported weaker expectations of an increase in their borrowing needs in the near future (Figure 8). The companies that planned to take out bank loans (38.1% of those surveyed) opted mostly for domestic currency loans. Respondents said that lending conditions had tightened (Figure 9). Companies cited high interest rates (the impact of this factor was reported to have increased), the availability of other funding sources 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)

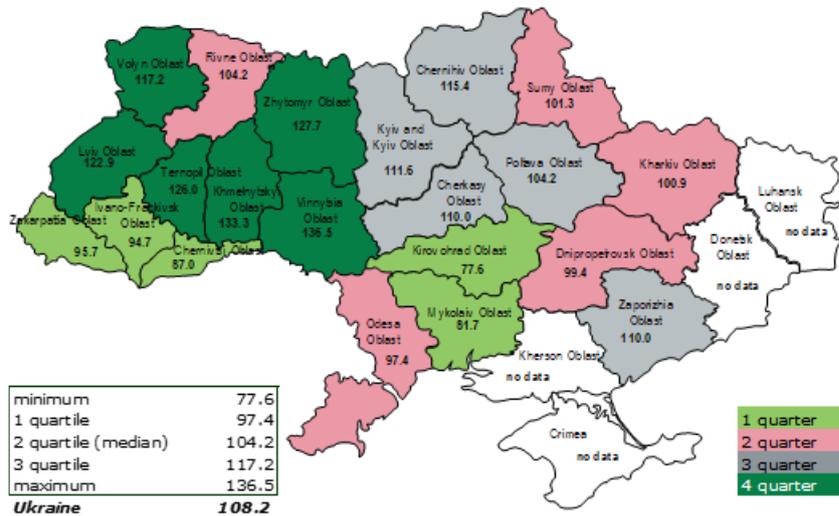
- Respondents assessed their current financial and economic standings as bad: the balance of responses was (-33.3%) (this was the dimmest figures across the regions), compared to (-37.5%) in the previous quarter. Across Ukraine, the balance of responses was (-3.4%).
- Finished goods stocks were assessed at lower than normal levels: the balance of responses was (-35.7%) (compared to (-54.5%) 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 (-6.7%) in the previous quarter.

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



- Period: 3 February through 27 February 2025.
- A total of 21 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 Oblasts<sup>3</sup>, %



<sup>3</sup>a quartile is the value of the BOI where an ordered sample is divided into four equal-sized subgroups  
<sup>\*\*</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 Zaporizhzhia 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	0.0	-5.3	26.3	-6.3	0.0
Total sales	0.0	11.8	31.6	6.7	28.6
Investment in construction	-13.3	-25.0	21.4	-14.3	15.0
Investment in machinery, equipment, and tools	0.0	-6.3	35.7	0.0	30.0
Staff numbers	-16.7	0.0	-10.5	-31.3	-23.8

<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

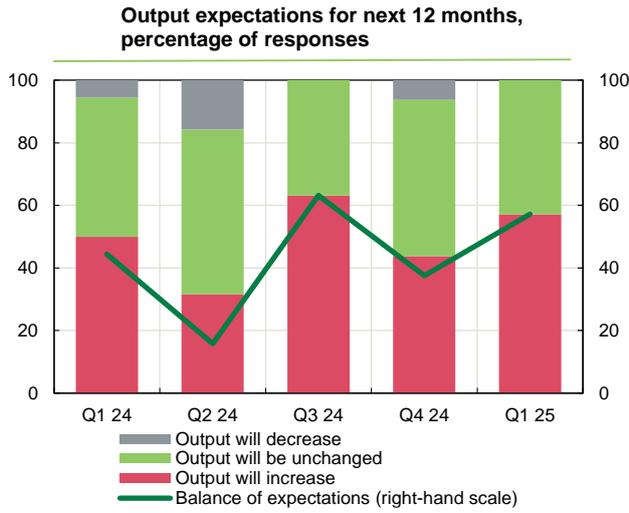


Figure 2

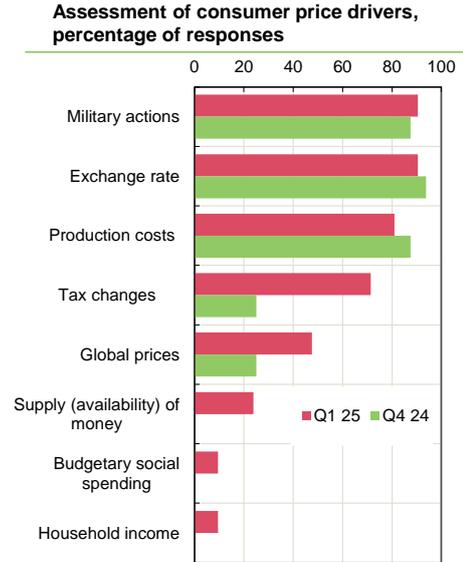


Figure 3

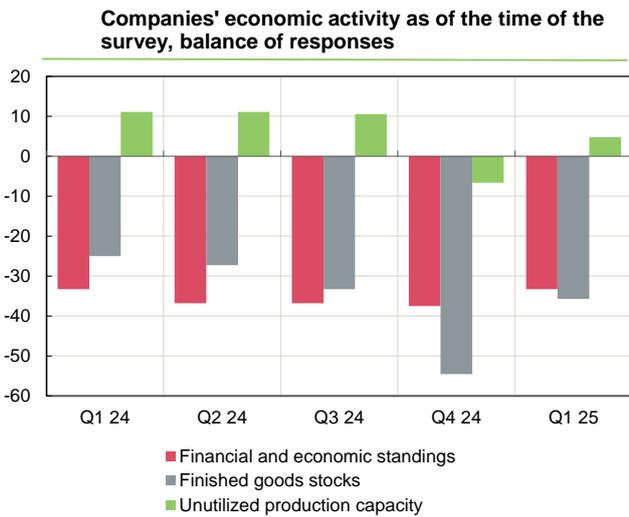


Figure 4



Figure 5

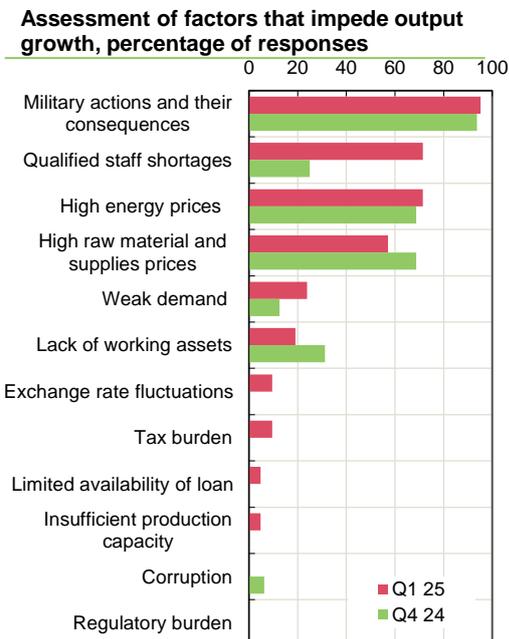


Figure 6

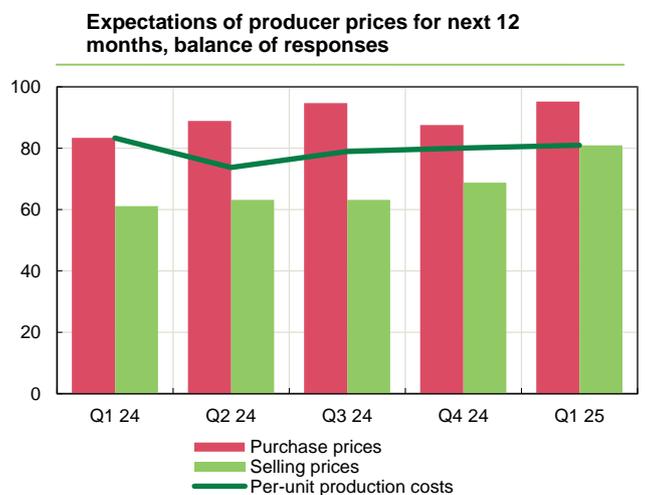


Figure 7

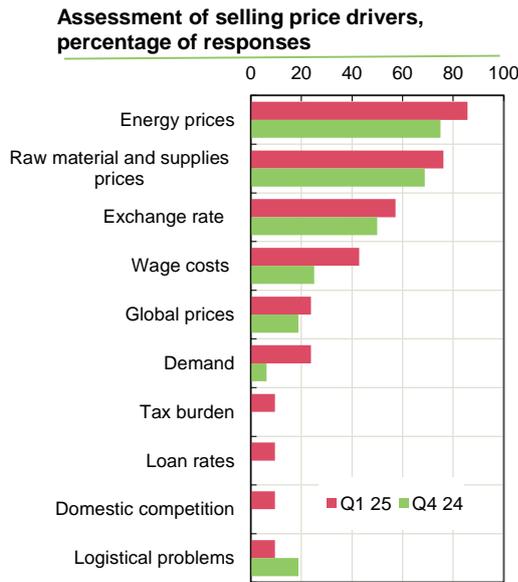


Figure 8

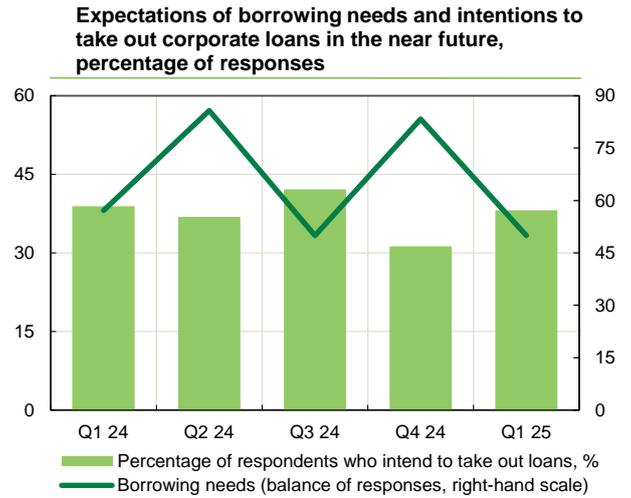


Figure 9

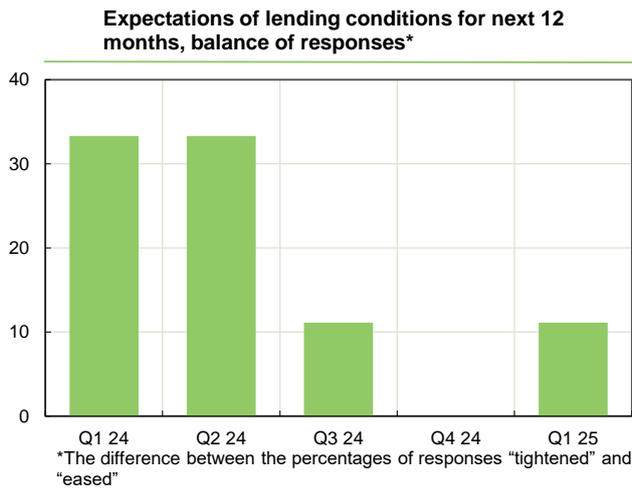


Figure 10

