



National Bank
of Ukraine

Business Outlook Survey of Poltava Oblast*

Q1 2025



*This survey only reflects the opinions of respondents in Poltava 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 **Poltava oblast** in Q1 2025 showed that, despite the war, qualified staff shortages and weak demand, respondents **expected that the output of Ukrainian goods and services would increase**. They also **had optimistic expectations for the performance of their companies** over the next 12 months. Inflation was expected to rise further. Depreciation expectations weakened somewhat, but still remained strong.

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

- **the output of Ukrainian goods and services would increase** (such expectations were reported for the first time since Q4 2023): the balance of expectations was 27.0%, compared to (-2.5%) in Q4 2024 and 15.6% across Ukraine (Figure 1)
- **prices for consumer goods and services would rise**: 68.4% of respondents expected the inflation rate to be higher than 10.0%, compared to 62.5% in the previous quarter and 60.3% across Ukraine. Respondents continued to refer to military actions, the hryvnia exchange rate and production costs as the main inflation drivers (Figure 2)
- **the hryvnia would depreciate**: 92.1% of respondents (compared to 100.0% in the previous quarter) expected the hryvnia to weaken against the US dollar, with the figure across Ukraine being 89.1%
- **the financial and economic standings of their companies would improve**: the balance of expectations was 13.5% (compared to (-2.5%) in Q4 2024 and 0.9% across Ukraine) (see Table)
- **total sales, including external sales, would increase**: the balances of responses were 15.8% and 31.3% respectively, compared to (-5.0%) and 14.3% respectively in Q4 2024 (see Table). Across Ukraine, the balances of responses were 20.7% and 19.5% respectively
- **investment in machinery, equipment, and tools would increase moderately**: the balance of responses was 2.7%, compared to 8.1% in the previous quarter. Meanwhile, respondents expected that investment in construction would decrease: the balance of responses was (-10.8%), compared to (-13.2%) in Q4 2024. 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%, compared to (-12.5%) in Q4 2024. Across Ukraine, the balance of responses was (-0.6%) (Figure 4)
- **purchase and selling prices would grow**: the balances of responses were 97.4% and 73.7% respectively, compared to 100.0% and 75.0% respectively in Q4 2024 (Figure 6). Respondents referred to wage costs (the impact of this factor was reported to have increased), energy prices and raw material and supplies price as the main selling price drivers. Respondents also reported stronger impact of the tax burden compared to the previous quarter (Figure 7)
- **per-unit production costs and wage costs per staff member would grow at a faster pace**: the balances of responses were 78.9% and 52.6% respectively, compared to 70.0% and 35.0% respectively in the previous quarter (Figures 6 and 4).

Respondents referred to military actions and their consequences, qualified staff shortages and weak demand as the main drags on the ability of their companies to boost production (Figure 5).

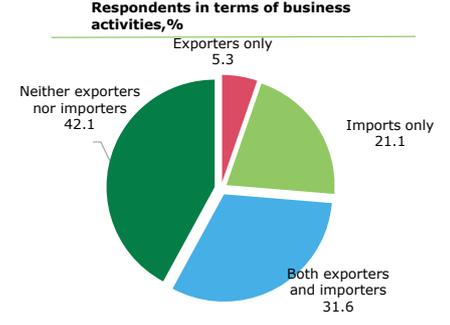
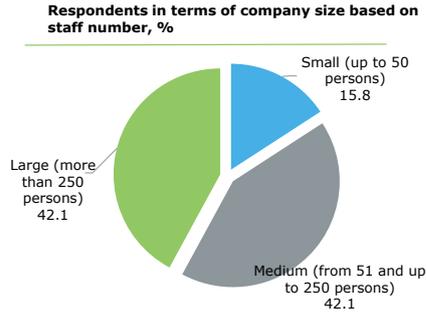
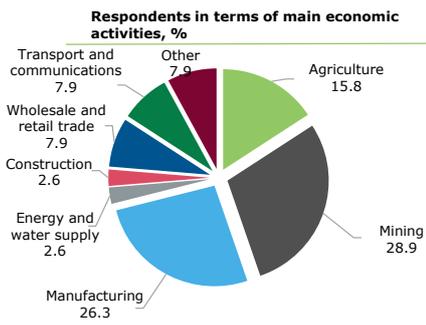
Respondents **expected an increase in their borrowing needs** in the near future (Figure 8). 42.1% of respondents planned to take out bank loans and usually opted for domestic currency loans. Respondents said that bank lending standards had tightened (Figure 9). Respondents referred to high interest rates, the availability of other funding sources, and uncertainty about their ability to meet debt obligations as they fall due as the main factors deterring them from taking out loans (Figure 10).

97.4% of 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)

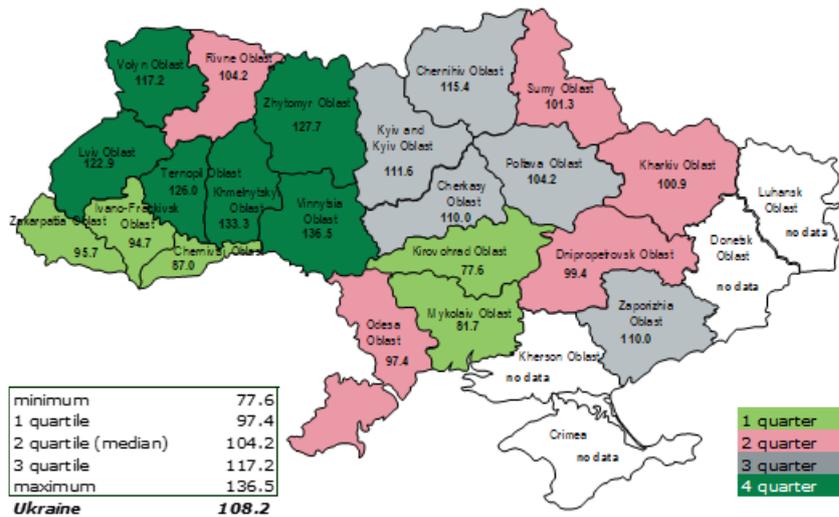
- **Companies assessed their current financial and economic standings as bad**: the balance of responses was (-18.4%), compared to (-17.5%) in the previous quarter. The balance across Ukraine was (-3.4%).
- **Finished goods stocks remained at a level lower than normal**: the balance of responses was (-21.7%), compared to (-20.0%) in Q4 2024.
- **Companies were operating on the verge of their production capacity**: the balance of responses was 0.0%, compared to 12.8% in the previous quarter.

Survey Details^{1,2}



- Period: 3 February through 27 February 2025.
- A total of 38 companies were polled.
- A representative sample was generated on the basis of the following economic activities: agriculture, and the mining and manufacturing industries.

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



¹a quartile is the value of the BOI where an ordered sample is divided into four equal-sized subgroups
²a 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 Poltava 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	2.6	7.5	0.0	-2.5	13.5
Total sales	-5.1	0.0	-10.0	-5.0	15.8
Investment in construction	-5.3	-13.5	-10.5	-13.2	-10.8
Investment in machinery, equipment, and tools	12.5	5.3	5.3	8.1	2.7
Staff numbers	-17.5	-35.0	-22.5	-12.5	0.0

¹ This sample was generated in proportion to the contribution of each region 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

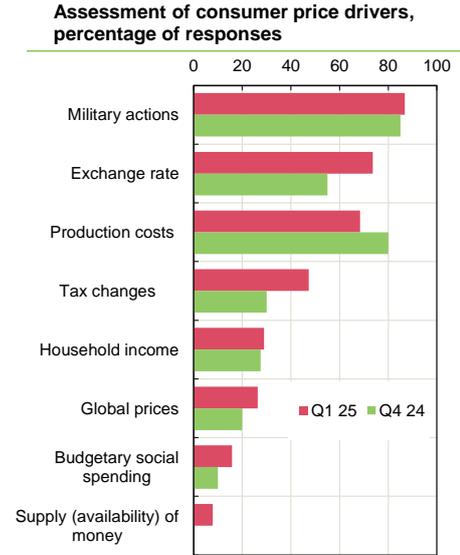


Figure 3

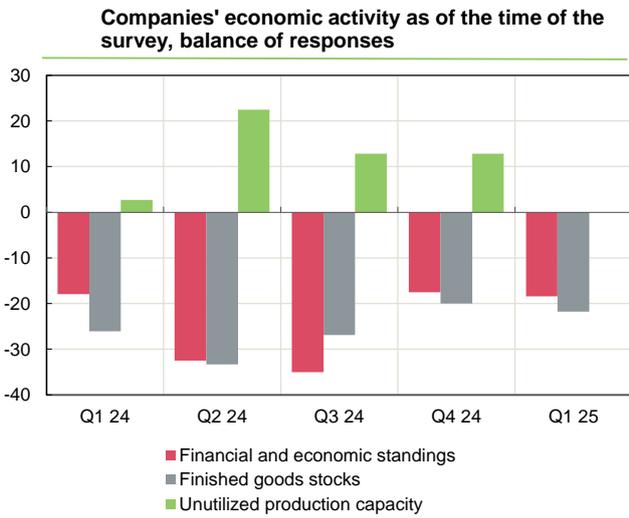


Figure 4

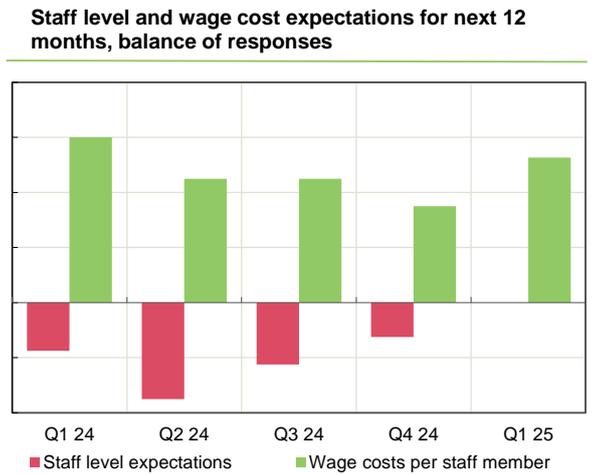


Figure 5

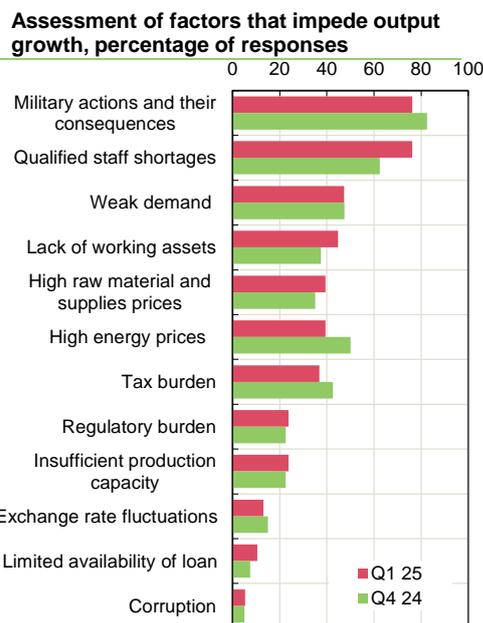


Figure 6

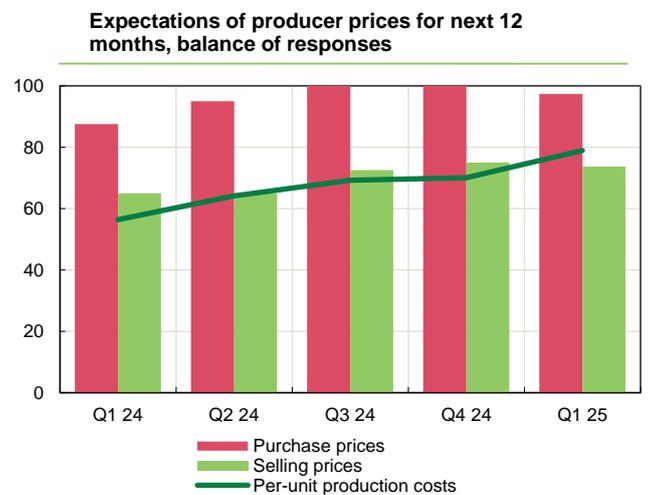


Figure 7

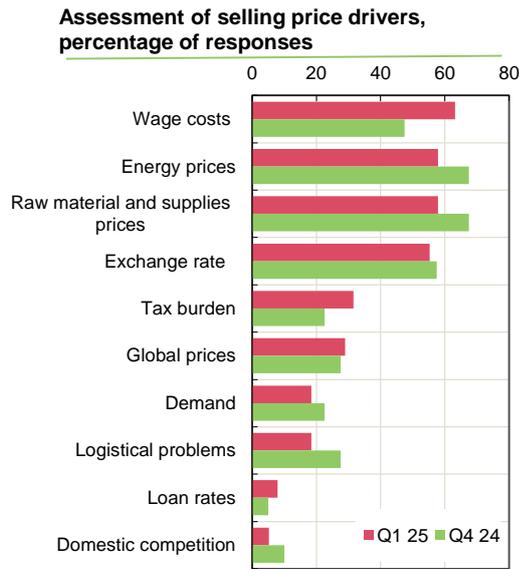


Figure 8

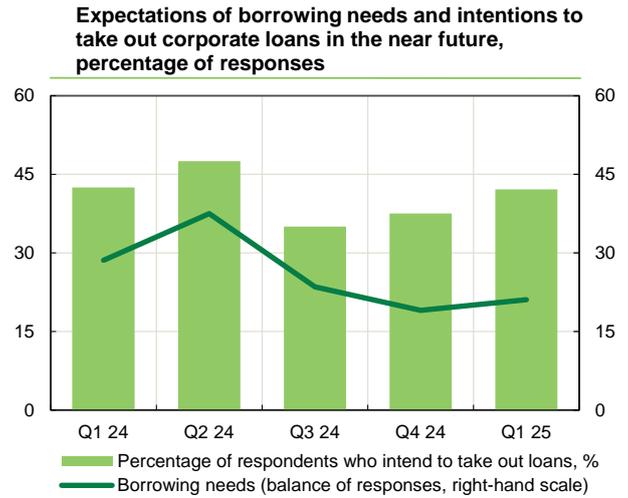


Figure 9

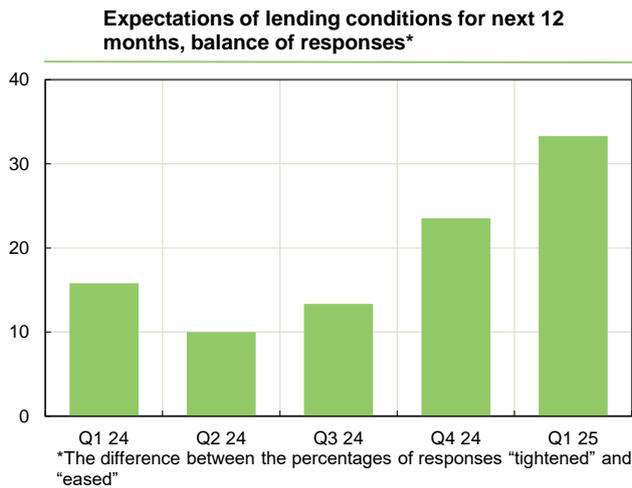


Figure 10

