



National Bank
of Ukraine

Business Outlook Survey of Chernihiv Oblast*

Q1 2025



*This survey only reflects the opinions of respondents in Chernihiv 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 **Chernihiv oblast** in Q1 2025 showed that, despite high energy, raw material and supplies prices and qualified staff shortages, respondents **expected growth in the output of Ukrainian goods and services** over the next 12 months. They reported **positive expectations for the performance of their companies** over that period. Prices were expected to rise at a slightly faster pace. Depreciation expectations 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:** the balance of expectations was 69.2%, as in the previous quarter (Figure 1). Overall, across Ukraine, the balance of responses was 15.6%
- **prices for consumer goods and services would rise at a slightly faster pace:** 61.5% of respondents expected that the inflation rate would exceed 10.0%, compared to 53.8% in the previous quarter and 60.3% across Ukraine. Respondents referred to production costs, tax changes (the impact of this factor was reported to have increased), military actions and the hryvnia exchange rate as the main inflation drivers (Figure 2)
- **the hryvnia would depreciate:** 76.9% of respondents expected the hryvnia to weaken against the U.S. dollar, down from 84.6% in Q4 2024, the figure across Ukraine being 89.1%
- **the financial and economic standings of their companies would improve:** the balance of expectations was 23.1%, compared to 30.8% in the previous quarter (see Table). The figure across Ukraine was 4.7%
- **total sales would increase:** the balance of responses was 38.5% (as in the previous quarter). Meanwhile, external sales were expected to remain unchanged: the balance of responses was 0.0%, down from 50.0% 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:** the balance of responses was 30.8%, compared to 25.0% in the previous quarter. Respondents expected that investment in construction would remain unchanged: the balance of responses was 0.0%, down from 16.7% (see Table). Across Ukraine, the balances of responses were 13.4% and 2.7% respectively
- **staff numbers would decrease:** the balance of responses was (-15.4%), down from 0.0% in the previous quarter (Figure 4). Across Ukraine, the balance of responses was (-0.6%)
- **purchase prices and selling prices would grow:** the balances of responses were 76.9% and 61.5% respectively, compared to 76.9% and 69.2% in Q4 2024 (Figure 6). Respondents referred to energy prices, raw material and supplies prices, wage costs, demand and the hryvnia exchange rate (the impact of this factor was reported to have increased) as the main selling price drivers (Figure 7)
- **per-unit production costs and wage costs per staff member would grow:** the balances of responses were 76.9% and 61.5% respectively, compared to 69.2% and 66.7% in Q4 2024 (Figures 4 and 6).

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

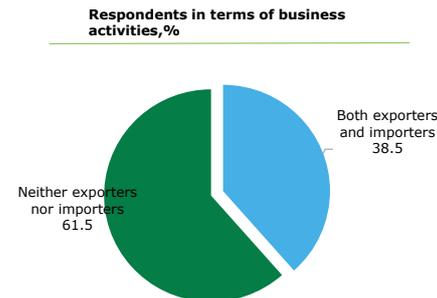
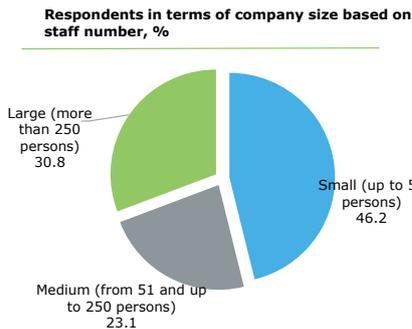
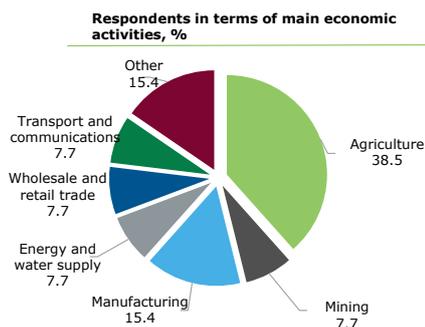
Respondents expected their borrowing needs to rise in the near future (Figure 8). The respondents who planned to take out bank loans (their share rose to 61.5%) opted only for domestic currency loans. Respondents said that bank lending standards had remained unchanged (Figure 9). Respondents cited high loan rates, the availability of other funding sources, uncertainty about their ability to meet debt obligations as they fall due and collateral requirements (the impact of this factor was reported to have increased) 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)

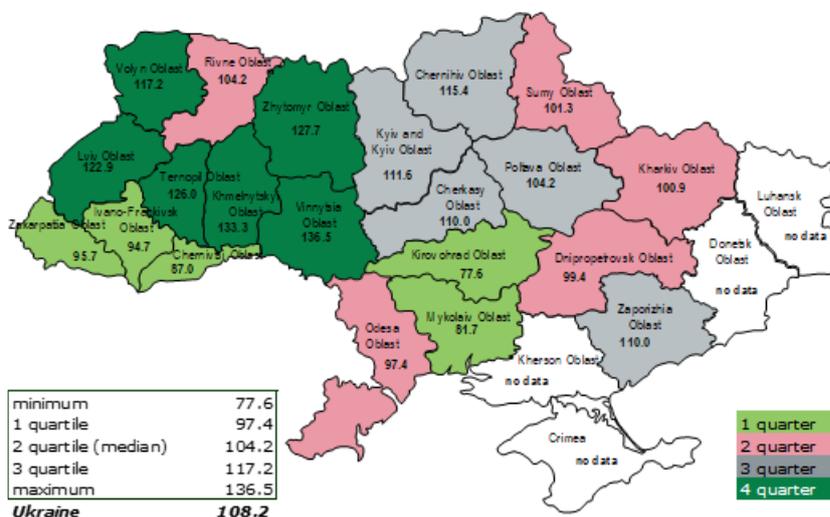
- **Companies assessed their current financial and economic standings as bad:** the balance of responses was (-23.1%), down from (-7.7%) in the previous quarter. The figure across Ukraine was (-3.4%).
- **Finished goods stocks had decreased and were assessed as lower than normal:** the balance of responses was (-33.3%), compared to (-22.2%) in Q4 2024.
- **Companies had sufficient production capacity to meet any unexpected rise in demand:** the balance of responses was 15.4%, up from (-15.4%) in the previous quarter.

Survey Details^{1,2}



- Period: 3 February through 24 February 2025.
- A total of 13 companies were polled.
- A representative sample was generated on the basis of the agricultural sector.

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



³a 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 Chernihiv 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	23.1	7.7	30.8	30.8	23.1
Total sales	38.5	27.3	46.2	38.5	38.5
Investment in construction	-10.0	-8.3	0.0	16.7	0.0
Investment in machinery, equipment, and tools	0.0	33.3	30.8	25.0	30.8
Staff numbers	-7.7	-7.7	-15.4	0.0	-15.4

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

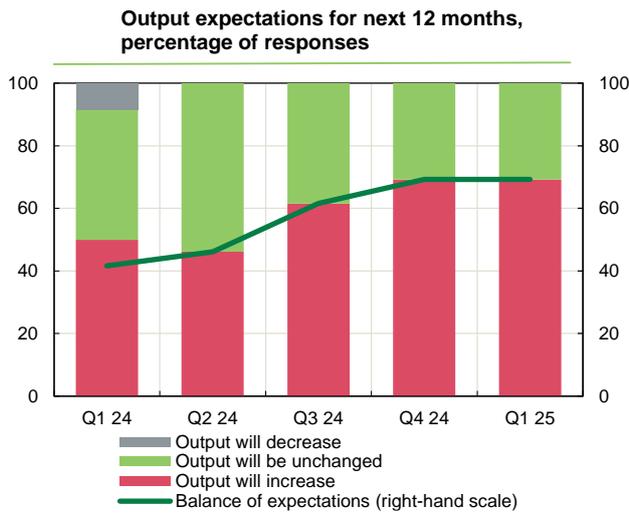


Figure 2

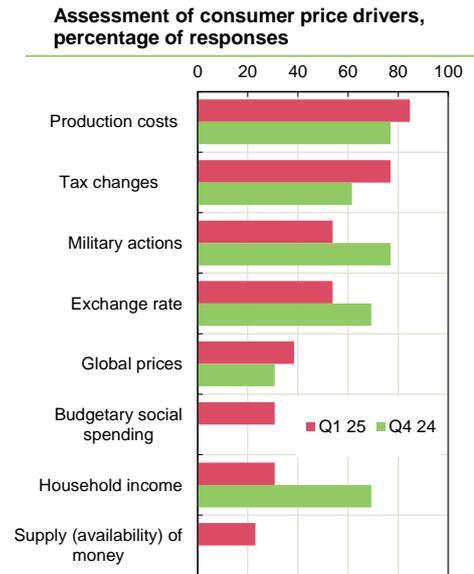


Figure 3

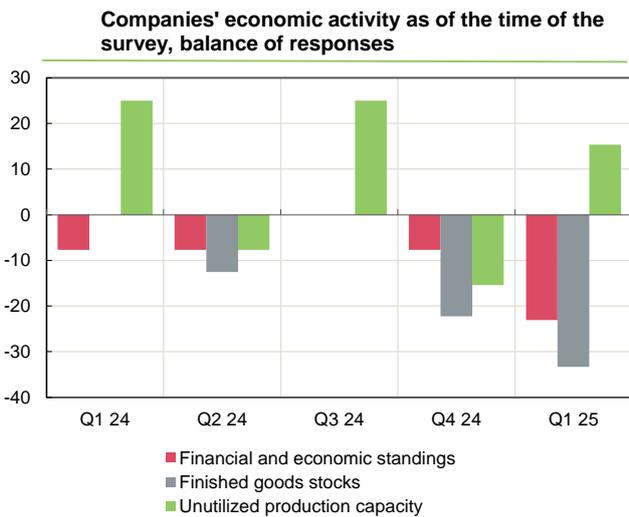


Figure 4



Figure 5

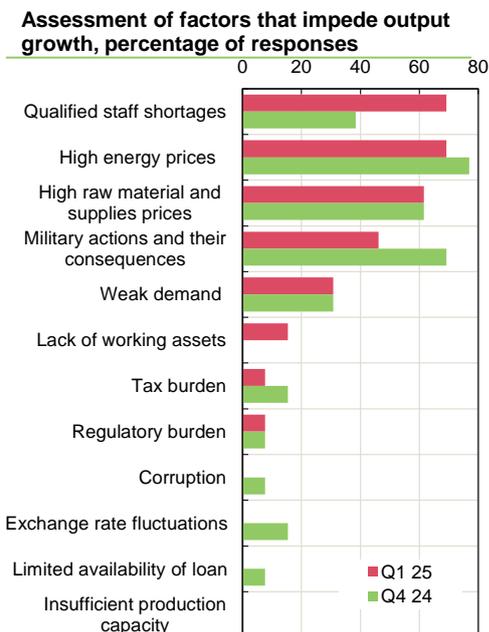


Figure 6

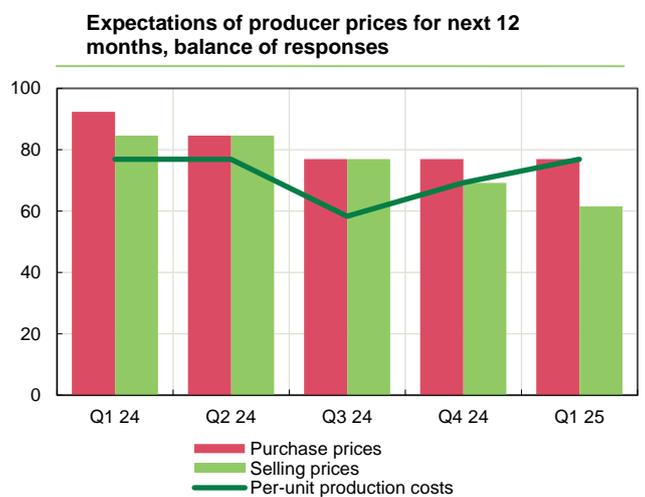


Figure 7

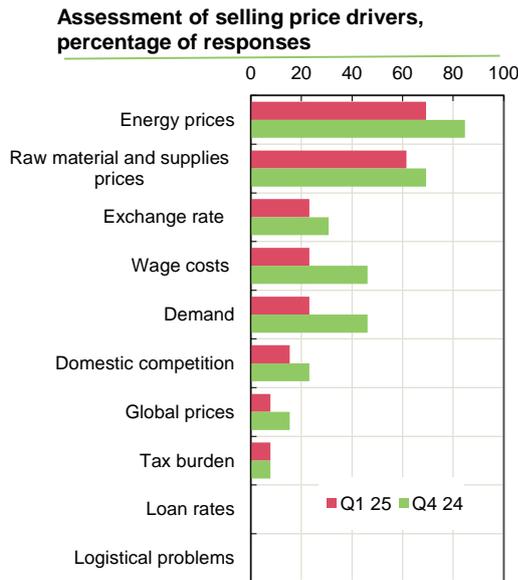


Figure 8

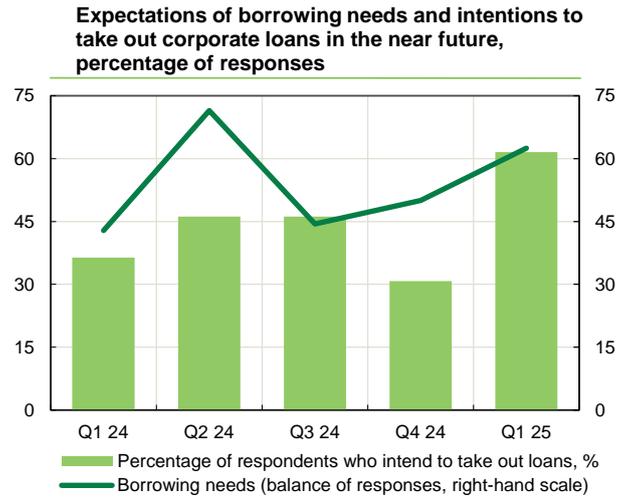


Figure 9

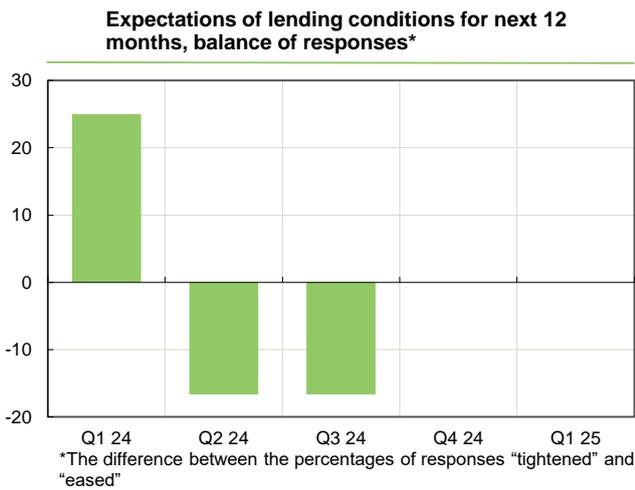


Figure 10

