



National Bank
of Ukraine

Business Outlook Survey of Vinnytsia Oblast*

Q4 2024



*This survey only reflects the opinions of respondents in Vinnytsia oblast (top managers of companies) who were polled in Q4 2024, and does not represent NBU forecasts or estimates

A survey of companies carried out in **Vinnytsia oblast** in Q4 2024 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 was expected to accelerate. 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 increase:** the balance of responses was 42.9%, compared to 61.9% in the previous quarter (Figure 1). Overall, across Ukraine, the balance of responses was (-1.4%)
- **prices for consumer goods and services would grow more quickly:** the share of respondents who expected that the inflation rate would exceed 10.0% was 57.1%, up from 14.3% in Q3 2024, the figure across Ukraine being 57.3%. Respondents referred to production costs (mentioned by 95.2% of the respondents), military actions and the hryvnia exchange rate as the main inflation drivers (Figure 2)
- **the hryvnia would depreciate at a faster rate:** 95.2% of respondents expected the hryvnia to weaken against the US dollar, compared to 85.7% in the previous quarter and 92.8% across Ukraine
- **the financial and economic standings of their companies would improve** at a noticeably slower pace: the balance of expectations was 4.8%, compared to 33.3% in Q3 2024 (see Table). Overall, across Ukraine, the balance of responses was (-1.2%)
- **total sales would grow** at a slower pace: the balance of responses was 28.6%, compared to 57.1% in the previous quarter (see Table), and 9.0% across Ukraine
- **investment in construction and in machinery, equipment, and tools would increase more quickly:** the balances of responses were 27.8% and 55.6% respectively, up from 11.1% and 44.4% in the previous quarter (see Table). Across Ukraine, the balances of responses were (-1.6%) and 9.3% respectively
- **staff numbers at their companies would remain unchanged:** the balance of responses was 0.0%, compared to (-4.8%) in Q3 2024 (Figure 4). Overall, across Ukraine, the balance of responses was (-6.6%)
- **purchase and selling prices would rise more quickly:** the balances of responses were 85.0% for each, compared to 85.7% and 90.5% in the previous quarter (Figure 6). Respondents referred to energy prices, high raw material and supplies prices, wage costs and the hryvnia exchange rate 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 80.0% and 81.0% respectively, compared to 85.7% for each in the previous quarter (Figures 4 and 6).

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

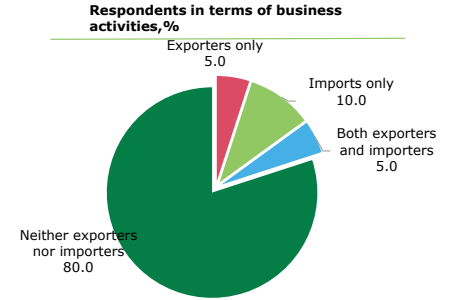
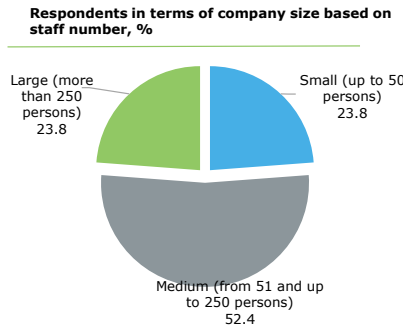
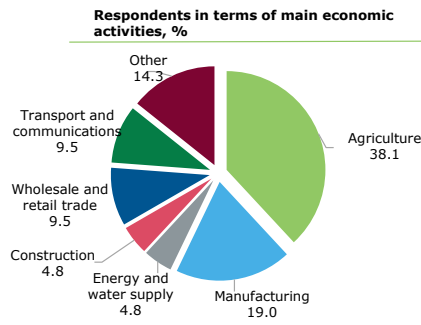
Respondents reported stronger expectations of an increase in their borrowing needs in the near future (Figure 8). The respondents who planned to take out loans (52.4% of those surveyed) opted only for domestic currency ones. Respondents said that lending standards had tightened (Figure 9). Companies cited high loan rates (the impact of this factor was reported to have increased compared to the previous survey), the availability of other funding sources and complicated paperwork 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 (96.5% across Ukraine).

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

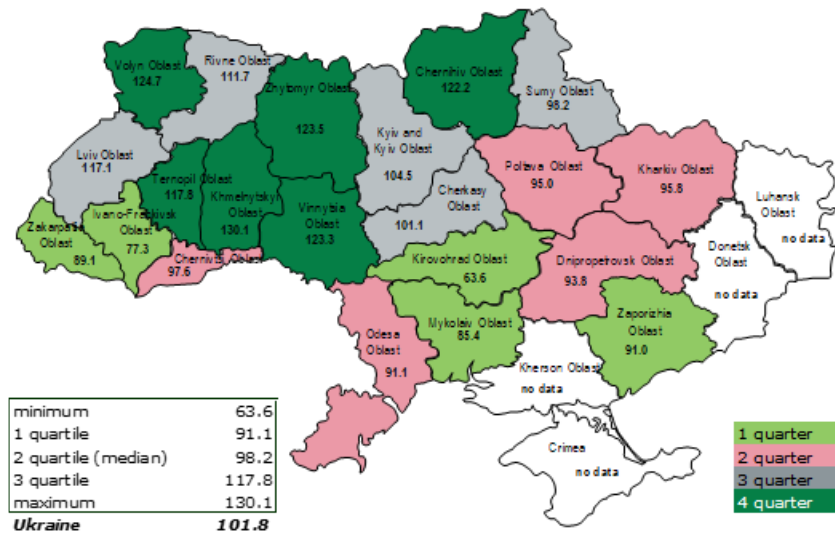
- **Respondents assessed their current financial and economic standings as bad:** the balance of responses was (-9.5%), as in the previous quarter, compared to (-6.1%) across Ukraine.
- **Finished goods stocks were assessed at higher than normal levels:** the balance of responses was 7.7%, compared to 8.3% in Q3 2024.
- **Companies were operating on the verge of their production capacity:** the balance of responses was 0.0%, compared to 9.5% in the previous quarter.

Survey Details^{1,2}



- Period: 31 October through 26 November 2024.
- 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 Oblasts³, %



³a quartile is the value of the BOI where an ordered sample is divided into four equal-sized subgroups
³a 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, %				
	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24
Financial and economic standings	9.5	4.5	0.0	33.3	4.8
Total sales	20.0	28.6	20.0	57.1	28.6
Investment in construction	5.3	22.2	10.0	11.1	27.8
Investment in machinery, equipment, and tools	26.3	27.8	20.0	44.4	55.6
Staff numbers	-4.8	-9.1	0.0	-4.8	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

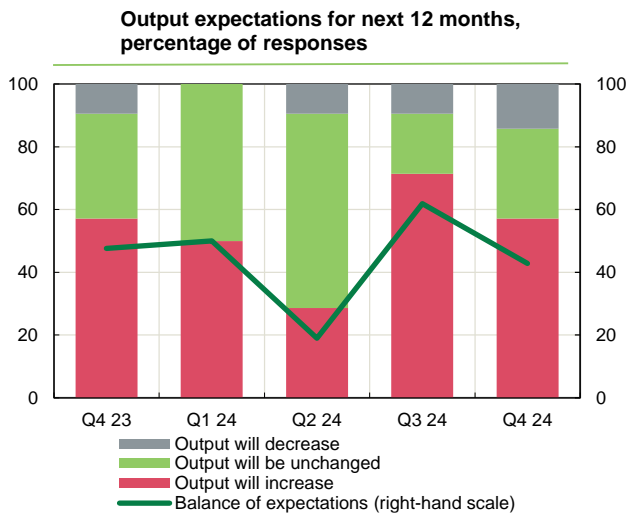


Figure 2

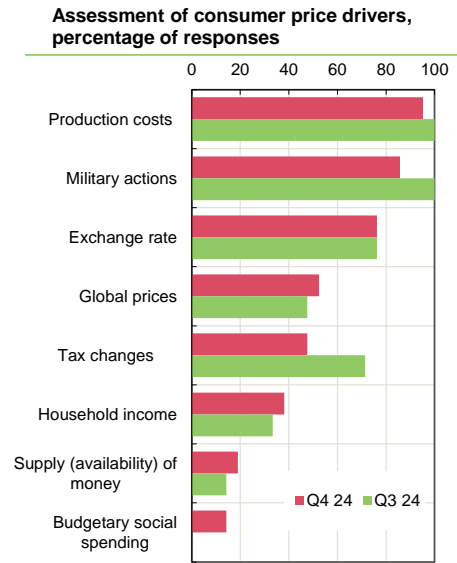


Figure 3

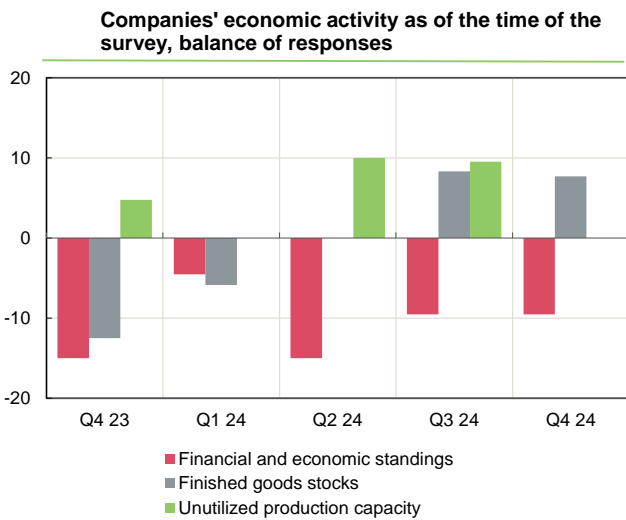


Figure 4



Figure 5

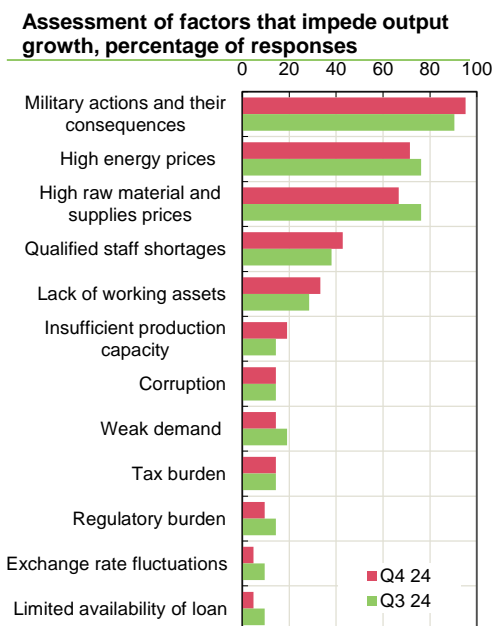


Figure 6

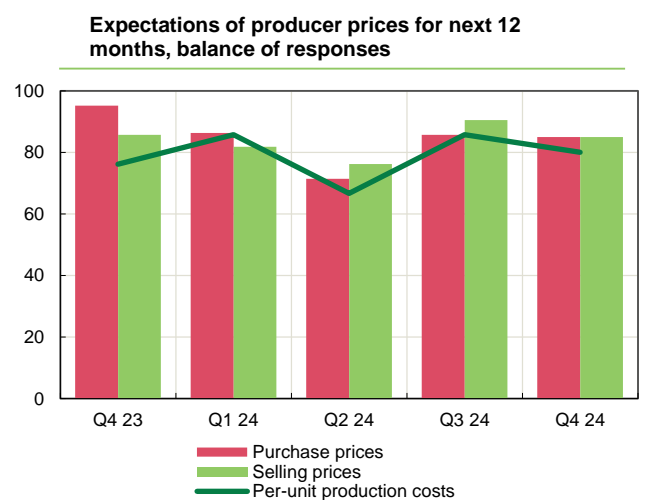


Figure 7

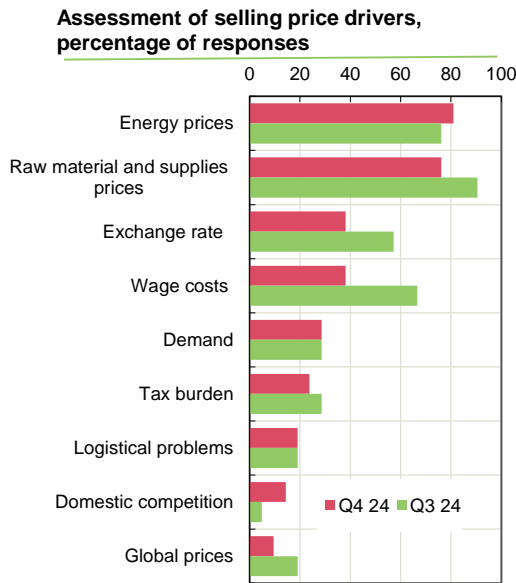


Figure 8

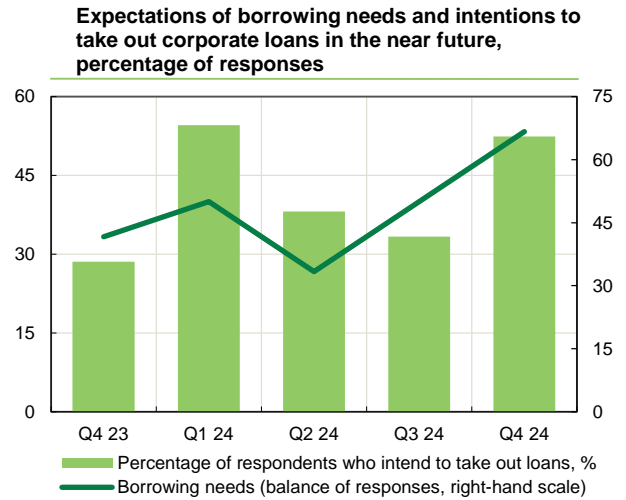


Figure 9

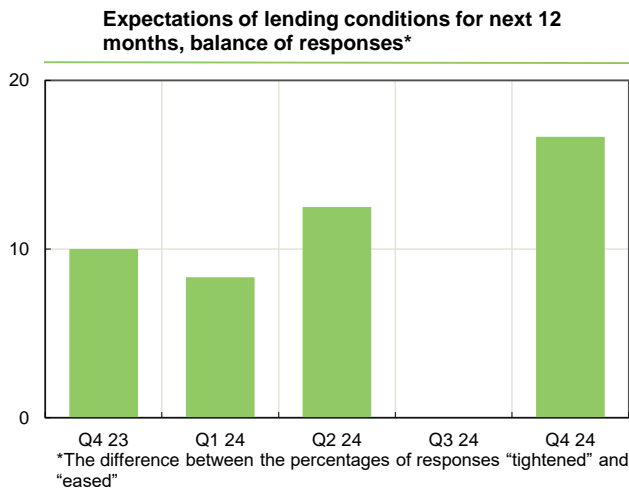


Figure 10

