

Business Outlook Survey of Volyn Oblast^{*}

Q2 2025



^{*} This survey only reflects the opinions of respondents in Volyn oblast (top managers of companies) who were polled in Q2 2025, and does not represent NBU forecasts or estimates.

A survey of companies carried out in **Volyn oblast** in Q2 2025 showed that, despite high energy, raw material and supplies prices, qualified staff shortages and the war, respondents continued to expect the output of Ukrainian goods and services to increase. They had cautious expectations for the performance of their companies over the next 12 months. Inflation expectations continued to strengthen. 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 at a faster pace: the balance of responses was 76.9%, up from 69.2% in the previous quarter (Figure 1). Overall, across Ukraine, the balance of responses was 9.2%
- prices for consumer goods and services would rise more quickly: 76.9% of respondents expected that inflation would exceed 10.0%, compared to 61.5% in the previous quarter and 58.4% across Ukraine. Respondents referred to the hryvnia exchange rate, production costs and global prices (the impact of this factor was reported to have increased) as the main inflation drivers (Figure 2)
- the hryvnia would depreciate more slowly: 92.3% of respondents, compared to 100.0% in the previous quarter, expected the hryvnia to weaken against the US dollar, the figure across Ukraine being 83.4%
- the financial and economic standings of their companies would remain unchanged: the balance of expectations was 0.0%, compared to 15.4% in the previous quarter (see Table). Overall, across Ukraine, the balance of responses was 2.4%
- total sales would increase: the balance of responses was 46.2% (compared to 53.8% in Q1 2025) (see Table). The balance of responses across Ukraine was 10.5%
- investment in machinery, equipment, and tools would rise at a faster pace: the balance of responses was 36.4%, up from 25.0% in Q1 2025. In contrast, respondents expected that investment in construction would remain unchanged: the balance of responses was 0.0%, compared to (-8.3%) in the previous quarter (see Table). Across Ukraine, the balances of responses were (-0.7%) and 7.8% respectively
- staff numbers would increase: the balance of responses was 7.7%, compared to 0.0% in Q1 2025 (Figure 4), while the figure across Ukraine was (-4.4%)
- purchase and selling prices would rise: the balances of responses were 91.7% and 69.2% respectively (compared to 92.3% and 76.9% in the previous quarter) (Figure 6). Energy prices, raw material and supplies prices, and global prices (the impact of this factor was reported to have increased) were referred to as the main selling price drivers (Figure 7)
- per-unit production costs and wage costs per staff member would grow more slowly: the balances of responses were 76.9% and 69.2% respectively (compared to 84.6% and 92.3% in the previous quarter) (Figures 4 and 6).

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

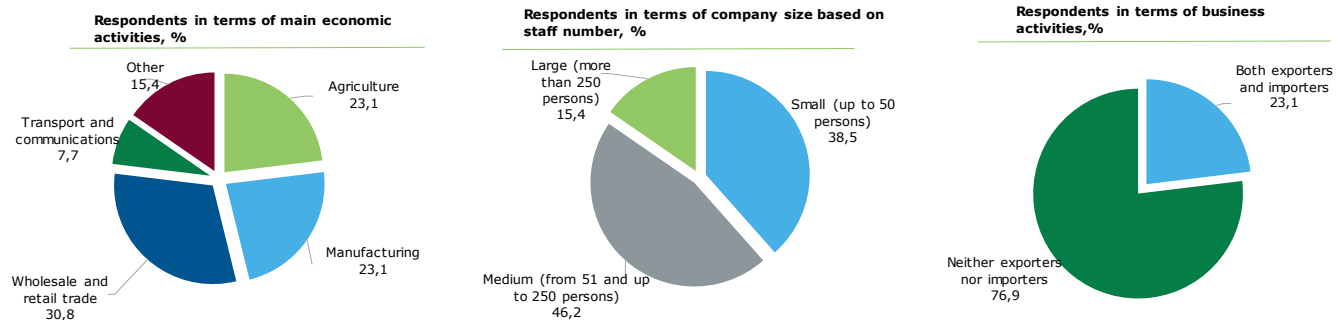
Companies continued to report strong expectations of an increase in their borrowing needs in the near future (Figure 8). The share of respondents who planned to take out bank loans was 30.8%. They preferred domestic currency loans. Respondents cited the availability of other funding sources, high loan rates and uncertainty about their ability to meet debt obligations as they fall due as the main factors deterring them from taking out loans (Figure 9).

All of the respondents said that they had encountered no difficulties in effecting transactions with funds deposited in bank accounts (96.2% across Ukraine).

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

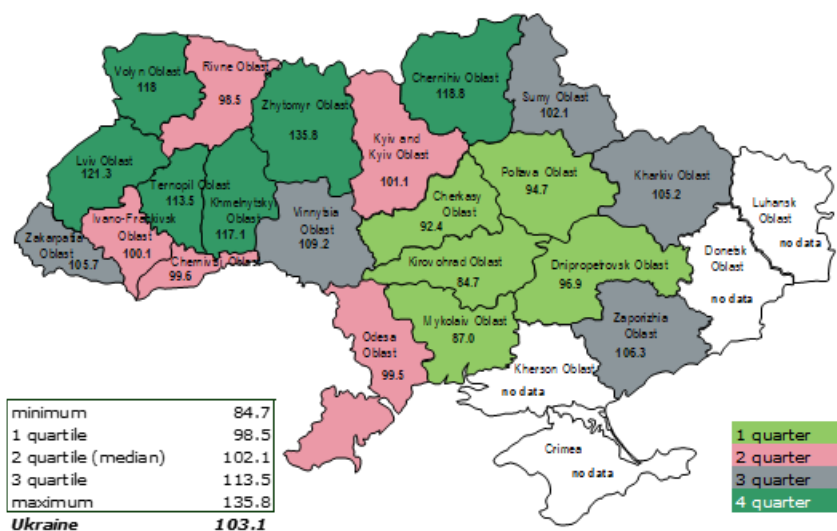
- Companies assessed their current financial and economic standings as bad: the balance of responses was (-7.7%), compared to 0.0% in Q1 2025. Overall, across Ukraine the balance of responses was (-5.3%).
- Finished goods stocks had decreased and were assessed at lower than normal levels: the balance of responses was (-33.3%), compared to 0.0% in Q1 2025.
- Companies were operating on the verge of their production capacity: the balance of responses was 0.0%, compared to 7.7% in Q1 2025.

Survey Details^{1,2}



- Period: 30 April through 26 May 2025.
- A total of 13 companies were polled.
- A representative sample was generated on the basis of the trade sector.

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



*a 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 Volyn Oblast and Its Components

Expectations over next 12 months for	Balances of responses, %				
	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Financial and economic standings	50,0	41,7	25,0	15,4	0,0
Total sales	54,5	66,7	50,0	53,8	46,2
Investment in construction	10,0	0,0	-10,0	-8,3	0,0
Investment in machinery, equipment, and tools	40,0	50,0	50,0	25,0	36,4
Staff numbers	8,3	0,0	8,3	0,0	7,7

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

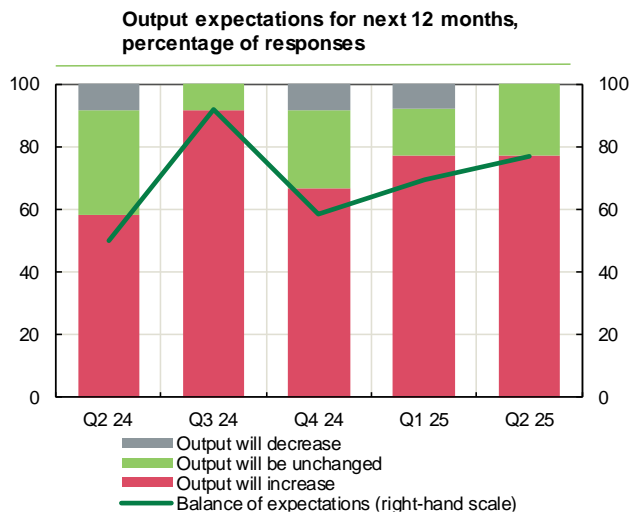


Figure 2

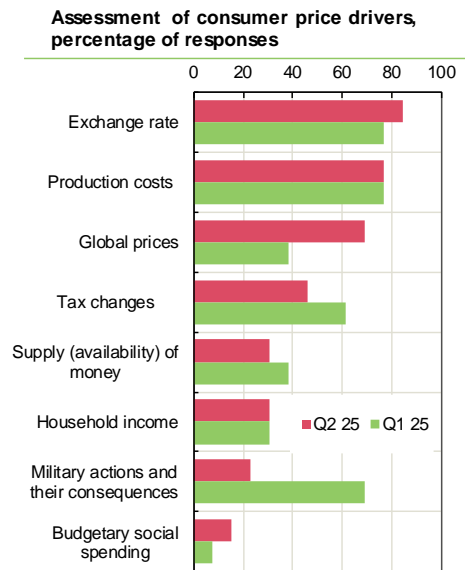


Figure 3

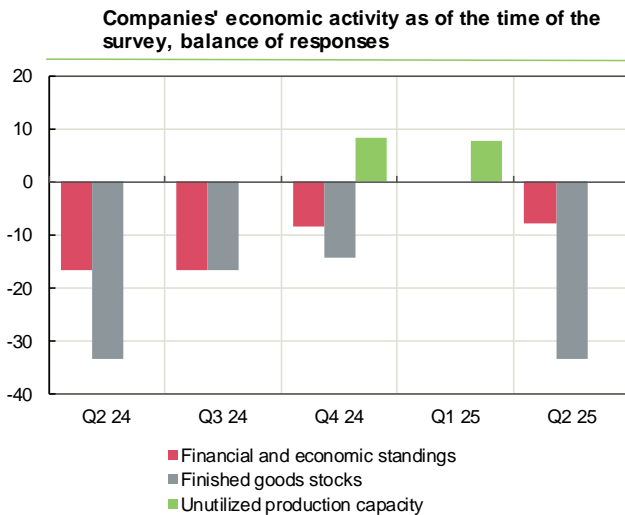


Figure 4



Figure 5

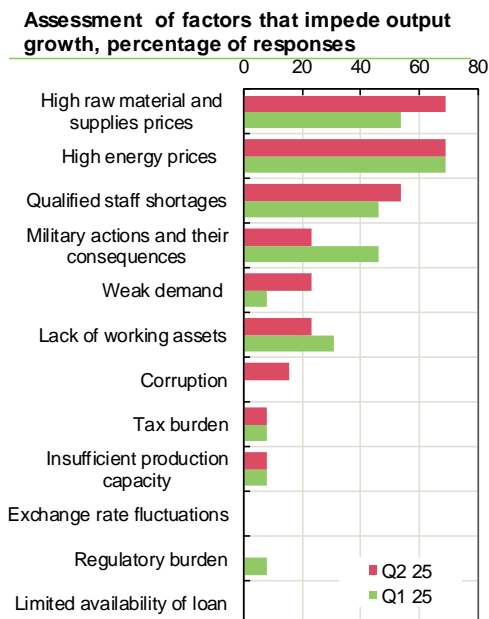


Figure 6

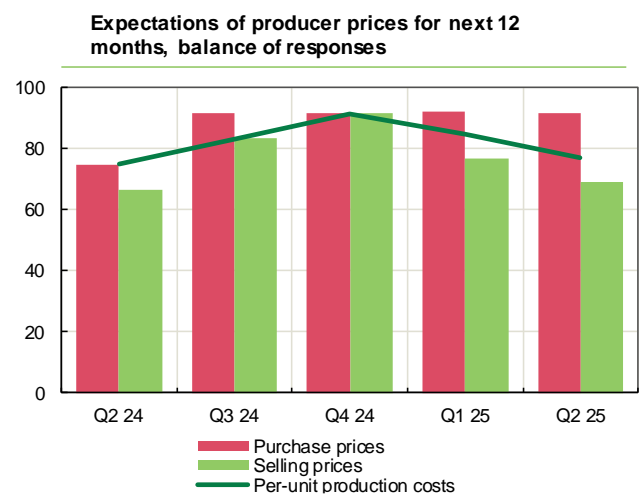


Figure 7

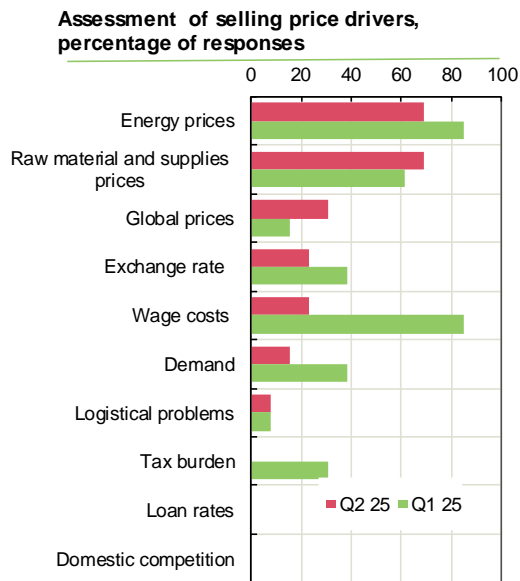


Figure 8

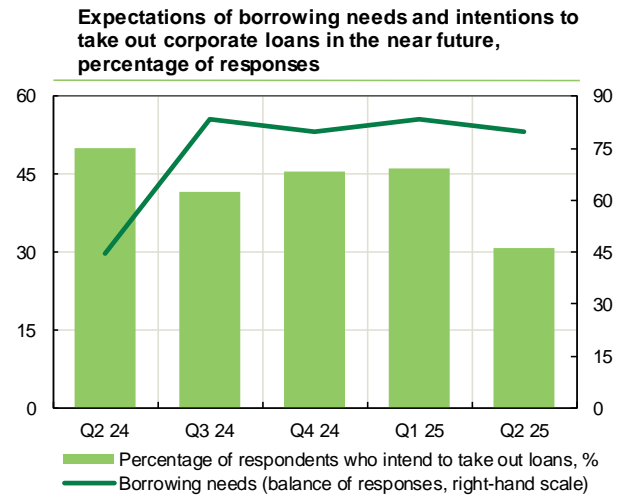


Figure 9

