National Bank of Ukraine

Business Outlook Survey of Zakarpattia Oblast*

Q2 2025

* This survey only reflects the opinions of respondents in Zakarpattia 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 Zakarpattia oblast in Q2 2025 showed that, despite the war, high raw material and supplies prices, qualified staff shortages and weak demand, respondents expected that the output of Ukrainian goods and services would rise over the next 12 months. They had positive expectations for the performance of their companies over that period. Respondents expected that prices for consumer goods and services would rise moderately. 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 rise: the balance of expectations was 21.4%, compared to 0.0% in Q1 2025 (Figure 1). Overall, across Ukraine, the balance of responses was 9.2%
- inflation would be moderate: 64.3% of respondents said that growth in the prices of consumer goods and services would not exceed 10.0%, as in the previous quarter (compared to 41.6% across Ukraine). Respondents continued to refer to production costs, military actions and their consequences, and the hryvnia exchange rate as the main inflation drivers (Figure 2)
- the hryvnia would depreciate more markedly: 85.7% of respondents (up from 64.3% in Q1 2025) 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 improve: the balance of responses was 7.1%, up from (-7.1%) in the previous quarter (see Table). Overall, across Ukraine, the figure was 2.4%
- total sales would increase: the balance of responses was 14.3%, up from 0.0% in the previous quarter. At the same time, respondents expected that external sales would remain unchanged: the balance of responses was 0.0%, down from 12.5% in Q1 2025 (see Table). Across Ukraine, the balances of responses were 10.5% and 9.4% respectively
- investment in construction would remain unchanged: the balance of responses was 0.0%, as in the previous quarter. At the same time, respondents expected that investment in machinery, equipment, and tools would rise: the balance of responses was 7.1%, up from 0.0% (see Table). Across Ukraine, the balances of responses were (-0.7%) and 7.8% respectively
- staff numbers at their companies would remain unchanged: the balance of responses was 0.0%, compared to (-14.3%) in the previous quarter (Figure 4). Across Ukraine, the balance of responses was (-4.4%)
- purchase and selling prices would rise at a slower pace: the balances of responses were 78.6% and 64.3% respectively, compared to 92.9% and 71.4% respectively in the previous quarter (Figure 6). Raw material and supplies prices (the impact of this factor was reported to have increased), the hryvnia exchange rate, wage costs and high energy prices were cited as the main selling price drivers (Figure 7)
- per-unit production costs would increase, while wage costs per staff member would rise at a faster pace: the balances of responses were 50.0% and 42.9% respectively, compared to 42.9% and 28.6% respectively in Q1 2025 (Figures 4 and 6).

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

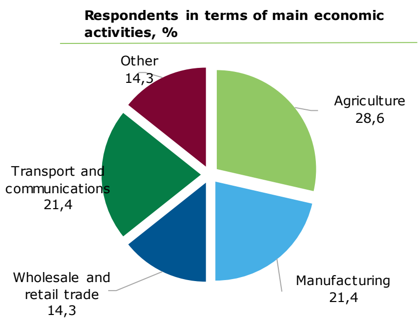
The share of respondents who planned to take out bank loans was 42.9% (Figure 8). The companies that planned to take out bank loans preferred domestic currency loans. Respondents referred to uncertainty about their ability to meet debt obligations as they fall due, the availability of other funding sources and high loan rates as the main factors deterring them from taking out loans (Figure 9).

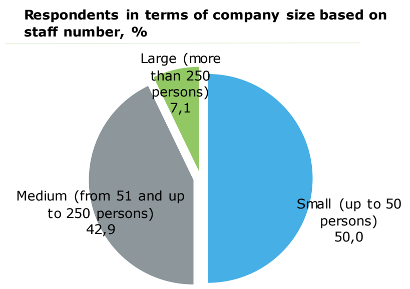
All of the respondents said that they had encountered no difficulties in effecting transactions with funds deposited in bank accounts (96.2% across Ukraine).

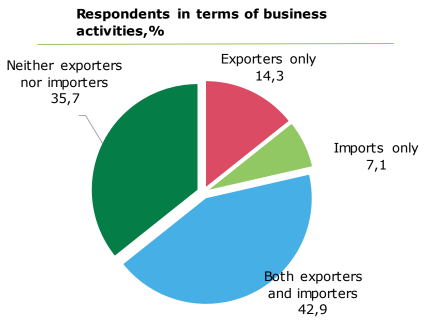
Assessments of financial and economic standings as of the time of the survey (Figure 3)

- Companies' current financial and economic standings had deteriorated and were assessed as bad: the balance of responses was (-14.3%), compared to 7.1% in the previous quarter and (-5.3%) across Ukraine.
- Finished goods stocks continued to be assessed at lower than normal levels: the balance of responses was (-12.5%), up from (-42.9%) in the previous quarter.
- Companies said they would need additional capacity to meet any unexpected rise in demand: the balance of responses was (-14.3%), down from (-7.1%) in Q1 2025.

Survey Details[1,2]

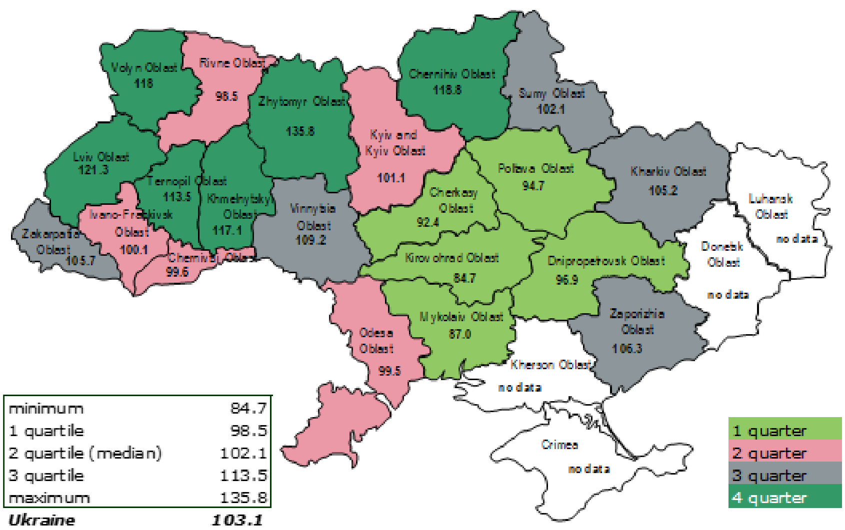






- Period: 30 April through 27 May 2025.
- A total of 14 companies were polled.
- A representative sample was generated on the basis of the agricultural sector.

Business Outlook Index for Next 12 Months in Terms of Oblasts[3], %



*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 Zakarpattia 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	9,1	0,0	0,0	-7,1	7,1
Total sales	0,0	0,0	-18,2	0,0	14,3
Investment in construction	9,1	-9,1	-9,1	0,0	0,0
Investment in machinery, equipment, and tools	-9,1	0,0	0,0	0,0	7,1
Staff numbers	-18,2	0,0	-27,3	-14,3	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

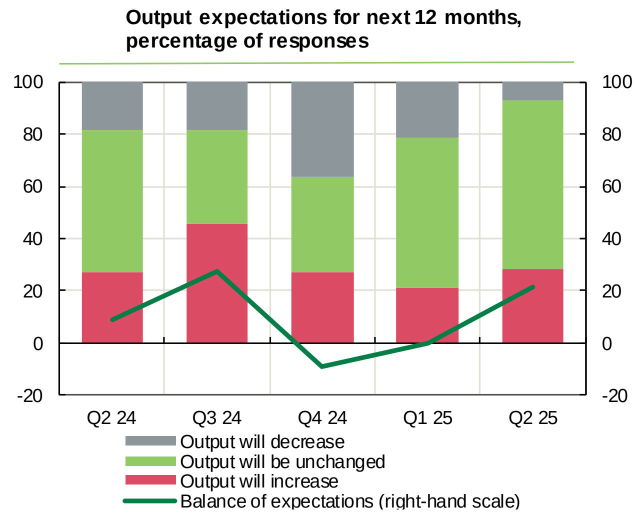


Figure 2

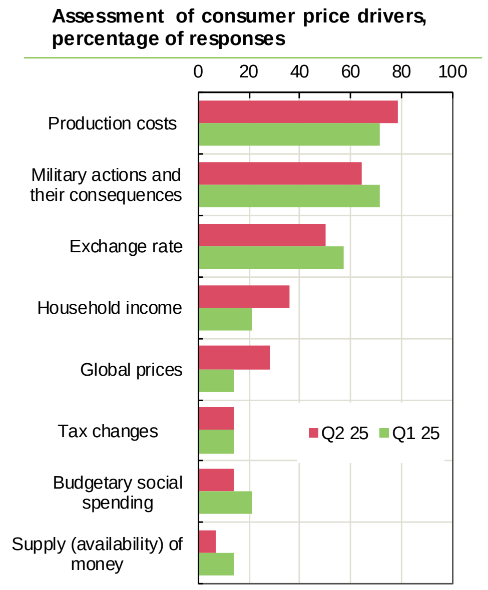


Figure 3

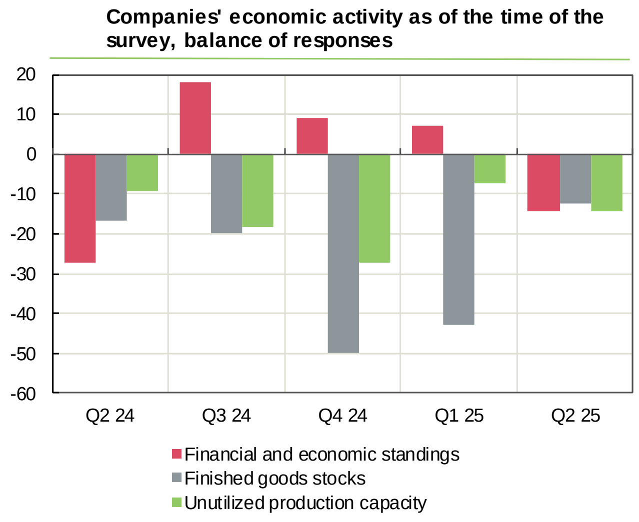


Figure 4

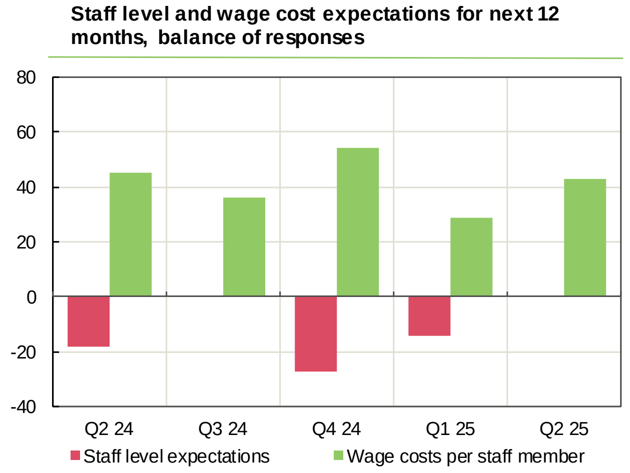


Figure 5

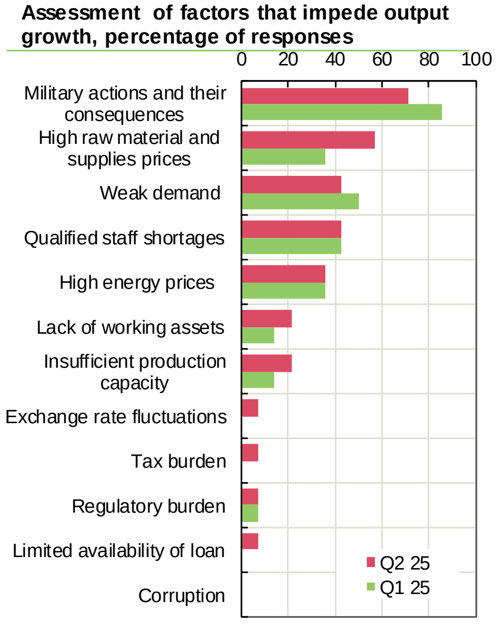


Figure 6

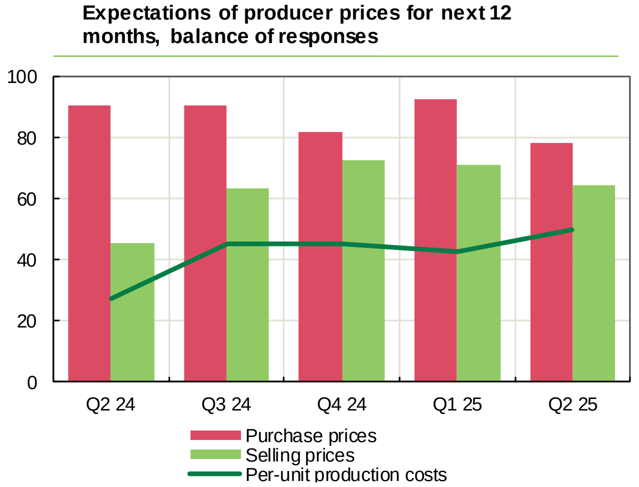


Figure 7

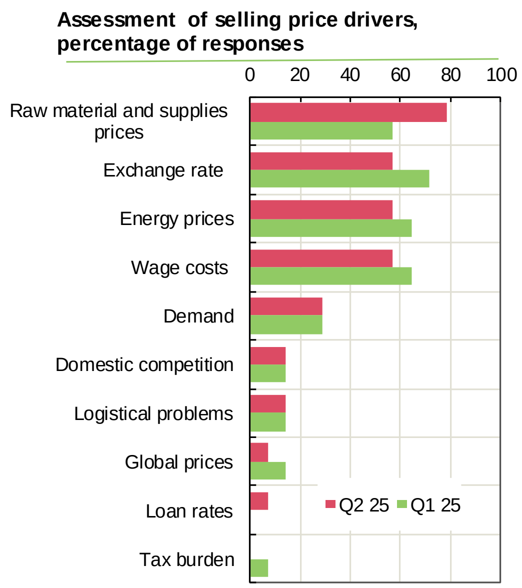


Figure 8

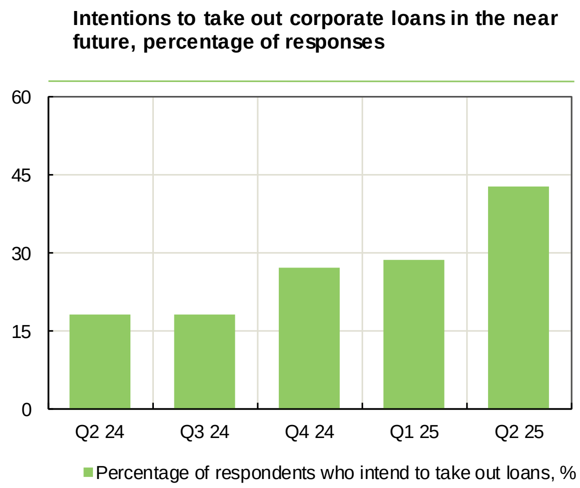


Figure 9