

Business Outlook Survey of Sumy Oblast^{*}

Q2 2025



^{*} This survey only reflects the opinions of respondents in Sumy 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 **Sumy oblast** in Q2 2025 showed that, on the back of the war, high energy prices, and qualified staff shortages, respondents downgraded their expectations for the output of Ukrainian goods and services. At the same time, they had weak expectations for the performance of their companies over the next 12 months. Prices were expected to increase more slowly. 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 decrease at a slower pace: the balance of expectations was (-9.1%), up from (-18.2%) in Q1 2025 (Figure 1). Overall, across Ukraine the balance of responses was 9.2%
- prices for goods and services would rise more slowly: 50.0% of respondents expected the inflation rate to be higher than 10.0%, compared to 66.7% in the previous quarter and 58.4% across Ukraine. Respondents referred to military actions and their consequences (mentioned by 91.7% of those surveyed), production costs and the hryvnia exchange rate as the main inflation drivers (Figure 2)
- the hryvnia would depreciate at a fast pace: 100.0% of respondents (as in the previous quarter) expected the hryvnia to weaken against the U.S. dollar, the figure across Ukraine being 83.4%
- the financial and economic standings of their companies would deteriorate: the balance of expectations was (-25.0%), compared to 0.0% in Q1 2025. Overall, across Ukraine, the balance of responses was 2.4% (see Table)
- **total sales would grow**: the balance of responses was 18.2%, compared to 16.7% in Q1 2025. Respondents also expected an increase in external sales: the balance of responses was 25.0%, compared to (-20.0%) in the previous quarter (see Table). Across Ukraine, the balances of responses were 10.5% and 9.4% respectively
- investment in construction would decrease: the balance of responses was (-10.0%), as in the previous quarter. Meanwhile, investment in machinery, equipment and tools was expected to rise: the balance of responses was 27.3%, up from 0.0% in Q1 2025 (see Table). Overall, 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%, as in the previous quarter. Across Ukraine, the balance of responses was (-4.4%) (Figure 4)
- purchase and selling prices would rise at a slower pace: the balances of responses were 75.0% and 50.0% respectively (compared to 91.7% and 58.3% in the previous quarter) (Figure 6). Energy prices, raw material and supplies prices, logistical problems, the hryvnia exchange rate and wage costs (the impact of this factor was reported to have increased) were cited as the main selling price drivers (Figure 7)
- per-unit production costs and wage costs would rise at a slower pace: the balances of responses were 45.5% and 25.0% respectively (compared to 72.7% and 36.4% in Q1 2025) (Figure 4 and 6).

Respondents named military actions and their consequences, high energy prices and qualified staff shortages as the main drags on their ability to boost production. Respondents said that the impact of weak demand and raw material and supplies prices had increased on the previous quarter (Figure 5).

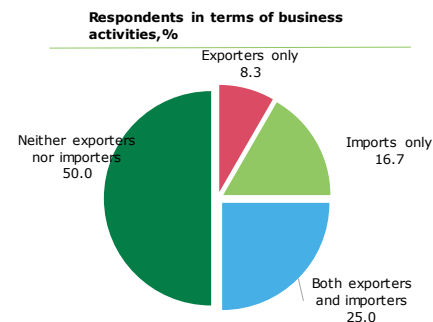
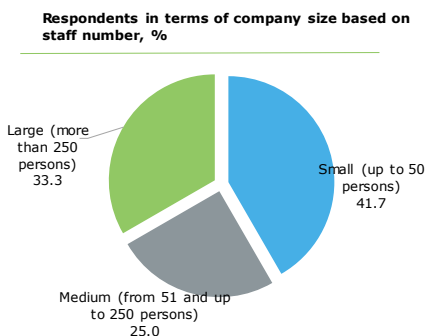
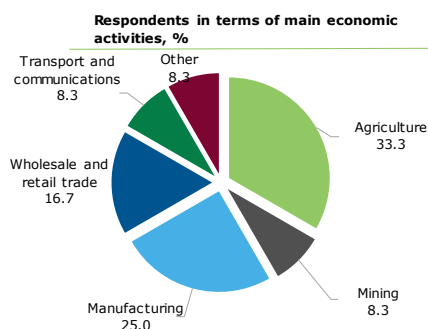
Respondents reported weaker expectations of their borrowing needs in the near future. The respondents who planned to take out bank loans (25.0%) opted only for domestic currency loans (Figure 8). Companies cited high loan rates, the availability of other funding sources, uncertainty about their ability to meet debt obligations as they fall due and hryvnia exchange rate fluctuations as the main factors deterring them from taking out loans (Figure 9).

91.7% 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)

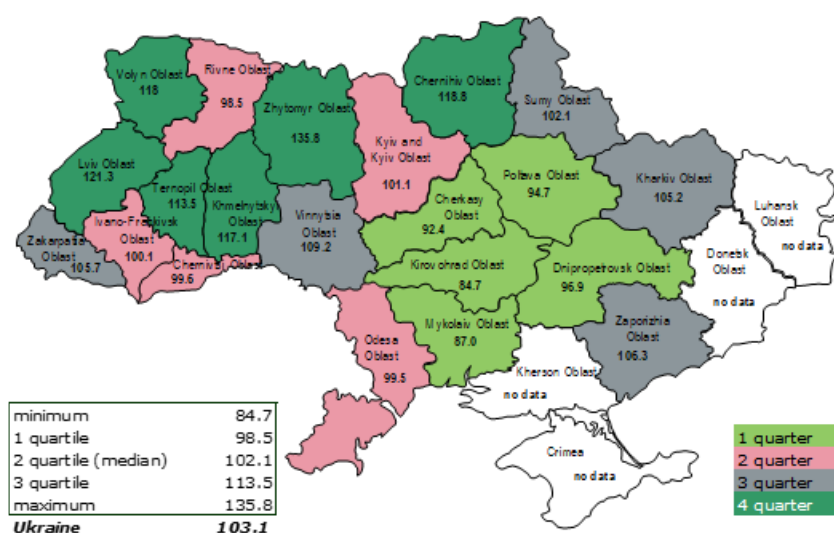
- Companies assessed their current financial and economic standings as bad: the balance of responses was (-16.7%), as in the previous quarter. Across Ukraine, the balance of responses was (-5.3%).
- Finished goods stocks had decreased and were assessed at lower than normal levels: the balance of responses was (-12.5%), compared to 11.1% in Q1 2025.
- Companies had a sufficient amount of unutilized production capacity to meet any unexpected rise in demand: the balance of responses was 18.2%, up from 0.0% in Q1 2025.

Survey Details^{1,2}



- Period: 30 April through 26 May 2025.
- A total of 12 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, %



*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 Sumy 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	-23.1	-15.4	15.4	0.0	-25.0
Total sales	-38.5	-23.1	0.0	16.7	18.2
Investment in construction	-20.0	-40.0	-16.7	-10.0	-10.0
Investment in machinery, equipment, and tools	-10.0	-40.0	0.0	0.0	27.3
Staff numbers	-23.1	-30.8	-7.7	0.0	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

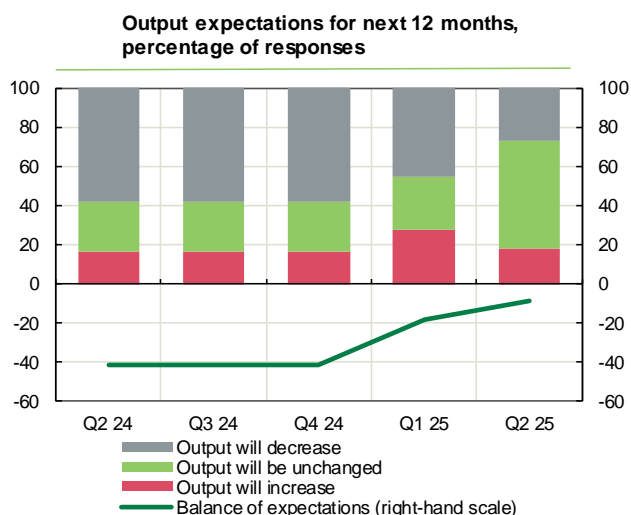


Figure 2

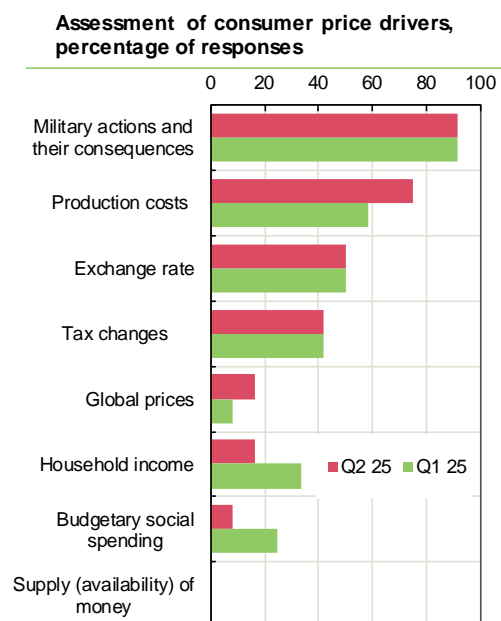


Figure 3

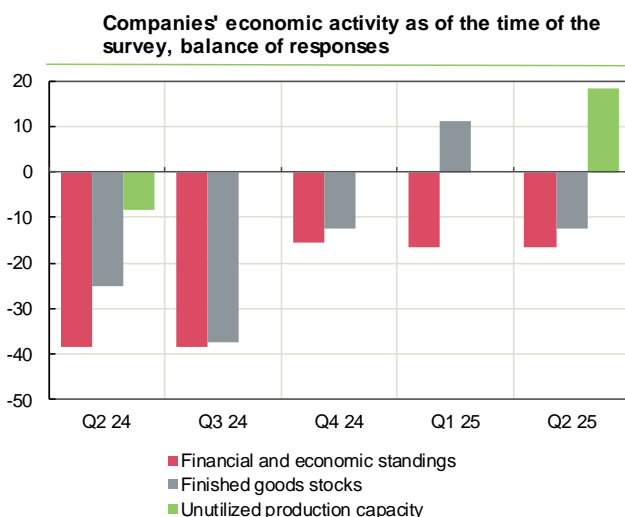


Figure 4



Figure 5

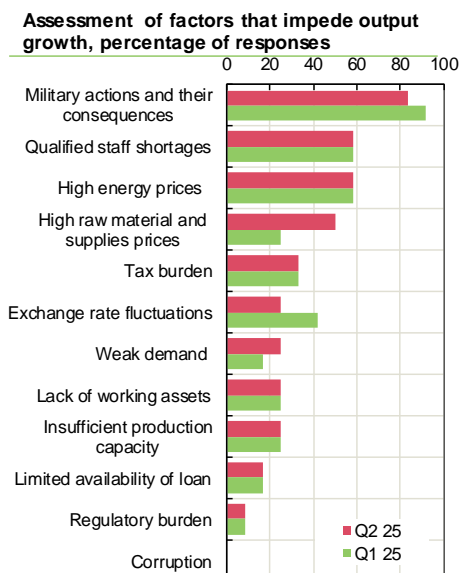


Figure 6

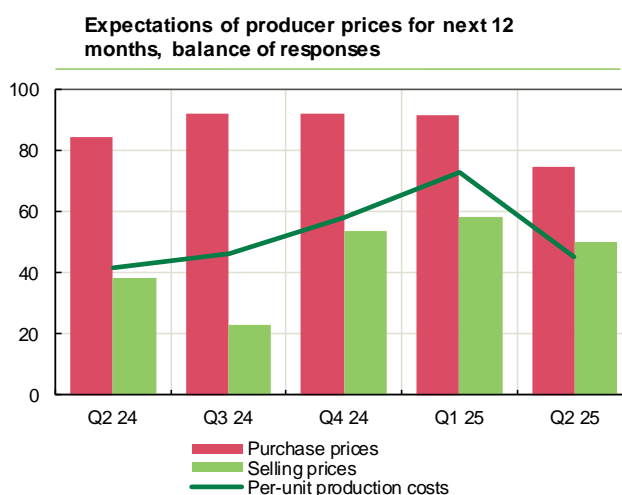


Figure 7

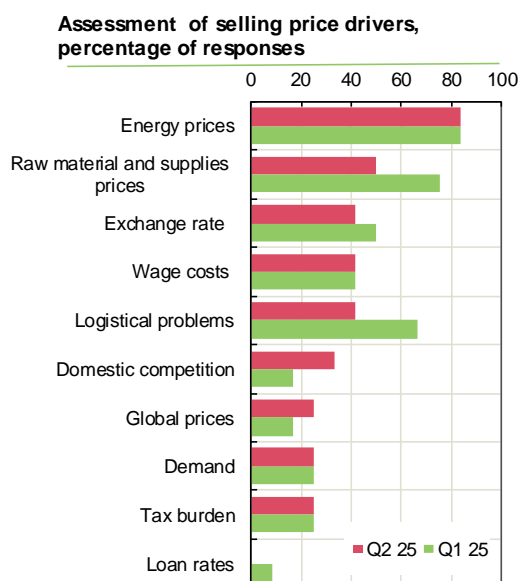


Figure 8

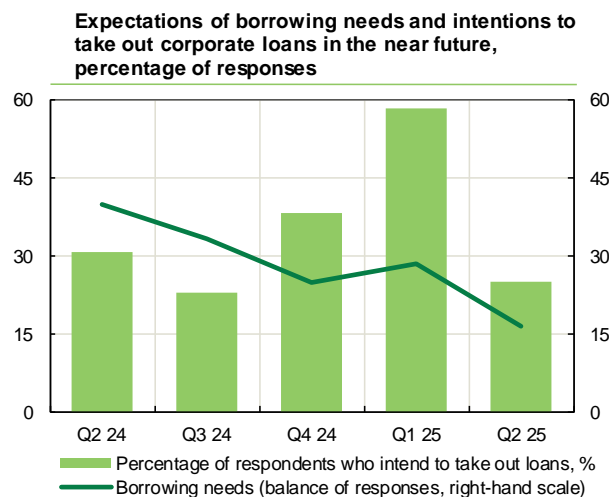


Figure 9

