



National Bank  
of Ukraine

## Business Outlook Survey of Chernivtsi Oblast\*

Q4 2024



\*This survey only reflects the opinions of respondents in Chernivtsi 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 **Chernivtsi oblast** in Q4 2024 showed that, on the back of the war, a lack of working assets, and high energy, raw material and supplies prices respondents reported guarded expectations for the output of Ukrainian goods and services and for the performance of their companies over the next 12 months. Respondents expected prices to rise more quickly. Depreciation expectations weakened.

#### The top managers of companies said they expected that over the next 12 months:

- the output of Ukrainian goods and services would remain unchanged: the balance of expectations was 0.0%, compared to 9.1% in Q3 2024 and (-1.4%) across Ukraine (Figure 1)
- prices for consumer goods and services would grow more quickly: a total of 54.5% of respondents expected that inflation would not exceed 10.0%, compared to 72.7% in the previous survey and 46.3% across Ukraine. Respondents referred to production costs, the hryvnia exchange rate and military actions as the main inflation drivers (Figure 2)
- the hryvnia would depreciate at a slower pace: 81.8% of respondents (down from 100.0% in the previous quarter) expected the hryvnia to weaken against the U.S. dollar, the figure across Ukraine being 92.8%
- the financial and economic standings of their companies would remain unchanged: the balance of expectations was 0.0%, up from (-9.1%) in Q3 2024. The balance across Ukraine was (-1.2%) (see Table)
- total sales would remain unchanged: the balance of responses was 0.0%, up from (-9.1%) in Q3 2024. Across Ukraine, the balance of responses was 9.0% (see Table)
- investment in construction would remain unchanged: the balance of responses was 0.0%, compared to (-18.2%) in the previous quarter. At the same time, respondents expected that investment in machinery, equipment, and tools would drop: the balance of responses was (-22.2%), down from (-18.2%) in Q3 2024 (see Table). The balances of responses across Ukraine were (-1.6%) and 9.3% respectively
- staff numbers would increase: the balance of responses was 10.0% (among the highest expectations across the regions), compared to (-18.2%) in Q3 2024. Across Ukraine, the balance of responses was (-6.6%) (Figure 4)
- purchase prices would grow more slowly: the balance of responses was 90.9%, compared to 100.0% in Q3 2024. Meanwhile, respondents expected that selling prices would rise at a faster pace: the balance of responses was 81.8%, compared to 63.3% in the previous quarter (Figure 6). Energy prices, raw material and supplies prices and the hryvnia exchange rate were referred to as the main selling price drivers (Figure 7)
- per-unit production costs and wage costs per staff member would rise more quickly: the balances of responses were 80.0% and 54.5% respectively, compared to 54.5% and 45.5% respectively in Q3 2024 (Figures 4 and 6).

Respondents referred to military actions and their consequences, a lack of working assets, high energy prices, and raw material and supplies prices (the impact of this factor was reported to have increased significantly) as the main drags on the ability of their companies to boost production (Figure 5).

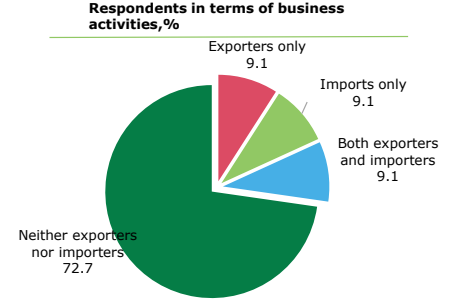
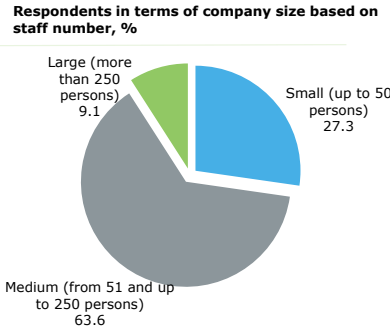
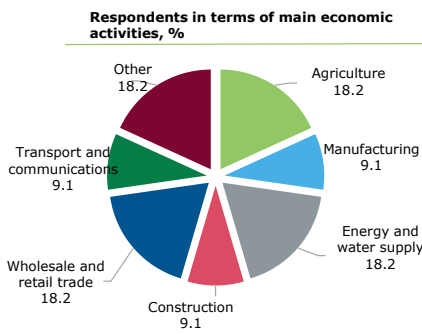
Respondents expected that their borrowing needs would increase at a slower pace in the near future. The respondents who planned to take out bank loans (45.5%) opted only for domestic currency loans (Figure 8). Respondents cited high loan rates, the availability of other funding sources, and complicated paperwork (the impact of this factor was reported to have increased) 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 (96.5% across Ukraine).

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

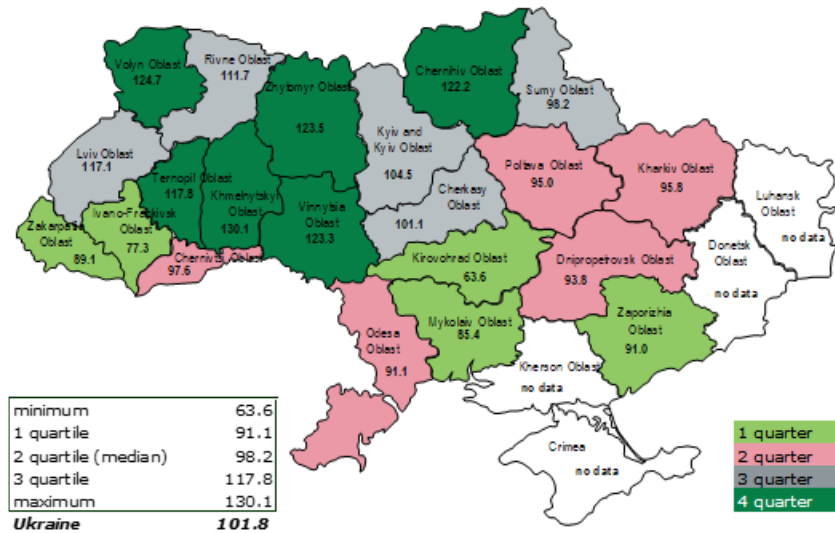
- Companies assessed their current financial and economic standings as good: the balance of responses was 18.2%, up from 9.1% in Q3 2024. Across Ukraine, the balance of responses was (-6.1%).
- Finished goods stocks were assessed as normal: the balance of responses was 0.0% (as in the previous quarter).
- Companies were operating on the verge of their production capacity: the balance of responses was 0.0%, compared to 27.3% in Q3 2024.

Survey Details<sup>1,2</sup>



- Period: 31 October through 22 November 2024.
- A total of 11 companies were polled.
- No economic activity was able to generate a representative sample.

Business Outlook Index for Next 12 Months in Terms of Oblasts<sup>3</sup>, %



<sup>3</sup>a quartile is the value of the BOI where an ordered sample is divided into four equal-sized subgroups  
<sup>\*\*</sup>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 Chernivtsi 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	9.1	-18.2	-27.3	-9.1	0.0
Total sales	-10.0	10.0	-9.1	-9.1	0.0
Investment in construction	-9.1	27.3	-9.1	-18.2	0.0
Investment in machinery, equipment, and tools	18.2	18.2	-9.1	-18.2	-22.2
Staff numbers	-27.3	9.1	-27.3	-18.2	10.0

<sup>1</sup> This sample was generated in proportion to the contribution of each oblast and each economic activity to Ukraine's gross value added.  
<sup>2</sup> Data for totals and components may be subject to rounding effects.  
<sup>3</sup> 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

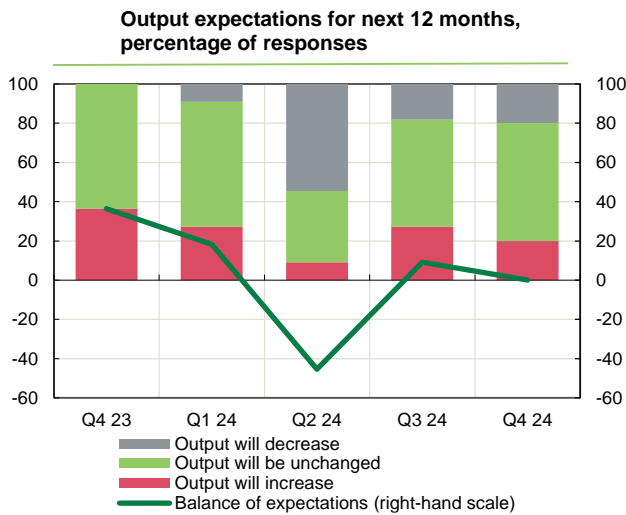


Figure 2

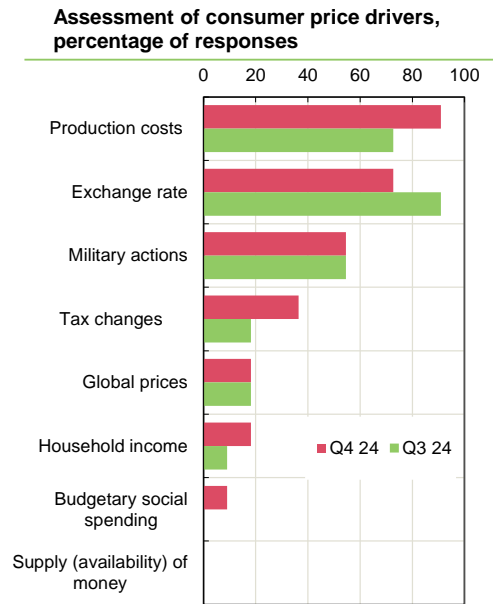


Figure 3

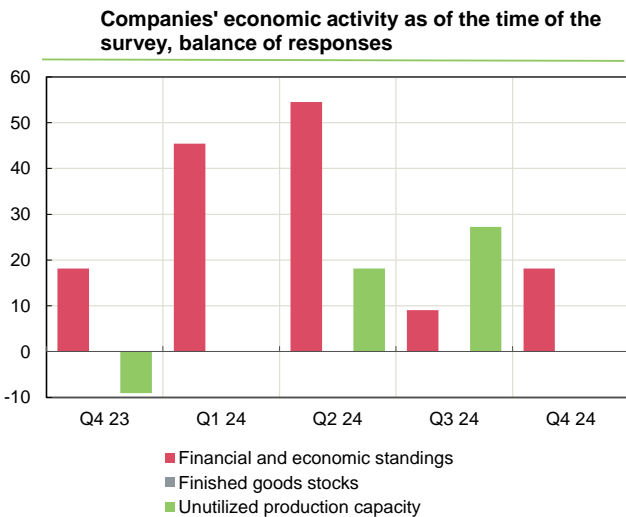


Figure 4



Figure 5

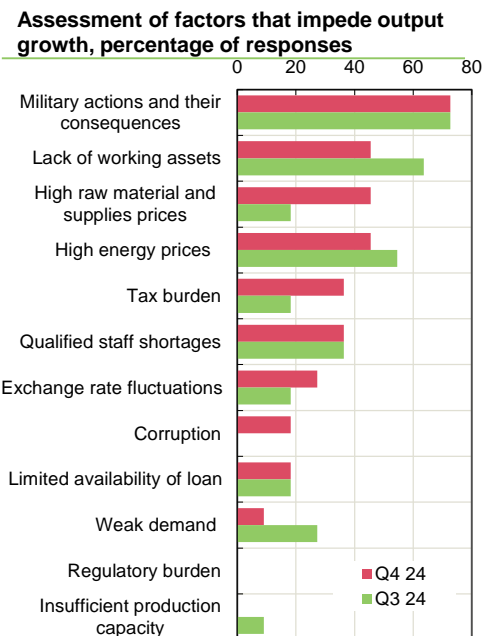


Figure 6

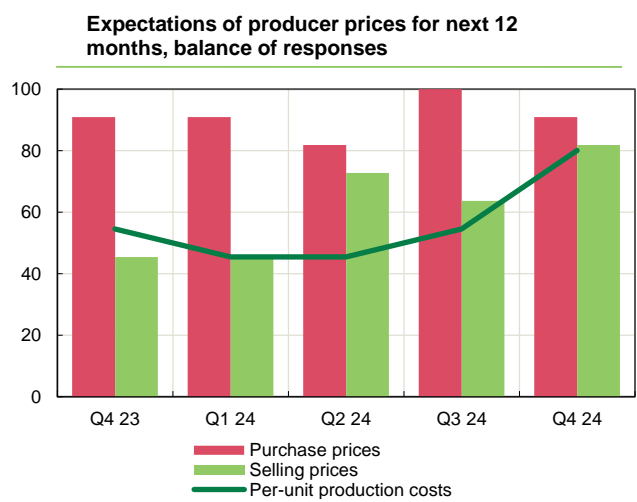


Figure 7

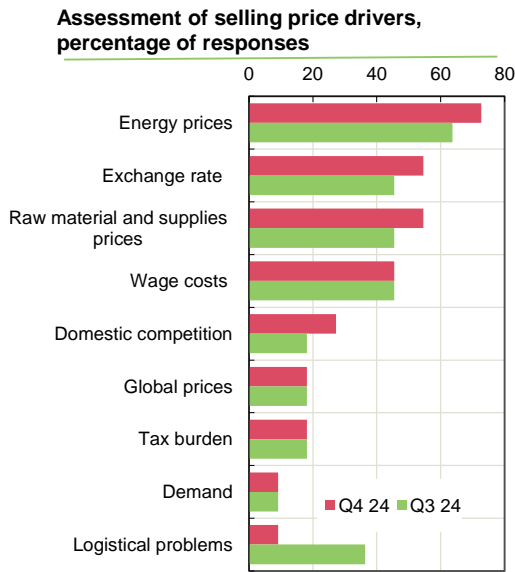


Figure 8

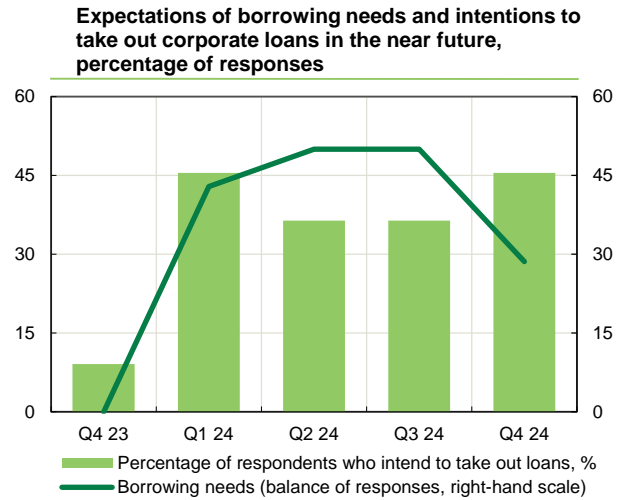


Figure 9

