«Through Fire and Fog»

Main economic trends in October 2025, based on the results of the New Rapid Enterprises Survey, #NRES

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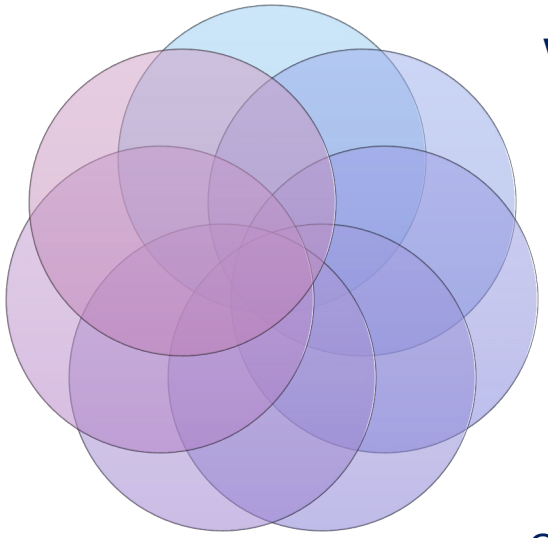
Kyiv, November 11, 2025

ABOUT THE NEW RAPID ENTERPRISES SURVEY #NRES

Monthly survey

The recent data were collected in **October 22 – 31, 2025**

SAMPLE: **465 enterprises were surveyed in October**



41 surveys have already been conducted (since May 2022)

Enterprises of all sizes

Sectors: **Industry+** (Retail, Agro)

Geography: **21 out of 27 regions** of Ukraine

THE KEY MESSAGE

Business sentiment in Ukraine remains fragile — despite a slight rebound in long-term expectations, short-term outlooks and performance indicators are weakening. Rising uncertainty, slowing recovery, persistent labor shortages, security risks, and intensified attacks on transport infrastructure continue to weigh on business activity.

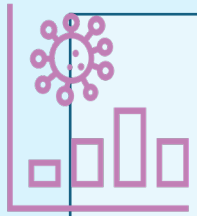
THE KEY RESULTS OF OCTOBER 2025

1. **Long-term business expectations have improved slightly** after the deterioration of last months, while **uncertainty in the 2-year perspective has been growing** for the third month in a row
2. **Medium-term uncertainty has increased** both for business activity at the enterprise and for the overall economic environment. At the same time, **expectations for the six-month perspective are deteriorating**
3. **The pace of recovery from year to year continues to slow down**
4. **Performance indicators of enterprises** (month before the previous one) **and short-term expectations are deteriorating**
5. **The leaders of impediments to business are still lack of personnel, security, and price increasing**, with some changes in the percentage distribution
6. Amid **intensified shelling of railways** and other transport infrastructure, the % of enterprises reporting **difficulties in organizing domestic goods transportation has increased**.

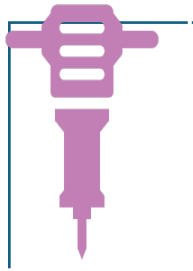
IER

New Monthly Enterprises Survey, #42, (10/2025)

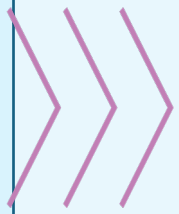
Main results 1.



The Business Activity Recovery Index (BARI) gradually worsens (the indicator decreased from 0.05 to 0.03)

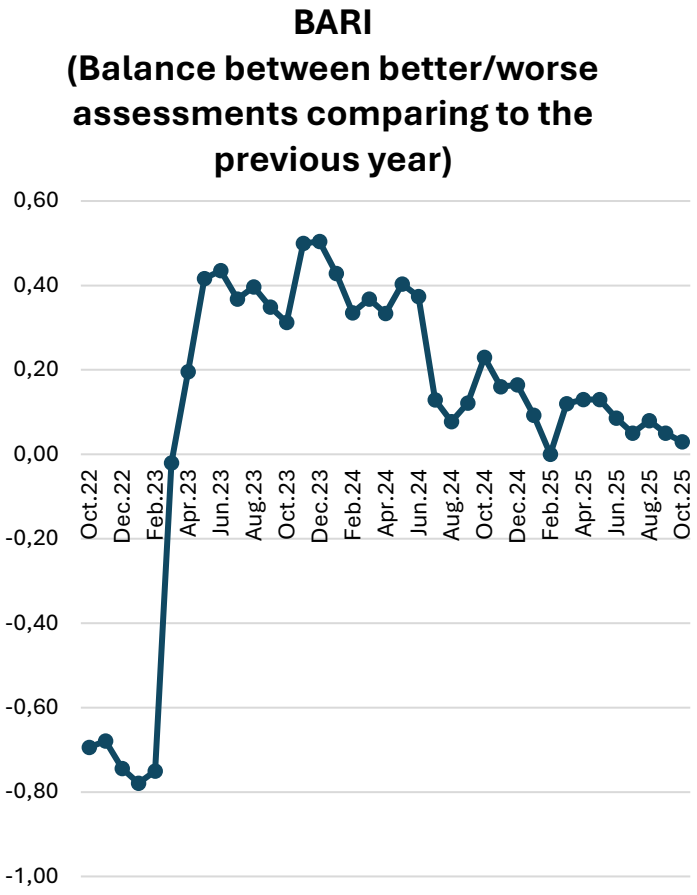


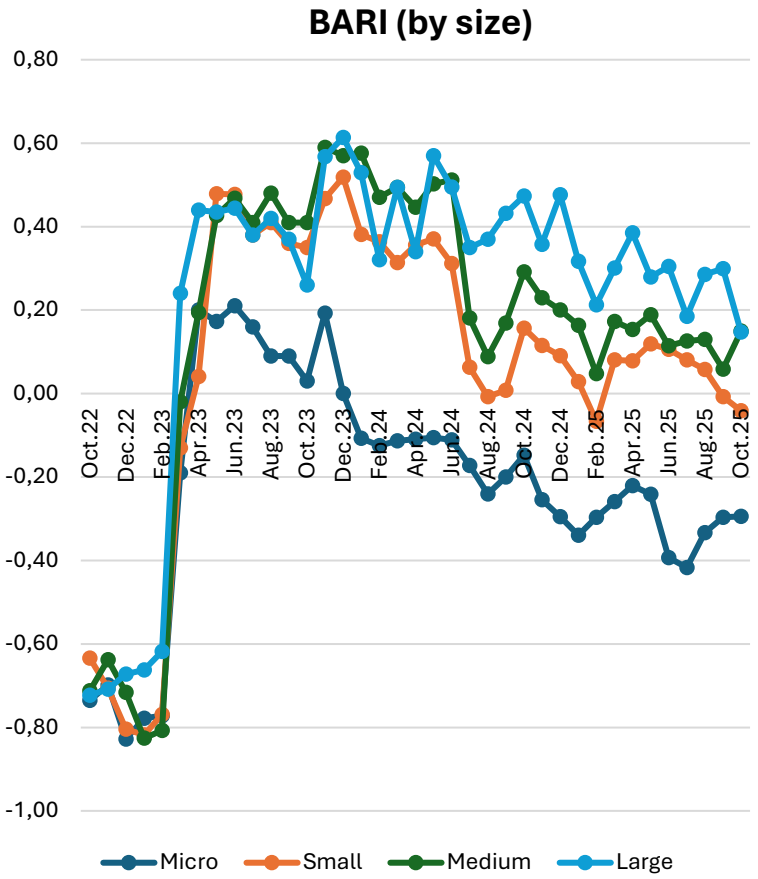
Capacity utilization compared to the "pre-war time“: **In October, compared to September, enterprises reduced capacities**



The Industrial Confidence Indicator (ICI) did not change significantly after a slight deterioration last month (0.11 in October vs 0.12 in September)

The Business Activity Recovery Index* gradually decreases





BARI is based on question when managers make a comparison of "how it is now" vs. "how it was a year ago""

The Business Activity Recovery Index (BARI) is gradually deteriorating, and in October 2025 compared to September, **the value decreased from 0.05 to 0.03** (scale from -1 to +1)

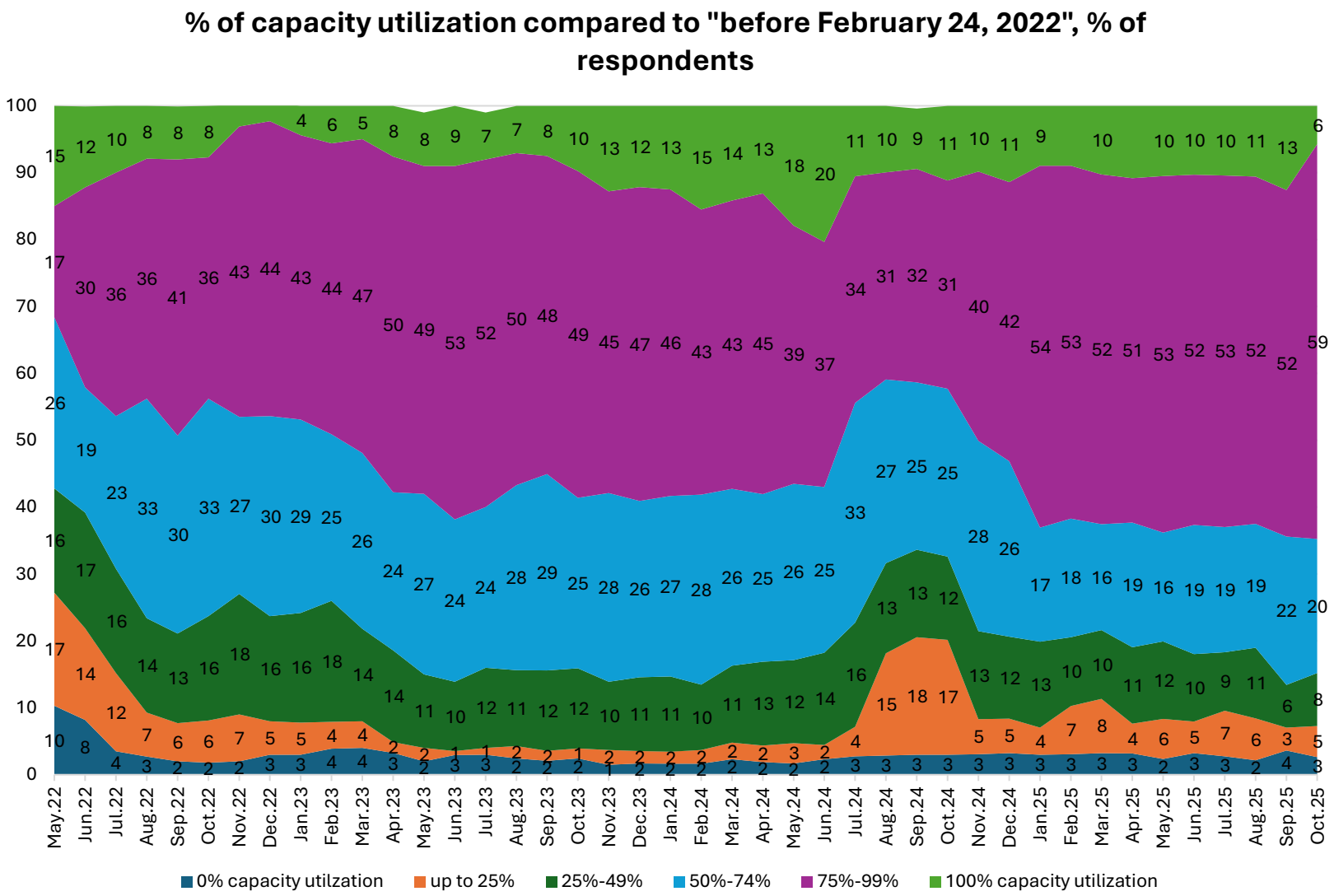
<u>The fluctuations in the percentage distribution of answers are he following:</u>

- % of businesses, **reported that their business activity was better than last year decreased** from 27.2% in September to 21.2% in October
- **% of businesses, reported that their business activity was worse than last year also decreased** (from 22.4% to 17.8%)
- % of those who **did not feel changes compared to last year increased** (from 50.3% to 61%)

BUT there are significant differences depending on the size of the enterprises

The value of BARI **for microenterprises is the lowest** but has not changed significantly. The value of the Index **for small enterprises continue to deteriorate**. The indicator of **medium-sized enterprises has increased significantly**. At the same time, the indicator of **large enterprises has deteriorated**

“Now” vs. “before February 24”: Capacity utilization decreased



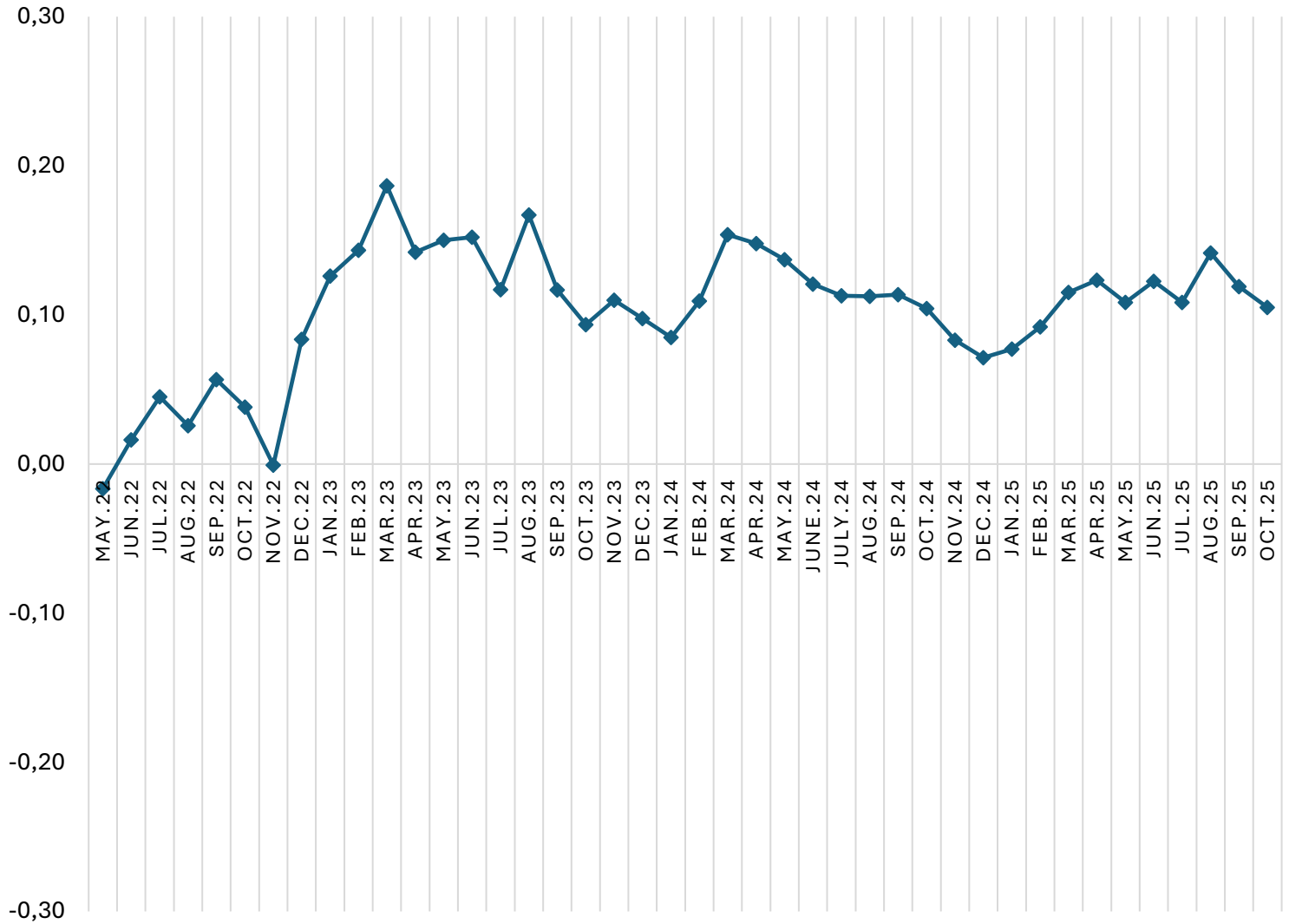
In October, compared to September, there were some changes

- % of enterprises **operating at 100% capacity decreased** from 13% to 6%
- The share of enterprises operating **at almost full capacity increased** to 59% in October (was 52% in September and August)

At the same time:

- % of enterprises operating **at 25-49% capacity has increased slightly**, from 6% to 8%
- % of enterprises **operating up to 25% capacity also slightly increased**, from 3% to 5%
- % of enterprises **that do not work at all has not changed significantly** (3% in October vs 4% in September)

Industrial Confidence Indicator (ICI)*



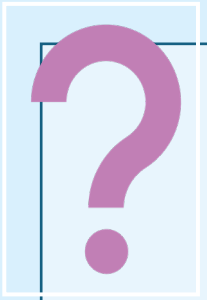
The ICI did not change significantly in October, after a slight deterioration in September. The value of the indicator in October is 0.11, it was 0.12 in September and 0.14 in August.

In October, compared to September, the fluctuations of the components of the ICI are the following:

- **Production expectations** (PE) **deteriorated for the second month in a row**, and the indicator decreased from 0.42 to 0.36
- The component **stocks of finished goods** (SFG) **does not change significantly** (-0.04 in October vs -0.03 in September)
- The component **volume of new orders remained unchanged** (-0.09 in October, as in September)

***ICI= PE+VNO+(-SFG)/3*

Main results 2. Uncertainty



Uncertainty in the 6-month perspective has increased both for the business activity at the enterprise and for the overall economic environment in the country

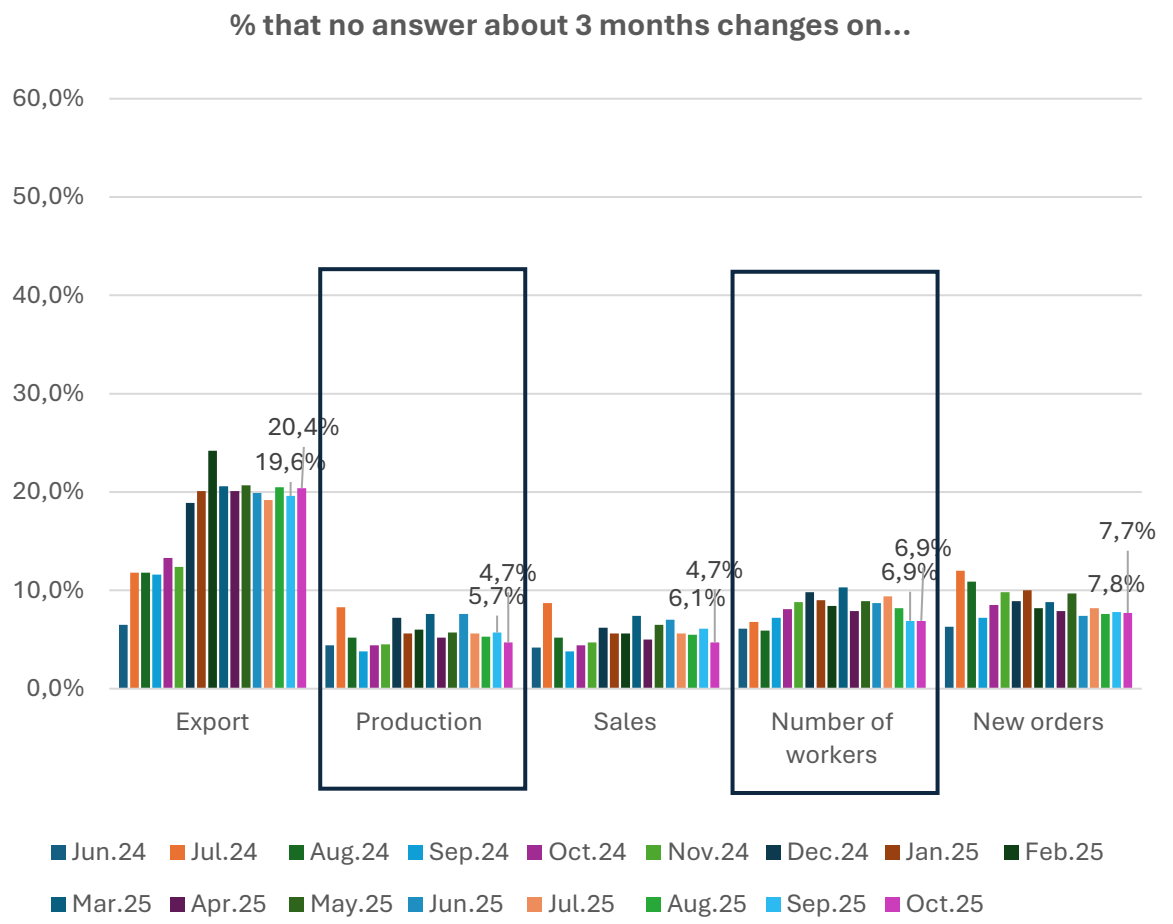
Uncertainty in the perspective of 3 months without significant changes

2-year uncertainty rises for third month in a row

Uncertainty increased in the 6-month perspective, but without significant changes for production indicators

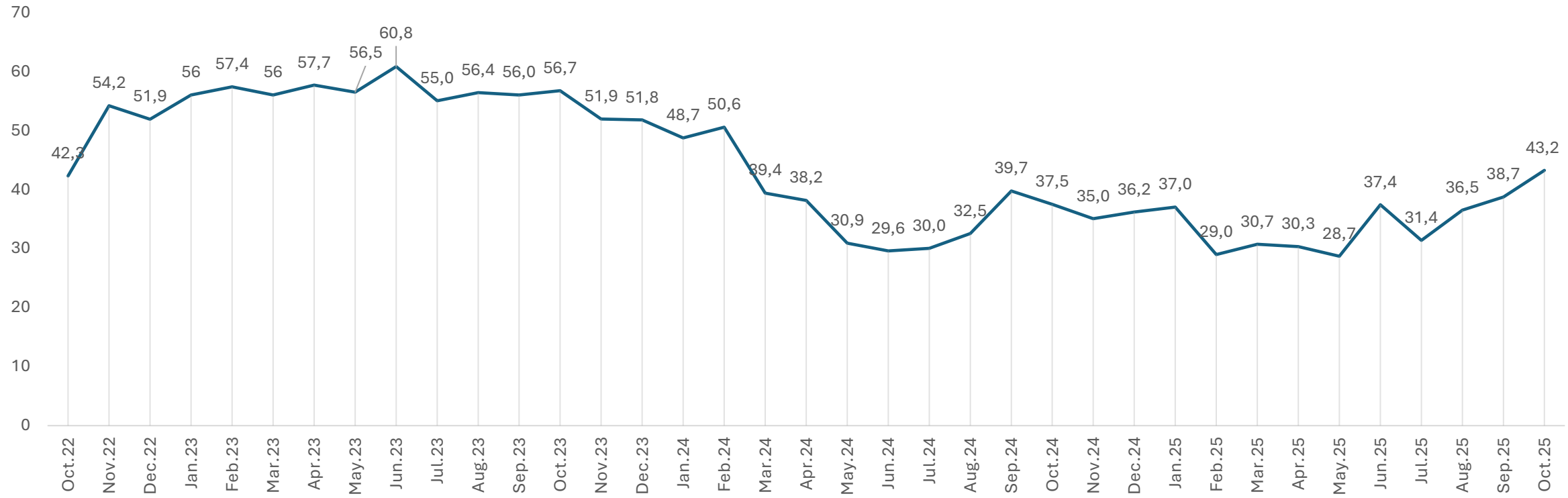
6-month horizon

3-month horizon:



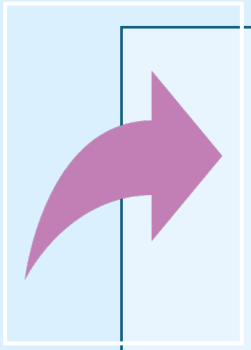
Uncertainty in the long-term perspective is growing

"It is hard to predict what will be with the activities of our enterprise in 2 years", % of answers

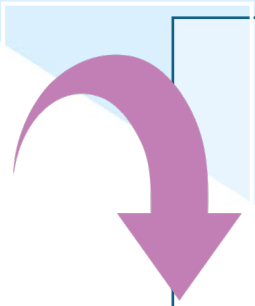


% of enterprises that have no idea about their plans for 2 years has been gradually growing for the third month in a row, and in October compared to September it increased from 38.7% to 43.2%

Main results 3. Long-term expectations



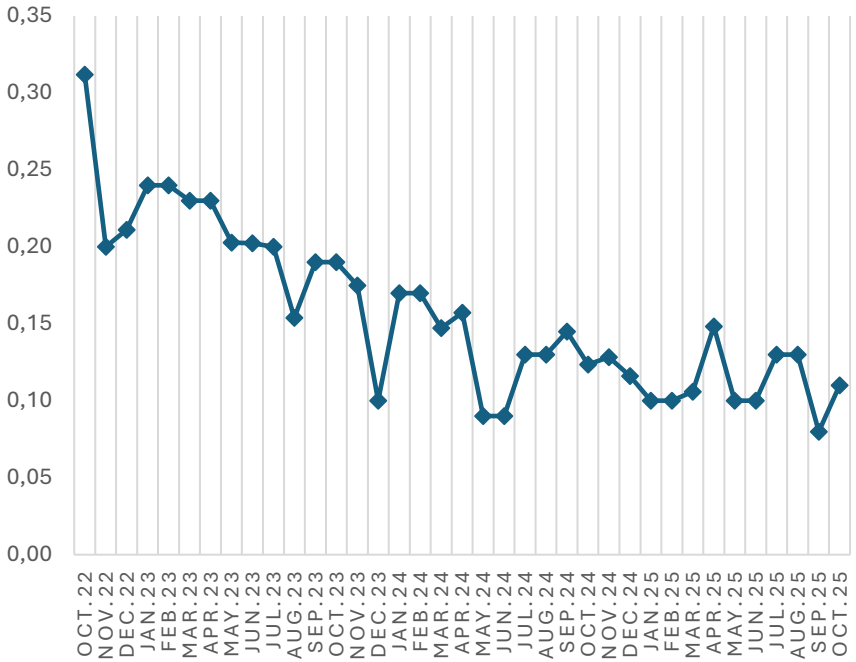
Expectations for the two-year perspective slightly improved after last month's worsening



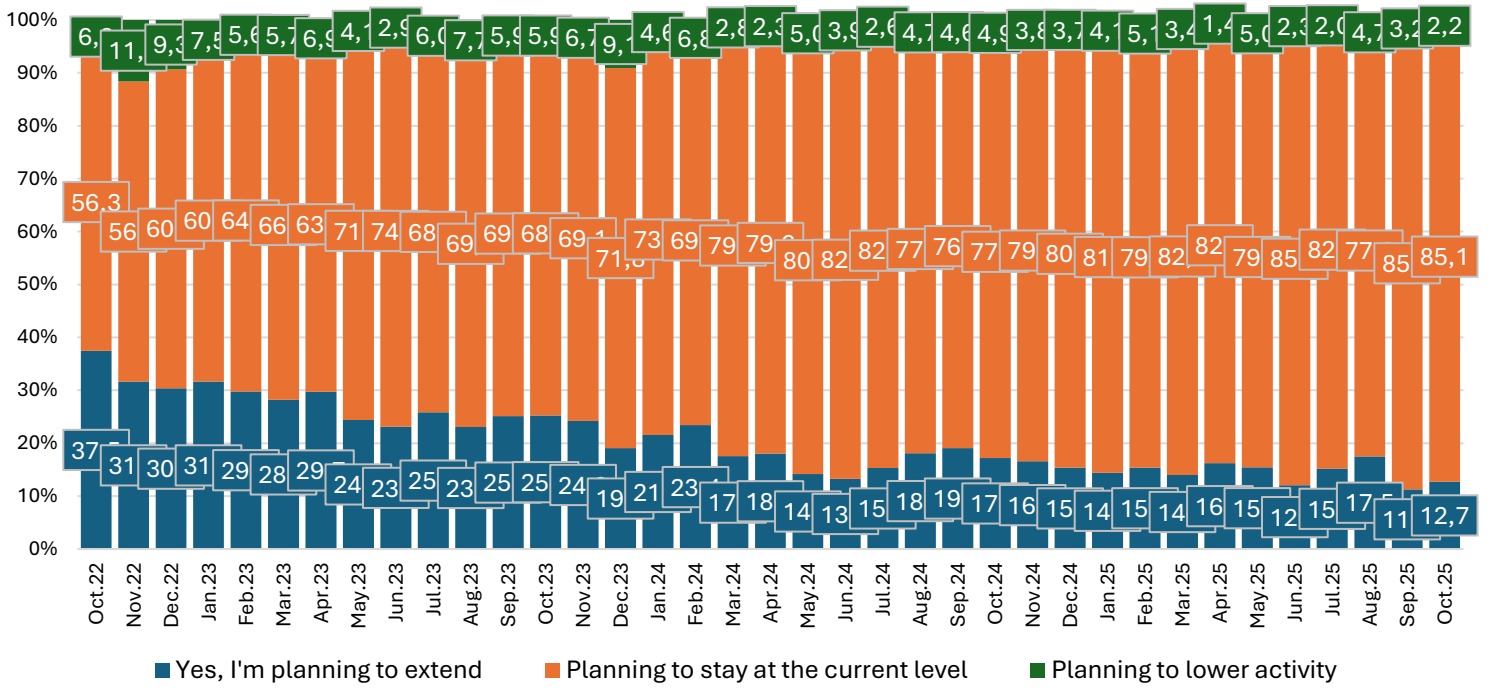
6-month expectations for the business activity at the enterprise and for the overall economic environment **deteriorate** for the second month in a row

Expectations in the long-term perspective have increased slightly

Index of expected changes in business activity (2 years)



Expectations in the two-year perspective



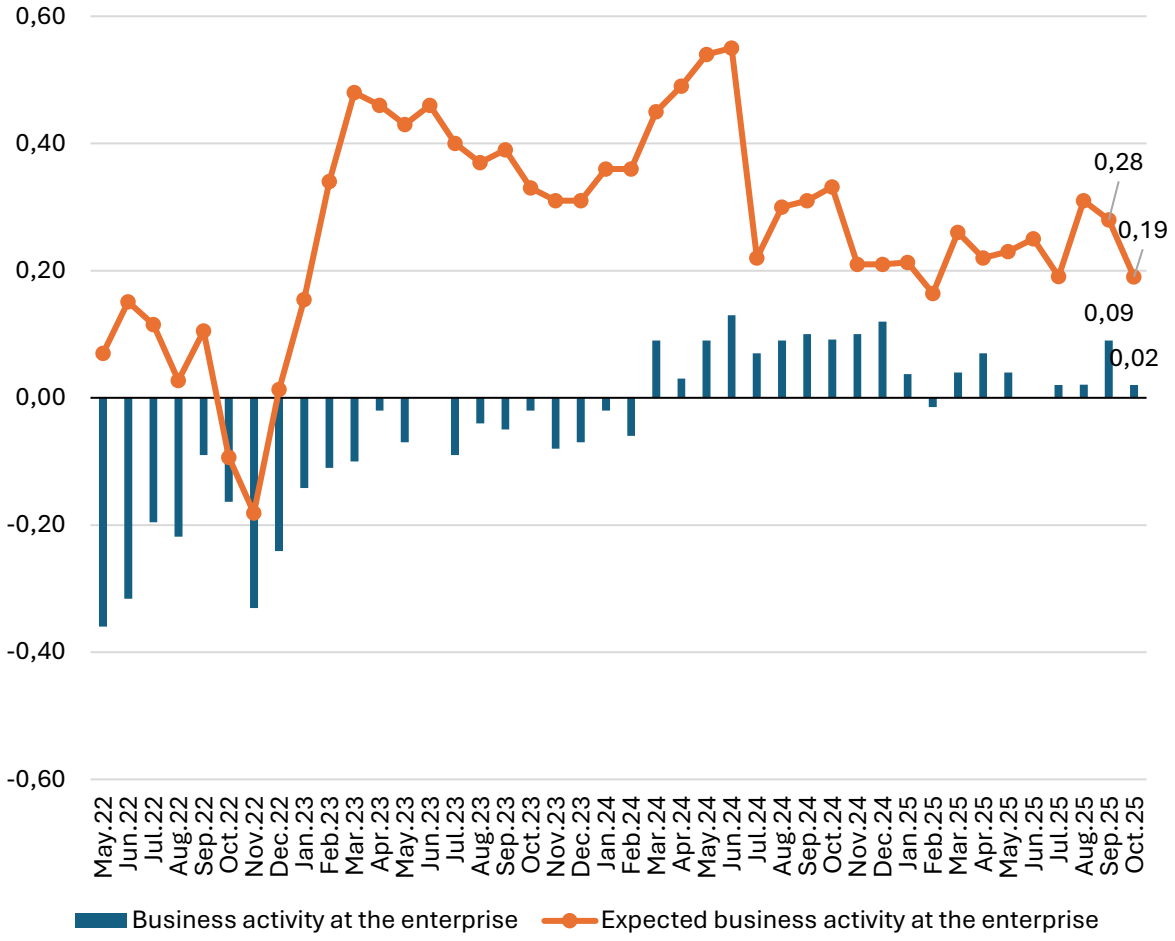
- **The Index of expected changes in business activity (2 years) improved slightly,** increasing from 0.08 to 0.11
- Scale from -1 (bad) to +1 (good)

There were no significant changes in the percentage distribution:

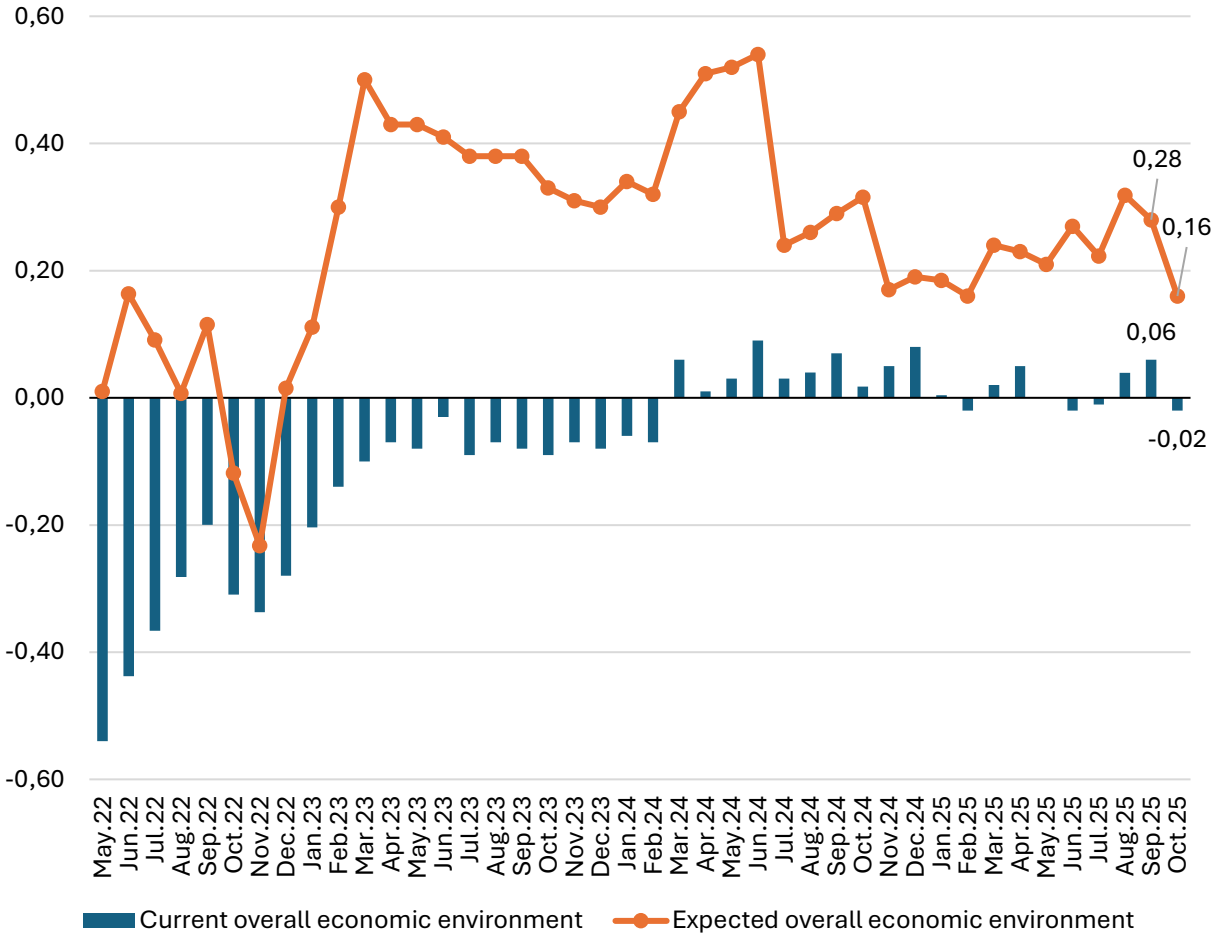
- The share of those who planning to extend activity is 12.7% (was 11.2% in September)
- The share of those who plan to lower activity is 2.2% (was 3.2% in September)

6-month perspective: expectations worsen

Business activity at the enterprise, balance indicators



Overall economic environment, balance indicators



MAIN RESULTS 4.
October vs September and short-term expectations

Production indicators and expectations in the 3-month perspective **deteriorate** for the second month in a row

In October, compared to September, **the number of workers decreased,** and **the number of workers on forced leave is expected to decrease**

Indicators of changes in export worsened, while **3-months expectations without significant changes**

Expectations for both **purchase prices and domestic sales prices remain high and without significant changes**

Production: tendency to worsening of results and expectations

Results (October to September)

- % of enterprises **that increased production decreased** (from 24.4% in September to 16.5% in October)
- % of enterprises **that reduced production volumes did not change significantly** (18.8% in September and 19.3% in October)

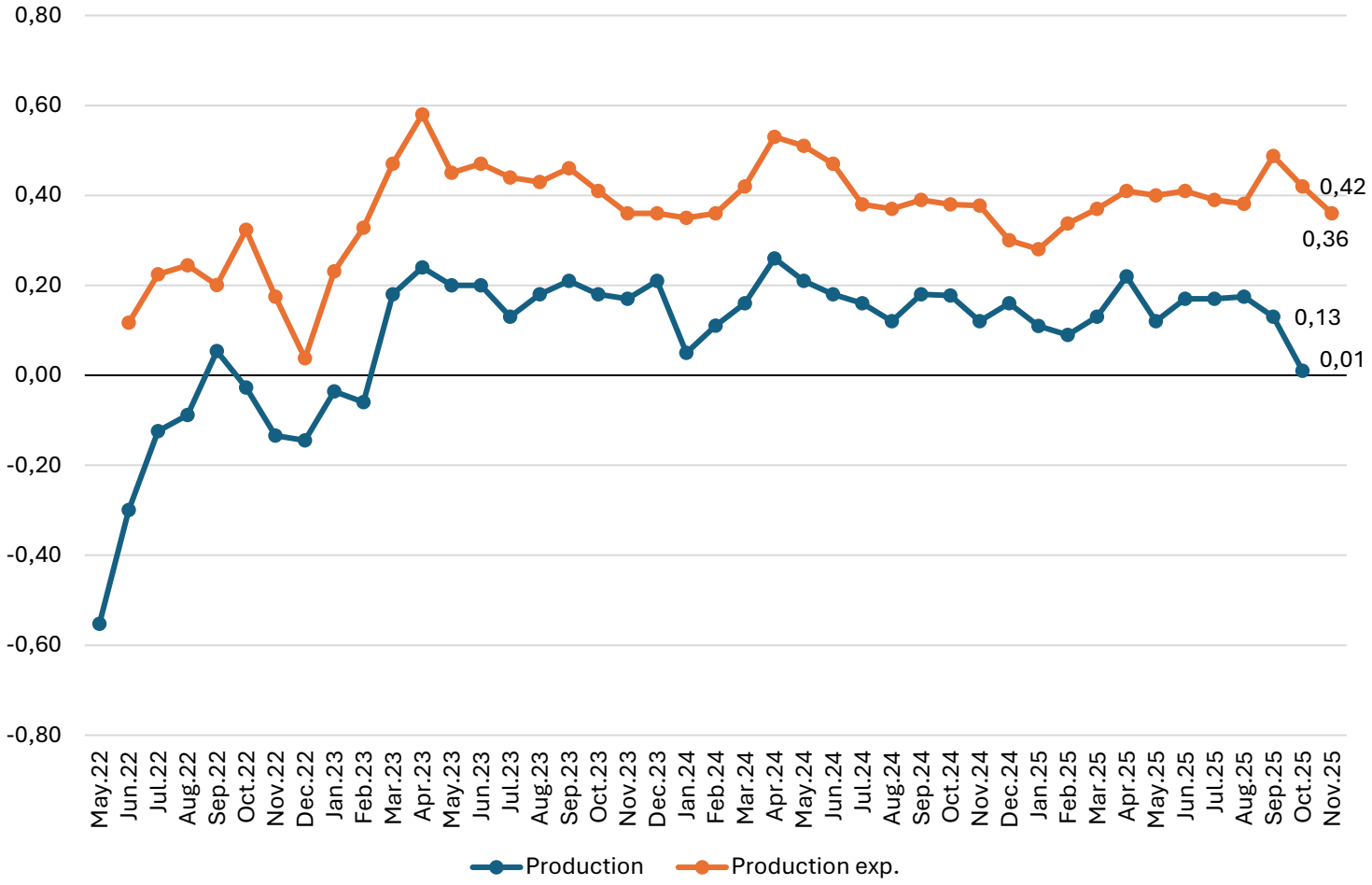
The index of changes significantly deteriorated, decreasing from 0.13 to 0.01

Expectations for 3 months

- % of enterprises **planning to increase production volumes in the next 3-4 months decreased** (from 42.2% to 37.5%)
- % of enterprises **expecting a reduction in production volumes did not change significantly** (4.2% in September and 4.3% in October)

The index of expected changes in production decreased, from 0.42 to 0.36

Production, balance indicators



Exports: significant deterioration in results, expectations without significant changes

Results (October to September)

- % of enterprises **reporting export growth decreased** (from 28.3% in September to 15.5% in October)
- % of enterprises **reporting decrease in exports increased** (from 15% in September to 21% in October

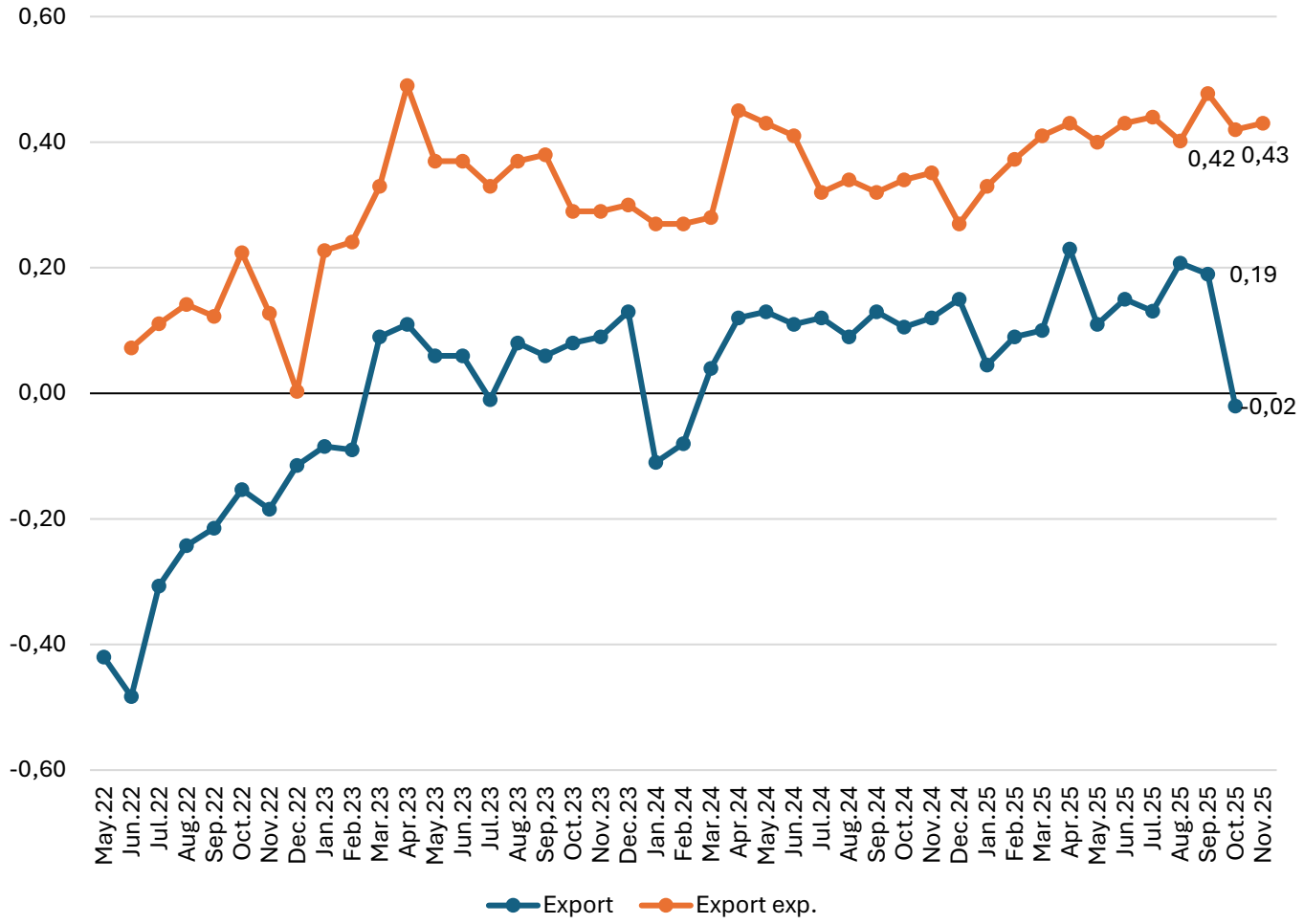
The index of changes decreased significantly (from 0.19 to -0.02)

Expectations for 3 months

- % of enterprises **expecting export growth increased** (from 44.8% in September to 46.6% in October)
- % of enterprises **planning to reduce export without significant changes** (5% in September and 5.4% in October)

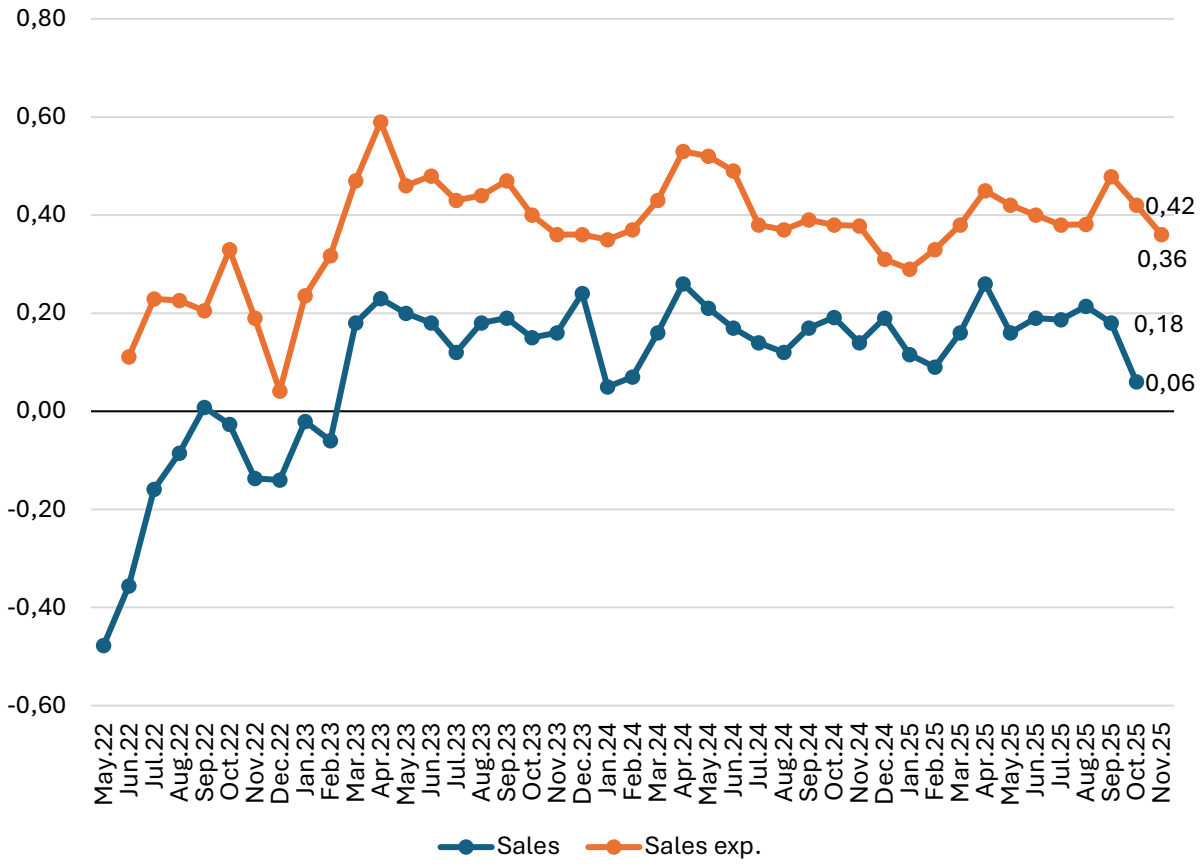
The index of expected changes in export did not change significantly and is 0.43 (it was 0.42)

Export, balance indicators

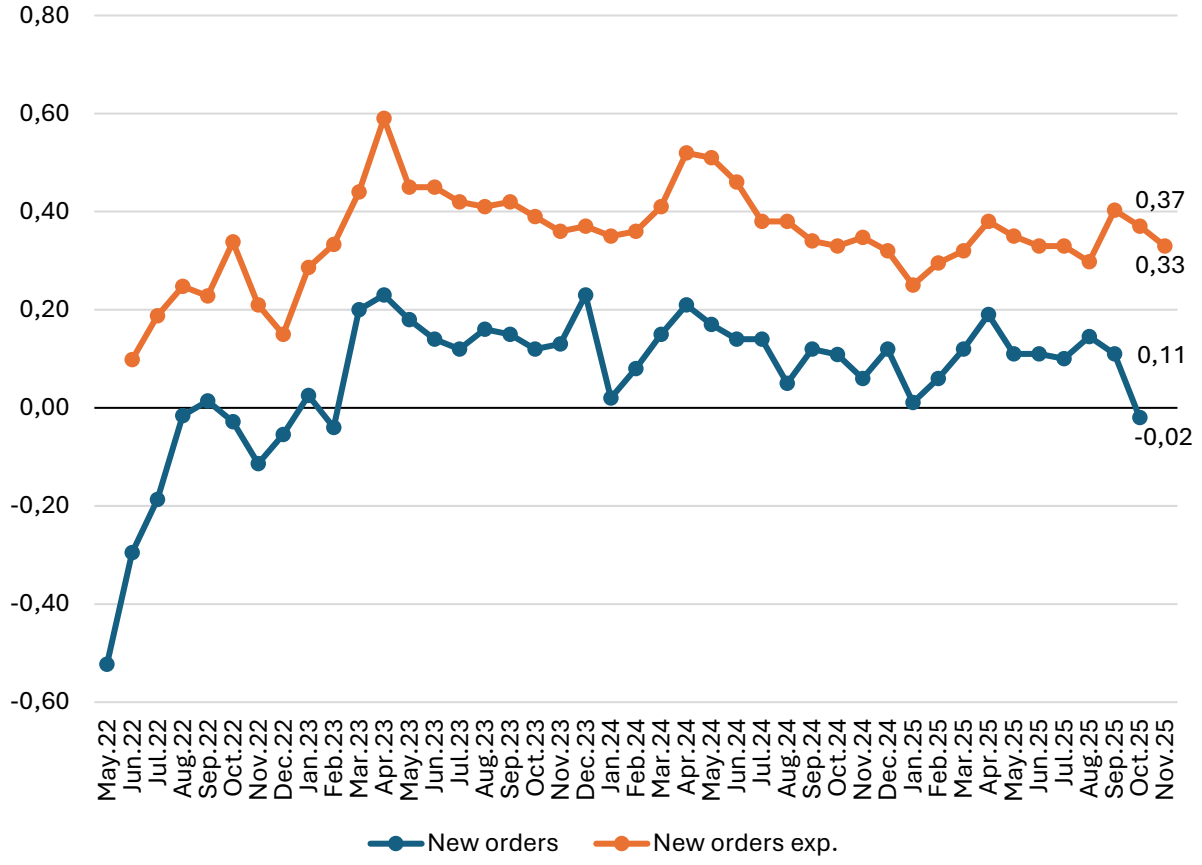


Sales and new orders: deterioration of results and expectations

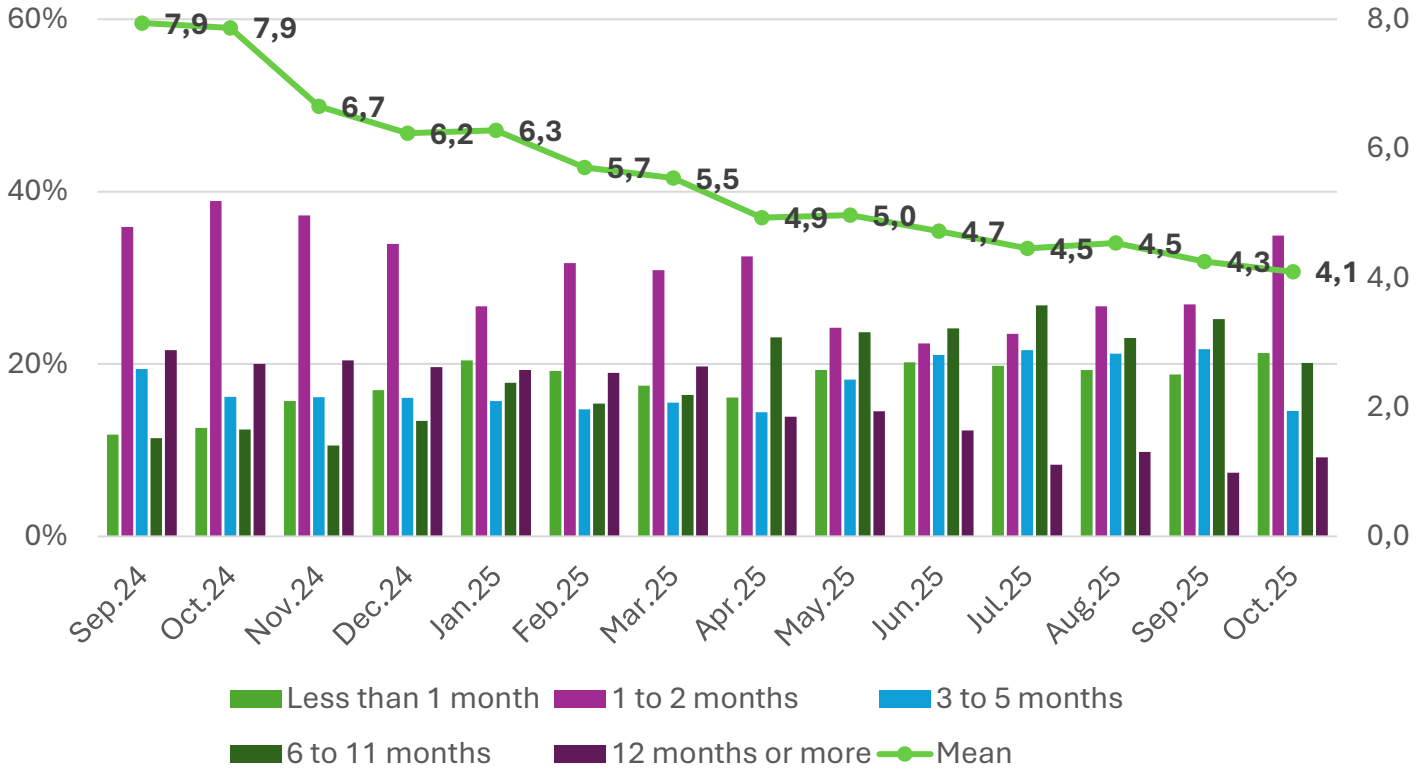
Sales

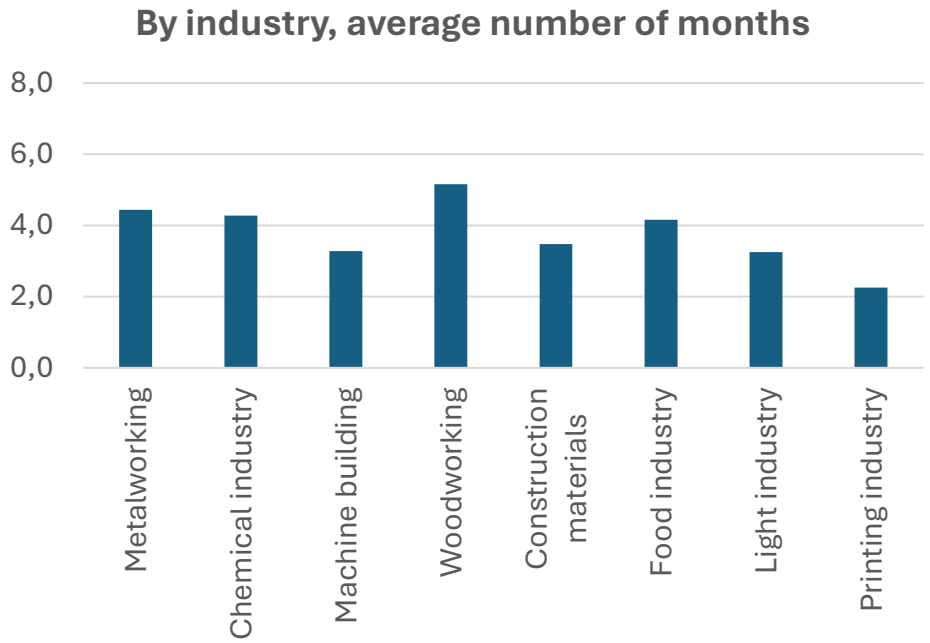


New orders



New orders portfolio





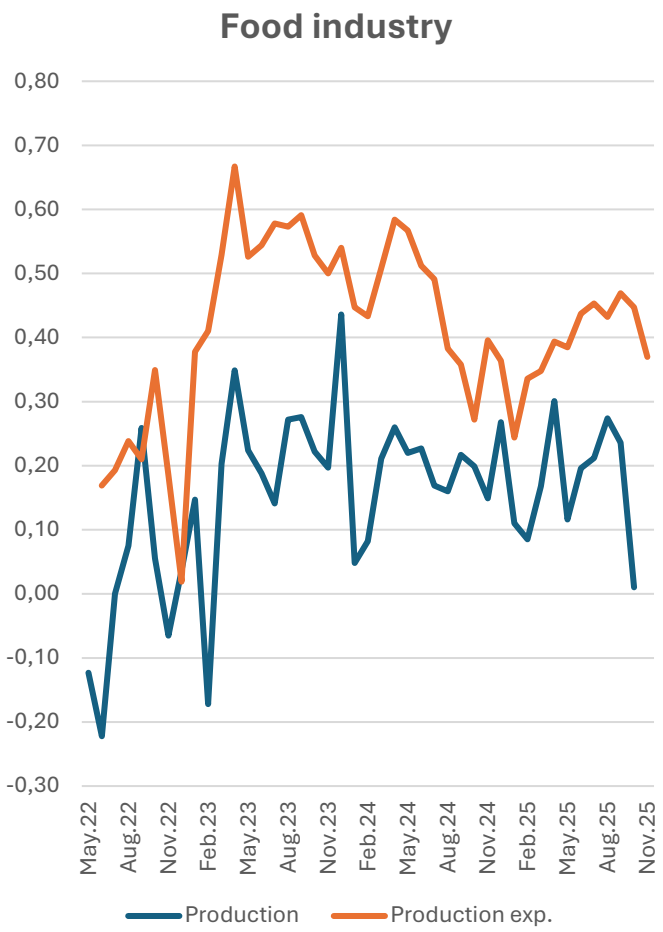
In October 2025, the portfolio of orders among the surveyed enterprises did not change significantly:

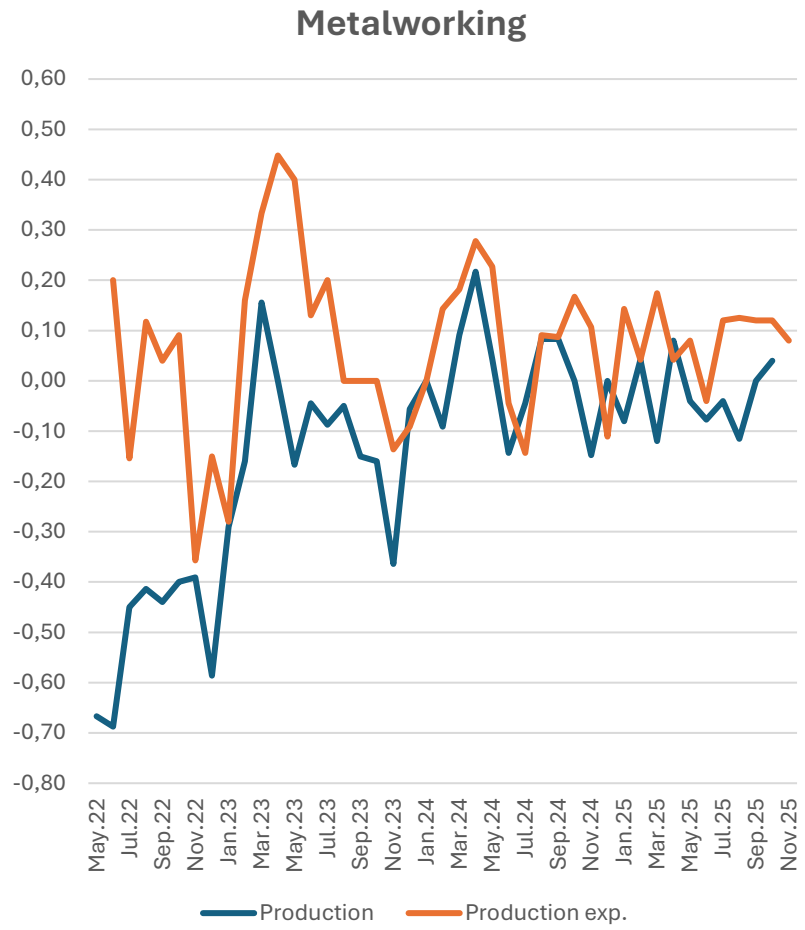
- **The average term of new orders was 4.1** (it was 4.3 in September)
- **The share of enterprises with an order horizon from a year or more in advance increased slightly** after a decrease in September (from 7% to 10%)

Answering questions from participants

“Which of the manufacturing subsectors are affected the most by the ongoing war? Food/woodworking/metal works?

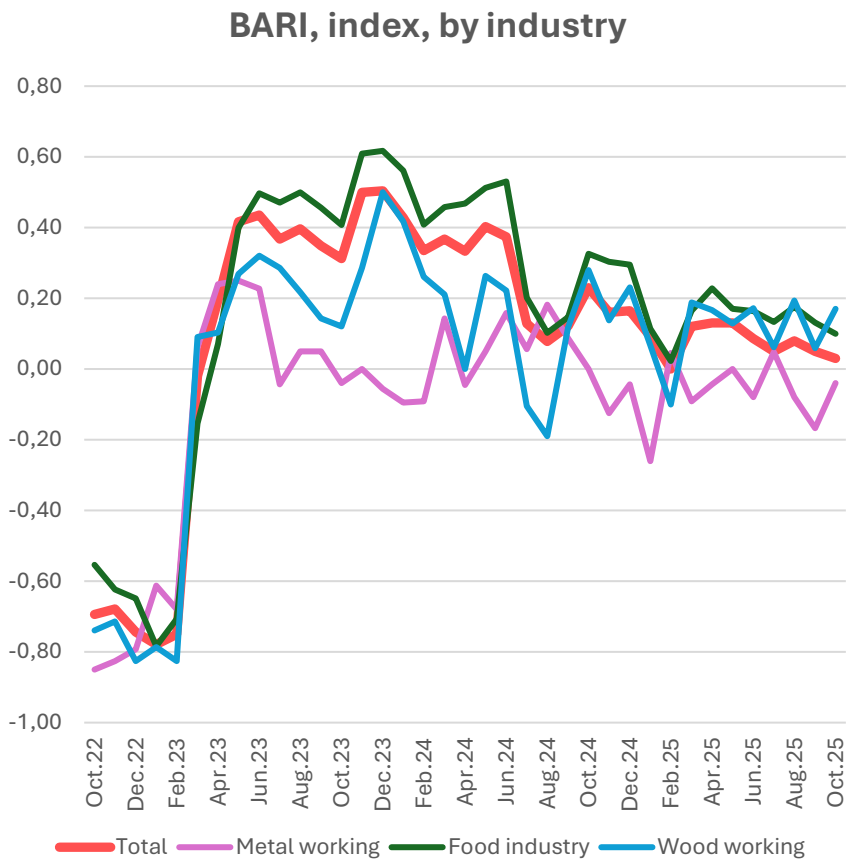
Production and Expectations in the short-term perspective by industry





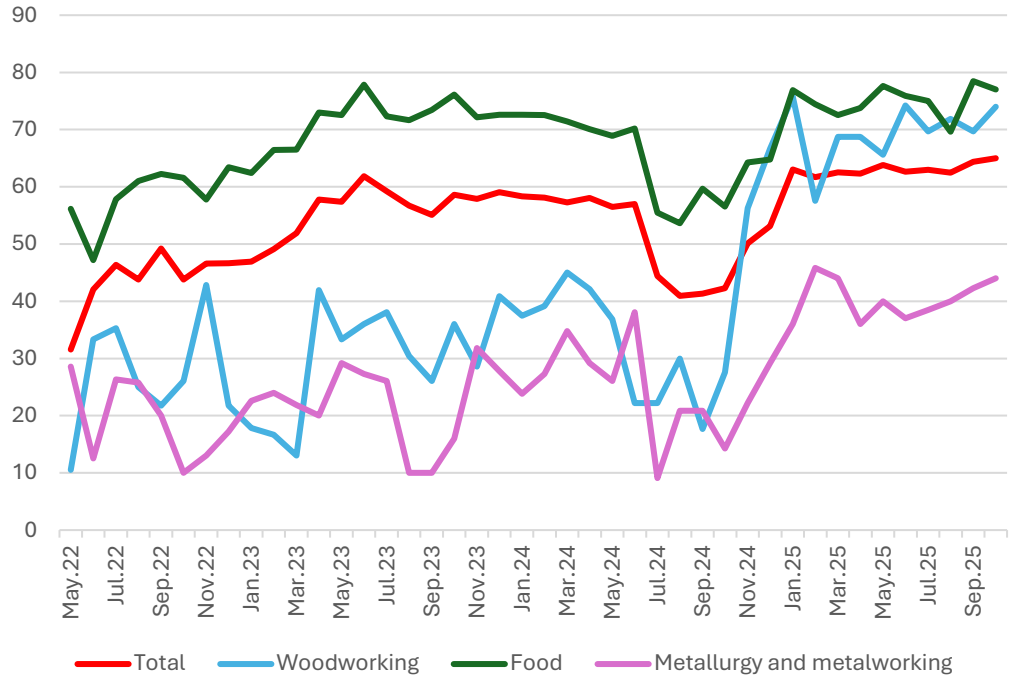
Business Activity Recovery Index and capacity utilizations

Business Activity Recovery Index



Industries **oriented toward the domestic market** (especially the food industry) **demonstrate strong resilience**. **Export-dependent sectors** (metallurgy and woodworking) **remain vulnerable to logistical and security risks**.

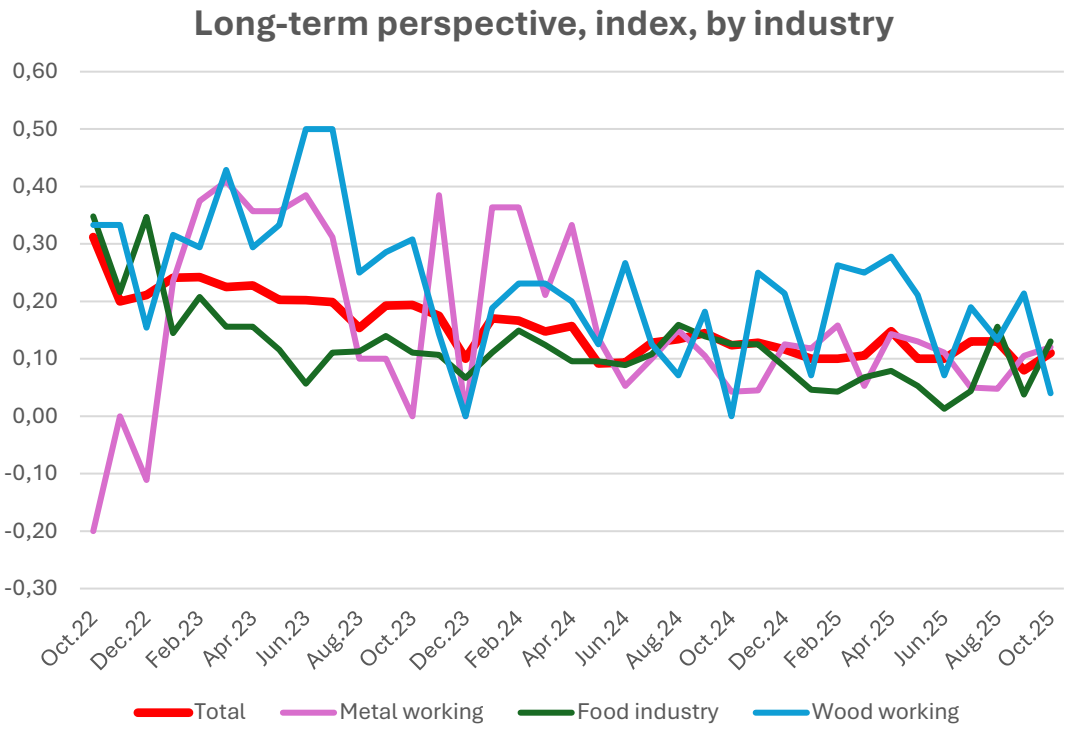
% of enterprises working at full (100% and more) or almost full capacity (75-99%) comparing "before 24.02.2022



The food industry showed the highest and most stable recovery, while metallurgy and metalworking remained the weakest, fluctuating widely but improving slightly after early 2024. Woodworking rebounded strongly from late 2024 after earlier volatility.

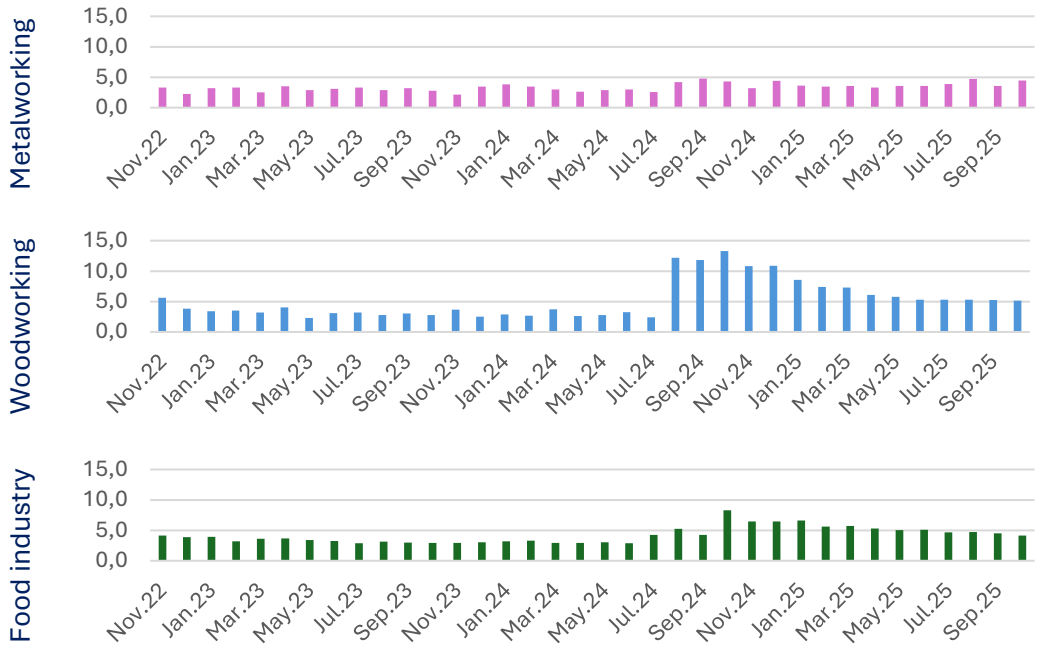
Long-term expectations and new orders portfolio, by industry

Expected changes in business activity (2 years)



Long-term business expectations remain weakly positive but stable. After a surge in optimism in 2023, confidence has flattened across industries, with only minor fluctuations. **While metal and wood processing show high volatility,** the overall outlook suggests cautious stability rather than recovery.

New orders portfolio



New orders for **metalworking industry** remained relatively stable, fluctuating mostly between 2.5 and 4.5 months, while the ones for **woodworking industry** experienced a sharp surge in mid-2024 (10+ months). **Food industry** maintained a steady range of 3 to 5 months of orders with a rise to 5+ months in the 1st half of 2025.

Purchase prices: expectations without significant changes

Results (October to September)

- The % of businesses **reporting price increase decreased slightly** (from 37.8% in September to 34.3% in October)
- % of enterprises **saying that purchase prices have decreased was also without significant changes** (1.5% in September and 2% in October)

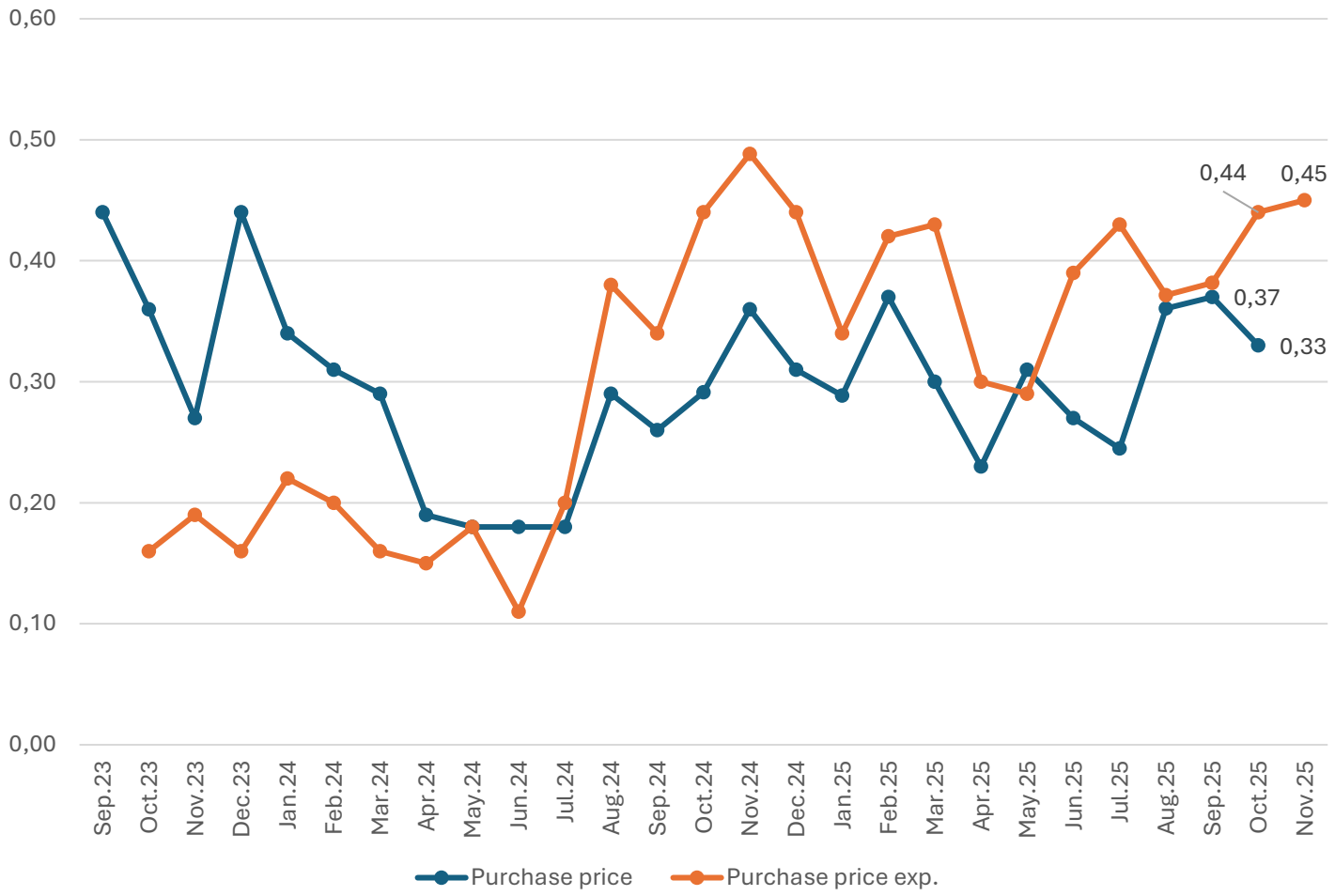
The index of changes in purchase prices decreased slightly, from 0.37 to 0.33

Expectations for 3 months

- % of enterprises **expecting price increase did not change significantly** (47.9% in September and 46.8% in October)
- % of enterprises **expecting price reduction also without significant changes** (1.4% in September and 0.5% in October)

The index of expected changes in purchase prices did not change significantly and is 0.45 (was 0.44)

Purchase price, balance indicators



Domestic sales prices: expectations without significant changes

Results (October to September)

- % of enterprises **reporting increase in domestic sales prices decreased** (from 38.5% to 33.8%)
- % of enterprises **saying that domestic sales prices decreased remained without significant changes** (1.7% in September and 1.5% in October

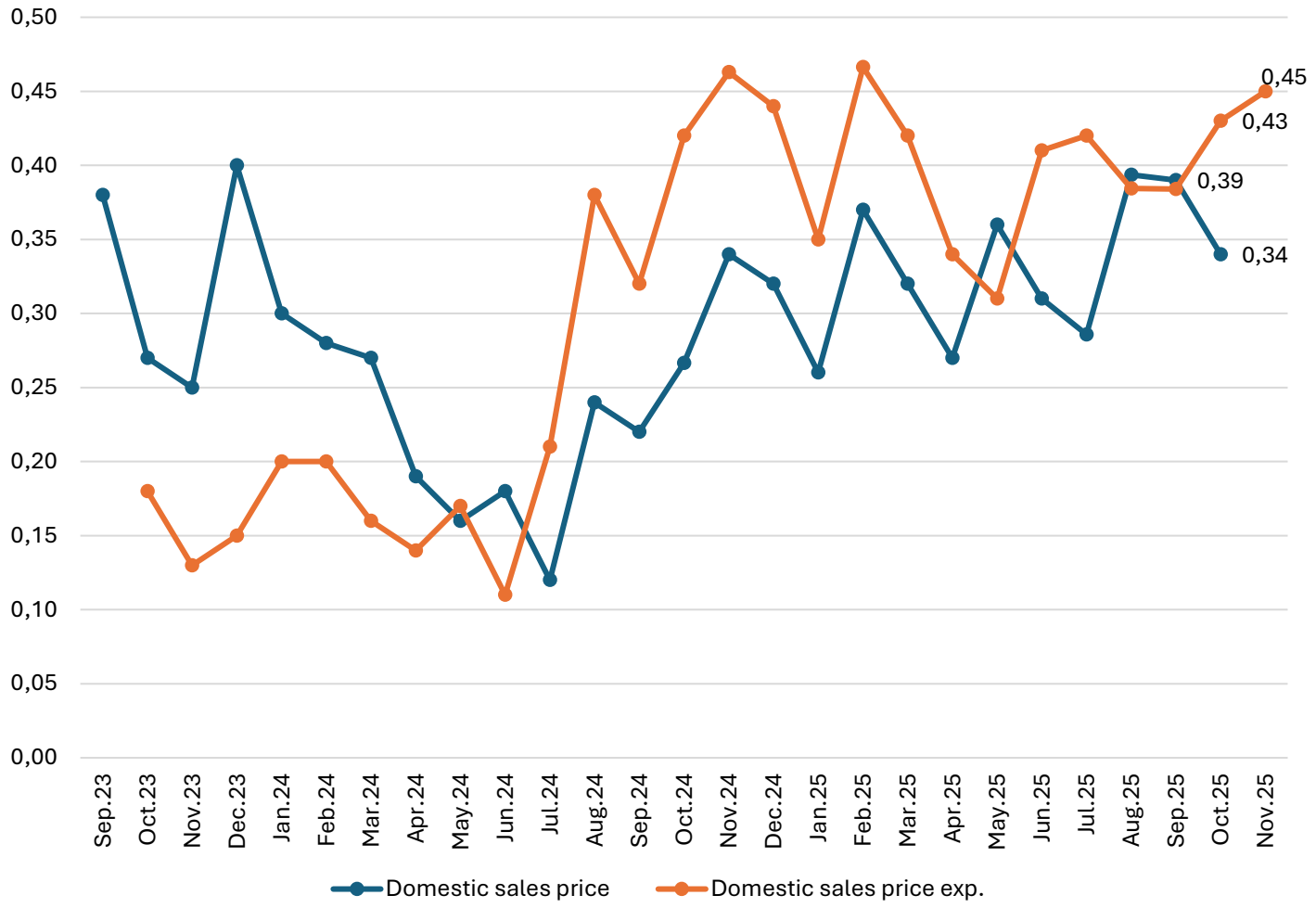
The index of changes in domestic sales prices decreased and is 0.33 (0.39 in September and August)

Expectations for 3 months

- % of enterprises **expecting price growth did not change significantly** (45.6% in September and 46% in October)
- % of enterprises **expecting price reductions did not change significa**ntly (1.1% in September and 0.5% in October)

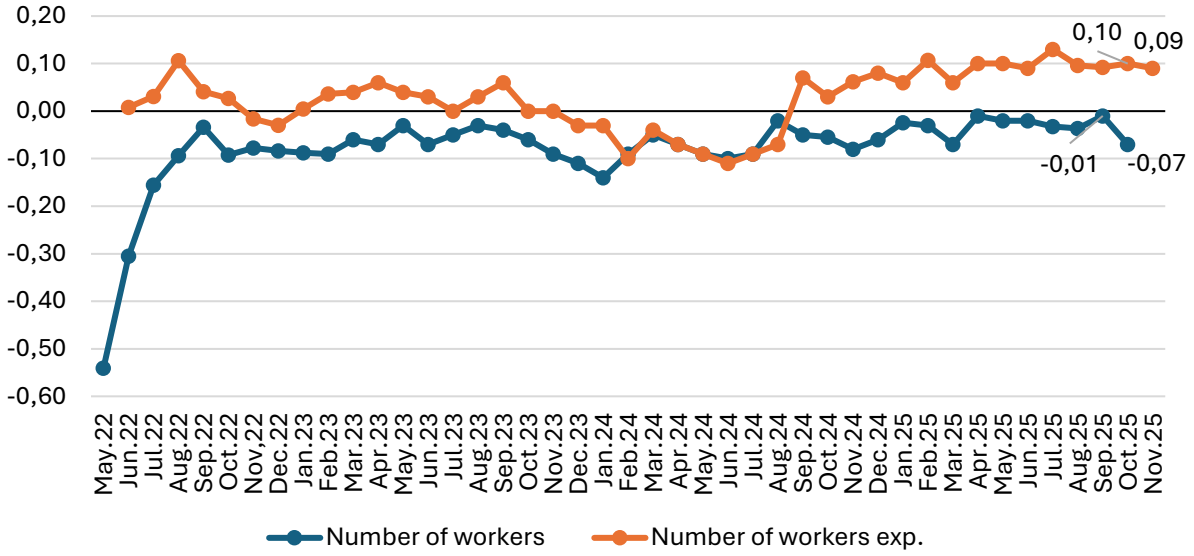
The index of expected changes in domestic sales prices did not change significantly and is 0.45 (was 0.43)

Domestic sales price, balance indicators

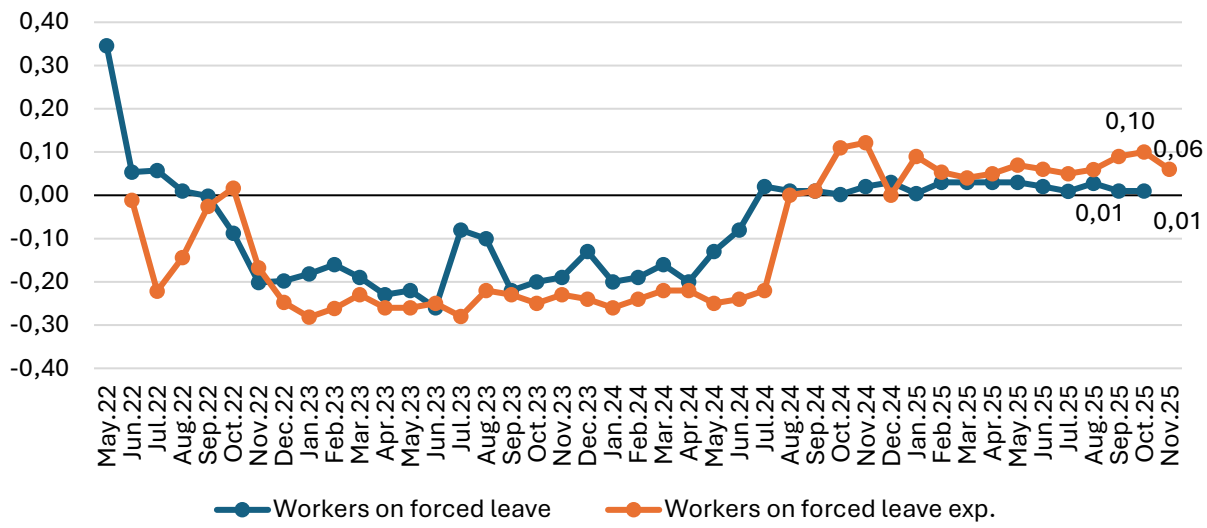


Employment: the number of workers has decreased, the number of workers on forced leave also is expected to decrease

Number of workers



Number of workers on forced leave



Expectations for 3 months

- % of enterprises **planning employment growth in the next 3-4 months, did not change significantly** (15.5% in September and 16.6% in October)
- The % of enterprises that **intend to reduce the number of workers increased slightly** (from 6.6% in September to 8.3% in October)

The Index of expected changes did not change significantly and is 0.09 (it was 0.10)

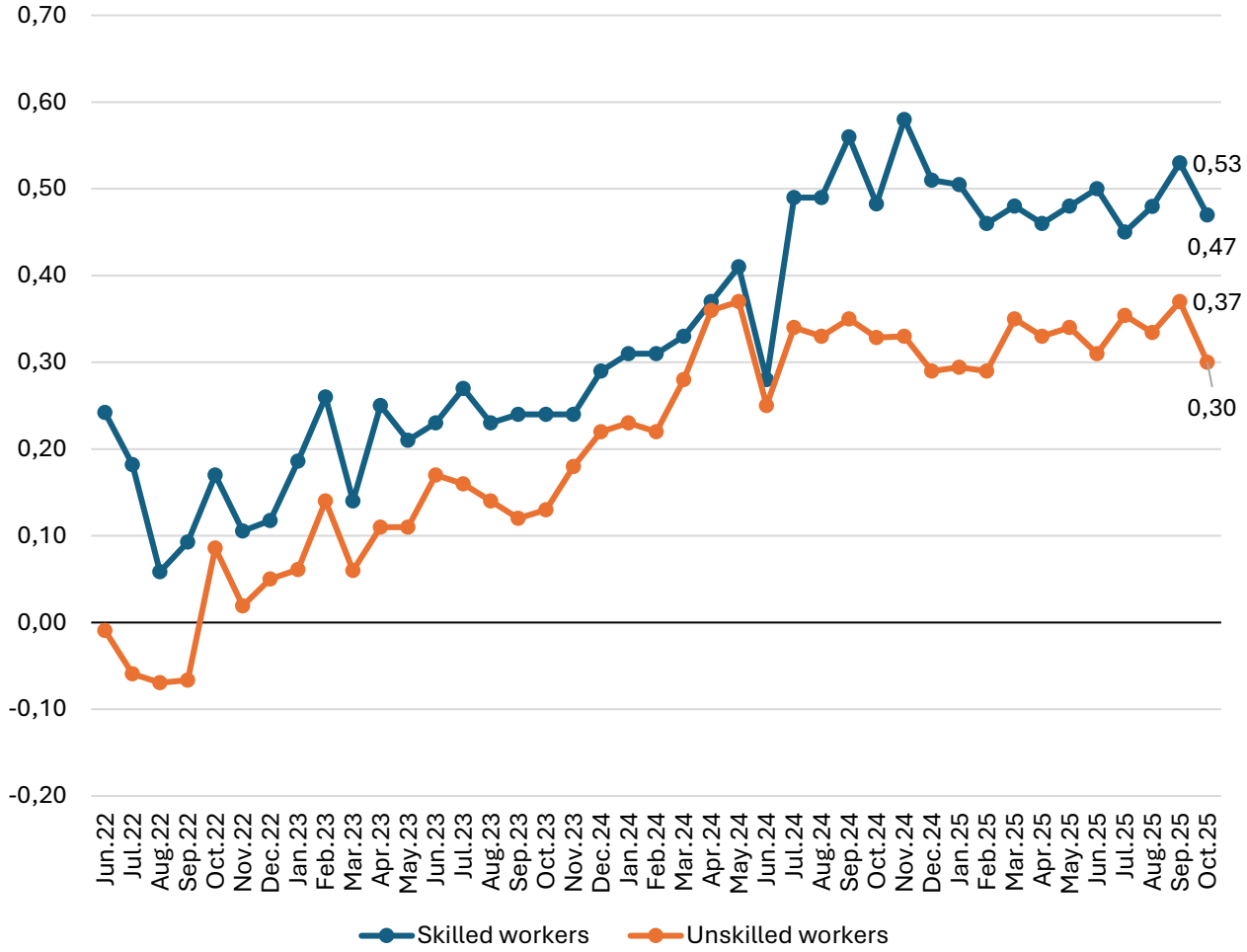
Expectations for 3 months

- % of enterprises **planning to increase the number of workers on forced leave decreased** (from 12.7% to 7.9%)
- % of enterprises that **plan to reduce workers on forced leave, without significant changes** (1.7% in September and 0.8% in October)

The Index of expected changes decreased from 0.10 to 0.06

Problems with finding employees have decreased

Problems with finding workers



In October 2025, is observing an easing of problems in finding both skilled and unskilled workers

Skilled workers:

- % of those who **reported that it was more difficult to find such workers decreased** (from 52.8% in September to 46.5% in October)
- % of those who **said that it has become easier to find skilled workers has not changed significantly** and is 0.02% (was 0% in September)

The difficulty index stopped growing and decreased from 0.53 to 0.47

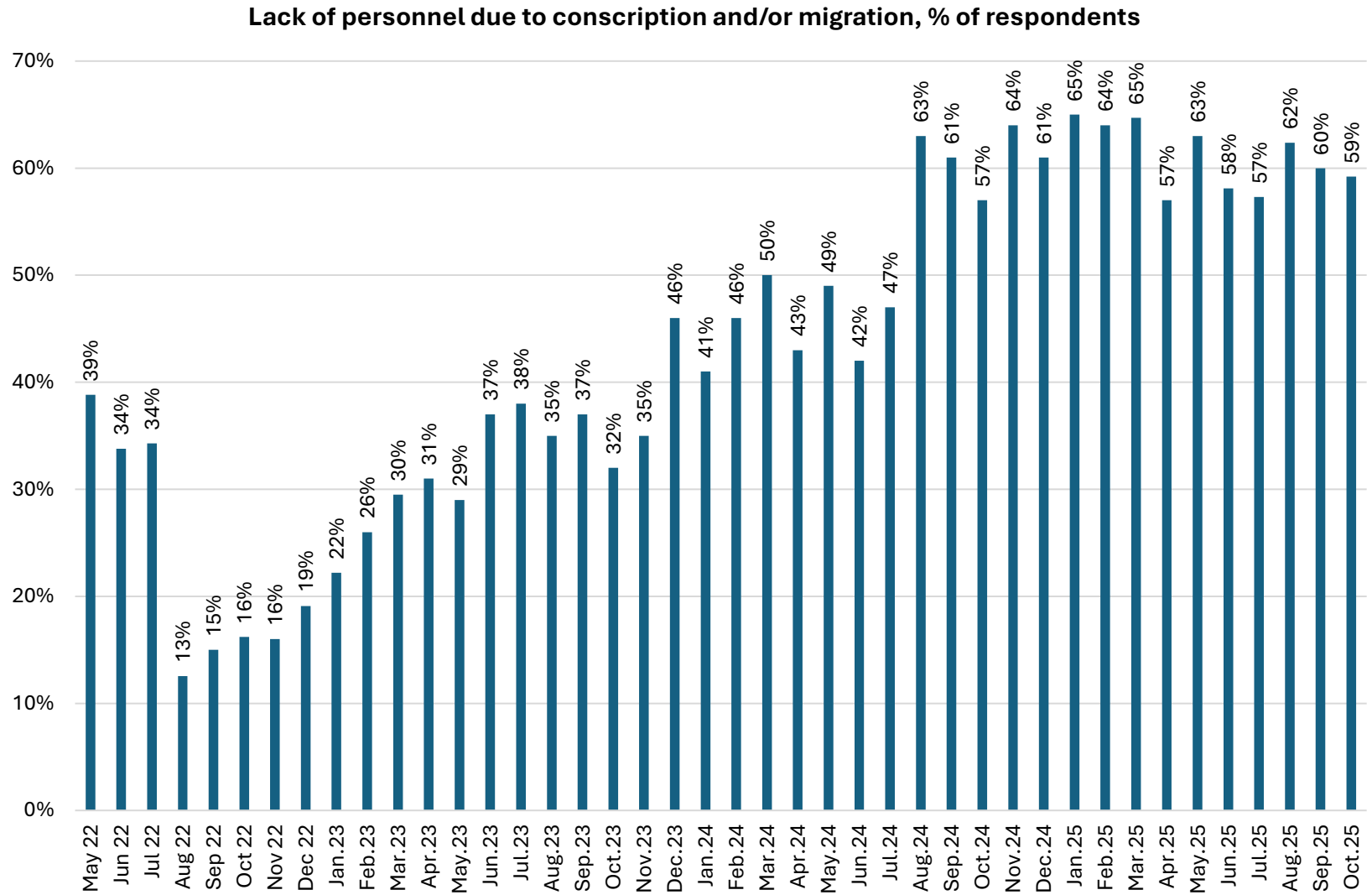
Unskilled workers:

- % of those **for whom it is more difficult to find them decreased** (from 39.6% to 34%)
- % of those who **reported that it was easy to find them did not change significantly** (3% in September and 3.8% in October)

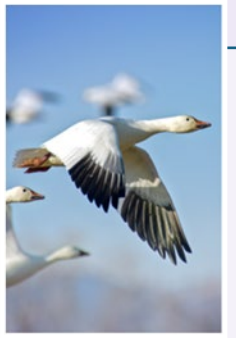
The difficulty index decreased, from 0.37 to 0.30

“Lack of personnel” maintains leadership in the list of obstacles

- Share of enterprises, **who pointed to the “lack of personnel” as an impediment did not change significantly** (60% in September and 59% in October)
- In the list of impediments, “lack of personnel” **remains in the 1st position**



Main results 5: Impediments



“Lack of personnel” is keeping the leadership in the list of impediments

It is dangerous to work”, despite the decrease in importance**, rises from the 3rd to the 2nd place**

“Price increasing” with a decrease in importance **lowers from the 3rd to the 2nd place**

Logistical problem within country have increased in its importance

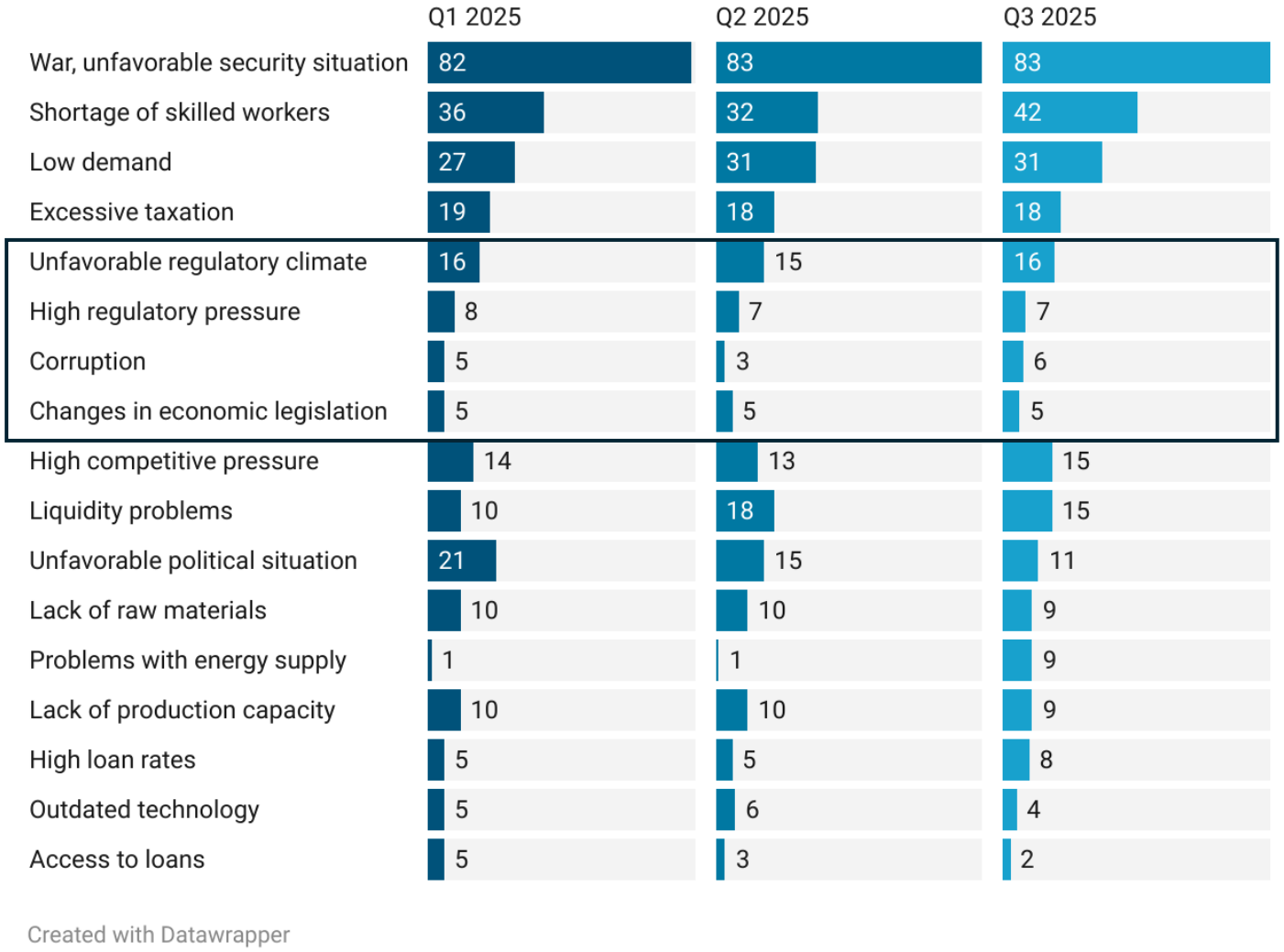
Pre-war list of impediments to production growth (quarterly questioned), % of respondents

*On a quarterly, we use a list of impediments to production growth from the long-term Business Tendency Survey 1998-2022**

- In October 2025, **the war was most often mentioned among the impediments** to the growth of production of enterprises
- **The 2nd, 3rd and 4th places were taken by the lack of skilled workers** (the value increased), **low demand** (the value remained unchanged) **and excessive taxation** (the value remained unchanged)
- **The unfavorable regulatory climate** rose from the 6th to the 5th position of the rating, but the value of the combined indicator did not change significantly** due to the absence of significant changes in the value of its components

* The last wave of the Business Tendency Survey of Enterprises before the full-scale russian invasion was conducted in February 2022

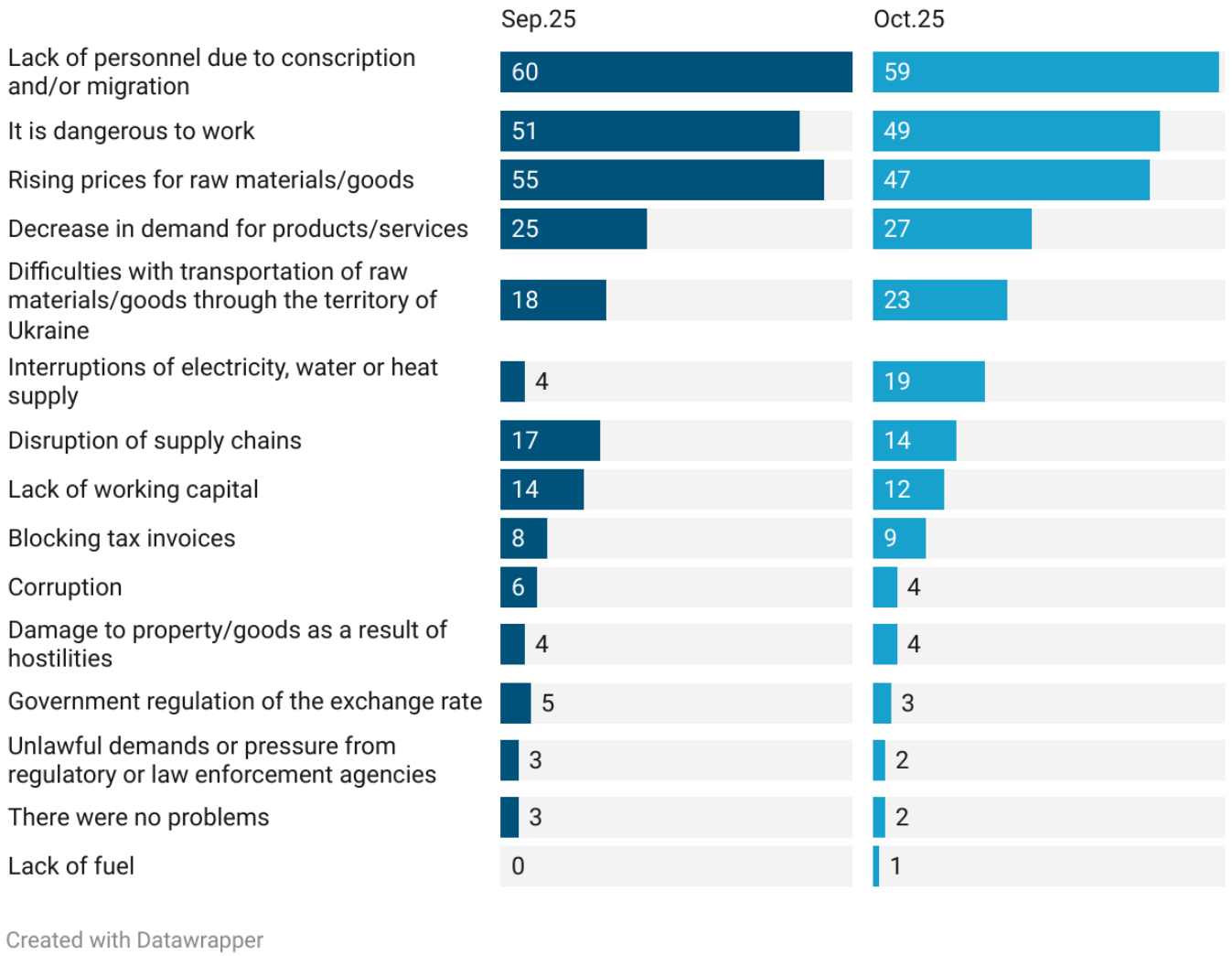
** Regulatory climate is a combined indicator consisting of “high regulatory pressure”, “changes in legislation”, and “corruption”



The main impediments to doing business in wartime, % respondents

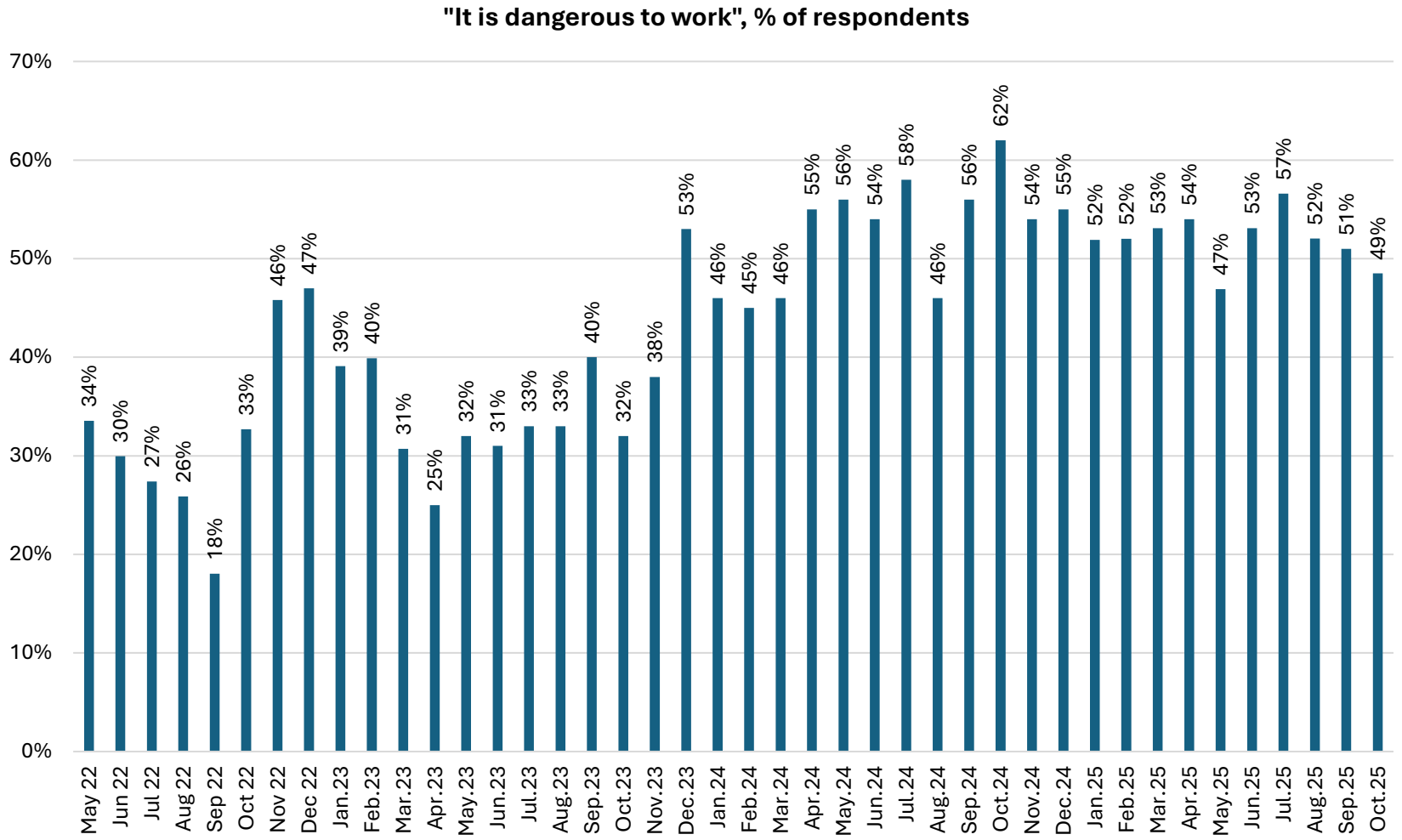
In October 2025, the list of the top three impediments to business development remains unchanged, while there are changes in the percentage distribution

- **The "lack of personnel" with almost unchanged values** (60% in September and 59% in October) **maintains a leading position**
- **"It is dangerous to work", despite a slight decrease in the value** (from 51% in September to 49% in October), **rises from the 3rd to the 2nd place**
- The impediment **"rising prices for raw materials and goods" with a significant decrease in value** (from 55% to 47%) **lowers from the 2nd to 3rd place**
- **Logistical problems** within the country – **rank 5th**, but the importance is **growing (from 18% to 23%).**
- **"Decrease in demand", despite a slight increase in value** (from 25% in September to 27% in October), **remains in 4th place**
- **"Interruptions with electricity" with a significant increase in the value** (from 4% to 19%) **rise from the 11th step to the 6th one**
- **Corruption and pressure from law enforcement agencies are not significant problems**



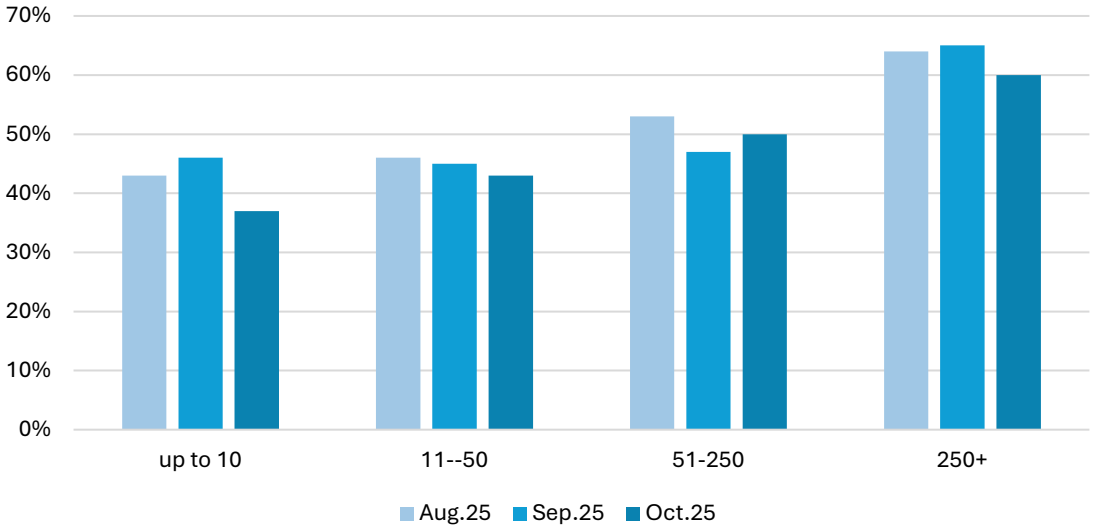
“It is dangerous to work” in the second position of the impediment rating

- **The share of enterprises that chose “it is dangerous to work” as an impediment decreased slightly** (from 51% in September to 49% in October)
- Despite the gradual decrease in the value, **in the list of impediments** “it is dangerous to work" **rose from the 2nd to the 3rd position**



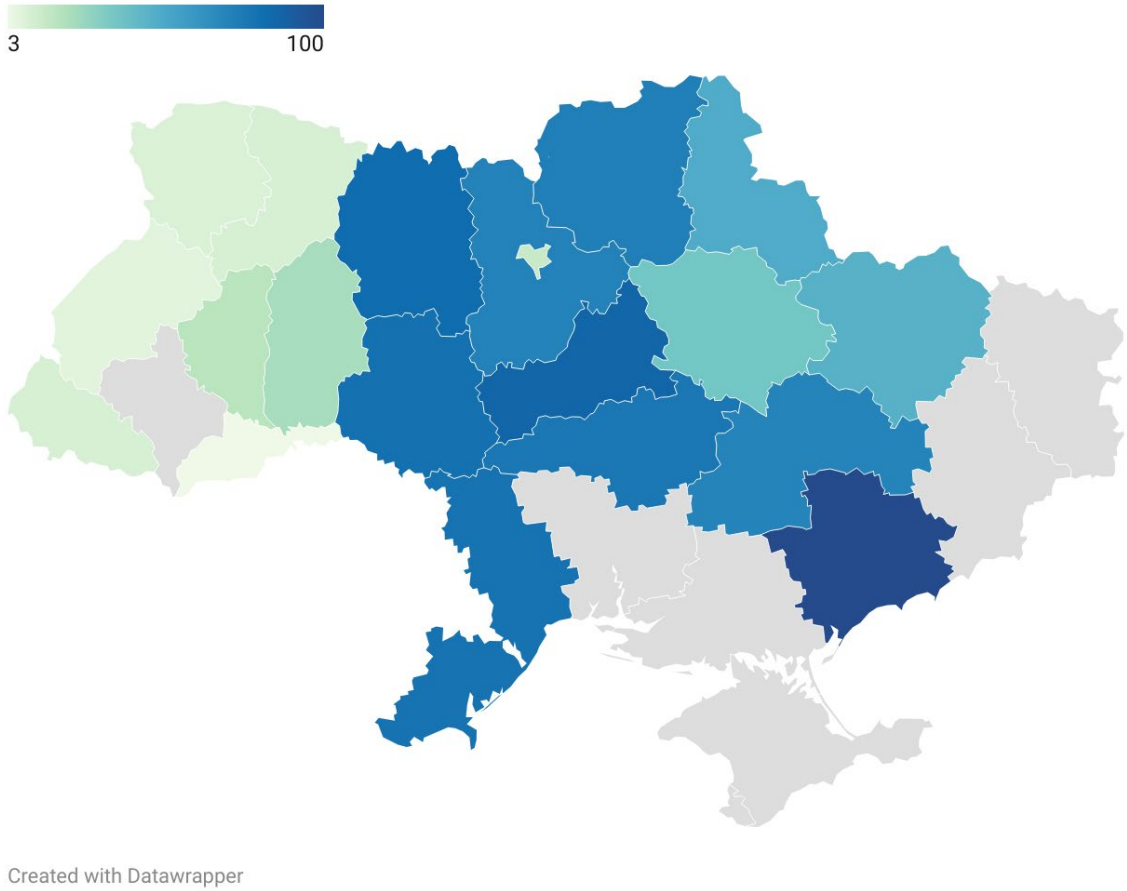
“It is dangerous to work” by different criteria

“It is dangerous to work” by size groups, % of respondents



- % of enterprises that chose “it is dangerous to work" as an impediment **remains the highest for large enterprises** (albeit with a decrease in value), and the value of the impediment **has decreased for microenterprises**. At the same time, **for small and large enterprises, the importance has increased**
- **70+%** of respondents in Zaporizhzhia, Cherkasy, Zhytomyr, Vinnytsia, Odesa, Kirovohrad, Chernihiv, Kyiv and Dnipropetrovsk regions consider dangerous conditions an obstacle to doing business

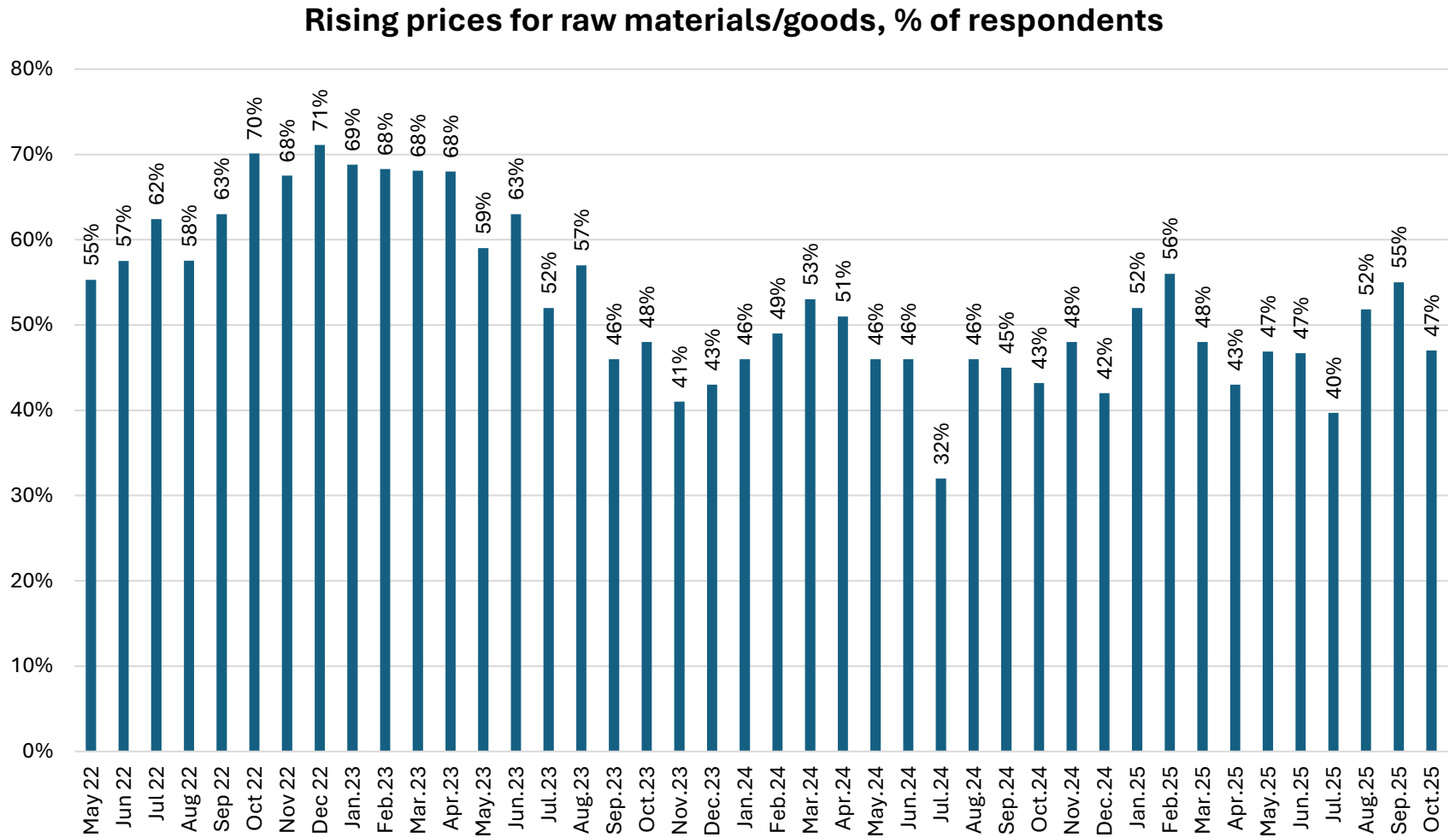
“It is dangerous to work” by oblast, % of respondents



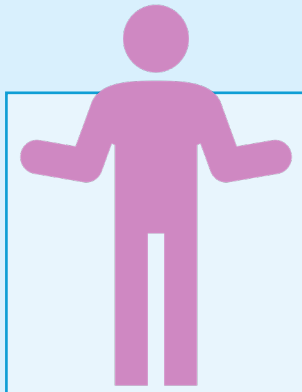
Note. The number of respondents in Ivano-Frankivsk region was insufficient to analyze this issue

“Rising prices” closes the top three impediments to doing business

- **The share of enterprises for which “rising prices for raw materials and materials” is an impediment has significantly decreased** from 55% to 47%
- In the list of impediments, “rising prices” **lowers from the 2nd to the 3rd step**



Main results 6. Economic policy



Assessments of the Government's state policy remain **mostly neutral**, the % of those who have not decided on the answer has decreased

Assessments of the Government's economic policy: remain mostly neutral

	Oct.24	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25
Positively	4	4	4	4	3	2	4	4	4	2	8	4	4
Neutrally	53	56	61	63	66	65	63	64	65	66	55	63	65
Negatively	29	27	25	23	21	23	24	24	20	22	25	21	21
Don't know / Didn't answer	14	13	10	10	9	9	9	8	11	10	12	12	9

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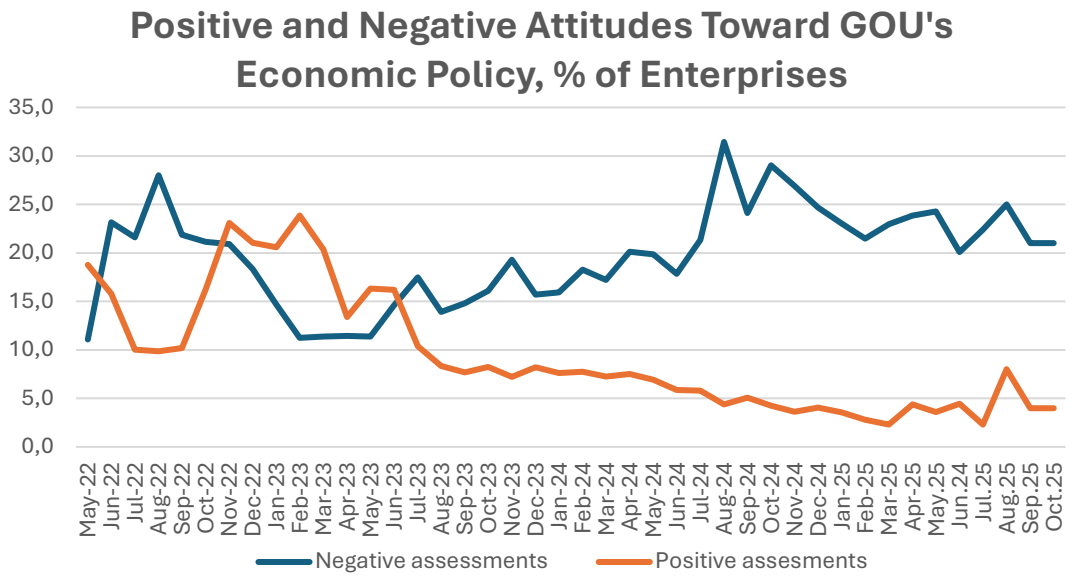
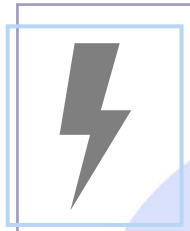


- **Government's policy remained unchanged** at 4%, the same as in September
- **The share of neutral assessments of the Government's policy on business support is growing** (from 63% in September to 65% in October)
- **The share of negative assessments remained unchanged** (21% in September, as in October)
- **The share of those who have not decided on the answer has decreased** and is 9% (it was 12% in September and August)

Main results 7: Interruptions with electricity

% of companies for which “interruptions with electricity" is an obstacle increased significantly in October compared to September



22% of enterprises were forced to temporarily **suspend work due** to **power outages** in September 2025

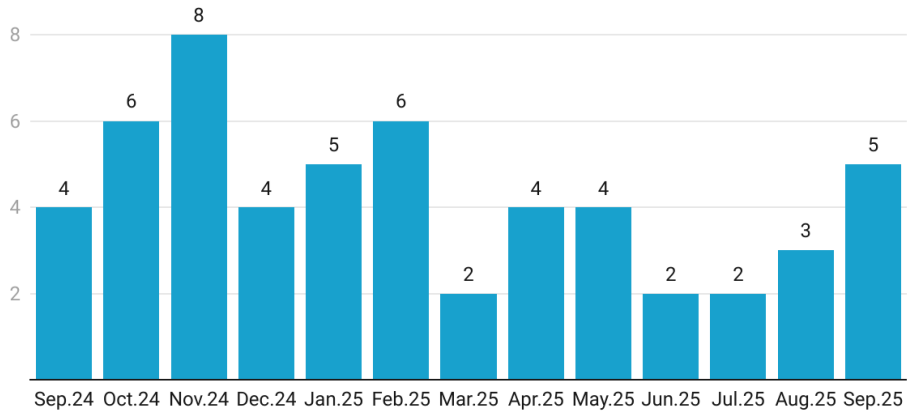
In September 2025, **businesses lost 5%** of their total **working hours** due to power outages

The largest losses of working time are **in small enterprises.** Among the industries, the largest time losses are observed **in metallurgy and metalworking**

«Interruptions with electricity» becomes a problem again

- **The share of companies for which "interruptions with electricity" is an impediment has increased significantly,** from 4% in September to 19% in October
- In the list of impediments "interruptions with electricity" rose from the 11th to the 6th place

Average % of time loss



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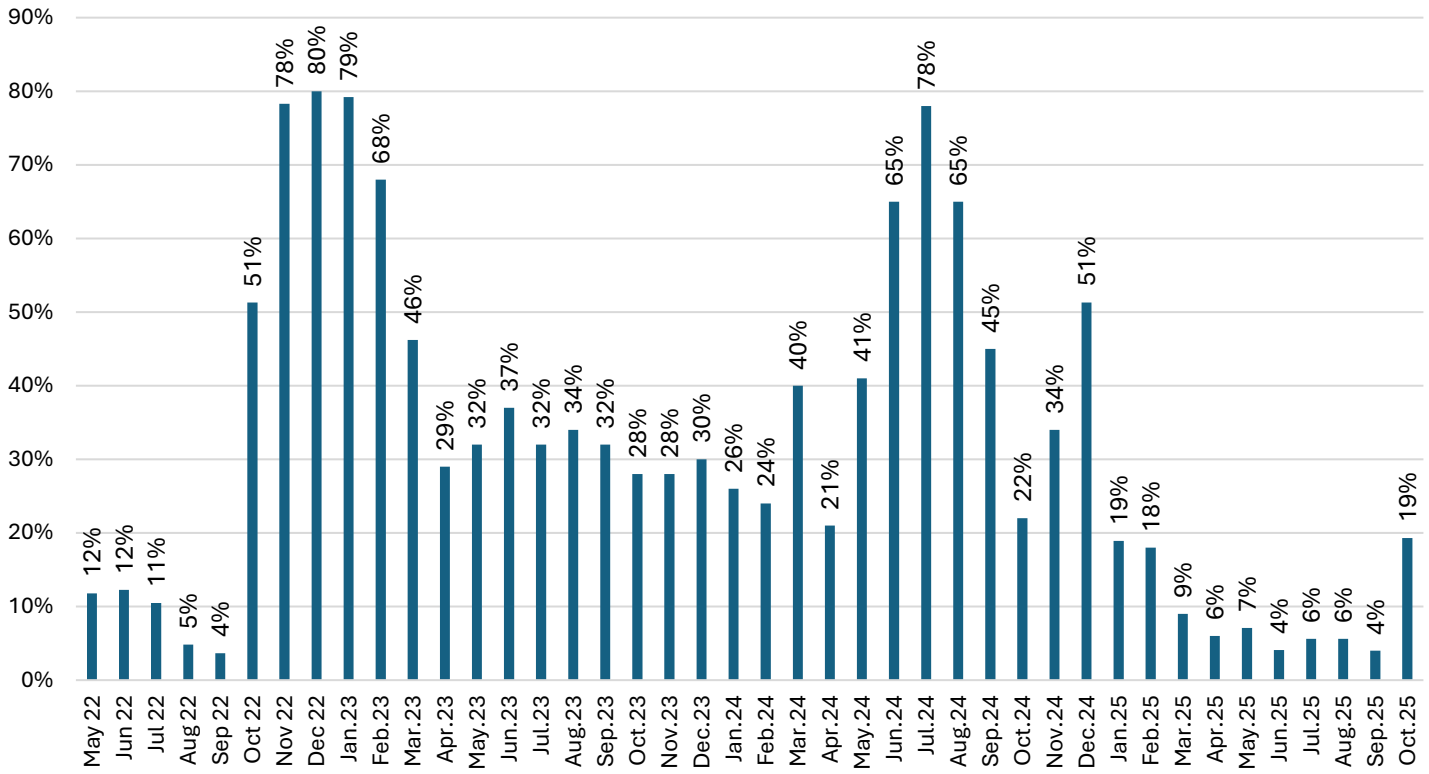
Interruptions with electricity as impediment for doing business, % of respondents



More enterprises stopped working due to power outages

Impact of power cuts on enterprise operations (% of respondents)

	Sep.24	Oct.24	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25
No power cuts	41	30	7	33	40	45	52	50	51	47	47	47	36
0% (worked all the time)	34	31	24	39	22	29	41	34	36	46	43	38	43
1-10% of working time	18	29	46	24	35	23	5	13	11	5	9	12	8
11-25% of working time	6	8	20	3	3	0	1	0	2	1	1	2	13
26-50% of working time	1	1	2	0	0	0	0	0	0	0	0	0	0
51-100% of working time	0	2	1	1	0	2	0	1	0	1	0	0	0

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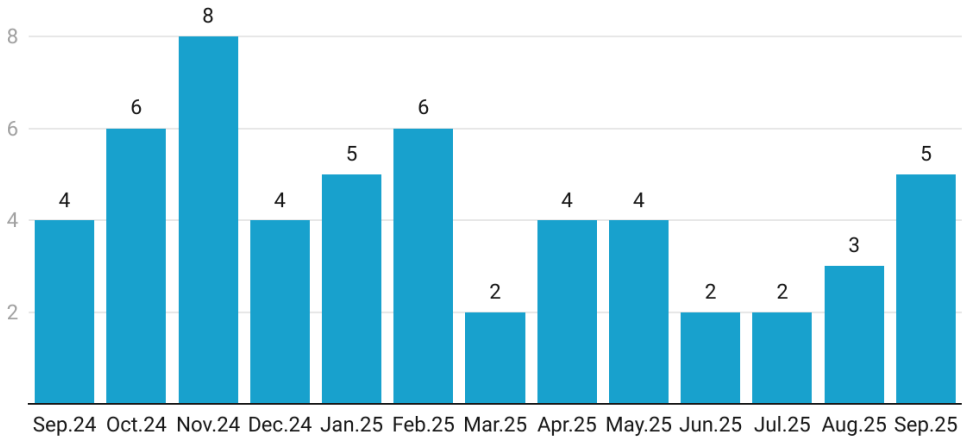
- **22%** of businesses had to suspend work temporarily due to power outages in September 2025 (15% in August):
- **8%** of enterprises **stopped** working only for **1-10% of working hours** and **13%** stopped for **11-25%** of working hours
- At the same time, **43%** of businesses **worked continuously**, despite power outages
- **36%** of businesses **did not have power cuts**

Loss of working hours due to power outages

- In **September 2025**, due to power outages, businesses **lost 5%** of their total **working hours** (among enterprises that had outages)
- **Differences** between **industries** and **regions** were recorded
- The **largest losses** of working time due to power outages were experienced by enterprises in **Dnipropetrovsk**, **Zhytomyr** and **Sumy** regions

Average % of time loss



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% of working time loss, by regions

	Sep.24	Oct.24	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25
Dnipro	2	15	18	4	6	6	1	6	6	0	4	7	18
Zhytomyr	0	6	6	0	6	6	0	23	0	4	0	5	18
Sumy	9	15	14	9	11	4	10				8	10	11
Kyiv City		1	10	2		2	0	0		0	0	1	9
Chernihiv		0	11										7
Khmelnytskyi	2	11	19	6	6	7	6	1	4		1		3
Kyiv	2	0	5	1	2	2	0	1	8	0	0	6	2
Poltava	2	6	5	4	5	2	1	2	4	1	2	0	1
Volyn	10	9	9	2	3			0	6	9	2		1
Kharkiv	10	13	4	0	2	26		3		1			0
Odesa	0	2	3	2	2	0		2	1	0	0	0	0
Cherkasy		2	9	6	6	6	2	0	0	0	0	0	0
Zakarpattia		2	4	5	4	0	0	0	0	0	0	0	0
Chernivtsi	1	6	3	0		37					17		0
Rivne		9	10	0				10	19		0		0
Lviv	8	1	3		0								0
Kirovohrad	2	7	5	1	3								
Ternopil	8			0									
Zaporizhzhia	4	0	13										
Vinnytsia		25	0										
Ivano-Frankivsk		0											

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Small businesses suffer more from outages

- Working time **losses** are again **highest** for **small enterprises**
- Among the industries, the **largest** time **losses** are in **metallurgy** and **metalworking**

% of working time loss, by enterprise size

	Sep.24	Oct.24	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25
Micro	7	7	12	3	5	12	8	2	4	6	2	4	3
Small	6	7	8	7	5	7	2	4	2	1	2	3	6
Medium	4	6	7	3	5	3	1	4	4	1	3	2	5
Large	2	6	8	2	4	6	0	3	4	4	1	3	3

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% of working time loss, by industry

	Sep.24	Oct.24	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25
Metalworking	4	10	11	8	7	4	3	4	5		3	7	9
Machine building	4	4	6	7	4	4	1	3	3	4	3	2	7
Construction materials	2	7	6	2	4	2	10	12	0			2	6
Chemical industry	7	13	9	3	3	3	1	2	1	1	3	3	5
Food industry	3	6	7	3	6	6	1	3	5	0	1	3	5
Light industry	3	6	9	7	5	12	1	2	2	2	3	3	4
Woodworking	10	9	6	2	2	2	0	8	8	0	0	1	3

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New monthly enterprise survey. Methodology

The need for comprehensive information on the economic situation is crucial for economic policy in wartime. The Institute for Economic Research and Policy Consulting conducts a monthly enterprise survey using the Business Tendency Survey approach to quickly collect information on the current economic state at the enterprise level. The methodology is designed to assess the situation from the “base level”: the judgments and expectations of key economic agents such as entrepreneurs and business managers

The monthly survey consists of two parts: the regular one and the special one. Respondents will regularly answer questions on the changes in key activity indicators and short-term forecasts for future changes in the same indicators: output (production), sales, exports, debt, new orders, employment, etc.
We will also focus on estimates and expectations of the changes in the business climate and business activity at the enterprise in the next six months.

The special part of the Monthly survey provides information on specific topics. A special part examines the enterprises' problems, the war's impact on production volumes, export activity, basic business needs, and the assessment of government policy.

This survey uses a panel sample that includes 500+ enterprises located in 21 of 27 regions of Ukraine, including Vinnytsya, Volyn, Dnipropetrovsk, Zhytomyr, Zakarpattya, Zaporizhzhia, Ivano-Frankivsk, Kyiv, Kirovohrad, Lviv, Odesa, Poltava, Rivne, Sumy, Ternopil, Kharkiv, Khmelnytskyy, Cherkasy, Chernivtsi and Chernihiv regions and the Kyiv city.

The field stage of the 42-th wave lasted from October 22 - 31, 2025. The enterprise managers compared the work results in October 2025 with Sepember, assessed the indicators at the time of the survey (October 2025), and gave forecasts for the next two, three, or six months, depending on the question.
In certain issues (where indicated), the work results were compared with the pre-war period (before February 24, 2022).

The research was made possible due to changes of the project "For Fair and Transparent Customs," which was funded by the European Union and co-funded by the International Renaissance Foundation and the ATLAS Network charitable foundation (USA). This took place under the auspices of this project from May 2022 to December 2023. From January to April 2024, the research was conducted within the framework of the project "Emergency Support to Civil Society and Media in Response to the War in Ukraine," which was implemented with the financial support of the European Union. Since August 2024 to February 2025, the publication became possible thanks to the support of the European Union and the International Renaissance Foundation as a part of the joint initiative "European Renaissance of Ukraine".

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