INTERNATIONAL RENAISSANCE FOUNDATION

IER

«A Fragile Step Forward»

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

Oksana Kuziakiv, Executive Director at the IER
Yevhen Anhel, Senior Research Fellow at the IER
Iryna Fedets, Senior Research Fellow at the IER
Anastasia Gulik, Research Fellow at the IER
Vlad Baskov, Junior Research Fellow at the IER
Daria Shapovalova, Junior Research Fellow at the IER

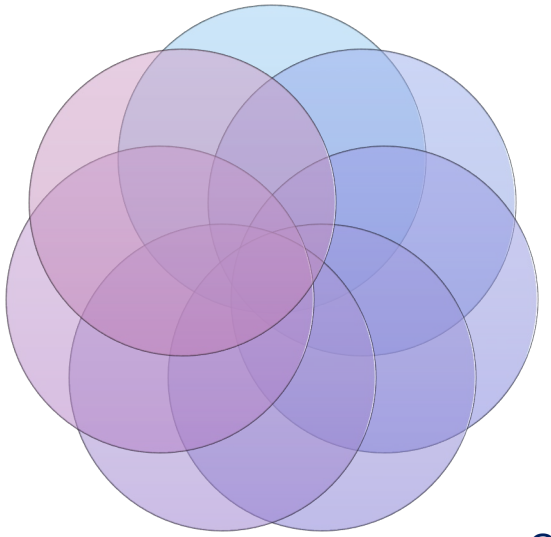
Kyiv, January 12, 2026

ABOUT THE NEW RAPID ENTERPRISES SURVEY #NRES

Monthly survey

The recent data were collected in **18 – 31 December 2025**

SAMPLE: **485 enterprises were surveyed in December**



44 surveys have already been conducted (since May 2022)

Enterprises of all sizes

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

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

Key message

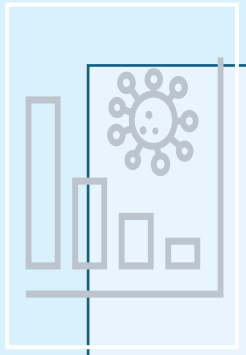
Improvement today, caution about tomorrow

Recovery remains fragile, short-term performance gains are not yet translating into stable business expectations amid rising long-term uncertainty.

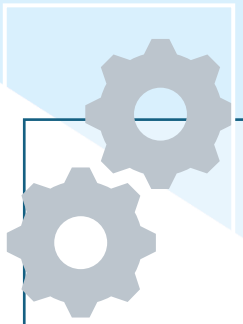
THE KEY RESULTS OF DECEMBER 2025

1. **Long-term business expectations have deteriorated slightly, uncertainty in the 2 years perspective has increased significantly**
2. **Medium-term uncertainty has been growing** for the overall economic environment for three months in a row **and without significant changes** for the business activity at the enterprise after the growth in the previous month**.** At the same time**, expectations for the six-month perspective** for business activity **have deteriorated slightly**
3. **The pace of recovery** year-on-year **interrupted the three-month tendency to slowdown, and increased,** albeit in a small way
4. **Performance indicators of enterprises** (month to the previous month) **are improving** for the second month in a row**, while expectations continue to deteriorate**
5. **The leaders of impediments** to business are still **the lack of personnel and security.** The third position share **interruptions with electricity and price increasing**
6. **Economic policy assessments without significant changes** and remain mostly neutral

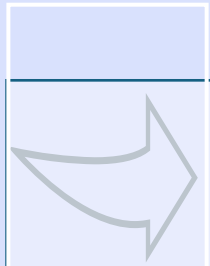
Main results 1.



The Business Activity Recovery Index (BARI) interrupted the deterioration trend (the indicator, although **insignificantly**, however, **increased**, from zero to 0.03)

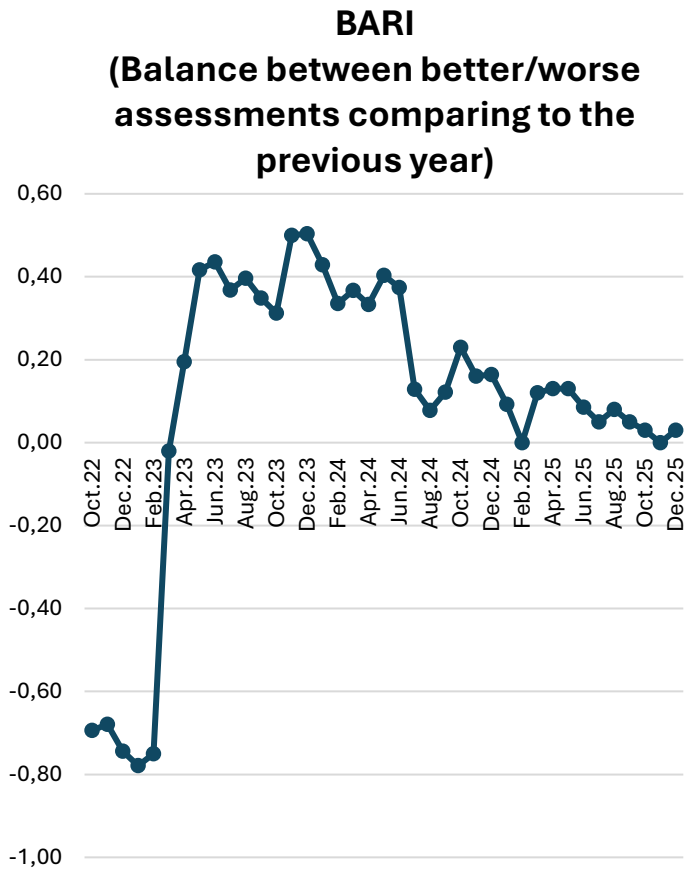


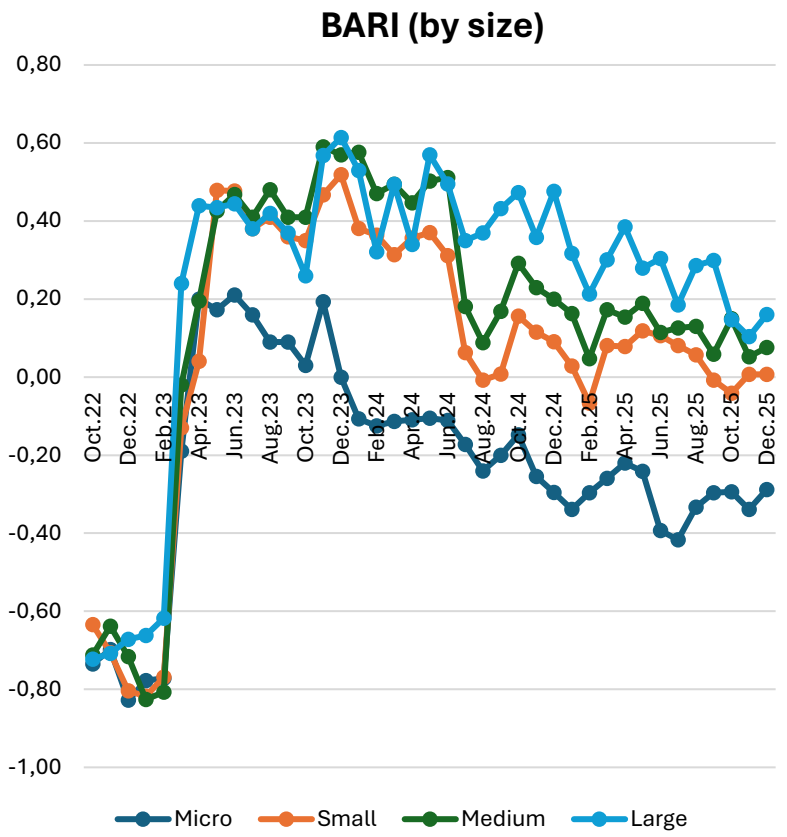
Capacity utilization compared to the "pre-war time": **December indicators increased slightly compared to November**



The Industrial Confidence Indicator (ICI) without significant changes month to month, but is observing a tendency to gradual decrease (0.07 in December, 0.08 in November and 0.11 in October)

The Business Activity Recovery Index* slightly improved





BARI IS BASED ON A QUESTION WHERE MANAGERS COMPARE "HOW IS IT NOW" VS "HOW IT WAS A YEAR AGO"

The Business Activity Recovery Index (BARI) **broke a three-month downward trend and, although insignificantly, increased, from 0.00 in November to 0.03 in December** (scale from -1 to +1)

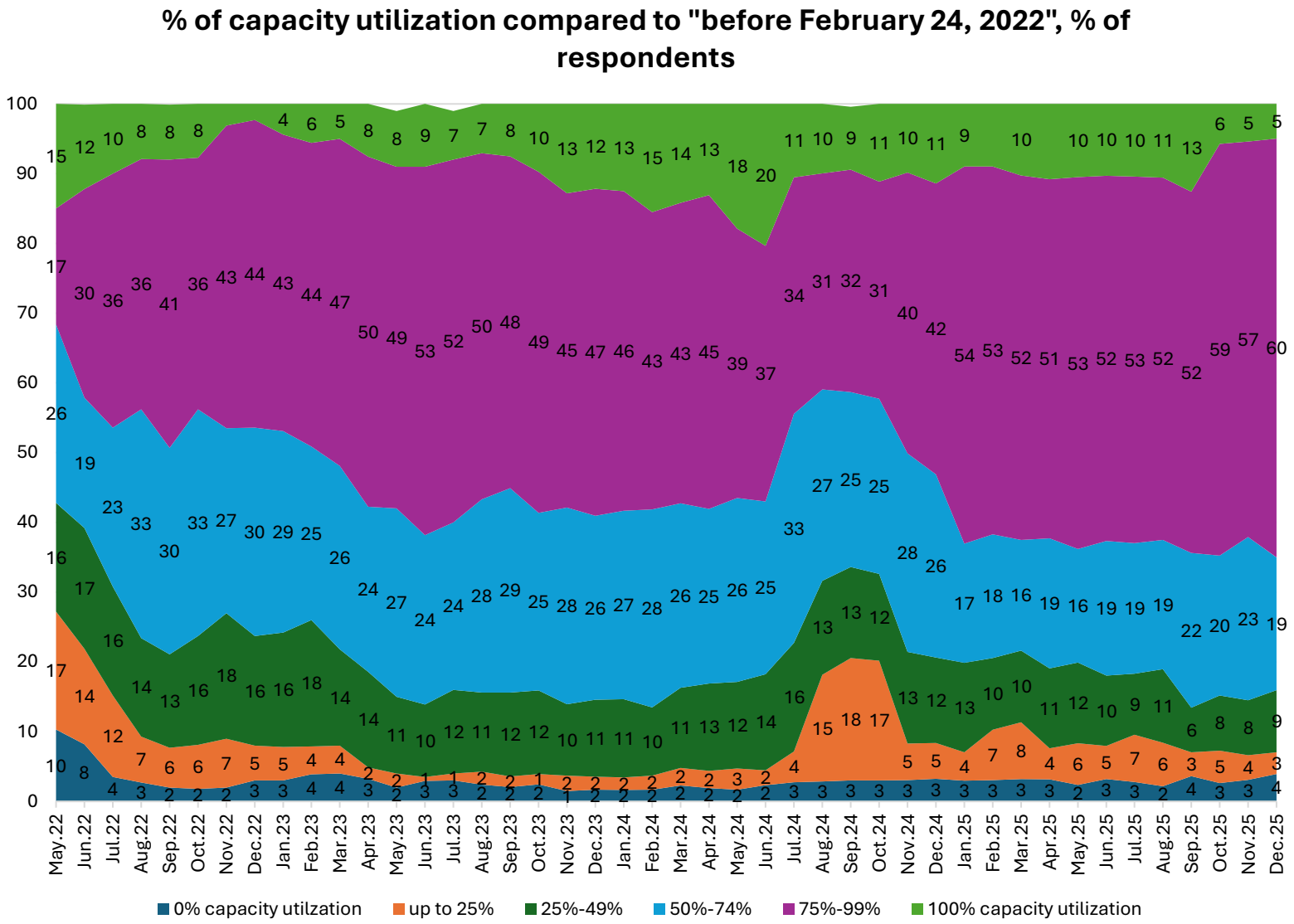
<u>The fluctuations in the percentage distribution of answers are the following:</u>

- % of businesses **reporting that their business activity was better than last year increased** from 17.7% in November to 20.2% in December
- % of enterprises **reporting that their business activity was worse than last year did not change significantly** (17.4% in December vs 17.5% in November)
- % of those who **did not feel changes compared to last year decreased** (from 64.7% to 62.4%)

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

The value of BARI for **microenterprises has increased, although it remains the lowest and negative.** The value of the Index **also increased for medium and large enterprises and remained unchanged for small enterprises**

“Now” vs. “before February 24”: capacity utilization has increased slightly



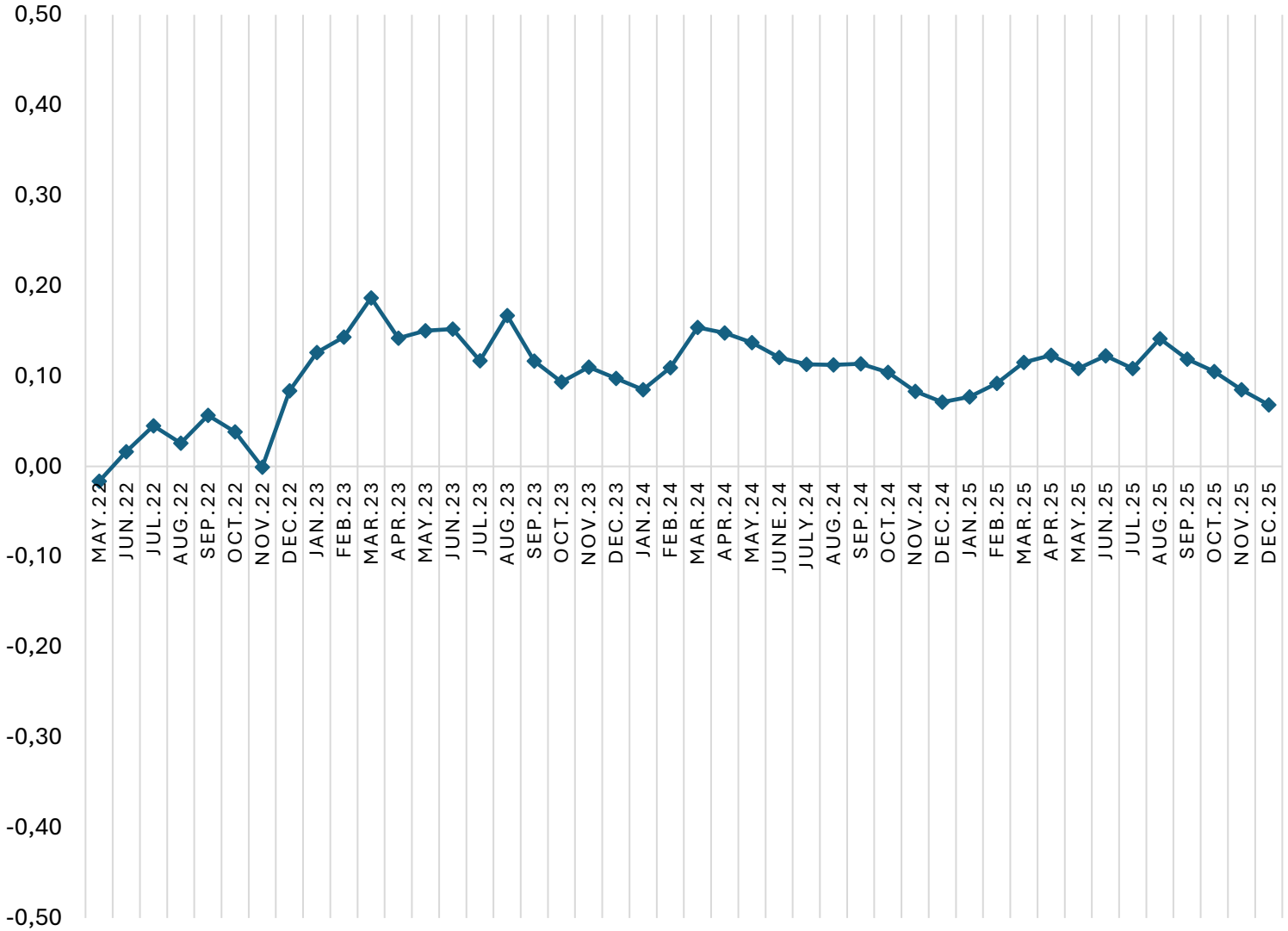
In December, compared to November, there were again some changes in capacity utilization

- % of enterprises **operating at almost full capacity increased after a decrease last month** (from 57% to 60% in December, was 59% in October)
- % of enterprises **operating with at 50-74% capacity decreased after an increase last month** (from 23% in November to 19% in December, was 20% in October)

At the same time:

- % of enterprises **operating at 100% capacity remained unchanged** (5% in December, as in November)
- % of enterprises operating **at 25-49% capacity did not change significantly** (9% in December, 8% in November and October)
- %of enterprises **operating up to 25% capacity did not change significantly** (3% in December, 4% in November and 5% in October)
- % of enterprises **that do not operate at all also did not change** (it was 4% in December and 3% in November and October)

Industrial Confidence Indicator (ICI)*



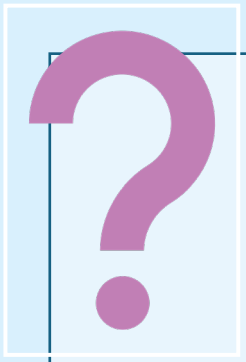
ICI remained without significant changes month to month, albeit with a gradual tendency to decrease. In December, the indicator is 0.07 (was 0.08 in November and 0.11 in October)

In December, compared to November, the fluctuations of the components of the ICI are the following:

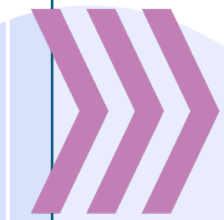
- **Production expectations** have been deteriorating for the fourth month in a row, and **in December the indicator decreased** from 0.32 to 0.24
- The component **Stock of finished goods** (SFG) **decreased slightly** (-0.06 in December and -0.04 in November and October)
- The component **Volume of new orders** (VNO) **without significant changes** and is - 0.10 (it was -0.11 in November)

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

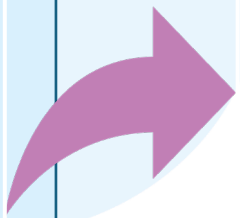
Main results 2. Uncertainty



Uncertainty in the 6-month perspective has been growing for the third month in a row for the overall economic environment in the country **and without significant changes** for the business activity at the enterprise



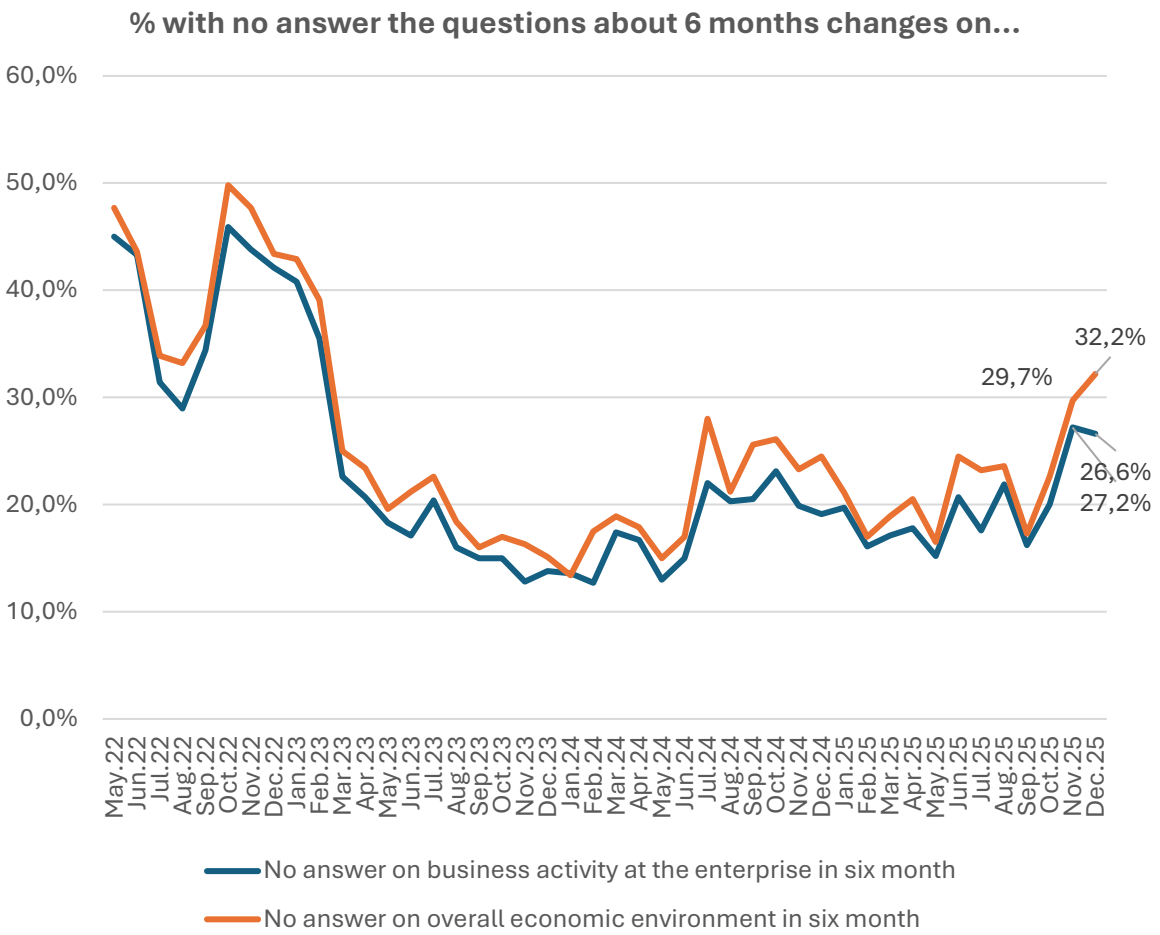
Uncertainty in the 3-month perspective remained without significant changes



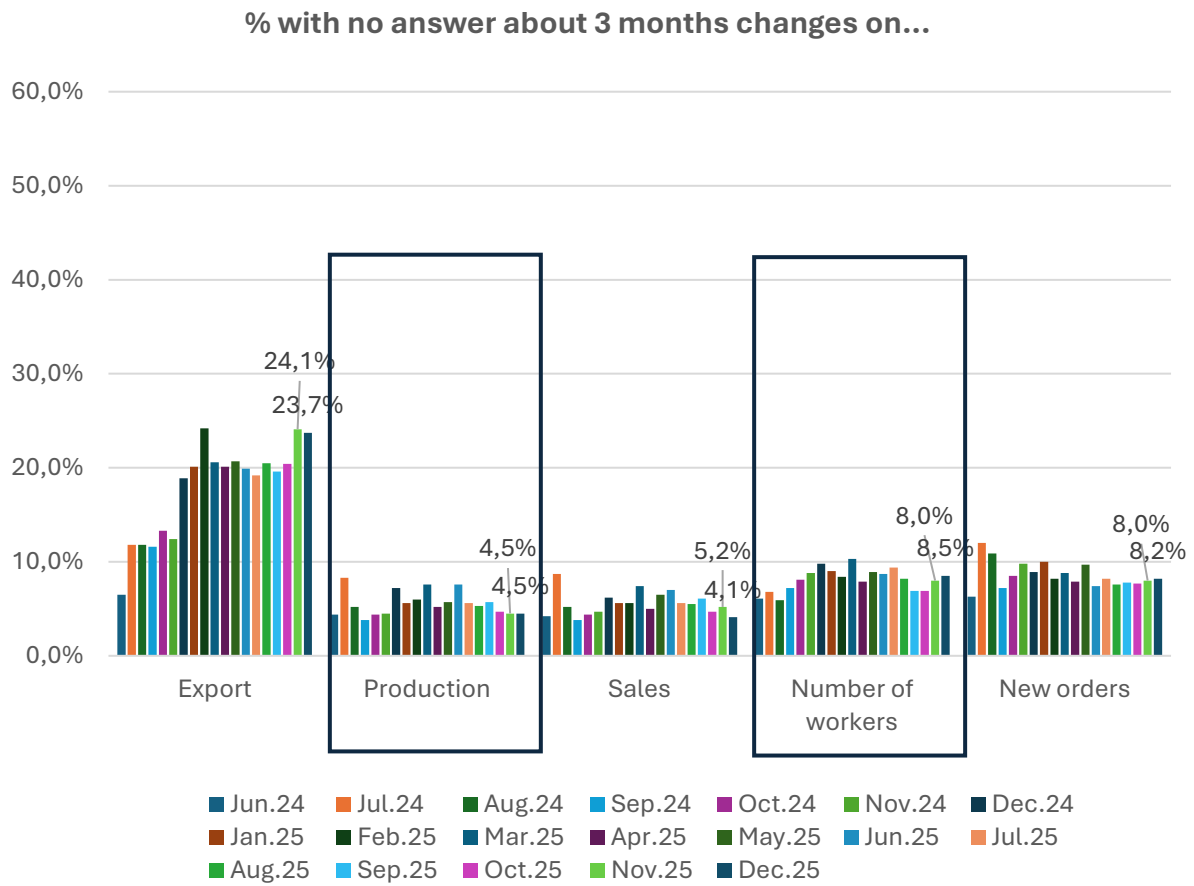
Uncertainty in the 2-year perspective has increased significantly

Uncertainty increases for the overall economic environment and without significant changes in other indicators

6-month horizon

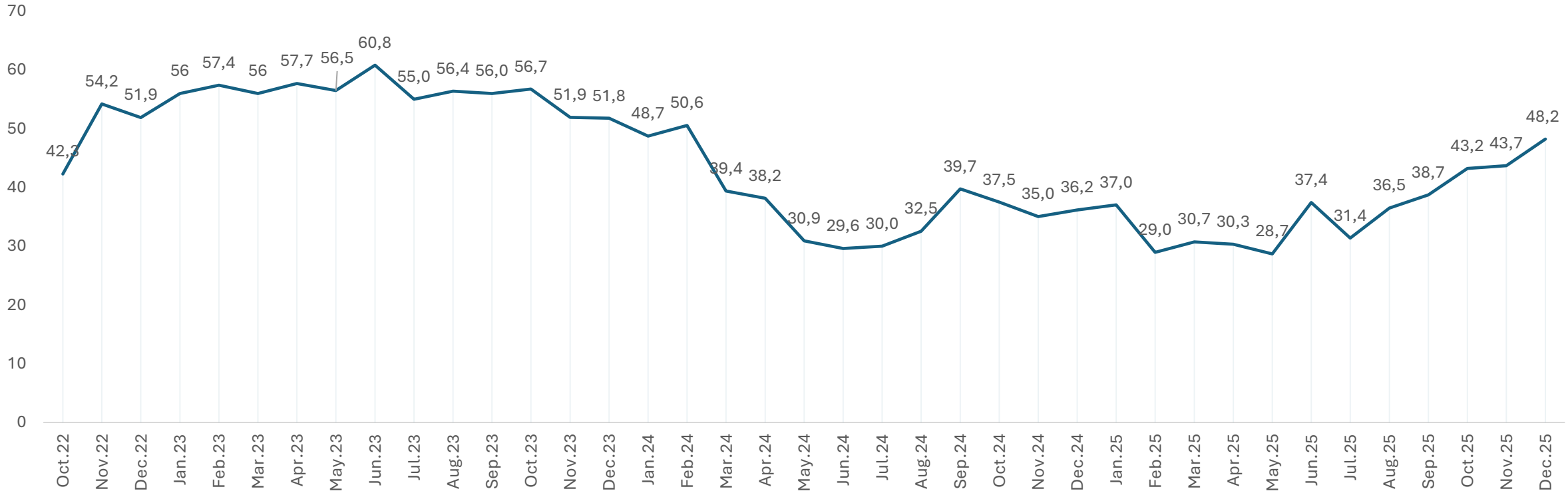


3-month horizon:



Uncertainty in the long term has increased

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



The % of businesses that **have no idea about their plans for 2 years increased again** after two months of stability and stands at 48.2% in December (was 43.7% in November and 43.2% in October)

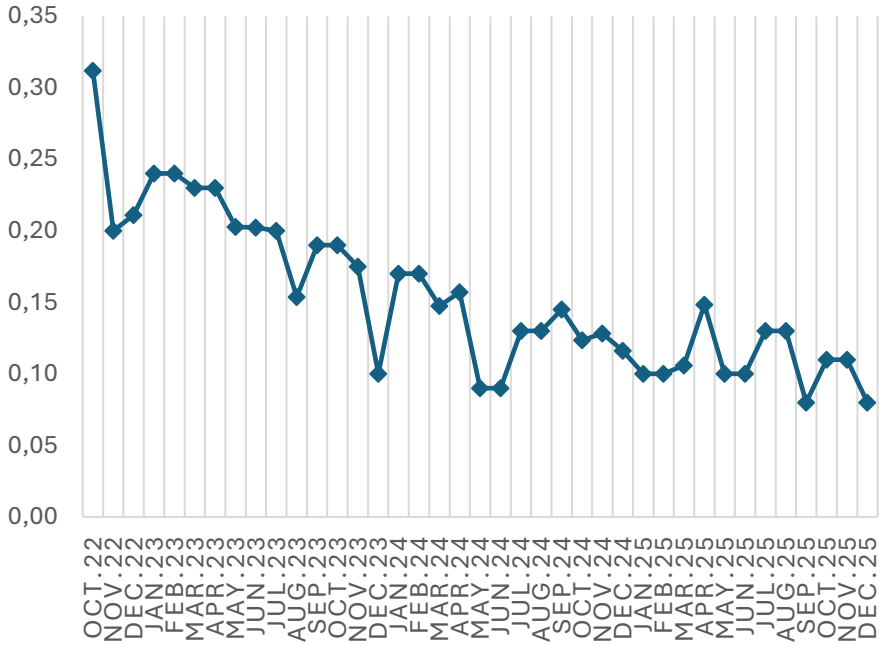
Main results 3.
Long-term expectations

Expectations in the two-year perspective deteriorated slightly after two months of stability

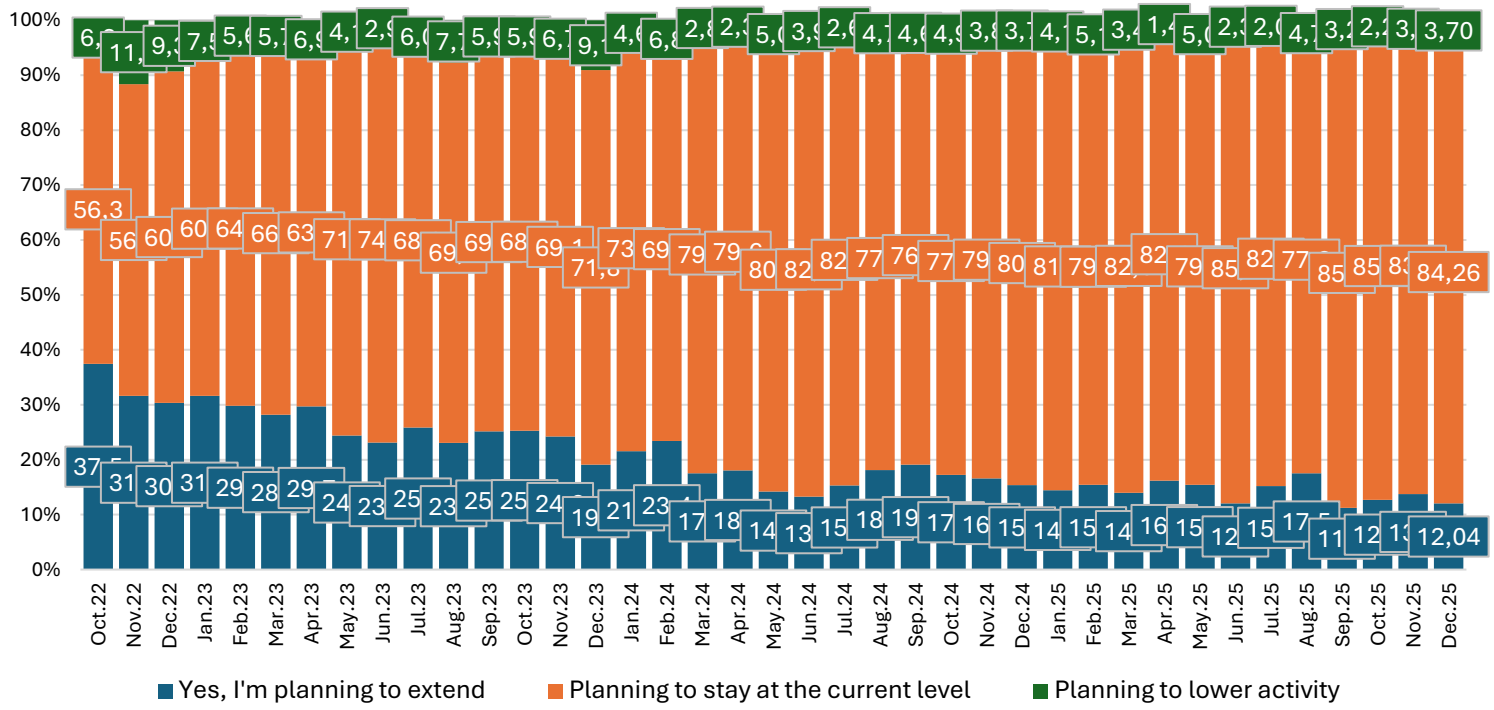
6-month expectations regarding the business activity at the enterprise **have slightly deteriorated,** and for the overall economic environment **without significant changes**

Expectations in the long term insignificantly deteriorated

Index of expected changes in business activity (2 years)



Expectations in the two-year perspective



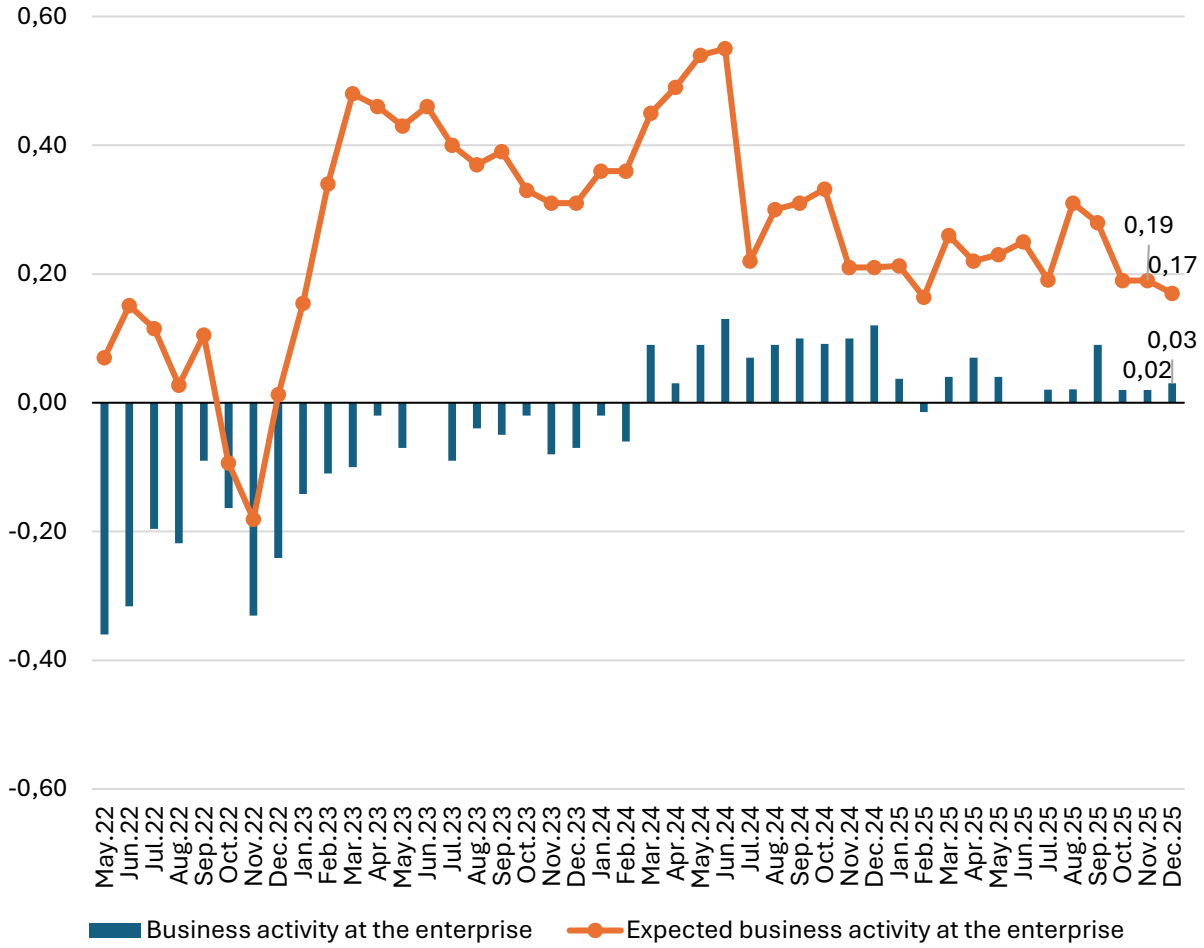
- **The index of expected changes in perspective for 2 years slightly deteriorated and is 0.08** (0.11 in November and October)
- Scale from -1 (bad) to +1 (good)

There were no significant changes in the percentage distribution:

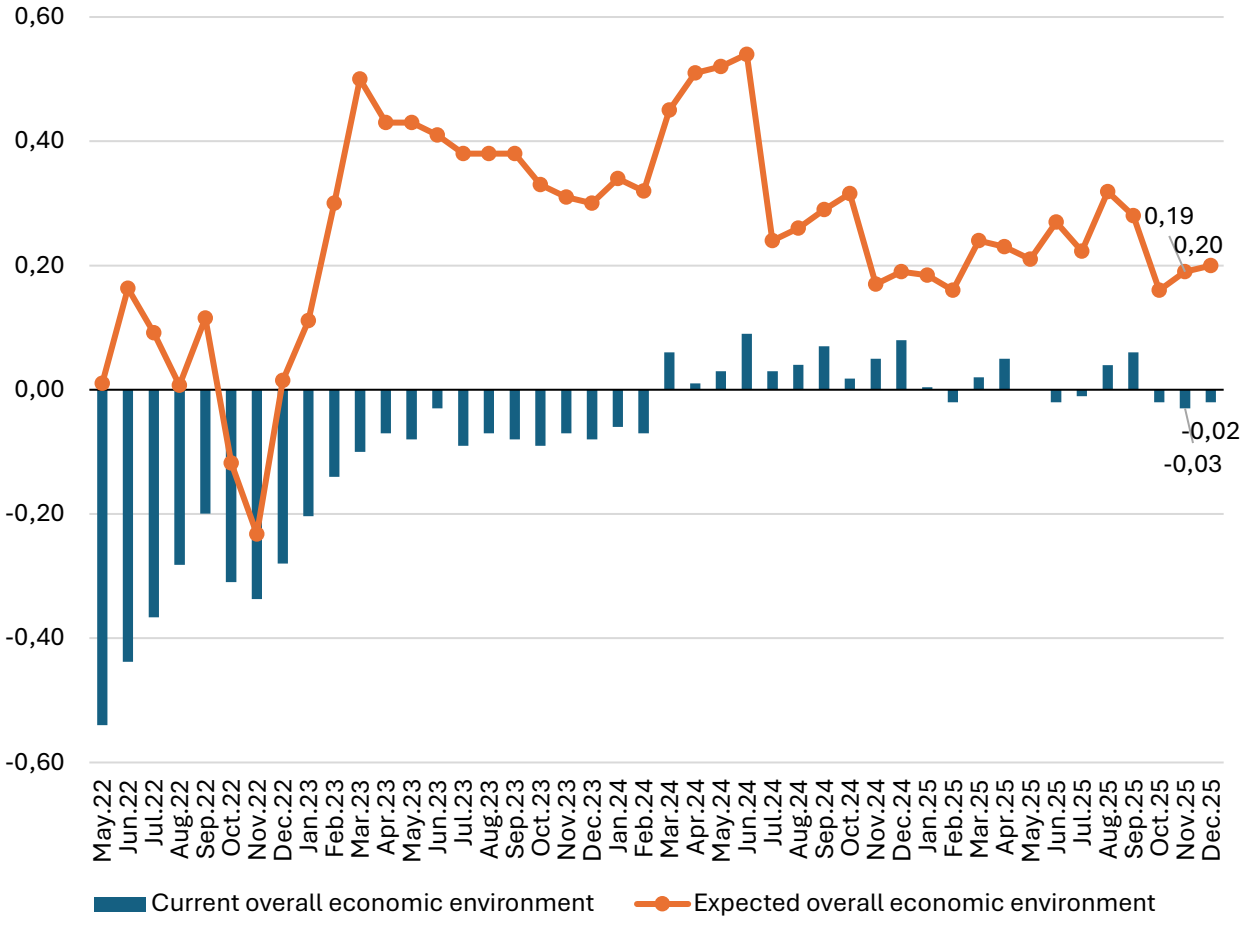
- **% of those who plan to extend activity is 12%** (was 13.7% in November)
- **% of those who plan to lower activity it is 3.7%** (was 3.1% in November)

6-month perspective: expectations insignificantly deteriorated for business activity at the enterprise

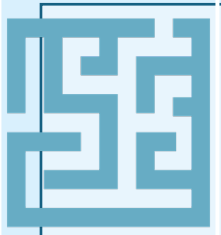
Business activity at the enterprise, balance indicators



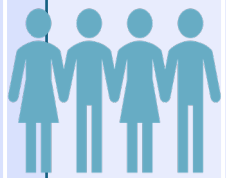
Overall economic environment, balance indicators



Main results 4. December vs November and short-term expectations



Production indicators are improving for the second month in a row, while **short-term expectations are gradually deteriorating**



There is no significant change for employment in December

Export change indicators improve for the second month in a row, while **expectations for 3 months worsen**

Expectations regarding growth in both domestic sales prices and prices for finished goods **increased slightly**

Production: results gradually improve and expectations worsen

Results (December to November)

- % of enterprises that **increased production volumes increased** (from 20.2% in November to 27.7% in December)
- % of enterprises that **reduced production volumes also slightly increased** (from 16.6% in November to 18.1% in December)

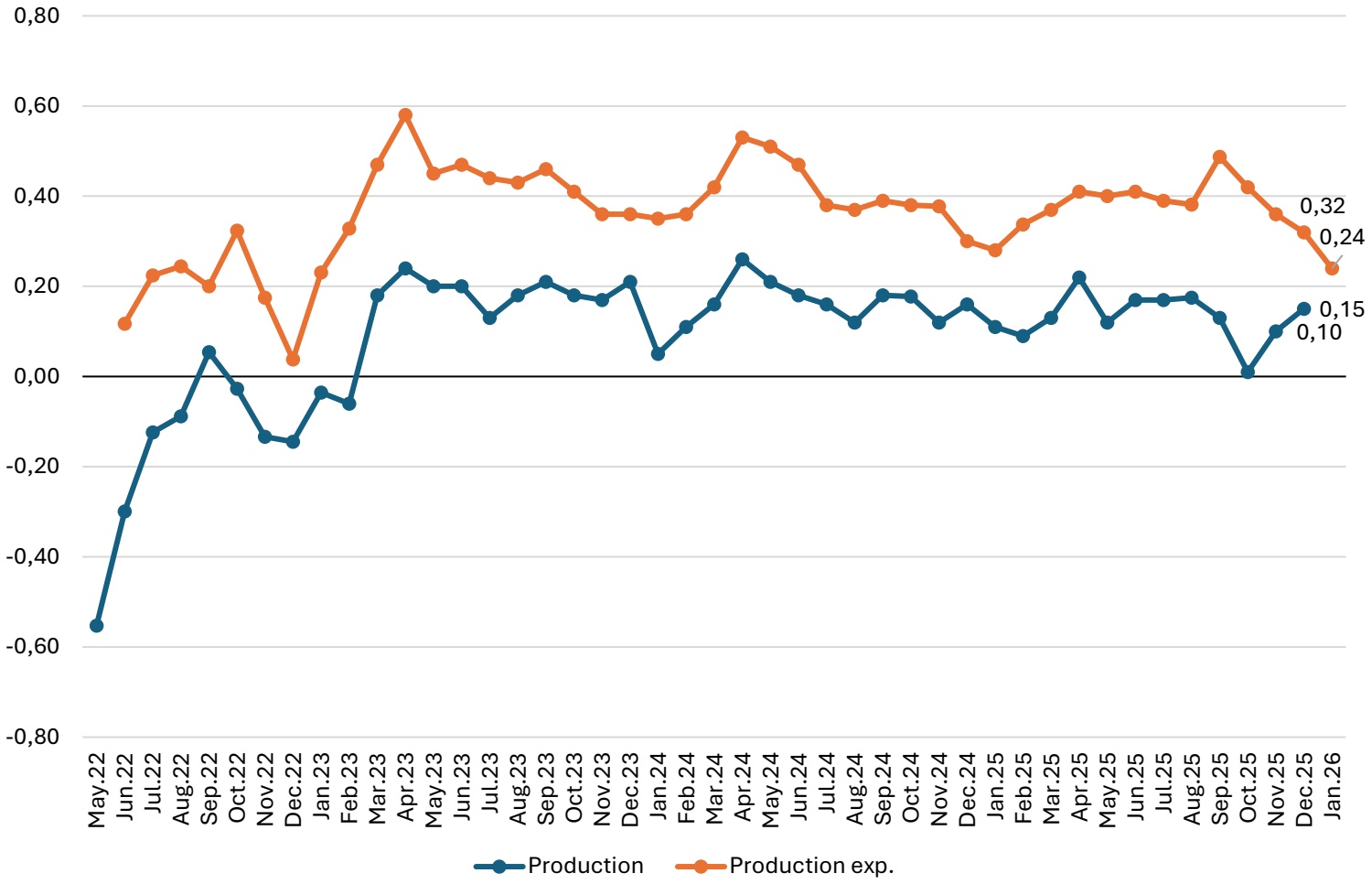
The Index of changes improved, increasing from 0.10 to 0.15

Expectations for 3 months

- % of enterprises **planning to increase production volumes in the next 3-4 months decreased** (from 34.8% to 29.2%)
- % of enterprises **expecting a reduction in production volumes increased** (from 5.4% in November to 8.4% in December)

The index of expected changes in production decreased, from 0.32 to 0.24

Production, balance indicators



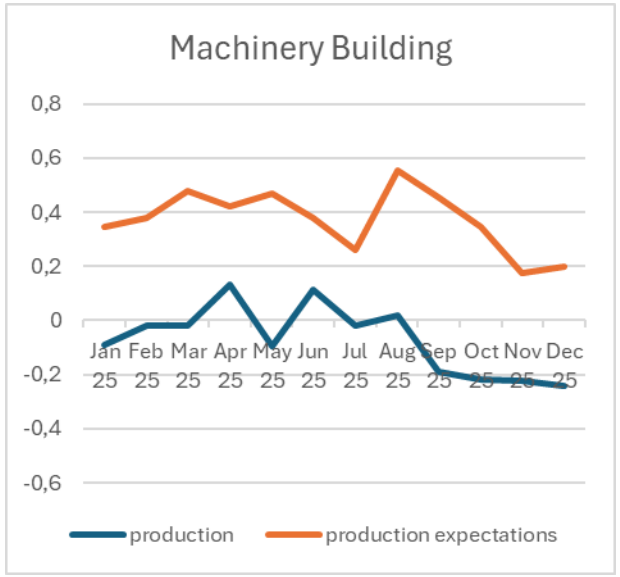
Production by industry: Different Signals in 2025

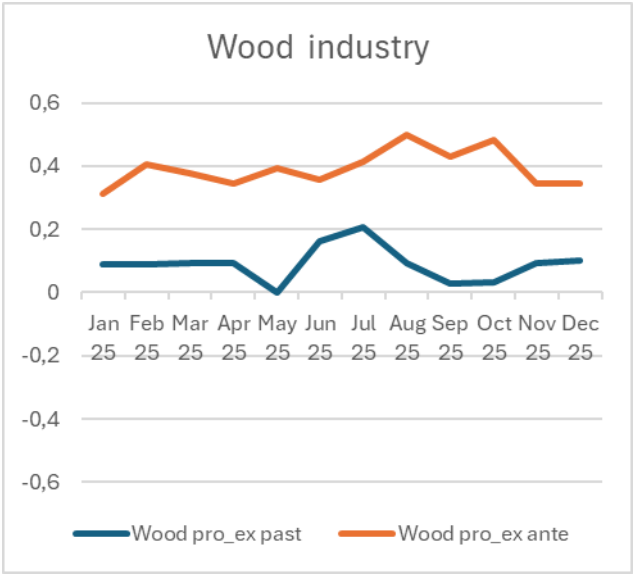
Machinery => *Lagging signal*
Business expectations have deteriorated sharply despite relatively stable actual performance, indicating sentiment is lagging behind reality.

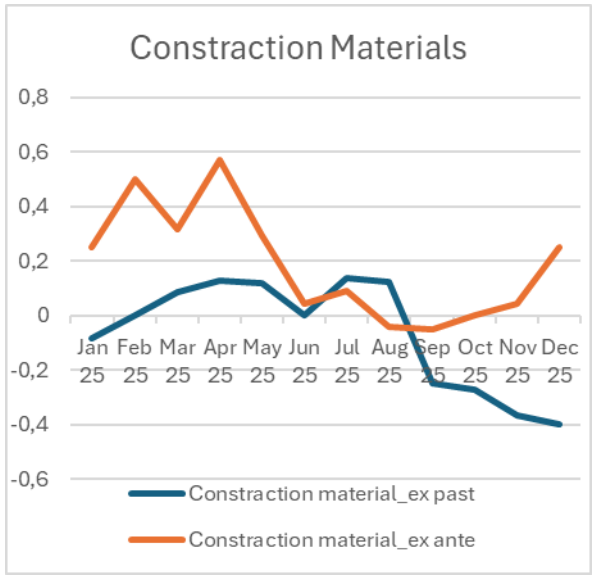
Wood processing => *Coincident signal*
Expectations and actual activity move broadly in line, pointing to a balanced and stable sector.

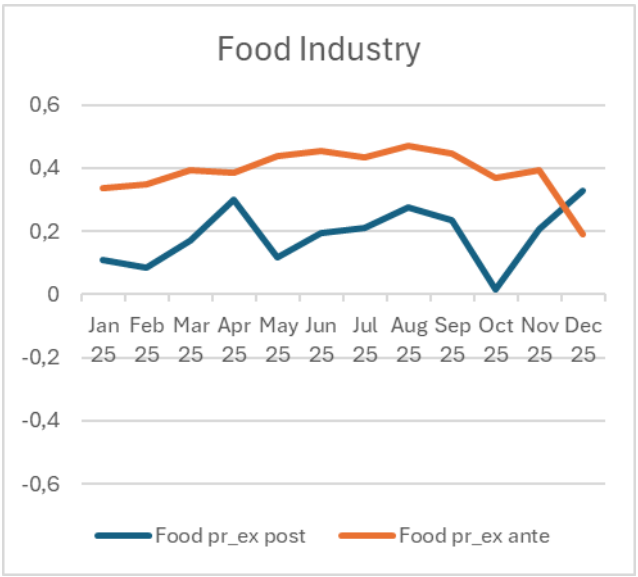
Construction materials => *Leading signal?*
Rising expectations amid weak output could point to early recovery signals, but their persistence above actual performance raises uncertainty.

Food industry => *Coincident to leading signal*
Stable and improving actual performance outpaces cautious expectations, indicating underlying resilience.









Exports: improving results, deteriorating expectations

Results (December to November)

- % of enterprises **reporting export growth increased** (from 21.2% in November to 28.6% in December)
- % of enterprises **reporting decrease in exports did not change significantly** (16.2% in November and 17.1% in December)

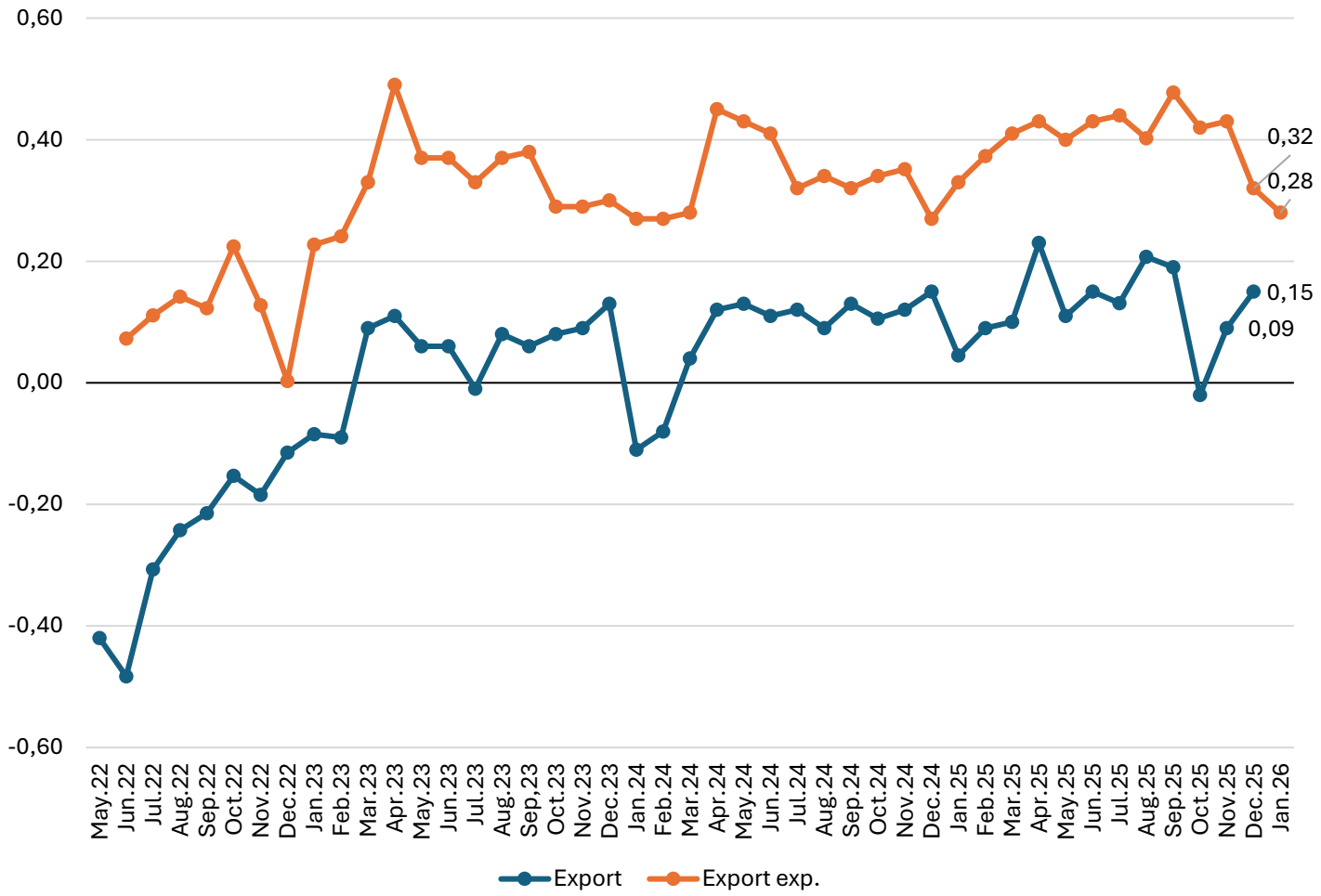
The index of changes increased (from 0.09 to 0.15)

Expectations for 3 months

- % of enterprises **expecting export growth decreased** (from 37.6% in November to 34.5% in December)
- % of enterprises **planning to reduce export without significant changes** (6.6% in November and 7.5% in December)

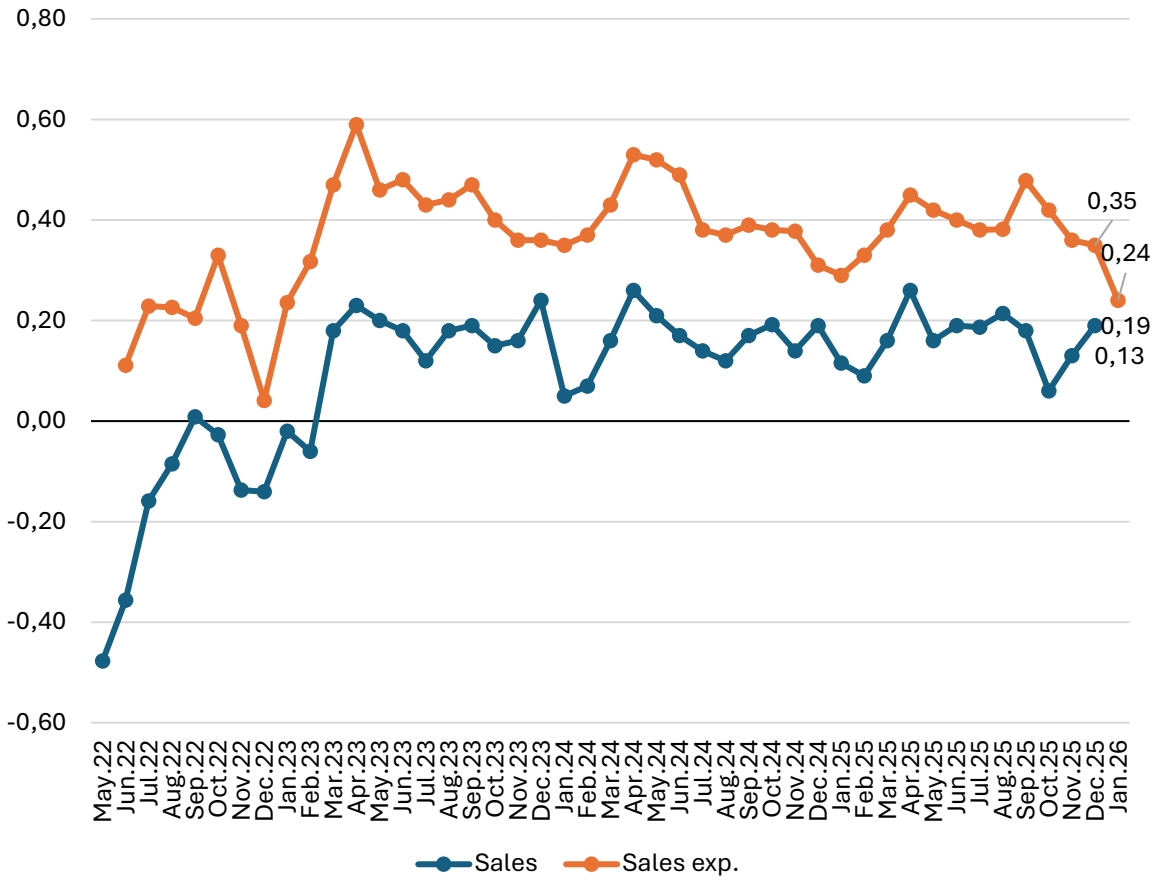
The Index of expected changes in export decreased from 0.32 to 0.28

Export, balance indicators

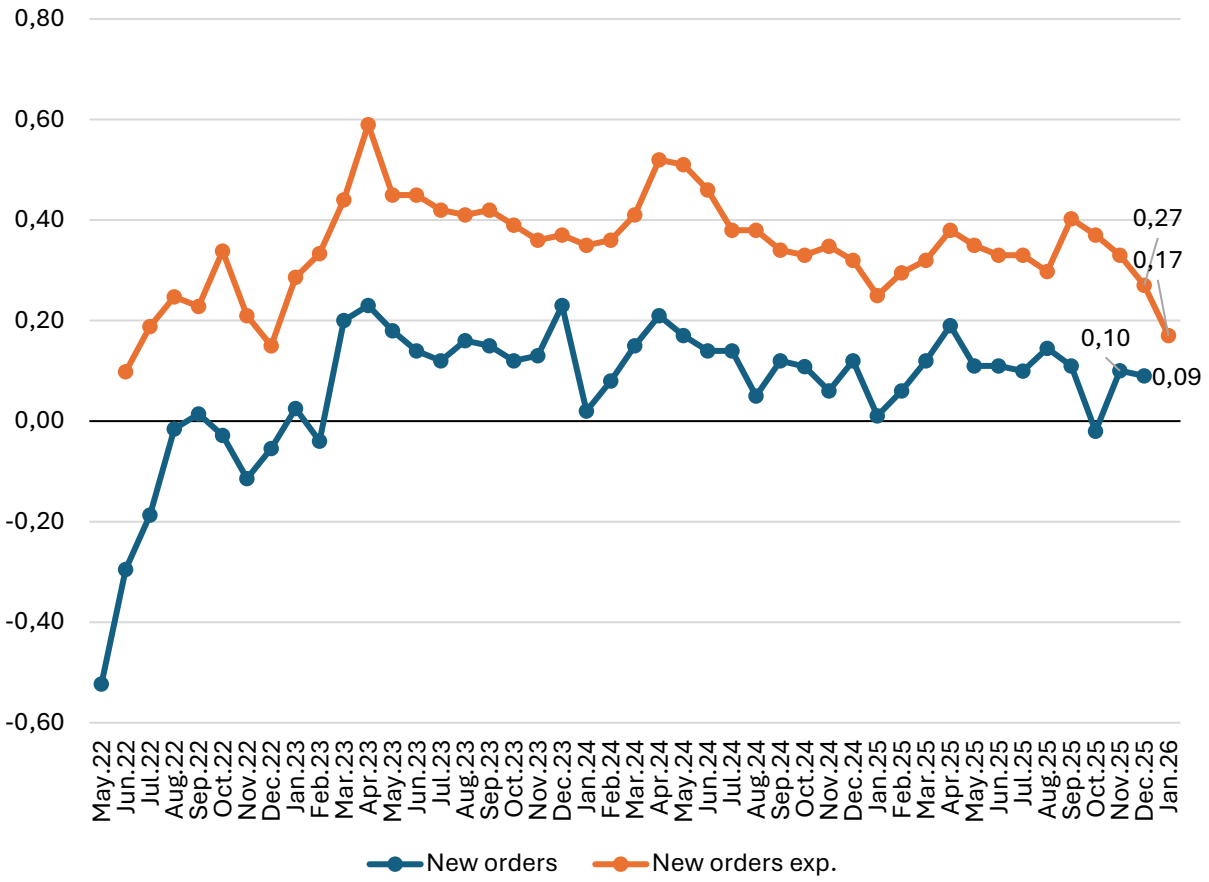


Sales and new orders: worsening expectations

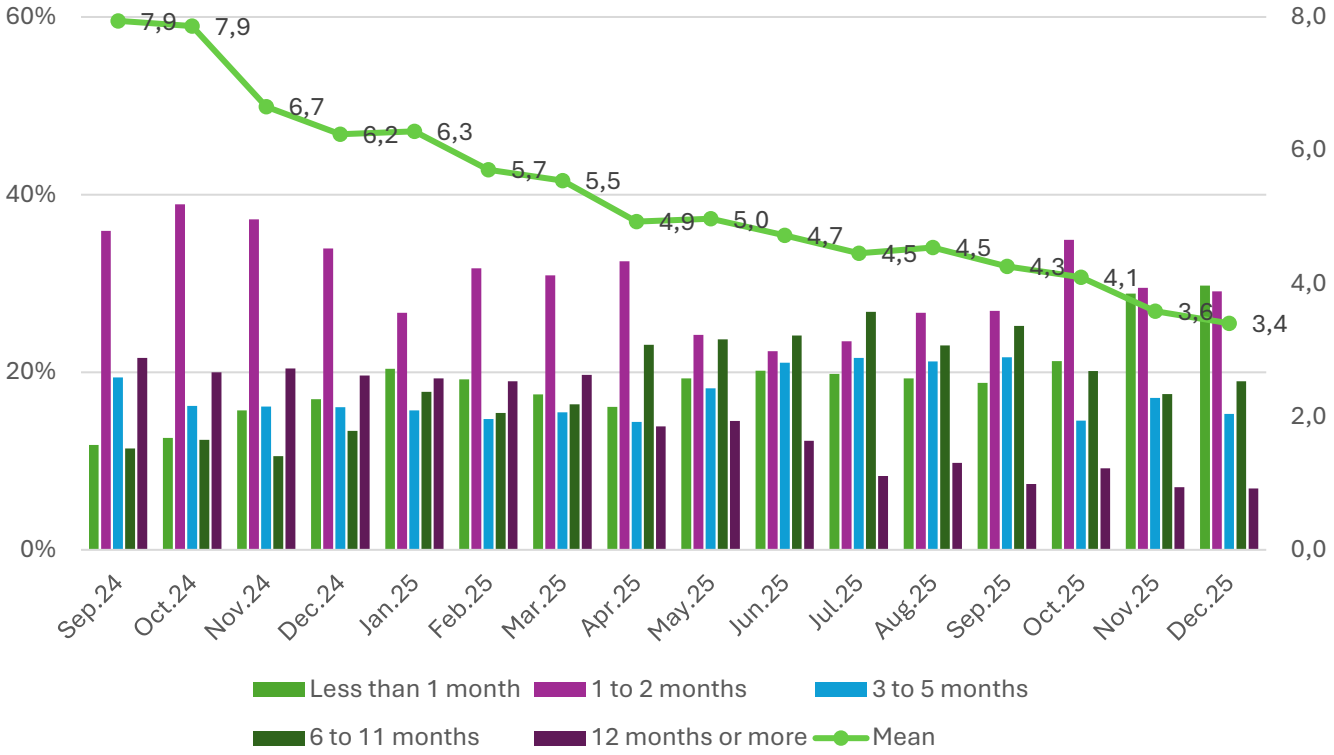
Sales

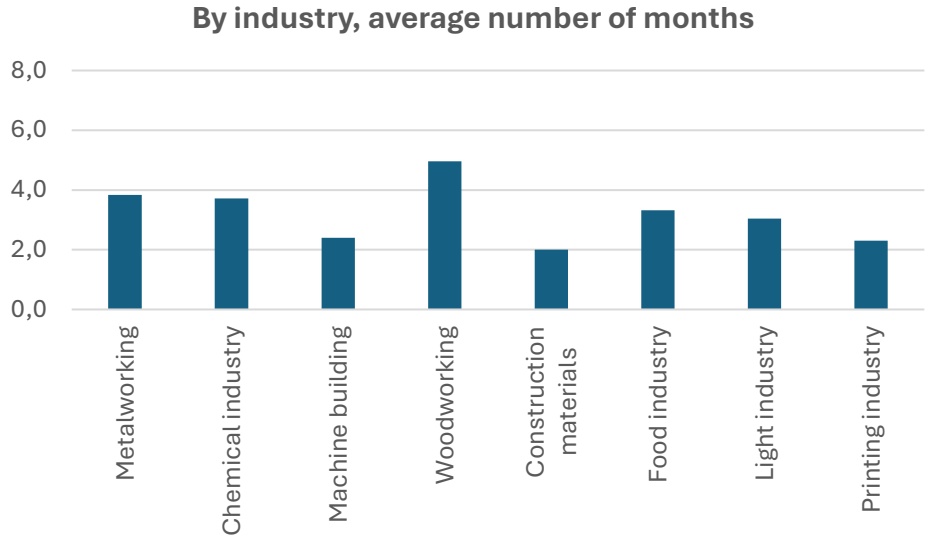


New orders



New orders portfolio





In December 2025, the portfolio of orders among the surveyed enterprises did not change significantly after a decrease in November:

- **The average term of new orders was 3.4 months** (it was 3.6 months in November, 4.1 in October, and 4.3 in September)
- **% of enterprises with an order horizon of a year or more in advance remained unchanged** (7% in December, as in November)
- **% of enterprises working "on the fly" did not change significantly** (30% in December and 29% in November), and **% of those who had orders for 1-2 months last month remained unchanged** (29% in December, as in November)

Purchase prices: is expecting slight increasing

Results (December to November)

- % of businesses **reporting price growth decreased** (from 36% in November to 33.9% in December)
- % of enterprises **saying their purchase prices have decreased remained unchanged** (1.5% in December, as in November)

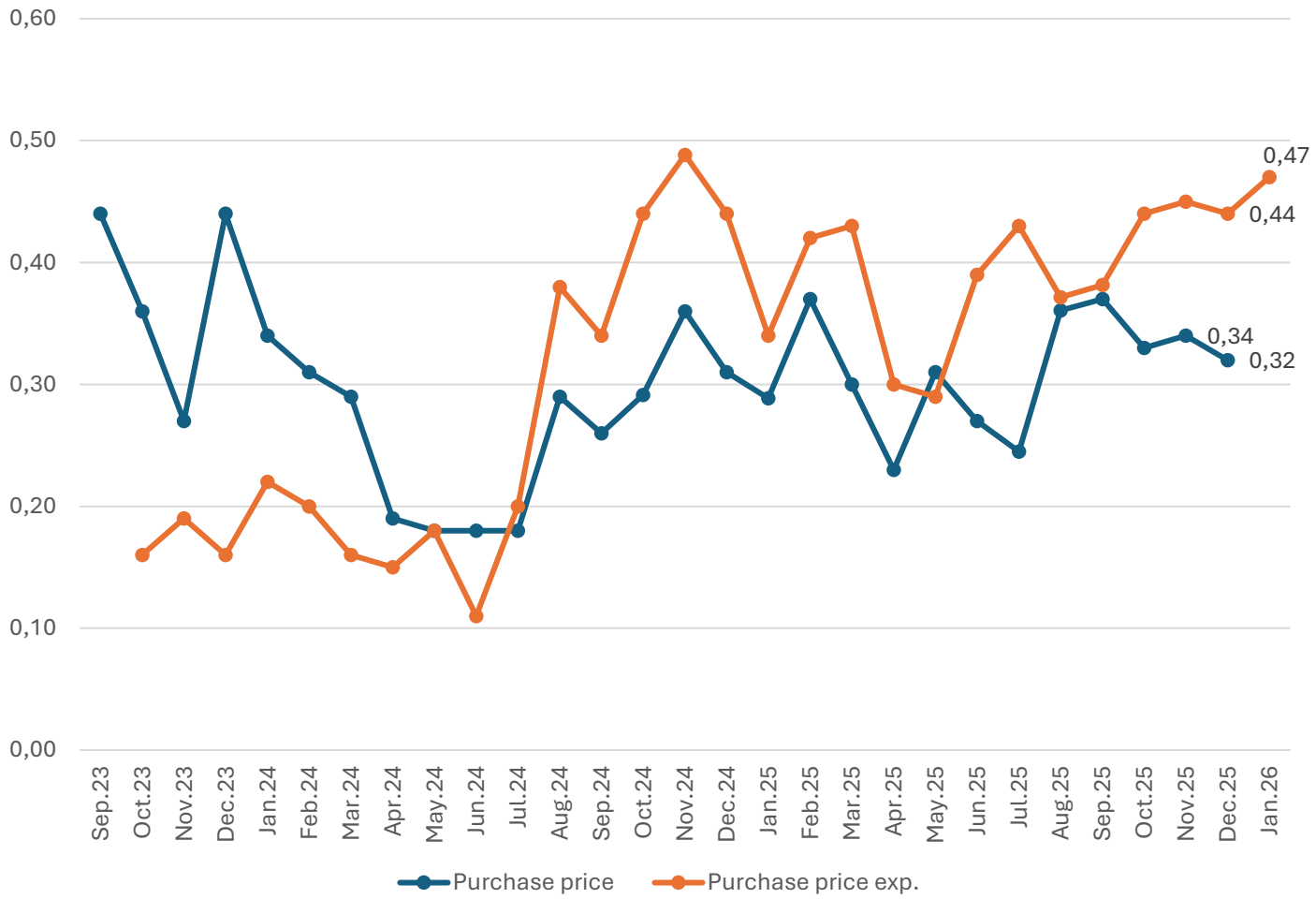
The index of changes in purchase prices decreased slightly from 0.34 to 0.32

Expectations for 3 months

- % of enterprises **expecting price growth increased** (from 44.9% in November to 48.3% in December)
- % of enterprises **expecting price reduction without significant changes** (0.9% in November and 0.07 in December)

The index of expected changes in purchase prices increased insignificantly, from 0.44 to 0.47

Purchase price, balance indicators



Domestic sales prices : A slight increase is expected

Results (December to November)

- % of enterprises **reporting growth in domestic sales priced decreased** (from 37.6% to 33.9%)
- % of enterprises **saying that domestic sales prices decreased did not change** (1.1% in December, as in November)

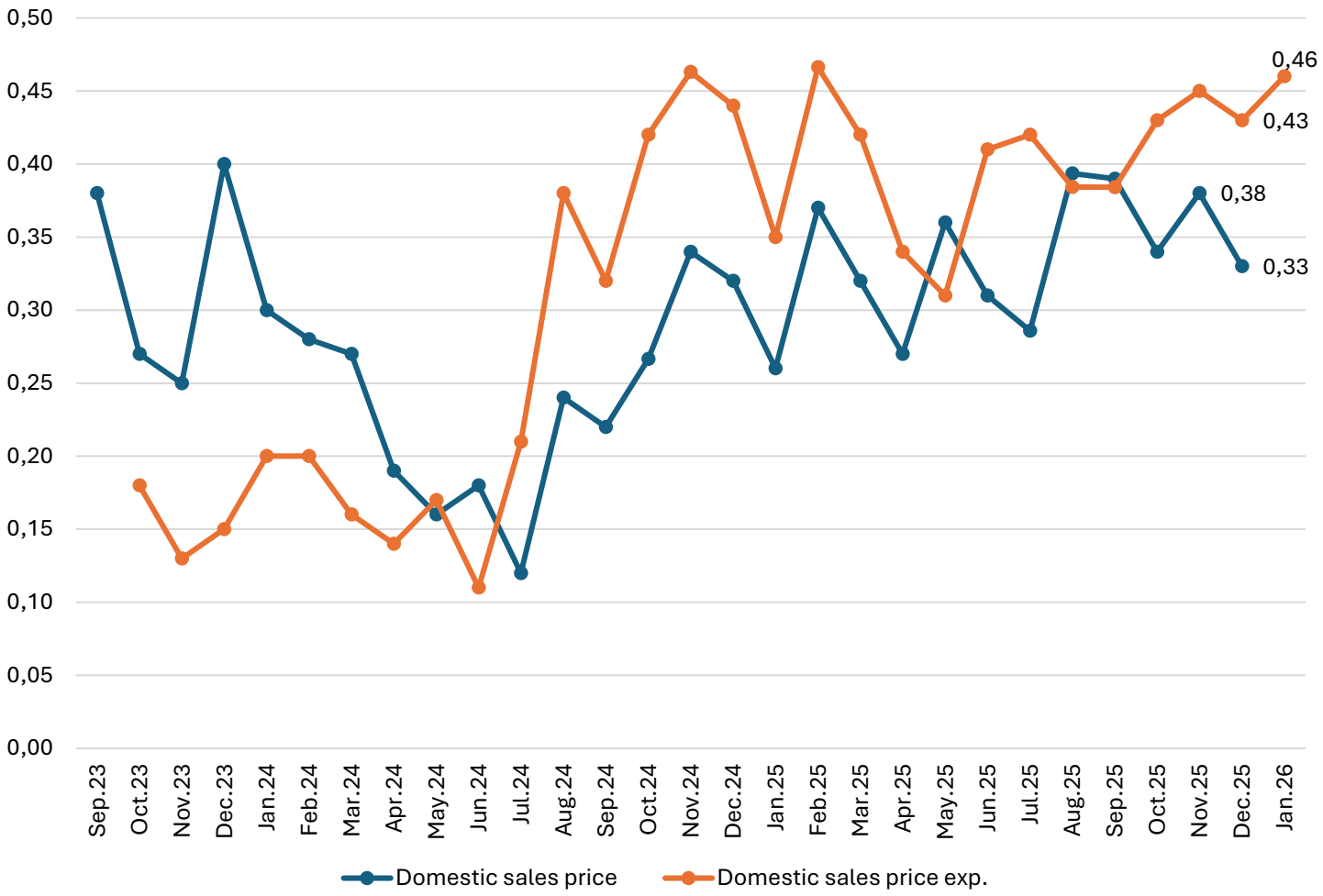
The index of changes in domestic sales prices decreased from 0.38 to 0.33

Expectations for 3 months

- % of enterprises **expecting price growth slightly increased** (from 43.6% in November to 45.9% in December)
- % of enterprises **expecting price reduction did not change significantly** (0.2% in November and 0.04% in December)

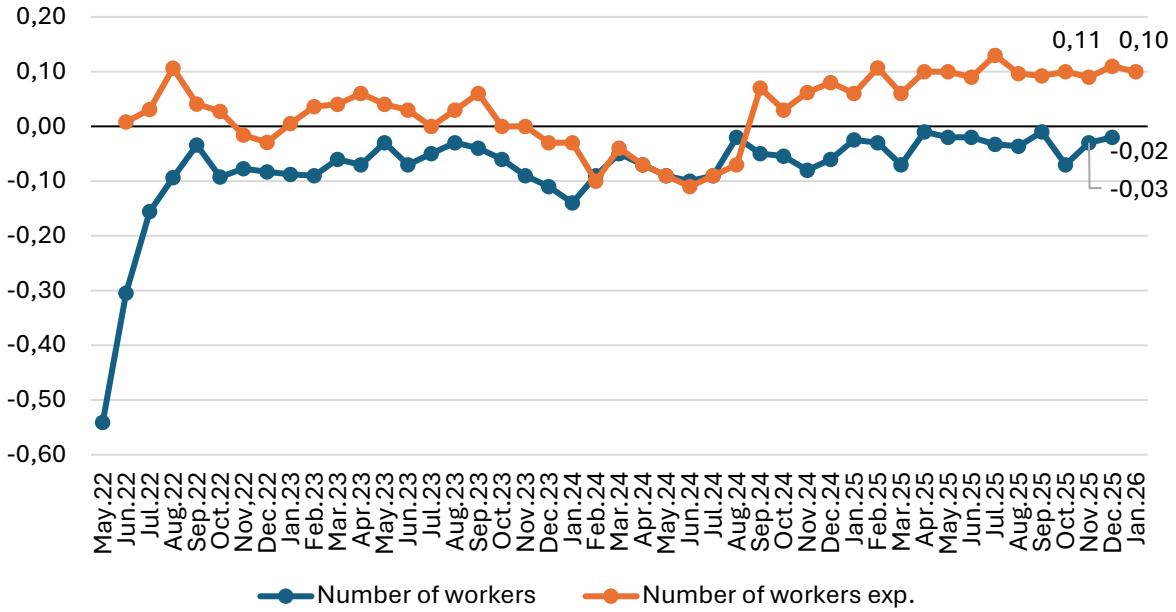
The index of expected changes in domestic sales price slightly increased from 0.43 to 0.46

Domestic sales price, balance indicators

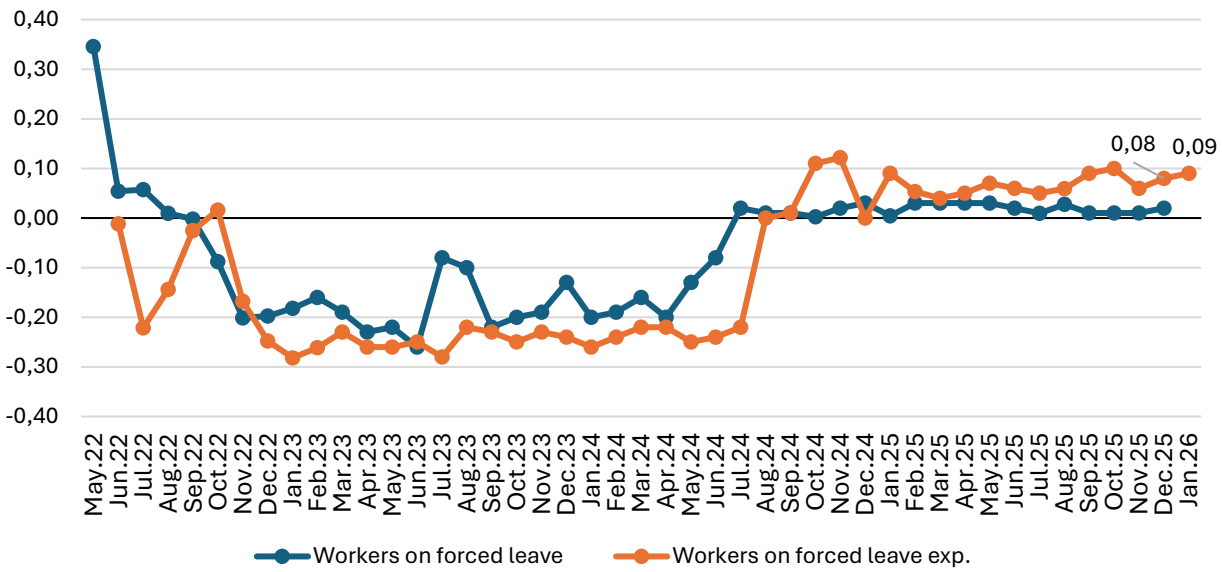


Employment: without significant changes

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** (14.1% in November and 15.8% in December)
- % of enterprises that **intend to reduce the number of workers also without significant changes** (4% in November and 5.6% in December)

The index of expected changes is 0.10 (was 0.11)

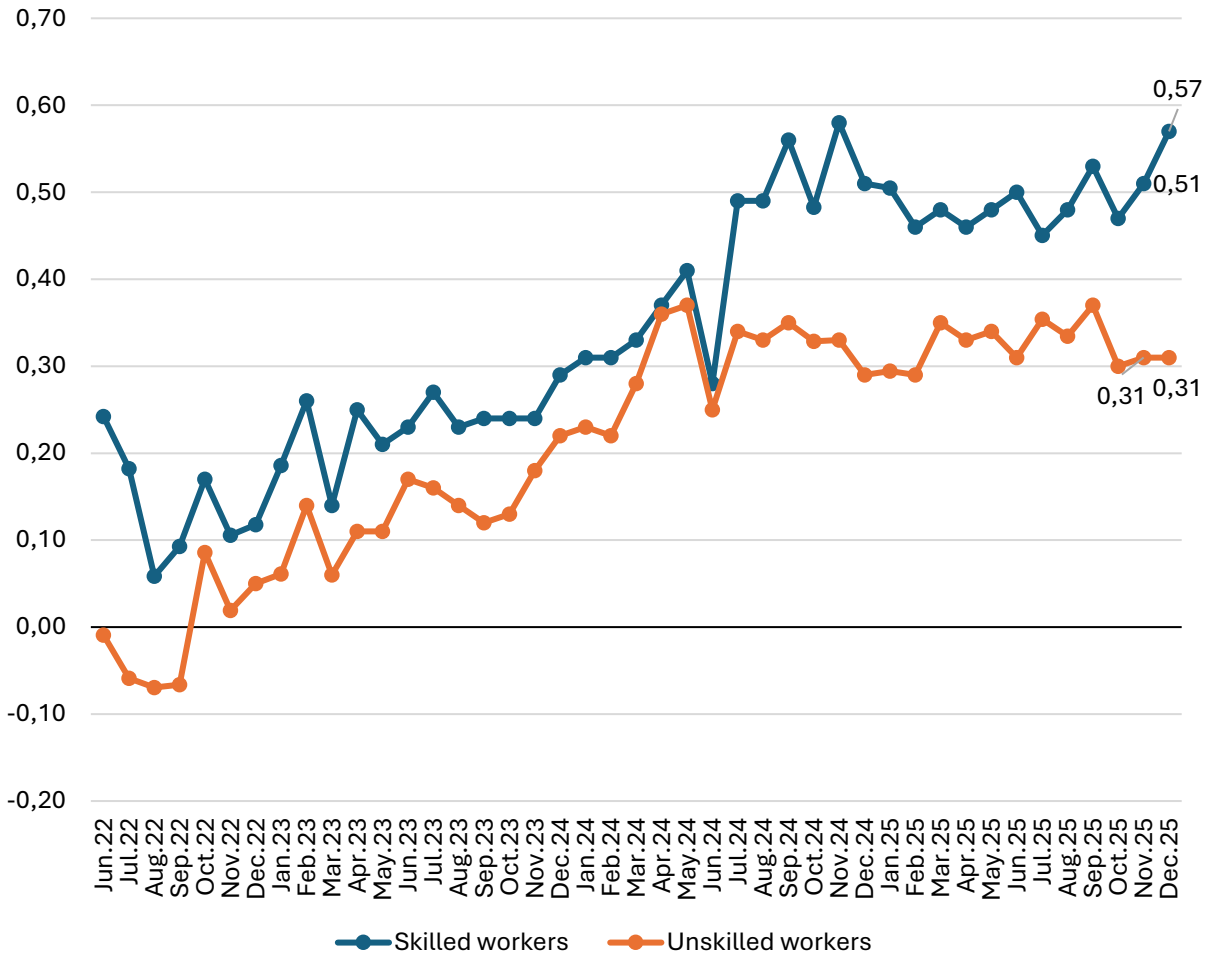
Expectations for 3 months

- % of enterprises **planning to increase the number of workers on forced leave increased slightly** (from 8.8% in November to 11% in December)
- % of enterprises **planning to reduce workers on forced leave also increased slightly** (from 0.5% in November to 2.1% in December)

The index of expected changes did not change significantly and is 0.09 (was 0.08)

Problems with finding skilled workers are growing, but no changes for unskilled workers

Problems with finding workers



In December 2025, a further increase in the problems in finding skilled workers was observed, while the indicator for unskilled workers remained unchanged

Skilled workers:

- % of those who **reported that it was more difficult to find such employees increased** (from 52.2% to 55.6%)
- % of those who **think that skilled workers have become easier to find is** 0.7% (was absent last month)

The difficulty index increased from 0.51 to 0.57

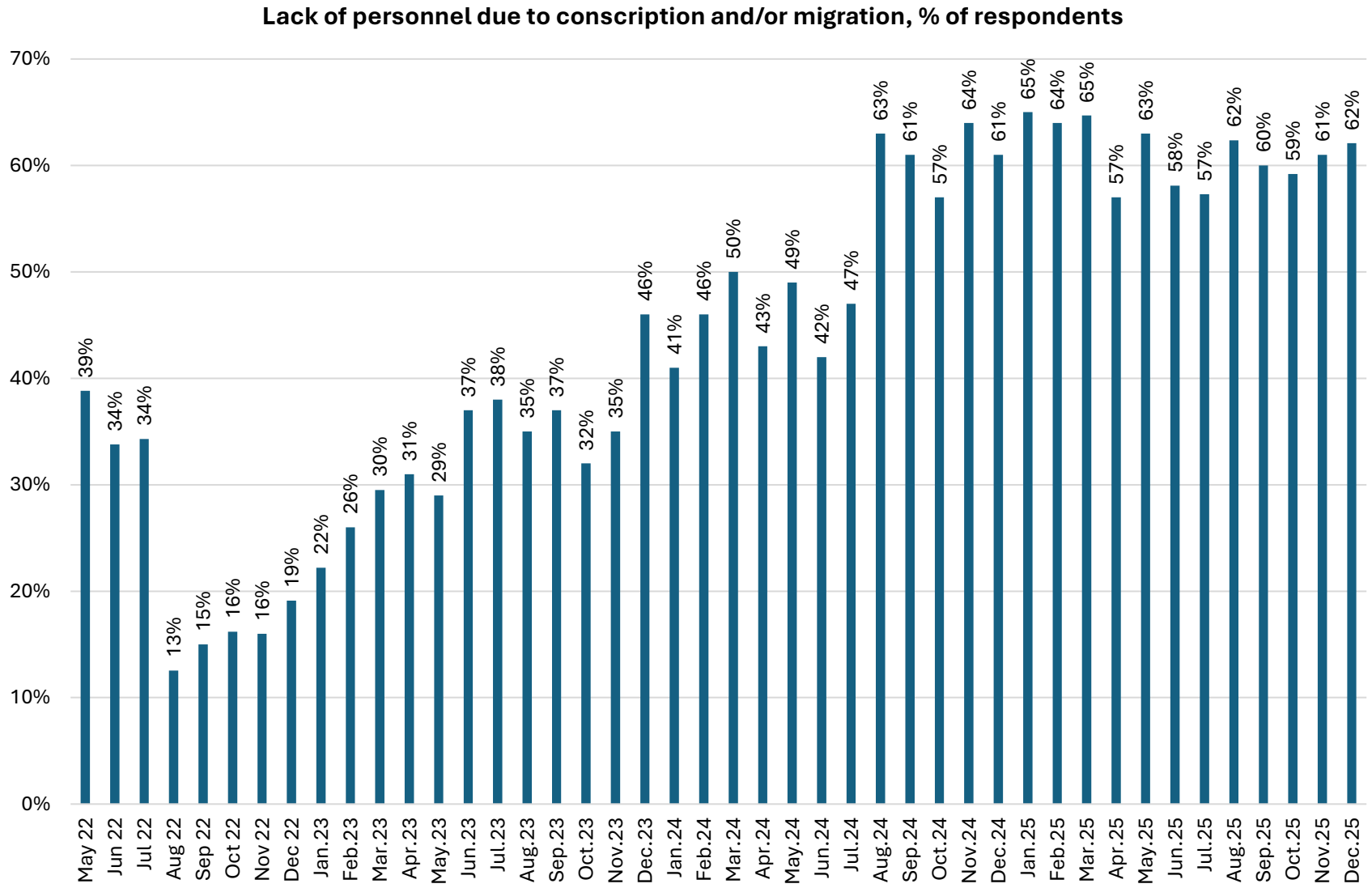
Unskilled workers:

- % of those **for whom it was more difficult to find them has not changed significantly** and is 34% (was 35.3%)
- % of those **for whom in was easier to find such workers also did not change significantly** (3.6% in December, was 3.8% two places in a row)

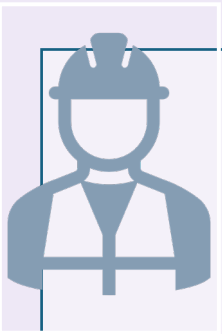
The difficulty index remained unchanged at 0.31, the same as in November

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

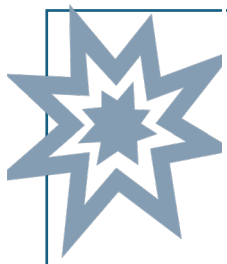
- Share of enterprises, who pointed to the “**lack of personnel”** as an **impediment, does not change significantly** (62% in December and 61% in November)
- In the list of impediments, “lack of personnel” **remains in the 1st position**



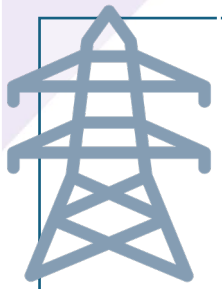
Main results 5: Impediments



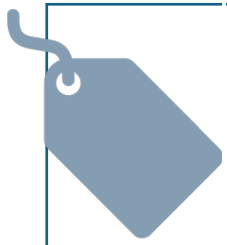
“Lack of personnel” remains in the first position in the list of impediments



“It is dangerous to work” with an increasing value **also remains in the second position in the list**



“Interruptions with electricity” retain the 3rd position, almost unchanged in the value

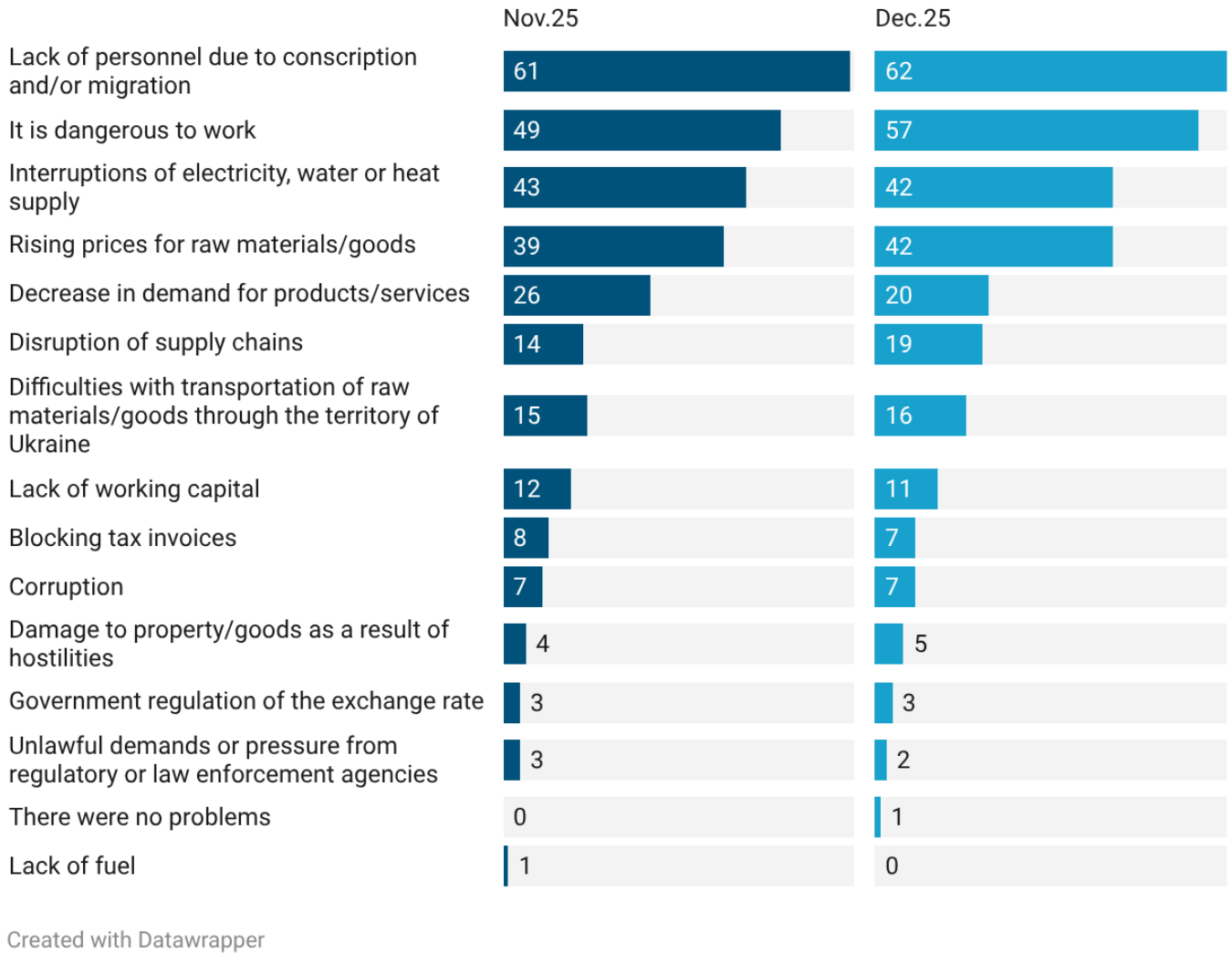


“Price increases” with an increase in value **rises from the 4th to the 3rd step,** sharing it with “interruptions with electricity”.

The main impediments to doing business in wartime, % respondents

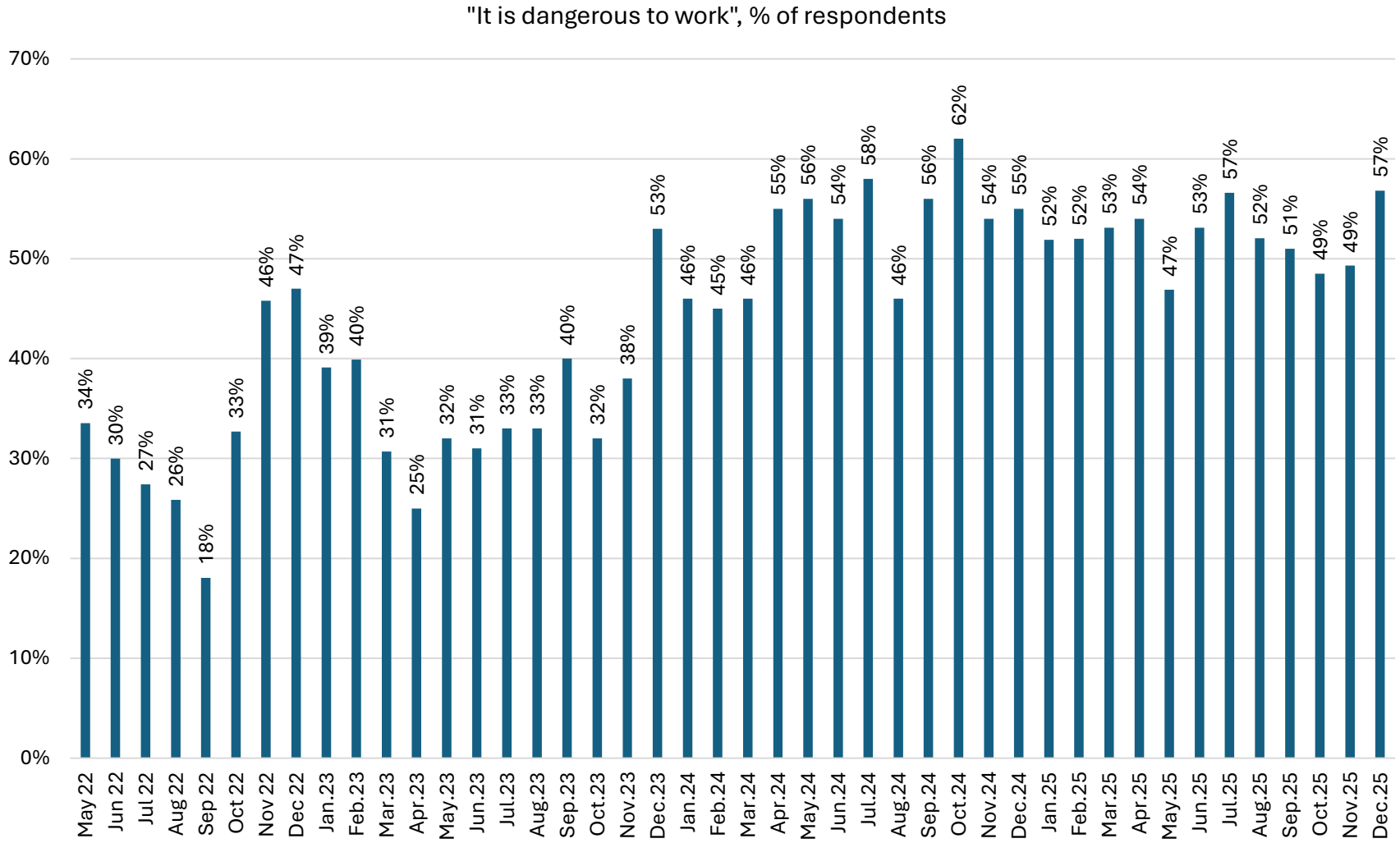
In December 2025, the top three obstacles to business development have not changed

- **“Lack of personnel”** with almost unchanged values (61% in November and 62% in December) **remains in the first position**
- **“It is dangerous to work”, having significantly increased in value** (from 49% to 57%), **remains on the 2nd line**
- **“Interruptions with electricity” without significant changes in value** (43% in November and 42% in December) **also retains the 3rd position**
- The impediment **“rising prices for raw materials and goods” by increasing the value** (from 39% to 42%) **rises from 4th to 3rd place** and shares a step with “interruptions with electricity”
- **“Decrease in demand”**, in spite the decreased value (from 26% to 20%), **remains in the 5th position**
- **Logistical problems in the interior of the country occupy the 7th place**, but the value has not changed significantly (15% in November, and 16% in December). At the same time, **the 6th place with an increase in the value from** 14% to 19% **is occupied by the “disruption of supply chains”**
- **Corruption and pressure from law enforcement agencies are not significant problems**



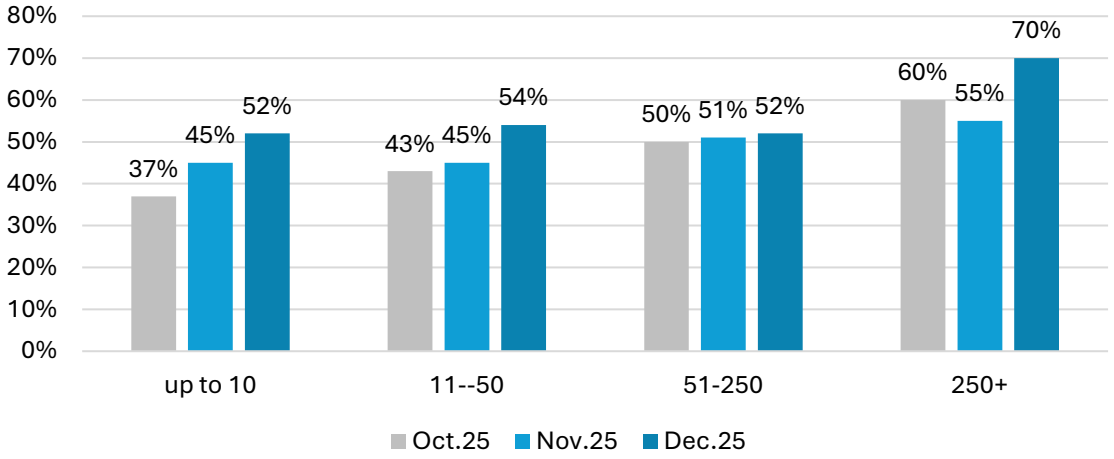
“It is dangerous to work” retains the second position in the list with an increase in value

- **The share of enterprises that chose “it is dangerous to work” as an impediment increased** to 57% (49% in October and November)
- In the list of impediment, “it is dangerous to work” **remains in the 2nd position**



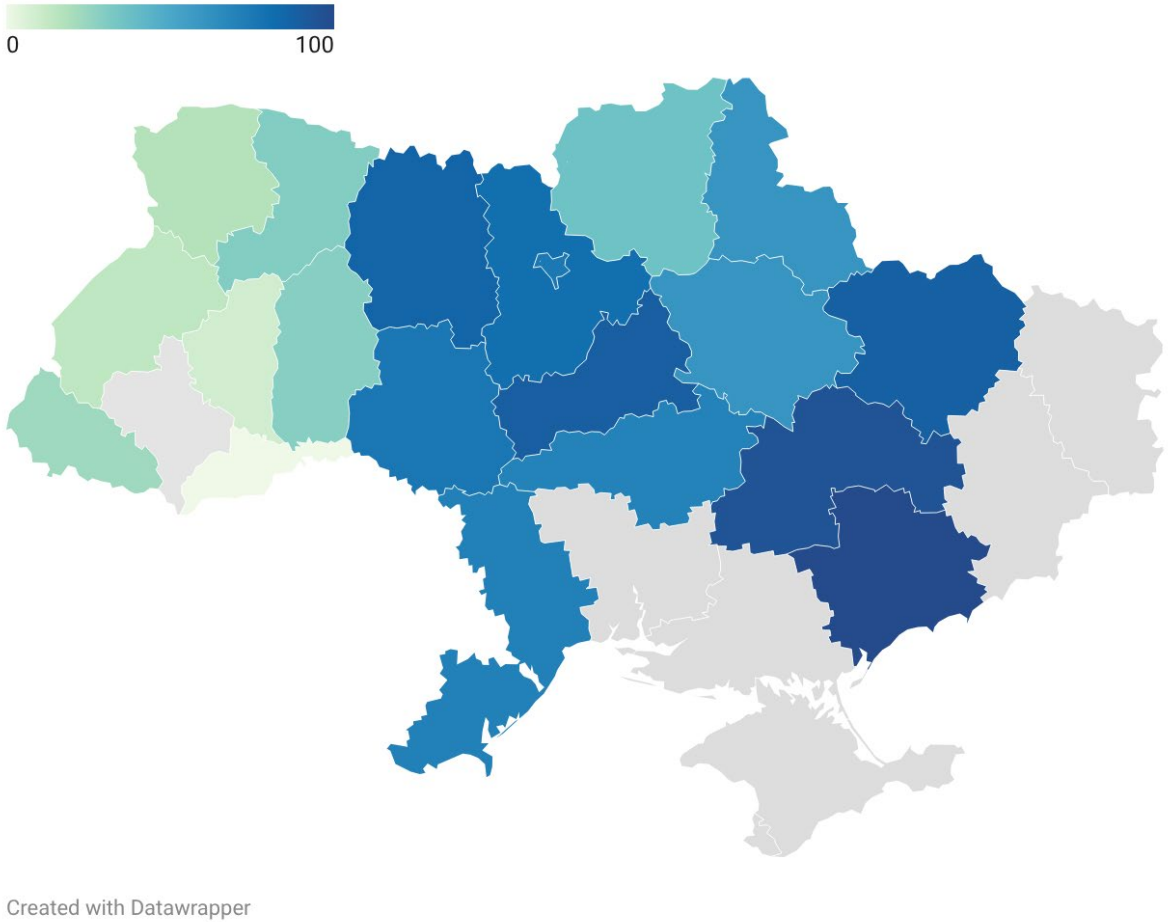
“It is dangerous to work” by different criteria

“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 and has increased significantly for large enterprises, also the value has increased for micro and small enterprises, while for medium-sized enterprises the indicator does not change significantly
- 80+% of respondents in Kyiv, Zhytomyr, Kharkiv, Cherkasy, Dnipropetrovsk and Zaporizhzhia regions consider dangerous conditions an impediment to doing business

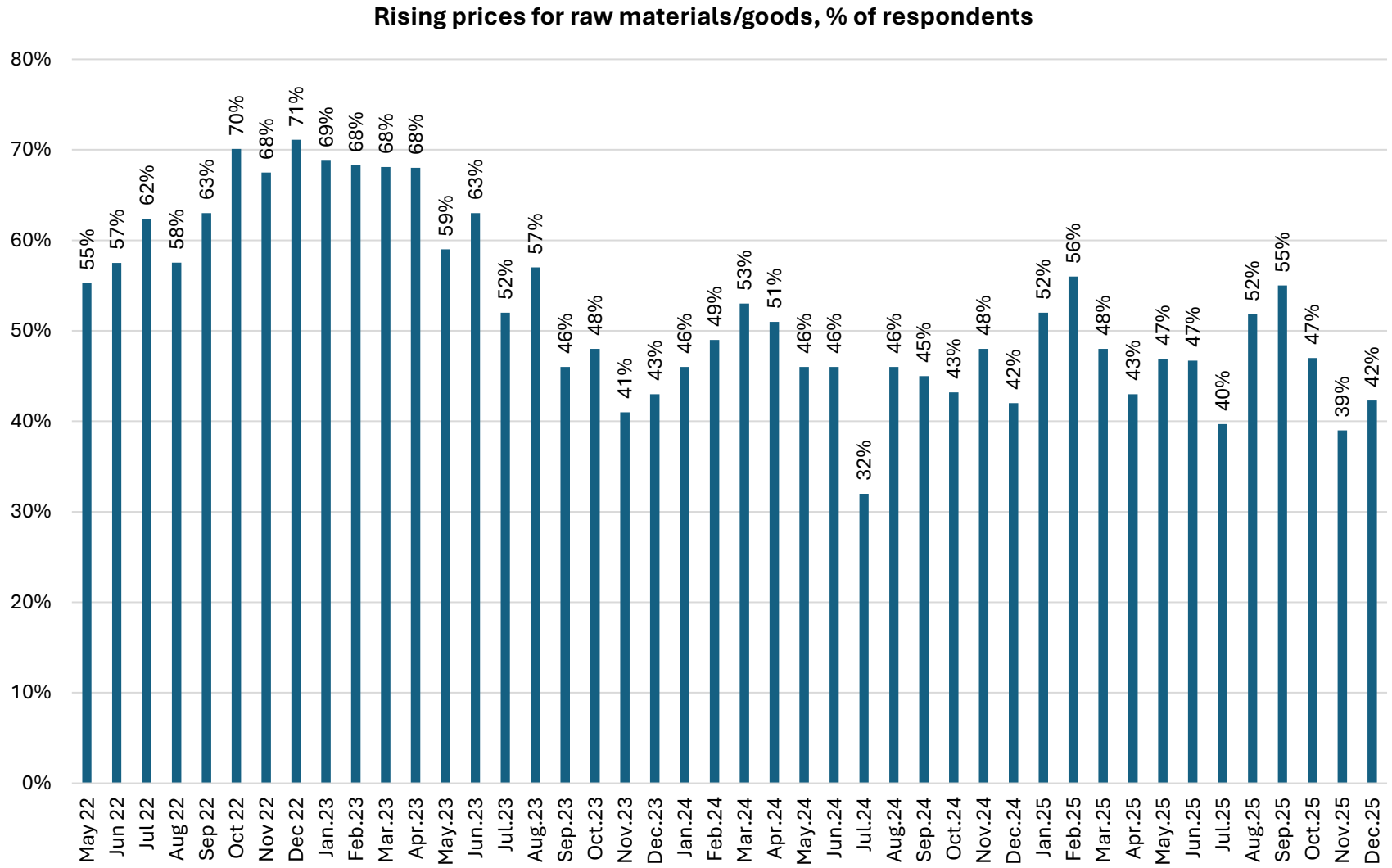
«“It is dangerous to work” by oblast, % of respondents



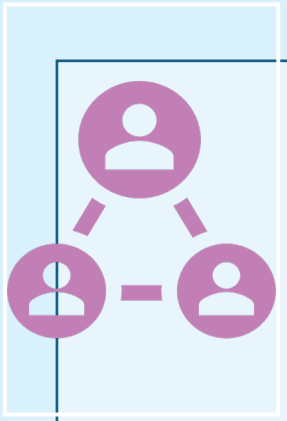
Note. The number of respondents in Ivano-Frankivsk region was insufficient to analyze this issue

“Rising prices” are again among the leaders of impediments to doing business

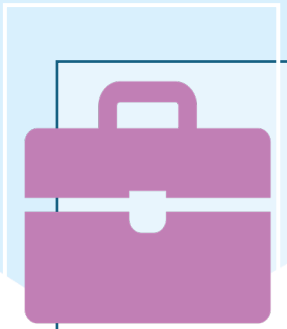
- **% of enterprises for which "rising prices for raw materials" is an impediment interrupted the downward trend and increased** to 42% in December (was 39% in November)
- In the list of impediment, “price increasing” **again closes the top three of the impediment rating, sharing step with “interruptions of electricity”**



Main results 5. Economic policy Special question



Assessments of the Government's state policy remain mostly neutral, but the share of negative assessments has slightly decreased

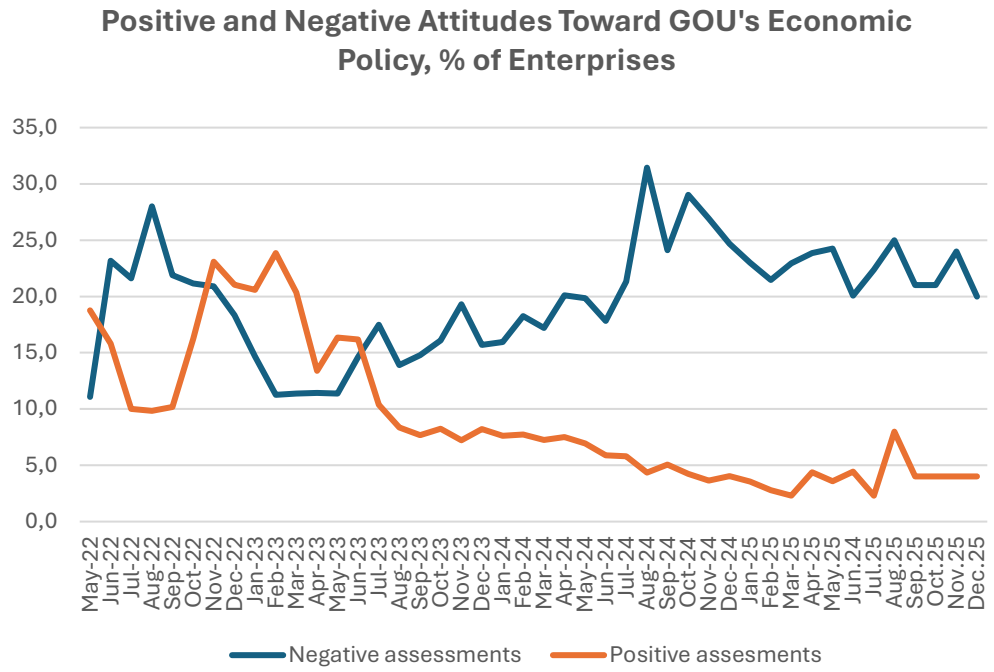


45% of respondents consider the state to be a regulator, while the share of those who **consider the state an impediment to business has increased**

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

	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25	Oct.25	Nov.25	Dec.25
Positively	4	4	3	2	4	4	4	2	8	4	4	4	4
Neutrally	61	63	66	65	63	64	65	66	55	63	65	65	68
Negatively	25	23	21	23	24	24	20	22	25	21	21	24	20
Don't know / Didn't answer	10	10	9	9	9	8	11	10	12	12	9	8	8

Created with Datawrapper

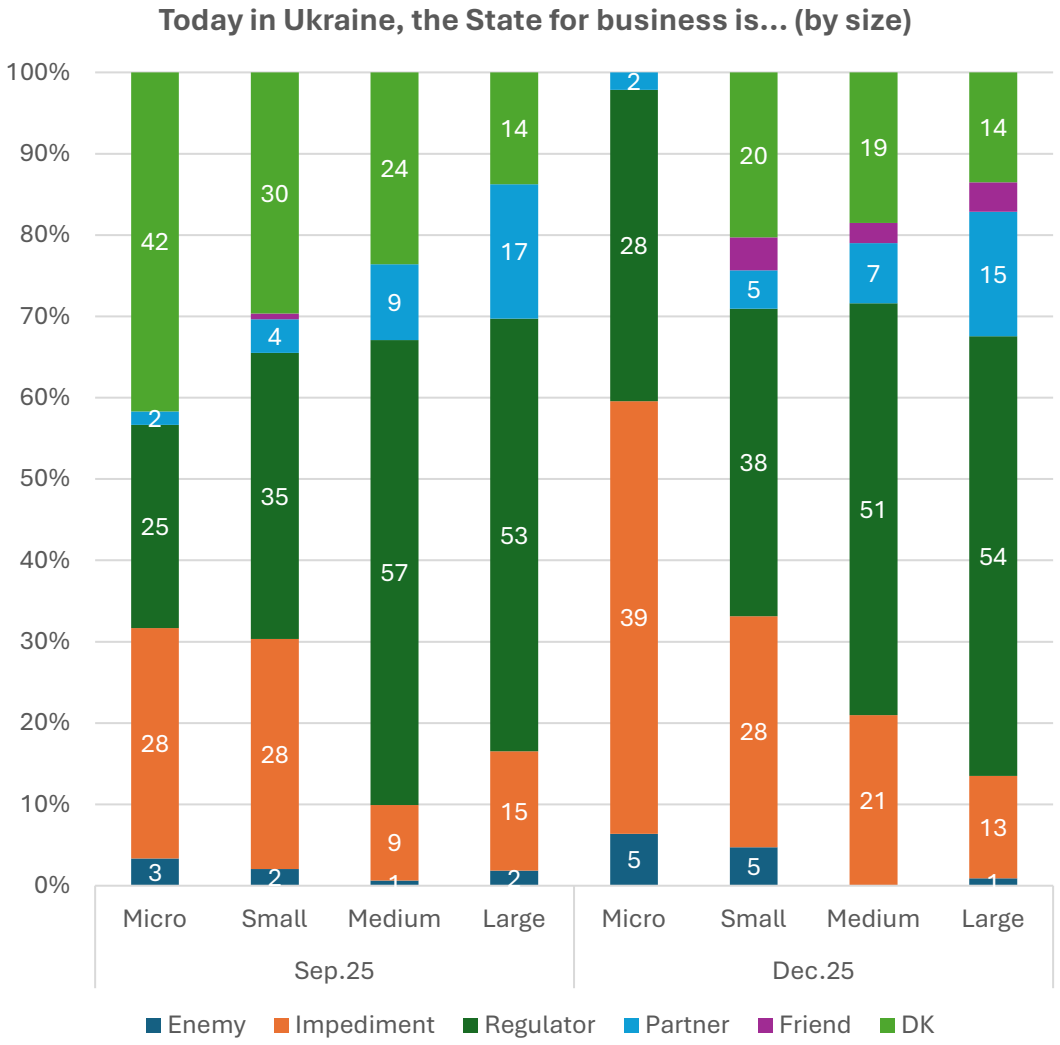


- **% of positive assessments** of the Government's policy has **remained unchanged for four months in a row** and is 4%
- **% of neutral assessments** of the Government's policy on business support **has slightly increased** and is 68% (was 65% in November and October)
- **% of negative assessments decreased slightly** (from 24% in November to 20% in December)
- **% of those who have not decided on the answer remained unchanged** and is 8% in December, as in November

Today in Ukraine, the state for business is...

	Dec.23	Mar.24	Jun.24	Sep.24	Dec.24	Mar.25	Jun.25	Sep.25	Dec.25
Enemy	2	3	3	5	4	3	2	2	2
Impediment	31	18	20	23	24	23	25	19	24
Regulator	33	40	42	40	50	44	45	45	45
Partner	7	11	9	10	6	9	9	8	8
Friend	1	3	1	0	0	1	3	0	3
DK/Hard to say	25	26	26	21	17	21	16	25	19

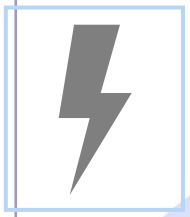
Created with Datawrapper



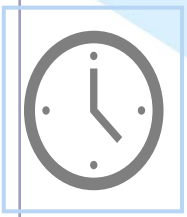
- From September to December 2025, **the perception of the state among business representatives is still relatively stable**, albeit with some changes
- **Those who consider the government to be a regulator remain the largest**. This share has remained **almost unchanged over four periods** (44% in March and 45% in June, September and December), **while the share of respondents who perceive the government as an impediment to business has increased significantly**: from 19% in September to 24% in December
- At the same time, **the level of uncertainty has significantly decreased**, as can be seen from the decrease in the share of "Difficult to answer" answers from 25% to 19%.

Main results 6: Interruptions with electricity

% companies for which interruptions with electricity" is an impediment in December compared to November did not change significantly after a sharp increase (42% in December and 43% in November and 19% in October)



58% of enterprises were forced to **temporarily suspend work** due to **power outages** in **November 2025**

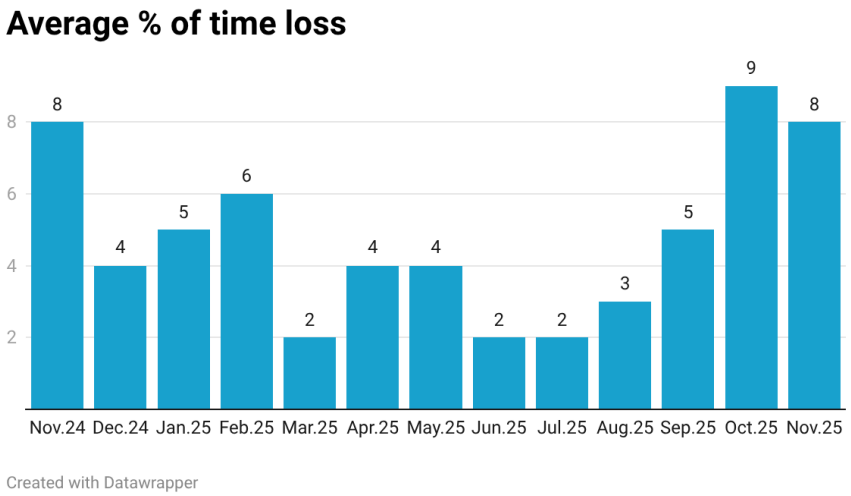


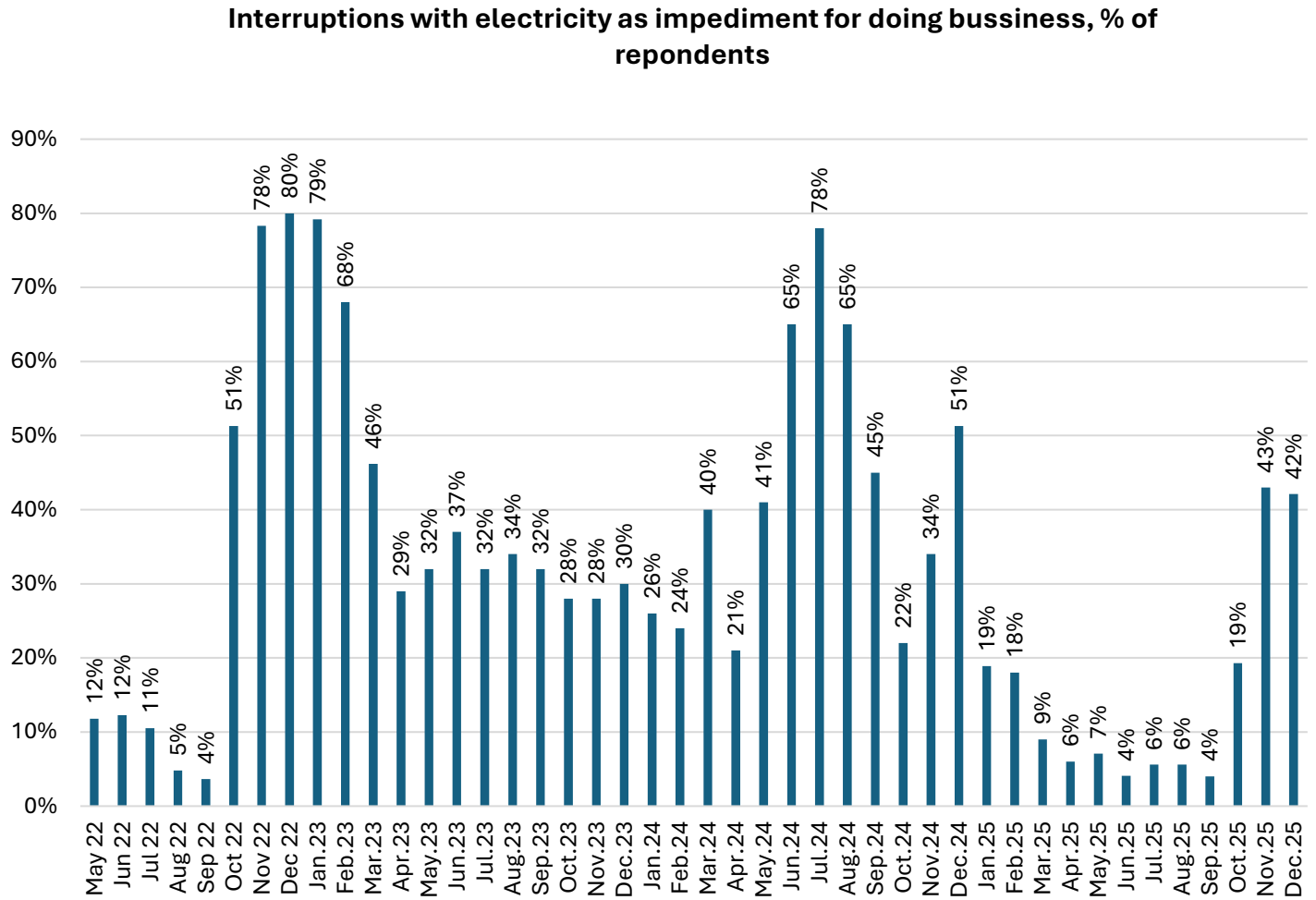
In **November 2025**, **businesses lost 8%** of their total **working hours** due to power outages

The **largest losses** of working time are in **microenterprises**. Among the industries, the largest time losses are observed in **manufacturing of construction materials**

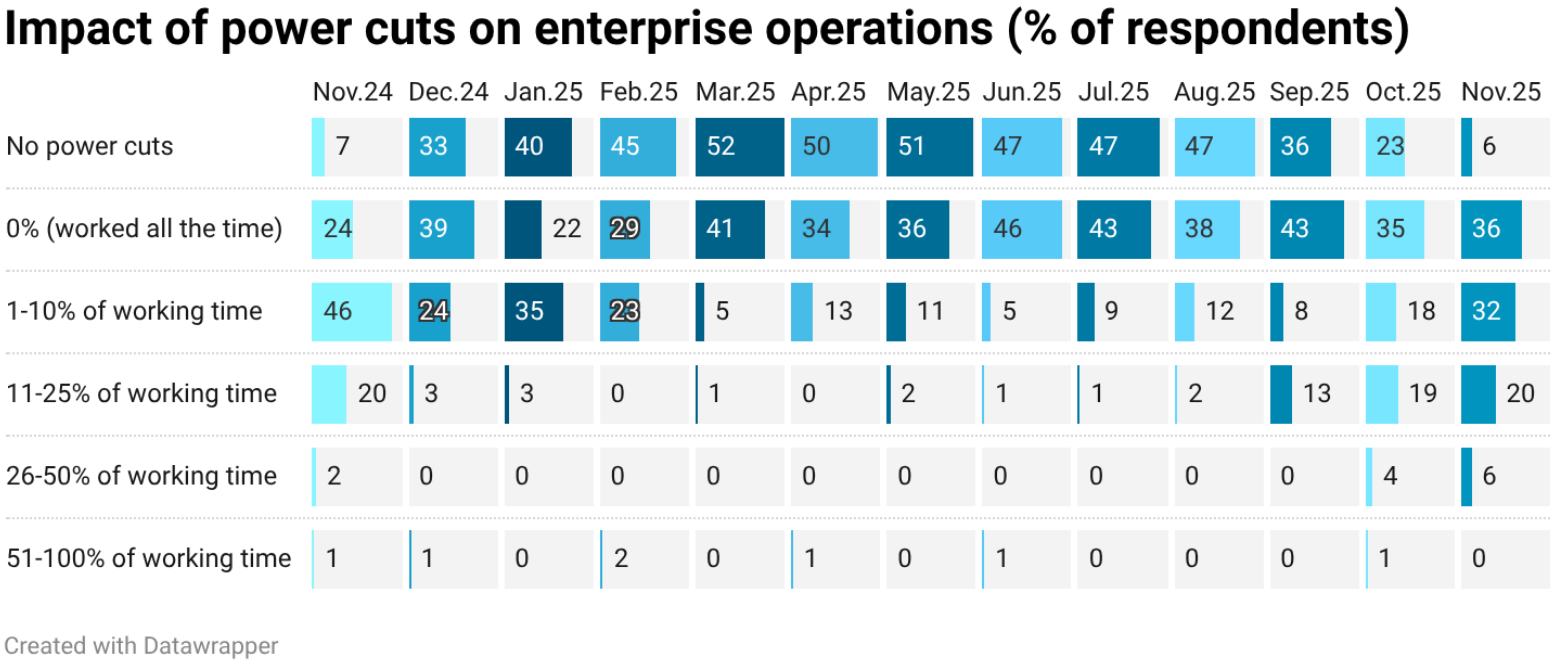
“Interruptions with electricity” retain the third position in the list of impediments

- **% of companies for which “interruptions with electricity” is an impediment has not changed significantly after a sharp increase** is 42% in December (was 43% in November and 19% in October)
- In the list of impediments “interruptions with electricity” **remain on the 3rd line of the rating**, sharing it with rising prices.





More enterprises had to stop working due to power outages

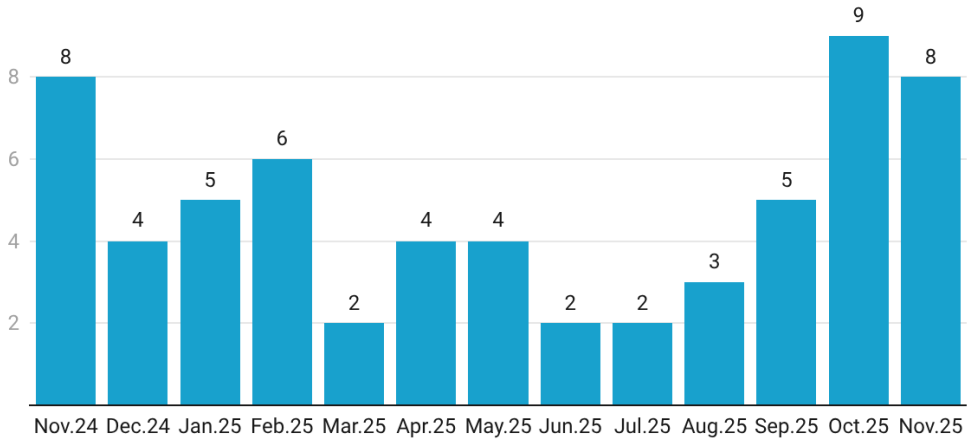


- **58%** of businesses **temporarily suspended work** due to power outages in **November 2025** (22% in September and 42% in October)
- **32%** of enterprises stopped working only for **1-10%** of **working hours**, and **20%** - for **11-25%** of **working time**
- At the same time, **36%** of businesses **worked** continuously, d**espite power outages**
- **Only 6%** of businesses **did not have** power **cuts**

Loss of working hours due to power outages

- **In November 2025**, due to power outages, **businesses lost 8%** 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**, **Sumy**, **Zhytomyr,** and **Chernihiv** regions

Average % of time loss



Created with Datawrapper

% of working time loss, by regions

	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25	Oct.25	Nov.25
Dnipro	18	4	6	6	1	6	6	0	4	7	18	32	28
Sumy	14	9	11	4	10				8	10	11	17	20
Zhytomyr	6	0	6	6	0	23	0	4	0	5	18	18	20
Chernihiv	11										7	12	18
Khmelnytskyi	19	6	6	7	6	1	4		1		3	6	15
Lviv	3		0								0	7	10
Kyiv City	10	2		2	0	0		0	0	1	9	13	9
Volyn	9	2	3			0	6	9	2		1	1	9
Kharkiv	4	0	2	26		3		1			0	17	8
Poltava	5	4	5	2	1	2	4	1	2	0	1	5	7
Chernivtsi	3	0		37					17		0	10	6
Kyiv	5	1	2	2	0	1	8	0	0	6	2	7	5
Odesa	3	2	2	0		2	1	0	0	0	0	3	5
Kirovohrad	5	1	3									3	5
Zaporizhzhia	13												5
Ternopil		0										3	2
Cherkasy	9	6	6	6	2	0	0	0	0	0	0	0	0
Zakarpattia	4	5	4	0	0	0	0	0	0	0	0	0	0
Rivne	10	0				10	19		0		0	0	0
Vinnytsia	0												
Ivano-Frankivsk													

Created with Datawrapper

Microenterprises suffer the most from outages

- Working time **losses** are **highest for micro-enterprises**
- Among the **industries**, the largest loss of time falls on the **manufacturing of construction materials**

% of working time loss, by enterprise size

	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25	Oct.25	Nov.25
Micro	12	3	5	12	8	2	4	6	2	4	3	12	14
Small	8	7	5	7	2	4	2	1	2	3	6	10	10
Medium	7	3	5	3	1	4	4	1	3	2	5	9	8
Large	8	2	4	6	0	3	4	4	1	3	3	5	5

Created with Datawrapper

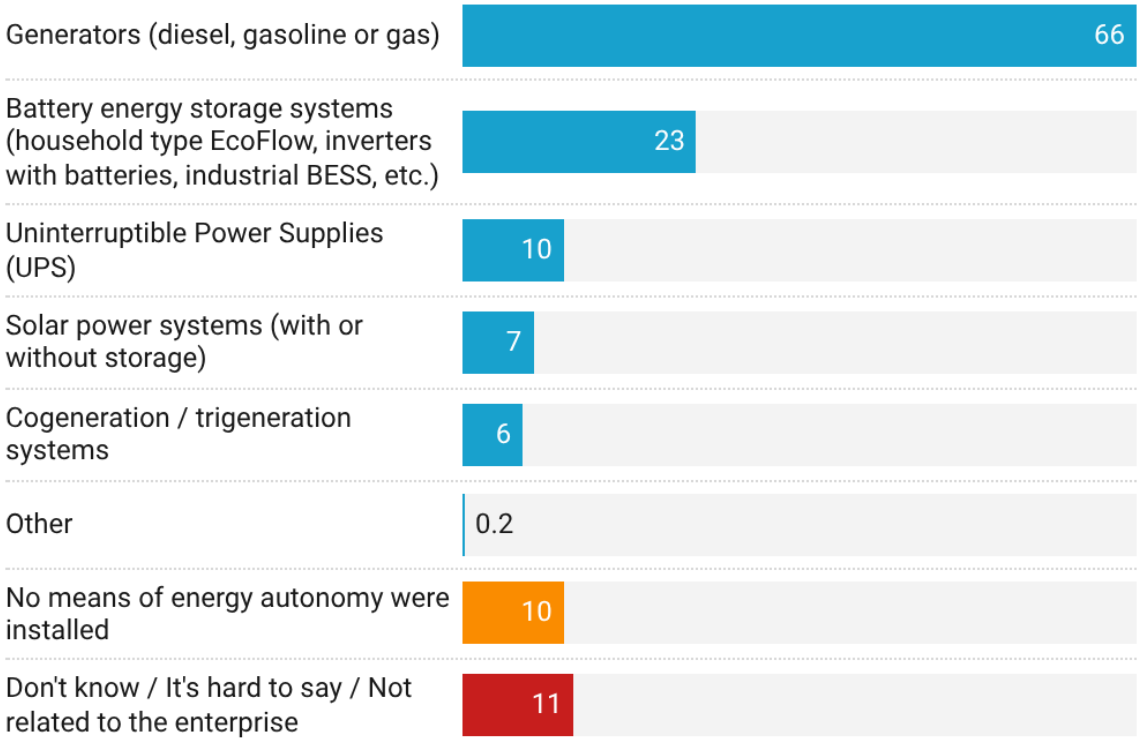
% of working time loss, by industry

	Nov.24	Dec.24	Jan.25	Feb.25	Mar.25	Apr.25	May.25	Jun.25	Jul.25	Aug.25	Sep.25	Oct.25	Nov.25
Construction materials	6	2	4	2	10	12	0			2	6	10	13
Metalworking	11	8	7	4	3	4	5		3	7	9	14	11
Machine building	6	7	4	4	1	3	3	4	3	2	7	10	11
Light industry	9	7	5	12	1	2	2	2	3	3	4	7	9
Chemical industry	9	3	3	3	1	2	1	1	3	3	5	7	8
Food industry	7	3	6	6	1	3	5	0	1	3	5	9	7
Woodworking	6	2	2	2	0	8	8	0	0	1	3	9	5

Created with Datawrapper

Most enterprises have installed energy autonomy facilities

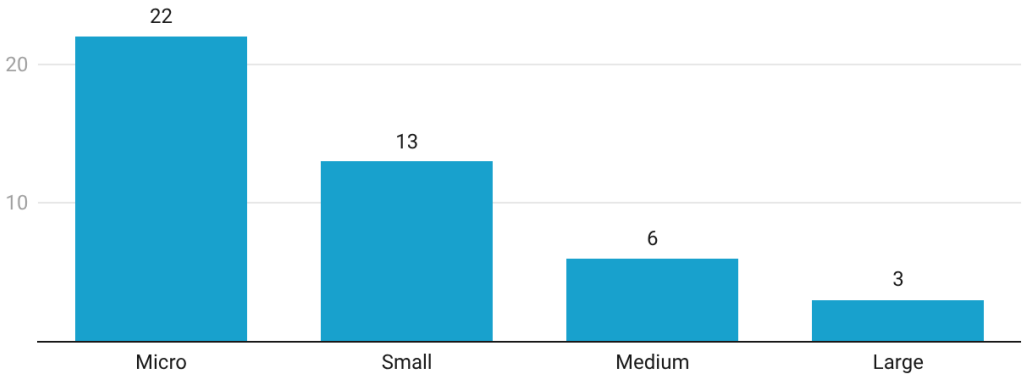
Installation of energy autonomy systems (% of respondents)



Created with Datawrapper

- **Most often**, enterprises install **generators** (**66%**)
- **Large** and **medium-sized businesses** are **more likely** than micro and small businesses to have **battery energy storage systems**, **cogeneration systems**, **solar power systems**
- **10%** of enterprises **did not install** any technical means for autonomy
- As the **size of** the **business grows**, the **likelihood of installing** technical means for autonomy **increases**

No systems installed (% respondents)



Created with Datawrapper

New monthly enterprises 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 44-th wave lasted from December 18 - 31, 2025. The enterprise managers compared the work results in December 2025 with November, assessed the indicators at the time of the survey (December 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". From November 2025, the research is conducted within the framework of the project "Ukraine's integration into the EU: a dialogue built on facts“, funded by the International Renaissance Foundation .

OUR CONTACTS

Website: ier.com.ua

Email: rubanik@ier.kyiv.ua, kuziakiv@ier.kyiv.ua

Instagram https://www.instagram.com/ier_kyiv/

Facebook: https://www.facebook.com/IER.Kyiv/

Telegram: https://t.me/ukreconomic

Twitter: https://x.com/IER_Kyiv