THE UKRAINIAN CHAMBER OF COMMERCE AND INDUSTRY

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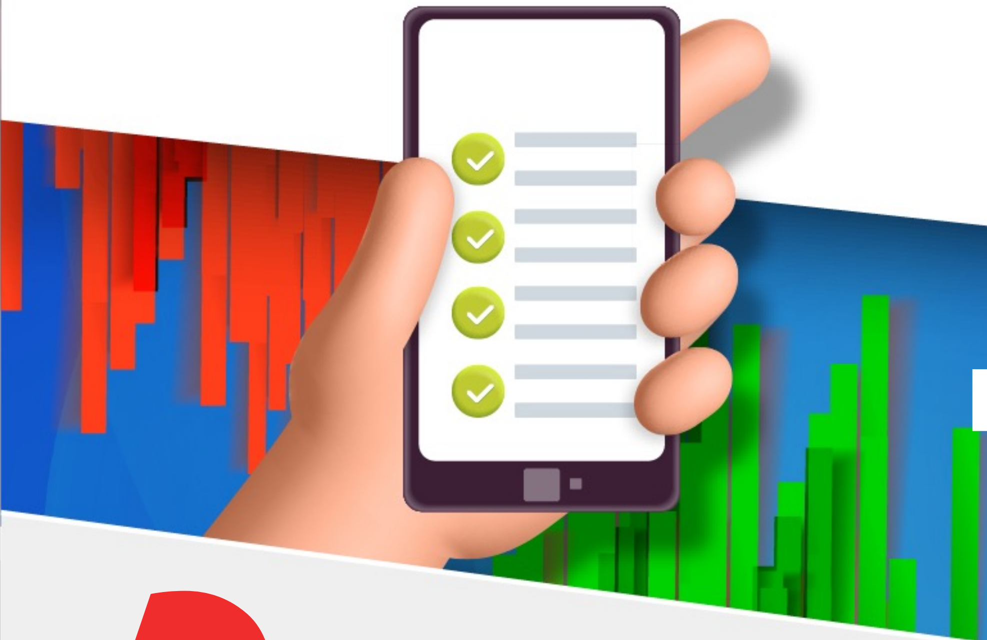


# BUSINESS BAROMETER

## MONTHLY UKRAINIAN BUSINESS SURVEY

**April 2026 | #31**

survey April 8-17, 2026

## Hot issues –

## Business response to the potential introduction of 20% VAT for individual entrepreneurs (FOPs)

The results presented solely represent the opinions of the respondents and should not be interpreted as forecasts or evaluations by the Ukrainian Chamber of Commerce and Industry.

# Issue #31 | April 2026

## April 2026: Expansion of the zone of negative business expectations

- In April 2026, the overall Business Barometer Index showed a moderate decline to -12.1 (↓-3.0 points), remaining in the zone of negative expectations.
- Negative sentiment prevails across all four sectors and continues to deteriorate. The most affected sectors are manufacturing (-13.1, ↓ -3.8) and trade (-15.9, ↓ -1.5). The services sector shows a somewhat better situation (-9.0, ↓-2.5), while construction remains the closest to a neutral position (-4.0, ↓-5.6).
- Across all business sizes, negative expectations dominate, with a further strengthening of pessimistic sentiment among micro (-13.5, ↓-3.3), small (-11.9, ↓-2.8), medium (-11.9, ↓-3.2), and large enterprises (-8.3, ↓-3.9).
- Exporters' expectations remain somewhat more cautious than those of businesses overall (-13.2, ↓ -2.5).
- Survey results on responses to the potential introduction of a 20% VAT for individual entrepreneurs (FOPs) indicate that a relative majority (39%) plan to split their existing business entity into several units. Nearly one-fifth intend to cease business operations altogether. Every sixth respondent expects to scale down activity to a minimum. Only 15% plan to continue operating while paying higher taxes, while 11% have not yet decided on their course of action.

The Business Barometer value of 0 points indicates no change in expectations. A value above 0 suggests that businesses anticipate an improvement in economic trends compared to the previous month. A value below 0 reflects negative expectations regarding changes relative to the prior month.

#31 | April 2026

# BUSINESS BAROMETER

| BUSINESS BAROMETER | 2024 | | | | 2025 | | | | | | | | | | | | 2026 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr |
| OVERALL | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟠 | 🟠 | 🟡 | 🟠 |
| MANUFACTURING | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟡 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 |
| SERVICES | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟠 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 |
| TRADE | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 |
| CONSTRUCTION | 🟢 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 |
| MICRO ENTERPRISES | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟡 | 🟡 | 🟡 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 |
| SMALL ENTERPRISES | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟡 | 🟠 | 🟠 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟠 | 🟡 | 🟠 |
| MEDIUM ENTERPRISES | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟡 | 🟡 | 🟡 | 🟠 | 🟠 | 🟡 | 🟠 |
| LARGE ENTERPRISES | 🟠 | 🟠 | 🟡 | 🟠 | 🟡 | 🟠 | 🟠 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 | 🟡 |
| EXPORTERS | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟡 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 | 🟠 |

🟢 the index value is over 10 points

🟡 the index value is from -10 to 10 points

🟠 the index value is below -10 points

# #31 | April 2026

-12,1 ⇩ -3,0

BUSINESS BAROMETER OVERALL

MANUFACTURING

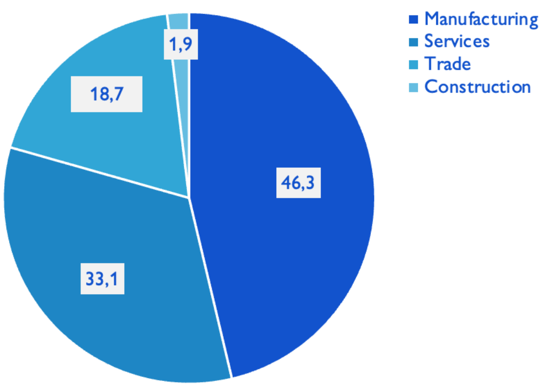
-13,1 ⇩ -3,8

CONSTRUCTION

-4,0 ⇩ -5,6

Distribution of respondents by sector

Share of respondents, %




SERVICES

-9,0 ⇩ -2,5

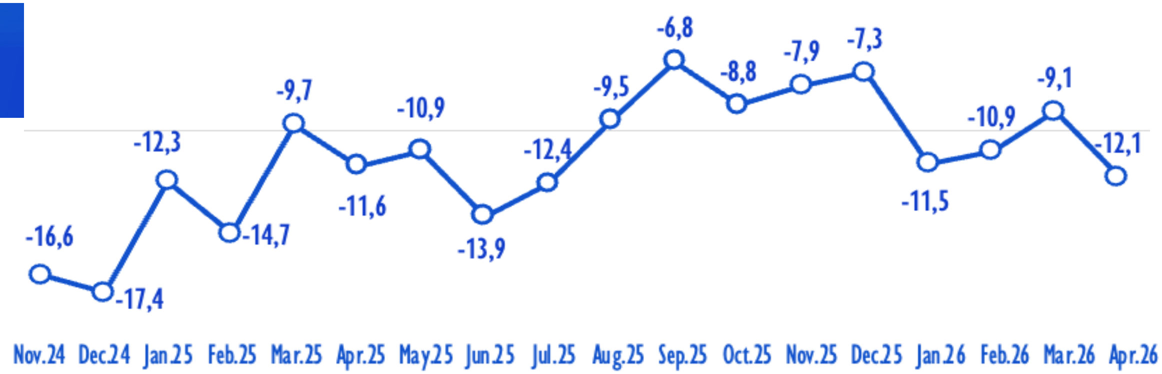
TRADE

-15,9 ⇩ -1,5

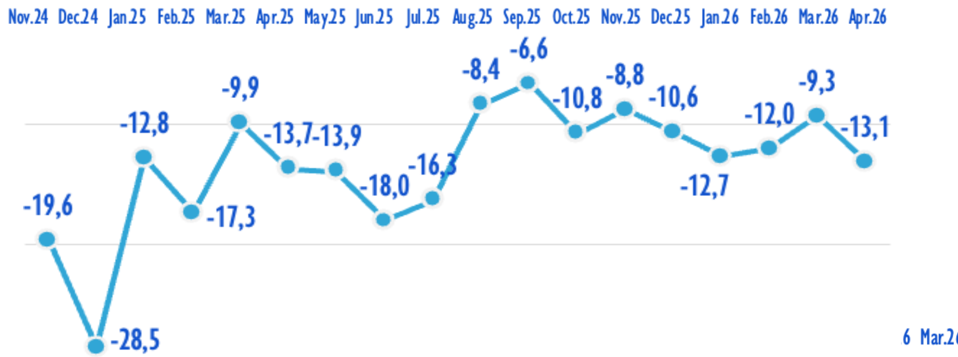
# #31 | April 2026

## BUSINESS BAROMENTER OVERALL

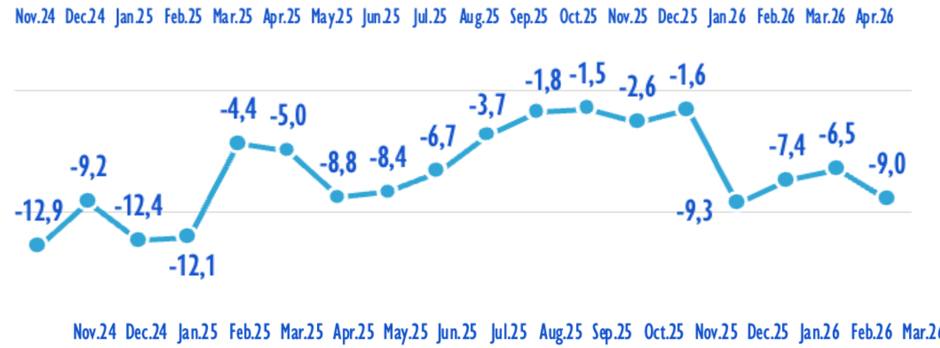
**-12,1** ⇩ -3,0



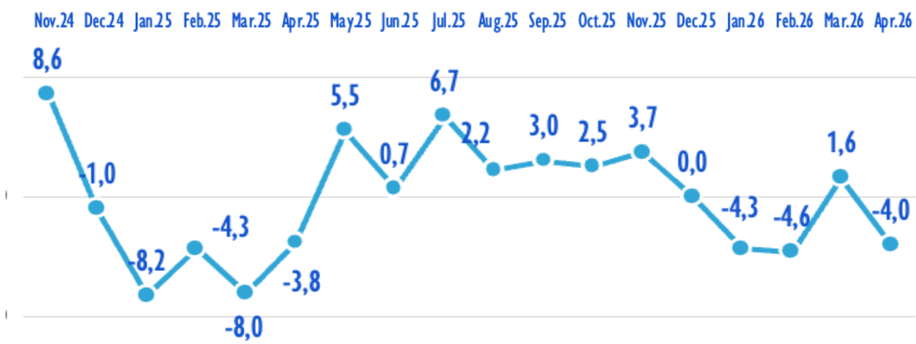

## -13,1 ⇩ -3,8 MANUFACTURING



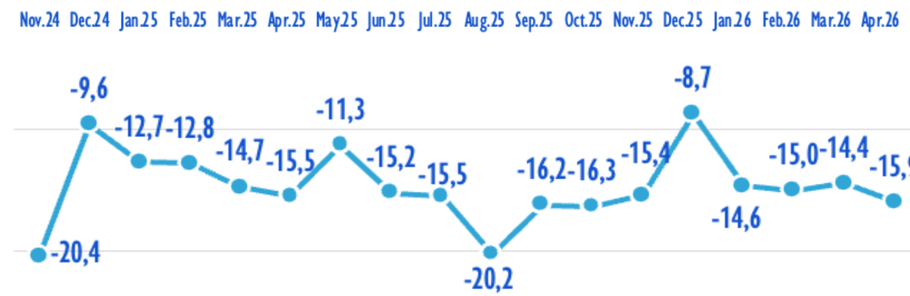

## -9,0 ⇩ -2,5 SERVICES




## - 4,0 ⇩ -5,6 CONSTRUCTION



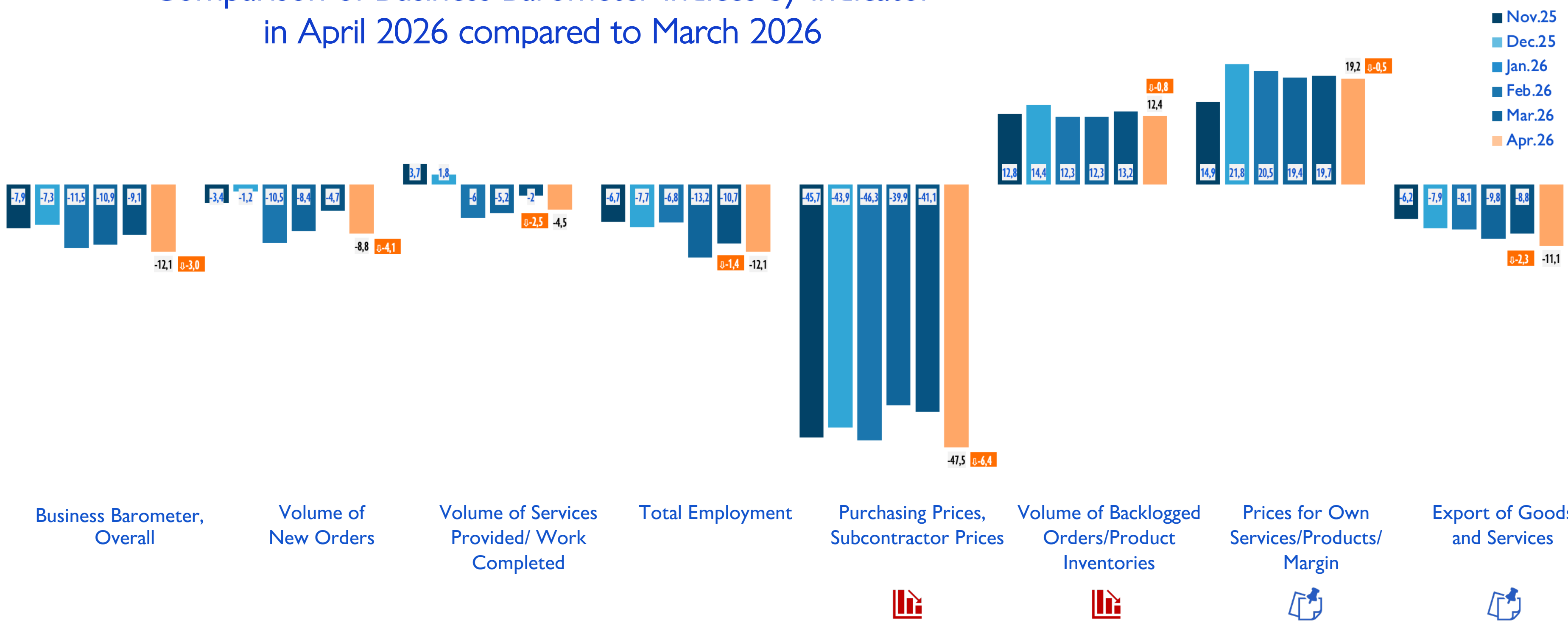

## -15,9 ⇩ -1,5 TRADE



#31 | April 2026

# -12,1 ⇩ -3,0 BUSINESS BAROMETER OVERALL

## Comparison of Business Barometer Indices by Indicator in April 2026 compared to March 2026




In April 2026, the overall Business Barometer Index declined by 3.0 points to -12.1.

Positive expectations outweigh negative ones only in relation to a reduction in backlogs or inventory levels (12.4, ↓ -0.8) and the potential to increase prices for own goods and services (19.2, ↓ -0.5); however, both indicators show a negative trend.

All other indicators remain in the zone of negative expectations, with uniformly declining dynamics.

Pessimistic expectations have intensified regarding new orders (-8.8, ↓ -4.1), volumes of services provided or work performed (-4.5, ↓ -2.5), total employment (-12.1, ↓ -1.4), exports of goods and services (-11.1, ↓ -2.3), and increases in input and contractor prices (-47.5, ↓ -6.4), which continues to be the most critical pressure point for businesses.

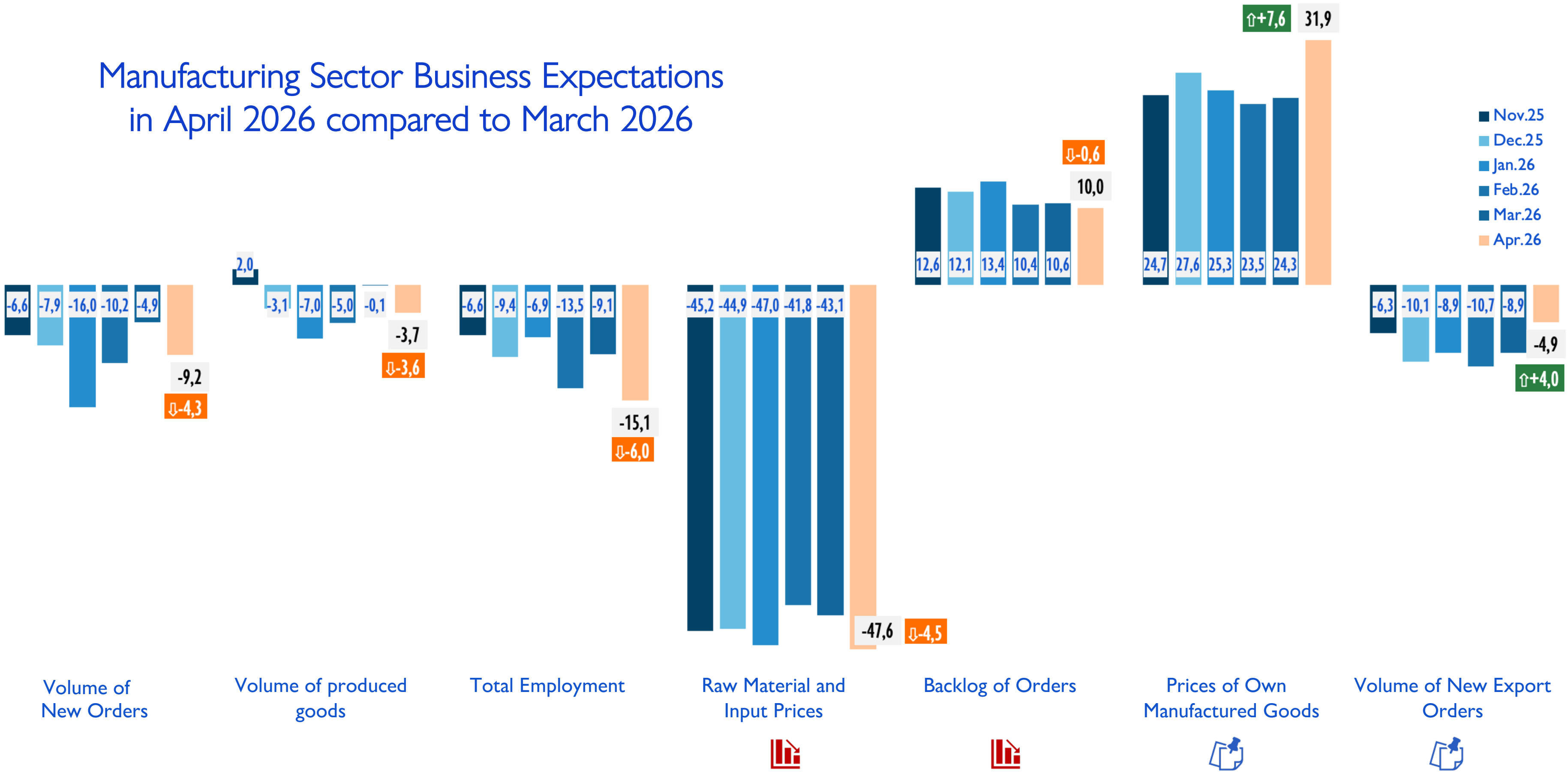
*Deterrent indicators are considered in the opposite sense when calculating the Business Barometer indices.*

*These indicators provide additional insight into market conditions and are not considered in the calculation of the Business Barometer.*

# #31 | April 2026

## -13,1 ⇩ -3,8 MANUFACTURING

### Manufacturing Sector Business Expectations in April 2026 compared to March 2026




In April 2026, the manufacturing sector shows a further deterioration in expectations (-13.1, ↓ -3.8).

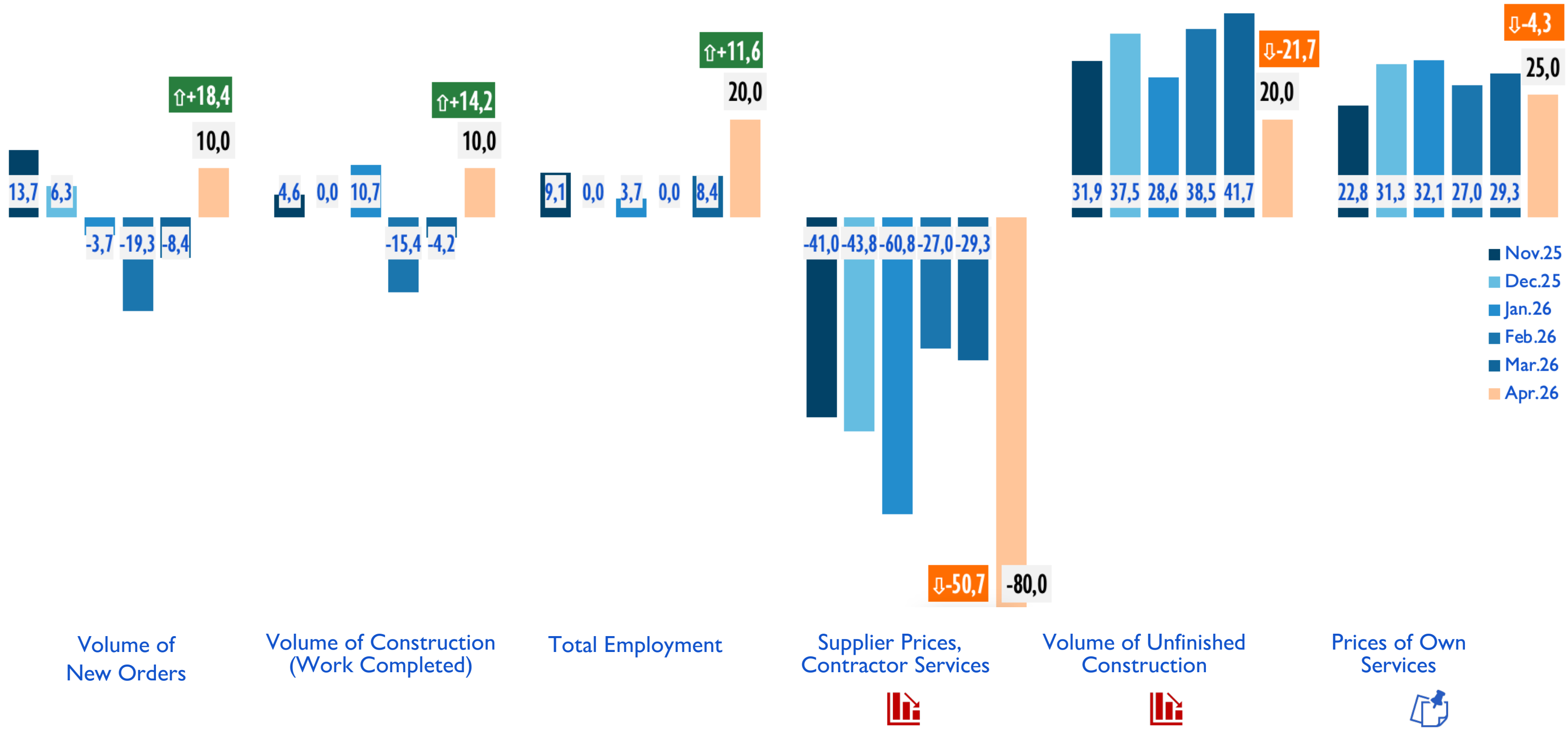
Positive expectations outweigh negative ones only regarding the ability to further increase prices for domestically produced goods (31.9, ↑ +7.6) and a reduction in backlogs (10.0, ↓ -0.6).

All other indicators remain in the negative zone, with most showing a worsening trend. Manufacturing businesses expect declines in new orders (-9.2, ↓ -4.3), output (-3.7, ↓ -3.6), and total employment (-15.1, ↓ -6.0), alongside continued increases in input costs for raw materials and supplies (-47.6, ↓ -4.5), which remains the most critical constraint for the sector.

Only expectations regarding new export orders show a noticeable improvement, with a weakening of negative sentiment (-4.9, ↑ +4.0).

# -4,0 ⇩ -5,6 CONSTRUCTION

## Construction Sector Business Expectations in April 2026 compared to March 2026




In April 2026, the construction sector shows a moderately negative outlook (-4.0, ↓ -5.6), which remains significantly better than in other sectors. At the same time, most indicators demonstrate positive dynamics.

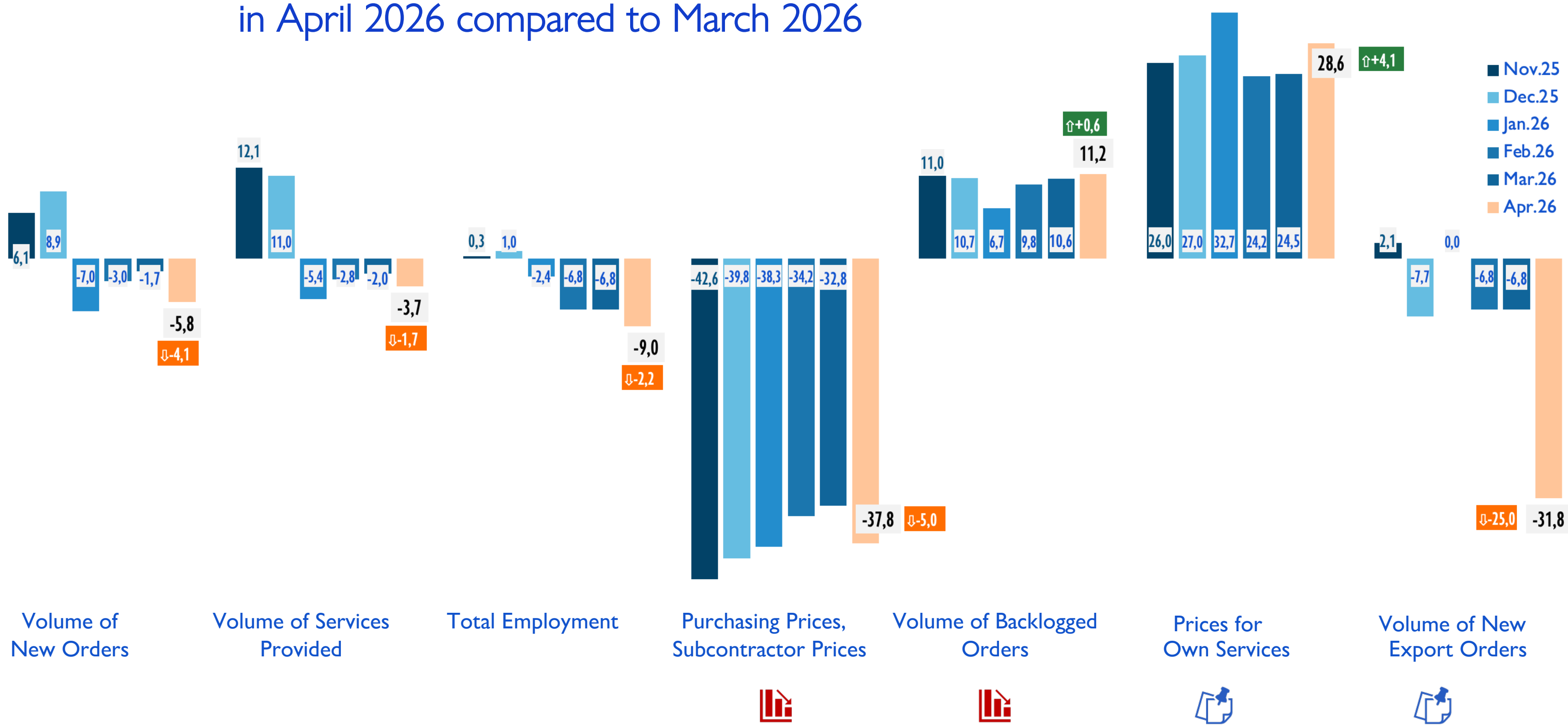
Growth is expected in new orders (10.0, ↑ +18.4), construction output or completed works (10.0, ↑ +14.2), total employment (20.0, ↑ +11.6), and prices for own services (25.0, ↓ -4.3), while the volume of unfinished construction is expected to decrease (20.0, ↓ -21.7), although the latter two indicators show negative dynamics.

Negative expectations regarding further increases in supplier and contractor prices have intensified significantly (-80.0, ↓ -50.7).

# #31 | April 2026

**-9,0 ⇩ -2,5** SERVICES

## Services Sector Business Expectations in April 2026 compared to March 2026




In April 2026, enterprises in the services sector show a slight deterioration in expectations (-9.0, ↓ -2.5).

Positive expectations prevail regarding a reduction in backlogs (11.2, ↑ +0.6) and the ability to further increase prices or tariffs for their services (28.6, ↑ +4.1).

At the same time, declines are expected in new orders (-5.8, ↓ -4.1), volumes of services provided (-3.7, ↓ -1.7), total employment (-9.0, ↓ -2.2), and new export orders (-25.0, ↓ -31.8).

In the most problematic area related to rising input costs, negative expectations continue to intensify (-37.8, ↓ -5.0).

# -15,9 ⇩ -1,5 TRADE

## Trade Sector Business Expectations in April 2026 compared to March 2026


In April 2026, the Business Barometer Index for the trade sector showed a slight increase in negative sentiment (-15.9, ↓ -1.5).

Optimistic expectations outweigh pessimistic ones only in relation to a reduction in inventories or stock levels for sale, although the trend remains negative (19.7, ↓ -4.0).

Against a predominantly negative trend, pessimistic expectations prevail regarding declines in purchases of goods for resale (-15.1, ↓ -5.7), turnover (-9.1, ↓ -1.4), trade margins (-29.3, ↓ -22.7), and sales to foreign customers (-16.2, ↓ -5.2). The indicator for total employment, despite positive dynamics, also remains in negative territory (-13.7, ↑ +12.7).

The most critical issue continues to be the further increase in input and supplier prices (-61.1, ↓ -8.8).

# #31 | April 2026

**-12,1** ⇩-3,0

BUSINESS BAROMETER
OVERALL

MICRO-
ENTERPRISES
(0-9 persons employed)

**-13,5** ⇩-3,3

SMALL
ENTERPRISES
(up to 50 persons employed)

**-11,9** ⇩-2,8

EXPORTERS

**-13,2** ⇩-2,5

MEDIUM
ENTERPRISES
(50-249 persons employed)

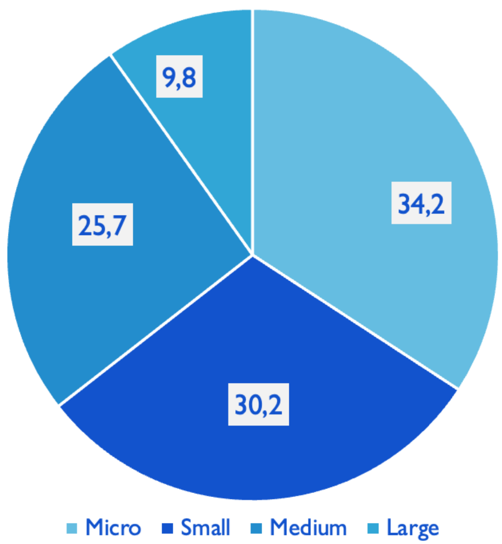
**-11,9** ⇩-3,2

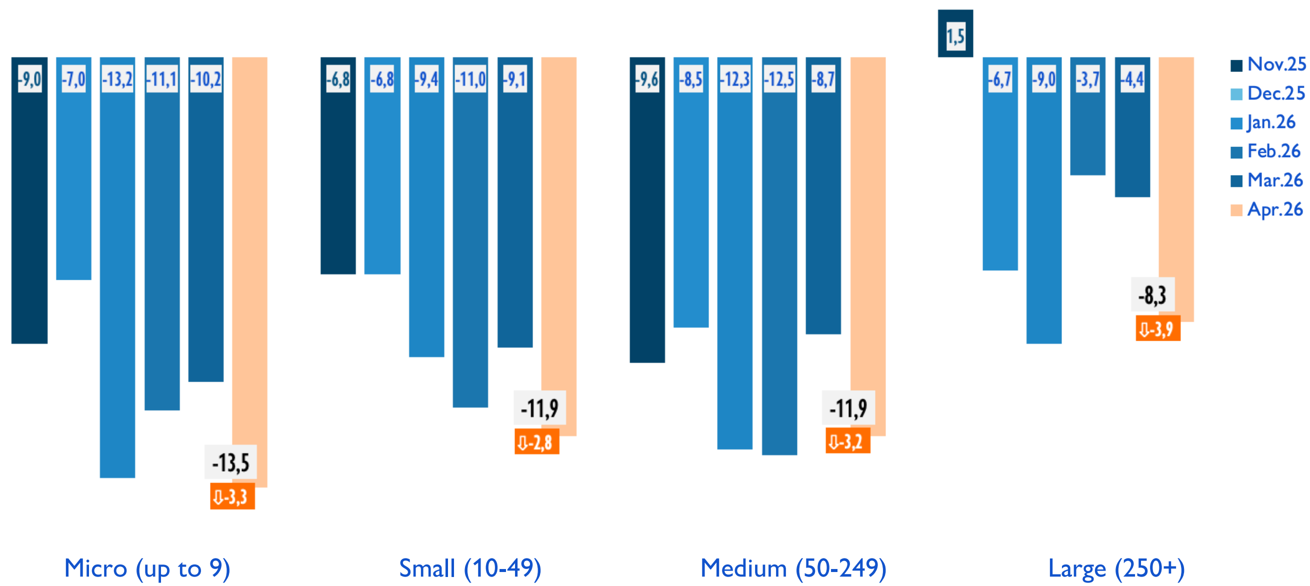
LARGE
ENTERPRISES
(250 or more persons employed)

**-8,3** ⇩-3,9

## Business and Entrepreneur Expectations by Company Size in April 2026 compared to March 2026

Share of respondent companies by size, %




In April 2026, as in the previous month, negative expectations dominate among respondents regardless of business size.

A further strengthening of pessimistic sentiment is observed among micro (-13.5, ↓ -3.3), small (-11.9, ↓ -2.8), medium (-11.9, ↓ -3.2), and large enterprises (-8.3, ↓ -3.9).

# #31 | April 2026

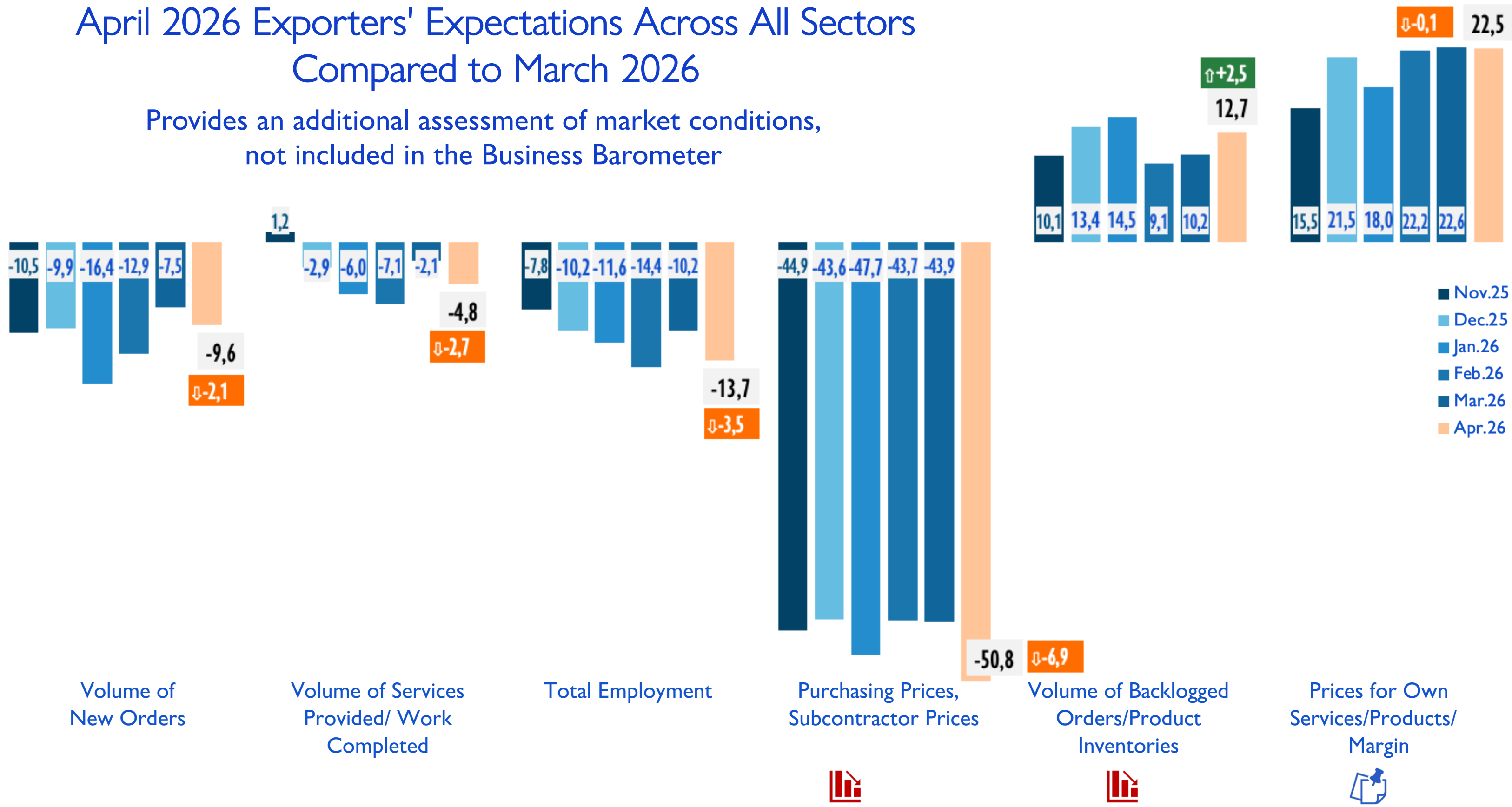
**-13,2 ⇩ -2,5**

## EXPORTERS

37,4% respondents

### April 2026 Exporters' Expectations Across All Sectors Compared to March 2026

Provides an additional assessment of market conditions, not included in the Business Barometer




In April 2026, exporters showed a slight deterioration in expectations (-13.2, ↓ -2.5).

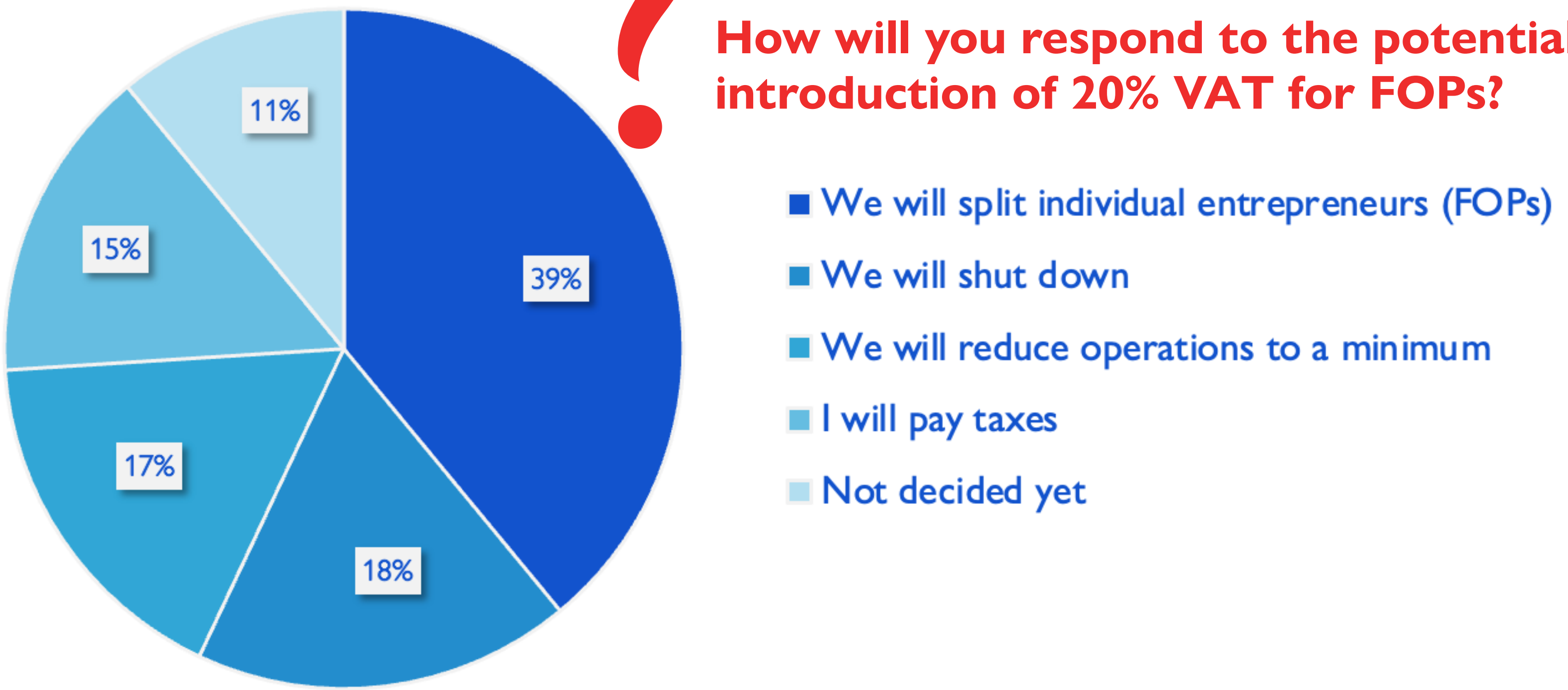
A positive signal is the expected reduction in backlogs (12.7, ↑ +2.5), alongside remaining potential to increase prices for own services or improve margins (22.5, ↓ -0.1).

All other indicators remain in the zone of predominantly negative expectations, with a tendency toward further deterioration. Exporters anticipate declines in new orders (-9.6, ↓ -2.1), volumes of services provided (-4.8, ↓ -2.7), total employment (-13.7, ↓ -3.5), and continued increases in input costs (-50.8, ↓ -6.9).

Overall, exporters’ expectations remain somewhat more pessimistic than those of the domestic business community.

Hot issues –

**How will you respond to the potential introduction of 20% VAT for FOPs?**

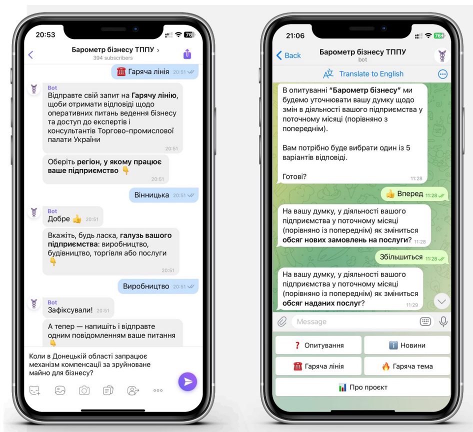


| | ACTUAL PROBLEM | GENERAL RECOMMENDATIONS For BUSINESS | GENERAL RECOMMENDATIONS For the AUTHORITIES |
|---|---|---|---|
| 1 | Increase in purchase prices or contractor prices | • Monitor prices and diversify suppliers<br>• Introduce tender procedures and auctions<br>• Conclude fixed-price contracts<br>• Optimize inventory levels<br>• Hedge risks using instruments such as futures and options<br>• Pursue vertical integration to secure control over raw material supply<br>• Analyze alternative products, materials, or technologies to replace higher-cost inputs<br>• For importers: assess the feasibility of investing in local production to reduce dependency on imports and exchange rate volatility<br>• Establish partnerships for joint procurement | • Maintain a balanced monetary policy by the National Bank<br>• Strengthen control over price collusion through enhanced antitrust enforcement<br>• Expand targeted lending for domestic producers<br>• Ensure sufficient access to external financing |
| 2 | Potential increase in the tax burden on individual entrepreneurs (FOPs) (through the introduction of 20% VAT) | • Develop contingency scenarios in advance in case of a significant increase in the tax burden | • Conduct a comprehensive impact assessment on employment, budget revenues, and the shadow economy before implementation<br>• Define compensatory measures through reducing other taxes/fees or expanding tax incentives for innovation-driven and export-oriented businesses |

TAKE THE SURVEY

# Chatbots VIBER & TELEGRAM

- Monthly regular survey
- The "hot" issue of the month
- "Hotline" of the Ukrainian CCI system



The Business Barometer from the Ukrainian Chamber of Commerce and Industry (UCCI) represents the perspectives of enterprises and entrepreneurs who are members and partners of the UCCI. It reflects expectations for changes in the business environment in the coming month compared to the previous one.

Based on a survey that considers the status of indicators (or "sub-indices") of the respondents' activities across four sectors (manufacturing, construction, trade, services), the Business Barometer is tailored to meet the needs of the members and partners of the Ukrainian Chamber of Commerce and Industry. A distinctive feature of the Business Barometer is the inclusion of specialized industry questions and an analysis of export conditions, which provides additional insights into market conditions.

The survey covers questions regarding:

- Volume of new orders/purchase of goods;
- Production volumes/turnover;
- Total employment;
- Purchasing prices/contractor prices;
- Unfulfilled order volume/inventory levels;
- Prices of own production/trade margin*;
- Exports*

** Extra questions that are not considered in the calculation of the Business Barometer.*

The Business Barometer is calculated using the following methodology:

$$\text{ББ} = P1 * 1 + P2 * 0{,}5 + P3 * 0 + P4 * (-0{,}5) + P5 * (-1)$$

where:

P1 = % of responses indicating unconditional improvement
P2 = % of responses indicating conditional improvement
P3 = % of responses indicating no change
P4 = % of responses indicating conditional deterioration
P5 = % of responses indicating unconditional deterioration

- A value **above 0** indicates growth or expansion in the economic sector compared to the previous month.
- A value **below 0** indicates contraction.
- A value **of 0** means no change compared to the previous month.

**Attention!** The indicators "Purchasing Prices" and " Unfulfilled Order Volume/Inventory Levels" are considered deterrents and are interpreted inversely in the calculation.

To detail the provided responses, a 5-point scale is used (will decrease – likely to decrease – no change – likely to increase – will increase).

For calculating the Business Barometer indicator, a 3-point scale is applied, and responses are summed up as follows:

- will decrease and likely to decrease;
- no change;
- likely to increase and will increase.

# FOR THE SUPPORT

THE UKRAINIAN CHAMBER OF COMMERCE AND INDUSTRY

From the People of Japan

UN DP

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