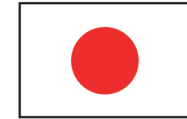
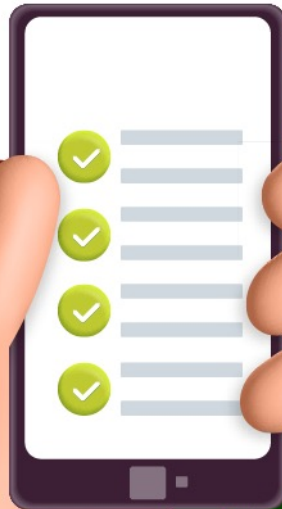




THE UKRAINIAN CHAMBER
OF COMMERCE AND INDUSTRY



From
the People of Japan



BUSINESS BAROMETER

MONTHLY UKRAINIAN BUSINESS SURVEY

July 2025 | #22

survey July 10-18, 2025



Hot issues –

**Do you support a 4-day work week (40 hours)
by agreement between the employer and employees?**

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 #22 | JULY 2025

- In July 2025, the overall Business Barometer Index increased to **-12.4** points ($\uparrow +1.5$), remaining in the zone of negative expectations.
- Positive sentiment was recorded only in the construction sector (**6.7** $\uparrow +1.5$), while negative expectations continued to prevail in manufacturing (**-16.3** $\uparrow +1.7$), services (**-6.7** $\uparrow +1.7$), and trade (**-15.5** $\downarrow -0.3$).
- Across all business size categories, expectations remained in negative territory, although with improving dynamics. A gradual easing of pessimism was observed among micro (**-13.0** $\uparrow +0.3$), small (**-13.0** $\uparrow +2.3$), medium-sized (**-13.7** $\uparrow +0.7$), and large enterprises (**-2.1** $\uparrow +3.1$).
- Exporters' expectations remained more pessimistic than those of the business sector as a whole, at **-14.5** ($\uparrow +1.8$).
- Survey results on the introduction of a 4-day workweek (40 hours) by mutual agreement between employers and employees show that a significant share of businesses — 58% — are generally supportive of such an initiative. Another 26% consider this question untimely under current conditions. Meanwhile, 16% hold a neutral position, indicating that such decisions should ultimately be left to individual businesses.

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.

BUSINESS BAROMETER

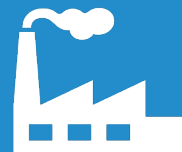


BUSINESS BAROMETER	2024				2025						
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
OVERALL	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡
MANUFACTURING	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡
SERVICES	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡
TRADE	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡
CONSTRUCTION	🟢	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡
MICRO ENTERPRISES	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡
SMALL ENTERPRISES	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡
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

-12,4 ↑+1,5

BUSINESS BAROMETER
OVERALL



MANUFACTURING

-16,3 ↑+1,7



CONSTRUCTION

6,7 ↑+6,0



SERVICES

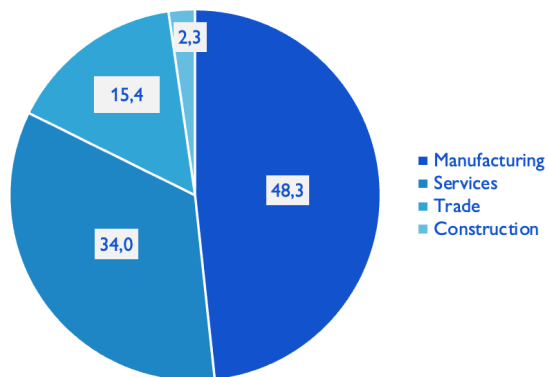
-6,7 ↑+1,7



TRADE

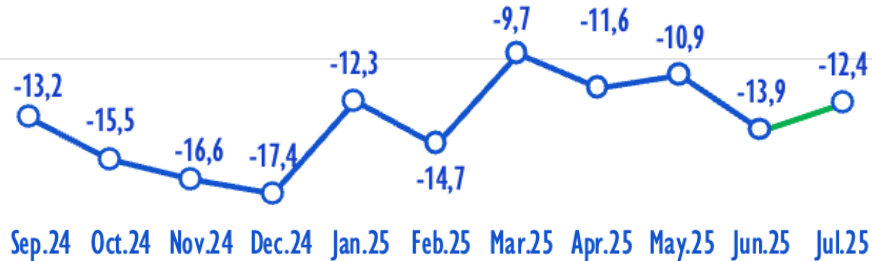
-15,5 ↓-0,3

Distribution of respondents by sector
Share of respondents, %



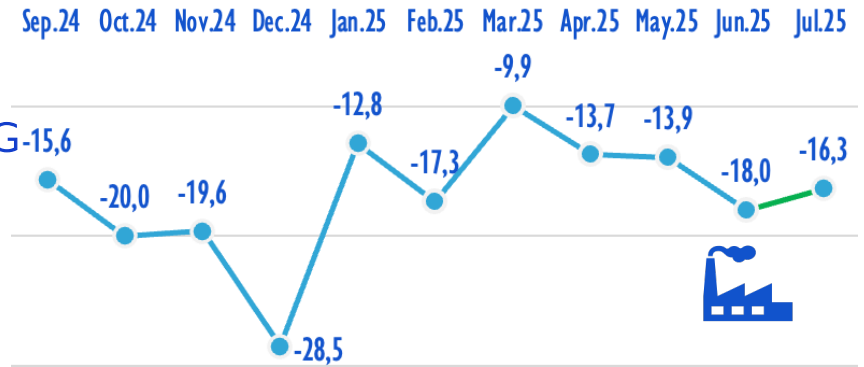
BUSINESS BAROMETER OVERALL

-12,4 ↑+1,5



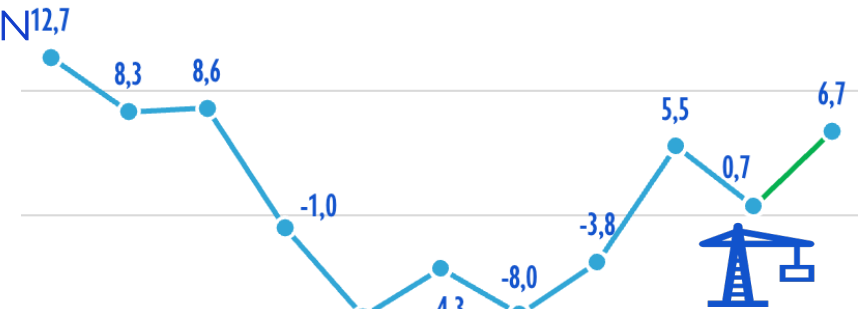
MANUFACTURING

-16,3 ↑+1,7



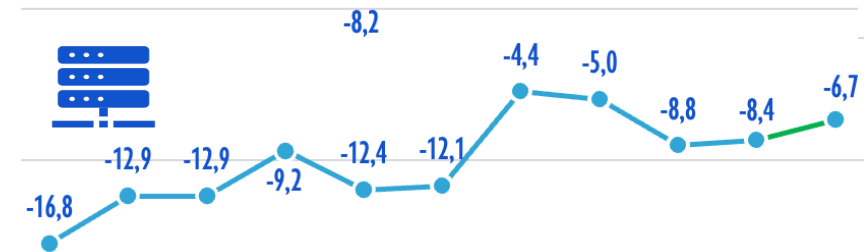
CONSTRUCTION

6,7 ↑+6,0



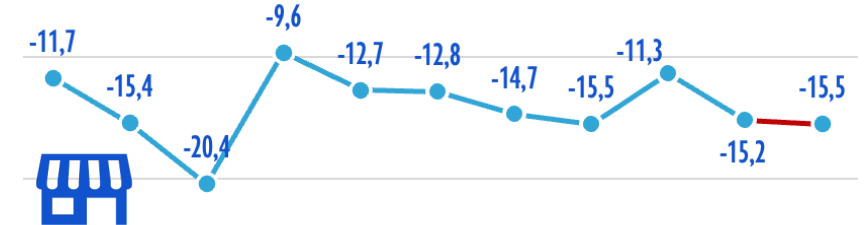
SERVICES

-6,7 ↑+1,7



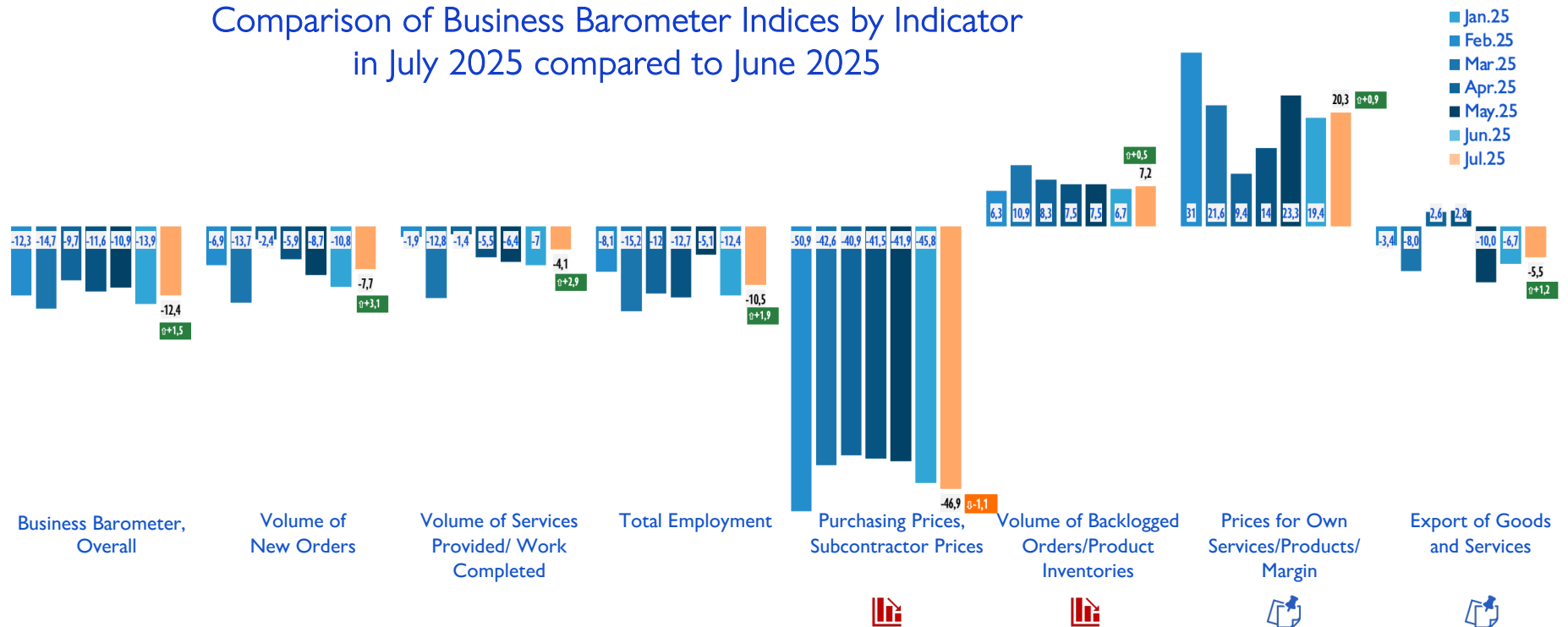
TRADE

-15,5 ↓-0,3



BUSINESS BAROMETER OVERALL -12,4 $\uparrow +1,5$

Comparison of Business Barometer Indices by Indicator in July 2025 compared to June 2025



In July 2025, the overall Business Barometer Index increased by 1.5 points to -12.4.

Positive business expectations outweigh negative ones regarding the reduction in the backlog of orders (7.2 $\uparrow +0.5$) and the potential to increase prices for own goods or services (20.3 $\uparrow +0.9$), with both indicators showing positive dynamics.

Other indicators remain in the zone of negative expectations, although most of them demonstrate improving trends.

Pessimistic forecasts continue to ease regarding:

- the decline in new orders (-7.7 $\uparrow +3.1$),
- the volume of services provided or work performed (-4.1 $\uparrow +2.9$),
- overall employment levels (-10.5 $\uparrow +1.9$),
- and exports of goods and services (-5.5 $\uparrow +1.2$).

As in previous months, rising purchase and contractor prices remain the most pressing issue for businesses, with the index at -46.9 ($\downarrow -1.1$).

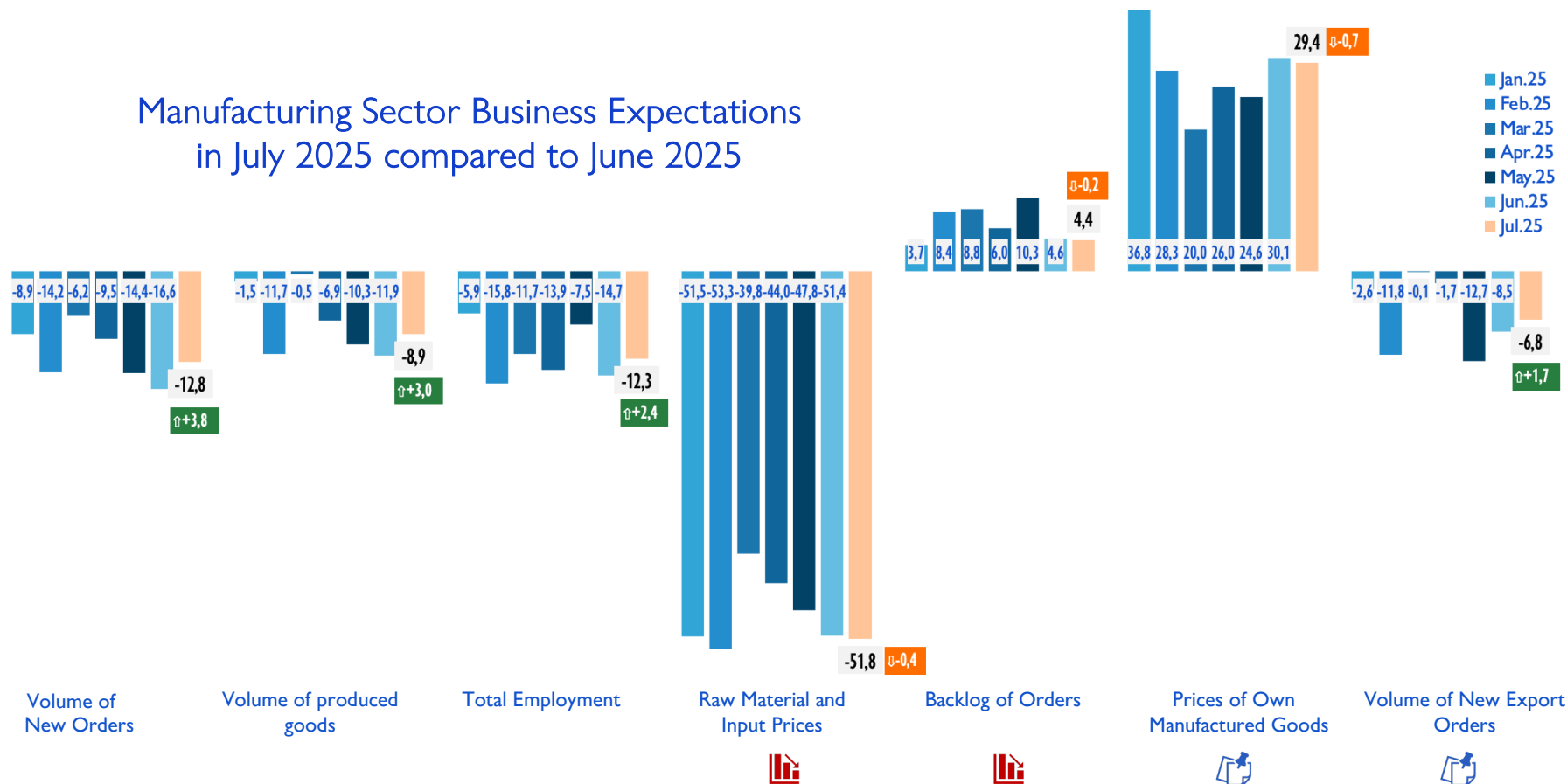


Deterrent indicators are considered in the opposite sense when calculating the Business Barometer indices.



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

Manufacturing Sector Business Expectations in July 2025 compared to June 2025



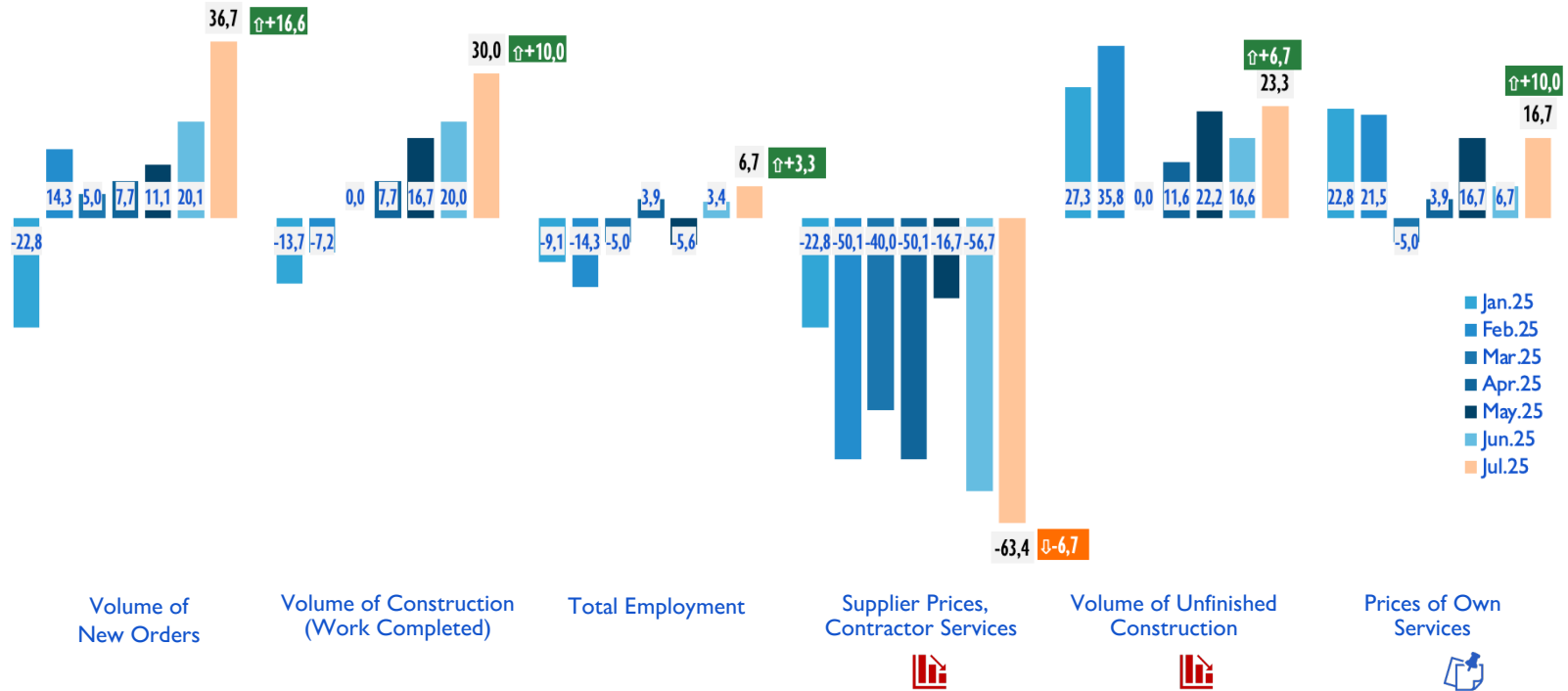
In July 2025, the manufacturing sector shows a slight easing of negative forecasts (-16.3 ↑+1.7).

Positive business expectations outweigh negative ones only regarding a minor reduction in the volume of unfulfilled orders (4.4 ↓-0.2) and opportunities for further increases in prices for own-manufactured products (29.4 ↓-0.7).

All other indicators remain in the zone of negative expectations, which mostly show a tendency to weaken. Thus, representatives of the manufacturing sector forecast a decline in the volume of new orders (-12.8 ↑+3.8), the volume of manufactured products (-8.9 ↑+3.0), the total number of employees (-12.3 ↑+2.4), and the volume of new export orders (-6.8 ↑+1.7).

As in previous months, the most problematic area for businesses remains the rise in purchase prices for raw materials and supplies (-51.8 ↓-0.4).

Construction Sector Business Expectations in July 2025 compared to June 2025



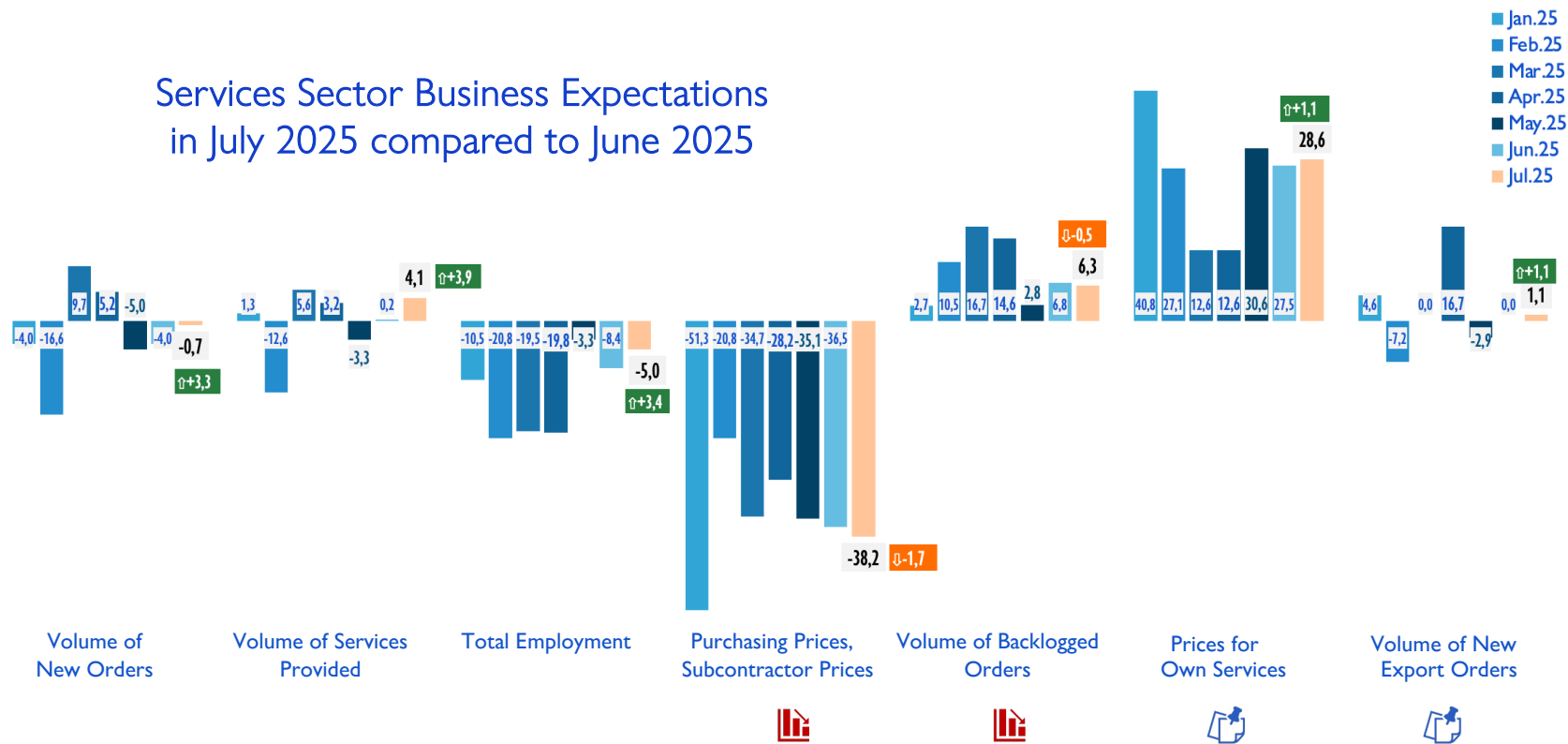
In July 2025, the construction sector holds a more positive outlook for the future (6.7 ↑+6.0).

At the same time, almost all indicators are in the zone of positive expectations.

It is forecasted that the volume of new orders will increase (36.7 ↑+16.6), as well as the volume of construction or completed works (30.0 ↑+10.0) and the total number of personnel (6.7 ↑+3.3). At the same time, the volume of unfinished construction is expected to decrease (23.3 ↑+6.7), and prices for own services will grow (16.7 ↑+10.0).

Traditionally, a further increase in supplier or contractor prices is expected (-63.4 ↓-6.7).

Services Sector Business Expectations in July 2025 compared to June 2025



In July 2025, enterprises in the services sector demonstrated a slight easing of moderately negative forecasts (-6.7 ↑+1.7).

Slightly positive expectations dominate regarding the increase in the volume of services provided (4.1 ↑+3.9) and the reduction in the volume of unfulfilled orders (6.3 ↓-0.5). The highest optimism among businesses is related to the potential to increase prices/tariffs for their own services (28.6 ↑+1.1).

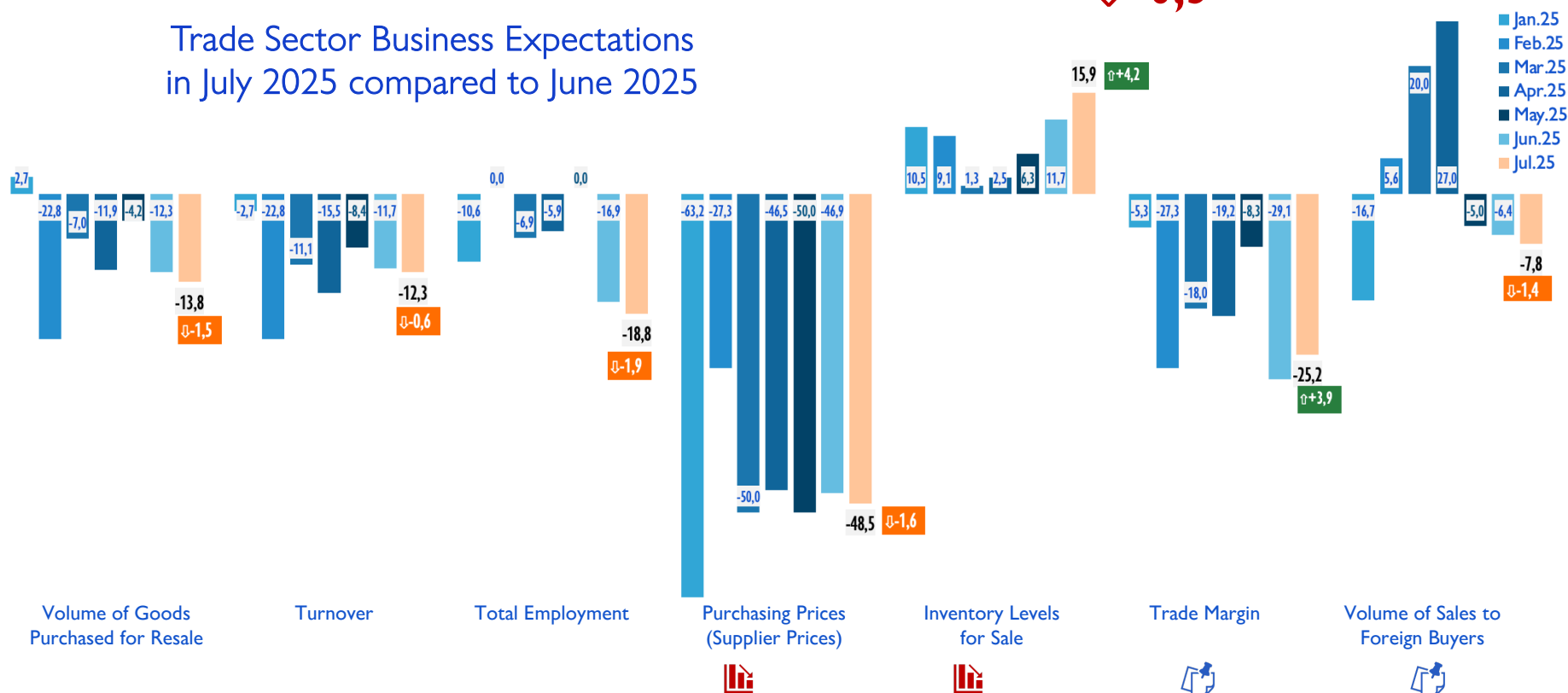
At the same time, a slight decline is forecasted in the volume of new orders (-0.7 ↑+3.3) and overall number of employees (-5.0 ↑+3.4), against the background of further growth in purchase prices (-38.2 ↓-1.7).

The volume of new export orders is expected to remain almost unchanged from the previous month (1.1 ↑+1.1).

-15,5
↓-0,3

TRADE

Trade Sector Business Expectations in July 2025 compared to June 2025



The Business Barometer Index for the trade sector in July 2025 showed a slight decline and remained in the zone of negative expectations (-15.5 ↓-0.3).

Positive dynamics that strengthen optimistic expectations are observed only in relation to the reduction of stocks or inventory of goods for sale (15.9 ↑+4.2).

Against the background of negative dynamics, pessimistic sentiments significantly prevail regarding the reduction in the volume of goods purchased for sale (-13.8 ↓-1.5), turnover (-12.3 ↓-0.6), total number of employees (-18.8 ↓-1.9), and sales volumes to foreign buyers (-7.8 ↓-1.4).

A reduction in the trade margin is also expected (-25.2 ↑+3.9).

The most problematic issue remains the continued increase in purchase or supplier prices (-48.5 ↓-1.6).



-12,4 $\uparrow +1,5$

BUSINESS BAROMETER
OVERALL

MICRO-
ENTERPRISES
(0-9 persons employed)

-13,0 $\uparrow +0,3$

SMALL
ENTERPRISES
(up to 50 persons employed)

-13,0 $\uparrow +2,3$



EXPORTERS

-14,5 $\uparrow +1,8$

MEDIUM
ENTERPRISES
(50-249 persons employed)

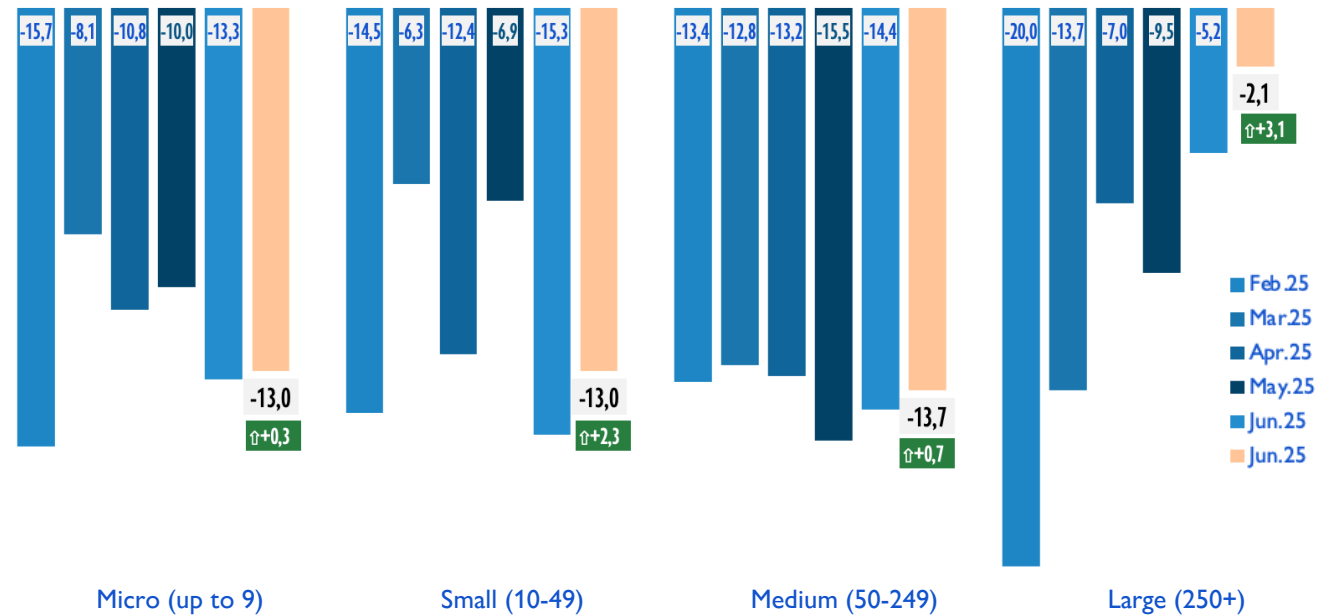
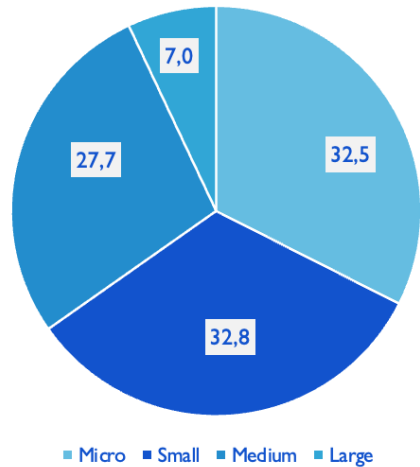
-13,7 $\uparrow +0,7$

LARGE
ENTERPRISES
(250 or more persons employed)

-2,1 $\uparrow +3,1$

Business and Entrepreneur Expectations by Company Size in July 2025 compared to June 2025

Share of respondent companies by size, %



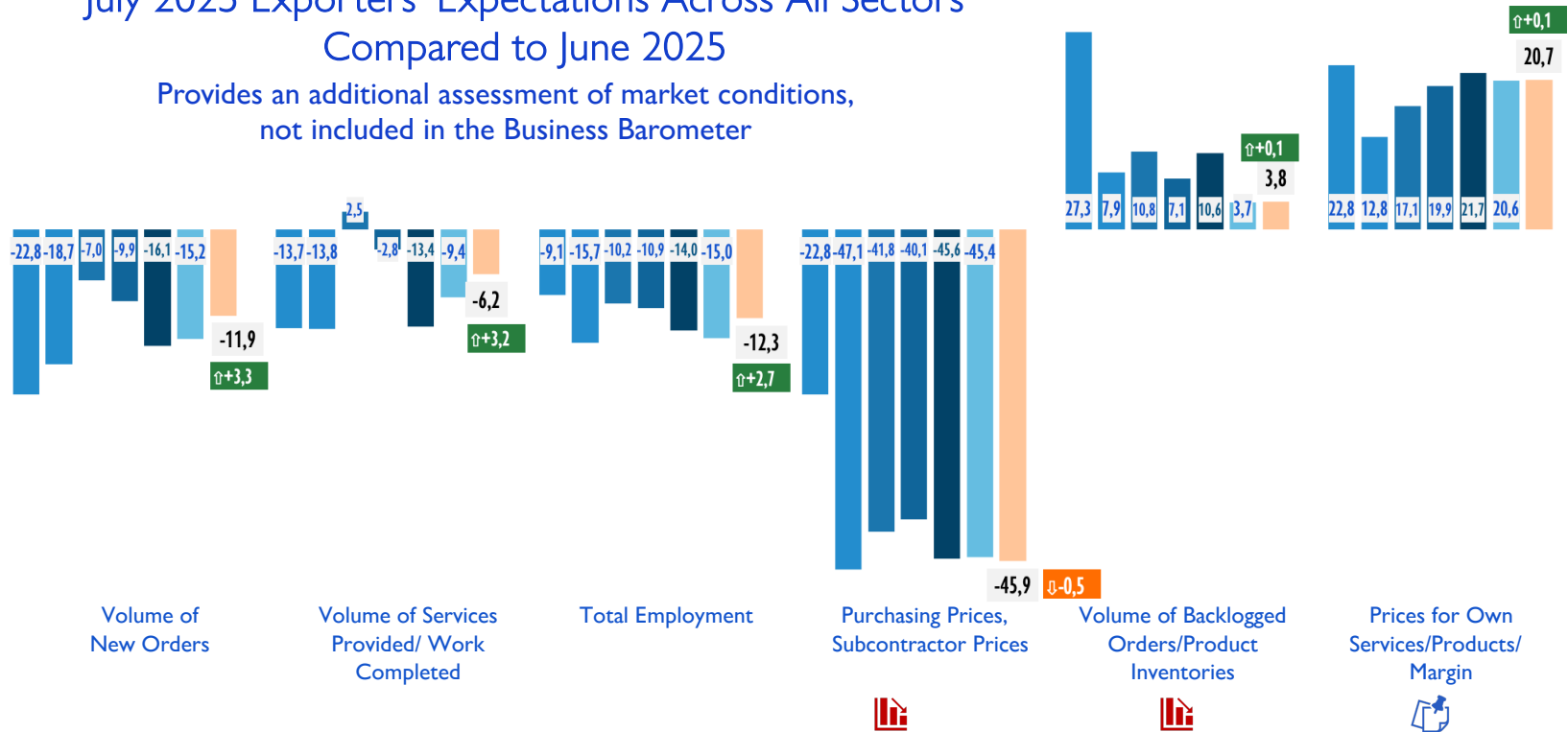
In July 2025, negative expectations continued to dominate regardless of business size, although the dynamics were moderately positive.

A weakening of pessimistic sentiments was observed among micro (-13.0 ↑+0.3), small (-13.0 ↑+2.3), medium-sized (-13.7 ↑+0.7), and large enterprises (-2.1 ↑+3.1).

-14,5 $\uparrow +1,8$ EXPORTERS
40,5% respondents

July 2025 Exporters' Expectations Across All Sectors Compared to June 2025

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



In July 2025, exporters demonstrated a slight easing of negative expectations (-14.5 $\uparrow +1.8$).

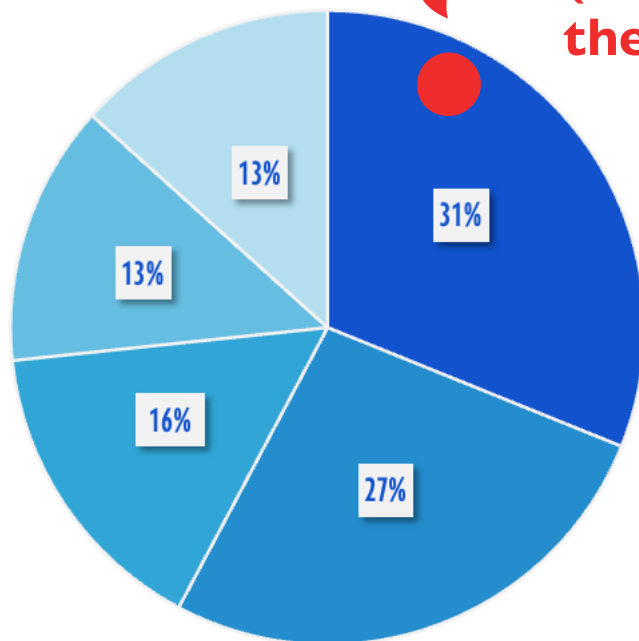
A positive sign is the reduction in the volume of unfulfilled orders among exporters (3.8 $\uparrow +0.1$), alongside expectations of price increases for their own services (20.7 $\uparrow +0.1$).

Other indicators remain in the zone of predominantly negative forecasts. A decline is anticipated in the volume of new orders (-11.9 $\uparrow +3.3$) and services provided (-6.2 $\uparrow +3.2$), a reduction in total employment (-12.3 $\uparrow +3.2$), and a rise in purchase prices (-45.9 $\downarrow -0.5$).

It is worth noting separately that exporters' expectations remain somewhat more pessimistic than the domestic business community average.

Hot issues –

Do you support a 4-day work week (40 hours) by agreement between the employer and employees?



- Yes – it will positively impact productivity
- I tend to support it, but without reducing salaries
- Neutral – the business should decide for itself
- More likely against – the economy requires maximum employment
- No – it is not advisable due to military and economic realities

ACTUAL PROBLEM

1

Increase in purchase or contractor prices

GENERAL RECOMMENDATIONS

For BUSINESS

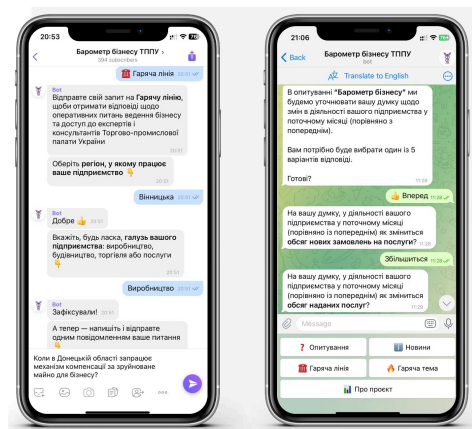
- Monitoring prices and diversifying suppliers
- Introduction of tender procedures and auctions
- Conclusion of fixed-price contracts
- Inventory optimization
- Hedging through the use of instruments such as futures and options
- Vertical integration to ensure control over the supply of raw materials and components
- Analysis of alternative products, materials, or technologies to replace more expensive resources
- For importers, it is relevant to analyze the feasibility of investing in local production to reduce dependence on imports and exchange rate fluctuations

For the AUTHORITIES

- Maintaining a balanced monetary policy by the National Bank of Ukraine (NBU)
- Expanding targeted lending to domestic producers
- Ensuring an adequate level of external financing
- Analysis of the possibility and feasibility of attracting economic migrants in the required quantity and quality for the economy

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:

$$BB = P1 * 1 + P2 * 0,5 + P3 * 0 + P4 * (-0,5) + P5 * (-1)$$

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).

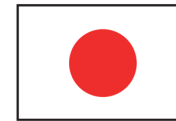
For calculating the Business Barometer indicator, a 3-point scale is applied, and responses are summed up as follows:

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

FOR THE SUPPORT



THE UKRAINIAN CHAMBER
OF COMMERCE AND INDUSTRY



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the People of Japan**



This publication was created by the Ukrainian Chamber of Commerce and Industry within the framework of the project "Transformational Recovery for People's Security in Ukraine," funded by the Government of Japan and implemented by the United Nations Development Programme (UNDP) in Ukraine.

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