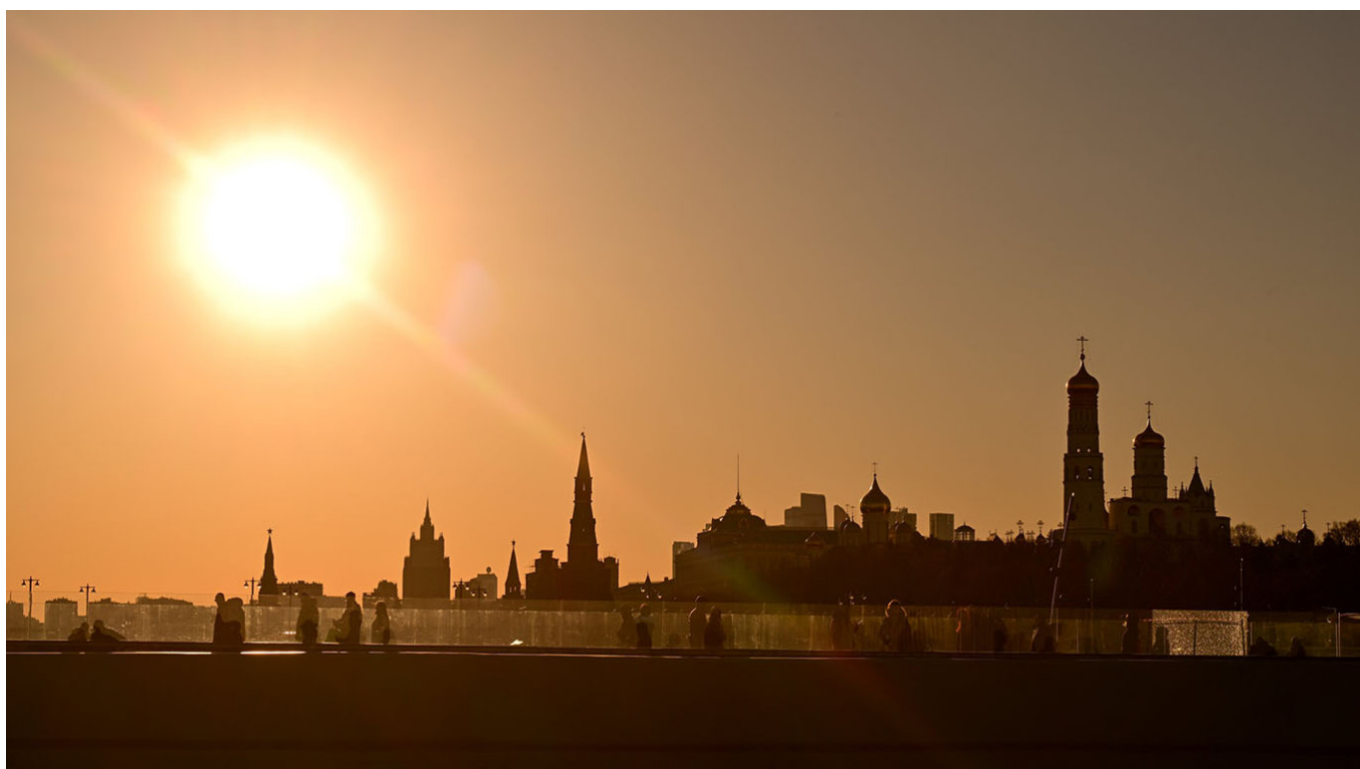


1 in 3 Russian Businesses Say Conditions Have Worsened in 2025 – Survey

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Sergei Kiselev / Moskva News Agency

One in three Russian companies say their business conditions have worsened over the past six months, a new survey said, marking the highest level of pessimism since Russia's full-scale invasion of Ukraine in 2022.

Thirty-four percent of firms surveyed by consulting firm Yakov & Partners' [CEO Barometer](#) reported a deterioration in their situation up from just 16% in May 2024 and 24% in December 2022.

The report, [obtained](#) by Forbes Russia, was prepared for last week's St. Petersburg International Economic Forum.

Industries reporting the sharpest downturns include mining, heavy industry, chemical manufacturing, the oil and gas sector, energy and transportation.

Twenty-five percent of companies said they had paused or slowed investment projects, while 13% suspended all projects deemed nonessential.

Rising borrowing costs driven by the Central Bank's high key interest rate were cited as a major obstacle by 42% of respondents, up from 38% the previous year.

"The cost of capital has become a central concern," the report said, noting that tighter financial conditions are putting long-term investment strategies at risk across multiple sectors.

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However, the survey also revealed signs of resilience.

Sixty-six percent of businesses said their overall conditions had either remained stable or improved in the past six months, although this is a significant drop from the 84% who said the same in 2024.

Optimism remains relatively high, with 90% of business leaders saying they expect conditions to either improve or stay the same by year's end.

Reports of improvement were most common among companies operating in IT, retail trade, healthcare and consumer goods.

Labor shortages appear to be easing, with 48% of respondents highlighting this issue compared to 60% last year.

The report also underscores how Russian businesses have gradually adjusted to the country's changing geopolitical and trade landscape.

Only 20% of executives now cite foreign trade restrictions as a key challenge, down from 63% in 2022. Concerns about geopolitical risk have similarly faded, with just 15% viewing it as a major issue today, compared with 56% during the early months of the war in Ukraine.

Looking ahead, executives said their top priorities include cutting costs, attracting and retaining talent and expanding the production of goods and services.

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