

- On February 1, the Verkhovna Rada of Ukraine approved constitutional amendments changing the dates of the next presidential and parliamentary elections. According to the transitional provisions of the newly approved law, the next parliamentary elections are to be held in October 2012 (instead of March 2011) and the presidential elections will be held in March 2015. The general provisions of the Law foresee that the President of Ukraine, the Verkhovna Rada, deputies of local councils at all levels and heads of local self-governing bodies are elected for five years. The regular presidential elections are to be held on last Sunday of March of the fifth year of the President's term. The parliamentary elections are to be conducted on last Sunday of October of the fifth year of the parliament's term. Local elections are expected on last Sunday of October of the fifth year in office.
- In December, industrial production growth accelerated to 12.5% yoy leading to 11.0% growth over twelve months of 2010. External demand was the major driver of growth against the background of weaker domestic demand. In December, output in export-oriented machine building and chemistry increased by 38.9% yoy and 32.9% yoy, respectively. Metallurgy production growth accelerated to 12.0% yoy as global steel demand increased in the end of the year. Food industry growth slowed down to 2.4% yoy due to shift of consumer demand to durables. Construction materials production decelerated to 9.9% yoy, while output in production and distribution of gas, electricity and water increased by 7.1% yoy.
- In 2010 freight turnover increased by 6.4% restricted by grain export quotas and decline in oil transit. Retail trade turnover increased by 7.6% in 2010 due to strong sales in December. In 2010 construction stagnated and reached only 94.6% from 2009 level despite weak growth in the end of the year. Agriculture output declined by 1.0% as growth in livestock breeding was not sufficient to offset impact of the low crops harvest.
- In January, consumer inflation slowed to 8.2% yoy. Food price growth slowed down to 8.6% yoy from 10.6% yoy in December due to high statistical base. Effect of food price slowdown was counterbalanced by increases in heating tariffs and gasoline prices.

Ukraine: Economic Indicators 2008 - 2011

		2008	2009	Q2 10	Q3 10	Q4 10	Nov	Dec	Jan
GDP (real)	% yoy	2.1	-15.1	5.9	3.4				
Industrial production (real)	% yoy cum.	-3.1	-21.9	12.0	10.8	11.0	10.6	11.0	
Agricultural prod. (real)	% yoy cum.	17.5	0.1	3.4	-1.3	-1.0	-1.3	-1.0	
CPI	% yoy eop	22.3	12.3	6.9	10.5	9.1	9.2	9.1	8.2
Current account	% GDP cum.	-7.2	-1.7	0.8	-0.3				
Fiscal balance	% GDP	-1.5	-2.4						
External state debt (total)	% GDP eop	14.9	21.5						
Gross international reserves	USD bn cum.	31.5	26.5	29.5	34.7	34.6	33.5	34.6	35.1
Exchange rate (official)	EUR aop	7.71	11.68	10.10	10.18	10.79	10.87	10.50	10.62

Source: IER.

For further information: Institute for Economic Research and Policy Consulting (link: www.ier.kiev.ua).