

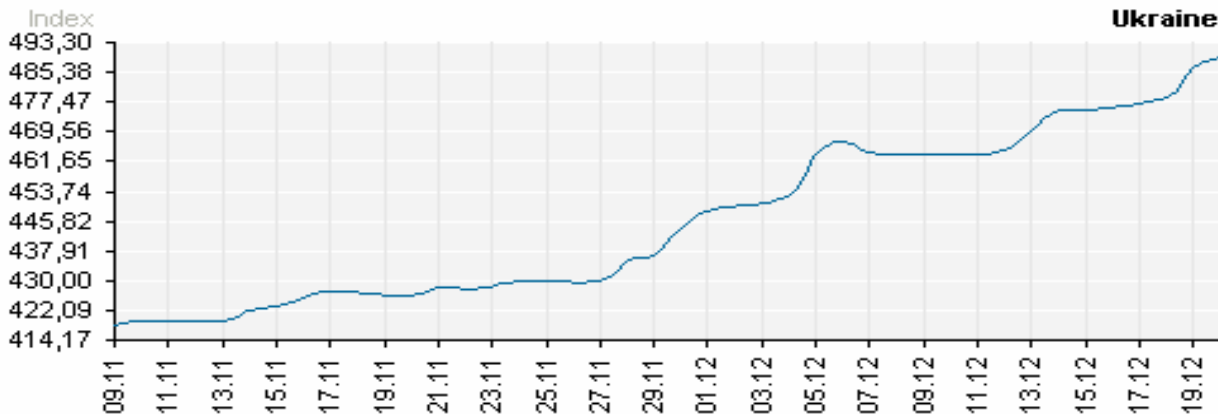


Ukraine Update 18 – 22 December, 2006

<p>Political updates</p> <p>TAIWAN, UKRAINE REACH AGREEMENT ON COOPERATION IN CONSULAR AFFAIRS Taiwan has won Ukraine's cooperation in its quest for simplifying visa issuance for Taiwanese applicants following its signing of a protocol on Ukraine's accession to the World Trade Organization (WTO)</p>	<table border="1"> <thead> <tr> <th colspan="4" style="background-color: #4CAF50; color: white;">STOCK INDICES →</th> </tr> <tr> <th></th> <th>COUNTRY</th> <th>INDICES</th> <th>TIME</th> </tr> </thead> <tbody> <tr> <td>PFTS</td> <td>UA</td> <td>491.59 ↑</td> <td>21.12 17:00</td> </tr> <tr> <td>S&P-500</td> <td>US</td> <td>1 418.30</td> <td>22.12 12:49</td> </tr> <tr> <td>MIB-30</td> <td>IT</td> <td>41 213.00 ↓</td> <td>22.12 12:49</td> </tr> <tr> <td>FTSE-100</td> <td>GB</td> <td>6 186.30 ↑</td> <td>22.12 12:49</td> </tr> <tr> <td>CAC-40</td> <td>FR</td> <td>5 494.85 ↓</td> <td>22.12 12:49</td> </tr> <tr> <td>DAX</td> <td>DE</td> <td>6 561.45 ↓</td> <td>22.12 12:49</td> </tr> <tr> <td>SMI</td> <td>CH</td> <td>8 775.64 ↑</td> <td>22.12 12:49</td> </tr> </tbody> </table>	STOCK INDICES →					COUNTRY	INDICES	TIME	PFTS	UA	491.59 ↑	21.12 17:00	S&P-500	US	1 418.30	22.12 12:49	MIB-30	IT	41 213.00 ↓	22.12 12:49	FTSE-100	GB	6 186.30 ↑	22.12 12:49	CAC-40	FR	5 494.85 ↓	22.12 12:49	DAX	DE	6 561.45 ↓	22.12 12:49	SMI	CH	8 775.64 ↑	22.12 12:49
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<p>Macroeconomic updates</p> <p>“Naftogas” – the state oil company in Ukraine, will develop the oilfields in Eastern Egypt. The state stock company of Ukraine “Naftogas”, Arabic Republic Egypt and Egypt general oil company (EGOC) have signed a contract on developing of oilfields and gas fields in Eastern Egypt at the territory of Alam El Shawish East. “Naftogas” is due to start developing in 6 month since the day of contract signing.</p>	<table border="1"> <thead> <tr> <th colspan="5" style="background-color: #4CAF50; color: white;">EXCHANGE RATES IN UKRAINE →</th> </tr> <tr> <th></th> <th colspan="2">Cash</th> <th colspan="2">Cashless</th> </tr> <tr> <th></th> <th colspan="2">14.12.06 11:29</th> <th colspan="2">13.12.06 15:48</th> </tr> <tr> <th></th> <th>BID</th> <th>ASK</th> <th>BID</th> <th>ASK</th> </tr> </thead> <tbody> <tr> <td>1USD</td> <td>5.0500 ↑</td> <td>5.0900</td> <td>5.0250</td> <td>5.0450</td> </tr> <tr> <td>1EUR</td> <td>6.7000 ↑</td> <td>6.7500 ↓</td> <td>6.6500</td> <td>6.6900 ↑</td> </tr> <tr> <td>10RUB</td> <td>1.8500 ↓</td> <td>1.9500</td> <td>1.9180 ↑</td> <td>1.9210 ↑</td> </tr> </tbody> </table>	EXCHANGE RATES IN UKRAINE →						Cash		Cashless			14.12.06 11:29		13.12.06 15:48			BID	ASK	BID	ASK	1USD	5.0500 ↑	5.0900	5.0250	5.0450	1EUR	6.7000 ↑	6.7500 ↓	6.6500	6.6900 ↑	10RUB	1.8500 ↓	1.9500	1.9180 ↑	1.9210 ↑	
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<p>Finance Ministry makes coupon payment on 2007 Eurobonds. The Finance Ministry has made in full coupon payments on foreign state debt bonds issued in 2000. The total payments were EUR 2.27 million and \$4.073 million.</p>	<table border="1"> <thead> <tr> <th colspan="5" style="background-color: #4CAF50; color: white;">CREDIT FOR BUSINESSES IN UKRAINE →</th> </tr> <tr> <th></th> <th colspan="4">22.12.06</th> </tr> <tr> <th></th> <th>1 MON.</th> <th>3 MON.</th> <th>6 MON.</th> <th>12 MON.</th> </tr> </thead> <tbody> <tr> <td>UAH</td> <td>20.00%</td> <td>22.00%</td> <td>22.00%</td> <td>19.00%</td> </tr> <tr> <td>USD</td> <td>14.00%</td> <td>16.00%</td> <td>16.00%</td> <td>17.00%</td> </tr> <tr> <td>EUR</td> <td>14.00%</td> <td>15.00%</td> <td>15.00%</td> <td>15.00%</td> </tr> </tbody> </table>	CREDIT FOR BUSINESSES IN UKRAINE →						22.12.06					1 MON.	3 MON.	6 MON.	12 MON.	UAH	20.00%	22.00%	22.00%	19.00%	USD	14.00%	16.00%	16.00%	17.00%	EUR	14.00%	15.00%	15.00%	15.00%						
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<p>Ukraine and Southern Korea have signed a number of bilateral agreements. As the result of Ukraine-Korea negotiation there were signed several agreements between The Cabinet of Ministers of Ukraine and The Government of the Republic Korea. The matter of these agreements was collaboration in the sphere of military, space industries and the questions of material and technical provision.</p>																																					
<p>Ukraine can become the WTO member in February 2007. The Ambassador of Finland to Ukraine Laura Reinila forecasts that Ukraine's accession to the World Trade Organization will be carried out in February next year. In that time the meeting concerning entering of new members will take place. She stressed that the duration of the process will depend on the legislation of Ukraine and the quickness of adapting it to the European standards.</p>																																					
<p>Economic updates</p> <p>Volumes of oil processing in Ukraine will make up about 1.5 tons per month in 2007. Volumes of oil processing on Ukrainian oil-refining enterprises will make up about 1.5 tons per month in 2007.</p>																																					
<p>Ukraine plans Eurobond issue denominated in Japanese yens. Ukraine plans to issue Eurobonds worth 35.1 billion Japanese yen (\$297.9 million) this month, The securities will mature on Dec. 19, 2010 and will carry a coupon to be paid on Dec. 19 and June 19 starting from June 19, 2007</p>																																					



Dynamics of change the index PFTS Index, Ukraine



Sectoral updates

Ukraine increases its transportations.

During 11 months, 2006 transport organizations have transported 779,7 mil. tons of goods. It is 5,5 % more then for the same period in 2005. At the same time turnover of goods, transported by automobiles increased by 27,6 %, by sea transport by 31,2 %, by railway transport by 7,5 %, and by river transport by 1,8 %.

Volumes of production of agricultural products in Ukraine fell down.

During 11 months, 2006 volumes of production of agricultural products in Ukraine fell down by 0.9 % then for the same period in 2005. At the same time volumes of production of agricultural enterprises raised by 0.8 % and volumes of production of household economies fell down by 2.2%. On 1 of December the store of grain made up 12,6 mil. tons that is 19 % less then for the same period of 2005.

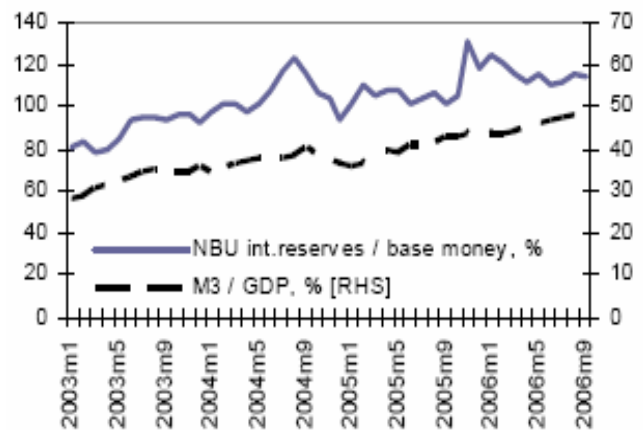
Volumes of oil processing in Ukraine made up about 12 mil tons for 11 month 2006.

During 11 months, 2006 volumes of oil processing in Ukraine made up about 12 mil tons. At the same time 2,5 mil tons are of the internal production, 9,4 mil tons – oil imported from Russian Federation.

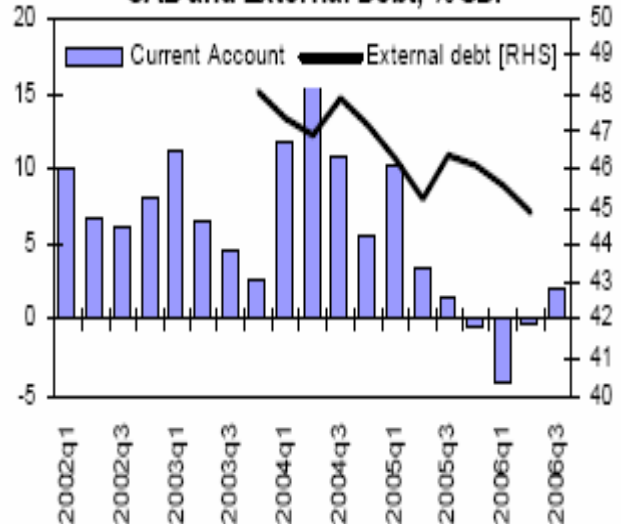
The annual growth gates of the Ukrainian IT market will make up about 17% every year till 2010.

According to the forecasts, IT sector will create additional 30 ths. working places till 2010 and will bring to the state budget about 250 mil USD.

Monetization and Reserves



CAB and External Debt, % GDP



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