



inflation, which soared to 14.2 percent last month after several months at about five percent, would settle down to an average of 7.5 percent by the end of the year. He predicted average monthly inflation would fall to 2.4 percent in 1996. The government saw its priorities as including the revamping of Ukraine's energy sector, increasing domestic gas production to 20 percent of consumption and oil to 13 percent. Ukraine's privatization program would be speeded up. (Reuter)

FOREIGN INVESTMENT INCREASES IN UKRAINE

Sept. 1995... According to information provided by Ukraine's Ministry of Statistics, the overall volume of foreign capital invested into Ukraine's economy for the first half of 1995 increased by US\$116.3 million over the previous year and totalled \$566.4 million.

This figure includes \$35.9 million investments from countries of the CIS and the Baltic states (6.3% of the overall volume). The largest investments were made by partners from Germany (20.1% of the overall volume), the United States (19.4%), Great Britain (6.9%), Russia (5.6%), Cyprus (5.2%), Switzerland (3.7%), Ireland (3.2%) and the Netherlands (3.2%).

From the overall volume of investments 15.9% was invested into machine-building and metal-working, 15.1% went to domestic trade, 13.9% to the food industry, and 5% each to light industry, foreign trade, and the chemical industry.

Ukrainian investments into other countries decreased by \$1.2 million from last year and totalled 14.5 million. This figure includes \$3.6 million invested into countries of the former Soviet Union (25.1% of Ukraine's total foreign investments). A major portion of investments abroad were directed towards Switzerland (36.3% of the overall volume), Russia (25%), Hungary (15%), the United States (11.6%) and Austria (6.5%).

The primary investors from Ukraine are enterprises in the fuel industry (25.5% of the overall volume), machine-building and metal-working (25.4%), domestic trade (15.9%), and the chemical industry (13.4%).

Ukrainian President Continues to Reshuffle Government

July 3	Roman Shpek Vasyl Hureyev	<ul style="list-style-type: none"> Deputy PM (replaces Victor Pynzenyk) Minister of Economics (replaces Roman Shpek)
	Vasyl Durdynets	<ul style="list-style-type: none"> Deputy PM for State Security, head of Presidential Committee on corruption and organized crime
	Volodymyr Radchenko	<ul style="list-style-type: none"> Head of Ukrainian Security Service
July 27	Vasyl Yevtukhov	<ul style="list-style-type: none"> Deputy PM for Energy Complex (was leader of Union of Industrialists and Entrepreneurs of Ukraine)
	Ihor Mitiukov	<ul style="list-style-type: none"> Special Rep to the European Union, coordinating international financial assistance to Ukraine (former Dep. PM)
	Mykhailo Kovalko	<ul style="list-style-type: none"> Head of new State Committee on Energy Conservation
	Mykhailo Kaskevych	<ul style="list-style-type: none"> Labour Minister (re-appointed)
Aug. 2	Victor Pynzenyk	<ul style="list-style-type: none"> Deputy PM for Economic Reform (macroeconomic issues)
	Roman Shpek	<ul style="list-style-type: none"> Deputy PM for the Economy
Aug. 6	Pavlo Haidutsky	<ul style="list-style-type: none"> Agriculture Minister (land reformer, prev. chaired State Comm. on Land Resources)
Sept. 5	Pavlo Lazarenko	<ul style="list-style-type: none"> First Deputy PM, to head 8 other Deputy Pms (42 years old, former Head of Dnipropetrovsk Regional Administration)
Sept. 27	Serhiy Holovatiy	<ul style="list-style-type: none"> Justice Minister (reformer, founder of Ukrainian Legal Foundation)
	Dmytro Ostapenko	<ul style="list-style-type: none"> Minister of Culture and Art (new ministry replaces Ministry of Culture; Director of Ukraine's National Philharmonic)

HRYVNIA TO BE DELAYED UNTIL 1996

Alma-Ata, Sept. 21, 1995... Monetary reform and the introduction of the national currency - the hryvnia - into circulation will quite likely be postponed until 1996, said President Kuchma,

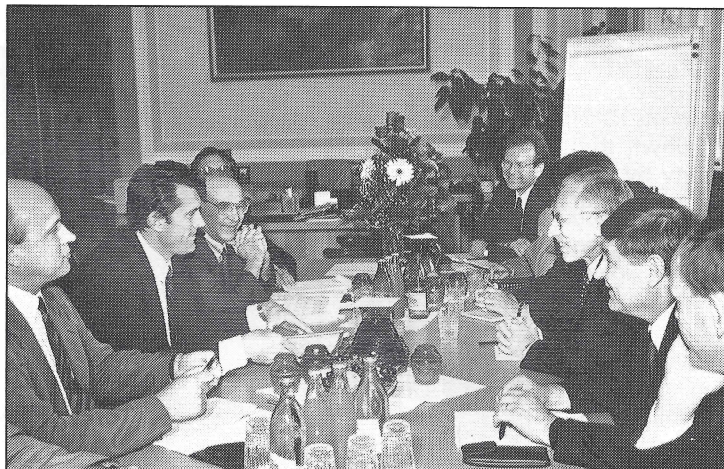
during a press conference held in Alma-Ata, the capital of Kazakhstan, which he was visiting at the time.

The president expressed regret that in summer, when conditions were favourable for the introduction of the hryvnia, the opportunity was missed.

He said the government failed to come to an agreement with the International Monetary Fund with regard to assistance in creating a stabilization fund for the hryvnia.

The president also said that a meeting of the IMF's executive board, at which the possibility of giving Ukraine the third part of a "stand-by" loan is to be considered, will not take place until the end of October.

The IMF's representative in Ukraine, Graham Justice, however, told



IMF representatives (r) meet with senior officials from the National Bank of Ukraine.