comprehensiveness, objectivity, consistency and optimality. Evaluation of the competitiveness of enterprises is now very important scientific issues, as evidenced by numerous scientific development. There are many scientific approaches, methods and models for evaluating the competitiveness of enterprises. Also important prerequisite for competitiveness evaluation of enterprises is to identify the factors of evaluation specific to the industry. A further area of research will be to develop indicators that characterize the impact of each of the internal and external factors on the competitiveness of the enterprises of the baking industry.

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MACROECONOMIC INDICATORS OF SOCIO-ECONOMIC DEVELOPMENT OF UKRAINE

The main macroeconomic indicators of socio-economic

development of Ukraine are analyzed. There are explored and analyzed such indicators as: the Gross Domestic product, Consumer Price Index, the unemployment rate, Trade Balance, Business Environment, Fiscal policy. The last tendencies of Ukraine`s economy are explored. The main problems of development and growth of economic potential of Ukraine are discovered. The propositions to improve the economic level of Ukraine were made. The main propositions are: the liberalization of the market, which includes the creation of an open and clear legal frameworks, transparent taxation, stabilization of the currency, creating new work places for people, decent and open conditions for foreign investments etc.

Keywords: macroeconomic indicators, economic potential, price index, trade balance, business environment, fiscal policy.

Кічук Надія

МАКРОЕКОНОМІЧНІ ПОКАЗНИКИ СОЦІАЛЬНО-ЕКОНОМІЧНОГО РОЗВИТКУ УКРАЇНИ

В статті проаналізовано основні макроекономічні показники соціально-економічного розвитку України. Розглянуто такі показники, як: обсяг валового внутрішнього продукту, індекс споживчих цін, рівень безробіття, торговий баланс, бізнес-середовище, податково-бюджетна політика. Розглянуто останні тенденції розвитку української економіки. Виявлено основні проблеми розвитку і зростання економічного потенціалу України. Наведені рекомендації щодо підвищення економічного потенціалу України. Основними положеннями є: лібералізація ринку, яка включає в себе створення відкритих і прозорих правових положень, прозорого оподаткування, стабілізації валюти, створення нових робочих місць для людей, гідних і відкритих умов для іноземних інвестицій і т.д.

Ключові слова: макроекономічні показники, економічний потенціал, індекс цін, торговий баланс, бізнес-оточення, фіскальна політика.

Кичук Надежда

МАКРОЭКОНОМИЧЕСКИЕ ПОКАЗАТЕЛИ СОЦИАЛЬНО-ЭКОНОМИЧЕСКОГО РАЗВИТИЯ УКРАИНЫ

В статье проанализированы основные макроэкономические показатели социально-экономического развития Украины.

Рассмотрены такие показатели, как: объем валового внутреннего продукта, индекс потребительских цен, уровень безработицы, торговый баланс, бизнес-среда, налогово-бюджетная политика. Рассмотрены последние тенденции развития украинской экономики. Выявлены основные проблемы развития и роста экономического потенциала Украины. Приведенные рекомендации по повышению экономического потенциала Украины. Основными положениями являются: либерализация рынка, которая включает в себя создание открытых и прозрачных правовых положений, прозрачного налогообложения, стабилизации валюты, создание новых рабочих мест для людей, достойных и открытых условий для иностранных инвестиций и т.д.

Ключевые слова: макроэкономические показатели, экономический потенциал, индекс цен, торговый баланс, бизнес-среда, фискальная политика.

Macroeconomic indicators are statistics that indicate the current status of the economy of a state depending on a particular area of the economy (industry, labor market, trade, etc.). They are published regularly at a certain time by governmental agencies and the private sector.

The macroeconomic indicators above all lagging indicators are primarily from the fact that the economy may already have changed since computing the above indicators. This means the economy may actually be doing better or worse than the numbers indicate. Therefore, it can be difficult to actually determine the strength of an economy based on these indicators alone.

In this article we will explain each of these indicators and in the same time we will analyze these indicators on the example of Ukrainian economy.

The Gross Domestic product (GDP) in Ukraine contracted 2 percent in the first quarter of 2014 over the previous quarter. GDP growth rate in Ukraine averaged 0,55% from 2010 until 2014, reaching an all time high of 3.90 % in the second quarter of 2010 and a record low of -2 % in the first quarter of 2014. GDP growth rate is reported by the State Statistics Service of Ukraine [1].

Ukraine is a middle income country. The nation possesses rich farmlands (wheat, rye, flax, corn, sugar beets, sunflowers), vast mineral resources (iron, manganese, coal, aluminum, natural gas, oil, titanium), well-developed industrial base (steel, tractors, machinery, building materials, fertilizers and major products) and highly trained labor. Yet, the economy remains in poor condition due to underdeveloped infrastructure, corruption, bureaucracy and political turmoil.

Consumer Price Index (CPI) - a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. A measure of changes in the purchasing-power of a currency and the rate of inflation.

The CPI is calculated by taking price changes for each item in the predetermined basket of goods and averaging them; the goods are weighted according to their importance. Changes in CPI are used to assess price changes associated with the cost of living. It shows the effect of inflation on purchasing power. Ukrainian consumer price index we can see with figure 1[1].

It is probably the most crucial indicator of inflation. It represents changes in the level of retail prices for the basic consumer basket. Inflation is tied directly to the purchasing power of a currency within its borders and affects its standing on the international markets. If the economy develops in normal conditions, the increase in CPI can lead to an increase in basic interest rates. This, in turn, leads to an increase in the attractiveness of a currency.

The unemployment rate is a measure of the prevalence of unemployment and it is calculated as a percentage by dividing the number of unemployed

Individuals by all individuals currently in the labor force. It reflects the overall health of an economy or business cycle. In order to understand how an economy is functioning, it is important to know how many jobs are being created or destructed, what percentage of the work force is actively working, and how many new people are claiming unemployment.

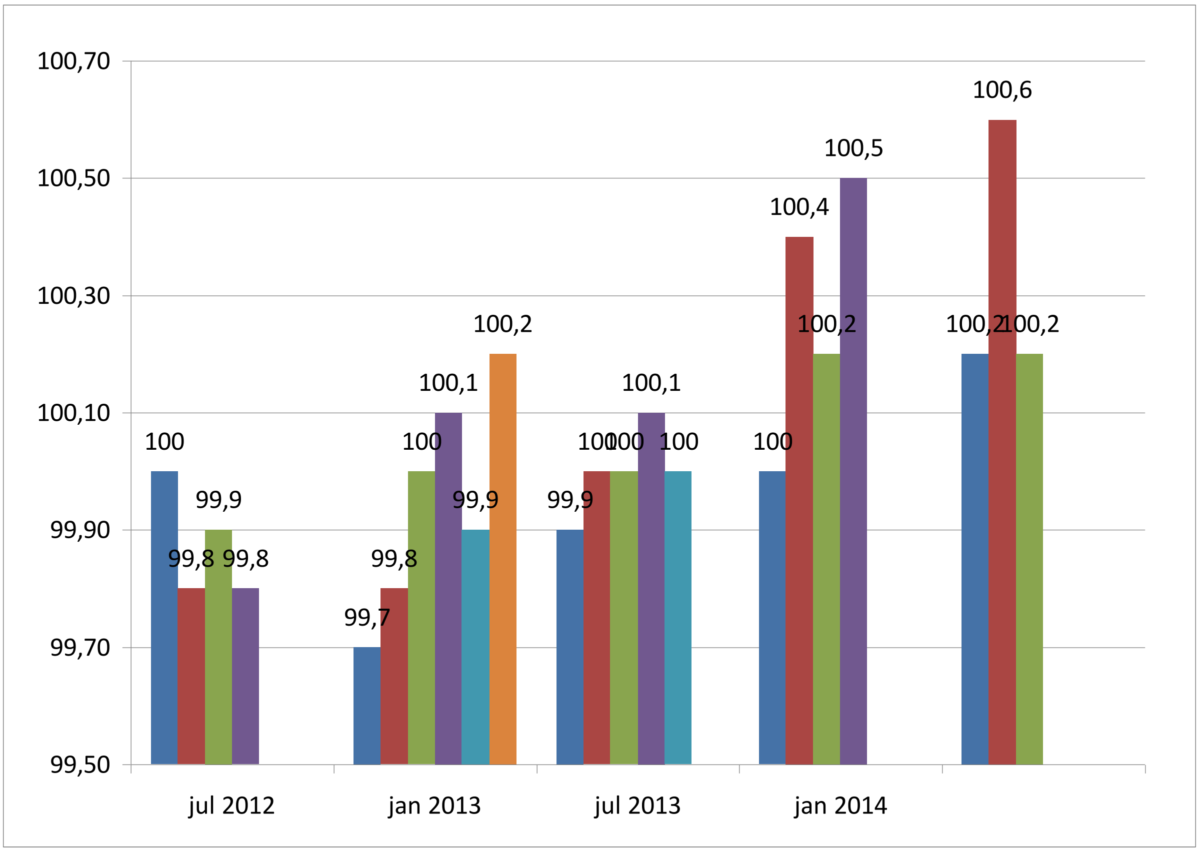

Figure 1. Ukraine consumer price index (CPI),
[Source: State statistics service of Ukraine]

Statistics show that in 2013 the State Employment Service employed 113,200 people from "low-competitive" categories on the labor market. This is almost twice as much as last year.

Ministry of Social Policy officials point to the increase in employment of persons after professional training at the state expense. In January-September 2013, 180,500 unemployed persons received professional training that was advised by employment centers. There was also an increase in the number of persons who started their own businesses after one-time annual unemployment assistance. From January to September 2013 this right was exercised by 11,600 people, which is 2,900 more from 2012.

Analysts say Ukraine's labor market is stable and riding a positive trend. According to ILO polls, unemployment rate in Ukraine is down. During the first half of 2012, it was 7.8%; during the first half of 2013, it was reduced to 7.5%. The unemployment rate in Ukraine is still lower than in many EU countries. According to regular reports of Euro statistics, the

EU unemployment rate, as of July 2013, was up to 11% (19.2 million in absolute terms) year-on-year (10.5%) as we can see on figure 2.

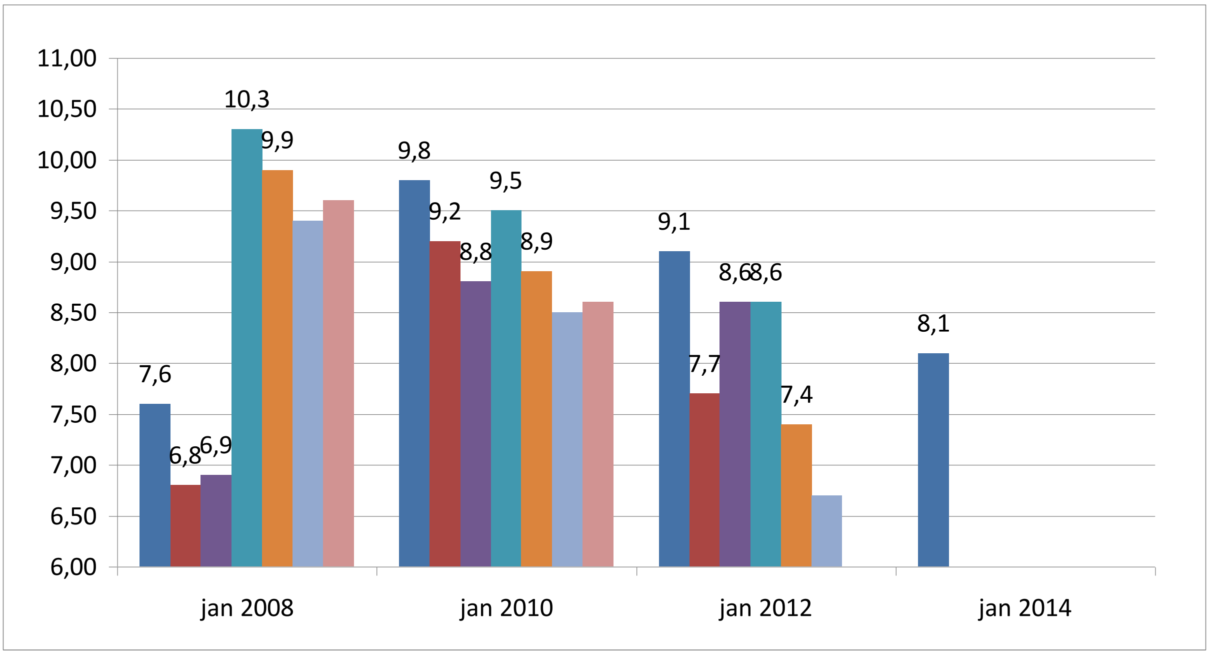

Figure 2. Ukraine unemployment rate Percentage of the labor force [Source: State statistics service of Ukraine]

The labor market in Ukraine has developed gradually. Having passed first from an agricultural state to an industrial one, Ukraine started on the path of a service-oriented economy. As the national labor market increasingly become oriented toward such industries as tourism, entertainment and leisure. Today more than half the national labor force is involved in the service sector.

Thorough the Ukrainian labor force is characterized as highly qualified and skilled, the level of labor pay is much lower than in developed countries. Ongoing political and economic instability has led to rapidly increasing labor migration in which both skilled and unskilled workers leave the country in order to find more reliable sources of income.

Trade Balance - the difference between a country's imports and its exports. A country has a trade deficit if it imports more than it exports; the opposite scenario is a trade surplus.

Following some deterioration in March 2013, Ukraine's current account gap narrowed in April. In March 2013, exports fell by almost 10%, affected by weather-related transportation disruptions and Russia's new trade restrictions. As these causes proved to be short-lived, Ukraine's merchandise exports reported a 3% increase in April. Thus, exports of machinery and transport vehicles grew by 2.7% in April, compared to a 16% reduction in March.

Almost 70% of this commodity group's exports are destined for Russia and other CIS countries, which makes it vulnerable to trade relations with these countries. Indeed, Russia's suspension of the quality production certificate for a major Ukrainian producer of railcar castings [1] weighed on rail machinery production and exports during the first four months of 2013. Although the certificate was reinstated at the beginning of April, output limits were imposed. Additionally, given slowing economic growth in Russia, the rate of expansion of this commodity group's exports is likely to remain subdued.

Economic weaknesses in the EU, one of the key overseas markets for Ukraine, and ongoing downward trend of world steel prices, weighed on exports of metallurgical products, which decreased by about 6.5% in March and April. In addition, exports of agricultural and food products were almost 10% lower in March-April 2013, compared to the corresponding period last year.

A high base effect and wheat export restrictions imposed at the end of last year were the main reason for the decline. Indeed, the government and grain traders agreed to ban grain exports following their rapid growth amid a moderate harvest in 2012. As the ban was lifted at the end of April, agricultural exports may improve in the coming months.

On the upside, Ukraine's exports of mineral products rose by 47% in April, mainly on account of higher shipments of iron ores. Strong foreign demand for iron ores and international supply disruptions due to adverse weather conditions in Australia and export restrictions in India helped drive Ukraine's exports. In addition, exports of chemical products (fertilizers in particular) grew by 13% in April.

In contrast to exports, imports kept declining in March and April. A 6.4% and an almost 8% reduction in imports over these two months, respectively, was mainly the result of government efforts to reduce energy imports. Indeed, foreign supplies of mineral goods to Ukraine went down by 14% in March and 30% in April. The Ukrainian authorities have been taking steps to reduce energy imports by diversifying natural gas supplies, substituting imports with domestic fossil fuels and stimulating energy savings.

As export performance improved while imports continued to decline, Ukraine's current account gap in April was almost 30% lower than last year, while the first four months deficit stood at $2.4 billion, about $0.6 billion lower than in the corresponding period of 2012. Moreover, Ukraine has been generating solid capital account surpluses this year, benefiting from loose international liquidity, revival of foreign investors' risk appetite and likely larger repatriation of Ukrainian funds from offshore due to recently increased safety concerns.

The inflows of foreign capital helped cover Ukraine's current account deficit, meet its foreign debt liabilities and slightly replenish its gross international reserves. The latter grew by 2.1% mom to $25.2 billion at the end of April. Although the reserves stayed slightly below three months of imports, the overall Balance of Payments trends this year look encouraging, supporting our view of diminished pressures for exchange rate adjustment.

Business Environment - the combination of internal and external factors that influence a company's operating situation. The business environment can include factors such as: clients and suppliers; its competition and owners, improvements in technology, laws and government activities and market, social and economic trends.

Since 1991 throughout all these years of independent development, Ukraine has moved significantly from a centralized planned economy, it once had within the USSR, toward a free market economy. Gradually modifying its legal system, Ukraine has been growing into an independent player at the international marketplace and in 2008, Ukraine joined the WTO. There is still a lot of work to be done, especially in regards to updating the Ukrainian economy markers to the EU standards.

However, the major improvements achieved in the business environment in Ukraine, since the country gained independence in 1991, have opened up the market for foreign direct investment (FDI). There is a law on foreign direct investment, an extensive privatization program has been carried out since the mid-nineties, and several new commercial laws now regulate foreign trade, taxation and banking. The legal and regulatory framework for investment and commerce is in place. The legal framework for FDI has become better over time. Although it still needs enhancement, the government's top policy priority is to attract more FDI. There are such government bodies, as the Cabinet of Ministers, the Ministry of Finance, and the Ministry of Economy that handle the matters related to FDI.

Ukrainian law pledges to protect foreign direct investments in a variety of ways. Some allow for the full repatriation of profits, invested capital and the wages of expatriate employees in hard currency, once taxes and other debts have been paid. If nationalization or expropriation takes place, Ukrainian law guarantees quick hard currency compensation of the full amount that was invested. It also provides a 10-year guarantee against changes in legislation that could damage foreign investors in any way.

Ukraine has signed many bilateral investment treaties with a variety of countries. Projects from treaty countries may sometimes be allowed to import machinery and other equipment tax free or at concessional rates, with the possible exception of restricted sectors like banking, insurance and heavy industry. There are also provisions for international arbitration in the settlement of disputes between foreign investors and the state. Products manufactured by a company with ties to a foreign company are exempt from export licensing and quotas, although such benefits do not apply to all products. All in all, Ukraine has made great progress over the past years in making its economy both stronger, more stable and open for foreign investments.

Ukraine's overall Doing Business 2013 ranking is 137, recording a 15 point increase from last year.

Fiscal policy - it is the use of government revenue collection (taxation) and expenditure (spending) to influence the economy.

Despite signs of improving economic performance, Ukraine's fiscal challenges seem to be mounting. State budget revenues fell by 6.5% in nominal terms in April, while expenditures rallied at almost 18%. As a result, the state budget deficit widened sharply that month, while the cumulative deficit was almost four times higher than in January-April of 2012.

On the expenditure side, social security and public debt-related spending were the main drivers of state budget expenditure growth over the first four months of the year. In particular, social security and protection outlays rose by 42% , while public debt service payments were up by almost 30% over January-April. Although these spending increases were partly offset by expenditure savings on public investment and other discretionary spending, budget outlays grew much faster than receipts.

Despite growing fiscal pressures, however, the fiscal situation remained manageable thanks to solid domestic and external borrowings. Taking advantage of loose international liquidity and a revival of investors' risk appetite**,** Ukraine issued $1.25 billion 10-year Eurobonds in mid-April at a 7.5% coupon rate, 12.5 basis points and 30 basis points lower than the yield rates of the February 2013 and November 2012 Eurobond placements, respectively.

Moreover, benefiting from improved banking sector liquidity and diminished UAH depreciation pressures, Ukrainian authorities were very active in attracting funds in national and foreign currency on the domestic debt market.

Over the first four months of 2013, Ukraine issued UAH 16.1 billion (around $2 billion) of UAH -denominated and $2.4 billion of USD-denominated domestic bonds. The attracted funds were sufficient to cover the widening fiscal deficit and to meet Ukraine's foreign public debt liabilities, even in the absence of IMF financing. However, despite favorable Monthly State Budget Execution, not seasonally adjusted current picture, further consolidation measures are necessary to sustain public finances.

Government officials have already announced that they've been developing budget revision proposals. Although the details were not available, we believe a mix of revenue increases (e.g., by further raising excise taxes) and spending cuts will be proposed, which would help narrow the general public sector deficit to around 4% of GDP in 2013.

Monetary policy - the actions of a central bank, currency board or other regulatory committee that determine the size and rate of growth of the money supply, which in turn affects interest rates.

Consumer inflation remained low in Ukraine in March and April 2013. Annual inflation stayed at -0.8% in April, unchanged from March, reflecting declining fuel prices, mostly flat utility tariffs and falling food prices, which offset higher prices on alcohol and tobacco, communication and other services. In addition, clothing and footwear prices were down by 2.7% , and furniture and household equipment by 0.2% in April.

Due to a high share of imported goods, the price decrease in these commodity groups may be attributed to diminished UAH depreciation pressures. Furthermore, the monetary impact on inflation remained subdued, despite the observed speed-up in money supply growth over the last few months.

Inflation is forecast to slightly accelerate in 2H 2013 amid a fading favorable base effect and eventual adjustment of utility tariffs. However, the government has been actively seeking ways to sustain Naftogaz financing without a painful adjustment to natural gas tariffs for the population. As a result, the tariff increase may be rather gradual or may apply to only select households. Hence, given current price developments and likely moderate tariff adjustment, consumer price growth is expected to be contained at around 4% at the end of the year [2].

Money supply growth continued to gain momentum in March and April. An almost 17% increase in M3 monetary aggregate in April 2013 was the result of acceleration in monetary base growth and a buoyant increase in deposits. Thus, annual growth of the monetary base increased to 12.8% in April, up from about 10% in March. The speed-up mainly reflected improvements in banking sector liquidity, underpinned by lower NBU sterilization operations and greater refinancing activity.

Although government cash balanced with the NBU rose in March and April, the impact of their increase was outweighed by large NBU purchases of government securities. The NBU remained the principal buyer of government bonds over the first four months of 2013; its portfolio of government bonds grew by 19% over the period. As a result, the share of government securities held by the National

The volume of deposits in the Ukrainian banking system kept growing, adding almost 20% in April on an annual basis. Corporate deposits gained 22.8% over the period, which may be an additional signal of reviving economic activity and the improving financial stance of Ukrainian enterprises. At the same time, it may also point to subdued investment activity, as money is deposited in commercial banks rather than invested.

Despite improved banking sector liquidity and low inflation, interest rates on deposits have reported moderate declines since the beginning of the year, as household deposits are among the most important source of funding for Ukrainian banks. On the downside, however, high deposit rates and credit risk are keeping lending rates high, adversely affecting demand for loans. Hence, despite a strengthening deposit base and improved banking sector liquidity, lending to the private sector remains weak. The stock of loans rose by less than 4% as of the end of April.

Faster growth in monetary aggregates may also be related to a stable foreign exchange market. Targeting exchange rate stability, Ukrainian monetary authorities usually tighten money supply to contain depreciation pressures. Since the beginning of 2013, the UAH exchange rate has been fluctuating within a relatively narrow margin of UAH 8.10-8.16 per USD, which allowed for some easing of monetary conditions in an attempt to stimulate credit growth. The latter was a considerable drag on both the capital account of Ukraine's Balance of Payments and the UAH exchange rate over the last few years [3].

Ukraine's purchasing power parity estimates also point to diminished UAH depreciation pressures. Due to subdued price growth since 2010, inflation in Ukraine was and is forecast to stay lower than in its main trading partners. This signals that the country has restored its international competitiveness lost during the high inflation pre-crisis years. Given these favorable estimates as well as good prospects for Balance of Payments improvement, we believe the NBU will continue maintaining the UAH exchange rate peg to the US Dollar over the next few years, by allowing a marginal devaluation of about 5%.

After analyzing all macroeconomic indicators we can easily see that today Ukrainian's economy is struggling:

1. Real GDP declined so as external demand and investment activity.

2. Public finances remained under strain amid falling budget revenues and increasing social expenditures. But thanks to solid domestic and external borrowings, the overall fiscal situation remained manageable.

3. Inflation is considerably growing and now it is 6.9%.

4. As CPI reflects influence of inflation on purchasing power of population it has grown too (102.2).

5. Banking sector resource base continued to improve, supported by strong deposit growth and growing money supply. However, credit growth remained anemic.

6. Unemployment is growing and now it is 8.1%.

7. Ukraine's ranking of business environment is 137, which means that Ukraine is not an attractive country for foreign investments.

So, today Ukrainian government has a lot of work to do in order to stabilize economy and provide grounds for future development.

The main direction of development - is the liberalization of the market, which includes the creation of an open and clear legal frameworks, transparent taxation, stabilization of the currency, creating new work places for people, decent and open conditions for foreign investments etc.

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COMPARATIVE ANALYSIS METHODS FOR EVALUATION ENTERPRISE COMPETITIVENESS

The paper analyzes the existing methods for assessing the competitiveness of enterprises. Comparative analyses of methods