

Basic economic and social indicators

	Bln. soums	As % of January- December 2006
Gross domestic product	28186,2	109,5
Industrial output	18314,7	112,1
Consumer goods	5312,4	118,8
Agricultural output	8988,9	106,1
Investments in fixed capital	5479,7	122,9
Construction work	2593,2	115,7
Freight turnover, bln. t-km	78,9	107,5
Passenger turnover, bln. pas-km	56,5	113,5
Retail trade turnover	9464,0	121,0
Paid services rendered to population	3053,0	120,6
External trade turnover, USD mln.	14227,1	127,4
exports	8991,5	140,7
imports	5235,6	109,5
Money incomes of population	16872,7	130,2
Money expenditures and savings	16572,8	130,7
Money expenditures of population on goods purchasing and services payment	12409,8	130,0
Number of citizens registered as looking for a job (end of reporting period) thous. persons ^{*)}	27,4	94,3
of which officially registered as unemployed, thous. persons	23,2	91,0

^{*)} Data of the Ministry of Labor and Social Protection of Population

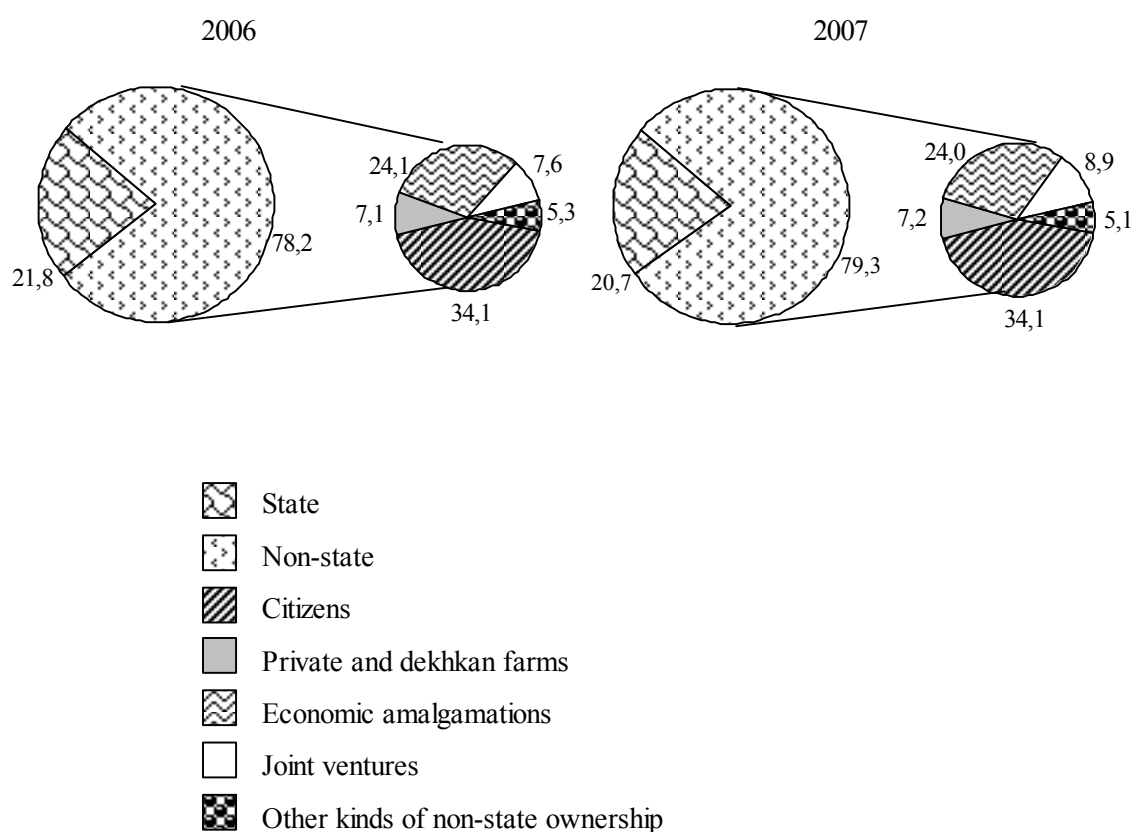
Production of gross domestic product

According to the preliminary calculations the gross domestic product amounted to 28186,2 billion soums in 2007. The GDP growth rate was 109,5 percent to 2006.

In the structure of GDP by forms of ownership out of the total volume of GDP the share of the non-state sector is 79,3 percent (1,1 percent more than in 2006) and that of the state sector – 20,7 percent.

The gross domestic product by forms of ownership:

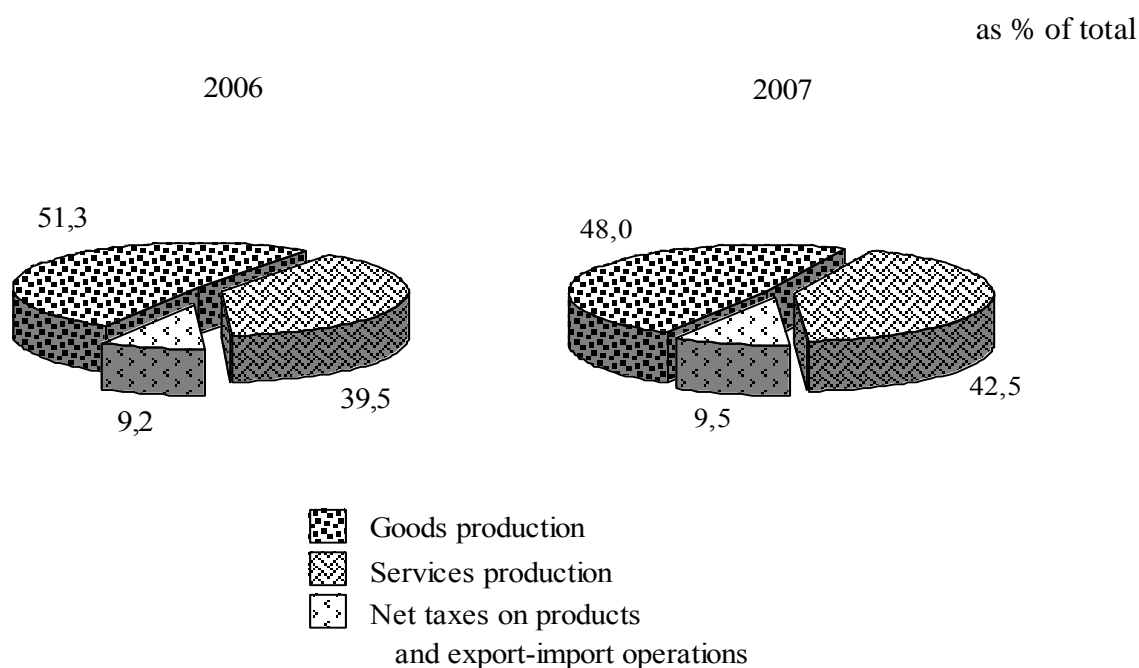
as % of total



The GDP production by industries is characterized by the following data:

	As % of total		2007 as % of 2006
	2006	2007	
Total by economy	100,0	100,0	109,5
of which:			
Industry	22,1	24,0	106,6
Agriculture	24,1	21,7	106,1
Construction	5,1	5,5	115,7
Transport and communication	11,4	11,1	115,1
Trade	9,5	9,4	122,1
Others	18,6	18,8	108,0
Net taxes on products and export-import operations	9,2	9,5	105,7

The structure of GDP production:



The increase in the growth rates of value added of industry (106,6 percent), communications (115,1 percent) and trade (122,1 percent), the share of which reached 44,5 percent of GDP in the reporting period, had a great effect on the GDP growth.

Small business entities produced 45,7 percent of the total volume of GDP or 3,6 percentage points higher than in 2006 (42,1 percent). Out of the total volume of GDP produced by small business entities the share of small enterprises and microfirms was 27,4 percent or 3,9 percentage points higher than in the previous year.

The significant growth of the real volume of the gross regional product was observed in the Tashkent city (114,7 percent), Andizhan oblast (110,9 percent), Samarkand oblast (110,5 percent) and Kashkadarya oblast (109,8 percent).

General characteristic of activity of enterprises and institutions

According to the data of the Uniform State Business Register, as of January 1, 2008, the number of registered legal persons in all sectors of the economy reached 468,8 thousand units, 436,5 thousand of them (93,1 percent of total registered enterprises) were operating.

In 2007 the greatest number of registered enterprises and institutions falls on the branches of agriculture (60,0 percent of total registered enterprises), trade and catering (14,2 percent), industry (6,0 percent) and construction (4,1 percent).

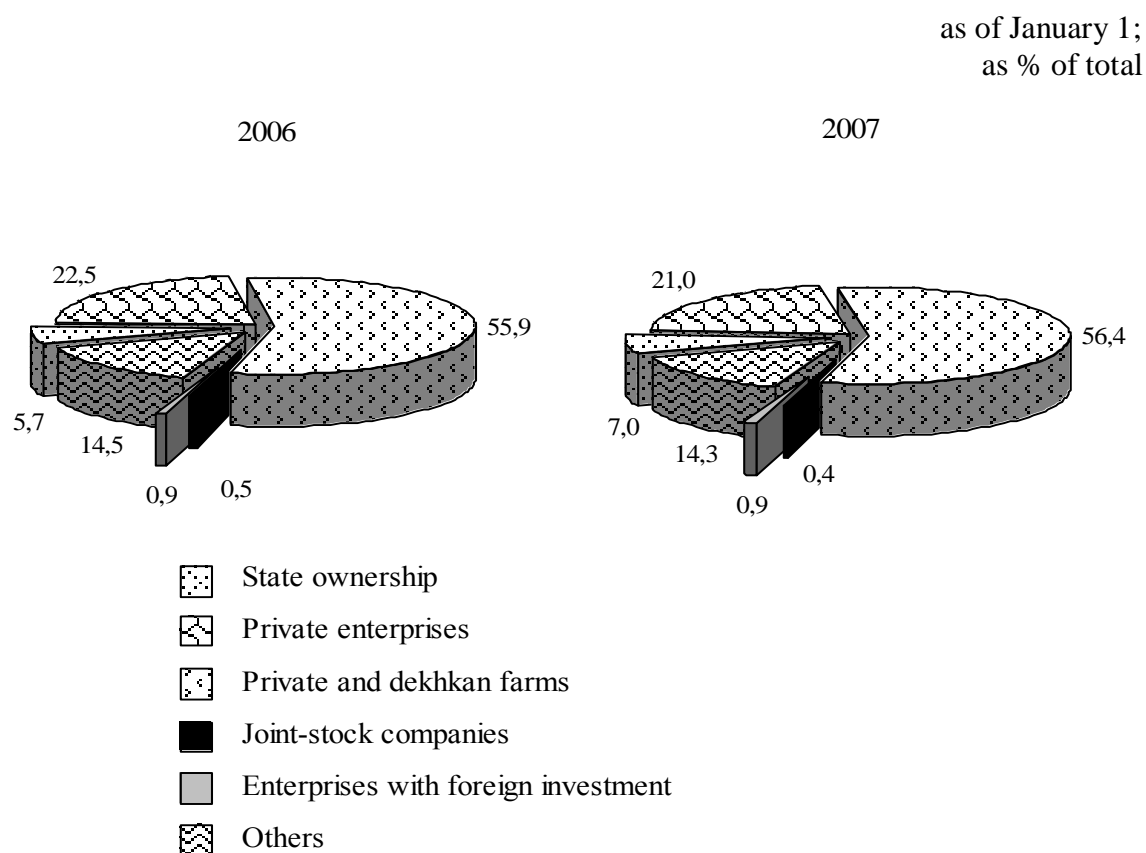
The distribution of enterprises and institutions by branches of economy, as of January 1, 2008, is given below:

	Registered		Operating	
	thous.	as % of total	thous.	as % of total
Total	468,8	100	436,5	100
of which:				
industry	28,2	6,0	22,6	5,2
agriculture	281,2	60,0	277,3	63,5
construction	19,3	4,1	15,6	3,6
transport and communication	6,0	1,3	5,4	1,2
trade and catering	66,7	14,2	52,5	12
other branches of material production	18,5	4,0	16,7	3,8
personal services	3,0	0,6	2,6	0,6

	Registered		Operating	
	thous.	as % of total	thous.	as % of total
health care, physical culture, sports and social security	9,3	2,0	8,7	2,0
education	13,0	2,8	12,8	3,0
culture and art	1,8	0,4	1,6	0,4
science and scientific services	1,1	0,2	0,9	0,2
other branches of non-material production	20,7	4,4	19,8	4,5

In the total number of registered enterprises the share of enterprises with non-state form of ownership was 93,0 percent of which 56,4 percent - private and dekhkan farms, 21,0 percent - private enterprises.

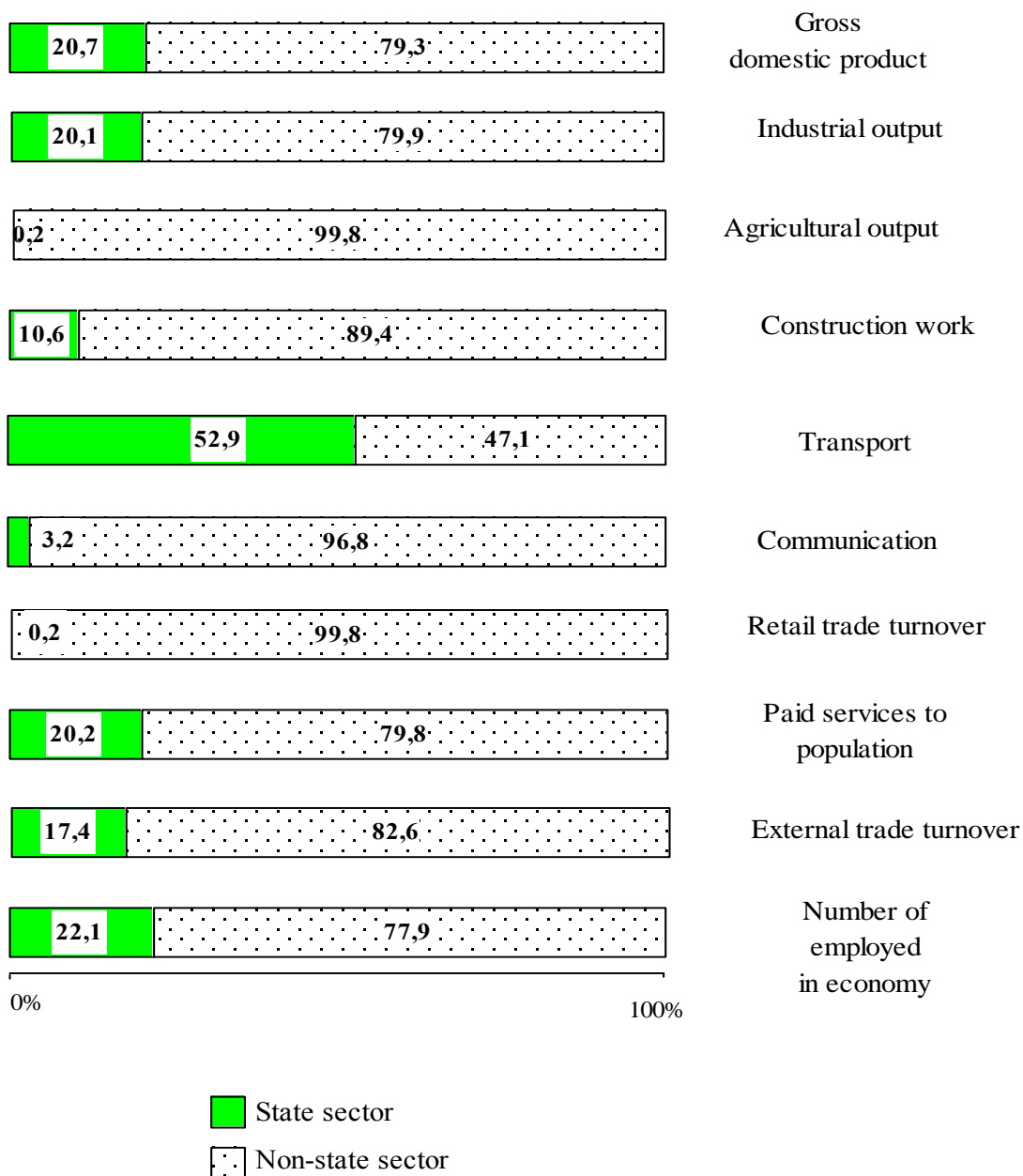
The distribution of registered economic entities - legal persons by forms of ownership is given below:



65,3 thousand enterprises and institutions were created in 2007. Their significant number was registered in Fergana oblast (12,8 percent of total registered enterprises in the republic), Samarkand oblast (11,6 percent) and Andizhan oblast (10,4 percent).

The ratio between state and non-state sector in GDP, output of products of basic branches of economy and employment in 2007 is characterized by the following data:

as % of total volume



Small business

In 2007 small business economic entities produced 45,7 percent of GDP (in 2006 – 42,1 percent), of which 7,2 percent belong to small enterprises, 20,2 percent – to microfirms and 18,3 percent – to individual entrepreneurs.

72,3 percent of total employed in the republic (or 7762,8 thousand persons) work in the small sector. The most part of employed falls on the share of the individual (informal) sector – 53,1 percent of total employed (or 5707,2 thousand persons) and small enterprises and microfirms – 19,2 percent (or 2055,6 thousand persons).

The output of industrial products of small business entities increased by 35,9 percent and reached 2366,5 billion soums (12,9 percent of total industrial production), the output of agricultural products increased by 10,2 percent and amounted to 8763,8 billion soums (97,5 percent of gross agricultural production).

The share of investments of small business entities in fixed capital investment of the republic was 19,9 , construction works – 53,7 percent (1391,5 billion soums).

The freight turnover of motor transport of small business entities increased by 13,7 percent and was 70,7 percent of total freight turnover, the passenger turnover increased by 13,6 percent and reached 85,4 percent of the total passenger turnover.

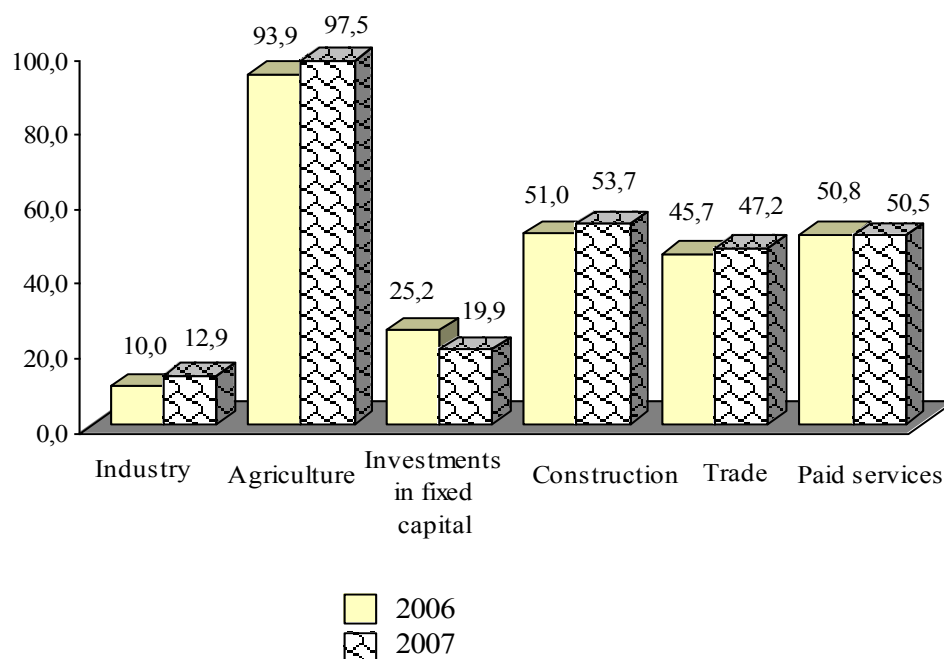
Small enterprises contributed 47,2 percent or 4463,8 billion soums to the total volume of retail trade turnover (growth – by 24,9 percent) and 50,5 percent or 1542,8 billion soums to the total volume of paid services rendered to population (growth - by 19,9 percent).

Small business entities exported goods to the amount of USD 1333,5 million (14,8 percent of total exports) and imported goods to the amount of USD 1746,8 million (33,3 percent of total imports), their share in total foreign trade turnover was 21,7 percent.

Credits extended to small business entities by commercial banks amounted to 1396,1 billion soums including USD 23089,6 thousand which were provided by credit lines of international financial institutions.

The change in share of small business in volume of goods (works, services) by branches of economy is characterized by the following data:

as % of total volume



The share of output of private entrepreneurship (ownership of citizens) in total volume of goods (works, services) of small business in 2007 is characterized by the following data:

	Volume of goods (works, services) of small business, bln. soums	Share of private sector in volume of goods (works, services) of small business, in %
Industry	924,0	39,1
Agriculture	8763,8	100
Construction	911,7	65,5
Retail trade turnover	3579,1	80,2
Paid services	1232,1	79,9
Cargo transportation, mln. tons	233,0	92,0
Passenger transportation, mln. pas	3295,4	96,8
Exports, USD mln.	487,0	36,5
Imports, USD mln.	385,7	22,1

Privatization of enterprises and projects

During implementation of the Program on Decentralization and Privatization, according to the Goskomimushchestvo data, 631 enterprises and projects (hereinafter projects) were privatized in 2007.

The greatest number of projects (out of total projects privatized in the republic) was privatized in the city of Tashkent (25,8 percent), Tashkent oblast (17,1 percent), Fergana oblast (7,6 percent), Namangan oblast (7,3 percent) and Andizhan oblast (6,3 percent).

In the structure of privatized state property the highest share falls on projects of local authority (39,6 percent), Ministry of National Education (10,6 percent), Ministry of Health (6,8 percent), Ministry of Agriculture and Water Industry (5,6 percent), Petroleum Chemical Complex "Uzbekneftgaz" (5,4 percent).

The data stated below characterize departmental structure of projects privatized in 2007:

	Number of privatized projects, units	As % of total
Total	631	100
of which:		
Local authority	250	39,6
Ministry of National Education	67	10,6
Ministry of Health	43	6,8
Ministry of Agriculture and Water Industry	35	5,6
Petroleum Chemical Complex "Uzbekneftgaz"	34	5,4
Other ministries and departments	202	32,0

In 2007 actual receipts from privatization and decentralization amounted to 111,1 billion soums.

The most part of receipts was observed in the city of Tashkent (47,0 percent of total monetary means received from privatization and decentralization), Tashkent oblast (30,2 percent), Khorezm oblast (5,0 percent) and Syrdarya oblast (4,9 percent).

External economic links

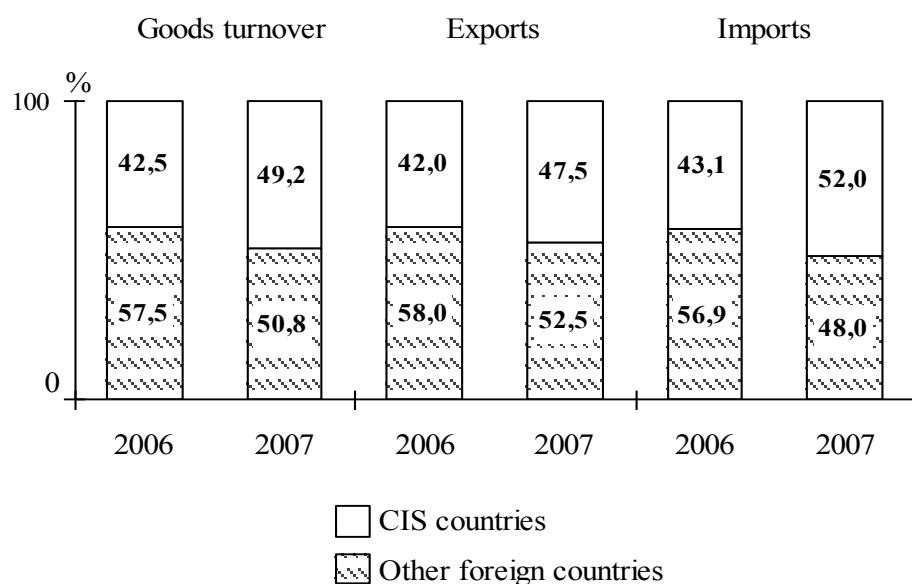
In 2007 the republic's external trade turnover amounted to USD 14227,1 million or 127,4 percent to the previous year, including USD 8991,5 million of exports and USD 5235,6 million of imports (140,7 and 109,5 percent respectively to 2006).

As a result of outstripping growth of export the trade balance was positive at the rate of USD 3755,9 million.

The republic's external trade turnover in January-December is characterized by the following data:

	(USD mln.)		
	2006	2007	As % of 2006
External trade turnover	11171,4	14227,1	127,4
of which with:			
CIS countries	4746,1	6994,8	147,4
other foreign countries	6425,3	7232,3	112,6
Exports	6389,8	8991,5	140,7
of which to:			
CIS countries	2685,5	4273,0	159,1
other foreign countries	3704,3	4718,5	127,4
Imports	4781,6	5235,6	109,5
of which from:			
CIS countries	2060,6	2721,8	132,1
other foreign countries	2721,0	2513,8	92,4

The share of the CIS and other foreign countries in the republic's external trade is characterized as follows:



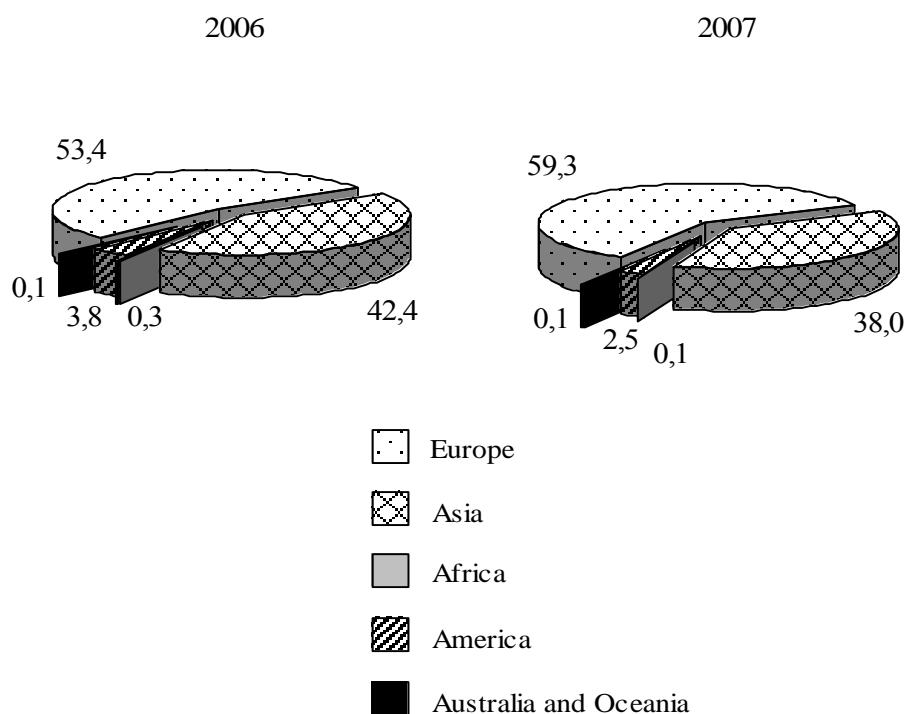
Dynamics of change in volume and structure of exports and imports

	Share in total volume of exports and imports, %		Change in volume, %
	2006	2007	2007 to 2006
Exports	100,0	100,0	140,7
cotton fibre	17,2	12,5	102,8
food products	7,9	8,5	150,7
of which consumer	7,2	8,0	156,6
chemical products and articles thereof	5,6	6,8	172,4
energy and oil products	13,1	20,2	216,7
ferrous and non-ferrous metals	12,9	11,5	125,4
machines and equipment	10,1	10,4	144,3
services	12,1	10,7	124,6
others	21,1	19,4	129,1
Imports	100,0	100,0	109,5

	Share in total volume of exports and imports, %		Change in volume, %
	2006	2007	2007 to 2006
food products	7,7	7,9	112,7
of which consumer goods for production needs	4,6	3,9	93,3
chemical products and articles hereof	13,8	14,8	117,0
energy and oil products	4,2	3,3	87,7
ferrous and non-ferrous metals	6,7	8,3	136,4
machines and equipment	47,0	46,6	108,5
services	8,4	7,4	96,8
others	12,2	11,7	104,4

Structure of external trade turnover by continents

as % of total volume



The trade turnover with the states having the greatest share in the republic's goods turnover is presented below:

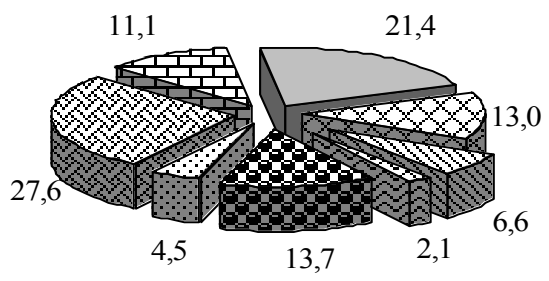
	Share in republic's goods turnover, %	As % of 2006
Russia	28,4	139,7
Kazakhstan	8,4	163,3
Ukraine	7,5	169,0
Turkey	5,3	100,6
China	5,3	102,0
Korea	4,1	82,2
Iran	4,1	88,7
Switzerland	3,0	6,4t.
Germany	2,3	84,9
France	2,3	2,4t.
Afghanistan	2,3	2,0t.
Tajikistan	1,5	111,8
USA	1,4	79,1
Kyrgyzstan	1,2	158,3
Great Britain	1,1	61,9
Latvia	0,9	139,3
Belarus	0,8	164,6
UAE	0,7	82,2
Turkmenistan	0,6	187,1
India	0,5	104,7
Japan	0,5	95,5
Austria	0,5	144,2
Azerbaijan	0,4	106,0
Netherlands	0,4	135,1
Italy	0,4	109,9
Belgium	0,3	89,6

In the reporting period Uzbekistan carried out external trade operations with 157 countries of the world and with 87 of them it had positive balance of external trade turnover.

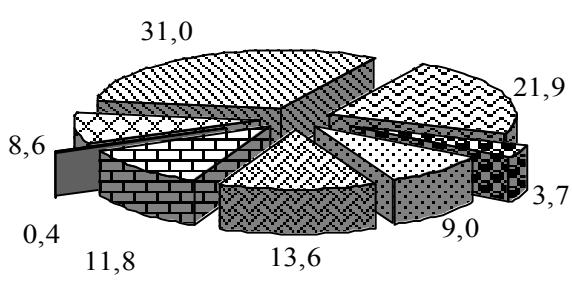
The structure of external trade with the CIS and other foreign countries in 2007 is characterized by the following data:

Exports

CIS countries

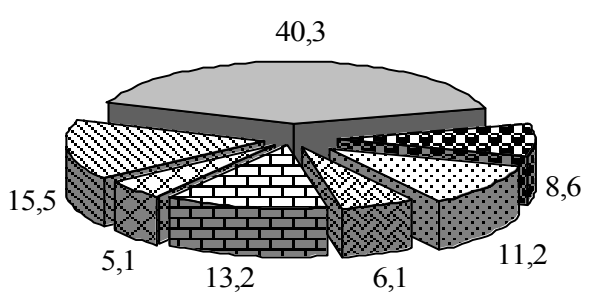


Other foreign countries

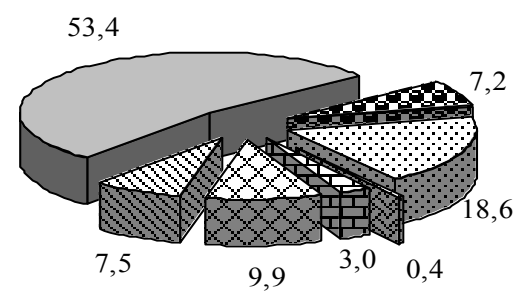










Imports

CIS countries



Other foreign countries



-  Cotton fibre
-  Food products
-  Chemical products and plastics
-  Energy products
-  Ferrous and non-ferrous metals
-  Machines and equipment
-  Services
-  Others

Industry

In 2007 the output of industrial products was 18314,7 billion soums or 112,1 percent to the level of 2006.

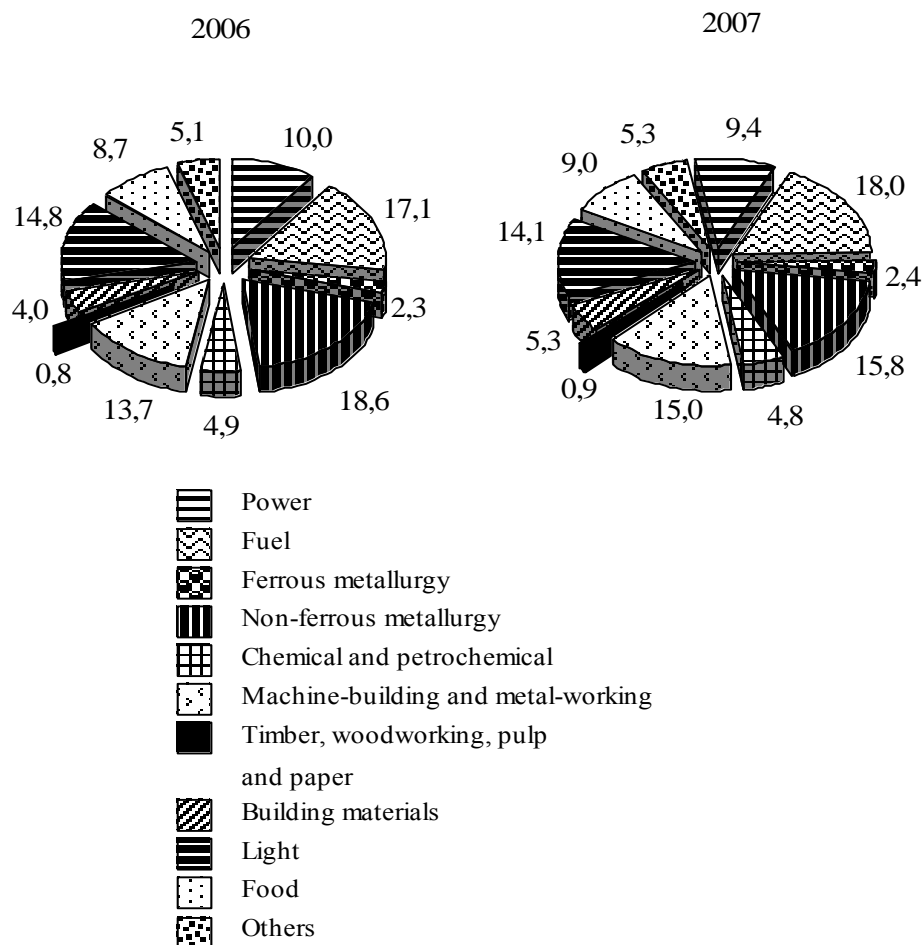
In the reporting period consumer goods were produced to the amount of 5312,4 billion soums (118,8 percent to 2006). Out of them food products (including spirits) were produced to the amount of 2056,2 billion soums (113,2 percent to the level of the previous year), non-food products - to the amount of 3256,2 billion soums (122,5 percent).

The output of products by industries and production of consumer goods in 2007 are characterized as follows:

	Bln. soums	As % of 2006
Total	18314,7	112,1
of which by industries:		
electric power	1718,7	101,9
fuel	3288,4	110,1
ferrous metallurgy	446,6	112,7
non-ferrous metallurgy	2888,1	101,3
chemical and petrochemical	887,6	118,4
machinery and metal-working	2755,8	129,0
logging, woodworking, pulp and paper	171,0	136,1
building materials	970,9	114,5
light	2574,1	108,6
food	1644,6	114,7
Consumer goods	5312,4	118,8
of which:		
food	2056,2	113,2
non-food	3256,2	122,5

The structure of output of industrial products by branches is presented below:

as % of total volume



Production of selected products by industries

	2007	As % 2006
Fuel and energy		
Electric power, mln. kWh	48950	99,3
Heat energy, mln. Gcal	20,4	99,4
Petroleum and gas condensate, mln. t	4,9	91,7
Gasoline, thous. t	1405,9	102,7
Diesel fuel, thous. t	1393,8	96,7
Fuel oil, thous. t	688,5	76,9
Kerosene, thous. t	300,0	83,6
Lubricating oils, thous. t	302,3	118,1
Condensed gas, thous. t	237,6	106,5

	2007	As % 2006
Ferrous metallurgy		
Steel, thous. t	656,4	104,6
Finished steel, thous. t	619,6	105,8
Chemical and petrochemical		
Chemical fertilizers, thous. t	1022,1	108,6
Synthetic ammonia, thous. t	1224,0	107,3
Carbamide, thous. t	430,4	101,9
Chemical agents for plant protection, t	1909	85,8
Sulphuric acid, thous. t	976,9	117,1
Chemical fibre and threads, t	15703	136,4
Acetic acid, t	9690	111,1
Soda ash, thous. t	46,7	3,6t.
Machine-building and metal working		
Motor cars, pcs	171809	122,7
Buses, pcs	1116	10,3t.
Spare parts for motor cars, mln. soums	103959,4	124,6
Tractors, pcs	2411	82,9
Tractor cultivators, pcs	1562	99,4
Compressors, pcs	84	150,0
Accumulators, thous. pcs	443	118,1
Television sets, pcs	93527	103,3
Refrigerators and freezers, pcs	10774	2,1t.
Cable products, mln. soums	107977	136,8
Installation wires, kms	8262	137,9
Cables of urban telephone communication, kms	11620	99,2
Building materials		
Cement, thous. t	6042,5	108,2
Asbestos cement sheets (roofing slate), mln. standard plates	487,9	116,9
Soft roofing materials and isol, mln. m ²	7,4	42,5
Prefabricated ferro-concrete structures and units, thous. m ³	165,4	93,9

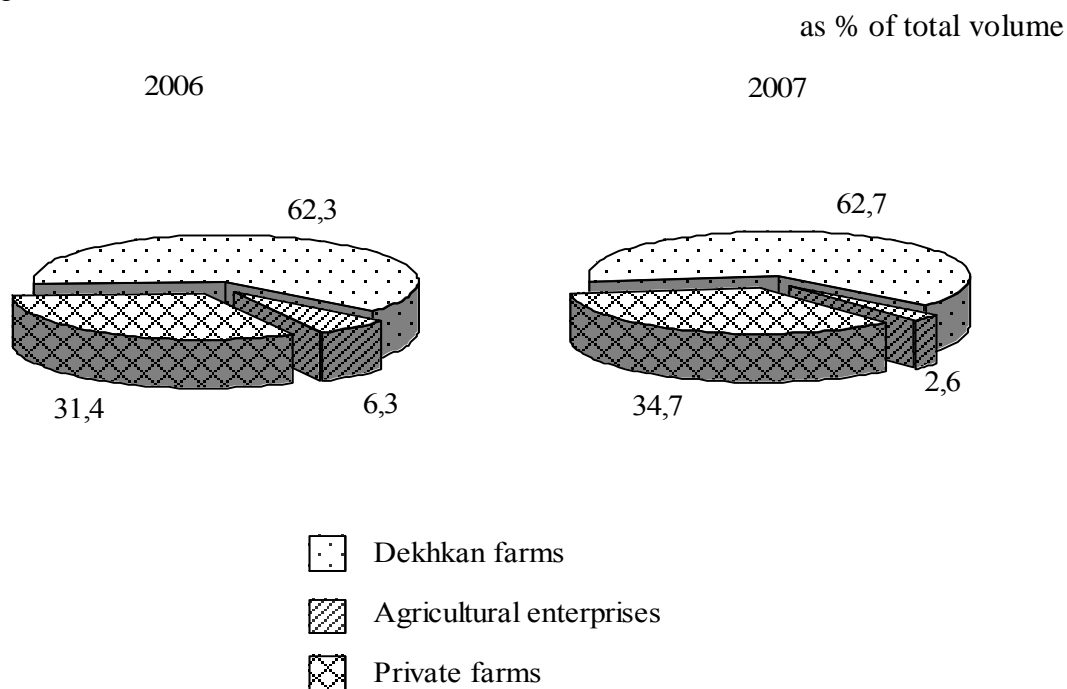
	2007	As % 2006
Glass and porcelain - faience		
Porcelain-faience dishware, mln. soums	2251,2	59,8
Window glass, 2 mm, thous. m ²	11952,0	113,3
Bottles, mln. pcs	296,7	114,1
Light		
Cotton fibre, thous. t	1125,4	96,1
Cotton seeds, thous. t	1753,5	94,8
Cotton lint, thous. t	81,6	97,2
Raw silk threads, t	486,5	83,0
Cotton yarn, thous. t	150,3	104,4
Fabric - total, mln. m ²	160,5	80,2
Knitwear articles, thous. pcs	30883	94,0
Carpets and rugs, thous. m ²	9846	103,1
Food		
Milk and dairy products, thous. t	16,4	105,7
Fruit and vegetable canned products, mln. standard cans	112,9	80,1
Granulated sugar, thous. t	170,9	100,2
Vegetable oil, thous. t	277,5	96,7
Macaroni, thous. t	17,5	102,1
Vodka and liqueur beverages, thous. dal	7667	128,0
Grape wine, thous. dal	2496	109,4
Bear, thous. dal	10413	105,3
Mineral water, mln. half-liters	169,3	133,8
Papirossy and cigarettes, mln. pcs	8729	110,4
Flour-milling and feed mill		
Flour, thous. t	1440,7	106,1
Mixed fodder, thous. t	600,5	121,7

Agriculture

In 2007 the volume of gross agricultural output was 8988,9 billion soums (or 106,1 percent to 2006), including 4951,0 billion soums (107,0 percent) of plant growing production and 4037,9 billion soums (105,1 percent) of animal husbandry production.

In the total volume of agricultural output the share of gross plant growing production was 55,1 percent and that of gross animal husbandry production – 44,9 percent.

The structure of gross agricultural output by types of farms is characterized by the following data:



Plant-growing. According to the preliminary data in 2007 the total area under crops in farms of all types was 3561,0 thousand hectares.

The area under grains was 1538,9 thousand hectares (or 95,1 percent to the level of 2006), of which under wheat – 1382,8 thousand hectares (95,5 percent)

The area under cotton was 1451,6 thousand hectares.

The area under potatoes increased by 6,5 percent, vegetables by 3,5 percent, melons by 1,9 percent. At the same time the area under forage crops made up 290,3 thousand hectares or 8,2 percent of total sown area.

In 2007 farms of all types produced 6771,8 thousand tons of grains in weight before treating, including 6325,9 thousand tons of spiked cereals, 6197,4 thousand tons of which - wheat.

State purchases of spiked cereals made up 2426,2 thousand tons, including 2385,7 thousand tons of wheat.

The structure of output of basic grain crops in farms of all types:

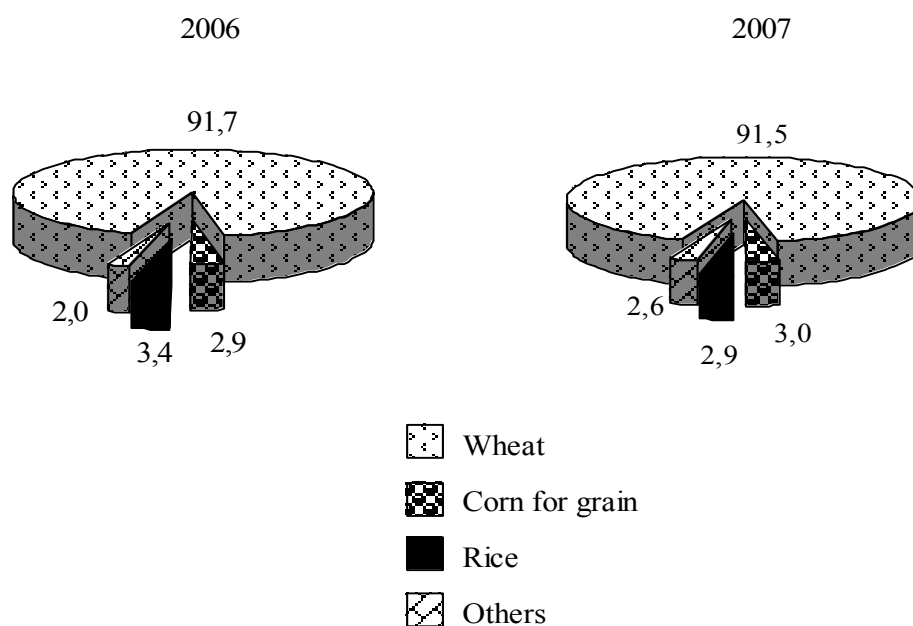
as % of total gross harvest

	2006		2007	
	thous.t	as% of total	thous.t	as% of total
Grain	6655,1	100,0	6771,8	100,0
of which:				
wheat	6099,3	91,7	6197,4	91,5
corn for grain	194,2	2,9	205,5	3,0
rice	224,0	3,3	197,7	2,9
others	137,6	2,1	171,2	2,6

In 2007 the state was provided with 3715,8 thousand tons of raw cotton, which is 103,2 percent to the target and 103,2 percent to the level of the previous year.

The structure of output of grain crops in farms of all types:

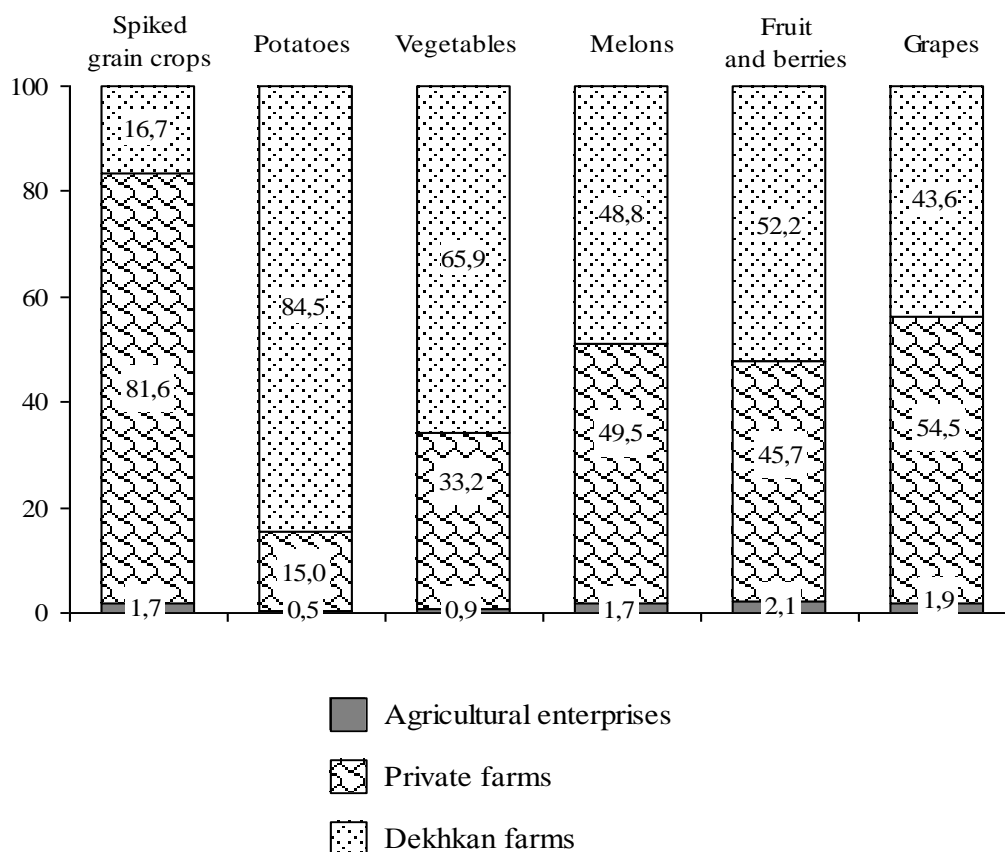
as % of total gross harvest



There were produced 1188,1 thousand tons of potatoes (16,4 percent more than in 2006), 4669,9 thousand tons of vegetables (8,8 percent), 840,0 thousand tons of melons and gourds (12,9 percent), 1269,1 thousand tons of fruit and berries (7,3 percent), 880,3 thousand tons of grapes (9,6 percent).

The structure of output of plant-growing products in 2007:

as % of total volume



Animal husbandry. As of January 1, 2008, there were 7458,1 thousand heads of cattle in farms of all types. As compared to January 1, 2007 the population of cattle increased by 413,5 thousand (by 5,9 percent), of which cows by 142,1 thousand (by 4,8 percent), sheep and goats - by 576,4 thousand (by 5,0 percent), pigs – by 2,6 thousand (by 2,8 percent), poultry - by 1911,5 (by 7,9 percent).

In total livestock number the share of cattle in dekhkan farms was 93,1 percent, in private farms - 5,6 percent, cows - 94,7 and 4,4 percent, sheep and goats – 76,0 and 6,9 percent, pigs – 70,8 and 16,8 percent, poultry – 68,2 and 5,0 percent correspondingly.

In 2007 farms of all types produced 1208,6 thousand tons of meat in living weight (6,1 percent more than in 2006), 5097,4 thousand tons of milk (5,0 percent), 2214,7 million eggs (4,1 percent), 22,4 thousand tons of wool (4,4 percent), 780,4 thousand pieces of karakuls (7,4 percent) 21,5 thousand tons of cocoons (6,0 percent).

The output of basic livestock products by types of farms:

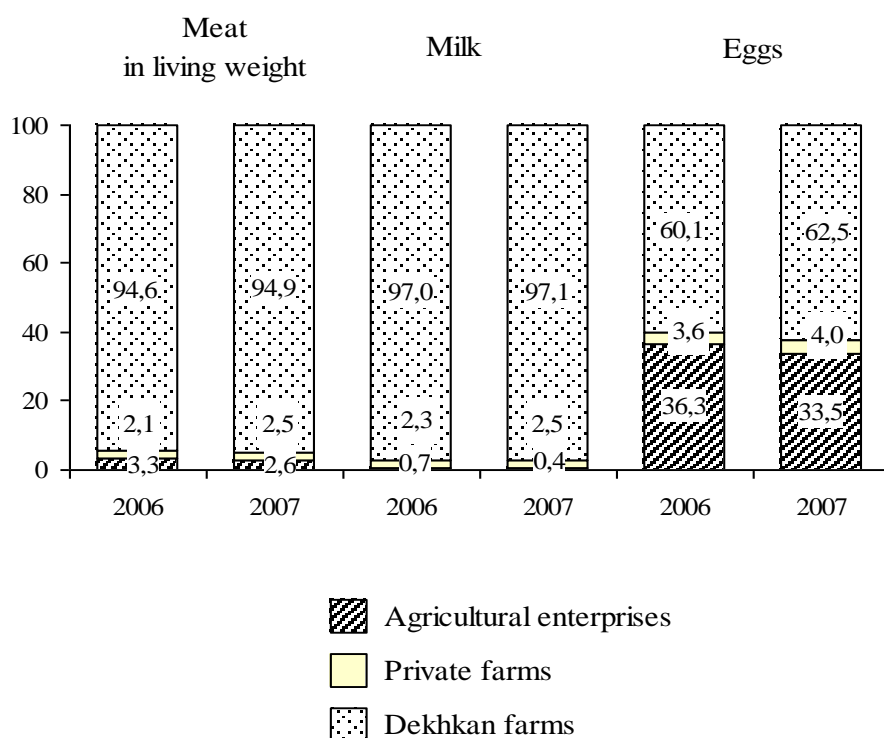
	2006	2007	2007 as % of 2006
Meat in living weight, thous.t	1139,6	1208,6	106,1
of which produced by:			
agricultural enterprises	37,1	31,3	84,4
private farms	24,2	30,0	124,0
dekhkan farms	1078,3	1147,3	106,4
Milk, thous.t	4855,6	5097,4	105,0
of which produced by:			
agricultural enterprises	35,4	22,3	62,9
private farms	111,1	125,4	112,8
dekhkan farms	4709,1	4949,7	105,1
Eggs, mln. pcs	2128,1	2214,7	104,1
of which produced by:			
agricultural enterprises	773,4	743,1	96,1
private farms	76,7	88,4	115,4
dekhkan farms	1278,0	1383,2	108,2
Wool, t	21436	22386	104,4
of which produced by:			
agricultural enterprises	3236	2868	88,6
private farms	895	1146	128,0
dekhkan farms	17305	18372	106,2
Karakul, thous. pcs	726,8	780,4	107,4
of which produced by:			
agricultural enterprises	218,5	244,4	111,9
private farms	31,5	36,5	115,4
dekhkan farms	476,8	499,5	104,8

	2006	2007	2007 as % of 2006
Cocoons, t	20249,0	21466,0	106,0
of which produced by:			
agricultural enterprises	3836,0	557,0	14,5
private farms	13871,0	18123,0	130,7
dekhkan farms	2542,0	2786,0	109,6

The share of dekhkan farms in total production of meat was 94,9 percent, milk 97,1 percent, eggs 62,5 percent, wool 82,2 percent, karakuls 64,0 percent.

The share of output of basic livestock products by types of farms in January-December:

as % of total



Private farms. As of January 1, 2008 the number of operating private farms was 217,1 thousand. In 2007 their number increased by 27,9 thousand. The number of workers was 1621,4 thousand, 456,1 thousand of them were wage earners. 2650 farms phased down their activity in 2007.

The total area of lands allotted to private farms was 5787,8 thousand hectares, on average 26,7 hectares per farm.

As compared to 2006 the sown area of private farms increased by 10,7 percent. The share of private farms in gross agricultural output was 34,7 percent in 2007.

The output of main types of agricultural products by private farms and their share in total volume of production:

	2006		2007		2007 as % of 2006
	thous. t	share, %	thous.t	share, %	
Grains	4742,2	71,3	5404,2	79,8	114,0
of which:					
Wheat	4476,2	73,4	5094,9	82,2	113,8
Corn for grain	44,3	22,8	63,4	30,9	143,2
Rice	160,4	72,8	166,1	84,0	101,6
Raw cotton	3110,3	86,4	3655,7	98,4	117,5
Potatoes	108,3	10,6	178,2	15,0	164,4
Vegetables	1305,4	30,4	1552,1	33,2	118,9
Melons and gourds	325,7	43,8	415,4	49,5	127,5
Fruit	487,9	41,3	580,0	45,7	118,9
Grapes	408,3	50,8	480,0	54,5	117,6
Meat in living weight	24,2	2,1	30,0	2,5	124,0
Milk	111,1	2,3	125,4	2,5	112,8
Eggs, mln.	76,7	3,6	88,4	4,0	115,4
Wool, t	895,0	4,2	1146,0	4,9	128,0
Karakuls, thous. pcs.	31,5	4,3	36,5	4,7	115,4
Cocoons, thous. t	13,9	68,5	18,1	84,2	130,8

In 2007 the share of private farms in total production of grain was 79,8 percent (in 2006 71,3 percent), raw cotton 98,4 percent (86,4 percent), potatoes 15,0 percent (10,6 percent), vegetables 33,2 percent (30,4 percent), melons and gourds 49,5 percent (43,8 percent), fruit and berries 45,7 percent (41,3 percent), grapes 54,5 percent (50,8 percent).

Silkworm breeding. In the current year 21,5 thousand tons of silkworm cocoons were produced (6,0 percent more than in 2006). Cocoons of the first quality makes up 44,3 percent, the second quality – 27,2 percent, seed cocoons – 1,2 percent.

Investments and construction

In January-December of the current year 5479,7 billion soums of investments were used to increase fixed capital, or 122,9 percent to January- December 2006.

The distribution of investments in fixed capital by sources of financing is presented below:

	Total invest-ments, bln. soums.	(as % of total)				
		republi-can budget	resources of enterprises and population	foreign invest-ments and credits	bank credits and other borrowed funds	means of off-budget funds
Total	5479,7	9,0	59,0	22,8	3,1	6,1
of which by enterprises of:						
state ownership	1627,6	30,1	33,6	15,4	0,6	20,3
non-state ownership	3852,1	0,1	69,7	25,9	4,2	0,1

The structure of investments in fixed capital by branches of economy in 2007 is characterized by the following data:

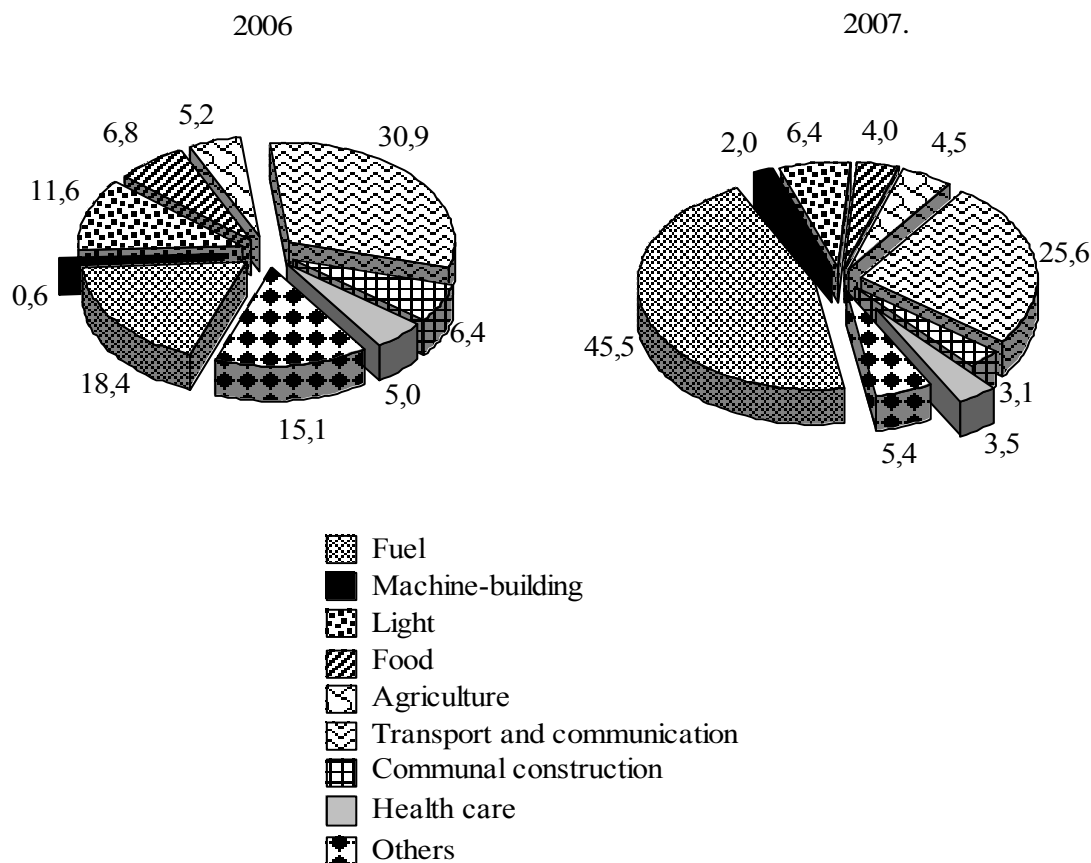
	bln. soums	as % of total volume	Memo: 2006 as % of total volume
Total	5479,7	100,0	100,0
Production branches	3840,3	70,1	68,3
industry	2013,8	36,8	32,1

	bln. soums	as % of total volume	Memo: 2006 as % of total volume
of which:			
fuel and energy	1116,5	20,4	14,7
metallurgy	355,9	6,5	5,3
chemical and petrochemical	67,3	1,2	2,2
machine-building	94,0	1,7	1,3
light	145,8	2,7	3,5
food	109,9	2,0	2,1
building materials	71,5	1,3	1,3
agriculture	180,8	3,3	4,6
construction	67,5	1,2	1,3
transport and communication	1249,8	22,8	20,7
trade and catering	93,8	1,7	1,7
other production branches	234,6	4,3	7,9
Non-production branches	1639,3	29,9	31,7
housing construction	633,0	11,5	11,5
public utilities	107,1	2,0	2,8
health care	73,4	1,3	2,4
education	686,4	12,5	11,0
Other non-production branches	139,4	2,6	4,0

3840,3 billion soums (70,1 percent of the total volume of investments) were used in production branches of the economy, 1639,3 billion soums (29,2 percent) – in non-production branches.

The use of foreign investments and credits in separate branches of economy is characterized by the following data:

as % of total foreign investments and credits



Construction of projects in social sphere

In January-December of the current year 59,4 thousand apartments with the total space of 6964,5 thousand m² (107,4 percent to the level of January-December 2006), including 6112,4 thousand m² (106,9 percent) of the rural area, were built and put into operation.

In January-December of the current year 212,4 thousand places (112,9 percent to 2006), including 178,4 thousand places (122,3 percent) of the rural area, were put into operation in general education schools. From the total number of places put into operation 189,8 thousand places, including 161,8 thousand places of the rural area, belong to reconstructed schools or 127,2 and 125,1 percent respectively to the level of the previous year.

The capital repair of 671 general education schools with 374,7 places has been completed.

215,0 billion soums of investments were used for new construction and capital reconstruction of general education schools and 31,3 percent of investments in education. Out of the total investments used for new construction and capital reconstruction of general education schools means of the school education fund made up 87,9 percent and that of the fund for children sports development – 7,8 percent.

18 academic lyceums with 12,9 thousand places, including 14 new projects with 10,4 places, were put into operation in 2007.

In the reporting period of the current year 169 vocational colleges with 110,9 thousand places were put into operation and 139 new projects with 87,7 thousand places were built, which is 1,6 and 1,9 times more respectively than in 2006.

373,8 billion soums of investments were used for construction and reconstruction of academic lyceums and vocational colleges, which made up 22,8 percent of investments in the non-production sphere and 54,4 percent of investments in education.

In 2007 outpatient-and-polyclinic institutions with 2310 visits per shift, including rural medical stations with 2010 visits per shift, were put into operation.

In communal construction 1,9 thousand kilometers of water-supply networks and 0,8 thousand kilometers of gas networks were put into operation, which made up 79,5 and 42,3 percent respectively to January-December 2006. Out of total gas networks and of water-supply networks put in place 91,8 and 86,4 percent respectively belong to the rural area.

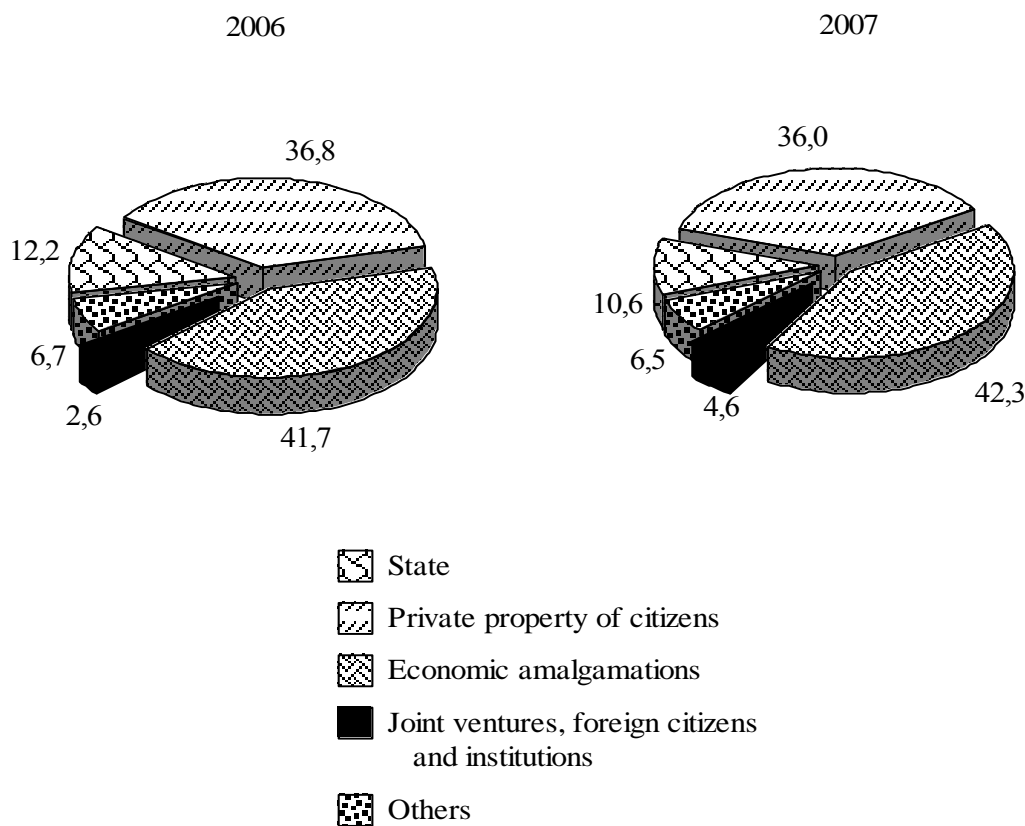
59,3 billion soums were used for construction of water-supply networks, of which 13,6 billion soums - budgetary funds (22,9 percent of their total volume), 9,3 billion soums - means of enterprises and population (15,7 percent); 4,4 billion soums were used for construction of gas networks, of which 4,3 billion soums – means of enterprises and population (98,4 percent).

Construction activity. In 2007 construction works were fulfilled to the amount of 2593,2 billion soums, which made up 115,7 percent to 2006. Out of the total volume of construction works 70,9 percent fall on new construction, reconstruction, expansion and technical re-equipment of enterprises, 22,9 percent – on capital and current repair and 6,2 percent – on other contract works.

Building organizations of non-state forms of ownership fulfilled construction works to the amount of 2318,5 billion soums, which made up 89,4 percent to the total volume of construction works.

The structure of construction works fulfilled by building organizations by forms of ownership is presented below:

as % of total volume



Transport

Freight shipment. In 2007 the volume of freights shipped by all types of transport increased by 9,4 percent and was 888,8 million tons, the freight turnover reached 78,9 billion t-km , the growth - by 7,5 percent.

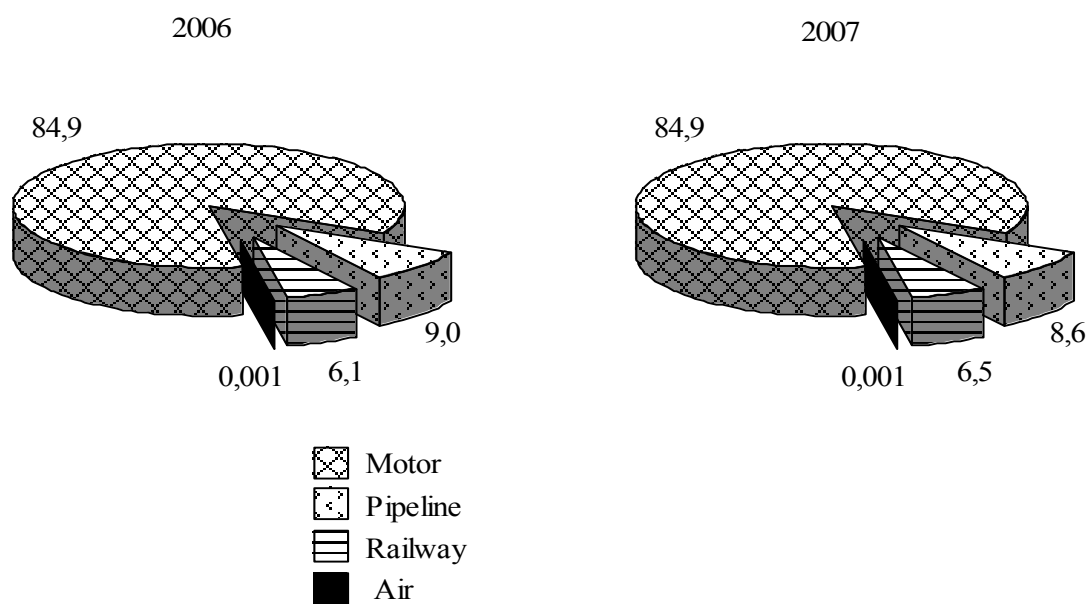
The freight shipment and freight turnover by types of transport are characterized by the following data:

	2007	As % of 2006
Freights shipped by transport, mln. t	888,8	109,4
of which:		
railway	58,0	116,1
motor	754,9	109,4

	2007	As % of 2006
air, thous. t	6,5	100,0
pipeline	75,9	104,0
Freight turnover of transport, bln. t-km	78,9	107,5
of which:		
railway	21,6	111,9
motor	18,2	113,7
air, mln. t-km	76,6	99,4
pipeline	39,0	102,6

The structure of freight shipment by types of transport is presented below:

as % of total freight shipment



The volume of basic types of freights shipped by main-line railway transport is presented below:

	Thous. tons	As % of 2006
Freights - total	58049,4	116,1
of which:		
coal	2839,0	90,3
oil	14718,6	119,8
ferrous metals	844,2	108,1

	Thous. tons	As % of 2006
iron-and-steel scrap	1069,2	116,5
chemical and mineral fertilizers	3881,0	99,3
building materials	10930,9	113,1
cement	6003,4	138,5
timber	214,3	134,4
grain and milling products	1966,3	108,6

6425,0 thousand tons of freights (14,3 percent of total exported freights) were exported by railway transport, of which 2510,2 thousand tons (5,6 percent) - to non-CIS countries.

754,9 million tons of freights were shipped by motor transport, which is 9,4 percent more than in 2006. The freight turnover increased by 13,7 percent and was 18252,2 million t-km.

The freight turnover of motor transport of individual entrepreneurs exceeded the level of 2006 by 21,6 percent and was 12,5 billion t-km. The share of private carriers in total freight turnover of motor transport was 68,4 percent.

Cargo transportation by air transport remained at the level of 2006 - 6,5 thousand tons, the freight turnover decreased by 0,5 million t-km or 0,6 percent.

The freight turnover of main pipelines increased by 2,6 percent and was 39,0 billion t-km.

Passenger transportation. In 2007 the number of passengers carried by all types of transport was 4631,6 million persons and increased by 10,7 percent. The passenger turnover was 56,5 billion pass-km and increased by 13,5 percent.

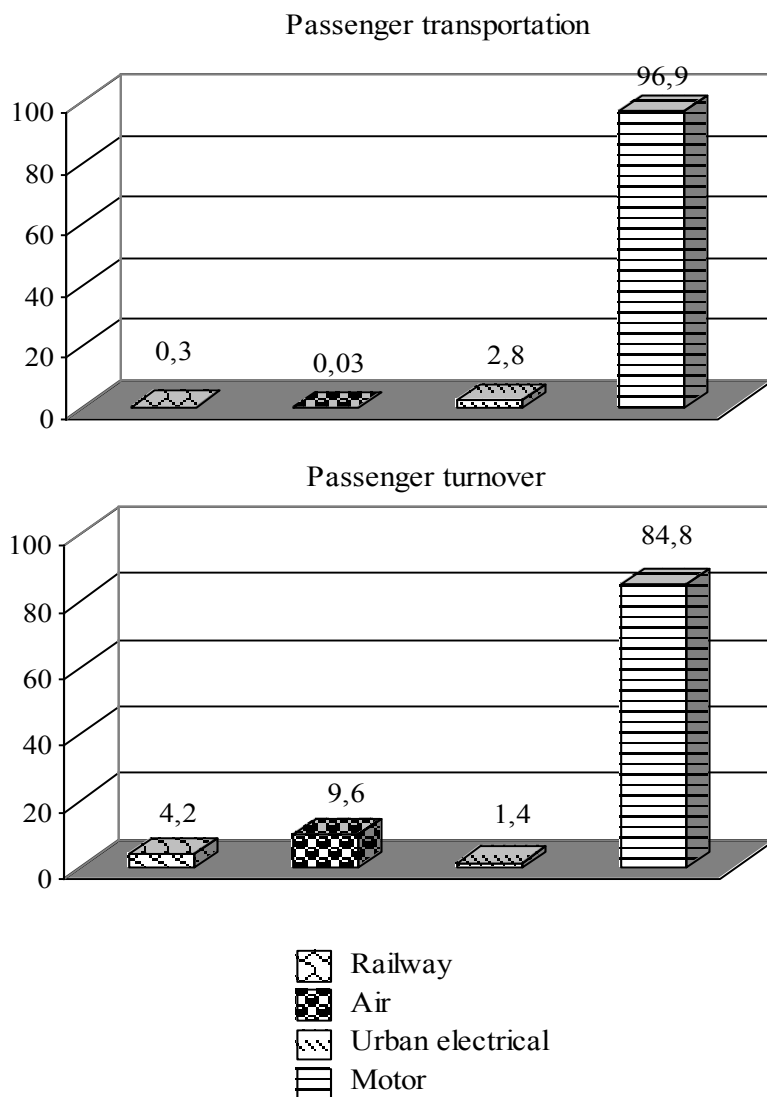
Passenger transportation and passenger turnover by types of transport are characterized by the following data:

	2007	As % of 2006
Passengers carried by transport, mln. persons	4631,6	110,7
railway	12,6	104,4
motor	4485,9	111,0
air	1,3	130,6
urban electrical	131,8	100,0
Passenger turnover of transport, bln. pass-km	56,5	113,5
railway	2,4	111,0

	2007	As % of 2006
motor	47,9	113,6
air	5,4	115,7
urban electrical	0,8	100,7

The structure of passenger transportation and passenger turnover by types of transport in 2007 is presented below:

as % of total passenger transportation



The share of motor transport in passenger transportation and passenger turnover was the highest - 96,9 percent (4485,9 million persons) and 84,8 percent (47,9 billion pass-km) respectively.

In 2007 the number of passengers carried by railway transport increased by 4,4 percent and was 12,6 million persons, the passenger turnover increased by 11,0 percent and made up 2370,6 million pas-km.

1327,6 thousand persons were carried by air transport, which is 30,6 percent more than in 2006, the passenger turnover made up 5453,0 million pass-km and was 15,7 percent higher than in 2006.

Passenger transportation by urban electrical transport remained at the level of 2006 - 131,8 million persons. Passenger transportation by trolleybus transport decreased by 13,4 percent or 2,2 million persons.

Market of goods and services

In 2007 the retail trade turnover was 9464 billion soums or 121,0 percent to the level of 2006 .

The structure of retail trade turnover by forms of ownership of economic entities is characterized by the following data:

	Bln. soums	As % of 2006	As % of total
Total	9464,0	121,0	100,0
of which by forms of ownership:			
state	22,9	145,1	0,2
non-state	9441,1	121,0	99,8
of which private ownership of citizens	7611,7	120,8	80,4

In 2007 the retail trade turnover of trade enterprises amounted to 3107,6 billion soums or increased by 34,6 percent and was 32,8 percent of total trade turnover.

29,3 percent of total turnover of enterprises fall on the rural area.

The sale of agricultural products and livestock in dekhkan markets increased by 12,4 percent and reached 3810,2 billion soums, the share of sales in retail trade turnover was 40,3 percent.

The goods turnover of the informal sector (commodity and specialized markets) amounted to 2546,2 billion soums, which is 20,1 percent higher than in 2006. The share of the informal sector in the total volume of goods turnover was 26,9 percent.

The structure of retail trade turnover in 2007 is characterized by the following data:

	Bln. soums	As % of 2006	As % of total
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	Bln. soums	As % of 2006	As % of total
Total	9464,0	121,0	100,0
of which:			
trade enterprises	3107,6	134,6	32,8
markets	6356,4	115,4	67,2
of which:			
commodity and specialized	2546,2	120,1	26,9
dekhkan (food)	3810,2	112,4	40,3

The volume index of sale of food products was 123,4 percent and that of non-food products – 118,6 percent.

In the structure of retail trade turnover the share of food products was 49,8 percent and that of non-food products – 50,2 percent. The turnover volume of catering organizations was 233,5 billion soums or increased by 41,7 percent.

The retail trade turnover, including the turnover of catering organizations, per capita increased from 280,4 thousand soums in 2006 to 351 thousand soums in 2007.

Paid services rendered to population in 2007 amounted to 3053 billion soums, the increase was 20,6 percent in comparison with 2006.

The main part of paid services was rendered to population by the official sector – 61,9 percent, the volume of services rendered by this sector - 1891 billion soums, the growth rate – 127,3 percent.

Paid services rendered to population by individual entrepreneurs increased by 11,0 percent and amounted to 1162 billion soums, the share of this sector in the total volume of paid services – 38,1 percent.

The share of the non-state sector in the total volume of paid services rendered to population reached 79,8 percent (in 2006 – 79,5 percent).

The paid services rendered to population by forms of ownership of economic entities are characterized by the following data:

	Bln. soums	As % of total	Memo: 2006 as % of total
Total	3053,0	100,0	100
state	618,2	20,2	20,5
non-state	2434,8	79,8	79,5
of which:			
private property of citizens	1250,7	41,0	44,0

The volume of paid services per a resident has increased by 18,9 percent and amounted to 113,2 thousand soums.

The share of personal services in the total volume of paid services was 12,4 percent or 378,5 billion soums. Their volume exceeded the level of 2006 by 18,4 percent. Personal services rendered by individual entrepreneurs made up 89,8 percent. The volume of services rendered by this sector amounted to 339,7 billion soums, the growth – by 24,7 percent.

In 2007 the total volume of market services by all kinds of activity was 13095,7 billion soums, including 3234,9 billion soums of the rural area, or 24,7 percent of the total volume of rendered services. As compared to 2006 the increase of services was 26,6 percent.

The production of market services by kinds is characterized by the following data:

	Bln. soums	As % of 2006	As % of total
Services - total	13095,7	126,6	100,0
of which by main kinds:			
Trade and catering	2397,7	132,5	18,3
Transport	4618,2	121,1	35,3
Communication and information, including services of information and resource centers	843,2	151,5	6,4
Financial, including microcredit granting	719,6	123,8	5,5
Tourism	23,4	122,3	0,2
Hotel	45,1	133,5	0,3
Communal	2076,8	109,3	15,9
Personal	258,1	128,0	2,0
Repair of cars and other equipment	96,6	138,7	0,7
Other market services, including services of children's institutions for health improvement and sports organizations	2017,0	142,5	15,4

The highest growth rates were achieved in the following services: communication and information, including services of information and resource centers (151,5 percent), repair of cars and other equipment (138,7 percent), hotels (133,5 percent), trade and catering (132,5 percent) and personal (128,0 percent).

The following services prevailed in the structure of services: transport (35,3 percent of total services), trade and catering (18,3 percent), communal (15,9 percent), communication and information, including services of information and resource centers (6,4 percent) and financial, including microcredit granting (5,5 percent)

Prices and inflation

Changes in indices of prices and tariffs in January-December 2006-2007 (increase in prices, %)

	Average monthly level		December to December of the previous year	
	2006	2007	2006	2007
Consumer price index	0,5	0,6	6,8	6,8
food products	0,3	0,3	3,9	3,3
non-food products	0,6	0,7	8,0	8,4
services	1,2	1,3	15,4	17,2
Industrial producer price index	1,8	0,9	24,0	10,9
Indices of freight tariffs	0,2	0,9	2,5	11,3
Indices of tariffs for communication services for legal persons	-0,6	0,1	-6,9	1,7

Producer price indices by branches of industry in January-December 2006-2007 (in % to December of the previous year)

	2006	2007
Total industries	124,0	110,9
of which:		
electric power	109,0	114,1
fuel	121,4	116,8
ferrous metallurgy	100,9	104,7
non-ferrous metallurgy	167,9	97,4

	2006	2007
chemical and petrochemical	107,4	112,0
machine-building	114,1	103,4
logging, woodworking, pulp and paper	103,7	112,4
building materials	134,0	111,7
light	114,6	113,7
food	121,3	120,6
flour milling and grain	110,4	120,1

**Indices of freight tariffs by separate types of transport
in January-December 2006-2007**

(in % to December of the previous year)

	2006	2007
Transport – total	102,5	111,3
of which:		
railway	112,6	109,9
truck	122,6	125,3
air	105,7	109,0
pipeline	95,9	108,4

**Indices of tariffs on communication services for legal persons by types of
communication in January-December 2006-2007**

(in % to December of the previous year)

	2006	2007
Communication services - total	93,1	101,7
of which:		
postal	115,9	100,0
local telephone	100,0	100,0
long-distance telephone	100,0	100,0
telegraph	100,0	104,2
cellular	78,3	104,1

Living standards

As compared to 2006 **nominal money incomes** of population in 2007 increased by 30,2 percent and amounted to 16872,7 billion soums, money expenditures and savings – by 30,7 percent and 16572,8 billion soums respectively.

The dynamics of money incomes, expenditures and savings of population is characterized by the following data:

	(bln. soums)		
	Money incomes	Money expenditures and savings	Excess of money incomes over expenditures
January-December			
2006	12954,9	12680,7	274,2
2007	16872,7	16572,8	299,9

The structure of balance of money incomes and expenditures of population in 2007 is characterized by the following data:

	Bln. soums	Share, in %	As % of 2006
Total incomes	16872,7	100,0	130,2
of which:			
remuneration of labor and other incomes from enterprises	5417,5	32,1	140,5
entrepreneurial incomes, including sale of agricultural products, property incomes and others	8786,9	52,1	123,1
social transfers	2668,3	15,8	136,0

	Bln. soums	Share, in %	As % of 2006
Total expenditures and savings	16572,8	98,2	130,7
of which:			
consumer expenditures	12409,8	73,5	130,0
compulsory payments and contributions	1123,1	6,7	125,4
increase of savings in deposits, securities, including purchase of currency, other expenditure	3039,9	18,0	135,7

In 2007 the most part of money incomes of population was formed at the expense of entrepreneurial incomes, including sale of agricultural products, property incomes and others (52,1 percent of total money incomes) and increased by 23,1 percent as against 2006.

From the total money incomes of population the share of labor remuneration and other incomes from enterprises was 32,1 percent and that of social transfers – 15,8 percent.

Consumer expenditures increased by 30,0 percent and amounted to 12409,8 billion soums. The share of consumer expenditures in the total volume of money incomes decreased from 73,7 percent in 2006 to 73,5 percent in 2007. Expenditures on compulsory payments and contributions increased by 25,4 percent and amounted to 1123,1 billion soums, their share in money incomes decreased from 6,9 to 6,7 percent. The share of savings in deposits, securities, including purchase of currency and other expenditures was 18,0 percent versus 17,3 percent in 2006.

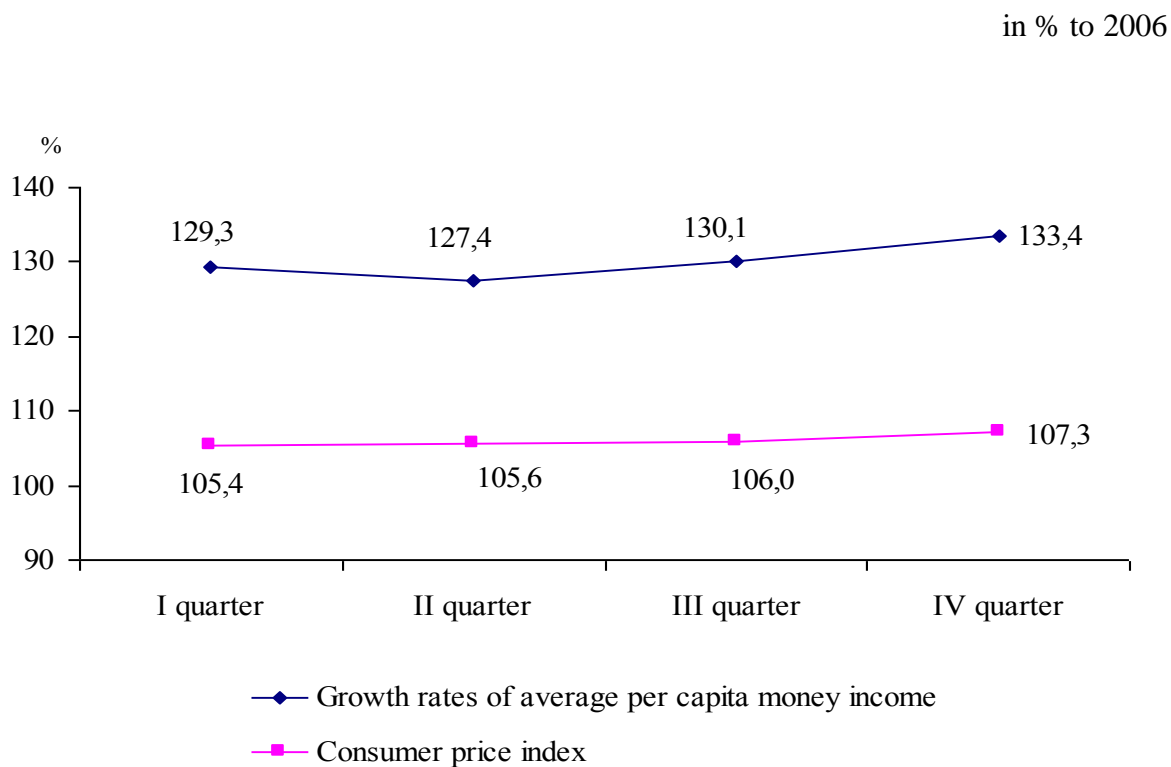
The structure of use of money incomes of population is characterized by the following data:

(as % of money incomes)

	Total money incomes	Of which used for			Increase of money
		goods purchasing and services payment	compulsory payments and contributions	accumulation of savings in deposits and securities, including purchase of currency and others	
January-December					
2006	100	73,7	6,9	17,3	2,1
2007	100	73,5	6,7	18,0	1,8

In 2007 the average per capita nominal money incomes of population increased by 28,4 percent in comparison with 2006 and made up 628,0 thousand soums.

The growth rate of nominal money incomes of population outstripped that of consumer prices and as a result real money incomes increased by 22,8 percent, which is characterized by the following data:



Demography and labor market

As of January 1, 2008 according to the preliminary data the number of the resident population in the republic was 27,1 million persons and increased from the beginning of the current year by 408,8 thousand persons or by 1,5 percent.

The natural increase was 463,7 thousand persons. Out of them 333,5 thousand persons or 71,9 percent are rural inhabitants.

According to the preliminary data the balance of migration in 2007 was minus 55,7 thousand persons (2006 – minus 65,2 thousand persons).

The natural movement of population in 2007 is characterized by the following data:

	Thous. persons			Per 1000 population	
	2006	2007 ^{*)}	increase, decrease (-)	2006	2007
Births	555,9	603,7	47,8	20,9	22,4
Deaths	139,6	140,1	0,5	5,3	5,2
of which children aged under 1 year	8,0	8,1	0,1	14,5 ^{**)}	13,7 ^{**)}
Natural increase	416,3	463,6	47,3	15,6	17,2
Marriages	208,5	248,5	40,0	7,8	9,2
Divorces	16,2	18,1	1,9	0,6	0,7

In 2007 the number of births was 603,7 thousand persons and increased by 47,8 thousand persons or 8,6 percent as compared to 2006. The birth rate increased from 20,9 pro mil in 2006 to 22,4 pro mil in 2007.

The increase in birth rate was marked in all regions of the republic. The significant increase is observed in Namangan oblast (from 20,1 to 23,2 pro mil), Fergana oblast (from 20,4 to 23,4 pro mil) and Andizhan oblast (from 20,1 to 22,2 pro mil). The lowest birth rate remains in the city of Tashkent – 17,9 pro mil.

As compared to 2006 the number of dead increased by 0,5 thousand persons or 0,4 percent. The increase of death rate was in Samarkand oblast (from 4,8 pro mil to 5,0 pro mil), Kashkadarya oblast (from 4,1 pro mil to 4,2 pro mil), Surkhandarya oblast (from 4,2 pro mil to 4,3 pro mil), Khoresm oblast (from 4,7 pro mil to 4,8 pro mil). The decrease of death rate was in Syrdarya oblast (from 5,5 pro mil to 5,2 pro mil), Tashkent oblast (from 6,5 pro mil to 6,4 pro mil), Namangan oblast (from 4,8 pro mil to 4,7 pro mil).

The highest death rate remains in the city of Tashkent – 7,9 pro mil.

Out of the total number of dead 58,7 percent died of cardiovascular diseases, 7,2 percent - respiratory diseases, 6,7 percent - accidents, poisonings and traumas.

8,1 thousand children died at the age under one year in 2007. The infant mortality rate decreased from 14,5 pro mil in 2006 to 13,7 pro mil in 2007.

Out of the total number of children died at the age under one year 39,3 percent died of respiratory diseases, 39,3 percent - states occurring in perinatal period, 8,6 percent - congenital anomalies and 6,3 percent - infectious and parasitic diseases.

In January-December of the current year 248,5 thousand marriages and 18,1 thousand divorces were registered, there are 9,2 marriages and 0,7 divorces per 1000 population versus 7,8 and 0,6 respectively in January-December 2006.

^{*)} Estimation

^{**}) Per 1000 births

The number of employed population in 2007 was 10735,4 thousand persons and increased by 2,6 percent.

The growth of employment occurred due to increase of number of employed in non-production sphere by 3,0 percent and in branches of material production - by 2,4 percent.

In branches of material production the most intensive growth in number of employed was observed in trade, catering, sale and procurements (by 8,0 percent), construction (by 3,8 percent), transport and communication (by 3,5 percent), industry (by 3,1 percent).

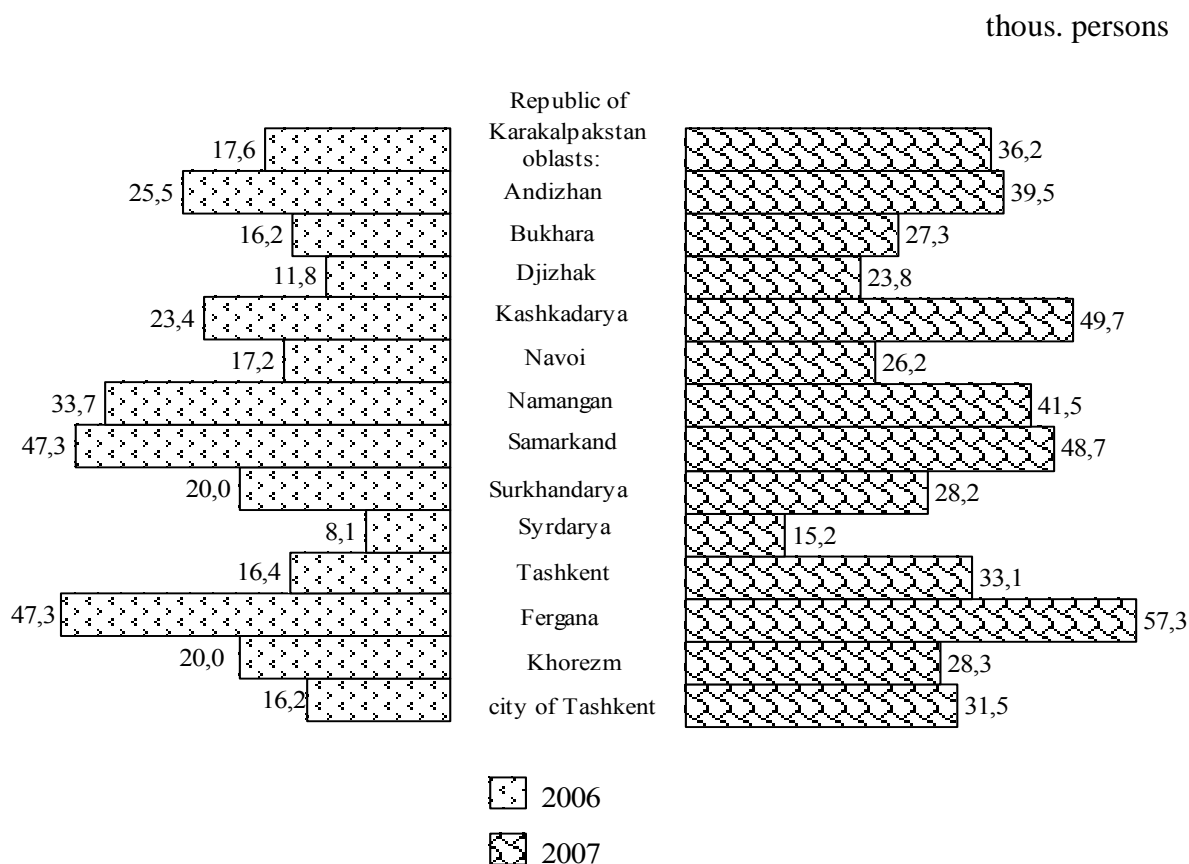
The share of employed in the non-state sector increased from 77,6 percent in 2006 to 77,9 percent in 2007.

Unemployment. In January-December of the reporting year 557,4 thousand persons applied to labor agencies for employment, which is 165,9 thousand persons or 42,4 percent more than in 2006.

Out of the total number of citizens registered as those who are looking for a job 74,5 percent are rural citizens, 0,8 percent - persons at the age of 16-18 years old, 50,9 percent - persons at the age of 18-30 years old, 47,0 percent - persons at the age of 30-50 years old.

In 2007 486,5 thousand citizens (87,3 percent of all applied to labor agencies for employment) were placed in a job, which is 5,4 percentage points more than in 2006.

The number of citizens who are placed in a job through labor agencies is characterized by the following data:



Out of the total number of persons who were placed in jobs 52,2 percent – youth (persons at the age of 16-30 years old).

Out of total workers, employees, youth (persons at the age of 16-30), women, men, rural citizens who applied to labor agencies 88,5, 84,1, 88,1, 84,8, 89,5, 84,6 percent respectively were provided with employment.

As of the end of 2007 the number of citizens registered through labor agencies as those who are looking for a job was 27,4 thousand persons, (as of the end 2006 – 29,1 thousand persons).

As of the end 2007 the greatest number of citizens registered through labor agencies as those who are looking for a job was marked in the city of Tashkent – 3,1 thousand persons (11,3 percent of the total number of persons who applied to labor agencies for employment as a whole by the republic), Navoi oblast – 2,7 thousand persons (9,9 percent), Kashkadarya oblast – 2,6 thousand persons (9,6 percent),

As of the end of 2007 out of the total number of citizens registered through labor agencies 23,2 thousand persons or 84,8 percent were recognized as unemployed. Out of them 11,4 thousand persons (49,1 percent) receive unemployment benefit.

In 2007 according to the preliminary data of the Ministry of Social Protection of Population within the framework of the Program "Employment" 628,9 thousand workplaces were created in the republic.

Out of the total number of newly created workplaces 71,5 percent fall on enterprises and institutions, including 46,2 percent of small business enterprises (excluding private farms), 11,6 percent - on private farms, 16,9 percent - on individual entrepreneurship.

The greatest number of workplaces was created in Fergana oblast (9,9 percent of the total number of newly created workplaces), the city of Tashkent (9,5 percent), Samarkand oblast (8,9 percent), Andizhan oblast (8,7 percent), Kashkadarya oblast (8,6 percent).

Out of the total number of newly created workplaces 68,3 percent (429,4 thousand workplaces) belong to the rural area.