



Important economic events and amendments to the legal regulations in May 2003

- ❖ *On May 1, the prices of the Public Switched Telephone Network services rose (increase of 15% in the domestic telecommunication impulses).*
- ❖ *On May 1, in the honor of the international Labor Day's Holiday, the largest furnace for production of ferro-silicium in **SILMAK from Jegunovce** (former Jugohrom) was officially put into operation within this plant. The restarting of the furnace ensures twice as much production of ferro-silicium compared to the present production of the four furnaces activated after the plant was taken over by the French-German corporation.*
- ❖ *From May 5 to 14, the Republic of Macedonia was visited by the regular **IMF Mission**, in order to make an overview of the achievements in the first quarter of 2003 within the Stand-by Arrangement, where they expressed positive remarks.*
- ❖ *On May 17 and 18, the Annual Meeting of the member states of the **Dutch Constituency** in the International Monetary Fund and the World Bank was held in Skopje.*
- ❖ *On May 20, the prices of oil derivatives went down. In line with such Decision of the Government, published in the "Official Gazette of the Republic of Macedonia" no. 34/2003, the retail prices dropped by 12.65% (about Denar 5 per liter, on average), while the prices of the oil refinery (prices of the producers) reduced by around 22% (it should be noted that the effect of such decrease on the general price level in the country will be evident in June, due to the specific procedure for statistical price monitoring).*
- ❖ *On May 20, the new facilities for production of beer and soft drinks of **Skopje Brewery** were put into operation. The investment amounts to Euro 55 million, and it is made exclusively from the company's own funds. The investment consists of two production sections: the first one is for production of beer, in conformity with the production technology standards of the Dutch Heineken; the second one is a modern section of Coca Cola for production of new types of the production program of the distinguished multinational company.*
- ❖ *The National Bank of the Republic of Macedonia Council discussed and adopted the following reports at its 4th session held on May 21, 2003: the NBRM Annual Report for 2002, the Report on Banking Supervision and the Banking System of the Republic of Macedonia in 2002, the Report on Managing the Foreign Exchange Reserves of the Republic of Macedonia in 2002 and the Report on the Internal Audit Department Operations in 2002.*
- ❖ *In May, the single European currency – the Euro reached its highest value against the US Dollar since its introduction (on May 27, US Dollar 1.1932 were exchanged for one Euro). The following are pointed as major reasons: the strengthened economic performances of Germany, as the largest economy in the Euro-zone; the signs of easing the traditional endeavor of the US Government for firm Dollar in the attempt to accelerate the export-oriented recovery; higher demand for Euro due to the higher interest rate in the Euro-zone (2.5%) compared to the USA (1.25%).*
- ❖ *In May, the NBRM revoked the operating license of **MIT savings house LLC Kumanovo**, since it failed to meet the minimum capital requirement prescribed for savings houses.*
- ❖ *After two international tenders were published at the end of May, the textile plant **Astibo from Stip** was sold to a consortium of 9 well-known clothing companies (for Euro 1.7 million).*