

Negotiations in full swing

Minsk's Integral JSC and Russian Electronics JSC are planning to implement joint investment projects to modernise and upgrade their production facilities

Vitaly Solodukha, Integral's Director General, tells us, "We're currently negotiating joint actions and investment projects with Russian companies, primarily with Ruselectronics. Paths have been outlined and a list of works discussed, alongside the required volume of investment. Gaining approval for investment conditions is a rather difficult process however, taking time." He emphasises that final decisions will be taken by government agencies, since Integral JSC is state owned.

Mr. Solodukha adds that Integral intends to implement an import substitution project worth about \$11m, developing production of silicon epitaxial structures. Between 2013 and 2015, it also plans to implement an investment project worth \$3m, refitting the design centre at Belmikrosistemy

Scientific and Technical Centre. Better design stations and analysis equipment are to be installed there.

In 2012, Integral supplied \$70m worth of goods to Russia — up almost 17 percent on 2011. The greatest volumes were dispatched to Russia, China and South Korea, while small orders of microelectronics products were also delivered to some European states, as well as to Singapore and Southeast Asia. In total, the company shipped its products to around 30 countries across the globe. "Virtually all the electronics products we buy from Southeast Asia use our crystals. As a rule, buyers of our microchips in China then export their goods to Europe and the USA," explains the Director General.

Integral accounts for 15-20 percent of total sales of dual-use and special-use

components on the Russian market. Russian partners treat Integral as a Russian manufacturer, through the Union State *Osnova* (Foundation) programme. Integral is viewed as Russia's top supplier of microelectronics components.

Last year, the company's foreign trade surplus reached \$50m. There are plans to raise the figure to \$60m by increasing exports this year. Sales profitability stood at 21 percent in 2012. Integral JSC designs, manufactures and exports microelectronics components and ready-made products, across a full-manufacturing production cycle. It makes a wide range of goods, including silicon substrates and integrated microcircuits and semiconductor devices, as well as microelectronic components and its own selection of electronic equipment.



Minsk Integral leads in production of microelectronic components

Income in view of expenditure

One in four Belarusian families increased its spending power last year, with the number of those on low incomes falling. Meanwhile, many managed to increase their savings.

Happily, we've begun eating more fruit, fish and meat. In addition, there are now 94 computers per 100 families, according to a National Statistical Committee survey. Over a quarter of families taking part in the poll rated their financial situation positively, compared to 2011. Half of all families feel stable in their financial situation, while 24 percent feel that their financial situation has worsened.

Stability is all

Among those families feeling that their financial situation has improved since 2011, 44 percent connect this with increased salaries; 30 percent mention increased pensions and benefits while 20.5 percent have gained a new or additional source of earnings. Inna Konoshonok, Heads of Statistics in Living Standards and Household Surveys of the National Statistical Committee, notes that 58 percent of families mentioning a worsening in their financial situation comment on significant price rises; meanwhile, 9 percent of this group note that their salary has fallen. A further 9 per-



Buoyancy at Komorovsky Market in Minsk is good indicator of consumer demand

cent explain that the birth of a child or loss of a breadwinner has affected their income. Finally, 7 percent connect their fall in income with retirement.

Ms. Konoshonok notes that over half of respondents expect to see their level of financial security stay the same while one in ten are more pessimistic. A third believe that their financial situation will improve.

If you want a thing done well, do it yourself

"Today, we're seeing a significant increase in families' savings," says Ms. Konoshonok.

"In 2012, deposits and savings rose on 2011 by almost 50 percent, comprising 9.5 percent of people's income. Interestingly, 61 percent of those polled say their savings are kept in expect-

tation of unexpected future expenditure; 30 percent plan to use their savings for repair or construction of property and 18 percent plan the purchase of consumer goods."

In addition, the survey found that the number of those with incomes below the cost of living threshold is down on 2011 (6.3 percent compared to 7.3 percent). Last year saw the lowest figures of the last decade for large families being on low-incomes, thanks to the effective implementation of state social programmes.

Curiously, the survey showed that, on finding themselves in a difficult financial situation, low-income families tend to follow certain strategies: a third try to increase their income by all possible means; half reduce their level of spending; just over 6 percent rely on state help; and another 6 percent turn to relatives for financial support.

Best in Central and Eastern Europe

Global Finance magazine names Belarusbank best Belarusian bank in emerging markets this year

22 banks from Central and Eastern Europe, Asia, the Middle East, Africa and Latin America were assessed by industry analysts and consultants to find the best for growth in assets, profitability, long term strategy, customer service, competitiveness and innovation.

"Each region and individual country presents unique challenges for banks and their customers, especially under the difficult conditions that global financial markets continue to face. Customers rely on excellence from their banking partners; these banks are providing the best solutions for their particular market," says Joseph Giarraputo, *Global Finance* publisher.

It is the third time that Belarusbank has been awarded the title. The results are being published in the May edition of *Global Finance* and the awards ceremony will take place during the annual meeting of the IMF and the World Bank, in Washington, this autumn.

The MT's reference:

* Last year, in Russia, the average salary was \$859. In Kazakhstan this stood at \$678, in Azerbaijan at \$504, in Belarus at \$447 and, in Ukraine, the average salary was \$379 — in equivalent.

* At the end of last year, in Belarus, the average pension amounted to \$220. In Russia, the figure was \$302 and, in Ukraine, pensions stood at \$184 — in equivalent.