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**RUSSIAN  
ECONOMIC  
TRENDS**

**MONTHLY**

**RUSSIAN-EUROPEAN CENTRE  
FOR ECONOMIC POLICY**

*in cooperation with*

**WORKING CENTRE FOR ECONOMIC REFORM  
GOVERNMENT OF THE RUSSIAN FEDERATION**



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# OVERVIEW OF THE RUSSIAN ECONOMY

## **Figures show three years of growth, but slowdown is evident**

Last year was the third consecutive year of rapid growth for the Russian economy. According to a recent estimate by Goskomstat, GDP grew 5% in 2001. Goskomstat also made a significant upward revision of the growth figure for 2000 from 8.3% to 9%. In 1999 growth was mainly based on effects of the 1998 rouble devaluation and increased world market prices on oil, which resulted in high export earnings and import substitution. In 2000 and 2001 the main factor behind growth was domestic demand.

Household consumption increased by almost 9% during the year, which was only slightly lower than in 2000. Investment growth continued in 2001 at roughly half of the pace registered in the previous year, i.e. at close to 9% compared with about 17% in 2000. It seems that there were no significant changes in the direction of investment flows during the year, and investment continued to be heavily concentrated in the energy and transportation sectors. Growth of industrial production in 2001 was nearly 5%, which, although robust, is less than half of the exceptionally high 2000 figure. Within industry, food production and machine building fared best, i.e. industries catering mainly for the domestic market.

Although growth of the Russian economy slowed towards the end of 2001, GDP still increased by 1.4% in the last quarter from the third quarter in seasonally adjusted terms. Developments in the past few months give no clear answer to the question whether Russia is heading for a deeper slowdown. Business surveys, which provide advance information on most recent developments, show that expansion of the manufacturing sector slowed further in December and January.

Inflation in January was expected to be quite rapid due to increases of several administratively set tariffs and prices, but 3.1% month-on-month growth of the CPI still came as a surprise to most observers. The main cause of the inflationary surge was increase in prices for services, in particular for housing, utilities and communications (all administratively set). Some of these increases were one-off and will not be repeated during the year. Therefore the January inflation figure cannot be interpreted as a signal of accelerating inflation in the future. However, other price rises are waiting in the line, including wholesale prices for products and services of natural monopolies, i.e. gas, electricity, and railway transportation. The Government decided in January not to approve the large tariff increases requested by the monopolies, but to limit initial price rises for 2002 to 20% for Gazprom and UES and 16% for the Railways Ministry. Gazprom and the Railways Ministry already made these increases in mid-February. The issue of natural monopoly prices will continue to be topical during the rest of the year, with the monopolies pushing for further increases in order to finance investments, while the Government will try to limit the increases in order to hold back inflation.

## **News from the reform front**

There have been some interesting developments in the banking sector recently, although tangible results are still lacking. In late January a commission established by President Vladimir Putin at the end of 2000 to study state ownership in commercial banks handed its report to the Government. The commission studied banks with a federal ownership share of over 25%. A total 40 such banks were identified. Except for Sberbank and Vneshekonombank, all of them are small with combined assets amounting to only 5% of total banking sector assets (with Sberbank and Vneshekonombank, the respective share is 33%). In spite of the small size of these banks, the commission recommended the state to

give up its ownership share in only seven of them. Prime minister Mikhail Kasyanov has ordered the issue to be reconsidered. In addition to these 40 banks, the state owns smaller stakes in about 400 banks, and the latter stakes will also be sold, according to the prime minister. It remains to be seen whether interested buyers can be found, but the decision of the Government to sell off at least these small stakes in the banking sector should be welcomed.

Several important laws adopted last year come into force in 2002. The privatisation programme for 2002, which is currently under discussion in the Government, is based on the amended privatisation law from last year. The law has increased the role of the Government and also the President at the expense of the Duma in privatisation-related decisions, and should hence facilitate and speed up the process. The draft programme for 2002 contains around 430 joint-stock companies where the state holds shares. The state is a minority shareholder (less than 25%) in almost two thirds of the companies, but owns over half of voting equity in 10% of them. As with the sales of small state stakes in banks, the aim of privatisation is not so much to earn money for the budget as to free the state from unnecessary assets.

Outside influence has turned out to be a strong incentive for speeding up reforms in the Russian economy. There are cases where it is obvious that purely domestic efforts would not have brought about the rapid results, which were achieved by threats of international sanctions or opportunities for gaining foreign goodwill. Money laundering legislation and its enactment is a clear example of this. In order to avoid remaining on the Financial Action Task Force (FATF) list of countries, which do not comply with requirements for combating money-laundering, Russia swiftly adopted a law against money laundering last summer. A new organisation, the Financial Monitoring Committee, has been set up to implement the law and started operations in February 2002. It is hoped that as a result of these measures FATF will remove Russia from its black list in its meeting in summer 2002.

Besides its other extensive implications for the Russian economy, the rapprochement between Russia and the WTO, and Russia's coming membership of that organisation, will be of significance for the enactment of relevant laws and honouring of international practices in Russia. Among other things, this will affect customs practices, implementation of which varies widely in different parts of the country and which are often subject to corruption and misconduct. Here pressure from a strong international organisation should be an effective tool in addressing the problem.

### **Key indicators of the Russian economy (year-on-year % growth unless otherwise noted)**

	1997	1998	1999	2000	2001	2002	
GDP	0.9	-4.9	5.4	9.0	5.0	n.a.	
Industrial production	2.0	-5.2	11.0	11.9	4.9	n.a.	
Fixed investment	-5.0	-12.0	5.3	17.4	8.7	n.a.	
Inflation (end of period)	11.0	84.4	36.5	20.2	18.6	19.0	Jan
M2 (end of period)	29.5	36.3	57.2	62.4	40.0	n.a.	
Unemployment rate (ILO, %)	10.8	11.9	13.7	10.5	9.0	n.a.	
Federal budget balance (% to GDP)	-6.7	-4.9	-1.7	2.5	2.9	n.a.	
Current account balance (% to GDP)	0.5	0.3	13.5	18.5	11.0	n.a.	

Source: Goskomstat, CBR, Ministry of Finance.

## Domestic demand

According to the data released recently by the Organisation for Economic Co-operation and Development (OECD), Russian GDP per capita measured at purchasing power parity in 1999 was equal to about 17% of that in the USA, and was approximately equal to per capita GDP in Turkey. As in Moscow in 1999 GDP per capita was 2.8 times higher than the Russian average, it can be calculated that the Moscow per capita GDP measured at PPP was about 47% of the US average and approximately equal to that in Greece and Slovenia.

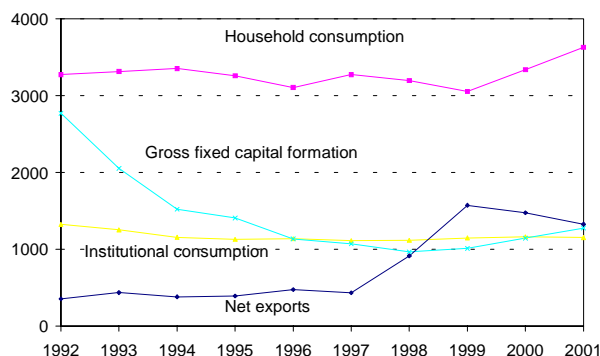
According to Goskomstat data and RET staff estimates, real GDP by expenditure increased in 2001 by 4.9% (8.7% in 2000). As a result the volume of real GDP exceeded the level of 1994 but was still about 16% lower than in 1992. Household consumption grew by 8.7% in 2001 (9.3% in 2000), and exceeded the 1992 level by 11%. Gross fixed capital formation increased by 11.5% (13.2% in 2000), but was still 54% lower than in 1992. Real institutional consumption (of the Government and non-commercial organisations) decreased in 2001 by 0.9% (1.3% in 2000) and was 13% lower than in 1992. Finally, real net exports dropped in 2001 by 10.1% (-6.2% in 2000), but despite this two-year decline they were 275% higher than in 1992.

Growth of domestic demand slowed down slightly at the end of 2001, but in December 2001 real consumer expenditures (a proxy for household consumption) were still 8.3% higher than in December 2000, and real gross fixed investment (a proxy for gross fixed capital formation) was 11.8% higher in December 2001 than a year earlier. It is too early to draw any definite conclusions on a slow-down of economic growth in Russia. For example, real GDP increased by 1.4% in Q4 2001 to the previous quarter in seasonally adjusted terms, which is only slightly less than the quarterly increase in Q3 2001 (1.6%).

## Foreign sector

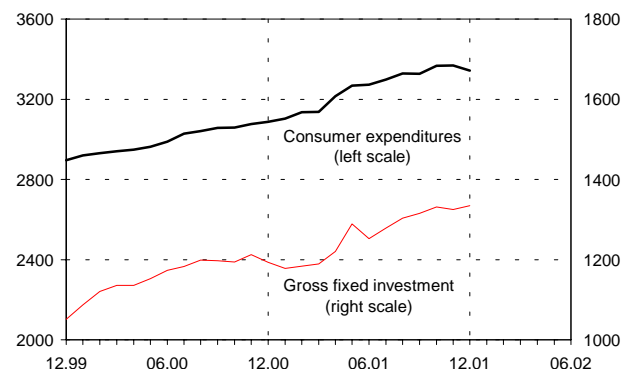
After relative stabilisation in November 2001, Russia's trade surplus experienced a major drop of 24% in December, from \$3.3 bn to \$2.6 bn. This is the lowest figure since June 1999, when the surplus fell to \$1.4 bn. The main reasons for the deterioration were resumption of decline in exports and continuing rise in imports. Exports in December declined by 2% from November and by 20% year-on-year, reflecting adverse price dynamics on world oil markets. Not surprisingly, exports to non-CIS countries were affected most strongly, falling by 5% from November and by 23% year-on-year, whereas exports to CIS countries actually rose by 1% in December and sank by only 3% year-on-year.

## Components of final demand at constant prices (R bn, 2000)



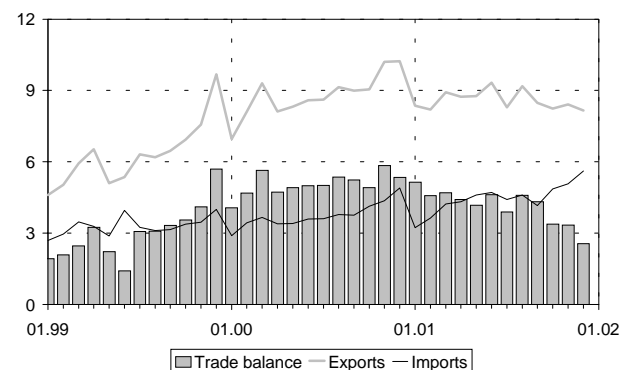
Source: Goskomstat and RET staff estimates.

## Proxy estimates of the components of final domestic demand at constant prices (R bn, 2000, seasonally adjusted)



Source: Goskomstat and RET staff estimates.

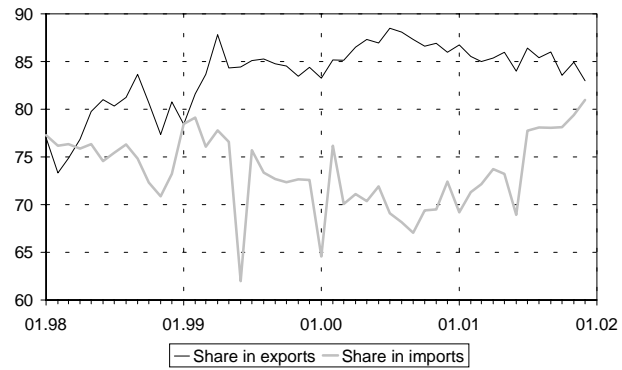
## Merchandise exports and imports (\$ bn)



Source: CBR.

By contrast, total Russian imports have been rising since September 2001, reaching \$5.6 bn in December, which is 11% higher than in November and 15% higher than a year earlier. Year-on-year growth of total imports has exceeded 10% in all but one month since July 2000, reflecting steady growth in demand for imports due to growth of domestic income. It is important to note that monthly imports from CIS countries have declined year-on-year since July 2001, suggesting a shift from cheaper CIS goods to more expensive but higher-quality goods produced in non-CIS countries. This trend in imports together with the fall in exports has almost completely closed the 'non-CIS trade gap' – i.e., the gap between the share of non-CIS countries in total exports and their share in total imports. In December 2001 this gap equalled only 2 percentage points as compared with 5.6 p.p. in November 2001 and almost 14 p.p. in December 2000.

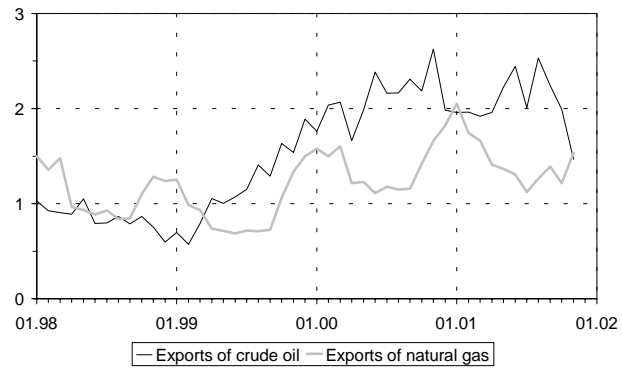
### Share of non-CIS countries in foreign trade (%)



Source: CBR.

For the year 2001 as a whole, total Russian exports declined by some 2%, whereas total imports rose by as much as 19%. The principal drop in exports occurred in Q4, when they declined by 16% year-on-year. As a result, according to the most recent estimates, the trade balance surplus declined from \$60.6 bn in 2000 to \$49.7 bn in 2001.

### Exports of crude oil and natural gas (\$ bn)

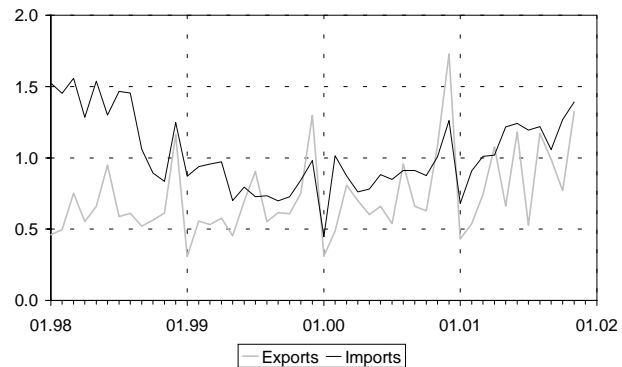


Source: Goskomstat, State Customs Committee.

The State Customs Committee reports that oil exports in physical terms rose in 2001 by 12%, whereas their total value declined by 3% to \$22.9 bn due to the dynamics of world prices. Exports of oil products dropped from \$10.7 bn in 2000 to \$10.2 bn in 2001, whereas exports of natural gas rose from \$16.6 bn to \$17.2 bn.

At the beginning of February 2002 the Russian prime minister, Mikhail Kasyanov, announced that Russia may abandon its self-imposed restrictions on oil exports in Q2 2002 if the world economy returns to growth. The announcement came a few days after the Russian government lowered export duties on fuel oil from 20 euros per tonne to 10 euros per tonne (effective from February 5). Market analysts saw this measure as a sign that Russia would speed up exports of oil products, in order to substitute export revenues lost due to the decision to cut crude oil exports by 150 000 barrels per day since January 1, 2002. However, the government abstained from lowering export duties on other categories of oil products, despite intense pressure by Russian oil companies. This decision was no doubt induced by desire to limit the negative influence of changes in export duties on budget revenues. It is expected that the Russian government will formulate its new strategy for regulation of oil exports in March.

### Trade in machinery and equipment (\$ bn)



Source: Goskomstat, State Customs Committee.

More recently (on February 11, 2002) prime minister Mikhail Kasyanov ordered the government to amend

Russian proposals in negotiations on joining the WTO. The most important changes would affect the Russian position on liberalising access by foreigners to service markets (mainly financial, construction, health and educational services). Import duties on aluminium products, aircraft, cars, furniture, and pharmaceuticals are also likely to be changed. A special Government meeting on issues connected with WTO membership is scheduled for March 14.

## Output

According to preliminary estimates, real gross output increased by 5.0% in 2001 to the previous year (9.0% in 2000). Gross output of goods increased by 6.5% (11.0% in 2000). Real output of market services grew in 2001 by 4.1% (8.8% in 2000), and output of non-market services declined by 0.8% (+1.3% in 2000).

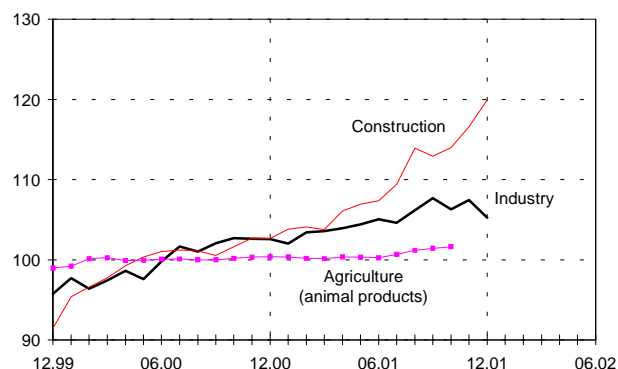
In the goods-producing sector industrial production increased by 4.9% (11.9% in 2000). The fastest growth was observed in the food processing industry (8.4%) and machinery (7.2%). The lowest growth was in electricity production (1.6%), and ferrous metallurgy, where output declined by 0.2%. The real volume of construction works increased in 2001 by 9.9% (11.5% in 2000). Agricultural output in 2001 was 6.8% higher than a year earlier (7.7% in 2000), of which production of animal products grew by only 2.6%. Production of plant products increased by 10.3% due to the good grain harvest, which in 2001 was estimated at 85 mn tonnes (65.5 mn tonnes in 2000).

Among the sectors producing market services the highest rates of growth were in communications, where the real volume of services increased by 19.9% (13.8% in 2000), of which communication services to business grew by 20.2% in real terms (16.6% in 2000), and services to households – by 19.3% (8.2% in 2000). Freight transportation turnover grew by 3.1% (5.0% in 2000), while passenger transportation turnover declined by 0.6% (+5.5% in 2000). The real volume of wholesale trade increased by 5.2% in 2001 (44.5% in 2000), and the real volume of retail trade grew by 10.8% (8.7% in 2000).

## Prices

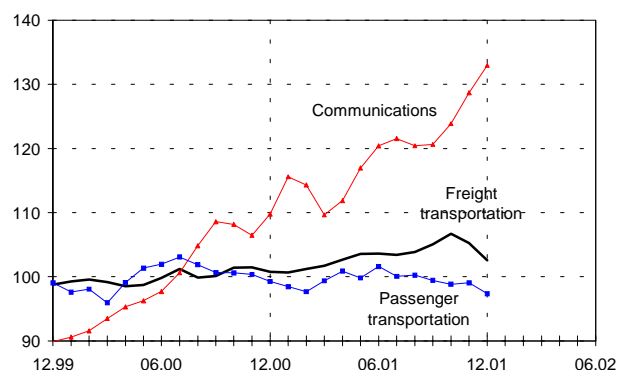
The consumer price index (CPI) increased by 3.1% in January 2002 due to substantial price rises for paid services (7.5%). The growth of CPI for services was due to higher prices for accommodation and utilities, communications and transportation. CPI for food grew by 2.8% in January and for non-food goods – by 1.2%. As a result the 12-month rate of CPI growth increased from 18.6% at end-December 2001 to 19.0% at end-January 2002. The investment price index (IPI) continued to grow much more

**Real gross output of goods  
(2000 = 100, seasonally adjusted)**



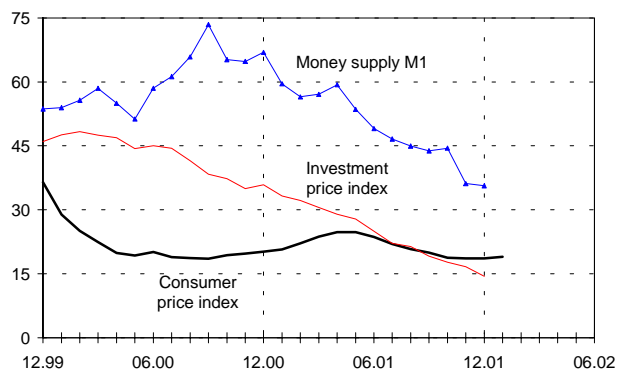
Source: Goskomstat and RET staff estimates.

**Real gross output in transport and communications (2000 = 100, seasonally adjusted)**



Source: Goskomstat and RET staff estimates.

**12-month rates of growth of price indices for the components of final demand (%)**



Source: Goskomstat, CBR.

slowly than CPI. At the end of 2001 its 12-month rate of growth was equal to only 14.4%.

The composite producer price index, covering industry, construction, agriculture, freight transportation and business communications, increased by 14.8% over 2001 (32.9% over 2000). The lowest y-o-y rate of PPI growth in 2001 was observed in industry (10.7%). Prices for natural gas increased over the year by 41.5%, for electricity – by 30.2%, for coal – by 22.4%, while domestic crude oil prices decreased by 2.9%. PPI in business communications grew over 2001 by 15.0%, in construction – by 15.2% and in agriculture – by 17.5%. Prices in freight transportation grew by 38.6% during 2001, of which prices for rail transportation increased by 34.4% and prices for pipeline transportation by 58.5%, causing substantial upward pressure on the overall level of producer prices.

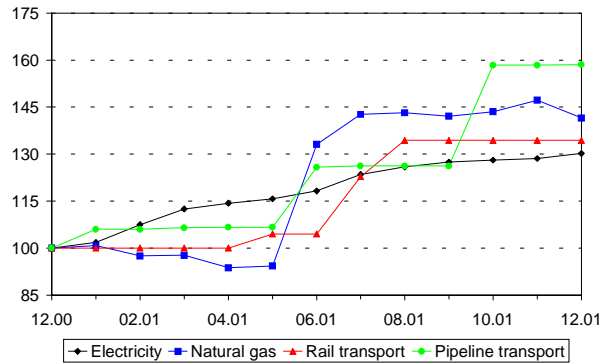
### Labour market

According to preliminary Goskomstat estimates, the size of the civilian economically active population decreased from 71.8 mn in 2000 to 71.4 mn in 2001 (-0.4 mn). The total number of civilian employees increased from 64.3 mn in 2000 to 65.0 mn in 2001 (+0.7 mn). The average number of the unemployed during the year, estimated using ILO methodology, decreased from 7.5 mn in 2000 to 6.4 mn in 2001 (-1.1 mn). As a result the average unemployment rate dropped from 10.5% in 2000 to 9.0% in 2001. Unfortunately these overall estimates have a very tentative character as the last labour survey, for which data are available, was conducted in May 2001.

Reported data look less favourable. The reported number of payroll employees at large & medium-sized enterprises continued to decrease: in November it equalled 40.9 mn, down 0.7 mn from a year earlier. At the same time registered unemployment is gradually going up. There were 1.31 mn job-seekers at the end of 2001 compared with 1.20 mn a year earlier, and the number of registered unemployed was 1.23 mn (1.04 mn at the end of 2000).

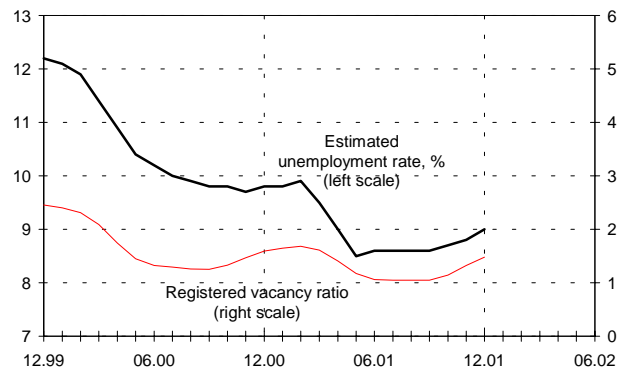
Real reported monthly wages due, estimated using the deflator for consumer expenditures, were 21.4% higher in 2001 than in 2000 (according to Goskomstat estimates, based on CPI changes, real wages increased by 19.8%). At the end of the year both of the above estimates were still respectively 22% and 20% higher than a year earlier. Slowdown of real wage growth at the end of the year was partly compensated by traditional year-end repayment of wage arrears. The stock of wage arrears was R29.9 bn by the end of December, compared with R31.7 bn at the beginning of the year. Over the year budget wage arrears decreased from R4.9 bn to R3.6 bn. Arrears of enterprises increased in the first 11 months of the year, and this growth was repaid in December. As a

### Producer prices in monopolistic sectors (December 2000 = 100)



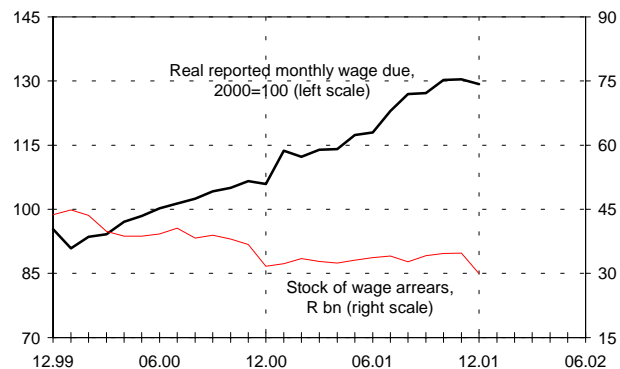
Source: Goskomstat.

### Unemployment indicators (end of month)



Source: Goskomstat and Ministry of Labour.

### Real wages\* and nominal wage arrears



\* Seasonally adjusted index of real wages is based on price deflator for consumer expenditures.

Source: Goskomstat and RET staff estimates.

result arrears of enterprises practically returned to the level of 26.7 bn, recorded at the end of 2000.

### Fiscal and budgetary policy

According to preliminary Ministry of Finance data, federal budget revenues in January were R160 bn and expenditures were R80 bn. Revenues exceeded the planned target by approximately 15%. The reasons for such good results are not clear, but could be the combined effect of increased tax compliance (following tax reforms), large amounts of advance tax payment and relatively high inflation in January. However, the last factor was probably not significant because most of the price growth in January was due to increase in the tariff for household utilities.

Treasury reports on final results of budget execution last year show federal budget revenues of R1591 bn, including R1461 bn of tax revenues. Total federal budget revenues in 2001 were 17.6% to GDP, which is 1.6 percentage points higher than in 2000. It should be noted that the trend towards accumulation of more resources in the federal budget at the expense of lower level budgets is continuing.

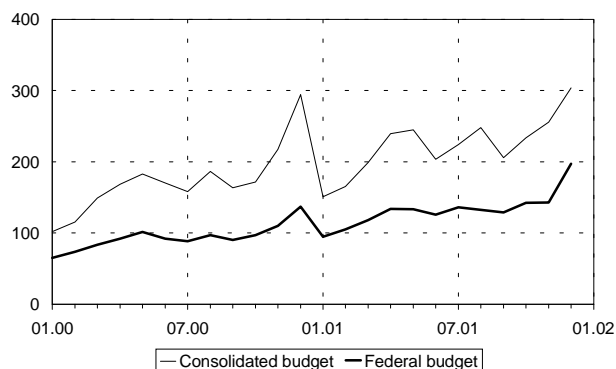
Total revenues of the consolidated budget in 2001 were R2674 bn. Their level to GDP was 29.6%, which is roughly equal to the level in 2000. Since 2000 was a good year for tax revenues and 2001 saw implementation of reform, aimed at reducing the tax burden, the results for 2001 suggest that the fiscal system has indeed become more efficient.

The same tendencies were visible on the expenditure side. Calculated as a share of GDP, consolidated budget expenditures were 26.6%, which almost coincides with the result for 2000. Federal budget expenditures exceeded their level in 2000 by 1.2 p.p. and were 14.7% to GDP. While the share of government spending in GDP remained constant, expenditures grew in real terms.

In order to achieve broader analysis of budget execution over 2001 it is worth analysing the situation with tax arrears. Total cumulative arrears to the consolidated budget from the beginning of the 1990s to the end of 2001 were R475 bn. Of this total, 30% are deferred payments, i.e. tax payments, which were postponed under mutual agreement between tax authorities and tax-payers. The total arrears are equal to about two months of consolidated budget revenue. In 2001 there was a slight increase of R11 bn in the total amount of tax arrears.

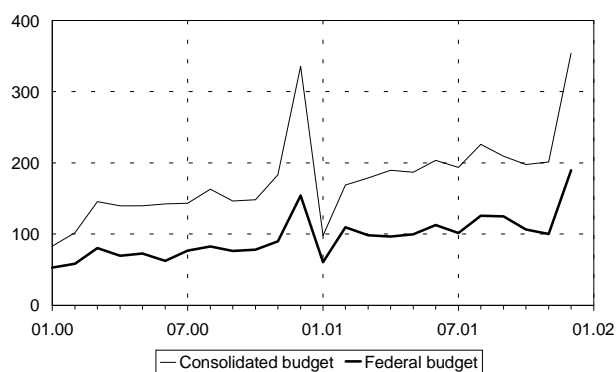
Unfortunately it has become impossible to divide arrears between federal and local budgets, due to a change in methodology by Goskomstat in 2001. Currently, besides data on arrears to the consolidated budget, the only available data on arrears to the federal budget relate to main taxes – VAT and profit

### Federal and consolidated budget revenues (R bn)



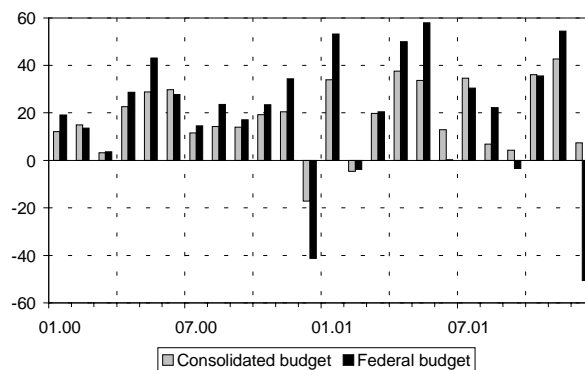
Source: Ministry of Finance.

### Federal and consolidated budget expenditures (R bn)



Source: Ministry of Finance.

### State budget balance (R bn)



Source: Ministry of Finance.

tax. Using the figures on federal budget arrears at the end of 2000 and the dynamics of VAT and profit tax arrears in 2001 the current total stock of arrears can be estimated at R302 bn. Total increase in arrears to the federal budget in 2001 was approximately R10 bn.

The structure of arrears to the consolidated budget according to types of tax shows that the biggest share of arrears (50%) is due to VAT, while overdue profit tax also takes a major share (19%) of total arrears stock. To summarise, although the stock of arrears increased in 2001, the overall situation with tax compliance was better than in previous years: new arrears were equal to only 0.5% of tax revenues compared with 5% a year earlier.

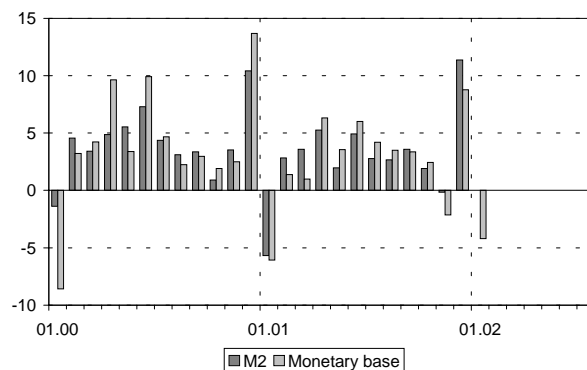
### Monetary policy

The money multiplier stood at 2.26 for December, representing a major increase from 2.21 in November. This is a departure from the usual seasonal behaviour of the multiplier, which has tended to register its annual minimum in the last month of the year (2.17 in December 1999, 2.20 in December 2000), and can be interpreted as a sign of increased demand for money. M2 grew by 11.4% m-o-m in December 2001, while M0 and deposits rose by 10.8% and 11.7% respectively. By the end of the year M2 amounted to R1602 bn. Total growth of M2 in 2001 was 40%, M0 and deposits grew at the same rate. In real terms M2 increased by almost 18% in 2001 vs. 37% in 2000.

The CBR slightly relaxed monetary policy in January 2002. As a result interbank interest rates decreased: the average one-day MIACR (Moscow Inter-bank Actual Credit Rate) fell from almost 24% in December 2001 to less than 10% in January 2002. At the end of January 2002 monetary base was 39% higher than a year earlier. The same indicator in December 2001 was 36%. Thus, monetary base increased by 3% y-o-y, which also reflects relaxation of monetary policy at the beginning of the year. Monetary base decreased in January by R29.7 bn or by 4.2% m-o-m to R678.8 bn. The decline in monetary base at the beginning of the year is a seasonal event, probably associated with a jump in demand for money during December, followed by return to a 'normal' level of demand in January. For example, monetary base dropped by 6.1% in January 2001 and by 8.6% in January 2000.

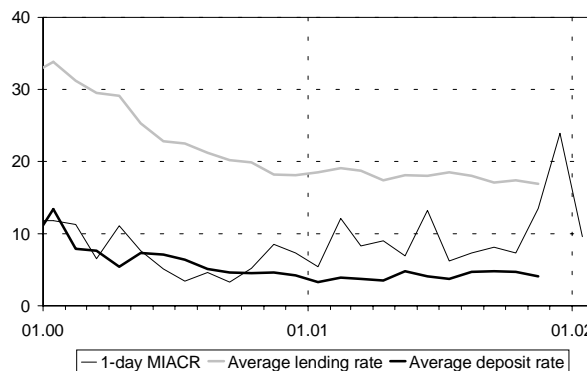
The softer monetary policy encouraged an attack on the rouble in January 2002. The official exchange rate of the rouble against the dollar decreased over the month by 55 kopecks or 1.8% to R30.69/\$. This was the fastest decrease of the nominal rouble exchange rate since January 2000. There are reasons to believe that the CBR was more concerned with pre-

**Changes of M2 and monetary base (%)**



Source: CBR and RET staff calculations.

**Average interest rates (%)**



Source: CBR.

servicing its gross international reserves (GIR) than propping up the exchange rate in January 2002. The CBR lost only \$0.1 bn of GIR last month, which was noticeably less than monthly losses of \$0.7 bn in November and December 2001. GIR amounted to \$36.5 bn at the beginning of February 2002. The exchange rate of the rouble against the euro did not change much in January 2002, with the rouble losing only 0.2% m-o-m against the EU currency.

Simplifying the situation, we can say that there are three variables, which the CBR can use to guide its monetary policy in the short run: the exchange rate, the level of GIR and the liquidity of the financial system. But the CBR can not optimise performance of all three variables at the same time (let us say, minimal devaluation and GIR losses combined with high liquidity of the financial system). For example, if the CBR wants to minimise devaluation and prevent losses of GIR, it needs to squeeze the liquidity of commercial banks (with resulting growth of inter-bank interest rates). This is close to the situation in December 2001. If liquidity and levels of GIR are the prime targets, they will only be achieved at the cost of devaluation. Such was the situation in January 2002.

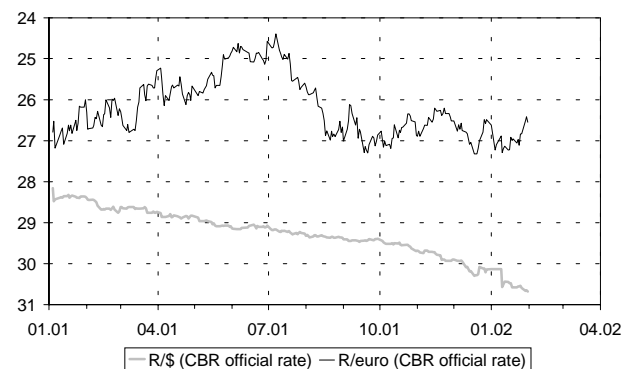
The rouble continued to appreciate in real terms in December 2001. The trade-weighted rouble appreciated by 0.8% m-o-m. As in November 2001 this was mostly caused by depreciation of the euro. Real appreciation of the trade-weighted rouble in 2001 amounted to 9.9%. Real appreciation of the rouble against the euro and the dollar was 15.2% and 7.2% respectively. The real exchange rate against the Ukrainian hryvna appreciated by only 1.2% in 2001.

### Banking system and credit markets

Official statistics show steady expansion by the Russian banking system last year. In January–November 2001 total assets of commercial banks grew by 31% in nominal terms, standing at R3090 bn on December 1, 2001. Equity capital totalled R601 bn, up 38% over the same period. The number of operating banks increased slightly in 2001 (from 1311 to 1319) for the first time since 1995. However, CBR statistics show a major reduction in the number of insolvent banks still deemed to be operating despite revocation of their banking licences: more than one hundred banks were liquidated.

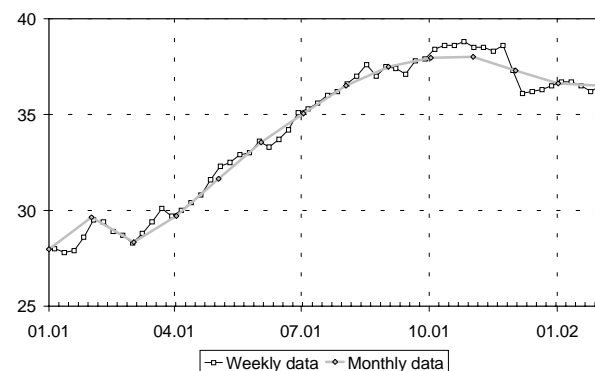
The world economic downturn in the second half of 2001 may have contributed to re-orientation of Russia's commercial banks towards the domestic economy. This is evidenced by a 20% drop in foreign assets of the banking sector in the period from July to December 2001. Also, investment by the banking sector in securities issued by non-residents fell from R15 bn at the beginning of 2001 to R8 bn as of De-

### Rouble exchange rates



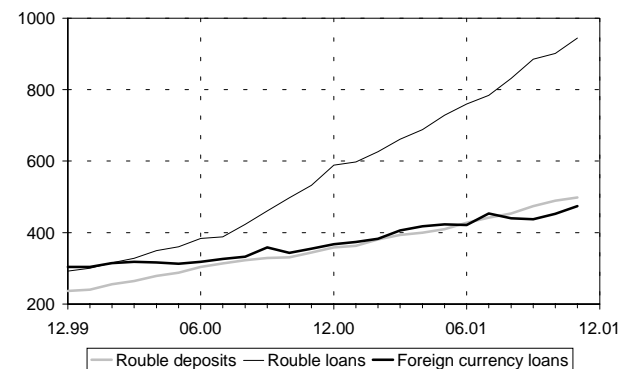
Source: CBR.

### Gross international reserves (weekly and monthly data)



Source: CBR.

### Lending and deposit taking by commercial banks (R bn)



Source: CBR and RET staff estimates.

ember 1, 2001. By contrast, domestic credit was on an upward trend in H2 2001, with claims on the private sector rising by 30% to R1390 bn as of January 1, 2002. However, the share of loans with maturities longer than one year dropped from 28% to 25% during the second half of 2001. Total deposits at Russian commercial banks grew by 11% over the same period, though the real interest rate on deposits remained negative. The Russian credit market continues to suffer from its notorious faults: the dominant position of the two largest state-owned banks and a high share of lending to related parties.

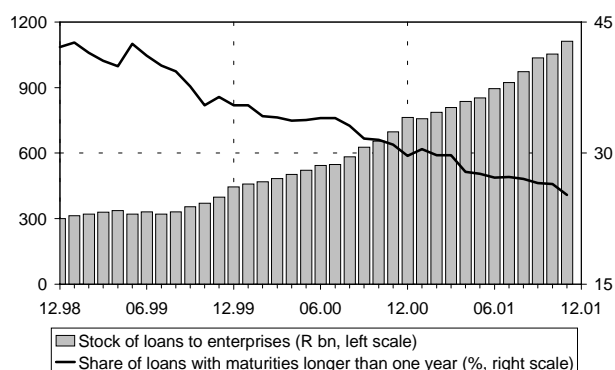
A document entitled 'Development Strategy for the Banking Sector', which was signed by prime minister Mikhail Kasyanov and chairman of the CBR Victor Gerashchenko in the last days of 2001, calls for levelling of the playing field between private banks and the state-owned Sberbank and Vneshtorgbank. With this aim in view the strategy envisages approval of the law on bank deposit insurance in 2002 in order to increase public confidence in private banks. The strategy also sets a deadline for CBR divestiture of Vneshtorgbank.

In January 2002, the issue of Vneshtorgbank privatisation was at last addressed. The privatisation plan was developed and approved by the Government, the CBR, the EBRD (as a potential investor) and President Vladimir Putin. In a first stage, the Government plans to acquire a 40% stake in Vneshtorgbank from the CBR. Then it will offer newly issued shares to investors, including the EBRD. As a result, 20% of Vneshtorgbank equity is to be taken by private investors, while the Government stake will be reduced to 32%. The next stage will be full divestiture of Vneshtorgbank by the CBR. However, this seems unlikely to be completed by January 1, 2003, as planned. In addition, the Government aims to keep a blocking stake in Vneshtorgbank till 2007.

### Capital markets

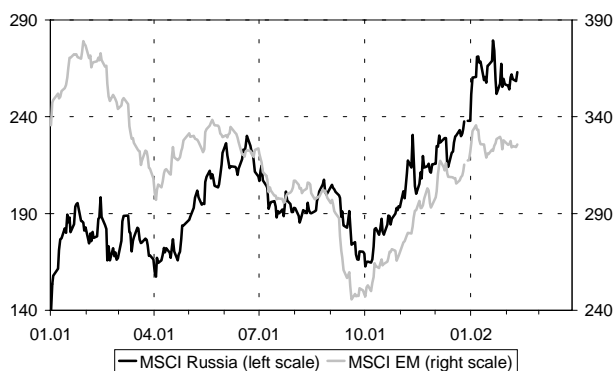
The main indicator of the Russian stock market, the RTS index, surged by 16% in January 2002 on high volumes compared to previous months. Average daily volume was \$23 mn. On January 22 the RTS index rose above 300 points for the first time since May 1998. However, the market underwent a correction in the last week of the month, dropping by 5%. The correction hit stocks in all industries but had little impact on trading volumes. The range of liquid equities expanded in January, with surprisingly high turnover in telecom companies and regional utilities. There was an increase in open positions and turnover in the RTS derivatives section, known as FORTS. This reflected expansion of demand for the new instruments offered by RTS since the autumn of 2001, when this new section was opened. In January 2002

### Credit portfolios of commercial banks



Source: CBR and RET staff estimates.

### MSCI equity indexes



Source: www.msci.com.

average open positions in FORTS exceeded R600 mn, up from R115 mn in September 2001.

The Ministry of Finance placed the first 2002 issue of six-month GKO, totalling R4 bn, in January. The new paper was well received by the market, and 76% of the issue was sold at auction with average yield meeting the Ministry's target. On the dollar-denominated debt market, a \$2 bn eurobond issue scheduled for the beginning of the year as part of general restructuring of former USSR debt has been postponed to April or May 2002. However, Russian corporate issuers are eager to take advantage of positive perception of Russia by the market and to raise funds on favourable terms. In the first month of 2002, two companies, MMK (Magnitogorsk Metal Works) and Sibneft, placed eurobond issues worth \$100 mn and \$250 mn respectively.

An expected boom of new issues on the domestic corporate debt market did not materialise in January 2002, as new standards for corporate bond issues came into force on January 10, 2002. Russian enterprises were forced to delay announced rouble-denominated bond issues till the spring so as to meet the new requirements of the Federal Securities Commission. The new standards require more transparency from issuers and may thereby reduce investor risks, encouraging investment in corporate bonds.

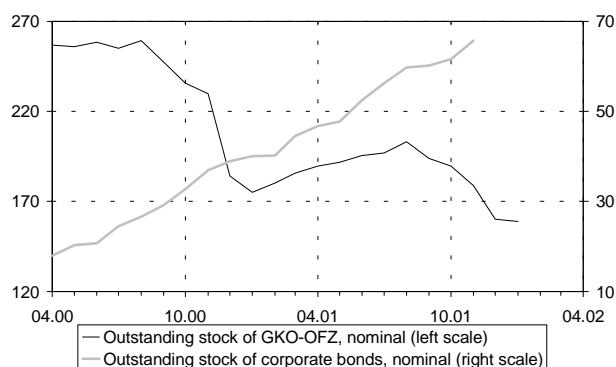
## Enterprises

Results of business surveys indicate a pause in growth of the Russian industrial sector in December–January. Profits of Russian industrial enterprises shrank due to falling demand for their production. Nevertheless, producers remain optimistic about the future and structural changes are continuing.

The effect of global economic slowdown on the Russian economy seems to be increasing. Business surveys show that December 2001 and January 2002 were difficult months for Russian enterprises. The expansion of the Russian manufacturing sector tracked by the Moscow Narodny Purchasing Managers Index (NTC Research) nearly stopped in January 2002. The Industrial Confidence Indicator (ICI) compiled by the Institute for the Economy in Transition (IET) turned negative in December 2001, reflecting a pessimistic assessment of the economy by industrial producers for the first time since October 1998. Money-based demand for industrial production, on which financial results of enterprises largely depend, dropped sharply in December 2001 and fell further in January 2002. However, the IET survey shows that producers remain optimistic about future growth of money-based demand.

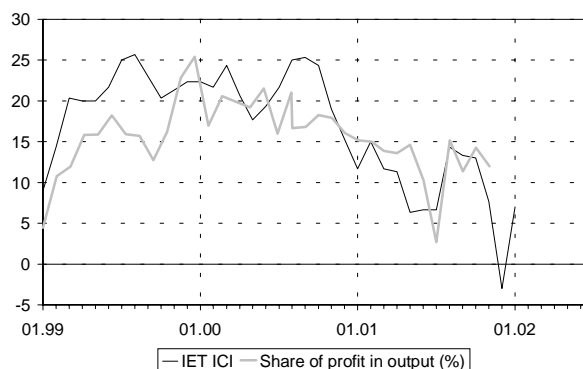
According to the business survey by NTC Research, reduction of demand for manufacturing production

## Domestic debt market (R bn)



Source: CBR and www.cbonds.ru.

## IET Industrial Confidence Indicator (IET ICI)\* and the share of profit in the value of monthly output of large and medium-sized industrial enterprises



\* Readings of the indicator above zero mean that industrial producers view the current situation positively.

Source: IET business survey, Goskomstat.

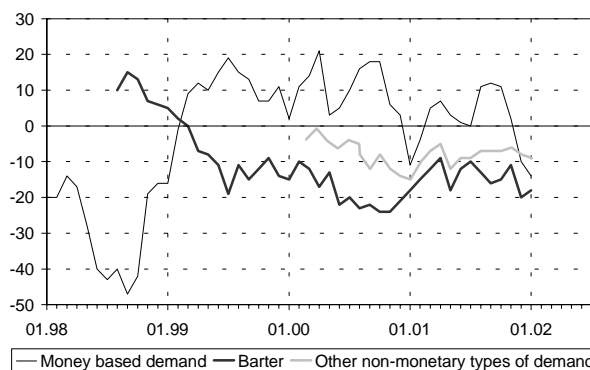
in December 2001 was mainly due to decrease in export orders while domestic orders did not change much. However, November 2001 financial results of Russian large and medium-sized enterprises published by Goskomstat did not give such a clear picture. Low international prices affected profits of companies in the oil sector. Profits of ferrous metals and chemicals sectors had been declining for several months in a row. In November 2001 these sectors were joined by the food industry, which also showed reduced profits, while catering even bore a loss. Other sectors oriented to domestic demand performed quite well. For example, profits of wholesale traders in consumer goods skyrocketed by 4.7 times year-on-year in real terms. Overall, there was a 25% year-on-year decline in real aggregate profits of large and medium-sized enterprises in November. However, this is slightly less than the average year-on-year profit decline in earlier months of 2001. The share of enterprises in 'good or satisfactory financial conditions' tracked by the Russian Economic Barometer dropped by four percentage points in November 2001 to 55%, which is equal to the year average.

Despite the decline of demand and slowdown of growth, structural changes in the Russian economy are continuing. According to the IET business survey, the share of cash in sales of industrial enterprises has increased further and reached 77% in January 2002. In the situation of falling demand for their goods a growing number of industrial producers even consider the barter level to be 'lower than normal'. Still we think that barter decline is irreversible. Though the stock of arrears is still large (according to Goskomstat in November 2001 it was equal to R1744 bn or 29 % of total liabilities of enterprises), it is not growing and mainly consists of old debts.

### External environment

The latest news on development of the American economy is fairly positive: an annualised GDP growth of 0.2% was achieved unexpectedly in Q4 2001. However, the growth was mainly due to increased spending by government and consumers, while the contribution from business took the negative form of hurried inventory reduction. The PMI index of US industrial confidence, compiled by the Institute for Supply Management (previously known as the National Association of Purchasing Management), stood at 49.9% in January 2002. The figure just below 50 implies that the long lasting decline in the manufacturing sector may be nearly over. However, US seasonally adjusted unemployment rate was 5.6% in January 2002, representing a year-on-year increase of 1.4 percentage points. In December 2001 industrial production did not change from the

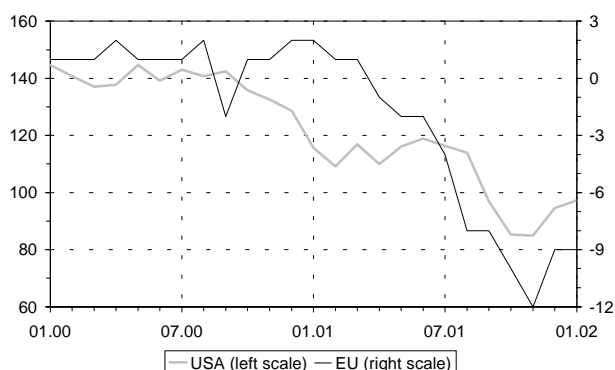
### Balance of the change in money-based, barter and other non-monetary types of demand\*



\*Balance = % of survey respondents reporting growth minus % reporting decline.

Source: IET business surveys.

### Indexes of consumer confidence in US and EU15



Source: The Conference Board, The European Commission.

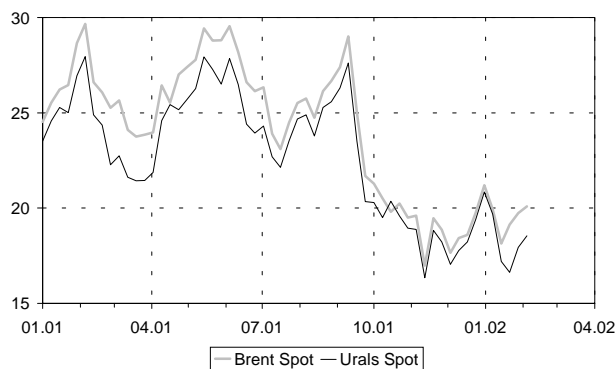
previous month, and was down 6% year-on-year. Overall, the evidence for a positive tendency is indirect and should be treated with caution.

Existing data do not give a clear picture of whether the recession is over in European countries. Data on industrial production for the 15 EU states are so far available only for November 2001, when this indicator was down 4% year-on-year with a 1% decline compared to the previous month. The industrial confidence indicator for the EU15 showed improvement in January 2002, while consumer confidence stagnated for the EU15 and even dropped from its December reading for the 12 countries of the euro zone.

Spot prices for copper, aluminium, and nickel, which constitute a significant share of Russian exports, have been on an upward trend since November 2001. In that month the prices reached their absolute low since June 1999. Metal spot prices can be to some extent viewed as anticipating business cycle developments, as they indicate demand for commodities from manufacturing industries. However, the price rises were also due to announcements by major base-metal producers of plans to cut output, as production was becoming unprofitable in the extremely low market.

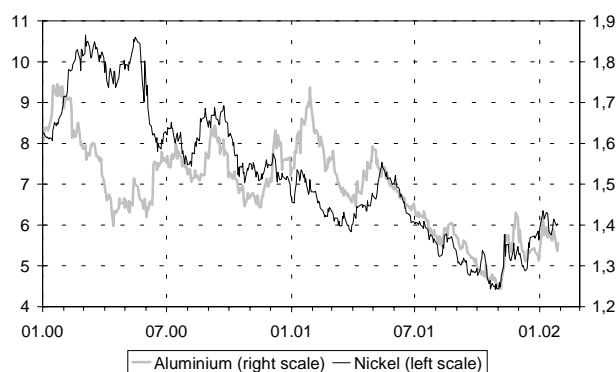
On the oil market, which is crucial for Russia's export revenues, there are strong doubts that the December agreement between OPEC and non-OPEC oil producing countries to limit crude oil supply in H1 2002 is being implemented in practice. Oil prices are now as low as they were before the agreement was reached.

### Weekly oil price development (\$ per barrel)



Source: Energy Information Administration.

### Aluminium and nickel price development (\$ thousand per tonne)



Source: London Metal Exchange.

**Table 1: Gross domestic product**

	GDP by expenditure, nominal	Final demand, nominal	Household consumption, nominal	Institutional consumption, nominal	Gross fixed capital formation, nominal	Net exports, nominal
	bn R	bn R	bn R	bn R	bn R	bn R
1995	1541	1477	760	336	328	53
1996	2163	2088	1056	489	454	89
1997	2530	2448	1265	626	483	73
1998	2741	2783	1499	602	485	196
1999	4805	4788	2520	760	683	824
2000	7335	7118	3337	1162	1144	1476
2001	9063	8679	4496	1402	1609	1171
I 2000	1496	1506	719	232	189	366
II	1698	1690	765	298	269	357
III	2045	1886	865	297	372	352
IV	2095	2036	987	335	314	400
I 2001	1891	1856	945	281	270	361
II	2171	2130	1046	399	381	303
III	2543	2313	1160	374	488	291
IV	2459	2381	1346	348	470	217
I 2002						
II						
III						
IV						
	GDP by expenditure, real	Final demand, real	Household consumption, real	Institutional consumption, real	Gross fixed capital formation, real	Net exports, real
	bn R 2000	bn R 2000	bn R 2000	bn R 2000	bn R 2000	bn R 2000
1995	7155	6188	3257	1134	1406	391
1996	6677	5854	3104	1141	1134	474
1997	6734	5889	3272	1114	1070	433
1998	6445	6189	3193	1118	965	913
1999	6749	6783	3053	1147	1010	1573
2000	7335	7118	3337	1162	1144	1476
2001	7696	7380	3627	1151	1275	1327
I 2000	1633	1642	785	253	207	397
II	1761	1749	793	309	280	368
III	1977	1821	835	287	361	338
IV	1963	1905	924	313	296	373
I 2001	1712	1679	852	251	214	362
II	1847	1810	882	305	300	322
III	2074	1901	915	284	388	313
IV	2064	1990	977	310	373	330
I 2002						
II						
III						
IV						

**Table 2: Components of final demand\***

	Consumer expenditures, nominal	Non-interest expenditures of federal budget, nominal	Gross fixed investment, nominal	Merchandise trade balance, nominal	Consumer expenditures, real, SAAL	Gross fixed investment, real, SAAL
	bn R	bn R	bn R	bn R	bn R 2000	bn R 2001
1995	643.9	235.1	267.0	92.8	2858	1377
1996	955.5	302.7	376.0	116.7	2835	1127
1997	1156.9	357.7	408.8	98.2	2973	1071
1998	1387.8	277.7	407.1	240.2	2877	943
1999	2274.8	502.1	670.4	901.0	2777	993
2000	3003.1	781.9	1165.2	1705.3	3003	1165
2001	3944.4	1094.6	1599.5	1443.2	3263	1267
01.2000	212.4	37.1	46.1	113.1	2920	1086
02	210.5	47.0	55.8	134.0	2931	1120
03	226.6	67.4	63.9	161.0	2939	1136
04	225.7	57.1	64.5	134.5	2949	1136
05	228.9	54.5	75.8	139.3	2962	1152
06	239.2	48.8	95.7	140.5	2988	1173
07	247.7	53.0	99.0	140.1	3029	1183
08	262.7	63.7	112.9	148.8	3041	1199
09	266.0	58.1	118.3	145.2	3056	1197
10	275.4	70.6	114.6	136.6	3059	1194
11	282.4	78.0	123.1	162.6	3076	1212
12	325.6	146.7	195.5	149.7	3087	1193
01.2001	273.1	41.7	70.9	145.1	3104	1178
02	274.4	63.1	82.3	130.4	3135	1183
03	297.4	75.6	91.7	134.7	3137	1189
04	304.0	90.4	93.4	126.9	3215	1220
05	312.0	84.4	112.8	120.9	3268	1289
06	322.9	96.4	132.7	134.3	3273	1252
07	328.9	87.0	135.7	113.3	3298	1279
08	346.5	87.9	153.3	134.6	3328	1303
09	345.7	94.4	158.7	127.1	3327	1315
10	358.8	101.5	153.8	99.9	3366	1331
11	365.4	92.1	159.7	99.5	3368	1324
12	415.3	180.1	254.5	76.6	3343	1335
01.2002						
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\* These series differ from SNA concept.

SAAL - seasonally adjusted at annual level.

**Table 3: Real output\***

	GDP produced, nominal, seasonally unadjusted	GDP produced, real	Output of 5 basic industries	Industrial production, total	Volume of construction works	Agricultural output, total
	bn R	2000=100	2000=100	2000=100	2000=100	2000=100
1995	1540	93.9	93.5	87.2	113.6	106.7
1996	2146	90.7	89.4	83.3	95.1	101.2
1997	2479	91.5	90.4	84.9	89.0	102.8
1998	2741	87.0	85.1	80.5	84.5	89.2
1999	4767	91.7	90.7	89.4	89.7	92.9
2000	7302	100.0	100.0	100.0	100.0	100.0
2001	9041	105.0	105.7	104.9	109.9	103.0
01.2000			96.2	95.7	95.4	98.9
02			99.4	99.4	96.6	100.2
03	1461	98.0	98.0	97.8	97.7	100.8
04			97.8	96.8	99.2	100.2
05			99.3	99.1	100.3	100.5
06	1642	99.2	100.3	100.2	101.0	99.9
07			100.2	100.5	101.2	99.9
08			101.0	101.5	101.1	100.9
09	2004	101.1	101.5	101.8	100.5	101.5
10			102.4	101.8	101.6	99.9
11			102.3	102.7	102.7	99.1
12	2195	101.8	101.5	102.7	102.7	98.2
01.2001			102.7	103.1	103.8	98.5
02			102.7	102.5	104.1	99.2
03	1886	102.8	102.8	102.4	103.8	100.3
04			104.2	103.6	106.1	100.6
05			105.8	106.1	106.9	101.6
06	2116	104.5	104.5	103.9	107.4	100.5
07			106.3	105.0	109.4	112.8
08			109.6	106.6	113.9	116.7
09	2543	106.0	106.3	105.7	112.9	102.9
10			107.9	107.0	114.0	98.8
11			108.8	107.5	116.6	103.2
12	2496		106.7	105.4	119.9	100.6
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\* Seasonally adjusted.

**Table 4: Real output\***

	Industrial production, energy & fuels	Area of dwellings completed, SAAL	Agricultural output, animal products	Freight transport turnover	Passenger transport turnover	Volume of communication services
	2000=100	mn sq. m	2000=100	2000=100	2000=100	2000=100
1995	97.1	41.0	120.6	102.1	112.8	
1996	95.6	34.3	107.3	97.1	103.3	44.2
1997	95.1	32.7	101.9	93.4	98.8	54.7
1998	94.3	30.7	100.1	90.0	91.3	66.6
1999	95.7	32.0	99.4	95.2	94.8	87.9
2000	100.0	30.3	100.0	100.0	100.0	100.0
2001	104.5	31.1	102.6	103.1	99.4	119.9
01.2000	98.0	30.1	73.0	99.1	99.1	89.3
02	100.4	32.5	77.1	103.0	99.7	91.9
03	98.3	29.0	87.9	98.9	96.7	93.1
04	98.2	32.7	95.9	98.3	99.3	96.0
05	99.9	33.7	103.7	98.5	100.9	96.2
06	99.2	28.9	109.3	99.6	100.3	96.6
07	100.1	31.5	108.6	100.7	101.7	101.3
08	100.4	30.1	105.3	99.7	100.8	103.2
09	100.7	29.6	102.2	99.9	100.8	111.6
10	101.3	28.8	104.1	100.6	100.6	108.0
11	101.7	28.2	112.8	101.3	100.3	105.1
12	101.8	28.5	120.2	100.3	99.9	107.6
01.2001	102.0	29.3	75.9	100.6	100.0	118.8
02	102.2	27.3	77.5	101.0	99.2	117.3
03	102.7	29.0	89.1	101.5	100.2	103.9
04	103.2	29.7	98.3	102.5	101.0	113.5
05	103.4	29.5	106.2	103.4	99.3	116.6
06	105.2	30.2	111.2	103.4	99.9	121.1
07	105.6	31.8	111.4	102.9	98.7	122.7
08	106.0	34.2	108.7	103.7	99.1	119.5
09	105.1	32.7	105.7	104.9	99.6	119.9
10	106.4	37.6	107.0	105.8	98.8	123.1
11	105.6	36.8	116.1	105.1	98.9	129.4
12	106.8	25.2	124.2	102.2	97.9	132.9
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\* Seasonally adjusted.

SSAL - seasonally adjusted at annual level.

**Table 5: Trade**

	Wholesale trade, nominal*	Wholesale trade, real*	Retail trade, nominal**	Retail trade, real**	Paid services to households, nominal	Paid services to households, real
	bn R	2000=100	bn R	2000=100	bn R	2000=100
1995		100.0	553.5	98.9	113.0	92.8
1996	353.4	46.4	754.5	99.6	200.3	85.5
1997	500.6	51.3	880.6	104.1	269.5	88.7
1998	707.2	57.9	1069.3	100.2	318.5	87.7
1999	1408.5	64.6	1827.2	92.0	447.4	94.1
2000	2723.2	100.0	2387.4	100.0	615.7	100.0
2001	3587.0	108.9	3117.7	110.6	826.6	101.0
01.2000	184.9	87.6	172.5	93.0	39.9	93.1
02	182.2	84.8	170.8	91.5	39.7	87.0
03	214.0	101.2	182.8	97.2	43.8	93.1
04	204.0	95.7	181.1	95.3	44.6	95.0
05	203.8	94.0	182.8	94.7	46.1	98.9
06	225.2	101.3	188.3	95.7	50.9	102.6
07	236.3	104.0	193.0	96.8	54.7	107.1
08	234.1	101.8	205.5	102.1	57.2	110.3
09	242.4	104.0	209.1	102.3	56.9	105.5
10	251.5	105.3	217.4	104.5	58.0	104.8
11	266.0	110.1	222.9	105.6	59.5	110.6
12	278.8	110.3	261.2	121.4	64.4	91.9
01.2001	279.4	108.1	217.0	98.9	56.1	98.9
02	281.4	107.2	218.6	98.2	55.8	91.7
03	282.6	107.9	237.5	105.0	59.9	93.8
04	272.8	102.6	241.3	105.1	62.7	98.2
05	293.3	108.4	247.9	106.4	64.1	100.9
06	285.3	103.4	252.3	106.8	70.5	104.1
07	291.3	105.2	254.7	107.6	74.2	107.6
08	294.0	106.1	270.4	114.3	76.1	110.4
09	304.3	109.5	271.2	113.9	74.5	105.1
10	322.7	114.6	283.1	116.7	75.7	104.5
11	327.7	115.2	288.8	118.7	76.6	108.6
12	352.2	118.5	334.9	135.1	80.4	87.8
01.2002						
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\* Wholesale enterprises only.

\*\* Including catering.

**Table 6: Final demand prices**

	Consumer price index, total, EoP	Consumer price index, goods, EoP	Consumer price index, services, EoP	Capital investment price index, EoP	Price deflator of consumer expenditures	Price deflator of fixed investment
	Dec-00=100	Dec-00=100	Dec-00=100	Dec-00=100	2000=100	2000=100
1995	24.4	24.4	26.0	31.2	28.1	33.4
1996	29.8	28.8	38.5	42.8	35.2	47.5
1997	33.1	31.3	47.2	45.0	38.7	40.6
1998	61.0	61.6	55.8	50.4	64.7	54.3
1999	83.2	84.7	74.8	73.6	89.3	82.7
2000	100.0	100.0	100.0	100.0	108.8	116.9
2001	118.6	115.3	136.9	114.4	128.1	138.8
01.2000	85.1	86.5	77.3	76.3	92.6	83.6
02	86.0	87.1	79.6	78.4	93.7	86.8
03	86.6	87.6	80.8	80.5	94.5	89.7
04	87.3	88.3	82.5	82.1	95.6	92.5
05	88.9	89.9	83.6	83.5	97.0	95.0
06	91.1	92.0	86.1	86.0	98.8	98.2
07	92.8	93.3	89.4	88.7	100.5	101.6
08	93.7	93.9	92.1	90.1	101.9	104.2
09	94.9	95.0	94.6	92.5	103.6	107.4
10	96.9	96.9	96.9	95.1	105.7	110.6
11	98.4	98.4	98.4	97.2	107.3	113.6
12	100.0	100.0	100.0	100.0	108.8	116.9
01.2001	102.8	102.4	104.6	101.7	111.9	120.9
02	105.1	104.3	109.1	103.7	114.1	123.6
03	107.1	106.0	112.9	105.1	116.1	125.4
04	109.0	107.6	116.0	105.9	118.0	127.1
05	110.9	109.5	118.1	106.8	119.8	128.9
06	112.7	111.0	121.1	107.5	121.7	130.2
07	113.2	111.1	124.6	108.4	122.5	131.4
08	113.2	110.7	127.4	109.4	122.7	132.7
09	113.9	111.0	130.6	110.2	123.6	133.8
10	115.2	112.1	133.1	112.0	125.1	135.9
11	116.7	113.6	135.1	113.4	126.7	137.6
12	118.6	115.3	136.9	114.4	128.1	138.8
01.2002	122.3	117.9	147.2			
02						
03						
04						
05						
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07						
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09						
10						
11						
12						

EoP - end of period.

**Table 7: Producer price indices (end of period)**

	Composite producer price index	Industry	Construction	Agriculture	Freight transportation	Communications
	Dec-00=100	Dec-00=100	Dec-00=100	Dec-00=100	Dec-00=100	Dec-00=100
1995		27.3	32.1		38.9	47.6
1996		34.3	45.4		47.4	68.9
1997	39.6	36.9	47.3	30.1	47.9	71.8
1998	48.1	45.4	51.8	42.8	55.8	76.2
1999	75.2	76.0	71.2	81.8	66.0	93.6
2000	100.0	100.0	100.0	100.0	100.0	100.0
2001	114.8	110.7	115.2	117.5	138.6	115.0
01.2000	79.0	79.0	73.1	83.0	75.6	97.9
02	81.3	82.0	74.9	84.6	75.8	98.2
03	82.8	84.1	76.8	84.4	75.9	98.3
04	84.1	85.4	78.3	86.3	76.1	98.3
05	85.3	86.9	79.8	86.5	76.8	98.3
06	86.8	88.9	82.6	86.7	76.6	98.3
07	89.1	91.9	85.3	86.7	76.7	98.4
08	91.8	93.5	86.8	87.8	89.6	99.2
09	93.8	95.3	90.2	89.9	91.8	99.3
10	96.3	97.8	93.6	93.1	92.5	99.3
11	98.0	99.1	96.3	96.5	94.9	99.9
12	100.0	100.0	100.0	100.0	100.0	100.0
01.2001	102.0	101.8	101.8	103.2	102.0	101.7
02	103.9	103.6	104.1	107.1	102.2	102.4
03	105.1	104.7	105.8	109.1	102.4	103.6
04	106.3	105.7	106.4	112.7	102.6	105.0
05	107.3	106.6	107.1	113.4	105.3	105.4
06	109.3	108.8	107.9	112.4	111.3	105.5
07	111.0	109.8	108.5	111.1	121.4	110.9
08	111.7	109.8	109.6	110.7	127.7	111.1
09	111.6	109.6	110.4	110.2	127.9	111.2
10	113.4	110.1	112.7	111.7	138.2	111.2
11	114.2	110.4	114.1	114.7	138.4	115.0
12	114.8	110.7	115.2	117.5	138.6	115.0
01.2002						
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**Table 8: Employment and unemployment**

	Civilian employment	Payroll employment, L&M enterprises	Unemployment, ILO concept, EoP	Unemployment rate, ILO concept, EoP	Registered unemployment, EoP	Registered job seekers per vacancy, EoP
	mn persons	mn persons	mn persons	%	mn persons	persons
1995	66.4	50.8	6.2	8.5	2.0	6.1
1996	66.0	47.6	7.0	9.6	2.6	9.2
1997	64.7	45.0	7.8	10.8	2.3	7.6
1998	63.8	42.8	8.6	11.9	1.9	5.4
1999	64.0	41.9	9.2	12.6	1.6	3.6
2000	64.3	41.8	7.5	10.5	1.1	1.6
2001	65.0	41.2	6.4	9.0	1.1	1.3
01.2000	63.5	41.7	8.7	12.1	1.2	2.4
02	63.3	41.8	8.6	11.9	1.2	2.3
03	63.5	41.9	8.2	11.4	1.2	2.1
04	63.7	42.0	7.8	10.9	1.2	1.7
05	64.0	41.9	7.4	10.4	1.1	1.4
06	64.5	42.0	7.3	10.2	1.0	1.3
07	64.8	42.0	7.2	10.0	1.0	1.3
08	64.9	42.0	7.1	9.9	1.0	1.3
09	64.9	41.8	7.1	9.8	1.0	1.3
10	65.0	41.7	7.0	9.8	1.0	1.3
11	65.0	41.6	7.0	9.7	1.0	1.5
12	65.0	41.5	7.0	9.8	1.0	1.6
01.2001	64.9	41.3	7.1	9.8	1.1	1.7
02	64.8	41.3	7.1	9.9	1.1	1.7
03	64.8	41.4	6.8	9.5	1.1	1.6
04	64.8	41.4	6.4	9.0	1.1	1.4
05	64.9	41.3	6.1	8.5	1.0	1.2
06	65.0	41.3	6.1	8.6	1.0	1.1
07	65.1	41.3	6.1	8.6	1.0	1.0
08	65.2	41.2	6.1	8.6	1.0	1.0
09	65.2	41.1	6.2	8.6	1.0	1.0
10	65.1	41.0	6.2	8.7	1.0	1.1
11	65.0	40.9	6.3	8.8	1.1	1.3
12	65.0		6.4	9.0	1.1	1.5
01.2002						
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EoP - end of period.

**Table 9: Wages and labour market disputes**

	Average monthly accrued wages, total, nominal	Average monthly accrued wages, industry, nominal	Average monthly accrued wages, education, nominal	Average monthly accrued wages, total, real, SA*	Wage arrears, EoP	Man-days lost in strikes
	R	R	R	2000=100	bn R	th man-days
1995	472	529	309	110.0		1366.3
1996	790	869	552	117.1	55.6	4008.7
1997	950	1057	616	122.5	53.7	6001.1
1998	1052	1208	661	106.0	77.0	2881.5
1999	1523	1838	885	82.7	43.7	1789.5
2000	2223	2736	1235	100.0	31.7	236.1
2001	3262	4053	1723	119.8	29.9	27.8
01.2000	1806	2169	977	90.5	44.9	90.9
02	1815	2240	1014	93.8	43.6	65.2
03	1991	2485	1065	94.6	39.9	27.2
04	2012	2509	1165	97.4	38.7	7.0
05	2073	2527	1300	99.0	38.7	0.0
06	2264	2714	1500	100.0	39.3	0.0
07	2272	2806	1190	101.3	40.5	0.0
08	2259	2835	1063	102.4	38.3	0.8
09	2336	2921	1263	104.1	39.0	0.5
10	2393	3011	1318	104.8	38.0	1.9
11	2475	3062	1368	106.1	36.8	17.4
12	2985	3550	1593	105.9	31.7	25.2
01.2001	2733	3481	1491	112.0	32.3	3.7
02	2655	3395	1567	110.8	33.5	12.1
03	2964	3856	1626	112.4	32.8	0.3
04	2923	3769	1641	112.7	32.4	0.6
05	3054	3884	1792	115.6	33.1	0.7
06	3284	4115	2052	116.7	33.7	6.1
07	3364	4241	1704	122.0	34.1	0.3
08	3376	4368	1519	125.8	32.7	0.0
09	3405	4344	1800	125.7	34.2	0.7
10	3515	4505	1862	128.5	34.7	1.8
11	3578	4626	1894	128.2	34.8	0.5
12	4294			127.2	29.9	1.0
01.2002						
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\* Based on CPI changes.

SA - seasonally adjusted, EoP - end of period.

**Table 10: Social indicators**

	Personal income, per capita, official	Real personal income, per capita, official	Official minimum monthly wage	Average monthly pension	Official monthly subsistence level*	Share of population below subsistence level*
	R	1995=100	R	R	R	%
1995	515	100.0	42.6	188	264	26.2
1996	768	101.3	72.7	302	370	21.4
1997	940	108.2	83.5	328	411	21.2
1998	1006	91.4	83.5	399	493	24.6
1999	1627	78.5	83.5	449	1044	39.1
2000	2178	87.3	107.7	695	1210	33.7
2001	2861	94.4	250.0	1023	1500	29.8
01.2000	1516	65.8	83.5	522		
02	1836	78.9	83.5	613		
03	2009	85.8	83.5	613	1138	41.2
04	2044	86.5	83.5	613		
05	1995	83.0	83.5	694		
06	2210	89.6	83.5	694	1185	34.7
07	2161	86.1	132.0	694		
08	2245	88.6	132.0	750		
09	2307	89.8	132.0	750	1234	31.8
10	2267	86.5	132.0	749		
11	2423	91.1	132.0	821		
12	3118	115.3	132.0	823	1285	26.9
01.2001	1997	71.8	200.0	824		
02	2322	81.7	200.0	900		
03	2587	89.3	200.0	916	1396	36.6
04	2752	93.4	200.0	917		
05	2591	86.4	200.0	1016		
06	2977	97.7	200.0	1019	1507	31.3
07	2921	95.4	300.0	1020		
08	3010	98.3	300.0	1127		
09	3003	97.5	300.0	1134	1524	27.2
10	3034	97.4	300.0	1135		
11	3107	98.4	300.0	1136		
12	4025	125.5	300.0	1137	1574	24.0
01.2002						
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\* Old methodology for estimates before Q1 1999 .

**Table 11: Financial performance of large and medium sized enterprises\***

	Profits minus losses**	Current assets	Overall liabilities	Overdue liabilities	of which: overdue payables to suppliers	Loans and bank credits
	bn R	bn R	bn R	bn R	bn R	bn R
1995			574.3	249.6	122.3	91.4
1996			1065.0	538.0	245.9	123.8
1997			1453.0	782.2	344.7	164.7
1998	0.4	2686.7	2811.5	1309.2	586.0	514.0
1999	579.0	3662.5	3609.4	1445.3	619.5	708.6
2000	1046.5	4894.6	4479.9	1675.2	712.5	965.0
2001						
01.2000	59.9	3582.5	3550.8	1449.9	615.5	706.4
02	85.6	3831.7	3804.4	1580.0	685.0	740.8
03	89.3	4070.0	4042.5	1676.8	729.0	736.2
04	75.4	4146.5	4115.6	1701.9	728.4	778.8
05	95.7	4203.5	4118.4	1704.6	747.8	786.6
06	69.5	4386.6	4234.0	1713.1	748.0	804.7
07	111.7	4444.3	4311.6	1747.4	766.1	834.0
08	86.6	4523.8	4263.6	1732.2	765.9	839.1
09	85.5	4737.8	4442.3	1741.4	750.8	889.2
10	99.9	4768.9	4472.6	1724.5	748.4	906.2
11	109.0	4824.7	4490.0	1708.4	742.7	925.8
12	78.5	4894.6	4479.9	1675.2	712.5	965.0
01.2001	110.0	5232.5	4994.1	1689.2	732.8	1237.2
02	99.0	5376.4	5194.1	1735.4	739.9	1274.6
03	81.7	5752.8	5388.4	1736.1	748.0	1324.0
04	100.0	5808.2	5498.0	1763.1	760.1	1380.0
05	109.6	5918.5	5588.3	1752.4	785.5	1402.9
06	78.1	6155.7	5673.6	1769.4	771.5	1441.4
07	74.4	6254.9	5850.8	1819.2	795.8	1519.2
08	100.2	6287.8	5860.5	1793.3	776.8	1573.1
09	86.1	6516.0	5977.9	1779.1	770.6	1623.8
10	92.7	6463.3	5999.6	1744.4	779.8	1659.6
11	99.1	6492.6	6059.4	1744.4	795.8	1712.8
12						
01.2002						
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\* Pre-1998 series include data for 4 sectors. From 2001 including Gazprom.

\*\* Excluding agriculture.

**Table 12: Balance of payments**

	Current account	Merchandise trade balance	Service balance	Income and wages	Capital account	Capital transfers (net)
	bn \$	bn \$	bn \$	bn \$	bn \$	bn \$
1995	7.5	20.3	-9.6	-3.4	0.5	-0.3
1996	11.8	22.5	-5.4	-5.4	-6.9	-0.5
1997	2.1	17.0	-5.9	-8.7	2.8	-0.8
1998	0.7	16.9	-4.1	-11.8	8.4	-0.4
1999	24.7	36.1	-4.3	-7.7	-17.7	-0.3
2000	46.3	60.7	-7.7	-6.7	-37.1	11.0
2001	34.2	49.6	-10.5	-4.8	-25.8	-10.4
I 2000	11.9	14.4	-1.6	-1.0	-9.8	0.0
II	10.9	14.6	-2.1	-1.7	-10.2	0.0
III	10.5	15.6	-2.2	-2.8	-7.8	11.0
IV	12.9	16.1	-1.9	-1.2	-9.3	0.0
I 2001	11.5	14.4	-2.1	-0.7	-9.3	-0.1
II	9.5	13.2	-2.7	-1.2	-7.8	-0.2
III	7.6	12.8	-3.0	-2.1	-5.2	-10.0
IV	5.6	9.2	-2.7	-0.8	-3.4	-0.1
I 2002						
II						
III						
IV						
	Direct and portfolio investments in Russia	Direct and portfolio investments abroad	Other financial liabilities	Other financial assets	Net international reserves	Errors and omissions
	bn \$	bn \$	bn \$	bn \$	bn \$	bn \$
1995	1.3	-2.3	5.9	5.2	-9.3	-8.0
1996	7.2	-1.1	15.3	-29.1	1.4	-4.9
1997	50.8	-3.3	-15.3	-26.6	-2.0	-4.9
1998	11.6	-1.5	9.3	-15.9	5.3	-9.1
1999	2.1	-2.0	-0.6	-15.0	-2.0	-7.0
2000	-7.2	-3.6	-4.2	-17.0	-16.0	-9.2
2001	1.6	-2.8	-3.5	-2.5	-8.1	-8.5
I 2000	1.1	-0.7	-0.6	-6.7	-3.0	-2.1
II	-1.1	-0.5	-0.3	-2.0	-6.3	-0.8
III	-7.9	-1.3	-2.9	-2.8	-3.8	-2.8
IV	0.6	-1.2	-0.3	-5.5	-2.9	-3.6
I 2001	0.4	-0.5	-1.0	-6.2	-1.9	-2.2
II	0.6	-0.7	0.8	-3.0	-5.4	-1.6
III	0.3	-0.8	-1.7	9.2	-2.1	-2.3
IV	0.2	-0.7	-1.6	-2.5	1.4	-2.3
I 2002						
II						
III						
IV						

**Table 13: Foreign Trade**

	Exports total	Imports total	Trade balance total	Exports of machinery & equipment	Imports of machinery & equipment	Exports of ferrous metals
	bn \$	bn \$	bn \$	bn \$	bn \$	bn \$
1995	82.9	62.6	20.3	8.0	15.8	6.1
1996	90.6	68.1	22.5	8.6	14.6	6.7
1997	89.0	72.0	17.0	9.2	18.5	6.4
1998	74.9	58.0	16.9	7.9	15.6	4.8
1999	75.7	39.5	36.1	7.8	9.9	4.2
2000	105.6	44.9	60.7	9.2	10.6	5.5
2001	103.0	53.4	49.7	9.4	12.2	4.4
01.2000	7.0	2.9	4.1	0.3	0.4	0.3
02	8.1	3.4	4.7	0.5	1.0	0.4
03	9.3	3.7	5.6	0.8	0.9	0.5
04	8.1	3.4	4.7	0.7	0.8	0.6
05	8.3	3.4	4.9	0.6	0.8	0.5
06	8.6	3.6	5.0	0.7	0.9	0.5
07	8.6	3.6	5.0	0.5	0.8	0.5
08	9.1	3.8	5.4	1.0	0.9	0.4
09	9.0	3.8	5.2	0.7	0.9	0.4
10	9.0	4.1	4.9	0.6	0.9	0.5
11	10.2	4.4	5.8	1.1	1.0	0.5
12	10.2	4.9	5.3	1.7	1.3	0.4
01.2001	8.4	3.2	5.1	0.4	0.7	0.4
02	8.2	3.6	4.6	0.5	0.9	0.4
03	8.9	4.2	4.7	0.7	1.0	0.4
04	8.7	4.3	4.4	1.1	1.0	0.4
05	8.8	4.6	4.2	0.7	1.2	0.5
06	9.3	4.7	4.6	1.2	1.2	0.4
07	8.3	4.4	3.9	0.5	1.2	0.4
08	9.2	4.6	4.6	1.2	1.2	0.4
09	8.5	4.2	4.3	1.0	1.1	0.4
10	8.2	4.9	3.4	0.8	1.3	0.3
11	8.4	5.1	3.3	1.3	1.4	0.4
12	8.2	5.6	2.6			
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**Table 14: Exports of fuels**

	Exports of crude oil	Average export price for crude oil	Export/domestic oil price ratio	Russian export/Brent oil price index	Exports of natural gas	Average export price for natural gas
	bn \$	\$/t	%	Dec-00=100	bn \$	\$/th cub. m
1995	12.4	101.0	165.3	89.6	10.8	80.1
1996	15.6	127.6	193.8	90.0	15.8	84.2
1997	14.3	116.6	149.1	95.9	16.4	88.6
1998	10.3	75.1	263.9	91.6	13.3	67.7
1999	14.1	105.8	405.9	91.7	11.4	54.5
2000	25.3	175.0	374.9	96.7	16.6	87.5
2001	22.7	154.0	286.9	97.0	16.1	99.3
01.2000	1.8	161.0	400.1	99.1	1.6	71.8
02	2.0	178.0	450.1	100.3	1.5	68.8
03	2.1	169.9	416.6	97.8	1.6	77.3
04	1.7	140.9	328.4	95.8	1.2	81.3
05	2.0	174.6	396.2	97.5	1.2	90.9
06	2.4	183.3	412.7	95.8	1.1	84.3
07	2.2	163.6	335.2	90.3	1.2	95.9
08	2.2	177.3	356.2	94.4	1.1	98.0
09	2.3	193.9	380.2	93.7	1.2	93.9
10	2.2	187.0	348.1	94.1	1.4	96.5
11	2.6	207.1	379.5	101.4	1.7	95.7
12	2.0	163.3	295.5	100.0	1.8	96.1
01.2001	2.0	166.7	302.5	101.9	2.0	101.7
02	2.0	153.7	285.1	88.5	1.7	100.9
03	1.9	145.1	275.2	92.9	1.7	100.4
04	2.0	154.7	290.7	94.3	1.4	105.6
05	2.2	174.2	325.8	96.4	1.4	107.0
06	2.4	170.5	309.6	96.1	1.3	104.4
07	2.0	153.0	275.4	98.2	1.1	95.1
08	2.5	159.5	292.2	97.2	1.3	94.9
09	2.2	161.0	307.4	98.0	1.4	92.0
10	2.0	134.0	257.3	102.8	1.2	98.8
11	1.5	121.4	234.9	100.9	1.5	91.4
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**Table 15: Federal budget**

	Revenues	of which: tax revenues	Expenditures	of which: transfers to lower level budgets	Deficit(-) or surplus(+)	Primary deficit(-) or surplus(+)
	bn R	bn R	bn R	bn R	bn R	bn R
1995	202.9	170.5	287.8	29.2	-84.9	-5.5
1996	255.9	218.7	427.1	46.3	-171.3	-46.8
1997	293.9	243.5	475.6	49.9	-181.7	-63.9
1998	269.9	236.0	384.3	43.0	-114.4	-7.8
1999	608.0	509.5	664.7	62.1	-56.6	105.9
2000	1127.6	965.5	954.1	101.2	173.5	345.7
2001	1590.7	1461.0	1325.7	230.0	265.0	496.1
01.2000	64.9	56.8	52.8	4.3	12.1	27.8
02	73.4	65.9	58.4	4.4	15.0	26.4
03	83.5	73.5	80.3	7.3	3.2	16.1
04	92.2	80.9	69.6	5.3	22.6	35.1
05	101.5	88.1	72.7	14.6	28.7	47.0
06	92.2	78.0	62.5	11.3	29.7	43.4
07	88.4	77.0	76.9	8.7	11.5	35.3
08	96.9	80.2	82.7	6.9	14.2	33.3
09	90.1	78.3	76.2	6.8	14.0	32.1
10	97.2	83.2	78.0	8.4	19.2	26.6
11	110.3	91.1	89.8	8.6	20.5	32.3
12	136.9	112.4	154.1	14.5	-17.2	-9.8
01.2001	94.6	88.9	60.6	18.7	34.0	52.9
02	105.2	97.4	109.8	15.0	-4.6	42.2
03	118.1	110.6	98.4	14.6	19.8	42.5
04	133.9	123.3	96.4	18.4	37.5	43.6
05	133.5	123.5	99.9	21.1	33.6	49.1
06	125.6	118.1	112.7	22.0	12.9	29.2
07	135.9	121.6	101.4	16.6	34.6	48.9
08	132.6	123.1	125.8	19.6	6.8	44.7
09	129.0	118.7	124.8	23.9	4.2	34.5
10	142.3	126.0	106.2	18.7	36.1	40.8
11	142.8	134.7	100.1	19.5	42.7	50.7
12	197.1	175.1	189.8	22.1	7.4	17.0
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**Table 16: Consolidated budget**

	Revenues	of which: tax revenue	Expenditures	of which: debt service	Deficit(-) or surplus(+)	Deficit(-) or surplus(+) as % of GDP
	bn R	bn R	bn R	bn R	bn R	%
1995	407.9	359.5	496.1	52.7	-88.2	-5.7
1996	533.6	473.0	723.7	124.5	-190.0	-8.9
1997	654.2	572.5	872.8	117.8	-218.6	-8.8
1998	625.0	544.1	749.2	106.6	-124.2	-4.5
1999	1193.8	1002.6	1251.4	162.6	-57.7	-1.0
2000	2079.0	1707.7	1871.6	191.1	207.4	2.8
2001	2674.0	2332.4	2407.5	243.8	266.5	2.9
01.2000	102.0	87.0	83.0	16.8	19.1	
02	115.4	100.3	101.8	16.7	13.6	
03	149.1	126.5	145.4	18.5	3.6	2.5
04	168.5	144.7	139.8	17.8	28.7	
05	182.7	158.4	139.6	22.7	43.1	
06	170.1	139.8	142.4	15.3	27.7	6.1
07	158.1	133.6	143.5	24.1	14.5	
08	186.4	154.0	162.8	22.2	23.6	
09	163.6	137.8	146.5	12.3	17.0	2.8
10	171.6	142.0	148.2	8.4	23.4	
11	217.5	174.5	183.2	12.8	34.3	
12	294.0	208.9	335.3	3.6	-41.3	0.7
01.2001	151.1	132.3	97.9	19.5	53.2	
02	165.3	143.6	169.1	47.6	-3.8	
03	199.1	173.6	178.7	23.8	20.4	3.7
04	239.5	201.6	189.5	8.7	49.9	
05	244.7	216.0	186.8	17.6	57.9	
06	203.6	184.3	203.4	16.9	0.2	5.1
07	224.2	193.1	193.8	14.9	30.5	
08	248.1	216.8	225.9	39.3	22.2	
09	205.8	182.4	209.3	31.0	-3.5	1.9
10	233.5	199.0	197.9	5.4	35.6	
11	255.5	229.7	201.1	9.2	54.4	
12	303.6	260.1	354.2	9.9	-50.6	1.6
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**Table 17: Monetary aggregates (end of period)**

	Monetary base	Net international reserves*	Net credit of monetary authorities to the government	Currency in circulation (M2)	M2	Broad money**
	bn R	bn \$	bn R	bn R	bn R	bn R
1995	103.8	7.7	68.1	80.8	220.8	73.7
1996	130.9	2.5	172.3	103.8	288.3	357.3
1997	164.5	4.4	204.7	130.4	374.1	457.2
1998	210.4	-7.9	483.5	187.8	448.3	628.6
1999	324.3	-3.4	496.2	266.5	704.7	984.9
2000	519.6	16.1	264.2	419.3	1144.3	1560.0
2001	708.5	27.1	193.2	584.3	1602.6	2122.7
01.2000	296.5	-2.6	481.0	232.9	695.0	1000.6
02	306.0	-1.0	469.0	242.0	726.6	1065.0
03	318.9	1.1	446.5	251.5	751.4	1090.4
04	349.6	3.5	402.8	279.1	787.9	1123.2
05	361.4	6.1	372.5	289.3	831.6	1170.3
06	397.2	7.9	367.9	321.8	892.2	1242.8
07	415.7	10.5	336.7	334.0	931.2	1301.7
08	425.0	11.3	313.7	341.6	960.1	1327.3
09	437.6	12.9	295.4	351.0	992.4	1388.4
10	446.0	14.1	246.7	349.7	1001.2	1415.9
11	457.1	16.0	223.8	358.4	1036.4	1457.3
12	519.6	16.1	264.2	419.3	1144.3	1560.0
01.2001	488.0	16.0	213.8	380.1	1079.3	1530.8
02	494.7	16.3	209.8	388.0	1109.7	1615.8
03	499.6	18.1	189.0	399.4	1149.5	1632.3
04	531.1	20.1	151.3	435.4	1210.0	1683.4
05	550.0	22.1	122.9	438.3	1233.7	1730.0
06	583.1	23.7	113.8	474.7	1294.3	1798.7
07	607.5	25.1	82.8	490.6	1330.2	1842.3
08	628.7	26.0	82.4	507.1	1365.5	1870.4
09	649.8	26.8	97.8	531.0	1414.4	1925.5
10	665.6	28.3	78.3	531.5	1441.2	1974.7
11	651.3	28.2	72.8	527.3	1439.1	1984.9
12	708.5	27.1	193.2	584.3	1602.6	2122.7
01.2002	678.8					
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\* Since November 1999 NIR are estimated by RET.

\*\* Broad money includes M2 and deposits in foreign currency.

**Table 18: Assets of commercial banks (end of period)\***

	Total assets	Claims on the general government	Claims on the private sector	Stock of loans to all enterprises	Foreign assets	Investment in securities
	bn R	bn R	bn R	bn R	bn R	bn R
1995	342.3	62.6	133.8			
1996	497.7	150.7	157.3			
1997	622.7	191.5	225.9			
1998	1038.1	259.4	346.0	300.2	219.6	265.4
1999	1583.6	437.7	521.6	445.2	370.4	318.9
2000	2362.5	526.0	867.1	763.3	476.7	465.8
2001		583.6	1388.9		539.4	
01.2000	1759.1	459.5	537.8	458.1	423.6	351.5
02	1828.1	456.0	550.8	469.2	454.3	352.2
03	1816.2	460.1	569.3	483.6	436.3	358.4
04	1860.3	467.0	591.0	502.1	428.5	368.6
05	1916.3	470.0	614.6	521.9	412.9	379.2
06	1928.2	471.1	637.0	543.9	438.6	386.2
07	2005.4	440.2	649.5	548.3	430.6	402.7
08	2071.3	489.3	688.8	583.6	440.2	419.1
09	2176.1	498.9	737.5	626.5	460.5	430.8
10	2260.9	516.7	769.5	654.3	475.5	451.6
11	2324.1	520.5	818.7	696.5	461.8	458.9
12	2362.5	526.0	867.1	763.3	476.7	465.8
01.2001	2428.8	527.5	880.7	757.2	509.0	468.6
02	2531.6	538.1	922.3	785.6	579.9	481.1
03	2575.5	546.9	944.0	808.3	580.8	488.6
04	2596.9	561.3	989.2	836.6	565.9	505.1
05	2707.1	567.0	1022.7	852.3	580.5	520.3
06	2753.1	577.5	1055.1	894.5	643.3	523.0
07	2833.5	596.0	1105.5	921.8	635.4	559.2
08	2890.3	600.2	1167.4	972.2	609.0	575.4
09	2987.1	598.4	1215.5	1034.8	599.0	560.7
10	3047.8	601.6	1249.0	1053.0	604.6	572.7
11	3090.3	588.6	1319.4	1111.4	580.6	568.4
12		583.6	1388.9		539.4	
01.2002						
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\* Since January 1998 only for credit organisations with an active licence.

**Table 19: Liabilities of commercial banks (end of period)\***

	Deposits	of which: Household deposits	Budgetary funds	Securities issued	Foreign liabilities	Capital accounts
	bn R	bn R	bn R	bn R	bn R	bn R
1995					55.3	30.0
1996					58.9	123.8
1997					104.2	143.9
1998	452.8	200.7	22.8	49.9	203.1	157.6
1999	716.1	300.4	28.4	116.5	222.5	292.4
2000	1123.7	453.2	55.2	199.7	249.0	437.1
2001					315.0	612.1
01.2000	763.5	314.5	39.9	113.8	231.8	313.6
02	816.7	326.4	45.8	111.8	222.4	322.1
03	832.9	337.1	49.0	119.5	229.1	320.6
04	843.0	350.1	61.1	121.2	227.0	324.2
05	874.5	363.1	65.7	119.7	221.0	332.2
06	913.5	380.0	64.5	125.7	222.5	340.2
07	958.3	392.7	73.7	132.1	215.3	350.7
08	973.2	403.4	82.3	139.5	214.5	367.2
09	1029.5	413.6	74.5	157.6	231.3	369.4
10	1057.9	422.5	83.1	169.1	221.7	398.5
11	1088.5	438.5	83.5	170.6	230.4	412.3
12	1123.7	453.2	55.2	199.7	249.0	437.1
01.2001	1127.8	464.5	65.1	181.4	248.6	457.4
02	1215.1	481.9	61.7	196.3	245.3	463.5
03	1208.7	498.9	62.4	208.4	261.8	469.6
04	1216.0	518.7	73.1	198.8	256.4	482.6
05	1266.9	532.1	90.9	192.9	263.7	497.1
06	1303.5	552.8	78.6	198.8	310.9	514.0
07	1339.8	572.7	81.4	207.9	304.8	533.6
08	1352.9	590.3	96.0	227.4	314.8	530.7
09	1391.4	608.5	89.3	252.6	315.3	570.4
10	1429.6	630.1	82.3	258.4	304.8	584.2
11	1451.9	650.1	87.3	258.6	302.0	601.0
12					315.0	612.1
01.2002						
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\* Since January 1998 only for credit organisations with an active licence.

**Table 20: Financial market (end of period)**

	RTS index, monthly average	RTS daily turnover, monthly average	FORTS open interest	GKO-OFZ nominal value outstanding	GKO-OFZ market value outstanding	Corporate bonds nominal value outstanding
	01.09.95 = 100	mn \$	mn R	bn R	bn R	bn R
1995	81.3	2.3		73.7	64.6	
1996	143.6	11.7		237.1	219.1	
1997	392.0	55.0		384.9	336.2	
1998	185.4	35.5		387.1	231.8	
1999	97.9	9.2		266.9	147.3	
2000	194.5	22.2		184.2	167.5	38.9
2001	195.7	17.0	514.0	160.1	157.3	
01.2000	189.8	27.2		258.5	167.0	
02	179.7	21.0		253.9	183.1	
03	219.9	36.9		255.9	196.2	
04	217.9	25.0		256.8	193.5	17.9
05	200.2	20.9		255.9	197.0	20.2
06	187.6	19.6		258.3	214.9	20.7
07	185.8	18.9		255.1	224.5	24.5
08	225.2	27.3		259.2	238.8	26.6
09	210.4	21.1		247.3	225.8	29.2
10	195.0	18.8		235.6	217.2	32.8
11	174.3	16.9		229.7	210.5	36.9
12	148.5	12.4		184.2	167.5	38.9
01.2001	165.9	16.9		175.1	164.1	40.0
02	172.0	21.0		180.2	168.6	40.2
03	172.9	17.3		185.7	174.3	44.5
04	169.6	15.7		189.5	181.0	46.7
05	200.1	20.3		191.7	185.8	47.7
06	217.8	24.5		195.4	189.5	52.5
07	204.1	19.9		196.8	194.6	56.3
08	198.3	10.1		203.1	199.3	59.7
09	194.5	12.5	106.5	193.8	189.8	60.2
10	191.3	12.3	286.0	189.5	187.6	61.6
11	220.8	19.3	330.3	178.8	176.5	65.7
12	241.3	14.3	514.0	160.1	157.3	
01.2002	286.5	23.2	581.0	158.9	158.7	
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**Table 21: Interest rates (annual rates, period average)**

	CBR refinace rate*	Lending rate**	Deposit rate**	Overnight interbank rate	GKO average secondary market yield, all maturities	Annualised inflation
	%	%	%	%	%	%
1995	185	147.4	71.0	91.5	132.4	157.7
1996	99	91.4	44.4	38.0	63.1	22.9
1997	31	32.0	16.8	21.0	26.0	11.4
1998	60	41.5	18.9	50.6	56.4	448.2
1999	57	40.1	13.7	14.8	25.5	40.5
2000	32	24.3	6.5	7.1	12.7	19.0
2001	25	18.0	4.1	10.1	12.7	19.4
01.2000	45	33.8	13.4	11.8		31.8
02	45	31.2	7.9	11.3		13.3
03	33	29.5	7.6	6.5	17.2	7.4
04	33	29.1	5.4	11.1	14.9	11.4
05	33	25.3	7.3	7.6	11.4	23.9
06	33	22.8	7.1	5.1	13.1	36.1
07	28	22.5	6.4	3.4	12.9	23.9
08	28	21.2	5.1	4.6	10.3	12.7
09	28	20.2	4.6	3.3	10.6	16.8
10	28	19.9	4.5	5.2	11.3	16.8
11	25	18.2	4.6	8.5	12.2	16.8
12	25	18.1	4.2	7.3	12.8	16.8
01.2001	25	18.5	3.3	5.4	8.1	39.7
02	25	19.1	3.9	12.1		31.7
03	25	18.7	3.7	8.3	11.8	26.0
04	25	17.4	3.5	9.0	13.1	23.7
05	25	18.1	4.8	6.9	12.4	23.8
06	25	18.0	4.1	13.2	13.4	21.6
07	25	18.5	3.7	6.2	13.8	5.7
08	25	18.0	4.7	7.3	14.0	0.0
09	25	17.1	4.8	8.1	12.3	7.7
10	25	17.4	4.7	7.3	12.4	14.1
11	25	16.9	4.1	13.5	13.5	17.7
12	25			23.9	14.7	21.6
01.2002	25			9.6		
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\* Period average except monthly data, which is for end of month.

\*\* Data prior to January 1997 are not compatible with current methodology. From 1998 excluding Sberbank.

**Table 22: Exchange rates**

	Official exchange rate, period average*	Official exchange rate, end of period*	Official exchange rate, period average	Official exchange rate, end of period	Real trade- weighted exchange rate**	Gross international reserves, end of period
	R/\$	R/\$	R/euro	R/euro	Dec-95=100	bn \$
1995	4.554	4.562			100.0	17.2
1996	5.126	5.560			98.1	15.3
1997	5.785	5.960			105.2	17.8
1998	9.695	20.650			59.7	12.2
1999	24.623	27.000	26.240	27.230	67.9	12.5
2000	28.135	28.160	26.037	26.140	75.8	28.0
2001	29.172	30.140	26.125	26.490	83.3	36.6
01.2000	28.253	28.550	28.710	28.230	65.8	12.9
02	28.724	28.660	28.288	27.440	66.2	13.7
03	28.458	28.460	27.496	27.130	66.6	15.5
04	28.595	28.400	27.104	25.890	68.6	17.1
05	28.306	28.250	25.617	26.190	69.5	19.6
06	28.241	28.070	26.841	26.480	70.3	21.0
07	27.846	27.800	26.232	25.920	72.5	23.3
08	27.738	27.750	25.165	24.740	74.4	23.7
09	27.799	27.750	24.241	24.420	75.6	25.0
10	27.870	27.830	23.855	23.420	76.4	25.9
11	27.807	27.850	23.783	23.880	78.3	27.7
12	27.980	28.160	25.110	26.140	75.8	28.0
01.2001	28.367	28.370	26.626	26.000	77.0	29.6
02	28.594	28.720	26.335	26.220	77.5	28.3
03	28.678	28.740	26.096	25.290	80.2	29.7
04	28.850	28.830	25.769	25.670	80.4	31.7
05	29.028	29.090	25.415	24.870	82.6	33.6
06	29.115	29.070	24.870	24.570	83.8	35.1
07	29.223	29.270	25.111	25.600	82.4	36.5
08	29.343	29.370	26.370	26.670	80.7	37.5
09	29.430	29.390	26.821	26.860	80.8	38.0
10	29.538	29.700	26.784	26.870	81.3	38.0
11	29.797	29.900	26.457	26.520	82.6	37.3
12	30.100	30.140	26.852	26.490	83.3	36.6
01.2002	30.473	30.685	26.952	26.546		36.5
02						
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\* Units are new roubles, prior to January 1998 - thousands of pre-denominated roubles.

\*\* An increase in this series represents an appreciation. Weightings are 40% for the \$, 40% for the euro, 20% for the hrivna.

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