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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

## **Negative news outweighs positive**

Developments at the start of the current year confirm that Russia's economy is experiencing a slowdown that encompasses most of its sectors. Production in some sectors has already plunged. Estimates by RET staff show that seasonally adjusted real industrial production declined in December and January from November 2001 levels, which were the highest since 1998. Seasonally adjusted real construction output, which was still growing rapidly in December, plummeted in January. Freight transportation also turned downwards in late 2001. The volume of retail trade fell in January 2002 for the first time in 12 months. Recent business surveys suggest that economic activity in the enterprise sector did not improve in February.

In addition to the continuing contraction of foreign demand the growth of domestic demand started to slow at the end of last year. The slowdown is mainly caused by a sharp contraction in investment. A slight decline in investment demand was also observed at the start of last year, but the current drop is much bigger. The rapid rise of private consumption through most of last year has come to a halt, with spending largely stagnant since October.

Unemployment figures also show some adverse tendencies. The unemployment rate, calculated according to ILO methodology, has been slowly growing since mid-2001 after a significant decline of around 4 percentage points over the preceding 18 months. However, unemployment still remains below 9%.

Despite its fast growth after 1998, the Russian economy has not been able to reduce its dependency on energy and raw material exports. On the contrary, the share of these products in exports has increased, mainly due to price increases, but also due to growth in exported volumes.

Now that energy and raw material prices on world markets are low the problems associated with narrow specialisation of the Russian economy are again becoming apparent. Since most of the relatively rapid investment growth during the past couple of years has been in the energy and transportation sectors (the latter mainly oil and gas transportation), development possibilities in other sectors have remained limited. Therefore the duration of the slowdown of the Russian economy depends to a great extent on developments on international commodity markets.

## **Monetary and fiscal policy successes**

One positive piece of news is the slowing of inflation in February, when the 12-month CPI rate came down to 17.7%, the lowest figure in more than two years. The slowdown was partly due to the absence of administrative price increases, which contributed to the high inflation figure in January. In addition, the Central Bank has gradually tightened monetary policy during the past year and the growth of monetary aggregates has decelerated with broad money (M2) growing 39% year-on-year in January.

In February gross international reserves of the Central Bank again increased after two months of decline and returned to the level of almost \$37 bn. The abundant reserves, equalling about 8 months' imports, allow Russia some flexibility in its economic policy now that export revenues are declining. Room for manoeuvre in economic policy making has also been increased by the foreign debt reduction, which Russia managed to achieve last year. Due to debt buybacks, renegotiations and early repayments Russia has reduced

its foreign debt payments falling due in the peak repayment year, 2003, by at least \$2 bn from the original figure of about \$19 bn.

## Slow development in enterprise sector

Although aggregate profits of large and medium-sized enterprises declined last year – mainly on account of sectors geared to exports – the share of profitable enterprises grew during the year from 58% to 62%. Still, this share is surprisingly small, considering that the past two years have seen the fastest economic growth for a decade.

Positive developments continued over the past year in payment discipline of enterprises, with the decline in tax arrears accelerating since the autumn. Also, the use of barter or money surrogates has not shown any increase despite the slowdown of the economy. On the negative side, the functioning of the Russian banking sector has not improved much during the past year, posing serious difficulties for enterprises in securing financing. According to business surveys, this was the most important obstacle to production growth in 2001.

A clear indication of the fact that Russia's business climate has not improved much is the fact that foreign direct investment inflow declined by 11% over the past year, according to Goskomstat statistics. Of the investment that came into the country, a third went into trade, catering and food industry. These are sectors where returns on investment materialise relatively quickly, reducing risks. Also, these sectors, as producers for domestic markets, have fared well after the 1998 crisis.

## 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	2.2	Jan
Fixed investment	-5.0	-12.0	5.3	17.4	8.7	0.5	Jan
Inflation (end of period)	11.0	84.4	36.5	20.2	18.6	17.7	Feb
M2 (end of period)	29.5	36.3	57.2	62.4	40.0	39.2	Jan
Unemployment rate (ILO, %)	10.8	11.9	13.7	10.5	9.0	8.9	Jan
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.

## To our readers

You have probably noticed that starting from the February issue of the RET Monthly we have renewed and expanded statistical series in the data tables and introduced certain changes to the structure of the text. These measures are aimed at improving our publication to better meet the needs of our readers. We will continue making some minor changes in the course of the spring.

We welcome comments from our readers concerning the changes as well as suggestions for further improvements. Please contact us at slainela@recep.ru or by phone +7 (503) 232 36 13.

Seija Lainela  
Editor-in-Chief

## Domestic demand

Growth of domestic demand, which slowed down at the end of 2001, slowed further at the beginning of 2002. Real consumer expenditures (a proxy for household consumption) have remained more or less unchanged in seasonally adjusted terms since October 2001. In January 2002 their y-o-y rate of growth was equal to 8.1% (10.0% in October 2001).

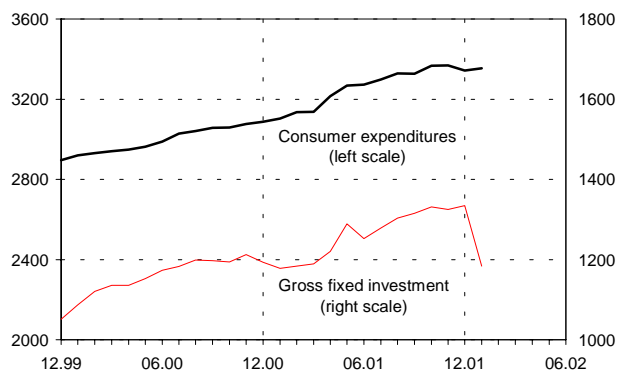
Real gross fixed investment (a proxy for gross fixed capital formation), which remained unchanged in seasonally adjusted terms from October to December 2001, experienced a dramatic drop in January 2002. Real gross fixed investment fell by 11.3% in seasonally adjusted terms and returned to the level of July 2000. The reasons for such a drop in fixed investment are not clear at the moment, but the accuracy of the report is supported by data on the real volume of construction works, which experienced an almost equal fall in January 2002 (see OUTPUT). However, current figures on gross investment might be revised in a couple of months time, when quarterly investment reports become available. It will then also be clear which particular industries were responsible for the fall in fixed investment at the beginning of 2002.

## Foreign sector

At the time of writing, neither final balance of payments data for Q4 2001 and the year 2001 as a whole nor foreign trade data for January 2002 have yet been published by the CBR. According to State Customs Committee data, registered Russian exports in January 2002 fell 22% year-on-year to \$6.4 bn, while registered imports rose by almost 5%, reaching \$2.5 bn. As a result, the registered trade surplus was only \$3.9 bn, which is almost one third less than in January 2001.

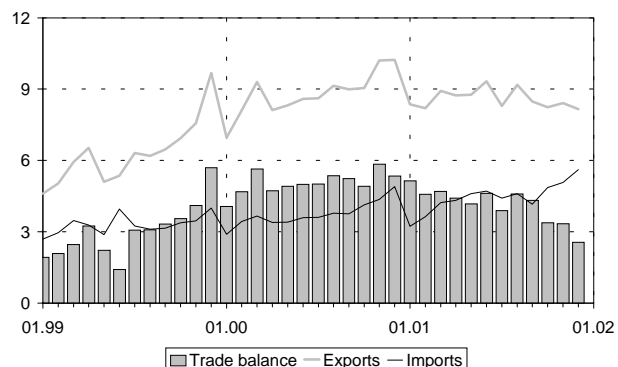
There was a surprise in recently published data on the commodity structure of Russian foreign trade, which showed a decline of machinery exports in December 2001 not only year-on-year but also compared with November 2001. In previous years, maximum monthly volumes of machinery exports have occurred in December. It is not yet clear why last year was an exception. Despite this drop, exports of machinery in 2001 were up 14% year-on-year, totalling \$10.4 bn, or slightly more than 10% of registered Russian exports. Imports of machinery in 2001 reached \$14.0 bn, or one third of total registered Russian imports, which is 32% higher than in 2000. This trend is quite positive for a growing transition economy experiencing rising demand for high-quality investment goods as well as consumer durables (such as cars, consumer electronics, etc.), which are also included by Russian customs statistics under the general heading 'Machinery and equipment'.

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



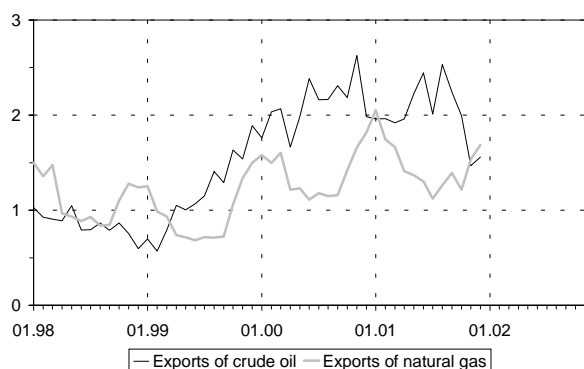
Source: Goskomstat and RET staff estimates.

## Merchandise exports and imports (\$ bn)



Source: CBR.

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



Source: Goskomstat.

At the beginning of March Goskomstat published data on foreign investment in Russia as well as Russian investment abroad during 2001. Although these data are not comparable with those published by CBR, they are the only source of information on industry and country structure of investment. Goskomstat reports that in 2001 Russia received \$14.3 bn of foreign investment, including \$4.0 bn (28%) of foreign direct investment (FDI), some \$0.5 bn (3%) of portfolio investment and \$9.8 bn (69%) of other investment, mostly trade credits. Total foreign investment rose 30% year-on-year, although FDI fell by 11%. The FDI decline is disappointing in the context of Russia's rapid economic growth, and shows that investors still lack confidence in the country's economic stability. The unquestioned leader in attracting foreign capital is the trade and catering sector (37% of total investment and 19% of FDI). The food industry remains in second place (11% and 13%, respectively), though its share in total investment declined by five percentage points year-on-year (by contrast, the share of trade and catering in total investment more than doubled). Then come ferrous metals (8% and 3%), fuel industry (7% and 11%), general commercial activities, such as marketing services, advertising, audit, etc. (6% and 6%), transportation (5% and 17%), and machine building and metal working (5% and 8%), with all other sectors lagging far behind.

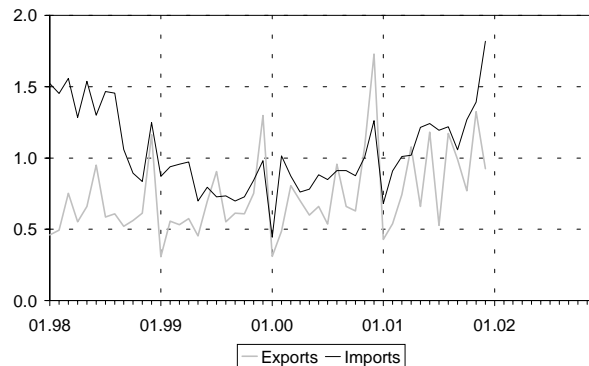
Russian investment outflow abroad is reported at \$16.8 bn in 2001, up 11% year-on-year. It is worth noting that Goskomstat follows a practice of reporting gross volumes of Russian investment abroad (i.e., it does not subtract the amount of investment withdrawn during the year). Since the bulk of Russian investment abroad is short-term, this practice causes the figure for accumulated investment abroad (\$3.4 bn by the end of 2001) to be much lower than reported investment outflow during the year. As regards the structure of accumulated investment abroad, direct investment takes 71% and other investment 23%, while the rest (6%) is portfolio investment. By comparison, the share of direct investment in total investment outflow abroad during 2001 was only 3%.

**Output**

Signs of stagnation or even economic decline are becoming more and more obvious. The index of gross output by the five base sectors of the economy (covering industry, construction, agriculture, transportation and retail trade) has continued to fall in seasonally adjusted terms and by January 2002 returned to the level of May 2001.

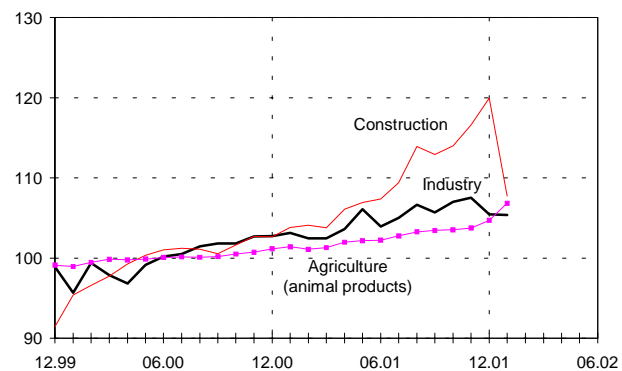
Production in the goods-producing sector in January 2002 also stood slightly below the level of May

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



Source: Goskomstat.

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



Source: Goskomstat and RET staff estimates.

2001 after stagnating for several months in seasonally adjusted terms. The real volume of construction works, which grew rapidly in the second half of 2001 experienced a sudden drop in January 2002 in seasonally adjusted terms and returned to the level of June 2001. Only output of agricultural animal products continues to grow steadily in seasonally adjusted terms, thanks to enduring benefits of the good grain harvest in 2001.

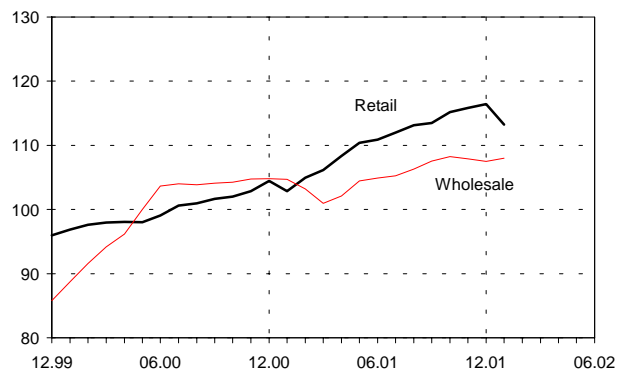
Among sectors producing market services, freight transportation turnover experienced a substantial drop at the end of 2001 in seasonally adjusted terms and in January 2002 was at the level of April 2001. Passenger transportation turnover was falling throughout 2001 and in January 2002 stood 2.5% lower than in January 2001. The real volume of wholesale trade has remained unchanged since October 2001 in seasonally adjusted terms. The real volume of retail trade, which grew throughout 2001, declined in January 2002 by 2.8% in seasonally adjusted terms and returned to the level of August–September 2001. Only the real volume of communication services continued to increase rapidly with a y-o-y growth rate of 15.2% in January 2002.

### Prices

Rates of growth of the consumer price index (CPI) slowed down in February 2002 to 17.7% y-o-y, the lowest annual rate since August 1999. Yearly rates of growth of CPI for goods (food and non-foods) have shown steady decline since April 2001, and dropped to 13.9% y-o-y by February 2002. However, CPI for paid services grew at a rate of 38.5% y-o-y, mainly due to accelerating growth of prices for housing services and utilities (56.3% y-o-y in February 2002). Rates of growth of the investment price index (IPI) slightly increased in January 2002, to 14.8% y-o-y from 14.4% in December 2001. But it is too early to talk about acceleration of IPI growth, as rapidly declining rates of money supply growth are exerting a general positive influence on inflation rates.

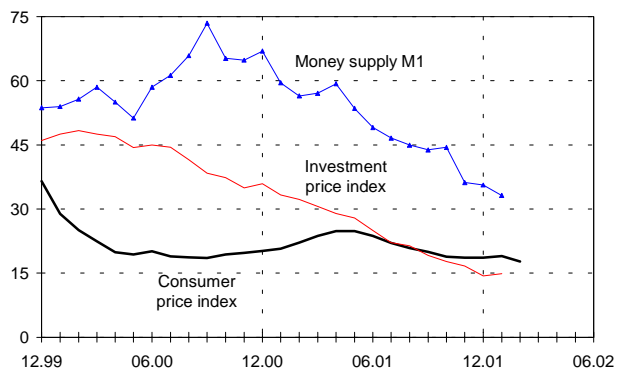
Rates of growth of the composite producer price index (covering industry, construction, agriculture, freight transportation and communications), continued to slow down, reaching 12.7% y-o-y in January 2002, i.e. less than 1% per month. The lowest y-o-y rate of PPI growth in January 2002 was observed in industry (9.0%). PPI for construction, agriculture and communications grew in January 2002 at rates of 15.4–15.8% y-o-y. Tariffs for freight transportation in January 2002 were 29.0% higher than a year earlier. Among natural monopolies (electricity, natural gas, freight rail transportation and pipeline transportation) substantial price growth in January 2002 was observed in the natural gas industry, where PPI increased by 15.5% in a month.

**Real gross volume of trade (2000 = 100, seasonally adjusted)**



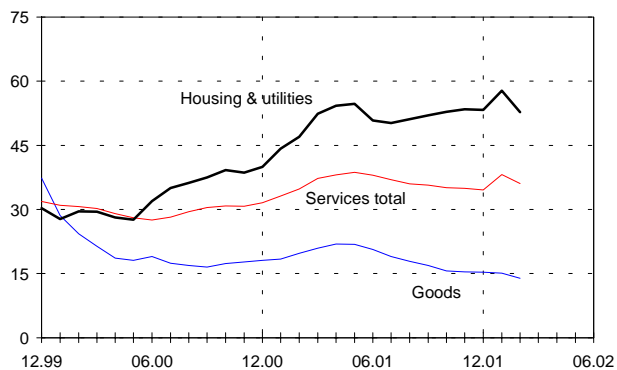
Source: Goskomstat and RET staff estimates.

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



Source: Goskomstat, CBR.

**12-month rates of growth of the components of CPI (%)**



Source: Goskomstat.

## Labour market

According to recently released labour survey data for August and November 2001, employment stabilised and unemployment started to increase in the second half of 2001, reflecting the slowdown of economic growth. According to the latest labour survey data, the total number of employed in November 2001 was 64.7 mn, 0.2 mn higher than a year earlier. Goskomstat estimated civilian employment (including estimates of hidden employment) at 65.0 mn in November 2001, the same as a year earlier. In January 2002 civilian employment was also estimated at 65.0 mn. The total number of unemployed increased from 6.1 mn in May 2001 to 6.3 mn in November 2001, and in January 2002 was estimated by Goskomstat at 6.4 mn. Registered unemployment in January 2002 was 1.2 mn, or 0.1 mn more than in January 2001.

Real reported monthly wages due continued to grow steadily and in January 2002 they were estimated to be about 19% higher than a year earlier. According to preliminary estimates, real wages due increased by about 1% in January 2002 from December 2001 in seasonally adjusted terms, but wages actually paid increased to a lesser extent due to growth of wage arrears. Over January 2002 wage arrears grew by 9.6%, to R32.9 bn, and appeared to be 4% higher than at the end of 2000.

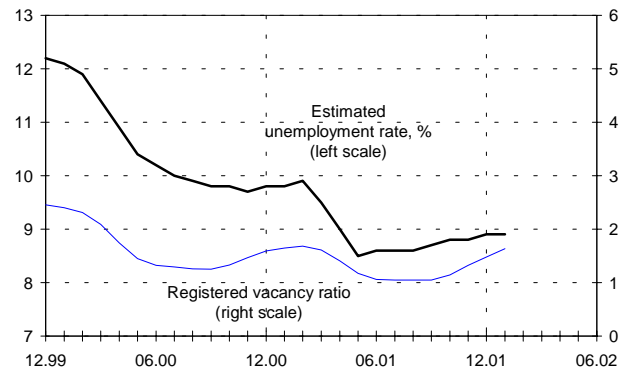
## Government

In January 2002 federal budget revenues were R161 bn and expenditures were R78 bn. The share of total revenue accrued to the budget by the Tax Ministry was 69%, while 25% was accrued by the State Customs Committee. The federal budget balance amounted to R83 bn, and the primary balance to R97 bn. Net foreign debt payments over the month were R14 bn while the amount of domestic debt remained almost unchanged. Balances on federal budget accounts increased by R70 bn and reached R262 bn.

According to preliminary Ministry of Finance data, federal budget revenues in February were almost at the planned level – R144 bn. Federal budget expenditures were R159 bn of which R35 bn were spent on debt service. Budget results in February were slightly worse than in January, which is unusual. This was partly due to a reduction of the customs tariff on oil exports. The tariff on oil exports was reduced from 23.4 euros per tonne to \$8 per tonne on February 1 (the tariff is set in dollar terms beginning that date).

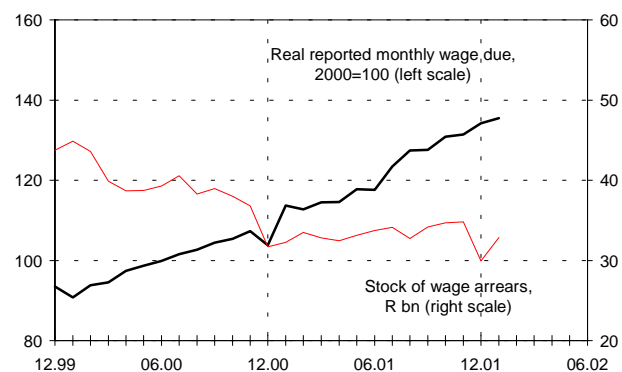
Assuming that average oil exports equal 10 mn tonnes per month, such a drop in the tariff rate results in decrease of revenues by approximately R3.6 bn per month. The decision on the tariff cut was made on

## Unemployment indicators (end of month)



Source: Goskomstat and Ministry of Labour.

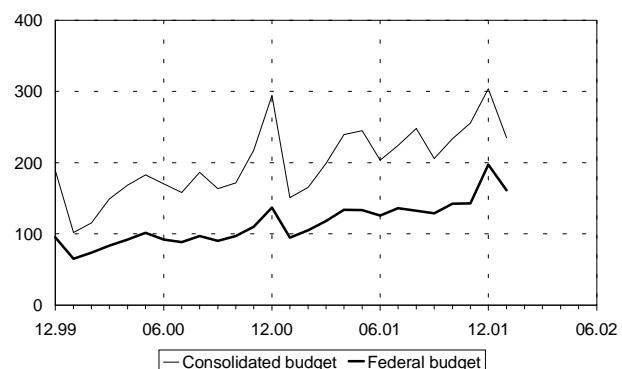
## Real wages\* and nominal wage arrears



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

Source: Goskomstat and RET staff estimates.

## Federal and consolidated budget revenues (R bn)



Source: Ministry of Finance.

January 4, and was based on an average price of \$18.2 per barrel of Brent crude during November–December 2001. Over the first two months of 2002 the average Brent crude price increased slightly to \$18.6 per barrel. Based on that price level the tariff rate could be increased by approximately one dollar in the future.

Tax arrears to the consolidated budget increased by R44 bn in January 2002. The precise reason for this is not clear because the biggest increase was in the item ‘other federal taxes’, while arrears of VAT, profit tax and tax on exploitation of mineral resources remained almost the same. One possible explanation is that the Tax Ministry extended monitoring tax base or discovered some non-classified tax arrears, which will be classified in future.

According to statements by officials of the Ministry of Finance, Russian foreign debt on December 31, 2001, totaled \$138 bn or 46.1% to GDP against \$148 bn or 58.9% to GDP at the end of 2000. Total public debt, including internal debt, was 51.9% to GDP, which is 14.7 percentage points less than a year earlier. During the first two months of 2002 Russia repaid a further \$1 bn of its foreign debt.

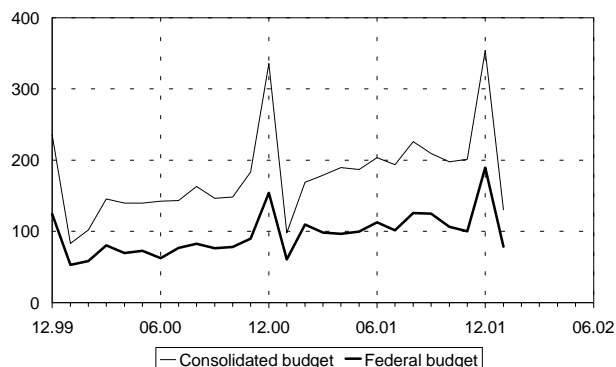
### Monetary authorities

M2 fell by 6.3% m-o-m in January 2002, copying the dynamics of monetary base. M0 decreased by 8.7%, while deposits declined by 4.9% m-o-m. This behaviour of monetary aggregates had a seasonal nature, connected with stabilisation of demand for money after excess demand in December. The huge amount of shopping in December, mainly paid for in cash, explains the subsequent drop by M0 in January. The money multiplier decreased from 2.26 in December 2001 to 2.21 in January 2002, returning to its level a year earlier.

The CBR implemented a moderately tight monetary policy in February 2002. Monetary base increased by 1.5% and reached R688.9 bn at the end of the month. Interbank interest rates increased slightly: the average one-day MIACR (Moscow Inter-bank Actual Credit Rate) rose from almost 10% in January 2002 to approximately 13% last month. Thus the CBR continued to regulate liquidity of financial markets but tried to avoid the situation in December 2001, when the average one-day MIACR jumped to 24%.

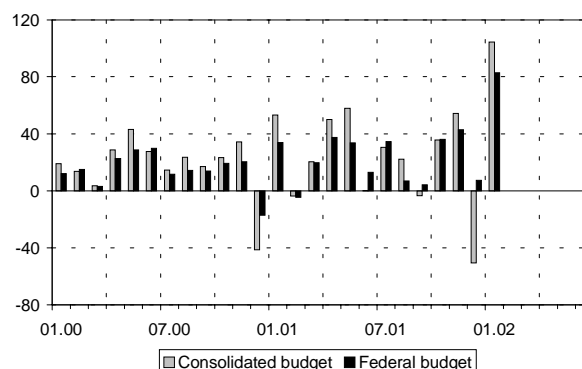
The official exchange rate of the rouble against the dollar decreased by 24 kopecks or 0.8% m-o-m to R30.93/\$ at the end of February 2002. This decline was smaller than in January. However, as simple calculations show, average devaluation during the rest of the year must not exceed 0.5% m-o-m if the average exchange rate of R31.5/\$, built into the 2002 budget law, is to be achieved. It is hard to believe

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



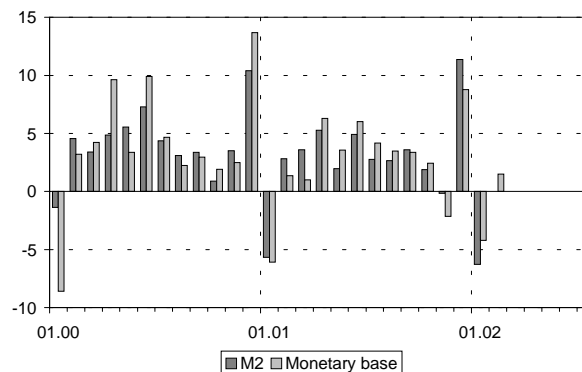
Source: Ministry of Finance.

### State budget balance (R bn)



Source: Ministry of Finance.

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



Source: CBR and RET staff calculations.

that such a target is realistic since average monthly devaluation has been around 1% since November 2001. The official exchange rate of the rouble against the euro rose slightly in February 2002: the average monthly exchange rate increased by 0.6% to R26.78/euro vs. R26.95/euro in January.

A remarkable feature of the performance of the Russian monetary authorities in February 2002 was an increase in gross international reserves (GIR), which has not occurred since November 2001. According to monthly data, GIR rose by \$0.5 bn in February and stood at \$36.9 bn on March 1. As sometimes happens, there was a difference between monthly and weekly data on GIR of the CBR: according to weekly data, GIR were \$36.7 bn on March 1. The reason for this difference is that monthly data reflect the situation at the beginning of the day, while weekly data represent GIR at the end of the day.

The Russian monetary authorities are operating an information blackout on certain issues. For example, the time schedule of foreign debt repayments has still not been publicly announced. This causes some uncertainty for analysts and investors, since it is difficult to explain or predict falls in GIR. The CBR and the Ministry of Finance may be afraid that information about considerable foreign debt repayments could provoke a speculative attack on the rouble.

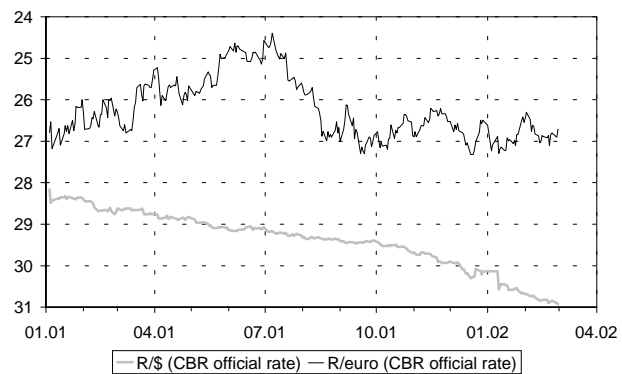
The Russian currency appreciated in real terms in January 2002. According to preliminary estimates, the trade-weighted exchange rate appreciated by 1.5% m-o-m. Appreciation of the rouble against the dollar, the euro and hryvna equalled 1.0%, 2.0%, 0.7% respectively. Rouble appreciation was mainly due to significant inflation in January.

### Capital markets

The Russian stock market marked time on thin volumes through February 2002. Average daily trading volumes declined to \$14 mn from \$23 mn in January, and the RTS index grew by only 1%. The beginning of March 2002 brought a sharp change, with average RTS turnover increasing again to \$21 mn and the RTS index surging to 330 points, following higher world oil prices and rising emerging markets. Oil and gas shares outperformed the market, with Surgutneftegaz, Yukos and Sibneft showing price increases of 14%. Utilities and telecom companies were also on an upward trend.

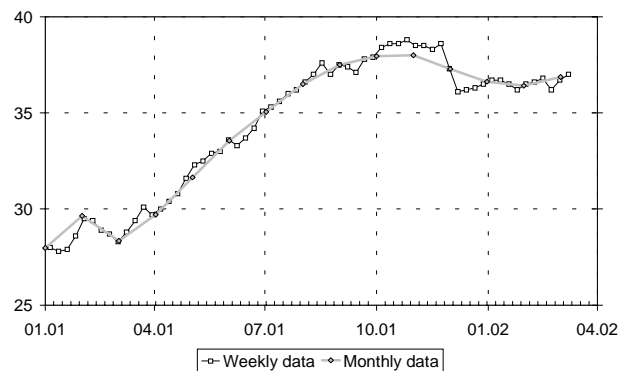
Russia's Eurobonds also benefit from high oil prices and have received extra help from generally positive perceptions of emerging market debt. Statements of top Russian officials in mid-February, reporting reduction of scheduled debt service in 2003 by \$2.5 bn were a key bullish factor for Eurobonds. At the end of February the international rating agency Standard

### Rouble exchange rates



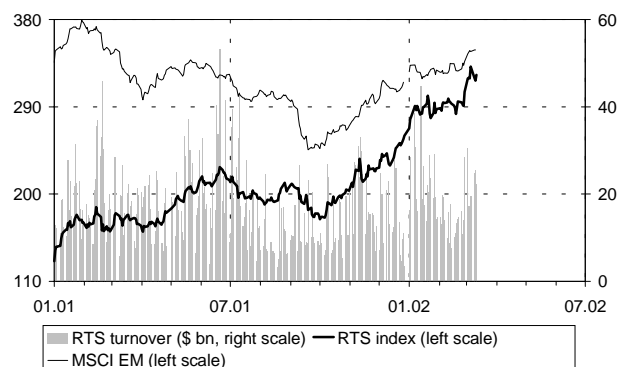
Source: CBR.

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



Source: CBR.

### RTS and MSCI equity indexes

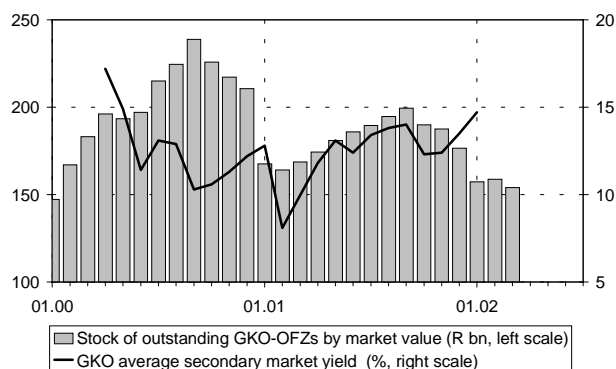


Source: RTS and www.msci.com.

& Poor's upgraded its forecast for Russia's sovereign rating to 'positive', giving further impetus to a rally enjoyed by Russian Eurobonds in recent months. On March 7, 2002 the Russia '30 Eurobond reached new highs of 67% of nominal value.

The volume of the GKO-OFZ market decreased throughout the second half of 2001 and into 2002. The stock of outstanding GKO-OFZs by nominal value had dropped to R155 bn as of March 1, 2002. The Government clearly needs to breathe new life into the rouble-denominated government debt market, and the Ministry of Finance is eager to change the main features of government securities issuance this year. It plans to extend the minimum maturity period for GKO from three months to six months, to increase the par value of all issues, and to place new issues more regularly. It will also offer a new instrument for investment and pension funds – long-term floating rate government savings bonds (GSOs) – although GSOs will not appear on the secondary market. The Ministry of Finance held two rouble debt auctions in February, in accordance with the borrowing schedule for 2002 announced at the beginning of the month. A GKO placement was successful, with three-quarters of the issue sold, but demand for 30-month OFZs was limited despite massive rouble inflow from redemption of R10 bn of OFZs on the same day. Some light was shed on prospects for the GKO-OFZ market by statements of prime minister Mikhail Kasyanov who ordered issuance of government securities to be stepped up.

### Government securities market



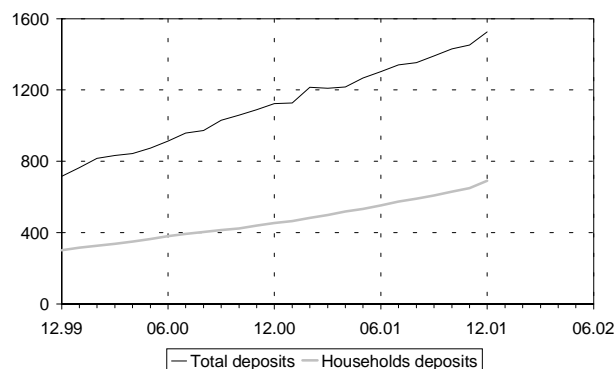
Source: CBR.

### Credit markets and banking system

The Russian banking system is facing a severe test in 2002 due to the slowdown of economic growth. The new situation requires commercial banks to create a broader range of mechanisms for bringing savers and borrowers together in order to meet the challenge of sustainable growth. Regulators must intervene more actively to secure improvement of the legal framework and better protection of creditor rights, encouraging reorientation of the banking system towards the domestic real economy.

In 2001 experts speculated that rising real incomes of households had whetted appetites of some commercial banks for operations in the retail market. Indeed, the stock of household deposits at Russian commercial banks grew by 52% in nominal terms over the year from R453 bn to R690 bn. However, it is still too difficult for commercial banks to challenge the monopoly of Sberbank, which enjoys advantages not based on competition. Sberbank's share of the retail market is still 72%. All attempts by the Government or legislators to institute a workable deposit insurance system in order to address this problem have so far failed despite incessant claims

### Deposit taking by commercial banks (R bn)



Source: CBR and RET staff estimates.

that such a system urgently needs to be established. However, Alfa-Bank, MDM-Bank, Bashkreditbank, KMB-Bank and Raiffeisenbank are worth citing as active retail players. KMB-Bank was named by the International Confederation of Consumer Associations 'Best bank on the retail market' in the category of foreign banks operating in Russia. Subsidiaries of Turkish banks also provide attractive services to individuals. Other foreigners are so far not eager to develop retail business in Russia.

Shift in the maturity structure of household deposits observed in 2000 continued in 2001. Last year the share of household deposits with maturity longer than one year grew from 12% to 29%. This trend is partly explained by the structure of interest rates on deposits: only long-term rates can protect depositors' savings from inflation.

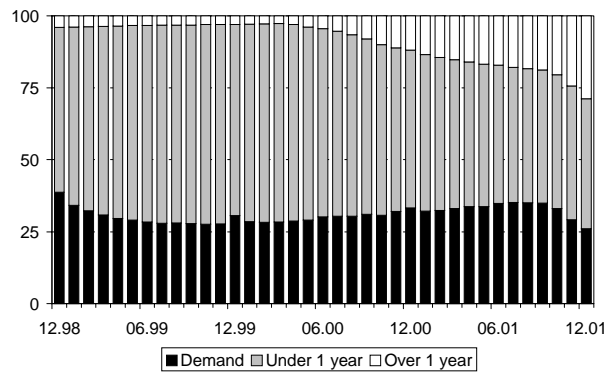
It is not unlikely that inflow of new deposits will be less abundant in 2002 than in 2001. Under the law on money laundering, which came into effect on February 1, 2002, commercial banks must provide information to the CBR on transactions exceeding R600 000. While adoption of this law should help Russia to quit the black list of FATF (Financial Action Task Force on Money Laundering), the effectiveness of new legislation has yet to be proved.

### Households

Changes in consumer finance in January 2002 were in line with patterns of the previous year. Real personal income corrected to inflation by the consumer expenditures deflator increased by 10% y-o-y. Growth of consumer expenditures was about 9% y-o-y. Purchases of food products grew by 11% from January 2001. For the first time in a year they contributed more than sales of non-food to the growth of consumer expenditures (non-food sales were up only 9% in January 2002 compared to January 2001). For the first time in almost half a year there was a significant increase in the volume of paid services, which rose by 1.2% compared to January 2001. That was in spite of a sharp growth of prices for services in January 2002.

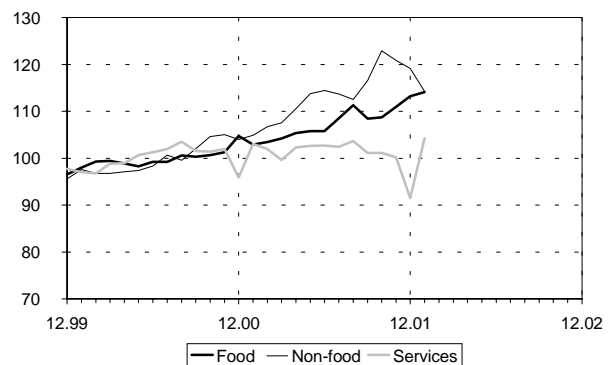
Slowdown in growth of real non-food sales was no surprise for those who follow the Consumer Sentiment Index (CSI) constructed by the Development Centre, VCIOM and the CSI-Russia Foundation. Dynamics of one of the components of this index – conditions for buying durable goods – usually anticipate changes in the 12-month rate of growth of real non-food sales by several months. This component reached its maximum level in July 2001, but fell back to the level of 1997 by January 2002. Some downturn in growth of non-food sales was therefore expected since July. It is interesting to note that all other components of the CSI have followed the gen-

### Structure of rouble households deposits



Source: CBR and RET staff estimates.

### Real consumer expenditures (seasonally adjusted, 2000 = 100)



Source: Goskomstat and RET staff estimates.

### Consumer sentiment index



Source: Development Centre, VCIOM and CSI-Russia Foundation.

eral tendency to growth and are significantly above the 1997 level.

## Enterprises

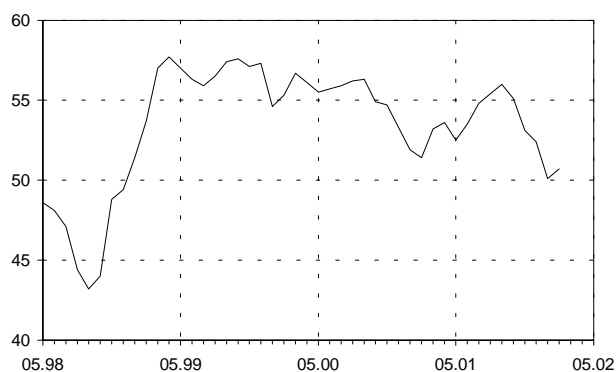
Stagnation of the Russian industrial sector has continued into February 2002, although producers are not despairing and even remain optimistic. Annual corporate profits published by Goskomstat showed that 2001 was more favourable for sectors of the economy oriented to domestic consumption. Reduction of the tax burden on Russian enterprises in 2001 enabled a significant reduction of tax arrears in Q4 2001.

According to Goskomstat's recently published data on profits of large and medium-sized enterprises for 2001, the only loss-making sectors of the economy were microbiology and heavily subsidised communal services. The share of profitable enterprises increased to 62% from 58% in 2000. The best financial results were shown by sectors oriented to domestic demand, such as consumer goods trading, construction, and the food industry. Profits of exporters and producers of investment goods were lower than in 2000.

Business survey results showed that stagnation of the Russian industrial sector continued into February 2002. The Moscow Narodny Purchasing Managers' Index – a composite indicator of economic activity in the manufacturing sector, increased marginally to 50.7 points from 50.1 points in January 2002. This shows the sector resisting contraction, which starts with readings below 50, but such a small rise cannot really be described as an expansion. However, a survey by the Centre of Economic Analysis (CEA) suggests light at the end of the tunnel. According to the survey, producers are expecting increase of demand for their production in the next three or four months. The February 2002 reading of the Industrial Confidence Indicator compiled by the Institute for the Economy in Transition was also positive and higher than in January 2002.

Economic slowdown did not stop the reduction of arrears of large and medium-sized enterprises. According to Goskomstat, there were rapid reductions of tax arrears at the end of 2001, with a fall of 16% in Q4 2001 alone. This must be due to easing of the tax burden. In 2001 personal income tax was reduced to flat 13%, which is important for enterprises because in Russia they pay this tax for their employees using payroll as a tax base. Also a unified social tax was introduced to replace obligatory payments by enterprises to various funds. Inter-enterprise arrears were down by 2% in Q4 2001, but arrears to suppliers overdue for more than 3 months (justifying a bankruptcy application by the creditor) were still R1269 bn or 14% of GDP by the end of the 2001.

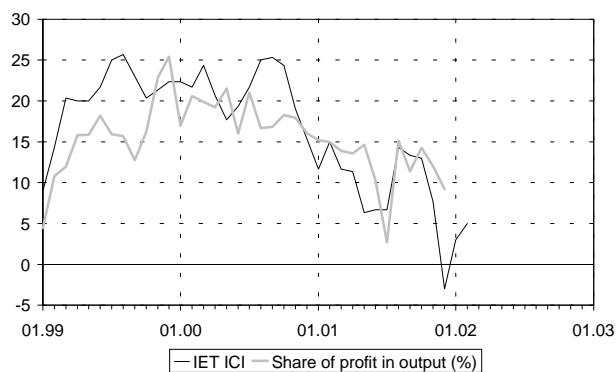
## Moscow Narodny Purchasing Managers' Index\*



\* Readings above 50 points mean that the manufacturing sector is generally expanding, readings below 50 points suggest contraction.

Source: NTC Research.

## 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.

Thus the new law 'On bankruptcy', adopted by the Duma in the first reading in early March, comes not a minute too early. The purpose of the new law is to curb use of bankruptcy proceedings as a tool for hostile takeovers, a practice which has been rife under the old law. The old law did not give adequate protection to debtors and made it very easy to grab assets of enterprises by bankrupting them.

Shortage of own funds at industrial enterprises increased further in February 2002 according to the CEA business survey. In 2001 such shortage was the main obstacle to production growth named by survey respondents. Growth of credit should ease this problem. In 2001 credits of commercial banks to enterprises increased by 56% (32% in real terms). However, there is uncertainty whether enterprises are using borrowed resources to replenish their working capital or for some other purpose. According to Goskomstat, the amount of credit money provided by commercial banks and used by large and medium-sized enterprises for financial investments in Q4 2001 was equal to 97% of the total increase of commercial bank credit to enterprises in the same period reported by the CBR.

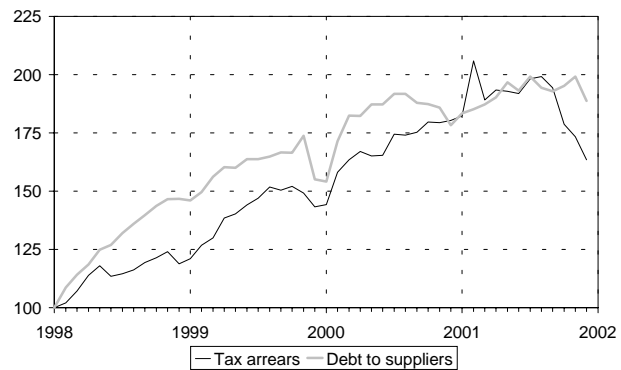
**External environment**

The good news for the world economy – and for Russia as well – is that the downward economic trend in the US may be moderating. US seasonally adjusted unemployment decreased from 5.6% in January 2002 to 5.5% in February. The PMI index of US industrial confidence soared to 54.7% in February 2002 from 49.9% in January, as new orders grew. (PMI index levels above 50% indicate that the manufacturing economy is generally expanding and a reading above 42.7 has generally indicated the growth of total output.) There are, however, also serious risks. There was a sudden drop in US consumer confidence in February, which, added to the large indebtedness of households, makes one doubt that an increase in consumer expenditures will be sufficient to bring about economic recovery.

The economies of the 15 EU countries show signs of bottoming out. The indices of industrial and consumer confidence rose in February 2002 from January. According to the latest data on industrial production, it was 1% higher month-on-month in December 2001 than in November, the positive contribution coming from Germany, Italy, Ireland, the Netherlands, and Austria.

American imports and exports continued to decline dramatically in December 2001 and were respectively by 17% and 15% lower than in the same month a year earlier. Imports by Japan and the 12 countries of the Euro zone fell 13% and 16% y-o-y in February. The aggressive trade policy pursued by

**Dynamics of tax arrears and overdue payables to suppliers of large and medium-sized enterprises (Jan 1998 = 100)**



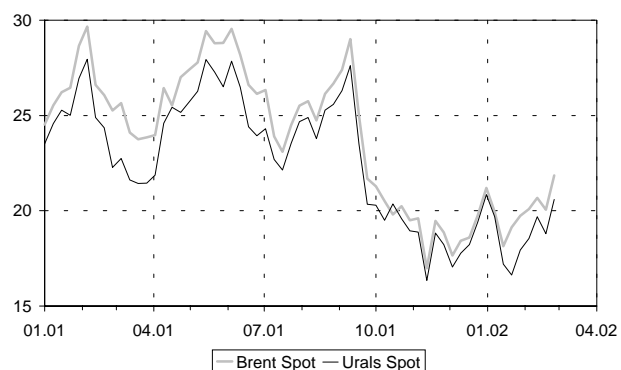
Source: Goskomstat.

**OECD imports (in constant 1995 \$ bn)**



Source: OECD.

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

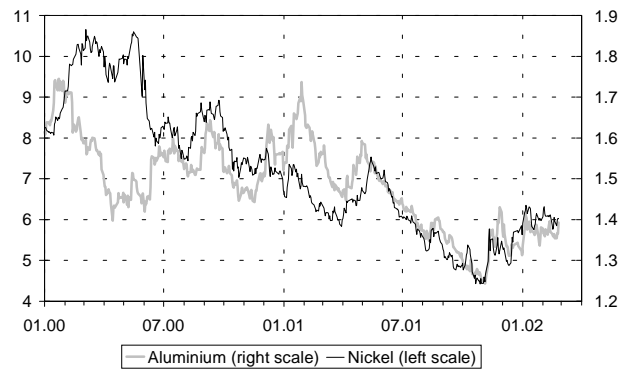


Source: Energy Information Administration.

the US against certain imports may hamper recovery of world trade after the recession.

Oil prices have been on the rise since the end of February due to optimistic estimates of US economic performance. World prices for non-ferrous metals, which are an important part of Russian exports, seem to have stabilized after a period of recovery in November 2001–January 2002. Average spot prices for aluminium, nickel and copper on the London Metal Exchange exceeded in February 2002 the lowest October average quotes by 7%, 13% and 25% respectively.

### 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						
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	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 (non-SNA concept)**

	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 2000
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	350.0	63.8	73.7	100.6	3355	1184
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\* Data for 2002 are not comparable with previous.

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	106.8
01.2000			96.2	95.7	95.4	98.9
02			99.3	99.4	96.6	100.2
03	1389	98.0	98.0	97.8	97.7	100.8
04			97.7	96.8	99.2	100.2
05			99.2	99.1	100.3	100.5
06	1595	99.3	100.2	100.2	101.0	99.9
07			100.1	100.5	101.2	99.9
08			100.9	101.5	101.1	100.9
09	1924	100.9	101.5	101.8	100.5	101.5
10			102.3	101.8	101.6	99.9
11			102.3	102.7	102.7	99.1
12	2195	101.8	102.3	102.7	102.7	98.2
01.2001			102.7	103.1	103.8	102.1
02			102.6	102.5	104.1	102.9
03	1886	102.9	102.7	102.4	103.8	104.0
04			104.1	103.6	106.1	104.4
05			105.7	106.1	106.9	105.4
06	2116	104.6	104.5	103.9	107.4	104.2
07			106.3	105.0	109.4	117.0
08			109.4	106.6	113.9	121.0
09	2543	105.9	106.3	105.7	112.9	106.7
10			107.8	107.0	114.0	102.5
11			108.8	107.5	116.6	107.0
12	2496	106.7	107.5	105.4	119.9	104.4
01.2002			105.7	105.4	107.7	106.3
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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	102.0	112.8	
1996	95.6	34.3	107.3	97.0	103.3	44.2
1997	95.1	32.7	101.9	93.3	98.8	54.7
1998	94.3	30.7	100.1	89.9	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	103.0	99.4	119.9
01.2000	97.9	30.1	73.0	99.1	99.1	87.8
02	100.4	32.5	77.1	103.0	99.7	91.7
03	98.3	29.0	87.9	98.6	96.7	92.6
04	98.2	32.7	95.9	98.4	99.3	94.9
05	99.9	33.7	103.7	98.6	100.9	97.0
06	99.1	28.9	109.3	99.6	100.3	96.8
07	100.1	31.5	108.6	100.6	101.7	101.5
08	100.3	30.1	105.3	99.6	100.8	103.8
09	101.0	29.6	102.2	99.9	100.8	112.9
10	101.2	28.8	104.1	101.1	100.6	108.6
11	101.9	28.2	112.8	101.1	100.3	106.2
12	101.6	28.5	120.2	100.4	99.9	106.2
01.2001	101.9	29.3	75.9	100.8	100.2	115.2
02	102.2	27.3	77.5	101.1	99.3	117.3
03	102.7	29.0	89.1	101.3	100.3	103.5
04	103.3	29.7	98.3	102.5	101.1	112.4
05	103.4	29.5	106.2	103.4	99.4	117.7
06	105.1	30.2	111.2	103.4	100.0	121.5
07	105.6	31.8	111.4	102.9	98.7	123.1
08	105.9	34.2	108.7	103.7	99.2	120.3
09	105.4	32.7	105.7	104.9	99.7	121.6
10	106.2	37.6	107.0	106.9	98.9	123.9
11	105.8	36.8	116.1	105.0	98.9	130.8
12	106.6	25.2	124.2	100.4	96.8	131.4
01.2002	105.1	39.3	79.3	102.6	97.7	132.7
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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	364.0	120.0	274.2	108.6	75.8	100.1
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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	22.5	10.7
1996	29.8	28.8	38.5	42.8	33.7	31.6
1997	33.1	31.3	47.2	45.0	38.9	40.4
1998	61.0	61.6	55.8	50.4	48.2	44.4
1999	83.2	84.7	74.8	73.6	81.9	69.4
2000	100.0	100.0	100.0	100.0	100.0	100.0
2001	118.6	115.3	136.9	114.4	120.9	130.5
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	116.8	132.7	143.9
02	123.7	118.9	151.1			
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EoP - end of period.

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

	Composite producer price index Dec-00=100	Industry Dec-00=100	Construction Dec-00=100	Agriculture Dec-00=100	Freight transportation Dec-00=100	Communications 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	114.9	111.0	117.5	119.5	131.5	117.8
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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	8.7	1.0	1.0
10	65.1	41.0	6.3	8.8	1.0	1.1
11	65.0	40.9	6.3	8.8	1.1	1.3
12	65.0	40.8	6.4	8.9	1.1	1.5
01.2002	65.0		6.4	8.9	1.2	1.6
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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	3282	4159	1819	120.6	29.9	27.8
01.2000	1806	2169	977	90.8	44.9	90.9
02	1815	2240	1014	93.9	43.6	65.2
03	1991	2485	1065	94.7	39.9	27.2
04	2012	2509	1165	97.6	38.7	7.0
05	2073	2527	1300	99.1	38.7	0.0
06	2264	2714	1500	100.3	39.3	0.0
07	2272	2806	1190	101.5	40.5	0.0
08	2259	2835	1063	102.6	38.3	0.8
09	2336	2921	1263	104.2	39.0	0.5
10	2393	3011	1318	105.1	38.0	1.9
11	2475	3062	1368	106.7	36.8	17.4
12	2985	3550	1593	103.6	31.7	25.2
01.2001	2732	3481	1491	112.5	32.3	3.7
02	2654	3395	1567	111.2	33.5	12.1
03	2963	3856	1626	112.7	32.8	0.3
04	2922	3769	1641	113.0	32.4	0.6
05	3053	3884	1792	115.9	33.1	0.7
06	3283	4115	2052	117.3	33.7	6.1
07	3363	4241	1704	122.3	34.1	0.3
08	3375	4368	1519	126.1	32.7	0.0
09	3404	4344	1800	126.1	34.2	0.7
10	3514	4505	1862	129.0	34.7	1.8
11	3577	4626	1894	129.1	34.8	0.5
12	4540	5321	2879	131.9	29.9	1.0
01.2002	3860			133.6	32.8	4.3
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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			300.0			
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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	1102.0	6499.3	6059.1	1667.6	754.0	1828.4
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	71.2	6499.3	6059.1	1667.6	754.0	1828.4
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	10.3	12.2	4.8
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	0.9		0.3
01.2002						
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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	151.1	282.9	97.3	16.1	98.4
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
12		118.9	238.4	100.3		88.4
01.2002						
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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	229.9	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	19.4	42.7	50.7
12	197.1	175.1	189.8	22.1	7.4	17.0
01.2002	161.2	146.9	78.3	19.3	82.9	97.4
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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	2.6
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	6.2
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	2.9
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
01.2002	234.8	206.0	130.5	14.5	104.3	
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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 (M0)	Broad money (M2)	Broad money including deposits in foreign currency
	bn R	bn \$	bn R	bn R	bn R	bn R
1995	103.8	7.2	113.7	80.8	220.8	275.8
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	27.1	122.6	533.4	1502.0	2056.3
02	688.9					
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\* Since November 1999 NIR are estimated by RET.

**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	3155.9	583.6	1388.9	1191.5	539.4	546.8
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	3155.9	583.6	1388.9	1191.5	539.4	546.8
01.2002					579.0	
02						
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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	1525.2	690.1	67.0	270.3	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	1525.2	690.1	67.0	270.3	315.0	612.1
01.2002						634.8
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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	67.2
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	67.2
01.2002	286.5	23.2	581.0	158.9	158.7	
02	291.9	13.7	689.6	155.1	154.0	
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**Table 21: Interest rates (annual rates, period average)**

	CBR refinance 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	17.9	4.2	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	17.0	4.8	23.9	14.7	21.6
01.2002	25	18.3	4.1	9.6		45.1
02	25			12.7		15.4
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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	84.5	36.5
02	30.806	30.927	26.781	26.712		
03						
04						
05						
06						
07						
08						
09						
10						
11						
12						

\* 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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