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**RUSSIAN
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TRENDS**

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**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

Decline in Q1 but not necessarily in Q2

In the first quarter of the current year production of five base sectors of the economy, which can be used as a proxy for GDP, fell about 1% from the previous quarter in seasonally adjusted terms. This was the second consecutive quarterly decline in overall production, and it affected all industrial sectors except for oil and non-ferrous metals. However, the downturn seems to have been short, and production started to recover again towards the end of Q1 2002. Business surveys show that production growth continued in April.

Growth of production has been based on recovering domestic demand, as both consumption and investment increased in March in seasonally adjusted terms. Consumption growth continued at a fairly stable year-on-year rate of about 7%, while investment started to grow again after a steep drop in early 2002, increasing by some 2% year-on-year. However, the level of investment is still low. The value of exports and hence the trade surplus grew rapidly in March due to higher world oil prices starting from February, and this also contributed to production growth. Increasing energy prices on world markets have significantly improved the outlook for the Russian economy compared with the situation at the start of the year.

Despite deterioration of financial conditions and a temporary production decline, the Russian enterprise sector has continued to normalise its financial transactions, and the share of non-monetary forms of payment in overall payments has declined further. Also, the share of overdue payments has stayed largely unchanged over the last six months.

Government under presidential criticism

During the spring President Vladimir Putin repeatedly criticised the Government (e.g. in the annual presidential address to the Federal Assembly on April 18) for setting growth targets, which he considers too modest. The criticism is based on scenarios for Russian economic development in 2003–2005, which the Government adopted in late March. Under these scenarios, annual economic growth would be 4–4.5% if average international oil prices are \$21–23 per barrel and 3.5–4% if average prices are \$18.5 per barrel. According to President Putin, such growth rates are insufficient to reduce the gap between Russia's economy and developed western economies.

The Government is working on new growth scenarios and will discuss them in June together with basic parameters for the 2003 draft budget. Judging by statements made so far by members of the Government, no drastic hikes in growth targets are to be expected. Indeed, there is little that the Government can do to enhance growth in the near term. The good growth record of the Russian economy during the past three years has been largely due to effects of the 1998 rouble devaluation and high world energy prices. Dependence of the Russian economy on energy exports has not diminished during this time, and international price developments continue to be crucial for growth. For economic growth to be less dependent on external factors, fundamental structural reforms are needed in Russia. These reforms are still largely incomplete and it will take time for their effects on the economy to materialise. Sustainable growth requires a healthy business environment that encourages investment. Such an environment is still missing in Russia, as is frequently pointed out.

The presidential address of April 18 again listed important preconditions for sustainable growth in Russia. The familiar aims include increasing competition on domestic markets,

curbing bureaucracy and limiting the role of the state in the economy, and creating a stable legal system. All these measures would improve the business environment and support the emergence of new business activity.

Development of small business is emerging as one of the main reform topics of the current year. Taxation of small business is being widely discussed and was also mentioned in the presidential address. The new social tax, which was introduced at the start of 2002, has placed a disproportionate burden on small firms and swollen their accounting expenses. Relevant corrections to the mechanism of the social tax are to be expected.

Revival of the Central Bank

The nominations in mid-April of Oleg Vyugin as deputy chairman of the Central Bank responsible for monetary and exchange rate policies and Andrei Kozlov as deputy chairman responsible for the banking sector marked a change towards a more active and open stance by the Bank, particularly concerning monetary policy issues. Since his nomination, Vyugin has appeared regularly in the media commenting monetary policy, in contrast with the behaviour of previous Central Bank management. Decisions taken so far by the new team include a cut in the refinancing rate from 25% to 23% and a more flexible use of Central Bank deposit rates.

Vyugin has stressed the importance for the economy of avoiding over-rapid real strengthening of the rouble. This may point to some change in the policy pursued by the previous management. According to Vyugin, real appreciation of the rouble will be slower this year than last year, when it amounted to about 7% vs. the dollar. Controlling inflation will be a key challenge, but the Central Bank forecasts that inflation will be 15% for the whole of 2002, somewhat higher than the Government's target of 12–14%. Due to high export earnings, foreign exchange reserves of the Central Bank have been growing lately, and on May 10 they reached for the first time the level of \$40 bn.

Land reform continues

Attitudes in Russian society towards reform measures are becoming more positive, as was demonstrated by smooth passage of a new law on agricultural land ownership, which was passed in a first reading by the Duma on May 16. The law introduces the (revolutionary for Russia) concept of agricultural land as an object for purchase and sale. The second reading, during which the law will be discussed in detail, is likely to be more problematic, but the successful first reading means that general principles have now been approved.

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	3.7	Mar
Fixed investment	-5.0	-12.0	5.3	17.4	8.7	2.4	Mar
Inflation (end of period)	11.0	84.4	36.5	20.2	18.6	16.0	Apr
M2 (end of period)	29.5	36.3	57.2	62.4	40.0	35.9	Mar
Unemployment rate (ILO, %)	10.8	11.9	13.7	10.5	9.0	8.9	Mar
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

In Q1 2002 aggregate demand experienced an actual reduction and figures will probably show a quarterly decline in seasonally adjusted GDP. However, the economy resumed its growth in February–March. According to revised estimates, real consumer expenditures (a proxy for household consumption) increased in Q1 2002 by 0.3% to the previous quarter in seasonally adjusted terms (1.1% in Q4 2001) and were 7.4% higher than a year earlier (8.9% y-o-y in Q4 2001). In March 2002 real consumer expenditures increased by 0.4% to February in seasonally adjusted terms and were 7.4% higher than a year earlier (7.0% y-o-y in February).

Preliminary estimates suggest that real gross fixed investment (a proxy for gross fixed capital formation) declined by 10.0% in Q1 2002 to the previous quarter in seasonally adjusted terms (+2.4% in Q4 2001) and was only 1.1% higher than a year earlier (10.8% y-o-y in Q4 2001). In March 2002 real gross fixed investment increased by 2.6% to February in seasonally adjusted terms and was 2.4% higher than a year earlier (0.3% y-o-y in February).

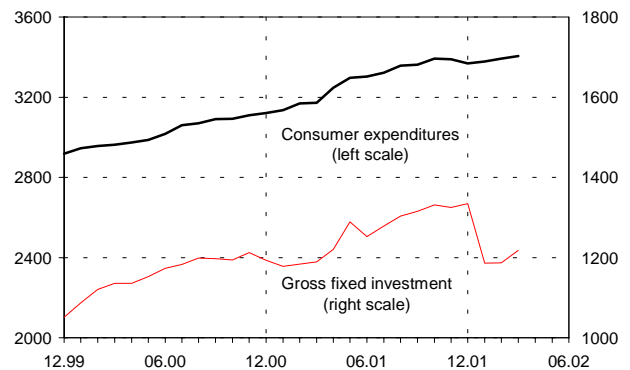
Foreign sector

At the beginning of May the CBR published revised trade statistics for Q1 2002. The revisions put the merchandise trade surplus at \$9.8 bn in Q1 2002, which is 8% higher than in Q4 2001, but almost one third lower than in Q1 2001. The main reason for the year-on-year decline was unfavourable export dynamics, mostly due to low world prices for oil in January–February. As a result, Russian exports were 13% lower year-on-year in Q1 2002 (\$22.2 bn). By contrast, Russian imports were 10% higher year-on-year (\$12.4 bn), although they dropped by as much as 21% compared with Q4 2001 (reflecting a normal seasonal pattern).

Monthly imports grew continuously from the beginning of the year, reaching \$4.7 bn in March, which is 37% higher than in January 2002 and 10% higher than in March 2001. Exports began to rise only in March, when they reached \$8.6 bn, exceeding levels in January and February by 27% and 25%, respectively. As a result, Russian exports in March were only 4% lower year-on-year.

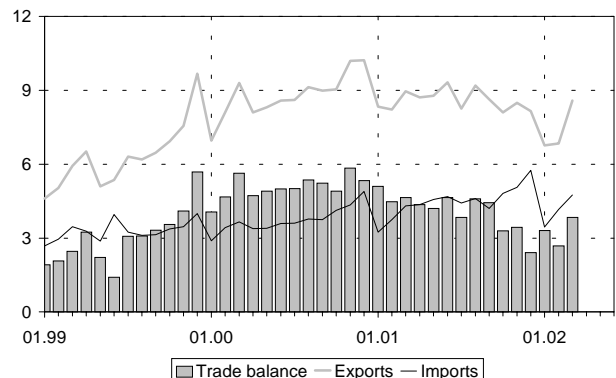
The share of exports to non-CIS countries in total Russian exports averaged slightly less than 85% in Q1 2002, which is roughly equal to the average share of exports to non-CIS countries during 1999–2001. Monthly figures for CIS and non-CIS shares of exports were quite stable, whereas the share of non-CIS countries in total Russian imports grew 2 p.p. from the beginning of the year, with the average for Q1 2002 reaching 78%. This is 6 p.p. higher

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



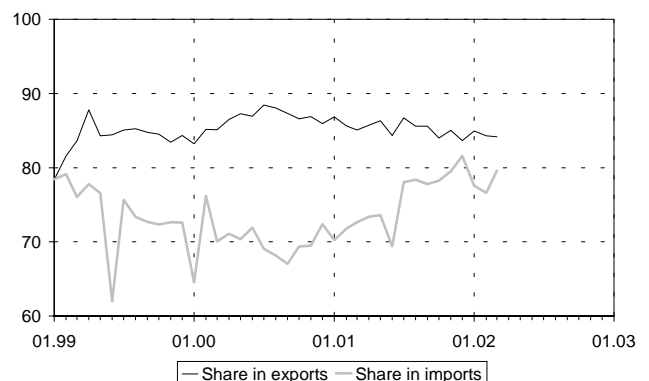
Source: Goskomstat and RET staff estimates.

Merchandise exports and imports (\$ bn)



Source: CBR.

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



Source: CBR.

year-on-year. Thus, the difference between the share of non-CIS countries in total Russian exports and their share in total Russian imports (the 'non-CIS trade gap') declined more than twofold year-on-year to less than 7 p.p. in Q1 2002, testifying continuous reorientation of Russian demand for imports towards non-CIS sources.

On April 29 the Government Commission for protective measures in foreign trade and customs and tariff policy decided important changes in levels of Russian export duties. First, export duties on crude oil will be raised from \$9.2 per tonne to \$20.7 per tonne as from June 1. The Government already increased export duties on oil from \$8 per tonne to \$9.2 per tonne in March, but the recent decision is much more radical. As the average price for Urals was quite stable during March-April, fluctuating in the range of \$23–25 per barrel, two explanations for such a decision can be proposed: delayed reaction to price developments since the beginning of the year and desire to compensate fall in budget revenues due to the second most important change in export duties, which is the complete abolition of duties on ferrous metal exports. The latter decision is intended to alleviate losses of Russian ferrous metallurgists due to protectionist measures introduced by the US and the EU. Currently, export duties of 3% and 5% are applied to different types of ferrous metal products. Market observers expect that the 'implicit subsidy' for Russian ferrous metallurgy due to abolition of these duties (some \$120 mn) will cover about 50% of losses incurred by Russian producers due to the recent wave of foreign protectionism.

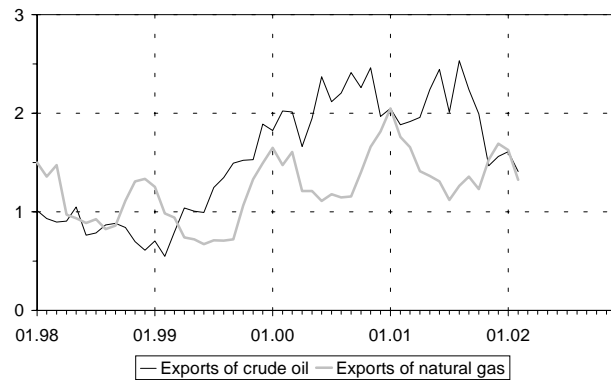
In addition, the Commission recommended reduction of export duties on liquid gas for the period up to September 30, and introduction of a 3% export duty on certain types of polymers. All these decisions still need to be officially approved by the Government before they can come into force.

Output

In Q1 2002 the index of gross output of five base sectors of the economy (covering industry, construction, agriculture, transportation and retail trade) declined by 1.2% to the previous quarter in seasonally adjusted terms (+0.8% in Q4 2001) and was 3.7% higher than a year earlier (5.5% y-o-y in Q4 2001).

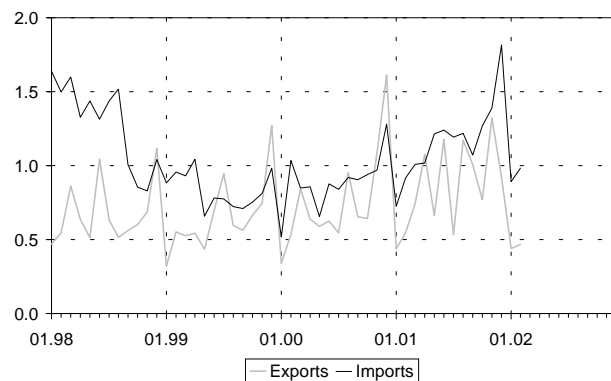
In the goods-producing sector industrial output declined by 1.2% to the previous quarter in seasonally adjusted terms (+0.8% in Q4 2001) and was 2.6% higher than a year earlier (4.1% y-o-y in Q4 2001). Quarterly decline was observed in all industries except production of non-ferrous metals (+3.7% to the previous quarter in seasonally adjusted terms) and of crude oil (+1.0%). The real volume of construction

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



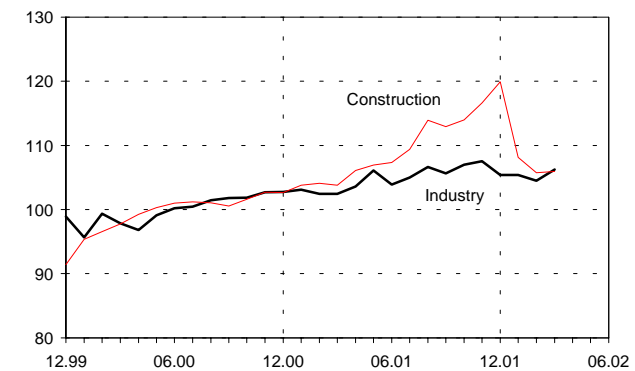
Source: Goskomstat, RET staff estimates.

Trade in machinery and equipment (\$ bn)



Source: Goskomstat, RET staff estimates.

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



Source: Goskomstat and RET staff estimates.

works dropped by 8.8% to the previous quarter in seasonally adjusted terms (+4.3% in Q4 2001) and was 2.6% higher than a year earlier (14.2% y-o-y in Q4 2001). Agricultural output resisted the downward trend, increasing by 3.7% to the previous quarter in seasonally adjusted terms and standing 5.3% higher than a year earlier (3.7% y-o-y in Q4 2001).

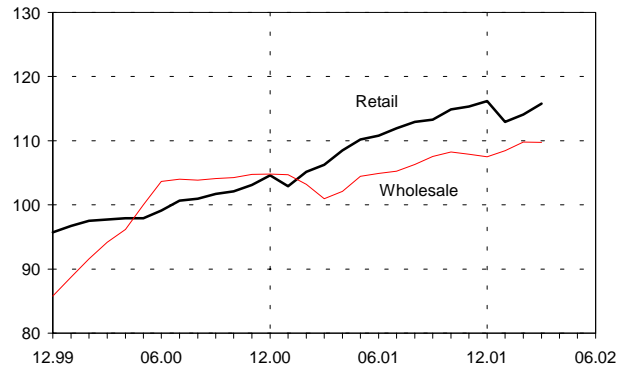
In the services-producing sector the real volume of communication services decreased by 1.6% to the previous quarter in seasonally adjusted terms (+5.8% in Q4 2001) but was still 13.7% higher than a year earlier (20.7% y-o-y in Q4 2001). Passenger transport turnover decreased by 1.8% to the previous quarter in seasonally adjusted terms (-1.0% in Q4 2001) and was 3.4% lower than a year earlier (-2.0% y-o-y in Q4 2001). However, freight transport turnover increased by 1.0% to the previous quarter in seasonally adjusted terms (0.2% in Q4 2001) and was 4.1% higher than a year earlier (3.3% y-o-y in Q4 2001). The real gross volume of retail trade decreased by 1.0% to the previous quarter in seasonally adjusted terms (+2.4% in Q4 2001) and was 9.1% higher than a year earlier (11.8% y-o-y in Q4 2001). At the same time the real gross volume of wholesale trade increased by 1.5% to the previous quarter in seasonally adjusted terms (1.5% in Q4 2001) and was 6.7% higher than a year earlier (3.3% y-o-y in Q4 2001).

Prices

The rate of growth of the consumer price index (CPI) slowed down in April 2002 to 16.0% y-o-y from 24.8% in April 2001, and y-o-y growth of the CPI for goods (food and non-food) fell to 12.1% in April 2002 (21.9% in April 2001). However, the CPI for paid services is growing at a rate of about 40% y-o-y (38.4% y-o-y in April 2002, 40.6% in April 2001), mainly due to continued rapid growth of prices for housing services and utilities (57.3% y-o-y in April 2002, 57.9% in April 2001). Y-o-y growth rates of the investment price index (IPI) declined to 12.9% in March 2002 (30.6% in March 2001). Deceleration of price growth for consumer and investment goods is being accompanied by a slowdown of money supply growth. Y-o-y increase of the monetary aggregate M1 was equal to 28.9% in March 2002 (57.1% in March 2001).

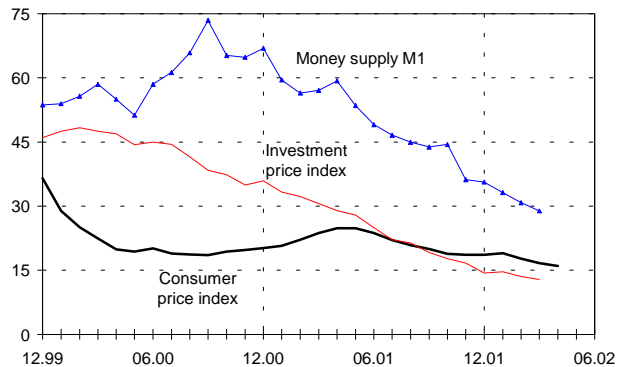
Y-o-y growth of the composite producer price index (covering industry, construction, agriculture, freight transportation and communications) was 11.6% in March 2002 (26.9% in March 2001). Y-o-y rates of price growth continue to decelerate rapidly in the goods-producing sector. In industry y-o-y PPI growth decreased from 24.5% in March 2001 to 5.5% in March 2002, in construction from 37.8% to 12.6% and in agriculture from 29.3% to 9.4%. How-

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



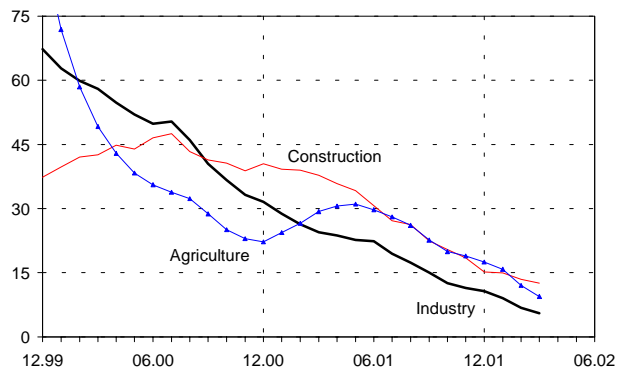
Source: Goskomstat and RET staff estimates.

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



Source: Goskomstat, CBR.

12-month rates of growth of producer price indices in the goods-producing sector (%)



Source: Goskomstat.

ever, price growth in the services sector is accelerating. The y-o-y rate of growth of freight transportation tariffs increased from 34.9% in March 2001 to 53.1% in March 2002, and y-o-y growth of tariffs for communication services to business increased from 5.4% in March 2001 to 14.9% in March 2002.

Labour market

Estimated labour force data show year-on-year improvement, while reported figures give the opposite picture. According to preliminary Goskomstat estimates at end-March 2002 total employment was equal to 64.3 mn (+1.3% y-o-y). Total unemployment was estimated to be equal to 6.3 mn (-7.1% y-o-y). Subsequently the overall unemployment rate at end-March was estimated at 8.9%, 0.7 percentage points lower than a year earlier. It should be noted that these estimates may be substantially revised when results of the February labour force survey become available.

The reported number of payroll employees at large and medium-sized enterprises in February 2002 was equal to 40.9 mn (-0.6% y-o-y). Registered unemployment at end-March 2002 was equal to 1.3 mn (+15.0% y-o-y). The registered vacancy ratio (number of registered job-seekers to vacancies) at end-March 2002 was equal to 1.7 (1.6 a year earlier).

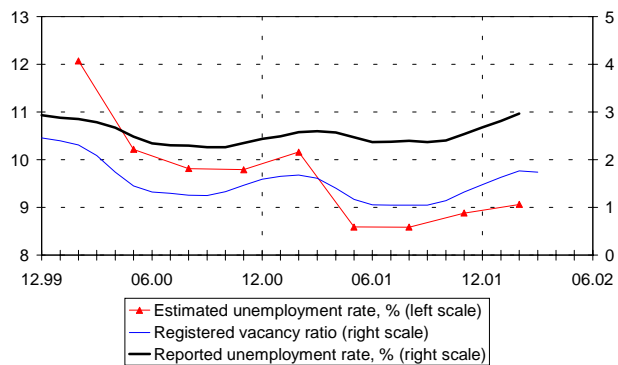
Real reported monthly wages due continued to grow and in March 2002 were estimated to be about 21% higher than a year earlier. Wage arrears declined from R34.6 bn at end-February to R34.4 bn at end-March (-0.6%). Decline was registered both in arrears of enterprises (-0.6%) and of the budget (-0.5%). Strike activity increased slightly due to growth of arrears in the two previous months – in March 2002 there were 28 strikes with 1 100 participants, while in March 2001 there was only one strike with 90 participants.

Government

The federal budget surplus in January–April of 2002 was R65 bn, according to preliminary data calculated on financing basis. Ministry of Finance officials state that federal budget revenues over the first four months of the year were R657 bn and federal budget expenditures were R592 bn.

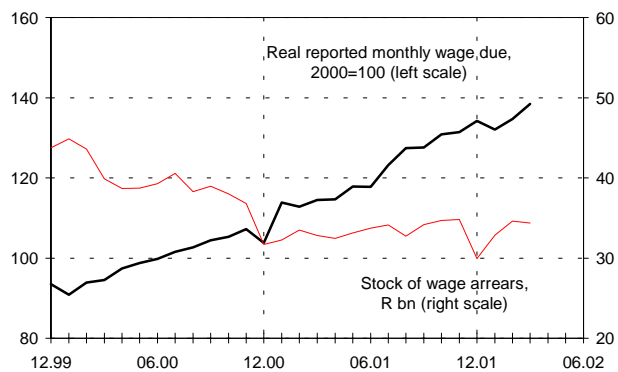
Debates on easing taxation of small business continued in April–May. The initial Government approach was criticised by the business community for an excessively narrow definition of small businesses and for lack of practical steps to scale down administrative control and streamline accounting. The latter problem is especially important to small businesses, as they are liable to the unified social tax. Besides a heavy tax burden, this tax is difficult and therefore costly for them to assess. To make matters worse,

Unemployment indicators (end of month)



Source: Goskomstat and Ministry of Labour.

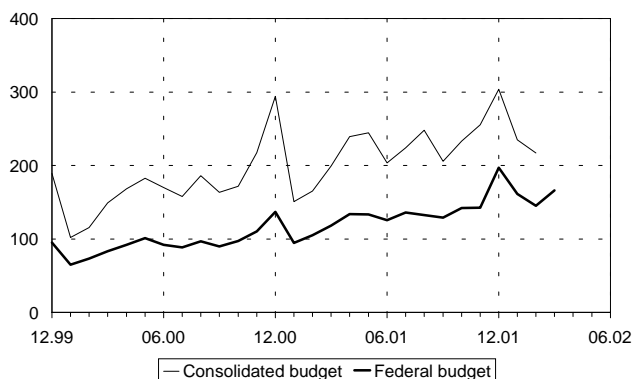
Real wages¹ and nominal wage arrears



¹ 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.

the unified social tax was extended to sole traders as from January 1, 2002, dramatically increasing their tax burden. The Government has indicated readiness to exempt sole traders from payment of the unified social tax, returning to the situation in 2001.

The Government is preparing a revised version of the draft law on small business taxation to be introduced into the Duma. Taking into account the above criticism, the Government proposes increasing the maximum number of employees for a company to qualify as a small business to 30–40 (in the first draft the maximum was 20) and increasing maximum turnover to R30 mn instead of R10 mn in the first version.

In another tax regulation step, the Government decided to cancel the tax on purchase of foreign currency as from January 1, 2003. The tax was introduced just before the crisis in summer 1998 and currently equals 1% of the amount purchased. The share of this tax in tax revenues of the consolidated budget was about 0.1% in 2001, so it does not serve any important fiscal purpose. The role of the tax in reducing foreign currency purchases by individuals has also been insignificant.

Monetary authorities

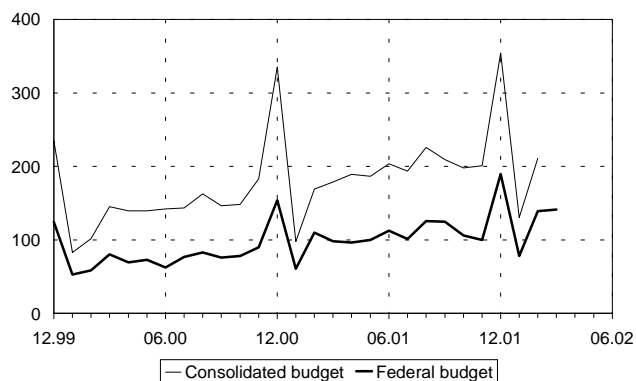
M2 grew by 2.6% month-on-month in March 2002 despite a slight fall of monetary base. The money multiplier thus increased to 2.29 in March from 2.21 in February. M0 increased by 1.7% m-o-m, while deposits rose by 3.1%.

April 2002 was a relatively calm month for the monetary authorities. The favourable external environment and fairly high oil prices enabled the CBR to increase gross international reserves (GIR) by \$1.9 bn. At the end of the month GIR amounted to \$39.2 bn. Rouble depreciation was moderate. The official exchange rate of the rouble against the dollar fell by 8 kopecks or by 0.2% m-o-m and equalled R31.2/\$ at the end of April. The average official exchange rate of the rouble against the euro depreciated by 1.5% m-o-m to R27.6/euro.

The real exchange rate of the rouble against the dollar and the hryvna appreciated in March by 0.4% and 1.1% m-o-m respectively. However, the rouble depreciated against the euro by 0.8% in real terms. As a result the trade-weighted real exchange rate of the rouble did not change significantly.

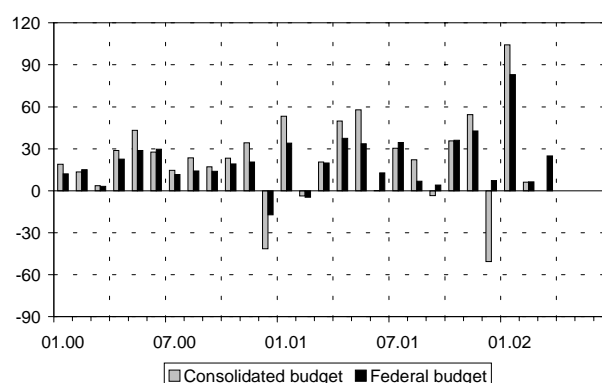
Growth of GIR in April stimulated increase of monetary base by 6.6% m-o-m, which reflects a softening of monetary policy. Interbank interest rates decreased: the average one-day MIACR (Moscow Inter-bank Actual Credit Rate) fell to around 9% in April from 13% in March. The CBR reduced the refinancing interest rate to 23% from 25% on April 9. However, the gap between the refinancing rate and

Federal and consolidated budget expenditures (R bn)



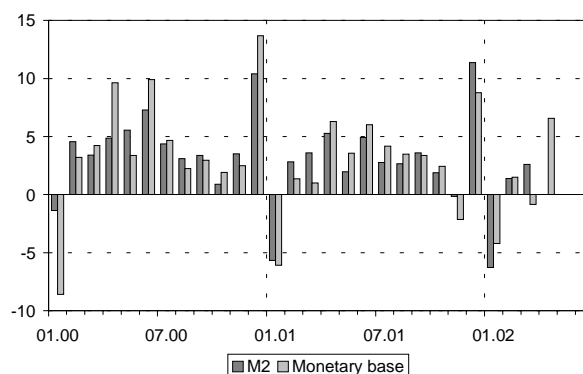
Source: Ministry of Finance.

State budget balance (R bn)



Source: Ministry of Finance.

Changes of M2 and monetary base (%)



Source: CBR and RET staff calculations.

average interbank interest rates is still considerable. Presumably the CBR prefers to remind the market that banks are sure to face a liquidity problem in case of a speculative attack on the rouble (as happened, for example, in December 2001), since the price of refinancing credits will be high. In this sense the rate gap reflects the CBR's estimation of risk.

The existing system of mandatory sale of export revenue was discussed at the beginning of the spring. According to rules, established by the CBR, such sales are carried out at the MICEX exchange, and their huge volumes ensure millions of dollars of commission for the exchange each year. Other exchanges resent this state of affairs, and the Moscow stock exchange (MSE) took the CBR to court over the issue. On April 1 the court decided in favour of the MSE. Theoretically changes in the system of mandatory sale of export revenue should not affect rouble exchange rate dynamics, but ending of the MICEX monopoly will cause growth of CBR operating costs. The CBR has appealed against the verdict and a further hearing will take place on May 30.

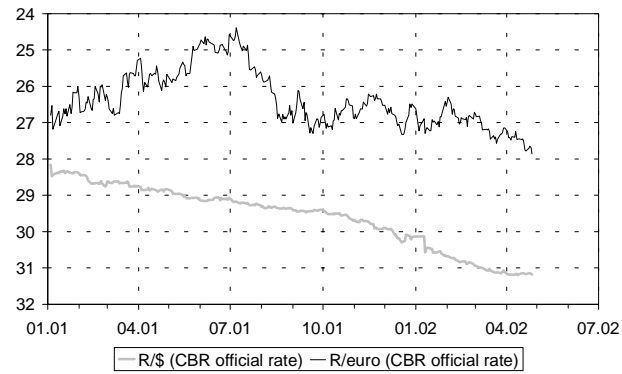
Discussion of an amended version of the law on the Central Bank and the role of the National Banking Council (NBC) continues. Though the law draft was adopted in a second Duma reading on April 5, the Duma rejected the amendments in a third reading on April 26. Once again, the main stumbling block seems to have been the role of the NBC. After the second reading some additions were made to the article of the law draft concerning functions of the NBC. The additions limit the independence of the CBR and are unacceptable to the new CBR management, the Government, and the President. Following consultations the Duma decided to compromise and returned the draft to a second reading, which has yet to occur.

The new CBR management has demonstrated its openness by a number of public actions. In particular, Sergey Ignatiev (the new CBR chairman) announced a forecast of inflation and the exchange rate, which are very close to the Government forecast, while Oleg Vyugin (first deputy chairman) has been voluble on macroeconomic policy, its tools and targets. New time series, including information about wide monetary base, have appeared at the web-site of the CBR (www.cbr.ru). This inspires hope that the period of a 'no information' policy at the CBR is over.

Capital markets

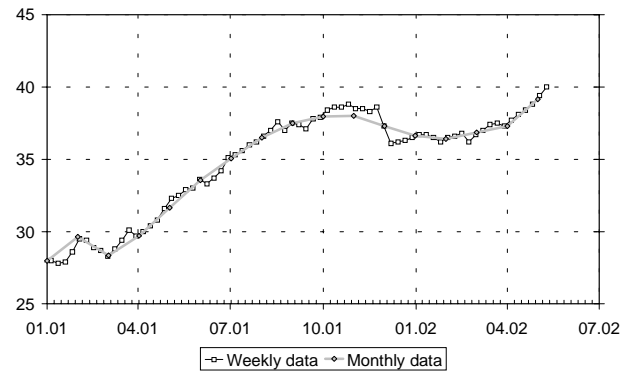
The spring economic revival has boosted the performance of the Russian capital market. Total RTS turnover increased by 8% in April 2002 compared to

Rouble exchange rates



Source: CBR.

Gross international reserves (weekly and monthly data)



Source: CBR.

March and by 80% compared to February. The RTS index stood at 386 points on April 30, 2002, showing a 10% increase over the month. In mid-May the RTS index hit 405 points, passing the 400-point barrier for the first time since January 1998. Total turnover in the RTS derivatives section, FORTS, grew by 12% in April and the daily average volume of open positions surged by 33%. Upward trends on the domestic corporate debt market observed in March continued into April. New corporate bond issues totalled R3.7 bn, which is slightly inferior to the March high, while total turnover grew by 15% month-on-month to R5 bn.

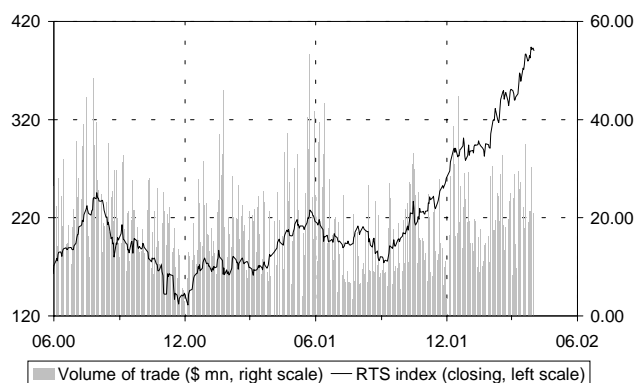
Developments on the market for Russia's foreign currency-denominated debt have also been quite positive, mainly due to high oil prices and settlement of Soviet debt to former East Germany. In addition, on April 15, 2002, Moody's international rating agency upgraded Russia's sovereign rating forecast to 'positive', and on May 2, Fitch upgraded the Russian long-term foreign currency credit rating to BB-. As a result, Russia's Eurobonds largely outperformed debt instruments of other emerging markets, with Gazprom breaking all records of Russian corporate borrowers. In April the company placed a \$500 mn Eurobond issue with yield of 9.1%, i.e. the spread between Gazprom's Eurobonds and sovereign securities was only 95 basis points. Overall, Russian companies have raised \$1.8 bn on the Eurobond market in the post-crisis period, or, to be more precise, from November 2001, when Rosneft placed the first post-crisis Russian corporate Eurobond, until April 2002.

The Russian Eurobond boom has excited further competition between the two largest Russian venues for securities trading, the RTS and MICEX, which are both eager to create an organised domestic market for Eurobonds of Russian issuers. The RTS has already launched its Eurobond section, featuring, among other instruments, the most liquid Russian Eurobond, Russia'30. MICEX has announced that it will start Eurobond trading on May 20, 2002. Success of these initiatives is not guaranteed, since trading in Eurobonds has taken shape historically as an over-the-counter market.

Credit markets and banking system

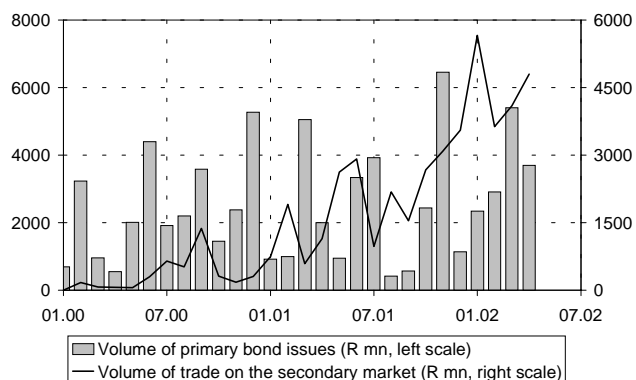
The Russian banking sector has continued to grow in the current year despite a break in economic growth at the beginning of 2002. After a slight decline in lending to enterprises by commercial banks in January 2002, the stock of corporate loans rebounded in February to reach R1210 bn on March 1, 2002, up 2% from the beginning of the year. Foreign assets of commercial banks grew by 12% over the same period. Capitalisation of banks also improved in Janu-

Russian stock market



Source: RTS.

Russian corporate debt market



Source: www.cbonds.ru.

ary-February 2002. Equity capital grew by 7% in nominal terms, while non-equity funds increased by 2%.

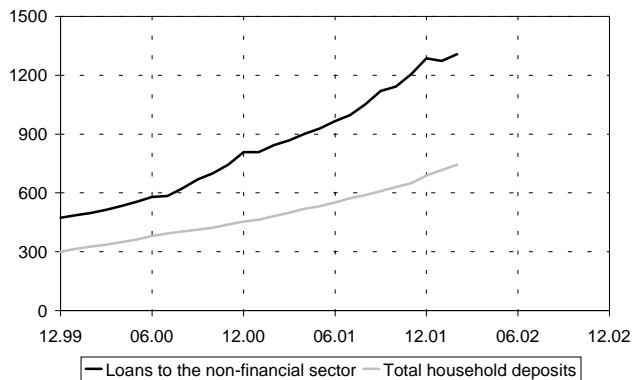
Household deposits merit special attention. By March 1, 2001, they had risen 8% in nominal terms from the beginning of the year, a much faster rise compared with other liabilities of the banking sector. Household deposits in foreign currency grew by 25% (in dollar terms) over the period November 2001-February 2002 compared with 18% growth of rouble deposits. This represents a change from earlier preference for deposits in roubles. The share of foreign currency in total household deposits rose from 34% to 36% over the period. However, growth of household deposits in roubles drew level with growth of those in foreign currency in February 2002. Household deposits with maturities longer than one year grew at a faster rate than other term and demand deposits. As of March 1, 2002, their share reached 16% and 33% in total dollar- and rouble-denominated deposits respectively.

In April 2002, the Agency for Restructuring of Credit Organisations (ARCO) issued a report on its activities in 2001. ARCO disposed of 11 restructured banks in 2001, of which nine were sold by auction. Of the other two banks, Kemerovo Bank was merged with Kuzbassugolbank, and Rosselkhozbank was transferred to the Government. In April 2002, ARCO auctioned off two more banks. By the second half of 2002 only two banks, Rossiisky Kredit and SBS-Agro, will remain under ARCO management, and this has encouraged the Agency to consider possible future niches for itself. As long ago as last year ARCO requested legislators to allow it to act as a liquidator of credit organisations. The new CBR management is supporting this initiative by proposing an appropriate amendment to bankruptcy legislation. The Russian banking system includes 650 banks, whose licences have been revoked but which have not yet been liquidated. Approval of liquidation as well as liquidation itself takes several years and ARCO's experience may be useful in cleansing the Russian banking system of these quasi-operational institutions. There is also a chance that ARCO will participate in implementing a deposit insurance scheme, which is a priority of Russian banking reform. However, closure of ARCO is also possible.

Households

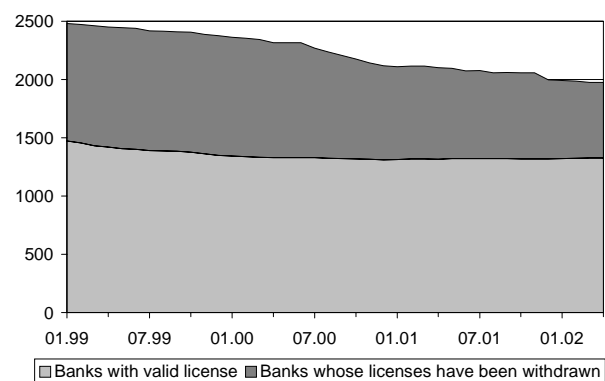
In March 2002, Goskomstat announced new revision of household data, linked once again to higher expert estimates of trade activity by small business. Nominal value of retail trade was increased by about 0.3% for 1995-1997, about 0.7% for 1998, and about 1.3% for 1999-2001. According to official methodology, this leads to increase of overall consumer ex-

Lending and deposit taking by commercial banks (R bn)



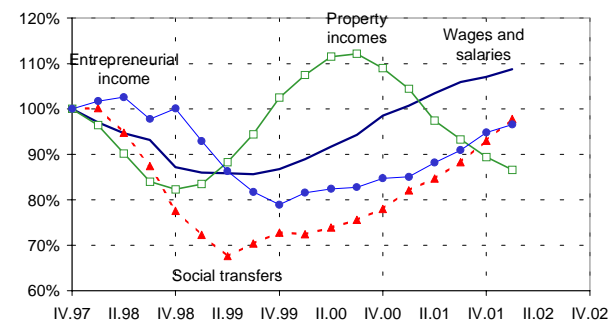
Source: CBR.

Number of registered credit organisations



Source: CBR.

Changes in components of real personal income¹ (four quarter average, 1997 = 100)



¹ Adjusted for double counting of hard currency sales.
Source: Goskomstat and RET staff estimates.

penditures, personal income, and especially estimates of hidden wages. The share of hidden and declared wages in total personal income is now estimated at 64.5% for 2001 compared to the earlier estimate of 61.3%. Surprisingly there were only minor changes in month-to-month dynamics of the volume of retail trade, though some changes were made in year-to-year dynamics.

The new Goskomstat estimates suggest that real personal income was about 8% higher in March 2002 than a year earlier. Year-on-year growth of real consumer expenditures was also about 8%. Real retail sales of food increased from March 2001 by almost 9% and their seasonally adjusted growth has been steady for almost a year. Real sales of non-food goods also increased by 9% y-o-y but decreased by 2% in Q1 2002 from Q4 2001 in seasonally adjusted terms. Real consumption of paid services in March 2002 was estimated 2% higher than in March 2001. The growth was slow compared to other components of consumer expenditures but represented good progress compared with a fall of this indicator at the end of 2001.

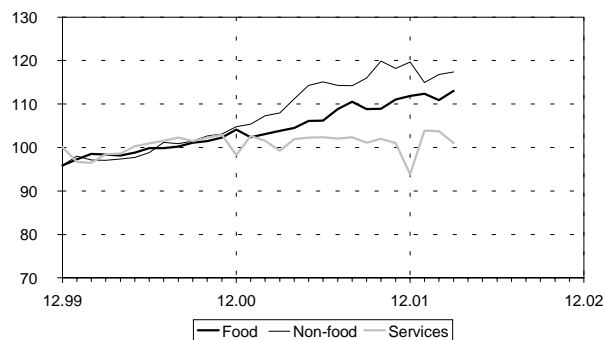
Enterprises

In April 2002, as in the previous month, different business surveys gave different pictures of the situation in the manufacturing sector. The lack of unanimity was probably due to the marginal nature of improvements in the sector, and the fact that demand growth was not rapid enough to restore producers' confidence. The Centre of Economic Analysis (CEA) and Institute for the Economy in Transition (IET) found that the importance of low domestic demand as a factor limiting production growth increased in April 2002. However, all surveys registered growth of manufacturing production. In this context, a fall in employment at the largest industrial producers noted by CEA and IET business surveys in April 2002 might signify an attempt at restructuring and cost reduction by producers in the face of increasing input prices and shrinking profits rather than contraction of the sector.

Services accelerated their expansion in April 2002 due to growing demand, according to the Moscow Narodny Services PMI. In contrast with manufacturers, service companies increased their staff at the fastest rate since the survey began in November 2001. However, the increased demand failed to boost profit margins in the service sector because intense competition prevented price increases while costs continued to grow.

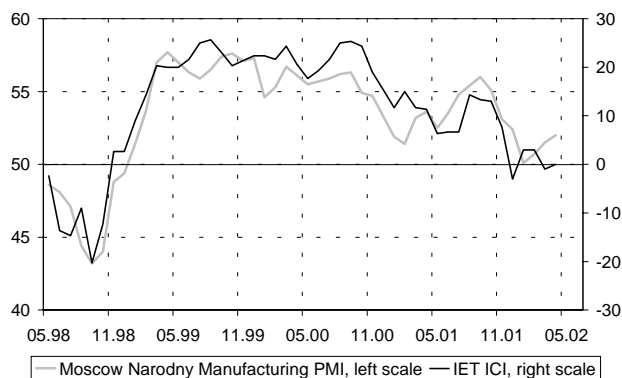
Goskomstat published January 2002 financial statistics for large and medium-sized enterprises, which from now on will come out one month later than before. We hope that this lag will help to improve data quality. January 2002 profit figures fully reflect the

Changes in components of real consumer expenditures (seasonally adjusted, 2000 = 100)



Source: Goskomstat and RET staff estimates.

Moscow Narodny Manufacturing Purchasing Managers' Index (PMI)¹ and IET Industrial Confidence Indicator (IET ICI)²



¹ Readings above 50 points mean that the manufacturing sector is generally expanding, readings below 50 points suggest contraction.

² Readings above zero indicate that industrial producers view the current situation positively.

Source: NTC Research, IET business surveys.

gap in investment demand at the beginning of the year. Low results were shown by ferrous metals (68% real drop y-o-y), and machinery (59% real drop). Profits of oil producers continued to increase for the second consecutive month following the Urals price increase. However, January 2002 aggregated profits of large and medium-sized enterprises were down 25% year-on-year in real terms. This is confirmed by results of business surveys. The Russian Economic Barometer (REB) registered the share of industrial companies in 'good or satisfactory financial condition' at 47% in January 2002, which is significantly lower than the 2001 average of 54%. It is interesting to note that companies in 'good or satisfactory financial condition' accounted for 77% of the largest companies surveyed by the CEA in January 2002.

Financial problems associated with low demand have not halted improvements in the payment structure. Goskomstat figures show that overdue liabilities of large and medium-sized enterprises did not increase for six consecutive months up to January 2002. They fell in a number of sectors, including machinery, power, foods, wholesale trade, transport and agriculture. However, reduction of enterprise arrears was concentrated at a limited number of companies. According to the CEA survey, there are more industrial companies accumulating overdue accounts payable than companies reducing them.

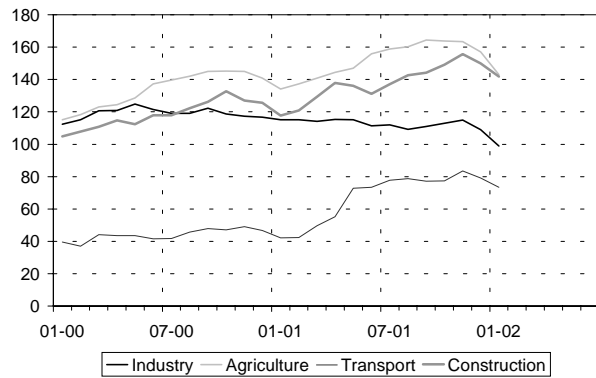
The significance of barter in the Russian economy continues to decrease. This is confirmed both by business surveys and official statistics. According to the REB survey, the average share of barter in sales of industrial enterprises in February 2002 dropped to 12% compared to an average 16% in 2001. In fact, the volume of barter in aggregated sales of industrial enterprises must be even lower, because, according to Goskomstat, the share of barter in transactions of the biggest taxpayers in January 2002 was 1.7%, of which the lion's share was attributed to Gazprom.

External environment

Recent development of the external environment has been favourable for the Russian economy.

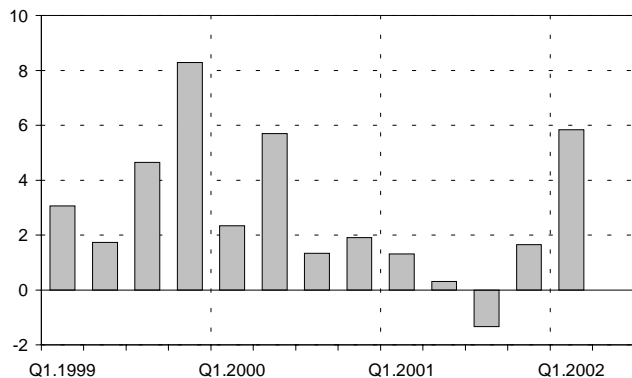
Positive information on the state of the US economy was announced at the end of April. Seasonally adjusted real GDP in the US grew by 1.4% quarter-on-quarter in Q1 2002, which represents 5.8% growth expressed at compounded annual rates of change (i.e. what the annual growth rate would be if quarter-on-quarter percentage changes were the same for four quarters in a row). Positive contributions to real GDP growth came from such GDP components as change in inventories, final sales, and consumption and Government expenditures. The growth seems to be continuing, according to surveys. However, dura-

Dynamics of overdue payables to suppliers of large and medium-sized enterprises in main sectors of the economy, Dec 1998 =100



Source: Goskomstat.

Real GDP growth in the US (compounded annual rates of change)



Source: US Department of Commerce, Bureau of Economic Analysis.

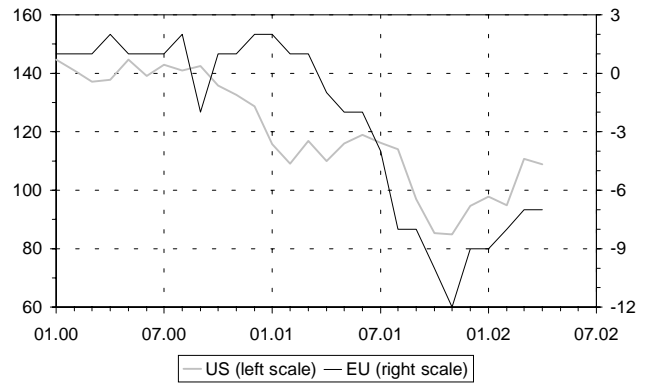
bility of the growth is subject to considerable risk, since consumers and firms in the US are heavily indebted, as is the whole nation vis-à-vis the external world. In addition, investments have not yet seen a rebound.

As regards the euro area, the European Commission forecasts GDP growth mainly in the second half of the year, and the average growth rate in 2002 is not expected to exceed 1.4%. Factors behind the slow upswing are weak external demand, high and volatile prices for oil, and consumer fears about unemployment and inflation. Data for February 2002 showed no significant month-on-month improvements in industrial production in the euro area. However, most forward-looking indicators suggest stronger growth in the area.

International trade is gradually recovering after the downturn. Data for February 2002 show that US imports of goods continued to increase in value from the low reading in December 2001, which is good news for the world economy. Some revival of imports was also registered in February 2002 in Germany, which is an important trading partner for Russia.

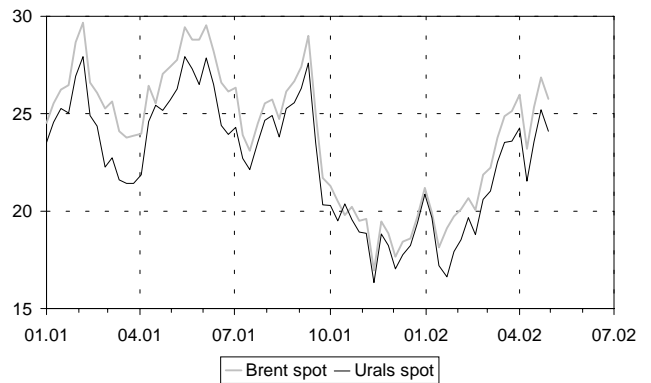
Brent spot prices were high in early May at \$25.5–26.5 per barrel due to political factors – tensions in the Middle East – and fundamental economic factors – positive news about the US GDP growth rate, seasonal stock replenishment, and reports by the US Energy Information Administration showing modest crude oil industry inventories in the US. Announcements by leading members of OPEC that the organisation will raise production if necessary should help recovery of the world economy and stabilise crude oil markets.

Indices of consumer confidence in the US and EU



Source: The Conference Board, The European Commission.

Weekly oil price development (\$ per barrel)



Source: Energy Information Administration.

Table 1: Gross domestic product

	(1)	(2)	(3)	(4)	(5)	(6)
	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	1610	1171
I 2000	1518	1493	731	214	162	387
II	1730	1662	775	279	238	371
III	2039	1853	864	280	331	379
IV	2048	2109	968	389	413	339
I 2001	1919	1843	982	262	248	351
II	2154	2092	1067	369	350	306
III	2520	2245	1167	348	443	287
IV	2470	2499	1280	422	569	228
I 2002						
II						
III						
IV						
	(7)	(8)	(9)	(10)	(11)	(12)
	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	1606	786	231	176	414
II	1761	1691	788	285	245	375
III	1977	1798	837	272	324	364
IV	1963	2023	927	374	399	323
I 2001	1692	1632	847	229	191	364
II	1847	1799	877	281	271	369
III	2100	1869	907	270	348	344
IV	2057	2080	995	371	465	249
I 2002						
II						
III						
IV						

Table 2: Components of final demand (non-SNA concept)

	(1) Consumer expenditures, nominal	(2) Non-interest expenditures of federal budget, nominal	(3) Gross fixed investment, nominal	(4) Merchandise trade balance, nominal	(5) Consumer expenditures, real, SAAL	(6) Gross fixed investment, real, SAAL
	bn R	bn R	bn R	bn R	bn R 2000	bn R 2000
1995	643.9		267.0	92.8	2860	1377
1996	957.3	302.7	376.0	116.7	2840	1127
1997	1159.7	357.7	408.8	98.2	2980	1071
1998	1395.8	277.7	407.1	240.2	2893	943
1999	2295.8	502.1	670.4	901.0	2801	993
2000	3031.9	781.9	1165.2	1705.3	3032	1165
2001	3978.1	1094.6	1599.5	1436.7	3293	1267
01.2000	214.5	37.1	46.1	113.0	2945	1086
02	212.5	47.0	55.8	133.8	2956	1120
03	228.1	67.4	63.9	161.4	2962	1136
04	227.4	57.1	64.5	134.6	2974	1136
05	230.7	54.5	75.8	139.1	2987	1152
06	241.5	48.8	95.7	140.5	3017	1173
07	250.0	53.0	99.0	140.0	3060	1183
08	265.0	63.7	112.9	148.9	3070	1199
09	268.4	58.1	118.3	145.2	3091	1197
10	278.4	70.6	114.6	136.5	3092	1194
11	285.9	78.0	123.1	162.9	3110	1212
12	329.5	146.7	195.5	149.5	3121	1193
01.2001	275.9	41.7	70.9	144.3	3135	1178
02	277.7	63.1	82.3	127.7	3169	1183
03	300.2	75.6	91.7	133.3	3171	1189
04	306.7	90.4	93.4	125.4	3247	1220
05	314.5	84.4	112.8	121.9	3296	1289
06	325.4	96.4	132.7	135.1	3303	1252
07	331.6	87.0	135.7	112.0	3322	1279
08	349.2	87.9	153.3	134.7	3357	1303
09	348.6	94.4	158.7	130.4	3361	1315
10	361.4	101.5	153.8	97.4	3391	1331
11	368.0	92.1	159.7	102.4	3389	1324
12	418.9	180.1	254.5	72.1	3369	1335
01.2002	352.5	63.8	73.7	100.6	3377	1186
02	349.3	109.2	84.2	82.7	3393	1187
03	375.5		96.5	119.0	3406	1218
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Table 3: Real output

	(1) GDP produced, nominal, seasonally unadjusted	(2) GDP produced, real	(3) Output of 5 basic industries	(4) Industrial production, total	(5) Volume of construction works	(6) 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	1511	98.1	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	1703	99.2	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	2032	101.0	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	2056	101.7	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	1889	102.6	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	2127	104.5	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	2535	106.8	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	2490	106.1	107.5	105.4	119.9	104.4
01.2002			105.7	105.4	108.1	106.3
02			105.6	104.5	105.7	108.8
03			106.8	106.2	105.9	110.4
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Table 4: Real output

	(1) Industrial production, energy & fuels	(2) Area of dwellings completed, SAAL	(3) Agricatural output, animal products	(4) Freight transport turnover	(5) Passenger transport turnover	(6) Volume of communication services
	2000=100	mn sq. m	2000=100	2000=100	2000=100	2000=100
1995	97.1	41.0	120.3	102.0	112.8	
1996	95.6	34.3	107.1	97.0	103.3	44.2
1997	95.1	32.7	101.7	93.3	98.8	54.7
1998	94.3	30.7	99.9	89.9	91.3	66.6
1999	95.7	32.0	99.2	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	99.0	99.1	89.7
02	100.4	32.5	77.1	102.7	99.7	91.7
03	98.3	29.0	87.9	99.0	96.7	92.8
04	98.2	32.7	95.9	98.4	99.3	94.7
05	99.9	33.7	103.7	98.5	100.9	96.8
06	99.1	28.9	109.3	99.6	100.3	96.5
07	100.1	31.5	108.6	100.7	101.7	101.2
08	100.3	30.1	105.3	99.7	100.8	103.6
09	101.0	29.6	102.2	100.0	100.8	112.7
10	101.2	28.8	104.1	100.7	100.6	108.3
11	101.9	28.2	112.8	101.2	100.3	106.0
12	101.6	28.5	120.2	100.5	99.9	106.0
01.2001	102.1	29.3	75.9	100.7	100.2	118.2
02	102.2	27.3	77.5	101.0	99.3	115.1
03	102.7	29.0	89.1	101.5	100.3	101.5
04	103.3	29.7	98.3	102.4	101.1	112.6
05	103.4	29.5	106.2	103.3	99.4	117.8
06	105.1	30.2	111.2	103.4	100.0	121.6
07	105.6	31.8	111.4	103.1	98.7	123.2
08	105.9	34.2	108.7	103.8	99.2	120.5
09	105.4	32.7	105.7	104.7	99.7	121.7
10	106.2	37.6	107.0	106.7	98.9	124.0
11	105.8	36.8	116.1	105.1	98.9	131.0
12	106.6	25.2	124.2	100.7	96.8	131.6
01.2002	105.2	39.3	79.3	103.6	97.4	136.1
02	104.0	36.2	81.1	106.2	95.3	130.7
03	104.7	31.0	92.2	105.9	96.8	113.7
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Table 5: Trade

	(1) Wholesale trade, nominal	(2) Wholesale trade, real	(3) Retail trade, nominal	(4) Retail trade, real	(5) Paid services to households, nominal	(6) Paid services to households, real
	bn R	2000=100	bn R	2000=100	bn R	2000=100
1995		100.0	553.5	97.7	113.0	92.8
1996	353.4	46.4	756.3	98.6	200.3	85.5
1997	500.6	51.3	883.4	103.1	269.5	88.7
1998	707.2	57.9	1077.0	99.7	318.5	87.7
1999	1408.5	64.6	1848.2	92.0	447.4	94.1
2000	2723.2	100.0	2416.2	100.0	615.7	100.0
2001	3587.0	108.9	3151.5	110.5	826.6	101.0
01.2000	184.9	87.6	174.6	93.0	39.9	93.1
02	182.2	84.8	172.8	91.5	39.7	87.0
03	214.0	101.2	184.3	96.8	43.8	93.1
04	204.0	95.7	182.8	95.1	44.6	95.0
05	203.8	94.0	184.6	94.5	46.1	98.9
06	225.2	101.3	190.6	95.8	50.9	102.6
07	236.3	104.0	195.3	96.8	54.7	107.1
08	234.1	101.8	207.8	102.0	57.2	110.3
09	242.4	104.0	211.5	102.3	56.9	105.5
10	251.5	105.3	220.4	104.7	58.0	104.8
11	266.0	110.1	226.4	105.9	59.5	110.6
12	278.8	110.3	265.1	121.8	64.4	91.9
01.2001	279.4	108.1	219.8	99.0	56.1	98.9
02	281.4	107.2	221.9	98.4	55.8	91.7
03	282.6	107.9	240.3	104.9	59.9	93.8
04	272.8	102.6	244.0	105.1	62.7	98.2
05	293.3	108.4	250.4	106.1	64.1	100.9
06	285.3	103.4	254.9	106.8	70.5	104.1
07	291.3	105.2	257.4	107.5	74.2	107.6
08	294.0	106.1	273.1	114.1	76.1	110.4
09	304.3	109.5	274.1	113.7	74.5	105.1
10	322.7	114.6	285.7	117.5	75.7	104.5
11	327.7	115.2	291.4	118.2	76.6	108.6
12	352.2	118.5	338.5	135.0	80.4	87.8
01.2002	364.0	120.0	276.6	108.3	75.9	100.1
02	365.1	119.6	273.7	106.5	75.6	93.7
03	385.5	127.8	295.2	114.2	80.3	95.5
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Table 6: Final demand prices

	(1) Consumer price index, total, EoP	(2) Consumer price index, goods, EoP	(3) Consumer price index, services, EoP	(4) Capital investment price index, EoP	(5) Price deflator of consumer expenditures	(6) 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	82.0	69.4
2000	100.0	100.0	100.0	100.0	100.0	100.0
2001	118.6	115.3	136.9	114.4	120.8	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	93.6	86.8
03	86.6	87.6	80.8	80.5	94.4	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	98.9	98.2
07	92.8	93.3	89.4	88.7	100.6	101.6
08	93.7	93.9	92.1	90.1	101.9	104.2
09	94.9	95.0	94.6	92.5	103.5	107.4
10	96.9	96.9	96.9	95.1	105.8	110.6
11	98.4	98.4	98.4	97.2	107.4	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	111.8	120.9
02	105.1	104.3	109.1	103.7	114.0	123.6
03	107.1	106.0	112.9	105.1	116.0	125.4
04	109.0	107.6	116.0	105.9	118.0	127.1
05	110.9	109.5	118.1	106.8	119.7	128.9
06	112.7	111.0	121.1	107.5	121.6	130.2
07	113.2	111.1	124.6	108.4	122.7	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	128.0	138.8
01.2002	122.3	117.9	147.2	116.6	132.5	141.9
02	123.7	118.9	151.1	117.7	134.0	143.3
03	125.0	119.5	156.8	118.6	135.1	146.4
04	126.5	120.6	160.6			
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Table 7: Producer price indices (end of period)

	(1) Composite producer price index Dec-00=100	(2) Industry Dec-00=100	(3) Construction Dec-00=100	(4) Agriculture Dec-00=100	(5) Freight transportation Dec-00=100	(6) 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	114.8	111.0	117.0	119.5	131.5	117.8
02	117.2	110.7	118.1	120.0	156.5	118.0
03	117.2	110.5	119.1	119.4	156.8	119.0
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Table 8: Employment and unemployment (end of period)

	(1) Payroll employment, L&M enterprises, PA	(2) Employment, ILO concept	(3) Unemployment, ILO concept	(4) Unemployment rate, ILO concept	(5) Registered unemployment	(6) Registered job seekers per vacancy
	mn persons	mn persons	mn persons	%	mn persons	persons
1995	50.8	64.1	6.7	9.5	2.0	6.1
1996	47.6	61.9	7.2	10.4	2.6	9.2
1997	45.0	60.0	8.1	11.8	2.3	7.6
1998	42.8	58.4	8.9	13.2	1.9	5.4
1999	41.9	63.1	9.1	12.6	1.6	3.6
2000	41.8	64.5	7.0	9.8	1.1	1.6
2001	41.2	64.7	6.3	8.9	1.1	1.3
01.2000	41.7	62.7	8.7	12.2	1.2	2.4
02	41.8	62.4	8.6	12.1	1.2	2.3
03	41.9	63.3	8.2	11.4	1.2	2.1
04	42.0	64.1	7.8	10.8	1.2	1.7
05	41.9	65.0	7.4	10.2	1.1	1.4
06	42.0	65.0	7.3	10.1	1.0	1.3
07	42.0	65.1	7.2	10.0	1.0	1.3
08	42.0	65.2	7.1	9.8	1.0	1.3
09	41.8	64.9	7.1	9.8	1.0	1.3
10	41.7	64.7	7.0	9.8	1.0	1.3
11	41.6	64.5	7.0	9.8	1.0	1.5
12	41.5	64.0	7.0	9.9	1.0	1.6
01.2001	41.3	63.5	7.1	10.0	1.1	1.7
02	41.3	63.0	7.1	10.2	1.1	1.7
03	41.4	63.5	6.8	9.6	1.1	1.6
04	41.4	64.0	6.4	9.1	1.1	1.4
05	41.3	64.6	6.1	8.6	1.0	1.2
06	41.3	64.9	6.1	8.6	1.0	1.1
07	41.3	65.2	6.1	8.6	1.0	1.0
08	41.2	65.5	6.1	8.6	1.0	1.0
09	41.1	65.2	6.2	8.7	1.0	1.0
10	41.0	64.9	6.3	8.8	1.0	1.1
11	40.9	64.7	6.3	8.9	1.1	1.3
12	40.8	64.5	6.4	9.0	1.1	1.5
01.2002	40.7	64.3	6.4	9.0	1.2	1.6
02	40.9	64.1	6.4	9.1	1.2	1.8
03		64.3	6.3	8.9	1.3	1.7
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Table 9: Wages and labour market disputes

	(1)	(2)	(3)	(4)	(5)	(6)
	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	3760	4475	2753	130.3	32.8	4.3
02	3725	4486	2766	132.8	34.6	0.9
03	4172			136.0	34.4	5.6
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Table 10: Social indicators

	(1) Personal income, per capita, official	(2) Real personal income, per capita, official	(3) Official minimum monthly wage	(4) Average monthly pension	(5) Official monthly subsistence level	(6) 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	2187	87.6	107.7	695	1210	33.7
2001	2881	95.1	250.0	1024	1500	29.8
01.2000	1516	65.8	83.5	522		
02	1826	78.5	83.5	613		
03	1996	85.2	83.5	613	1138	41.2
04	2043	86.5	83.5	613		
05	1989	82.7	83.5	694		
06	2202	89.3	83.5	694	1185	34.7
07	2158	86.0	132.0	694		
08	2241	88.5	132.0	750		
09	2303	89.7	132.0	750	1234	31.8
10	2291	87.4	132.0	749		
11	2456	92.3	132.0	821		
12	3224	119.2	132.0	823	1285	26.9
01.2001	2028	72.9	200.0	824		
02	2356	82.9	200.0	900		
03	2621	90.5	200.0	916	1396	36.6
04	2753	93.4	200.0	917		
05	2590	86.4	200.0	1016		
06	2980	97.8	200.0	1019	1507	31.3
07	2957	96.6	300.0	1020		
08	3044	99.4	300.0	1127		
09	3036	98.5	300.0	1134	1524	27.2
10	3051	98.0	300.0	1135		
11	3119	98.8	300.0	1136		
12	4040	125.9	300.0	1138	1574	24.0
01.2002	2687	81.3	300.0	1241		
02	3045	91.0	300.0	1323		
03	3295	97.5	300.0	1327		
04			300.0			
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Table 11: Financial performance of large and medium sized enterprises

	(1) Profits minus losses	(2) Current assets	(3) Overall liabilities	(4) Overdue liabilities	(5) of which: overdue payables to suppliers	(6) 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	615.8	3662.5	3609.4	1445.3	619.5	708.6
2000	1115.3	4894.6	4479.9	1675.2	712.5	965.0
2001	1123.3	6499.3	6059.1	1667.6	754.0	1828.4
01.2000	88.3	3582.5	3550.8	1449.9	615.5	706.4
02	106.1	3831.7	3804.4	1580.0	685.0	740.8
03	85.9	4070.0	4042.5	1676.8	729.0	736.2
04	103.8	4146.5	4115.6	1701.9	728.4	778.8
05	100.9	4203.5	4118.4	1704.6	747.8	786.6
06	82.1	4386.6	4234.0	1713.1	748.0	804.7
07	110.8	4444.3	4311.6	1747.4	766.1	834.0
08	110.0	4523.8	4263.6	1732.2	765.9	839.1
09	96.7	4737.8	4442.3	1741.4	750.8	889.2
10	112.2	4768.9	4472.6	1724.5	748.4	906.2
11	113.6	4824.7	4490.0	1708.4	742.7	925.8
12	4.8	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	92.6	6499.3	6059.1	1667.6	754.0	1828.4
01.2002	90.0		5935.5	1563.6	681.3	1868.3
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Table 12: Balance of payments

	(1)	(2)	(3)	(4)	(5)	(6)
	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	35.1	49.4	-10.2	-3.9	-26.0	-9.4
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	11.4	14.2	-2.1	-0.6	-9.2	-0.1
II	9.4	13.2	-2.8	-1.0	-7.9	-0.2
III	7.8	12.9	-3.0	-2.0	-5.1	-10.0
IV	6.4	9.1	-2.3	-0.3	-3.8	0.9
I 2002	7.6	10.6	-2.4	-0.5	-5.5	-0.1
II						
III						
IV						
	(7)	(8)	(9)	(10)	(11)	(12)
	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	1.5	-2.5	-6.5	-0.8	-8.4	-9.1
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	-6.1	-1.9	-2.2
II	0.6	-0.7	0.8	-3.1	-5.4	-1.5
III	0.4	-0.8	-1.7	9.2	-2.1	-2.7
IV	0.0	-0.4	-4.6	-0.8	1.1	-2.6
I 2002	0.8	-2.1	-1.1	-2.4	-0.5	-2.1
II						
III						
IV						

Table 13: Foreign Trade

	(1) Exports total	(2) Imports total	(3) Trade balance total	(4) Exports of machinery & equipment	(5) Imports of machinery & equipment	(6) 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	14.9	6.7
1997	89.0	72.0	17.0	9.2	18.6	6.4
1998	74.9	58.0	16.9	8.2	15.5	4.8
1999	75.7	39.5	36.1	7.9	10.0	4.3
2000	105.6	44.9	60.7	9.1	10.7	5.5
2001	103.2	53.8	49.4	10.4	14.1	4.8
01.2000	7.0	2.9	4.1	0.3	0.5	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	0.6	0.9	0.6
05	8.3	3.4	4.9	0.6	0.7	0.5
06	8.6	3.6	5.0	0.6	0.9	0.5
07	8.6	3.6	5.0	0.5	0.8	0.4
08	9.1	3.8	5.4	1.0	0.9	0.5
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	0.4
12	10.2	4.9	5.3	1.6	1.3	0.4
01.2001	8.3	3.2	5.1	0.4	0.7	0.4
02	8.2	3.7	4.5	0.5	0.9	0.4
03	9.0	4.3	4.6	0.7	1.0	0.4
04	8.7	4.4	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	3.8	0.5	1.2	0.4
08	9.2	4.6	4.6	1.2	1.2	0.4
09	8.6	4.2	4.4	1.0	1.1	0.4
10	8.1	4.8	3.3	0.8	1.3	0.3
11	8.5	5.1	3.4	1.3	1.4	0.4
12	8.2	5.7	2.4	0.9	1.8	0.3
01.2002	6.8	3.5	3.3	0.4	0.9	0.4
02	6.9	4.2	2.7	0.5	1.0	0.4
03	8.6	4.7	3.8			
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Table 14: Exports of fuels

	(1) Exports of crude oil	(2) Average export price for crude oil	(3) Export/domestic oil price ratio	(4) Russian export/Brent oil price ratio	(5) Exports of natural gas	(6) Average export price for natural gas
	bn \$	\$/t	%	%	bn \$	\$/th cub. m
1995	12.4	101.0	165.3	76.5	10.8	80.1
1996	15.6	127.6	193.8	78.5	15.8	84.2
1997	14.7	116.9	147.2	83.8	16.1	88.6
1998	10.3	74.9	285.5	79.7	13.5	67.7
1999	14.1	105.2	404.5	79.7	11.3	54.5
2000	25.3	174.8	374.5	84.3	16.6	87.4
2001	24.3	152.0	284.6	85.4	17.7	98.1
01.2000	1.8	163.8	407.1	88.0	1.7	70.7
02	2.0	178.0	450.0	87.5	1.5	70.7
03	2.0	165.9	406.9	83.4	1.6	77.3
04	1.7	143.0	333.2	84.8	1.2	81.2
05	1.9	174.3	395.5	84.9	1.2	89.9
06	2.4	184.5	415.3	84.1	1.1	84.3
07	2.1	162.5	332.8	78.3	1.2	96.0
08	2.2	179.2	360.0	83.3	1.1	98.0
09	2.4	193.4	379.2	81.6	1.2	93.9
10	2.3	187.5	349.1	82.3	1.4	95.6
11	2.5	205.3	376.2	87.7	1.7	95.6
12	2.0	159.7	289.1	85.4	1.8	96.0
01.2001	2.1	167.0	303.1	89.1	2.1	101.7
02	1.9	164.9	305.9	82.9	1.8	97.4
03	1.9	144.7	274.5	80.8	1.7	100.4
04	2.0	154.1	289.7	82.0	1.4	105.6
05	2.2	174.6	326.6	84.4	1.4	107.0
06	2.4	171.1	310.8	84.1	1.3	104.4
07	2.0	152.7	274.8	85.5	1.1	95.1
08	2.5	159.8	292.8	85.0	1.3	94.9
09	2.2	160.7	306.8	85.4	1.4	91.1
10	2.0	134.0	257.3	89.7	1.2	99.8
11	1.5	121.6	235.3	88.2	1.5	91.4
12	1.6	118.6	237.8	87.3	1.7	88.4
01.2002	1.6	116.7	249.9	81.6	1.6	94.0
02	1.4	117.4	296.6	78.5	1.3	74.0
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Table 15: Federal budget

	(1) Revenues	(2) of which: tax revenues	(3) Expenditures	(4) of which: transfers to lower level budgets	(5) Deficit(-) or surplus(+)	(6) Primary deficit(-) or surplus(+)
	bn R	bn R	bn R	bn R	bn R	bn R
1995	202.9	170.5		29.2		
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	111.4	78.3	19.3	82.9	97.4
02	145.2	108.7	138.9	23.7	6.2	41.0
03	166.3					
04	184.0					
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Table 16: Consolidated budget

	(1) Revenues	(2) of which: tax revenue	(3) Expenditures	(4) of which: debt service	(5) Deficit(-) or surplus(+)	(6) Deficit(-) or surplus(+) as % of GDP
	bn R	bn R	bn R	bn R	bn R	%
1995	407.9	359.5	496.1		-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	2.4
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	5.8
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	2.7
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	0.8
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	236.6	171.4	131.6	14.9	105.0	
02	217.2	169.9	211.0	35.6	6.2	
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Table 17: Monetary aggregates (end of period)

	(1)	(2)	(3)	(4)	(5)	(6)
	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	27.4	160.9	543.4	1522.9	2105.0
03	683.1	28.0	156.4	552.9	1562.4	2137.7
04	728.0					
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Table 18: Assets of commercial banks (end of period)

	(1) Total assets	(2) Claims on the general government	(3) Claims on the private sector	(4) Stock of loans to all enterprises	(5) Foreign assets	(6) 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	3170.0	597.5	1401.8	1178.7	579.0	578.0
02	3272.6	581.0	1443.7	1210.2	606.6	577.0
03		598.4	1481.0		573.1	
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Table 19: Liabilities of commercial banks (end of period)

	(1) Deposits	(2) of which: Household deposits	(3) Budgetary funds	(4) Securities issued	(5) Foreign liabilities	(6) 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	1497.5	716.5	83.1	269.8	307.1	634.8
02	1537.1	744.8	82.4	276.4	305.2	655.3
03					318.9	666.3
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Table 20: Financial market (end of period)

	(1) RTS index, monthly average	(2) RTS daily turnover, monthly average	(3) FORTS open interest	(4) GKO-OFZ nominal value outstanding	(5) GKO-OFZ market value outstanding	(6) 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	69.4
02	291.9	13.7	689.6	155.1	154.0	71.8
03	332.9	21.5	798.1	158.7	153.4	
04	370.4	20.4	1005.5	169.1	165.9	
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Table 21: Interest rates (annual rates, period average)

	(1) CBR refinance rate	(2) Lending rate	(3) Deposit rate	(4) Overnight interbank rate	(5) GKO average secondary market yield, all maturities	(6) 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	10.7	13.8	45.1
02	25	15.9	4.5	13.3	13.0	15.4
03	25	15.7	4.4	12.6	12.4	13.6
04	23			9.3		15.0
05						
06						
07						
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11						
12						

Table 22: Exchange rates

	(1) Official exchange rate, period average	(2) Official exchange rate, end of period	(3) Official exchange rate, period average	(4) Official exchange rate, end of period	(5) Real trade- weighted exchange rate	(6) 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	83.7	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	81.5	38.0
11	29.797	29.900	26.457	26.520	82.8	37.3
12	30.100	30.140	26.852	26.490	83.7	36.6
01.2002	30.473	30.685	26.952	26.546	84.8	36.4
02	30.806	30.927	26.781	26.712	85.2	36.9
03	31.064	31.119	27.201	27.152	85.1	37.3
04	31.174	31.196	27.596	28.145		39.2
05						
06						
07						
08						
09						
10						
11						
12						

SOURCES AND COMMENTS FOR DATA TABLES

Abbreviations

EoP – end of period, **PA** – period average, **n. a.** – not available, **SA** – seasonally adjusted, **SAAL** – seasonally adjusted at annual level.

Table 1

Col. 1–6 Goskomstat.

Col. 7–12 Goskomstat and RET staff estimates.

Table 2

Series differ from SNA concept.

In **Tables 2–4 and 9** seasonal adjustment coefficients are estimated using X11 programme of the US Bureau of Census for the period 1999–2001 and are not applicable to previous years.

Col. 1 Goskomstat.

Col. 2 Ministry of Finance.

Col. 3 Goskomstat. Data for 2002 exclude VAT and are not comparable with previous years.

Col. 4 CBR and RET staff estimates.

Col. 5–6 Goskomstat and RET staff estimates.

Table 3

Col. 1 Goskomstat.

Col. 2–6 Goskomstat and RET staff estimates.

Table 4

Goskomstat and RET staff estimates.

Table 5

Col. 1 Goskomstat. Wholesale enterprises only.

Col. 2 Goskomstat and RET staff estimates. Wholesale enterprises only.

Col. 3–4 Goskomstat and RET staff estimates. Including catering. Revised back to 1995.

Col. 5 Goskomstat.

Col. 6 Goskomstat and RET staff estimates.

Table 6

Col. 1, 3, 4 Goskomstat.

Col. 2, 5, 6 Goskomstat and RET staff estimates.

Table 7

Col. 1 Goskomstat and RET staff estimates.

Col. 2–6 Goskomstat.

Table 8

Goskomstat.

Col. 2–4 Labour survey data. Yearly figures for 1995–1998 are for end-October, from 1999 onwards for end-November and not strictly comparable with previous figures. From 1999 surveys are provided at end of February, May, August and November. Data in between are arithmetic interpolations.

Table 9

Col. 1–3, 5, 6 Goskomstat.

Col. 4 Goskomstat and RET staff estimates. Based on CPI changes.

Table 10

Goskomstat.

Col. 1–2 Revised data for 2000–2002

Col. 5–6 Before 1999 old methodology for subsistence level.

Table 11

Goskomstat.

Small enterprises excluded.

Pre-1998 data include industry, construction, transport and agriculture. From 1998 also communications, trade and catering, wholesale trade, housing, 'other', and since 2000 tourism.

From 2001 including Gazprom.

Col. 1 End of period. Agriculture excluded. Since January 1999 series are recalculated controlling for changes in sample and accounting standards. Data for 1999 and 2000 and December 2001 have been revised.

Col. 2–6 End of period.

Col. 3 Accounts payable, loans and bank credits.

Table 12

CBR. Data for Q1 2002 are based on preliminary CBR estimates.

Table 13

Col. 1–3 CBR. Total foreign trade (including unregistered exports and imports).

Col. 4–6 Goskomstat and RET staff estimates. Trade registered by customs only. Revised data.

Table 14

Col. 1–2, 5–6 Goskomstat and RET staff estimates. Revised data.

Col. 3 Goskomstat. Revised data.

Col. 4 Goskomstat, Energy Information Administration (US), RET staff estimates.

Data for registered trade only. Prices FOB. Revised data.

Table 15, 16

Ministry of Finance, Economic Expert Group, RET staff estimates.

Data do not include final adjustments. The most recent data are liable to revision. Due to transfer payments regional budget figures cannot be calculated as a difference between the consolidated and federal budget figures.

Table 17

EoP.

Col. 1 CBR.

Col. 2 CBR, RET staff calculations.

Difference between gross international reserves and foreign liabilities of monetary authorities. Before November 1999 the Ministry of Finance data were used. Since November 1999 NIR are calculated by RET staff.

Col. 3 CBR, RET staff calculations.

Difference between credit of monetary authorities to the Government and Government deposits with the monetary authorities.

Col. 4, 5 CBR.

Col. 6 CBR, RET staff calculations.

Table 18

CBR.

Col. 3 Credits extended to non-financial private enterprises and households as well as credit institutions' investments into securities issued by private enterprises.

Col. 4 Debt of non-financial resident enterprises and organisations.

Col. 6 Bonds, deposit and savings certificates, discounted bills, and shares.

Table 19

CBR. EoP.

Col. 1 Corporate funds with banks, household deposits, and time deposits of budgets (all levels), and extra-budgetary funds.

Col. 4 Funds raised by credit institutions through issues of deposit and savings certificates, bonds, bills, and banker's acceptances.

Col. 5 Own funds of credit institutions.

Table 20

CBR, RTS, www.cbonds.ru.

Col. 3 Volume of open positions in FORTS (Futures and Options in RTS).

Table 21

Col. 1 CBR. EoP.

Col. 2 CBR. Average weighted interest rate for all credits to enterprises with maturity less than one year excluding Sberbank since 1998.

Col. 3 CBR. Average weighted interest rate for all households' deposits with maturity less than one year excluding Sberbank since 1998.

Col. 4 CBR. Average weighted interest rate for all one-day interbank credits at MICEX.

Col. 5 CBR. Average weighted interest rate for all GKO's with maturity not more than 90 days.

Col. 6 Goskomstat, RET staff calculations. Monthly CPI raised to 12 power.

Table 22

Col. 1, 3 CBR, RET staff calculations.

Col. 2, 4 CBR.

Col. 5 CBR, Bundesbank, Bureau of Labour Statistics, UEFPLAC, RET staff calculations.

Weighted sum of real exchange rates of the rouble against the dollar (40%), euro (40%) and hryvna (20%). Before 1999 the real exchange rate of the rouble against DM was used. Real exchange rates are calculated on the base of nominal exchange rates and inflation in Russia, Ukraine, the US and EU.

Col. 6 CBR.

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