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**RUSSIAN  
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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

## **Growth of the economy firms**

Domestic demand continued to expand in April after its March revival, with real consumer expenditures exceeding their level of April 2001 by almost 8%. Personal incomes experienced a genuine boom in April, growing 15% y-o-y, according to preliminary Goskomstat figures. However, as Goskomstat calculates real income on the basis of consumer expenditures, the direction of causality between changes of personal income and changes of consumer expenditures is not always obvious.

Real fixed investment, which was severely hit by last winter's economic downturn, grew in April for the second consecutive month at a month-on-month rate of 3%. Due to the deep fall in investment in early 2002, its year-on-year growth was also 3% in April. Again, no major support for investment was offered by foreign direct investment inflows, which even declined in the first quarter by 14% from the same period a year earlier, according to Goskomstat.

Increasing domestic demand helped the Russian economy to grow by an encouraging 4.6% y-o-y in April, as measured by the Goskomstat index of five base sectors of the economy, which can be used as a proxy for GDP growth. A broader index calculated by RET staff and covering eight sectors of the economy, which we start publishing from this issue (see OUTPUT), shows even faster y-o-y growth of over 5% in April.

The recent recession was deeper in production of goods than in production of services. Services output in April 2002 already exceeded the pre-recession level, while goods output had not yet fully recovered. Communication services have grown more rapidly than any other sector over the past couple of years, reflecting modernisation of the Russian economy. The real volume of communication services in April was 14% higher than a year earlier, although communications also suffered a major setback in early 2002.

Another notable development in the Russian economy is the current boom in housing construction. The area of dwellings completed in January–April 2002 was 20% greater than a year earlier. This reflects steady growth in living standards, but it also reflects large regional disparities, since increase in housing construction is mainly concentrated in Moscow and Moscow region.

## **Living standard continues to rise**

The winter recession did not have any dramatic impact on living standards. Last year's positive trends continued overall as measured by various income statistics. Unfortunately, it is difficult to obtain a clear picture of the unemployment situation, as the two methods used for measurement of unemployment suggest opposite trends. According to quarterly labour surveys, unemployment has declined significantly, while monthly statistics based on information from labour exchanges show increasing unemployment. However, generally positive income trends point to overall improvement in the employment situation.

Growth of real incomes reduced the share of the population below the subsistence level to 33% in the first quarter of 2002, according to Goskomstat. Although this figure is extremely high by international standards, it has been in constant decline since autumn 1999, when it peaked at 40%.

There were some changes in income trends during the winter. The economic downturn limited wage increases in the private sector, while low-paid public sector employees in

education, health care and culture obtained significant pay raises at the start of the year. As a result there has been a reduction in wage differentiation in favour of low-paid employees. Income inequality in Russia continues to decline overall, although very slowly.

### First insights into the 2003 budget

The President's budget message to Parliament in early June, concerning the 2003 budget, contained implications for reforms in the budgetary sphere and throughout the economy. The President particularly stressed the need to clarify budgetary and financing responsibilities between different levels of the administration. This issue has crucial importance in the context of administrative reform, which is currently being prepared. The administrative reform would be a major attempt to reshape Russia's blurred system of multilevel government. One of the aims of the reform is to delegate more decision-making power and corresponding financing responsibility to regional and local levels of the administration.

Basic economic parameters of the 2003 budget draft were discussed by Government in mid-June and show resolve to continue a fairly tough fiscal policy. The draft again aims at a budget surplus, this time of 0.8% to GDP.

### Russia's international opening gathers strength

Russia's political stabilisation and President Putin's international initiatives brought concrete results in the spring on both political and economic fronts. The country's improving international status is evident, for example, in the formation of a NATO–Russia consultative council in late May. Better political relations with the West are also helping longer-term economic cooperation. Political factors obviously played a role in the announcement by President George Bush that the US has given Russia market economy status and the promise by EC Commission President Romano Prodi that the EC will give Russia market economy status in the autumn, although these developments are naturally also based on Russia's economic achievements. Plans for more intensive cooperation between Russia and the US in the energy sphere may prove significant for the Russian economy in the longer run. In early July Russia was admitted to the Egmont Group of financial intelligence units, which coordinates cross-border measures against money laundering. The admission reflects positive international appraisal of Russia's achievements in this field.

### 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	4.3	Apr
Fixed investment	-5.0	-12.0	5.3	17.4	8.7	2.9	Apr
Inflation (end of period)	11.0	84.4	36.5	20.2	18.6	15.9	May
M2 (end of period)	29.5	36.3	57.2	62.4	40.0	34.0	Apr
Unemployment rate (ILO, %)	10.8	11.9	12.8	10.5	9.0	8.3	Apr
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

Economic growth accelerated in April 2002 after coming out of the recession, which lasted from the end of 2001 to early 2002. Real consumer expenditures (a proxy for household consumption), which stagnated from October 2001 to March 2002 (+0.4% in five months), grew by 2.9% from March to April in seasonally adjusted terms and were 7.9% higher than a year earlier.

Real gross fixed investment (a proxy for gross fixed capital formation), which stagnated at the end of 2001 and suffered a huge fall in January 2002 (–11.1% in seasonally adjusted terms), increased for the second month in a row. But despite impressive monthly rates of growth in March–April (2.6% and 3.1% in seasonally adjusted terms), real gross fixed investment in April 2002 was still 5.9% lower than in December 2001 and only 2.9% higher than in April 2001.

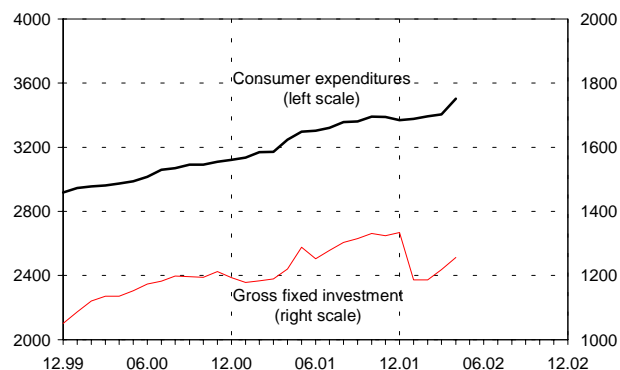
## Foreign sector

Recently published foreign trade statistics for April 2002 show continuation of the March tendency towards faster increase of merchandise exports compared with imports. Russian exports rose by 5% month-on-month, reaching \$9.0 bn, which is about 6% higher year-on-year. At the same time, imports rose to \$4.9 bn, though their growth decelerated significantly (4% month-on-month in April compared with 14% in March). As a result, the merchandise trade surplus rose to \$4.1 bn. This is 8% higher than in March 2002 but 2% lower year-on-year.

According to Goskomstat data, Russia received some \$3.8 bn of foreign investment in Q1 2002, of which just over \$0.8 bn (22%) was direct investment. This represents 40% increase of overall foreign investment year-on-year, but the decrease in FDI by 14% y-o-y reflects scepticism about the longer-term outlook for the Russian economy. Investments classified by Russian statistics as ‘other’ (mostly trade credits and short-term loans) rose by \$1.2 bn, or 68% y-o-y. Portfolio investments were negligible (less than \$0.1 bn).

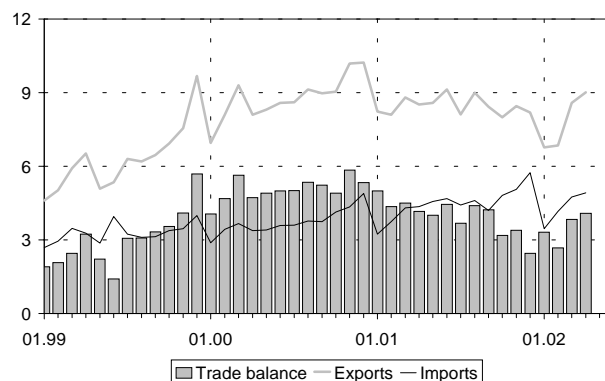
The best sectors for foreign investment were trade and catering (34% of the total) and the fuel industry (16%). Investments in these sectors grew by 50% and 300% y-o-y. Volumes of foreign investment in the food industry and ferrous metallurgy were almost unchanged y-o-y at \$0.4 bn and \$0.3 bn, reflecting continued attractiveness of these industries. Five industries (those just mentioned plus general commercial activities) received 73% of total foreign investment (\$2.8 bn). Almost the same percentage (74%) of FDI was concentrated in five industries: trade and catering (\$277 mn), fuels (\$120 mn), ma-

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



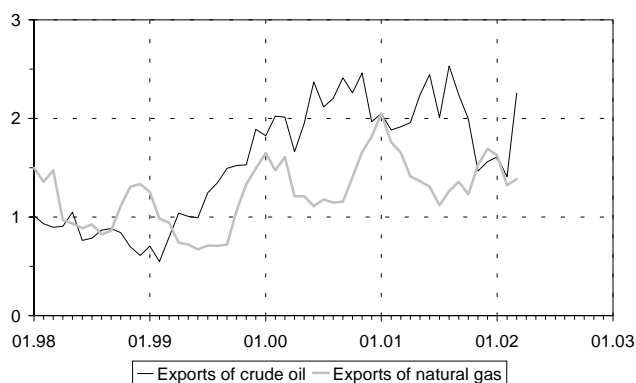
Source: Goskomstat and RET staff estimates.

## Merchandise exports and imports (\$ bn)



Source: CBR.

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



Source: Goskomstat, RET staff estimates.

chine building and metal working (\$95 mn), food industry (\$69 mn), and electricity (\$55 mn).

The accumulated volume of foreign investment in Russia at the end of March 2002 was \$34.4 bn, of which \$17.2 bn (50%) were direct investments, \$15.9 bn (46%) were other investments, and only \$1.3 bn (4%) were portfolio investments.

The leading investor countries in Q1 2002 were Germany (\$715 mn), Cyprus (\$699 mn), the UK, the Netherlands, the US, and France (some \$330 mn each), while major recipients of Russian investments in Q1 2002 were the US (\$2.5 bn) and Cyprus (\$0.9 bn). The US and Cyprus received 79% of total investments abroad (\$4.4 bn). However, since most Russian investments abroad are short-term their accumulated stock was only \$3.6 bn at the end of March, the leading recipient countries being Belarus (\$577 mn), Iran (\$554 mn), Cyprus (\$452 mn), and the Netherlands (\$434 mn).

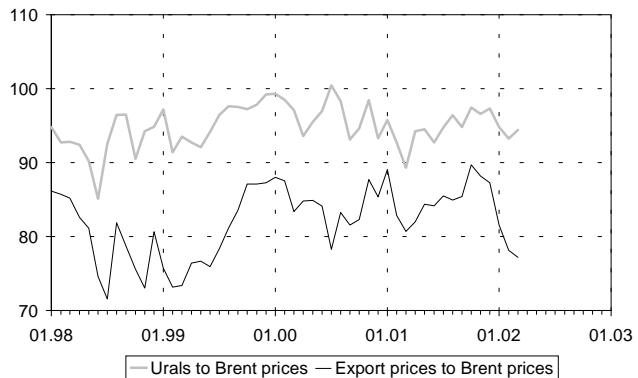
On June 6 the US Department of Commerce decided to grant market economy status to Russia with retroactive effect from April 1, 2002. This means that future anti-dumping investigations will be based on actual production costs of Russian companies, and not on production costs of companies in 'surrogate countries' (e.g. Turkey in the case of metals). Moreover, anti-dumping rulings will entail sanctions only for the companies in question, and not for whole industries. The EU also announced at the end of May that it will grant market economy status to Russia in September–October (time is needed to amend EU anti-dumping legislation). Both decisions strengthen Russia's bargaining positions in current negotiations on WTO membership. Also Russian exporters will be able to contest 10 anti-dumping rulings by the US and 14 anti-dumping rulings by the EU, that together cost exporters some \$1.5 bn and \$250 mn, respectively.

### Output

In April 2002 the index of gross output by five base sectors of the economy (industry, construction, agriculture, freight transportation and retail trade), calculated by Goskomstat, rose by 1.4% to March in seasonally adjusted terms and was 4.6% higher than a year earlier. However, the Goskomstat index was still 0.5% lower than its pre-recession August 2001 peak value. The enlarged index of gross output, calculated by RET, increased in April by 2.0% to March in seasonally adjusted terms and was 5.3% higher than a year earlier. The RET output index already exceeded its pre-recession peak value by 0.3%.

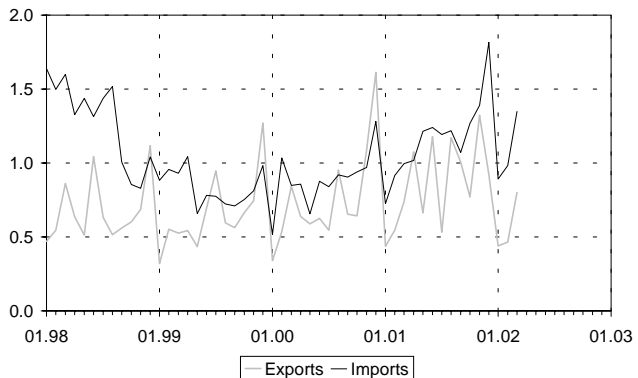
The RET index of real output of goods (covering industry, construction and agriculture) increased in April by 1.6% to March in seasonally adjusted terms

### World market prices for oil and actual prices for oil exported from Russia (%)



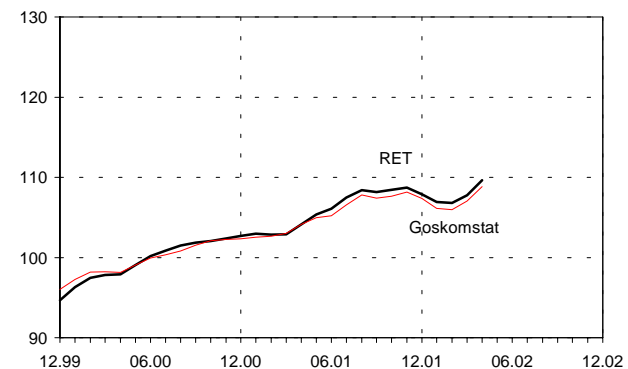
Source: Goskomstat, Energy Information Administration (US), RET staff estimates.

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



Source: Goskomstat, RET staff estimates.

### Aggregate indices of real gross output (2000 = 100, seasonally adjusted)<sup>1</sup>



<sup>1</sup> 3-month weighted moving averages. The RET index covers industry, construction, agriculture, transportation (freight and passenger), communication services (to business and households) and trade (wholesale and retail).

Source: Goskomstat and RET staff estimates.

and was 4.2% higher than a year earlier, but still 0.9% lower than its pre-recession value of August 2001. All three goods-producing sectors grew rapidly but only industrial production exceeded its pre-recession level. Real volume of construction in April 2002 was still 8.6% lower than in December 2001 and only 3.3% higher than in April 2001. However, residential construction is booming and the area of dwellings completed in April 2002 was 25.9% larger than a year earlier.

The RET index of real output of services (covering transportation, communications and trade) increased in April by 3.1% to March and exceeded its pre-recession peak of November 2001 by 1.0% (7.8% y-o-y). Following the short recession, the highest rates of growth were shown by communication services (13.6% y-o-y) and trade (8.8% y-o-y), while transportation services in April 2002 were only 3.9% higher than a year earlier. Communication services to business increased faster than communication services to households (15.9% and 9.5% y-o-y in April), and the same is true for transportation services (4.1% and -0.4% y-o-y). Wholesale trade grew slightly less rapidly than retail trade (8.2% and 9.6% y-o-y).

### Prices

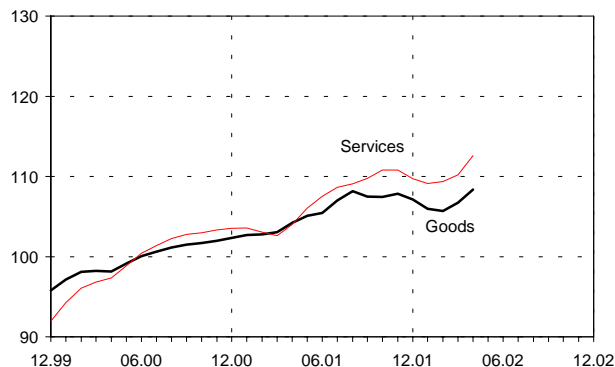
Inflation rates stopped decelerating and stabilised in April–May 2002. The consumer price index (CPI) showed y-o-y growth of 15.9% in May, almost the same as in April (16.0%), while y-o-y growth of the investment price index (IPI) was 12.9% in both March and April. Y-o-y growth of the composite producer price index (PPI), calculated by RET staff, was 12.0% in April, slightly higher than in March (11.6%).

Stabilisation of inflation rates coincided with stabilisation or even some increase in rates of growth of money supply. The y-o-y growth rate of money supply M2X, which declined rapidly from 68.6% in September 2000 to 30.3% in February 2002, began to increase and reached 31.5% in April. Acceleration of money supply growth is obviously connected with the rise of world oil prices and growth of the trade surplus in early months of 2002. Higher world oil prices also led to rises in domestic prices for oil refinery products. In April producer prices in the oil refining industry increased by 7.9%, and in May consumer gasoline prices grew by 10.7%.

### Labour market

Estimated labour force data show an improvement in the situation compared with a year ago, while reported figures suggest the opposite (for explanation of methodological difference between the two sets of indicators see RET Quarterly 3/2002, to be pub-

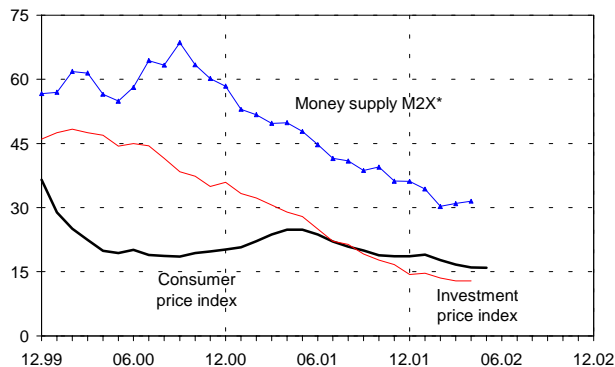
### RET indices of real gross output of goods and services (2000 = 100, seasonally adjusted)<sup>1</sup>



<sup>1</sup> 3-month weighted moving averages.

Source: Goskomstat and RET staff estimates.

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



\* M2 + foreign currency deposits.

Source: Goskomstat, CBR.

lished in July 2002). According to the last available labour survey, conducted in February 2002, employment was 2.0 mn higher than a year earlier and was equal to 65.0 mn. Unemployment was estimated at 6.0 mn, 1.1 mn less than a year earlier. The remaining 0.9 mn increase in employment was due to growth of the economically active population. As a result the unemployment rate in February 2002 was estimated at 8.4% (10.2% a year earlier).

However, the reported number of payroll employees at large and medium-sized enterprises continued to decline, from 41.4 mn in March 2001 to 40.9 mn in March 2002 (-0.5 mn). The number of registered job-seekers increased by 0.2 mn over the year, from 1.3 mn in April 2001 to 1.5 mn in April 2002, of whom the number considered as unemployed grew from 1.1 mn to 1.3 mn. As a result the reported unemployment or jobless rate increased from 3.0% in March 2001 to 3.5% in March 2002.

Real reported monthly wages due, which grew intensively for almost two years (from January 2000 to December 2001) with minor month-to-month fluctuations, stabilised in the first months of 2002. According to preliminary estimates in April, real wages stood at the same level as in December 2001. Stabilisation of real wages was caused by decline in their nominal rates of growth due to economic recession at the end of 2001 and beginning of 2002. However, wages in the low-paid public sector (healthcare, education and culture) were increased by the Government, and this reduced wage differentiation across industries.

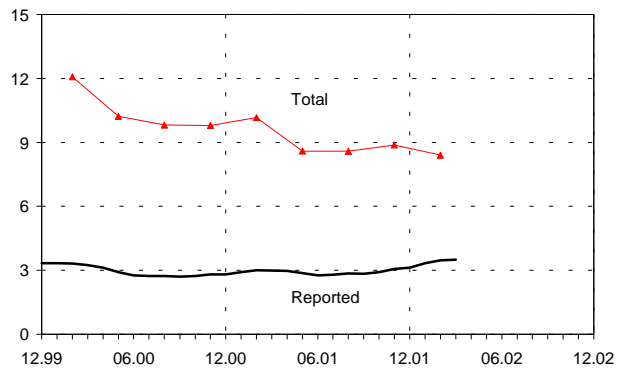
### Government

The most important event in the budget sphere during the last month was the President's budget message to Parliament, which is a part of the procedure laid down by the Budget Code and which described main goals of budget policy in 2003. The chief accent of the message was on continuation of existing fiscal policy aimed at reduction of the tax burden, improvement of relations between various levels and parts of the budget, increased efficiency of government expenditures and lowering dependence of Russian budget revenues on international markets.

However, the message also contained some important proposals for improving the budgetary process. The main proposal is to implement mid-term budget planning. Three-year financial plans could help to take account of long-lasting consequences of public spending, particularly capital expenditures.

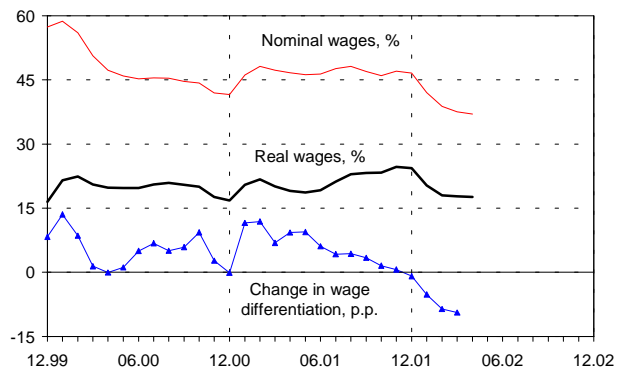
The President's message also contained an appeal to review all government obligations and reject those, which cannot be financed. This particularly refers to so-called 'non-financed' federal mandates, i.e. statutory financing obligations, which are temporary-

### Unemployment rates (%)<sup>1</sup>



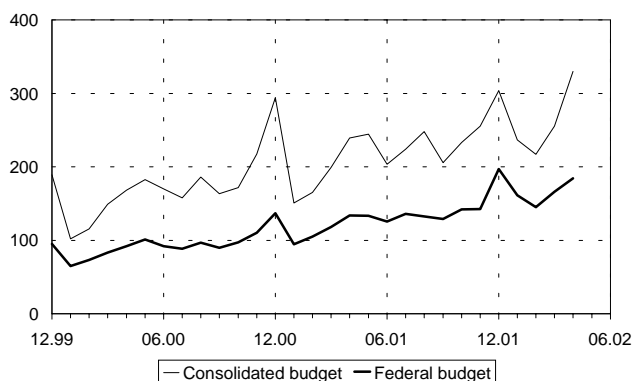
<sup>1</sup> The total unemployment rate is based on labour survey data. The reported unemployment rate is based on the number of payroll employees at civilian large and medium-sized enterprises and organisations, and the number of registered job-seekers. Source: Goskomstat and RET staff estimates.

### 12-month rate of change of monthly wages due<sup>1</sup>



<sup>1</sup> The index of real wages is based on the price deflator for consumer expenditures. Source: Goskomstat and RET staff estimates.

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



Source: Ministry of Finance.

ily cancelled by the current budget law due to lack of resources. Mid-term planning and cancellation of such federal mandates are intended to make the state budget more realistic and stable.

Another important idea in the budget message concerns the unified rate scheduler for calculating wages of civil servants. The President said that liquidation of the unified rate scheduler is a strategic goal of fiscal policy. This will allow more flexibility, making it possible to increase wages and reduce numbers of government employees.

Some of the measures set out in the President's message are already being implemented. In particular, the Duma has passed two draft laws on amendments to the Tax Code in first readings. A draft on the transport tax was approved on May 24, while a draft law on simplification of small business taxation and the unified tax on presumption income was adopted on June 6. The latter draft law was much discussed during the spring, particularly as concerns its definition of small business. This discussion led to rejection of a ceiling on employee numbers, but left a ceiling on gross receipts (R10 mn) as necessary for a firm to qualify as a small business.

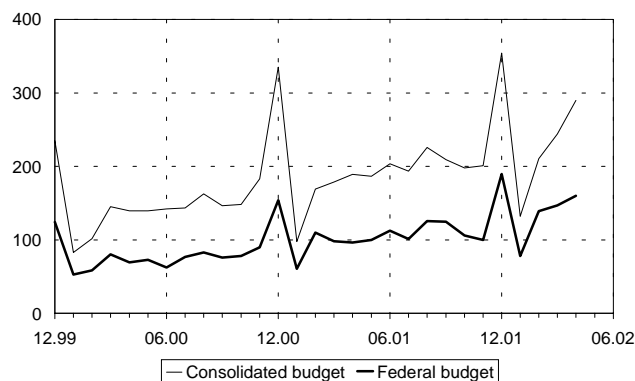
The federal budget surplus in January–April 2002 was R132 bn. According to official Ministry of Finance data, federal budget revenues in the first four months of the year were R657 bn or 31% of total planned revenues for the year. At the same time federal budget expenditures were R525 bn, which is equal to 27% of total planned expenditures.

### Monetary authorities

M2 increased by 3.8% month-on-month in April 2002. The growth of M2 was due to a 10.4% m-o-m jump by M0, while deposits did not change significantly. The extremely rapid increase in demand for cash money may have been caused by preparations for the long holidays in the first half of May, as people needed cash money to pay for purchases. The money multiplier was equal to 2.23 in April 2002 vs. 2.29 in March, returning to the average level of the last two years.

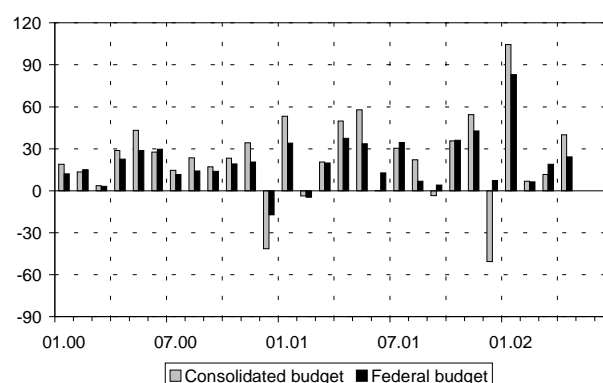
GIR increased by \$3.1 bn and reached \$42.2 bn at the end of May. This was the biggest monthly increase of GIR since the 1998 crisis. As in April depreciation of the rouble against the dollar was very modest. The official exchange rate of the rouble against the dollar declined by 0.4% m-o-m and stood at R31.31/\$ at the end of May. On the one hand, the slow pace of rouble depreciation gives hope that the average exchange rate target of R31.5/\$, built into the 2002 budget law, will be achieved. On the other hand, comparative analysis of the dynamics of the exchange rate and external oil prices brings to light the fact, that the CBR is incapable of implementing

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



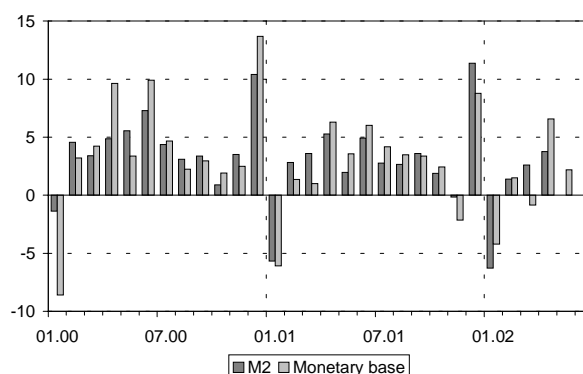
Source: Ministry of Finance.

### State budget balance (R bn)



Source: Ministry of Finance.

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



Source: CBR and RET staff calculations.

monetary policy independently of external trade conditions. The rouble continued to depreciate against the euro in May. The average official exchange rate of the rouble against the euro fell by 3.9% m-o-m to R28.68/euro.

The real exchange rate of the rouble against the dollar appreciated slightly in April 2002 by 0.3% m-o-m. At the same time, the real rouble depreciated against the euro and hryvna by 2.5% and 0.1% respectively. The trade-weighted real exchange rate of the rouble depreciated by 1.2% m-o-m in April 2002. The appreciation of the euro against the dollar contributed much to depreciation of the trade-weighted rouble in April, and continued appreciation of the euro in May makes it reasonable to suppose that the trade-weighted real rouble continued to depreciate last month. Thus domestic producers are retaining their competitive edge against imports based on the exchange rate.

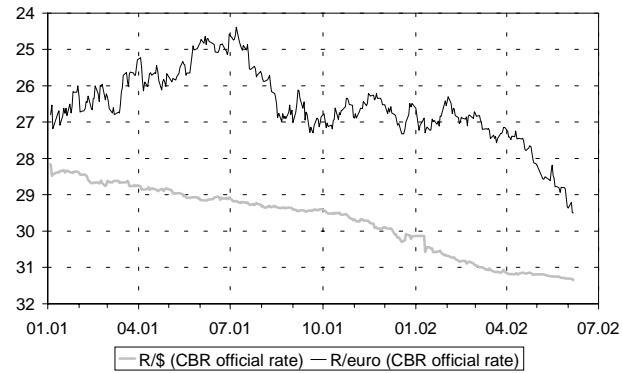
The increase of GIR in May allowed the CBR to soften monetary policy. As a result inter-bank interest rates decreased significantly: the average one-day MIACR (Moscow Inter-bank Actual Credit Rate) declined from 10% in April to 5% in May. In April 2002 the lending and deposit rates of commercial banks increased to 18.4% and 4.7% respectively. The real lending rate, taking account of inflation, was positive in April 2002, while the deposit rate was negative.

After long discussions amendments to the law on the Bank of Russia were adopted by the Duma in second and third readings on May 22 and June 5. Consensus between Government and Duma on the role of the National Banking Council seems to have been achieved, but some problems remain. For example, according to the new law, the CBR will not have the right to inspect any commercial bank more than once a year. The Government fears that this condition will limit the supervisory ability of the CBR. As a result the new law may be rejected by the Federation Council or the President.

### Capital markets

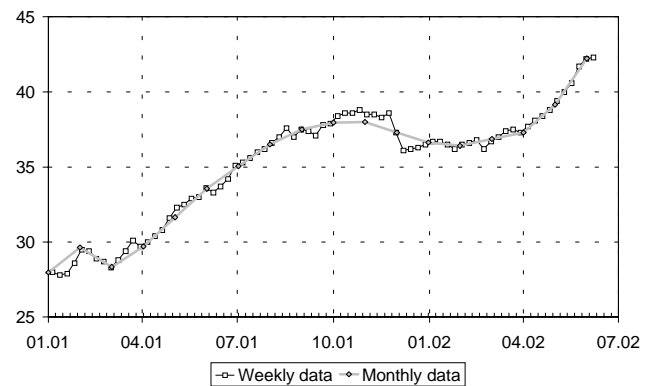
The Russian stock market was extremely volatile in May 2002. The RTS index peaked at 425 points on May 20, but returned to April levels by the end of the month. The market movements generated large trading volumes, with average daily turnover growing by 23% month-on-month to \$28 mn. Russian stocks have been marking time in early June at levels just under 400 points, reacting to negative news from US markets rather than domestic fundamentals. Russian Eurobonds, which are sensitive to news from other emerging markets, are also seeing a growth pause. The EMBI+ Russia index, calculated by J.P. Morgan for the Russian dollar-denominated

### Rouble exchange rates



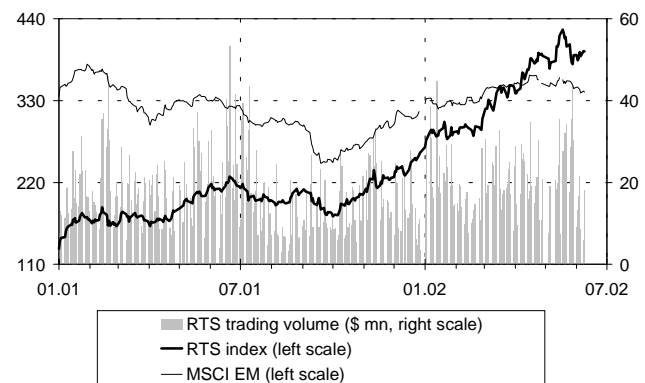
Source: CBR.

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



Source: CBR.

### RTS and MSCI equity indices



Source: RTS.

debt, hovered around 240 points over the last month, following 18% growth in the first four months of 2002.

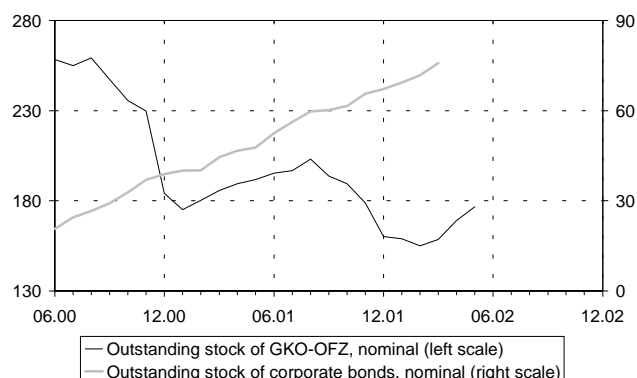
High liquidity in the Russian banking system and low interest rates on the money market, observed after the May holidays, boosted demand for rouble-denominated assets. The liquidity inflow reduced yields on both government and corporate debt markets. At the end of May the average-weighted yield on GKO-OFZs hit a two-and-a-half-month low of 15.5%. This downward trend continued into early June. In the same period the Ministry of Finance placed new issues on the secondary market, with total stock of GKO-OFZs increasing to R177 bn as of June 10, 2002. The corporate bond market was also strong. Total turnover on the secondary corporate debt market was R6 bn in May, with most issues seeing price rises.

### Credit markets and banking system

Credit expansion continued in Q1 2002 despite slower growth in total assets of the Russian banking sector. Total sector assets increased by 11% year-on-year in real terms as of April 1, 2002, while the stock of loans to enterprises and households surged by 33%. As a result, claims on the non-financial sector were 41% of total banking assets on April 1, 2002. The share of government securities in bank assets fell by 3 percentage points year-on-year, which, coupled with increase in the loan stock, raises the overall risk level. A rise in the share of loans with maturities longer than one year, following a two-year decline, makes the risk level even higher. Household deposits supplied most of the credit expansion in early 2002, while corporate deposits showed a decrease in the first quarter. This reverses the situation in 2000–2001. The structure of lending by commercial banks remained dominated by export sectors, which accounted for 43% of credit portfolios.

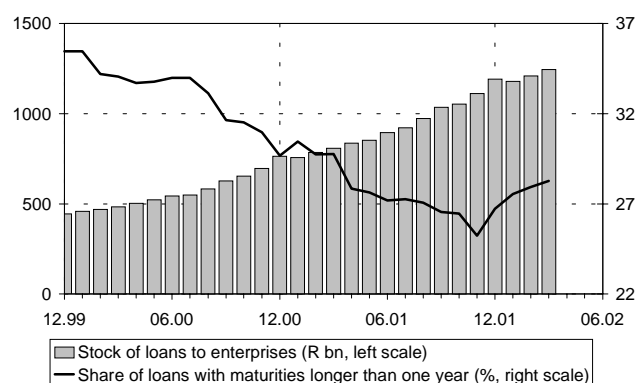
The CBR and Ministry of Finance made several pledges concerning banking reform in early June 2002. In particular, Russian banks have been given less than two years to improve their capitalisation, prepare for changeover to International Accounting Standards (IAS), and meet the CBR's criteria for participation in a deposit insurance system. The new CBR management is accelerating establishment of an insurance system in order to protect depositors of banks, which will be forced to close during the reform process. Judging by its plans, the CBR will be merciless in dealing with unsound, non-transparent and non-viable banks. As a first step, the CBR has worked out recommendations on how to submit financial reporting in compliance with IAS.

### Russian domestic debt market (R bn)



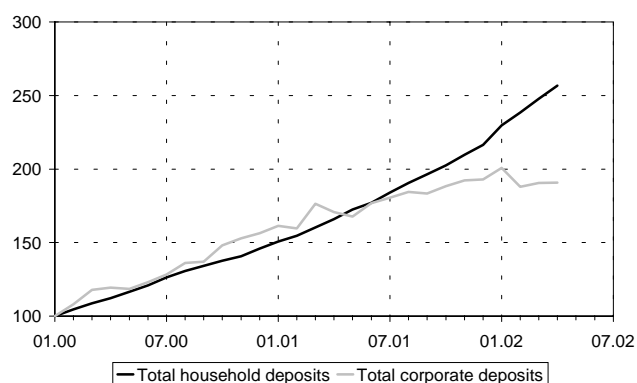
Source: CBR, [www.cbonds.ru](http://www.cbonds.ru).

### Long-term lending by commercial banks (R bn)



Source: CBR.

### Growth in corporate and household deposits (% , Jan 2000 = 100)



Source: CBR.

## Households

Preliminary Goskomstat estimates suggest that year-on-year increase in real personal income was an unprecedented 15% in April 2002. Alternative measures of income, which avoid double counting of household sales of hard currency, suggest even larger growth of about 18% y-o-y or 12% seasonally adjusted compared to March 2002. There is no clear explanation of the massive increase in personal income, but explanations must be sought in the method of calculation of personal income as a sum of expenditures. Major components of expenditures (purchases of goods and services, financial savings) increased y-o-y in line with the recent trend of 8%. The only exception was roubles kept in pockets and at home, estimated from money supply statistics (see MONETARY AUTHORITIES). Their volume in April 2002 totalled R43 bn, which is almost double the figure a year ago and exceeds even the usual December increase associated with annual bonus payments.

## Enterprises

The long May holidays could partly explain some slowdown in growth of the Russian manufacturing sector, registered by all business surveys in May 2002. The fact that most producers are planning to increase production due to expected growth of demand confirms that the May slowdown was not a trend. Meanwhile the Russian services sector continued its expansion in May 2002, according to the NTC Research business survey carried out for Moscow Narodny Bank, though at a slightly slower pace than in the previous month.

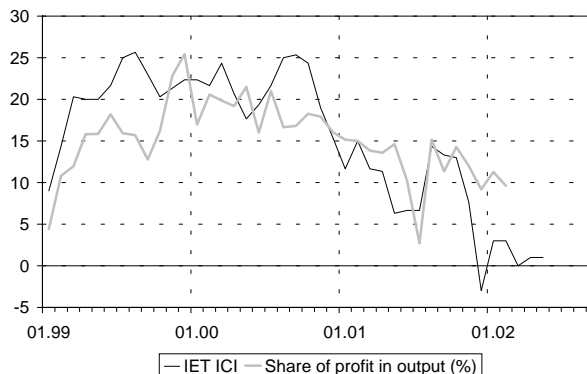
Goskomstat reported deterioration of profits at large and medium-sized enterprises in February 2002. Business surveys, which have more recent data, register further reduction of corporate profits. According to the industrial business survey of the Institute for the Economy in Transition (IET), the share of panel members reporting profit deterioration reached 51% in May 2002, up from 40% in February 2002. According to Goskomstat, chemicals and metals, which were already showing low profits in previous months, were joined by oil extraction and refining. The food sector and machine building showed the best results. A major drop in profits was registered in wholesale trade of consumer goods. According to the IET survey, Q1 2002 was unfavourable for consumer goods traders due to increased prices for consumer goods combined with low purchasing activity of consumers. An additional factor narrowing margins of such traders was increase of the tax burden from the beginning of 2002, when small businesses were required to start paying the unified social tax.

## Real consumer income<sup>1</sup> and expenditures (seasonally adjusted, 1997 = 100)



<sup>1</sup> Adjusted to avoid double counting of hard-currency sales.  
Source: Goskomstat and RET staff estimates.

## IET Industrial Confidence Indicator (IET ICI)<sup>1</sup> and the share of profit in value of monthly output of large and medium-sized industrial enterprises



<sup>1</sup> Readings of the indicator above zero mean that industrial producers view the current situation positively.  
Source: IET business surveys, Goskomstat.

However, the most important factor reducing profits of producers in both manufacturing and services is continuing increase of their input costs. The IET business survey shows that only 40% of panel members increased prices for their production in Q1 2002, while 70% recorded increase of input prices. According to NTC Research, growth of prices in the service sector also lagged cost growth. This was mainly due to tariff increases by natural monopolies (UES and the Railways Ministry). Thus in Q1 2002 UES tariffs for industrial consumers increased by 6.5% and tariffs for rail freight transportation rose by 16% while producer prices stayed unchanged.

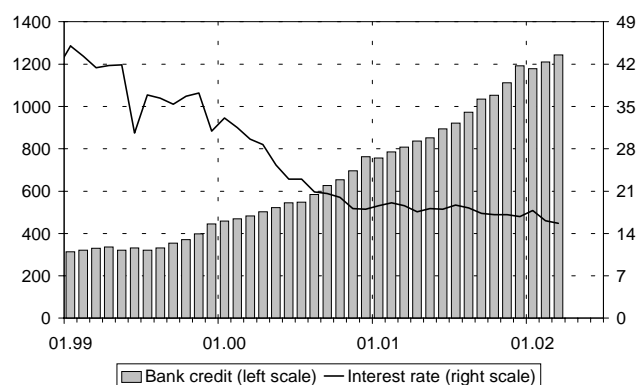
The main factor limiting production in manufacturing remains lack of working capital. The situation was aggravated during Q1 2002, according to the business survey of the Centre of Economic Analysis (CEA). Growth of bank credit is too slow to deal with this problem: the volume of bank credit outstanding to enterprises increased by 4% in Q1 2002 compared with growth of 6% in Q1 2001. Enterprises themselves are partly to blame, since they have shown inelastic demand for borrowed resources despite substantial reduction of interest rates on corporate credits. On the other hand, the disappointing demand structure might also be due to the fact that banks are only willing to work with a limited number of enterprises.

According to the NTC Research business survey, a number of panel members are concerned about lack of capacity to meet expected demand growth. Recent low demand reduced capacity utilisation in industry (the CEA survey registered capacity utilisation at 53% in Q1 2002 compared with 56% in Q4 2001), but the share of spare capacity, which could be used in case of increasing demand, was lower than the share of unused capacity and decreased from 26% to 25%. This reflects the vast problem of outdated and physically exhausted equipment at Russian enterprises. The share of spare capacity which could be used in case of switching to new products does not exceed 11%.

### External environment

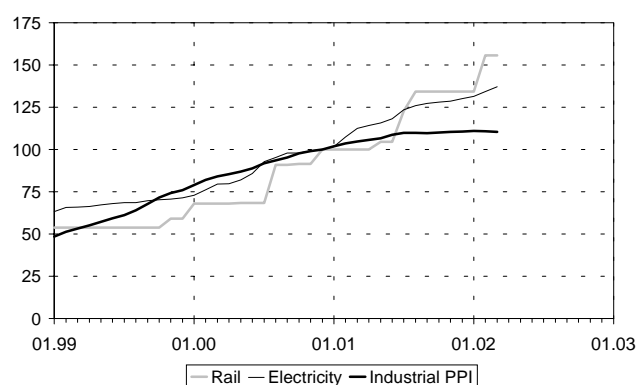
Economic recovery in the euro area seems to be following that in the US, albeit more slowly. Q1 2002 GDP growth in the euro area was 0.2% on a quarter-on-quarter basis, while the US rate was 1.4%. Growth in the euro zone was mainly due to an increase in exports of goods and services including intra zone exchanges (up 0.9% quarter-on-quarter), while private consumption and gross fixed capital formation declined (down by 0.2% and 0.7% quarter-on-quarter respectively). Industrial and consumer confidence indicators were promising in May 2002,

### Dynamics of commercial bank credit to enterprises (R bn) and weighted-average interest rate on rouble bank credits to enterprises (%)



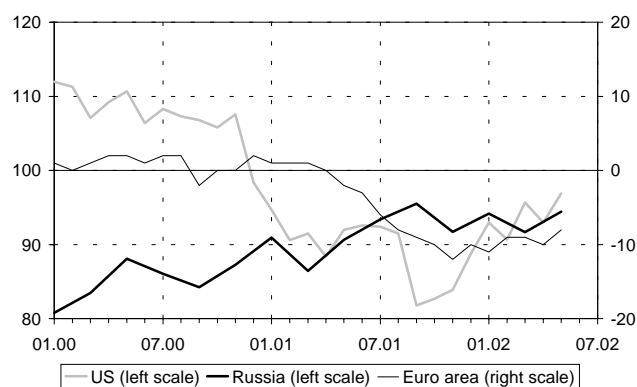
Source: CBR.

### Tariff dynamics for rail freight transportation and electricity compared with industrial producer price index, (Dec 2000 = 100)



Source: Goskomstat, RET staff estimates.

### Indices of consumer confidence in Russia, the US and the euro area



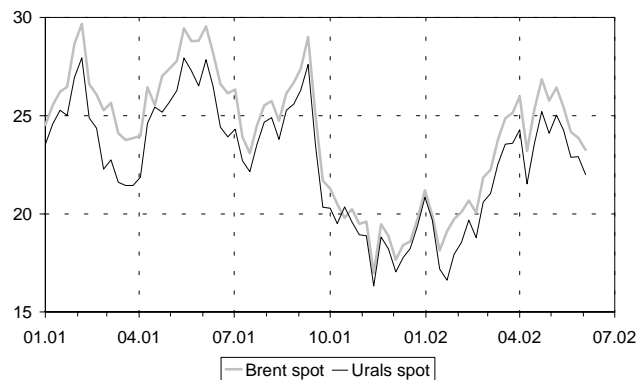
Source: The Conference Board, The European Commission, Development Centre.

as indices for both the US and the euro area recovered after a setback in April.

Despite stronger US economic performance in the first quarter, the euro appreciated steadily against the US dollar in April–June 2002, due to smaller inflow of capital to the US, long expected by many analysts due to imbalances of the US economy. The euro not only regained value compared with early 2002 (the euro was then at a six-month low of \$0.87), but exceeded \$0.94 by June for the first time since January 2001. Strong and sustained euro appreciation will hurt euro zone exporters. It will also raise Russian import prices from the euro area and lead to decline in value of dollar-denominated Russian raw material exports.

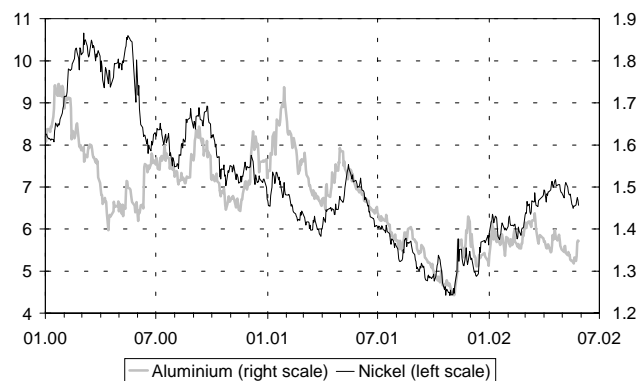
Spot prices per barrel of Brent crude soared in a \$25.5–\$27 corridor during April and the beginning of May, supported by political factors and positive developments in the world economy. These were the highest prices since the dramatic slide, which followed terrorist attacks in September 2001. According to experts, the political price premium due to tension in the Middle East was \$3–\$6. However, the bullish mood has disappeared since mid-May, partly due to gradual weakening of the impact of political factors on the market. On May 17 Russia announced that it will progressively restore crude oil export volumes, which it reduced in H1 2002 by 150 000 barrels per day as agreed with OPEC. Norway was also unwilling to continue export curbs. These decisions had been expected by traders and market reaction to the news was negligible. Oil prices have been dipping, but are still at levels allowing safety margins for the Russian budget and Russian oil companies. OPEC countries have announced that they will probably hold course with supply limitations until the autumn, which together with increasing demand will support the price level in the short run.

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



Source: Energy Information Administration.

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



Source: London Metal Exchange.

**Table 1: Gross domestic product**

	(1) GDP by expenditure, nominal	(2) Final demand, nominal	(3) Household consumption, nominal	(4) Institutional consumption, nominal	(5) Gross fixed capital formation, nominal	(6) 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						
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IV						
	(7) GDP by expenditure, real	(8) Final demand, real	(9) Household consumption, real	(10) Institutional consumption, real	(11) Gross fixed capital formation, real	(12) 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	235.1	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	352.2	63.8	73.7	100.6	3378	1186
02	349.0	109.2	84.2	82.7	3393	1187
03	375.2	113.6	96.5	119.0	3405	1218
04	384.2	157.6	98.2	127.3	3503	1256
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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			106.9	106.2	105.9	110.4
04			108.9	108.1	109.6	109.4
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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	31.7	102.6	103.0	98.8	119.9
01.2000	97.9	30.1	73.0	99.0	99.2	89.8
02	100.4	32.6	77.1	102.7	99.7	91.8
03	98.3	28.9	87.9	99.0	96.7	92.8
04	98.2	32.5	95.9	98.4	99.5	94.3
05	99.9	33.7	103.7	98.5	100.6	96.8
06	99.1	28.9	109.3	99.6	100.0	96.6
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	112.8
10	101.2	28.9	104.1	100.7	100.4	108.4
11	101.9	28.3	112.8	101.2	100.1	106.0
12	101.6	28.4	120.2	100.5	100.4	106.1
01.2001	102.1	29.8	75.9	100.7	99.7	118.1
02	102.2	27.9	77.5	101.0	98.8	115.0
03	102.7	29.4	89.1	101.5	99.8	101.4
04	103.3	30.2	98.3	102.4	99.9	113.4
05	103.4	30.1	106.2	103.3	99.3	117.7
06	105.1	30.8	111.2	103.4	99.8	121.5
07	105.6	32.2	111.4	103.1	97.9	123.1
08	105.9	34.7	108.7	103.8	98.3	120.4
09	105.4	33.2	105.7	104.7	98.6	121.7
10	106.2	37.8	107.0	106.7	98.3	123.9
11	105.8	37.0	116.1	105.1	98.3	130.9
12	106.6	27.3	124.2	100.7	96.9	131.6
01.2002	105.2	40.0	79.3	104.0	97.6	136.0
02	104.0	37.0	81.1	106.6	95.5	130.6
03	104.8	31.4	92.2	106.5	97.6	113.5
04	107.8	38.0	102.6	106.6	99.5	128.9
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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	4277.7	110.1	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	323.4	106.2	219.8	99.0	56.1	98.9
02	327.3	104.5	221.9	98.4	55.8	91.7
03	328.4	106.1	240.3	104.9	59.9	93.8
04	326.9	103.6	244.0	105.1	62.7	98.2
05	343.5	107.1	250.4	106.1	64.1	100.9
06	354.0	109.4	254.9	106.8	70.5	104.1
07	356.0	110.0	257.4	107.5	74.2	107.6
08	353.5	109.2	273.1	114.1	76.1	110.4
09	361.1	110.2	274.1	113.7	74.5	105.1
10	389.9	117.4	285.7	117.5	75.7	104.5
11	392.6	117.3	291.4	118.2	76.6	108.6
12	421.1	120.2	338.5	135.0	80.4	87.8
01.2002	403.4	112.9	276.6	108.3	75.6	100.2
02	409.0	112.3	273.7	106.5	75.3	93.8
03	430.3	120.7	295.2	114.1	80.0	95.5
04	435.2	120.3	301.0	115.0	83.2	100.0
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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	132.4	141.9
02	123.7	118.9	151.1	117.7	133.9	143.3
03	125.0	119.5	156.8	118.6	135.0	146.4
04	126.5	120.6	160.6	119.5	137.0	147.6
05	128.6	122.7	162.1			
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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
04	119.0	112.9	119.9	119.3	158.4	119.1
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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	64.8	6.2	8.7	1.1	1.5
01.2002	40.7	64.9	6.1	8.6	1.2	1.6
02	40.9	65.0	6.0	8.4	1.2	1.8
03	40.9	65.3	5.9	8.3	1.3	1.7
04		65.7	5.9	8.3	1.3	1.6
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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	25.9
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	10.2
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	4031	4894	2871	131.5	34.4	5.6
04	3991			133.5	32.0	1.8
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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	3269	96.7	300.0	1329	1719	33.0
04	3698	108.1	300.0	1333		
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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
02	72.7		6179.8	1583.3	702.9	1914.4
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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	101.6	53.8	47.8	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	8.2	3.2	5.0	0.4	0.7	0.4
02	8.1	3.7	4.4	0.5	0.9	0.4
03	8.8	4.3	4.5	0.7	1.0	0.4
04	8.5	4.4	4.2	1.1	1.0	0.4
05	8.6	4.6	4.0	0.7	1.2	0.5
06	9.1	4.7	4.5	1.2	1.2	0.4
07	8.1	4.4	3.7	0.5	1.2	0.4
08	9.0	4.6	4.4	1.2	1.2	0.4
09	8.4	4.2	4.2	1.0	1.1	0.4
10	8.0	4.8	3.2	0.8	1.3	0.3
11	8.5	5.1	3.4	1.3	1.4	0.4
12	8.2	5.7	2.5	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	0.8	1.3	0.5
04	9.0	4.9	4.1			
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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	98.7
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	144.5	274.1	80.7	1.7	108.3
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	116.8	295.3	78.1	1.3	74.0
03	2.3	132.9	348.1	77.2	1.4	78.4
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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	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	111.4	78.3	19.3	82.9	97.4
02	145.2	108.7	138.9	23.7	6.2	41.0
03	166.0	131.4	147.1	25.2	18.9	47.4
04	184.4	146.6	160.2	26.7	24.2	26.8
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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	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	2.4
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	132.2	14.9	104.4	
02	217.2	169.9	210.4	35.6	6.8	
03	255.7	207.9	244.2	29.3	11.5	
04	330.1	270.0	290.0	4.0	40.1	
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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	161.9	543.4	1522.9	2105.0
03	683.1	28.0	156.4	552.9	1562.4	2137.7
04	728.0	30.7	141.4	610.3	1621.3	2213.5
05	743.9					
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**Table 18: Assets of commercial banks (end of period)**

	(1)	(2)	(3)	(4)	(5)	(6)
	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	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	3333.2	598.4	1481.0	1244.1	573.1	595.6
04		598.5	1520.3		595.3	
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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	1564.1	771.3	80.9	282.2	318.9	666.3
04					327.2	687.0
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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	75.8
04	370.4	20.4	1005.5	169.1	165.9	
05	399.6	23.9	940.2	176.6	174.0	
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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	18.4	4.7	9.7	14.1	15.0
05	23			5.1		
06						
07						
08						
09						
10						
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	85.0	37.3
04	31.174	31.196	27.596	28.145	84.0	39.2
05	31.255	31.307	28.682	29.325		42.2
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](http://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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