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**RUSSIAN
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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

Economic growth accelerating again

In June and July growth of overall production as measured by the RET index of gross output accelerated again after some deceleration in the spring. The annual rate of growth in July was as high as 6.5%. Production growth accelerated in nearly all sectors of the economy with housing construction, machine building, and food processing showing the best results. The impressive performance is partly due to domestic factors (consumer demand growth has speeded up since the spring), but it is also due to increased exports, the value of which rose by 12% in July, causing the merchandise trade surplus to rise 10% in spite of rapidly growing imports. High oil prices on international markets are again benefiting the Russian economy.

Business surveys also show some positive developments. According to surveys, confidence in the Russian enterprise sector continued to increase during the summer and demand for industrial products returned to growth in July. However, the industrial sector is suffering from a profit decline, which has intensified during the current year. Only 56% of large and medium-sized enterprises were profitable in early 2002, while the respective share in 2001 was 62% (also a very low figure). Since underdevelopment of the Russian financial sector forces enterprises to use retained earnings for most of their capital investment, low profitability is a serious obstacle to investment. Indeed, real fixed investment declined in June and recovered only partly in July, when it was some 3% higher than a year earlier.

Higher input prices are part of the reason for declining profits. Industrial enterprises were particularly hard hit by natural monopoly tariff and price rises earlier this year. Producer price rises in industry have been accelerating since March, and in July producer prices were more than 11% higher y-o-y. However, growth of consumer prices has been faster, accelerating to 15% y-o-y in August.

Vulnerability of the Russian economy to external shocks makes its development in the longer run highly dependent on international markets. Disappointingly slow recovery of the main western economies is one of the factors casting shadows over Russia's longer-term growth prospects, although the country is currently benefiting from rising world prices for energy.

Budgetary situation satisfactory

High energy prices are particularly important for the budget. Currently 14% of federal budget revenues come from foreign trade duties, and oil export duties are reviewed once every two months based on international price developments. The state commission, which oversees this process, recently proposed that the Government raise oil export duties by more than \$4 to \$26.2 per tonne from October 1, 2002.

The budgetary situation in 2002 is fairly encouraging. Both federal and consolidated budgets continue to run surpluses, although the surpluses have declined from 2001 (when figures are amended to assure comparability). The main reason for the decline is failure to meet tax revenue targets. However, there was an improvement in July, when federal budget tax collection met its target for the first time since March. The draft budget for 2003 was submitted to the Duma in late August for discussion during the autumn session.

**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	4.1	Q2
Industrial production	2.0	-5.2	11.0	11.9	4.9	7.8	July
Fixed investment	-5.0	-12.0	5.3	17.4	8.7	3.3	July
Inflation (end of period)	11.0	84.4	36.5	20.2	18.6	15.1	Aug
M2 (end of period)	29.5	36.3	57.2	62.4	40.0	33.5	July
Unemployment rate (ILO, %)	10.8	11.9	12.8	10.5	9.0	7.6	July
Federal budget balance (% to GDP)	-6.7	-4.9	-1.7	2.5	2.9	2.1	Q2
Current account balance (% to GDP)	0.5	0.3	13.5	18.5	11.0	9.1	Q2

Source: Goskomstat, CBR, Ministry of Finance.

To our readers: a new free service on offer

During the 10-year history of RET a unique data bank of statistical information on macroeconomic developments in Russia has been accumulated at RECEP by RET economists. Consistent time-series are produced on the basis of this data, comparable with those published and analysed in established market economies. Some of these time-series appear in RET Monthly and Quarterly publications, and most of the statistical tables and charts in RET publications are based on them.

A part of this data base has now been put to our web site (www.recep.org) as a trial version for free downloading. The web site data base includes the most interesting monthly and quarterly RET time-series, and consists of two parts. The short version includes 140 indicators usually published in the statistical appendix of RET Monthly. The enlarged version currently includes about 550 indicators. Time-series cover the period from January 1990 onward. In addition to data series the data base provides an Excel-based interface that helps the user find necessary data and carry out preliminary analysis.

The RET database offers you:

- *Monthly updating.* Most recent available data are included in the data base in the middle of each month.
- *Backward revisions.* All available official revisions of initial statistical information are included in the data base.
- *Language convenience.* English language is used for variable descriptions and the interface. Russian equivalents are available in methodological comments.
- *Software convenience.* The database is based on Excel files and the interface represents an Excel application in xla format that allows retrieval and storage of time-series in any Excel file.
- *Methodological comments.* The interface provides explanations of how a time series was constructed, when it was revised, and what observations are inconsistent (if any).
- *Preliminary analysis.* The interface makes it possible to calculate rates of growth, interpolate quarterly data, construct indices, seasonally adjust monthly data, convert monthly data to quarterly and annual format, change scale, and deflate nominal data.
- *Historical background.* The interface contains a list of major economic events in Russia during any particular month, which supports study of the variables.
- *Customer service.* Upon preliminary agreement it is possible to provide any specific subset of variables in a format convenient to a particular user.

We invite our readers to try out this new service. We would appreciate your comments and suggestions, which you can send to webmaster@recep.ru.

RET Team

Domestic demand

Growth of consumer demand accelerated in June–July 2002. Real consumer expenditures (a proxy for household consumption) increased by 3.3% over these two months in seasonally adjusted terms, compared with a rise of 2.3% in the preceding four months (February–May). The y-o-y rate of growth of real consumer expenditures thus rose to 7.7% in July (from 4.8% y-o-y in May).

By contrast, investment demand flagged in the summer after a strong showing in the spring. Real gross fixed investment (a proxy for gross fixed capital formation) increased rapidly in March–May (by 12.6% over three months in seasonally adjusted terms) after its sharp decline at the beginning of 2002. But in June real gross fixed investment again declined in seasonally adjusted terms and in July 2002 was only 3.3% higher than a year earlier and still 1% lower than in December 2001. Total real gross fixed investment in January–July 2002 was only 2.6% higher than in the first seven months of 2001.

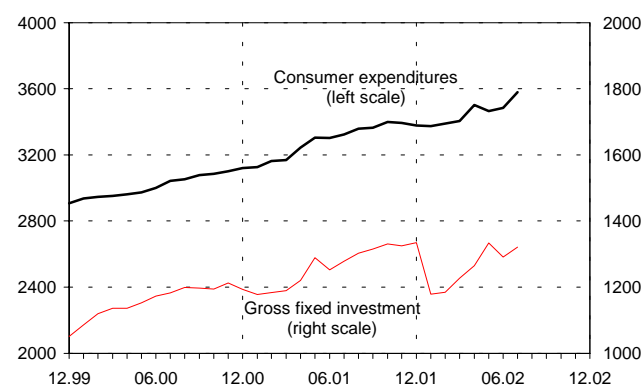
Foreign sector

Merchandise exports continued to grow in July, reaching \$9.1 bn, which was 12% higher m-o-m and almost 13% higher y-o-y. Russian imports rose in July by 13% m-o-m to \$5.4 bn. This is the highest monthly level of imports since the beginning of 2002, being 23% higher y-o-y. The merchandise trade surplus rose by 10% m-o-m to \$3.7 bn, exactly the same level as in July 2001.

According to Goskomstat, foreign investment (FI) in the Russian economy was \$8.4 bn in H1 2002, which is 25% higher y-o-y. However, this remarkable increase was entirely due to growth of ‘other’ FI (mostly credits) to \$6.3 bn, compared with \$3.9 bn in H1 2001. By contrast, foreign direct investment (FDI) actually decreased from \$2.5 bn to \$1.9 bn, or by 25% y-o-y, while portfolio investment remained low at some \$0.2 bn.

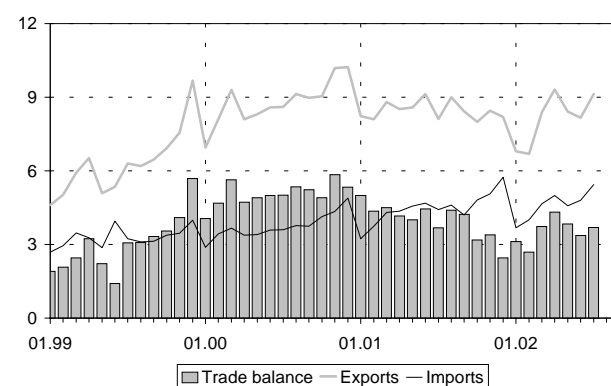
The unquestioned leader in attracting FI was trade and catering (43% of total FI and 33% of FDI). The fuel industry took 10% of FI and 13% of FDI (almost all of these investments went to the oil sector). The third most popular destination for foreign investment was the food industry (some 8% of FI), followed by general commercial activities, and non-ferrous and ferrous metallurgy (both with 6%). The ranking was slightly different for FDI, where machine building and metal working took third position (10%), followed by the food industry (9%) and general commercial activities (5%). The accumulated

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



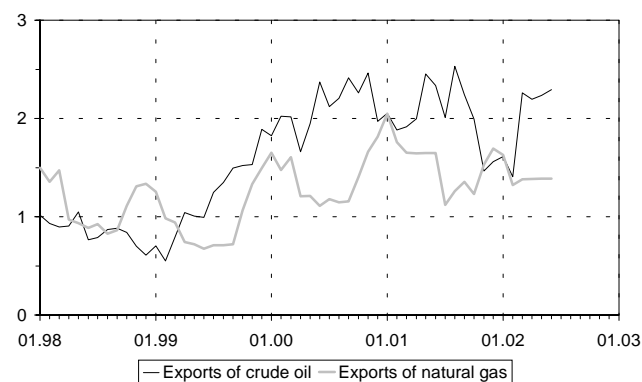
Source: Goskomstat and RET staff estimates.

Merchandise exports and imports (\$ bn)



Source: CBR.

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



Source: Goskomstat, RET staff estimates.

volume of FI at the end of H1 2002 was \$38.2 bn, of which \$18.6 bn were FDI.

Important changes in export duty rules came into effect on August 21. Previously, all Russian exports to Customs Union countries (Belarus, Kazakhstan, Kyrgyz Republic, and Tajikistan) were exempted from duties. According to the new rules, these exemptions are applicable only for deliveries to resident companies of these countries. The aim is to eliminate annual budget losses of around \$100 mn caused by non-resident companies contracting deliveries to Customs Union countries, and not countries of final destination, in order to save on export duties. For example, more than half of Russian oil deliveries to Belarus in 2001 were bought by non-residents. Export duties on petrol and diesel fuel were also raised from 25 to 35 euros per tonne as of August 21.

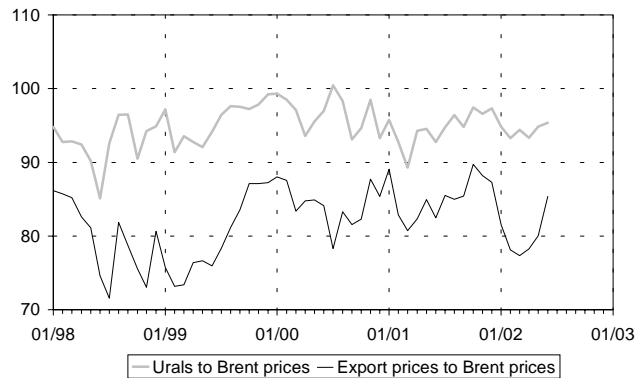
A Government resolution signed by prime minister Mikhail Kasyanov on August 30 raised import duties on used cars older than seven years by two–four times depending on engine capacity. This was a partial victory for the Russian auto lobby, which had pushed for higher import duties on used and new cars.

On September 6 the Commission on Protective Measures in Foreign Trade and Customs and Tariff Policy recommended the Government to raise export duties on crude oil from \$21.9 per tonne (effective since August 1) to \$26.2 per tonne as from October 1. It also recommended abolition of export duties on 432 commodity types (some 50% of the total number of export duties), including fish and fish products, construction materials, some paper and chemical products, etc. Abolition is justified since these duties generate negligible revenues (\$5.2 mn per year). Total revenues from export and import duties in H1 2002 were R139.3 bn (\$4.8 bn), which is 14% of total federal budget revenues. The respective figure in H1 2001 was R158.0 bn (\$5.1 bn), or 22% of total federal budget revenues.

Output

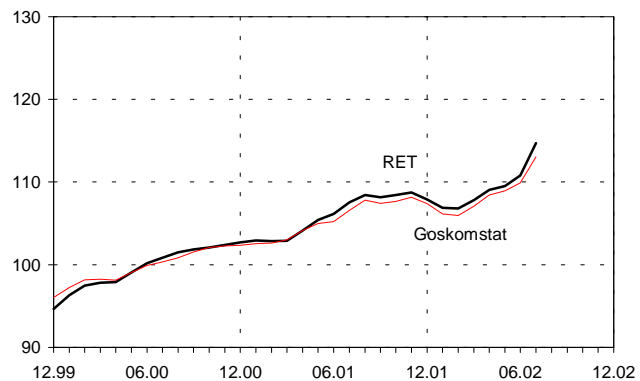
Output growth accelerated in June–July 2002. The Goskomstat index of gross output increased by 3.7% over the two months in seasonally adjusted terms (compared with a 2.0% rise in April–May), and the RET index of gross output rose by 4.9% (compared with a 1.8% rise in April–May). Acceleration of growth was spread across almost all industries. Output of goods increased by 4.5% in June–July (2.2% in April–May) and output of services grew by 5.6% (0.9% in April–May). As a result y-o-y rates of growth of major aggregates were almost equal in July: 6.4% for the Goskomstat output index, 6.5% for the RET output index, 6.5% for the RET index of

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



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

Aggregate indices of real gross output (2000 = 100, seasonally adjusted)¹



¹ 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.

goods output and 6.4% for the RET index of services output.

Industry showed the highest y-o-y output growth in the goods producing sector with a rise of 7.8%. Among sub-industries the most impressive annual growth in July was in machine building (16.0% y-o-y) and food processing (11.4% y-o-y). Agricultural output in July was only 3.6% higher than a year earlier, and y-o-y growth in construction was a modest 2.4%. However, the area of dwellings completed in July 2002 showed a rise of 21.6% from a year earlier.

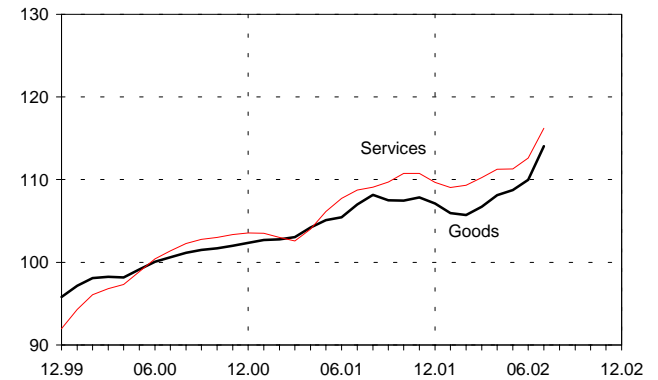
Annual y-o-y growth rates in July in different parts of the services sector (trade, communications and transportation) were very similar. The real volume of trade was 6.7% higher than a year earlier, the real volume of communication services increased by 6.5% and transportation turnover was 5.5% higher than in July 2001. In trade, real volumes of retailers grew much faster than real volumes of wholesalers (the rises were 11.1% and 4.9% y-o-y respectively). By contrast, in communications and transportation the major increases were in services to business. In communications services to business increased over the year by 9.6% compared with a rise of just 1.9% in services to households. In transportation, y-o-y growth of freight turnover in July was 5.7%, compared with a 2.6% rise in passenger turnover.

Prices

Inflation gradually accelerated through the summer. Y-o-y increase of the consumer price index (CPI) rose from 14.7% in June to 15.1% in August, and y-o-y increase of the investment price index (IPI) rose from 12.9% in April to 14.4% in July. Quicker inflation may be partly due to monetary factors. Annual rates of growth of money supply M2X (including foreign currency deposits) have remained practically unchanged at the rather high level of 30–31% y-o-y from February 2002. Stabilisation in growth of money supply is partly caused by CBR policy (annual rates of growth of M1 remained unchanged from April to July at 25% y-o-y) and partly by growth of foreign currency inflows due to improvement of the foreign trade balance.

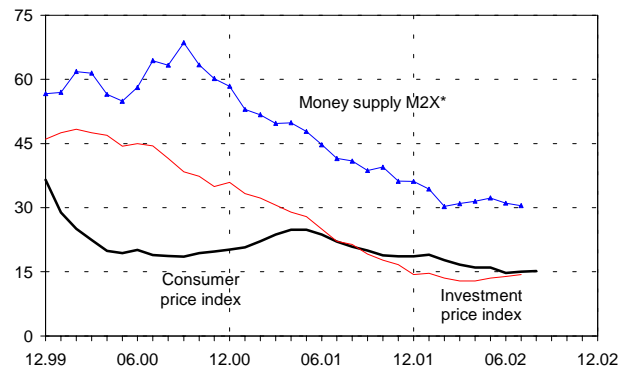
Higher inflation rates can also be explained by rapid growth of domestic demand for both consumer and investment goods, which resumed in Q2 2002 after a mini-recession at the end of 2001 and beginning of 2002. The role of demand factors was especially clear in industry and construction. Annual PPI increases in industry rose from 5.5% y-o-y in March to 11.4% in July, and in construction they rose from 12.6% in March to 15.9% in July. Annual PPI rises in communications were stable over Q2 2002 at about 15%, in freight transportation they dropped from 53–

RET indices of real gross output of goods and services (2000 = 100, seasonally adjusted)¹



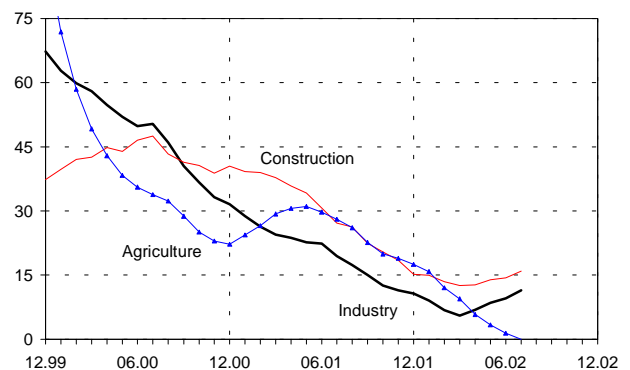
¹ 3-month weighted moving averages.
Source: Goskomstat and RET staff estimates.

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



* M2 + foreign currency deposits.
Source: Goskomstat, CBR.

12-month rates of growth of producer price indices (%)



Source: Goskomstat.

54% y-o-y in February–April to 34% in July. In agriculture y-o-y rates of PPI inflation continued to decline and in July they became negative: agricultural prices were 0.1% lower than a year earlier.

Labour market

According to preliminary Goskomstat estimates, the total number of employees in July was 66.1 mn, which was 1.0 mn higher than a year earlier. The total number of unemployed was estimated at 5.5 mn in July (using ILO methodology), which was 0.7 mn lower than a year earlier. Thus the unemployment rate in July 2002 was 7.6% (8.6% in July 2001).

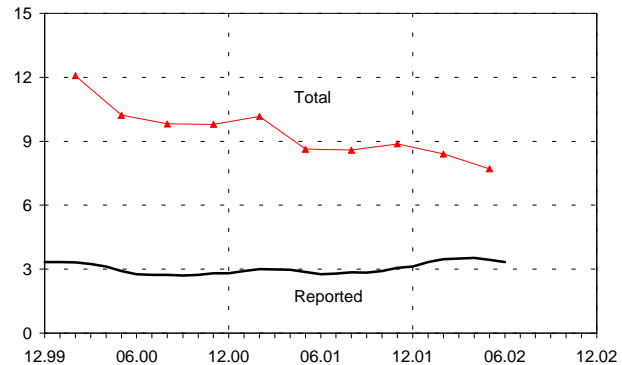
While estimates based on labour surveys show continued improvement in the labour market, reported data suggest the opposite. The reported number of payroll employees at large and medium-sized enterprises in June 2002 was equal to 40.7 mn or 0.5 mn fewer than a year earlier. The number of registered job-seekers increased by 0.2 mn over the year, from 1.2 mn in July 2001 to 1.4 mn in July 2002, of which those considered to be unemployed grew in number from 1.0 mn to 1.2 mn. At the same time the number of registered vacancies decreased from 1.2 mn to 1.1 mn. As a result the reported unemployment or jobless rate (based on the number of payroll employees at civilian large and medium-sized enterprises and organisations, and the number of registered job-seekers) increased from 2.8% in June 2001 to 3.4% in June 2002. The registered vacancy ratio (number of job-seekers per vacancy) increased from 1.0 in July 2001 to 1.3 in July 2002.

Rates of growth of official monthly wages due continued to decline in Q2 2002 in real terms, mainly because of slower y-o-y growth of nominal wages due: their annual growth declined from 50.9% in December 2001 to 40.7% in April and 34.5% in July. This cancelled out the effect of slower inflation in H1 2002. According to Goskomstat estimates based on changes in the consumer price index, y-o-y growth of real wages fell from 27.2% in December 2001 to 21.3% in April 2002 and 17.0% in July. According to RET staff estimates based on changes of the implicit price deflator of consumer expenditures, y-o-y rates of growth of real wages fell from 27.7% in December 2001 to 22.8% in April 2002 and 17.9% in July 2002.

Government

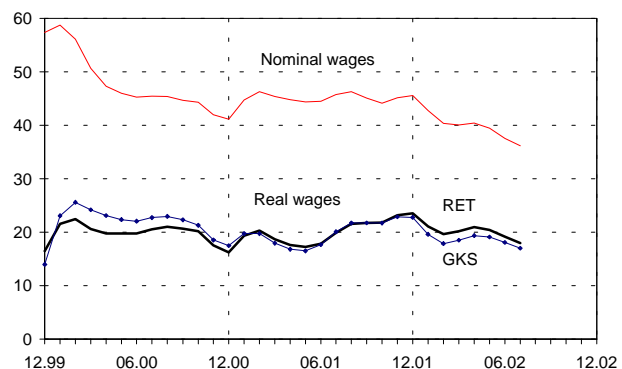
According to official Ministry of Finance data, consolidated budget revenues in the first half of the year were R1572 bn or 32.7% to GDP, of which revenues from the unified social tax were 3.5% to GDP. Consolidated budget expenditures were R1393 bn, or 28.8% to GDP, of which approximately 3% to GDP

Unemployment rates (%)¹



¹ 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 reported monthly wages due (%)¹



¹ The Goskomstat index of real wages is based on changes in the consumer price index. The RET index of real wages is based on changes in the price deflator for consumer expenditures. Source: Goskomstat and RET staff estimates.

was spent on the basic part of labour pensions. So consolidated budget revenues in H1 2002, amended to assure comparability, were 0.8 percentage points lower than a year earlier, while expenditures grew by 0.3 p.p.

The consolidated budget surplus in January–June 2002, calculated on cash basis, was R185 bn or 3.8% to GDP. However, large amounts of budget money have accumulated on the accounts of recipients, but have not been spent. Including this money, i.e. calculating the budget balance on the basis of financing data, the consolidated budget surplus would be R99 bn or about 2% to GDP.

It is particularly worrying that consolidated budget expenditures in July were R270 bn, exceeding revenues of R250 bn to give a deficit of R20 bn. The reason was deterioration of state finances on the regional level. In June regional budget revenues, including financial aid from the federal budget, were R112 bn, while regional budget expenditures were R147 bn, giving a budget deficit of R35 bn or more than 30% of monthly revenues. This was due to sharp decline in regional budget revenues, particularly from profit and property taxes (regional budget revenues in May were R153 bn, which is one third higher than in June).

According to preliminary Ministry of Finance data, federal budget revenues in July were R210 bn, almost 25% higher than in June, ending three months of chronic tax revenue shortage. July was the first month since March when the Tax Ministry collected revenues (excluding revenues from unified social tax) at target levels. Revenues from the unified social tax exceeded targets as usual.

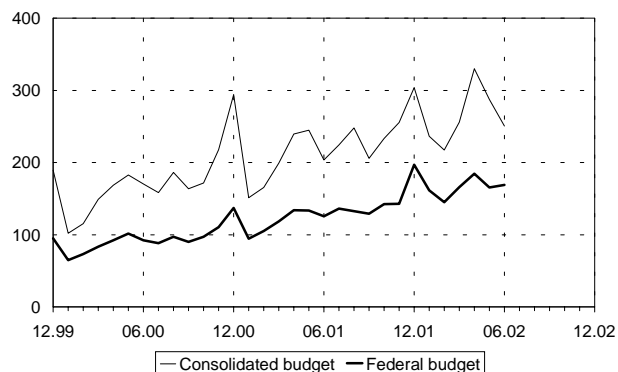
The federal budget draft for 2003 was submitted to the Duma at the end of August. According to the draft, planned federal budget revenues are 18.5% to GDP. Expenditures are planned at 17.9% to GDP. Both revenues and expenditures will be about 1 p.p. less as a share to GDP than expected results in 2002.

There are concerns about the planned R178 bn financial reserve, to be used for debt repayment in 2003. By the end of June the financial reserve had accumulated only R49 bn, and it will be difficult to find the remaining R130 bn in H2 2002.

Monetary authorities

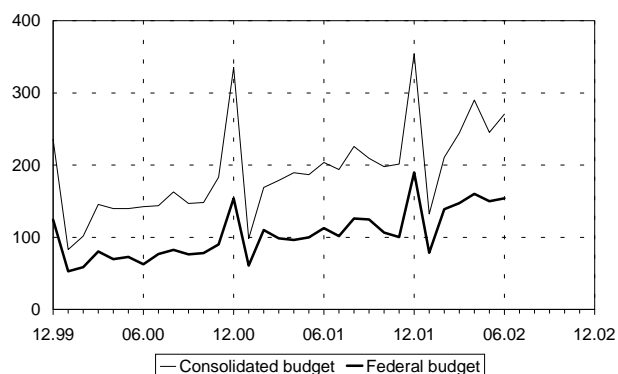
Money supply (M2) rose by 3.9% m-o-m in June 2002 and by 1.4% in July. M0 increased in June and July by 6.3% and 2.1% m-o-m respectively, while deposits grew by 2.5% and 1.0%. The money multiplier remained close to its average level of the last two years (2.22). Rapid growth in demand for cash

Federal and consolidated budget revenues (R bn)



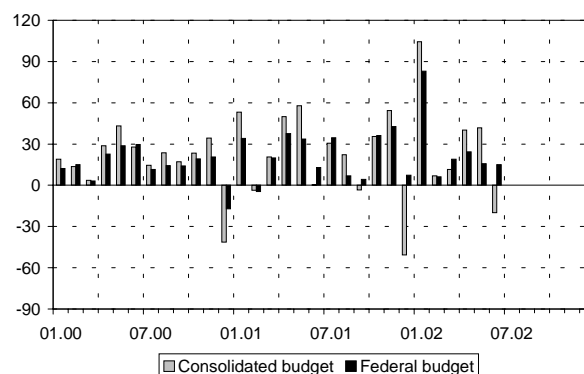
Source: Ministry of Finance.

Federal and consolidated budget expenditures (R bn)



Source: Ministry of Finance.

State budget balance (R bn)



Source: Ministry of Finance.

money in June was presumably caused by the start of the vacation period.

July and August 2002 were fairly successful for the monetary authorities, which managed to accumulate a further \$1.9 bn of gross international reserves (GIR). GIR equalled \$44.3 bn at the end of August. In July the CBR changed the methodology of GIR accounting, ending the practice by which so-called 'short term obligations of the CBR' had been included in GIR. The Central Bank has now published long GIR time series according to the new methodology, making it possible to estimate the size of these obligations. The CBR seems to have started including its short-term obligations in GIR, and hence overvaluing GIR, in January 2001. The largest resulting overvaluation was by \$2.3 bn in February 2002.

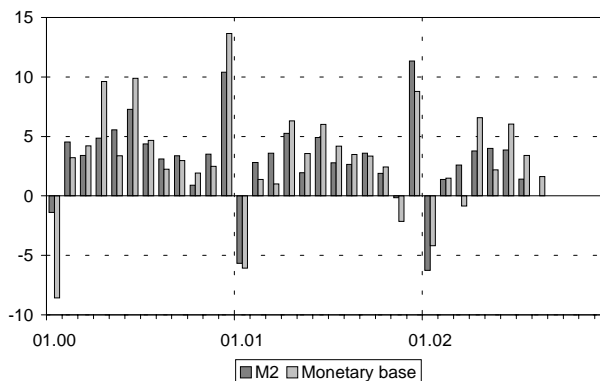
Rapid appreciation of the euro against the dollar and the rouble was the most important currency development in July. In the second half of the month one dollar cost less than one euro in rouble terms. The exchange rate of the rouble against the euro fell to a low of R32.06/euro on July 20. The average exchange rate of the rouble against the euro fell by 4.5% m-o-m in July and was equal to R31.32/euro. In August the average exchange rate of the rouble against the euro rose slightly by 1.4% m-o-m and reached R30.87/euro. Depreciation of the rouble against the dollar was moderate in July and August at 0.3% and 0.4% m-o-m respectively. At the end of August the exchange rate of the rouble against the dollar fell to R31.57/\$.

In real terms, the rouble appreciated against the dollar by 0.8% from the end of May to the end of July. During the same period the real rouble depreciated against the euro by 3.5%. Decline of the trade-weighted exchange rate of the rouble over the period was 1.7%.

Monetary policy was fairly tight in July 2002, but became softer in August. In July the CBR apparently tried to limit growth of money supply in order to minimise the monetary effect on inflation. The average one-day MIACR (Moscow Inter-bank Actual Credit Rate) increased to 13.4% in July but fell back to 4.8% in August. The average deposit rate stayed unchanged at 5.1% in June although the average lending rate declined to 15.2% (both interest rates are given including Sberbank). On August 7 the CBR reduced its refinancing rate to 21%.

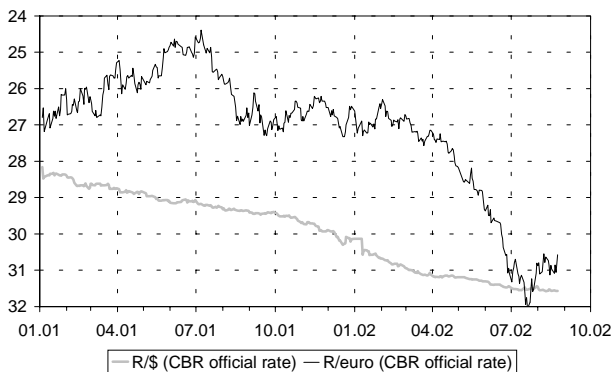
The CBR sent its annual draft entitled 'The main directions of monetary policy in 2003' to the Duma at the end of August 2002 (as the Bank is bound to do by law). The CBR document, which seems more definite than in earlier years, reviews two scenarios

Changes of M2 and monetary base (%)



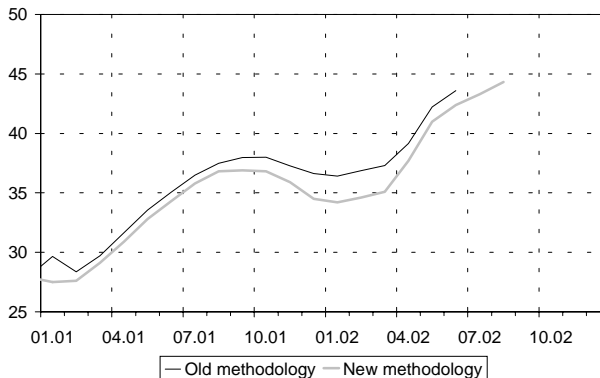
Source: CBR and RET staff calculations.

Rouble exchange rates



Source: CBR.

Gross international reserves (old and new methodology, \$ bn)



Source: CBR.

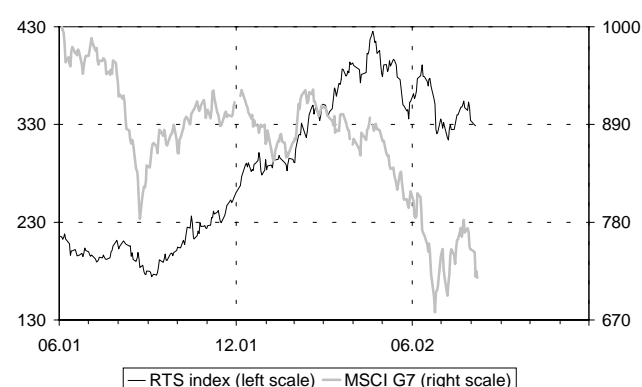
of macroeconomic development in 2003 based on different oil price developments. The draft was discussed with the Government before its submission to the Duma and was co-ordinated with the forecast for 2003 by the Ministry of Economic Development and Trade. This represents a step forward to further co-ordination of CBR and Government efforts.

Capital markets

The Russian stock market was depressed and volatile in summer 2002, following the example of most Western markets. Despite obvious achievements in the Russian economy, the RTS index, which has shed 100 points from the peak of 425 points in May 2002, failed to regain its growth momentum. By contrast, Russian Eurobonds seem to be weathering the storm on the emerging debt market. In early September the EMBI+ Russia, calculated for emerging debt market performance by JP Morgan, was at its highest level of the current year. This good performance was not least due to punctual servicing of foreign debt by the Russian Government. Russia paid at least \$3 bn to foreign creditors in July–August 2002. In addition, S&P upgraded Russia’s sovereign rating to BB– in late July. Continued strength of world oil prices also helped. However, the situation on the Eurobond market remains quite fragile due to uncertainty about developments in Latin America.

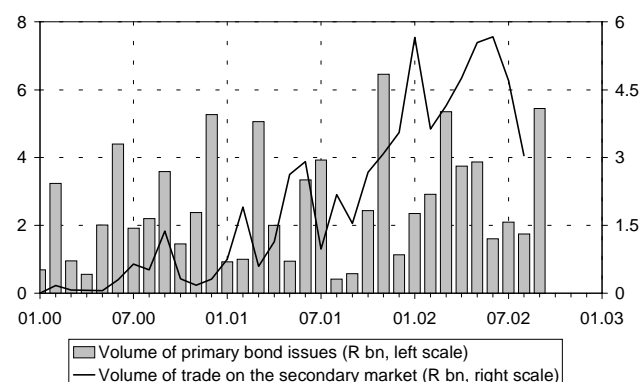
In this context, the Ministry of Finance, after some hesitation, has decided to refrain from borrowing on the international market, while a number of Russian companies and banks, including Gazprombank, Alfa-Bank and Zenit Bank, postponed Eurobond issues, which they had announced earlier. By contrast, the domestic corporate debt market is set for a boom as players and experts expect a rush of new issues in the autumn. In particular, a long-awaited rouble-denominated bond issue of R5 bn by the Russian gas giant Gazprom will be the largest on the corporate bond market, where total debt outstanding was slightly more than R80 bn as of July 1, 2002, and may appreciably improve market liquidity. RusAl has already issued bonds worth R3 bn. Many other big companies, including ALROSA and UES, are expected to carry out bond issues in the near future. Heeding appeals by the Russian Government, the Moscow Mortgage Lending Agency, a commercial bank established by the Moscow city government, has announced that it will place a bond issue to finance long-overdue mortgage lending programmes. Although relevant legislation has yet to be approved by the Duma, the need for mortgage lending at reasonable rates is so high that the Agency is confident of success.

RTS index and Morgan Stanley Capital International equity index for G7



Source: RTS, MSCI.

Corporate bond market¹



¹ Volume of primary issues as of September 15, 2002.

Source: www.cbonds.ru.

Credit markets and banking system

Russian commercial banks showed steady growth in June 2002. Total assets of the banking system rose by 2% to R3583 bn as of July 1, 2002, and the stock of commercial bank loans to the real sector was R1474 bn, up 4.5% month-on-month (the highest monthly increase in half a year). Lending by commercial banks grew by 17% from the beginning of the year. However, the pace of credit expansion in the first half of 2002 was slower than in the same period of 2001, when loans showed a 23% increase.

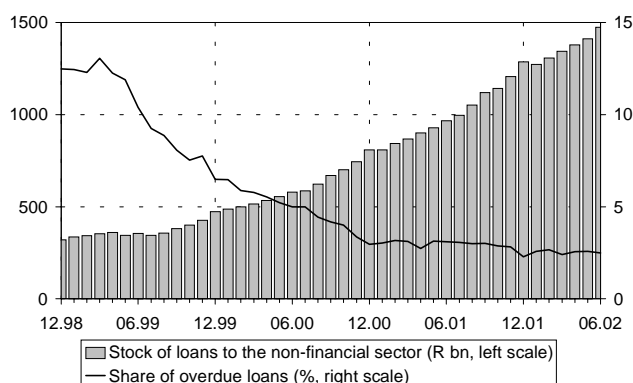
The quality of bank credit portfolios remained stable for the twentieth month in a row, with overdue loans accounting for less than 3% of the total. Nevertheless, the scale of long-term lending remains modest. As of July 1, 2001, loans with maturities longer than one year accounted for just over a quarter of total loans extended by the banking system. Money borrowed by banks for more than one year represented 21% of their total borrowing. In January–June 2002 total deposits at Russian commercial banks increased by 11%, with household deposits increasing their share in total liabilities to 24%. In the same period total equity capital of the banking system grew by 16% to R710 bn.

The financial reporting of commercial banks suggests that their capital is largely sufficient to cover credit risks. However, the CBR is concerned about capital quality. Currently, the CBR is seeking to enhance reliability of financial reporting by banks ahead of changeover to International Accounting Standards. With this end in view, the CBR is planning to impose a requirement that commercial banks publish their equity capital figures calculated not only by themselves but also by external supervisors. Clearly, all interested parties will pay more attention to the lower of the two figures. CBR officials are also preparing for a large-scale inspection of commercial banks. On September 4, 2002, the board of directors of the CBR decided to establish the General Inspection Board for Credit Institutions, which is entitled to carry out on-site inspections. The new body, which will have a special status within the CBR, is to start operating in the next two–three months.

Households

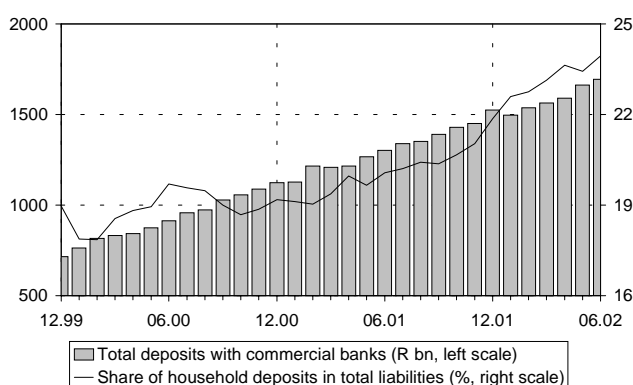
Personal income growth was relatively strong in the second quarter of 2002. But this was mainly due to a major advance in April, while growth in May and June was very modest. Consumer spending also rose at a modest pace, and was led by growth of food consumption. Real personal income was up by almost 10% y-o-y in July 2002 and consumer spend-

Credit portfolios of commercial banks



Source: CBR and RET staff estimates.

Deposit taking by commercial banks



Source: CBR and RET staff estimates.

ing rose by 8% y-o-y. Increased spending on non-food goods was the chief cause of the y-o-y spending growth. Non-food purchases were 10.5% higher in July than a year earlier compared with average y-o-y non-food growth of only 5.4% in the second quarter. The slow down and subsequent acceleration of growth in non-food spending were partially expected, since changes in the index of consumer evaluation of conditions to buy durable goods usually precede changes in actual spending on non-food goods by three–four months, and in March the index rose back to its level of autumn 2001. However, index readings in May and July suggest that acceleration of non-food sales will not continue in autumn 2002.

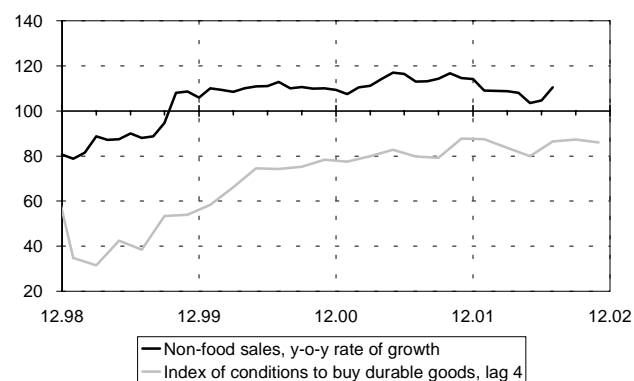
Enterprises

Russian enterprises fared quite well in July–August 2002. The survey by the Institute for the Economy in Transition (IET) showed that demand for industrial production resumed its growth in July 2002 after a decline, which had lasted since December 2001. Optimism of managers about the current situation at their enterprises lifted the IET Industrial Confidence Indicator to its highest level since October 2001. The Moscow Narodny Services PMI showed continuing expansion in the services sector, although the growth was slower than previously.

However, Goskomstat reported a 46% y-o-y drop of aggregated profits at large and medium-sized enterprises in real terms in H1 2002. Profits of Russian enterprises started to deteriorate at the end of 2000 but the trend became more marked in H1 2002. Nearly all economic sectors were affected and profits of Gazprom fell by 75%, according to Prime-Tass news agency. The share of profitable enterprises in the first four months of 2002 dropped to 56% compared with 62% in the same period of 2001. One of the reasons for this must be growing input cost pressure, particularly from natural monopoly tariffs. The worst dive in corporate profits was in March 2002, when aggregate profits of large and medium-sized enterprises turned negative for the first time since December 1998 following sharp increases in wholesale tariffs for electricity, gas prices and average tariffs for rail transportation. Prices for other commodities also grew more quickly in Q1 2002, according to the Moscow Narodny Bank Commodity Price Index. However, input prices alone cannot fully explain such a sharp and general fall of profit margins. Another important factor seems to be changes in profit calculation introduced at the beginning of 2002 to bring Russian accounting closer to international standards (in particular, amortisation requirements became more liberal).

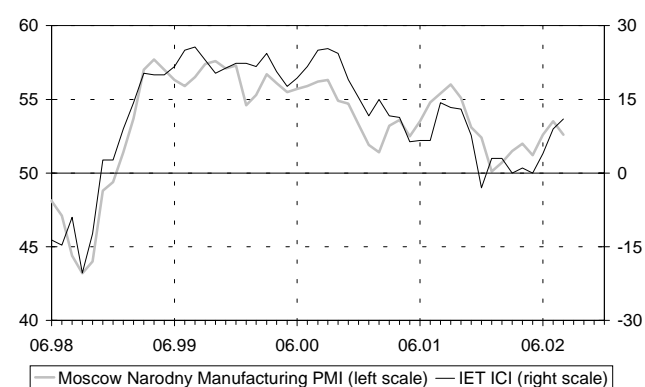
Maintenance of fixed capital investments at the 2001 level is one indication that reported profit deteriora-

Sales of non-food goods and conditions to buy durables



Source: Development Centre, VCIOM, CSI foundation, Goskomstat

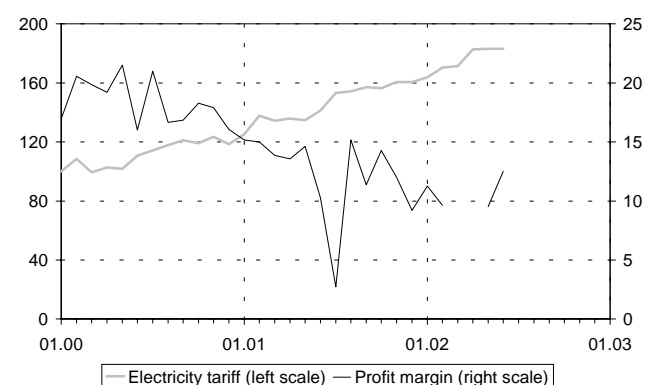
Moscow Narodny Manufacturing Purchasing Managers' Index (PMI) and IET Industrial Confidence Indicator (IET ICI)¹



¹ Readings of the PMI indicator above 50 mean that the manufacturing sector is expanding. Readings of the IET ICI indicator above zero mean that industrial producers view the current situation positively.

Source: Moscow Narodny Bank, IET business surveys.

Dynamics of electricity tariffs for industrial consumers (Jan 2000 = 100) and share of profit in output of large and medium-sized industrial enterprises (%)



Source: UES, Goskomstat.

tion is partly due to accounting changes, since such investments are largely financed out of profits. In H1 2002 the share of investments financed from profits or other internal sources even increased compared with H1 2001, rising to 52%. Business surveys, which are published before Goskomstat data, report some easing of profit deterioration by the end of summer 2002.

External environment

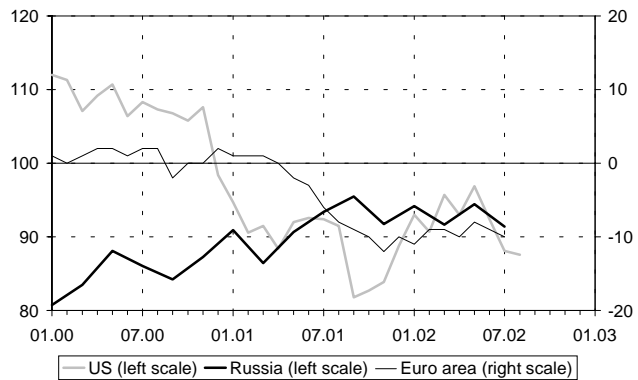
Data on economic recovery in the US are contradictory. On the negative side, the rate of seasonally adjusted real GDP growth slowed down in Q2 2002 to annualised 1.1% from annualised 5% in the previous quarter, as consumption and government spending growth moderated. Also the ISM indicator of US industrial confidence (former NAPM) stagnated in August 2002, and consumer confidence indicators declined m-o-m, adding to huge declines in confidence reported in July. On the positive side, data show inventory accumulation in Q2 2002, following inventory reductions in each of the five previous quarters. Also industrial production has shown progressive m-o-m recovery, and regained its level a year earlier in June 2002.

At the end of July the four-month trend of dollar depreciation against the euro and the yen ended as European stock markets showed falls to match those in the US, and European economic performance proved weaker than expected. After reaching parity with the dollar in the middle of July, the euro fluctuated in August and early September within a \$0.96–\$0.99 corridor. Such a high exchange rate of the euro was last registered in February 2000.

Crude oil prices soared in late summer due to aggravation of the situation in the Middle East. On September 6 futures for Brent crude oil with delivery in October exceeded \$28 at the London International Petroleum Exchange due to news of possible US attacks on Iraq. This was the highest reading since September 2001. Another factor supporting high prices is official adherence of OPEC countries to production quotas, although impact is weakened by the fact that most OPEC countries have exceeded their output targets. In July 2002, actual daily output was 15% higher than the target level, according to the International Energy Agency.

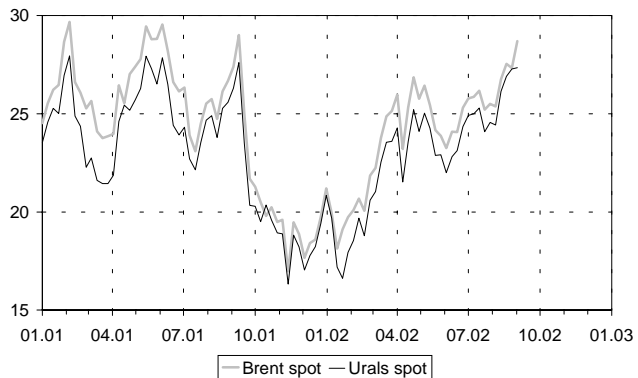
Prices for nickel, copper and aluminium, which are important components of Russian exports, fell on the London Metal Exchange at the end of July and in August 2002 due to high metal inventories and sluggish economic recovery in the US and Europe. Copper and aluminium spot prices sank to nine-month and eleven-month lows respectively. Metal prices are now so low that a further slide seems unlikely.

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



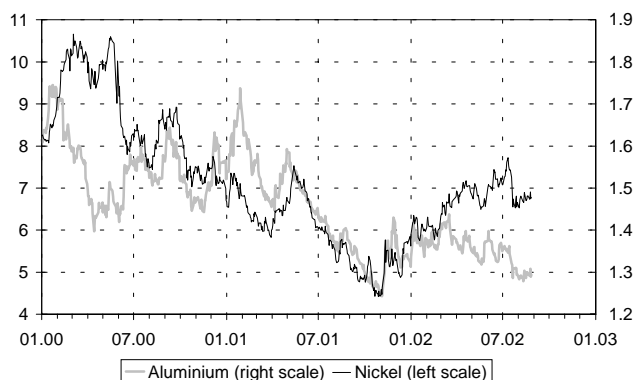
Source: The Conference Board, The European Commission, Development Centre.

Weekly oil price development (\$ per barrel)



Source: Energy Information Administration.

Daily aluminium and nickel price development (\$ per tonne)



Source: London Metal Exchange.

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	2226	2086	1219	333	294	240
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	6520	6184	3257	1129	1406	391
1996	6099	5850	3104	1137	1134	474
1997	6148	5885	3272	1111	1070	433
1998	6172	6187	3193	1115	965	913
1999	6804	6783	3053	1147	1010	1573
2000	7335	7118	3337	1162	1144	1476
2001	7696	7380	3627	1151	1275	1327
I 2000	1649	1623	794	233	178	418
II	1754	1686	785	284	244	373
III	1985	1804	840	273	326	365
IV	1946	2006	918	371	396	320
I 2001	1722	1664	858	231	196	379
II	1835	1788	874	281	270	363
III	2103	1870	909	271	349	341
IV	2036	2057	985	368	460	244
I 2002	1781	1713	905	235	200	373
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	2841	1127
1997	1159.7	357.7	408.8	98.2	2981	1071
1998	1395.8	277.7	407.1	240.2	2894	943
1999	2291.9	502.1	670.4	901.0	2796	993
2000	3021.0	781.9	1165.2	1705.3	3021	1165
2001	3975.7	1094.6	1599.5	1390.6	3294	1267
01.2000	214.4	37.1	46.1	113.0	2936	1086
02	212.3	47.0	55.8	133.8	2945	1120
03	227.9	67.4	63.9	161.4	2953	1136
04	227.0	57.1	64.5	134.6	2963	1136
05	229.6	54.5	75.8	139.1	2974	1152
06	240.1	48.8	95.7	140.5	3001	1173
07	248.5	53.0	99.0	140.0	3043	1183
08	263.3	63.7	112.9	148.9	3053	1199
09	266.9	58.1	118.3	145.2	3078	1197
10	277.4	70.6	114.6	136.5	3085	1194
11	284.9	78.0	123.1	162.9	3101	1212
12	328.7	146.7	195.5	149.5	3119	1193
01.2001	275.6	41.7	70.9	141.3	3126	1178
02	277.6	63.1	82.3	124.2	3163	1183
03	300.3	75.6	91.7	129.0	3168	1189
04	306.8	90.4	93.4	119.9	3244	1220
05	314.8	84.4	112.8	116.4	3304	1289
06	324.9	96.4	132.7	129.7	3303	1252
07	330.9	87.0	135.7	107.7	3323	1279
08	348.4	87.9	153.3	129.3	3358	1303
09	348.3	94.4	158.7	124.3	3364	1315
10	361.3	101.5	153.8	94.2	3398	1331
11	367.9	92.1	159.7	101.0	3394	1324
12	418.9	180.1	254.5	73.6	3378	1335
01.2002	352.3	63.8	73.7	94.8	3374	1179
02	349.1	109.2	84.6	82.8	3390	1185
03	375.5	113.6	96.5	115.7	3405	1227
04	384.2	157.6	98.2	134.8	3502	1266
05	382.9	132.6	118.2	119.7	3464	1334
06	394.6	138.0	138.6	105.5	3484	1291
07	411.4		142.6		3579	1321
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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	102.7	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	104.4	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	106.0	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	2278	106.5	106.9	106.2	105.9	110.4
04			108.9	108.1	109.6	109.4
05			109.1	109.0	110.2	108.7
06	2564	108.7	108.8	108.5	110.4	106.5
07			113.1	113.2	112.0	121.2
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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	108.5	100.7	101.7	101.2
08	100.3	30.1	105.3	99.7	100.8	103.6
09	101.0	29.6	102.3	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	102.0	29.8	76.0	100.7	99.7	117.1
02	102.1	27.9	77.5	101.0	98.8	114.0
03	102.6	29.4	89.2	101.5	99.8	100.5
04	103.4	30.2	98.3	102.4	99.9	112.5
05	103.4	30.1	106.2	103.3	99.3	121.2
06	104.9	30.8	111.3	103.4	99.8	124.3
07	105.8	32.2	111.4	103.1	97.9	126.0
08	105.9	34.7	108.8	103.8	98.3	119.4
09	105.5	33.2	105.7	104.7	98.6	120.7
10	106.2	37.8	106.8	106.7	98.3	122.9
11	105.8	37.0	116.0	105.1	98.3	129.8
12	106.6	27.3	124.1	100.7	96.9	130.4
01.2002	105.2	40.0	79.3	104.0	97.6	134.8
02	104.0	37.0	81.1	106.6	95.5	129.5
03	104.8	31.4	92.2	106.5	97.6	112.6
04	107.9	38.0	102.6	108.0	98.8	127.8
05	107.0	35.4	109.9	108.0	102.1	131.1
06	108.7	31.9	114.3	108.7	102.6	134.6
07	110.7	39.2	114.9	109.0	100.4	134.2
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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	94.4
1996	353.4	46.4	756.3	98.6	200.3	86.9
1997	500.6	51.3	883.4	103.1	269.5	90.2
1998	707.2	57.9	1077.0	99.7	318.5	89.2
1999	1408.5	64.6	1848.2	92.0	443.7	95.0
2000	2723.2	100.0	2416.2	100.0	604.8	100.0
2001	4277.7	110.1	3151.5	110.5	824.8	103.1
01.2000	184.9	87.6	174.6	93.0	39.8	94.5
02	182.2	84.8	172.8	91.5	39.5	88.1
03	214.0	101.2	184.3	96.8	43.6	94.3
04	204.0	95.7	182.8	95.1	44.2	95.7
05	203.8	94.0	184.6	94.5	45.0	98.4
06	225.2	101.3	190.6	95.8	49.5	101.5
07	236.3	104.0	195.3	96.8	53.2	105.8
08	234.1	101.8	207.8	102.0	55.5	108.8
09	242.4	104.0	211.5	102.3	55.4	104.5
10	251.5	105.3	220.4	104.7	57.0	108.5
11	266.0	110.1	226.4	105.9	58.5	108.0
12	278.8	110.3	265.1	121.8	63.6	92.1
01.2001	323.4	106.2	219.8	99.0	55.8	100.7
02	327.3	104.5	221.9	98.4	55.7	93.5
03	328.4	106.1	240.3	104.9	60.0	96.4
04	326.9	103.6	244.0	105.1	62.8	100.7
05	343.5	107.1	250.4	106.1	64.4	104.1
06	354.0	109.4	254.9	106.8	70.0	105.6
07	356.0	110.0	257.4	107.5	73.5	109.4
08	353.5	109.2	273.1	114.1	75.9	112.1
09	361.1	110.2	274.1	113.7	74.2	106.6
10	389.9	117.4	285.7	117.5	75.6	110.5
11	392.6	117.3	291.4	118.2	76.5	108.3
12	421.1	120.2	338.5	135.0	80.4	89.5
01.2002	403.4	112.9	276.6	108.3	75.7	102.8
02	409.0	112.3	273.7	106.5	75.4	96.2
03	430.3	120.7	295.2	114.1	80.3	98.5
04	435.2	120.3	301.0	115.0	83.2	102.7
05	405.4	110.0	299.3	112.4	83.6	104.8
06	420.4	114.2	307.1	114.8	87.5	103.8
07	452.0	122.2	318.7	118.3	92.7	108.6
08						
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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	120.7	130.5
01.2000	85.1	86.5	77.3	76.3	92.6	83.6
02	86.0	87.1	79.6	78.4	93.7	86.8
03	86.6	87.6	80.8	80.5	94.5	89.7
04	87.3	88.3	82.5	82.1	95.6	92.5
05	88.9	89.9	83.6	83.5	97.0	95.0
06	91.1	92.0	86.1	86.0	98.9	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	105.7	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	111.7	120.9
02	105.1	104.3	109.1	103.7	114.0	123.6
03	107.1	106.0	112.9	105.1	115.9	125.4
04	109.0	107.6	116.0	105.9	117.9	127.1
05	110.9	109.5	118.1	106.8	119.6	128.9
06	112.7	111.0	121.1	107.5	121.5	130.2
07	113.2	111.1	124.6	108.4	122.5	131.4
08	113.2	110.7	127.4	109.4	122.5	132.7
09	113.9	111.0	130.6	110.2	123.5	133.8
10	115.2	112.1	133.1	112.0	124.9	135.9
11	116.7	113.6	135.1	113.4	126.6	137.6
12	118.6	115.3	136.9	114.4	127.9	138.8
01.2002	122.3	117.8	147.2	116.6	132.3	142.7
02	123.7	118.8	151.1	117.7	133.7	144.2
03	125.0	119.5	156.8	118.6	134.9	145.3
04	126.5	120.5	160.6	119.5	136.8	146.5
05	128.6	122.7	162.1	121.3	138.8	148.3
06	129.3	123.1	164.7	122.4	139.9	149.8
07	130.2	123.7	167.7	124.0	141.5	151.9
08	130.3	123.2	171.9			
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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
05	120.9	115.7	122.0	117.1	158.7	122.4
06	123.0	119.2	123.4	114.0	158.8	122.4
07	125.4	122.3	125.8	111.0	162.6	122.8
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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	64.5	6.1	8.6	1.0	1.2
06	41.3	64.8	6.1	8.6	1.0	1.1
07	41.3	65.1	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	5.8	8.2	1.3	1.7
04	40.9	65.7	5.7	8.0	1.3	1.6
05	40.8	66.0	5.5	7.7	1.2	1.4
06	40.7	66.1	5.5	7.7	1.2	1.3
07		66.1	5.5	7.6	1.2	1.3
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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	3240	4159	1819	119.9	29.9	25.9
01.2000	1806	2169	977	91.1	44.9	90.9
02	1815	2240	1014	94.0	43.6	65.2
03	1991	2485	1065	94.8	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	101.4	40.5	0.0
08	2259	2835	1063	102.5	38.3	0.8
09	2336	2921	1263	104.1	39.0	0.5
10	2393	3011	1318	105.0	38.0	1.9
11	2475	3062	1368	106.6	36.8	17.4
12	2985	3550	1593	103.4	31.7	25.2
01.2001	2697	3481	1491	112.2	32.3	3.7
02	2620	3395	1567	110.7	33.5	10.2
03	2925	3856	1626	112.2	32.8	0.3
04	2885	3769	1641	112.4	32.4	0.6
05	3014	3884	1792	115.2	33.1	0.7
06	3241	4115	2052	116.6	33.7	6.1
07	3320	4241	1704	121.6	34.1	0.3
08	3332	4368	1519	125.4	32.7	0.0
09	3361	4344	1800	125.2	34.2	0.7
10	3469	4505	1862	128.1	34.7	1.8
11	3531	4626	1894	128.2	34.8	0.5
12	4482	5321	2879	131.0	29.9	1.0
01.2002	3760	4475	2753	129.9	32.8	4.3
02	3725	4486	2766	132.2	34.6	0.9
03	4031	4894	2871	130.8	34.4	5.6
04	4110	4984	2858	136.4	32.0	1.8
05	4187	4983	3044	136.3	32.9	2.0
06	4460	5187	3424	138.1	35.2	0.1
07	4520			142.3	35.9	0.3
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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	3729	109.0	300.0	1332		
05	3210	92.3	450.0	1334		
06	3577	102.3	450.0	1337	1804	29.4
07	3761	106.8	450.0	1340		
08						
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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	1119.7	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	107.2	5232.5	4994.1	1689.2	732.8	1237.2
02	98.2	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
03	-8.7	7145.0	6651.5	1620.0	739.6	2007.3
04	72.3		6768.5	1619.4	752.9	2093.2
05	90.4		6779.7	1623.0	739.9	2142.9
06	38.3					
07						
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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	11.7	22.5	-5.4	-5.4	-6.8	-0.5
1997	2.0	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	46.4	60.7	-7.6	-6.7	-37.1	11.0
2001	34.6	47.8	-8.5	-4.0	-25.4	-9.4
I 2000	11.9	14.4	-1.5	-1.0	-9.8	0.0
II	11.0	14.6	-2.0	-1.7	-10.2	0.0
III	10.6	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	11.6	13.9	-1.5	-0.6	-9.3	-0.1
II	9.3	12.6	-2.2	-1.0	-7.7	-0.2
III	7.3	12.3	-2.9	-2.0	-4.6	-10.0
IV	6.5	9.0	-1.9	-0.4	-3.8	0.9
I 2002	7.2	9.5	-1.8	-0.5	-6.0	-0.1
II	7.4	11.0	-2.2	-1.1	-7.5	-0.1
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	14.0	-1.8	-10.4	-8.0
1996	7.2	-1.1	16.1	-31.4	2.8	-4.9
1997	50.8	-3.3	-15.2	-26.7	-1.9	-4.9
1998	11.6	-1.5	9.0	-15.6	5.3	-9.1
1999	2.1	-2.0	-0.9	-14.9	-1.8	-7.0
2000	-7.2	-3.6	-4.2	-17.0	-16.0	-9.4
2001	1.7	-2.5	-6.5	-0.6	-8.2	-9.2
I 2000	1.1	-0.7	-0.6	-6.6	-3.1	-2.1
II	-1.1	-0.5	-0.3	-2.1	-6.2	-0.8
III	-7.9	-1.3	-2.9	-2.7	-4.0	-2.8
IV	0.6	-1.2	-0.3	-5.7	-2.7	-3.6
I 2001	0.4	-0.5	-1.0	-6.3	-1.8	-2.2
II	0.6	-0.7	0.8	-2.9	-5.3	-1.6
III	0.5	-0.8	-1.7	10.0	-2.5	-2.7
IV	0.2	-0.4	-4.6	-1.3	1.4	-2.7
I 2002	0.3	-0.3	-0.3	-5.1	-0.5	-1.1
II	0.4	-0.3	2.4	-3.8	-6.1	-0.1
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	10.0	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	1.1	0.4
05	8.6	4.6	4.0	0.6	1.1	0.4
06	9.1	4.7	4.5	0.8	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	3.7	3.1	0.4	0.9	0.4
02	6.7	4.0	2.7	0.5	1.0	0.4
03	8.4	4.7	3.7	0.8	1.3	0.5
04	9.3	5.0	4.3	1.1	1.4	0.4
05	8.4	4.6	3.8	0.4	1.2	0.4
06	8.2	4.8	3.4	0.9	1.3	0.3
07	9.1	5.4	3.7			
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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	24.4	151.8	284.3	85.3	18.6	104.6
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	154.8	290.9	82.4	1.6	127.9
05	2.5	175.8	328.8	84.9	1.6	127.7
06	2.3	167.7	304.6	82.5	1.6	131.3
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	133.1	348.8	77.3	1.4	78.4
04	2.2	144.8	373.9	78.3	1.4	93.4
05	2.2	146.9	351.9	80.1	1.4	95.5
06	2.3	150.7	315.3	85.4	1.4	99.8
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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
05	165.4	131.9	149.7	32.5	15.7	32.8
06	168.9	128.9	154.0	25.9	14.9	31.0
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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	49.2	-88.2	-5.7
1996	533.6	473.0	723.6	124.5	-190.0	-8.9
1997	654.2	572.5	872.8	117.8	-218.7	-8.8
1998	625.0	544.1	749.4	106.6	-124.4	-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	3.7	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	14.6	
08	186.4	154.0	162.9	22.2	23.5	
09	163.6	137.8	146.5	12.3	17.1	2.7
10	171.6	142.0	148.2	8.4	23.4	
11	217.5	174.5	183.0	12.8	34.5	
12	294.0	208.9	335.6	3.6	-41.5	0.8
01.2001	151.1	132.3	97.9	19.4	53.2	
02	165.4	143.8	169.1	47.6	-3.7	
03	199.1	173.4	178.7	23.8	20.4	3.7
04	239.5	203.7	189.5	8.7	49.9	
05	244.7	213.8	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	210.6	31.0	-4.8	1.9
10	233.5	199.0	196.6	5.4	36.9	
11	255.4	229.7	206.0	9.2	49.5	
12	303.7	260.1	349.3	9.9	-45.6	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	
03	255.7	207.9	244.2	29.3	11.5	5.4
04	330.1	270.0	290.1	4.0	40.0	
05	287.1	230.1	245.3	17.8	41.7	
06	250.4	202.9	270.3	17.8	-19.9	2.4
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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	25.0	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	13.9	213.8	380.1	1079.3	1530.8
02	494.7	15.6	209.8	388.0	1109.7	1615.8
03	499.6	17.5	189.0	399.4	1149.5	1632.3
04	531.1	19.3	151.3	435.4	1210.0	1683.4
05	550.0	21.3	122.9	438.3	1233.7	1730.0
06	583.1	23.0	113.8	474.7	1294.3	1798.7
07	607.5	24.4	82.8	490.6	1330.2	1842.3
08	628.7	25.3	82.4	507.1	1365.5	1870.4
09	649.8	25.8	97.8	531.0	1414.4	1925.5
10	665.6	27.1	78.3	531.5	1441.2	1974.7
11	651.3	26.8	72.8	527.3	1439.1	1984.9
12	708.5	25.0	193.2	584.3	1602.6	2122.7
01.2002	678.8	24.9	122.6	533.4	1502.0	2056.3
02	688.9	25.1	161.9	543.4	1522.9	2105.0
03	683.1	25.8	156.4	552.9	1562.4	2137.7
04	728.0	29.2	141.4	610.3	1621.3	2213.5
05	743.9	32.6	121.2	607.5	1686.0	2288.3
06	788.9	33.8	130.7	645.9	1751.1	2356.8
07	815.7	35.0	81.1	659.7	1776.1	2403.6
08	828.9					
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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	3333.2	598.4	1481.0	1244.1	573.1	595.6
04	3410.3	598.5	1520.3	1274.0	595.3	612.5
05	3522.6	619.6	1557.5	1302.5	584.3	639.5
06	3583.9	650.7	1611.8	1353.0	572.8	664.4
07		657.1	1644.8		584.6	
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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	1590.3	806.2	84.8	298.9	327.2	687.0
05	1663.9	825.7	103.6	301.3	338.7	699.0
06	1695.0	858.2	98.6	323.3	351.3	709.7
07					353.3	721.2
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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	194.4	23.3		184.2	167.5	38.9
2001	195.5	17.2	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	147.7	26.3		184.2	167.5	38.9
01.2001	162.6	19.6		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	77.2
05	399.6	23.9	940.2	176.6	174.0	79.7
06	366.5	18.1	673.3	183.0	179.4	81.2
07	357.4	15.3	770.9	188.3	185.7	
08	337.0	10.9	995.6	186.7	183.7	
09						
10						
11						
12						

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	17.7	4.7	5.2	13.5	22.8
06	23	15.2	4.7	6.4	12.1	6.5
07	23	16.1	4.4	13.4	12.7	9.2
08	21			4.9	12.4	1.2
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	68.0	12.5
2000	28.135	28.160	26.037	26.140	77.4	27.9
2001	29.172	30.140	26.125	26.490	83.2	34.5
01.2000	28.253	28.550	28.710	28.230	65.1	12.9
02	28.724	28.660	28.288	27.440	65.7	13.7
03	28.458	28.460	27.496	27.130	66.3	15.5
04	28.595	28.400	27.104	25.890	67.2	17.1
05	28.306	28.250	25.617	26.190	70.3	19.6
06	28.241	28.070	26.841	26.480	69.9	21.0
07	27.846	27.800	26.232	25.920	71.8	23.3
08	27.738	27.750	25.165	24.740	73.8	23.7
09	27.799	27.750	24.241	24.420	76.1	25.0
10	27.870	27.830	23.855	23.420	77.4	25.9
11	27.807	27.850	23.783	23.880	78.5	27.7
12	27.980	28.160	25.110	26.140	77.4	27.9
01.2001	28.367	28.370	26.626	26.000	76.2	27.5
02	28.594	28.720	26.335	26.220	77.4	27.6
03	28.678	28.740	26.096	25.290	79.1	29.1
04	28.850	28.830	25.769	25.670	80.3	30.9
05	29.028	29.090	25.415	24.870	81.7	32.8
06	29.115	29.070	24.870	24.570	83.4	34.3
07	29.223	29.270	25.111	25.600	83.3	35.8
08	29.343	29.370	26.370	26.670	81.3	36.8
09	29.430	29.390	26.821	26.860	80.9	36.9
10	29.538	29.700	26.784	26.870	81.7	36.8
11	29.797	29.900	26.457	26.520	83.0	35.9
12	30.100	30.140	26.852	26.490	83.2	34.5
01.2002	30.473	30.685	26.952	26.546	84.3	34.2
02	30.806	30.927	26.781	26.712	85.1	34.6
03	31.064	31.119	27.201	27.152	85.0	35.1
04	31.174	31.196	27.596	28.145	84.9	37.7
05	31.255	31.307	28.682	29.325	84.6	41.0
06	31.405	31.447	29.965	31.079	82.8	42.4
07	31.515	31.440	31.323	30.802	81.6	43.3
08	31.554	31.567	30.875	31.094		44.3
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. Data since January 2002 is incomparable with earlier periods due to changes in accounting standards. Value for March 2002 calculated in assumption of aggregate profit in agriculture for Q1 2002 equal to zero.

Col. 2–6 End of period.

Col. 3 Accounts payable, loans and bank credits.

Table 12

CBR. Data for Q2 2002 are based on preliminary CBR estimates (July 5). Data for 1995-2001 are revised according to new CBR calculations.

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. Tax revenues do not include revenues from the unified social tax.

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. Since December 2000 without short-term obligations of the CBR.

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