

Bank of Russia's medium-term forecast

following the Bank of Russia Board of Directors' key rate meeting on 23 April 2021



Key forecast parameters of the Bank of Russia's baseline scenario

(growth as % of previous year, if not indicated otherwise)

	2020 (actual)	BASELINE		
		2021	2022	2023
Inflation, as % in December year-on-year	4.9	4.7-5.2	4.0	4.0
Inflation, average for the year, as % year-on-year	3.4	5.4-5.8	4.0-4.2	4.0
Key rate, average for the year, % per annum	5.0	4.8-5.4 ¹	5.3-6.3	5.0-6.0
Gross domestic product	-3.0	3.0-4.0	2.5-3.5	2.0-3.0
Final consumption expenditure	-5.2	7.1-8.1	1.6-2.6	1.6-2.6
– households	-8.6	9.2-10.2	2.2-3.2	2.0-3.0
Gross capital formation	-2.0	2.5-4.5	1.0-3.0	2.5-4.5
– gross fixed capital formation	-4.3	2.0-4.0	1.8-3.8	2.0-4.0
Exports	-4.3	0.2-2.2	4.9-6.9	2.4-4.4
Imports	-12.0	13.8-15.8	1.4-3.4	2.6-4.6
Money supply in national definition	13.5	11-15	8-12	7-11
Claims on organisations and households in rubles and foreign currency ²	10.9	10-14	8-12	7-11
– on organisations	10.2	8-12	7-11	6-10
– on households, including	12.9	15-19	12-16	10-14
mortgage loans	21.6	16-20	14-18	14-18

¹ Given that from January 1st to April 25th 2021 the average key rate was 4.3%, from April 26th to the end of 2021 the average key rate forecast range is 5.0-5.8%. Additional information on how to interpret the proposed format of the key rate forecast communication is presented in the methodological note [http://cbr.ru/Content/Document/File/120337/comment_20210422_e.pdf].

² Banking system claims on organisations and households means all of the banking system's claims on non-financial and financial institutions and households in rubles, foreign currency and precious metals, including loans issued (including overdue loans), overdue interest on loans, credit institutions' investment in debt and equity securities and promissory notes, as well as other forms of equity interest in non-financial and financial institutions, and other accounts receivable from settlement operations involving non-financial and financial institutions and households.

Claims' growth rates are given with the exclusion of foreign currency revaluation. In order to exclude the effect of foreign currency revaluation the growth of claims in foreign currency and precious metals is converted to rubles using the period average USDRUB exchange rate. Mortgage loans net of claims acquired by banks.

Source: Bank of Russia.

Russia's balance of payments indicators in the baseline scenario²

(billions of US dollars, if not indicated otherwise)

	2020 (actual)	BASELINE		
		2021	2022	2023
Current account	34	56	43	29
Balance of trade	92	131	132	126
Exports	332	403	406	409
Imports	240	272	274	283
Balance of services	-17	-28	-38	-44
Exports	47	49	54	60
Imports	64	77	93	104
Balance of primary and secondary income	-40	-47	-51	-53
Current and capital account balance	33	56	43	29
Financial account (excluding reserve assets)	50	31	17	11
Government and the central bank	-1	-5	-8	-10
Private sector	51	35	25	20
Net errors and omissions	3	2	0	0
Change in reserve assets ('+' – increase, '-' – decrease)	-14	27	26	18
Urals price, average for the year, US dollars per barrel	42	60	55	50

² Using the methodology of the 6th edition of "Balance of Payments and International Investment Position Manual" (BPM6). In the Financial account "+" stands for net lending, "-" – for net borrowing. Due to rounding total results may differ from the sum of respective values.

Source: Bank of Russia.