



Bank of Russia



April 2024

MONETARY CONDITIONS AND MONETARY POLICY TRANSMISSION MECHANISM

Information and analytical commentary

13 May 2024

MONETARY CONDITIONS AND MONETARY POLICY TRANSMISSION MECHANISM (APRIL 2024)

Individual indicators of monetary tightness in the Russian economy changed diversely in March–April (Chart 1). Nominal and real interest rates continued to increase. Indicators of inflation expectations demonstrated mixed dynamics. Lending activity remained high overall, but heterogeneous across segments. Annual growth of monetary aggregates accelerated in April owing to the rescheduling of payments of some taxes for early May. Even adjusted for this factor, their growth rates remain above the values of 2017–2019.

MONETARY POLICY TRANSMISSION

The monetary policy transmission mechanism (or monetary policy transmission) is a sequence of links in the economy through which monetary policy influences demand and, accordingly, inflation. This mechanism is based on interest rates and yields in the key market segments, influencing each other (the key rate has a direct effect on short-term money market rates; short-term rates influence long-term rates and OFZ yields; OFZ yields influence corporate bond yields; bond yields and long-term money market rates affect credit and deposit rates). Rates, in turn, influence the propensity to save, consume, and invest (the interest rate channel of the transmission mechanism), the ability of borrowers to provide high-quality collateral and that of banks – to expand lending (the credit and balance sheet channels), as well as the wealth of investors (the welfare channel), and the ruble exchange rate (the foreign exchange channel).¹

Through any of these channels, higher market rates constrain demand and inflation, while lower ones stimulate them. In addition to monetary policy and demand, inflation and financial market trends are influenced by many other factors which are taken into account by the Bank of Russia when deciding on the key rate.

This material briefly describes the monetary policy transmission and the conditions of its functioning.

¹ See Appendix 1 to the [Monetary Policy Guidelines for 2024–2026](#).

INDICATORS OF MONETARY TIGHTNESS

SOME INDICATORS OF MONETARY POLICY TIGHTNESS AND THEIR CHANGES IN FEBRUARY–APRIL 2024

Chart 1



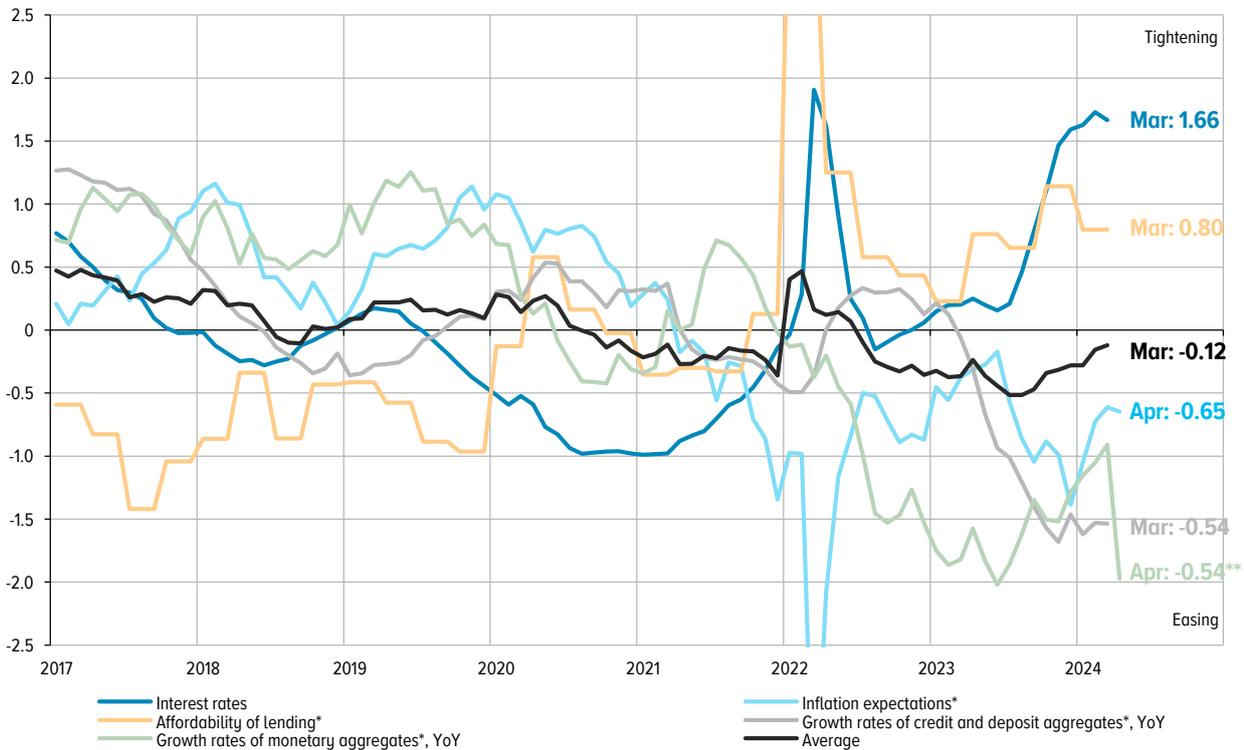
Note. The indicator panel represents one possible summary visualisation of key indicators to help assess the monetary conditions and their changes. It should not be considered a comprehensive presentation of all types of indicators relevant to assessing the nature and changes of the monetary conditions. The chart shows the level of the indicator (z-score) relative to the distribution of values from January 2017 to March 2024 (left-hand chart) and to April 2024 (right-hand chart). The indicator's level (in standard deviation) as of the previous date is circled. A shift of the indicator to the left relative to the previous date indicates the easing of monetary conditions, a shift to the right – their tightening. Z-scores for high-frequency indicators (OFZ yields, money market rates, exchange rate, spread between CORP and OFZ yields, etc.) were calculated based on the averages for the relevant month. Z-score for the spread between RUONIA and the key rate was taken out of the calculation of the overall average indicator due to high volatility.

* The indicators were used to calculate the inverse z-score.

Source: Bank of Russia calculations.

HISTORICAL DYNAMICS OF INDIVIDUAL INDICATORS OF MONETARY TIGHTNESS

Chart 2



* The indicators were used to calculate the inverse z-score.

** The values of the monetary aggregates in April, and therefore, their growth rates increased significantly due to the rescheduling of the payment of some April taxes for the first business day of May (2 May 2024). Taking into account this shift in the monthly payments, the dynamics of monetary aggregates will be objectively demonstrated only based on the monthly data as of the end of May.

Source: Bank of Russia calculations.

INTEREST RATES

- Monetary policy and key rate.** On 26 April, the Bank of Russia Board of Directors decided to keep the key rate at 16.0% per annum. The decision was made amid weakening but still high inflation pressures. The slowdown in current price growth was mostly due to one-off factors. Domestic demand was still outstripping the capacities to expand the production of goods and services. Labour market tightness continued to increase. To ensure the stability of disinflationary processes and return inflation to the target, monetary conditions should remain tight for a long period. The decision to keep the key rate unchanged did not surprise market participants. However, the tone of the press release was tougher than expected. As a result, many market participants adjusted their views, now expecting interest rates to stay higher for longer.
- Banking sector liquidity and overnight rates (RUONIA).** The average spread between RUONIA and the key rate narrowed to -30 bp in April (vs -41 bp in March) (Chart 4). The spread volatility decreased to 9 bp (vs 23 bp in March). As in the previous month, in April, banks still demonstrated demand for the Bank of Russia's standing lending facilities to be able to comply with the liquidity coverage ratio (LCR), among other things. However, credit institutions adjusted somewhat to the changing regulatory conditions. Thus, the path of required reserves averaging in the April averaging period¹ (AP) was more even as compared with the March AP.² As a result, excess liquidity shrank in the second half of April and the spread narrowed. The average liquidity surplus was ₺1.1 trillion in April remaining almost unchanged. In early April, the Federal Treasury placed the funds from taxes paid in March in bank deposits and under repo contracts. In late April, on the contrary,

¹ 10 April 2024–7 May 2024.

² 13 March 2024–9 April 2024.

part of the outflow as a result of the payment of April taxes shifted to the beginning of May. Thus, in April, there was an inflow of liquidity into banks associated with budget operations. The seasonal increase in demand for cash, driven by, among other factors, banks replenishing their cash offices and ATMs before the May holidays, entailed the outflow of ₱0.2 trillion from banks in April (vs the inflow of ₱0.1 trillion in March). This is somewhat below the averages of the previous years. The updated forecast of the liquidity balance as of the end of 2024 will be published in the Commentary on the Medium-term Forecast.³

- **Money market.** As of late April, ROISfix remained almost unchanged for short maturities, but substantially shifted upwards for maturities of over six months (Chart 1). This evidences that market participants still consider the current key rate level as a peak, but assume a longer period of high rates and a slower pace of monetary policy easing. After the April meeting of the Bank of Russia Board of Directors, market participants expect the start of key rate cuts later – around 2024 Q4.

ROISFIX CURVE

Table 1

Maturity	1w	2w	1M	2M	3M	6M	1Y	2Y
30.04.2024	15.96	15.98	15.98	15.98	16.00	15.98	15.50	14.36
29.03.2024	15.96	16.00	16.00	15.98	15.95	15.96	15.18	13.94
Change, bp	0	2	2	0	5	2	32	42

- **OFZ.** The OFZ curve had been moving upwards across all maturities for the third consecutive month. The average monthly OFZ yields gained 10–70 bp. The most significant changes were observed in the medium-term segment. Given the above, the yield curve in the long-term segment (5–10 years) almost flattened and the inverse trend in the medium-term segment (5–2 years) decreased by 14 bp to 60 bp. The movements in yields on medium-term securities were associated with a rise in market participants' inflation expectations, which was evidenced by growth in implied inflation for OFZ-IN (inflation-indexed federal government bonds) that resumed in March. Probably, market participants were concerned that proinflationary risks would materialise owing to high consumer and investment demand which significantly exceeded the potential to expand supply. As the government announced a planned increase in expenditures, this raises concerns that OFZ offerings in the primary market would expand. If the parameters of tax initiatives are disclosed, this will alleviate such concerns to a great extent.

OFZ ZERO COUPON YIELD CURVE

Table 2

Maturity	1Y	2Y	3Y	5Y	7Y	10Y
30.04.2024	14.51	14.20	13.89	13.61	13.56	13.59
29.03.2024	14.40	13.65	13.19	12.91	13.00	13.26
Change, bp	11	55	70	70	56	33
Average for April 2024	14.45	13.94	13.57	13.29	13.31	13.48
Average for March 2024	14.30	13.63	13.14	12.76	12.75	12.92
Change, bp	15	31	43	53	56	56

The structure of OFZ secondary market participants did not change. Non-bank financial institutions using their own money and individuals became the main net buyers, while systemically important credit institutions (SICIs) and other banks were net sellers.

³ [Commentary on the Medium-term Forecast](#), dated 13 May 2024.

Since February, the Russian Ministry of Finance had been raising almost the same amount of funds each month (₽233 billion in April and ₽237 billion in March in money terms). In April, the Ministry was only offering classic OFZ-PD (fixed coupon federal government bonds). The demand for them was mostly from SICIs. There was elevated demand for long-term OFZ as yields on these bonds reached 13.8%. Securities were placed with a small premium to secondary market yields (+2–3 bp vs +2–4 bp on average in January–February). The aggregate demand totalled ₽124 billion (vs ₽106 billion in March). From early 2024, the Ministry placed OFZ worth ₽1.03 trillion, i.e. 25% of the annual borrowing target.

- **Corporate bond market.** As of the end of April, based on the IFX–Cbonds index, corporate bond yields reached 15.79% (+47 bp MoM). The monthly average spread between yields on government and corporate bonds also increased (130 bp in April vs 94 bp in March) and returned to approximately the average of the past 12 months.

As to the primary market, in March, corporate borrowers raised significantly less funds year-on-year (₽336 billion in April 2024 vs ₽616 billion in April 2023). This is below the average of the past two years (₽517 billion), however above the average over 2014–2019 (₽188 billion). As of the end of April, the market of corporate bonds totalled ₽26.1 trillion (+22.6% YoY).

The issue of substitute bonds was up in April reaching ₽35 billion. Those were securities issued by companies of the financial sector. Substitute bond yields (according to Cbonds) fell to 6.29% (-49 bp MoM). The spread between them and US Treasuries (UST) with similar maturities narrowed by 95 bp to 159 bp, partially owing to higher UST yields, and is now 118 bp below the average of 2024 Q1 and 290 bp below the average of 2023.

BANKS' INTEREST RATES ON RUBLE LOANS AND DEPOSITS

- **Deposit rates.** In March, deposit rates changed diversely across maturities. Short-term⁴ deposit rates in March remained close to the February level equalling 14.7%. Long-term deposit rates gained 0.5 pp to reach 12.2%. Therefore, the six-month moving average rate on long-term deposits was the highest since 2014, according to the reporting data (Chart 9).

According to high-frequency data, deposit rates moderately increased in April. The FRG100⁵ index gained 0.25 pp over April. The monetary policy signal given on 26 April that tight monetary conditions would be maintained for a long period to limit inflation may additionally push up deposit rates (Chart 10).

- **Corporate loan rates.** In February–March, interest rates on short-term corporate loans were up by 0.4 pp to 17.2% and those on long-term corporate loans gained 0.7 pp to reach 15%. Short-term loan rates remain above long-term ones, which is typical of periods when monetary policy is tight owing to the inverted yield curve.

According to high-frequency data, rates on loans to non-financial organisations fluctuated in April around the level recorded in previous months (Chart 9).

- **Retail loan rates.** In March, the average market rate on short-term household loans was up by 0.9 pp to 24.3% and that on long-term loans lost 1.1 pp to reach 17.4%. The decline in long-term interest rates was driven by an increasing share of subsidised loans in mortgage lending amid higher market-based mortgage rates as well as by stricter criteria used by banks to select borrowers in connection with the macroprudential requirements for mortgage and consumer lending.⁶ According to preliminary data, consumer loan rates were down in March (Charts 9 and 10).

⁴ Short-term deposits are deposits for no more than one year, except for demand deposits; short-term loans are loans for no more than one year; long-term deposits and loans are deposits and loans for at least one year.

⁵ The average interest rate of the 80 largest deposit banks on one-year deposits worth at least ₽100,000, according to the information agency Frank RG.

⁶ Bank of Russia press releases on macroprudential policy, dated [24 November 2023](#) and [27 December 2023](#).

GROWTH RATES OF CREDIT AND DEPOSIT AGGREGATES

- **Deposits.** Growth of household funds with banks⁷ accelerated: the annual change⁸ in deposit balances was 25.3% in March (vs 23.8% in February) amid higher deposit rates. Another reason for higher annual growth rates of household deposits was that the amount of household funds deposited with banks in March 2023 was small. Furthermore, in March 2024, deposits for up to one year accounted for over 80% of the increased deposit balances, while the contraction of funds in long-term deposits slowed down. The amount of individuals' foreign currency deposits with banks remained almost unchanged in March. Besides, as the ruble deposit portfolio expanded, the proportion of households' foreign currency deposits with banks was down by 0.1 pp (Chart 11).
- **Bank lending conditions.** In 2024 Q1, bank lending conditions⁹ (BLC) tightened in both the corporate and retail segments. This mainly resulted in an increase in loan rates, driven by a higher key rate as well as cancellation of the easing for the LCR. The requirements for borrowers' financial position toughened in the retail segment amid the macroprudential policy measures with respect to consumer and mortgage lending (see the paragraph 'Retail loan rates' above). Banks expected that, in 2024 Q2–Q3, BLC might be eased and the demand for loans might grow if the key rate started to decrease (Chart 14).
- **Corporate lending.** The annual growth rate of corporate credit increased to 20.3% in March (vs 19.9% in February). The acceleration was associated with the financing of investment projects as well as steady growth in the project financing of housing construction. Higher demand for loans in March may be related to the payment of taxes, including profit tax and tax on additional income from hydrocarbon extraction for 2023 as well as VAT for 2023 Q4. As to foreign currency lending, companies mostly raised loans in friendly countries' currencies, while transactions in US dollars and euros still accounted for around 1.5% of overall lending. The proportion of foreign currency loans in the corporate portfolio did not change equalling 16.3% in March.

According to recent estimates, in April, monthly growth in the corporate loan portfolio was close to the values of March, but was somewhat below the path of April 2023 (Chart 12). The additional budget expenditures announced in February, most of which will be financed in 2025, may also support companies' demand for lending in 2024.

- **Retail lending.** In March, annual growth in the monthly retail loan portfolio was 23.2% vs 23.3% in February. Overall, demand loans (that are historically represented mainly by credit cards) accounted for around 20% of the monthly increase in the retail loan portfolio, whereas loans for at least three years – for about 80%. Thus, mortgage loans issued in March totalled ₹447 billion, with the share of subsidised loans¹⁰ increasing to 73% amid elevated market-based interest rates. In March, the annual increase in the mortgage portfolio was 27.7% vs 28.8% in February and above any annual averages since 2014. Unsecured consumer loans were up by 1.8% in March vs 0.9% in January–February. Growth in car lending accelerated in March as compared with February. Nevertheless, the change in the share of car loans in the retail portfolio remained moderate: 5.5% in March 2024 vs 4.3% in March 2023. As a result, the contribution of consumer lending to monthly growth in outstanding retail loans in March, similarly to February, was somewhat greater than that of mortgage lending.

⁷ Hereinafter, individuals' funds with banks include balances in time deposits, demand deposits and current accounts, but do not include escrow accounts under equity construction agreements.

⁸ Hereinafter, increases in banks' balance sheet indicators are calculated based on the reporting data of operating credit institutions included in the State Register as of the relevant reporting date. Increases in loans are calculated net of claims acquired by banks and without adjustment for securitisation transactions. Increases in foreign currency claims and liabilities are calculated in US dollar terms. Where increases in the indicators comprising foreign currency and ruble components are calculated herein, the growth of the foreign currency component is converted into rubles using the period average exchange rate.

⁹ [Quarterly survey of banks by the Bank of Russia](#) as of 1 April 2024.

¹⁰ Mortgage loans issued within the programmes Subsidised Mortgage, Family Mortgage, IT Mortgage, and Far Eastern and Arctic Mortgage.

According to preliminary data, retail lending generally expanded in April, especially in the short-term segment, which may be associated with the continuing growth in outstanding credit card balances, whereas the increase in long-term transactions was moderate (Charts 12 and 13). The retail lending dynamics were slightly below the path of April 2023 and notably lower than during the periods of high growth rates, in particular from 2021 Q1 to the beginning of 2021 Q2.

GROWTH RATES OF MONETARY AGGREGATES

- **Money supply.** The growth of the monetary aggregates slowed down in March as the contribution of budget operations declined. Money supply was supported by lending, mainly in the corporate segment.

According to preliminary data, the money supply increase notably sped up as of the end of April, since the payment of significant amounts of taxes to be made in late April was rescheduled for the first business day of May (Chart 15). Therefore, taking into account this shift in monthly payments, the effect of budget operations will be reflected more objectively in the money supply data only as of the end of May.

- **Exchange rate (foreign exchange channel)**

As of the end of April, the ruble slightly weakened again. The average monthly RUB/USD exchange rate demonstrated similar dynamics. The slight decline in the exchange rate was predominantly associated with the global switch to protective assets and the strengthening of the US dollar against most global currencies. The change against the yuan was even smaller, while the average monthly exchange rate of the ruble against the euro slightly strengthened. The ruble volatility dropped to the minimum since 2021 Q3.

RUBLE EXCHANGE RATE

Table 3

	USD/RUB	EUR/RUB	CNY/RUB
30.04.2024	93.05	99.72	12.74
29.03.2024	92.48	99.65	12.67
% change	+0.6	+0.07	+0.5
Average for April 2024	92.95	99.67	12.79
Average for March 2024	91.58	98.74	12.66
% change	+1.1	-0.13	+0.7

Note. '+' means depreciation of the ruble; '-' means appreciation of the ruble.

The [real effective exchange rate of the ruble \(REER\)](#) calculated against the currencies of the main foreign trade partners increased by 0.8% in March (-13.2 YoY). According to preliminary data, in April, the REER declined by 1.2% vs March, staying below its median value of recent years (-6.6% vs the median of January 2015–March 2024).

- **Foreign markets**

The average policy rate (weighted by GDP) in advanced economies remained unchanged in April (4.47%). Taking into account persistent inflationary pressures and the US Fed's communication, US market participants revised their expectations regarding the US Fed funds rate assuming that monetary conditions would remain tight for a longer period. Now, the decrease in the rate is expected to start only in 2024 Q3. In the aggregate, derivatives markets expect it to decline by 25–50 bp as of the end of 2024. In emerging market economies (EMEs), the weighted average rate also remained almost unchanged, edging down by 2 bp to 8.03%. The policy rates were cut in Chile (-75 bp) and Colombia (-50 bp) and increased in Indonesia (+25 bp).

As of the end of April, the yield curve of US Treasury bonds notably rose in the medium- and long-term segments (Table 4). European yield curves generally demonstrated similar dynamics.

The US Dollar Index (DXY) significantly strengthened and was 106.3 (+1.8%) as of the end of April. A notable trend in April was that the Japanese yen weakened further, since the difference between the US and Japanese interest rates remained substantial: the USD/JPY exchange rate in late April exceeded 160 for the first time since 1990. The Japanese yen weakened against the US dollar by 4.3% over April and by 11.9% since the beginning of 2024. In EMEs' foreign exchange markets, the trend towards weakening persisted owing to the continuing growth in the US Dollar Index which gained 1.8% in April and 4.9% from early 2024 (BRLUSD: -3.6%; CNYUSD: -0.3%; TRLUSD: -0.4%; MXNUSD: -3.5%).

UST YIELD CURVE

Table 4

Maturity	2Y	5Y	10Y
30.04.2024	5.04	4.72	4.69
29.03.2024	4.59	4.21	4.20
Change, bp	+45	+51	+49
Average for April 2024	4.87	4.56	4.54
Average for March 2024	4.59	4.20	4.21
Change, bp	+29	+36	+33

After the surge in 2024 Q1, advanced economies' stock indices mostly declined in April, including because market participants revised their expectations regarding monetary conditions in the USA (S&P 500: -4.2%; Stoxx 600: -1.5%; Nikkei 225: -4.9%). Nevertheless, the results presented in corporate statements issued in late April were generally better than expected by investors.

EMEs' stock indices demonstrated mixed dynamics (MSCI EM: +0.3%; Bovespa: -1.7%; IPC Mexico: -1.1%; SSE Composite: +2.1%; BIST 100: +9.9%) (Chart 20). As Latin American markets mostly shrank, the Chinese indices notably strengthened owing to the improving macroeconomic environment in the country.

CHARTS AND TABLES

THE UPDATED FORECAST OF THE LIQUIDITY BALANCE FOR THE END OF 2024 WILL BE PUBLISHED IN THE COMMENTARY ON THE MEDIUM-TERM FORECAST, DATED 13 MAY 2024

Table 5

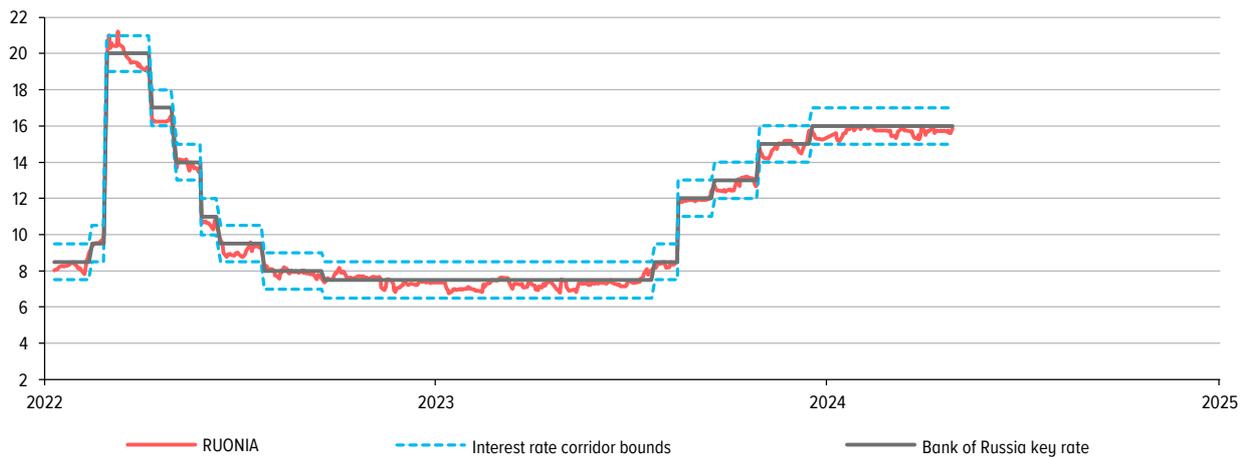
(P TRILLIONS)

	2023	January–April 2024	April 2024
Liquidity deficit (+)/surplus (-) (as of the period start)	-3.5	0.0	-0.6
Liquidity inflow (+)/outflow (-):	-3.4	1.1	0.5
– change in the balances of funds in general government accounts with the Bank of Russia and other operations*	1.0	0.9	0.7
– change in the amount of cash in circulation	-2.0	0.4	-0.2
– change in required reserves	-2.4	-0.2	0.0
Liquidity deficit (+)/surplus (-) (as of the period end)	0.0		-1.1

* Including fiscal rule-based operations to buy (sell) foreign currency in the domestic FX market and other operations.
Source: Bank of Russia calculations.

RUONIA DYNAMICS
(%)

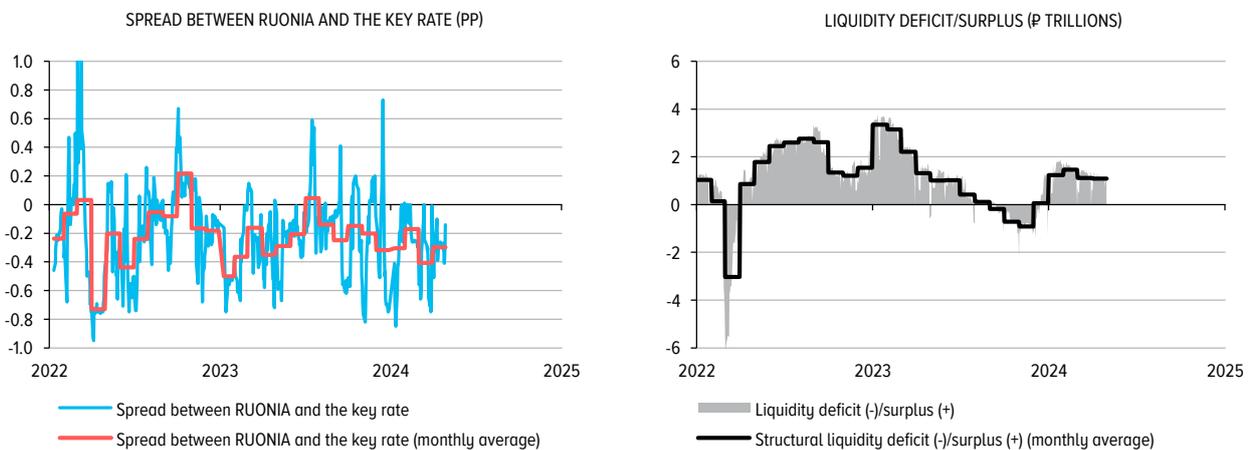
Chart 3



Source: Bank of Russia calculations.

THE AVERAGE SPREAD BETWEEN RUONIA AND THE BANK OF RUSSIA KEY RATE NARROWED OVER APRIL

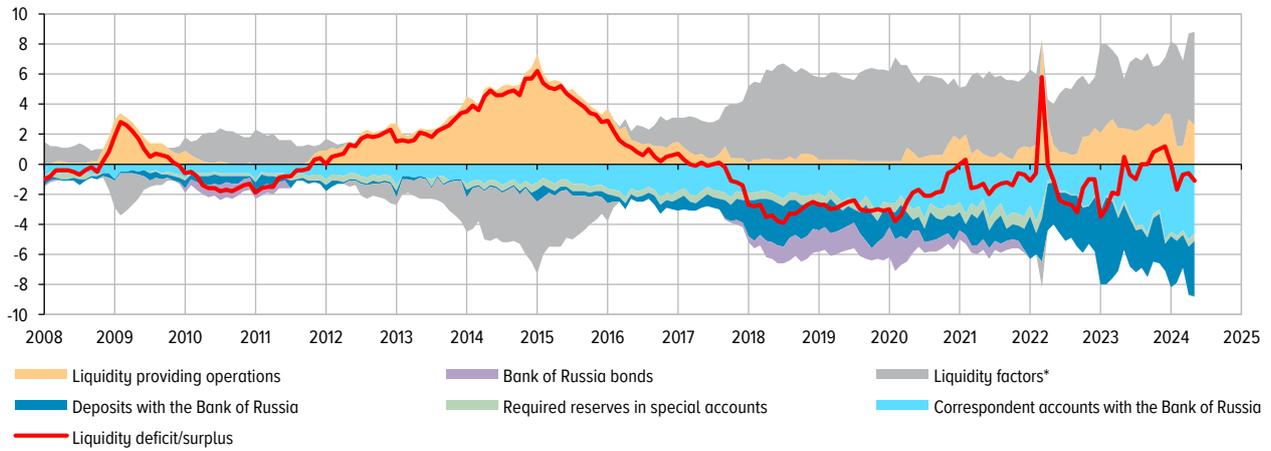
Chart 4



Source: Bank of Russia calculations.

THE BANK OF RUSSIA'S BALANCE SHEET
(₽ TRILLIONS)

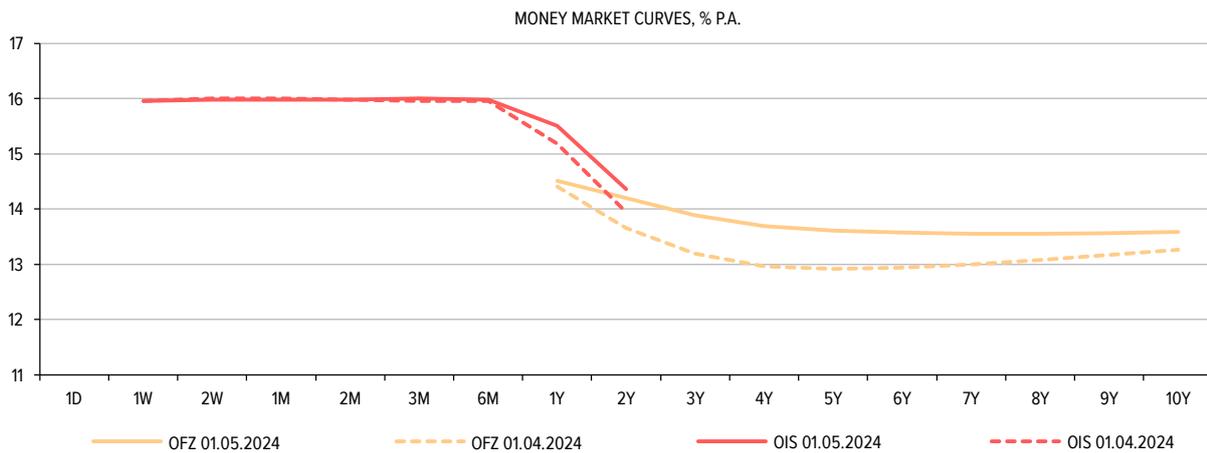
Chart 5



* This item is balancing and comprises changes in all other, not differentiated, items of the Bank of Russia's balance sheet.
Source: Bank of Russia calculations.

IN APRIL, MONEY MARKET CURVES SHIFTED UPWARDS IN THE SEGMENT OF AT LEAST ONE YEAR

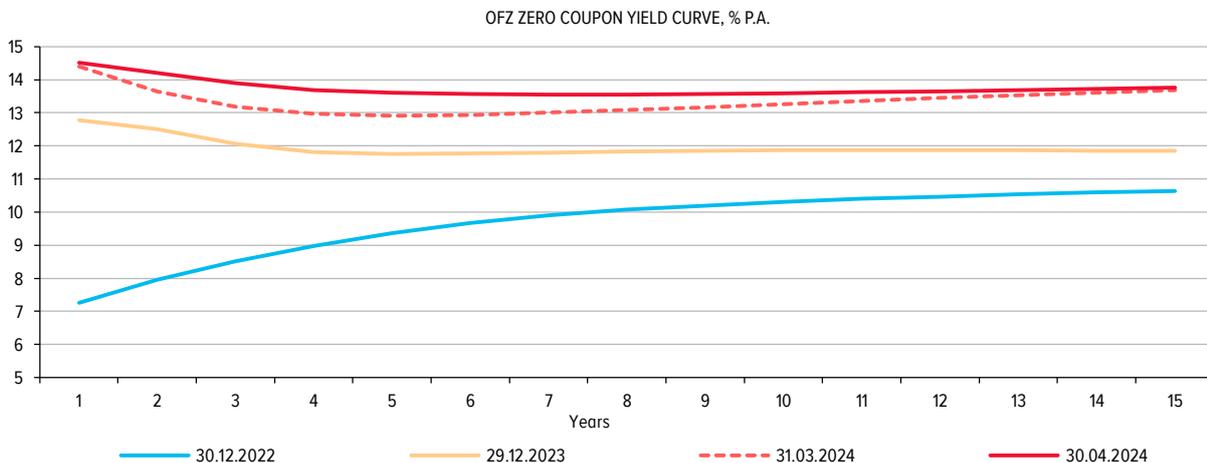
Chart 6



Sources: Moscow Exchange, NFA.

OFZ YIELDS SOARED IN THE MEDIUM-TERM SEGMENT

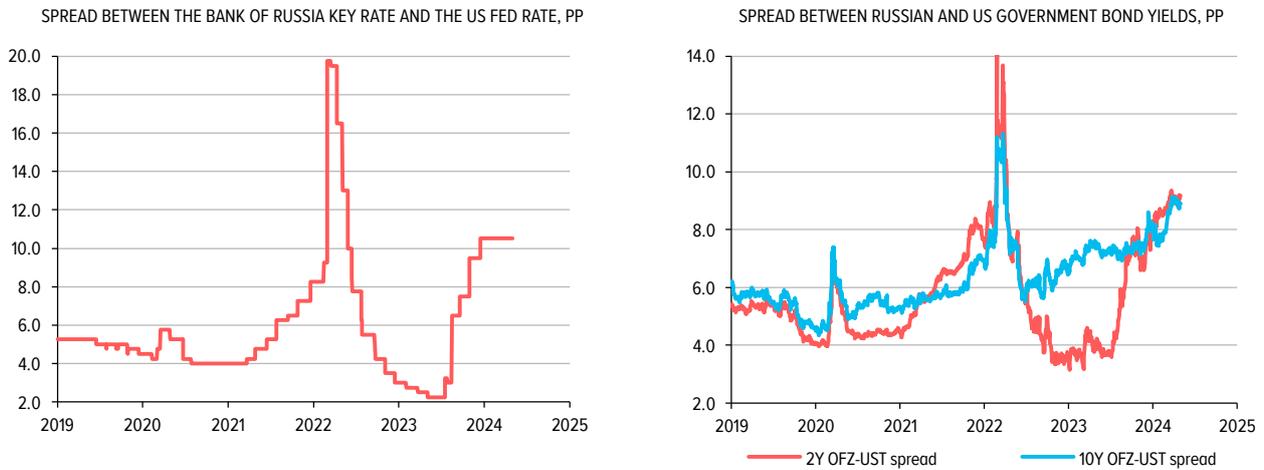
Chart 7



Sources: Moscow Exchange, Cbonds, Bank of Russia calculations.

THE SPREAD BETWEEN RUSSIAN AND US GOVERNMENT BOND YIELDS EXPANDED IN THE LONG-TERM SEGMENT

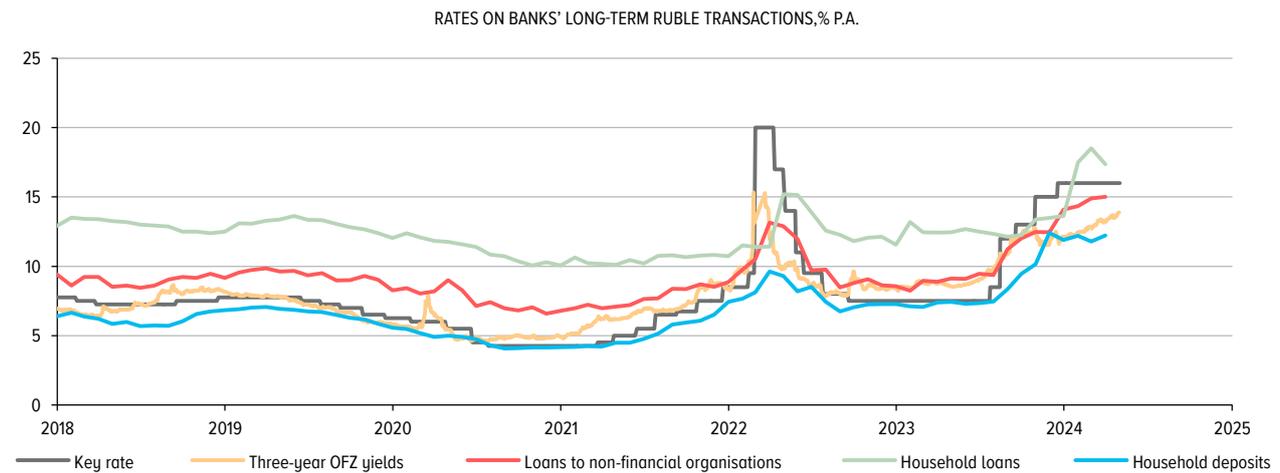
Chart 8



Sources: Moscow Exchange, Cbonds, Bank of Russia calculations.

IN MARCH, LONG-TERM DEPOSIT RATES INCREASED AND RETAIL LOAN RATES DECLINED

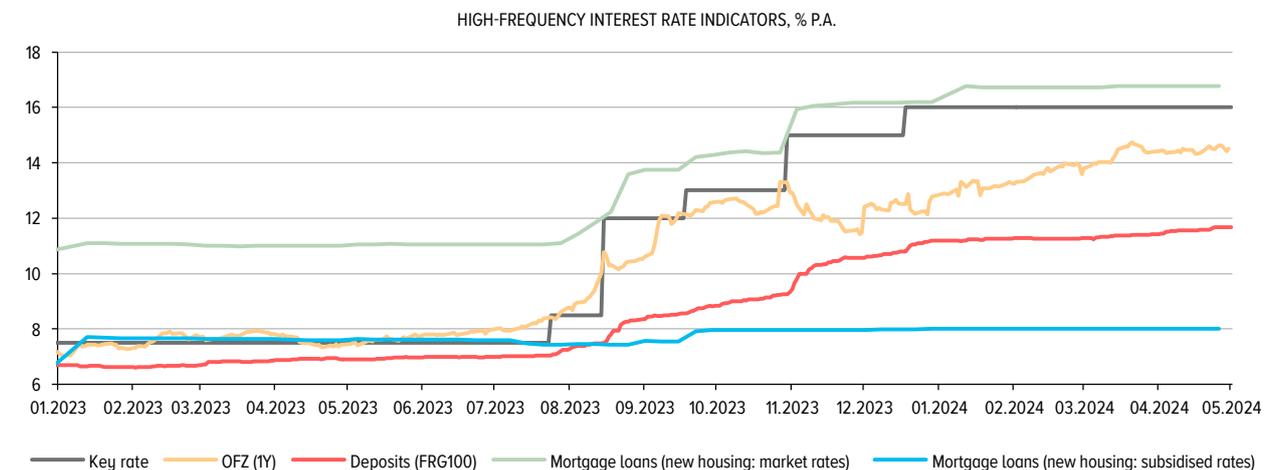
Chart 9



Sources: Bank of Russia.

IN APRIL, CREDIT AND DEPOSIT MARKET RATES REMAINED CLOSE TO THE VALUES OF MARCH

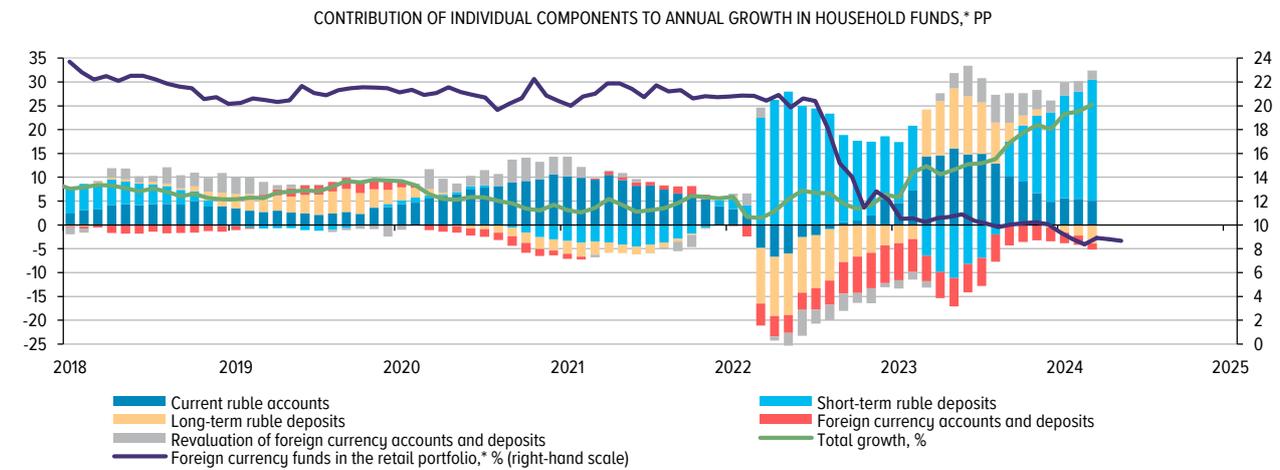
Chart 10



Sources: Bank of Russia, Frank RG, DOM.RF.

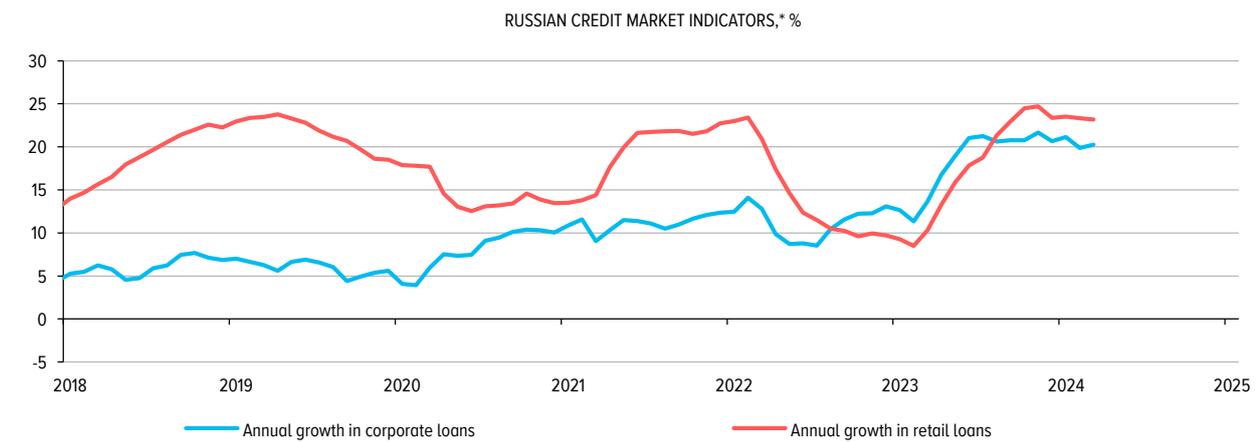
IN MARCH, SIMILARLY TO FEBRUARY, HOUSEHOLDS PLACED FUNDS IN SHORT-TERM RUBLE DEPOSITS

Chart 11



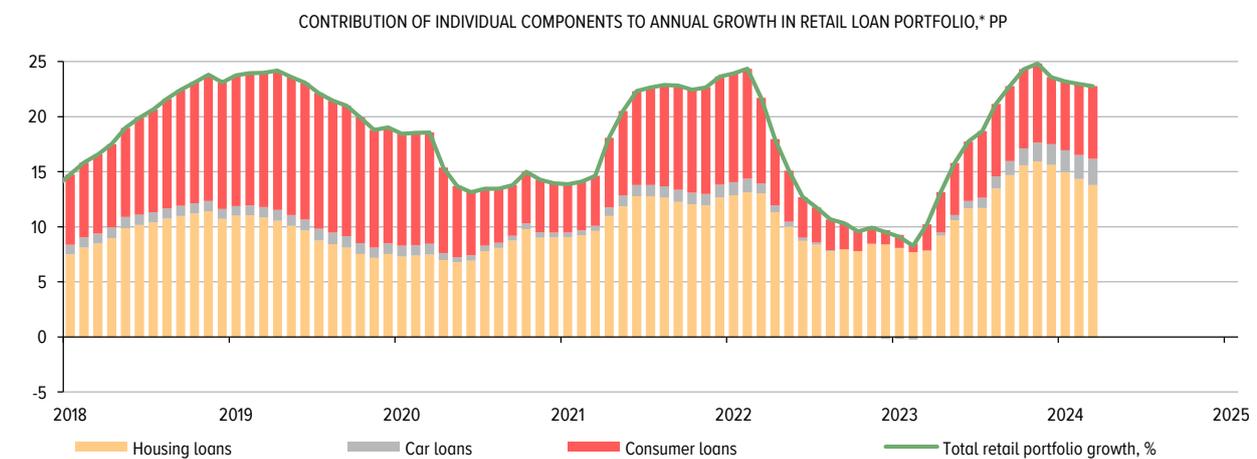
IN MARCH, CORPORATE LENDING INCREASED IN ANNUALISED TERMS

Chart 12



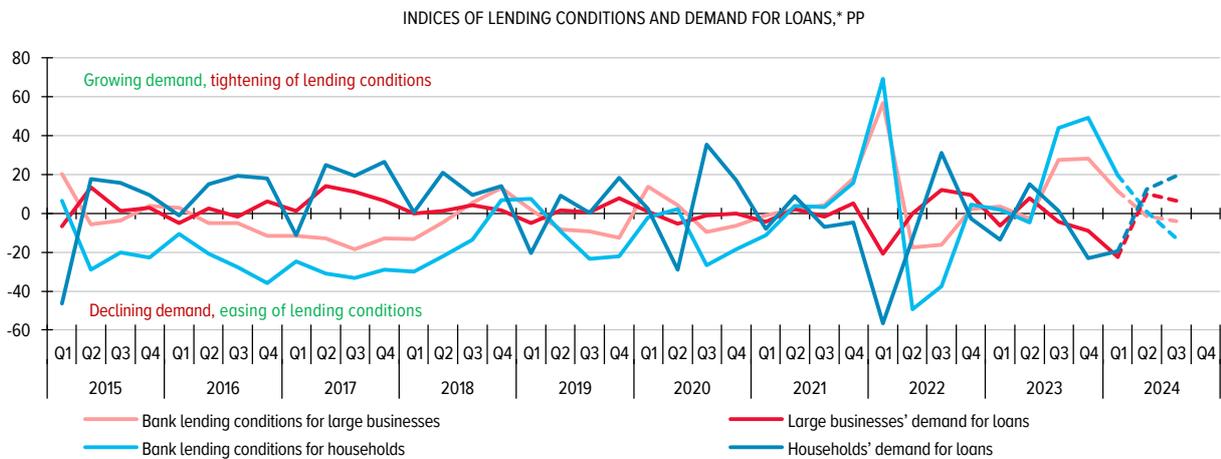
THE CONTRIBUTION OF HOUSING LOANS TO A CHANGE IN THE RETAIL LOAN PORTFOLIO DECREASED IN MARCH

Chart 13



THE CHANGE IN BANKS' LENDING CONDITIONS WAS ASSOCIATED WITH BOTH GROWTH IN RATES AND THE TIGHTENING OF REQUIREMENTS FOR BORROWERS

Chart 14



CREDIT AND DEPOSIT MARKET INDICATORS

Table 6

		December 2023	January 2024	February 2024	March 2024
Interest rates on banks' long-term ruble transactions					
household deposits	% p.a.	11.9	12.2	11.8	12.2
household loans	% p.a.	13.6	17.5	18.5	17.4
corporate loans	% p.a.	14.1	14.3	14.9	15.0
Household funds*	% YoY, AFCR	20.1	23.3	23.8	25.3
in rubles*	% YoY	25.7	28.6	28.9	29.6
in foreign currency	% YoY	-23.8	-17.9	-16.4	-11.2
share of foreign currency*	%	8.4	8.9	8.8	8.7
Corporate loans**	% YoY, AFCR	20.7	21.1	19.9	20.3
short-term (up to one year)	% YoY, AFCR	21.8	24.5	22.4	23.2
long-term (over one year)	% YoY, AFCR	22.4	22.1	21.2	21.4
Household loans**	% YoY, AFCR	23.4	23.5	23.3	23.2
housing mortgage loans	% YoY, AFCR	30.1	30.3	28.7	27.7
unsecured consumer loans	% YoY	13.6	14.1	14.5	15.0
Banking system's claims on the economy	% YoY, AFCR	22.9	23.1	22.5	23.2
on businesses	% YoY, AFCR	22.8	23.0	22.2	23.3
on households	% YoY, AFCR	23.0	23.2	23.1	23.0
Money supply (M2)	% YoY	19.4	19.0	18.4	17.4
Broad money (M2X)	% YoY, AFCR	15.4	14.8	14.5	14.2

* Excluding escrow accounts.

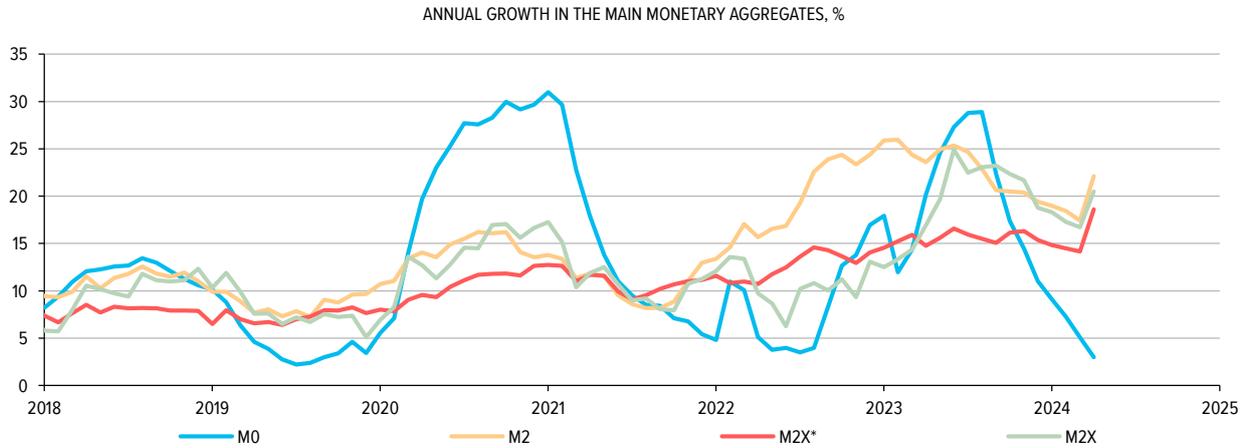
** Since 1 February 2021, the portfolios of corporate and retail loans include acquired claims. The portfolio growth was calculated net of acquired claims.

Note. YoY – year-on-year, AFCR – adjusted for foreign currency revaluation. The Marshall-Edgeworth decomposition is used to make the adjustment for foreign currency revaluation.

Source: Bank of Russia calculations.

IN APRIL, THE ACCELERATION IN MONEY SUPPLY GROWTH WAS ASSOCIATED WITH THE RESCHEDULING OF TAX PAYMENTS

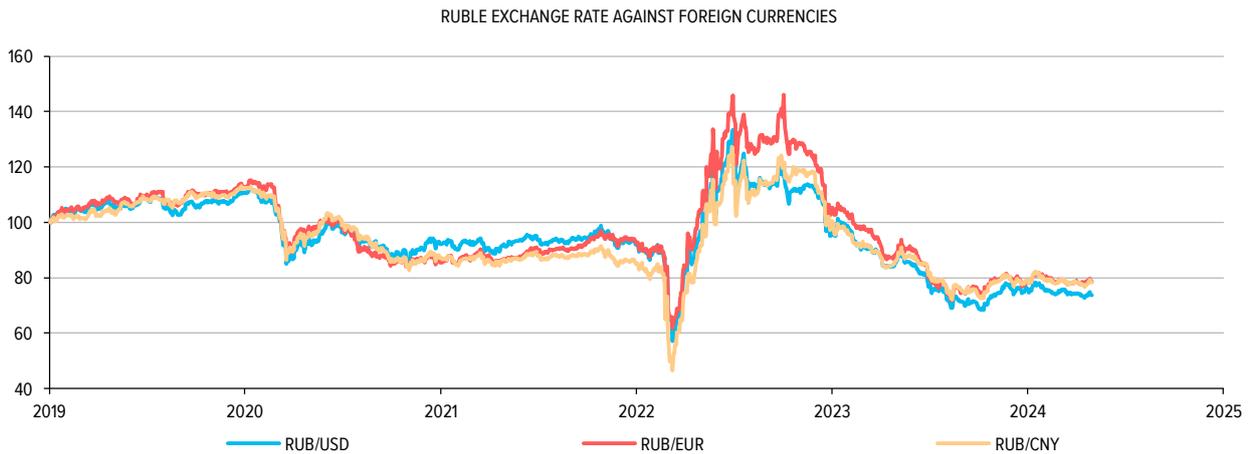
Chart 15



* Adjusted for foreign currency revaluation.
Source: Bank of Russia calculations.

IN APRIL, THE RUBLE SLIGHTLY WEAKENED OWING TO THE GLOBAL SWITCH TO PROTECTIVE ASSETS (02.01.2019 = 100)

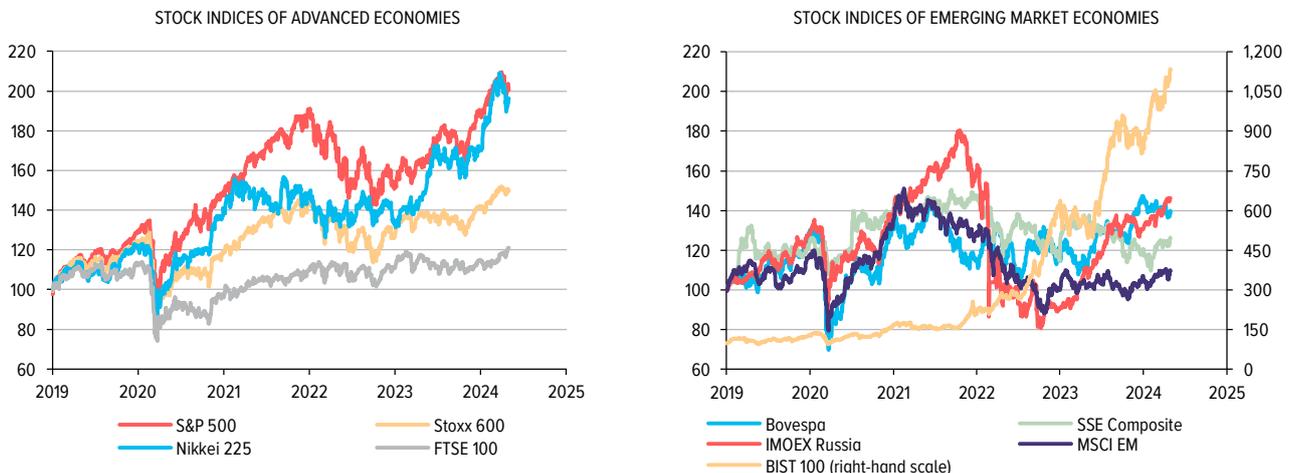
Chart 16



Sources: Cbonds, Bank of Russia calculations.

IN APRIL, STOCK INDICES CHANGED DIVERSELY (02.01.2019 = 100)

Chart 17



Note. Stock indices are indicated in national currencies.
Sources: Cbonds, Bank of Russia calculations.

THE RUSSIAN EQUITY MARKET SHOWED POSITIVE TRENDS

Table 7

Measure		31.04.2024	1M	3M	6M	YTD	1Y
Russian financial market ('+' – positive trends, '-' – negative trends)							
RUB/USD exchange rate		93.05	-0.6	-4.6	0.4	-3.0	-16.0
MOEX Russia Index, bp		3,470	4.1	9.2	8.4	12.0	31.7
RTS Index, bp		1,175	3.3	4.4	8.8	8.4	13.7
Government bond yields, %		13.68	39	171	112	170	365
Corporate bond yields, %		15.79	47	120	199	161	604
Regional bond yields, %		14.29	21	142	151	167	496
RVI, p		20	-2	-2	-6	-8	-7
Exchange rates (per US dollar, % change; '+' – appreciation, '-' – depreciation)							
AEs*	US Dollar Index	106.33	1.8	2.6	-0.3	4.9	4.6
	Euro	1.07	-1.2	-1.5	0.9	-3.4	-3.2
	Japanese yen	157.82	4.3	7.0	4.0	12.0	15.8
	Pound sterling	1.25	-1.0	-1.7	2.8	-2.0	-0.6
EMEs	Ruble	93.05	-0.6	-4.6	0.4	-3.0	-16.0
	Brazilian real	5.19	-3.6	-5.0	-3.1	-7.0	-4.2
	Mexican peso	17.14	-3.5	0.5	5.1	-0.9	4.8
	Chinese yuan	7.24	-0.3	-1.4	1.0	-2.3	-4.8
	Turkish lira	32.41	-0.4	-6.8	-14.5	-9.9	-66.7
	South African rand	18.79	0.5	0.1	-0.8	-2.7	-2.7
10-year bond yield (% p.a., change in bp, '+' – increase, '-' – decrease)							
AEs	USA	4.69	49	61	-19	81	125
	Germany	2.58	29	35	-22	56	27
	Japan	0.86	14	15	-8	26	48
	UK	4.35	41	47	-16	82	63
EMEs	Russia	13.59	32	192	109	172	266
	Brazil	11.75	82	116	-16	139	-65
	Mexico	10.34	73	73	-26	107	125
	China	2.31	0	-20	-41	-29	-49
	Turkey	28.34	145	151	16	321	1541
	South Africa	10.94	6	118	27	117	76
5Y CDS spreads (bp, change in bp, '+' – increase, '-' – decrease)							
AEs	USA	36	0	-2	-10	-6	-23
	Germany	10	0	-3	-11	-7	-4
	Japan	19	0	-3	-11	-7	-5
	UK	27	-2	-6	-5	-9	7
EMEs	Brazil	141	10	10	-33	15	-68
	Mexico	94	6	10	-22	9	-14
	China	69	-3	3	-13	8	-3
	Turkey	283	-5	-23	-101	15	-232
	South Africa	237	-16	17	-39	40	-37
Stock indices (points, % change, '+' – increase, '-' – decrease)							
AEs	S&P 500	5,036	-4.16	2.2	20.1	5.6	20.8
	Stoxx 600	505	-1.52	4.1	16.4	5.4	8.2
	Nikkei 225	38,406	-4.86	6.6	24.5	14.8	33.1
	FTSE 100	8,144	2.41	6.7	11.2	5.3	3.5
EMEs	MSCI EM	1,046	0.26	5.6	14.3	2.2	7.1
	Bovespa	125,924	-1.70	-2.0	11.3	-6.2	20.6
	IPC Mexico	56,728	-1.12	-0.8	15.6	-1.1	2.9
	SSE Composite	3,105	2.09	7.7	2.9	4.4	-6.6
	BIST 100	10,046	9.88	18.6	33.7	34.5	117.5
	FTSE/JSE	76,076	2.07	2.3	9.2	-1.1	-2.7

* Advanced economies.

Sources: Moscow Exchange, Cbonds, Bank of Russia calculations.

Data cut-off dates:

- Interest rates – 30 April 2024;
- Banks' interest rates on ruble loans and deposits – 1 April 2024, high-frequency data – 30 April 2024.

The electronic version of the [information and analytical commentary](#) is available on the Bank of Russia website.

Please send your comments and suggestions to svc_analysis@cbr.ru.

This commentary was prepared by the Monetary Policy Department.

Cover photo: Shutterstock/FOTODOM

Bldg V, 12 Neglinnaya Street, Moscow, 107016

Bank of Russia website: www.cbr.ru

© Central Bank of the Russian Federation 2024