



# COMMENTARY ON THE BANK OF RUSSIA'S MEDIUM-TERM FORECAST

The document presents the commentary on the medium-term macroeconomic forecast published following the key rate meeting of the Bank of Russia Board of Directors held on 25 July 2025.

The data cut-off date for the forecast calculations is 24 July 2025.

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# THE BANK OF RUSSIA'S MEDIUM-TERM FORECAST FOLLOWING THE BOARD OF DIRECTORS' KEY RATE MEETING ON 25 JULY 2025

KEY FORECAST PARAMETERS OF BANK OF RUSSIA'S BASELINE SCENARIO  
(growth as % of previous year, if not indicated otherwise)

Table 1

	2024 (actual)	2025	2026	2027	2028
Inflation, as % in December year on year	9.5	6.0–7.0	4.0	4.0	4.0
Inflation, average for the year, as % year on year	8.4	8.6–9.2	4.6–5.1	4.0	4.0
Key rate, <b>average</b> for the year, % per annum	17.5	18.8–19.6 <sup>1</sup>	12.0–13.0	7.5–8.5	7.5–8.5
Gross domestic product	4.3	1.0–2.0	0.5–1.5	1.5–2.5	1.5–2.5
– % change, Q4–Q4 previous year	4.5	0.0–1.0	1.0–2.0	1.5–2.5	1.5–2.5
Final consumption expenditure	5.2	0.5–1.5	0.5–1.5	1.5–2.5	1.5–2.5
– households	5.4	0.5–1.5	0.5–1.5	1.5–2.5	1.5–2.5
Gross capital formation	2.1	0.5–2.5	0.5–2.5	1.0–3.0	1.0–3.0
– gross fixed capital formation	6.0	1.5–3.5	0.0–2.0	1.0–3.0	1.0–3.0
Exports	– <sup>2</sup>	(–1.0)–1.0	0.5–2.5	1.0–3.0	1.0–3.0
Imports	– <sup>2</sup>	(–1.5)–0.5	0.5–2.5	1.0–3.0	1.0–3.0
Money supply in national definition	19.2	6–9	5–10	7–12	7–12
Claims on organisations and households in rubles and foreign currency <sup>3</sup>	16.5	7–10	6–11	8–13	8–13
– on organisations	19.2	9–12	7–12	8–13	8–13
– on households, including mortgage loans	9.7	1–4	5–10	8–13	8–13
	10.4	3–6	6–11	10–15	10–15

<sup>1</sup> Given that the average key rate is 20.8% from 1 January through 27 July 2025 and is forecast to range from 16.3% to 18.0% from 28 July through 31 December 2025. Additional information on the format of the key rate forecast is available in the [methodological note](#).

<sup>2</sup> Rosstat has not yet released 2024 data on GDP by expenditure in terms of exports and imports.

<sup>3</sup> Banking system claims on organisations and households mean all 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.

Source: Bank of Russia.

RUSSIA'S BALANCE OF PAYMENTS INDICATORS IN BASELINE SCENARIO<sup>1</sup>  
(billions of US dollars, if not indicated otherwise)

Table 2

	2024 (actual)	2025	2026	2027	2028
<b>Current account</b>	<b>63</b>	<b>33</b>	<b>28</b>	<b>32</b>	<b>32</b>
Goods	133	104	102	111	110
Exports	433	410	419	443	458
Imports	300	306	317	332	348
Services	–38	–41	–42	–43	–43
Exports	43	45	46	47	48
Imports	81	87	88	89	90
Primary and secondary income balance	–32	–30	–32	–35	–36
<b>Current and capital account balance</b>	<b>63</b>	<b>33</b>	<b>28</b>	<b>32</b>	<b>32</b>
<b>Financial account balance, excluding reserve assets</b>	<b>57</b>	<b>53</b>	<b>42</b>	<b>34</b>	<b>35</b>
Net incurrence of liabilities	10	6	5	4	5
Net acquisition of financial assets, excluding reserve assets	67	58	47	38	40
Net errors and omissions	–10	–10	0	0	0
<b>Change in reserve assets</b>	<b>–4</b>	<b>–29</b>	<b>–14</b>	<b>–2</b>	<b>–4</b>
<b>Oil price for tax purposes,<sup>2</sup> average for the year, US dollars per barrel</b>	<b>68</b>	<b>55</b>	<b>55</b>	<b>60</b>	<b>60</b>

<sup>1</sup> Using the methodology of the 6th edition of the Balance of Payments and International Investment Position Manual (BPM6). In the financial account, '+' stands for net lending and '–' denotes net borrowing. Due to rounding, total results may differ from the sum of respective values.

<sup>2</sup> Russian oil price used for tax purposes and published monthly on the website of the Ministry of Economic Development of the Russian Federation.

Source: Bank of Russia.

## MAIN CHANGES IN THE FORECAST

Relative to the forecast presented following the key rate meeting on 25 April 2025, the forecast has been changed as follows.

**Key rate.** The forecast range of the average key rate has been narrowed and revised downwards to 18.8–19.6% for 2025 (compared with 19.5–21.5% in the April forecast) given the current and expected inflation movements. The forecast range of the average key rate for 2026 has been reduced by 1 pp to 12.0–13.0%.

**Inflation.** The end-2025 inflation forecast has been decreased to 6.0–7.0% (compared with 7.0–8.0% in the April forecast) due to lower actual data and a strong ruble exchange rate.

**GDP.** GDP dynamics over the forecast horizon have generally remained unchanged, but the forecast of individual GDP components for 2025 and 2026 has been updated:

- **Gross capital formation.** The 2025 forecast of the increase in gross capital formation has been reduced by 1 pp to 0.5–2.5% due to the significant negative contribution of changes in inventories to GDP at the end of 2025 Q1. In 2025 Q2–Q4, due to an adjustment, changes in inventories are expected to make a positive contribution to GDP, however, their contribution to GDP growth will be negative in 2025 overall. In 2026, the ongoing adjustment of inventories will make a small positive contribution to GDP growth, as a result of which growth in gross capital formation will remain in the range from 0.5% to 2.5% (+0.5 pp vs the April forecast).
- **Gross fixed capital formation.** The 2025 forecast of gross fixed capital formation has been raised by 1.5 pp to 1.5–3.5% due to high actual data for 2025 Q1 and more optimistic assessments of corporate investment plans.
- **Exports.** The 2026 forecast of growth in exports has been raised by 0.5 pp to 0.5–2.5% owing to a more positive world economic outlook.
- **Imports.** The 2025 forecast has been lowered by 0.5 pp to (–1.5)–0.5% due to a larger-than-expected decline in imports of certain large categories of goods in 2025 Q1. The downward revision of the import forecast is consistent with the negative contribution of changes in inventories to GDP in 2025. In 2026, import quantities will see an upward adjustment to 0.5–2.5% (+0.5 pp vs the April forecast).

**Monetary indicators.** The 2025 forecast ranges of claims on the economy and money supply have been narrowed to 3 pp, remaining in line with the April forecast. The forecast growth in claims on households has shifted towards the lower bound of the April forecast range given the weak actual growth in 2025 H1.

**Oil prices.** The oil price used for tax purposes has been decreased from \$60 to \$55 per barrel for 2025 and 2026 because of a less favourable balance of demand and supply in the oil market.

**Balance of payments.** The 2025–2026 forecast of current account surplus has been revised downwards due to a decline in the projected value of exports resulting from a drop in the oil price prediction. Another reason was an increase in the nominal value of imports amid stronger-than-expected imports of services in 2025 H1 and higher external inflation. The reserve assets forecast has been lowered over the entire horizon due to fiscal rule-based operations with National Wealth Fund (NWF) resources, given the decline in oil prices.

## KEY ASSUMPTIONS

The Bank of Russia's forecast is based on the assumptions about medium- and long-term trends in the Russian and world economies that have a significant effect on the conditions of the monetary policy implementation.

**World economy.** Between 2025 and 2028, the world economy will be expanding at moderate rates, which are below the ones observed in 2000–2019.<sup>1</sup> US foreign trade policy continues to be an important factor for the forecast: the baseline scenario still assumes a gradual reduction in import tariffs over the medium-term horizon after a sharp increase in 2025. However, tariffs will stabilise at higher levels compared with those expected in April. Protectionism and growing uncertainties will weigh heavily on both actual and potential output. Inflationary pressures will continue to weaken in the medium term, though this process will become more uneven because of the tariffs. Central banks will continue to ease monetary policies in 2025–2026 to support national economies as inflation will slow down.

**Export prices.** Commodity prices will remain under pressure from the adverse effects of tariff restrictions. In 2025–2026, average oil prices will be below both the 2024 and 2019–2021 levels due to a deterioration in the balance of demand and supply in the market and will then stabilise close to equilibrium levels. Prices for Russia's non-commodity exports will be rising in the medium term in line with global inflation trends.

**Geopolitical conditions.** The calculations for the baseline scenario rely on the assumption that the geopolitical environment will remain unchanged for the Russian economy until the end of the forecast horizon. It is assumed that all the enacted external restrictions on Russian exports, imports, and investment and technology cooperation will stay in effect over the medium-term horizon.

**Fiscal policy.** The fiscal assumptions in the baseline scenario rely on the parameters stipulated in the amendments to the Federal Law on the Federal Budget for 2025 and the 2026–2027 Planning Period, the Guidelines for Fiscal, Tax, and Customs and Tariff Policy for 2025 and the 2026–2027 Planning Period, and decisions made by the Government of the Russian Federation regarding taxes, expenditures, borrowings, and using the resources of the NWF.

**Potential output.** The baseline scenario assumes that the long-term potential growth of Russian GDP ranges from 1.5% to 2.5% over the medium-term horizon.

**Neutral rate of interest.** In the baseline scenario, the longer-run level of the real neutral rate for the Russian economy is estimated at 3.5–4.5% per annum,<sup>2</sup> which corresponds to a nominal neutral rate of 7.5–8.5% per annum, given the inflation target.

## EXTERNAL ENVIRONMENT

### WORLD ECONOMY

Uncertainty associated with global trade restrictions remains high. In the near term, the level of US and their trade partners' import tariffs is below expectations due to postponements granted by the US to

<sup>1</sup> The yearly average global economic growth over 2000–2019 was 3.8% (according to the IMF).

<sup>2</sup> The Bank of Russia updates the estimate of the neutral rate annually and presents it in the Monetary Policy Guidelines.

other countries for concluding trade agreements. However, taking into account trade agreements with the UK and China, over the medium-term horizon, tariffs will stabilise at higher levels than expected in April. Contrastingly, the adverse effect of import tariffs on global output turned out to be less significant than assumed in April. This is in part driven by repeated postponements and numerous exemptions, increase in inventories, and the higher resilience of the global economy to tariff shocks.

Given the above, the 2025–2026 forecast for global economic growth has been raised. The US inflation forecast for 2025, in turn, has been lowered, while the main effect of import tariffs on price growth is now expected to materialise in 2025 Q3. At the same time, the medium-term inflation forecast in the US, the EU and China has been revised upwards due to the anticipated stabilisation of tariffs at higher levels. The paths of the US Fed, the ECB, and the People's Bank of China policy rates have been raised in line with inflation.

MAIN PARAMETERS OF EXTERNAL CONDITIONS IN BANK OF RUSSIA'S BASELINE FORECAST<sup>1</sup>

Table 3

	2020	2021	2022	2023	2024	2025 (forecast)	2026 (forecast)	2027 (forecast)	2028 (forecast)
World GDP, % YoY	-3.0	6.6	3.5	3.3	3.2	3.1	2.9	3.2	2.9
US GDP, % YoY	-2.2	6.1	2.5	2.9	2.8	1.6	2.0	2.1	1.9
Euro area GDP, % YoY	-6.1	6.2	3.6	0.6	0.8	1.2	1.0	1.6	1.2
Chinese GDP, % YoY	2.0	8.9	3.2	5.4	5.0	4.9	4.8	4.9	4.5
Inflation, US, % YoY	1.5	5.2	5.0	3.0	2.9	3.3	2.5	2.2	2.0
Inflation, euro area, % YoY	0.2	2.7	5.2	3.5	2.7	2.0	1.9	1.9	1.9
Inflation, China, % YoY	0.4	1.0	0.5	0.6	0.2	1.0	1.0	1.3	1.6
US Fed rate, %	0.1	0.1	3.7	5.3	4.7	4.3	4.0	3.8	3.5
ECB rate, %	-0.5	-0.5	1.3	4.0	3.3	1.8	1.7	1.8	2.0
Chinese rate, %	3.9	3.8	3.7	3.5	3.2	2.9	2.9	3.2	3.6

<sup>1</sup> For world GDP in 2024, the Bank of Russia's estimate is provided. The inflation item shows core inflation (Core PCE) for the US, core inflation (Core HICP) for the euro area, and core inflation (Core CPI) for China. The policy rates item shows the US Fed Funds Effective Rate, the average for Q4 of the year; the ECB rate (deposit facility), the average for Q4 of the year; and the Loan Prime Rate for one-year borrowing of the People's Bank of China, the average for Q4 of the year.

Sources: national statistical agencies, US Fed, ECB, IMF, Bank of Russia calculations.

## COMMODITY MARKETS

Oil prices remain under pressure from protectionist restrictions on global trade and rising oil production in OPEC+ countries. Russian crude export prices fell to \$56 per barrel in 2025 Q2 on average from \$70 per barrel at the start of the year. In June, the worsening situation in the Middle East gave a temporary boost to oil prices, but the deterioration in the balance of demand and supply in the oil market in 2025 H2, due in part to the accelerated increase in OPEC+ production, will depress Russian oil prices. The Bank of Russia has lowered its 2025–2026 forecast for the price of Russian oil used for tax purposes to \$55 per barrel. The 2027–2028 forecast remains unchanged at \$60 per barrel.

Over the forecast horizon, prices for Russia's non-commodity exports will be determined by global inflation trends.

## INTERNAL CONDITIONS

### MONETARY POLICY

**Key rate.** Amid the noticeable easing of inflationary pressures, the Bank of Russia has lowered the forecast range of the average key rate to 18.8–19.6% per annum in 2025 (vs 19.5–21.5% per annum predicted in April). The average key rate forecast for 2026 has been also revised downwards by 1 pp to 12.0–13.0% per annum. In 2027 and 2028, the key rate is predicted to return to its neutral range of 7.5–8.5% per annum.

**Banking sector liquidity and money market rates.** In 2025, the banking sector is expected to switch from a structural liquidity surplus to a deficit. The estimated structural deficit has been lowered to ₹1.1–1.9 trillion as of the end of the year (over the December required reserve averaging period).

The liquidity forecast has been updated due to changes in the forecast of required reserves given the actual structure of banks' balance sheets, including their foreign currency components.

The growth of the liquidity deficit in 2025 will continue to be driven by the uniform mirroring by the Bank of Russia of foreign currency net sales conducted in 2024 in the domestic FX market. Bank of Russia transactions to mirror regular fiscal rule-based operations with foreign currency and operations to invest NWF resources in eligible financial assets will partially offset the impact of the budget operations on the banking sector's liquidity.

The growth of cash in circulation in 2025 will cause an outflow of liquidity from banks totalling ₹0.1–0.5 trillion.

As before, the forecast of required reserves assumes their increase over the period under review through the overall expansion of money supply.

As the structural liquidity surplus will be decreasing and the deficit will be increasing, the market share of banks showing demand for liquidity will be rising, exacerbating competition between banks willing to raise funds in the money market. Eventually, short-term money market rates (RUONIA) may stay slightly above the key rate. This will make a small one-off contribution to the tightening of monetary conditions.

### MONETARY INDICATORS

**Claims on the economy.** In 2025 H1, growth in corporate lending was moderate, while that in retail lending was weak, which was in line with Bank of Russia expectations. By the end of June, the annual growth of claims on organisations slowed to 14.9%, while that of claims on households was near zero. Credit activity was constrained by tight price lending conditions as well as high banking requirements for borrowers caused in part by a more conservative use of capital and liquidity amid the normalisation of main prudential ratios.

By the end of 2025 Q2, credit rates somewhat lowered due to the actual and expected changes in the key rate path. There has been no noticeable softening in non-price lending conditions so far. According to expectations, at the end of 2025, credit activity will be moderate, growth in claims on the economy will range from 7% to 10%, with claims on organisations and households increasing by 9–12% and 1–4%, respectively.

Amid a further reduction in market lending rates and a gradual recovery in the propensity to consume, the growth of claims on households will increase to 5–10% in 2026. The growth of claims on organisation will



range from 7% to 12%, with the growth of all claims on the economy remaining near the 2025 levels. In 2027–2028, claims on the economy will be growing steadily at a rate of 8–13%, which corresponds to a balanced growth path.

**Money supply.** The cooling of credit market activity in 2025 will make a noticeable contribution to slower growth in money supply in national definition (M2). Considering the fiscal policy assumptions used in the baseline scenario, the M2 growth will equal 6–9% at the end of 2025 and 5–10% in 2026. In 2027–2028, the M2 growth will range from 7% to 12% due to higher credit activity as inflation will stabilise near the target.

## GDP

In 2025 Q1, GDP was up by 1.4% in annualised terms, which was below the Bank of Russia's April 2025 forecast (2.0%). Based on the actual data for 2025 Q1, the cooling of domestic demand was faster than expected in April. However, the dynamics of domestic demand components were uneven in 2025 Q1: the slowdown in the growth of household and general government consumption was more pronounced than predicted in April and occurred simultaneously with a stronger-than-expected increase in gross fixed capital formation. Changes in inventories and net exports made a negative contribution to GDP dynamics in 2025 Q1.

According to the Bank of Russia, the positive output gap contracted in both 2025 Q1 and Q2, which was reflected in slower inflation. As evidenced by high-frequency data, GDP gained 1.8% year on year in 2025 Q2, which was close to the April forecast (1.9%). In 2025 Q3, economic activity will grow moderately, with the middle of the forecast range corresponding to the annual GDP growth of 1.6%. In 2025 Q4, the annual GDP growth rate is expected to range from 0.0% to 1.0% due in part to the high base effect of 2024 Q4, when certain industries recorded sharp temporary rises in output. In 2025, the GDP growth will average 1.0–2.0%. In 2026, moderate consumer and investment demand shaped by the tight monetary policy pursued in 2025 will slow down the GDP growth rate to 0.5–1.5%. In 2026–2028, the contribution from consumer demand to GDP dynamics will be rising as interest rates will go down. According to the baseline scenario, the potential growth rate of the Russian economy is expected to reach 1.5–2.5% in 2027 and will remain unchanged further on.

**Final consumption expenditure.** In 2025 Q1, the growth of final consumption expenditure was 2.6% year on year, which was below the April forecast. A slowdown was registered in both private and public sectors to 3.0% and 1.4%, respectively. According to high-frequency data for 2025 Q2, growth in consumer activity continued to go down. In 2025–2026, growth in final consumption expenditure will decline to 0.5–1.5% under the effects of tight monetary policy pursued in 2025. In 2027, consumption growth rates are forecast to return to the level of 1.5–2.5%, which is consistent with a balanced growth path.

**Gross capital formation.** In 2025 Q1, growth in gross capital formation was 1.9% in annualised terms, which was lower than expected in April. The forecast rate of growth in gross capital formation has been reduced compared to April by 1 pp to 0.5–2.5% due to the revision of the contribution of changes in inventories to GDP. In 2026, growth in gross capital formation is forecast to remain unchanged in the 0.5–2.5% range, which is 0.5 pp above the April forecast. In 2027, the indicator will grow by 1.0–3.0%, evidencing its return to a balanced growth path.

- **Gross fixed capital formation.** Projected growth in gross fixed capital formation in 2025 has been raised by 1.5 pp compared with the April forecast (to 1.5–3.5%) due to a considerable acceleration in this indicator in 2025 Q1 (by 8.5% year on year, which was significantly above the April forecast), government support for investment demand, in particular within the framework of government investment and infrastructure projects, as well as more optimistic corporate investment plans. In

2026, growth in gross fixed capital formation will slow to 0.0–2.0%. As monetary conditions approach a neutral level and the economy resumes its balanced growth path, starting from 2027, gross fixed capital formation will be growing at its stable rate of 1.0–3.0%.

- **Changes in inventories.** Changes in inventories made a significant negative contribution to annual GDP growth in 2025 Q1. According to the Bank of Russia, in 2025 Q1, the seasonally adjusted change in inventories in constant prices was the lowest since 2009. Irrespective of the assumed adjustment to inventories in 2025 Q2–Q4, their contribution to GDP growth will remain negative at the end of this year. In 2026, due to the ongoing adjustment, changes in inventories will make a small positive contribution to GDP growth. In 2027–2028, the effect of changes in inventories on GDP will be close to zero.

**Exports (quantities).** The Bank of Russia expects that the rates of growth in export quantities will be (–1.0)–1.0% in 2025. In 2026, growth in exports will exceed the April forecast by 0.5 pp and reach 0.5–2.5% owing to a more positive world economic outlook. From 2027, export growth will reach a sustainable level of 1.0–3.0% as companies adapt to changes in external conditions.

**Imports (quantities).** The Bank of Russia has lowered its import growth forecast for 2025 to (–1.5)–0.5% due to a deeper-than-expected decline in the imports of land motor vehicles in 2025 Q1. In 2026, growth in import quantities will accelerate to 0.5–2.5%. From 2027, growth in imports will stabilise at 1.0–3.0%.

## BALANCE OF PAYMENTS

**Exports.** Amid lower energy prices, the value of exports will be below the April forecast in both 2025 and 2026. Next year, the annual expansion of exports will be supported by the non-oil and gas component. In 2027, growth in total exports in nominal terms will accelerate due to a recovery in oil prices. In 2028, exports will continue to expand on account of other goods and services, with exports growth slowing in the wake of an oil price stabilisation.

**Imports.** The projected value of imports has been raised over the forecast horizon given the higher-than-expected increase in services imports in 2025 H1 and higher external inflation. Imports will be also supported by the actual appreciation of the ruble. In 2026–2028, growth in imports is forecast to be driven by an increase in import quantities due to the development of logistics chains and payments. The ratio of imports to GDP will be lower than before 2022 over the medium-term horizon. Growth in import prices is expected to be in line with external inflation.

**Current account.** The projected current account surplus has been revised downwards for 2025–2026. It is forecast to decrease to \$33 billion in 2025 due to lower exports, and to \$28 billion in 2026 given a faster rise in imports. In 2027, driven by quicker growth in exports, the current account surplus will increase to \$32 billion and will stabilise at that level in 2028.

**Financial account.** Over the forecast horizon, the financial account balance, net of reserves, is expected to contract from \$53 billion in 2025 to \$42 billion in 2026 and \$34–35 billion in 2027–2028 mainly due to an increase in foreign assets, net of reserves. In 2025, reserves are forecast to decline more sharply than expected in April owing to higher foreign currency sales, including fiscal rule-based operations, amid lower oil prices. In 2026–2028, reserves are expected to reduce as part of mirroring the fiscal rule-based operations conducted to use NWF resources to finance the budget deficit amid oil prices staying below the cut-off level.<sup>3</sup>

<sup>3</sup> Under the fiscal rule, base oil and gas prices are indexed by 2% annually starting from 2027 (Clause 4 of Article 96.6 of the Budget Code of the Russian Federation). Thus, in 2027, the base oil price will be \$61.2 per barrel and the base gas price will be \$255.0 per thousand cubic meters. In 2028, these prices will be \$62.4 and \$260.1, respectively.



## INFLATION

Annual inflation equalled 9.4% as of the end of 2025 Q2, which was below the Bank of Russia's April forecast (10.1%). As in 2025 Q1, current inflation continued to slow down rapidly in 2025 Q2 compared to the peak values of late 2024 amid tight monetary policy and totalled 4.8% (seasonally adjusted annualised rate, SAAR). As the slowdown in consumer price inflation was sharper than expected in the April forecast, the annual inflation forecast for the end of 2025 has been reduced. In the updated baseline forecast, a CPI inflation rate of 8.5% (SAAR) in 2025 Q3 corresponds to the middle of the range. The acceleration is driven by a significant indexation of utility rates in July. By the end of 2025, the current inflation rate will go down to 4% (SAAR). Annual inflation will continue to decline in 2025 H2, will total 8.5% at the end of 2025 Q3, and will range from 6.0% to 7.0% in December 2025.

The Bank of Russia's baseline forecast assumes that given the current monetary policy stance and the return of the economy to a balanced growth path, annual inflation will return to the 4% target in 2026 and stabilise at the target thereafter.

### INFLATION AND GDP DYNAMICS

Table 4

	Actual/Bank of Russia's forecast							
	2024 Q4 (actual)	2025 Q1 (actual)	2025 Q2 (actual/ estimate)	2025 Q3 (forecast)	2025 Q4 (forecast)	2026 Q4 (forecast)	2027 Q4 (forecast)	2028 Q4 (forecast)
Inflation, % YoY <sup>1</sup>	9.5	10.3	9.4	8.5	6.0–7.0	4.0	4.0	4.0
Inflation, % QoQ, SAAR	12.8	8.2	4.8	8.5	–	–	–	–
GDP, % YoY <sup>1</sup>	4.5	1.4	1.8	1.6	0.0–1.0	1.0–2.0	1.5–2.5	1.5–2.5

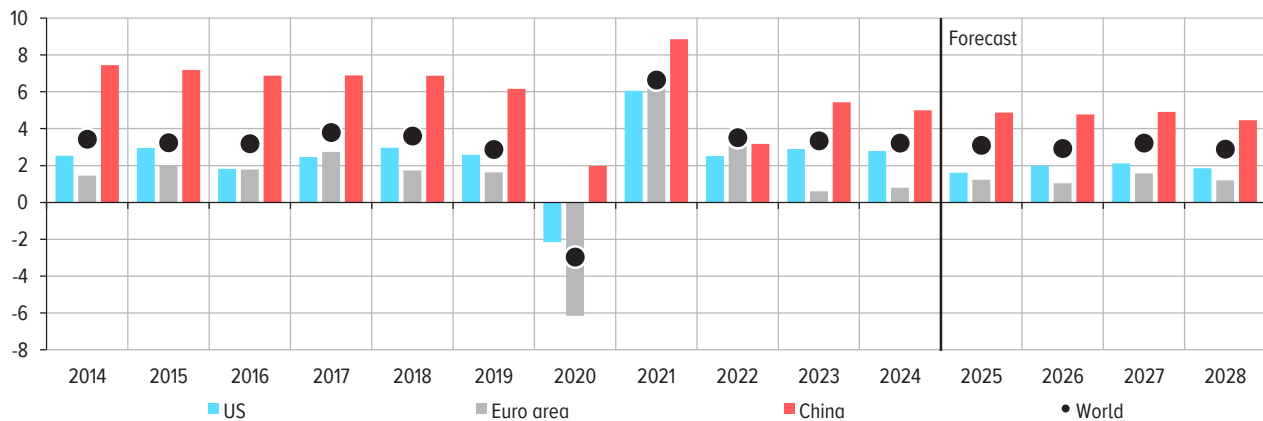
<sup>1</sup> GDP figures for 2025 Q2–Q3 and inflation figures for 2025 Q3 are given for reference and show the paths of GDP and inflation close to the middle of the respective forecast range for 2025. The figures for 2025 Q4–2028 are the Bank of Russia's forecast.

Sources: Rosstat, Bank of Russia calculations.

## ANNEX

GDP GROWTH (MAJOR ECONOMIES)  
(% YOY)

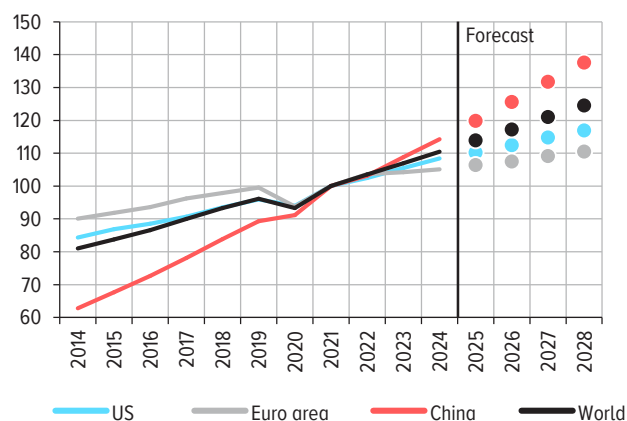
Chart 1



Sources: national statistical agencies, Bank of Russia calculations.

GDP (MAJOR ECONOMIES)  
(2021 = 100)

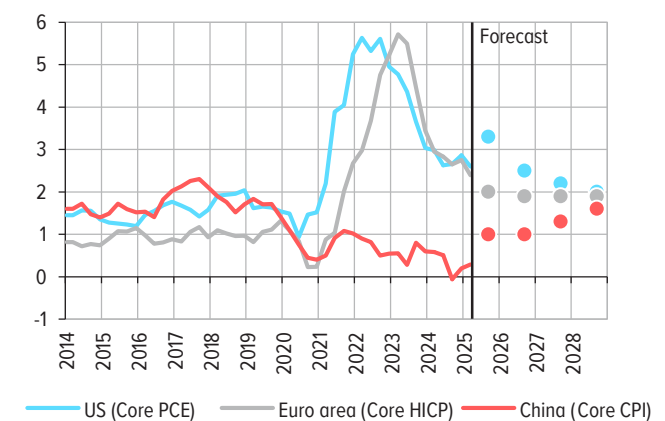
Chart 2



Sources: national statistical agencies, Bank of Russia calculations.

INFLATION (MAJOR ECONOMIES)  
(% YOY)

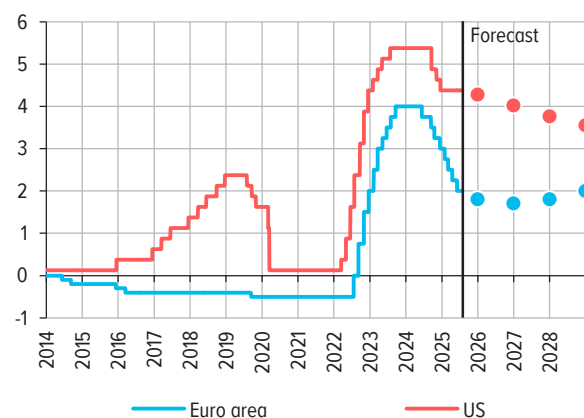
Chart 3



Sources: national statistical agencies, Bank of Russia calculations.

POLICY RATES: US FED FUNDS RATE (MIDDLE OF RANGE), ECB DEPOSIT FACILITY RATE  
(% per annum)

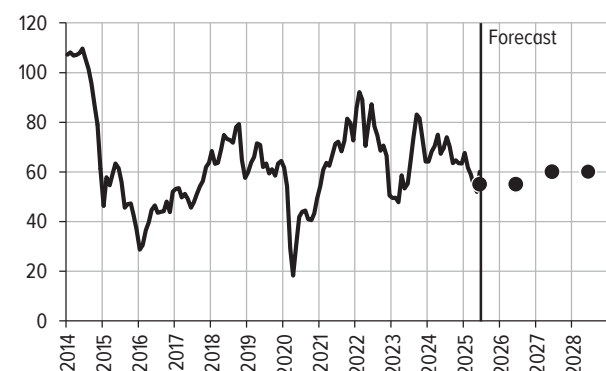
Chart 4



Sources: Cbonds, Bank of Russia calculations.

AVERAGE OIL PRICE FOR TAX PURPOSES  
(\$)

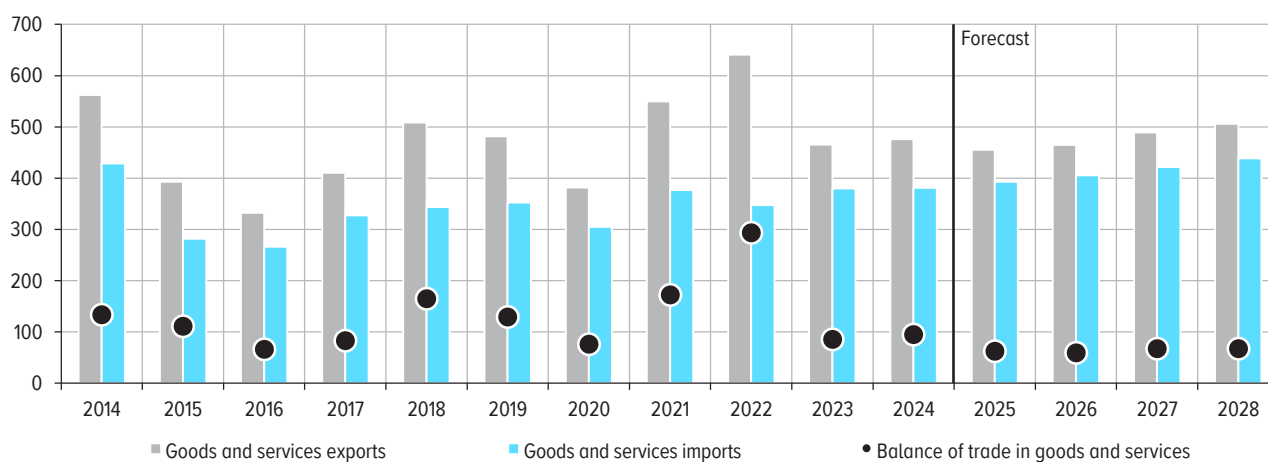
Chart 5



Sources: Ministry of Economic Development of the Russian Federation, Bank of Russia calculations.

## FOREIGN TRADE, GOODS AND SERVICES (\$ bn)

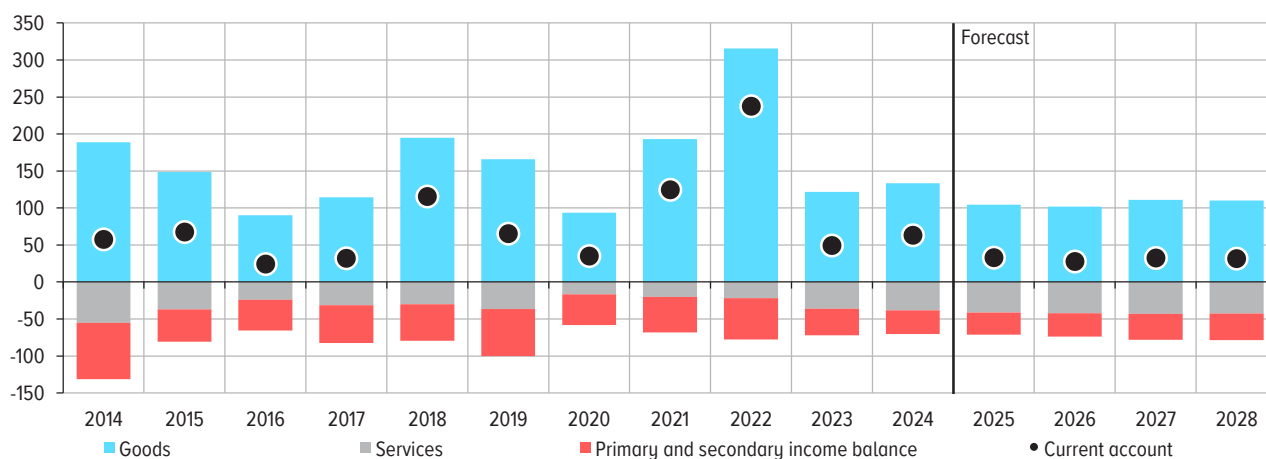
Chart 6



Source: Bank of Russia calculations.

## CURRENT ACCOUNT AND ITS COMPONENTS (\$ bn)

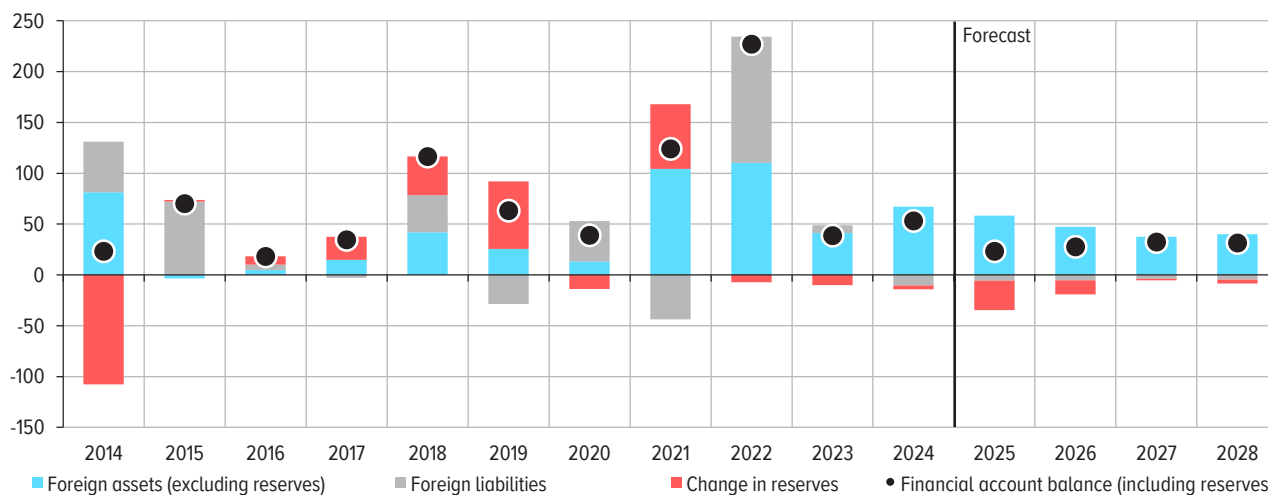
Chart 7



Source: Bank of Russia calculations.

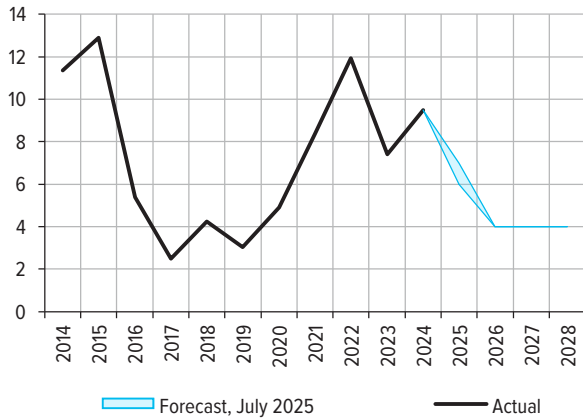
## MAIN FINANCIAL ACCOUNT COMPONENTS\* (\$ bn)

Chart 8

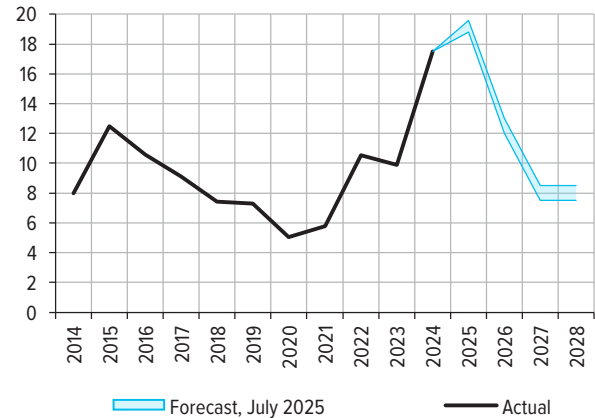


\*In the balance item, '-' denotes net borrowing and '+' denotes net lending. In the assets item, '-' denotes a decrease and '+' denotes an increase. In the liabilities item, '-' denotes an increase and '+' denotes a decrease.

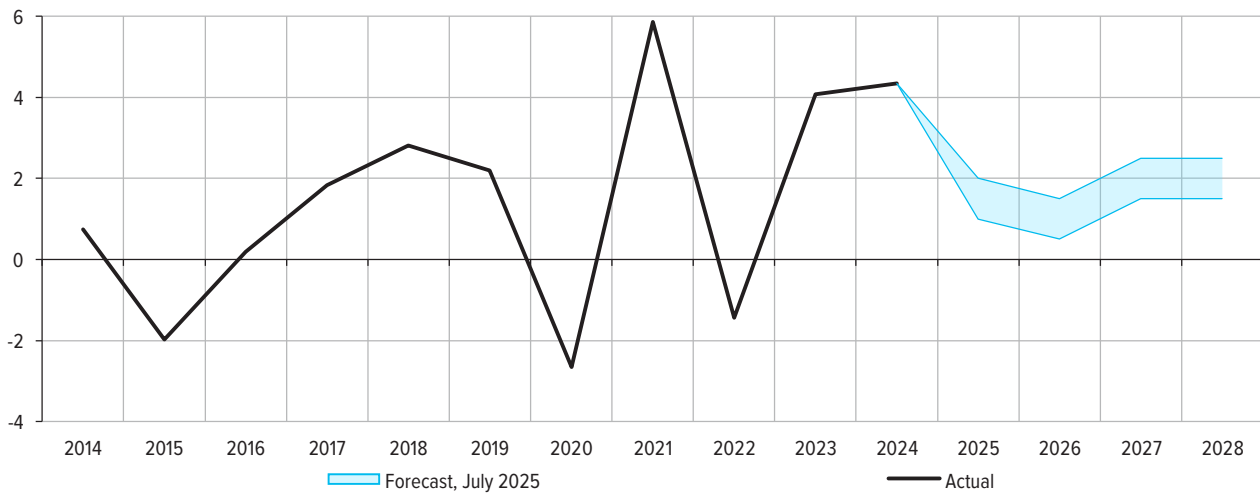
Source: Bank of Russia calculations.

**INFLATION**  
(% in December YoY)**Chart 9**

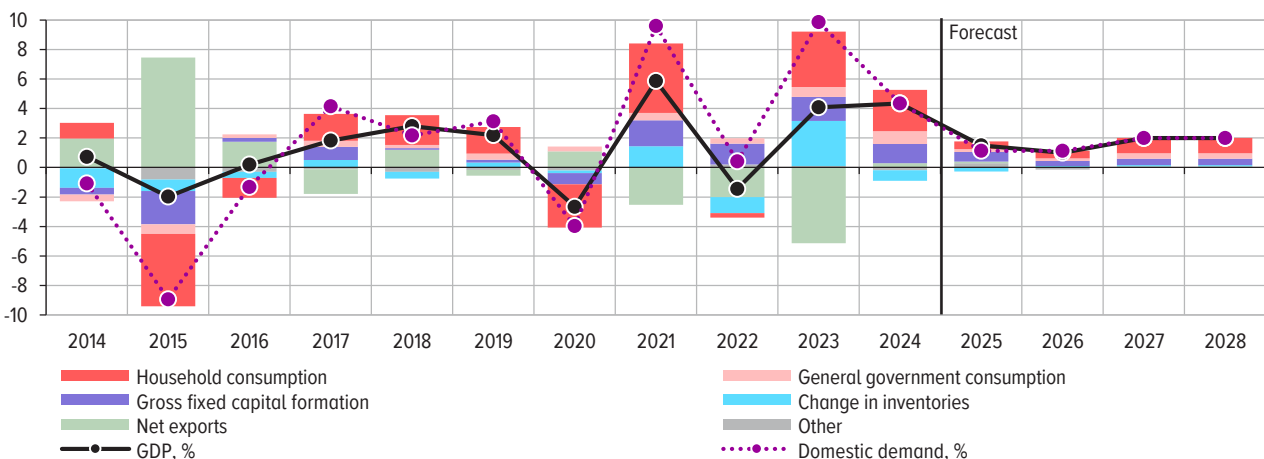
Source: Bank of Russia calculations.

**AVERAGE ANNUAL KEY RATE**  
(% per annum)**Chart 10**

Source: Bank of Russia calculations.

**GDP GROWTH RATE**  
(% YOY)**Chart 11**

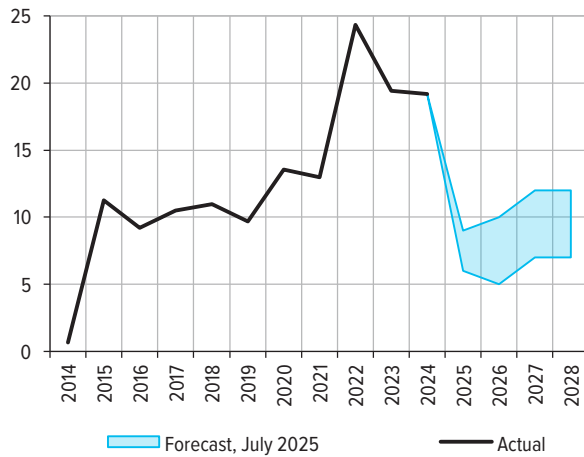
Source: Bank of Russia calculations.

**DECOMPOSITION OF GDP INTO EXPENDITURE COMPONENTS**  
(% YoY, pp, for the year)**Chart 12**

Sources: Rosstat, Bank of Russia calculations.

**M2 (MONEY SUPPLY IN NATIONAL DEFINITION)**  
(% YoY)

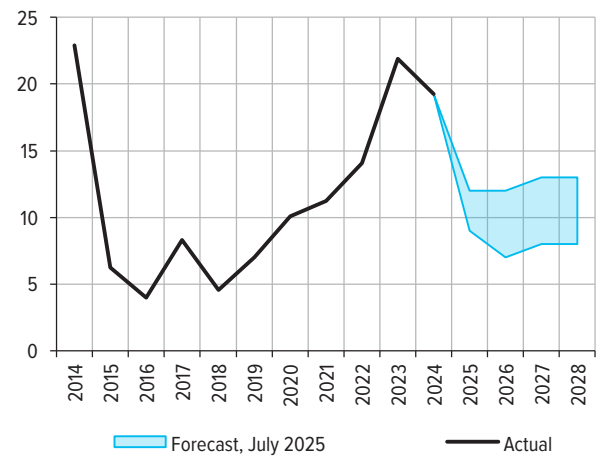
**Chart 13**



Source: Bank of Russia calculations.

**CLAIMS ON ORGANISATIONS**  
(% YoY, adjusted for foreign currency revaluation)

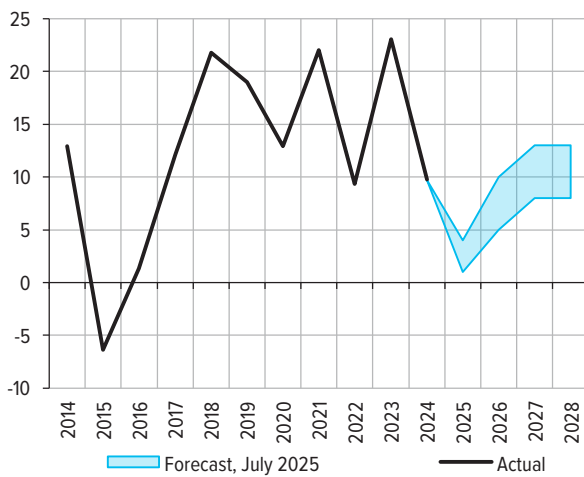
**Chart 14**



Source: Bank of Russia calculations.

**CLAIMS ON HOUSEHOLDS**  
(% YoY, adjusted for foreign currency revaluation)

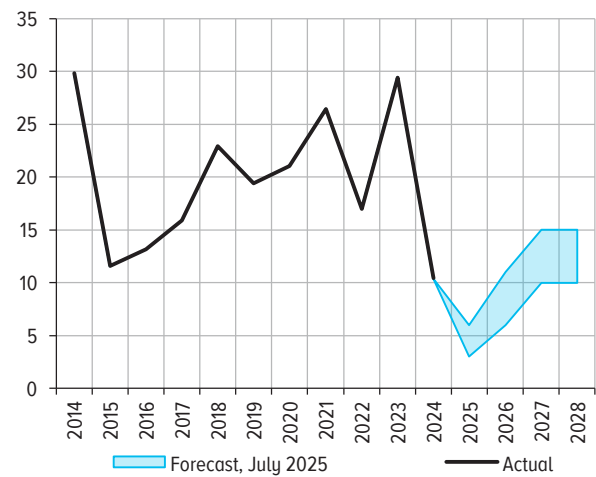
**Chart 15**



Source: Bank of Russia calculations.

**MORTGAGE LOANS**  
(% YoY, adjusted for foreign currency revaluation)

**Chart 16**



Source: Bank of Russia calculations.