

# Bank of Russia's medium-term forecast

following the Bank of Russia Board of Directors' key rate meeting on 7 February 2020



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

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

	2019 (actual)	BASELINE		
		2020	2021	2022
Urals price, average for the year, US dollars per barrel	64	55	50	50
Inflation, as % in December year-on-year	3.0	3.5-4.0	4.0	4.0
Inflation, average for the year, as % year-on-year	4.5	3.0-3.4	4.0	4.0
Gross domestic product	1.3	1.5-2.0	1.5-2.5	2.0-3.0
Final consumption expenditure	2.4	1.5-2.0	1.5-2.0	1.8-2.3
– households	2.3	2.0-2.5	2.0-2.5	2.0-2.5
Gross capital formation	2.7	3.5-4.5	3.5-4.5	2.5-3.5
– gross fixed capital formation	1.4	3.5-4.5	3.5-4.5	2.5-3.5
Exports	-2.1	2.0-2.5	2.0-2.5	2.5-3.0
Imports	2.2	3.0-3.5	3.5-4.0	2.5-3.0
Money supply in national definition	9.7	7-12	7-12	7-12
Claims on organisations and households in rubles and foreign currency <sup>1</sup>	10.1	7-12	7-12	7-12
– on organisations	7.1	6-10	6-10	6-10
– on households	19.0	10-15	10-15	10-15

<sup>1</sup> Banking sector claims on organisations and households means all of the banking sector'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 the baseline scenario<sup>2</sup>

(billions of US dollars)

	2019 (estimate)	BASELINE		
		2020	2021	2022
<b>Current account</b>	<b>71</b>	<b>47</b>	<b>30</b>	<b>18</b>
Balance of trade	163	136	122	115
Exports	418	395	388	392
Imports	255	259	266	277
Balance of services	-35	-36	-38	-42
Exports	64	64	65	65
Imports	98	100	103	107
Balance of primary and secondary income	-58	-53	-54	-55
<b>Current and capital account balance</b>	<b>70</b>	<b>47</b>	<b>30</b>	<b>18</b>
<b>Financial account (excluding reserve assets)</b>	<b>-2</b>	<b>9</b>	<b>4</b>	<b>4</b>
Government and the central bank	-24	-6	-6	-6
Private sector	22	15	10	10
<b>Net errors and omissions</b>	<b>-5</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in reserve assets ('+' – increase, '-' – decrease)</b>	<b>66</b>	<b>38</b>	<b>25</b>	<b>14</b>

<sup>2</sup> Using the methodology of the 6<sup>th</sup> 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.