The background is a dark blue gradient with a faint grid pattern. On the right side, there is a 3D bar chart with several bars of increasing height. In the center-right, there is a 3D globe showing the continents. Several glowing lines in shades of blue and green curve across the scene, some with small circular markers.

Oleg Zamulin

➤ Macroeconomic trends

Macroeconomic conditions

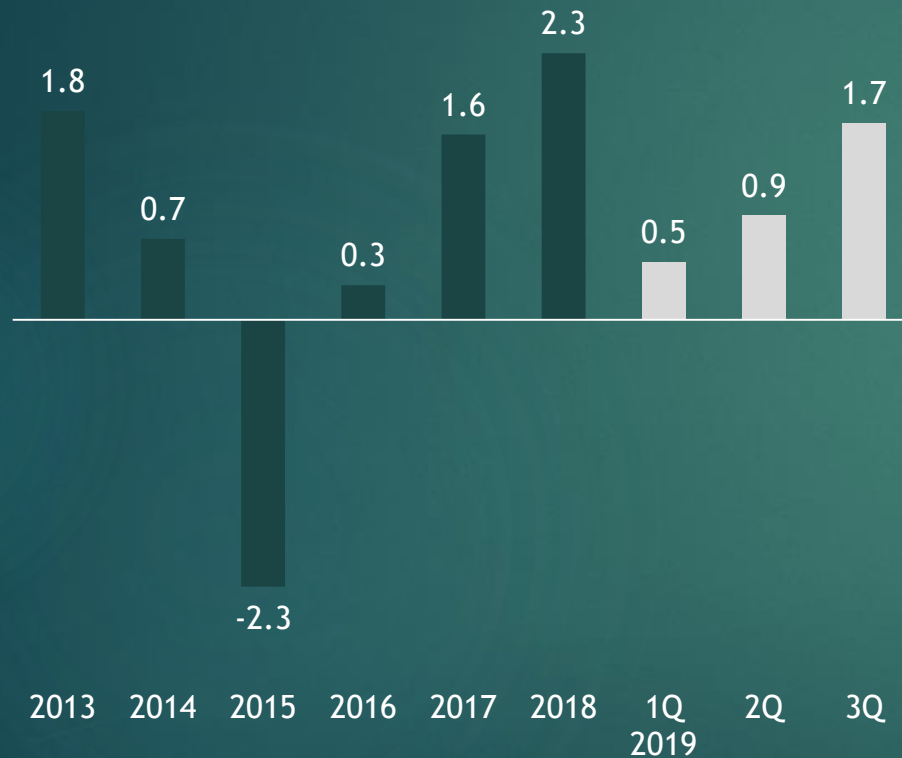


Economic growth accelerates



GDP growth accelerated in 3Q

GDP growth, %



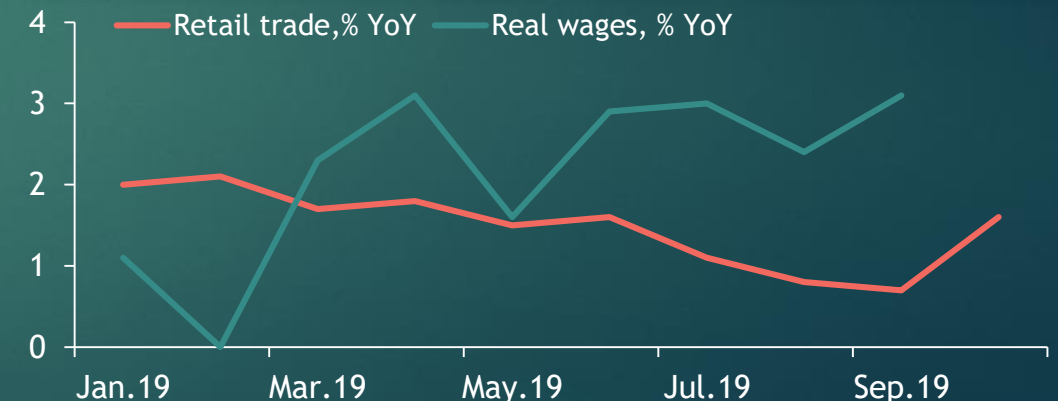
Source: CEIC

Key industries grew in October...



Source: CEIC

...and consumer activity improved

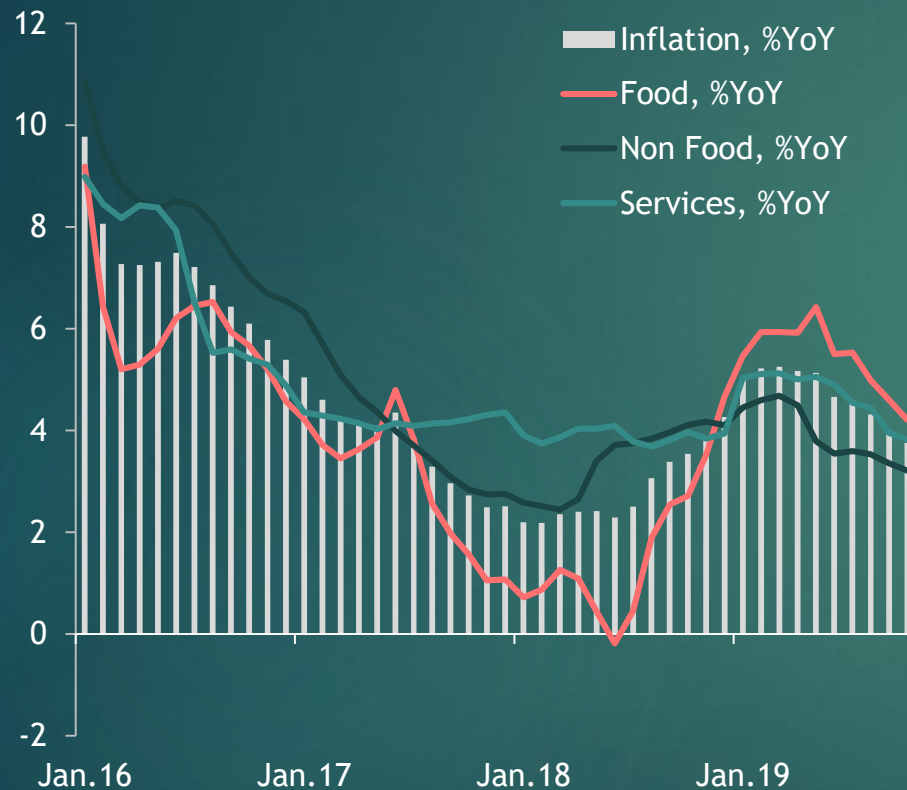


Source: CEIC

Inflation remains low

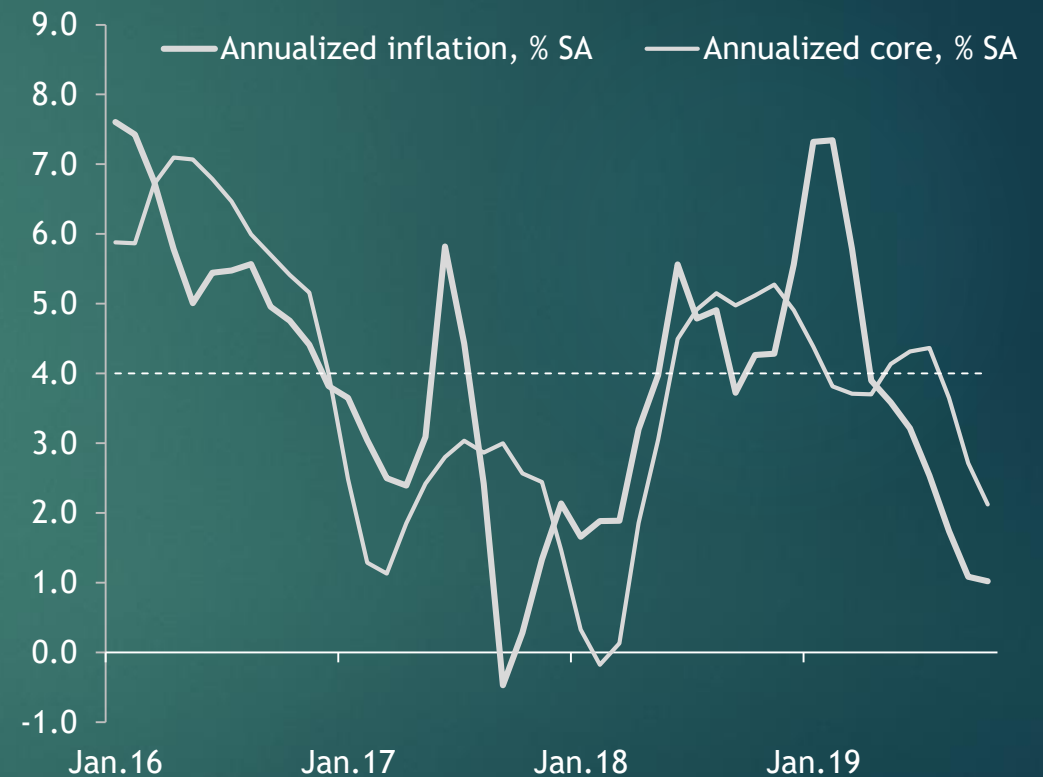


Inflation slows thanks to good harvest



Source: CEIC

Inflationary pressure remains weak

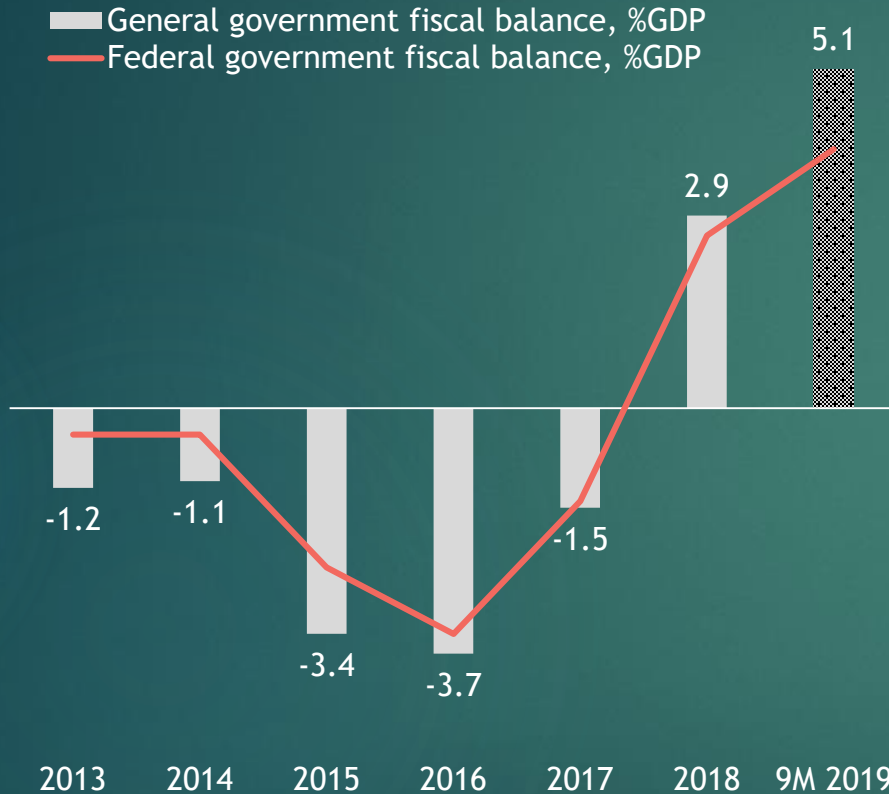


Source: CEIC, CMR

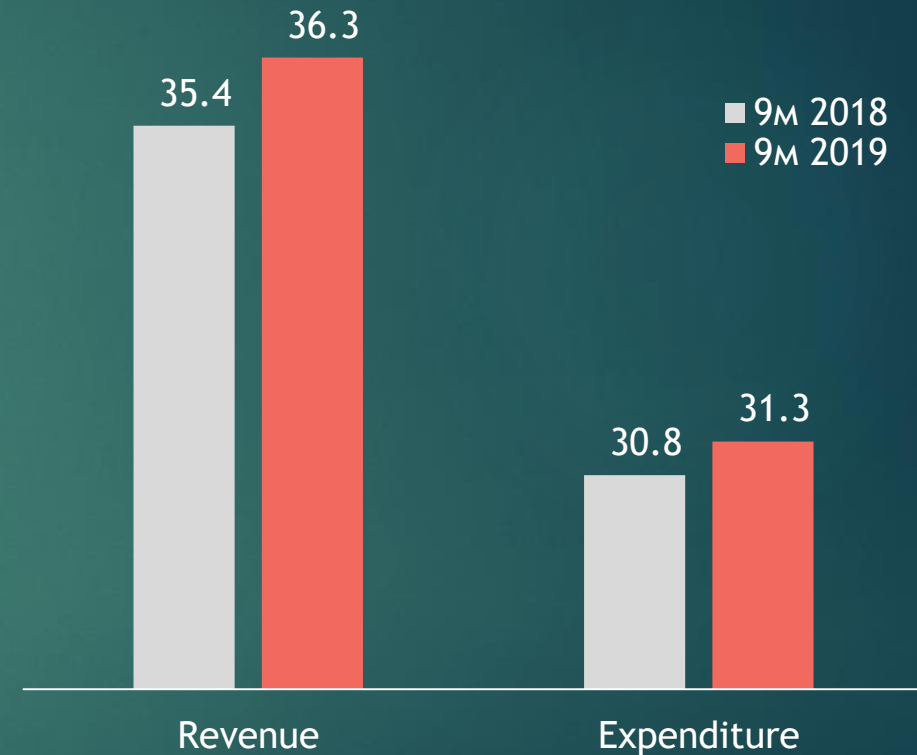
Fiscal policy remains tight



General government surplus



Surplus increased due to revenue growth



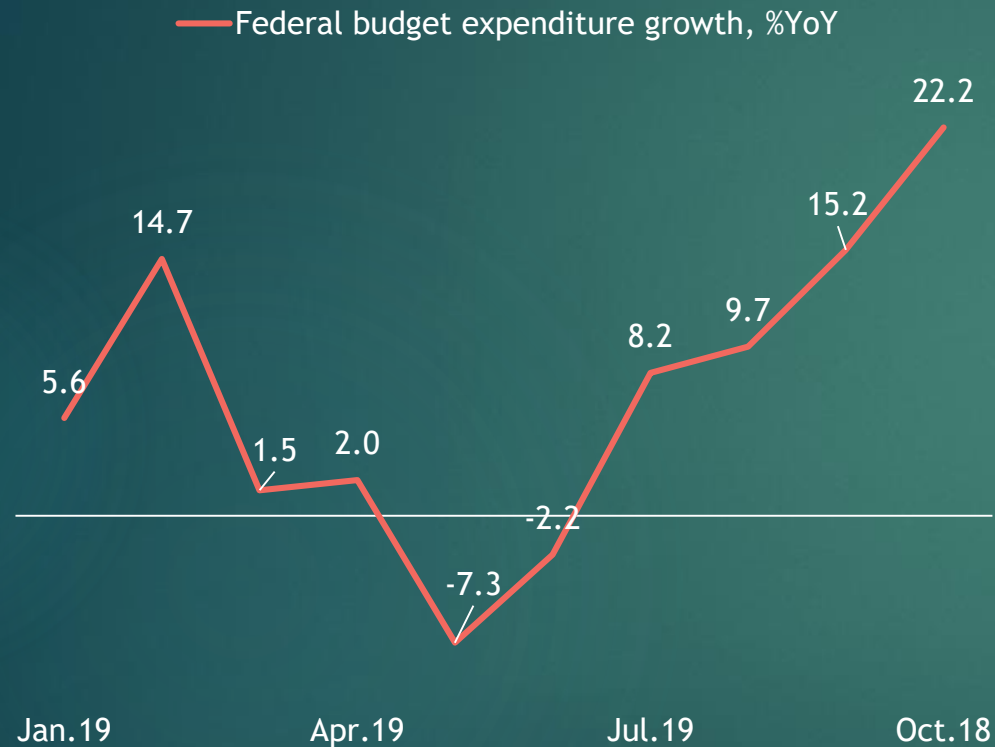
Source: Ministry of Finance, Federal Treasury, CEIC

Source: Ministry of Finance, Federal Treasury, FSSS

But budget surplus will decline by the end of 2019



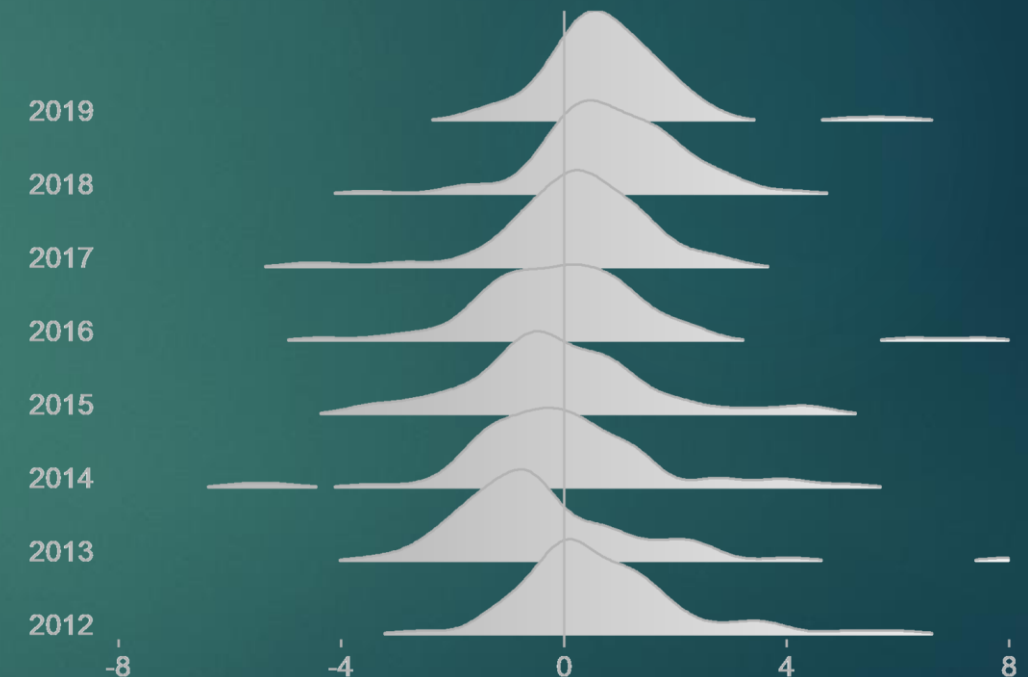
Federal budget outlays keep rising



Source: CEIC

Regional budgets - the same as last year

Distribution of regions by 9 months surplus, % of GRP



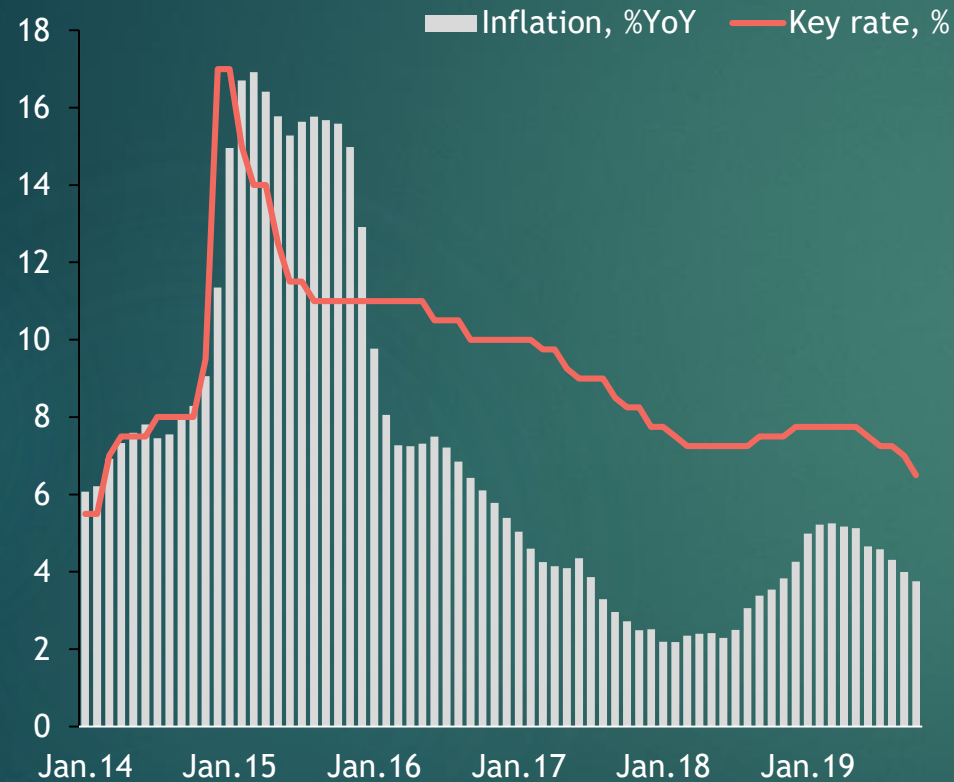
Source: Ministry of Finance, Federal Treasury, FSSS

Bank of Russia eases monetary policy



The CBR cut the key rate...

...close to its neutral level



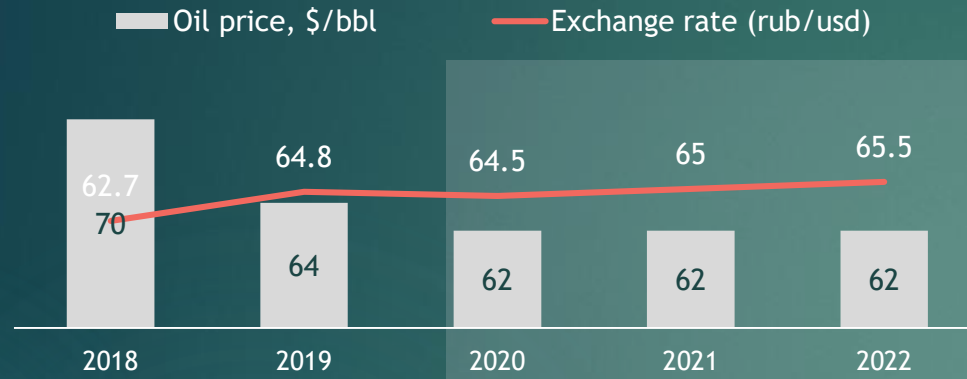
- Economic growth and inflation remains low
- Mostly due to tight fiscal policy
- Inflation has started to accelerate when the key rate was 7.25% in 2018
- Inflation has not responded to recent rate cuts yet
- Monetary conditions are easing due to decline in risk premium and term premium

Source: CEIC

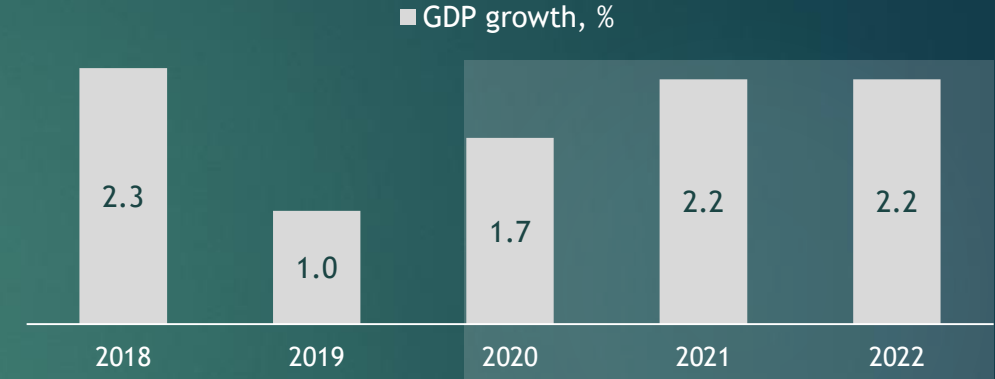
Baseline scenario



Oil price stabilizes at \$62



Economic growth to accelerate



Capital outflows will slow down



The CBR will cut the key rate

