



**RUSSIAN FOREIGN
TRADE ACADEMY**

SCENARIOS OF RUSSIAN ECONOMIC DEVELOPMENT, TRADE AND FISCAL POLICY IN 2020–2023

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The shocks in the global economy

1. Decline in aggregate supply due to quarantine measures

- ✓ business suspension
- ✓ violation of the supply chain of intermediate and final goods between countries and on national markets
- ✓ reduced labor mobility

2. Decline in aggregate demand

- ✓ reduced demand for services, durable goods
- ✓ reduction in international trade

3. The growth of uncertainty due to the spread of coronavirus

4. The fall in prices at first for commodities, and then for other investment goods

5. Capital flight from risky assets (strengthening of the US dollar relative to other currencies)



Preconditions for baseline and conservative scenarios

	Basic option (1)	Conservative option (2)
World economy and quarantine measures	Gradual global economic recovery and mass vaccinations starting in late 2020	Slow recovery of the global economy, introduction of partial restrictions in a number of countries between autumn 2020 and spring 2021.
OPEC + Agreement	Maintaining the deal in full until April 2022, followed by a sharp increase in production to the level of 2019.	
Urals oil price	A gradual recovery in demand, stabilization of the price around \$ 55 per barrel, starting in 2022.	Slow growth in oil prices, reaching the level of \$ 55 per barrel only in 2023.
Inflation	Maintaining inflation below the target level of the Bank of Russia (4%) throughout the forecast period	In 2021, a slight excess of the target level of the Bank of Russia due to the weakening of the national currency, returning to the level of 4% from 2022.
Demographic situation	Small annual population decline, including fertility support measures	

External Scenario Conditions

Indicator	2019	2020		2021		2022		2023	
		1	2	1	2	1	2	1	2
Urals crude oil prices, \$ per barrel	63,5	42,0	40,0	50,0	45,0	55,0	50,0	55,0	
Global economic growth,% per year	2,9	-5,0	-8,0	5,0	3,0	3,5	4,0	3,5	
US dollar to euro exchange rate, \$ / €	1,12	1,15		1,18		1,19		1,2	
Oil production, million tons	560	507		517		546		554	
Oil export, million tons	266	225		227		252		260	

Internal Scenario Conditions

Figure	2019	2020		2021		2022		2023	
		1	2	1	2	1	2	1	2
Average annual nominal exchange rate of the ruble against the US dollar, rubles / \$	64,7	69,2	72,9	68,7	72,5	68,4	72,1	68,4	71,8
Real effective ruble exchange rate	100	87,5	83,7	94,0	87,8	97,8	91,7	97,8	95,4
Consumer Price Index (Dec to Dec)	3,0	3,8	4,0	3,5	4,3	3,0	4,0	3,0	4,0
Base price of Urals oil, \$ per barrel	41,6	42,4		43,3		44,2		45,0	

Current Account Forecast

Current account section	2019	2020		2021		2022		2023	
		1	2	1	2	1	2	1	2
Trade commodity balance	164	78	82	89	92	123	125	131	123
Export of goods	419	302	295	336	320	384	367	397	379
Export of hydrocarbons, USD billion	238	133	127	160	144	195	177	201	183
Export of non-hydrocarbons, USD billion	181	168	168	176	176	189	189	196	196
Export of non-hydrocarbons, volume index, in relation to the level of 2019	100	101.5	101.5	107.0	107.0	115.0	115.0	119.0	119.0
Import of goods	254	223	213	247	228	261	242	266	255
Balance of trade in services	-36.2	-16	-15	-31	-27	-34	-27	-22	-17
Export of services	63	51	49	57	51	58	49	54	44
Import of services	99	67	65	88	78	92	76	75	61
Pay balance	-3.6	-3.2	-3.0	-3.2	-2.8	-3.4	-2.8	-3.5	-2.8
Investment income balance	-49.8	-32	-31	-32	-28	-36	-30	-40	-33
Secondary income balance	-10.2	-9	-9	-9	-8	-9	-8	-10	-8
Current account	65	18	25	14	25	41	57	56	63



Scenario forecast of the main indicators of socio–economic development of the Russian Federation

Figure	2019	2020		2021		2022		2023	
		1	2	1	2	1	2	1	2
Real GDP growth,% per year	1,3	–4,2	–4,8	2,2	1,3	2,7	2,4	2,5	1,7
Nominal GDP, RUB trillion	110,0	105,7	104,9	112,3	110,0	120,4	117,8	129,2	126,1
GDP deflator index,%	3,2	0,9	0,9	3,9	3,4	4,4	4,5	4,6	5,3
Fixed capital investment index,%	1,7	–4,5	–5,0	2,5	1,5	3,5	2,5	4,0	3,5
Change in real incomes of the population,%	0,8	–2,3	–2,5	2,0	1,5	2,0	1,7	2,0	1,7
Change in retail turnover,%	1,6	–3,5	–4,0	2,0	1,5	3,0	2,0	3,0	2,5
Unemployment rate (according to the ILO), % of economically active population	4,6	6,0	6,3	5,0	5,5	4,5	5,0	4,5	4,5
Federal budget surplus/deficit, % of GDP	1,8	–5,3	–6,0	–2,3	–3,0	–0,7	–1,7	–1,5	–2,1



**THANK YOU FOR THE
ATTENTION!**

