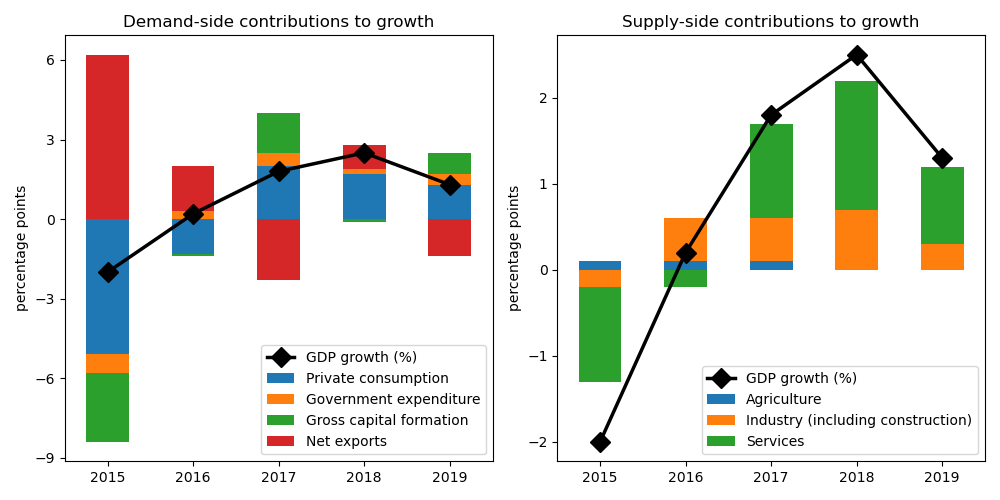
Russian Federation: Asian Development Outlook

# GDP growth in 2019

1. Overall GDP growth: GDP growth slowed down from 2.5% in 2018 to 1.3% in 2019.
2. Main sources of growth: On the demand side, private consumption contributed the most with 1.3 percentage points (pp), followed by gross capital formation (0.8pp) and government expenditure (0.4pp). On the production side, services and industry (including construction) contributed 0.9pp and 0.8pp to overall growth, respectively.
3. Other sources of growth: On the other hand, net exports had a negative contribution to growth at 1.4pp. Meanwhile, agriculture contributed 0.pp.



# Expenditure approach

1. Private consumption: Private consumption growth contracted from 3.3% in 2018 to 2.5% in 2019, accounting for 50.4% of GDP.
2. Government expenditure: Government expenditure growth grew from 1.3% in 2018 to 2.2% in 2019, accounting for 18.3% of GDP.
3. Gross capital formation: Gross capital formation growth picked up from -0.6% in 2018 to 3.8% in 2019, accounting for 23.1% of GDP.
4. Net exports: Net exports growth slowed down from 97.9% in 2018 to -22.3% in 2019, accounting for 7.6% of GDP.

# Production approach

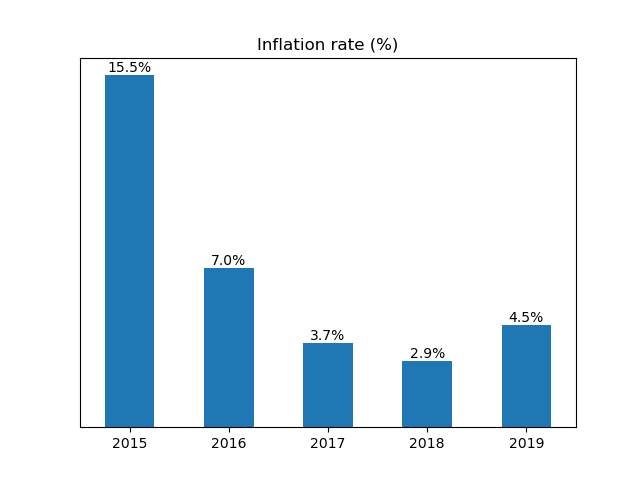
1. Agriculture: Agriculture growth slowed down from 0.9% in 2018 to 0.6% in 2019, accounting for 3.4% of GDP.
2. Industry (including construction): Industry (including construction) growth contracted from 2.2% in 2018 to 1.0% in 2019, accounting for 32.2% of GDP.
3. Services: Services growth slowed down from 2.7% in 2018 to 1.6% in 2019, accounting for 54.0% of GDP.

# Income approach

1. Employment: Unemployment rate slowed down from 4.8% in 2018 to 4.5% in 2019.

# Inflation

1. Inflation: Inflation rate increased from 2.9% in 2018 to 4.5% in 2019.



# Current Account Balance

1. Current account balance (CAB): CAB recorded a surplus at 3.8% of GDP in 2019. Net trade in goods and services reached USD 129.0 billion. In 2018, CAB posted a surplus at 6.9% of GDP.
2. Top merchandise exports: Top exports destinations in 2019 are China (13.4% of total exports), Netherlands (10.5%), Germany (6.6%), Belarus (5.1%), and Turkey (5.0%). Top export commodities include mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes (52.0% of total exports), commodities not specified according to kind (13.0%), iron and steel (4.3%), natural, cultured pearls; precious, semi-precious stones; precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin (3.6%), and nuclear reactors, boilers, machinery and mechanical appliances; parts thereof (2.1%).
3. Top merchandise imports: Top imports destinations in 2019 are China (21.9% of total imports), Germany (10.2%), Belarus (5.5%), USA (5.4%), and Italy (4.4%). Top import commodities include nuclear reactors, boilers, machinery and mechanical appliances; parts thereof (17.5% of total imports), electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles (12.1%), vehicles; other than railway or tramway rolling stock, and parts and accessories thereof (9.7%), pharmaceutical products (5.7%), and plastics and articles thereof (4.0%).

# Outlook

1. Confidence index
2. FX reserves
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