



## Business Environment

### The share of people employed in the Russian shadow labour market is growing

On August 23, 2017, the Russian Presidential Academy of National Economy and Public Administration released the results of survey on dynamics of shadow employment in Russia.

Referring to survey results, the share of population employed in non-criminal shadow labour market is estimated at 44.8% of the total employed population (about 33 million people). The share has increased since 2016 (40.3%), while in 2013 it was estimated at 44.5%, and in 2006 it amounted to 45.1%.

The increase in the shadow employment is attributed mostly to increase in the share of people receiving additional (secondary) shadow income from employment from 30.4% to 35.5%.

The share of self-employed people working without appropriate registration is the highest among other groups of employed people and is indicated at 62.2% (people who received non-registered income from their employment at least several times over the year).

The share of people permanently involved in the shadow labour market has also grown. 31.4% share of employed population (23 million) were unregistered employees receiving shadow income or salary on a monthly basis (28.8% share in 2016).

The tolerance towards the shadow employment is also extending. The share of people seeking solely for employment with official registration has decreased from 67.7% in 2016 to 52.4% in 2017. At the same time, the share of people considering official registration of their employment to be of no importance has increased from 26.7% to 36.8%.

Survey on dynamics of shadow employment in Russia: [Original](#) (Rus) | [Google Translate](#)

### People forming the closest circle around Mr. Vladimir Putin have been named

On August 23, 2017, Minchenko Consulting, one of the Russian leading PR and communication advisories, released the report on the Russian top political elite called "Politburo 2.0: Renovation Instead of Demolition".

The report focuses on the closest circle around Mr. Vladimir Putin, the Russian President, and indicates the names of the most influential people in Russia who have access to the President and the major impact on the decision-making.

The indicated *closest circle* includes the following names:

- Mr. Sergey Shoigu, the Minister of Defense;
- Mr. Dmitry Medvedev, the Russian Prime Minister;
- Mr. Sergey Chemezov, CEO of [Rostec](#) (the state-owned corporation focused on manufacturing of high-tech products for both defense and civil sectors);
- Mr. Jury Kovalchuk, Chairman of the Board of [Rossiya bank](#);
- Mr. Sergey Sobyenin, the Major of the City of Moscow.

The next level is *the transitional circle* that embraces the following people:

- Mr. Igor Sechin, CEO of [Rosneft](#) (the largest Russian oil company);
- Mr. Vyacheslav Volodin, the Speaker of the State Duma (the lower chamber of the Russian Legislative Assembly);
- Mr. Arkady Rotenberg, the businessman with core assets in gas transportation and road construction industries.

The report states that unstable distribution of roles within the closest circle secures that Mr. Putin wins Presidential elections to be held in 2018 in advance.

Report "Politburo 2.0: Renovation Instead of Demolition" by Minchenko Consulting: [Original](#) (Rus, pdf)

Presentation "Politburo 2.0: Renovation Instead of Demolition" by Minchenko Consulting: [Original](#) (Rus, pdf)

### The influence of Mr. Maxim Oreshkin, the Russian Minister of Economic Development, is reportedly increasing

On August 25, 2017, Bloomberg reported on the growing influence of Mr. Maxim Oreshkin, 35-years-old Russian Minister of Economic Development.

Three undisclosed government officials commented that Mr. Oreshkin has emerged as Mr. Putin's new favourite. His growing influence is also confirmed by increasing number of appearances with the Russian President. He jointed Mr. Putin at the major international events with G-20 among them, and he was named to replace Mr. Anton Siluanov, the Russian Minister of Finance, as the Russia's representative at the World Bank Group.

Mr. Oreshkin, formerly the Deputy Minister of Finance, was appointed for his position in the end of 2016 after dismissal of Mr. Alexey Ulyukaev in connection to the bribery case.

At his post, Mr. Oreshkin has been in charge of elaboration of the long-term economy development program for Russia, which is considered an important task supporting leadership of Mr. Putin at the 2018 presidential elections. He hired the core team of his "office of changes" from a number of international consultancies, such as Citigroup, PwC and McKinsey & Co.

Besides this, Mr. Oreshkin is likely to be assigned to supervise over elaboration and implementation of [Digital Economy development program](#), which was stated vital for Russia's future by Mr. Putin.

Dedicated article by Bloomberg: [Original](#) (Eng)



## Reports and Forecasts on Russia Traced by Factosphere

Date	Publisher	Document name	URL
21.08.2017	<a href="#">Centre of Development of Higher School of Economics</a>	Exports and imports of commodities (seasonally adjusted data). June 2017.	<a href="#">Original</a> (Rus)
22.08.2017	<a href="#">The Center for Macroeconomic Analysis and Short-Term Forecasting</a>	The Russian Economy Trends. July 2017.	<a href="#">Original</a> (Rus)
22.08.2017	<a href="#">ROMIR</a>	Less is spent for entertainment. Survey on the entertainment spending in Russia.	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
22.08.2017	<a href="#">Centre of Development of Higher School of Economics</a>	Indices of intensity of industrial production. July 2017.	<a href="#">Original</a> (Rus)
23.08.2017	<a href="#">The National Bureau of Economic Research</a>	From Soviets to Oligarchs: Inequality and Property in Russia, 1905-2016 (Filip Novokmet, Thomas Piketty, Gabriel Zucman)	<a href="#">Original</a> (Eng), <a href="#">Data</a> (Eng)
23.08.2017	<a href="#">The Center for Macroeconomic Analysis and Short-Term Forecasting</a>	The Russian Economy Trends. July 2017.	<a href="#">Original</a> (Rus)
24.08.2017	<a href="#">Minchenko Consulting</a>	Politburo 2.0: Renovation Instead of Demolition (report and presentation on the closest circle of Mr. Vladimir Putin)	<a href="#">Original</a> (report, Rus, pdf), <a href="#">Original</a> (presentation, Rus, pdf)
24.08.2017	<a href="#">Levada Center</a>	Approval ratings of the Russian authorities. August 2017.	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
24.08.2017	<a href="#">VTB</a>	Weekly Custody newsletter #32 / 2017	<a href="#">Original</a> (Eng)
25.08.2017	<a href="#">The Russian Central Bank</a>	Comments on current situation in the economy. August 2017.	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
25.08.2017	<a href="#">Commerzbank</a>	Week in Focus (forecast)	<a href="#">Original</a> (Eng)
25.08.2017	<a href="#">BOFIT</a>	BOFIT Weekly	<a href="#">Original</a> (Eng)
25.08.2017	<a href="#">Bank for International Settlements</a>	Elvira Nabiullina: Bank of Russia's strategic objectives and plans for the next five years	<a href="#">Original</a> (Eng)
25.08.2017	<a href="#">Institute of the Statistical Studies and Economics of Knowledge of Higher School of Economics</a>	Business climate in the real sector and the services sector in 2Q 2017	<a href="#">Original</a> (Rus)

## Statistical Publications Traced by Factosphere

Date	Publisher	Document name	URL
n/a	<a href="#">The Russian State Statistics Service</a>	Main economic and social indicators of Russia in January-July 2017	<a href="#">Original</a> (Eng)
21.08.2017	<a href="#">The Russian State Statistics Service</a>	Outstanding payroll debt as of August 1, 2017. Bulletin.	<a href="#">Original</a> (Rus, rar)
21.08.2017	<a href="#">The Russian State Statistics Service</a>	Key economic indicators of Russia and selected foreign countries (2Q 2017).	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
21.08.2017	<a href="#">The Russian Ministry of Finance</a>	Weekly data on budget funds in deposits, public budget loans and REPO	<a href="#">Original</a> (Eng)
22.08.2017	<a href="#">The Russian State Statistics Service</a>	On the state of foreign trade in 1H 2017	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
22.08.2017	<a href="#">The Russian State Statistics Service</a>	On CPI in Russia and selected foreign countries in July 2017	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
22.08.2017	<a href="#">The Russian Ministry of Finance</a>	The volume and structure of sub-sovereign debt and municipal debt of the Russian Federation	<a href="#">Original</a> (Eng)
22.08.2017	<a href="#">The Russian Central Bank</a>	Balance of payments, international investment position and external debt of the Russian Federation in 1H 2017. Bulletin.	<a href="#">Original</a> (Rus, pdf)
23.08.2017	<a href="#">The Russian State Statistics Service</a>	On CPI estimate for August 15-21, 2017	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
23.08.2017	<a href="#">The Russian Ministry of Finance</a>	Public external debt of the Russian Federation	<a href="#">Original</a> (Eng)
23.08.2017	<a href="#">The Russian Ministry of Finance</a>	On mining and production of gold and silver in January-May 2017	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
23.08.2017	<a href="#">The Russian Central Bank</a>	Outward Direct Investment of the Russian Federation by Region of Resident's Registration	<a href="#">Original</a> (Eng)
23.08.2017	<a href="#">The Russian Central Bank</a>	Inward Direct Investment in the Russian Federation by Region of Resident's Registration	<a href="#">Original</a> (Eng)



<b>Date</b>	<b>Publisher</b>	<b>Document name</b>	<b>URL</b>
24.08.2017	<a href="#">The Russian State Statistics Service</a>	On dynamics of prices for gasoline and oil products' resources in July 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
24.08.2017	<a href="#">The Russian State Statistics Service</a>	Business activities of organisations in Russia in August 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
24.08.2017	<a href="#">The Russian State Statistics Service</a>	On production volumes of oil products and dynamics of their retail prices for August 14-20, 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
24.08.2017	<a href="#">The Russian State Statistics Service</a>	Data on investment in fixed capital in 1H 2017	<a href="#">Original</a> (Rus)
24.08.2017	<a href="#">The Russian Central Bank</a>	International Reserves of the Russian Federation (Weekly values as of the end of accounting date)	<a href="#">Original</a> (Eng)
25.08.2017	<a href="#">The Russian State Statistics Service</a>	On the state of the oil market in 1H 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
25.08.2017	<a href="#">The Russian State Statistics Service</a>	On financial results of activities of organisations in 1H 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
25.08.2017	<a href="#">The Russian Central Bank</a>	Inward Foreign Direct Investment in the Russian Federation by Instruments and Geographical Allocation	<a href="#">Original</a> (Eng)
25.08.2017	<a href="#">The Russian Central Bank</a>	Outward Foreign Direct Investments by Russian Residents by Instruments and Geographical Allocation	<a href="#">Original</a> (Eng)
25.08.2017	<a href="#">The Russian Central Bank</a>	Foreign Direct Investment in Russia by Industry	<a href="#">Original</a> (Eng)



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