



State Policy Developments

Russia plans to introduce additional measures against cartels

On August 5, 2017, Mr. Vladimir Putin, the Russian President, ordered to implement additional measures aimed at identification and prosecution of cartels.

The list includes the following measures:

- (1) Elaboration of bills aimed at timely identification and prosecution of cartels envisaging also strengthening criminal and administrative responsibility for related activities;
- (2) Measures aimed at improving information exchange between the anti-monopoly authorities with the federal bodies of executive power and the businesses in order to react timely on infringements related to anti-competitive agreements;
- (3) Elaboration of interdepartmental programme of measures on identification and prosecution of cartels by the Federal Anti-Monopoly Service (FAS) in cooperation with the Ministry of Internal Affairs, Federal Security Service, Investigative Committee and The Prosecutor General's Office. The appropriate coordination body may be established in case of necessity.

The indicated measures shall be accomplished until October 1, 2017.

Orders of the President on additional measures against cartels: [Original](#) (Rus) | [Google Translate](#)

Business Environment

The Russian M&A market demonstrated nearly 50% growth in 1H 2017

On August 11, 2017, Kommersant newspaper cited the new report of [AK&M information agency](#) featuring statistics on the Russian M&A market developments in 1H 2017 (the report is not available publicly).

In January-June 2017, the Russian M&A market demonstrated substantial growth with the number of transactions reaching 247 (204 transactions were registered in January-June 2016) and the aggregate transaction volume indicated at USD 21.06 billion showing nearly 50% growth in money terms as compared to appropriate period of the previous year.

The half-year growth was primarily driven by several cross-border transactions that were closed in June 2017, when the monthly transaction volume totaled USD 11.12 billion.

Specifically, [Pamplona Capital Management](#), the investment fund affiliated with [Alfa Group](#), closed the USD 5 billion deal

on acquisition of [Parexel](#), a U.S.-based multinational life sciences consulting firm.

The second largest deal was acquisition of [Holland & Barrett](#), the UK's leading health retailer, by [LetterOne](#) investment holding, which is also affiliated with Alfa Group. The transaction value was indicated at GBP 1.77 billion (approx. USD 2.3 billion).

All in all, the cross-border M&A activities of the Russian investors increased 14 times in January-June 2017 with the transaction volumes growing from USD 656 million to USD 9.2 billion and the number of deals increasing from 13 to 17.

Dedicated article of Kommersant newspaper: [Original](#) (Rus) | [Google Translate](#)

National Statistics

The Russian Central Bank registered nearly 50% growth in net capital outflow in January-July 2017

On August 9, 2017, the Russian Central Bank released comments on the preliminary estimate of key aggregates of the Russian balance of payments in January-July 2017.

The current account surplus was estimated at USD 21.7 billion or +42.8% as compared to appropriate period of previous year (USD 15.2 billion in January-July 2017). The surge is primarily attributed to 25% increase in the balance of trade (exports' volumes outperforming imports). That growth, however, was partially compensated by increasing deficit of other articles of the current account.

The net capital outflow was registered at USD 13.1 billion in January-July 2017 that is 48.9% higher as compared to the same period of 2016 (USD 8.8 billion). That was mostly explained by activities of the Russian banking sector that retained external debt repayment nearly at the level of 2016 while placing extra assets abroad. The other sectors primarily acted as the net importers of capital gradually shifting from accumulation of external assets to bringing in investments from the side of non-residents.

Comments on the estimate of the key aggregates of the Russian balance of payments in January-July 2017: [Original](#) (Rus)

The Russian GDP growth in 2Q 2017 is estimated at 2.5%

On August 11, 2017, the Russian State Statistics Service released preliminary estimate of GDP dynamics in 2Q 2017 indicating quarterly GDP physical volume index at 102.5% as compared to appropriate period of the previous year.

The quarterly performance was a bit below expectations of the Russian Ministry of Economic Development that projected 2.7% growth. However, the registered GDP developments beat the projections of the Russian Central Bank (1.3-1.5%) and the majority of analysts (1.7% consensus projection under Bloomberg poll).

Dedicated message on preliminary estimate of GDP dynamics in 2Q 2017: [Original](#) (Rus) | [Google Translate](#)

Reports and Forecasts on Russia Traced by Factosphere

Date	Publisher	Document name	URL
07.08.2017	The Analytical Centre for the Government of the Russian Federation	Developments and trends in regulation of the fuel and energy sector in Russia and the world: 2Q 2017 (in cooperation with EY)	Original (Rus)
07.08.2017	ROMIR	Open wallet. Survey on the daily consumer spending.	Original (Rus) Google Translate
07.08.2017	Centre of Development of Higher School of Economics	Indices of intensity of output of goods and services in the key sectors of economic activity, June 2017	Original (Rus)
07.08.2017	Deka Group	Emerging Markets Trends August 2017	Original (Ger)
08.08.2017	OECD	Composite Leading Indicators (CLI), August 2017	Original (Eng)
09.08.2017	The Russian Customs Service	Imports of commodities by the Russian Federation excl. CIS countries in July 2017	Original (Rus)
09.08.2017	The Russian Customs Service	Comments to exports and imports statistics for January-June 2017	Original (Rus) Google Translate
09.08.2017	The Ministry of Trade and Industry	Article of Mr. Denis Manturov, the Russian Minister of Trade and Industry, on overcoming consequences of sanctions	Original (Rus)
09.08.2017	The Russian Ministry of Economic Development	Picture of the inflation, July 2017	Original (Rus)
09.08.2017	Deloitte University Press	Global Economic Outlook, Q3 2017, Russia	Original (Eng)
10.08.2017	The Economist	The Economist poll of forecasters, August averages	Original (Eng)
10.08.2017	Eurasian Development Bank	Macroeconomic review August 2017	Original (Rus)
10.08.2017	VTB	Weekly Custody newsletter #30 / 2017	Original (Eng)
10.08.2017	ROMIR	RUR 503. Survey on daily consumer expenditures in July 2017.	Original (Rus) Google Translate
11.08.2017	PwC	Global Economy Watch Projections. August 2017	Original (Eng)
11.08.2017	OPEC	Monthly Oil Market Report August 2017	Original (Eng)
11.08.2017	BOFIT	BOFIT Weekly	Original (Eng)
11.08.2017	Commerzbank	Week in Focus (forecast)	Original (Eng)
11.08.2017	Euler Hermes	A breeze of growth. Economic insight.	Original (Eng)
11.08.2017	Berenberg	Makroausblick August 2017	Original (Ger)
11.08.2017	The Russian Central Bank	Dynamics of consumer prices. August 2017.	Original (Rus)
11.08.2017	The Russian Central Bank	Assessment of trend inflation in July 2017.	Original (Rus)
11.08.2017	The Russian Central Bank	Consumer market inflation in July 2017.	Original (Rus)
11.08.2017	The Analytical Centre for the Government of the Russian Federation	Comprehensive plan on improvement of energy efficiency of the Russian economy for 2017-2018 elaborated by the Ministry of Economic Development	Original (Rus) Google Translate

Statistical Publications Traced by Factosphere

Date	Publisher	Document name	URL
07.08.2017	The Russian Ministry of Finance	Weekly data on budget funds in deposits, public budget loans and REPO	Original (Eng)
07.08.2017	The Russian Central Bank	International Reserves of the Russian Federation (monthly values as of the beginning of accounting date)	Original (Eng)
07.08.2017	The Russian Central Bank	International Investment Position on International Reserves of the Russian Federation	Original (Eng)
07.08.2017	The Russian Central Bank	Statistical bulletin of the Bank of Russia, July 2017	Original (Rus)
09.08.2017	The Russian Customs Service	Foreign trade of the Russian Federation in January-June 2017	Original (Rus, xls)
09.08.2017	The Russian Customs Service	Foreign trade of the Russian Federation excl. CIS in January-June 2017	Original (Rus, xls)
09.08.2017	The Russian Customs Service	Foreign trade of the Russian Federation with CIS countries in January-June 2017	Original (Rus, xls)
09.08.2017	The Russian Customs Service	Foreign trade of the Russian Federation in January-June 2017, breakdown by key partner	Original (Rus, xls)



Date	Publisher	Document name	URL
09.08.2017	The Russian Customs Service	Imports of the Russian Federation in January-June 2017, breakdown by commodity group	Original (Rus, xls)
09.08.2017	The Russian Customs Service	Exports of the Russian Federation in January-June 2017, breakdown by commodity group	Original (Rus, xls)
09.08.2017	The Russian Customs Service	Exports of the Russian Federation in January-June 2017, breakdown by key commodity	Original (Rus, xls)
09.08.2017	The Russian Customs Service	Foreign trade of the Russian Federation with members of Eurasian Economic Union in January-June 2017	Original (Rus, xls)
09.08.2017	The Russian State Statistics Service	On CPI estimate for August 1-7, 2017	Original (Rus) Google Translate
10.08.2017	The Russian State Statistics Service	On production volumes of oil products and dynamics of their retail prices for July 31-August 6, 2017	Original (Rus) Google Translate
10.08.2017	The Russian Central Bank	Review of the Banking Sector of the Russian Federation (Internet version, unofficial translation)	Original (Eng)
10.08.2017	The Russian Central Bank	International Reserves of the Russian Federation (Weekly values as of the end of accounting date)	Original (Eng)
10.08.2017	The Russian Central Bank	Main stock market indicators	Original (Eng)
11.08.2017	The Russian State Statistics Service	On preliminary estimate of GDP dynamics in 2Q 2017	Original (Rus) Google Translate
11.08.2017	The Russian Central Bank	Merchandise trade of the Russian Federation	Original (Eng)
11.08.2017	The Russian Ministry of Finance	Preliminary assessment of the federal budget execution in January-July 2017	Original (Rus) Google Translate



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