Responding to the Coronavirus Crisis
Update on Russia (30/04/20)

EBRD Policy Comparator

<table>
<thead>
<tr>
<th>Financial Sector</th>
<th>Direct support to firms</th>
<th>Payment holidays</th>
<th>Temporary controls</th>
<th>Support to individuals</th>
<th>Increased social benefits</th>
<th>Health</th>
<th>External Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy rate reduced</td>
<td>Liquidity increased</td>
<td>Prudential req. loosened</td>
<td>Wage subsidies</td>
<td>Tax/social cont. deferral</td>
<td>Loan subsidies</td>
<td>Guarantees</td>
<td>Inspections/audits suspended</td>
</tr>
<tr>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>

Economic channels of disruption
Private consumption, commodity prices
- Restrictions include lockdowns in major cities, travel restrictions, closure of schools and ban on social gatherings, all affecting the retail (22% of GDP) and other services sectors.
- The introduction of a month and a half-long paid holiday for workers is affecting production and domestic consumption.
- Lower oil and gas prices and reduced external demand are a major hit to extractive industries (net oil and gas balance is 13% of GDP).

Selected crisis impact indicators
EBRD GDP growth outlook (April 2020)
2020: recession
2021: strong recovery

Economic sentiment
April Business SI -7
(April 2020): (-5 m/m)

Purchasing Managers Index
April Manufacturing PMI 31.3
(April 2020) (down 16.2 points m/m)

MOEX Russia Index
2,572
(April 01 2020) (down 7% m/m)

Crisis response measures to date
Support for vulnerable households, workers and businesses
- Allocation of RUB 1.5 trillion (US$ 20 billion) from the budget to support individuals under quarantine through social transfers, unemployment payments and debt repayment holidays, and help for severely affected industries (airlines, tourism).
- Postponement of taxes and social insurance payments for SMEs, and postponement of debt repayments for affected businesses.
- Loan guarantees and wage subsidies for SMEs.
- Central Bank undertaking a 50bps policy rate cut, foreign exchange sales, introducing a financing line to banks.

Selected crisis response indicators
Support to employee salaries 12,130 rubles ($160) per month per employee for SMEs (conditional)
Payment holidays for loans 6 months, for affected firms and individuals
VAT reduction None
Reserve adequacy IMF ARA metric: 3.14
Reserves/Short-term Debt: 4.28

Key short-term priorities
Provide liquidity to the economy and revenue support to vulnerable individuals

To learn more about EBRD’s support to Russia visit: https://www.ebrd.com/russia.html
Media enquires: Anton Usov anton.usov@ebrd.com