

Finns Eye More Russian Investments

By [The Moscow Times](#)

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HELSINKI — More Finnish companies are considering new investments in Russia as lower costs resulting from the weak ruble offset increased uncertainty created by the Ukraine crisis, a business survey showed.

Of 300 companies surveyed with business in Russia, 28 percent are planning to invest there in the next year, a survey by the Finnish-Russian Chamber of Commerce showed on Monday, twice as many as in a previous survey a year ago.

Risto Siren, who helps Finnish companies operate in Russia as an account executive for insurance company If, said at a news conference to announce the findings that he was aware of several companies with substantial investment plans.

"As the cost level is now low there, many companies see that this is the right time to step up investments, so that when the cycle turns, they are ready," Siren told Reuters on the sidelines of the conference, adding that one of his clients — which he declined to name — had just decided to set up a new manufacturing facility in St. Petersburg.

The survey also showed that 87 percent of the polled firms considered the Russian market as attractive through the next three years.

As a tenth of Finnish exports are sold to Russia, the Nordic country is likely to suffer the most of all Western European countries from the weaker ruble — which cuts the value in euros of those sales — and international sanctions following Russia's annexation of Crimea.

According to the survey, slightly more Finnish companies have seen their exports to the country falling in the last six months than rising. A year ago, a large majority reported a rise.

Finnish companies such as tire maker Nokian Renkaat and retailer Stockmann have recently said their Russian sales are being hurt due to the weakened ruble and consumer sentiment.

Separately data from the German Statistics Office on Monday showed German exports to Russia dropped by 16 percent in the first two months of the year, even before the start of sanctions over the Ukraine crisis.

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