

GDP Grew 1.2% in Q2; Renault H1 Sales Rise: Business in brief

By [The Moscow Times](#)

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Minister Says Russian GDP Grew 1.2% in Q2

Russia's economy grew by 1.2 percent in annual terms in the second quarter and by 1.1 percent in the first half of the year, RIA Novosti reported Monday, citing Economic Development Minister Alexei Ulyukayev.

The ministry forecasts gross domestic product growth of 0.4 percent this year, although Ulyukayev has said recently that this forecast might be revised upwards in the autumn.

Interfax cited Ulyukayev as saying that Russia may see about \$80 billion in net capital outflows in the first half of the year. (*Reuters*)

Petropavlovsk Reaffirms Output Guidance, Shares Leap

Shares in Russia-focused gold miner Petropavlovsk surged 24 percent on Monday, retracing

last week's steep falls after the company maintained its 2014 output forecast.

The firm stuck to its guidance for 2014 total production of 625,000 troy ounces and said in a statement it was meeting its strategic plan and budget.

Its shares rose to 40.75 pence, bringing its market value to about £81 million (\$138 million). By the end of last week, its shares had fallen 60 percent since late April, when the company said it was in talks with lenders to refinance debt.

"It does not surprise me that the shares have gone up because they have fallen an awful long way," John Meyer, an analyst at a brokerage S.P. Angel in London, said.

The company also said it was keen to make contact with holders of its 4.0 percent convertible bonds due in 2015.

"The last statement suggests confidence, investors may feel more reassured," Meyer added. "It suggests that they are looking to buy back [the] convertible bonds." (*Reuters*)

Renault H1 Sales Rise Despite Weaker Russian Market

Renault's first-half vehicle sales rose 4.7 percent, as a European rebound offset a slump in emerging-market demand, reversing the carmaker's recent market trends.

Renault's global sales increased to 1.37 million vehicles, the company said Monday, boosted by the success of its new Clio small car and compact crossovers in its wider home region even as France lagged.

Russia, Renault's second-biggest market a year ago, dropped to third place in the first half of 2014. Argentina fell from fifth to eighth place, Algeria from sixth to eleventh and Turkey from seventh to ninth.

Sales increased 18 percent in Europe and dropped 9 percent in the rest of the world, Renault said, with its no-frills Dacia division becoming Europe's fastest-growing brand.

The carmaker said its market share in emerging countries was broadly "holding firm" as demand weakens. (*Reuters*)

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