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General Motors Cuts Production for 3 Months at Russian Plant as Car Sales Slump

By The Moscow Times

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General Motors is cutting production at its plant near St. Petersburg.

General Motors said Thursday it would reduce production at its plant near St. Petersburg, citing a continued slowdown of the Russian auto market.

The plant, which makes Chevrolet Cruze, Opel Astra, and Chevrolet Trailblazer models, will only work four days in August and four in September, extending to eight in October, a company spokesman said.

Car sales have faltered in Russia this year as economic growth has slowed, causing people to put off large purchases. Consumer sentiment has come under further pressure because of Western sanctions over the crisis in Ukraine.

The downturn in Russia's car market gathered pace in July, with sales sliding 23 percent year-

on-year after a 17 percent fall in the previous month, according to the Association of European Businesses, or AEB.

AEB data showed that sales of Chevrolet cars fell 45 percent in July, year-on-year, while Opel sales tumbled 25 percent.

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