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Renault Mothballs Moscow Factory as Russian Car Sales Nosedive

By The Moscow Times

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Renault will mothball its Moscow factory for up to three weeks.

French car giant Renault will mothball its Moscow factory for up to three weeks as Russia's growing economic crisis takes its toll on the domestic car market, business daily Vedomosti reported Wednesday.

The flagship Renault plant will close between Feb. 16 and March 6, the paper said citing a company representative.

The Russian car industry has been hit hard over the last year by a devalued ruble, economic problems and weakening consumer confidence, with Renault just the latest company to announce a stoppage.

U.S. car giant General Motors said last month that it was halting work at its St. Petersburg facility for two months. Volvo Group said Wednesday that it was temporarily stopping

production of Volvo and Renault lorries at its Kaluga factory, Russian news agency RIA Novosti reported.

Car sales in Russia dropped 24 percent year-on-year in January after falling 10 percent in 2014, the Association of European Businesses said Monday.

Russian car sales could fall as much as 35 percent this year, accounting firm PriceWaterhouseCoopers said Monday, the Reuters news agency reported.

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