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# French Bank Societe Generale Plans Major Russia Job Cuts, Report Says

By The Moscow Times

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Societe Generale intends to cut around 1,500 jobs in Russia this year as the country's faltering economy puts pressure on the French banking giant's finances, news agency Bloomberg reported late last week, citing a source close to the process.

Societe Generale, known chiefly through Russia under the name of its commercial bank, Rosbank, cut around the same number of employees last year, said the unidentified Bloomberg source.

The bank currently employs around 20,500 people, mainly at Rosbank, the source said. A bank representative declined to comment on the matter when questioned by Bloomberg.

Societe Generale's deputy CEO Severin Cabannes told Bloomberg on Thursday that the bank expected to see a rise in bad loans amid Russia's high inflation and poor economic outlook.

Russia's economy is expected to shrink by at least 3 percent this year, with inflation pushing past 15 percent year-on-year this January.

Societe General is Russia's 12th largest bank by assets according to industry website banki.ru. U.S.-owned Citibank and Austria's Raiffeisen also have major presences on the Russian market.

Raiffeisen, which has a strong presence in Eastern Europe, last week announced that it would limit exposure to Russia due to economic issues.

Private banks are expected to be hit hardest by Russia's economic contraction, as big state-run banks that dominate domestic lending receive government bailouts.

A 2.4 trillion ruble ($378 billion) anti-crisis spending plan announced in January provides 1 trillion rubles ($158 billion) to recapitalize banks.

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