The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russian Trade With the World Falls 30% as Economic Crisis Deepens

By Peter Hobson

April 20, 2015



The price of oil, Russia's main export, has fallen 45 percent since highs of $115 per barrel last summer.

Russia's trade turnover with the outside world plunged 30.1 percent year-on-year in the first two months of 2015 as oil price falls, currency devaluation and tit-for-tat sanctions shook the Russian economy.

The value of Russia's international trade fell to $83.3 billion over January and February, according to data published by the Rosstat state statistics agency Monday.

Total imports plummeted $25.7 billion, a fall of 37.6 percent compared to the same period last year, while exports plunged 23.8 percent to $57.6 billion, the data showed. This left Russia with a trade surplus of $31.9 billion — roughly the same amount as in the first two months of 2014.

According to the data, trade between Russia and the European Union fell by 34.3 percent

to $38.2 billion. Among the hardest hit were Poland, whose trade with Russia slumped 48.9 percent, Britain, which saw trade shrink 51.9 percent, and France, where trade was down 42.6 percent year-on-year.

Trade turnover between Russia and the U.S. fell only 6.4 percent, while Russia-Japanese trade volumes grew 16.7 percent — the only rise in Russian bilateral trade outside the former Soviet Union.

The figures came as the Russian economy buckles under a series of shocks. The price of oil, Russia's main export, has fallen 45 percent since highs of $115 per barrel last summer. Moscow and the West, at loggerheads over the Ukraine crisis, have imposed tit-for-tat economic sanctions that restrict the flow of goods and cash across borders. Russia's economy is expected to contract by up to 5 percent this year, and the ruble has weakened by around 40 percent since the start of 2014, making overseas purchases more expensive.

The slump in trade with Russia has ricocheted out to neighboring countries, dampening growth in former Soviet countries and complicating Europe's recovery from an economic slowdown in 2012.

Russian export revenues from oil and gas over January and February fell by almost 40 percent year-on-year to $22.4 billion, according to Rosstat's data.

Imports of machinery and vehicles fell 39.6 percent to $11.4 billion.

Food imports have borne the brunt of sanctions thanks to Moscow's embargo on many products from Europe, the United States and other countries that have sanctioned Russia. According to Rosstat, the value of food imports fell by 42.5 percent year-on-year to $3.7 billion in January and February.

Imports of red meat slumped 55.6 percent, imports of chicken fell 44.5 percent and the quantity of fish entering Russia fell 56.2 percent. Butter imports fell 69 percent, and 60.6 percent less cheese entered the country.

The only products to see imports rise were apples and oils, including palm oil and sunflower oil, Rosstat said.

Contact the author at p.hobson@imedia.ru

Original url:
https://www.themoscowtimes.com/2015/04/20/russian-trade-with-the-world-falls-30-as-economic-crisis-deepens-a45935