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# Economic Crisis Shrinks Russian Car Market by 41.5 Percent in April

By The Moscow Times

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New car sales in Russia fell 41.5 percent year-on-year in April, the steepest drop for the month in a decade, a lobby group that monitors the car market said Wednesday.

Russia's car market has crumpled in recent months as the economy contracts under pressure from Western sanctions over Ukraine and the low price of oil, the country's main export.

The Association of European Businesses (AEB) said 132,456 new cars and light commercial vehicles were sold in Russia in April, compared with 226,526 in April last year. Over the first four months of this year 516,135 vehicles were sold, 37.7 percent less than in the same period last year, the AEB said.

"Total market sales in April mark a new low point in the AEB sales history over the past 10 years," the chairman of the AEB Automobile Manufacturers Committee, Joerg Schreiber, was quoted as saying in a press release.

The previous record monthly low for April had been 136,000 units in 2009, when Russia was rocked by an economic crisis that shaved 8 percent off the country's gross domestic product, Schreiber said.

Russia's economy is expected to shrink by up to 5 percent this year.

Schreiber said that government programs to support the car market, which include a used-car scrapping scheme, would prevent a deeper market fall.

"We foresee a gradual flattening of the negative trend in the coming months," he was quoted as saying.

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