

Russian Economy Shrank 4.6 Percent in Q2 on Lower Oil Prices

By [The Moscow Times](#)

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Official government figures show that the Russian economy was 4.6 percent smaller in the second quarter than the same quarter the previous year in the wake of plummeting oil prices and Western sanctions.

The sharp quarterly decline reported Monday by the country's state statistics agency is more than double the 2.2 percent contraction recorded in the previous quarter.

The Russian economy is in recession for only the second time in President Vladimir Putin's 15 years in power as a result of the slump in oil prices, the country's main currency earner, and Western sanctions over Moscow's involvement in the crisis in Ukraine.

Meanwhile, the Russian currency dived again Monday, falling below 64 rubles a dollar. The ruble's woes over the past year have helped fuel inflation and hurt consumer demand.

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