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Russian Capital Outflow Hit $59 Billion Last Year

By The Moscow Times

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Russia saw a net capital outflow of $58.9 billion last year, almost three times less than in 2014, preliminary data published by the Central Bank on Monday showed.

The data points to a return of capital flight to levels seen in the years before the oil price slump and financial sanctions imposed over the crisis in Ukraine in 2014. The bank said in an online statement that repayments of overseas debt made up a major part of the outflow.

The balance of payments data also showed that the current account surplus rose slightly to $65.8 billion last year — reflecting a sharp fall in the value of goods imported to Russia caused by a sharp devaluation of the ruble over the past 18 months.

Capital flight slowed sharply in the second half of last year, with a $9.2 billion outflow in the fourth quarter following a net inflow of $3.4 billion over July-September, according to the bank. Officials had estimated outflows for this year of about $90 billion.

In 2014 capital flight accelerated to a record $153 billion amid sanctions and a worsening economic slump.

More than $400 billion net has flooded out of Russia since mid-2010.

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