The Moscow Times
30 YEARS
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Russia Predicts 2% GDP Growth in 2017

February 28, 2017



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The Russian government expects the country's gross domestic product (GDP) to grow by 2 percent in 2017, pulling the country out of economic recession.

Maxim Oreshkin, Russia's Minister of Economic Development, said that the forecast was based on oil prices rising 0.6 percent from an average of $40 per barrel. He said that the government's full GDP report would be available next month.

"In 2016, growth was concentrated in certain industries, such as agriculture. In 2017, we expect that growth will continue and start to affect the consumer sector," Oreshkin said. He told investors at a forum in the Russian city of Sochi that the changes would allow the economy to "breathe more freely, to invest more and to grow more."

Last year, the International Monetary Fund forecast that Russia's GDP would grow by 1.1 percent in 2017 and 1.2 percent in 2018.

The World Bank also predicted growth of 1.5 percent growth over the next 12 months, largely boosted by rising oil prices.

Russia's economy contracted by 3.7 percent in 2015, largely thanks to falling oil prices and the impact of international sanctions linked to the Ukrainian crisis.

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