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INDEPENDENT NEWS FROM RUSSIA

Russia's Biggest Companies Account for More Than 80% of GDP

The RBC 500 shows concentration increased at the top in 2018.

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State gas giant Gazprom is at the top of the list. **Yelena Afonina / TASS**

Russia' biggest companies increased their domination of the country's economy last year, according to RBC's fifth annual ratings list, the RBC 500.

The combined revenues of the 500 companies on the list rose in 2018 to 85.5 trillion rubles ($1.3 trillion), up 18.2% compared with the previous year. In GDP terms, the RBC 500 accounted for 82.3% of the total, up from 78.5% in 2018. Five years ago, the companies accounted for 70.9% of Russian GDP.

While 434 of the 500 companies expanded in 2018, the largest companies continued to experience a faster rate of growth than their smaller counterparts. The 20 largest companies accounted for more than half of the total revenues.

The top five companies have held the same positions for the past five years, with state gas

giant Gazprom in the number one spot.

The oil and gas sector maintained its position as the biggest revenue earner on the list for the fourth year in a row, with the total up 4% in 2018. The bookmaking industry saw the highest growth in revenue out of all the sectors, at almost 90%, and production of consumer goods was the only one to see a decline in revenue.

RBC cited analysts saying that the high earnings of the top companies are unlikely to circulate around the economy because uncertainty is making investment into long term projects unattractive.

Despite the upturn in revenue for the RBK 500, the report demonstrates that general negative trends in the Russian economy are being reinforced. The top 500 companies continue to account for an enormous proportion of Russian GDP, significantly larger than in the U.S., where the "Fortune 500" accounts for around two-thirds of national GDP.

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