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# Central Bank Predicts Russia Will Return to Economic Growth in 2024

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Russian Central Bank's headquarters in Moscow. **Alexander Miridonov / Kommersant**

Russia’s economy will return to growth in 2024, the country’s Central Bank said in its policy outlook for the next three years published Friday.

According to the bank's baseline scenario, Russian gross domestic product (GDP) will record an annual fall of up to 6% this year. But, in the fourth quarter of 2023, the economy will return to growth, according to the bank, and this will continue the year after.

The invasion of Ukraine in February and international sanctions on Moscow plunged the country's economy into a period of decline that most experts expect will last several years.

The Central Bank also lowered its annual inflation forecast for this year to between 12% and 15%. It predicted inflation would be up to 7% next year and 4% in 2024.

"The main challenge in the coming years is to create the conditions for a successful transformation of the economy," the Central Bank report said.

Russian GDP contracted by 4% year-on-year in the second quarter of 2022 after a 3.5% rise in the previous three months, according to data from the country's Economic Development Ministry released last month.

Russia recorded economic growth of 4.7% last year.

The International Monetary Fund said last month that it expects the Russian economy to contract 6% this year and 3.5% in 2023.

In other announcements in the report, the Central Bank said that it was considering buying the currencies of so-called "friendly" countries including China, India and Turkey.

Western currencies are much harder to obtain following international sanctions imposed on Moscow after its invasion of Ukraine.

The bank also said it would stick to its policy of a free-floating ruble exchange rate.

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