

Russia Forecasts \$1.5Bln Shortage in Excess Oil and Gas Revenue

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Igor Ivanko / Moskva News Agency

Russia's additional oil and gas revenues will fall short 113.6 billion rubles (\$1.4 billion) below expectations in April, the Finance Ministry [said](#) Wednesday.

The difference between expected oil and gas revenues and those received as of March totaled 39 billion rubles (\$490 million), it said.

To cover the expected shortage, Russia's Finance Ministry uses a budget rule that diverts excess oil revenues into the National Wealth Fund and buys foreign currency to replenish state reserves.

The Finance Ministry said it will sell 74.6 billion rubles (\$940 million) worth of foreign currency over the next month, or 3.7 billion rubles per day between April 7–May 5.

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Russia's Central Bank [resumed](#) foreign currency interventions with the sale of Chinese yuan in mid-January almost a year after suspending them due to the economic fallout from the invasion of Ukraine.

Russia's January-February oil and gas revenues fell 46% to 947 billion rubles (\$11.8 billion) over declining Urals blend prices and lower gas exports. Non-oil and gas revenues decreased by 9% to 2.217 trillion rubles (\$27.7 billion) due to reduced income tax receipts.

Urals oil is currently trading at around \$60 a barrel, while Russia's 2023 budget is based on the price of Urals at \$70.1 a barrel.

Russia's January-February budget deficit totaled 2.581 trillion rubles (\$32.2 billion) with spending seeing a 50% increase to 5.744 trillion rubles (\$71.7 billion).

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