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Russia Loses Record $253Bln in Wartime Capital Flight

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$27 billion has been taken out of Russia so far in 2023. **Sergei Ilnitsky / EPA / TASS**

A record $253 billion has been pulled out of Russia since the start of its full-scale invasion of Ukraine in 2022, the Russian Central Bank has said.

The net capital outflow from Russia starting February 2022 and ending June 2023 was calculated by the Bank's Center for Macroeconomic Analysis and Forecasting.

"Net inflows on current transaction accounts [of $236 billion] and net outflows on financial accounts have reached unprecedented levels," the Bank's experts said in their analysis published Monday.

The flight of $239 billion from Russia last year, including $13 billion in the pre-invasion month of January, was four times the amount that was pulled out of the country in 2021, according to the analysis.

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Another $27 billion has been taken out of Russia so far in 2023.

The rate of capital flight relative to GDP hit 13% in 2022, breaking the previous record of 11% seen both during the 2008 global financial crisis and after Russia's 2014 annexation of Crimea from Ukraine, according to The Moscow Times' Russian service.

The average rate of capital outflow over the previous 13 years stood at 5%, according to MT Russian.

The movement of funds reached record levels despite Western sanctions complicating transactions and the Russian Central Bank's restrictions on foreign cash withdrawals.

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