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Russia Triples 2025 Budget Deficit Forecast to 1.7% of GDP

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Finance Minister Anton Siluanov. **Sergei Karpukhin / TASS**

Russia has more than tripled its 2025 budget deficit forecast to 1.7% of GDP, up from a previous estimate of 0.5%, citing falling oil prices triggered by the Trump administration's escalating tariff war.

The Finance Ministry had initially projected a 2025 deficit of 1.17 trillion rubles ($14.3 billion), or 0.5% of GDP. Its latest revision, published late Wednesday, now expects the deficit to reach 3.79 trillion rubles ($46.2 billion), or 1.7% of GDP.

Budget revenues are forecast to drop to 38.5 trillion rubles from 40.3 trillion rubles, while spending will rise to 42.3 trillion rubles from 41.5 trillion rubles, largely due to record military expenditures to support Russia's war in Ukraine.

The 2025 shortfall mirrors the 2024 budget deficit, which also amounted to 1.7% of GDP, or 3.49 trillion rubles. This year's projected deficit is Russia's second-largest in nominal terms since the pandemic year of 2020, when the gap reached 4.1 trillion rubles ($55 billion).

The ministry also cut the average oil price in its budget calculations to $56 per barrel from $69.70, lowering projected 2025 oil and gas revenues to 8.3 trillion rubles ($101.4 billion), or 3.7% of GDP — down from 10.94 trillion rubles ($114 billion), or 5.1% of GDP.

Finance Minister Anton Siluanov said defense remains a top budget priority.

“Everything that’s planned in the budget... will be implemented regardless of external conditions and factors,” he said in a statement issued late Wednesday.

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