

## **IMF leaves forecast for Russian economy unchanged at 4 percent**

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MOSCOW, Aug. 3 (Xinhua) -- The International Monetary Fund (IMF) has left its forecast for Russian economic growth in 2012 unchanged at 4 percent, despite the general worsening of the global economic situation.

"In a basic scenario, we expect (Russia's) gross domestic product (GDP) to grow by 4 percent this year and by 4 percent in the next year," IMF Senior Resident Representative to Russia Odd Per Brekk told reporters here Friday.

"The Russian economy has recovered after its fall in 2008-2009 and currently it works at nearly full capacity or even higher," Brekk said.

He also praised the attempts of the Russian government to lower monetary policy dependence on oil prices.

Russia's GDP grew 4.2 percent in 2011, the third fastest in the world behind China and India. In 2009, the Russian economy, smashed by the global financial crisis, saw its worst recession in decades, with GDP shrinking 7.9 percent.

Meanwhile, Brekk warned the Russian economy was overheating, with hidden inflation pressure growing. The IMF predicts 6.5 percent inflation in 2012 and 2013.

Brekk advised the Russian Central Bank to toughen its monetary policy to target inflation and also warned the global economic downward trend could hurt oil prices.

According to Russian Central Bank estimates, the country's inflation rate will be 6 percent in 2012 and about 5 percent in 2013. It was 6.1 percent in 2011 but had slowed to 3.5 percent by May this year.

End

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