



Bank of Russia



RUSSIA'S BALANCE OF PAYMENTS

No. 3 (20) • 2024 Q3

Information and analytical commentary

17 October 2024

RUSSIA'S BALANCE OF PAYMENTS (2024 Q3)¹

- The current account surplus declined year-on-year (YoY) in 2024 Q3 as a result of stable exports and recovered imports. The current account was also impacted by a wider primary and secondary income deficit.
- Exports were supported by the redirection of supplies. Export quantities, however, were under downward pressure from restrictions imposed by foreign countries and agreed voluntary oil production cuts.
- The value of imports of goods and services grew YoY, backed by continuously rising domestic demand, a stronger ruble on average over the quarter YoY, and one-off factors.
- In 2024 Q3, the financial account surplus was mainly generated by the growth of foreign assets in part due to increased settlement lags in foreign trade.

Current account

The current account surplus totalled \$9 billion in 2024 Q3. It declined both YoY (\$16 billion) and quarter-on-quarter (QoQ) (\$17 billion).

The reason is growing imports amid continuously rising domestic demand and flat exports compared to the respective quarter of 2023. Another contributing factor to the decline was a wider primary and secondary income deficit caused by an increase in income payable to non-residents, as the amount of dividends due to investors, including foreign ones, was larger than last year. Notably, the sizeable part of dividends payable to non-residents will remain in C-type accounts.

Goods and services exports

Goods exports. The value of goods exports remained close to the last year's level (2024 Q3: -1% YoY; 2024 Q2: +2% YoY). Exports were still constrained by restrictions imposed on international trade by some foreign countries and oil production cuts under OPEC+ agreements. Nevertheless, goods exports were supported by the redirection of Russian supplies. According to the Federal Customs Service (FCS) of Russia, Europe's share in Russian exports plummeted from 23% in January–July 2023 to 16% in the respective period of 2024, whereas Asia's and Africa's shares increased from 70% and 5% to 75% and 6%, respectively.²

Oil and petroleum products. In 2024 Q3, the value of oil exports was under downward pressure from a decline in global oil prices caused by concerns about the rate of growth in global oil demand. This had a greater effect on oil prices than the reduction in oil stocks and the [OPEC+'s decision](#) to delay output hikes until December 2024, as agreed. According to the World Bank, the Brent crude price dropped to \$80 per barrel on average over the third quarter or by 8% YoY and 6% QoQ (2024 Q2: +8% YoY and +2% QoQ).

The quantities of oil exports were limited by restrictions imposed by oil producing countries on output. September saw Russia and seven OPEC+ members [extend](#) their additional voluntary production cut of 2.2 million barrels per day for two months until the end of November 2024. The quantities

¹ The commentary on the balance of payments includes preliminary estimates of its indicators in 2024 Q3.

² The calculation is based on the [Results of Foreign Trade with All Countries \(January–July 2024\)](#) published by the FCS of Russia on its website.

of petroleum products exports were limited by the ban on Russian petrol exports reintroduced on 1 August 2024.³

Natural gas and LNG. Global gas price dynamics improved in 2024 Q3. According to the World Bank, the global natural gas price index gained 10% QoQ (2024 Q2: +6% QoQ). In the third quarter, the decline in global gas prices slowed down to 2% YoY (2024 Q2: -9%YoY).⁴ Gas prices were pushed up by the risk of disrupted supplies but moderated by high gas stocks in Europe.

Nevertheless, the quantities of Russian pipeline gas and LNG supplies to Europe increased by 16% YoY and 1% QoQ⁵ in the third quarter even though the EU intended to stop importing Russian energy commodities. PJSC Gazprom and China National Petroleum Corporation (CNPC) [agreed](#) to increase daily supplies to China via the Power of Siberia gas pipeline to the maximum level ahead of schedule as early as in 2024.

Non-oil and gas exports.⁶ Global prices for Russian non-oil and gas exports showed mixed trends in the third quarter. The decline in the Australian coal price slowed down to 7% YoY (2024 Q2: -17% YoY). Compared to the previous quarter, the coal price rose.⁷ It was supported by the switch from more expensive natural gas to coal in Europe. The World Bank's metal price index stood above the last year's level but dropped QoQ owing to weaker business activity in world industrial production. The World Bank's price indices for fertilisers and food remained below the last year's levels.

The quantities of non-oil and gas exports were still under downward pressure from the foreign restrictions. Exports of metals had been constrained by the US and UK sanctions on the imports of Russian-origin aluminium, copper, and nickel since April. However, the London Metal Exchange [cancelled the ban](#) on supplies from the Finnish nickel refinery of Nor Nickel. Russian food exports were still constrained by the [Turkey's moratorium on wheat imports from 21 June to 15 October](#) and [high EU import duties](#) on grain supplies from Russia and Belarus from 1 July. Russian grain exports were also moderated by a [reduction in stocks and harvest](#) because of bad weather.

To support Russian exporters, the Russian Government Subcommittee extended their exemption from export duties on thermal coal and anthracite until 30 November. Moreover, the Subcommittee upheld the idea of cancelling exchange rate-linked duties on certain types of cast iron and hot-rolled sheets.⁸ The duty on many other non-oil and gas exports decreased from 5.5% in April–June to 4.5% in July–September due to a stronger ruble. The exchange rate-linked export duty on fertilisers [stood at 10%](#).

Services exports. The value of goods and services exports gained 6% YoY in 2024 Q3 (2024 Q2: -4% YoY) in part owing to exports of travel services. The YoY increase in exports of travel services was partially associated with a larger number of foreign tourists visiting Russia.⁹ Nevertheless, exports of transportation, telecommunication, computer and information services were below the last year's levels in 2024 Q3 because of restrictions imposed on Russian exporters.

³ The ban was initially introduced for the period from 1 March to 31 August but was suspended from 20 May to 31 July due to the saturation of the domestic market. The new ban on petrol exports will be effective from [1 September to 31 December 2024](#).

⁴ The calculation is based on World Bank data.

⁵ The calculation is based on the Bruegel's data.

⁶ Exports of goods except for oil, petroleum products, natural gas, and LNG.

⁷ The calculation is based on World Bank data.

⁸ Earlier this year, the moratorium was introduced from 1 May to 31 August and then [extended from 1 September to 30 November 2024](#).

⁹ According to the Border Service of the Federal Security Service of the Russian Federation, the total number of foreign tourists to Russia [increased by 11% YoY](#) in 2024 H1.

Goods and services imports

Goods imports. The value of goods imports recovered to the last year's level in 2024 Q3 after a three-quarter YoY decline (2024 Q2: -9% YoY). Moreover, there was a seasonal pickup in imports QoQ.

The recovery in imports was driven by expanding domestic demand and a stronger ruble. The nominal exchange rate of the ruble against the US dollar was up by 5% YoY and 2% QoQ. Growth in car imports was in part due to a one-off factor – an increase in the vehicle-recycling fee from 1 October 2024.¹⁰ Moreover, improvements were registered in goods imports from both Asia and Europe.

Imports, however, were still constrained by complicated logistics and settlements. Goods imports were also moderated by the expansion of domestic production. For instance, Russia notably ramped up the output of numerous foodstuffs competing with imported products between January and August 2024, as stated by Rosstat.

Services imports. The value of services imports increased by 18% YoY in 2024 Q3 (2024 Q2: 0% YoY). This was mainly fuelled by the growing value of travel services imports. This growth was associated with both larger Russian consumer spending on foreign travel and greater tourist flows to some foreign destinations. The Turkish Ministry of Culture and Tourism registered a 7% YoY increase in the number of Russian tourists to Turkey – the top travel destination among Russians¹¹ – in July and August 2024.

Financial account

The **financial account surplus** (net of reserve assets) amounted to \$15 billion in 2024 Q3 (2024 Q2: \$18 billion; 2023 Q3: \$14 billion).

The surplus was mainly generated by the growth of foreign assets as in both 2024 Q2 and 2023 Q3.

However, the growth of **foreign assets** (net of reserve assets) declined to \$12 billion in 2024 Q3 (2024 Q2: +\$13 billion; 2023 Q3: +\$23 billion). The growth of assets in 2024 Q3 was largely driven by other investment in part due to increased settlement lags in foreign trade.

Foreign liabilities decreased by \$3 billion in 2024 Q3 (2024 Q2: -\$5 billion; 2023 Q3: +\$8 billion). August saw the major decrease in foreign liabilities (by \$10 billion), which was partially related to the pay-out of declared dividends. Foreign liabilities gained \$4 billion in September, in part driven by the accumulation of non-resident funds in Russian bank accounts.

Reserve assets lost \$3 billion over 2024 Q3 (2024 Q2: -\$1 billion; 2023 Q3: -\$2 billion) because of transactions with National Wealth Fund resources and FX swaps. However, the decrease in reserves as a result of transactions in the balance of payments was excessively offset by growth in international reserves owing to revaluations and other changes. Russia's international reserves consequently expanded by \$40 billion over the third quarter to \$634 billion as of 1 October 2024.

¹⁰ [Resolution of the Government of the Russian Federation No. 1255, dated 13 September 2024.](#)

¹¹ According to the Border Service of the Federal Security Service of the Russian Federation, [Turkey accounted for 44% of the total number of outbound Russian tourists in 2023.](#)

RUSSIA'S BALANCE OF PAYMENTS*
(\$ BILLIONS)

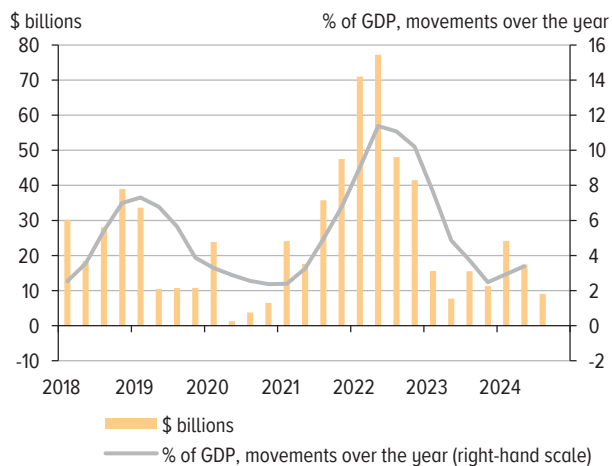
	2021					2022					2023					2024		
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3**
Current account	24.1	17.6	35.7	47.5	125.0	71.0	77.2	48.1	41.5	237.7	15.6	7.7	15.5	11.3	50.1	24.1	17.4	9.1
Balance of trade	30.4	39.2	54.5	69.1	193.1	84.8	95.1	72.8	62.8	315.6	30.5	26.3	33.4	31.4	121.6	34.9	35.8	32.0
<i>Exports</i>	<i>93.3</i>	<i>114.6</i>	<i>132.1</i>	<i>154.1</i>	<i>494.2</i>	<i>154.6</i>	<i>151.8</i>	<i>141.7</i>	<i>144.0</i>	<i>592.1</i>	<i>105.1</i>	<i>103.4</i>	<i>109.1</i>	<i>106.9</i>	<i>424.5</i>	<i>101.4</i>	<i>105.7</i>	<i>108.0</i>
<i>Imports</i>	<i>62.9</i>	<i>75.5</i>	<i>77.6</i>	<i>85.1</i>	<i>301.0</i>	<i>69.8</i>	<i>56.7</i>	<i>68.8</i>	<i>81.2</i>	<i>276.5</i>	<i>74.6</i>	<i>77.1</i>	<i>75.7</i>	<i>75.5</i>	<i>302.9</i>	<i>66.5</i>	<i>69.9</i>	<i>76.0</i>
Balance of services	-3.0	-4.1	-6.9	-6.3	-20.3	-3.5	-3.5	-6.8	-8.3	-22.1	-7.6	-8.9	-10.3	-8.4	-35.3	-7.3	-9.4	-13.4
<i>Exports</i>	<i>11.5</i>	<i>13.0</i>	<i>14.1</i>	<i>17.0</i>	<i>55.6</i>	<i>13.9</i>	<i>11.1</i>	<i>11.4</i>	<i>12.4</i>	<i>48.8</i>	<i>9.9</i>	<i>10.4</i>	<i>9.7</i>	<i>11.3</i>	<i>41.2</i>	<i>10.2</i>	<i>9.9</i>	<i>10.3</i>
<i>Imports</i>	<i>14.5</i>	<i>17.1</i>	<i>21.0</i>	<i>23.3</i>	<i>75.9</i>	<i>17.4</i>	<i>14.6</i>	<i>18.2</i>	<i>20.7</i>	<i>70.9</i>	<i>17.5</i>	<i>19.3</i>	<i>20.0</i>	<i>19.7</i>	<i>76.4</i>	<i>17.5</i>	<i>19.3</i>	<i>23.6</i>
Balance of primary and secondary income	-3.3	-17.5	-11.9	-15.2	-47.8	-10.3	-14.4	-18.0	-13.0	-55.8	-7.3	-9.6	-7.6	-11.7	-36.2	-3.5	-9.1	-9.5
Capital account	0.2	0.0	0.0	0.0	0.1	0.0	-1.1	-1.9	-1.5	-4.6	-0.1	0.0	0.0	-1.3	-1.4	0.0	-0.1	-0.1
Current and capital account balance	24.3	17.6	35.7	47.5	125.1	71.0	76.1	46.1	40.0	233.2	15.5	7.7	15.5	10.1	48.7	24.1	17.3	9.0
Financial account balance, net of reserve assets	20.2	9.9	3.9	26.5	60.5	79.0	73.8	42.7	38.9	234.3	18.2	6.1	14.3	12.9	51.6	31.9	18.5	15.0
Net incurrence of liabilities	-1.9	5.5	38.0	2.3	43.9	-31.8	-51.4	-15.2	-25.5	-123.9	-11.7	4.7	8.2	-8.7	-7.5	-7.1	-5.4	-2.6
Net acquisition of financial assets, net of reserve assets	18.3	15.4	41.9	28.8	104.4	47.1	22.4	27.4	13.4	110.4	6.4	10.9	22.5	4.2	44.0	24.8	13.1	12.5
Change in reserve assets	3.7	8.5	29.6	21.7	63.5	-10.6	1.2	1.8	0.4	-7.3	-5.1	-1.4	-2.3	-1.2	-10.0	-6.9	-1.3	-3.2
Net errors and omissions	-0.4	0.8	-2.1	0.7	-1.0	-2.6	-1.1	-1.7	-0.7	-6.1	-2.5	-3.0	-3.4	1.7	-7.2	0.9	-0.1	2.8

* In the financial account, a surplus denotes net lending and a deficit denotes net borrowing. In assets and liabilities, '+' means growth and '-' means decline.

** Estimate.

CURRENT ACCOUNT

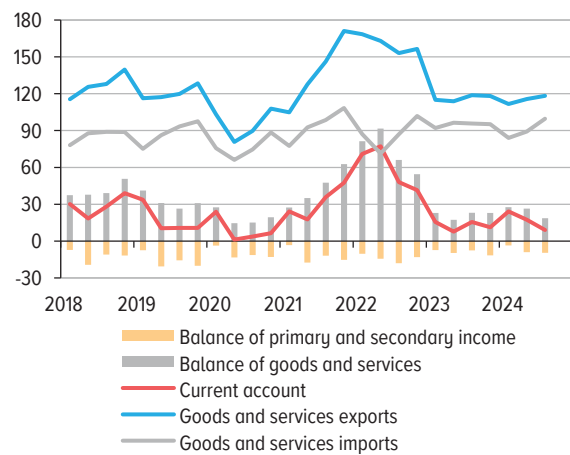
Chart 1



Sources: Bank of Russia, Rosstat.

CURRENT ACCOUNT COMPONENTS
(\$ BILLIONS)

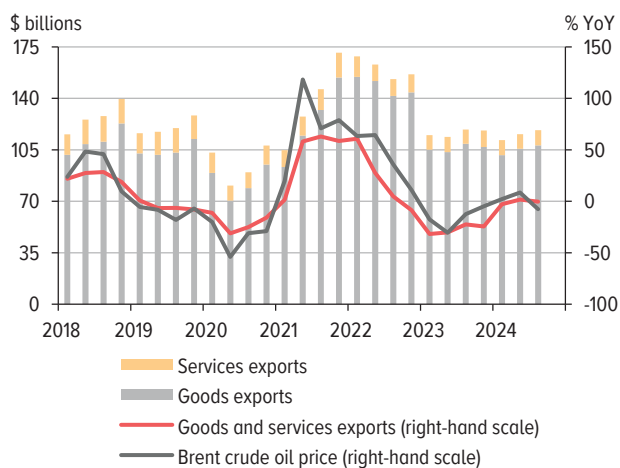
Chart 2



Source: Bank of Russia.

EXPORTS AND OIL PRICE

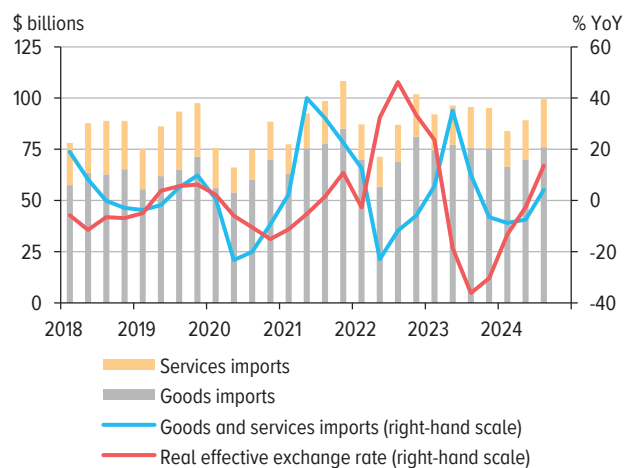
Chart 3



Sources: Bank of Russia, World Bank.

IMPORTS AND RUBLE EXCHANGE RATE

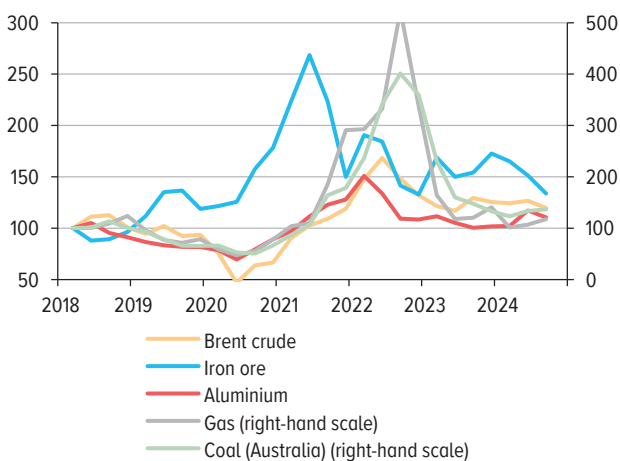
Chart 4



Source: Bank of Russia.

GLOBAL COMMODITY PRICES
(2018 Q1 = 100%)

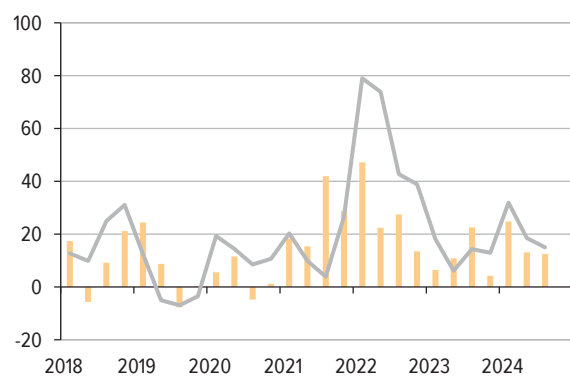
Chart 5



Source: World Bank.

FINANCIAL ACCOUNT COMPONENTS
(\$ BILLIONS)

Chart 6

* '+' denotes net lending and '-' denotes net borrowing.
Source: Bank of Russia.

The data cut-off date – 15 October 2024.

The electronic version of the [information and analytical commentary](#) is available on the Bank of Russia website.

Please send your comments and suggestions to svc_analysis@cbr.ru.

This commentary was prepared by the Monetary Policy Department.

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