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MNI Russia Consumer Report April 2014

Insight and data for better decisions

About MNI Indicators

Insight and data for better decisions

MNI Indicators offers unique macro-economic data and insight to businesses and the investment community. We produce data and intelligence that is unbiased, pertinent and responsive. Our data moves markets.

Specialising in business and consumer focused macro-economic reports, we give our customers the ability to make timely and relevant decisions. We strive to provide up-to-date information on business and consumer confidence on the economy.

MNI Indicators publishes data on a monthly basis. Our indicators are based on a unique and proprietary methodology and are designed to present an advance picture of the economic landscape as perceived by businesses and consumers every month.

Our monthly reports explore attitudes, perspectives and confidence across different countries and regions. They deliver in-depth analysis, highlight changing patterns and how these can affect potential developments in business and consumer activities.

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MNI Russia Consumer Report - April 2014

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Going alone

President Putin couldn't have picked a worse time for a war with the west. With the economy already flat on its back there is a now a good chance the Russian economy will fall into recession.

President Putin couldn't have picked a worse time for a war with the west. With the economy already flat on its back there is a now a good chance the Russian economy will fall into recession.

Some have seen the recent crisis as an opportunity for Russia to make a dramatic change to its economic model, including Russia's Prime Minister, Dmitry Medvedev. Over the years, Russia's reliance on revenues from natural resources has helped boost consumption at the expense of investment.

With the threat of harsher sanctions Russia could, so the theory goes, invest more domestically to help insulate itself from the rest of the world. I have some sympathy with this view, in the sense that over the medium term, it will increase the political will to change the growth model.

But while a change to the growth model is badly needed, a more isolationist policy is not the way to go. And it's not easy for Russia to go alone either.

Russia is part of the global economy and sanctions could seriously hurt them if the west decided to flex their muscles more. Russia had \$732 billion in foreign debt according to the World Bank at the start of 2014 with most of that owed by corporates or banks. A ratcheting up of sanctions would have severe consequences for the economy. Already capital is flowing out of the country at an astonishing rate.

Our own business and consumer surveys this month showed that the Ukraine crisis is having an impact on Russia. Companies' export orders were down to record low levels and Consumer Sentiment is dull as there are increasing concerns about personal finances and business conditions of the economy.

President Putin has struck a more conciliatory tone recently. Possibly there is a growing realisation that while Russia's military might is easily mobilised, its economy is not what it once was.

Philip Uglow

Chief Economist

MNI Indicators



Executive Summary

Russia Consumer Sentiment fell to a new low in April as worries over expected household finances, short-term business conditions and the spending climate rose.

The MNI Russia Consumer Indicator fell to a new low in April as expected household finances, short-term business conditions and the spending climate were all hit by the fallout in Ukraine.

This was the third consecutive monthly fall and left confidence almost 11% below the level seen at the start of the year as concerns over Russia's actions in Ukraine have mounted.

The Consumer Indicator fell to 88.5 from 89.1 in March, a new low since the series began in March 2013.

The Current Indicator rose slightly to 90.2 from 89.4 in the previous month, although remained weak. Consumers were also less confident about the future. The Expectations Indicator declined for the third month in a row to 87.4 compared with 88.8 in March.

Consumer sentiment remained weak in all regions and fell to a series low in six out of the 12 surveyed. Central Russia was the most optimistic, while Urals was the least optimistic.

Current Personal Finances improved slightly in April, although remained well below the 100 breakeven level, while future expectations fell further. Expected Personal Finances, which measures whether households think their finances will be better in a year's time, declined to a series low of 93.4 having remained flat at 96.3 in the previous month. It was the third month that expectations have been below the 100 breakeven mark.

Increasing concerns that wider sanctions could be levied against Russian businesses prompted a fall in both current business conditions and expectations for the coming year.

Expectations for Business Conditions in a Year declined to a new series low of 77.8 from 79.4 in March. Respondents cited the country's economic

development and income as the main reasons for the deterioration in their outlook.

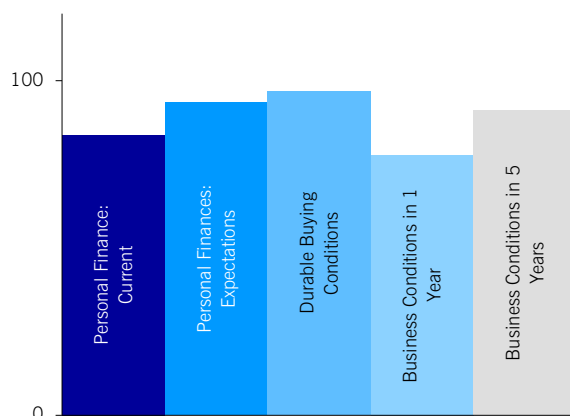
The labour market has deteriorated significantly in 2014, with the Employment Outlook Indicator hitting a series low in the first quarter of the year. The indicator, which measures opinion on the outlook of the employment market over the next 12 months, declined to 90.9 in April from 92.9 in March.

Concerns over the current level of prices increased sharply in April, while expectations for future inflation also hit a record high.

The Interest Rate Expectations Indicator rose 2.5% to 122.3 from 119.2 in March, above the series average of 117.3.

The Real Estate Investment Indicator declined to 107.2 in April from 110.0 in the previous month, as a higher proportion of respondents said that it was a good time to sell a house, a component that negatively impacts the headline indicator.

MNI Russia Consumer Indicator - Components



All Russia - Overview

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
MNI Russia Consumer Indicator	94.1	89.1	88.5	-	series low	90.6	-0.6	-0.6%
Current Indicator	98.6	89.4	90.2	Feb-14	-	92.7	0.8	0.9%
Expectations Indicator	91.2	88.8	87.4	-	series low	89.1	-1.4	-1.6%
Personal Finance: Current	87.3	79.5	83.7	Feb-14	-	83.5	4.2	5.3%
Personal Finance: Expected	96.3	96.3	93.4	-	series low	95.3	-2.9	-3.0%
Business Condition: 1 Year	87.8	79.4	77.8	-	series low	81.7	-1.6	-2.1%
Business Condition: 5 Year	89.4	90.7	91.1	Jan-14	-	90.4	0.4	0.4%
Durable Buying Conditions	109.9	99.3	96.8	-	Nov-13	102.0	-2.5	-2.6%
Current Business Conditions Indicator	97.5	99.2	95.7	-	Dec-13	97.5	-3.5	-3.4%
Real Estate Investment Indicator	111.4	110.0	107.2	-	Dec-13	109.5	-2.8	-2.6%
Car Purchase Indicator	88.3	85.1	82.2	-	Dec-13	85.2	-2.9	-3.4%
Employment Outlook Indicator	86.5	92.9	90.9	-	Feb-14	90.1	-2.0	-2.2%
Inflation Expectations Indicator	140.9	139.2	144.2	series high	-	141.4	5.0	3.6%
Current Prices Satisfaction Indicator	74.4	76.3	67.5	-	series low	72.7	-8.8	-11.6%
Interest Rates Expectations Indicator	122.6	119.2	122.3	Feb-14	-	121.4	3.1	2.5%

All Russia - Summary

	2013								2014				
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
MNI Russia Consumer Indicator	99.1	97.5	98.5	99.5	99.9	97.4	99.4	94.8	95.7	99.3	94.1	89.1	88.5
Current Indicator	98.2	96.2	98.4	100.5	99.2	95.8	99.2	94.3	95.7	102.0	98.6	89.4	90.2
Expectations Indicator	99.7	98.3	98.6	98.8	100.3	98.4	99.5	95.1	95.7	97.5	91.2	88.8	87.4
Personal Finance: Current	97.5	96.3	99.5	103.2	102.1	95.3	91.0	92.0	92.5	99.3	87.3	79.5	83.7
Personal Finance: Expected	105.4	105.5	102.4	103.4	104.9	105.4	101.2	101.7	101.9	101.2	96.3	96.3	93.4
Business Condition: 1 Year	95.7	96.6	97.8	95.9	98.7	96.1	101.5	94.9	94.4	95.1	87.8	79.4	77.8
Business Condition: 5 Year	98.0	93.0	95.7	97.2	97.5	93.7	95.8	88.7	90.8	96.4	89.4	90.7	91.1
Durable Buying Conditions	98.8	96.2	97.2	97.8	96.2	96.3	107.4	96.6	98.9	104.7	109.9	99.3	96.8
Current Business Conditions Indicator	95.9	95.8	97.7	95.4	95.6	97.6	94.5	97.4	94.9	100.3	97.5	99.2	95.7
Real Estate Investment Indicator	107.5	106.0	107.9	105.3	108.5	108.0	113.0	108.4	106.9	112.1	111.4	110.0	107.2
House Price Expectations	123.5	117.9	122.9	120.7	128.4	121.6	127.7	121.6	130.9	135.7	139.0	140.1	137.7
House Buying Sentiment	98.1	100.2	100.5	96.6	96.7	101.8	109.8	105.0	92.1	99.7	96.8	87.3	84.5
House selling Sentiment	99.1	100.0	99.8	101.4	99.5	99.3	98.4	101.5	102.3	99.0	101.6	97.4	100.7
Car Purchase Indicator	86.2	87.2	87.5	86.2	88.4	85.7	85.1	81.9	81.0	83.3	88.3	85.1	82.2
Car Purchase Expectations	104.1	105.5	107.5	101.0	109.4	107.1	101.4	98.9	98.2	104.4	110.5	106.0	103.8
Price of Gasoline Expectations	131.8	131.0	132.4	128.6	132.7	135.6	131.3	135.2	136.2	137.7	133.8	135.8	139.4
Employment Outlook Indicator	98.6	100.3	99.1	97.1	97.5	99.9	100.4	98.1	98.2	87.2	86.5	92.9	90.9
Inflation Expectations Indicator	138.3	136.6	133.2	136.1	139.4	135.7	139.7	136.8	138.2	136.9	140.9	139.2	144.2
Current Prices Satisfaction Indicator	76.2	84.2	86.0	73.9	85.9	85.6	80.5	73.5	71.8	69.4	74.4	76.3	67.5
Interest Rates Expectations Indicator	122.1	123.3	112.3	114.1	113.2	111.1	115.6	115.5	114.9	115.9	122.6	119.2	122.3

All Russia - Records

	2013- Current			
	Minimum	Maximum	Mean	Median
MNI Russia Consumer Indicator	88.5	99.9	96.4	97.4
Current Indicator	89.4	102.0	96.5	97.2
Expectations Indicator	87.4	100.3	96.3	98.4
Personal Finance: Current	79.5	103.2	93.9	95.0
Personal Finance: Expected	93.4	109.2	102.0	102.2
Business Condition: 1 Year	77.8	101.5	93.1	95.4
Business Condition: 5 Year	88.7	98.0	93.9	94.7
Durable Buying Conditions	92.9	109.9	99.2	97.5
Current Business Conditions Indicator	89.6	100.3	96.2	95.9
Real Estate Investment Indicator	105.3	113.0	108.0	107.9
House Price Expectations	117.9	130.9	124.0	123.2
House Buying Sentiment	92.1	109.8	99.9	99.1
House selling Sentiment	98.4	102.3	100.0	99.6
Car Purchase Indicator	81.0	88.4	85.5	86.1
Car Purchase expectations	98.2	109.4	104.1	104.8
Price of Gasoline expectations	128.6	136.2	133.0	132.6
Employment Outlook Indicator	86.5	100.5	96.2	98.2
Inflation Expectations Indicator	130.7	144.2	137.6	137.6
Current Prices Satisfaction Indicator	67.5	86.0	77.6	76.2
Interest Rates Expectations Indicator	111.1	123.3	117.3	115.7

Russian Consumer Sentiment fell to a new low in April...

...as concerns over Russia's actions in Ukraine have mounted.



Economic Landscape

Russian ministers had predicted GDP growth of 2.5% this year before the Ukrainian turmoil. However, this has been dramatically reduced to just 0.5%, following a paltry 1.3% growth in 2013.

The geo-political turmoil in Ukraine has thrown Russia into economic crisis. Russia's economic growth contracted in the first quarter and amid sanctions from the US and EU, growth for the full year has been revised down to just 0.5%. In addition, the central bank of Russia raised its key policy rate by half a percentage point to address inflationary issues and stem the slide in the rouble and capital flow leakage, at the cost of much needed growth.

On a more positive note, manufacturing output posted the highest growth in four months and the decline in car sales eased. The rouble has gained slightly from the previous month, but is still down by 7.8% against the US Dollar since the start of the year. With the tensions in Ukraine showing few signs of abating, there are clear risks that the crisis could escalate further which could result in further pain for Russia's economy.

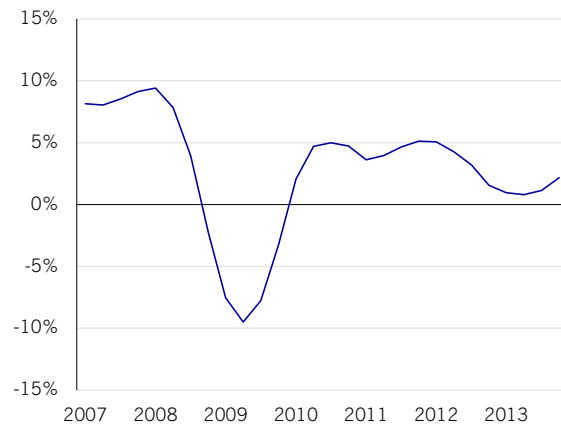
Low economic growth

Following meagre growth in 2013, growth has remained extremely weak at the beginning of 2014. Economic Development Minister Alexei Ulyukayev recently announced that GDP fell 0.5% in the first quarter of 2014 as compared with the last quarter of 2013, and was up just 0.8% compared with the same period a year ago. He attributed low growth to the contraction in capital investment which fell by 4.8% in the first quarter compared with a year earlier. Consumption remained relatively firm, but it reflected a one-off public sector pay increase and so is unlikely to be sustained.

Russian ministers had predicted GDP growth of 2.5% this year before the Ukrainian turmoil. However, this has been dramatically reduced to just 0.5%, following a paltry 1.3% growth in 2013.

Earlier in the month, Central Bank governor Elvira Nabiullina also revised down the growth rate for 2014 to less than 1% from 1.5-1.8% previously.

Economic Growth



— GDP Growth y/y %

Source: Federal State Statistics Service of Russia

Industrial production slows in March

Industrial production grew by 1.4% on the year in March, down from 2.1% in February due to a 6.6% fall in utilities output. Manufacturing output, though, accelerated a little to 3.5% in March from 3.4% in February. Mining and quarrying output rose by 0.6% compared with growth of 0.8% in February.

The economy ministry expects industrial output to increase by 1.3% this year after it showed no growth in 2013.

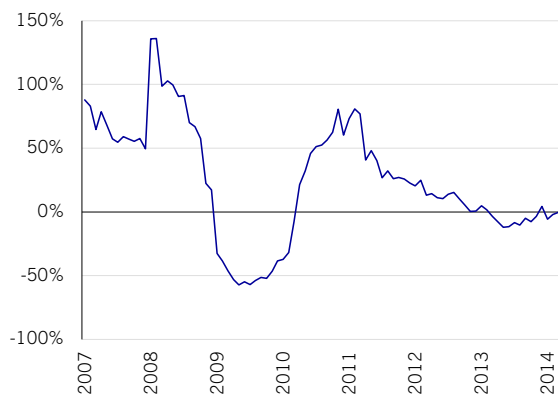
Car sales broadly stable

In March, 243,335 cars were sold, little changed from the same month a year earlier, according to the Association of European Businesses (AEB). Signs are that the car industry may have bottomed out as the pace of the decline has eased in recent months. The first quarter saw a decline of 2.3% in car sales compared with the same period a year earlier. Russia is the second largest market for cars in Europe and last year, car sales fell for the first time in four years.

The AEB remains cautious about the outlook and has forecasted that the car sales will decline by 1.6% in 2014 following a drop of 5.5% in the previous year. The government offered cheap credit on cars to propel the car industry in the second half of 2013, barring which car sales would have been even worse. The Ministry of Economy recently announced plans not to renew subsidies for car loans which could impact negatively.

A major blow to the Russian Automotive Industry was experienced in April as the car manufacturing company Ford announced stoppage to certain operations in the country and the loss of 700 jobs at its St Petersburg plant.

Car Sales



— Car and Light commercial vehicles y/y %
Source: Federal State Statistics Service of Russia

Higher inflation in April

Consumer price inflation rose sharply to 7.3% in April from 6.9% in March. Food prices rose by 9% on the year, compared with 8.4% in the previous month. A ban on pork imports from the European Union has affected the cost of meat products. Core inflation accelerated to 6.5% from 6% in the previous month.

Russia imports a large amount of consumer goods and food items, and the depreciation of the currency has pushed up prices, forcing the central bank to tighten its monetary policy.

The central bank governor now expects inflation to be between 5-6% in 2014, above the target of 5%.

Hike in key policy rate

On April 25, Russia's central bank raised its benchmark interest rate to 7.5% from 7% previously to cope with rising inflation amid widening economic fallout from the Ukraine crisis. The increase followed

Inflation



— CPI Growth y/y %
Source: Federal State Statistics Service of Russia

a hike on March 3 from 5.5% to 7% that the bank had described as temporary.

The surprise rate hike comes despite stalling economic growth. The central bank's main concern was inflation, which has accelerated substantially in recent months, although the move

was also a pre-emptive strike to ward off further capital outflows and help support the currency.

The Central Bank moved its inflation forecast higher towards 6%, above its 5% target. However, it expects that the additional policy tightening will help inflation to return to a downward path from the second half of the year and put it back on target in subsequent years.

Depreciation in the rouble

So far this year, the rouble has been one of the worst performing emerging market currencies. It is down by 7.8% against the US Dollar since the start of the year, due to Russia's actions in Ukraine and fears of an escalation in the situation.

Even before tensions intensified in Ukraine, the rouble had been weakening as the Central Bank's move to a fully free floating currency meant reduced currency intervention. The Central Bank was forced to pause its shift towards inflation targeting in early March to halt the rouble's decline after Russia annexed Crimea.

Russia has a healthy \$482.7 billion in international currency reserves in April, but that is down from \$493 billion in March and \$522 billion in October 2013 as the country has tried to protect the rouble from capital flight.

Capital outflows from Russia's private sector totalled \$63.7 billion in the first quarter of 2014 owing to the financial instability. This compares with an outflow of \$59.7 billion during the whole of 2013. Recently, the Russian Economic Development Ministry increased its estimate of capital flight to \$100 billion from a previous estimate of \$25 billion in 2014.

Trade surplus widens in March

Russia's trade surplus widened to \$20 billion in March, from \$12.4 billion a month earlier and from \$15.7 billion in the same month last year, as exports rose by the most since February 2012 due to the

sharp depreciation of the rouble.

After declining for the first time in four months, exports recovered to \$46.9 billion in March, 5.5% below the same period a year ago. Imports declined for the third consecutive month to \$26.9 billion, down by 6.6% on the year.



Indicators

The MNI Russia Consumer Indicator declined for the third consecutive month and confidence was much below the level seen at the start of the year as concerns over Russia's actions in Ukraine have mounted.

MNI Russia Consumer Indicator Weakens Further



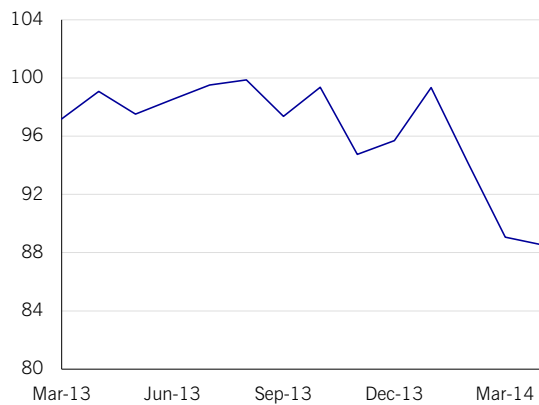
After declining sharply in March, the MNI Russia Consumer Indicator fell to a new low in April as expected household finances, short-term business conditions and the spending climate were all hit by the fallout in Ukraine.

This was the third consecutive monthly fall and left confidence 11% below the levels seen at the start of the year as concerns over Russia's actions in Ukraine have mounted. Asset freezes and travel bans have raised fears of wider sanctions against the country, leaving consumers highly uncertain about economic conditions. The west has threatened Russia with further sanctions targeting key sectors should it disrupt Ukraine's planned elections on May 25.

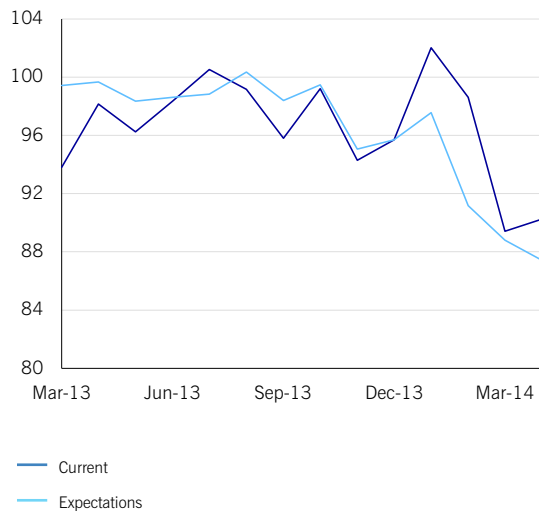
The Consumer Indicator fell to 88.5 from 89.1 in March, a new low since the series began in March 2013. A reading below 100 indicates increasing negativity among consumers, while values above show increasing positivity. Consumer sentiment has remained below the 100 breakeven level since the series started and the first quarter of 2014 marked the weakest sentiment on record.

The Current Indicator rose slightly to 90.2 from 89.4 in the previous month, although it remained weak. While Current Personal Finances rose for the first time in three months to 83.7 from March's series low of 79.5, discretionary spending was hit further. The Durable Buying Conditions fell to 96.8 from 99.3 in March.

MNI Russia Consumer Indicator



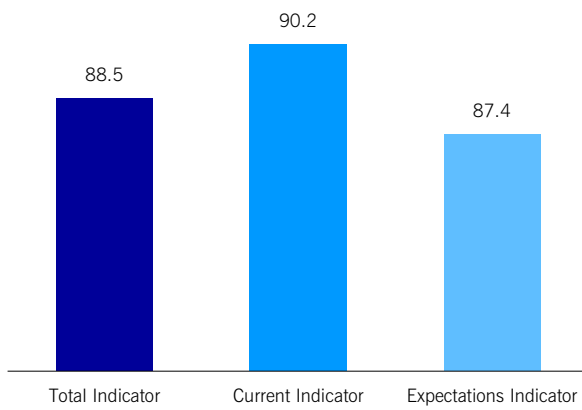
Current and Expected Indicators



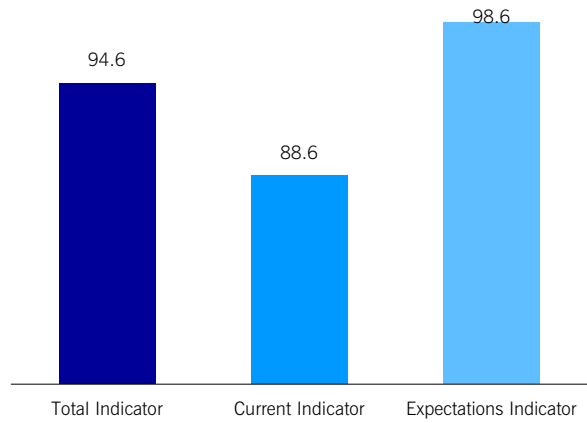
MNI Russia Consumer Indicator

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
MNI Russia Consumer Indicator	99.1	94.8	95.7	99.3	94.1	89.1	88.5
Current	98.2	94.3	95.7	102.0	98.6	89.4	90.2
Expectations	99.7	95.1	95.7	97.5	91.2	88.8	87.4

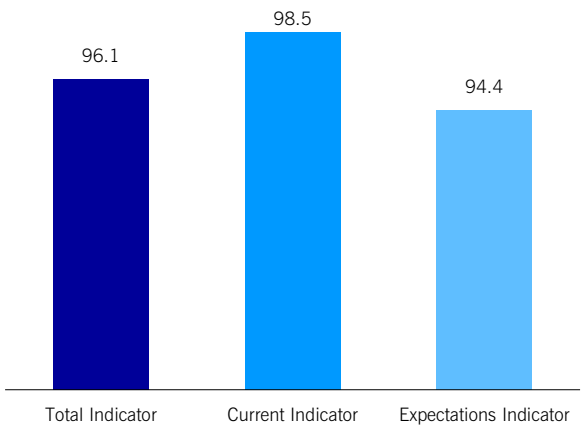
All Russia



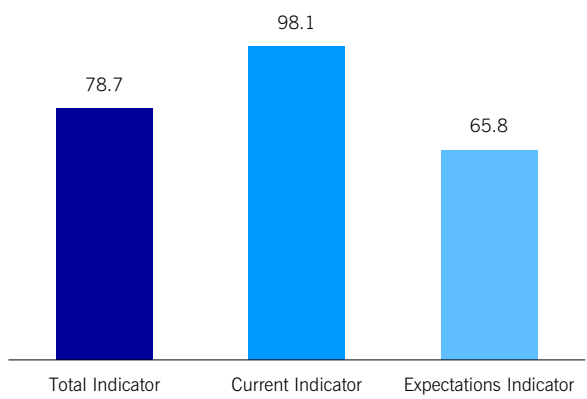
West Siberian



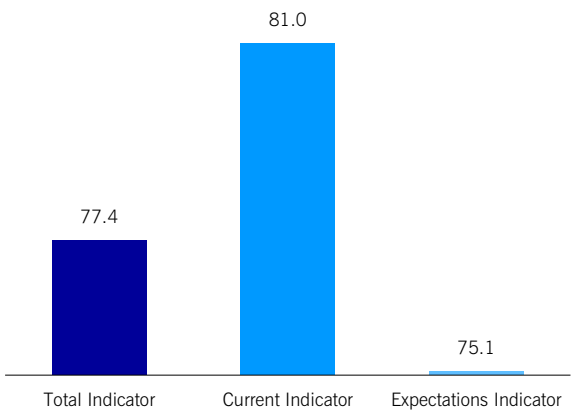
Central Russia



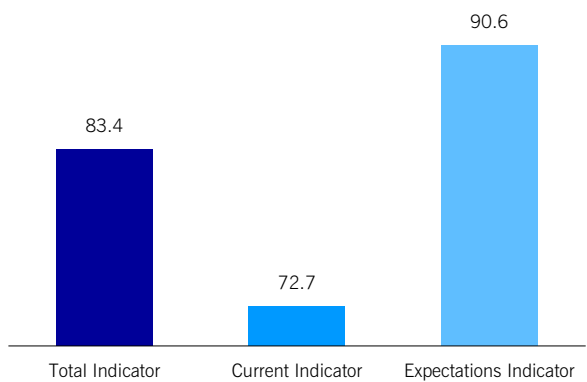
Volga



Urals



North Caucasus





Consumers remained less confident about the future. The Expectations Indicator declined for the third month in a row to 87.4 compared with 88.8 in March. Business Conditions in One Year fell sharply and now stands 18.7% below the same period a year earlier. Business Conditions in Five Years remained broadly stable at 91.1 compared with 90.7 previously, although was down 7% from the level seen in the previous year. The third component of the Expectations Indicator, Expected Personal Finances, which has trended downwards, fell to a series low of 93.4, the third month below the 100 breakeven level.

Regions

Consumer sentiment remained weak in all regions and fell to a series low in six out of the 12 surveyed. Central Russia was the most optimistic, while Urals was the least optimistic. Respondents from the Urals region were most perturbed about future Business Conditions, while Personal Finances improved.

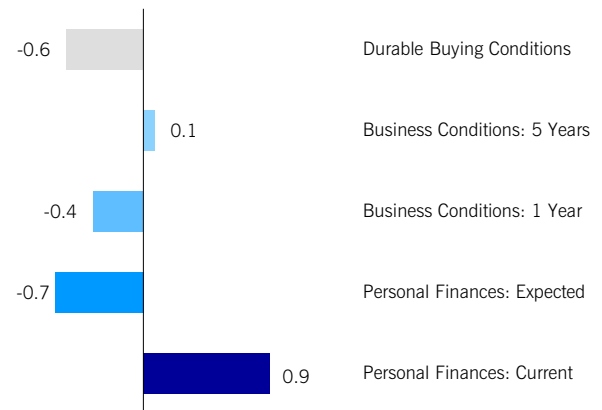
Confidence rose the most in the Volga region after two consecutive significant falls. The Consumer Indicator increased to 78.7 from 73.0 in March. Large rises were witnessed in Current Personal Finances and expectations about Business Conditions in Five Years. Consumers were less optimistic about short term Business Conditions and their future Personal Finances.

Age

Consumer sentiment improved only in the youngest age group (18-34 year olds), with the Consumer Indicator rising to 92.4 from a series low of 90.1 in March. The Current Indicator remained broadly stable at 92.6 compared with 91.8 previously while the Expectations Indicator rose for the first time in three months to 92.2 compared with 89.0 in March.

Consumer sentiment declined for the third consecutive month among the middle age range (35-54 year olds). The Consumer Indicator declined 2.1% to a

Consumer Indicator: Contribution to Monthly Change (% pt.)





series low of 85.5 from 87.3 in March. All five components fell apart from Current Personal Finances. The largest fall was seen in Expected Personal Finances which hit a series low. Consumers were also less optimistic about Business Conditions and fewer consumers were willing to buy large household items.

Consumer sentiment among the oldest age range of 55-65 year olds declined to a series low of 85.5 from 90.3 in March. The Business Conditions in One Year component sank to a record low level. Consumers did not view it as a good time to purchase large household items.

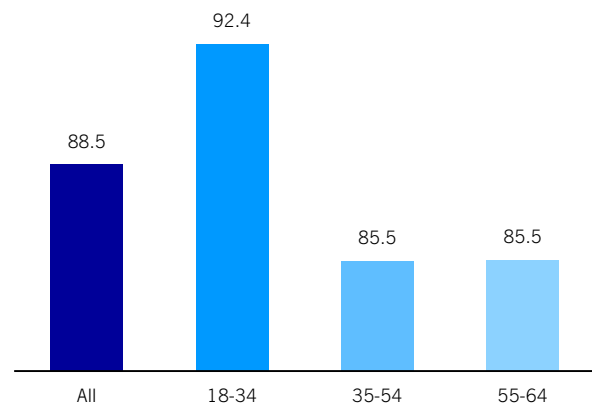
Income

Consumer confidence remained low in both income households in April.

For households with an average income under RUB 480,000 per annum, sentiment declined for the third month in a row to a series low of 84.2 from 87.6 in the previous month. For households with an average income over RUB 480,000 per annum, consumer sentiment improved slightly to 92.6 after falling sharply in the previous month to 91.5, the second month below 100.

Consumer confidence was 13.2% down on the year among low income households, and was 8.7% down for higher income households.

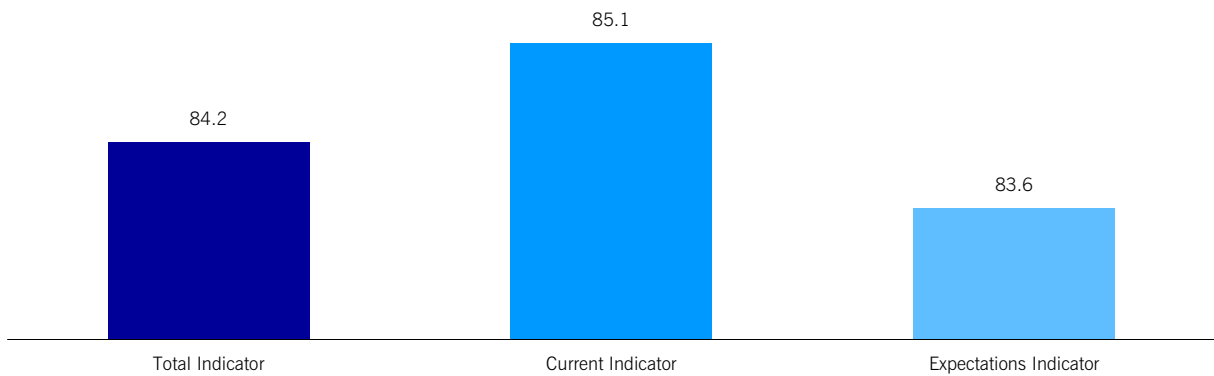
Consumer Indicator: Age Groups



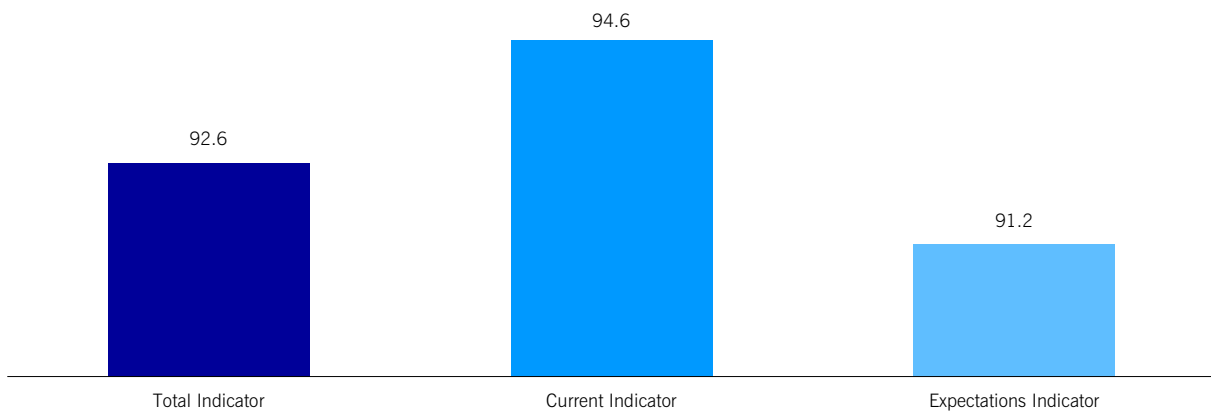
MNI Russia Consumer Indicator Income Groups



< RUB 480,000 Per Annum



> RUB 480,000 Per Annum



MNI Russia Consumer Indicator

Main Cities



The Consumer Indicator rose in only five out of the 10 major cities surveyed in April while it remained broadly stable in four of them.

In Moscow, consumer sentiment remained broadly stable for the second month in a row at 96.5 compared with 96.9 in the previous month, after it hit a series low in February. The Current Indicator contracted for the first time to 98.2 compared with 100.6 in the previous month, while expectations picked up although remained in contraction territory.

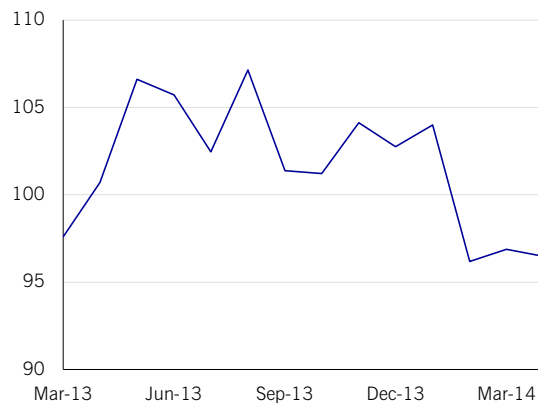
Consumers in Moscow were more confident about their Personal Finances compared with the previous month but fewer found it a good time to buy a large household item. Consumers were less optimistic about Business Conditions in One Year, likely because of the current issues in Ukraine and the sharp slowdown in economic growth.

Consumer sentiment rose slightly in Saint Petersburg, the second largest city of Russia, following two consecutive declines. The Consumer Indicator rose to 92.5 from 90.7 in March. The increase was led by Current Personal Finances and Business Conditions in One Year. Consumers were less confident about Expected Personal Finances and more consumers found that it was not a good time to purchase large durable items.

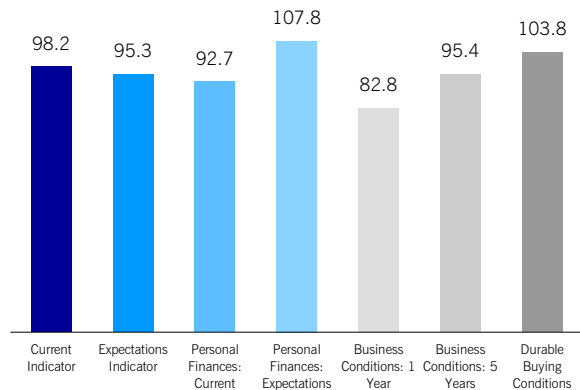
In Novosibirsk, the third most populous city in Russia, consumer sentiment remained broadly stable at 88.7 compared with 88.5 in the previous month. After declining for five months, consumers' expectations for Business Conditions in One Year rose sharply. Fewer consumers thought it was a good time to buy a large household item as the indicator declined by 8.5% on the month.

Omsk was the most optimistic city in April. The Consumer Indicator rose to the highest level in eight

Consumer Indicator - Moscow



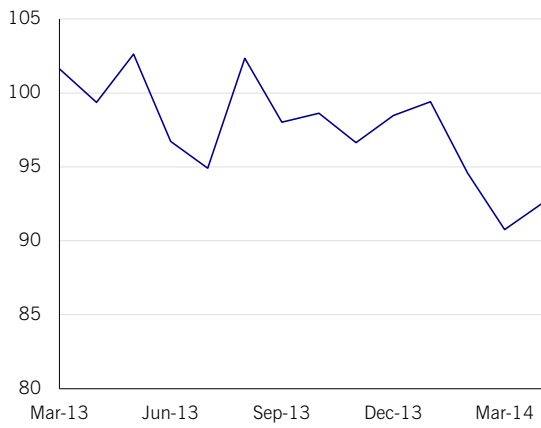
Consumer Indicator Components - Moscow



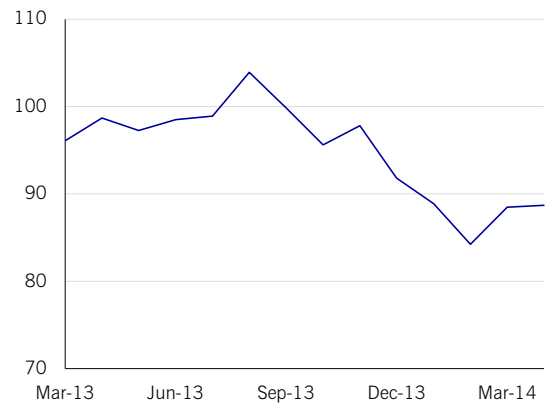
months to 98.3, compared with 91.1 in March. The latest rise put the indicator 6% above the same period a year earlier and above the series average of 94.5. More consumers reported higher Current Personal Finances for the first time in four months and many thought it was good time to buy large household item, as the Durable Buying Conditions Indicator rose above the 100 breakeven level for the first time in eight months.



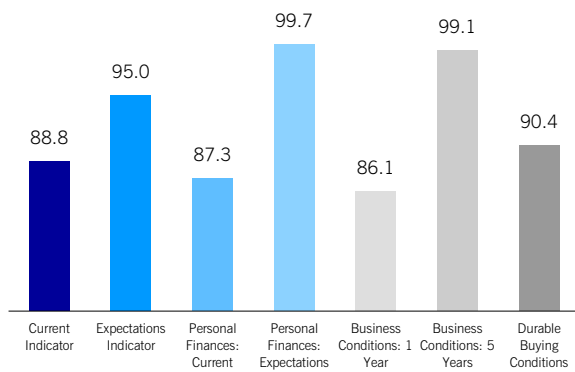
Consumer Indicator - Saint Petersburg



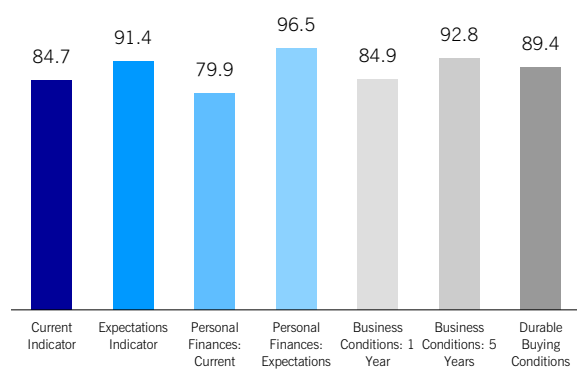
Consumer Indicator - Novosibirsk



Consumer Indicator Components - Saint Petersburg



Consumer Indicator Components - Novosibirsk



Personal Finances

Expected Finances At Series Low Level



Current Personal Finances improved slightly in April, although remained well below the 100 breakeven level, while future expectations fell further.

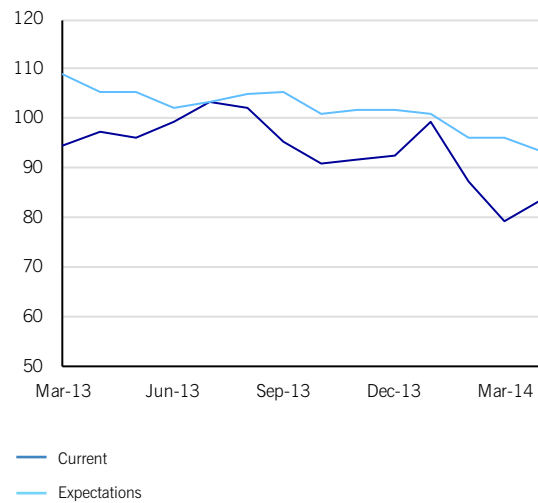
The Current Personal Finances Indicator, which measures whether the financial situation of a household is better, the same, or worse than a year ago, increased to 83.7, following two consecutive declines to a series low of 79.5 in March. In spite of the gain, the indicator was 14.1% below the levels seen in the previous year, as high inflation, currency depreciation and poor economic growth hit households' finances.

The percentage of respondents who reported that their current financial situation improved compared with a year ago increased to almost 30% from 25.7% in March. Those reporting financial conditions were the same as last year remained broadly stable at 7.6% while those reporting a worsening fell slightly to 62.4% from 66.7% previously.

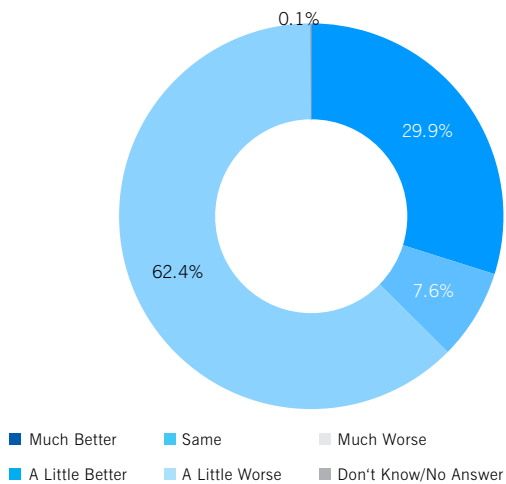
From the one-third of respondents who reported that their Current Personal Finances were better than the previous month, a growing proportion cited improved investment returns as the primary reason.

Expected Personal Finances, which measures whether households think their finances will be better in a year's time, declined to a series low of 93.4 having remained flat at 96.3 in the previous month. It was the third month that expectations have been below the 100 breakeven mark.

Personal Finances



Current Financial Situation Compared with 1 Year Ago (% of Households)



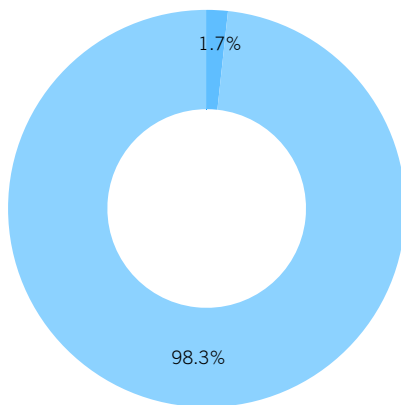
Personal Finances

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Current	97.5	92.0	92.5	99.3	87.3	79.5	83.7
Expectations	105.4	101.7	101.9	101.2	96.3	96.3	93.4

How Households Spend their Money

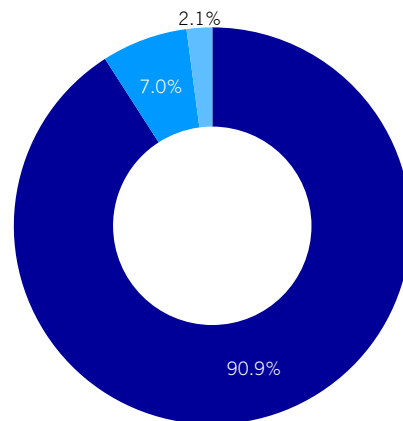


Daily Expenses
(% of Households)



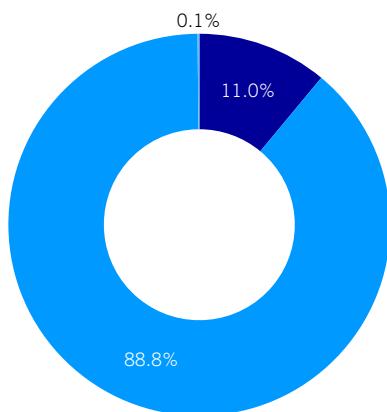
- 0% - 29% of Income
- 30% - 49% of Income
- 50% - 69% of Income
- 70% - 100% of Income

Monthly Household Income Used for Large Loan Repayment (% of Households)



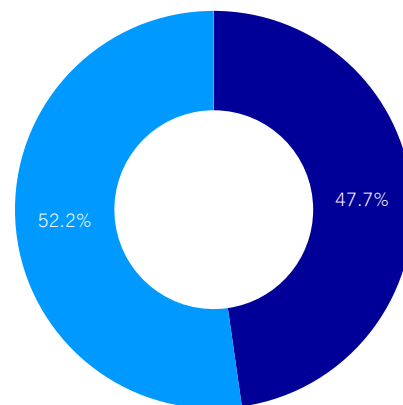
- 0% of Income
- 1% - 29% of Income
- 30% - 49% of Income
- 50% - 100% of Income

Monthly Household Income Used for Savings (% of Households)



- 0% of Income
- 1% - 29% of Income
- 30% - 49% of Income
- 50% - 100% of Income

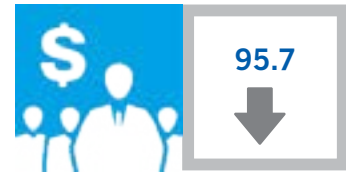
Monthly Household Income Used for Investments (% of Households)



- 0% of Income
- 1% - 29% of Income
- 30% - 49% of Income
- 50% - 100% of Income

Business Conditions

Expectations Fall to a Series Low



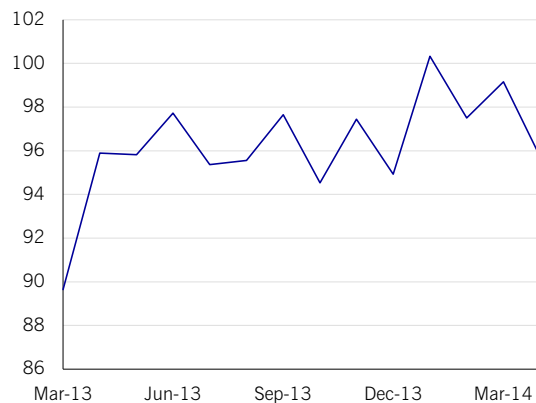
Increasing concerns that wider sanctions could be levied against Russian businesses prompted a fall in both current business conditions and expectations for the coming year.

The Current Business Conditions Indicator, which measures respondents' views on the state of business compared with a year ago, fell to 95.7 compared with 99.2 in March, the lowest since December 2013. Consumer sentiment about the business environment has remained weak since the start of the survey in March 2013 and the only time the indicator has been above the breakeven level was in January, a possible short-term boost in the run-up to the Sochi Olympics.

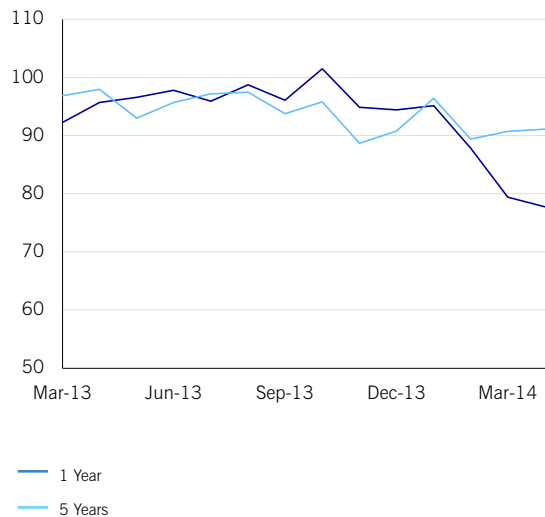
The proportion of respondents who believed that business conditions were "excellent" or "good" remained broadly stable at 9.2%. The majority continued to say that business conditions were "only fair", but this proportion declined to 68.5% from 73.7% in the previous month, while the percentage of respondents reporting conditions were "poor" or "very poor" rose from 11.1% to 17.7%.

Expectations for Business Conditions in a Year declined to a new series low of 77.8 from 79.4 in March. The majority of the respondents expected to see a worsening while the proportion of those who thought conditions would be better fell from 25.5% to 22.4%. There was an increase in the proportion of respondents who felt business conditions would remain the same from 5.2% to 7.4%.

Current Business Conditions Indicator



Expected Business Conditions



Business Conditions

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Current	95.9	97.4	94.9	100.3	97.5	99.2	95.7
In 1 Year	95.7	94.9	94.4	95.1	87.8	79.4	77.8
In 5 Years	98.0	88.7	90.8	96.4	89.4	90.7	91.1

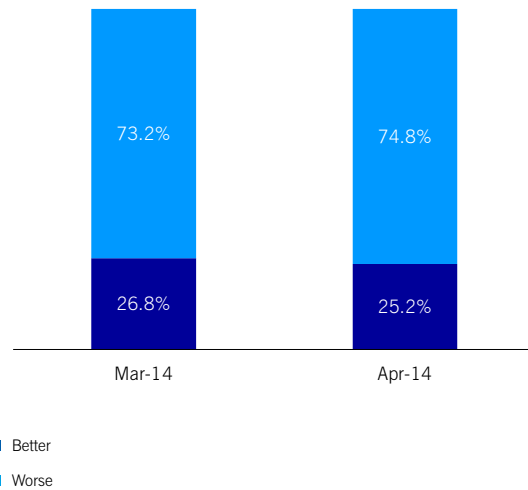
Business Conditions in 1 Year



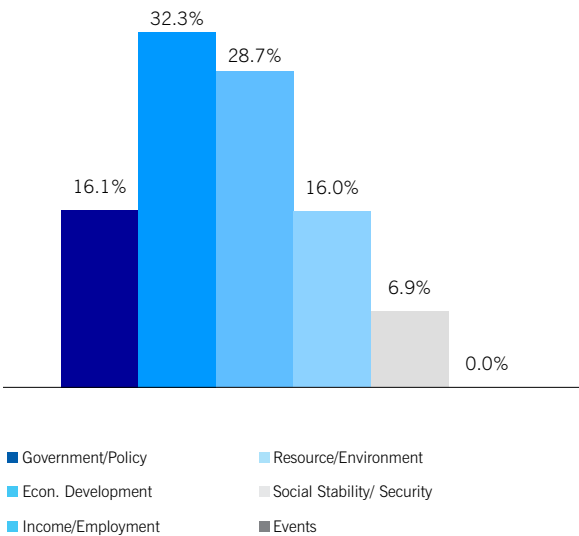
Respondents cited the country's economic development and income as the main reasons for the deterioration in their outlook.

Longer term, Expectations for Business Conditions in Five Years remained in contraction and broadly stable at 91.1 compared with 90.7 in the previous month. Since last year, the series has fallen by 7% and is below the series average of 93.9.

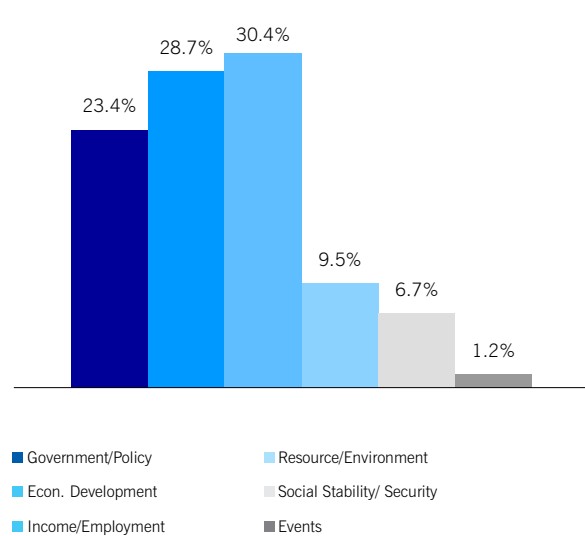
All Russia



All Russia, Reasons for Better



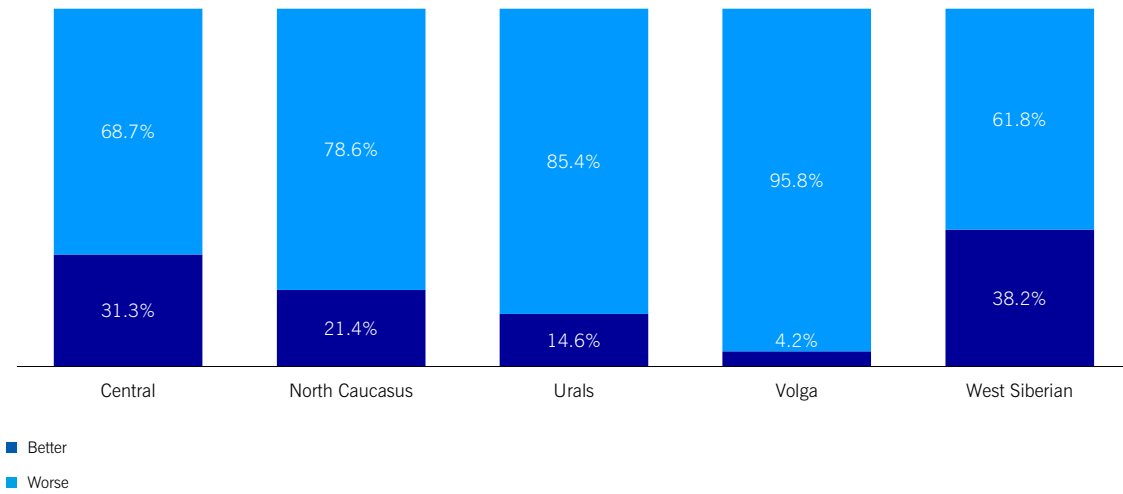
All Russia, Reasons for Worse



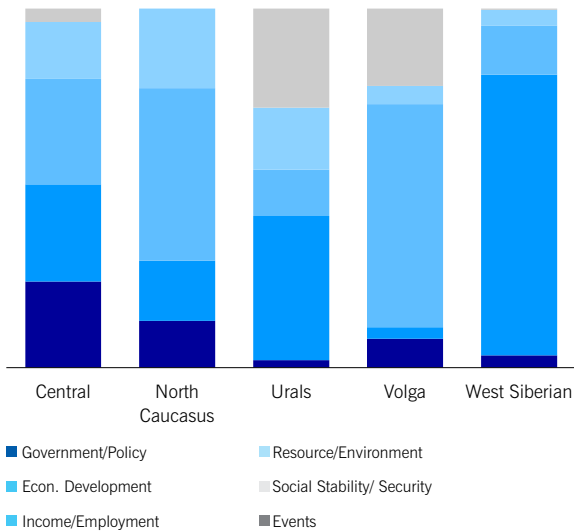


Business Conditions in 1 Year Regions

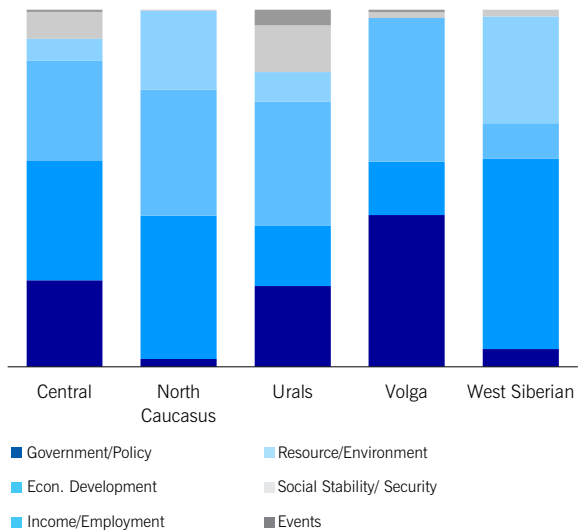
Business Expectations: Worse or Better?
(% of Respondents)



Reasons for Better
(% of Respondents)



Reasons for Worse
(% of Respondents)



Durable Buying Conditions Lowest in Five Months

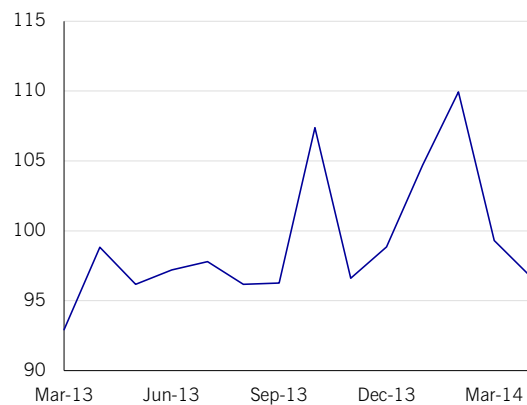


The Durable Buying Conditions Indicator, which measures whether respondents think it is a good or bad time to buy a large household good, declined for the second consecutive month to the lowest since November 2013.

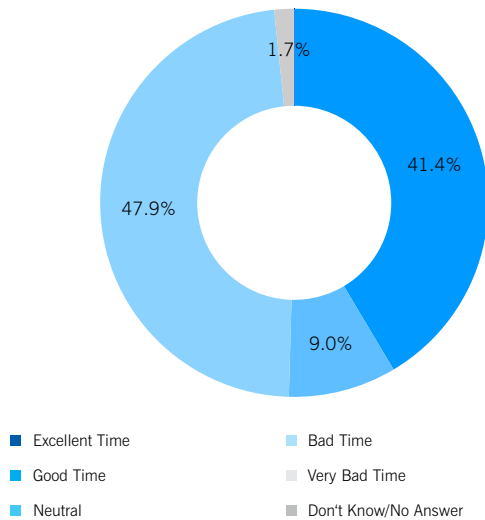
The indicator fell to 96.8 from 99.3 in March, as the current economic malaise saw consumers rein in their discretionary spending. Many respondents pointed to the high cost of household durable goods and reported that they could not afford to purchase more.

The proportion of survey participants saying it was a “good time” to buy a large household durable declined to 41.4% from 43.1% in March, while the proportion of those saying it was a “bad time” or “very bad time” also increased to almost 48% from 44.4%. There was a decline in the percentage of respondents who felt there had been “no change” to 9% from 11.1% previously.

Durable Buying Conditions



Is It a Good or Bad Time to Buy Large Household Goods? (% of Households)



Durable Buying Conditions

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Durable Buying Conditions	98.8	96.6	98.9	104.7	109.9	99.3	96.8

Employment Outlook

Dips in April



The labour market has deteriorated significantly in 2014, with the Employment Outlook Indicator hitting a series low in the first quarter of the year.

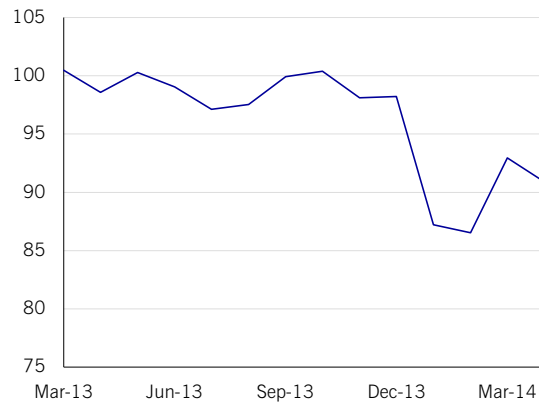
The indicator, which measures opinion on the outlook of the employment market over the next 12 months, declined to 90.9 in April from 92.9 in March. It has remained in contraction since the survey started, with the exception of March and October 2013.

Of the five major regions surveyed, respondents from all the regions were more negative about the Employment Outlook apart from respondents from North Caucasus, where the Indicator moved slightly above the 100 level that separates expansion from contraction. Respondents from the Urals region were most perturbed about their employment situation compared with the previous month with more than half of them expecting the situation to worsen in a year.

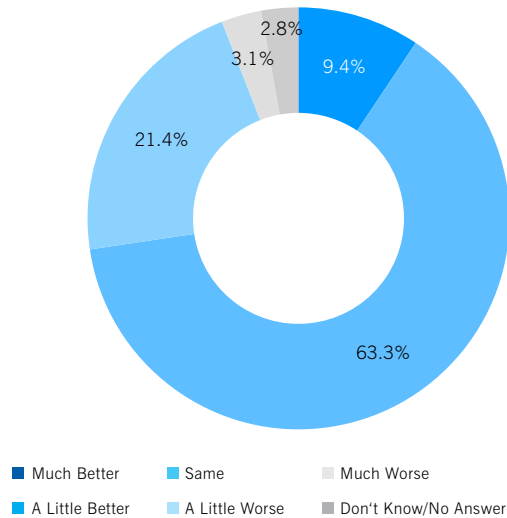
Official statistics showed that the unemployment rate declined in March to 5.4% from 5.6% in February. Results from the April edition of our sister survey on Russian Businesses showed that majority of the companies reported that the current number of employees they had was just right, although over the past year, companies have become more pessimistic.

The majority of respondents forecasted no change in the employment situation and their proportion declined to 63.3% from 75.1%.

Employment Outlook Indicator



Employment Outlook for the Next 12 Months (% of Households)



Employment Outlook

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Employment Outlook	98.6	98.1	98.2	87.2	86.5	92.9	90.9

Prices Sentiment

Dissatisfaction at Record Levels



Concerns over the current price level increased sharply in April, while expectations for future inflation hit a record high.

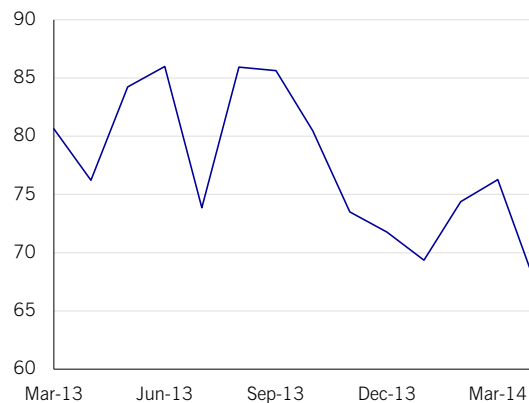
The Current Prices Satisfaction Indicator declined sharply to a series low in April. The indicator fell by 11.6% to 67.5 from 76.3 in March. A figure below 100 indicates wider dissatisfaction with current prices, and the further below 100 the greater the dissatisfaction. The indicator has remained below the breakeven level since the survey started in March 2013 and was 11.5% below the same period a year earlier.

Consumer price inflation rose sharply by 7.3% in April, up from 6.9% in March as food price inflation accelerated to 9% from 8.4% in the previous month. The central bank governor, Elvira Nabiullina, now expects inflation of 5-6% in 2014, missing the 5% target set for 2014. The recent weakening of the rouble has fuelled inflation, although planned lower hikes in administered prices and tariffs should provide some relief.

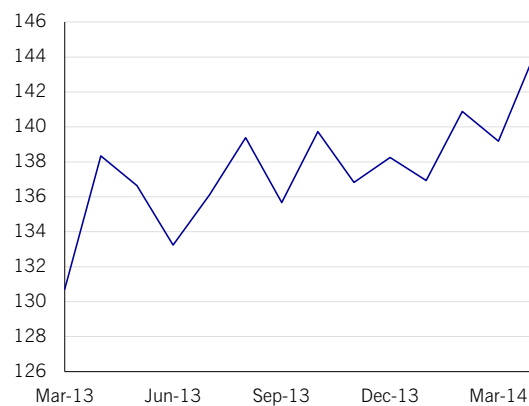
The Inflation Expectations Indicator, which measures whether respondents think prices will be higher or lower in 12 months' time, has trended upwards since the survey started in March 2013. It rose to a series high of 144.2 in April from 139.2 in the previous month.

The cost of public transport in Moscow is set to rise by 5-7% from June which will add further to price pressures.

Satisfaction with Current Prices



Inflation Expectations Indicator



Prices Sentiment

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Satisfaction with Current Prices	76.2	73.5	71.8	69.4	74.4	76.3	67.5
Inflation Expectations	138.3	136.8	138.2	136.9	140.9	139.2	144.2

Prices Sentiment Regions



The majority of respondents, 71.1%, believed prices would be higher in a year's time, while those saying prices would be unchanged remained broadly stable at 27.7%. Only 0.4% of respondents thought prices would be lower in a year's time.

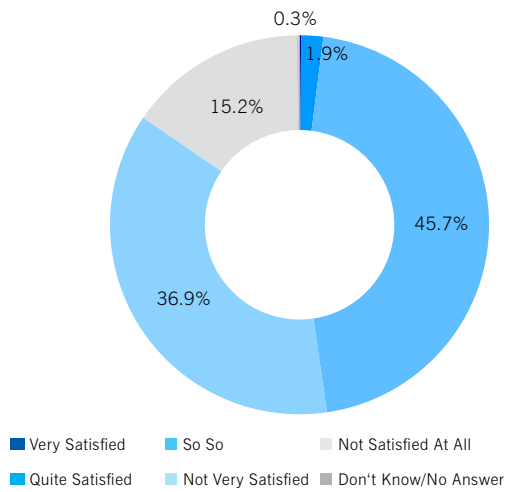
Since November, most respondents had thought prices would rise between 11-24% over the next year, but this has changed in the past two months. The proportion of respondents who thought prices would rise by over 25% increased significantly and represented the majority, likely due to fears that the depreciation in the currency will push up inflation.

Regions

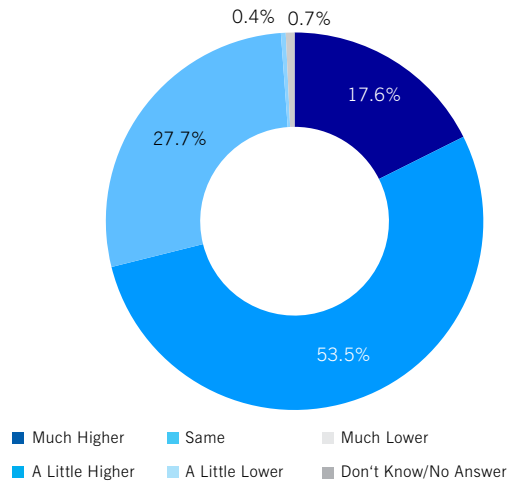
All regions showed wide dissatisfaction with the current level of prices. Among the five major regions, Volga showed the greatest dissatisfaction, as the proportion of the dissatisfied consumers almost trebled in April as compared with the previous month.

Respondents from Volga also had the highest inflationary expectations over the next 12 months as almost all the respondents expected prices to be higher.

Satisfaction with Current Prices
(% of Households)

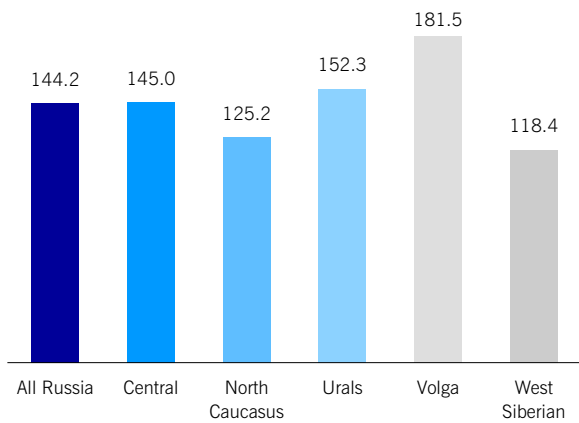


Inflation Expectations in 12 Months
(% of Households)

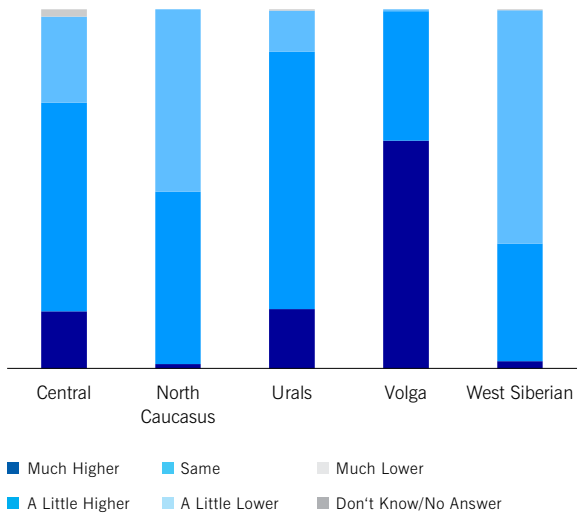




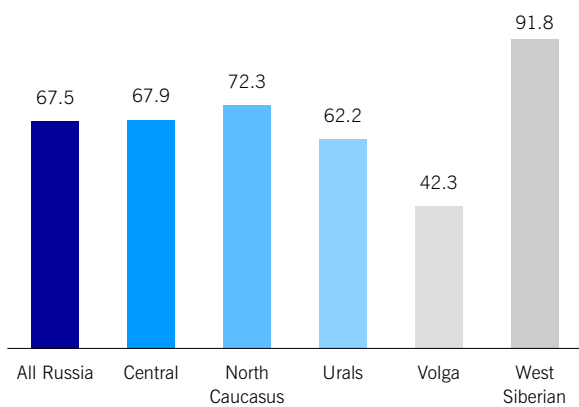
Inflation Expectations Indicator



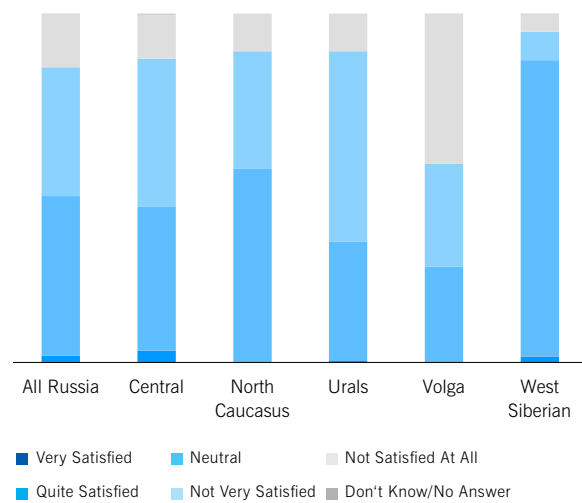
Expected Change in Prices in 1 Year (% of Households)



Current Prices Satisfaction Indicator



Satisfaction with Current Prices (% of Households)



Interest Rate Expectations Rises in April



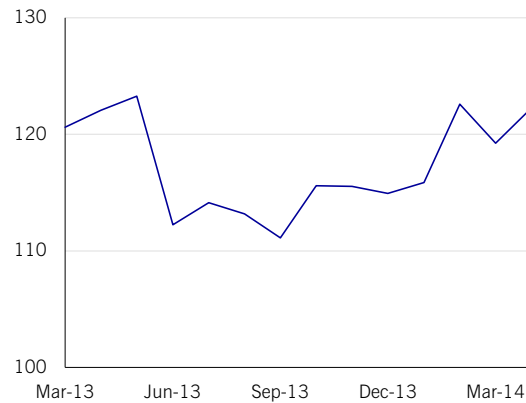
The Interest Rate Expectations Indicator rose 2.5% to 122.3 from 119.2 in March, above the series average of 117.3.

The indicator has remained above 100 since the survey started in March 2013. A reading above 100 indicates more households expected interest rates to rise over the coming year, while a figure below 100 means more households expected to see a fall.

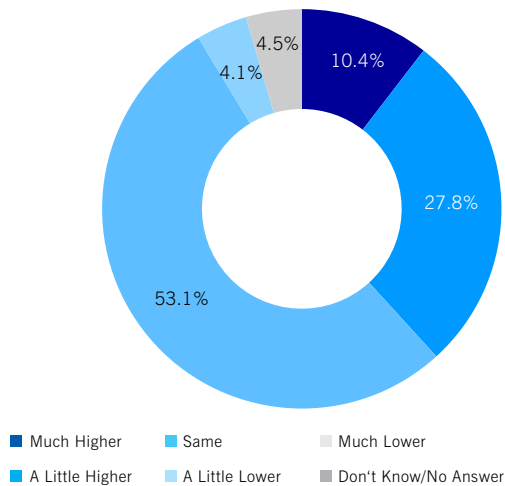
In a surprise move, the central bank raised its key rate to 7.5% from 7% at the end of April and said that it does not expect to cut rates in the coming months. While the bank pointed to the continued high level of inflation as the main reason for the tightening in monetary policy, the rise came soon after S&P cut Russia's sovereign rating and looked like a move to stem the negative impact, especially on the currency.

Survey participants forecasting that interest rates on home and car loans would be higher in a year's time rose from 35.5% to 38.2%. Those forecasting lower rates remained broadly stable at 4.1%. The percentage of respondents expecting interest rates would be the same fell to 53.1% from 56% previously.

Interest Rate Expectations Indicator



Expected Change in Interest Rate in 1 year (% of Households)



Interest Rate Expectations

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Interest Rate Expectations	122.1	115.5	114.9	115.9	122.6	119.2	122.3

Real Estate Investment Lowest Since December



The Real Estate Investment Indicator declined to 107.2 in April from 110.0 in the previous month, as a higher proportion of respondents said that it was a good time to sell a house, a component that negatively impacts the headline indicator.

The Real Estate Investment Indicator is comprised of three sub-indicators to gauge sentiment on the housing market; House Price Expectations, House Buying Sentiment and House Selling Sentiment.

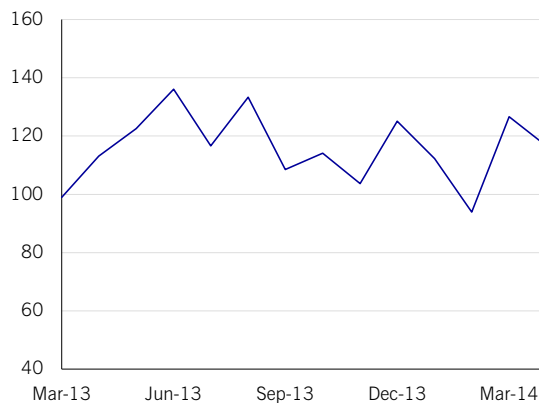
House Price Expectations declined for the first time in five months to 137.7 compared with 140.1 in March. Price Expectations have risen sharply since November and in spite of this month's fall, were over 11.5% above the same period a year ago and well above the 100 level, indicating more people expect prices to increase in the next six months.

The percentage of respondents who said house prices will go up in the next six months declined to 67.6% from 69.4% previously. Those who said prices would "stay the same" increased to 28% from 26% in March.

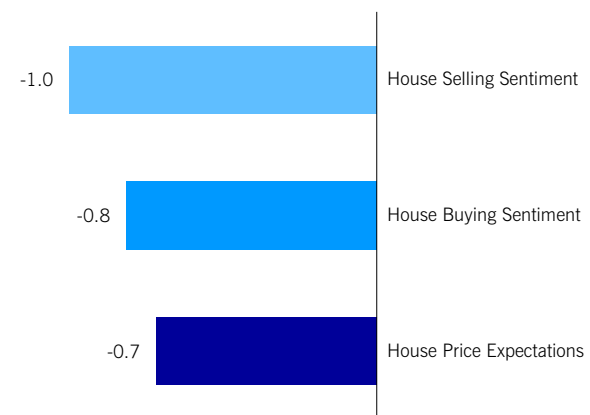
House Buying Sentiment, a measure of whether it is a good time in the next six months to buy a house, declined for the third month in a row, to a new series low of 84.5 from 87.3 in March.

According to the director of the Russian Central Bank's banking regulation department, Russian banks will issue at least one million mortgage loans in 2014 to encourage Russians to purchase a house.

Real Estate Investment Indicator



Real Estate Investment Indicator: Contribution to Monthly Change (% pt.)



Real Estate Investment Sentiment

	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Real Estate Investment Sentiment	107.5	108.4	106.9	112.1	111.4	110.0	107.2
Price Expectations	123.5	121.6	130.9	135.7	139.0	140.1	137.7
House Buying	98.1	105.0	92.1	99.7	96.8	87.3	84.5
House Selling	99.1	101.5	102.3	99.0	101.6	97.4	100.7



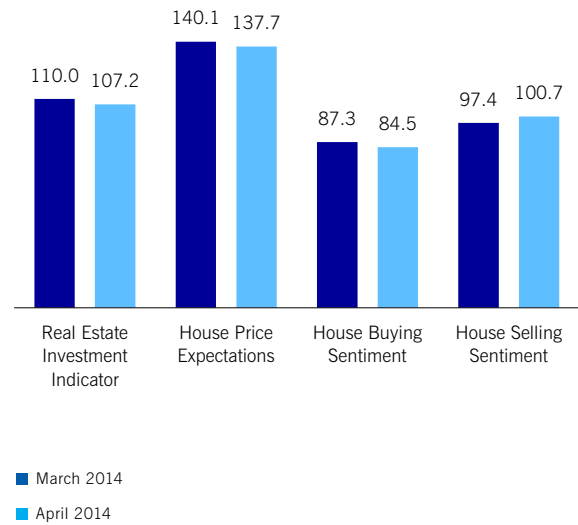
Real Estate Investment Components and Balances

The third component, House Selling Sentiment, which is a measure of whether it is a good time in the next six months to sell a house increased just above the breakeven level to 100.7 from 97.4 in March.

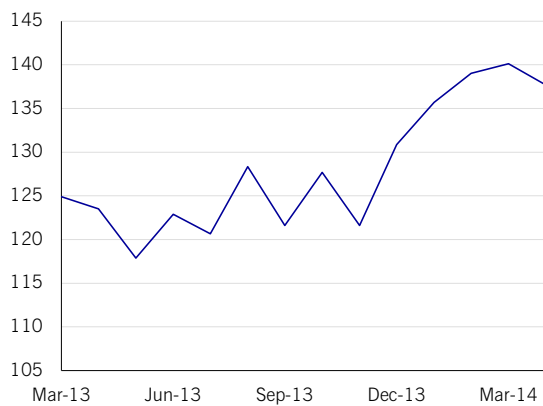
Regions

The Real Estate Investment Indicator declined in the Volga, North Caucasus and Urals regions. In Volga region, respondents were the least optimistic about real estate investment as the indicator fell into contraction, driven by a decline in Price Expectations and House Buying Sentiment accompanied by a rise in House Selling Sentiment.

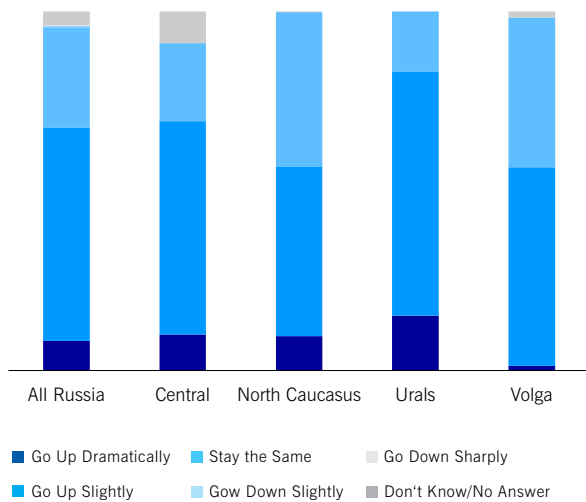
Real Estate Investment Indicator - Components



Real Estate Prices: Expected Changes

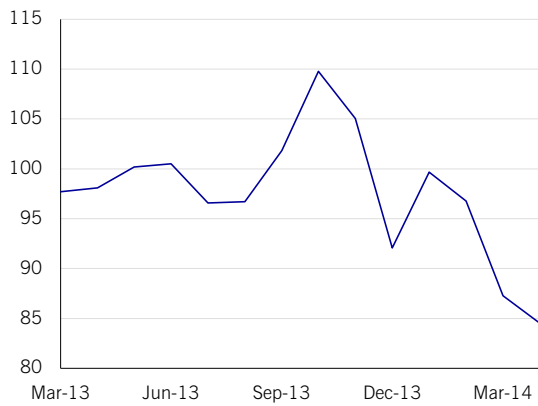


Expected Changes in Real Estate Prices in the Next 6 months (% of Households)

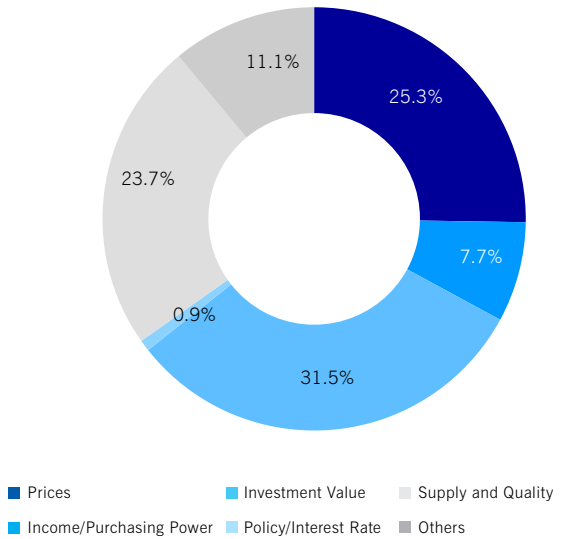




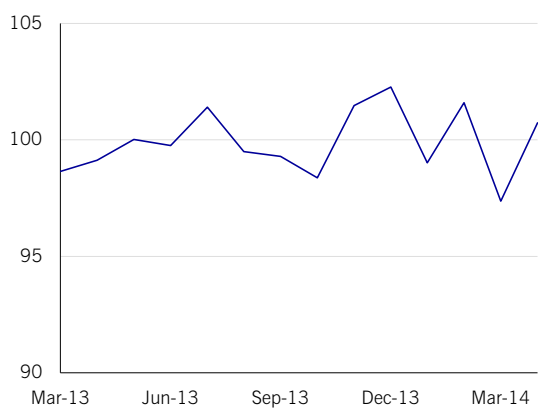
House Buying Sentiment



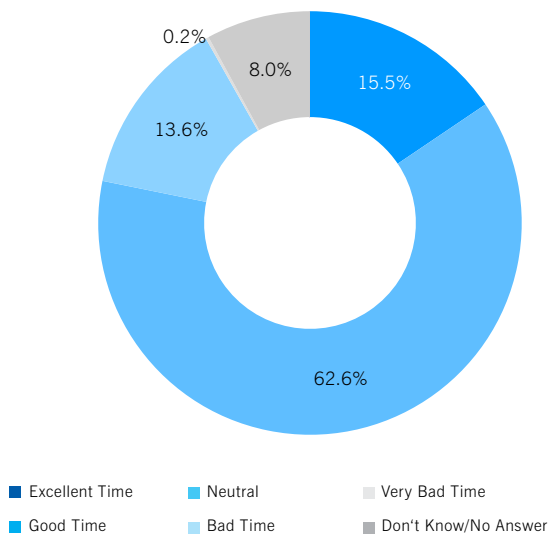
Reasons for Buying Houses (% of Households)



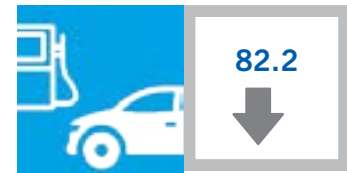
House Selling Sentiment



Timing for Selling Houses (% of Households)



Car Purchase Lowest in 2014



The Car Purchase Indicator declined for the second consecutive month in April to the lowest since December last year, driven by a fall in Car Purchase Expectations and a rise in Expectations for Gasoline Prices.

The indicator fell 3.4% to 82.2 in April from 85.1 in March. The Car Purchase Indicator rose close to a series high in February, but has subsequently declined, with this month's fall placing the indicator 4.6% below the level seen a year earlier.

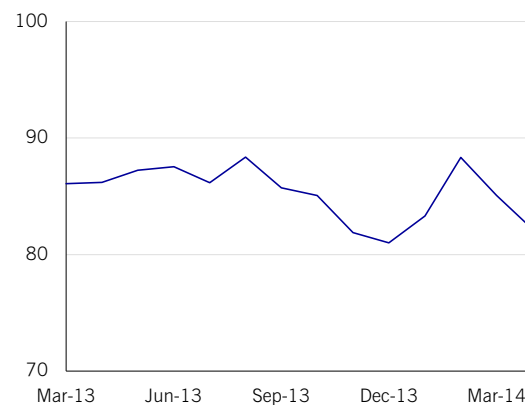
The Car Purchase Expectations component, which measures the willingness to buy a car, declined to 103.8 in April from 106.0 in March, a fall of 2.1% on the month. Of those who felt it was a bad time to purchase a car, a large proportion cited the high cost of use/upkeep of the car as a deterrent.

According to the Association of European Businesses, sales of new cars remained broadly stable in March as compared with a year ago. 243,335 vehicles were sold, almost 18% more than February's 206,476, but due to a seasonal boost.

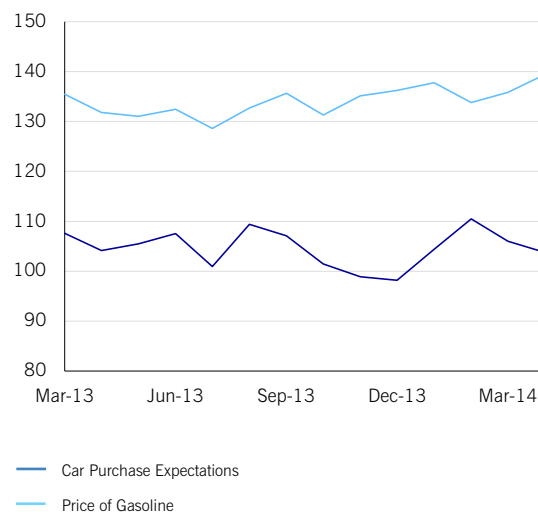
The Indicator on Gasoline Prices, which measures Expectations for the Price of Gasoline in a year and impacts the Car Purchase Indicator negatively, rose to 139.4 from 135.8 in the previous month. Expectations about future gasoline prices have trended upwards after hitting a series low in July 2013.

Survey participants forecasting gasoline prices would "go up" rose to 73.3%, up from almost 66% in March.

Car Purchase Indicator



Car Purchase Indicator - Components

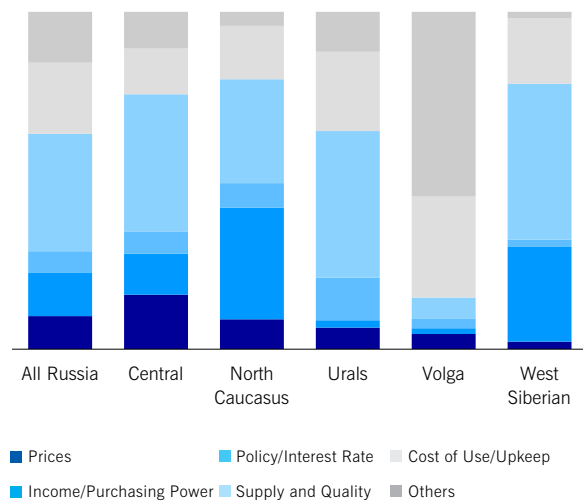


Car Purchase Sentiment

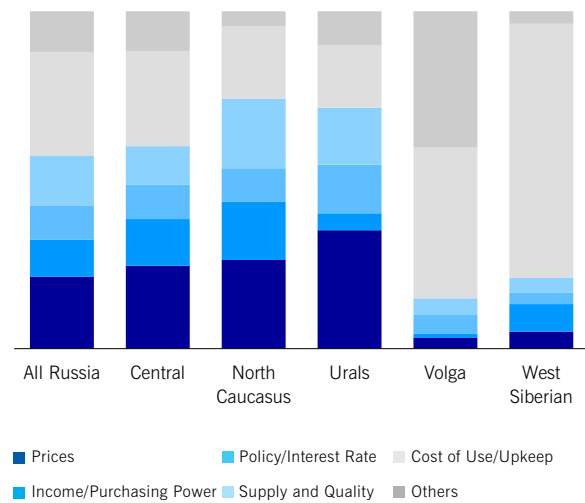
	Apr-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Car Purchase Sentiment	86.2	81.9	81.0	83.3	88.3	85.1	82.2
Car Purchase Expectations	104.1	98.9	98.2	104.4	110.5	106.0	103.8
Price of Gasoline	131.8	135.2	136.2	137.7	133.8	135.8	139.4



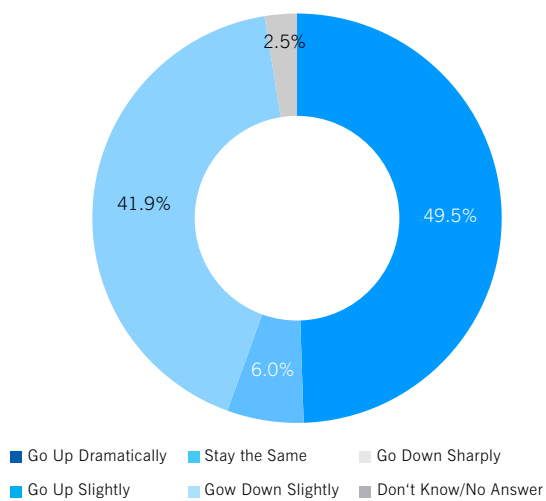
Reasons for a Good Time to Buy a Car
(% of Households)



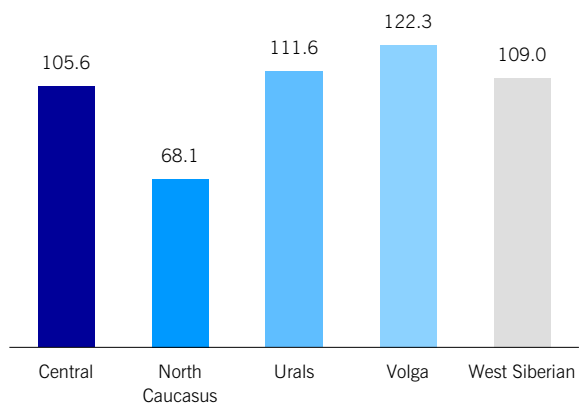
Reasons for a Bad Time to Buy a Car
(% of Households)



Expected Change in the Price of Gasoline
(% of Households)



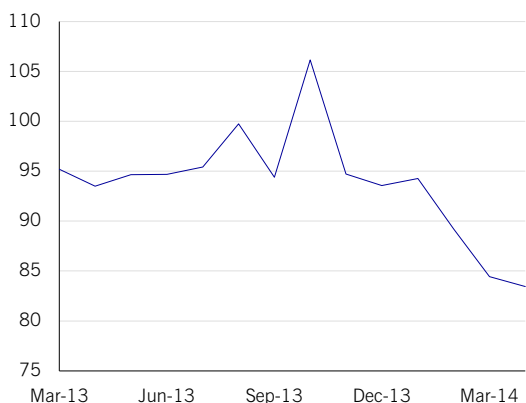
Car Purchase Expectations - Regions



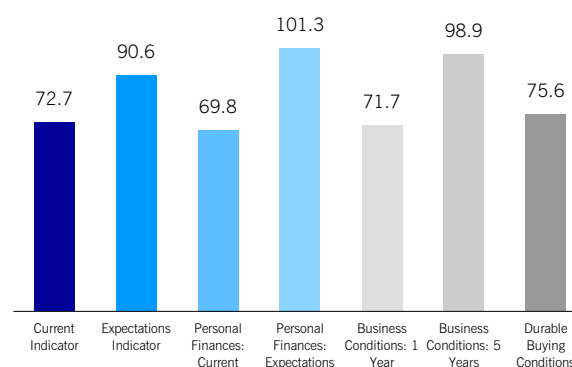
MNI Russia Consumer Indicator Regions



Consumer Indicator: North Caucasus



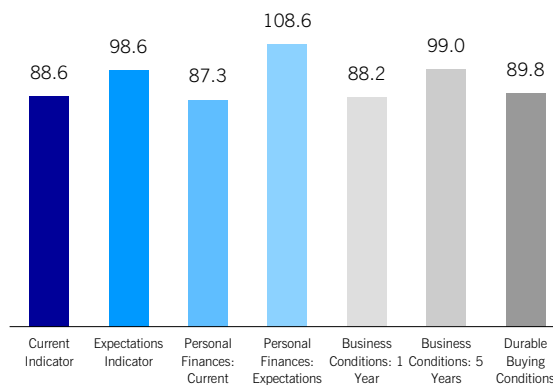
Consumer Indicator Components: North Caucasus



Consumer Indicator: West Siberian

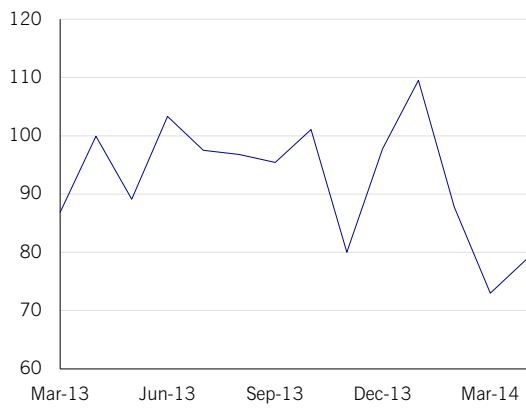


Consumer Indicator Components: West Siberian

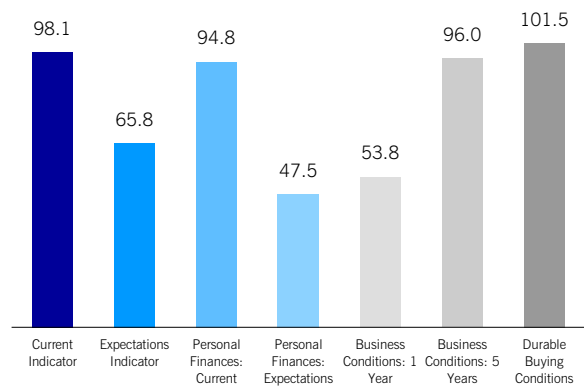




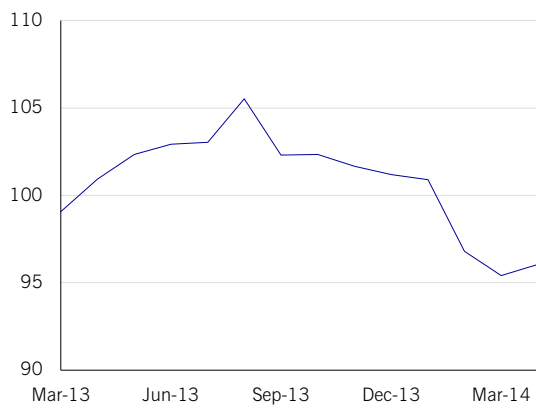
Consumer Indicator: Volga



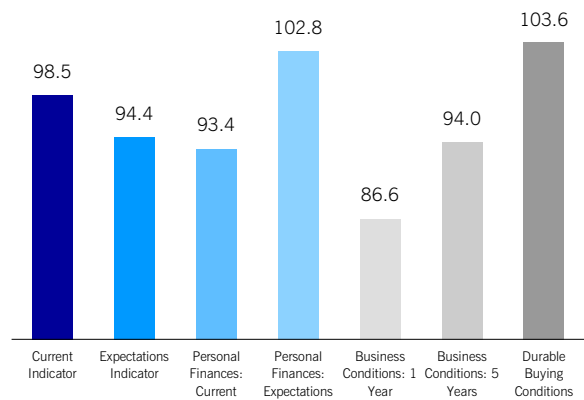
Consumer Indicator Components: Volga



Consumer Indicator: Central

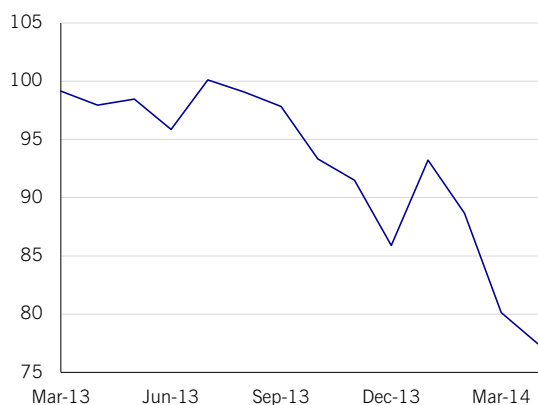


Consumer Indicator Components: Central

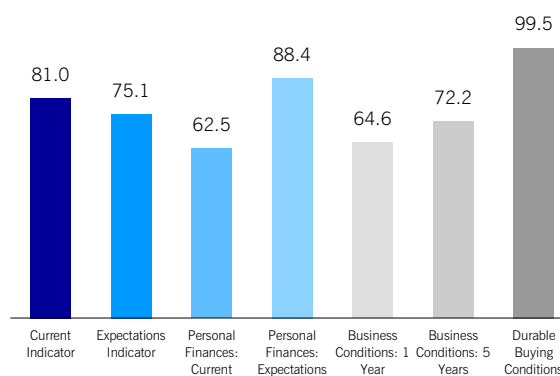




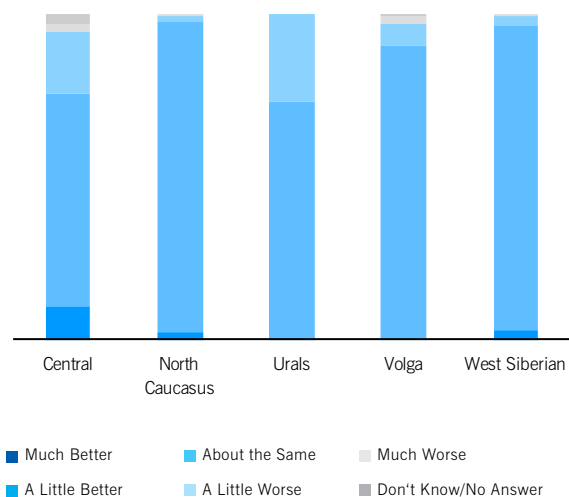
Consumer Indicator: Urals



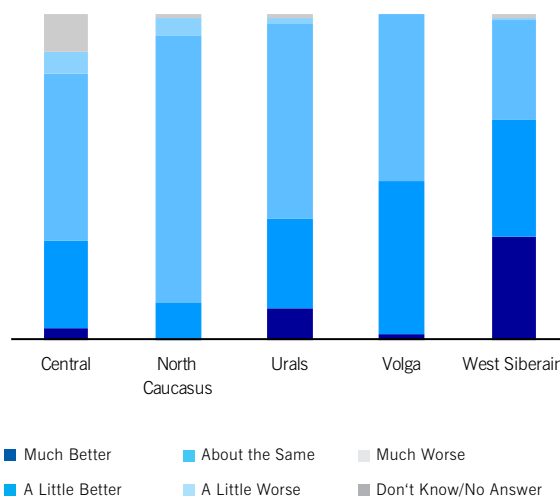
Consumer Indicator Components: Urals



Employment Indicator Outlook for the Next 12 Months (% of Households)



Interest Rates Expectations Indicator (% of Households)

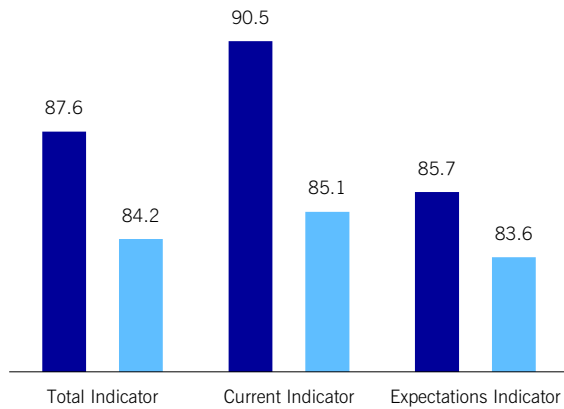


MNI Russia Consumer Indicator

Income Groups

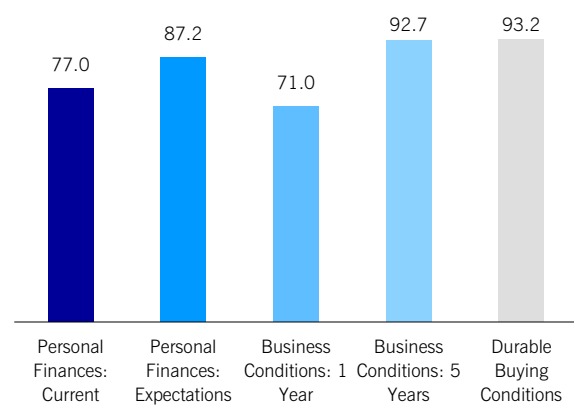


< RUB 480,000 Per Annum

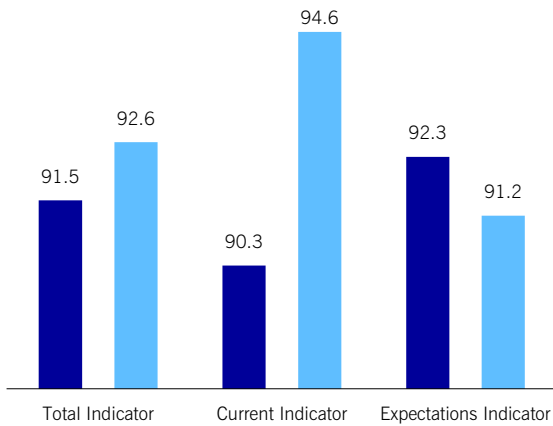


■ March 2014
■ April 2014

< RUB 480,000 - Components

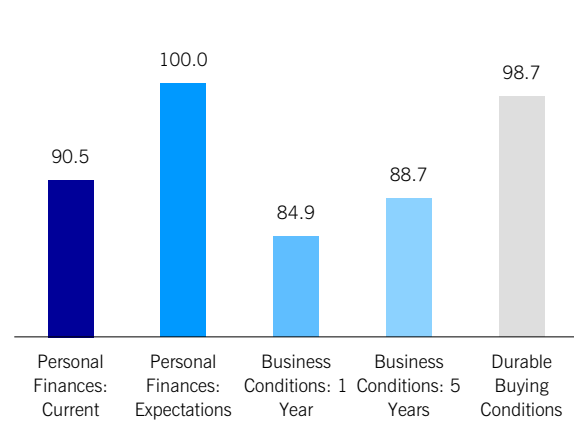


> RUB 480,000 Per Annum



■ March 2014
■ April 2014

> RUB 480,000 - Components





What the Panel Said

A selection of comments from the panel of consumers surveyed over the past month.

"Prices are growing faster than pension and salary growth."

"Current traffic level on roads makes movement by car problematic."

"Incomes are not enough to buy a household equipment, and of course, for a house."

"The work situation is not stable, I am afraid I will lose my job."

"Trade turnover of the company where I work is growing."

"Corruption in the power has killed the economy."

"Mortgage interest rates are too high."

"Maintenance of a car is not expensive."

"Investments in real estate are less profitable."

"Banks give bad terms of credits."

"We cannot afford to buy a car."

"Its hard to find a work place where high salary is guaranteed."

"A lot of inexpensive housing is under construction in new Moscow."

"Our family savings are increasing."

"In our country, just real estate investment gives a good profit."

"Many modern cars with excellent quality are in sale."

"The short-term devaluation of rouble will not influence savings."

"Last several years prices for flats were growing, now is the first time they are decreasing, because of increasing mortgage interest rates."

"The repair cost of broken durable goods is not reasonable; the repair can cost more than the new good itself."



Data Tables

A closer look at the data from the April consumer survey.

Russia - Central Overview

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - Central Consumer Indicator	96.8	95.4	96.1	Feb-14	-	96.1	0.7	0.7%
Current Indicator	99.3	97.7	98.5	Feb-14	-	98.5	0.8	0.7%
Expectations Indicator	95.1	93.8	94.4	Feb-14	-	94.4	0.6	0.6%
Personal Finance: Current	88.7	92.5	93.4	Jan-14	-	91.5	0.9	1.0%
Personal Finance: Expected	102.5	102.2	102.8	Jan-14	-	102.5	0.6	0.6%
Business Condition: 1 Year	92.8	85.6	86.6	Feb-14	-	88.3	1.0	1.2%
Business Condition: 5 Years	90.0	93.7	94.0	Jan-14	-	92.6	0.3	0.2%
Durable Buying Conditions	109.9	103.0	103.6	Feb-14	-	105.5	0.6	0.5%
Current Business Conditions Indicator	98.3	99.1	95.4	-	Dec-13	97.6	-3.7	-3.7%
Real Estate Investment Indicator	115.3	113.2	113.2	Feb-14	-	113.9	0.0	0.0%
Car Purchase Indicator	87.6	87.2	84.3	-	Dec-13	86.4	-2.9	-3.2%
Employment Outlook Indicator	87.4	93.1	92.2	-	Feb-14	90.9	-0.9	-1.0%
Inflation Expectations Indicator	143.7	142.4	145.0	series high	-	143.7	2.6	1.8%
Current Prices Satisfaction Indicator	68.5	71.4	67.9	-	series low	69.3	-3.5	-4.9%
Interest Rates Expectations Indicator	116.0	113.8	116.6	Apr-13	-	115.5	2.8	2.4%

Russia - Urals Overview

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - Urals Consumer Indicator	88.7	80.1	77.4	-	series low	82.1	-2.7	-3.4%
Current Indicator	99.9	78.4	81.0	Feb-14	-	86.4	2.6	3.3%
Expectations Indicator	81.1	81.3	75.1	-	series low	79.2	-6.2	-7.7%
Personal Finance: Current	85.7	57.7	62.5	Feb-14	-	68.6	4.8	8.3%
Personal Finance: Expected	83.4	83.6	88.4	Dec-13	-	85.1	4.8	5.7%
Business Condition: 1 Year	75.9	71.4	64.6	-	series low	70.6	-6.8	-9.5%
Business Condition: 5 Years	84.1	88.9	72.2	-	series low	81.7	-16.7	-18.8%
Durable Buying Conditions	114.2	99.1	99.5	Feb-14	-	104.3	0.4	0.4%
Current Business Conditions Indicator	98.5	100.3	72.8	-	series low	90.5	-27.5	-27.4%
Real Estate Investment Indicator	115.3	111.0	108.4	-	Jan-14	111.6	-2.6	-2.3%
Car Purchase Indicator	85.8	85.6	84.4	-	Jan-14	85.3	-1.2	-1.4%
Employment Outlook Indicator	81.4	86.7	70.8	-	series low	79.6	-15.9	-18.3%
Inflation Expectations Indicator	152.6	143.0	152.3	Feb-14	-	149.3	9.3	6.6%
Current Prices Satisfaction Indicator	76.9	77.4	62.2	-	series low	72.2	-15.2	-19.7%
Interest Rates Expectations Indicator	132.8	122.7	126.5	Feb-14	-	127.3	3.8	3.1%

Russia - Volga Overview

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - Volga Consumer Indicator	87.8	73.0	78.7	Feb-14	-	79.8	5.7	7.9%
Current Indicator	106.5	84.7	98.1	Feb-14	-	96.4	13.4	15.9%
Expectations Indicator	75.4	65.2	65.8	Feb-14	-	68.8	0.6	0.9%
Personal Finance: Current	87.4	72.1	94.8	Jan-14	-	84.8	22.7	31.5%
Personal Finance: Expected	88.9	70.7	47.5	-	series low	69.0	-23.2	-32.8%
Business Condition: 1 Year	72.7	55.0	53.8	-	series low	60.5	-1.2	-2.1%
Business Condition: 5 Years	64.5	69.9	96.0	Jan-14	-	76.8	26.1	37.5%
Durable Buying Conditions	125.6	97.3	101.5	Feb-14	-	108.1	4.2	4.3%
Current Business Conditions Indicator	82.9	97.7	107.8	Jan-14	-	96.1	10.1	10.4%
Real Estate Investment Indicator	97.1	124.7	92.5	-	series low	104.8	-32.2	-25.8%
Car Purchase Indicator	111.4	84.6	83.0	-	Jan-14	93.0	-1.6	-1.9%
Employment Outlook Indicator	63.5	94.2	93.4	-	Feb-14	83.7	-0.8	-0.9%
Inflation Expectations Indicator	166.2	169.5	181.5	series high	-	172.4	12.0	7.1%
Current Prices Satisfaction Indicator	69.3	86.9	42.3	-	series low	66.2	-44.6	-51.3%
Interest Rates Expectations Indicator	170.2	125.2	129.4	Feb-14	-	141.6	4.2	3.3%

Russia - North Caucasus Overview

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - North Caucasus Consumer Indicator	89.2	84.4	83.4	-	series low	85.7	-1.0	-1.2%
Current Indicator	81.4	75.8	72.7	-	series low	76.6	-3.1	-4.2%
Expectations Indicator	94.4	90.1	90.6	Feb-14	-	91.7	0.5	0.5%
Personal Finance: Current	68.6	61.7	69.8	Jan-14	-	66.7	8.1	13.1%
Personal Finance: Expected	101.0	101.4	101.3	-	Feb-14	101.2	-0.1	-0.1%
Business Condition: 1 Year	80.7	69.2	71.7	Feb-14	-	73.9	2.5	3.6%
Business Condition: 5 Years	101.6	99.9	98.9	-	Jan-14	100.1	-1.0	-1.0%
Durable Buying Conditions	94.2	90.0	75.6	-	series low	86.6	-14.4	-16.0%
Current Business Conditions Indicator	103.6	104.2	103.9	-	Feb-14	103.9	-0.3	-0.2%
Real Estate Investment Indicator	107.7	99.7	98.5	-	Dec-13	102.0	-1.2	-1.3%
Car Purchase Indicator	72.0	78.5	63.7	-	series low	71.4	-14.8	-18.9%
Employment Outlook Indicator	101.3	99.9	100.6	Feb-14	-	100.6	0.7	0.7%
Inflation Expectations Indicator	123.7	124.8	125.2	Jan-14	-	124.6	0.4	0.3%
Current Prices Satisfaction Indicator	70.4	73.3	72.3	-	Feb-14	72.0	-1.0	-1.4%
Interest Rates Expectations Indicator	104.1	103.0	104.8	Jan-14	-	104.0	1.8	1.8%

 Russia - West Siberian Overview

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - West Siberian Consumer Indicator	106.7	100.1	94.6	-	Oct-13	100.5	-5.5	-5.5%
Current Indicator	114.6	96.3	88.6	-	Oct-13	99.8	-7.7	-8.1%
Expectations Indicator	101.5	102.6	98.6	-	Dec-13	100.9	-4.0	-3.9%
Personal Finance: Current	106.3	86.2	87.3	Feb-14	-	93.3	1.1	1.3%
Personal Finance: Expected	99.1	106.9	108.6	series high	-	104.9	1.7	1.6%
Business Condition: 1 Year	106.5	101.3	88.2	-	Dec-13	98.7	-13.1	-12.9%
Business Condition: 5 Years	98.8	99.8	99.0	-	Feb-14	99.2	-0.8	-0.8%
Durable Buying Conditions	123.0	106.4	89.8	-	Nov-13	106.4	-16.6	-15.6%
Current Business Conditions Indicator	99.9	99.7	98.6	-	Apr-13	99.4	-1.1	-1.1%
Real Estate Investment Indicator	119.3	95.8	105.7	Feb-14	-	106.9	9.9	10.3%
Car Purchase Indicator	97.8	83.1	86.3	Feb-14	-	89.1	3.2	3.8%
Employment Outlook Indicator	99.4	99.6	98.3	-	Aug-13	99.1	-1.3	-1.3%
Inflation Expectations Indicator	121.2	116.3	118.4	Feb-14	-	118.6	2.1	1.8%
Current Prices Satisfaction Indicator	90.8	92.1	91.8	-	Feb-14	91.6	-0.3	-0.3%
Interest Rates Expectations Indicator	102.8	149.3	145.8	-	Feb-14	132.6	-3.5	-2.4%

All Russia Overview by Age

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Age 18-34								
MNI Russia Consumer Indicator	96.2	90.1	92.4	Feb-14	-	92.9	2.3	2.5%
Current Indicator	104.1	91.8	92.6	Feb-14	-	96.2	0.8	0.8%
Expectations Indicator	91.0	89.0	92.2	Jan-14	-	90.7	3.2	3.6%
Personal Finance: Current	93.4	82.8	86.5	Feb-14	-	87.6	3.7	4.5%
Personal Finance: Expected	98.7	96.1	99.1	Jan-14	-	98.0	3.0	3.1%
Business Condition: 1 Year	88.7	79.7	82.0	Feb-14	-	83.5	2.3	2.8%
Business Condition: 5 Years	85.5	91.1	95.5	Jan-14	-	90.7	4.4	4.9%
Durable Buying Conditions	114.7	100.9	98.7	-	Nov-13	104.8	-2.2	-2.2%
Age 35-54								
MNI Russia Consumer Indicator	92.0	87.3	85.5	-	series low	88.3	-1.8	-2.1%
Current Indicator	93.5	86.8	88.3	Feb-14	-	89.5	1.5	1.8%
Expectations Indicator	91.1	87.6	83.6	-	series low	87.4	-4.0	-4.6%
Personal Finance: Current	82.1	76.0	81.2	Feb-14	-	79.8	5.2	6.9%
Personal Finance: Expected	93.7	97.0	89.5	-	series low	93.4	-7.5	-7.7%
Business Condition: 1 Year	87.0	75.8	74.5	-	series low	79.1	-1.3	-1.7%
Business Condition: 5 Years	92.6	90.1	86.8	-	Dec-13	89.8	-3.3	-3.8%
Durable Buying Conditions	104.9	97.5	95.4	-	Aug-13	99.3	-2.1	-2.2%
Age 55-64								
MNI Russia Consumer Indicator	90.9	90.3	85.5	-	series low	88.9	-4.8	-5.3%
Current Indicator	88.6	87.5	88.5	Feb-14	-	88.2	1.0	1.2%
Expectations Indicator	92.4	92.1	83.5	-	series low	89.3	-8.6	-9.4%
Personal Finance: Current	73.9	76.9	82.3	Jan-14	-	77.7	5.4	7.0%
Personal Finance: Expected	92.9	94.9	86.8	-	series low	91.5	-8.1	-8.6%
Business Condition: 1 Year	86.3	90.5	74.0	-	series low	83.6	-16.5	-18.3%
Business Condition: 5 Years	98.0	91.0	89.8	-	Oct-13	92.9	-1.2	-1.3%
Durable Buying Conditions	103.4	98.0	94.7	-	Dec-13	98.7	-3.3	-3.3%

All Russia - Overview by Income

	Feb-14	Mar-14	Apr-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
< RUB 480,000 Per Annum								
MNI Russia Consumer Indicator	89.8	87.6	84.2	-	series low	87.2	-3.4	-3.9%
Current Indicator	94.3	90.5	85.1	-	series low	90.0	-5.4	-6.0%
Expectations Indicator	86.9	85.7	83.6	-	series low	85.4	-2.1	-2.4%
Personal Finance: Current	80.6	78.9	77.0	-	series low	78.8	-1.9	-2.5%
Personal Finance: Expected	93.3	92.9	87.2	-	series low	91.1	-5.7	-6.1%
Business Condition: 1 Year	79.3	75.9	71.0	-	series low	75.4	-4.9	-6.5%
Business Condition: 5 Years	88.0	88.4	92.7	Jan-14	-	89.7	4.3	4.9%
Durable Buying Conditions	107.9	102.1	93.2	-	Aug-13	101.1	-8.9	-8.7%
> RUB 480,000 Per Annum								
MNI Russia Consumer Indicator	100.4	91.5	92.6	Feb-14	-	94.8	1.1	1.2%
Current Indicator	105.5	90.3	94.6	Feb-14	-	96.8	4.3	4.8%
Expectations Indicator	96.9	92.3	91.2	-	series low	93.5	-1.1	-1.2%
Personal Finance: Current	96.8	80.8	90.5	Feb-14	-	89.4	9.7	12.0%
Personal Finance: Expected	100.0	99.4	100.0	Jan-14	-	99.8	0.6	0.6%
Business Condition: 1 Year	99.9	85.0	84.9	-	series low	89.9	-0.1	-0.1%
Business Condition: 5 Years	90.9	92.5	88.7	-	series low	90.7	-3.8	-4.1%
Durable Buying Conditions	114.2	99.8	98.7	-	Dec-13	104.2	-1.1	-1.1%

Methodology

The MNI Russia Consumer Sentiment Survey is a wide ranging monthly survey of consumer confidence across Russia.

Data is collected through computer aided telephone interviews (CATI), with each interviewee selected randomly by computer. At least 1,000 interviews are conducted each month.

The survey adopts a similar methodology to the University of Michigan survey of U.S. consumer sentiment.

The MNI Russia Consumer Indicator is derived from five questions, two on current conditions and three on future expectations:

- 1) Current personal financial situation compared to a year ago
- 2) Current willingness to buy major household items
- 3) Personal financial situation one year from now
- 4) Overall business conditions one year from now
- 5) Overall business conditions for the next 5 years

Indicators relating to specific questions in the report are diffusion indices with 100 representing a neutral level, meaning positive and negative answers are equal. Values above 100 indicate increasing positivity while values below show increasing negativity.



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Discovering trends in Emerging Markets

MNI's Emerging Markets Indicators explore attitudes, perspectives and confidence in Russia, India and China. Our data and monthly reports present an advance picture of the economic landscape as perceived by businesses and consumers.

Our indicators allow investors, economists, analysts, and companies to identify economic trends and make informed investment and business decisions. Our data moves markets.

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