

mni | DEUTSCHE BÖRSE
GROUP

MNI Russia Consumer Report November 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.

MNI Indicators is part of MNI, a leading provider of news and intelligence. MNI is a wholly owned subsidiary of Deutsche Börse Group, one of the largest worldwide exchange organisations.

Written and researched by

Philip Uglow, Chief Economist

Shaily Mittal, Economist

George Brown, Junior Economist

Release Time

Embargoed until 9:45 a.m. Moscow time

December 10, 2014

MNI Indicators | Deutsche Börse Group

Westferry House

11 Westferry Circus

London

E14 4HE

Tel: +44 (0)20 7862 7444

Email: info@mni-indicators.com

www.mni-indicators.com

@MNIIndicators

MNI Russia Consumer Report - November 2014

Contents

4	Editorial
6	Executive Summary
12	Economic Landscape
16	Indicators
17	MNI Russia Consumer Indicator
24	Personal Finances
26	Business Conditions
29	Durable Buying Conditions
30	Employment Outlook
31	Prices Sentiment
34	Interest Rates Expectations
35	Real Estate Investment
38	Car Purchase
40	Consumer Indicator - Regions
43	Consumer Indicator - Income Groups
44	What the Panel Said
46	Data Tables
54	Methodology



Russia's Fiscal Black Hole

While the economic sanctions and weakening in the rouble have certainly dented Russia's economy, it is perhaps the slide in the price of oil which will hurt Russia the most over the coming year.

While the economic sanctions and weakening in the rouble have certainly dented Russia's economy, it is perhaps the slide in the price of oil which will hurt Russia the most over the coming year.

After Brent crude oil peaked at \$115 a barrel in June, the global benchmark for oil has fallen by more than 40% to almost \$65 a barrel now. The decline is the result of the slowdown in both European and Asian economies, resulting in lower demand from these regions, as well as the oversupply of oil that has been compounded by shale drilling in the US.

With oil accounting for around half of Russia's annual budget revenue, Finance Minister Anton Siluanov recently stated that he estimates that the lower price of oil has cost Russia's economy as much as \$100 billion this year, compared with the cost of sanctions which he estimates to be \$40 billion.

On November 27, the 12 member states of the Organisation of the Petroleum Exporting Countries (OPEC), along with Russia and Mexico, met at their headquarters in Vienna to seek a solution to the considerable decline in the price of oil. At the summit, delegates chose to retain OPEC's target production ceiling of 30 million barrels a day; a move that is likely to maintain downward pressure on prices as supply continues to outstrip demand.

In the short-term, Russia will be able to cope with the lower price of oil. Even with the recent considerable fall in the price of oil, the average price for this year will come in just slightly less than the \$100 a barrel assumption for the budget in 2014. Also, Russia's fiscal budget, denominated in roubles, will be helped significantly by the depreciation in the rouble.

Russia's fiscal budget for 2015, though, is also based on an oil price of \$100 per barrel and continued weakness in prices will see Russia eventually having to dip into its reserves in order to meet the shortfall. Russia's reserves have already taken a beating over the past couple of months after the central bank spent more than \$30 billion defending the slide in the rouble before allowing it to float freely.

The oil industry has already been hit with sanctions by Western nations this year. Both the EU and US have prohibited major Russian oil companies from raising capital on their financial markets in addition to banning the export of advanced oil technologies to such companies. Russia's largest oil company, Rosneft, recently requested state aid totalling 2 trillion roubles (\$49 billion) from the government's National Welfare Fund after being hurt by the sanctions, although it looks unlikely to receive the full amount.

While the short-term impact of the fall in the price of oil might be manageable, in the longer term it will be detrimental for the economy and adds to the long list of woes that the central bank and government already have to face.

George Brown

Junior Economist
MNI Indicators



Executive Summary

The MNI Russia Consumer Indicator fell by 5.1% on the month to 76.6 in November from 80.7 in October, the lowest in the survey's history.

The MNI Russia Consumer Indicator fell by 5.1% on the month to 76.6 in November from 80.7 in October, the lowest in the survey's history. Consumer sentiment has fallen sharply since the onset of the Ukraine crisis with confidence now standing 19.2% below the level seen a year earlier.

The Current Indicator, which measures consumers' assessment of current conditions, fell to a record low of 72.5 in November from 85.4 in October, while the Expectations Indicator, which is made up of the three forward-looking components, improved to 79.2 in November from a series low of 77.5 previously.

Three out of the five components which make up the Consumer Indicator declined to record lows in November. The fall in sentiment was led by households' views on their current financial situation which declined to an all-time low of 67.0.

Amid the decline in household finances and the increased cost of credit, consumers' willingness to purchase big-ticket items fell to a series low of 78.1 in November. Moreover, consumers were significantly more pessimistic about purchasing a car in the next 12 months, in spite of the government's scrappage scheme, causing sentiment to fall to a record low of 71.3.

The housing market was also hit hard as the weakness in overall consumer sentiment coupled with the high level of interest rates reduced respondents' willingness to purchase a house to 103.2, the lowest level on record.

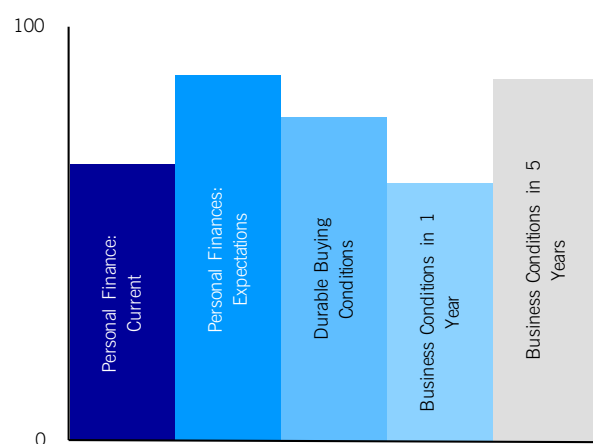
Western economic sanctions have targeted Russia's finance, energy and weapons industries this year, while Russia has retaliated by introducing a ban on Western imports. Such measures are likely to hurt the economy further, with consumers' short-term expectations for the business environment plunging to a series low of 62.3 in November.

Consumers revised up their inflation expectations to 145.9 in November as the ban on Western food imports and record low rouble pushed inflation to the highest level since June 2011, a trend likely to continue into next year.

While consumers' outlook for the job market rose to 86.4, our panel still expected employment conditions to worsen as concerns over the longevity of sanctions and the slowdown in the economy mounted.

Consumers' expectations about interest rates on car and home loans fell to 121.7 in November, the first decline in four months.

MNI Russia Consumer Indicator - Components



All Russia - Overview

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
MNI Russia Consumer Indicator	85.3	80.7	76.6	-	series low	80.9	-4.1	-5.1%
Current Indicator	88.2	85.4	72.5	-	series low	82.0	-12.9	-15.1%
Expectations Indicator	83.4	77.5	79.2	Sep-14	-	80.0	1.7	2.2%
Personal Finance: Current	78.8	81.7	67.0	-	series low	75.8	-14.7	-18.0%
Personal Finance: Expected	86.2	80.4	88.2	Jul-14	-	84.9	7.8	9.7%
Business Condition: 1 Year	73.5	71.0	62.3	-	series low	68.9	-8.7	-12.3%
Business Condition: 5 Years	90.4	81.2	87.2	Sep-14	-	86.3	6.0	7.4%
Durable Buying Conditions	97.7	89.1	78.1	-	series low	88.3	-11.0	-12.3%
Current Business Conditions Indicator	89.2	84.2	85.4	Sep-14	-	86.3	1.2	1.5%
Real Estate Investment Indicator	108.8	110.5	103.2	-	series low	107.5	-7.3	-6.6%
Car Purchase Indicator	75.8	78.5	71.3	-	series low	75.2	-7.2	-9.2%
Employment Outlook Indicator	80.9	81.4	86.4	Aug-14	-	82.9	5.0	6.3%
Inflation Expectations Indicator	140.9	144.7	145.9	Jun-14	-	143.8	1.2	0.8%
Current Prices Satisfaction Indicator	63.4	56.1	59.2	Sep-14	-	59.6	3.1	5.6%
Interest Rates Expectations Indicator	124.2	126.6	121.7	-	Mar-14	124.2	-4.9	-3.9%

All Russia - Summary

	2013		2014										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
MNI Russia Consumer Indicator	94.8	95.7	99.3	94.1	89.1	88.5	87.2	89.1	91.1	81.7	85.3	80.7	76.6
Current Indicator	94.3	95.7	102.0	98.6	89.4	90.2	87.3	91.1	97.1	81.6	88.2	85.4	72.5
Expectations Indicator	95.1	95.7	97.5	91.2	88.8	87.4	87.1	87.8	87.1	81.8	83.4	77.5	79.2
Personal Finance: Current	92.0	92.5	99.3	87.3	79.5	83.7	79.6	80.3	86.7	77.1	78.8	81.7	67.0
Personal Finance: Expected	101.7	101.9	101.2	96.3	96.3	93.4	95.0	91.5	90.8	86.2	86.2	80.4	88.2
Business Condition: 1 Year	94.9	94.4	95.1	87.8	79.4	77.8	77.7	80.7	81.1	70.5	73.5	71.0	62.3
Business Condition: 5 Years	88.7	90.8	96.4	89.4	90.7	91.1	88.6	91.2	89.5	88.6	90.4	81.2	87.2
Durable Buying Conditions	96.6	98.9	104.7	109.9	99.3	96.8	95.1	101.8	107.5	86.0	97.7	89.1	78.1
Current Business Conditions Indicator	97.4	94.9	100.3	97.5	99.2	95.7	85.5	91.0	93.6	85.5	89.2	84.2	85.4
Real Estate Investment Indicator	108.4	106.9	112.1	111.4	110.0	107.2	108.0	108.2	110.8	109.9	108.8	110.5	103.2
House Price Expectations	121.6	130.9	135.7	139.0	140.1	137.7	139.3	139.5	139.5	144.7	148.2	146.1	142.0
House Buying Sentiment	105.0	92.1	99.7	96.8	87.3	84.5	82.6	83.6	87.2	82.9	77.7	87.7	71.0
House Selling Sentiment	101.5	102.3	99.0	101.6	97.4	100.7	97.8	98.5	94.2	97.8	99.5	102.4	103.5
Car Purchase Indicator	81.9	81.0	83.3	88.3	85.1	82.2	79.3	79.8	78.4	77.7	75.8	78.5	71.3
Car Purchase Expectations	98.9	98.2	104.4	110.5	106.0	103.8	99.1	103.0	104.8	104.2	99.0	107.7	93.6
Price of Gasoline Expectations	135.2	136.2	137.7	133.8	135.8	139.4	140.5	143.4	148.0	148.9	147.3	150.6	151.1
Employment Outlook Indicator	98.1	98.2	87.2	86.5	92.9	90.9	87.8	87.5	87.6	87.4	80.9	81.4	86.4
Inflation Expectations Indicator	136.8	138.2	136.9	140.9	139.2	144.2	144.6	146.3	145.3	145.1	140.9	144.7	145.9
Current Prices Satisfaction Indicator	73.5	71.8	69.4	74.4	76.3	67.5	73.4	65.0	67.9	64.8	63.4	56.1	59.2
Interest Rates Expectations Indicator	115.5	114.9	115.9	122.6	119.2	122.3	126.0	126.8	121.9	123.0	124.2	126.6	121.7

All Russia - Records

	2013 - Current			
	Minimum	Maximum	Mean	Median
MNI Russia Consumer Indicator	76.6	99.9	92.5	94.8
Current Indicator	72.5	102.0	93.1	95.7
Expectations Indicator	77.5	100.3	92.0	95.1
Personal Finance: Current	67.0	103.2	88.8	91.0
Personal Finance: Expected	80.4	109.2	97.4	101.2
Business Condition: 1 Year	62.3	101.5	86.7	92.3
Business Condition: 5 Years	81.2	98.0	92.0	91.1
Durable Buying Conditions	78.1	109.9	97.3	97.2
Current Business Conditions Indicator	84.2	100.3	93.4	95.4
Real Estate Investment Indicator	103.2	113.0	108.6	108.2
House Price Expectations	117.9	148.2	132.9	135.7
House Buying Sentiment	71.0	109.8	92.4	96.6
House Selling Sentiment	94.2	103.5	99.6	99.5
Car Purchase Indicator	71.3	88.4	82.6	83.3
Car Purchase expectations	93.6	110.5	103.7	104.2
Price of Gasoline expectations	128.6	151.1	138.4	135.8
Employment Outlook Indicator	80.9	100.5	92.7	92.9
Inflation Expectations Indicator	130.7	146.3	140.0	139.4
Current Prices Satisfaction Indicator	56.1	86.0	73.1	73.5
Interest Rates Expectations Indicator	111.1	126.8	119.7	121.7

Russian consumer sentiment fell to the lowest level on record in November.

The MNI Russia Consumer Indicator fell by 5.1% on the month to 76.6 in November from 80.7 in October.



Economic Landscape

For the first time since floating the rouble, the Bank of Russia has intervened in the foreign exchange market after the slide in the price of oil caused the currency to sink to a new low.

For the first time since floating the rouble, the Bank of Russia has intervened in the foreign exchange market after the slide in the price of oil caused the currency to sink to a new low. Following the decision by the Organisation of the Petroleum Exporting Countries (OPEC) to retain the group's production ceiling, the price of Brent oil fell to a five-year low at the beginning of December. With oil accounting for around half of Russia's annual budget revenue, the rouble weakened significantly, prompting the central bank to resume its defence of the currency. Given that the Bank of Russia had previously stated that it would only intervene if there was a threat to financial stability, we can perhaps infer that the current rouble exchange rate is causing serious pain to the Russian economy.

Russian economic growth slowed slightly in the third quarter of this year, although the weakening in the rouble and falling oil prices since September point to an economic contraction in Q4. The sustained fall in oil prices and the increasing likelihood that sanctions will remain in place at least for the next year has prompted Russia's Economic Development Ministry to downgrade their economic growth forecast for 2015.

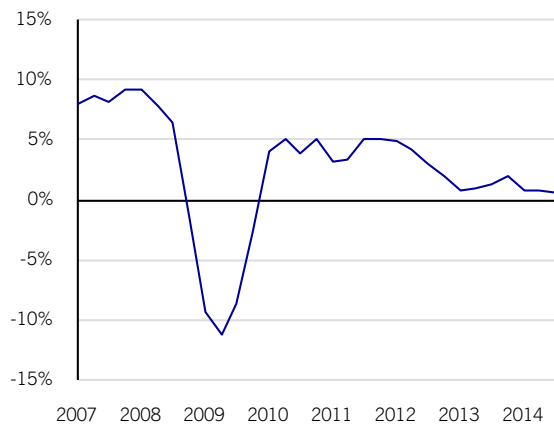
Economic growth slows

The latest GDP figures from the Federal Statistics Service revealed that the economy slowed to 0.7% in the three months to September from 0.8% in the previous quarter. The slowdown in growth was, however, much more muted than many had anticipated given the imposition of economic sanctions against Russia and the ban on Western food imports on the economy.

While more granular level GDP data is not yet available, many are attributing the resilience of the economy to a good harvest and strong industrial production on the back of import substitution and the commencement of a gas pipeline project to China. Nevertheless, since the end of Q3, Russia has been hit by a significant weakening in the rouble and a slide in oil prices which will likely take their toll on the economy. We therefore anticipate a contraction on the year in the final quarter of 2014 before slipping into recession in 2015.

Russia's Economic Development Ministry had predicted GDP growth of 2.5% this year before the turmoil in Ukraine. This has, though, been dramatically reduced to just 0.5%, following paltry growth of 1.3%

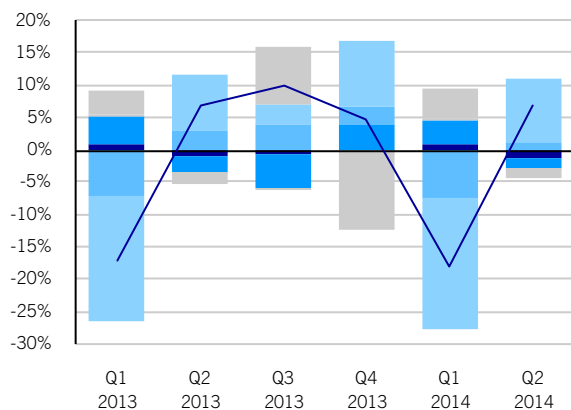
Economic Growth



— GDP Growth Y/Y %

Source: Federal State Statistics Service

Contribution to Economic Growth



■ Discrepancies ■ GFCF — GDP Growth Q/Q %
 ■ Net Exports ■ GFCE
 ■ PFCE ■ Inventories

Source: Federal State Statistics Service

in 2013. Recently, the economy ministry revised their forecast for 2015 to -0.8%, considerably down from its previous estimate of 1.2%. The ministry cited reduced expectations in the price of oil from \$100 to \$80 a barrel and the likelihood that sanctions will remain in place throughout 2015 for the downward revision.

Industrial production expands in October

Industrial production rose by 2.9% on the year in October following growth of 2.8% in September. On a monthly basis, industrial production rose by 5.1% in October after growing by 2.7% in September.

The improvement was led by manufacturing output, which grew by 3.6% on the year in October for the second consecutive month. The Russian ban on Western food imports has provided a boost to domestic food manufacturers, which accounts for the strong growth for both September and October, following a contraction in August.

Industrial production was also boosted by utilities output, which grew by 2.8% on the year in October following a contraction of 0.8% in September as construction started on a new gas pipeline to China following the signing of a \$400 billion contract in May. Growth in mining and quarrying output was comparatively more muted, slowing to 1.9% on the year in October from 2.4% in the previous month.

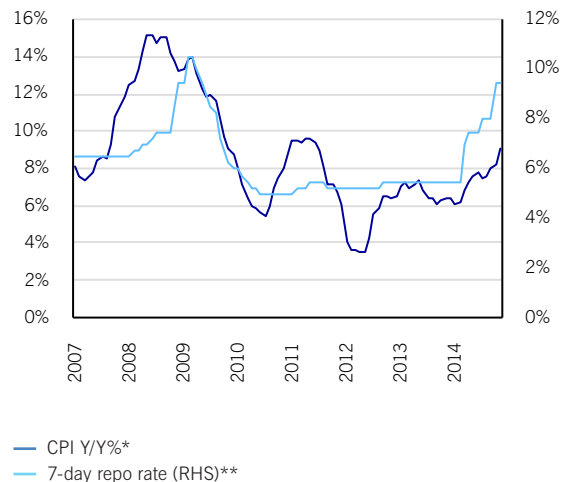
In the first ten months of 2014, industrial production grew 1.6% on the year compared with growth of 0.2% in the same period a year ago.

Russia's Economic Development Ministry forecasts that industrial output will expand by about 1.7% this year after growing by just 0.4% in 2013.

Inflation rises in November

Consumer price inflation accelerated to 9.1% in November from 8.3% in October, the highest since June 2011. Following a ban on food imports from Western nations, food price inflation rose to 12.6% in November driven by higher prices for fruit and vegetables which have increased 11.1% on the year.

Inflation and Interest Rate



Source: *Federal State Statistics Service, **Central Bank of Russia

Even after stripping out the prices of food and fuel, core inflation accelerated to 8.9% from 8.4% in the previous month, the highest since November 2010.

Russia's Economy Ministry recently forecasted that inflation will be 9% by the end of 2014 and that it would ease to around 7.5% at the end of 2015.

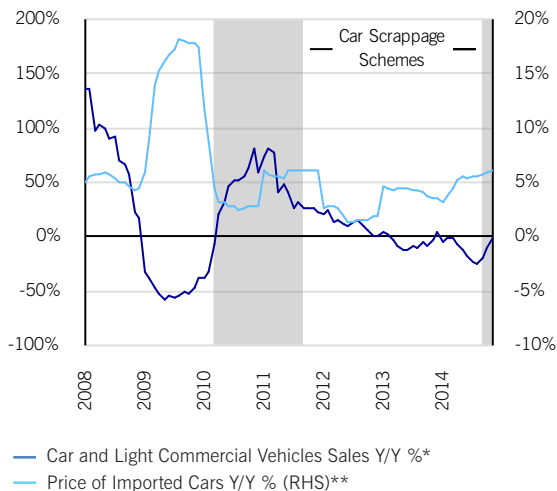
Key policy rate at 9.5%

At its meeting on October 31, the Bank of Russia raised the key interest rate by 150 basis points to 9.5% in an effort to stem the slide in the rouble. The central bank has now raised the benchmark interest rate four times this year by a total of 400 basis points.

The hike was far above expectations, with the central bank citing the considerable fall in oil prices and stricter sanctions as the main reasons for the slide in the rouble, requiring bold tightening in order to rein in spiralling inflation. The central bank has recently estimated that inflation is likely to remain above 8% until March 2015, and has moved its medium-term inflation target of 4% to 2017 from 2016 previously.

The Bank of Russia is due to meet next on December

Car Sales



Source: *Association of European Businesses, ** Federal State Statistics Service

11 when it is widely expected to retain the current interest rate. The central bank, though, faces increased pressure to raise rates further given that previous policy tightening has failed to stop the rouble from weakening while inflation has accelerated further.

Rouble hits record low

The rouble fell to an all-time low of 54.87 against the US dollar on December 3 after the decision by the Organisation of the Petroleum Exporting Countries (OPEC) to retain the group's production ceiling, which caused the price of Brent oil to hit a five-year low.

Economic sanctions and the slide in the price of oil caused the rouble to breach the central bank's trading range in October sparking unlimited interventions from the central bank to defend the currency, the first time it has had to do so since May. In October alone, the central bank spent more than \$30 billion defending the rouble.

On November 10, the central bank abandoned its support for the currency by abolishing the exchange rate mechanism, adding that it would only intervene if there was a threat to financial stability.

Recently, the slowdown in both European and Asian

economies combined with the oversupply of oil has caused the price of oil to fall considerably. This has been compounded by the decision by OPEC to retain the group's target production ceiling of 30 million barrels a day. As a result, the rouble has weakened significantly, prompting the Bank of Russia to spend more than \$4.5 billion defending the currency in December.

Trade surplus narrows in October

Russia's trade surplus narrowed to \$10.8 billion in October, from \$13 billion a month earlier, and was below the \$12.8 billion recorded a year earlier.

Exports fell to \$37.9 billion in October, down from September's \$38.8 billion, while imports rose to \$27.1 billion in October from \$25.8 billion in September.

Russia is the second largest exporter of oil in the world, the fall in global oil prices therefore accounts for the steep 12.8% decline on the year in exports. Oil prices have continued to fall since September to almost \$65 a barrel in December, and this trend is likely to continue in the months to come.

Car sales fall in November

In November, 229,439 cars were sold in Russia, 1.1% below the level in the same month a year earlier but up from a 9.9% contraction seen in the previous month.

The 11 months to November saw a decline of 11.6% in car sales compared with the same period a year earlier. The government has recently introduced a car scrappage and trade-in scheme, in an attempt to kick-start the market. Under the programme, consumers who trade in a car which is at least six years old are eligible for a discount of at least 40,000 roubles off a new vehicle. While the government measures have not reversed the downward trend in car sales, it has certainly helped to mitigate it. November's decline was considerably below the 25.8% fall seen in August, one month before the introduction of the scrappage scheme.



Indicators

Russia consumer sentiment fell to the lowest level on record in November as stubbornly high inflation put extreme pressure on household finances while confidence in the real estate market collapsed to a record low.

MNI Russia Consumer Indicator Falls to All-Time Low



Russia consumer sentiment fell to the lowest level on record in November as stubbornly high inflation put extreme pressure on household finances while confidence in the real estate market collapsed to a record low.

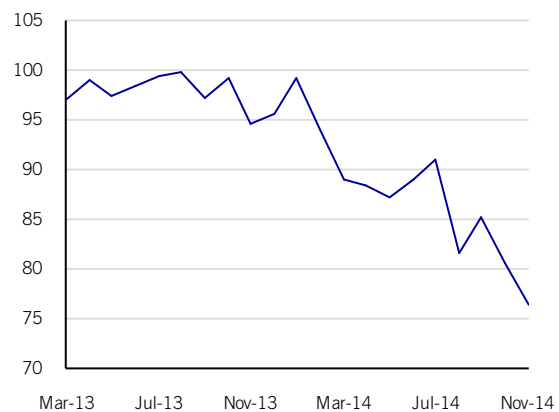
The MNI Russia Consumer Indicator fell by 5.1% on the month to 76.6 in November from 80.7 in October. Consumer sentiment has fallen sharply since the onset of the Ukraine crisis with confidence now standing 19.2% below the level seen a year earlier.

Three out of the five components which make up the Consumer Indicator declined to record lows in November, with the fall in sentiment led by households' views on their current financial situation.

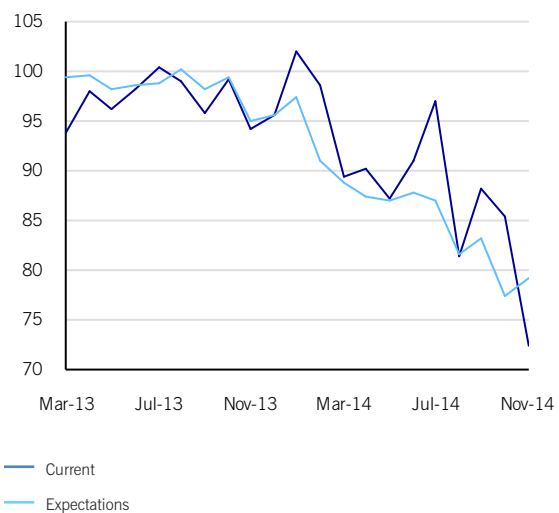
At its latest meeting on October 31, Governor Nabiullina announced that the key interest rate would be drastically hiked by 150 basis points to 9.5% in an effort to stem the slide in the rouble and ease inflation. The Bank of Russia is due to meet next on December 11 where it is widely expected to retain the current interest rate, although the central bank faces increased pressure to raise rates further as previous policy tightening has failed to stop the rouble from weakening and to prevent inflation from accelerating.

Amid the decline in household finances and the increased cost of credit, consumers' willingness to purchase big-ticket items fell to a series low of 78.1 in November. Moreover, consumers were significantly more pessimistic about purchasing a car in the next 12 months, in spite of the government's scrappage

MNI Russia Consumer Indicator



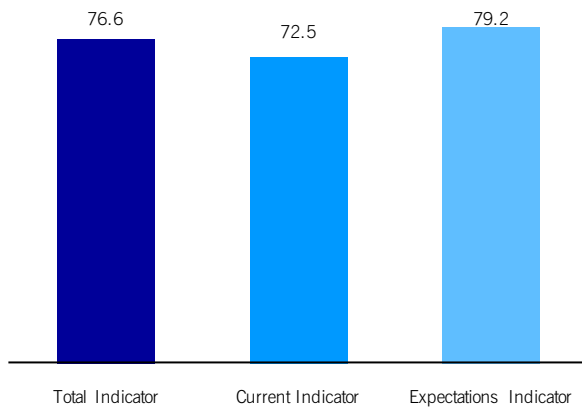
Current and Expectations Indicators



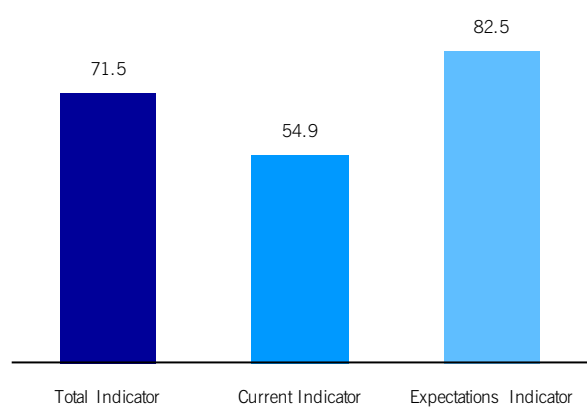
MNI Russia Consumer Indicator

	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
MNI Russia Consumer Indicator	94.8	89.1	91.1	81.7	85.3	80.7	76.6
Current	94.3	91.1	97.1	81.6	88.2	85.4	72.5
Expectations	95.1	87.8	87.1	81.8	83.4	77.5	79.2

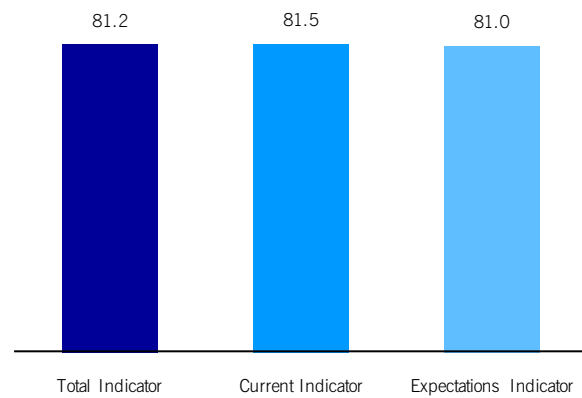
All Russia



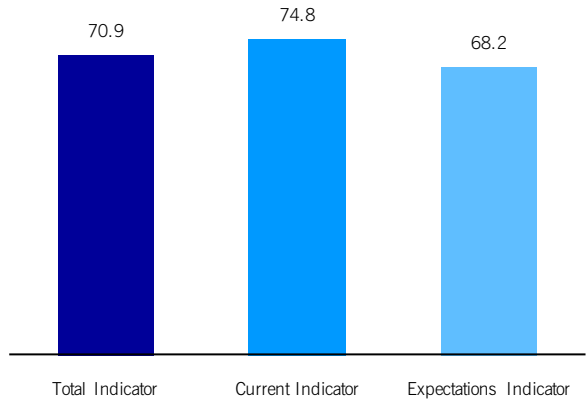
West Siberian



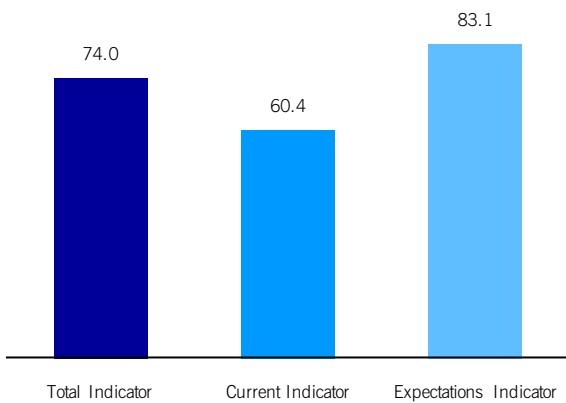
Central Russia



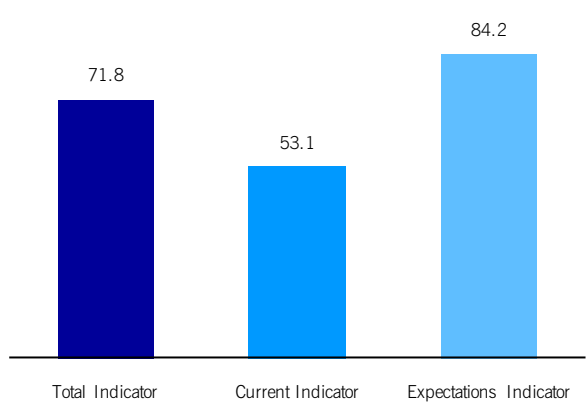
Volga



Urals



North Caucasus





scheme, causing sentiment to fall to a record low of 71.3.

Latest official data revealed that economic growth slowed to 0.7% in the three months to September, down from 0.8% in the previous quarter. The slowdown can be attributed to the impact of Western economic sanctions which have targeted Russia's finance, energy and weapons industries this year, combined the introduction of a ban on Western imports by Russia in retaliation. Such measures are likely to hurt business environment further, with consumers' short-term expectations plunging to a series low of 62.3 in November.

The Current Indicator, which measures consumers' assessment of current conditions, fell to a record low of 72.5 in November from 85.4 in October, while the Expectations Indicator, which is made up of the three forward-looking components, improved to 79.2 in November from a series low of 77.5 previously.

Regions

Consumer sentiment declined in four out of the five major regions in November.

The most significant downturn in consumer confidence was observed in the North Caucasus region, where the Consumer Indicator fell to a series low of 71.8 from 83.5 in October.

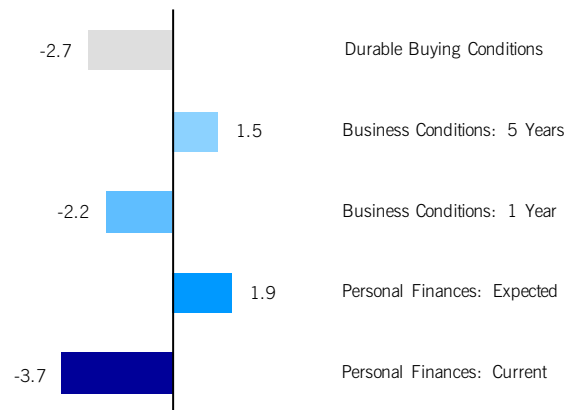
Among the major five regions, respondents from Central Russia were least pessimistic in November, in spite of the Consumer Indicator falling to a record low of 81.2.

Age

Consumer sentiment declined to a record low among all three age groups in November.

Consumer confidence fell to an all-time low among the youngest age group in November. The Consumer Indicator for the 18-34 year old age range fell by

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





5.8% to a series low of 77.7 in November from 82.4 in October. While our panel reported that their current financial situation was at the worst condition in the survey's history, they were more optimistic in their expectations for the future health of their finances.

The Consumer Indicator for the 35-54 year old age range declined by 3.1% to a record low of 76.2 in November from 78.6 in October. There was a surge in respondents who thought that the conditions for purchasing big ticket items had worsened, contributing the most to the drop in overall sentiment for this age group.

Sentiment among the 55-65 year old age range, the oldest of the three age groups, declined the most in November. The Consumer Indicator fell by 7.8% to a series low of 73.8 in November from 80.1 in October, as consumers' expectations for the business environment in one year deteriorated sharply.

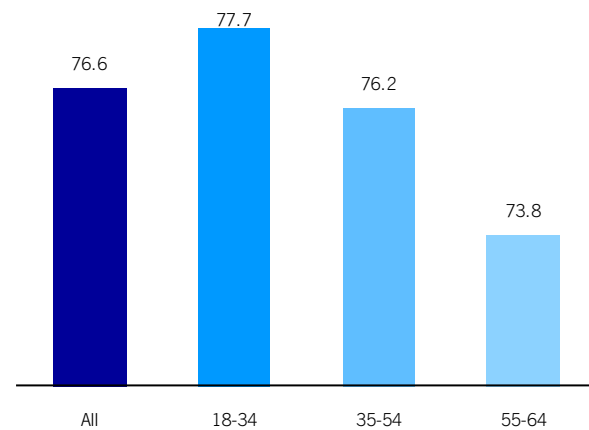
Income

Consumer confidence declined to a record low among both low income and high income households in November.

Consumer confidence for households with an average annual income under RUB 480,000 fell to 72.5 in November from 74.5 in October, the lowest in the survey's history. While our panel reported that their financial situation deteriorated in November, more consumers expected their finances would improve in the future.

For households with an average annual income above RUB 480,000, consumer confidence declined to an all-time low of 83.5 in November from 92.1 in October. The decline in sentiment was led by a sharp deterioration in respondents' short-term expectations for business conditions, followed closely by a worsening in perceived conditions for purchasing big ticket items.

Consumer Indicator: Age Groups

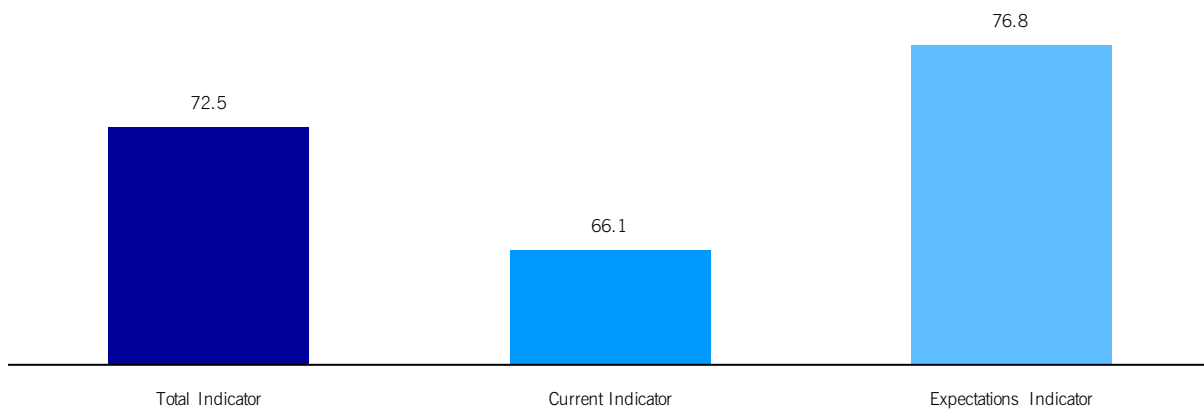


Compared with the previous year, confidence was 19.9% lower among lower income households, while for higher income households it was 16.4% lower. On average, confidence remains greater for higher income households. Our survey has shown that lower income households have been hit the most by the current political and economic tensions, while wealthier ones have not been impacted as much.

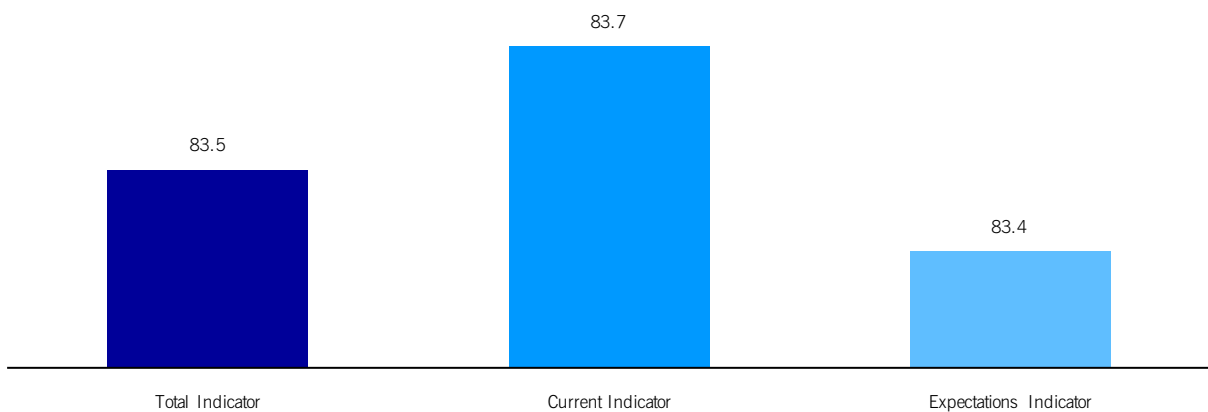
MNI Russia Consumer Indicator Income Groups



< RUB 480,000 Per Annum



> RUB 480,000 Per Annum



MNI Russia Consumer Indicator

Main Cities



The Consumer Indicator declined in nine out of the ten major cities surveyed and it was below the 100 breakeven level in each city.

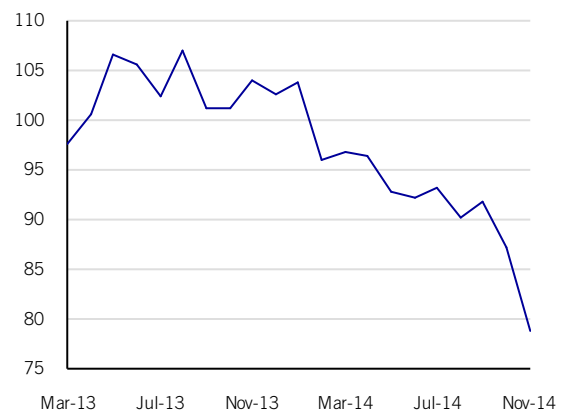
In the capital, Moscow, consumer sentiment fell to 78.9 in November from 87.3 in the previous month, the lowest in the survey's history. All five components of the headline indicator declined to a record low, with short-term expectations for the business environment leading the decline in sentiment.

In Saint Petersburg, the second largest city in Russia, consumer sentiment plummeted to a series low of 88.5 in November from 99.5 in October. Consumers were only more optimistic in their expectations for their financial situation, while the decline in overall consumer sentiment was led by short-term expectations for business conditions which fell to an all-time low.

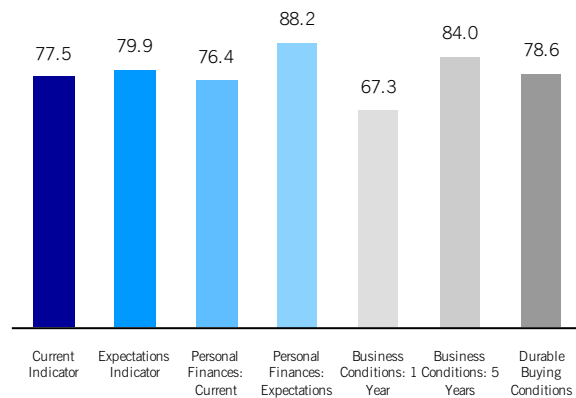
Consumer confidence in Novosibirsk, the third largest city by population in Russia, plunged to 69.5 in November from 78.7 in October. All but one of the five components declined this month, with the decline in sentiment led by a fall in consumers' willingness to purchase big-ticket items. While long-term expectations for business conditions improved on the month, short-term expectations fell sharply to a record low.

The only city to report improved sentiment in November was Samara, a major industrial hub, where the Consumer Indicator rose to 74.4 from 72.3 in October. The rise in sentiment came in spite of every expectation component hitting a series low, with the current components rising enough to offset the decline.

Consumer Indicator - Moscow

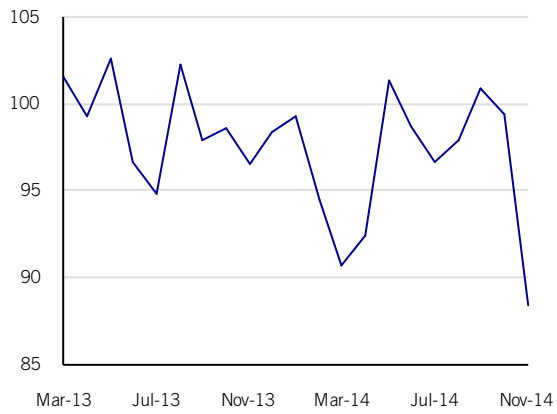


Consumer Indicator Components - Moscow

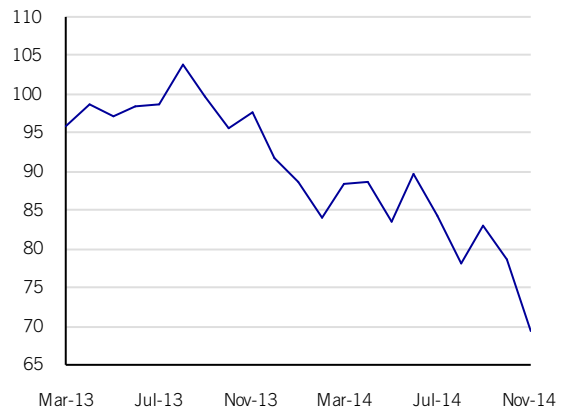




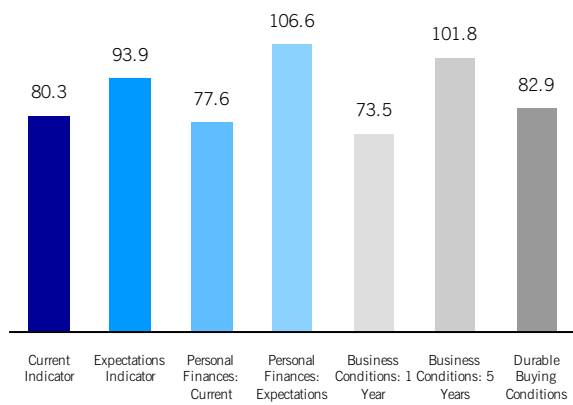
Consumer Indicator - Saint Petersburg



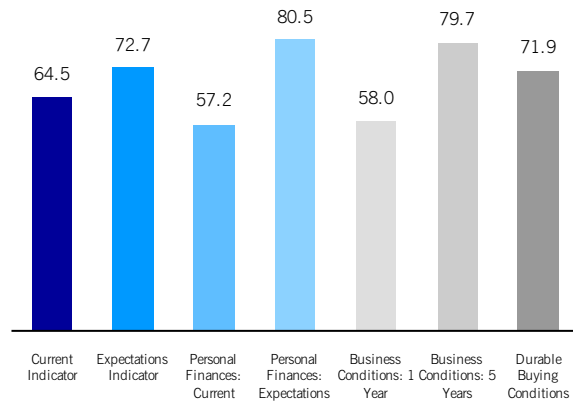
Consumer Indicator - Novosibirsk



Consumer Indicator Components - Saint Petersburg



Consumer Indicator Components - Novosibirsk



Personal Finances

Inflation Erodes Household Finances



The high rate of inflation and poor job market placed considerable pressure on household finances in November, causing the component to fall to the lowest level in the survey's history.

The Current Personal Finances Indicator, which measures whether households are better or worse off than a year ago, fell to a record low 67.0 in November from 81.7 in October. Consumers' personal finances have weakened over the past year and in November they were 19.2% below the level seen a year ago.

Almost 90% of our respondents were less satisfied with their current personal finances. The majority our panel cited government policy as the main reason behind the worsening in their financial situation, most likely the result of the ban on Western food imports which has caused prices to rise significantly in recent months.

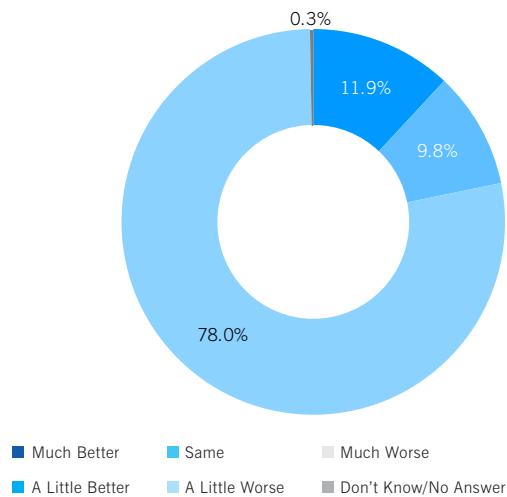
Consumers have been hit by high inflation and a weak rouble this year which has impacted their disposable income and savings. In November, 99.6% of respondents spent 70-100% of their monthly household income on daily expenses, the highest in the history of the survey, while almost a quarter of our panel were not saving any of their monthly income.

Expected Personal Finances, which measures whether households think their finances will be better in a year's time, rose to 88.2 in November from a record low of 80.4 in October. In spite of the improvement, 31.6% of respondents anticipated that their financial situation would worsen in the next 12 months.

Personal Finances



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



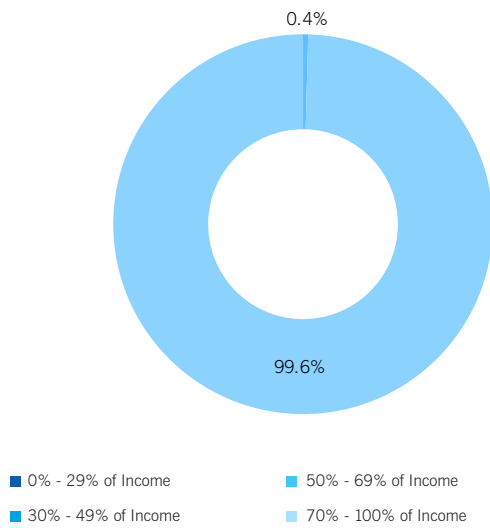
Personal Finances

	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Current	92.0	80.3	86.7	77.1	78.8	81.7	67.0
Expectations	101.7	91.5	90.8	86.2	86.2	80.4	88.2

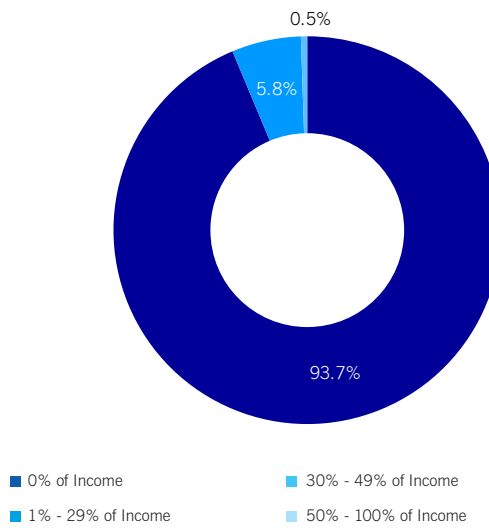
How Households Spend their Money



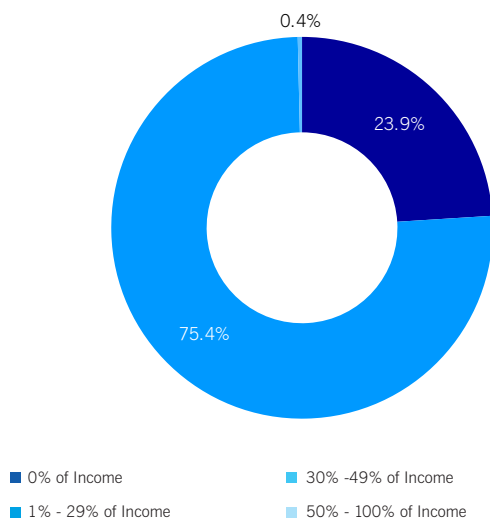
Daily Expenses
(% of Households)



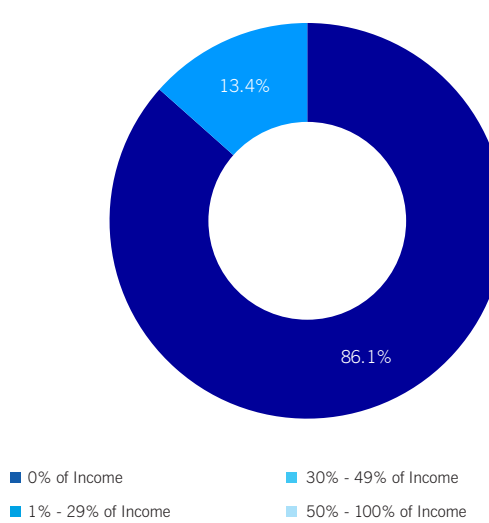
Monthly Household Income Used for Large Loan Repayment
(% of Households)



Monthly Household Income Used for Savings
(% of Households)



Monthly Household Income Used for Investments
(% of Households)



Business Conditions

Short-Term Expectations at Series Low



Perceptions about the current business environment improved slightly, but remained close to the lowest level on record as Western economic sanctions and a significantly weaker rouble continued to hurt the economy.

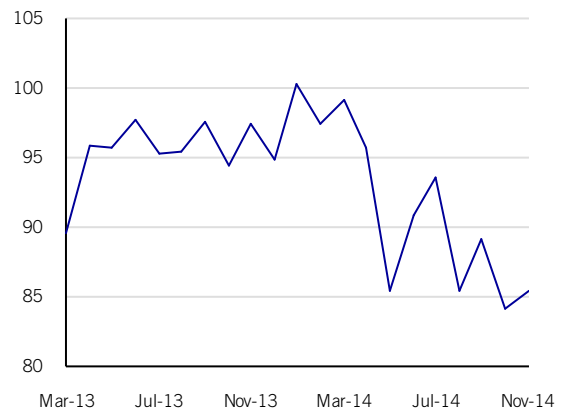
The Current Business Conditions Indicator, which measures respondents' views on the state of business compared with a year earlier, rose to 85.4 in November from a record low of 84.2 in October. The proportion of respondents who thought that conditions were "poor" or "very poor" was 32.5%, while only 4.7% of our panel thought that conditions were "good" or "excellent".

Western economic sanctions have targeted Russia's finance, energy and weapons industries this year. Russia has retaliated by introducing a ban on certain food imports from the West.

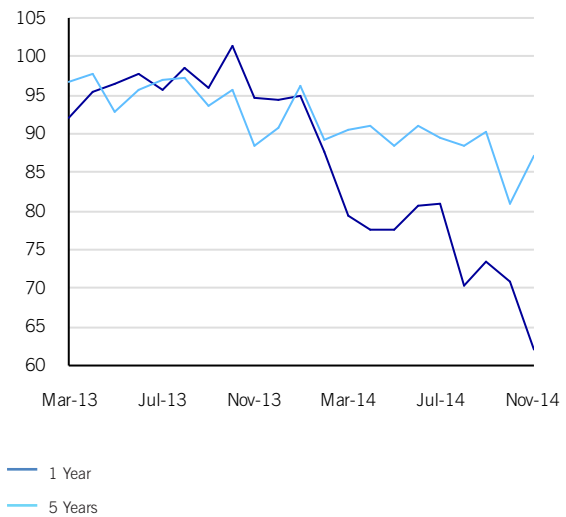
The Business Conditions in One Year Indicator plunged by 12.3% to 62.3 in November from 71.0 in October, the lowest in the survey's history.

In contrast, consumers were more optimistic about long-term business conditions but sentiment remained in contraction, suggesting that most consumers anticipated that the current downturn will have lasting repercussions. The Expectations for Business Conditions in Five Years Indicator improved to 87.2 in November from a series low of 81.2 in October.

Current Business Conditions Indicator



Expected Business Conditions



Business Conditions

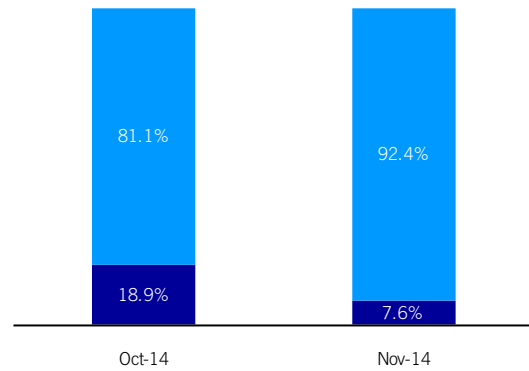
	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Current	97.4	91.0	93.6	85.5	89.2	84.2	85.4
In 1 Year	94.9	80.7	81.1	70.5	73.5	71.0	62.3
In 5 Years	88.7	91.2	89.5	88.6	90.4	81.2	87.2

Business Conditions in 1 Year



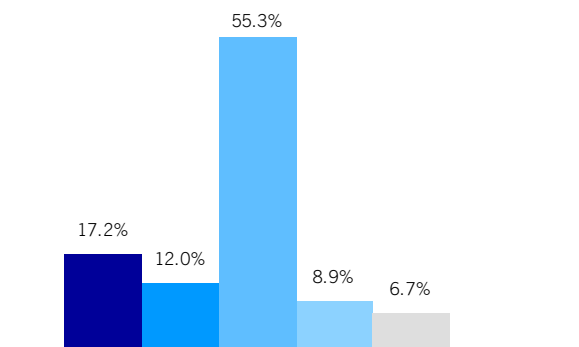
Among the 10 major cities surveyed, Nizhny Novgorod was the most pessimistic city about longer term business conditions, while only respondents from Saint Petersburg were optimistic about future business conditions.

All Russia



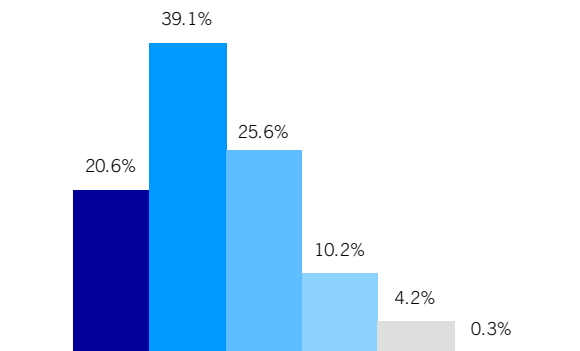
■ Better
■ Worse

All Russia, Reasons for Better



■ Government/Policy
■ Econ. Development
■ Income/Employment
■ Resource/Environment
■ Social Stability/ Security
■ Events

All Russia, Reasons for Worse

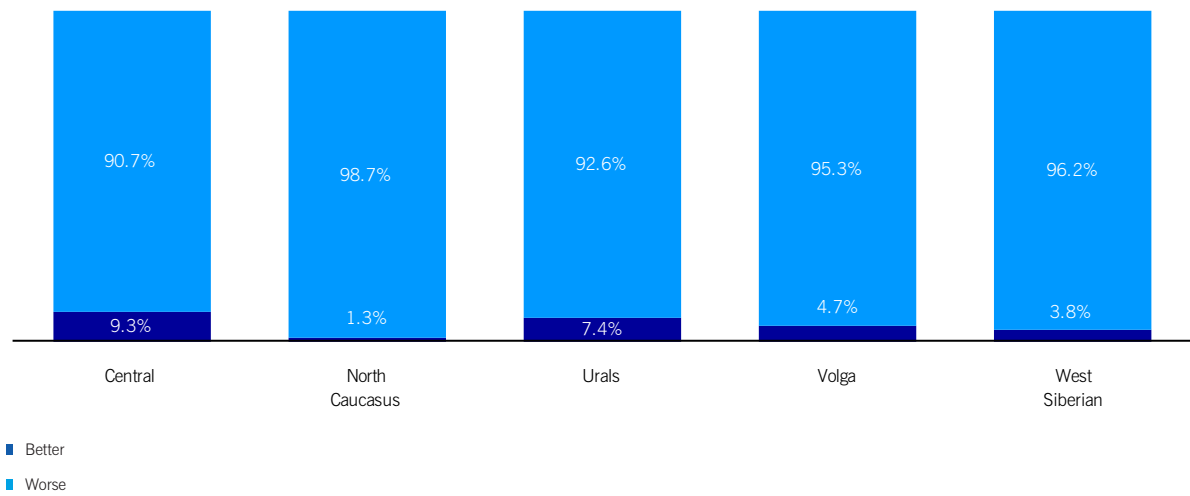


■ Government/Policy
■ Econ. Development
■ Income/Employment
■ Resource/Environment
■ Social Stability/ Security
■ Events

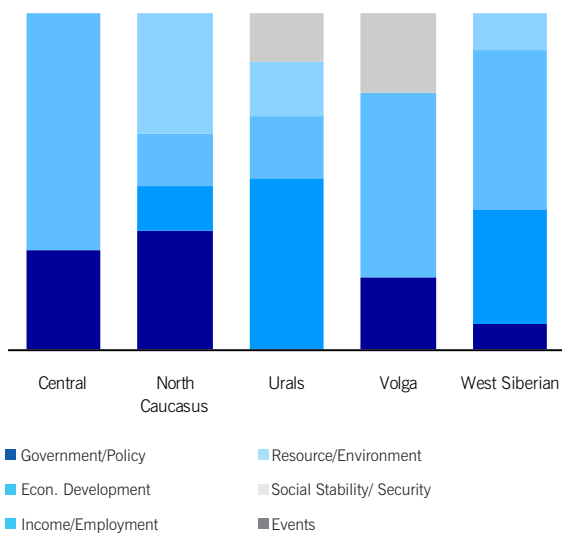
Business Conditions in 1 Year Regions



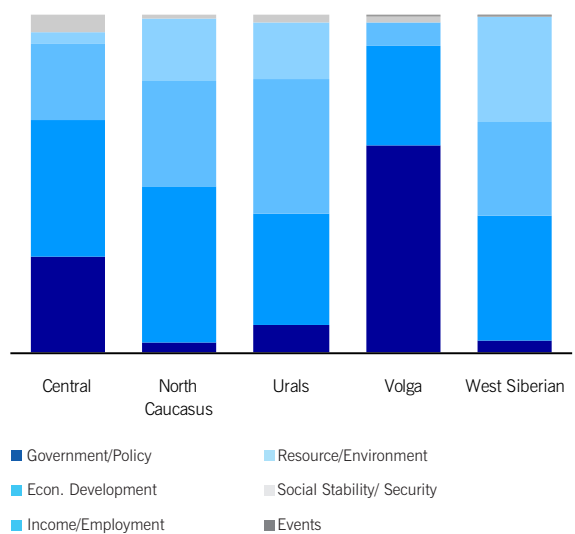
Business Expectations: Worse or Better? (% of Respondents)



Reasons for Better (% of Respondents)



Reasons for Worse (% of Respondents)



Durable Buying Conditions Slumps to Record Low



The worsening in household finances, the heightened cost of credit and the impact of the weak rouble on the cost of imported goods weighed on consumers' willingness to purchase large household items in November.

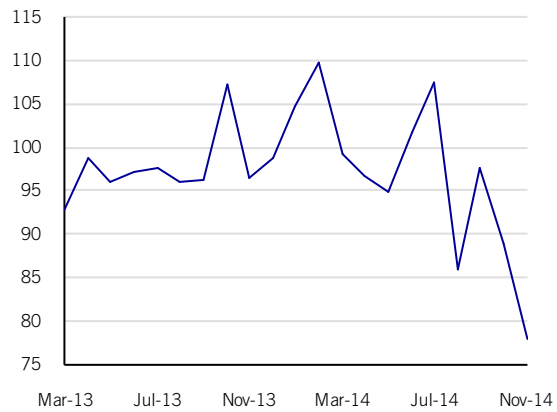
The Durable Buying Conditions Indicator fell to a series low of 78.1 in November from 89.1 in October.

Respondents are asked whether they believe it is a good or bad time to purchase a large consumer durable, and a result below 100 means that a higher percentage of respondents view it as a bad time. The indicator remained below the 100 level in November for the fourth consecutive month and was around 19.2% below the level seen a year ago.

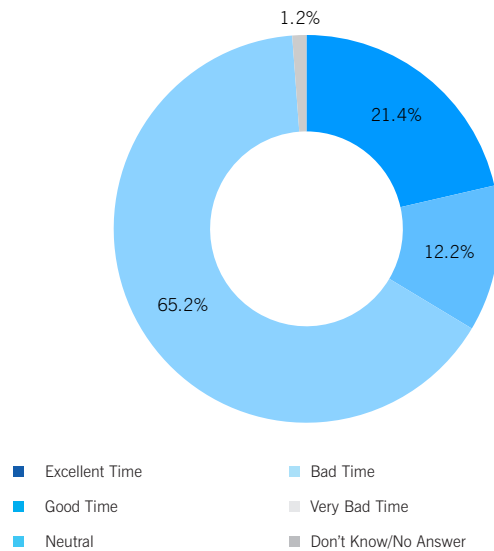
The Bank of Russia raised the key interest rate by a further 150 basis points to 9.5% at the end of October, the fourth hike since the onset of the Ukraine crisis. As we anticipated, this has resulted in a further deterioration in consumer's willingness to purchase large household items as the rate hike increased the cost of credit, a trend that is likely to continue over the coming months.

Seven out of the 10 largest cities surveyed thought that conditions for purchasing big ticket items had worsened in November. The decline in sentiment was led by Omsk while respondents in Yekaterinburg were the least willing to purchase household durables. In contrast, consumers in Kazan were more optimistic about making big ticket purchases and sentiment in Samara rose by 17.4% to push the indicator above the 100 threshold level.

Durable Buying Conditions



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



Durable Buying Conditions

	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Durable Buying Conditions	96.6	101.8	107.5	86.0	97.7	89.1	78.1

Employment Outlook Expectations Improve But Remain Bleak



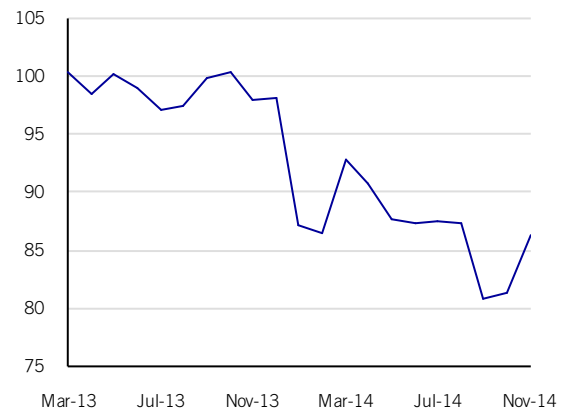
While consumers were more optimistic in their outlook for the job market, they still expected employment conditions to worsen as concerns over the longevity of sanctions and the slowdown in the economy mounted.

The Employment Outlook Indicator, which measures opinion on the outlook for the employment market over the next 12 months, rose to 86.4 in November from 81.4 in October. In spite of the latest rise, views on the labour market have deteriorated significantly in 2014, particularly since the onset of the Ukraine crisis, with expectations for the job market standing almost 12% below the level recorded a year earlier.

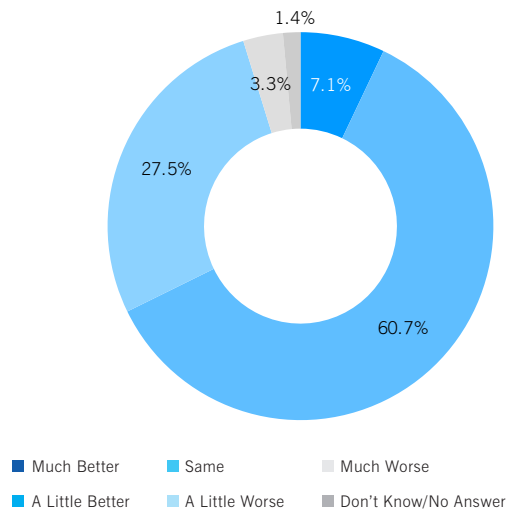
Respondents from Volga and Urals led the rise in the outlook for employment, while those in the Central were less optimistic about the labour market over the next twelve months. The Volga region, though, remained as the weakest region by far.

Official statistics showed that the unemployment rate rose marginally to 5.1% in October from 4.9% in September. Results from the November edition of our sister survey on Russian Businesses showed most companies had the right number of employees, choosing not to expand their workforces in light of the tough economic climate.

Employment Outlook Indicator



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



Employment Outlook

	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Employment Outlook	98.1	87.5	87.6	87.4	80.9	81.4	86.4

Prices Sentiment

Discontent with Current Prices Remains High



While our panel were more satisfied with the current level of prices, sentiment remained firmly in contraction as the ban on Western food imports and record low rouble pushed up prices.

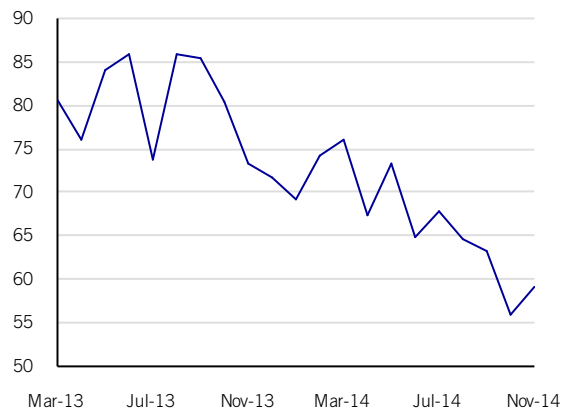
The Current Prices Satisfaction Indicator rose to 59.2 in November from 56.1 in October, although it remained significantly below the series average of 73.1. A figure below 100 indicates wider dissatisfaction with the current level of prices. The further below 100, the greater the dissatisfaction. The indicator has remained below 100 since the survey started, and in November it was 19.4% below the level seen a year earlier, with 62.2% of respondents reporting they were dissatisfied with the current level of prices.

Official data showed consumer price inflation accelerated to 9.1% in November from 8.3% in October, the highest since June 2011. A ban on food imports from Western nations, in retaliation to sanctions placed upon Russia, caused food price inflation to reach 12.6% in November driven by the price of fruit and vegetables which were 11.1% above the same month last year.

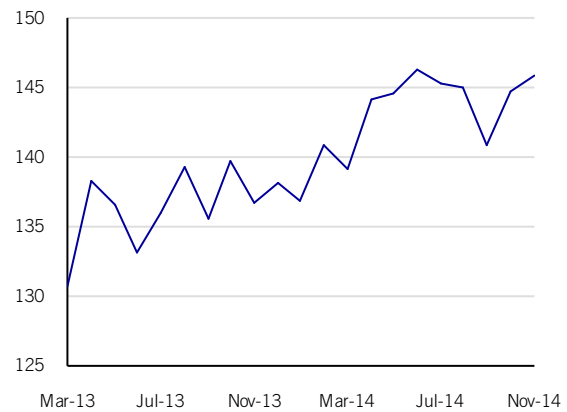
The indicator measuring consumers' expectations for inflation in 12 months' time rose to 145.9 in November compared with 144.7 previously. Consumers' inflation expectations have been at an elevated level since the start of the survey in March 2013.

The Bank of Russia has raised the official interest rate by 400 basis points to 9.5% since the start of 2014 in a bid to control inflation and stabilise the rouble. The central bank has recently estimated that inflation

Satisfaction with Current Prices Indicator



Inflation Expectations Indicator



Prices Sentiment

	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Satisfaction with Current Prices	73.5	65.0	67.9	64.8	63.4	56.1	59.2
Inflation Expectations	136.8	146.3	145.3	145.1	140.9	144.7	145.9

Prices Sentiment Regions



is likely to remain above 8% until March 2015, prompting it to push back its medium-term inflation target of 4% to 2017 from 2016 previously.

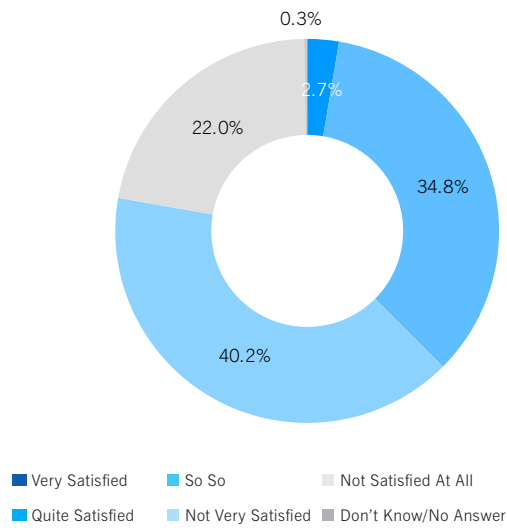
Since October 2013, most respondents had thought prices would rise between 11-24% over the next year, but this has changed in recent months with most consumers now expecting larger price increases. In November, more than 26% of respondents believed that prices would rise by 25% or more over the next year.

Regions

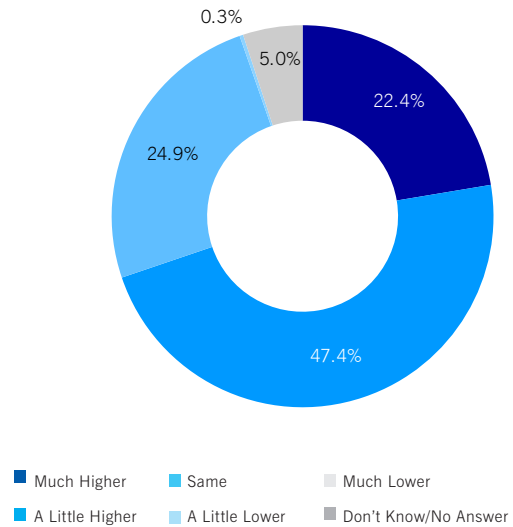
Satisfaction with Current Prices rose in just two out of the five major regions in November. Respondents in Volga led the rise in sentiment, while overall sentiment in both the Central and North Caucasus regions fell to the lowest on record.

Consumers from all regions except the North Caucasus had heightened expectations for future prices. In the Volga region, 95% of respondents expected prices to rise over the next 12 months, the majority of whom expected that prices would rise by 25% or more.

Satisfaction with Current Prices (% of Households)

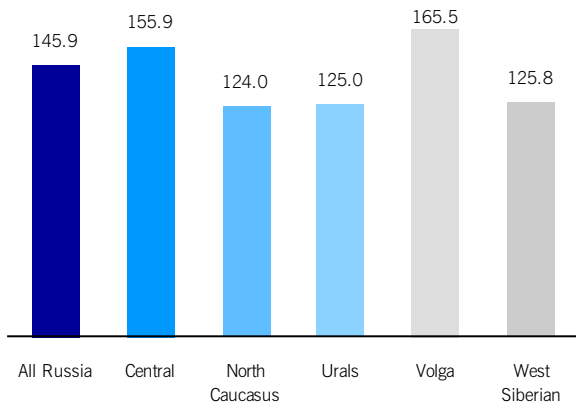


Inflation Expectations in 12 Months (% of Households)

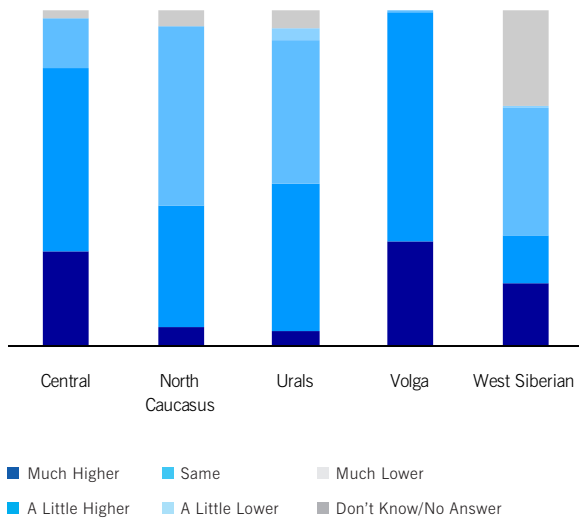




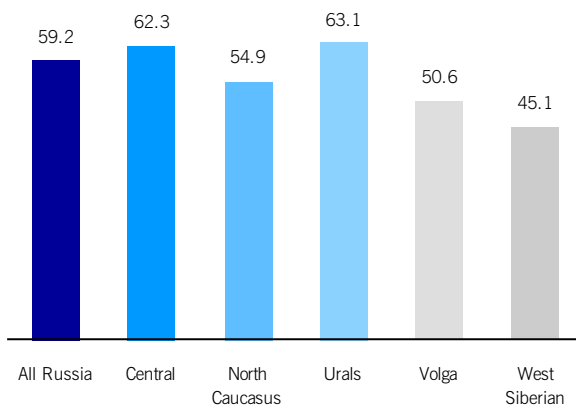
Inflation Expectations Indicator



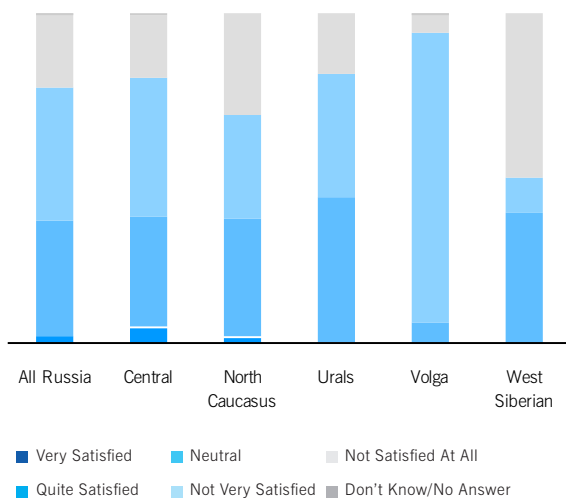
Expected Change in Prices in 1 Year (% of Households)



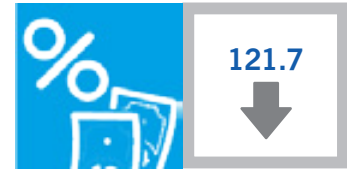
Current Prices Satisfaction Indicator



Satisfaction with Current Prices (% of Households)



Interest Rate Expectations First Fall in Four Months



Consumers' expectations about interest rates on car and home loans retreated in November for the first time in four months.

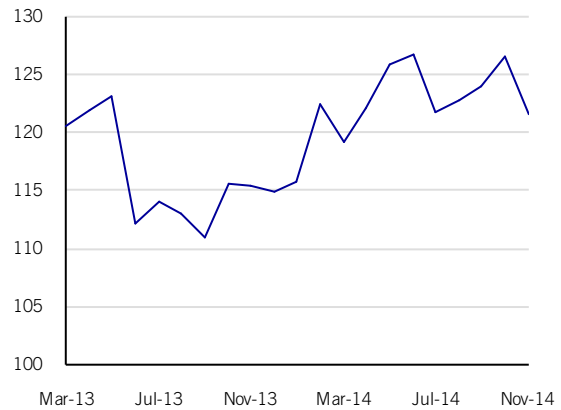
The Interest Rate Expectations Indicator posted the second largest monthly drop in the history of the survey in November, falling to 121.7 from 126.6 in October. In spite of the fall, the indicator stood 5.3% higher than the level recorded a year earlier. The indicator has remained above 100 since the survey started in March 2013, indicating that more households expected interest rates to rise than fall in the coming year.

Since the onset the Ukraine crisis in March, the Bank of Russia has hiked the key interest rate four times by a total of 400 basis points. At its latest meeting on October 31, Governor Nabiullina announced that the key interest rate would be drastically hiked by 150 basis points to 9.5% in an effort to stem the slide in the rouble and ease inflation closer to its target.

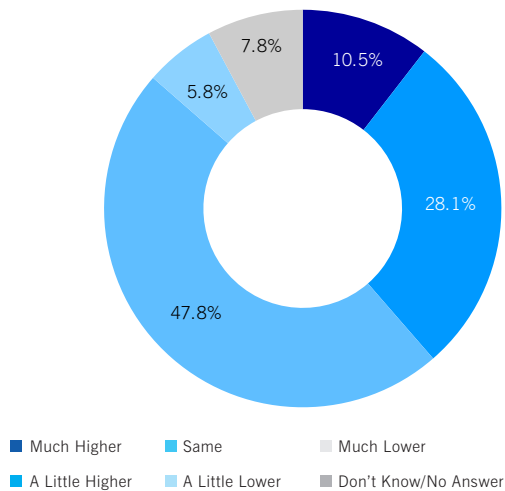
The Bank of Russia is due to meet next on December 11 where it is widely expected to retain the current interest rate, although the central bank faces increased pressure to raise rates further as the policy tightening has failed to stop the rouble from weakening and inflation has accelerated.

The proportion of survey participants who expected higher interest rates on home and car loans in a year's time fell to 38.6% in November, down from 46.7% in October, while 47.8% of respondents expected interest rates to remain the same.

Interest Rate Expectations Indicator



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



Interest Rate Expectations

	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Interest Rate Expectations	115.5	126.8	121.9	123.0	124.2	126.6	121.7

Real Estate Investment Record Low



Sentiment surrounding the real estate market deteriorated sharply in November as consumers revised down their expectations for house prices, while fewer respondents considered it a good time to purchase a house in the next six months.

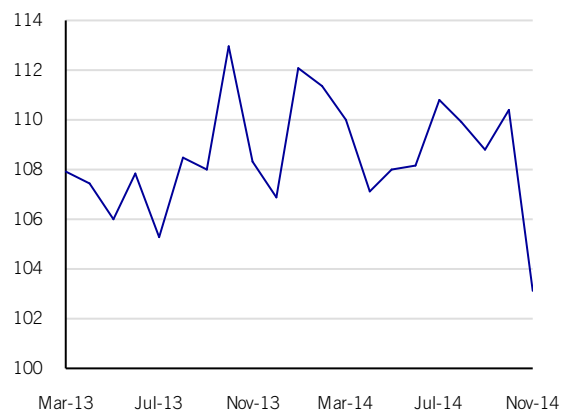
The Real Estate Investment Indicator, which is made up of three components (House Price Expectations, House Buying Sentiment and House Selling Sentiment) fell to a series low 103.2 in November from 110.5 in October.

The House Price Expectations component, which measures the outlook for prices over the coming six months, fell to 142.0 in November from 146.1 in October, although remained far above the outturn of 121.6 a year earlier.

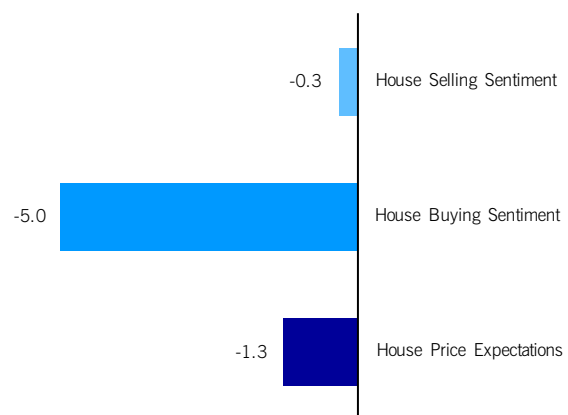
Amid the lower expectations for house prices and a bleak employment outlook, it is perhaps unsurprising that respondents have been downbeat about whether it is a good time to buy a house. The latest outturn of 71.0 in November, the lowest since the series began in March 2013. The component hasn't been above the 100 level that separates optimists from pessimists since November 2013.

More respondents than ever before believed it would be a good time to sell a house in the next six months. This was shown in House Selling Sentiment, a measure of whether it is a good time to sell a house in the next six months, which has a negative impact on overall housing sentiment. Since hitting a series low of 94.2 in July, selling sentiment has risen dramatically

Real Estate Investment Indicator



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



Real Estate Investment Sentiment

	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Real Estate Investment Sentiment	108.4	108.2	110.8	109.9	108.8	110.5	103.2
Price Expectations	121.6	139.5	139.5	144.7	148.2	146.1	142.0
House Buying	105.0	83.6	87.2	82.9	77.7	87.7	71.0
House Selling	101.5	98.5	94.2	97.8	99.5	102.4	103.5

Real Estate Investment Components and Balances



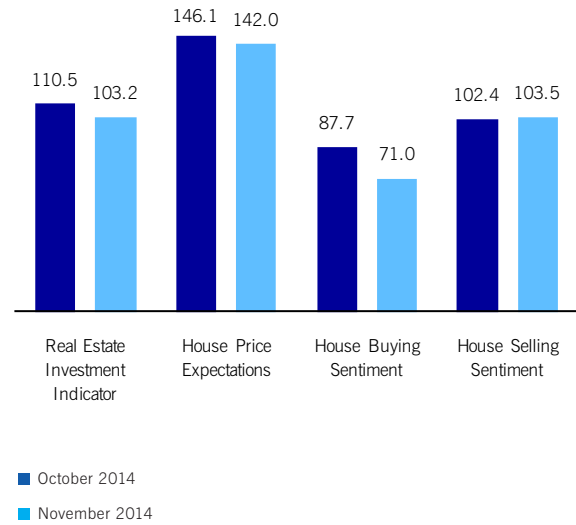
and reached a record high of 103.5 in November, up from 102.4 in October.

Regions

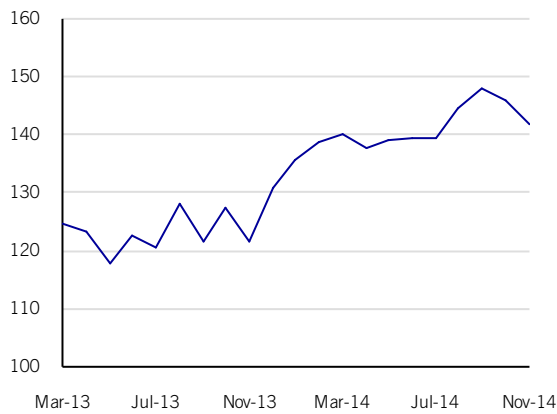
The Real Estate Investment Indicator declined across all regions in November. In the Volga region, sentiment plunged below the 100 breakeven level, leading the decline across the regions.

While sentiment fell to a record low in Central Russia, the Real Estate Investment Indicator remained above the 100 neutral level, the only region in which the indicator was in expansion.

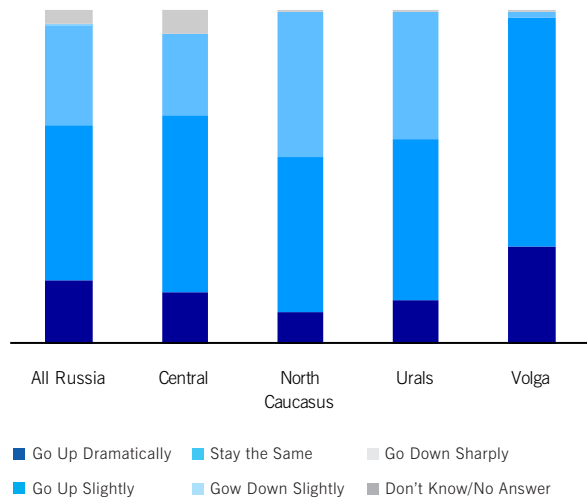
Real Estate Investment Indicator - Components



Real Estate Prices: Expected Changes in the Next 6 Months

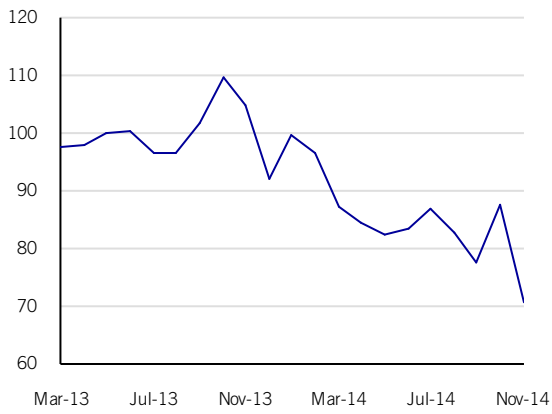


Expected Changes in Real Estate Prices in the Next 6 months (% of Households)

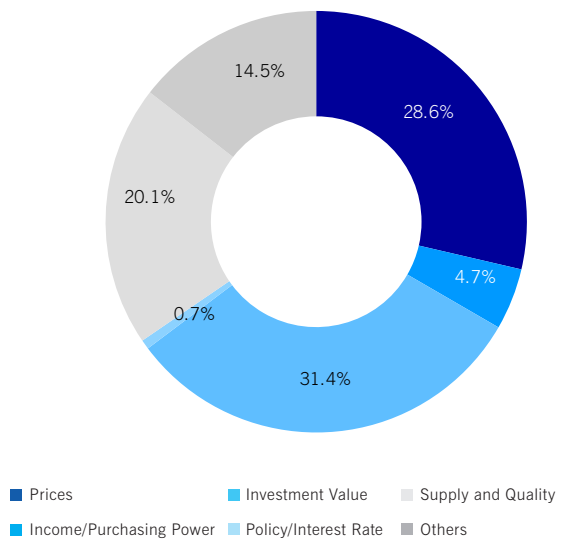




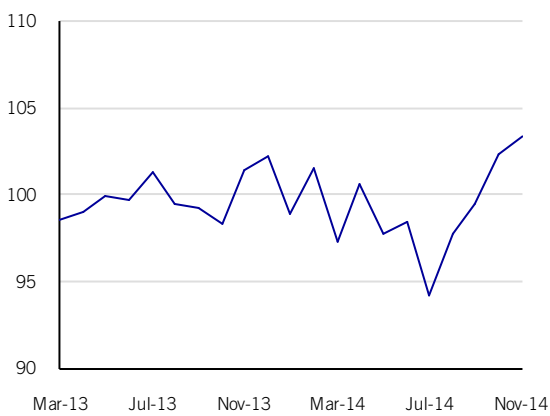
House Buying Sentiment



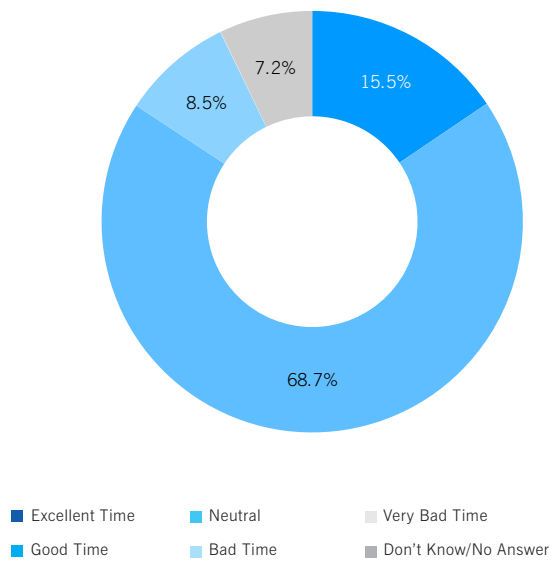
Reasons for Buying Houses (% of Households)



House Selling Sentiment

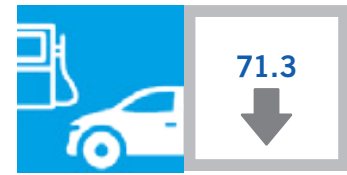


Timing for Selling Houses (% of Households)



Car Purchase

At Series Low Despite Scrappage Scheme



Consumers were significantly more pessimistic about buying a car in the next 12 months in spite of the government's scrappage scheme.

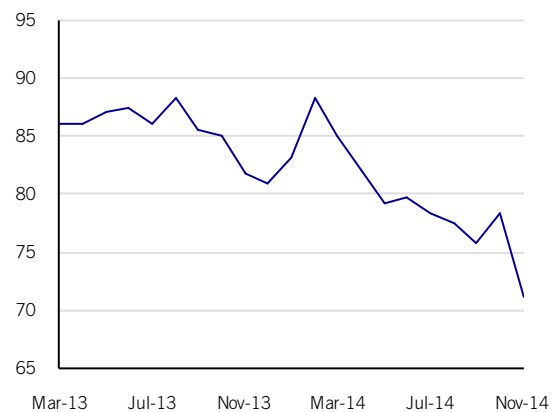
The Car Purchase Indicator, which is made up of two components (Car Purchase Expectations and Expectations for the Price of Gasoline), fell to a record low of 71.3 in November from 78.5 in October.

The Car Purchase Expectations component, which gauges whether consumers believe it is a good or bad time to purchase a car over the next 12 months, fell by 13% in November to 93.6 from 107.7 previously. The poor economic climate appear to have had a negative impact on the car sector, with a record 50.4% of respondents indicating that they thought it would be a bad time to buy a car over the next 12 months.

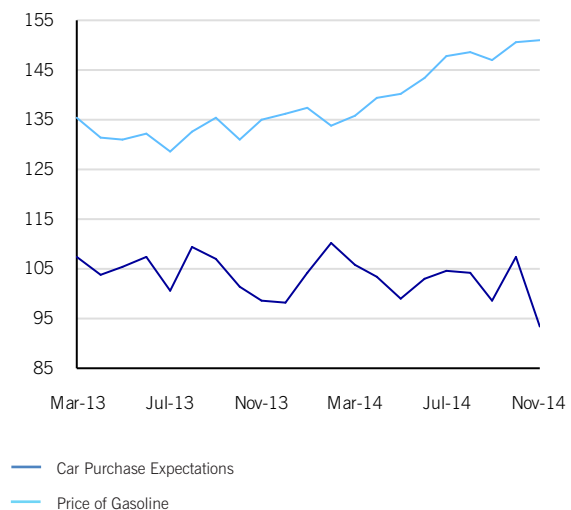
The dramatic slide in the indicator comes in spite of the introduction of the government's car scrappage and trade-in scheme at the beginning of September. Under this scheme, cars that are at least six years old can be demolished or traded in return for payment towards the purchase of a new car.

Official data showed car sales declined 1.1% in November on the year, a marked improvement from the 9.9% annual contraction seen in the previous month. The improvement is likely the result of consumers bringing forward car purchases in anticipation of higher prices next year as the slide in the rouble has yet to be priced in.

Car Purchase Indicator



Car Purchase Indicator - Components

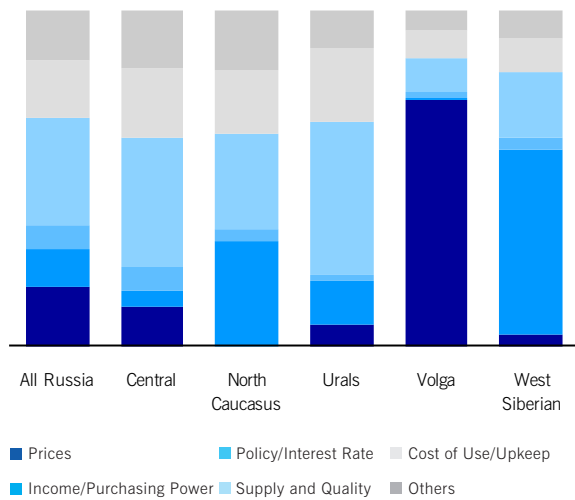


Car Purchase Sentiment

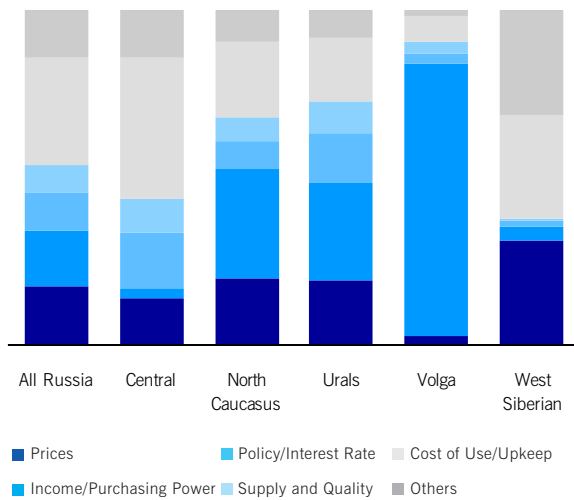
	Nov-13	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Car Purchase Sentiment	81.9	79.8	78.4	77.7	75.8	78.5	71.3
Car Purchase Expectations	98.9	103.0	104.8	104.2	99.0	107.7	93.6
Price of Gasoline	135.2	143.4	148.0	148.9	147.3	150.6	151.1



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

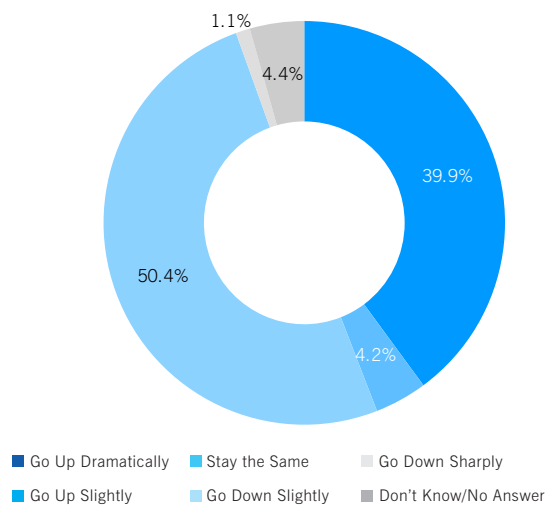


Reasons for a Bad Time to Buy a Car (% of Households)



Russian consumers continue to expect gasoline prices will rise in the next 12 months. Expectations for the Price of Gasoline rose to a new series high of 151.1 in November, slightly higher than the previous high of 150.6 seen in October.

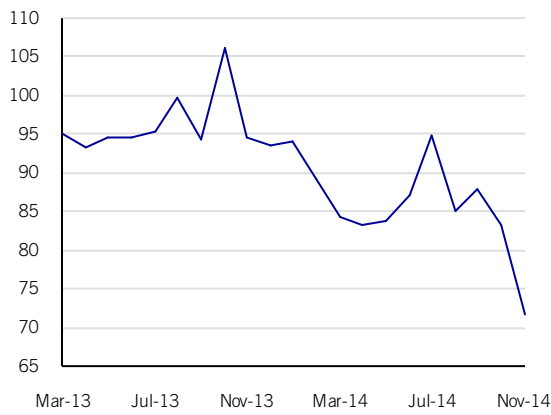
Expected Change in the Price of Gasoline (% of Households)



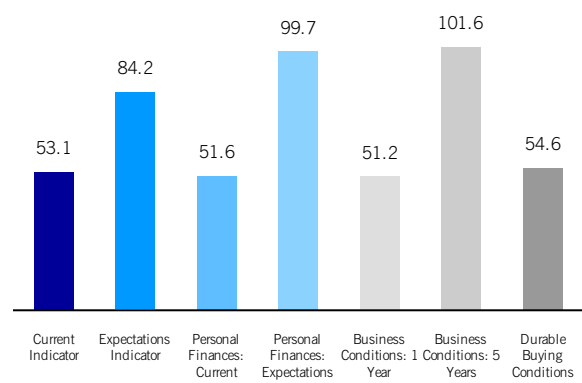
MNI Russia Consumer Indicator Regions



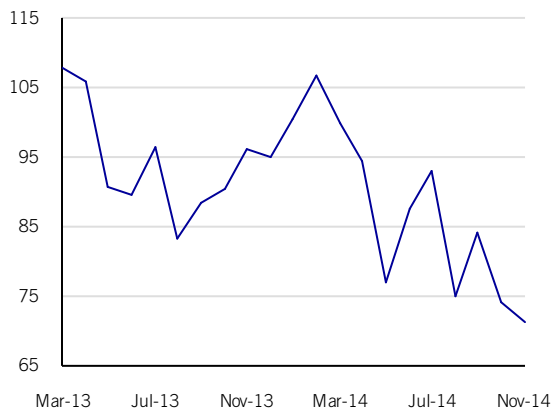
Consumer Indicator: North Caucasus



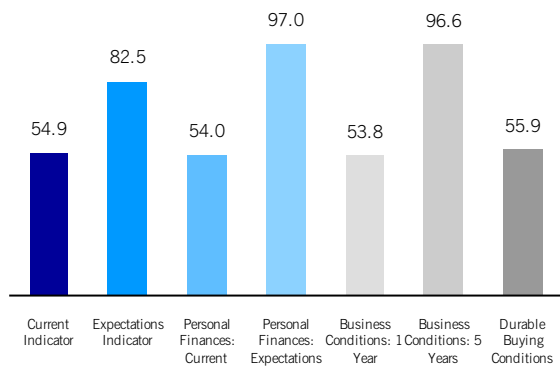
Consumer Indicator Components: North Caucasus



Consumer Indicator: West Siberian

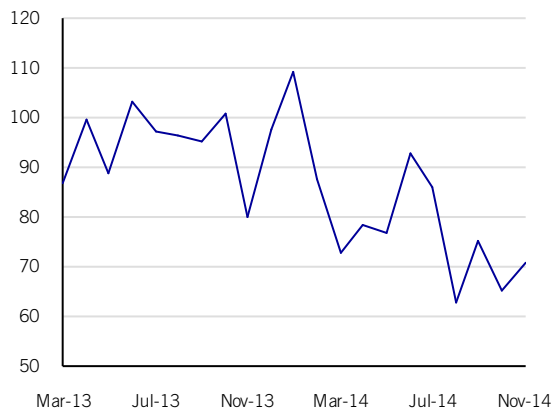


Consumer Indicator Components: West Siberian

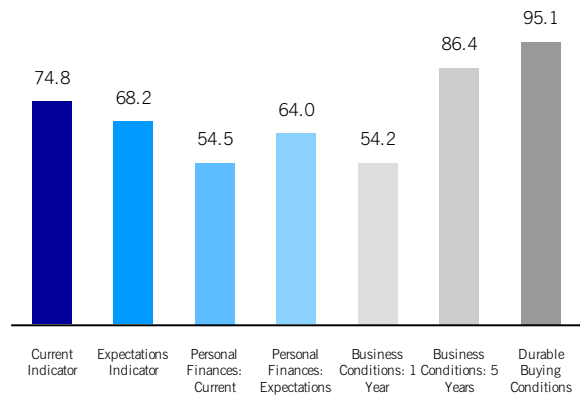




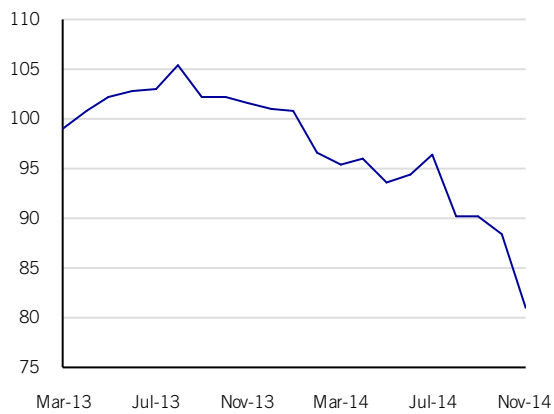
Consumer Indicator: Volga



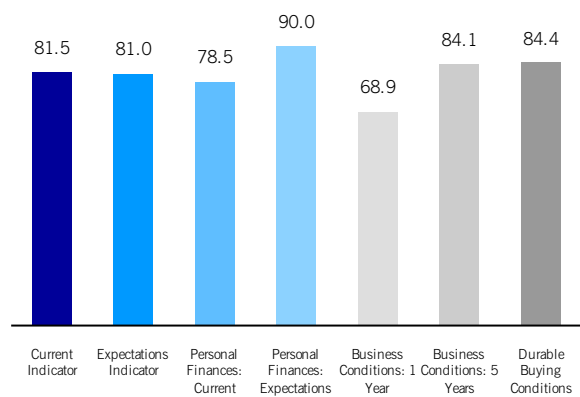
Consumer Indicator Components: Volga



Consumer Indicator: Central

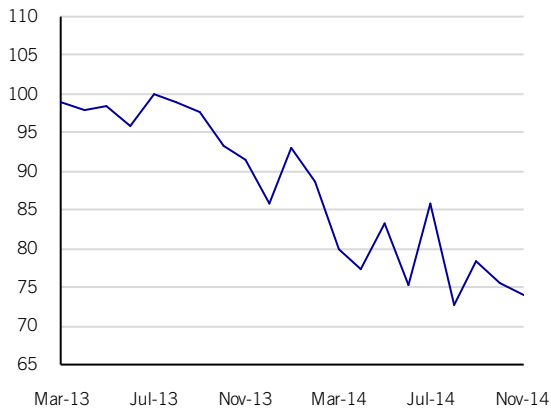


Consumer Indicator Components: Central

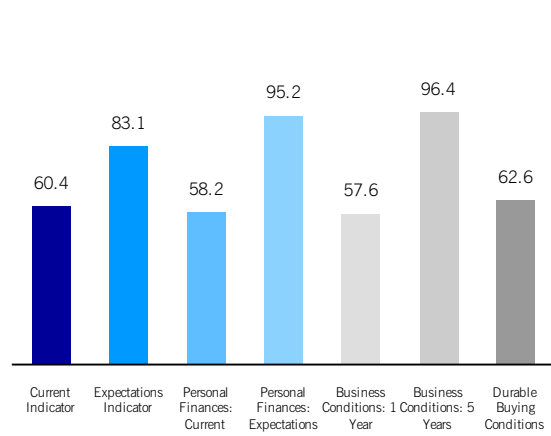




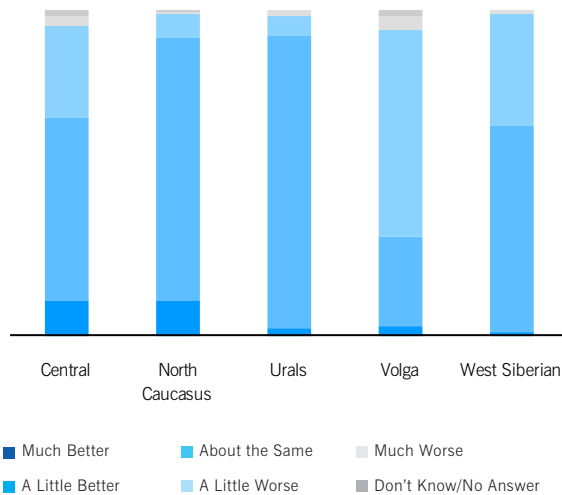
Consumer Indicator: Urals



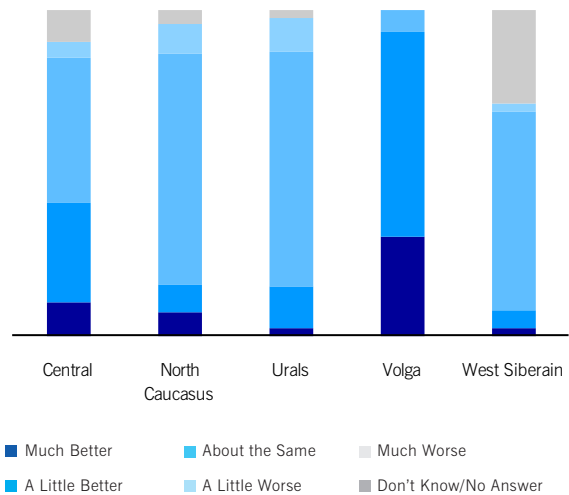
Consumer Indicator Components: Urals



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



Interest Rates Expectations Indicator (% of Households)

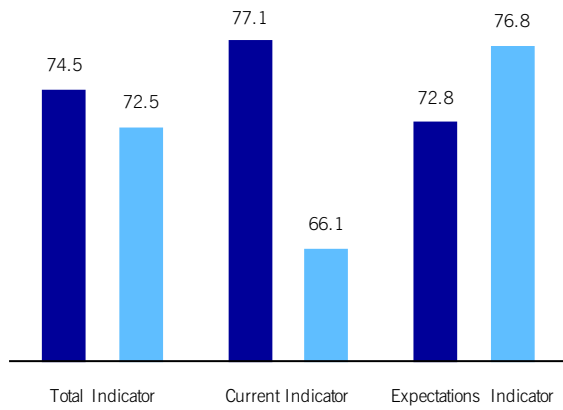


MNI Russia Consumer Indicator

Income Groups

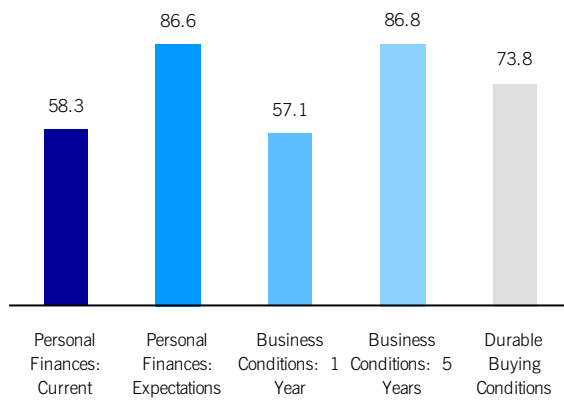


< RUB 480,000 Per Annum

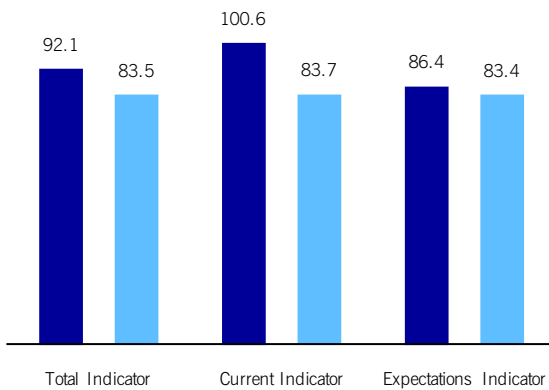


■ October 2014
■ November 2014

< RUB 480,000 - Components

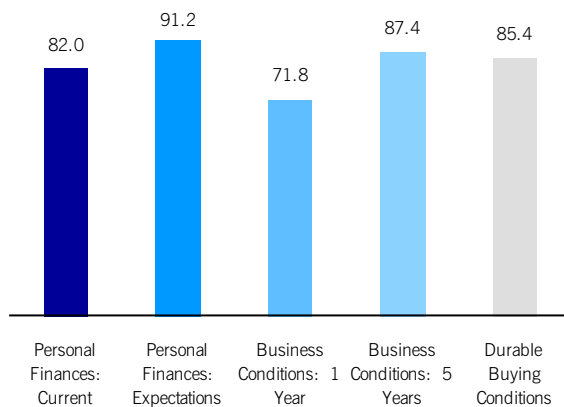


> RUB 480,000 Per Annum



■ October 2014
■ November 2014

> RUB 480,000 - Components





What the Panel Said

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

"Everyday expenses are growing too quickly."

"Credit is too expensive."

"State programs of supporting Russian auto production industry are not enough."

"Bad situation with my business; I am afraid that I will lose it."

"For the majority of the population, prices are too high."

"Credit is very high, you pay twice for whatever you purchase."

"The price of properties will fall down."

"My salary decreased because income from sales has fallen."

"Today one should buy real estate; the rouble is falling down so prices will rise."

"The cost of auto insurance is too high, I can't afford a car."

"At work there may be layoffs."

"My bank lost its license. Interest payments from my deposit have stopped."

"The economic crisis will effect common people first. They will feel the rouble falling more than the others."

"Petrol prices are growing all the time."

"My employment situation is bad, I could lose my job at any moment."

"Government policy is unpredictable."

"Household incomes are too low, nobody can afford to purchase household goods."

"Prices are are growing all the time and will continue to grow further."



Data Tables

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

Russia - Central Overview

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - Central Consumer Indicator	90.3	88.5	81.2	-	series low	86.7	-7.3	-8.3%
Current Indicator	94.6	92.2	81.5	-	series low	89.4	-10.7	-11.7%
Expectations Indicator	87.4	86.1	81.0	-	series low	84.8	-5.1	-5.9%
Personal Finance: Current	87.1	89.0	78.5	-	series low	84.9	-10.5	-11.8%
Personal Finance: Expected	94.7	90.2	90.0	-	series low	91.6	-0.2	-0.3%
Business Condition: 1 Year	81.0	79.3	68.9	-	series low	76.4	-10.4	-13.1%
Business Condition: 5 Years	86.6	88.6	84.1	-	series low	86.4	-4.5	-5.1%
Durable Buying Conditions	102.1	95.4	84.4	-	series low	94.0	-11.0	-11.5%
Current Business Conditions Indicator	91.2	86.5	81.8	-	series low	86.5	-4.7	-5.5%
Real Estate Investment Indicator	111.9	111.6	108.3	-	series low	110.6	-3.3	-2.9%
Car Purchase Indicator	73.6	74.7	69.1	-	series low	72.5	-5.6	-7.5%
Employment Outlook Indicator	89.0	90.0	88.8	-	Aug-14	89.3	-1.2	-1.4%
Inflation Expectations Indicator	142.8	152.3	155.9	series high	-	150.3	3.6	2.3%
Current Prices Satisfaction Indicator	68.2	65.1	62.3	-	series low	65.2	-2.8	-4.4%
Interest Rates Expectations Indicator	121.6	121.7	123.3	series high	-	122.2	1.6	1.3%

Russia - Urals Overview

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - Urals Consumer Indicator	78.5	75.6	74.0	-	Aug-14	76.0	-1.6	-2.1%
Current Indicator	85.5	90.3	60.4	-	series low	78.7	-29.9	-33.1%
Expectations Indicator	73.8	65.8	83.1	May-14	-	74.2	17.3	26.3%
Personal Finance: Current	80.9	78.8	58.2	-	May-14	72.6	-20.6	-26.2%
Personal Finance: Expected	70.5	57.0	95.2	Sep-13	-	74.2	38.2	67.1%
Business Condition: 1 Year	60.1	71.1	57.6	-	Jun-14	62.9	-13.5	-19.0%
Business Condition: 5 Years	90.9	69.3	96.4	Aug-13	-	85.5	27.1	39.1%
Durable Buying Conditions	90.0	101.7	62.6	-	series low	84.8	-39.1	-38.5%
Current Business Conditions Indicator	83.2	86.6	95.0	Mar-14	-	88.3	8.4	9.7%
Real Estate Investment Indicator	111.3	118.3	98.2	-	series low	109.3	-20.1	-17.0%
Car Purchase Indicator	74.7	79.4	71.8	-	series low	75.3	-7.6	-9.5%
Employment Outlook Indicator	78.6	77.6	96.1	Dec-13	-	84.1	18.5	23.9%
Inflation Expectations Indicator	151.9	152.1	125.0	-	Mar-13	143.0	-27.1	-17.8%
Current Prices Satisfaction Indicator	64.8	58.2	63.1	Sep-14	-	62.0	4.9	8.2%
Interest Rates Expectations Indicator	144.4	147.0	103.4	-	series low	131.6	-43.6	-29.6%

Russia - Volga Overview

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - Volga Consumer Indicator	75.6	65.4	70.9	Sep-14	-	70.6	5.5	8.4%
Current Indicator	82.4	90.0	74.8	-	Aug-14	82.4	-15.2	-16.9%
Expectations Indicator	71.0	48.9	68.2	Sep-14	-	62.7	19.3	39.3%
Personal Finance: Current	53.1	98.3	54.5	-	Sep-14	68.6	-43.8	-44.5%
Personal Finance: Expected	57.4	46.5	64.0	Jul-14	-	56.0	17.5	37.8%
Business Condition: 1 Year	52.2	51.8	54.2	Jul-14	-	52.7	2.4	4.6%
Business Condition: 5 Years	103.4	48.5	86.4	Sep-14	-	79.4	37.9	77.9%
Durable Buying Conditions	111.7	81.8	95.1	Sep-14	-	96.2	13.3	16.3%
Current Business Conditions Indicator	79.4	53.6	55.9	Sep-14	-	63.0	2.3	4.2%
Real Estate Investment Indicator	112.3	120.2	98.4	-	Apr-14	110.3	-21.8	-18.2%
Car Purchase Indicator	82.4	87.0	60.3	-	Aug-14	76.6	-26.7	-30.7%
Employment Outlook Indicator	44.5	45.9	65.5	Aug-14	-	52.0	19.6	42.5%
Inflation Expectations Indicator	152.3	159.3	165.5	Aug-14	-	159.0	6.2	3.9%
Current Prices Satisfaction Indicator	63.3	22.5	50.6	Sep-14	-	45.5	28.1	124.7%
Interest Rates Expectations Indicator	140.0	150.5	161.6	Feb-14	-	150.7	11.1	7.4%

Russia - North Caucasus Overview

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - North Caucasus Consumer Indicator	88.0	83.5	71.8	-	series low	81.1	-11.7	-14.0%
Current Indicator	79.3	72.4	53.1	-	series low	68.3	-19.3	-26.6%
Expectations Indicator	93.7	90.8	84.2	-	series low	89.6	-6.6	-7.3%
Personal Finance: Current	78.3	71.8	51.6	-	series low	67.2	-20.2	-28.1%
Personal Finance: Expected	101.3	99.6	99.7	Sep-14	-	100.2	0.1	0.0%
Business Condition: 1 Year	78.1	71.7	51.2	-	series low	67.0	-20.5	-28.6%
Business Condition: 5 Years	101.8	101.2	101.6	Sep-14	-	101.5	0.4	0.4%
Durable Buying Conditions	80.3	73.0	54.6	-	series low	69.3	-18.4	-25.2%
Current Business Conditions Indicator	99.3	96.8	97.1	Sep-14	-	97.7	0.3	0.3%
Real Estate Investment Indicator	97.0	101.4	95.2	-	Dec-13	97.9	-6.2	-6.1%
Car Purchase Indicator	65.8	78.9	64.1	-	Apr-14	69.6	-14.8	-18.7%
Employment Outlook Indicator	100.8	100.7	101.2	Feb-14	-	100.9	0.5	0.5%
Inflation Expectations Indicator	126.7	126.7	124.0	-	Jun-14	125.8	-2.7	-2.1%
Current Prices Satisfaction Indicator	55.3	55.5	54.9	-	series low	55.2	-0.6	-1.1%
Interest Rates Expectations Indicator	106.6	106.7	107.1	Jan-14	-	106.8	0.4	0.3%

Russia - West Siberian Overview

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Russia - West Siberian Consumer Indicator	84.4	74.3	71.5	-	series low	76.7	-2.8	-3.8%
Current Indicator	76.2	59.8	54.9	-	series low	63.6	-4.9	-8.0%
Expectations Indicator	89.8	84.0	82.5	-	series low	85.4	-1.5	-1.8%
Personal Finance: Current	75.1	58.3	54.0	-	series low	62.5	-4.3	-7.3%
Personal Finance: Expected	96.9	98.4	97.0	-	Sep-14	97.4	-1.4	-1.4%
Business Condition: 1 Year	75.2	57.1	53.8	-	series low	62.0	-3.3	-5.8%
Business Condition: 5 Years	97.4	96.4	96.6	Sep-14	-	96.8	0.2	0.2%
Durable Buying Conditions	77.3	61.2	55.9	-	series low	64.8	-5.3	-8.7%
Current Business Conditions Indicator	97.6	97.8	97.9	Aug-14	-	97.8	0.1	0.0%
Real Estate Investment Indicator	100.7	100.1	98.5	-	Jun-14	99.8	-1.6	-1.6%
Car Purchase Indicator	76.7	75.8	78.1	Aug-14	-	76.9	2.3	3.1%
Employment Outlook Indicator	82.7	82.5	82.3	-	series low	82.5	-0.2	-0.3%
Inflation Expectations Indicator	109.8	109.5	125.8	Jun-14	-	115.0	16.3	15.0%
Current Prices Satisfaction Indicator	45.7	45.4	45.1	-	Jul-14	45.4	-0.3	-0.6%
Interest Rates Expectations Indicator	103.3	103.6	104.2	Aug-14	-	103.7	0.6	0.5%

All Russia - Overview by Age

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
Age 18-34								
MNI Russia Consumer Indicator	86.8	82.4	77.7	-	series low	82.3	-4.7	-5.8%
Current Indicator	86.9	86.4	73.3	-	series low	82.2	-13.1	-15.2%
Expectations Indicator	86.7	79.7	80.6	Sep-14	-	82.3	0.9	1.1%
Personal Finance: Current	75.5	90.3	70.3	-	series low	78.7	-20.0	-22.1%
Personal Finance: Expected	90.6	84.3	90.8	Jul-14	-	88.6	6.5	7.7%
Business Condition: 1 Year	72.3	71.6	63.5	-	series low	69.1	-8.1	-11.4%
Business Condition: 5 Years	97.1	83.3	87.4	Sep-14	-	89.3	4.1	5.0%
Durable Buying Conditions	98.4	82.6	76.3	-	series low	85.8	-6.3	-7.7%
Age 35-54								
MNI Russia Consumer Indicator	84.0	78.6	76.2	-	series low	79.6	-2.4	-3.1%
Current Indicator	93.2	85.4	70.2	-	series low	82.9	-15.2	-17.8%
Expectations Indicator	77.9	74.0	80.1	Aug-14	-	77.3	6.1	8.3%
Personal Finance: Current	85.7	73.4	65.0	-	series low	74.7	-8.4	-11.5%
Personal Finance: Expected	75.8	75.8	88.4	Jul-14	-	80.0	12.6	16.5%
Business Condition: 1 Year	77.1	69.2	62.5	-	series low	69.6	-6.7	-9.7%
Business Condition: 5 Years	80.9	77.0	89.6	Jul-14	-	82.5	12.6	16.4%
Durable Buying Conditions	100.7	97.4	75.5	-	series low	91.2	-21.9	-22.5%
Age 55-64								
MNI Russia Consumer Indicator	83.0	80.1	73.8	-	series low	79.0	-6.3	-7.8%
Current Indicator	79.2	79.7	76.5	-	Aug-14	78.5	-3.2	-4.0%
Expectations Indicator	85.5	80.3	72.0	-	series low	79.3	-8.3	-10.3%
Personal Finance: Current	72.6	70.3	61.2	-	series low	68.0	-9.1	-13.0%
Personal Finance: Expected	98.4	78.7	79.0	Sep-14	-	85.4	0.3	0.3%
Business Condition: 1 Year	67.5	74.5	57.4	-	series low	66.5	-17.1	-23.0%
Business Condition: 5 Years	90.6	87.6	79.7	-	series low	86.0	-7.9	-9.0%
Durable Buying Conditions	85.8	89.1	91.8	Jul-14	-	88.9	2.7	3.0%

All Russia - Overview by Income

	Sep-14	Oct-14	Nov-14	Highest Since	Lowest Since	3-Month Average	Monthly Change	Monthly % Change
< RUB 480,000 Per Annum								
MNI Russia Consumer Indicator	82.4	74.5	72.5	-	series low	76.5	-2.0	-2.7%
Current Indicator	83.3	77.1	66.1	-	series low	75.5	-11.0	-14.3%
Expectations Indicator	81.7	72.8	76.8	Sep-14	-	77.1	4.0	5.6%
Personal Finance: Current	70.9	73.9	58.3	-	series low	67.7	-15.6	-21.0%
Personal Finance: Expected	84.0	78.8	86.6	Jul-14	-	83.1	7.8	9.9%
Business Condition: 1 Year	69.2	60.8	57.1	-	series low	62.4	-3.7	-6.1%
Business Condition: 5 Years	92.0	78.7	86.8	Sep-14	-	85.8	8.1	10.3%
Durable Buying Conditions	95.8	80.3	73.8	-	series low	83.3	-6.5	-8.2%
> RUB 480,000 Per Annum								
MNI Russia Consumer Indicator	89.6	92.1	83.5	-	series low	88.4	-8.6	-9.3%
Current Indicator	95.4	100.6	83.7	-	series low	93.2	-16.9	-16.8%
Expectations Indicator	85.8	86.4	83.4	-	series low	85.2	-3.0	-3.4%
Personal Finance: Current	90.3	96.0	82.0	-	Aug-14	89.4	-14.0	-14.5%
Personal Finance: Expected	89.5	83.6	91.2	Aug-14	-	88.1	7.6	9.1%
Business Condition: 1 Year	80.0	90.3	71.8	-	Aug-14	80.7	-18.5	-20.5%
Business Condition: 5 Years	87.8	85.3	87.4	Sep-14	-	86.8	2.1	2.4%
Durable Buying Conditions	100.5	105.3	85.4	-	series low	97.1	-19.9	-18.9%

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.

MNI Indicators is part of MNI, a leading provider of news and intelligence. MNI is a wholly owned subsidiary of Deutsche Börse Group, one of the largest worldwide exchange organisations.



mni | DEUTSCHE BÖRSE
GROUP

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.

www.mni-indicators.com

Insight and data for better decisions

Published by

MNI Indicators | Deutsche Börse Group

Westferry House

11 Westferry Circus

London

E14 4HE

www.mni-indicators.com

info@mni-indicators.com

@MNIIndicators

Copyright© 2014 MNI Indicators | Deutsche Börse
Group.

Reproduction or retransmission in whole or in part is
prohibited except by permission. All rights reserved.