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SWEDISH CHAMBER OF COMMERCE FOR RUSSIA & CIS





CONTENTS

MEMBER INFO	4	Kazakhstan's GDP up by 4%	8
ECONOMY & POLITICS.....	6	Experts predict the fall of Kazakhstan's national currency.....	8
<i>Russia</i>	6	Kazakh Government lowers GDP growth forecast for 2015-2019.....	8
New emerging G7	6	<i>Azerbaijan</i>	8
Empty stores in Moscow as a result of falling ruble.....	6	WB revises outlook for Azerbaijan's economic growth	8
Russia, China to start ruble-yuan swap deals.....	6	Government forecasts 2.3% inflation in Azerbaijan in 2015.....	8
Russia to deepen cooperation with China.....	6	<i>Armenia</i>	9
Indicators of economic health plummets.....	6	Armenia may achieve 4.5% GDP growth in 2014	9
Russia expands food import ban	6	Armenia joins Eurasian Union	9
Russian real wages fall for first time since 2009	6	<i>Georgia</i>	9
Inflation in Russia tops 8% in 2014.....	7	Annual inflation in Georgia amounts to nearly 5%.....	9
Russia's September GDP increases by 1.1%	7	Fitch Ratings improves the outlook on Georgia ..	9
The ruble loses 25% versus USD.....	7	<i>Kyrgyzstan</i>	9
Price drop hit Russia's oil industry.....	7	Real GDP growth hits 3% in first 9 months	9
<i>Ukraine</i>	7	Inflation in Kyrgyzstan reaches 5%.....	9
World Bank worsens forecast for Ukraine's GDP	7	<i>Tajikistan</i>	9
Inflation in Ukraine speeds to 2.9% in September	7	Inflation stands at 5.7%.....	9
Ukrainian president signs law on transparency .	7	Tajikistan's GDP up 6.9% in Jan-Sept 2014	9
IMF: "Ukraine needs extra funding"	7	<i>Uzbekistan</i>	9
Ukrainian President signs law on special status for Donbass.....	7	Uzbekistan's GDP grows by 8.1%	9
Pro-West parties win in Ukraine election.....	7	<i>Turkmenistan</i>	9
<i>Belarus</i>	8	Turkmenistan sees significant GDP increase.....	9
Belarus' gold, forex reserves down to USD 6 bln in IMF terms	8	BUSINESS & FINANCE	10
Belarus' GDP up 1.5% in Jan-Sept.....	8	<i>Russia</i>	10
Wages fall below USD 600 in Belarus	8	Stockmann to close 16 Sappälä stores in Russia	10
Inflation in Belarus at 20.1% in September	8	Real estate investments reached USD 1.4 bln in 3Q.....	10
<i>Kazakhstan</i>	8	China to construct LNG plant in Saratov	10
Kazakhstan's president ratifies Eurasian Economic Union treaty.....	8	East Balt Bakery to increase investments	10



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Benetton raises the stake.....	10	Belarus-Finnish cooperation in energy sphere .	12
IKEA to expand Mega shopping centres.....	10	S&P affirms its B- rating on Minsk.....	13
Spending on luxury goods sharply decrease	10	<i>Kazakhstan</i>	13
Putin signs bill curbing foreign ownership in Russian media.....	10	Geely to assemble cars in Kazakhstan.....	13
British TUI Travel invests USD 24.4 mln	11	Asia Auto and Renault-Nissan to build car- making factory.....	13
No decrease in Russia-Finland B2B contacts	11	<i>Georgia</i>	13
Total's head dies in plane crash in Moscow	11	EBRD allocates USD 10 mln to Georgian bank ..	13
Russia's investment grade status worsen	11	Turks invest in hydropower industry	13
S&P affirms Russia's BBB- Rating.....	11	EBRD to strengthen small and medium businesses in Georgia.....	13
CapMan Russia invests in Kidburg.....	11	Armenia's foreign trade grows by 3.9%.....	13
Gunvor to divert from Russia	11	<i>Azerbaijan</i>	13
Logistic firms are flocking to regions.....	11	EBRD and Mugabank to support energy efficiency	13
Russia climbs 30 positions in new World Bank's Doing Business rating	11	Azerbaijan improves position in Doing Business ranking.....	13
Russia attracts investors to Crimea	12	<i>Tajikistan</i>	14
<i>Ukraine</i>	12	Tajikistan's foreign trade turnover increases by 12.8%.....	14
Star to assist in raising EUR 14 bln for Ukrainian cities' development	12	Tajikistan promotes itself as new investment frontier	14
EBRD in syndicated loan to Kernel Group	12	<i>Uzbekistan</i>	14
S&P raises Ukrainian capital ratings.....	12	Foreign investments in Uzbekistan grow by 22.3%.....	14
EIB issues EUR 50 mln to Ukrainian Agroholding	12	<i>Kyrgyzstan</i>	14
INSIL Deutschland UG to build two garbage- recycling plants in Ukraine	12	Investment inflows to Kyrgyzstan reduce by 30%	14
<i>Belarus</i>	12		
Accor Group to expand hotel chain.....	12		
Belarus, Hungary expanding financial cooperation	12		
Peugeot Citroen to open production in Belarus	12		



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MEMBER INFO

Dear Member,

A hectic period with a lot of events is ahead of us. Some of these are mentioned in the “Calendar” below. It is positive to notice that several of them are targeting new business opportunities in many markets & countries. Attend them and get new contacts and business ideas! Check our website where upcoming events are posted. There you will also find a detailed updated macroeconomic review of Russia from Raiffeisen Bank International.

Heinz Sjögren, Chairman

Örjan Berner presenting his book at East Capital



15th of October, Örjan Berner, former Swedish ambassador in Moscow 1989–1994, held a presentation of his book *Härskarna i Kreml - från Gorbatjov till Putin* on East Capital’s premises on Kungsgatan, Stockholm. The main topic that he presented, as he does in the book, is dealt about Russia’s identity. Not only did Örjan, in the presentation, give a chronological historical perspective of what has built up Russia to the country that it is today, he also answered questions about Russia’s future. Around 50 company representatives were present during this illuminating evening. We are grateful to our member East Capital for hosting this event, and thanks for the excellent arrangement. Congratulations to Henrik Åhlin from EY, who won the gift book.

New member



We are glad to welcome a new member –

ViaCon International AB, Lidköping (www.viacon.se).

The Group has about 30 companies in 18 countries, incl. Russia, Ukraine, Belarus, Georgia and several CEE countries. Main products are steel bridges, pipes, culverts and various geosynthetics. About 750 employees and almost 200 MEUR annual sales.



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Calendar

Some of the upcoming events in the busy end of the year. In several cases separate invitations have been sent out or posted in our webpage. In case you have missed any, just contact our secretariat.

- **November 13:** Utrikespolitiska Institutet/The Swedish Institute of International Affairs, Stockholm. A full day Russia Conference. Our Chamber members have 20 % discount.
- **November 20:** Business Sweden arranging “SymbioCity Event” in S:t Petersburg.
- **November 20:** 4th Swedish-Russian Investment Forum arranged by Russian Trade representation in Sweden, Lidingö. Several Russian regions and companies will present.
- **November 25:** Swedish Ministry for Foreign Affairs arranging a seminar about business opportunities within Energy Efficiency in CEE and Central Asia. Stockholm.
- **December 3-4:** Business Sweden arranging a Swedish Railway Delegation visit to Kazakhstan, Astana.
- **December 8:** Member company, EY, arranging an AW-seminar on topic “HR, Reward and Global Mobility between Sweden and Russia & CIS”. Stockholm. Invitation will soon be sent.
- **January 11, 2015:** Last day to see the masterpieces in the art exhibition “From Tsars to Commissars” at Konstakademin/Nationalmuseum, Stockholm.

Mosfilm – free movies online



Mosfilm, the leading film studio in Russia, has released a selection of its classic movies that you can **watch online** - for free. You can also find some movies with subtitles.

If you wish to **download** a movie you will first have to register and thereafter pay for each movie that is downloaded.

The movies can be found at <http://cinema.mosfilm.ru>



ECONOMY & POLITICS



Russia

New emerging G7

Analysis of a new IMF report projects the top seven emerging markets, measured at purchasing power parity (PPP), will overtake the conventional G7 group of industrialized economies in 2014. The Financial Times estimated that the seven largest emerging economies can hypothetically be called a new G7: four BRICS members - Brazil, Russia, India and China and three countries of the so-called MINT - Mexico, Indonesia and Turkey, will have a combined GDP of USD 37.8 trillion in 2014 when calculated at purchasing power parity (PPS). However, the long established G7 group of industrialized nations: Canada, France, Germany, Italy, Japan, the UK and the US are expected to have an output of USD 34.5 trillion (rt.com, 09.10).

Empty stores in Moscow as a result of falling ruble

The vacancy rate in Moscow shopping centers nearly doubled in the third quarter of this year and will continue to rise as consumption slumps and retailers pare back their plans for Russia, said the report by consultancy Jones Lang LaSalle (JLL) (veooz.com, 13.10).

Russia, China to start ruble-yuan swap deals

The central banks of China and Russia have signed a 3-year ruble-yuan currency swap deal amounting up to USD 25 bln, in order to boost trade using national currencies and lessen dependence on the dollar and euro. Trade between Russia and China is already nearly USD 90 bln and is scheduled to hit USD 200 bln in the next six years (rt.com, 13.10).

Russia to deepen cooperation with China

At the meeting in Moscow Russian Prime Minister Dmitry Medvedev and his Chinese counterpart Li Keqiang signed a package of around 40 documents ranging from finance and investment to energy and high-speed railways (top.rbc.ru, 14.10).

Indicators of economic health plummet

Inflation last month was at its highest level in three years, capital outflow this year is expected to exceed USD 100 bln, the ruble has lost almost 20% of its value since January, and economic growth is anemic, with some experts even predicting that Russia will be in recession by 2015 (themoscowtimes.com, 15.10).

Russia expands food import ban

Russia introduced temporary import restrictions on cattle, pork and poultry by-products from Europe, including fats. Explaining the reasons for the interim restrictions, Russian Federal Service for Veterinary and Phyto-sanitary Surveillance noted that pathogenic germs and heavy metals have been repeatedly detected in the food imports from a number of producers (ria.ru, 20.10).

Russian real wages fall for first time since 2009

For first time in five years, real wages in Russia fell 1.2% in August, carving out the purchasing power of Russian consumers amid an economic slowdown that shows no sign of stagnating. Last time the real wages fell was in November 2009, the year when the global financial crisis wiped out 9% off Russia's GDP (vedomosti.ru, 21.10).



Inflation in Russia tops 8% in 2014

Russia's annual inflation rate is currently at over 8.3%, the country's Central Bank first deputy director said. The rise of inflation could continue, accelerating from 8% at the end of September. (interfax.com, 22.10).

Russia's September GDP increases by 1.1%

Russia's economy grew by 1.1% y-o-y in September, compared with a zero growth in the previous month, according to a senior officer at the Economy Ministry. "It seems to us that 0.5% growth by the end of the year is an achievable goal. Perhaps if circumstances are favorable it will be even higher," deputy economy minister said (itar-tass.com, 27.10).

The ruble loses 25% versus USD

The RUB has lost nearly a quarter of its value against the USD this year on falling oil prices, risk aversion towards Russia because of its role in the Ukraine crisis and demand for foreign currency from Russian firms shut out of Western capital markets. The Russian Central Bank has spent over USD 20 bln defending the RUB (sptimes.ru, 28.10).

Price drop hit Russia's oil industry

The multinational investment bank, Goldman Sachs, cut its oil price forecast for 2015 from USD 100 per barrel of Brent to just USD 85. The Russian Urals crude trades around USD 2-3 below the Brent price. After Goldman cuts forecasts oil drops below USD 85— its lowest level in four years. Russia, the world's second-biggest oil exporter, had been gearing up for a major shift into hard-to-reach oil production as conventional oil runs low. Now these plans look harder to achieve (top.rbc.ru, 28.10).

Ukraine

World Bank worsens forecast for Ukraine's GDP

The World Bank, WB, has worsened the outlook on Ukraine's GDP fall from 5% to 8% for 2014 and its outlook for 2015 from the growth of 2.5% to fall of 1%, said Qimiao Fan, the WB Country Director for Ukraine, Belarus and Moldova (un.ua, 02.10).

Inflation in Ukraine speeds to 2.9% in September

According to Statistical Service, inflation in Ukraine in September 2014 sped up to 2.9% from 0.8% in August 2014 and 0.4% in July 2014. Since the beginning of 2014, consumer prices in Ukraine have grown by 16.2%. The Y-o-y inflation accelerated to 17.5% from 14.2% in August, 12.6% in July, 12% in June, and 10.9% in May. The Ukrainian government and the National Bank of Ukraine forecast inflation in 2014 at 19% (interfax.com.ua, 06.10).

Ukrainian president signs law on transparency

The law establishes legal and organizational framework for checking state servants and officials, as well as local self-governments in order "to restore trust in the authorities and create conditions for building a new system of power bodies in line with European standards". Ukraine fires first 39 top officials in a power purge (itar-tass.com, 16.10).

IMF: "Ukraine needs extra funding"

The IMF's review updated last month, showed that the country's financing needs could rise by USD 19 bln if the civil war continues. Despite the WB's forecast that the country will likely be in a deep recession until at least 2016, the IMF projects the economy to expand next year (rt.com, 10.10).

Ukrainian President signs law on special status for Donbass

Document No. 1680-VII defines a provisional procedure of organising local self-rule and operation of local power bodies in separate districts of the Donetsk and Lugansk regions. The special status is introduced for three years (president.gov.ua, 16.10).

Pro-West parties win in Ukraine election

Pro-Europe parties secured a big victory in the Ukraine elections. According to the Ukrainian Central Election Commission (CEC), the party of Ukrainian Prime Minister Arseny Yatsenyuk and President Petro Poroshenko's bloc had about 22% of the votes each. Ukraine's President and PM are set to publish a draft coalition agreement (press.unian.net, 28.10).



Belarus

Belarus' gold, forex reserves down to USD 6 bln in IMF terms

Belarus' gold and foreign exchange reserves stood at USD 6,004.6 mln in accordance with the IMF measurement. The reserves went down by USD 284.9 mln in September (belta.by, 07.10).

Belarus' GDP up 1.5% in Jan-Sept

According to the National Statistics Committee of Belarus, in Jan-Sept 2014 Belarus' GDP totaled Br 544.2 trillion, up 1.5% from the same period last year (belta.by, 20.10).

Wages fall below USD 600 in Belarus

In September 2014, the gross wage in Belarus was BYR 6 335 300 (USD 598). Adjusted for inflation, real wages have declined over the past two months by more than 4%. Poor diversification of Belarusian exports makes wage growth impossible due to declining sales in the Russian market (belarusinfocus.info, 28.10).

Inflation in Belarus at 20.1% in September

According to the Eurasian Economic Commission, the Belarus inflation rate at 20.1% is the highest among the Customs Union countries. The Government and the National Bank of Belarus are determined to reduce inflation to 18% by the end of 2014, chairman of the National Bank said. Consumer prices in Belarus rose by 1.2% in 2014 September from the previous month (arka.am, 29.10).

Kazakhstan

Kazakhstan's president ratifies Eurasian Economic Union treaty

The treaty has now been ratified by presidents of Russia, Belarus and Kazakhstan. Russia ratified the treaty on October 3. Nearly a week later, on October 9, the law on ratifying the treaty was adopted by the Belarusian parliament. On the same day, the document was signed by the country's President Alexander Lukashenko (itar-tass.com, 14.10).

Kazakhstan's GDP up by 4%

Kazakhstan's GDP grew by 4% in the past nine months, slowing y-o-y resulted by the economic slowdown in Russia, the major export market, and by drop in oil and metals prices, chairman of the Statistics Committee of the National Economy Ministry said. (inform.kz, 14.10).

Experts predict the fall of Kazakhstan's national currency

The Kazakh "Halyk Finance" investment bank experts predict that the national currency will depreciate by late 2014. The conditions in the Kazakh monetary market has sharply deteriorated which indicates a immense devaluation. (trend.az, 17.10).

Kazakh Government lowers GDP growth forecast for 2015-2019

Real GDP growth is forecast at 4.8% in 2015 or 0.2% below the earlier approved forecast. In 2016-2019 real GDP growth is expected to reach 5.3-6.7%, according to the Kazakh National Economy Ministry (interfax.kz, 23.10).

Azerbaijan

WB revises outlook for Azerbaijan's economic growth

The World Bank, WB, revised the 2014 economic growth forecasts for developing countries in Europe and Central Asia due to the Ukrainian crisis. In the WB's updated outlook, this year Azerbaijan's economic growth is expected to reach 4.5%. Earlier, the WB analysts said they expect a 5.2% GDP growth in Azerbaijan in 2014, and a 4.1% GDP growth in 2015 (trend.az, 13.10).

Government forecasts 2.3% inflation in Azerbaijan in 2015

During the first 9 months of 2014 the inflation made up 1.5% and by the end of the year, according to government's plans, it should not exceed 2%. IMF forecasts Azerbaijan's inflation to be at the level of 2.8% in 2014 and 3% in 2015 (abc.az, 14.10).



Armenia

Armenia may achieve 4.5% GDP growth in 2014

Armenia may record an economic growth close to 4.5% in 2014, Chairman of the Eurasian Development Bank's Board said (arka.am, 09.10).

Armenia joins Eurasian Union

The Supreme Eurasian Economic Council has approved Armenia's accession to the EEU. Armenia, alongside Russia, Belarus and Kazakhstan, becomes a full-fledged member of the EEU, which will begin to operate as of January 1, 2015. It is expected that a fifth country, Kyrgyzstan, will join the EEU in the near future (vestnikkavkaza.net, 10.10).

Georgia

Annual inflation in Georgia amounts to nearly 5%

According to Georgian National Statistical Service, the inflation rate in Georgia amounted to 1.2% in September 2014 compared to the previous month and 4.8% compared to September 2013 (trend.az, 04.10).

Fitch Ratings improves the outlook on Georgia

A global rating agency, Fitch Ratings, has revised the Outlook on Georgia's Long-term foreign and local currency Issuer Default Ratings (IDR) to Positive from Stable. The revision of the Outlook reflects that Georgia continues to demonstrate a strong commitment to economic and structural reforms, guided by a succession of IMF programs including a three-year standby arrangement signed in July. Georgia has also signed an Association Agreement with the EU. (reuters.com, 17.10).

Kyrgyzstan

Real GDP growth hits 3% in first 9 months

According to preliminary data, in January-September of 2014, real GDP growth was at the level of 3%, which is

lower than the corresponding period last year by 5.9% (eng.24.kg, 18.10).

Inflation in Kyrgyzstan reaches 5%

According to the National Bank of Kyrgyzstan, peak of inflation in the country will be at the end of 2014: inflation will reach about 10.4%. It is noted that the increase of inflation is influenced mainly by non-monetary factors - an increase in fuel prices, reduced harvest, and adverse climatic conditions in Kyrgyzstan, raising tariffs for housing and communal services (gezitter.org, 30.10).

Tajikistan

Inflation stands at 5.7%

In Tajikistan, inflation in the first nine months of 2014 stood at 5.4%, according to the National Bank of Tajikistan. In September, inflation reportedly stood at 0.2% while in August inflation stood at 0.7% (news.tj, 10.10).

Tajikistan's GDP up 6.9% in Jan-Sept 2014

Based on current data, Tajikistan's GDP totalled more than USD 6.3 bln in January-September this year, an increase of 6.9% over the same period last year in comparable prices, according to the Agency for Statistics under the President of Tajikistan (trend.az, 16.10).

Uzbekistan

Uzbekistan's GDP grows by 8.1%

Uzbekistan's GDP increased by 8.1% percent in Jan- Sept 2014 compared with the same period in 2013. Total volume of investments increased by 10.7%, and the volume of direct foreign investment - by 22.3%. In 2014, the inflation is forecasted to be kept at 6-7% (uzreport.uz, 22.10).

Turkmenistan

Turkmenistan sees significant GDP increase

Turkmenistan's GDP has increased by 10.3% in Jan.-Sept. 2014. The GDP per capita in the country amounted to USD 19 000. Since early 2014, Turkmenistan's foreign



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trade turnover has exceeded USD 21 bln. The investments made in the various sectors of the national economy increased by 8.3% in H1 of 2014 compared to the same period of 2013 (azernews.az, 20.10).

BUSINESS & FINANCE



Russia

Stockmann to close 16 Sääpälä stores in Russia

Stockmann has been hard hit by customers shifting from relatively upscale department stores to online shopping, while the weakened Russian ruble and recession in Finland have exacerbated its problems. Just under half of Stockmann's sales come from Finland, with Russia, where it has seven large department stores, accounting for 16% (lenta.ru, 03.10).

Real estate investments reached USD 1.4 bln in 3Q

Investment in Russian real estate grew in the Q3 of the year, and the share of foreign capital channelled into construction projects increased. Real estate investment volumes reached USD 1.4 bln in the Q3 — more than was invested in the sector over the whole H1 of the year. However, through Q1–Q3 2014 Russian real estate investment volumes declined by 43% y-o-y to USD 2.8 bln (themoscowtimes.com, 06.10).

China to construct LNG plant in Saratov

Chinese holding CIMC is about to invest RUB 4 bln into the construction of a LNG plant in the Saratov region.

The gas will be sold on the Russian market. Besides, China plans to start the manufacture of gas-fired automobiles in the region. The cars will be manufactured with the assistance of Chinese car-manufacturer Dongfeng (rusmininfo.com, 10.10).

East Balt Bakery to increase investments

East Balt Bakery, the U.S. maker of McDonald's hamburger buns, is planning to quadruple investment in its factory in Russia's Alabuga special economic zone to RUB 752 mln, despite Russia's recent crackdown on the U.S. fast-food chain. East Balt also plans to expand its factory from 0.5 to 2 hectares by July 2016 (kp.ru, 13.10).

Benetton raises the stake

The Italian retailer said it is planning to roll out about 40 more store outlets across Russia by the end of 2017. The company's annual turnover in Russia is EUR 100 mln. (pambianconews.com, 14.10).

IKEA to expand Mega shopping centres

IKEA Shopping Centres Russia intends to almost double the area of its Mega-Adygea-Kuban shopping centre to 170 000 sqm, in the south of Russia. Also, the new design is taking advantage of the temperate climate in this region, creating a leisure destination for sports and outdoor dining (kuban.rbc.ru, 14.10).

Spending on luxury goods sharply decrease

A weak ruble and low consumer confidence have taken their toll on Russian luxury spending; with goods sales down 18% at current exchange rates (themoscowtimes.com, 15.10).

Putin signs bill curbing foreign ownership in Russian media

Russian President Vladimir Putin has signed a bill into law that limits foreign ownership in Russian media to 20%. The law will force some of the world's largest media companies — including Conde Nast, Hearst Corporation and Axel Springer — to sell off or shut down their Russian assets by Feb. 1, 2017. It will also directly impact Sanoma Independent Media, the Russian branch of Finnish media group Sanoma and one of Russia's largest publishing houses (forbes.ru, 15.10).



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British TUI Travel invests USD 24.4 mln

TUI Travel will provide new investment of up to USD 24.5 mln and a new guarantee of USD 4.9 mln for its TUI Russia & CIS joint venture with S-Group. S-Group is owned and controlled by Russian businessman Alexei Mordashov, the largest shareholder of TUI AG. TUI Travel is in the process of merging with its majority owner TUI AG to create the world's biggest leisure and tourism group (vedomosti.ru, 16.10).

No decrease in Russia-Finland B2B contacts

Business to business contacts between Russia and Finland have not decreased at all, with Russia remaining a crucial trading partner with Finland, Finnish Prime Minister Alexander Stubb said. "But if the Russian economy declines by 3%, Finnish GDP will decline eventually by 0.5%. So whatever happens in the Russian economy, it has implications on us," Stubb said (ria.ru, 16.10).

Total's head dies in plane crash in Moscow

The French oil and gas giant Total's CEO Christophe de Margerie died in a airplane accident at Moscow's Vnukovo airport. During takeoff the Falcon private jet collided with a snow removal machine. (topnews.ru, 21.10).

Russia's investment grade status worsen

Russia's sovereign credit rating was cut down to size by international credit rating agency Moody's to Baa2 from Baa1, next to the lowest of the investment grade ratings. The Ukrainian crisis and the western economic sanctions were named among the main drivers for the downgrade. Moody's also downgraded its ratings of two major Russian cities, Moscow and St. Petersburg, from Baa2 to Baa1 due to market risks and a declining operating environment, with the outlook being negative (moodys.com, 22.10).

S&P affirms Russia's BBB- Rating

The RUB opened 0.2% stronger against the USD after Standard & Poors's ratings agency reaffirmed Russia's sovereign rating. The affirmation at BBB- means the country escapes being dumped into non-investment-grade territory. S&P, which last downgraded Russia's

rating in April amid the crisis in Ukraine, said it was maintaining its current rating on Russia because of the country's net external asset position and the government's modest net debt. However, the outlook remains negative (finam.ru, 27.10).

CapMan Russia invests in Kidburg

CapMan Russia II, an investment fund managed by a Finnish private equity fund CapMan, has acquired a 40% share in Kidburg - the first Russian operator providing children's educational entertainment services. The aim of the transaction is to further expand the company's operations in Russia. (journal.dasreda.ru, 27.10)

Gunvor to divert from Russia

Swiss-based oil trading house Gunvor is seeking to cut exposure to Russia by selling assets in the country that had long been one the main generators of its growth and profit before the U.S. imposed sanctions on its co-founder Gennady Timchenko. Gunvor's most significant assets in Russia are stakes in the Baltic oil terminal Ust-Luga, the Black Sea terminal of Novorossiisk as well as a stake in coal mining firm Kolmar. (bbc.co.uk, 27.10)

Logistic firms are flocking to regions

Moscow's logistics industry has been hit by Russia's economic downturn. In the first nine months of 2014 warehouse use was almost 40% lower than in the same period last year. The new trend in the industry is to flock to Russia's regions instead. The Russian subsidiary of French group FM Logistics and other large logistics companies have announced Russia's regions as being part of their expansion plans. (sptimes.ru, 28.10).

Russia climbs 30 positions in new World Bank's Doing Business rating

In 2014 rating that assesses the comfort of doing business in 189 countries around the world, Russia occupies the 62nd place. Russia is on 156th place in terms of the time of obtaining construction permits, on the 143rd place by connection to the electrical networks. In terms of the loans' availability, Russia is on the 61st place. Regarding the bankruptcy proceedings mechanisms, Russia is 65th. However, it is relatively easy to start a business in Russia — the country is on the 34rd place by this criterion, it is even easier to register the ownership right (12th place). It is also easy to



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enforce contractual obligations of business partners (14th place). Russia is on the 49th place in terms of accessibility and clarity of the tax payment mechanism. The country still has problems with the protection of minority shareholders (100th place) (itar-tass.com, 29.10).

Russia attracts investors to Crimea

Russian PM approved the establishment of a free economic zone in Crimea to attract investors to the region. Investors in the free economic zone will be freed from some taxes for a period of up to 10 years, depending on the tax category. Administrative barriers also will be lowered for businesspeople willing to come to Crimea (fingazeta.ru, 30.10).

Ukraine

Star to assist in raising EUR 14 bln for Ukrainian cities' development

The Czech company Star with over 700 European urban infrastructure projects in its investment portfolio, intends to develop its activities in Ukraine (kyivpost.com, 14.10).

EBRD in syndicated loan to Kernel Group

The EBRD supports the Ukrainian economy by taking part in a USD 230 mln syndicated loan facility to the Kernel Group of Ukraine, one of the largest agricultural holdings in the country. The syndicated loan facility, arranged by Natixis, the international corporate, investment management and financial services arm of Group BPCE, the second-largest banking player in France, will support Kernel's working capital needs associated with the procurement of grain in Ukraine (ebrd.com, 15.10).

S&P raises Ukrainian capital ratings

Standard & Poor's Ratings Services raised its long-term issuer credit rating on the Ukrainian capital city of Kiev and its issue ratings on Kiev's debt to 'CCC' from 'CC', the outlook is stable (interfax.com.ua, 15.10).

EIB issues EUR 50 mln to Ukrainian Agroholding

The European Investment Bank has issued USD 50 mln to Astarta Agroholding for the construction of grain

elevators in several Ukrainian regions. This agreement is aimed at powerful infrastructure projects (ukrainianjournal.com, 17.10).

INSIL Deutschland UG to build two garbage-recycling plants in Ukraine

German investment company INSIL Deutschland UG intends to invest EUR 100 mln in the construction of two recycling plants in Ukraine. The construction is to begin next year (zik.ua, 24.10).

Belarus

Accor Group to expand hotel chain

The world leading hotel operator and market leader in Europe Accor Group will construct three new hotels in Belarus. The construction of hotels under the Accor brand will contribute to the promotion of the Belarusian tourist attractiveness, the development of business contacts with France and other European countries (belarus.by, 08.10).

Belarus, Hungary expanding financial cooperation

Two agreements in the financial sector were signed by Hungary's Eximbank and Belarus' Belarusbank and Belagroprombank in Minsk on 9 October. Belarus and Hungary hope to see the bilateral trade to amount to USD 250 mln by the end of 2014 (belta.by, 09.10).

Peugeot Citroen to open production in Belarus

The company has plans to manufacture 2 000 to 2 500 cars in 2015. Initially, four Peugeot and two Citroen models will be produced for Belarusian customers only. According to PS Auto Group, the launch of the local production in Belarus will strengthen the positions and increase the market share for Peugeot, Citroen and DS brands to 12% in 2017. (cistranfinance.com, 09.10)

Belarus-Finnish cooperation in energy sphere

The Belarusian national power grid operator and electricity provider Belenergo and the Finnish company Valmet Power OY signed a memorandum of understanding. The document has been signed for the sake of promoting cooperation in the generation of



heating energy and electrical energy using locally available kinds of fuel (novoteka.ru, 14.10).

S&P affirms its B- rating on Minsk

Standard & Poor's affirmed its 'B-' long-term issuer credit rating on the Belarusian capital Minsk, the outlook is stable. According to the rating agency, the financial performance and liquidity position of the Belarus capital of Minsk remain comfortable. The stable outlook reflects that on Belarus. S&P affirmed the long-term foreign currency rating on Belarus at B-/Stable/B (afn.by, 27.10).

Kazakhstan

Geely to assemble cars in Kazakhstan

Kazakhstan's Agromashholding production site and China's Geely Corporation have signed a memorandum on assembling cars at Agromashholding's plant in Kazakhstan. It is planned that in 2017 the level of localization in Kazakhstan will reach 50% (inform.kz, 09.10).

Asia Auto and Renault-Nissan to build car-making factory

Asia Auto Kazakhstan JSC and Renault-Nissan alliance plan to build a car-making factory with capacity of 120 000 cars a year, said head of Asia Auto Kazakhstan. The plant will include welding, painting, and assembling shops (kazinform.kz, 09.10).

Georgia

EBRD allocates USD 10 mln to Georgian bank

The EBRD provided the Georgian Republic Bank with a loan worth USD 10 mln to finance energy efficient projects in Georgia (trend.az, 11.10).

Turks invest in hydropower industry

The Turkish company Calik Enerji Sanayi ve Ticaret A.S. will build a cascade of the Alpana and Sadmeli hydropower plants on the Rioni River in Georgia. The preliminary investment in the cascade's construction project is USD 485 mln (times.am, 14.10).

EBRD to strengthen small and medium businesses in Georgia

EBRD, the Ministry of Economy of Georgia and the Entrepreneurship Development Agency of Georgia have signed a Memorandum of Understanding which provides a framework for future cooperation between the parties for the successful implementation of the state program "Produce in Georgia". (ebrd.com, 22.10).

Armenia

Armenia's foreign trade grows by 3.9%

Armenia's foreign trade turnover in January-September 2014 saw a 3.9% increase (y-o-y), amounting to about USD 4.35 bln, the National Statistical Service said. Exports increased by 1.9% to over USD 1.1 bln, while imports increased by 4.6% amounting to about USD 3.2 bln (panarmenian.net, 20.10).

Azerbaijan

EBRD and Mugabank to support energy efficiency

EBRD is lending USD 3 mln to Muganbank to finance energy efficiency projects in the country. The facility is provided for on-lending to qualifying corporate and individual customers, and will be used for energy efficiency and renewable energy projects (ebrd.com, 02.10).

Azerbaijan improves position in Doing Business ranking

Azerbaijan ranked 88th in 2013 versus 80th in 2014. Azerbaijan's ranking consists of the following indices: establishing enterprise business – 12th, tax payment – 33rd, international trade – 166th, registration of ownership – 10th, obtaining construction permits – 150th, lending – 104th, insolvency settlement – 94th, contract enforcement – 31st, protection of investors' rights – 51st, connection to the power supply system – 159th (trend.az, 30.10).



Tajikistan

cooperation with public authorities and business community (eng.24.kg, 20.10).

Tajikistan's foreign trade turnover increases by 12.8%

Tajikistan's foreign trade turnover amounted over USD 4.3 bln in Jan-Sept, 2014, which is 12.8% (USD 489.1 mln) more than in the same period of the previous year (trend.az, 15.10).

Tajikistan promotes itself as new investment frontier

To highlight Tajikistan's potential as an investment destination, the country invited government representatives, international financial institutions and investors – both foreign and local – to the first ever Tajikistan Economic and Investment Forum in Dushanbe. The Forum was attended by more than 500 national and foreign entrepreneurs and investors, representatives of a range prestigious international organization such as United Nations Organization, World Bank, International Financial Corporation, etc (cistranfinance.com, 20.10).

Uzbekistan

Foreign investments in Uzbekistan grow by 22.3%

Over 9 months of 2014, foreign trade turnover in amounted to USD 21.3 bln and grew compared with the same period of 2013 by 0.6%. Positive foreign trade balance amounted to USD 916.8 mln. The volume of realized foreign investment in Uzbekistan increased by 22.3% (uzreport.uz, 22.10).

Kyrgyzstan

Investment inflows to Kyrgyzstan reduce by 30%

According to the director of the Agency for Investment Promotion, decline is due to the fact that investors are afraid to invest because of the upcoming republic's accession to the Customs Union. He added that earlier there was no systematic approach to attracting investment. Recall, the decision on establishment of the agency was signed on March 18, 2014. It is created to support, attract and accompany investors in



Swedish Chamber of Commerce for Russia & CIS

Promote trade between Sweden, Russia and CIS

Swedish Chamber of Commerce for Russia & CIS

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