

More Reliance on State Banks

By [The Moscow Times](#)

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Russian companies are becoming more reliant on domestic state banks for funding as foreign investors shun risky assets, Fitch Ratings said.

"This has led to greater dependency on the major state-owned banks, which are providing corporate Russia with loans," the ratings company said in a report released Monday. "The slowdown in domestic loan growth is expected to be reflected in corporates revising their funding needs downward by slowing investment plans."

Russian bank lending will expand 20 percent this year, down from a 30 percent increase in 2011. "This is worth a still-substantial equivalent of \$150 billion," Fitch said.

(Bloomberg)

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