

IMF Downbeat on Economic Growth

By [The Moscow Times](#)

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The International Monetary Fund followed the lead of the World Bank by cutting its growth forecasts for Russia on Tuesday amid lackluster expectations for the global economy.

The country's economy will expand 3.7 percent this year and 3.8 percent in 2013, according to the IMF's World Economic Outlook. That is 0.3 and 0.1 percent lower, respectively, than the most recent predictions, in July.

"Activity in Russia ... has also lost some momentum recently," the IMF said.

But Russia is not alone in its bleaker prospects. The report dropped its growth predictions for both emerging and developed markets and cut its 2012 global growth forecast from 3.5 percent to 3.3 percent.

Russia's economy expanded 4.3 percent in both 2010 and 2011, but many forecasters have been revising this year's predictions downward as domestic consumer demand falls and volatility persists in international markets.

Despite buoyant oil prices, the World Bank on Monday cut its estimates for Russian growth to 3.5 percent this year and 3.6 percent in 2013.

What growth the country has achieved, however, has been closely monitored by some of its neighbors, who follow the economic fate of their larger partner closely.

Activity in Russia has helped mitigate some of the economic woes of the eurozone for neighboring countries, the IMF said.

"Robust growth in Russia has provided some offset to the weaker euro-area external demand in emerging Europe," according to the fund.

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