

Market outlook for 2016

Given the 2016 base scenario with an oil price of USD35 per barrel, we expect GDP to decline 2.2% by year end, slowing down its fall compared to 2015. Inflation will slow down to 8.5% given an average exchange rate of 77.4 RUB/USD.

Corporate lending will continue to slow down, while retail lending may show a decline of 3% to 5%.

We expect customers to continue saving, and both private and corporate deposits will show double-digit growth in 2016.

Outlook of developments in 2016.

Indicators	Value
GDP growth %, average	-2.2%
USD/RUB, average	77.4
Inflation %, average	8.5%
Capital outflow, USD bln, for the period	-4.5
Loans to corporates, growth rate, nominal, %	~ -6%
Loans to individuals, growth rate, nominal, %	~ -3%
Retail deposits, growth rate, nominal, %	~ 16-17%
Corporate deposits, growth rate, nominal, %	~ 12-13%