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 **SWITZERLAND  
GLOBAL  
ENTERPRISE**  
enabling new business

9th May 2016 in Lugano

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# RUSSIA: BUSINESS OPPORTUNITIES FOR TICINO COMPANIES DESPITE OF ECONOMIC DIFFICULTIES





## Russia: Business opportunities despite of economic difficulties

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### Content:

1. Review of our last overview one year ago
2. Economic crisis in Russia
3. Possible business opportunities for Ticino companies





## Russia: Business opportunities despite of economic difficulties

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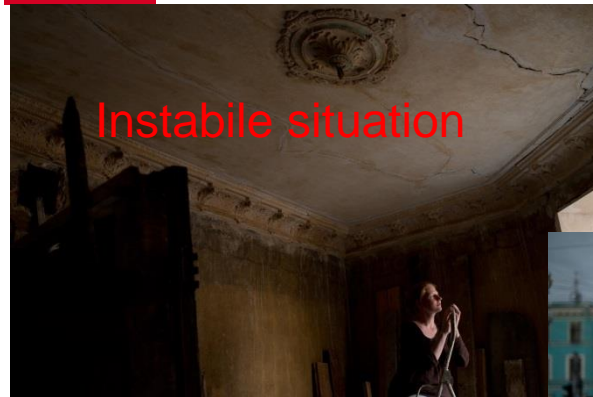
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## Review of our last overview one year ago





## Russia: Business opportunities despite of economic difficulties

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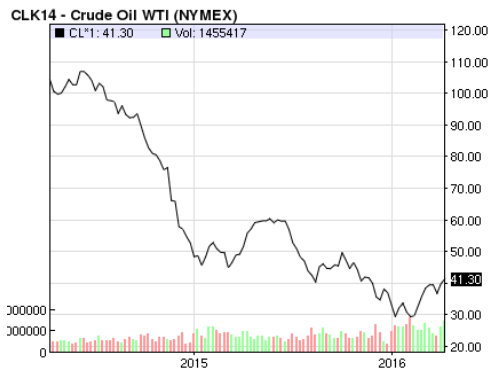
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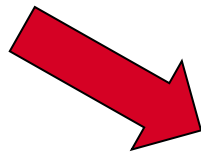




## Economic crisis in Russia: Reasons



Decline in oil price



RUB per 1 EUR

14 Apr 2014 00:00 UTC - 13 Apr 2016 07:38 UTC  
EUR/RUB close:74.73642 low:45.84501 high:90.62823



Devaluation of ruble



Sanctions





## Economic crisis in Russia: Consequences

Inflation

Capital outflow

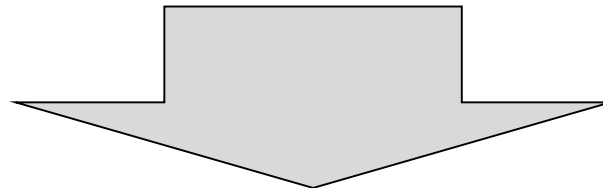
Raised borrowing costs

Import decline

Dampened investment

Unemployment

Lower consumption



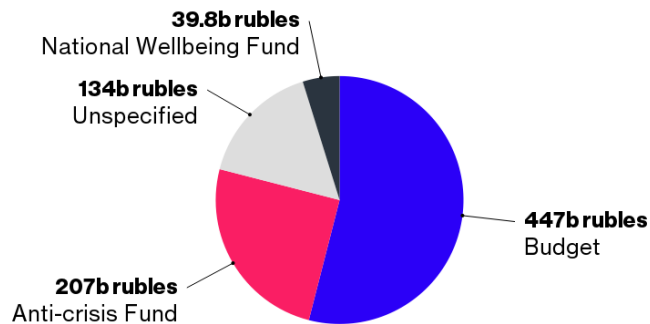
**Slowdown of economy, GDP contraction of 3.7% in 2015**



## Economic crisis: Anti-crisis plan of 828 billion rubles (\$10.5 billion)

### Russia Hones Plan to Aid Economy

Government in search for funding options\*



Source: Copy of Economy Ministry's plan submitted to government  
\*Breakdown by sources of funding

Bloomberg 

The biggest spending items in the plan, accounting for 59 % of the total:

- Lending to regional budgets: 310 billion rubles
- Support for the car industry: 137.6 billion rubles
- Funding for Russian Railways: 39.8 billion rubles





## Economic crisis in Russia: Import substitution



2002



MD



2014 2016





## Economic crisis in Russia: Impact on Swiss companies





## Russia: Business opportunities despite of economic difficulties

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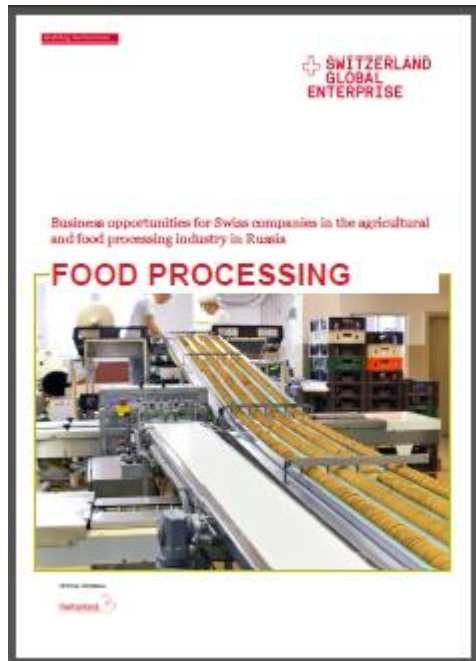
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## Food Processing Industry



### Business opportunities:

- Food: Import of needed quality food products
- Food processing industry (meat, milk, cheese, vegetables, fruits, canning): Needs of technology & infrastructure for modernization
- Food processing ingredients: Needs of ingredients for food processing
- Agro-industrial breeding & cultivation: Animal husbandry, animal feed
- Crop production & farming: Fertilization, storage



## Railway Industry

Ratified by the government in June 2008, the Strategy for Developing Rail Transport in the Russian Federation up to 2030 envisages a significant expansion of Russia's rail network.

### Infrastructure:

- BAM
- High-Speed Line Moscow-Kazan
- Line Kuragino-Kyzil

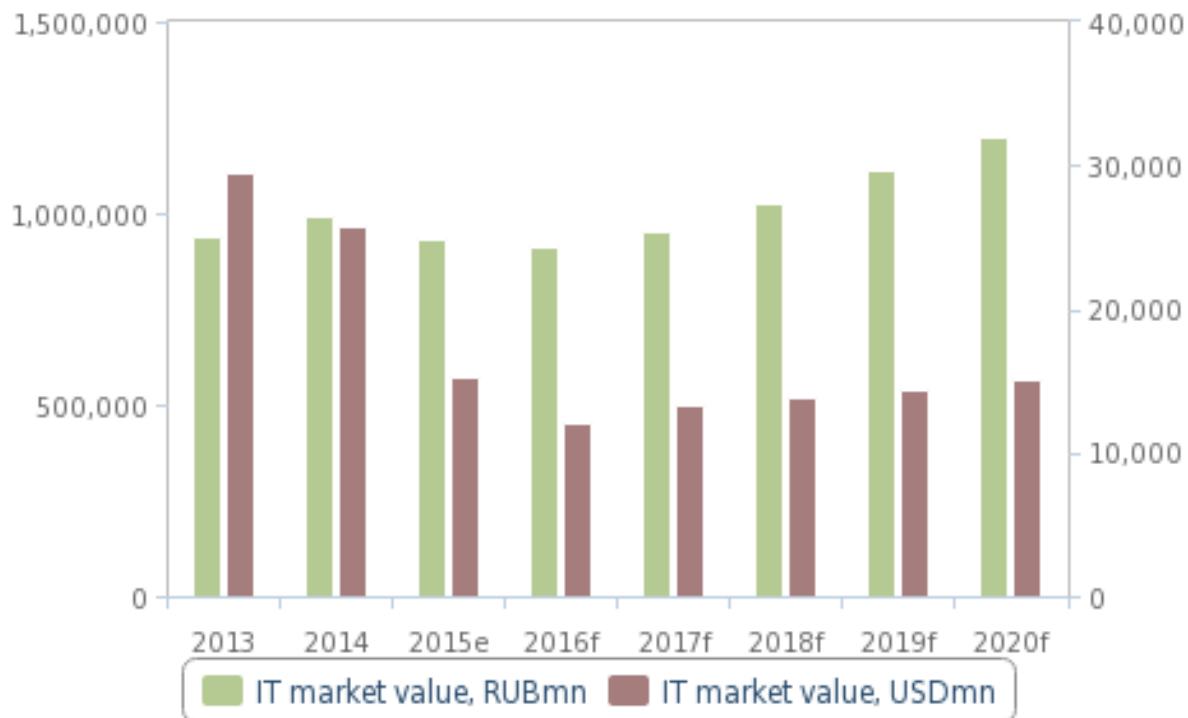
### Rolling stock:

- More than 3.1 trillion rubles on acquiring new rolling stock





## ICT



*e/f = BMI estimate/forecast. Source: BMI*

**THANK YOU  
FOR YOUR  
ATTENTION!**



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