

# MONITORING OF CHANGES: MAIN TRENDS

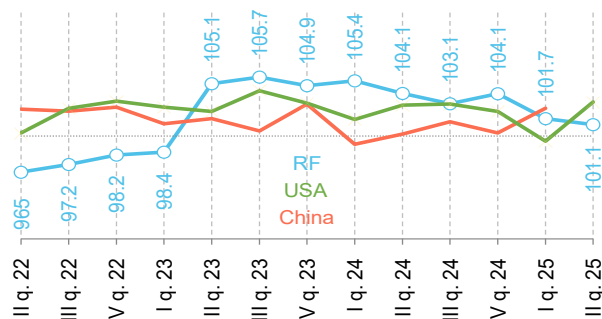
## MONITORING OF THE ECONOMY: JULY 2025

DOI: 10.15838/ptd.2025.5.139.11 • UDC 330.342(470.12) • LBC 65.050.22(2Ros-4Vol)

**Vologda Research Center of the Russian Academy of Sciences continues to acquaint readers with materials on the state and development trends of the economies of Russia and the Northwestern Federal District.**

### ACKNOWLEDGMENT

*The materials were prepared in accordance with the state assignment for FSBIS VolRC RAS on research topic FMGZ-2025-0012 “Structural and technological transformation of the regional economy in the context of ensuring the national security of the Russian Federation: Monitoring, regulation and forecast”.*



**Figure 1. Dynamics of gross domestic product production, % compared to the corresponding quarter of the previous year**

According to Rosstat data, the Russian economy in the second quarter of 2025 demonstrated a 1.1% increase in GDP (4.1% a year earlier; Fig. 1). The Ministry of Economic Development estimated Russia's GDP growth in January -July 2025 at 1.1%<sup>1</sup>.

Describing the current situation in the Russian economy within the framework of the updated medium-term macroeconomic forecast, analysts at the Institute of Economic Forecasting of the Russian Academy of Sciences note that the economy continues to balance between stagnation and recession, and the halt in growth can already be considered a statistical fact, as a result of which GDP is now expected to grow by 1% by the end of the year. According to analysts, the slowdown in the economy in the first half of 2025 is due to the negative impact of high interest rates on output and demand, as well as a reduction in export earnings, a strengthening ruble and an increase in imports. Against the background of the exhaustion of the previously existing factors of economic growth, the increase in government spending runs into a growing budget deficit and no longer gives the economy the same momentum<sup>2</sup>.

**For citation:** Sidorov M.A., Lukin E.V. (2025). Monitoring of the Economy: July of 2025. *Problems of Territory's Development*, 29(5), 194–209. DOI: 10.15838/ptd.2025.5.139.11

<sup>1</sup> Here and further in the text (unless otherwise specified) January–July 2025 is compared with January–July 2024.

<sup>2</sup> IEF RAS: Quarterly forecast of GDP. Issue 67. Available at: <https://ecfor.ru/publication/kvartalnyj-prognoz-vvp-vypusk-67/> (accessed: 19.09.2025).

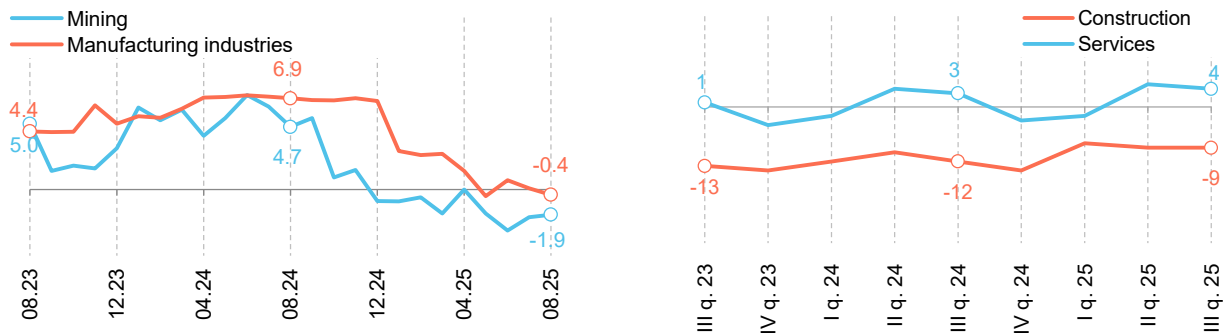
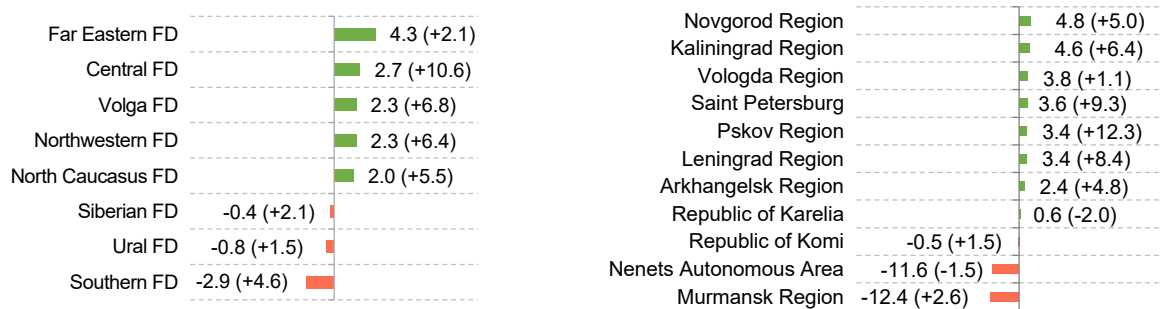


Figure 2. Business Confidence Index, %



**Figure 3. Increase in output of goods and services by basic types of economic activity\* in January – July 2025 by federal districts and regions of the Northwestern Federal District, % compared to January–July 2024**

\*Basic economic activities include crop production, animal husbandry, hunting and the provision of services in these areas; mining; manufacturing; provision of electric energy, gas and steam, air conditioning; sanitation, waste collection and disposal, pollution control activities; construction; wholesale trade, except for trade in motor vehicles and motorcycles; retail trade, except for the sale of motor vehicles and motorcycles; transport.

Note: the change in the indicator in January–July 2024, % compared to January–July 2023, is indicated in parentheses.

❗ The dynamics of the business confidence index signals a deterioration in the expectations of the country's industrial enterprises: in August 2025, the value of the indicator for the extractive and manufacturing industries decreased to -1.9 and -0.4, respectively (a year earlier, their values were positive and amounted to 4.7 and 6.6, respectively; *Fig. 2*).

⬆ The index of business confidence in the services and construction sectors increased by 1 and 3 percentage points, respectively, in the third quarter of 2025.

### 1. Gross product production

Output of goods and services by basic types of economic activity increased by 2.3% in the Northwestern Federal District (*Fig. 3*). In most regions of the district, the dynamics of output of goods and services was positive, with the leaders in the growth rate of this indicator being the Novgorod and Kaliningrad regions

(by 4.8% and 4.6%, respectively). At the same time, there was a sharp decrease in the output of goods and services in the Murmansk Region and the Nenets Autonomous Area (by 12.4 and 11.6%, respectively).

⬆ **The industry** of the Russian Federation and the Northwestern Federal District demonstrated an increase in output by 0.8 and 0.3%, respectively (*Tab. 1*). At the same time, Rosstat and the Center for Macroeconomic Analysis and Short-term Forecasting (CMASF) differ in estimates here: the statistical agency shows that in the second quarter the increase in the national industrial production index was 0.6%, while CMASF analysts believe that it was only 0.1% 0,1%<sup>3</sup>.

❗ **Mining** in the Russian Federation as a whole decreased by 2.3%. In the

<sup>3</sup> On the dynamics of industrial production in July 2025 Available at: [http://www.forecast.ru/\\_ARCHIVE/Analitics/PROM/2025/PR-OTR\\_2025-08-29.pdf](http://www.forecast.ru/_ARCHIVE/Analitics/PROM/2025/PR-OTR_2025-08-29.pdf) (accessed: 18.09.2025).

**Table 1. Dynamics of industrial production, % compared to the corresponding period of the previous year**

Territory	7 months of 2023	7 months of 2024	7 months of 2025	p*
<b>Industry as a whole</b>				
Russian Federation	103.2	105.6	100.8	-
Northwestern FD	104.0	107.6	100.3	4
Novgorod Region	101.5	104.2	106.9	9
Saint Petersburg	111.1	115.1	105.9	13
Vologda Region	105.7	101.0	103.6	22
Kaliningrad Region	89.7	102.6	103.2	25
Pskov Region	108.7	113.9	99.7	45
Arkhangelsk Region	97.8	107.4	97.9	55
Leningrad Region	111.0	109.2	97.9	55
Komi Republic	98.7	102.4	96.2	69
Republic of Karelia	98.7	100.2	94.4	75
Nenets Autonomous Area	93.2	99.5	92.3	79
Murmansk Region	94.7	104.6	89.4	82
<b>Mining</b>				
Russian Federation	98.7	99.7	97.7	-
Northwestern FD	96.7	100.3	94.5	8
Leningrad Region	102.9	95.2	104.8	17
Republic of Karelia	102.6	96.0	102.5	21
Murmansk Region	104.5	92.7	102.3	22
Vologda Region	90.3	101.7	100.5	33
Komi Republic	98.8	102.8	95.1	56
Nenets Autonomous Area	93.0	99.2	92.2	61
Novgorod Region	92.6	82.4	91.9	63
Kaliningrad Region	92.1	102.7	90.1	70
Pskov Region	101.3	102.8	84.2	79
Arkhangelsk Region	88.7	96.5	84.1	80
Saint Petersburg	76.9	167.2	77.0	83
<b>Manufacturing industries</b>				
Russian Federation	107.2	109.8	103.3	-
Northwestern FD	107.6	109.9	102.5	3
Saint Petersburg	113.7	116.4	107.5	11
Novgorod Region	101.5	103.9	107.4	12
Kaliningrad Region	89.9	101.9	104.3	21
Vologda Region	105.8	101.2	104.1	22
Pskov Region	106.6	112.0	103.7	23
Komi Republic	98.5	101.2	100.9	37
Arkhangelsk Region	99.3	110.2	100.6	40
Nenets Autonomous Area	101.1	144.1	100.2	43
Leningrad Region	115.4	108.2	97.7	56
Republic of Karelia	96.2	101.9	88.2	77
Murmansk Region	89.8	109.9	82.6	82

\* Here and further, the rank of the corresponding region among the subjects of the Federation (for the Northwestern Federal District – among the federal districts) is shown according to the dynamics of the indicator in January – July 2025 (unless otherwise specified), excluding statistical information on the Donetsk People's Republic (DPR), Lugansk People's Republic (LPR), Zaporozhye and Kherson regions.

Northwestern Federal District, the decline was more significant – by 5.5%, which was the worst result among other federal districts. The decrease in mining affected enterprises in most of the subjects of the district, to the greatest extent – in Saint Petersburg, the Arkhangelsk and Pskov regions (by 23; 15.9 and 15.8%, respectively).

⬆️ At the same time, the indicator value increased in a number of subjects of the district, especially in the Leningrad Region, the Republic of Karelia, and the Murmansk Region (by 4.8, 2.5, and 2.3%, respectively).

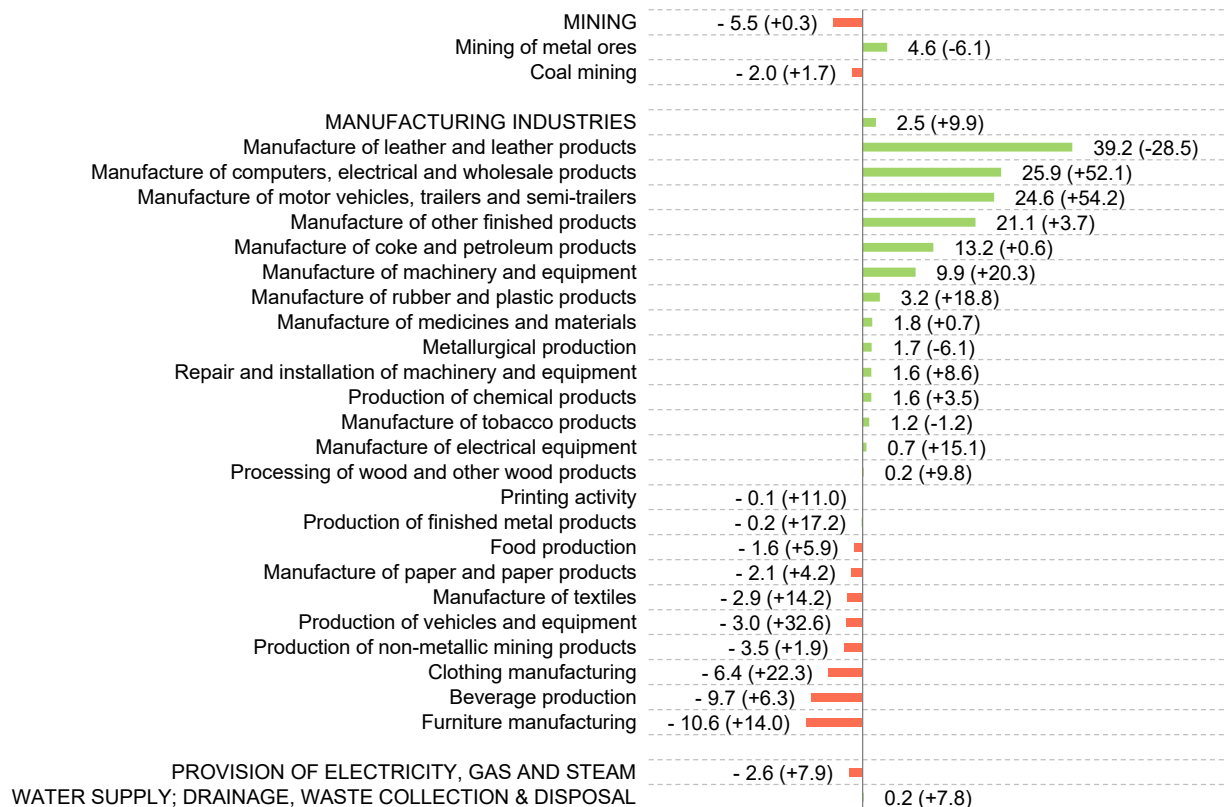
⬆️ *The manufacturing industry* of the Russian Federation and the Northwestern Federal District continued to increase output (by 3.3 and 2.5%, respectively, after an increase of 9.8 and 9.9%, respectively, a year earlier). The dynamics of this indicator was positive in most regions of the district, with production growth of 7.5 and 7.4%, respectively, in Saint Petersburg and the Novgorod Region.

⬆️ At the same time, in a number of subjects of the district, the output of this industry decreased, in particular in the Murmansk Region and the Republic of Karelia, the decrease was 17.4 and 11.8%, respectively.

The intra-industry dynamics of manufacturing production in the Northwestern Federal District was multidirectional.

⬆️ The industries of the *intermediate demand manufacturing sector* of the Northwestern Federal District continued to increase output. Thus, in the field of medicines and materials, production increased by 1.8%, in the chemical and woodworking industries – by 1.6 and 0.2%, respectively, and the production of rolled metal products – by 1.7% (Fig. 4).

*A new pile pipe production line has started operating at the site of the pipe-profile workshop of the Cherepovets Metallurgical Combine (a key asset of Severstal) in the settlement of Sheksna, Vologda Region (these products are in demand in the construction, gas and oil industries). As part*



**Figure 4. Industrial production growth in the Northwestern Federal District in January – July 2025, % to January – July 2024**

Note: the change in the indicator in January – July 2024, % compared to January – July 2023, is indicated in parentheses.

of an investment project worth 1 billion rubles, a line for volumetric heat treatment of products was built, as well as an existing pipe and electric welding unit was upgraded. All this combined will make it possible to achieve the necessary properties for the operation of a pile pipe at low temperatures (up to -40 degrees Celsius)<sup>4</sup>.

With the support of the Government of the Republic of Karelia, Petrozavodsk has implemented the next stage of a large-scale investment project in the wood processing industry. The Tomitsy-2 furniture panel and staircase elements manufacturing plant has become a new enterprise of the Krona timber company. Thanks to the new areas, production

will reach a full cycle – from processing the array to drying, gluing and packaging. The total investment in the Krona plant amounted to 800 million rubles<sup>5</sup>.

▲ A number of industries in the Northwestern Federal District's end-demand manufacturing sector also showed an increase in output. In particular, the production of leather and leather goods increased significantly – by 39.2% (after a decrease of 28.5% in the previous year), other finished goods – by 21.1%, rubber and plastic products – by 3.2%.

❗ At the same time, the production of beverages and clothing in the Northwestern Federal District decreased by 9.7 and 6.4%, respectively.

<sup>4</sup> Severstal: A pile pipe production line has been commissioned in Sheksna. Available at: [https://mc.ru/news/nw/news\\_id/16602](https://mc.ru/news/nw/news_id/16602) (accessed: 17.09.2025).

<sup>5</sup> "Krona" opens import-substituting production in Karelia. Available at: <https://karelia.plus.rbc.ru/news/67e3f10f7a8aa97328eeb650> (accessed: 17.09.2025).

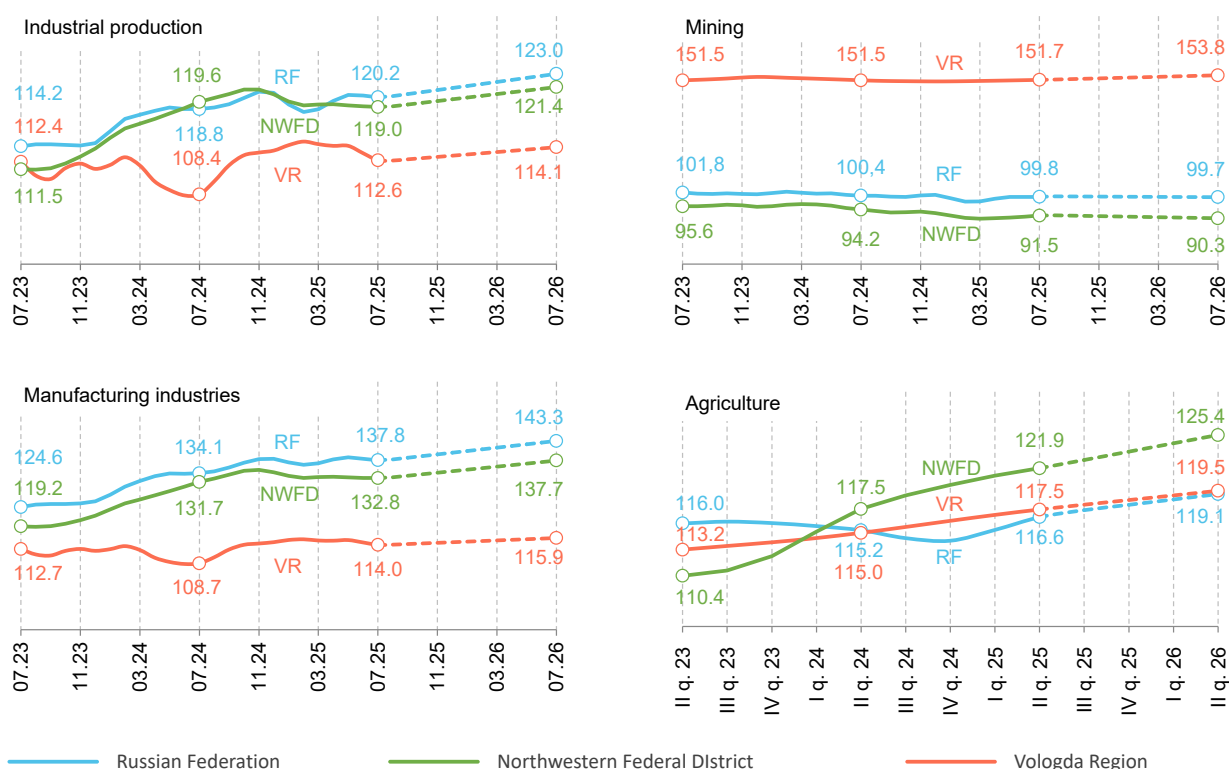
▲ In most sectors of the **manufacturing sector of the investment demand** of the Northwestern Federal District, production increased. A positive development was the high growth rates in the production of computers, electronic and optical products,

as well as motor vehicles, trailers and semi-trailers (by 25.9 and 24.6%, respectively, after an increase of more than 50% a year earlier). The production of machinery and equipment also increased significantly – by 9.9%.

On the territory of the Technopark of Saint Petersburg business incubator, Kravt LLC has commissioned a new workshop for the serial production of batteries unique to Russia of its own design. Previously, the equipment of this series was imported from abroad. At the moment, the company has launched mass production of so-called “smart” batteries with BMS (Battery Management System). This system ensures safe and efficient battery operation<sup>6</sup>.

MLM Nevsky Lift LLC has commissioned a new workshop for the production of elevator equipment. It will specialize in the manufacture of control stations and door actuators for elevators. The capacity of the new workshop is designed to produce up to 1,000 sets of elevator control stations and drives per year. At the same time, one of the most complex components of elevator equipment (the cabin door drive) is planned to be included in the register of Russian industrial products in the near future, and control stations run on Russian software<sup>7</sup>.

#### Trends in the development of industrial and agricultural production in 2023–2026, % compared to the level of 2018



<sup>6</sup> New serial production of lithium power supplies has been launched in Saint Petersburg. Available at: <https://www.kommersant.ru/doc/7909622> (accessed: 17.09.2025).

<sup>7</sup> Launch of a new production workshop for the manufacture of control stations and cabin door actuators. Available at: <https://nevskylift.ru/zapusk-novogo-proizvodstvennogo-ceha-po-izgotovleniju-stancij-upravlenija-i-privodov-dverej-kabiny/> (accessed: 17.09.2025).



At the same time, the output index of vehicles and equipment deteriorated by 3%. One of the reasons for this decrease is the high increase in the output of this industry in the previous year (by almost a third). In addition, there was a 3.5% reduction in the production of non-metallic mineral products.

▲ **Agriculture** of the Russian Federation increased output by 1.5% in the first half of 2025 (Tab. 2). In the Northwestern Federal District, the value of this indicator increased by 3.1%, which was the best result among other federal districts. In particular, the index of agricultural production in the Novgorod, Pskov and Vologda regions improved significantly (by 11.5, 6.7 and 5.8%, respectively).

At the same time, agricultural output decreased in some regions of the district, to the greatest extent in the Murmansk Region (by 20.1%).

**Table 2. Dynamics of agricultural production, % compared to the corresponding period of the previous year**

Territory	6 mec. 2023	6 mec. 2024	6 mec. 2025	p*
Russian Federation	101.8	101.6	101.5	-
Northwestern FD	103.7	107.5	103.1	1
Novgorod Region	111.0	90.3	111.5	2
Pskov Region	103.1	136.0	106.7	7
Vologda Region	105.4	98.7	105.8	11
Komi Republic	101.8	94.6	104.4	15
Leningrad Region	102.0	103.4	102.3	28
Arkhangelsk Region	104.2	103.7	100.7	39
Nenets Autonomous Area	100.9	106.1	97.8	64
Republic of Karelia	103.9	97.5	96.1	68
Kaliningrad Region	103.6	108.7	93.7	74
Murmansk Region	119.1	102.4	79.9	84

\* The rank of the corresponding region among the subjects of the Federation (for the Northwestern Federal District – among the federal districts) is given according to the dynamics of the indicator in January – June 2025, excluding statistical information on the Donetsk People's Republic (DPR), Lugansk People's Republic (LPR), Zaporozhye and Kherson regions.

**Labor market** indicators continued to improve.

▲ The unemployment rate in May – July 2025 in Russia and the Northwestern Federal District decreased to 2.2 and 2.0%, respectively (Tab. 3).

A decrease in the indicator value was recorded in most subjects of the district, with the exception of the Arkhangelsk Region, where the indicator value increased from 2.1 to 2.9%, as well as Saint Petersburg and the Leningrad Region, where the unemployment rate remained at the level of last year.

**Table 3. Labor market dynamics, % compared to the corresponding period of the previous year**

Territory	May – July 2023	May – July 2024	May – July 2025	p*
Unemployment rate, % of the number of the employed				
Russian Federation	3.3	2.6	2.2	-
Northwestern FD	2.8	2.2	2.0	4
Novgorod Region	2.9	1.5	1.1	6
Saint Petersburg	1.6	1.5	1.5	18
Vologda Region	2.9	3.1	1.9	41
Pskov Region	3.3	2.3	1.9	43
Kaliningrad Region	3.0	2.7	2.0	53
Murmansk Region	4.2	2.8	2.5	61
Komi Republic	4.6	3.6	2.7	64
Leningrad Region	2.8	2.8	2.8	66
Republic of Karelia	5.4	4.2	2.8	68
Arkhangelsk Region	5.6	2.1	2.9	69
Nenets Autonomous Area	6.3	5.4	4.4	78
Territory	6 months of 2023	6 months of 2024	6 months of 2025	p*
Employers' demand for workforce				
Russian Federation	115.5	119.1	104.4	-
Northwestern FD	115.9	114.3	106.1	4
Nenets Autonomous Area	120.4	104.9	113.8	16
Leningrad Region	123.1	126.1	113.5	17
Pskov Region	106.5	118.1	112.3	19
Vologda Region	108.8	126.1	109.8	25
Saint Petersburg	120.2	111.4	108.5	32
Kaliningrad Region	112.1	114.9	104.5	45
Novgorod Region	122.7	131.6	102.0	59
Komi Republic	107.8	110.5	99.5	71
Republic of Karelia	111.2	111.6	99.0	73
Arkhangelsk Region	112.7	115.7	94.6	78
Murmansk Region	100.1	102.6	88.6	83

\* According to the indicator "Unemployment rate", the rank of the corresponding region among the subjects of the Federation (for the NWFD – among the federal districts) is given according to the dynamics of the indicator in May – July 2025, according to the indicator "Employers' demand for workforce" – in January – June 2025, excluding statistical information on the Donetsk People's Republic (DPR), Lugansk People's Republic (LPR), Zaporozhye and Kherson regions.

⬆️ The volume of employers' demand for workforce reported to the country's employment services increased by 4.4%. In the Northwestern Federal District, an increase in the value of the indicator was noted by 6.1%. A significant impact on the overall change in the indicator for the macro-region was its increase in the Leningrad Region and Saint Petersburg, where the number of registered vacancies increased by 13.5 and 8.5%, respectively.

⬇️ At the same time, a decrease in the number of registered vacancies was immediately recorded in a number of subjects of the district, in particular in the Murmansk and Arkhangelsk regions it amounted to 11.4 and 5.4%, respectively.

## 2. Income generation

The increase in production was accompanied by negative changes at the stage of income generation for a number of economic agents.

⬆️ *The real monetary incomes* of the population of the Russian Federation in the first half of 2025 increased by 7%, in the Northwestern Federal District – by 7.1%, while an improvement was noted in all regions of the district. The drivers of growth in the dynamics of the indicator for the macro-region were primarily the Leningrad Region, the Nenets Autonomous Area and Saint Petersburg, where the change was 10.2, 8.0 and 6.9%, respectively (*Tab. 4*). This was mainly due to real accrued wages, which increased by 4.1% over the same period in the country as a whole. Salaries of residents of the Northwestern Federal District increased by a smaller amount – by 3%. This increase is partly explained by the continuing “personnel shortage” and is unevenly distributed due to its source, moreover, against the background of a high key rate, budget momentum accumulates in a limited number of sectors of the economy.

**Table 4. Dynamics of the population's income generation, % compared to the corresponding period of the previous year**

Territory	6 months of 2023	6 months of 2024	6 months of 2025	p*
Real monetary incomes of the population				
Russian Federation	105.2	107.2	107.0	-
Northwestern FD	104.6	110.5	107.1	-
Leningrad Region	104.5	113.4	110.4	-
Saint Petersburg	104.9	113.1	108.6	-
Pskov Region	104.7	110.4	107.7	-
Novgorod Region	104.9	109.0	107.4	-
Nenets Autonomous Area	102.2	103.9	104.7	-
Kaliningrad Region	106.7	109.0	104.7	-
Republic of Karelia	104.7	106.6	104.2	-
Arkhangelsk Region	105.2	106.6	103.7	-
Vologda Region	101.7	103.8	103.6	-
Komi Republic	105.1	107.7	102.2	-
Murmansk Region	104.8	103.3	101.6	-
Real accrued wages				
Russian Federation	106.8	109.4	104.1	-
Northwestern FD	105.9	106.8	103.0	5
Pskov Region	107.4	113.2	107.1	15
Leningrad Region	107.1	112.5	107.0	16
Novgorod Region	108.9	110.5	105.4	28
Kaliningrad Region	106.0	107.7	105.1	31
Arkhangelsk Region	106.4	103.9	103.0	54
Saint Petersburg	106.0	105.4	102.8	56
Nenets Autonomous Area	101.7	106.4	101.6	70
Vologda Region	102.9	109.2	101.4	74
Komi Republic	108.2	104.7	101.3	75
Republic of Karelia	106.5	106.5	99.3	83
Murmansk Region	102.1	107.0	98.9	85

\* The rank of the corresponding region among the subjects of the Federation (for to the Northwestern Federal District – among the federal districts) is given according to the dynamics of the indicator in January – June 2025, excluding statistical information on the Donetsk People's Republic (DPR), Lugansk People's Republic (LPR), Zaporozhye and Kherson regions.

⬇️ *The real revenues of the consolidated budget and the budget of the territorial state extra-budgetary fund* of the Russian Federation decreased by 0.5% (*Tab. 5*). In the Northwestern Federal District, the decrease in revenues to the treasury was more significant (by 3.7%), while it affected almost all subjects of the district with the exception of the Leningrad Region, where an increase of 2.3% was noted.

**Table 5. Dynamics of business and government revenue generation, % compared to the corresponding period of the previous year**

Territory	7 months of 2023	7 months of 2024	7 months of 2025
Revenues of the consolidated budget and the budget of the territorial state extra-budgetary fund			
Russian Federation	104.1	100.0	100.5
Northwestern FD	95.9	99.3	96.3
Leningrad Region	97.7	107.4	102.3
Murmansk Region	121.1	97.8	99.2
Novgorod Region	102.9	86.1	97.9
Arkhangelsk Region	65.8	122.5	93.2
Republic of Karelia	103.3	89.3	92.4
Nenets Autonomous Area	87.8	102.2	91.6
Pskov Region	103.4	86.0	91.5
Vologda Region	92.8	99.1	91.3
Saint Petersburg	117.0	92.1	90.8
Komi Republic	94.4	95.5	88.1
Kaliningrad Region	98.8	91.1	87.1
Territory	6 months of 2023	6 months of 2024	6 months of 2025
Receipt of taxes, fees and other mandatory payments to the consolidated budget of the Russian Federation			
Russian Federation	99.3	119.8	93.4
Northwestern FD	119.3	90.9	89.8
Kaliningrad Region	67.5	146.5	122.0
Murmansk Region	189.1	36.4	111.5
Novgorod Region	95.4	92.8	109.3
Arkhangelsk Region	86.8	106.7	100.1
Pskov Region	124.1	112.1	97.7
Leningrad Region	148.2	82.7	94.5
Saint Petersburg	148.0	94.1	89.0
Republic of Karelia	100.7	123.3	88.1
Nenets Autonomous Area	37.6	150.4	84.2
Komi Republic	82.6	64.9	82.7
Vologda Region	135.5	83.6	59.1
Net financial result of organizations' activities			
Russian Federation	84.6	87.2	85.5
Northwestern FD	42.0	81.9	108.9
Kaliningrad Region	66.0	61.7	480.8
Saint Petersburg	31.2	73.1	154.2
Pskov Region	138.2	112.1	90.1
Leningrad Region	77.1	134.5	84.2
Arkhangelsk Region	39.5	159.5	80.5
Komi Republic	46.1	144.0	77.7
Republic of Karelia	26.7	190.4	44.7
Vologda Region	48.7	107.8	4.8
Nenets Autonomous Area	2.2	457.9	-
Novgorod Region	54.3	-	-
Murmansk Region	74.1	24.0	-

❖ **The receipt of taxes, fees and other mandatory payments to the consolidated budget of the country** in the first half of 2025 decreased in real terms by 6.6% after an increase of almost 20% in the previous year. In the Northwestern Federal District, revenues to the consolidated budget of the Russian Federation decreased by 10.2% after a decline of 9.1% a year earlier. A significant factor contributing to this phenomenon was an 11% decrease in the value of the indicator in Saint Petersburg, as well as a deep decline in tax revenues in the Vologda Region (by 40.9%), one of the key specializations of which is the production of metal products. Taxes on business income in the Russian Federation and the Northwestern Federal District decreased by 13 and 14.2%, respectively, and the dynamics of revenue from sales of excisable goods also worsened: in the Russian Federation – by 1.6%, in the Northwestern Federal District – by 5.2%.

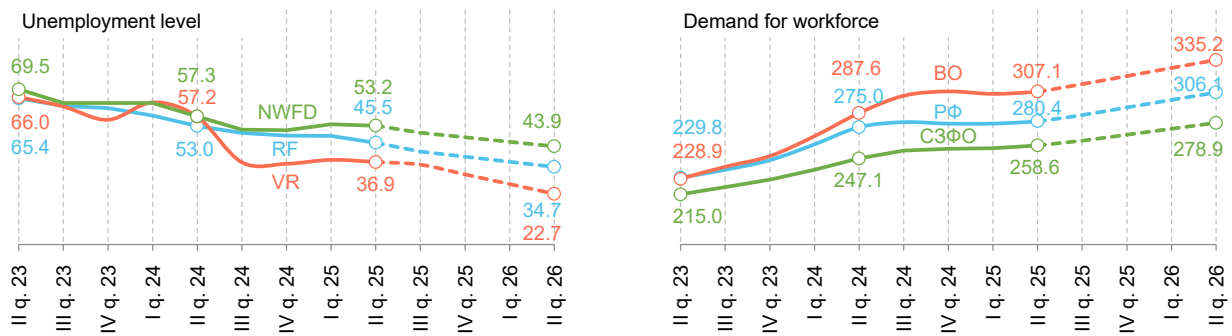
🟢 The volume of personal income tax revenues in the whole country increased by 6.2%, in the macro-region – by 0.9%.

In the private sector of the economy, there is an increasing tendency to reduce output and worsen the financial and economic situation of enterprises.

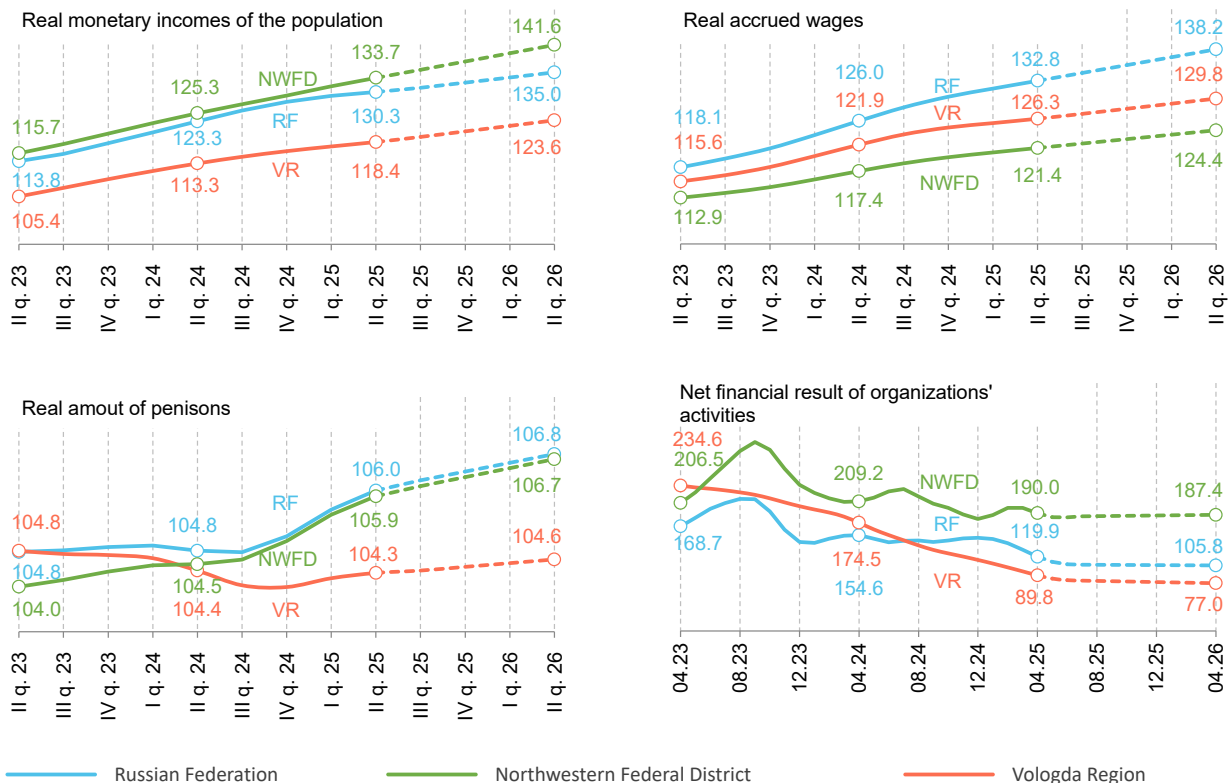
❖ **The net financial result** of organizations in the Russian Federation continued to decline, while this trend has been observed for the third year. In the first half of 2025, the reduction amounted to 14.5% in comparable prices, in the same period of 2024 and 2023 – 12.8% and 15.4%, respectively. In the Northwestern Federal District, an increase of 8.9% was preceded by a decrease of 18.1% a year earlier. This increase is due to the growth of business income in only two territories – in the Kaliningrad Region and Saint Petersburg (4.8 and 1.5 times, respectively). Business incomes decreased in all other regions of the district. In particular, in the Murmansk and Novgorod regions, as well as the Nenets Autonomous Area, the net financial result of the organizations' activities was negative, in the Vologda Region the value of the indicator decreased by more than 20 times, in the Republic of Karelia – by more than 2 times.



## Labor market development trends in 2023–2026, % compared to the level of 2018



## Income generation trends in the economy in 2023–2026, % compared to the level of 2018



## 3. End use

A growth in **consumer demand** has become one of the stabilizing factors of economic dynamics.

📈 **Retail trade turnover** in Russia and the Northwestern Federal District increased by 2.1 and 1%, respectively (Tab. 6). Nationwide, retail trade in non-food products expanded by 1.7% and food products by 2.5%. In the Northwestern Federal District, the turnover of non-food products decreased by 0.7%, which is largely due to a decrease in the indicator

value in Saint Petersburg by 5% against the background of an increase in the indicator value by 4–8% in more than half of the subjects of the district. The turnover of food trade in the Northwestern Federal District increased by 3.4%, due to an increase in the indicator value in most subjects of the district (by 0.3–5.9%), with the exception of the Vologda and Murmansk regions, as well as the Komi Republic, where a decline in retail turnover of food products was recorded by 3.8, 2.1 and 0.5%, respectively.

Revenue growth rates of the ten largest Russian retailers slowed sharply in the first half of the year. The recession has hit non-food chains the hardest, which are facing a real crisis. M.Video – Eldorado's revenue fell by 15.2%, DNS's by 2.3%, and Leroy Merlin's by 7%. Among the key reasons, experts cite a decline in the market of new buildings, a decrease in sales of equipment and massive sales of imported goods due to the strengthening of the ruble. The Central Bank's high key interest rate also continues to restrain demand for expensive goods, which are often bought on credit. At the same time, food retail is showing steady growth, remaining the locomotive of the market. X5 Group (Pyaterochka, Perekrestok) increased turnover by 21.2% (2.24 trillion rubles), Lenta – by 24.3% (513.9 billion rubles), Krasnoe & Beloe and Bristol – by 23.9% (795 billion rubles), Magnit – by 14.7% (1.7 trillion rubles)<sup>8</sup>.

**Table 6. Dynamics of consumer market development,  
% compared to the corresponding period  
of the previous year**

Territory	7 months of 2023	7 months of 2024	7 months of 2025	P
Retail trade turnover				
Russian Federation	104.4	109.5	102.1	-
Northwestern FD	108.3	108.3	101.0	7
Republic of Karelia	109.1	103.7	106.1	12
Leningrad Region	109.2	108.8	104.8	18
Komi Republic	106.2	108.4	103.9	23
Kaliningrad Region	103.2	113.4	103.9	23
Novgorod Region	101.7	106.4	103.3	32
Pskov Region	99.1	110.8	101.8	49
Vologda Region	100.2	106.7	101.5	55
Nenets Autonomous Area	101.8	103.6	99.7	77
Arkhangelsk Region	102.0	100.5	99.6	80
Saint Petersburg	112.4	109.6	98.9	82
Murmansk Region	100.5	102.3	98.3	84

Territory	7 months of 2023	7 months of 2024	7 months of 2025	P
Volume of paid services provided to the public				
Russian Federation	106.4	104.9	102.3	-
Northwestern FD	110.2	103.3	102.9	4
Saint Petersburg	115.6	101.3	104.7	12
Leningrad Region	109.8	111.6	103.6	23
Kaliningrad Region	106.4	110.0	103.2	26
Nenets Autonomous Area	92.4	103.6	102.1	38
Pskov Region	102.1	102.5	101.7	44
Republic of Karelia	105.7	104.6	100.9	55
Novgorod Region	100.3	100.5	100.4	58
Murmansk Region	101.7	100.7	99.8	66
Arkhangelsk Region	105.2	106.9	99.0	72
Vologda Region	100.9	102.7	98.6	77
Komi Republic	97.5	102.8	96.8	80
Consumer price index (compared to December of the previous year)				
Russian Federation	103.4	105.1	104.4	-
Northwestern FD	103.4	104.6	104.6	6
Arkhangelsk Region	104.9	104.6	103.9	21
Saint Petersburg	103.3	104.3	103.9	21
Komi Republic	103.9	105.6	104.6	43
Nenets Autonomous Area	101.8	104.5	104.6	43
Novgorod Region	103.3	104.5	104.7	50
Vologda Region	103.2	104.2	105.2	69
Republic of Karelia	104.3	104.8	105.4	75
Leningrad Region	103.4	105.2	105.5	78
Pskov Region	102.4	104.8	105.5	78
Murmansk Region	102.8	104.5	105.9	83
Kaliningrad Region	103.2	106.1	106.1	85
Producer price index for manufactured goods (compared to December of the previous year)				
Russian Federation	110.5	105.0	96.9	-
Northwestern FD	107.1	104.7	100.9	6
Nenets Autonomous Area	125.1	96.5	73.3	1
Komi Republic	108.2	105.2	91.4	8
Murmansk Region	109.8	98.8	100.2	38
Vologda Region	110.9	104.4	100.2	38
Kaliningrad Region	101.2	102.2	101.5	46
Leningrad Region	106.2	106.3	101.5	46
Arkhangelsk Region	96.7	107.4	103.7	63
Novgorod Region	100.7	103.1	103.8	66
Republic of Karelia	116.1	109.2	106.5	76
Pskov Region	103.3	106.3	107.9	79
Saint Petersburg	104.4	105.0	112.2	82

<sup>8</sup> The growth of the largest networks has slowed down fivefold. Available at: <https://monocle.ru/2025/09/11/rostopkrupneyshikh-setey-zamedlilsya-v-pyat-raz/> (accessed: 18.09.2025).

⬆️ The volume **of paid services** provided to the population of the country and the Northwestern Federal District increased by 2.3 and 2.9%, respectively. The dynamics of the indicator in the macro-region was driven by Saint Petersburg, where the volume of paid services provided to the population increased by 4.7%, as well as by the Leningrad and Kaliningrad regions, where the indicator value increased by 3.6 and 3.2%, respectively.

⬇️ At the same time, the volume of paid services to the population decreased in a number of northern regions of the district, to the greatest extent in the Komi Republic (by 3.2%, which was one of the worst results in the country).

⬇️ **Consumer inflation** in Russia and the Northwestern Federal District was 4.6 and 4.4%, respectively. Food prices in the Russian Federation and the federal district increased by 3.9 and 4.1%, respectively. Prices for non-food products in the whole country and in the macro-region increased to a lesser extent – by 0.8 and 1.2%, respectively. Housing and communal services tariffs in the Russian Federation and the Northwestern Federal District increased by 11.1% and 11.3%, respectively, due to a massive increase in tariffs from July 1.

*A simple transition to monetary and credit policy easing no longer solves all the problems of the Russian economy, because the fundamental causes of accelerating inflation are not eliminated. As monetary policy eases, there will again be an excess of demand over supply and another surge in inflation. In other words, the “supply side economy” did not work, and the increase in interest rates cooled not so much consumer demand as supply. In July 2025 by July 2023 (the beginning of the tightening of the monetary and credit policy) consumer demand grew by 8.8%, investment increased by 11.8%, and output increased by only 5.7%<sup>9</sup>.*

⬆️ In Russia as a whole, **producer prices for manufactured goods** showed a decrease of 3.1%, while in the Northwestern Federal District they increased by only 0.9%. There was a deep decrease in prices for industrial products of the Nenets Autonomous Area and the Komi Republic (by 26.7 and 8.6%, respectively). Industrial prices in the Murmansk and Vologda regions increased by only 0.2%.

⬆️ In the rest of the Northwestern Federal District subjects, producer prices for manufactured goods increased to a greater extent, with the most significant increase in the price of industrial products in Saint Petersburg (by 12.2%).

⬆️ In the **construction sector** of Russia and the Northwestern Federal District, the volume of work performed increased by 4.2 and 7.6%, respectively (the value of the indicator for the macro-region was the best among other federal districts; *Tab. 7*). Among the subjects of the Northwestern Federal District, the Leningrad Region, as well as the Republics of Komi and Karelia showed the largest increase (by 43.5; 19.5 and 18%, respectively).

⬆️ A slowing effect on the change in the indicator for the Northwestern Federal District as a whole was caused by a reduction in the volume of construction work performed in the Murmansk, Kaliningrad and Arkhangelsk regions (by 42.9, 10.1 and 7%, respectively).

⬆️ **Housing commissioning** in the Russian Federation and the Northwestern Federal District slowed by 4 and 2.8%, respectively. At the same time, the subjects of the district demonstrated a multidirectional dynamics of the value of this indicator. In particular, in the Pskov Region there was a decrease in the commissioning of residential buildings by more than a quarter, in the Arkhangelsk and Kaliningrad regions – by 12 and 11.4%, respectively, in Saint Petersburg – by 10%. In other regions of the Northwestern Federal District, the indicator level has increased, while the high values of the Murmansk and Novgorod regions are partly explained by the low level in previous periods. There was a significant increase in the Vologda Region and the Republic of Karelia (by 22.3 and 18%, respectively).

<sup>9</sup> IEF RAS: Quarterly forecast of GDP. Issue 67. Available at: <https://ecfor.ru/publication/kvartalnyj-prognoz-vvp-vypusk-67/> (accessed: 19.09.2025).

**Table 7. Construction dynamics,  
% compared to the corresponding period  
of the previous year**

Territory	7 months of 2023	7 months of 2024	7 months of 2025	p
Scope of work on the type of economic activity "Construction"				
Russian Federation	112.4	102.0	104.2	-
Northwestern FD	103.0	102.4	107.6	1
Leningrad Region	104.8	113.3	143.5	5
Komi Republic	126.0	100.7	119.5	18
Republic of Karelia	106.8	65.2	118.0	20
Saint Petersburg	111.7	97.8	104.3	33
Vologda Region	98.2	123.5	103.2	37
Pskov Region	88.9	108.7	102.2	40
Novgorod Region	114.7	111.8	96.4	53
Arkhangelsk Region	100.4	83.3	93.0	60
Kaliningrad Region	122.5	116.8	89.9	67
Nenets Autonomous Area	68.1	81.9	68.8	79
Murmansk Region	64.9	96.4	57.1	82
Housing commissioning				
Russian Federation	99.0	103.4	96.0	-
Northwestern FD	96.5	95.0	97.2	4
Murmansk Region	20.7	153.3	146.2	3
Novgorod Region	110.5	83.5	127.3	7
Vologda Region	108.5	107.2	122.3	11
Republic of Karelia	92.1	101.4	118.0	13
Nenets Autonomous Area	60.5	141.0	104.8	27
Leningrad Region	98.7	107.8	97.6	40
Komi Republic	96.5	101.2	96.9	41
Saint Petersburg	102.4	72.5	90.0	55
Kaliningrad Region	80.7	100.3	88.6	59
Arkhangelsk Region	115.4	112.9	88.0	61
Pskov Region	81.9	120.6	74.1	75
Volume of mortgage loans issued				
Russian Federation	159.5	80.0	53.1	-
Northwestern FD	133.7	84.2	54.5	3
Nenets Autonomous Area	151.6	72.3	66.6	4
Leningrad Region	144.7	75.4	59.9	13
Arkhangelsk Region	150.5	97.1	59.1	17
Kaliningrad Region	170.1	96.0	56.6	26
Pskov Region	160.9	81.6	55.0	35
Saint Petersburg	117.7	87.9	53.8	39
Komi Republic	154.7	67.9	53.8	41
Murmansk Region	153.5	77.9	52.8	49
Novgorod Region	156.5	79.3	49.6	59
Vologda Region	156.6	77.8	47.7	69
Republic of Karelia	164.7	73.0	47.2	73

✓ **The volume of mortgage loans issued** decreased significantly both in the country as a whole and in the Northwestern Federal District – by 46.9 and 45.5%, respectively. This phenomenon affected all regions of the district, manifested in a decrease in mortgage lending by 33.4–52.8%. It should be noted that this was also preceded by a decrease in the value of the indicator in the previous year. According to the Bank of Russia, in July 2025, about 84% of mortgage loans were provided by government support programs, their issuance decreased by 0.2% by July 2024, and issuance on market conditions increased by 26.5% amid lower interest rates<sup>10</sup>.

↗ **Real expenditures of the consolidated budget and the budget of the territorial state extra-budgetary fund** as a whole in the Russian Federation and in the Northwestern Federal District increased by 9.6 and 2.9%, respectively (Tab. 8). Some subjects of the district demonstrated an increase in budget expenditures: in the Leningrad Region – by 11.4%, in the Kaliningrad Region, the Nenets Autonomous Area and the Komi Republic – by 7.4, 5.2 and 4.1%, respectively.

**Table 8. Dynamics of government spending,  
% compared to the corresponding period  
of the previous year**

Territory	7 months of 2023	7 months of 2024	7 months of 2025
Expenditures of the consolidated budget and the budget of the territorial state extra-budgetary fund			
Russian Federation	106.9	99.8	109.6
Northwestern FD	110.2	104.2	102.9
Leningrad Region	101.6	109.8	111.4
Kaliningrad Region	105.1	93.4	107.4
Nenets Autonomous Area	91.7	86.9	105.2
Komi Republic	102.0	98.9	104.1
Saint Petersburg	120.5	108.2	104.1
Republic of Karelia	106.4	84.7	101.4
Arkhangelsk Region	106.6	99.9	99.5
Vologda Region	104.3	107.5	98.8
Pskov Region	107.3	92.0	96.2
Murmansk Region	92.4	108.7	95.1
Novgorod Region	120.0	99.9	89.3

<sup>10</sup> Bank of Russia: Housing mortgage lending market overview. Available at: [https://cbr.ru/statistics/bank\\_sector/mortgage/Indicator\\_mortgage/0325/](https://cbr.ru/statistics/bank_sector/mortgage/Indicator_mortgage/0325/) (accessed: 16.07.2025).



At the same time, the value of the indicator decreased in a number of subjects of the macro-region, most notably in the Novgorod, Murmansk and Pskov regions (by 10.7, 4.9 and 3.8%, respectively). At the same time, expenditures on social policy in the country's budget and the Northwestern Federal District increased by 15.8 and 9.7%, respectively (a year earlier, a decrease in expenditures by 3.6 and 1.5%, respectively, was recorded for this item). Healthcare costs in the Russian Federation as a whole increased by 7.8%, while in the Northwestern Federal District they decreased by 0.9%.

The modernization processes taking place in the economy are reflected in the growth of investments in fixed assets.

📈 The **index of investments in fixed assets** of the country in the first half of 2025 increased by 4.3% (Tab. 9). The Northwestern Federal District, in turn, demonstrated the highest investment volume index among other federal districts (117%), while several

subjects of the macro-region were among the best in the country according to this indicator, the largest increase was the volume of investments in fixed assets of the Leningrad and Vologda regions (by 56.5 and 45.9%)<sup>11</sup>.

📉 At the same time, there was a marked slowdown in investment activity in the Novgorod Region, the Komi Republic, and the Kaliningrad Region (by 17.6, 9.7 and 7.3%, respectively).

*There is a significant slowdown in investment activity, which is associated with a decrease in profits in the non-financial sector, a reduction in output in the civil sector, and business expectations for a further cooling of the economy. The dynamics of indirect indicators of investment activity suggests a high probability of negative investment dynamics in the second half of this year<sup>12</sup>.*

**Table 9. Dynamics of investments in fixed assets, % compared to the corresponding period of the previous year**

Territory	6 months of 2023	6 months of 2024	6 months of 2025	p*
Russian Federation	108.0	111.2	104.3	-
Northwestern FD	106.7	113.3	117.0	1
Leningrad Region	113.7	128.4	156.5	3
Vologda Region	74.6	113.3	145.9	4
Republic of Karelia	82.1	100.7	120.5	10
Pskov Region	95.9	125.6	106.3	32
Murmansk Region	72.5	105.6	101.8	48
Saint Petersburg	122.5	115.4	99.2	54
Nenets Autonomous Area	93.3	113.3	99.1	55
Arkhangelsk Region	96.5	64.1	96.3	61
Kaliningrad Region	135.0	98.1	92.7	70
Komi Republic	99.3	103.5	90.3	73
Novgorod Region	127.7	100.5	82.4	79

\* The rank of the corresponding region among the subjects of the Federation (for the Northwestern Federal District – among the federal districts) is given according to the dynamics of the indicator in January – June 2025, excluding statistical information on the Donetsk People's Republic (DPR), Lugansk People's Republic (LPR), Zaporozhye and Kherson regions.

📉 According to the Federal Customs Service, Russia's total **exports** decreased by 4.7% in value terms. At the same time, **imports** increased by 0.8%, which is not least influenced by the strengthened ruble. Exports to Europe showed a decrease of 13.1%, to Asia – by 2.1%, to Africa – by 16.8%. At the same time, imports from Europe decreased by 2.9%, while those from Asia and Africa increased by 1% and 37.9%, respectively. Exports of food products decreased by 14.2%, while imports of this group of goods increased by 15.1%. The value of exports of mineral products also decreased by 15% (their share was 56.1%), while imports of mineral products decreased by 13.4%. Exports of machinery and equipment increased by 33.9%, while imports of this category of goods decreased by 5.2%, while their share was slightly less than half of the total imports.

<sup>11</sup> An important place in the reasons for this event is occupied by the implementation of the updated strategy of PAO Severstal, according to which the company plans to invest 169 billion rubles in 2025. For comparison, in 2024, the total volume of investments in the region amounted to 250 billion rubles.

<sup>12</sup> Quarterly GDP forecast. Issue 67. Available at: <https://ecfor.ru/publication/kvartalnyj-prognoz-vvp-vypusk-67/> (accessed: 19.09.2025).

❖ **Prices on world markets** for rolled metal in the first half of 2025 decreased by 16.3%, for oil – by 14.7%, and for phosphorus fertilizers – by 12.5% (*Tab. 10*).

**Table 10. Dynamics of world commodity prices, % compared to the corresponding period of the previous year**

Commodity	6 months of 2023	6 months of 2024	6 months of 2025
Oil	75.3	105.5	85.3
Gas	43.8	66.7	140.0
Rolled metal (Met.)	70.4	95.5	83.7
Phosphate fertilizers (PF)	56.4	134.9	87.5

⬆️ At the same time, natural gas prices have risen by 40%.

World prices for metal products show multidirectional changes: among “flat” rolled products, there was an increase in prices for galvanized sheet by 0.6% and a decrease in prices for hot-rolled and cold-rolled sheet by 6.5 and 4.3%, respectively (*Tab. 11, 12*). Of the “long” rolled products, a 0.8% increase in the price of reinforcing steel was recorded, while structural profiles and long products fell in price by 1%. In the domestic market, prices decreased: for “flat” rolled products – by 19.6–9.8%, for “long” rolled metal – by 24.8–7.9%.

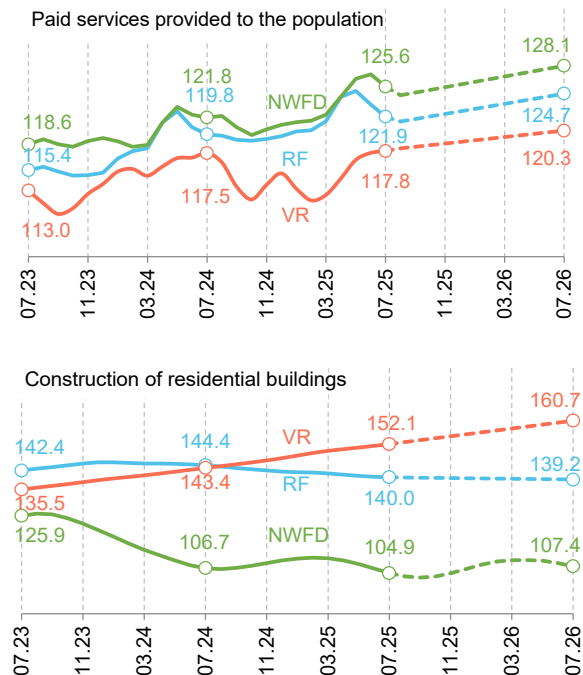
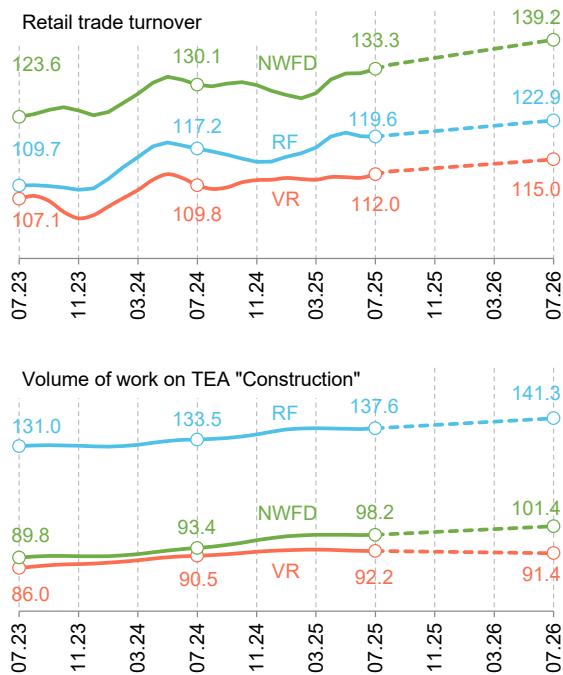
**Table 11. Prices of steel products on the world market (EU countries) per ton (as of the beginning of August of the corresponding year)**

Type of metal product	Unit of measurement	2023	2024	2025	2025, % to	
					2024	2023
“Flat” rolled metal						
Cold-rolled sheet	USD	855	753	720	95.7	84.2
Galvanized sheet	USD	900	830	835	100.6	92.8
Hot-rolled sheet	USD	705	655	613	93.5	86.9
“Long” rolled metal						
Reinforcing steel	USD	793	653	658	100.8	83.0
Structural sections	USD	955	720	713	99.0	74.6
Rolled products	USD	895	720	713	99.0	79.6

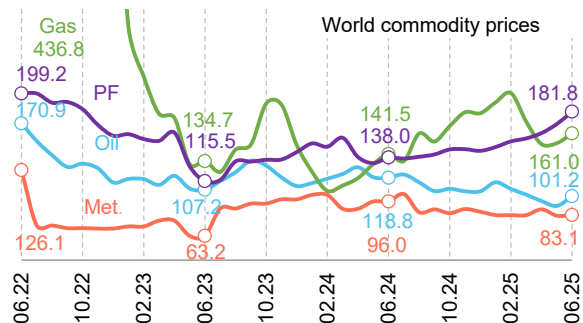
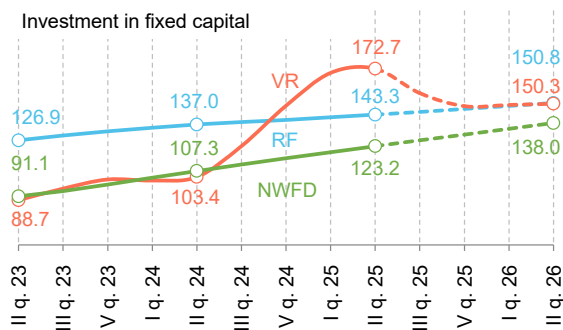
**Table 12. Prices of metal products on the Russian market per ton (as of the beginning of September of the corresponding year)**

Type of metal product	Unit of measurement	2023	2024	2025	2025, % to	
					2024	2023
“Flat” rolled metal						
Cold-rolled sheet	Rub.	75883	87625	78375	89.4	103.3
Galvanized sheet	Rub.	102000	118125	96200	81.4	94.3
Hot-rolled sheet	Rub.	70929	65850	59400	90.2	83.7
“Long” rolled metal						
Rebar	Rub.	65772	64800	50208	77.5	76.3
Beam and Channel	Rub.	80272	84806	78131	92.1	97.3
Round	Rub.	62200	63833	48000	75.2	77.2
Angle	Rub.	65371	65317	56433	86.4	86.3

### Trends in the development of the consumer market and construction in 2023–2026, % compared to the level of 2018



### Trends in the development of investment activity and foreign trade in 2022–2026, % compared to the level of 2018



— Russian Federation  
— Northwestern Federal District  
— Vologda Region

— Oil  
— Gas  
— Rolled metal  
— Phosphorous fertilizers

To summarize, we note that in January – July 2025, the economy of both the country as a whole and the Northwestern Federal District continued to grow. Continued growth in household incomes and government spending has mitigated the decline in business income. The volume of industrial production and construction, investments in fixed assets, as well as budget expenditures on social policy increased in the macro-region. At the same time, the situation is complicated by a number of phenomena such as an aggravation of the shortage of personnel, a reduction in budget revenues and mortgage lending rates against the background of maintaining a high key interest rate, as well as a combination of lower prices for key export goods and a strengthened ruble. Earlier, the Ministry of Economic Development predicted annual GDP growth of 2.5% for 2025, but this forecast is expected to be revised downwards soon<sup>13</sup>. According to analysts, the growth of industry and GDP, even if it is a very modest 1.5%, will be provided almost exclusively by the defense sector<sup>14</sup>. Under the current conditions, it is increasingly

important to step up efforts to modernize the manufacturing industry, strengthen the business sector, and develop consumer demand. As an example of measures already implemented, we can cite the expansion of support for industrial projects<sup>15</sup>, support for agricultural producers<sup>16</sup>, small and medium businesses<sup>17</sup>, as well as infrastructure projects in the regions<sup>18</sup>.

*Sources: Rosstat, Ministry of Economic Development, Bank of Russia, Federal Customs Service, Government of Russia, metalinfo.ru, metaltorg.ru, divercitytimes.com*

*Materials were prepared by:*

**M.A. Sidorov**  
*Researcher*

*FSBIS VolRC RAS*

**E.V. Lukin**  
*Candidate of Sciences (Economics)*  
*Leading Researcher*  
*FSBIS VolRC RAS*

<sup>13</sup> Reshetnikov: the Russian economy is cooling faster than expected. Available at: <https://www.vedomosti.ru/economics/news/2025/09/04/1136580-ohlazhdaetsya-bistree> (accessed: 18.09.2025).

<sup>14</sup> Experts – on the state of the Russian economy: “Its contraction is no longer possible to hide”. Available at: <https://newizv.ru/news/2025-09-02/eksperty-o-sostoyanii-rossiyskoy-ekonomiki-ee-szhatie-skryvat-uzhe-nevozmozno-437784> (accessed: 18.09.2025); On the dynamics of industrial production in July 2025. Available at: [http://www.forecast.ru/\\_ARCHIVE/Analytics/PROM/2025/PR-OTR\\_2025-08-29.pdf](http://www.forecast.ru/_ARCHIVE/Analytics/PROM/2025/PR-OTR_2025-08-29.pdf) (accessed: 19.09.2025); IEF RAS: Quarterly forecast of GDP. Issue 67. Available at: <https://ecfor.ru/publication/kvartalnyj-prognoz-vvp-vypusk-67/> (accessed: 19.09.2025).

<sup>15</sup> RF Government Resolution 2267-r, dated August 21, 2025 on the allocation of 0.5 billion rubles for the renovation of public transport in the Kaliningrad Region; RF Government Resolution 1926-r, dated July 17, 2025 on the allocation of about 4 billion rubles to support investment projects in single-industry towns and special economic zones.

<sup>16</sup> RF Government Resolution 2411-r, dated September 1, 2025 on the allocation of more than 1.3 billion rubles of additional funding for personnel training for agriculture in a number of regions; RF Government Resolution 2248-r, dated August 19, 2025 on the allocation of 2 billion rubles to subsidize the program of preferential loans to agricultural producers.

<sup>17</sup> RF Government Resolution 2396-r, dated September 30, 2025 on the allocation of 1 billion rubles to ensure the operation of “My Business” centers in all regions; RF Government Resolution 2537-r, dated September 16, 2025 on the allocation of 1.5 billion rubles for the operation of regional export support centers.

<sup>18</sup> RF Government Resolution 2122-r, dated August 7, 2025 on debt cancellation on budget loans to regions that have implemented infrastructure projects.