# Invitation

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# INDICES OF REGIONAL ECONOMIC ACTIVITY FOR RUSSIA

**Monday, 9 October 2017, 5 pm**

**wiiw, Vienna 6, Rahlgasse 3, lecture hall**
(entrance from the ground floor)

## Abstract

Radical disagreement between 'month-on-month' and 'year-on-year' monthly statistics is identified in regional statistics published by the Russian Federal State Statistics Service (Rosstat). In view of this, an original method is proposed for estimating the level of Regional Economic Activity (REA), based on monthly official regional statistics in five key sectors of the Russian economy: industry, construction, retail trade, wholesale trade, and paid services for the population. This method transforms current 'year-on-year' growth rates into specially constructed dichotomous variables which eliminate the excessive volatility and inaccuracy of the initial time series. On this basis, REA indices are estimated for all Russian constituent entities. Composite REA indices for all five economic sectors, eight federal districts, and Russia as a whole are then calculated. Methods for visualising multidimensional regional data are also proposed. They allow us to track the regional peculiarities of the Russian economy and to discern the current phase of the business cycle more accurately and without any additional lag.

*Sergey Smirnov is Deputy Director of the 'Development Center' Institute (National Research University, Higher School of Economics). For decades he has worked in academic institutions and private think-tanks. In recent years, he has focused on monitoring and analysing the Russian and international economy, with special attention to the characteristics of the Russian economic cycle, developing this field of economic knowledge almost from the ground up. His research established the long-run historical trajectory of the Russian economy, identified its turning points, constructed a system of cyclical (leading, coinciding, and lagging) indicators for Russia and assessed its suitability for forecasting of the two latest recessions in real-time. He received his PhD in economics from the Moscow State University in 1986.*

Dr. Robert Stehrer
Scientific Director wiiw

Dr. Sándor Richter
Organiser