

MONITORING OF CHANGES: MAIN TRENDS

THE ECONOMY OF NORTHWEST RUSSIA IN MARCH 2026: MAINTAINING STABILITY AMID INCREASING PRESSURE

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The Vologda Research Center of the Russian Academy of Sciences continues to acquaint its readers with materials on the state of and trends in the development of the economy of the Northwestern Federal District (NWF) against the backdrop of nationwide dynamics.

ACKNOWLEDGMENT

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Technological Transformation of the Regional Economy in the Context of Ensuring the National Security of the Russian Federation: Monitoring, Regulation, and Forecast".

The global context is characterized by a steady slowdown in the largest economies in the first quarter of 2026 (Tab. 1). Negative factors affecting the global economy included the U.S. and Israeli military operation against Iran, which caused logistical disruptions in the

Table 1. Global economic trends, % change from previous year

Indicator	2023	2024	2025	Q1 2026	2026	2027
World	2.8	2.8	2.7	n/a	3.1	3.2
Advanced economies	1.6	1.7	1.7	n/a	1.8	1.7
• United States	2.9	2.8	2.1	2.0	2.3	2.1
• Euro area	0.5	0.9	1.4	0.1	1.1	1.2
• Japan	0.7	-0.2	1.3	0.5	0.7	0.6
Emerging market and developing economies	4.4	4.3	4.2	n/a	3.9	4.2
East Asia and Pacific	5.2	5	4.8	n/a	4.9	4.8
• China	5.4	5	4.9	1.3	4.4	4.0
Europe and Central Asia	3.6	3.6	2.4	n/a	2.0	2.1
• Russia	4.1*	4.9*	1.0*	-0.2*	1.1	1.1
Latin America and the Caribbean	2.4	2.4	2.2	n/a	2.3	2.7
Middle East and North Africa	2.1	2.6	3.1	n/a	1.9	4.6
South Asia	8	6.3	7.1	n/a	6.2	6.5
• India	9.2	6.5	7.2	1.8	6.5	6.5
Sub-Saharan Africa	3	3.7	4	n/a	4.3	4.4

*Rosstat data.
Source: Global Economic Prospects, April 2026. Washington: World Bank. 180 p. DOI: 10.1596/978-1-4648-2267-4.

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Strait of Hormuz, volatility on the global energy market, and high demand on the precious metals market. The risks of "stagflation" persist for the developed economies against the backdrop of pressure stemming from their dependence on energy resources. The developing economies are also slowing down.

Forecasts for global economic development are mixed. The World Bank's April report revised the growth rates of the largest economies in 2026–2027 upward. According to UNCTAD estimates, however, GDP growth will, on the contrary, slow down in many developed and developing countries in 2026 amid weak domestic demand, high uncertainty, and geopolitical risks¹.

According to the Russian Ministry of Economic Development, the Russian economy posted a decline in GDP of 0.3% in the first quarter of 2026², following a 1.4% increase in the first quarter of 2025 (Fig. 1).

Changes in the Business Confidence Index reflect the worsening expectations of the country's enterprises. In April 2026, the index for mining and manufacturing fell to -4.4 and -3.2, respectively (compared with 0.1 and 1.8 a year earlier; Fig. 2). In the services sector, the indicator stood at -5 in the first quarter of 2026, against -2 a year earlier, while in construction it dropped by 3 percentage points, hitting the lowest level among the sectors listed (-11).

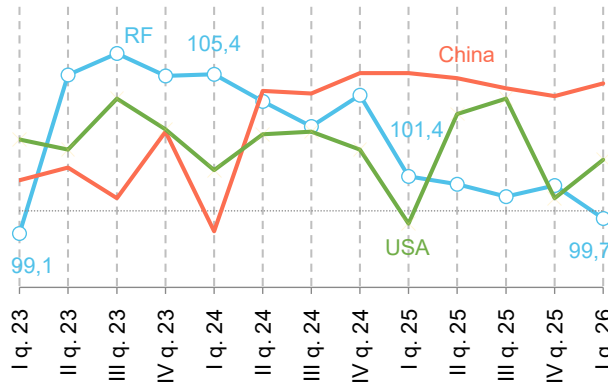


Figure 1. Gross domestic product growth, % change from corresponding quarter of previous year

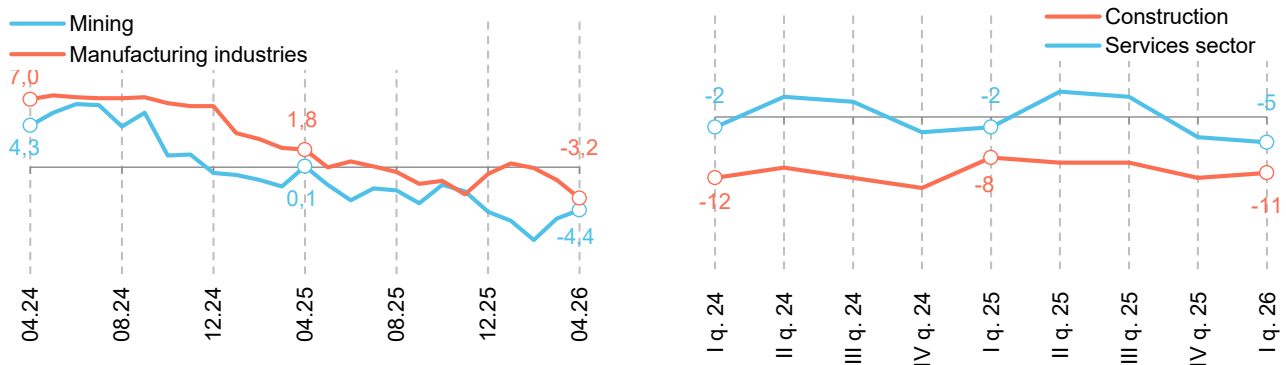


Figure 2. Business Confidence Index, %

¹ Trade to slow down along with GDP. Available at: <https://www.kommersant.ru/doc/8688975>

² Here and throughout the text (unless otherwise stated), January–March 2026 is compared with January–March 2025.

1. Gross output

Output of goods and services in basic economic activities across the NWFD as a whole increased by 0.8% (it is noteworthy that a tendency toward the preservation of the direction of this indicator's dynamics has emerged across the country's federal districts; Fig. 3). A number of the district's regions substantially increased their output; the leaders were the Kaliningrad Region and the Pskov Region (up 11.0 and 7.2%, respectively). At the same time, half of the regions in the NWFD posted a decline in the output of goods and services (ranging from 1.3 to 7.2%).

📈 **Industrial output** in the NWFD and in the country as a whole accelerated somewhat in its positive production dynamics, posting increases in output of 0.9 and 0.3%, respectively (compared with 0.5 and 0.1%, respectively, a year earlier; Tab. 2). Several regions of the district recorded a substantial increase in the output of this sector, most

notably the Kaliningrad Region and the Pskov Region (up 19.2 and 17.2%, respectively). At the same time, industrial output declined in half of the NWFD regions, with the Republic of Karelia, the Arkhangelsk Region, and the Komi Republic posting declines of 6.5, 5.6, and 4.3%, respectively.

📈 **Manufacturing output** in the NWFD increased by 0.9%, even as the sector's output declined by 0.7% across the Russian Federation as a whole. This growth was driven by positive dynamics in a number of the district's regions, the largest contributions coming from the Pskov Region, the Kaliningrad Region, and the City of Saint Petersburg, where manufacturing output rose by 18.3, 17.4, and 4.7%, respectively. In several of the district's subjects, however, the sector's output declined, most notably in the Republic of Karelia, the Arkhangelsk Region, and the Leningrad Region (by 11.7, 7.7, and 5.6%, respectively).

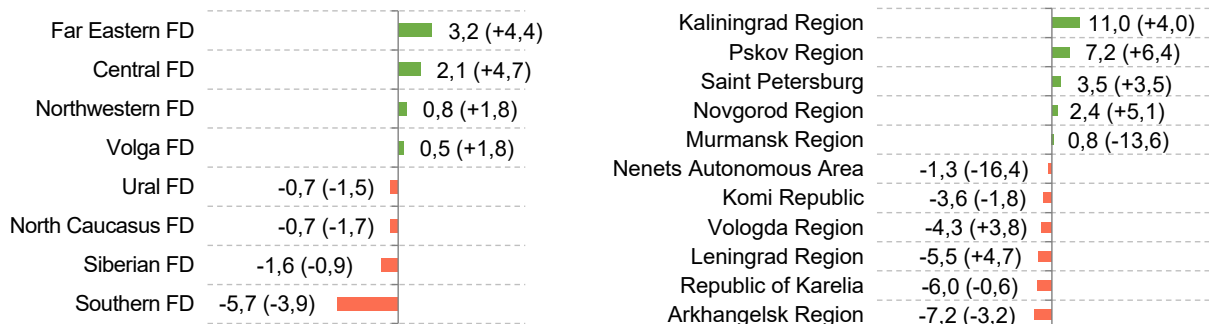


Figure 3. Growth in output of goods and services in basic economic activities*, January–March 2026 vs. January–March 2025, by federal district and NWFD Regions, %

* Basic economic activities include: crop production, animal husbandry, hunting, and related service activities; mining and quarrying; manufacturing; electricity, gas, steam, and air conditioning supply; water supply; sewerage, waste management, and remediation activities; construction; wholesale trade (except of motor vehicles and motorcycles); retail trade (except of motor vehicles and motorcycles); transportation.

Note: figures in parentheses indicate the change in the indicator for January–March 2025 relative to January–March 2024, in %.

Table 2. Industrial production trends, % change from corresponding period of previous year

Territory	3 months 2024	3 months 2025	3 months 2026	R*
Industry overall				
Russian Federation	106.2	100.1	100.3	-
Northwestern Federal District	109.0	100.5	100.9	4
Kaliningrad Region	106.3	100.4	119.2	2
Pskov Region	117.7	104.2	117.2	3
Novgorod Region	109.1	106.1	104.1	25
City of Saint Petersburg	116.2	107.2	103.6	28
Nenets Autonomous Area	97.9	89.3	102.5	32
Murmansk Region	103.5	90.9	98.3	53
Vologda Region	108.5	101.8	97.3	56
Leningrad Region	109.2	99.9	96.3	58
Komi Republic	103.4	96.1	95.7	61
Arkhangelsk Region	110.3	94.5	94.4	67
Republic of Karelia	100.2	95.9	93.5	72
Manufacturing				
Russian Federation	110.2	103.9	99.3	-
Northwestern Federal District	111.2	103.7	100.9	4
Pskov Region	113.9	107.7	118.3	5
Kaliningrad Region	107.3	100.4	117.4	7
City of Saint Petersburg	117.4	110.2	104.7	24
Novgorod Region	109.3	106.6	104.6	26
Murmansk Region	102.1	85.7	97.6	49
Vologda Region	109.7	101.8	97.2	51
Komi Republic	106.3	100.4	95.0	57
Leningrad Region	106.5	100.4	94.4	58
Arkhangelsk Region	110.2	96.3	92.3	68
Republic of Karelia	102.0	90.1	88.3	76
Mining				
Russian Federation	100.9	95.8	100.8	-
Northwestern Federal District	101.4	92.9	99.8	4
Kaliningrad Region	100.5	87.9	251.9	1
Novgorod Region	87.9	80.5	108.9	18
Nenets Autonomous Area	97.8	88.8	103.0	27
Republic of Karelia	96.5	102.6	102.0	30
Arkhangelsk Region	118.2	82.4	100.0	34
City of Saint Petersburg	171.1	87.1	97.6	40
Leningrad Region	87.7	99.4	97.2	41
Murmansk Region	105.9	97.5	96.5	43
Komi Republic	102.9	95.0	95.7	49
Vologda Region	94.7	105.9	90.2	61
Pskov Region	91.7	106.0	87.9	65
Nenets Autonomous Area	89.5	168.6	59.4	84

* Here and throughout, R denotes the rank of the respective region among the federal subjects (and for the NWFD, among the federal districts) based on the indicator's performance in January–March 2026, unless otherwise specified. Rankings exclude statistical data for the Donetsk People's Republic (DPR), Lugansk People's Republic (LPR), Zaporozhye Region, and Kherson Region.

📌 **Mining** in the NWFD continued to contract (by 0.2%, compared with a decline of 7.1% a year earlier). Nationwide, a resumption of positive dynamics was registered: the sector's output rose by 0.8%, after a decline of 4.2% a year earlier. A decrease in mining and quarrying output was recorded in the majority of the district's subjects, with the Nenets Autonomous Area and the Pskov Region posting declines of 40.6 and 12.1%, respectively. At the same time, the sector's output in the Kaliningrad Region grew by a factor of 2.5 (the best result in the country), and in the Novgorod Region it rose by 8.9%.

The lack of data on oil and gas extraction⁵ complicates the understanding of the sector's situation; judging by the composite extraction index, however, it can be assumed that their output increased, since oil and gas account for roughly 60% of the NWFD's total extraction, while coal and metal ore extraction fell by 30.9 and 6.8%, respectively (*Fig. 4*).

The sectoral dynamics of manufacturing output in the NWFD remain extremely uneven.

📌 **Manufacturing industries producing intermediate goods** in the NWFD reduced their output. Production of coke and refined petroleum products fell by 8.5%, while chemical products and fabricated metal products declined by 5.0 and 4.0%, respectively. At the same time, output in the wood-processing industry rose by 78.2%.

📌 The majority of **manufacturing industries geared toward final consumer demand** in the NWFD posted growth. Output of finished metal products rose substantially – by 37.0% – along with rubber and plastic products (up 28.7%), other finished goods (up 24.0%), and pharmaceuticals and medicinal materials (up 16.6%). At the same time, production contracted markedly in textiles and furniture

⁵ Rosstat stops publishing data on oil extraction. Available at: <https://www.rbc.ru/economics/26/04/2023/64492a769a794789b8b0feec> (accessed: 20.05.2026).

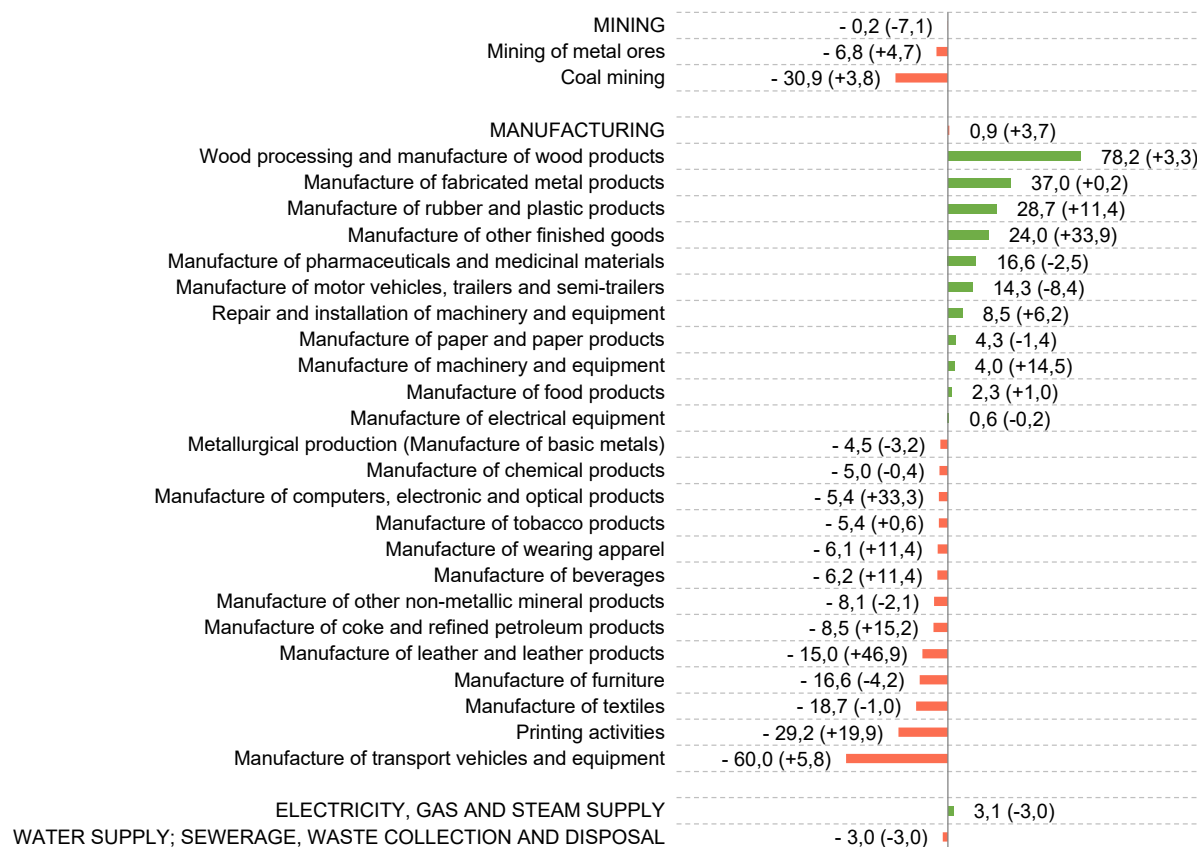


Figure 4. Growth in industrial output in the NWFD, January–March 2026, % change from January–March 2025

Note: figures in parentheses indicate the change in the indicator for January–March 2025 relative to January–March 2024, in %.

(by 18.7 and 16.6%, respectively), leather and leather products (by 15.0%, following a 46.9% increase the previous year), and beverages and wearing apparel (by 6.2 and 6.1%, respectively).

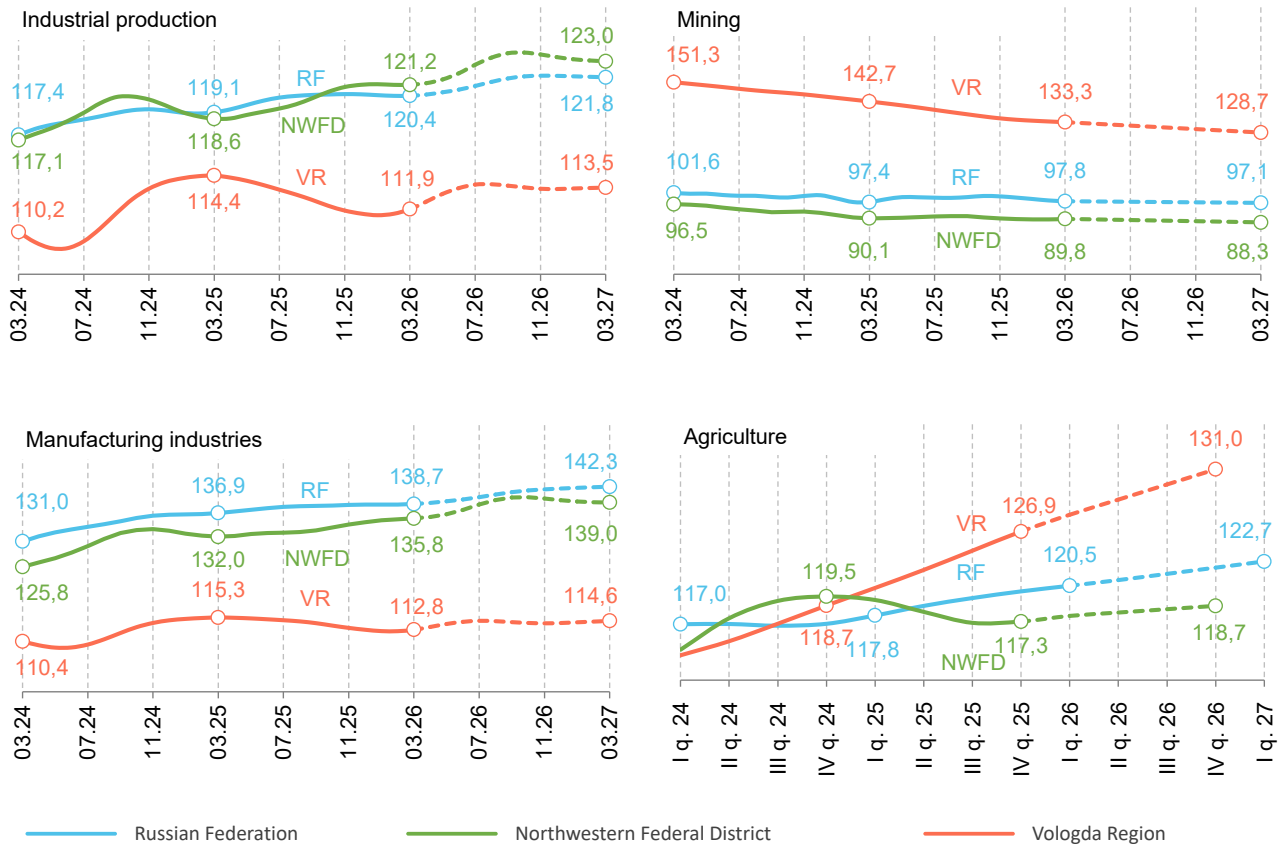
❏ In a number of **manufacturing industries serving investment demand** in the NWFD, the positive dynamics gave way to declining output: production of transport vehicles and equipment fell by 60.0%, and that of computers, electronic, and optical products by 5.4% (a year earlier, increases of 5.8 and 33.3%, respectively, had been posted). The output of non-metallic mineral products contracted by 8.1%. At the same time, the production of motor vehicles,

trailers, and semi-trailers, as well as of machinery and equipment, increased (by 14.3 and 4.0%, respectively).

The Weld Expert plant has opened in the Khrabrovo Industrial Park near Kaliningrad. The enterprise produces robotic welding systems for machine building, metallurgy, the oil and gas sector, and research organizations. Of the 250 million rubles invested in the enterprise, about 90 million rubles represents state support channeled through various instruments – the Industrial Development Fund of the Kaliningrad Region and the regional “My Business” center⁴.

⁴ Alexey Besprozvannykh opens production of robotic welding systems. Available at: <https://gov39.ru/press/402895/> (accessed: 18.05.2026).

Trends in industrial and agricultural production, 2024–2027, % of 2018 level



The EFER firefighting robot and barrel technology plant in Petrozavodsk has completed the construction of a new building. The entire process from idea to implementation is now concentrated on a single site, and the total floor area will increase by more than 2,000 square meters⁵.

📈 **Agriculture** in a number of the NWFD’s subjects increased its output against the backdrop of a 0.2% nationwide increase (Tab. 3). In the Pskov Region, agricultural output rose by 14.1%, while in the Vologda and Leningrad regions it grew by 5.6 and 5.4%, respectively. At the same time, the Novgorod and Murmansk regions recorded declines in the sector’s output of 3.7 and 3.3%, respectively.

Table 3. Agricultural production trends, % change from corresponding period of previous year

Territory	3 months 2024	3 months 2025	3 months 2026	R
Russian Federation	101.9	101.7	100.2	-
Northwestern Federal District	104.1	105.2	-	-
Pskov Region	121.9	114.1	114.1	-
Vologda Region	97.9	105.4	105.6	-
Leningrad Region	100.7	101.5	105.4	-
Republic of Karelia	96.9	94.3	100.7	-
Novgorod Region	87.4	113.9	96.7	-
Murmansk Region	112.4	79.3	96.3	-
Komi Republic	97.4	107.7	-	-
Nenets Autonomous Area	107.4	96.5	-	-
Arkhangelsk Region	105.0	103.7	-	-
Kaliningrad Region	106.0	97.1	-	-

⁵ A new building of the EFER Firefighting Robotics Engineering Center opens in Petrozavodsk. Available at: <https://tv-karelia.ru/v-petrozavodske-otkrylsya-novyy-korpus-inzhernogo-centra-pozharnoj-robototekhniki-efer/> (accessed: 18.05.2026).

The **labor market** situation was characterized by a deceleration of changes.

The unemployment rate in the NWFD remained at the January–March 2025 level (2.0%; nationwide, a decline of 0.1 percentage points was registered, to 2.2%; *Tab. 4*). The value of the indicator fell in half of the district's subjects, reaching 0.7% in the Novgorod Region – the best result in the country. At the same time, unemployment remained unchanged in the City of Saint Petersburg, the Leningrad Region, and the Arkhangelsk Region, while in the Vologda Region and the Murmansk Region it began to rise again.

**Table 4. Labor market trends,
% change from corresponding period
of previous year**

Territory	3 months 2024	3 months 2025	3 months 2026	R
Unemployment rate, % of labor force				
Russian Federation	2.8	2.3	2.2	-
Northwestern Federal District	2.4	2.0	2.0	4
Novgorod Region	1.7	1.2	0.7	1
City of Saint Petersburg	1.5	1.5	1.5	20
Pskov Region	2.4	2.2	1.5	21
Kaliningrad Region	2.8	2.2	1.8	38
Vologda Region	3.0	1.6	2.1	53
Arkhangelsk Region	4.2	2.4	2.4	62
Murmansk Region	2.6	2.3	2.5	63
Leningrad Region	2.8	2.8	2.8	68
Republic of Karelia	4.7	3.2	3.0	72
Komi Republic	4.9	4.2	3.1	73
Nenets Autonomous Area	6.0	3.8	3.5	76
Employer demand for workers				
Russian Federation	118.4	107.5	96.9	-
Northwestern Federal District	115.8	108.7	-	-
Leningrad Region	126.1	120.5	181.7	-
Murmansk Region	105.5	90.0	162.1	-
Novgorod Region	129.0	111.4	127.7	-
Vologda Region	130.0	113.6	87.3	-
Kaliningrad Region	115.8	107.1	84.7	-
Komi Republic	115.5	100.2	78.4	-
Arkhangelsk Region	122.1	97.1	77.4	-
Nenets Autonomous Area	103.9	114.4	70.3	-
City of Saint Petersburg	112.7	110.1	69.0	-
Republic of Karelia	115.6	95.9	-	-
Pskov Region	115.6	119.0	-	-

The Russian labor market is going through an atypical period: it is no longer a "candidate's market" or an "employer's market". It has entered a new phase – a wait-and-see market, in which both sides have adopted a holding pattern. Companies are postponing decisions to expand their teams, while job seekers are deferring active search. As a result, the market is effectively "frozen". Vacancies exist, candidates exist, but the pace of hiring is slowing⁶.

✔ The volume of job vacancies reported by employers to public employment services declined in the majority of the NWFD's subjects, as it did across the Russian Federation as a whole. In particular, the City of Saint Petersburg and the country posted a comparable deterioration in the dynamic (a decline of 15.5 and 15.6%, respectively). The reduction in the number of registered vacancies was also substantial in the Novgorod Region and the Arkhangelsk Region (by 40.6 and 30.5%, respectively). In three of the district's regions, the reported employer demand for workers increased; the leader among them was the Leningrad Region, where the 81.7% increase was driven partly by employers adjusting their vacancies as part of the quota campaign and partly by the implementation of large-scale investment projects in the real sector of the economy⁷.

2. Income generation

The slowdown in household income growth occurred against a backdrop of a substantial decline in entrepreneurial and budget revenues.

✔ **Real disposable personal income** in the Russian Federation rose by 2.6% (*Tab. 5*). A year earlier, an increase in this indicator had also been registered (by 7.1%).

⁶ A new phase of the labor market has begun in Russia. Available at: <https://www.gazeta.ru/social/news/2026/03/24/28118071.shtml> (accessed: 18.05.2026).

⁷ A record 112,000 job vacancies open in Leningrad Region. Available at: <https://spbnevnik.ru/news/2026-01-21/v-lenoblasti-otkryto-rekordnye-112-tysyach-vakansiy> (accessed: 13.05.2026).

Table 5. Trends in household, entrepreneurial, and government income generation, % change from corresponding period of previous year

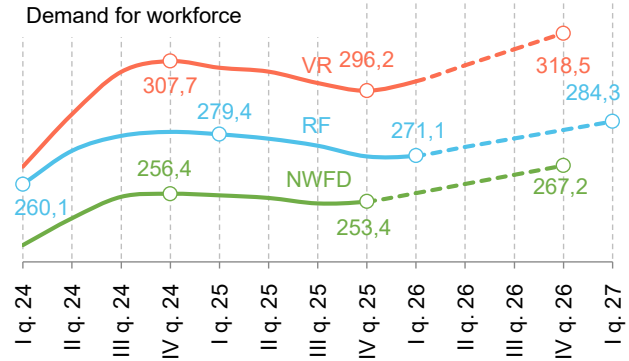
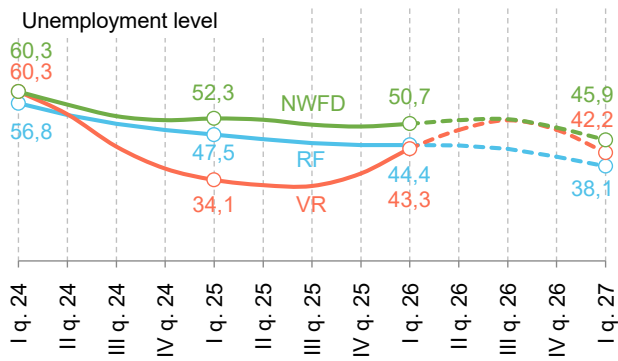
Territory	3 months 2024	3 months 2025	3 months 2026	R
Real disposable personal income				
Russian Federation	106.3	107.1	102.6	-
Northwestern Federal District	111.7	105.7	-	-
Republic of Karelia	109.1	103.2	-	-
Komi Republic	103.2	103.4	-	-
Nenets Autonomous Area	112.0	108.0	-	-
Arkhangelsk Region	107.4	101.5	-	-
Vologda Region	106.7	101.4	-	-
Kaliningrad Region	110.4	102.7	-	-
Leningrad Region	119.0	110.2	-	-
Murmansk Region	102.7	101.5	-	-
Novgorod Region	112.0	104.7	-	-
Pskov Region	115.6	105.8	-	-
City of Saint Petersburg	113.4	106.9	-	-
Territory	2 months 2024	2 months 2025	2 months 2026	R*
Balanced financial result of organizations				
Russian Federation	75.4	107.1	60.1	-
Northwestern Federal District	73.1	107.0	53.4	5
Kaliningrad Region	-	37.2	295.6	2
Novgorod Region	37.3	71.8	111.7	16
Leningrad Region	79.7	85.5	90.8	23
Pskov Region	248.3	99.0	70.3	32
City of Saint Petersburg	104.7	132.4	41.6	52
Arkhangelsk Region	205.4	86.2	32.4	62
Komi Republic	20.0	162.3	12.5	74
Vologda Region	71.1	74.1	6.3	75
Nenets Autonomous Area	0.5	146.5	-	77
Republic of Karelia	5.5	64.5	-	78
Murmansk Region	63.4	-	-	82
Consolidated budget revenues (including territorial state extra-budgetary funds)				
Russian Federation	183.1	89.6	80.9	-
Northwestern Federal District	224.8	84.5	76.2	-
Pskov Region	133.2	85.1	96.3	-
Kaliningrad Region	163.8	95.2	87.8	-
Republic of Karelia	97.4	99.0	87.3	-
Novgorod Region	164.7	95.4	84.4	-
City of Saint Petersburg	263.0	84.0	76.3	-
Leningrad Region	290.5	82.3	75.7	-
Vologda Region	279.5	71.6	74.9	-
Murmansk Region	218.4	85.0	72.2	-
Komi Republic	297.5	83.9	68.2	-
Arkhangelsk Region	162.5	84.9	67.0	-
Nenets Autonomous Area	161.6	87.5	48.3	-

* For the indicator "Balanced financial result of organizations", the rank is based on the indicator's performance in January–February 2026, excluding statistical data for the Donetsk People's Republic (DPR), Lugansk People's Republic (LPR), Zaporozhye Region, and Kherson Region.

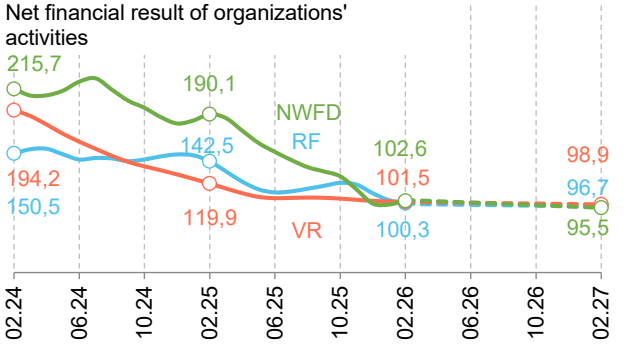
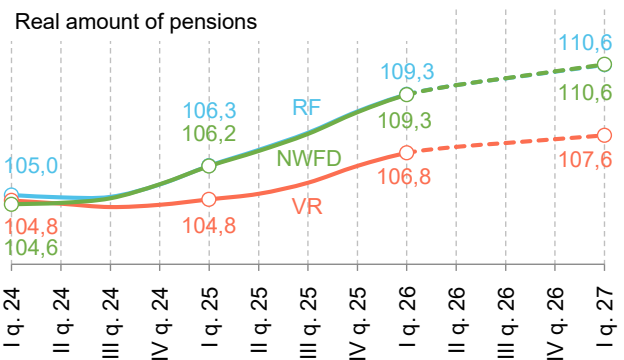
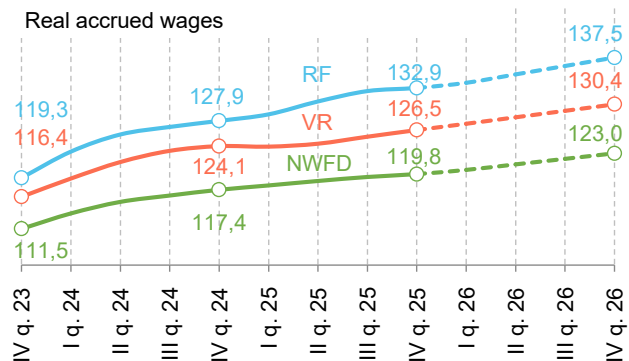
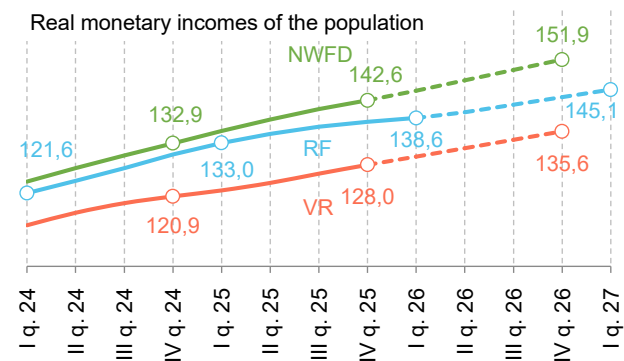
✔ The **balanced financial result of organizations** in the NWFD and the Russian Federation in January–February 2026 demonstrated a real-terms decline of 46.4 and 39.9%, respectively, after having risen by 7.0 and 7.1% a year earlier. The deterioration in the financial situation was observed at enterprises in almost all of the district's subjects, with the Murmansk Region, the Republic of Karelia, and the Nenets Autonomous Area posting negative values for the indicator. The exceptions were the Kaliningrad Region and the Novgorod Region, which posted increases in their balanced financial results of 195.6 and 11.7%, respectively.

✔ **Real consolidated budget revenues (including territorial state extra-budgetary funds)** in the NWFD contracted by 23.8% in January–February 2026. A decline in budget revenues was registered in all subjects of the district, with the Nenets Autonomous Area exceeding 50%, and the Arkhangelsk Region and the Komi Republic reaching 33.0 and 31.8%, respectively. Receipts from taxes on entrepreneurial income in the NWFD fell almost threefold (by 64.7%). Personal income tax (PIT) receipts in the macro-region rose by 0.8%; this was noted in half of the district's subjects, with the Novgorod Region, in particular, posting an 11% increase in this indicator. In several of the NWFD's regions, however, PIT revenues declined, most sharply in the Arkhangelsk Region (by 10.3%). The dynamics of excise tax receipts across the NWFD worsened by 11%. Nationwide, real consolidated budget revenues fell by 19.1%, with a 59.1% decline in taxes on entrepreneurial income and an 11.9% drop in excise tax receipts. PIT revenues in the country as a whole increased by 0.1%.

Labor market development trends, 2024–2027, % of 2018 level



Income generation trends in the economy, 2023–2027, % of 2018 level



— Russian Federation — Northwestern Federal District — Vologda Region

3. Final use

Consumer demand grew considerably faster than household incomes.

📈 **Retail trade turnover** in the NWFD rose by 7.3%, and by 6.2% nationwide (Tab. 6). Food retail turnover in the Russian Federation increased by 1.9%, and non-food retail by 5.2%. In the NWFD, non-food retail turnover grew by 6%. The leaders in the macro-region in terms of non-food

retail turnover growth were the Vologda Region and the Murmansk Region (both up 8.3%), while in the City of Saint Petersburg the increase was 8%. Food retail turnover in the NWFD rose by 3.8%, with the sharpest rise registered in the Kaliningrad Region (7.6%). A negative impact on this indicator came from its decline in the Murmansk Region and the Republic of Karelia (down 0.9 and 0.3%, respectively).

**Table 6. Consumer market trends,
% change from corresponding period
of previous year**

Territory	3 months 2024	3 months 2025	3 months 2026	R
Retail trade turnover				
Russian Federation	112.1	102.8	106.2	-
Northwestern Federal District	111.5	102.8	107.3	3
Novgorod Region	106.2	109.5	107.5	17
City of Saint Petersburg	114.8	103.2	110.1	19
Vologda Region	108.6	108.7	108.9	38
Kaliningrad Region	113.0	106.5	105.4	48
Murmansk Region	100.9	99.4	101.8	60
Arkhangelsk Region	100.3	95.9	104.3	63
Leningrad Region	111.3	99.7	103.7	65
Komi Republic	107.3	104.4	101.8	66
Pskov Region	113.9	102.3	102.1	68
Republic of Karelia	110.1	101.1	100.3	73
Nenets Autonomous Area	101.9	103.1	98.7	80
Volume of paid services provided to the population				
Russian Federation	105.0	102.3	103.3	-
Northwestern Federal District	103.2	102.5	104.3	1
Leningrad Region	111.9	103.5	108.9	4
Kaliningrad Region	111.0	102.7	106.1	13
Pskov Region	104.3	101.0	104.8	21
Vologda Region	103.9	97.4	104.4	28
City of Saint Petersburg	100.8	104.2	104.3	31
Arkhangelsk Region	104.8	98.9	103.6	46
Nenets Autonomous Area	101.2	100.8	102.5	57
Novgorod Region	100.9	100.7	101.9	66
Republic of Karelia	105.0	100.6	101.4	72
Murmansk Region	101.7	99.4	101.0	75
Komi Republic	104.7	97.1	99.6	80
Consumer price index (December to December)				
Russian Federation	102.0	102.7	103.0	-
Northwestern Federal District	102.1	103.2	103.2	7
Kaliningrad Region	101.4	103.3	102.5	17
Republic of Karelia	102.5	103.4	102.6	26
Arkhangelsk Region	101.8	103.0	102.6	26
Pskov Region	101.9	103.1	102.7	36
Murmansk Region	102.3	104.4	102.8	40
Nenets Autonomous Area	100.8	104.1	103.0	54
Vologda Region	101.5	103.5	103.0	54
Novgorod Region	101.8	102.8	103.1	64
Leningrad Region	102.6	103.5	103.3	71
City of Saint Petersburg	102.2	102.9	103.6	79
Komi Republic	102.2	103.6	104.0	85

Territory	3 months 2024	3 months 2025	3 months 2026	R
Producer price index for industrial goods (December to December)				
Russian Federation	101.9	99.9	101.0	-
Northwestern Federal District	103.0	102.2	101.0	5
Nenets Autonomous Area	99.8	99.8	96.0	8
Leningrad Region	101.9	101.6	96.1	9
Komi Republic	103.2	98.2	98.7	14
Republic of Karelia	106.2	101.1	100.6	35
Arkhangelsk Region	106.4	103.7	100.7	39
Vologda Region	102.2	97.3	100.7	39
Pskov Region	104.4	101.3	101.2	49
Novgorod Region	100.1	103.6	101.6	52
Kaliningrad Region	99.3	101.6	101.7	54
City of Saint Petersburg	104.0	111.3	104.0	75
Murmansk Region	103.4	103.0	105.6	78

➤ The volume of **paid services** provided to the population in the NWFD increased by 4.3%, the best result among all federal districts (nationwide, growth stood at 3.3%). An increase in this indicator was registered in almost all of the district's subjects; the leaders were the Leningrad Region and the Kaliningrad Region (up 8.9 and 6.1%, respectively). The exception was the Komi Republic, where the volume of paid services provided to households declined by 0.4%.

🔴 **Consumer inflation** in the NWFD was close to the national average (3.2 vs. 3.0%, respectively). Food prices in the federal district rose by 2.8%, and nationwide by 3.2%. Non-food price increases were more moderate, at 1.6 and 1.4%, respectively. Consumer prices for services in the macro-region and across the country rose by 5.6 and 4.6%, respectively. Housing and utilities tariffs in the NWFD and the Russian Federation increased by 2.4 and 2.6%, respectively.

🔴 **Producer prices for industrial goods** in the NWFD and the Russian Federation rose by 1.0%. A sharp increase in the price of industrial output was recorded in the Murmansk Region and the City of Saint Petersburg (by 5.6% and 4.0%, respectively). In three subjects of the district – the Nenets Autonomous Area, the Leningrad Region, and the Komi Republic – industrial output prices declined (by 4.0, 3.9, and 1.3%, respectively).

**Table 7. Construction sector trends,
% change from corresponding period
of previous year**

Territory	3 months 2024	3 months 2025	3 months 2026	R
Volume of work in TEA "Construction"				
Russian Federation	103.2	105.8	90.0	-
Northwestern Federal District	98.4	117.4	81.6	8
Komi Republic	90.6	101.0	108.5	19
Murmansk Region	153.1	38.7	96.9	35
Novgorod Region	179.3	86.4	95.1	36
City of Saint Petersburg	78.0	123.4	90.9	41
Kaliningrad Region	101.5	111.6	75.1	62
Leningrad Region	115.2	166.0	75.0	63
Vologda Region	105.5	148.1	69.9	71
Arkhangelsk Region	115.9	94.5	66.1	73
Republic of Karelia	75.9	122.9	62.0	76
Pskov Region	123.2	145.1	60.1	77
Nenets Autonomous Area	106.0	49.9	53.5	82
Housing completions				
Russian Federation	101.5	108.9	71.8	-
Northwestern Federal District	108.3	98.8	64.6	6
Pskov Region	116.5	56.0	124.3	8
Arkhangelsk Region	115.8	95.7	98.3	21
Republic of Karelia	99.1	108.1	96.3	22
Leningrad Region	114.6	117.3	86.7	32
Komi Republic	70.7	153.9	83.6	34
Nenets Autonomous Area	124.0	118.8	71.0	45
Murmansk Region	179.4	175.3	63.5	58
Kaliningrad Region	117.5	83.9	58.4	63
Novgorod Region	82.3	150.8	55.4	70
Vologda Region	108.8	150.9	42.3	79
City of Saint Petersburg	102.6	65.7	16.2	84
Volume of mortgage loans issued				
Russian Federation	81.0	56.6	166.1	-
Northwestern Federal District	85.7	56.6	167.0	6
Republic of Karelia	68.2	48.7	212.7	5
Murmansk Region	81.3	47.4	191.0	18
Nenets Autonomous Area	71.7	43.7	219.4	24
Komi Republic	63.4	53.0	183.7	25
Arkhangelsk Region	96.7	51.7	183.2	26
Leningrad Region	78.8	59.7	177.9	32
Novgorod Region	76.3	60.0	176.4	38
Vologda Region	77.7	51.3	165.4	53
Pskov Region	73.1	65.6	164.1	58
Kaliningrad Region	99.4	63.9	158.7	66
City of Saint Petersburg	90.6	57.4	157.7	68

📉 In the **construction sector** of the NWFD, the volume of work completed fell by 18.4% – the worst result among all federal districts – while in the Russian Federation the indicator dropped by 10% (Tab. 7). Among the district's subjects, only the Komi Republic posted an increase (8.5%). The remaining regions registered a decline in construction activity, with seven of them seeing a contraction ranging from 46.5 to 24.9%. It should be noted that the observed dynamics in the volume of completed construction work may be linked to the accelerated completion of projects at the end of 2025.

📉 **Housing completions** in the NWFD showed a deeper decline than in the Russian Federation as a whole (down 35.4 vs. 28.2%), driven by negative dynamics in housing completions in the majority of the district's regions. In the City of Saint Petersburg, in particular, the drop reached 83.8% – one of the worst changes in the indicator nationwide. The only region where housing completions accelerated was the Pskov Region (up 24.3%).

📈 The **volume of mortgage loans issued** demonstrated a sharp increase both in the NWFD and across the country as a whole – by 67.0 and 66.1%, respectively. This affected all subjects of the district, manifesting itself in a revival of mortgage lending ranging from 57.7 to 112.7%. An important factor behind this was the presidential instruction to revise the rate on family mortgages, which are to be linked to the number of children⁸. The exact values have yet to be determined, but the anticipated increase for families with one child may have caused the observed growth in the volume of mortgage loans issued.

⁸ The rate on family mortgages expected to be reduced for each child. Experts comment on the mechanism and its consequences. Available at: <https://rg.ru/2026/02/12/semjnuui-ipoteku-priviazhut-k-kolichestvu-detej.html> (accessed: 13.05.2026).

📈 In January–February 2026, **real consolidated budget expenditures (including territorial state extra-budgetary funds)** in the NWFD increased by 1.2%, even as they declined by 3.6% across the Russian Federation as a whole (Tab. 8). The positive dynamic of the aggregate indicator for the macro-region was driven by growth in a number of its subjects, with the largest increases posted by the Pskov Region, the City of Saint Petersburg, and the Leningrad Region (up 8.6, 7.3, and 6.3%, respectively). At the same time, more than half of the NWFD's regions showed a decline in budget spending, with the Murmansk Region, the Vologda Region, and the Arkhangelsk Region seeing contractions of 12.5, 12.0, and 10.7%, respectively. In both the NWFD and the Russian Federation as a whole, budget expenditures on social policy and healthcare fell – by 3.3 and 4.2%, and by 2.8 and 6.9%, respectively.

Table 8. Consolidated budget expenditure trends (including territorial state extra-budgetary funds), % change from corresponding period of previous year

Territory	2 months 2024	2 months 2025	2 months 2026
Russian Federation	101.3	107.5	96.4
Northwestern Federal District	104.5	104.0	101.2
Pskov Region	104.4	99.7	108.6
City of Saint Petersburg	105.7	108.9	107.3
Leningrad Region	100.2	119.9	106.3
Kaliningrad Region	108.1	94.0	101.8
Republic of Karelia	82.3	103.4	97.6
Novgorod Region	115.9	83.9	95.5
Nenets Autonomous Area	72.1	98.3	94.0
Komi Republic	105.7	98.3	90.6
Arkhangelsk Region	105.2	93.2	89.3
Vologda Region	106.8	106.2	88.0
Murmansk Region	116.3	86.1	87.5

According to the Federal Customs Service, in January–March 2026, the total value of Russia's **exports** remained virtually unchanged, while **imports** rose by 6.3%. Exports to Asia grew by 3.7%, whereas exports to Europe and Africa contracted by 9.1 and 6.5%, respectively. Imports from Europe and Asia increased by 7.0 and 6.2%, respectively. Exports of food products rose by 18.6%, and imports by 7.0%. The value of mineral product exports fell by 12.4% (their share accounted for 52.1%), while imports of mineral products declined by 5.7%. An increase was registered in the export of metals and metal products (up 34.7%). Exports of machinery and equipment contracted by 11.1%, while imports of this category grew by 6.8%, with their share accounting for 46% of total imports.

📉 **Global market prices** for natural gas fell by 5.4% (Tab. 9).

📈 At the same time, phosphate fertilizers rose in price by 20.2%, rolled metal products by 5.7%, and crude oil by 2.3%.

Table 9. Global commodity price trends, % change from corresponding period of previous year

Commodity	3 months 2024	3 months 2025	3 months 2026
Crude oil	101.3	91.8	102.3
Natural gas	36.1	164.7	94.6
Rolled metal products	96,2	100,2	105,7
Phosphate fertilizers	116,4	83,0	120,2

Global prices for steel products show an upward trend: increases were recorded both for flat products (up 16.3–26.9%) and for long products (up 6.3–10.3%), with the exception

of merchant bars, which became cheaper by 1.6% (*Tab. 10*). On the domestic market, prices fell: flat rolled products by 13.9–7.3%, and long products by 14.4–8.3% (*Tab. 11*).

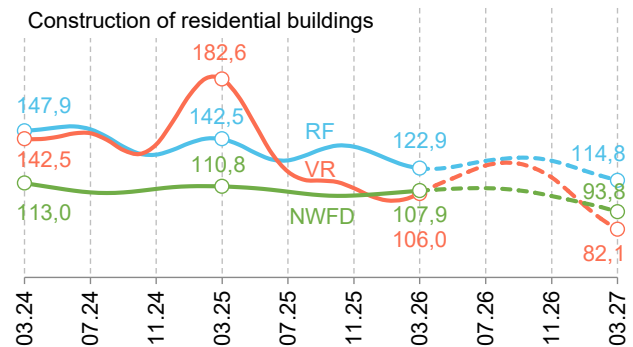
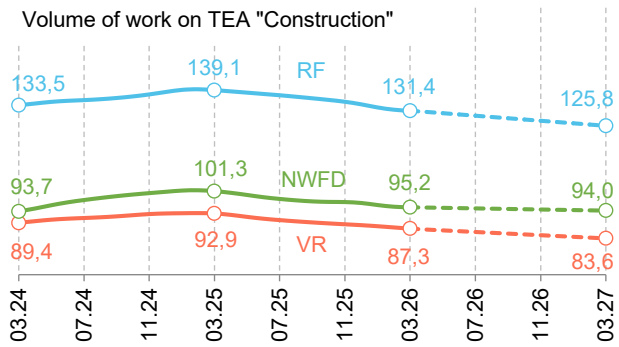
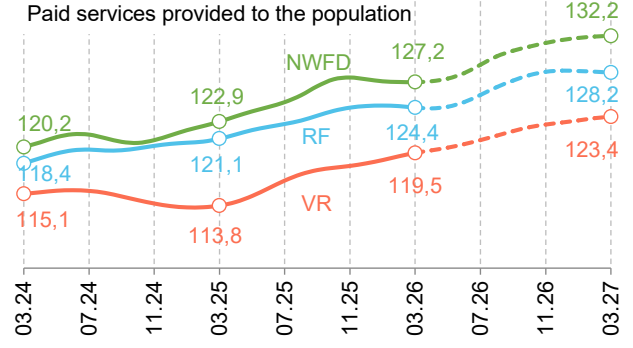
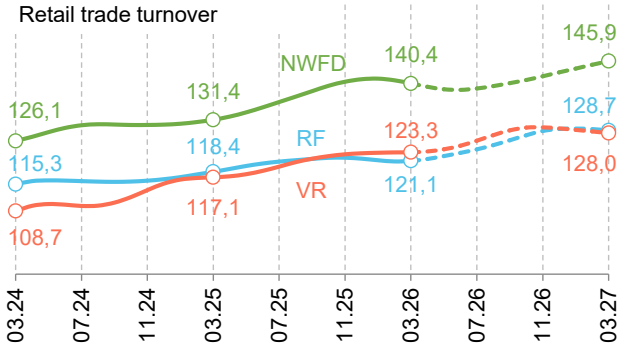
**Table 10. World market prices for steel products (EU countries)
per metric ton (as of early April of the respective year)**

Type of steel product	Unit of measurement	2024	2025	2026	2026, % to	
					2025	2024
Flat products						
Cold-rolled sheet	USD	800	753	875	116.3	109.4
Galvanized sheet	USD	840	795	935	117.6	111.3
Hot-rolled sheet	USD	698	660	838	126.9	120.1
Long products						
Reinforcing steel (rebar)	USD	763	653	720	110.3	94.4
Structural sections	USD	915	713	758	106.3	82.8
Merchant bars	USD	865	713	701	98.4	81.0

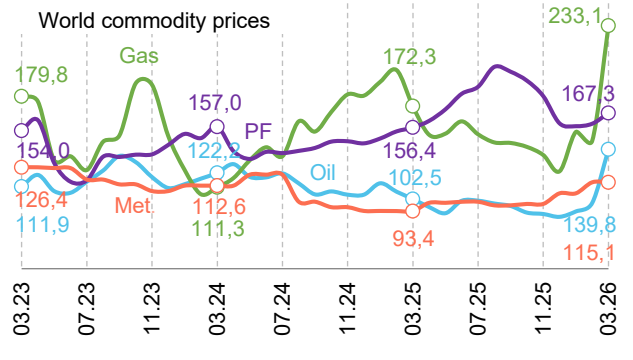
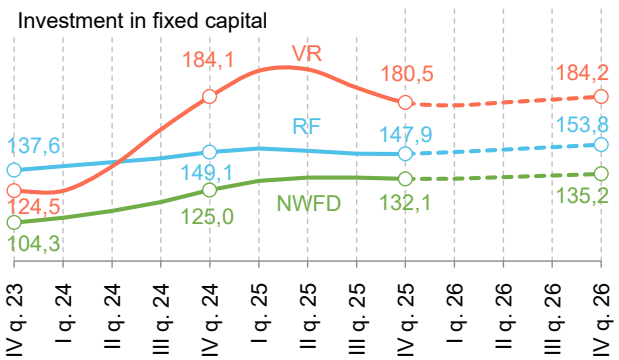
**Table 11. Russian domestic market prices for steel products per metric ton
(as of early May of the respective year)**

Type of steel product	Unit of measurement	2024	2025	2026	2026, % to	
					2025	2024
Flat products						
Cold-rolled sheet	RUB	89350	83375	71775	86.1	80.3
Galvanized sheet	RUB	117875	105350	91400	86.8	77.5
Hot-rolled sheet	RUB	68675	62700	58100	92.7	84.6
Long products						
Rebar	RUB	67592	58995	52050	88.2	77.0
Beams and channels	RUB	88094	80963	69456	85.8	78.8
Round bars	RUB	65933	58333	53500	91.7	81.1
Angles	RUB	68500	59800	51200	85.6	74.7

**Consumer market and construction development trends, 2024–2027,
% of 2018 level**



**Investment activity and foreign trade trends, 2023–2026,
% of 2018 level**



— Russian Federation
 — Northwestern Federal District
 — Vologda Region

— Oil
 — Gas
 — Rolled Metal
 — Phosphate Fertilizers

Summing up, it is worth noting that in the first quarter of 2026 the economy of the NWFD remained resilient; however, a combination of diverse challenges continued to worsen the operating environment and required constant adaptation, which was partially manifested in a number of positive developments.

1. Against the backdrop of declining budget and business revenues, consumer demand continued to grow, even though its values were understated because of the shift of part of the turnover to late 2025 ahead of the tax reform coming into force.

2. The increase in budget expenditures and mortgage lending had a positive impact on the economic dynamics.

3. In a number of the macro-region's industrial sectors, output grew substantially, including in the final-demand manufacturing industries and in several investment-demand manufacturing industries.

At the same time, the economy of the NWFD came under mounting pressure, since the strengthening of the ruble helped to curb inflation but reduced budget and exporters' revenues, while simultaneously heightening competition from imported goods. Thus, both

the NWFD and the country as a whole face a mounting imperative to resume the investment cycle as quickly as possible. This will be facilitated by a systemic boost in the demand for the output of key industries, targeted support for investment in the real sector of the economy in tandem with improving the efficiency of jobs, and an easing of tax and monetary policy. Examples of measures already implemented include expanded support for industrial projects⁹, support for construction¹⁰, and backing for infrastructure projects¹¹.

Sources: Rosstat, Ministry of Economic Development of Russia, Bank of Russia, Federal Customs Service, Government of Russia, metalinfo.ru, metaltorg.ru, divercitytimes.com, tradingeconomics.com, data.stats.gov.cn, bea.gov, and others.

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⁹ Decree of the Government of the Russian Federation 943-r of April 23, 2026, on the Allocation of More Than 49.6 Billion Rubles to Subsidize a Loan for the Implementation of a Large-Scale Investment Project in the Petrochemical Industry; Resolution of the Government of the Russian Federation 520-r of March 18, 2026, on the Allocation of More Than 45.6 Billion Rubles for the Development of Industrial Parks and Technology Parks in a Number of Regions.

¹⁰ Decree of the Government of the Russian Federation 906-r of April 21, 2026, on the Allocation of More Than 700 Million Rubles for the Implementation of Measures under the Federal Project "A New Rhythm of Construction" in 2026–2027.

¹¹ Resolution of the Government of the Russian Federation 386 of April 10, 2026, and Decree of the Government of the Russian Federation 797-r of April 10, 2026, on the Allocation of 10 Billion Rubles to the Regions for Measures to Computerize Healthcare Systems.