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MACROECONOMICS | RUSSIA

RELAUNCH OF THE FINANCIAL STRESS INDEX FOR RUSSIA

The ACRA FSI RU calculation methodology and index values have been updated

For more information on Russian and global counterparts, see Appendix 2 of the [Principles of Calculating the Financial Stress Index for the Russian Federation \(ACRA FSI RU\)](#).

For more information about the logic and essence of the changes, see the presentation [Update of the ACRA FSI RU calculation method](#), pages 2–5.

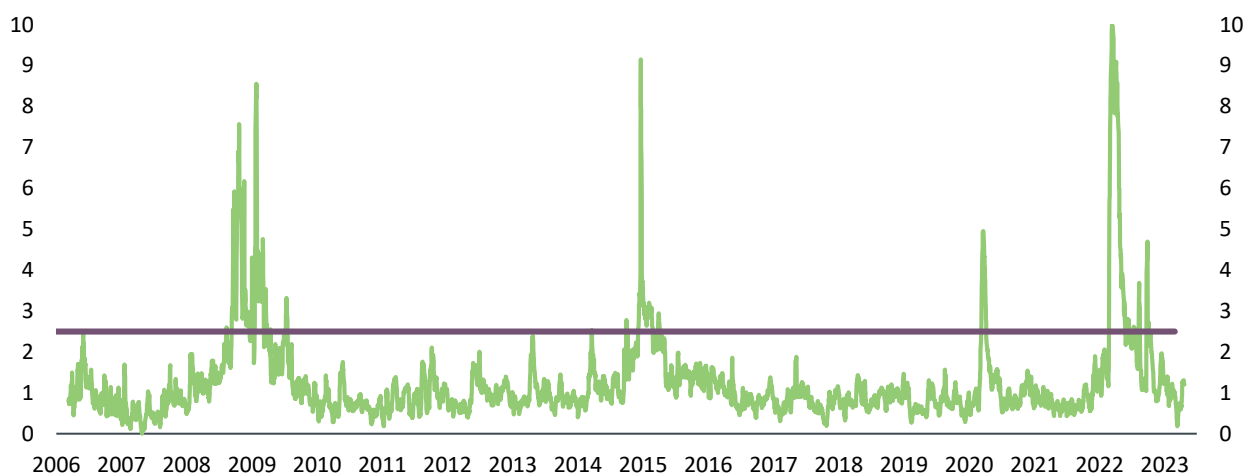
What is the financial stress index ACRA FSI RU? The financial stress index ACRA FSI RU (hereinafter, the Index, or the ACRA FSI RU) is one of the few publicly available high-frequency indicators created to monitor the level of risks that are realized in the Russian financial system. The performance of the Index provides, on a daily basis, a simple quantitative picture of how the country's financial market is operating, and consequently, indirectly signals an increase or decrease in the likelihood of rapid changes in the creditworthiness of economic agents.

The Index was calculated according to the initial methodology and published on ACRA's official website every business day from December 12, 2026 to March 18, 2022. Starting from April 26, 2023, the Agency intends to return to this practice, but publish the Index based on an updated methodology (on business days at 4:45 pm Moscow Time). The ACRA FSI RU can be found on its dedicated page on ACRA's website at <https://acra-ratings.ru/research/index/>.

During the hiatus in the publication of the Index, **eight changes were made to its calculation methodology**, which are listed below. These adjustments reflect the Agency's experience garnered over more than five years of using the Index, and have also adapted the Index to changes in source data and new calculation conditions.

1. The mechanism for smoothing weekly inflation data has been refined.
2. The calculation of the spread of yield from shares of financial institutions has been simplified: now the calculation base for this indicator always coincides with the calculation base for the Moscow Exchange's financial sector index (MOEXFN-RUB).
3. The approach to calculating oil prices has been changed: Brent and Urals oil quotes are averaged (the calculation of the indicator will be updated if new regularly calculated quotes appear).
4. The difference between the spot price and the forward price for exported oil has been excluded from the set of factors.
5. The exchange rate of the ruble against the Chinese yuan (RUBCNY) has been included in the calculation of exchange rate volatility.
6. The one-day MIACR rate is now used when calculating the "Spread of money market rates and zero-coupon short-term OFZ" factor.
7. An algorithm for filling in the Index values in situations where data necessary to calculate more than three factors at the same time is unavailable has been created.
8. The weights of the factors have been recalculated based on their longer history, while the principle of determining the weights remains unchanged.

Figure 1. ACRA FSI RU from 2006 to 2023 (updated methodology)



Source: ACRA

How can the ACRA FSI RU be used? The Index is most useful for:

1. **Identifying financial crises.** Analysis of the Index's history allows situations corresponding to values from 2.5 pts and above to be interpreted as financial crises. ACRA dates the last four financial crises as follows: September 9, 2008 — April 15, 2009, December 5, 2014 — April 6, 2015, March 9, 2020 — April 7, 2020, and February 24, 2022 — October 10, 2022.
2. **Building forward-looking indicators of recession.** Since 2006, all four episodes of falling real quarterly GDP have followed an increase in financial stress and the Index. At the same time, increased financial stress not followed by an economic downturn has not been observed over the past 17 years. The ACRA FSI RU can be calculated every day, while the first statistical estimate of real GDP appears generally only a month after the end of reporting quarter. Thus, the forward-looking period is from one to four months.
3. **Building economic or credit cycle indicators.** As a rule, the Index remains elevated during most of the episodes of declining real GDP, and by the time GDP growth resumes, it returns to normal. This makes it possible to build proxy indicators for the economic cycle or other cycles based on the ACRA FSI RU. For example, ACRA has built an indicator that allows for translating TTC (through-the-cycle) default estimates into PIT (point-in-time) estimates based on the Index and several other series.
4. **Forecasting the Bank of Russia's decisions.** The Bank of Russia coordinates monetary policy with financial stability policy. Therefore, the Index values potentially carry information useful for forecasting or explaining these decisions.

For more information on these and other options for interpreting Index values, see Appendix 1 of the [Principles of calculating the Financial Stress Index for the Russian Federation \(ACRA FSI RU\)](#).

Over the week from April 19 to April 26, the Index decreased by 0.23 pts, which partially compensates for the growth observed at the beginning of the month (by 0.63 pts from April 1 to April 14). Historically, in the absence of a financial crisis, spikes of a comparable or larger scale occur only in 9% of cases, which indicates that this increase is significant. In early April, the components of the Index related to weekly inflation, exchange rate volatility and oil price volatility grew. Nevertheless, the current values of the ACRA FSI RU (1.019 pts as of April 26) are well below the conditional threshold of increased stress (2.5 pts).

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