



## Russian Domestic Consumption & Production

Many Russian manufacturers are having to cannibalize and recycle parts in the absence of foreign supply. As Commerce Secretary Gina Raimondo said, “we have reports from Ukrainians that when they find Russian military equipment on the ground, it’s filled with semiconductors that they took out of dishwashers and refrigerators”. Within aerospace, flag-carrier Aeroflot and others have been cannibalizing existing aircraft parts to continue servicing the operations of its remaining fleet, even though operators such as Boeing have cut off all support and service and have issued warnings that cannibalized aircraft are not safe for operation. Some carriers, such as Pobeda, have even intentionally grounded up to 40% of their existing fleet to provide parts to service and operate the remaining fleet.

Sources: Yale Chief Executive Leadership Institute, Association of European Businesses, Bloomberg, Russian Federal Service of State Statistics, JPMorgan, Bank of America Global Research, Deutsche Bank, UBS

## Sectors Most Dependent On International Supply Chains Hit With 40-60% Inflation

**Russia CPI (Consumer Price Index) by Expenditure Category**

(%, year-over-year percentage change)

