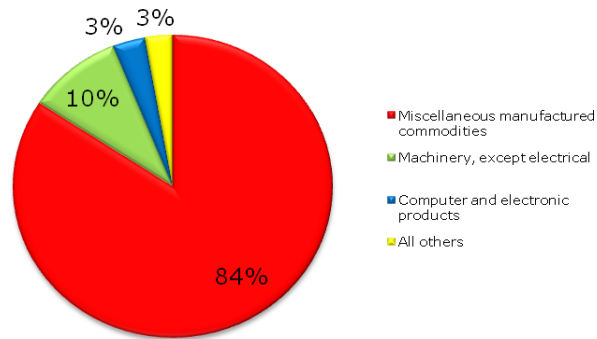


Rhode Island and the Russian Market

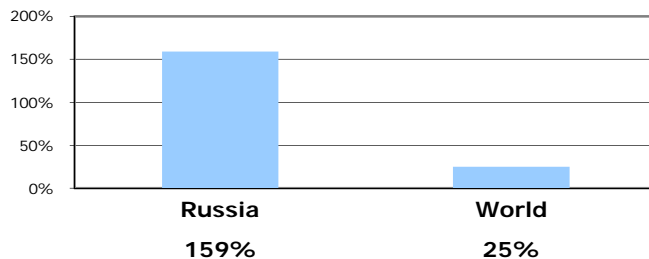
Top Merchandise Exports to Russia

Percent of Total Exports to Russia in Q1 2011¹



Rhode Island's exports to Russia are growing faster than the state's exports to the world

In the first quarter of 2011, Rhode Island's exports to Russia grew 159% over the same period in 2010, while its exports to the world grew only 25%



Russia's WTO accession will increase opportunities for Rhode Island's exporters



Machinery and manufactured commodities: Russian companies' demand for high-quality imported machinery generates significant export opportunities for U.S. manufacturers of equipment and parts. Rhode Island's exports of manufactured commodities to Russia **grew 11% in 2010** to reach a total of more than \$2.9 million. With another \$2.2 million of these goods exported to Russia in Q1 2011, Rhode Island's manufactured commodity exports to Russia are **on pace to match annual totals of \$8-\$9 million** that were last recorded during the booming years before the global economic crisis. Under the terms of its WTO accession package, **Russia will cut tariffs on manufactured goods to an average of 8%²**, providing Rhode Island exporters with improved market access.



Computer and electronic products: Russia's personal computer market and software market are projected to **more than double in size** between 2010 and 2015, with sales of PCs expected to rise from \$7 billion in 2010 to \$15 billion in 2015 and software sales projected to grow from \$3 billion in 2010 to more than \$6 billion by 2015.³ Rhode Island's computer and electronic product exports to Russia grew even through the global economic crisis, **nearly doubling** from \$179 million in 2007 to more than \$348 million in 2010. **As part of its WTO commitments, Russia will permit IT imports to enter the country duty-free.⁴**

Companies with a Presence in Rhode Island that Export to and/or Do Business with Russia

Agro Tech LLC
Alcoa, Inc.
Amgen, Inc.
Cummins, Inc.
Ernst & Young

Fluor Corporation
General Electric Company
KPMG International
MasterCard
Textron Inc.

¹ Source for State Export Data: Office of Trade and Industry Information, Manufacturing and Services, International Trade Administration, U.S. Department of Commerce

² Factsheet on U.S.-Russia WTO Bilateral Market Access Agreement, Office of the U.S. Trade Representative, November 10, 2006.

³ "Russia Consumer Electronics Report Q2 2010," Business Monitor International, <http://www.companiesandmarkets.com/Summary/Market-Report/russia-consumer-electronics-report-q2-2010-278893.asp>, March 17, 2010; "Russia Information Technology Report Q1 2011," [companiesandmarkets.com, http://www.pr-inside.com/russia-information-technology-report-q1-2385265.htm](http://www.pr-inside.com/russia-information-technology-report-q1-2385265.htm), January 31, 2011.

⁴ "Non-Agricultural Goods Market Access," Office of the U.S. Trade Representative, November 19, 2006.