



What it all means for Russia?

The state of the Russian economy has been deteriorating due to a combination of the impact of Western sanctions, weaker energy prices and the counter effect of the ban on domestic food inflation. Russian annual inflation rate increased to 11.4 percent in December of 2014 from 9.1 percent in the previous month, mainly driven by higher food cost. Year-on-year, food prices rose 16.4 percent in December, following a 12.5 percent increase in the previous month. Sugar recorded the highest increase (40%), followed by fruit and vegetables (22 %) and meat and poultry (20.1 %). Just in terms of comparison, in the UK food prices have been falling since May 2014 and latest figures show prices fell 1.9% compared to December 2013.

The Russian Ruble is now worth half as much as a year ago and the economy is expected to contract by 4 to 5 percent this year for the first time since 2009, when the economy was hit by a global crisis. Moreover, Russia's efforts to boost domestic food production are being hampered by high interest rates, which have driven many companies to put their expansion plans aside.

How's the EU relationship with Brazil?

Brazil has been one of the main proponents of a free trade agreement with the EU as part of the Mercosur bloc. However talks are currently stalled. Argentina is often cited as the main bloc member holding back a deal being reached.

Brazil's recently appointed agriculture minister Katia Abreu said she remains critical of the Mercosur bloc and its role in preventing third-party trade agreements, but she said her country will persevere with the union as long as it does not become a "burden".

One of the main tasks of Dilma Rousseff's second term as President of Brazil is to widen Brazil's commercial horizons and to strengthen their presence in international markets." The Prime Minister is keen to boost exports of Brazilian produce following the country's first annual trade deficit for 14 years in 2014.