**Financial Markets and Electricity Consumption Nexus in Russia**

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**Abstract**: This paper investigates the nexus between development of financial markets and electricity consumption in case of Russia. According to the hypothesis, we assume that financial markets development gives birth to an increased level of electricity consumption. Also we incorporate economic growth and urbanization as important variables for model’s specification. The hypothesis is tested on example of Russia for the period 1990-2016. The results confirm the hypothesis. We found that economic growth, urbanization and financial markets development positively affect the electricity consumption both in long and short run.

**Keywords:** Financial market, electricity consumption, urbanization, economic growth

**JEL Classifications:** D53; Q41, P25; O47