

# MICEX Enters Bull Market on \$77 Crude, China

By [The Moscow Times](#)

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The benchmark MICEX Index entered a so-called bull market Monday as oil topped \$77 per barrel and better-than-estimated industrial output in China spurred speculation that the global recovery is on track.

Sberbank and VTB Group, the country's two biggest lenders, both jumped 1.6 percent. Novatek, the country's second-largest gas producer, added 1.2 percent. Oil producer Tatneft increased 1 percent, helping push the MICEX Index of 30 stocks 0.5 percent higher to 1,441.58 at the close in Moscow.

The gauge, which earlier rose as much as 1.3 percent, extended gains from its May 25 low to 20.4 percent, surpassing the threshold for a bull market.

Crude, Russia's chief export, rose to a four-week high, adding as much as 1.9 percent to \$77.90 per barrel in New York after Chinese data showed faster manufacturing growth than

economists expected. China's industrial production rose 13.9 percent in August from a year earlier, more than the 13 percent median estimate of 29 economists, a statistics bureau report showed Saturday.

"Investors in May anticipated a dramatic worsening of economic indicators, but those fears were overdone," said Michael Kart, who helps manage about \$1 billion in stocks at Marshall Spectrum, including about \$100 million in equities in Russia and the former Soviet Union.

"We have seen good economic data lately from China, India and from the European Union. However, the recovery is still fragile and could easily be punctured," he said.

Bank St. Petersburg climbed to its highest in more than four months, rising 5.8 percent to 112.15 rubles, after the lender swung to profit in the first half of the year as overdue loans fell. Net income was 1.13 billion rubles (\$37 million), compared with a loss of 48.7 million rubles a year earlier, the bank said Monday.

The results were "very positive," Leonid Slipchenko, a banking analyst at UralSib, said in an e-mailed note. Income was 86 percent higher than he forecast, he said.

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