

Kudrin Sees Moscow Sell-Offs

By [The Moscow Times](#)

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The Moscow city government could sell shares it holds in a series of companies including banks and airlines, Finance Minister Alexei Kudrin said.

“We're not talking about small money here. It's billions of dollars a year that could be reallocated to other areas,” Kudrin said on the Rossia television channel, Interfax reported.

Some of the city's biggest assets include Bank of Moscow, in which the Moscow property department holds a 46.48 percent stake, and the Atlant-Soyuz airline, in which it holds a controlling share.

Kudrin's comments Saturday come after mounting criticism of the Moscow city administration's finances in the wake of the ouster of Mayor Yury Luzhkov last month.

A spokeswoman for Bank of Moscow said Monday that she had no current information about a proposed sale of the city's stake.

The Fitch rating agency changed Bank of Moscow's long-term rating to negative immediately after Luzhkov's firing. Last week, the bank's president, Andrei Borodin, moved to allay concerns about the company's future in a wide-ranging interview with Kommersant.

But financial analysts said the move would be in line with a broad program of privatization adopted by the federal government for the coming years.

“It's inevitably going to be seen through the prism of the change of mayor, but there's nothing new in the privatization idea,” said Roland Nash, chief strategist at Renaissance Capital.

The government is expected to divest itself of about \$10 billion in shares a year for five years starting in 2011, but the list of companies involved has not yet been finalized.

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