

Asset Sale Bank List May Grow

By [The Moscow Times](#)

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The government will likely add to its roster of 10 investment banks appointed to handle a 1.8 trillion ruble (\$58 billion), five-year privatization program, said Ed Kaufman, head of investment and corporate banking at Alfa Bank.

First Deputy Prime Minister Igor Shuvalov said last month that the list of banks should grow as Russia plans stake sales in about 900 companies.

Alfa, Russia's biggest private bank, Troika Dialog, Citigroup and Barclays Capital were not included when the government announced in October a list of 10 banks to handle asset sales, including stakes in Rosneft and Sberbank.

"The government seems to be reviewing the process," Kaufman said in a telephone interview in New York. "It is reviewing applications by a number of banks," and other lenders may also be added to the list, he said.

Prime Minister Vladimir Putin's government approved the plan to sell state holdings after the

country had a budget shortfall of 5.9 percent in 2009, its first deficit in a decade.

Russia plans to sell as much as 15 percent of Rosneft, its biggest oil producer, to help balance the budget. The state intends to reduce its holding in Sberbank, the country's biggest lender, to a controlling stake between 2011 and 2014, Shuvalov said last month.

Goldman Sachs Group and Bank of America's Merrill Lynch were among 10 advisers that Russia hired last month. Morgan Stanley, Credit Suisse Group, JPMorgan Chase and Deutsche Bank were also selected, along with Renaissance Capital, VTB Capital, Russian Auction House and Vneshekonombank, the government said in an order posted on its web site Oct. 28.

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