

# Putin Asks Gref to Reduce Mortgage Rates

By [The Moscow Times](#)

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Prime Minister Vladimir Putin called on Sberbank, the country's biggest lender, to lower its average mortgage rates to 8 percent from 11.5 percent to 12 percent now.

"We must strive to ensure that the average rate decreases gradually to 8 percent," Putin told Sberbank chief executive German Gref at a meeting Wednesday outside Moscow.

"It will depend, of course, on macroeconomics," Gref said.

Gref also spoke with reporters. "We will be going [on a roadshow] in August-September, which will include China," he said.

China will be one of the stops for Sberbank's roadshow for selling a 7.6 percent share packet in the fall of this year. The Central Bank owns the packet.

At the end of June, the 21st Century Business Herald reported that China Investment Corp. had

received an offer to acquire 5 percent in Sberbank from investment banks organizing the privatization.

Meanwhile, Oesterreichische Volksbanken may sell its Eastern European unit for at least 700 million euros (\$1 billion) to Sberbank in a deal set to be signed in July, said two people with direct knowledge of the deal.

Volksbanken is in advanced talks with Sberbank to sell Volksbanken International, said the people, who declined to be identified because the talks are private. At 700 million to 750 million euros, the deal would be priced at about book value. The sale would exclude the division's Romanian arm. (Bloomberg, Interfax)

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