

Ruble Down, Ulyukayev Says Free Float Could Be Delayed

By [The Moscow Times](#)

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The ruble traded slightly up against the dollar and euro on Wednesday, with the Central Bank setting Thursday's rate at 34.56 and 47.22 respectively, following a corridor tweak by the regulator.

The bank said it shifted the corridor for trading of the dollar-euro basket up 5 kopecks to 33.7 to 40.7 rubles. The bank also said that on Monday it sold \$1.14 billion, as compared to \$400 million in the previous trading session.

Several bankers said this week that customers are dumping rubles en masse in favor of the dollar and euro.

Meanwhile, Russia could delay plans to move to a floating ruble and instead consider limits on the exchange rate, Economic Development Minister Alexei Ulyukayev said late Tuesday after a sharp sell-off in the currency in recent weeks, Reuters reported.

"Under the current conditions, there are other possible approaches to the concept of a floating ruble and to the pace of their implementation," Ulyukayev told journalists at a briefing.

"I would have discussed the possibility of introducing certain limits on the degree of freedom of the exchange rate depending on several factors related to financial stability."

The Central Bank has announced plans to cease targeted interventions on the currency market and shift to a free float of the ruble by 2015, allowing the currency to absorb the shocks of the country's weakening economy.

"I might have discussed timing and may be moving it," Ulyukayev said.

The Central Bank's plan to target inflation rather than the exchange rate has been seen as potentially helping the economy, but it has also exacerbated a weakening in the ruble.

Worries about China's economy and expectations of the U.S. easing its monetary stimulus have pushed the ruble to all-time lows against the euro and 4.5 percent down versus the dollar amid a rout in emerging markets, although the currency broke its fall on Tuesday.

Ulyukayev said he sees inflation in 2014 below 5 percent. The annual increase in consumer prices stood at 6.5 percent in December, above the bank's 5 to 6 percent target range for this year.

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