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Big U.S. Banks Pull Billions of Dollars From Russia

By The Moscow Times

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Citigroup cut its exposure by 9 percent to $9.4 billion.

U.S. banks have trimmed billions of dollars from their exposure to Russia as violence in Ukraine intensifies and the U.S. government ramps up sanctions against Russia.

Over the first quarter, Citigroup cut its exposure by 9 percent to $9.4 billion, the bank said in a filing. JPMorgan reduced its exposure to the country by 13 percent to $4.7 billion in the same period, while Bank of America Merrill Lynch brought down its exposure 22 percent to $5.2 billion, the Financial Times reported.

More than 40 people died in Odessa on Friday when a building was set alight during clashes between pro-Ukrainian and pro-Russian groups. Several more have died in Ukraine's eastern regions, where the Ukrainian military has been trying to reestablish control over breakaway

regions swarming with armed separatist groups.

The U.S., the EU and Japan, seeing the hand of Moscow behind the violence, widened their lists of sanctioned Russian individuals and companies last week, and have threatened broader sanctions if Russia continues to destabilize Ukraine.

Western cash is being removed from the economy at a difficult time — Economic growth has stalled, while capital outflow reached $63.7 billion in the first quarter, about the same as over the whole of last year. Major Russian companies are facing a sudden unwillingness by Western lenders to refinance their debt, and many have been forced to delay or cancel plans to raise new capital by floating bonds or shares.

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