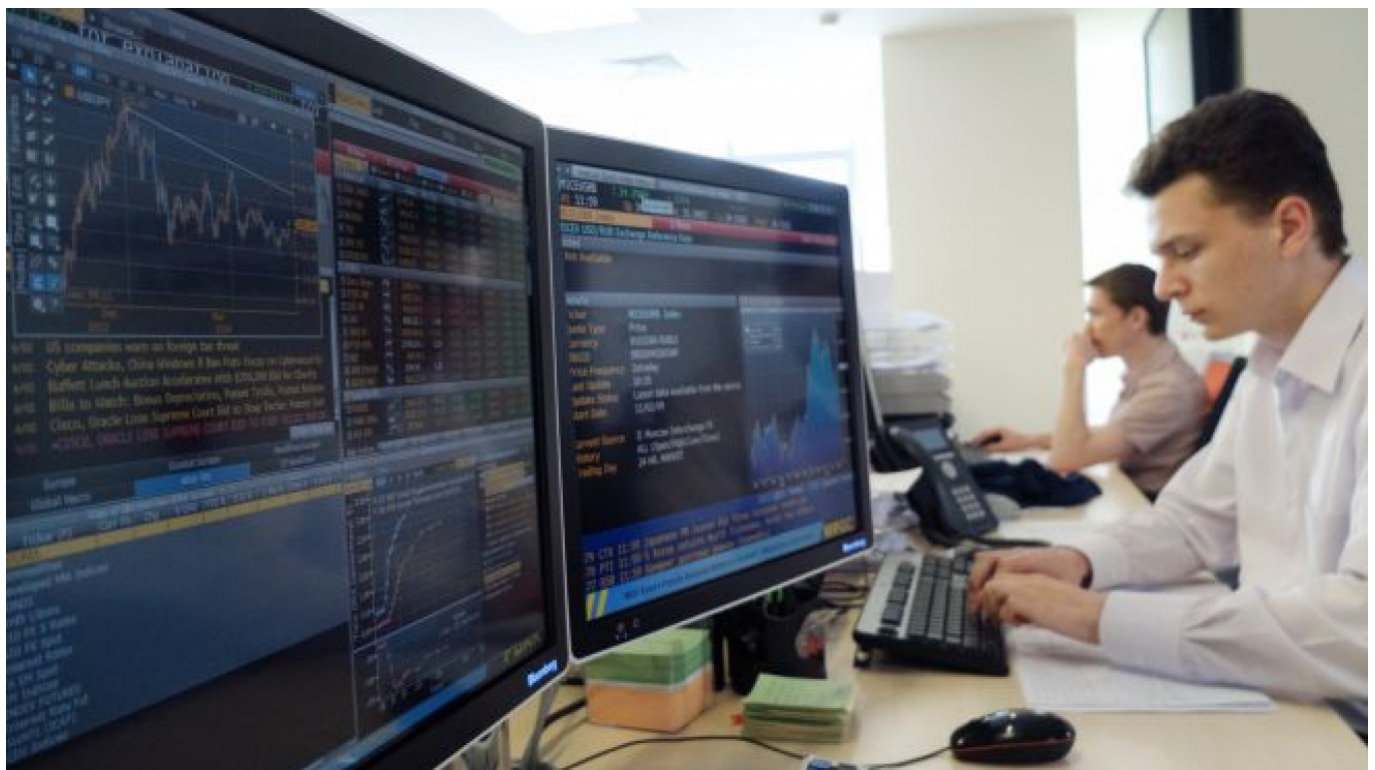


# Ukraine Peace Plan and U.S. Fed Push Russian Shares to 4-Month Highs

By [The Moscow Times](#)

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The ruble-based MICEX index hit its highest level since mid-February and was up 0.7 percent at 1,504 points at just after midday in Moscow.

Russian shares rose on Thursday morning, touching levels last reached before the Ukraine crisis, after the U.S. Federal Reserve committed to keeping an accommodating monetary policy and Ukraine's president proposed a ceasefire in the east.

The ruble-based MICEX index hit its highest level since mid-February and was up 0.7 percent at 1,504 points at just after midday in Moscow while the dollar-denominated RTS index reached a five-month high and was up 1.5 percent at 1,383 points.

"The comments of the Fed, Putin and Poroshenko should support investors' mood," BCS analyst Valentin Zhurba said in a note. "The news background is boosting demand for risky assets."

Russian President Vladimir Putin and Ukrainian counterpart Petro Poroshenko discussed a possible ceasefire in eastern Ukraine earlier in the week, after which Poroshenko outlined a 14-step plan, including an amnesty for separatist fighters in eastern Ukraine who lay down their arms.

Fighting in Ukraine, where pro-Russian separatists have been battling government forces for weeks, has weighed on Russian equities, but fears have receded that Russia could invade its neighbor and prompt tougher economic sanctions from the West.

Tensions have also been exacerbated by a price dispute over Russian gas, which has led Ukraine to withhold payment and Russia to cut off supplies.

Boosting risk appetite and lifting stocks worldwide, the U.S. central bank on Wednesday expressed confidence in the recovery in the world's largest economy and indicated that it would leave interest rates at ultra-low levels into next year.

In currency markets, the ruble strengthened by 0.48 percent against the dollar on Thursday to trade at 34.25 but weakened 0.09 percent against the euro to 46.66.

It was up 0.26 percent at 39.86 against the dollar-euro basket that the Central Bank uses to guide the ruble's nominal exchange rate.

Speculation that the Fed could adopt more hawkish rhetoric had supported the dollar and weakened emerging market currencies such as the ruble in recent days.

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