

Rosneft Seeks U.S. Approval for Morgan Stanley Oil Deal

By [The Moscow Times](#)

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Russian state-owned energy giant Rosneft has submitted details of a deal to buy an oil trading unit of Morgan Stanley to a confidential U.S. committee that evaluates national security risks, the Wall Street Journal reported, citing a source familiar with the matter.

Morgan Stanley agreed to sell the majority of its global physical oil trading operations to state-owned Rosneft in December, before Russia launched an incursion into Ukraine's Crimean peninsula.

A Morgan Stanley spokesman declined to comment.

The investment bank said in May it planned to proceed with the sale despite the crisis in Ukraine.

Industry watchers have expressed doubts the deal will go through due to Western sanctions on Russian officials, including Rosneft's head Igor Sechin, over the Ukraine crisis.

The sanctions apply only to Sechin, not to Rosneft.

"We're strategically committed to that transaction ... and we plan to close it," Morgan Stanley CEO James Gorman told reporters after its annual shareholder meeting on May 13. He said then he would not speculate on whether geopolitical conditions would deteriorate.

Rosneft also said in April that it aimed to complete the deal in the second half of 2014.

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