

Russian Shares Rise After EU Sanctions, But Second List Looms

By [The Moscow Times](#)

July 31, 2014



The dollar-denominated RTS index was up 1.5 percent to 1,241 points, while the ruble-based MICEX rose 1 percent to 1,395 points.

Russian stock indexes rose strongly on Thursday after the European Commission published a new list of individuals and companies subject to sanctions over Ukraine which spared major listed companies.

Analysts warned, however, that further EU sanctions expected to be announced later on Thursday could deflate the market mood.

At 10:00 a.m., the dollar-denominated RTS index was up 1.5 percent to 1,241 points, while the ruble-based MICEX rose 1 percent to 1,395 points.

The sanctions list published by the European Commission late on Wednesday included some associates of President Vladimir Putin as well as three companies, none of which are listed

on the stock exchange.

Analysts said relief over the limited scope of EU sanctions so far may be misplaced as further measures targeting key sectors of the Russian economy are expected on Thursday.

"Today's release of the texts of the EU Regulation on sectoral sanctions is the key item to watch in order to assess their scope," VTB Capital analysts said in a morning note.

Analysts said one of the major issues for the stock market is whether the EU sanctions will include Sberbank, Russia's largest bank and one of its major listed companies.

"The key question for the market is whether Sberbank is on the list as investors are certain about the inclusion of VTB after the U.S. declared sanctions on it," analysts at UralSib said in a morning note.

On Tuesday the EU reached agreement on sanctions that will shut major Russian banks out of European capital markets, but it has yet to say which banks will be impacted.

Sberbank shares were up 1 percent on Thursday morning, in line with the MICEX index.

Shares in VTB, Russia's other major listed bank, underperformed with a rise of 0.4 percent, having fallen on Wednesday after the U.S. sanctions.

The ruble was 0.4 percent stronger against the dollar at 35.43.

It had gained 0.5 percent to 47.44 against the euro and 0.5 percent to 40.83 against the dollar-euro basket.

See also:

[EU Names 8 Russians and 3 Firms Added to Sanctions List](#)

[Russian Banks' EU Subsidiaries to Be Spared from Sanctions](#)

Original url:

<https://www.themoscowtimes.com/2014/07/31/russian-shares-rise-after-eu-sanctions-but-second-list-looms-a37865>