

Central Bank Says Extra Financial Measure Will Help Stabilize Ruble

By [The Moscow Times](#)

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The Russian Central Bank said Wednesday that it would take additional financial measures to speed stabilization of the ruble.

The bank said in a statement that, together with the government, it was preparing a set of measures to provide, if necessary, additional capital to Russian banks and financial companies.

It also said it planned to hold additional foreign exchange auctions if necessary and would impose a temporary moratorium on revaluing banks' portfolios of securities.

The announcement came after a volatile few days for the ruble, which was down earlier this week by as much as 20 percent against the dollar and is down by some 50 percent against the U.S. currency so far this year.

The Central Bank raised its key interest rate early on Tuesday by 6.5 percent, an unprecedented move that ultimately failed to support the ruble.

The bank's new measures are aimed at easing concerns among Russian companies over approaching debt payments, said the Central Bank's first deputy governor, Ksenia Yudayeva.

"These measures are intended to balance supply and demand on the foreign exchange market, which will help stabilize the ruble rate more quickly," she said in emailed comments.

The ruble extended its daily gains by more than 2 percentage points after the statement, trading 8.1 percent up at 61.96 against the dollar at 5:54 p.m.

"At least the Russian authorities have figured out that letting your currency drop 10 percent one day, more or less 20 percent the next peak to trough ... might not be such a good idea in terms of financial security ... are finally beginning to join up the dots, and think collectively, to try and re-assure markets," Timothy Ash, head of emerging market research at Standard Bank in London, said in a note.

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