The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russian Ruble Plunges as Oil Prices Hit Five-Year Low

By The Moscow Times

January 06, 2015



A board showing currency exchange rates is on display in a street, with a church reflected in a shop window, in Moscow, Jan. 6, 2015.

The ruble fell more than 4 percent on Tuesday in thin, volatile holiday trading as oil prices hit a new 5-1/2-year low.

By 1:03 p.m., the ruble was down 4.5 percent against the dollar at 63.55 rubles and 3.9 percent weaker against the euro at 75.52.

Commentators said weak oil prices, which slumped yet again on expectations of a supply glut, would continue to weigh heavily on the Russian currency, making it extra vulnerable to sharp moves in thin trade.

"USD/RUB in the current circumstances is in a most dangerous position, especially since the majority of Russian traders have yet to return from the New Year holidays," Forex Club

senior analyst, Alena Afanasyeva, wrote in a note.

"That means in the coming days we expect sharp movements in response to the dynamics of U.S. dollar to other pairs, and the movement of Brent oil, which continues to hit new 'anti-records' since the beginning of 2015," she wrote.

Russian shares were mixed, largely reflecting moves in the ruble.

The dollar-denominated RTS index was down 4.3 percent at 729 points, while its ruble-based peer MICEX traded 2.4 percent higher at 1,469 points.

Original url:
https://www.themoscowtimes.com/2015/01/06/russian-ruble-plunges-as-oil-prices-hit-five-year-low-a42691