

Russian Ruble Edges Lower as Global Oil Prices Level Off

By [The Moscow Times](#)

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A board showing currency exchange rates is on display in central Moscow.

The Russian ruble edged down on Wednesday following opening gains, as the oil price eased after a strong rebound in recent days.

At 08:00 GMT (11:00 MSK), the ruble was 0.7 percent weaker at 65.60 versus the dollar and down by 0.5 percent to 75.27 against the euro.

The ruble "continues to be governed by the oil price," globex trader Artem Gites said in a note. "If oil prices continue to rise and protest the level of \$60 per barrel, the ruble is entirely capable of reaching 62.50 per dollar and strengthening further."

International oil benchmark Brent has rallied by 20 percent over the last week, as oil companies scale back investment plans and some investors bet the oil price rout is over.

However, Brent was down 0.3 percent on Wednesday at about \$57.7 per barrel.

Gains in Russian assets are also being constrained by fighting in eastern Ukraine, which increases the threat of new Western sanctions against Russia, but there were no major developments in Ukraine on Wednesday.

"The geopolitical story isn't bringing a new negative, even though the real state of affairs is critical in connection with continuing military actions," ING analyst Dmitry Polevoy said in a note.

He said it was difficult to predict the ruble's value on the basis of fundamentals, but that lows reached by the dollar against the ruble earlier in 2015 "indirectly point to the continuing potential for a strengthening of the Russian currency."

Despite the ruble's decline on Wednesday, Russian stocks were in positive territory, pricing in gains in oil prices on Tuesday evening when the Moscow stock market was closed.

At 08:00 GMT (11:00 MSK) the ruble-based MICEX index was up 0.1 percent at 1,656 points while the dollar-based RTS index was up 1 percent to 795 points.

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