

Central Bank Says Russian Economy Still Threatened by Oil Price, Sanctions

By [The Moscow Times](#)

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A chain is seen wrapped around a road sign for parking, with the coat of arms of the Central Bank seen on it, near the headquarters of the bank in central Moscow.

The Russian economy and ruble are still at risk from oil price volatility, Western sanctions and speculative behavior on the foreign exchange market, the Central Bank's First Deputy Governor Ksenia Yudayeva said Friday.

"It's premature to say that crisis trends in the economy have been overcome," she told the Federation Council, Russia's upper house of parliament.

She added that the Central Bank was ready to reduce its minimum requirements for banks' loan-loss provisioning if they encountered financial difficulties.

"If suddenly there is crisis with payments we can use the measure of reducing reserve requirements," she said.

"Experience shows that this measure helps with [financial] shortcomings before they arise."

The Russian economy is set to see its first recession this year since the aftermath of the 2008–2009 global financial crisis as sanctions imposed on Moscow for its role in the Ukraine conflict and a sharp drop in oil prices bite.

Yudayeva added that the peak of ruble volatility had ended. The ruble fell to a record-low of 80 rubles per dollar in mid-December, but has recovered since and has been trading mostly between 60 ruble and 70 rubles this month.

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