

Russian Ruble Steadies on Foreign Currency Sales

By [The Moscow Times](#)

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A board displaying currency exchange rates is on display in Moscow.

The Russian ruble was mixed but relatively stable on Monday as the negative effect of lower oil prices was balanced by exporters beginning to sell foreign currency to finance monthly tax payments.

At 0800 GMT, the ruble was 0.1 percent stronger against the dollar at 62.16 but down 0.3 percent to 65.55 versus the euro.

The ruble had edged down against both currencies on opening, following oil, with Brent crude declining around 1 percent on Monday to around \$54.1 a barrel.

After rallying last month, the oil price is under renewed pressure because of the strong dollar and as storage capacity is becoming exhausted.

Many analysts predicted a negative start to the week for Russian assets, given the weakness of

the oil price.

"As before we are convinced that prospects for the growth on the market for 'black gold' are strongly limited, and a fall toward \$50 could happen already this week," TeleTrade analyst Alexander Yegorov said in a note.

Investors are also cautious because of risk aversion linked to a U.S. Federal Reserve meeting on Wednesday, which could presage higher U.S. interest rates, further boosting the dollar.

"Undoubtedly the main attention of the markets this week will be concentrated on the meeting of the U.S. Federal Reserve," ING economist Dmitry Polevoy said in a note.

Russian share indexes were mixed and relatively stable after sharp falls on Friday. On Monday the dollar-based RTS was down 0.6 percent to 828 points while the ruble-based MICEX had risen 0.4 percent to 1,634.

The indexes were in part reacting to moves in the ruble since Friday's stock market close, as the currency market was open on Friday evening when the oil price fell sharply. A weaker ruble generally boosts the MICEX and drags down the RTS.

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