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Russia's MICEX Index Hits Historic High

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Russia’s MICEX Index hit a historic high on Monday as oil prices continued to move upwards.

The MICEX reached 1977.19 points during morning trading, surpassing its previous record set April 16. This year’s historic valuations are the highest since 2007.

“The Russian share market is preparing to storm to its year maximum,” VTB24 analysts wrote in a note to investors Monday.

“The Russian market is being held back from a rally purely because of uncertainty over the future growth of oil prices, the attractiveness of debt markets against the background of expectations of a reduction in the Russian Central Bank’s interest rates and for several technical reasons," the analysts said.

The price of Brent crude ticked higher Monday to almost $48 a barrel after posting 6 percent gains last week as Saudi Arabia's oil minister floated the idea of action to stabilize markets.

The MICEX Index's ruble denomination means that it was not badly affected — unlike Russia’s dollar-denominated RTS Index — by the collapse of the ruble in 2014 and 2015 when

Russia's currency lost about 50 percent of its value against the dollar.

The RTS Index was trading at 973.33 on Monday afternoon, less than half its historic maximum. Its highest point was recorded on April 1, 2008 when it reached 2330.34.

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