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Russian Ruble Drops to Almost 5-Year Low Against Euro

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The Kremlin has attributed the ruble's drop to market volatility. **Andrey Nikerichev / Moskva News Agency**

The Russian ruble has hit an almost five-year low against the euro Tuesday as coronavirus cases surged and geopolitical risks weighed down on Russian assets.

The ruble shed more than 1% against the euro to fall as low as 93.3, its weakest since January 2016.

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The ruble also fell by 1% to 79.8 against the U.S. dollar, its weakest since March 2020, when oil prices crashed on weak demand.

The Russian currency's poor performance continues from last week, when markets were on

edge over a surge in coronavirus cases across Europe.

Appetite for the ruble previously plunged following anti-government protests in neighboring Belarus and the poisoning of Russian opposition leader Alexei Navalny. Both events raise the prospects of new sanctions against Russia.

Analysts also say that investors are being kept at bay by the prospect of sanctions over the upcoming U.S. presidential elections.

The Kremlin on Monday attributed the ruble's drop to market volatility and expressed confidence in its recovery.

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