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INDEPENDENT NEWS FROM RUSSIA

Russian Markets Tumble on Discovery of 'Worst Ever' Coronavirus Strain

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Moscow, Russia. **Igor Ivanko / Moskva News Agency**

Russian financial markets have tumbled in a day of global market turmoil following the discovery of a new coronavirus strain, dubbed the "worst ever" by scientists.

The ruble sank 2% against major currencies by Friday lunchtime in Moscow trading, hitting a seven-month low of 75.7 against the U.S. dollar and 85.2 against the euro.

The sell-off caps a punishing week for Russian markets, which started with what traders have dubbed "black Monday" — a day of heavy losses prompted by fears of military confrontation between Russia and Ukraine.

Russia's stock market has now lost 16% over the past four weeks.

Several countries have restricted travel to South Africa and a number of other African countries, where the new strain of the coronavirus, named "Nu," was first discovered.

Scientists say the new variant has more mutations on the virus' protein spike than even the highly-transmissible Delta variant, prompting fears it could be better able to evade vaccines and extend the pandemic.

Russia's main stock market, the dollar-denominated RTS index, slumped by more than 4% in the first hours of trading Friday as investors took stock of the news and potential impact on the global economy. Russia followed other major markets lower, with the main stock indices in London and Frankfurt also down by more than 3%. Traders in the U.S. are also braced for big losses when markets open later Friday.

In Russia, commodities companies were the biggest fallers, heading lower after a 5% fall in the price of oil, as traders fear travel restrictions and new lockdowns could be on the way.

South Africa is on Russia's list of countries with which air travel has been restored following a complete closure of Russia's borders at the start of the coronavirus pandemic last year.

The Russian Embassy in South Africa said Friday it was following the situation, but was not advising Russians to stop travelling to the country, the state-run TASS news agency reported.

The Kremlin has previously shut down travel to virus hot spots and areas where new variants have been discovered, banning flights to Britain following the discovery of the Alpha strain last December, for instance.

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