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Russian Ruble Falls to 100 Per Dollar in Official Exchange Rate

November 19, 2024



Arthur Novosiltsev / Moskva News Agency

Russia's Central Bank set the ruble's official exchange rate at over 100 to the dollar for Wednesday, marking the first time the currency has slipped pass the symbolic threshold in more than a year.

Wednesday's rate, pegged at 100.03 rubles per dollar, reflects a nearly 19% devaluation since Ukraine's surprise incursion into Russia's Kursk region on Aug. 6. The ruble's latest drop follows President Vladimir Putin's decision to lower Moscow's nuclear strike threshold after the U.S. gave Kyiv permission to fire long-range missiles at targets inside Russia.

The ruble last breached the 100-per-dollar mark in October 2023 amid concerns over slowing economic growth and rising inflation.

Although Putin introduced measures to stabilize the currency at that time, Bloomberg recently reported that authorities in Moscow are now less concerned about a weaker ruble as they prepare for large increases in military spending.

Russia’s Central Bank has set official exchange rates since the Moscow Exchange suspended trading in dollars and euros in June due to U.S. sanctions. Rates are based on over-the-counter trades involving large exporters and commercial banks.

A weakened ruble threatens to erode Russians’ purchasing power, raising prices for imported goods. The currency previously hit a historic low of 150 per dollar after Russia invaded Ukraine in early 2022, recovering briefly after the Central Bank imposed strict capital controls.

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