The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

# Russia's Central Bank Acknowledges 'Short-Term' Impact on Ruble Exchange Rate

November 29, 2024




The Russian Central Bank. **MT**

Russia's Central Bank acknowledged on Friday that U.S. sanctions caused a short-term drop in the ruble's value as it sought to give reassurances that its current interventions were enough for the currency to regain ground.

U.S. sanctions on Gazprombank, Russia's main conduit for energy sales, and 51 other Russian lenders last week sent the ruble to a two-year low of almost 115 to the dollar this week.

"What we've seen in the past week is a very short period," said Central Bank deputy chair Philipp Gabunia. "Indeed, the volatility caused by sanctions can create short-term imbalances of currency supplies on the market."

The ruble rose to 105 to the dollar on the Forex exchange markets by Friday afternoon, the day after the Russian Central Bank announced it would stop buying foreign currency — while

maintaining sales — in the domestic foreign exchange market until the end of 2024.

“In our opinion, the measures we’ve currently taken are sufficient [and] we see signs that the situation is stabilizing,” Gabunia told reporters during the briefing.

He said the bank’s record-high interest rate of 21% reduces demand for foreign currency and “creates additional attractiveness of ruble assets.”

“That’s why we don’t need to take any emergency measures because we don’t see any threats to financial stability at the moment.”

Russia’s Central Bank set its official rate for Friday at 109.57 rubles to the dollar and 116.14 rubles to the euro.

Original url:
https://www.themoscowtimes.com/2024/11/29/russias-central-bank-acknowledges-short-term-impact-on-ruble-exchange-rate-a87177