

St. Pete Plans Bond Sale

By [The Moscow Times](#)

August 24, 2010

The  **Moscow Times**

St. Petersburg plans to sell bonds this year for the first time since 2005, Eduard Batanov, head of the city's finance committee, said Tuesday.

The municipal government will issue 5 billion rubles (\$163 million) of bonds at the end of October or in November with a maturity of "at least" five years and will sell a further 5 billion rubles before the end of the year, Batanov said. The city has no outstanding debt, he said.

The city government "doesn't rule out" selling eurobonds in two or three years, he said. St. Petersburg is rated Baa2 at Moody's Investors Service, one level below the government, and BBB by Standard & Poor's, the same level as Russia's sovereign rating.

St. Petersburg was forced to delay \$13 billion of infrastructure projects last year after credit markets seized up and investors fled emerging markets. The city's economy has since recovered, helped in the first half of the year by growing retail sales and a 10 percent jump in manufacturing output. The hometown of President Dmitry Medvedev and Prime Minister Vladimir Putin is a production hub for carmakers, including Toyota and Hyundai.

The city's budget posted a surplus of 29.8 billion rubles in the first six months of the year, the government said on its web site, without giving the figure for last year.

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