

Oil, Mine Stocks Climb On First Day of Trading

By [The Moscow Times](#)

January 11, 2011

The  **Moscow Times**

Stocks climbed on Tuesday, the first day of trading this year, as oil rose and coal producers surged after floods in Australia pushed prices to a two-year high.

Mechel, the country's biggest producer of coal for steelmaking, rose 7.5 percent while Rapskaya gained 7.3 percent. Magnitogorsk Iron & Steel, owned by billionaire Viktor Rashnikov, surged 7.9 percent. LUKoil, the nation's second-biggest oil producer, climbed 3.8 percent. Those movements helped push the 30-stock MICEX Index 1.5 percent higher to 1,713.97 by the 6:45 p.m. close, its biggest advance since Dec. 2.

Oil, Russia's main export earner, climbed as much as 1.2 percent to \$90.33 a barrel in New York. Australian export coking-coal prices jumped 6.9 percent last week, according to IHS McCloskey, a Petersfield, England-based provider of coal data. Thermal coal prices rose to the highest since September 2008 as Queensland's worst floods in 50 years disrupted mines and cut transport, it said.

Russian markets reopened Tuesday after public holidays for New Year and Orthodox Christmas. The Russian Depository Index, a gauge of securities traded in London, has risen 2.1 percent so far this year.

“Stocks are largely catching up on gains by Russian global depository receipts and American depository receipts,” Peter Westin, chief strategist at Aton Capital in Moscow, said by phone. “Metals are helping too.”

Copper for delivery in three months climbed 1.5 percent, to \$9,461 a metric ton in London. Tin, zinc and nickel also increased on the London Metal Exchange.

Rostelecom extended its longest winning streak in four months after the Vedomosti newspaper reported that Russia’s dominant long-distance phone company plans to acquire cable television and Internet provider NTK. The stock climbed 4.2 percent to 163.22 rubles, its biggest gain since September.

State-run Rostelecom plans to acquire 21.8 percent of NTK for \$288 million, Vedomosti reported Tuesday, citing company documents. Two affiliates each plan to buy 25 percent of NTK, Vedomosti said. Rostelecom will then merge with the two affiliates in March to hold 71.8 percent of NTK, which would trigger a mandatory offer to minority shareholders, pushing the combined total to \$1.45 billion, the newspaper said.

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