

# Tax Deadline Gives Russia's Ruble a Rare Good Day

By [The Moscow Times](#)

October 21, 2014



Russian shares were mixed on Tuesday after the death of Total's CEO Christophe de Margerie in an overnight plane crash and as trading on European stock markets was choppy.

Pressure on the ruble eased slightly on Tuesday as Russian firms sold foreign currency to pay taxes falling due in rubles, and though early stock market sentiment was soured by the death of French oil major Total's chief executive in a plane crash in Moscow, the markets ended the day up.

At 8 p.m. the Russian currency was 0.3 percent stronger against the dollar at 40.91 and gained 0.9 percent to trade at 52.1 versus the euro.

That left the currency 0.6 percent stronger at 45.9 against the dollar-euro basket that the Central Bank uses to gauge the ruble's nominal exchange rate.

"There's a solid foreign currency offer on the market, while demand for dollars is less than

in recent days," a currency dealer based in Moscow said.

The Russian currency has been pressured by falling oil prices, Western sanctions restricting Russian firms' access to international capital markets, and a stronger dollar, prompting the Central Bank to spend more than \$13 billion to defend the ruble since the start of the month.

The ruble weakened at market opening on Tuesday, briefly touching the upper limits of its trading band against the dollar-euro basket, before paring losses as Russian exporters offered foreign currency to the market.

Also providing support, prices for global crude benchmark Brent rose to over \$86 a barrel. Oil is one of Russia's chief exports, and sales of oil and gas account for up to half of Russia's federal budget revenues.

The Central Bank currently steps in to defend the currency once it weakens beyond 46.30 rubles per basket.

Russian shares were mixed on Tuesday after the death of Total's CEO Christophe de Margerie in an overnight plane crash and as trading on European stock markets was choppy.

The dollar-denominated RTS index was 0.7 percent higher at 1,064 points at the end of trading, reversing early losses, while its ruble-based peer MICEX finished 0.5 percent higher at 1,383 points.

Total's De Margerie was killed when his private jet collided with a snowplow during takeoff at Moscow's Vnukovo Airport overnight, the company and airport officials said.

"Reactions to the tragic death of Total CEO Christophe de Margerie in Moscow late last night may dominate news flow," analysts at Sberbank Investment Research wrote in a note.

The Finance Ministry on Tuesday canceled its weekly auction of treasury bonds for the second week in a row, citing unfavorable market conditions.

Original url:

<https://www.themoscowtimes.com/2014/10/21/tax-deadline-gives-russias-ruble-a-rare-good-day-a4063>