

Deutsche Bank Says Trimming Russia Business in Strategy Review

By [The Moscow Times](#)

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A man walks near an office building, which houses the Russian headquarters of Deutsche Bank, in Moscow, Russia, Sept. 17, 2015.

Germany's Deutsche Bank confirmed on Friday it is closing part of its business in Russia, where it has been hit by sanctions and investigations into share trades, as part of a review of its global structure.

The bank said it would close its corporate banking and securities business in Russia, while its Russian corporate finance and markets businesses will operate from international hubs instead.

Two people familiar with the bank said it planned to cut around 200 jobs in Russia from a current total of around 1,300.

Deutsche is in the midst of a sweeping program to shrink its global footprint to a regional one

under new chief executive John Cryan.

Official investigations in Europe and the United States into share trades conducted by Deutsche's Moscow office have piled added pressure on the bank.

It said the decision to scale back in Russia was made to reduce complexity, costs, risks and capital consumption and that it expected to substantially complete the closure and transition of its Russian businesses by the end of the year.

The announcement confirmed a Reuters report earlier this week, citing sources, that Deutsche Bank was planning to scale back its Russian business.

Deutsche's Russian operation expanded rapidly on the back of lucrative financing deals it assembled for clients as the Russian economy enjoyed an oil-fueled boom.

However, deal-making in Russia has slowed because of Western sanctions imposed in response to Russia's intervention in Ukraine, and because the falling oil price has pulled Russia's economy toward recession.

Deutsche said it would keep its global transaction banking business in Russia and would continue to serve local wealth management clients.

Deutsche posted an announcement on the closure of its corporate banking and securities business in Russia on Thursday, in what appeared to be a premature announcement that was released in error.

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