

Yandex Shares Plummet as Russia Considers Limits on Foreign Ownership

More than \$1 billion wiped from the company's valuation on fears the Kremlin favors limiting foreign investment in tech companies.

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Lawmakers previously said plans for restrictions on foreign ownership were not part of a plan to nationalise Yandex **Moscow-Live.ru / Flickr (CC BY-NC-SA 2.0)**

Shares in Russian tech giant Yandex have plummeted after reports the Kremlin is backing plans to limit the stakes of foreign owners in Russian IT companies.

Yandex shares fell by 17% in the first minutes of trading on the Nasdaq exchange in New York on Friday, wiping more than \$1 billion from the company's value. Shares were trading below \$30 Friday afternoon, after closing Thursday's session north of \$35.

Related article: [Russian Lawmaker Says Draft Foreign Ownership Law Not Aimed at](#)

[Nationalizing Yandex](#)

The plunge came after media reports suggested Kremlin officials are welcoming a draft law to limit foreign ownership of Russian tech companies to 20%. The proposals were introduced in June by Anton Gorelkin, a Duma member from the Kremlin-loyal United Russia party and based on a similar rule which restricts foreign ownership of media companies.

Russian news website The Bell reported overnight that people close to President Vladimir Putin have been lobbying in favor of the restrictions. The Communications Ministry had previously been opposed to the idea, while Roskomnadzor, the communications regulator, was in favor.

Yandex, a poster-child for the Russian tech industry, is heavily exposed to foreign ownership restrictions since the majority of its shares are traded on Nasdaq.

Yevgeny Mironyuk, market analyst at Freedom Finance, said the share price fall could also be linked to a possible leak of customer data from Yandex.Money, the company's electronic payments arm.

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