

Ash questions Russia's readiness to buy next round of Ukraine bonds

Opinion

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“A key test is whether Putin gets the cheque book out before the end of this month, or decides to wait a while longer, and see whether Yanukovych survives to repay the overdraft. ”

LONDON, Jan 23, 2014 (UBO) – Responding to news that Finance Minister Anton Siluanov told reporters today that Russia is ready to buy the next tranche of Ukraine's Eurobonds, Standard Bank emerging market economist Timothy Ash said at 2:07 PM: I had been hearing similar things about mixed views in Moscow as to whether to delay the next disbursement in the USD15bn facility (USD3bn in bail-bonds sold/bought in December). A key test is whether Putin gets the cheque book out before the end of this month, or decides to wait a while longer, and see whether Yanukovych survives to repay the overdraft. Still tense on the ground, albeit Klitschko has asked both sides to observe a ceasefire until 8pm this evening - he is due to meet Yanukovych at 1pm today - I guess that meeting is on-going. Yanukovych has been given an ultimatum of early elections, cabinet changes, repeal of anti-demo laws, et al. If Yanukovych agrees to early elections now, he will lose, and then will be worried about his "legacy" so some assurances might need to be given - i.e. a "stay out of jail card". "Form" suggests Yanukovych will offer very limited concessions, i.e. just more talks, hoping to buy time. PM Azarov has been saying that the demonstrations lack public support. I have seen two recent polls now that suggest a slim majority supports the demonstrations, including Razumkov, and the one from below: Q? What do you think of protests taking place in Independence Square, Kiev and to similar actions in other cities of Ukraine in November-December 2013? 1. Totally in agreement with these protests 32.2 2. Generally supportive 18.1 3. Generally unsupportive 16.8 4. Strongly against 25.7 5. Hard to say 7.1 Link to full results: <http://dif.org.ua/en/polls/2013-year/...litichni-pidsumki-i-prognози-zagalnonacionalne-i-ekspertne-opituvannja.htm> The latter polls were taken before the deaths on the front lines, so it will be important to see how that changes attitudes.

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