

Russian Eurobond sale message to West of sanctions lack of effectiveness **Opinion**

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Ash: "the message from Moscow;we can still access markets, despite sanctions."

LONDON, June 19, 2017 (UBO) – Responding to an announcement that Russia plans sale of Eurobonds, Timothy Ash of Bluebay Asset Management offered the following comments at 10:52 today: Part of USD7bn external borrowing programme. Assume on the same terms as last year's Russian settling instrument. Driven more by politics, than finance/economics as they don't really need the money, but I think this is to send a message to the West that they can still issue, despite little progress in moderating sanctions. Russia will be eager to sell the line that lots of foreign institutional investors participated, itself as a sign of confidence in Russia itself. There was a sense that they would wait with issuance until after sanctions eased, to get better pricing, but by coming now I guess it signals that they assume no early sanctions moderation. But the message from Moscow will be so what, we can still access markets, despite sanctions.

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