

# MARKET UPDATE

04/03/22

## **Oil rises above \$111 as Ukraine conflict offsets Iran supply hope**

Oil rose above \$111 a barrel on Friday in a volatile session as fears over disruption to Russian oil exports in the face of Western sanctions offset the prospect of more Iranian supplies in the event of a nuclear deal with Tehran.

Signs of an escalation in the Russia-Ukraine conflict, with reports of a fire at a Ukrainian nuclear power plant, spooked markets before authorities said the fire in a building identified as a training centre had been extinguished.

## **Yandex Says It May Default Due to Extended Trading Suspension**

Russia's biggest Internet company warned late on Thursday that it may default on its dollar bonds due to the extended suspension of its common stock and depositary receipts.

Yandex (NASDAQ:YNDX) operates search, ride-hailing, and e-commerce activities among other things. It is legally domiciled in the Netherlands and listed on Nasdaq but almost all of its operations are based in Russia.

## **Stocks deepen week's losses as Ukraine invasion escalates**

Stocks extended their losses for the week on Friday as investors piled into government bonds and gold for cover while scrutinising the latest twists in Russia's escalating invasion of Ukraine, which included seizing a huge nuclear plant.

Industrial metals, grains and oil gained while Asian shares mined 16-month lows after news of a fire, later extinguished, near a Ukraine nuclear facility following fighting with Russian forces.



## European stocks head for third week of declines

European stocks sank on Friday, on course for their third consecutive week of declines following reports of a nuclear power plant on fire amid fierce fighting between Ukraine and Russian troops.

## Dollar Gains, Euro Falls as Ukraine Conflict Escalates with Nuclear Station Attack

The U.S. dollar traded higher while the euro headed for its worst week in nine months as the intensifying war in Ukraine prompted safe haven flows as well as a hit to European growth expectations.

The Dollar Index, which tracks the greenback against a basket of six other currencies, traded 0.3% higher at 98.055.

EUR/USD fell 0.5% to 1.1012, just above its lowest level since May 2020. The single currency has lost almost 2% against the U.S. currency this week, which would be its worst week since June 2021.

The catalyst to the latest forex moves was an attack by Russian troops on Ukraine's Zaporizhzhia nuclear power plant, the largest of its kind in Europe, as Moscow tightens its grip on its southern neighbour.

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