

FINANCIAL SERVICES

## Stocks plummet as tensions rise amid Russia-Ukraine conflict

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Joe Biden announced sanctions against Russian banks and key individuals. Image credit: Shutterstock

By LUXURY DAILY NEWS SERVICE

The U.S. stock market saw some severe dips on Feb. 22 as agitation between Russia and Ukraine continues to grow.

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Stocks fell as the Dow Jones Industrial Average closed down more than 480 points, the S&P 500 closed down 1.01 percent and the Nasdaq Composite fell by 1.23 percent. Markets continue to show volatility as U.S. President Joe Biden announced specific sanctions on Russia.

### Global conflict costs

Unrest in Russia and Ukraine has garnered the undivided attention of the world, with aftershocks impacting markets worldwide.

At its lowest dip of the day, the Dow had lost more than 700 points. It was the fourth straight losing session for the Dow.

On Feb. 21, Russian President Vladimir Putin announced he would recognize the independence of two breakaway regions in Ukraine, where he also ordered forces into.



*U.S. citizens have been urged to leave Ukraine. Image credit: InterContinental Hotels & Resorts*

In response, President Biden announced financial sanctions on Russian bank VEB and its military bank, Russia's sovereign debt and specific wealthy individuals and their families. The U.K. has also begun implementing targeted economic sanctions against five Russian banks and three wealthy individuals.

While the U.S. and its European allies continue pursuing a diplomatic solution, an invasion of Ukraine could have a widespread impact on financial markets in addition to the human toll.

Regarding the effect on luxury, while Ukraine's luxury market is smaller than Russia's, several brands have a physical presence in Kyiv, including Louis Vuitton, Dior, Cartier, Gucci, Burberry and Van Cleef & Arpels. Luxury department store Serahunt also carries many luxury labels, including Balenciaga, Fendi and Versace ([see story](#)).

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