



May - June 2015

During May - June of 2015 the average daily trading volume of shares, DRs and investment funds on Moscow Exchange amounted to 35 bln RUB.

The total volume of bonds placed amounted to 460 bln RUB for the period, which is 50% higher compared to last year. The share of corporate bonds placements in total volume of bonds placed amounted 73%.

On 1st June 2015 main trading mode for Federal Loan Bonds (OFZ) was moved to T+1 settlement cycle, which positively affected liquidity: trading volume in June amounted to 309 bln RUB, which is 21,5% higher compared to June 2014. Trading from retail investors in Federal Loan Bonds reached record levels of 10%, which is more than two times higher than average monthly trading volumes of retail investors in OFZ during 2014.

Individual Investment accounts, which were introduced on 1 January 2015 and give tax rebates to domestic tax residents, have been very popular and looks to grow. At present 43 domestic brokers and Asset management companies have implemented the product in their range of retail services with the number of newly opened Individual Investment accounts exceeding 33,000.

The average daily share of trading accounted by the Closing auction in the daily trading volume increased to 2% against 1,3% at the same period year before. This continues to grow and FTSE now use the closing auction price in their calculations.

RVI Index shows 4 times lower volatility compare spike in 2014.



Russian market volatility decreased significantly. Russian volatility index RVI (VIX analog) was at 37 points at the end of June 2015, which is over two times lower than the RVI maximum in 2015, and for times lower than the maximum in 2014.

Throughout May and June 2015 the Moscow Exchange continually had better results in terms of spreads and liquidity for the majority of dual-listed stocks than the London Stock Exchange.

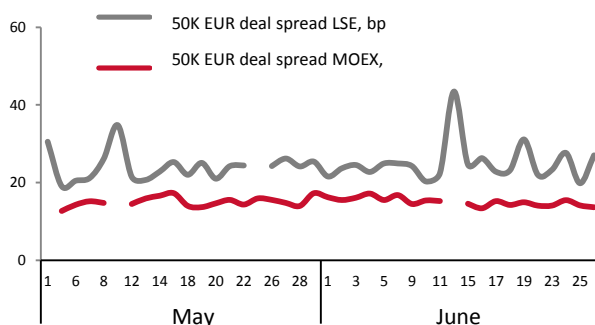
MOEX trading volume share against LSE during May-June amounted 56,4% which is 4% higher than MOEX share during the two previous months.

The average spread for transactions of 50000 EUR on the Moscow Exchange was 15 bp, while the rate on the LSE was 24,6 bp. The average daily bid-ask spread on the Moscow Exchange, calculated on the 33 dual listed stocks, came to 4.5 bp, which is 2.7 times less than on the London Stock Exchange.

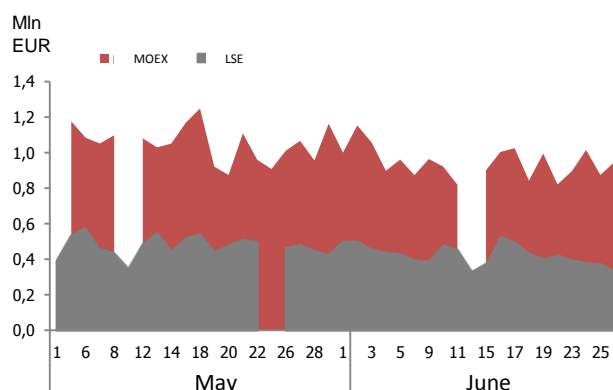
Daily average volume of visible liquidity on MOEX exceeded that on the LSE by 122%*.

**data provided by LiquidMetrix*

Liquidity concentration on MOEX: during public holidays in Russia spreads widen sharply.



Average daily volume of visible liquidity exceeded the same parameter on LSE by more than 200%.



NSD launches New Website about corporate action reform

The National Settlement Depository (NSD), Russia's central securities depository, has launched a website dedicated to the corporate action reform – www.corpactions.ru. One of the key tasks of the website is inform all participants in the market about the progress of the reform and to receive feedback from them.

Issuers, depositors, registrars and other professional participants of the financial market will be able to find a detailed description of all aspects of the reform on the new website – from legal changes and timeframe of the reform to technological details and information about international experience in this sphere.

The reform is designed to improve the collection and dissemination of corporate action information using international standards and new technologies. For the NSD as the initiator and main protagonist of the reform it is very important to understand the market participants' opinions and to act in close cooperation with them so that the project is successful.

New market-making program for Federal Loan Bonds

First market-makers joined the new market-making program to support liquidity of Federal Loan Bonds market with T+1 settlement cycle. Starting on 1 June 2015 there are now market-makers on 10 liquid Federal Loan Bonds issues.

The Liquidity support program is based on the principals of the open market-maker program for equities, but at the same time conditions and rebates were specified for Federal loan bonds.

Full details of the Market-maker program description and conditions are available on the Moscow Exchange web-site www.moex.com.

Developing retail class of investors in Russia

Moscow Exchange spends a lot of time and effort in helping domestic brokers and Asset management companies to attract new clients and develop the retail investor market. In this regard MOEX sponsored the competition

«I, Investor» where private clients can trade on their real accounts virtual stocks, but the profits of more than 2k RUB will be paid in real money sponsored by MOEX. Currently 11,000 new accounts have been opened, and total number of participants is exceeds 15,000.

OTC Reporting for Russian instruments traded outside Russia

Cinnobers' exchange-independent trade data monitor BOAT in partnership with Moscow Exchange has launched support of the post trade publication of Russian OTC trading, by including stocks listed on the Moscow Exchange.

The extended service offering equips every Boat participant with the ability to report OTC trades in Russian security instruments, in addition to its coverage of more than 10,000 European stocks and ETFs. The addition covers more than 300 Russian security instruments, including common and preferred stocks. For more information please contact securities.market@moex.com.

Classica market instruments to be moved to MOEX Board

Moscow Exchange will shut down trading on its Classica sector from 3rd August 2015. Securities currently trading in the sector will be added to the MOEX Board system of indicative quotations with their tickers remaining the same in Bloomberg and Reuters. All tickers and reference data will remain unchanged along with USD and RUB SEDOL codes.

The Exchange has stopped trading in the Classica sector as it is not efficient to maintain. After the launch of the T+2 settlement cycle on the Equity Market, the liquidity has moved completely to the main T+2 sector with the Classica's volumes currently constituent only 0.01% of the total equity trading.

For more information please contact securities.market@moex.com.



Russia's first CPI-linked bonds placed on Moscow Exchange

Russia's first CPI-linked federal government bonds, to be known as OFZ-INS, were placed on Moscow Exchange on 17 July.

The security was placed at 91% of its nominal value amounting to RUB 1,000 as of 17 July. The security's principal value will be adjusted in line with movements of the Russian Federation's Consumer Price Index (CPI). The bonds have an 8-year maturity and a fixed 2.5% coupon rate.

Investors bought bonds for a total of RUB 52.0 bln, a daily record in OFZ (federal government bonds) offerings on Moscow Exchange. The order book comprised 191 bids from 46 trading participants. A total of 148 investors, of whom 39% were

banks and brokers, 45% were Russian pension funds and local institutional investors, 15% were international investors, and 1% were domestic private investors, participated in the placement.

Secondary trading terms would be equal to the current OFZ trading terms. Upon trade execution the accrued interest and face value on T+1 would be used.

Please pay attention! *Some settlement codes may be restricted due to the absence of the face value or accrued interest data within Moscow Exchange.*

Please see presentation for more details on Inflation-linked OFZ.

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All data in this Newsletter unless otherwise stated is Moscow Exchange data. Rouble denominated trading volumes have been converted into USD terms based on an average RUB/USD exchange rate for the stated period.

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