

TRADER'S FLASHNOTE - January 2015



Securities markets
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MAIN NEWS

- Individual investment accounts take off as of January 2015
- As of now, you can settle RPS (with CCP) transactions with settlement on 1, 2nd, 3rd, 4th and 5th day using settlement codes Y0, Y1, Y2, Y3, Y4, Y5
- Moscow Exchange has launched MOEX Board indicative quotation system in December 2014
- Lot size reduced for Eurobonds of Moscow Credit Bank and Promsvyazbank

NOWADAYS FREQUENTLY ASKED QUESTIONS

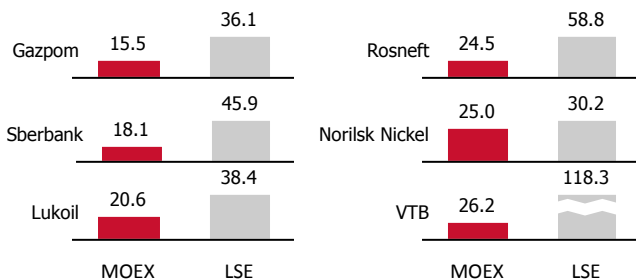
- Is it safe to keep exposure in local stocks comp. to DRs?
 - A DR represents one or more ordinary shares and these are always held at the Russian Central Securities Depository (NSD) which is part of the Moscow Exchange Group. All local stocks are held and settled in NSD as well.
- Is National Clearing Centre resilient to current turbulence?
 - NCC tripled its own funds (up to 37.3bln rub) since October 2013 when it was granted Qualified central counterparty status. On 17 Dec 2014 CBR confirmed it would support the NCC in the event of a member default meaning that NCC has back-up systems and security measures in place at all levels.
- Whether capital controls will be implemented in Russia?
 - Russia has never implemented capital controls, not in 1998, nor in 2008, and the Russian government and the Central Bank has continually refused rumors that there will be capital controls.
- Why holding locals is cost effective?
 - Two times lower spreads comp to DR. Daily average bid-ask spread on 33 stocks with dual listing during 2014 was 4.3 bp comp 11.1bp on LSE.
 - DRs holders have extra holding fees of up to 80 bps of turnover compared to locals.
 - Locals provide full scope of shareholding rights.
 - 90% of international investors with Russian exposure hold locals.

TRADING DETAILS

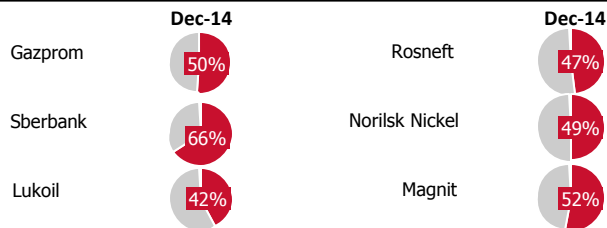
MOEX

LSE

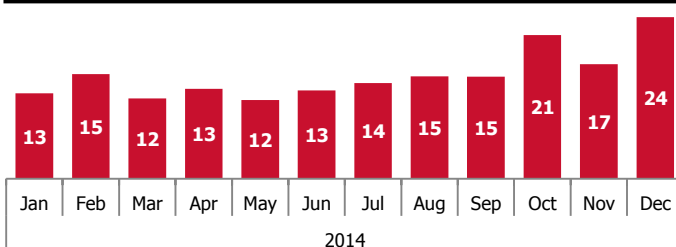
Spreads 50kEUR deals Dec-14 (bps)



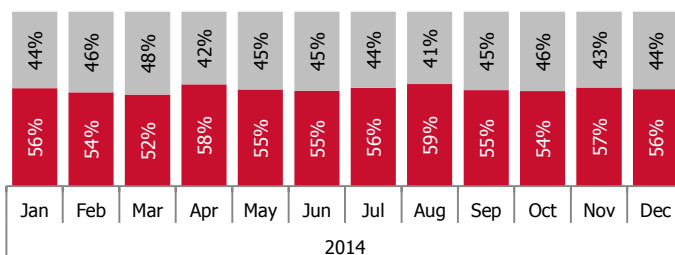
Trading volumes by issuers



Volume to maturity on bonds & equity interdealer REPO and repo with CCP, trn RUB



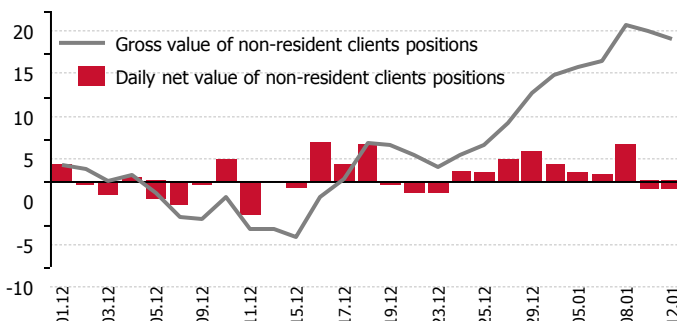
Trading volumes, dual listed stocks



TOP10 stocks Average daily trading volumes Dec-14

Name	Ticker	USD m	Name	Ticker	USD m
Sberbank	SBER	217	Magnit	MGNT	56
Gazprom	GAZP	110	Surgutneftegas p	SNGSP	42
VTB	VTBR	89	Sberbank p	SBERP	30
Lukoil	LKOH	76	Rosneft	ROSN	26
Norilsk Nickel	GMKN	62	MTS	MTSS	22

Net value of non-res. clients & prop trading positions, bln rub



Please send your questions and proposals to securities.market@moex.com