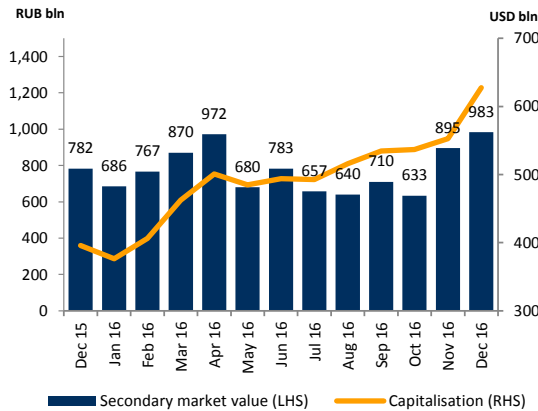




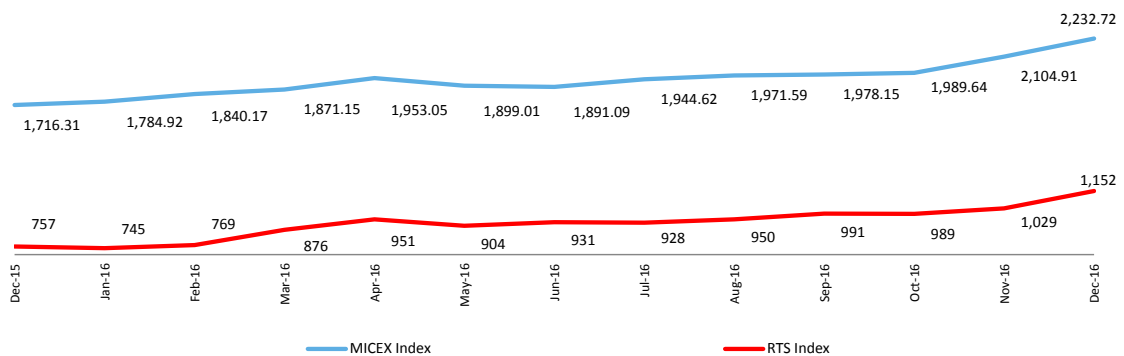
SECURITIES MARKET (STOCKS, RDRs, AND INVESTMENT FUND UNITS)

VALUE TRADED IN STOCKS, RDRs AND INV. FUNDS UNITS



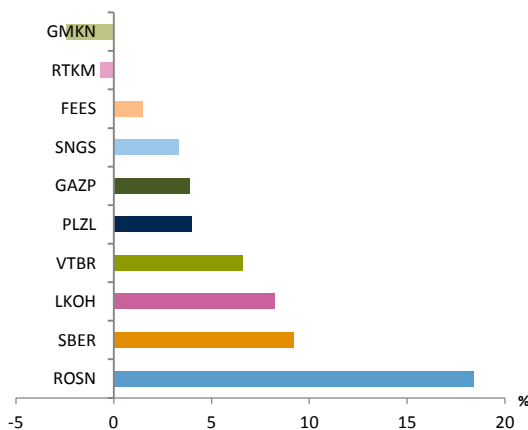
The trading volume of stocks totalled RUB 983 bln in December. The average daily trading volume was RUB 44.7 bln, up 4.7% MoM. The T+2 sector made up 98% of the total secondary market trading volume and the T0 sector accounted for 2%.

MICEX INDEX AND RTS INDEX PERFORMANCE



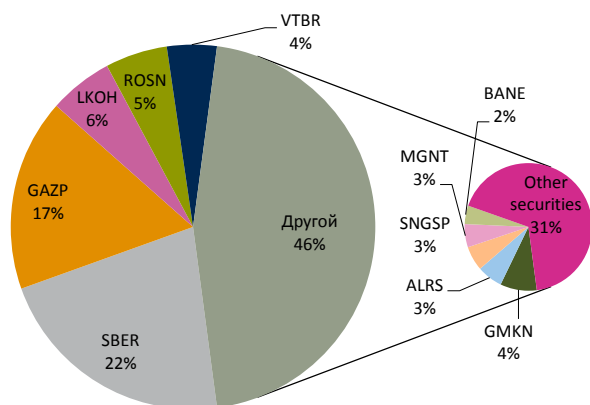
The MICEX Index was up 6% MoM to 2,232.72 at the end of December from 2,104.91 at the end of November. The dollar-denominated RTS Index was up 12% to 1,152.33 from 1,029.05. The cash equity market's capitalisation appreciated 13.5% to USD 627.5 bln from USD 552.7 bln.

MONTHLY CHANGES IN BLUE CHIPS' CLOSING PRICES



The following blue chips were down in December: Norilsk Nickel ords, by 2.4% (to RUB 10,122 per share), Rostelecom ords, by 0.7% (to RUB 84 per share). The following blue chip shares were up in December: Federal Grid Company ords, by 1.5% (to RUB 0.2032 per share), Surgutneftegas ords, by 3.3% (to RUB 30.95 per share), Gazprom ords, by 3.9% (to RUB 154.55 per share), Polyus Gold ords, by 4% (to RUB 4,431 per share), VTB Bank ords, by 6.6% (to RUB 0.074 per share), Lukoil ords, by 8.2% (to RUB 3,449 per share), Sberbank ords, by 9.2% (to RUB 173.25 per share), Rosneft ords, by 18.4% (to RUB 402.8 per share).

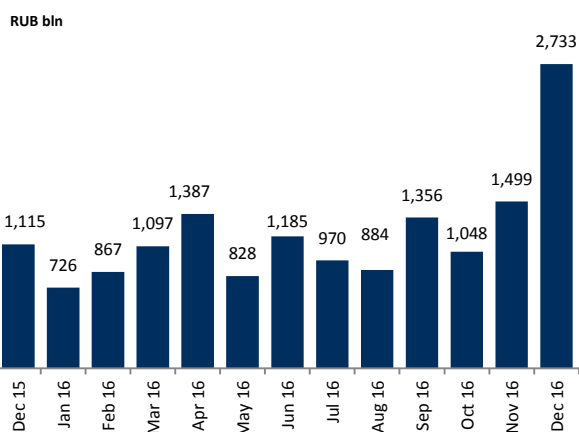
**MONTHLY BEST SELLERS**



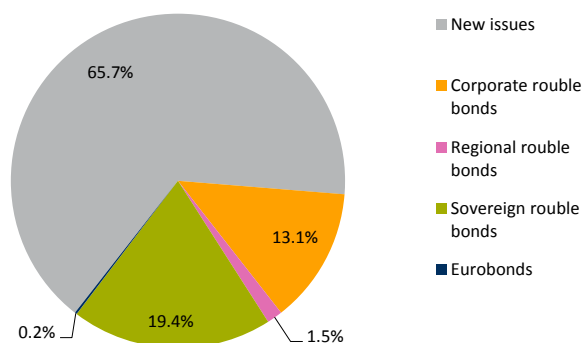
This month's most traded stocks were Sberbank ords (SBER) with a turnover of RUB 212.34 bln (22% of the total), followed by Gazprom (GAZP) with RUB 167.45 bln (17%), Lukoil (LKOH) with RUB 55.44 bln (6%), Rosneft (ROSN) with RUB 54.17 bln (5%) and VTB Bank (VTBR) with RUB 43.31 bln (4%). Other securities' turnover totalled RUB 449.9 bln (46% of the total trading volume).

**CORPORATE, REGIONAL, AND SOVEREIGN ROUBLE BONDS, AND EUROBONDS**

**TOTAL VALUE TRADED ON PRIMARY AND SECONDARY BOND MARKETS**

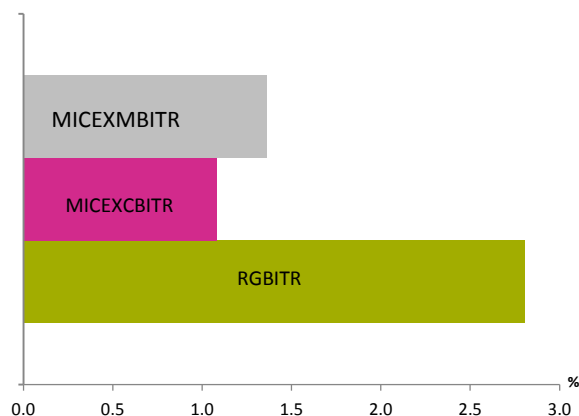


**MONTHLY TRADING VOLUME**



The bond market's trading volume totalled RUB 2,733 bln in December. The average daily trading volume was RUB 124.2 bln, up 74% MoM. Secondary market turnover in corporate rouble bonds was RUB 359 bln (13.1% of the total trading volume). Regional rouble bonds' turnover was RUB 41.4 bln (1.5%), Sovereign rouble bonds saw RUB 530.3 bln (19.4%), Eurobonds had RUB 5.5 bln (0.2%) and bonds of MFI had RUB 1.1 bln (0.04%). The total volume of new issues placed soared by 65.7% to RUB 1,795.8 driven by overnight bonds offerings.

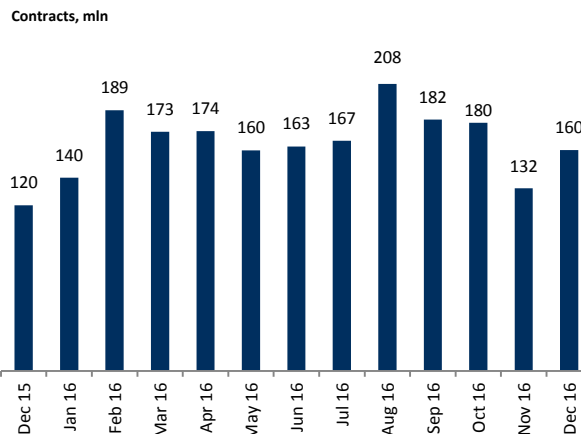
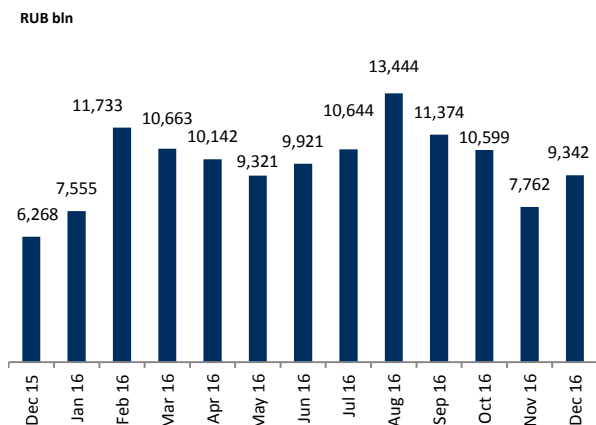
**MONTHLY CHANGES IN BOND INDICES**



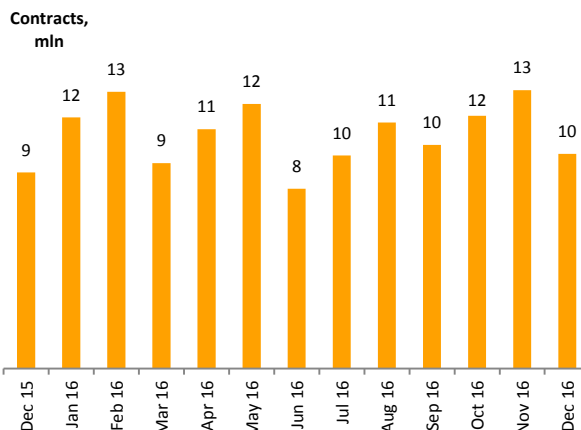
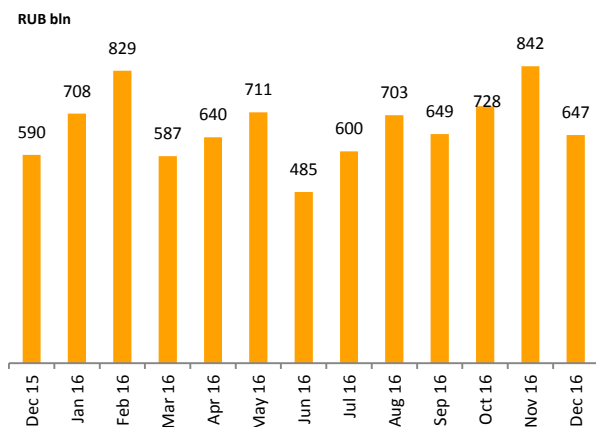
The Russian Government Bond Index (RGBITR) grew 2.8% in December to 413.58 (from 402.28 at the end of November). The MICEX Municipal Bond Index (MICEXMBITR) was up 1.4% to 222.71 (from 219.71). The MICEX Corporate Bond Index (MICEXCBITR) was up 1% to 316.32 (from 312.93).

# DERIVATIVES MARKET

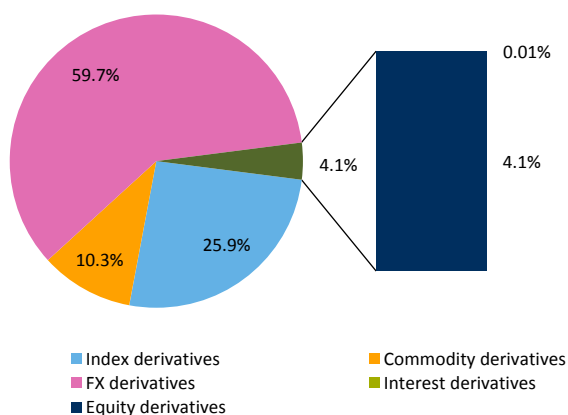
## DERIVATIVES MARKET TRADING VOLUME



## DERIVATIVES MARKET OPEN INTEREST

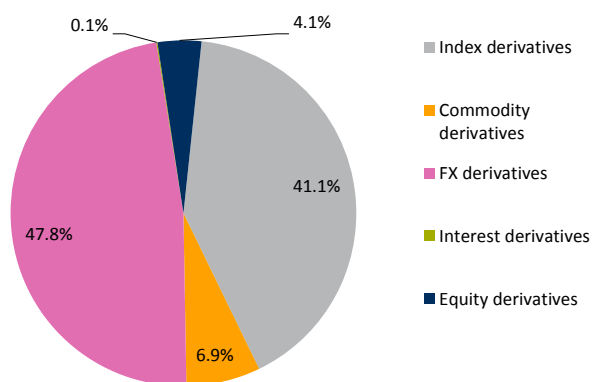


## TRADING VOLUME BY UNDERLYING ASSET



The total value traded on the Moscow Exchange’s Derivatives Market in December was RUB 8.4 trln, or 145 mln contracts. The average daily value was RUB 383.5 bln, down 19% MoM. The total open interest at the end of the month was RUB 647 bln, or 10 mln contracts. Index derivatives made up 31.7% of the total trading volume (RUB 2.7 trln), securities derivatives constituted 3.8% (RUB 323.7 bln), FX derivatives made up 46.7% (RUB 3.9 trln), interest derivatives came to 0.02% (RUB 1.5 bln), and commodity derivatives were 17.8% (RUB 1.5 trln).

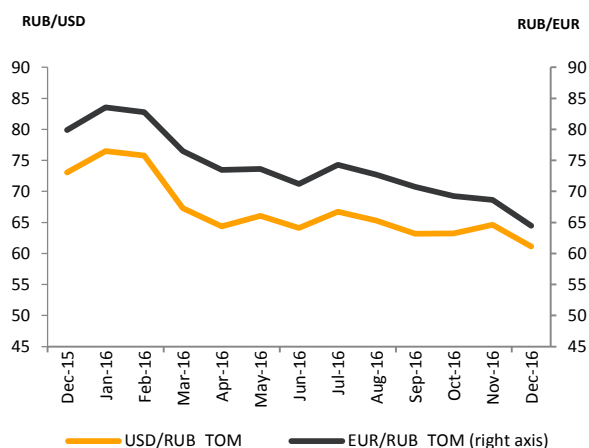
### OPEN INTEREST THE END OF THE MONTH



By the end of the month, open interest totalled RUB 647 bln, of which:  
 RUB 309 bln (47.8%) were FX contracts;  
 RUB 266 bln (41.1%) were index contracts;  
 RUB 44.9 bln (6.9%) were commodity contracts;  
 RUB 0.7 bln (0.1%) were interest rate contracts; and  
 RUB 26.4 bln (4.1%) were securities contracts.

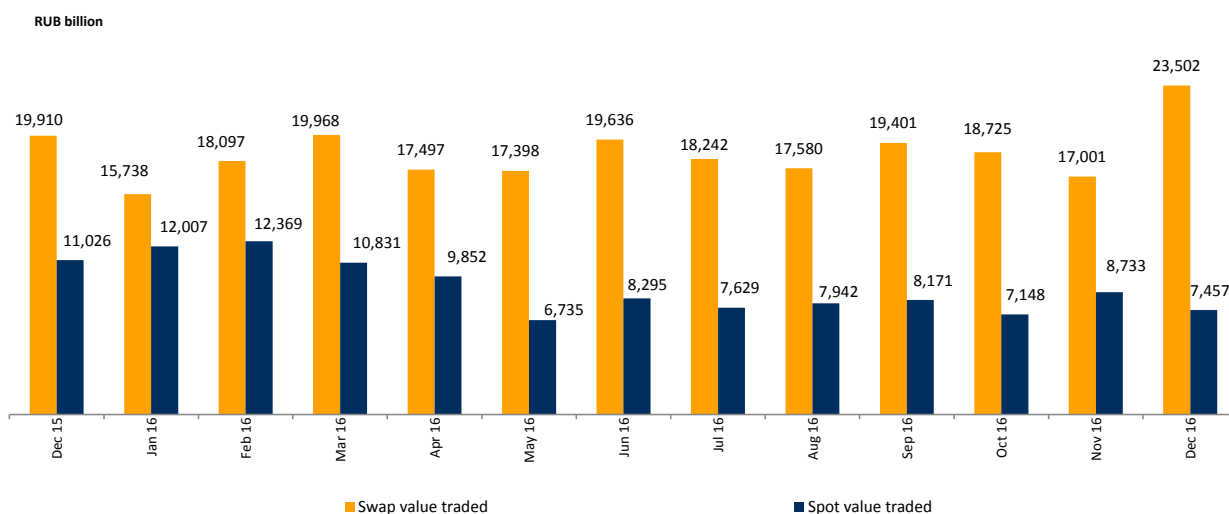
## FX AND MONEY MARKET

### EXCHANGE RATES

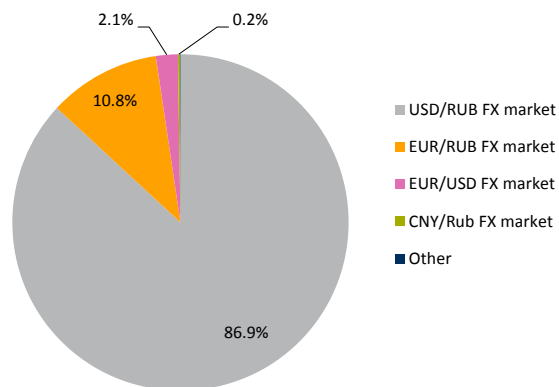


The USD and EUR depreciated against the RUB in December. The USD with next day settlement weakened RUB 3.47 (5.4%) to RUB 61.13. The EUR with next day settlement lowered RUB 4.16 (6.1%) to RUB 64.48 at the end of December.

### FX MARKET TRADING VOLUME

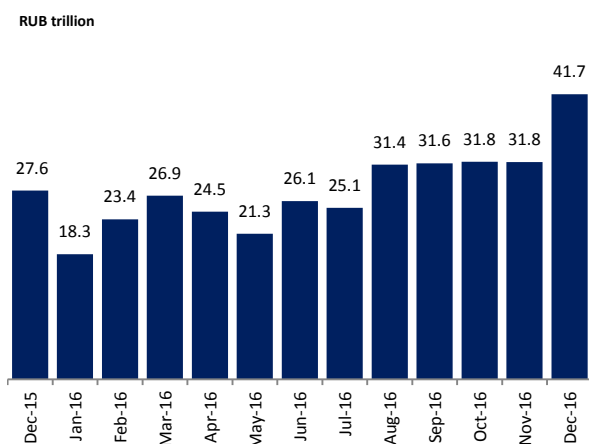


### TRADING VOLUME

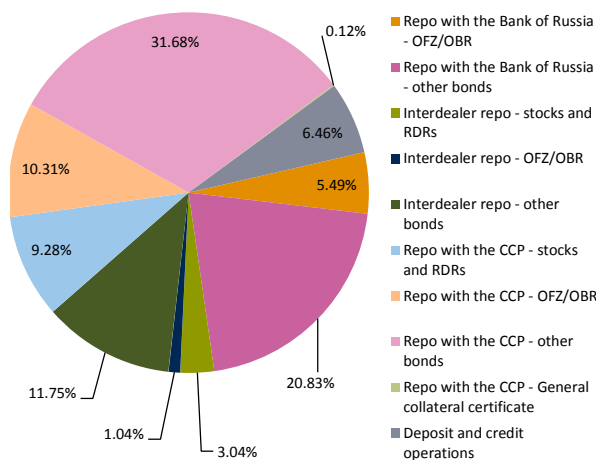


The FX market's trading volume totalled RUB 31 trln in December. The average daily trading volume was RUB 1.4 trln, up 14% MoM. Spot trading reached RUB 7.5 trln, or 24.1% of the total trading volume. Swap operations accounted for 75.9% of the total trading volume (RUB 23.5 trln). USD/RUB transactions made up 86.9% of the total trading volume, with a total value of RUB 26.9 trln; EUR/RUB came to RUB 3.3 trln (10.8%); EUR/USD totalled RUB 0.7 trln (2.1%), and CNY/RUB were RUB 55.6 bln (0.2%). Other instruments were traded for RUB 17.2 bln.

### MONEY MARKET TRADING VOLUME



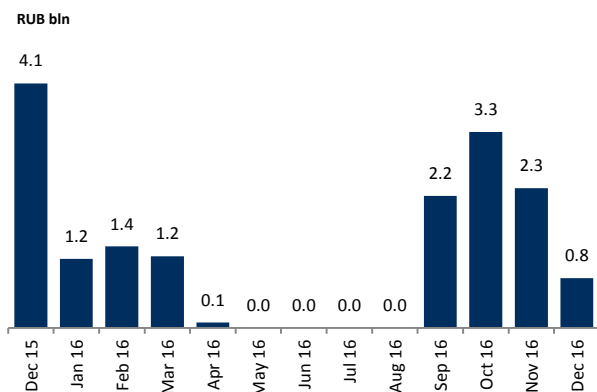
### TRADING VOLUME BREAKDOWN



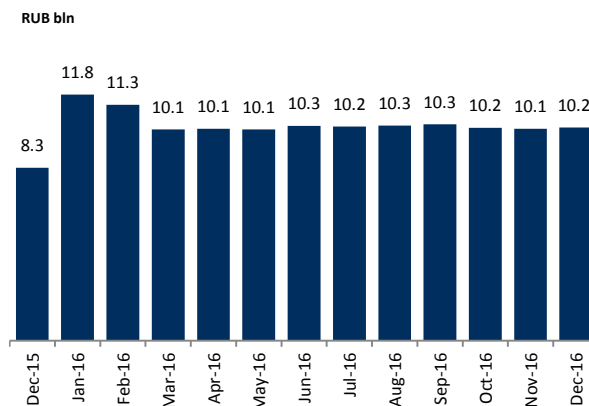
The Money Market's trading volume was RUB 41.7 trln in December. The average daily trading volume gained 25.3% MoM to RUB 1,896 bln. Direct repo with the CBR came to RUB 2,289 bln (5.5%) for OFZs and OBRs, and RUB 8.7 trln (20.8%) for other bonds. Interdealer repo transactions totalled RUB 1.3 trln (3.0% of the total trading volume) for stocks and RDRs, RUB 436 bln (1%) for OFZs and OBRs, and RUB 4.9 trln (11.8%) for other bonds. Repo transactions with the CCP came to RUB 3.9 trln (9.3% of the total) for stocks and RDRs, RUB 4.3 trln (10.3%) for OFZs and OBRs, RUB 13.2 trln (31.7%) for other bonds, and RUB 49.2 bln (0.1%) for general collateral certificates (GCC). Deposit and credit transactions totalled RUB 2.7 trln (6.5%).

## COMMODITIES MARKET

### GRAIN INTERVENTIONS TRADING VOLUME



### PRECIOUS METALS TRADING VOLUME



The Commodities Market's trading volume was RUB 11 bln in December. Grain interventions totalled RUB 10.2 bln (92% of the total), while precious metals saw turnover of RUB 0.8 bln (8%).

## MOSCOW EXCHANGE GROUP MONTHLY MARKET REPORT: DECEMBER 2016

Market	December		November		Change in trading volume, %
	Trading volume, bln RUB	Number of trades	Trading volume, bln RUB	Number of trades	
<b>Secondary securities market (stocks, RDRs and fund units)</b>					
T+2	946.2	10,274.6	833.4	11,120.4	13.5
T0	21.4	2.2	29.7	3.1	-27.9
Primary market	15.0	1.6	32.4	2.2	-53.6
<b>Total</b>	<b>982.6</b>	<b>10,278.4</b>	<b>895.5</b>	<b>11,125.7</b>	<b>9.7</b>
<b>Bond market</b>					
Corporate bonds	359.2	59.7	282.7	46.2	27.0
Regional bonds	41.4	11.7	41.7	9.5	-0.7
Government bonds	530.3	65.9	336.8	48.0	57.5
Eurobonds	5.5	3.5	1.9	3.5	196.3
IFI bond	1.1	0.0	1.9	0.1	-40.1
Bond placements	1,795.8	3.5	838.2	2.6	114.3
<b>Total</b>	<b>2,733.3</b>	<b>144.3</b>	<b>1,503.1</b>	<b>109.9</b>	<b>81.8</b>
<b>Derivatives market</b>					
Index derivatives	2,672.7	6,326.0	2,374.0	6,039.4	12.6
Cash Equity derivatives	323.7	3,183.3	285.3	3,225.6	13.5
FX derivatives	3,940.1	10,202.5	5,153.3	13,891.0	-23.5
Interest rate derivatives	1.5	1.4	2.8	1.2	-47.2
Commodity derivatives	1,498.4	3,398.2	2,074.1	4,320.3	-27.8
<b>Total</b>	<b>8,436.4</b>	<b>23,111.3</b>	<b>9,889.6</b>	<b>27,477.5</b>	<b>-14.7</b>
<b>FX market</b>					
USD/RUB (spot)	6,492.7	1,181.4	7,674.8	1,413.0	-15.4
EUR/RUB (spot)	798.0	203.6	890.5	216.1	-10.4
EUR/USD (spot)	133.7	6.9	151.2	7.3	-11.6
CNY/RUB (spot)	17.0	5.9	13.5	4.3	25.9
Other (spot)	15.9	2.2	3.2	1.7	390.6
USD/RUB (swap)	20,408.2	152.0	13,560.5	129.6	50.5
EUR/RUB (swap)	2,530.1	36.4	2,836.2	32.5	-10.8
EUR/USD (swap)	523.3	1.8	564.7	1.6	-7.3
CNY/RUB (swap)	38.6	1.5	37.9	1.6	1.7
Other (swap)	1.3	1.0	1.3	1.0	-3.0
Swaps trades	23,501.6	192.7	17,000.6	166.3	38.2
Spot trades	7,457.2	1,400.0	8,733.3	1,642.5	-14.6
<b>Total</b>	<b>30,958.9</b>	<b>1,592.6</b>	<b>25,733.9</b>	<b>1,808.8</b>	<b>20.3</b>
<b>Money market</b>					
Repo with the Bank of Russia - stocks and RDRs	0.0	0.0	0.0	0.0	-
Repo with the Bank of Russia - OFZ/OBR	2,288.9	1.2	480.7	1.3	376.2
Repo with the Bank of Russia - other bonds	8,692.8	8.2	2,686.3	5.1	223.6
Interdealer repo - stocks and RDRs	1,266.7	42.2	1,304.9	41.3	-2.9
Interdealer repo - OFZ/OBR	436.0	1.3	611.6	1.2	-28.7
Interdealer repo - other bonds	4,903.4	13.3	4,787.5	13.6	2.4
Repo with the CCP - stocks and RDRs	3,873.3	50.7	3,856.3	47.7	0.4
Repo with the CCP - OFZ/OBR	4,302.1	14.1	4,002.1	13.7	7.5
Repo with the CCP - other bonds	13,217.5	23.0	10,383.7	18.8	27.3
Repo with the CCP - General collateral certificate	49.2	0.6	47.4	0.6	3.9
Deposit and credit operations	2,693.5	4.5	3,625.6	4.5	-25.7
<b>Total</b>	<b>41,723.6</b>	<b>159.0</b>	<b>31,786.2</b>	<b>147.8</b>	<b>31.3</b>
<b>Commodities market</b>					
Interventions	0.8	0.11	2.3	0.35	-64.4
Spot trades	0.0	0.00	0.0	0.00	-
<b>Precious metals market</b>	<b>10.2</b>	<b>0.00</b>	<b>10.1</b>	<b>0.00</b>	<b>0.7</b>
Srandartised OTC derivatives market	1.8	0.0	1.1	0.0	63.6
<b>Total</b>	<b>84,847.6</b>	<b>35,285.9</b>	<b>69,821.9</b>	<b>40,670.1</b>	<b>21.5</b>

**MOSCOW EXCHANGE GROUP MONTHLY MARKET REPORT: DECEMBER 2016**

Index	Value in points		Change, %	YTD change, %
	December	November		
<b>Equity Indices</b>				
<b>Main Equity indices:</b>				
MICEX Index (MICEXINDEXCF)	2,232.72	2,104.91	6.07	26.62
RTS Index (RTSI)	1,152.33	1,029.05	11.98	49.72
Blue Chip Index (RTSSTD)	14,736.86	13,791.86	6.85	26.40
Second-Tier Index (MICEXSC)	6,087.67	5,783.19	5.26	73.75
Broad Market Index (MICEXBMI)	1,588.33	1,497.49	6.07	27.55
<b>Sectoral Indices:</b>				
Oil & Gas (MICEXO&G)	5,690.32	5,246.28	8.46	23.09
Electric Utilities (MICEXPWR)	1,984.16	1,939.56	2.30	112.21
Consumer goods & Retail (MICEXCGS)	6,781.37	6,787.62	-0.09	0.77
Telecommunication (MICEXTLC)	1,754.08	1,624.22	8.00	3.50
Industrials (MICEXMNF)	1,648.94	1,627.68	1.31	12.35
Financials (MICEXFNL)	8,347.87	7,787.28	7.20	31.09
Chemicals (MICEXCHM)	14,423.84	14,583.16	-1.09	5.34
Metals & Mining (MICEXM&M)	5,536.89	5,513.80	0.42	47.14
Transport (MICEXTRN)	1,878.16	1,733.74	8.33	117.46
<b>Thematic indices:</b>				
MICEX10 Index (MICEX10INDEX)	4,918.92	4,662.46	5.50	24.72
MICEX Innovation Index (MICEXINNOV)	386.92	400.32	-3.35	26.03
RTS Siberia Index (RTSSIB)	849.63	854.57	-0.58	66.58
<b>Bond Indices</b>				
Russian Government Bond Index (RGBITR)	413.58	402.28	2.81	15.14
Micex Corporate Bond Index (MICEXCBITR)	316.32	312.93	1.08	11.61
Micex Municipal Bond Index (MICEXMBITR)	222.71	219.71	1.37	12.35
<b>Pension Indices:</b>				
Conservative (RUPCI)	2,056.76	2,035.88	1.03	10.90
Moderate (RUPMI)	1,868.28	1,830.54	2.06	13.99
Aggressive (RUPAI)	1,689.74	1,635.83	3.30	18.00
<b>Derivatives Market Indicator:</b>				
Russian Volatility Index (RTSVX)	0.00	25.38	-100.00	-100.00
	Value in points		Change, %	YTD change, %
	30 December 2016	30 November 2016		
<b>Exchange rates</b>				
USD/RUB	61.13	64.60	-5.4	-16.3
EUR/RUB	64.48	68.64	-6.1	-19.3
CHY/RUB	8.87	9.41	-5.8	-20.2