



MOSCOW  
EXCHANGE



2 July, 2015

## **Tick size change**

## **The purpose of the tick size revision:**

- Narrowing of the spread
- Increasing the speed of the market order execution
- Increasing the share of limit orders
- Cost reduction of trading members for execution of large orders
- The growth of securities liquidity

## **Revised Instruments**

- Russian and international stocks
- DR's on stocks
- Mutual funds
- Mortgage-backed pass-through securities (MBS)
- ETFs

## Timeline of the tick size reconsideration

At the end of **each calendar quarter** the Moscow Exchange calculates the tick size and publishes it on the [website](#):

### **DBF files**

[Securities list](#) (zip)

[Securities list\(interactions with the paying agents\)](#) (DBF)

### **Or PDF-file**

[Notification of setting additional parameters requests for trades with securities](#)

## The rules for determining the settlement tick size :

Instrument price	<=0.2	>0.2 <=0.5	>0.5 <=1	>1 <=5	>5 <=10	>10 <=50	>50 <=100	>100 <=500	>500 <=1000	>1000 <=5000	>5000 <=10000	>10 000
Daily average num. of trades >20 000	<b>Determined by MOEX</b>	0.00005	0.00005	0.0001	0.0005	0.001	0.005	0.01	0.05	0.1	0.5	<b>Determined by MOEX</b>
>5 000 <=20 000		0.00005	0.0001	0.0005	0.001	0.005	0.01	0.05	0.1	0.5	1	
>1 000 <=5 000		0.0001	0.0005	0.001	0.005	0.01	0.05	0.1	0.5	1	5	
>100 <=1 000		0.0005	0.001	0.005	0.01	0.05	0.1	0.5	1	5	10	
<=100		<b>Determined by MOEX</b>										

The average closing price for the last 5 trading days of the quarter is used as instrument price. Daily average number of trades is calculated for the last quarter in the main trading mode T+

For the new shares for the first time admitted for trading on the Moscow Exchange, the tick size is determined out of instrument price by liquidity cluster from 5000 to 20 000 daily average number of trades.

# The rule of tick size, determined by Moscow Exchange:

Instrument price	<=0.2	>0.2 ≤0.5	>0.5 ≤1	>1 ≤5	>5 ≤10	>10 ≤50	>50 ≤100	>100 ≤500	>500 ≤1000	>1000 ≤5000	>5000 ≤10000	>10 000	
Daily average num. of trades	>20 000	0.00005	0.00005	0.0001	0.0005	0.001	0.005	0.01	0.05	0.1	0.5	Determined by MOEX	
	>5 000 ≤20 000	Determined by MOEX	0.00005	0.0001	0.0005	0.001	0.005	0.01	0.05	0.1	0.5		1
	>1 000 ≤5 000		0.0001	0.0005	0.001	0.005	0.01	0.05	0.1	0.5	1		5
	>100 ≤1 000		0.0005	0.001	0.005	0.01	0.05	0.1	0.5	1	5		10
	≤100		Determined by MOEX										

Tick size in "Determined by MOEX" zone, is calculated as:

instrument price  $\times$  appropriate factor from table :

Daily average num. of trades	Max. tick size/ price of the instrument
>20 000	0,01%
>5 000 ≤20 000	0,02%
>1 000 ≤5 000	0,10%
>100 ≤1 000	0,20%
≤100	0,40%

Valid values of tick sizes:

...	0,000001	0,000005	0,0001	0,0005	0,001	0,005	0,01	0,05	0,1	0,5	1	5	10	50	100	...
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# History of tick size change

As of 01.04.2015	The introduction of a quarterly review of the tick size
As of 01.12.2014	New tick size applies to all stocks, mutual funds, MPS and ETF
As of 01.10.2014	New tick size applies to 332 stocks and DR's on stocks, with the exception of the 10 most liquid stocks by the trading volume
As of 27.06.2014	The approach used to set the tick size approved by the Securities Market Committee

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