



MOSCOW
EXCHANGE
GROUP



Commodities Department
Moscow Exchange

MOEX GROUP **GRAIN MARKET**

MOEX GROUP GRAIN MARKET NEW MARKET AT A GLANCE...

- On December 23, 2015 the Moscow Exchange Group launched on-exchange grain trading with integrated commodity delivery service.
- “National Mercantile Exchange” (NAMEX) acts as the trade organizer utilizing “build-from-the-ground-up” new commodities trading and clearing system.
- Trading members’ commodity accounts opened with Bank “National Clearing Center” (NCC Bank) are used for settlements.
- Buyers can enjoy grain delivery option (by railway) accomplished by the authorized agent — “National Logistics Company” (NLC).



MOEX GROUP GRAIN MARKET

NATIONAL MERCANTILE EXCHANGE

- [“National Mercantile Exchange”](#) (NAMEX) acts as the trade organizer on the MOEX Group Grain Market.
- Since its establishment in 2002, NAMEX participates in the government grain interventions acting as the authorized exchange of the Ministry of Agriculture of the Russian Federation.
- NAMEX main shareholders (62% of shares) are companies of the Moscow Exchange Group, established in 2011 after merging of two major Russian exchange groups — Moscow Interbank Currency Exchange (MICEX) and Russian Trading System (RTS).



MOEX GROUP GRAIN MARKET **CLEARING, CCP & CDO**

- Bank “National Clearing Center” (NCC Bank) performs clearing and is the qualified central counterparty on all the markets of the Moscow Exchange Group.
- Moscow Exchange is the only shareholder of NCC Bank.
- Pursuant to the with Decision of the Bank of Russia dated October 28, 2015, NCC Bank was accredited to perform as a commodity delivery operator (CDO).
- NCC Bank is also acting member of the European Association of CCP Clearing Houses (EACH) and the Global Association of Central Counterparties (CCP12).



MOEX GROUP GRAIN MARKET FORWARDING AGENT

- Trading members and their customers may choose to have their purchased grain delivered by rail to any railway station in the Russian Federation.
- To provide such services a separate organization – [National Logistics Company](#) (NLC) was established.
- NLC provides the full scope of grain transportation and forwarding services to the buyers with proper control on all delivery stages: loading of grain by elevator; provision of the rolling-stock (hopper wagons); management of grain quality and quantity control and its compliance with specifications; organization of grain in transit insurance.



MOEX GROUP GRAIN MARKET MARKET OPERATION DIAGRAM



MOEX GROUP GRAIN MARKET

PRINCIPLES OF TRADING AND DELIVERY

Pricing

Ex-elevator price or seller' adjusted price to the buyer's railway station with transportation costs included (option)

Delivery conditions

- For sellers – **EXW**
- For buyers – **EXW** or **EXW + delivery** (option)

Trading system

- New trading and clearing system
- Access for traders and their customers through the web-based interface
- Two-level market access (broker/client)



S P E C I F I C A T I O N

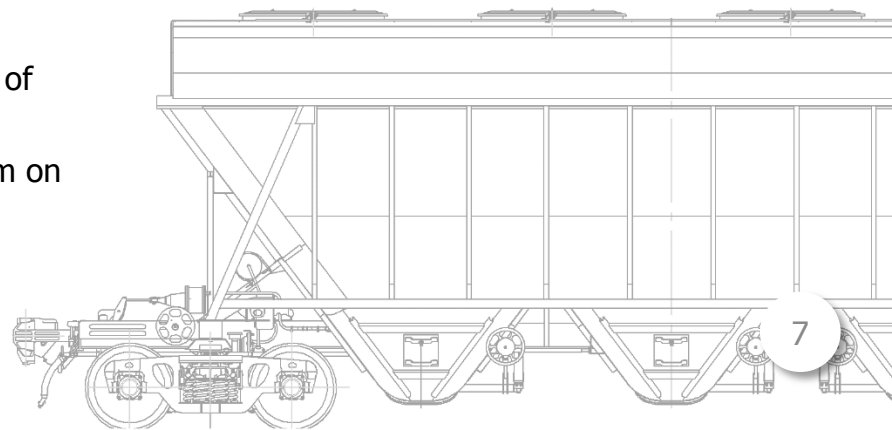
Soft wheat
Classes 3, 4 and 5
(GOST R 52554-2006)

Minimum lot size

- At the elevator (EXW) – 1 ton
- With delivery – standard hopper (68 tons)

Where necessary buyers can:

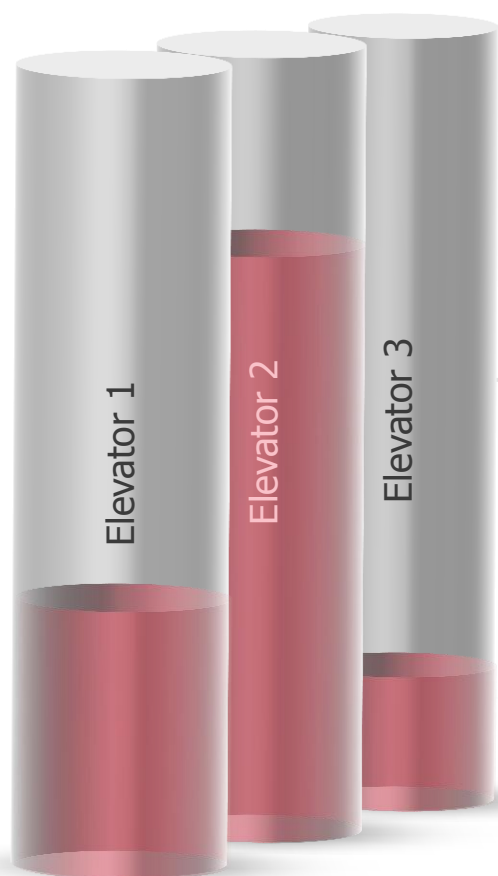
- put additional requirements to the content of gluten, protein, etc.
- receive information from the trading system on grain availability and prices.



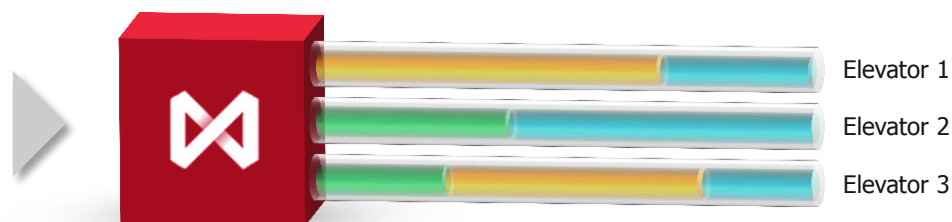
MOEX GROUP GRAIN MARKET

GRAIN STORAGE AND ACCOUNTING

- CDO signs grain storage agreements with each accredited elevator.
- Grain of trading members and their clients at each elevator is posted to their commodity accounts opened with CDO.



GRAIN STORED AT ACCREDITED ELEVATORS



GRAIN CORRESPONDENT TO TRADING MEMBERS' COMMODITY ACCOUNTS



MOEX GROUP GRAIN MARKET COMMODITY ACCOUNTS AND DELIVERY

Delivery of grain to the elevator and posting it commodity account is performed by the trading member or by its client

ELEVATORS

- Comply with CDO's requirements
- Accredited by the CDO
- Accept, store and release grain under agreement with CDO

Commodity Delivery Operator (NCC Bank)

- Opens commodity accounts for trading members / nominal commodity accounts of trading members' clients under grain storage agreement.
- Stores grain at the accredited elevators.
- Performs commodity account transactions based on on-exchange trades outcome with subsequent delivery to the buyer (if eligible under terms of the on-exchange trade).

Debit of seller's commodity account, delivery to the buyer



SURVEYOR
GRAIN QUALITY CONTROL

Forwarding Agent (NLC)

- Oversees delivery to the railway station stipulated by the buyer in the terms of the on-exchange trade.
- Communicates with transport infrastructure and railway entities.



GRAIN INSURANCE DURING STORAGE AT ELEVATORS OR IN TRANSIT BY RAIL



MOEX GROUP GRAIN MARKET INSTRUMENTS

	NAMEX		MOEX, NAMEX
	Forward contracts	Funding (swaps)	Derivatives (futures / options)
	LAUNCHED DECEMBER 23, 2015	3 rd QUARTER OF 2016	SCHEDULED TO BE IMPLEMENTED
Trading modes	Settlements over commodity accounts T+n (n=3...n) with subsequent grain delivery	Funding (ruble liquidity provision) covered by grain on commodity accounts	Deliverable derivative contracts with fixed expiration date and subsequent settlements/delivery on spot market
Collateral	Full / Partial collateral	Full collateral	Partial collateral
Delivery basis	<ul style="list-style-type: none"> There is no unified delivery basis, each trading member may see orders of other trading members adjusted to his delivery basis; Trader's basis may be an elevator (for sellers), a railway station or elevator (for buyers) under terms of the on-exchange trade. 	Operations are carried out with regard to the location of the commodity used as collateral. No actual transfers of grain between elevators will take place.	<ul style="list-style-type: none"> Unified delivery basis will be chosen based on the level of liquidity determined at NAMEX Grain Market; The trade lot size is determined with reference to the Moscow Exchange Derivatives Market practice; Positions of the trading members, non-professionals of the Grain Market, or positions not divisible by NAMEX Grain Market lots should be closed (including closure by margin-call) prior to expiration.
Transportation differential	Trade price includes grain net price and transportation differential paid by the buyer		
Key product consumers	<ul style="list-style-type: none"> Sellers – agricultural producers and traders Buyers – traders, local agricultural consumers 	Ruble liquidity providers	All trading members at both financial and grain markets



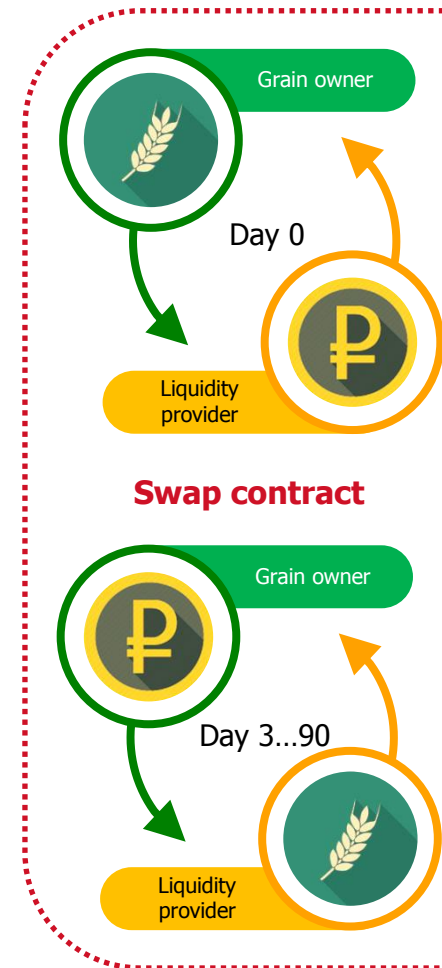
MOEX GROUP GRAIN MARKET INSTRUMENTS – FORWARD CONTRACTS

- Main deliverable instrument of the grain market is a **forward contract** with value dates 3 – 180 days. Under current Russian legislation such forward contracts are viewed as financial derivatives (FD).
- On the date of settlement the seller must transfer grain (complying with main/additional characteristics) to the buyer. Quantity of grain transferred is specified by terms of the on-exchange trade. Buyer must accept grain and pay the amount specified in the forward contract, VAT inclusive.
- Delivery of grain may take place at the seller's elevator or by delivery by the forwarding agent (NLC) to the buyer's railway station (optional).



MOEX GROUP GRAIN MARKET INSTRUMENTS – SWAP CONTRACT

- **Swap contracts** may be used by grain market trading members for:
 - funding (ruble liquidity provision) covered by grain on commodity accounts posted as collateral;
 - elimination of cash deficiency for the buyer who has purchased grain under forward contract with delivery.
- Buyer of the swap contract cannot sell or withdraw grain off the commodity account, but only transfer commodity under another swap contract.
- Swap contract tenors will be 3 – 90 days and these instruments are also regarded as FD.



MOEX GROUP GRAIN MARKET COLLATERAL & CENTRAL COUNTERPARTY

- Trading members post partial unified collateral in currencies and commodity (grain) – also known as “Unified Limit” – to execute their trades on the Grain Market.
- NCC Bank performs as a central counterparty to each on-exchange trade acting as one buyer for all sellers as well as one seller for all buyers.
- The central counterparty acting as an intermediary between the all parties warrants performance of each good faith trader’s obligations under grain transactions regardless the performance of obligations by other traders.



MOEX GROUP GRAIN MARKET RISK MANAGEMENT

- To maintain the required level of reliability NCC Bank has introduced the risk management system that allows performance of obligation to good faith traders in the event of default of one or several traders and includes:
 - Criteria for trading members admittance;
 - CCP protection level (survivors pay, “skin in the game” and third party pay);
 - Default management procedures (actions of NCC Bank in the event of untimely performance of obligations by trading members).



MOEX GROUP GRAIN MARKET TRADING MEMBERS

The following legal entities are allowed to carry out on-exchange trades on the NAMEX Grain market:

- **Professional traders of the securities market** which are holders of licenses to carry out broker activities *and/or* broker activities in conclusion of FD contracts with commodities used as underlying assets;
- **Legal entities, VAT payers** with equity capital not less than 1 billion rubles or not less than 100 million rubles, control over activities of which is exercised by the organization with equity capital not less than 1 billion rubles.



MOEX GROUP GRAIN MARKET CLIENTS' DMA TO GRAIN TRADING

Trading members' underlying clients – small farmers (producers), large cereal plants and exporters (consumers) – are allowed to execute trades on the on-exchange NAMEX Grain market.

To gain access to the trading, the client should:

1. Decide over broker name and enter into a brokerage agreement with the trading member – broker (Category “B” trading member).
2. Agree on the payment and settlement procedures.
3. Get access to the trading system.



MOEX GROUP GRAIN MARKET DELIVERY BASIS

- Accredited elevators which have signed storage agreement with NCC Bank and grain handling contract with NLC represent the delivery basis on NAMEX Grain market.
- As of July 2016, eight elevators have been accredited.
- Moscow Exchange Group plans to significantly extend the geography of the accredited elevators across the territory of Russian Federation.

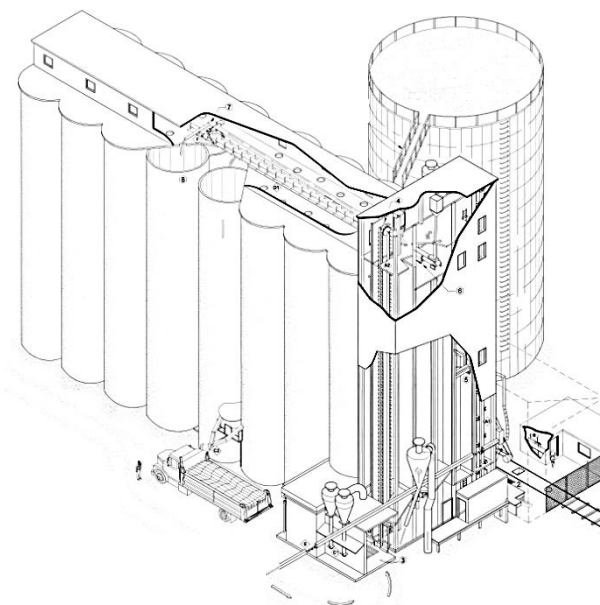


MOEX GROUP GRAIN MARKET ACCREDITATION OF ELEVATORS

- Elevators are accredited by NCC Bank (CDO) upon submission of the [package of required documents](#) by an elevator-candidate.

- Accreditation procedure includes:
 - NAMEX Exchange Committee makes a decision on business reputation of the elevator;
 - CDO considers the elevator financial status, engineering and technical condition;
 - The insurance company providing grain insurance service to CDO considers extension of insurance policy territory.

- The elevator gains “accredited elevator” status on the date of the agreements signature with CDO and forwarding agent (NLC).



MOEX GROUP GRAIN MARKET ELEVATORS ADVANTAGES

- **Additional income** from increased grain storage and turnover volumes originating from grain market trades by NAMEX trading members.
- Direct agreements with **systemically important financial institution**, clearing trades and serving operations of more than a half of Russia's financial market participants, including Central Bank of Russia.
- Access to **online commodities record system**.
- Elevator's **PR and increase in competitiveness**, confirmation of professionalism and stability in the work with the participants of the exchange trading, financial and insurance companies.



MOEX GROUP GRAIN MARKET

FIVE STEPS FOR THE ELEVATOR–CANDIDATE

To receive accreditation on NAMEX Grain market, elevator–candidate should do the following:

1. Contact NCC Bank (CDO) by phone:
+7 (495) 363-32-32, ext. **1858** to receive consultation on accreditation on NAMEX grain market.
2. Submit the required documents to the Client's Department of the NCC Bank.
3. Pass accreditation process (next slide).
4. Sign storage agreement with CDO and grain handling contract with the forwarding agent (NLC).
5. Set up equipment to gain access to the trading system.



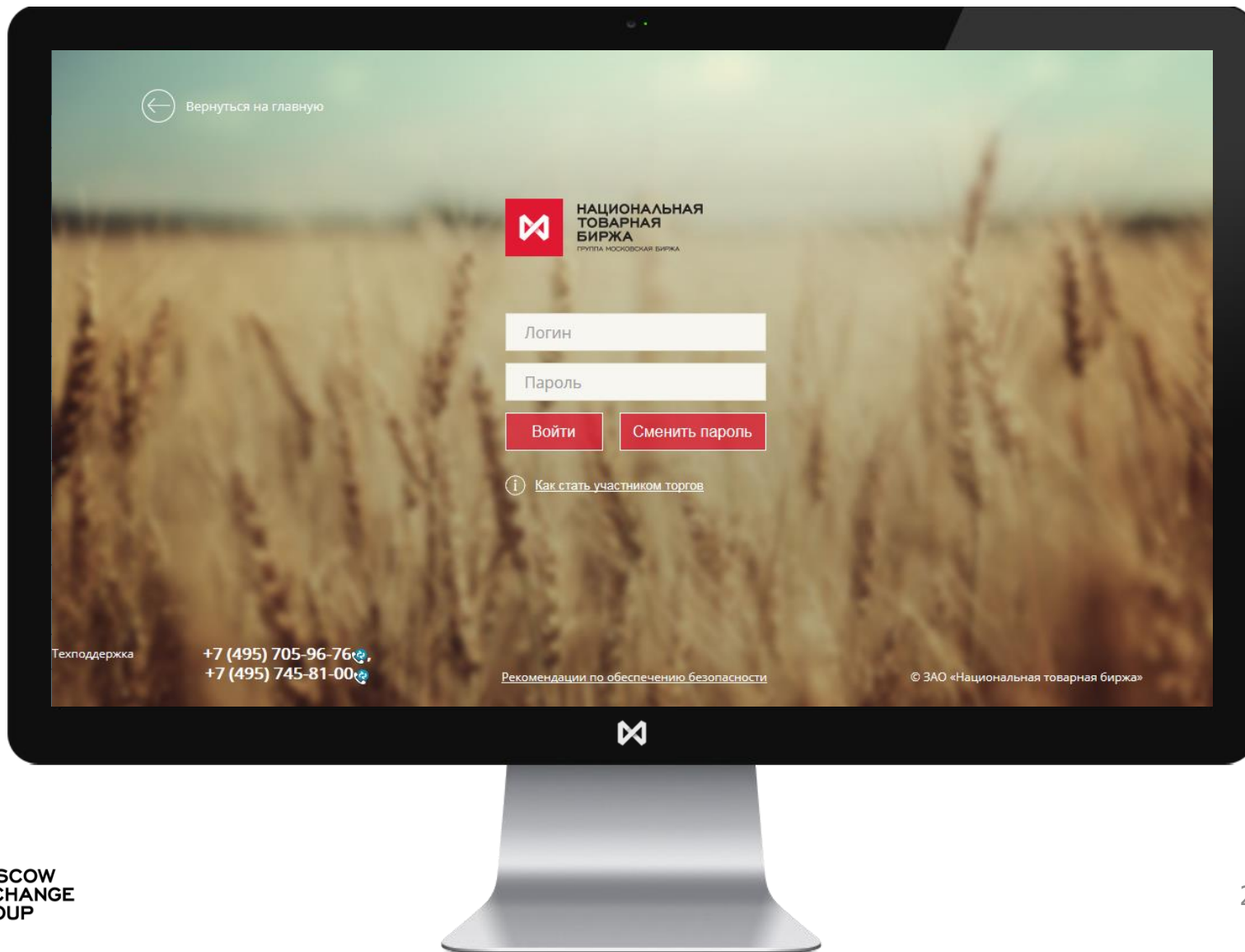
MOEX GROUP GRAIN MARKET

“ACCREDITED ELEVATOR” STATUS

- The elevator successfully passed the accreditation procedure testifies to high degree trust on the part of the exchange infrastructure and may contribute to getting additional income due to the increased volume of store grain and grain turnover through the accredited elevator.
- If desired, any accredited elevator can post an appropriate sign on its site or on marketing documents.
- The HTML-code for the sign (with reference to the [map of the Grain market basis](#)) and the image is available for download in the menu of the [trading system](#).



MOEX GROUP GRAIN MARKET "UROZHAY" TRADING SYSTEM



MOEX GROUP GRAIN MARKET "UROZHAY" TRADING SYSTEM

MOEX GROUP GRAIN MARKET FILTERS IN THE TRADING SYSTEM

The screenshot displays a trading system interface for grain markets. The main window is titled "Покупка: двусторонний аукцион" (Purchase: two-sided auction) and includes a "Заполнить предыдущими значениями" (Fill with previous values) button. The interface is divided into several sections:

- Client:** "Компания для проверки" (Company for check) with a dropdown menu.
- Order Type:** Radio buttons for "Продать" (Sell) and "Купить" (Buy).
- Guarantee:** Radio buttons for "Деньги на счете" (Money in account) and "по ГО" (by GO).
- Commodity:** "Товар" (Commodity) dropdown set to "Пшеница мягкая" (Soft wheat) with a "Класс" (Class) dropdown set to "X 4".
- Base:** "Базис" (Base) dropdown set to "ОП 'Раздолье-Медведицкое'".
- Additional Characteristics:** A section titled "Доп. характеристики" (Additional characteristics) with a left arrow icon, containing:
 - "Массовая доля сырой клейковины" (Raw gluten content) with a dropdown menu.
 - "Тип пшеницы" (Wheat type) with a dropdown menu set to "Озимая" (Winter).
 - "Год урожая" (Harvest year) with a dropdown menu set to "2014".
 - "Регион произрастания" (Region of origin) with a dropdown menu set to "34. Волгоградская область" (Volgograd region).
 - "Массовая доля сырой клейковины, %" (Raw gluten content, %) with input fields "от 25" (from 25) and "до 28" (to 28).
- Order Parameters:** "Дата расчетов" (Settlement date) set to "16.02.2016", "Цена, руб./тн" (Price, rub./t) set to "10 000", and "Количество, тн" (Quantity, t) set to "340".
- Summary:** "Сумма заявки" (Order sum) of "3,400,000.00 рублей" and "Объем заявки" (Order volume) of "340.00 тн".
- Buttons:** "Отменить" (Cancel), "Сохранить шаблон" (Save template), and "Выставить заявку" (Place order).

Trading system provides for flexible conditions to filter the table of quotations and orders depending on different wheat characteristics:

- Weight percent of protein;
- Weight percent of crude gluten;
- Falling number;
- Vitreousness;
- Nature, etc.

MOEX GROUP GRAIN MARKET EXAMPLE – SALE OF GRAIN

Seller's desktop
(OP "Razdolye-Medveditskoye")

Дел.	К(лотов)	Цена	П(лотов)	Класс	Массовая доля сырой клейковины, %
✓	136,00	9 487,77		3	
✓	204,00	9 998,00		3	
✓	136,00	9 999,00		3	от 23,00 до 23,00
✓		10 000,00	136,00	3	от 23,00 до 23,00
✓		10 010,00	204,00	3	от 25,00 до 25,00
✓		10 090,00	340,00	3	от 27,00 до 27,00
✓		10 100,00	136,00	3	от 26,00 до 26,00

Price	Lots	Class	Gluten, %
10 100,00	136,00	3	27,00

The order for sale of **136 tons** of soft wheat (**Class 3**) put up by the **Seller**:

- Seller's basis: **OP "Rasdolye-Medveditskoye"**
- Price: **10 100 rubles per ton**
- Quality: **Gluten 27%**

Buyer's desktop
(Novorossiysk Railway Station)

Дел.	К(лотов)	Цена	П(лотов)	Класс	Массовая доля сырой клейковины, %
✓	136,00	10 200,00		3	
✓		10 802,23	340,00	3	от 25,00 до 25,00
✓		10 812,23	136,00	3	от 27,00 до 27,00
✓		10 862,23	204,00	3	от 27,00 до 27,00
✓		10 942,23	272,00	3	от 26,00 до 26,00
✓		10 962,23	544,00	3	от 26,00 до 26,00
✓		11 012,23	476,00	3	от 26,00 до 26,00
				3	от 27,00 до 27,00

Price	Lots	Class	Gluten, %
10 812,23	136,00	3	27,00

The **Buyer** sets the filter for quality of **Gluten starting from 25%**, which filters the table of quotations to show only congruous orders, including the Seller's order.

The order's price includes the cost of wheat delivery (transportation differential) from the Seller's basis (OP "Rasdolye-Medveditskoye") to the Buyer's basis – **Novorossiysk Railway Station**

MOEX GROUP GRAIN MARKET

EXAMPLE – PURCHASE OF GRAIN

Buyer's desktop
(Novorossiysk Railway Station)

Дел.	К(лотов)	Цена	Г(лотов)	Класс	Массовая доля сырой клейковины, %
✓	136,00	10 200,00		3	
✓	340,00	10 600,00		3	от 26,00 до 30,00
✓		10 802,23	340,00	3	от 25,00 до 25,00
✓		10 812,23	136,00	3	от 27,00 до 27,00
✓		10 862,23	204,00	3	от 26,00 до 26,00
✓		10 912,23	272,00	3	от 26,00 до 26,00
✓		10 962,23	544,00	3	от 27,00 до 27,00

Lots	Price	Class	Gluten, %
340.00	10 600,00	3	26,00 to 30,00

The order for purchase of **340 tons** of soft wheat (**Class 3**) put up by the **Buyer**:

- Buyer's basis: **Novorossiysk Railway Station**
- Price: **10 600 rubles per ton**
- Quality: **Gluten from 26% to 30%**

Seller's desktop
(OP "Razdolye-Medveditskoye")

Дел.	К(лотов)	Цена	Г(лотов)	Класс	Массовая доля сырой клейковины, %
✓	136,00	9 487,77		3	
✓	340,00	9 887,77		3	от 26,00 до 30,00
✓	204,00	9 998,00		3	
✓	136,00	9 998,00		3	
✓		10 000,00	136,00	3	
✓		10 010,00	204,00	3	от 23,00 до 23,00
✓		10 080,00	340,00	3	от 23,00 до 23,00
✓		10 100,00	136,00	3	от 25,00 до 25,00
✓		10 150,00	204,00	3	от 27,00 до 27,00

Lots	Price	Class	Gluten, %
340.00	9 887,77	3	26,00 to 30,00

The **Seller** did not set any filters by quality, so the table of quotations includes all orders for purchase / sale of soft wheat (**Class 3**), including the Seller's order.

Prices of all orders are adjusted to the value of transportation differential to the Seller's basis – **OP "Rasdolye-Medveditskoye"**

MOEX GROUP GRAIN MARKET COMMISSION FEES

Commission fees on the Grain market are calculated and include the following:

NAMEX

- Commission fee for the organization of trading;
- Commission fee for provision of the integrated technological service (ITS);

NCC Bank

- Commission fee for clearing services;
- Commission fee for provision of commodity delivery operator's services;

NLC

- Commission fee for provision of forwarding services under grain delivery (transportation differential).



MOEX GROUP GRAIN MARKET SPOT TRADE FEE EXAMPLE

NAMEX
commission

Broker's
commission

TOTAL

0,25%

+

≤ 0,25%

≈

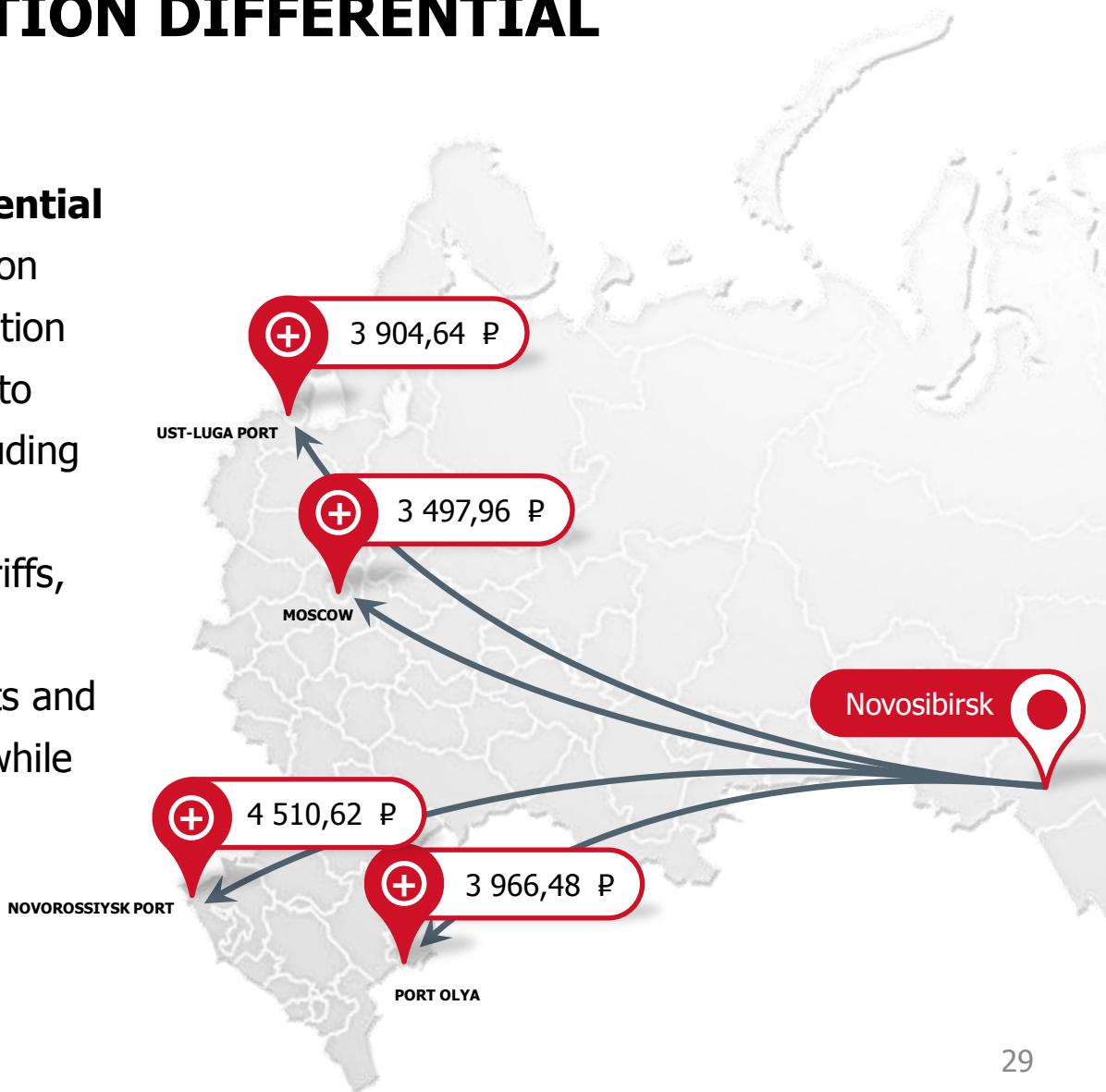
0,50%



MOEX GROUP GRAIN MARKET TRANSPORTATION DIFFERENTIAL

Transportation differential

is calculated depending on costs of grain transportation from point of departure to point of destination including Russian Railways and rolling-stock provider tariffs, elevator's, surveyor's, consignor's services costs and cost of grain insurance while in transit.



MOEX GROUP GRAIN MARKET TRANSPORTATION DIFFERENTIAL FORMULA



Transportation differential formula for 1 ton of grain VAT included:

$$TD_{sb} = (TR_{sb} + INS_{sb} + SRV_s + AG_s + LD_s + X_{sb}) \times (1 + corr \div 100\%)$$

Value	Description
sb	Route from point of departure (s) to point of destination (b)
TD _{sb}	Sum of transportation differential
TR _{sb}	Cost of delivery including sum of transportation costs (Russian Railways and rolling-stock provider tariffs)
INS _{sb}	Cost of insurance for grain delivery by railway between point of departure and point of destination
SRV _s	Surveyor's services cost for grain volume and quality control while loading on hopper wagons at the point of departure
AG _s	Consignor's services cost for grain delivery from point of departure and point of destination
LD _s	Hopper wagons loading services cost
X _{sb}	Reserved variable for unexpected additional costs during transportation
corr	Correction coefficient which includes NLC risks and transportation margin



MOEX GROUP GRAIN MARKET COMMISSION FEES

Commission fee for the organization of trading and provision of the ITS

Volume tied commission fee for the organization of trading regardless of the forward contract tenor		0.125%
Integrated Technological Service (ITS)	One-time fee for identification code issue	2 500 rub.
	Monthly subscription fee for each identification code (from January 1, 2017)	2 500 rub.

Commission fee for clearing services[†]

Value date from the date the trade	from 3 to 13 days	from 14 to 30 days	from 31 to 90 days	from 91 to 150 days	from 151 to 180 days
Forward contracts, excluding terminating forward contracts	0.125%	0.15%	0.2%	0.25%	0.3%
Terminating forward contracts	0.225%	0.25%	0.3%	0.35%	0.4%

Commission fee for provision of commodity delivery operator's services

Grain accounting on the bailer's commodity account	Commercial and noncommercial sections	Tariff of the elevator providing grain storage services under storage agreement including VAT and cost of insurance increased by 5%
	Delivery section	The maximum of tariffs for grain accounting on the commodity account (commercial section of the commodity account) of all accredited elevators
Debit of grain from bailer's commodity account and transfer to elevator's account with warehouse receipt issue		Tariff of the elevator for transfer to elevator's account and warehouse receipt issue, VAT inclusive, increased by 5%

Commission fee for provision of forwarding services under grain delivery

Transportation differential	Calculated by formula [‡] based on grain transportation costs of "Russian Railways" from the point of shipment to the point of destination, cost of rolling stock operator, elevator and surveyor's services, cost of insurance and the consignor's related services
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[†] – charged to clearing participant being the party to a contract on the settlement date following the date of the contract, as percentage to the cost of goods under each separate contract, but not less than 0.01 rub.

[‡] – calculation formula for transportation differential is [available on National Logistics Company website](#).



MOEX GROUP GRAIN MARKET INVOICE INTERCHANGE

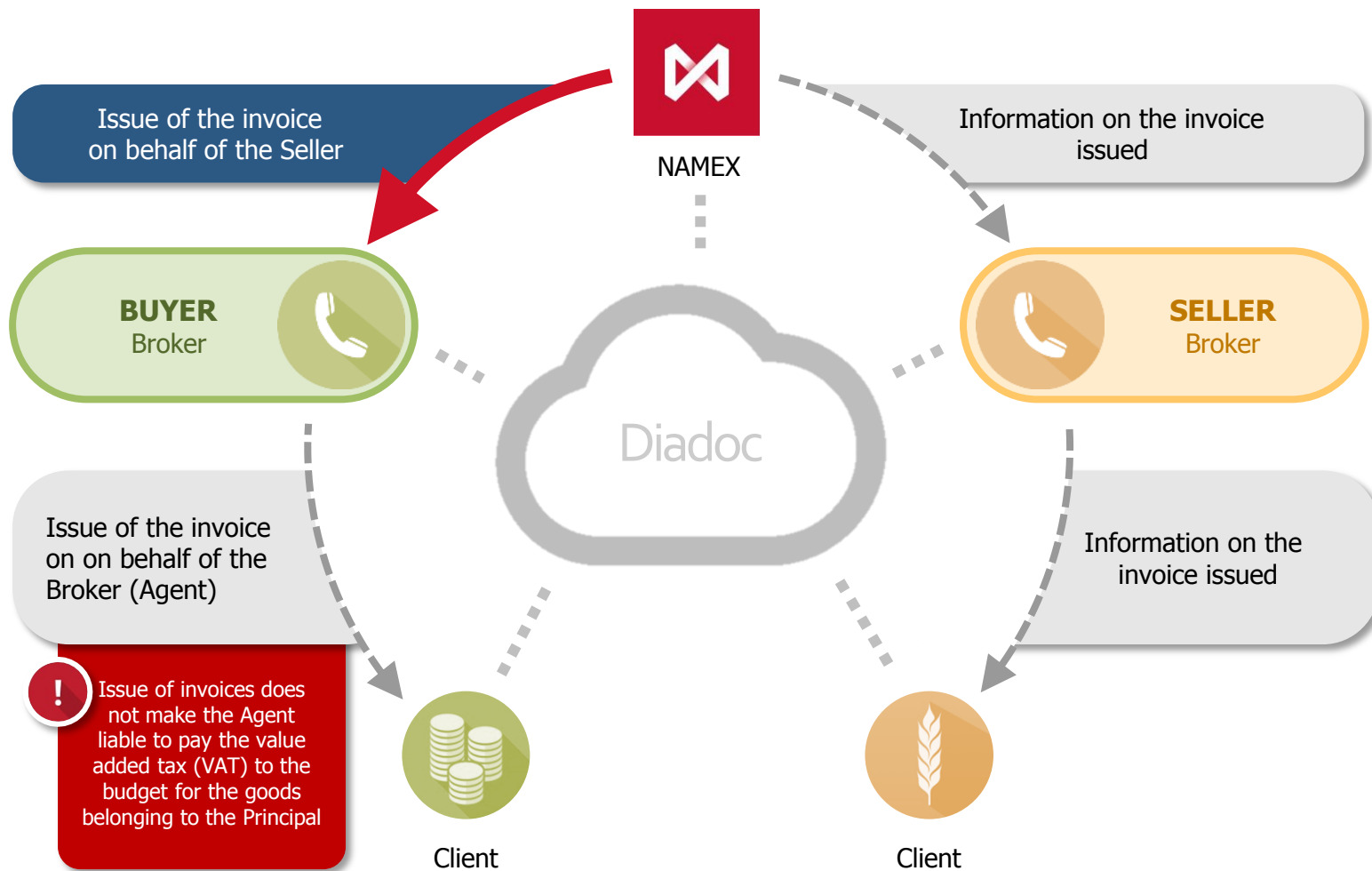


Invoice issue is required in executing trading operations on the exchange market, as the price of grain includes 10% VAT.

- In accordance with the requirements of Rules for admission, trading members authorize NAMEX to sign invoices by e-signature on behalf of the Manager and Chief Accountant of the trading member–seller.
- Invoices are formed in the trading system on all concluded on-exchange trades.
- Invoices are interchanged electronically via the “Kontur.Diadoc” system with no paper copies transaction required.



MOEX GROUP GRAIN MARKET INVOICE INTERCHANGE PROCESS



MOEX GROUP GRAIN MARKET POSSIBILITIES & ADVANTAGES

Agricultural producers

Industrial consumer

Government



Possibility to purchase/sell commodities at the best price to any counterparty in the territory of the Russian Federation



Market risk hedging



Easy access to the transport infrastructure for the delivery of commodity to the place of its consumption



Actual information on current sale prices for commodities in different regions



Security of payment and delivery by the exchange infrastructure and no unfair counterparty risks involved



Funding (ruble liquidity provision) covered by commodity at the interbank market rates



Extra possibilities and more flexible mechanism for the government grain interventions



Online-access to trading from any place of the world from any electronic device



MOEX GROUP GRAIN MARKET

AGRICULTURAL PRODUCERS ADVANTAGES

- Unified table of quotations for the entire territory of the Russian Federation, adjusting grain price by basis factor (location of grain), participation of large traders in on-exchange trading.
- Market risk hedging, provision of delivery instruments on flexible conditions regarding terms and delivery basis.
- Attraction of funds (funding) covered by grain on commodity account on different tenors through swap contracts.
- Grain safety insured while on the CDO's commodity accounts.



MOEX GROUP GRAIN MARKET

INDUSTRIAL CONSUMERS ADVANTAGES

- Unified table of quotations for the entire territory of the Russian Federation, adjusting grain price by basis factor (location of grain), participation of large traders in on-exchange trading.
- Market risk hedging, provision of delivery instruments on flexible conditions regarding terms and delivery basis.
- Provision of grain delivery services from the seller's basis to the buyer's basis, auto-adjustment of price quotes by cost of delivery.
- Possibility to construct individual instruments by filtering required quality/characteristics of commodity.



THANK YOU

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Moscow Exchange

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ANNEX



MOSCOW
EXCHANGE
GROUP

MOEX GROUP GRAIN MARKET INTERNATIONAL EXPERIENCE

Overwhelming majority of grain delivery contracts (exception – options on MGEX):

	USA		China		RSA	India	
	CME	MGEX	ZCE	DCE	JSE	NCDEX	ICEX
	Chicago Mercantile Exchange / KCBT	Minneapolis Grain Exchange	Zhengzhou Commodity Exchange	Dalian Commodity Exchange	Johannesburg Stock Exchange	National Commodity and Derivatives Exchange	Indian Commodity Exchange
Corn	✓ FUT/OPT	✓ FUT/OPT	—	✓ FUT	✓ FUT/OPT	✓ FUT	—
Wheat	✓ FUT/OPT	✓ FUT/OPT	✓ FUT	—	✓ FUT/OPT	✓ FUT	—
Soya	✓ FUT/OPT	—	—	✓ FUT	✓ FUT/OPT	✓ FUT	✓ FUT
Oats	✓ FUT/OPT	—	—	—	—	—	—
Rice	✓ FUT/OPT	—	✓ FUT	—	—	—	—
Barley	—	—	—	—	—	✓ FUT	—








MOEX GROUP GRAIN MARKET

GRAIN DELIVERY ON FOREIGN EXCHANGES



Practically all exchanges provide deliverable grain contracts, but more than 90% of open positions close before expiration.

On-exchange trading in countries, as a rule, exceeds the total harvest in relevant countries (annual indicators).

	Lot	Delivery conditions
 CME Group (Chicago, USA)	136 ton (5 000 bushels)	<ul style="list-style-type: none"> FOB Chicago, Indiana, river areas of Ohio and Mississippi, fixed over spots/discounts depend on the delivery area. Cash and goods settlements between the customer and seller are carried out independently against documents executed with the participation of the Clearing house and use of the exchange data.
 Minneapolis, USA	136 ton (5 000 bushels)	<ul style="list-style-type: none"> EXW delivery to the elevators located in two cities of Minnesota (Minneapolis and Dulut, distance – 150 miles). The exchange operates the commodity grain market representing a variety of the spot–market operating on “negotiable” transaction principle and providing for the preliminary grain reservation agreement.
 CME Group (Kansas-City , USA)	136 ton (5 000 bushels)	<ul style="list-style-type: none"> EXW delivery from the cities in Kansas and Missouri (maximum distance – 220 miles), fixed over spots/discounts depend on the delivery area. Settlements between the customer and seller for commodity deliveries are carried out by transferring a warehouse receipt through the Clearing house.
 NCDEX (India)	10 ton	<ul style="list-style-type: none"> EXW delivery to Delhi and other 8 areas in the North-eastern India. Wheat to be delivered to the seller’s location. Clearing objective — optimization of deliveries from the sellers to the customers’ locations without guarantee of delivery to the area of the customer’s interest.
 ZCE (China)	50 ton	<ul style="list-style-type: none"> EXW delivery is carried out by transferring a warehouse receipt that confirms availability of the required quality grain to the authorized elevators, location of which is not detailed in the exchange documents.

MOEX GROUP GRAIN MARKET TRADING & DELIVERY COMPARISON



Contract expiration dates	From the second to the last working day in March, May, July, September, and December	Every working day of the year
Availability of swaps and other funding	—	June 2016
Grain quality characteristics	<ul style="list-style-type: none"> ▪ Fixed contamination index (IDK, insect damaged kernels); ▪ Minimal level of protein. (fines and premiums apply) 	The customer can set up conditions regarding any quality characteristic as per specification.
Conditions for physical delivery	Staged system of obligation performance providing for the order to be placed with the Clearing house.	Determined by transaction conditions.
Geography of deliveries	<ul style="list-style-type: none"> ▪ Warehouses and vessels (Chicago, Ohio and Mississippi Rivers); ▪ Fines and premiums apply dependent on place of delivery. 	<ul style="list-style-type: none"> ▪ The entire territory of the Russian Federation (provided accredited elevators are available) – sale and purchases; ▪ Any railway station – purchase with delivery by NLC.
Provision of delivery services	—	Starting December 2015 NLC acts as a forwarding agent.
Storage charges per day (rubles per ton)	8,5	3,4

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- Ability to keep pace with the rapid changes in science and technology environment, including the ability to use advanced functional capabilities which are popular among the customers of the Company and its subsidiaries;
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