



**MOSCOW  
EXCHANGE  
25 YEARS**

# RUB FX FIXING MATCHING SERVICE

“TRADING AT RUBLE FIXING”

## About MOEX FX Market:

- Dominant RUB FX liquidity pool
- Multilateral global trading platform
- ADV of \$25bn
- ~ 64% market share of all Russian USD/RUB FX trading
- ~ 40% of MOEX participants trading FX Spot are international

## MOEX FX Ruble Fixings

- MOEX FX USD/RUB and EUR/RUB Fixings recognized as official RUB FX benchmarks since 2016 (IOSCO compliant, recommended by EMTA WG, adopted into ISDA FX definitions)
- “Significant benchmark” as per EU draft Regulation on ‘indices used as benchmarks in financial instruments’
- Calculation based on the average values of trades and orders in MOEX trading system every second of the fixing window 12:25–12:30 MSK. Published at ~12:30 MSK and available on MOEX website <http://moex.com/s1914>, Thomson Reuters and Bloomberg
- Widely used in RUB denominated cash-settled derivatives: NDFs (global ADV \$4–5bn), exchange traded FX Futures (MOEX, CME) and structured products

## Short description of MOEX FX Fixing Electronic Matching Service

- Launched on September 4th, 2017
- On-exchange service, under new TOM trading instruments: USDRUB\_FIX0, EURRUB\_FIX0 (new board)
- Clearing / settlement through the MOEX Group’s CCP (NCC bank, <http://www.nkcbank.com>)
- Daily traded instrument; traded and matched on the same day of MOEX FX Fixing with TOM value date settlement. Plans in 2018 to introduce trading of forward dated fixing maturities starting with instruments tradable one day before the MOEX FX Fixing Date
- Trade time (submission of Fixing Orders for continuous matching): 10:00–12:15 MSK Daily
- MOEX FX Fixing calculation time: 12:30 MSK on the Fixing Calculation Date
- Settlements: TOM/T+1 from the Fixing Calculation Date
- Min lot = USD 1,000,000
- In fixing order entry window: a participant can see Fixing Calculation Date, Settlement date (TOM/T+1) and enter order volume (per 1mn lot size); no FX price is indicated.



**USDRUB\_FIX**

- Price of Fix deal = MOEX FX Fixing rate calculated at 12:30 MSK
- Tick size 0,0001 RUB per 1 USD
- Continuous Matching: Fixing trades are concluded at the moment of NCC matching opposite fixing orders. After 12:30 new calculated MOEX FX Fixing rate is applied to fix trades which are treated as trades with value date TOM/T+1
- Visibility: fixing orders are not displayed in the order book: neither the total bid or offer volume is shown, nor the size of individual orders — to prevent market manipulation or malpractices
- Overall volume and the number of matched fixing trades are disclosed
- Net settlement with other FX trades with the same value date (TOM/T+1) provided by NCC

### Advantages of MOEX FX Fixing Electronic Matching Service vs OTC matching practices

- Zero slippage by trading at the official ISDA fixing rate
- CCP trading clearing: reduction of credit risks against multiple counterparties
- Reduced settlement risk through CCP net settlement of all MOEX FX trades
- Legal certainty and ability to book the trade at moment of matching
- Clear rules of organized market with monitoring/control against market manipulation
- Lower risks with a compliant regulated infrastructure operating under applicable benchmark regulations and best practices stipulated by the Global FX Code of Conduct

**Fees:** one third of standard MOEX FX market instrument fees (\$3-5 per \$1mn)

## HEDGE YOUR RUB FIXING WITH MOEX

### CONTACTS

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- perception of market services offered by the Company and its subsidiaries;
- volatility (a) of the Russian economy and the securities market and (b) sectors with a high level of competition that the Company and its subsidiaries operate;
- changes in (a) domestic and international legislation and tax regulation and (b) state policies related to financial markets and securities markets;
- competition increase from new players on the Russian market;
- the ability to keep pace with rapid changes in science and technology environment, including the ability to use advanced features that are popular with the Company's and its subsidiaries' customers;
- the ability to maintain continuity of the process of introduction of new competitive products and services, while keeping the competitiveness;
- the ability to attract new customers on the domestic market and in foreign jurisdictions;
- the ability to increase the offer of products in foreign jurisdictions.

Forward-looking statements speak only as of the date of this document and we expressly disclaim any obligation or undertaking to release any update of, or revisions to, any forward-looking statements in this document as a result of any change in our expectations or any change in events, conditions or circumstances on which these forward-looking statements are based.



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