

## YOUR GUIDE TO THE RUSSIAN STOCK AND DERIVATIVES MARKET

### Corporate News

#### The MICEX-RTS Board of Directors calls Annual general meeting of shareholders

The MICEX-RTS Board of Directors made a decision to adopt the MICEX-RTS Group Strategy, call an Annual general meeting of shareholders and approve the date and agenda for the AGM.

Previously, the Board of Directors advised the Executive Board to agree the Strategy with customers, regulators and self-regulatory organizations. Following the results of the discussions the final version of the Strategy was approved by the Board on Monday. Aleksey Savatyugin, Deputy Finance

Minister the Russian Federation, who addressed the MICEX-RTS Board of Directors with comments on the document before, took part in the debate on the Strategy at the meeting of the Board.

Six major priorities which are product-oriented and infrastructure-oriented have been determined in the Strategy approved by the Board. The product-oriented priorities include bringing back IPOs and liquidity to the Russian equity market as well as accelerating development of the derivatives

#### In this Issue:

Valuable information for your business including:

- The latest news from the Russian market
- Market data for May 2012
- MICEX-RTS International projects
- Professional opinion of market specialists

market including expansion of the range of products it offers.

The MICEX-RTS infrastructure projects imply creating a clearing system that will offer an opportunity to calculate a market participant's single cash position across all asset types; insuring competitiveness of the Group's settlement services; creating reliable and high performance technological platform with an array of related services; active involvement in conducting the regulatory reform.

Two large areas for work are followed from the Strategy that has induced the Board of Directors to recommend that the Annual General Meeting should consider separation of power between the President and Chief Executive Officer because of a large number of tasks that needs to be accomplished. The President

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## NEWS IN BRIEF...

#### BRICSsmart — growing relevance of the developing economies

Read the interview with Evgeny Serdyukov, Managing Director of Derivatives Market, MICEX-RTS, on [page 17](#)



#### New trading record on currency contracts set on FORTS

For more information please visit [the website](#)

#### MICEX-RTS announces results of the quarterly indices review

For more information please visit [the website](#)

will be responsible for law-related issues, GR, IR and preparing to an IPO. The Company's CEO will be in charge of the business organizational arrangements and operation administration of the company. The President and CEO will share the responsibility for the company's development and implementation of the Strategy.

A candidate for CEO is to be approved by the AGM, for the President – by the Board of Directors that will be elected at the AGM. It is recommended that Ruben Aganbegyan remains the President of MICEX-RTS. Now he will be able to focus entirely on "external"

issues of the Exchange. Alexander Afanasiev, Deputy Chief Executive Officer of OJSC MICEX-RTS, is proposed to be the company's CEO by the Board of Directors. In addition, the AGM's agenda will include issues related to a new version of the company's Articles of association that will include also a new name of the Exchange, approval of the annual report, financial statements, election of the Board of Directors and Audit Committee, remuneration amount for members of the Board of Directors and Audit Committee, appointment of audit firm, distribution of profit, including dividends, etc.

The Articles of association of the Exchange is going to be changed to include the new name "Moscow Exchange MICEX-RTS" (short name "Moscow Exchange"). The AGM will take place on June 20, 2012 at 4.00pm MSK in the office of MICEX-RTS at 4/7 Vozdvizhenka Str, Bld 1, 7<sup>th</sup> floor, 125009, Moscow. Registration of the meeting's participants will start from 2.00pm MSK.

**Information (materials) to the meeting is available starting from May 30, 2012 in the office of Exchange at Bolshoy Kislovsky per, 13, 125009, Moscow.**

## **MICEX-RTS to get a new name**

The MICEX-RTS Executive Board will put a question on changing the Exchange's business name on the agenda of the Board of Directors meeting.

The full business name "Moscow Exchange MICEX-RTS" that covers

both the status of the integrated organization and continuity of the business has been chosen after consultations and selection of 500 variants of a name by experts. The short business name will be "Moscow Exchange".

If the new name is approved by the Board, it will be submitted for consideration at the AGM and will take effect after changes to the Articles of association of the company are made.

## **MICEX-RTS Group's companies announce a rise in net profit in Q1**

CJSC JSCB National Clearing Centre, National Settlement Depository and RTS Clearing Center, the most highly capitalized companies of the MICEX-RTS Group, posted an increase of net income in Q1 2012. In the first quarter of 2012 net income of CJSC JSCB National Clearing Centre amounted to RUB928.8 million, up 225% in the

same quarter last year. Net income of National Settlement Depository under the Russian Accounting Standards was up 57.1% compared to the same quarter of 2011 reaching RUB963mln. RTS Clearing Center reported an upturn in net income of 84% (RUB379 million).

Remarkable Q1 2012 financial

performance of the companies was driven by the business rearrangement followed by a redistribution of income between the parent company and its subsidiaries. In particular, securities market clearing was transferred from MICEX-RTS to CJSC JSCB National Clearing Centre end of 2011.

## **Meeting of the OJSC MICEX-RTS Board of Directors took place**

On May 14, 2012 a meeting of the OJSC MICEX-RTS Board of Directors took place. The Board was informed about the process of integrating the MICEX-RTS Group of companies, the MICEX-RTS consolidated financial statements under IFRS for 2011 and execution of the 2011 MICEX-RTS Group's Consolidated budget. In addition, the meeting participants heard a report and gave a preliminary approval to the OJSC MICEX-RTS 2011 Annual report as well as made a first-ever decision to

introduce the Group's financial statements under IFRS to the Annual report. In discussions over preparing to an IPO, importance of the T+3 project implementation for the MICEX-RTS initial public offering was highlighted. While considering the agenda item "On the technical disruption occurred on April 23, 2012 and measures to ensure business continuity of the MICEX-RTS Group", the Board of Directors pointed out unsatisfactory work of managers responsible for

operational risk. The members also instructed the Exchange's Executive Board to submit an issue on calling the annual General meeting of OJSC MICEX-RTS shareholders for 2011 year results on June 20, 2012 to the next meeting of the Board of Directors planned for 21 May. The list of persons who are eligible to participate in the meeting of shareholders will be based on the shareholders register as of May 21, 2012.

**16.05.2012**

## **NSD to act as the settlement depository for trades executed in Standard sector**

Starting from May 21, 2012 trades executed in the Standard sector of the Exchange's Securities market will be settled using trading sections typed "Blocked for clearing. RTS Standard" of the securities accounts opened with National Settlement Depository

(NSD). CJSC "DCC" will continue to perform functions as the settlement depository for a while, including registering securities deposited as collateral assets. The move represents the next stage in integrating National Settlement Depository and CJSC

DCC implying planned migration of all settlement functions to NSD. In March 2012, NSD's depositors were permitted to set up sections with the following types: "Blocked for clearing. FORTS" and "Blocked for clearing. RTS STANDARD".

**16.05.2012**

## **Record date for the OJSC MICEX-RTS shareholders register fixed**

On May 14, 2012 the OJSC MICEX Board of Directors made a decision to draw up the List of persons who are eligible to participate in the annual General meeting of OJSC

MICEX-RTS shareholders as of May 21, 2012. Issues related to the calling of and the preparation to the annual General meeting of OJSC MICEX-

RTS shareholders including an approval of the meeting's agenda were considered at the Board of Directors meeting on Monday, May 21, 2012.

**12.05.2012**

## **MICEX-RTS announces launch of accreditation program for telecom operators**

MICEX-RTS has announced launch of the program for accreditation of telecom operators aimed at improving the quality and reliability of the Exchange's access services and providing specialized Telecommunication services that will include specifics of interaction between the MICEX-RTS IT systems and professionals of the financial market.

Within the framework of the program unification of technological interaction processes between the MICEX-RTS systems and networks of the telecom operators as well as between the technical support services of the Exchange, its clients and the telecom operators will be carried out and maintenance of necessary technologies and functions will be ensured for networks of the operators.

For successful accreditation the telecom operators will have to form specialized telecom products aimed at providing an opportunity for technical connection to the MICEX-RTS tools with ensured

quality parameters. Welcoming the launch of the program, Ruben Aganbegyan, MICEX-RTS President, said: "IT professionals of the united exchange implement projects for integration of the systems which previously provided for functioning of MICEX and RTS. Lack of standard and open principles of interaction in this area may substantially affect further activities. We consider the Program of telecom operators' accreditation a very serious aspect of the undertaken changes intended to boost the Exchange's competitiveness".

According to Vahan Vardanian, Managing IT Director at MICEX-RTS, unified rules and requirements to telecom operators providing network access to the MICEX-RTS tools have been needed for a long time as the historically developed principles were not appropriate and gave rise to complaints by clients of the Exchange. "We realized that it was high time we formed unified rules and requirements for

telecom operators that were or were going to be the Exchange's partners. Over 600 companies that are professional participants of the Russian financial market and hundreds of thousands of their clients depend on the quality of services provided by the operators".

The program checks compliance of telecom operators with the requirements on the initial stage of the accreditation process, gives assessment of quality of their services and also implies serious changes to be implemented by the MICEX-RTS.

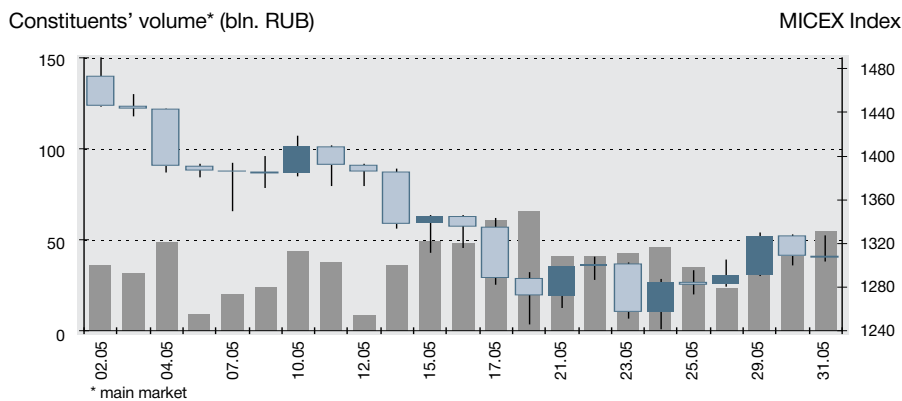
Preparation for the operators' accreditation and its implementation are planned for Q3 and Q4 2012.

Starting from 2013 only operators that meet the requirements and pass the accreditation will be able to provide access to the MICEX-RTS services.

Network Service Providers Accreditation Program — General Information ([pdf, 545 Kb](#))

# The MICEX Index Monthly Wrap-Up: May 2012

**Pic 1 MICEX Index Dynamics**



In May 2012 the Russian stock market demonstrated negative dynamics. For the last month the MICEX Index went down 11.34% to reach 1,306.42 index points (1,473.50 as of April 28, 2012) **(Pic 1)**. By the end of the month the MICEX Index was 21.60% lower compared to its closing level a year ago (1,666.30 points as of May 31, 2011).

In May the trading volume of the securities, MICEX Index constituents, in the Main market sector totaled RUB896.14 billion, and the total capitalization of the Index constituents made up RUB17,541.41 billion.

In May 28 out of MICEX Index's total 30 constituents had negative impact on the MICEX Index's dynamics (down 11.61%), 2 securities moved positively (up 0.27%).

The largest negative impact was coming from the falling prices of ordinary shares of Gazprom (down 1.99%), Sberbank (down 1.81%) and NOVATEK (down 1.51%)

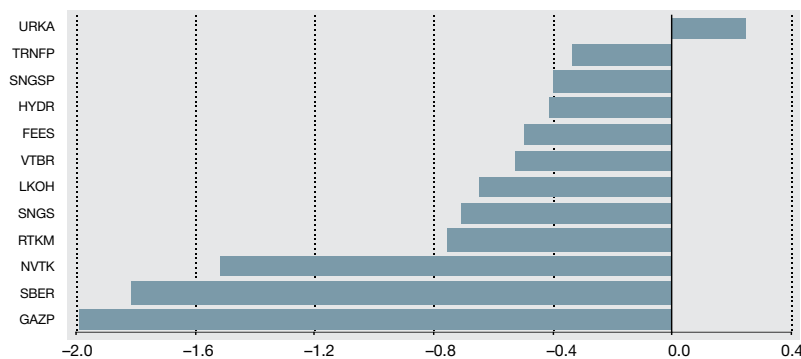
**(Pic 2)**.

The largest positive impact was coming from the rising prices of Uralkali ordinary shares (up 0.25%).

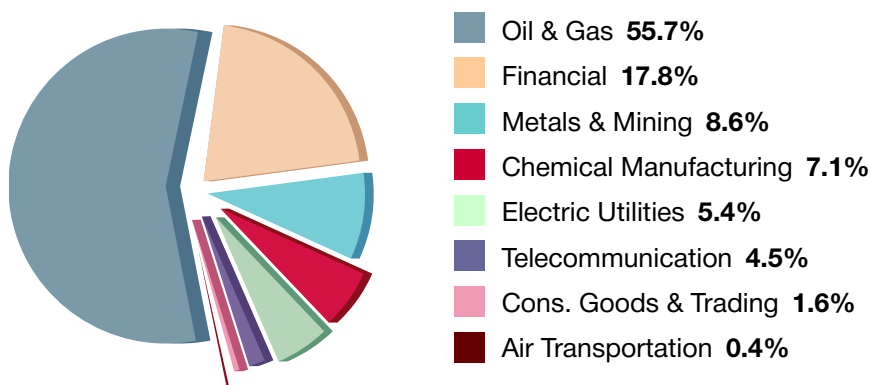
55.7% of the MICEX Index total capitalization concentrated in Oil & Gas sector. The other large-weighted sectors were Finance (17.8%) and Metals & Mining (8.6%) **(Pic 3)**.

In May the major contributors were the companies of Oil & Gas sector (down 5.95%), Finance (down 2.48%) and Electric Utilities (down 1.34%) **(Pic 4)**.

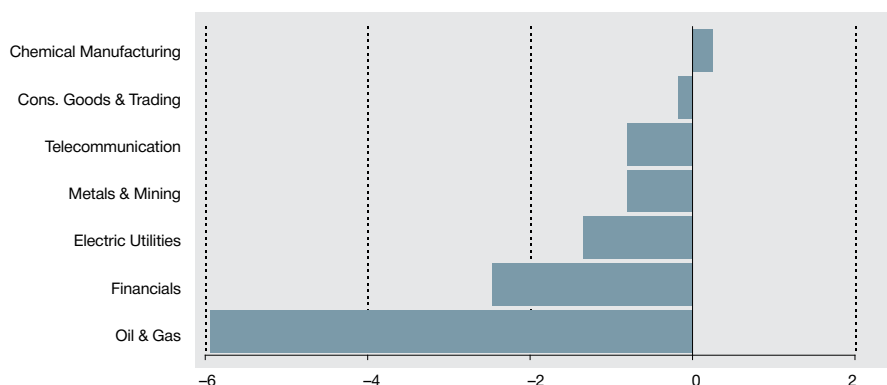
**Pic 2 Stocks Prices Impact on MICEX Index (%)**



**Pic 3 MICEX Index Sectoral Structure**

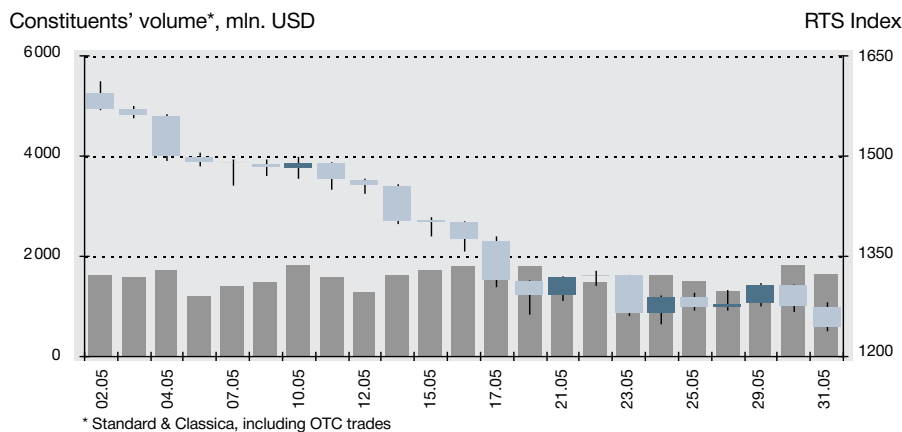


**Pic 4 Sectoral Contribution to Index Dynamics (%)**



# The RTS Index Monthly Wrap-Up: May 2012

**Pic 1 RTS Index Dynamics**



In May 2012 RTS Index went down by 22.05% to reach 1,242.43 points (1,593.97 points as of April 28, 2012) (**Pic 1**). By the end of May RTSI was 34.21% lower compared to its closing level a year ago (1,888.60 as of May, 31 2011). The US dollar went up 10.52% against the Ruble in May 2012 (**Pic 2**).

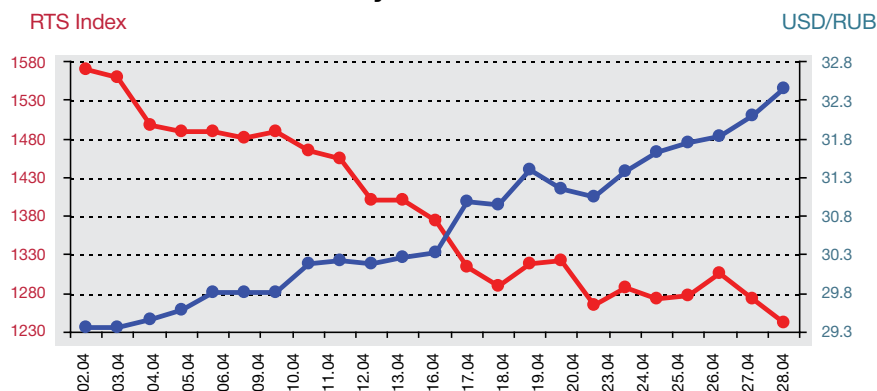
Last month volatility went up: the Russian Volatility Index RTSVX grew by 60.68%.

In May 2012 all 50 RTSI's constituents had negative impact of the RTS Index's dynamics (down 22.05%).

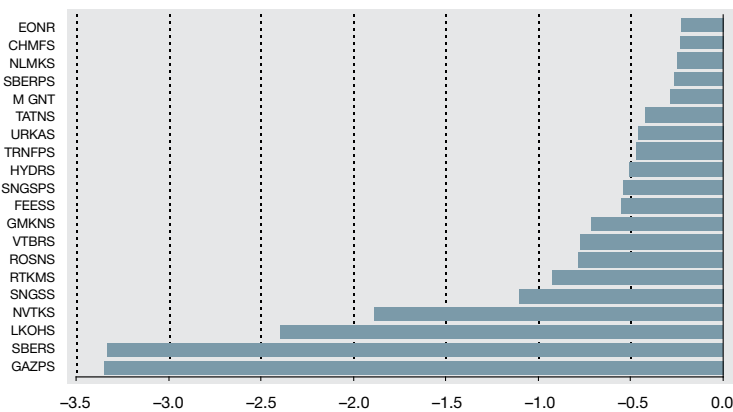
The largest negative impact was coming from the falling prices of ordinary shares of Gazprom (down 3.35%), Sberbank (down 3.33%) and Lukoil (down 2.40%) (**Pic 3**).

In May the major contributors were the companies of Oil & Gas sector (down 11.64%) and Finance (down 4.49%) (**Pic 4**).

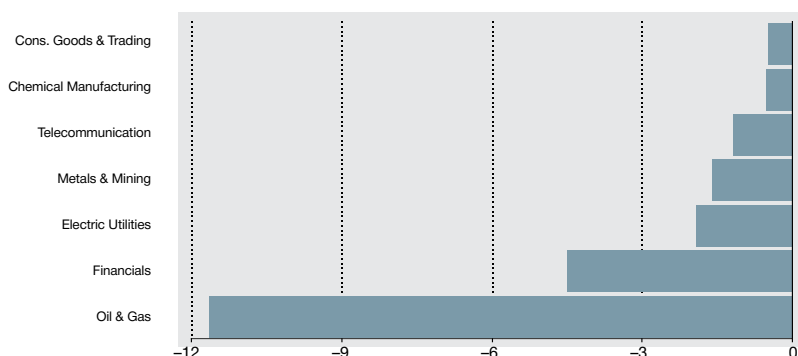
**Pic 2 RTS Index vs US Dollar Dynamics**



**Pic 3 Stocks prices impact on RTS Index (%)**



**Pic 4 Sectoral Contribution to Index Dynamics (%)**





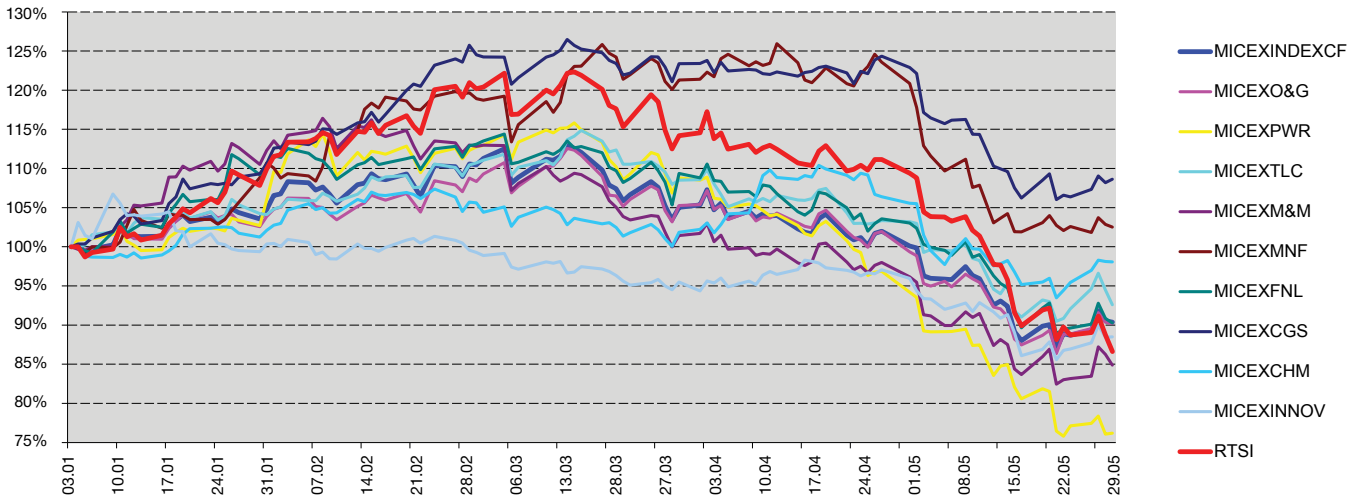
# Indices

## Indices performance

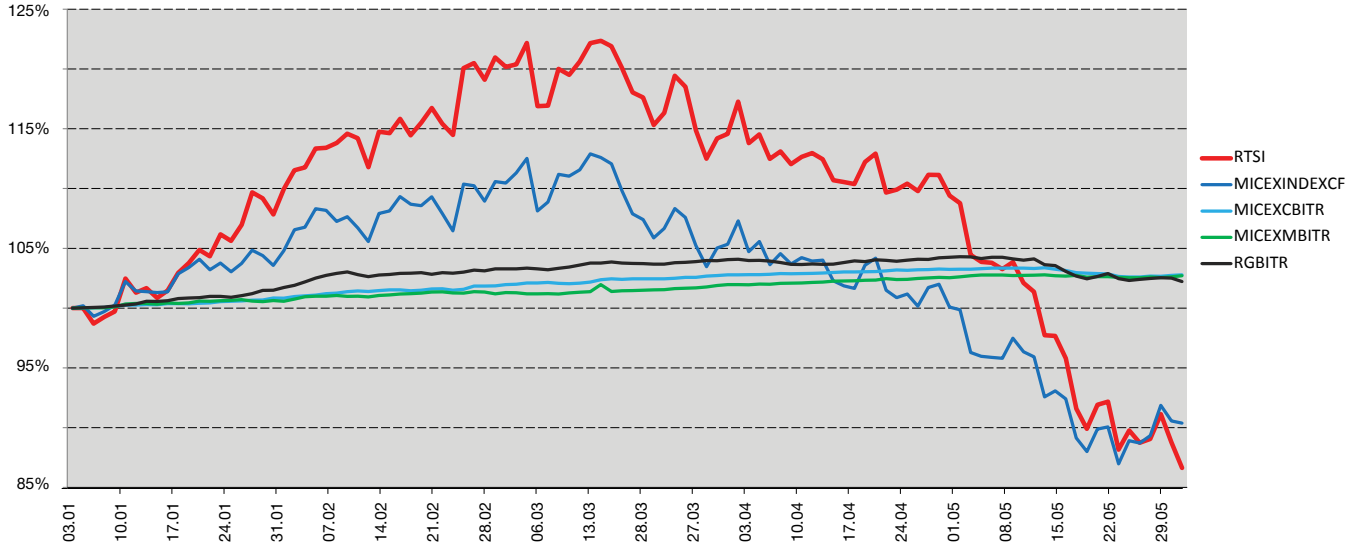
Index	Last Value	Max	Min	Return over the period (%)		
				Month	Quarter	Year
<b>Composite Indices</b>						
MICEX Index	1,306.42	1,550.05	1,447.06	-11.34	-18.23	-21.60
RTS Index	1,242.43	1,681.80	1,572.88	-22.05	-28.39	-34.21
RTS Standard Index	9,066.19	10,581.19	9,909.19	-10.12	-17.24	-19.63
<b>Sectoral Indices (in RUB)</b>						
Oil & Gas	2,767.94	3,289.91	3,067.14	-11.54	-17.10	-10.36
Electric Utilities	1,625.61	2,323.35	2,055.28	-21.34	-32.16	-39.31
Consumer & Retail	4,305.28	4,928.31	4,788.88	-12.64	-13.61	-19.98
Telecommunication	1,947.61	2,311.34	2,164.63	-10.40	-16.16	-19.62
Industrials	1,788.59	2,197.38	2,103.15	-17.06	-14.34	-26.78
Financials	4,451.87	5,453.52	5,031.38	-12.85	-20.06	-27.62
Chemicals	6,942.58	7,814.76	7,203.77	-7.81	-7.21	2.51
Metals & Mining	2,719.68	3,299.99	3,097.29	-13.38	-24.89	-48.53
<b>Cap Indices</b>						
Large Cap	2,102.42	2,470.37	2,308.53	-10.73	-17.82	-21.43
Mid Cap	2,172.94	2,656.50	2,474.13	-13.17	-19.29	-28.14
Small Cap	3,167.43	3,897.67	3,696.02	-14.72	-20.10	-35.56
<b>Thematic indices</b>						
Russian Volatility Index	46.71	33.43	29.07	60.68	42.41	93.74
RTS Siberia Index	636.95	770.87	731.13	-14.20	-17.39	-29.66
MICEX Innovation Index	679.01	754.30	724.17	-8.85	-11.12	-30.58
<b>Bond Indices</b>						
Russian Government Bond Index	279.01	284.45	282.89	-1.91	-1.03	4.87
Corporate Bond Index	212.24	213.26	212.25	-0.48	0.90	4.85
Municipal Bond Index	158.86	158.65	157.68	0.13	1.50	4.76
<b>Currency (CBR)</b>						
USD / RUB	32.45	29.80	29.28	10.30	12.09	15.60

# Indices

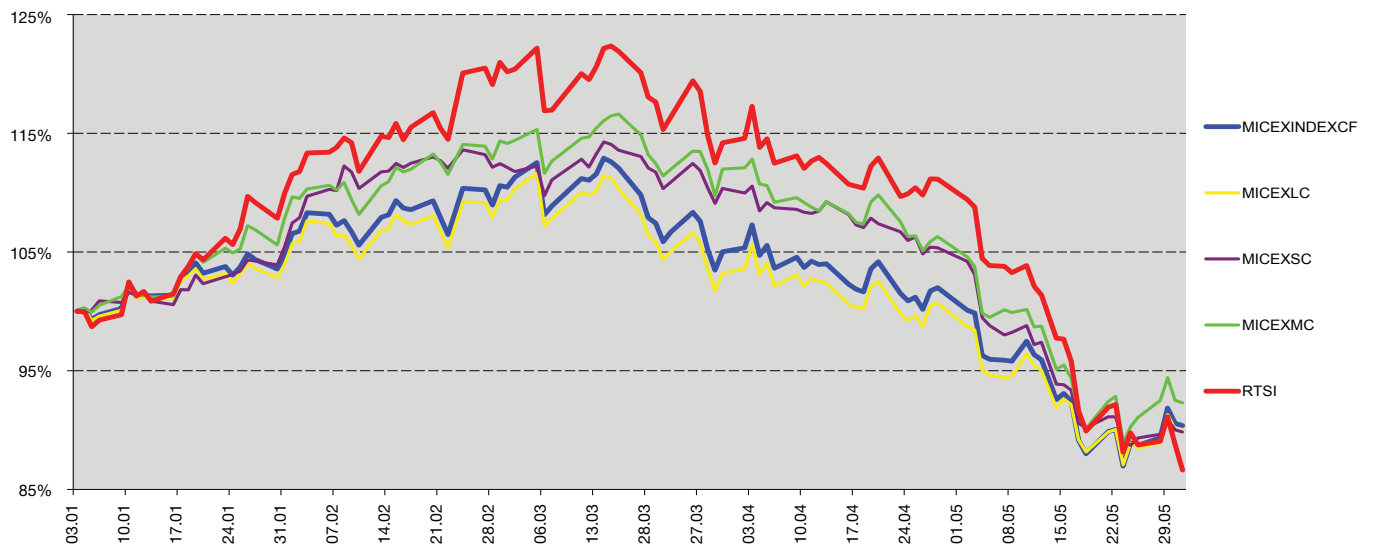
**MICEX Index, RTS Index and Sector Indices historical performance: January – May 2012**



**Capitalization Indices historical performance: January – May 2012**



**MICEX Index, RTS Index and Corporate and Municipal Bond Indices historical performance: January – May 2012**



# Market Data: May 2012

## Trading Results: May 2012

Securities (stocks, fund units, receipts) on Main Trading Mode and Negotiated Deals Mode	May	April	Change (%)
Trading volume, mln USD	31,709	31,408	1
Number of trades	9,838,497	8,372,699	18
Bonds (Main Trading Mode and Negotiated Deals Mode)	May	April	Change (%)
Trading volume, mln USD	18,578	22,827	-19
Number of trades	32,169	34,584	-7
REPO (stocks)	May	April	Change (%)
Trading volume, mln USD	95,462	95,775	0
Number of trades	81,030	84,272	-4
REPO (bonds)	May	April	Change (%)
Trading volume, mln USD	364,447	330,936	10
Number of trades	61,656	60,772	1
FX market	May	April	Change (%)
Trading volume, mln USD	297,769	299,746	0
Number of trades	400,331	389,458	3

## Top 5 MICEX Stock Market Best Sellers: May 2012

Company name	Trading volume (USD)	Share in MICEX (%)
"Troika Dialog"	46,896,796,135	16
Renaissance Broker Ltd	26,584,757,461	9
OTKRITIE Brokerage house JSC	21,287,393,809	7
CentroCredit Bank	17,877,310,165	6
Investment Company FINAM Ltd.	14,099,449,270	5



# Securities Market Data: May 2012

## Top 10 MICEX Main Trading Mode Leading Operators

Company name	Rating position	
	May	April
OTKRITIE Brokerage house JSC	1	1
Investment Company FINAM Ltd.	2	2
BCS Ltd.	3	3
“Troika Dialog”	4	4
“ALOR Plus Corp”	5	5
Renaissance Online Ltd	6	8
VTB 24 (JSC)	7	6
OJSC “ZERICH Capital Management”	8	7
Deutsche Bank Ltd.	9	9
Renaissance Broker Limited	10	12

## Top 10 MICEX Negotiated Deals Mode Leading Operators

Company name	Rating position	
	May	April
“Troika Dialog”	1	1
LLC “Credit Suisse Securities (Moscow)”	2	3
NRBank	3	16
IC Financial Bridge	4	20
OTKRITIE Brokerage house JSC	5	6
Deutsche Bank Ltd.	6	37
Veles Capital	7	10
Sberbank of Russia	8	2
“ALOR Plus Corp”	9	17
INTERPROMBANK	10	75

## Top 10 MICEX REPO Stocks Market Leading Operators

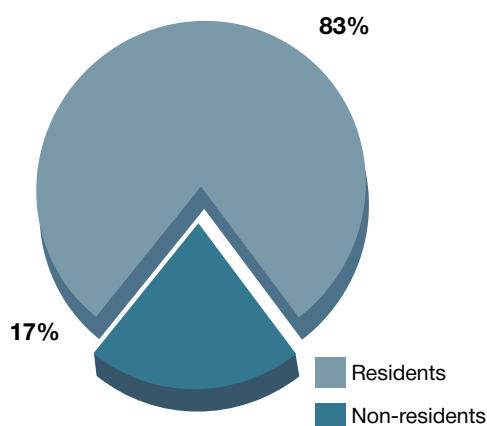
Company name	Rating position	
	May	April
Renaissance Broker Limited	1	1
Sberbank of Russia	2	7
OJSC Promsvyazbank	3	2
CJSC «VTB Capital»	4	3
“Troika Dialog”	5	6
GPB (OJSC)	6	4
Renaissance Online Ltd	7	5
Investment Company FINAM Ltd.	8	9
ING BANK (EURASIA) ZAO	9	10
LLC “ATON”	10	8

## Top 10 MICEX REPO Bonds Market Leading Operators

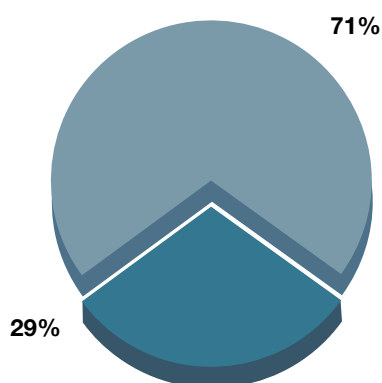
Company name	Rating position	
	May	April
Sberbank of Russia	1	1
CentroCredit Bank	2	2
“Troika Dialog”	3	3
JSC VTB Bank	4	7
GPB (OJSC)	5	4
ZAO UniCredit Bank	6	8
ING BANK (EURASIA) ZAO	7	12
ALFA-BANK	8	6
Bank of Moscow	9	5
Citibank	10	34

## Residents and non-residents share in the market turnover: May 2012

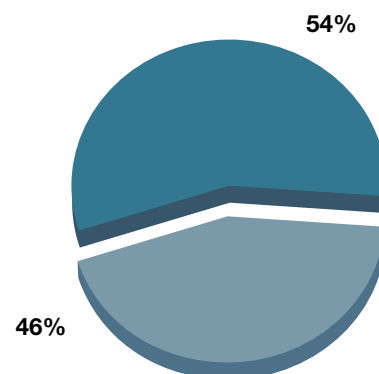
Main market



FORTS market



Standard sector



# Securities Market Data: May 2012

## Top 10 Standard Leading Operators: May 2012

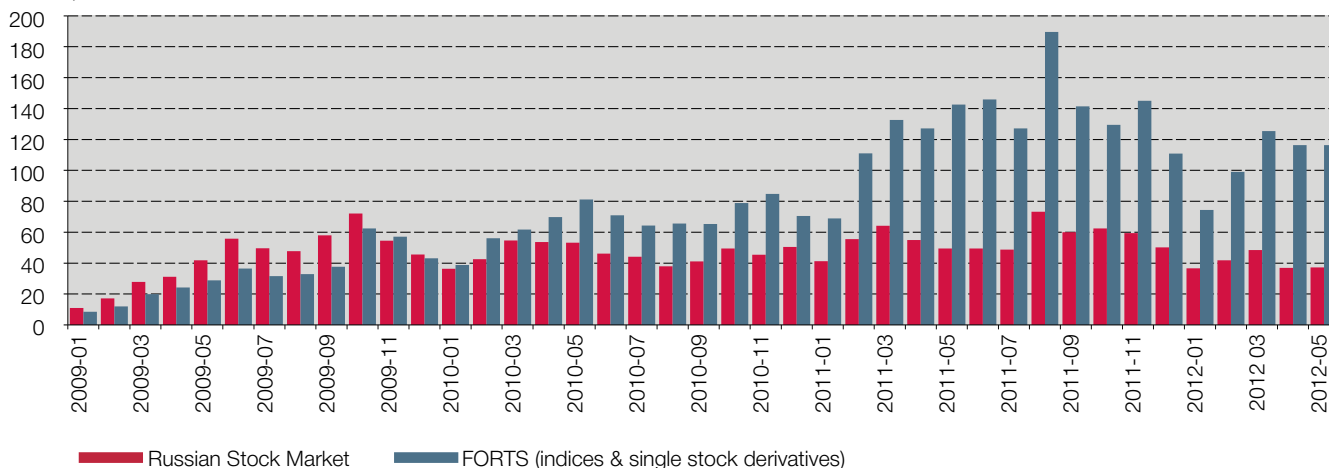
Company name	Rating position	
	May 2012	April 2012
Troika Dialog	1	1
OTKRITIE Brokerage house JSC	2	2
JSC "Investment Company "ITInvest"	3	3
ALOR INVEST Ltd	4	4
OLMA Investment Firm	5	5
KIT Finance Ltd.	6	6
Solid	7	7
ABH	8	8
Metallinvestbank OJSCo SKB	9	9
LLC "URALSIB Capital - Financial Services"	10	12

## Top 5 Classica & Standard & T+0 (RTS) Stock Market Best Sellers: May 2012

Company name	Trading volume (USD)
Sberbank, ordinary	3,151,452,180
GAZPROM, ordinary	1,220,273,153
OAO "LUKOIL", ordinary	419,524,857
Rosneft, ordinary	251,248,287

## FORTS and Russian stock market turnover

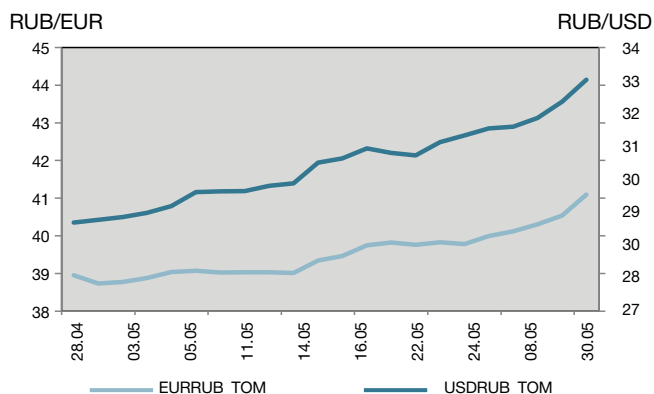
Turnover, bln USD



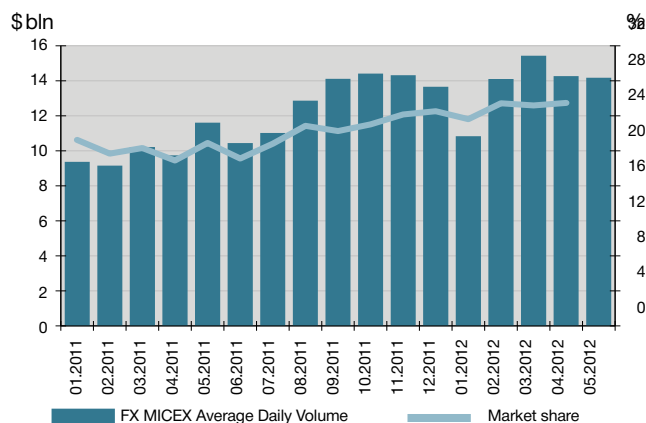
# FX Market

Further deterioration of the euro zone debt crisis contributed to the decline of oil prices and the Russian stock indices, as well as plunge of the Russian ruble and led to investors pulling their money out high risk assets. In May US dollar with tomorrow settlement gained RUB3.79 (up 12.9%) to reach 33,1451 rubles per dollar. Due to the slump in the global markets, strengthening of Euro against the Russian ruble was less significant – the Euro with tomorrow settlement gained RUB2.14 (up 5.5%) to reach 41,092 rubles per euro. In May 2012 the ruble value fell by 9.1% against the dollar/euro bi-currency basket to reach RUB36.72. The growth of exchange rates volatility and demand for the currencies coming from price makers and the public, contributed to the growth of the FX market trading volumes: in May the trading volume exceeded US\$21 billion a day (as of 31.05.12).

## Exchange rate



## MICEX FX trading turnover and market share in the total volume of Russian FX operations



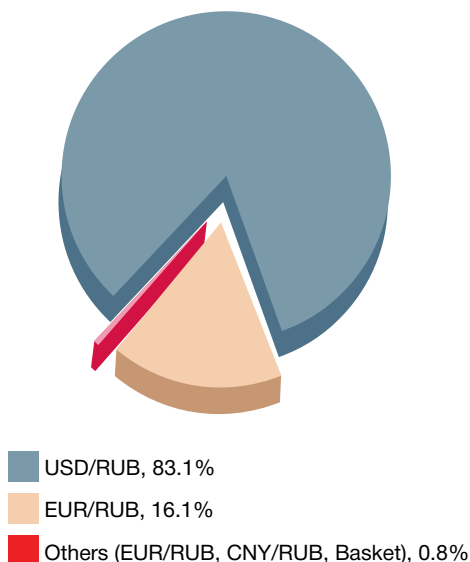
## Trading Results: May 2012

FX market	May	April	Change (%)
Number of trades	400,331	389,458	2.8
Trading volume (mln USD)	297,769	299,746	-0.7
Spot	166,730	153,916	8.3
Swap	131,039	145,829	-10.1

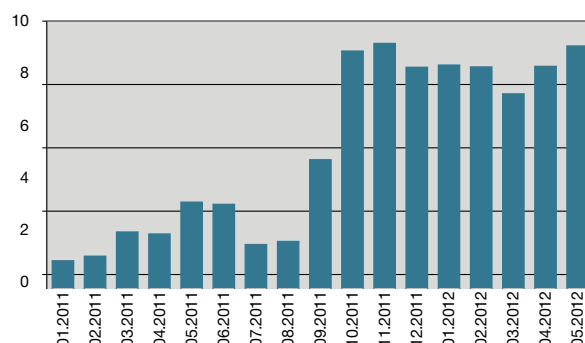
## Top 10 FX Market Leading Operators (spot USD/RUB)

Company name	Rating position	
	May	April
OTKRITIE Bank (JSC)	1	1
OJSC SCB "Metallinvestbank"	2	2
CB "OBRAZOVANIE"	3	4
CJSC "BANK CREDIT SUISSE (MOSCOW)"	4	3
ALFA-BANK	5	5
Deutsche Bank Ltd.	6	—
"NOMOS-BANK" (Open Joint-Stock Company)	7	8
Sberbank	8	10
JSC VTB Bank	9	7
OOO HSBC Bank (RR)	10	9

## FX Market Turnover Structure, May 2012



## Clients' share in the total FX trading volume (%)



# Derivatives market FORTS

## Top clearing members of futures and options trading volumes: May 2012

Company name	Rating position	
	May 2012	April 2012
OTKRITIE Corporation	1	1
JSC "Investment Company "ITInvest"	2	3
ZERHM	3	4
Brokercreditservice Ltd.	4	2
Troika Dialog	5	7
ALOR Group	6	6
Instroyinvest IMC	7	8
ALFA-BANK	8	9
VTB 24 (JSC)	9	10
Solid	10	12

## FORTS Trading results: May 2012

	May 2012	April 2012	Change (%)
<b>Futures contracts</b>			
Trading volume (mln USD)	140,881	132,707	6.16
Trading volume, contracts	100,457,980	78,100,511	28.63
Number of trades	21,600,389	17,441,854	23.84
Total open interest (mln USD)	6,933	7,356	-5.75
Total open interest, contracts	6,333,330	6,910,692	-8.35
<b>Options contracts</b>			
Trading volume (mln USD)	10,074	8,230	22.40
Trading volume, contracts	4,659,158	2,917,879	59.68
Number of trades	330,146	272,644	21.09
Total open interest (mln USD)	4,476	3,022	48.13
Total open interest, contracts	2,417,016	1,653,428	46.18
<b>Total</b>			
Trading volume (mln USD)	150,955	140,937	7.11
Trading volume, contracts	105,117,138	81,018,390	29.74
Number of trades	21,930,535	17,714,498	23.80
Total open interest (mln USD)	11,409	10,377	9.94
Total open interest, contracts	8,750,346	8,564,120	2.17

## Top 5 Traded Futures: May 2012

Contract	Rating	Trading volumes	
		Mln USD	Contracts
RTS Index Futures	1	94,657	34,803,626
USD/RUB exchange rate futures	2	27,742	27,351,124
Sberbank futures	3	5,690	20,666,302
Gazprom futures	4	3,250	6,662,461
EUR/USD futures	5	3,134	2,434,269

# Russian Commodities market: May 2012

The total trading volume of MICEX-RTS Commodities Market in May 2012 totaled 1,821,028 contracts or RUB 77,102,101,261.

The trading volume on the OJSC "Saint Petersburg Exchange" in soft commodities and oil products sectors stood at RUB 260,904,885 (down 11.40% as of April 2012) or 24,565 contracts (down 9.43%).

The trading volume of the electricity market at the OJSC Moscow Energy Exchange totaled RUB 367,307,157 or 5,886 contracts.

Over 15,000 traders participated in derivatives trading.

**Agroindustry** In May 2012 the trading volume in futures contracts on soft-commodities totaled RUB 421,793,533 or 37,973 contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Wheat	17,371	128,189,890
Corn	2,773	19,420,295
Soybeans	837	13,549,950
Cotton	1,484	40,034,550
Sugar	15,508	220,598,847
Total	37,973	421,793,533

**Metals** In May 2012 the trading volume in futures and option contracts on metals reached RUB 41.6 billion.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Gold	666,821	32,802,579,107
Palladium	559	107,420,306
Platinum	5,868	266,757,220
Silver	93,178	8,372,508,081
Copper	2,971	71,711,550
Total	769,397	41,620,976,264

**Oil and oil products** In May 2012, trading volume in futures contracts on oil and oil products made up RUB 35.3 billion or 1,038,223 contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Diesel fuel and Gasoil	2,100	59,710,200
Brent and Urals (futures and options)	1,036,123	35,260,526,147
Total	1,038,223	35,320,236,347

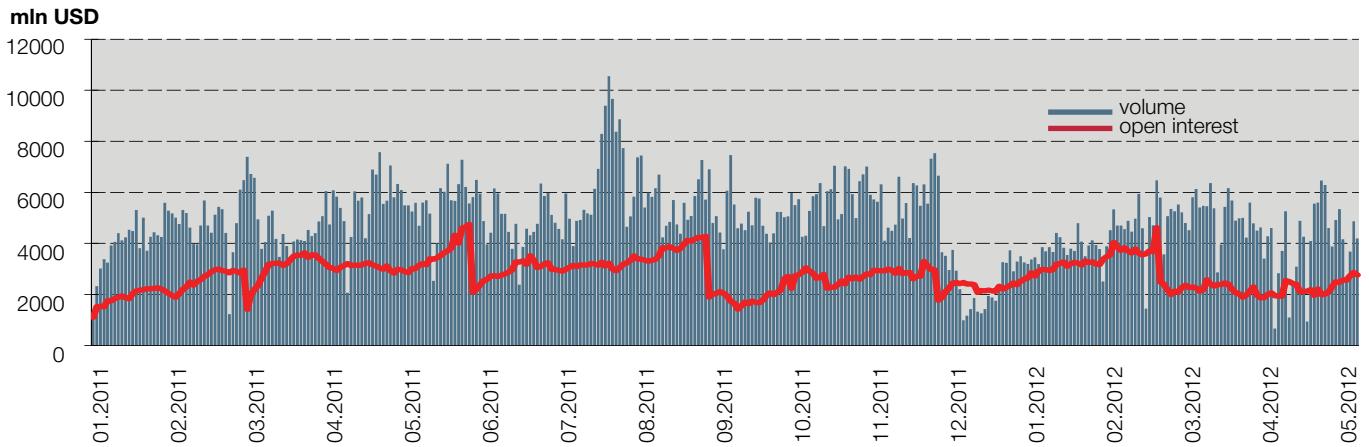
**Power** In May 2012, trading volume in futures contracts on the average power price index made up RUB 367 million or 5,886 contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Power in Center hub	3,747	249,918,831
Power in Ural hub	2,131	116,985,077
Power in West Siberia hub	8	403,248
Power in East Siberia hub	0	0
Total	5,886	367,307,157

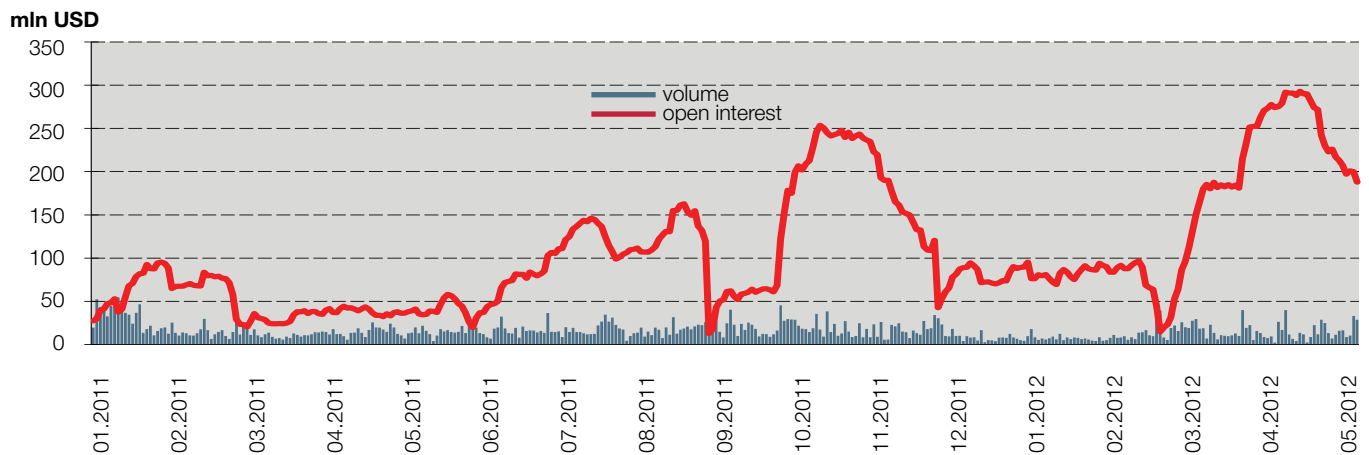
USD 1 = RUB 32,4509 as of May 31, 2012

# Derivatives market FORTS

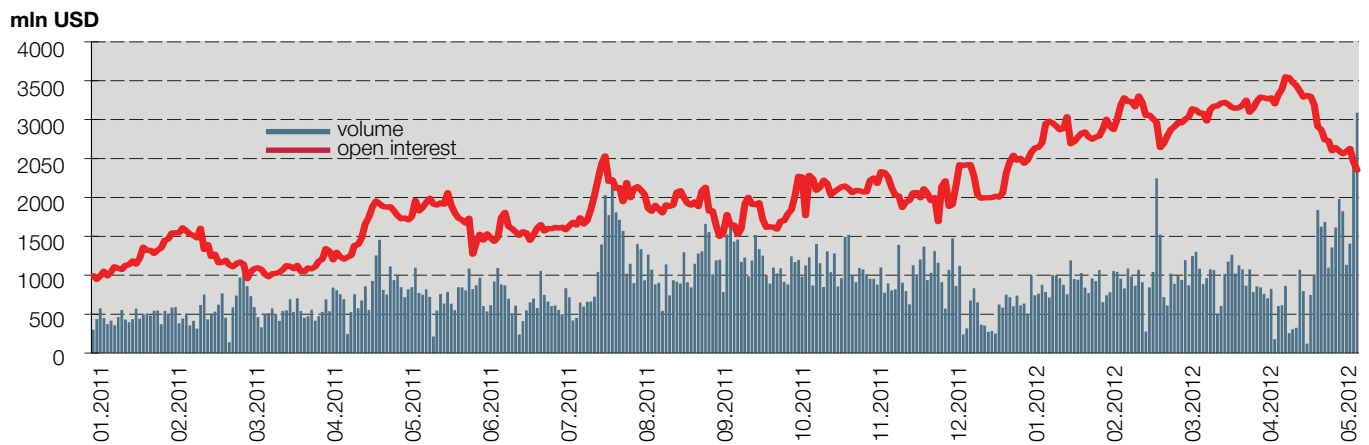
## RTS Index futures: January 2011 – May 2012



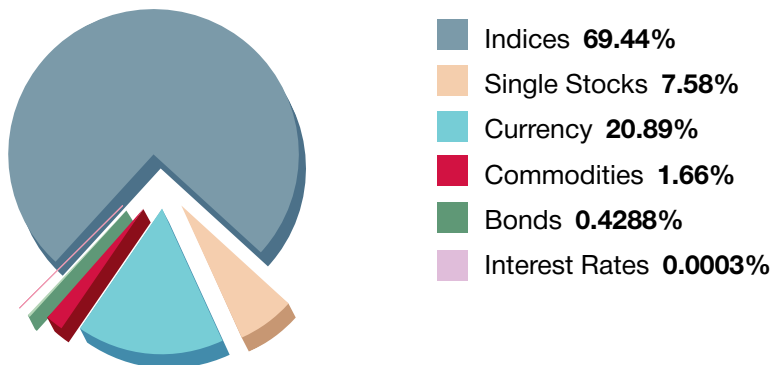
## RTS Standard Index futures: January 2011 – May 2012



## USD/RUB rate futures: January 2011 – May 2012



## FORTS turnover breakdown. Trading volume in USD by contracts: May 2012





# MICEX-RTS Group International Projects: Ukrainian Exchange

The Ukrainian Exchange is **the liquidity center of stocks and derivatives trading in Ukraine**. Securities market was launched in March 2009 and trading on the derivatives market started in May 2010. Both markets meet the best international practices.

## Trading results: May 2012

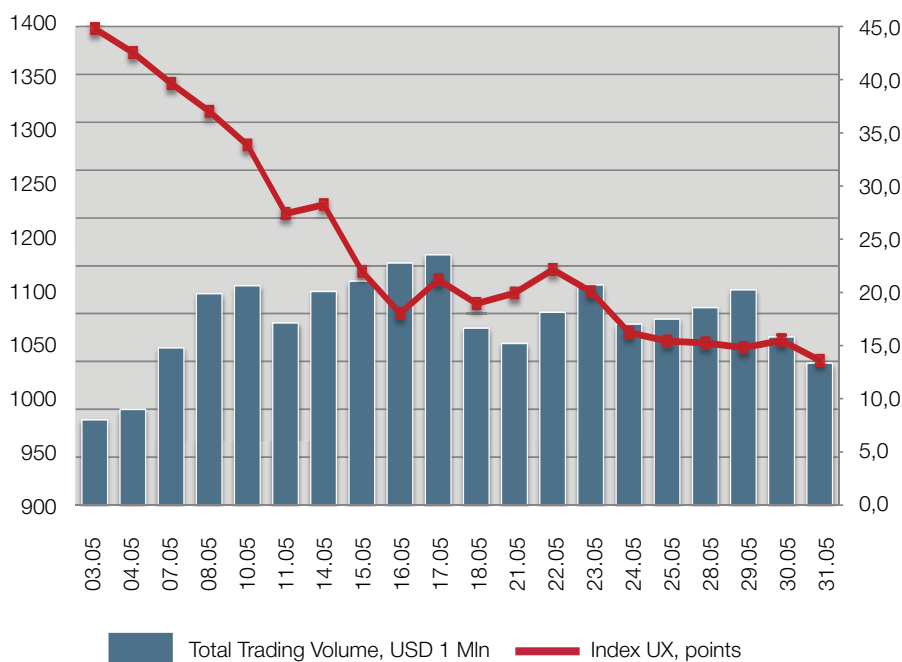
	May	April	Change (%)
<b>STOCK MARKET</b>			
Trading Volume (USD)	111,218,696	132,474,052	-16.04
Number of trades	51,150	47,288	8.17
<b>DERIVATIVES MARKET</b>			
Trading Volume (USD)	237,610,367	131,428,266	80.79
Trading Volume, contracts	1,728,101	749,453	130.58
Number of trades	197,339	91,322	116.09
Total open interest (USD)	17,155,386	15,689,091	9.35
Total open interest, contracts	123,888	90,002	37.65
<b>TOTAL (USD)</b>	<b>348,829,063</b>	<b>263,902,317</b>	<b>32.18</b>

## The UX Index Monthly Wrap-Up: May 2012

The Ukrainian Equities Index is an indicator calculated by the Ukrainian Exchange. The Index is calculated during the trading session every 15 seconds. Index constituents are the most liquid stocks of Ukrainian companies.

In May the UX Index calculated by the Ukrainian Exchange fell by 24.88% to reach 1,051.01 points (1,399.14 points as of April 28, 2012).

The most impact was coming from prices of ordinary shares of Centrenergo (CEEN) – down 74.22 points, Motor Sich (MSICH) – down 59.83 points and Ukrnafta (UNAF) – down 57.85 points.



## Top 5 Stock Market Best Sellers: May 2012

Ticker	Company name	Trading volume (USD)	Closing price (USD)	Change (%)
MSICH	Motor Sich	11,125,630	269.35	-23.75
CEEN	Centrenergo	6,222,159	0.631	-36.59
ALMK	Alchevsk Metallurgical Plant	4,169,803	0.007	-32.15
AVDK	Avdiivka Cokery Plant	3,714,983	0.375	-38.31
ENMZ	Enakievo Metallurgical Plant	2,289,066	5.04	-35.20

# MICEX-RTS Group International Projects: Kazakhstan

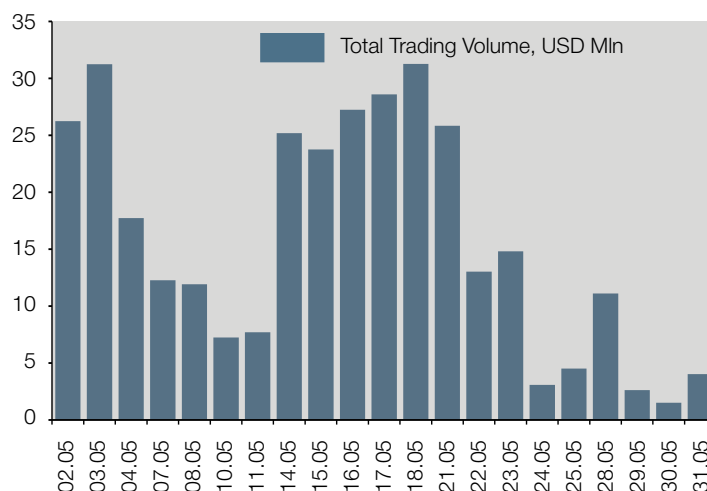
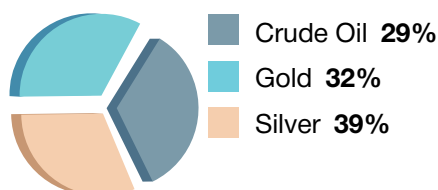
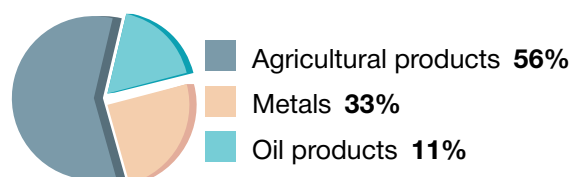
The Eurasian Trade System (ETS) Commodity Exchange is **the leading commodity and derivative exchange in Kazakhstan and one of the biggest commodity exchanges in CIS. ETS offers best practice, modern and robust technologies for access to Kazakhstan market.** Commodity market was launched in March 2009 and trading on the derivatives market started in September 2009. Both markets meet the best international practices.

## Trading results: May 2012

	May	April	Change (%)
<b>COMMODITY MARKET</b>			
Trading Volume, USD	71,208 609	71,256,791	-0.07
Trading Volume, tons	510,883	435,725	17.25
<b>DERIVATIVES MARKET</b>			
Trading Volume, USD	244,420,975	471,486,087	-48.16
Trading Volume, contracts	208,939	388,811	-46.26
<b>TOTAL, USD</b>	<b>315,629,584</b>	<b>542,742,879</b>	<b>-41.85</b>

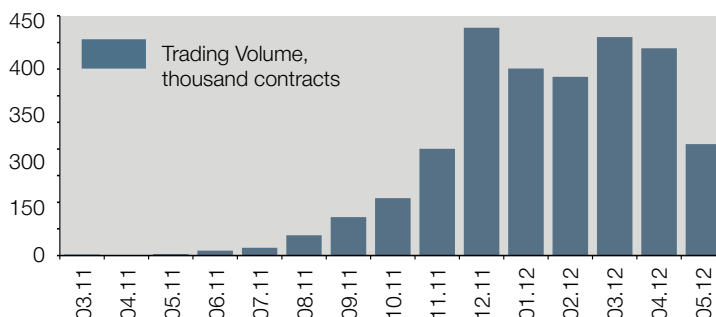
## Turnover breakdown: May 2012

ADV on ETS reached USD15.8 million, the most popular instruments were agricultural products on the spot commodity market and gold futures on the derivative market.



## Explosive growth on derivative market

Despite insignificant decrease in trading activity in May due to seasonality, the derivatives market exhibits explosive growth.



## BRICS<sup>Smart</sup> — growing relevance of the developing economies

On 12 October 2011 at a World Federation of Exchanges' conference in Johannesburg, South Africa five exchanges of Brazil, Russia, India, China and

South Africa announced the formation of an alliance. The RUSSIAN MARKETS met with **Evgeny Serdyukov, Managing Director of Derivatives Market**

**at MICEX-RTS**, to find out more about the initiatives of the alliance undertaken in the past 7 months and give an insight on the role of the alliance for the investors.



**Evgeny Serdyukov**

**Russian Markets (RM):** What are the members of the BRICS Exchanges Alliance and what was the purpose for creating this alliance?

**Evgeny Serdyukov (ES):** The alliance joins the five exchanges, BM&FBOVESPA from Brazil, Open Joint Stock Company MICEX-RTS from Russia, BSE Limited from India, Hong Kong Exchanges and Clearing Limited (HKEx) as the initial China representative, and JSE Limited from South Africa. The nations Brazil, Russia, India, China and South Africa are identified by the acronym BRICS. BRICS countries have plenty of room to maximize their great potential, they are not restricted by formal alliances and can generate a lot of growth for investors. So, initially the purpose was to create a joint initiative of emerging markets to expose both BRICS countries' investors and those working on the BRICS' markets to their dynamic economies and to increase the liquidity of

their trading venues. The first step in bringing more liquidity to the emerging markets was cross-listing of benchmark equity index derivatives which is aimed at will strengthening the international position of the BRICS alliance in the global economy and boosting growth of the emerging market investor bases.

**RM:** How do you estimate the role of the emerging markets nowadays?

**ES:** Emerging markets are becoming an increasingly important part of both world stock markets and the global economy.

BRICS economy is very different and has different segments of in their GDP. For example China is the 2<sup>nd</sup> country by their GDP as of 2010 by the World bank ratings. Or Brazil's GDP is following the UK's one in that rating. If we talk about the segments of GDP of each country of BRICS this is agricultural sector (Brazil has strong positions in the export of coffee, sugar, oranges etc; India is very strong in rice, cotton etc.; South Africa: more than 140 types of fruits are exported), mining industry (Russia is strong in oil and oil products; South Africa is strong in precious and industry metals), services (Hong Kong's 90% of GDP in 2010 was built on basis of profits from different services; large shares of GDP of Brazil and India is also built on profits from services). This shows how much these economies are diversified.

**RM:** Who can the products of the alliance appeal to?

**ES:** The products may appeal to the individual investors in develop-

ing countries who want to access foreign markets, to mutual, pension and asset funds as a good means to diversify portfolios.

**RM:** What investment strategies can be realized with these new futures products?

**ES:** The futures contracts on benchmark indices allow arbitrage when traders can buy and sell futures based on the same index on multiple venues. Or for example futures on precious metals traded on FORTS (Gold, Silver, Platinum and Palladium) can be combined with futures on FTSE/JSE Top40 (as South Africa is strong in precious metals) or futures on sugar can be in the portfolio with futures on IBOVESPA.

**RM:** What are the first results of the contracts' trading? What are MICEX-RTS's efforts to increase trading volumes in the MICEX Index futures contract in the future?

**ES:** The marketing program of the new products is still at an early stage and market makers of Brazil, India, Hong Kong and South Africa markets are presented not in all launched instruments yet. So volumes are very small at the moment but we have plans to start joint and individual (each Home Exchange at Home market) promotion of new products in order to attract participants to the markets.

**RM:** What would be the next steps of the exchanges' cooperation?

**ES:** The project's second phase will include the development of an index representing the alliance member countries and the third stage will be listing derivatives on Alliance Index on each Exchange of the alliance.

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## About Exchange

The MICEX-RTS Group is the Russian stock and derivatives exchange that came to existence in December 2011 after the merger of two main Russian exchanges, MICEX and RTS. The new exchange strives to achieve the status of an internationally competitive market through improved efficiency of the market infrastructure, product diversity and liquidity.

MICEX-RTS provides a wide range of opportunities to investors, professional institutions and their Russian and foreign clients for equities, bonds, currencies as well as derivatives trading. The Exchange provides a transparent process for determining fair market values of Russian assets with a full range of trading and post trading services.

MICEX-RTS offers accessible technology, sound clearing and guarantee functions and flexible operational structures. All innovations and new technologies and services are aimed at bringing reliability and safety to the market.

Trading on the securities market of MICEX-RTS Group is held in the following sectors: Main market for equities & bonds (settled in RUB), Standard section for most liquid securities (settled in RUB), Classica sector for equities, bonds and fund shares (settled in USD). The Currency Market of MICEX-RTS is one of the key segments of the Russian financial market. Since 1992 the Bank of Russia has been determining the official exchange rate for the Russian ruble based on the results of currency trading on MICEX. FORTS is the Exchange's derivatives market that trades futures and options contracts on equities, bonds, indices, currency, interest rates, commodities. MICEX-RTS's market data is accessible worldwide through a range of all major vendor distribution channels.

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