

YOUR GUIDE TO THE RUSSIAN STOCK AND DERIVATIVES MARKET

Inside the Market

Moscow Exchange extends range of long-term swaps

On August 20, 2012 Moscow Exchange launched USD/RUB FX swaps with maturity of the second part of 9 months and 1 year thereby broadening the range of Exchange's long-term swaps. In addition, the FX market trading members got the opportunity to submit off-book orders to execute trades in the forward (USDRUB_LTV) with settlement on up to 365 days to manage swap positions. The launch of the new instruments offers additional opportunities for banks and their clients to hedge against

currency and interest rate risks. At the same time, on 20 August new versions of the Rules for conducting foreign currency purchase and sale transactions at the UTS, Parameters of UTS orders, instruments and swap trades with amendments related to executing trades in long-term swaps as well as a new Structure of electronic message (XML-file) "Extract from the trades register (analytical accounting of trades)" came into force. Earlier this year, on April, Moscow Exchange introduced USD/RUB FX

In this Issue:

Valuable information for

- The latest news from the Russian market
- Market data for August 2012
- Moscow Exchange International projects
- Professional opinion of market specialists

swap trades with 1W, 2W, 1M, 2M, 3M and 6M maturities on its FX market. On 20 August this range of instruments will be modified to include 9M and 1Y swaps.

Corporate News

The Board of Directors of Moscow Exchange decides to convene an Extraordinary General Meeting of Shareholders

On August 9, 2012 the Moscow Exchange Board of Directors held a meeting. The meeting participants considered issues related to preparation to an IPO and made the decision to convene and hold an Extraordinary General Meeting of the Exchange's shareholders on September 21, 2012.

The list of persons who are eligible to participate in the meeting of shareholders will be fixed as of August 9, 2012 (the shareholders' register record date). The participants of the meeting on 21 September will be offered to make a decision to increase the share capital of the Exchange through private offering of

additional 200 million shares. At the moment the share capital of the Exchange is divided into 2,197,409,846 shares. The additional shares will be issued within the framework of the preparation of the Exchange to the IPO and will be followed by a registration of the securities issue prospectus.

NEWS IN BRIEF...

Russia: fundamental reshaping of the financial market regulation is on the horizon

Read the interview with Andrey Salaschenko, Managing Director of Government and Regulatory Relations at the Moscow Exchange, on [page 16](#)



Moscow Exchange to implement additional facilities to boost liquidity on its derivatives market
For more information please visit the [website](#)

Trading in shares of JSC "OGK-1" and JSC "WGC-3" in the Standard sector to be limited

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

Moscow Exchange optimizes HFT on its markets for the benefit of all categories of trading participants

On September 3, 2012 Moscow Exchange introduced an additional commission fee (the ACF) on its Securities and FX markets that will be applied to HFT traders creating unproductive load on the trading system.

The ACF practice employed on the Moscow Exchange Derivatives Market and in foreign trading venues (LSE, Borsa Italiana, Deutsche Boerse) has showed that the introduction of the fee entails an improvement in trading algorithms' performance and mitigation of their

impact on access to trading for other market participants.

The ACF's value will be calculated based on ratio of commission paid by a trading member or its clients to number of orders entered into the system by them. The additional commission fee will be charged for exceeding the ratio's threshold by the end client.

To help trading members prepare for the introduction of the fee, from 6 June for the securities market and from 6 July for the FX market the Exchange has distributed test

reports containing information on a possible amount of the ACF. The reports' distribution has unveiled ten «robots' with non-optimized algorithms in the Main Market sector of the Securities Market. On the FX market only one trading member has grounds to pay the ACF.

The launch of the ACF is agreed with the major trading members and will not lead to an increase in the burden of fee payments. The move is aimed at an improvement of the market regulation, but not at the income generation.

Optimization of FIX/FAST protocol tools by Moscow Exchange allows reduced latency in transaction processing

Moscow Exchange Group and EPAM Systems (NYSE: EPAM) have jointly finalized FIX/FAST solutions launched year ago on the Exchange. The updated services have been designed to provide Exchange's clients with market data and be used in electronic trading on the securities and FX markets. The main feature of the services is their tolerance to the number of clients served.

Summarizing the first year of the tools' operation Grigory Baytsur, Head of FIX/FAST Project at Moscow Exchange, said: "The FIX/FAST tools have been in high demand among our clients. In fact, they represent standard and most rapid sources of market data of the Moscow Exchange's trading and clearing system. Their quality and reliability remain high notwithstanding the number of companies employing them and running client applications. Such reliability of services is becoming one of the key priorities for all the top trading venues".

At the moment nearly half of the securities market orders are submitted using the FIX protocol while share of trades executed using the service reaches 20% of the main trading mode's trading volume. The FAST UDP Multicast Marketdata tool has proved to be the most efficient market data

source, i.e. about half of orders on the FX and securities markets are announced based on information provided by this service. Trading members are moving gradually to such off-the-shelf solutions.

Olga Krusanova, OTKRITIE Group: "OTKRITIE Group was one of the first companies that started to use the FIX/FAST tools actively. Being a worldwide standard the FIX/FAST protocol simplifies and optimizes connection to the markets thereby broadening trading opportunities. This aspect is especially important for those who have already traded on global stock markets. During this year Moscow Exchange's team has actively optimized the FIX/FAST solutions that allowed increasing velocity of transactions processing and improving the services' quality".

The introduction of developments and improvements in the tools have resulted in a 30% latency reduction for orders submitted in the trading system and a threefold latency reduction for requests to cancel orders. Period for indirect orders and trades to appear in the order book has been reduced from 800 to 500 microseconds and FAST UDP Multicast additional functions prepared already for introduction will allow the reduction to 200 microseconds.

Artak Oganessian, Deputy Director for Business Development at EPAM Systems: "Each IT project of Moscow Exchange aims at improving quality of its services, enhancing reliability and availability of its infrastructure. We are delighted to contribute to this process that becomes more important as technological tools are being combined".

Usability of the FIX/FAST tools has been improved due to transferring servers used for the tools' support to the public address space. Such improvement facilitates much more simple connection of clients via global networks for financial information exchange. In addition, the FIX/FAST tools are backed with failover clusters with opportunity for a hot (FIX) and warm (FAST) backup.

It is expected that main parameters of interaction with the Exchange's trading system via the FIX/FAST protocol will be improved by more than 20% after the infrastructure of the ASTS trading and clearing system's core is transferred to the 10 Gbit network. Within the framework of a load testing scheduled for September 8, 2012 all trading members will be able to test in production their systems functioning based on the FIX/FAST protocol.

04.09.2012

New lists of constituents for the Moscow Exchange index family released

New constituent lists for the MICEX Index, RTS Index, RTS Standard Index, RTS-2 Index, RTS Siberia Index, MICEX Innovation Index, sectoral indices and pension indices have been approved and will be in effect from 18th September through 17th December 2012.

Ordinary shares of Sistema Joint-Stock Finance Corporation OJSC will be transferred to the MICEX Index from the waiting list. They will replace ordinary shares of JSC Gazprom Neft which will be excluded from the Index, due to decreasing the free-float's value to less than 5%.

Preferred shares of JSC «Mechel», OJSC «Rostelecom», JSC «TATNEFT» and ordinary shares of OJSC «FosAgro» will leave the waiting list and join the RTS Index's

constituents list. They will replace ordinary shares of JSC «OGK-1», JSC «WGC-3» which will be removed from the RTS index, due to a scheduled merger between these companies and JSC «INTER RAO UES», as well as ordinary shares of JSC Gazprom Neft and OAO «TNK-BP Holding» which will be excluded from the RTS Index, due to decreasing the free-float's value to less than 5%.

Ordinary and preferred shares of AVTOVAZ, preferred shares of «Bank «Saint-Petersburg» OJSC, ordinary shares of IDGC of Urals, JSC, Mosenergosbyt, OJSC «RBC», OJSC «Quadra», OAO «OAK» will be removed from the waiting list and included in the new constituent list of the RTS-2 Index. These securities will take the place of shares of energy

companies to be merged with JSC «INTER RAO UES», such as JSC «OGK-1», JSC «WGC-3» and OJSC «Bashkirenergo», as well as ordinary shares of OJSC «Kazan'orgsintez», OAO «Kuzbasskaya Toplivnaya Kompaniya» which will be excluded from the Index, due to a deterioration in their liquidity ratios. In addition, ordinary shares of OAO «MSZ» will also be removed from the RTS-2 Index, due to a planned suspension of trading in these shares.

New list of the RTS Siberia Index will include ordinary shares of Korshynov Mining Plant OAO which will replace ordinary shares of JSC Gazprom Neft, South Kuzbass and JSC «WGC-3».

The lists of the RTS Standard and MICEX Innovation Index will remain unchanged.

31.08.2012

A new version of Rules for the MICEX Index calculation to take effect

On September 18, 2012 a new version of the Rules for calculating the MICEX Index will come into force. The Rules were approved by the Directorate of CJSC MICEX Stock Exchange on July 26, 2012 and registered by the Russian Federal Financial Market Service in August 30, 2012.

The new version of the document includes the following changes:

- an alignment of terms for revision of the MICEX Index constituent list with settlement

dates of the Index derivatives. The first revision of the MICEX Index's constituents in accordance with the new Rules will take place on September 18, 2012.

- an introduction of a 2-week period for disclosing parameters of new index's constituents. Parameters of securities to be in the MICEX Index from 18 September will be published on the Exchange's website on 3 September.

- setting out an additional requirement for weights of the securities in the Index. In addition to the existing limitation imposed on a maximum weight of securities of one issuer, i.e. 15%, a restriction of 55% will be applied to a total weight of securities of five «heaviest» issuers.
- an adjustment of the list of trading modes used to calculate the Index's values.

30.08.2012

NSD is the sole settlement depository for Standard and FORTS

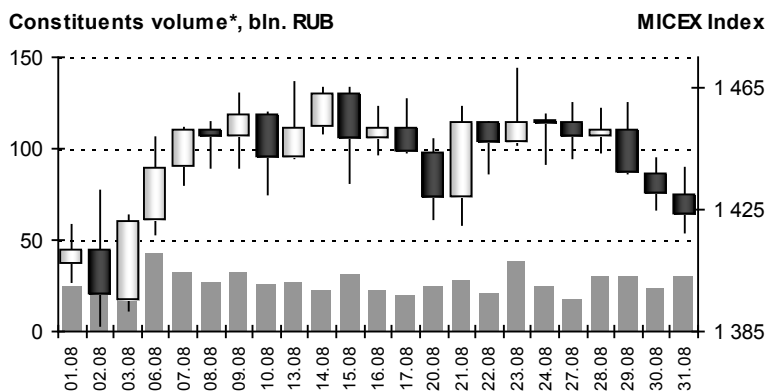
Starting from September 3, 2012 CJSC Depository Clearing Company (DCC) stopped settlement of trades executed in the Standard sector as well as ceased accepting securities posted as collateral for trades in the Standard sector and FORTS Derivatives market. Thereby

National Settlement Depository (NSD) has become the single settlement depository for the Standard sector and FORTS Derivatives market. The move has been implemented within the framework of the integration between NSD and DCC. In May 2012 NSD started securities

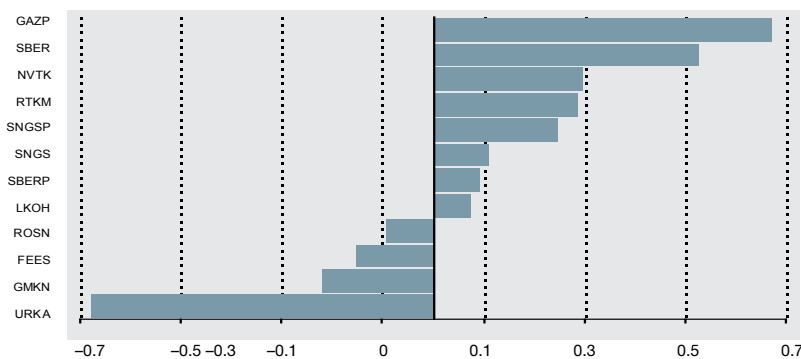
settlement of trades executed in the Standard sector using trading sections typed «Blocked for clearing. RTS Standard» and in July 2012 it commenced accepting securities as collateral using sections typed «Blocked for clearing. FORTS».

The MICEX Index Monthly Wrap-Up: August 2012

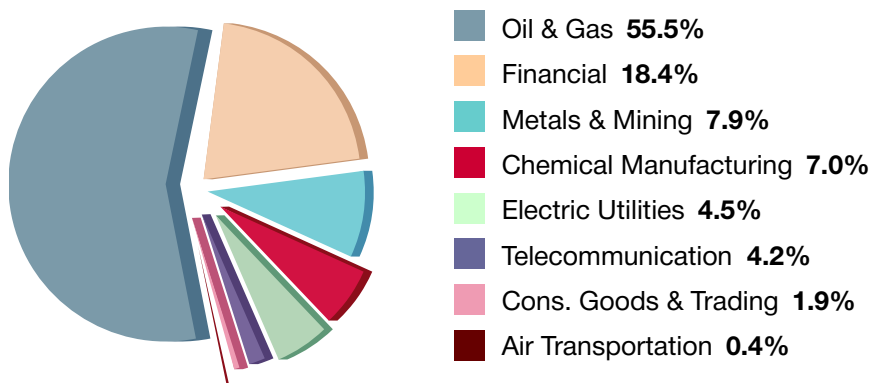
Pic 1 MICEX Index Dynamics



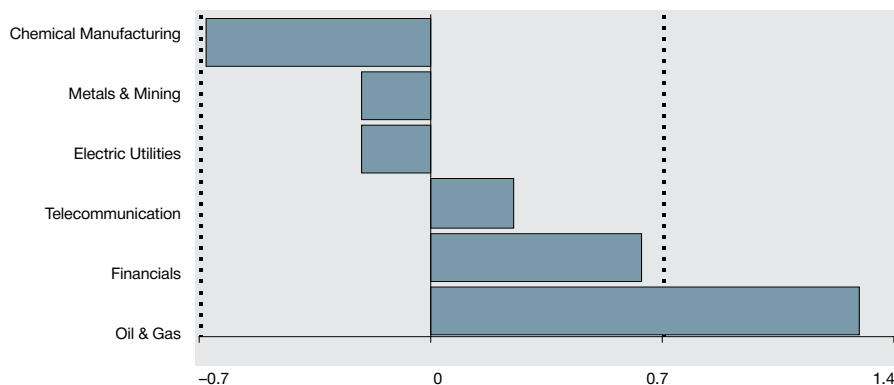
Pic 2 Stocks Prices Impact on MICEX Index (%)



Pic 3 MICEX Index Sectoral Structure



Pic 4 Sectoral Contribution to Index Dynamics (%)



In August 2012 the Russian stock market demonstrated positive dynamics. For the last month the MICEX Index went up 1.13% to reach 1,422.91 index points (1,407.02 as of July 31, 2012).

(Pic 1) By the end of the month the MICEX Index was 7.96% lower compared to its closing level a year ago (1,546.05 points on August 31, 2011).

In August the trading volume of the securities, MICEX Index constituents, in the Main market sector totaled RUB653.25 billion, and the total capitalization of the Index constituents made up RUB18,750.21 billion.

In August 14 out of MICEX Index's total 30 constituents had positive impact on the MICEX Index's dynamics (up 2.47%), 16 securities moved negatively.

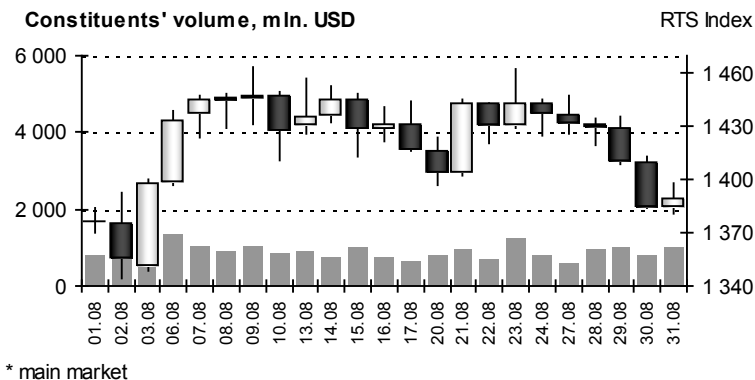
The largest positive impact was coming from the rising prices of ordinary prices of Gazprom (up 0.67%), Sberbank (up 0.53%) and NOVATEK (up 0.30%).

The largest negative impact was coming from the falling prices of OJSC Uralkali (down 0.68%).

(Pic 2)

55.5% of the MICEX Index total capitalization concentrated in the Oil & Gas sector. The other large-weighted sectors were Finance (18.4%) and Metals & Mining (7.9%). **(Pic 3)**.

The RTS Index Monthly Wrap-Up: August 2012



In August 2012 RTS Index went up by 0.90% to reach 1,389.72 index points (1,377.35 points as of July 31, 2012). **(Pic 1)** By the end of August RTSI was 18.36% lower compared to its closing level a year ago (1,702.28 as of August 31, 2011).

The US dollar went up 0.25% against the Ruble in August 2012. **(Pic 2)**

Last month volatility went down: the Russian volatility Index RTSVX fell by 9.19%.

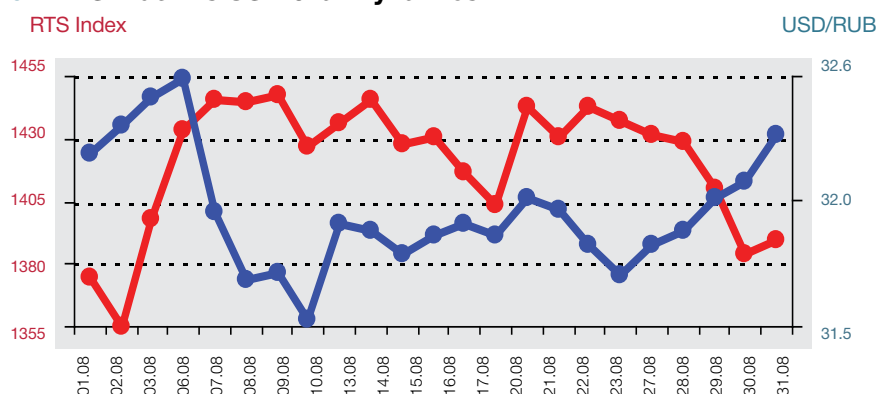
In August 2012 25 out of RTSI's total 50 constituents had positive impact on the RTS Index's dynamics (up 2.29%), 24 securities moved negatively (1.39%). The price of one security remained unchanged.

The largest positive impact was coming from the rising prices of ordinary shares of Gazprom (up 0.57%), Sberbank (up 0.46%) and Rostelecom (up 0.28%). **(Pic 3)**

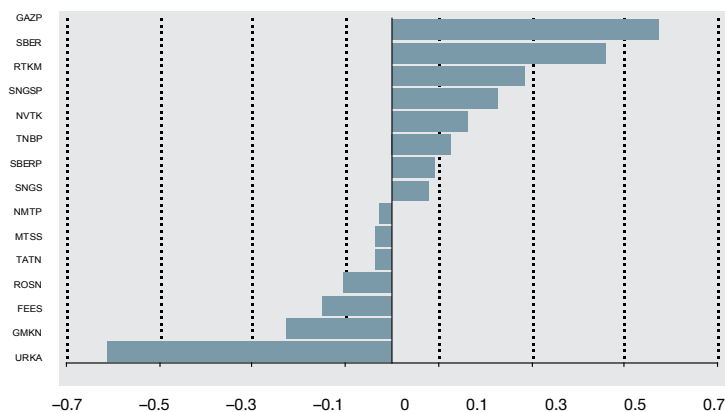
The largest negative impact was coming from the falling prices of OJSC Uralkali (down 0.62%).

In August the major contributors were the companies of Oil & Gas sector (up 1.14%) and Finances (up 0.56%) **(Pic 4)**

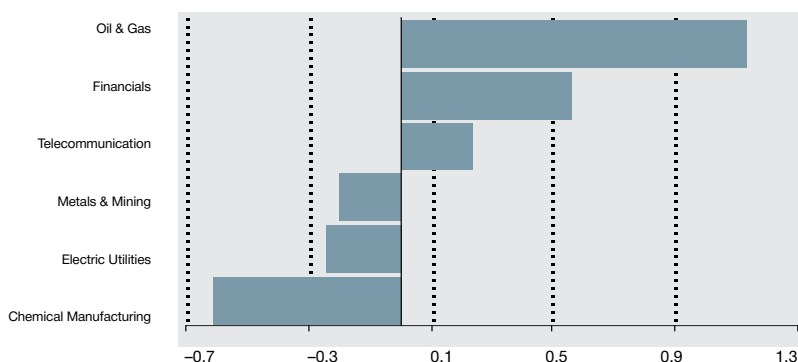
Pic 2 RTS Index vs US Dollar Dynamics



Pic 3 Stocks prices impact on RTS Index (%)



Pic 4 Sectoral Contribution to Index Dynamics (%)



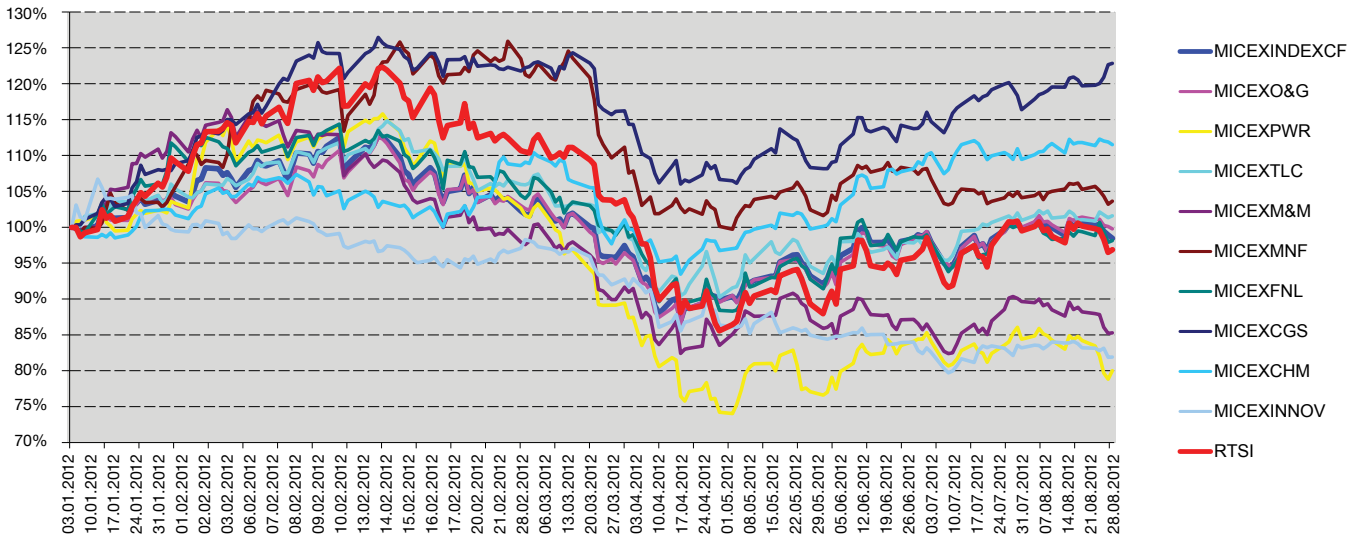
Indices

Indices performance

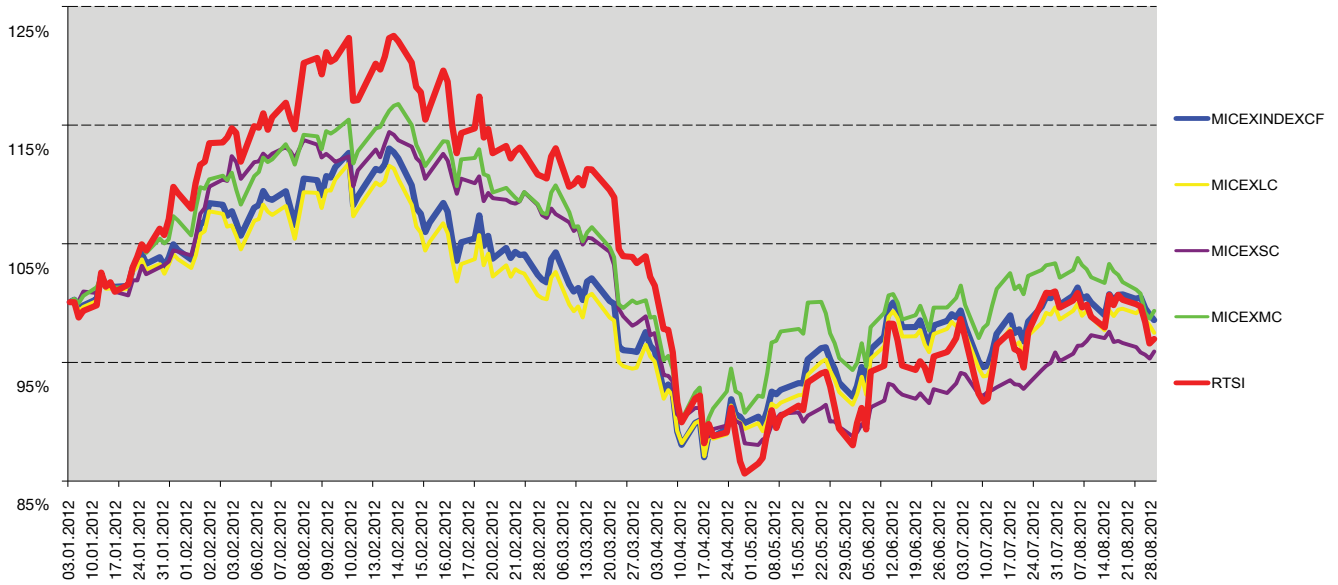
Index	Last Value	Max	Min	Return over the period (%)		
				Month	Quarter	Year
Composite Indices						
MICEX Index	1,422.91	1,462.57	1,397.05	1.13%	8.92%	-7.96%
RTS Index	1,389.72	1,447.09	1,355.32	0.90%	11.85%	-18.36%
RTS Standard Index	9,718.29	9,995.44	9,533.51	1.13%	7.19%	-7.50%
Sectoral Indices (in RUB)						
Oil & Gas	3,062.91	3,120.29	2,964.63	2.51%	10.66%	4.38%
Electric Utilities	1,707.45	1,836.57	1,682.41	-3.21%	5.03%	-30.11%
Consumer & Retail	4,870.02	4,870.02	4,613.40	4.44%	13.12%	4.86%
Telecommunication	2,137.49	2,152.62	2,108.78	1.83%	9.75%	-7.40%
Industrials	1,808.68	1,852.74	1,801.24	-0.97%	1.12%	-6.56%
Financials	4,842.71	4,967.94	4,745.99	2.58%	8.78%	-12.85%
Chemicals	7,895.04	7,949.90	7,746.23	-0.09%	13.72%	7.10%
Metals & Mining	2,733.35	2,896.10	2,725.54	-0.10%	0.50%	-38.89%
Cap Indices						
Large Cap	2,278.53	2,335.68	2,234.72	1.16%	8.38%	-8.77%
Mid Cap	2,336.96	2,441.51	2,321.84	-1.80%	7.55%	-13.56%
Small Cap	3,379.57	3,437.67	3,268.41	2.97%	6.70%	-20.01%
Thematic indices						
Russian Volatility Index	31.51	36.01	28.64	-9.19%	-32.54%	-22.47%
RTS Siberia Index	637.59	681.10	633.40	-5.27%	0.10%	-24.51%
MICEX Innovation Index	628.83	645.57	628.49	-1.08%	-7.39%	-30.80%
Bond Indices						
Russian Government Bond Index	292.37	292.37	289.64	1.05%	4.79%	7.78%
Corporate Bond Index	216.81	216.81	215.07	0.84%	2.15%	5.54%
Municipal Bond Index	160.87	160.91	159.74	0.73%	1.27%	4.49%
Currency (CBR)						
USD / RUB	32.29	32.54	31.48	0.33%	-0.49%	11.91%

Indices

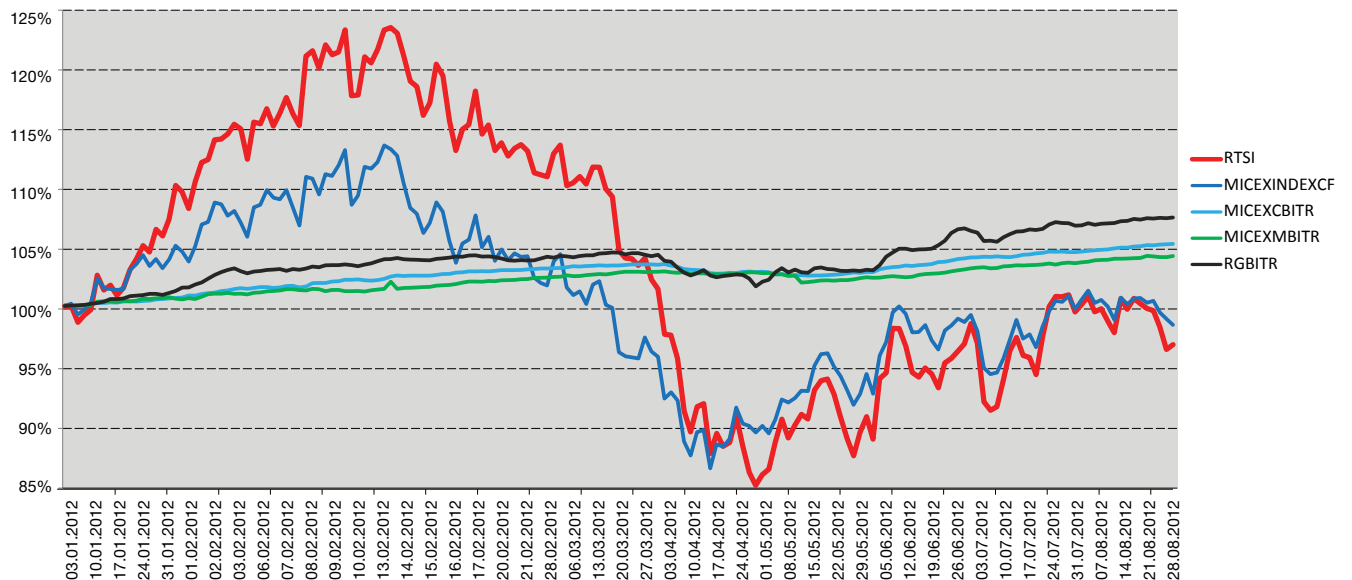
MICEX Index, RTS Index and Sector Indices historical performance: January – August 2012



Capitalization Indices historical performance: January – August 2012



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



Market Data: August 2012

Trading Results: August 2012

Securities (stocks, fund units, receipts) on Main Trading Mode and Negotiated Deals Mode	August	July	Change (%)
Trading volume, mln USD	23,520	23,478	0
Number of trades	7,769,365	7,668,408	1
Bonds (Main Trading Mode and Negotiated Deals Mode)	August	July	Change (%)
Trading volume, mln USD	28,618	31,031	-8
Number of trades	36,306	40,914	-11
REPO (stocks)	August	July	Change (%)
Trading volume, mln USD	96,403	108,024	-11
Number of trades	101,079	92,715	9
REPO (bonds)	August	July	Change (%)
Trading volume, mln USD	317,899	453,371	-30
Number of trades	55,542	69,753	-20
FX market	August	July	Change (%)
Trading volume, mln USD	339,459	327,559	3.6
Number of trades	467,297	449,132	4

Top 5 MICEX Stock Market Best Sellers: August 2012

Company name	Trading volume (USD)	Share in MICEX (%)
"Troika Dialog"	37,129,809,086	14
Renaissance Capital	25,935,306,989	10
Brokerage Company REGION	23,491,356,387	9
OTKRITIE Brokerage house JSC	16,646,924,433	6
OJSC Promsvyazbank	14,357,324,001	5

Securities Market Data: August 2012

Top 10 MICEX Main Trading Mode Leading Operators

Company name	Rating position	
	August	July
BCS Ltd.	1	1
Investment Company FINAM Ltd.	2	3
OTKRITIE Brokerage house JSC	3	2
"ALOR Plus Corp"	4	4
Renaissance Capital	5	5
"Troika Dialog"	6	6
VTB 24 (JSC)	7	7
OJSC "ZERICH Capital Management"	8	8
Deutsche Bank	9	11
ALFA-BANK	10	10

Top 10 MICEX Negotiated Deals Mode Leading Operators

Company name	Rating position	
	August	July
"Troika Dialog"	1	1
IC Financial Bridge	2	3
ALFA-BANK	3	2
Deutsche Bank	4	9
Ursa Capital	5	15
"ALOR Plus Corp"	6	4
ALOR Invest	7	17
INTERPROMBANK	8	8
Investbank	9	115
SB Bank	10	133

Top 10 MICEX REPO Stocks Market Leading Operators

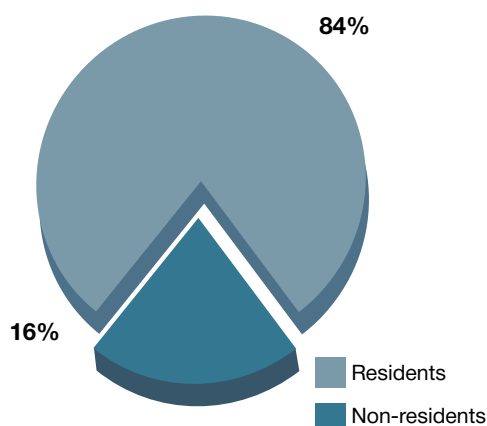
Company name	Rating position	
	August	July
Renaissance Capital	1	1
"Troika Dialog"	2	3
Sberbank of Russia	3	2
CJSC «VTB Capital»	4	4
OJSC Promsvyazbank	5	5
GPB (OJSC)	6	6
ING BANK (EURASIA) ZAO	7	8
Investment Company FINAM Ltd.	8	9
ATON OJSC	9	11
ALFA-BANK	10	7

Top 10 MICEX REPO Bonds Market Leading Operators

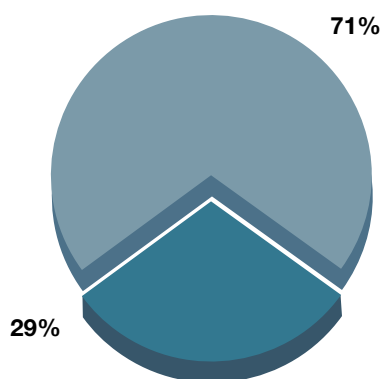
Company name	Rating position	
	August	July
Sberbank of Russia	1	1
Bank of Moscow	2	2
Brokerage Company REGION	3	3
JSC VTB Bank	4	4
ZAO UniCredit Bank	5	6
CentroCredit Bank	6	9
GPB (OJSC)	7	10
ING BANK (EURASIA) ZAO	8	7
"Troika Dialog"	9	5
Ursa Capital	10	15

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

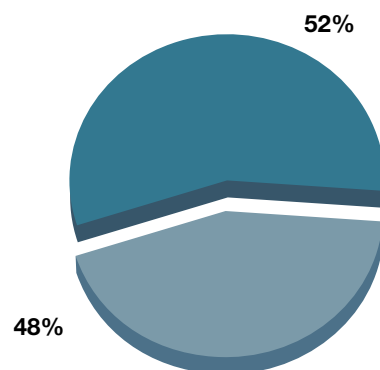
Main market



FORTS market



Standard sector



Securities Market Data: August 2012

Top 10 Standard Leading Operators: August 2012

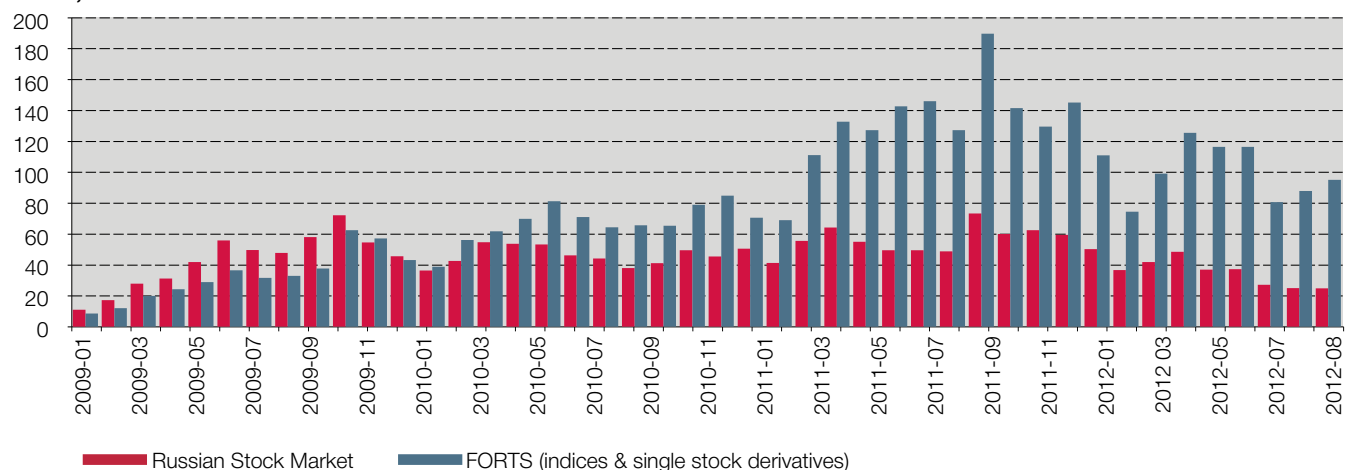
Company name	Rating position	
	August 2012	July 2012
Troika Dialog	1	1
OTKRITIE Brokerage house JSC	2	2
Solid	3	3
KIT Finance Ltd.	4	4
Metallinvestbank OJSCo SKB	5	12
ALOR Plus Corporation	6	6
JSC "Piter Trust Investment Company"	7	7
JSC "Investment Company "ITInvest"	8	5
ABH	9	8
Infina Investment Company JSC	10	20

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

Company name	Trading volume (USD)
Sberbank, ordinary	1,066,385,703
GAZPROM, ordinary	706,665,012
OAO "LUKOIL", ordinary	541,955,627
OJSC "MMC "NORILSK NICKEL	371,159,730
Rosneft, ordinary	152,584,422

FORTS and Russian stock market turnover

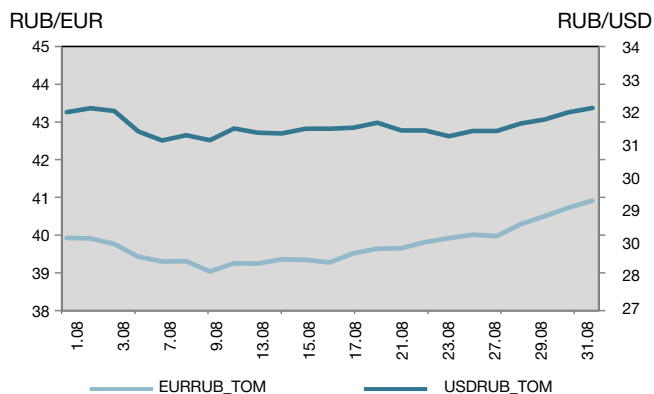
Turnover, bln USD



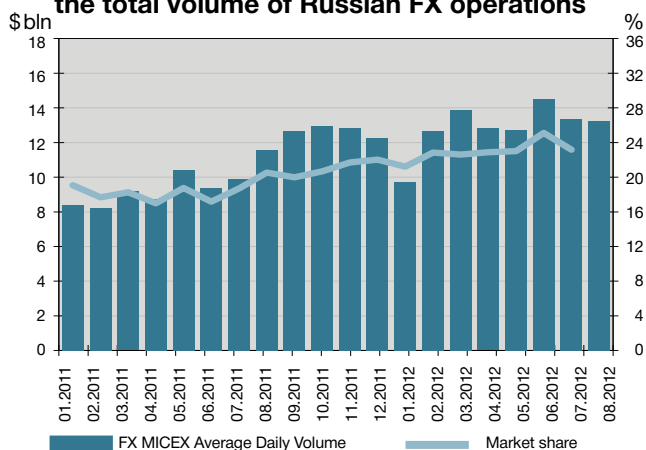
FX Market

With the market participants being optimistic that the EU will tackle debt crisis and the fears about the eurozone collapse subsiding, the euro grew on Forex from 1.23 to 1.26 dollars per euro. The Euro with tomorrow settlement gained last month RUB 1.21 (up 3.1%) to reach 40.7364 rubles per euro. The oil prices (Brent) over 110 dollars per barrel constrained the growth of the dollar – over the month the US dollar with tomorrow settlement gained only 25 kopecks (up 0.8%) to reach 32.4481 rubles per dollar. In August 2012 the value of the bi-currency basket grew by 1.9% to RUB 36.18.

Exchange rate



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



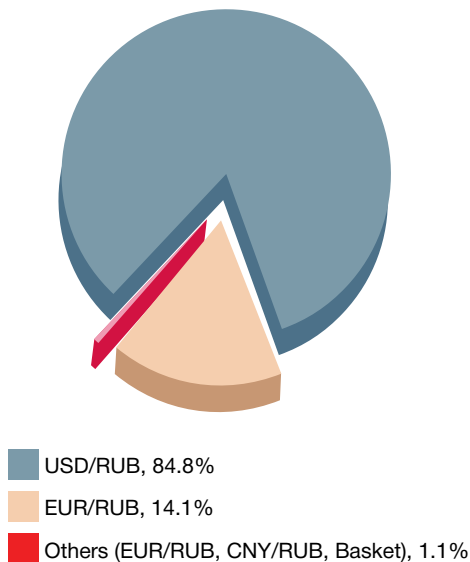
Trading Results: August 2012

FX market	August	July	Change (%)
Number of trades	467,297	449,132	4
Trading volume (mln USD)	339,459	327,559	3.6
Spot	173,981	186,624	-6.8
Swap	165,478	140,934	17.4

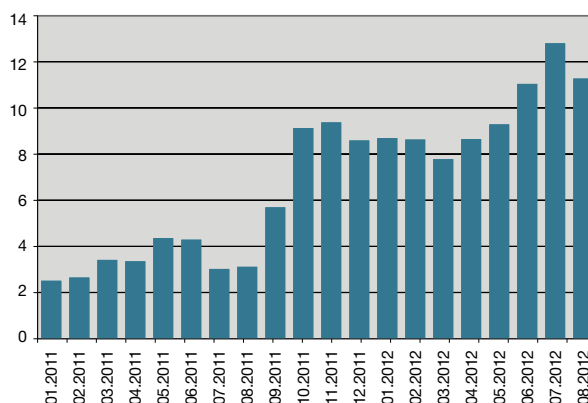
Top 10 FX Market Leading Operators (spot USD/RUB)

Company name	Rating position	
	August	July
OTKRITIE Bank (JSC)	1	1
CB "OBRAZOVANIE"	2	4
OJSC SCB "Metallinvestbank"	3	2
CJSC "BANK CREDIT SUISSE (MOSCOW)"	4	3
"NOMOS-BANK" (Open Joint-Stock Company)	5	5
OOO HSBC Bank (RR)	6	6
Sberbank	7	9
JSC VTB Bank	8	-
OJSC "OTP Bank"	9	10
GPB (OJSC)	10	7

FX Market Turnover Structure, July 2012



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



Derivatives market FORTS

Top clearing members of futures and options trading volumes: July 2012

Company name	Rating position	
	August 2012	July 2012
OTKRITIE Corporation	1	1
JSC "Investment Company "ITInvest"	2	2
Brokercreditservice Ltd.	3	3
ZERHM	4	4
Investment Company FINAM CJSC	5	5
ALOR Plus Corporation	6	7
ALFA-BANK	7	8
VTB 24 (JSC)	8	9
Troika Dialog	9	6
KIT Finance Ltd.	10	10

FORTS Trading results: August 2012

	August 2012	July 2012	Change (%)
Futures contracts			
Trading volume (mln USD)	128,597	124,521	3.27
Trading volume, contracts	88,016,104	91,786,052	-4.11
Number of trades	16,320,296	15,948,025	2.33
Total open interest (mln USD)	8,333	7,382	12.88
Total open interest, contracts	8,252,394	7,231,704	14.11
Options contracts			
Trading volume (mln USD)	9,431	8,736	7.96
Trading volume, contracts	3,821,076	3,592,642	6.36
Number of trades	309,570	286,161	8.18
Total open interest (mln USD)	3,440	2,946	16.76
Total open interest, contracts	1,925,132	1,562,018	23.25
Total			
Trading volume (mln USD)	138,029	133,258	3.58
Trading volume, contracts	91,837,180	95,378,694	-3.71
Number of trades	16,629,866	16,234,186	2.44
Total open interest (mln USD)	11,773	10,328	13.99
Total open interest, contracts	10,177,526	8,793,722	15.74

Top 5 Traded Futures: August 2012

Contract	Rating	Trading volumes	
		Mln USD	Contracts
RTS Index Futures	1	79,079	27,956,266
USD/RUB exchange rate futures	2	35,172	34,981,390
Sberbank futures	3	3,322	11,394,864
EUR/USD futures	4	3,629	2,926,754
Gazprom futures	5	1,610	3,306,232

RUSSIAN Commodities market: August 2012

The total trading volume of MICEX-RTS Commodities Market in August 2012 totaled 2,428,310 contracts or RUB 102,949,272,055.

The trading volume on the OJSC "Saint Petersburg Exchange" in soft commodities and oil products sectors stood at RUB 468,889,622 (down 40% as of July 2012) or 40,471 contracts (down 41%).

The trading volume of the electricity market at the OJSC Moscow Energy Exchange totaled RUB 972,045,471 or 12,869 contracts.

Over 15,000 traders participated in derivatives trading.

Agroindustry In August 2012 the trading volume in futures contracts on soft-commodities totaled RUB 709,110,000 or 66,105 contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Wheat	30,203	312,189,250
Corn	6,262	63,988,745
Soybeans	2,052	41,011,014
Cotton	1,902	50,119,575
Sugar	25,829	396,303,063
Total	66,248	863,611,647

Metals In August 2012 the trading volume in futures and option contracts on metals reached RUB 44 billion.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Gold	671,134	35,033,190,201
Palladium	778	153,899,214
Platinum	6,461	308,258,572
Silver	94,670	8,813,247,231
Copper	4,857	116,920,090
Total	777,900	44,425,515,310

Oil and oil products In August 2012, trading volume in futures contracts on oil and oil products made up RUB 58 billion or 1,624,633 contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Diesel fuel and Gasoil	52	1,581,038
Brent and Urals (futures and options)	1,624,581	58,127,453,681
Total	1,624,633	58,129,034,719

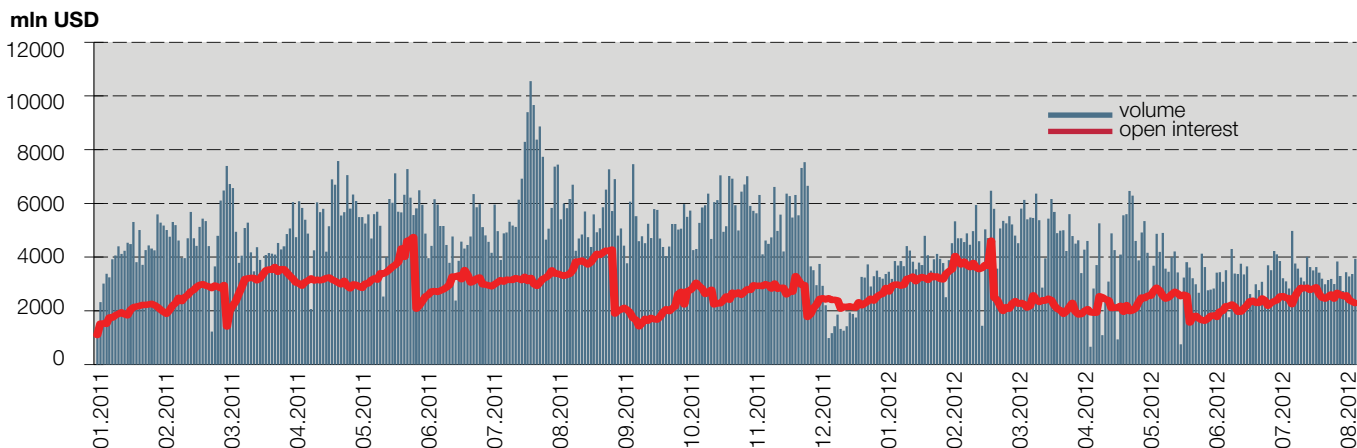
Power In August 2012, trading volume in futures contracts on the average power price index made up RUB 972,045,471 or 12,869 contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Power in Center hub	7,118	544,767,674
Power in Ural hub	5,751	427,277,797
Power in West Siberia hub	0	0
Power in East Siberia hub	0	0
Total	12,869	972,045,471

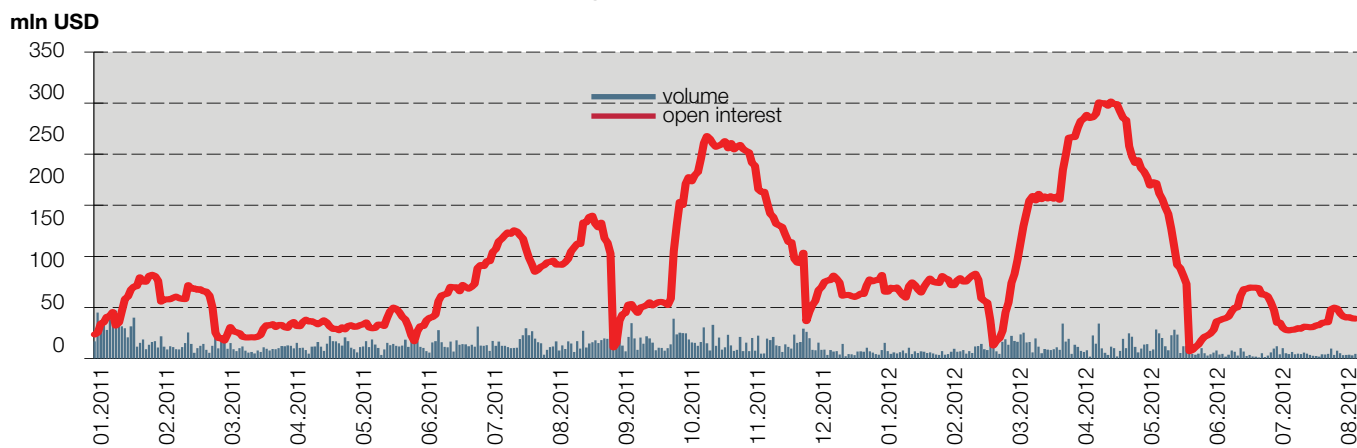
USD 1 = RUB 32,2934 as of August 31, 2012.

Derivatives market FORTS

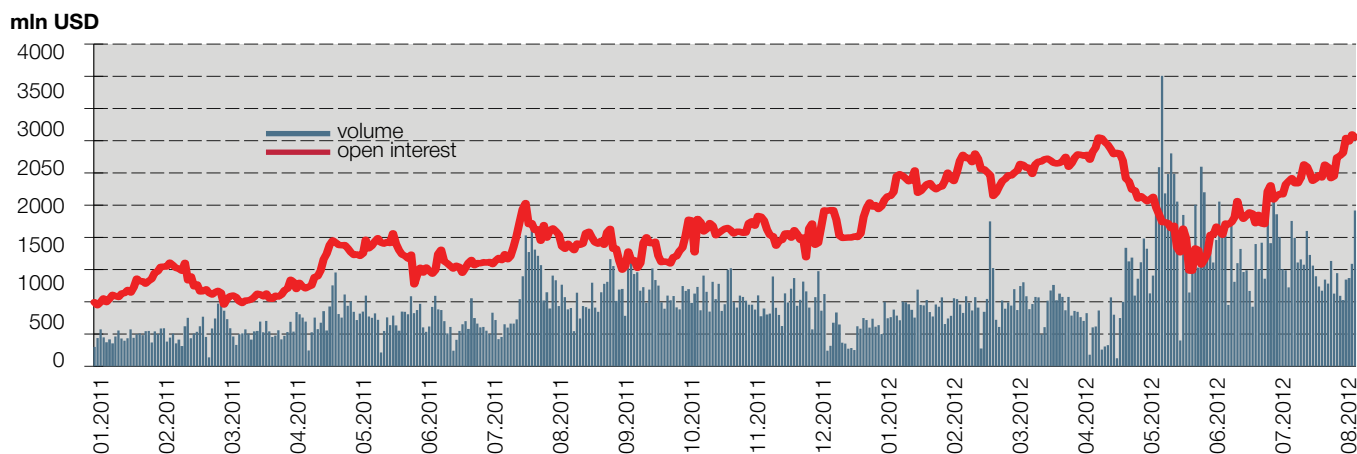
RTS Index futures: January 2011 – August 2012



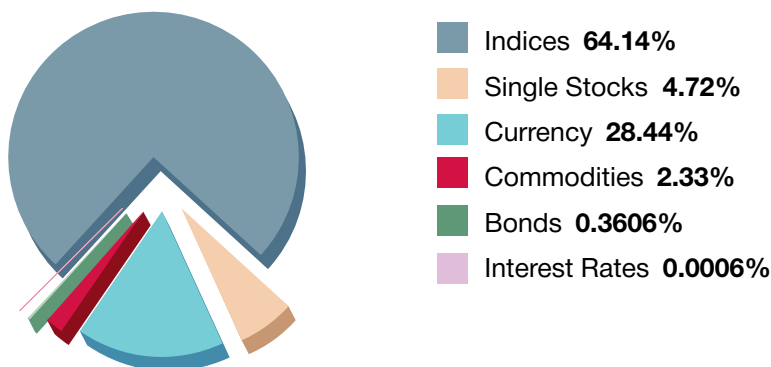
RTS Standard Index futures: January 2011– August 2012



USD/RUB rate futures: January 2011 – August 2012



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



Moscow Exchange 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: August 2012

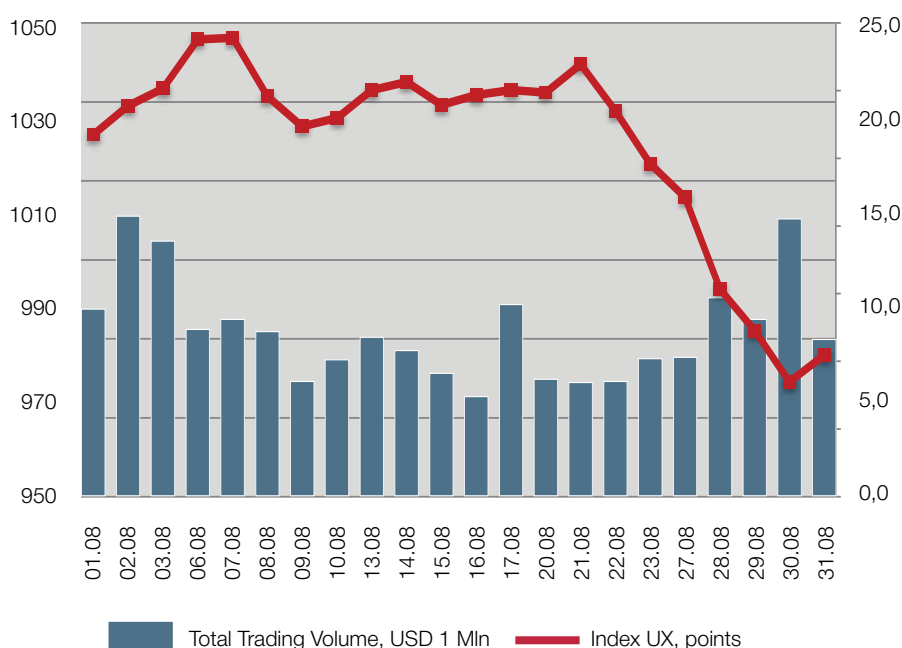
	August	July	Change (%)
STOCK MARKET			
Trading Volume (USD)	91,521,698	109,435,350	-16.37
Number of trades	53,077	72,306	-26.59
DERIVATIVES MARKET			
Trading Volume (USD)	99,071,543	164,400,120	-39.74
Trading Volume, contracts	762,895	1,216,120	-37.27
Number of trades	114,943	168,856	-31.93
Total open interest (USD)	14,125,453	16,741,379	-15.63
Total open interest, contracts	113,652	131,052	-13.28
TOTAL (USD)	190,593,242	273,835,470	-30.40

The UX Index Monthly Wrap-Up: August 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 August the UX Index calculated by the Ukrainian Exchange fell by 6.28% to reach 994.58 points (1,061.23 points as of July 31, 2012).

The most impact was coming from prices of ordinary shares of Donbasenergo (DOEN) – down 20.76 points, Centrenergo (CEEN) – down 13.71 points and Raiffaisen Bank Aval (BAVL) – down 11.95 points.



Top 5 Stocks Market Best Sellers: August 2012

Ticker	Company name	Trading volume (USD)	Closing price (USD)	Change (%)
MSICH	Motor Sich	6,351,434	270.99	-4.23
CEEN	Centrenergo	3,534,032	0.784	-6.87
AVDK	Avdiivka Cokery Plant	2,031,084	0.432	-1.05
ALMK	Alchevsk Metallurgical Plant	2,001,535	0.0069	2.87
KUBI	KINTO, PJSC, FundUnits	922,074	4.254	-1.18

Russia: fundamental reshaping of the financial market regulation is on the horizon

RUSSIAN MARKETS met with **Andrey Salaschenko**, Managing Director of Government and Regulatory

Relations at the Moscow Exchange, to discuss the latest crucial changes to the Russian legislation and the financial

markets regulation and how they are going to back the country's financial development.

Russian Markets (RM): Andrey, the exchange infrastructure development is in great extent connected with the development of the legal framework. What is changing in the Russian legal framework to meet the key challenge the exchange is facing now – attract, or better say, create a class of a local investor?

Andrey Salaschenko (AS): You have probably heard talks about the Russian public pension scheme reform. Even though the discussion is still in progress, one must mention that our colleagues from the regulatory bodies keep working on opening new investment opportunities for the pension funds. A few weeks ago the Ministry of Finance published on its website the draft that provides for the amendments into the corresponding government regulations. The amendments include the opportunity to invest pension funds into the securities of the issuers when they are listed which is impossible at the moment, as well as acquire securities included into other than top quotations lists on condition the companies meet the cap level and rating position requirements. The above-mentioned amendments also provide for opportunities to conclude REPO agreements out of the pension funds and investing pension funds into the state corporations' securities.

RM: Pension system is vital for successful formation of a local investor base, it has been proved by the world practice, but what do you think would stimulate people's participation in the stock market?

AS: One of the initiatives that we suggest together with our colleagues from self-regulating organizations to the regulatory bodies is stimulation of individuals' long-term investments on the stock market through introduction of the relevant tax allowance. The things is, at

present purchase of shares is more advantageous tax wise than purchase of property. Another initiative that can be realized even sooner than a tax allowance for long-term investments of pension funds is creation of an institution of individual pension (investment) accounts, i.e. introduction of an adapted version of American retirement savings accounts of 401 (K) type into the Russian legislation.

RM: I see. But internal investor is not the only issue you focus on? For example, foreign investors mention quite frequently that the regulation of procedure of issuance of the securities and of their subsequent floatation is much less efficient comparing with the European regulation, for instance.

AS: Another crucial project for the whole Russian capital market is a draft law on the improvement of the securities issuance procedure. The draft law covers a number of burning issues of the Russian securities market. These include the amendments aimed at the increasing the competitiveness of the local primary market, including the cancellation of a 2-week period between the date of disclosure of information on the state registration of securities and the placement of these securities, possibility of securities floatation right after the disclosure of the offer price, shortening of the period of preemption rights and, in certain circumstances, cancellation of the assignment of a separate code to the additional issue of securities that resolves the problem of a liquidity split in case of placement of the additional securities issue and, in that respect, complies with the international best practice. Other amendments concern the requirements for the registration and minimum information included in a prospectus. These propositions are based on the international best

practice, mainly on the successful implementation of the Prospectus Directive by the member states of the European Union and on the practice of the regulation of the US primary market.

The draft law also focuses on such issues as the issuance of the exchange bonds and admission of the foreign securities to the Russian market. Apart from the Moscow Exchange, a number of experts were involved in drawing up the draft law, significant part of the work was done by the FFMS and NAUFOR and the current situation lets us hope that the law will be adopted in autumn and will come into force at the beginning of the next year.

RM: Last year a number of infrastructure laws were adopted as related to clearing, central depository, organized trading. Can you say that the lawmakers have finished their work in this part of legislation?

AS: Far from it. I would say that the adopted laws have paved the way to a great number of statutory documents regulating all aspects of infrastructure organizations' work from the order for keeping the clearing accounts to internal control at the central depository.

It's safe to say that the regulatory basis for the central depository is now ready. The last of the required documents is to come into force before long. That means the National Settlement Depository can obtain a status of a central depository any time soon. At the moment the Federal Financial Markets Service is developing drafts of normative documents regulating activities of a clearing organization, principles of its risk management and central counterparty risks. By the end of the year all normative documents as related to clearing are expected to be developed.

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About Exchange

Moscow Exchange 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.

The Exchange 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.

Moscow Exchange 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 Moscow Exchange 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 Moscow Exchange 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. Moscow Exchange's market data is accessible worldwide through a range of all major vendor distribution channels.

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