

## YOUR GUIDE TO THE RUSSIAN STOCK AND DERIVATIVES MARKET

### Corporate News

#### RTS and MICEX Merger awarded “Deal of the Year”

MICEX and RTS were awarded “Company of the year” in the category “Deal of the year”.

On its web-site the organizer of the competition, business weekly maga-

zine “KOMPANIYA” (Rodionov’s publishing house), informs that the decision on awarding was made by a council of experts which includes famous journalists, independent experts, representatives of business associations and state bodies.

The deal between MICEX and RTS is estimated at one billion US dollars. The legal merger of two bourses will be finalized on December 19, 2011.

The merger of Russia’s major exchanges is aimed at establishing the integrated exchange which

#### In this Issue:

Valuable information for your business including:

- The latest news from the Russian market
- Market data for October 2011
- UX Exchange market data
- Professional opinion of market specialists



will be able to compete with leading global trading venues in terms of investors and issuers and meet high demands of an international financial center.

#### RTS Stock Exchange becomes a full member of WFE

On October 12, 2011 RTS Stock Exchange became a full-fledged member of World Federation of Exchanges which gathers more than one hundred exchanges around the world. The decision was made at the General Assembly of WFE held in Johannesburg. Granting RTS the full membership in WFE indicates recognition of quality and reliability of the RTS Group markets for international investors by the global financial community.

WFE membership is based on the following main requirements:

- organization and transparency of functioning ;
- compliance with ISSA/ G-30 (Group of Thirty) requirements;

- compliance of accounting reporting system with International Accounting Standards (IAS).
- be significant within its country of origin;
- opportunities for capital raising and risk management;
- investor protection mechanisms, etc.

RTS was recommended to be a full member of WFE after the application of the exchange was considered and representatives of the global financial centers of the USA, the UK, Germany, China and Brazil visited the Exchange.

With its new status, RTS Stock Exchange has gained an opportunity

to participate in discussions and developing WFE official positions and recommendations on improving financial markets including enhancing regulation procedures.

RTS Stock Exchange was an affiliate member of the Federation since 2007. In April 2010 it applied to become a full member. On October 10, 2010 the Board of Directors of WFE approved the application of OJSC RTS and decided to send a group of inspectors to the exchange. In late January the commission of inspectors had an official visit to RTS which resulted in recommendations for granting RTS the full membership in WFE.

## NEWS IN BRIEF...

#### MICEX: Dashing for the Top Tier

Read the interview with Ekaterina Novokreshchennykh, Vice-President, Member of the Executive Board, MICEX Group on [page 15](#)



#### Derivatives market committees of MICEX and RTS hold a regular meeting

[For more information, please visit RTS website](#)

#### Rostelecom futures to resume trading on FORTS

[For more information, please visit RTS website](#)

## BRICS exchanges alliance announced

### Johannesburg, 12 October 2011

The exchanges of the BRICS emerging markets bloc have announced plans to form an alliance to expose foreign investors to their dynamic economies and to increase the liquidity of their trading venues. This initiative was announced at the 51st AGM of the World Federation of Exchanges (WFE) in Johannesburg.

The initiative brings together BM&FBOVESPA from Brazil, MICEX from Russia (currently merging with RTS Stock Exchange), Hong Kong Exchanges and Clearing Limited (HKEx, China) and Johannesburg Stock Exchange (JSE) from South Africa. The National Stock Exchange of India (NSE) and the BSE Ltd (India) have signed letters of support and will join the alliance after finalizing outstanding requirements.

At the first stage of this project the exchanges will begin **cross-listing of financial derivatives** on their benchmark equity indices. It is planned to launch cross-listed products by June 2012.

“Global investors are increasingly seeking exposure to leading developing markets,” says Ronald Arculli, chairman of HKEx and of the WFE. “Thanks to this alliance, investors will gain easier access to major equity index derivatives of the BRICS markets which will now be offered in local currency on the alliance exchanges”.

This is an important milestone in the history of developing countries, continues Mr Arculli. “The alliance enables more investors to gain exposure to the emerging economies of the BRICS group whose economic power is on the rise. From a global perspective this alliance highlights the growing significance of the BRICS economies and financial markets for the coming decade, and further underlines the importance of enhancing cooperation between the BRICS members”.

At the second stage of the project members of the alliance plan to

jointly develop new products for cross-listing on their exchanges. “In addition to measuring market performance, equity indices may be used as underlying assets to create new products, which can be the next step in the alliance development”, says Russell Loubser, CEO of the JSE.

“The products designed at the second stage would then be cross listed and traded in local currencies,” says Edemir Pinto, CEO of BM&F BOVESPA. “They will also ensure easy access for investors to other emerging markets through locally listed products.”

The third stage may include further cooperation in joint products design and new services development.

“Apart from cross-listing products, there are other opportunities for growth and development within this alliance. For example, creation of joint products combining various underliers which will facilitate liquidity growth in the BRICS markets and improve the understanding of other developing markets by local investors,” says Ruben Aganbegyan, President of MICEX.

All the partnering exchanges estimate the potential for cooperation created by this alliance very positively.

“The BRICS exchanges alliance has a great potential as it will create avenues for Indian investors to diversify their portfolios and expand into other emerging markets. It will also provide unique opportunities to investors in other BRICS nations to participate and contribute in India’s growth. BSE will actively work towards bringing world-class products to India as well as developing new products for other BRICS markets.” says Madhu Kannan, CEO of BSE Ltd.

Interest towards the BRICS markets is supported by the above-average growth forecast for these regions, as well as the rising consumer power generated by growing middle classes in each of the

participating economies” says Ravi Narain, MD of the National Stock Exchange of India.

According to the WFE these six exchanges represent a combined market capitalization of USD 9.02 trillion, the average monthly trading volume on their securities markets reaches USD 422 billion and the number of their issuer companies totals 9.5 thousand.

As per the research by the Futures Industry Association these six exchanges accounted for 18% of the global turnover in financial derivatives in H1 of 2011.

### Functioning of the Exchange during January holidays

On 10 October the Russian authorities made the decision on functioning of the Russian banking system during the New Year holidays in January 2012. The decision was made in order to ensure settlement processes after the trading sessions take place on the exchange during this period. The issue of on-exchange trading during the public holidays in Russia, i.e. from January 3rd to January 10th, 2012 except for on January 7th and 8th, is being under preliminary study at the moment. The members of the user committees of RTS and MICEX discussed this initiative and the National Securities Market Association, Russian National Association of Securities Market Participants and Association of Russian Banks supported it.

The innovation will allow market participants to manage risks during the New Year holidays, lower costs on open position margining as well as it will reduce the market systematic risk.

To implement the initiative the banking system and the refinancing system of the Bank of Russia are to be available in time for holidays. In addition, the regulator has to amend the legal documents and instructions for working on the holidays must be given.

A trading schedule will be approved and published by the Exchange subject to all mentioned issues are coordinated.

## RTS Stock Exchange launches a new index family RTS Oil

On **October 6, 2011** RTS Stock Exchange starts calculating the RTS Oil family of indices on the basis of international markets oil products prices adjusted to include logistic costs and taxes.

The family of the new indices will be distributed under the code RTS Oil.

By launching the RTS Oil Indices RTS Stock Exchange enters a new segment of commodity prices indices.

The new indices will allow setting comparative value benchmarks for oil

products which will be exported or sold on the Russian domestic market. These instruments will provide new opportunities for forecasting and price analysis by producers and consumers of oil products in Russia, analysts of the oil & gas market, oil products traders and representatives of state agencies.

Simplicity of the calculation algorithm, transparency and accessibility of the information, free access to indices values for all categories of users, reliability of the data acquisi-

tion system and indices calculations, minimization of operation risk are the main principles taken into account by the Exchange for the calculation of RTS Oil Indices.

The Indices will be calculated and refreshed once a day on the basis of prices on oil products in the international trade centers (using data of international information agencies), current costs of oil products transportation from an petroleum refinery to the international trade center and rates of taxes, excises and custom duties.

## News

### 25.10.2011

#### The average daily trading volume in Russian Federation government bonds futures has increased by 13 times

The futures on Russian Federation government bonds started trading this February with an average daily trading volume of RUB50 million. For the first three weeks of October the average daily trading volume in this futures has grown by 13 times to reach RUB650 million.

For this period the open interest in this contract has increased tenfold to RUB5.1 billion compared to RUB500 million.

In addition, on the 21st of October the trading volume in this futures exceeded RUB1 billion which equals 16% of the turnover on the underlying spot market. This indicates a large interest of market participants towards this derivatives contract.

### 24.10.2011

#### Eleven issuers become the first to have their securities listed at a reduced listing fee

The Executive Board of MICEX Stock Exchange has adopted a resolution on including shares of Otkrytye investicii (OPIN) and PROTEK (PRTK) into Quotation List "B" of MICEX Stock Exchange for a reduced listing fee. The special listing fee was approved by the Board of Directors of MICEX Stock Exchange on Sep-

tember 23, 2011 for those issuers whose securities are only listed on RTS Stock Exchange, and has been available since October 3, 2011. The special offer will remain open for acceptance by these issuers until March 30, 2012.

Stocks of the following issuers and fund units of the following asset management company have been included into the List section "Unlisted securities admitted to trading" of MICEX Stock Exchange:

1. CJSC "MC "SM.art"
2. Bashkirenergo
3. Gazkon
4. Gaz-servis
5. Neftekamskiy avtozavod OAO
6. SamaraEnergo
7. Seligdar
8. SITRONICS
9. Centrlnyi Telegraf

As a result securities of the above-mentioned issuers will retain their current listing level and continue trading on the integrated exchange.

### 21.10.2011

#### Unification of securities tickers on MICEX and RTS

On November 21, 2011 as a further step towards integration of cash equities markets of MICEX and RTS tickers of securities admitted to trading on both exchanges will be unified.

For this purpose 35 securities admitted to trading on MICEX Stock

Exchange and RTS Stock Exchange will be assigned single tickers:

- for 25 securities tickers assigned by MICEX will be replaced by the relevant tickers on RTS
- for 8 securities tickers assigned by RTS will be changed for the relevant tickers on MICEX;
- for 2 securities tickers used on MICEX and RTS will be discarded, and these securities will be assigned new tickers.

The full list of the stocks whose tickers are to change can be found on the [RTS website](#).

### 21.10.2011

#### Shares of JSC "Polymetal" to be removed from RTS Indices

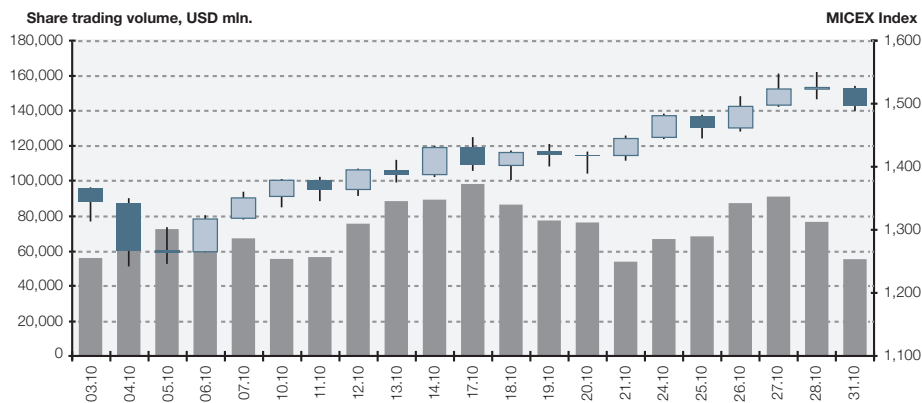
On October 24, 2011, upon the end of the evening clearing session ordinary shares of JSC "Polymetal" will be removed from the constituent lists of the RTS Index, RTS-2 Index and RTS Metals & Mining Index in accordance with recommendation of the RTS Index Committee.

The shares will be taken off due to publication of information on intention of PMTL Holdings Limited, a wholly owned subsidiary of Polymetal International to acquire entire share capital of JSC "Polymetal".

In accordance with the methodologies for calculating the indices new values of the adjusting coefficients Z will be determined.

# The MICEX Index Monthly Wrap-Up: October 2011

**Pic 1 MICEX Index Dynamics**



**In October 2011 the Russian stock market demonstrated positive dynamics.**

For the last month the MICEX Index went up by 9.66% to reach 1,498.60 points (1,366.54 points on September 30, 2011). (Pic 1) Nevertheless, by the end of October MICEX Index was 12.11 % lower compared to its closing level one quarter ago (1,705.18 points on July 31, 2010).

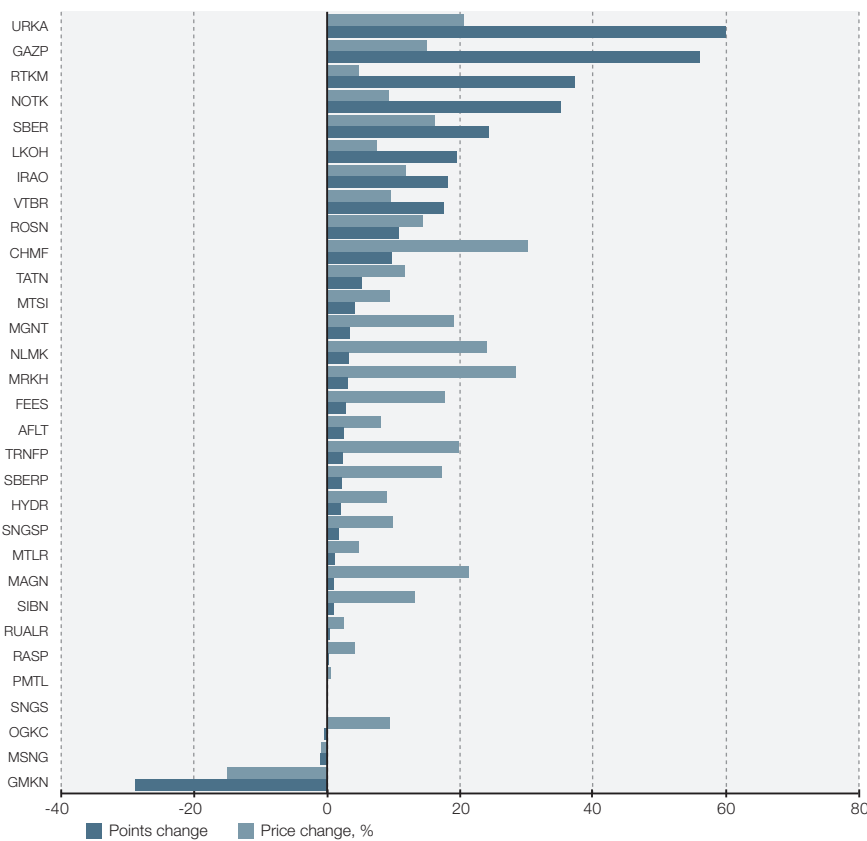
In October 2011 only 3 stocks out of MICEX Index's total 30 constituents, had negative impact on the MICEX Index's dynamics (down 30 points), other securities moved positively.

The largest positive impact was coming from the rising prices of ordinary shares URKA and GAZP (both up 60 points) (Pic 2).

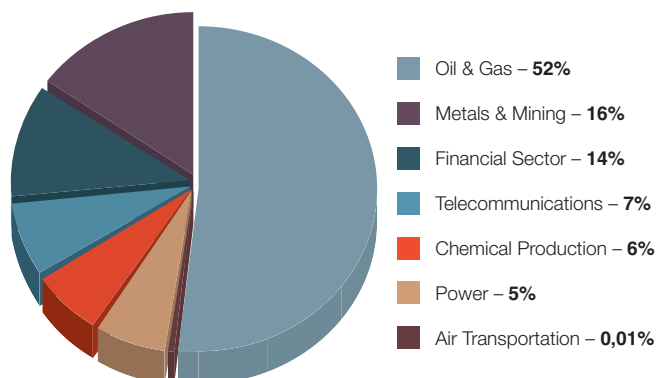
52% of the MICEX Index total capitalization concentrated in the Oil & Gas sector. The other large-weight sectors were Metals & Mining (16%) and Financial sector (14%). (Pic 3)

In October the major contributors were the companies of Oil & Gas (up 132 points) and Chemical production (up 60 points). (Pic 4)

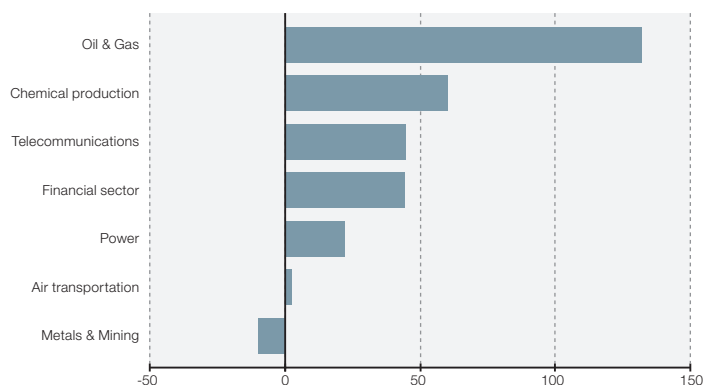
**Pic 2 Stocks Prices Impact on MICEX Index**



**Pic 3 MICEX Index Sectoral Structure**

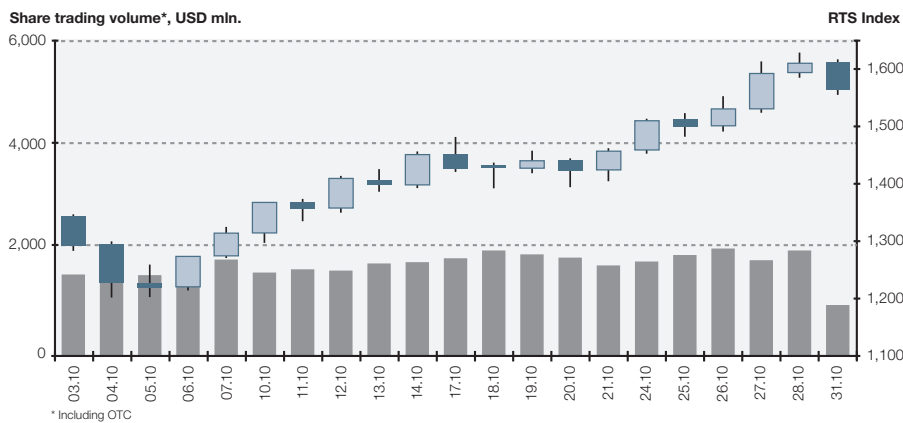


**Pic 4 Sectoral Contribution to Index Dynamics**



# The RTS Index Monthly Wrap-Up: October 2011

**Pic 1 RTS Index Dynamics**



**In October 2011 the Russian stock market demonstrated positive dynamics.**

For the last month the RTS Index went up by 16.57% to reach 1,563.28 points (1,341.09 points on September 31, 2011). (Pic 1) Besides, by the end of October RTSI was 1.50% lower compared to its closing level one year ago (1,587.14 points on October 29, 2010). The US Dollar went down 6.20% against the Ruble in October. (Pic 2).

As the stock market grew in October, volatility decreased: the Russian Volatility Index RTSVX lost 19.85%.

In October 2011 43 stocks out of RTSI's total 50 constituents, had positive impact on the RTS Index's dynamics (up 233.47 index points), 5 securities moved negatively (down 11.28 points). The price of 2 securities remained unchanged.

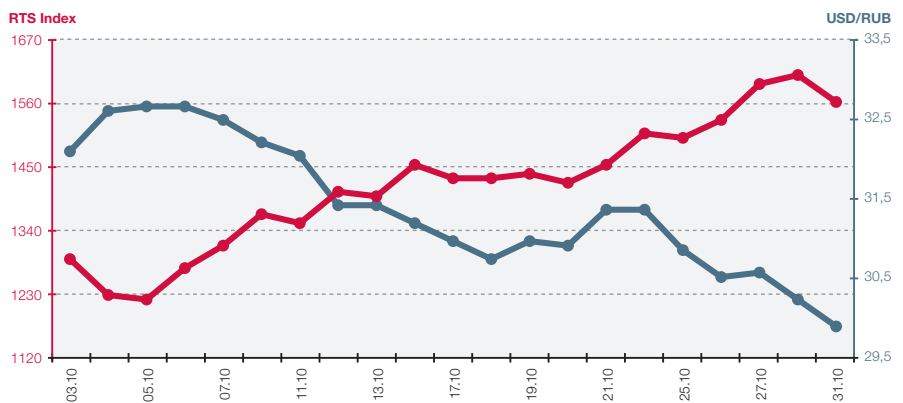
The most positive impact was coming from the growing prices of ordinary shares of Gazprom (up 45.78 points), Sberbank (down 38.28 points), OAO "LUKOIL" (down 26.85 points). (Pic 3).

The negative impact was coming only from the falling prices of ordinary shares of "OJSC "MMC "NORILSK NICKEL", (down 10.37 points).

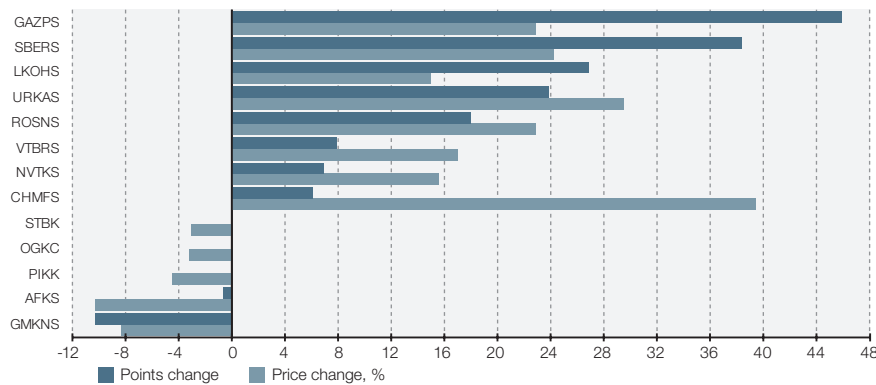
50.11% of the RTSI total capitalization concentrated in the Oil & Gas sector. The other large-weight sectors were Finance (17.91%) and Metallurgy (11.73%). (Pic 4)

In October the major positive contributors were the companies of Oil & Gas sector (up 119.61 points) and Finances (up 49.91 points). (Pic 5)

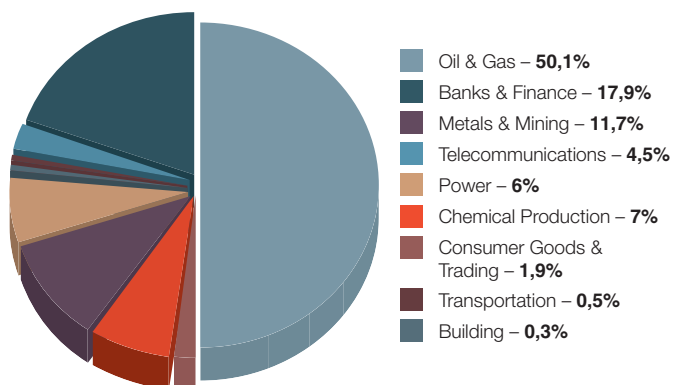
**Pic 2 RTS Index vs US Dollar Dynamics**



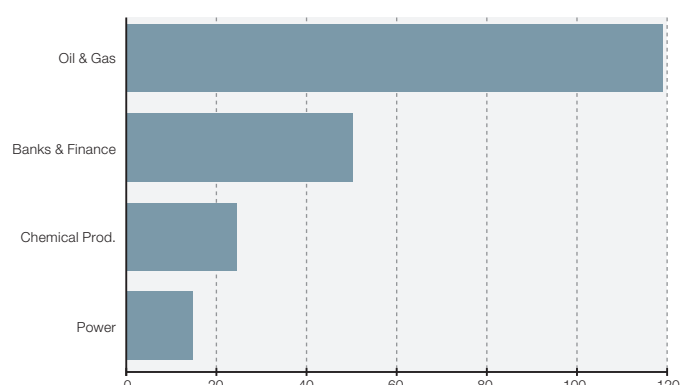
**Pic 3 Stocks prices impact on RTSI**



**Pic 4 RTS Index Sectoral Structure**



**Pic 5 Sector contribution to Index dynamics**



# Indices

## MICEX Indices performance

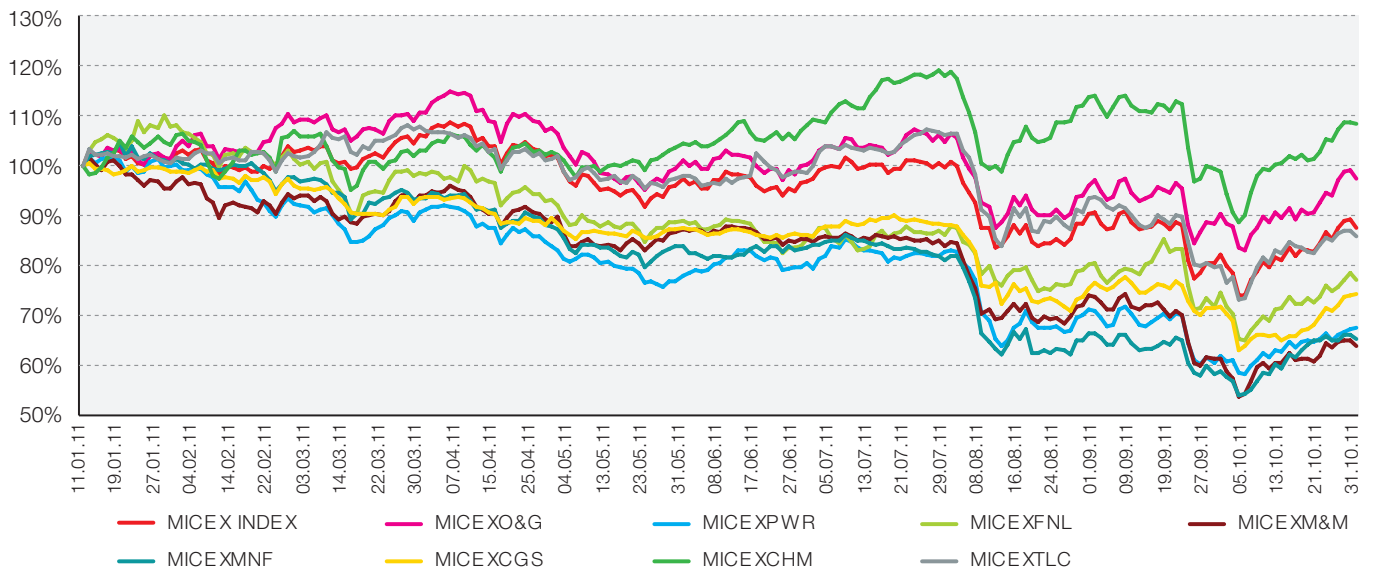
Index	Value as of 31.10.11	Change over (period),%			Max		Min	
		Month	Quarter	Year	Value	Date	Value	Date
MICEX Index	1,498.60	9.66	-12.11	-1.63	1,552.18	28.10.11	1,242.57	04.10.11
MICEX10 Index	3,534.10	12.11	-10.65	-2.73	3,647.27	27.10.11	2,812.34	05.10.11
MICEX Oil & Gas	2,977.86	10.09	-6.95	9.03	3,068.77	28.10.11	2,509.67	04.10.11
MICEX Power	2,314.98	10.78	-18.46	-30.40	2,327.01	31.10.11	1,975.87	05.10.11
MICEX Telecommunication	2,121.52	12.22	-19.10	-3.75	2,180	27.10.11	1,785.85	05.10.11
MICEX Metals & Mining	3,859.54	8.34	-24.00	-19.48	4,040.81	27.10.11	3,173.69	04.10.11
MICEX Manufacturing	1,901.52	13.24	-19.49	-23.42	1,946.95	27.10.11	1,558.90	05.10.11
MICEX Financials	5,344.54	7.46	-10.33	-20.27	5,466.93	28.10.11	4,424.07	05.10.11
MICEX Consumer Goods & Services	4,577.70	5.53	-15.51	-8.96	4,625.55	28.10.11	3,822.92	04.10.11
MICEX Chemicals	7,022.51	14.91	-8.05	50.08	7,127.76	31.10.11	5,525.40	04.10.11
MICEX Large Cap	2,433.25	8.69	-11.04	-0.64	2,531.71	28.10.11	2,021.63	04.10.11
MICEX Mid Cap	2,483.41	10.77	-19.19	-11.02	2,520.41	28.10.11	2,086.06	04.10.11
MICEX Start Cap	3,970.90	3.20	-19.85	-21.23	3,996.90	28.10.11	3,526.28	05.10.11
MICEX Innovation Index	831.64	7.07	-14.40	-10.51	892.01	24.10.11	735.55	04.10.11
Russian Government Bond Index	270.38	1.29	-0.75	4.80	271.79	28.10.11	262.90	05.10.11
Corporate Bond Index	204.95	0.36	-0.59	5.92	205.06	31.10.11	203.05	14.10.11
Municipal Bond Index	153.84	-0.29	-0.17	4.90	154.61	04.10.11	152.41	06.10.11

## RTS Indices performance

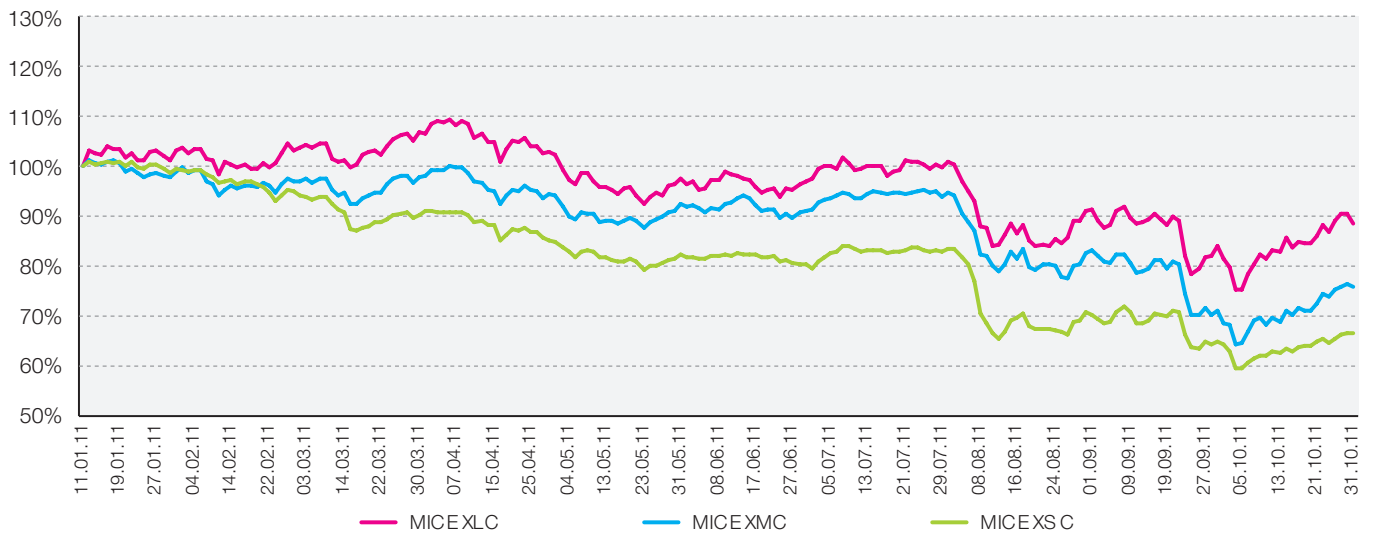
Index	Value as of 31.10.11	Change over (period),%			Max		Min	
		Month	Quarter	Year	Value	Date	Value	Date
RTS Index	1,563.28	16.57%	-20.44%	-1.50%	1,610.32	28.10.11	1,217.21	05.10.11
RTS Standard Index	10,191.43	9,54%	-11.72%	-2.60%	10,401.11	28.10.11	8,513.90	05.10.11
RTS-2 Index	1,761.81	12.78%	-22.93%	-11.71%	1,761.81	31.10.11	1,467.00	05.10.11
RTS Metals & Mining Index	264.35	11.16%	-27.94%	-7.88%	269.43	28.10.11	212.76	05.10.11
RTS Oil & Gas Index	195.68	17.81%	-14.25%	7.58%	201.19	28.10.11	153.57	05.10.11
RTS Consumer & Retail Index	341.13	18.32%	-24.78%	-5.08%	341.13	31.10.11	269.26	04.10.11
RTS Industrial Index	149.61	0.41%	-29.30%	-16.64%	149.61	28.10.11-31.10.11	137.74	13.10.11-17.10.11
RTS Finances Index	321.92	11.63%	-27.19%	-21.94%	328.92	28.10.11	252.36	05.10.11
RTS Electric Utilities Index	189.32	17.60%	-25.63%	-28.56%	190.93	28.10.11	152.45	05.10.11
RTS Siberia Index	718.86	-2.19%	-22.45%	-19.02%	722.08	28.10.11	639.15	05.10.11
Russian Volatility Index	45.90	-19.85%	99.39%	111.23%	73.34	04.10.11	43.51	28.10.11

# MICEX Indices

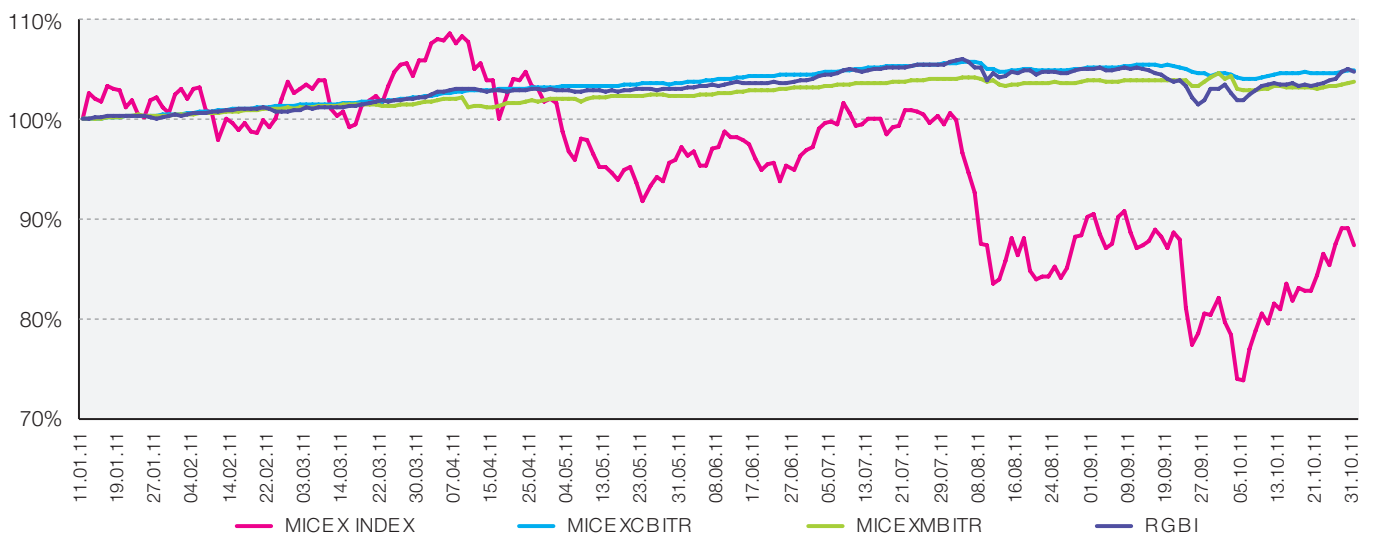
## MICEX Index and Sector Indices historical performance: January – October 2011



## Capitalization Indices historical performance: January – October 2011

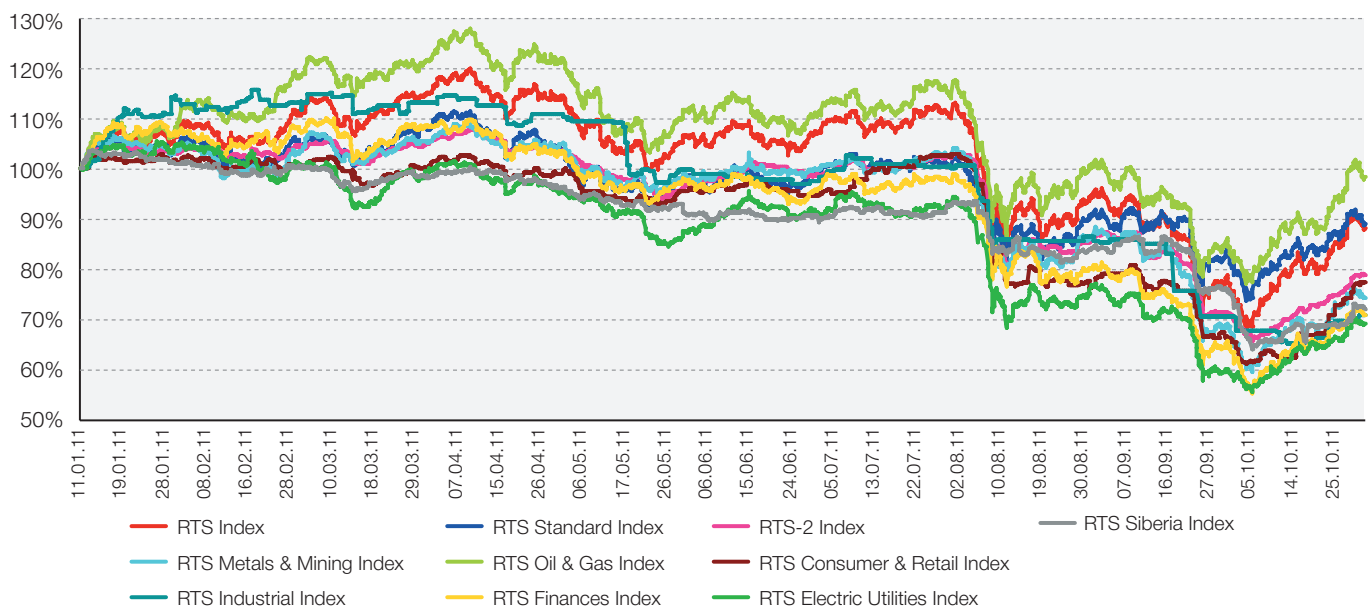


## MICEX Index and Corporate and Municipal Bond Indices historical performance: January – October 2011



# RTS Indices

## RTS Indices historical performance: January – October 2011



## Market Data: October 2011

### MICEX Trading Results: October 2011

Securities (stocks, fund units, receipts) on Main Trading Mode and Negotiated Deals Mode	October	September	Change %
Trading volume, mln USD	54,573	49,770	9%
Number of trades	14,060,279	12,363,270	12%
Bonds (Main Trading Mode and Negotiated Deals Mode)	October	September	Change %
Trading volume, mln USD	12,117	12,643	-4%
Number of trades	26,543	28,640	-8%
REPO (stocks)	October	September	Change %
Trading volume, mln USD	98,490	101,551	-3%
Number of trades	82,161	80,495	2%
REPO (bonds)	October	September	Change %
Trading volume, mln USD	137,701	121,158	12%
Number of trades	40,980	41,572	-1%
Currency market	October	September	Change %
Trading volume, mln USD	4,417,329	5,114,301	-16%
Number of trades	427,042	433,348	-1%

### Top 5 MICEX Stock Market Best Sellers: October 2011

Company name	Trading volume, USD	Share in MICEX, %
"Troika Dialog"	37,390,000,544	15%
OTKRITIE Group	30,932,412,575	12%
Investment Company FINAM Ltd.	17,469,031,852	7%
OJSC Promsvyazbank	16,587,974,949	6%
BCS Ltd.	15,437,141,933	6%



# Market Data: October 2011

## Top 10 MICEX Main Trading Mode Leading Operators

Company name	Rating position	
	October	September
OTKRITIE Group	1	2
Investment Company FINAM Ltd.	2	1
BCS Ltd.	3	3
Alor Group	4	4
Отсутствует	5	6
VTB 24 (JSC)	6	7
"Troika Dialog"	7	5
CJSC "Renaissance Capital"	8	10
LLC "ATON"	9	8
ALFA-BANK	10	12

## Top 10 MICEX Negotiated Deals Mode Leading Operators

Company name	Rating position	
	October	September
"Troika Dialog"	1	1
ALFA-BANK	2	2
BCS Ltd.	3	6
OTKRITIE Group	4	3
CJSC «VTB Capital»	5	4
Investment Company FINAM Ltd.	6	32
LLC "ATON"	7	15
EMI Trust	8	5
JSCB «INTERPROMBANK»	9	11
KIT Finance Ltd.	10	8

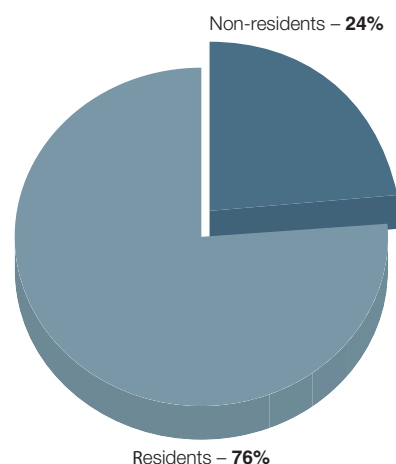
## Top 10 MICEX REPO Stocks Market Leading Operators

Company name	Rating position	
	October	September
"Troika Dialog"	1	2
Sberbank	2	1
CJSC «VTB Capital»	3	4
OJSC Promsvyazbank	4	3
OTKRITIE Group	5	6
CJSC "Renaissance Capital"	6	–
GPB (OJSC)	7	8
ALFA-BANK	8	11
"ING BANK (EURASIA) ZAO"	9	7
JSC VTB Bank	10	12

## Top 10 MICEX REPO Bonds Market Leading Operators

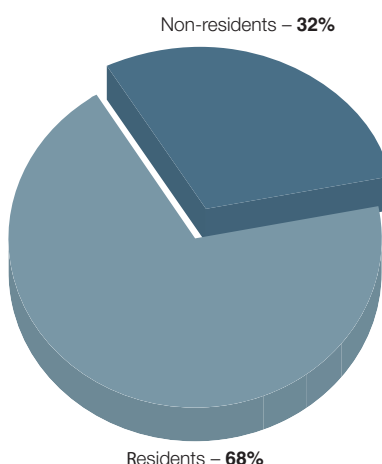
Company name	Rating position	
	October	September
Sberbank	1	1
"Bank "Saint-Petersburg" OJSC	2	27
"Troika Dialog"	3	2
CJSC «VTB Capital»	4	4
ZAO UniCredit Bank	5	6
ZAO Raiffeisenbank	6	7
Bank "SOYUZ"	7	14
RIC-Finance	8	5
GPB (OJSC)	9	9
OTKRITIE Group	10	17

## MICEX residents and non-residents share in the market turnover: October 2011

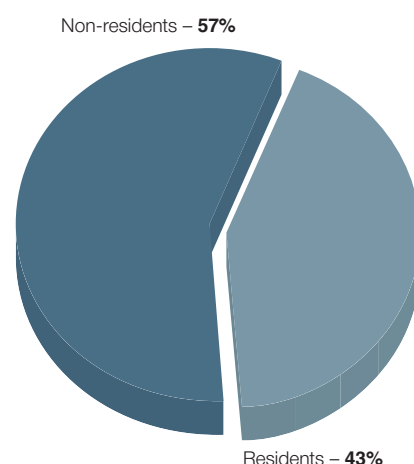


## RTS residents and non-residents share in the market turnover: October 2011

### FORTS: October 2011



### RTS Standard: October 2011



# Futures and Options market (FORTS)

## Top clearing members of futures and options trading volumes: October 2011

Company name	Rating position	
	October	September
OTKRITIE Corporation	1	1
Brokercreditservice Ltd.	2	3
JSC "Investment Company "ITInvest"	3	2
Zerich Capital Management IC OJSC	4	4
Investment Company FINAM CJSC	5	5
ALOR Group	6	6
Instroyinvest IMC	7	9
ALFA-BANK	8	8
Troika Dialog	9	7
VTB 24 (JSC)	10	11

## FORTS Trading results: October 2011

Futures contracts	October	September	Change
Trading volume, mln USD	155,235	171,774	-9.61%
Trading volume, contracts	108,776,785	111,220,573	-2.20%
Number of trades	24,034,203	22,690,835	5.92%
Total open interest, mln USD	7,096	5,053	40.43%
Total open interest, contracts	5,760,274	4,871,000	18.26%
Options contracts			
Trading volume, mln USD	6,520	9,020	-27.72%
Trading volume, contracts	3,004,970	3,646,682	-17.60%
Number of trades	337,126	383,683	-12.13%
Total open interest, mln USD	2,998	2,486	20.60%
Total open interest, contracts	1,788,736	1,241,582	44.07%
Total			
Trading volume, mln USD	161,755	180,794	-10.53%
Trading volume, contracts	111,781,755	114,867,255	-2.69%
Number of trades	24,371,329	23,074,518	5.62%
Total open interest, mln USD	10,094	7,539	33.89%
Total open interest, contracts	7,549,010	6,112,582	23.50%

## Top 5 Traded Futures: October 2011

Contract	Rating	Trading volumes	
		Mln USD	Contracts
RTS Index futures	1	108,156	38,847,308
USD/RUB exchange rate futures	2	23,400	23,249,154
Sberbank futures	3	6,593	27,089,637
EUR/USD exchange rate futures	4	4,168	3,059,017
Gazprom futures	5	3,780	7,241,035

# FORTS Commodities market: October 2011

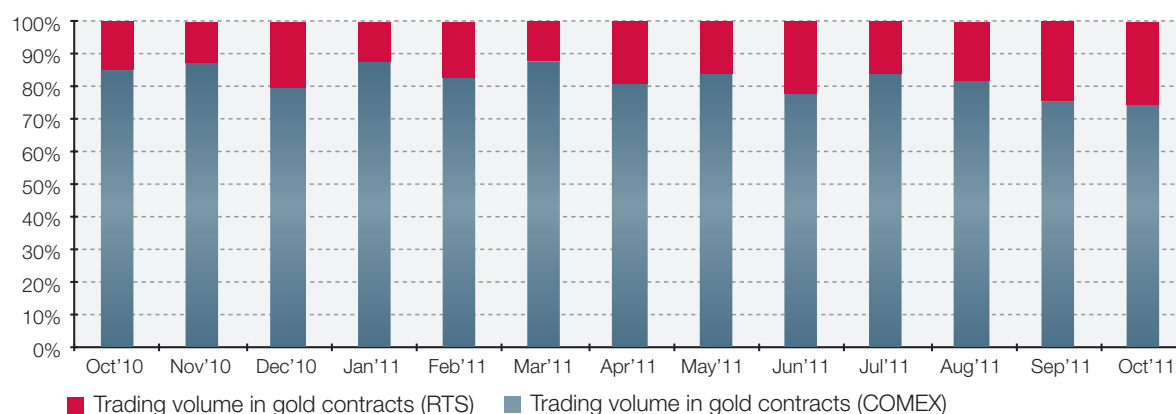
**Agroindustry** In **October 2011** the trading volume in futures contracts on wheat made up RUB162 million whereas sugar made up RUB497 million.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Wheat	22,040	162,114,730
Sugar	26,561	497,431,497
Corn	1,027	7,959,690
Soya	229	3,194,865
Cotton	533	18,532,180
Total	50,390	689,232,962

**Metals** In **October 2011** the trading volume in futures and option contracts on metals exceeded RUB 84.7 billion.

Metal	Trading volume (contracts)	Trading volume (RUB)
Gold	1,276,546	66,745,693,537
Palladium	932	177,828,401
Platinum	14,640	727,676,635
Silver	168,384	16,834,265,808
Copper	11,564	262,695,640
Total	1,472,066	84,748,160,022

## Trading volume in gold contracts on COMEX and RTS



**Oil and oil products** In **October 2011**, trading volume in futures contracts on oil and oil products made up RUB34.9 billion or 1.0 million contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Oil	1,020,596	34,551,777,871
Gasoil	2,226	64,172,681
Diesel	11,302	298,187,860
Total	1,034,124	34,914,138,412

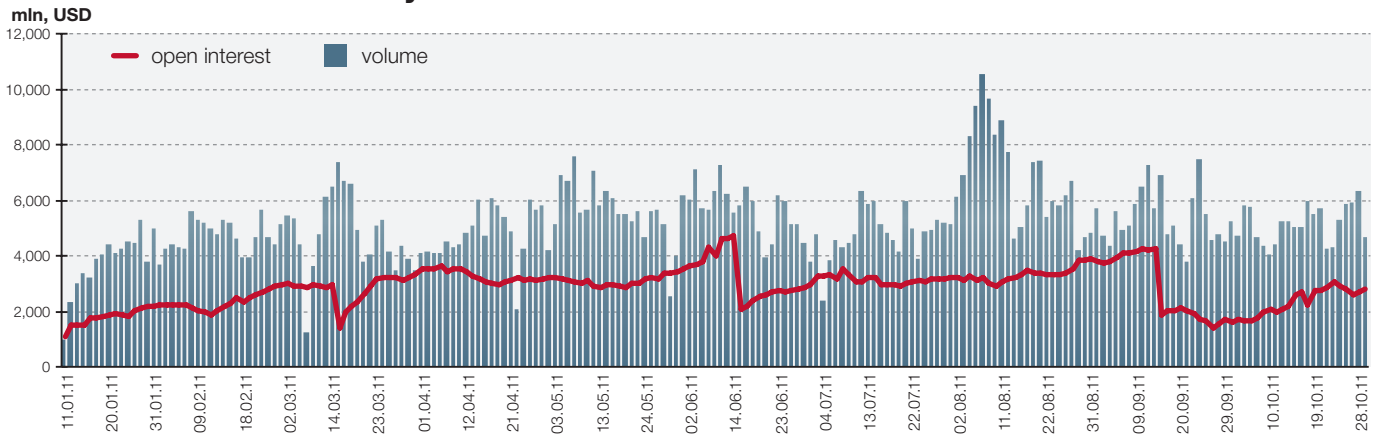
**Power** In **October 2011**, trading volume in futures contracts on the average power price index made up RUB2.6 billion or 53,566 contracts.

Underlying asset	Trading volume (contracts)	Trading volume (RUB)
Power in Center hub	18,639	1,196,824,980
Power in Ural hub	16,698	710,261,981
Power in West Siberia hub	10,763	461,617,860
Power in East Siberia hub	7,466	262,571,645
Total	53,566	2,631,276,466

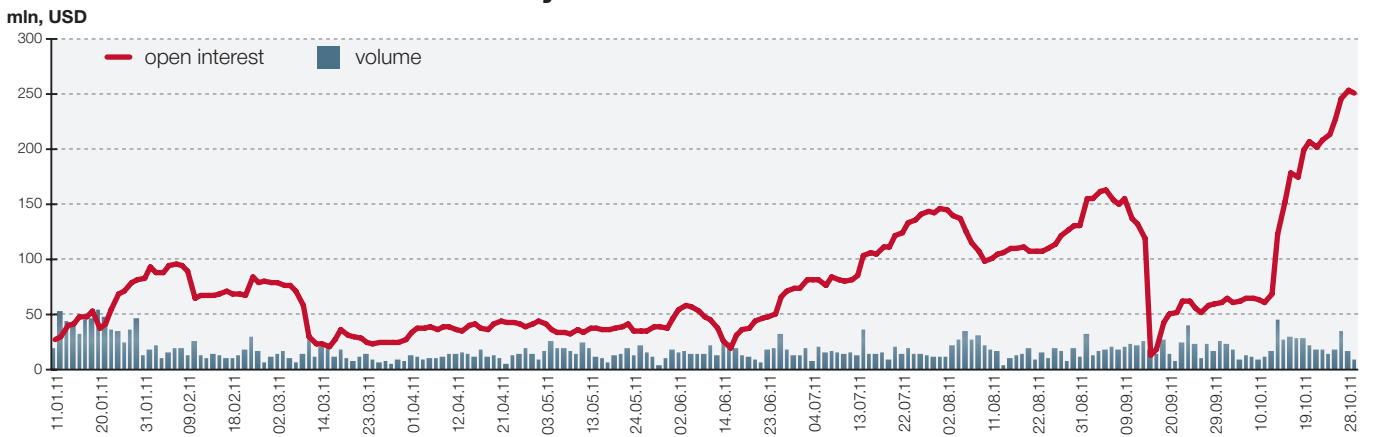
\* USD 1 = RUB 29.89 as of October 31, 2011

# Futures and Options market (FORTS)

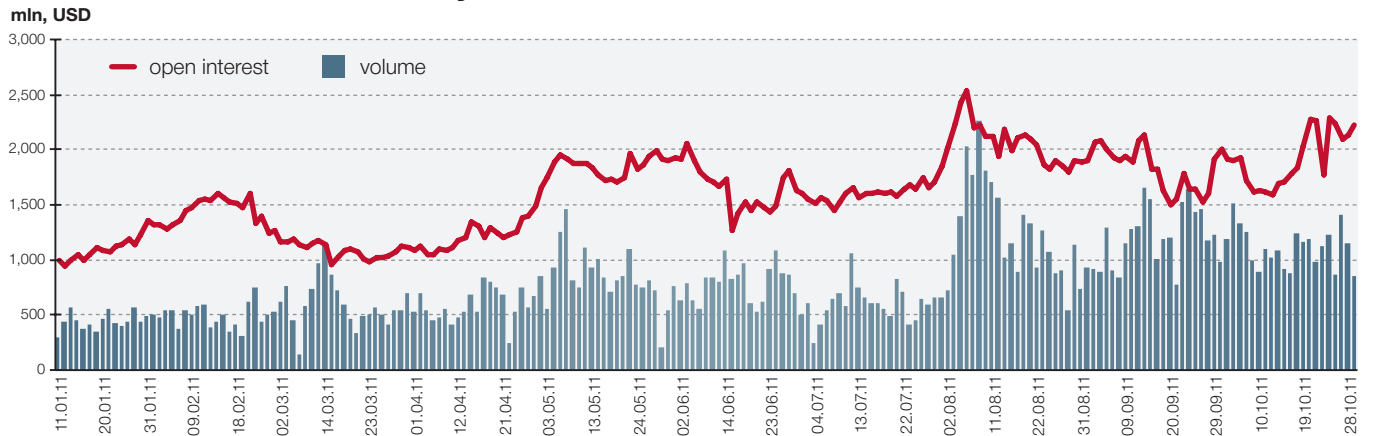
## RTS Index futures: January – October 2011



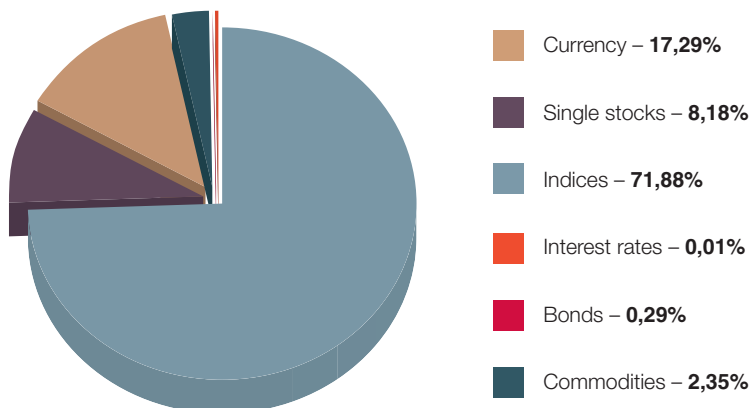
## RTS Standard Index futures: January – October 2011



## USD/RUB rate futures: January – October 2011



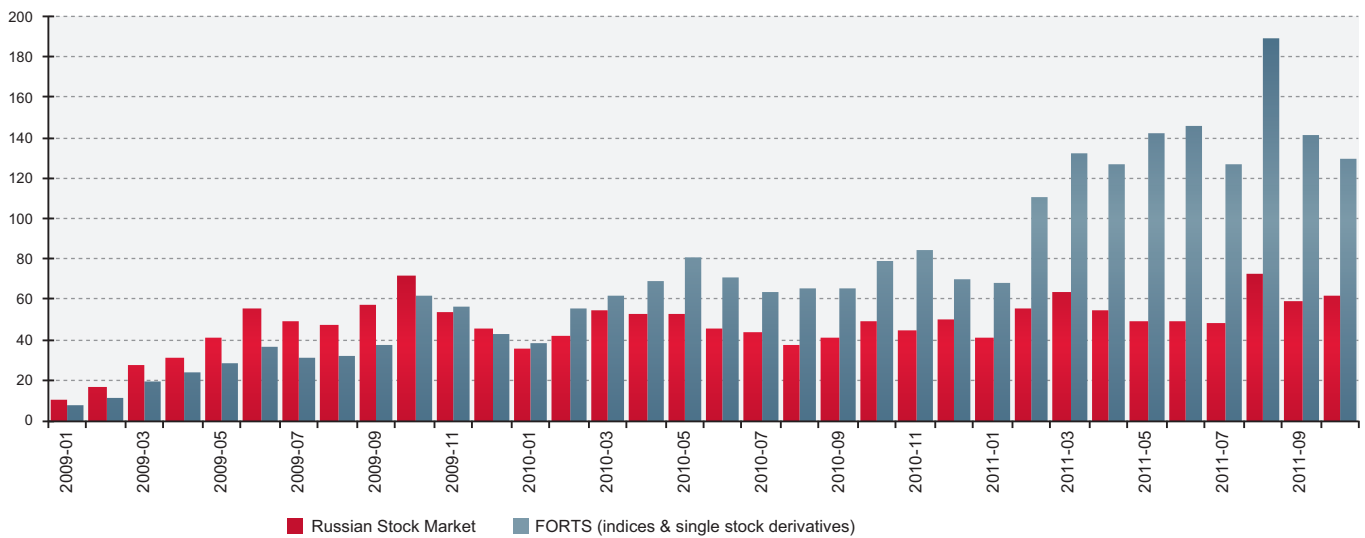
## FORTS turnover breakdown. Trading volume in USD by contracts:



# RTS Markets

## FORTS and Russian stock market turnover

Turnover, bln USD



## RTS Stock Market

### Top 10 RTS Standard Leading Operators: October 2011

Company name	Rating position	
	October	September
OTKRITIE Group	1	1
Troika Dialog	2	2
ALOR Group	3	3
JSC "Investment Company "ITInvest"	4	4
OLMA Investment Firm	5	5
KIT Finance Ltd.	6	6
ALFA-BANK	7	12
CJSC Brokercreditservice Ltd	8	9
Instroyinvest IMC	9	8
Investment Company FINAM	10	7

### Top 5 RTS Stock Market Best Sellers: October 2011

Company name	Trading volume, USD	Share in RTS: %
Sberbank, ordinary	4,432,361,842	52.51%
Gazprom, ordinary	2,137,004,475	25.32%
OAO "LUKOIL", ordinary	620,171,193	7.35%
OJSC "OC "Rosneft", ordinary	387,043,314	4.59%
"OJSC "MMC "NORILSK NICKEL", ordinary	271,075,433	3.21%

# 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: October 2011

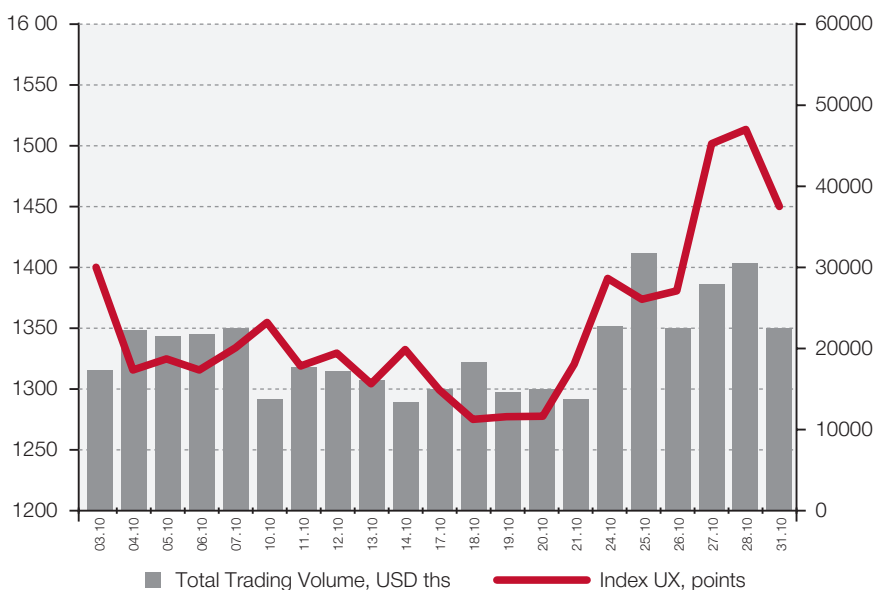
	October	September	Change, %
<b>STOCK MARKET</b>			
Trading Volume, USD	222,877,900	269,537,752	-17.78%
Number of trades	88,328	96,742	-8.70%
<b>DERIVATIVES MARKET</b>			
Trading Volume, USD	203,039,034	215,357,523	-5.48%
Trading Volume, contracts	1,186,436	1,146,984	3.44%
Number of trades	140,037	113,531	23.35%
Total open interest, USD	15,498,261	6,056,220	156.55%
Total open interest, contracts	86,476	33,506	158.09%
<b>TOTAL, USD</b>	<b>424,916,934</b>	<b>484,895,275</b>	<b>-12.15%</b>

## The UX Index Monthly Wrap-Up: October 2011

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 October the UX Index calculated by the Ukrainian Exchange grew by 0.43% to reach 1,448.89 points (1,442.73 points as of September 30, 2011).

The most impact was coming from prices of ordinary shares of Motor Sich (MSICH) – plus 35.34 points, Krukivsky Carriage Works (KVBZ) – plus 24.57 points and Ukmafta (UNAF) – minus 22.34 points.



## Top 5 Stock Market Best Sellers: October 2011

Ticker	Company name	Trading volume, USD	Closing price, USD	Change, %
MSICH	Motor Sich	24,870,533	263.76	17.37%
ALMK	Alchevsk Metallurgical Plant	21,422,430	0.012	9.71%
CEEN	Centrengo	18,805,327	1.021	-2.08%
AZST	Azovstal	8,097,657	0.193	-3.37%
AVDK	Avdiivka Cokery Plant	7,791,578	0.767	-4.71%

## MICEX: Dashing for the Top Tier

2010-2011 were the remarkable years for MICEX; and it is symbolic in many ways that the Exchange is undergoing major changes, while the

financial world is recovering from the recent turmoil. RUSSIAN MARKETS met with **Ekaterina Novokreshchenykh**, Vice-President, Member of the Ex-

ecutive Board, MICEX Group, to discuss the recent merger deal, international positioning of MICEX and the challenges that the company is facing now.



**Ekaterina Novokreshchenykh**

**Russian Markets (RM):** What can you say about MICEX's current competitive position?

**Ekaterina Novokreshchenykh**

**(EN):** When it comes to competition, MICEX is well positioned amongst its international peers in respect of trading operations, post trading infrastructure and growing strengths of data exchange protocols. MICEX is the largest Stock Exchange platform in the CEE & CIS Region. We concentrate 63% of the total trading volume of the Region, ranking among the world's 20 largest Stock Exchanges. By turnover velocity (~50%) MICEX is comparable to major players like for example, the London Stock Exchange. MICEX is a vertically integrated exchange platform and offers a wide product line when it comes to Trading, Listing, Clearing & Settlement and data information services. The products are available across all asset classes and instruments – Cash Equities/ Bonds, Repo, FX trading, Derivatives. At MICEX, we are committed to further develop the infrastructure by introducing T+ settlement protocols, partial collateral, new clearing concept and many

other solutions that should bring us at par with international standards applied to major exchanges.

**RM:** In this respect is the MICEX – RTS merger a step forward in the company's development?

**EN:** Success of tomorrow begins today; the merger with RTS is about this. It is an important transaction for the Russian market and the United Exchange. The challenge faced by the Russian market is to withstand not the local, but foreign competition. The most important benefit of the merger is that we

will have one exchange that is more competitive and stronger positioned on the international arena. Both RTS and MICEX bring enough to the table to complement one another. RTS comes with derivatives and clearing. MICEX comes with strong position in cash equities, fixed income and FX trading. This creates a very strong base for growth, greater investment opportunities into new products and technologies. Under one umbrella, we will integrate Clearing and Settlement. In general, one platform will provide better infrastructure to the Russian capital market. The United Exchange plans to have a strong voice in shaping Russia's financial market and will become a regional financial hub with strong potential to create the CIS exchange platform network.

**RM:** What are the major tasks that the integrated exchange is facing now?

**EN:** There is one challenging task in front of us: to develop the Russian IPO market and to convince Russian companies to list their securities in Russia. This task is multidimensional and unprecedented in the economic

history of Russia. It is like the chicken-or-the-egg situation: which comes first? To attract Russian issuers, we need to bring foreign investors who currently invest into Russian assets at the LSE or NYSE. This would create additional liquidity and increase turnover velocity, stimulate the IPO demand, create conditions to hold large IPO placements, and guarantee fair pricing for issuers. If successful in accomplishing this, the new bourse would be able to increase the number of instruments traded and attract new IPO issuers, which, in turn, would attract new investors interested in the Russian cash equities. To achieve these goals, at MICEX we are developing infrastructure in accordance with the best industry practice. By creating a reliable domestic institutional investor base and developing legislation aimed at investor protection, we are building a solid base for the Russian Stock Market development.

**RM:** What are the company's strategic goals?

**EN:** Our mid to long term strategic goal is simple to state. We strive to become one of five largest exchanges worldwide by doubling the revenue and tripling the net income by 2015. In this simple statement embedded serious day-to-day operations and hard client work. Things mentioned above come to play an important role in realising these goals. For the next four years, we have an extended list of initiatives including infrastructural and technological projects, talent development, and legislative improvements. The most important job we ought to do is to deliver the value promised to our clients and shareholders and to explain to the market and investors how the United Exchange is developing to deliver even better results. This is our task, and I feel strong about our ability to accomplish it.

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## About Exchanges

**The MICEX Group** is an integrated exchange which provides electronic trade organization, clearing and settlement on trades, and depository and data services based on a single technological platform. The Group includes ZAO MICEX, the ZAO MICEX Stock Exchange, the National Mercantile Exchange, the MICEX Settlement House, the National Depository Center, the National Clearing Center, ZAO MICEX – Information Technologies, regional exchange and settlement centers.

MICEX Group operates the following financial segments: foreign exchange, the government bonds market, equities, corporate and regional bonds market, and derivatives and commodities markets.

**The RTS Group** is an integrated trading and settlement complex providing the full range of qualitative and reliable exchange services. The Group consists of OJSC “Russian Trading System” Stock Exchange, RTS Clearing Center, RTS Settlement Chamber, CJSC “Depository Clearing Company. The Group includes also subsidiaries such as the Ukrainian Exchange, Eurasian Trade System Commodity Exchange JSC in Kazakhstan and RTS Exchange Europe Ltd in London.

RTS offers trading in shares, bonds, futures and options contracts on shares and bonds of Russian companies, RTS Index, RTS Standard Index, Federal loan bonds, commodities.

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