



**NATIONAL
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MOSCOW EXCHANGE GROUP

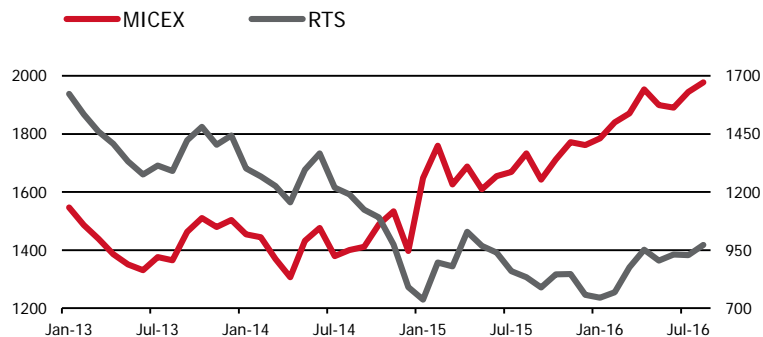


8-9 September 2016, Tbilisi, Georgia
XIII International AECSD Conference
Eddie ASTANIN
Chairman of the Executive Board, NSD

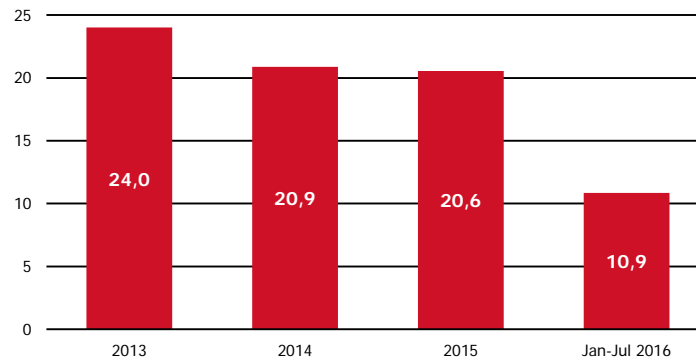
RECENT DEVELOPMENTS ON RUSSIA'S FINANCIAL MARKET

EXTERNAL FACTORS

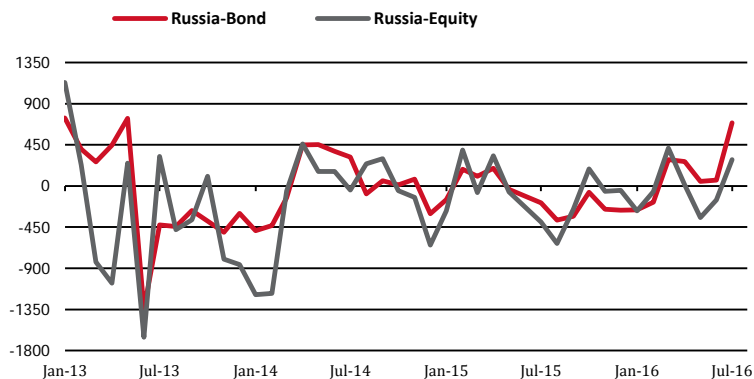
MICEX&RTS Index



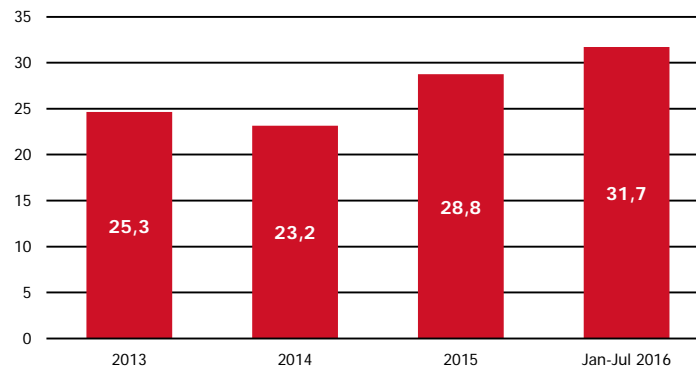
Securities market Trading Volumes, trln RUB



Investment Inflow to / Outflow from Russia Securities, mln USD



Market capitalization, trln RUB

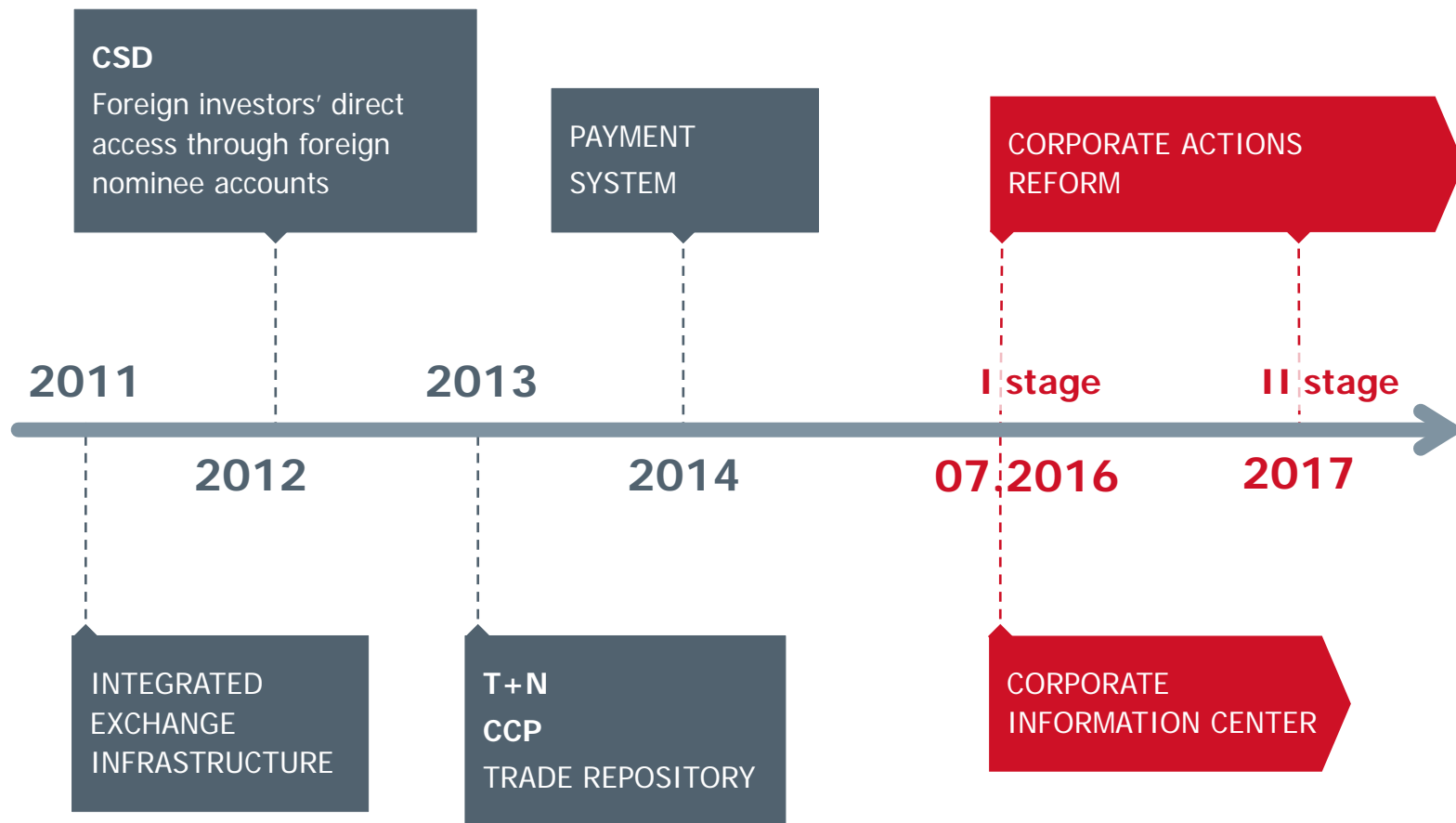


RUSSIAN MARKET, KEY FIGURES

	2013	2014	2015	1H2016
Total trading volume, trln RUB	463,4	572,4	685,4	404,1
Securities Market	24,0	20,9	20,6	10,9
Derivatives Market	48,6	61,3	93,7	63,2
FX Market	156,0	228,5	310,8	168,4
Money Market	220,7	204,4	213,8	140,5
Others	14,1	57,3	46,5	21,1
Number of market participants				
Number of brokers	> 900	804	631	540
Number of dealers	> 900	811	648	561
Number of asset managers	> 750	708	539	453
Number of custodians	> 600	573	502	446
Number of registrars	37	39	39	37
Capitalization, bln RUB	25 323	23 156	28 769	31 738
Total number of traded instruments / issuers	1 882/ 722	1 749/ 720	1 855/ 736	1 833 / 704
Number of traded issues for bonds / issuers for traded bonds	937/ 328	950/ 323	1 042/ 349	1 050 / 341
Number of unit investment funds	1 471	1 377	1 379	1 316
Total assets under management, bln RUB	584,5	563,6	581,3	584,7
AUM of open and interval funds, bln RUB	120,7	92,5	117,5	120,0
AUM of closed funds, bln RUB	463,8	471,1	463,8	464,7



DEVELOPMENT OF FINANCIAL MARKET INFRASTRUCTURE



FIVE BUSINESS STREAMS



WHAT'S NEXT?

1 STIMULATING DOMESTIC INVESTMENT:

- Enhancing investor appeal for the equity financing of public companies via improved corporate governance
- Development of the bond market and syndicated lending market
- Improvement of tools ensuring financial market stability

2 INCENTIVES TO ELECTRONIC INTERACTION MECHANISMS IN THE FINANCIAL MARKET AND INTERNATIONAL COOPERATION FOR THE DEVELOPMENT AND IMPLEMENTATION OF RULES REGULATING THE GLOBAL FINANCIAL MARKET

3 DEVELOPING FINTECH-PROJECTS

4 ENSURING CYBER SECURITY OF MARKET PARTICIPANTS



AECSD MEMBERS' COOPERATION

KEY INITIATIVES

DIRECTION	INITIATIVES
Legislative restrictions	<ul style="list-style-type: none"> Legislation adaptation to the international standards Introduction of the foreign nominee concept and simplification of disclosure procedures for foreign nominees
Risk-management and asset protection	<ul style="list-style-type: none"> CSD assessment in accordance with international standards (CPMI-IOSCO Principles) Insurance coverage for all kinds of activities of CSD
Corporate actions and taxation	<ul style="list-style-type: none"> Harmonization of legislation within AECSD Simplification and automation of existing procedures in accordance with best practices
Depository and payment services	<ul style="list-style-type: none"> STP for depository and payment services Access to communication channels and format harmonization

OTHER COOPERATION PROPOSALS

- Establishment of the links among the members for cross-border settlement
- Adding AECSD members' currencies for settlements
- Conducting meetings and conferences to learn best practices and know-how of local markets
- Cooperation in developing FINTECH and Blockchain technologies



THANK YOU!



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 - Perception of market services offered by the Company and its subsidiaries
 - Volatility (a) of the Russian economy and the securities market and (b) sectors with a high level of competition that the Company and its subsidiaries operate
 - Changes in (a) domestic and international legislation and tax regulation and (b) state policies related to financial markets and securities markets
 - Competition increase from new players on the Russian market
 - The ability to keep pace with rapid changes in science and technology environment, including the ability to use advanced features that are popular with the Company’s and its subsidiaries’ customers
 - The ability to maintain continuity of the process of introduction of new competitive products and services, while keeping the competitiveness
 - The ability to attract new customers on the domestic market and in foreign jurisdictions
 - The ability to increase the offer of products in foreign jurisdictions
- Forward-looking statements speak only as of the date of this presentation and we expressly disclaim any obligation or undertaking to release any update of, or revisions to, any forward-looking statements in this presentation as a result of any change in our expectations or any change in events, conditions or circumstances on which these forward-looking statements are based

