

Strategic Priorities

IMPLEMENTED IN 2018:

STRATEGIC AREAS

IMPLEMENTED INITIATIVES

DIVERSIFICATION

- ▶ A Strategic Partnership Agreement with the Kazakhstan Stock Exchange was signed.
- ▶ The range of FX Market instruments was expanded:
 - New currency pairs introduced: GBP/USD, TRY/RUB, JPY/RUB, USD/CHF, USD/CNY, USD/KZT and USD/TRY;
 - For the EUR/USD currency pair, trading began in instruments with SPT (T+2) settlements and TOM/SPT swaps;
 - For the KZT/RUB currency pair, TOM and SPT instruments, as well as one-day to six-month swaps, were introduced;
 - For TRY, trading began in instruments with TOM settlements and one-day overnight swaps.
- ▶ The trading volume on the grain and sugar market increased seven-fold; trading in sunflower seeds and soya was launched.
- ▶ New products were launched on the Derivatives Market: deliverable gold futures, USD/INR futures, LME traded non-ferrous metals futures, Light Sweet Crude Oil futures and US500 Index futures.
- ▶ The OTC system of the Bond Market was launched.
- ▶ FX Market participants were provided with technological access to global liquidity providers. Participants can now execute OTC trades with EUR/USD and GBP/USD currency pairs. In the future, there are plans to expand the range of available currency instruments.

OPTIMIZATION

- ▶ The formation of mandatory banking and tax NCC reports was restructured; this project won the title of 'Project of the Year: Selection of IT Directors in Russia' in the Best Solution category.
- ▶ Registration of new Equity and Bond Market and FX Market clients was enabled through an API connection for trading members.

INTEGRATION

- ▶ A Russia-China investment conference was held in collaboration with the Shanghai Stock Exchange.
- ▶ The Unified Collateral Pool project was completed. Participants were given the opportunity to use a single trading account for collateral in all markets and to perform full netting of settlements and cross-margining between markets.

MARKET DEVELOPMENT

- ▶ Under the project to provide non-financial companies with direct access to the Money Market and the FX Market, deposits in foreign currency with CCP were launched. As of the end of 2018, 109 companies had received access to the Money Market and 36 companies to the FX Market.
- ▶ Events for retail investors were held, including Invest Trial and Best Private Investor. In September, the FINFAIR Financial Solutions Fair was held, which was attended by approximately 7,000 people.
- ▶ A prototype of the financial products marketplace was presented, which enables individuals anywhere in the world to see online offers of Russian financial institutions, to compare them with each other, and to purchase them remotely. MOEX acts as a platform operator and NSD as a registrar of financial transactions, guaranteeing all transactions.

STANDARDIZATION

- ▶ Sponsored Market Access (SMA) technology was launched on the Derivatives Market.
- ▶ MOEX signed a statement of commitment to the FX Global Code, joining more than 100 other signatories, whose ranks include central banks, international financial institutions and trading platforms.
- ▶ The NSD passed all stages of the accreditation process for the Global Legal Entity Identifier Foundation (GLEIF) and received the status of local operating unit (LOU).
- ▶ NSD and Interfax put into operation the Single Disclosure Window, a product intended to give issuers the ability to disclose material facts via news agencies, as well as to provide the NSD's Corporate Actions Center with information on corporate actions.

IMPLEMENTED IN 2015-2018:

STRATEGIC AREAS

DIVERSIFICATION

MARKET DEVELOPMENT

IMPLEMENTED INITIATIVES

Development of new Money Market instruments:

- ▶ Repo with CCP;
- ▶ Repo with GCC;
- ▶ M-Deposits.

Commodities Market development.

Access to FX Market and Money Market for corporations.

Development of Innovations and Investment Market.

New products and services: exchange-registered bond programs, new currency pairs, new currency pair futures, opening auction, ETFs, deliverable futures, currency fixing.

Strategic Partnership Agreement with KASE.

Bondization (adding depth and breadth to the Bond Market):

- ▶ Launch of one-day bonds;
- ▶ Simplification of bond issue;
- ▶ On-exchange book-building;
- ▶ New services;
- ▶ OTC platform for the debt market.

Retailization:

- ▶ Creation of an investment Marketplace;
- ▶ Events for retail investors.

INTEGRATION

- Trading links with global liquidity providers.
- Unified collateral pool.

OPTIMIZATION

- New data center.
- Batch client registration.
- Tariff reform.
- New budgeting system.
- Front office reorganization.
- Integration and optimization of internal IT system architecture.
- Development of API interfaces with market participants.

STANDARDIZATION

- International clearing members (ICM).
- SMA to Equity and Bond Market, FX Market and Derivatives Market.
- Listing and corporate governance reform.
- E-voting service.
- Compliance with IOSCO principles for indices and fixings.
- Price center development.
- Single disclosure window.

MOEX has implemented all Key Strategic Initiatives slated for 2015-2020. The Group's new strategy is under development.