

CSDs: NSD (Russia)

Date: 20 Aug 2012

SMI Markets: Russia

CMIRR Markets: Russia

NSD Plans DVP Settlement Services Enhancements

As part of the integration process of National Settlement Depository (NSD), the Depository Clearing Company (DCC) and the RTS Settlement Chamber, NSD has published a preliminary description of the DVP settlement services it will have available.

The DVP schemes to be offered to participants are:

- DVP 1 - Gross settlement;
- DVP 2 - Settlement with netting of cash only (similar to the existing DCC DVP scheme);
- DVP 3 - Settlement with netting of both cash and securities.

DVP settlement will be provided through the following accounts and currencies:

- RUB - settlement through the accounts opened with NSD (current NSD RUB DVP scheme);
- USD - settlement through the accounts opened with NSD (current NSD USD DVP scheme);
- USD - settlement through the direct accounts of the investors or their Russian custodians opened with the USD settlement banks (current DCC USD DVP scheme).

Initial planned clearing sessions are stipulated to be run at 10.00a.m, 12.00p.m., 3.30p.m, 6.00p.m and 7.40p.m. (local Moscow time).

The tolerance principle will apply with limits of USD 25 or RUB 800.

Further updates will be issued once NSD confirms the final implementation schedule.

The official presentation describing the initial DVP service proposal can be found here (in Russian only): [DVP settlements with NSD](#).

CSD Risk Impact

NSD (Russia)

CSD Rating: A+

CSD Flash Impact: Positive

Impacted Risk Type: Counterparty Risk

Current Rating = AA-

Flash Impact = Positive

The DVP settlement is a key point within the integration process and the consolidation of NSD as the solely Central Securities Depository in Russia once the status is granted by the regulator. All the efforts done in this matter could allow NSD to match international service standards and create a safer investment environment for all market participants.

Market Information Impact

Russia

This information affects the data contained in the Settlement sections of the Securities Market Information Service.

Infrastructure Risk Ratings Impact

Russia

Market Rating: BBB

Market Flash Impact: Positive

Impacted Risk Type: Counterparty Risk

Current Rating = BB

Flash Impact = Positive

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