

CSDs: NSD (Russia)

Date: 15 Mar 2013

SMI Markets: Russia

CMIRR Markets: Russia

## Moscow Exchange Introduces T+2 Settlement Cycle

The Moscow Exchange MICEX-RTS has announced the launch on 25 March 2013 of T+2 settlement for the 15 most liquid equities and 33 OFZ. T+2 trading will be available to participants on the Main Trading Mode and on the Mode for Negotiated Trades with the CCP.

However, participants intending to trade in the T+2 market will be requested to pay their contribution to the guarantee fund as follows:

- Until 25 March 2013: RUB 2 million
- From 1 May 2013: RUB 5 million
- From 1 July 2013: depending on clearing member's open interest.

Participants who paid the RUB 2 million contribution to get access to repos with the CCP will not need to pay additional contribution until 1 May 2013.

A parallel run with the existing T+0 regime is planned until 1 July 2013 when T+0 is expected to be unavailable.

The official announcement and the full list of securities initially admitted to the T+2 trading as well as discount values for them are available here: [Moscow Exchange Release](#); [List of securities \(in Russian only\)](#).

## CSD Risk Impact

### NSD (Russia)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Liquidity Risk

Current Rating = A+

Flash Impact = On Watch

Impacted Risk Type: Counterparty Risk

Current Rating = AA-

Flash Impact = On Watch

The increase in the settlement cycle may impact the availability of funds for market participants, by providing more flexibility in managing their funds for settlement obligations. However, the precise impact will depend on what fails management will be implemented in the market to reduce the failed trades. In addition, the longer settlement cycle will extend the length of time that counterparties are exposed to each other. As result, the impacts on Liquidity Risk and Counterparty Risk have been placed "On Watch".

## 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: On Watch

Impacted Risk Type: Liquidity Risk

Current Rating = BB

Flash Impact = On Watch

Impacted Risk Type: Counterparty Risk

Current Rating = BB

Flash Impact = On Watch

The increase in the settlement cycle may impact the availability of funds for market participants, by providing more flexibility in managing their funds for settlement obligations. However, the precise impact will depend on what fails management will be implemented in the market to reduce the failed trades. In addition, the longer settlement cycle will extend the length of time that counterparties are exposed to each other. As result, the impacts on Liquidity Risk and Counterparty Risk have been placed "On Watch".

Related Flash: [Moscow Exchange New Trading Rules Including T+2, 30/11/2012 \(click to view\)](#)

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