



RTS offers evening settlement and new indices *02 Sep 2010*

[Russian Trading System](#) Group's president, [Roman Goryunov](#), has said the exchange will give users the option of evening delivery of equities and derivatives tomorrow, which will allow it to clear trades the same day. Members will now have the option of delivery at either 5pm on the day of the trade, or the following day.

Speaking via videolink from Moscow on the occasion of RTS's 15th anniversary, Goryunov outlined the bourse's core strategy and said an enhanced mood of transparency and T+0 settlement was crucial to attract international investment.

In line with its strategy plan, RTS's post-trade services will be unified into one settlement chamber, which will form a separate, non-bank credit institution. This is due to be completed in the first half of 2011.

Meanwhile, the exchange's equity division is developing two new indices in partnership with Standard & Poor's, Goryunov added. One will be known as the RTS 50, based on the value of 50 leading Russian firms. The other will be based on the "second echelon" of Russian stocks.

Goryunov did not confirm whether futures or options would be offered on the new indices, though he suggested they had been developed to meet international investor demands for "greater capacity for arbitrage with the RTS Index."

John Davies, a senior director at S&P who has worked with RTS closely since 2004, said there was growing demand globally among pension and hedge funds to use RTS's indexing data as a guide to the Russian economy.

Asked whether the exchange was planning to extend its afternoon session to better accommodate European trading hours, Goryunov was noncommittal. He acknowledged that the trading system upgrade, to be completed soon, would theoretically allow it to trade round the clock - "but that doesn't mean we'll do it," he said. "We are happy with 10 hours [of trading]."

He also batted away an audience question regarding [Russia's central bank](#), which earlier this year said it was unhappy at its lack of oversight of RTS's clearing services, in contrast to rival Micex, of which the bank is a shareholder. "If the central bank believes it can only regulate those entities it is a shareholder of, then this is some statement," Goryunov mused.

But he said this morning's board meeting, at which the bourse's regulator was present, had been productive.

Goryunov added that: "another tool available to the new system is the non-targeted repo, which enables market players to anonymously trade... this is an important service".

Tom Osborn +44 207 779 8361 tosborn@fow.com