



Eurasian Trade System

Commodity Exchange

ETS

ТОВАРНАЯ БИРЖА



The interest and role of Government

- New and up to date commodity exchange law
 - License and regulation
- List of goods to trade on commodity exchanges only
- Instrument to link financial markets with commodity market
- Clear cut and transparent commodity prices
- Step against “shadow” economy to a transparent tax base
- Equal opportunities and fair price to all market participants

- Shareholders – “**RFCA**”, JSC (37,47%) and “**Stock Exchange RTS**” , OJSC (60,02%)
- Company capitalization at start – USD 10 millions
- Modern and advanced spot and derivatives trading system
- Electronic trades – anonymous auctions, direct trades, repurchase agreements, state purchases, derivatives
- Volume of spot trades in 2010 – 458 millions USD
- Volume of futures trades in 2010 - 74 million USD
- 21 exchange members (brokers and dealers)
- Clearing house – CCP, separate legal entity

1. Classic trades

- No need to block funds
- Counterparties agree just to enter bid and ask prices
- Settlement is free upon agreement between parties

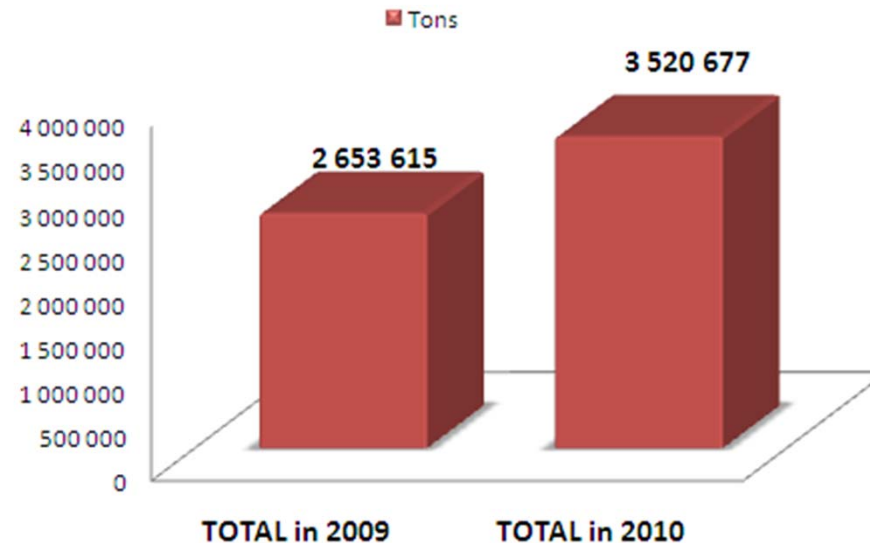
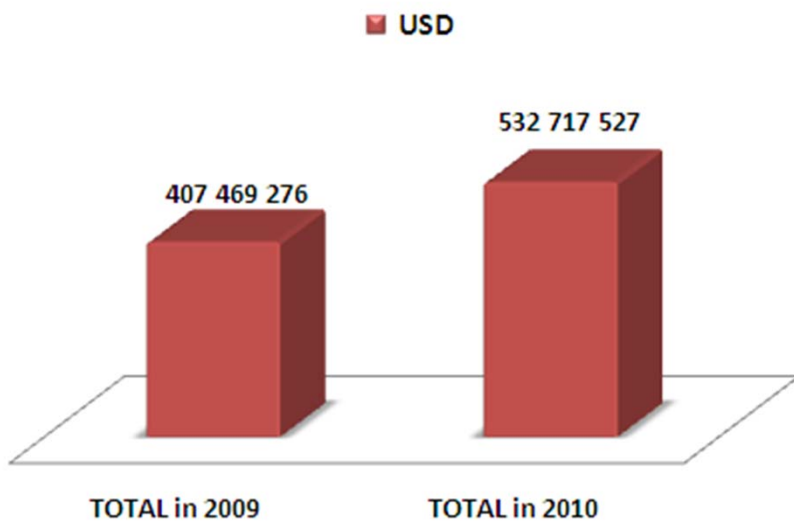
2. Automated anonymous auction with partial deposition of funds

- Clearing house ETS – is the central counterparty
- Margining and mark-to-market system
- Partial deposition of money

1. Exchange auction in section on Trading Section of specialized goods for Government organizations for state purchases
 - **Full transparency of bidding procedures.**
 - **No influence of human factors on the course and outcome of bidding.**
 - **Equal access to trading and highly competitive bidding.**
 - ETS exchange auction was launched on Trade Section of specialized goods on December 2, 2010.
 - There were three auctions of 18 lots for a total of 9,813,424 USD During December .

- Constant Introduction of new instruments on ETS
 - Oil products and metals, gold, platinum, all types of grain, etc.
 - Futures and options on commodities, indices, currencies
 - Repurchase agreements backed by commodities
- An organized place for government interventions and state purchases
- Further development of futures and options trading
 - Brokers from financial markets
 - Financial instruments as an underlying assets
- Further development of spot trading
 - Metals and oil products
 - Carbon trading
- Regional integration

Volume of trades. Spot market of 2010 y.



	Tons	USD	Number of deals
TOTAL in 2009	2 653 615	407 469 276	1 641
TOTAL in 2010	3 520 677	532 717 527	9 417

Thank you!

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