



The driving force for derivatives

FTSE Russia IOB (FTSE RIOB) Index Derivatives

EDX London and FTSE, a world-leader in the creation and management of indices, collaborated with market participants to create the FTSE RIOB. The FTSE RIOB is a market-cap weighted tradable index designed to measure the performance of the 15 most liquid Russian depositary receipts (DRs) trading on the London Stock Exchange International Order Book (IOB). EDX launched FTSE RIOB futures and options in December 2006.

- Derivatives on the FTSE RIOB provides our members with efficient and easy access to the Russian market.
- The FTSE RIOB is 99.8% correlated to the RDX[®] Index*. The graph below shows the correlation between the FTSE RIOB and the RDX Index.
- We are in a unique position, offering our members an anonymous and transparent marketplace combined with the efficiency of an on-screen order book and clearing through LCH.Clearnet (LCH).

RDX/ RIOB rebased to 1,000, June 2007 - May 2009



* The Austrian derivatives exchange, Wiener Börse calculates the RDX Index[®] and RDX Index standard.

Key features and benefits

- **Central counterparty protection** - LCH acts as central counterparty for all trades, ensuring members benefit from reduced counterparty risk and lower operational costs.
- **On screen liquidity** - Supported by dedicated Market Makers the FTSE RIOB can be traded on the order book, creating a more visible and transparent market place.
- **Tailor made services** - Our flexible market model and tailor made services means members benefit from the flexibility and anonymity of the OTC market whilst maintaining the security and efficiency of a centrally cleared on-exchange market.
- **International gateway** - We facilitate trading between domestic and international participants, who benefit from the flexibility, transparency and security of trading on exchange. To date 33 members have used the service.
- **Free MPS** - Our free Marketplace Service is available to assist in trading, execution and price discovery. They will also undertake the matching and confirmation process for OTC trades, providing members with lower operational cost and improving efficiency.
- **Margining** - The FTSE RIOB is currently margined using RIVA methodology, this will change to SPAN methodology in December 2009.

Contract specifications

FTSE Russia IOB Index Futures Contract Specifications	
Parameter	Specification
Multiplier	USD 50
Maturity	3, 6 and 12 months
Tick Size	0.25
Tick Size for Futures Roll	0.05
Settlement Type	Cash
Expiration Day	Third Friday of the expiry month
Expiration Settlement Price	Closing Value of RIOB at 15.40pm London time
Settlement Day	The first bank day following the Expiration Day
Future Type	Daily settled future
Listing of new Expiry Month	Monday of expiry week

FTSE Russia IOB Index Options Contract Specifications	
Parameter	Specification
Multiplier	USD 50
Maturity	3, 6 and 12 months
Tick Size	Below 0.10:0.01. More than 0.10 but less than 4.00:0.05. More than 4.00 but less than 10:0.10. More than 10:0.25
Settlement Type	Cash
Premium Settlement Day	The first bank day following registration
Expiration Day	Third Friday of the expiry month
Exercise	Automatic exercise of all in-the-money series
Settlement Day	First bank day following the Expiration Day
Option Style	European
Listing of new Expiry Month	Monday of expiry week

FTSE Russia IOB Index constituents

Company Name	SE Code/TIDM	Wt Index%*
URALKALI JSC (GDR)	URKA	2.42%
Comstar United Telesystems	CMST	0.58%
MMC NORILSK NICKEL	MNOD	8.10%
OAO GAZPROM	OGZD	23.39%
LUKOIL (OAO)	LKOD	24.61%
OJSC OC ROSNEFT	ROSN	13.00%
OAO NOVATEK	NVTK	3.57%
OJSC Novolipetsk Steel	NLMK	2.90%

Company Name	SE Code/TIDM	Wt Index%*
SISTEMA JSFC	SSA	2.24%
EVRAZ GROUP S.A.	EVR	1.76%
SURGUTNEFTEGAZ	SGGD	11.10%
Severstal	SVST	1.42%
Polyus Gold ADR	PLZL	1.07%
OJSC Magnitogorsk Iron & Steel Works	MMK	0.95%
VTB Bank OJSC	VTBR	2.80%

* As at 21/06/2009

Reuters and Bloomberg codes

Underlying	Reuters Underlying	Reuters Options	Reuters Futures
Russian Index	.FTRIOB	0#RIOB*.ST++	0#RIOB:
Underlying	Bloomberg Underlying	Bloomberg Options	Bloomberg Futures
Russian Index	RIOB Index	RIOB INDEX <go> OMON	RIOB INDEX <go> CT

To find out more about EDX London's IOB Equity derivatives service, please visit www.edxlondon.com or contact:

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