

LIQUIDITY MEASUREMENT AND MONITORING for 05.2015

The list and free-float coefficients of the MICEX Index stocks as of 17.01.2015, total stocks outstanding as of the corresponding business day of 05.2015. Free-float coefficients are estimated by the Moscow Exchange.

1. Trading costs

		Percentage spread, %	Absolute spread, rubles			Percentage spread, %	Absolute spread, rubles			Percentage spread, %	Absolute spread, rubles
1	SBER	0,075	0,0561	17	MOEX	0,152	0,1122	33	PIKK	0,319	0,6278
2	AFLT	0,081	0,0328	18	CHMF	0,152	0,9111	34	TRMK	0,329	0,1722
3	VTBR	0,088	0,000064	19	RTKM	0,155	0,1239	35	BANE	0,338	7,0000
4	GAZP	0,089	0,1322	20	ROSN	0,167	0,4139	36	DIXY	0,345	1,4167
5	MTSS	0,093	0,2417	21	RSTI	0,183	0,001000	37	TRNFP	0,347	422,7778
6	NVTK	0,096	0,4833	22	URKA	0,188	0,2917	38	EONR	0,357	0,0111
7	FEES	0,096	0,000064	23	SNGS	0,202	0,0700	39	GCHE	0,362	2,7222
8	NLMK	0,105	0,0750	24	MFON	0,245	2,0556	40	RUALR	0,382	1,1667
9	LKOH	0,109	2,7944	25	IRAO	0,247	0,003028	41	POLY	0,405	1,7500
10	GMKN	0,115	11,6111	26	YNDX	0,251	2,3889	42	VSMO	0,507	50,0000
11	MSTT	0,116	0,1056	27	TATN	0,254	0,7556	43	SVAV	0,509	2,2778
12	MTLR	0,122	0,0772	28	MVID	0,280	0,5778	44	PHST	0,686	7,2222
13	MGNT	0,130	14,2778	29	AKRN	0,281	6,3889	45	PGIL	0,975	1,3929
14	AFKS	0,136	0,0228	30	ALRS	0,284	0,1911	Total stocks		0,250	-
15	MAGN	0,140	0,0209	31	LSRG	0,291	1,7778				
16	HYDR	0,146	0,0009	32	PHOR	0,308	6,1111				

2. Trading activity

		Trading volume, %	Trading volume (adjusted for free-float), %	FF	Trading volume, units of securities			Trading volume, %	Trading volume (adjusted for free-float), %	FF	Trading volume, units of securities
1	SBER	0,471	0,982	0,48	7 644 732 070	24	TATN	0,060	0,186	0,32	388 857 829
2	MSTT	0,456	1,342	0,34	115 942 164	25	SNGS	0,059	0,237	0,25	744 174 445
3	VTBR	0,448	1,150	0,39	4 286 339 614	26	MVID	0,059	0,140	0,42	21 901 582
4	AFLT	0,378	1,181	0,32	170 301 373	27	SVAV	0,054	0,117	0,46	8 232 294
5	MOEX	0,273	0,487	0,56	459 170 856	28	NLMK	0,048	0,343	0,14	205 639 073
6	MTLR	0,246	0,702	0,35	64 728 474	29	TRMK	0,034	0,123	0,28	17 884 249
7	MAGN	0,229	1,635	0,14	380 966 439	30	NVTK	0,034	0,126	0,27	524 290 255
8	GMKN	0,156	0,518	0,30	2 470 740 552	31	ROSN	0,029	0,241	0,12	770 620 708
9	URKA	0,149	0,453	0,33	663 494 427	32	LSRG	0,020	0,062	0,33	12 881 317
10	FEES	0,149	0,709	0,21	128 384 825	33	EONR	0,017	0,094	0,18	33 105 099
11	CHMF	0,139	0,660	0,21	703 635 901	34	BANE	0,015	0,128	0,12	49 683 149
12	TRNFP	0,121	0,121	1,00	229 556 414	35	YNDX	0,015	0,048	0,30	37 586 625
13	HYDR	0,114	0,334	0,34	264 894 171	36	AKRN	0,014	0,087	0,16	12 720 010
14	GAZP	0,111	0,241	0,46	3 941 311 179	37	PHST	0,011	0,027	0,39	4 221 866
15	LKOH	0,106	0,230	0,46	2 320 536 458	38	POLY	0,010	0,038	0,25	17 585 537
16	MTSS	0,098	0,200	0,49	524 880 711	39	GCHE	0,008	0,017	0,51	2 767 051
17	MGNT	0,087	0,160	0,54	905 795 544	40	PIKK	0,008	0,026	0,32	10 633 071
18	AFKS	0,081	0,226	0,36	131 354 143	41	MFON	0,008	0,051	0,15	39 882 539
19	IRAO	0,074	0,410	0,18	94 589 706	42	PHOR	0,006	0,034	0,19	16 644 497
20	RSTI	0,074	0,526	0,14	64 710 661	43	VSMO	0,003	0,030	0,10	3 395 597
21	ALRS	0,069	0,298	0,23	341 602 835	44	PGIL	0,002	0,024	0,10	10 405 460
22	DIXY	0,068	0,205	0,33	34 022 917	45	RUALR*	-	-	0,08	12 924 376
23	RTKM	0,064	0,230	0,28	137 944 318	Total stocks		0,106	0,345	-	-

* The ME does not provide data on daily market capitalization for «RUSAL» on the basis of RDR in May 2015.

3. Elasticity

		Modified AMIVEST ratio			Modified AMIVEST ratio
1	MSTT*	33,0475	24	MTSS	0,6710
2	AFLT	4,4779	25	AKRN	0,6293
3	TRNFP	2,5063	26	LKOH	0,6230
4	MAGN	2,3274	27	MGNT	0,6211
5	SVAV	2,1109	28	EONR	0,5989
6	LSRG	2,0537	29	URKA	0,5728
7	MVID	1,8484	30	ALRS	0,5599
8	VTBR	1,6760	31	TATN	0,5008
9	DIXY	1,5412	32	GAZP	0,4426
10	MTLR	1,5335	33	YNDX	0,3950
11	MOEX	1,4255	34	NLMK	0,3832
12	AFKS	1,3789	35	PIKK	0,3800
13	FEES	1,3768	36	NVTK	0,3647
14	RSTI	1,1895	37	SNGS	0,3290
15	RTKM	1,0630	38	VSMO	0,2870
16	SBER	0,9640	39	BANE	0,2744
17	IRAO	0,9304	40	ROSN	0,2104
18	GMKN	0,8911	41	PGIL	0,1920
19	CHMF	0,8197	42	MFON	0,1840
20	GCHE	0,7495	43	POLY	0,1482
21	HYDR	0,7424	44	PHOR	0,1376
22	TRMK	0,7407	45	RUALR	-
23	PHST	0,6959	Total stocks**		0,9662

* The abnormally high numerical value is due to excessively high trading volume on certain days in May 2015.

** MSTT is left out.

	Most liquid	Spread, %	Volume, %	AMIVEST	Least liquid	Spread, %	Volume, %	AMIVEST
12/2014	1	SBER	SBER	AFLT	1	YNDX	YNDX	GCHE
	2	MTSS	VTBR	TRNFP	2	NMTP	MFON	VSMO
	3	AFLT	AFLT	MVID	3	PHST	LSRG	LSRG
	4	GAZP	AFKS	MOEX	4	VSMO	GCHE	POLY
	5	VTBR	TRNFP	FEES	5	GCHE	PHST	PHST
01/2015	1	SBER	SBER	AFLT	1	DIXY	MFON	NMTP
	2	MGNT	AFLT	TRNFP	2	PHST	POLY	VSMO
	3	GAZP	TRNFP	SVAV	3	NMTP	NMTP	MFON
	4	MTSS	MOEX	MOEX	4	GCHE	VSMO	PHST
	5	URKA	VTBR	MVID	5	VSMO	PHST	POLY
02/2015	1	GAZP	SBER	AFLT	1	POLY	POLY	NMTP
	2	SBER	AFLT	TRNFP	2	GCHE	PHOR	PHOR
	3	ROSN	AFKS	AKRN	3	NMTP	PHST	GCHE
	4	SNGS	FEES	SVAV	4	VSMO	GCHE	PHST
	5	MGNT	MOEX	DIXY	5	PHST	VSMO	POLY
03/2015	1	SBER	MTLR	AFLT	1	DIXY	POLY	VSMO
	2	GAZP	SBER	TRNFP	2	GCHE	PHST	PHST
	3	LKOH	AFLT	MOEX	3	PHST	PHOR	PGIL
	4	MGNT	MOEX	SVAV	4	VSMO	VSMO	PHOR
	5	MTSS	FEES	MTLR	5	PGIL	PGIL	POLY
04/2015	1	SBER	MTLR	AFLT	1	TRNFP	POLY	PGIL
	2	MGNT	SBER	TRNFP	2	SVAV	PHST	PHOR
	3	MTSS	AFLT	MSTT	3	PGIL	PHOR	POLY
	4	AFLT	MOEX	MTLR	4	VSMO	PGIL	MFON
	5	GAZP	FEES	DIXY	5	PHST	VSMO	PHST
05/2015	1	SBER	SBER	AFLT	1	POLY	PIKK	ROSN
	2	AFLT	MSTT	TRNFP	2	VSMO	MFON	PGIL
	3	VTBR	VTBR	MAGN	3	SVAV	PHOR	MFON
	4	GAZP	AFLT	SVAV	4	PHST	VSMO	POLY
	5	MTSS	MOEX	LSRG	5	PGIL	PGIL	PHOR

The table to the left provides statistics on liquidity at a level of an individual stock.

Among the most liquid stocks within a half-year period of 12.2014 - 05.2015:

1. Stocks, appearing at least once in the top-5 list of the most liquid stocks in the three dimensions simultaneously (highlighted in red in the table):

AFLT.

2. Stocks, appearing no less than 5-6 months in the top-5 list of the most liquid stocks in any of the dimensions (displayed in red bold font in the table):

GAZP, MTSS, SBER (trading costs), AFLT, MOEX, SBER (trading activity), AFLT, TRNFP (elasticity).

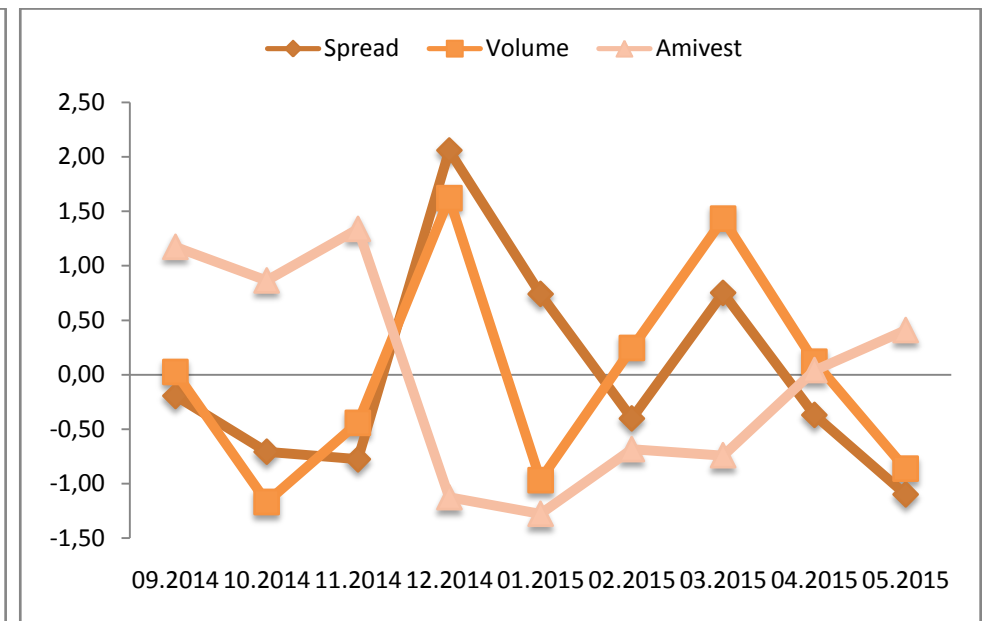
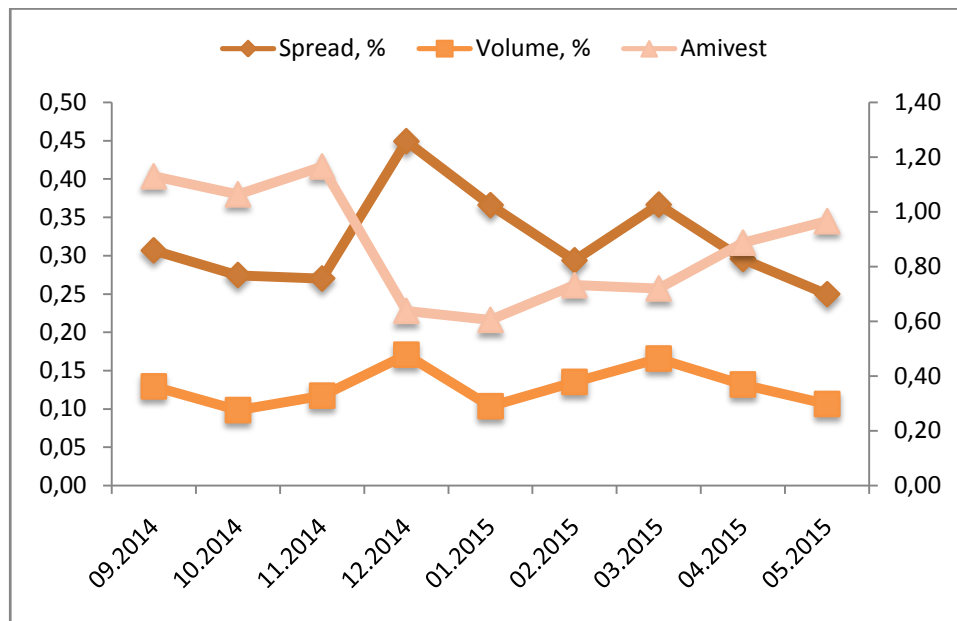
Among the least liquid stocks within a half-year period of 12.2014 - 05.2015:

1. Stocks, appearing at least once in the list of the 5 least liquid stocks in the three dimensions simultaneously (highlighted in blue in the table):

GCHE, PGIL, PHST, VSMO.

2. Stocks, appearing no less than 5-6 months in the list of the 5 least liquid stocks in any of the dimensions (displayed in blue bold font in the table):

PHST, VSMO (trading costs), PHST, VSMO (trading activity), PHST, POLY (elasticity).



The pictures above provide statistics on liquidity **at an aggregate level**. The left picture displays dynamics of the three liquidity dimensions *in original numerical values*. Liquidity dynamics over a 9-month interval (09.2014-05.2015) along three liquidity dimensions – trading costs, trading activity, and elasticity – is featured by a direct relationship between trading costs and trading activity and by an inverse relationship between trading costs and elasticity. In other words, narrow spreads are associated with low trading volume and high numerical values of modified AMIVEST ratio. Thus, equilibrium state of liquidity over 09.2014-05.2015 in the market segment considered (MICEX Index constituent stocks) is a state in which decreased liquidity in trading activity is accompanied by increased liquidity in trading costs and elasticity (or the opposite of it). This phenomenon is a deviation from a theoretical equilibrium state; nevertheless it is not uncommon for actual markets. One possible explanation could be that information asymmetry prevails in the market and a rise in trading activity is negatively perceived by market participants who see a sign of increased speculative activity in it.

The right picture displays dynamics of the three liquidity dimensions *in standardized numerical values*. The sharpest deterioration in liquidity in the MICEX index stocks segment is observed for 12.2014. In this month the MICEX index exhibited the deepest decline of 11% (from 1607 to 1397) if compared to the whole period considered (09.2014-05.2015). In 05.2015 The MICEX Index declined by 6.5% (from 1721.8 to 1609.19) however, liquidity did not response coherently this time – there was improvement in liquidity in trading costs and elasticity in April-May 2015.