

Nordea

Russian Markets - Daily

September 29, 2011

RUB basket retreated	USD/RUB	31.92	▼
Liquidity began to restore	EUR/RUB	43.53	▲
Rates decreasing	RUB basket	37.17	▲

Hot News

- Consumer prices remained unchanged over the week of Sept 20-26. Since the beginning of the month prices have thus dropped by 0.1, mostly due to declining food prices. /Rosstat
- The new acting Minister of Finance Siluanov said that the Finance Ministry does not plan to introduce any tax hikes in the near future, in line with what Putin had said and in contrast to what the now resigned former Minister of Finance Kudrin pledged. /Interfax
- Deputy Economy Minister Klepach said that the budget in 2011 may be executed with a surplus. /Interfax
- Average weighted rate for placement of budget funds comes to 6.91%, demand exceeds limit by 140% - MinFin
- Russian international reserves at \$526.0 bln in week to September 23, down from \$532.0 bln on September 16

Money Market

The situation on the money market was still a bit stressed yesterday; interest rates were on the high level. 200 mln RUB (maximum volume since 2009) was injected into the market by Central Bank via REPO auction. Today we see the situation stabilizing, interest rates decreasing.

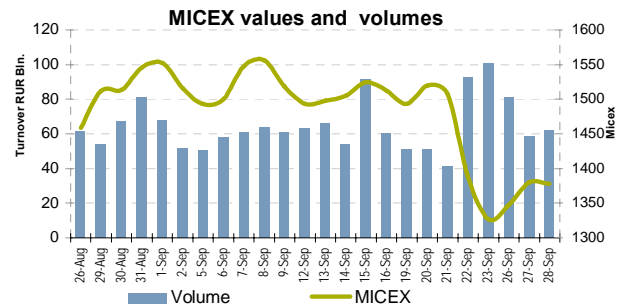
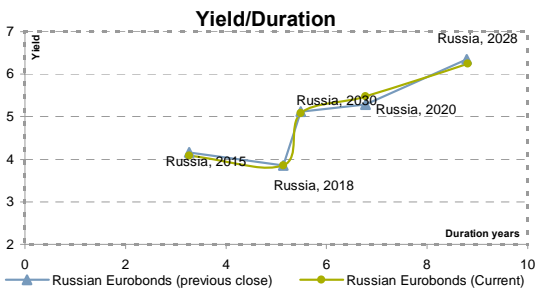
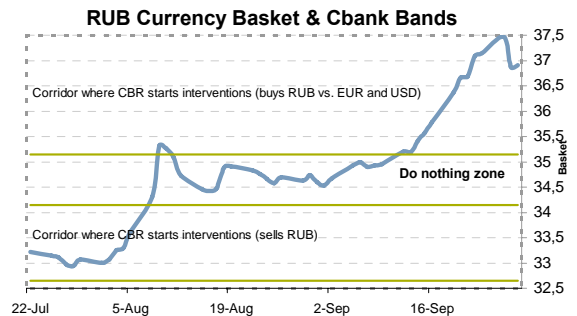
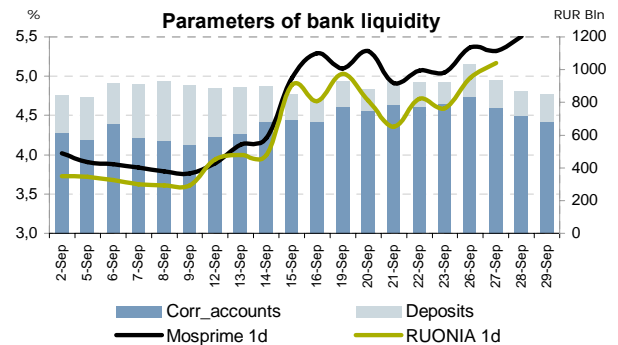
Currency Market

RUB stayed almost unchanged to the basket (it was 0.03 RUB basket growth). Despite of global positive news fading, oil prices correction supported RUB as well as oil turnover sales in the end of tax payment period. In addition – oral interventions of Russian Central Bank representatives, telling that the Bank has all the necessary tools to support required liquidity volume. RUB is under correction to the both basket currencies: USD and EUR.

Debt and Equity Markets

Markets demonstrated slight decrease as a result of global risk aversion return on Wednesday. MICEX index decreased by 0.19%. Today Russian stock market opened in negative zone, however, now MICEX index is growing about 0.3%. Market is supported by following factors: investments of the Pension fund, high oil prices.

Forwards	1m.	3m.	6m.	
USD/RUB	31,874	32,191	32,676	
EUR/RUB	43,4158	43,8508	44,4729	
Money Market	Close	Change	Max 12m	Min 12m
MosPrime 1M (%)	6,16	-0,17	6,33	3,23
MIBOR 1m (%)	5,97	0,02	5,97	3,81
RUONIA 1d (%)	4,98	0,39		
Implied NDF yield 6m%	6,57	-0,25	8,48	3,17
Debt	Close	Change	Max 12m	Min 12m
Russia CDS 5yr	294	19	294	119
Eurobond Russia 30Y	5,162	0,035	5,298	3,914
EMBI +	570,45	-0,86	598,99	542,64
Stock Indexes	Close	Change	Max 12m	Min 12m
RTSI	1367,37	-0,19	2123,56	1315,25
Micex	1377,87	-0,18	1859,99	1327,19
S&P 500	1151,06	-2,07	1363,61	1119,46
DJIA	11010,90	-1,61	12810,54	10719,94
Brent	103,91	-2,12	129,43	67,20



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