The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

First Exchange-Traded Fund Launched at Moscow Exchange

By Guennadi Moukine

April 29, 2013



Russia entered the $2 trillion global market for exchange-traded products with the launch of the first exchange-traded fund on the Moscow Exchange by international investment management group FinEx ETF on Monday.

The country's first exchange-traded fund, or ETF — which is an investment fund traded on a bourse — is called the Russian Corporate Bonds UCITS ETF. It will track the Barclays EM Tradable Russian Corporate Bond EMRUS Index, which focuses on shorter maturity liquid eurobonds offered by non-sovereign issuers.

"[ETFs] have a huge future on the Russian market," said Alexander Afanasyev, the Moscow Exchange's CEO at the fund's launch event on Monday.

First Deputy Prime Minister Igor Shuvalov said he hoped the instrument would be considered to be one of the most reliable ways to invest on the Moscow Exchange.

"Today's launch on the Moscow Exchange is the beginning of a new era for Russian investors, and a very exciting time for FinEx. Although globally ETFs have enjoyed huge growth in recent years, the phenomenon has a long way to go in many emerging markets globally," said Simon Luhr, FinEx's managing director and CEO in a press release on Monday.

"The entrance of the first ETF on the Moscow Exchange signals an important step in the development of financial infrastructure in Russia. The launch of this type of global product contributes to the establishment of Moscow as an international financial center," said Afanasiev in the same statement.

The Russian Corporate Bonds UCITS ETF was first listed on the Irish Stock Exchange and then launched on the London Stock Exchange in February this year, with seed funding of $10 million. "It is a part of a strategy to launch multiple ETFs cross traded on Western and emerging stock markets," Luhr said in February, according to a report by Emergingmarkets.org.

Contact the author at g.moukine@imedia.ru

Related articles:

- Nasdaq IPO to Value Qiwi at Up to $936M
- Sale of VTB Stake for $3Bln Expected in Months
- Deutsche Bank Executive Nominated for Russian Railways Board

Original url:
https://www.themoscowtimes.com/2013/04/29/first-exchange-traded-fund-launched-at-moscow-exchange-a23719