

Moscow Exchange Aims to Raise \$500M in IPO

By [The Moscow Times](#)

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Moscow's stock exchange will be valued at up to \$4.6 billion in its planned stock market float, which will raise about \$500 million for the company and shareholders, according to a price range published by the company Monday.

The Moscow Exchange, Russia's main venue for trading in stocks, bonds, currencies and derivatives, is to float on its own platform in an attempt to revitalize Russia's capital markets and persuade companies to list domestically rather than abroad.

Promotion of Moscow's markets has backing from the Kremlin, which seeks to transform the Russian capital into a global financial center.

President Vladimir Putin recently called for upcoming privatizations of state assets to be held in Russia.

Analysts caution, however, that it will be difficult to break a trend of Russian companies seeking listings in London or New York.

Other obstacles include continued skepticism about shareholder rights in Russia and a slump in local share-trading volumes.

The exchange, formed in 2011 through the merger of Moscow's two largest stock exchanges, MICEX and RTS, set an indicative price range for its initial public offering of between 55 and 63 rubles, confirming a Reuters report Friday.

That values it between \$4 billion and \$4.6 billion, based on a share count of 2.197 billion.

About 60 percent of the 15 billion rubles (\$500 million) of proceeds will go to selling shareholders, and about 40 percent will go to the company, which is raising money to invest in information technology and its clearing business.

The company may increase the offering by up to 5 billion rubles if there is enough demand.

The company and shareholders selling through a MICEX subsidiary will be subject to a lock-up preventing them from selling any more shares for 180 days, the company said in a statement, without specifying any restrictions that previous RTS shareholders might have.

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