

Money Transfers: RUSSIA AND CIS REGION



Elena Gafarova
Vice President
Global Sales & Product management
October 8th, 2014



IMTC



Russia - among top originating countries in the world

Remittance Outflows 2012





RUSSIA -> WORLD: 8% of remittances is sent to Globe

Top CIS receive countries

Receive country	Volumes in 2013 (mln. \$)	% of total sent from Russia
Uzbekistan	6 632,60	28,12%
Tajikistan	4 154,30	17,61%
Ukraine	3 078,80	13,05%
Kyrgyzstan	2 080,00	8,82%
Armenia	1 596,30	6,77%
Moldova	1 261,30	5,35%
Azerbaijan	1 232,00	5,22%
Georgia	789	3,34%
Kazakhstan	455,4	1,93%
Total	23 588,56	100%

Globe 8%
1 852 mln \$



CIS + Domestic **88%**
21 736 mln \$

Top Globe receive countries

Receive country	Volumes in 2013 (mln. \$)	% of total sent from Russia to Globe
China	797,3	43,04%
Turkey	157,8	8,52%
Vietnam	120,5	6,50%
USA	95,6	5,16%
Israel	70,2	3,79%
Germany	62,6	3,38%
Czech Republic	35,8	1,93%
Nigeria	35,1	1,89%
United Kingdom	31,9	1,72%
Spain	26,8	1,45%
Total sent to GLOBE	1 852,50	100%

* CIS countries: Abkhazia, Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Tajikistan, Ukraine, Uzbekistan, South Ossetia

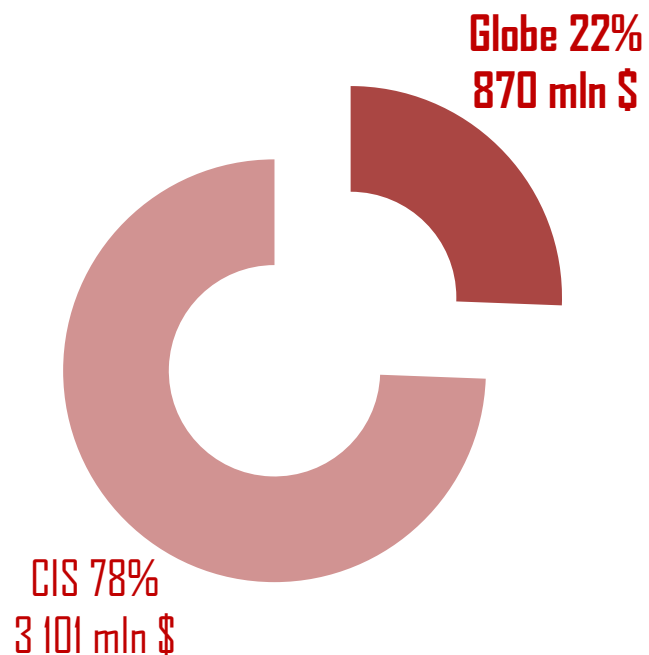
** GLOBE: countries other than CIS and Russia



WORLD -> Russia: 22% remittances is received from Globe

Top CIS send countries

Send country	Volumes in 2013 (mln. \$)	% of total sent to Russia
Kazakhstan	602	15,16%
Uzbekistan	563,6	14,19%
Tajikistan	537,2	13,53%
Kyrgyzstan	365,5	9,20%
Ukraine	330,9	8,33%
Azerbaijan	182,7	4,60%
Armenia	171,2	4,31%
Belarus	91,9	2,31%
Total	3 971,43	100%



Top Globe send countries

Send country	Volumes in 2013 (mln. \$)	SHARE of total sent from Globe
USA	135	15,51%
China	106,8	12,27%
Germany	81,3	9,34%
Italy	57,8	6,64%
Israel	43,1	4,95%
France	42,9	4,93%
Turkey	42,8	4,92%
United Kingdom	36,1	4,15%
Spain	31,5	3,62%
United Arab Emirates	31,2	3,58%
Total from GLOBE	870,4	100%



US Remittances to CIS are sent from ...

Distribution of Russian Speaking Communities by States in %:

New York - 24%
Russian/Jewish diasporas. Seattle, Denver

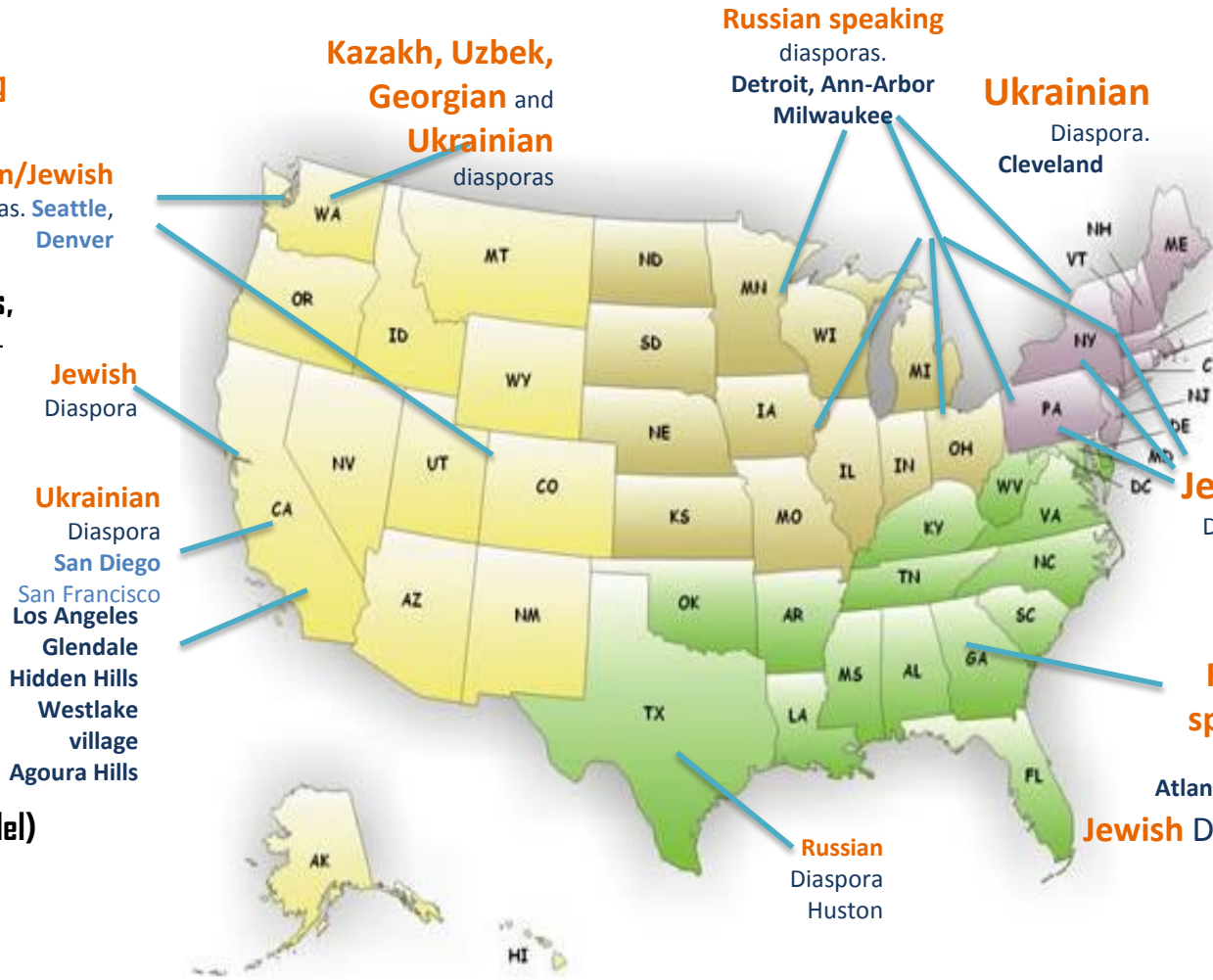
California (San Diego, San Francisco, Glendale, Hidden Hills, Westlake Village, Agoura Hills) - 20%

Illinois (Chicago) - 16%

Pennsylvania (Philadelphia, Pittsburg) - 10%
Massachusetts (Boston) - 8%

Florida (Miami) - 7%

Maryland (Baltimore, Ann Arundel) and Washington D.C. - 3%

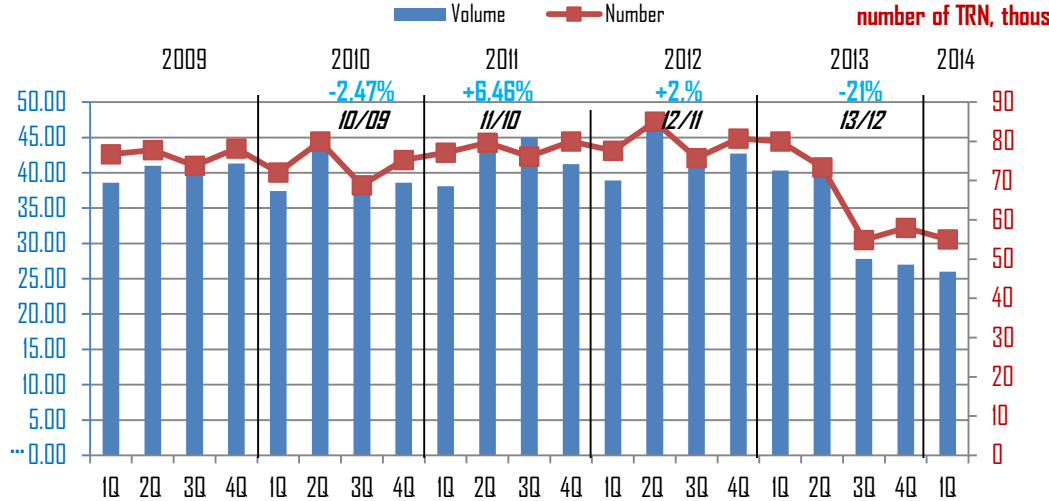


> 3.5 mln Russian-Speaking Population

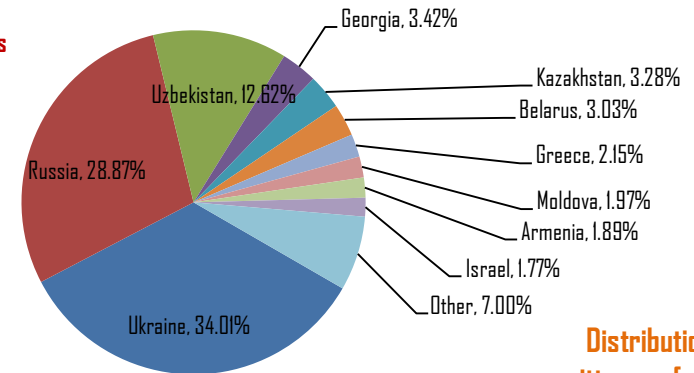
Russians	2 652 214
Ukrainians	892 922
Lithuanians	659 992
Armenians	385 488
Latvians	87 564



Remittances from US to Russia via MTOs



Top CONTACT Receive countries from US

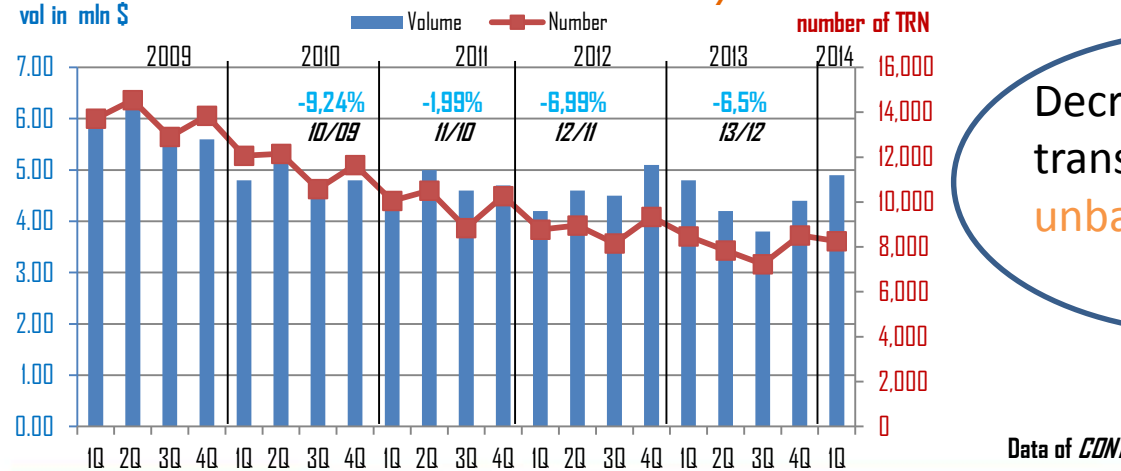


Data of CONTACT

Distribution of remittances from US by amount

SLABS in \$		Share of TRNs
From	To	
1\$	100	24,87%
100	200	22,25%
200	300	13,12%
300	400	5,85%
400	500	8,24%
500	600	3,08%
600	700	2,31%
700	1000	9,57%
1000	1500	3,18%
1500	2000	3,33%
2000	OVER	4,15%

Remittances from US to CONTACT system



Decrease of transfers to unbanked individuals

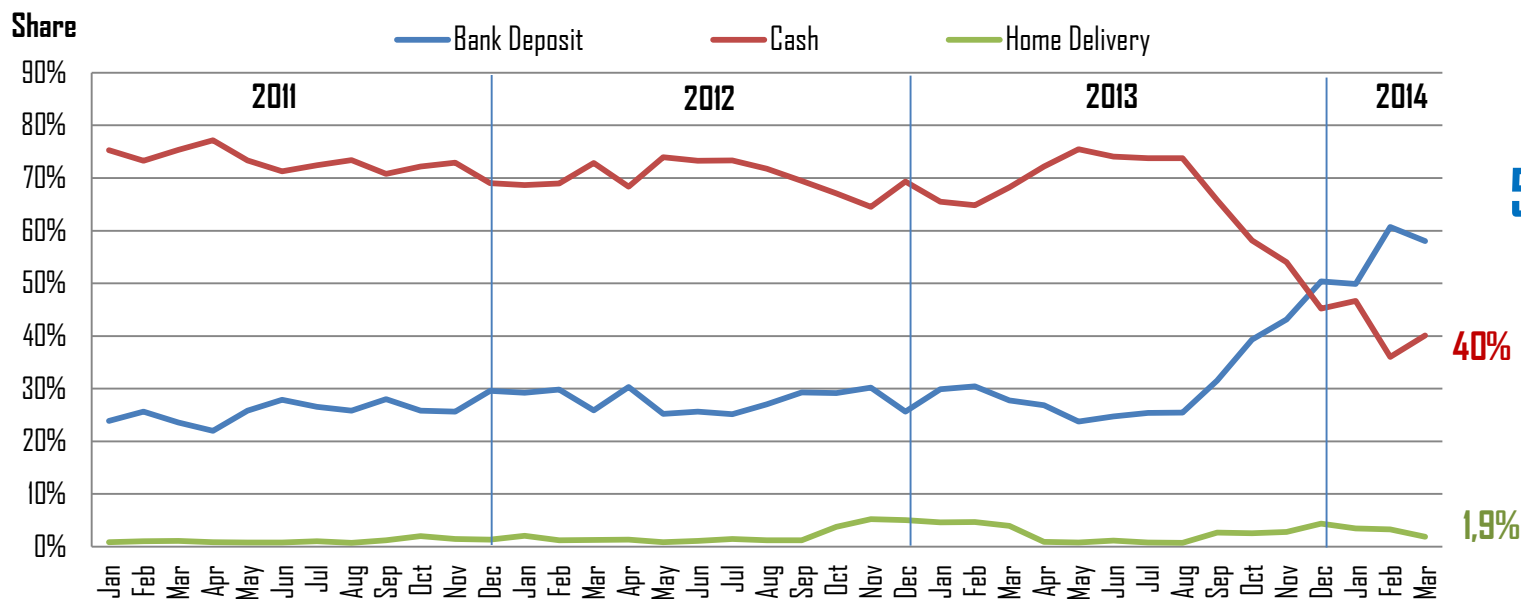
Data of CONTACT



CONTACT Trends: decrease of transfers to unbanked

58% of CONTACT transfers to overseas countries is paid to bank accounts

Dynamics of share by delivery methods



58%

40%

1.9%

Data of *CONTACT*

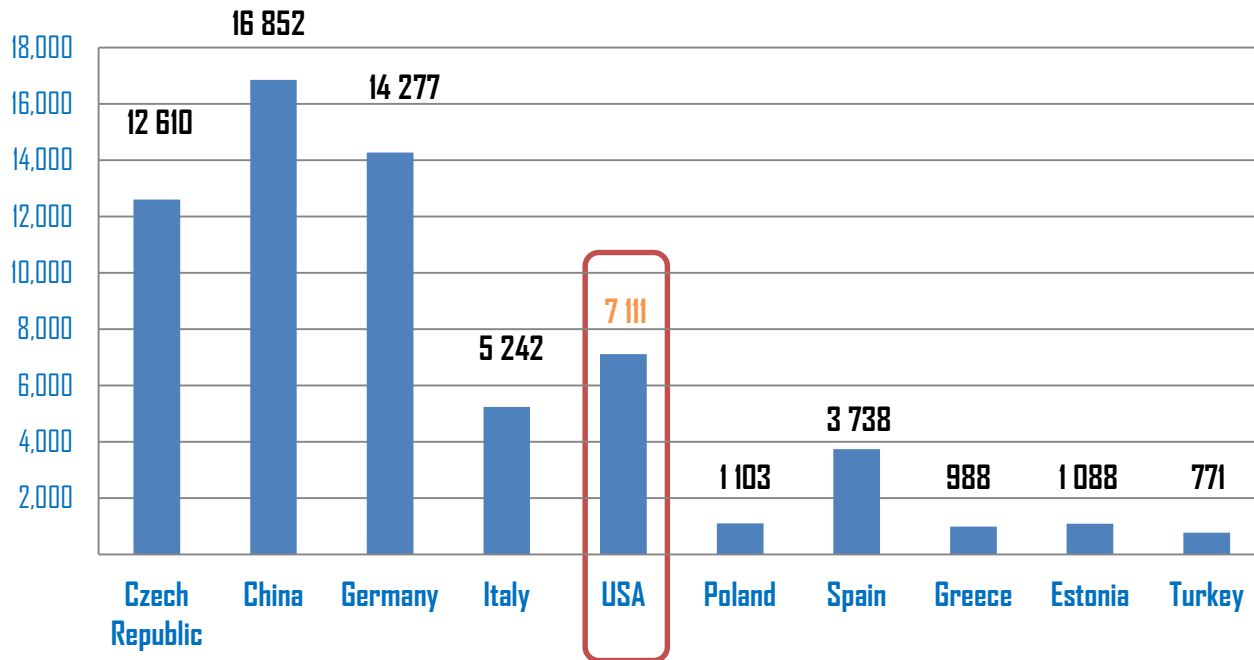


Bank Deposit: big share of large transactions

USA – among the top 5 bank account receive countries

Top CONTACT receive countries – bank account (2013)

Vol in thsd \$



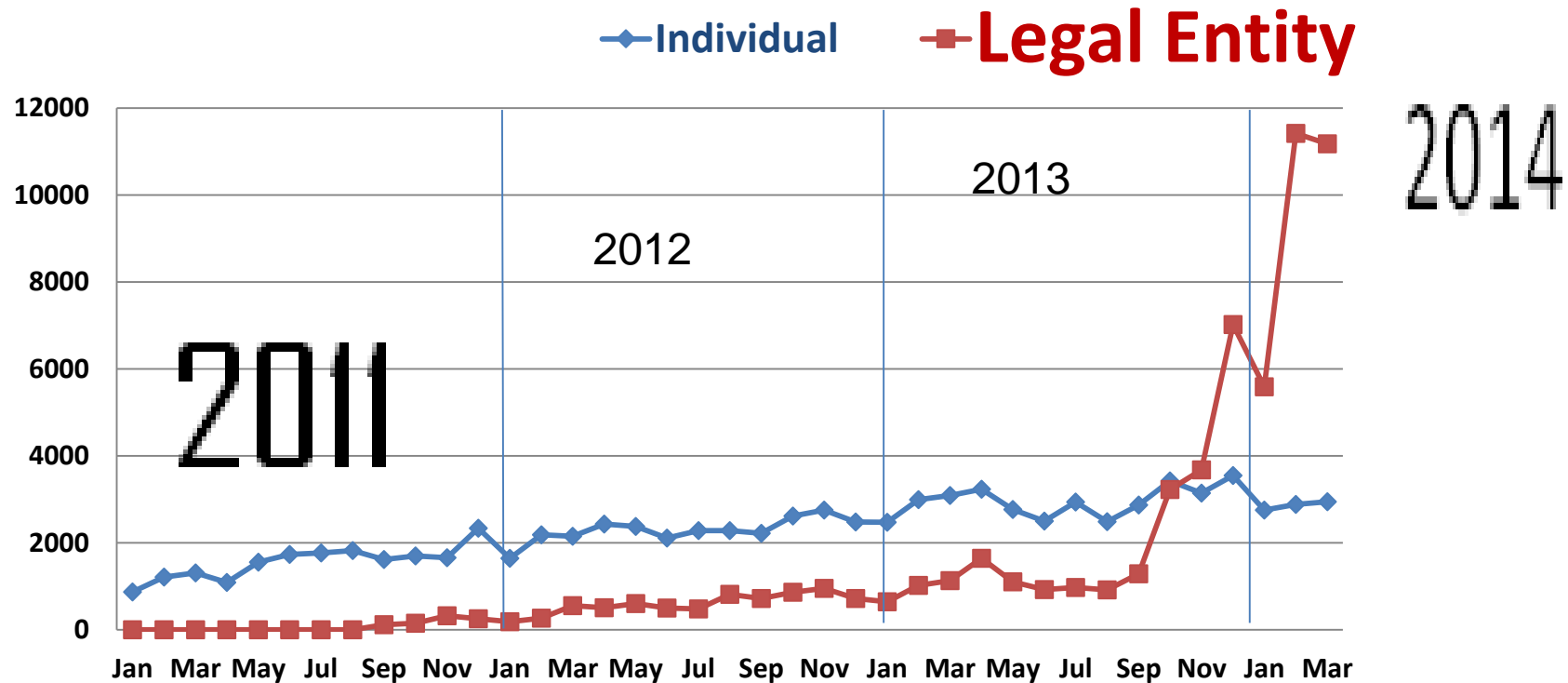
Distribution of remittances to bank deposit

SLABS in \$		Share of TRNs
From	To	
1	300	11,0%
300	500	6,0%
500	1 000	12,2%
1 000	2 000	14,4%
2 000	3 000	8,5%
3 000	4 000	4,5%
4 000	5 000	11,4%
5 000	10 000	4,9%
10 000	20 000	26,7%
20 000	OVER	0,4%

Data of *CONTACT*



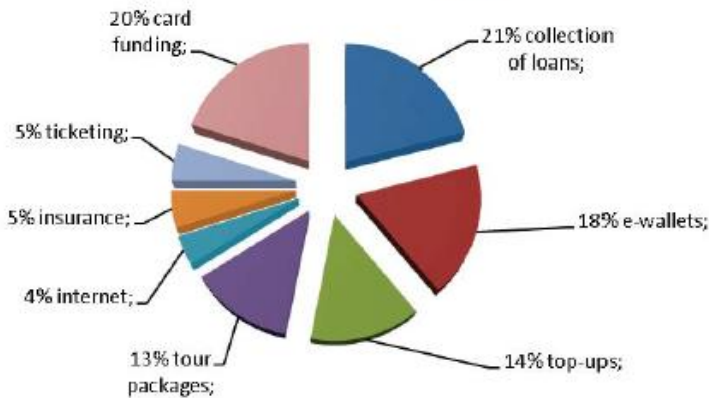
79% of remittances to bank accounts
are sent to legal entities





Future Trends

Value-added services by share in CONTACT SYSTEM



- Globalization will be continued
- New send channels will be developed incl.:

- Accounts
- Cards
- Mobile phones
- Skype
- Social Networks

- Adjustable to new communication channels and AML requirements platforms will survive
- Growth of e-commerce will continue
- Share of payments from individuals to legal entities as well as payments between legal entities will be on the rise

Product	YoY (%)
CONTACT 24	545%
Internet Service	494%
Microfinance	350%
Cards	246%
Mobile topups	158%
Entertainment	90%



Thank you for your attention!

Mrs Elena Gafarova,

**Vice President
Global Sales & Product management**

gafarova@russlavbank.com

+7 (495) 913 90 42