

Russian brokerage market research

Capstone Public Project Summary

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Introduction

Because of the COVID crisis, the number of people interested in financial markets drastically increased over the whole world. So, brokers also started developing their services with significant speed. Which led to the hard decision-making of brokers at that time. That's why the Client was interested particularly in my topic.

The capstone project was to create an overview of the Russian brokerage market, that will provide to Client general view of the market and current conditions. So, I review the biggest players in the Russian market to provide the most relevant market information. It will help to Client decide whether they should focus on this market in the future.

About Client

BrokerChooser is a company, which helps investors for choosing brokers, and now other financial tools, like digital banks and Robo-advisors. They are collecting data about services and checking around five hundred criteria. Also, they gain some real experience with such services, of course anonymously. In the end, the final score of service is given based on expertise and readers' preferences.

Methodology

Initially, the capstone project was divided into quantitative and qualitative parts. I started with the quantitative part. In this part, I was asked to create a general view of the Russian broker market. And the best approach was to create an Excel file with different brokers and different variables. The main goal was to represent the most useful information for people interested in Russian broker firms. Also, in the process of data collection, there were some problems. Cause many brokers were a division of big banks, which led to a single annual

report with all other divisions. Also, some brokers were not public companies, which required data collection from governmental sources.

The next step was qualitative research. In this step, the Client asked me to choose one of the biggest brokers in Russia and make a full review of it. I decided to take Sberbank broker.

Cause I had some experience with them already. I was happy to make a review on it because I was confident that I could provide relevant and broad information about this broker. The review was made based on BrokerChooser's Methodology.

BrokerChooser's Methodology

Table 1. BrokerChooser's Methodology

Area	Criteria
Fees	289
Security	33
Deposit and withdrawal	11
Trading platforms	43
Account opening	15
Product portfolio	62
Customer service	12
Education	6
Research	9

About Sberbank

Sberbank is the oldest financial organization in Russia. In 1991 it was transformed into a joint-stock company with a majority share of the state fund, which allowed it to become the leading financial organization of the Russian Federation in the future. Since the reform, Sberbank has been allowing its clients to work with stock market instruments. In 2000 Sberbank PJSC received licenses for brokerage and dealer activities.

It is regulated by the Central Bank of Russia (CBR). The service aims to make stock products available to the bank's clients. A high level of reliability has made the Sberbank brokerage service one of the most popular in Russia. The company ranks second in the Moscow Exchange (MOEX) rating in terms of the number of registered accounts and is among the top ten in terms of the trading volume.

The emphasis on Sberbank's brokerage platform is on passive deposits, trust management, pension programs, savings strategies, and other ready-made solutions for users from Russia.

Outcomes

The client got an additional broker review for their database. Which could lead to exploring other brokers from the same region and attracting new customers for their services. Overall, it is opening great expansion opportunities.

I got the first impression of working in a young company. Facing a lot of problems and deadlines significantly increased my project management skill. Also, active communication and support from the Client, made my working process smooth. Overall, it was a great project with a great Client and I got an amazing experience.