

DAILY MARKET REVIEW

26 September, Monday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 23 September some neutral external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 rose by 0.5-0.6%, continuing to play back the Fed's decision to keep the interest rate. At the same time, the activity of buyers was constrained with released worse than expected statistics on sales of existing homes and the index of leading economic indicators in August. On Friday the composite stock index of the Asia-Pacific region MSCI Asia Pacific was slightly down, correcting after a rally on the decisions of the US Federal Reserve and the Bank of Japan. November Brent futures traded near the mark of \$47.4 per barrel, slightly below the closing level on 22 September. Oil prices are declining in anticipation of the meeting of oil producers in Algeria – the market is pressure by investors' skepticism with regard to the fact that the world's leading oil producers will be able to reach an agreement on the production limitation.

On Friday the Russian market corrected after a strong growth on Thursday, on the daily lows the loss of the MICEX Index reached 1.5%. The reason for profit taking was volatile movements in crude oil prices and worsening sentiment on European markets, due to, including, poor statistics on business activity. In September, according to preliminary data from IHS Markit, the consolidated Eurozone PMI fell to the lowest in 20 months. "The Eurozone's economy has completed the III quarter with disappointing results, ... economic growth is still unstable," commented IHS Markit on the data. Brent crude oil prices during the day were trading in the range of \$47-48 a barrel amid conflicting news from the negotiations in Saudi Arabia and Iran, which took place in the run-up of the meeting of oil producers in Algeria. The increase in quotations was associated with the media information that Saudi Arabia is ready to reduce the volume of produced oil by 1 million barrels per day, if Iran maintains production volumes at the August level of 3.6 million barrels per day. However, at the end of the day the Brent price dropped to around \$47 a barrel after media reports that Saudi Arabia is considering the forthcoming informal meeting in Algeria as an opportunity to discuss the oil market stabilization, and does not expect the adoption of any decisions in terms of supply management at it.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the final MicexPWR outperformance compared with the MICEX Index was made by shares of FGC UES and Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

Ministry of Energy wants to introduce licensing of sales companies

The Ministry of Energy wants to introduce licensing of energy supply companies, including, to avoid the misuse of customers' payments for electricity and the emergence of debt of sales companies to energy generators and electric grid companies, according to materials from the agency.

Read full text: <http://www.bigpowernews.ru/markets/document72763.phtml>

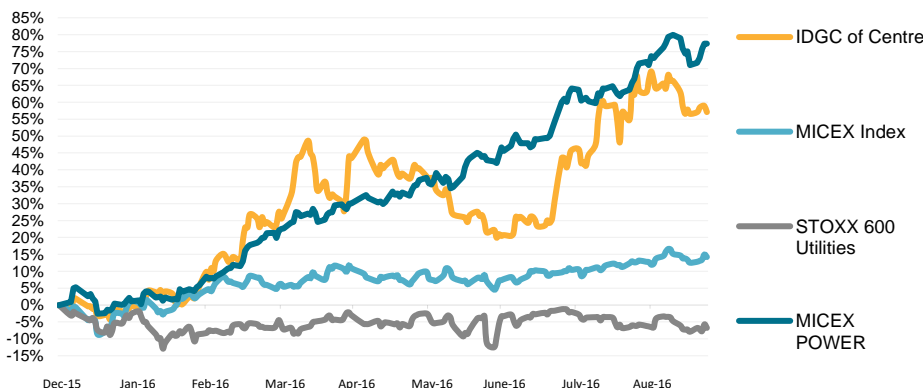
COMPANY NEWS

IDGC of Centre supplies power to a large poultry production unit in the Tambov region

In the Tambov region in the territory of Tokarevsky district the country's largest incubator was opened, built as part of a vertically integrated poultry production unit on the site of OJSC "Tokarevskaya Poultry Factory".

Read full text: <http://www.energyland.info/analytic-show-150869>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 011,83	-0,67%	14,22%
S&P 500	2 164,69	-0,57%	5,91%
FTSE 100	6 909,43	-0,03%	10,69%
DAX	10 626,97	-0,44%	-1,08%
DJStoxx 600	345,34	-0,72%	-5,60%
STOXX Utilities	285,46	-1,12%	-6,75%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	28 668,22	-0,36%	9,77%
CSI300	3 275,67	-0,47%	-12,20%
Bovespa	58 697,00	-0,50%	35,40%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	-0,02%	-7,66%
USD/RUB	63,79	-1,01%	-12,47%
Euro/RUB	71,67	-0,23%	-10,07%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 337,56	0,04%	26,05%
Brent*, USD/bbl	45,89	-3,69%	4,82%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3065
Capitalisation**, billion RUB	12,94
Capitalisation**, million USD	202,84

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,00%	77,35%
Shares of IDGC of Centre**	-1,13%	57,10%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-0,10%	97,16%
FGC UES	1,37%	196,30%
IDGC of Volga	-0,24%	109,51%
MOESK	-2,53%	28,67%
IDGC of Northern Caucasus	-0,87%	37,20%
IDGC of Centre and Volga Reg	-2,43%	47,29%
IDGC of North-West	1,31%	97,08%
IDGC of Urals	-1,85%	67,37%
IDGC of Siberia	1,01%	22,54%
IDGC of South	-0,60%	60,26%
Lenenergo	-0,29%	129,04%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
Bloomberg
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MRKC
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