

DAILY MARKET REVIEW

13 December, Tuesday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 12 December some positive external background formed on the Russian market. Last Friday the US indices DJIA and S&P500, updating historical records, increased by 0.6-0.7%. Investors were supported both by optimistic European markets, which continued to play back the decision to the ECB on the more than expected extension of the QE program, and its own statistics – according to preliminary data of the University of Michigan, in December the consumer confidence index in the US rose to a maximum of two years. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific traded near zero with multidirectional changes of the major stock country indices in the region. The Japanese Nikkei225 added 0.8% on the weakening of the yen against the dollar, the Chinese CSI300 lost 2.4% under the pressure of information on the prohibition of a number of operations by the regulator for Chinese insurers, including some – on investments in shares of mainland Chinese companies. February Brent futures traded near the mark of \$56.7 per barrel, \$2.6 more than at our closing on Friday December 9th. Oil prices rose on news that the non-OPEC countries over the weekend failed to agree on limiting oil production by 558 thous. barrels a day from January 2017, which is only a little lower than the originally stated 600 thous. barrels. Thus, in total OPEC and other oil-producing countries will reduce the supply of raw materials to the world market by nearly 2%. As noted by Bloomberg, for the first time since the 70s those countries have agreed on the coordination of efforts to stabilize the market, which in total account for more than half the world's oil production.

The sharp rise in oil prices was the main driver of the positive sentiment in the Russian market on Monday – the MICEX Index traded mostly in positive territory in more than half-point plus, on the daily maximum the ruble stock indicator rise reached 1.5%. At the same time the activity of buyers was confirmed by turnovers – on Monday the trading volume on the Moscow stock exchange was close to a record this year. At the same time a limiting factor to Russian investors was an uncertain trend of the western markets – the main European indices and futures for US indices were flat near zero for the entire day.

At the end of the trading session the MicexPWR Sector Index underperformed mainly due to active profit-taking in stocks of Rosseti after a 11% rally last week.

ELECTRIC POWER INDUSTRY NEWS

Ministry of Energy wants to deprive energy retailers of licenses for misuse of funds

The Ministry of Energy of the Russian Federation prepares a bill on licensing retail companies in the electricity sector, involving deprivation of licenses for misuse of funds and breach of payment discipline, told reporters Deputy Minister of Energy of the Russian Federation Vyacheslav Kravchenko on Thursday, 8 December.

Read full text: <http://www.bigpowernews.ru/markets/document74409.phtml>

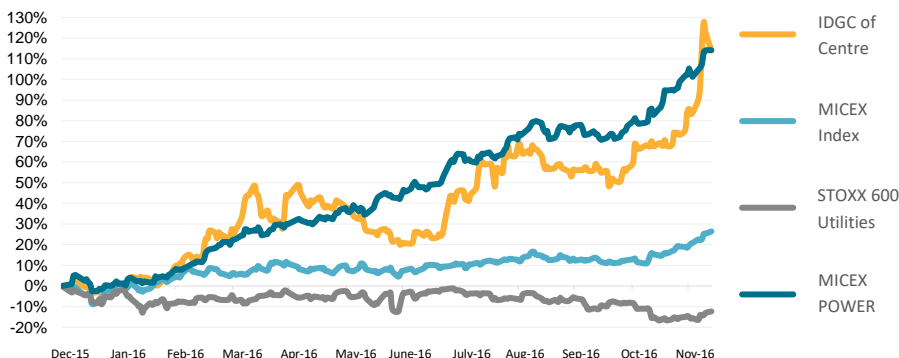
COMPANY NEWS

MPEI Rector thanked power engineers of IDGC of Centre for construction of the training centre in Konakovo

Rector of Moscow Power Engineering Institute Nikolay Rogalev sent a letter addressed to General Director of IDGC of Centre Oleg Isaev, in which he expressed gratitude to the management and staff of the company for construction and equipping of the training centre on the site of the energy college – a branch of "National Research University "MPEI" in Konakovo of the Tver region.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/58256/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 226,89	0,83%	26,43%
S&P 500	2 256,96	-0,11%	10,42%
FTSE 100	6 890,42	-0,92%	10,38%
DAX	11 190,21	-0,12%	4,16%
DJStox 600	353,74	-0,46%	-3,30%
STOXX Utilities	268,38	0,78%	-12,33%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	26 515,24	-0,87%	1,52%
CSI300	3 409,18	-2,42%	-8,63%
Bovespa	59 178,62	-2,19%	36,51%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,06	0,77%	-12,46%
USD/RUB	63,30	-0,14%	-13,14%
Euro/RUB	67,21	-1,52%	-15,67%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 162,22	0,20%	9,53%
Brent*, USD/bbl	55,69	2,50%	22,37%

* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4175
Capitalisation**, billion RUB	17,63
Capitalisation**, million USD	278,44

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,00%	114,21%
Shares of IDGC of Centre**	-3,80%	113,99%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti, ordinary shares	-1,95%	178,38%
FGC UES	0,15%	243,62%
IDGC of Volga	-1,53%	197,69%
MOESK	-2,38%	26,00%
IDGC of Northern Caucasus	1,27%	60,00%
IDGC of Centre and Volga Reg	-0,46%	138,85%
IDGC of North-West	0,97%	90,88%
IDGC of Urals	1,18%	80,00%
IDGC of Siberia	6,22%	68,03%
IDGC of South	1,36%	66,67%
Lenenergo, ordinary shares	0,87%	152,18%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, PJSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

IR Division

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM