

DAILY MARKET REVIEW

29 July, Friday

2016



REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 28 July some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 lost 0.1-0.12%, on Thursday the composite Asia-Pacific region index MSCI Asia Pacific was slightly up with multidirectional changes of the major country indices. Some pressure on the stock markets was given by the appearance in the Fed's communique, which kept the base rate in the range 0.25-0.5%, of more optimistic assessment of the US economy and the situation in the world. As analysts say, it was interpreted by investors as a signal about the possibility of a rate hike before the end of 2016, including in September. However, according to Bloomberg, most experts believe that if the rate is increased, then it will be at the December meeting, because only in this case the heads of the Fed will be able to evaluate the results of the US presidential elections. September futures for Brent traded near the mark of \$43.5 per barrel, or \$0.3 less than the closing level on 27 July. Oil prices remain under pressure with the US Department of Energy data, which recorded in the reporting week growth of reserves and production of crude oil and increase in gasoline reserves. At the same time, experts note that gasoline stocks in the US are growing at the height of the summer driving season, which is very unusual for this time of year, especially given the fact that the consumption of fuel by motorists is at the highest level in decades.

On Thursday the Russian market was dominated by buyers, despite negative changes of European markets and continued fall in oil prices. In the second half of the day the MICEX Index added more than 0.5%, while the Stoxx Europe 600 Index and futures for US indices lost on average within 0.5%. Uncertain mood of Western investors is mainly determined by corporate reporting, which did not impress the markets. Appearing throughout the day statistics was ambiguous and did not have significant impact on the changes of trading: July data for the composite index of confidence in the Eurozone, unemployment and inflation in Germany were better than expected, at the same time increase in the number of applications for unemployment benefits in the US was higher than forecasts.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the MicexPWR outperformance compared with the MICEX Index was provided by equities of Yunipro and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

The first stage of implementation of a price dependent consumption technology launched - SO UES

The Russian Government Resolution of 20 July 2016 №699 included provisions to the Rules of the wholesale market of electric energy and power, governing the functioning of the price dependent mechanism consumption.

Read full text: <http://www.bigpowernews.ru/markets/document71746.phtml>

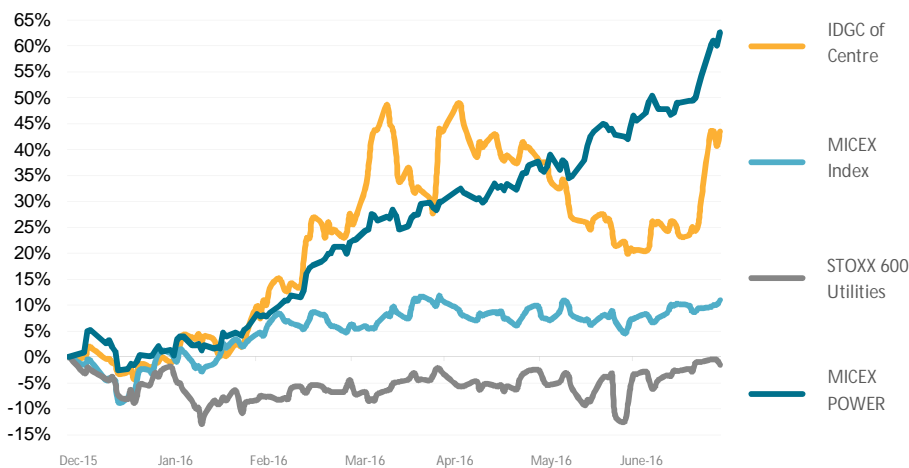
COMPANY NEWS

IDGC of Centre overfulfills the schedule of the repair program

IDGC of Centre summed up the implementation of the repair program for the first half of 2016. The company performed a number of key activities of the document in excess of targets.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/56547/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 954,45	0,82%	10,96%
S&P 500	2 163,45	-0,14%	5,85%
FTSE 100	6 721,06	-0,44%	7,67%
DAX	10 274,93	-0,43%	-4,36%
DJStoxx 600	339,47	-0,95%	-7,20%
STOXX Utilities	299,40	-0,92%	-1,47%
Nikkei	16 476,84	-1,13%	-13,43%
Sensex	28 208,62	0,66%	8,01%
CSI300	3 221,14	0,09%	-13,67%
Bovespa	56 094,79	-1,33%	29,40%

Source: Bloomberg, Company calculations (19:00 MSK)

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,11	0,00%	1,80%
USD/RUB	65,95	0,31%	-9,52%
Euro/RUB	72,52	0,23%	-9,01%

Source: Bloomberg, Company calculations (19:00 MSK)

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 340,08	0,00%	26,25%
Brent*, USD/bbl	43,47	0,00%	16,60%

* - September futures

Source: Bloomberg, Company calculations (19:00 MSK)

Shares of IDGC of Centre	Value
Last transaction, RUB	0,28
Capitalisation**, billion RUB	11,82
Capitalisation**, million USD	179,25

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	1,60%	62,64%
Shares of IDGC of Centre**	2,00%	43,52%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-2,76%	81,00%
FGC UES	1,60%	166,84%
IDGC of Volga	1,47%	95,12%
MOESK	-0,74%	24,40%
IDGC of Northern Caucasus	-1,52%	30,00%
IDGC of Centre and Volga Reg	2,33%	53,98%
IDGC of North-West	1,64%	81,39%
IDGC of Urals	7,00%	68,95%
IDGC of Siberia	0,17%	20,08%
IDGC of South	-0,64%	49,04%
Lenenergo	1,47%	65,94%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
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