

DAILY MARKET REVIEW

9 September, Friday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 08 September some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 declined by less than 0.1%. Experts note a significant reduction in the volatility of the US stock market in anticipation of the Fed's decision on rates – changes in the S&P500 index did not exceed a percent for the past 41 trading sessions in a row, which has not been observed since 2014. On Wednesday the composite Asia-Pacific region index MSCI Asia Pacific traded in a small minus, despite good statistics from Japan and China. Japan's GDP in the second quarter grew by 0.2% compared with the previous three months, while economists expected a zero change of the index. Thus, the Japanese economy grew for the second quarter in a row that marked the first time in over a year. In China data on exports and imports in August were better than expected, while imports showed on a year-on-year basis growth for the first time since 2014. November Brent futures traded near the mark of \$48.8 per barrel, a dollar above the closing level on 07 September. Oil quotations were supported by a report of the American Petroleum Institute on a maximum since 1999 fall of oil reserves last week – by 12.1 million barrels. In addition, investors paid attention to the increase in imports of crude oil by China in August to the highest level since December last year.

On Thursday the Russian market corrected after a strong growth in the last four trading sessions. The reason for the profit taking was the deterioration of sentiment of foreign investors, disappointed by statements of the ECB that the regulator does not see the need for additional stimulus for the economy of the Eurozone. At the end of the last meeting the ECB kept interest rates on loans at zero, and the deposit rate at around minus 0.4% per annum, the amount of assets purchase program (QE) – at the level of €80 billion per month. At the same time the central bank did not extend the validity period of the QE program, which expires in March 2017, whereas such a step was expected by 50% of respondents surveyed by Bloomberg. Against this background, the decrease of the MICEX Index and the European Stoxx Europe 600 Index in the afternoon exceeded 0.5% and 1%, respectively. At the end of the day the MICEX Index was able to play most of the losses back following the growth of quotations of oil Brent above \$49.5 per barrel after publication of the US Department of Energy statistics, which recorded a drop of oil reserves last week by 14.5 million barrels, gasoline - by 4.2 million barrels.

During the trading session the MicexPWR Sector Index was generally in line with the changes of the MICEX Index. The sectoral indicator could close trading with a slight growth mainly due to increased value of shares of Inter RAO and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Initiatives for the entire industry to be a priority of the Working Group of PJSC "Rosseti" with the participation of FGC UES

7 September an intermediate summing up of the Working Group, formed by PJSC "Rosseti" and FGC UES in early June this year, took place.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=27961

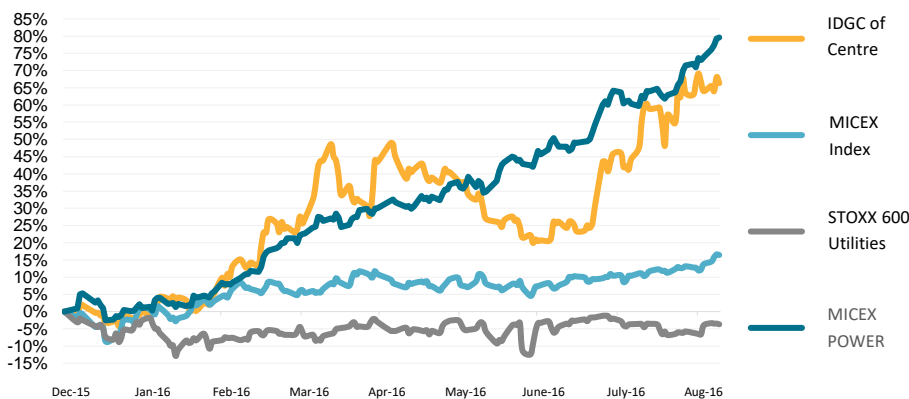
COMPANY NEWS

Tambovenergo does effective claim-related work on collection of accounts receivable

IDGC of Centre – Tambovenergo division continues to do claim-related work to collect receivables for electricity consumed.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/56933/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 050,77	-0,15%	16,43%
S&P 500	2 181,30	-0,22%	6,72%
FTSE 100	6 858,70	0,18%	9,87%
DAX	10 675,29	-0,72%	-0,63%
DJStoxx 600	349,32	-0,33%	-4,51%
STOXX Utilities	294,83	-0,22%	-3,69%
Nikkei	16 958,77	-0,32%	-10,90%
Sensex	29 045,28	0,41%	11,21%
CSI300	3 339,56	-0,04%	-10,49%
Bovespa	60 231,66	0,17%	38,94%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	0,12%	-7,50%
USD/RUB	64,38	-0,69%	-11,67%
Euro/RUB	72,40	0,05%	-9,15%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 338,30	-0,51%	26,12%
Brent*, USD/bbl	49,99	4,19%	14,18%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3245
Capitalisation**, billion RUB	13,70
Capitalisation**, million USD	212,79

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,17%	79,61%
Shares of IDGC of Centre**	-1,07%	66,32%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-1,15%	106,77%
FGC UES	0,64%	204,97%
IDGC of Volga	-5,22%	142,93%
MOESK	0,32%	26,67%
IDGC of Northern Caucasus	2,02%	41,20%
IDGC of Centre and Volga Reg	0,61%	56,85%
IDGC of North-West	-1,38%	83,21%
IDGC of Urals	-4,15%	70,00%
IDGC of Siberia	3,80%	28,69%
IDGC of South	-4,44%	51,92%
Lenenergo	0,19%	126,64%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC.RX
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