

DAILY MARKET REVIEW

04 May, Wednesday



2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 29 April some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 lost 0.9-1.2% following the decline in stocks of technology companies, the sale of which was triggered by information that the famous billionaire-investor Carl Icahn sold Apple's shares. In addition, the market was pressured by weak statistics – the rate of the US GDP growth in the first quarter was worse than expected and was a minimum of two years, and the inaction of the Bank of Japan, contrary to the expectations of the investors, having refrained from expanding stimulus measures. On Friday the main country stock indices of the Asia-Pacific region in the absence of trading in Japan, where markets were closed due to holidays, showed mixed trends. The pressure of a percent fall in the US market was compensated with rising oil prices. June Brent futures traded near the mark of \$48.3 per barrel, or \$0.7 higher than the closing level of 28 April. Brent quotes closed Thursday's trading at \$48 for the first time since early November 2015. The market is still supported by the US Department of Energy data on reduction of oil production in the country to the lowest level since October 2014 and the weakening of the dollar after the publication of the outcome of the Fed meeting and the weak statistics on the dynamics of GDP.

For most of the trading session the MICEX Index was in negative territory, on average the loss was about half of a percent – the support of growing oil prices was offset by negative dynamics of western markets. The CBR decision to keep its key interest rate at the level of 11% was expected and did not have a significant effect on the dynamics of Russian indices. At the same time, the fall of the Stoxx Europe 600 Index, which had played back the decline of the US market, in the second half of the day exceeded 1.5%. Released on Friday statistics from Europe and the US was of ambiguous character, and failed to support foreign investors. In the Eurozone the GDP growth in the 1 quarter was the highest for the year, the unemployment rate in March fell to the lowest level since August 2011, but the deflation in April surpassed forecasts. In the US consumer income in March was higher than expected, but data on expenditure turned out to be worse than expected, the consumer confidence index in April fell to the lowest since September 2015. Sales on the Russian and European markets increased after the start of trading in the US with major indices having declined a percent – the loss of the MICEX Index and the Stoxx Europe 600 Index exceeded 1% and 2%, respectively. At the end of the day the MICEX Index could slightly move away from daily lows.

At the end of the trading session the MicexPWR Sector Index outperformed. The main contribution to the small MicexPWR growth in opposition to the market was made by shares of electric grid companies – MOESK and FGC UES, which were supported by the information that MOESK plans to allocate for dividends 50% of net profit under IFRS.

ELECTRIC POWER INDUSTRY NEWS

Generating companies are deprived of grids

The Ministry of Energy may deprive power plants of extra money

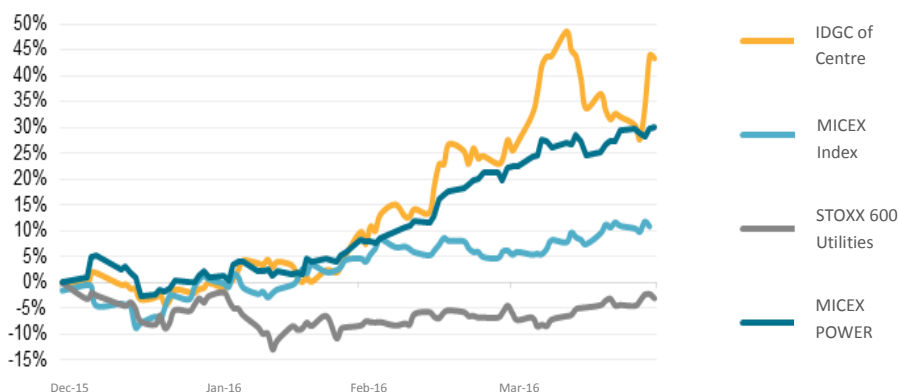
Read full text: <http://www.kommersant.ru/doc/2978875>

COMPANY NEWS

IDGC of Centre's Board of Directors recommended to the Annual General Meeting of Shareholders to allocate for dividends 50.2% of the net profit for 2015 under RAS

Read full text: <http://www.mrsk-1.ru/press-center/news/company/52956/>

ДИНАМИКА КЛЮЧЕВЫХ ИНДЕКСОВ И АКЦИЙ КОМПАНИИ



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 953,05	-0,85%	10,88%
S&P 500	2 065,30	-0,51%	1,05%
FTSE 100	6 241,89	-1,27%	-0,01%
DAX	10 038,97	-2,73%	-6,55%
DJStoxx 600	341,48	-2,13%	-6,65%
STOXX Utilities	296,88	-0,84%	-3,02%
Nikkei	16 666,05	0,00%	-12,44%
Sensex	25 606,62	0,01%	-1,96%
CSI300	3 156,75	-0,12%	-15,39%
Bovespa	53 910,51	-0,74%	24,36%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,15	1,01%	-5,81%
USD/RUB	65,11	-0,07%	-10,66%
Euro/RUB	73,92	0,15%	-7,25%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 293,53	2,15%	21,90%
Brent*, USD/bbl	47,37	-0,84%	15,34%

* - June futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2799
Capitalisation**, billion RUB	11,82
Capitalisation**, million USD	181,48

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,07%	30,05%
Shares of IDGC of Centre**	-0,36%	43,46%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-4,68%	36,11%
FGC UES	2,45%	69,11%
IDGC of Volga	-0,16%	58,35%
MOESK	19,70%	38,53%
IDGC of Northern Caucasus	-1,58%	24,80%
IDGC of Centre and Volga Reg	6,49%	30,57%
IDGC of North-West	-2,05%	56,93%
IDGC of Urals	1,67%	28,42%
IDGC of Siberia	-0,85%	19,26%
IDGC of South	0,87%	48,40%
Lenenergo	-0,16%	33,84%

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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