

DAILY MARKET REVIEW

12 May, Thursday



2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 11 May some moderately positive external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 gained 1.2-1.3% on rising oil prices and weakening of expectations of a hike of the basic interest rate by the Fed. On Wednesday most major stock indices of the Asia-Pacific region were trading slightly up – the steady rise of the US stock market was largely offset by the strengthening of the yen. July Brent futures traded near the mark of \$45.4 per barrel, slightly higher than the closing level on 10 May. Oil prices are still supported by news of supply disruptions from Nigeria and Libya. The limiting factor for the market was the information from the American Petroleum Institute on the growth of US reserves by 3.4 million barrels.

The main driver of sentiment for Russian investors on Wednesday was the price of oil. In the middle of the trading session the MICEX Index growth exceeded a percent after the rise of quotations of Brent to around \$46 per barrel. At the end of the day the rise of the MICEX Index accelerated after the increase in Brent prices for another dollar followed by the publication of the weekly US Department of Energy statistics. Crude oil inventories decreased by 3.4 million barrels, contrary to the API, oil production fell to 8.8 million barrels a day – the lowest level since September 2014. The fall of the index, Bloomberg notes, was recorded at the end of the fifteenth week of the last sixteen. Against this background the Russian market during the day ignored moderately negative dynamics of the western markets.

During the trading session the MicexPWR Sector Index looked worse than the MICEX Index. Restoration of the Russian market after five consecutive days of decline was primarily reflected in the dynamics of the first-tier shares.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti": it is necessary to establish a fund to finance Emergency Response and Restoration Operations in the electric power industry

"Rosseti" offers to create a fund that will finance emergency response in the electric power sector, said the head of the company Oleg Budargin at the Ministry of Energy meeting on the results of the autumn-winter operation period of 2015-2016.

Read full text: <http://glob-news.ru/zhivotnye/9493-rosseti-nuzhno-sozdat-fond-dlya-finansirovaniya-avr-v-energetike.html>

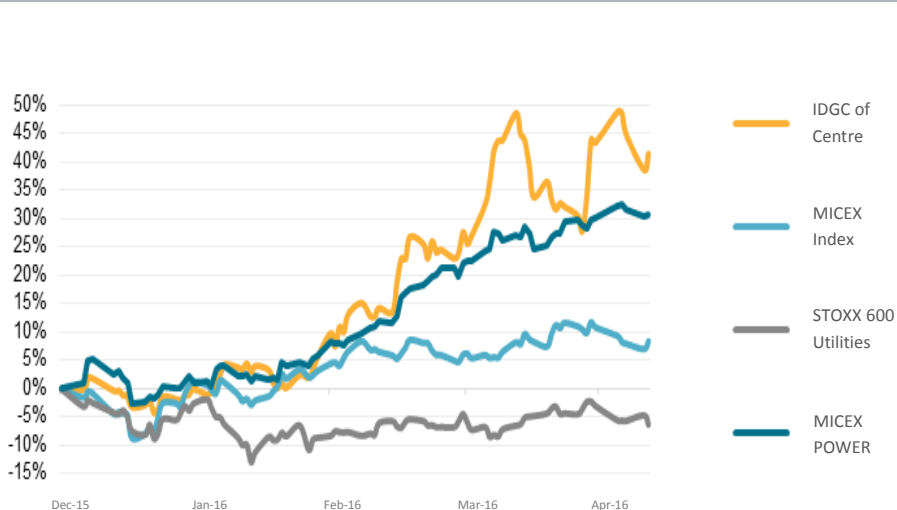
COMPANY NEWS

Orel branch of IDGC of Centre provided power supply to a new industrial facility of "Livgidromash" plant

IDGC of Centre - Oreleenergo division completed activities under the first stage of grid connection of a new production facility of the largest industrial enterprise of the Orel region - JSC "HMS Livgidromash", which will produce pumps for oil processing and transport of petroleum products in the framework of the federal project on import substitution.

Read full text: <http://www.energostrana.ru/news/powerindustry/24031.html>

ДИНАМИКА КЛЮЧЕВЫХ ИНДЕКСОВ И АКЦИЙ КОМПАНИИ



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 909,05	1,26%	8,38%
S&P 500	2 064,46	-0,96%	1,00%
FTSE 100	6 162,49	0,09%	-1,28%
DAX	9 975,32	-0,70%	-7,15%
DJStoxx 600	334,74	-0,45%	-8,49%
STOXX Utilities	286,86	-1,70%	-6,29%
Nikkei	16 579,01	0,08%	-12,90%
Sensex	25 597,02	-0,68%	-1,99%
CSI300	3 082,81	0,45%	-17,37%
Bovespa	52 764,46	-0,58%	21,72%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,14	0,44%	-5,96%
USD/RUB	66,33	0,20%	-8,99%
Euro/RUB	75,54	-0,05%	-5,22%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 277,21	0,90%	20,37%
Brent*, USD/bbl	47,60	4,57%	15,90%

* - July futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2760
Capitalisation**, billion RUB	11,65
Capitalisation**, million USD	175,68

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,23%	30,68%
Shares of IDGC of Centre**	2,03%	41,47%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-0,86%	35,28%
FGC UES	0,80%	83,27%
IDGC of Volga	-0,17%	53,21%
MOESK	-2,07%	38,53%
IDGC of Northern Caucasus	1,60%	27,20%
IDGC of Centre and Volga Reg	-0,50%	26,43%
IDGC of North-West	3,90%	75,18%
IDGC of Urals	-4,26%	18,42%
IDGC of Siberia	-1,42%	13,73%
IDGC of South	1,15%	41,03%
Lenenergo	1,17%	31,88%

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
MRKC.MM