

DAILY MARKET REVIEW

13 September, Tuesday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 12 September some negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed with the highest since June decrease of 2.1-2.5%, on Monday the composite Asia-Pacific region index MSCI Asia Pacific lost about 2%. The markets were pressured by fears of an early increase in interest rates after the "hawkish" statements by the Fed governors at the end of last week. In particular, the head of the Federal Reserve Bank of Boston spoke out in favour of a gradual increase in the basic interest rate, noting that in addition to the risks of a slowdown in economic growth, which have become more balanced, there is also risk of the formation of "bubbles" in cost of certain types of assets that concerned him more. In turn, the head of the Federal Reserve Bank of Dallas said that the latest statistical data strengthened the case for raising the base interest rate. November Brent traded near the mark of \$47.2 per barrel, or \$1.5 dollars below the closing level on Friday 09 September. A negative factor for the oil market was a stronger dollar and information from Baker Hughes on continued growth in the number of active oil rigs in the United States. As Bloomberg noted, this trend reflects the adaptation of American oil producers to the prices in the range of \$40-50 per barrel.

In the first half of Monday the Russian and European markets were under pressure from the falling US indices last Friday and the negative changes of futures for US indices on Monday. On the daily lows the loss of the MICEX Index and the Stoxx Europe 600 Index reached 1.2% and 2%, respectively. By the end of the trading session the MICEX Index was able to play most of the daily loss back after improving sentiment in the western markets and the growth of the cost of Brent to around \$48.5 per barrel.

At the end of the trading session the MicexPWR Sector Index looked somewhat worse than the market mainly due to a 3% fall of shares of RusHydro.

ELECTRIC POWER INDUSTRY NEWS

There is no system electric power deficit in Russia, but there are problems with the current condition of grid equipment, said A. Chubais

The former head of RAO "UES of Russia", current Chairman of the Executive Board of MC "Rusnano" Anatoly Chubais believes that there is no system electric power deficit in Russia, but there are problems with the current condition of grid equipment.

Read full text: <http://www.bigpowernews.ru/markets/document72556.phtml>

COMPANY NEWS

"Smolenskenergo" performs about 65% of the planned volume of repair work with own forces

The power company performs the bulk of the repair work (about 65% of the planned amount) by its own staff, without involvement of contractors (self-support repair).

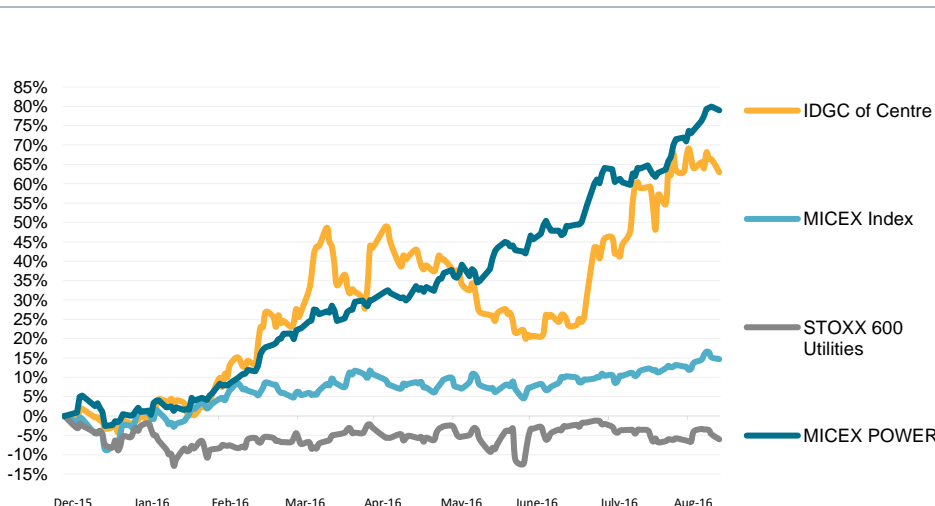
Read full text: <http://www.energyland.info/news-show-tek-electro-150473>

Following the results of 8 months of 2016 Tverenergo spent more than 36 million rubles on health and safety

IDGC of Centre – Tverenergo division summed up the work in the field of occupational health and safety.

Read full text: <http://www.tver.kp.ru/daily/26580.5/3596037/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 019,90	-0,41%	14,68%
S&P 500	2 159,04	1,47%	5,63%
FTSE 100	6 700,90	-1,12%	7,35%
DAX	10 431,77	-1,34%	-2,90%
DJStoxx 600	342,23	-0,95%	-6,45%
STOXX Utilities	287,69	-1,35%	-6,02%
Nikkei	16 672,92	-1,73%	-12,40%
Sensex	28 353,54	-1,54%	8,56%
CSI300	3 262,60	-1,67%	-12,55%
Bovespa	58 586,11	1,01%	35,15%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	0,03%	-7,58%
USD/RUB	64,16	0,29%	-11,97%
Euro/RUB	72,34	0,40%	-9,24%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 327,82	0,00%	25,14%
Brent*, USD/bbl	48,32	0,65%	10,37%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3180
Capitalisation**, billion RUB	13,43
Capitalisation**, million USD	209,24

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,56%	78,93%
Shares of IDGC of Centre**	-2,00%	62,99%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-0,45%	102,62%
FGC UES	0,05%	203,00%
IDGC of Volga	-1,13%	125,71%
MOESK	-1,25%	26,40%
IDGC of Northern Caucasus	-2,86%	36,00%
IDGC of Centre and Volga Reg	-1,73%	53,34%
IDGC of North-West	2,50%	94,89%
IDGC of Urals	-4,97%	61,05%
IDGC of Siberia	0,16%	25,61%
IDGC of South	-0,40%	58,65%
Lenenergo	-0,49%	122,05%

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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