

DAILY MARKET REVIEW

29 June, Thursday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 28 June some negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 fell 0.5-0.8%, on Wednesday the composite stock index of the Asia-Pacific region MSCI Asia Pacific lost less than half a percent. Some pieces of news put pressure on risky assets. Firstly, just three representatives of the Federal Reserve, including the head Janet Yellen, expressed concern about the high prices of assets against the backdrop of maintaining plans to tighten the monetary policy. Secondly, the transfer of voting in the Senate on the finalized republican bill on health care reform in the US has increased political uncertainty – market participants doubt that the reforms promised by the White House, including tax changes, will be implemented in the near future. It is because of political risks that the IMF the day before lowered the forecast for the US GDP growth for 2017-2018 from 2.3% and 2.5% to 2.1%, respectively. Thirdly, the sale of overvalued technology companies continues – the reason was a record suit against Google in Europe for \$2.7 billion. August Brent futures traded near \$46.6 per barrel, \$0.3 below the closing level of 27 June. Negative background for quotations, which increased four days in a row, was the data of the American Petroleum Institute, which recorded an unexpected increase in oil and gasoline reserves in the country.

The MICEX Index opened half a percent lower under the pressure of inexpressive oil prices and negative sentiment in Europe. Losses of the composite index of the region Stoxx Europe 600 reached a percent on fears of a possible reduction in the volume of the ECB stimulating programs during the current year, provoked by the "hawkish" statements of Mario Draghi on Tuesday. In the second half of the day, the MICEX Index moved to positive territory due to better sentiment on the western exchanges and the growth of Brent quotations above \$47 on data from the US Department of Energy, indicating a decline in oil production in the country last week. The European exchanges reduced losses on reports of Bloomberg's sources referring to statements of the deputy chairman of the ECB that the markets overestimated the words of Mario Draghi and it is not about tightening of the monetary policy occurring in the near future. American indices added more than half a percent after shares of the financial and commodity sectors. Against this backdrop, the MICEX Index closed at the high of the day, adding 0.7%.

During the trading session, the changes of the MicexPWR Sector Index generally corresponded to the broad market. The main contribution to the final rise in the sector indicator was made by shares of TGC-1 and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

The Federation Council approved a law that allows reducing energy tariffs in the Far Eastern Federal District to the level of the average Russian

The Federation Council approved changes in the legislation allowing bringing the price of electricity in the Far East to the average Russian level, says the report of the press service of the Federation Council.

Read full text: <http://1prime.ru/INDUSTRY/20170628/827620543.html>

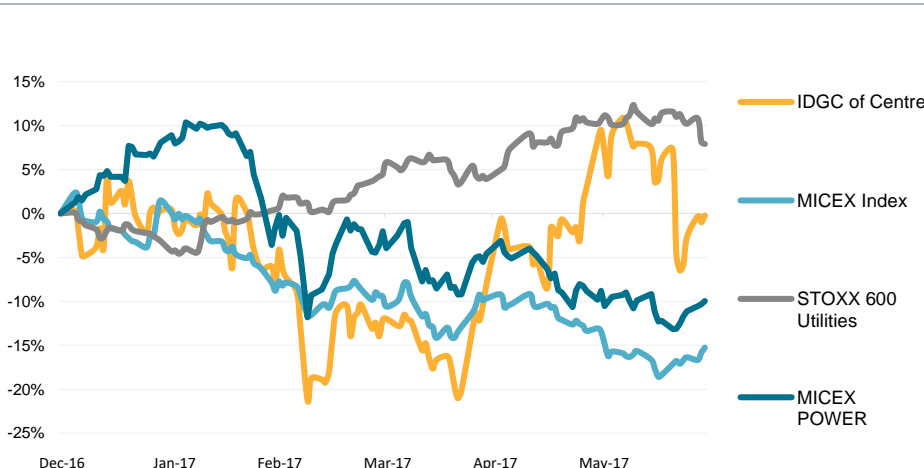
COMPANY NEWS

Kostromaenergo executed about 3 thousand contracts for rendering value-added services to consumers for five months

IDGC of Centre – Kostromaenergo division summed up the work of the unit of interaction with customers for 5 months of 2017.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/60484/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 891,98	0,69%	-15,26%
S&P 500	2 440,69	0,88%	9,02%
FTSE 100	7 387,80	-0,63%	3,43%
DAX	12 647,27	-0,19%	10,16%
DJStoxx 600	385,82	-0,04%	6,75%
STOXX Utilities	298,62	-0,22%	7,89%
Nikkei	20 130,41	-0,47%	5,32%
Sensex	30 834,32	-0,40%	15,80%
CSI300	3 646,17	-0,78%	10,15%
Bovespa	62 017,97	0,56%	2,97%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,14	0,58%	8,19%
USD/RUB	58,88	-0,20%	-2,92%
Euro/RUB	65,96	-0,19%	3,36%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 249,27	0,17%	8,87%
Brent*, USD/bbl	47,31	1,41%	-19,57%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4460
Capitalisation**, billion RUB	18,83
Capitalisation**, million USD	319,77

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,42%	-9,96%
Shares of IDGC of Centre**	0,79%	-0,22%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	0,76%	-28,32%
FGC UES	0,48%	-17,67%
IDGC of Volga	-0,96%	20,18%
MOESK	-1,48%	-10,91%
IDGC of Northern Caucasus	-1,16%	-22,90%
IDGC of Centre and Volga Reg	0,51%	19,59%
IDGC of North-West	1,56%	-28,91%
IDGC of Urals	0,67%	-8,21%
IDGC of Siberia	0,89%	-18,88%
IDGC of South	1,12%	-31,11%
Lenenergo, ordinary shares	1,67%	-17,26%
TRK, ordinary shares	0,00%	-25,21%
Kubanenergo	0,81%	-13,79%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC
MRKC:RM
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