

# DAILY MARKET REVIEW

30 June, Friday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 29 June some positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed with a confident increase of 0.7-0.9%, the composite stock index of the Asia-Pacific region MSCI Asia Pacific on Thursday added within half a percent. The driver of the rise of the indices, Bloomberg writes, was shares of the financial sector after the Fed, following the second round of stress tests, approved plans to pay dividends and buy back shares of all 34 tested banks, which was noted for the first time since the beginning of stress tests in 2011. Now the financial institutions intend to allocate the most significant amounts for several years to encourage shareholders. The markets were also supported by renewed purchases of shares in the technology sector and rising prices for raw materials. August Brent futures traded near the mark of \$47.5 per barrel, \$0.5 higher than the closing level on 28 June. The rise in oil prices, which continues for the sixth consecutive session, was due to the weakening of the US dollar and data from the US Department of Energy, indicating a decline in oil production in the country last week. However, several analysts considered the reduction in production a temporary phenomenon caused by consequences of Tropical Storm Cindy, which caused a partial suspension of oil production in the Gulf of Mexico last week.

Most of the trading session on Thursday the MICEX Index had volatile flat changes near the zero mark – the rise of Brent quotations to around \$48 per barrel was levelled by negative sentiments on European markets. In the second half of the day the European Stoxx Europe 600 Index lost more than a percent, including because of "hawkish" statements by the heads of the ECB and the Bank of England, which triggered the growing fears of investors that regulators may soon begin to wind down stimulus measures. Following the announcement of Mario Draghi that the recovery of the Eurozone's economy created the opportunity to reduce incentive programs, the head of the Bank of England said that the Central Bank could soon begin to raise the base interest rate. During the day, these fears were reinforced by strong statistics on the European economy: the consolidated confidence index in the Eurozone rose to a maximum in 10 years in June, inflation in Germany in June unexpectedly for analysts increased to 1.5%. At the end of the trading session, the decline in the Russian and European markets accelerated after the start of trading in the US in more than half a percent minus in major indices, despite the improvement in the estimate for the US GDP growth in the 1 quarter from 1.2% to 1.4%.

During the trading session, the MiceXPWR Sector Index looked better than the broad market. The main contribution to the final outperformance of the sector indicator in comparison with the MICEX Index was made by shares of FGC UES and RusHydro.

## ELECTRIC POWER INDUSTRY NEWS

### "Kommersant": the head of "Rosseti" supports an increase in the number of independent directors

The exclusion of the head of Rosseti Oleg Budargin from the list of candidates for the new composition of the company's board of directors is due to the increase in the number of independent directors in the body and will not affect the work of the company in any way. This was reported in an interview with the newspaper Kommersant by the head of Rosseti Oleg Budargin.

Read full text: <http://tass.ru/ekonomika/4376894>

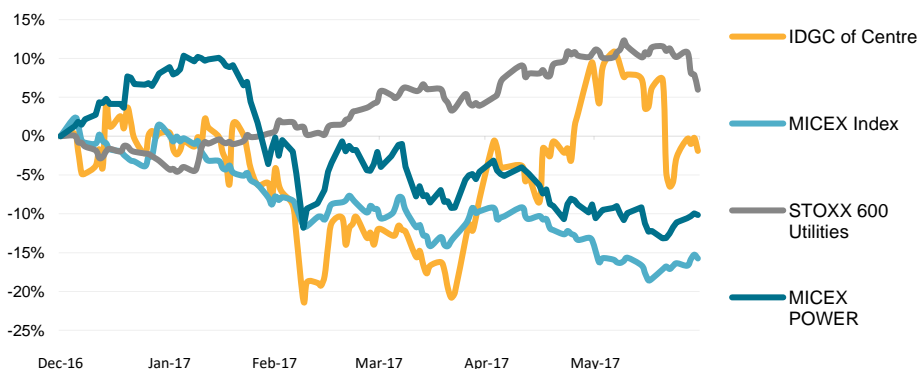
## COMPANY NEWS

### Smolenskenergo concluded more than 5,000 contracts for the provision of value-added services in the past 5 months

For five months of 2017 IDGC of Centre - Smolenskenergo division concluded 5,199 contracts for the provision of value-added services.

Read full text: <http://www.atrex.ru/press/p427071.html>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 881,04	-0,58%	-15,75%
S&P 500	2 422,64	-0,74%	8,21%
FTSE 100	7 350,32	-0,51%	2,90%
DAX	12 416,19	-1,83%	8,14%
DJStoxx 600	380,66	-1,34%	5,32%
STOXX Utilities	293,33	-1,77%	5,98%
Nikkei	20 220,30	0,45%	5,79%
Sensex	30 857,52	0,08%	15,89%
CSI300	3 668,83	0,62%	10,84%
Bovespa	62 046,87	0,05%	3,02%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,14	0,00%	8,19%
USD/RUB	59,54	1,12%	-1,21%
Euro/RUB	67,69	2,62%	7,40%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 249,27	0,00%	8,42%
Brent*, USD/bbl	47,31	0,00%	-16,74%

\* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4385
Capitalisation**, billion RUB	18,51
Capitalisation**, million USD	310,92

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,24%	-10,17%
Shares of IDGC of Centre**	-1,68%	-1,90%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,93%	-29,70%
FGC UES	1,43%	-16,49%
IDGC of Volga	1,71%	22,23%
MOESK	-0,12%	-11,02%
IDGC of Northern Caucasus	6,18%	-18,14%
IDGC of Centre and Volga Reg	1,07%	20,88%
IDGC of North-West	0,51%	-28,55%
IDGC of Urals	-2,65%	-10,64%
IDGC of Siberia	-1,91%	-20,43%
IDGC of South	3,60%	-28,63%
Lenenergo, ordinary shares	-0,11%	-17,35%
TRK, ordinary shares	0,00%	-25,21%
Kubanenergo	0,93%	-12,99%

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  
MRKC:MM