

DAILY MARKET REVIEW

9 June, Friday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 08 June some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed with a slight increase of 0.2% following shares of the financial sector. The main country stock indices of the Asia-Pacific region on Thursday did not demonstrate a single trend. The Japanese Nikkei225, which lost about half a percent, was pressured by both a deterioration in the country's GDP growth estimate in the first quarter from 2.2% to 1% against the expected 2.4%, and the strengthening of the yen on rumours that the Bank of Japan could inform the markets about preparation of a strategy for minimizing the incentive program. At the same time, the Chinese CSI300 added almost a percent on strong data on China's foreign trade in May – exports and imports exceeded both April's growth rates and analysts' expectations. August Brent futures traded near the mark of \$48.5 per barrel, slightly above the closing level on 07 June. Oil prices stabilized after a 4% drop on Wednesday on data from the US Department of Energy, pointing to an unexpected increase in oil and gasoline reserves by more than 3 million barrels.

Most of the trading session the MICEX Index was in a small minus on average about half a percent after the drop in Brent quotes to \$47.5. Against this background, neutral sentiment on the western exchanges could not provide significant support to the domestic market. The European Stoxx Europe 600 Index spent most of the trading session near the zero mark. The decision of the ECB, which maintained the key interest rates and asset purchases at the same level, and subsequent comments by the ECB head did not come as a surprise to investors. At the final press conference, Mario Draghi noted that the risks to the growth of the Eurozone's economy as a whole were balanced, and promised that if the situation worsens, the quantitative easing program could be extended after December 2017 or expanded. At the end of the day the MICEX Index could play back losses and close in positive territory thanks to the return of Brent quotes above \$48 per barrel and a slight increase in US indices at the beginning of trading.

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

ELECTRIC POWER INDUSTRY NEWS

The results of the first quarter of 2017 confirm the sustainable development of Rosseti

The Rosseti Group of Companies summed up the results of its activity in the first quarter of 2017, which testify to the correctness of the chosen strategy and the literacy of measures taken by the management to ensure the financial stability of the power grid complex, reliability and accessibility of electricity supply to consumers.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=30280

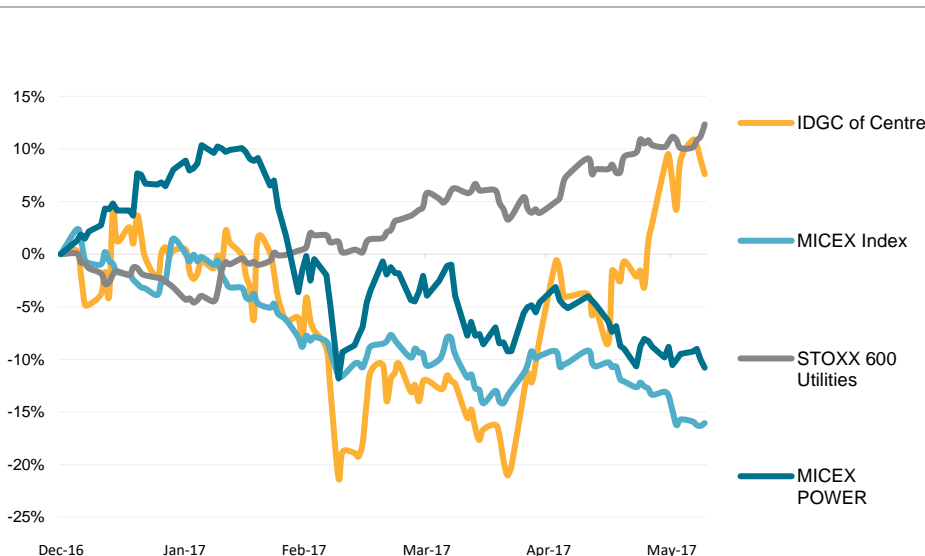
COMPANY NEWS

IDGC of Centre held its Annual General Meeting of Shareholders

8 June 2017, IDGC of Centre held its Annual General Meeting of Shareholders in Moscow, chaired by Deputy Chief of Staff of PJSC "Rosseti", Chair of the Board of Directors of IDGC of Centre Yury Mangarov.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/60332/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 874,21	0,31%	-16,06%
S&P 500	2 433,79	0,03%	8,71%
FTSE 100	7 449,98	-0,38%	4,30%
DAX	12 713,58	0,32%	10,74%
DJStoxx 600	389,15	-0,01%	7,67%
STOXX Utilities	310,93	1,02%	12,34%
Nikkei	19 909,26	-0,38%	4,16%
Sensex	31 213,36	-0,19%	17,23%
CSI300	3 560,98	0,77%	7,58%
Bovespa	62 755,57	-0,66%	4,20%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,12	-0,47%	6,61%
USD/RUB	56,59	-0,15%	-6,71%
Euro/RUB	63,72	-0,10%	-0,15%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 278,01	-0,71%	11,37%
Brent*, USD/bbl	47,86	-0,42%	-18,63%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4810
Capitalisation**, billion RUB	20,31
Capitalisation**, million USD	358,86

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,87%	-10,80%
Shares of IDGC of Centre**	-1,23%	7,61%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,26%	-33,86%
FGC UES	-2,16%	-21,92%
IDGC of Volga	-0,98%	25,89%
MOESK	-1,02%	-3,01%
IDGC of Northern Caucasus	-1,96%	-31,97%
IDGC of Centre and Volga Reg	0,22%	23,45%
IDGC of North-West	-0,69%	-21,82%
IDGC of Urals	-1,72%	-13,37%
IDGC of Siberia	-2,36%	-21,03%
IDGC of South	-2,63%	-29,39%
Lenenergo, ordinary shares	-0,24%	-24,61%
TRK, ordinary shares	0,00%	-21,85%
Kubanenergo	0,91%	-10,46%

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