

DAILY MARKET REVIEW

24 June, Friday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 23 June some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 fell 0.2-0.3%, on Thursday the composite Asia-Pacific region index MSCI Asia Pacific and futures for US indices added about 0.5%. The growth of the stock markets in the Asian session was supported by expectations that the UK remains in the EU for the results of the referendum. On Wednesday, according to Bloomberg, five opinion polls were performed at the same time, with the results of the three of them showing only a minimal advantage of Brexit supporters or opponents, while the two talk about the tangible benefits of those Britons wishing to stay in the EU. August Brent futures traded near the mark of \$49.9 per barrel, at the close on 22 June. Oil prices, experts say, have been varying in different directions all the week due to the uncertainty of the situation around Brexit and contradictory signals from the world oil market.

On Thursday the Russian and European markets showed a positive trend – investors bet on the victory in yesterday's referendum of supporters of the UK remaining in the EU. According to media reports, the latest public opinion polls before the vote showed the advantage of opponents - in particular, in the Populus online survey 55% of Britons were in favour of remaining in the EU. Bookmakers, according to MarketWatch reports, estimate the probability that the UK will remain part of the EU at 76%. In the second half of the trading session the European Stoxx Europe 600 Index added about a percent, the growth of the MICEX Index and US futures was higher than 0.5%. Against the background of expectations of the outcome of the referendum the statistics outperformed, which was also of ambiguous character: the composite index of business activity in the Eurozone in June fell to a minimum of one and a half years, in the US in May sales of new construction fell in line with expectations, the number of applications for unemployment benefits fell to a minimum of 8 weeks. At the end of the day our market growth accelerated after the start of trading in the US with a percent increase in the major indices.

At the end of the trading session the MicexPWR Sector Index underperformed. The main contribution to the MicexPWR underperformance was made by an 11% fall of shares MOESK and IDGC of Urals, which on Thursday traded ex-dividend.

ELECTRIC POWER INDUSTRY NEWS

Alexander Novak and Minister of Energy of Iran discussed the implementation of projects in the electric power industry

The head of Russian Ministry of Energy Alexander Novak discussed with Iranian Energy Minister Hamid Chitchian the implementation of joint projects in the electric power industry. This is stated in the message of the Russian agency.

Read full text: <http://tass.ru/tek/3393188>

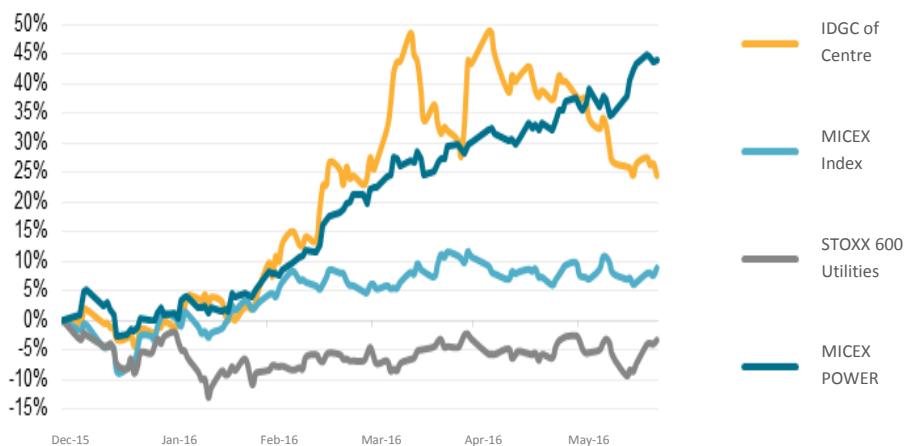
COMPANY NEWS

Kostromaenergo's repair program is running according to the schedule

IDGC of Centre - Kostromaenergo division summed up the implementation of the repair program for 5 months of 2016. The set of activities on preparation of electric grid facilities of the enterprise for the upcoming autumn-winter operation period is being carried out in strict accordance with the schedule.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/53615/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 919,27	1,19%	8,97%
S&P 500	2 113,32	1,34%	3,39%
FTSE 100	6 338,10	1,23%	1,53%
DAX	10 257,03	1,85%	-4,52%
DJStoxx 600	346,34	1,47%	-5,32%
STOXX Utilities	296,24	0,69%	-3,23%
Nikkei	16 238,35	1,07%	-14,69%
Sensex	27 002,22	0,88%	3,39%
CSI300	3 117,32	-0,53%	-16,45%
Bovespa	51 559,82	2,80%	18,94%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,14	0,44%	-6,61%
USD/RUB	63,72	-0,71%	-12,58%
Euro/RUB	71,81	-1,34%	-9,90%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 256,84	-0,74%	18,45%
Brent*, USD/bbl	50,91	2,06%	21,77%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2430
Capitalisation**, billion RUB	10,26
Capitalisation**, million USD	161,01

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,19%	44,06%
Shares of IDGC of Centre**	-1,62%	24,55%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-0,97%	33,52%
FGC UES	0,84%	137,37%
IDGC of Volga	-2,09%	44,22%
MOESK	-11,11%	23,73%
IDGC of Northern Caucasus	-1,03%	14,80%
IDGC of Centre and Volga Reg	0,97%	32,01%
IDGC of North-West	0,65%	70,80%
IDGC of Urals	-11,79%	30,00%
IDGC of Siberia	-0,41%	-0,20%
IDGC of South	-6,25%	20,19%
Lenenergo	-0,87%	24,89%

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