

# DAILY MARKET REVIEW

12 October, Wednesday

2016



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 11 October some moderately positive external background formed on the Russian market. On Monday the US indices DJIA and S&P500 added 0.5%, on Tuesday the increase of major country indices of the Asia-Pacific region on average was about 0.5%. The markets were supported by oil prices. December Brent futures traded at \$52.9 per barrel, or \$0.3 less than the closing level on 10 October. Brent quotes corrected after a 3% rise on Monday with an update of yearly highs on the statements of Russian President that Russia is ready to join the OPEC agreement to limit the production of oil, and the head of OPEC - that the agreement on the reduction of production by OPEC countries may be achieved before the cartel's summit in Vienna, scheduled for 30 November.

In the first half of the trading session the MICEX Index and the European Stoxx Europe 600 Index were flat near zero under the influence of contradictory factors. On the one hand, buyers were supported by good statistics from Germany, where in October the indicator of investors' and analysts' attitude to the current situation in the economy rose to its highest level since January. On the other hand, the markets were pressured by negative changes of futures for US indices and a decline in oil prices on the International Energy Agency data on the growth of oil production of OPEC in September to a record 33.6 million barrels per day. In the afternoon the mood in the markets deteriorated after the publication of Alcoa's statements that disappointed investors, profits and revenues of which in the third quarter were worse than expected. Nevertheless, at the end of trading the MICEX Index managed relatively to stay in positive territory and closed above the psychological mark of 2,000 points, despite a percent drop in major US indices early in the day and reduced price of Brent to around \$52.2 per barrel.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the final MicexPWR reduction was made by shares of FGC UES.

## ELECTRIC POWER INDUSTRY NEWS

### Only one utility tariff allowed to be higher than inflation

In the next three years the total payment for utilities by population should increase by the value of the target inflation - 4% per year, according to the forecast of the Ministry of Economic Development. Only electricity for the population will go up faster than inflation.

Read full text: <http://www.rbc.ru/finances/12/10/2016/57fd8e2b9a7947015ef5a84e?from=main>

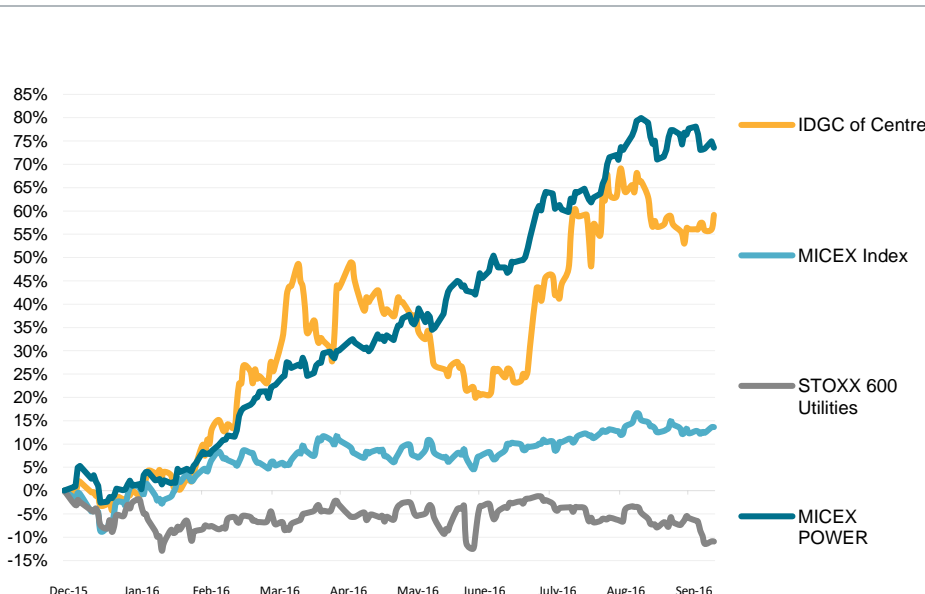
## COMPANY NEWS

### Belgorodenergo to add 19.4 MW of new capacity to housing facilities in the region

IDGC of Centre - Belgorodenergo division planned to connect new 19.4 MW of electric power to develop housing facilities of the region. By the end of the year in Belgorod and districts of the region electricity will be supplied to 84 houses, including more than 35 - under housing provision programs to resettlers, orphans and children left without parental care.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/57217/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 001,42	0,02%	13,63%
S&P 500	2 136,73	-1,24%	4,54%
FTSE 100	7 070,88	-0,38%	13,27%
DAX	10 577,16	-0,44%	-1,54%
DJStoxx 600	340,17	-0,53%	-7,01%
STOXX Utilities	272,71	-0,06%	-10,92%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	28 082,34	0,00%	7,52%
CSI300	3 306,56	0,39%	-11,38%
Bovespa	61 021,85	-1,05%	40,77%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,11	-0,67%	-8,95%
USD/RUB	62,39	0,14%	-14,40%
Euro/RUB	69,73	0,71%	-12,51%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 252,80	-0,54%	18,07%
Brent*, USD/bbl	52,41	-1,37%	18,04%

\* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3105
Capitalisation**, billion RUB	13,11
Capitalisation**, million USD	210,11

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,78%	73,56%
Shares of IDGC of Centre**	1,97%	59,15%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-1,58%	94,48%
FGC UES	-2,91%	186,03%
IDGC of Volga	3,53%	103,34%
MOESK	0,85%	26,67%
IDGC of Northern Caucasus	0,00%	36,00%
IDGC of Centre and Volga Reg	4,19%	54,46%
IDGC of North-West	-2,40%	78,10%
IDGC of Urals	-1,03%	52,11%
IDGC of Siberia	-0,17%	19,06%
IDGC of South	0,42%	53,21%
Lenenergo	-1,25%	124,89%

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