

DAILY MARKET REVIEW

5 October, Wednesday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 04 October some neutral external background formed on the Russian market. On Monday the US indices DJIA and S&P500 lost 0.3% on good statistics on business activity in the US industry in September, fueling fears of the Fed raising interest rates before the end of the year. On Tuesday the composite Asia-Pacific region index MSCI Asia Pacific had a slight increase mainly due to growth in shares of Japanese companies, which were supported by the yen weakening. December futures for Brent traded at \$50.5 per barrel, slightly higher than the closing level of 03 October. As Bloomberg noted, amid a wave of optimism about reaching an agreement by OPEC to reduce oil production Brent prices rose on Monday to a 3-month high. The experts warned of significant risks of falling oil prices, if these expectations are not met. In particular, Morgan Stanley did not rule out that "Vienna will be Doha 2.0", recalling the failure of the producing countries to agree in April. According to analysts, many issues, related to the achievement of the final agreement at the November meeting in Vienna to reduce the collective production by 1-2%, have not resolved yet.

On Tuesday the MICEX Index traded near zero, despite the rise in oil prices to around \$51 per barrel in the second half of the trading session and strong growth of European markets following the UK stock indices. For the first time in 17 years, all three major FTSE stock indices – for the largest corporations (FTSE 100), companies with mid-cap (FTSE 250) and small-cap (FTSE SmallCap) updated their historical maximums one day. According to experts, the UK market was supported by positive macro-economic data, which consistently exceeded forecasts, and the pound sterling weakening. In turn, the pound was pressured by statements of the authorities, signalling the determination to limit the influx of immigrants into the country, which may cause dissatisfaction of the EU and lead to serious restrictions of the UK access to the European single market.

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

ELECTRIC POWER INDUSTRY NEWS

MED offers to index electricity prices for industry by 3%

The government plans to index electricity tariffs for industrial customers by 3% in 2017. This was stated by Head of the Ministry of Economic Development Alexei Ulyukayev at a meeting of Russian President Vladimir Putin with representatives of business circles of the Orenburg region, reports TASS.

Read full text: <http://www.energy-experts.ru/news20294.html>

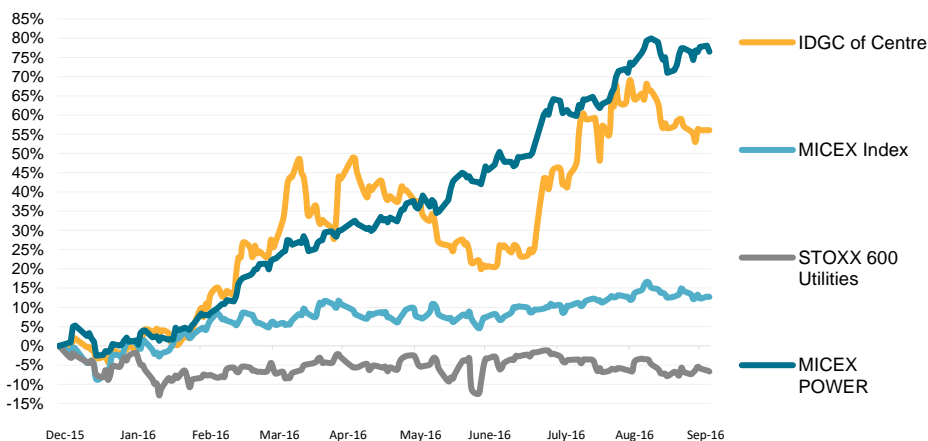
COMPANY NEWS

The Arbitration Court of Tver Region decided to collect from Tverenergo's debtors about 294.4 million rubles

In the period from July to September this year, the Arbitration Court of the Tver region satisfied 14 claims of the legal office of IDGC of Centre – Tverenergo division to recover receivables (overdue) and fines totalling more than 294.4 million rubles.

Read full text: http://www.afanasy.biz/news/economy/?ELEMENT_ID=104093

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 985,02	-0,09%	12,70%
S&P 500	2 150,49	-0,50%	5,21%
FTSE 100	7 074,34	1,30%	13,33%
DAX	10 619,61	1,03%	-1,15%
DJStoxx 600	346,10	0,84%	-5,39%
STOXX Utilities	285,69	-0,28%	-6,68%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	28 334,55	0,32%	8,49%
CSI300	3 253,28	0,00%	-12,80%
Bovespa	59 339,23	-0,21%	36,88%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	-0,21%	-7,92%
USD/RUB	62,55	-1,34%	-14,18%
Euro/RUB	70,24	-0,98%	-11,87%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 268,44	-3,29%	19,54%
Brent*, USD/bbl	50,87	-0,04%	14,57%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3045
Capitalisation**, billion RUB	12,86
Capitalisation**, million USD	205,53

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,91%	76,44%
Shares of IDGC of Centre**	0,00%	56,07%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-1,08%	98,82%
FGC UES	-1,75%	196,89%
IDGC of Volga	0,00%	99,23%
MOESK	-1,34%	27,47%
IDGC of Northern Caucasus	-1,44%	36,80%
IDGC of Centre and Volga Reg	-0,43%	46,97%
IDGC of North-West	-0,94%	91,61%
IDGC of Urals	1,02%	55,79%
IDGC of Siberia	-0,99%	22,95%
IDGC of South	-3,96%	47,76%
Lenenergo	-1,85%	131,22%

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