

# DAILY MARKET REVIEW

23 November, Wednesday

2016



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 22 November some moderately positive external background formed on the Russian market. On Monday the US indices S&P500 and DJIA rose by 0.5-0.7%, with all four major indices – DJIA, S&P500, Nasdaq and the small-cap index Russell 2000 – the first time since 1999 at the same time updated their historical maximums. It should be noted that the Russell 2000 Index has been growing for 12 trading sessions in a row, showing the longest rally since 2003. According to experts, this is due to a sharp strengthening of the dollar after the presidential election in the US, triggering concerns about the strengthening of the financial prospects of exporters and, accordingly, - the flow of capital in small-cap companies. On Tuesday, after the US market the composite index of the Asia-Pacific region MSCI Asia Pacific added about one percent. As a whole, the rise of American and Asian markets was due to increase in the price of oil and metals, which were supported, inter alia, by the current weakening of the dollar. January Brent futures traded near the mark of \$49.4 per barrel, or \$0.9 higher than the closing level on 21 November. Oil prices continue rising on expectations of successful conclusion of OPEC's meeting at the end of November, which could decide to limit oil production. As the media reported, the emerging compromise with Iran and Iraq boosts the chances of a positive outcome of the summit – the two most recalcitrant members of OPEC. Thus, Iran's oil minister said the deal for the production reduction by OPEC is "highly likely". In addition, market participants are hoping that oil-producing countries outside OPEC will join this agreement. In particular, on the eve Russian President reiterated that Russia is ready to freeze production at current levels, if the OPEC countries agree on measures to stabilize the oil market.

On Tuesday the Russian market and European markets showed a modest increase amid rising commodity prices – the MICEX Index and the Stoxx Europe 600 Index added on average about 0.5%. Released better than expected statistics from the US, where sales of homes on the secondary market rose to the highest level since the beginning of 2007, did not have a significant impact on investors' sentiment. At the same time, analysts note, given the inevitable increase of the Fed rate in December – the likelihood of this, according to Bloomberg, is 100% – good US statistics ceased to be a factor of pressure on the markets. Proof of this was the next update of the historical records of the US indices DJIA and S&P500 at the beginning of the trading session.

During the day the MicexPWR Sector Index underperformed. The main contribution to the final MicexPWR lagging behind the MICEX Index was made by shares of Mosenergo and Rosseti.

## ELECTRIC POWER INDUSTRY NEWS

**Federal Property Management Agency cancelled auctions for a stake in the distribution "daughters" of Rosseti**

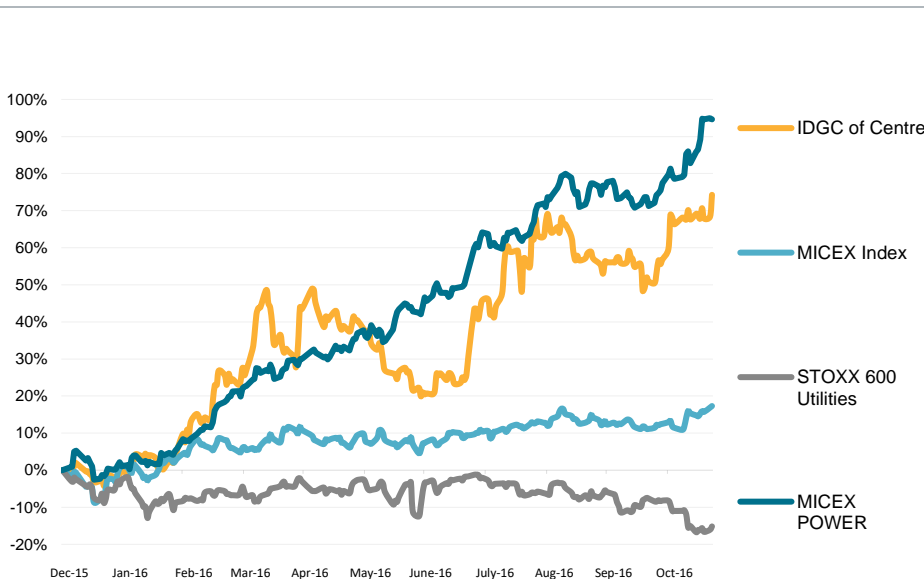
Read full text: <http://www.vedomosti.ru/business/news/2016/11/22/666487-rosimuschestvo-privatizatsiyu>

## COMPANY NEWS

**Tambovergo summed up the work with customers for 9 months of 2016**

Read full text: <http://www.elektroportal.ru/news/news-77983.html>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



| World indexes   | Value     | Change  |             |
|-----------------|-----------|---------|-------------|
|                 |           | per day | fr 31.12.15 |
| MICEX           | 2 066,18  | 0,36%   | 17,31%      |
| S&P 500         | 2 202,94  | 0,22%   | 7,78%       |
| FTSE 100        | 6 819,72  | 0,62%   | 9,25%       |
| DAX             | 10 713,85 | 0,27%   | -0,27%      |
| DJStoxx 600     | 341,02    | 0,23%   | -6,78%      |
| STOXX Utilities | 259,70    | 1,07%   | -15,17%     |
| Nikkei          | 16 519,29 | 0,00%   | -13,21%     |
| Sensex          | 25 960,78 | 0,76%   | -0,60%      |
| CSI300          | 3 468,36  | 0,79%   | -7,04%      |
| Bovespa         | 61 954,47 | 1,45%   | 42,92%      |

Source: Bloomberg, Company calculations

| Currency rates | Value | Change  |             |
|----------------|-------|---------|-------------|
|                |       | per day | fr 31.12.15 |
| Euro/USD       | 1,06  | 0,18%   | -12,60%     |
| USD/RUB        | 64,36 | -1,14%  | -11,70%     |
| Euro/RUB       | 68,36 | -0,91%  | -14,22%     |

Source: Bloomberg, Company calculations

| Raw             | Value    | Change  |             |
|-----------------|----------|---------|-------------|
|                 |          | per day | fr 31.12.15 |
| Gold, USD/oz    | 1 212,32 | -0,16%  | 14,25%      |
| Brent*, USD/bbl | 49,12    | 0,45%   | 9,25%       |

\* - January futures

Source: Bloomberg, Company calculations

| Shares of IDGC of Centre      | Value  |
|-------------------------------|--------|
| Last transaction, RUB         | 0,3400 |
| Capitalisation**, billion RUB | 14,35  |
| Capitalisation**, million USD | 223,04 |

Source: Central Bank of Russia, Company calculations

| Russian indexes            | Change  |             |
|----------------------------|---------|-------------|
|                            | per day | fr 31.12.15 |
| MICEX-Power Index          | -0,15%  | 94,66%      |
| Shares of IDGC of Centre** | 3,50%   | 74,27%      |

Source: Bloomberg, Company calculations

| Grid companies               | Change** |             |
|------------------------------|----------|-------------|
|                              | per day  | fr 31.12.15 |
| Rosseti, ordinary shares     | -1,88%   | 142,82%     |
| FGC UES                      | -1,23%   | 199,23%     |
| IDGC of Volga                | 0,43%    | 141,13%     |
| MOESK                        | -0,23%   | 16,40%      |
| IDGC of Northern Caucasus    | 0,62%    | 29,20%      |
| IDGC of Centre and Volga Reg | -0,82%   | 111,62%     |
| IDGC of North-West           | 1,73%    | 71,53%      |
| IDGC of Urals                | 1,01%    | 57,89%      |
| IDGC of Siberia              | 1,77%    | 29,30%      |
| IDGC of South                | -3,11%   | 69,87%      |
| Lenenergo, ordinary shares   | 0,42%    | 110,92%     |

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

### IDGC of Centre, PJSC

127018, Moscow, 2nd Yamskaya, 4  
+7 (495) 747 92 92  
<http://mrsk-1.com/en/investors/>

### IR Division

+7 (495) 747 92 92, ext. 33-34  
[ir@mrsk-1.ru](mailto:ir@mrsk-1.ru)

### Tickers

Moscow Exchange (MOEX)  
Bloomberg  
Reuters

MRKC  
MRKC.RX  
MRKC.MM