

# DAILY MARKET REVIEW

23 August, Tuesday

2016



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 22 August some moderately negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed lower on statements of the Fed representatives, who raised expectations of an early hike of the basic interest rate by the US Central Bank. In particular, the president of the Federal Reserve Bank of New York said that the Fed could raise the rate already at the September meeting and the head of the San Francisco Federal Reserve Bank said he would prefer to see an early increase in the US interest rate. Following the statements, the likelihood of the Fed raising interest rates before the end of 2016, according to the quotations of futures on the Chicago Stock Exchange, is more than 50%. On Monday most of the major indices of the Asia-Pacific region demonstrated a slight decrease. Only the Japanese Nikkei 225 was in a plus, which was supported by the weakening of the yen against the US dollar on the statement of Deputy Head of the Federal Reserve Stanley Fischer that the Fed is close to achieving the two main objectives of monetary policy - full employment and price stability. October Brent traded near the mark of \$49.9 per barrel, or \$0.7 less than the closing level on Friday, August 19th. Oil prices were pressured by a stronger dollar, data from Baker Hughes, which recorded the ongoing growth for the eighth consecutive week in the number of active oil drilling rigs in the US, media information about a sharp rise in oil product exports from China in July and plans of Iraq to increase oil exports by 5% in the coming days.

The MICEX Index, having lost in the beginning of the day more than half a percent, in the second half of the trading session was able to return to positive territory following the reversal in oil prices, which decreased on the daily lows to around \$49.2 per barrel. At the end of the trading session the MICEX Index growth accelerated, despite increasing negative sentiment in the western markets and the renewed decline in oil prices.

At the end of the trading session the MicexPWR Sector Index looked somewhat worse than the market. The main contribution to the sectoral indicator underperformance in comparison with the MICEX Index was made by shares Yunipro and Enel Russia. In particular, the shares of Enel Russia were pressured, having lost 2%, by information on the emergency situation at Refinskaya GRES, which interrupted electricity supply to consumers for a few hours with their capacity of 342 MW, a number of power systems went into an isolated operation mode.

## ELECTRIC POWER INDUSTRY NEWS

### The FAS introduced proposals to improve the regulation methodology of electric grid facilities (version 1)

The Federal Antimonopoly Service on 17 August at its last regular meeting of the Expert Council of the Federal Antimonopoly Service in the electricity sector discussed the methodology of regulation of electric grid facilities, according to the agency report.

Read full text: <http://www.bigpowernews.ru/markets/document72141.phtml>

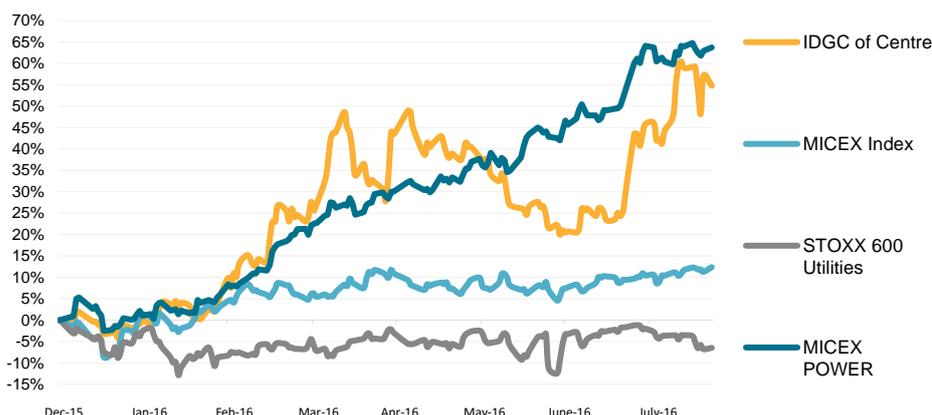
## COMPANY NEWS

### IDGC of Centre increased its electricity transmission volume in the first half of the year

For 6 months of 2016 the volume of electricity transmitted over grids of IDGC of Centre amounted to 28.8 billion kWh, which is 304.4 million kWh higher than for the same period of 2015. The volume of rendered services on electric power transmission in the regions, where the company operates, was 27.9 billion kWh, which is 336.8 million kWh more than last year.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/56774/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 979,09	0,99%	12,36%
S&P 500	2 182,64	-0,06%	6,79%
FTSE 100	6 828,54	-0,44%	9,39%
DAX	10 494,35	-0,47%	-2,31%
DJStoxx 600	340,43	0,09%	-6,94%
STOXX Utilities	286,24	0,33%	-6,50%
Nikkei	16 598,19	0,32%	-12,80%
Sensex	27 985,54	-0,33%	7,15%
CSI300	3 336,79	-0,84%	-10,57%
Bovespa	57 781,24	-2,23%	33,29%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,13	-0,04%	-6,88%
USD/RUB	63,94	0,61%	-12,27%
Euro/RUB	72,46	0,72%	-9,09%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 339,09	-0,18%	26,20%
Brent*, USD/bbl	49,16	-3,38%	13,93%

\* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3020
Capitalisation**, billion RUB	12,75
Capitalisation**, million USD	199,41

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,51%	63,71%
Shares of IDGC of Centre**	-1,47%	54,79%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	1,32%	99,98%
FGC UES	0,52%	161,46%
IDGC of Volga	1,53%	121,08%
MOESK	0,75%	25,33%
IDGC of Northern Caucasus	-0,29%	38,00%
IDGC of Centre and Volga Reg	3,29%	54,94%
IDGC of North-West	0,20%	82,48%
IDGC of Urals	0,61%	73,68%
IDGC of Siberia	4,06%	26,02%
IDGC of South	-2,08%	50,64%
Lenenergo	0,30%	118,56%

Source: MOEX, Company calculations

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

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**Tickers**  
Moscow Exchange (MOEX)  
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**MRKC**  
**MRKC.RX**  
**MRKC.MM**