

DAILY MARKET REVIEW

11 August, Thursday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 10 August some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed with some nominal growth in the range of 0.05%, on Wednesday the main country stocks of the Asia-Pacific region and futures for US indices were in a small minus. Investors took a wait before publishing a set of meaningful statistics in the second half of the week when there are data on retail sales and consumer confidence in the United States, retail sales and industrial production in China, changes of GDP in the Eurozone. October Brent futures traded near the mark of \$44.6 per barrel, or \$0.7 less than the closing level of 09 August. The market was pressured by data of the American Petroleum Institute, which recorded growth of oil reserves last week, and information about increase of oil production in Saudi Arabia in July to a record of 10.67 million barrels per day.

For most of the trading session on Wednesday the MICEX Index and the Stoxx Europe 600 Index were flat with a small loss in the range of 0.5%. The decline of the Russian market accelerated following the collapse of quotations of Brent to around \$44.2 per barrel after the publication of controversial statistics from the US Department of Energy – last week inventories of gasoline and oil reduced, but oil reserves increased, including at Cushing terminal, where oil traded on the NYMEX is stored.

At the end of the trading session the MicexPWR Sector Index outperformed somehow mainly due to a 4% growth of shares of OGK-2.

ELECTRIC POWER INDUSTRY NEWS

Market participants do not exclude that some of the envisaged by a new territorial scheme of power facilities not to be constructed due to lack of demand, according to the newspaper

Yesterday the government posted a territorial scheme of power facilities location in the Russian Federation until 2030. This is one of the key documents of the state industry planning, the scheme is based on data of market participants, but it is not binding on them (investments can then vary depending on needs of the economy). According to "Kommersant", when discussing the scheme in the spring with the Ministry of Energy and Deputy Prime Minister Arkady Dvorkovich two development options were studied - target and conservative. In the second variant by 2035 the share of nuclear power plants is expected to grow from 11% to 13.1%, while the share of thermal power plants - to reduce by 1.6%. In the current scheme by 2030 the share of thermal power plants is growing at 81 GW.

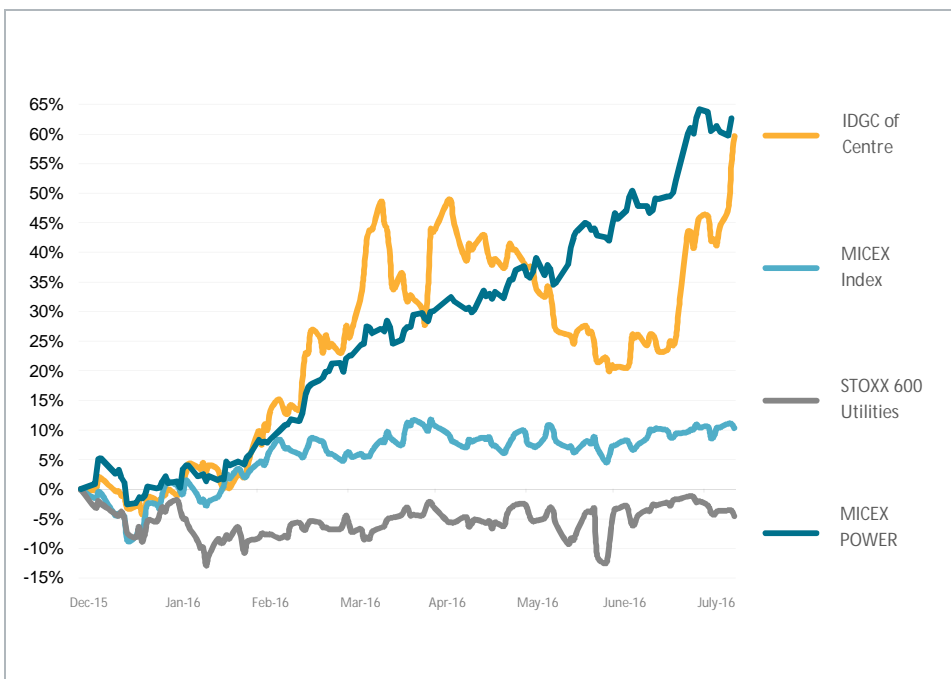
Read full text: <http://www.bigpowernews.ru/markets/document71969.phtml>

COMPANY NEWS

In the first half of the year Kostromaenergo received more than fourteen thousand customer requests IDGC of Centre - Kostromaenergo division summed up the work with customers in the first half of 2016. During this period customer service offices of the enterprise received 14,285 people.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/56682/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 942.67	-0,70%	10,29%
S&P 500	2 175,49	-0,29%	6,44%
FTSE 100	6 866,42	0,22%	10,00%
DAX	10 650,89	-0,39%	-0,86%
DJStoxx 600	343,98	-0,20%	-5,97%
STOXX Utilities	292,18	-1,00%	-4,56%
Nikkei	16 735,12	-0,18%	-12,08%
Sensex	27 774,88	-1,10%	6,35%
CSI300	3 243,34	-0,42%	-13,07%
Bovespa	56 919,78	-1,33%	31,30%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	0,58%	-8,14%
USD/RUB	64,78	-0,45%	-11,11%
Euro/RUB	71,76	-0,54%	-9,96%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 346,61	0,44%	26,91%
Brent*, USD/bbl	44,05	-2,07%	2,09%

* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3115
Capitalisation**, billion RUB	13,15
Capitalisation**, million USD	202,99

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,48%	61,91%
Shares of IDGC of Centre**	2,98%	59,66%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	0,27%	89,96%
FGC UES	-0,65%	155,89%
IDGC of Volga	2,20%	115,42%
MOESK	-0,83%	26,80%
IDGC of Northern Caucasus	-1,67%	41,60%
IDGC of Centre and Volga Reg	-1,58%	59,08%
IDGC of North-West	-3,47%	82,48%
IDGC of Urals	-0,31%	70,53%
IDGC of Siberia	-0,34%	19,67%
IDGC of South	-1,64%	53,53%
Lenenergo	3,33%	150,66%

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
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