

# DAILY MARKET REVIEW

30 November, Wednesday

2016



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 29 November some moderately negative external background formed on the Russian market. On Monday the US indices S&P500 and DJIA closed with decline of 0.3-0.5% within profit-taking after the indices rising to record highs. On Tuesday the main country stock indices of the Asia-Pacific region did not show uniform changes. In general, experts say investors are cautious before the OPEC meeting, scheduled for today, publication of important statistics from the US, including data on the GDP changes and the labour market, and the referendum in Italy on 4 December. January Brent futures traded near the mark of \$47.7 per barrel, or \$0.5 less than the closing level on 28 November. Oil quotes are still pressured by the media information about the presence of disagreements between OPEC members in the allocation of country quotas in the framework of the forthcoming agreement on the limitation of oil production. In particular, on the basis of consultations that took place on Monday, an agreement on quotas for Iran and Iraq again failed to reach, which, experts believe, can cause failure of the entire deal.

On Tuesday the MICEX Index and the European Stoxx Europe 600 Index traded mainly flat near zero. On the one hand, the market was pressured by a decline in oil prices in the conditions of growing doubts of investors in the ability of OPEC to agree at the summit to restrict production and increasing risk of political instability in Italy after a referendum on 4 December. As the media noted, the majority of economists fear that a possible failure of the referendum and the subsequent resignation of the Prime Minister will raise political risks in Italy and have a negative impact on investors' confidence in the European economy as a whole. On the other hand, sellers' activity was largely levelled by strong statistics from the US, strengthening confidence in the markets that the US economy will be able to safely survive the inevitable, according to analysts, increase in the Fed rate in December. In the US the GDP growth in the III quarter was revised upwards – up to a maximum of more than two years of 3.2%, the growth in consumer spending in the last quarter by 2.8% was a record since 2002, the consumer confidence index in November rose to a maximum since July 2007. At the end of the day sales on the Russian market somewhat intensified following the fall of the oil Brent price below \$46.5 per barrel after a Bloomberg message that Saudi Arabia may refuse the OPEC deal in the absence of a compromise with Iran and Iraq.

During the trading session the MicexPWR Sector Index looked significantly better than the market. The main contribution to the final MicexPWR growth was made by shares of RusHydro, which are still supported by the information that the company and VTB are close to finalizing a deal to resolve the debt problem of RAO ES of the East. At the same time, analysts do not exclude that funds coming from the profit taking in Inter RAO are going to RusHydro's shares.

## ELECTRIC POWER INDUSTRY NEWS

**Ministry of Energy considers the principle of indexation of tariffs of electric grid companies "not quite fair"**

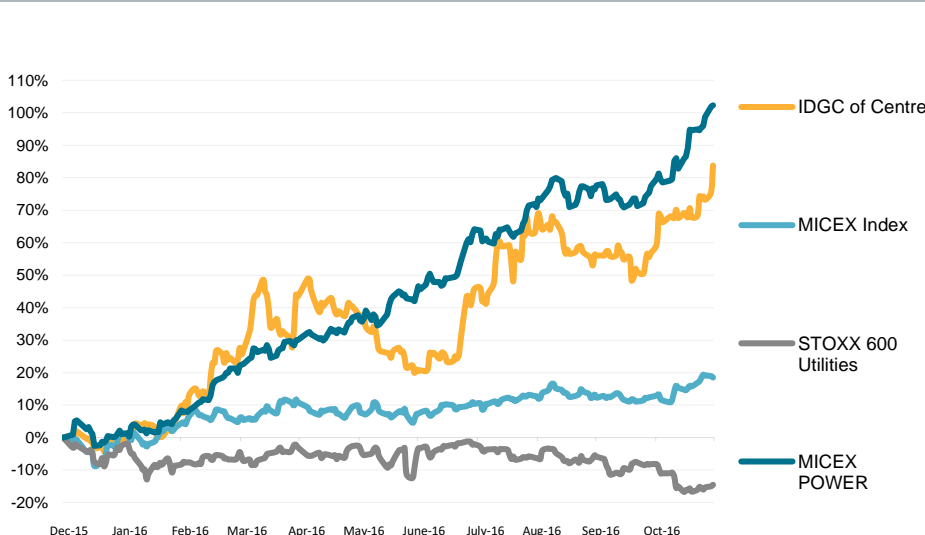
Read full text: <http://www.bigpowernews.ru/markets/document74196.phtml>

## COMPANY NEWS

**"Lipetskenergo" summed up the work of the customer service unit for 9 months of 2016**

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/57885/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 086,84	-0,37%	18,48%
S&P 500	2 204,66	0,13%	7,86%
FTSE 100	6 772,00	-0,40%	8,49%
DAX	10 620,49	0,36%	-1,14%
DJStoxx 600	340,95	0,33%	-6,80%
STOXX Utilities	261,67	0,56%	-14,52%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	26 394,01	0,17%	1,06%
CSI300	3 564,04	0,82%	-4,47%
Bovespa	60 986,52	-2,97%	40,68%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,06	0,40%	-12,59%
USD/RUB	64,92	0,46%	-10,93%
Euro/RUB	69,16	1,06%	-13,22%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 188,31	-0,48%	11,99%
Brent*, USD/bbl	46,38	-3,86%	3,16%

\* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3585
Capitalisation**, billion RUB	15,14
Capitalisation**, million USD	233,15

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,18%	102,31%
Shares of IDGC of Centre**	4,67%	83,75%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti, ordinary shares	1,60%	157,23%
FGC UES	-1,39%	223,40%
IDGC of Volga	4,94%	151,41%
MOESK	1,48%	19,07%
IDGC of Northern Caucasus	4,82%	39,20%
IDGC of Centre and Volga Reg	6,09%	144,27%
IDGC of North-West	0,22%	68,25%
IDGC of Urals	1,47%	81,58%
IDGC of Siberia	0,50%	24,18%
IDGC of South	4,05%	73,08%
Lenenergo, ordinary shares	-0,32%	106,11%

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