

DAILY MARKET REVIEW

2 February, Thursday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 01 February some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed lower by 0.1-0.5% following shares of banks. In general, notes MarketWatch, in the last sessions the political uncertainty is holding the US stock market back – in particular, investors do not fully understand how to interpret Donald Trump's immigration restrictions. At the same time, on Wednesday the main country stock indices of the Asia-Pacific region added on average about 0.5%, US index futures were slightly up. The markets were supported, including, by statistics from China, where in January the processing industry PMI fell less than expected and remained above the threshold level of 50 points, which indicates the growth of business activity in the sector. April Brent futures traded near the mark of \$55.5 per barrel, or \$0.9 less than the closing level on 31 January. Oil prices fell on the American Petroleum Institute data, which recorded an increase in US oil inventories last week by 5.8 million barrels.

On Wednesday the MICEX Index mainly traded in a small plus in the range 0.5%. The Russian market recovered after two days of sales following the improvement in investors' sentiment in the western markets. In the afternoon the rise of the European Stoxx Europe 600 Index exceeded a percent due to positive statements of a number of companies and good statistics. The Eurozone manufacturing PMI in January rose to 55.2 points – its highest level in nearly six years, in the US in January the index of business activity in the manufacturing sector rose to 56 points, the highest since November 2014, the job growth, according to ADP Employment version, is 1.5 times higher than forecasts.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the final sector indicator underperformance in comparison with the MICEX Index was made by shares of Yunipro and TKG-1.

ELECTRIC POWER INDUSTRY NEWS

Management of PJSC "Rosseti" discussed with representatives of the financial market results of the year and the main directions of development of the company

January 31, in Moscow during a meeting with representatives of the financial community, Director General of PJSC "Rosseti" Oleg Budargin spoke about the main results of 2016 and plans of the company for 2017, and discussed the issues of strategic development of the Group "Rosseti" in the current economic conditions.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=29078

"Rosseti" does not plan to borrow to pay dividends

"Rosseti" is ready to pay a dividend of 50% of profits with a relevant decision of the Russian government, it is not planned to take loans for it, the dividend decision can be made on the results of the first quarter of 2017, says the review of analysts from Renaissance Capital following the results of the meeting of "Rosseti" management with investors, according to PRIME.

Read full text: <http://www.bigpowernews.ru/markets/stocks/document75263.phtml>

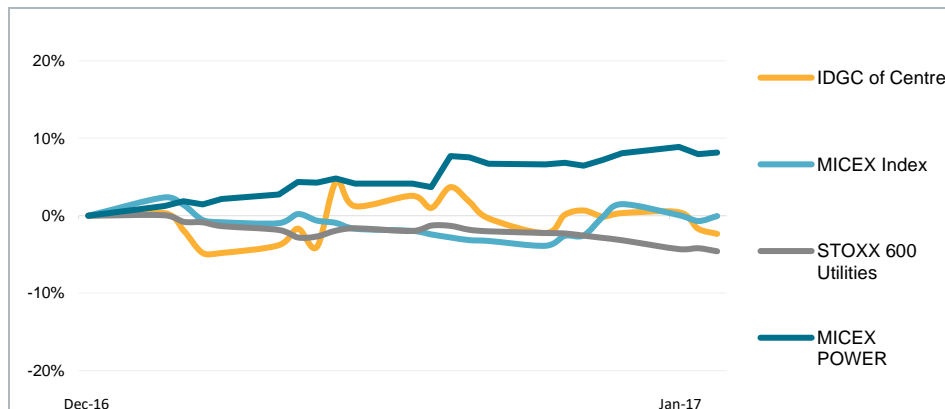
COMPANY NEWS

Yarenergo connected 5,000 facilities to power grids

IDGC of Centre – Yarenergo division summed up the work on grid connection for 2016. During this period the company performed more than 4,900 contracts for connection to electric grids of the branch. The total connected capacity under the performed contracts was 139.7 MW.

Read full text: <http://www.energyland.info/analitic-show-155455>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 231,68	0,64%	-0,05%
S&P 500	2 279,55	0,03%	1,82%
FTSE 100	7 107,65	0,12%	-0,49%
DAX	11 659,50	1,08%	1,55%
DJStoxx 600	363,20	0,86%	0,49%
STOXX Utilities	264,06	-0,41%	-4,59%
Nikkei	19 148,08	0,56%	0,18%
Sensex	28 141,64	1,76%	5,69%
CSI300	3 387,96	0,00%	2,35%
Bovespa	64 836,13	0,26%	7,65%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,08	-0,29%	2,24%
USD/RUB	60,09	-0,13%	-0,94%
Euro/RUB	64,29	-0,23%	0,74%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 209,84	-0,07%	5,43%
Brent*, USD/bbl	56,80	2,20%	-1,20%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4365
Capitalisation**, billion RUB	18,43
Capitalisation**, million USD	306,70

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,20%	8,16%
Shares of IDGC of Centre**	-0,68%	-2,35%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,95%	7,24%
FGC UES	1,59%	16,14%
IDGC of Volga	0,86%	15,80%
MOESK	0,59%	14,03%
IDGC of Northern Caucasus	0,21%	7,03%
IDGC of Centre and Volga Reg	2,47%	6,55%
IDGC of North-West	2,40%	0,91%
IDGC of Urals	0,00%	4,26%
IDGC of Siberia	-7,13%	-5,14%
IDGC of South	-0,20%	-5,15%
Lenenergo, ordinary shares	-0,18%	-0,82%

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