

DAILY MARKET REVIEW

02 June, Thursday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 1 June some moderately negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 fell 0.1-0.5% after the publication of strong statistics on public spending in April, interpreted by investors as another signal of the imminent rise of interest rates by the Fed. On Wednesday the main country indices of the Asia-Pacific region lost on average more than 0.5% after the publication of controversial data on business activity in the processing industry of China. The official PMI was at the end of May unchanged at 50.1 points, the index for three months remains above the threshold level of 50 points. At the same time, the similar PMI, published by Caixin and Markit, decreased to 49.2 in May from 49.4 points in April, it remains in negative zone for more than a year. August Brent futures traded near the mark of \$49.5 per barrel, or \$0.4 less than the closing level on 31 May. The market was pressured by the media information that OPEC countries increased production in April to 188 thousand barrels per day, to 32.44 million b/d. In addition, writes Bloomberg, oil prices are falling, as investors do not expect positive news for the market on the basis of the OPEC conference opening on Thursday.

Sales are continuing on the Russian and European markets – in the second half of the trading session the loss of the MICEX Index and the Stoxx Europe 600 Index amounted to about 0.5% and 1%, respectively. Released at the level of expectations statistics on the index of business activity in the industry in the Eurozone in May, where the PMI has been above 50 points for 35 months, and better-than-forecast data on business activity in the US industry in May, failed to provide significant support to investors.

At the end of the trading session the dynamics of the MicexPWR Sector Index corresponded to the MICEX Index. The main contribution to the sector indicator reduction was made by ordinary shares of Rosseti, which were pressured by information on the recommended dividend by the Board of Directors of the company for the first quarter - 0.00831813 RUB per share, which corresponds to the current dividend yield of 1.4%.

ELECTRIC POWER INDUSTRY NEWS

Remuneration of top management of "Rosseti" to depend on financial indicators

Officials decided to cancel the motivation system of the grid holding depending on technical indicators

Read full text: <http://www.vedomosti.ru/business/articles/2016/06/01/643154-voznagrazhdeniya-top-menedzmentu-rossetei>

COMPANY NEWS

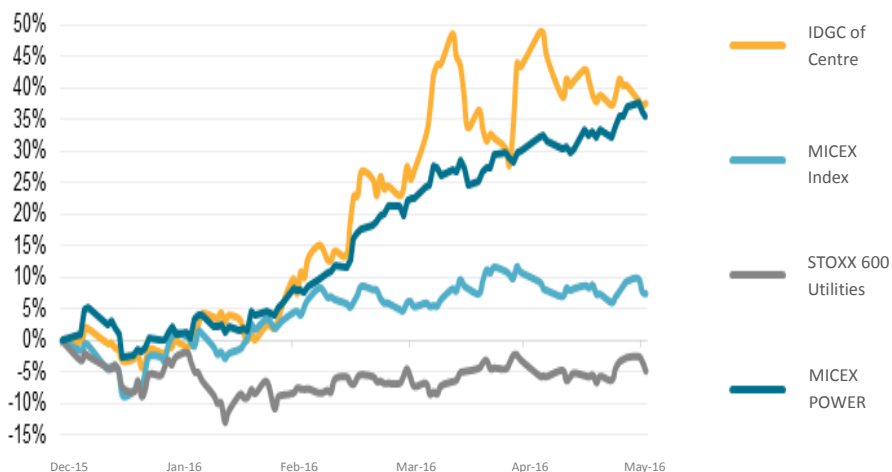
The Arbitration Court of the North-West District refused the claim of JSC "AtomEnergSbyt" on invalidation of transactions between IDGC of Centre and OJSC "Tverenergosbyt" for the amount over 289 mln RUB

Read full text: <https://www.mrsk-1.ru/press-center/news/company/53357/>

Bryanskenergo continues working to collect receivables

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/53371/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 893,18	-0,31%	7,48%
S&P 500	2 099,33	0,11%	2,71%
FTSE 100	6 191,93	-0,62%	-0,81%
DAX	10 204,44	-0,57%	-5,01%
DJStoxx 600	344,12	-0,96%	-5,93%
STOXX Utilities	291,47	-1,63%	-4,79%
Nikkei	16 955,73	-1,62%	-10,92%
Sensex	26 713,93	0,17%	2,28%
CSI300	3 160,55	-0,28%	-15,29%
Bovespa	49 012,65	1,12%	13,06%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	0,31%	-8,09%
USD/RUB	66,00	-0,13%	-9,45%
Euro/RUB	73,44	-0,08%	-7,85%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 212,98	-0,19%	14,31%
Brent*, USD/bbl	49,72	-0,34%	18,92%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2685
Capitalisation**, billion RUB	11,34
Capitalisation**, million USD	171,76

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,29%	35,69%
Shares of IDGC of Centre**	0,19%	37,62%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-5,56%	30,94%
FGC UES	-1,08%	116,5%
IDGC of Volga	7,22%	52,70%
MOESK	-0,48%	38,53%
IDGC of Northern Caucasus	0,68%	18,00%
IDGC of Centre and Volga Reg	1,46%	32,48%
IDGC of North-West	1,34%	65,69%
IDGC of Urals	0,40%	30,53%
IDGC of Siberia	-1,82%	-0,41%
IDGC of South	2,56%	28,21%
Lenenergo	-1,86%	26,42%

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