

DAILY MARKET REVIEW

7 February, Tuesday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 06 February some moderately positive external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed with the growth of 0.7-0.9% after the shares of banks, which were supported by expectations of easing regulation in the financial sector. On Friday Donald Trump officially initiated the revision of the Dodd-Frank Wall Street Reform and Consumer Protection Act, adopted in 2010, to drastically weaken the excess, in his opinion, of the regulation of financial services, thus supporting the growth of the US economy. On Monday the composite stock index of the Asia-Pacific region MSCI Asia Pacific was slightly up with multidirectional changes of the major country indices in the region. April Brent futures traded near the mark of \$57.1 per barrel, or \$0.2 less than the closing level on Friday, February 3. The prices were pressured by the media information about the readiness of Iran, freed from obligations to reduce production, to increase oil production from the current 3.7-3.8 up to more than 4 million barrels per day by the end of March, and the message of the company Baker Hughes on the continuing increase in the number of oil drilling rigs in the US.

Neutral start of trading on the Russian market was replaced by a percent fall of the MICEX Index following the decline of Brent quotations to around \$56 per barrel and the deterioration of sentiment on European markets due to growing political risks. In particular, investors paid attention to the election program published by the French presidential candidate of the right-wing forces, which, including, contains clauses to withdraw France from the Eurozone, and the armed forces of the country – out of the NATO military command. At the end of the trading session the MICEX Index was able to move away from daily lows after neutral start trading in the US.

During the trading session the MicexPWR Sector Index was generally in line with the MICEX Index. The main contribution to the MicexPWR reduction was made by shares of FGC UES, which had active profit taking after a 7% growth in the previous week.

ELECTRIC POWER INDUSTRY NEWS

Proposal of electricity consumers for termination of Capacity Delivery Agreement needs to be studied, says the Ministry of Energy

The proposal of electricity consumers in the Russian Federation about enabling them to terminate unilaterally Capacity Delivery Agreement (CDA) needs further study, told reporters Deputy Energy Minister Vyacheslav Kravchenko.

Read full text: <http://www.bigpowernews.ru/markets/document75346.phtml>

The results of the pilot project for remote control of substations of a new generation

The meeting with representatives of the management of JSC "SO UES", PJSC "Rosseti" and PJSC "FGC UES" in St. Petersburg, summed up the pilot project for remote control of substations of a new generation, implemented in 2015-2016 in the unified energy system of North-West.

Read full text: <http://peretok.ru/news/nets/15018/>

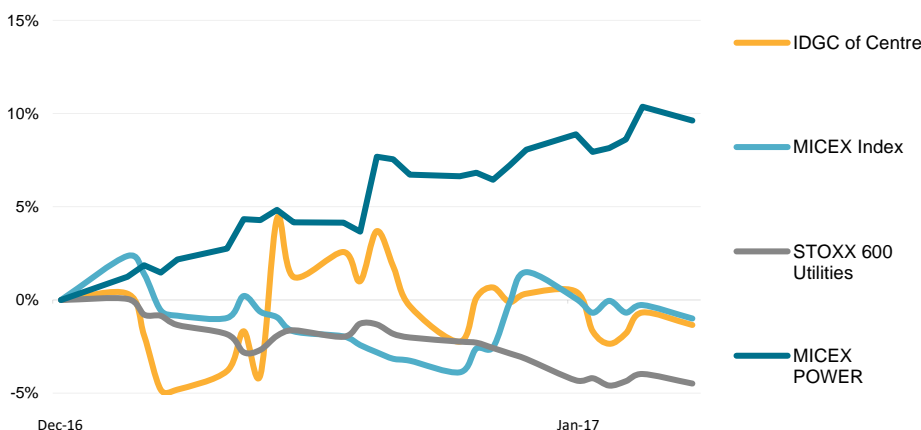
COMPANY NEWS

In 2016 "Tambovenergo" spent 31 million rubles on industrial safety

Costs of IDGC of Centre – Tambovenergo division in the implementation of occupational health and safety amounted to more than 31 million rubles in 2016.

Read full text: <http://www.eprussia.ru/news/base/2017/6377286.htm>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 210,51	-0,72%	-0,99%
S&P 500	2 292,56	-0,21%	2,40%
FTSE 100	7 172,15	-0,22%	0,41%
DAX	11 509,84	-1,22%	0,25%
DJStoxx 600	361,60	-0,68%	0,05%
STOXX Utilities	264,36	-0,53%	-4,48%
Nikkei	18 976,71	0,31%	-0,72%
Sensex	28 439,28	0,70%	6,81%
CSI300	3 387,96	0,00%	2,35%
Bovespa	63 992,93	-1,48%	6,25%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,07	-0,45%	2,07%
USD/RUB	59,31	-1,12%	-2,21%
Euro/RUB	63,82	-1,41%	0,01%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 235,53	1,25%	7,67%
Brent*, USD/bbl	55,72	-1,92%	-3,08%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4410
Capitalisation**, billion RUB	18,62
Capitalisation**, million USD	313,89

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,67%	9,62%
Shares of IDGC of Centre**	-0,68%	-1,34%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,04%	9,45%
FGC UES	-2,38%	19,29%
IDGC of Volga	-1,97%	11,16%
MOESK	1,13%	19,38%
IDGC of Northern Caucasus	0,00%	7,48%
IDGC of Centre and Volga Reg	0,96%	6,76%
IDGC of North-West	1,81%	2,00%
IDGC of Urals	-0,59%	3,04%
IDGC of Siberia	-0,37%	-2,39%
IDGC of South	0,20%	-3,82%
Lenenergo, ordinary shares	2,61%	3,45%

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