

DAILY MARKET REVIEW

07 June, Tuesday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 06 June some moderately positive external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed lower by 0.2-0.3%, having recovered most of the nearly percent drop, triggered by weak statistics on the labour market – in May job growth was minimal since September 2010. Restoration of the indices from daily lows was helped with increase of investors' confidence that the Fed would not raise interest rates in the coming months after the release of such pessimistic data – in particular, according to traders, the chances of a rate increase decreased from 22% to 4% in June. On Monday the composite stock index of the region MSCI Asia Pacific was slightly up with multidirectional dynamics of the major country indices caused mainly by reaction of financial markets to a sharp weakening of the dollar on Friday. August Brent traded near the mark of \$50 per barrel, or \$0.4 higher than the closing level on Friday, June 3rd. Oil prices were rising on Monday due to supply disruptions from Nigeria, writes MarketWatch. At the same time, notes Bloomberg, the potential rise in oil prices is limited with possible return to the market of US shale producers. This, according to analysts, could be indicated by a report of the oilfield service company Baker Hughes, which recorded growth in the number of working oil drilling rigs in the US.

Rising oil prices were the main driver of increase of the Russian market on Monday. In the afternoon the growth of the MICEX Index was about 1.5% after the Brent quotations were fixed at the level of \$50.5 per barrel on news of Nigerian oil supply problems. The limiting factor for Russian investors was uncertain dynamics of European markets being under pressure from the media information about growing chances of the UK exit from the EU and weak statistics from Germany on orders of industrial enterprises.

During the trading session the MicexPWR Sector Index looked significantly worse than the market due to falling shares of FGC UES in the absence of significant news.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti" to receive from the state 3.12 billion rubles as a contribution to the authorized capital

"Rosseti" in 2016 will receive from the budget of the Russian Federation 3.121 billion rubles as a contribution to the authorized capital, according to the resolution of the Russian Government.

Read full text: <http://1prime.ru/energy/20160603/825808866.html>

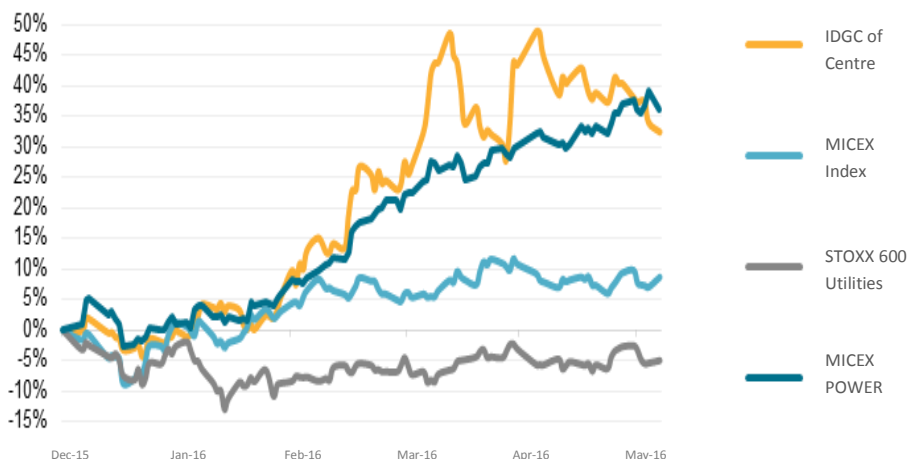
COMPANY NEWS

IDGC of Centre for the first months of 2016 reduced outstanding receivables by more than one billion rubles

IDGC of Centre continues systematic work to reduce accounts receivable. The company implements a set of measures for the return of debts, both in cooperation with the leadership of regions of its service area, use of potential of created on the initiative of PJSC "Rosseti" commissions to monitor payments to electric utilities, and in the framework of consistently pursued claim-related work.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/53431/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 915,54	1,52%	8,75%
S&P 500	2 109,41	0,49%	3,20%
FTSE 100	6 273,40	1,03%	0,50%
DAX	10 121,08	0,18%	-5,79%
DJStoxx 600	342,41	0,33%	-6,40%
STOXX Utilities	291,14	0,45%	-4,90%
Nikkei	16 580,03	-0,37%	-12,89%
Sensex	26 777,45	-0,24%	2,53%
CSI300	3 178,79	-0,33%	-14,80%
Bovespa	50 431,80	-0,37%	16,34%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,14	0,10%	-6,41%
USD/RUB	66,85	0,16%	-8,27%
Euro/RUB	74,56	-0,34%	-6,44%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 245,34	0,09%	17,36%
Brent*, USD/bbl	50,55	1,83%	20,90%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2585
Capitalisation**, billion RUB	10,91
Capitalisation**, million USD	163,24

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-2,13%	36,15%
Shares of IDGC of Centre**	-1,15%	32,50%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-1,36%	28,71%
FGC UES	-8,49%	114,14%
IDGC of Volga	-1,93%	43,44%
MOESK	-0,58%	38,00%
IDGC of Northern Caucasus	-3,06%	14,00%
IDGC of Centre and Volga Reg	-0,96%	31,85%
IDGC of North-West	-0,68%	59,85%
IDGC of Urals	0,81%	31,05%
IDGC of Siberia	1,68%	-0,82%
IDGC of South	-1,27%	25,00%
Lenenergo	-2,11%	21,83%

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