



## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 13 June some neutral external background formed on the Russian market. On Monday the US indices DJIA and S&P500 lost 0.1-0.2% pressured by continuing sales of high-tech companies. On Tuesday the composite stock index of the Asia-Pacific region MSCI Asia Pacific was in a small plus. More than 1.5% growth in the Australian S&P/ASX200 on the banking sector shares differed from the general trend of country stock indices in the Asian session. August Brent futures traded near \$48.4 per barrel, at the closing level on Friday 9 June. Investors are still skeptical about the expectations that the OPEC+ efforts will help reduce the surplus of fuel in the world market, says MarketWatch. At the same time, the oil quotations were supported by the statement of the Saudi Energy Minister that the results of the OPEC+ agreement on the production reduction will appear in the near future. At the same time, the minister called the unexpected growth of oil reserves in the US last week as "statistical error".

During the trading session on Tuesday the MICEX Index was on average in a percent minus under the pressure of active sales of "heavy" index securities of Sberbank and Gazprom. Sberbank's shares traded without dividends on Tuesday, Gazprom's shares declined on Kommersant's announcement of the Finance Ministry's proposals to raise the Mineral Extraction Tax rate on gas for Gazprom in the fourth quarter, given that the monopoly will pay lower dividends for 2016 compared to those budgeted. A significant negative factor for the Russian market as a whole was the information of the Western media that in the US the senators agreed to tighten sanctions against Russia – the relevant draft law could be approved this week. According to Reuters, the sanctions were proposed to punish Russia for its policy, including for the annexation of the Crimea, for the support of the government of B. Assad in Syria and for alleged intervention in the presidential elections in the US in 2016. In turn, The Wall Street Journal reports that additional sanctions may be introduced against Russian metallurgical, mining, transport and railway companies. The threat to the expansion of US sanctions was already reacted in the agency Fitch, the head of the department of sovereign ratings said that "if sanctions are strengthened and affect the state directly," Fitch will view this development as a negative factor for Russia's ratings.

During the trading session the MicexPWR Sector Index looked better than the broad market. The main contribution to the final rise of the sector indicator in antiphase with the MICEX Index was made by shares of Inter RAO and RusHydro.

## ELECTRIC POWER INDUSTRY NEWS

### "Rosseti" and EDF to study the possibility of integrating the energy systems of Europe and Asia through Russia

Russian Grid Company Rosseti and French Energy Corporation Électricité de France (EDF) have made basic agreements for carrying out research to integrate the energy systems of Europe and Asia. This is stated in the draft annual report of "Rosseti" for 2016.

Read full text: <http://www.finanz.ru/novosti/aktsii/rosseti-i-edf-izuchat-vozmozhnost-integracii-energосistem-evropy-i-azii-cherez-rossiyu-1002090026>

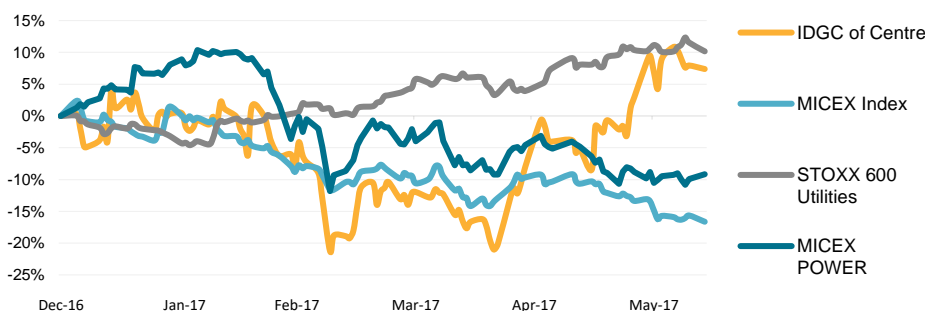
## COMPANY NEWS

### Power engineers of Belgorod branch of IDGC of Centre exchanged experience with colleagues from Gomelenergo

A delegation of the energy company RUE Gomelenergo (Republic of Belarus) paid a working visit to IDGC of Centre – Belgorodenergo division to study the experience of automation of business processes on the basis of the SAP AG software of the ERP system (SAP software). The greatest interest of Belarusian colleagues was caused by the formation and maintenance of a single electronic database of power equipment in the functionality of maintenance and repair planning (Plant Maintenance) of the ERP system (SAP software).

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/60343/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 861,27	-1,17%	-16,64%
S&P 500	2 440,35	0,35%	9,00%
FTSE 100	7 500,44	-0,36%	5,01%
DAX	12 764,98	-0,40%	11,18%
DJStoxx 600	388,75	-0,42%	7,56%
STOXX Utilities	304,90	-1,24%	10,16%
Nikkei	19 898,75	-0,57%	4,10%
Sensex	31 103,49	-0,51%	16,81%
CSI300	3 582,27	0,17%	8,22%
Bovespa	61 828,99	-0,61%	2,66%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,12	0,06%	6,51%
USD/RUB	57,00	0,03%	-6,03%
Euro/RUB	63,79	-0,57%	-0,04%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 266,55	-0,02%	10,37%
Brent*, USD/bbl	48,72	1,18%	-17,17%

\* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4800
Capitalisation**, billion RUB	20,26
Capitalisation**, million USD	355,51

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,81%	-9,18%
Shares of IDGC of Centre**	-0,52%	7,38%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,33%	-33,69%
FGC UES	0,31%	-19,69%
IDGC of Volga	0,22%	21,61%
MOESK	-1,02%	-3,01%
IDGC of Northern Caucasus	1,01%	-31,75%
IDGC of Centre and Volga Reg	0,56%	22,03%
IDGC of North-West	-3,64%	-23,09%
IDGC of Urals	0,00%	-12,46%
IDGC of Siberia	0,63%	-23,66%
IDGC of South	-1,91%	-31,49%
Lenenergo, ordinary shares	3,20%	-17,89%
TRK, ordinary shares	0,00%	-21,85%
Kubanenergo	0,00%	-10,46%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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**Tickers**  
 Moscow Exchange (MOEX)  
 Bloomberg  
 Reuters

**MRKC**  
**MRKC:RM**  
**MRKC.MM**