

DAILY MARKET REVIEW

04 August, Thursday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 03 August some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed lower by 0.5-0.6%, with the daily lows the losses averaged about one percent. The indices continue to retreat from the yearly highs, on Tuesday the market was pressure by released better than expected statistics on public spending in June, fueling fears of investors about the possible increase in the Fed rate in September. On Wednesday the composite stock index of the Asia-Pacific region MSCI Asia Pacific lost more than 1.5%. The driver of the declining markets in the Asian session was the Japanese Nikkei 225, which fell 1.9% – investors were disappointed with the package of fiscal stimulus, which was announced on the eve by the Japanese authorities. Only the Chinese CSI 300 traded in a plus from the major country Asia-Pacific stock indices, which were supported by statistics – according to Caixin Media and Markit, the composite index of business activity in industry and services sector of China in July rose to the highest level since September 2014. October Brent futures traded near the mark of \$41.8 per barrel, slightly higher than the closing level of 02 August. Oil quotes stopped declining after data of the American Petroleum Institute, which recorded a decline of oil and gasoline reserves last week.

For most of the trading session the MICEX Index and the Stoxx Europe 600 Index were flat in a small minus. Released throughout the day statistics was ambiguous and was not able to provide significant support to investors. In the Eurozone the composite index of business activity in industry and services sector in July was higher than expected, but the pace of retail sales growth in June fell short of forecasts. In the US in July employment in the manufacturing sector grew more than expected, but the index of business activity in the service sector fell more than expected. At the end of the day the mood of investors on the Russian market improved following an increase in oil prices above \$42.5 per barrel after the US Energy Department statistics. According to the published data, the previous week oil production declined by 55 thousand barrels per day, oil reserves in the terminal in Cushing, where the NYMEX traded oil is stored, and gasoline reserves significantly decreased – by 1.2 million and 3.3 million barrels, respectively. Against this background the MICEX Index was able to close trading rising by 0.3% during multidirectional dynamics of the western exchanges.

On Wednesday the MicexPWR Sector Index changes were generally in line with the MICEX Index. The main contribution to the final MicexPWR growth was made by shares of Rosseti.

ELECTRIC POWER INDUSTRY NEWS

Electricity consumption in Russia in July 2016 increased by 1.3%; since the beginning of the year - by 0.7%

According to operational data of OJSC "SO UES", the electricity consumption in the Unified Energy System of Russia amounted to 75.7 billion kWh in July 2016, which is 1.5% more than the volume of consumption in July 2015. Electricity consumption in July 2016 in the whole of Russia amounted to 77.5 billion kWh, which is 1.3% more than in July 2015.

Read full text: <http://www.bigpowernews.ru/markets/document71854.phtml>

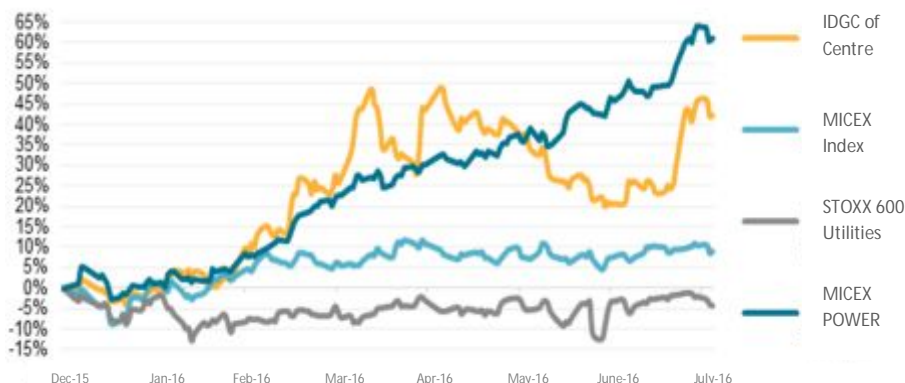
COMPANY NEWS

Annual Report of IDGC of Centre again among the winners

For the second year in a row the Annual Report of IDGC of Centre was marked by the contest jury "LACP 2015 Spotlight Awards Global Communications Competition", organized by League of American Communications Professionals (LACP) in the EMEA region (Europe, Middle East, Asia). A total of about 1,000 companies, representing more than 20 countries, participated in the competition.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/56595/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 919,15	0,34%	8,96%
S&P 500	2 163,79	0,31%	5,86%
FTSE 100	6 634,40	-0,17%	6,28%
DAX	10 170,21	0,26%	-5,33%
DJStoxx 600	335,58	0,03%	-8,26%
STOXX Utilities	292,89	-0,39%	-4,32%
Nikkei	16 083,11	-1,88%	-15,50%
Sensex	27 697,51	-1,02%	6,05%
CSI300	3 193,51	0,14%	-14,41%
Bovespa	57 076,91	1,63%	31,67%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	-0,44%	-8,09%
USD/RUB	66,88	1,40%	-8,23%
Euro/RUB	74,90	1,69%	-6,02%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 358,18	-0,40%	28,00%
Brent*, USD/bbl	43,10	3,11%	-0,12%

* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2775
Capitalisation**, billion RUB	11,72
Capitalisation**, million USD	175,17

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,32%	60,96%
Shares of IDGC of Centre**	0,18%	42,23%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	3,17%	89,00%
FGC UES	-0,42%	167,14%
IDGC of Volga	-0,37%	109,00%
MOESK	0,55%	22,40%
IDGC of Northern Caucasus	0,60%	34,40%
IDGC of Centre and Volga Reg	1,82%	51,75%
IDGC of North-West	1,91%	74,82%
IDGC of Urals	-3,72%	63,68%
IDGC of Siberia	2,61%	20,90%
IDGC of South	3,74%	51,28%
Lenenergo	-0,12%	84,06%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, PJSC
127018, Moscow, 2nd Yamskaya, 4
+7 (495) 747 92 92
<http://mrsk-1.com/en/investors/>

IR Division
+7 (495) 747 92 92, ext. 33-34
ir@mrsk-1.ru

Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC RX
MRKC.MM