

DAILY MARKET REVIEW

29 April, Friday



2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 28 April some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 rose by 0.2-0.3% after the publication of the Fed meeting outcome to keep interest rates in the range of 0.25-0.5%. In general, says Bloomberg, from the presented communiqué investors concluded that the Fed positively assesses the situation in the US economy and less troubled with international risk, but it is not going to rush to increase interest rates. On Thursday the composite Asia-Pacific region index MSCI Asia Pacific was 0.3% down, while in the beginning of the day it rose by 0.7%, futures for US indices lost 0.5%. The markets were pressured by the information that the Bank of Japan at the end of the regular meeting kept unchanged the monetary policy and did not extend the stimulus measures. The overwhelming majority of market participants were confident that the Central Bank would increase the program to support the economy in the aftermath of the recent earthquake and the renewed in March decline in consumer prices after a break for 5 months. The Bank of Japan's decision was the reason for the sharp strengthening of the yen and the Nikkei falling 3.6%. June Brent futures traded near the mark of \$46.9 per barrel, or \$0.8 higher than the closing level on 27 April. Oil prices after a slight decline on the US Department of Energy data on increase of oil and gasoline reserves returned to growth – investors paid attention to the ongoing decline in oil production, which from January highs decreased by 300 thousand barrels per day. In addition, the oil quotes were supported by a weakening of the dollar after the publication of the Fed meeting outcome – the spot DXY Index fell to lows since August 2015.

On Thursday the MICEX Index, supported by the rise in oil prices – quotes of Brent climbed to around \$47.5 per barrel – moving in the opposite phase to the western markets. In the afternoon the pace of growth of the MICEX Index exceeded one percent, while the Stoxx Europe 600 Index lost about one percent under pressure from the news about the inaction of the Bank of Japan. Sentiment in the western markets improved since the publication of weak US data, which, as investors believe, may limit the Fed's activity when making decisions to tighten the monetary policy. In the US the half-point increase in GDP in the first quarter was worse than expected and had a minimum of two years, with the drop in investment by US companies being a record since the second quarter of 2009. Against this background the European markets played all daily losses back, trading in the US started with zero dynamics of the major indices, while during the trading session the fall of futures for US indices reached one percent. In turn, the recovery of the western markets provided additional support to Russian investors – the MICEX Index closed trading at daily highs.

At the end of the trading session the MicexPWR Sector Index underperformed mainly due to sales growth in shares of RusHydro and Inter RAO. The main contribution to the growth of the sector indicator was made by shares of Rosseti and FGC UES after publication of strong statements for the first quarter under RAS.

ELECTRIC POWER INDUSTRY NEWS

Rosseti's net profit under RAS for 1Q 16 increased by 450 times

Read full text: <http://www.bigpowernews.ru/news/document70341.phtml>

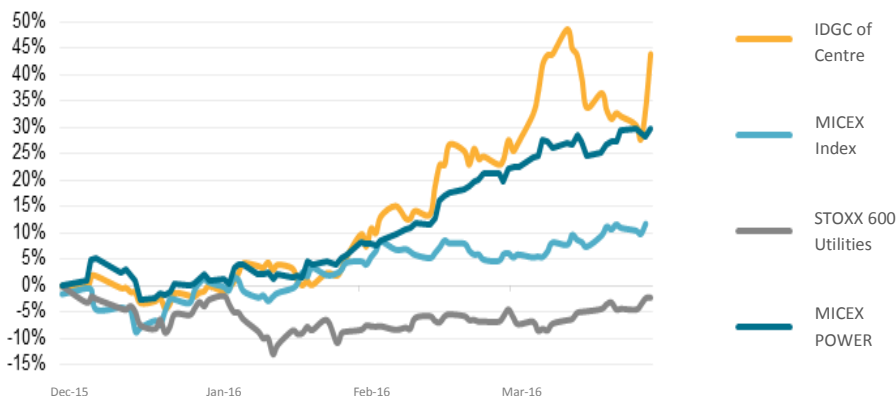
COMPANY NEWS

Reliable grids

"Belgorodenergo" is investing into reliability

Read full text: <http://rg.ru/2016/04/26/reg-cfo/belgorodenergo-zashchitat-ot-prirodnih-kataklizmov.html>

ДИНАМИКА КЛЮЧЕВЫХ ИНДЕКСОВ И АКЦИЙ КОМПАНИИ



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 969,89	1,82%	11,84%
S&P 500	2 075,81	-0,92%	1,56%
FTSE 100	6 322,40	0,04%	1,28%
DAX	10 321,15	0,21%	-3,93%
DJStoxx 600	348,90	0,17%	-4,62%
STOXX Utilities	299,39	0,10%	-2,20%
Nikkei	16 666,05	-3,61%	-12,44%
Sensex	25 603,10	-1,77%	-1,97%
CSI300	3 160,58	-0,17%	-15,29%
Bovespa	54 311,96	-0,30%	25,29%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,13	0,11%	-6,75%
USD/RUB	65,16	-1,95%	-10,59%
Euro/RUB	73,80	-1,47%	-7,40%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 266,26	1,64%	19,33%
Brent*, USD/bbl	48,14	2,03%	19,57%

* - June futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2809
Capitalisation**, billion RUB	11,86
Capitalisation**, million USD	181,99

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	1,25%	29,96%
Shares of IDGC of Centre**	7,67%	43,98%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	4,26%	42,79%
FGC UES	2,46%	65,07%
IDGC of Volga	3,01%	58,61%
MOESK	-1,03%	15,73%
IDGC of Northern Caucasus	0,32%	26,80%
IDGC of Centre and Volga Reg	0,65%	22,61%
IDGC of North-West	0,23%	60,22%
IDGC of Urals	0,42%	26,32%
IDGC of Siberia	1,21%	20,29%
IDGC of South	4,08%	47,12%
Lenenergo	2,16%	34,06%

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
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