

# DAILY MARKET REVIEW

25 July, Monday

2016



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 22 July some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 fell 0.4% in the correction after repeated updating highs this week. On Friday the composite Asia-Pacific region index MSCI Asia Pacific lost about 0.5% after the US indices. As noted by MarketWatch, the markets are pressured by weakening of investors' hopes for the further build-up of global stimulus measures by central banks after the ECB meeting. September futures for Brent traded near the mark of \$46.1 per barrel, or \$0.5 less than the level of our closing on 21 July. Oil prices decline on fears that an excess of oil supply in the market can lead to a reduction in demand for oil from refineries and, respectively, for the next drop in oil prices. In particular, experts continue to comment on the rise in gasoline stocks in the United States, which, in spite of the peak driving season, lasts four weeks in a row. Last week, the gasoline stocks in the country rose by 0.9 million barrels to 241 million barrels – 25% more than last year, and it is a record for at least 10 years.

During the Friday's trading session the MICEX Index and the Stoxx Europe 600 Index were flat near zero. The European markets looked somewhat worse under the pressure of statistics on business activity. In July the Eurozone's composite index of business activity fell to a minimum of one and a half years, in the UK the composite PMI fell at a record pace, from 52.4 to 47.7 points. The company Markit Economics, which is the index provider, said that due to the reduction in business activity in connection with the decision of the country to leave the EU the UK economy may decline by 0.4% in the third quarter. At the end of the day the MICEX Index went into a small minus after oil prices fell below \$45.5 per barrel.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the final MicexPWR outperformance compared with the MICEX Index was made by shares of FGC UES and ordinary shares of Rosseti. On Friday Gazprombank significantly increased evaluation of these securities: FGC UES – by 133%, to 0.14 RUB, for ordinary shares of Rosseti – by 36%, to 0.61 RUB. At the same time, the recommendation to "hold" was confirmed for both securities.

## ELECTRIC POWER INDUSTRY NEWS

Government Commission on the electric power industry approved the list of "forced" generation capacity for 2020, not supporting 20% of requests

The Government Commission on the development of the electric power industry, chaired by Arkady Dvorkovich at a regular meeting considered proposals for attribution of generating equipment to generating facilities, whose power will be supplied in a forced mode in 2020.

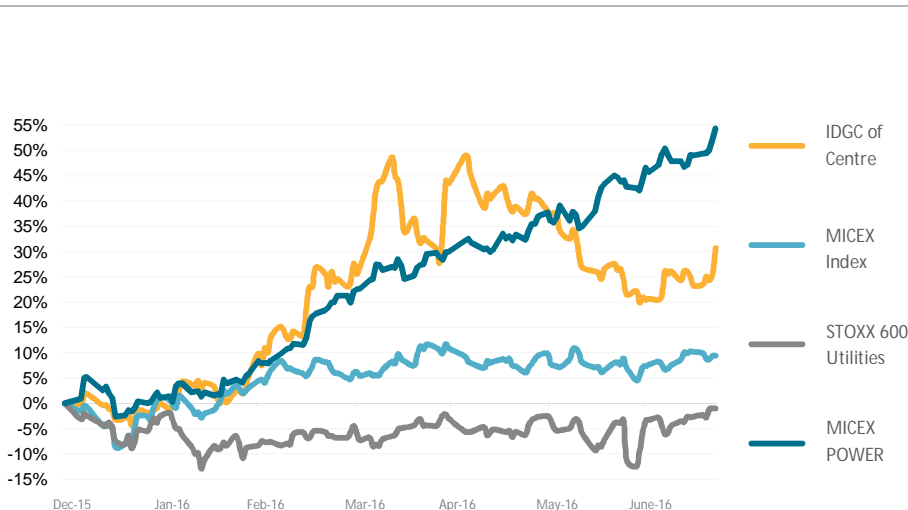
Read full text: <http://www.bigpowernews.ru/markets/document71655.phtml>

## COMPANY NEWS

Tambovergo exceeded the targets of the energy conservation program in the first half of the year IDGC of Centre - Tambovergo division summed up the implementation in the first half of 2016 of the energy efficiency and conservation program (hereinafter referred to as the program). The net effect of this work during this period amounted to 7.17 mln KWh, which is 7.1% higher than the targets.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/56497/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 926,90	-0,04%	9,40%
S&P 500	2 168,92	0,17%	6,11%
FTSE 100	6 730,48	0,46%	7,82%
DAX	10 147,46	-0,09%	-5,54%
DJStoxx 600	340,33	-0,07%	-6,97%
STOXX Utilities	301,02	0,04%	-0,94%
Nikkei	16 627,25	-1,09%	-12,64%
Sensex	27 803,24	0,33%	6,45%
CSI300	3 225,16	-0,84%	-13,56%
Bovespa	56 905,67	0,42%	31,27%

Source: Bloomberg, Company calculations (19:00 MSK)

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,10	0,00%	1,51%
USD/RUB	63,74	0,50%	-12,55%
Euro/RUB	70,30	0,87%	-11,79%

Source: Bloomberg, Company calculations (19:00 MSK)

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 331,43	0,00%	25,44%
Brent*, USD/bbl	46,20	0,00%	23,93%

\* - September futures

Source: Bloomberg, Company calculations (19:00 MSK)

Shares of IDGC of Centre	Value
Last transaction, RUB	0,255
Capitalisation**, billion RUB	10,77
Capitalisation**, million USD	168,91

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	1,43%	54,27%
Shares of IDGC of Centre**	4,08%	30,70%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	5,78%	62,14%
FGC UES	3,14%	159,26%
IDGC of Volga	9,58%	88,17%
MOESK	3,60%	22,67%
IDGC of Northern Caucasus	3,97%	25,60%
IDGC of Centre and Volga Reg	5,92%	36,78%
IDGC of North-West	1,34%	66,06%
IDGC of Urals	1,83%	46,32%
IDGC of Siberia	4,13%	8,61%
IDGC of South	1,68%	35,90%
Lenenergo	-0,16%	36,68%

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