

DAILY MARKET REVIEW

31 May, Tuesday



2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 30 May some moderately positive external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed with the growth of 0.3-0.4%, amid strong data on the dynamics of GDP in the I quarter and consumer confidence in May, as well as comments of the Fed's Chair Janet Yellen, who confirmed the possibility of raising interest rates in the coming months. On Monday the composite Asia-Pacific region index MSCI Asia Pacific added 0.6%, Japan's Nikkei 225 rose to a peak of more than a month against the backdrop of the weaker yen and expectations that an increase in the consumption tax in the country would be delayed. Brent traded near the mark of \$49.1 per barrel, or \$0.1 less than the closing level on Friday, May 27th. The quotes were pressured by profit-taking of some traders on the eve of the OPEC meeting, at the same time a positive factor for the oil prices was data of Baker Hughes on reduction of the number of operating oil rigs in the United States.

The Russian market during the trading session on Monday was mostly sideways in the absence of external drivers – US markets were closed due to the commemoration of the Day of Remembrance, and there was no trading in London in connection with the Spring Bank Holiday. Weak growth of futures for US indices, as well as inexpressive dynamics of European markets due to low trading volumes could not have a significant impact on investors' sentiment. In the afternoon the dynamics of the Russian and European markets got improved somewhat in the background of resumption of the upward trend of oil prices, which enabled the MICEX Index to close trading with the growth of 0.4%.

During the trading session the dynamics of the MicexPWR Sector Index corresponded to the market, the main contribution to the growth of which was made by shares of FGC UES.

ELECTRIC POWER INDUSTRY NEWS

FGC to give "Rosseti" the last

"Federal Grid Company" (FGC) will pay 95% of the RAS profit for 2015 as dividends, giving shareholders, firstly to "Rosseti", almost 17 billion rubles. However, "Rosseti" itself has not yet decided on the profit distribution - formal loss for 2015 allows not to pay dividends and the issue of compensation payments from the profit for the first quarter has not yet been resolved.

Read full text: <http://www.kommersant.ru/doc/3000522>

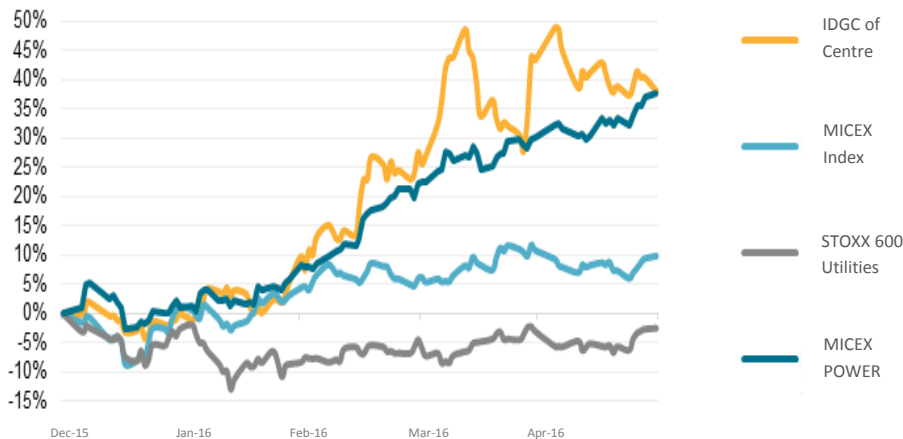
COMPANY NEWS

Management of IDGC of Centre held a meeting with the minority shareholder VTB Capital Asset Management

Management of IDGC of Centre, PJSC within the annual campaign in preparation for the Annual General Meeting of Shareholders held a meeting in Moscow with representatives of the minority shareholder - JSC VTB Capital Asset Management. The event was attended by Deputy General Director for Corporate Governance Sergey Sharapov, Director of Corporate Governance Olga Kharchenko, and Head of IR Division Sergey Ternikov.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/53346/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 935,54	0,41%	9,89%
S&P 500	2 099,06	0,00%	2,70%
FTSE 100	6 270,79	0,00%	0,46%
DAX	10 333,23	0,46%	-3,81%
DJStoxx 600	350,14	0,14%	-4,28%
STOXX Utilities	298,56	0,16%	-2,47%
Nikkei	17 068,02	1,39%	-10,33%
Sensex	26 725,60	0,27%	2,33%
CSI300	3 066,71	0,14%	-17,80%
Bovespa	48 964,34	-0,18%	12,95%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,11	0,17%	-8,41%
USD/RUB	66,04	1,28%	-9,39%
Euro/RUB	73,85	1,38%	-7,34%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 204,95	-0,61%	13,56%
Brent*, USD/bbl	49,76	0,89%	21,16%

* - July futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2695
Capitalisation**, billion RUB	11,38
Capitalisation**, million USD	172,28

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,52%	37,69%
Shares of IDGC of Centre**	-1,64%	38,13%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	1,65%	41,16%
FGC UES	3,02%	113,79%
IDGC of Volga	-1,88%	47,30%
MOESK	0,20%	36,80%
IDGC of Northern Caucasus	-0,68%	17,60%
IDGC of Centre and Volga Reg	-0,48%	31,69%
IDGC of North-West	-4,06%	63,87%
IDGC of Urals	2,45%	32,11%
IDGC of Siberia	-1,35%	4,51%
IDGC of South	-6,78%	23,40%
Lenenergo	-1,02%	26,64%

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