

DAILY MARKET REVIEW

30 January, Monday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 27 January some neutral external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 closed with multidirectional changes within 0.2%, the DJIA index updated the historical maximum. On Friday the composite index of the Asia-Pacific region MSCI Asia Pacific was slightly up. The markets are still supported by hopes of investors for the implementation by the new US president of a stimulating policy and good corporate reporting of US companies. According to Bloomberg, earnings of 78% of 120 companies of the S&P 500, which published reports for the last quarter, exceeded the expectations of experts, on average by 5%. revenue figures were better than expected on average by 3% in 57% of the companies. March Brent futures traded near the mark of \$56.2 per barrel, at the closing level on 26 January. Brent Quotes since late November have been in a narrow range of \$54-57 per barrel – statements of OPEC+ producers on compliance with the agreement on the limitation of oil is offset by fears of increasing US shale oil production.

The Russian market has been growing steadily for the second consecutive day. In the afternoon, the rise of the MICEX Index exceeded a percent, despite the decline in Brent quotations to around \$55.3 per barrel and moderate negative changes of the European and US exchanges after the release of the US GDP data. The growth of the world's largest economy in the fourth quarter was 1.9%, while analysts on average expected an increase of 2.2%. At the end of 2016 the GDP grew by 1.9% against an increase of 2.6% in the previous year. Thus, Bloomberg noted, for the eleventh consecutive year the pace of recovery of the US economy cannot reach the 3% mark. Against this background, increasing consumer confidence in the US in January to a maximum of 13 years had no significant effect on the mood of foreign investors. In turn, the Russian market was supported, including, by strengthening of expectations of easing of the US sanctions against the Russian Federation – US President Advisor said that the anti-Russian sanctions may weaken soon, the media reported that the administration of President Donald Trump may unilaterally withdraw the sanctions applicable to Russia.

At the end of the trading session the MicexPWR Sector Index underperformed – for the second consecutive day the activity of buyers has been mainly concentrated in the first tier shares.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti" developed the concept of a single tariff for electricity grids

State Grid Holding "Rosseti" developed the concept of a single tariff for electricity grids, the concept was presented in the article of Director of Strategic Development Department of "Rosseti" Sergey Lebedev in the "Expert" journal.

Read full text: <http://www.bigpowernews.ru/markets/document75176.phtml>

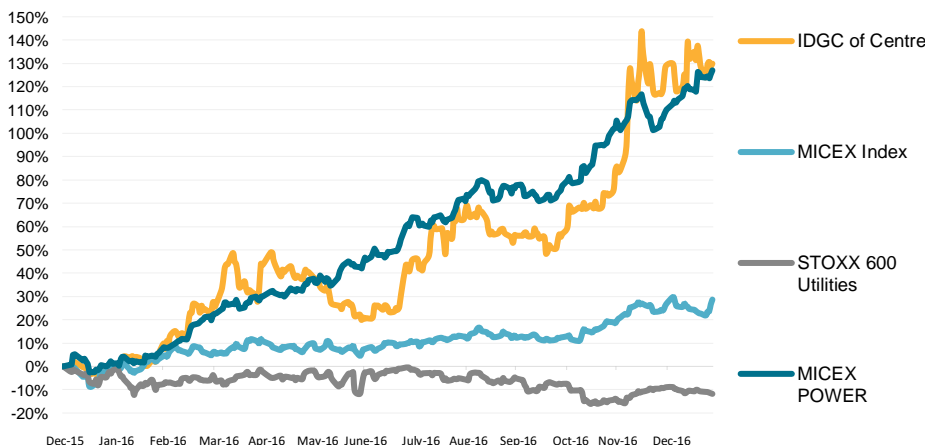
COMPANY NEWS

The branch "Lipetskenergo" held a production meeting in the direction of sale of services

IDGC of Centre – Lipetskenergo division held a production meeting on the results of 2016 and plans for 2017 in the direction "The sale of electric energy transmission services".

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/58695/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 266.05	1,65%	1,49%
S&P 500	2 294.69	-0,09%	2,50%
FTSE 100	7 184.49	0,32%	0,58%
DAX	11 814,27	-0,29%	2,90%
DJStoxx 600	366,38	-0,30%	1,37%
STOXX Utilities	268,01	-0,31%	-3,17%
Nikkei	19 467,40	0,34%	1,85%
Sensex	27 882,46	0,63%	4,72%
CSI300	3 387,96	0,00%	2,35%
Bovespa	66 033,98	-0,24%	9,64%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,07	0,11%	1,73%
USD/RUB	59,64	0,82%	-1,68%
Euro/RUB	64,02	0,95%	0,33%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 191,20	0,23%	3,81%
Brent*, USD/bbl	55,52	-1,28%	-2,29%

* - March futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4485
Capitalisation**, billion RUB	18,93
Capitalisation**, million USD	317,51

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,78%	8,06%
Shares of IDGC of Centre**	0,45%	0,34%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	1,07%	7,70%
FGC UES	2,39%	13,68%
IDGC of Volga	-0,16%	9,46%
MOESK	4,96%	13,14%
IDGC of Northern Caucasus	0,21%	8,84%
IDGC of Centre and Volga Reg	0,85%	4,26%
IDGC of North-West	0,56%	-1,64%
IDGC of Urals	0,60%	1,52%
IDGC of Siberia	-1,26%	2,63%
IDGC of South	2,21%	-2,86%
Lenenergo, ordinary shares	0,00%	-1,27%

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