

DAILY MARKET REVIEW

5 April, Friday

2019



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 4 April some neutral external background formed on the Russian market. On Wednesday the US indices S&P500 and DJIA increased by 0.1-0.2%, on Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific declined by 0.2% with multidirectional changes of the main country indices. Investors' attention is still focused on news about the US-China trade negotiations. The chief economic adviser to the US President Larry Kudlow said that last week at the talks in Beijing, the parties achieved "a good start." According to him, progress has been made on a wide range of issues, and there is hope that the new round of negotiations, which begins in Washington, will bring closer to the final result. At the same time, according to media reports, a meeting of the US President with the Vice-Premier of the State Council of the People's Republic of China, who heads the Chinese delegation, was scheduled for Thursday. June Brent futures traded at around \$69.3 per barrel, \$0.2 above our 3 April close. Hopes for resolving trade disputes in the US and China, and information on OPEC+ production cuts, allowed the market to ignore the negative statistics of the US Department of Energy. According to the Department, last week oil reserves in the country increased by 7.2 million barrels to 449.5 million barrels, oil production increased by 100 thousand barrels per day, setting a new record of 12.2 million b/d.

Most of Thursday the MOEX Russia Index, as well as most of the major global stock indicators, was flat near zero. Investors preferred to be cautious in anticipation of new information on the US-China trade negotiations. The newspaper The New York Times reported that Donald Trump on Thursday may announce a summit with China, during which the two leaders will resolve the remaining differences in trade. Statistics published during the day was ambiguous and did not have a significant impact on the trends of trading. In the US, the number of applications for unemployment benefits decreased to a minimum since December 1969, in Germany in February orders for industrial enterprises fell contrary to forecasts. And media information that the five leading research institutions in Germany worsened more than twice the forecast for the GDP growth in the country this year – to 0.8% compared to the expected 1.9% in the autumn, did not contribute to the revival of the market changes. At the same time, according to experts, if the UK leaves the European Union without an agreement, the situation may turn out to be even worse.

At the end of the trading session, the electric utilities sector index underperformed. The main contribution to the MOEXEU decrease in antiphase with the MOEX Russia Index was made by shares of Inter RAO, which, having lost about 2%, dropped to the minimum of a year ago. The fall of these securities turned out to be more significant than the 1.5% increase in the value of ordinary shares of ROSSETI, which have been steadily growing for the second day in a row on volumes above the average in the absence of significant news.

ELECTRIC POWER INDUSTRY NEWS

Industrial consumers of the Russian Federation ask to reduce payments for electricity - the newspaper

Industrial consumers in the Russian Federation are asking to reduce payments for electricity, Kommersant writes on Friday.

Read full text: <http://www.bigpowernews.ru/markets/document87641.phtml>

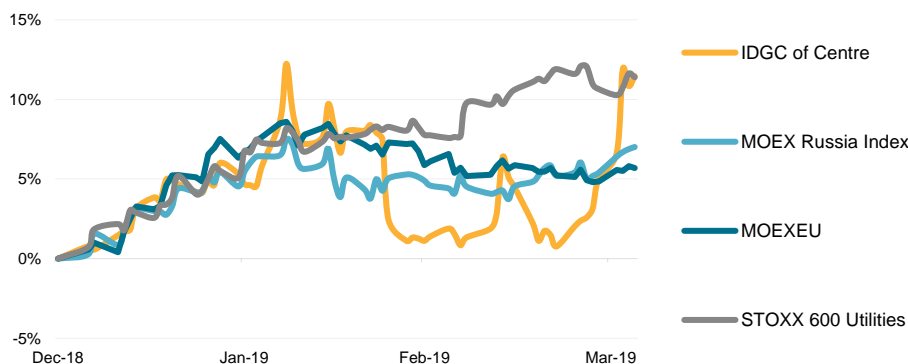
COMPANY NEWS

6 specialists of IDGC of Centre and IDGC of Centre and Volga Region presented their companies at the qualifying module of the International Youth Energy Forum of PJSC ROSSETI

Last weekend, at the site of the Moscow School of Management Skolkovo, a selection module of the International Youth Energy Forum (IYEF) of PJSC ROSSETI - 2019 was held, which was attended by over 40 members of the youth personnel reserve of ROSSETI's Group of Companies from all over Russia. The purpose of the event is to identify leaders among young specialists of ROSSETI's Group of Companies who in the future can become agents of innovative processes in the power grid complex.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/67949/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 535,50	0,13%	7,01%
S&P 500	2 879,39	0,21%	14,86%
FTSE 100	7 401,94	-0,22%	10,01%
DAX	11 988,01	0,28%	13,53%
DJStoxx 600	387,87	-0,27%	14,87%
Nikkei	21 724,95	0,05%	8,54%
Sensex	38 684,72	-0,49%	7,25%
CSI300	4 062,23	1,00%	34,93%
Bovespa	96 313,06	1,93%	9,59%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	65,16	-0,47%	-6,20%
EURO/RUB	73,17	-0,20%	-7,91%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 292,21	0,18%	0,76%
Brent*, USD/bbl	69,4	0,13%	29,00%

* - June futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3188	13,46	206,54
IDGC of Centre & Volga Reg	0,2773	31,25	479,58

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-0,20%	11,39%
MOEXEU Index	-0,11%	5,70%
IDGC of Centre**	0,57%	11,47%
IDGC of Centre and Volga Region**	0,11%	4,64%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	1,48%	29,56%
FGC UES	-0,50%	9,96%
IDGC of Volga	0,58%	5,71%
MOESK	1,31%	5,15%
IDGC of Northern Caucasus	1,28%	13,29%
IDGC of North-West	-1,65%	-3,42%
IDGC of Urals	1,12%	-2,49%
IDGC of Siberia	-7,03%	132,20%
IDGC of South	0,50%	29,84%
Lenenergo, ordinary shares	-0,49%	14,37%
TRK, ordinary shares	-2,40%	5,84%
Kubanenergo	0,59%	40,57%

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
www.mrsk-1.ru/en/investors/

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

Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC:RM
MRKC:MM