

# DAILY MARKET REVIEW

29 January, Tuesday

2019



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 28 January some moderately negative external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with a rise of 0.7-0.8%. The markets were supported by strong quarterly statements of a number of large companies and news about the suspension of the shutdown. The US President and Congress on Friday reached an agreement allowing the government to resume work until 15 February without resolving the issue of allocating \$5.7 billion to build a wall on the border with Mexico. At the same time, Donald Trump warned that if by 15 February there will be no "fair" deal with the Congress on this issue, the government will again stop working. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.1%, futures for US indices decreased by 0.4%. Negative background for traders was the weak statistics from China – the profit growth of the largest industrial enterprises of the country slowed down more than twice in 2018. March Brent futures traded around \$60.8 per barrel, \$0.4 below our closing level on Friday, 25 January. The quotes were pressured by the message of the oilfield services company Baker Hughes about the increase in the number of oil producing installations in the country.

At the opening of trading, the MOEX Russia Index updated the historical record on the information that the US Treasury Department lifted sanctions on RusAl, En+ and EuroSibenergo after Oleg Deripaska's refusal to control these companies. According to media reports, this decision became a precedent – until then, no company or individual was excluded from the sanctions list by agreement with the US Treasury. After that, the Russian market moved to decline along with global stock markets – investors chose to exercise caution on the eve of a number of important events of this week. Today, the British Parliament will have to discuss the next version of the divorce deal with the European Union, the Fed will hold a meeting tomorrow, and the next round of the US-Chinese trade talks will take place on 30-31 January in Washington. Against the background of not the most optimistic expectations of traders with respect to each of these stories, the loss of the main western indices and the MOEX Russia Index exceeded half a percent for most of the day. In the second half of the trading session, the mood in the stock markets deteriorated after the publication of weak reports and forecasts of a number of large American companies. An additional negative factor for the Russian market was the decline in Brent quotes to \$60 per barrel.

At the end of the trading session the electric utilities sector index underperformed. The main contribution to the sector indicator underperformance compared with the MOEX Russia Index was made by shares of Unipro, FGC UES and RusHydro.

## ELECTRIC POWER INDUSTRY NEWS

### ROSSETI and Interfax to cooperate to strengthen payment discipline

ROSSETI's Group of Companies has started placing data on the timeliness of paying bills issued by the holding for electricity transmission services provided in the SPARK-Interfax information and analytical system, where this information will be used to assess business creditworthiness.

Read full text: [http://www.rosseti.ru/press/news/index.php?ELEMENT\\_ID=34605](http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=34605)

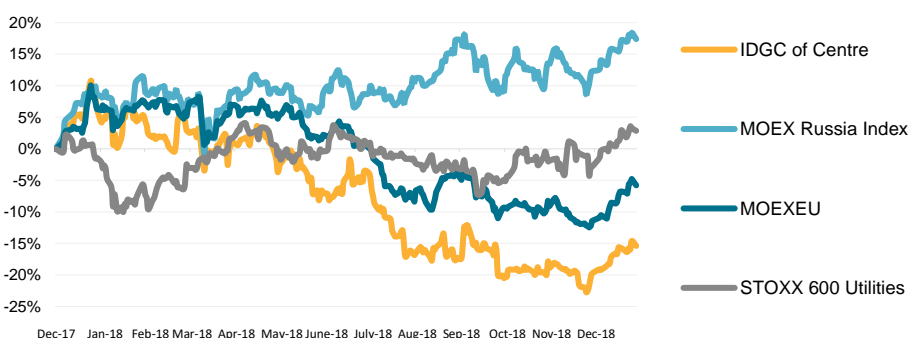
## COMPANY NEWS

### In 2018 the number of people willing to connect to grids of Smolenskenergo, without leaving home, increased almost 7.5 times

In 2018, in the Smolensk region, 3,590 applicants used the service of connection to grids of IDGC of Centre - Smolenskenergo division remotely, while a year earlier only 482 calls were received remotely. Using the company's interactive services, the consumer not only saves time when submitting and receiving documents, but also remotely monitors the conclusion and execution of the grid connection agreement, receiving constant feedback on all issues that arise.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/67120/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 476,81	-0,86%	4,54%
S&P 500	2 643,85	-0,78%	5,47%
FTSE 100	6 747,10	-0,91%	0,28%
DAX	11 210,31	-0,63%	6,17%
DJStoxx 600	354,38	-0,97%	4,95%
Nikkei	20 649,00	-0,60%	3,17%
Sensex	35 656,70	-1,02%	-1,14%
CSI300	3 183,78	-0,02%	5,75%
Bovespa	95 443,88	-2,29%	8,60%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	65,92	-0,13%	-5,12%
EURO/RUB	74,63	-0,53%	-6,08%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 303,36	-0,14%	1,63%
Brent*, USD/bbl	59,93	-2,77%	11,39%

\* - March futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3012	12,72	192,91
IDGC of Centre & Volga Reg	0,2717	30,62	464,52

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-0,41%	5,07%
MOEXEU Index	-1,10%	6,34%
IDGC of Centre**	-0,66%	5,31%
IDGC of Centre and Volga Region**	-0,51%	2,53%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-0,10%	25,34%
FGC UES	-1,38%	9,37%
IDGC of Volga	-0,89%	8,16%
MOESK	-0,98%	7,58%
IDGC of Northern Caucasus	-0,14%	2,14%
IDGC of North-West	-1,71%	3,78%
IDGC of Urals	-1,59%	7,15%
IDGC of Siberia	0,81%	33,66%
IDGC of South	-2,45%	16,99%
Lenenergo, ordinary shares	-0,85%	10,21%
TRK, ordinary shares	0,00%	20,13%
Kubanenergo	2,37%	23,77%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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**Tickers**  
Moscow Exchange (MOEX)  
Bloomberg  
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**MRKC**  
**MRKC:RM**  
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