

DAILY MARKET REVIEW

22 November, Wednesday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 21 November some positive external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with an increase of 0.1-0.3% on expectations of a successful resolution of the parliamentary crisis in Germany. On Monday President of Germany urged the parties to return to the negotiating table and resume cooperation, thus preventing the holding of early parliamentary elections. Following the US markets, the composite index of the Asia-Pacific region MSCI Asia Pacific added more than half a percent. An additional positive factor for Asian companies was the weakening of local currencies against the dollar. January Brent futures traded near the mark of \$62.3 per barrel, \$0.7 higher than the closing level on 20 November. Quotes were supported by statements of oil ministers of Iranian and the UAE who, following Saudi Arabia, expressed confidence that the term of the agreement on limiting oil production will be extended at the upcoming OPEC+ meeting in late November.

On Tuesday the Russian market was dominated by buyers in the recovery of global demand for risky assets – in the middle of the day the MICEX Index and the index of emerging markets MSCI EM added more than a percent. Support for investors, among other things, was provided by expectations of maintaining a soft policy of the world's leading central banks. In particular, on Monday the head of the ECB said that the Eurozone's economy, despite the "strong and comprehensive growth", still needs large amounts of monetary stimulus, as inflation remains too weak. The driver of the MICEX Index rise was proxy securities of the Russian market – shares of Sberbank, which updated the historical record, and shares of Gazprom. At the end of the day Russian investors were supported by more than a half-percent increase in US indices, playing back good statistics – in October sales in the secondary housing market rose to a maximum since June, the rate of increase was the highest since March.

During the trading session the MicexPWR Sector Index looked significantly worse than the market. Against the backdrop of the return of investors' interest in the first-tier securities profits were recorded in shares of energy companies after a steady growth on Monday. The main contribution to the final MicexPWR decline in antiphase with the MICEX Index was made by shares of FGC UES and Rosseti.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti" can provide investors with a strategic development plan in 1H2018

"Rosseti" is preparing a new strategic development plan that can be presented to investors in the first half of 2018, according to a review by BCS on the results of the Annual Utilities Day held by experts.

Read full text: <http://www.bigpowernews.ru/news/document80657.phtml>

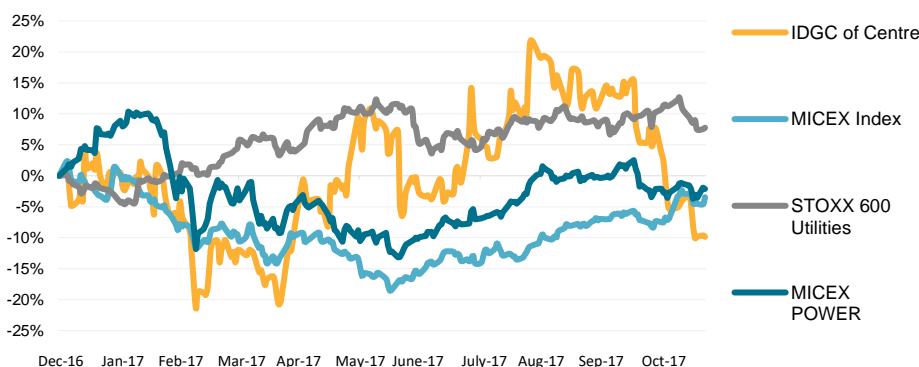
COMPANY NEWS

IDGC of Centre and IDGC of Centre and Volga Region in the run-up to winter conduct large-scale unscheduled exercises in the regions to eliminate mass outages

Power engineers of IDGC of Centre and IDGC of Centre and Volga Region are preparing for the winter. Before the cold weather in all branches of the companies (operating in 20 regions of the Central Federal District and the Volga Federal District) large-scale unscheduled exercises are underway to eliminate massive power outages caused by unfavourable weather conditions. Activities are organized to increase the efficiency and effectiveness of emergency recovery work. In the course of them, the power engineers are working out cooperation to eliminate emergency situations with regional crisis management centres for ensuring security of electricity supply, regional offices of the EMERCOM of Russia, executive authorities of the subjects and municipalities, and other energy companies.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62419/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 155,82	1,19%	-3,44%
S&P 500	2 599,03	0,65%	16,09%
FTSE 100	7 411,34	0,30%	3,76%
DAX	13 167,54	0,83%	14,69%
DJStoxx 600	388,10	0,44%	7,38%
STOXX Utilities	298,25	0,19%	7,76%
Nikkei	22 416,48	0,70%	17,28%
Sensex	33 478,35	0,36%	25,73%
CSI300	4 217,70	1,78%	27,42%
Bovespa	74 594,62	1,58%	23,86%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,17	-0,03%	11,66%
USD/RUB	59,27	-0,60%	-2,28%
Euro/RUB	69,67	-0,99%	9,17%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 280,61	0,29%	11,60%
Brent*, USD/bbl	62,57	0,56%	6,65%

* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4030
Capitalisation**, billion RUB	17,01
Capitalisation**, million USD	287,03

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,21%	-2,11%
Shares of IDGC of Centre**	-0,25%	-9,84%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,06%	-21,35%
FGC UES	-1,09%	-17,62%
IDGC of Volga	0,00%	96,34%
MOESK	-0,71%	-6,35%
IDGC of Northern Caucasus	-1,91%	-18,59%
IDGC of Centre and Volga Reg	0,23%	109,93%
IDGC of North-West	2,96%	1,27%
IDGC of Urals	0,00%	13,98%
IDGC of Siberia	-2,87%	41,58%
IDGC of South	-0,99%	-4,58%
Lenenergo, ordinary shares	0,67%	-4,45%
TRK, ordinary shares	-1,49%	-16,39%
Kubanenergo	-0,88%	-8,85%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC:RM

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