

DAILY MARKET REVIEW

24 April, Wednesday

2019



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 23 April some moderately positive external background formed on the Russian market. Major US indices closed Monday in different directions with changes within 0.2%. Investors are waiting for the continuation of the reporting season of the largest companies, which, according to analysts, may cast doubt on the validity of the current levels of the US stock market – the S&P 500 index is one step away from the record. In this regard, experts say, the current week is very important – more than 150 companies are expected to report, accounting for 35% of the capitalization of the S&P 500 index, including Microsoft, Facebook and Amazon. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.2%, with multidirectional changes of the main country indices. June Brent futures traded around \$74.1 per barrel, \$0.1 above our 22 April close. Oil prices continue to rise after the US decision on a total ban on the purchase of Iranian oil. Despite statements by the White House that Saudi Arabia and other OPEC countries will compensate for the falling Iranian volumes, investors are still concerned about the possible shortage in the global market. According to the Financial Times, Saudi leaders are now very cautious about appeals by the US after they increased production last November in anticipation of imposing sanctions on Iran, but when Washington unexpectedly gave a delay to eight countries, the resulting supply surplus led to a sharp drop in oil prices to \$50 at the end of December.

In the first half of the day, the MOEX Russia Index updated the historical record for growing oil. At the same time, buyers' activity was limited by uncertain trends of European markets and futures for US indices. In the second half of the day, profit-taking started on the Russian market after the reversal of Brent quotes from daily highs. According to analysts at Goldman Sachs, the US decision on the Iranian oil will have a limited impact on oil quotes, although it probably caught the energy market participants by surprise. The MOEX Russia Index closed trading near zero, despite improved sentiment in the Western markets on news from the US, where strong reports from a number of large companies were published and good statistics came out – sales of new buildings in March increased to a maximum since November 2017.

During the trading session, the electric utilities sector index outperformed. The main contribution to the final MOEXEU outperformance in comparison with the MOEX Russia Index was made by shares of Inter RAO and ROSSETI. Inter RAO's shares were supported by Interfax's information that the Ministry of Finance proposes to bring dividend payments of the company in the current year to 50% of IFRS net profit for 2018, and a message from analysts at VTB Capital about a possible increase in the weight of Inter RAO's shares in the MSCI Russia index following the May revision.

ELECTRIC POWER INDUSTRY NEWS

ROSSETI plans to implement pilot projects under the digitalization program in 2019

ROSSETI plans to implement pilot projects under the digital transformation program of the electric grid complex in 2019. This was told reporters during a trip to Grozny by ROSSETI's CEO Pavel Livinskiy.

Read full text: <http://www.bigpowernews.ru/news/document87893.phtml>

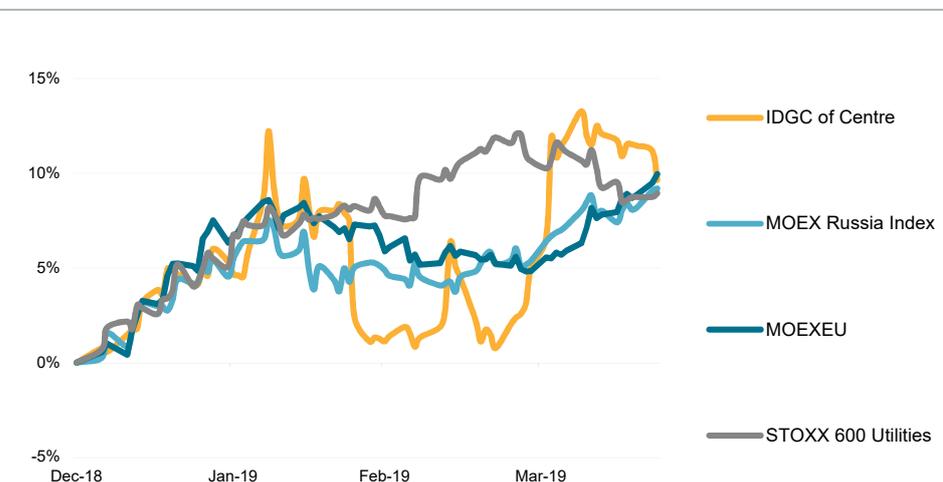
COMPANY NEWS

Belgorodenergo offers a new service

IDGC of Centre - Belgorodenergo division offers residents of the region a new service - "Technical inspection (check) of elements of the main switchboard".

Read full text: <http://www.bigpowernews.ru/press/document87889.phtml>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 587,48	0,11%	9,21%
S&P 500	2 933,68	0,88%	17,03%
FTSE 100	7 523,07	0,85%	11,82%
DAX	12 235,51	0,11%	15,88%
DJStoxx 600	391,35	0,23%	15,90%
Nikkei	22 259,74	0,19%	11,22%
Sensex	38 564,88	-0,21%	6,92%
CSI300	4 019,01	-0,16%	33,49%
Bovespa	95 923,24	1,41%	9,14%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	63,79	-0,27%	-8,18%
EURO/RUB	71,72	-0,28%	-9,74%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 272,42	0,20%	-0,79%
Brent*, USD/bbl	74,51	0,63%	38,49%

* - June futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,2769	31,21	489,23

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,18%	8,95%
MOEXEU Index	0,44%	9,97%
IDGC of Centre**	-1,38%	9,65%
IDGC of Centre and Volga Region**	-0,36%	4,49%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	2,66%	40,54%
FGC UES	-0,08%	12,21%
IDGC of Volga	0,63%	5,51%
MOESK	-0,07%	5,98%
IDGC of Northern Caucasus	6,07%	52,29%
IDGC of North-West	-0,57%	-5,05%
IDGC of Urals	-0,69%	-6,18%
IDGC of Siberia	-0,56%	109,17%
IDGC of South	0,07%	24,24%
Lenenergo, ordinary shares	-0,17%	9,26%
TRK, ordinary shares	0,00%	10,39%
Kubanenergo	-3,85%	33,20%

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
MRKC:MM