

DAILY MARKET REVIEW

18 February, Monday

2019



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 15 February some neutral external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 fell 0.3-0.4% on the failed statistics – in December retail sales decreased by a maximum of 1.2% in nine years. However, experts are not yet inclined to overestimate the significance of this data, which a number of analysts called the signal of weakening economic growth in the US. In particular, White House economic adviser Larry Kudlow noted that ten days of the shutdown in December and late purchases of Christmas and New Year gifts could have an impact on these statistics. On Friday the composite stock index of the Asia-Pacific region MSCI Asia Pacific lost about a percent. An additional negative factor for Asian markets was disappointing statistics from the PRC. The growth rate of consumer prices in China in January slowed to the lowest level for the year, while the producer prices increase was the weakest since September 2016, which once again underlines the slowdown in the rise of the second largest global economy. April Brent futures traded around \$64.8 per barrel, \$1.0 above our 14 February close. The oil market was also supported by information from the media about the suspension of production at one of the largest fields in Saudi Arabia due to an electrical equipment incident. As expected, work at the field, where the volume of production is 1.2-1.5 million barrels per day, will resume no earlier than the beginning of March.

On Friday the MOEX Russia Index increased by about one percent for most of the trading session – the Russian market was recovering after a two-day fall, triggered by the intensification of sanctions topics. The reason for the correction, including, was investors' doubts that the hard bill of the US Congress would be approved in its current form, given the fate of previous similar proposals. Against this background, traders turned their attention to external positive factors – rising oil prices and optimistic sentiments in the western markets. Brent quotes climbed to \$65.5 per barrel, the growth of the European Stoxx Europe 600 and futures for US indices was about a percent on the advance signals in the US-China trade negotiations. In particular, the Chairman of the PRC announced the achievement of important successes in the negotiations and their continuation next week. In turn, the White House also confirmed that the US and China have made progress in the negotiations.

During the day the electric utilities sector index looked better than the MOEX Russia Index due to the greater activity of buyers in the oversold first-tier securities.

ELECTRIC POWER INDUSTRY NEWS

On the "Territory of ROSSETI", in the framework of RIF-2019, issues of attracting investments in digital grid transformation projects were discussed

In the framework of the Russian Investment Forum in Sochi, on the "Territory of ROSSETI" a panel discussion was held on financing and attracting investments in digital grid transformation projects.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=34724

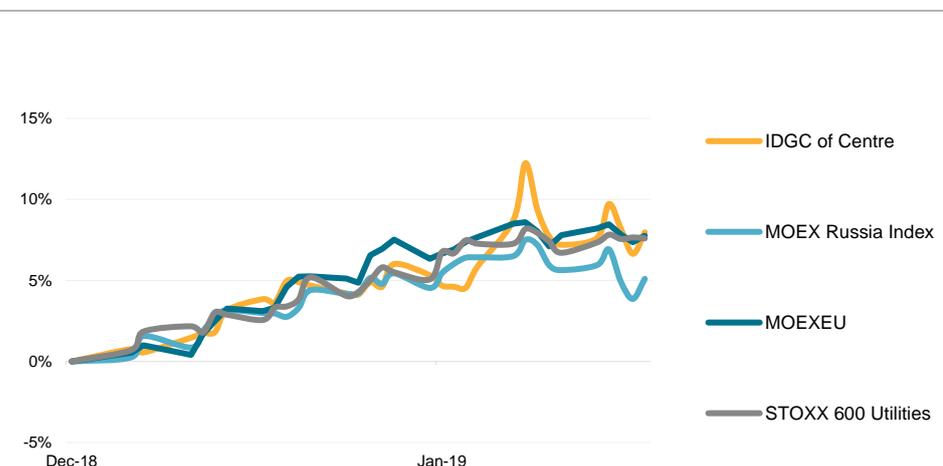
COMPANY NEWS

Igor Makovskiy: "We see a huge potential for our company in the Russian Investment Forum, and we will try to use it as fully, systematically and effectively as possible"

The delegation of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region, headed by the company's General Director Igor Makovskiy, completed its work at the Russian Investment Forum, which was held on 14-15 February in Sochi.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/67296/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 490,16	1,19%	5,10%
S&P 500	2 775,60	1,09%	10,72%
FTSE 100	7 236,68	0,55%	7,56%
DAX	11 299,80	1,89%	7,02%
DJStoxx 600	368,94	1,41%	9,27%
Nikkei	20 900,63	-1,13%	4,43%
Sensex	35 808,95	-0,19%	-0,72%
CSI300	3 338,70	-1,86%	10,90%
Bovespa	97 525,91	-0,50%	10,97%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	66,54	1,32%	-4,21%
EURO/RUB	75,05	0,89%	-5,55%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 322,49	0,76%	3,12%
Brent*, USD/bbl	66,25	2,60%	23,14%

* - April futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3088	13,04	195,92
IDGC of Centre & Volga Reg	0,2895	32,63	490,30

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-0,06%	7,60%
MOEXEU Index	0,36%	7,75%
IDGC of Centre**	1,25%	7,97%
IDGC of Centre and Volga Region**	0,94%	9,25%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	0,05%	27,66%
FGC UES	0,43%	11,40%
IDGC of Volga	0,28%	11,17%
MOESK	0,29%	6,36%
IDGC of Northern Caucasus	-0,56%	2,29%
IDGC of North-West	-1,12%	-4,32%
IDGC of Urals	2,44%	13,76%
IDGC of Siberia	2,99%	61,07%
IDGC of South	-0,39%	17,63%
Lenenergo, ordinary shares	0,00%	8,70%
TRK, ordinary shares	4,30%	25,97%
Kubanenergo	-1,86%	29,51%

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
<http://mrsk-1.com/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