



## REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 30 May some moderately negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 fell 1.2-1.6%, on Wednesday the composite stock index of the Asia-Pacific region MSCI Asia Pacific lost 1.4%. The world markets are still pressured with a threat of repeated elections in Italy, which could actually become a referendum on its membership in the Eurozone. In addition, the resumed fears of a trade war between the US and China became a negative factor for investors after Donald Trump announced his intention to announce the list of Chinese goods subject to a 25% duty by 15 June. In turn, representatives of the PRC, noting that this is contrary to the agreement reached by both parties recently, said that China is ready to take decisive measures to protect its trade interests if the US intends to "act in a one-sided, reckless manner". July Brent futures traded near \$75.3 per barrel, \$0.3 above the closing level on 29 May. A slight rise in oil quotations is due to the weakening of the dollar in the world foreign exchange market.

The MOEX Russia Index spent the trading session with low volatile flat changes near zero. The increase in Brent oil prices to \$76.5 per barrel and a slight rise in futures for US indices were offset by inexpressive trends of European indices and a percentage decline in the emerging markets index MSCI EM. Published during the day European statistics had no significant effect on the mood of investors. The consolidated confidence index in the Eurozone in May fell less than expectations, in Germany retail sales growth in April tripled the forecast. At the end of the day the mood of European investors improved after the start of trading in the US with a percentage increase in major indices. The markets were supported, among other things, by mitigated fears of a more stringent tightening of monetary policy by the US Fed after the publication of statistics from the US, where the GDP growth estimate in the first quarter was lowered to 2.2%, contrary to the forecast, the number of jobs, according to ADP, increased less than expectations. At the same time, the MOEX Russia Index closed in a small minus, ignoring both the growth of the western markets, and the rise in Brent quotes above \$77 per barrel after the weakening of the US dollar.

As a result of the trading session, the MicexPWR Index outperformed, the main contribution to the MicexPWR growth in antiphase with the MOEX Russia Index was made by shares of Inter RAO, FGC UES and Rosseti. From the current news of power grid companies, one can note the information of Interfax about the exclusion of Rosseti's ordinary shares from the MOEX Russia Index from 22 June. As Interfax reminds, these papers have been on an exclusion list since March, as their weight in the index basket has fallen below the minimum acceptable level of 0.2%.

## ELECTRIC POWER INDUSTRY NEWS

### FAS until 15 July to approve ten-year energy tariffs, says Mr. Artemiev

The Federal Antimonopoly Service (FAS) of Russia plans to approve the formula of "long" ten-year electricity and railway tariffs by 15 July 2018, the head of the department Igor Artemiev told TASS.

Read full text: <http://www.bigpowernews.ru/markets/document83171.phtml>

## COMPANY NEWS

### Belgorodenergo: the substation "Nikolskoye" to be reconstructed using elements of digitalization

IDGC of Centre - Belgorodenergo division in the current year will begin complex modernization of equipment at the 35 kV substation "Nikolskoye" in Belgorodsky district. Reconstruction of the facility will be performed using elements of digitalization. 126 million rubles without VAT were allocated for the project.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/64127/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2297,6	-0,02%	8,90%
S&P 500	2719,27	1,09%	1,71%
FTSE 100	7689,57	0,75%	0,02%
DAX	12783,76	0,93%	-1,04%
DJStoxx 600	385,49	0,27%	-0,95%
Nikkei	22018,52	-1,52%	-3,28%
Sensex	34906,11	-0,12%	2,49%
CSI300	3723,37	-2,12%	-7,63%
Bovespa	76858,41	1,03%	0,60%

Source: Bloomberg, Company calculations (19:00 MSK)

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	62,642	0,60%	8,70%
EURO/RUB	72,5269	-0,42%	5,44%

Source: Bloomberg, Company calculations (19:00 MSK)

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1303,43	0,35%	0,03%
Brent*, USD/bbl	77,22	2,43%	15,48%

\* - July futures

Source: Bloomberg, Company calculations (19:00 MSK)

Shares	Price**, ₺	MCap**, ₺ bln	
		MCap**, \$ mln	MCap**, \$ mln
IDGC of Centre	0,345	14,57	232,51
IDGC of Centre & Volga Reg	0,342	38,54	615,28

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,65%	-0,39%
MICEX POWER Index	0,48%	5,26%
IDGC of Centre**	0,58%	-3,09%
IDGC of Centre and Volga Region**	0,00%	13,36%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,91%	-2,33%
FGC UES	0,61%	12,28%
IDGC of Volga	0,76%	22,55%
MOESK	0,28%	-20,36%
IDGC of Northern Caucasus	0,30%	-14,32%
IDGC of North-West	5,41%	5,00%
IDGC of Urals	0,71%	1,43%
IDGC of Siberia	1,42%	-6,11%
IDGC of South	0,00%	5,85%
Lenenergo, ordinary shares	-0,27%	15,73%
TRK, ordinary shares	-0,93%	-13,75%
Kubanenergo	1,59%	-18,49%

Source: MOEX, Company calculations

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

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**Tickers**  
Moscow Exchange (MOEX)  
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