

# DAILY MARKET REVIEW

17 August, Thursday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 16 August some moderately positive external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed in different directions with small changes within 0.1%. The drop in shares of retailers after the publication of quarterly reports was levelled by strong statistics – retail sales in the US in July rose at the maximum rate since the beginning of the year, while the indicators for June were improved. The continuing reduction of tensions around North Korea led to a weakly positive trend in the composite index of the Asia-Pacific region MSCI Asia Pacific on Wednesday. South Korean authorities called for the resumption of talks with the DPRK, stressing that the US will need to get the country's approval for any military action on the Korean peninsula. October Brent futures traded near \$51.1 per barrel, \$0.6 above the closing level on 15 August. Positive background for quotes were data of the American Petroleum Institute, which recorded a drop in oil reserves in the country last week by 9.2 million barrels – three times more than forecasts.

Most of the trading session the MICEX Index was in a small plus within half a percent due to the stability of oil quotes near the mark of \$51 per barrel and positive sentiment on the western markets. The European Stoxx Europe 600 Index added more than half a percent, including on good statistics on the economy of the Eurozone in the second quarter – an estimate of the GDP growth in the currency block in annual terms in the second reading was revised from 2.1% to 2.2%, although experts did not expect the changes in the indicator. At the end of the day the Russian market was pressured by a decrease in the Brent price to \$50.6 per barrel after the release of ambiguous data from the US Department of Energy. On the one hand, the reduction in oil reserves in the country last week by 9 million barrels was a record since September 2016. On the other hand, oil production increased to 9.5 million barrels per day (b/s), stopping a step from the historic maximum (9.61 million b/s), the reserves at the terminal in Cushing, where the oil traded on NYMEX is stored, were increased by 1.7 million barrels. Against this backdrop, the MICEX Index closed trading 0.4% down, despite an average half-percentage increase in US and European stock indices.

During the trading session the changes of the MicexPWR Sector Index in general corresponded to the MICEX Index. The main contribution to the final decline in the sector indicator was made by shares of RusHydro and Unipro. From the current news of power grid companies, one can note the message of Moscow Exchange on the transfer from 18 August of shares of IDGC of Centre from the section "Third tier" to the section "Second tier" of the list of securities admitted to trading.

## ELECTRIC POWER INDUSTRY NEWS

### Russia was invited to join the project on the supply of energy to South Asia

Russia and Kazakhstan, which have excess capacity to generate electricity, should connect to the CASA-1000 energy project, which involves the supply of electricity from Central to South Asia, said on 16 August Chairman of the CCI committee of Kyrgyzstan, Adviser to Minister of Economics Kubat Rakhimov.

Read full text: <http://peretok.ru/news/trading/16378/>

## COMPANY NEWS

### In the first half of the year Tverenergo saved 400 thousand kWh

IDGC of Centre - Tverenergo division summed up the implementation of the energy saving and energy efficiency improvement program in the first half of 2017. The overall effect of the program implementation was 399.85 thousand kWh.

Read full text: <http://www.energostrana.ru/news/powerindustry/25936.html>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 942,88	-0,38%	-12,98%
S&P 500	2 468,11	0,14%	10,24%
FTSE 100	7 433,03	0,67%	4,06%
DAX	12 263,86	0,71%	6,82%
DJStoxx 600	379,09	0,69%	4,89%
STOXX Utilities	302,36	0,67%	9,25%
Nikkei	19 729,28	-0,12%	3,22%
Sensex	31 770,89	1,02%	19,32%
CSI300	3 701,42	-0,13%	11,82%
Bovespa	68 594,30	0,35%	13,89%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,17	-0,30%	11,27%
USD/RUB	59,93	0,21%	-1,20%
Euro/RUB	70,37	-0,41%	10,28%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 283,11	0,91%	11,82%
Brent*, USD/bbl	50,27	-1,04%	-14,52%

\* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4945
Capitalisation**, billion RUB	20,88
Capitalisation**, million USD	348,37

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,14%	-4,25%
Shares of IDGC of Centre**	-2,75%	10,63%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,80%	-19,47%
FGC UES	0,70%	-14,96%
IDGC of Volga	-0,84%	67,86%
MOESK	-0,57%	-2,90%
IDGC of Northern Caucasus	3,42%	-10,88%
IDGC of Centre and Volga Reg	0,03%	99,32%
IDGC of North-West	1,95%	4,73%
IDGC of Urals	0,00%	3,04%
IDGC of Siberia	-6,58%	33,93%
IDGC of South	-1,97%	-14,31%
Lenenergo, ordinary shares	0,60%	-9,26%
TRK, ordinary shares	0,00%	-15,97%
Kubanenergo	1,24%	-15,63%

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