

DAILY MARKET REVIEW

19 September, Tuesday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 18 September some moderately positive external background formed on the Russian market. On Friday the US indices DJIA and S&P500, having updated their historical records, added 0.2-0.3%. The composite index of the Asia-Pacific region MSCI Asia Pacific, mainly due to the 1.4% growth of the Hong Kong and South Korean indices, rose on Monday by a percent, the maximum rate for two months, and approached a record value since December 2016. Buyers were supported by lower expectations of the third rate increase this year in December after the publication of weak statistics from the US: in August, contrary to forecasts, retail sales decreased, and the indicators for July and June were worsened, the volume of industrial production fell at the maximum rate since 2009, the consumer confidence index in September declined, although less than expected. November Brent futures traded near \$55.7 per barrel, slightly above the closing level on Friday, 15 September. Oil quotes were fixed at the April's peaks including on the information of the oil service company Baker Hughes on the reduction of the number of operating drilling rigs in the US last week by seven units, to 749. Thus, analysts say, the indicator has been decreasing for five consecutive weeks and has demonstrated a monthly reduction for the first time since May 2016.

The MICEX Index and the European Stoxx Europe 600 Index spent the trading session on Monday in a small plus within half a percent, playing back the global growth in demand for risky assets. A limiting factor for the rise of the domestic market was the decline in Brent quotations to around \$55 per barrel. Against this background, the next update of historical records by the American indices S&P500 and DJIA at the beginning of trading in the US could not provide significant support to Russian buyers.

During the trading session the changes of the MicexPWR Sector Index in general corresponded to the MICEX Index. The main contribution to the final rise of the sector indicator was made by shares of Mosenergo and Rosseti.

ELECTRIC POWER INDUSTRY NEWS

The Russian Federation in 2018 intends to invest 6 billion rubles in the capital of Rosseti for development of grids

The Ministry of Finance proposed to add 6.011 billion rubles to the authorized capital of Rosseti in 2018 for the construction and reconstruction of power grids, follows from the draft federal budget for 2018 and for the planned period 2019 and 2020, which is published on the portal of draft normative legal acts. For 2019 it is planned to allocate 2.875 billion rubles, for 2020 - 227.190 million rubles.

Read full text: <http://peretok.ru/news/tek/16567/>

COMPANY NEWS

Belgorodenergo is the best company in the region for HR development

The government of the Belgorod region summed up the results of the regional stage of the All-Russian competition "The Russian Organization of High Social Efficiency". IDGC of Centre – Belgorodenergo division took the first place in the nomination "For development of personnel potential in organizations of the production sphere". In total, the prize winners included 24 enterprises and organizations, the top 10 became winners.

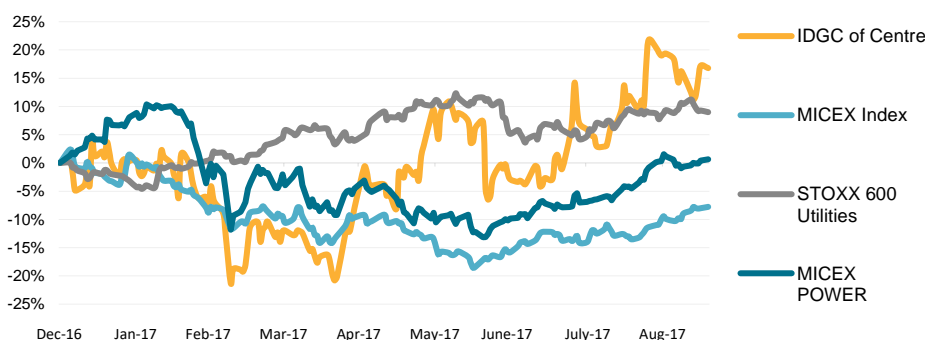
Read full text: <http://www.bigpowernews.ru/press/document79658.phtml?1&q=>

Total overdue debt of Smolenskenergo's consumers amounted to 1.8 billion rubles

IDGC of Centre – Smolenskenergo division held the eighth meeting of the financial commission this year under the chairmanship of the director of the branch, where the payment discipline of consumers for the half-year of 2017 was reviewed.

Read full text: <http://energycluster.ru/PressReleaseenergycluster/PressReleaseShow.asp?ID=651030>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 059,08	0,26%	-7,78%
S&P 500	2 503,87	0,15%	11,84%
FTSE 100	7 253,28	0,52%	1,55%
DAX	12 559,39	0,32%	9,39%
DJStoxx 600	381,95	0,33%	5,68%
STOXX Utilities	301,64	-0,26%	8,99%
Nikkei	19 909,50	0,00%	4,16%
Sensex	32 423,76	0,47%	21,77%
CSI300	3 843,14	0,31%	16,10%
Bovespa	75 990,41	0,31%	26,17%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,19	-0,09%	13,47%
USD/RUB	57,53	-0,41%	-5,15%
Euro/RUB	68,58	-0,17%	7,47%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 307,44	-0,97%	13,94%
Brent*, USD/bbl	55,48	-0,25%	-5,60%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,5220
Capitalisation**, billion RUB	22,04
Capitalisation**, million USD	383,04

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,24%	0,67%
Shares of IDGC of Centre**	-0,38%	16,78%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	1,73%	-2,26%
FGC UES	-0,03%	-14,49%
IDGC of Volga	-1,39%	103,39%
MOESK	1,94%	-0,33%
IDGC of Northern Caucasus	-2,56%	-13,83%
IDGC of Centre and Volga Reg	1,38%	123,99%
IDGC of North-West	-0,32%	13,82%
IDGC of Urals	0,00%	17,93%
IDGC of Siberia	2,56%	58,18%
IDGC of South	0,67%	-13,55%
Lenenergo, ordinary shares	2,22%	0,27%
TRK, ordinary shares	-0,74%	-14,92%
Kubanenergo	4,61%	-16,55%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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Bloomberg

Reuters

MRKC

MRKC:RM

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