

DAILY MARKET REVIEW

30 October, Tuesday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 29 October some moderately negative external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with a decline of 1.2-1.7%. The markets were pressured by weak quarterly reporting and forecasts of technology giants Amazon and Google. As MarketWatch noted, investors are concerned that corporate profits may have peaked, and further decline is due, including thanks to a slowdown in global economic growth and rising interest rates. On Monday the composite stock index of the Asia-Pacific region, MSCI Asia Pacific, lost 0.3% after a sharp decline in the Chinese market. The CSI300 index fell 3% due to sales in shares of the consumer sector on weak reporting of a number of large companies in the industry and data on slowing growth in profits of industrial enterprises of China in September for the fifth month in a row. December Brent futures traded near \$77.2 per barrel, \$0.2 below our closing level on Friday, 26 October. Negative background for the quotes was the message of the oilfield services company Baker Hughes about the growth of operating oil rigs in the US up to a maximum since 2015.

On Monday global stock markets were adjusting upward after active sales on Friday due to the return of investors' demand for risky assets. In the middle of the day the rise in the MOEX Russia Index and futures on US indices was more than 1%, the index of emerging markets MSCI EM increased by 0.5% and the European Stoxx Europe 600 Index by 1.5%. Traders were also supported by media information that China plans to cut the tax on the purchase of cars two times and good reporting of European banks. An additional positive factor for European investors was the decision of the S&P agency not to lower the credit rating of Italy, but to be limited to the downgrade of the rating outlook from "stable" to "negative". In general, analysts expect the market volatility to remain at least until the results of the elections to the US Congress on 6 November become known.

At the end of the trading session the MicexPWR Sector Index outperformed. Shares of Inter RAO, Unipro and RusHydro made the main contribution to the MicexPWR advanced growth in comparison with the MOEX Russia Index.

ELECTRIC POWER INDUSTRY NEWS

Rosseti reached 100% transparency of procurement procedures

This was announced by Director of the Procurement Department of Rosseti, Yury Zafesov, during a meeting with business representatives at the "Business Leaders' Club" breakfast. "100% of all procurement procedures in the energy sector occur electronically, with about 60% of the total volume of purchases from small and medium-sized businesses," stressed Yury Zafesov.

Read full text: http://www.rosseti.ru/press/news/?ELEMENT_ID=34191

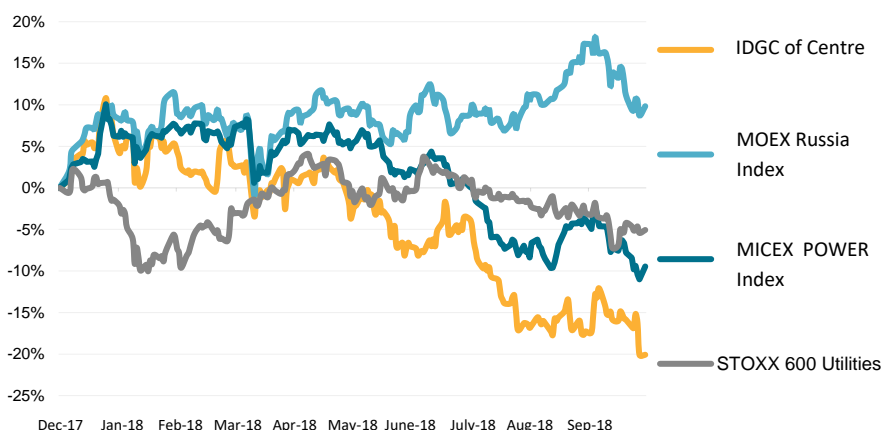
COMPANY NEWS

Plenipotentiary Representative of the President of the Russian Federation in the Volga Federal District Igor Komarov held a working meeting with General Director of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy

The parties discussed the activities of IDGC of Centre and Volga region in the Volga Federal District. In particular, Igor Makovskiy introduced Igor Komarov to the company's plans for the development of digital technologies in the regions of its presence. For five years, the volume of digitalization of the grid complex of the company in the Volga Federal District is planned to be increased by 37.7% in 2022. Digitalization and grid automation make it possible to reach a qualitatively new level of solving basic problems in the field of reliability, availability and efficiency of the electric grid infrastructure.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/66285/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 317,06	1,04%	9,83%
S&P 500	2 641,25	-0,66%	-1,21%
FTSE 100	7 026,32	1,25%	-8,60%
DAX	11 335,48	1,20%	-12,25%
DJStoxx 600	355,51	0,90%	-8,65%
Nikkei	21 149,80	-0,16%	-7,09%
Sensex	34 067,40	2,15%	0,03%
CSI300	3 076,89	-3,05%	-23,67%
Bovespa	83 796,71	-2,24%	9,68%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	65,63	-0,17%	13,89%
EURO/RUB	74,67	-0,43%	8,55%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 229,42	-0,33%	-5,63%
Brent*, USD/bbl	77,34	-0,36%	15,66%

* - November futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2845	12,01	183,00
IDGC of Centre & Volga Reg	0,285	32,12	489,36

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,38%	-5,07%
MICEX POWER Index	1,75%	-9,45%
IDGC of Centre**	0,00%	-20,08%
IDGC of Centre and Volga Region**	1,97%	-5,54%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,49%	-17,32%
FGC UES	2,01%	-6,20%
IDGC of Volga	0,45%	-2,14%
MOESK	1,03%	-23,36%
IDGC of Northern Caucasus	1,77%	-25,00%
IDGC of North-West	1,62%	20,96%
IDGC of Urals	1,18%	-17,90%
IDGC of Siberia	-1,20%	-27,95%
IDGC of South	-0,15%	9,03%
Lenenergo, ordinary shares	1,01%	14,38%
TRK, ordinary shares	1,95%	-15,36%
Kubanenergo	-0,80%	-36,48%

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