

# DAILY MARKET REVIEW

13 April, Thursday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 12 April some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed with a slight decline of 0.1%, the composite stock index of the Asia-Pacific region MSCI Asia Pacific lost on Wednesday about 0.5% after the Japanese Nikkei 225. The concern of investors is the growth of geopolitical tensions in the world, mainly due to the US activity – the US continues to take a tough stance on Syria, and Donald Trump said that his country intends to solve the problem of North Korea, either with the help of China, or independently. Reflecting the departure of investors from risks was the growth of the cost of US government bonds to the maximum values this year and the strengthening of the yen to the dollar to a maximum in five months. June Brent futures traded near the mark of \$56.4 per barrel, \$0.8 higher than the closing level on 11 April. Support for oil prices, which had been rising for the seventh consecutive trading session, was given by a source of WSJ about Saudi Arabia's interest in extending the OPEC+ deal for another six months, as well as data from the American Petroleum Institute, which indicated a 1.3 million barrels reduction in US oil reserves.

A half-percentage increase in the MICEX Index at the beginning of trading, due to rising oil and positive changes of European sites amid good start of the corporate reporting season, was replaced by a percentage decline in the middle of the day. Investors were cautious about the results of the talks between the US Secretary of State and the head of the Russian Foreign Ministry and the meeting of the US Secretary of State with the Russian president. The day before, the White House accused Moscow of trying to protect Assad from accusations of using chemical weapons, in turn, the Russian Foreign Ministry noted that Russian-American relations are going through the most difficult period since the end of the Cold War. In the second half of the day, the fall of the MICEX Index exceeded 1.5% – an additional negative factor for Russian investors was the decline in oil prices to around \$56 per barrel. The oil market was pressured by a number of factors: the US Department of Energy reported on the eighth consecutive week of oil production growth in the country, lowered oil price forecasts and raised production forecasts in the country for 2017-2018, OPEC increased production forecast by countries outside the cartel by 180 thousand barrels per day (b/s) in 2017 with an increase in the forecast for demand by only 10 thousand b/s.

During the trading session the changes of the MicexPWR Sector Index in general corresponded to the MICEX Index. The main contribution to the final MicexPWR decline was made by shares of RusHydro and Unipro.

## ELECTRIC POWER INDUSTRY NEWS

### Tariffs keep pace with inflation

Most tariffs of natural monopolies should be indexed in the next three years at an inflation rate of 4%. Such proposals are contained in the materials of the FAS and the Ministry of Economic Development. Neither the population nor the infrastructure state companies have any special allowances on the eve of the presidential elections.

Read full text: <https://www.gazeta.ru/business/2017/04/12/10624385.shtml#page1>

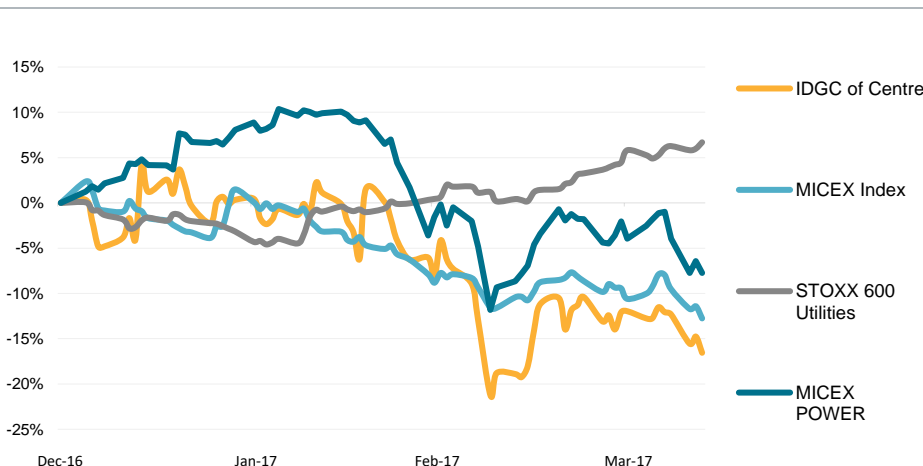
## COMPANY NEWS

### "Voronezhenergo" in 2017 to spend 1.6 billion rubles on grids development

The volume of financing of the investment program of IDGC of Centre - Voronezhenergo division for 2017 is more than 1.59 billion rubles, said Acting Deputy General Director of IDGC of Centre - Voronezhenergo division director Vyacheslav Antonov to reporters on Wednesday.

Read full text: <http://www.interfax-russia.ru/Center/news.asp?id=823503&sec=1679>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 971,23	-2,43%	-11,71%
S&P 500	2 357,16	0,07%	5,29%
FTSE 100	7 348,94	-0,01%	2,89%
DAX	12 200,52	-0,20%	6,27%
DJStoxx 600	381,25	0,00%	5,49%
STOXX Utilities	292,85	-0,44%	5,81%
Nikkei	18 797,88	0,71%	-1,66%
Sensex	29 575,74	-0,44%	11,08%
CSI300	3 505,64	-0,34%	5,91%
Bovespa	64 649,82	0,09%	7,34%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,06	0,08%	0,79%
USD/RUB	56,92	0,86%	-6,16%
Euro/RUB	60,57	0,81%	-5,08%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 254,68	0,01%	9,34%
Brent*, USD/bbl	55,98	1,34%	-4,21%

\* - June futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3775
Capitalisation**, billion RUB	15,94
Capitalisation**, million USD	279,99

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-3,96%	-7,75%
Shares of IDGC of Centre**	-3,70%	-15,55%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,22%	-22,20%
FGC UES	-0,32%	-14,54%
IDGC of Volga	0,74%	9,38%
MOESK	-1,05%	4,90%
IDGC of Northern Caucasus	-4,51%	-23,13%
IDGC of Centre and Volga Reg	-0,06%	4,73%
IDGC of North-West	-4,09%	-18,91%
IDGC of Urals	-6,57%	-17,93%
IDGC of Siberia	-5,80%	-26,28%
IDGC of South	-4,47%	-30,73%
Lenenergo, ordinary shares	0,70%	-8,17%
TRK, ordinary shares	0,00%	-10,08%
Kubanenergo	-3,45%	-0,23%

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