

# DAILY MARKET REVIEW

1 March, Wednesday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 28 February some moderately positive external background formed on the Russian market. On Monday the US indices DJIA and S&P500 updated their historical highs, gaining 0.1%. The rise of the stock markets was led by the defense sector, which was supported by Donald Trump's statement that he intends to increase the defense expenditure by more than 9%. On Tuesday the main country indices of the Asia-Pacific region did not show a single trend – investors took a wait in anticipation of the US president speaking in Congress, where Donald Trump may disclose details of the US economy stimulus plan. April Brent futures traded at \$56.1 per barrel, or \$0.1 less than the closing level on 27 February. The oil market is still flat for the third month in a narrow price range – experts note the balance of two factors: the implementation of agreements on reduction of production by OPEC+ countries with the possibility of prolongation of the agreement against the record reserves of oil in storage and production gain in the US.

The Russian market still has active sales – on the daily lows the MICEX Index losses, dropping to the levels of mid-November of last year, reached 1.5%. This month, writes Bloomberg, the MICEX Index showed a sharper drop than any other world stock indicator, in the background of the weakening optimism regarding the prospects of easing sanctions under President Donald Trump. In addition, analysts say, Russia's assets continue to follow the general revaluation of the oil and gas sector stocks in global markets – the sectoral indices of the energy industry (S&P Energy and MSCI Oil&Gas) have fallen 8-9% since the beginning of the year, which is comparable to the loss of the MICEX Index. The experts point out that foreign investors have not yet turned away from Russia: there is no outflow from the bond market – the main object of attraction of non-residents, and against this background the cooling of interest in Russian securities may be considered as temporary. At the end of the day the MICEX Index played a third of the losses back after the neutral start of trading in the US, where investors waiting for Donald Trump's speech in Congress chose to ignore released worse than expected statistics on the GDP changes in the fourth quarter.

At the end of the trading session the oversold in recent days MicexPWR Sector Index looked significantly better than the market. The main contribution to the final growth of the index was made by shares of Inter RAO and FGC UES. The MicexPWR trend during the day was very high volatile: the drop in early trading reached almost 6%, in the second half of the day the growth exceeded 2.5%. The main source of this volatility was changes in "heavy" index securities – shares of Inter RAO UES, FGC UES, RusHydro and Rosseti, the range of the daily fluctuations of which was 31%, 15%, 20% and 11%, respectively.

## ELECTRIC POWER INDUSTRY NEWS

### Ministry of Economic Development proposes to reduce tariffs of electric grid companies for effective capacity consumers

The Ministry of Economic Development of the Russian Federation proposes to differentiate tariffs for services of electric grid companies, reducing them to consumers, efficiently utilizing grid capacity, said in an interview with RIA Novosti Deputy Minister Nikolai Podguzov at the Investment Forum in Sochi.

Read full text: <http://www.bigpowernews.ru/markets/document75640.phtml>

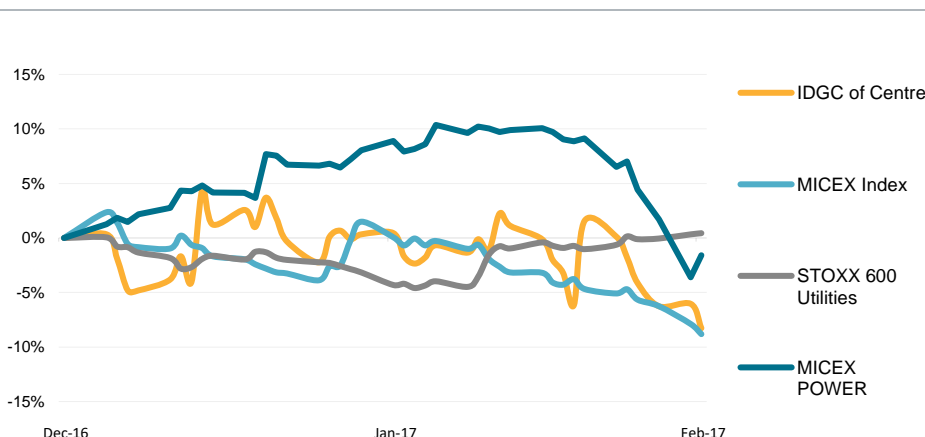
## COMPANY NEWS

### IDGC of Centre's delegation took part in the Russian Investment Forum 2017

IDGC of Centre's delegation, headed by CEO Oleg Isaev, took part in the Russian Investment Forum, which was held on 27-28 February in Sochi.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/59029/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 035,77	-1,01%	-8,82%
S&P 500	2 363,64	-0,26%	5,57%
FTSE 100	7 263,44	0,14%	1,69%
DAX	11 834,41	0,10%	3,08%
DJStoxx 600	370,24	0,19%	2,44%
STOXX Utilities	277,98	0,10%	0,44%
Nikkei	19 118,99	0,06%	0,02%
Sensex	28 743,32	-0,24%	7,95%
CSI300	3 452,81	0,19%	4,31%
Bovespa	66 662,10	0,00%	10,68%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,06	0,03%	0,86%
USD/RUB	57,94	0,80%	-4,48%
Euro/RUB	61,26	1,33%	-4,00%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 248,44	-0,34%	8,80%
Brent*, USD/bbl	56,51	0,16%	-2,64%

\* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4100
Capitalisation**, billion RUB	17,31
Capitalisation**, million USD	298,76

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	2,08%	-1,60%
Shares of IDGC of Centre**	-2,38%	-8,28%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	2,01%	-10,83%
FGC UES	3,88%	5,31%
IDGC of Volga	-3,86%	-4,46%
MOESK	-0,61%	8,46%
IDGC of Northern Caucasus	1,54%	-10,20%
IDGC of Centre and Volga Reg	-0,21%	-2,30%
IDGC of North-West	-4,07%	-14,18%
IDGC of Urals	-0,98%	-7,90%
IDGC of Siberia	0,88%	-18,04%
IDGC of South	-1,74%	-13,74%
Lenenergo, ordinary shares	2,71%	-6,99%

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](mailto:ir@mrsk-1.ru)

**Tickers**  
Moscow Exchange (MOEX)  
Bloomberg  
Reuters

**MRKC**  
**MRKC RX**  
**MRKC.MM**