

DAILY MARKET REVIEW

29 March, Friday

2019



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 28 March some moderately negative external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 decreased by 0.6-0.7%, on Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.5%, futures for American indices – within a third of a percent. Investors' concern is mainly due to growing risks of a slowdown in the global economy, which, in their opinion, is evidenced by the fall in yields of developed country government bonds and the inversion of the yield curve in the US, foreshadowing a recession in the world's largest economy. At the same time, Bloomberg writes, Goldman Sachs experts advise not to panic about this, because in relative terms, the inversion of the yield of US government securities is not as great as during the previous recessions, and may be the result of events outside the US. May Brent futures traded around \$67.6 per barrel, at our 27 March close. Since the beginning of the year, experts say, oil has risen in price by more than 30%, as OPEC+ countries have fulfilled a promise to limit supplies to the world market, and the US sanctions have reduced the exports of Iran and Venezuela. However, in parallel, uncertainty continues to increase in energy demand due to the increasing risks of weakening global economic growth.

On Thursday, trading on global stock markets was marked by uncertainty, while the MSCI World and MSCI EM indices showed sideways changes near zero during the day. On the one hand, investors were supported by expectations of progress in the US-China trade negotiations. The head of the US Treasury, who arrived in Beijing for the next round of trade negotiations, said that he was counting on productive work. In turn, the official representative of the Ministry of Commerce of China noted that there is some progress in the negotiations. In addition, the chief economic adviser to the American president Larry Kudlow said that the US may cancel some tariffs in respect of China as part of a trade deal. On the other hand, the growth potential of stock markets was limited by weak statistics, which confirmed the validity of concerns about the prospects for the global economy. The estimate of the US GDP growth in the fourth quarter was revised down from 2.6% to 2.2% after deterioration in consumer spending and business investment compared with preliminary data. In March the composite index of confidence in the Eurozone fell for the ninth consecutive month and updated the minimum since 2016, and inflation in Germany has slowed to a minimum since April last year.

At the end of the trading session, the electric utilities sector index underperformed. The main contribution to the MOEXEU decline in antiphase with the MOEX Russia Index was made by shares of FGC UES and Enel Russia.

ELECTRIC POWER INDUSTRY NEWS

Head of ROSSETI asked the government to solve the problem with the power reserve

Pavel Livinskiy, Director General of PJSC ROSSETI, appealed to the State Council to solve the problems of the industry. The manager made a statement at a meeting of the working group in the field of "Energy".

Read full text: <http://pravdaurfo.ru/news/175196-glava-rossetey-poprosil-u-pravitelstva-reshit>

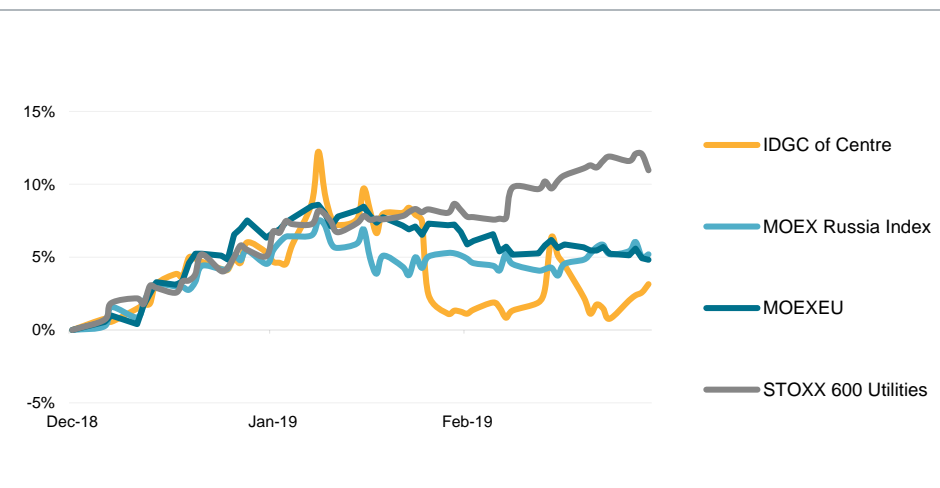
COMPANY NEWS

General Director of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy and General Director of JSC AtomEnergobyt Peter Konyushenko discussed issues of cooperation in the field of digital transformation and optimization of energy sales

General Director of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy held a working meeting with General Director of JSC AtomEnergobyt Peter Konyushenko. The heads of the energy companies discussed the organization of joint projects in terms of digital transformation, as well as prospects for optimizing energy sales in the Tver region.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/67866/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 492,40	0,20%	5,19%
S&P 500	2 815,44	0,36%	12,31%
FTSE 100	7 234,33	0,56%	7,52%
DAX	11 428,16	0,08%	8,23%
DJStoxx 600	376,84	-0,12%	11,61%
Nikkei	21 033,76	-1,61%	5,09%
Sensex	38 545,72	1,08%	6,87%
CSI300	3 728,39	-0,40%	23,84%
Bovespa	94 388,94	2,70%	7,40%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	64,59	0,66%	-7,02%
EURO/RUB	72,72	0,19%	-8,49%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 290,42	-1,46%	0,62%
Brent*, USD/bbl	67,82	-0,01%	26,06%

* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2950	12,45	192,81
IDGC of Centre & Volga Reg	0,2719	30,64	474,40

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-0,98%	10,96%
MOEXEU Index	-0,11%	4,81%
IDGC of Centre**	0,55%	3,15%
IDGC of Centre and Volga Region**	1,34%	2,60%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	0,00%	25,08%
FGC UES	-1,38%	10,86%
IDGC of Volga	0,50%	3,21%
MOESK	-0,22%	3,33%
IDGC of Northern Caucasus	-2,38%	5,43%
IDGC of North-West	1,17%	-6,67%
IDGC of Urals	0,45%	-3,14%
IDGC of Siberia	-6,52%	185,17%
IDGC of South	3,64%	30,85%
Lenenergo, ordinary shares	0,17%	11,53%
TRK, ordinary shares	0,00%	5,19%
Kubanenergo	0,60%	37,70%

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