

DAILY MARKET REVIEW

17 April, Tuesday

2018



REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 16 April some moderately negative external background formed on the Russian market. On Friday the US indices DJIA and S&P500 lost 0.3-0.5% on expectations of a missile strike by the Western coalition on Syria and the threat of a new round of trade confrontation between the US and China. The Wall Street Journal reported that at the beginning of this week the US plans to publish a list of China's exports worth \$100 billion a year, which will be subject to a 25% duty. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific was down by 0.2% mainly due to the fall of the Chinese CSI300 by 1.6%. At the same time, most of the major regional indices were in a small plus, playing out the reduced risks of an armed clash between Russia and the Western coalition in Syria. On Saturday, the US and its allies, after warning the Russian military, made a missile strike on several sites in Syria, which, according to some media, was more demonstrative, allowing the face to be preserved for all parties. After that, the US president said that "the mission was carried out," and the British foreign minister stressed that the measures taken are a one-off action. June Brent futures traded near \$71.6 per barrel, \$1.1 lower than the closing level on Friday, 13 April. Correction of oil quotations after the 8% growth last week was due to the easing of geopolitical tensions in Syria and the message of Baker Hughes, an oilfield service company, about the increase in the number of operating oil drilling rigs in the US to a maximum since early 2015.

On Monday the Russian market was dominated by sellers on expectations of expanding US restrictive measures against Russia. After the missile attack in Syria, the US permanent representative to the UN announced that the US Secretary of Treasury would announce new sanctions against Russia on 16 April, they will be directed to companies that worked "with technical equipment related to Mr. Assad and the use of chemical weapons." In the second half of the day, losses of the MOEX Russia Index reached 1.5%, shares of Sberbank and Norilsk Nickel, whose decline exceeded 6%, became the driver of the decline in the Russian market. Uncertainty over the new sanctions remained until the end of the day – according to a representative of the US presidential administration, a decision on this matter will be made "in the near future." Against this background, the MOEX Russia Index closed trading near the session lows.

During the trading session the MicexPWR Sector Index outperformed – sales were mainly concentrated in the first-tier shares. The main contribution to the conditional growth of MicexPWR (+0.03 points) in antiphase with the MOEX Russia Index was made by shares of Inter RAO, which closed the day with a 3% rise.

ELECTRIC POWER INDUSTRY NEWS

Long-term tariffs for electric grids can start operating already from 2019, says the Ministry of Energy

The Ministry of Energy of the Russian Federation expects that long-term tariffs for electric grids may start operating as early as 2019, First Deputy Energy Minister Alexey Teksler told reporters on the sidelines of the Krasnoyarsk Economic Forum on Friday, 13 April.

Read full text: <http://www.bigpowernews.ru/markets/document82549.shtml>

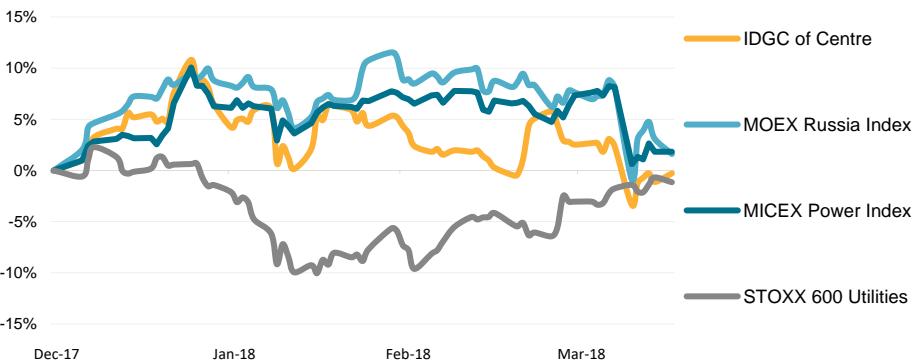
COMPANY NEWS

General Director of IDGC of Centre Oleg Isaev had a working visit to the Bryansk region

General Director of IDGC of Centre Oleg Isaev had a working visit to the Bryansk region on Friday. The head of the company checked activities of IDGC of Centre - Bryanskenergo division and held a production meeting with the company's management, during which he heard a report on the main areas of production activity and discussed priorities for this year with them.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/63676/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change per day	fr 31.12.17
MOEX Russia	2143,67	-1,45%	1,61%
S&P 500	2673,43	0,64%	-0,01%
FTSE 100	7198,2	-0,91%	-6,37%
DAX	12391,41	-0,41%	-4,07%
DJStoxx 600	377,74	-0,39%	-2,94%
Nikkei	21835,53	0,26%	-4,08%
Sensex	34305,43	0,33%	0,73%
CSI300	3808,86	-1,61%	-5,51%
Bovespa	83284,92	-1,24%	9,01%

Source: Bloomberg, Company calculations (19:00 MSK)

Currency rates	Value	Change per day	fr 31.12.17
USD/RUB	61,4311	-1,02%	6,60%
EURO/RUB	75,7507	-1,31%	10,13%

Source: Bloomberg, Company calculations (19:00 MSK)

Raw	Value	Change per day	fr 31.12.17
Gold, USD/oz	1347,38	0,15%	3,40%
Brent*, USD/bbl	71,62	-1,32%	7,10%

* - June futures

Source: Bloomberg, Company calculations (19:00 MSK)

Shares	Price**, P	MCap**, P bln	MCap**, \$ mln
IDGC of Centre	0,355	14,99	243,97
IDGC of Centre & Volga Reg	0,3187	35,92	584,67

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change per day	fr 31.12.17
STOXX 600 Utilities	-0,48%	-1,15%
MICEX POWER Index	0,00%	1,83%
IDGC of Centre**	0,85%	-0,28%
IDGC of Centre and Volga Region**	1,37%	5,63%

Source: Bloomberg, Company calculations

Grid companies	Change per day	fr 31.12.17
Rosseti, ordinary shares	-1,61%	-10,47%
FGC UES	-0,98%	3,05%
IDGC of Volga	0,00%	5,21%
MOESK	-1,54%	-21,80%
IDGC of Northern Caucasus	-0,60%	-13,54%
IDGC of North-West	2,24%	-12,12%
IDGC of Urals	-1,90%	-1,19%
IDGC of Siberia	-0,42%	3,93%
IDGC of South	1,54%	-12,04%
Lenenergo, ordinary shares	-1,23%	16,67%
TRK, ordinary shares	-1,74%	-8,89%
Kubanenergo	-0,16%	-21,17%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

MRKC

Bloomberg

MRKC:RM

Reuters

MRKC.MM