

# DAILY MARKET REVIEW

24 January, Tuesday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 23 January some neutral external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed with the growth of 0.3-0.4%, on Monday most of the major country indices of the Asia-Pacific region declined. Experts point out that in his speech during the inauguration ceremony for the US presidency on Friday Donald Trump devoted more words to the protectionist policy than the plans for the development of the economy, including tax cuts and increased spending on infrastructure. Analysts believe that the US markets are showing a greater degree of inertia in anticipation of the growth stimulus from the new president, and warn that the stock market rally after the presidential election may come to naught if Donald Trump does not specify his plans for domestic policy in the near future. March Brent futures traded near the mark of \$55.4 per barrel, or \$0.3 less than the closing level on Friday January 20th. Last weekend, OPEC and non-OPEC countries announced that they are close to the agreed reduction of production – about 1.8 million barrels per day. However, this positive piece of news was completely offset by the message of Baker Hughes that oil and gas companies in the US last week increased the number of drilling rigs in operation at the fastest pace in four years. For the week the company put into operation 29 units, and the total number reached 551 – the highest since November 2015.

Most of the trading session the MICEX Index was in more than a half-point minus. The ruble stock indicator has been decreasing for the ninth consecutive session – as noted by BCS, it is the first in the history of Russian trade case of such a long fall of the index. Our market was pressured by a negative trend in oil prices and worsening sentiment on European markets, where leaders of decline were shares of exporting companies, declining due to a weaker dollar against the euro and the pound after the protectionist statements of the new US president.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the final MicexPWR outperformance compared with the MICEX Index was made by shares of Inter RAO and FGC UES.

## ELECTRIC POWER INDUSTRY NEWS

### Ministry of Energy proposed to introduce risk-based management of power grids

The Russian Energy Ministry has submitted changes in the strategy of development of the electric grid complex of the country, which proposes to abandon the planned preventive maintenance of equipment to repair or replace the most critical equipment from a technical point of view, says the agency "Ria Novosti". The holding "Rosseti" believes that such risk-based management of the power grid complex is justified both technically and economically.

Read full text: <http://peretok.ru/news/nets/14906/>

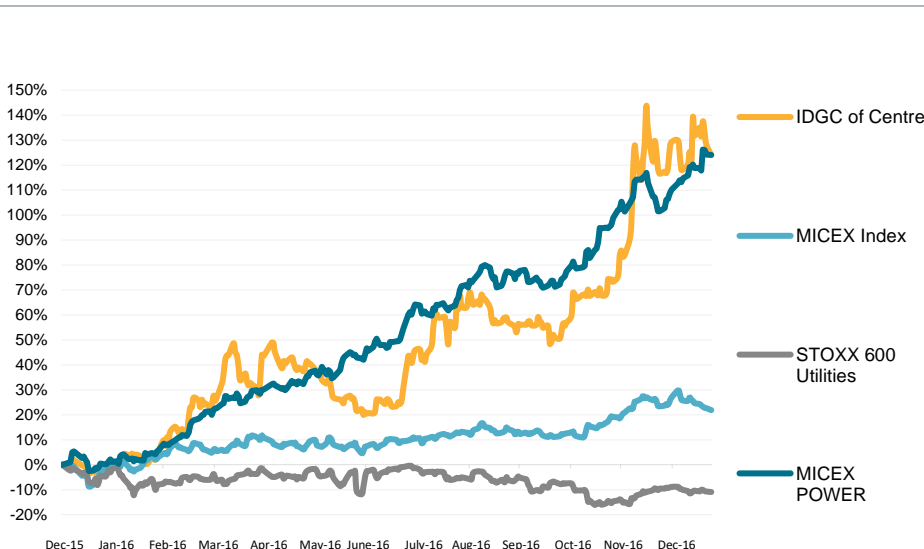
## COMPANY NEWS

### In 2017 Kurskenergo to repair over 2,500 kilometres of power lines

IDGC of Centre – Kurskenergo division completed work on formation of the repair program for 2017. 217.73 million rubles will be spent to implement activities of the document.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/58675/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 146,09	-0,64%	-3,88%
S&P 500	2 265,20	-0,27%	1,18%
FTSE 100	7 151,18	-0,66%	0,12%
DAX	11 545,75	-0,73%	0,56%
DJStoxx 600	361,01	-0,43%	-0,11%
STOXX Utilities	270,59	-0,22%	-2,23%
Nikkei	18 891,03	-1,29%	-1,17%
Sensex	27 117,34	0,31%	1,84%
CSI300	3 364,08	0,27%	1,63%
Bovespa	65 748,63	1,90%	9,17%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,07	0,22%	2,00%
USD/RUB	59,67	0,54%	-1,63%
Euro/RUB	63,73	0,87%	-0,13%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 218,23	0,65%	6,16%
Brent*, USD/bbl	55,23	-0,47%	-2,80%

\* - March futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4370
Capitalisation**, billion RUB	18,45
Capitalisation**, million USD	309,19

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,08%	6,63%
Shares of IDGC of Centre**	-1,91%	-2,24%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	0,56%	8,05%
FGC UES	1,30%	4,82%
IDGC of Volga	-3,16%	12,14%
MOESK	0,42%	6,46%
IDGC of Northern Caucasus	-0,45%	-0,45%
IDGC of Centre and Volga Reg	-2,93%	3,11%
IDGC of North-West	-3,23%	-2,00%
IDGC of Urals	-3,45%	2,13%
IDGC of Siberia	1,78%	9,32%
IDGC of South	-2,12%	-3,05%
Lenenergo, ordinary shares	-0,27%	0,36%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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### Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC  
MRKC RX  
MRKC.MM