

DAILY MARKET REVIEW

4 April, Tuesday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 3 April some neutral external background formed on the Russian market. On Friday the US indices DJIA and S&P500 fell 0.2-0.3% on ambiguous statistics and comments by representatives of the Fed. The consumer confidence index in March and consumer spending in February rose less than expected, while inflation (PCE Deflator) in February exceeded 2% in annual terms for the first time since 2012. Head of the Federal Reserve Bank of New York said that the Fed can begin to reduce its balance from the current \$4.5 trillion already this year – sooner than many economists expect, but added that the regulator is in no hurry to tighten monetary policy. On Monday the main country stock indices of the Asia-Pacific region traded in a small plus in anticipation of the forthcoming meeting of the leaders of the US and China this week. The leader of growth in the region was Japan – the Nikkei225 added 0.4% following the growth of the Tankan index (the indicator of confidence of large industrial companies) on the background of the yen weakening and rising global demand. June Brent futures traded near the mark of \$53.6 per barrel, \$0.4 higher than the closing level on Friday 31 March. Oil prices were supported by both by expectations of the extension of the OPEC+ production limitation agreement, as well as the opinion of some experts that the increase in production in the US is not going so fast to level out the positive effect of the agreement. Against this background, Baker Hughes's announcement of an 11-week increase in the number of operating oil rigs in the US, which had not happened since 2011, did not have a significant impact on the trend of trading.

On Monday the Russian market adjusted upwards after the sale on Friday – in the middle of the day the MICEX Index added about a percent. In the second half the growth rate of the MICEX Index slowed down due to pressure from media reports about the explosion in the St. Petersburg metro, a decrease in Brent to \$53.1 per barrel and worsening of sentiment on the western exchanges. The European Stoxx Europe 600 Index was trading in a small minus, despite the positive statistics – unemployment in the Eurozone in February fell to the lowest for eight years 9.5%, the Eurozone's manufacturing PMI in March rose to a maximum in six years. At the end of the day the decline in western stock indicators intensified after the publication of statistics from the US, which recorded the first in six months decline in the index of business activity in the manufacturing sector in March. Nevertheless, the Russian market could close the day with a fairly confident growth – more than 0.5% for the MICEX and RTS Indices.

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

ELECTRIC POWER INDUSTRY NEWS

Deputies proposed to imprison for theft of electricity

Deputies propose to supplement the Criminal Code with a paragraph on the theft of electricity from a power grid facility. The corresponding bill, providing for punishment of up to six years of imprisonment, was sent to the government and the Supreme Court.

Read full text: <http://www.rbc.ru/society/03/04/2017/58e1fc449a7947ce50a1fe7d?from=main>

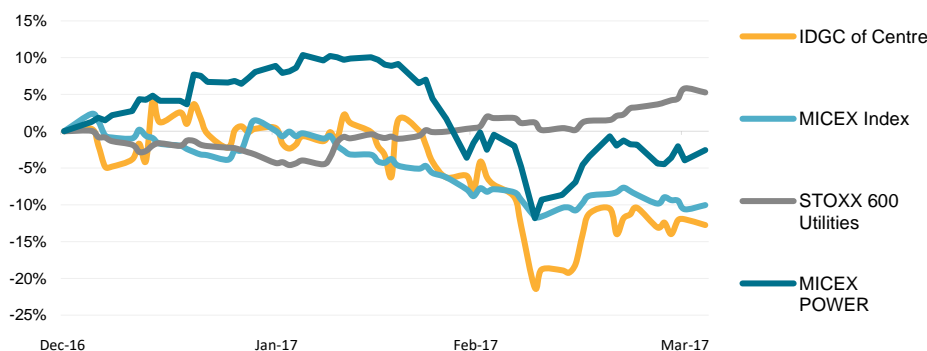
COMPANY NEWS

IDGC of Centre actively promotes the implementation of government housing programs in the regions of the Central Federal District

In 2017, IDGC of Centre continues to participate in projects that are important for the socio-economic development of regions of its service area (11 subjects of the Central Federal District).

Read full text: <https://www.mrsk-1.ru/press-center/news/company/59579/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 008,61	0,64%	-10,04%
S&P 500	2 358,84	-0,16%	5,36%
FTSE 100	7 282,69	-0,55%	1,96%
DAX	12 257,20	-0,45%	6,76%
DJStoxx 600	379,29	-0,49%	4,94%
STOXX Utilities	291,37	-0,52%	5,28%
Nikkei	18 983,23	0,39%	-0,69%
Sensex	29 910,22	0,98%	12,33%
CSI300	3 456,05	0,00%	4,41%
Bovespa	65 211,48	0,35%	8,28%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,07	0,08%	1,37%
USD/RUB	56,38	0,00%	-7,05%
Euro/RUB	60,60	0,00%	-5,04%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 253,50	0,34%	9,24%
Brent*, USD/bbl	53,12	-0,77%	-9,10%

* - June futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3900
Capitalisation**, billion RUB	16,46
Capitalisation**, million USD	292,05

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	1,47%	-2,55%
Shares of IDGC of Centre**	-0,89%	-12,75%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	1,93%	-16,26%
FGC UES	2,65%	-9,52%
IDGC of Volga	1,81%	5,27%
MOESK	-0,20%	10,80%
IDGC of Northern Caucasus	-2,12%	-16,33%
IDGC of Centre and Volga Reg	-0,25%	8,58%
IDGC of North-West	-3,75%	-16,00%
IDGC of Urals	0,65%	-6,08%
IDGC of Siberia	-4,43%	-20,07%
IDGC of South	0,25%	-24,43%
Lenenergo, ordinary shares	-0,50%	-9,36%
TRK, ordinary shares	0,00%	-10,08%
Kubanenergo	1,12%	3,56%

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

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC
MRKC RX
MRKC.MM