

DAILY MARKET REVIEW

30 March, Thursday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 29 March some moderately positive external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed with growth of 0.7%, on Wednesday the main country stock indices of the Asia-Pacific region traded in a small plus. The markets were supported by strong statistics from the US, where in March the consumer confidence index rose to a maximum since December 2000, and rising oil prices. May Brent futures traded near the mark of \$51.6 per barrel, slightly below the closing level on 28 March. The rise in oil prices stopped after the announcement of the American Petroleum Institute (API) about the growth of oil reserves in the US by almost 2 million barrels. At the same time, according to analysts, on the eve of the beginning of the automobile season, when the demand for raw materials increases many times, news about the slowdown in the growth of raw material stocks can become a strong positive driver.

The neutral start of trading on the Russian market was replaced by a near-percentage decline in the middle of the day, following worsening sentiment on the western markets, which are still under pressure of uncertainty with the implementation of the stimulus program for the US economy. An additional, though expected, negative factor for investors was the information that the British prime minister signed an official letter about starting Brexit – according to analysts, this negotiation process, which will last for at least two years, will act as a source of long-term volatility for financial markets. In the second half of the trading session, investors' sentiment improved as the price of Brent rose above \$52 a barrel after the publication of data from the Department of Energy, which recorded a significantly less increase in oil reserves than the API reported, and a reduction in forecasts of gasoline reserves.

During the trading session the MiceXPWR Sector Index looked better than the broad market. The main contribution to the final MiceXPWR outperformance in comparison with the MICEX Index was made by shares of RusHydro. Shares of Rosseti and FGC UES also closed trading better than the market, recovering from active sales of the beginning of the week. Nevertheless, the potential for corrective growth of these securities was largely limited to retaining uncertainty over dividends of electric grid companies. According to media reports, the meeting with Igor Shuvalov expected by investors on dividends of state companies did not make it clear – the first vice-premier "ordered to continue work and calculate the presented approaches". In addition, Interfax reported, the head of Rosseti said that the holding expects the completion of discussions of a new dividend approach for grid companies by 15 April.

ELECTRIC POWER INDUSTRY NEWS

Mr. Shuvalov held a meeting on dividends of state companies, the decision has not yet been made

First Deputy Prime Minister Igor Shuvalov held a meeting on dividends of state companies, which outlined the approaches of the Ministry of Economic Development and the Ministry of Finance, instructed to calculate the proposed approaches, told RIA Novosti a representative of the Secretariat of Mr. Shuvalov.

Read full text: <http://www.bigpowernews.ru/news/document76131.phtml>

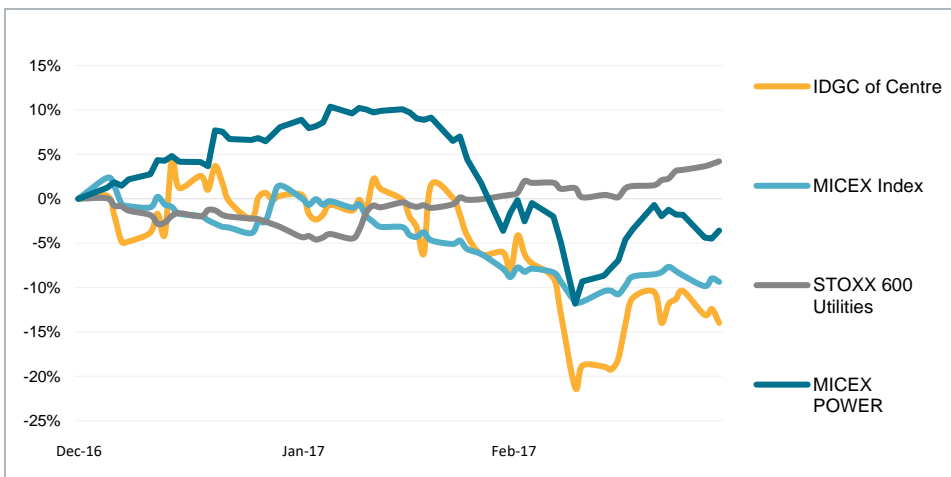
COMPANY NEWS

Tverenergo hosted a round table for large developers of the region on issues of connection to electric grids

The "Entrepreneurs' Day" took place at IDGC of Centre – Tverenergo division, in which representatives of the management of the power enterprise and the Association "SRO "Tver association of builders" took part. The theme of the event was connection of housing construction projects in the Tver region to electric grids.

Read full text: http://www.afanasy.biz/news/economy/?ELEMENT_ID=109912

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 023,71	-0,43%	-9,36%
S&P 500	2 361,13	0,11%	5,46%
FTSE 100	7 373,72	0,41%	3,23%
DAX	12 203,00	0,44%	6,29%
DJStoxx 600	378,53	0,33%	4,73%
STOXX Utilities	288,42	0,28%	4,21%
Nikkei	19 217,48	0,08%	0,54%
Sensex	29 531,43	0,41%	10,91%
CSI300	3 465,19	-0,13%	4,69%
Bovespa	65 528,29	1,37%	8,80%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,08	-0,75%	2,23%
USD/RUB	56,94	-0,15%	-6,13%
Euro/RUB	61,81	-0,24%	-3,14%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 253,45	0,13%	9,23%
Brent*, USD/bbl	52,42	2,12%	-9,68%

* - May futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3845
Capitalisation**, billion RUB	16,23
Capitalisation**, million USD	285,10

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,93%	-3,59%
Shares of IDGC of Centre**	-1,79%	-13,98%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	0,98%	-18,52%
FGC UES	1,62%	-13,73%
IDGC of Volga	0,44%	2,41%
MOESK	0,20%	12,58%
IDGC of Northern Caucasus	-0,82%	-17,46%
IDGC of Centre and Volga Reg	-0,83%	4,32%
IDGC of North-West	0,63%	-12,55%
IDGC of Urals	-0,96%	-5,47%
IDGC of Siberia	0,00%	-19,71%
IDGC of South	-1,26%	-25,00%
Lenenergo, ordinary shares	0,90%	-8,36%
TRK, ordinary shares	0,00%	-10,29%
Kubanenergo	0,70%	-1,38%

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
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