

DAILY MARKET REVIEW

23 January, Tuesday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 22 January some moderately positive external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with an increase of 0.2-0.4%. At the same time, the S&P500 updated another historic record, as, according to MarketWatch, good corporate reporting of a number of large companies outweighed the negative impact of the temporary suspension of the US government. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific was in a small minus on the information about the termination of financing of the US government due to the differences of senators on a number of budget issues. March Brent futures traded near \$68.7 per barrel, slightly higher than the closing level on 19 January. The stabilization of oil quotations near the three-year highs was promoted by the statements of OPEC+ representatives that the deal on limiting oil production could be extended even after 2018, and information from Baker Hughes on reduction in the number of operating drilling rigs in the US by 5 pieces for the week.

On Monday the Russian market was dominated by buyers – the growth of the MOEX Russia Index for most of the day was about half a percent. Problems with the financing of the US government did not have a significant impact on trends of Russian and Western stock indices. Firstly, analysts reminded, for the last 35 years, the suspension of the work of the US government had never led to serious sales in the stock market, secondly, according to media reports, on Monday lawmakers will again attempt to resolve contentious issues that prevent the adoption of a bill on financing the US government. At the end of the trading session, the MOEX Russia Index, which added a percent and updated its historical maximum, was supported by a slight increase in major US indices.

During the trading session the MicexPWR Sector Index looked significantly better than the market. The main contribution to the MicexPWR outperformance in comparison with the MOEX Russia Index was made by shares of Inter RAO, RusHydro and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Russia and Mongolia to create a working group on the supply of electricity from Buryatia

Russia and Mongolia will create a working group to discuss prospects for the supply of electricity from Buryatia to Mongolia, told reporters the head of the republic Alexey Tsydenov.

Read full text: <http://peretok.ru/news/nets/17335/>

COMPANY NEWS

Bryanskenergo in 2017 recovered more than 55 million rubles from debtors for the supplied electricity

IDGC of Centre - Bryanskenergo division conducts systematic work to reduce receivables for electric power transmission services. One of the most effective measures in this direction is claims and lawsuits.

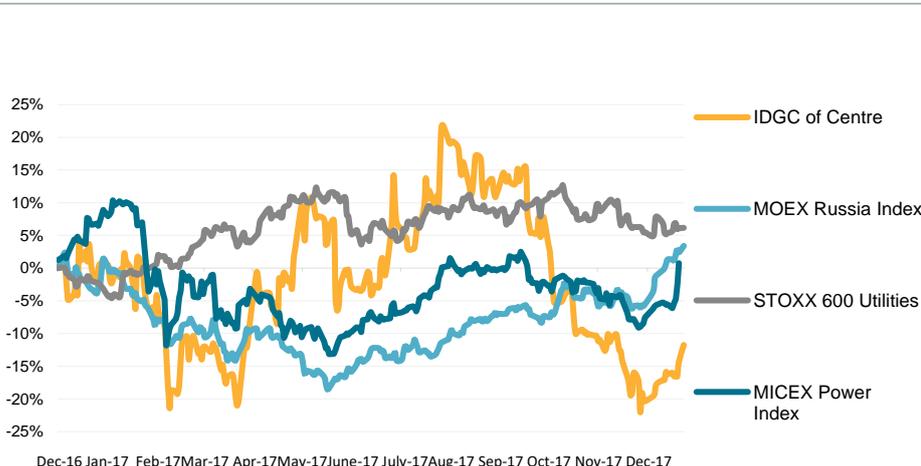
Read full text: <https://www.bryansk.kp.ru/daily/26784.5/3818594/>

IDGC of Centre supplied power to the first in the Tambov region sturgeon breeding facility

In the Tambov region, the grand opening of the first closed-type fish breeding facility in the region for breeding valuable species "Tambov sturgeon" was held. The enterprise with a design capacity of 30 tons of sturgeon, 30 tons of trout and catfish, as well as a ton of caviar a year, is located on the bank of the Tsna River in the Gorel Forestry. The power supply for it was provided by IDGC of Centre - Tambovenergo division.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62912/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 308,61	0,97%	9,43%
S&P 500	2 832,97	0,81%	5,96%
FTSE 100	7 715,44	-0,20%	0,36%
DAX	13 463,69	0,22%	4,23%
DJStoxx 600	402,11	0,31%	3,32%
Nikkei	23 816,33	0,03%	4,62%
Sensex	35 798,01	0,81%	5,11%
CSI300	4 336,60	1,19%	7,58%
Bovespa	81 675,42	0,56%	6,90%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	56,59	-0,30%	-1,80%
EURO/RUB	69,40	0,20%	0,89%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 333,92	0,16%	2,39%
Brent*, USD/bbl	69,03	0,61%	3,23%

* - March futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3945	16,65	294,31
IDGC of Centre & Volga Reg	0,3089	34,81	615,18

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,06%	6,16%
MICEX POWER Index	3,28%	10,07%
IDGC of Centre**	3,00%	10,81%
IDGC of Centre and Volga Region**	2,39%	2,39%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	4,15%	13,54%
FGC UES	2,64%	14,01%
IDGC of Volga	3,51%	6,28%
MOESK	1,28%	-3,23%
IDGC of Northern Caucasus	-1,29%	-0,52%
IDGC of North-West	1,26%	8,46%
IDGC of Urals	5,43%	15,75%
IDGC of Siberia	4,58%	9,61%
IDGC of South	1,10%	7,86%
Lenenergo, ordinary shares	3,25%	12,50%
TRK, ordinary shares	0,79%	3,23%
Kubanenergo	0,77%	-0,13%

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