

DAILY MARKET REVIEW

20 March, Tuesday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 19 March some neutral external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with a rise of 0.2-0.3% on good statistics: industrial production in February rose at a record pace since October 2017, the consumer confidence index in March peaked in 14 years. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.5% following the near one percent fall of the Japanese Nikkei225. The stock market of Japan was pressured by a decline in the rating of the government of Prime Minister S. Abe to the minimum mark since 2012 due to the scandal with forgery of documents in the Ministry of Finance of the country and the sale of land at understated prices. May Brent futures traded near \$66 per barrel, slightly below the closing level on Friday, 16 March. The restraining factor for oil prices after three days of growth was data of the company Baker Hughes, which pointed to the seventh increase in the last eight weeks in the number of operating oil drilling rigs in the US.

The MOEX Russia Index spent most of the trading session in a small minus within half a percent in the context of increasing negative sentiment on global stock exchanges. In the middle of the day, the emerging markets index MSCI EM, the European Stoxx Europe 600 Index and futures for US indices lost on average more than half a percent – experts associate nervousness in the markets with the forthcoming meeting of the Fed and possible announcement of new trade restrictions by the US. Practically none of the economists have any doubts that the Fed will raise the rate in March by another 25 basis points. At the same time, traders fear that the forecast of the Fed's leaders within the framework of "spot schedules" may change in favour of four rate increases in 2018 from the announced in December three. In addition, this week the White House can announce the introduction of duties on Chinese goods in addition to the duties on imports of steel and aluminum in the US, which take effect on Friday, 23 March. The presidential elections that took place on the weekend and the expected re-election of Vladimir Putin did not have a significant impact on the trends of the Russian market. As experts believe, the most significant for the markets now is the composition of the new government and possible personnel reshuffle. At the end of the day, sales in the Russian market intensified under pressure from more than a percentage drop in US indices.

During the day, changes of the MicexPWR Sector Index in general corresponded to the market. The main contribution to the final MicexPWR decline was made by shares of Inter RAO and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Digital technologies to be the main theme of the "Russian Energy Week" in 2018

Modernization and implementation of digital technologies into the energy sector will become the main topics of the International Forum on Energy Efficiency and Energy Development "Russian Energy Week" (REW), which will be held 2-6 October in Moscow and St. Petersburg. This is reported by the Ministry of Energy following the meeting of the organizing committee for the preparation and holding of the event.

Read full text: <http://www.bigpowernews.ru/news/document82146.phtml>

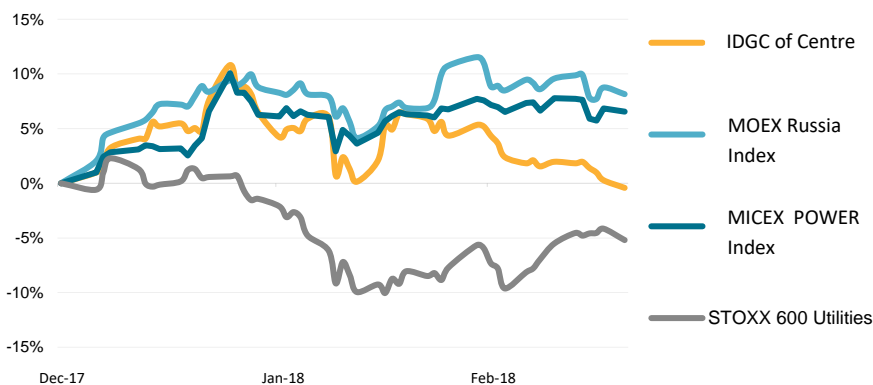
COMPANY NEWS

IDGC of Centre improves the quality of work with customers: about a million requests received in 2017

In the specified period, specialists of the unit of interaction with customers of the company accepted 963,803 customer requests. 319,484 requests were filed in person, when visiting customer service offices, the rest are sent through the Internet and the contact-centre of the company.

Read full text: <http://ieport.ru/news/287699-mrsk-centra-povyshaet-kachestvo-raboty-s-potrebitelyami-v-2017-godu-prinyato-okolo-milliona-obrashhenij.html>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 281,72	-0,56%	8,15%
S&P 500	2 712,92	-1,42%	1,47%
FTSE 100	7 042,93	-1,69%	-8,39%
DAX	12 217,02	-1,39%	-5,42%
DJStoxx 600	373,68	-1,07%	-3,98%
Nikkei	21 480,90	-0,90%	-5,64%
Sensex	32 923,12	-0,76%	-3,33%
CSI300	4 074,25	0,44%	1,08%
Bovespa	83 913,06	-1,15%	9,83%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	57,49	0,83%	-0,23%
EURO/RUB	70,81	0,42%	2,94%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 316,85	0,20%	1,08%
Brent*, USD/bbl	66,05	-0,24%	-0,06%

* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	Change	
			per day	fr 31.12.17
IDGC of Centre	0,3545	14,97		260,31
IDGC of Centre & Volga Reg	0,3320	37,42		650,77

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-1,09%	-5,20%
MICEX POWER Index	-0,27%	6,56%
IDGC of Centre**	-0,70%	-0,42%
IDGC of Centre and Volga Region**	0,15%	10,04%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-1,06%	0,04%
FGC UES	-1,23%	9,23%
IDGC of Volga	1,74%	19,29%
MOESK	-0,75%	-11,35%
IDGC of Northern Caucasus	0,00%	-8,59%
IDGC of North-West	-0,82%	-6,73%
IDGC of Urals	0,66%	9,79%
IDGC of Siberia	2,12%	5,24%
IDGC of South	0,00%	-1,34%
Lenenergo, ordinary shares	-0,99%	14,17%
TRK, ordinary shares	0,00%	-3,23%
Kubanenergo	-2,69%	-7,65%

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