

# DAILY MARKET REVIEW

11 April, Wednesday

2018



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 10 April some moderately negative external background formed on the Russian market because of the continuing foreign policy uncertainty. According to the American media, the US began to "prepare the ground" to strike at Syria in response to reports of "suspicions" that chemical weapons were used in the Syrian city of Douma, accusing the official Damascus and Russia of this. In this case, President Donald Trump on Monday evening promised to take a decision within 24-48 hours. In addition, according to Reuters, the US is considering the possibility of an international military response to the alleged chemical attack in Syria. At the same time, positive signals from external sites somewhat soften the negative mood of investors towards domestic assets. On Monday the US indices DJIA and S&P500 rose by 0.2-0.3% – the positive background from weakening fears of the outbreak of the trade war between the US and China was mostly levelled by media reports about searches conducted at Donald Trump's personal attorney's. Already after the closure of the US exchanges, the support of the markets was provided by the speech of the PRC President, who assured investors of China's desire to more actively open the country's economy to the outside world. In particular, the Chinese authorities intend to weaken the existing restrictions for the participation of foreign investors in the banking and insurance business, as well as in companies engaged in securities transactions. Against this background, the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.7% on Tuesday, futures for US indices grew by 1.4%, June Brent futures traded near \$69.6 per barrel – \$1.1 higher than our closing on 9 April.

On Tuesday the Russian market was dominated by buyers – the MOEX Russia Index added 4% in the correction after the 8% collapse on Monday, triggered by threats of expansion of US sanctions due to an exacerbation in Syria. A significant contribution to the rise of the export-focused Russian market was made by almost 4% fall of the ruble to the dollar. The domestic currency was pressured by sales on the Russian bond market with media reports on the introduction of a bill in the US Congress on the extension of sanctions on the new Russian government debt and related derivatives. In addition, it is about a ban on operations with the debt of state-owned banks (Sberbank, VTB, Gazprombank, Bank of Moscow, RSHB, Promsvyazbank, VEB). Additional support to the Russian market was provided by the rise in Brent oil prices to around \$70.8 and a percent growth of major US and European indices on easing fears of the trade confrontation between the US and China. At the end of the day, the activity of buyers on the domestic market was constrained by media reports that Donald Trump cancelled the trip to the summit in Latin America to guide the response to events in Syria and monitor the situation in the world.

During the trading session the MicexPWR Sector Index underperformed – the main purchases were concentrated in the first-tier shares that are export-focused (LUKOIL, Gazprom, Norilsk Nickel).

## ELECTRIC POWER INDUSTRY NEWS

### The Government of the Russian Federation discusses compensation for power grid companies of lost revenues

The Government of the Russian Federation is trying to solve the systemic problem of not received electricity revenues of 65 billion rubles due to a decrease in planned revenues in long-term investment tariffs (RAB tariffs).

Read full text: <http://www.bigpowernews.ru/markets/document82470.phtml>

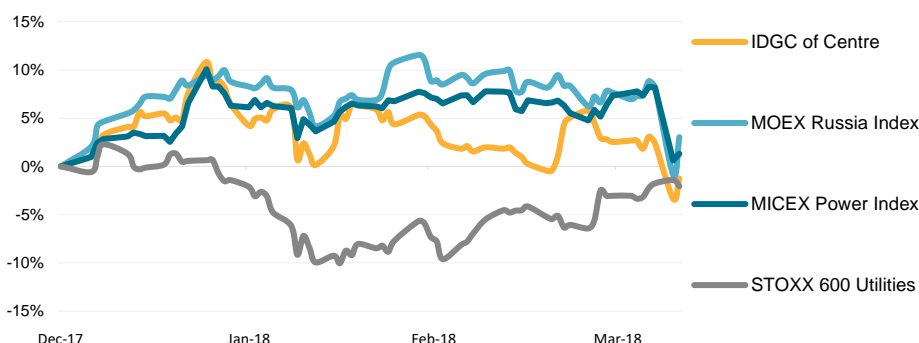
## COMPANY NEWS

### Tambovenergo's specialists for the first two months of 2018 revealed about 50 facts of illegal power consumption

IDGC of Centre - Tambovenergo division summed up the results of the work on curbing non-metered and non-contractual electricity consumption for January-February 2018.

Read full text: <http://www.energostrana.ru/news/powerindustry/26748.html>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2173,76	3,96%	3,03%
S&P 500	2650,26	1,42%	-0,87%
FTSE 100	7266,75	1,00%	-5,48%
DAX	12397,32	1,11%	-4,03%
DJStoxx 600	378,42	0,83%	-2,76%
Nikkei	21794,32	0,54%	-4,26%
Sensex	33880,25	0,27%	-0,52%
CSI300	3927,17	1,93%	-2,57%
Bovespa	84054,49	0,90%	10,02%

Source: Bloomberg, Company calculations (19:00 MSK)

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	58,5714	1,28%	1,64%
EURO/RUB	71,8847	1,67%	4,50%

Source: Bloomberg, Company calculations (19:00 MSK)

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1339,48	0,23%	2,80%
Brent*, USD/bbl	70,68	2,96%	5,70%

\* - June futures

Source: Bloomberg, Company calculations (19:00 MSK)

Shares	Price**, ₺	Change	
		MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3515	14,84	253,36
IDGC of Centre & Volga Reg	0,3155	35,56	607,06

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-0,66%	-2,06%
MICEX POWER Index	0,71%	1,32%
IDGC of Centre**	2,18%	-1,26%
IDGC of Centre and Volga Region**	-0,50%	4,57%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-0,34%	-7,35%
FGC UES	-1,52%	3,86%
IDGC of Volga	-0,14%	7,01%
MOESK	-0,28%	-21,25%
IDGC of Northern Caucasus	2,42%	-11,98%
IDGC of North-West	1,42%	-17,31%
IDGC of Urals	-1,91%	-2,15%
IDGC of Siberia	2,36%	-5,24%
IDGC of South	1,39%	-14,55%
Lenenergo, ordinary shares	1,09%	16,25%
TRK, ordinary shares	1,45%	-5,66%
Kubanenergo	-4,05%	-18,37%

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](mailto:ir@mrsk-1.ru)

**Tickers**  
Moscow Exchange (MOEX)  
Bloomberg  
Reuters

**MRKC**  
**MRKC:RM**  
**MRKC:MM**