

DAILY MARKET REVIEW

14 June, Thursday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 13 June some moderately negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed in different directions with changes within 0.2% – traders are waiting for the results of the Fed meeting, which ended the day before. The increase in the US Central Bank interest rate by 0.25 percentage points, to 1.75-2%, according to investors, is practically guaranteed, so all the attention of financial markets is directed to signals of the Federal Reserve in respect of further policy. March point projections indicate that the Fed planned to raise rates three times in 2018, but the data of the Chicago exchange allow almost 40% probability of four rate increases this year. On Wednesday futures for the US indices were in a small plus, the composite stock index of the Asia-Pacific region MSCI Asia Pacific lost a third of a percent. Of the main country indices of the region only the Japanese Nikkei 255 was in the positive area, which was supported by the weakening of the yen against the dollar on expectations of an increase in the Fed rate. August Brent futures traded near \$75.3 per barrel, \$1.4 lower than the closing level on 11 June. Quotations were pressured by media reports on an increase in oil production in Saudi Arabia and Russia in May-early June and a report of the American Petroleum Institute about growth of oil reserves in the US last week.

The MOEX Russia Index, the European Stoxx Europe 600 Index and the US index futures spent most of the trading session in low volatility sideways slightly above zero. Investors preferred to take a wait-and-see attitude before the publication of the results of the Fed meeting. In addition, meetings of the ECB and the Bank of Japan are also scheduled for this week, which are expected to announce changes in their policies. In particular, a week earlier, the ECB chief economist stated that the upcoming meeting could be decisive in determining the timing of the completion of the quantitative easing program. At the end of the day, the MOEX Russia Index fell below zero, despite the persistence of moderately positive sentiment in the western markets and the growth of Brent quotations above \$76 a barrel after the US Department of Energy published statistics, which recorded a decline in oil inventories more than expected and a reduction of stocks of petroleum products despite forecasts of analysts.

During the trading session, the MicexPWR Sector Index outperformed. The main contribution to the final MicexPWR outperformance in comparison with the MOEX Russia Index was made by shares of RusHydro and Rosseti.

ELECTRIC POWER INDUSTRY NEWS

Imitating trades were held within the framework of creation of a common electricity market of the Eurasian Economic Union

JSC "ATS", Association "NP Market Council", JSC Saint-Petersburg International Mercantile Exchange ("SPIMEX") and JSC "SO UES" on the site of the Eurasian Economic Commission (ECE) on 05-06 June 2018 carried out simulation trades within the framework of the creation of a common electricity market of the Eurasian Economic Union (EEU), says the press release of "Market Council".

Read full text: <http://www.bigpowernews.ru/markets/document83324.phtml>

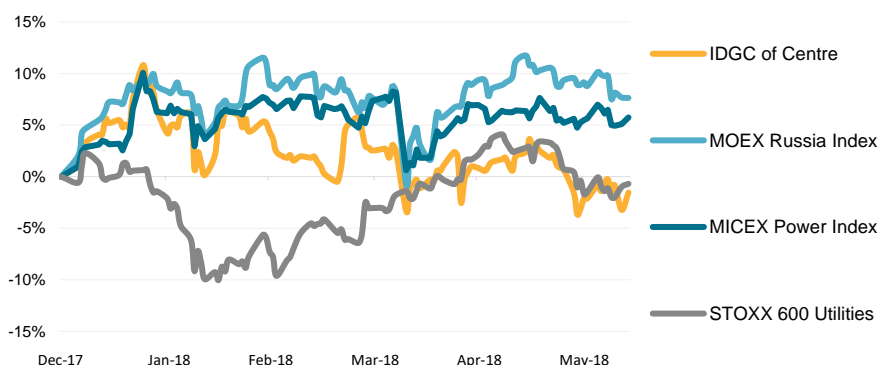
COMPANY NEWS

IT-specialists of IDGC of Centre and IDGC of Centre and Volga Region discussed actual issues of implementation of modern information technologies in production activities

A joint meeting of specialists of IT-units of IDGC of Centre and IDGC of Centre and Volga Region took place in Bryansk, where representatives of all 20 branches of the companies took part in. They discussed the results of activities for 2017 and clarified the plans for organization and development of information technologies for the future in IDGC of Centre and IDGC of the Centre and Volga Region.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/64254/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 270,73	-0,04%	7,63%
S&P 500	2 775,63	-0,23%	3,82%
FTSE 100	7 703,71	-0,44%	0,21%
DAX	12 890,58	0,37%	-0,21%
DJStoxx 600	388,25	0,08%	-0,24%
Nikkei	22 966,38	0,71%	0,88%
Sensex	35 739,16	0,72%	4,94%
CSI300	3 788,34	0,22%	-6,02%
Bovespa	72 122,13	-0,26%	-5,60%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	62,34	0,00%	8,18%
EURO/RUB	73,37	0,00%	6,66%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 299,31	-0,09%	-0,27%
Brent*, USD/bbl	76,74	0,37%	17,84%

* - August futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,3065	34,54	554,06

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,30%	-0,70%
MICEX POWER Index	0,62%	5,74%
IDGC of Centre**	1,74%	-1,54%
IDGC of Centre and Volga Region**	-1,13%	1,59%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	3,18%	1,18%
FGC UES	0,69%	13,33%
IDGC of Volga	-0,33%	19,14%
MOESK	-0,55%	-19,24%
IDGC of Northern Caucasus	1,23%	-14,06%
IDGC of North-West	-0,50%	14,42%
IDGC of Urals	-0,25%	-2,86%
IDGC of Siberia	0,00%	-6,99%
IDGC of South	0,61%	9,87%
Lenenergo, ordinary shares	4,85%	23,96%
TRK, ordinary shares	0,00%	-10,78%
Kubanenergo	0,17%	-23,09%

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
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