

DAILY MARKET REVIEW

29 December, Saturday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 28 December some moderately positive external background formed on the Russian market. The US indices DJIA and S&P500, which lost almost 3% in an hour and a half before the end of trading, closed Thursday with a rise of 0.9-1.1%, despite media reports about persistent disagreements in the US Congress over the interim budget. Analysts attribute the increased volatility to both the increased uncertainty in the markets as a whole and the decline in trading volumes during the Christmas and New Year holidays. On Friday the composite stock index of the Asia-Pacific region MSCI Asia Pacific added 0.4%, futures for US indices lost 0.3%. The Japanese Nikkei225 looked worse than others in the Asian session, having lost 0.3% due to the strengthening of the yen and weak retail sales data in November and unexpectedly increased unemployment. February Brent futures traded around \$53.3 per barrel, \$0.3 lower than our 27 December close. The quotes were pressured by a message from the American Petroleum Institute about the increase in oil reserves in the country at impressive 6.9 million barrels.

On Friday buyers dominated the Russian market, as well as on world markets as a whole. According to analysts, the nervousness in the financial markets subsided a bit, and traders began purchasing assets more active that were significantly cheaper in December. In the second half of the day, the MOEX Russia Index and the European Stoxx Europe 600 Index added more than 1.5%, the index of emerging markets MSCI EM and futures for US indices added about a percent. At the end of the day, the MOEX Russia Index reduced the rise to 1.3% – investors preferred to fix part of the profits after Brent's quotes reduced to \$52 per barrel and the inexpressive start of the American trading session.

At the end of the trading session the MicexPWR Sector Index underperformed due to sales in shares of Inter RAO and ROSSETI. The main contribution to the small MicexPWR daily growth was made by shares of FGC UES, Unipro and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

Russian President Vladimir Putin signs a law on the inclusion in tariffs of expenses for implementation of smart meters in the Russian Federation

The costs of implementing "smart meters" of electricity in the Russian Federation will be included in the tariffs and charges for connecting new customers to power grids, according to the law signed by Russian President Vladimir Putin.

Read full text: <http://www.bigpowernews.ru/news/document86228.phtml>

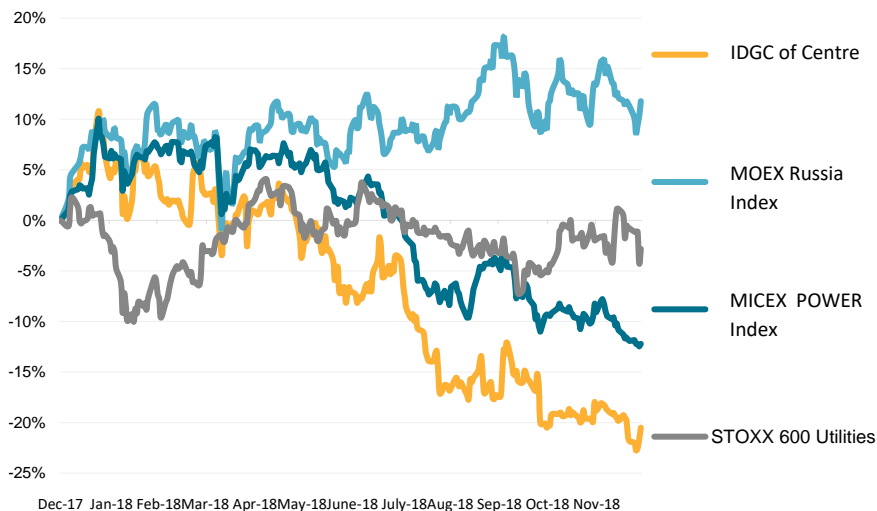
COMPANY NEWS

General Director of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy at a press conference in Interfax summed up the first hundred days of his work as the head of the company and spoke about the priorities for implementation of the digitalization "roadmap"

General Director of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy held a press conference at the press centre of the Interfax international information group, at which he summed up the first hundred days of his work as the head of the company and spoke about its key projects for the near future.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/66932/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 358,50	1,32%	11,79%
S&P 500	2 485,74	-0,12%	-7,03%
FTSE 100	6 733,97	2,27%	-12,41%
DAX	10 558,96	1,71%	-18,26%
DJStoxx 600	336,23	2,02%	-13,61%
Nikkei	20 166,19	0,00%	-11,42%
Sensex	36 076,72	0,75%	5,93%
CSI300	3 010,65	0,67%	-25,31%
Bovespa	85 697,15	0,00%	12,17%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	68,88	-0,01%	19,52%
EURO/RUB	78,39	-0,17%	13,96%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 278,27	0,20%	-1,88%
Brent*, USD/bbl	52,2	0,08%	-21,94%

* - February futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2830	11,95	173,47
IDGC of Centre & Volga Reg	0,2645	29,81	432,78

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	1,50%	-2,83%
MICEX POWER Index	0,27%	-12,23%
IDGC of Centre**	1,43%	-20,51%
IDGC of Centre and Volga Region**	0,61%	-12,33%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-1,33%	-6,90%
FGC UES	1,07%	-9,02%
IDGC of Volga	0,41%	-5,11%
MOESK	0,77%	-26,97%
IDGC of Northern Caucasus	2,62%	-26,56%
IDGC of North-West	3,08%	3,08%
IDGC of Urals	-1,83%	-12,84%
IDGC of Siberia	0,90%	-11,62%
IDGC of South	0,56%	-9,20%
Lenenergo, ordinary shares	-0,75%	10,42%
TRK, ordinary shares	0,00%	-16,98%
Kubanenergo	-0,83%	-38,78%

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