

# DAILY MARKET REVIEW

31 October, Tuesday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 30 October some moderately positive external background formed on the Russian market. On Friday the US indices DJIA and S&P500 added 0.1% and 0.8%, respectively. The growth leaders were shares of technology companies after the publication of strong quarterly reports of American IT giants, including Amazon, Microsoft and Alphabet, which contributed to the S&P500 index outperformance. In addition, strong statistics supported the markets – the US GDP growth in the third quarter exceeded the forecast and amounted to 3% in annual terms, the index of confidence in the US economy in October reached a maximum in 13 years. On Monday the main country stock indices of the Asia-Pacific region did not show a single trend. The deterioration in investors' sentiment was fueled by the sell-off in the bond markets of China due to expectations that government measures aimed at curtailing more risky forms of lending would lead to the preservation of a liquidity deficit, despite the impressive injections from the Central Bank. December Brent futures traded near \$60.6 per barrel, \$0.3 higher than our closing on Friday, 27 October. Quotations were fixed at a two-year high due to confirmation at the weekend by Crown Prince of Saudi Arabia of the idea of extending the restrictions on oil production by OPEC+ countries. An additional positive factor for oil prices was Bloomberg's information that supplies from Iraqi Kurdistan to Turkey in the volume of about 264 thousand barrels per day were suspended early Monday morning.

Most of the trading session the MICEX Index was in a small plus within half a percent due to the stability of Brent crude above \$60 per barrel and investors' demand for emerging market shares. The consolidated index of emerging markets MSCI EM added about 0.6%, including thanks to US media reports that US President Donald Trump is inclined to nominate Jerome Powell as next Fed Chairman, who is considered to be a supporter of a softer monetary policy. The European and American statistics published during the day were mostly of the expected nature and had no significant effect on the dynamics of the trades. The consolidated confidence index in the Eurozone in October soared to a maximum in almost 17 years, retail sales in Germany increased in September at the forecast level, while the growth in consumer prices in Germany in October was weaker than expected; in the US population spending rose in September at a maximum rate over 8 years. At the end of the day the MICEX Index moved to negative territory after the oil pullback from the daily peaks and the decline of US indices at the beginning of trading.

During the trading session the changes of the MicexPWR Sector Index in general corresponded to the MICEX Index. The main contribution to the small final rise of MicexPWR in antiphase with the MICEX Index was made by shares of RusHydro and preferred shares of Rosseti. The pressure on papers of IDGC of Centre and IDGC of North-West, which lost 3.7% and 5.3%, respectively, was due to publication of mixed RAS statements for nine months.

## ELECTRIC POWER INDUSTRY NEWS

### VEB considers investments in the electric power industry of more than 100 billion rubles

Vnesheconombank is considering investing in energy projects in the amount of more than 100 billion rubles, said the head of VEB, Sergey Gorkov, whose words are in the message of FGC following the signing of an agreement with VEB.

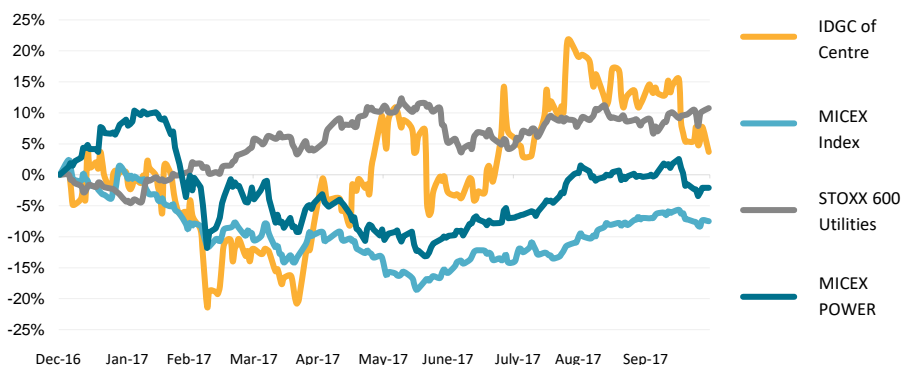
Read full text: <http://www.bigpowernews.ru/news/document80362.phtml>

## COMPANY NEWS

### IDGC of Centre for nine months recovered from debtors about three billion rubles with court decisions

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62234/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 065,25	-0,17%	-7,50%
S&P 500	2 572,83	-0,32%	14,92%
FTSE 100	7 487,81	-0,23%	4,83%
DAX	13 229,57	0,09%	15,23%
DJStoxx 600	393,91	0,12%	8,99%
STOXX Utilities	306,55	0,48%	10,76%
Nikkei	22 011,67	0,01%	15,16%
Sensex	33 266,16	0,33%	24,94%
CSI300	4 009,72	-0,30%	21,14%
Bovespa	74 800,34	-1,55%	24,20%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,16	0,19%	10,58%
USD/RUB	58,08	0,55%	-4,24%
Euro/RUB	67,53	-1,11%	5,82%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 276,29	0,23%	11,22%
Brent*, USD/bbl	60,90	0,76%	3,69%

\* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4635
Capitalisation**, billion RUB	19,57
Capitalisation**, million USD	336,90

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,02%	-2,09%
Shares of IDGC of Centre**	-3,74%	3,69%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	0,55%	-16,74%
FGC UES	-0,86%	-20,72%
IDGC of Volga	0,00%	94,64%
MOESK	-0,59%	-6,46%
IDGC of Northern Caucasus	0,79%	-13,38%
IDGC of Centre and Volga Reg	-0,41%	112,50%
IDGC of North-West	-5,26%	4,73%
IDGC of Urals	1,35%	13,98%
IDGC of Siberia	6,12%	65,83%
IDGC of South	3,59%	-0,76%
Lenenergo, ordinary shares	2,56%	-5,54%
TRK, ordinary shares	0,00%	-15,97%
Kubanenergo	0,63%	-8,62%

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