

DAILY MARKET REVIEW

15 November, Wednesday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 14 November some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with a small growth of 0.1%, the protective sector of utilities looked better than the market, shares of commodity companies were worse than the market, followed the correction of oil prices. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific lost about half a percent on weak statistics from China – in October the growth rates of industrial production and retail sales in China slowed more than economists expected, the volume of new loans fell to a minimum for the year, the decrease in sales of new buildings was the maximum for three years. January Brent futures traded near the mark of \$62.9 per barrel, \$0.6 below the closing level on 13 November. Oil prices were pressured by the forecast of the US Department of Energy, according to which the production of shale oil in the country in December will grow for the twelfth month – an increase in production by 80,000 barrels per day is expected.

The MICEX Index spent most of the trading session in a small plus within half a percent, mainly due to the resumption of the rise of "heavy" index shares of Sberbank. Activity of buyers was restrained by persistent pessimistic moods on the western markets. The Stoxx Europe 600 Index in the second half of the day lost about half a percent after negative changes of US futures and the strengthening of the euro on positive regional statistics: Germany's GDP in the third quarter grew by 2.8% y/y, better than the forecast, the Eurozone's GDP growth estimate at 2.5% coincided with the market expectations. At the end of the day, the MICEX Index fell below zero after the drop in Brent oil quotations to around \$61.7 per barrel, triggered, among other things, by the publication of the monthly IEA report. Experts of the agency lowered forecasts of oil demand in the world for 2017-2018 by 100 thousand barrels per day, explaining this by higher oil prices and relatively mild winter temperatures. Also, the IEA does not expect a balance of oil supply and demand in the world until the second half of 2018. At the same time, the agency believes that the world oil market will face a "serious challenge" in the first quarter of 2018, when the supply surplus may amount to 600 thousand barrels per day.

During the trading session the MicexPWR Sector Index looked worse than the broad market, mainly due to a decrease in RusHydro's shares. For the second day RusHydro's shares have been under pressure of information on a possible additional issue for 10 billion rubles in favour of the state for the implementation of the project of restructuring the Chukotka power system. As noted in BCS, although the volume of the potential issue is small, and the placement is likely to be held at a premium to the market, the continuation of such practices is unlikely to be positively perceived by investors.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti" plans to fully complete the digitalization of the power grid complex by 2030

"Rosseti" plans to fully complete the digitalization of the power grid complex by 2030, said the head of the company Pavel Livinsky during the visit of Russian President Vladimir Putin to the Moscow office of Rosseti.

Read full text: <http://www.bigpowernews.ru/news/document80574.php/ml>

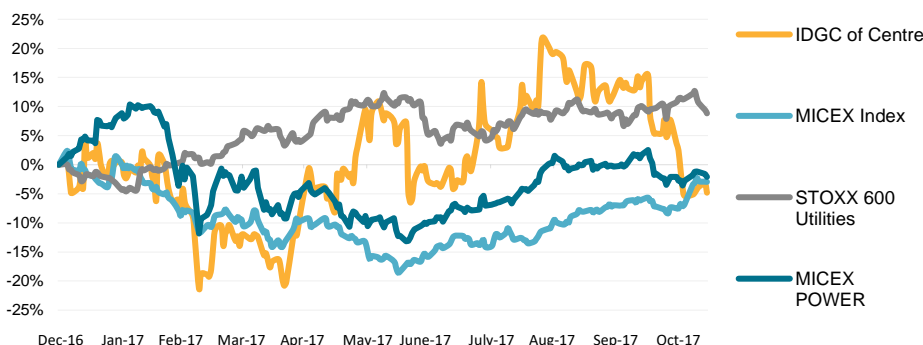
COMPANY NEWS

IDGC of Centre's specialists for nine months of 2017 received more than 700 thousand customers' requests

IDGC of Centre summed up the work with customers for 9 months of 2017. In the specified period, specialists of the unit for interaction with customers of the company received 711,160 calls from consumers. 238,046 requests were filed in person, when visiting customer service offices, the remaining requests were received through the Internet reception and contact centre of the company.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62353/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 166,83	-0,04%	-2,95%
S&P 500	2 578,87	-0,23%	15,19%
FTSE 100	7 414,42	-0,01%	3,80%
DAX	13 033,48	-0,31%	13,52%
DJStoxx 600	383,86	-0,59%	6,21%
STOXX Utilities	301,22	-0,56%	8,83%
Nikkei	22 380,01	0,00%	17,08%
Sensex	32 941,87	-0,28%	23,72%
CSI300	4 099,35	-0,70%	23,84%
Bovespa	70 826,59	-2,27%	17,60%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,18	1,02%	12,03%
USD/RUB	59,18	-0,17%	-2,43%
Euro/RUB	68,92	-0,09%	8,00%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 280,25	0,15%	11,57%
Brent*, USD/bbl	62,21	-1,50%	6,03%

* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4255
Capitalisation**, billion RUB	17,96
Capitalisation**, million USD	303,53

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,55%	-2,11%
Shares of IDGC of Centre**	-1,62%	-4,81%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,71%	-19,49%
FGC UES	-0,82%	-20,00%
IDGC of Volga	-0,74%	91,25%
MOESK	1,16%	-2,90%
IDGC of Northern Caucasus	-0,27%	-16,78%
IDGC of Centre and Volga Reg	-2,14%	110,47%
IDGC of North-West	-0,18%	0,00%
IDGC of Urals	0,53%	16,11%
IDGC of Siberia	-0,40%	50,54%
IDGC of South	-2,13%	-3,63%
Lenenergo, ordinary shares	-0,73%	-1,00%
TRK, ordinary shares	-4,08%	-15,97%
Kubanenergo	0,86%	-5,29%

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

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC
MRKC:RM
MRKC:MM