

DAILY MARKET REVIEW

16 March, Thursday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 15 March some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 fell 0.2-0.3% after the quotes of energy and airline companies. In addition to lower oil prices, MarketWatch wrote that the snowstorm in New York put pressure on the market, because of which thousands of flights were cancelled. On Wednesday the main country indices of the Asia-Pacific region closed trading without a single trend. In general, investors' attention focused on the results of the Fed meeting – against the backdrop of unambiguous market confidence in raising the rate, experts say, the main changes will be the text of the official press release and comments by Janet Yellen during the press conference concerning forecasts of the pace of tightening of monetary policy in the medium term. May Brent futures traded at \$51.6 per barrel, \$0.8 higher than the closing level on 14 March. A positive factor for oil prices was Saudi Arabia's statement that the country intends to firmly adhere to the policy of stabilizing the world market in cooperation with other producers. Additional support for quotations was provided by the data of the American Petroleum Institute, which recorded the first decrease in oil reserves in the USA in the past week by 0.5 million barrels.

The Russian market for the second consecutive day cannot decide on the direction of the movement. As on Tuesday the MICEX Index began trading almost with a percent growth, but already in the middle of the trading session lost more than 0.5%, despite the restrained optimism on the western markets and the rise in Brent to \$52 per barrel. The Stoxx Europe 600 Index, as well as futures for US indices, increased within 0.5%, led by the commodity sector in anticipation of the outcome of the meeting of the Fed. In turn, the oil quotes were supported by the IEA report, in which analysts, noting fulfillment of the agreement on limiting production by OPEC countries by 98% in January-February, suggested that if these trends persist in the first half of the year, the deficit in the market could reach 0.5 million barrels per day. Statistics published in the US on the changes of consumer prices and retail sales in February did not have a significant impact on the stock markets. Attempts to return to the positive area of the MICEX Index failed on the background of a reversal of oil prices after the release of the US Department of Energy statistics – the positive factor of decrease in reserves of oil and oil products last week was offset by a four-week increase in oil production.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the final outperformance of the sector indicator was made by shares of Unipro and Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

Power sales companies offer to stimulate the conclusion of free sales contracts for capacity

The Association of Suppliers of Last Resort and Power Sales Companies proposes to change the rules for the sale of capacity in the wholesale market to stimulate the growth of the number of free contracts for its sale, said Natalia Nevmerzhtskaya, the Association's Board Chair at the "round table" of the State Duma Committee on Energy on Monday, March 13.

Read full text: <http://www.bigpowernews.ru/markets/document75865.phtml>

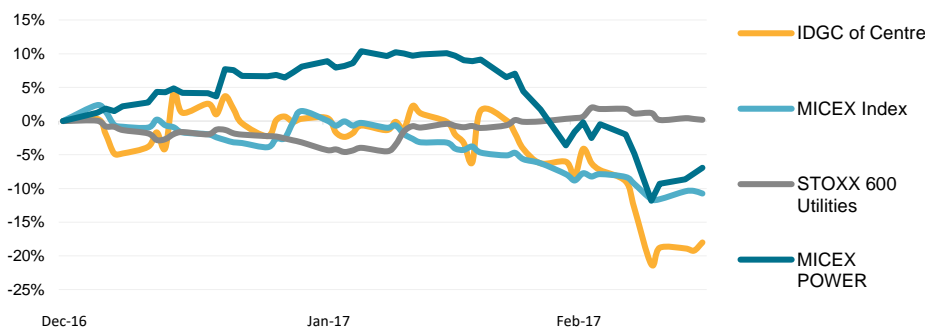
COMPANY NEWS

Tambovergo increases reliability of power supply to consumers

IDGC of Centre – Tambovergo division conducts regular work to improve the reliability of electricity supply to electricity consumers. An important place in it is given to technical measures, first of all - replacement of leads in households in the Tambov region with the use of self-supporting insulated wire (SIW).

Read full text: http://www.advis.ru/php/view_news.php?id=2CD637F6-A298-9B46-B272-7B7E316FCFC7

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 992,59	-0,43%	-10,76%
S&P 500	2 385,26	0,84%	6,54%
FTSE 100	7 368,64	0,15%	3,16%
DAX	12 009,87	0,18%	4,61%
DJStoxx 600	375,10	0,44%	3,79%
STOXX Utilities	277,28	-0,12%	0,18%
Nikkei	19 577,38	-0,16%	2,42%
Sensex	29 398,11	-0,15%	10,41%
CSI300	3 463,64	0,20%	4,64%
Bovespa	66 234,88	2,37%	9,97%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,06	0,06%	1,05%
USD/RUB	58,95	-0,30%	-2,81%
Euro/RUB	62,74	-0,82%	-1,67%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 219,88	1,73%	6,31%
Brent*, USD/bbl	51,81	1,75%	-10,73%

* - May futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3665
Capitalisation**, billion RUB	15,47
Capitalisation**, million USD	262,46

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,93%	-6,93%
Shares of IDGC of Centre**	1,52%	-18,01%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,25%	-22,56%
FGC UES	0,82%	-11,76%
IDGC of Volga	1,21%	-10,18%
MOESK	1,16%	16,82%
IDGC of Northern Caucasus	-0,27%	-15,42%
IDGC of Centre and Volga Reg	1,68%	2,50%
IDGC of North-West	3,77%	-20,00%
IDGC of Urals	-1,30%	-7,60%
IDGC of Siberia	0,32%	-24,37%
IDGC of South	1,55%	-25,00%
Lenenergo, ordinary shares	-1,13%	-12,90%
TRK, ordinary shares	-4,38%	-12,82%
Kubanenergo	1,93%	3,45%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC
MRKC RX
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