

DAILY MARKET REVIEW

30 March, Friday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 29 March some moderately positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed with a decrease in the range of 0.3% – continuing sales in the technology sector offset the positive factor of strong statistics. Shares of technology companies, which have been the growth leaders in recent years, are still pressured by risks of tightening regulation of the sector and, accordingly, a decrease in profits after a number of corporate scandals involving such giants as Facebook, Amazon and Tesla. The US GDP growth estimate in the fourth quarter of 2017 was improved from 2.5% to 2.9% in annual terms, which was better than the consensus forecast of 2.7%. A faster than expected increase in GDP at the end of last year contributed to an increase in consumer spending, accounting for 70% of the US economy. On Thursday the composite index of the Asia-Pacific region, MSCI Asia Pacific, traded near zero with mixed changes of the main country indices. May Brent futures traded near \$69.9 per barrel, \$0.9 higher than the closing level on 28 March. Oil prices rose despite the announcement by the US Department of Energy about the increase in oil reserves in the country, including at the Cushing terminal, where NYMEX traded oil is stored, and the oil production growth to the next historical maximum for weekly data. Support for quotations, according to experts, could be provided by hopes for the extension of the agreements on the limitation of oil production by the OPEC+ states within the framework of the potential conclusion of a long-term agreement between OPEC and Russia.

On Thursday the Russian market was dominated by buyers – in the second half of the day the MOEX Russia Index added about a percent after the comparable rise in the European Stoxx Europe 600 Index and futures for US indices. Positive sentiments on the western markets were also due to good statistics. In Germany, in March, unemployment fell to 5.3% – a record low since the reunification of the country in 1990, inflation accelerated to its maximum since December, 1.5%. In the US, the number of applications for unemployment benefits fell to a minimum since 1973, the consumer confidence index in March updated the record since 2004, the growth of expenditures and household incomes in February justified analysts' expectations. The trends on the western markets, including, were changed by the end of the quarter – on Friday the US and European exchanges were closed due to the Easter holidays.

During the trading session changes of the MicexPWR Index in general corresponded to the market. The main contribution to the MicexPWR increase was made by shares of Inter RAO and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

The Ministry of Finance proposes to extend for state-owned companies the dividend rate of 50% of profit under IFRS

The RF Ministry of Finance proposes to extend for 2018 the rate on the payment by state-owned companies of up to 50% of dividends from net profit under IFRS, Deputy Finance Minister Alexei Moiseev told reporters.

Read full text: <http://www.bigpowernews.ru/news/document82273.phtml>

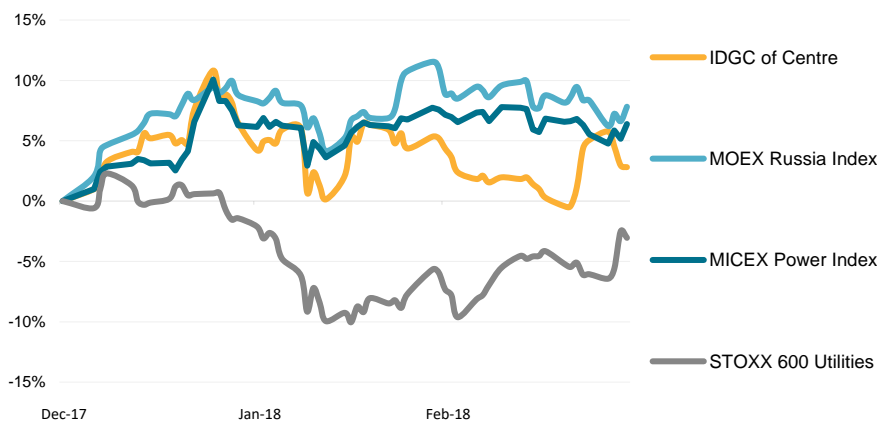
COMPANY NEWS

Lipetskenergo saved 52 million rubles with the energy saving program

IDGC of Centre - Lipetskenergo division summed up the results of the implementation of the energy saving and energy efficiency improvement program in 2017. The total effect from the implementation of energy-saving measures amounted to 769.65 thousand kWh. This is equivalent to 2.07 million rubles.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/63504/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 274,62	1,13%	7,82%
S&P 500	2 640,87	1,38%	-1,22%
FTSE 100	7 056,61	0,17%	-8,21%
DAX	12 096,73	1,31%	-6,35%
DJStoxx 600	370,87	0,44%	-4,70%
Nikkei	21 159,08	0,61%	-7,05%
Sensex	32 968,68	0,00%	-3,20%
CSI300	3 894,05	1,34%	-3,39%
Bovespa	85 365,56	1,78%	11,73%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	57,56	0,67%	-0,12%
EURO/RUB	71,33	0,10%	3,70%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 325,50	0,04%	1,74%
Brent*, USD/bbl	69,34	0,84%	5,41%

* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,3245	36,57	635,35

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-0,56%	-3,05%
MICEX POWER Index	1,15%	6,38%
IDGC of Centre**	-0,14%	2,81%
IDGC of Centre and Volga Region**	0,15%	7,56%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-0,07%	-7,30%
FGC UES	0,74%	9,26%
IDGC of Volga	0,77%	14,66%
MOESK	0,78%	-13,68%
IDGC of Northern Caucasus	-1,71%	-10,42%
IDGC of North-West	-0,41%	-7,50%
IDGC of Urals	0,00%	4,53%
IDGC of Siberia	1,69%	5,24%
IDGC of South	1,06%	-4,18%
Lenenergo, ordinary shares	2,26%	18,02%
TRK, ordinary shares	1,13%	-3,50%
Kubanenergo	-0,84%	-9,18%

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