

# DAILY MARKET REVIEW

9 January, Wednesday

2019



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Saturday 29 December some neutral external background formed on the Russian market. On Friday the US indices DJIA and S&P500 lost 0.1-0.3%, having interrupted the two-day rally, which allowed these indicators to avoid diving into the "bearish" phase. Political problems continue to put pressure on the market. According to The Wall Street Journal, it is likely that the US government agencies will remain closed until at least 3 January, because lawmakers could not reach agreements with the White House that would allow for the restoration of government funding. Thus, this issue will have to be decided by the Congress of the new convocation, which will begin work on 3 January. Meanwhile, according to media reports, Donald Trump threatened to close the border with Mexico, if the Democrats did not approve the financing of the project to build a wall between the two countries. February Brent futures closed trading on Friday at \$52.2 per barrel, \$0.3 above our closing level. Reduced trading activity allowed the market to ignore the disappointing statistics of the US Department of Energy and the message of Baker Hughes about the increase in the number of operating oil rigs in the US. According to the US Department of Energy, oil reserves in the country for the week decreased by 46 thousand barrels, while experts polled by Bloomberg, on average, predicted a decrease of 3.4 million barrels. At the terminal in Cushing, where oil traded on the NYMEX is stored, oil reserves increased by 799 thousand barrels. Gasoline inventories rose by 3 million barrels, the highest rate since June, oil production increased by 100 thousand barrels per day (b/d), to a record of 11.7 million b/d.

In the absence of external reference points, the MOEX Russia Index spent the entire day on 29 December in a small plus within half a percent. The Russian export-oriented market was supported by the weakening of the ruble - the dollar came close to the level of 70 rubles, the euro exceeded the level of 80 rubles. Investors' activity in the stock market was low - the ruble trading volumes were 7 times lower than the average for the last 30 trading sessions.

At the end of the trading session on 29 December, the MicexPWR Sector Index outperformed. The main contribution to the MicexPWR outperformance in comparison with the MOEX Russia Index was made by shares of Unipro and Mosenergo.

For the first 3 trading days of January, the MOEX Russia Index grew by 0.9%, the MicexPWR Index increased by 0.4%.

## ELECTRIC POWER INDUSTRY NEWS

### Head of "ROSSETI" Pavel Livinskiy checked the reliability of electricity supply on New Year's holidays

Pavel Livinskiy, Director General of ROSSETI, in the video conferencing mode, held a meeting of the headquarters of the power grid complex in order to verify the reliability of electricity supply during the New Year's holidays and winter maximum load. The meeting was attended by Deputy Director General - Chief Engineer of ROSSETI Andrei Mayorov and General Directors of subsidiaries and affiliates of the holding.

Read full text: [http://www.rosseti.ru/press/news/index.php?ELEMENT\\_ID=34504](http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=34504)

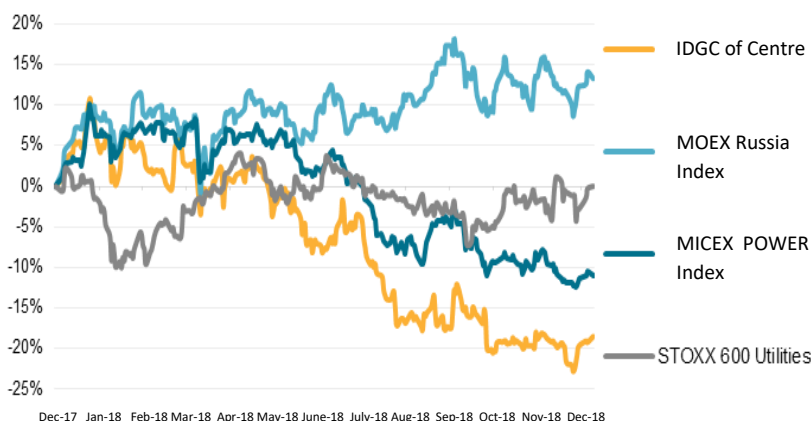
## COMPANY NEWS

### Power engineers of IDGC of Centre and IDGC of Centre and Volga Region work in the maximum operation mode under conditions of snowfall predicted in the regions of the Central Federal District and the Volga Federal District

According to meteorological forecasts, in most regions of the service area of IDGC of Centre and IDGC of Centre and Volga Region (operating in 20 regions of the Russian Federation), snowfalls are expected. In this regard, power engineers of the two companies are operating in the maximum operation mode: they have strengthened control over the operation of electric grid facilities and are ready to take all necessary measures to ensure uninterrupted power supply to consumers.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/66976/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 389,69	-0,70%	13,27%
S&P 500	2 574,41	1,68%	-3,71%
FTSE 100	6 861,60	0,35%	-10,75%
DAX	10 803,98	0,34%	-16,36%
DJStoxx 600	345,85	0,72%	-11,13%
Nikkei	20 166,19	0,00%	-11,42%
Sensex	35 980,93	0,80%	5,65%
CSI300	3 047,70	0,39%	-24,39%
Bovespa	85 697,15	0,00%	12,17%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	69,47	0,00%	20,55%
EURO/RUB	79,46	0,00%	15,52%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 285,39	-0,05%	-1,34%
Brent*, USD/bbl	58,72	2,91%	-12,19%

\* - February futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2902	12,25	176,36
IDGC of Centre & Volga Reg	0,2689	30,30	436,22

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,32%	0,01%
MICEX POWER Index	-0,59%	-11,06%
IDGC of Centre**	0,90%	-18,48%
IDGC of Centre and Volga Region**	0,82%	-10,87%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-1,15%	-5,39%
FGC UES	-0,11%	-7,81%
IDGC of Volga	0,40%	-2,68%
MOESK	-0,30%	-26,47%
IDGC of Northern Caucasus	0,00%	-26,56%
IDGC of North-West	3,30%	8,46%
IDGC of Urals	0,76%	-10,93%
IDGC of Siberia	1,01%	-12,58%
IDGC of South	-0,35%	-5,69%
Lenenergo, ordinary shares	0,55%	13,54%
TRK, ordinary shares	0,00%	-8,36%
Kubanenergo	0,82%	-37,50%

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**