

DAILY MARKET REVIEW

23 November, Thursday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 22 November some positive external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500, updating historical records, grew by 0.7%, on Wednesday the composite index of the Asia-Pacific region MSCI Asia Pacific showed similar changes. Investors were supported by the rise in commodity prices and good statistics from the US, where in October, sales in the secondary housing market increased to a maximum since June, while the rate of increase was the highest since March. January Brent futures traded near the mark of \$63.1 per barrel, \$0.4 above the closing level on 21 November. The growth of oil prices was promoted by the report of the American Petroleum Institute about a significant reduction in oil reserves in the country last week – by 6.4 million barrels, which is three times higher than expectations of traders.

Most of the trading session the MICEX Index and the European Stoxx Europe 600 Index were flat near zero. Experts associate the lull in the Russian and Western markets with a day off in the US today because of which the activity of the trade to the end of the week can be much lower than usual. In addition, a constraining factor for the export-oriented domestic market was the almost percentage strengthening of the ruble against the dollar due to rising oil prices and the restoration of investors' demand for currencies of developing countries. The American statistics published in the second half of the day were ambiguous and could not revive the trend of trading. The number of applications for unemployment benefits in the US last week fell more than forecasts, orders for durable goods in October fell against expectations, the value of the consumer confidence index from the University of Michigan in November, despite a slight decline, was the second largest this year.

During the trading session the changes of the MiceXPWR Sector Index in general corresponded to the MICEX Index. The main contribution to the final rise of the sector indicator was made by shares of Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

6-year Capacity Price Auction in Russia can start in 2018, says the Ministry of Energy

The six-year competitive capacity selection, which determines prices for the capacity of existing power plants, can start in Russia in 2018, said Deputy Energy Minister Vyacheslav Kravchenko at a meeting of the Public Council of the Ministry of Energy on Monday, 20 November.

Read full text: <http://www.bigpowernews.ru/markets/document80679.phtml>

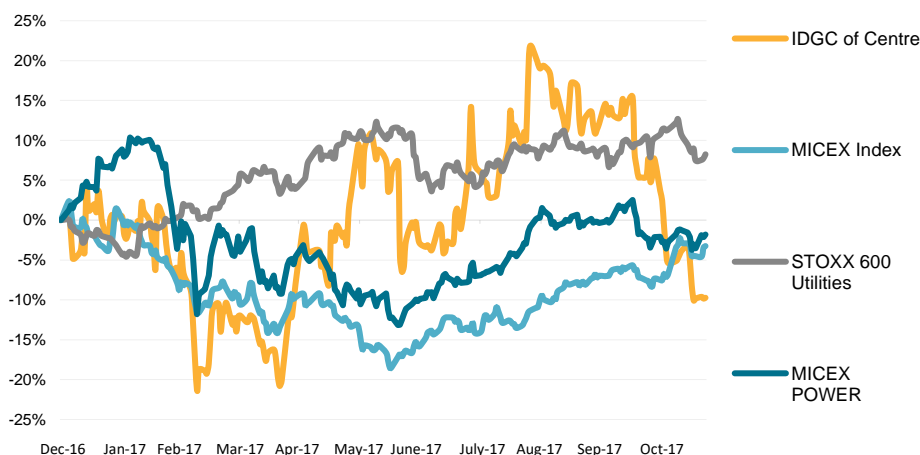
COMPANY NEWS

IDGC of Centre published its IFRS results for 9 months of 2017, Earnings before Interest, Taxation, Depreciation & Amortisation (EBITDA) increased by 15,6%

IDGC of Centre has published its unaudited interim condensed consolidated financial statements for 9 months of 2017 in accordance with International Financial Reporting Standards (IFRS). IDGC of Centre's revenue for the reporting period was 65,8 bln RUB, including from electric energy transmission services — 63,7 bln RUB, from grid connection services — 0,9 bln RUB, from resale of electric energy and power — 0,4 bln RUB and other revenue — 0,8 bln RUB. Earnings before Interest, Taxation, Depreciation & Amortisation (EBITDA) increased by 15,6% and amounted to 14,8 bln RUB.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62432/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 160,16	0,20%	-3,25%
S&P 500	2 597,08	-0,08%	16,00%
FTSE 100	7 419,02	0,10%	3,87%
DAX	13 015,04	-1,16%	13,36%
DJStoxx 600	387,06	-0,27%	7,09%
STOXX Utilities	299,61	0,46%	8,25%
Nikkei	22 523,15	0,48%	17,83%
Sensex	33 561,55	0,25%	26,05%
CSI300	4 227,57	0,23%	27,72%
Bovespa	74 518,79	-0,10%	23,73%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,18	0,44%	12,15%
USD/RUB	59,46	0,31%	-1,97%
Euro/RUB	69,82	0,22%	9,41%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 292,12	0,90%	12,60%
Brent*, USD/bbl	63,32	1,20%	7,93%

* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4035
Capitalisation**, billion RUB	17,03
Capitalisation**, million USD	286,49

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,29%	-1,82%
Shares of IDGC of Centre**	0,12%	-9,73%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	1,17%	-20,43%
FGC UES	-0,21%	-17,79%
IDGC of Volga	-0,18%	95,98%
MOESK	0,24%	-6,12%
IDGC of Northern Caucasus	-0,28%	-18,82%
IDGC of Centre and Volga Reg	1,51%	113,11%
IDGC of North-West	4,13%	5,45%
IDGC of Urals	2,13%	16,41%
IDGC of Siberia	0,84%	42,77%
IDGC of South	1,20%	-3,44%
Lenenergo, ordinary shares	-0,86%	-5,27%
TRK, ordinary shares	0,00%	-16,39%
Kubanenergo	0,50%	-8,39%

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