

DAILY MARKET REVIEW

30 January, Tuesday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 29 January some moderately positive external background formed on the Russian market. On Friday the US indices DJIA and S&P500, having updated their historical records, closed with an increase of 0.8-1.2% due to good statistics and strong quarterly statements of a number of technology and pharmaceutical companies. According to preliminary estimates, the US GDP in the fourth quarter increased by 2.6%, while consumer spending, which accounts for more than 70% of the US GDP, increased by 3.8% – the maximum growth in almost two years. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific renewed its historical maximum, but to our opening dropped to zero due to active sales in shares of Chinese companies – the CSI300 index fell 1.8%. March Brent futures traded near \$70.5 per barrel, slightly higher than the closing level on Friday 26 January. Experts note that the potential for growth in oil quotes is currently largely limited to the activity of shale oil producers. In particular, according to the information of the oil service company Baker Hughes, last week the number of active installations for drilling oil wells in the US increased by 12 pieces to record since August last year 759 units.

The MOEX Russia Index spent the first half of the day with low volatile changes near zero in anticipation of clarity on the new US sanctions against the Russian Federation. As noted by the media, on Monday it was the deadline for the presentation by the US Treasury of a report on the "black list" of Russian oligarchs and the consequences of the spread of restrictions on the state debt of the Russian Federation. In the second half of the trading session, losses of the MOEX Russia Index exceeded 0.5% following the fall in oil prices to around \$69.5 per barrel and the decline of US indices at the beginning of trading, despite strong statistics on income and expenditure of Americans – the growth rates of these indicators in the past year were the highest since 2015 and 2011, respectively. The main contribution to the final decline in the MOEX Russia Index was again made by Magnit's shares, which remain under pressure of weak financial statements for the fourth quarter.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the MicexPWR outperformance in comparison with the MOEX Russia Index was made by shares of FGC UES and Rosseti.

ELECTRIC POWER INDUSTRY NEWS

Rosseti to conclude a trust management agreement for the power system of the Novosibirsk Region

Director General of PJSC Rosseti Pavel Livinsky and Chairman of the Board of Directors of the Novosibirsk company "Regional Electric Grids" Vladislav Negomedzyanov signed on Tuesday an agreement on the development of grid facilities within which a trust management agreement will be concluded, TASS reports.

Read full text: <http://www.bigpowernews.ru/news/document81525.phtml>

COMPANY NEWS

In 2017 "Orelenenergo" saved about 3.4 million kWh

IDGC of Centre - Orelenenergo division summed up the results of the implementation in 2017 of the energy saving and energy efficiency program. The total effect from the implementation of energy-saving measures amounted to 3.389 million kWh, which is 11% higher than planned targets.

Read full text: <http://www.energyland.info/news-show-tek-electro-167705>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 284,27	-0,48%	8,27%
S&P 500	2 853,53	-0,67%	6,73%
FTSE 100	7 671,53	0,08%	-0,21%
DAX	13 324,48	-0,12%	3,15%
DJStoxx 600	399,80	-0,19%	2,73%
Nikkei	23 629,34	-0,01%	3,80%
Sensex	36 283,25	0,65%	6,54%
CSI300	4 302,02	-1,81%	6,73%
Bovespa	84 698,02	-0,97%	10,86%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	55,83	-0,18%	-3,12%
EURO/RUB	69,61	0,21%	1,19%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 340,33	-0,65%	2,88%
Brent*, USD/bbl	69,46	-1,50%	3,87%

* - March futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,3089	34,81	623,56

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-0,70%	3,26%
MICEX POWER Index	-0,13%	6,13%
IDGC of Centre**	-2,11%	4,21%
IDGC of Centre and Volga Region**	0,72%	1,49%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,85%	9,43%
FGC UES	1,34%	7,65%
IDGC of Volga	0,52%	3,26%
MOESK	-0,12%	-4,78%
IDGC of Northern Caucasus	2,22%	-3,91%
IDGC of North-West	0,19%	0,77%
IDGC of Urals	0,43%	11,22%
IDGC of Siberia	0,41%	6,11%
IDGC of South	-1,29%	2,34%
Lenenergo, ordinary shares	-1,33%	7,92%
TRK, ordinary shares	0,00%	3,50%
Kubanenergo	0,00%	-3,83%

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