



## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 04 May some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed in different directions with changes in the range of 0.1% – investors evaluated the results of the Fed meeting, which kept the key rate in the range of 0.75-1%. Experts, in particular, drew attention to the fact that the FOMC statement noted a weakening of economic activity in the US, while in March it was noted that economic growth rates remain moderate. Nevertheless, the heads of the Fed believe that the economic slowdown in the first quarter is a temporary phenomenon, and they also note the fact that US inflation is close to the long-term target of 2%. Now, Bloomberg writes, the markets are expecting the rate to be raised at the June meeting, if economic statistics, the reforms of Donald Trump and the results of the elections in France do not interfere with this. On Thursday the main country indices of the Asia-Pacific region in the absence of Japan being on holidays in connection with the celebration of the Constitution Day showed predominantly negative trends. A negative factor for the markets was the weak statistics from the PRC, where business activity in the service sector, according to Markit/Caixin, fell to a minimum for the year. July Brent futures traded near the mark of \$50.5 per barrel, slightly above the closing level on 03 May. Oil quotes, which are at the low since the end of March and an important level of support at \$50, are pressured by investors' doubts that a reduction in OPEC+ production will eventually lead to a decrease in world fuel reserves. So, according to the US Department of Energy, oil reserves in the country decreased last week less than expected, while oil production and gasoline stocks increased.

In the first half of the day the MICEX Index was on average in more than half a percent plus in the correction after the fall on Wednesday, triggered by media reports about new claims by Rosneft against AFK Sistema. The recovery of the Russian market was also fueled by the positive mood on the western markets, where strong corporate reporting and good statistics provided support to investors. According to IHS Markit, the aggregate index of business activity in the Eurozone in April reached a maximum in six years, in the US the data on applications for unemployment benefits were better than expected, while the number of continuing to receive unemployment benefits Americans fell to a minimum since April 2000. In the second half of the trading session, the growth rates of Russian and European markets slowed against the backdrop of the uncertain start of trading in the US and the fall in oil prices – Brent prices fell below \$49 a barrel for the first time since November last year, when OPEC announced signing of an agreement to limit oil production.

As a result of the trading session the MicexPWR Sector Index underperformed. The main contribution to the underperformance of the sector indicator in comparison with the MICEX Index was made by shares of FGC UES and Rosseti – the securities were pressured by the continuing uncertainty regarding the dividends of state-owned companies.

## ELECTRIC POWER INDUSTRY NEWS

### Electricity consumption in Russia for 4 months 2017 increased by 1.3%

According to operative data, the electricity consumption in the Unified Energy System of Russia in April 2017 amounted to 84.1 billion kWh, which is 4.3% more than the volume of consumption in April 2016. The electricity consumption in April 2017 as a whole in Russia amounted to 85.8 billion kWh, which is 3.4% more than in April 2016, says the press service of SO UES.

Read full text: <http://www.bigpowernews.ru/markets/document76905.phtml>

## COMPANY NEWS

### Smolenskenergo is ready for safe mass repairs

IDGC of Centre – Smolenskenergo division has completed the preparation for mass repair and preventive work.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/59905/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 998,87	0,26%	-10,47%
S&P 500	2 389,52	0,06%	6,73%
FTSE 100	7 248,10	0,19%	1,47%
DAX	12 647,78	0,96%	10,16%
DJStoxx 600	391,98	0,67%	8,46%
STOXX Utilities	296,01	1,52%	6,95%
Nikkei	19 445,70	0,00%	1,73%
Sensex	30 126,21	0,77%	13,14%
CSI300	3 404,39	-0,26%	2,85%
Bovespa	64 862,61	-1,86%	7,70%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,10	0,52%	4,35%
USD/RUB	57,09	0,25%	-5,88%
Euro/RUB	62,32	0,27%	-2,33%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 228,16	-0,81%	7,03%
Brent*, USD/bbl	48,38	-4,75%	-17,58%

\* - July futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4290
Capitalisation**, billion RUB	18,11
Capitalisation**, million USD	317,23

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,48%	-4,87%
Shares of IDGC of Centre**	-2,50%	-4,03%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,61%	-19,40%
FGC UES	-1,56%	-5,54%
IDGC of Volga	1,12%	20,45%
MOESK	1,02%	10,13%
IDGC of Northern Caucasus	-2,27%	-22,00%
IDGC of Centre and Volga Reg	0,57%	19,59%
IDGC of North-West	0,45%	-18,18%
IDGC of Urals	0,00%	-8,81%
IDGC of Siberia	1,91%	-10,63%
IDGC of South	2,05%	-33,40%
Lenenergo, ordinary shares	-0,48%	-6,72%
TRK, ordinary shares	9,23%	-7,98%
Kubanenergo	2,00%	-6,21%

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