



REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 4 June some moderately positive external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with an increase of 0.9-1.1%, on Monday the composite stock index of the Asia-Pacific region MSCI Asia Pacific added 1.3%. The markets were supported by strong statistics from the US, which confirmed the good state of the world's largest economy, the reduction of geopolitical risks after the formation of the government in Italy and the statement of Donald Trump that he still intends to hold a meeting with the leader of the DPRK on 12 June in Singapore. In May unemployment in the US fell to the lowest since 1969, 3.8%, the number of new jobs and hourly wages were higher than expected, the index of production activity got sharply higher, although lower than expected, construction spending in April exceeded expectations. August Brent futures traded near \$76.7 per barrel, \$0.2 higher than the closing level on Friday, 1 June. The sector experts attributed a small increase in oil prices to the weakening of the dollar in the world foreign exchange market.

On Monday the Russian market was dominated by buyers within the global demand of investors for risky assets after the rise of US and Asian exchanges. In the middle of the day, the MOEX Russia Index and the emerging markets index MSCI EM added more than a percent, the European Stoxx Europe 600 Index and futures for US indices grew by 0.4%. The rise of Western exchanges was constrained by media reports that the US and China did not reach an agreement on results of the third round of trade negotiations and, thus, approached the introduction of protective duties against each other. At the same time, the uncertain trends of Western markets, and the decline in oil prices, did not prevent the MOEX Russia Index from closing close to daily highs. At the end of the day, Brent quotes dropped below \$75.5 per barrel on fears of an increase in world production. According to Bloomberg, a number of OPEC countries led by Saudi Arabia held an informal meeting at which they discussed compensation for the reduction in oil supplies to the market. In turn, the oil service company Baker Hughes reported an increase in the number of operating oil production facilities in the US to a new high for three years.

During the trading session, changes of the MicexPWR Sector Index corresponded to the MOEX Russia Index. The main contribution to the final MicexPWR growth was made by shares of Inter RAO and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Electricity generation grows up

Electricity generation in Russia in January-May this year increased by 1.3% compared to the same period last year and amounted to 467.7 billion kWh. Electricity consumption for the same period increased by 1.7%, to 464 billion kWh, according to the Central Dispatching Department of the Fuel and Energy Complex.

Read full text: <https://www.eprussia.ru/news/base/2018/8116802.htm>

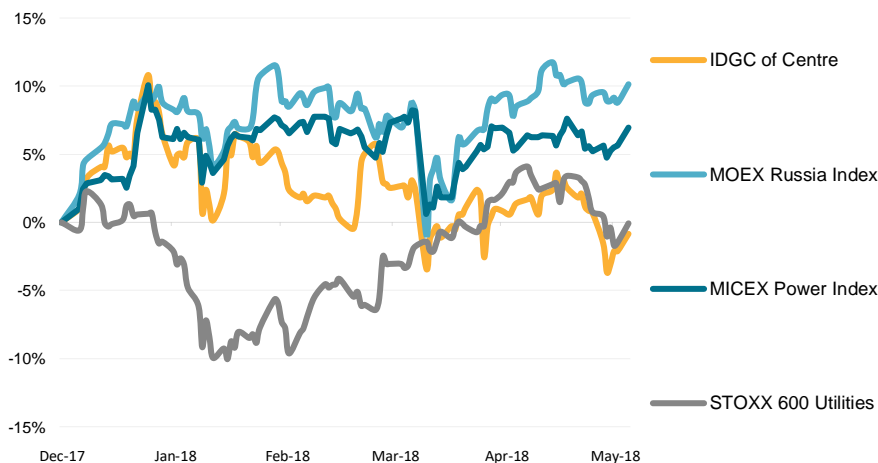
COMPANY NEWS

Specialists of IDGC of Centre for four months suppressed about two and a half thousand facts of theft of electricity, applications were submitted to law enforcement bodies

IDGC of Centre summed up the results of the implementation in January-April 2018 of measures to identify and suppress non-metered and non-contractual electricity consumption.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/64174/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 323,64	1,23%	10,14%
S&P 500	2 746,87	0,45%	2,74%
FTSE 100	7 741,29	0,51%	0,70%
DAX	12 770,75	0,37%	-1,14%
DJStoxx 600	388,11	0,31%	-0,27%
Nikkei	22 475,94	1,37%	-1,27%
Sensex	35 011,89	-0,61%	2,80%
CSI300	3 807,58	0,98%	-5,54%
Bovespa	78 596,06	1,76%	2,87%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	62,21	0,30%	7,94%
EURO/RUB	72,72	0,19%	5,72%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 292,02	-0,11%	-0,83%
Brent*, USD/bbl	75,29	-1,95%	15,62%

* - August futures

Source: Bloomberg, Company calculations

Shares	Price**, P	MCap**, P bln	MCap**, \$ mln
IDGC of Centre	0,3530	14,90	239,58
IDGC of Centre & Volga Reg	0,3500	39,44	634,09

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	1,42%	-0,07%
MICEX POWER Index	1,26%	6,97%
IDGC of Centre**	1,29%	-0,84%
IDGC of Centre and Volga Region**	1,60%	16,01%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,89%	-1,89%
FGC UES	1,66%	15,40%
IDGC of Volga	3,73%	30,15%
MOESK	0,00%	-19,91%
IDGC of Northern Caucasus	1,83%	-13,02%
IDGC of North-West	-0,56%	3,27%
IDGC of Urals	3,66%	8,11%
IDGC of Siberia	0,47%	-6,99%
IDGC of South	2,19%	9,03%
Lenenergo, ordinary shares	0,44%	18,23%
TRK, ordinary shares	-1,25%	-15,09%
Kubanenergo	-5,60%	-18,37%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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Bloomberg

Reuters

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