

# DAILY MARKET REVIEW

29 March, Wednesday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 28 March some moderately positive external background formed on the Russian market. On Monday the US indices DJIA and S&P500 decreased by 0.1-0.2%, the composite index of the Asia-Pacific region MSCI Asia Pacific added on Tuesday more than 0.5% within the correction after the fall the day before. According to MarketWatch, despite the fact that the administration of Donald Trump could not pass through Congress a law on the abolition of Obamacare, investors are still looking to the future with optimism, expecting a confident growth of the world economy. In addition, experts say, the markets could be supported by expectations of less decisive actions by the Federal Reserve to raise the interest rate in the face of uncertainty with the implementation of the presidential stimulus program for the US economy. May Brent futures traded near the mark of \$50.9 per barrel, \$0.2 higher than the closing level on 27 March. Oil prices grew both on the weakening of the US dollar, and statements by OPEC representatives about a possible extension of the agreement on limiting oil production.

On Tuesday the MICEX Index rose for the first time in four sessions, following the improvement in moods on global stock exchanges, including caused by the hopes of traders for more successful promotion of other reforms by Donald Trump, and the rise in Brent quotations above \$51 per barrel on information on production cuts in Libya by 20% because of the suspension of the pipeline operation, leading from the country's largest field. At the end of the day strong statistics from the US provided support to investors, where the consumer confidence index in March rose to a maximum since December 2000.

During the trading session the MicexPWR Sector Index looked significantly worse than the market mainly due to the continued fall in shares of FGC UES and Rosseti. As Aton analysts note, the lack of a specific plan for the size of dividends of power companies contributes to the reduction of liquid shares of companies in this sector – Rosseti, FGC UES – since the beginning of the week. According to media reports, a meeting on the issue of dividends of state-owned companies with Deputy Prime Minister Igor Shuvalov may take place this week already. At the same time, writes Bloomberg, Deputy Head of the Ministry of Finance Mr. Moiseev reminded on Tuesday that the agency "is ready to consider each company separately, but our proposal is 50% for all companies".

## ELECTRIC POWER INDUSTRY NEWS

### Ministry of Finance insists on 50% dividends of state companies, but is ready to consider individually

The Ministry of Finance of Russia maintains its position on the level of dividends of state-owned companies at the level of 50% of profits, is ready to consider each company separately, Deputy Minister Alexei Moiseev told reporters.

Read full text: <http://www.bigpowernews.ru/news/document76093.phtml>

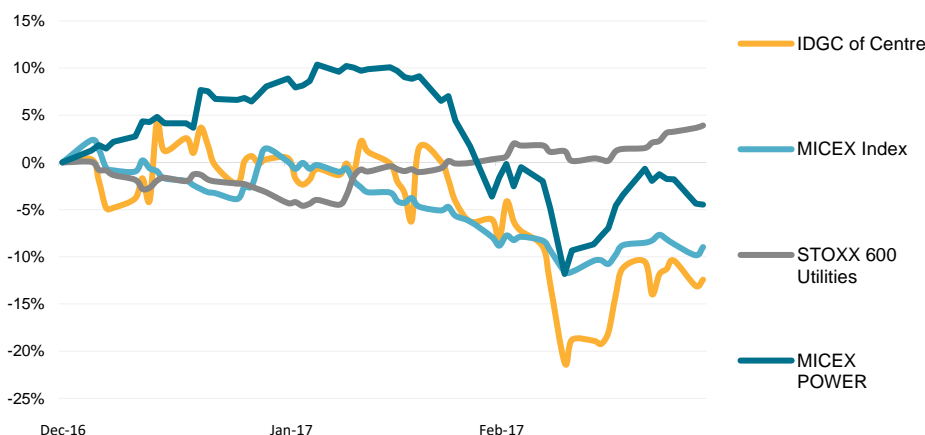
## COMPANY NEWS

### Economic effect of the implementation of the energy saving and energy efficiency program in Smolenskenergo in 2016 exceeded 17 million kWh

The total economic effect from the implementation in 2016 of the program of energy saving and energy efficiency increase in IDGC of Centre – Smolenskenergo division was 17.43 million kWh. Implementation of the energy saving and energy efficiency program is one of the priority activities of IDGC of Centre – Smolenskenergo division.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/59512/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 032,54	0,96%	-8,97%
S&P 500	2 358,57	0,73%	5,35%
FTSE 100	7 343,42	0,68%	2,81%
DAX	12 149,42	1,28%	5,82%
DJStoxx 600	377,30	0,61%	4,39%
STOXX Utilities	287,61	0,25%	3,92%
Nikkei	19 202,87	1,14%	0,46%
Sensex	29 409,52	0,59%	10,45%
CSI300	3 469,81	-0,24%	4,83%
Bovespa	64 640,45	0,52%	7,33%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,08	-0,29%	3,00%
USD/RUB	57,02	-0,70%	-5,99%
Euro/RUB	61,96	0,16%	-2,90%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 251,82	-0,24%	9,09%
Brent*, USD/bbl	51,33	1,14%	-11,56%

\* - May futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3915
Capitalisation**, billion RUB	16,53
Capitalisation**, million USD	289,85

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,11%	-4,48%
Shares of IDGC of Centre**	0,77%	-12,42%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-2,17%	-19,31%
FGC UES	-3,63%	-15,11%
IDGC of Volga	-0,17%	1,96%
MOESK	2,44%	12,36%
IDGC of Northern Caucasus	0,27%	-16,78%
IDGC of Centre and Volga Reg	0,45%	5,20%
IDGC of North-West	-1,44%	-13,09%
IDGC of Urals	2,95%	-4,56%
IDGC of Siberia	0,00%	-19,71%
IDGC of South	1,02%	-24,05%
Lenenergo, ordinary shares	-0,60%	-9,17%
TRK, ordinary shares	0,00%	-10,29%
Kubanenergo	-7,19%	-2,07%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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### Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM