

DAILY MARKET REVIEW

4 April, Wednesday

2018



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 3 April some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 fell 1.9-2.2% because of fears of an escalation of the trade war between the US and China - the reciprocal introduction by the PRC of duties on American goods since 2 April increased the nervousness of investors who are waiting for the next step by the US until the end of this week. The driving force behind the decline in the US market was shares of technology companies, which were pressured, among other things, by the criticism of Amazon by Donald Trump and the president's call for greater regulation. At the same time, analysts note that such a significant drop in US equity markets was partly due to low trading activity, as exchanges in Europe, as well as Canada, Hong Kong and Australia were closed due to the continuation of the celebration of Catholic Easter. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific traded near zero with mixed changes of the main country indices, futures for US indices added about half a percent. June Brent futures traded near \$67.9 per barrel, slightly above the closing level on 2 April. Oil quotes stabilized after a 2.5% drop on Monday, triggered by fears of a slowdown in the global economy as a result of worsening US-Chinese trade relations and a report that Russia failed to meet the OPEC+ agreement for the first time in March, exceeding its production quota.

Most of the trading session on Tuesday the MOEX Russia Index was in the sidelines near zero – the restoration of oil prices and American futures was levelled by negative sentiments on European markets. The European Stoxx Europe 600 Index at daily lows lost about a percent under pressure of both negative closing of trading in the US, and its own weak statistics. According to IHS Markit, the growth of business activity in the Eurozone's manufacturing sector slowed to a minimum in eight months in March, while retail sales in Germany in February fell despite the forecast. At the end of the trading session, the MOEX Russia Index was able to gain a foothold in the positive area due to almost a percent growth of US indices in the first hours of trading.

During the trading session changes of the MicexPWR Index in general corresponded to the market. The main contribution to the final MicexPWR growth was made by shares of FGC UES and Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

28% of applications meet the requirements for test selection of modernization projects for TPPs, says SO UES

The test selection of projects in preparation for a large-scale program of modernization of power plants in the Russian Federation showed that only about 28% of applications filed by power companies correspond to the requirements of the concept of the Ministry of Energy of the Russian Federation, follows from the presentation of "SO UES".

Read full text: <http://www.bigpowernews.ru/markets/document82332.phtml>

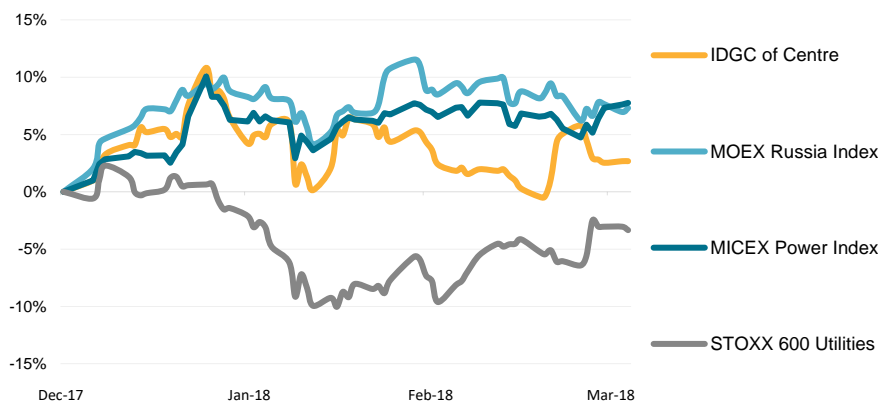
COMPANY NEWS

In 2018 Smolenskenergo to invest 1.178 billion rubles in the power grid complex of the Smolensk region

In 2018, IDGC of Centre - Smolenskenergo division, in accordance with the investment program, approved by Order of the Ministry of Energy of Russia No. 17@ of 14.11.2017, will invest about 1.1778 billion rubles with VAT in the electric grid complex of the region. Of these, 686.899 million rubles are to be invested in technical re-equipment and reconstruction of the power grid complex of the branch, 490.976 million rubles in the construction of new power facilities.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/63520/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 263,85	0,32%	7,30%
S&P 500	2 614,45	1,26%	-2,21%
FTSE 100	7 030,46	-0,37%	-8,55%
DAX	12 002,45	-0,78%	-7,08%
DJStoxx 600	369,07	-0,49%	-5,17%
Nikkei	21 292,29	-0,45%	-6,47%
Sensex	33 370,63	0,35%	-2,01%
CSI300	3 862,48	-0,63%	-4,18%
Bovespa	84 623,46	-0,05%	10,76%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	57,29	0,04%	-0,60%
EURO/RUB	70,60	0,06%	2,64%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 332,74	-0,64%	2,30%
Brent*, USD/bbl	68,12	0,71%	3,56%

* - June futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3655	15,43	269,37
IDGC of Centre & Volga Reg	0,3300	37,19	649,21

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-0,31%	-3,35%
MICEX POWER Index	0,13%	7,76%
IDGC of Centre**	0,00%	2,67%
IDGC of Centre and Volga Region**	1,57%	9,38%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,76%	-6,05%
FGC UES	1,00%	11,88%
IDGC of Volga	-0,30%	14,13%
MOESK	-0,52%	-14,79%
IDGC of Northern Caucasus	0,00%	-10,42%
IDGC of North-West	0,42%	-7,69%
IDGC of Urals	-0,46%	4,30%
IDGC of Siberia	-0,84%	2,62%
IDGC of South	-2,09%	-6,02%
Lenenergo, ordinary shares	3,86%	23,33%
TRK, ordinary shares	0,00%	-6,47%
Kubanenergo	-1,81%	-9,95%

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