

DAILY MARKET REVIEW

3 May, Wednesday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 02 May some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed trading in different directions with changes in the range of 0.2%. The rise in shares of technology companies led by Apple was offset by weak data on the US economy: in April the index of business activity in the manufacturing sector fell more than expected, the country's population's spending in March did not change for the second consecutive month, while analysts were waiting for the growth of this indicator. In addition, experts noted the increased volatility in securities of the financial sector, provoked by the unexpected statement of Donald Trump that he is considering the possibility of forcing the largest banks of the country to be split. On Tuesday the main country indices of the Asia-Pacific region did not show a single trend either. The Japanese Nikkei225 grew by 0.7%, including on the yen weakening, while the Chinese CSI300 was 0.4% down on weaker than expected statistics – in April, according to official data, the index of business activity in China's industry fell to a minimum since September 2016. July Brent futures traded near the mark of \$51.4 per barrel, \$0.4 below the closing level on Friday, 28 April. The decline in oil prices was due to the fear of traders of the fact that oil production in the US will negate the efforts of the OPEC+ countries to reduce excessive global fuel stocks. So, according to Baker Hughes, the number of oil drilling rigs in the US has grown for the fifteenth week in a row.

In the first half of the trading session the MICEX Index was on average in a percent plus, playing out the growth of the price of Brent oil to around \$52 per barrel and positive sentiment on European markets – the Stoxx Europe 600 Index added about half of a percent on good statistics and news from Greece. According to IHS Markit, production activity in the Eurozone rose in April for the eighth consecutive month and reached a maximum in six years, while unemployment in March, according to Eurostat, remained at a minimum for eight years and was 9.5%. Greece, according to media reports, was able to agree with international lenders on the measures of budgetary economy and economic reforms, opening access to Athens for another portion of loans needed to repay a debt of €7 billion in July. Additional support for our market was provided by The Washington Post, that the US Senate postponed for an indefinite period the consideration of the draft law on the introduction of new restrictive measures against Russia. Nevertheless, at the end of the day, the MICEX Index lost most of the daily growth after the drop in Brent quotes to around \$51.1 per barrel.

During the trading session the MicexPWR Sector looked better than the broad market. The main contribution to the final outperformance of the sector indicator in comparison with the MICEX Index was made by shares of Inter RAO and Unipro. At the same time, shares of Rosseti and FGC UES closed trading in negative area under pressure of continuing uncertainty regarding the government's decisions on dividends of electric grid companies.

ELECTRIC POWER INDUSTRY NEWS

Power engineers of "Rosseti" consolidate the experience of eliminating consequences of natural disasters

On 26 and 27 April 2017, on the site of the Kaluga branch of IDGC of Centre and Volga Region (part of the Rosseti Group), an all-Russian educational and methodological gathering was held to consolidate the best practices to improve the reliability of the grid in unfavourable weather conditions and to develop measures to improve efficiency of elimination of technological violations.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=29715

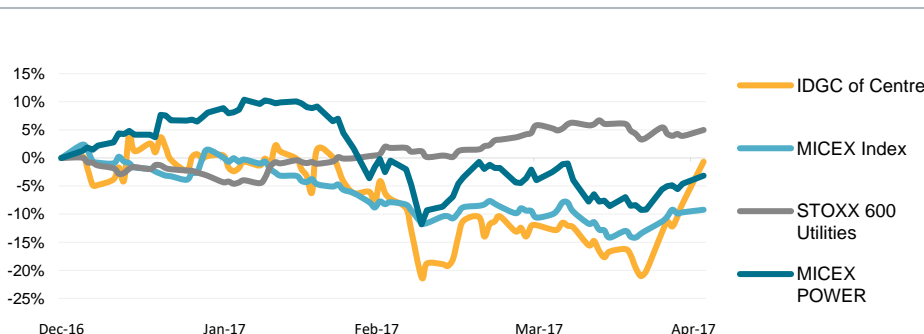
COMPANY NEWS

The city day of safety passed on the site of Belgorodenergo

On the site of Belgorodsky Distribution Zone of IDGC of Centre – Belgorodenergo division a city day of safety was held, timed to coincide with the World Day for Safety.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/59862/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 026,85	0,50%	-9,22%
S&P 500	2 391,17	0,29%	6,80%
FTSE 100	7 250,05	0,64%	1,50%
DAX	12 507,90	0,56%	8,94%
DJStoxx 600	389,53	0,63%	7,78%
STOXX Utilities	290,56	1,02%	4,98%
Nikkei	19 445,70	1,30%	1,73%
Sensex	29 921,18	0,01%	12,37%
CSI300	3 426,58	-0,38%	3,52%
Bovespa	66 721,75	2,02%	10,78%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,09	0,10%	3,70%
USD/RUB	56,98	0,02%	-6,06%
Euro/RUB	62,04	-0,20%	-2,77%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 256,76	-0,91%	9,52%
Brent*, USD/bbl	50,46	-3,05%	-14,04%

* - July futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4440
Capitalisation**, billion RUB	18,74
Capitalisation**, million USD	328,95

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	1,54%	-3,13%
Shares of IDGC of Centre**	8,03%	-0,67%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,02%	-16,09%
FGC UES	-0,48%	-3,81%
IDGC of Volga	4,00%	20,71%
MOESK	-0,50%	11,25%
IDGC of Northern Caucasus	-3,41%	-22,90%
IDGC of Centre and Volga Reg	9,18%	14,05%
IDGC of North-West	0,44%	-17,82%
IDGC of Urals	1,01%	-8,51%
IDGC of Siberia	1,37%	-11,83%
IDGC of South	-6,85%	-35,11%
Lenenergo, ordinary shares	2,42%	-3,72%
TRK, ordinary shares	0,00%	-12,61%
Kubanenergo	2,38%	-5,86%

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