



## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 28 November some neutral external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed differently with changes in the range of 0.1%. The decrease in shares of commodity companies offset the growth of retailers' shares on the record of online sales and positive strong statistics – home sales in the primary market in October were the highest in the last ten years. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific was in a small minus pressured by the continuing decline in the cost of commodities and media information about North Korea's preparations for another test launch of a ballistic missile. January Brent futures traded near \$63.8 per barrel, at the close on 27 November. Oil quotes show higher volatility in anticipation of the 30th November meeting of the OPEC+ states. It is assumed that the term of the agreement on the production limitation will be extended for another nine months, nevertheless, a number of traders express concerns that OPEC+ countries may postpone the decision to further limit production to the February meeting.

On Tuesday the main benchmark for the Russian market was changes of oil prices. In the middle of the day the loss of the MOEX Russia Index was approaching a percent after the Brent quotes dropped to the level of \$63.1 per barrel. Analysts at Goldman Sachs note that there are big risks that if the OPEC decision disappoints the market participants – and any decision, other than extending the agreement till the end of 2018, will be perceived as a disappointment – oil prices may fall sharply. In the second half of the trading session the MOEX Russia Index was able to recover all losses and close with a 0.2% increase after the Brent quotes returned to the morning levels. The Russian market was also supported by a positive mood on the western markets, where the indices showed a small increase of half a percent in anticipation of the speech of the candidate for the post of the head of the Fed J. Powell at hearings in the Senate Banking Committee and on good statistics. In the US the consumer confidence index rose to 17-year highs in November, housing prices in 20 major cities increased in September to a maximum since 2014, in France in November the index of consumer confidence to the economy was better than expected.

As a result of the trading session the MicexPWR Sector Index underperformed. The main contribution to the MicexPWR decline in antiphase with the MOEX Russia Index was made by shares of RusHydro and Rosseti. From the current news of grid companies, one can note Interfax's statement that ACRA assigned FGC UES the credit rating "AAA(RU)", the outlook is "stable". The rating, according to a press release, is assigned at the level of financial obligations of the Russian government, which is due to the company's high systemic importance for the Russian economy and the degree of state influence on FGC UES.

## ELECTRIC POWER INDUSTRY NEWS

### FAS approved a methodology for reference costs for energy sales companies

The Federal Antimonopoly Service (FAS) of Russia approved the order on a new scheme for calculating the reference sales mark-up. The order ("On approval of methodological guidelines for the calculation of sales mark-ups of suppliers of last resort using the comparison method of analogues") was published on the federal Internet portal of normative legal acts.

Read full text: <http://www.bigpowernews.ru/markets/document80750.phtml>

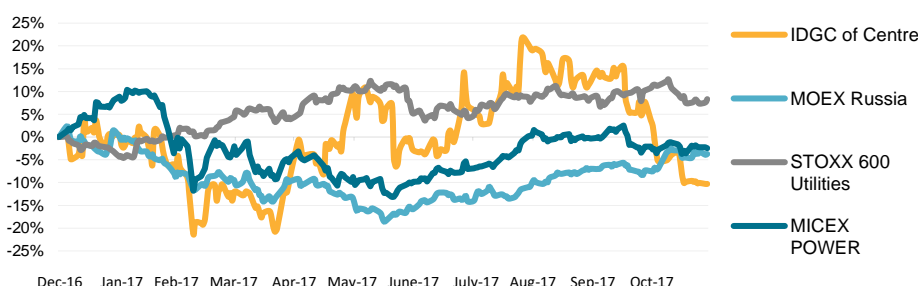
## COMPANY NEWS

### Succession pool members of IDGC of Centre and IDGC of Centre and Volga Region demonstrate high level of professional competences

IDGC of Centre and IDGC of Centre and Volga Region continue work on creation, recruitment and replacement of the personnel reserve. It implies not only a qualitative selection of candidates to replace vacated leadership positions at all levels of management, but also their focused training. One of its important components is assessment of competencies of potential managers. For this purpose, the companies use the most progressive methods, which have proved their effectiveness at the international level.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62496/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MOEX Russia	2 149,45	0,17%	-3,73%
S&P 500	2 627,04	0,98%	17,34%
FTSE 100	7 460,65	1,04%	4,45%
DAX	13 059,53	0,46%	13,75%
DJStoxx 600	387,02	0,56%	7,08%
STOXX Utilities	299,78	0,67%	8,31%
Nikkei	22 486,24	-0,04%	17,64%
Sensex	33 618,59	-0,31%	26,26%
CSI300	4 055,82	0,14%	22,53%
Bovespa	74 139,72	0,11%	23,10%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,19	-0,27%	12,86%
USD/RUB	58,28	-0,43%	-3,92%
Euro/RUB	69,50	0,24%	8,91%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 293,98	-0,04%	12,77%
Brent*, USD/bbl	63,61	-0,36%	8,42%

\* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4010
Capitalisation**, billion RUB	16,93
Capitalisation**, million USD	290,50

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,23%	-2,44%
Shares of IDGC of Centre**	0,00%	-10,29%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,78%	-22,47%
FGC UES	0,66%	-17,91%
IDGC of Volga	-1,17%	88,75%
MOESK	-1,18%	-6,46%
IDGC of Northern Caucasus	-2,35%	-24,49%
IDGC of Centre and Volga Reg	-0,74%	108,72%
IDGC of North-West	1,96%	3,82%
IDGC of Urals	6,73%	30,09%
IDGC of Siberia	-1,25%	41,58%
IDGC of South	1,95%	9,92%
Lenenergo, ordinary shares	0,00%	-5,00%
TRK, ordinary shares	-0,24%	-13,66%
Kubanenergo	1,39%	-8,05%

Source: MOEX, Company calculations

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

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### Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

**MRKC**

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