

DAILY MARKET REVIEW

28 March, Thursday

2019



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 27 March some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 rose by 0.6-0.7%, despite the weak statistics on the housing market in February and the consumer confidence in March. The markets were supported by a correctional increase in the yield of long-term US Treasuries and hopes for the conclusion of a US-China trade agreement. According to media reports, a new round of trade negotiations will begin today, when the American delegation headed by the US Treasury and Trade Representative Robert Lighthizer will arrive in Beijing. On Wednesday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.1% with multidirectional changes of the main country indices. The positive completion of the US trades was levelled by statistics from China, where the profit of the largest industrial enterprises fell 14% y/y in January-February. The decrease, noted at Reuters, was the highest since the agency began recording this data in October 2011. May Brent futures traded around \$68.1 per barrel, \$0.1 above our 26 March close. Oil quotes are consolidating at the highs since November last year on the news from Venezuela. According to media reports, the country's largest oil terminal, José, suspended the shipment of raw materials due to the second large-scale power outage for the month. At the same time, the rise in prices was restrained by the announcement of the American Petroleum Institute about an unexpected increase in fuel stocks in the country last week.

The MOEX Russia Index spent most of the trading session in more than half a percentage minus, both due to a general decline in investors' interest in risky assets on fears of a slowdown in the global economy, and the updating of sanctions topics. The agency Bloomberg reported that the US may impose new sanctions on the Russian Federation after the findings of Special Counsel Robert Mueller about Russia's interference in the 2016 American elections. In particular, the publication of the report of Robert Mueller was the reason for the statement of Senator Lindsey Graham – one of the authors of the DASKA bills – about the need to tighten sanctions against the Russian Federation. In this regard, analysts at Credit Suisse, who assess the likelihood of the introduction of new sanctions as high, recommend investors to reduce the weight of Russian securities in their portfolios. At the end of the day, sellers' activity in the Russian market increased after the start of trading in the US by a percentage decline in the major indices, triggered by a renewed fall in the yield of 10-year government bonds. A significant contribution to the total losses of the MOEX Russia Index was made by Norilsk Nickel's shares, which lost 3% on the statement of the main shareholder and president of the MMC V. Potanin in an interview with Bloomberg that he plans to start negotiations with RusAl on reducing the dividend payments of Norilsk Nickel, considering the company's need for investment.

At the end of the trading session, the electric utilities sector index outperformed – sales were mainly concentrated in the first-tier shares. The main contribution to the final MOEXEU decline was made by shares of Inter RAO and Mosenergo.

ELECTRIC POWER INDUSTRY NEWS

Pavel Livinskiy took part in a meeting of the working group of the State Council of the Russian Federation in the field of "Energy"

The working group included representatives of the Presidential Administration of the Russian Federation, the Government of the Russian Federation, the Federal Assembly, federal ministries and departments, government bodies of the constituent entities of the Russian Federation, as well as business and expert community representatives.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=34905

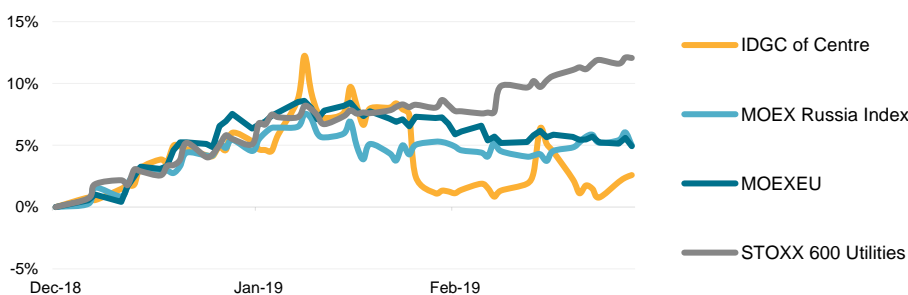
COMPANY NEWS

IDGC of Centre - the managing organization of IDGC of Centre and Volga Region held the already traditional "Analyst's Day" for representatives of the investment community, dedicated to the results of the companies' activities for 2018 and guidance for 2019

On 27 March, the next annual meeting of the management of IDGC of Centre and IDGC of Centre and Volga Region with representatives of the investment community was held in Moscow with demonstration of presentations on the results of work in 2018 and guidance for 2019.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/67852/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 487,48	-1,00%	4,99%
S&P 500	2 805,37	-0,46%	11,91%
FTSE 100	7 194,19	-0,03%	6,93%
DAX	11 419,04	0,00%	8,15%
DJStoxx 600	377,28	0,02%	11,74%
Nikkei	21 378,73	-0,23%	6,81%
Sensex	38 132,88	-0,26%	5,72%
CSI300	3 743,39	1,16%	24,34%
Bovespa	91 903,40	-3,57%	4,57%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	64,17	-0,51%	-7,63%
EURO/RUB	72,58	-0,47%	-8,66%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 309,55	-0,47%	2,11%
Brent*, USD/bbl	67,83	-0,21%	26,08%

* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	Change	
			per day	fr 31.12.18
IDGC of Centre	0,2934	12,39		193,04
IDGC of Centre & Volga Reg	0,2683	30,24		471,21

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-0,02%	12,06%
MOEXEU Index	-0,62%	4,93%
IDGC of Centre**	0,20%	2,59%
IDGC of Centre and Volga Region**	-0,78%	1,25%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-0,05%	25,08%
FGC UES	-0,19%	12,41%
IDGC of Volga	-0,25%	2,70%
MOESK	-0,44%	3,56%
IDGC of Northern Caucasus	0,80%	8,00%
IDGC of North-West	-0,39%	-7,75%
IDGC of Urals	0,00%	-3,58%
IDGC of Siberia	11,16%	205,07%
IDGC of South	-1,36%	26,26%
Lenenergo, ordinary shares	0,00%	11,34%
TRK, ordinary shares	-0,61%	5,19%
Kubanenergo	-1,76%	36,89%

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
www.mrsk-1.ru/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