

DAILY MARKET REVIEW

25 April, Thursday

2019



REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 24 April some neutral external background formed on the Russian market. On Tuesday major US indices added 0.6-1.3%, the S&P500 and Nasdaq indices updated their historical records on strong quarterly statements of a number of large companies. In particular, after Twitter's excellent reporting, analysts expect that the financial performance of other technological giants will become the new driver for the rise of the American market. Statistics provided additional support to investors – sales of new buildings in the US in March increased to a maximum since November 2017. On Wednesday the composite index of the Asia-Pacific region MSCI Asia Pacific declined by 0.4% with multidirectional changes of the main country indices. According to Reuters, the pressure on Asian markets is still due to concerns that the Chinese authorities may reduce stimulus to the economy after the publication of statistics indicating a recovery in economic growth. A statement by the US presidential economic advisor that Washington and Beijing have made “tremendous progress” in trade negotiations in the absence of some specifics did not impress investors. According to media reports, the parties are close to completing a trade deal and agreed to hold two more rounds of talks, which will start on 30 April in Beijing and on 8 May in Washington. June Brent futures traded at around \$ 74.1 per barrel, \$0.4 below our 23 April close. One of the reasons for the rollback of Brent quotes from annual highs was the statement by the IEA, made in connection with the situation around Iranian oil, that at the moment there is enough supply on the global oil market, and free production capacity remains at comfortable levels. In addition, the pressure on the market was put by statistics from the American Petroleum Institute, which recorded a sharp increase in oil reserves in the US last week – by 6.9 million barrels.

On the Russian market on Wednesday, profits were actively taken against the background of a general deterioration in investors' attitude to emerging market assets – in the afternoon the loss of the MOEX Russia Index and the MSCI EM Index exceeded three quarters of a percent. Growing investors' concerns about emerging markets were triggered by a sharp rise in oil prices and the stronger dollar, which reminded investors of the risks of a slowdown in the economy and the debt problems of developing countries. At the end of the day, the MOEX Russia Index was able to reduce losses to 0.3% due to the return of Brent quotes to the annual highs.

During the day, the electric utilities sector index outperformed – profit taking mainly affected the first-tier shares. The main contribution to the final MOEXEU outperformance compared to the MOEX Russia Index was made by shares of RusHydro and Mosenergo.

ELECTRIC POWER INDUSTRY NEWS

FAS is preparing 10-year tariffs for ROSSETI - Mr. Artemyev

The plan of the new grid tariffs for a ten-year period is being prepared by the Federal Anti-Monopoly Service for ROSSETI, the head of the department Igor Artemyev said.

Read full text: <http://www.bigpowernews.ru/markets/document87904.phtml>

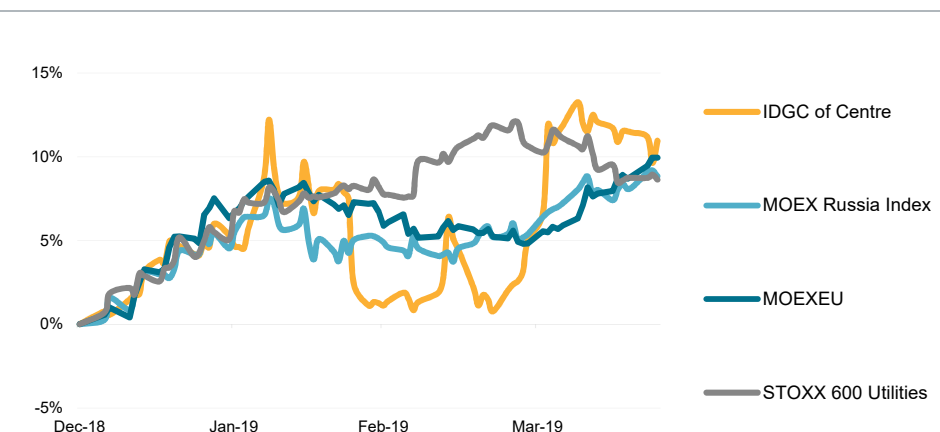
COMPANY NEWS

Head of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy visited the Yaroslavl region

During his working visit to the Yaroslavl region, General Director of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy met with the labour team of the branch “Yarenergo” and monitored the execution of instructions that he set to Yarenergo on his last visit in November last year. The head of the company paid special attention to the need to strengthen work to combat electricity losses.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/68155/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 579,05	-0,33%	8,85%
S&P 500	2 927,25	-0,22%	16,77%
FTSE 100	7 471,75	-0,68%	11,05%
DAX	12 313,16	0,63%	16,61%
DJStoxx 600	390,98	-0,09%	15,79%
Nikkei	22 200,00	-0,27%	10,92%
Sensex	39 054,68	1,27%	8,28%
CSI300	4 030,09	0,28%	33,86%
Bovespa	95 045,43	-0,92%	8,14%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	63,79	0,01%	-8,18%
EURO/RUB	71,75	0,03%	-9,71%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 275,76	0,26%	-0,52%
Brent*, USD/bbl	74,57	0,08%	38,61%

* - June futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	MCap**, \$ mln
IDGC of Centre	0,3174	13,40	210,06
IDGC of Centre & Volga Reg	0,2757	31,07	487,07

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-0,27%	8,65%
MOEXEU Index	-0,01%	9,96%
IDGC of Centre**	1,21%	10,98%
IDGC of Centre and Volga Region**	-0,43%	4,04%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	0,66%	41,47%
FGC UES	-0,18%	12,00%
IDGC of Volga	-0,48%	5,00%
MOESK	-0,64%	5,30%
IDGC of Northern Caucasus	3,19%	57,14%
IDGC of North-West	1,14%	-3,96%
IDGC of Urals	-0,12%	-6,28%
IDGC of Siberia	-2,01%	104,98%
IDGC of South	0,67%	25,07%
Lenenergo, ordinary shares	-0,69%	8,51%
TRK, ordinary shares	0,00%	10,39%
Kubanenergo	0,00%	33,20%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC:RM
MRKC:MM