

DAILY MARKET REVIEW

20 July, Thursday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 19 July some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed in different directions with changes in the range of 0.3%. The rise in shares of technology companies brought the S&P500 to a new historical level, while the DJIA fell, including on mixed quarterly reports of a number of large companies. On Wednesday the composite index of the Asia-Pacific region MSCI Asia Pacific, adding about half a percent, rose to the highs of 10 years ago. The Asian markets have been supported in recent days, including, by the weakness of the dollar and a decrease in the yield of government bonds of developed countries on growing doubts of investors in the ability of the US presidential administration to hold through Congress the economic reforms promised by Donald Trump. September Brent futures traded near \$48.6 per barrel, slightly below our closing level on 18 July. The positive media news that Saudi Arabia unilaterally considers the possibility of further reducing exports by another 1 million barrels per day to compensate for the growing production of Libya and Nigeria has been levelled by data of the American Petroleum Institute, which recorded an increase in oil reserves in the country last week, contrary to analysts' forecasts.

Trades on the Russian market on Wednesday differed with increased volatility. The MICEX Index began the day with a percent drop due to the ex-dividend date of shares of Gazprom, ALROSA and Transneft. However, by the end of the trading session the MICEX Index was able to enter a small plus due to the growth of Brent crude quotations to \$49.5 per barrel and positive sentiment on the western markets. Oil prices grew on the message of the US Department of Energy about a significant reduction in oil and gasoline reserves in the country last week, the US and European markets were supported by corporate reporting and statistics from the US, where the growth rates of new buildings in June exceeded expectations and were the highest since October last year. In addition, analysts note that this year on the Russian market there is a tendency for a fairly rapid closure of dividend gaps, including on expectations of reinvestment of dividends received.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the increase in the sector indicator was made by shares of FGC UES, which are actively closing the dividend gap, and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

The State Duma adopted a law allowing to pay for energy with public house meters

The State Duma adopted in the third final reading a bill setting the priority of readings of collective energy consumption metering devices over regional regulations.

Read full text: <http://www.bigpowernews.ru/markets/document78402.phtml>

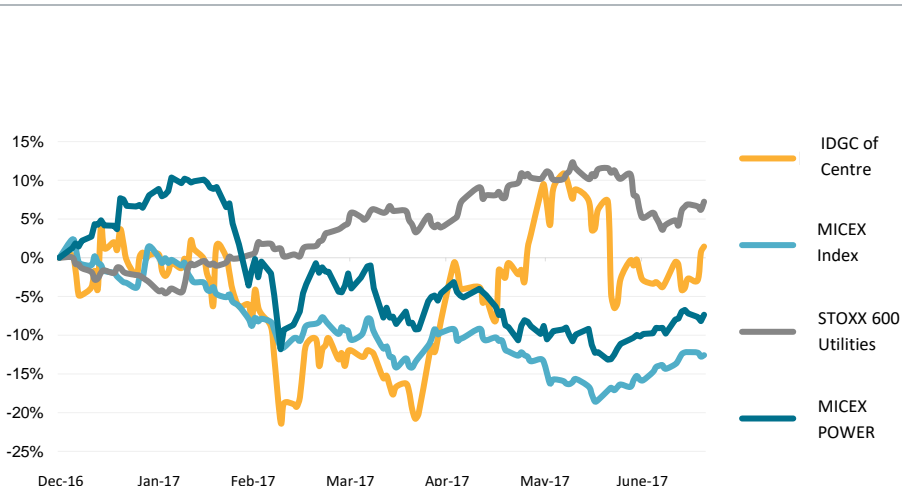
COMPANY NEWS

Belgorodenergo received the 50 thousandth customer

The Starooskolsky Customer Service Centre of IDGC of Centre – Belgorodenergo division received the 50 thousandth visitor, who submitted an application for replacement of an electricity meter. The jubilee client was a resident of Stary Oskol Evgenia Shubina. She was presented with a certificate for the purchase and installation of a single-phase electricity meter, the crew completed all the work on the same day.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/60679/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 951,89	0,21%	-12,58%
S&P 500	2 473,83	0,54%	10,50%
FTSE 100	7 430,91	0,55%	4,03%
DAX	12 452,05	0,17%	8,46%
DJStoxx 600	385,54	0,77%	6,67%
STOXX Utilities	296,82	0,99%	7,24%
Nikkei	20 020,86	0,10%	4,74%
Sensex	31 955,35	0,77%	20,01%
CSI300	3 729,75	1,71%	12,68%
Bovespa	65 179,92	-0,24%	8,22%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,15	-0,36%	9,55%
USD/RUB	59,37	0,52%	-2,12%
Euro/RUB	68,40	1,16%	7,19%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 241,25	-0,10%	8,17%
Brent*, USD/bbl	49,70	1,76%	-15,53%

* - September futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4535
Capitalisation**, billion RUB	19,15
Capitalisation**, million USD	322,48

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,88%	-7,36%
Shares of IDGC of Centre**	0,78%	1,45%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	1,09%	-24,55%
FGC UES	2,19%	-15,13%
IDGC of Volga	0,13%	41,96%
MOESK	-0,24%	-7,91%
IDGC of Northern Caucasus	2,40%	-22,45%
IDGC of Centre and Volga Reg	0,21%	30,27%
IDGC of North-West	0,62%	-11,45%
IDGC of Urals	2,36%	-7,90%
IDGC of Siberia	2,13%	-8,48%
IDGC of South	0,50%	-23,28%
Lenenergo, ordinary shares	1,23%	-10,63%
TRK, ordinary shares	1,35%	-21,22%
Kubanenergo	-1,20%	-14,94%

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