

# DAILY MARKET REVIEW

20 February, Monday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 17 February some neutral external background formed on the Russian market. On Thursday the major US indices closed mixed with minor changes in the range of 0.1%. According to experts, the US market took a pause after a five-day rally in anticipation of concrete plans for tax reform, deregulation of the financial sector and details on the program of infrastructure construction. On Friday the composite index of the Asia-Pacific region MSCI Asia Pacific lost about 0.5% after the US market rising stopped. Additional pressure on the Asian markets was given by a statement of the deputy head of the Federal Reserve Stanley Fischer that the US economy is close to the Fed's objectives in terms of inflation and unemployment, which increases the probability of three interest rate hikes this year. April Brent futures traded near the mark of \$55.8 per barrel, or \$0.4 higher than the closing level on 16 February. According to analysts, record oil and gasoline reserves in the US suggests that the offer of fuel in the US is still higher than demand, which, in turn, can be a significant obstacle to further recovery of oil prices. At the same time, the current downside of oil prices is largely limited to information that OPEC+ countries at 90% comply with the agreement on production cuts.

After a half-point corrective growth on Thursday the MICEX Index continued its decline on Friday – on the daily lows the indicator drop exceeded a percent. The Russian market was pressured both by the decline in oil prices to around \$55.1 per barrel, and moderately negative sentiment in the western markets – the European Stoxx Europe 600 Index and futures for US indices lost on average about a third of percent.

During the trading session the MicexPWR Sector Index looked significantly better than the market. The main contribution to the final MicexPWR growth in opposition with the MICEX Index was made shares of RusHydro, which were supported by a statement of Deputy Prime Minister Yury Trutnev that the additional capitalization transaction of the company by means of VTB may be closed in two to three weeks, and shares of IDGC of Centre, soaring by 8% in the absence of significant news.

## ELECTRIC POWER INDUSTRY NEWS

### Most of new units loaded by no more than half the capacity, said the newspaper

"Market Council" calculated the capacity of power facilities used, constructed from 2008 to 2009 under Capacity Delivery Agreements (CDA). According to the "Market Council" presentation, writes "Vedomosti", at the end of 2016 the CDA program was nearly completed, 89% of the capacity provided by it was commissioned. 77 power units with total capacity of 19.5 GW were constructed, 44 facilities with capacity of 7.1 GW were modernized.

Read full text: <http://www.bigpowernews.ru/markets/document75518.phtml>

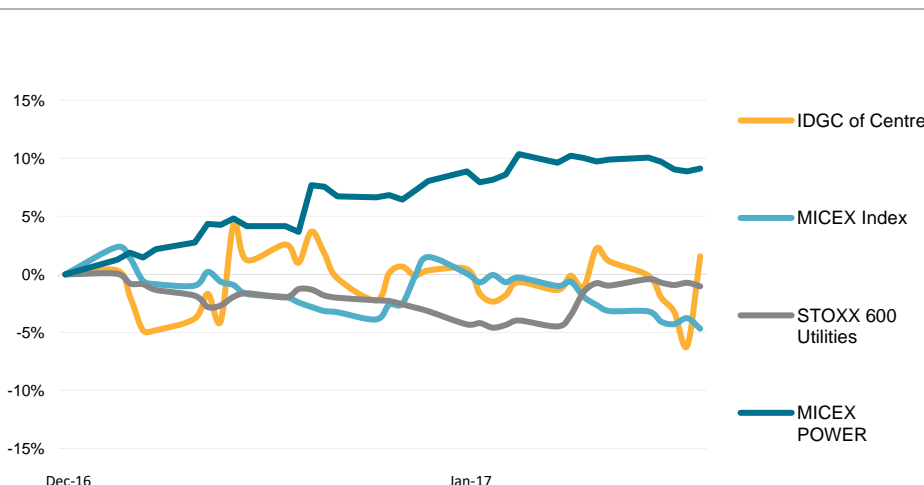
## COMPANY NEWS

### In the year of ecology Belgorod branch of IDGC of Centre to spend 5.4 million rubles on the implementation of environmental protection measures

In accordance with the approved by the Board of Directors of IDGC of Centre Program for the implementation of environmental policy, in 2017 IDGC of Centre – Belgorodenergo division will spend 5.4 million rubles on the implementation of 37 environmental measures. In 2016 the branch "Belgorodenergo" spent 3.7 million rubles on the implementation of the Program of environmental policy, performed 32 activities.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/58937/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 128,21	-0,94%	-4,68%
S&P 500	2 351,16	0,17%	5,02%
FTSE 100	7 299,96	0,30%	2,20%
DAX	11 757,02	0,00%	2,40%
DJStoxx 600	370,22	0,03%	2,43%
STOXX Utilities	273,93	-0,30%	-1,03%
Nikkei	19 234,62	-0,58%	0,63%
Sensex	28 468,75	0,59%	6,92%
CSI300	3 421,44	-0,57%	3,36%
Bovespa	67 748,42	-0,10%	12,49%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,06	-0,35%	0,94%
USD/RUB	57,15	0,67%	-5,78%
Euro/RUB	60,65	1,05%	-4,95%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 234,60	-0,36%	7,59%
Brent*, USD/bbl	55,81	0,29%	-2,92%

\* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4540
Capitalisation**, billion RUB	19,17
Capitalisation**, million USD	335,38

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,23%	9,13%
Shares of IDGC of Centre**	8,22%	1,57%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,56%	8,23%
FGC UES	-0,40%	24,02%
IDGC of Volga	0,75%	7,41%
MOESK	1,71%	12,47%
IDGC of Northern Caucasus	1,33%	3,85%
IDGC of Centre and Volga Reg	0,06%	8,11%
IDGC of North-West	0,94%	-2,73%
IDGC of Urals	0,00%	1,52%
IDGC of Siberia	2,01%	-9,20%
IDGC of South	0,60%	-4,58%
Lenenergo, ordinary shares	1,34%	3,36%

Source: MOEX, Company calculations

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

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**Tickers**  
Moscow Exchange (MOEX)  
Bloomberg  
Reuters

**MRKC**  
**MRKC.RX**  
**MRKC.MM**