

# DAILY MARKET REVIEW

13 September, Thursday

2018



## REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 12 September some moderately positive external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed with an increase of 0.4% due to the recovery of shares of technology companies, the rise in commodity stocks following the increase in oil prices and strong statistics – the optimism index of small businesses and the number of open vacancies in the labour market rose to record values. On Wednesday the composite index of the Asia-Pacific region, MSCI Asia Pacific, lost 0.4%. As Bloomberg noted, the indicator has been down for ten consecutive sessions, which was not observed since 2002. The Asian markets are still pressured by the trade conflict between the US and China – analysts believe that a possible increase in US duties on all Chinese imports could affect most of the largest suppliers from Asia. November Brent futures traded near \$79.3 per barrel, \$0.6 higher than our 11 September closing. Positive background for quotes was the report of the American Petroleum Institute that oil reserves in the US collapsed last week by 8.64 million barrels – at a record pace since July.

The MOEX Russia Index spent most of the day in a small plus on average about half a percent due to the return of investors' interest in the depreciated assets of emerging markets – on Wednesday the currencies and bonds of emerging markets were adjusting. The driver of the rise of the Russian market was oversold shares of Sberbank and securities of Gazprom, which were supported, among other things, by statements of the head of the Ministry of Energy of the Russian Federation about the progress in negotiations with China on new routes for gas supplies to China. An additional positive factor for Russian investors was the rise in oil prices above \$80 per barrel on data from the US Department of Energy, which recorded a significant reduction in oil reserves in the country – twice the forecast, and the first weekly decline in production for the last month. At the same time, the activity of buyers in the domestic market was constrained by the sanctions risks – on Wednesday hearings on new sanctions against the Russian Federation will resume in the US Senate.

At the end of the day the MicexPWR Sector Index outperformed. The main contribution to the MicexPWR outperformance in comparison with the MOEX Russia Index was made by shares of Inter RAO and FGC UES.

## ELECTRIC POWER INDUSTRY NEWS

### "Rosseti" expects the approval of the digitalization program before the end of the year

"Rosseti" expects the approval of the digitalization program before the end of this year, told RIA Novosti the head of the company Pavel Livinskiy on the sidelines of the Eastern Economic Forum.

Read full text: <https://1prime.ru/energy/20180912/829222401.html>

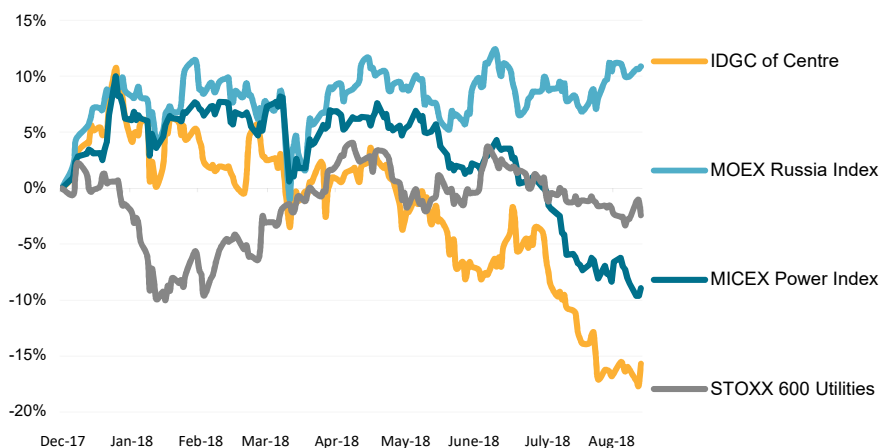
## COMPANY NEWS

### IDGC of Centre estimates efficiency of new digital equipment in the Belgorod region

IDGC of Centre - Belgorodenergo division began to implement a new project of digitalization of the electric grid. Specialists of the enterprise installed five sets of short-circuit indicators (fault locators) on a 10 kV overhead line of the 35 kV substation "Oktyabrskaya" in Belgorodsky district, designed to locate fault on the line caused by interphase short-circuit or single-phase ground fault. The new system has already passed tests.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/65620/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 340,63	0,23%	10,94%
S&P 500	2 888,92	0,04%	8,05%
FTSE 100	7 313,36	0,55%	-4,87%
DAX	12 032,30	0,52%	-6,85%
DJStoxx 600	377,08	0,47%	-3,11%
Nikkei	22 604,61	-0,27%	-0,70%
Sensex	37 717,96	0,81%	10,75%
CSI300	3 202,03	-0,69%	-20,56%
Bovespa	75 124,81	0,63%	-1,67%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	69,97	0,15%	21,42%
EURO/RUB	81,39	0,90%	18,33%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 206,24	0,64%	-7,41%
Brent*, USD/bbl	79,74	0,86%	24,55%

\* - November futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3000	12,67	181,00
IDGC of Centre & Volga Reg	0,2880	32,46	463,84

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-1,39%	-2,41%
MICEX POWER Index	0,75%	-8,96%
IDGC of Centre**	2,39%	-15,73%
IDGC of Centre and Volga Region**	0,35%	-4,54%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	1,57%	-18,13%
FGC UES	0,90%	-3,18%
IDGC of Volga	0,69%	-7,45%
MOESK	0,58%	-23,36%
IDGC of Northern Caucasus	0,68%	-23,44%
IDGC of North-West	2,83%	32,69%
IDGC of Urals	1,17%	-17,42%
IDGC of Siberia	2,82%	-20,52%
IDGC of South	11,52%	16,56%
Lenenergo, ordinary shares	0,42%	24,69%
TRK, ordinary shares	0,00%	-11,05%
Kubanenergo	-1,12%	-32,40%

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**