

# DAILY MARKET REVIEW

6 March, Tuesday

2018



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 5 March some neutral external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed the volatile trading session in different directions with changes within 0.5%. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific lost about a percent, futures for US indices fell 0.7%. The stock markets are still pressured by a posing threat to begin trade wars. After the statement of the US President about the intention to introduce duties on steel and aluminum, the European Commission, British, Canadian, Chinese and Brazilian officials, the Japanese Iron and Steel Federation spoke a promise of retaliation. In response, according to the British BBC, Donald Trump threatened to introduce a duty on cars imported into the US from Europe. According to MarketWatch, the rapid and extremely negative reaction of the stock market to the news of duties may foreshadow a further decline due to the threat of a trade war along with the expected growth in inflation and an increase in interest rates. May Brent futures traded near \$64.6 per barrel, \$1.0 higher than the closing level on Friday, 2 March. Oil prices were supported by Bloomberg's information about the suspension of production at the largest field in Libya.

On Monday the Russian market was dominated by buyers – on daily highs the growth of the MOEX Russia Index exceeded a percent due to higher oil prices and better sentiment on European markets. Stock indices of Europe started trading in negative territory because of the threat of a trade war with the US and the results of the Italian elections, where none of the parties gained a weighty majority in parliament, and the leader was the populist "Five Star" party. However, already in the middle of the day, the European Stoxx Europe 600 Index added more than 0.5% on news from Germany and favourable statistics. German media reported the end of the political crisis – most members of the SPD voted to form a large coalition with the CDU/CSU bloc, and the president of Germany sent a letter to the parliament in which he proposed to elect A. Merkel as chancellor. According to IHS Markit, the business activity in the Eurozone continued to rise in February, but at a more restrained pace – the consolidated PMI retreated from historical highs in January and is now near a 7-year high. In the second half of the day, the growth rate of our market slowed somewhat due to uncertain changes of US indices at the beginning of trading.

During the trading session the changes of the MicexPWR Sector Index generally corresponded to the market. The main contribution to the final MicexPWR growth was made by shares of Inter RAO, FGC UES and RusHydro.

## ELECTRIC POWER INDUSTRY NEWS

### The Cabinet of Ministers of the Russian Federation nominated Director General of Rosseti Mr. Livinsky to the company's board of directors

The government of the Russian Federation nominated candidates to the board of directors of Rosseti, among them Director General of the company Pavel Livinsky, follows from the order published on the website of the Cabinet of Ministers.

Read full text: <http://www.bigpowernews.ru/news/document81997.phtml>

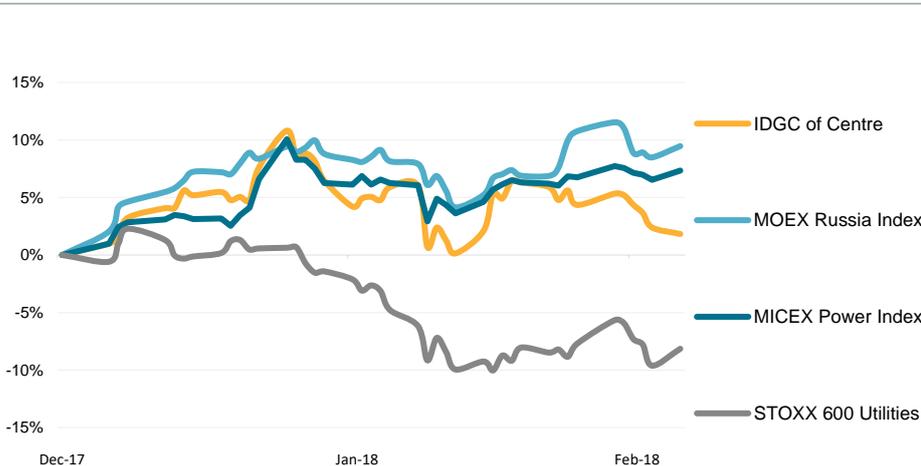
## COMPANY NEWS

### General Director of IDGC of Centre Oleg Isaev had a working visit to the Tver region

During the working trip, the head of IDGC of Centre took part in a working meeting with the head of the region Igor Rudenya, and also held a meeting with staff of the Tver branch of the company - Tverenergo.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/63321/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 309,53	0,90%	9,47%
S&P 500	2 720,94	1,10%	1,77%
FTSE 100	7 115,98	0,65%	-7,44%
DAX	12 090,87	1,49%	-6,40%
DJStoxx 600	370,87	1,04%	-4,70%
Nikkei	21 042,09	-0,66%	-7,57%
Sensex	33 746,78	-0,88%	-0,91%
CSI300	4 018,10	0,04%	-0,32%
Bovespa	86 022,83	0,30%	12,59%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	56,66	0,40%	-1,68%
EURO/RUB	69,47	0,85%	0,99%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 320,11	-0,20%	1,33%
Brent*, USD/bbl	65,54	1,82%	-0,83%

\* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,3229	36,39	642,24

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	1,63%	-8,15%
MICEX POWER Index	0,76%	7,34%
IDGC of Centre**	-0,55%	1,83%
IDGC of Centre and Volga Region**	1,03%	7,03%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-0,16%	0,84%
FGC UES	1,32%	8,79%
IDGC of Volga	-0,04%	10,33%
MOESK	-0,50%	-11,01%
IDGC of Northern Caucasus	0,56%	-5,73%
IDGC of North-West	-1,22%	-6,54%
IDGC of Urals	-1,74%	7,64%
IDGC of Siberia	-1,97%	8,73%
IDGC of South	0,70%	-3,68%
Lenenergo, ordinary shares	2,05%	19,38%
TRK, ordinary shares	1,68%	-2,16%
Kubanenergo	0,41%	-6,89%

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**