

# DAILY MARKET REVIEW

14 November, Tuesday

2017



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 13 November some moderately negative external background formed on the Russian market. On Friday the US indices DJIA and S&P500 decreased by 0.1% -0.2%, on Monday the composite index of the Asia-Pacific region MSCI Asia Pacific lost about 0.5%. The markets were pressured by fears of delaying the long-awaited reduction in taxes in the US, which were the catalyst for the growth of indices throughout the year. As experts note, the proposals on tax reform presented by Republicans in the Senate differ significantly from the position of the legislators of the House of Representatives, which can significantly slow the implementation of the tax reform. In the Asian session, most actively traders recorded profits in the Japanese market – the Nikkei225 lost 1.3% after the 20% rally since the beginning of September. January Brent futures traded near the mark of \$63.5 per barrel, \$0.6 below the closing level on Friday, 10 November. Oil quotes were pressured by information from Baker Hughes, which indicated a sharp increase in shale activity in the US – the number of operating drilling rigs in the country increased by 9 units last week.

The MICEX Index spent most of the trading session in a small plus on average within half a percent, despite negative changes of the western markets. As experts say, for the export-oriented Russian market, the ideal situation now is developing – high prices for raw materials and the weak ruble. The European Stoxx Europe 600 Index in the afternoon lost more than a percent after continued decline in futures for US indices. Additional pressure on the markets of Europe was given by uncertainty with Brexit – as the politician representing the EU position at the talks stated, the EU countries and business should prepare for the fact that negotiations on Britain's withdrawal will fail, as London does not want to pay. Against this background, a political crisis in Britain is brewing – according to media reports, forty deputies of the British parliament have signed a letter of no confidence in the Prime Minister. At the end of the day, the MICEX Index moved to negative territory after the start of trading on the US stock exchanges with a slight decline in major indices.

As a result of the trading session the MicexPWR Sector Index looked worse than the broad market, mainly due to a 2% fall in RusHydro's shares.

## ELECTRIC POWER INDUSTRY NEWS

### System Operator can be excluded from natural monopolies, says the newspaper

The FAS took a step forward in the struggle to change the legislation on natural monopolies - First Deputy Prime Minister Igor Shuvalov instructed the departments to work out the issue. The FAS insists, in particular, that only owners of "grid" infrastructure assets are regarded as natural monopolies. As a result, the dispatcher of the Russian power system JSC "System Operator" may not fall into this category.

Read full text: <http://www.bigpowernews.ru/markets/document80529.phtml>

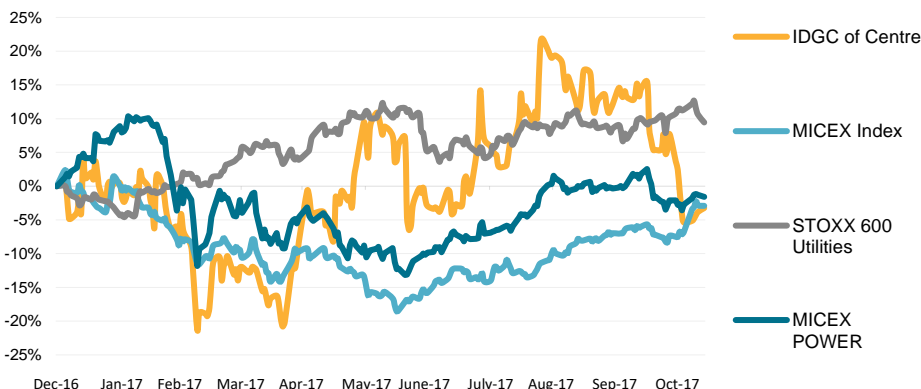
## COMPANY NEWS

### For 9 months of 2017, Yarenergo spent more than 3.3 million rubles on environmental protection measures

IDGC of Centre - Yarenergo division is implementing a set of environmental measures aimed at minimizing environmental damage from the company's production activities. Yarenergo with the involvement of a licensed laboratory does regular monitoring of compliance with permissible concentrations of pollutants in discharges into domestic and storm sewers.

Read full text: <http://inthePress.ru/press/p379113.html>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 167,63	-0,08%	-2,92%
S&P 500	2 584,84	0,10%	15,45%
FTSE 100	7 415,18	-0,24%	3,81%
DAX	13 074,42	-0,40%	13,88%
DJStoxx 600	386,13	-0,66%	6,84%
STOXX Utilities	302,91	-1,03%	9,44%
Nikkei	22 380,99	-1,32%	17,09%
Sensex	33 033,56	-0,84%	24,06%
CSI300	4 128,07	0,39%	24,71%
Bovespa	72 475,16	0,43%	20,34%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,17	-0,02%	10,90%
USD/RUB	59,28	0,05%	-2,27%
Euro/RUB	68,98	0,28%	8,10%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 278,31	0,25%	11,40%
Brent*, USD/bbl	63,16	-0,57%	7,65%

\* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4325
Capitalisation**, billion RUB	18,26
Capitalisation**, million USD	308,01

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,30%	-1,57%
Shares of IDGC of Centre**	0,58%	-3,24%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,76%	-18,91%
FGC UES	0,06%	-19,34%
IDGC of Volga	-0,14%	92,68%
MOESK	2,13%	-4,01%
IDGC of Northern Caucasus	-1,08%	-16,55%
IDGC of Centre and Volga Reg	2,68%	115,07%
IDGC of North-West	0,18%	0,18%
IDGC of Urals	0,00%	15,50%
IDGC of Siberia	1,20%	51,14%
IDGC of South	-2,09%	-1,53%
Lenenergo, ordinary shares	0,18%	-0,27%
TRK, ordinary shares	0,00%	-12,39%
Kubanenergo	4,74%	-6,09%

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](mailto:ir@mrsk-1.ru)

### Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC  
MRKC:RM  
MRKC:MM