

# DAILY MARKET REVIEW

17 October, Wednesday

2018



ROSSETI



IDGC OF CENTRE

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 16 October some neutral external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with a decline of 0.4-0.6% due to the resumption of sales in the technology sector and weak statistics on retail sales in September. On Tuesday the composite stock index of the Asia-Pacific region, MSCI Asia Pacific, added 0.3%, with multidirectional changes of the main country indices. The Japanese Nikkei225 rose by 1.2%, including due to the yen weakening. In turn, the Chinese CSI300 lost 0.8% on inflation data in September. According to Reuters, the growth rate of industrial inflation slows down for the third month in a row amid weakening domestic demand under pressure from trade disputes with the US. December Brent futures traded around \$80.7 a barrel, \$0.4 above our closing level on 15 October. The industry's experts attribute a slight rise in quotations to a decline in the dollar in the global foreign exchange market.

The MOEX Russia Index spent most of the trading session with low volatile flat changes near zero – moderately positive sentiment on world markets was offset by lower oil prices. Brent quotes, which fell below \$80 a barrel, were pressured by media reports about the return of oil workers to platforms in the Gulf of Mexico after Hurricane Michael had passed through and tensions between the US and Saudi Arabia had reduced. According to a number of news agencies, Riyadh is going to impose responsibility for the death of an opposition journalist on the agents of the Saudi special services, who have not received permission from the authorities to conduct this operation. This version, the media notes, will allow the US to assure that the Saudi authorities do not stand directly behind the murder of the journalist, and thus avoid the development of the sanction scenario. At the end of the day, Russian investors' sentiment improved following an acceleration in global market growth – the growth rate of the MOEX Russia Index, as well as the US stock indices, the index of emerging markets MSCI EM and the European Stoxx Europe 600 Index, exceeded a percent. Buyers were supported by strong quarterly statements from a number of large US companies, including Goldman Sachs, Morgan Stanley and Johnson&Johnson, and good statistics. In September, industrial production in the US exceeded forecasts, the number of open vacancies in the labour market updated the historical record.

At the end of the trading session the MicexPWR Sector Index underperformed, mainly due to active sales in shares of RusHydro.

## ELECTRIC POWER INDUSTRY NEWS

### FAS to begin the introduction of reference tariffs for grids in 2020

The Federal Antimonopoly Service (FAS) of Russia expects to begin levelling tariffs for electricity transmission in the Russian regions in 2020, Deputy Head of the FAS Vitaly Korolev told reporters.

Read full text: <http://www.bigpowernews.ru/markets/document84922.phtml>

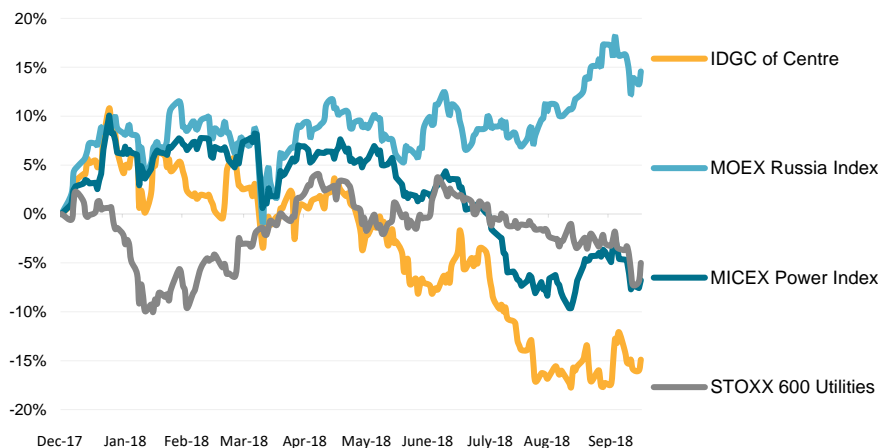
## COMPANY NEWS

### Lipetskenergo's specialists at the exercises in the Tver region perform their tasks ahead of schedule

By 15 October, crews of IDGC of Centre - Lipetskenergo division cleared 149 hectares of ROWs in Kalininsky district with a plan of 133 hectares. Thus, 101 kilometres of power lines have been put in order. The branch's chief engineer Vladimir Tikhonov personally inspected the progress of work.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/66141/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 417,26	1,18%	14,58%
S&P 500	2 809,92	2,15%	5,10%
FTSE 100	7 059,40	0,43%	-8,17%
DAX	11 776,55	1,40%	-8,83%
DJStoxx 600	364,99	1,58%	-6,22%
Nikkei	22 549,24	1,25%	-0,95%
Sensex	35 162,48	0,85%	3,25%
CSI300	3 100,97	-0,81%	-23,07%
Bovespa	85 717,56	2,83%	12,19%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	65,75	-0,34%	14,09%
EURO/RUB	76,05	-0,59%	10,57%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 224,95	-0,17%	-5,98%
Brent*, USD/bbl	81,41	0,78%	21,74%

\* - December futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3030	12,79	194,55
IDGC of Centre & Volga Reg	0,2815	31,72	482,50

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	2,03%	-5,00%
MICEX POWER Index	0,89%	-6,75%
IDGC of Centre**	1,34%	-14,89%
IDGC of Centre and Volga Region**	0,36%	-6,70%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	2,46%	-14,07%
FGC UES	1,14%	-3,86%
IDGC of Volga	1,19%	-0,83%
MOESK	1,01%	-22,25%
IDGC of Northern Caucasus	2,83%	-24,22%
IDGC of North-West	0,60%	28,08%
IDGC of Urals	0,29%	-16,71%
IDGC of Siberia	-0,57%	-24,02%
IDGC of South	1,43%	30,10%
Lenenergo, ordinary shares	0,08%	27,81%
TRK, ordinary shares	-5,45%	-15,90%
Kubanenergo	-0,78%	-35,20%

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