

DAILY MARKET REVIEW

13 February, Monday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 10 February some moderately positive external background formed on the Russian market. On Thursday the three major US indices – DJIA, S&P500 and Nasdaq Composite, adding 0.6%, updated their historical highs. The markets were mainly supported by Donald Trump's promise in the next few weeks to make a "phenomenal announcement" about tax plans – according to him, plans to reduce taxes for US companies are moving ahead of schedule. On Friday, after the US market, the composite index of the Asia-Pacific region MSCI Asia Pacific added more than a percent. Additional support for investors in the Asian session was provided by statistics from China, where data on exports and imports in January were significantly better than expected. April Brent futures traded near the mark of \$55.8 per barrel, or \$0.2 higher than the closing level on 09 February. Analysts at JPMorgan increased oil price forecasts in 2017-2018 up to \$55-65 per barrel, noting that the supply and demand on the oil market in this period would reach the equilibrium position with growing volumes of global oil consumption.

The Russian market continues moving in the opposite phase with global markets – most of the trading session the MICEX Index was a half-point in the red, despite the cautious optimism of investors in Europe and the rise in oil prices. The Stoxx Europe 600 Index mostly traded in a small plus, reacting to statements of Donald Trump, strong Chinese statistics and good corporate reporting of a number of European companies. In turn, Brent crude oil quotes exceeded \$56.5 per barrel after the International Energy Agency reported that the compliance with OPEC agreements on restriction of production is at record levels – around 90%. A small growth of US indices at the beginning of the trading session could not support our market either – the MICEX Index closed near daily lows.

The MicexPWR Sector Index closed the trading session with a slight increase mainly due to growth of shares of Inter RAO and OGK-2.

ELECTRIC POWER INDUSTRY NEWS

FAS received authority to set tariffs for REC, said Mr. Artemiev

The Russian government has agreed a scheme under which the Federal Antimonopoly Service (FAS) will have the authority to approve heads of regional energy commissions (REC), and the right to set tariffs for the REC, told reporters the head of the Federal Antimonopoly Service Igor Artemiev, says PRIME.

Read full text: <http://www.bigpowernews.ru/markets/document75425.phtml>

COMPANY NEWS

In 2016 Belgorodenergo saved more than 4 million kWh with performance of its energy conservation program at 215%

In 2016, IDGC of Centre – Belgorodenergo division saved 4.2 million kWh of electricity, which accounted for 215% of the planned volume for this period of energy saving, said the press service of the company.

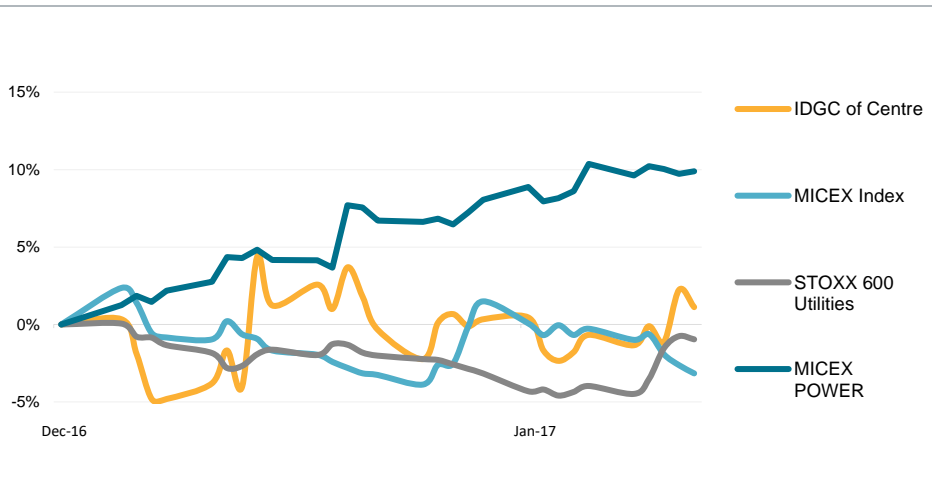
Read full text: <http://www.interfax-russia.ru/Center/news.asp?id=807083&sec=1679>

"Smolenskenergo" plans in July-September 2017 to clear 1,377 hectares of ROWs along power lines for 48 million rubles

In 2017, IDGC of Centre – Smolenskenergo division plans to perform clearing of ROWs of overhead lines of all voltage classes in the amount of 1,377 hectares.

Read full text: <http://www.energyland.info/analytic-show-155667>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 162,19	-0,54%	-3,16%
S&P 500	2 316,10	0,36%	3,45%
FTSE 100	7 258,75	0,40%	1,62%
DAX	11 666,97	0,21%	1,62%
DJStoxx 600	367,39	0,16%	1,65%
STOXX Utilities	274,11	-0,21%	-0,96%
Nikkei	19 378,93	2,49%	1,38%
Sensex	28 334,25	0,02%	6,41%
CSI300	3 413,49	0,51%	3,12%
Bovespa	66 124,52	1,79%	9,79%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,06	-0,13%	1,20%
USD/RUB	59,02	-0,82%	-2,69%
Euro/RUB	63,03	-0,66%	-1,23%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 233,62	0,43%	7,51%
Brent*, USD/bbl	56,70	1,92%	-1,37%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4520
Capitalisation**, billion RUB	19,08
Capitalisation**, million USD	323,30

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,16%	9,89%
Shares of IDGC of Centre**	-1,09%	1,12%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	0,08%	9,10%
FGC UES	0,00%	25,49%
IDGC of Volga	4,33%	11,96%
MOESK	1,49%	13,92%
IDGC of Northern Caucasus	0,42%	7,94%
IDGC of Centre and Volga Reg	-0,06%	9,39%
IDGC of North-West	0,00%	-0,91%
IDGC of Urals	0,30%	3,04%
IDGC of Siberia	-1,14%	-6,81%
IDGC of South	0,40%	-4,96%
Lenenergo, ordinary shares	-0,18%	2,27%

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