



REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 15 March some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed with a decrease of 0.6-1.0% due to growing concerns about trade protectionism in the US and weak data on retail sales. The White House spokesman, writes The Wall Street Journal, confirmed that the US requires China to take measures to reduce the US trade deficit with China by \$100 billion. As experts say, raw materials and industrial companies in the US may be the loser more than others, if China responds to the US trade restrictions. Retail sales in the US declined in February despite expectations for the third month in a row – the reduction was 0.1% m/m, as in the previous two months. On Thursday the composite index of the Asia-Pacific region, MSCI Asia Pacific, showed zero changes with multidirectional changes of the main country stock indices. May Brent futures traded near \$65 per barrel, \$0.5 higher than the closing level on 14 March. Oil quotations were supported by the weakening of the dollar and the publication of the monthly OPEC report, in which cartel experts raised the forecast for oil demand in 2018 and reported a reduction in OPEC oil production in February to 32.19 million barrels per day. According to analysts' estimates, in February, cartel countries performed the deal to limit oil production by 147%.

On Thursday the MOEX Russia Index spent most of the trading session in a small minus on average with a third of a percent, despite the stability of oil prices near \$65 per barrel and a restrained rise of Western markets on corporate news and good statistics. In particular, in the US the manufacturing activity index of the Federal Reserve Bank of New York in March jumped to a maximum since October last year, the number of applications for unemployment benefits fell more than forecasts. The Russian market is still pressured by geopolitical risks and threats of new sanctions because of the "case of Skripal". On Thursday the leaders of the US, Britain, France and Germany issued a joint statement condemning the poisoning of ex-colonel of GRU S. Skripal in Salisbury and expressed the opinion that it was Russia that was responsible for this incident. The statement also notes that this is the first use of poisonous nerve agent in Europe since the end of World War II, which threatens the security of all signatory countries.

During the day, the changes of the MicexPWR Sector Index in general corresponded to the market. The main contribution to the final MicexPWR decline was made by shares of Inter RAO and Unipro. Shares of Inter RAO for two days lost 5.6% on information about the sale by the company's managers, participating in the option program, of a 1.14% stake in Inter RAO. The seller was Inter RAO Invest LLC, which represented the interests of top managers, the sale was carried out within the framework of the accelerated bookbuilding procedure. According to Interfax, the placement price was 3.48 rubles – 5% below the closing price on Wednesday.

ELECTRIC POWER INDUSTRY NEWS

The RF Cabinet of Ministers proposed to sharply increase fines for unauthorized connection and use of power grids

The Government of the Russian Federation sent to the State Duma a bill that increases fines for next unauthorized connection to infrastructure grids and the use of energy resources, follows from the electronic database.

Read full text: <http://www.bigpowernews.ru/markets/document82129.phtml>

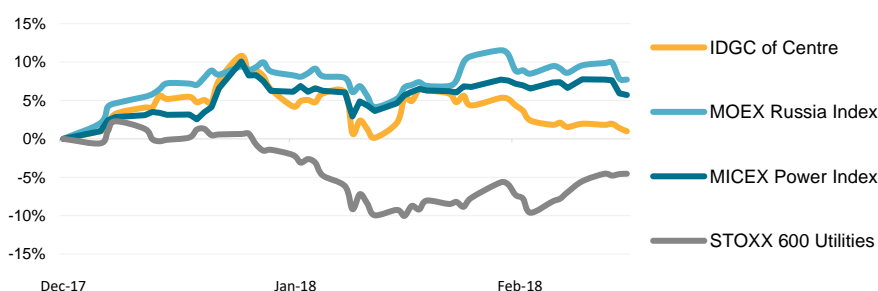
COMPANY NEWS

In 2018 IDGC of Centre to allocate more than 500 million rubles for the protection of labour and ensuring the industrial safety of employees

IDGC of Centre's management declares recognition and ensuring the priority of life and health of employees. The company systematically embodies these principles in practice, implementing a set of measures aimed at protecting labour and ensuring the operational safety of personnel. In 2018, IDGC of Centre plans to allocate 576 million rubles for this purpose.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/63374/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



| World indexes | Value | Change | |
|---------------|-----------|---------|-------------|
| | | per day | fr 31.12.17 |
| MOEX Russia | 2 272,49 | -0,12% | 7,71% |
| S&P 500 | 2 747,33 | -0,08% | 2,76% |
| FTSE 100 | 7 139,76 | 0,10% | -7,13% |
| DAX | 12 345,56 | 0,88% | -4,43% |
| DJStoxx 600 | 376,88 | 0,52% | -3,16% |
| Nikkei | 21 803,95 | 0,12% | -4,22% |
| Sensex | 33 685,54 | -0,44% | -1,09% |
| CSI300 | 4 096,16 | 0,56% | 1,62% |
| Bovespa | 84 928,20 | -1,30% | 11,16% |

Source: Bloomberg, Company calculations

| Currency rates | Value | Change | |
|----------------|-------|---------|-------------|
| | | per day | fr 31.12.17 |
| USD/RUB | 56,94 | 0,00% | -1,20% |
| EURO/RUB | 70,53 | 0,54% | 2,54% |

Source: Bloomberg, Company calculations

| Raw | Value | Change | |
|-----------------|----------|---------|-------------|
| | | per day | fr 31.12.17 |
| Gold, USD/oz | 1 316,10 | -0,66% | 1,02% |
| Brent*, USD/bbl | 65,12 | 0,35% | -1,47% |

* - May futures

Source: Bloomberg, Company calculations

| Shares | Price**, ₺ | MCap**, ₺ bln | MCap**, \$ mln |
|----------------------------|------------|---------------|----------------|
| | | | |
| IDGC of Centre | 0,3595 | 15,18 | 266,56 |
| IDGC of Centre & Volga Reg | 0,3284 | 37,01 | 650,01 |

Source: Central Bank of Russia, Company calculations

| Comparison with indexes | Change | |
|-----------------------------------|---------|-------------|
| | per day | fr 31.12.17 |
| STOXX 600 Utilities | 0,04% | -4,55% |
| MICEX POWER Index | -0,18% | 5,73% |
| IDGC of Centre** | -0,42% | 0,98% |
| IDGC of Centre and Volga Region** | 0,43% | 8,85% |

Source: Bloomberg, Company calculations

| Grid companies | Change** | |
|----------------------------|----------|-------------|
| | per day | fr 31.12.17 |
| Rosseti, ordinary shares | 0,65% | 0,46% |
| FGC UES | 1,07% | 7,99% |
| IDGC of Volga | -0,04% | 14,66% |
| MOESK | 0,62% | -10,12% |
| IDGC of Northern Caucasus | -1,41% | -9,11% |
| IDGC of North-West | -0,21% | -6,54% |
| IDGC of Urals | -0,44% | 7,40% |
| IDGC of Siberia | 0,43% | 2,62% |
| IDGC of South | -1,21% | -4,52% |
| Lenenergo, ordinary shares | 0,36% | 15,00% |
| TRK, ordinary shares | -1,67% | -4,58% |
| Kubanenergo | -0,54% | -6,76% |

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

Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC:RM
MRKC:MM