

DAILY MARKET REVIEW

3 November, Friday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 02 November some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 added 0.2% on the outcome of the Fed meeting and good statistics. The US Central Bank expectedly retained the key interest rate in the range of 1-1.25%, improving the assessment of economic growth in the US to "confident pace," while at the September meeting, the rise was characterized as "moderate." The number of employees in the private sector in October, according to the ADP, jumped to 235 thousand against the forecast of 200 thousand. At the same time, the suspension for the consideration of the revised tax reform project in the lower house of Congress was a restraining factor for buyers. On Thursday the main country indices of the Asia-Pacific region showed multidirectional changes. January Brent futures traded near the mark of \$60.6 per barrel, at the level of our closing on 01 November. On Wednesday quotes receded from two-year highs on ambiguous statistics from the US Department of Energy: oil and gasoline stocks fell more than expected last week, while stocks in Cushing, where oil traded on NYMEX is stored, and production in the country increased.

The MICEX Index spent the trading session on Thursday in minus, on average, losses were about half a percent. Reasons for correction after a confident growth the day before were the decline in oil prices and worsening sentiment on the western markets. Quotes of Brent fell to \$60 per barrel on Thursday on the statements of the Russian Energy Minister that OPEC+ countries are considering different options for the further fate of the oil production reduction deal, including a smooth exit from it by gradually increasing oil production. The European Stoxx Europe 600 Index and futures for US indices lost about a third of a percent in anticipation of US Congressional tax reform decisions. At the same time, the activity of sellers was limited to strong statistics from the US, where the average number of applications for unemployment benefits in the last four weeks and the number of Americans continuing to receive benefits fell to the lows of 1973, labour productivity growth in the third quarter accelerated to a maximum in three years. Out of the general trend of the western markets, more than 0.5% rise of the British FTSE100 was different, following the weakening of the pound against the dollar, provoked by news from the Bank of England. The British regulator for the first time in 10 years raised the key rate by 0.25 percentage points, to 0.5%, but noted in the final statement fears related to the weakness of the economy in view of the forthcoming UK withdrawal from the EU in 2019. In addition, analysts drew attention to the fact that the words of the statement disappeared from the text of the statement that in future it would require more increases in rates than the markets expect.

During the trading session the MicexPWR Sector Index looked worse than the broad market, mainly due to active sales in shares of Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

Consumers did not agree with the draft of the Ministry of Energy of the Russian Federation on cross-subsidization

Association "Energy Consumers Community" asks the State Duma Energy Committee to give negative feedback to the Energy Ministry's bill on cross-subsidization in the power grid, RIA Novosti reports with reference to the letter of the association's director Vasily Kiselyov to the chairman of the committee Pavel Zavalny.

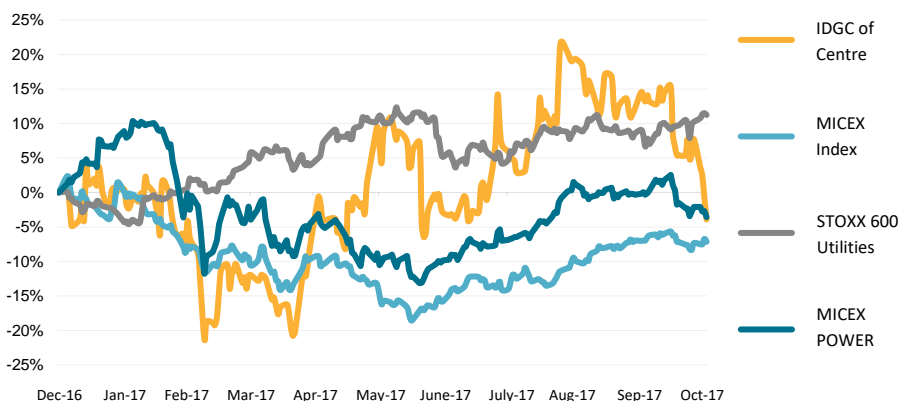
Read full text: <http://www.bigpowernews.ru/markets/document80429.phtml>

COMPANY NEWS

IDGC of Centre for nine months repaired over 16 thousand kilometres of power lines and about 5 thousand transformer substations

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62273/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 073,04	-0,47%	-7,15%
S&P 500	2 579,85	0,02%	15,23%
FTSE 100	7 555,32	0,90%	5,77%
DAX	13 440,93	-0,18%	17,07%
DJStoxx 600	394,94	-0,46%	9,27%
STOXX Utilities	307,85	-0,24%	11,23%
Nikkei	22 539,12	0,53%	17,92%
Sensex	33 573,22	-0,08%	26,09%
CSI300	3 997,13	0,01%	20,76%
Bovespa	73 823,74	0,00%	22,58%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,17	0,25%	10,83%
USD/RUB	58,16	0,07%	-4,12%
Euro/RUB	67,71	0,10%	6,11%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 276,13	0,12%	11,21%
Brent*, USD/bbl	60,62	0,21%	3,32%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4295
Capitalisation**, billion RUB	18,13
Capitalisation**, million USD	311,79

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,90%	-3,57%
Shares of IDGC of Centre**	-3,05%	-3,91%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,96%	-18,80%
FGC UES	0,37%	-20,25%
IDGC of Volga	-1,67%	89,29%
MOESK	-0,36%	-8,13%
IDGC of Northern Caucasus	-2,45%	-18,59%
IDGC of Centre and Volga Reg	-1,98%	110,20%
IDGC of North-West	1,07%	3,09%
IDGC of Urals	-1,28%	17,33%
IDGC of Siberia	-2,26%	54,72%
IDGC of South	1,00%	-3,44%
Lenenergo, ordinary shares	-2,11%	-7,18%
TRK, ordinary shares	0,00%	-15,13%
Kubanenergo	1,94%	-9,54%

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