

DAILY MARKET REVIEW

11 October, Wednesday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 10 October some neutral external background formed on the Russian market. On Monday the US indices DJIA and S&P500 fell within 0.2%, trading activity was low in connection with the celebration of Columbus Day and closed bond markets. In general, the attention of investors is directed to the reporting season of American companies that starts this week. As expected, the profits of companies included in the S&P 500 index increased by 4.8% in the last quarter, according to Thomson Reuters, which is below the double-digit growth in the first two quarters of this year. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific added about 0.5%. The Japanese Nikkei225 rose to its maximum since July 2015, the South Korean Kospi, which returned to trading after a week of holidays, came close to the historical record. December Brent futures traded near \$55.9 per barrel, \$0.2 higher than the closing level on 9 October. Oil prices were supported by statements of the Saudi Energy Ministry about "the largest scale cuts in deliveries to customers in its history" in November – by 560 thousand barrels per day – in order to restore balance in the market.

The MICEX Index spent most of the trading session in a small minus within half a percent, despite the rise in Brent quotes above \$56 per barrel and neutral changes of western markets. In Europe, according to Bloomberg, the focus is again on the Catalan question. According to media reports, yesterday the head of the executive authority of Catalonia intended to promulgate a declaration on the gradual transition of the region to independence and call on Madrid to negotiate. New records of the US market and the growth of December Brent futures to \$56.8 per barrel could not significantly support our market, the MICEX Index closed trading 0.4% down.

During the trading session the changes of the MicexPWR Sector Index in general corresponded to the MICEX Index. The main contribution to the final MicexPWR decline was made by shares of FGC UES and RusHydro, in which profit was taken after a strong growth on Monday.

ELECTRIC POWER INDUSTRY NEWS

The Ministry of Energy of the Russian Federation to study the possibility of licensing TGOs

The Ministry of Energy of the Russian Federation will study the feasibility of licensing territorial electric grid companies (territorial grid organizations, TGO), Energy Minister Alexander Novak said at the All-Russian meeting on preparation for the heating season on Friday, 6 October.

Read full text: <http://www.bigpowernews.ru/news/document80015.phtml>

COMPANY NEWS

Belgorodenergo to spend 1.8 million rubles on the environment

In the first half of the year, IDGC of Centre – Belgorodenergo division allocated 1.8 million rubles for the execution of the Environmental Policy Implementation Program. In general, for 2017, environmental protection financing is planned at 5.4 million rubles.

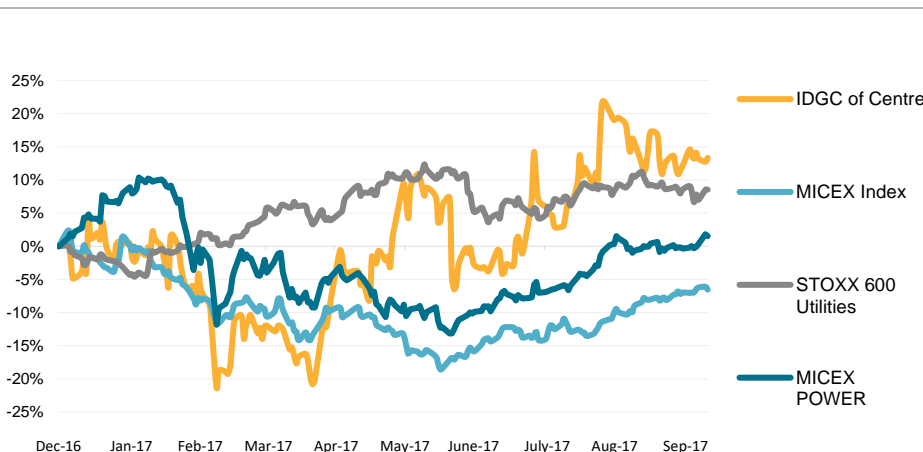
Read full text: <http://mediatron.ru/news-2017-okt-046678.html>

Since the beginning of 2017 Tverenergo filed 496 lawsuits to recover receivables

The Tver branch of IDGC of Centre continues to conduct active work to collect debt receivables. Since the beginning of 2017 to the present time, the legal service of Tverenergo has filed 496 lawsuits in the total amount of 676,742.6 thousand rubles.

Read full text: http://www.afanasy.biz/news/hau/?ELEMENT_ID=116300

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 086,91	-0,45%	-6,53%
S&P 500	2 550,64	0,23%	13,93%
FTSE 100	7 538,27	0,40%	5,54%
DAX	12 949,25	-0,21%	12,79%
DJStoxx 600	390,16	-0,01%	7,95%
STOXX Utilities	300,40	0,03%	8,54%
Nikkei	20 823,51	0,64%	8,94%
Sensex	31 924,41	0,24%	19,90%
CSI300	3 889,86	0,20%	17,52%
Bovespa	76 897,21	1,55%	27,68%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,18	0,45%	12,23%
USD/RUB	58,32	0,96%	-3,86%
Euro/RUB	68,39	1,26%	7,17%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 288,03	0,31%	12,25%
Brent*, USD/bbl	56,61	1,47%	-3,61%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,5065
Capitalisation**, billion RUB	21,38
Capitalisation**, million USD	366,69

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,30%	1,53%
Shares of IDGC of Centre**	0,50%	13,31%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-0,07%	-6,81%
FGC UES	-1,18%	-15,33%
IDGC of Volga	0,13%	109,02%
MOESK	0,45%	-1,34%
IDGC of Northern Caucasus	0,94%	-2,49%
IDGC of Centre and Volga Reg	2,59%	130,41%
IDGC of North-West	0,00%	13,09%
IDGC of Urals	-0,26%	18,24%
IDGC of Siberia	-0,07%	62,37%
IDGC of South	-1,12%	-16,03%
Lenenergo, ordinary shares	0,46%	-1,36%
TRK, ordinary shares	0,00%	-13,03%
Kubanenergo	0,00%	-14,94%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC:RM

MRKC.MM