

DAILY MARKET REVIEW

31 October, Monday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 28 October some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 closed the trading session lower by 0.2-0.3%. The market was pressured by a decline in shares of companies that are sensitive to changes in interest rates, against the background of profitability growth of US 10-year Treasuries to their highest level since June. According to MarketWatch, unexpectedly strong quarterly statements of Deutsche Bank, as well as stronger-than-expected UK GDP growth in the III quarter, boosted appetite for risk, which triggered the sale of government securities on the background of doubt about the prospects for growth in the further expansion of incentives by world central banks. On Friday most of stock market indices of the Asia-Pacific region were declining moderately, the Japanese market grew against the background of the weaker yen. December Brent futures traded near the mark of \$50.4 per barrel, or \$0.4 less than the closing level on 27 October. Oil was pressured by growing pessimism about the prospects of the deal between OPEC on production decrease. At the same time, the market participants wait for outcome of consultations of producing countries in Vienna to discuss oil production quotas, which took place at the end of last week.

Most of the trading session the MICEX Index was flat a little below zero. At the beginning of the day our market was pressured by negative changes of oil prices, and a reduction in European markets on weak corporate reporting. Keeping the key rate unchanged by the Bank of Russia was not able to provide significant support for our market, as well as published preliminary data on US GDP growth in the III quarter, which were better than expected and raised expectations on the Federal Reserve to tighten monetary policy. At the end of the day our market was supported by a growth of US markets after their opening, as well as stabilization of Brent crude oil prices above \$50 per barrel. Against this background the MICEX Index managed to get into positive territory, closing just above the zero mark.

During the trading session the MicexPWR Sector Index looked significantly better than the market. The main contribution to the final MicexPWR growth was made by shares of Rosseti, Inter RAO and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti" consolidates management of IDGC of Centre and IDGC of Center and Volga Region

PJSC "Rosseti" decided to introduce single control in the subsidiaries of IDGC of Centre, PJSC and IDGC of Center and Volga Region, PJSC, delegating management of IDGC of Center and Volga Region to General Director of IDGC of Centre Oleg Isaev.

Read full text: http://www.rosseti.ru/press/news/?ELEMENT_ID=28382

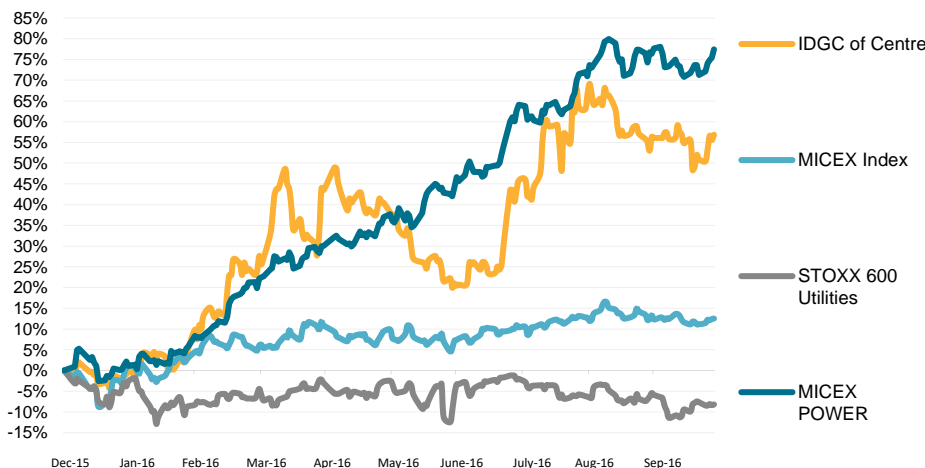
COMPANY NEWS

IDGC of Centre expands formats of informational work with shareholders and investors

28 October, IDGC of Centre held a web conference for shareholders and investors. Its topic was the Company's performance for nine months of 2016 and forecast figures of the business plan for the year. This was told the conference participants by Deputy General Director for Economy and Finance Sergey Rummyantsev.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/57361/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 981,76	0,10%	12,51%
S&P 500	2 126,41	-0,31%	4,03%
FTSE 100	6 996,26	0,14%	12,08%
DAX	10 696,19	-0,19%	-0,44%
DJStoxx 600	340,80	-0,27%	-6,84%
STOXX Utilities	281,07	0,19%	-8,19%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	27 941,51	0,09%	6,98%
CSI300	3 340,13	-0,17%	-10,48%
Bovespa	64 307,63	0,09%	48,35%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,10	0,85%	-9,64%
USD/RUB	63,04	1,25%	-13,50%
Euro/RUB	68,76	1,23%	-13,73%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 275,47	0,56%	20,20%
Brent*, USD/bbl	49,71	-1,51%	11,96%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3060
Capitalisation**, billion RUB	12,92
Capitalisation**, million USD	204,93

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	1,14%	77,43%
Shares of IDGC of Centre**	0,82%	56,84%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	3,02%	110,70%
FGC UES	0,00%	184,51%
IDGC of Volga	-3,75%	97,94%
MOESK	3,48%	18,93%
IDGC of Northern Caucasus	0,96%	26,80%
IDGC of Centre and Volga Reg	5,46%	47,61%
IDGC of North-West	-1,23%	75,18%
IDGC of Urals	5,14%	61,58%
IDGC of Siberia	-0,53%	15,78%
IDGC of South	2,89%	59,62%
Lenenergo, ordinary shares	2,34%	129,48%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
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MRKC
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