



## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 20 March some moderately negative external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with a 0.1% decline, on Monday the main country indices of the Asia-Pacific region in the absence of Japan being on a holiday in connection with the celebration of the Spring Equinox did not show a single trend. As experts believe, investors continue to comprehend the results of the last Fed meeting and the risks associated with the end of the era of cheap liquidity. May Brent futures traded near the mark of \$51.5 per barrel, \$0.2 lower than our closing on Friday, 17 March. Quotes are pressured by worries of investors about the continued revival of the activity of the American oil industry, which hinders the solution of the problem of excess supply. In particular, the oil service company Baker Hughes reported on the ninth consecutive week of increasing the number of operating oil drilling rigs in the US. Against this background, according to Bloomberg, hedge funds lose confidence at an unprecedented speed in the growth of oil prices – according to the US Commodity Futures Trading Commission, the number of long positions for WTI oil for the week ended 14 March fell 23%, a record pace for the whole history of observations.

On Monday the Russian market consolidated after strong growth last week. A half-percentage increase in the MICEX Index at the beginning of the day, due in part to the Friday's improvement in the outlook of Russia's rating by S&P agency from "stable" to "positive", was replaced by a comparable decline following the drop in Brent quotations to \$51 per barrel and worsening sentiment on the western markets. The main European indices lost on average within 0.5% in the middle of the day as pressured by the head of the Federal Reserve Bank of Chicago about the potential four Fed rate hikes if inflation in the US rises above 2% and information on a possible additional issue of Deutsche Bank shares at a discount of 35% to the closing price on 17 March. Nevertheless, at the end of the trading session the MICEX Index was able to return to the positive area after the neutral start of trading in the US and Brent's return to the morning levels.

During the trading session MicexPWR Sector Index looked significantly better than the market. The main contribution to the final MicexPWR outperformance in comparison with the MICEX Index was made by shares of Unipro and TGK-1.

## ELECTRIC POWER INDUSTRY NEWS

### FAS prepared a plan of measures to develop competition in the electric power industry

Its implementation will reduce the monopoly power of a supplier of last resort and add competition for the consumer, the ministry said.

Read full text: <http://www.bigpowernews.ru/markets/document75971.phtml>

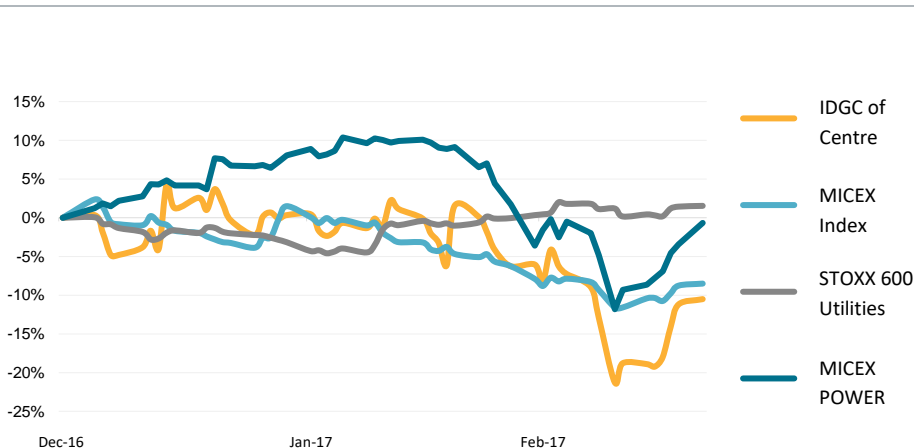
## COMPANY NEWS

### In the year of ecology IDGC of Centre to allocate more than 40 million rubles for the implementation of environmental protection measures

In accordance with the Environmental Policy Implementation Program approved by the Board of Directors of IDGC of Centre, in 2017 the company will spend 40.6 million rubles on environmental protection activities. In the current year, the environmental policy implementation is defined as the most priority direction of the company's power engineers. A set of environmental protection measures is implemented in all 11 branches of IDGC of Centre. This year, under the Program more than 50 environmental protection measures are planned.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/59214/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



| World indexes   | Value     | Change  |             |
|-----------------|-----------|---------|-------------|
|                 |           | per day | fr 31.12.16 |
| MICEX           | 2 042,72  | 0,28%   | -8,51%      |
| S&P 500         | 2 373,47  | -0,20%  | 6,01%       |
| FTSE 100        | 7 429,81  | 0,07%   | 4,02%       |
| DAX             | 12 052,90 | -0,35%  | 4,98%       |
| DJStoxx 600     | 377,68    | -0,17%  | 4,50%       |
| STOXX Utilities | 281,00    | 0,09%   | 1,53%       |
| Nikkei          | 19 521,59 | 0,00%   | 2,13%       |
| Sensex          | 29 518,74 | -0,44%  | 10,86%      |
| CSI300          | 3 449,61  | 0,11%   | 4,22%       |
| Bovespa         | 64 884,27 | 1,05%   | 7,73%       |

Source: Bloomberg, Company calculations

| Currency rates | Value | Change  |             |
|----------------|-------|---------|-------------|
|                |       | per day | fr 31.12.16 |
| Euro/USD       | 1,07  | -0,09%  | 2,01%       |
| USD/RUB        | 57,93 | -0,53%  | -4,49%      |
| Euro/RUB       | 62,37 | -0,19%  | -2,25%      |

Source: Bloomberg, Company calculations

| Raw             | Value    | Change  |             |
|-----------------|----------|---------|-------------|
|                 |          | per day | fr 31.12.16 |
| Gold, USD/oz    | 1 234,24 | 0,41%   | 7,56%       |
| Brent*, USD/bbl | 51,62    | -0,27%  | -11,06%     |

\* - May futures

Source: Bloomberg, Company calculations

| Shares of IDGC of Centre      | Value  |
|-------------------------------|--------|
| Last transaction, RUB         | 0,4000 |
| Capitalisation**, billion RUB | 16,89  |
| Capitalisation**, million USD | 291,49 |

Source: Central Bank of Russia, Company calculations

| Russian indexes            | Change  |             |
|----------------------------|---------|-------------|
|                            | per day | fr 31.12.16 |
| MICEX-Power Index          | 2,85%   | -0,68%      |
| Shares of IDGC of Centre** | 0,76%   | -10,51%     |

Source: Bloomberg, Company calculations

| Grid companies               | Change** |             |
|------------------------------|----------|-------------|
|                              | per day  | fr 31.12.16 |
| Rosseti, ordinary shares     | 0,76%    | -10,51%     |
| FGC UES                      | 1,47%    | -15,74%     |
| IDGC of Volga                | 2,28%    | -4,08%      |
| MOESK                        | 3,36%    | 7,14%       |
| IDGC of Northern Caucasus    | 0,00%    | 16,93%      |
| IDGC of Centre and Volga Reg | 1,58%    | -12,47%     |
| IDGC of North-West           | -1,01%   | 6,01%       |
| IDGC of Urals                | 0,87%    | -15,27%     |
| IDGC of Siberia              | -2,53%   | -6,38%      |
| IDGC of South                | 2,18%    | -21,51%     |
| Lenenergo, ordinary shares   | -3,38%   | -23,66%     |
| TRK, ordinary shares         | 2,10%    | -7,36%      |
| Kubanenergo                  | 3,13%    | -10,08%     |

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