

DAILY MARKET REVIEW

12 May, Friday

2017



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 11 May some moderately positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed in different directions with changes within 0.2% – the growth of energy companies following the rise in oil prices was offset by the unexpected dismissal of the FBI head by the US president, which once again reminded investors of the risks of unpredictability of Donald Trump. On Thursday the main country indices of the Asia-Pacific region showed a predominantly positive trend at the rising prices for oil and metals. July Brent futures traded near the mark of \$50.7 per barrel, \$0.3 above the closing level on 10 May. On Wednesday oil quotations increased by 3%, showing the best changes since December last year on the information of the US Department of Energy about the most significant this year's weekly decline in oil reserves in the country.

On Thursday the Russian market was under pressure from sellers, despite the stability of Brent quotations above \$50.5 per barrel – on the daily lows the loss of the MICEX Index exceeded 1.5%. Reasons for sales were both negative sentiment in Europe, where the Stoxx Europe 600 was trading at half a percent minus, and internal factors, among which analysts called the ruble strengthening, uncertainty with dividends of state-owned companies, continuation of the history with lawsuits against AFK Sistema – according to mass media information, the Ministry of Defense requires from the concern RTI (part of the Sistema) almost 5 billion rubles. In addition, experts noted that the meeting of the Russian Foreign Minister with the US President and Secretary of State on 10 May did not bring a breakthrough in the Russian-American relations. Moreover, following the results of talks between S. Lavrov and the US State Secretary, the State Department issued a press release stating that sanctions against Russia will remain in force until "Moscow abolishes the steps that provoked their introduction".

During the trading session the MicexPWR Sector Index looked better than the broad market, mainly due to growth of RusHydro's shares, which closed trading by an increase of 2.7% in the absence of significant news for such changes.

ELECTRIC POWER INDUSTRY NEWS

Regulations for staff in the electric power industry to be updated in 2017 to reduce the accident rate

The new regulations for the work of staff and equipment operation in the power industry will be adopted by the end of the year to reduce the accident rate and more reliable operation through the autumn-winter period, said Russian Energy Minister Alexander Novak during a meeting of the Russian government.

Read full text: <http://www.bigpowernews.ru/markets/document77013.phtml>

COMPANY NEWS

300 million rubles to be invested in a substation near Kursk

In connection with the upcoming construction of the northern part of Kursk (the area of the settlement of Severny and Victory Avenue), it is necessary to construct the 110 kV Severnaya substation on its territory, says the program for the development of the electric power industry of the region for 2018-2022.

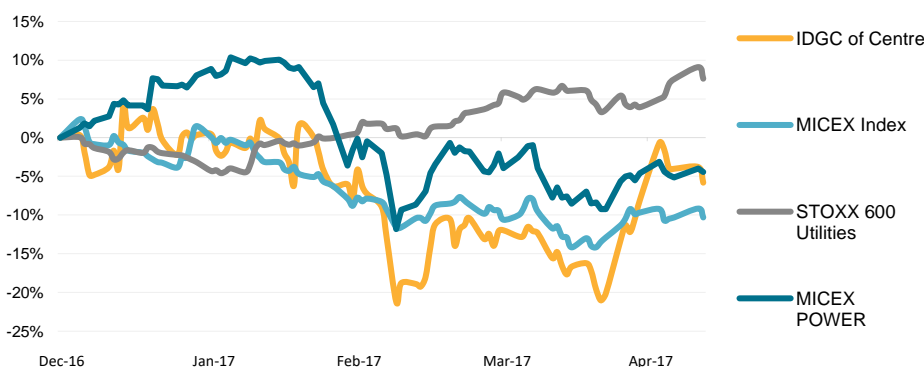
Read full text: <https://www.kommersant.ru/doc/3294422>

In 2017 Tambovenergo to spend more than 2.5 million rubles on environmental protection measures

IDGC of Centre - Tambovenergo division continues its work to reduce the negative impact on the environment within the "Environmental Policy Implementation Program". In 2017, announced in Russia as the Year of Ecology, 37 environmental measures are planned to be performed in all production subdivisions of the enterprise.

Read full text: http://www.advis.ru/php/view_news.php?id=0E6B8B0D-2378-3C41-A154-ADE66DEF2973

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 002,54	-1,27%	-10,31%
S&P 500	2 394,44	-0,22%	6,95%
FTSE 100	7 386,63	0,02%	3,41%
DAX	12 711,06	-0,36%	10,71%
DJStoxx 600	394,39	-0,52%	9,12%
STOXX Utilities	297,83	-1,37%	7,61%
Nikkei	19 961,55	0,31%	4,43%
Sensex	30 250,98	0,01%	13,61%
CSI300	3 356,65	0,57%	1,41%
Bovespa	67 537,62	0,28%	12,14%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,09	-0,01%	3,33%
USD/RUB	58,08	-0,78%	-4,24%
Euro/RUB	63,26	-1,52%	-0,86%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 225,04	0,49%	6,76%
Brent*, USD/bbl	50,77	1,10%	-13,51%

* - July futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4210
Capitalisation**, billion RUB	17,77
Capitalisation**, million USD	306,01

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,45%	-4,44%
Shares of IDGC of Centre**	-2,09%	-5,82%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,41%	-20,35%
FGC UES	-0,85%	-5,73%
IDGC of Volga	-1,01%	22,86%
MOESK	-0,71%	8,91%
IDGC of Northern Caucasus	-2,06%	-24,72%
IDGC of Centre and Volga Reg	-1,75%	17,91%
IDGC of North-West	0,23%	-20,00%
IDGC of Urals	-0,33%	-9,42%
IDGC of Siberia	-2,91%	-12,19%
IDGC of South	1,15%	-32,63%
Lenenergo, ordinary shares	-2,89%	-8,54%
TRK, ordinary shares	0,00%	-15,76%
Kubanenergo	-3,06%	-8,97%

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