



REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 16 March some positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 rose by 0,5-0,8%, on Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific added more than a percent. Investors were optimistic about the lack of surprises following the Fed meeting – the US Central Bank expectedly raised the key interest rate by 0.25 percentage points to 0.75-1%, the Fed chair confirmed the intention to gradually raise the rate in the medium term. At the same time, forecasts on the pace of growth of the Fed interest rate – two more increases in 2017 and three in 2018 - did not change, which lowered investors' concerns about possible sharper tightening of monetary policy. On Thursday the Bank of Japan expectedly retained the key parameters of monetary policy, including the target yield of 10-year government bonds at around zero, the central banks of China and Hong Kong, following the Fed, raised short-term rates. May Brent futures traded at \$52.1 per barrel, \$0.5 higher than the closing level on 15 March. The oil prices were supported by both the US Department of Energy's report on the first this week's reduction in oil reserves in the US, as well as the weakening of the dollar on information about the Fed's preservation of forecasts on the rate growth pace in 2017-2018.

Most of the trading session the MICEX Index was flat in a percentage plus against the backdrop of rising oil prices and positive sentiment in Europe. The Stoxx Europe 600 Index rose to the highs of December 2015 following the meeting of the Fed and information on the victory of the ruling Liberal Party in the Netherlands, which eliminated the risk of the eurosceptics coming to power in one of the key EU countries. The decisions of the Bank of England and the Swiss Central Bank to keep interest rates at the lowest levels and the approval of the Brexit law by the Queen of England were expected by the market and had no significant effect on the changes of the trades. At the end of the day the MICEX Index kept its percent growth rate, ignoring the uncertain start of trading in the US, where the main stock indicators showed a slight decline, despite the publication of good statistics – the number of applications for unemployment benefits is at a minimum since the 70s, the number of new buildings in February rose to a maximum in four months.

During the trading session the MicexPWR Sector Index looked significantly better than the market. The main contribution to the final outperformance of the sector indicator was made by shares of FGC UES, in which active purchases resumed pending publication of the IFRS report for 2016 and decisions on dividends.

ELECTRIC POWER INDUSTRY NEWS

Head of Rosseti held a working meeting with Governor of the Voronezh region

Director General of the company "Rosseti" Oleg Budargin met in Moscow with Governor of the Voronezh region Alexey Gordeev and discussed various aspects of cooperation aimed at providing reliable power supply to consumers and the development of the region's electric grid facilities.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=29311

COMPANY NEWS

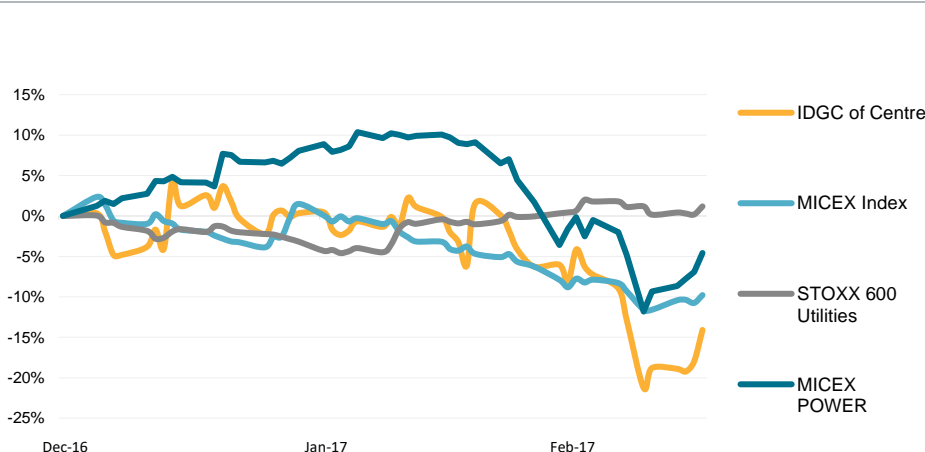
IDGC of Centre has published its audited consolidated financial statements under International Financial Reporting Standards (IFRS) for the year ended 31 December 2016

Read full text: <https://www.mrsk-1.ru/press-center/news/company/59185/>

IDGC of Centre's management held meetings with representatives of the investment community

Read full text: <https://www.mrsk-1.ru/press-center/news/company/59183/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 014,37	1,09%	-9,78%
S&P 500	2 381,38	-0,16%	6,37%
FTSE 100	7 415,95	0,64%	3,82%
DAX	12 083,18	0,61%	5,24%
DJStoxx 600	377,73	0,70%	4,51%
STOXX Utilities	280,05	1,00%	1,19%
Nikkei	19 590,14	0,07%	2,49%
Sensex	29 585,85	0,64%	11,11%
CSI300	3 481,51	0,52%	5,18%
Bovespa	65 782,85	-0,68%	9,22%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,07	0,83%	1,88%
USD/RUB	59,11	0,27%	-2,55%
Euro/RUB	62,84	0,16%	-1,52%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 226,61	0,55%	6,89%
Brent*, USD/bbl	51,74	-0,14%	-10,85%

* - May futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3840
Capitalisation**, billion RUB	16,21
Capitalisation**, million USD	274,25

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	2,53%	-4,57%
Shares of IDGC of Centre**	4,77%	-14,09%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	2,73%	-20,45%
FGC UES	5,94%	-6,52%
IDGC of Volga	6,46%	-4,38%
MOESK	-0,67%	16,04%
IDGC of Northern Caucasus	3,49%	-12,47%
IDGC of Centre and Volga Reg	3,23%	5,81%
IDGC of North-West	2,50%	-18,00%
IDGC of Urals	3,29%	-4,56%
IDGC of Siberia	0,16%	-24,25%
IDGC of South	4,07%	-21,95%
Lenenergo, ordinary shares	2,40%	-10,81%
TRK, ordinary shares	0,00%	-12,82%
Kubanenergo	3,44%	7,01%

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