



REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 10 May some positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 increased by 0.7-1.0%, on Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.5%. The driver of the rise of stock exchanges was shares of commodity companies due to the rally in the oil market. July Brent futures traded near \$77.8 per barrel, \$2.9 higher than the closing level on Tuesday, 8 May. Oil on Wednesday went up by more than 3% and continues to rise on Thursday on the US president's decision to withdraw from the agreement on Iran's nuclear program and reintroduce sanctions against the country, including restrictions on oil exports. According to the statement of the US Secretary of Treasury, all sanctions will be restored within 180 days, additional restrictions are not excluded. According to experts, the sanctions will lead to a reduction in oil exports from Iran by 200-500 thousand barrels per day for the next six months. Additional support for quotations was provided by the US Department of Energy's report on the fall in oil and gasoline reserves in the country, contrary to the forecast.

The MOEX Russia Index spent most of the Thursday's trading session in a small plus on average about half a percent, playing out high oil prices. At the same time, the activity of buyers in the domestic market was restrained by moderately negative sentiments on European markets, where the Stoxx Europe 600 Index lost about a third of a percent. European stock markets, among other things, were pressured by raised concerns of investors about the negative impact of the US decision on Iran on the business of European companies. At the end of the day, our market was supported by a positive start of trading in the US, where major indices added more than 0.5% on their own statistics. The Core CPI in April rose by 2.1% against the forecast of 2.2%. Weaker inflation is considered by traders as an indication that the Fed will not rush to raise rates, which is favourable for risky assets. At the same time, the number of applications for unemployment benefits remained near the minimum for 49 years, which indicates the good condition of the world's largest economy.

As a result of the trading session the MicexPWR Sector Index underperformed. The main contribution to the MicexPWR reduction in antiphase with the MOEX Russia Index was made by shares of Lenenergo, Mosenergo and IDGC of Centre and Volga Region. From the news of the sector, one can note Kommersant's information that Inter RAO is considering the possibility of redemption of quasi-treasury shares after purchase of a 4.9% stake from RusHydro. In this case, according to Kommersant's estimates, the share of FGC UES in the authorized capital of Inter RAO will grow to 24.25%. However, a representative of Inter RAO during the day promptly denied this message, saying that the company does not intend to repay its quasi-treasury shares.

ELECTRIC POWER INDUSTRY NEWS

FAS unified its approaches to consideration of disputes and disagreements on tariffs, says the newspaper

The new rules approved by the Government of the Russian Federation establish a unified timeframe and procedure for examining pre-trial disputes and disagreements on tariffs for utility services and natural monopolies among all market participants. Previously, these issues were regulated by two dozen resolutions of the Cabinet of Ministers.

Read full text: <http://www.bigpowernews.ru/markets/document82864.phtml>

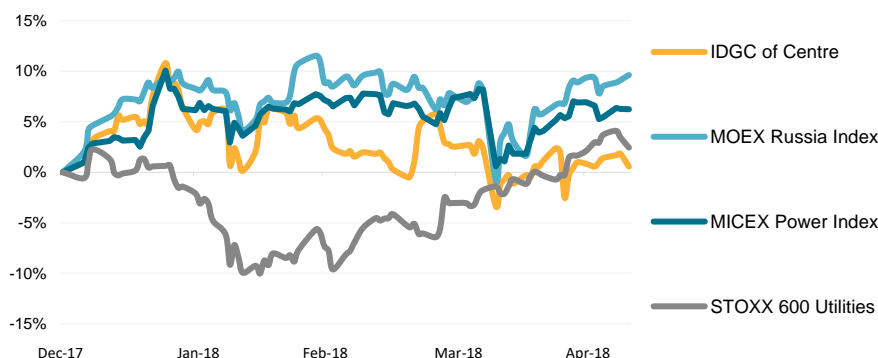
COMPANY NEWS

Production subdivisions of Kurskenergo are ready for massive repairs

All 38 structural subdivisions of IDGC of Centre - Kurskenergo division, including 30 Distribution Zones, are fully prepared for safe performance of mass repair work.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/63919/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 312,92	0,47%	9,63%
S&P 500	2 723,07	1,91%	1,85%
FTSE 100	7 700,97	1,79%	0,17%
DAX	13 022,87	0,86%	0,81%
DJStoxx 600	391,97	0,51%	0,72%
Nikkei	22 497,18	-0,05%	-1,18%
Sensex	35 246,27	0,09%	3,49%
CSI300	3 893,06	0,37%	-3,42%
Bovespa	85 861,20	3,50%	12,38%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	63,01	0,47%	9,33%
EURO/RUB	75,04	0,31%	9,09%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 321,60	0,53%	1,44%
Brent*, USD/bbl	77,47	3,50%	18,31%

* - July futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3580	15,11	239,88
IDGC of Centre & Volga Reg	0,3550	40,01	634,98

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-1,00%	2,44%
MICEX POWER Index	-0,02%	6,23%
IDGC of Centre**	-1,24%	0,56%
IDGC of Centre and Volga Region**	-1,39%	17,67%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,68%	0,66%
FGC UES	0,85%	9,23%
IDGC of Volga	-0,74%	23,82%
MOESK	-0,80%	-17,46%
IDGC of Northern Caucasus	-0,89%	-12,76%
IDGC of North-West	0,56%	4,23%
IDGC of Urals	1,33%	8,83%
IDGC of Siberia	-4,68%	-2,18%
IDGC of South	-0,15%	10,70%
Lenenergo, ordinary shares	-4,11%	28,75%
TRK, ordinary shares	1,50%	-8,89%
Kubanenergo	2,19%	-16,71%

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