



REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 11 December some moderately positive external background formed on the Russian market. On Friday the US indices DJIA and S&P500, updating their historical highs, added 0.5-0.6%, on Monday the composite index of the Asia-Pacific region MSCI Asia Pacific showed similar changes. Investors were supported by strong data on the US labour market – in November unemployment remained at a minimum level of 4.1% for 17 years, and information about the adoption by the US Congress of a law that prolongs government funding until 22 December. An additional positive factor for the markets was statements by representatives of the US presidential administration that Donald Trump intends at the end of January 2018 to give to the public detailed proposals on the investment program for the modernization of infrastructure with a volume of about \$1 trillion. February Brent futures traded near \$63.3 per barrel, slightly higher than the closing level on Friday, 8 December. The potential for growth in oil prices, analysts say, is currently largely limited to concerns about expanding shale production in the US, which can offset the efforts of OPEC+ countries to stabilize supply and demand in the global market. The evidence of the fairness of such fears was the statistics of the oilfield service company Baker Hughes, which reported an increase in the number of operating oil production facilities in the US to a maximum since September.

On Monday the Russian market was dominated by buyers in the recovery of global demand of investors for emerging market assets. In the second half of the day, the growth rate of the composite index of emerging markets MSCI EM approached a percent, the MOEX Russia Index added more than a percent. At the same time, on the first day of the week, close to zero trends prevailed on the European and American markets. Analysts relate investors' cautions with expectations of results of meetings of the leading central banks, including the Fed, the ECB, the Bank of England and the Swiss National Bank. At the end of the trading session, the growth of the MOEX Russia Index exceeded 2% after the rise of Brent quotes above \$64 per barrel and a slight increase in US stock indices at the beginning of the day.

During the trading session the changes of the MicexPWR Sector Index in general corresponded to the MOEX Russia Index. A fairly equal contribution to the final MicexPWR growth was made by all the most liquid and capitalized shares of the sector. The best changes of these securities were demonstrated by Rosseti's shares on Kommersant's information that the option of creating JSC "Krymenergo", considered by the Ministry of Energy, excludes the participation of Rosseti in this company's shareholders due to possible sanctions risks for the whole Rosseti group.

ELECTRIC POWER INDUSTRY NEWS

FAS by April to develop a methodology for equalizing tariffs for electricity transmission in the regions

The Federal Antimonopoly Service (FAS) of Russia for four months will amend the guidelines for calculating tariffs for electricity transmission services, which will lead to equalization of tariffs for the population between the regions of the Russian Federation. First of all, the levelling of tariffs will affect residents of the Krasnodar Territory and Adygea and the Tyumen Region, Khanty-Mansi and Yamal-Nenets Autonomous District, FAS Deputy Head Vitaly Korolev told TASS on Monday, 11 December.

Read full text: <http://www.bigpowernews.ru/markets/document80934.phtml>

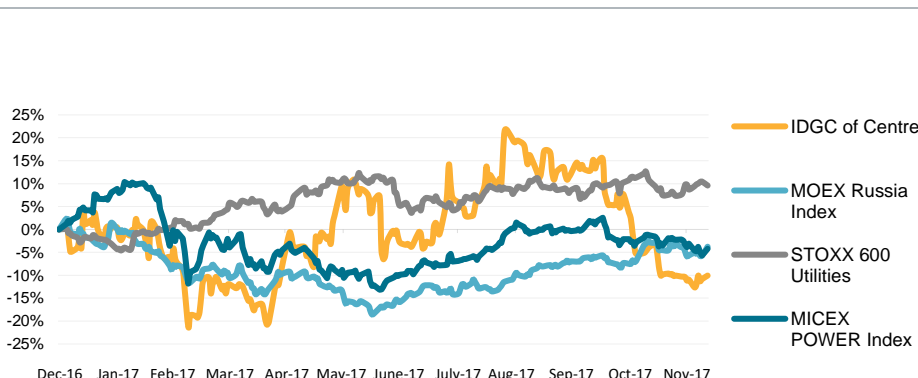
COMPANY NEWS

Representatives of IDGC of Centre took part in the international youth congress "Energy Security"

The Second International Youth Congress "Energy Security" was held in Kursk on the site of Southwestern State University (SWSU). It was attended by representatives of major energy companies from regions of Russia and abroad. At plenary sessions and panel discussions, they discussed issues of energy conservation and energy efficiency, energy security in the conditions of a technological revolution.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/62587/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MOEX Russia	2 148,60	2,07%	-3,77%
S&P 500	2 659,99	0,32%	18,81%
FTSE 100	7 453,48	0,80%	4,35%
DAX	13 123,65	-0,23%	14,31%
DJStoxx 600	389,05	-0,05%	7,64%
Nikkei	22 938,73	0,56%	20,01%
Sensex	33 455,79	0,62%	25,65%
CSI300	4 069,50	1,65%	22,94%
Bovespa	72 800,04	0,09%	20,88%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
USD/RUB	59,28	-0,02%	-2,27%
EURO/RUB	69,64	-0,41%	9,14%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 242,02	-0,52%	8,24%
Brent*, USD/bbl	64,69	2,03%	10,37%

* - February futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,3089	34,81	587,24

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.16
STOXX 600 Utilities	-0,78%	9,58%
MICEX POWER Index	1,51%	-4,23%
IDGC of Centre**	0,88%	-10,07%
IDGC of Centre and Volga Region**	0,49%	106,69%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	3,38%	-26,13%
FGC UES	1,57%	-20,50%
IDGC of Volga	0,24%	89,29%
MOESK	0,37%	-8,80%
IDGC of Northern Caucasus	-0,29%	-22,45%
IDGC of North-West	1,66%	0,36%
IDGC of Urals	-1,18%	27,66%
IDGC of Siberia	1,36%	33,21%
IDGC of South	6,36%	11,64%
Lenenergo, ordinary shares	1,82%	-3,54%
TRK, ordinary shares	3,50%	-13,03%
Kubanenergo	1,09%	-14,37%

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