



## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 15 October some ambiguous external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with a rise of 1.1-1.4% as part of the correction after two days of active sales and with the support of strong statements of a number of major US banks. On Monday sales resumed in the markets – the composite stock index of the Asia-Pacific region, MSCI Asia Pacific, lost 1.2%, futures for US indices – about 0.5%. The markets were mainly pressured by risks associated with the escalation of tensions between Washington and Beijing. Firstly, the US president said that the PRC's intervention in American politics is a more serious problem than Russia's alleged attempts to influence the 2016 elections. Secondly, remind the media, this week the US Treasury may declare the PRC a currency manipulator due to the ongoing devaluation of the yuan (on Monday the Central Bank of China lowered the official exchange rate of the yuan to a minimum since January 2017). An additional negative factor for investors was the statement by the head of the US Treasury that the US would seek to include a clause on currency manipulations in all future trade agreements. December Brent futures traded around \$81.4 per barrel, \$1.3 above our Friday close, 12 October. The growth of quotations was due to the worsening of relations between Saudi Arabia and the West because of the Saudi journalist who disappeared in Turkey. In particular, the US president said he was ready to severely punish Saudi Arabia if it was found guilty of murdering the journalist. In turn, the authorities of the kingdom reported that they did not accept the threat of sanctions from foreign states and promised to give an answer if such restrictive measures were applied. Experts, Bloomberg writes, fear that Riyadh may use its influence in the oil sector as a political tool.

On Monday, sellers dominated the Russian market as part of a decline in investors' interest in assets of developing countries. According to media reports, at the last G20 financial summit, the threat of a sharp deterioration in emerging markets due to the strengthening of the dollar, the appreciation of debt and domestic problems were identified as the main risk to the global economy. Against this background, at the daily lows, the loss of the MOEX Russia Index and the index of emerging markets MSCI EM was about a percent. Additional pressure on the domestic export-oriented market was made by almost a percent appreciation of the ruble against the dollar. At the end of the trading session, the MOEX Russia Index managed to play back half of the daily losses due to moderately positive changes of the European markets.

During the trading session the changes of the MicexPWR Sector Index as a whole corresponded to the market. The main contribution to the final MicexPWR reduction was made by shares of Unipro, Inter RAO and Rosseti.

## ELECTRIC POWER INDUSTRY NEWS

### The government commission approved the draft on microgeneration in the electric power industry in the Russian Federation

The government commission on legislative activities approved amendments to the federal law "On the electric power industry", necessary for the development of "green" microgeneration, the press service of the Russian government says.

Read full text: <http://www.bigpowernews.ru/markets/document84916.phtml?1&q=>

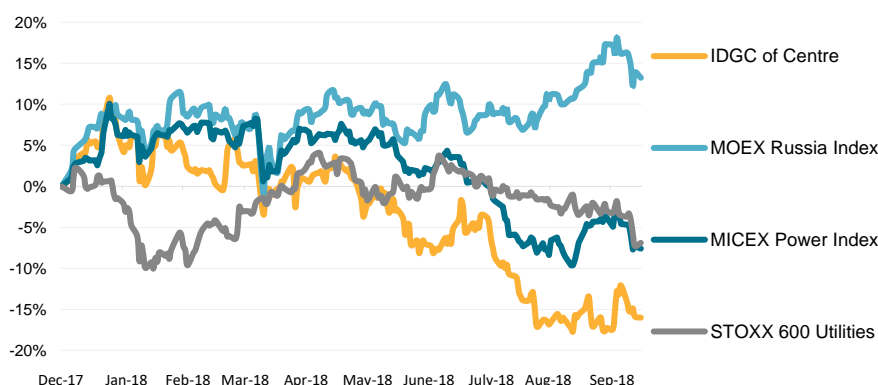
## COMPANY NEWS

### IDGC of Centre held a meeting of the company's management with representatives of minority shareholders

General Director of IDGC of Centre - the managing organization of IDGC of Centre and Volga Region Igor Makovskiy met with representatives of the minority shareholder of both companies - Prosperity Capital Management Limited.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/66116/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 389,05	-0,58%	13,24%
S&P 500	2 750,79	-0,59%	2,89%
FTSE 100	7 029,22	0,48%	-8,57%
DAX	11 614,16	0,78%	-10,09%
DJStoxx 600	359,31	0,10%	-7,68%
Nikkei	22 271,30	-1,87%	-2,17%
Sensex	34 865,10	0,38%	2,37%
CSI300	3 126,45	-1,40%	-22,44%
Bovespa	83 359,76	0,53%	9,11%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	65,98	-1,19%	14,48%
EURO/RUB	76,50	-0,75%	11,22%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 227,06	0,82%	-5,81%
Brent*, USD/bbl	80,78	0,44%	20,80%

\* - December futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	Change	
			per day	fr 31.12.17
IDGC of Centre	0,2990	12,62	191,33	
IDGC of Centre & Volga Reg	0,2805	31,61	479,15	

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,39%	-6,89%
MICEX POWER Index	-0,33%	-7,58%
IDGC of Centre**	-0,17%	-16,01%
IDGC of Centre and Volga Region**	-0,36%	-7,03%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-1,49%	-16,13%
FGC UES	-0,58%	-4,94%
IDGC of Volga	0,80%	-2,00%
MOESK	0,29%	-23,03%
IDGC of Northern Caucasus	-0,35%	-26,30%
IDGC of North-West	-0,45%	27,31%
IDGC of Urals	-0,85%	-16,95%
IDGC of Siberia	-2,23%	-23,58%
IDGC of South	1,32%	28,26%
Lenenergo, ordinary shares	-0,81%	27,71%
TRK, ordinary shares	0,00%	-11,05%
Kubanenergo	-1,16%	-34,69%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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**Tickers**  
Moscow Exchange (MOEX)  
Bloomberg  
Reuters

**MRKC**  
**MRKC:RM**  
**MRKC:MM**