



REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 24 October some moderately negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed with a slight decrease in the range of 0.1%. As Bloomberg noted, divergent reports of companies for the past quarter raised the issue of how stock prices are justified at the current pace of economic activity in the US, especially in view of the upcoming presidential elections in the country, as well as the expected increase in base interest rate by the Fed. On Monday the composite Asia Pacific index MSCI Asia Pacific and US index futures traded slightly up on positive statistics from Japan, where the manufacturing PMI in October rose to a maximum of nine months, the decline in exports in September was much less than forecast. December Brent traded near the mark of \$51.7 per barrel, slightly higher than the closing level on Friday 21 October. Oil prices showed stability, despite the statement by Iraq that the country should be exempt from the obligations under OPEC agreements on restriction of production, and continuing growth of active oil rigs in the US, according to the company Baker Hughes.

On Monday the Russian and European stock markets were dominated by a moderately positive mood, the MICEX Index and the Stoxx Europe 600 Index during the trading session added within an average of 0.5%. Investors were supported by news from Europe: Spain withdrew from the political gridlock – according to media reports, parliamentary parties were able to agree on a prime minister, in October, according to preliminary data, the composite index of business activity in the Euro zone rose to a peak since December 2015, the budget deficit of the Eurozone's countries fell to a minimum of eight years in the second quarter – 1.5% of GDP.

For most of the trading session the MicexPWR Sector Index outperformed. The main contribution to the total growth of the sector indicator was made by shares of Inter RAO and RusHydro. Along with this, at the start of the day these securities decreased by 5% and 1.5%, respectively, under the pressure of information of the newspaper Vedomosti that around 15 billion rubles and 8 billion rubles of Groups of Inter RAO and RusHydro, respectively, could get caught up at the troubled bank Peresvet. However, after immediate refutation of this information by the companies, their shares turned around and were able to close the day with steady growth.

ELECTRIC POWER INDUSTRY NEWS

Ministry of Energy to offer relief on dividends for 2016 for state-owned electric grid companies

The Ministry of Energy will propose to exclude from the rules on the payment of dividends at 50% of net profit for 2016 some state-owned electric grid companies, told reporters Deputy Minister of Energy Vyacheslav Kravchenko.

Read full text: <http://www.bigpowernews.ru/news/document73330.phtml>

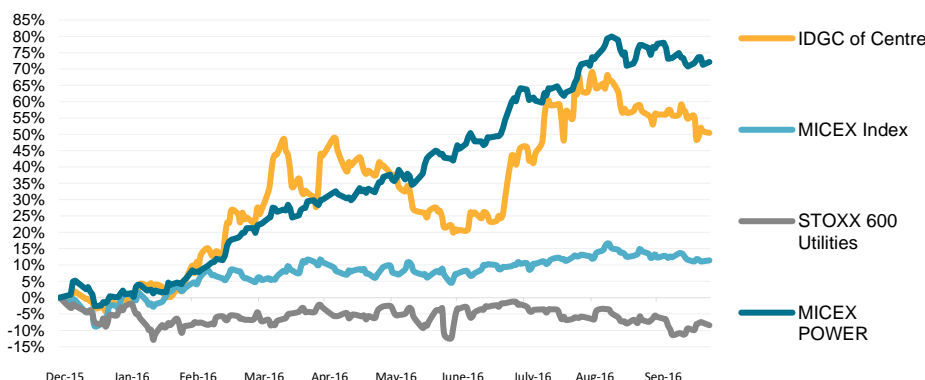
COMPANY NEWS

IDGC of Centre completes the reconstruction of two major substations in the Tambov region

IDGC of Centre – Tambovenergo division completes the implementation of a major project for the reconstruction of the substations 110/10 kV "Ilovaiskaya" and 110/35/10 kV "Staroyurevskaya" in Staroyurevsky district of the Tambov region. The aim of modernization is to increase the reliability of electricity supply to customers in the municipality, including those located here large and significant for the region enterprises and organizations: "Tambov farms" LLC, Secondary Vocational Educational Institution "Michurinsky Agricultural College", "Agroyurevo" LLC, OJSC "Tambov gas processing company", "Agroferment" LLC.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/57304/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 962,79	0,26%	11,44%
S&P 500	2 151,33	0,47%	5,25%
FTSE 100	6 986,40	-0,49%	11,92%
DAX	10 761,17	0,47%	0,17%
DJStoxx 600	344,26	-0,01%	-5,89%
STOXX Utilities	280,33	-0,84%	-8,43%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	28 179,08	0,36%	7,89%
CSI300	3 367,58	1,20%	-9,74%
Bovespa	64 059,89	-0,08%	47,77%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,09	-0,06%	-10,52%
USD/RUB	62,45	0,05%	-14,31%
Euro/RUB	68,03	-0,65%	-14,64%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 264,44	-0,16%	19,16%
Brent*, USD/bbl	51,46	-0,62%	15,90%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2935
Capitalisation**, billion RUB	12,39
Capitalisation**, million USD	198,41

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,52%	72,12%
Shares of IDGC of Centre**	-0,34%	50,44%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	1,53%	97,40%
FGC UES	0,18%	178,62%
IDGC of Volga	-1,66%	83,03%
MOESK	-3,03%	15,20%
IDGC of Northern Caucasus	-2,58%	20,80%
IDGC of Centre and Volga Reg	-0,66%	42,83%
IDGC of North-West	1,45%	78,83%
IDGC of Urals	-1,43%	45,26%
IDGC of Siberia	-1,43%	12,70%
IDGC of South	3,44%	54,17%
Lenenergo, ordinary shares	-3,00%	119,00%

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