



REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday some moderately negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 lost 1.1-1.2%, on Wednesday the decline of the composite stock index of the Asia-Pacific region MSCI Asia Pacific exceeded 0.5%. The markets were pressured by growing expectations of the Fed rate raising at the December meeting – according to CME Group, the probability of this event is estimated at 74.5% by the market, and the statements of the company Alcoa, which did not justify the projections, whose shares fell 11% – the most significant daily losses of these securities since August 2011. December Brent futures traded near the mark of \$52.7 per barrel, or \$0.4 higher than the closing level on 11 October. As noted by Bloomberg, the price of oil, having gone down on Tuesday by more than 1%, slightly rose on Wednesday in anticipation of the outcome of negotiations of producing countries on the reduction of the production, which took place yesterday in Istanbul with the participation of Russia.

The main benchmark for the Russian market on Wednesday was the price of oil. In the first half of the day the MICEX Index was in a small plus, while Brent quotes were above \$52.5 per barrel. The drop in oil prices below this level to test the level of \$51.6 per barrel sparked a surge in sales in our market – the loss of the MICEX Index reached 0.7%. In turn, the main driver for the decline in oil prices was the dollar strengthening in anticipation of the publication of the September Fed meeting minutes. Last time, writes MarketWatch, the market expectations increased that the Fed tends to raise interest rates in December, and investors will be looking for confirmation of this in the text of the minutes. At the end of the day, the MICEX Index was able to play back some losses after the start of trading in the US with a slight increase in the major indices.

At the end of the trading session the MicexPWR Sector Index outperformed mainly due to growth of shares of FGC UES, recovering after active sales on 11 October.

ELECTRIC POWER INDUSTRY NEWS

The Cabinet changed the rules of the tender to choose an electricity supplier

Russian Prime Minister Dmitry Medvedev signed a resolution on changing the order of the tender to choose a new electricity supplier of last resort, according to the website of the Cabinet.

Read full text: <https://ria.ru/economy/20161012/1479089471.html>

COMPANY NEWS

IDGC of Centre is ready for winter

IDGC of Centre, PJSC has received the Certificate of Readiness for operation through autumn-winter peak loads of 2016/2017. The document, certifying the successful completion of the preparation for the heating season, was handed to General Director of the company Oleg Isaev by Chairperson of the Commission of the Ministry of Energy of Russia, Deputy Director of Department of Operational Control and Management in the Electric Power Industry of the Ministry of Energy of the Russian Federation Elena Medvedeva.

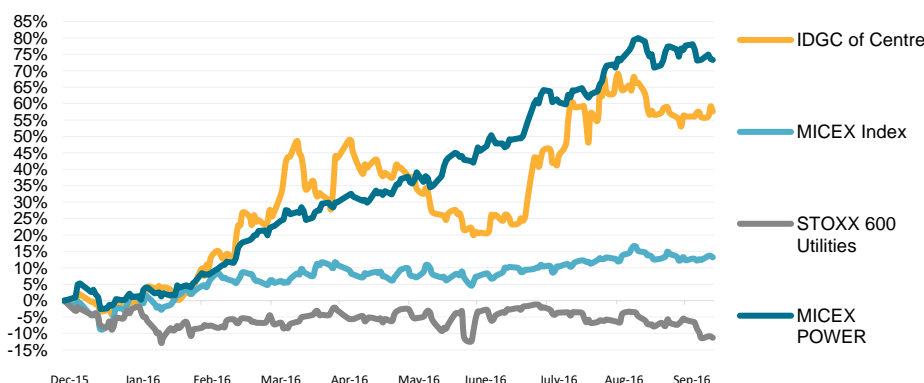
Read full text: <https://www.mrsk-1.ru/press-center/news/company/57223/>

Smolenskenergo discussed issues of connection to grids with businessmen

IDGC of Centre – Smolenskenergo division held a round table within the third Entrepreneur's Day in 2016. The event is held on a quarterly basis and is designed for an open dialogue of power engineers and representatives of small and medium-sized businesses on connection of facilities to electric grids of the branch.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/57213/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 993,35	-0,40%	13,17%
S&P 500	2 139,18	0,11%	4,66%
FTSE 100	7 024,01	-0,66%	12,52%
DAX	10 523,07	-0,51%	-2,05%
DJStoxx 600	338,56	-0,47%	-7,45%
STOXX Utilities	271,52	-0,44%	-11,31%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	28 082,34	0,00%	7,52%
CSI300	3 300,01	-0,20%	-11,55%
Bovespa	61 021,85	0,00%	40,77%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,10	-0,35%	-9,27%
USD/RUB	62,19	-0,31%	-14,66%
Euro/RUB	69,12	-0,86%	-13,27%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 255,25	0,20%	18,30%
Brent*, USD/bbl	51,81	-1,14%	16,69%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3075
Capitalisation**, billion RUB	12,98
Capitalisation**, million USD	208,73

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,13%	73,33%
Shares of IDGC of Centre**	-0,97%	57,61%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	0,04%	94,56%
FGC UES	0,83%	188,40%
IDGC of Volga	2,65%	108,74%
MOESK	-0,42%	26,13%
IDGC of Northern Caucasus	-1,76%	33,60%
IDGC of Centre and Volga Reg	-2,27%	50,96%
IDGC of North-West	0,00%	78,10%
IDGC of Urals	-1,04%	50,53%
IDGC of Siberia	3,44%	23,16%
IDGC of South	-2,09%	50,00%
Lenenergo	1,07%	127,29%

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