



REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 29 September some neutral external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 closed with an increase of 0.1-0.2%, while the S&P500 updated the historical record, on Friday the composite index of the Asia-Pacific region MSCI Asia Pacific showed similar changes. The markets were supported by expectations of further promotion of the US tax reform and good statistics – the US economic growth estimation in the second quarter was improved from 3% to the highest since the first quarter 2015 3.1%. November Brent futures traded near \$57.4 per barrel, slightly below the closing level on 28 September. Oil quotations continue to consolidate after reaching a two-year peak on Monday. In general, analysts say, the market confidence in the balancing of global supply and demand increased due to the limited extraction of raw materials by the OPEC+ countries.

The MICEX Index during the trading session was flat near zero – a slight increase in the western stock exchanges was offset by inexpressive changes of oil prices. Western investors were also supported by statistics that were generally positive: in September, inflation in the Eurozone remained at 1.5% with the forecast of an increase to 1.6%, unemployment in Germany updated the historical minimum, dropping to 5.6%, in the US in August incomes and expenditures of the population increased in line with expectations, while the PCE Core index, which the Fed is targeting in assessing inflation risks, grew weaker than forecasted to 1.3%, in September the consumer confidence index fell at the level of expectations. At the end of the day, the MICEX Index still managed to gain a foothold in the positive territory after the next update of the record by the S&P500 index at the beginning of trading and strengthening of the positive changes at the European markets.

During the trading session the changes of the MicexPWR Sector Index in general corresponded to the MICEX Index. The main contribution to a small decline in MicexPWR in antiphase with the MICEX Index was made by shares of Inter RAO and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

"Market Council" proposes to adjust the model of the Wholesale Electric Energy Market to minimize the use of non-market mechanisms on it

"Market Council" predicts an increase in the share of power in the price of the wholesale market with a simultaneous increase in the price of non-market component. This leads to distortion of market signals and to serious financial consequences for electricity consumers. In order to reverse this trend, the regulator proposes to introduce changes into the model of the Wholesale Electric Energy Market that minimize the possibility of including non-market mechanisms.

Read full text: <http://www.bigpowernews.ru/markets/document79885.phtml>

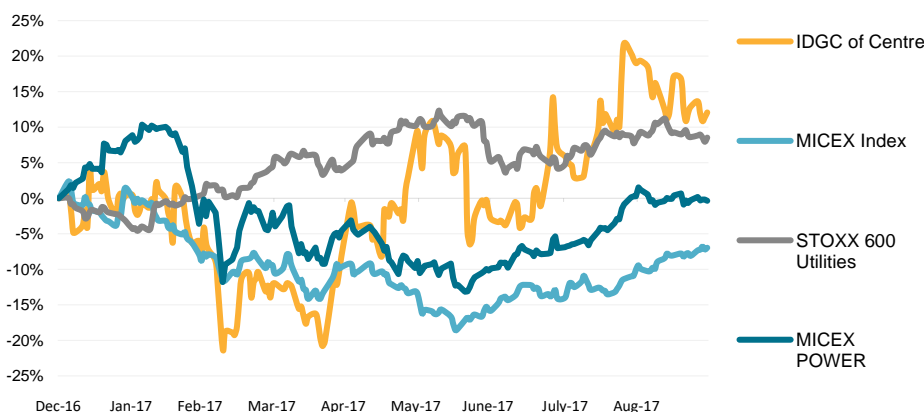
COMPANY NEWS

The work of IDGC of Centre was evaluated in the Ministry of Energy of the Russian Federation

The company took the first place in the integral rating of the comparative assessment of electric grid companies in terms of energy efficiency level, prepared by specialists of the ministry. The activities of organizations were assessed in three directions: reduction of losses in electric grids, introduction of innovative technological solutions and implementation of the state policy in the field of energy conservation.

Read full text: http://www.advis.ru/php/view_news.php?id=9B3A81E6-4C2B-4245-A770-74EAD0C378FC

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 077,19	0,27%	-6,97%
S&P 500	2 519,36	0,37%	12,53%
FTSE 100	7 372,76	0,68%	3,22%
DAX	12 828,86	0,98%	11,74%
DJStoxx 600	388,16	0,47%	7,40%
STOXX Utilities	300,40	0,55%	8,54%
Nikkei	20 356,28	-0,03%	6,50%
Sensex	31 283,72	0,00%	17,49%
CSI300	3 836,50	0,37%	15,90%
Bovespa	74 293,51	0,99%	23,36%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,18	0,25%	12,33%
USD/RUB	58,43	0,72%	-3,68%
Euro/RUB	68,64	0,70%	7,57%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 279,75	-0,59%	11,53%
Brent*, USD/bbl	56,79	-0,65%	-3,30%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,5010
Capitalisation**, billion RUB	21,15
Capitalisation**, million USD	362,02

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,16%	-0,35%
Shares of IDGC of Centre**	0,60%	12,08%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	0,43%	-11,05%
FGC UES	-0,52%	-15,80%
IDGC of Volga	-1,10%	101,43%
MOESK	-0,68%	-1,78%
IDGC of Northern Caucasus	-3,61%	-3,17%
IDGC of Centre and Volga Reg	-1,05%	110,81%
IDGC of North-West	1,13%	13,64%
IDGC of Urals	0,27%	14,89%
IDGC of Siberia	-2,04%	49,46%
IDGC of South	0,00%	-14,50%
Lenenergo, ordinary shares	-0,62%	1,45%
TRK, ordinary shares	2,93%	-11,55%
Kubanenergo	2,18%	-13,79%

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
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