



REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 28 March some negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed with a fall of 1.4-1.7%, on Wednesday the composite stock index of the Asia-Pacific region MSCI Asia Pacific lost 1.2%. The leaders of the decline were shares of technology companies, under the pressure of the threat of tightening state regulation after the scandal with the leakage of Facebook users' data. In general, the markets continue to show high volatility – the prospect of trade wars and tightening of the monetary policy by the world's leading Central Banks makes investors wonder whether the nine-year growth in the stock market will last. In continuation of the theme of protectionism, Bloomberg reported that in the administration of Donald Trump, restrictive measures are planned against China's investments in technologies considered important in the US. May Brent futures traded near \$69.7 per barrel, \$0.4 below the closing level on 27 March. Quotations were pressured by a message from the American Petroleum Institute about the increase in US oil reserves last week by 5.3 million barrels. The Reuters's information, referring to the Crown Prince of Saudi Arabia that OPEC and Russia are developing a long-term strategy of cooperation to limit supply in the oil market, kept from a greater price reduction.

The MOEX Russia Index and the European Stoxx Europe 600 Index spent the first half of the trading session in more than half a percent minus after the sales in the markets of the US and Asia. As analysts say, stocks at current levels do not provide a noticeable safety cushion in the event of a global trade war, if it breaks out. In the afternoon the Stoxx Europe 600 Index was able to gain a foothold in a small plus due to the weakening of the euro against the dollar after the publication of strong US statistics – an estimate of the US GDP growth in the fourth quarter 2017 was improved from 2.5% to 2.9% in terms of annual rates, which turned out to be better than the consensus forecast of 2.7%. The more rapid than expected GDP growth at the end of last year was due to the growth of consumer spending, accounting for 70% of the US economy. At the same time, these statistics did not make a big impression on the Russian market: the MOEX Russia Index closed the trading down by 0.6% under the pressure of the Brent price drop to \$69 per barrel after the announcement by the US Department of Energy of increased oil reserves in the country, including at the Cushing terminal, where oil, traded on NYMEX, is stored, and the growth of oil production to the next historical maximum for weekly data.

During the trading session changes of the MicexPWR Index in general corresponded to the market. The main contribution to the MicexPWR reduction was made by shares of Rosseti and Enel Russia.

ELECTRIC POWER INDUSTRY NEWS

In Russia there will be a window of opportunities for the development of distributed generation

Analysts estimate that in 2021 the commissioning of new distributed generation facilities in the world will double the commissioning of centralized capacities, and the market for distributed generation technologies will reach about \$110 billion. It is assumed that by 2040, demand management technologies will allow to flexibly manage loads of 185 GW, saving \$270 billion in infrastructure investments.

Read full text: <https://www.eprussia.ru/news/base/2018/2219479.htm>

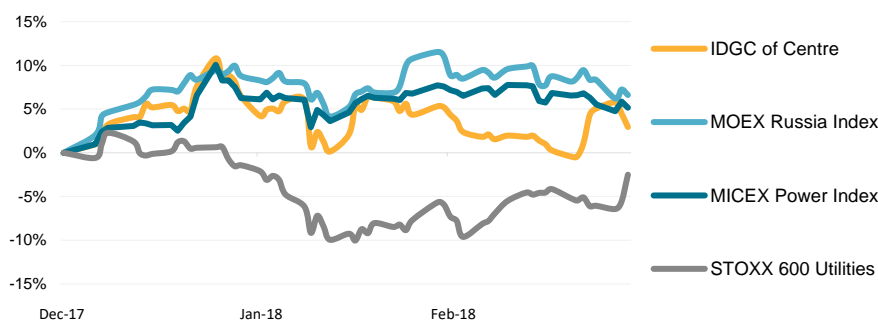
COMPANY NEWS

In 2018 IDGC of Centre to repair more than five thousand substations and fourteen thousand kilometres of power lines

IDGC of the Centre is starting to perform the main activities of the repair program - one of the key components of the preparation for the season of the autumn-winter maximum of loads. The work starts at the end of the next autumn-winter period, when it becomes possible to decommission the equipment that is in need of repair, and is completed by the beginning of October. Its main volume is in the summer.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/63472/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 249,23	-0,59%	6,61%
S&P 500	2 605,00	-0,29%	-2,57%
FTSE 100	7 044,74	0,64%	-8,36%
DAX	11 940,71	-0,25%	-7,56%
DJStoxx 600	369,26	0,46%	-5,12%
Nikkei	21 031,31	-1,34%	-7,62%
Sensex	32 968,68	-0,62%	-3,20%
CSI300	3 842,72	-1,80%	-4,67%
Bovespa	83 874,13	0,08%	9,78%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	57,17	0,30%	-0,79%
EURO/RUB	71,26	0,98%	3,60%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 325,01	-1,49%	1,70%
Brent*, USD/bbl	69,53	-0,83%	5,21%

* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3665	15,47	270,62
IDGC of Centre & Volga Reg	0,3240	36,51	638,64

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	3,24%	-2,51%
MICEX POWER Index	-0,64%	5,17%
IDGC of Centre**	-1,48%	2,95%
IDGC of Centre and Volga Region**	-1,28%	7,39%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-3,06%	-7,24%
FGC UES	-0,57%	8,45%
IDGC of Volga	-1,81%	13,78%
MOESK	-0,65%	-14,35%
IDGC of Northern Caucasus	-0,28%	-8,85%
IDGC of North-West	-0,41%	-7,12%
IDGC of Urals	-2,01%	4,53%
IDGC of Siberia	-2,87%	3,49%
IDGC of South	-0,53%	-5,18%
Lenenergo, ordinary shares	-0,54%	15,42%
TRK, ordinary shares	0,00%	-4,58%
Kubanenergo	1,27%	-8,42%

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