



## REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 1 June some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 closed with a decrease of 0.7-1.0% on fears of a new round of trade wars. The media reported that the US administration, having not achieved concessions from its trading partners, has been imposing duties on steel and aluminum from the countries of the European Union, Canada and Mexico since 1 June. In response, the European Commission said that the European Union intends to appeal against the actions of the US authorities in the World Trade Organization and to introduce retaliatory measures. The authorities of Canada and Mexico also reported their plans to respond to the US with reciprocal sanctions. On Friday the composite index of the Asia-Pacific region MSCI Asia Pacific was in a small minus – the reduction of most of the main country exchanges on the news of new US duties was offset by the weakening of the US dollar and the rise of the South Korean market on good statistics on the GDP trend in the first quarter. On Friday the inclusion of shares of 234 Chinese companies into the MSCI EM index, according to the provider, the share of stocks of companies from the local Chinese "A" listing in the MSCI Emerging Markets Index will be 0.39%. Analysts estimate the inflow of capital into these securities at an average level of \$15 billion. August Brent futures traded near \$77.7 per barrel, at the closing level on 31 May. Brent quotes are consolidating after the publication of mixed statistics of the US Department of Energy. On the one hand, the decline in oil reserves in the country by 3.6 million barrels was significantly higher than expected, on the other hand, oil production in the US once again updated the historic record.

Most of Friday the MOEX Russia Index traded in a small plus within a third of a percent after the improvement in investors' sentiment on world markets on news from Italy. Indices of developed markets and emerging markets MSCI World and MSCI EM added more than half a percent on the information that the Italian president approved the new government, thereby ending the three-month political crisis in the country. At the same time, the activity of buyers was constrained by information about a vote of no confidence in the government of Spain, a decrease in the index of production activity in the Eurozone in May to a 15-month low and strong statistics from the US, which revived the fears of a more active tightening of the monetary policy by the Fed. In May unemployment in the US fell to the lowest since 1969, 3.8%, the number of new jobs and hourly wages were higher than expected, the index of production activity was sharply higher, although lower than expected, construction spending in April exceeded expectations. The final decrease in the MOEX Russia Index by 0.3% was due to active sales of "heavy" index securities at the auction closing, including in connection with the rebalancing of MSCI EM.

As a result of the trading session, the MicexPWR Index outperformed, the main contribution to the MicexPWR growth in antiphase with the MOEX Russia Index was made by shares of FGC UES.

## ELECTRIC POWER INDUSTRY NEWS

### "Rosseti" plans to allocate almost 2.5 billion rubles for dividends for the first quarter of 2018

The Board of Directors of PJSC "Rosseti", held in absentia on 29 May 2018, recommended that the shareholders of the company at the Annual Meeting should decide to pay 2.468 billion rubles as dividends for the first quarter of 2018.

Read full text: [http://www.rosseti.ru/press/news/index.php?ELEMENT\\_ID=33235](http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=33235)

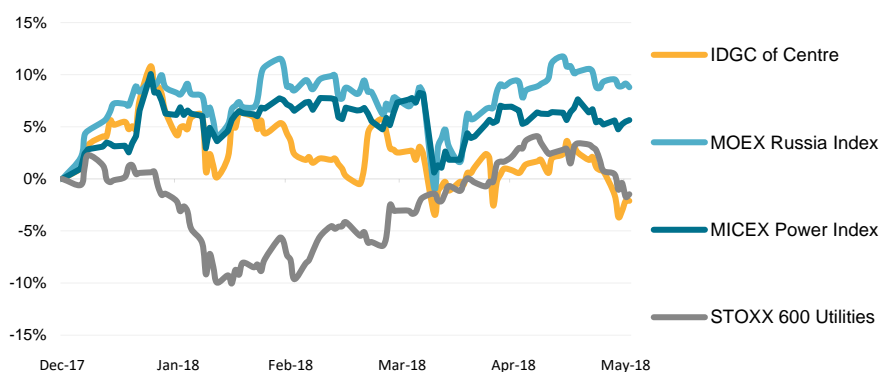
## COMPANY NEWS

### Orelenergo conducts systematic work on collecting accounts receivable

IDGC of Centre - Orelenergo division summed up the results of work to reduce accounts receivable for services rendered for electricity transmission for the 1st quarter of 2018.

Read full text: <http://www.energostrana.ru/news/powerindustry/26901.html>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 295,34	-0,33%	8,80%
S&P 500	2 734,62	1,08%	2,28%
FTSE 100	7 701,77	0,31%	0,18%
DAX	12 724,27	0,95%	-1,50%
DJStoxx 600	386,91	1,01%	-0,58%
Nikkei	22 171,35	-0,14%	-2,61%
Sensex	35 227,26	-0,27%	3,44%
CSI300	3 770,59	-0,84%	-6,46%
Bovespa	77 239,75	0,63%	1,10%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	62,02	-0,92%	7,62%
EURO/RUB	72,58	0,08%	5,52%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 293,40	-0,39%	-0,72%
Brent*, USD/bbl	76,79	-0,99%	17,92%

\* - August futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	Change	
		₺ bln	MCap**, \$ mln
IDGC of Centre	0,3485	14,71	237,23
IDGC of Centre & Volga Reg	0,3445	38,82	626,01

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,24%	-1,47%
MICEX POWER Index	0,15%	5,64%
IDGC of Centre**	0,00%	-2,11%
IDGC of Centre and Volga Region**	0,58%	14,19%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,09%	-2,75%
FGC UES	0,79%	13,51%
IDGC of Volga	1,42%	25,47%
MOESK	1,55%	-19,91%
IDGC of Northern Caucasus	-0,61%	-14,58%
IDGC of North-West	-1,28%	3,85%
IDGC of Urals	1,16%	4,30%
IDGC of Siberia	-0,93%	-7,42%
IDGC of South	1,92%	6,69%
Lenenergo, ordinary shares	0,53%	17,71%
TRK, ordinary shares	-0,31%	-14,02%
Kubanenergo	4,31%	-13,52%

Source: MOEX, Company calculations

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

**IDGC of Centre, PJSC**  
127018, Moscow, 2nd Yamskaya, 4  
+7 (495) 747 92 92  
<http://mrsk-1.com/en/investors/>

**IR Division**  
+7 (495) 747 92 92, ext. 33-34  
[ir@mrsk-1.ru](mailto:ir@mrsk-1.ru)

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

MRKC  
MRKC:RM  
MRKC:MM