

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 14 June some negative external background formed on the Russian market. On Monday the indices of developed countries MSCI World and emerging markets MSCI EM decreased by 1.2% and 1.7%, respectively. On Tuesday the composite stock index of the region MSCI Asia Pacific lost more than 0.5%. The financial markets were still pressured mainly by investors' concerns about the prospects for the world economy and the possible exit of Great Britain from the European Union. In addition, experts note that a number of investors preferred to cut positions in risky assets in the run-up to meetings of three leading central banks: the Federal Reserve, the Bank of Japan and the Bank of England. August Brent futures traded at \$49.9 per barrel, almost a dollar below the closing level on 10 June. Negative background for the oil market was data from Baker Hughes, which recorded an increase in the number of oil and gas drilling rigs in the US for the second week in a row. According to experts, this confirms the assumption that because of the strong growth in prices in recent months, a number of shale producers can increase production and, therefore, create by the autumn oversupply in the market. In addition, writes MarketWatch, the approach of a referendum on Great Britain's membership in the EU triggered a mass exit of investors from risks that also pressed the oil prices.

On Tuesday the Russian market was under selling pressure, at daily lows of the loss of the MICEX Index was about 1.5%. Investors were playing back the negative dynamics of world financial markets on Monday and the deepening of the fall of stock markets in Europe on Tuesday because of the increasing likelihood of Brexit. According to media reports, at once four of the latest public opinion polls in Britain showed that the number of the EU exit supporters exceeds the number of those wishing to stay in the EU. At the same time, notes Bloomberg, demand for "safe haven" assets is rising, including the yen and most reliable debt papers. The yield on government bonds in Australia and Japan on Tuesday updated its record lows, the yield on 10-year government bonds of Germany for the first time fell below zero. Against this background released better than expected statistics from the US on retail sales in May could not provide significant support to investors.

During the trading session the MicexPWR Sector Index looked much better than the market. The main contribution to the final MicexPWR growth was made by shares of FGC UES and Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

Retail electricity prices from July 1 to be determined by the same principles

Prices for consumers in retail electricity markets throughout the territory of Russia from July 1 will be determined by the same principles. This was reported on the Russian Ministry of Energy website. "The Russian Government has approved the resolution developed by the Russian Ministry of Energy "On amendments to some acts of the Government of the Russian Federation on improvement of the pricing procedure in the territories, united in non-price zones of the wholesale market of electric energy and power", stated the message of the department.

Read full text: <http://www.kommersant.ru/doc/3011861>

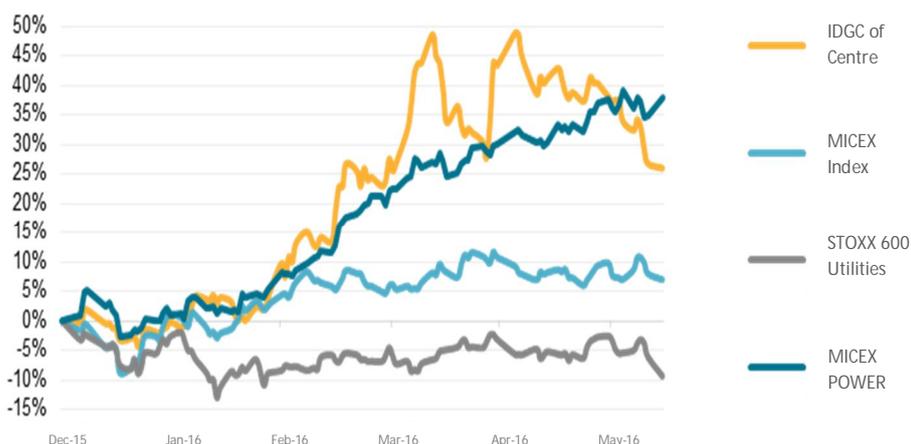
COMPANY NEWS

Courts of the first instance ordered the debtor to return 700 million rubles to IDGC of Centre

As of 1 June 2016 courts of the first instance satisfied nine claims of IDGC of Centre - Lipetskenergo division for provided electricity transmission services.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/53480/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 885,92	-0,93%	7,07%
S&P 500	2 075,32	-0,99%	1,54%
FTSE 100	5 923,53	-3,14%	-5,11%
DAX	9 519,20	-3,21%	-11,39%
DJStoxx 600	320,53	-3,72%	-12,38%
STOXX Utilities	277,88	-3,44%	-9,23%
Nikkei	15 859,00	-4,47%	-16,68%
Sensex	26 395,71	-0,90%	1,07%
CSI300	3 075,98	-2,78%	-17,56%
Bovespa	48 648,29	-1,57%	12,22%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,12	-0,34%	-7,77%
USD/RUB	64,71	1,52%	-11,22%
Euro/RUB	73,19	0,86%	-8,16%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 285,72	0,90%	21,17%
Brent*, USD/bbl	49,83	-1,40%	19,18%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2460
Capitalisation**, billion RUB	10,39
Capitalisation**, million USD	160,50

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	2,26%	37,95%
Shares of IDGC of Centre**	-0,61%	26,09%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	0,64%	27,95%
FGC UES	5,69%	118,84%
IDGC of Volga	-0,56%	36,50%
MOESK	0,68%	38,53%
IDGC of Northern Caucasus	1,45%	12,00%
IDGC of Centre and Volga Reg	1,23%	30,57%
IDGC of North-West	2,07%	61,68%
IDGC of Urals	1,61%	32,63%
IDGC of Siberia	-0,41%	-0,41%
IDGC of South	1,84%	24,36%
Lenenergo	-1,90%	23,80%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
Bloomberg
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MRKC
MRKC RX
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