



## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 12 October some moderately positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 added 0.2%, again updating their historical highs. On Thursday the composite stock index of the Asia-Pacific region MSCI Asia Pacific demonstrated comparable changes. Support for buyers was provided by the September meeting of the Fed, which confirmed the continued cautious and expectant attitude in the leadership of the Central Bank – several representatives of the Federal Reserve noted that they would like to see more signals of increasing inflation before agreeing on another hike in the base interest rate. After the publication of the minutes, the assessment of the likelihood of an increase in the Fed rate in December, according to Bloomberg, fell below 80%, which led to a decrease in yields of US government bonds, a weakening of the dollar and an increase in investors' demand for risky assets. December Brent futures traded near \$56.6 per barrel, \$0.2 higher than the closing level on 11 October. The information of the American Petroleum Institute on the increase in commercial oil reserves in the country last week contributed to retreat of Brent quotations from \$57 per barrel.

On Thursday, in conditions of stability on the western exchanges, the MICEX Index followed the changes of oil prices. The neutral start of trading in the middle of the day was replaced by a small decline in the domestic market within half a percent after the drop in Brent quotes to \$56 per barrel after the publication of the monthly IEA report. In particular, the agency's experts said that in September OPEC countries carried out the deal to limit production by 88% and noted that at the current level of the cartel's production, world oil reserves will not decline in 2018. Strong European and American statistics had no significant impact on investors' sentiment. The growth of industrial production in the Eurozone in August was the maximum in nine months, the number of continuing to receive unemployment benefits in the US last week fell to a minimum in 44 years. Currently, according to Bloomberg, the attention of traders is directed to the beginning of the corporate reporting season – the financial results of the third quarter should confirm the validity of the rally in the US market. In addition, investors are waiting for Friday's inflation statistics in the US in September, which could have a significant impact on the Fed's decision on the rate.

As a result of the trading session the MicexPWR Sector Index underperformed. The main contribution to the MicexPWR underperformance in comparison with the MICEX Index was made by shares of Mosenergo, FGC UES and Rosseti.

## ELECTRIC POWER INDUSTRY NEWS

### Rosseti retained money

Minority shareholders of IDGC of Centre included in Rosseti failed to get back to the company a return of 872 million rubles paid to the parent company of the holding in the form of a payment for services related to the organization of the power grid complex. The structures of the fund Prosperity Capital considered that this payment caused losses to IDGC, but the court of first instance did not support them. Lawyers were skeptical about the prospect of continuing the dispute, noting that they do not know precedents when minority shareholders in similar cases could prove the fact of damages.

Read full text: <https://www.kommersant.ru/doc/3436270>

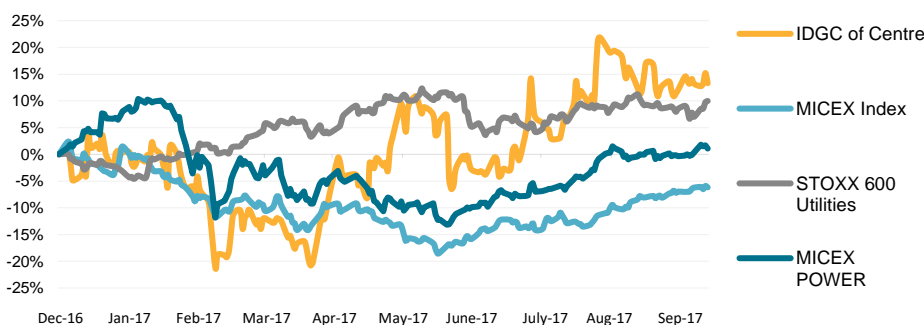
## COMPANY NEWS

### Specialists of Tverenergo told entrepreneurs about the grid connection service

Specialists of IDGC of Centre – Tverenergo division took part in a meeting of the Council of the Tver Chamber of Commerce and Industry. The meeting was attended by more than 30 representatives of the region's business.

Read full text: [http://www.afanasy.biz/news/hau/?ELEMENT\\_ID=116369](http://www.afanasy.biz/news/hau/?ELEMENT_ID=116369)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 094,96	-0,29%	-6,17%
S&P 500	2 550,93	-0,17%	13,94%
FTSE 100	7 556,24	0,30%	5,79%
DAX	12 982,89	0,09%	13,08%
DJStoxx 600	390,28	0,03%	7,99%
STOXX Utilities	304,39	0,20%	9,98%
Nikkei	20 954,72	0,35%	9,63%
Sensex	32 182,22	1,09%	20,87%
CSI300	3 912,95	0,26%	18,21%
Bovespa	76 659,80	0,00%	27,28%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,18	-0,09%	12,53%
USD/RUB	57,92	-0,26%	-4,51%
Euro/RUB	68,50	0,22%	7,35%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 293,72	0,15%	12,74%
Brent*, USD/bbl	56,25	-1,21%	-4,22%

\* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,5065
Capitalisation**, billion RUB	21,38
Capitalisation**, million USD	369,18

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	-0,58%	1,11%
Shares of IDGC of Centre**	-1,65%	13,31%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	-1,48%	-8,35%
FGC UES	-1,01%	-15,58%
IDGC of Volga	-0,17%	110,00%
MOESK	-0,22%	-1,22%
IDGC of Northern Caucasus	-0,46%	-1,59%
IDGC of Centre and Volga Reg	-1,08%	129,80%
IDGC of North-West	0,16%	14,18%
IDGC of Urals	-0,51%	17,93%
IDGC of Siberia	-1,26%	59,14%
IDGC of South	0,00%	-15,08%
Lenenergo, ordinary shares	-0,83%	-1,91%
TRK, ordinary shares	0,00%	-13,03%
Kubanenergo	3,36%	-11,49%

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