



REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 25 July some neutral external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with a decrease of 0.1-0.3% under the pressure of a number of factors. The IMF worsened the forecast for the US GDP growth in 2017-2018 by 0.2-0.4 percentage points, to 2.1%, due to the inability of the administration of Donald Trump to implement tax and infrastructure stimulation of the economy. In addition, quarterly reports of a number of large US companies did not meet investors' expectations, sales in the secondary housing market in the US in June fell to a minimum since February. On Tuesday the main country indices of the Asia-Pacific region did not show a single trend. In general, the attention of traders is now directed to a two-day meeting of the Fed, which is not expected to change rates, but will closely monitor the signals about when the US Central Bank intends to proceed to reduce the volume of assets on the balance. September Brent futures traded near \$48.8 per barrel, \$0.3 above our closing level on 24 July. Positive background for the quotes was Saudi Arabia's promise to unilaterally cut volumes of export supplies next month by 13% y/y, to 6.6 million barrels per day, to accelerate the process of reducing excess crude oil reserves in the world market.

On Tuesday the Russian shares were under pressure from sellers – at daily lows the loss of the MICEX Index reached a percent, despite the growth of Brent quotations to around \$49.5 per barrel and positive sentiment on the western exchanges. Sales in the domestic market were provoked by expectations of results of the forthcoming voting on Tuesday in the House of Representatives of the US Congress on the draft law on the expansion of anti-Russian sanctions. The market remains hopeful of a softening of the bill, given the resentment of Europe by unilateral US actions affecting the interests of European business and the lobbying efforts of US oil and gas companies, but the uncertainty forced investors to be cautious. In turn, the Western markets were supported by good quarterly statements and strong statistics – the index of business confidence in Germany in July updated the record for the third consecutive month, the consumer confidence index in the US rose in July to a maximum since March. At the end of the day the MICEX Index managed to play back more than half of the daily losses due to the Brent price rise to \$50 per barrel and a half-percentage increase in US indices at the beginning of trading.

During the trading session, the MiceXPWR Sector Index looked better than the broad market mainly due to growth of shares of electric grid companies in anticipation of strong financial results under RAS for the first half-year. The reason for these hopes was the reporting of IDGC of Volga and IDGC of North-West, whose net profit increased 14.5 times and 3.4 times compared to the same period last year.

ELECTRIC POWER INDUSTRY NEWS

Electricity for industrial consumers in both price zones of the Whole Energy Market will increase by 1.5% because of the beginning of the mechanism of equalization of energy tariffs in the Far Eastern Federal District

Read full text: <http://www.bigpowernews.ru/markets/document78506.phtml>

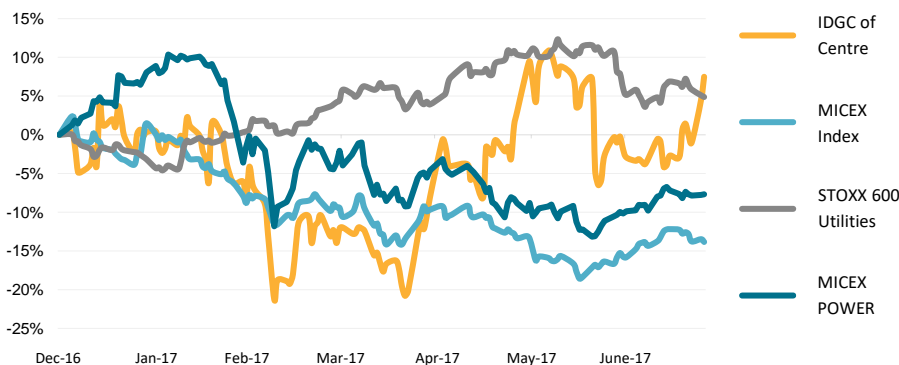
COMPANY NEWS

Debts of defaulters should not fall on the shoulders of bona fide consumers!

IDGC of Centre reminds that the restriction of the electricity consumption mode for non-paying consumers is a compulsory measure aimed at preventing payment of debts of default enterprises by bona fide consumers of electricity. And the company asks to be treated with understanding for the possible temporary inconveniences associated with the inability to use the services of non-paying enterprises.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/60773/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 923,73	-0,42%	-13,84%
S&P 500	2 477,13	0,29%	10,64%
FTSE 100	7 434,82	0,77%	4,09%
DAX	12 264,31	0,45%	6,82%
DJStoxx 600	380,77	0,41%	5,35%
STOXX Utilities	290,28	-0,21%	4,88%
Nikkei	19 955,20	-0,10%	4,40%
Sensex	32 228,27	-0,05%	21,04%
CSI300	3 719,56	-0,64%	12,37%
Bovespa	65 667,63	0,87%	9,03%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,17	0,13%	10,80%
USD/RUB	59,66	1,23%	-1,65%
Euro/RUB	69,47	1,18%	8,87%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 250,06	-0,42%	8,94%
Brent*, USD/bbl	50,20	3,29%	-14,68%

* - September futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4805
Capitalisation**, billion RUB	20,29
Capitalisation**, million USD	340,04

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,10%	-7,68%
Shares of IDGC of Centre**	2,89%	7,49%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	2,24%	-25,68%
FGC UES	0,27%	-17,74%
IDGC of Volga	5,51%	60,71%
MOESK	2,40%	-5,01%
IDGC of Northern Caucasus	5,65%	-15,19%
IDGC of Centre and Volga Reg	10,19%	53,45%
IDGC of North-West	3,03%	-7,27%
IDGC of Urals	5,61%	-2,74%
IDGC of Siberia	8,48%	6,93%
IDGC of South	11,49%	-13,17%
Lenenergo, ordinary shares	-0,92%	-11,63%
TRK, ordinary shares	0,00%	-18,07%
Kubanenergo	1,24%	-15,52%

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

Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC:RM
MRKC.MM