



REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 15 September some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 closed in different directions with changes within 0.2%, while the DJIA updated another historic record. Investors' caution was mainly related to fears that the acceleration of inflation in the US in August above expectations could be the reason for the third this year rate increase by the Fed in December – the market probability of this event, according to Bloomberg, has approached 50%. On Friday the main indices of the Asia-Pacific region did not show a single trend. Negative reaction of traders to another provocation of North Korea with the launch of the missile over the territory of Japan was restrained: gold, yen and government bonds after a short increase soon went down. November Brent futures traded near the mark of \$55.2 per barrel, \$0.5 lower than our closing on 14 September. In the oil market prices are moderately adjusting after a significant increase in the previous days and updated highs since April.

The MICEX Index spent most of the trading session in a small minus within half a percent, playing out uncertain changes of oil quotes and European markets. The European Stoxx Europe 600 Index traded in a weak minus mainly due to more than a percent drop in the British FTSE100 following a comparable strengthening of the pound on statements by one of the Bank of England's representatives that the rate could be increased in the coming months. In turn, the decision of the Bank of Russia to reduce the key interest rate by 0.5 p.p., to 8.5%, was expected by traders and did not have a significant impact on the Russian market. According to analysts' forecasts, by the end of the year the rate may be lowered by another 0.25-0.5 percentage points. In the second half of the day investors were supported by a block of statistics from the US, which weakened expectations on a possible Fed rate hike in December. In August, contrary to forecasts, retail sales decreased, and the indicators for July and June were worsened, the volume of industrial production fell at the maximum rate since 2009, the consumer confidence index in September fell, albeit less than expected. Against this backdrop the MICEX Index could close 0.1% higher.

As a result of the trading session the MicexPWR Sector Index outperformed mainly due to a 4% increase in shares of Unipro.

ELECTRIC POWER INDUSTRY NEWS

CSR proposes to create in Russia a research agency in the electric power industry as in the US

The Centre for Strategic Research (CSR) proposes to create in Russia an agency for advanced research in the electric power industry, similar to the United States, according to a report by experts from the CSR "Digital Transition in the Electric Power Industry of Russia".

Read full text: <http://www.bigpowernews.ru/news/document79585.phtml>

COMPANY NEWS

Lipetsk power engineers of IDGC of Centre took part in the opening of a new site for energy saving and increasing the energy efficiency of the Lipetsk region

12 September within the framework of the All-Russian Festival #VmesterYarche, the Lipetsk Regional Youth Library hosted a meeting of students and teachers of the Lipetsk Machine-Building, Trade and Technological Technical Schools with representatives of IDGC of Centre - Lipetskenergo division and employees of the Energy and Tariffs Department of the Lipetsk Region. The meeting was organized with the purpose of popularizing among the youth the culture of careful attitude to consumed energy resources for the preservation of the environment, both at the domestic and industrial levels.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/61398/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	2 053,81	0,08%	-8,01%
S&P 500	2 500,23	0,18%	11,68%
FTSE 100	7 215,47	-1,10%	1,02%
DAX	12 518,81	-0,17%	9,04%
DJStoxx 600	380,71	-0,28%	5,34%
STOXX Utilities	302,44	0,10%	9,27%
Nikkei	19 909,50	0,52%	4,16%
Sensex	32 272,61	0,10%	21,21%
CSI300	3 831,30	0,03%	15,75%
Bovespa	75 756,52	1,47%	25,78%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,19	0,51%	13,58%
USD/RUB	57,77	0,18%	-4,76%
Euro/RUB	68,70	-0,58%	7,65%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 320,18	-0,72%	15,05%
Brent*, USD/bbl	55,62	0,27%	-5,36%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,5240
Capitalisation**, billion RUB	22,12
Capitalisation**, million USD	382,93

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,50%	0,43%
Shares of IDGC of Centre**	2,04%	17,23%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	0,35%	-3,93%
FGC UES	0,26%	-14,47%
IDGC of Volga	0,13%	106,25%
MOESK	0,69%	-2,23%
IDGC of Northern Caucasus	0,78%	-11,56%
IDGC of Centre and Volga Reg	0,68%	120,95%
IDGC of North-West	1,29%	14,18%
IDGC of Urals	1,04%	17,93%
IDGC of Siberia	0,31%	54,24%
IDGC of South	0,00%	-14,12%
Lenenergo, ordinary shares	-1,64%	-1,91%
TRK, ordinary shares	0,00%	-14,29%
Kubanenergo	-4,54%	-20,23%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC
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