



REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 1 March some negative external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed with a decrease by 1.1-1.5%, on Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific lost about a percent. The stock markets continue to develop a correction caused by investors' fears about a faster rate raise by the Fed. At the same time, the deterioration in the estimate of the US GDP growth in the fourth quarter of 2017, from 2.6% to 2.5%, could not ease these fears – investors believe that such economic growth rates speak in favour of the Fed's "hawkish" attitude. A positive exception in the Asian session was the Chinese CSI300, which added 0.6% on good statistics – according to Markit/Caixin, the growth of business activity in the industrial sector of China in February surpassed the forecasts of economists. May Brent futures traded near \$64.7 per barrel, \$1 lower than the closing level on 28 February. Oil quotes were pressured by the data of the US Department of Energy, which recorded an increase above the expectations of oil and gasoline reserves in the country last week, and an increase in production to the next record for weekly statistics – 10.3 million barrels per day.

On Thursday the MOEX Russia Index spent the trading session with low volatile changes near zero, despite more than a percentage loss of the European Stoxx Europe 600 and the drop in Brent quotes to around \$63.2 per barrel. In Europe sales, provoked by the negative closing of the US market, were strengthened by its own weak statistics. February data from IHS Markit indicated a slowdown in production activity in the Eurozone, while the PMI declined at a two-year maximum in comparison with the end of last year amid deteriorating export orders in the region. In turn, oil prices were pressured by the statistics published on Wednesday by the US Department of Energy and the strengthening of the dollar. In the second half of the day, sentiment on the western sites improved, the MOEX Russia Index was able to gain a foothold in the positive area after the publication of good statistics from the US: the index of business activity in the manufacturing sector in February, contrary to forecasts, rose to a maximum since 2004, in January Americans' income increased more than forecasts, the number of applications for unemployment benefits fell to a minimum since 1969. In addition, the pace of growth in the consumer spending index (PCE Core, the main indicator of inflation for the Fed) remained in January at 1.5%, as expected – this figure has not reached the target level of the Federal Reserve for more than five years at 2% per annum.

As a result of the trading session the MicexPWR Sector Index underperformed. The main contribution to the MicexPWR reduction in antiphase with the MOEX Russia Index was made by shares of FGC UES.

ELECTRIC POWER INDUSTRY NEWS

1.5 trillion rubles of private investment planned to be attracted in the Russian power industry in six years, says Mr. Putin

In Russia for six years it is planned to attract 1.5 trillion rubles of private investments in the renewal of the electric power industry, Russian President Vladimir Putin said, speaking on Thursday with a message to the Federal Assembly.

Read full text: <http://www.bigpowernews.ru/markets/document81937.phtml?1&q=>

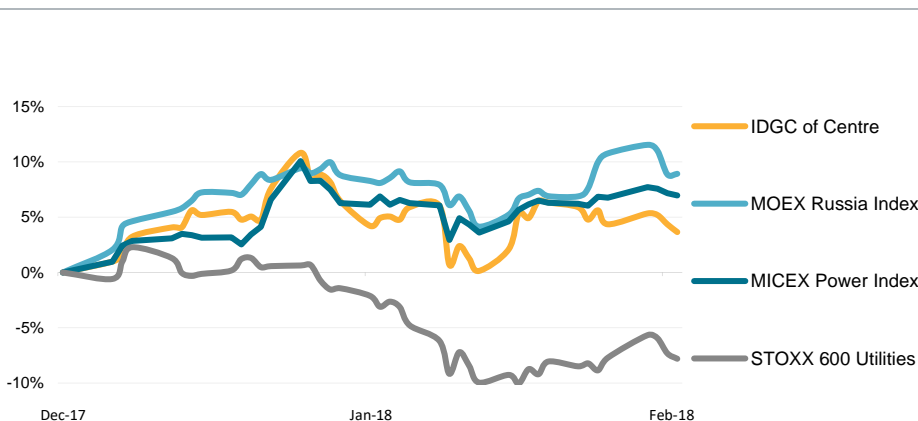
COMPANY NEWS

IDGC of Centre carries out a constructive policy in matters of repayment of accounts receivable

IDGC of Centre conducts systematic work to recover receivables for electricity transmission services. As of 01.02.2018, the total amount of overdue debts is 13.2 billion rubles, with the bulk of the overdue debt accounted for LLC GC "Energostream" (7.3 billion rubles) and OJSC "LESK" (1.8 billion rubles).

Read full text: <http://www.bigpowernews.ru/press/document81942.phtml>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 297,90	0,05%	8,92%
S&P 500	2 677,67	-1,33%	0,15%
FTSE 100	7 175,64	-0,78%	-6,66%
DAX	12 190,94	-1,97%	-5,63%
DJStoxx 600	374,86	-1,26%	-3,68%
Nikkei	21 724,47	-1,56%	-4,57%
Sensex	34 046,94	-0,40%	-0,03%
CSI300	4 049,09	0,63%	0,45%
Bovespa	85 377,79	0,03%	11,75%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	56,37	1,26%	-2,18%
EURO/RUB	68,91	0,36%	0,17%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 317,03	-0,10%	1,09%
Brent*, USD/bbl	63,83	-1,39%	-3,42%

* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3690	15,58	276,34
IDGC of Centre & Volga Reg	0,3303	37,22	660,30

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-0,52%	-7,80%
MICEX POWER Index	-0,17%	6,97%
IDGC of Centre**	-0,67%	3,65%
IDGC of Centre and Volga Region**	-3,87%	9,48%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	0,43%	1,62%
FGC UES	-1,36%	7,07%
IDGC of Volga	-1,54%	11,98%
MOESK	-0,87%	-10,90%
IDGC of Northern Caucasus	0,00%	-8,33%
IDGC of North-West	0,60%	-3,08%
IDGC of Urals	-2,07%	12,65%
IDGC of Siberia	-0,39%	12,66%
IDGC of South	-1,19%	-3,18%
Lenenergo, ordinary shares	0,00%	17,71%
TRK, ordinary shares	-3,51%	-3,77%
Kubanenergo	0,95%	-4,72%

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