



REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 07 July some moderately positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 added 0.4-0.5% on strong statistics on business activity in the services sector – ISM Non-Manufacturing index in June rose at a record pace since 2008, up to a maximum of 7 months. In addition, the markets were supported by minutes of the last Fed meeting, from which it follows that most of the governors of the Federal Reserve still prefer to refrain from raising interest rates. On Thursday the main stock indices of the Asia-Pacific region did not show single changes, the Japanese Nikkei lost 0.7% under pressure from the yen strengthening. September futures for Brent traded near the mark of \$48.8 per barrel, or \$0.9 higher than the closing on 06 July. Oil prices rose on the American Petroleum Institute (API) data, which recorded a significant reduction in weekly fuel reserves: oil – by 6.7 million barrels, gasoline – by 3.6 million barrels, distillates – by 2.3 million barrels.

In the first half of the day the MICEX Index and the European Stoxx Europe 600 Index added on average about one percent in the correction after two days of sales. The markets were also supported by released better than expected US statistics on applications for unemployment benefits and the number of new jobs in June. However, in the afternoon on the Russian market sellers became active again, despite the persistence of positive sentiment on the western exchanges. At the end of trading the MICEX Index was back to zero after the fall in oil prices to around \$47.5 per barrel after the publication of the US Department of Energy statistics, according to which the decline in oil inventories and gasoline in the country last week was much more modest than the API data indicated.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the MicexPWR reduction was made by shares of RusHydro, which traded ex-dividend, and stocks of Rosseti, in which profits were taken after a sharp rise on Wednesday.

ELECTRIC POWER INDUSTRY NEWS

FAS approved changes in regulations of FTS due to the entry into force on 1 July of a new order of pricing of electric energy in non-price zones

In May this year the Russian Government made a decision to improve pricing procedures in the territories, united in non-price zones of the wholesale market of electric energy and power (ADEM) from 1 July.

Read full text: <http://www.bigpowernews.ru/markets/document71430.phtml>

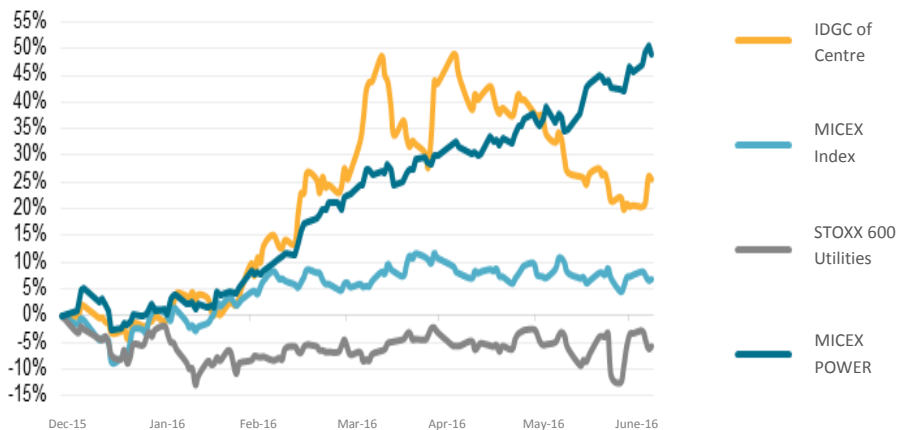
COMPANY NEWS

Representatives of Smolenskenergo and construction companies of the Smolensk region discussed topical issues of grid connection

At the initiative of IDGC of Centre - Smolenskenergo division a round table with representatives of construction companies of the Smolensk region was held. The participants discussed the problems faced by construction companies as part of grid connection contracts. In particular, they touched on the sequence of actions for the implementation of grid connection contract commitments by the parties, the service cost.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/56346/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 882,41	0,16%	6,87%
S&P 500	2 097,90	-0,09%	2,64%
FTSE 100	6 533,79	1,09%	4,67%
DAX	9 418,78	0,49%	-12,33%
DJStoxx 600	322,12	1,05%	-11,94%
STOXX Utilities	288,72	0,44%	-5,69%
Nikkei	15 276,24	-0,67%	-19,74%
Sensex	27 201,49	0,13%	4,15%
CSI300	3 209,95	-0,21%	-13,97%
Bovespa	52 014,66	0,22%	19,99%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,11	-0,23%	-8,99%
USD/RUB	64,63	0,56%	-11,32%
Euro/RUB	71,51	-0,17%	-10,27%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 360,45	-0,24%	28,21%
Brent*, USD/bbl	46,40	-4,92%	9,15%

* - September futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2450
Capitalisation**, billion RUB	10,34
Capitalisation**, million USD	160,04

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,93%	49,03%
Shares of IDGC of Centre**	-0,41%	25,58%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-2,80%	51,09%
FGC UES	-0,55%	175,07%
IDGC of Volga	-3,03%	64,52%
MOESK	-0,45%	17,33%
IDGC of Northern Caucasus	-2,09%	12,40%
IDGC of Centre and Volga Reg	-2,50%	24,36%
IDGC of North-West	-3,93%	60,58%
IDGC of Urals	0,78%	35,79%
IDGC of Siberia	-3,44%	3,69%
IDGC of South	-2,60%	20,19%
Lenenergo	-0,65%	32,53%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC RX
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