

DAILY MARKET REVIEW

29 November, Tuesday

2016



ROSSETI



IDGC OF CENTRE

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 28 November some neutral external background formed on the Russian market. Last Friday the US indices S&P500 and DJIA once again updated their historical highs, closing the day higher by 0.4%. On Monday the main country stock indices of the Asia-Pacific region traded differently. The Japanese Nikkei225 lost 0.1% after the strengthening of the yen on fears of redundancy of the US dollar rally, the Chinese CSI300 rose by 0.4% on the statistics, which recorded acceleration of profit growth of China's industrial enterprises in October. January Brent futures traded near the mark of \$47.2 per barrel, or \$0.7 less than the closing level on 25 November. Oil quotations were pressured by the media information that there is disagreement between the OPEC countries with country quotas, which may prevent the conclusion of an agreement on Wednesday to reduce the collective production or make it inoperative. In particular, the media notes, the question remains about the parameters of participation of Iran and Iraq in the reduction of oil production, which are the 2nd and 3rd largest oil producers in OPEC. According to analysts, if OPEC is not able to agree on limiting oil production at the summit on 30 November, prices could fall more than \$10 per barrel. In turn, the IEA experts believe that the failure of the OPEC agreement can postpone the world oil market balancing till the end of 2017.

Most of the trading session the Russian market was in negative territory, losing within half a percent under the pressure of both doubts in OPEC's ability to agree on limiting oil production and strengthening pessimistic sentiment on European markets. In Europe, experts say, there is growing concern of investors about the consequences of the referendum on 4 December on the constitutional reform in Italy. According to the newspaper Financial Times, the resignation of the Prime Minister, who proposed the reform, if the country's citizens vote against the changes, can put a number of Italian banks on the brink of bankruptcy and provoke panic in the Eurozone's banking system as a whole.

During the trading session the MicexPWR Sector Index looked significantly better than the market. The main contribution to the final MicexPWR growth in comparison with the MICEX Index was made by shares of Inter RAO, which had strong support with IFRS statements for the III quarter, and shares of FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Youth projects of "Rosseti" Group of Companies recognized as the best at the Youth Day ENES-2016

25 November 2016, 36 young specialists of "Rosseti" Group of Companies, consisting of three teams, took part in the work of the Youth Day of the 5th International Forum on Energy Efficiency and Energy Saving ENES-2016.

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=28562

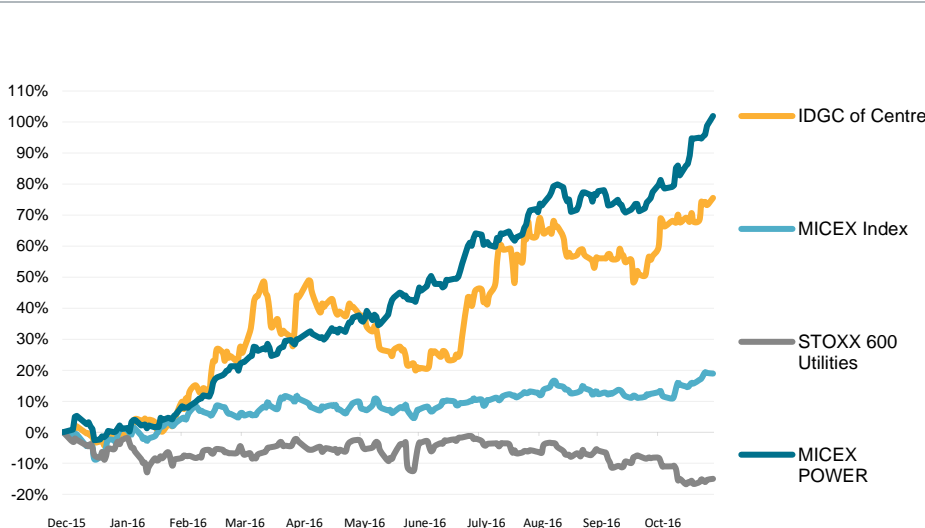
COMPANY NEWS

"Bryanskenergo" fulfilled targets for metrological provision

IDGC of Centre – Bryanskenergo division summed up the metrological provision of production for 10 months of 2016. All planned activities for this period were implemented in full, the press service of the branch told a correspondent of "Gorod_24".

Read full text: <http://gorodbryansk.info/2016/11/bryanskenergo-375/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



| World indexes | Value | Change | |
|-----------------|-----------|---------|-------------|
| | | per day | fr 31.12.15 |
| MICEX | 2 094,65 | -0,17% | 18,92% |
| S&P 500 | 2 201,72 | -0,53% | 7,72% |
| FTSE 100 | 6 799,47 | -0,60% | 8,93% |
| DAX | 10 582,67 | -1,09% | -1,49% |
| DJStoxx 600 | 339,83 | -0,77% | -7,10% |
| STOXX Utilities | 260,22 | 0,39% | -15,00% |
| Nikkei | 16 519,29 | 0,00% | -13,21% |
| Sensex | 26 350,17 | 0,13% | 0,89% |
| CSI300 | 3 535,08 | 0,39% | -5,25% |
| Bovespa | 62 855,50 | 2,11% | 45,00% |

Source: Bloomberg, Company calculations

| Currency rates | Value | Change | |
|----------------|-------|---------|-------------|
| | | per day | fr 31.12.15 |
| Euro/USD | 1,06 | -0,04% | -12,93% |
| USD/RUB | 64,62 | -0,02% | -11,34% |
| Euro/RUB | 68,44 | 0,52% | -14,13% |

Source: Bloomberg, Company calculations

| Raw | Value | Change | |
|-----------------|----------|---------|-------------|
| | | per day | fr 31.12.15 |
| Gold, USD/oz | 1 194,00 | 0,88% | 12,52% |
| Brent*, USD/bbl | 48,24 | 2,12% | 7,30% |

* - January futures

Source: Bloomberg, Company calculations

| Shares of IDGC of Centre | Value |
|-------------------------------|--------|
| Last transaction, RUB | 0,3425 |
| Capitalisation**, billion RUB | 14,46 |
| Capitalisation**, million USD | 223,77 |

Source: Central Bank of Russia, Company calculations

| Russian indexes | Change | |
|----------------------------|---------|-------------|
| | per day | fr 31.12.15 |
| MICEX-Power Index | 1,59% | 101,95% |
| Shares of IDGC of Centre** | 1,33% | 75,55% |

Source: Bloomberg, Company calculations

| Grid companies | Change** | |
|------------------------------|----------|-------------|
| | per day | fr 31.12.15 |
| Rosseti, ordinary shares | 2,25% | 153,17% |
| FGC UES | 3,22% | 227,95% |
| IDGC of Volga | -1,38% | 139,59% |
| MOESK | 0,92% | 17,33% |
| IDGC of Northern Caucasus | 1,53% | 32,80% |
| IDGC of Centre and Volga Reg | 5,78% | 130,25% |
| IDGC of North-West | -2,54% | 67,88% |
| IDGC of Urals | 0,89% | 78,95% |
| IDGC of Siberia | -2,58% | 23,57% |
| IDGC of South | 0,97% | 66,35% |
| Lenenergo, ordinary shares | -1,25% | 106,77% |

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
MRKC.MM