

## REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 23 October some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed the trading session with a decrease of 0.1-0.4%, on Wednesday the composite stock index of the Asia-Pacific region MSCI Asia Pacific showed zero changes. The focus of the markets remains the controversial situation surrounding Britain's exit from the European Union. On the one hand, on Tuesday, the British House of Commons approved the agreement on Brexit, on the other hand, the parliament rejected the proposal of the government to complete the consideration of ratification of the agreement on Brexit in an accelerated mode – in three days. According to analysts, this means that the process of ratification in the parliament will be delayed, and there is no guarantee that the UK will be able, as planned, to withdraw from the EU with an agreement on 31 October 2019. In this regard, the British Prime Minister announced the suspension of the consideration of the law until the clarification of the possibility of postponing Brexit to a later date – this should be determined by the leaders of the European Union. December Brent futures were trading around \$59.5 per barrel, \$0.2 below our close on 22 October. Oil quotes declined under pressure from the report of the American Petroleum Institute about the growth of oil reserves in the US by 4.5 million barrels.

For most of the trading session on Wednesday, the MOEX Russia Index, like the main global stock indicators, traded sideways near zero. Investors are cautious amid continuing uncertainty about the Brexit implementation scenario. After the refusal of the British Parliament to ratify the deal with the EU in an accelerated manner, the market participants are waiting for the EU decision to postpone Brexit. However, according to analysts, unpleasant surprises are unlikely here – as President of the European Council Donald Tusk said, he will recommend agreeing to London's request to postpone Brexit's deadline. In general, most of the largest investment banks are not yet inclined to dramatize the situation and consider the likelihood of a "tough" Brexit to be very low – Boris Johnson will receive the necessary delay to go through the process of ratifying the deal in the parliament. According to experts, the extension of the UK exit from the EU could be from three to four weeks to three months. At the same time, a number of investment banks see the risks of increasing uncertainty around Brexit if the British Prime Minister relies on early parliamentary elections after receiving a 3-month delay. In the afternoon, the MOEX Russia Index was able to gain a small plus mainly due to the growth of ordinary shares of Surgutneftegaz by more than 10% in the absence of significant news for such changes. At the end of trading, the Russian market was supported by a rise in Brent quotes above \$60 per barrel on the statistics of the US Department of Energy, which recorded a decrease in oil reserves by 1.7 million barrels, while experts predicted their increase by 3 million barrels.

At the end of the day, the electric utilities sector index underperformed. The main contribution to the MOEXEU decline in antiphase with the MOEX Russia Index was made by shares of Rosseti and FGC UES.

## ELECTRIC POWER INDUSTRY NEWS

### The Ministry of Economic Development proposes to postpone the mandatory installation of "smart" electricity meters for 2021, NP GP and ESK – for 2023

The RF Ministry of Economic Development proposes to postpone the mandatory installation of "smart" electricity meters for a year, said Andrey Gabov, Deputy Director of Department of the State Regulation of Tariffs and Infrastructure Reforms of the Ministry of Economic Development of the Russian Federation.

Read full text: <http://www.bigpowernews.ru/markets/document90369.phtml?1&q=>

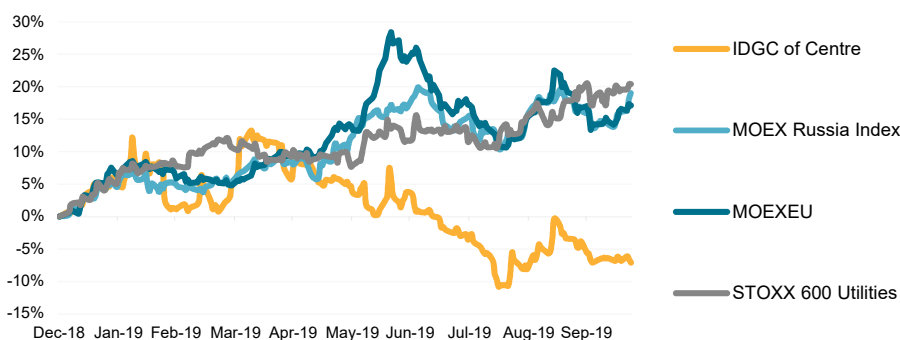
## COMPANY NEWS

### Power engineers of Rosseti Centre Yarenergo for five years repaired and constructed 482 power facilities in the city of Yaroslavl

Yarenergo summed up the preliminary results of the five-year work of the Yaroslavl city electric grid as part of Rosseti Centre. Please, be reminded that in 2015 the former OJSC "Yaroslavl City Electric Grid" became one of the structural subdivisions of the Yaroslavl branch of Rosseti Centre.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/69951/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 821,58	0,69%	19,09%
S&P 500	2 995,99	0,00%	19,51%
FTSE 100	7 260,74	0,67%	7,92%
DAX	12 754,69	0,00%	20,79%
DJStoxx 600	395,03	0,11%	16,99%
Nikkei	22 625,38	0,34%	13,04%
Sensex	39 058,83	0,24%	8,29%
CSI300	3 871,08	-0,64%	28,58%
Bovespa	107 381,10	0,00%	22,18%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	63,63	-0,20%	-8,40%
EURO/RUB	70,92	-0,35%	-10,75%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 492,12	0,30%	16,35%
Brent*, USD/bbl	61,17	2,46%	13,70%

\* - December futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln	
			per day	fr 31.12.18
IDGC of Centre	0,2656	11,21	176,21	
IDGC of Centre & Volga Reg	0,2485	28,01	440,10	

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,05%	20,49%
MOEXEU	-0,22%	17,15%
IDGC of Centre**	-0,52%	-7,13%
IDGC of Centre and Volga Region**	-0,72%	-6,23%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-2,46%	51,14%
FGC UES	-1,00%	23,93%
IDGC of Volga	-0,37%	-4,85%
MOESK	-0,06%	34,92%
IDGC of Northern Caucasus	-2,40%	127,00%
IDGC of North-West	0,57%	11,98%
IDGC of Urals	-0,57%	-5,09%
IDGC of Siberia	-0,05%	107,80%
IDGC of South	0,88%	5,79%
Lenenergo, ordinary shares	-0,14%	32,51%
TRK, ordinary shares	-3,33%	41,23%
Kubanenergo	2,00%	25,41%

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  
[www.mrsk-1.ru/en/investors/](http://www.mrsk-1.ru/en/investors/)

**IR Division**  
 +7 (495) 747 92 92, ext. 33-34  
[ir@mrsk-1.ru](mailto:ir@mrsk-1.ru)

**Tickers**  
 Moscow Exchange (MOEX)  
 Bloomberg  
 Reuters

**MRKC**  
**MRKC:RM**  
**MRKC:MM**