

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 11 November some moderately negative external background formed on the Russian market. The US indices DJIA and S&P500 closed on Friday with an increase of 0.3%, despite statements by the US president, which somewhat weakened optimism regarding the upcoming US and Chinese trade deal. In particular, Donald Trump said that he would not abolish duties on Chinese imports completely, although Beijing is interested in this. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific and futures for the US indices lost 0.7% and 0.4%, respectively. The Chinese market was the driving force for the decline – the CSI300 fell a maximum of 1.8% in four months, under pressure from an escalation of tension in Hong Kong, where police used military weapons against demonstrators and weak statistics. In October, the fall in producer prices became the highest since July 2016, which experts attribute to the continued weakening of the industrial sector in the face of a decline in global demand and the US and China trade war. At the same time, inflation reached a maximum since January 2012, mainly due to a jump in pork prices, which, according to analysts, could significantly limit the ability of the Chinese authorities to use monetary incentives to support the economy. January Brent futures were trading around \$61.8 per barrel, \$0.2 higher than our close on Friday, 8 November.

The MOEX Russia Index, the consolidated European Stoxx Europe 600 Index and the S&P500 futures spent most of the day in a small minus within half a percent. The investors were worried about signs of another problem in the US-Chinese trade negotiations and rising tensions in Hong Kong. According to experts, the comments of Donald Trump, who called "incorrect" the information that he agreed to remove duties on Chinese goods, essentially refute the optimistic statements made by officials on both sides last week about the phased cancellation of tariffs. In addition, another escalation of riots in Hong Kong, analysts believe, could also be an obstacle to a trade agreement – the US president said earlier that the tense situation in Hong Kong and the possible use of force by the Chinese authorities against protesters could damage negotiations between the countries. At the same time, some media support was provided to the markets by the information that Brexit party leader decided not to compete with conservatives in the upcoming parliamentary elections. According to political scientists, this sharply increases the chances of the party of Prime Minister Boris Johnson to win and the subsequent ratification by the new parliament of the agreement with the European Union on Brexit.

During the trading session, the electric utilities sector index outperformed – the ongoing correction in the market mainly affected the first-tier stocks. The main contribution to the final MOEXEU growth in antiphase with the MOEX Russia Index was made by Gazprom's generation companies' shares (OGK-2 and TGK-1) and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Electricity generation in the UES of Centre for 10 months 2019 grew up by 3% with an increase in electricity consumption by 0.3%

Electricity consumption in the Unified Energy System (UES) of Centre in October 2019 amounted to 20,768.9 million kWh, which was 0.2% more than a year earlier, ODU Centre reported.

Read full text: <http://www.bigpowernews.ru/news/document90576.phtml?1&q=>

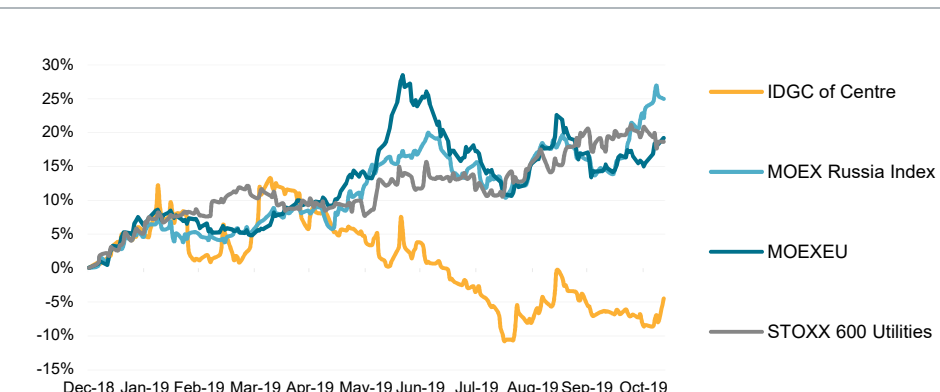
COMPANY NEWS

The first digital Distribution Zone to appear in Belgorodenergo by the end of the year

Rosseti Centre Belgorodenergo is completing a pilot project to create the first digital Distribution Zone on the basis of Borisovsky Distribution Zone. A 0.4-10 kV grid remote control system will be created here with the capability to continuously monitor the parameters of the transmission and consumption of electricity, the functions of self-diagnostics, and monitoring the quality of power supply to consumers. About 80 million rubles were allocated for the implementation of the project.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/70134/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 961,46	-0,39%	24,99%
S&P 500	3 087,01	-0,20%	23,14%
FTSE 100	7 328,54	-0,42%	8,92%
DAX	13 198,37	-0,23%	25,00%
DJStoxx 600	405,34	-0,02%	20,05%
Nikkei	23 331,84	-0,26%	16,57%
Sensex	40 345,08	0,05%	11,86%
CSI300	3 902,98	-1,76%	29,64%
Bovespa	108 367,40	0,69%	23,30%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	63,73	0,00%	-8,26%
EURO/RUB	70,42	-0,18%	-11,38%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 455,86	-0,22%	13,52%
Brent*, USD/bbl	62,18	-0,53%	15,58%

* - January futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,209	23,55	369,59

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,04%	18,64%
MOEXEU	0,76%	19,19%
IDGC of Centre**	3,72%	-4,55%
IDGC of Centre and Volga Region**	-0,76%	-21,13%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-0,08%	52,80%
FGC UES	1,11%	29,29%
IDGC of Volga	-0,06%	-14,85%
MOESK	1,08%	55,45%
IDGC of Northern Caucasus	0,48%	140,57%
IDGC of North-West	0,00%	-3,24%
IDGC of Urals	-1,07%	-9,53%
IDGC of Siberia	-0,93%	106,83%
IDGC of South	0,51%	8,26%
Lenenergo, ordinary shares	-0,42%	35,16%
TRK, ordinary shares	-1,75%	27,92%
Kubanenergo	-0,33%	24,59%

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/

IR Division

+7 (495) 747 92 92, ext. 33-34
ir@mrsk-1.ru

Tickers

Moscow Exchange (MOEX)
Bloomberg
Reuters

[MRKC](#)
[MRKC:RM](#)
[MRKC.MM](#)