

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 23 June some moderately positive external background formed on the Russian market. On Monday, the US indices DJIA and S&P500 rose by 0.6% on expectations of a quick recovery in the US economy, the validity of which continues to be supported by strong statistics – in May, the economic activity index calculated by the Federal Reserve Bank of Chicago rose to a record high. Larry Kudlow, the White House economic adviser, tried to dispel concerns of investors regarding signs of accelerating the spread of coronavirus in the country and the possible return of quarantine restrictions that could slow down the “reset” of the economy. In an interview with CNBC, the official said that there was no second wave of the pandemic and that the US administration was unlikely to apply widespread restrictions throughout the country, as it was in the spring. On Tuesday, the composite index of the Asia-Pacific region MSCI Asia Pacific, which lost about a percent at the beginning of the day on media reports that the White House trade adviser Peter Navarro announced the termination of the trade deal with China, had already added 0.6% to the start of our trading on refutation of this information. Firstly, Navarro himself said that his words were taken out of context, and secondly, Donald Trump tweeted that “the Chinese trade transaction has been completely preserved.” The Asian markets were also supported by good statistics: in Japan, the consolidated PMI rose to 37.9 points from May’s 27.8 points, in Australia, the economy returned to expansion – the consolidated PMI jumped to 53.2 points from 28.1 points in May. August Brent futures were trading around \$43.0 per barrel, \$0.4 higher than our close on 22 June.

On Tuesday, buyers dominated the global stock markets – in the middle of the day, the growth of the consolidated MSCI ACWI exceeded a percent both on the news about the preservation of the US-China trade transaction, as well as the optimistic statistics that continue to arrive. According to preliminary estimates, in June the consolidated Eurozone PMI increased to 47.3 points from 31.9 points a month earlier, significantly exceeding the consensus forecast of analysts. France became the leader in raising this indicator in Europe, where the consolidated PMI jumped to 51.3 points, signalling the second economy of the region is returning to growth for the first time since February. In the US, new home sales jumped 16.6% in May, to a three-month high; in June, the composite business activity index, according to IHS/Markit, reached its highest in four months 46.8 points. Both indicators were significantly better than experts expected. During the day, buyers’ activity was limited by risks of increasing the spread of coronavirus infection. In particular, the WHO representatives, drawing attention to new records of the number of people infected in the world per day, emphasized that an increase in the number of tests is not the only factor determining the jump in recorded cases of the disease.

Following the results of the trading session, the electric utilities sector index underperformed mainly due to profit taking in RusHydro’s shares.

ELECTRIC POWER INDUSTRY NEWS

Generators propose banning grid tariff growth above inflation when consolidating grids

On 23 June, a meeting of the expert council at the State Duma Energy Committee was held, at which the draft Cabinet resolution “On Amending Certain Acts of the Government of the Russian Federation on Certain Issues of Consolidating Electric Grid Facilities in Territorial Grid Organizations” was discussed. The proposed draft document provides that, as a result of the purchase of grid facilities, a “boiler” grid tariff may increase above the growth rate established by the forecast of socio-economic development of the Russian Federation.

Read full text: <https://peretok.ru/news/>

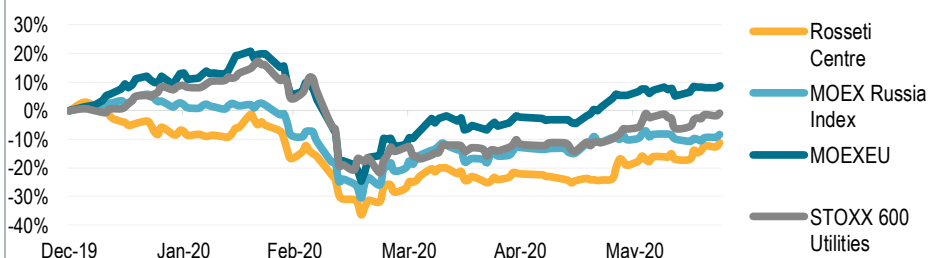
COMPANY NEWS

Head of the Federal Treasury Roman Artyukhin and General Director of Rosseti Centre and Rosseti Centre and Volga Region Igor Makovskiy discussed cooperation in the field of digitalization and social work

Head of the Federal Treasury, Roman Artyukhin, visited the head office of Rosseti Centre in Moscow, where he met with Igor Makovskiy, General Director of Rosseti Centre and Rosseti Centre and Volga Region. The event was also attended by Deputy Head of the Treasury of Russia Alexander Mikhailik, Head of the Department of Internal Control and Audit of the Federal Treasury Alexander Bourdein and representatives of the executive office of Rosseti Centre.

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

CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.19
MOEX Russia	2791,97	1,04%	-8,34%
S&P 500	3147,24	0,94%	-2,59%
FTSE 100	6320,12	1,21%	-16,21%
Nikkei	22549,05	0,50%	-4,68%
Sensex	35430,43	1,49%	-14,12%
CSI300	4121,79	0,48%	0,62%
Bovespa	96854	1,59%	-16,25%

Source: MOEX, Company calculations (19:00 MSK)

Currency rates	Value	Change	
		per day	fr 31.12.19
USD/RUB	69,4835	-0,13%	12,24%
EURO/RUB	77,8285	-0,23%	12,24%

Source: Central Bank of Russia, Company calculations

Liquidity	Rosseti Centre	Rosseti Center & Volga Region
	Number of transactions, pcs.	868
Trading volume, ₺ mln	5,5	26,9
Trading volume, mln pcs.	19,7	140,0
Average trading volume over the last 30 days, mln pcs.	39,7	106,8
% of the authorized capital	0,05%	0,12%

Source: MOEX, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
Rosseti Centre	0,2814	11,88	170,98
Rosseti Center & Volga Reg	0,1922	21,66	311,74

Source: MOEX, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.19
STOXX 600 Utilities	0,92%	-0,90%
MOEXEU	0,51%	8,68%
Rosseti Centre**	1,66%	-11,23%
Rosseti Center & Volga Region**	0,47%	-19,58%

Source: MOEX, Company calculations (19:00 MSK)

Grid companies	Change**	
	per day	fr 31.12.19
Rosseti	1,48%	12,31%
Rosseti FGC UES	2,50%	-5,03%
Rosseti Volga	8,26%	-12,11%
Rosseti Moscow Region	1,08%	-6,04%
Rosseti Northern Caucasus	0,60%	-10,93%
Rosseti North-West	1,22%	-6,55%
Rosseti Ural	1,40%	-3,39%
Rosseti Siberia	2,66%	-18,77%
Rosseti South	0,00%	-19,21%
Rosseti Lenenergo	0,33%	-13,64%
Rosseti Tomsk	0,00%	-10,23%
Rosseti Kuban	1,57%	11,64%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, PJSC

119017, Moscow, Malaya Ordynka St., 15

Corporate Governance Department

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC.RM

MRKC.MM