



REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 9 November some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 closed in different directions with changes within 0.3%. The decline in the commodity sector following the fall in oil prices was offset by the rise in shares of financial companies at the outcome of the Fed's meeting. The US Central Bank expectedly kept the key rate at the level of 2.0-2.25% and practically did not change the accompanying statement on the further gradual increase in the rate. The absence of new signals from the Fed, analysts say, confirmed investors' opinion that the Fed still intends to raise the rate in December and plans to hike it three more times next year. On Friday the composite index of the Asia-Pacific region, MSCI Asia Pacific, lost 1.1%. An additional negative factor for investors in the Asian session was weak Chinese statistics, which registered a slowdown in producer prices in October and a decline in car sales in the country, which may indicate a weakening of domestic demand. In addition, media reports about the directive of the authorities to increase financing of private companies by banks to help businesses in an escalating trade war and a downturn in the stock market put pressure on banking stocks. January Brent futures traded around \$70.8 a barrel, \$0.7 below our 8 November close. Oil prices fell, including due to a sharp strengthening of the dollar.

On Friday the Russian market was dominated by sellers, at the daily lows the loss of the MOEX Russia Index exceeded 2%. The market was pressured by a deterioration in sentiment on world markets and falling oil prices. In the middle of the day, the index of emerging markets MSCI EM lost more than 1.5%, the European Stoxx Europe 600 Index and futures for US indices – more than half a percent due to investors' retreat from the risk of expectations of a tightening of monetary policy by the Fed. For the first time since April of this year, Brent quotes fell below \$69.5 on fears of increasing production by major producing countries. According to media reports, following a significant increase in supply from the US, the Russian Federation and Saudi Arabia, Iraq can additionally supply 400 thousand barrels per day to the market after reaching agreements with Kurds on the disputed fields in the Kirkuk province. At the end of the day, the MOEX Russia Index could play back a quarter of the daily losses following the turn of oil prices from the session lows.

At the end of the trading session the MicexPWR Sector Index outperformed mainly due to growth in shares of Inter RAO and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

Money to the wind

Next year, the development of the global wind energy industry may slow down due to trade wars and a decline in funding. This trend may lead to mergers to reduce costs, but for the Russian segment the risks are minimal while the program of guaranteed return on investment in the form of power supply contracts is in effect.

Read full text: <https://rg.ru/2018/11/08/torgovye-vojno-moqt-zatormozit-razvitie-zelenoi-energetiki.html>

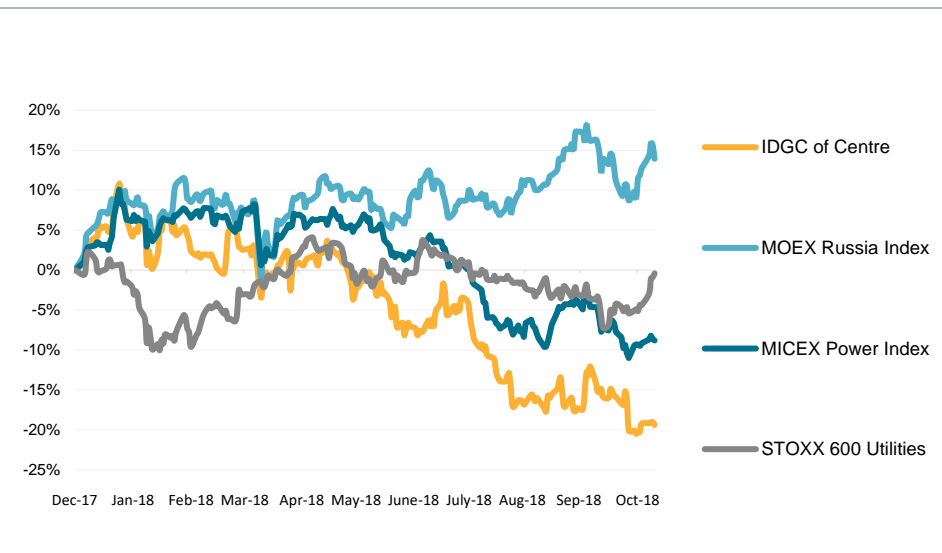
COMPANY NEWS

IDGC of Centre carries out reconstruction of a large feeding centre in Sudislavl

In the Kostroma region, specialists of IDGC of Centre - Kostromaenergo division have started the final stage of reconstruction of one of the large power supply centres of the settlement of Sudislavl - the 110/10 kV substation (SS) "Sudislavl".

Read full text: <http://smi44.ru/news/municipal/mrck-tsentra-vypolnyet-raboty-po-rekonstruktsii-krupnogo-pitayushchego-tsentra-v-sudislavle/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 403,47	-1,44%	13,92%
S&P 500	2 781,01	-0,92%	4,02%
FTSE 100	7 105,34	-0,49%	-7,58%
DAX	11 529,16	0,02%	-10,75%
DJStoxx 600	365,74	-0,37%	-6,02%
Nikkei	22 250,25	-1,05%	-2,26%
Sensex	35 158,55	-0,22%	3,23%
CSI300	3 167,44	-1,41%	-21,42%
Bovespa	85 641,21	0,02%	12,09%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	66,22	0,19%	14,90%
EURO/RUB	75,67	-0,01%	10,01%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 209,65	-1,17%	-7,15%
Brent*, USD/bbl	70,18	-0,67%	4,95%

* - January futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2870	12,12	182,99
IDGC of Centre & Volga Reg	0,2675	30,15	455,28

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	0,48%	-0,42%
MICEX POWER Index	-0,14%	-8,80%
IDGC of Centre**	-0,42%	-19,38%
IDGC of Centre and Volga Region**	-0,37%	-11,34%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-0,06%	-13,58%
FGC UES	-0,43%	-5,56%
IDGC of Volga	0,15%	-3,46%
MOESK	-1,16%	-23,97%
IDGC of Northern Caucasus	-0,14%	-25,73%
IDGC of North-West	-2,41%	16,73%
IDGC of Urals	-0,47%	-19,24%
IDGC of Siberia	-3,37%	-29,78%
IDGC of South	-1,65%	4,43%
Lenenergo, ordinary shares	-1,55%	19,38%
TRK, ordinary shares	0,00%	-8,36%
Kubanenergo	-1,89%	-33,67%

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
<http://mrsk-1.com/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