

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 16 March some negative external background formed on the Russian market. On Friday the US indices DJIA and S&P500 jumped 9.3-9.4% after Donald Trump declared a state of emergency in the country due to the spread of Covid-19. The introduction of an emergency mode will allow the government to channel up to \$50 billion to fight against coronavirus, in particular, funds will be allocated to improve the diagnosis of the virus and support medical facilities. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 3.7%, futures for US indices – about 5%, despite the emergency cut in the Fed rate by 1 percentage point to 0-0.25 percentage points and the announcement by the Federal Reserve about plans to purchase government bonds and mortgage securities worth more than \$700 billion. The markets fell on fears that the anti-crisis efforts of governments and central banks would not be able to reduce the negative impact of coronavirus on the global economy. The scale of these consequences can be judged by Chinese statistics: in January-February industrial production and retail sales in annual terms fell by a record 13.5% and 20.5%, respectively. May Brent futures were trading around \$31.8 per barrel, \$1.4 below our close on Friday, 13 March. According to Bloomberg, many oil traders, companies' executives and analysts fear that oil demand will show a maximum drop this year, which will exceed the decline in demand by 1 million bps during the recession in 2009 and even drop by 2.65 million barrels recorded in 1980, when the global economy crashed after the second oil crisis.

On Monday, panic sales resumed on global stock exchanges. According to analysts, the Fed's sudden decision to actually zero the rate just two days before the scheduled meeting only highlights the risks of the global economy. In the middle of the day, the decline of the consolidated European Stoxx Europe 600 Index exceeded 9%, futures for US indices, having taken the limit of the daily decline, lost 5%. At the same time, the shares of the SPDR S&P500 ETF, the largest exchange-traded fund investing in shares of companies included in the S&P500, decreased by more than 10%. The main focus of investors is on Europe – the epicentre of the Covid-19 pandemic, where, according to experts, as a result of quarantine measures, business activity has been significantly reduced, which makes the recession in the region in the coming quarters almost inevitable. The MOEX Russia Index, which lost about 6% on daily lows, was able to reduce losses to 2.1% at the end of the day due to a decrease in the rate of decline of Western indices and oil prices – Brent quotes, dropping below \$30 per barrel, rose above this psychological level by our close.

At the end of the trading session, the electric utilities sector index outperformed. The main contribution to the MOEXEU outperformance in comparison with the MOEX Russia Index was made by shares of Inter RAO and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

The government is going to cancel the mandatory licensing of energy sales from 1 July

The new government wants to cancel the initiative of the Ministry of Energy of the Russian Federation on licensing energy sales activities, which should become mandatory from 1 July, the Kommersant newspaper writes with reference to the corresponding order of Prime Minister Mikhail Mishustin and the Ministry of Justice. Licensing has lost its relevance, the market participants believe, because it does not fit into the "regulatory guillotine".

Read full text: <http://www.bigpowernews.ru/markets/document92259.phtml>

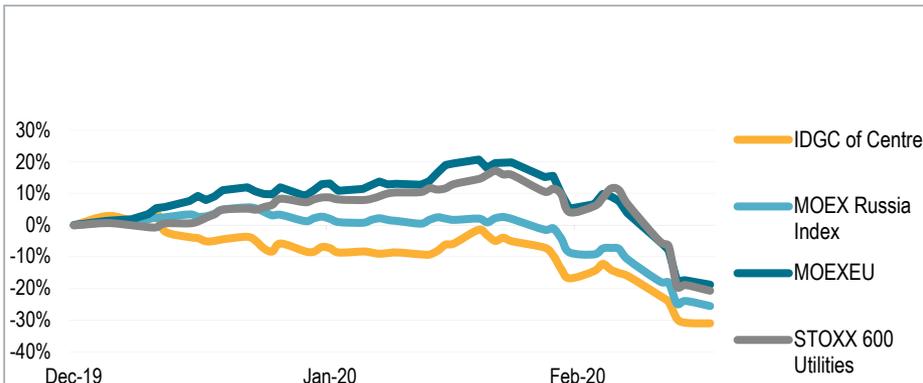
COMPANY NEWS

Tambovenergo provided power to one of the largest greenhouses in Russia

Specialists of the branch "Rosseti Centre Tambovenergo" provided electricity to the new high-tech Michurinsky Greenhouse Combine, which is located in the Michurinsky district of the Tambov region.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/71747/>

CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.19
MOEX Russia	2266,9	-2,14%	-25,57%
S&P 500	2520,24	-7,04%	-21,99%
FTSE 100	5136,14	-4,29%	-31,90%
Nikkei	17002,04	-2,46%	-28,13%
Sensex	31390,07	-7,96%	-23,91%
CSI300	3727,84	-4,30%	-9,00%
Bovespa	73896,3	-10,62%	-36,10%

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

Currency rates	Value	Change	
		per day	fr 31.12.19
USD/RUB	73,1882	-1,13%	18,23%
EURO/RUB	81,861	-2,15%	18,06%

Source: Central Bank of Russia, Company calculations

Liquidity	IDGC of	
	Centre	Centre & Volga Region
Number of transactions, pcs.	2193	2042
Trading volume, ₺ mln	12,0	24,7
Trading volume, mln pcs.	56,5	169,3
Average trading volume over the last 30 days, mln pcs.	76,1	163,2
% of the authorized capital	0,13%	0,15%

Source: MOEX, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	
		₺ bln	\$ mln
IDGC of Centre	0,2184	9,22	125,98
IDGC of Centre & Volga Reg	0,1445	16,28	222,51

Source: MOEX, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.19
STOXX 600 Utilities	-3,85%	-20,79%
MOEXEU	-1,67%	-18,84%
IDGC of Centre**	-0,27%	-31,10%
IDGC of Centre & Volga Region**	-4,11%	-39,54%

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

Grid companies	Change**	
	per day	fr 31.12.19
Rosseti, ordinary shares	-1,75%	-26,95%
FGC UES	0,04%	-25,18%
IDGC of Volga	-4,99%	-30,31%
MOESK	-1,59%	-24,46%
IDGC of Northern Caucasus	-6,81%	-23,40%
IDGC of North-West	-4,57%	-17,87%
IDGC of Urals	-9,73%	-26,91%
IDGC of Siberia	-7,24%	-41,91%
Rosseti South	-2,66%	-26,15%
Lenenergo, ordinary shares	-1,57%	-19,60%
TRK, ordinary shares	-10,57%	-23,26%
Kubanenergo	-0,53%	-11,01%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC RM

MRKC.MM