



REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 6 March some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 lost 0.1% each, despite good statistics – the business activity index in the service sector in February rose to a maximum since November, data on new buildings in December were better than expected. On Wednesday the composite index of the Asia-Pacific region MSCI Asia Pacific did not show significant changes with multidirectional trends of the main country indices. Investors, experts say, prefer not to show excessive activity in anticipation of new obvious signals about the state of the negotiation process on trade disputes between the US and China. Under these conditions, the media information that the Chinese authorities will ban government departments from requiring foreign companies to transfer technological secrets to them in exchange for market access has so far made an impression only on the Chinese market – the CSI300 grew by 0.8%. As recalled by MarketWatch, the accusations of Beijing made by Washington that China requires disclosure of technological secrets from foreign companies are one of the most problematic issues in the US-PRC trade negotiations. May Brent futures traded around \$65.5 per barrel, \$0.2 above our 5 March close. The oil prices were supported by the statement of the head of the Ministry of Energy of the Russian Federation that Russia expects to fulfill its obligations within the OPEC+ deal by the end of March, reducing production by 228 thousand barrels per day compared to October 2018.

On Wednesday, the Russian market was recovering after a decline for six trading sessions in a row. In the second half of the day, the growth of the MOEX Russia Index exceeded a percent following the confident rise in shares of Norilsk Nickel and LUKOIL, supported by strong reporting on the results of 2018. At the same time, the possibility of growth of the Russian market on a broad front was limited to moderately negative sentiments in the western exchanges. The reason for investors' pessimism was, including, the decline in the OECD forecasts for the growth of the global economy in 2019 to 3.3% against the previously expected 3.5%. At the same time, the forecast for the Eurozone was worsened immediately by 0.8 percentage points, to 1%, for Germany – by 0.9 percentage points, to 0.7%. According to the OECD experts, the revision of expectations reflects the sharp slowdown in world trade, especially in the Eurozone, the risks of a slowdown in China's economy and the implementation of the tough Brexit scenario. An additional negative factor for Western markets was the statistics from the US, where the trade deficit in December increased to a maximum of 10 years, despite all the tariff decisions of Donald Trump's administration.

During the day the electric utilities sector index underperformed – the activity of buyers was mainly concentrated in the first-tier shares. The main contribution to the MOEXEU underperformance compared to the MOEX Russia Index was made by shares of FGC UES.

ELECTRIC POWER INDUSTRY NEWS

FAS prepared several solutions on the automation of control when making tariff decisions in the electric power industry

FAS Russia has developed several new digital solutions that are aimed at implementing a risk-oriented approach in regional tariff authorities, strengthening of preliminary control over tariffs and prices in the electric power industry, increasing transparency in this area, as well as transition to unification and simplification of regulation methods with elements of tariff decision verification by automated intellectual programs, the press service reported to departments.

Read full text: <http://www.bigpowernews.ru/markets/document87243.phtml>

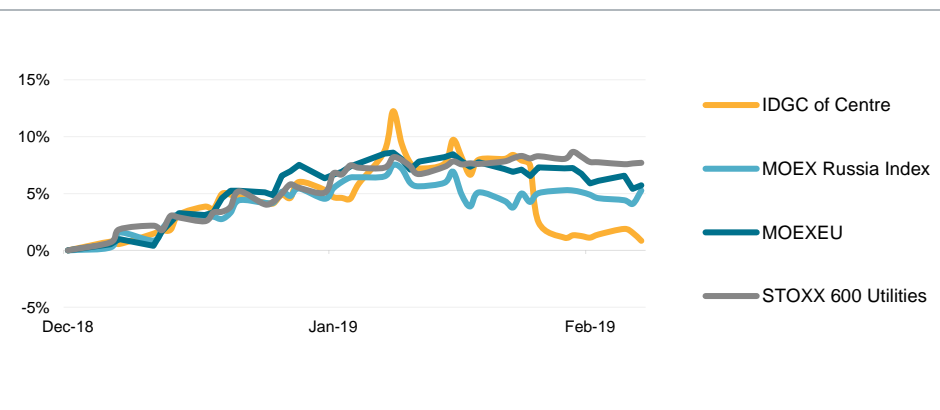
COMPANY NEWS

Tver branch of IDGC of Centre connects major socially significant facilities to power grids

In 2018, IDGC of Centre - Tverenergo division fulfilled 5,011 contracts for connection to power grids, the total capacity of which was about 88 MW.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/67551/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 494,04	1,13%	5,26%
S&P 500	2 771,45	-0,65%	10,56%
FTSE 100	7 196,00	0,17%	6,95%
DAX	11 587,63	-0,28%	9,74%
DJStoxx 600	375,48	-0,04%	11,20%
Nikkei	21 596,81	-0,60%	7,90%
Sensex	36 636,10	0,53%	1,57%
CSI300	3 848,09	0,84%	27,82%
Bovespa	94 216,87	-0,41%	7,20%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	65,80	0,01%	-5,28%
EURO/RUB	74,51	-0,32%	-6,24%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 286,36	-0,13%	0,30%
Brent*, USD/bbl	65,99	0,20%	22,66%

* - May futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	Change	
		₺ bln	MCap**, \$ mln
IDGC of Centre	0,2884	12,18	185,04
IDGC of Centre & Volga Reg	0,2647	29,83	453,36

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,05%	7,70%
MOEXEU Index	0,30%	5,71%
IDGC of Centre**	-0,69%	0,84%
IDGC of Centre and Volga Region**	0,23%	-0,11%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	0,51%	25,71%
FGC UES	-0,74%	11,87%
IDGC of Volga	-0,05%	1,99%
MOESK	-0,07%	3,48%
IDGC of Northern Caucasus	0,14%	1,29%
IDGC of North-West	-0,41%	-12,25%
IDGC of Urals	-1,59%	0,54%
IDGC of Siberia	6,02%	76,98%
IDGC of South	-0,30%	22,87%
Lenenergo, ordinary shares	0,53%	7,56%
TRK, ordinary shares	0,00%	7,14%
Kubanenergo	-1,39%	15,98%

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