



REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 24 September some neutral external background formed on the Russian market. On Monday major US indices closed in different directions: the DJIA grew by 0.3% and updated the historical record, the S&P500 fell within 0.1% mainly due to the decrease in shares of technology companies after the restructuring of the S&P500 sector structure. On Monday the composite index of the Asia-Pacific region, MSCI Asia Pacific, lost 0.6%, futures for US indices were 0.3% down. Escalation of trade confrontation between the USA and China became a negative factor for the markets. On Monday the 10% US duty on Chinese goods worth \$200 billion a year came into effect. China imposed similar return duties on US exports worth \$60 billion a year. In addition, according to The Wall Street Journal, China refused from the fifth round of trade negotiations with the US scheduled for this week. Earlier, the media reminded, Beijing stated that it would not conduct any trade negotiations under pressure. The exchanges of Japan, mainland China and South Korea were closed on Monday due to national holidays. November Brent futures traded near \$80.4 per barrel, \$1.9 higher than our closing on Friday, 21 September. As noted by Bloomberg, traders reacted positively to the absence of OPEC+ signals following the meeting of the monitoring committee on additional increase in oil production to compensate for the possible reduction of supplies from Iran. Thus, the Financial Times adds, the monitoring committee did not react to the demands of the US president to undertake actions aimed at immediate reduction of oil prices.

The MOEX Russia Index spent the trading session flat near zero. On the one hand, the Russian market was supported by the rise of Brent quotations to four-year highs at \$81 a barrel. On the other hand, buyers' activity was limited to negative sentiments on European markets and emerging markets. In the second half of the day the European Stoxx Europe 600 Index and the MSCI EM lost on average more than 0.5%. The pessimism of investors was mainly due to the growing confrontation between the US and China, which is already beginning to outgrow the trade framework. As the US media write, Washington plans to launch a massive information attack on China, accusing it of hostile activities against American companies, theft of intellectual property, cyberattacks and interference in elections.

At the end of the day changes of the MicexPWR Sector Index corresponded to the market. The main contribution to the small MicexPWR growth was made by shares of Enel Russia and Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti" intends to implement digitalization due to optimization with long-term tariffs

"Rosseti" plans to implement a digitalization program worth 1.3 trillion rubles due to optimization when switching to long-term tariffs, it will not require additional funds from the budget, the head of the company Pavel Livinskiy said on Saturday, 22 September.

Read full text: <http://www.bigpowernews.ru/markets/document84638.phtml>

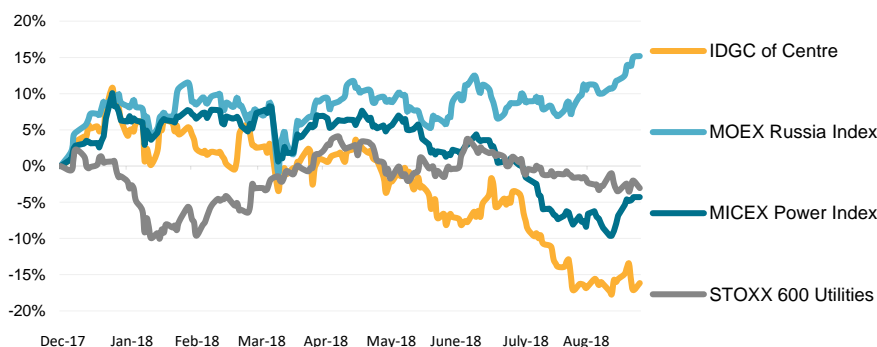
COMPANY NEWS

Tambovenergo's specialists took part in a training seminar on working with self-supporting insulated wire

A training seminar was held in Tambov for 34 specialists of crews of the office of distribution grids of all Distribution Zones of IDGC of Centre - Tambovenergo division. The seminar was conducted on the site of the training centre of the branch and was devoted to methods of construction and operation of overhead power lines using self-supporting insulated wire (SIW). The event was held to improve the skills of Tambovenergo's personnel.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/65709/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 430,01	0,13%	15,18%
S&P 500	2 919,37	-0,35%	9,19%
FTSE 100	7 458,41	-0,42%	-2,98%
DAX	12 350,82	-0,64%	-4,39%
DJStoxx 600	382,14	-0,56%	-1,81%
Nikkei	23 869,93	0,00%	4,85%
Sensex	36 305,02	-1,46%	6,60%
CSI300	3 410,49	0,00%	-15,39%
Bovespa	77 984,18	-1,84%	2,07%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	66,25	-0,34%	14,96%
EURO/RUB	78,08	0,41%	13,50%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 199,03	-0,08%	-7,97%
Brent*, USD/bbl	81,20	3,05%	26,84%

* - November futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	MCap**, \$ mln	
			per day	fr 31.12.17
IDGC of Centre	0,2985	12,60	190,22	
IDGC of Centre & Volga Reg	0,2810	31,67	478,01	

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-1,06%	-3,05%
MICEX POWER Index	0,04%	-4,27%
IDGC of Centre**	1,19%	-16,15%
IDGC of Centre and Volga Region**	-0,18%	-6,86%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-0,27%	-13,80%
FGC UES	-1,88%	1,54%
IDGC of Volga	-0,60%	-2,97%
MOESK	-0,29%	-22,91%
IDGC of Northern Caucasus	-0,99%	-21,88%
IDGC of North-West	-0,44%	30,58%
IDGC of Urals	1,45%	-16,47%
IDGC of Siberia	0,00%	-21,40%
IDGC of South	-1,00%	32,61%
Lenenergo, ordinary shares	0,68%	39,58%
TRK, ordinary shares	-3,01%	-13,21%
Kubanenergo	0,00%	-29,85%

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