

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 29 May some moderately negative external background formed on the Russian market. On Thursday, the US indices DJIA and S&P500 fell 0.2-0.6% following the results of volatile trading. On daily highs, the indices on average added about a percent, including due to statistics. Last week, the number of Americans continuing to receive benefits decreased by 3.86 million, while analysts predicted that this indicator would rise to new historical records. In addition, based on the results of the revision, the estimate of reduction in the first quarter of consumer spending, which accounted for about 70% of the US economy, was improved. The market turned around after the statement of Donald Trump on holding a press conference on Friday on relations with China. Investors fear a further worsening of relations between the United States and China, after the day before the All-China People's Congress decided to draft a bill on national security in Hong Kong. White House Economic Advisor Larry Kudlow said Beijing made a "big mistake" by adopting a resolution that would draft this law. On Friday, the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.4%. An additional negative factor for the markets was statistics from Japan, where in April retail sales and industrial production fell 13.7% and 14.4% in annual terms, respectively. July Brent futures were trading around \$35.0 per barrel, at the level of our close on 28 May.

On Friday, global stock markets were under pressure from growing tensions between the United States and China. In the afternoon, the MSCI ACWI composite index was losing about a percent pending Donald Trump's statements on countermeasures against China in connection with Hong Kong. According to experts, the main concerns of investors are related to potential threats to trade relations between the United States and China – from revising the agreements reached during the first phase of the trade transaction to introducing new tariff restrictions. So far, according to most analysts, the adoption of such decisions seems unlikely, most likely, the White House at this stage will limit itself to the introduction of any sanctions against specific Chinese officials. Against the background of these expectations, mixed statistics from the US faded into the background: in April, household spending decreased by a record 13.6% mom, income contrary to forecasts jumped 10.5% mom due to various social payments, in May the consumer index confidence grew weaker than expected, Chicago's manufacturing activity index continued to fall, while experts predicted growth in this indicator. The MOEX Russia Index closed trading by a 1.6% decrease – in addition to the overall risk-off, the Russian market was pressured by negative changes of oil prices on media information about possible disagreements of OPEC+ countries on extending existing restrictions on oil production until the end of 2020.

The electric utilities sector index, which underperformed during the day, was able to complete trading near zero, mainly due to steady growth of Rosseti's shares.

ELECTRIC POWER INDUSTRY NEWS

Experts: the OPEC+ deal will slow energy recovery in Russia in 2020

The end of the holiday regime in mid-May did not lead to an increase in energy consumption in Russia, which over the past two months fell sharply due to restrictions introduced against the backdrop of the pandemic. According to experts interviewed by TASS, even a complete exit of the business from isolation will not lead to a recovery in electricity demand this year, including due to the start of the OPEC+ deal. In addition, the electricity market will for a long time be under pressure from the recession of the global economy, analysts say.

Read full text: <https://tass.ru/ekonomika/>

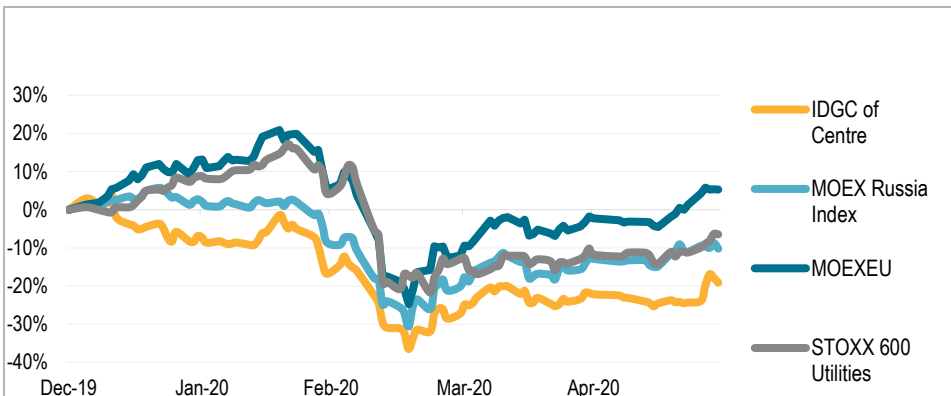
COMPANY NEWS

IDGC of Centre, PJSC (Rosseti Centre) held the Annual General Meeting of Shareholders

On 29 May 2020, the Annual General Meeting of Shareholders of IDGC of Centre, PJSC (Rosseti Centre) took place in the form of absentee voting.

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

CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.19
MOEX Russia	2734,83	-1,62%	-10,21%
S&P 500	3017,92	-0,39%	-6,59%
FTSE 100	6076,6	-2,29%	-19,43%
Nikkei	21877,89	-0,18%	-7,52%
Sensex	32424,1	0,69%	-21,40%
CSI300	3867,02	0,27%	-5,60%
Bovespa	85893,4	-1,21%	-25,73%

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

Currency rates	Value	Change	
		per day	fr 31.12.19
USD/RUB	71,1012	0,05%	14,85%
EURO/RUB	78,2611	0,45%	12,86%

Source: Central Bank of Russia, Company calculations

Liquidity	IDGC of Centre	IDGC of Centre & Volga Region
Number of transactions, pcs.	2194	1266
Trading volume, ₺ mln	36,6	22,4
Trading volume, mln pcs.	141,2	119,7
Average trading volume over the last 30 days, mln pcs.	30,2	110,3
% of the authorized capital	0,33%	0,11%

Source: MOEX, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2564	10,82	152,24
IDGC of Centre & Volga Reg	0,1863	21,00	295,29

Source: MOEX, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.19
STOXX 600 Utilities	-0,13%	-6,45%
MOEXEU	-0,01%	5,33%
IDGC of Centre**	-1,54%	-19,12%
IDGC of Centre & Volga Region**	-2,00%	-22,05%

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

Grid companies	Change**	
	per day	fr 31.12.19
Rosseti, ordinary shares	4,54%	19,45%
FGC UES	-1,72%	-8,52%
IDGC of Volga	-1,41%	-25,41%
MOESK	-0,60%	-2,22%
Rosseti Northern Caucasus	-0,15%	-12,00%
IDGC of North-West	-2,45%	-3,18%
IDGC of Urals	-2,70%	0,61%
IDGC of Siberia	-3,66%	-14,72%
Rosseti South	-0,87%	-17,51%
Lenenergo, ordinary shares	-0,48%	-12,22%
TRK, ordinary shares	-5,37%	-5,81%
Kubanenergo	2,88%	17,92%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

[MRKC](#)

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