

## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 23 January some moderately negative external background formed on the Russian market. The US indices DJIA and S&P500, which added about half a percent at the beginning of the day on good statistics – resale of homes in the US in December peaked in two years, and strong reporting by IBM, which supported the entire technology sector, closed Wednesday with mixed changes near zero. The market was pressured by media reports about the expansion of the geography of the spread of the deadly virus from China – for the first time a case of infection outside Asia was diagnosed. On Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.8% mainly due to active sales of Chinese stocks. In particular, the CSI300 index fell to a maximum of 3% over nine months – investors reduced their positions before the weekend, during which exchanges of mainland China will be closed in connection with the celebration of the New Year on the lunar calendar. March Brent futures were trading around \$62.3 per barrel, \$1.2 below our closing level on 22 January. In the context of a global decline in investors' interest in risky assets, an additional negative factor for the market was statistics of the American Petroleum Institute, which recorded an increase in the US oil reserves.

The Russian market has been declining for the third day in a row – in the second half of the trading session on Thursday losses of the MOEX Russia Index exceeded a percent amid the continued negative sentiment on the western markets and the fall of Brent quotes to around \$61.3 per barrel. Gazprom became the driving force behind the decline in our market, the fall of which exceeded 3.5% at the end of the day on fears of a significant deterioration in financial performance this year. According to analysts at VTB Capital, the company's EBITDA will fall 13%, dividend yield will decrease below 5% due to a reduction in European exports and a collapse in gas prices in Europe to multi-year lows. In turn, the pessimistic sentiment of global investors was mainly due to media information about the growing risks of the epidemic of the new coronavirus, which has already been detected in eight countries, two of which are outside of Asia (USA and Saudi Arabia). The extent of the danger may be evidenced by reports that the Chinese authorities, in the framework of preventing the spread of the virus, closed two cities with a population of 17 million people for all types of vehicles to enter and exit. The World Health Organization called these measures unprecedented. In addition, the markets were disappointed by the lack of any specifics on the planned revision of the ECB strategy – the head of the bank limited herself to saying that the revision would be completed before the end of the year. The ECB's decision to maintain base interest rates at the same level and the purchase of assets in the amount of €20 billion per month did not come as a surprise to investors.

At the end of the trading session, the electric utilities sector index looked significantly better than the market, mainly due to a 4% increase in RusHydro's shares. Support for these securities was provided by a statement by VTB First Deputy Chairman Yuri Soloviev that reorganization of assets could be one of possible solutions to the problem of low capitalization of the company.

## ELECTRIC POWER INDUSTRY NEWS

### Rosseti wants to write off debts of troubled power supply companies of the Caucasus, - the newspaper

Rosseti wants to come up with the initiative to create a federal supplier of last resort that could take on the debts of the most problematic power supply companies of the holding in the North Caucasus Federal District, the newspaper Kommersant writes with reference to documents of the company.

Read full text: <http://www.bigpowernews.ru/markets/document91603.phtml>

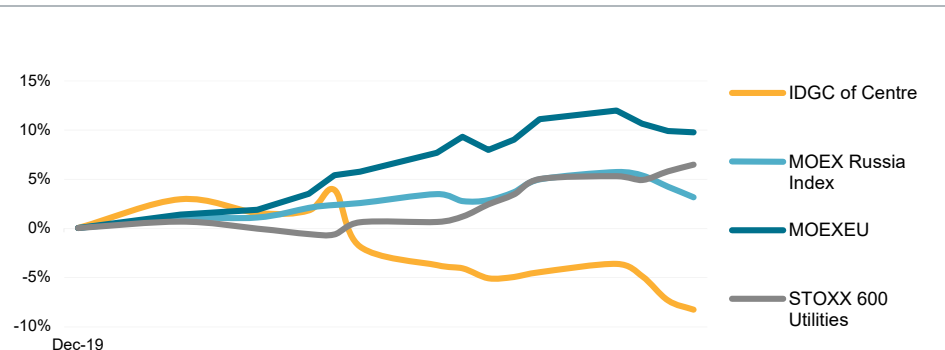
## COMPANY NEWS

### Belgorodenergo installs lighting fixtures with individual control

Rosseti Centre Belgorodenergo has started using an automated outdoor lighting system with the possibility of individual control of lighting fixtures. Last year, 787 new light points appeared in the region, equipped with special individual control units with the possibility of dimming the light flux.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/71229/>

## CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.19
MOEX Russia	3 141,2	-1,05%	3,13%
S&P 500	3 306,65	-0,45%	2,35%
FTSE 100	7 504,61	-0,89%	-0,50%
Nikkei	23 795,44	-0,98%	0,59%
Sensex	41 386,4	0,66%	0,32%
CSI300	4 003,9	-3,10%	-2,26%
Bovespa	117 590	-0,68%	1,68%

Source: Company calculations (19:00 MSK)

Currency rates	Value	Change	
		per day	fr 31.12.19
USD/RUB	61,8343	-0,03%	-0,12%
EURO/RUB	68,5186	-0,15%	-1,19%

Source: Company calculations (19:00 MSK)

Liquidity	IDGC of	
	Centre	Centre & Volga Region
Number of transactions, pcs.	1 685	1 437
Trading volume, ₺ mln	15,8	52,2
Trading volume, mln pcs.	54,2	228,2
Average trading volume over the last 30 days, mln pcs.	73,9	303,4
% of the authorized capital	0,13%	0,20%

Source: Company calculations

Shares	Price**, ₺	MCap**, \$ mln	
		₺ bln	\$ mln
IDGC of Centre	0,2906	12,27	196,41
IDGC of Centre & Volga Reg	0,2284	25,74	416,28

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.19
STOXX 600 Utilities	0,73%	6,48%
MOEXEU	-0,12%	9,74%
IDGC of Centre**	-1,02%	-8,33%
IDGC of Centre & Volga Region**	-1,13%	-4,44%

Source: Company calculations

Grid companies	Change**	
	per day	fr 31.12.19
Rosseti, ordinary shares	-1,26%	13,96%
FGC UES	-2,48%	4,02%
IDGC of Volga	-0,54%	-5,97%
MOESK	-1,47%	-4,28%
IDGC of Northern Caucasus	0,07%	-0,40%
IDGC of North-West	-1,30%	-0,47%
IDGC of Urals	0,23%	3,52%
IDGC of Siberia	-1,56%	-18,12%
IDGC of South	-0,74%	-1,94%
Lenenergo, ordinary shares	-1,14%	-1,28%
TRK, ordinary shares	-1,80%	1,63%
Kubanenergo	0,14%	15,57%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

### IDGC of Centre, PJSC

119017, Moscow, Malaya Ordynka St., 15

### Corporate Governance Department

+7 (495) 747 92 92, ext. 33-34

[ir@mrsk-1.ru](mailto:ir@mrsk-1.ru)

### Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC  
MRKC RM  
MRKC.MM