

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 30 July some neutral external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with multidirectional changes within 0.2%, on Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.4%. The inexpressive changes of stock markets are still largely determined by expectations of the outcome of the Fed meeting and information about trade negotiations between the US and China. Additional support to investors in the Asian session was provided by the outcome of the meeting of the Bank of Japan. The regulator, as predicted, kept unchanged the course of monetary policy and confirmed plans to keep the key rate at an "extremely low" level, at least until spring 2020. At the same time, in the statement of the Central Bank, there appeared signals about a possible easing of monetary policy in the future. The bank's management "will not hesitate to take additional incentive measures" in the event of significant downside risks, according to the press release. September Brent futures traded around \$64.1 per barrel, \$0.8 above our 29 July close. According to Bloomberg, the oil prices added on expectations that easing of monetary policy by major world central banks will support the growth of the global economy and, accordingly, the demand for fuel.

During the trading session, the MOEX Russia Index showed a sideways trend around zero – the rise in oil prices was levelled by a significant deterioration in sentiment on European markets. The loss of the Stoxx Europe 600 Index at daily lows reached 1.5% under pressure from weak reporting by a number of companies and growing fears of the implementation of the "tough" Brexit scenario, triggered by a statement by the head of the British foreign ministry to accelerate preparations for leaving the European Union without an agreement with Brussels. Against this background, the British pound sterling exchange rate against the dollar updated the two-year low, and Germany's companies became the driving force behind the reduction of the Stoxx Europe 600 – the fall of the DAX30 Index, which includes a large number of exporters, exceeded 2.3%. Media information that US senators proposed a provision on a broader set of sanctions against Russia in the US defense budget bill if it intervenes in future US elections did not have a significant impact on the changes of the Russian market. Analysts point out that the current version of the draft document provides for increased sanctions only in the event of a new attempt to interfere in the elections in the US. Moreover, at the end of the day, the MOEX Russia Index was able to gain a foothold in the positive area, despite the start of trading in the US with a slight decrease in the major indices.

During the day, the electric utilities sector index underperformed. The main contribution to the MOEXEU decline in antiphase with the MOEX Russia Index was made by shares of FGC UES and Rosseti.

ELECTRIC POWER INDUSTRY NEWS

Smart meters to help Russians save on utility services

Next year, Ruselectronics will launch the production of "smart" gas, water and electricity metering devices.

Read full text: <https://online47.ru/2019/07/30/ekonomit-na-zhku-rossiyanam-pomogut-umnye-schetchiki-72630>

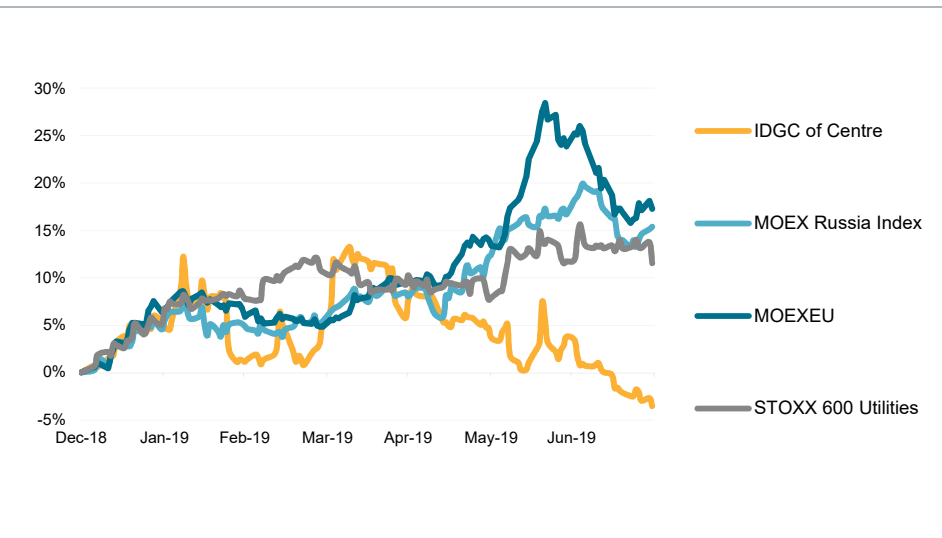
COMPANY NEWS

Rosseti Centre and Rosseti Centre and Volga Region transferred over 16 billion rubles to the budgets of different levels and extrabudgetary funds in the first half of the year

Rosseti Centre and Rosseti Centre and Volga Region are responsible taxpayers, timely and conscientiously fulfilling their tax obligations. In the first half of the year, the deductions of the companies to the budgets of different levels amounted to 12.094 billion rubles.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/69151/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 734,68	0,23%	15,42%
S&P 500	3 013,18	-0,26%	20,20%
FTSE 100	7 646,77	-0,52%	13,65%
DAX	12 147,24	-2,18%	15,04%
DJStoxx 600	385,11	-1,47%	14,06%
Nikkei	21 709,31	0,43%	8,47%
Sensex	37 397,24	-0,77%	3,68%
CSI300	3 870,32	0,42%	28,55%
Bovespa	102 932,80	-0,53%	17,12%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	63,52	0,62%	-8,56%
EURO/RUB	70,64	0,47%	-11,10%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 430,88	0,29%	11,57%
Brent*, USD/bbl	64,72	1,59%	20,30%

* - September futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,2585	29,13	458,63

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-1,93%	11,56%
MOEXEU	-0,73%	17,28%
IDGC of Centre**	-0,86%	-3,57%
IDGC of Centre and Volga Region**	-1,07%	-2,45%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-2,02%	52,50%
FGC UES	-2,62%	22,04%
IDGC of Volga	-0,21%	-4,29%
MOESK	-0,59%	14,39%
IDGC of Northern Caucasus	-0,19%	120,43%
IDGC of North-West	-1,31%	22,34%
IDGC of Urals	0,33%	-1,52%
IDGC of Siberia	1,17%	177,56%
IDGC of South	-0,64%	14,78%
Lenenergo, ordinary shares	1,92%	10,59%
TRK, ordinary shares	-1,95%	-2,27%
Kubanenergo	0,66%	24,80%

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