

## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 20 February some neutral external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 added 0.4-0.5% on information about a decrease in the number of Covid-19 virus infected in China, increasing expectations of an early peak in the spread of the epidemic and limiting its impact on the global economy. In addition, the confidence of the Central Bank's leaders in the good prospects of the American economy, fixed in the minutes of the January meeting of the Fed, was a definite positive factor for the market. On Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.2% due to lower markets in Hong Kong and South Korea, and the weakening of major regional currencies against the dollar, including due to the deterioration of economic forecasts for the region. The Korean KOSPI fell 0.7% on news of an outbreak of coronavirus infections – the number of patients doubled for the day, to 104 people. At the same time, the Chinese CSI300 grew by 2.3% on new measures to support the economy – the People's Bank of China lowered the annual and five-year interest rates on loans, and media reports that Beijing was also considering other instruments to stimulate the economy, including direct infusion of funds. April Brent futures were trading around \$59.3 per barrel, \$0.6 higher than our closing level on 19 February. One of the main drivers for the growth of Brent quotes is the US sanctions against a trader of Rosneft, through which, according to the US, the lion's share of oil export from Venezuela passed. According to S&P Global Platts, since the appearance of information on possible sanctions for cooperation with Venezuela, the state oil corporation PDVSA cannot find a buyer for 680 thousand barrels per day.

The Russian market continues to grow after rising oil prices – the MOEX Russia Index most of Thursday's trading gained more than half a percent. At the same time, the activity of buyers was limited to the return of pessimistic sentiment to global stock exchanges – the loss of the consolidated European Stoxx Europe 600 Index and the S&P500 futures averaged about a third of a percent. According to some analysts, the markets underestimate the current risks, given the jump in the number of diseases outside of China and the slow pace of the return of China's industry to pre-crisis levels. In the absence of official statistics, writes the Financial Times, experts drew attention to indirect signs showing a significant – 30-50% – reduction in business activity in China: the demand of large electric energy companies for coal, air pollution, traffic congestion, and the quantity of real estate transactions are much lower than the norm. Given these risks, Goldman Sachs analysts warned of a high probability of correction of stock markets from current levels. At the end of the day, the growth rates of the MOEX Russia Index, despite a decrease in losses of Western indices, slowed to 0.3% according to media reports about the growing disagreement between the Russian Federation and Turkey on the Idlib de-escalation zone in Syria, where the situation was significantly aggravated.

At the end of the trading session, the electric utilities sector index underperformed, mainly due to profit taking in shares of Mosenergo and Rosseti. In turn, the main contribution to the small MOEXEU growth was made by shares of FGC UES and Inter RAO.

## ELECTRIC POWER INDUSTRY NEWS

### Borisov instructed departments to submit ideas on reducing the “cross-subsidization” by 12 May

Russian Deputy Prime Minister Yury Borisov instructed departments to submit proposals by 12 May to reduce the amount of cross-subsidization in the electric power industry, the official said in the text of the meeting's minutes, which Interfax reviewed. The order concerns the Ministry of Energy, the Ministry of Economic Development and the Federal Antimonopoly Service “jointly with interested organizations”.

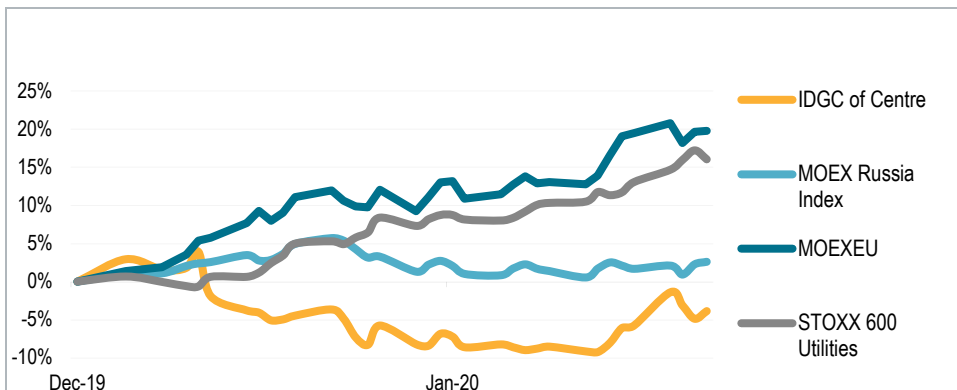
Read full text: <https://peretok.ru/news/strategy/21736/>

## COMPANY NEWS

### Specialists of Rosseti Centre Voronezhenergo equipped over 1,300 transformer substations with integrated electricity metering and remote control systems in 2019

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/71479/>

## CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.19
MOEX Russia	3125,1	0,34%	2,60%
S&P 500	3387,8	0,05%	4,86%
FTSE 100	7479,81	0,31%	-0,83%
Nikkei	23479,15	0,34%	-0,75%
Sensex	41170,12	-0,37%	-0,20%
CSI300	4144,66	2,30%	1,17%
Bovespa	115412,8	-0,95%	-0,20%

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

Currency rates	Value	Change	
		per day	fr 31.12.19
USD/RUB	63,6873	-0,13%	2,88%
EURO/RUB	68,7823	-0,44%	-0,81%

Source: Central Bank of Russia, Company calculations

Liquidity	IDGC of Centre	IDGC of Centre & Volga Region
Trading volume, ₺ mln	20,1	19,8
Trading volume, mln pcs.	66,5	86,4
Average trading volume over the last 30 days, mln pcs.	80,9	201,2
% of the authorized capital	0,16%	0,08%

Source: MOEX, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3046	12,86	201,92
IDGC of Centre & Volga Reg	0,229	25,81	405,23

Source: MOEX, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.19
STOXX 600 Utilities	-0,85%	16,10%
MOEXEU	0,12%	19,81%
IDGC of Centre**	1,06%	-3,91%
IDGC of Centre & Volga Region**	0,09%	-4,18%

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

Grid companies	Change**	
	per day	fr 31.12.19
Rosseti, ordinary shares	-2,03%	19,15%
FGC UES	1,41%	18,00%
IDGC of Volga	-0,28%	0,73%
MOESK	-0,53%	2,69%
IDGC of Northern Caucasus	0,56%	7,60%
IDGC of North-West	0,43%	8,79%
IDGC of Urals	0,24%	2,67%
IDGC of Siberia	0,00%	-16,99%
IDGC of South	0,49%	-0,56%
Lenenergo, ordinary shares	0,42%	1,99%
TRK, ordinary shares	0,00%	6,98%
Kubanenergo	4,58%	25,79%

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