

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 11 September some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed their volatile trading with an increase of 0.3%. At the beginning of trading, the decline in the indices was 0.4-0.7% under pressure from weak Chinese statistics, which intensified concerns about the prospects for the global economy – the fall in producer prices in China in August was the highest in three years due to weak demand. The reason for improving the mood was the Chinese media reports confirming Beijing's readiness to increase purchases of agricultural products from the US in exchange for suspending the introduction of new duties and lifting restrictions from Huawei. On Wednesday, most of the Asia-Pacific region's country indices showed positive changes on growing expectations of progress in trade negotiations after the Ministry of Finance of China announced that some categories of goods from the US were exempted from duties. November Brent futures were trading around \$62.8 per barrel, \$0.7 below our close on 10 September. Negative background for the oil market was information about the dismissal of John Bolton from the post of adviser to the US president on national security – according to experts, this could be a catalyst for de-escalation of conflicts with Iran and Venezuela. At the same time, the potential for quotes reduction was limited by the statistics of the American Petroleum Institute, which recorded a sharp drop in oil reserves in the US – by 7.2 million barrels.

On Wednesday, global stock markets were dominated by buyers on news of improved prospects for resolving trade disputes between the US and China. According to Chinese media, in addition to increasing the supply of agricultural products from the US, Beijing may offer concessions on a number of key differences – opening the market to foreign companies and better protection of intellectual property. In addition, according to media reports, the Chinese authorities are trying to enlist the support of American business – on Tuesday, Deputy Prime Minister met with representatives of corporations from the US, where he also expressed hope for their help in promoting trade negotiations and building economic relations between the two countries. According to Reuters, these steps of Beijing increase the chances of the productivity of preliminary negotiations at the level of deputy heads of delegation, which will begin in the coming days in Washington. Against this background, the European Stoxx Europe 600 Index spent most of the day in more than half a percent plus, the growth of the MOEX Russia Index reached a percent. Compared to the European markets, the outperformance of the MOEX Russia Index was due to the renewed surge in Surgutneftegas's shares.

During the day, the electric utilities sector index underperformed. RusHydro's shares made the main contribution to the MOEXEU underperformance in comparison with the MOEX Russia Index.

ELECTRIC POWER INDUSTRY NEWS

Experts: technology and political will ensure sustainable energy development

Achieving environmentally sustainable energy is feasible, but for this it is necessary to transform the global energy system, that is, develop an appropriate technological base. In turn, this requires a unified political will of different states and stable international cooperation. Ways to achieve a sustainable future were considered on Tuesday by participants of the session "Mission is feasible: the Global Energy Prize as a driver of sustainable energy for all" at the XXIV World Energy Congress in Abu Dhabi, said the press service of the Association for the Development of International Studies and Projects in Energy "Global Energy".

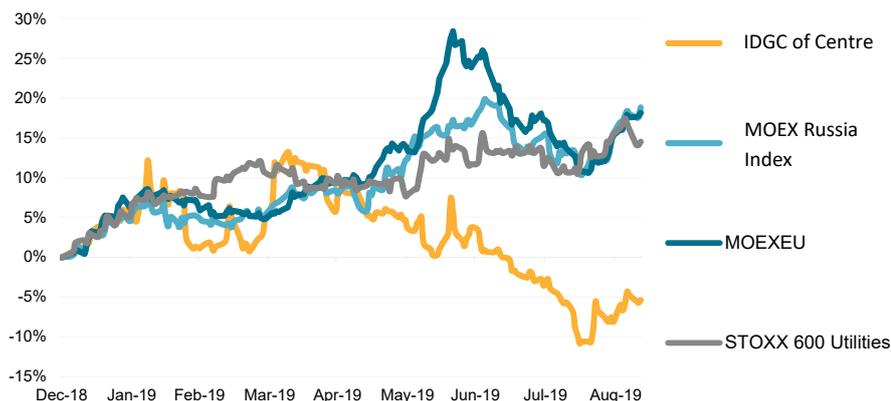
Read full text: <https://nauka.tass.ru/nauka/6869460>

COMPANY NEWS

Kurskenergo's exposition became one of the most popular at the "Together Brighter" festival

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/69578/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 817,05	1,06%	18,90%
S&P 500	3 000,93	0,72%	19,71%
FTSE 100	7 338,03	0,96%	9,06%
DAX	12 359,07	0,74%	17,05%
DJStoxx 600	389,71	0,85%	15,42%
Nikkei	21 597,76	0,96%	7,91%
Sensex	37 270,82	0,34%	3,33%
CSI300	3 930,10	-0,74%	30,54%
Bovespa	103 445,60	0,40%	17,70%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	65,44	-0,20%	-5,60%
EURO/RUB	72,30	-0,04%	-9,01%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 497,20	0,77%	16,74%
Brent*, USD/bbl	60,81	-2,52%	13,03%

* - November futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	MCap**, \$ mln
IDGC of Centre	0,2706	11,42	174,58
IDGC of Centre & Volga Reg	0,259	29,19	446,04

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,37%	14,57%
MOEXEU	0,35%	18,21%
IDGC of Centre**	0,37%	-5,38%
IDGC of Centre and Volga Region**	0,66%	-2,26%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	2,01%	58,98%
FGC UES	0,59%	23,55%
IDGC of Volga	0,59%	-4,69%
MOESK	1,63%	22,65%
IDGC of Northern Caucasus	1,24%	168,29%
IDGC of North-West	0,58%	8,92%
IDGC of Urals	2,17%	-3,03%
IDGC of Siberia	1,47%	149,46%
IDGC of South	2,00%	12,29%
Lenenergo, ordinary shares	1,05%	9,45%
TRK, ordinary shares	-1,32%	-3,25%
Kubanenergo	-0,17%	23,16%

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