

## REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 20 December some neutral external background formed on the Russian market. The US indices S&P500 and DJIA on Thursday added 0.4-0.5% on news of the approval by the lower house of the US Congress of a trade agreement with Canada and Mexico (USMCA) and expectations of signing the first phase of a trade deal with China. US Treasury Secretary Steven Mnuchin believes that the USMCA agreement can provide an increase of about half a percent to the growth rate of the US GDP. As for the deal with China, Secretary said that the document is undergoing technical approval and he is "absolutely sure" of signing the agreement in early January. At the same time, the potential for the market growth was limited by weak statistics – data on applications for unemployment benefits, business activity in Philadelphia in December and home sales in the secondary market in November were worse than forecasts. On Friday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.2%. The Premier of the State Council of the PRC said that China's economy in 2020 may face stronger pressure than in the current one. According to him, the government will strive to stabilize economic growth, promoting reforms and preventing risks. February Brent futures were trading around \$66.6 per barrel, at the level of our close on 19 December.

On Friday, the MOEX Russia Index and the European Stoxx Europe 600 Index spent most of the day in a small plus, adding on average about half a percent on news indicating a decrease in the severity of the risks of trade conflicts. Gazprom's shares were the driving force behind the Russian market's upswing, supported by media reports that Russia and Ukraine had reached an agreement in principle on gas transit from 1 January 2020. Reuters, citing its sources, reported that the parties are preparing a package gas agreement linking the conclusion of a long-term gas transit contract with the settlement of debt disputes in the Stockholm arbitration. In the second half of the trading session, statistics from the US became an additional positive factor for investors: according to the results of the third quarter, the final estimate of the GDP growth was kept at 2.1%, the growth rate of consumer spending was improved by 0.3 percentage points, to 3.2%, household incomes in November and the consumer confidence index in December exceeded forecasts.

At the end of 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 Gazprom's generation companies Mosenergo and OGK-2. For the second day these papers have been under pressure from the information that the companies will spend almost all the accumulated funds – 20.0 and 22.7 billion rubles, accordingly, on the purchase of JSC "REP Holding". According to the industry's analysts, there will be no economic benefit from this transaction in the next ten years, but a reduction in interest income will immediately reduce the base for dividend payment.

## ELECTRIC POWER INDUSTRY NEWS

### The Ministry of Energy of the Russian Federation from the beginning of 2020 to begin licensing energy sales companies

The Ministry of Energy of the Russian Federation plans in 2020 to begin issuing licenses for energy sales activities, which will further reduce the debt of energy sales companies to grid companies for electricity transmission, as well as improve the quality of services provided for electricity supply to the population, said in an interview with the journal "Energy and Industry of Russia" Deputy Minister of Energy Yuri Manevich.

Read full text: <http://www.bigpowernews.ru/markets/document91144.phtml>

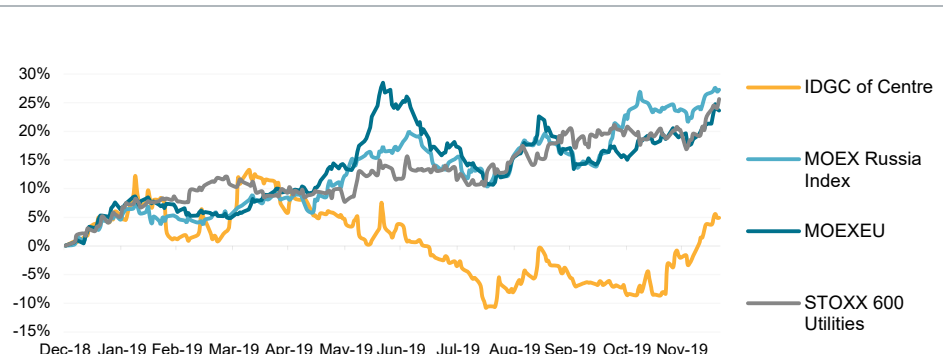
## COMPANY NEWS

### Belgorodenergo collected 31.9 million rubles from unscrupulous applicants for grid connection

This year Rosseti Centre Belgorodenergo Centre (a branch of IDGC of Centre - Belgorodenergo) concluded over six thousand grid connection agreements. At the beginning of December, obligations for 176 of them were overdue due to the fault of the applicants, about 150 are in the process of pre-trial settlement, nine are in court. Most often, applicants of the so-called preferential category, with a connected capacity of up to 150 kW, do not fulfill their obligations under concluded grid connection agreements. Those on average account for 90%.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/70915/>

## CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	3015,93	0,25%	27,29%
S&P 500	3223,44	0,56%	28,59%
FTSE 100	7578,78	0,07%	12,64%
Nikkei	23816,63	-0,20%	19,00%
Sensex	41681,54	0,02%	15,56%
CSI300	4017,25	-0,25%	33,43%
Bovespa	114805,9	-0,28%	30,63%

Source: Company calculations (19:00 MSK)

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	62,5283	-0,09%	-9,99%
EURO/RUB	69,5877	-0,15%	-12,42%

Source: Company calculations (19:00 MSK)

Liquidity	IDGC of Centre	IDGC of Centre & Volga Region
Number of transactions, pcs.	988	1707
Trading volume, ₺ mln	9,1	47,8
Trading volume, mln pcs.	30,2	214,0
Average trading volume over the last 30 days, mln pcs.	40,3	213,6
% of the authorized capital	0,07%	0,19%

Source: Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,3	12,67	202,55
IDGC of Centre & Volga Reg	0,2234	25,18	402,64

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	1,11%	25,69%
MOEXEU	-0,17%	23,65%
IDGC of Centre**	0,00%	4,90%
IDGC of Centre & Volga Region**	0,00%	-15,70%

Source: Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-0,21%	76,35%
FGC UES	1,23%	35,66%
IDGC of Volga	-0,17%	-10,92%
MOESK	2,33%	79,92%
IDGC of Northern Caucasus	-0,27%	113,86%
IDGC of North-West	0,00%	-5,77%
IDGC of Urals	0,00%	-11,81%
IDGC of Siberia	-0,90%	169,76%
IDGC of South	0,66%	11,48%
Lenenergo, ordinary shares	-0,68%	37,24%
TRK, ordinary shares	0,00%	15,58%
Kubanenergo	-3,13%	27,05%

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