

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 20 November some moderately negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 fell 0.1-0.4%, on Wednesday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.6%. Investors' pessimism was mainly driven by reports of increasing confrontation between the US and China. Firstly, Donald Trump again threatened to increase tariffs on Chinese imports if the parties did not enter into a trade deal. According to media reports, the main controversial points in the preparation of the first phase of the agreement remain the scale of the abolition of import duties by Washington and the volume of purchases of US agricultural products by Beijing. Secondly, during the Asian session, the news about the approval by the US Senate of the Hong Kong bill aimed, among other things, to support the protesters, became an additional negative factor. This document should be agreed upon by the House of Representatives, after which it will be signed by the US President. In turn, official Beijing called these actions "gross interference in the internal affairs of China" and warned of possible retaliatory measures. January Brent futures were trading around \$60.7 per barrel, \$0.7 below our close on 19 November. The market was also pressured by statistics from the American Petroleum Institute, which recorded an increase in oil reserves in the US by 6 million barrels.

On Wednesday, sellers dominated global stock markets amid growing fears about the complication of the US-China trade negotiations. During the day, the MOEX Russia Index, the consolidated European Stoxx Europe 600 Index and the S&P500 futures lost on average half a percent. According to experts, Donald Trump's categorical statements, as well as the situation with the Hong Kong bill, only worsen the prospects for negotiations, which have already reached an impasse due to the unwillingness of the parties to make mutual concessions. According to Reuters, the position of the American negotiators is currently largely determined by the presidential election campaign – Donald Trump wants to get the votes of both farmers by increasing the supply of agricultural products to China, as well as supporters of a tougher line with regard to Beijing in the states that are key to victory in elections. In turn, the PRC refuses to give firm guarantees for the purchase of agricultural products and continues to insist on the cancellation of some of the previously introduced tariffs. In this regard, Reuters writes, analysts believe that the conclusion of an agreement on the first phase of the trade deal, which everyone was waiting for several weeks after the October talks, can be postponed to the next year.

During the day, changes of the electric utilities sector index generally corresponded to the market. The main contribution to the final MOEXEU decline was made by shares of FGC UES and Rosseti, in which profits were actively recorded after strong growth on Tuesday.

ELECTRIC POWER INDUSTRY NEWS

Rosseti successfully placed bonds of Rosseti Centre at a coupon rate of 6.85% in the amount of 5 billion rubles

On 19 November 2019, the company Rosseti Centre (the brand of IDGC of Centre, PJSC) carried out the placement of exchange-traded bonds of series 001P-01 in the form of a tender to determine the coupon rate. The issue was carried out within the framework of the program of exchange bonds 4-10214-A-001P-02E dated 21 December 2016. The bonds have a maturity period of 5 years; an offer is foreseen for the issue after 3 years from the start date of the placement. The nominal value of the exchange-traded bonds is 1,000 rubles.

Read full text: http://www.rosseti.ru/press/news/?ELEMENT_ID=36464

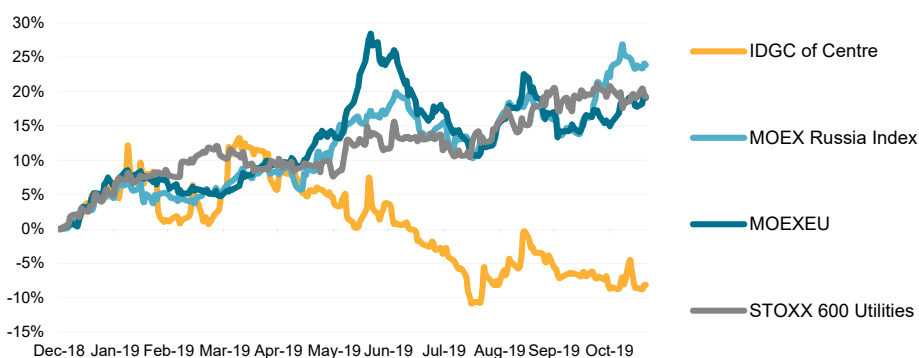
COMPANY NEWS

Belgorodenergo commissioned 47 MVA of new capacity for 9 months

As part of the implementation of the investment program for 9 months, Rosseti Centre Belgorodenergo commissioned 47 MVA of transformer capacity, constructed and reconstructed 366 km of 0.4-110 kV power lines. The volume of capital investments amounted to 1.6 billion rubles (including VAT).

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/70258/>

CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 936,47	-0,16%	23,94%
S&P 500	3 108,46	-0,38%	24,00%
FTSE 100	7 262,49	-0,84%	7,94%
Nikkei	23 148,57	-0,62%	15,66%
Sensex	40 651,64	0,45%	12,71%
CSI300	3 907,86	-0,99%	29,80%
Bovespa	105 864,20	0,00%	20,45%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	63,77	0,03%	-8,20%
EURO/RUB	70,63	0,14%	-11,11%

Source: Bloomberg, Company calculations

Liquidity	IDGC of Centre	IDGC of Centre & Volga Region
Number of transactions, pcs.	527	1 458
Trading volume, ₺ mln	8,5	25,0
Trading volume, mln pcs.	32,4	123,4
Average trading volume over the last 30 days, mln pcs.	19,6	199,7
% of the authorized capital	0,08%	0,11%

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2628	11,09	173,97
IDGC of Centre & Volga Reg	0,2033	22,91	359,27

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	-0,12%	19,32%
MOEXEU	-0,47%	19,15%
IDGC of Centre**	0,08%	-8,11%
IDGC of Centre & Volga Reg**	2,01%	-23,28%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-1,19%	52,16%
FGC UES	-1,54%	31,65%
IDGC of Volga	-0,63%	-19,64%
MOESK	0,28%	62,27%
IDGC of Northern Caucasus	4,36%	136,14%
IDGC of North-West	-0,10%	-8,65%
IDGC of Urals	-0,36%	-9,32%
IDGC of Siberia	0,00%	88,29%
IDGC of South	-0,68%	7,62%
Lenenergo, ordinary shares	0,71%	33,84%
TRK, ordinary shares	0,00%	19,48%
Kubanenergo	2,49%	26,64%

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

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC
MRKC RM
MRKC.MM