

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 27 August some moderately positive external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with growth of 1.1%, on Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.6%. The recovery of markets was facilitated by the absence of a new negative factor on the US-China trade dispute and Donald Trump's statement that he does not plan to introduce new duties for Japanese cars, and also expects to avoid this in the case of the European Union. Out of the general changes of the main country indices in the Asian session, the growth of the Chinese CSI300 by 1.4% stood out. On 27 August, the results of the revision of the MSCI EM index entered into force, according to which the share of mainland Chinese companies in this index increases by one and a half times, up to 2.5%. According to experts, this will lead to an influx of about \$3.6 billion of passive funds into Chinese Class A shares. October Brent futures traded around \$59.0 per barrel, \$0.1 below our close on 26 August.

The changes of the Russian market on Tuesday were determined by the upcoming entry into force of the results of the revision of the calculation base of the MSCI EM index and the related need to review the portfolios of funds that focus on this index. After the close of trading on 27 August, the weight of Russian securities in this index will decrease by about 0.1 percentage points due to an increase in the share of Chinese Class A stocks and shares of Saudi Arabian companies. According to analysts at VTB Capital, this could lead to an outflow of only passive funds from Russian stocks of up to \$350 million. Against this background, the losses of the MOEX Russia Index in the afternoon exceeded 0.7%, but were fully compensated at the closing auction, at which more than 50% of the daily ruble turnover for the shares of the MOEX Russia Index took place. At the same time, buyers dominated the western stock markets – in the afternoon the growth of the European Stoxx Europe Index and futures for American indices averaged about half a percent. Analysts note some softening of the rhetoric of the US and China, which may help reduce the tension in the current situation. The Vice Premier of the State Council of China said that Beijing would like to solve problems in relations with the US “through negotiations and cooperation in a calm manner.” In turn, Donald Trump said that if China shows interest, the American side will return to the negotiating table. Additional support to the markets was provided by media reports on the progress in consultations on the creation of a parliamentary coalition in Italy, necessary for the formation of a new government, as well as statistics from the US, where consumer confidence index data were better than expected in August.

At the end of the trading session, the electric utilities sector index outperformed, mainly due to steady growth of Inter RAO's shares.

## ELECTRIC POWER INDUSTRY NEWS

### The NTI MPEI Competence Centre together with partners to create artificial intelligence-based solutions for digital power substations

The NTI MPEI Competence Centre, RADIUS Avtomatika and ORGRES Firm have signed an agreement on cooperation and collaboration in the field of digitalization for creation, replication and development of relay protection technology and automation of digital substations with flexible functional architecture. The implementation of the solution will improve the reliability and cost-effectiveness of operation of facilities of the electric grid complex of Russia.

Read full text: <https://www.eprussia.ru/news/base/2019/6813521.htm>

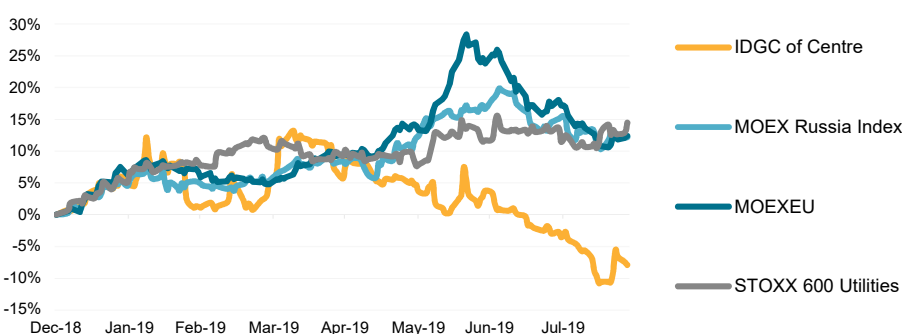
## COMPANY NEWS

### The volume of claims of Rosseti Centre and Rosseti Centre and Volga Region against non-payers satisfied by courts since the beginning of the year amounted to more than 700 million rubles

Rosseti Centre - the managing organization of Rosseti Centre and Volga Region continues systematic work to reduce receivables for electricity transmission services. One of its most effective areas is the claim-related activity.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/69430/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 659,35	0,04%	12,24%
S&P 500	2 869,16	-0,32%	14,45%
FTSE 100	7 089,58	-0,08%	5,37%
DAX	11 730,02	0,62%	11,09%
DJStoxx 600	373,62	0,63%	10,65%
Nikkei	20 456,08	0,96%	2,20%
Sensex	37 641,27	0,39%	4,36%
CSI300	3 816,95	1,36%	26,78%
Bovespa	97 276,20	0,88%	10,68%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	65,97	0,56%	-5,03%
EURO/RUB	73,40	1,06%	-7,63%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 542,81	1,01%	20,30%
Brent*, USD/bbl	59,51	1,38%	10,61%

\* - October futures

Source: Bloomberg, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln	
			per day	fr 31.12.18
IDGC of Centre	0,2632	11,11	168,43	
IDGC of Centre & Volga Reg	0,2421	27,28	413,56	

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	1,35%	14,55%
MOEXEU	0,29%	12,48%
IDGC of Centre**	-0,45%	-7,97%
IDGC of Centre and Volga Region**	-1,59%	-8,64%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-0,18%	43,70%
FGC UES	-0,07%	14,76%
IDGC of Volga	-0,05%	-6,63%
MOESK	-0,06%	17,73%
IDGC of Northern Caucasus	-1,26%	112,29%
IDGC of North-West	0,25%	7,48%
IDGC of Urals	-0,11%	-5,74%
IDGC of Siberia	-0,29%	130,93%
IDGC of South	0,26%	8,26%
Lenenergo, ordinary shares	0,71%	7,18%
TRK, ordinary shares	0,00%	-4,22%
Kubanenergo	-1,31%	23,16%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

**IDGC of Centre, PJSC**  
127018, Moscow, 2nd Yamskaya, 4  
+7 (495) 747 92 92  
[www.mrsk-1.ru/en/investors/](http://www.mrsk-1.ru/en/investors/)

**IR Division**  
+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