

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 31 March some moderately positive external background formed on the Russian market. On Monday the US indices DJIA and S&P500 rose by 3.2-3.4%. The market was supported by hopes for a quick end to the crisis and media reports on the possible expansion of measures to support the economy, if necessary. The head of the US Treasury said that now is the time for long-term investors to invest in the US – according to him, you need to survive only a couple of months, and the economy will begin a steady recovery. According to the WSJ, US lawmakers and the White House are considering adopting a new package of measures to help the economy, which is likely to be larger than the recently approved \$2 trillion. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.4%, futures for the S&P500 added 0.6%. Negative background for investors was statements by the WHO representatives that the control over the spread of coronavirus in Asia and the Pacific region is still a long way off. At the same time, the decline in the Asian markets was limited by strong statistics from China, where, according to the State Statistical Office, the manufacturing PMI soared to 54 points from 35.7 points a month earlier, the non-manufacturing PMI – to 52.3 points from 29.6 in February. This was another strong signal that the Chinese economy was emerging from the acute phase of the crisis – on the eve the Ministry of Industry of the PRC reported that almost 99% of large enterprises across the country resumed their work. May Brent futures were trading around \$22.8 per barrel, \$1.1 higher than our close on 30 March. Brent quotes were adjusting after the collapse to 18-year lows on Monday on fears of a sharp drop in fuel demand in the coming months.

On Tuesday, buyers dominated the global stock markets, seeing good chances in the Chinese statistics to realize the V-shaped recovery scenario for the global economy. An additional positive factor for investors was the WHO statement on recorded signs of stabilization of the outbreak of coronavirus in Europe and the approach of Italy and Spain to the peak incidence. Against this background, in the first half of the day, the growth rate of the consolidated European Stoxx Europe 600 Index exceeded 2%, the MOEX Russia Index, supported by the accelerated growth in oil prices, added more than 3.5%. In the afternoon, sentiment in the Western markets deteriorated somewhat due to growing fears that the damage to the global economy from quarantine measures will be more serious than previously thought. In particular, Goldman Sachs analysts, who had only recently expected a 24% drop in the US GDP in the second quarter, worsened their forecasts by another 10 percentage points after the extension by Donald Trump of restrictive measures until 30 April. Negative background for investors was also media information that the EU countries could not agree on the issue of “corona-bonds” due to the disagreement of Germany, Austria and the Netherlands. Against this background, the rise of the consolidated Stoxx Europe 600 Index slowed down to a percent, the major US indices began trading with uncertain growth. On the Russian market, these pieces of news, as well as a decrease in Brent quotes to around \$22.6 per barrel, did not make much of an impression – the MOEX Russia Index closed the day with an increase of 3.1%.

During the day, changes of the electric utilities sector index generally corresponded to the market. The main contribution to the final MOEXEU growth was made by shares of Inter RAO and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Consumers found a way to reduce their energy costs by 285–365 billion rubles by 2026

This can be done by compensating from the budget (88–98 billion rubles) and reducing the costs of energy companies (197–276 billion rubles), said a letter of “Energy Consumer Community” addressed to Energy Minister Alexander Novak. In particular, consumers calculated that only 72–92 billion rubles a year can be saved by abandoning the overestimation of capacity demand forecasts and its reservation ratios. In addition, they propose reducing the support program for renewable energy after 2024, stopping the selection of modernization projects for thermal power plants from 2020 and limit funding for garbage thermal power plants.

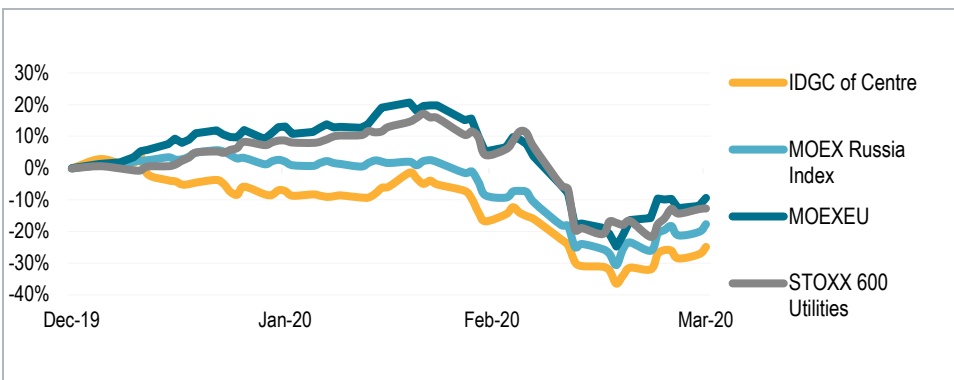
Read full text: <http://www.bigpowernews.ru/markets/document92508.phtml>

COMPANY NEWS

Employees of the Belgorod branch of Rosseti Centre provided power to the Chernyanskaya central district hospital for two days

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/71943/>

CHANGES OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.19
MOEX Russia	3,10%	-17,63%	3,10%
S&P 500	-0,07%	-18,76%	-0,07%
FTSE 100	1,95%	-24,80%	1,95%
Nikkei	18917,01	-0,88%	-20,04%
Sensex	29468,49	3,62%	-28,57%
CSI300	3686,16	0,33%	-10,02%
Bovespa	74874,6	0,31%	-35,25%

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

Currency rates	Value	Change	
		per day	fr 31.12.19
USD/RUB	77,7325	0,00%	25,57%
EURO/RUB	85,7389	0,00%	23,65%

Source: Central Bank of Russia, Company calculations

Liquidity	IDGC of Centre	IDGC of Centre & Volga Region
Trading volume, ₺ mln	8,2	38,1
Trading volume, mln pcs.	34,6	252,9
Average trading volume over the last 30 days, mln pcs.	70,7	191,9
% of the authorized capital	0,08%	0,22%

Source: MOEX, Company calculations

Shares	Price**, ₺	MCap**, ₺ bln	MCap**, \$ mln
IDGC of Centre	0,2382	10,06	129,37
IDGC of Centre & Volga Reg	0,1564	17,63	226,75

Source: MOEX, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.19
STOXX 600 Utilities	0,29%	-12,65%
MOEXEU	2,92%	-9,39%
IDGC of Centre**	3,21%	-24,86%
IDGC of Centre & Volga Region**	9,52%	-34,56%

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

Grid companies	Change**	
	per day	fr 31.12.19
Rosseti, ordinary shares	2,34%	-14,79%
FGC UES	4,49%	-19,77%
IDGC of Volga	4,20%	-25,86%
MOESK	2,08%	-17,58%
IDGC of Northern Caucasus	0,80%	-16,27%
IDGC of North-West	1,03%	-17,59%
IDGC of Urals	2,67%	-20,73%
IDGC of Siberia	-0,93%	-31,23%
Rosseti South	0,00%	-21,63%
Lenenergo, ordinary shares	0,00%	-19,60%
TRK, ordinary shares	2,52%	-14,88%
Kubanenergo	0,00%	-5,82%

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