



REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 1 August some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 grew by 0.4-0.5% on good reporting of a number of companies and strong statistics. Incomes and expenditures of the population in June, according to forecasts, increased by 0.4%, data on consumer confidence and production activity in Chicago in July were better than expectations. At the same time, the US market closed trading below the daily highs on information that US presidential advisors are considering the possibility of introducing higher – 25% instead of the planned 10% – second-wave additional duties on Chinese goods worth \$200 billion. On Wednesday the composite index of the Asia-Pacific region, MSCI Asia Pacific, added 0.3%. Of the overall changes of the main country indices, a 2% drop in the Chinese CSI300 was reported on the news about the toughening of the US position in trade disputes with the PRC and weak statistics. According to Caixin/Markit, the index of business activity in China's manufacturing sector in July fell to a minimum level for the past eight months – 50.8 points. October Brent futures traded near \$73.8 per barrel, \$1 lower than our closing level on 31 July. The market was pressured by data from the American Petroleum Institute, which recorded an increase in oil reserves in the country by 5.6 million barrels.

On Wednesday the Russian and European markets were down on information about the aggravation of the trade confrontation between the US and China – the MOEX Russia Index and the European Stoxx Europe 600 Index spent most of the day in the negative area, losing an average of 0.5%. An additional negative factor for domestic investors was the drop in Brent oil quotations to around \$72.5 per barrel and the growth of sanctions risks. Facebook Company announced that it removed accounts and pages from the social network and from Instagram, which, in its opinion, participated in coordinated political agitation and disinformation before the November elections to the US Congress. Despite the fact that Facebook did not say anything about who can stand behind this, a number of US senators-democrats have already hastened to accuse Russia of trying to influence the US elections. The traditional outsider among the blue chips against the backdrop of increased geopolitical risks was again Sberbank's shares, which fell 2% and made the main contribution to the negative trends of the MOEX Russia Index.

During the trading session changes of the MicexPWR Sector Index generally corresponded to the market. The main contribution to the final MicexPWR decline was made by shares of FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Industrial Safety, Safety of Hydraulic Structures and in the Electric Power Industry: Legislative Provisions on Training and Certification of Employees

The norms on the training and certification of employees in the field of industrial safety, on the safety of hydraulic structures and in the electric power industry were introduced (Federal Law N 271-FZ of 29 July 2018, "On Amending Certain Legislative Acts of the Russian Federation on Confirming the Competence of Employees of Hazardous Industrial Facilities, Hydraulic Structures and Power Facilities").

Read full text: <http://www.garant.ru/news/1210613/>

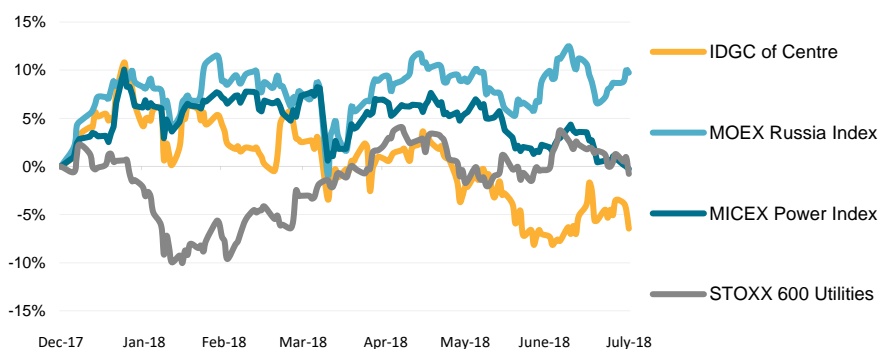
COMPANY NEWS

IDGC of Centre from the beginning of the year reduced losses in grids by more than 80 million kilowatt-hours

IDGC of Centre summed up the work on reducing losses in electric grids for the first half of 2018. As a result of this period, their level as a whole for the Company was 10.61%, which is 0.24% lower than the Business Plan and 0.36% lower than the 2017 results, brought to comparable conditions with 2018. Savings relative to the Business Plan amounted to 45.4 million kWh, compared to 2017, losses in the company's grids decreased by 84.4 million kWh.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/65152/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.17
MOEX Russia	2 315,18	-0,26%	9,74%
S&P 500	2 813,36	-0,10%	5,23%
FTSE 100	7 652,91	-1,24%	-0,45%
DAX	12 737,05	-0,53%	-1,40%
DJStoxx 600	389,84	-0,45%	0,17%
Nikkei	22 746,70	0,86%	-0,08%
Sensex	37 521,62	-0,23%	10,17%
CSI300	3 447,39	-2,00%	-14,48%
Bovespa	79 301,65	0,10%	3,80%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.17
USD/RUB	62,35	-0,69%	8,19%
EURO/RUB	73,07	-0,18%	6,23%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.17
Gold, USD/oz	1 215,96	-0,67%	-6,67%
Brent*, USD/bbl	72,39	-2,45%	12,42%

* - October futures

Source: Bloomberg, Company calculations

Shares	Price**, P	MCap**, P bln	MCap**, \$ mln
IDGC of Centre	0,3330	14,06	225,48
IDGC of Centre & Volga Reg	0,3090	34,82	558,52

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.17
STOXX 600 Utilities	-1,71%	-0,77%
MICEX POWER Index	-0,23%	-0,25%
IDGC of Centre**	-2,06%	-6,46%
IDGC of Centre and Volga Region**	-0,16%	2,42%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.17
Rosseti, ordinary shares	-0,17%	-6,64%
FGC UES	-0,67%	4,44%
IDGC of Volga	-0,82%	0,58%
MOESK	-2,68%	-19,24%
IDGC of Northern Caucasus	-1,82%	-15,89%
IDGC of North-West	-4,33%	35,96%
IDGC of Urals	1,68%	-13,37%
IDGC of Siberia	0,48%	-7,86%
IDGC of South	-1,47%	22,91%
Lenenergo, ordinary shares	1,29%	22,81%
TRK, ordinary shares	-1,18%	-9,97%
Kubanenergo	-1,00%	-24,23%

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
<http://mrsk-1.com/en/investors/>

IR Division
+7 (495) 747 92 92, ext. 33-34
ir@mrsk-1.ru

Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC:RM
MRKC:MM