

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 30 September some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 fell 0.3-0.5%, on Monday the composite index of the Asia-Pacific region MSCI Asia Pacific lost 0.3%. The markets were pressured by media reports that the Trump administration is considering limiting US portfolio investment in Chinese assets – in particular, it involves delisting Chinese companies on US exchanges and prohibiting state pension funds from investing in the Chinese stock market. According to analysts, this could be a serious obstacle to achieving progress in the US-Chinese trade negotiations. Already after the closure of the US exchanges, a US Treasury official said that the authorities were not considering blocking Chinese companies from listing shares on US stock exchanges at this time.” Additional support for investors in the Asian session was provided by statistics from China, where business activity in industry in September was better than expected. According to the official version, the PMI rose to 49.8 points, according to Caixin/Markit – to the maximum since February 2018, 51.4 points. November Brent futures were trading around \$61.6 per barrel, \$0.3 below our close on Friday, 27 September.

On Monday, the MOEX Russia Index spent most of the day in a small minus at half a percent under pressure from negative changes of oil prices. Brent quotes fell below \$61 per barrel on media reports about the full restoration of production in Saudi Arabia. At the same time, the activity of sellers in our market was limited by moderately optimistic moods on western markets. The European Stoxx Europe 600 Index and S&P500 futures added half a percent during the trading session on good Chinese statistics and growing confidence that the White House will not impose restrictions on American investment in Chinese assets. In particular, the White House trade adviser Peter Navarro called these messages “fake news.” An additional positive factor for investors was European statistics: in August unemployment in the Eurozone fell to the lowest level since March 2008, 7.4%, in Germany in August retail sales were better than expected, unemployment in September in the FRG remained near a record low of 5%.

At the end of the trading session, the electric utilities sector index outperformed. The main contribution to the MOEXEU growth in antiphase with the MOEX Russia Index was made by shares of FGC UES and Rosseti. From the news of electric grid companies, one can note media information that the draft privatization program for 2020-2022 provides for a reduction in the share of the Russian Federation in the authorized capital of Rosseti.

ELECTRIC POWER INDUSTRY NEWS

FAS introduced to the government a bill on uniform principles of tariff regulation

The Federal Antimonopoly Service (FAS) of Russia, together with the Ministry of Economic Development of the Russian Federation, introduced a bill to the government that provides for the creation of uniform principles for regulating tariffs, the Antimonopoly Agency told TASS. In particular, according to the draft law, tariffs will be put into effect for a period of at least 5 years, with the possibility of adjusting them only in exceptional cases established by the Government of the Russian Federation.

Read full text: <http://www.bigpowernews.ru/markets/document90034.phtml>

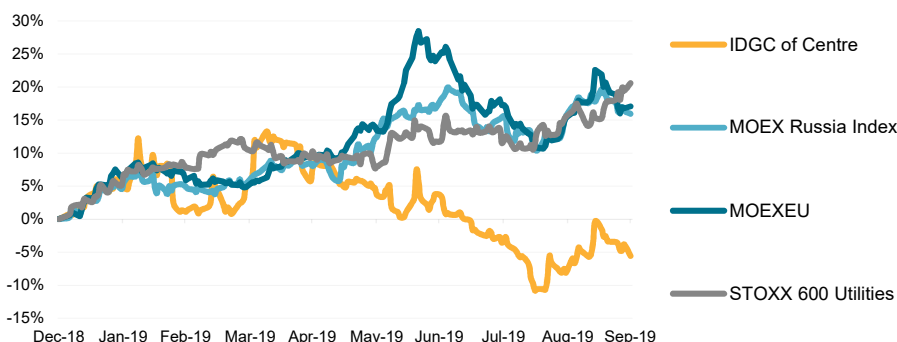
COMPANY NEWS

Kostromaenergo summed up production activities for the first half of 2019

Dmitry Prokhorov, Deputy General Director - Director of the branch “Rosseti Centre Kostromaenergo”, held an extended meeting with deputy directors of the branch for directions, chiefs of Distribution Zones, departments and services, during which he heard reports on the main areas of production activities and discussed priorities.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/69727/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 747,18	-0,39%	15,95%
S&P 500	2 976,74	0,50%	18,74%
FTSE 100	7 408,21	-0,24%	10,11%
DAX	12 428,08	0,38%	17,70%
DJStoxx 600	393,15	0,35%	16,44%
Nikkei	21 755,84	-0,56%	8,70%
Sensex	38 667,33	-0,40%	7,21%
CSI300	3 814,53	-0,99%	26,70%
Bovespa	104 745,30	-0,32%	19,18%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	64,42	0,20%	-7,28%
EURO/RUB	70,32	-0,10%	-11,51%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 472,49	-1,64%	14,81%
Brent*, USD/bbl	60,78	-1,83%	12,97%

* - November futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,2489	28,05	435,46

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,95%	20,60%
MOEXEU	0,25%	17,09%
IDGC of Centre**	-1,82%	-5,59%
IDGC of Centre and Volga Region**	-0,40%	-6,08%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	2,05%	59,24%
FGC UES	1,72%	25,41%
IDGC of Volga	0,00%	-5,56%
MOESK	0,34%	32,27%
IDGC of Northern Caucasus	0,12%	148,00%
IDGC of North-West	-1,60%	10,54%
IDGC of Urals	-0,68%	-5,63%
IDGC of Siberia	-1,28%	111,12%
IDGC of South	0,00%	7,90%
Lenenergo, ordinary shares	1,33%	29,49%
TRK, ordinary shares	41,47%	56,17%
Kubanenergo	-0,48%	27,05%

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/

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