

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 18 September some neutral external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 closed trading with a rise of 0.1-0.3% on good statistics – industrial production in August increased at the highest rate for the year, and easing fears of the negative impact of destabilization of the oil market on the world economy. On Wednesday the main country indices of the Asia-Pacific region showed multidirectional changes in anticipation of the outcome of the Fed's meeting. The Japanese Nikkei225 and Australian S&P/ASX200 lost within 0.2% due to the strengthening of the yen and lower oil prices, respectively. In turn, the Chinese CSI300 added 0.5% on expectations of an improvement in the prospects of the US-PRC trade deal after Donald Trump's announcement about the start of Beijing's purchases of American agricultural products. November Brent futures were trading around \$64.8 per barrel, \$0.8 below our close on 17 September. Brent quotes continue decreasing after falling by 6.5% on Tuesday on the statements of Saudi Arabia about the planned restoration of oil production in full by the end of September. However, experts note that in the short term, the price of Brent is unlikely to drop below \$60 per barrel, given the increase in premium for geopolitical risks. Moreover, Washington and Riyadh still believe that Iran is still behind the attack on the oil facilities of Saudi Arabia.

On Wednesday, expectant moods prevailed on world stock markets before summing up the results of the Fed's meeting – for most of the day, the consolidated MSCI All Country World Index showed near-zero changes. According to experts, the upcoming decision will be made by the Federal Reserve in difficult conditions – in addition to increasing political pressure due to Donald Trump's constant demands to nullify the rate, the news background of recent weeks may prevent the formation of consensus within the FOMC. On the one hand, risks for the US economy are growing due to the threat of a global recession. On the other hand, warming relations with China, steadily growing consumer spending, a strong labour market and accelerating core inflation may become an obstacle for the regulator to further soften the policy. The MOEX Russia Index during the day traded mainly in a small minus within a third of a percent. The Russian market was pressured by a decrease in oil prices – in the second half of the trading session, Brent quotes fell to around \$63.5 per barrel on expectations of resumption of production in Saudi Arabia and statistics from the US Department of Energy, which recorded an increase in oil and gas reserves more than analysts had predicted.

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 Inter RAO, Rosseti and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

Energy consumers asked Mr. Novak to return the development of the draft energy strategy of the Russian Federation until 2035 to the initial stages

Energy consumers asked the Minister of Energy Alexander Novak to return the development of the draft energy strategy of the Russian Federation until 2035 to the initial stages in order to take into account updated initial parameters in it, follows from a letter from the Energy Consumers Community to the Minister of Energy of the Russian Federation Alexander Novak, reports RIA Novosti, which managed to get acquainted with the document.

Read full text: <http://www.bigpowernews.ru/markets/document89898.phtml>

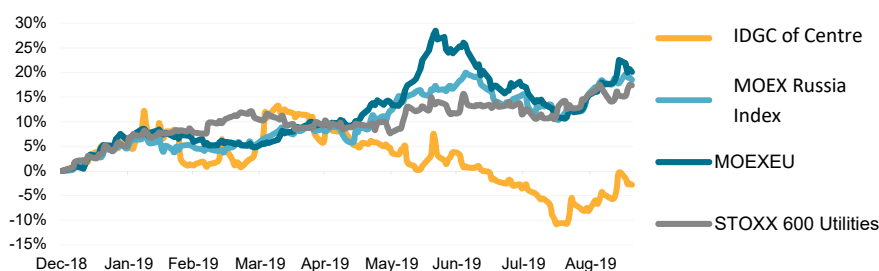
COMPANY NEWS

Rosseti Centre developed a training course on automation of electricity metering for university students

Specialists of the branch "Rosseti Centre Voronezhenergo" completed work on a lecture course on automated electricity metering systems (AMR) and specialized software used in the electric grid complex. The new training course is intended for students of specialized faculties of higher educational institutions. It is designed for one semester and includes both theoretical and practical classes.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/69643/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 818,60	-0,08%	18,96%
S&P 500	3 006,73	0,03%	19,94%
FTSE 100	7 314,05	-0,09%	8,71%
DAX	12 389,62	0,14%	17,34%
DJStoxx 600	389,41	0,02%	15,33%
Nikkei	21 960,71	-0,18%	9,72%
Sensex	36 563,88	0,23%	1,37%
CSI300	3 910,08	0,48%	29,87%
Bovespa	104 531,90	-0,08%	18,94%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	64,1213	0,46%	-7,70%
EURO/RUB	70,604	-0,09%	-11,15%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 494,00	-0,49%	16,49%
Brent*, USD/bbl	63,6	-1,47%	18,22%

* - November futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,2571	28,97	451,87

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,86%	17,51%
MOEXEU	0,54%	20,68%
IDGC of Centre**	0,07%	-2,59%
IDGC of Centre and Volga Region**	0,00%	-2,98%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	1,11%	62,00%
FGC UES	0,03%	26,25%
IDGC of Volga	0,05%	-4,85%
MOESK	-1,17%	34,55%
IDGC of Northern Caucasus	-5,46%	147,57%
IDGC of North-West	-0,24%	13,15%
IDGC of Urals	0,33%	-2,60%
IDGC of Siberia	-0,42%	130,24%
IDGC of South	0,33%	11,29%
Lenenergo, ordinary shares	-1,21%	23,82%
TRK, ordinary shares	-3,09%	22,08%
Kubanenergo	-1,11%	28,07%

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
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