

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 15 July some neutral external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed trading with a rise of 0.5-0.9%. The stock indicators for the second day in a row have updated their historical highs, the S&P500 index closed above the psychological level of 3,000 points. The US markets continue their inertial rise after last week's the Fed Chairman's speech in Congress reinforced investors' confidence that the Fed would lower the interest rate at the July meeting. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.2% on the controversial Chinese statistics. On the one hand, China's GDP growth in the second quarter slowed to a minimum of 6.2% in 27 years in annual terms. On the other hand, data on industrial production and retail sales in June were better than expected. In addition, experts say, signals of a slowdown in the Chinese economy have been received for a long time and statistics on the GDP did not come as a surprise to the market, but at the same time it increased the likelihood of new stimulus measures from the government. September Brent futures traded around \$66.7 per barrel, \$0.1 below our closing level on Friday, 12 July. Oil quotes were pressured by information from Bloomberg that a number of oil companies are preparing to resume production in the Gulf of Mexico, where previously, according to media reports, about 73% of all oil production capacity was suspended due to a hurricane.

On Monday, the MOEX Russia Index spent most of the trading session in a small minus on average within half a percent. The negative changes of the Russian market were mainly determined by individual corporate stories. In the first half of the day, the driving force behind the decline of the MOEX Russia Index was Lukoil's shares, the decrease of which exceeded 2% in the conditions of the continuing uncertainty in the second stage of the buy back. In the second half of trading, the fall in the MOEX Russia Index accelerated to 0.8% after a more than 2% fall of Gazprom's shares, which could be affected by the approach of the ex-dividend date. In general, correctional sentiment on the Russian market was limited by the stability of Brent quotes above \$66.5 per barrel and moderately positive sentiment on western markets. Western investors were supported by statistics from the US, where in July the business activity index in New York returned to positive territory after a collapse in June, and Citigroup's reporting for the second quarter surpassed analysts' forecasts for revenue and profit.

During the trading session, the electric utilities sector index underperformed, mainly due to the fall in shares of FGC UES after the ex-dividend date. At the same time, the total losses of the shares of FGC UES in absolute terms turned out to be a third more than the amount of dividends.

## ELECTRIC POWER INDUSTRY NEWS

### WECM noted the use of a price-dependent mechanism to reduce consumption

The equilibrium price index in the 1st price zone on the basis of trading results for today, Monday, 15 July, increased against Monday last week, adding 1.9% (+22.5 RUB/MWh) to a value of 1,229 RUB/MWh.

Read full text: <http://www.bigpowernews.ru/markets/document88978.phtml>

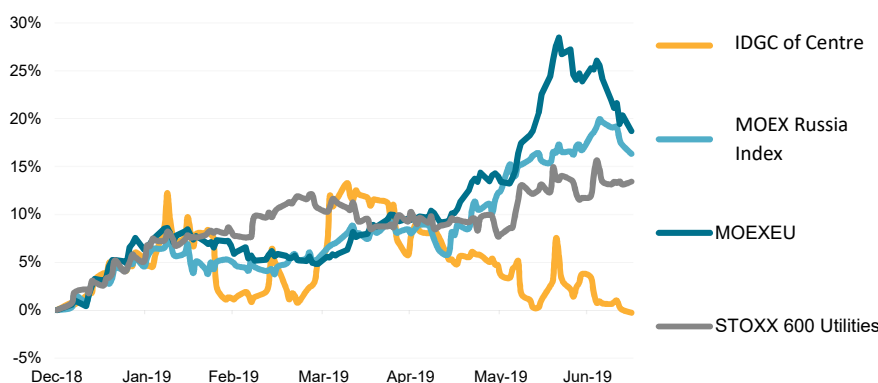
## COMPANY NEWS

### Distant services of Rosseti Centre and Rosseti Centre and Volga Region began to be in great demand among customers

Rosseti Centre and Rosseti Centre and Volga Region summed up the results of work with customers for five months of 2019. During the reporting period, the company received more than 761 thousand customer calls. The correspondence form of communication with experts became the most convenient - over 621 thousand requests were sent to the company in absentia. The rest are filed during visits of customers to service offices of the grid companies.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/69018/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.18
MOEX Russia	2 756,44	-0,76%	16,34%
S&P 500	3 014,30	0,02%	20,24%
FTSE 100	7 531,72	0,34%	11,94%
DAX	12 387,34	0,52%	17,32%
DJStoxx 600	387,75	0,23%	14,84%
Nikkei	21 685,90	0,00%	8,35%
Sensex	38 896,71	0,41%	7,84%
CSI300	3 824,19	0,41%	27,02%
Bovespa	103 802,70	-0,10%	18,11%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.18
USD/RUB	63,02	0,04%	-9,28%
EURO/RUB	71,01	0,01%	-10,63%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.18
Gold, USD/oz	1 414,13	-0,11%	10,26%
Brent*, USD/bbl	66,48	-0,36%	23,57%

\* - September futures

Source: Bloomberg, Company calculations

Shares	Price**, ₽	MCap**, ₽ bln	MCap**, \$ mln
IDGC of Centre & Volga Reg	0,2718	30,63	486,05

Source: Central Bank of Russia, Company calculations

Comparison with indexes	Change	
	per day	fr 31.12.18
STOXX 600 Utilities	0,27%	13,43%
MOEXEU	-1,36%	18,75%
IDGC of Centre**	-0,28%	-0,28%
IDGC of Centre and Volga Region**	0,48%	2,57%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.18
Rosseti, ordinary shares	-0,25%	58,85%
FGC UES	-10,75%	21,86%
IDGC of Volga	0,37%	-3,11%
MOESK	0,41%	10,68%
IDGC of Northern Caucasus	-0,53%	141,86%
IDGC of North-West	-0,64%	12,70%
IDGC of Urals	0,00%	-3,47%
IDGC of Siberia	-1,23%	174,15%
IDGC of South	-0,75%	20,92%
Lenenergo, ordinary shares	-0,18%	7,56%
TRK, ordinary shares	1,69%	-2,27%
Kubanenergo	-0,80%	27,66%

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