

2016

20 February, Saturday

**DAILY**

MARKET REVIEW

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| **REVIEW OF STOCK MARKETS** |  |

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| World indexes | Value  | Change |
|  for the day | fr 31.12.15 |
| MICEX | 1 793,37 | -0,77% | 1,82% |
| S&P 500 | 1 917,78 | 0,00% | -6,17% |
| FTSE 100 | 5 950,23 | -0,36% | -4,68% |
| DAX | 9 388,05 | -0,80% | -12,61% |
| DJStoxx 600 | 326,37 | -0,77% | -10,78% |
| STOXX Utilities | 280,58 | -0,68% | -8,35% |
| Nikkei | 15 967,17 | -1,42% | -16,11% |
| Sensex | 23 709,15 | 0,25% | -9,22% |
| CSI300 | 3 051,59 | -0,07% | -18,21% |
| Bovespa | 41 543,41 | 0,16% | -4,17% |
| *Source: Bloomberg, Company calculations* |
| Currency rates | Value | Change |
| for the day | fr 31.12.15 |
| Euro/USD | 1,11 | 0,13% | -8,45% |
| USD/RUB | 75,46 | -3,07% | 3,53% |
| Euro/RUB | 84,05 | -3,34% | 5,46% |
| *Source: Bloomberg, Company calculations* |
| Raw | Value | Change |
| for the day | fr 31.12.15 |
| Gold, USD/oz | 1 226,80 | -0,33% | 15,62% |
| Brent\*, USD/bbl | 33,01 | -3,70% | -14,33% |
| *\* - April futures**Source: Bloomberg, Company calculations* |
| Shares of IDGC of Centre | Value |
| Last transaction, RUB  | 0,1955 |
| Capitalisation\*\*, billion RUB  | 8,25 |
| Capitalisation\*\*, million USD  | 109,38 |
| *Source: Central Bank of Russia, Company calculations* |
| Russian indexes | Change |
|  for the day | fr 31.12.15 |
| MICEX-Power Index | -0,67% | 3,99% |
| Shares of IDGC of Centre\*\* | -0,76% | 0,21% |
| *Source: Bloomberg, Company calculations* |
|  |
| Grid companies | Change\*\* |
| for the day | fr 31.12.15 |
| JSC Russian Grids | -3,22% | 4,91% |
| FGC UES | -0,92% | 5,56% |
| IDGC of Volga | -1,19% | 6,68% |
| MOESK | 0,13% | 1,33% |
| IDGC of Northern Caucasus | -0,41% | -3,20% |
| IDGC of Centre and Volga Reg | -1,95% | -3,98% |
| IDGC of North-West | -0,34% | 5,47% |
| IDGC of Urals | 0,53% | 0,53% |
| IDGC of Siberia | -2,24% | -1,84% |
| IDGC of South | -3,04% | 2,24% |
| Lenenergo | 0,23% | -3,28% |
| ***Source: MOEX, Company calculations******\*\* - at the price of last transaction at MOEX*** |

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| **Tickers** |  |
| Moscow Exchange (MOEX)  | [MRKC](http://moex.com/en/issue.aspx?board=EQBR&code=MRKC) |
| Bloomberg  | [MRKC RX](http://www.bloomberg.com/quote/MRKC%3ARX) |
| Reuters  | [MRKC.MM](http://www.reuters.com/finance/stocks/overview?symbol=MRKC.MM) |

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| Before the opening of trading on Friday 19 February some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 lost 0.2-0.5%, on Friday the decline of the composite Asia-Pacific region index MSCI Pacific exceeded 0.5%. The deterioration of sentiment in the markets was mainly due to the correction in oil prices after a sharp rise in recent days. As CMC Markets analysts noted, fears of what problems may be caused by long-term preservation of low oil prices for the credit markets at the top of a long list of actual macro-economic factors causing concerns among investors at the moment. April Brent futures traded near the mark of $34.1 per barrel, or $1.3 less than the close of 18 February. The oil quotes were pressured by both the growth of fuel stocks in the United States to a new record level, and doubts of the market about the feasibility of plans to freeze production levels by oil-producing countries.On Friday the Russian and European markets were under pressure of adjusting oil prices. In the afternoon the rate of decline of the MICEX Index and the Stoxx Europe 600 Index was close to 1.5% after Brent quotations fell to around $33 per barrel. Statistics from the UK, where retail sales growth in January was the highest in two years, and the US, where the increase in consumer prices, excluding energy prices and food in January compared with December, was a record in four years, did not have a significant impact on the dynamics of trading. At the end of the trading session the Russian and European markets were still able to play a third of the losses back after the reversal of US indices, which started the day with more than a half-point reduction.At the end of the trading session the MicexPWR Sector Index corresponded to the MICEX Index dynamics. The main contribution to the MicexPWR decrease was provided by shares of Rosseti and Inter RAO. |
|  **ELECTRIC POWER INDUSTRY NEWS** |
| **Due to implementation of a new model of competitive capacity auction about 9-10 GW of inefficient capacities to be decommissioned until 2019-20, said Market Council**NP "Market Council" assesses the amount of inefficient capacities decommissioned until 2019-2020 as a result of implementation of a new model of long-term competitive capacity outtake market (competitive capacity auction), which provides for outtake for 4 years in advance, in the amount of 9-10 GW of inefficient capacities, reported NP quoting Head of Department of development of competitive pricing of "Market Council" Maxim Rusakov on the basis of a business meeting with representatives of Russian and international investment funds. Read full text:<http://www.bigpowernews.ru/markets/document68914.phtml?1&q=> |
| **COMPANY NEWS** |
| **Voronezhenergo increases the volume of grid connections**IDGC of Centre – Voronezhenergo division summed up the results of work on grid connection of consumers to electric networks in 2015. During this period the power company performed 10,142 grid connection contracts, which is almost 120% higher than in 2014. Revenues from the sale of this service amounted to 166.9 million rubles, the amount of the maximum connected load - more than 198 MW.Read full text: <http://www.mrsk-1.ru/press-center/news/branches/51315/> |
| **DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY** |
|  STOXX 600 UtilitiesMICEX IndexIDGC of CentreMICEX POWER Dec-15 Jan-16 |
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