



IDGC OF CENTRE

DAILY MARKET REVIEW

16 February, Tuesday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 15 February some positive external background formed on the Russian market. Last Friday the DJIA and S&P500 indices rose by 2% after the oil price increase and correction of bank shares after the announcement of Deutsche Bank for redemption of Eurobonds in the amount of \$5.4 billion. On Monday the composite Asia-Pacific region index MSCI Asia Pacific added more than 4% mainly due to a sharp rise in Japanese stocks. The Nikkei 225 index soared 7.2% after a 11% fall last week – firstly, within the oversold market correction, and secondly, on expectations of expanding the stimulus program after the publication of weak statistics. Japan's GDP contracted by 0.4% in the IV quarter relative to the previous three months, and now, according to analysts, the Japanese regulators need to take additional measures in response to rising risks of recession. In particular, economists believe that the Japanese government should refrain from raising the consumption tax, planned for this year. News background from China, where stock exchanges reopened after a week's break, associated with the celebration of the "Lunar" New Year, was ambiguous and did not have significant impact on the mood of investors. On the one hand, data on exports and imports in January were much worse than expected, on the other hand, analysts, recalling the traditionally very high volatility of the January data, pay attention to the highest since 2005 growth of the yuan to the dollar. April Brent futures traded near the mark of \$33.3 per barrel, or \$1.3 higher than the closing level on Friday, February 12. Oil prices are still supported with the speculation about a possible harmonization production reduction by the largest manufacturers. In particular, on Friday, Brent and WTI crude oil quotes increased by 11-12% on a statement of UAE Oil Minister that OPEC is ready to discuss with other oil exporters the issue of reducing production to achieve a balance in the market.

On Monday the MICEX Index showed moderate growth – generally no more than a percent – despite the increase in oil prices and the continuation of the European rally. In the afternoon the rise of the Stoxx Europe 600 index after shares of the banking sector exceeded 3% on media reports that the ECB is in talks with the Government of Italy for the inclusion of distressed debt of Italian banks in the program of redemption of the ECB's assets, or in the collateral base of credit expansion opportunities for banks.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the final MicexPWR reduction was made by shares of E.ON Russia and RusHydro.

ELECTRIC POWER INDUSTRY NEWS

Ministry of Energy proposes to implement remote data collection of metering devices

Ministry of Energy proposes beginning in 2018 to install only electricity metering devices, which have the metering function in several tariffs and remote data transmission, according to a notification of the Ministry on the federal portal of draft regulations.

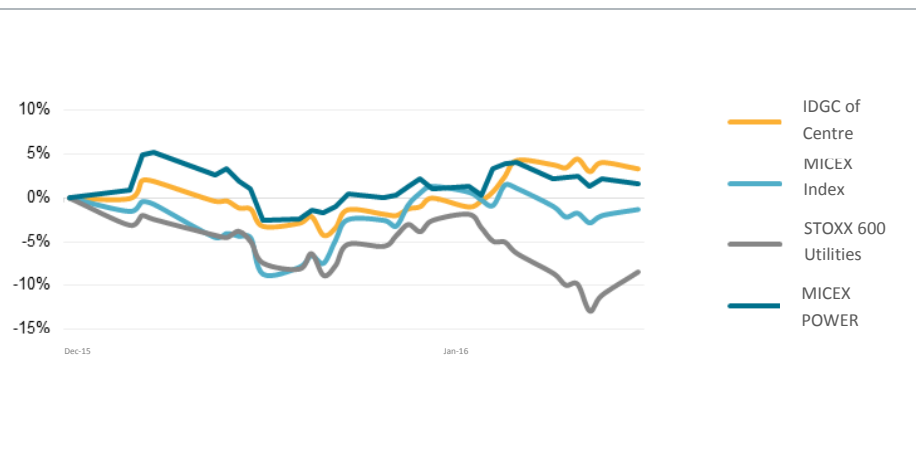
Read full text: <http://ria.ru/society/20160215/1374773922.html>

COMPANY NEWS

Implementation of the core production programs of IDGC of Centre is carried out in excess of planned targets

Read full text: <http://www.mrsk-1.ru/press-center/news/company/51267/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.15
MICEX	1 738,54	0,72%	-1,30%
S&P 500	1 864,78	0,00%	-8,77%
FTSE 100	5 824,28	2,04%	-6,70%
DAX	9 206,84	2,67%	-14,30%
DJStoxx 600	321,76	2,99%	-12,04%
STOXX Utilities	280,32	3,00%	-8,43%
Nikkei	16 022,58	7,16%	-15,82%
Sensex	23 554,12	2,47%	-9,81%
CSI300	2 946,71	-0,58%	-21,02%
Bovespa	40 092,89	0,72%	-7,51%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.15
Euro/USD	1,12	-0,89%	-8,23%
USD/RUB	79,50	0,48%	9,07%
Euro/RUB	89,85	0,56%	12,73%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.15
Gold, USD/oz	1 209,30	-2,32%	13,97%
Brent*, USD/bbl	33,39	0,09%	-13,34%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2016
Capitalisation**, billion RUB	8,51
Capitalisation**, million USD	107,06

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.15
MICEX-Power Index	-0,63%	1,58%
Shares of IDGC of Centre**	-0,69%	3,33%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.15
JSC Russian Grids	0,60%	2,29%
FGC UES	-0,39%	4,04%
IDGC of Volga	-0,95%	6,94%
MOESK	0,26%	1,07%
IDGC of Northern Caucasus	-0,41%	-2,40%
IDGC of Centre and Volga Reg	-4,25%	-3,18%
IDGC of North-West	-2,07%	3,65%
IDGC of Urals	-2,55%	0,53%
IDGC of Siberia	-5,43%	-3,69%
IDGC of South	-1,25%	0,96%
Lenenergo	-0,67%	-2,62%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM