



IDGC OF CENTRE

DAILY MARKET REVIEW

18 March, Wednesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on 17 March some moderately positive external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with the growth of 1.3-1.4%. On Tuesday the increase of the composite index of the Asia-Pacific region exceeded 0.5%. Investors' optimism was mainly associated with the hopes that the Fed would not activate the process of normalization of the monetary policy after a series of weak macroeconomic reports. In particular, the day before the statistics on industrial production in February and manufacturing activity in New York in March were worse than expected. In general, according to Bloomberg, the ECO US Surprise index, keeping track of when the statistics are worse or better than expected, on Monday fell to its lowest level since March 2009. May Brent futures traded near \$54 per barrel, a dollar above the level of our closing on 16 March. Analysts attributed the rising oil prices to their accumulated being oversold, from a fundamental point of view the oil quotes are still under pressure of the imbalance of supply and demand.

Trading on the Russian market on Tuesday was characterized by high volatility. Improvement in sentiment on western markets and recovery in oil prices became the basis for a percent growth of the MICEX Index in the correction after falling almost non-stop since March 4. However, in the middle of the day the MICEX Index went into a small negative after the turn of oil prices and the start of profit-taking on European markets after strong rise on Monday. European investors' uncertainty was associated with pending the outcome of a two-day meeting starting today of the US Central Bank. As noted by Bloomberg, despite the weak statistics and strengthening of the dollar, the Fed can refuse to promise to "be patient" in raising interest rates, which will pave the way for the earlier of the actual transition to the normalization of the monetary policy – in the summer months, and no closer by the end of the year, according to many economists. In addition, released worse than expected statistics on the index of confidence in the German economy in March and the number of buildings in the US in February put pressure on Western markets. However, the MICEX Index was able to close trading slightly up – buyers were supported at the end of the day with another turn of oil quotations from daily lows.

By the end of the trading session the MicexPWR Sector Index looked significantly better than the market. The main, about 80%, contribution to the MicexPWR rise was made by shares of FGC UES and E.ON Russia. The shares of FGC UES are still supported with the information about possible significant reduction in capital expenditures in 2015-2019. In turn, a positive factor for the shares of E.ON Russia was strong statements under IFRS at the end of 2014. On Western exchanges the European DJStoxx Index fell 0.71%, and the US S&P 500 Index decreased by 0.33%.

ELECTRIC POWER INDUSTRY NEWS

Electricity consumption in Russia up to 2020 to grow by 0.6% per year

Electricity consumption in Russia up to 2020 will increase by 0.6% per year, then - by 1% in the conservative scenario and 1.6% - in the target, reaching 1.265 billion KWh or 1.37 billion KWh, respectively, according to the newspaper "Kommersant" with reference to the updated draft of the Energy Strategy of Russia up to 2035.

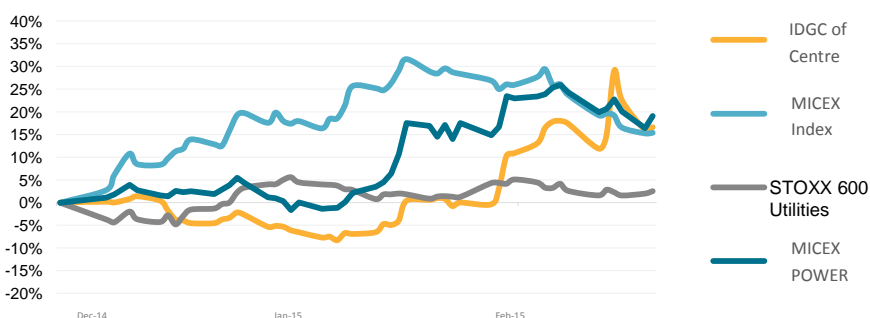
To read full text: <http://www.bigpowernews.ru/news/document62658.phtml>

COMPANY NEWS

IDGC of Centre held a meeting of the Board of Directors, the adjusted Investment program for 2015-2020 was approved

To read full text: <http://www.mrsk-1.ru/press-center/news/company/47548/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 611,69	0,11%	15,40%
S&P 500	2 074,28	-0,33%	0,75%
FTSE 100	6 837,61	0,49%	4,14%
DAX	11 980,85	-1,54%	22,18%
DJStoxx 600	397,33	-0,71%	16,00%
STOXX Utilities	323,49	0,53%	2,55%
Nikkei	19 437,00	0,99%	11,38%
Sensex	28 736,38	1,05%	4,50%
CSI300	3 757,12	1,39%	6,32%
Bovespa	50 285,12	2,94%	0,56%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,06	0,05%	-12,85%
USD/RUB	62,15	1,36%	10,47%
Euro/RUB	65,41	0,68%	-4,30%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 149,57	-0,45%	-2,94%
Brent*, USD/bbl	53,51	-0,80%	-11,14%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2945
Capitalisation**, billion RUB	12,43
Capitalisation**, million USD	200,05

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	2,28%	19,09%
Shares of IDGC of Centre**	0,51%	16,63%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-3,53%	34,33%
FGC UES	-3,88%	60,52%
IDGC of Volga	-4,05%	-2,33%
MOESK	-1,80%	-12,80%
IDGC of Northern Caucasus	-5,29%	40,50%
IDGC of Centre and Volga Reg	-2,26%	-19,57%
IDGC of North-West	1,23%	30,04%
IDGC of Urals	-3,44%	19,31%
IDGC of Siberia	-3,11%	-9,89%
IDGC of South	-4,52%	16,18%
Lenenergo	-5,06%	55,43%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, JSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

IR Division

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

Tickers

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