



IDGC OF CENTRE

# DAILY MARKET REVIEW

11 March, Wednesday

2015

## REVIEW OF STOCK MARKETS

Before the opening of trading on 10 March some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed with the growth of 0.4-0.8% in the correction after last week's 1.5% drop. On Tuesday most of the major indices of the Asia-Pacific region were down on statistics from China and Japan. In China producer prices in February fell 4.8% y/y, which was the most significant decrease since October 2009. Thus, it has been falling for a record 36 months long. In Japan, the GDP growth rate in the IV quarter was revised downside – 0.7 percentage points to 1.5%. As a result, says The Wall Street Journal, assessment of the dynamics of GDP in 2014 was changed to a slight decrease from the previously announced slight increase.

April Brent futures traded near \$58.3 per barrel, almost \$2 below our closing of 06 March. Rising world oil reserves and a sharp strengthening of the dollar continue putting pressure on oil prices. As for stocks, according to the US Energy Information Administration (EIA), the country is filled with nearly 70% of storage. Estimates for other regions, writes WSJ, are approximate, however, at Citigroup they believe that European commercial storage tanks are filled with more than 90%, in South Korea, South Africa and Japan – more than 80%. In this connection, according to forecasts of some analysts, oil prices may drop even more – oil producers have to sell it at a discount to the few customers who still have a place to store it.

Throughout the trading session Tuesday the Russian market was under strong selling pressure, in the afternoon the MICEX Index drop reached 3.7%. In addition to the decline in oil prices and deteriorating sentiment in the western exchanges, a significant negative factor for investors was the statement by Senior Manager of Fitch Ratings P. Roukins that the Agency may reduce the rating of the Russian Federation in April, if the situation in the Russian economy deteriorates. According to Fitch Manager, the preservation of the sanctions, low oil prices, and lack of investment may contribute to it. In addition, noted in Fitch, the situation is made worse with high inflation, which reduces the real income of the population and the sharpening recession. In turn, a percent decrease in the European and US indices was provoked by the Greek problem and the strengthening of the dollar on fears of a more decisive action of the Fed to normalize the monetary policy.

By the end of the trading session the MicexPWR Sector Index looked worse than the market. The main contribution to the daily MicexPWR losses, about 55%, was made by shares of RusHydro and FGC UES. On Western exchanges the European DJStoxx Index lost 1.15%, and the US S&P 500 Index fell 1.31%.

## ELECTRIC POWER INDUSTRY NEWS

### "Russian Grids" asked access to project financing

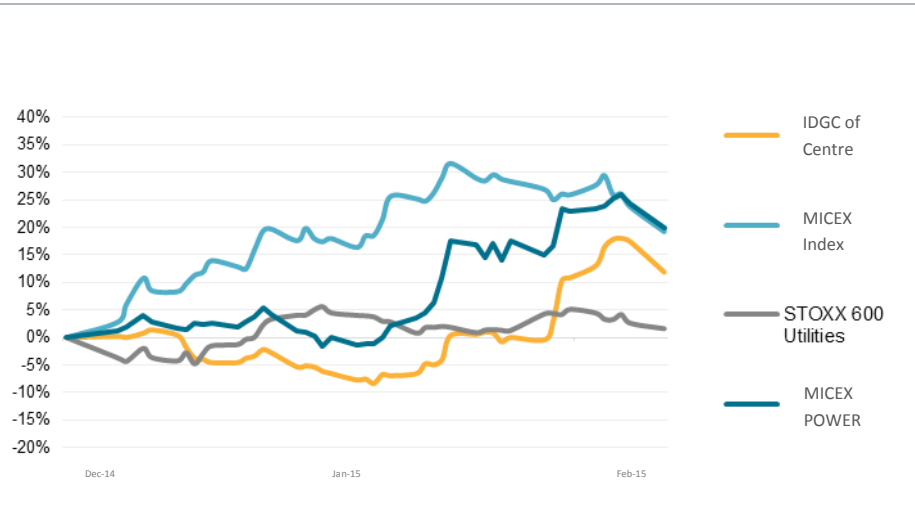
To read full text: <http://www.interfax.ru/business/428942>

## COMPANY NEWS

### IDGC of Centre is ready to operate through the flood period

To read full text: <http://www.mrsk-1.ru/press-center/news/company/47509/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 665,38	-3,65%	19,24%
S&P 500	2 044,16	-1,31%	-0,72%
FTSE 100	6 702,84	-3,02%	2,08%
DAX	11 500,38	-0,44%	17,28%
DJStoxx 600	389,66	-1,15%	13,76%
STOXX Utilities	320,54	-0,98%	1,62%
Nikkei	18 665,11	-1,61%	6,96%
Sensex	28 709,87	-2,51%	4,40%
CSI300	3 520,61	1,21%	-0,37%
Bovespa	48 293,40	-3,38%	-3,43%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,07	-1,15%	-11,83%
USD/RUB	59,99	-2,99%	6,64%
Euro/RUB	66,10	-3,23%	-3,28%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 161,84	-0,47%	-1,90%
Brent*, USD/bbl	56,39	-5,59%	-4,73%

\* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2825
Capitalisation**, billion RUB	11,93
Capitalisation**, million USD	198,80

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-3,51%	19,95%
Shares of IDGC of Centre**	-4,72%	11,88%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-3,43%	44,54%
FGC UES	-7,36%	53,18%
IDGC of Volga	-3,05%	-3,05%
MOESK	-0,46%	-13,20%
IDGC of Northern Caucasus	-4,52%	39,67%
IDGC of Centre and Volga Reg	-3,20%	-18,63%
IDGC of North-West	-5,92%	32,02%
IDGC of Urals	-2,39%	13,42%
IDGC of Siberia	-2,37%	-8,33%
IDGC of South	-9,52%	16,83%
Lenenergo	-4,80%	52,86%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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### Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM