



IDGC OF CENTRE

DAILY MARKET REVIEW

08 May, Friday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on 07 May some moderately negative external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 fell by 0.4-0.5% under the pressure of failed forecasts on statistics on employment in the US manufacturing sector in April, and statements of the Federal Reserve about potential risks in the stock market due to high quotes of shares. On Thursday the loss of the major stock indices of the Asia-Pacific region exceeded on average a percent. Active sales are still in the Chinese market – the CSI300 index decline was 1.8%. According to Bloomberg, investors' anxiety is caused by possibility of further restrictions on margin lending. An additional negative factor for the decline in the Chinese market was Morgan Stanley downgrading Chinese shares to "market perform" with the assessment "overweight", which analysts assigned to Chinese shares for more than 7 years. According to experts, the excessive growth of recent weeks led to a deterioration of valuations of shares, "and now the market is overbought".

June Brent traded around the level of \$67.5 per barrel – \$ 0.5 lower than our closing of 06 May. Brent quotes retreated by \$ 2 from Wednesday's local maximums on fears that high oil prices will lead to increased production of shale oil in the US, where manufacturers have already begun to raise forecasts for the current year.

Most of the trading session the MICEX Index had more than 1.5% minus. Activity of sellers was mainly due to the fall in oil prices, which in the second half of the day fell to around \$66 per barrel. Against this backdrop the overall neutral dynamics of western exchanges, which were supported by, inter alia, with released better than expected statistics on applications for unemployment benefits in the US, did not become an occasion for improving sentiment in the Russian market.

During the trading session the MicexPWR Sector Index looked better than the market – the main sales were concentrated in the "blue chips" of the Russian market.

ELECTRIC POWER INDUSTRY NEWS

Ministry of Energy plans to increase tenfold fee for grid connection for privileged applicants up to 15 kW

MOSCOW, May 8 (BigpowerNews) - Russian Energy Ministry plans to increase tenfold fee for grid connection for privileged applicants up to 15 kW. "550 rubles - this is just ridiculous. It seems to us absolutely affordable and completely normal it would be an amount from 25 to 50 thousand rubles," said Deputy Minister Vyacheslav Kravchenko, writes "Russian business newspaper".

To read full text: <http://www.bigpowernews.ru/news/document63834.phtml?1&q=>

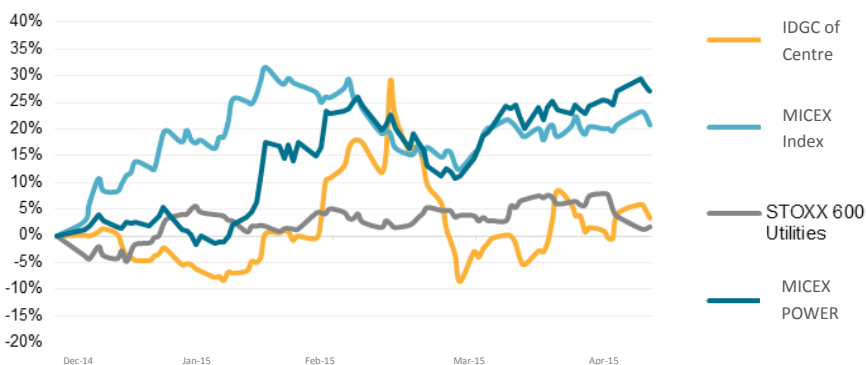
COMPANY NEWS

Power engineers of IDGC of Centre implement a number of important investment projects in the Voronezh region

IDGC of Centre - Voronezhenergo division continues implementation of the investment program in 2015. This year power engineers plan to perform the construction of new and modernization of existing energy facilities with a total capacity of 260 MVA (the highest of all branches of the company), as well as to construct and reconstruct 185 kilometres of power lines. The investment program of Voronezhenergo is 1 billion rubles of total capital investment.

To read full text: <http://www.mrsk-1.ru/press-center/news/branches/47935/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.14	
MICEX	1 686,98	-1,59%	20,79%
S&P 500	2 088,00	0,38%	1,41%
FTSE 100	6 886,95	-0,67%	4,89%
DAX	11 407,97	0,51%	16,34%
DJStoxx 600	388,98	0,08%	13,56%
STOXX Utilities	320,96	0,47%	1,75%
Nikkei	19 291,99	-1,17%	10,55%
Sensex	26 599,11	-0,44%	-3,27%
CSI300	4 470,09	-1,83%	26,50%
Bovespa	56 921,39	-0,32%	13,83%

Source: Bloomberg, Company calculations (19:00 MSK)

Currency rates	Value	Change for the day fr 31.12.14	
Euro/USD	1,13	-0,49%	-7,32%
USD/RUB	49,98	-3,43%	-11,16%
Euro/RUB	56,18	-2,13%	-17,79%

Source: Bloomberg, Company calculations (19:00 MSK)

Raw	Value	Change for the day fr 31.12.14	
Gold, USD/oz	1 184,51	-0,65%	0,01%
Brent*, USD/bbl	65,54	-3,29%	7,07%

* - May futures

Source: Bloomberg, Company calculations (19:00 MSK)

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2610
Capitalisation**, billion RUB	11,02
Capitalisation**, million USD	220,46

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.14	
MICEX-Power Index	-0,89%	27,08%
Shares of IDGC of Centre**	-1,51%	3,37%

Source: MOEX, Company calculations

Grid companies	Change** for the day fr 31.12.14	
JSC Russian Grids	-1,27%	31,17%
FGC UES	0,32%	48,87%
IDGC of Volga	-0,41%	-13,62%
MOESK	-2,11%	-25,60%
IDGC of Northern Caucasus	0,00%	25,62%
IDGC of Centre and Volga Reg	-0,14%	-26,40%
IDGC of North-West	-0,34%	15,02%
IDGC of Urals	-1,23%	18,00%
IDGC of Siberia	-0,30%	-25,44%
IDGC of South	2,48%	6,80%
Lenenergo	-0,43%	33,71%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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