



IDGC OF CENTRE

DAILY MARKET REVIEW

21 September, Monday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 18 September some moderately negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 lost 0.3-0.4%, on Friday the composite index of the Asia-Pacific region MSCI Asia Pacific was 0.2% down. Pressure on the markets was put by the Fed's decision to keep rates in the range of 0-0.25%, which boosted investors' fears about the prospects for the US economy in particular and the global economy as a whole. As reported in a press conference the head of the Central Bank, the Federal Reserve considered the situation in the US economy robust enough to raise rates, but external events cause fear – "downside risks to China's economic activity", reaction to them by regulators and significant decline in oil prices. In addition, the experts pointed out that the US Central Bank downgraded the forecast for GDP in 2016-2017 and inflation in 2015-2017, and the Fed's officials lowered the forecast of long-term interest rates from 3.8% to 3.5%, while the curve of a rate hike became smoother than previously. According to analysts, writes the news agency Bloomberg, this suggests reducing the ability of the US economy to adapt to the tightening cycle of monetary policy. However, many experts believe that the rate increase would be less unpleasant circumstance for the markets than the increase in uncertainty following this Fed's decision. Analysts of Vanguard, in particular, noted that a sort of a vicious circle formed – the Fed cannot take the decision to raise rates due to the increased volatility in financial markets, which, in turn, is largely due to expectations of the Fed's actions and the uncertainty surrounding them. November Brent futures traded near the mark of \$48.8 per barrel – slightly higher than the closing level of 17 September. Oil quotations were supported, including, with the weakening of the dollar after the Fed's decision to keep the interest rate.

On Friday the Russian and European markets were dominated by sellers – investors were concerned about the Fed's indecision, which, according to some analysts, suggests the expansion of problems of the world economy. In the afternoon the decline in the European Stoxx Europe 600 index approached 2.5%, the loss of the MICEX Index exceeded a percent. The Russian market was kept from greater reduction with oil prices, which got above \$48 per barrel.

During the trading session the MicexPWR Sector Index looked much better than the MICEX Index – the global negative background affected mainly "blue chips" of our market. For most of the day the MicexPWR index spent in positive territory and closed trading slightly down mainly due to the fall in shares of FGC UES and Rosseti at the trading close.

ELECTRIC POWER INDUSTRY NEWS

Energy Strategy-2035: sustained growth scenarios

Read full text: <http://peretok.ru/strategy/es-2035-stsenarii-stabilnogo-rosta.html>

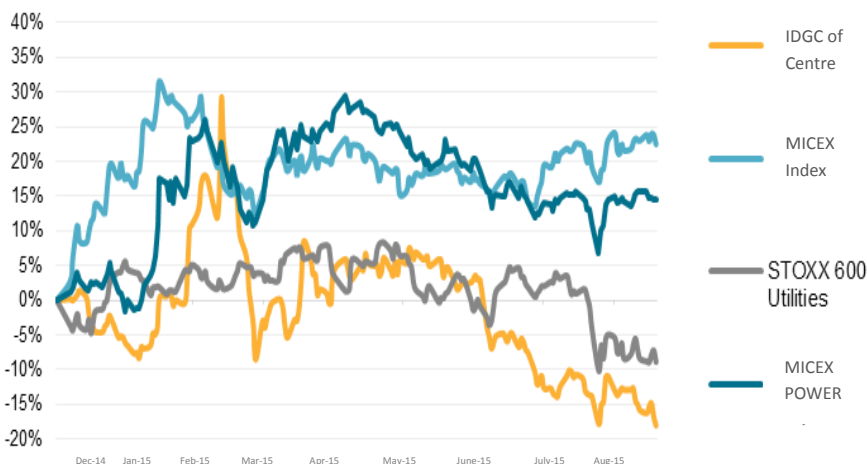
COMPANY NEWS

Orelenergo reduces losses in grids

Read full text:

http://www.ruscable.ru/news/2015/09/17/Orelenergo_snizhaet_poteri_v_setyax/

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 710,84	-1,06%	22,50%
S&P 500	1 958,03	-1,62%	-4,90%
FTSE 100	6 104,11	-1,34%	-7,04%
DAX	9 916,16	-3,06%	1,13%
DJStoxx 600	354,77	-1,78%	3,57%
STOXX Utilities	287,51	-1,74%	-8,85%
Nikkei	18 070,21	-1,96%	3,55%
Sensex	26 218,91	0,98%	-4,66%
CSI300	3 251,27	0,44%	-7,99%
Bovespa	47 264,08	-2,65%	-5,49%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,13	-0,05%	-7,07%
USD/RUB	65,36	-0,86%	16,18%
Euro/RUB	73,94	-0,41%	8,19%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 139,23	0,68%	-3,81%
Brent*, USD/bbl	47,47	-3,28%	-26,73%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2070
Capitalisation**, billion RUB	8,74
Capitalisation**, million USD	133,70

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-0,13%	14,40%
Shares of IDGC of Centre**	-1,43%	-18,02%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-5,61%	1,42%
FGC UES	-6,75%	29,39%
IDGC of Volga	-0,95%	-24,91%
MOESK	0,00%	-31,60%
IDGC of Northern Caucasus	-0,36%	14,88%
IDGC of Centre and Volga Reg	0,00%	-30,95%
IDGC of North-West	-0,35%	12,65%
IDGC of Urals	-0,26%	23,90%
IDGC of Siberia	-0,74%	-40,44%
IDGC of South	0,62%	5,50%
Lenenergo	0,37%	55,14%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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