



IDGC OF CENTRE

# DAILY MARKET REVIEW

25 August, Tuesday

2015

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 24 August some negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed with the fall of 3.1-3.2%. Friday's loss of the S&P500 and almost 6% weekly losses of both indices were the highest since the autumn of 2011. At the same time, notes Bloomberg, the DJIA was down from the last local maximum by more than 10% by entering into a phase of correction. The pressure on the US market, as well as on stock markets around the world, was given by strengthening concerns about the Chinese economy after the release of weak statistics on business activity – according to preliminary data, in August the PMI fell to the lowest level in six years. On Monday the collapse in world markets continued – the composite index of the Asia-Pacific region MSCI Asia Pacific lost nearly 5%, the fall in the S&P500 futures was about 2.5%. Sales in the markets were again linked with China. Last weekend the Chinese authorities took another step to support the stock market, allowing pension funds, managed by local authorities, to invest up to 30% of net assets in equities. However, this decision disappointed the markets – investors, the media writes, were waiting for more serious measures from the Chinese Central Bank, including easing reserve requirements of banks. Against this background the Chinese CSI300 fell 8.7%, and analysts more often began to question China's economy handling. October Brent futures traded near \$44.3 per barrel – a dollar below the closing level Friday August 21. Oil, like all commodities, is under strong selling pressure, mainly provoked by news from China – the Bloomberg Commodity Index, which takes into account the major stock quotes of 22 commodities, fell to a 16-year low. An additional negative factor for oil prices on Monday was a statement by the Minister of Oil of Iran that Iran plans "at all costs" to increase oil production to protect the country's share in the oil market, and the information of Baker Hughes on the growth of the number of active oil rigs in the United States for the seventh week in a row.

On Monday the Russian and European stock markets were dominated by sellers. The Russian market looked somewhat better, despite the drop in oil prices to around \$43 per barrel: at daily lows the drop of the European Stoxx Europe 600 Index reached 8%, while the MICEX Index losses were limited to 3.5%. In the second half of the trading session the MICEX Index played back half of the day's fall after the turn of the US indices, having started trading with more than 5% collapse. In general, analysts determine the current mood in global financial markets as panic.

At the end of the trading session the MicexPWR Sector Index looked considerably worse than the market. On Monday active sales affected all "heavy" index papers of the sector, except for shares of E.ON Russia.

## ELECTRIC POWER INDUSTRY NEWS

**FAS approved the criteria for the introduction of the maximum amount of capacity price for free power transfer zones at competitive capacity auction**

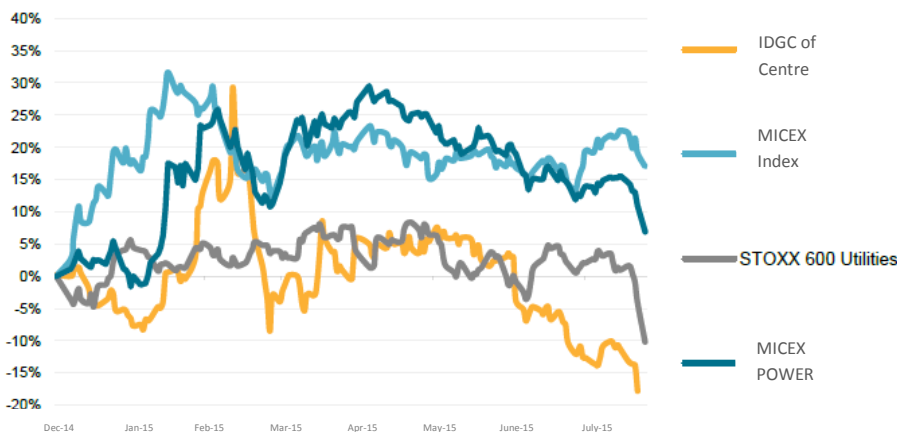
To read full text: <http://www.bigpowernews.ru/news/document65722.phtml?1&q=>

## COMPANY NEWS

**Voronezhenergo implements its investment program exceeding targets**

To read full text: <http://www.mrsk-1.ru/press-center/news/branches/49924/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 634,14	-1,75%	17,01%
S&P 500	1 920,67	-2,55%	-6,71%
FTSE 100	5 898,87	-4,67%	-10,16%
DAX	9 648,43	-4,70%	-1,60%
DJStoxx 600	342,01	-5,33%	-0,15%
STOXX Utilities	283,31	-6,28%	-10,19%
Nikkei	18 540,68	-4,61%	6,25%
Sensex	25 741,56	-5,94%	-6,39%
CSI300	3 275,53	-8,75%	-7,31%
Bovespa	44 097,21	-3,55%	-11,82%

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

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,14	0,00%	-5,89%
USD/RUB	68,12	1,73%	21,09%
Euro/RUB	76,67	2,95%	12,19%

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

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 160,77	0,00%	-1,99%
Brent*, USD/bbl	45,46	0,00%	-20,70%

\* - October futures

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

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2075
Capitalisation**, billion RUB	8,76
Capitalisation**, million USD	128,60

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-3,68%	6,88%
Shares of IDGC of Centre**	-4,60%	-17,82%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-5,03%	2,38%
FGC UES	-4,18%	31,10%
IDGC of Volga	-4,43%	-26,52%
MOESK	-1,81%	-34,80%
IDGC of Northern Caucasus	-4,63%	10,74%
IDGC of Centre and Volga Reg	-2,90%	-30,64%
IDGC of North-West	-4,32%	5,14%
IDGC of Urals	-5,83%	3,11%
IDGC of Siberia	-3,85%	-44,44%
IDGC of South	-6,62%	-4,21%
Lenenergo	-5,93%	36,00%

Source: MOEX, Company calculations

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

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## Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

[MRKC](#)

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