



IDGC OF CENTRE

DAILY MARKET REVIEW

29 September, Tuesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 28 September some neutral external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed higher by 0.7% and lower by 0.1%, respectively. The DJIA rose of the statement of the head of the US Federal Reserve about the readiness of the Central Bank to raise interest rates before the end of the year and good statistics on the dynamics of GDP in the II quarter. At the same time this positive factor was offset in the S&P500 with a fall of stocks of biotech companies. On Monday the composite stock index of the Asia-Pacific region MSCI Asia Pacific was 0.4% down. Statistics from China pressured the markets, where the drop in balanced net profit of the largest industrial companies in August by 8.8% y/y was the highest since the start of data collection in October 2011. November Brent futures traded near the mark of \$48.1 per barrel – at the close on Friday, September 25.

After a corrective rally on Friday on the statement of the Fed's Chair about the probable rate hike before the end of the year on Monday the Russian and European markets once again dominated by sellers. Besides another portion of weak statistics from China, an additional negative factor for investors was the statement by the head of the IMF about the possible deterioration of the global economic growth forecasts due to the deceleration of the economy in developing countries and feverish state of the financial markets. Under these circumstances, writes Bloomberg, the head of the IMF sees no reasons why the Fed would have to hurry to increase interest rates – in the past there were cases when the central banks quickly raised borrowing costs, and then were forced to return to lower levels, which is more dangerous for the economy than delayed rate increase. In the middle of the day the fall of the MICEX Index and European Stoxx Europe 600 exceeded a percent. Released at the level of expectations US statistics on income and expenditures of the population in August did not have any significant impact on the dynamics of trading. At the end of the day sales in the Russian and European markets increased after the start of trading in the United States on average with more than a 1.5% decline in major indices.

During the trading session the MicexPWR Sector Index as a whole corresponded to the dynamics of the MICEX Index. The main contribution to the final MicexPWR decline was made by shares of FGC UES and E.ON Russia.

ELECTRIC POWER INDUSTRY NEWS

Ministry of Energy proposes to give increased "must-run" tariff on capacity in 2016-2019 to at least 13 GW of thermal power plants

October 1, the Ministry of Energy will present to the Governmental Commission headed by Deputy Prime Minister Arkady Dvorkovich lists of must-run generators, according to "Kommersant" referring to Deputy Minister, Vyacheslav Kravchenko. This year, generators may receive increased revenue for four years at once - in connection with the transition to long-term competitive capacity auction.

Read full text: <http://www.bigpowernews.ru/markets/document66339.phtml>

COMPANY NEWS

Voronezh power engineers use innovative technologies and equipment

The Voronezh branch of IDGC of Centre is in full swing with the technical re-equipment with changing for the voltage of 110 kV at 35 kV Substation №13 VPI - one of the most important supply centres of Kominternovskiy district of the city of Voronezh.

Read full text: <http://www.mrsk-1.ru/press-center/news/branches/50160/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 616,36	-1,42%	15,73%
S&P 500	1 898,13	-1,72%	-7,81%
FTSE 100	5 958,86	-2,46%	-9,25%
DAX	9 483,55	-2,12%	-3,28%
DJStoxx 600	341,57	-2,21%	-0,28%
STOXX Utilities	283,07	-1,31%	-10,26%
Nikkei	17 645,11	-1,32%	1,11%
Sensex	25 616,84	-0,95%	-6,85%
CSI300	3 242,75	0,33%	-8,23%
Bovespa	44 049,88	-1,74%	-11,91%

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

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,12	0,00%	-7,46%
USD/RUB	65,67	-1,27%	16,73%
Euro/RUB	73,14	-1,88%	7,02%

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

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 146,20	0,00%	-3,22%
Brent*, USD/bbl	48,60	0,00%	-15,23%

* - November futures

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

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2035
Capitalisation**, billion RUB	8,59
Capitalisation**, million USD	130,82

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-1,21%	12,33%
Shares of IDGC of Centre**	-0,25%	-19,41%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-1,54%	0,22%
FGC UES	-3,08%	29,35%
IDGC of Volga	-0,25%	-28,14%
MOESK	-1,20%	-34,40%
IDGC of Northern Caucasus	-2,17%	11,57%
IDGC of Centre and Volga Reg	-1,22%	-32,71%
IDGC of North-West	-0,74%	6,32%
IDGC of Urals	-0,13%	22,59%
IDGC of Siberia	-0,18%	-39,89%
IDGC of South	-1,28%	-0,32%
Lenenergo	-1,10%	54,29%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)
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