



IDGC OF CENTRE

DAILY MARKET REVIEW

25 February, Wednesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on 24 February some ambiguous external background formed on the Russian market. On Monday the US indices declined slightly, while the previous week US stock indices closed with the growth due to positive news from Greece. According to the results of the extraordinary meeting of the Eurogroup in Brussels on Friday evening a preliminary agreement was reached to extend the credit program for Athens for four months. Tuesday morning futures on US indices and the composite index of the Asia-Pacific region MSCI Asia Pacific were in moderate plus.

April Brent futures traded around \$58.5 per barrel, \$2 below our closing on Friday. As Bloomberg reported, citing sources in the OPEC, member states of this organization are not going to hold emergency meetings to discuss the current market situation. The last OPEC meeting was held January 27, 2015, the following is scheduled for June 5th. In January the volume of production of the cartel's countries reached 30.9 million b/d. Thus, the quota for the production of 30 million b/d was exceeded the eighth consecutive month. Earlier, OPEC states had indicated that they were willing to admit the fall in oil prices to levels that would force US manufacturers to cut production.

The Russian market opened with a 1.5% gap down on the MICEX Index on the fall of oil prices and news about Moody's lowering of sovereign rating of Russia for the second time since the beginning of the year. International rating agency Moody's Investors Service on Saturday night downgraded government bonds of the Russian Federation to the speculative level «Ba1» from «Baa3», pointing to worsening prospects for the Russian economy, reducing the financial capacity of the government. Against this backdrop some moderate growth in European markets after the adoption of the Eurogroup decision to approve the reform plan developed by Greece failed to provide substantial support for our market. Additional pressure on the dynamics of trading was given by weak statistics on consumer confidence in the US in February. At the end of the day our market was also influenced by statements of the US Federal Reserve Head in a speech to the semi-annual report to the Senate Banking Committee. In particular, Janet Yellen stressed to maintain high probability of transition to normalization of the monetary policy in the near future, noting at the same time that the Fed would show flexibility in the timing to increase interest rates.

By the end of the trading session the dynamics of the MicexPWR Sector Index looked worse than the market. The main contribution, more than 50%, to the MicexPWR reduction was made by shares of RusHydro, Inter RAO and Russian Grids, further adjusting after growth on Friday. On Western exchanges the European DJStoxx Index added 1.30%, and the US S&P 500 Index rose by 0.25%.

ELECTRIC POWER INDUSTRY NEWS

"Russian Grids" and Taihan Electric Wire discuss manufacturing wires in Russia

To read full text: <http://ria.ru/economy/20150224/1049389612.html>

COMPANY NEWS

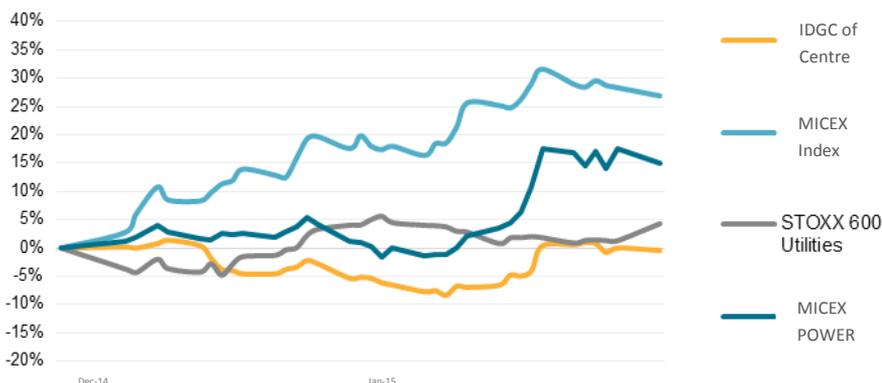
IDGC of Centre implemented grid connection of a plant for manufacture of drilling rigs

To read full text: <http://www.mrsk-1.ru/press-center/news/company/47379/>

Tverenergo to replace old-dated switching equipment at the South Substation

To read full text: <http://www.energyland.info/news-show-tek-electro-133118>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 772,16	-1,15%	26,89%
S&P 500	2 115,48	0,25%	2,75%
FTSE 100	6 949,63	0,50%	5,84%
DAX	11 205,74	1,40%	14,28%
DJStoxx 600	387,25	1,30%	13,05%
STOXX Utilities	329,05	3,00%	4,31%
Nikkei	18 603,48	1,48%	6,61%
Sensex	29 004,66	-0,78%	5,47%
CSI300	3 522,32	0,00%	-0,32%
Bovespa	51 874,17	1,24%	3,73%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,13	-0,40%	-6,75%
USD/RUB	61,72	-0,66%	9,71%
Euro/RUB	70,03	-1,28%	2,47%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 200,53	-0,12%	1,36%
Brent*, USD/bbl	58,66	-2,59%	-0,90%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2515
Capitalisation**, billion RUB	10,62
Capitalisation**, million USD	172,02

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-2,24%	14,88%
Shares of IDGC of Centre**	-0,40%	-0,40%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-3,04%	38,93%
FGC UES	-2,21%	45,55%
IDGC of Volga	-1,19%	-10,39%
MOESK	-0,92%	-13,60%
IDGC of Northern Caucasus	3,56%	20,25%
IDGC of Centre and Volga Reg	-1,86%	-18,22%
IDGC of North-West	-1,80%	29,64%
IDGC of Urals	1,38%	-3,76%
IDGC of Siberia	0,00%	-0,11%
IDGC of South	-1,11%	15,21%
Lenenergo	-4,42%	23,43%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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