



IDGC OF CENTRE

DAILY MARKET REVIEW

28 January, Thursday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 27 January some moderately positive external background formed on the Russian market. The day before the US indices DJIA and S&P500 gained 1.4-1.8% on the growth in oil prices and good quarterly statements of several companies. At the same time, analysts noted that in January the correlation between oil prices and stock prices is the highest since 1990. On Wednesday the composite Asia-Pacific region stock index MSCI Asia Pacific added more than 1.5%, mainly due to the rise of the Japanese market – the Nikkei rose by 2.7%. At the same time, the Chinese and Australian markets were under pressure with weak statistics from China. Profits of industrial companies of China in December fell 4.7% y/y, the indicator decline has been going for record seven consecutive months. These data, writes Bloomberg, intensified investors' concerns about slowing economic growth in the country and an increase in capital outflows. March Brent futures traded near the mark of \$31.4 per barrel at the close on 26 January. Oil prices showed stability in spite of the data of the American Petroleum Institute that reported an increase in oil inventories last week by 11.4 million barrels. If official data coincide with the API index, says Bloomberg, weekly growth of oil reserves will be the maximum since May 1996.

Quotes of oil, entrenched above \$31 a barrel, during the entire trading session supported the Russian market. In the afternoon the pace of growth of the MICEX Index exceeded 2%, despite a half-point reduction on average of European indices and futures for US indices. Sales in the western markets were due to weak reporting and pessimistic forecasts of a number of European and American companies and investors being cautious before the publication of the results of the Fed meeting. In particular, the markets drew attention to the message that Apple's sales of iPhone smartphones in the last quarter grew at the slowest rate since the release of these devices on the market in 2007. With regard to the meeting of the FOMC, analysts believe that the Fed will leave its benchmark interest rate at the target range of 0.25% to 0.5%, but do not rule out, as noted in the Bank of America Merrill Lynch, the January communiqué may be less favourable than market participants may hope. The MICEX Index closed the trading session on the daily maximum – our market was supported with a rise in oil prices to around \$32.5 per barrel after the publication of the US Department of Energy, which recorded the less than indicated in the API statistics growth of oil reserves in the country, and the decline in stocks at the terminal in Cushing.

During the trading session the MicexPWR Sector Index underperformed. Activity of buyers was mainly concentrated in the first-tier shares, while the main index papers of MicexPWR, except for shares of RusHydro, showed uncertain lateral dynamics on average slightly above 0.5%.

ELECTRIC POWER INDUSTRY NEWS

The government refused the idea to introduce a monthly fee for maintenance of electric grids

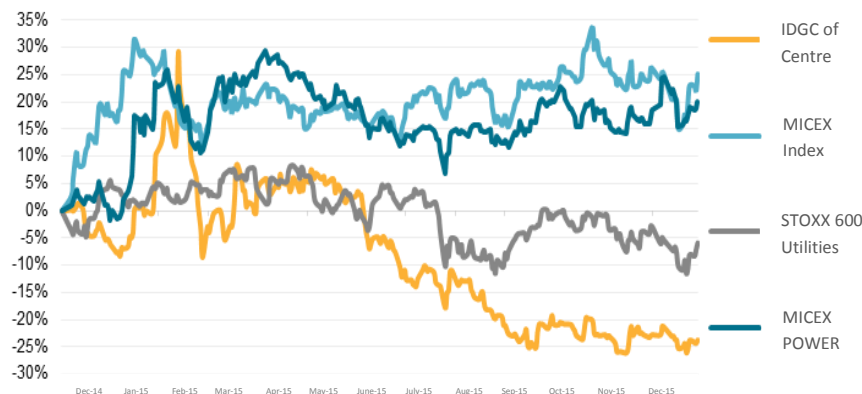
Read full text: <http://www.bigpowernews.ru/markets/document68468.phtml>

COMPANY NEWS

IDGC of Centre leased power grid facilities of the city of Kimry

Read full text: <http://www.bigpowernews.ru/press/document68449.phtml>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.15
MICEX	1 747,57	2,50%	-0,78%
S&P 500	1 882,95	-1,09%	-7,88%
FTSE 100	5 990,37	1,33%	-4,04%
DAX	9 880,82	0,59%	-8,03%
DJStoxx 600	340,24	0,31%	-6,99%
STOXX Utilities	296,91	1,33%	-3,01%
Nikkei	17 163,92	2,72%	-9,82%
Sensex	24 492,39	0,03%	-6,22%
CSI300	2 930,35	-0,35%	-21,46%
Bovespa	38 376,37	2,34%	-11,47%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.15
Euro/USD	1,09	0,25%	-10,58%
USD/RUB	81,84	5,20%	12,29%
Euro/RUB	88,89	5,61%	11,53%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.15
Gold, USD/oz	1 124,97	0,45%	6,02%
Brent*, USD/bbl	33,10	4,09%	-12,13%

* - March futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1927
Capitalisation**, billion RUB	8,14
Capitalisation**, million USD	99,41

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.15
MICEX-Power Index	1,03%	1,31%
Shares of IDGC of Centre**	0,78%	-1,23%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.15
JSC Russian Grids	0,52%	0,87%
FGC UES	1,07%	-1,52%
IDGC of Volga	0,51%	1,80%
MOESK	0,54%	0,00%
IDGC of Northern Caucasus	0,00%	-2,80%
IDGC of Centre and Volga Reg	0,49%	-1,59%
IDGC of North-West	1,90%	-2,19%
IDGC of Urals	2,02%	1,05%
IDGC of Siberia	-0,22%	-7,17%
IDGC of South	0,33%	-1,60%
Lenenergo	0,90%	-2,62%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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