



REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 19 December some neutral external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 fell within 0.2% on weak statistics – the decline of new construction by 18.7% in November turned out to be much worse than expected. On Monday the main country indices of the Asia-Pacific region did not show a single trend, futures for US indices were slightly up. February Brent futures traded near the mark of \$55.4 per barrel, or \$0.4 more than our closing on Friday 16 December. Oil prices, Bloomberg noted, rose on expectations of realization by producing countries of agreements to reduce oil production from January 2017. At the same time, Goldman Sachs believes, evidence of production cuts, which can be the next catalyst for the rise in prices, can occur only in the second half of January. Nevertheless, the bank raised its forecast for Brent oil prices in the second half of next year to \$58 per barrel compared to the previous \$51.5. For most of the trading session the MICEX Index and the European Stoxx Europe 600 Index were slightly negative primarily within one-third per cent. Released a little better than expected statistics on Germany's index of business confidence in the country's economy in December and weak growth of futures for US indices in anticipation of a speech of Fed Chair with a report on the labour market failed to provide significant support to investors. At the end of the day sales on the Russian market increased in spite of the oil price stability at the level of \$55 per barrel and the beginning of trading in the US with a slight increase in the major indices.

During the trading session the MicexPWR Sector Index underperformed mainly due to active sales of shares of Rosseti. The security was pressured by media information about the upcoming additional share issue – a corresponding decree was signed by President of the Russian Federation, and the company reported that Rosseti plans to provide up to 20.4 billion rubles to four "daughters" through purchase of their additional share issues.

ELECTRIC POWER INDUSTRY NEWS

Sales companies have to obtain a license until 1 July 2017

"Under the bill, already in 2017 power supply companies will have to operate under a license. Please, pay attention - everyone who is willing and able to work in this field, will have to obtain a license until 1 July next year," said Russian Prime Minister Dmitry Medvedev at a meeting of the Government.

Read full text: <http://peretok.ru/news/distribution/14703/>

"Rosseti" suggested to develop program to consolidate power grid assets

PJSC "Rosseti" took the initiative to develop a regional program, including measures to simplify the inventory of power facilities and consolidation of electric grid assets.

Read full text: <http://peretok.ru/news/nets/14701/>

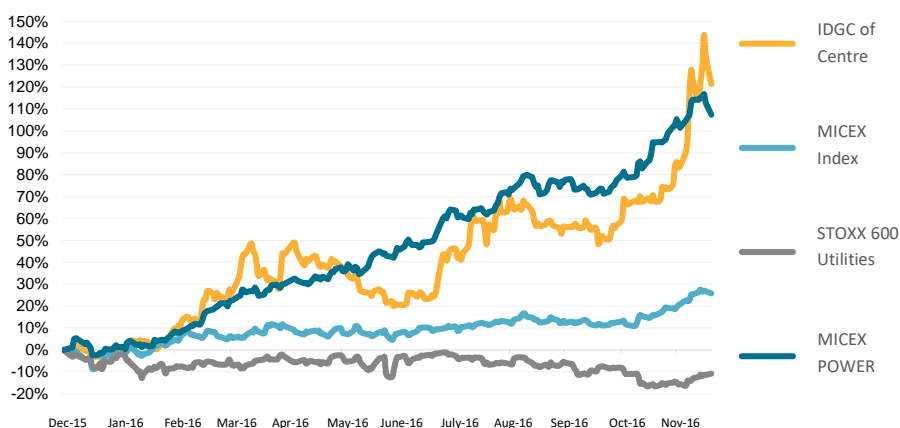
COMPANY NEWS

Kostromaenergo reduced its overdue receivables by more than a quarter

IDGC of Centre – Kostromaenergo division is continuing regular work to reduce accounts receivable. Specialists of the legal department of the enterprise do consistent claim-related work in respect of non-payers. In this issue Kostromaenergo also actively cooperates with regional authorities. The efforts of the power company bring tangible effect. So, in September-November they were able to reduce outstanding receivables by 27%, from 193 million rubles to 141 million rubles.

Read full text: <http://energycluster.ru/PressReleaseenergycluster/PressReleaseShow.asp?ID=625687>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 215,69	-0,70%	25,79%
S&P 500	2 262,53	0,20%	10,69%
FTSE 100	7 017,16	0,08%	12,41%
DAX	11 426,70	0,20%	6,36%
DJStoxx 600	359,59	-0,12%	-1,70%
STOXX Utilities	272,83	0,64%	-10,88%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	26 374,70	-0,43%	0,98%
CSI300	3 328,98	-0,51%	-10,78%
Bovespa	57 111,00	-2,19%	31,74%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,04	-0,07%	-14,09%
USD/RUB	61,75	0,19%	-15,27%
Euro/RUB	64,48	-0,21%	-19,09%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 138,21	0,29%	7,27%
Brent*, USD/bbl	54,92	-0,53%	20,68%

* - February futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4320
Capitalisation**, billion RUB	18,24
Capitalisation**, million USD	295,35

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-2,54%	107,41%
Shares of IDGC of Centre**	-5,37%	121,42%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti, ordinary shares	-9,27%	155,46%
FGC UES	-0,44%	239,78%
IDGC of Volga	-3,02%	197,17%
MOESK	-7,55%	30,67%
IDGC of Northern Caucasus	-1,79%	76,00%
IDGC of Centre and Volga Reg	-2,85%	138,85%
IDGC of North-West	-8,45%	93,80%
IDGC of Urals	-0,29%	80,00%
IDGC of Siberia	-7,23%	84,02%
IDGC of South	-2,03%	70,51%
Lenenergo, ordinary shares	0,18%	142,58%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC.RX
MRKC.MM