



IDGC OF CENTRE

DAILY MARKET REVIEW

14 April, Thursday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 13 April some positive external background formed on the Russian market. The day before the US indices DJIA and S&P500 rose by 0.9-1.0% following the increase in oil prices, which offset negative quarterly results of Alcoa, which opened the US corporate reporting season, and the deterioration of the IMF's forecast for the global economy. In the updated review of the world economy (World Economic Outlook Update) the IMF cut its estimate for global GDP growth in 2016 from 3.4% to 3.2%, in 2017 – from 3.6% to 3.5%. As noted in the survey, the fall in oil prices, which exacerbated the economic situation in the commodity-exporting countries, now is leading to a global deflation and "prolonged stagnation" of the entire world economy. On Wednesday the composite Asia-Pacific region stock index MSCI Asia Pacific added about 2%. Additional support for the markets in the Asian session was given by strong statistics from China, where in March the value of exports increased by 11.5% in dollar terms. This growth rate was recorded for the first time in nine months, and its rate was the most significant for the year. June Brent futures traded near the mark of \$43.8 per barrel, or \$0.8 less than the closing level on 12 April. Oil prices corrected after rising on Tuesday by 4.3% on the information that Russia and Saudi Arabia had agreed their position on freezing oil production. The reason for the sales was data of the American Petroleum Institute (API), which reported an increase in US oil inventories by 6.2 million barrels last week.

Good Chinese statistics, which eased fears of investors about the prospects for the second world economy, was the main driver of steady rise of the Russian and European markets on Wednesday – in the middle of the day the growth rate of the MICEX Index and the Stoxx Europe 600 Index exceeded 1.5% and 2%, respectively. Buyers were also supported by the return of Brent cost above \$44 per barrel and released better than expected quarterly statements of JPMorgan. Against this backdrop investors ignored the worse than expected statistics on industrial production in the Eurozone – February's drop was the highest in 18 months, and US retail sales in March. At the end of the trading session the investors' confidence was increased with more than half-point increase in the US market in early trading and the rise in oil prices to around \$44.5 per barrel. Statistics of the US Department of Energy confirmed the API data on the growth of oil reserves by more than 6 million barrels, but at the same time stocks at the Cushing terminal, which stores oil that provides trading on the NYMEX, declined above expectations and oil production fell below 9 million barrels per day for the first time since October 2014. The MICEX Index updated highs this year, rising to the level of May 2008. The closest goal of buyers, to which the ruble indicator is still about 2% behind, is the historical record set in December 2007 – the mark of 1,970.46 points.

During the trading session the MicexPWR Sector Index looked somewhat worse than the market – investors' activity was mainly concentrated in the first-tier shares. The main contribution to the resulting MicexPWR growth was made by shares of Mosenergo, FGC UES and Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

Strengthening of payment discipline

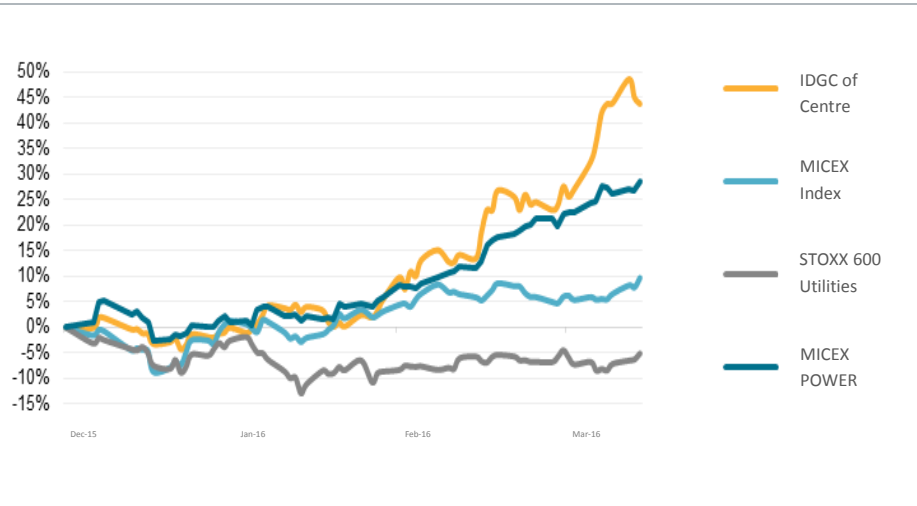
Read full text: http://www.ng.ru/energy/2016-04-13/12_payment.html

COMPANY NEWS

Voronezhenergo summed up the implementation of environmental policy in 2015

Read full text: <http://www.mrsk-1.ru/press-center/news/branches/52666/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.15
MICEX	1 932,80	1,77%	9,73%
S&P 500	2 082,42	1,00%	1,88%
FTSE 100	6 362,89	1,93%	1,93%
DAX	10 026,10	2,71%	-6,67%
DJStoxx 600	343,06	2,52%	-6,22%
STOXX Utilities	290,58	1,25%	-5,08%
Nikkei	16 381,22	2,84%	-13,94%
Sensex	25 626,75	1,91%	-1,88%
CSI300	3 261,38	1,33%	-12,59%
Bovespa	53 149,84	2,21%	22,61%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.15
Euro/USD	1,13	-0,78%	-7,16%
USD/RUB	66,35	-1,16%	-8,97%
Euro/RUB	75,85	-0,84%	-4,82%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.15
Gold, USD/oz	1 242,47	-1,05%	17,09%
Brent*, USD/bbl	44,18	-1,14%	9,74%

* - June futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2805
Capitalisation**, billion RUB	11,84
Capitalisation**, million USD	178,49

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.15
MICEX-Power Index	1,44%	28,50%
Shares of IDGC of Centre**	-0,88%	43,77%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.15
Rosseti	0,27%	39,02%
FGC UES	1,77%	66,20%
IDGC of Volga	0,32%	60,41%
MOESK	-0,23%	14,67%
IDGC of Northern Caucasus	-1,38%	43,20%
IDGC of Centre and Volga Reg	2,31%	27,07%
IDGC of North-West	-3,49%	61,68%
IDGC of Urals	2,16%	24,21%
IDGC of Siberia	-0,49%	25,00%
IDGC of South	-1,27%	50,00%
Lenenergo	5,31%	47,16%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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