



IDGC OF CENTRE

DAILY MARKET REVIEW

16 October, Friday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 15 October some moderately positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 lost 0.5-0.9% - investors, according to Bloomberg, worried about the weak quarterly statements of companies and the forecasts for the near future. In particular, the main contribution to the decline in the indices was made by a 10% drop in shares of Wal-Mart Stores being the highest for 27 years after the publication of forecasts involving the reduction of profit by 6-12% next year. According to analysts, said a large-scale revision of expectations of the world's largest companies in the retail sector raises concerns both in terms of the US economy and the world economy as a whole. In addition, the markets were pressured by the statistics – in September data on retail sales in the US were worse than expected, the decline in producer prices was the highest this year. At the same time on Thursday the composite index of the Asia-Pacific region MSCI Asia Pacific added about 2% on expectations of the Federal Reserve to keep interest rates at current levels for a long time in conditions of weakness of the global economy. According to Bloomberg, the futures market is indicating that traders estimate the probability of increasing the cost of credit by the end of the year at about 27%, while in late September the expectations accounted for 41%. November Brent futures traded near the mark of \$49.3 per barrel – at the close on 14 October. Pressure on oil prices, which offset optimism of the stock markets in the Asian session, was given by the American Petroleum Institute data, which recorded a sharp increase in US oil inventories last week – by 9.3 million barrels per day. Including at the terminal in Cushing, which stores traded on the NYMEX oil, reserves rose by 1.4 million barrels per day.

For most of the trading session on Thursday the MICEX Index and European Stoxx Europe 600 Index had a percent plus, playing back the growing expectations that the Fed will not rush with the rate increase, given the difficult state of the global economy. Current news was mostly represented by mixed US statistics: the average number of applications over the past four weeks dropped to the lowest level since December 1973, consumer prices in September were 0.2% down – inflation remains below the Fed targeted level of 2% for more than three years, in October data on the index of manufacturing activity in New York and business activity in Philadelphia were worse than expected. At the end of the day the MICEX Index growth rate declined to 0.5% in the background of lower oil prices to around \$48.3 after the publication of the US Department of Energy data, which reported an increase in oil reserves by 7.5 million barrels.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the small final decline in the MicexPWR was made by shares of RusHydro and E.ON Russia.

ELECTRIC POWER INDUSTRY NEWS

Power companies propose to postpone half of the deadlines for commissioning energy projects, uncompleted under power delivery contracts, it is generally more than 3.7 GW, says a newspaper

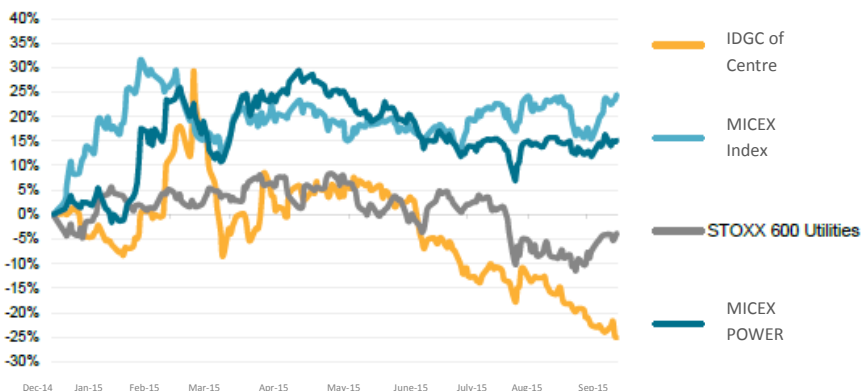
Read full text: <http://www.bigpowernews.ru/markets/document66704.phtml>

COMPANY NEWS

Arbitration Court rejected the appeal of JSC "AtomErgoSbyt" to include requirements of IDGC of Centre in the register of its creditors

Read full text: <http://www.mrsk-1.ru/press-center/news/company/50285/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 738,77	0,91%	24,50%
S&P 500	1 994,24	0,00%	-3,14%
FTSE 100	6 321,28	0,82%	-3,73%
DAX	10 001,97	0,87%	2,00%
DJStoxx 600	360,99	1,46%	5,39%
STOXX Utilities	303,54	0,99%	-3,77%
Nikkei	18 096,90	1,15%	3,70%
Sensex	26 996,43	0,81%	-1,83%
CSI300	3 486,82	2,37%	-1,33%
Bovespa	46 710,44	0,00%	-6,59%

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

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,15	0,00%	-5,16%
USD/RUB	62,22	0,00%	10,60%
Euro/RUB	70,90	0,00%	3,74%

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

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 184,13	0,00%	-0,02%
Brent*, USD/bbl	49,15	0,00%	-14,27%

* - November futures

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

Shares of IDGC of Centre	Value
Last transaction, RUB	0,189
Capitalisation**, billion RUB	7,98
Capitalisation**, million USD	128,23

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	0,42%	15,21%
Shares of IDGC of Centre**	-0,53%	-25,15%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-0,12%	3,11%
FGC UES	0,20%	32,87%
IDGC of Volga	-1,61%	-34,41%
MOESK	0,00%	-34,80%
IDGC of Northern Caucasus	-0,37%	11,16%
IDGC of Centre and Volga Reg	-0,29%	-29,81%
IDGC of North-West	-2,21%	4,74%
IDGC of Urals	-0,50%	30,28%
IDGC of Siberia	-2,83%	-42,78%
IDGC of South	1,89%	4,53%
Lenenergo	1,33%	52,00%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

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