



IDGC OF CENTRE

DAILY MARKET REVIEW

11 November, Wednesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 10 November some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 lost a percent – a record rate of decline since September – on concerns that the Federal Reserve would raise interest rates at the December meeting. According to the Financial Times, after the publication of statistics on the US labour market, pursuant to futures on the level of the basic interest rate of the Fed, the probability of its rise in December was estimated at 72%, and, according to experts, serious reasons will be required to change these expectations. In this connection, writes FT, the focus of investors' attention begins to shift to the question of the start of the Fed raising interest rates to the assessment of its future growth. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific decreased more than half a percent. In addition to the negative closing of the US exchanges, the Asian markets were pressured by another portion of weak statistics from China, where in October inflation data turned out to be worse than expected, producer prices continued to fall for the 44th month in a row. December Brent futures traded at \$47.3 per barrel, at the close on 09 November.

On Tuesday the main benchmark for the Russian market was the price of oil. Brent oil quotes testing at \$47 a barrel in mid-day was the cause of a percent fall of the MICEX Index, the rise in oil prices above \$47.5 per barrel allowed the MICEX Index to play most of the losses back. The volatility of oil prices was caused, including, conflicting forecasts from the IEA and OPEC on the prospects for the oil market. According to experts of the IEA, oil prices are unlikely to return to \$80 a barrel before the end of the decade, and by 2040 will rise only to \$85 per barrel, despite the unprecedented decline in investment in the sector – the IEA attributed this to the expected low growth in oil demand. At the same time, the head of OPEC said that the reduction of global investment in oil production by \$130 billion is a prerequisite for the resumption of growth in oil prices, which markets will see as early as 2016.

During the trading session the MicexPWR Sector Index overperformed due to the recovery of shares of RusHydro and FGC UES after strong sales on Monday.

ELECTRIC POWER INDUSTRY NEWS

FGC UES does not want to pay 482 million rubles to Rosseti under the contract for consulting services, and requires cost reductions, said to a newspaper.

This threatens incomes of "Rosseti": due to such agreements with subsidiaries and dividends the holding receives as the main income. But, according to Federal Grid Company, based on average prices and the value of the contract, almost a fifth of the staff of "Rosseti" is to be occupied with the provision of services for the company - 118 people. FGC believes that it can perform the work for less.

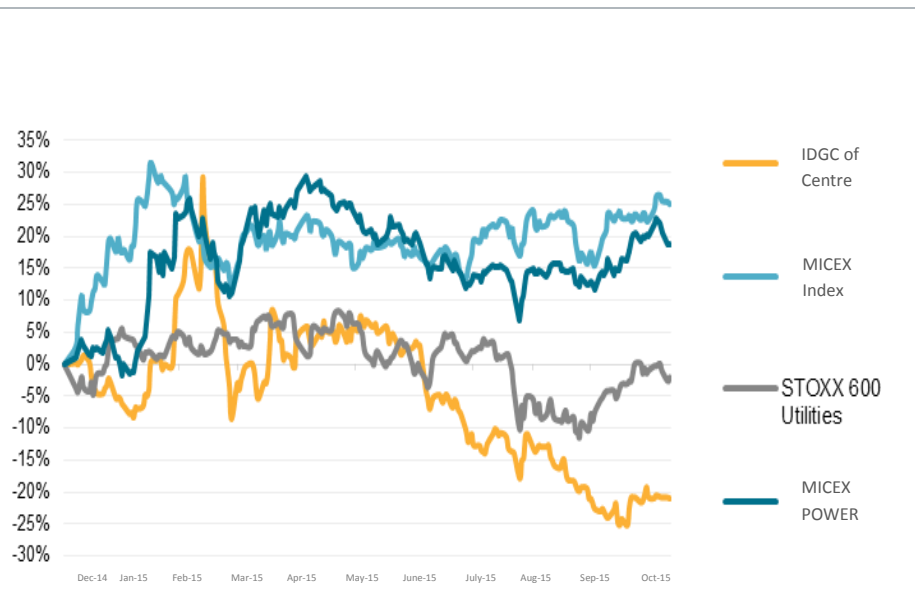
Read full text: <http://www.bigpowernews.ru/news/document67196.phtml>

COMPANY NEWS

Voronezhenergo completed training under a pilot project of IDGC of Centre "Support of grid connection"

Read full text: <http://www.kommersant.ru/doc/2850732>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 746,94	-0,26%	25,08%
S&P 500	2 081,72	0,15%	1,11%
FTSE 100	6 275,28	-0,32%	-4,43%
DAX	10 832,52	0,16%	10,47%
DJStoxx 600	376,27	0,10%	9,85%
STOXX Utilities	308,98	0,55%	-2,05%
Nikkei	19 671,26	0,15%	12,72%
Sensex	25 743,26	-1,45%	-6,39%
CSI300	3 833,24	-0,19%	8,48%
Bovespa	46 206,57	0,03%	-7,60%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,07	-0,49%	-11,94%
USD/RUB	64,66	1,53%	14,94%
Euro/RUB	69,61	0,52%	1,86%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 089,67	-0,24%	-8,00%
Brent*, USD/bbl	47,44	0,53%	-27,51%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1996
Capitalisation**, billion RUB	8,43
Capitalisation**, million USD	130,32

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	0,05%	18,83%
Shares of IDGC of Centre**	-0,15%	-20,95%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	1,08%	7,90%
FGC UES	2,11%	36,57%
IDGC of Volga	-0,25%	-28,85%
MOESK	-0,86%	-35,20%
IDGC of Northern Caucasus	0,38%	9,09%
IDGC of Centre and Volga Reg	0,46%	-32,61%
IDGC of North-West	0,37%	6,32%
IDGC of Urals	4,07%	54,83%
IDGC of Siberia	-0,18%	-39,67%
IDGC of South	-2,08%	6,80%
Lenenergo	-6,24%	41,71%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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