



IDGC OF CENTRE

DAILY MARKET REVIEW

02 September, Wednesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 01 September some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 closed lower by 0.7-0.8%, according to Bloomberg, due to the persistence of concerns about the stability of China's financial markets and economic growth in China. On Tuesday the fall of the composite index of the Asia-Pacific region MSCI Asia Pacific was 2.5%, futures on the S&P500 lost 1.5%. The main driver of the deterioration of market sentiment again was news from China, where two published Purchasing Managers' Indices showed a decrease in business activity in the industry in China at the highest rate in recent years. According to official data, the PMI following the results of August was the lowest for the last three years 49.7 points. According to Caixin/Markit, this indicator fell to 47.3 points – slightly above the minimum of 6 years preliminary 47.1 points. October Brent futures traded at \$52.9 per barrel – a dollar above the close on 31 August. On Monday Brent crude oil quotes rose by 8.2% on statements of OPEC's willingness to negotiate with other oil producers in order to "achieve a fair price" and the US Department of Energy data, which registered a decline in oil production in April-June. In just the last three trading sessions Brent rose by more than 25%, showing record growth since the early 90s.

On Tuesday the Russian and European markets once again were under pressure of Chinese problems. In the middle of the day losses of the MICEX Index and European Stoxx Europe 600 Index exceeded 2% and 3%, respectively. The MICEX Index was held from bigger reduction with oil prices, which entrenched above \$52 per barrel. In turn, the European markets had additional pressure with their own statistics – in August the manufacturing PMI fell to the lowest level since May. In the second half of the trading session the market sentiment deteriorated after the publication of weak statistics from the US, where the index of business activity in the industry in August fell to the lowest level since May 2013, the statements of the IMF about the deterioration of the global economic outlook, and the start on this background of trading in the US with 2% fall in indices. For the Russian market an additional negative factor was the decline in oil prices to around \$50 per barrel – the MICEX Index closed near the day's lows.

At the end of the trading the MicexPWR Sector Index looked considerably better than the market – the main sales were concentrated in the first-tier shares.

ELECTRIC POWER INDUSTRY NEWS

"Bulls" to put on "Rosseti"

To read full text: <http://1prime.ru/articles/20150831/818227610.html>

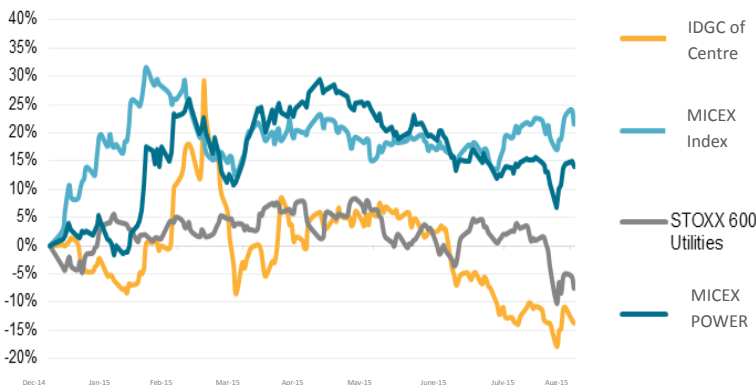
COMPANY NEWS

For 7 months of 2015 Smolenskenergo spent more than 130 million rubles on the repair program

For 7 months of 2015 IDGC of Centre - Smolenskenergo division spent 130.5 mln RUB on the implementation of measures to repair electrical equipment and electrical networks of the branch. Of these funds 52.4 mln RUB were spent to repair cables and overhead power lines of 0.4-110 kV, to repair 6-110 kV substations - 34.4 mln RUB. 43.7 mln RUB were allocated to maintain motor vehicles, buildings and structures, supervisory process control, instrumentation, and relay protection and automation in the current period.

To read full text: <http://www.mrsk-1.ru/press-center/news/branches/49976/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.14	
MICEX	1 697,99	-2,03%	21,58%
S&P 500	1 913,85	-2,96%	-7,05%
FTSE 100	6 058,54	-3,03%	-7,73%
DAX	10 015,57	-2,38%	2,14%
DJStoxx 600	352,89	-2,73%	3,02%
STOXX Utilities	291,72	-2,20%	-7,52%
Nikkei	18 165,69	-3,84%	4,10%
Sensex	25 696,44	-2,23%	-6,56%
CSI300	3 362,08	-0,13%	-4,86%
Bovespa	45 477,06	-2,46%	-9,06%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.14	
Euro/USD	1,13	0,60%	-7,29%
USD/RUB	66,72	0,36%	18,59%
Euro/RUB	74,85	-0,27%	9,52%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.14	
Gold, USD/oz	1 140,27	0,47%	-3,72%
Brent*, USD/bbl	49,56	-8,48%	-22,76%

* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2180
Capitalisation**, billion RUB	9,20
Capitalisation**, million USD	137,95

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.14	
MICEX-Power Index	-0,77%	14,14%
Shares of IDGC of Centre**	-0,68%	-13,66%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day fr 31.12.14	
JSC Russian Grids	-1,33%	7,44%
FGC UES	-0,29%	41,83%
IDGC of Volga	-0,69%	-22,40%
MOESK	-1,71%	-31,20%
IDGC of Northern Caucasus	-2,46%	14,88%
IDGC of Centre and Volga Reg	-1,56%	-28,16%
IDGC of North-West	0,00%	10,67%
IDGC of Urals	0,60%	9,00%
IDGC of Siberia	-0,55%	-39,33%
IDGC of South	0,91%	7,77%
Lenenergo	-1,18%	43,43%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, PJSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

IR Division

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

[MRKC](#)

[MRKC.RX](#)

[MRKC.MM](#)