



IDGC OF CENTRE

# DAILY MARKET REVIEW

04 March, Friday

2016

## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 03 March some moderately positive external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 rose by 0.2-0.4%, on Thursday the composite Asia-Pacific region index MSCI Asia Pacific added more than 1%. Investors were supported with growth in oil prices and good statistics on the US labour market – according to the ADP Research Institute, the number of jobs in the US increased in February by 214 thousand. Weak statistics from China, where the PMI consolidated, published by Caixin China and Markit, fell below the threshold level of 50 points, did not become a reason for the deterioration of sentiment in Asian markets. Investors are hoping that new measures to support China's economy may be announced at the session of the National People's Congress, which opens on Saturday. April Brent futures traded near the mark of \$36.7 per barrel, or \$0.3 higher than the closing level on 02 March. Oil quotes rose despite a jump in US oil inventories by 10.4 million barrels (three times higher than expected), to a record since 1930 517 million barrels. A statement of the US Department of Energy on the ongoing sixth straight week reduction of oil production in the country could offset the negative background of these data. In addition, Reuters reports, citing data from a survey of commodity traders, the belief of a drop in oil prices, which began in mid-2014, and is coming to an end, is gaining popularity on the market – the production slows down, while the demand remains strong.

The dynamics of oil prices was the main benchmark for the Russian market on Thursday. In the middle of the day the MICEX Index grew by more than 1.5% after a rise in oil prices to around \$37 per barrel. In the second half of the trading session the MICEX Index rate of growth slowed to 0.3%, after Brent quotations declined to morning levels. Our market was also pressured by a small decrease in European markets. Correction in Europe after a five-day rally, which was the longest since October last year, was due to a decrease in futures for US indices, as well as their own statistics – the composite index of business activity in the Eurozone in February fell to the lowest level for a year. Published in the US statistics was neutral in nature and did not have significant impact on the mood of investors – in general, data on business activity in the service sector in February, applications for unemployment benefits, and industrial orders in January were in line with expectations. Nevertheless, at the end of the day the MICEX Index growth accelerated to 1.4% –our market was supported with the oil price back to around \$37 per barrel.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the final slight MicexPWR decline was made by shares of Mosenergo and Inter RAO.

## ELECTRIC POWER INDUSTRY NEWS

### FAS proposes to reduce the rates of monopolies for violations of investment commitments and procurement

The Federal Antimonopoly Service of Russia offers to reduce tariffs of natural monopolies within the period of tariff regulation, which is now equal to one year, in violation of their investment obligations or in violation of the procurement activity, told RIA Novosti Deputy Head of the agency Vitaly Korolev.

Read full text: <http://www.bigpowernews.ru/markets/document69141.phtml>

## COMPANY NEWS

### IDGC of Centre facilitates implementation of a new project for import substitution in the Orel region

Read full text: <http://www.mrsk-1.ru/press-center/news/company/51418/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.15
MICEX	1 858,69	1,41%	5,53%
S&P 500	1 993,40	0,35%	-2,47%
FTSE 100	6 130,46	-0,27%	-1,79%
DAX	9 751,92	-0,25%	-9,23%
DJStoxx 600	339,42	-0,45%	-7,21%
STOXX Utilities	282,58	-0,08%	-7,69%
Nikkei	16 960,16	1,28%	-10,89%
Sensex	24 606,99	1,50%	-5,78%
CSI300	3 058,42	0,23%	-18,03%
Bovespa	47 193,39	5,12%	8,87%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.15
Euro/USD	1,09	0,86%	-9,96%
USD/RUB	73,63	-0,58%	1,02%
Euro/RUB	79,97	-0,70%	0,34%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.15
Gold, USD/oz	1 264,25	1,96%	19,15%
Brent*, USD/bbl	37,07	0,38%	-5,91%

\* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2147
Capitalisation**, billion RUB	9,06
Capitalisation**, million USD	123,11

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.15
MICEX-Power Index	-0,16%	7,84%
Shares of IDGC of Centre**	-0,79%	10,05%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.15
JSC Russian Grids	0,21%	14,50%
FGC UES	1,02%	13,82%
IDGC of Volga	1,88%	25,19%
MOESK	0,00%	5,07%
IDGC of Northern Caucasus	0,41%	-1,20%
IDGC of Centre and Volga Reg	1,29%	-0,32%
IDGC of North-West	-3,73%	31,75%
IDGC of Urals	0,96%	11,05%
IDGC of Siberia	-0,98%	3,48%
IDGC of South	1,64%	18,91%
Lenenergo	-2,34%	0,22%

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](#)

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