



IDGC OF CENTRE

# DAILY MARKET REVIEW

11 September, Friday

2015

## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 10 September some moderately negative external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 lost 1.4% on growth of concerns about a possible Fed rate hike at the September meeting. The reason for this was the strong statistics on the US labour market: in July the number of vacancies increased to record levels, while the rate of growth was the highest since April 2010. These data and the decline in oil prices, says MarketWatch, outweighed the positive expectations of new stimulus measures in China and Japan. On Thursday the composite stock index of the Asia-Pacific region MSCI Asia Pacific was 2% down. Additional pressure on the markets of the Asia-Pacific region was put by statistics from China and Japan. In China the fall in producer prices in August by 5.9% was the highest since 2009, deflation in this indicator continued for 42 consecutive months. In Japan in July orders for industrial machinery dropped, while economists had expected growth. This statistics reminded investors of existing opportunities for Japan's economy to reduce in the third quarter, which would formally meet the technical definition of a recession. October Brent futures traded near the mark of \$47.3 per barrel – a dollar below the level of our closing on 09 September. Concerns of outstripping growth in the supply of fuel continue to give the pressure on the oil market. According to the company Baker Hughes, the number of active oil and gas rigs in the world in August rose for the third month in a row, while the rise was recorded in all regions of the world.

On Thursday the MICEX Index had the trading session with the lateral dynamics near zero – rising oil prices from the daily lows neutralized the negative sentiment on European markets, where the major indices lost on average more than a percent. Released at the level of expectations US statistics on applications for unemployment benefits and the half-point increase in US indices in early trading had no significant impact on the dynamics of the Russian and European markets.

At the end of the trading session the MicexPWR Sector Index overperformed mainly due to increase in shares of RusHydro and E.ON Russia.

## ELECTRIC POWER INDUSTRY NEWS

### The Government approved the powers of the FAS in tariff regulation

The Russian Government has secured with the FAS of Russia the authority to make regulations and monitor compliance with legislation in the sphere of natural monopolies, state regulation of prices (tariffs) for goods (services), says Resolution of the Cabinet of Ministers № 941 "The powers of the FAS of Russia in the sphere of subjects of natural monopolies" signed on 4 September by Prime Minister Dmitry Medvedev.

Read full text: <http://www.bigpowernews.ru/markets/document66042.phtml>

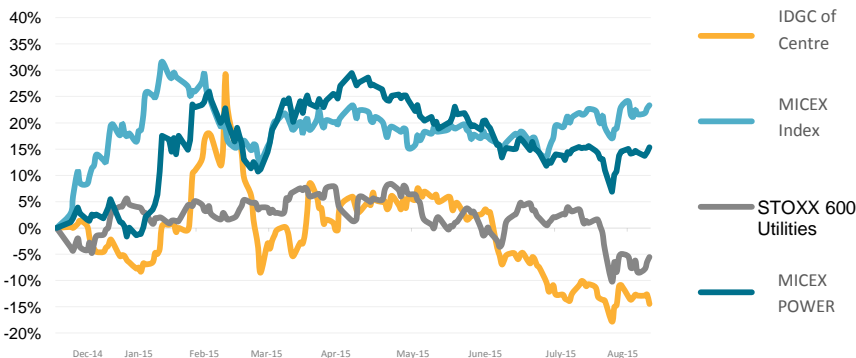
## COMPANY NEWS

### In the first half of 2015 Smolenskenergo reduced the number of complaints about the quality of electric energy in the Smolensk region

IDGC of Centre - Smolenskenergo division conducts systematic work to ensure the quality of the electricity supplied to consumers. The effectiveness of the efforts of power engineers is evidenced by the reduction in the Smolensk region for the first half of 2015 of the number of complaints about the quality of electric energy.

Read full text: <http://www.mrsk-1.ru/press-center/news/branches/50058/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 718,90	-0,20%	23,08%
S&P 500	1 952,29	0,53%	-5,18%
FTSE 100	6 155,81	-1,18%	-6,25%
DAX	10 210,44	-0,90%	4,13%
DJStoxx 600	359,34	-1,22%	4,90%
STOXX Utilities	292,54	-1,85%	-7,26%
Nikkei	18 299,62	-2,51%	4,86%
Sensex	25 622,17	-0,38%	-6,83%
CSI300	3 357,56	-1,23%	-4,98%
Bovespa	46 503,99	-0,33%	-7,01%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,13	0,92%	-7,35%
USD/RUB	67,62	-1,70%	20,20%
Euro/RUB	75,57	-1,76%	10,58%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 110,75	0,26%	-6,22%
Brent*, USD/bbl	48,89	2,75%	-23,80%

\* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2145
Capitalisation**, billion RUB	9,06
Capitalisation**, million USD	133,92

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	0,25%	15,62%
Shares of IDGC of Centre**	-0,69%	-15,05%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	0,22%	10,70%
FGC UES	-0,18%	43,14%
IDGC of Volga	-0,70%	-24,01%
MOESK	0,59%	-31,60%
IDGC of Northern Caucasus	0,35%	19,83%
IDGC of Centre and Volga Reg	-1,34%	-31,16%
IDGC of North-West	-1,75%	10,67%
IDGC of Urals	2,33%	14,89%
IDGC of Siberia	-1,38%	-36,56%
IDGC of South	1,51%	8,74%
Lenenergo	0,00%	48,00%

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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