



IDGC OF CENTRE

DAILY MARKET REVIEW

08 December, Tuesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 07 December some moderately positive external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed rising by 2.1%, showing the maximum pace of growth in the last three months. Buyers were supported with strong statistics on the labour market – in November the unemployment rate remained at a minimum of seven years of 5%, the growth in the number of jobs exceeded expectations, the October indicator was revised upward, just for two months the number of new jobs exceeded 500 thousand. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.2%, the indicator growth was restrained with a decline in stocks of energy companies after the fall in oil prices. January Brent futures traded near the mark of \$42.8 per barrel, or \$0.5 less than the closing level on Friday, December 4th. The oil market is still under pressure of the outcome of the last OPEC meeting on Friday. As noted by industry experts, for the first time, at least for the past 10 years, the final communique had no figures on oil production quotas. OPEC confined itself to the statement that the cartel would not adhere to the quotas and intends to preserve the actual production levels of around 31.5 million barrels per day. At the same time, the question of quota in the amount of 30 million barrels per day and exceeding for the last year and a half was decided to postpone until the next meeting to be held in June 2016.

On Monday the main indicator for the Russian market dynamics was the price of oil changes. Reducing Brent quotations to the annual minimum on a daily close, at \$42.5 per barrel, did not allow the MICEX Index to stay in positive territory. At midday the MICEX Index decline exceeded half a percent, despite more than a percent increase in the European Stoxx Europe 600 index. The European markets recovered after a record drop since August at the end of last week, triggered by the ECB's caution, which preserved, contrary to expectations, the amount of repurchase of assets within the QE program at the level of €60 billion. Sales on the Russian market increased after the fall in oil prices to around \$41.5 per barrel – the lowest level since March 2009, the MICEX Index closed trading lower by 0.8%.

During the trading session the MicexPWR Sector Index was consistent with the MICEX Index dynamics. The main contribution to the final MicexPWR reduction was made by shares of RusHydro and FGC UES.

ELECTRIC POWER INDUSTRY NEWS

FAS wants to expand tariff instruments

The Federal Antimonopoly Service (FAS) is discussing with the authorities to improve tariff regulation of state monopolies. FAS intends to offer them a new tool - the regulatory contract - and several new methods of tariff regulation. Some of them, however, have been tested by the Federal Tariff Service (FTS), and, according to experts, failed. The Ministry of Economy considers the offers not specific enough.

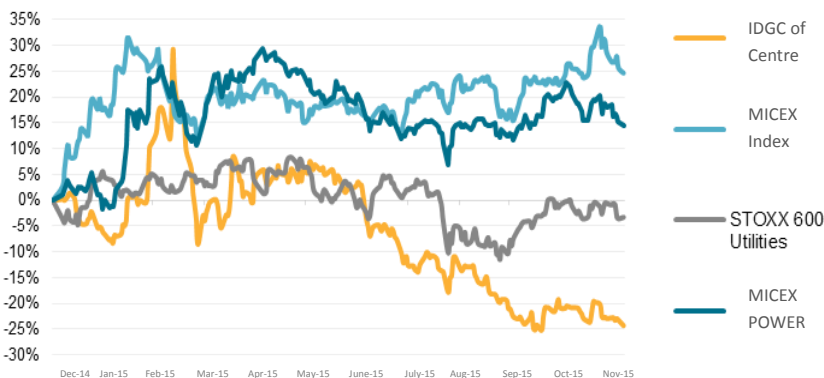
Read full text: <http://www.kommersant.ru/doc/2872134>

COMPANY NEWS

The failure-rate in grids of IDGC of Centre for nine months of 2015 decreased by 21% compared to the same period in 2014

Read full text: <http://www.mrsk-1.ru/press-center/news/company/50661/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 741,14	-0,80%	24,67%
S&P 500	2 077,07	-0,70%	0,88%
FTSE 100	6 223,52	-0,24%	-5,22%
DAX	10 886,09	1,25%	11,02%
DJStoxx 600	372,48	0,51%	8,74%
STOXX Utilities	305,14	0,32%	-3,27%
Nikkei	19 698,15	0,99%	12,88%
Sensex	25 530,11	-0,42%	-7,16%
CSI300	3 687,61	0,27%	4,36%
Bovespa	45 222,70	-0,30%	-9,57%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,09	-0,28%	-10,74%
USD/RUB	67,67	-0,15%	20,28%
Euro/RUB	73,67	2,69%	7,80%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 071,34	-1,39%	-9,54%
Brent*, USD/bbl	40,73	-5,28%	-38,36%

* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1912
Capitalisation**, billion RUB	8,07
Capitalisation**, million USD	119,29

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-0,80%	14,42%
Shares of IDGC of Centre**	-1,39%	-24,28%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-2,21%	4,43%
FGC UES	-1,71%	29,39%
IDGC of Volga	-1,27%	-30,11%
MOESK	-0,40%	-40,00%
IDGC of Northern Caucasus	0,40%	4,55%
IDGC of Centre and Volga Reg	-1,41%	-34,68%
IDGC of North-West	-1,86%	4,35%
IDGC of Urals	-2,00%	52,21%
IDGC of Siberia	-0,98%	-43,89%
IDGC of South	-0,94%	2,59%
Lenenergo	-2,00%	40,00%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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