



IDGC OF CENTRE

DAILY MARKET REVIEW

25 February, Thursday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 24 February some negative external background formed on the Russian market. On Tuesday the US indices DJIA and S&P500 fell 1.1-1.2%, reacting to the fall in oil prices. At the same time, notes Bloomberg, investors are increasingly concerned about the risks of large US banks on loans for the oil and gas industry. In this regard, shares of JPMorgan fell 4.2%, showing maximum losses among the DJIA stocks. The European Stoxx Europe 600 Index on Tuesday was 1.2% down after shares of mining companies – in particular, the value of BHP Billiton fell 6.1% after the announcement of the first in 15 years reduction in the dividend, which also turned out to be more than analysts' forecasts. On Wednesday the composite Asia-Pacific region index MSCI Asia Pacific lost about one percent in response to sales in the US, in Europe and the continued fall in oil prices. April Brent futures traded near the mark of \$32.8 per barrel, or \$1.7 less than the closing level on 22 February. The market was pressured with statements of representatives of Iran and Saudi Arabia indicating unwillingness to limit oil production. Minister of Petroleum of Saudi Arabia said that his country will not cut production because they do not believe that other large manufacturers of fuel will also use such a measure. According to him, the least efficient oil producers must either reduce costs or leave the market. In turn, Minister of Petroleum of Iran called the proposal to reduce Iran's production in the current conditions "ridiculous", having confirmed his intention to increase the production with a view to regain the market share lost due to international sanctions.

On Wednesday the Russian and European markets were dominated by sellers – in the second half of the trading session the fall of the MICEX Index and the Stoxx Europe 600 Index was about 2%. The main driver of the negative dynamics of stock markets was the fall in oil prices, which went below the mark of \$32.4 per barrel, after a statement of Minister of Petroleum of Iraq in the middle of the day that the country plans to increase its oil production by 1.5 times in five years. At the end of the day the MICEX Index was able to reduce the loss by one-third following the increase in oil prices above \$33 after the publication of the US Department of Energy data, which recorded the growth of oil reserves two times lower than it followed from the previously published data of the American Petroleum Institute. In addition, inventories of gasoline and distillates decreased more than expected for the week.

At the end of the trading session the MicexPWR Sector Index overperformed mainly due to the growth of shares of Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

Peat electricity generation to be allowed in regions

Read full text: <http://www.kommersant.ru/doc/2922786>

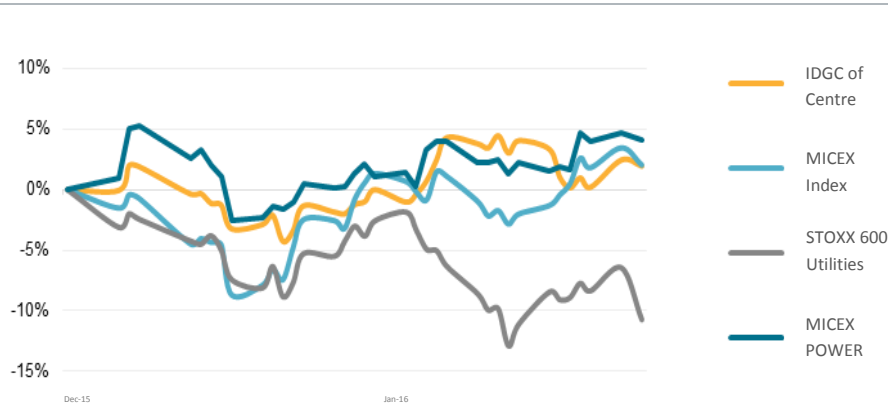
COMPANY NEWS

Stocks of IDGC of Centre, PJSC were included in the Moscow Exchange small/mid-cap indices

10 February 2016 Moscow Exchange launched indices for mid- and small-cap stocks, the MICEX SMID Index (MCXSM) and the RTS SMID Index (RTSSM), denominated in Russian rubles and US dollars, respectively. Stocks of IDGC of Centre, PJSC were included in the calculation base of the SMID Index with the weighting of 0.37% as of 16.12.2015. On the date of the last review of the index the company's stocks were the sole representative of the sector of interregional distribution grid companies.

Read full text: <http://www.mrsk-1.ru/press-center/news/company/51337/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.15
MICEX	1 797,27	-1,38%	2,04%
S&P 500	1 929,80	-0,81%	-5,58%
FTSE 100	5 867,18	-2,82%	-6,01%
DAX	9 167,80	-4,24%	-14,66%
DJStoxx 600	320,23	-3,49%	-12,46%
STOXX Utilities	273,29	-4,58%	-10,73%
Nikkei	15 915,79	-1,21%	-16,38%
Sensex	23 088,93	-2,94%	-11,60%
CSI300	3 109,55	-0,30%	-16,66%
Bovespa	42 084,56	-2,66%	-2,92%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.15
Euro/USD	1,10	-0,04%	-9,32%
USD/RUB	77,13	0,00%	5,83%
Euro/RUB	85,86	0,00%	7,73%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.15
Gold, USD/oz	1 228,75	1,66%	15,80%
Brent*, USD/bbl	34,41	-0,81%	-10,69%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1989
Capitalisation**, billion RUB	8,40
Capitalisation**, million USD	108,87

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.15
MICEX-Power Index	-0,53%	4,13%
Shares of IDGC of Centre**	-0,50%	1,95%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.15
JSC Russian Grids	-2,51%	5,90%
FGC UES	0,24%	5,98%
IDGC of Volga	0,23%	10,54%
MOESK	0,26%	2,00%
IDGC of Northern Caucasus	-1,22%	-3,20%
IDGC of Centre and Volga Reg	-0,82%	-3,98%
IDGC of North-West	-1,02%	5,84%
IDGC of Urals	0,00%	0,00%
IDGC of Siberia	-2,96%	0,61%
IDGC of South	0,00%	2,88%
Lenenergo	1,34%	-0,66%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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