



IDGC OF CENTRE

DAILY MARKET REVIEW

15 February, Monday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 12 February some moderately negative external background formed on the Russian market. The DJIA and S&P500 indices closed the trading session on Thursday lower by 1.2-1.6%, following the collapse of the European market and oil prices. At the same time, on the daily lows the drop of the indices was about 2.5%, the market managed to reduce losses after the turn of oil at regular speculation about the possibility of decreasing production by major manufacturers. On Friday the MSCI Pacific index lost about 4%, mainly due to the collapse of the Japanese market – the Nikkei 225 fell 4.8%. Just for a week the Nikkei lost more than 11%, showing the worst dynamics since October 2008. The negative factor for the Japanese market is still the sharp appreciation of the yen against the US dollar, which for two weeks became a record since 1998. As noted by analysts of Nomura Holdings, "the market has entered a new phase ... the dynamics of the currency market largely determines the situation on the stock market." April Brent futures traded near the mark of \$31.5 per barrel, or \$1.2 higher than the closing level on 11 February. At the same time, on Thursday Brent quotes fell below \$30 per barrel and WTI prices reached a new minimum level for 13 years at \$26.05 per barrel. Recovery in oil prices, according to Bloomberg, was due to a statement of Oil Minister of UAE that OPEC is ready to discuss with other oil exporters the issue of reducing production to achieve a balance in the market.

On Friday the Russian and European markets recovered after sales on 11 February, in the second half of the trading session the rate of growth of the MICEX Index and the Stoxx Europe 600 exceeded 1% and 2.5%, respectively. During the day investors were supported with higher oil prices, the announcement of Deutsche Bank for redemption of Eurobonds in the amount of \$5.4 billion, and released better than expected US statistics on retail sales. In January the figure rose for the third month in a row, with sales growth of the "control group" of goods – an indicator, which is used to calculate GDP, was the highest since May last year. At the end of the day the MICEX Index rise slowed down, despite the increase in the cost of Brent to around \$32 per barrel – investors preferred to be cautious after the publication of worse than forecast statistics on the index of consumer confidence in the US in February, which provoked an increase in volatility in the US market in early trading.

During the trading session the MicexPWR Sector Index corresponded to the MICEX Index dynamics. The main contribution to the MicexPWR rise was made by shares of Inter RAO.

ELECTRIC POWER INDUSTRY NEWS

The energy market rejects waste generation

Read full text: <http://www.kommersant.ru/doc/2916729>

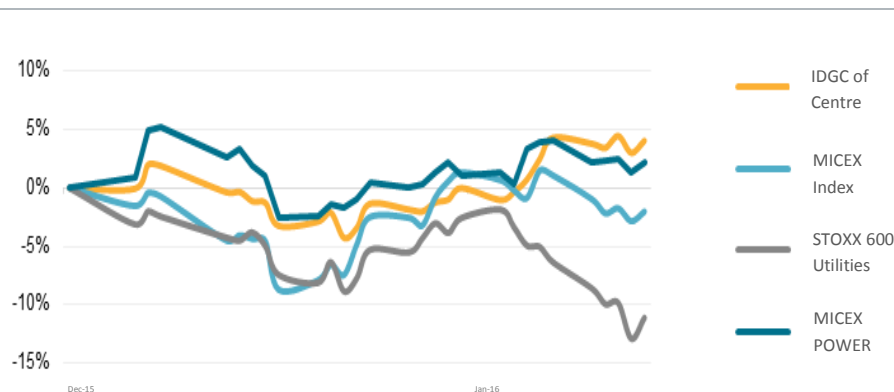
COMPANY NEWS

In 2016 Kurskenergo to spend more than 209 million rubles on execution of the repair program

IDGC of Centre – Kurskenergo division approved its repair program for 2016. It is planned to spend 209.2 million rubles to implement its activities. The repair schedule takes into account the interests of consumers: work related to disconnection of power supply will not be carried out during the autumn-winter peak loads.

Read full text: <http://www.mrsk-1.ru/press-center/news/branches/51256/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.15
MICEX	1 726,04	0,84%	-2,01%
S&P 500	1 864,78	1,95%	-8,77%
FTSE 100	5 707,60	3,08%	-8,57%
DAX	8 967,51	2,45%	-16,53%
DJStoxx 600	312,41	2,91%	-14,60%
STOXX Utilities	272,16	2,06%	-11,10%
Nikkei	14 952,61	-4,84%	-21,44%
Sensex	22 986,12	0,15%	-11,99%
CSI300	2 963,79	0,00%	-20,56%
Bovespa	39 808,05	1,25%	-8,17%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.15
Euro/USD	1,13	-0,65%	-7,41%
USD/RUB	79,11	0,06%	8,55%
Euro/RUB	89,34	0,14%	12,10%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.15
Gold, USD/oz	1 237,97	-0,70%	16,67%
Brent*, USD/bbl	33,36	10,98%	-13,42%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2030
Capitalisation**, billion RUB	8,57
Capitalisation**, million USD	108,33

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.15
MICEX-Power Index	0,91%	2,22%
Shares of IDGC of Centre**	1,00%	4,05%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.15
JSC Russian Grids	0,91%	1,68%
FGC UES	1,04%	4,44%
IDGC of Volga	-0,24%	7,97%
MOESK	0,93%	0,80%
IDGC of Northern Caucasus	-0,41%	-2,00%
IDGC of Centre and Volga Reg	-1,24%	1,11%
IDGC of North-West	1,75%	5,84%
IDGC of Urals	2,08%	3,16%
IDGC of Siberia	-0,20%	1,84%
IDGC of South	-1,54%	2,24%
Lenenergo	1,13%	-1,97%

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

MRKC.MM