



IDGC OF CENTRE

# DAILY MARKET REVIEW

29 January, Friday

2016

## REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 28 January some moderately negative external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 lost 1.1-1.4% on growing concerns about the prospects for the US economy, triggered by the Fed's statements, and weak reporting of a number of major companies, including Apple and Boeing. At the end of the two-day meeting the US Central Bank, as expected, left its benchmark interest rate to the target range of 0.25% to 0.5%. This follows from the final communique, the overall assessment of the economic situation in the US worsened, the Fed noted the weakening of activity in spite of the creation of new jobs, and expects to maintain low inflation. On Thursday the composite Asia-Pacific region index MSCI Asia Pacific was trading near zero in the multidirectional dynamics of the major country indices. A negative factor of the US market decline was offset by the growth of oil prices and expectations of keeping incentive policies by leading central banks. 28 January a two-day meeting of the Bank of Japan began, from which investors are waiting for the expansion to support the economy in the face of declining inflationary pressures. March Brent futures traded near the mark of \$32.6 per barrel, or \$0.4 higher than the closing level on 27 January. Oil prices were supported with a statement of the head of Transneft N.Tokarev that Russia can take part in a meeting of OPEC, which is planned to discuss a possible decline in oil production. According to him, the initiative of this meeting, which could take place as early as February, was made by Saudi Arabia. These statements of N. Tokarev were made at the end of last Wednesday meeting of heads of oil companies with the Russian Federation Minister of Energy.

Most of the trading session the MICEX Index was in a small plus, on average about half a percent. The rise of the Russian market after the growing oil prices, which in the middle of the day tested the level of \$34 per barrel, was restrained with pessimism of European investors. The Stoxx Europe 600 Index traded in minus under the pressure of negative closing of the US market, weak reporting of a number of companies and published worse than expected statistics on the composite index of business and consumer confidence in the Eurozone economy in January. In the afternoon the growth of the MICEX Index exceeded a percent after the rise in oil prices to around \$35.5 per barrel, following statements by the head of the Russian Ministry of Energy that Saudi Arabia at the previous meetings of OPEC suggested producing countries to reduce oil production by 5%, and the level of production cuts will be discussed at the planned meeting with OPEC. Rising oil prices allowed Russian investors to ignore the uncertain start of trading in the US after the publication of weak statistics on orders for durable goods in December and a significant increase in sales in Europe – the fall of the Stoxx Europe 600 Index to our close was near 2%.

During the day the dynamics of the MicexPWR Sector Index was generally in line with the market. The main contribution to the final MicexPWR growth was made by shares of Inter RAO, which added 3.8%.

## ELECTRIC POWER INDUSTRY NEWS

**FTS approved the indicative prices for electric energy for the population and buyers in some parts of the wholesale electricity market**

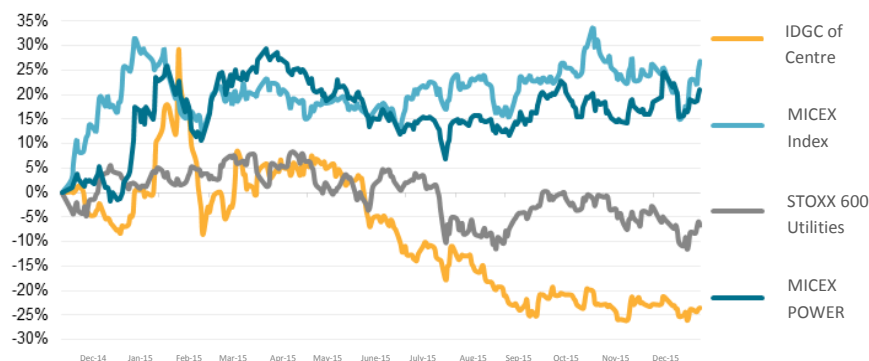
Read full text: <http://www.bigpowernews.ru/markets/document68484.phtml>

## COMPANY NEWS

**IDGC of Centre reduces electric energy losses in the grids**

Read full text: <http://www.mrsk-1.ru/press-center/news/company/51004/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.15
MICEX	1 771,93	1,39%	0,60%
S&P 500	1 893,36	0,55%	-7,37%
FTSE 100	5 931,78	-0,98%	-4,97%
DAX	9 639,59	-2,44%	-10,27%
DJStoxx 600	334,89	-1,57%	-8,45%
STOXX Utilities	294,41	-0,84%	-3,83%
Nikkei	17 041,45	-0,71%	-10,47%
Sensex	24 469,57	-0,09%	-6,31%
CSI300	2 853,76	-2,61%	-23,51%
Bovespa	38 630,19	0,66%	-10,89%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.15
Euro/USD	1,09	0,68%	-9,97%
USD/RUB	79,00	-3,47%	8,39%
Euro/RUB	85,85	-3,42%	7,72%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.15
Gold, USD/oz	1 115,33	-0,86%	5,11%
Brent*, USD/bbl	33,89	2,39%	-10,03%

\* - March futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1932
Capitalisation**, billion RUB	8,16
Capitalisation**, million USD	103,25

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.15
MICEX-Power Index	0,85%	2,17%
Shares of IDGC of Centre**	0,26%	-0,97%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.15
JSC Russian Grids	0,02%	0,90%
FGC UES	0,77%	-0,76%
IDGC of Volga	2,02%	3,86%
MOESK	-0,67%	-0,67%
IDGC of Northern Caucasus	0,00%	-2,80%
IDGC of Centre and Volga Reg	0,49%	-1,11%
IDGC of North-West	1,87%	-0,36%
IDGC of Urals	-0,52%	0,53%
IDGC of Siberia	-0,66%	-7,79%
IDGC of South	2,61%	0,96%
Lenenergo	-0,22%	-2,84%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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## Tickers

Moscow Exchange (MOEX)

Bloomberg

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