



IDGC OF CENTRE

# DAILY MARKET REVIEW

11 February, Thursday

2016

## REVIEW OF STOCK MARKETS

Before the opening of trading on Wednesday 10 February some moderately negative external background formed on the Russian market. The US indices DJIA and S&P500, losing on the daily lows around a percent, including, under pressure of a drop in oil prices, could close the trading session on Tuesday with a decline in the range of 0.1%. On Wednesday the fall of the composite Asia-Pacific region index MSCI Asia Pacific was about 1.5%. The Japanese market remained as an outsider again – the Nikkei 225 index lost 2.3% and closed trading at the lowest level since October 2014. A negative factor for the Japanese stock market is strengthening of the yen, which reduces profits of exporters. After a 5% fall from the beginning of February, the dollar-yen was trading at levels of November 2014. The Japanese currency, notes Bloomberg, rises in price due to increased demand for safe assets under conditions of high turbulence in the financial markets. April Brent futures traded near the mark of \$30.8 per barrel, or \$1.5 less than the closing level on 09 February. Oil prices were pressured by a number of factors. Firstly, the IEA increased its forecast for a surplus of oil on the world market in the first quarter to 1.75 million barrels a day, calling speculative the talk of a possible deal of oil producers for the coordinated reduction of its production. Secondly, the Directorate for information in the field of Energy of the US Department of Energy lowered oil price forecast in 2016 for Brent and WTI to \$37.5-37.6 per barrel. Thirdly, the American Petroleum Institute again recorded an increase in oil inventories for the week – by 2.4 million barrels. As a result, on Tuesday Brent and WTI prices fell 7.8% and 5.9%, respectively.

The MICEX Index most of the day had lateral dynamics near zero, despite strong growth of European markets. The limiting factor for our market was oil prices, which consolidated on morning levels. At the same time the rise of the Stoxx Europe 600 index in the second half of the trading session was about 2.5%. The driver of the European growth was papers of the financial sector, which was supported with the information that Deutsche Bank is considering the repurchase of its own treasury bonds to allay investors' concerns with regard to the sufficiency of liquidity to service debt. The day before, writes Bloomberg, the Stoxx Europe 600 bank indicator fell to the lowest since 2012 due to the market concerns about the creditworthiness of representatives of the sector. In the afternoon a surge in volatility in the markets was provoked by publication in the media of a text speech of the Fed's Head in the US Congress. As noted by analysts, the speech of the Federal Reserve Chair provides signals about weakening of growth in the economy and financial situation. At the same time it implies that the Fed is not ready to abandon the gradual increase in interest rates. Nevertheless, this information had no significant impact on the dynamics of trading. At the end of the day Russian investors were supported with the rise in oil prices after the US Department of Energy statistics, which registered a decline of oil reserves by 0.8 million barrels for the week, while analysts had expected an increase of 3.2 million barrels.

During the trading session the MicexPWR Sector Index corresponded to the MICEX Index dynamics. The main contribution to the final MicexPWR growth was made by shares of RusHydro and E.ON Russia.

## ELECTRIC POWER INDUSTRY NEWS

**BP expects that more than half of global energy consumption growth to be in the electric power industry**

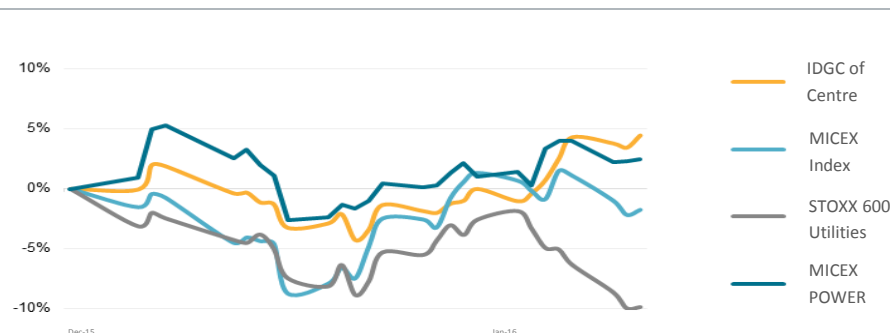
Read full text: <https://rns.online/energy/BP-ozhidaet-cto-bolee-polovini-prirosta-mirovogo-energopotrebleniya-privetsiya-na-elektroenergetiku-2016-02-10>

## COMPANY NEWS

**In 2015 Orelenergo transferred more than 345 million rubles to the budgets of all levels and off-budget funds**

Read full text: <http://www.press-release.ru/branches/energy/e483242e237bb/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.15
MICEX	1 730,83	0,43%	-1,73%
S&P 500	1 851,86	-0,02%	-9,40%
FTSE 100	5 672,30	0,71%	-9,13%
DAX	9 017,29	1,55%	-16,06%
DJStoxx 600	315,19	1,87%	-13,84%
STOXX Utilities	276,03	0,11%	-9,83%
Nikkei	15 713,39	-2,31%	-17,44%
Sensex	23 758,90	-1,09%	-9,03%
CSI300	2 963,79	0,00%	-20,56%
Bovespa	40 376,58	-0,53%	-6,86%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.15
Euro/USD	1,12	-0,72%	-7,63%
USD/RUB	78,68	2,37%	7,95%
Euro/RUB	88,04	2,79%	10,47%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.15
Gold, USD/oz	1 197,12	0,67%	12,82%
Brent*, USD/bbl	30,84	1,72%	-19,96%

\* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2038
Capitalisation**, billion RUB	8,60
Capitalisation**, million USD	109,35

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.15
MICEX-Power Index	0,21%	2,50%
Shares of IDGC of Centre**	0,99%	4,46%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.15
JSC Russian Grids	0,23%	3,93%
FGC UES	0,18%	5,45%
IDGC of Volga	1,17%	11,05%
MOESK	0,40%	0,67%
IDGC of Northern Caucasus	0,41%	-1,20%
IDGC of Centre and Volga Reg	-1,08%	2,23%
IDGC of North-West	1,43%	3,65%
IDGC of Urals	-1,05%	-1,05%
IDGC of Siberia	-2,91%	2,46%
IDGC of South	0,93%	3,85%
Lenenergo	-0,44%	-1,53%

Source: MOEX, Company calculations

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

## IDGC of Centre, PJSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

## IR Division

+7 (495) 747 92 92, ext. 33-34

[ir@mrsk-1.ru](mailto:ir@mrsk-1.ru)

## Tickers

Moscow Exchange (MOEX)  
Bloomberg  
Reuters

[MRKC](#)  
[MRKC.RX](#)  
[MRKC.MM](#)