



IDGC OF CENTRE

DAILY MARKET REVIEW

14 March, Monday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 11 March some moderately positive external background formed on the Russian market. The US indices DJIA and S&P500 closed the volatile session on Thursday with multidirectional changes in the range of 0.1%. At the same time on the daily lows the loss of the indices reached a percent despite a substantial expansion of the ECB's economic stimulus programs. The markets falling was triggered by the statement of the ECB head M. Dragi that under current conditions he sees no need to further reduce interest rates. Later, the chairman of the ECB stressed that he does not rule out lowering rates in the case of deterioration of macroeconomic indicators, but this could not stop the sale in the markets. On Friday the composite Asia-Pacific region index MSCI Asia Pacific added more than 0.5%. As noted by Bloomberg, investors considered the market reaction to the out of context "careless" words of M. Dragi excessive. May Brent futures traded near the mark of \$40.8 per barrel, or \$0.7 higher than the closing level on 10 March. Oil prices returned to levels reached after the publication on Wednesday of the US Department of Energy statistics, which recorded the highest since September last year gasoline demand in the last four weeks, and the minimum since November 2014 level of oil production.

On Friday the MICEX Index was moving in the opposite phase to the Western markets. In the afternoon the European Stoxx Europe 600 and futures for US indices added more than 2.5% and 1%, respectively, after rethinking the statements of the ECB head. "Draghi does a lot, but he often says the wrong thing, and this leads to the opposite effect. In fact, the steps, taken by the ECB, are very favourable for the markets," summed up the Oppenheimer Funds. At the same time the MICEX Index reduction reached 0.9% after falling shares of exporters, which were under pressure from a strengthening of the ruble. At the end of the day the MICEX Index was able to reduce the loss to 0.4% after the start of trading in the US with more than a percent growth of the major indices.

During the trading session the MicexPWR Sector Index overperformed. The main contribution to the final MicexPWR growth was made by shares of OGC-2 and E.ON Russia.

ELECTRIC POWER INDUSTRY NEWS

FAS is in favour of the abolition of the law on natural monopolies

10 March (BigpowerNews) - the FAS argued for the abolition of the law on natural monopolies, stated Igor Artemyev, head of the service on 3 March at a seminar on implementation of powers in the sphere of state regulation of tariffs.

Read full text: <http://www.bigpowernews.ru/markets/document69231.phtml>

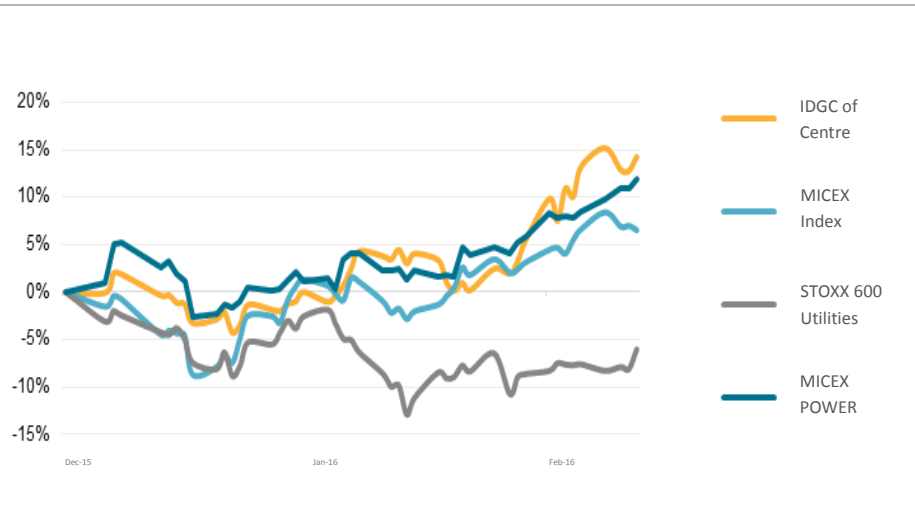
COMPANY NEWS

In 2015 Smolenskenergo spent about 5 million rubles to implement environmental measures

IDGC of Centre – Smolenskenergo division summed up the implementation of the 2015 environmental program. During that period the Smolensk branch of IDGC of Centre spent about 5 million rubles to implement measures in the field of ecology. Of this amount, 2,285 thousand rubles were transferred for payments for negative impact on the environment (20 thousand rubles - for standard emissions, 1.629 million rubles - for standard effluents limitation and 636 thousand rubles - for disposal of hazardous waste).

Read full text: <http://www.mrsk-1.ru/press-center/news/branches/51641/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.15
MICEX	1 876,54	-0,43%	6,54%
S&P 500	2 022,19	1,64%	-1,06%
FTSE 100	6 139,79	1,71%	-1,64%
DAX	9 831,13	3,51%	-8,49%
DJStoxx 600	342,23	2,62%	-6,45%
STOXX Utilities	287,70	2,27%	-6,02%
Nikkei	16 938,87	0,51%	-11,01%
Sensex	24 717,99	0,38%	-5,36%
CSI300	3 018,28	0,17%	-19,10%
Bovespa	49 638,68	0,14%	14,51%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.15
Euro/USD	1,12	-0,34%	-8,23%
USD/RUB	71,09	-1,77%	-2,46%
Euro/RUB	77,98	-1,85%	-2,15%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.15
Gold, USD/oz	1 249,45	-1,79%	17,75%
Brent*, USD/bbl	40,39	0,85%	2,51%

* - May futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2229
Capitalisation**, billion RUB	9,41
Capitalisation**, million USD	132,37

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.15
MICEX-Power Index	0,85%	11,86%
Shares of IDGC of Centre**	1,32%	14,25%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.15
JSC Russian Grids	-0,70%	24,24%
FGC UES	1,07%	14,87%
IDGC of Volga	1,00%	29,31%
MOESK	1,25%	8,00%
IDGC of Northern Caucasus	3,52%	6,00%
IDGC of Centre and Volga Reg	-0,16%	-1,11%
IDGC of North-West	-3,04%	39,78%
IDGC of Urals	2,35%	14,74%
IDGC of Siberia	-6,02%	5,53%
IDGC of South	2,08%	25,64%
Lenenergo	0,79%	11,35%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

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