



IDGC OF CENTRE

DAILY MARKET REVIEW

01 September, Tuesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 31 August some moderately negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed with opposite changes in the range of 0.1% to the ambiguous statistics: data on revenues and expenditures of the population in July were released at the level of expectations, while the decline in the consumer confidence index in August surpassed forecasts. On Monday the composite index of the Asia-Pacific region MSCI Asia Pacific and futures on the S&P500 lost about one percent. The market was pressured with growth of expected raising interest rates by the Fed in September. According to The Wall Street Journal, representatives of the US Central Bank, who participated in the annual symposium in Jackson Hole, made it clear that the high volatility of the stock markets and the problems of the Chinese economy had not changed the plans of the Federal Reserve to increase interest rates this year. An additional negative factor for investors in the Asian session was the information of Financial Times that the Chinese government had decided to abandon attempts to support the stock market due to large purchases of shares and intends to focus on finding and punishing those suspected of "destabilizing the market". According to the newspaper's sources, some of the authorities insist that the downturn in the market is linked to actions of "external forces" that deliberately destabilized the market. This opinion, notes Financial Times, could be an alarming signal for foreign investors. October Brent futures traded near \$49.3 per barrel – \$0.7 below the closing level on Friday, August 28th. Profits were taken at the oil market after a sharp rise last week – Brent crude oil price increased by 10%. The reason for the sale was also information from Baker Hughes on an increase in the number of active oil rigs in the United States.

On Monday the MICEX Index had volatile dynamics, following the changes of oil prices. On the daily lows, as prices for Brent fell below \$48.5 per barrel, the loss of the MICEX Index exceeded 0.5%. In the afternoon the oil quotations turned back and by the end of the trading session approached the level of \$52 per barrel on news that OPEC was willing to negotiate with other oil producers in order to "achieve a fair price", which allowed the MICEX Index to close trading with the growth of 0.8%. At the same time the western markets were dominated by negative sentiment caused by news from China and rising expectations of the September's raising interest rates by the Fed – the reduction of the US indices and the main European indices averaged about 0.5%.

During the day the MicexPWR Sector Index was generally in line with the dynamics of the MICEX Index. The accelerated growth of the MICEX Index for the day provided the rise in prices of shares of companies of the first tier at the auction closing.

ELECTRIC POWER INDUSTRY NEWS

The Power Industry is put on auction

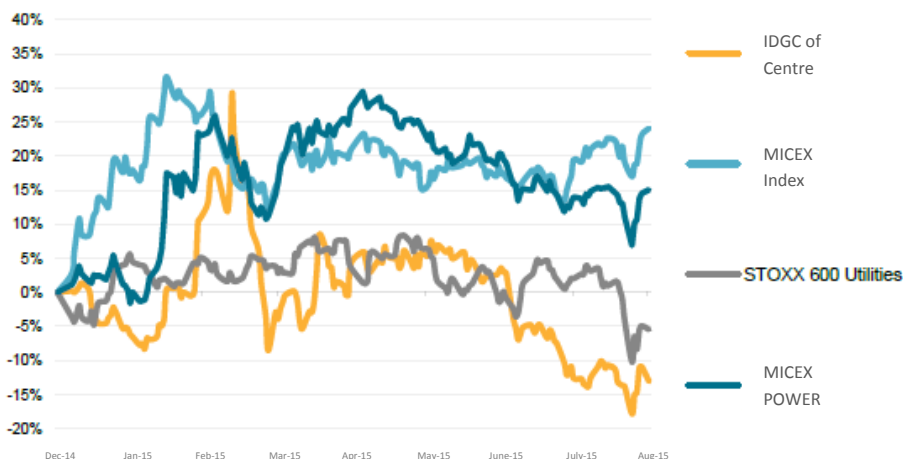
To read full text: <http://www.kommersant.ru/doc/2799888>

COMPANY NEWS

Automation of street lighting: the time "intelligent" systems

To read full text: <http://www.kommersant.ru/doc/2797491>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 733,17	0,81%	24,10%
S&P 500	1 981,97	-0,35%	-3,74%
FTSE 100	6 247,94	0,00%	-4,85%
DAX	10 259,46	-0,38%	4,63%
DJStoxx 600	362,79	-0,13%	5,91%
STOXX Utilities	298,27	-0,54%	-5,44%
Nikkei	18 890,48	-1,28%	8,25%
Sensex	26 283,09	-0,41%	-4,42%
CSI300	3 366,54	0,73%	-4,73%
Bovespa	46 094,70	-2,25%	-7,82%

Source: Bloomberg, Company calculations (19:00 MSK)

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,12	0,00%	-7,55%
USD/RUB	66,48	-1,44%	18,17%
Euro/RUB	75,05	-1,69%	9,81%

Source: Bloomberg, Company calculations (19:00 MSK)

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 133,60	0,00%	-4,29%
Brent*, USD/bbl	50,05	0,00%	-12,70%

* - October futures

Source: Bloomberg, Company calculations (19:00 MSK)

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2195
Capitalisation**, billion RUB	9,27
Capitalisation**, million USD	139,40

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	0,42%	15,02%
Shares of IDGC of Centre**	-2,44%	-13,07%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-1,74%	8,89%
FGC UES	-0,55%	42,24%
IDGC of Volga	-1,23%	-30,00%
MOESK	-2,23%	-30,00%
IDGC of Northern Caucasus	0,71%	17,77%
IDGC of Centre and Volga Reg	3,68%	-27,02%
IDGC of North-West	1,45%	10,67%
IDGC of Urals	0,91%	8,35%
IDGC of Siberia	2,62%	-39,00%
IDGC of South	-1,49%	6,80%
Lenenergo	-0,39%	45,14%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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