



IDGC OF CENTRE

DAILY MARKET REVIEW

19 August, Wednesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 18 August some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 rose by 0.4-0.5%, despite the drop in the index of manufacturing activity in New York to the lowest since 2009. Buyers were supported, reports Bloomberg, with statistics on the housing market – the confidence index, which estimates the opinion of construction companies to the situation on the market in August rose to nearly a 10-year high. However, on Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific declined by 0.5% under the pressure of another collapse of the Chinese stock market. The CSI300 Index fell 6.2% after reports that China Securities Finance (CSF), receiving funds in the form of loans from the Bank of China and providing liquidity to participants of the market of shares, will reduce the amount of intervention in the stock market due to the weakening of the volatility. According to analysts, in the framework of the measures announced by the government to support the stock market CSF became a major player in the market, and any news about the decline of its activity becomes an occasion for sales. October futures for Brent traded near \$48.4 per barrel – nearly a dollar below the closing on 17 August. Quotes of oil resumed its decline on concern of the expansion of imbalance of supply and demand. In particular, according to experts of BMI Research (a Fitch division), a significant increase in oil prices will not be until 2018 because of the increase in supply from Iran and a large number of new projects in North America, West Africa, Kazakhstan and the Middle East. BMI Research analysts downgraded the forecast average price of Brent in 2015 from \$59 to \$57 per barrel, in 2016 – from \$61 to \$56 per barrel, in 2017 – from \$63 to \$55 per barrel.

Throughout the trading session the Russian and European markets were under pressure from the collapse of the Chinese stock markets and falling commodity prices, triggered by concerns about the Chinese economy. In the afternoon the MICEX Index decline exceeded 1.2%, the major European indices lost on average about half a percent. The stock indicators could play some losses back after the publication of strong data from the US, where the number of new buildings in July reached a record in nearly eight years.

At the end of the trading session the MicexPWR Sector Index overperformed – active sales on the market mainly affected first-tier shares.

ELECTRIC POWER INDUSTRY NEWS

"Rosseti" reduced power losses by more than 330 million kWh in the first half of 2015

The Group of Companies "Rosseti" reduced the actual loss of electricity in the first half of 2015 by 1.88% (337.8 million kWh) to 9.32% (37.4 billion kWh) of electricity supply to the grid compared to the first half of 2014.

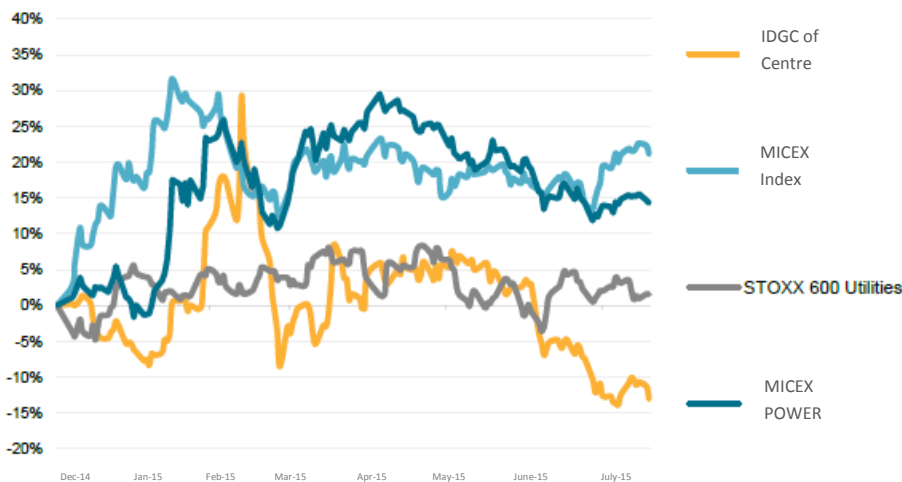
To read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=24562

COMPANY NEWS

Kostromaenergo increases the volume of grid connections

To read full text: <http://www.mrsk-1.ru/press-center/news/branches/49902/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 691,24	-0,98%	21,10%
S&P 500	2 096,99	-0,26%	1,85%
FTSE 100	6 526,29	-0,37%	-0,61%
DAX	10 915,92	-0,22%	11,32%
DJStoxx 600	388,13	0,22%	13,31%
STOXX Utilities	320,33	-0,03%	1,55%
Nikkei	20 554,47	-0,32%	17,79%
Sensex	27 831,54	-0,17%	1,21%
CSI300	3 825,41	-6,19%	8,25%
Bovespa	46 877,99	-0,72%	-6,26%

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

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,11	0,00%	-8,43%
USD/RUB	65,50	0,87%	16,43%
Euro/RUB	72,57	0,28%	6,19%

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

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 117,70	0,00%	-5,63%
Brent*, USD/bbl	48,74	0,00%	-14,98%

* - 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	141,47

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-0,33%	14,27%
Shares of IDGC of Centre**	-2,01%	-13,07%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-1,17%	11,78%
FGC UES	-0,38%	41,93%
IDGC of Volga	-0,23%	-20,61%
MOESK	0,61%	-33,60%
IDGC of Northern Caucasus	-1,01%	21,07%
IDGC of Centre and Volga Reg	-1,40%	-27,12%
IDGC of North-West	-0,70%	12,65%
IDGC of Urals	-0,15%	11,78%
IDGC of Siberia	0,38%	-42,00%
IDGC of South	-2,77%	2,27%
Lenenergo	-0,18%	60,29%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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Reuters

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