



IDGC OF CENTRE

DAILY MARKET REVIEW

24 February, Wednesday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Saturday 20 February some neutral external background formed on the Russian market. On Friday the US indices DJIA and S&P500 closed with the slight decline in the range of 0.15%, almost entirely playing back the nearly percent decline at the beginning of the day. Investors paid attention to the statistics on inflation – increase in consumer prices, excluding energy prices and food, in January compared with December was a record in four years. According to analysts, these data may reduce concern about the strengthening of deflationary processes in the US economy. April futures for Brent, losing on Friday around 4%, closed trading at \$30 per barrel, slightly higher than the closing level of the Russian market. According to MarketWatch, oil prices fell on the data on the growth in the US stocks to record levels – investors' attention has returned to the oversupply of hydrocarbons on the world market. At the same time, the market hardly responded to the information of Baker Hughes oilfield service company about reduction in the number of drilling rigs operating in the US for the ninth consecutive week.

In the absence of external reference points the MICEX Index spent the entire day with the lateral dynamics near zero. Investors' activity was extremely low – the ruble trading volume for the securities included in the MICEX Index was the lowest since 2005.

At the end of the trading session the MicexPWR Sector Index overperformed mainly due to the growth of shares of Inter RAO and E.ON Russia.

ELECTRIC POWER INDUSTRY NEWS

Far East is far from subsidies

Ministries criticized the FAS project on the implementation of subsidies for generation companies in the Far East at the expense of the rest of the country's consumers. The Service in an attempt to fulfill orders of the president to reduce tariffs made a compromise draft, which has no amount of compensation or preferential regions or allocation scheme. As a result, it was not approved not only by ideological opponents of such subsidies — the Ministry of Energy and the Ministry of Economy, but the Ministry of Far East Development either. Disagreements will be settled by the surcharge initiator — Deputy Prime Minister Yuri Trutnev.

Read full text: <http://www.kommersant.ru/doc/2919274>

COMPANY NEWS

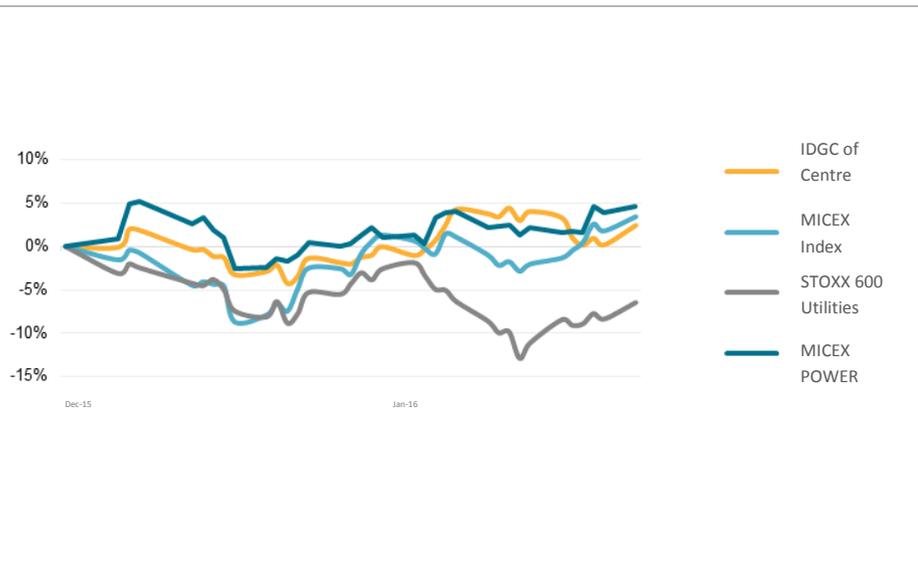
The economic effect of the implementation in 2015 of the program of energy saving and energy efficiency of Smolenskenergo amounted to more than 37 million rubles

The total economic effect of the implementation in 2015 of the program of energy saving and energy efficiency in IDGC of Centre - Smolenskenergo division was 14.25 million kWh in the amount of 37.03 million rubles, thus the targets set for 2015 have been achieved.

Read full text:

http://www.ruscable.ru/news/2016/02/18/Ekonomicheskij_effekt_ot_realizatsii_v_2015_godu_p/

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



| World indexes | Value | Change for the day | Change fr 31.12.15 |
|-----------------|-----------|--------------------|--------------------|
| MICEX | 1 822,38 | 1,62% | 3,46% |
| S&P 500 | 1 945,50 | 1,45% | -4,82% |
| FTSE 100 | 6 037,73 | 1,47% | -3,28% |
| DAX | 9 573,59 | 1,98% | -10,89% |
| DJStoxx 600 | 331,82 | 1,67% | -9,29% |
| STOXX Utilities | 286,42 | 2,08% | -6,44% |
| Nikkei | 16 111,05 | 0,90% | -15,36% |
| Sensex | 23 788,79 | 0,34% | -8,92% |
| CSI300 | 3 118,87 | 2,20% | -16,41% |
| Bovespa | 43 234,86 | 4,07% | -0,27% |

Source: Bloomberg, Company calculations

| Currency rates | Value | Change for the day | Change fr 31.12.15 |
|----------------|-------|--------------------|--------------------|
| Euro/USD | 1,10 | -0,92% | -9,29% |
| USD/RUB | 77,13 | 2,22% | 5,83% |
| Euro/RUB | 85,86 | 2,15% | 7,73% |

Source: Bloomberg, Company calculations

| Raw | Value | Change for the day | Change fr 31.12.15 |
|-----------------|----------|--------------------|--------------------|
| Gold, USD/oz | 1 208,63 | -1,48% | 13,90% |
| Brent*, USD/bbl | 34,69 | 5,09% | -9,97% |

* - April futures

Source: Bloomberg, Company calculations

| Shares of IDGC of Centre | Value |
|-------------------------------|--------|
| Last transaction, RUB | 0,1999 |
| Capitalisation**, billion RUB | 8,44 |
| Capitalisation**, million USD | 109,41 |

Source: Central Bank of Russia, Company calculations

| Russian indexes | Change for the day | Change fr 31.12.15 |
|----------------------------|--------------------|--------------------|
| MICEX-Power Index | 0,67% | 4,68% |
| Shares of IDGC of Centre** | 2,25% | 2,46% |

Source: Bloomberg, Company calculations

| Grid companies | Change** for the day | Change** fr 31.12.15 |
|------------------------------|----------------------|----------------------|
| JSC Russian Grids | 0,12% | 5,04% |
| FGC UES | -0,64% | 4,88% |
| IDGC of Volga | 0,96% | 7,71% |
| MOESK | 0,00% | 1,33% |
| IDGC of Northern Caucasus | 1,24% | -2,00% |
| IDGC of Centre and Volga Reg | 0,33% | -3,66% |
| IDGC of North-West | -2,42% | 2,92% |
| IDGC of Urals | 0,52% | 1,05% |
| IDGC of Siberia | 3,13% | 1,23% |
| IDGC of South | -0,31% | 1,92% |
| Lenenergo | 0,00% | -3,28% |

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

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM