



IDGC OF CENTRE

# DAILY MARKET REVIEW

31 August, Monday

2015

## REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 28 August some moderately positive external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 rose by 2.3-2.4% on the general improvement in sentiment in global markets and own good statistics: estimation of the GDP growth in the II quarter was improved from 2.3% to 3.7%, data on applications for unemployment benefits were better than expected. On Friday, after the US markets the composite index of the Asia-Pacific region MSCI Asia Pacific added 2.4%. The Chinese market has been growing for the second day in a row – the CSI300 rose by 4.3%. Analysts continue to attribute this rise to injections of public funds into the market, and noted that the market decline may be resumed after the completion of the state-backed support. In particular, Bank of America believes that the rise of the Chinese stock market will be short-lived, since government interventions in this area are too expensive to be able to continue them for a long time. According to analysts, the current value of shares of Chinese companies is unreasonably high in view of the continuing deterioration in the Chinese economy, and the market could lose more than 30% before Chinese stocks become attractive for investment. October Brent futures traded near \$47.9 per barrel – \$1.8 higher than the closing level on 27 August. In general, the increase of more than 10% on Thursday was a record over the past six years. According to analysts, the sharp rise in oil prices, which removed the accumulated being oversold, was mainly due to a rally in global stock markets. With regard to medium-term prospects of the oil market, they are still far from optimistic – a major factor to pressure the prices is increasing imbalance of supply and demand.

For most of the trading session the MICEX Index, as well as major European indices, had lateral dynamics near zero – the markets consolidated after strong growth the day before. Published statistics for the day was ambiguous and did not have significant impact on the dynamics of trading. The composite index of business and consumer confidence in the Eurozone economy in August rose to a maximum of four years, while the decline in consumer confidence in the US in August exceeded forecasts, released data on revenues and expenditures of the US population in July were in line with expectations. At the end of the day our market was supported with a rise in oil prices to around \$50 per barrel – the MICEX Index closed trading with the growth of 1.4%.

At the end of the trading session the MicexPWR Sector Index underperformed. The main contribution to the underperformance of the sectoral indicator was made by shares of Inter RAO, which took profits after a strong growth on 27 August.

## ELECTRIC POWER INDUSTRY NEWS

### Ministry of Energy finalized the Energy Strategy until 2035

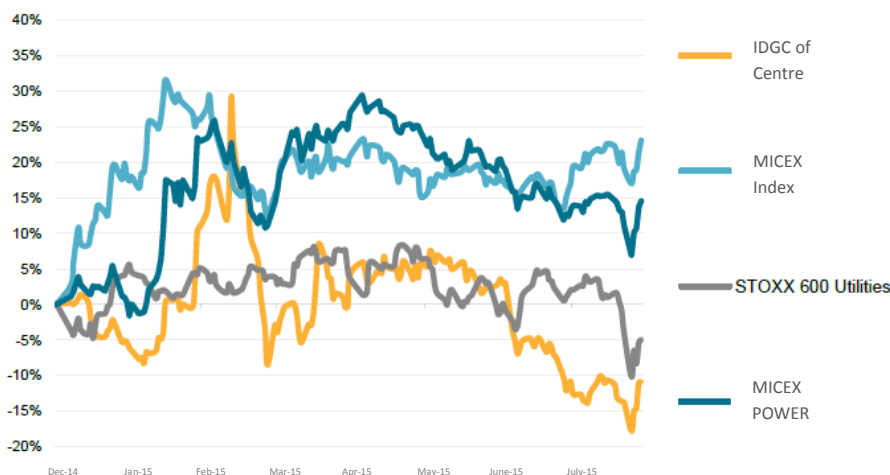
To read full text: <http://www.vedomosti.ru/business/articles/2015/08/28/606622-minenergo-dorabotalo-energostrategiyu-do-2035-g>

## COMPANY NEWS

### IDGC of Centre provides prospective development of the million city of Voronezh

To read full text: <http://www.mrsk-1.ru/press-center/news/company/49960/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.14
MICEX	1 719,16	1,41%	23,10%
S&P 500	1 985,61	-0,10%	-3,56%
FTSE 100	6 247,94	0,90%	-4,85%
DAX	10 298,53	-0,17%	5,03%
DJStoxx 600	363,28	0,28%	6,05%
STOXX Utilities	299,89	0,57%	-4,93%
Nikkei	19 136,32	3,03%	9,66%
Sensex	26 392,38	0,61%	-4,03%
CSI300	3 342,29	4,26%	-5,42%
Bovespa	47 619,89	-0,20%	-4,77%

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

Currency rates	Value	Change for the day	Change fr 31.12.14
Euro/USD	1,12	0,00%	-7,04%
USD/RUB	67,45	-2,69%	19,89%
Euro/RUB	76,34	-4,25%	11,70%

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

Raw	Value	Change for the day	Change fr 31.12.14
Gold, USD/oz	1 125,00	0,00%	-5,01%
Brent*, USD/bbl	47,56	0,00%	-17,04%

\* - October futures

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

Shares of IDGC of Centre	Value
Last transaction, RUB	0,225
Capitalisation**, billion RUB	9,50
Capitalisation**, million USD	140,84

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.14
MICEX-Power Index	0,68%	14,54%
Shares of IDGC of Centre**	0,22%	-10,89%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.14
JSC Russian Grids	2,00%	10,82%
FGC UES	0,86%	43,03%
IDGC of Volga	-0,90%	-20,97%
MOESK	0,56%	-28,40%
IDGC of Northern Caucasus	0,00%	16,94%
IDGC of Centre and Volga Reg	-3,13%	-29,61%
IDGC of North-West	1,47%	9,09%
IDGC of Urals	0,15%	7,36%
IDGC of Siberia	5,31%	-40,56%
IDGC of South	3,40%	8,41%
Lenenergo	0,99%	45,71%

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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