



IDGC OF CENTRE

DAILY MARKET REVIEW

24 August, Monday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 21 August some negative external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 lost 2.1%. The S&P500 rate of decline was a record since February last year, the DJIA closed trading at its lowest level since October 2014. On Friday the decline in the composite index of the Asia-Pacific region MSCI Asia Pacific was 2.4%. Stock markets fell on fears of global economic slowdown, which were triggered mainly by problems of the Chinese economy. An additional negative factor in this regard was the statistics from China on manufacturing activity in August – according to preliminary data, the PMI fell to the lowest level in six years. Along with this it has been below the threshold level of 50 points already for half a year, increasing investors' concerns about the stability of the Chinese economy. On Friday the Chinese CSI300 stock index led the decline in Asian markets, having lost 4.6%. As a result of this fall the CSI300 decreased below July lows, where the recovery of the market after the massive infusion of the state-backed funds began. October Brent futures traded near \$46.3 per barrel – \$0.8 lower than the closing level of 20 August. Oil prices updated the year's minimum, and dropped to the level of March 2009. According to Bloomberg, oil prices fall in the absence of signals of reduction of oversupply in the short term. Moreover, global supply continues to grow – in particular, according to the American Petroleum Institute, oil production in the US in July rose to a record since at least the 1920s, 9.52 million barrels per day. According to some analysts, this oversupply cannot be overcome only by increasing demand – it is necessary to cut production as well.

Throughout the trading session on Friday the Russian and European markets were under pressure from fears of worsening prospects for the global economy, in the second half of the day the rate of decline of the MICEX Index and the composite Stoxx Europe 600 index was about 1.5%. Released better than expected preliminary statistics on business activity in the Eurozone in August had no significant support to the market. Reduction of European markets accelerated sharply after the start of trading in the United States with a 2% drop in the indices – the loss of key country stock indices in Europe increased by an average of 3%. At the same time the rate of decline of the MICEX Index was limited to 2%, despite the drop in oil prices below \$45.5 per barrel.

During the trading session the MicexPWR Sector Index as a whole corresponded to the dynamics of the MICEX Index. The main contribution to the resulting decline in the index was made by shares of Inter RAO, which lost almost 5% on Friday.

ELECTRIC POWER INDUSTRY NEWS

The Government approved a new plan for the abolition of administrative barriers in housing construction, including new connections to the grid

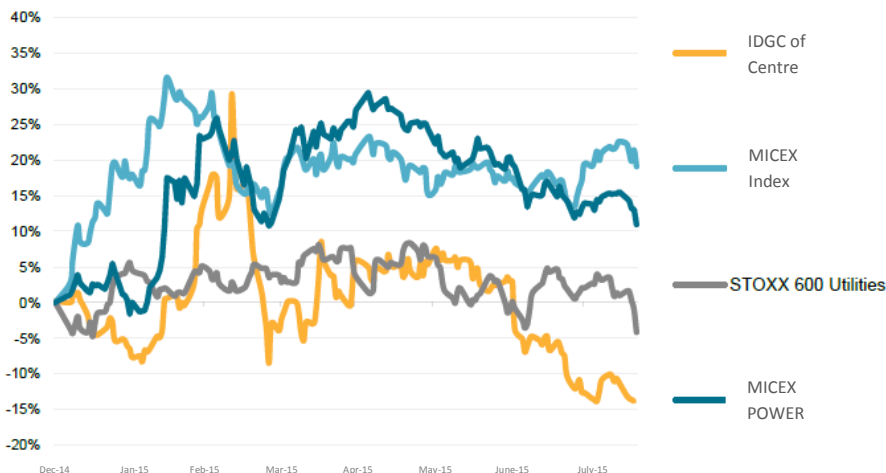
To read full text: <http://www.bigpowernews.ru/news/document65690.phtml?1&q=>

COMPANY NEWS

Debtors of Lipetskenergo returned 13.2 million rubles to the grid company

To read full text: <http://www.elektroportal.ru/news/news-66374.html>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 663,31	-1,90%	19, 10%
S&P 500	1 998, 60	-1,82%	-2,93%
FTSE 100	6 187,65	-2,83%	-5,76%
DAX	10 124,52	-2,95%	3,25%
DJStoxx 600	361,28	-3,26%	5,47%
STOXX Utilities	302,29	-3,15%	-4,17%
Nikkei	19 435,83	-2,98%	11,38%
Sensex	27 366,07	-0,88%	-0,48%
CSI300	3 598,54	-4,57%	1,58%
Bovespa	45 755,67	-1,92%	-8,50%

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

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,12	0,00%	-7,08%
USD/RUB	66,96	1,88%	19,02%
Euro/RUB	74,47	2,43%	8,97%

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

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 152,20	0,00%	-2,72%
Brent*, USD/bbl	46,62	0,00%	-18,68%

* - October futures

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

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2175
Capitalisation**, billion RUB	9,18
Capitalisation**, million USD	137,13

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-1,86%	10,96%
Shares of IDGC of Centre**	-0,23%	-13,86%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-2,51%	7,81%
FGC UES	-2,01%	36,81%
IDGC of Volga	-0,46%	-23,12%
MOESK	0,00%	-33,60%
IDGC of Northern Caucasus	-2,77%	16,12%
IDGC of Centre and Volga Reg	-1,15%	-28,57%
IDGC of North-West	-2,80%	9,88%
IDGC of Urals	-0,45%	9,49%
IDGC of Siberia	0,00%	-42,22%
IDGC of South	-0,63%	2,59%
Lenenergo	-3,07%	44,57%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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