



IDGC OF CENTRE

DAILY MARKET REVIEW

09 December, Wednesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 08 December some moderately negative external background formed on the Russian market. On Monday the US indices DJIA and S&P500 fell 0.7%, on Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific lost more than a percent. The main driver of the market decline was the fall in oil prices to lows in nearly seven years. An additional negative factor for investors in the Asian session was the statistics from China, where exports fell in November at the end of the fifth month in a row, imports declined for the 13th month in a row, which is a record period of falling. At the same time, notes Bloomberg, drop in shares of commodity companies was offset by the positive effect on the market of strong statistical data on the Japanese economy. According to final data, Japan's GDP in the III quarter grew by 1%, while the preliminary data indicated a decline of the Japanese economy in July-September by 0.8%. Thus, Japan's economy avoided a recession, rising after the recession in the second quarter. January Brent futures traded near \$41 per barrel, or \$0.3 less than the closing level on 07 December. On Monday the price of January futures fell 5.3% to \$40.7 per barrel, which is the lowest level since March 2009. The oil market continues to play back the unexpected outcome of the OPEC meeting, which deferred a decision on oil production quotas until June 2016. According to Iranian Oil Minister, who estimates the current excess supply of oil on the market at 2 million barrels per day, which means that "everyone can do what they want."

Falling Brent oil prices, having declined in the middle of the day below \$40 a barrel, and the weak Chinese statistics were the main drivers of the decrease in the Russian and Western markets on Tuesday. In the second half of the trading session the losses of the MICEX Index and main European markets averaged about 1.5% percent, trading in the United States began with a decline.

During the trading session the MicexPWR Sector Index overperformed. The main contribution to the outperformance of the sector indicator in comparison with the MICEX Index was made by shares of RusHydro, which closed trading with the growth of 2.1%.

From news of companies in the sector one can note Moody's decision to raise the outlook on the power industry companies to "stable" and confirmed the ratings at current levels, followed similar actions in relation to the rating of the Russian Federation. In particular, among the electric grid companies, affected by these changes, there are Rosseti, FGC UES, MOESK, Lenenergo, IDGC of Centre and Volga Region, IDGC of Urals and IDGC of Volga.

ELECTRIC POWER INDUSTRY NEWS

Energy market started working under new rules

But the long-awaited transition to the three-year formation of capacity price does not help overcome the oversupply so far

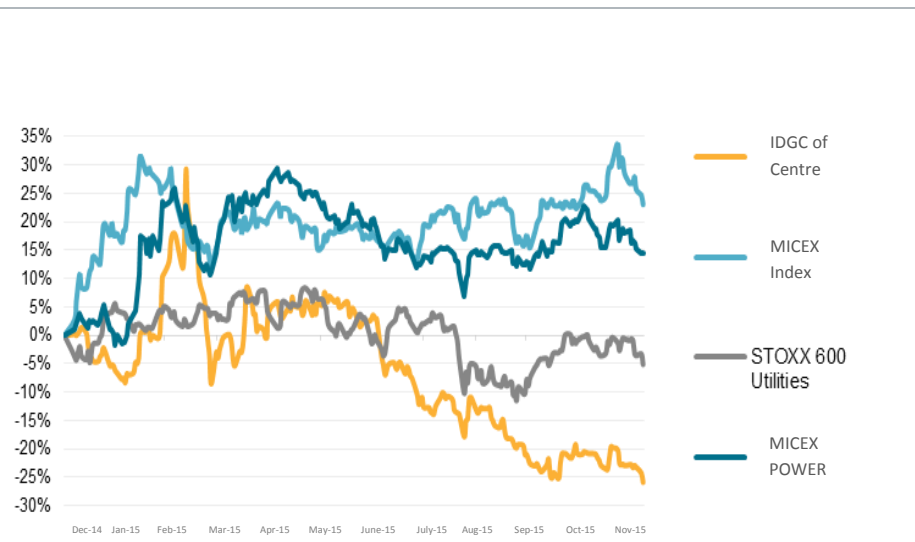
Read full text: <http://www.vedomosti.ru/business/articles/2015/12/08/620045-energorinok-pravilam>

COMPANY NEWS

Power supply issues of residents of the Smolensk region were discussed in the Smolensk region administration

Read full text: <http://www.press-release.ru/branches/energy/412bbb87a0c01/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 718,77	-1,28%	23,07%
S&P 500	2 063,59	-0,65%	0,23%
FTSE 100	6 135,22	-1,42%	-6,56%
DAX	10 673,60	-1,95%	8,85%
DJStoxx 600	365,75	-1,81%	6,78%
STOXX Utilities	299,28	-1,92%	-5,12%
Nikkei	19 492,60	-1,04%	11,70%
Sensex	25 310,33	-0,86%	-7,96%
CSI300	3 623,02	-1,75%	2,53%
Bovespa	44 443,26	-1,72%	-11,13%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,09	0,35%	-10,43%
USD/RUB	68,52	1,25%	21,79%
Euro/RUB	74,41	1,00%	8,87%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 074,96	0,34%	-9,24%
Brent*, USD/bbl	40,26	-1,15%	-39,07%

* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1872
Capitalisation**, billion RUB	7,90
Capitalisation**, million USD	115,35

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	0,07%	14,50%
Shares of IDGC of Centre**	-2,09%	-25,86%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-2,01%	2,34%
FGC UES	-1,44%	27,53%
IDGC of Volga	-2,56%	-31,90%
MOESK	0,13%	-39,92%
IDGC of Northern Caucasus	-1,19%	3,31%
IDGC of Centre and Volga Reg	0,32%	-34,47%
IDGC of North-West	1,14%	5,53%
IDGC of Urals	0,00%	52,21%
IDGC of Siberia	0,79%	-43,44%
IDGC of South	-0,63%	1,94%
Lenenergo	-2,45%	36,57%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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