



IDGC OF CENTRE

DAILY MARKET REVIEW

13 November, Friday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Thursday 12 November some moderately negative external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 lost 0.3% on weak statistics from China, where the growth rate of industrial production in October fell to the lows of the crisis in 2008, and reduced cost of stocks of companies of the energy sector following a fall in oil prices. On Thursday the markets of the Asia-Pacific region were dominated with multidirectional dynamics with small changes in the main indices of the country. The Chinese CSI300 had a percent decline mainly due to the desire of investors to take profits after a 10% rise since the beginning of November. December Brent futures traded near the mark of \$46 per barrel – \$0.6 below the closing level on 11 November. On Wednesday Brent quotes lost 3.4% and closed trading at \$45.8 per barrel. A negative factor for the oil market is widening imbalance of supply and demand, in particular, analysts expect a rise in US oil inventories to a level above the average for this time of year with more than 100 million barrels. But on 11 November not only the oil market was under the selling pressure, provoked, including by the weak Chinese statistics – the price index of commodities, calculated by Bloomberg, updated the yearly minimum, having declined to the level of July 1999.

During the day the MICEX Index traded in the lateral dynamics near zero, mainly in small plus due to growth of shares of exporters, which is supported by the ruble weakening against the backdrop of the continuing decline in oil prices – on the daily lows Brent quotes fell to around \$44.6 per barrel. Sentiment in Europe differed with significantly bigger pessimism – the loss of the major indices in the afternoon averaged about 1.5%. European markets were pressured with negative dynamics of futures for US indices, a statement of Head of the European Central Bank of "obvious" downside risks to the Eurozone economy and easing inflationary dynamics, worse than expected data on industrial production in the Eurozone in September, and weak quarterly statements of several companies. Released at the level of expectations US statistics on applications for unemployment benefits had no significant impact on investors' sentiment. At the end of the day the MICEX Index anyway moved into negative territory after the start of trading in the US with more than a half-point reduction in the major indices.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the resulting decline in the sector indicator was made by shares of RusHydro and Rosseti. From the current news one can note information of Interfax that the Ministry of Economic Development and the Federal Property Management Agency offered to link the size of dividend payments of natural monopoly with profit, which the FAS takes into account when approving tariffs. The relevant resolution draft of the government, in particular, suggests that the amount of the dividends allocated by natural monopolies, should not be less than 25% of profits, accounted by the FAS at approval of an appropriate rate if this rate of profit is above income under IFRS or RAS.

ELECTRIC POWER INDUSTRY NEWS

Russia annually lacks \$13 billion investment

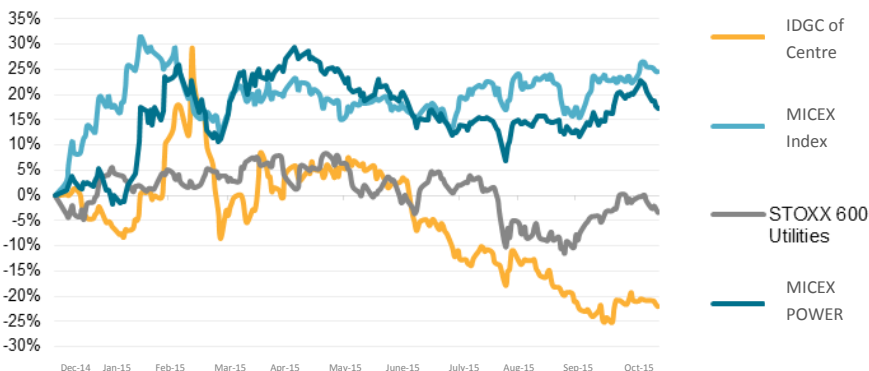
Read full text: <http://www.kommersant.ru/doc/2851672>

COMPANY NEWS

Projects of IDGC of Centre were among winners of the Second All-Russian contest ENES-2015

Read full text: <http://www.mrsk-1.ru/press-center/news/company/50457/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.14
MICEX	1 739,96	-0,03%	24,58%
S&P 500	2 045,97	-1,40%	-0,63%
FTSE 100	6 178,68	-1,88%	-5,90%
DAX	10 782,63	-1,15%	9,96%
DJStoxx 600	372,56	-1,62%	8,76%
STOXX Utilities	304,89	-0,75%	-3,34%
Nikkei	19 697,77	0,03%	12,88%
Sensex	25 866,95	0,00%	-5,94%
CSI300	3 795,32	-1,00%	7,40%
Bovespa	46 883,58	-0,39%	-6,25%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.14
Euro/USD	1,08	0,47%	-11,34%
USD/RUB	64,57	0,28%	14,77%
Euro/RUB	69,38	0,20%	1,52%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.14
Gold, USD/oz	1 085,20	-0,10%	-8,37%
Brent*, USD/bbl	44,06	-3,82%	-32,67%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1969
Capitalisation**, billion RUB	8,31
Capitalisation**, million USD	128,74

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.14
MICEX-Power Index	-0,37%	17,25%
Shares of IDGC of Centre**	-0,56%	-22,02%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.14
JSC Russian Grids	-1,90%	5,88%
FGC UES	-0,16%	35,26%
IDGC of Volga	-1,02%	-30,11%
MOESK	-0,38%	-36,72%
IDGC of Northern Caucasus	-1,92%	5,37%
IDGC of Centre and Volga Reg	-0,15%	-33,23%
IDGC of North-West	-0,37%	5,93%
IDGC of Urals	-1,80%	51,88%
IDGC of Siberia	-0,37%	-40,78%
IDGC of South	0,00%	7,44%
Lenenergo	-0,40%	42,00%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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