



IDGC OF CENTRE

DAILY MARKET REVIEW

09 November, Monday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 06 November some neutral external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 closed with a slight decline, on average in the range of 0.1% - investors took a wait before the publication of statistics on the labour market. On Friday the main country stock indices of the Asia-Pacific region added on average about one percent. The Japanese market continues to rise on the yen weakening against the dollar on growing confidence of investors in the Fed rate hike in December. Now, according to Bloomberg, the futures market assesses the likelihood of such a development at 56% versus 50% at the beginning of this week. The growth of the Chinese market is supported by technical factors – the major indices rose more than 20% from the latest local minima, which indicates the beginning of a "bullish" market phase. December Brent futures traded near the mark of \$48.3 per barrel at the close on 05 November. Oil prices stabilized after falling the day before due to the publication of data from the US Department of Energy, which recorded growth of oil reserves in the country at the end of six weeks in a row.

Prior to the publication of statistics on the US labour market, Russian and European indices traded sideways near zero. European markets looked somewhat worse after weak data on industrial production in Germany in September. Statistics on the US labour market was significantly better than expected, triggering a strong movement in the financial markets. In October the number of jobs in the US economy grew at a record pace for the current year – 271 thous., exceeding forecasts by half, the unemployment rate fell to the lowest level since April 2008 of 5%, annual increase in the average hourly wage was a record since 2009. After the publication of these data, estimates of the probability of raising the base interest rate by the Fed before the end of this year jumped to 70% from 56% in the morning. Against this backdrop the dollar index (the combined rate of six major world currencies) rose to the highest level since April, the euro fell against the dollar to a minimum since April, the price of Brent crude oil fell below \$48 a barrel. The reaction of the stock markets was relevant – the European Stoxx Europe 600 Index from a half-point minus moved in the same plus on the weak euro, the MICEX Index on falling oil prices went into negative territory. After the start of trading in the US with a half-point decline in major indices and oil prices falling below \$47.5 per barrel the selling pressure on our market increased, and the MICEX Index reduction exceeded one percent. Decreased rate of decline of the US market allowed the MICEX Index at the end of the day to play one-third of the losses back.

During the day the MicexPWR Sector Index underperformed, mainly due to active sales in shares of RusHydro, the value of which at the end of the day fell 3.8%.

ELECTRIC POWER INDUSTRY NEWS

Amendments of the Ministry of Energy to increase connection fees

Read full text: <http://www.vedomosti.ru/business/articles/2015/11/06/615793-popravki-minenergo-privedut-rostu-plati-prisoedinenie>

COMPANY NEWS

Specialists of "Lipetskenergo" performed infrared diagnostics of power facilities of the Lipetsk region

Read full text: <http://www.mrsk-1.ru/press-center/news/branches/50414/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 754,36	-0,67%	25,62%
S&P 500	2 099,20	-0,03%	1,96%
FTSE 100	6 353,83	-0,17%	-3,23%
DAX	10 988,03	0,92%	12,06%
DJStoxx 600	379,95	0,31%	10,92%
STOXX Utilities	312,18	-1,14%	-1,03%
Nikkei	19 265,60	0,78%	10,40%
Sensex	26 265,24	-0,15%	-4,49%
CSI300	3 793,37	2,36%	7,35%
Bovespa	46 918,52	-2,35%	-6,18%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,07	-1,14%	-11,65%
USD/RUB	63,40	-0,71%	12,69%
Euro/RUB	68,83	-2,21%	0,71%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 089,80	-1,28%	-7,98%
Brent*, USD/bbl	47,42	-1,17%	-27,54%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2000
Capitalisation**, billion RUB	8,44
Capitalisation**, million USD	133,18

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-1,18%	20,61%
Shares of IDGC of Centre**	-0,10%	-20,79%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-1,67%	9,20%
FGC UES	-0,84%	36,51%
IDGC of Volga	1,02%	-28,67%
MOESK	-0,24%	-34,00%
IDGC of Northern Caucasus	-0,74%	10,74%
IDGC of Centre and Volga Reg	1,21%	-30,95%
IDGC of North-West	-1,09%	7,51%
IDGC of Urals	10,10%	58,76%
IDGC of Siberia	3,23%	-39,56%
IDGC of South	-2,32%	9,06%
Lenenergo	-0,38%	50,57%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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