



IDGC OF CENTRE

# DAILY MARKET REVIEW

20 January, Wednesday

2016

## REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 19 January some moderately positive external background formed on the Russian market. On Monday there was no trading in the US in observance of Martin Luther King Day. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific added about a percent on expectations of the expansion of measures to stimulate the Chinese economy after the publication of controversial statistics. In the IV quarter China's GDP increased by 6.8% with expectations of 6.8-6.9%, showing a minimum growth rate since 2009. Overall, in 2015 China's economy grew by 6.9% (0.4 percentage points less than in 2014), which is the weakest result in 25 years, but it corresponds to the official forecast, which was "about 7 %". The growth of industrial production and retail sales in December was worse than expected, but following the results of the year the dynamics of these indicators was in line with expectations. The annual growth rate of capital investments in fixed assets was lower than expected and was minimal since 2000. March Brent futures traded at \$29.2 per barrel, or \$0.2 higher than the closing level on 18 January. Oil prices are stabilizing after testing on Monday the level of \$28 per barrel. Meanwhile, in its new monthly report, the International Energy Agency allows a further fall in oil prices in connection with the market entrance of Iran and the slowdown in demand for raw materials. According to the IEA, the reduction of oil production outside OPEC for 600 thous. barrels per day will be completely replaced by Iranian volumes by mid-2016. Provided that the other members of the cartel keep the volume of production, a surplus of oil on the world market could rise to 1.5 million b/d, and "if something does not change, the oil market can drown in excess", gives Bloomberg the agency survey data.

Expectations of new measures to support the Chinese economy and the rise in oil prices to around \$30 a barrel were the main drivers of recovery of the Russian and European markets on Tuesday – in the afternoon the growth of the MICEX Index and Stoxx Europe 600 Index exceeded 2%. The markets were additionally supported by released better than expected statistics on the index of economic confidence in Germany in January and good quarterly statements of Morgan Stanley and Bank of America. By the end of the day the MICEX Index growth rate decreased to less than 1.5% – investors opted for taking profits after a reversal in oil prices and decline to around \$29 per barrel.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the final sector indicator dynamics, lagging behind the MICEX Index, was made by shares of RusHydro and E.ON Russia.

## ELECTRIC POWER INDUSTRY NEWS

### Regions can be allowed for themselves to determine the order of transition to differentiated electricity tariffs

Prime Minister Dmitry Medvedev proposes to give the Russian regions the right to decide questions concerning the differentiated tariffs for electricity for the population, depending on the level of consumption.

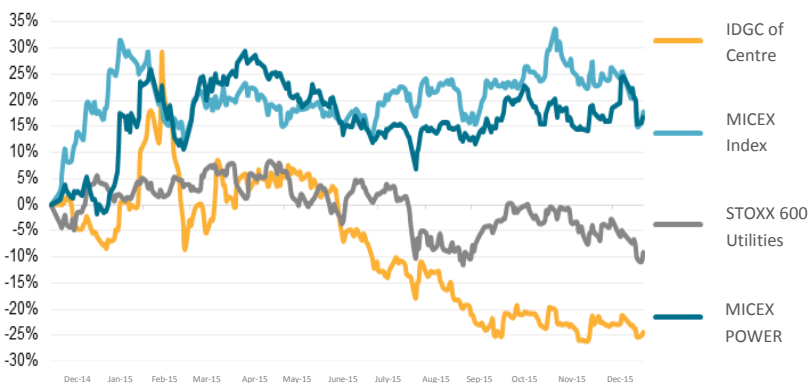
Read full text: <http://www.bigpowernews.ru/markets/document68321.phtml>

## COMPANY NEWS

### IDGC of Centre is expanding constructive cooperation with suppliers of last resort in the fight against non-payment

Read full text: <http://www.mrsk-1.ru/press-center/news/company/50900/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.14	
MICEX	1 645,56	1,43%	-6,57%
S&P 500	1 881,33	0,05%	-7,96%
FTSE 100	5 876,80	1,68%	-5,86%
DAX	9 664,21	1,50%	-10,04%
DJStoxx 600	332,93	1,31%	-8,99%
STOXX Utilities	286,76	1,94%	-6,33%
Nikkei	17 048,37	0,55%	-10,43%
Sensex	24 479,84	1,21%	-6,27%
CSI300	3 223,13	2,95%	-13,61%
Bovespa	38 057,02	0,32%	-12,21%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.14	
Euro/USD	1,09	0,33%	-10,11%
USD/RUB	78,67	2,75%	7,94%
Euro/RUB	85,62	2,79%	7,43%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.14	
Gold, USD/oz	1 087,41	-0,21%	2,48%
Brent*, USD/bbl	28,76	0,74%	-23,65%

\* - March futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1910
Capitalisation**, billion RUB	8,06
Capitalisation**, million USD	102,50

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.14	
MICEX-Power Index	1,06%	-1,33%
Shares of IDGC of Centre**	0,79%	-2,10%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day fr 31.12.14	
JSC Russian Grids	1,51%	-3,03%
FGC UES	2,19%	-4,88%
IDGC of Volga	2,93%	-0,77%
MOESK	0,94%	-0,13%
IDGC of Northern Caucasus	-1,21%	-2,00%
IDGC of Centre and Volga Reg	0,79%	1,91%
IDGC of North-West	2,29%	-2,19%
IDGC of Urals	0,73%	1,79%
IDGC of Siberia	4,33%	-1,23%
IDGC of South	0,65%	-1,28%
Lenenergo	0,67%	-1,75%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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## Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

[MRKC](#)

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