



IDGC OF CENTRE

DAILY MARKET REVIEW

10 February, Wednesday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Tuesday 09 February some negative external background formed on the Russian market. The day before the US indices DJIA and S&P500 fell 1.1-1.4%, on the daily lows the drop exceeded 2.5%. On Tuesday the Japanese Nikkei fell to a record since June 2013 5.4%. One of the main drivers for sales in the world's stock markets was speculating on the financial sector problems in Europe. In particular, shares of the largest German bank Deutsche Bank fell almost 10%, the bank's management was forced to turn to investors and employees with the assurances of the capital adequacy to service debt. Shares of the financial sector became the engine of a sharp drop in European stock markets on Monday – the Stoxx Europe 600 index lost 3.5%, dropping to the lowest level since October 2014. April Brent futures traded at \$32.8 per barrel, or \$0.8 less than the closing level on 08 February. The oil market is pressured, including, with MarketWatch's information that the storage tanks for crude oil terminal in Cushing, where the physical volume of oil traded on the NYMEX, are filled almost to the limit – at 88%. At the same time, according to Reuters, an unprecedented increase in oil supplies in Cushing already leads to logistical problems. It should be noted that experts of Goldman Sachs, expecting that in the next 6-9 months oil prices will fluctuate in the range of \$20-40 per barrel, do not exclude the possibility that prices may fall below \$20 a barrel because of the lack of available storage tanks for oil.

On Tuesday the Russian and European markets largely followed the dynamics of oil prices. At the beginning of the day the indices attempted to recover after the fall on 08 February after the rise in oil prices above \$33 per barrel. However, the correction did not last long – the renewed decline of oil prices after the publication of the monthly review of the International Energy Agency (IEA) increased the activity of sellers, and in the afternoon the loss of the MICEX Index and Stoxx Europe 600 exceeded 1.5%. In the new review the IEA experts on the background of growth of production in Iran, Iraq and Saudi Arabia increased the forecast for a surplus of oil on the world market in the first quarter to 1.75 compared to 1.5 million barrels per day. "The market is still awash in oil prices, risks of reduction are growing," analysts said, calling speculative talk of a possible deal of oil producers for the coordinated reduction of its production. At the end of the trading session the rate of decline could slow down on the Russian and European markets after not so negative, as might have been expected based on the dynamics of futures, start of trading in the United States.

At the end of the trading session on the MicexPWR Sector Index overperformed due to the growth at the end of the day of most "heavy" index securities, except for shares of E.ON Russia. The main contribution to the small MicexPWR growth was made by shares of FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Decommissioning without consequences

Consumers do not want to pay for capacity decommissioned

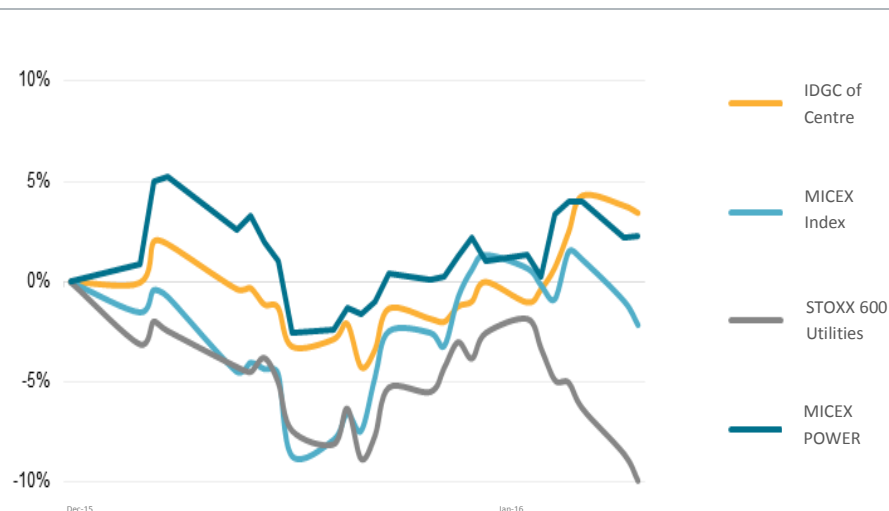
Read full text: <http://www.kommersant.ru/doc/2912468>

COMPANY NEWS

Voronezhenergo approved the program of repairs for 2016

Read full text: <http://www.kommersant.ru/doc/2910721>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.15
MICEX	1 723,36	-1,20%	-2,16%
S&P 500	1 852,21	-0,07%	-9,38%
FTSE 100	5 632,19	-1,00%	-9,77%
DAX	8 879,40	-1,11%	-17,35%
DJStoxx 600	309,39	-1,58%	-15,42%
STOXX Utilities	275,73	-1,46%	-9,93%
Nikkei	16 085,44	-5,40%	-15,49%
Sensex	24 020,98	-1,10%	-8,03%
CSI300	2 963,79	0,00%	-20,56%
Bovespa	40 592,09	0,00%	-6,36%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.15
Euro/USD	1,13	1,31%	-6,96%
USD/RUB	76,86	-0,62%	5,46%
Euro/RUB	85,65	-1,06%	7,47%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.15
Gold, USD/oz	1 189,13	-0,01%	12,07%
Brent*, USD/bbl	30,32	-7,79%	-21,31%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2018
Capitalisation**, billion RUB	8,52
Capitalisation**, million USD	110,84

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.15
MICEX-Power Index	0,06%	2,28%
Shares of IDGC of Centre**	-0,35%	3,43%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	fr 31.12.15
JSC Russian Grids	1,04%	3,69%
FGC UES	3,36%	5,27%
IDGC of Volga	1,67%	9,77%
MOESK	-0,92%	0,27%
IDGC of Northern Caucasus	-0,81%	-1,60%
IDGC of Centre and Volga Reg	-0,61%	3,34%
IDGC of North-West	-2,44%	2,19%
IDGC of Urals	-1,04%	0,00%
IDGC of Siberia	0,59%	5,53%
IDGC of South	-1,83%	2,88%
Lenenergo	-1,31%	-1,09%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

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