



IDGC OF CENTRE

DAILY MARKET REVIEW

19 January, Tuesday

2016

REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 18 January some negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed falling 2.2-2.4%. In addition to the problems of the Chinese economy and the decline in oil prices, the US market was pressured with its own weak statistics. In January the index of manufacturing activity in New York fell to the lowest level since April 2009, retail sales growth in 2015 was the lowest since 2009, data on industrial production in December turned out to be worse than expected. In general, noted Bloomberg, the beginning of the year for the US stock market was the worst in its history. On Monday, following the collapse of the US indices, the composite index of the Asia-Pacific region MSCI Asia Pacific lost about one percent. Additional pressure on the stock markets in the Asian session was provided by a decline in oil prices after the lifting of sanctions against Iran. March Brent futures traded near the mark of \$28.3 per barrel, or \$1.4 less than the closing level on Friday, January 15th. Along with it, in the early trading Brent quotes fell below \$28 a barrel for the first time since November 2003. Fears of market participants are related to the increase in the imbalance of supply and demand, which is now estimated at 1 million barrels, after the return of Iran to the market, which has the fourth-largest oil reserves. Last weekend the European Union and the United States formally withdrew sanctions from Iran related to its nuclear program. As recalled by the media, as a result of the sanctions Iran reduced oil exports by about 1 million barrels a day from 3 million in 2011 before the sanctions. At the same time, according to analysts surveyed by Bloomberg, Iran could increase production by 500 thous. barrels per day within six months.

Reacting to declining oil prices and another collapse of the US market, the MICEX Index started the trading session with a fall of 1.6%. The decline was quickly bought out and in the middle of the day the MICEX Index added more than a percent against the backdrop of rising oil prices to around \$29 per barrel and recovery of European indices – the Stoxx Europe 600 earlier in the day added about a percent. The MICEX Index was able to close the day near daily highs, despite the uncertain dynamics of the European markets, which lost all the morning gains after the resumption of decline of futures for US indices.

During the trading session the MicexPWR Sector Index underperformed. The main contribution to the final lag of the MicexPWR Index behind the MICEX Index was made by shares of RAO ES of the East and Rosseti.

ELECTRIC POWER INDUSTRY NEWS

In the north-western regions energy companies began implementing the "road map" to transfer customers to direct payments for electricity transmission

Read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=25968

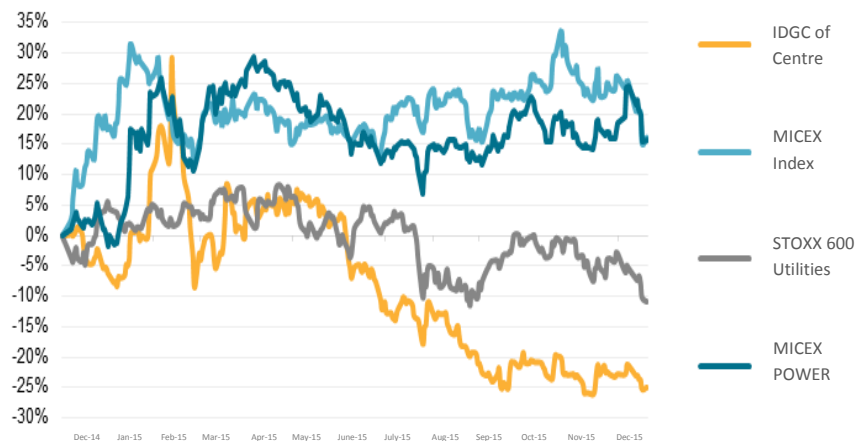
COMPANY NEWS

Lipetsk power engineers provided power supply to dozens of new facilities

Read full text:

http://admliip.ru/news/lipetskie_energetiki_obespechili_elektrosnabzhenie_desyatkov_novykh_obektov/

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.14	
MICEX	1 622,43	0,87%	-7,89%
S&P 500	1 880,33	0,00%	-8,00%
FTSE 100	5 779,92	-0,42%	-7,41%
DAX	9 521,85	-0,25%	-11,37%
DJStoxx 600	328,64	-0,36%	-10,16%
STOXX Utilities	281,31	-0,74%	-8,11%
Nikkei	16 955,57	-1,12%	-10,92%
Sensex	24 188,37	-1,09%	-7,39%
CSI300	3 130,73	0,38%	-16,09%
Bovespa	37 937,27	-1,64%	-12,49%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.14	
Euro/USD	1,09	-0,22%	-10,41%
USD/RUB	76,57	0,05%	5,05%
Euro/RUB	83,30	0,17%	4,51%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.14	
Gold, USD/oz	1 089,68	0,07%	2,69%
Brent*, USD/bbl	28,55	-1,35%	-24,21%

* - March futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,1895
Capitalisation**, billion RUB	8,00
Capitalisation**, million USD	104,49

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.14	
MICEX-Power Index	0,21%	-2,36%
Shares of IDGC of Centre**	0,37%	-2,87%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day fr 31.12.14	
JSC Russian Grids	-0,95%	-4,48%
FGC UES	0,55%	-6,92%
IDGC of Volga	-0,53%	-3,60%
MOESK	1,92%	-1,07%
IDGC of Northern Caucasus	1,64%	-0,80%
IDGC of Centre and Volga Reg	0,79%	1,11%
IDGC of North-West	-2,96%	-4,38%
IDGC of Urals	3,23%	1,05%
IDGC of Siberia	-5,71%	-5,33%
IDGC of South	-1,29%	-1,92%
Lenenergo	-0,22%	-2,40%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

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