



IDGC OF CENTRE

DAILY MARKET REVIEW

15 May, Friday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on 14 May some moderately negative external background formed on the Russian market. On Wednesday the US indices DJIA and S&P500 closed with the slight decrease in the range of 0.1%. Released worse than expected statistics on retail sales in April did not had a material impact on the results of the trading. On the one hand, these data once again reminded investors about the current uncertain state of the economy, on the other hand, market participants believe that another portion of weak statistics may be grounds for the postponement of the beginning of the normalization of monetary policy by the Fed. On Thursday the loss of the major stock indices of the Asia-Pacific region averaged about half a percent. Additional pressure on the market, says Financial Times, had the strengthening of Asian currencies against the dollar, which for many countries in the region is among other things to mean a decrease in export revenues. June Brent traded around the level of \$66.8 per barrel – a dollar below our closing of 13 May. The increase in volatility after the publication of statistics from the US Department of Energy resulted in the reduction of oil prices: the maximum drop of use of the refining capacity since January abundantly offset the continued for the second week in a row reduction of oil reserves in the country. In addition, investors are worried that the stabilization of prices in the range of \$60-65 per barrel could lead to an increase in the production of shale oil in the United States.

For the second consecutive day the Russian market demonstrates lagging dynamics in comparison with Western markets. The first half of the trading session on 14 May the MICEX Index was mostly slightly down, despite the increase in US futures and positive dynamics of European markets. In the afternoon the MICEX Index was able to move into positive territory on the background of accelerating growth of western stock indices after the publication of better than expected statistics on applications for unemployment benefits in the United States. At the end of the day the Russian market had again increased sales, the MICEX Index closed lower by 0.3%.

During the trading session the MicexPWR Sector Index looked somewhat better than the market. The main contribution to the small final MicexPWR growth was made by shares of FGC UES.

ELECTRIC POWER INDUSTRY NEWS

Government to accelerate inflation by raising tariffs of monopolies

In 2016 natural monopoly tariffs could rise by 7.5-11%. At the current rate of inflation this increase is "not significant", but it does not allow the Central Bank to achieve the inflation target of 4% in 2017.

To read full text: <http://top.rbc.ru/economics/14/05/2015/5554ae889a7947d508258526>

COMPANY NEWS

IDGC of Centre contributes to the development of the agro-industrial complex of the Voronezh region

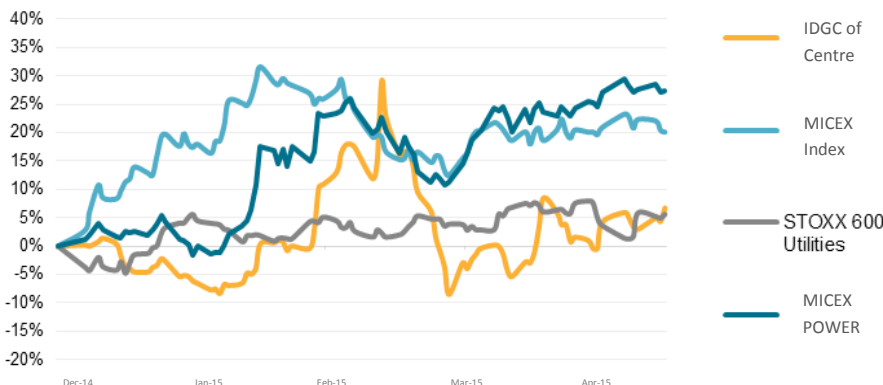
In 2015 IDGC of Centre - Voronezhenergo division is implementing in the Voronezh region a number of important projects for the power grid infrastructure of the food industry and agriculture.

To read full text: <http://www.mrsk-1.ru/press-center/news/company/48017/>

Governor of the Tver region thanked IDGC of Centre for the successful operation through the autumn-winter period of 2014/2015

To read full text: <http://www.mrsk-1.ru/press-center/news/company/48003/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 677,57	-0,28%	20,12%
S&P 500	2 121,10	1,08%	3,02%
FTSE 100	6 973,04	0,34%	6,20%
DAX	11 559,82	1,84%	17,89%
DJStoxx 600	397,99	0,64%	16,19%
STOXX Utilities	333,17	0,64%	5,62%
Nikkei	19 570,24	-0,98%	12,15%
Sensex	27 206,06	-0,17%	-1,07%
CSI300	4 700,78	-0,37%	33,03%
Bovespa	56 656,57	0,50%	13,30%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,14	0,07%	-6,40%
USD/RUB	49,54	-2,71%	-11,95%
Euro/RUB	55,71	-2,45%	-18,48%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 221,14	0,44%	3,10%
Brent*, USD/bbl	66,70	-0,85%	7,41%

* - June futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2695
Capitalisation**, billion RUB	11,38
Capitalisation**, million USD	229,68

Source: Central Bank of Russia, Company calculations

Russian indexes	Value	Change for the day	fr 31.12.14
MICEX-Power Index	0,16%	27,31%	
Shares of IDGC of Centre**	2,28%	6,73%	

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	0,55%	32,74%
FGC UES	1,44%	46,05%
IDGC of Volga	-1,85%	-14,34%
MOESK	0,55%	-27,20%
IDGC of Northern Caucasus	1,85%	36,36%
IDGC of Centre and Volga Reg	0,42%	-26,29%
IDGC of North-West	2,76%	17,79%
IDGC of Urals	1,59%	25,70%
IDGC of Siberia	0,43%	-21,78%
IDGC of South	2,40%	10,68%
Lenenergo	-3,46%	35,71%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, JSC

127018, Moscow, 2nd Yamskaya, 4
+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

IR Division

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

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