



IDGC OF CENTRE

# DAILY MARKET REVIEW

05 April, Tuesday

2016

## REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 04 April some neutral external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 updated their highs this year, adding 0.6%. Investors were supported with good statistics on the labour market – job growth in March exceeded expectations, and business activity in industry – in March the ISM Manufacturing Index for the first time since October 2015 exceeded 50 points. At the same time, noted in Bloomberg, these data do not become an occasion for growth of expectations for the Fed rate increase – according to market participants, the main risk for the US economy in terms of the Fed is global problems. According to the quotations of futures contracts, the market still sees no chance of the Fed raising rates in April, the probability to increase rates is estimated at 24% in June, in July - 36%, in August - 48%. On Monday most major stock markets in the Asia-Pacific region, with the exception of Chinese exchanges being on holiday, demonstrated moderately negative dynamics pressured by oil prices decreasing. June Brent futures traded near the mark of \$38.3 per barrel, or \$0.5 less than our closing on Friday 1 April. Oil prices continued falling after Friday's 4% fall on the statement of Saudi Arabia that it will freeze oil production only if other major producers, including Iran, join the decision. Against this background, doubts about the success of the oil-producing countries meeting in Qatar on April 17 grew up and expectations of the oil price correction increased after the unnecessarily strong, according to many market participants, growth in the last few weeks.

On Monday most of the trading session the MICEX Index and the European Stoxx Europe 600 Index spent on average in a half-point plus, reacting to Friday's increase in the US market. In the afternoon the pace of growth of the indices slowed down after the publication of worse than expected US data on orders for durable goods, orders of industrial enterprises in February, a slight decline in the major indices in early trading in the United States.

During the trading session the MicexPWR Sector Index outperformed. The main contribution to the MicexPWR outperformance compared with the MICEX Index was made by growth of shares of FGC UES and Rosseti. These securities were supported with the information of Kommersant that the Russian Federation President on Tuesday may hold a meeting, which can consider issues of reform of the electric grid industry, their versions for which were presented by Rosseti and FGC UES. In this regard, experts expect the growth of speculative activity and volatility in shares of electric grid companies.

## ELECTRIC POWER INDUSTRY NEWS

### China State Grid Corporation is interested in establishing a joint venture with "Rosseti"

China State Grid Corporation is interested in establishing a joint venture with "Rosseti" in order to implement projects of reconstruction and construction of power facilities in the Russian Federation. First Deputy Director General of "Rosseti" Roman Berdnikov told TASS about this.

Read full text: <http://www.bigpowernews.ru/news/document69788.phtml>

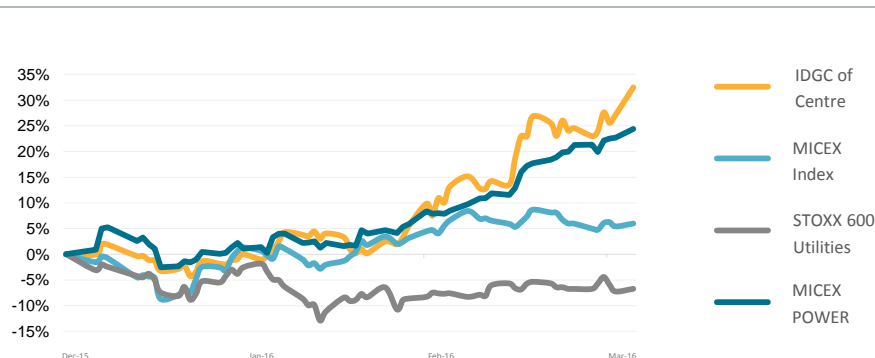
## COMPANY NEWS

### IDGC of Centre has published its audited consolidated financial statements under International Financial Reporting Standards (IFRS) for the year ended December 31, 2015

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to 15,2 bln RUB. Profit/(loss) for the period rose by 4,2 bln RUB and amounted to 0,9 bln RUB.

Read full text: <http://www.mrsk-1.ru/press-center/news/company/52569/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change fr 31.12.15
MICEX	1 866,64	0,53%	5,98%
S&P 500	2 066,13	-0,32%	1,09%
FTSE 100	6 164,72	0,30%	-1,24%
DAX	9 822,08	0,28%	-8,57%
DJStoxx 600	334,49	0,40%	-8,56%
STOXX Utilities	285,54	0,56%	-6,73%
Nikkei	16 123,27	-0,25%	-15,29%
Sensex	25 399,65	0,51%	-2,75%
CSI300	3 221,90	0,00%	-13,65%
Bovespa	48 779,98	-3,52%	12,53%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change fr 31.12.15
Euro/USD	1,14	0,04%	-6,27%
USD/RUB	67,14	-1,05%	-7,88%
Euro/RUB	76,43	-0,64%	-4,10%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change fr 31.12.15
Gold, USD/oz	1 215,43	-0,59%	14,54%
Brent*, USD/bbl	37,69	-2,53%	-6,38%

\* - June futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2585
Capitalisation**, billion RUB	10,91
Capitalisation**, million USD	162,54

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change fr 31.12.15
MICEX-Power Index	1,38%	24,36%
Shares of IDGC of Centre**	4,23%	32,50%

Source: Bloomberg, Company calculations

Grid companies	Change** for the day	Change** fr 31.12.15
Rosseti	4,02%	29,91%
FGC UES	4,94%	49,81%
IDGC of Volga	6,30%	38,82%
MOESK	0,74%	8,53%
IDGC of Northern Caucasus	0,73%	10,80%
IDGC of Centre and Volga Reg	4,55%	2,39%
IDGC of North-West	6,39%	58,03%
IDGC of Urals	1,76%	21,58%
IDGC of Siberia	3,85%	10,66%
IDGC of South	1,36%	43,59%
Lenenergo	-0,16%	35,37%

Source: MOEX, Company calculations

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

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### Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM