



IDGC OF CENTRE

# DAILY MARKET REVIEW

16 March, Monday

2015

## REVIEW OF STOCK MARKETS

Before the opening of trading on 13 March some moderately positive external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 rose by 1.3-1.5% after shares of the banking sector, supported by the information about the successful passage of the Federal Reserve stress tests. In addition, noted in Bloomberg, weak data on retail sales in February decreased expectations of increase in the base interest rate by the Fed. On Friday the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.2% at multidirectional dynamics of the major indices of the Asia-Pacific countries. The leader of the Asian session was the Japanese Nikkei 225 that closed above 19,000 points for the first time in 15 years. One of the main drivers of the Japanese market growth is the yen weakening.

April Brent futures traded at \$57.1 per barrel – at our closing on 12 March. The oil market is still under pressure with concerns of conservation in the medium term of excess of supply over demand. In this regard, an additional negative factor for oil quotations was the information, firstly, on the negotiations between Iran and Asian clients to increase supply in the region in the case of removal of sanctions against Tehran and, secondly, on the next address of US oil companies to US authorities to remove the 40-year ban on oil exports.

The Russian market remains under pressure of sales – in the afternoon the MICEX Index decline exceeded 1.5%. Mainly negative oil price dynamics puts pressure on the market. In the middle of the day Brent quotes fell below \$56.5 per barrel after the publication of the IEA survey, which reported an increase in world oil supply in February to 1.3 million barrels per day. The IEA noted that, firstly, the growth of supply was provided by countries outside OPEC, and secondly, a reduction of drilling rigs in the United States had not yet affected the volume of oil production in the country. Against this background, the Central Bank of Russia decision to reduce its key interest rate by 1 percentage point to 14%, taking into account, as the Central Bank said in a statement that "the balance of risks is still biased towards a significant cooling of the economy", failed to provide substantial support to our market. At the end of the day the MICEX Index lost more than 2% after the start of trading in the US with a percent reduction in the major indices, reacting to the poor statistics on producer prices in February and consumer confidence in March.

During the entire trading session the MicexPWR Sector Index was consistent with the dynamics of the MICEX Index. The main contribution of more than 50% reduction of the MicexPWR was made by shares of Russian Grids and FGC UES. On Western exchanges the European DJStoxx Index rose by 0.32%, and the US S&P 500 Index lost 0.61%.

## ELECTRIC POWER INDUSTRY NEWS

**Head of "Russian Grids" Oleg Budargin within the Forum and Exhibition "STATE ORDER-2015" met with activists of the ONF project "FOR fair procurement"**

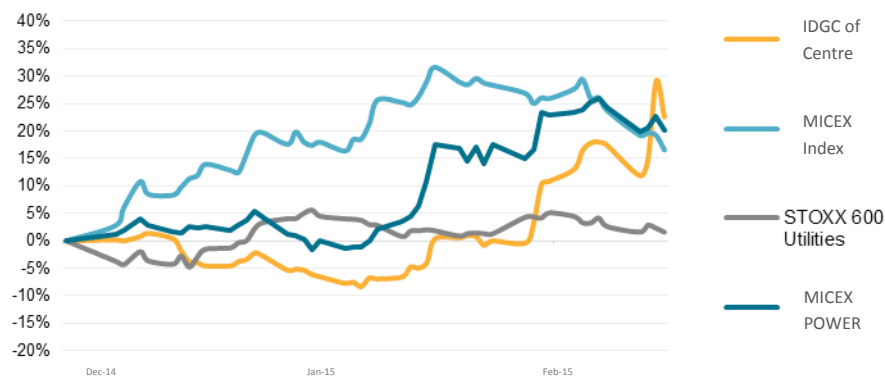
To read full text: [http://www.rosseti.ru/press/news/?ELEMENT\\_ID=20999](http://www.rosseti.ru/press/news/?ELEMENT_ID=20999)

## COMPANY NEWS

**IDGC of Centre exceeded the key targets of the investment program in 2014**

To read full text: <http://www.mrsk-1.ru/press-center/news/company/47525/>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 627,88	-2,21%	16,56%
S&P 500	2 053,40	-0,61%	-0,27%
FTSE 100	6 740,58	-0,30%	2,66%
DAX	11 901,61	0,87%	21,38%
DJStoxx 600	396,61	0,32%	15,79%
STOXX Utilities	320,47	-0,68%	1,59%
Nikkei	19 254,25	1,39%	10,33%
Sensex	28 503,30	-1,48%	3,65%
CSI300	3 617,66	0,69%	2,38%
Bovespa	48 595,81	-0,58%	-2,82%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,05	-1,07%	-13,66%
USD/RUB	60,96	-2,74%	8,36%
Euro/RUB	64,62	-3,43%	-5,44%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 158,48	0,41%	-2,19%
Brent*, USD/bbl	54,67	-4,22%	-7,64%

\* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3095
Capitalisation**, billion RUB	13,07
Capitalisation**, million USD	214,35

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-2,18%	20,07%
Shares of IDGC of Centre**	-5,06%	22,57%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-6,43%	39,24%
FGC UES	-3,28%	66,99%
IDGC of Volga	-3,40%	1,79%
MOESK	1,83%	-11,20%
IDGC of Northern Caucasus	1,99%	48,35%
IDGC of Centre and Volga Reg	-0,25%	-17,70%
IDGC of North-West	-3,56%	28,46%
IDGC of Urals	0,80%	23,57%
IDGC of Siberia	-1,53%	-7,00%
IDGC of South	-2,84%	21,68%
Lenenergo	-2,39%	63,71%

Source: MOEX, Company calculations

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

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## Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM