



IDGC OF CENTRE

DAILY MARKET REVIEW

17 March, Tuesday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on 16 March some moderately negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 lost 0.6-0.8% under pressure of the rising dollar, falling oil prices and weak statistics on producers' prices in February and consumer confidence in March. On Monday the major indices of the Asia-Pacific region showed opposite changes. More than 2% growth in the Chinese market was different from the general dynamics, supported by the statement of the Prime Minister of the State Council that the government "still has the tools" to support the economy in the event of slowing growth and negative trends in the labour market, and, if necessary, China is ready to take additional steps to stimulate economic growth and support demand.

April Brent futures traded near \$54.3 per barrel – \$1.7 lower than the level at the end of our trading on Friday March 13th. Oil prices continue declining, including on speculations in relation to a substantial reduction in the world's capacity to store excess oil. In particular, as predicted by the IEA, storage tanks for excess fuel in the United States may soon be filled to capacity, because the reduction in the number of drilling rigs does not entail a reduction in production volumes. Against this background, WTI quotes fell to a minimum of 6 years. At the same time, as stated by former Fed Chairman Mr. Greenspan in an interview with Bloomberg, the oil market has not yet reached its bottom, given the significant level of excess supply.

The Russian market has still sales, triggered by falling oil prices – in the second half of the trading session the MICEX Index reduction exceeded a percent. At the same time western exchanges were dominated by optimism – US index futures rose in the correction after the previous week's sales, European buyers are still supported with the quantitative easing program, implemented by the ECB. Released worse than expected US statistics on industrial production in February and manufacturing activity in New York in March had no significant effect on the dynamics of the Russian and Western markets. The Russian market by the end of the trading session remained under pressure from lower oil prices – by the end of our trading Brent quotes lost almost another \$2 from morning levels. As a result, the MICEX Index closed at daily lows, despite more than a percent increase in Western markets.

By the end of the trading session the MicexPWR Sector Index looked much worse than the dynamics of the MICEX Index, active sales affected all "heavy" index papers of the sector. The main contribution to the MicexPWR reduction was made by shares of RusHydro and FGC UES. On Western exchanges the European DJStoxx Index rose by 0.90%, and the US S&P 500 Index added 1.35%.

ELECTRIC POWER INDUSTRY NEWS

Indexation of tariffs of monopolies in 2016 should not exceed 5.5%

The Ministry of Economic Development insists that the indexation of tariffs of natural monopolies in 2016 should not exceed 5.5%, stated Head of the Ministry Alexey Ulyukayev.

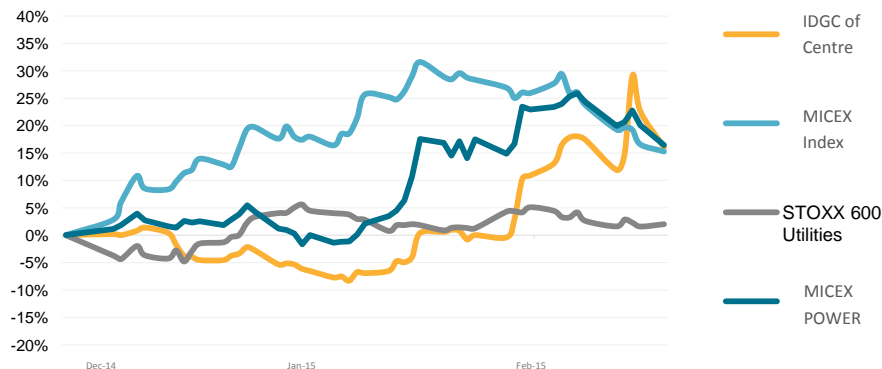
To read full text: <http://www.bigpowernews.ru/news/document62625.phtml>

COMPANY NEWS

IDGC of Centre increases the number of grid connections in the Tambov region

To read full text: <http://www.mrsk-1.ru/press-center/news/company/47536/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 609,85	-1,11%	15,27%
S&P 500	2 081,19	1,35%	1,08%
FTSE 100	6 804,08	0,94%	3,62%
DAX	12 167,72	2,24%	24,09%
DJStoxx 600	400,18	0,90%	16,83%
STOXX Utilities	321,80	0,42%	2,02%
Nikkei	19 246,06	-0,04%	10,29%
Sensex	28 437,71	-0,23%	3,41%
CSI300	3 705,67	2,43%	4,87%
Bovespa	48 848,21	0,52%	-2,32%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.14
Euro/USD	1,06	0,90%	-12,89%
USD/RUB	61,32	0,59%	8,99%
Euro/RUB	64,97	0,53%	-4,94%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.14
Gold, USD/oz	1 154,81	-0,32%	-2,50%
Brent*, USD/bbl	53,94	-1,95%	-10,43%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2930
Capitalisation**, billion RUB	12,37
Capitalisation**, million USD	201,74

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	-3,03%	16,44%
Shares of IDGC of Centre**	-5,33%	16,04%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	-3,53%	34,33%
FGC UES	-3,88%	60,52%
IDGC of Volga	-4,05%	-2,33%
MOESK	-1,80%	-12,80%
IDGC of Northern Caucasus	-5,29%	40,50%
IDGC of Centre and Volga Reg	-2,26%	-19,57%
IDGC of North-West	1,23%	30,04%
IDGC of Urals	-3,44%	19,31%
IDGC of Siberia	-3,11%	-9,89%
IDGC of South	-4,52%	16,18%
Lenenergo	-5,06%	55,43%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

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