



IDGC OF CENTRE

# DAILY MARKET REVIEW

26 August, Tuesday

2014

## REVIEW OF STOCK MARKETS

Before the opening of trading on the 25th of August some neutral external background formed on the Russian market. On Friday the U.S. indices DJIA and S&P500 lost 0.2% as part of profit-taking. The focus of investors was on the speech of the Fed Chair at the economic symposium in Jackson Hole, however, it did not bring surprises – Janet Yellen once again said that the Fed had "no mechanical answer" to the question about the timing of rates increasing. Major indices in the Asia-Pacific region showed mixed trends, the composite MSCI Asia Pacific index added 0.1%. October Brent traded around \$102.1 per barrel – half a dollar below the level of our closing on Friday August 22. Prices, as the agency Bloomberg said, got reduced by the absence of signs of disruptions in oil supplies from the Middle East, despite the continuing tensions in Iraq and Libya.

For most of the trading session the Russian market had lateral dynamics in a small, within half a percent, plus on the MICEX index. Mood in our market is still largely determined by the Ukrainian factor. Positive background for investors was the information about the successful completion of the epic with the Russian humanitarian convoy – according to the report of the OSCE, all the "cars of the convoy that had crossed the checkpoint "Donetsk" and proceeded to Ukraine on August 22 returned to the Russian Federation." Now the market is waiting for news from the meeting of Presidents of the Customs Union, Ukraine and representatives of the EU, which should take place in Minsk today. Sentiment on European markets was more positive – in the middle of the trading session the growth of the major indices exceeded a per cent. Investors were support by a speech of the ECB President at the symposium in Jackson Hole, in which he, noting the slow pace of growth of the Eurozone economy and high risks of deflation, declared his readiness to adjust the position in the field of the monetary policy. Markets interpreted this as evidence that the ECB was ready to start implementing the program of quantitative easing. Against this background the decline in the August trust index of German businessmen to the country's economy to a minimum of 13 months did not make much of an impression on the European markets. At the end of the day the Russian and European markets were supported with some positive start of trading in the United States, in spite of appeared worse than expected statistics on new home sales in July. In this case, the S&P500 once again reached its historical high, surpassing the psychological level of 2,000 points.

During the entire trading session the MicexPWR Sector Index looked better than the market. The main, about 60%, contribution to the overall MicexPWR growth was made by shares of E.ON Russia, RusHydro and FGC UES. On Western exchanges the European DJStoxx 600 Index rose 1.10%, and the U.S. S&P Index gained 0.48%.

## ELECTRIC POWER INDUSTRY NEWS

"Russian Grids" to take part in the International Council on Large Electric Systems CIGRE

To read full text: [http://www.rosseti.ru/press/news/?ELEMENT\\_ID=19288](http://www.rosseti.ru/press/news/?ELEMENT_ID=19288)

## COMPANY NEWS

IDGC of Centre is effective against electric energy theft

To read full text: [http://www.mrsk-1.ru/ru/press/news/company/?id\\_4=89578](http://www.mrsk-1.ru/ru/press/news/company/?id_4=89578)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 454,67	0,56%	-3,29%
S&P 500	1 997,92	0,48%	8,09%
FTSE 100	6 775,25	0,00%	0,39%
DAX	9 510,14	1,83%	-0,44%
DJStoxx 600	340,46	1,10%	3,72%
STOXX Utilities	317,21	1,28%	13,97%
Nikkei	15 613,25	0,48%	-4,16%
Sensex	26 437,02	0,07%	24,88%
CSI300	2 342,86	-0,95%	0,55%
Bovespa	59 735,17	2,27%	15,97%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,32	-0,33%	-4,29%
USD/RUB	36,00	-0,91%	10,00%
Euro/RUB	47,85	-0,65%	6,42%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 276,84	-0,33%	6,26%
Brent*, USD/bbl	102,65	0,35%	-4,35%

\* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3075
Capitalisation**, billion RUB	12,98
Capitalisation**, million USD	360,58

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	1,16%	-7,21%
Shares of IDGC of Centre**	7,97%	40,67%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	0,77%	-32,30%
FGC UES	2,00%	-37,80%
IDGC of Volga	2,82%	13,70%
MOESK	-1,45%	-27,15%
IDGC of Northern Caucasus	-0,06%	4,27%
IDGC of Centre and Volga Reg	-2,26%	54,88%
IDGC of North-West	2,70%	19,29%
IDGC of Urals	0,12%	-5,96%
IDGC of Siberia	0,02%	24,85%
IDGC of South	-3,19%	26,35%
Lenenergo	-0,07%	17,80%

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