



IDGC OF CENTRE

DAILY MARKET REVIEW

05 November, Wednesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on 31 October some positive external background formed on the Russian market. On Thursday the U.S. indices DJIA and S&P500 closed trading with some growth, gaining 1.3% and 0.6%, respectively, after the publication of good statistics on applications for unemployment benefits and GDP growth in the III quarter. The value of the S&P500 reached a peak for the last month. Asian markets on Friday morning also grew, and the composite MSCI Asia Pacific stock index added more than a half percent. Japan's Nikkei soared against the decision of the Bank of Japan to increase its asset purchase program to ¥80 trillion instead of the previous benchmark in ¥60-70 trillion. The Central Bank will continue stimulating as long as necessary to achieve a stable inflation rate of 2%, the report said. The Japanese market was also supported by a message that the Government Pension Investment Fund of Japan (GPIF) intends to increase investment in shares. In the morning U.S. index futures showed a positive trend and added more than a percent. December Brent traded at \$86.0 per barrel – half a dollar below our closing on 30 October.

In early trading Friday the Russian market again continued the upward trend of recent days. Information about signing an agreement on gas supplies to Ukraine until 2015 on the results of tripartite talks in Brussels contributed to positive dynamics of the index, in addition to sentiment on global markets. In accordance with the agreement, Naftogaz before year-end is to pay about \$4.6 billion in payment of receivable for previously supplied gas and buying another 4 billion cubic metres. In turn, Russia will give Ukraine a discount on gas from November 2014 to March 2015 in the amount of \$100 per 1 thousand cubic metres. Positive dynamics of European indices gave additional support for the market. In the afternoon the MICEX Index was flat. In particular, information about the sharp rise in the CBR key rate by 150 basis points to 9.5% had impact on the dynamics. Against the background of significant growth in the U.S. market at the opening, the MICEX Index managed to close on the daily high, gaining 2.45% at the end of the trading session on Friday.

On the holiday November 3 the Russian stock market consolidated at 1,490 points on the MICEX Index with mixed price movements and small trading volumes. The main pressure on players was given by sagging European indices and oil prices, as well as expectations of Western reaction to the elections in the breakaway DPR and LPR in Ukraine. By the end of trading on Monday the MICEX Index was 1,491.19 points, gaining 0.18% to close Friday.

ELECTRIC POWER INDUSTRY NEWS

"Russian Grids" have more preferential customers

The government decided to reduce the cost for small and medium businesses to connect to the electricity grid: by 2017 they will be able to connect almost free. But the rest of consumers will have to pay these costs: these funds will be included in tariffs for electricity transmission.

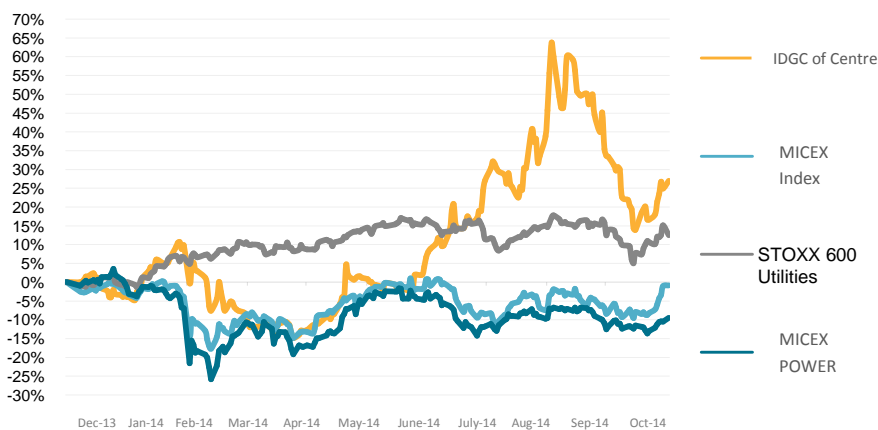
To read full text: <http://www.kommersant.ru/doc/2603400>

COMPANY NEWS

IDGC of Centre and OJSC "AtomEnergSbyT" agreed on the terms of contracts for electricity transmission in the Tver region

To read full text: http://www.mrsk-1.ru/ru/press/news/company/?id_4=89789

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 491,19	0,18%	-0,86%
S&P 500	2 017,81	-0,01%	9,17%
FTSE 100	6 487,97	-0,89%	-3,87%
DAX	9 251,70	-0,81%	-3,15%
DJStoxx 600	334,25	-0,76%	1,82%
STOXX Utilities	313,03	-2,29%	12,47%
Nikkei	16 413,76	0,00%	0,75%
Sensex	27 860,38	-0,02%	31,60%
CSI300	2 512,55	0,17%	7,83%
Bovespa	53 947,21	-1,25%	4,74%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,25	-0,32%	-9,46%
USD/RUB	41,96	-3,30%	28,21%
Euro/RUB	52,72	-3,51%	17,24%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 165,63	-0,62%	-3,00%
Brent*, USD/bbl	84,78	-1,26%	-20,27%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2775
Capitalisation**, billion RUB	11,72
Capitalisation**, million USD	279,19

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	1,15%	-9,47%
Shares of IDGC of Centre**	1,65%	26,94%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	2,86%	-31,57%
FGC UES	2,37%	-39,13%
IDGC of Volga	0,84%	5,36%
MOESK	0,50%	-27,66%
IDGC of Northern Caucasus	0,00%	-2,53%
IDGC of Centre and Volga Reg	0,00%	40,74%
IDGC of North-West	-1,95%	-11,65%
IDGC of Urals	-0,30%	-4,89%
IDGC of Siberia	-2,08%	25,11%
IDGC of South	-2,12%	16,12%
Lenenergo	0,42%	3,23%

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