



IDGC OF CENTRE

# DAILY MARKET REVIEW

14 August, Thursday

2014

## REVIEW OF STOCK MARKETS

Before the opening of trading on the 13th of August some neutral external background formed on the Russian market. On Tuesday the U.S. indices DJIA and S&P500 fell by 0.1-0.2%. According to Bloomberg, some negative backdrop for the market was statistics from Germany. In general, investors are concerned that the geopolitical tensions in the world could lead to a slowdown in the global economy. Major stock indices in the Asia-Pacific region traded without any dynamics, and the composite MSCI Asia Pacific index added 0.2%. Weak data from Japan and China did not make much of an impression on the market – analysts say it may be the reason for the expansion of measures to support the economy of these countries. Japan's GDP in quarter II fell by 6.8% y/y – the sharpest decline since the earthquake and tsunami of 2011. The reason for the collapse was the drop in consumer demand after the increase of tax on sale and purchase transactions from 5 to 8% from 1 April. In China in July new lending got minimized to the post-crisis volume, the growth rates of industrial production and retail sales slowed compared to June and were worse than expected. September Brent traded around \$103 per barrel – half a dollar below our closing on the 12th of August. Pressure on oil prices, in particular, was given by a statement of the IEA on the oil supply adequacy, despite the geopolitical tensions and fears of falling demand from China – the world's second largest oil consumer.

On Wednesday the Russian and European markets were dominated by positive sentiment in the absence of new evidence of rising tensions around Ukraine. In the afternoon the growth of the MICEX Index exceeded 1.5%, and major European indices on average added more than half a percent. In this case the markets grew, despite the poor statistics of the Eurozone and the United States: contrary to expectations in the Eurozone the industrial production declined in June, in July the inflation in Germany and France slowed down, and retail sales data in the United States in July were worse than expected. At the end of the day our market was supported with moderately positive start of trading in the United States, and the Russian indices ended the day near daily highs.

During the entire trading session the MicexPWR Sector Index looked a little worse than the market – reducing political risks were mainly played back in the "blue chips" of the Russian market. The main contribution to the MicexPWR growth, more than 50%, was made by shares of RusHydro, which added about 5% on the day. On Western exchanges the European DJStoxx 600 Index rose by 0.39%, and the U.S. S&P Index was 0.67% up.

## ELECTRIC POWER INDUSTRY NEWS

### Ministry of Energy prepared proposals to simplify the workflow during the electricity grid connection procedure

To read full text: <http://www.bigpowernews.ru/news/document57909.phtml>

### Ministry of Energy approved the procedure of setting targets for investment programs of grid companies

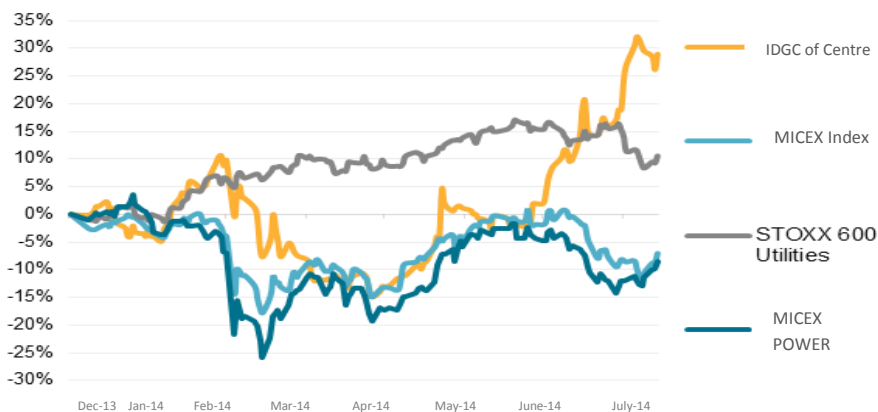
To read full text: <http://www.bigpowernews.ru/news/document57905.phtml>

## COMPANY NEWS

### IDGC of Centre does enhanced control over power equipment in a heat wave

To read full text: [http://www.mrsk-1.ru/ru/press/news/company/?id\\_4=89543](http://www.mrsk-1.ru/ru/press/news/company/?id_4=89543)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 398,85	1,79%	-7,00%
S&P 500	1 946,72	0,67%	5,32%
FTSE 100	6 656,68	0,37%	-1,37%
DAX	9 198,88	1,43%	-3,70%
DJStoxx 600	330,02	0,39%	0,54%
STOXX Utilities	307,87	1,21%	10,61%
Nikkei	15 213,63	0,35%	-6,62%
Sensex	25 918,95	0,15%	22,43%
CSI300	2 358,90	0,08%	1,24%
Bovespa	55 581,19	-1,53%	7,91%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,34	0,08%	-3,03%
USD/RUB	36,09	0,12%	10,27%
Euro/RUB	48,24	-0,09%	7,27%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 312,92	0,26%	9,26%
Brent*, USD/bbl	104,28	1,22%	-3,33%

\* - September futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2820
Capitalisation**, billion RUB	11,91
Capitalisation**, million USD	329,89

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	1,38%	-8,59%
Shares of IDGC of Centre**	2,25%	29,00%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	1,40%	-34,88%
FGC UES	0,65%	-39,93%
IDGC of Volga	4,81%	6,28%
MOESK	0,39%	-26,29%
IDGC of Northern Caucasus	13,42%	11,14%
IDGC of Centre and Volga Reg	0,93%	63,07%
IDGC of North-West	0,10%	10,52%
IDGC of Urals	1,77%	-4,23%
IDGC of Siberia	0,00%	27,63%
IDGC of South	5,63%	32,94%
Lenenergo	5,25%	19,18%

Source: MOEX, Company calculations

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

### IDGC of Centre, JSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

### IR Division

+7 (495) 747 92 92, ext. 33-34

[ir@mrsk-1.ru](mailto:ir@mrsk-1.ru)

### Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM