



IDGC OF CENTRE

DAILY MARKET REVIEW

12 August, Tuesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on the 11th of August some positive external background formed on the Russian market. On Friday the U.S. indices DJIA and S&P500, having shown the maximum growth rate of more than 4 months, increased by 1.1-1.2%. The composite MSCI Asia Pacific stock index also added more than one percent on Monday. Support to the markets, writes Bloomberg, was also given by the decreased tension around Ukraine after the August 8 large-scale exercises of the Russian Air Force and Air Defense Forces. An additional positive backdrop for investors in the Asian session was the information that the Government Pension Fund of Japan could increase its share of investments in the stock market, and published at the expected level statistics on inflation in China – according to experts, the current growth rate of prices allows the authorities to take steps to ease the monetary policy to stimulate the economy. September Brent traded around \$105 per barrel – half a dollar below our closing on Friday, August the 08th.

During the entire trading session the Russian market was dominated by buyers, on the daily highs the MICEX Index growth rate exceeded 2%. In addition to a general improvement in sentiment in global markets due to the weakening of geopolitical risks, the steady rise of our market was driven by a sharp increase in shares of Sberbank and VTB after the Friday's decision of MSCI to keep these securities in its indices. According to the provider's information, on the results of a survey, which MSCI conducted among investors to determine how the sanctions against Sberbank and VTB might affect transactions with their shares, the index company came to the conclusion that these securities could be left in the index so far.

By the end of the trading session the MicexPWR Sector Index underperformed the market mainly due to profit-taking in shares of RusHydro after an impressive growth over the past week. Nevertheless, the negative contribution of the shares of RusHydro to the MicexPWR dynamics was largely offset by the steady rise of shares of E.ON Russia, adding up to 5.5% on the day. The papers were supported by the company's notice that Unit #3 of Beryozovskaya GRES power plant will be commissioned five months earlier before the stated period in connection with the "optimization of the construction scheme and reduction of its terms". On Western exchanges the European DJStoxx 600 Index was 1.37% up, and the U.S. S&P Index rose by 0.28%.

ELECTRIC POWER INDUSTRY NEWS

Ministry of Energy of the Russian Federation compiled a list of regions with high risk of power failure in the 2014/2015 autumn-winter operation period

Compared to last operation period the Maritime power grid was excluded from the list of regions with high risks. A new region in the list is the power system of the Crimean Federal District.

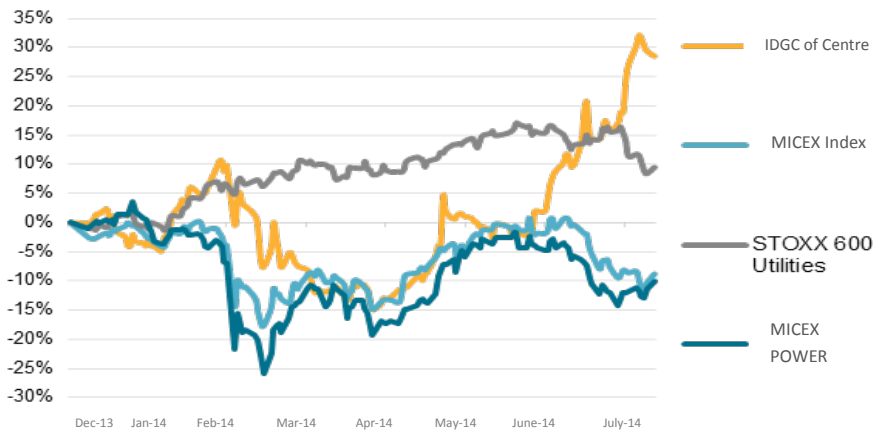
To read full text: <http://www.energyland.info/news-show-tek-electro-125341>

COMPANY NEWS

Power engineers of IDGC of Centre to provide power supply to two plants built in the Tambov region

To read full text: http://www.mrsk-1.ru/ru/press/news/company/?id_4=89541

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 372,45	1,80%	-8,75%
S&P 500	1 936,92	0,28%	4,79%
FTSE 100	6 632,82	1,00%	-1,72%
DAX	9 180,74	1,90%	-3,89%
DJStoxx 600	329,36	1,37%	0,34%
STOXX Utilities	304,85	1,04%	9,53%
Nikkei	15 130,52	2,38%	-7,13%
Sensex	25 519,24	0,75%	20,54%
CSI300	2 365,35	1,47%	1,52%
Bovespa	56 613,32	1,87%	9,91%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,34	-0,18%	-2,92%
USD/RUB	36,45	0,54%	11,36%
Euro/RUB	48,77	0,57%	8,46%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 308,48	-0,08%	8,89%
Brent*, USD/bbl	104,68	-0,32%	-2,96%

* - September futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2810
Capitalisation**, billion RUB	11,86
Capitalisation**, million USD	325,50

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	1,53%	-10,08%
Shares of IDGC of Centre**	-0,71%	28,55%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	1,82%	-35,26%
FGC UES	1,46%	-39,98%
IDGC of Volga	3,09%	2,68%
MOESK	1,21%	-26,24%
IDGC of Northern Caucasus	0,87%	-2,01%
IDGC of Centre and Volga Reg	0,06%	60,92%
IDGC of North-West	-0,06%	9,47%
IDGC of Urals	2,50%	-5,35%
IDGC of Siberia	-0,87%	23,42%
IDGC of South	-0,84%	24,33%
Lenenergo	2,37%	13,36%

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