



IDGC OF CENTRE

DAILY MARKET REVIEW

09 September, Tuesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on 08 September some moderately positive external background formed on the Russian market. On Friday Thursday the U.S. indices DJIA and S&P500 increased by 0.4-0.5%, S&P500 once again renewed its historical maximum. On Monday major indices of the Asia-Pacific region traded with a small plus, and the composite MSCI Asia Pacific index added 0.1%. The markets were support by a decline in geopolitical risks associated with Ukraine, after the ceasefire agreement signed by the parties of the conflict and some weak labour market statistics from the United States, which reinforced investors' confidence that the Fed would not rush to raise interest rates. However, the rise of the markets in the Asian session was held back as a surprise to analysts with a decline in imports of China in August and the downward revision of data on the dynamics of Japan's GDP in the second quarter – the fall in GDP was highest in five years by 7.1%. October Brent traded around \$100.9 per barrel – half a dollar below the level of our closing on Friday 05 September. Weak data from China had pressure on oil prices.

On Monday the Russian market was under pressure from the expectations of the EU's decision on new sanctions – on the day's lows the rate of decline of the MICEX Index was approaching 1%. According to Western media, a number of oil and defense companies fall under the expansion of sanctions, including Rosneft, Gazprom-Neft, Transneft, Oboronprom, United Aircraft Corporation and UralVagonZavod. Under the EU's draft, writes the media, they will not be able to borrow from Western banks for more than 30 days, they will be prohibited from selling stocks or bonds with a maturity of more than 30 days. In addition, it is intended to limit the placement of debt instruments with a maturity of more than 30 days for a number of Russian state-owned banks, including Sberbank and VTB. Russia's reaction to the news was tough enough: the Ministry of Foreign Affairs warned of unconditioned response, Prime Minister Dmitry Medvedev said about the possibility of asymmetrical response, recalling in particular, considered earlier possible restrictions for western airlines to fly in the Russian airspace. However, the activity of sellers in our market was limited to statements of representatives of the EU that the decision on new sanctions would be made taking into account the development of the situation in Ukraine after the signing of the Minsk ceasefire agreements.

By the end of trading session the MicexPWR Sector Index looked better than the dynamics of the market mainly due to strong growth in shares of Inter RAO. On Western exchanges the European DJStoxx 600 Index lost 0.43%, and the U.S. S&P Index was 0.31% minus.

ELECTRIC POWER INDUSTRY NEWS

Energy market participants asked the government for a tougher approach to the selection of facilities to the list of forced generation for 2015

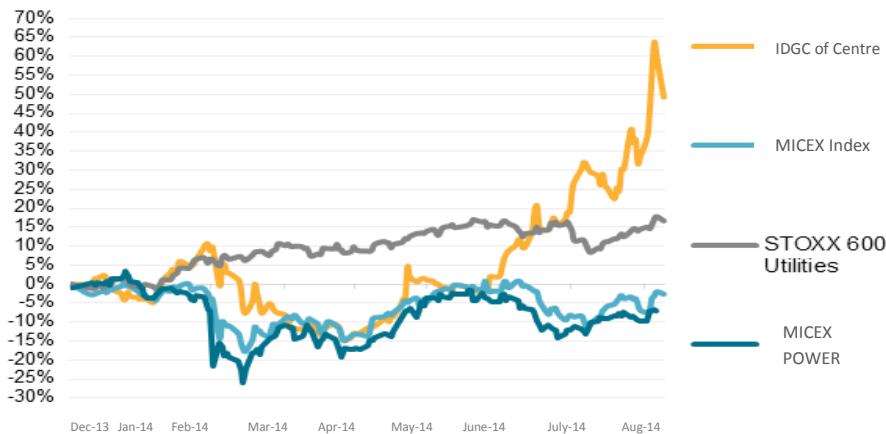
To read full text: <http://www.bigpowernews.ru/news/document58426.phtml>

COMPANY NEWS

Voronezhenergo continues execution of the investment program for 2014

To read full text: <http://www.allgen.ru/press/news/show/2660>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.13	
MICEX	1 464,76	-0,67%	-2,61%
S&P 500	2 001,54	-0,31%	8,29%
FTSE 100	6 834,77	-0,30%	1,27%
DAX	9 758,03	0,11%	2,16%
DJStoxx 600	346,09	-0,43%	5,43%
STOXX Utilities	324,85	-0,92%	16,71%
Nikkei	15 705,11	0,23%	-3,60%
Sensex	27 319,85	1,08%	29,05%
CSI300	2 449,26	0,00%	5,12%
Bovespa	59 192,75	-2,45%	14,92%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.13	
Euro/USD	1,29	-0,13%	-6,20%
USD/RUB	36,92	0,32%	12,81%
Euro/RUB	47,78	-1,24%	6,25%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.13	
Gold, USD/oz	1 255,45	-1,05%	4,48%
Brent*, USD/bbl	100,20	-0,61%	-6,63%

* - October futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3263
Capitalisation**, billion RUB	13,78
Capitalisation**, million USD	373,10

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.13	
MICEX-Power Index	-0,44%	-7,21%
Shares of IDGC of Centre**	-6,74%	49,27%

Source: MOEX, Company calculations

Grid companies	Change** for the day fr 31.12.13	
JSC Russian Grids	-0,56%	-31,92%
FGC UES	-0,64%	-39,33%
IDGC of Volga	-1,31%	12,82%
MOESK	-0,43%	-27,41%
IDGC of Northern Caucasus	0,06%	11,79%
IDGC of Centre and Volga Reg	-0,03%	62,99%
IDGC of North-West	-5,72%	16,09%
IDGC of Urals	-7,38%	-7,48%
IDGC of Siberia	0,57%	25,53%
IDGC of South	-1,15%	19,79%
Lenenergo	-1,85%	14,22%

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

Tickers

Moscow Exchange

Bloomberg

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MRKC

MRKC.RX

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