



IDGC OF CENTRE

# DAILY MARKET REVIEW

31 October, Friday

2014

## REVIEW OF STOCK MARKETS

Before the opening of trading on 30 October some mixed external background formed on the Russian market. On Wednesday the U.S. indices DJIA and S&P500 closed the session lower by 0.2 and 0.1%, respectively, against the background of the results of the meeting of the Federal Open Market Committee. As expected, the Fed announced the completion of a quantitative easing program, and did not change the phrase "holding rates low for a considerable time after the end of QE". The range of the base interest rate at 0-0.25% was also kept. At the same time the Fed noted improvement in the U.S. labour market and the gradual reduction of labour underutilization. As reported by Market Watch, a more positive assessment of the labour market was a surprise to experts, since the Fed made it clear for the first time that it might raise rates sooner than predicted by the market if the economic growth rate was higher than expected. On Thursday U.S. index futures traded in the conventional black, and the composite MSCI Asia Pacific stock index added about one third percent. December futures for Brent traded around \$87.0 per barrel – fifty cents below our closing on 29 October.

On Thursday at the opening the Russian stock market continued rising against the background of the situation on the world markets, as well as on expectations of an agreement on the "gas issue" on the basis of tripartite talks in Brussels. Additional influence on the dynamics of our markets was given by European markets, the growth of which at the opening soon gave way to some negative dynamics. Nevertheless, in the afternoon the MICEX Index was able to resume growth amid reports that the tripartite talks in Brussels would resume on Thursday evening. Earlier the Russian party informed that the basic agreement had been reached, but it was necessary to have financial guarantees of the European Commission to pay the debt of Ukraine for gas to sign the agreed documents, which must be recorded in the appropriate bilateral minutes. In particular, Minister of Energy A. Novak stated that "agreement on the price has been made and reached... on the mechanism of debt restructuring, prepayment, at the request of our partners to get in November-December certain volume of gas. Now there is a technical revision of these documents directly to be signed." At the end of the day some pressure on our market was given by mixed opening of U.S. exchanges on strong statistics for U.S. GDP growth in the III quarter, as well as on the labour market, which had caused fear with the market participants that the Fed might start raising base rates sooner than expected. Nevertheless, at the end of the day the MICEX Index was able to stay in positive territory and closed the trading session with the growth of 0.9%.

Throughout the trading session the MicexPWR Sector Index, the growth of which was constrained with some negative dynamics of Inter RAO and E.ON Russia, looked worse than the dynamics of the MICEX Index. On Western exchanges the European DJStoxx Index added 0.59%, and the U.S. S&P Index rose by 0.62%.

## ELECTRIC POWER INDUSTRY NEWS

**Net profit of "Russian Grids" under RAS for 9 months of 2014 decreased by 24% - to 3.474 billion rubles**

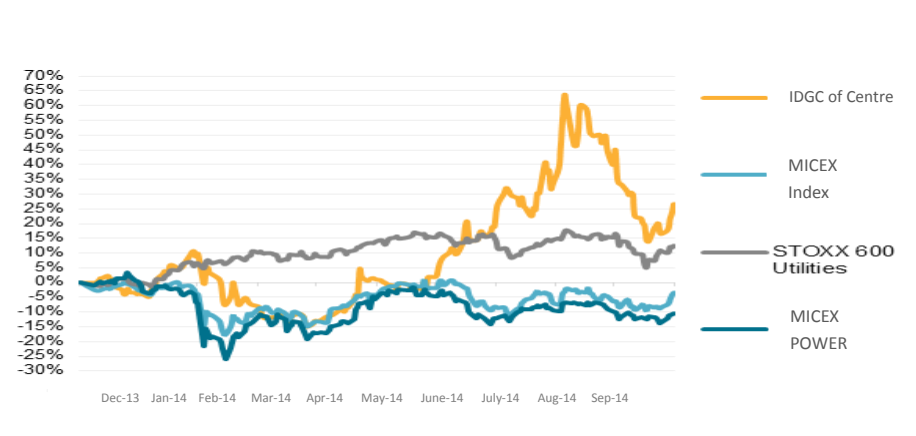
To read full text: <http://quote.rbc.ru/news/fond/2014/10/30/34243698.html>

## COMPANY NEWS

**IDGC of Centre commissioned a new high-tech substation in the Kursk region**

To read full text: [http://www.mrsk-1.ru/ru/press/news/company/?id\\_4=89782](http://www.mrsk-1.ru/ru/press/news/company/?id_4=89782)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 452,89	0,92%	-3,40%
S&P 500	1 994,65	0,62%	7,91%
FTSE 100	6 463,55	0,15%	-4,23%
DAX	9 114,84	0,35%	-4,58%
DJStoxx 600	330,71	0,59%	0,75%
STOXX Utilities	313,28	0,55%	12,56%
Nikkei	15 658,20	0,67%	-3,89%
Sensex	27 346,33	0,92%	29,17%
CSI300	2 468,93	0,72%	5,96%
Bovespa	52 336,83	2,52%	1,61%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,26	-0,97%	-8,56%
USD/RUB	42,65	0,61%	30,32%
Euro/RUB	54,34	0,87%	20,83%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 198,85	-1,10%	-0,23%
Brent*, USD/bbl	86,24	-1,01%	-18,89%

\* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2770
Capitalisation**, billion RUB	11,69
Capitalisation**, million USD	274,18

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	0,20%	-10,45%
Shares of IDGC of Centre**	2,59%	26,72%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	1,75%	-33,22%
FGC UES	0,37%	-39,86%
IDGC of Volga	-1,25%	4,26%
MOESK	-0,50%	-28,02%
IDGC of Northern Caucasus	-0,99%	-2,53%
IDGC of Centre and Volga Reg	3,45%	37,84%
IDGC of North-West	1,18%	-9,54%
IDGC of Urals	1,76%	-9,36%
IDGC of Siberia	0,00%	26,24%
IDGC of South	2,78%	14,98%
Lenenergo	0,21%	2,59%

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](#)