



IDGC OF CENTRE

DAILY MARKET REVIEW

24 June, Tuesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading some moderately positive external background formed on the Russian market. Last Friday the U.S. indices DJIA and S&P500, updating their historical highs, closed with growth in the range of 0.2%. According to Bloomberg, the market continues to rise on optimism about the prospects for the U.S. economy and expectations of preserving the soft monetary policy by the Fed. The composite MSCI Asia Pacific index and U.S. index futures were slightly up with the main country indices showing mixed trends with minor changes. Released better than expected statistics from China, where, according to preliminary HSBC data, business activity in June in the industry increased for the first time this year – the PMI index exceeded 50 points, failed to provide substantial support to investors. August Brent was traded at \$115.1 per barrel – slightly above the level of our Friday's close. Oil quotes are still supported by the Iraqi conflict and the fear of its spreading to other countries in the region.

Most of the trading session the MICEX Index had lateral dynamics near zero – the positive Chinese statistics and high oil prices were offset by weak data on business activity in the Eurozone and the continuing tensions in Ukraine. In the Eurozone, preliminary data on business activity in June in industry and services were worse than expected, at the same time the consolidated PMI of the second largest economy in the region, of France, for the second month is below 50 points, which, according to analysts of Markit Economics - the PMI provider, may indicate France is close to another recession. In Ukraine fighting continues despite the announced week's ceasefire on Friday by President. At the same time, according to media reports, the West continues to impose on Russia responsibility for the escalation, threatening with new sanctions if Russia does not take "immediate, concrete steps" to resolve the situation in Ukraine, - this, in particular, was stated in the administration of U.S. President following the discussion of the Ukrainian problem by the heads of the U.S., Germany and France. Released better than expected statistics on sales of existing homes in the United States in May had no significant impact on investors' sentiment.

Dynamics of the MicexPWR Sector Index was broadly consistent with the changes of the market – selling in shares of RusHydro and Inter RAO was offset with an increase of stocks of FGC UES, Russian Grids and E.ON Russia. On Western exchanges the European DJStoxx 600 Index lost 0.51%, and the U.S. S&P Index closed near zero.

ELECTRIC POWER INDUSTRY NEWS

Head of "Russian Grids" met with management of international financial institutions and investment companies in London

During his working visit to London General Director of JSC "Russian Grids" Oleg Budargin held a series of individual meetings with management of international and British financial institutions and investment companies.

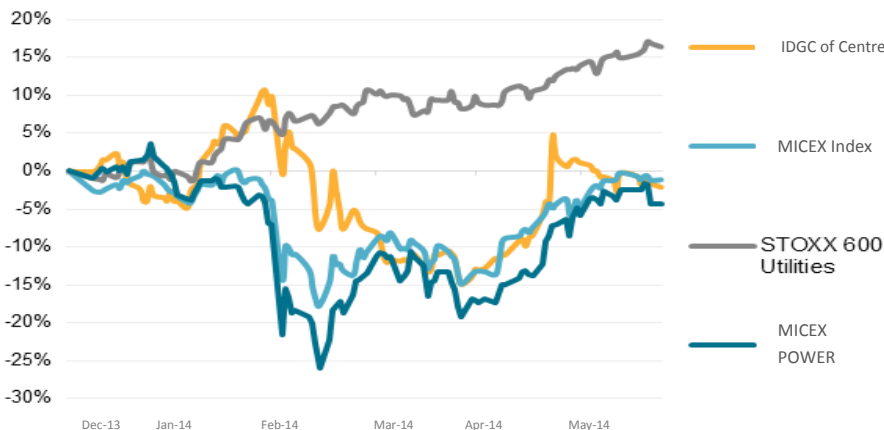
To read full text: http://www.rosseti.ru/press/news/index.php?ELEMENT_ID=18079

COMPANY NEWS

Lipetskenergo implements its investment program

To read full text: http://www.mrsk-1.ru/ru/press/news/branches/?id_4=89419

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 486,30	0,00%	-1,18%
S&P 500	1 962,61	-0,01%	6,18%
FTSE 100	6 800,56	-0,36%	0,76%
DAX	9 920,92	-0,66%	3,86%
DJStoxx 600	346,31	-0,51%	5,50%
STOXX Utilities	323,96	-0,41%	16,39%
Nikkei	15 369,28	0,13%	-5,66%
Sensex	25 031,32	-0,30%	18,24%
CSI300	2 134,11	-0,12%	-8,41%
Bovespa	54 210,05	-0,78%	5,25%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,36	-0,03%	-1,40%
USD/RUB	34,42	0,34%	5,16%
Euro/RUB	46,88	0,40%	4,25%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 317,52	0,21%	9,64%
Brent*, USD/bbl	114,12	-0,60%	5,21%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2140
Capitalisation**, billion RUB	9,03
Capitalisation**, million USD	262,49

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	-0,02%	-4,37%
Shares of IDGC of Centre**	-0,51%	-2,10%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	1,14%	-31,40%
FGC UES	1,83%	-35,34%
IDGC of Volga	-1,67%	-19,71%
MOESK	-0,33%	-13,63%
IDGC of Northern Caucasus	-1,44%	11,20%
IDGC of Centre and Volga Reg	3,02%	34,44%
IDGC of North-West	-2,72%	-3,20%
IDGC of Urals	-2,38%	-11,40%
IDGC of Siberia	3,15%	0,67%
IDGC of South	2,78%	11,25%
Lenenergo	-2,50%	17,67%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange

Bloomberg

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MRKC

MRKC.RX

MRKC.MM