



IDGC OF CENTRE

DAILY MARKET REVIEW

07 October, Tuesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on 06 October some moderately positive external background formed on the Russian market. Last Friday the U.S. indices DJIA and S&P500 closed with a growth of 1.1-1.2% for good statistics on the labour market: in September the unemployment fell to 5.9% – its lowest level since July 2008, the number of new jobs in the economy exceeded analysts' forecasts. However, analysts do not expect that these data will affect the plans for the implementation of the Fed's exit strategy – the unemployment rate also decreased due to the share reduction of the population in the labour force to a minimum since February 1978. Asian stocks rose after the American market, the composite index of the Asia-Pacific region added 0.6%. Additional positive background for investors was the reduction of tensions in Hong Kong – the number of protesters decreased, part of the barricades in the city centre was dismantled, government officials are beginning to return to the workplace. November Brent traded near \$92 a barrel – a little above the level of our closing on Friday.

During the entire trading session the Russian market was dominated by buyers – in the afternoon the MICEX Index growth exceeded 2%. Our market was supported by positive dynamics of European markets and the lack of any new negative backdrop for the Ukrainian factor. Released much worse than expected statistics on orders of industrial enterprises in Germany – the fall of the index in August was the highest since 2009, had no significant impact on investors' sentiment. Firstly, this figure is traditionally characterized by high volatility, and secondly, notes Bloomberg, weak statistics of the largest Eurozone's economy again raised expectations that the ECB will intensify its support for the Euro zone's economy with new measures. The Russian market closed near daily highs, despite the uncertain dynamics of the American indices in early trading.

By the end of trading session the MicexPWR Sector Index looked a little worse than the market dynamics – the restoration of investors' interest in Russian equities mainly affected the "blue chips" of our market. On Western exchanges the European DJStoxx Index rose by 0.24%, and the U.S. S&P Index fell 0.16%.

ELECTRIC POWER INDUSTRY NEWS

"FGC UES" hardly to raise NWF funds for its projects

Deputy Economic Development Minister Nikolay Podguzov believes that "FGC UES" is unlikely to be able to attract funds from the National Welfare Fund (NWF) for projects to strengthen the ties between the North-Western and Central parts of the UES of Russia, bypassing the Baltic States.

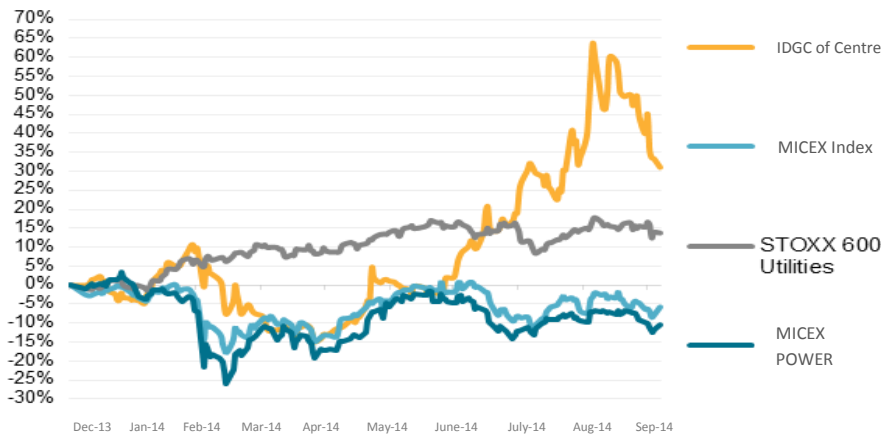
To read full text: <http://www.finmarket.ru/news/3830725>

COMPANY NEWS

IDGC of Centre is involved in a federal project to provide high-speed Internet in small settlements

To read full text: http://www.mrsk-1.ru/ru/press/news/company/?id_4=89716

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 418,15	2,42%	-5,71%
S&P 500	1 964,82	-0,16%	6,30%
FTSE 100	6 563,65	0,55%	-2,75%
DAX	9 209,51	0,15%	-3,59%
DJStoxx 600	336,00	0,24%	2,36%
STOXX Utilities	316,68	-0,11%	13,78%
Nikkei	15 890,95	1,16%	-2,46%
Sensex	26 567,99	0,00%	25,49%
CSI300	2 450,99	0,00%	5,19%
Bovespa	57 115,90	4,72%	10,89%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,26	0,63%	-8,66%
USD/RUB	39,70	0,38%	21,29%
Euro/RUB	50,20	0,51%	11,63%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 207,30	1,33%	0,47%
Brent*, USD/bbl	92,79	0,52%	-13,13%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2865
Capitalisation**, billion RUB	12,10
Capitalisation**, million USD	304,69

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	1,77%	-10,26%
Shares of IDGC of Centre**	-1,72%	31,06%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	0,79%	-32,45%
FGC UES	2,41%	-37,88%
IDGC of Volga	0,00%	2,94%
MOESK	0,00%	-33,06%
IDGC of Northern Caucasus	5,43%	6,87%
IDGC of Centre and Volga Reg	0,00%	33,39%
IDGC of North-West	2,87%	1,02%
IDGC of Urals	-0,17%	-9,36%
IDGC of Siberia	2,16%	27,66%
IDGC of South	-0,26%	20,26%
Lenenergo	-0,21%	3,45%

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