



IDGC OF CENTRE

# DAILY MARKET REVIEW

10 October, Friday

2014

## REVIEW OF STOCK MARKETS

Before the opening of trading on 09 October some positive external background formed on the Russian market. On Wednesday the U.S. indices DJIA and S&P500 rose by 1.6% and 1.7%, showing the most significant growth this year. The composite MSCI Asia Pacific stock index added about 0.5%. The market was supported with publication of the minutes of the last Fed's meeting, from which it follows that the leaders of the American Central Bank fear that a slowdown in the global economic recovery and a strong dollar carry potential risks to the outlook for economic growth in the United States. Several members of the FOMC said that the growth of the economy "may be slower than expected if foreign economies grow weaker than projected". This information, as noted by Bloomberg, was perceived by investors as a signal that the Federal Reserve will refrain from raising interest rates in the near future. November Brent futures traded around \$91.6 per barrel – a dollar higher than our closing on 08 October. Quotes of oil, having updated on Wednesday their annual minimum on statistics of the U.S. Department of Energy, which recorded a significant increase in oil and gasoline reserves last week, were able to play all the losses after the publication of the FOMC minutes.

Weakening of investors' concerns in relation to the earlier than now expected increase in the base rate by the Federal Reserve became the main driver of the recovery of the Russian and European markets after two days of active sales. In the morning the MICEX Index growth exceeded 1.5%, the rise of the major stock indices in Europe was on average about one percent. Underperformance of European markets was again due to the poor statistics of Germany – the volume of exports in August compared with July fell to the maximum 5.8% since January 2009. This is already the third indicator of the Eurozone's largest economy this week, falling in August, which was a record for more than five years – previously industrial production and orders of manufacturing enterprises showed similar dynamics. In the afternoon the German negative statistics completely levelled good closing of American markets – the European indices went into half-point minus, the American stock market indicators in early trading showed comparable losses, despite the released better than expected data on applications for unemployment, decline in oil prices renewed. Against this background the MICEX Index, having lost almost all of the daily growth, closed the day with only one-third per cent above the zero mark.

Dynamics of the MicexPWR Sector Index, for most of the trading session lagging behind the market on the growth rate, at the end of the day was comparable with the dynamics of the MICEX Index due to more active profit-taking in the "blue chips" in the second half of trading. On Western exchanges the European DJStoxx Index lost 0.41% and the U.S. S&P Index fell 2.07%.

## ELECTRIC POWER INDUSTRY NEWS

**Rising prices for electricity for the population in some regions of Russia could exceed 10%**

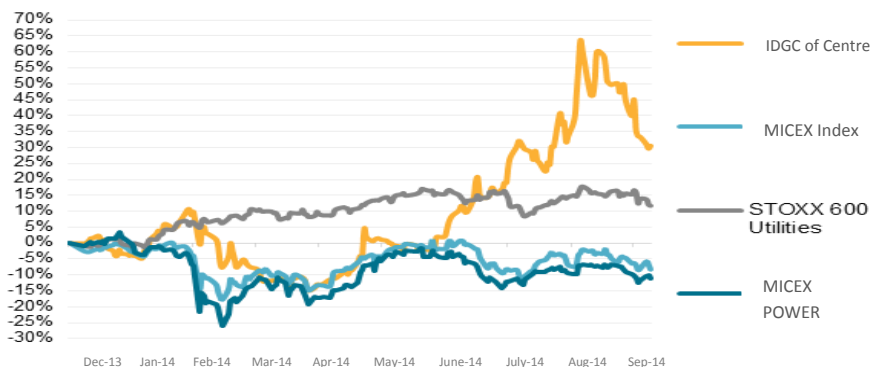
To read full text: <http://www.finmarket.ru/news/3834043>

## COMPANY NEWS

**IDGC of Centre reconstructed the substation "Naryshkinskaya"**

To read full text: [http://www.mrsk-1.ru/ru/press/news/company/?id\\_4=89725](http://www.mrsk-1.ru/ru/press/news/company/?id_4=89725)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 384,33	0,33%	-7,96%
S&P 500	1 928,21	-2,07%	4,32%
FTSE 100	6 431,85	-0,78%	-4,70%
DAX	9 005,02	0,11%	-5,73%
DJStoxx 600	326,67	-0,41%	-0,48%
STOXX Utilities	309,96	-0,36%	11,36%
Nikkei	15 478,93	-0,75%	-4,99%
Sensex	26 637,28	1,49%	25,82%
CSI300	2 481,96	0,14%	6,52%
Bovespa	57 267,53	0,37%	11,18%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,27	0,06%	-8,00%
USD/RUB	39,98	0,60%	22,16%
Euro/RUB	50,51	0,61%	12,32%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 224,33	0,26%	1,89%
Brent*, USD/bbl	90,05	-1,46%	-15,69%

\* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2840
Capitalisation**, billion RUB	11,99
Capitalisation**, million USD	299,88

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	0,07%	-11,03%
Shares of IDGC of Centre**	-0,53%	29,92%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	0,25%	-32,82%
FGC UES	0,91%	-38,78%
IDGC of Volga	1,50%	4,26%
MOESK	-0,54%	-33,42%
IDGC of Northern Caucasus	-0,99%	-2,53%
IDGC of Centre and Volga Reg	-2,78%	29,69%
IDGC of North-West	-1,89%	-8,83%
IDGC of Urals	-1,75%	-11,71%
IDGC of Siberia	2,77%	37,02%
IDGC of South	-2,70%	11,87%
Lenenergo	-1,07%	-0,65%

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