



DAILY

MARKET REVIEW

2013

| 19 July, Friday

## REVIEW OF STOCK MARKETS

Before the opening of trading some neutral external background formed on the Russian market on July 18. On Wednesday, the major U.S. indices were 0.1-0.3% up on the statements of the head of the Federal Reserve that the bond purchase program, implemented by the U.S. Central Bank, "does not follow a pre-defined rate". In addition, the market was supported with the released better expectations quarterly reporting of Bank of America and BNY Mellon. However, the common dynamics in the Asia-Pacific markets was not observed - the activity of buyers was constrained by the IMF statement about the growing risks to the pace of economic growth of China. September Brent was trading around the level of \$108.5 per barrel - half a dollar higher than our closing on Wednesday. Both the statements of the head of the Federal Reserve and the U.S. Department of Energy data had support for oil prices: stocks have been declining for three weeks in a row - this is the longest period to decrease this year, refinery capacity utilization increased to a maximum of 2013.

In the first hours of trading the Russian market attempted to continue yesterday's growth - the rise of the MICEX Index was half a percent. The mood in our market deteriorated sharply after the announcement of a guilty verdict to A. Navalny - for half an hour, the MICEX Index fell more than 2%. A number of analysts, according to Interfax, sees this event as an independent driver of strong sales, marking the rise of political risks, while at the same time, some experts believe that there were other reasons for the decline of the market - in particular, the IMF statement on China and the overall medium-term being overbought of the Russian market. As a result, by the end of the day our indices had more than one percent in the red against the background of almost on an average one percent growth in Western markets, where buyers were supported with good reporting of Morgan Stanley and released better than expected U.S. statistics on applications for unemployment benefits and the business activity in Philadelphia index of July.

At the end of the day, the MICEX Index lost 1.06% to close trading at 1,416.63 points, the RTS Index fell by 1.13% to close at 1,377.35 points. The MicexPWR Sector Index decreased by 0.21%, reaching 1,251.47 points. The loss of MicexPWR was limited with the continued rally in shares of FGC and Russian Grids at high volumes: FGC's turnover was a record in the history of trading on MICEX, Russian Grids - only 3% below the record. On Western exchanges the European DJStoxx 600 Index ended the day with a gain of 0.92%, while the U.S. S&P 500 Index rose by 0.50%.

## ELECTRIC POWER INDUSTRY NEWS

## Investment programs of "Russian Grids" and FGC will not merge

The state will not combine investment programs of JSC "Russian Grids" and FGC UES, told reporters Thursday Deputy Minister of Energy Mikhail Kurbatov.

To read full text: <http://www.bigpowernews.ru/news/document50929.phtml>

## Press Conference of Deputy Minister of Energy Mikhail Kurbatov

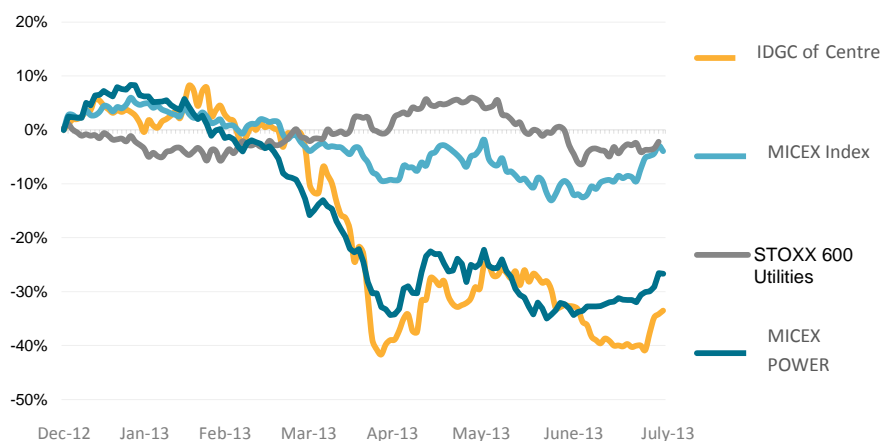
To read full text: <http://presscentr.rbc.ru/pressconf/2013/07/18/1124/>

## COMPANY NEWS

## Orel power engineers of IDGC of Centre are fully implementing the plan for clearing ROWs along power lines

To read full text: [http://www.mrsk-1.ru/ru/press/news/branches/?id\\_4=88637](http://www.mrsk-1.ru/ru/press/news/branches/?id_4=88637)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change for 31.12.12
MICEX	1 416,63	-1,06%	-3,94%
S&P 500	1 689,37	0,50%	18,45%
FTSE 100	6 634,36	0,95%	12,49%
DAX	8 337,09	1,00%	9,52%
DJStoxx 600	299,76	0,92%	7,18%
STOXX Utilities	253,30	1,26%	-2,19%
Nikkei	14 808,50	1,32%	42,46%
Sensex	20 128,41	0,90%	3,61%
CSI300	2 245,33	-1,64%	-11,00%
Bovespa	47 656,92	0,53%	-21,81%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change for 31.12.12
Euro/USD	1,31	-0,41%	-0,85%
USD/RUB	32,45	-0,27%	6,85%
Euro/RUB	42,62	0,08%	5,95%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change for 31.12.12
Gold, USD/oz	1 284,23	0,64%	-23,35%
Brent*, USD/bbl	108,70	0,08%	-2,17%

\* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3989
Capitalisation**, billion RUB	16,84
Capitalisation**, million USD	518,93

\*\* - at the price of last transaction at MICEX

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change from 31.12.12
MICEX-Power Index	-0,21%	-26,70%
Shares of IDGC of Centre	1,01%	-33,52%

Source: MICEX, Company calculations

Grid companies	Change for the day	Change for 31.12.12
IDGC of Volga	2,57%	-18,33%
MOESK	-2,31%	-15,86%
IDGC of Northern Caucasus	-0,96%	-26,15%
IDGC of Centre and Volga Reg	-0,24%	-30,34%
IDGC of North-West	9,62%	-24,68%
IDGC of Urals	-0,40%	-24,19%
IDGC of Siberia	0,33%	-1,17%
IDGC of South	4,94%	-18,13%
Lenenergo	1,68%	-23,03%

Source: MICEX, Company calculations

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## Tickers

Moscow Exchange  
Bloomberg  
Reuters

MRKC  
MRKC.RX  
MRKC.MM