

REVIEW OF STOCK MARKETS

Before the opening of trading some neutral external background formed on the Russian market. On last Friday's results the U.S. DJIA and S&P500 indices changed in different directions, losing 0.1% and adding 0.2%, respectively, on the contradictory statistics on the U.S. labour market in December. According to the Department of Labour, job growth was minimal over the past three years, while the unemployment rate fell to its lowest level since October 2008. Experts' opinions on the possible impact of these data on the Fed's decision to withdraw from the asset repurchase program got divided. Some analysts believe that the weak growth of new jobs will make the U.S. Central Bank to less actively implement the exit strategy. However, most experts still believe that these statistics will be the basis for a more cautious Fed's action to curtail the QE. Stock indices of the major ATP markets traded without any single dynamics, and the U.S. futures lost 0.2%. February Brent traded near \$107 per barrel, at the level of our closing on Friday.

On Monday, the Russian market was somewhat better than European exchanges, recovering after a bad start in 2014 – the first working week the MICEX Index lost more than 2%. The driver for the market was shares of Norilsk Nickel, which added up for the day nearly 5% amid rising nickel prices after the introduction of the ban on Indonesian export of unprocessed ores. At the same time the rise of our market was of quite uncertain character: the activity of buyers was constrained by reduction of the U.S. futures and oil prices.

Following the results of the day the MICEX Index rose by 0.57% to close trading at 1,477.56 points. Dynamics of the MicexPWR Sector Index was generally consistent with the dynamics of the MICEX index – steady growth of stocks of electric grid companies was largely offset by more than 2% reduction of Inter RAO. On Western exchanges the European DJStoxx 600 Index rose by 0.23%, and the American S&P 500 Index fell by 1.26%.

ELECTRIC POWER INDUSTRY NEWS

The outcome of the Russian energy industry operation in 2013

At January 9 meeting with Russian President Vladimir Putin, Russian Energy Minister Alexander Novak showed Head of State presented a presentation on "The outcome of the Russian energy industry operation in 2013. Tasks in the medium term".

To read full text: [http://minenergo.gov.ru/press/min\\_news/17355.html](http://minenergo.gov.ru/press/min_news/17355.html)

Mr. Medvedev instructed the Ministry of Energy until March 5 to prepare draft amendments to the legislation to eliminate inefficient investments of electricity grid companies

To read full text: <http://www.bigpowernews.ru/news/document54006.phtml>

COMPANY NEWS

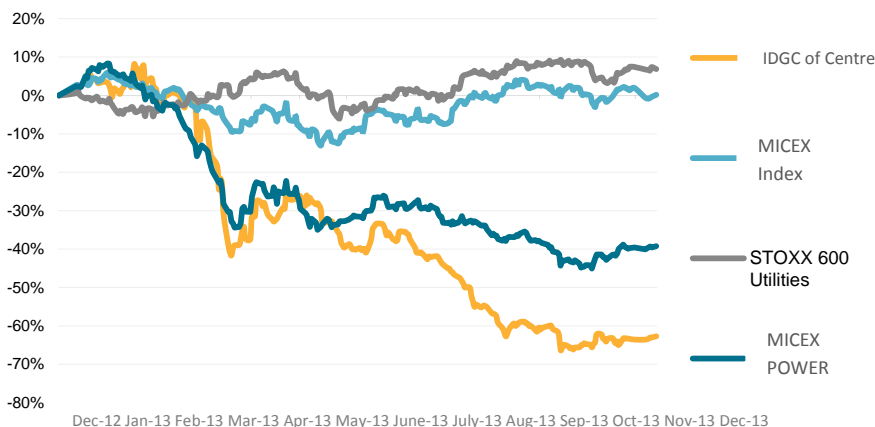
Number of requests for Smolenskenergo's services is growing

During 11 months of 2013 IDGC of Center – Smolenskenergo division was visited by 144,067 people (compared to last year during this period there were only 88,152 visitors). Most applications of customers were for grid connection to electric networks of the branch.

To read full text:

[http://www.advis.ru/php/view\\_news.php?id=ACF5606C-D649-8E4C-BB38-D54E708D07CE](http://www.advis.ru/php/view_news.php?id=ACF5606C-D649-8E4C-BB38-D54E708D07CE)

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.13	
MICEX	1 477,56	0,57%	-1,76%
S&P 500	1 819,20	-1,26%	-1,58%
FTSE 100	6 757,15	0,26%	0,12%
DAX	9 510,17	0,39%	-0,44%
DJStoxx 600	330,72	0,23%	0,75%
STOXX Utilities	275,99	-0,49%	-0,84%
Nikkei	15 912,06	0,00%	-2,33%
Sensex	21 134,21	1,81%	-0,17%
CSI300	2 193,68	-0,51%	-5,85%
Bovespa	49 426,90	-0,54%	-4,04%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.13	
Euro/USD	1,37	-0,12%	-0,98%
USD/RUB	33,21	0,16%	1,46%
Euro/RUB	45,21	0,31%	0,53%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.13	
Gold, USD/oz	1 253,31	0,39%	4,30%
Brent*, USD/bbl	106,75	-0,47%	-3,66%

\* - February futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2237
Capitalisation**, billion RUB	9,44
Capitalisation**, million USD	284,41

Source: Central Bank of Russia, Company calculations

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

Russian indexes	Change for the day from 31.12.13	
MICEX-Power Index	0,64%	0,51%
Shares of IDGC of Centre**	0,81%	2,33%

Source: MICEX, Company calculations

Grid companies	Change** for the day fr 31.12.13	
JSC Russian Grids	1,31%	-0,26%
FGC UES	2,75%	1,54%
IDGC of Volga	1,54%	1,62%
MOESK	-1,89%	-2,55%
IDGC of Northern Caucasus	-1,06%	-2,98%
IDGC of Centre and Volga Reg	0,33%	3,75%
IDGC of North-West	-0,25%	-3,17%
IDGC of Urals	1,68%	1,41%
IDGC of Siberia	-1,48%	-3,73%
IDGC of South	-0,16%	-0,71%
Lenenergo	1,02%	10,60%

Source: MICEX, Company calculations

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

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Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC  
MRKC.RX  
MRKC.MM