



IDGC OF CENTRE

DAILY MARKET REVIEW

31 December, Wednesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on 30 December some moderately negative external background formed on the Russian market. On Monday the U.S. indices closed the session in different directions with minor changes in the range of 0.1%, while the S&P500 updated its historical highs. On Tuesday the composite index of the Asia-Pacific region MSCI Asia Pacific lost more than half a percent under pressure, as reported by Bloomberg, of a drop in prices of energy companies and the negative dynamics of the Japanese stock market on the last business day of the year. February Brent futures traded around \$57.3 per barrel – nearly \$2.5 below our closing on 29 December. Brent quotes, having updated their yearly minimum, decreased to the level of May 2009. Since the beginning of the year the price of Brent crude has fallen 48%, which is the sharpest decline since the 2008 crisis. The main reason for the fall in oil prices, analysts say, is a significant excess of supply over demand – in particular, according to the Government of Qatar, 2 million barrels per day. According to experts, this imbalance will become more apparent in the beginning of next year, when in the world refinery utilization begins to shrink.

The Russian market throughout the last in this year's trading session was under pressure from the oil factor. Starting the day nearly with 4% fall, the MICEX Index after a small correction had most of the day more than two percent minus. Investors' sentiment in Europe also did not differ with optimism – reduction in major indices in the afternoon exceeded one percent, including, and on the Greek problems. As Prime Minister of Greece stated, early presidential elections, scheduled for the end of January, will determine whether the country will remain a part of the Eurozone. Released worse than expected statistics from the U.S. on the consumer confidence index in December did not have a significant impact on the dynamics of trading.

During the trading session the MicexPWR Sector Index looked significantly better than the market mainly due to strong growth in shares of E.ON Russia. The final 4% increase in these papers, along with a percent rise in shares of FGC UES, made a major contribution to minimizing the daily losses of the MicexPWR Sector Index. On Western exchanges the European DJStoxx Index fell 0.94%, and the U.S. S&P Index was 0.49% down.

ELECTRIC POWER INDUSTRY NEWS

RDIF attracted the 1st tranche of 1.08 billion rubles from the National Welfare Fund for a "smart grid" project

Russian Direct Investment Fund (RDIF) received the first tranche of funds from the National Welfare Fund (NWF) in the amount of 1.08 billion rubles to construct "smart grids" in conjunction with "Russian Grids"

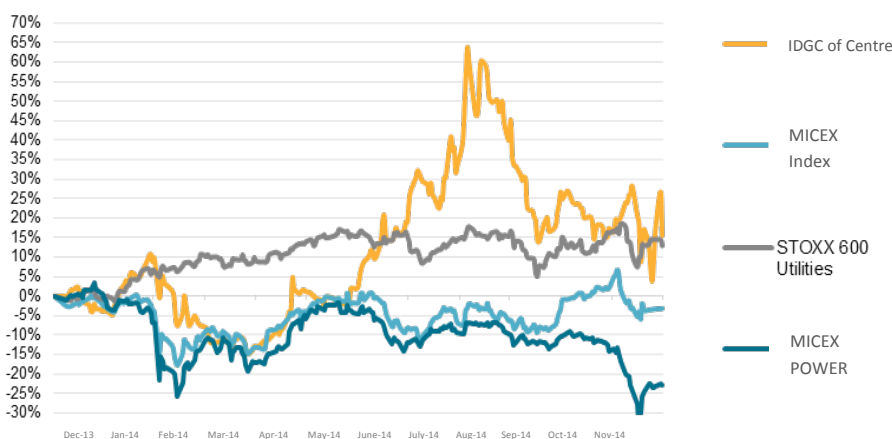
To read full text: <http://www.finmarket.ru/news/3907650>

COMPANY NEWS

Tambovergo switched to a two-tier model of operational and technological management

To read full text: <http://www.mrsk-1.ru/press-center/news/branches/46920/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.13	
MICEX	1 396,61	-2,54%	-7,15%
S&P 500	2 080,35	-0,49%	12,55%
FTSE 100	6 547,00	-1,30%	-2,99%
DAX	9 805,55	-1,22%	2,65%
DJStoxx 600	341,02	-0,94%	3,89%
STOXX Utilities	314,19	-1,34%	12,88%
Nikkei	17 450,77	-1,57%	7,12%
Sensex	27 403,54	0,03%	29,44%
CSI300	3 457,55	0,06%	48,39%
Bovespa	50 007,41	-1,16%	-2,91%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.13	
Euro/USD	1,22	-0,12%	-11,84%
USD/RUB	56,68	8,93%	73,18%
Euro/RUB	69,06	8,73%	53,57%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.13	
Gold, USD/oz	1 200,55	1,46%	-0,09%
Brent*, USD/bbl	57,90	0,03%	-45,07%

* - February futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2525
Capitalisation**, billion RUB	10,66
Capitalisation**, million USD	188,07

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.13	
MICEX-Power Index	-0,13%	-22,75%
Shares of IDGC of Centre**	-8,84%	15,51%

Source: MOEX, Company calculations

Grid companies	Change** for the day fr 31.12.13	
JSC Russian Grids	-5,98%	-46,58%
FGC UES	1,08%	-49,32%
IDGC of Volga	-7,00%	22,48%
MOESK	-2,72%	-10,03%
IDGC of Northern Caucasus	1,26%	-21,63%
IDGC of Centre and Volga Reg	-8,00%	43,17%
IDGC of North-West	-2,69%	-10,95%
IDGC of Urals	1,83%	-4,19%
IDGC of Siberia	0,11%	27,66%
IDGC of South	-6,93%	-3,98%
Lenenergo	-3,05%	-24,57%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, JSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

IR Division

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM