



DAILY
MARKET REVIEW

REVIEW OF STOCK MARKETS

Before the opening of trading some moderately negative external background formed on the Russian market. Major U.S. indices on Friday lost 0.3% on fears about the economy of China, the continuing tension in Ukraine and own statistics – data on consumer confidence were worse than expected. Asia-Pacific stock indices showed no single trend, the composite MSCI Asia Pacific index was slightly negative. May Brent traded near \$108 a barrel – at the level of our closing on Friday.

On Monday, the Russian market continued active recovery from multi-year lows recorded on Friday: in the middle of the day the rise of the MICEX Index reached 4%, in the second half of the trading session the growth rate, however, decreased to 1.5%. At the same time major European indices added an average of just over 0.5%. According to analysts, such dynamics of our market was mainly due to the mass closure of "short" positions amid both decreasing investors' concerns about the degree of stiffening of Western sanctions against Russia because of the situation with the Crimea, and the today's expiration of index futures and options. Events around the Crimea continue to evolve rapidly: after summing up the results of the referendum, in which 96.77% of the voters were for the entry of the Crimea to Russia, the government proclaimed the autonomy of the Crimea as an independent state and appealed to Russia for the acceptance to the Russian Federation. In connection with this appeal on Tuesday at 03:00 pm Moscow time, the Russian president will deliver a speech to deputies of the State Duma, the Federation Council and regional leaders. With regard to sanctions, according to media reports, the U.S. and the EU have imposed visa restrictions on some Russian officials and frozen their assets, while at the same time, the introduction of more radical measures that would, in particular, affect energy cooperation with Russia, is not considered. In late trading markets were supported with good statistics from the U.S. on industrial production in February and a percent rise of U.S. indices in early trading – the MICEX Index returned to daily highs, and the growth of European indices accelerated to a percent.

Following the results of the day the MICEX Index rose by 3.74 % to close trading at 1,283.70 points. Dynamics of the MicexPWR Sector Index throughout the trading session looked better than the market, on the daily highs the indicator growth was 5.5%. On the day a major contribution to improving MicexPWR, about 55%, was made by shares of RusHydro, FGC and E.ON Russia. On Western exchanges the European DJStoxx 600 Index rose by 1.12%, and the American S&P 500 Index gained 0.96%.

ELECTRIC POWER INDUSTRY NEWS

Mr. Medvedev has signed a resolution on more transparent tariffs for electricity

Russian Prime Minister Dmitry Medvedev has signed a resolution, which will make electricity tariffs more transparent.

To read full text: <http://www.rbc.ru/rbcfreenews/20140317173902.shtml>

The Government has approved a special procedure for payment of electricity transmission services provided by a TGC mainly to one customer

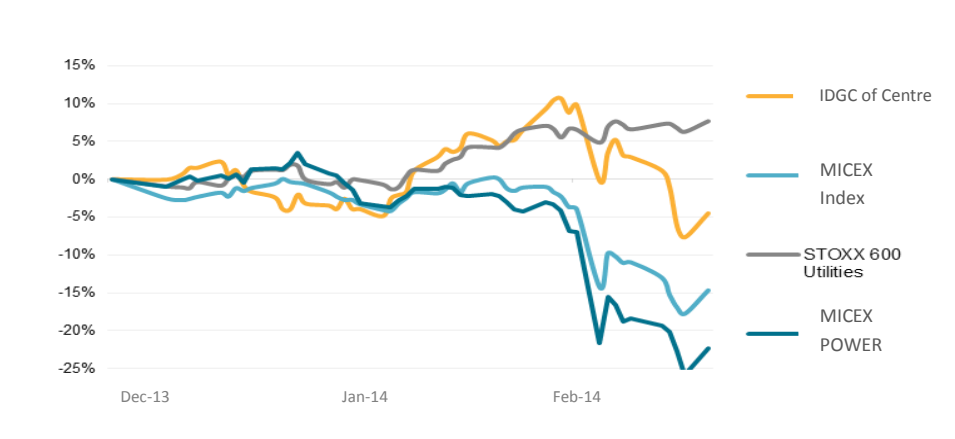
To read full text: <http://www.bigpowernews.ru/news/document55277.phtml>

COMPANY NEWS

"Smolenskenergo" has prepared a proposal to reduce the costs of connection to the electricity grid

To read full text: <http://www.energyland.info/news-show-tek-electro-118684>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 283,70	3,74%	-14,65%
S&P 500	1 858,83	0,96%	0,57%
FTSE 100	6 568,35	0,62%	-2,68%
DAX	9 180,89	1,37%	-3,89%
DJStoxx 600	325,83	1,12%	-0,74%
STOXX Utilities	299,67	1,32%	7,67%
Nikkei	14 277,67	-0,35%	-12,36%
Sensex	21 809,80	0,00%	3,02%
CSI300	2 143,04	0,95%	-8,03%
Bovespa	45 117,80	0,34%	-12,40%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,39	0,08%	0,99%
USD/RUB	36,64	0,50%	11,95%
Euro/RUB	50,76	-0,09%	12,88%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 367,07	-1,15%	13,77%
Brent*, USD/bbl	106,24	-1,82%	-3,35%

* - April futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2088
Capitalisation**, billion RUB	8,82
Capitalisation**, million USD	240,59

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	from 31.12.13
MICEX-Power Index	4,82%	-22,32%
Shares of IDGC of Centre**	3,42%	-4,48%

Source: MICEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	3,60%	-40,80%
FGC UES	7,58%	-39,41%
IDGC of Volga	4,71%	-21,86%
MOESK	2,26%	-30,07%
IDGC of Northern Caucasus	1,31%	0,06%
IDGC of Centre and Volga Reg	1,82%	-0,39%
IDGC of North-West	7,80%	-5,14%
IDGC of Urals	5,82%	-33,61%
IDGC of Siberia	2,20%	-42,01%
IDGC of South	2,00%	-17,62%
Lenenergo	3,43%	-9,05%

Source: MICEX, Company calculations
** - at the price of last transaction at MICEX

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Tickers

Moscow Exchange
Bloomberg
Reuters

MRKC
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