



IDGC OF CENTRE

DAILY MARKET REVIEW

03 December, Wednesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on 02 December some neutral external background formed on the Russian market. On Monday the U.S. indices DJIA and S&P500 lost 0.3% and 0.7% respectively on the weak statistics on business activity in industry in China and the Eurozone in November. On Tuesday the composite MSCI Asia Pacific stock index added 0.6%. The markets in the Asian session were supported with some recovery in commodity prices and expectations of new stimulus measures from the Central Bank of China after the publication of data on the manufacturing PMI in November. Speculation on this subject, in particular, reflected in the almost 4% growth of the Chinese CSI300. January Brent traded around \$72.1 per barrel – a dollar above the level of our closing on 01 December. Analysts do not tend to overestimate the current rise in oil prices, describing it as a rebound after a sharp drop.

The MICEX Index began the trading session with nearly 1.5% in the decline after active profit-taking in the leading equities on Monday – Lukoil, Norilsk Nickel and Surgutneftegaz, the reason for that was, including, the strengthening of the ruble on the growing oil. However, the decline of the MICEX Index did not last long – in the middle of the day the indicator added about one percent after renewed growth of shares of the same companies. Buyers returned to these papers because of another round of sharp weakening of the ruble, which, in turn, provoked an updated macroeconomic forecast for 2015 by the Ministry of Economic Development. According to Deputy Head of the Ministry of Economic Development A. Vedevev instead of the GDP growth of 1.2% it is now expected to decline by 0.8%, capital outflow of \$90 billion projected in September will be \$50 billion instead, and the forecast average annual exchange rate of the dollar increased to 49 rubles from the previous 37.7 rubles. According to Deputy Minister, the main reasons for the revision were the decrease in the forecast average price of Urals crude oil to \$80 from \$100 per barrel and increase in the expected duration of the sanctions against the Russian Federation until the end of 2015. By the end of the trading session the MICEX Index still lost more than half of the daily growth mainly due to the 3% drop in Sberbank to respond to the next anti-record of the ruble – in the last hour of trading the dollar approached the level of 54 rubles.

The MicexPWR Sector Index in the first half of the day was ahead of the market dynamics, and closed the day significantly worse than the MICEX Index – in the second half of the trading session active sales affected most of the MicexPWR "heavy" index securities. On Western exchanges the European DJStoxx Index added 0.50%, and the U.S. S&P Index rose by 0.64%.

ELECTRIC POWER INDUSTRY NEWS

Electricity consumption in Russia in November 2014 increased by 5% due to the cold weather, from the beginning of the year it grew by 0.2%

To read full text: <http://www.bigpowernews.ru/news/document60425.phtml>

COMPANY NEWS

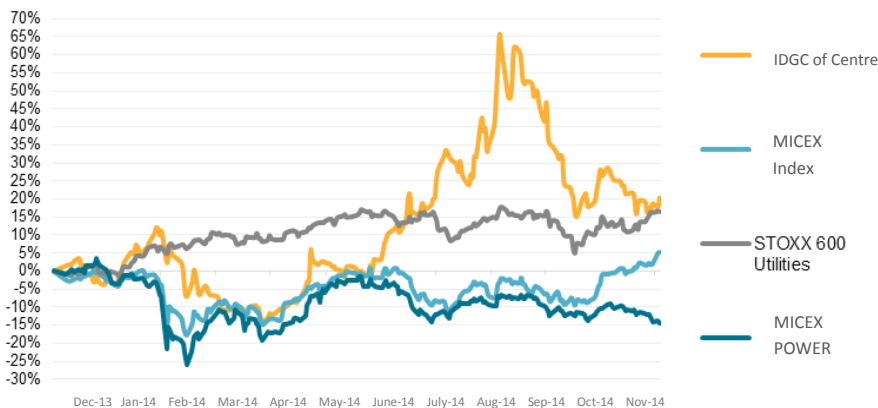
IDGC of Centre reconstructs one of the oldest substations in the Kursk region

To read full text: http://www.mrsk-1.ru/ru/press/news/company/?id_4=89853

Tamboverenergo performs work on clearing and extension of ROWs ahead of schedule

To read full text: http://www.mrsk-1.ru/ru/press/news/branches/?id_4=89852

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 583,12	0,30%	5,26%
S&P 500	2 066,55	0,64%	11,80%
FTSE 100	6 742,10	1,29%	-0,10%
DAX	9 934,08	-0,30%	4,00%
DJStoxx 600	347,37	0,50%	5,82%
STOXX Utilities	324,24	-0,13%	16,49%
Nikkei	17 663,22	0,42%	8,42%
Sensex	28 444,01	-0,40%	34,36%
CSI300	2 923,94	3,69%	25,49%
Bovespa	51 612,47	-1,27%	0,20%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,24	-0,86%	-10,17%
USD/RUB	51,81	5,04%	58,29%
Euro/RUB	64,44	4,94%	43,30%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 198,28	-1,14%	-0,28%
Brent*, USD/bbl	70,54	-2,76%	-33,38%

* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2615
Capitalisation**, billion RUB	11,04
Capitalisation**, million USD	213,10

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	-0,86%	-14,46%
Shares of IDGC of Centre**	2,75%	21,01%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	-0,75%	-33,26%
FGC UES	-1,30%	-40,13%
IDGC of Volga	1,34%	-0,13%
MOESK	1,52%	-28,02%
IDGC of Northern Caucasus	1,05%	-6,74%
IDGC of Centre and Volga Reg	0,00%	46,88%
IDGC of North-West	-1,96%	-12,00%
IDGC of Urals	1,18%	-5,91%
IDGC of Siberia	3,97%	26,24%
IDGC of South	-0,28%	11,25%
Lenenergo	0,00%	-6,47%

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