



DAILY

MARKET REVIEW

2013

| 1 October, Tuesday

REVIEW OF STOCK MARKETS

Before the opening of trading some negative external background formed on the Russian market on September 30. Last Friday, the U.S. S&P500 and DJIA indices ended lower by 0.4-0.5% under the pressure of budget problems. Republicans and Democrats are not yet able to not only bring closer the positions on the budget for the new fiscal year that begins October 1, but agree on some interim financing of the federal spending. The main reason for disagreement is President Barack Obama's health care reform, the cost of which Republicans want to freeze. The parties rigidly stick to their points of view and are not willing to make concessions – as noted by Bloomberg, there had been no negotiations between representatives of the two parties on the weekend. The analysts believe that even more fierce battles will take place in terms of the debt ceiling, the decision to increase which must be taken before October 17, otherwise the country faces default. Asia-Pacific stock indices lost an average of more than a percent, U.S. index futures were down half a percent. Released weaker than expected data on manufacturing activity in China in September and industrial production in Japan in August put additional pressure on the markets. November Brent was trading around \$107.5 per barrel – almost \$2 below our closing on Friday, geopolitical prize continues to be taken from oil prices.

Throughout the day, the markets dominated by sellers, in the middle of the day the MICEX Index was declining about half a percent, and the main European indices – an average of more than a percent. Advancing negative dynamics of European markets was, in particular, due to the beginning of the political crisis in Italy – after the ministers representing the party of Berlusconi had left the government, the prime minister said the need on a vote of confidence in the government. At the end of the day Europe won back some losses after not so negative, as was testified by the dynamics of futures, trading start in the United States – released better than expected data on manufacturing activity of Chicago in September could have some support.

According to the results of the trades the MICEX Index lost 0.62% to close trading at 1,462.82 points and the RTS Index fell by 0.72% to close at 1,422.49 points. The MicexPWR Sector Index fell by 2.42%, reaching 1,086.11 points. On Western exchanges the European DJStoxx 600 Index was down 0.55%, and the American S&P 500 Index fell by 0.60%.

ELECTRIC POWER INDUSTRY NEWS

For sure no privatization of any IDGC to be in 2013, it could take place next year

The Ministry of Energy of Russia does not expect to privatize any of interregional distribution grid companies (IDGCs) in the current year due to the uncertainty related to tariff regulation, told RIA Novosti Minister of Energy Alexander Novak.

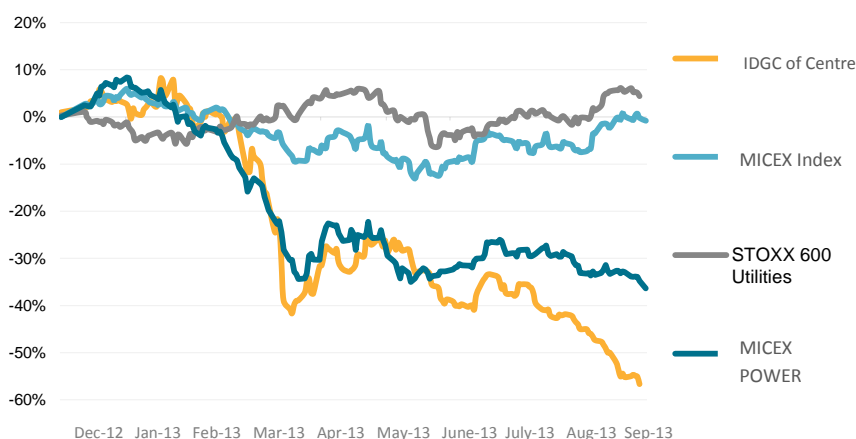
To read full text: <http://www.bigpowernews.ru/news/document52247.phtml>

COMPANY NEWS

Management of IDGC of Centre to take part in the 5th Annual VTB Capital Investment Forum "RUSSIA CALLING!"

To read full text: http://vtbcapital.ru/events/2013/moscow/about_forum/

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.12
MICEX	1 462,82	-0,62%	-0,81%
S&P 500	1 681,55	-0,60%	17,91%
FTSE 100	6 462,22	-0,77%	9,57%
DAX	8 594,40	-0,77%	12,90%
DJStoxx 600	310,46	-0,55%	11,01%
STOXX Utilities	270,41	-0,67%	4,41%
Nikkei	14 455,80	-2,06%	39,06%
Sensex	19 379,77	-1,76%	-0,24%
CSI300	2 409,04	0,59%	-4,51%
Bovespa	52 338,19	-2,61%	-14,13%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.12
Euro/USD	1,35	0,07%	2,54%
USD/RUB	32,35	0,53%	6,49%
Euro/RUB	43,65	0,35%	8,50%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.12
Gold, USD/oz	1 329,03	-0,59%	-20,67%
Brent*, USD/bbl	108,37	-0,24%	-2,47%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2600
Capitalisation**, billion RUB	10,98
Capitalisation**, million USD	339,36

Source: Central Bank of Russia, Company calculations

** - at the price of last transaction at MICEX

Russian indexes	Change for the day	from 31.12.12
MICEX-Power Index	-2,42%	-36,39%
Shares of IDGC of Centre**	-3,49%	-56,67%

Source: MICEX, Company calculations

Grid companies	Change** for the day	fr 31.12.12
JSC Russian Grids	-5,57%	-51,46%
FGC UES	-3,67%	-50,84%
IDGC of Volga	-2,57%	-58,41%
MOESK	-0,32%	-22,05%
IDGC of Northern Caucasus	-0,86%	-34,64%
IDGC of Centre and Volga Reg	-2,84%	-51,82%
IDGC of North-West	-5,19%	-47,49%
IDGC of Urals	-1,95%	-60,99%
IDGC of Siberia	0,00%	-10,23%
IDGC of South	-0,03%	-35,47%
Lenenergo	-1,70%	-50,44%

Source: MICEX, Company calculations

** - at the price of last transaction at MICEX

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Tickers

Moscow Exchange
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Reuters

MRKC
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