



IDGC OF CENTRE

# DAILY MARKET REVIEW

19 December, Friday

2014

## REVIEW OF STOCK MARKETS

Before the opening of trading on 18 December some moderately positive external background formed on the Russian market. On Wednesday the U.S. indices DJIA and S&P500 rose by 1.7-2.0%, the growth in the indices was the highest this year. The composite MSCI Asia Pacific index added more than half a percent. Investors' optimism was driven by the US Federal Reserve statements and recovery of oil prices. The Fed after its meeting on December 16-17 cancelled the phrase to keep rates low "for a substantial period of time" after the end of quantitative easing (QE), replacing it with the promise to "be patient" with respect to the normalization of monetary policy. At the same time, as stated in the report, the US Central Bank continues to believe this forecast corresponds to the former wording. From a press conference of Head of the Federal Reserve that followed the meeting, writes Bloomberg, analysts concluded that the regulator had no intention of immediate normalization of monetary policy in the absence of inflationary pressures. January Brent traded around \$61.3 per barrel – nearly a dollar higher than our closing on 17 December. According to experts, the rise in oil prices is rather corrective in nature after active sales last week. From a fundamental point of view, the pressure on the oil market persists. According to media reports, Iran is going to lower the price of oil to Asia, US Department of Energy data show that the country's oil production increased to a maximum of 1983.

The raised oil and continued strengthening of the ruble became the main drivers of the rally in the Russian market on Thursday – in the middle of the day MICEX Index growth was 6.5%. Our market was supported with positive sentiment on European markets – major indexes added an average of more than 2% on the Fed's statement and good statistics. In Germany the IFO business confidence index rose in December for the second month in a row, the UK retail sales growth in November was the highest for last 11 months, in the U.S. data on applications for unemployment benefits and the index of leading economic indicators in November were better than expected. However, in the afternoon the MICEX Index retreated from daily highs against the backdrop of renewed decrease in oil quotations – the price of February Brent, which reached in the middle of the trading session the level of \$63.5 per barrel, by the end of the day fell to \$61 per barrel.

By the end of trading session the MicexPWR Sector Index looked better than the MICEX Index – profit taking on the Russian market amid falling oil prices to a lesser degree affected stocks of electric utilities. The main contribution to the overall MicexPWR growth was made by shares of RusHydro and FGC UES. On Western exchanges the European DJStoxx Index added 2.95%, and the U.S. S&P Index rose by 2.40%.

## ELECTRIC POWER INDUSTRY NEWS

**The level of indexation for 2015 not planned to be reviewed so far**

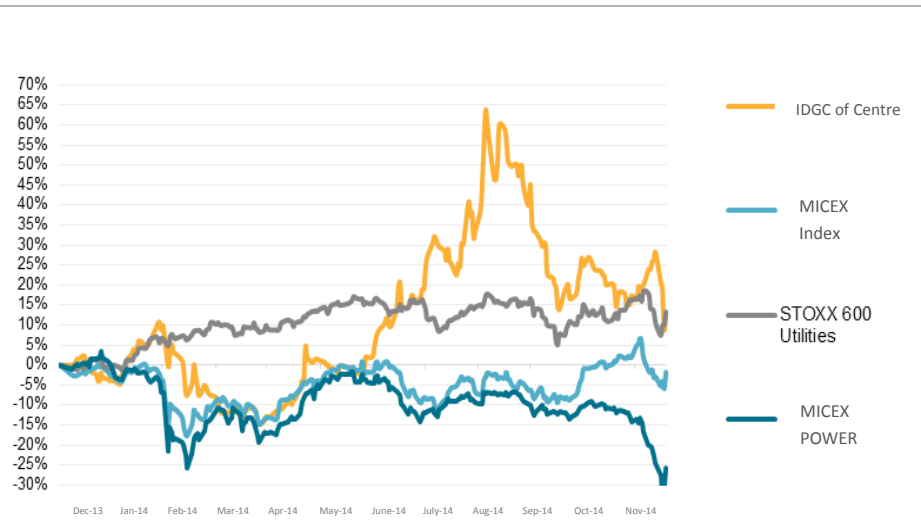
To read full text: <http://www.bigpowernews.ru/news/document60804.phtml>

## COMPANY NEWS

**Sticking to the plan**

To read full text: <http://www.kommersant.ru/doc/2634191?isSearch=True>

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 477,27	4,49%	-1,78%
S&P 500	2 061,23	2,40%	11,52%
FTSE 100	6 466,00	2,04%	-4,19%
DAX	9 811,06	2,79%	2,71%
DJStoxx 600	339,05	2,95%	3,29%
STOXX Utilities	315,24	2,94%	13,26%
Nikkei	17 210,05	2,32%	5,64%
Sensex	27 126,57	1,56%	28,13%
CSI300	3 345,93	-0,44%	43,60%
Bovespa	48 495,70	-0,45%	-5,85%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,23	-1,04%	-10,91%
USD/RUB	67,79	10,85%	107,10%
Euro/RUB	84,59	11,08%	88,10%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 198,57	0,74%	-0,26%
Brent*, USD/bbl	59,27	-3,12%	-43,77%

\* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2470
Capitalisation**, billion RUB	10,43
Capitalisation**, million USD	153,84

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	6,15%	-25,73%
Shares of IDGC of Centre**	3,78%	12,99%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	7,05%	-52,12%
FGC UES	11,23%	-57,03%
IDGC of Volga	1,20%	11,06%
MOESK	-3,15%	-11,47%
IDGC of Northern Caucasus	4,80%	-22,28%
IDGC of Centre and Volga Reg	2,83%	39,91%
IDGC of North-West	4,37%	-15,87%
IDGC of Urals	1,21%	-8,26%
IDGC of Siberia	-2,87%	24,96%
IDGC of South	6,88%	-8,33%
Lenenergo	4,19%	-25,00%

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](mailto:ir@mrsk-1.ru)

## Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM