



IDGC OF CENTRE

DAILY MARKET REVIEW

06 August, Wednesday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on the 05th of August some neutral external background formed on the Russian market. On Monday the major U.S. indices closed with a growth of 0.5-0.7% on good reporting of a number of companies and news from Portugal and the development of the salvation plan of the second largest bank Banco Espirito Santo. At the same time, the composite MSCI Asia Pacific stock index lost 0.7%, futures for the U.S. S&P500 were 0.2% down on weak statistics from China, where the index of business activity in the services sector, calculated by HSBC and Markit Economics, fell in July to a record low of 50 points. September Brent traded around \$105.5 per barrel – at the level of our closing on the 04th of August.

On Tuesday the Russian market was again under pressure with the Ukrainian factor, in the second half of the trading session the loss of the MICEX Index exceeded 1.5%. At this time sales were triggered by investors' fears regarding the possible outbreak of sanctions war between Russia and the West. The reason for this was the information of the newspaper Vedomosti that in response to sanctions against the lowcoster LLC "Dobrolet" (100% of the shares owned by Aeroflot), as a result of which the company was forced to stop flying, Russia may limit or prohibit the transit of European airlines' flights from Europe to Asia through its territory. Against this background, outsiders were shares of Aeroflot, which fell on the daily minimum almost 8%: firstly, according to Vedomosti, Trans-Siberian payments bring the company about \$300 million, and secondly, increasing the risks of introduction of retaliatory sanctions against the very Aeroflot. Moderately positive dynamics of European markets held our market from greater reduction, where the indices, ignoring the decline of American futures and which appeared slightly below expectations statistics on business activity in July and retail sales in June, rose on good quarterly reporting of a number of companies. At the end of the day the MICEX index was trying to play back some of its losses after the publication of strong statistics from the United States – the index of business activity in the services sector in July rose to a peak since December 2005, an increase in orders of industrial enterprises in June was higher than expected. However, according to the results of the auction at the closing the MICEX index was back to levels of daily losses.

By the end of the trading session the dynamics of the MicexPWR Sector Index looked better than the market – active sales mainly affected the "blue chips" of our market. On Western exchanges the European DJStoxx 600 Index rose 0.29%, and the U.S. S&P Index closed with a loss of 0.97%.

ELECTRIC POWER INDUSTRY NEWS

Electricity consumption in Russia in July 2014 increased by 0.6%, in January-July – decreased by 0.8%

To read full text: <http://www.bigpowernews.ru/news/document57745.phtml>

The Government approved the maximum prices for power for Competitive Power Delivery Selection-2015 at Competitive Power Delivery Selection-2014

To read full text: <http://www.bigpowernews.ru/news/document57733.phtml>

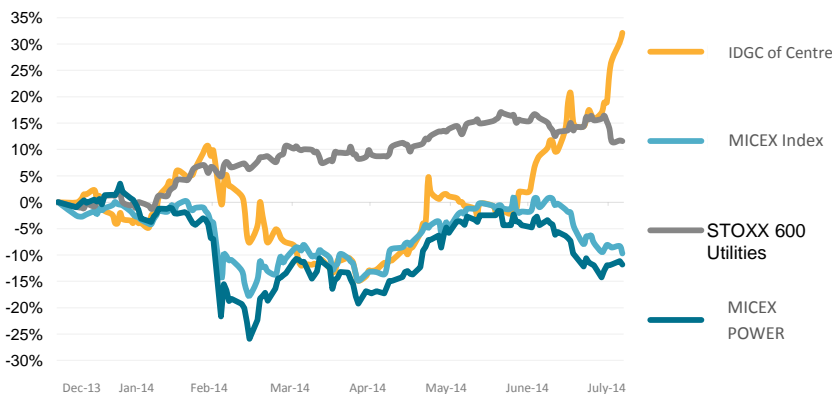
COMPANY NEWS

Kurskenergo increases the volume of grid connection

For the six months of 2014 IDGC of Centre - Kurskenergo division filed 2,076 requests for grid connection, which is 44% more than the same period last year, with the total capacity of 87.51 MW.

To read full text: <http://www.46tv.ru/line/kursk/031010/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 357,89	-1,53%	-9,72%
S&P 500	1 920,21	-0,97%	3,89%
FTSE 100	6 682,48	0,07%	-0,99%
DAX	9 189,74	0,39%	-3,79%
DJStoxx 600	332,10	0,29%	1,17%
STOXX Utilities	310,54	-0,13%	11,57%
Nikkei	15 320,31	-1,00%	-5,96%
Sensex	25 908,01	0,72%	22,38%
CSI300	2 369,35	-0,26%	1,69%
Bovespa	56 202,10	-0,73%	9,12%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,34	-0,36%	-3,05%
USD/RUB	35,66	-0,19%	8,96%
Euro/RUB	47,87	0,09%	6,44%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 288,78	0,04%	7,25%
Brent*, USD/bbl	104,61	-0,76%	-3,02%

* - September futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2888
Capitalisation**, billion RUB	12,19
Capitalisation**, million USD	341,91

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	-0,78%	-11,83%
Shares of IDGC of Centre**	1,37%	32,11%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	-1,78%	-36,16%
FGC UES	-1,15%	-39,70%
IDGC of Volga	-0,92%	-0,40%
MOESK	-0,22%	-26,23%
IDGC of Northern Caucasus	0,39%	-1,23%
IDGC of Centre and Volga Reg	-2,67%	63,04%
IDGC of North-West	3,02%	18,80%
IDGC of Urals	-1,10%	-11,38%
IDGC of Siberia	0,00%	25,53%
IDGC of South	-0,91%	25,02%
Lenenergo	-0,91%	13,19%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

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