



IDGC OF CENTRE

# DAILY MARKET REVIEW

14 November, Friday

2014

## REVIEW OF STOCK MARKETS

Before the opening of trading on 13 November some neutral external background formed on the Russian market. The U.S. indices DJIA and S&P500 are consolidating at record levels, on Wednesday the reduction of the indicators was 0.1%. On Thursday most major stock indices of the Asia-Pacific region showed negative dynamics under pressure of statistics from China – in October data on industrial production, retail sales, investment were worse than expected. Only the Japanese Nikkei traded in the black, adding more than a percent on increased expectations of early parliamentary elections in the country and postponement of the next increase in the consumption tax. December Brent traded around \$80 per barrel – a dollar below our closing on 12 November. The negative factor for the oil market was still the OPEC's reluctance to reduce oil production quotas in growing imbalance of supply and demand. According to analysts of JPMorgan, who cut their outlook for oil prices in 2015-2016 by 25% at once, to \$82-88 per barrel, oil quotes may fall to \$70 a barrel and even touch the level of \$65 in early January 2015, if at the November meeting OPEC does not decide to reduce production quotas.

Despite the half-point rise in European markets recovering from yesterday's sales, the MICEX Index in the first half of the day was in a small minus. Negative background for the Russian market was both the decline in oil prices, which for the first time since September 2010 went below \$80 per barrel, and the growth of geopolitical risks associated with Ukraine. On the eve the UN Security Council held an emergency meeting on the situation in Ukraine, initiated by the United States and Australia, where representatives of Western countries accused Russia of escalating the Ukrainian conflict. The reason for these accusations was the information of NATO that several Russian convoys with military equipment and military personnel entered Ukraine over the past few days. Despite Russia's denials of this information, the U.S. once again began to tighten the sanctions rhetoric, saying about possibility of broadening and deepening of sanctions against Russia. In the second half of the trading session the MICEX Index drop exceeded a percent amid falling oil below \$79 per barrel and reversal of the dynamics of European exchanges. Next update of records of the U.S. DJIA and S&P500 in early trading, despite released worse than expected statistics on applications for unemployment benefits, and restoration of positive sentiment in Europe, could not provide support to our market.

By the end of the trading session the MicexPWR Sector Index looked better than the market with a percent growth of shares of RusHydro, which could be supported by optimistic forecasts of economic efficiency of the joint venture with Chinese partners for the construction of the Leningrad hydroelectric pumped storage power station and flood control hydroelectric power stations in the Far East. On Western exchanges the European DJStoxx Index rose by 0.23%, and the U.S. S&P Index closed near zero.

## ELECTRIC POWER INDUSTRY NEWS

### Energy companies insist on the prosecution of co-founders of "Energostrim"

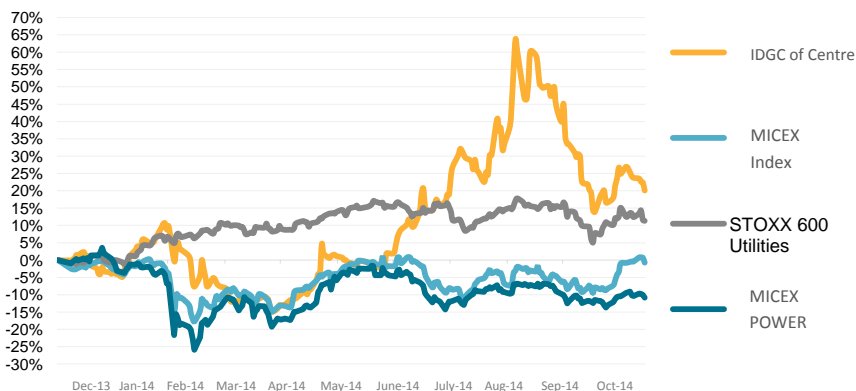
To read full text: <http://www.bigpowernews.ru/news/document59926.phtml>

## COMPANY NEWS

### The Annual Report of IDGC of Centre, JSC for 2013 was recognized the best in the level of disclosure of corporate governance practices

To read full text: [http://www.mrsk-1.ru/ru/press/news/company/?id\\_4=89810](http://www.mrsk-1.ru/ru/press/news/company/?id_4=89810)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.13	
MICEX	1 492,27	-1,42%	-0,79%
S&P 500	2 039,33	0,05%	10,33%
FTSE 100	6 635,45	0,37%	-1,68%
DAX	9 248,51	0,41%	-3,18%
DJStoxx 600	335,86	0,23%	2,32%
STOXX Utilities	309,80	-0,24%	11,31%
Nikkei	17 392,79	1,14%	6,76%
Sensex	27 940,64	-0,24%	31,98%
CSI300	2 579,75	-0,56%	10,72%
Bovespa	51 846,03	-2,14%	0,66%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.13	
Euro/USD	1,25	0,21%	-9,60%
USD/RUB	46,34	0,84%	41,58%
Euro/RUB	57,86	1,42%	28,66%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.13	
Gold, USD/oz	1 162,55	0,00%	-3,25%
Brent*, USD/bbl	77,49	-4,47%	-26,82%

\* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2625
Capitalisation**, billion RUB	11,08
Capitalisation**, million USD	239,16

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.13	
MICEX-Power Index	-0,99%	-10,89%
Shares of IDGC of Centre**	-1,87%	20,08%

Source: MOEX, Company calculations

Grid companies	Change** for the day fr 31.12.13	
JSC Russian Grids	-3,46%	-34,34%
FGC UES	-1,42%	-40,14%
IDGC of Volga	-0,43%	1,62%
MOESK	0,00%	-28,02%
IDGC of Northern Caucasus	-2,03%	-6,41%
IDGC of Centre and Volga Reg	-1,92%	51,18%
IDGC of North-West	0,00%	-8,48%
IDGC of Urals	2,06%	-6,85%
IDGC of Siberia	2,37%	34,75%
IDGC of South	-1,10%	11,25%
Lenenergo	0,00%	-0,22%

Source: MOEX, Company calculations

\*\* - at the price of last transaction at MOEX

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## Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM